

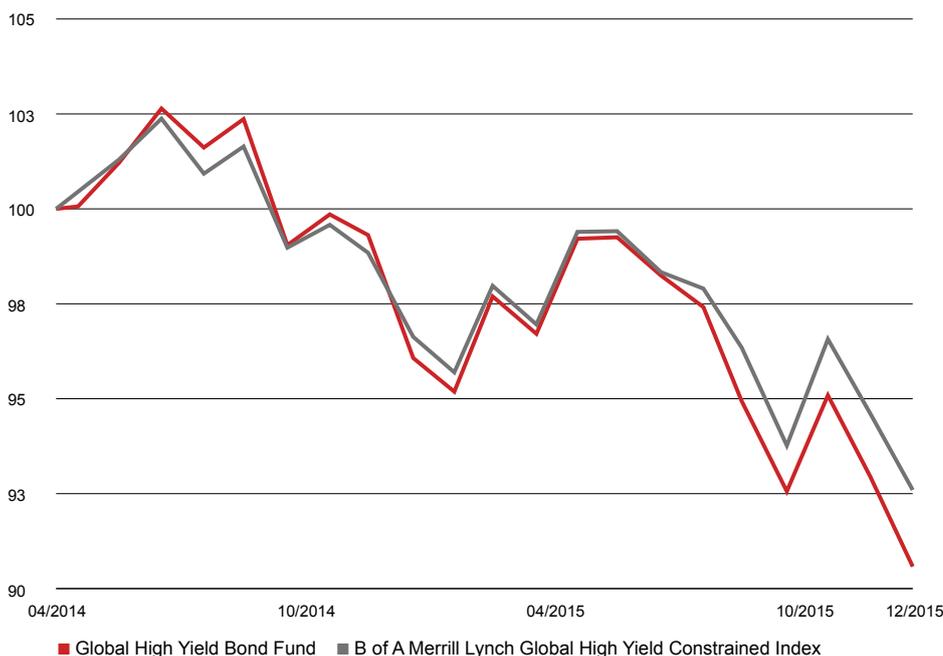
Fund Review

The fund underperformed the benchmark by 0.42% during December (net of fees and other expenses). The US high yield market was down 2.58% in December. The continued decline in oil prices and other commodity prices remains the biggest driver. The continued strength of the US dollar is a drag on commodity industries as well as US exporters. Weakness continued in CCC credits as the market is growing concerned with global growth and the prospects for a slowdown in the US. Euro High Yield was down 3% as it caught up with the US market after strong outperformance in November. While its relative lack of exposure to commodities and higher ratings distribution is a help, there was a surprise credit problem which cost the market 60 basis points when the Portuguese government imposed losses on the creditors of its largest bank. Emerging Market High Yield was down 2.76% in December as commodity weakness and global growth concerns remain a challenge. The issues in Brazil remain a headwind and the outlook for slower Chinese growth is a negative for many EM countries.

We think US HY is experiencing a very bearish market and a tremendous bifurcation of risk premiums. The spread of CCCs vs. BBs is wider now than at any point since mid-2009, including the bear market of 2011. While a portion of this risk aversion is justified, in general we think it's gone too far. Our outlook for 2016 is for a rebound in the market, dependant on various factors - the performance of the US and global economy, the price of oil and other commodities, and the US dollar.

As of December 31, 2015, our top ten industry exposures, by Bank of America Merrill Lynch level 4, accounted for 48.90% of the portfolio. Our top ten individual credit exposures show our preference for what we believe are higher quality names with strong and improving credit fundamentals. These credits are chosen based on what we believe are strong credit fundamentals, improving industry trends, and leverage to general economic strength in varying segments of the economy.

Performance of USD 100 since inception against Benchmark



Cumulative performance in USD (%) of Class I shares

	1 Mth	3 Mth	YTD	1 Yr	3 Yr	Since Inception
Fund	-2.55	-2.14	-5.71	-5.71	n/a	-9.42
Benchmark	-2.13	-1.25	-4.17	-4.17	n/a	-7.40

Standardised performance as at 31 December 2015 in USD (%) of Class I shares

	2015/2014	2014/2013	2013/2012	2012/2011
Fund	-5.71	n/a	n/a	n/a
Benchmark	-4.17	n/a	n/a	n/a

Source: Nomura Asset Management U.K. Ltd based on Net Asset Value per share calculated by BBH, in USD.

December 2015

Investment Objective

To achieve current yield and capital gains, through investment in a diversified portfolio of primarily high yielding debt securities from global issuers denominated in mostly Dollars and Euros as well as other currencies.

Investment Style

- Bottom up approach to identifying companies with top down perspective in regional allocations and risk posture. Conservative portfolio management aiming to control risk and preserve capital.

Benchmark

B of A Merrill Lynch Global High Yield Constrained Index

Key Facts

Launch Date	14th April 2014
Fund Type	ICVC
Domicile	Ireland
Base Currency	USD
NAV Currencies	EUR, USD
Year End	31 December
Morningstar Sector	Global High Yield Bond
Bloomberg (A)	NGHYBAE
Bloomberg (I)	NGHYIUS
ISIN (A)	IE00BK0SCT66
ISIN (I)	IE00BK0SCX03
Trading Cutoff	17:00 GMT (T-1)
Trading Frequency	Daily
Valuation	Daily
Valuation Time	15:00 GMT
Settlement	T + 4
Fund Size	USD 22.66 m
Number of holdings (Issues)	383
NAV (A Share)	N/A
NAV (I Share)	USD 90.58

Top 10 Holdings

	% active weight
Charter Communications	1.82
Cemex Materials	1.52
Digicel	1.51
Valeant Pharmaceuticals	1.43
T-Mobile USA	1.37
Sprint	1.27
Ally Financial	1.15
HCA	1.03
Progroup	1.02
Neptune	0.94

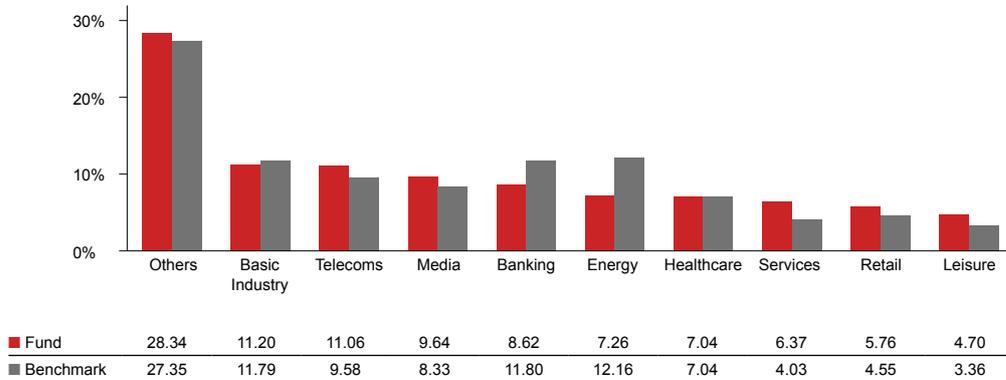
Top 10 Overweight

	% active weight
Digicel	1.28
Charter Communications	1.14
Cemex Materials	1.02
Progroup	1.00
Neptune	0.94
Franshion Development	0.91
Credit Suisse	0.88
ICTSI Treasury	0.86
CAR	0.86
Sritex	0.85

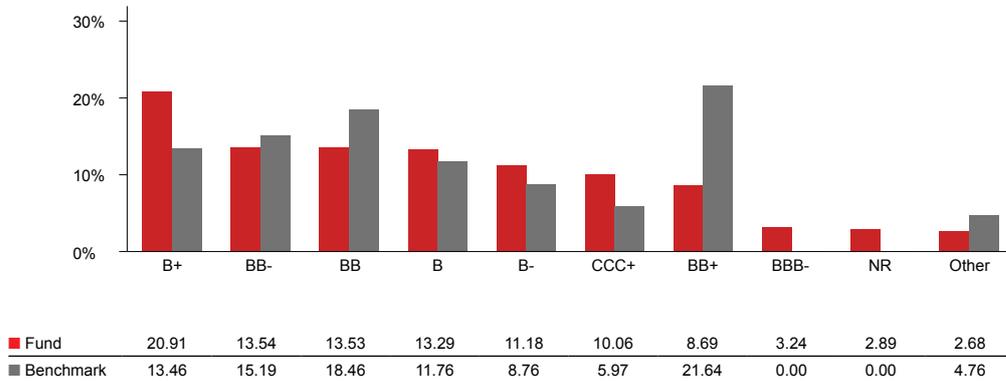
Top 10 Underweight

	% active weight
Petrobras	-0.84
Telecom Italia	-0.74
Gazprom	-0.55
Tenet Healthcare	-0.55
ArcelorMittal	-0.50
Royal Bank of Scotland	-0.46
CIT	-0.45
Petroleos de Venezuela	-0.35
Navient	-0.35
Cablevision Systems	-0.32

Industry Breakdown



Top 10 S&P Rating Distribution



The fund is a sub-fund of Nomura Funds Ireland plc, which is authorised by the Central Bank of Ireland as an open-ended umbrella investment company with variable capital and segregated liability between its sub-funds, established as an undertaking for Collective Investment in Transferable Securities under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011. This document was prepared by Nomura Asset Management U.K. Ltd and is not intended for distribution to or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation. The shares in the fund have not been and will not be offered for sale in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to United States Persons. This document is not intended in any way to indicate or guarantee future investment results as the value of investments may go down as well as up. Values may also be affected by exchange rate movements and investors may not get back the full amount originally invested. Investment in high yield securities generally entails increased interest rate, credit, liquidity and market risk. Investment in non-investment grade securities may subject the fund to heightened litigation risks and / or prevent their disposal. Investment in securities of distressed entities may involve sudden and erratic price movements and volatility. Before purchasing any investment fund or product, you should read the related prospectus and fund documentation, including full details of all the risks associated with it, to form your own assessment and judgement on whether this investment is suitable in light of your financial knowledge and experience, investment objectives and financial or tax situation and whether to obtain specific advice from an investment professional. The prospectus and Key Investor Information Document are available in English from the Nomura Asset Management U.K. Ltd website at www.nomura-asset.co.uk Nomura Asset Management U.K. Ltd. is authorised and regulated by the Financial Conduct Authority. Portfolio data source: Nomura Asset Management U.K. Ltd

Investment Manager

Nomura Corporate Research and Asset Management Inc.

Fund Manager

David Crall has over 21 years of investment experience and has been with Nomura since 1992.



Share Class Details

	Class A	Class I
Management Fee	1.00%	0.50%
Min Initial Sub	\$5,000	\$1m
Min Further Sub	\$2,500	\$250k
Initial Commission	Max 5.00%	0.00%

Registered for sale

Austria, Belgium, Denmark, Finland, France, Germany, Italy, The Netherlands, Norway, Spain, Sweden, The United Kingdom, Ireland, Switzerland

Fund Dealing

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