

MEDIA RELEASE

For immediate release

EASTSPRING INVESTMENTS BERHAD LAUNCHES EASTSPRING INVESTMENTS ASIAN HIGH YIELD BOND MY FUND & EASTSPRING INVESTMENTS JAPAN DYNAMIC MY FUND

Two new opportunities that rely on Eastspring Investments' strong heritage and proven track record to deliver potential returns and income from Asian high yield bonds and Japan equities.

17 June, Kuala Lumpur – Eastspring Investments Berhad announced the launch of two new Wholesale (Feeder) Funds for qualified investors in Malaysia.

The first is the **Eastspring Investments Asian High Yield Bond MY Fund** which aims to maximise income and capital appreciation. This fund feeds into the Eastspring Investments - Asian High Yield Bond Fund (“AHYBF Target Fund”), that invests primarily¹ in Asian high yield bonds; and

The second is the **Eastspring Investments Japan Dynamic MY Fund** which aims to generate long-term capital appreciation. This fund feeds into the Eastspring Investments – Japan Dynamic Fund (“JDF Target Fund”) that invests primarily¹ in securities of companies in Japan.

“Both funds operate against a favourable constructive macroeconomic backdrop in their respective markets, which makes investing in these funds a viable option for qualified investors,” said Lynn Cheah, Chief Executive Officer of Eastspring Investments Berhad.

Why Asian High Yield Bonds?

The return of Asian high yield bonds are typically higher as compared to other fixed income segments, such as investment grade bonds as well as similarly rated bonds in the developed markets.

Historically, Asian high yield bonds have delivered one of the most attractive yields compared to the other regions. This translates to favourable coupon rates for investors as potentially attractive source of income.

The Eastspring Investments Asian High Yield Bond MY Fund aims to provide attractive quarterly income distribution, derived from the AHYBF Target Fund which has been offering investors attractive regular distributions².

Why Japan?

Japan has become recognized for its attractively valued companies with sound fundamentals and strong balance sheet health. The concerted restructuring efforts of many Japanese companies is now helping to deliver earnings growth, which the fund manager of the JDF Target Fund believe is yet to be reflected in higher share prices in a number of cases they identify.

In the years since the Lehmans shock, the pace of change in Japan has increased. Corporates are far more focused on cash flow return on investment, and other measures of business efficiency than in the past. The days of bloated workforces, large and weak balance sheets, excessive investments with low returns are largely behind corporate Japan.

¹ Primarily means at least 66% of the respective target funds' net asset value.

² Past performance is not necessarily indicative of the future performance.

The fund manager of the JDF Target Fund believes this long period of adjustment has largely run its course. A look at recent increase in bank lending and an ever tightening labour market indicate that the days of large excesses of supply of capital and labour in Japan are now largely over. Wages have also been slowly rising again with summer bonuses seeing the strongest growth since 1991.

Overall the domestic economy, and prospects for corporate earnings in general, now have the best outlook that Japan have had for the last 25 years. This is a solid economic background for the JDF Target Fund managers to pick those businesses which look very cheap compared to the earnings they can generate in the long run.

The JDF Target Fund investment team's approach focuses on spotting price anomalies, where the market price of a stock diverges significantly from the long term fundamental value of the underlying business..

The AHYBF Target Fund and JPF Target Fund are managed by Eastspring Investments (Singapore) Limited ("EIS") Fixed Income and Japan Equity teams who have a proven track record of and have received industry recognition for their superior and consistent investment performance.

Eastspring Investments Asian High Yield Bond MY Fund will be offered in Malaysian Ringgit, Australian Dollar and US Dollar (base currency) and will be hedged against the fund's base currency.

Eastspring Investments Japan Dynamic MY Fund will be offered in Malaysian Ringgit, Australian Dollar, US Dollar, and Japanese Yen (base currency) and will be hedged against the fund's base currency.

Both funds will be available through selected banks and authorized unit trust consultants of Eastspring Investments Berhad, nationwide.

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ABOUT EASTSPRING INVESTMENTS BERHAD

Established in 2000 and based in Kuala Lumpur, Eastspring Investments Berhad is part of Prudential Corporation Asia, the Asia business of Prudential plc of the United Kingdom. The Prudential Group has been investing in Asia since 1863. Eastspring Investments Berhad is one of the leading asset management companies in Malaysia in both institutional and retail, with about RM30.4 billion in assets under management in the country as at 31 March 2015. It manages unit trust funds, wholesale funds as well as private mandates for institutions.

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Investors are advised to read and understand the contents of the Eastspring Investments Asian High Yield Bond MY Fund and the Eastspring Investments Japan Dynamic MY Fund (collectively referred to as "Funds") Information Memorandums each dated 16 June 2015 ("Info Memos") and the Funds' Product Highlight Sheets ("PHS") before investing. The Info Memos and PHS are available at offices of Eastspring Investments Berhad

The Info Memos have been deposited with the Securities Commission Malaysia who takes no responsibility for its contents. Units will only be issued upon receipt of the application form. Past performance of the Funds is not an indication of the Funds' future performance. Unit prices and distributions payable, if any, may go down as well as up. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the Net Asset Value ("NAV") per unit will be reduced from pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV. Where a unit split is declared, investors are advised that the value of their investment in the respective class currencies, i.e. Japanese Yen, Malaysian Ringgit, US Dollar and Australian Dollar will remain unchanged after the issue of the additional units.

Investments in the Funds are exposed to fund management of the target fund risk, country risk and currency risk. Investors are advised to consider these risks and other general risks as elaborated in the Info Memos as well as fees and charges involved before investing.

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