Nomura Investment Solutions plc

An investment company with variable capital constituted as an umbrella fund with segregated liability between sub-funds under the laws of Ireland and authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011), (the "Regulations").

Annual Report and Audited Financial Statements
For the year ended 31 March 2014

No subscription can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current Prospectus which will be accompanied by a copy of the latest available annual report and a copy of the latest available semi-annual report, if published after such annual report.

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Directors and Other Information

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Investment Manager	Nomura Alternative Investment Management (Europe) Ltd 1 Angel Lane London EC4R 3AB United Kingdom
Directors of the Company	Jim Cleary (Irish, non executive, independent director) Alan F Crutchett (British, non executive) Vincent Dodd (Irish, non executive, independent director)
Administrator, Registrar and Transfer Agent	BNP Paribas Fund Services Dublin Limited 10-11 Trinity Point Leinster Street South Dublin 2 Ireland
Custodian and Trustee	BNP Paribas Securities Services Dublin Branch 10-11 Trinity Point Leinster Street South Dublin 2 Ireland
Independent Auditors	Deloitte & Touche Charterd Accountants and Registered Auditors Deloitte & Touche House Earlsfort Terrace Dublin 2 Ireland
Legal Advisers in Ireland	Matheson 70 Sir John Rogerson's Quay Dublin 2 Ireland
Company Secretary	Matsack Trust Limited 70 Sir John Rogerson's Quay Dublin 2 Ireland
Listing Sponsor	Davy Stockbrokers Davy House 49 Dawson Street Dublin 2 Ireland

Investment Manager's Report

Nomura Interest Rate Investment Strategy Fund ("IRIS")

In April, in the US, GDP growth rate was weaker than expected due to a drop in defence expenditure even though consumer spending rose most in 2 years. Lower than expected US inflation increased optimism on further economic stimulus from the Fed. In the Euro area, economic sentiment was weaker than expected and unemployment increased in Spain. In the UK, economy grew 0.3% in Q1 2013, avoiding a triple-dip recession. In Japan, the Bank of Japan unveiled aggressive monetary easing measures to lift the economy out of deflation. Short-term yields fell in the US on stimulus expectations but rose in Europe, UK and Japan. Long-term yields fell in the US, UK and the Euro area but rose in Japan on reduced risk aversion. Swap curves flattened in the US, UK and the Euro area led by falling long-term swap rates and steepened in Japan led by rising long-term swap rates.

In May, in the US, the Federal Reserve indicated easing of asset purchases if the economy continues to improve. In the Euro area, the ECB cut interest rates by 0.25% to 0.5%, responding to a drop in euro zone inflation well below its target level and rising unemployment. In the UK, the Bank of England left its base rate unchanged and upgraded the economic growth forecast. In Japan, economy grew at a better than expected rate in Q1 2013, and the government upgraded its growth outlook. Short-term yields rose across all geographies on reduced stimulus expectation. Long-term yields rose across all geographies on the back of improving risk sentiments and the Federal Reserve hinting a possible tapering of its monthly bond purchase program. Swap curves steepened across all geographies led by rising long-term swap rates.

In June, in the US, the Federal Reserve indicated that it could begin tapering the QE program later this year, if the US economy continues to improve in line with the forecast. In Euro area, the ECB lowered Euro zone growth outlook and kept the policy rate unchanged. In the UK, Bank of England left its policy rate unchanged. In Japan, Bank of Japan raised its assessment of the economy and kept its monetary policy unchanged. Concerns over global economic recovery intensified after the World Bank cut its outlook for global growth, citing slowdown in major emerging markets and deeper than expected recession in the euro area. Short-term yields rose across all geographies except Japan. Long-term yields rose in the US, UK and Euro, triggered by the Federal Reserve's comment on QE tapering. Long-term yields decreased marginally in Japan on hopes of further easing by the BOJ. Swap curves steepened in the US, UK and Euro, led by rising long-term rates. Swap curves flattened in Japan led by falling long-term swap rates.

In July, in the US, the QE tapering fear subsided over the month as the Federal Reserve's dovish comments reinforced an accommodative policy stance. In the Euro area, the ECB reiterated its commitment to keep interest rates low to support economic recovery amid the political crisis in Portugal and the downgrade of Italy's Debt by the S&P. In the UK, Bank of England left its monetary policy unchanged. In Japan, the coalition led by Prime Minister Abe won a majority in the upper house election, boosting hopes of further economic reforms. Short-term yields fell across all geographies as major central banks reiterated that low policy rates will be maintained to support economic recovery. Long-term yields rose in the US amid uncertainty related to Federal Reserve's QE tapering. Long-term yields fell in the UK, Euro and Japan on hopes of further easing. Swap curves steepened in the US led by rising long term rates. Swap curves steepened in the UK and Euro, led by falling short-term rates. Swap curves flattened in Japan led by falling long-term rates.

In August, in the US, Fed maintained its stance on tapering the asset purchase program later this year if the economy continues to improve. The US GDP grew faster than expected last quarter. Euro area's economy emerged from the recession with a 0.3% growth in GDP last quarter and business confidence was better than expected across the region. In the UK, manufacturing data was better than expected while unemployment rate remained unchanged. In Japan, consumer prices increased at the fastest rate since July 2008. Short-term yields rose across all geographies except Japan where the central bank continues to maintain highly accommodative monetary policy. Long-term yields rose across all geographies except in Japan as economic growth rates improved. Swap curves steepened in the US, Euro and the UK led by rising long term rates, and flattened in Japan led by falling long-term rates.

In September, in the US, the Fed decided to continue its asset purchase program. Labour market data was better than expected this month. In Europe, the ECB remained dovish, maintaining its benchmark rate at 0.5%. In the UK, unemployment rate fell while inflation was lower than expected. In Japan, GDP grew at 3.8% QoQ with the consumer price index increasing by 0.9%, its highest increase since August 2008. Short-term yields fell in the US and Euro regions but rallied in the UK and remained unchanged in Japan. Long-term yields fell across all geographies. Swap curves flattened in the US, Euro and the UK led by falling long term rates.

Investment Manager's Report

Nomura Interest Rate Investment Strategy Fund (“IRIS”) (continued)

In October, in the US, the government was shut down till 17th October as lawmakers debated over ‘Obamacare’. U.S. Senate leaders announced a deal to raise US debt ceiling, extending US treasury’s borrowing capacity till February next year. In the UK, economic data was weaker than expected. In the Euro area, economic data was better than expected, showing signs of recovery. In Japan, trade deficit was larger than expected due to weakened currency levels. Short-term yields fell across all regions as the central banks continue to remain accommodative. Long-term yields fell across all geographies. Swap curves flattened across all geographies led by falling long term rates.

In November, in the US, the economy grew at a rate of 2.8% last quarter, exceeding expectations. The Fed continues to maintain its stimulus program. In the Euro area, the central bank cut the benchmark rate and marginal lending facility by 25bps to 0.25% and 0.75% respectively, to guard against deflation. In the UK, industrial production increased but inflation numbers were lower than expected. In Japan, the economy grew faster than expected in the last quarter. The sales tax in Japan is scheduled to rise by 3% in April 2014. Short-term yields fell in the US and Japan but rose in Europe and the UK. Long-term yields rose across all geographies. Swap curves steepened across all geographies led by a sell off at the farther end of the curve.

In December, in the US, the Fed trimmed its monthly bond purchases by $10 billion to $75 billion as U.S economy expanded at 4.1% annualized rate in the third quarter of 2013. In the Euro area, the central bank maintained the benchmark rate at 0.25%. Manufacturing output increased more than expected led by Germany and France. In the UK, industrial production increased and unemployment decreased. In Japan, the economy grew slower than expected and inflation rose to highest level since 2008. Short-term and Long-term yields rose across all geographies as economic indicators showed improvement in global economy. Swap curves steepened across all geographies led by a sell off at the longer end of the curve.

In the US, in January, the Fed announced a further tapering of $10bn in its bond buying program. The unemployment rate in US reduced to 6.7%. In the Euro area, the manufacturing sector expanded and consumer confidence increased more than expected in January 2014. In the UK, unemployment rate was lower than expected and the economy grew at 2.8%, up from 1.9% in the previous quarter. In Japan, the unemployment rate at 3.7% was lower than expected and the inflation rate at 1.6% was higher than expected. Short-term yields fell across all geographies. Long-term yields fell across all geographies on safe haven demand due to a sell-off in emerging market currencies. Swap curves flattened across all geographies led by a sell-off in rates at the longer end of the curve.

In the US, in February, the Fed announced a further tapering of $10 billion in its bond buying program to $65 billion. The unemployment rate in the US reduced to 6.6%. In the Euro area, the ECB left benchmark rate at 0.25%. Services sector expanded less than its initial January 2014 estimate and consumer confidence unexpectedly worsened. In the UK, GDP rose by 0.7% in the fourth quarter. In Japan, the economy grew for the fourth straight quarter though less than expected. Short-term yields increased in Europe and fell in Japan. In the US and the UK yields were almost unchanged. Long-term yields fell in Europe and in Japan and were nearly unchanged in the US and the UK. Swap curves flattened in the US and Europe but steepened in the UK and Japan.

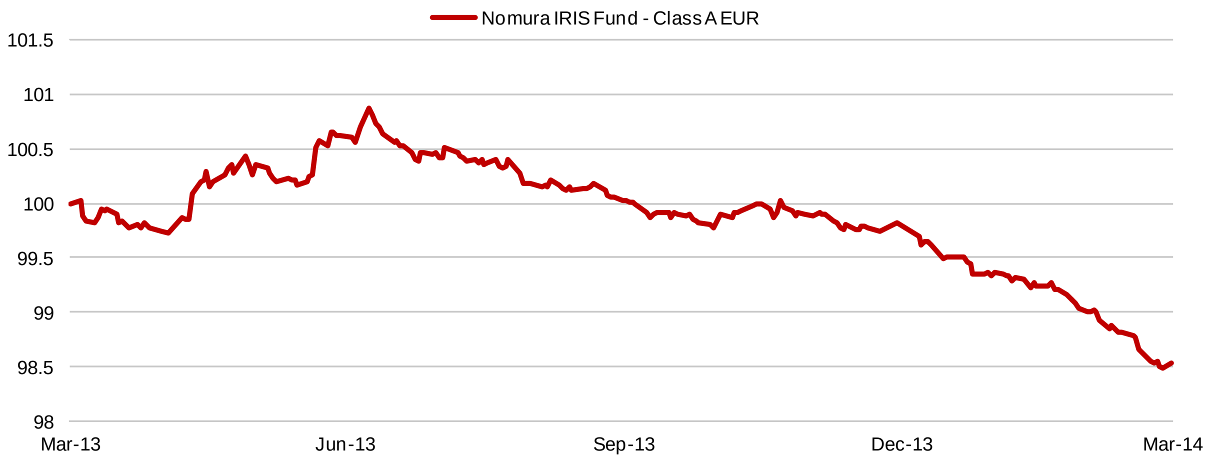
In March, in the US, industrial production was stronger than expected and the economy grew at a rate of 2.6% QoQ. The Fed remained hawkish and raised the Fed funds rate forecast for December 2016 from 1.75% to 2.25%. The Fed also reduced its monthly bond purchases by $10 billion, to $55 billion. In the Euro area, the ECB left benchmark rate at 0.25%. Political tensions in the Crimea region led to a rally in rates in the second week of March. In the UK, trade deficit widened because of lower exports and inflation was recorded at 1.7%, lowest since October 2009. In Japan, the economic growth was weaker than expected and industrial production for February contracted according to preliminary reports. Short-term yields rose across all the G4 markets whilst long-term yields fell in Europe but rose in the US, UK and Japan. Swap curves flattened in the US, UK and Europe but steepened in Japan.

Investment Manager's Report (continued)

Nomura Interest Rate Investment Strategy Fund ("IRIS") (continued)

Nomura IRIS Fund – Class A EUR

Month	Monthly Return	AuM (EUR)
April 2013	-0.25%	2,929,490
May 2013	0.62%	2,536,500
June 2013	0.26%	1,309,480
July 2013	-0.20%	1,146,720
August 2013	-0.24%	1,110,500
September 2013	-0.15%	910,290
October 2013	-0.19%	823,060
November 2013	0.07%	652,430
December 2013	-0.08%	587,760
January 2014	-0.46%	585,040
February 2014	-0.33%	548,480
March 2014	-0.52%	459,310

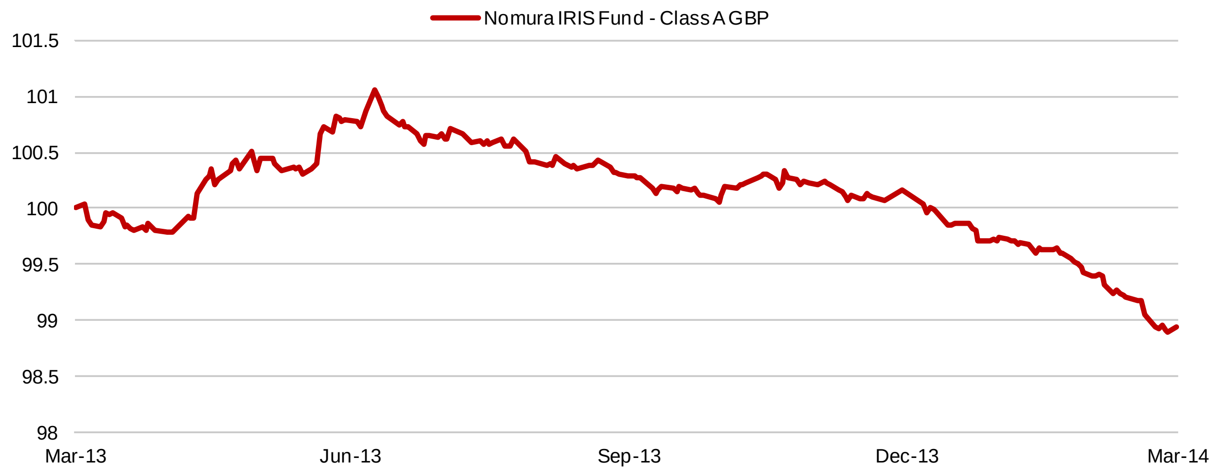


Nomura IRIS Fund – Class A GBP

Month	Monthly Return	AuM (GBP)
April 2013	-0.21%	1,311,680
May 2013	0.67%	1,321,710
June 2013	0.34%	122,270
July 2013	-0.17%	123,460
August 2013	-0.21%	113,620
September 2013	-0.12%	96,110
October 2013	-0.16%	97,650
November 2013	0.10%	86,050
December 2013	-0.06%	86,000
January 2014	-0.43%	58,810
February 2014	-0.30%	59,330
March 2014	-0.50%	59,040

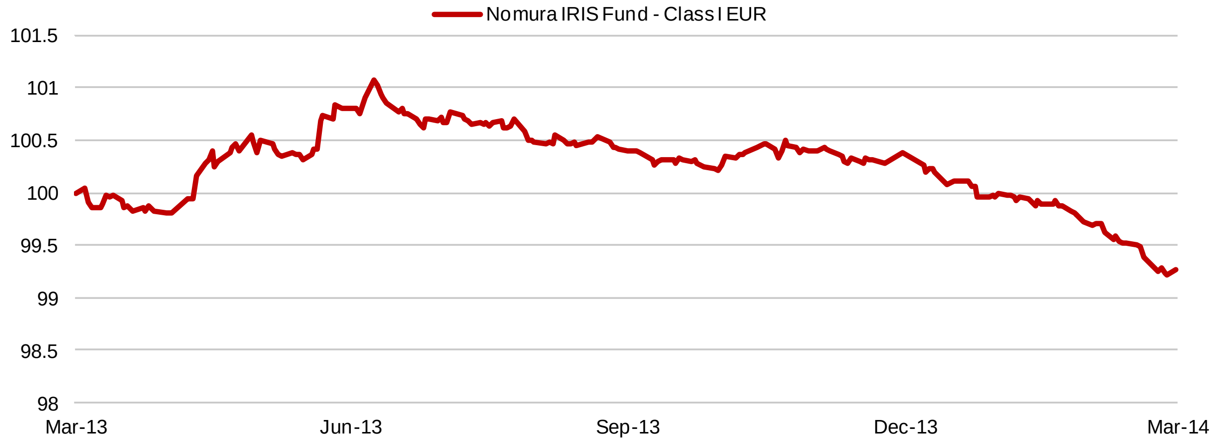
Investment Manager's Report (continued)

Nomura Interest Rate Investment Strategy Fund ("IRIS") (continued)



Nomura IRIS Fund – Class I EUR

Month	Monthly Return	AuM (EUR)
April 2013	-0.19%	28,202,780
May 2013	0.68%	28,389,120
June 2013	0.31%	867,960
July 2013	-0.13%	866,790
August 2013	-0.18%	865,210
September 2013	-0.09%	864,420
October 2013	-0.13%	856,350
November 2013	0.13%	857,480
December 2013	-0.02%	857,300
January 2014	-0.39%	853,920
February 2014	-0.27%	848,180
March 2014	-0.45%	844,340

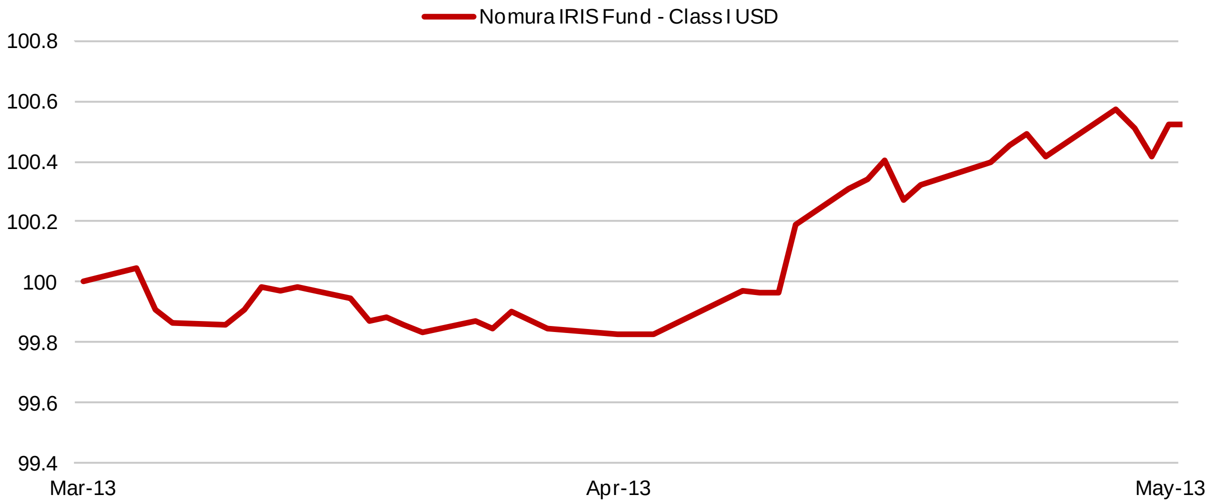


Investment Manager's Report (continued)

Nomura Interest Rate Investment Strategy Fund (“IRIS”) (continued)

Nomura IRIS Fund – Class I USD

Month	Monthly Return	AuM(USD)
April 2013	-0.17%	975,510
May 2013*	0.69%	982,270



*The share class was closed on 31 May 2013

Enhanced Core Euro Sovereign Bond Fund

The Fund gained 1.31% in the month of April while the iBOXX leg had an average duration of approximately 6.65 years. The Index allocated 11.58% in Belgian Bonds (AAu Rated, average duration of 6.73 years), 34.23% in German Bonds (AAAu rated, average duration of 6.79 years); 42.06% in French Bonds (AA+u rated, average duration of 6.53 years) and 12.13% in Dutch Bonds (AAAu rated, average duration of 6.64 years). Bond performances were overall positive for the month. Dutch and German bonds contributed the least during the month (1.44% and 0.46% respectively). French and Belgian bonds contributed the most (1.84% and 1.95% respectively). The markets focused their attention on the weak European economy and renewed concerns regarding Cyprus, however this was partially balanced when Italy managed to constitute a coalition government on the 29th, ending two months of political instability, which reassured the markets.

The Fund lost -1.84% in the month of May while the iBOXX leg had an average duration of approximately 6.59 years. The Index allocated 11.96% in Belgian Bonds (AAu Rated, average duration of 6.56 years), 34.84% in German Bonds (AAAu rated, average duration of 6.72 years); 41.06% in French Bonds (AA+u rated, average duration of 6.52 years) and 12.14% in Dutch Bonds (AAAu rated, average duration of 6.52 years). Bond performances were overall negative for the month. German and French bonds contributed the least during the month (-1.44% and -1.46% respectively). Belgian and Dutch bonds contributed the most (-1.69% and -1.49% respectively). With the weak European economy in the background, risk-aversion and the price of safer assets went down as the ECB announced it would maintain the economic stimulus, and repeated this statement later in the month, which continued to reassure the markets after Federal Reserve chairman Ben Bernanke's comments on the 23rd of the month hinted at a possible stimulus pull-back. This affected the Fund negatively.

Investment Manager's Report (continued)

Enhanced Core Euro Sovereign Bond Fund (continued)

The Fund lost -1.95% in the month of June while the iBOXX leg had an average duration of approximately 6.55 years. The Index allocated 11.64% in Belgian Bonds (AAu Rated, average duration of 6.80 years), 34.68% in German Bonds (AAAu rated, average duration of 6.67 years); 41.14% in French Bonds (AA+u rated, average duration of 6.44 years) and 12.54% in Dutch Bonds (AAAu rated, average duration of 6.36 years). Bond performances were overall negative for the month. German and French bonds contributed the least during the month (-1.41% and -1.80% respectively). Dutch and Belgian bonds contributed the most (-1.83% and -2.50% respectively). Bond prices were affected by fears of Quantitative Easing tapering. The Federal Reserve Chairman Bernanke announced his expectation of a reduced rate of bond buying later in 2013, and his intention to end QE3 by mid-2014. This resulted in the general strengthening of the US dollar and a reduction of risk appetite: as a reaction, short-term and long-term yields soared in all geographies, which reflected negatively on bond prices.

The Fund gained 0.58% in the month of July while the iBOXX leg had an average duration of approximately 6.65 years. The Index allocated 12.03% in Belgian Bonds (AAu Rated, average duration of 6.71 years), 36.90% in German Bonds (AAAu rated, average duration of 6.67 years); 39.16% in French Bonds (AA+u rated, average duration of 6.51 years) and 11.90% in Dutch Bonds (AAAu rated, average duration of 7.01 years). Bond performances were overall positive for the month. German and Dutch bonds contributed the least during the month (0.54% and 0.94% respectively). French and Belgian bonds contributed the most (1.07% and 1.06% respectively). Announcements by central banks on the continuation of stimulus measures for the time being had a positive impact on bonds. ECB President Mario Draghi announced on the 4th that rates would remain at most at their current low levels, saying that stimulus measures would not be cut in the near future. This was further reinforced by the Federal Reserve's comments on the 11th, according to which there would be no imminent start of stimulus withdrawal.

The Fund lost 1.35% in the month of August while the iBOXX leg had an average duration of approximately 6.56 years. The Index allocated 12.29% in Belgian Bonds (AAu Rated, average duration of 6.63 years), 32.80% in German Bonds (AAAu rated, average duration of 6.81 years); 43.14% in French Bonds (AA+u rated, average duration of 6.26 years) and 11.77% in Dutch Bonds (AAAu rated, average duration of 6.89 years). Bond performances were overall negative for the month. Belgian and Dutch bonds had the most negative performance during the month (-1.34% and -1.13% respectively). French and German bonds contributed the least (-1.04% and -1.11% respectively).The positive economic data coming from Europe, where the GDP beated expectations and grew 0.3% and business confidence was better than expected, and the growth in GDP of the US contributed to the negative performance of the bond sector. In the US, Fed also maintained its position on tapering the asset purchase program later this year if the economy keeps improving.

The Fund gained 0.88% in the month of September while the iBOXX leg had an average duration of approximately 6.55 years. The Index allocated 11.79% in Belgian Bonds (AAu Rated, average duration of 6.73 years), 33.08% in German Bonds (AAAu rated, average duration of 6.77 years); 43.36% in French Bonds (AA+u rated, average duration of 6.24 years) and 11.77% in Dutch Bonds (AAAu rated, average duration of 6.89 years). Bond performances were overall positive for the month. Belgian and German bonds had the most positive performance during the month (1.39% and 1.19% respectively). Dutch and French bonds contributed the least (0.93% and 1.02% respectively). Bond market had a positive tone in early September, helped by positive European and Chinese data and receding concerns over Syria. In the US, the Fed decided to continue its asset purchase program. Markets closed the month with an overall air of caution due to political crises in both Italy and the US.

The Fund gained 1.08% in the month of October while the iBOXX leg had an average duration of approximately 6.74 years. The Index allocated 11.75% in Belgian Bonds (AAu Rated, average duration of 6.75 years), 32.72% in German Bonds (AAAu rated, average duration of 6.87 years); 43.80% in French Bonds (AA+u rated, average duration of 6.60 years) and 11.73% in Dutch Bonds (AAAu rated, average duration of 6.87 years). Bond performances were overall positive for the month. Belgian and French bonds had the most positive performance during the month (1.38% and 1.46% respectively). Dutch and German bonds contributed the least (1.25% and 0.80% respectively). European bond market had a positive tone in October, helped by economic data better than expected, showing signs of recovery. Yields fell across all regions as the central banks continue to remain accommodative.

Investment Manager's Report (continued)

Enhanced Core Euro Sovereign Bond Fund (continued)

The Fund gained 0.19% in the month of November while the iBOXX leg had an average duration of approximately 6.66 years. The Index allocated 12.05% in Belgian Bonds (AAu Rated, average duration of 6.60 years), 33.46% in German Bonds (AAAu rated, average duration of 6.72 years); 42.40% in French Bonds (AA+u rated, average duration of 6.60 years) and 12.10% in Dutch Bonds (AAAu rated, average duration of 6.74 years). Bond performances were mixed in November. Belgian and French bonds had the most positive performance during the month (0.79% and 0.27% respectively). Dutch and German bonds contributed the least (0.12% and -0.18% respectively). In the Euro area, the central bank cut the benchmark rate and marginal lending facility by 25bps to 0.25% and 0.75% respectively, to guard against deflation. In the US, the economy grew at a rate of 2.8% last quarter, exceeding expectations. The Fed continues to maintain its stimulus program.

The Fund lost 1.77% in the month of December while the iBOXX leg had an average duration of approximately 6.57 years. The Index allocated 12.06% in Belgian Bonds (AAu Rated, average duration of 6.50 years), 33.33% in German Bonds (AAAu rated, average duration of 6.66 years); 42.52% in French Bonds (AA+u rated, average duration of 6.50 years) and 12.10% in Dutch Bonds (AAAu rated, average duration of 6.64 years). Bond performances were negative in December. Belgian and Dutch bonds had the less negative performance during the month (-1.02% and -1.28% respectively). French and German had the worst performance (-1.39% and -1.62% respectively). In the US, the Fed trimmed its monthly bond purchases by $10 billion to $75 billion as U.S economy expanded at 4.1% annualized rate in the third quarter of 2013. In the Euro area, the central bank maintained the benchmark rate at 0.25%.

The Fund gained 2.39% in the month of January while the iBOXX leg had an average duration of approximately 6.62 years. The Index allocated 12.24% in Belgian Bonds (AAu Rated, average duration of 6.46 years), 32.67% in German Bonds (AAAu rated, average duration of 6.86 years); 43.80% in French Bonds (AA+u rated, average duration of 6.44 years) and 11.29% in Dutch Bonds (AAAu rated, average duration of 6.78 years). Bond performances were positive in January. Belgian and German bonds had the most positive performance during the month (+2.68% and +2.69% respectively). French and Dutch bonds contributed the least (+2.32% and +2.44% respectively). In the Euro area, the manufacturing sector expanded and consumer confidence increased more than expected in January 2014. In the US, the Fed announced a further tapering of $10bn in its bond buying program. The unemployment rate in US reduced to 6.7%.

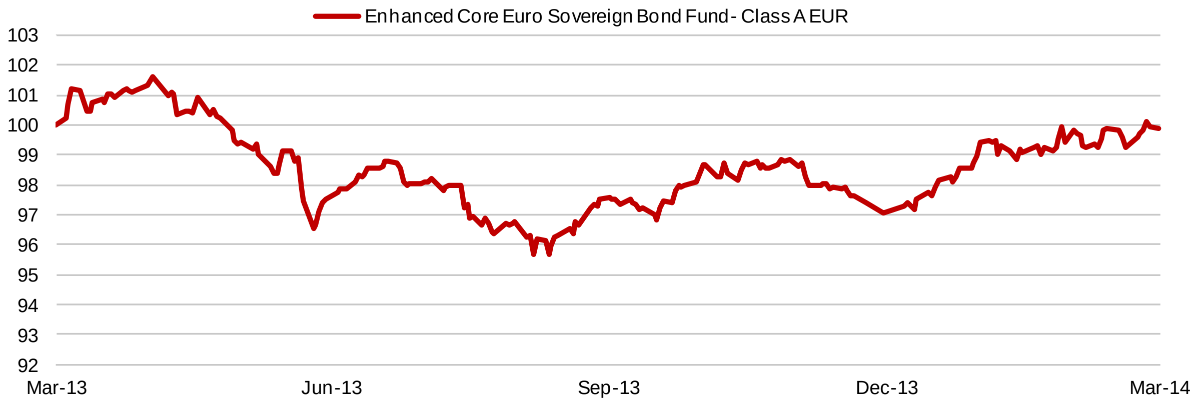
The Fund gained 0.04% in the month of February while the iBOXX leg had an average duration of approximately 6.60 years. The Index allocated 12.24% in Belgian Bonds (AAu Rated, average duration of 6.39 years), 32.67% in German Bonds (AAAu rated, average duration of 6.97 years); 43.80% in French Bonds (AA+u rated, average duration of 6.37 years) and 11.29% in Dutch Bonds (AAAu rated, average duration of 6.71 years). Bond performances were positive in February. Dutch and German bonds had the most positive performance during the month (both gaining +0.21%). French and Belgian bonds contributed the least (+0.11% and +0.09% respectively). In the Euro area, the ECB left benchmark rate at 0.25%. Services sector expanded less than its initial January 2014 estimate and consumer confidence unexpectedly worsened.

The Fund gained 0.41% in the month of March while the iBOXX leg had an average duration of approximately 6.55 years. The Index allocated 10.70% in Belgian Bonds (AAu Rated, average duration of 6.61 years), 33.37% in German Bonds (AAAu rated, average duration of 6.86 years); 44.70% in French Bonds (AA+u rated, average duration of 6.28 years) and 11.24% in Dutch Bonds (AAAu rated, average duration of 6.65 years). Bond performances were positive in March. Belgian and Dutch bonds had the most positive performance during the month (+0.94% and 0.77% respectively). German and French bonds contributed the least (+0.48% and +0.74% respectively). In the Euro area, the ECB left benchmark rate at 0.25%. The Fed remained hawkish and raised the Fed funds rate forecast for December 2016 from 1.75% to 2.25%. The Fed also reduced its monthly bond purchases by $10 billion, to $55 billion.

Investment Manager's Report (continued)

Enhanced Core Euro Sovereign Bond Fund (continued)

Month	Monthly Return	AuM(EUR)
April 2013	1.31%	17,089,680
May 2013	-1.84%	14,838,290
June 2013	-1.95%	13,293,590
July 2013	0.58%	12,949,830
August 2013	-1.35%	11,635,200
September 2013	0.88%	10,045,400
October 2013	1.08%	8,001,100
November 2013	0.19%	6,675,930
December 2013	-1.77%	5,732,510
January 2014	2.39%	5,534,600
February 2014	0.04%	5,344,050
March 2014	0.41%	4,048,910



Enhanced Euro Equity Fund

April saw important volatility, as the Fund went up by 2.26% on the first day of the month, then lost 1.51% at the end of the next day as Markit's Eurozone Manufacturing Purchasing Managers' Index was shown to have fallen in March to 46.8; from 47.9 in February. The Fund was down by 2.04% at the end of the 5th as a weak U.S. jobs report and the ECB keeping interest rates at their current levels undermined market confidence. On the 10th the EuroStoxx 50 trailed U.S. stocks which were up on positive Chinese import data, with the Fund gaining 2.66% for the day. However, two days later on the 12th, the positive momentum was reversed as a statement from Luxembourg Finance Minister Luc Frieden said that European countries and the International Monetary Fund could not increase the bailout package for Cyprus as it was reported that the bailout cost could be bigger than anticipated. The negative trend peaked on the 17th as the Fund lost 2.15% on weak economic data. However the trend reversed on the 19th, with a jump upwards by 3.12% on the 23rd on anticipations of a rates cut by the ECB and a political deal in Italy. Following a small dip on the 26th, the Fund went up by 1.26% on the 30th, ending the month in positive territory after Italy formed a coalition government on the previous day.

Investment Manager's Report (continued)

Enhanced Euro Equity Fund (continued)

The Fund was up for May, despite higher volatility towards month-end. At the beginning of May, caution in European markets prior to the ECB meetings was quickly followed by a peak on the 3rd as the ECB announced it would maintain the economic stimulus. As a result the Fund was up by 1.99% on the 7th. European markets were bumpy during mid- May. On the 9th, the EuroStoxx index dropped on the back of profit taking, but this was followed by a bounce the next day due to better than expected corporate earnings. Markets dropped again briefly on the 13th due to worries, with profit taking sparked by concerns about the banking sector, but jumped back the next day. The Fund dropped by 2.07% on the 23rd as U.S. Federal Reserve chairman Ben Bernanke's comments hinted at a possible stimulus pull-back. The Fund was however up by 2.55% at the end of the following Monday on the 28th after pledges to continue stimulus from the ECB and the Bank of Japan sparked a rally. Renewed fears of Fed stimulus pull-back pushed the markets down again on the 29th with the Fund losing 1.79%. Despite a brief bounce back on the following day, the Fund lost 1.03% again on the 31st as stronger U.S. Chicago PMI figures pointed at a healthier U.S. economy, fuelling fears of a stimulus pull-back.

European equity markets trended down during the whole month of June, reacting mainly to the possible end of Quantitative Easing in the U.S. and the health of the European economy. The EuroStoxx 50 fell on the 3rd on the back of concerns about the health of the economy in Germany and the United States. The trend worsened on the 6th as worries about possible tapering by the Federal Reserve coupled with the ECB's comments on the weak economic outlook pushed markets down, with the Fund losing 1.20% in a day. Even though the Fund bounced back by 1.72% the following day, after U.S. jobs data indicated the U.S. economy was growing less than expected reassured markets about the likelihood of the end of QE3, the downwards trend resumed thereafter. Markets dipped steeply on the 20th as the Federal Reserve announced a timeline for the reduction and eventual discontinuation of asset purchases. As a result, the Fund lost 3.62% at the end of the day. The Fund again lost 2.83% over the next two days as markets continued to fall. On the 25th comments by the Fed suggesting monetary tightening would not be imminent pushed markets back up. The Fund gained 4.28% between the 27th and the 25th. The downwards trend returned on the last day of the month as comments from a Fed official pointed to a possible consideration of tapering in September. Overall the Fund lost 6.11% in June.

European equity markets followed a positive trend in July, reacting mainly to positive corporate earnings and reassuring announcements by central banks on the continuation of stimulus measures for the time being. Although the Fund started the month down by -1.21% on the 3rd due to political instability in Portugal, the following day ECB President Mario Draghi announced that rates would remain at most at their current low levels, saying that stimulus measures would not be cut in the near future. The upward trend which ensued and continued for the rest of the month was further reinforced by the Federal Reserve's comments on the 11th, according to which there would be no imminent start of stimulus withdrawal. On the 18th the ECB eased the rules on collateral in order to boost lending. These measures, combined with positive corporate earnings in Europe, had a positive impact on European equities, with the Fund up by 6.27% over the month. Macro Pulse increased all its long positions. The Index lost in all currencies except the Yen.

European equity market declined in August, reacting mainly to fear for an imminent military action against Syria. The trend in August was positively affected by European PMI services data, which showed increases on a monthly basis, and by the release of Fed minutes, which did not give clear indication about when the QE scaling back might begin, but suggested cautious move towards end of economic stimulus. During the last week of the month, all the gains were erased as a consequence of the increased political tensions in the middle-east and of the expectations of an impending strike on Syria by the US.

In September, equity markets in Europe surged with the Eurostoxx 50 gaining more than 6% in the month. The U.S. decided for a diplomatic approach rather than a military action towards Syria easing the tension spread the previous month in the markets. Positive news from China, with rising industrial output and increasing retail sales, also added momentum to the rally. In Europe, the ECB remained dovish, maintaining its benchmark rate at 0.5%. In the UK, unemployment rate fell, inflation was lower than expected and GDP expanded with signs of recovery especially in the manufacturing sector.

In October, equity markets in Europe surged with the Eurostoxx 50 gaining 6.12%. In the US, the government was shut down till 17th October as lawmakers debated over ‘Obamacare’. U.S. Senate leaders announced a deal to raise US debt ceiling, extending US treasury’s borrowing capacity till February next year. HSBC China flash PMI beat expectations and climbed to a seven-month high. In the Euro area, economic data was better than expected, showing signs of recovery. Spain Q3 GDP registered its first growth in 9 quarters. BOE Minutes again showed an unanimous vote to keep both interest rates and Asset Purchases steady at 0.50% and £375B respectively. Euro zone inflation unexpectedly dropped to a nearly four-year lows. Macro Pulse increased its long positions in the Euro, Yen and in the Pound. The Index gained the most in the U.S. Dollar and in the Euro.

Investment Manager's Report (continued)

Enhanced Euro Equity Fund (continued)

In November, equity markets in Europe were positive with the Eurostoxx 50 gaining 0.78%. In early November, the surprising decision of the ECB to cut the refi rate to 0.25% and the stronger US growth data failed to provide a boost to risk appetite. The major European PMI data came in mixed; France again disappointed and remained in contraction territory while Germany exceeded expectations and stayed in growth. UK Employment data continued its string of improvement. In November, S&P made several European sovereign adjustments, cutting France to AA and Netherland to AA+. Macro Pulse increased its long positions in the Pound whilst maintain the others. The Index gained the most in the U.S. Dollar and in the Euro.

In December, equity markets in Europe were positive with the Eurostoxx 50 gaining 0.82%. The European Central Bank reiterated its forward guidance in which rates will be at or below the current levels for prolonged period. Inflation outlook in the eurozone remained subdued. Fed announced to begin its tapering process with $10B reduction in QE starting in January 2014. Equity markets responded positively to the Fed’s decision to keep rates exceptionally low until well after the jobless rate falls below its 6.5% threshold level and inflation remains below 2%. Macro Pulse decreased its long positions in the U.S. Dollar, Euro and Japanese Yen and switched to a short position in Pound. The Index lost particularly in the U.S. Dollar and in the Euro.

European equity market declined in January, reacting mainly to the sell-off in emerging markets. In the Euro area, the manufacturing sector expanded and consumer confidence increased more than expected in January 2014. In China, the HSBC/Markit Flash Manufacturing PMI contracted for first time in six months (49.6 v 50.3e) and Chinese real GDP yoy continued its decreasing trend to 7.7% from 7.8% the previous quarter. Brazil Central Bank (BCB) raised Selic Target Rate by 50bps to 10.50%. Turkish central bank acted aggressively in its extraordinary policy meeting, hiking rates by almost twice what was expected. Emerging markets concerns promoted safe haven flows and investors’ risk aversion weighed down equity markets.

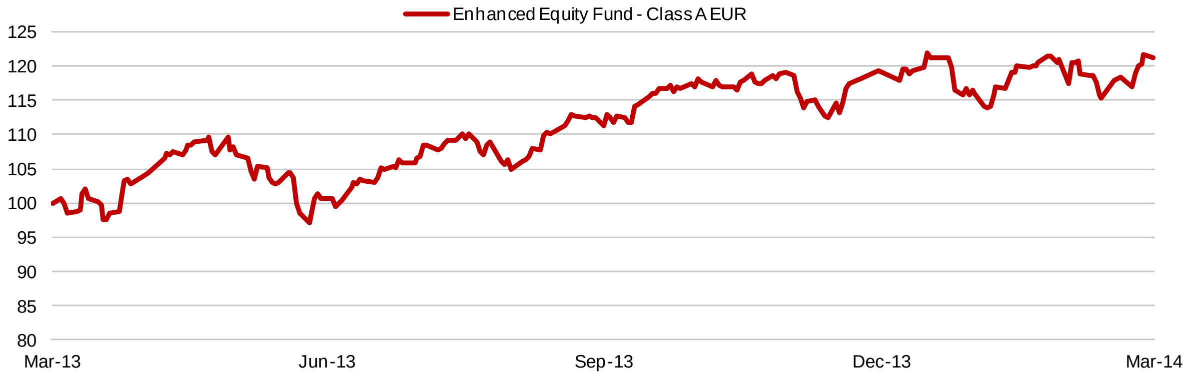
In February, Euro area GDP grew 0.3% q-o-q in Q4 2013, a firming of the recovery after 0.1% q-o-q growth in Q3. Growth was relatively broad-based. Euro equity benchmark Eurostoxx rallied this month above its levels of the beginning of the year. US equities benchmark S&P reached historical highs and did not suffer of the Ukraine turmoil.

European equity markets declined in the first half of March since geo-political concerns in Ukraine Crimea region weighted on risk appetite. China’s manufacturing growth fell to an eight-month low, adding concerns for the world’s second-largest economy. In the second half of month, equity markets rebounded after Crimea voted in favour of being annexed by Russia. The French economy finally starting to rebound with its PMI readings unexpectantly returned to growth.

Month	Monthly Return	AuM(EUR)
April 2013	4.03%	23,883,430
May 2013	2.95%	24,395,110
June 2013	-6.11%	22,492,610
July 2013	6.27%	23,585,000
August 2013	-1.86%	22,425,510
September 2013	6.21%	23,597,260
October 2013	6.10%	24,154,230
November 2013	0.75%	23,863,410
December 2013	0.16%	23,565,500
January 2014	-2.73%	22,301,080
February 2014	4.32%	22,635,770
March 2014	0.20%	22,739,190

Investment Manager's Report (continued)

Enhanced Euro Equity Fund (continued)



Nomura Macro Commodity Strategy Fund ("MaCS")

In April, commodity markets fell due to weak economic growth in China and the US and a reduced global economic growth outlook in 2013 by the IMF. Gold prices plummeted triggered by Cyprus government's plan to sell the commodity but recovered partially as the drop in prices increased the physical demand. Energy prices fell during the first half of the month on a reduced global demand outlook by the IEA, but rallied later on geopolitical tensions in Syria and expectations of economic stimulus in the US and Europe. Industrial metals prices continued on a downward trend due to reduced Chinese imports. Agriculture prices rallied towards the end of the month on cold weather conditions in the US. Commodity curves steepened broadly as the spot prices fell.

In May, commodity markets fell due to weak economic growth in China, reducing inflation across the global markets and signs of a roll-back in quantitative easing measures by the Fed. Gold prices fell due to reduced safe haven demand and a strong Dollar. Energy prices fell due to increased crude oil inventories in the US and an increased supply of natural gas. Industrial metals prices rose on supply constraints and signs of recovery in the US economy. Softs prices fell amidst ample global supply while grains prices rallied on weather concerns. Commodity curves steepened, led by a fall in front contract prices in energy and a rally further out in the curve in industrial metals.

In June, commodity markets fell due to weak demand from China and indications from the Fed that it may begin tapering its asset purchase program later this year. Gold prices fell on declining inflation expectations and a strong US Dollar during the latter half of the month. Crude oil prices rallied on shrinking U.S. stockpiles and a reduced supply from the OPEC. Industrial metals prices fell on demand concerns from China and the US. Agriculture prices broadly declined on ample supply. Commodity curves flattened in energy led by a rally in contract prices at the front end and in agriculture led by a sell off at the far end.

In July, commodity markets rallied as the Fed reassured markets on continued stimulus. Gold prices rallied on increased inflation in the US and a weakening US Dollar. Crude oil prices rallied due to the peak driving season in the US and a drop in stockpiles. Industrial metals prices remained rangebound on demand concerns from China and an increased economic growth outlook in Japan and the US. Agriculture prices declined led by grains on ample supply. Commodity curves flattened in WTI crude oil, Brent crude oil and copper led by a rally in contract prices at the front end and steepened in natural gas and corn by a sell off at the front end.

In August, commodity prices rallied on better than expected economic data from China and Europe, and increased political tensions in the middle-east. Gold prices rallied on a weak US Dollar, and expectations of an impending strike on Syria by the US, specially towards the latter half. Crude oil prices rallied due to political unrest in Egypt, Libya and Syria. Industrial metals prices rose on improved demand from China. Agriculture prices rallied led by Soybeans and Cocoa due to poor weather conditions. Commodity curves steepened in the industrial metals and agriculture sector, and flattened in the energy sector.

Investment Manager's Report (continued)

Nomura Macro Commodity Strategy Fund ("MaCS") (continued)

In September, commodity prices fell on easing political gridlock over Syria and expectations of a tapering in bond purchases by the Fed. Gold prices fell on easing tensions over Syria and reduced inflation expectations in US. Crude oil prices fell on fading seasonal demand and increased supply from North America. Industrial metals prices rose on better than expected manufacturing and labor market data in the US. Agriculture prices fell on increased supply led by corn, soybeans and coffee. Commodity curves steepened in industrial metals due to a rally in prices further out in the curve.

In October, energy and agriculture commodity prices fell on increased supply. In the US, the debt ceiling was raised, extending its borrowing capacity till February next year. In China exports contracted, against expectations. In the Euro area, economic data was better than expected, showing signs of recovery. Precious metal prices rallied in the second half of the month as the Fed remained dovish. Energy prices fell on increased supply. Industrial metals prices rose as the Fed continued to maintain economic stimulus. Agriculture prices fell as supply concerns eased due to favourable weather in the Americas. Commodity curves steepened in WTI crude oil, heating oil and wheat.

In November, commodity prices fell on increased supply in the US, expectations of a taper by the Fed and increased metal exports from China. In Europe, the central bank cut rates to guard against deflation. Precious metals fell on expectations of a reduction in stimulus by the Fed and reduced physical demand. Energy prices rallied led by natural gas on colder than expected weather conditions. WTI crude oil fell on increased supply in the US while Brent crude oil and gasoline rallied on supply disruptions from Libya. Industrial metals prices fell on higher than expected exports from China. Corn and wheat prices fell on increased supply while cocoa and soybeans prices rallied. Commodity curves steepened in WTI crude oil and industrial metalsdue to a sell off at the front end.

In December, commodity prices rallied on better than expected economic data in the US. Precious metals prices fell as the Fed announced that it would start tapering its bond buying program from January. Energy prices rose due to reducing crude oil stockpiles in the US and an escalating unrest in Libya. Industrial metals prices strengthened on an increased demand outlook. Agriculture prices fell on increased supply. Commodity curves flattened in energy and industrial metals due to a rally at the front end.

In January, commodity prices fell initially but rallied later on better than expected unemployment rate and continued cold weather in US. Precious metals prices rallied on safe haven demand as emerging market currencies fell sharply through the month. Crude oil prices rallied as inventories in the US declined more than expected. Natural gas and heating oil prices rallied on cold weather forecasts in US. Industrial metals prices fell on expectations of a slowdown in emerging market economies. Agriculture prices fell on increased supply. Commodity curves flattened in the energy sector except for natural gas and in corn, soybeans and coffee.

In February, commodity prices rallied as the Ukraine – Russia standoff increased the demand for gold and fuelled concerns that energy and agriculture supplies will be restricted. Brent prices rallied as political crisis in Ukraine raised supply concerns. Industrial metals prices fell on expectations of a slowdown in US and emerging market economies. Agriculture prices rose on supply concerns. Commodity curves steepened in WTI crude oil and Brent crude oil but flattened in copper, zinc, soybeans and coffee.

In March, commodity prices fell initially on weak economic data from China but rallied later on the supply concerns and rising political crisis in Ukraine. Energy prices remained weak during the first half of the month but strengthened later. Industrial metals prices fell on expectations of a slowdown in the Chinese economy. Agriculture commodities extended their rally, led by grains on supply concerns. Commodity curves steepened in the energy and industrial metals sectors and flattened in grains.

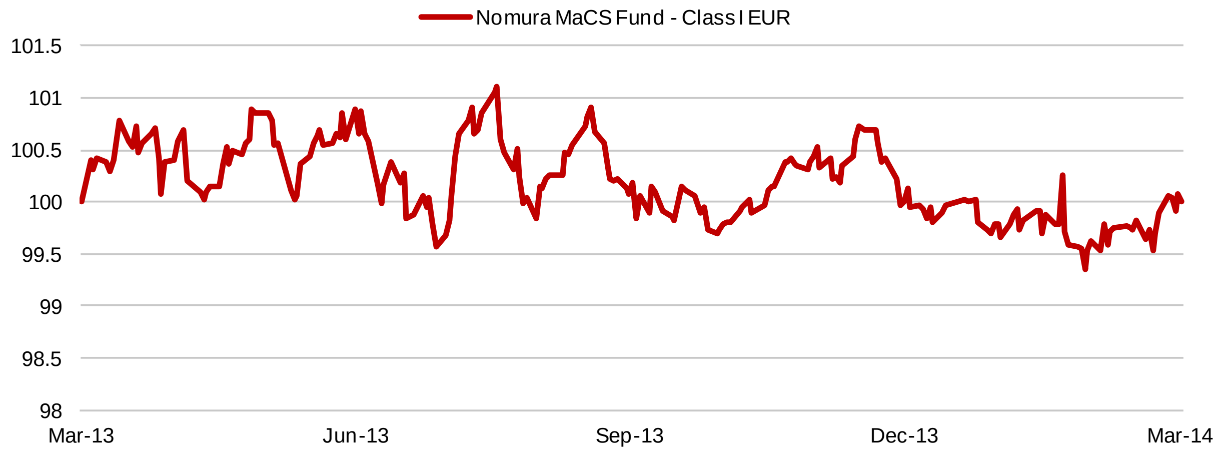
The Nomura MaCS Fund was terminated on 7 March 2014. The below performance covers the period from 31 March 2013 to 07 March 2014.

Investment Manager's Report (continued)

Nomura Macro Commodity Strategy Fund ("MaCS") (continued)

Nomura MaCS Fund – Class I EUR

Month	Monthly Return	AuM(EUR)
April 2013	0.59%	11,701,550
May 2013	-0.03%	11,698,310
June 2013	0.02%	1,695,520
July 2013	0.07%	1,696,730
August 2013	-0.11%	1,694,900
September 2013	-0.67%	1,683,530
October 2013	0.29%	1,685,150
November 2013	0.54%	1,694,220
December 2013	-0.68%	1,678,560
January 2014	-0.42%	1,671,470
February 2014	0.31%	1,676,620
March 2014	0.10%	Terminated

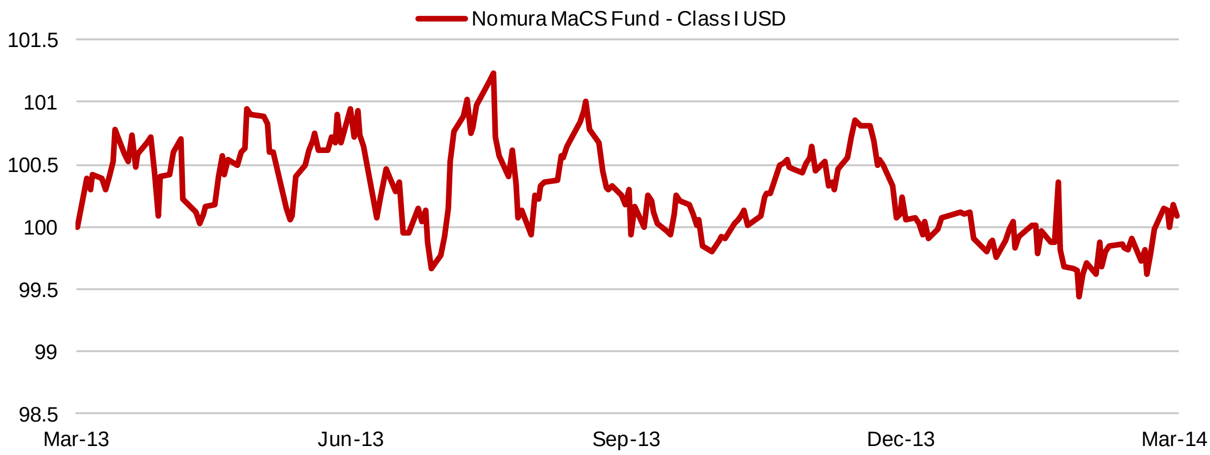


Nomura MaCS Fund – Class I USD

Month	Monthly Return	AuM(USD)
April 2013	0.61%	1,001,990
May 2013	0.00%	1,001,980
June 2013	0.04%	502,190
July 2013	0.11%	502,730
August 2013	-0.11%	502,180
September 2013	-0.67%	498,820
October 2013	0.30%	500,330
November 2013	0.54%	503,040
December 2013	-0.71%	499,490
January 2014	-0.42%	497,390
February 2014	0.30%	498,880
March 2014	0.11%	Terminated

Investment Manager's Report (continued)

Nomura Macro Commodity Strategy Fund ("MaCS") (continued)



Nomura C10 Fund

April saw a contraction in Europe's manufacturing sector that places further pressure on European policymakers to rejuvenate growth in the region. Factory activity in Germany, the world's second-biggest exporter after China, fell for a second consecutive month, a decline mirrored by France, Italy and Spain. Markit's Eurozone Manufacturing PMI fell to 46.7 in April – a four month low – further reinforcing dampened Eurozone sentiment. The Bank of Japan continued aggressive monetary easing which further weakened the yen. In FX markets, the South African Rand (ZAR) appreciated 3.00%, thanks to a lack of negative news-flow in April, and on the expectation of Asian flows off the back of Japan's quantitative easing. China's services sector slowed sharply in April, with HSBC's services PMI dropping to 51.1 from March's level of 54.3. There is concern that this might affect China's recovery, given the services industry makes for half of China's GDP. Similarly, indications of a recent cool-down in manufacturing growth imply that China's economic recovery has been affected by slow U.S. demand – but potential for future government adds support for a pickup this year.

In May, US rates broke out to the top-side, in response to the expectations of earlier Fed "tapering". With the broadening dollar-strengthening trend, the USD experienced notable gain versus major currencies, commodity currencies, and EM FX. South Africa was plagued by continued labour unrest and strike action that devastated investor sentiment, leading to an historic run on the South African Rand. An attempt by President Jacob Zuma to stem the depreciation of the local currency through verbal intervention proved ineffective; traders noted an absence of any coherent proposal to redress miners' unrest and failing growth, leading to further depreciation of the Rand. In FX markets, the South African Rand (ZAR), driven by local news flow, falling commodity prices and general USD strength, depreciated by 11.13% in May, with USDZAR breaking 10.00. For the first time in seven months, China's factory activity contracted in response to declining domestic demand, with the HSBC/Markit PMI for May dropping below 50.0 to 49.6. The IMF and OECD both cut their forecasts for 2013 growth to 7.75% and 7.8% respectively, adding further colour to the image of a Chinese economy struggling to gain upwards momentum. Importantly, the market view points to moderate growth, not a sharp slowdown, and given HSBC/Markit PMIs survey small, private enterprises unlikely to benefit from state-led investment, the disappointing figure this month doesn't summarise the overall state of China's economy.

Continued fears of Fed tapering last month reached a peak as the Fed announced a timeline for the reduction and eventual discontinuation of asset purchases in June. Chairman Bernanke announced his expectation of a reduced rate of bond buying by later this year, and his intention to end QE3 entirely by mid-2014. This promoted the general strengthening of the US dollar and reduction of market risk appetite: 10-year US Treasury yields soared to a two-year high, exceeding 2.60%. EM currencies depreciated across the board against the USD in June due to low risk appetite. Most notably, the Indian Rupee (INR) depreciated by -4.86% vs. the greenback, and the Brazilian Real (BRL) depreciated over 4.00%. The Global Currency Strategy's risk-filter effectively identified the high volatility environment at the beginning of June, activating and thus neutralising potentially sizeable losses. The HSBC/Markit PMI for China's services industry eased up to 51.3 in June (from 51.2 in May). The modest expansion in this sector was affected by the seasonal dampening in the construction industry, Furthermore, the equivalent index for the manufacturing sector declined to 48.2 this month from 49.6 – a multi-month low caused by a stuttering in the flow of new orders. However, employment improved for the second consecutive month in June, underlining the resilience of the Chinese labour market.

Investment Manager's Report (continued)

Nomura C10 Fund (continued)

July saw fears of Fed tapering dominated the markets in May and June, causing a run of dollar strength. However, in July, Chairman Bernanke assured the markets that in the event of sluggish growth and moderate inflation, bond purchases would be unaltered. The markets responded to this more dovish statement. Bloomberg’s USD index, which tracks the performance of the greenback against a basket of currencies, declined by 2.03% as investors trimmed long dollar positions. In the FX Markets, the US dollar depreciated by 2.24% against the euro. The euro rallied for the fourth consecutive month against the Australian dollar with a 4.02% appreciation, on the back of tentative Eurozone recovery and China’s slowdown. China has shown indications of stabilisation with Premier Li Keqiang’s policy reforms appearing to prevent further slowdowns in growth. The non-manufacturing Purchasing Managers’ Index rose to 54.1 from 53.9, following an unexpected gain in manufacturing PMI (50.3, up from 50.1). Levels above 50 indicate an expansion and are positive signs for Chinese growth. Infrastructure projects, especially relating to transportation, are being pushed forward as well as tax-breaks for small companies which aim to bolster domestic demand.

In August, newsflow has been dominated by reports of the chemical bombardment that struck the Ghouta region of Syria, towards the end of the month. The attack has generated a complex political situation: the United States immediately condemned the attack, and apportioned blame to Syria’s government, whilst Russia expressed doubt over this assumption. Prime Minister David Cameron of the UK lost a vital parliamentary vote on the last day of August that would have sanctioned possible British military intervention in Syria. In the FX Markets, the Indian Rupee (INR) experienced rapid and sizeable depreciation during August, reaching its all-time weakest level of 68.8250. The depreciation eased slightly towards the end of the month, but despite this, the net increase of USDINR was 8.83%. The run on this currency pair was partly triggered by US tapering and the current situation in Syria, and by a surge in oil prices, India’s largest single import item. The Indonesian Rupiah (IDR) suffered a similar depreciation of approximately 9.00%, negatively affecting the C10 basket. Economic data for August presented further evidence that China has avoided a sharp slowdown in economic growth. The Markit/HSBC Services PMI was 52.8 in August, reaching a 5-month peak and serving to reinforce strong manufacturing data: the equivalent manufacturing PMI soared to 50.1, up from July’s level of 47.7. Confidence in China’s economy has been bolstered by a series of government policy measures aimed at stabilising the economy – overall market sentiment has improved, with China’s GDP target of 7.5% looking more attainable than it did last month.

In September, Germany’s chancellor Angela Merkel was re-elected; falling shy of an absolute majority, Merkel must negotiate the terms of a coalition government with another party, such as the SPD or Green party. Across the Atlantic, the FOMC voted to maintain its monthly rate of bond purchases ($86 billion), despite general expectations of a slight adjustment indicative of “tapering”. The market reacted accordingly: the decision sparked a rally in risky assets, including EM currencies, and dollar depreciation. On the back of the FOMC decision, high-yielding currencies appreciated notably. The Australian Dollar (AUD) appreciated 4.67% against the greenback; whilst the New Zealand Dollar (NZD) soared to a four-month high, benefiting from positive economic data and appreciating 7.42%. September yielded further evidence that China is enjoying a modest pickup in economic health. China’s services industry experienced renewed activity, with the official PMI for non-manufacturing rising to 55.4, its highest reading since March. Market sentiment has improved on the back of this; Hong Kong’s Hang Seng Index gained 0.80%, and MSCI Asia ex-Japan gained 0.70%.

In October, the 16-day federal US government shutdown increased uncertainty which might lead to higher unemployment. Economists forecast that employers added 122,000 jobs well below the 180,000 average during the first 9 months of this year. US Congress voted the end of the shutdown and raised the debt ceiling until February 7, so Americans face the possibility of another government shutdown early next year. In Europe, low inflation data (HICP inflation 0.7% y-o-y) and low industrial production made likely new dovish actions from the ECB. Both end of the shutdown and dovish ECB anticipation made the Euro weaker by 1.58% vs USD during the last week of October after a 3-week rally. In this uncertain environment in developed markets, EM currencies appreciated. The Indonesian Rupiah (IDR) appreciated 1.16% against the dollar and the Indian Rupee (INR) appreciated 1.79%. China’s manufacturing industry experienced a stable month. Manufacturing PMI increased to 51.4 from 51.1 and exports dropped to 185.4bn USD from 185.6bn USD. On the contrary, China’s services industry continued its progression, with the official PMI for non-manufacturing rising to 56.3, its highest reading since March 2012. Market sentiment stayed optimistic on the back of this: Hong Kong’s Hang Seng Index gained 1.52%, and MSCI Asia ex-Japan gained 4.33%.

Investment Manager's Report (continued)

Nomura C10 Fund (continued)

In November, the US economy accelerated its progression at a rate of 2.8%in Q3 after a 2.5%growth in Q2. However, political uncertainty around the fiscal debate and the pace of global growth are key risks. The ECB cut the benchmark rate and marginal lending facility by 25 bps to 0.25% and 0.75% respectively, to guard against deflation. Hence, Euro depreciated against dollar during the first week of the month but regained its level after Federal Reserve chairman nominee Janet Yellen backed Fed easing. In Japan, the economy grew +1.9%, faster than the 1.7% expected by economists in the last quarter supported by a weak yen. Prime Minister Shinzo Abe ordered the first sales tax increase since 1997 scheduled to rise by 3% in April 2014 from 5% to 8% in order to rein in the debt burden. A new stimulus plan ($51 billion) has been presented aspart of an ongoing effort to end deflation. On the back of this plan, Yen depreciated against almost all of the currencies both in developed and emerging markets. The Australian Dollar mean reverted and experienced -3.83% depreciation against USD after weak economy data release. The USD appreciated against almost all emerging currencies. The Indonesian Rupiah depreciatedthe most (- 6.13%) against the USD. For the first time since June 2013, China’s manufacturing PMI did not increase staying at 51.4. It is consistent with tightening financial conditions and structural reforms which might lead to slower growth. Tighter financial conditions are reflected in long term rates. 10Y government bondyield reached 4.45%itshighest level since August 2008.

In December, the Fed trimmed its monthly bond-buying stimulus to $75 billion from $85 billion as there has been a substantial improvement in a variety of indicators. The U.S economy expanded at 4.1% in Q3 2013 more than the 3.6% expected by economists and the unemployment rate decreased by 0.3% from 7.3% to 7%. In the Euro area, the ECB maintained the benchmark rate at 0.25% and retains an easing bias. The UK economy also improved. Industrial production increased by 0.4% and unemployment decreased to 7.4% from 7.6%. In Japan, the economy grew +1.1% slower than expected in Q3 but the Consumer Price Index rose +1.5% yoy which is the highest inflation rate since 2008 on the back of the continued stimulus plan. Short-term and long-term yields rose across all geographies as economic indicators showed improvement in global economy. The US Dollar depreciated against all main currencies except the Australian Dollar which depreciated -2.16% against its greenback because of low construction activity in Australia. The EM currencies mainly appreciated against the US Dollar and the Japanese Yen. For the first time since June 2013, China’s manufacturing PMI decreased from 51.4 to 51. It is consistent with tightening financial conditions and structural reforms which might lead to slower growth. Tighter financial conditions are reflected in long term rates. 10Y government bond yield reached 4.62% its highest level since August 2008.

The Fed announced a further reduction of $10bn of its bond buying program in January. The unemployment rate reduced to 6.7% from 7.0%. In the Euro area, the manufacturing sector expanded and consumer confidence increased more than expected. UK followed the same trend as US and Europe as unemployment rate was lower than expected and the economy grew at 2.8%, up from 1.9% in the previous quarter. In Japan, the jobless rate decreased to 3.7% from 4.0% and the inflation rate at 1.6% was higher than expected. Long-term yields fell across all geographies on safe haven demand due to a sell-off in emerging markets. This sell-off made the US Dollar (USD) and the Japanese Yen appreciate against Emerging Market currencies. JPY rallied even more than USD as it appreciated by 2.12% against the US dollar. China’s real GDP yoy continues its decreasing trend to 7.7% from 7.8% the previous quarter. It is consistent with tightening financial conditions and structural reforms that might lead to slower growth in 2014/2015.

The Fed continued to taper at the same pace and announced a further reduction of $10 billion in its bond buying program to $65 billion in February. The unemployment rate in the US reduced to 6.6%. In the Euro area, the ECB left benchmark rate at 0.25% but retains en easing bias because of low inflation. Services sector expanded less than initial January 2014 estimate and consumer confidence unexpectedly worsened. The UK economy rose by 0.7% in the fourth quarter. In Japan, the economy grew for the fourth straight quarter though less than expected. In the Currency markets, the US Dollar (USD) and the Japanese Yen (JPY) depreciated against all the currencies except Russian Ruble (RUB) and Chilean Peso (CLP). China’s non manufacturing PMI increased from 53.4 to 55 and MSCI China Index (MXCN) increased +2.57%. The trade balance was greater in January than at the end of last year (31.9 USD bn vs 25.3 USD bn).

Investment Manager's Report (continued)

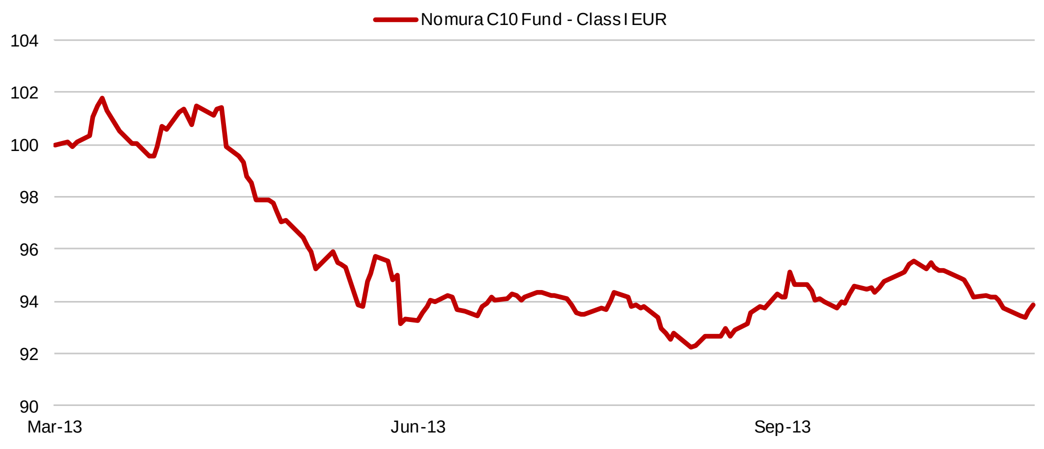
Nomura C10 Fund (continued)

In March, in the US, industrial production was stronger than expected and the economy grew at a rate of 2.6% QoQ. The Fed remained hawkish and raised the Fed funds rate forecast for December 2016 from 1.75% to 2.25%. The Fed also announced another reduction in its monthly bond purchases by $10 billion, to $55 billion. The ECB stands ready to take additional monetary policy measures if any downside risks to its baseline scenario appear. Political tensions in the Crimea region led to a rally in rates in the second week of March. In the UK, trade deficit widened because of lower exports and inflation was recorded at 1.7%, lowest since October 2009. In Japan, the economic growth was weaker than expected and industrial production for February contracted according to preliminary reports. As a result, the BOJ might increase its purchasing of JGBs and some riskier assets in mid-2014. On the back of this data in Japan, the Japanese Yen (JPY) depreciated against almost all developed and emerging markets currencies. Growth momentum continues to fade in China. Inflation was lower from 2.5% to 2% yoy and non manufacturing PMI decreased from 55 to 54.5. This should further heighten the urgency to ease policy which made the Chinese Renminbi (CNY) depreciate (-1.17%) to its lowest level since March 2013.

The EUR I, USD I and GBP I classes were terminated on 15 November 2013. The below performance covers the period from 31 March 2013 to 15 November 2013 for the EUR I, USD I and GBP I classes and the period from 31 March 2013 to 31 March 2014 for USD A class.

Nomura C10 Fund – Class I EUR

Month	Monthly Return	AuM(EUR)
April 2013	1.39%	4,971,430
May 2013	-6.07%	4,669,580
June 2013	-1.34%	4,607,230
July 2013	-0.42%	4,588,000
August 2013	-0.98%	4,543,070
September 2013	1.19%	4,597,040
October 2013	0.78%	4,633,000
November 2013	-0.70%	Terminated

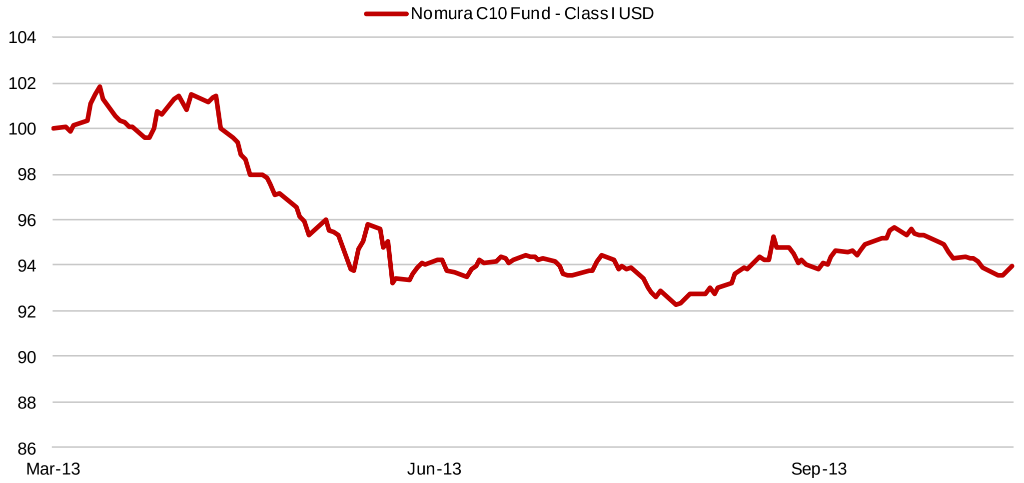


Investment Manager's Report (continued)

Nomura C10 Fund (continued)

Nomura C10 Fund – Class I USD

Month	Monthly Return	AuM(USD)
April 2013	1.41%	1,239,950
May 2013	-6.04%	1,165,100
June 2013	-1.32%	1,149,670
July 2013	-0.41%	1,144,910
August 2013	-0.96%	1,133,940
September 2013	1.19%	1,147,490
October 2013	0.81%	1,156,750
November 2013	-0.69%	Terminated

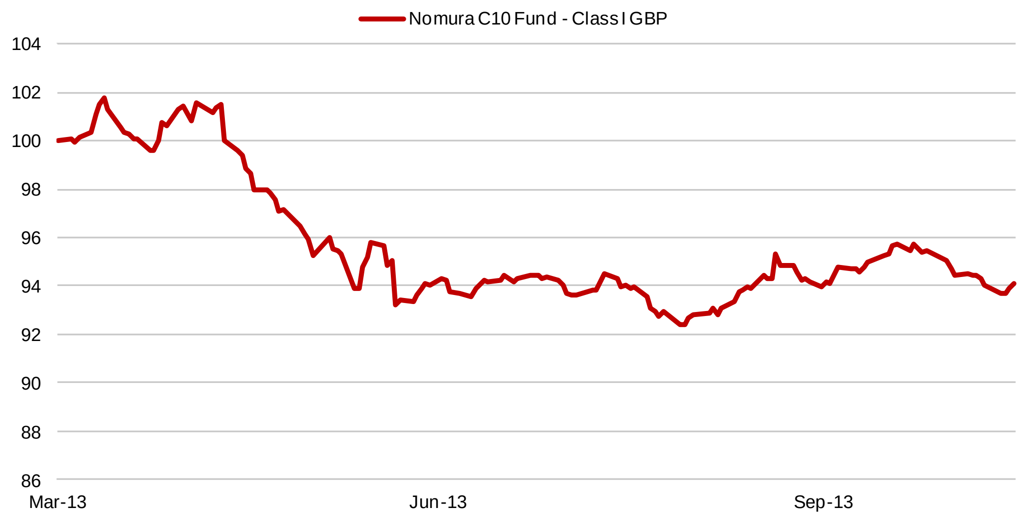


Nomura C10 Fund – Class I GBP

Month	Monthly Return	AuM(GBP)
April 2013	1.43%	660,950
May 2013	-6.05%	620,950
June 2013	-1.28%	612,980
July 2013	-0.38%	610,650
August 2013	-0.94%	604,920
September 2013	1.21%	612,270
October 2013	0.83%	617,370
November 2013	-0.67%	Terminated

Investment Manager's Report (continued)

Nomura C10 Fund (continued)

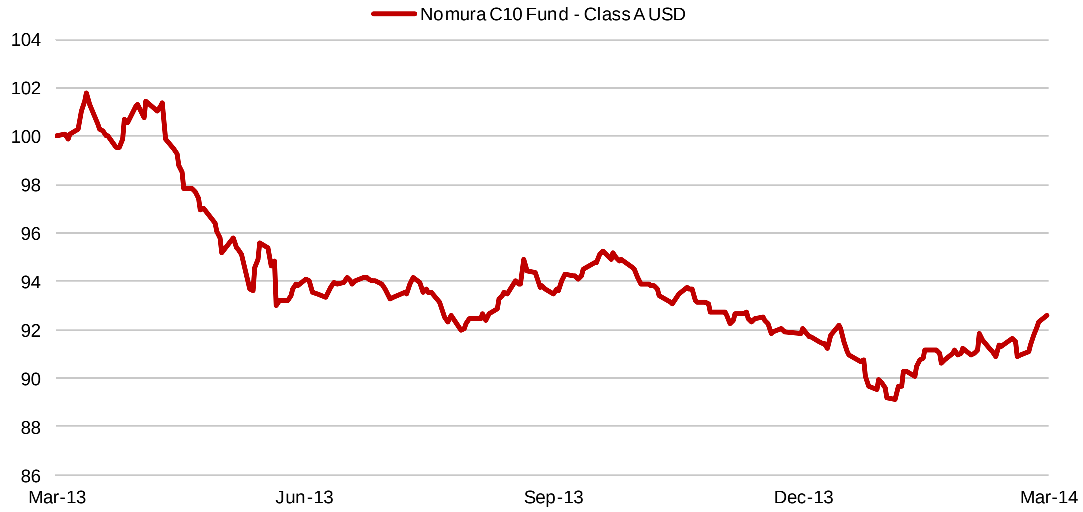


Nomura C10 Fund – Class A USD

Month	Monthly Return	AuM(USD)
April 2013	1.34%	9,811,710
May 2013	-6.10%	9,212,860
June 2013	-1.38%	9,085,380
July 2013	-0.49%	9,041,230
August 2013	-1.02%	8,949,100
September 2013	1.13%	9,050,060
October 2013	0.74%	9,117,430
November 2013	-1.52%	7,822,320
December 2013	-0.72%	7,766,370
January 2014	-3.10%	7,525,380
February 2014	2.24%	7,694,170
March 2014	1.49%	7,808,440

Investment Manager's Report (continued)

Nomura C10 Fund (continued)



Nomura Interest Rate Investment Strategy IRIS×4 Fund

In April, in the US, GDP growth rate was weaker than expected due to a drop in defence expenditure even though consumer spending rose most in 2 years. Lower than expected US inflation increased optimism on further economic stimulus from the Fed. In the Euro area, economic sentiment was weaker than expected and unemployment increased in Spain. In the UK, economy grew 0.3% in Q1 2013, avoiding a triple-dip recession. In Japan, the Bank of Japan unveiled aggressive monetary easing measures to lift the economy out of deflation. Short-term yields fell in the US on stimulus expectations but rose in Europe, UK and Japan. Long-term yields fell in the US, UK and the Euro area but rose in Japan on reduced risk aversion. Swap curves flattened in the US, UK and the Euro area led by falling long-term swap rates and steepened in Japan led by rising long-term swap rates.

In May, in the US, the Federal Reserve indicated easing of asset purchases if the economy continues to improve. In the Euro area, the ECB cut interest rates by 0.25% to 0.5%, responding to a drop in euro zone inflation well below its target level and rising unemployment. In the UK, the Bank of England left its base rate unchanged and upgraded the economic growth forecast. In Japan, economy grew at a better than expected rate in Q1 2013, and the government upgraded its growth outlook. Short-term yields rose across all geographies on reduced stimulus expectation. Long-term yields rose across all geographies on the back of improving risk sentiments and the Federal Reserve hinting a possible tapering of its monthly bond purchase program. Swap curves steepened across all geographies led by rising long-term swap rates.

In June, in the US, the Federal Reserve indicated that it could begin tapering the QE program later this year, if the US economy continues to improve in line with the forecast. In Euro area, the ECB lowered Euro zone growth outlook and kept the policy rate unchanged. In the UK, Bank of England left its policy rate unchanged. In Japan, Bank of Japan raised its assessment of the economy and kept its monetary policy unchanged. Concerns over global economic recovery intensified after the World Bank cut its outlook for global growth, citing slowdown in major emerging markets and deeper than expected recession in the euro area. Short-term yields rose across all geographies except Japan. Long-term yields rose in the US, UK and Euro, triggered by the Federal Reserve’s comment on QE tapering. Long-term yields decreased marginally in Japan on hopes of further easing by the BOJ. Swap curves steepened in the US, UK and Euro, led by rising long-term rates. Swap curves flattened in Japan led by falling long-term swap rates.

In July, in the US, the QE tapering fear subsided over the month as the Federal Reserve’s dovish comments reinforced an accommodative policy stance. In the Euro area, the ECB reiterated its commitment to keep interest rates low to support economic recovery amid the political crisis in Portugal and the downgrade of Italy’s Debt by the S&P. In the UK, Bank of England left its monetary policy unchanged. In Japan, the coalition led by Prime Minister Abe won a majority in the upper house election, boosting hopes of further economic reforms. Short-term yields fell across all geographies as major central banks reiterated that low policy rates will be maintained to support economic recovery. Long-term yields rose in the US amid uncertainty related to Federal Reserve’s QE tapering. Long-term yields fell in the UK, Euro and Japan on hopes of further easing. Swap curves steepened in the US led by rising long term rates. Swap curves steepened in the UK and Euro, led by falling short-term rates. Swap curves flattened in Japan led by falling long-term rates.

Investment Manager's Report (continued)

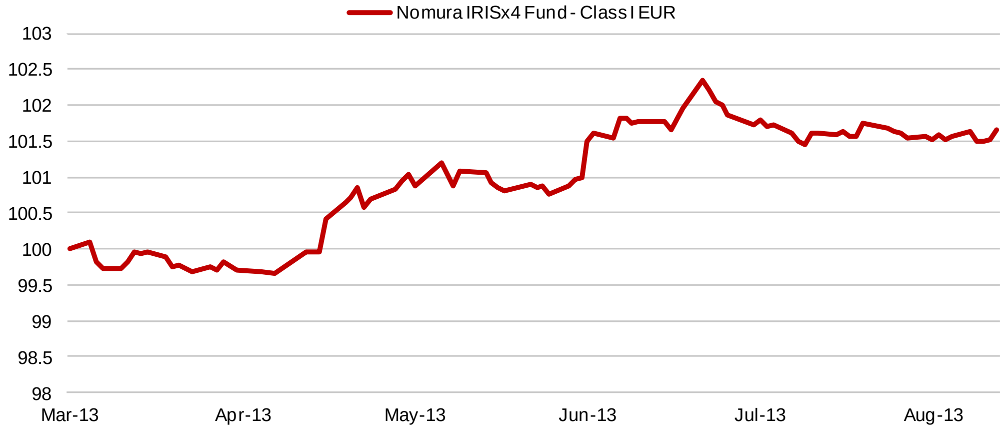
Nomura Interest Rate Investment Strategy IRIS×4 Fund (continued)

In August, in the US, Fed maintained its stance on tapering the asset purchase program later this year if the economy continues to improve. The US GDP grew faster than expected last quarter. Euro area's economy emerged from the recession with a 0.3% growth in GDP last quarter and business confidence was better than expected across the region. In the UK, manufacturing data was better than expected while unemployment rate remained unchanged. In Japan, consumer prices increased at the fastest rate since July 2008. Short-term yields rose across all geographies except Japan where the central bank continues to maintain highly accommodative monetary policy. Long-term yields rose across all geographies except in Japan as economic growth rates improved. Swap curves steepened in the US, Euro and the UK led by rising long term rates, and flattened in Japan led by falling long-term rates.

The Fund was terminated on 23rd August 2013. The below performance covers the period from 31st March 2013 to 23rd August 2013.

Nomura IRIS×4 Fund – Class I EUR

Month	Monthly Return	AuM(EUR)
April 2013	-0.32%	469,690
May 2013	1.42%	476,350
June 2013	0.68%	479,590
July 2013	-0.21%	478,570
August 2013	0.10%	Terminated

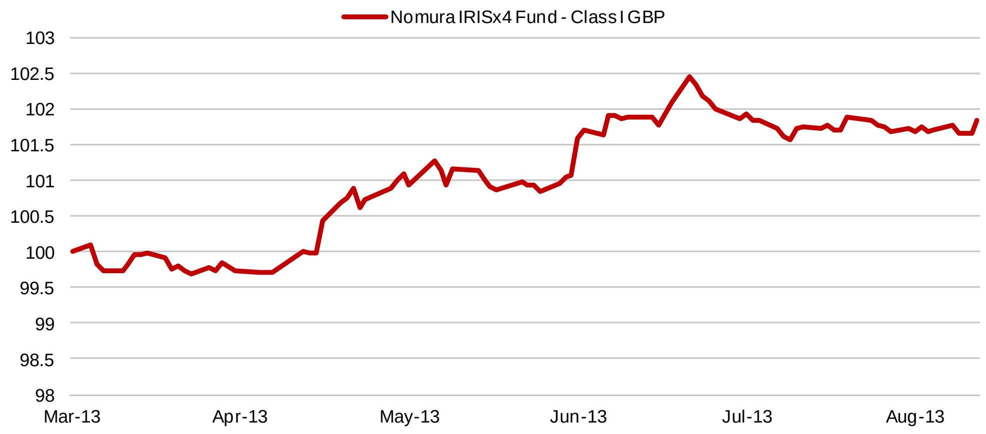


Nomura IRIS×4 Fund – Class I GBP

Month	Monthly Return	AuM(GBP)
April 2013	-0.29%	671,670
May 2013	1.45%	681,420
June 2013	0.72%	686,300
July 2013	-0.18%	685,080
August 2013	0.13%	Terminated

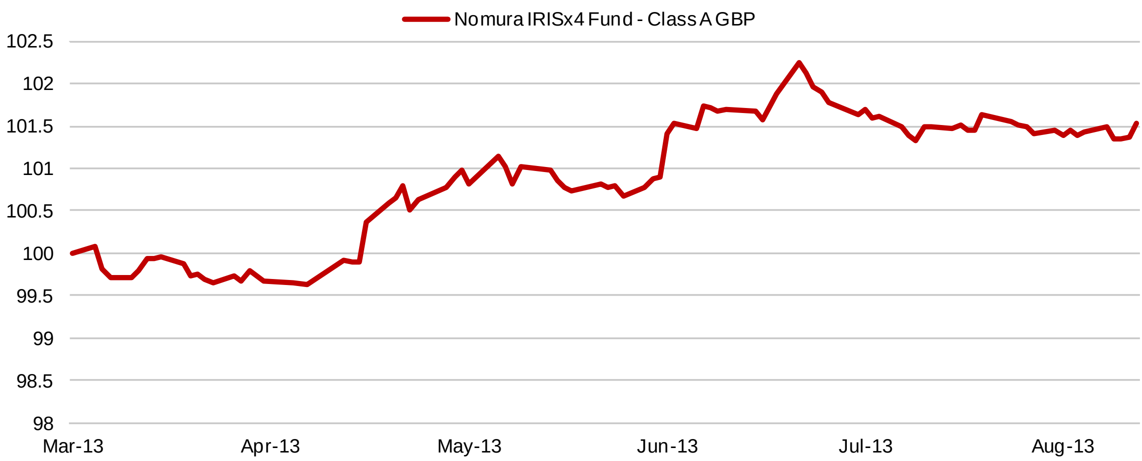
Investment Manager's Report (continued)

Nomura Interest Rate Investment Strategy IRIS×4 Fund (continued)



Nomura IRIS×4 Fund – Class A GBP

Month	Monthly Return	AuM(GBP)
April 2013	-0.35%	2,558,070
May 2013	1.39%	2,457,530
June 2013	0.66%	2,462,700
July 2013	-0.25%	2,456,620
August 2013	0.08%	2,405,470



Investment Manager's Report (continued)

Nomura Permal Alpha Japan Neutral Fund

The Fund advanced 1.31% in April (Class A USD), leading to cumulative gains of 2.79% for the year so far. Since the government announced its intention to provide more child-care facilities, aiming to completely get rid of waiting list at kindergartens and nurseries in order to boost the number of female workers, major companies of these sectors have been attracting massive interests from investors. As a consequence, the country largest kindergarten operator JP Holding's (2749) saw its share price rise another 30% in April, taking its tally for the year to close to 200%. Amazingly, Success Holding (6065) which is specialised in operating in-house nurseries and school facilities within hospital and work-place of larger corporations had an even better month with a surge of about 70% in April alone. Real Estate companies also continued to flourish in the current monetary easing climate as Mitsui Fudosan (8801), one of the top three players in this field, advanced 27%. Among relative value strategies, our best performer was a position involving companies of the food sector that generated a handsome return of 13%. We decided to take a long position on one of the leading snack makers which just introduced a new and highly successful range of potato chips while short selling a producer of flour and processed foods. The latter is indeed one of the companies we believe could suffer in the short-term from the implementation of TPP (Trans-Pacific Partnership) as it would generate up-front costs for building additional silos to accommodate wheat imports. Our main laggard was a spread combining a telecom company and a mobile phone carrier which sluggishly dropped by 4% as we are yet to see this position realise its potential. Going forward, further details of the Abe administration's "growth strategies" are expected to be disclosed in June. Centred on revitalising corporate Japan, they are anticipated to include business tax breaks to incentivise Capex and R&D, while boosting employment and wages. Overall, confirmation of the aggressive monetary easing of the BOJ has certainly helped sustain the equity rally but the market's focus should invariably revert to corporate earnings which will highlight the benefits of a stock picking approach.

With a drop of 2.52%, May marked the first down month for Topix since August 2012 but more symbolically since the start of the outstanding rally that was triggered by the dissolution of the lower house. The Fund, on the other hand, demonstrated its absolute return and decorrelation capabilities, continuing its winning streak by registering an eighth successive positive month with a gain of +0.13% (Class A USD). Despite the general decline of the market, several of our outright long positions managed to show robust performances. That was the case for chemical engineering machinery manufacturer Hirano-Tecseed (6245) which rocketed by 32% following increasing demand for its highly profitable film processing machines that play a major role in the production of touch screens and panels. Semiconductor equipment maker Towa (6315) also gained 23% over the month as investors are expecting good business prospects after major chip makers unveiled their capital investment plans. However, K's Holding (8282), a retailer of large scale electronic appliances saw its share price dropped by 17%. We invested after the chain operator registered a slump in sales, amplified by the expiration of the eco-point supportive measures from the government, but the share is yet to witness any rebound. Relative value strategies obviously contributed in these market conditions. Among the highlights was a pair initiated between IT companies which are respectively facing a change of fortune, the long component experiencing a turnaround in earnings while the short leg is seeing sales of its most successful products progressively losing momentum. Going forward, details of the "third arrow" of Abenomics (i.e. growth strategies) are eagerly expected and are certain to be scrutinised. These expectations could potentially bring more volatility to the Japanese market as investors finally assess the key topics of the government economic program, an environment we will try to take advantage of.

Investment Manager's Report (continued)

Nomura Permal Alpha Japan Neutral Fund (continued)

June was an eventful and turbulent month which saw the Fund end 0.43% lower (Class A EUR) while the Nikkei225 and HFRX Equity Market Neutral Index respectively dropped by 0.71% and 0.62%. Many factors combined together to supply and feed the market volatility, with at first the quarterly expiry of listed derivative instruments bringing price distortion to the equity underlying. Some investors were also left disappointed by the details of Abenomics' "third arrow" and by the status quo of the Bank of Japan, while the US Federal Reserve weighed on global equities after announcing it was considering tapering its quantitative easing program. At the same time, signs of a slowing economy in China and large swings in the USD/JPY exchange rate kept the market on its toes. Finally, volatility was further exacerbated in some market segments by the growing number of "day traders", a category of market participants who mostly operate on smaller cap stocks and are more likely to be faced with margin calls and forced liquidations. As a matter of fact, the TSE Mother Index crumbled by a staggering 25.5% last month. Some of our long investments suffered from heavy profit taking triggered by these market conditions. Hirano Tecseed (6245) for example declined by 22%, having gained 32% back in May as explained last month but K's Holding (8282), an electronic retailer we also presented last month, started showing sign of a rebound with a 12% gain. In regards of relative value strategies, one of our positions was hurt by the announcement of a convertible bonds issuance. But a pair involving generic drug makers made a healthy 6% return, while a geographical play between 2 office buildings operators located in different regions of the country generated a profit of 4%. A coming key feature is the upper house elections on July 21st. The ruling LDP party is expected to win convincingly, judging by the results of the Tokyo Metropolitan Assembly elections on June 23rd, and the onus will be on

In July, the Fund showed decorrelation to the equity market, gaining +0.46% (Class A USD) while Topix lost 0.19%. Following a steady and positive start, the equity benchmark nose-dived by as much as 7.5% in the final part of the month to close in negative territories for the third successive month. Despite the market turnaround, long positions on Kandenko (1942) and Takaoka Toko (6617) ranked among our best performers as both companies from the energy industry rose by around 17%. The first one was boosted by strong demand from individual households for solar powered batteries that more than compensated the slump in orders from Tepco, its parent company. Coincidentally, Tepco was the main reason behind the surge of Takaoka Toko as the latter could be selected as a supplier of a new and smart electricity gauge system, something that would guarantee a stable stream of revenues. On the other hand, amusement park operator and video games manufacturer Sega Sammy Holding (6460) declined by 5% having missed analysts' forecast. We also expected the company to benefit from a new law for the regulation of casino but delays in its adoption prompted us to unwind the position and take our profits for the time being. Finally, relative value strategies were also net contributors with a spread position between two real estate companies registering gains of about 16% while another one in the service industry returned 15%. As anticipated, the ruling coalition secured the majority at the upper house, providing it a solid grip on the Diet after the "super majority" achieved at the lower house back in December. With no scheduled elections expected in the next three years, expectations are now high for Shinzo Abe to act promptly and decisively in terms of reforms. Nevertheless, the implementation of the so-called "third arrow" will be a multi-year process and any sort of disappointment from certain investors could lead to added volatility on the equity market.

Investment Manager's Report (continued)

Nomura Permal Alpha Japan Neutral Fund (continued)

August was unsteady for global equities as the vast majority of the world indices ended in negative territories. Topix fell by 2.27% while Eurostoxx50 and S&P500 respectively slumped by 1.69% and 3.13%. Emerging markets and question marks about the Federal Reserve's future approach to its QE program continued to weight on investors' mind, but it was the developments around Syria that added considerable downside pressure on equities. Nevertheless, the Fund managed to contain its decline to just 0.15% (Class A USD) whereas HFRX Equity Market Neutral index had its worst month of the year so far, dropping by 1.61%. Since the turn of the year, the index has accumulated losses of 0.43% while the Fund has generated a net gain of 2.81%. Despite the market slump, our best performer was a long position on Rorze (6323), a manufacturer of conveyor systems for semiconductor production. Rorze is also involved in biotechnology and benefited from the announcement that several Japanese companies would be joining force to develop mass production of iPS (or induced pluripotent stem) cells for transplants by 2017, a field where Japan has constantly played a predominant role and which could lead to major medical breakthroughs. Although the share price rocketed by 38% month-on-months, we managed to generate a return of more than 48% thanks to timely profit-takings. On the other hand Happiness and D (3174), a popular retailer of brand-name small luxury goods and gift items, dropped by 23% as July retail sales were perturbed by poor weather conditions and early summer sales. Short positions behaved well generally, the best of the lot being a position on a consulting company in the medical industry that slumped by 32%, whereas our best relative-value performer was a spread involving two major cosmetic makers. Going forward, the market will be anxious to discover the follow-up details of the third arrow of Abenomics and assess their impacts on the domestic market, while global equities could be impacted by the complication of the situation with Syria and the lingering uncertainty about the Fed's position. Overall, a stock-specific approach similar to ours will be well placed to capture gains on both out and under-performers in these market conditions.

September was a positive month for the major equity indices but markets the world around, Japan included, remained very sensitive to global macro and geo-political factors. With military intervention seemingly averted for the time being in Syria and thanks to a more nuanced communication from the Federal Reserve towards the potential tapering of its QE program, they embarked on a rebound in the first half of the month. The attribution of the 2020 Olympic Games to the city of Tokyo lifted Japanese equities but they also responded sharply to the political debacle in Italy and in the United States which ultimately led to the partial shutdown of the US government. The Fund generated a net gain of 1.97% (Class A USD) which favourably compares to HFRX Equity Market Neutral index's performance of -0.05%. Alpha generation was, as always, the main contributor with the Fund running a limited net exposure of 3% on average while carrying no significant industry bias in its portfolio. On the other hand, gross exposure has been steadily increased and stand at an average of 105% over the month. At individual stocks level, our best performer was Colopl (3668), a developer and provider of contents for mobile phones ranging from online applications to open platform operation and games, which saw its share price doubled. The company has the largest exposure to smartphones from all of its peers and will therefore continue to benefit from the constant upgrade from feature phones, something that will grow its user base. Its latest Quiz RPG game has also met unprecedented success, already reaching 100,000 users a day and breaking the previous all-time high set by Puzzle & Dragons from competitor Gungho. Intra-sector relative value strategies contributed handsomely as well, with pairs in fields as diverse as chemical or food returning more than 20% each. The Fund will continue to put emphasis on this approach in order to continue to generate substantial absolute performance uncorrelated to markets' direction.

Investment Manager's Report (continued)

Nomura Permal Alpha Japan Neutral Fund (continued)

The Japanese equity market was subdued and directionless in October with Topix closing the month virtually unchanged at +0.01%. The much anticipated hike in consumption tax was announced at the start of the month but the accompanying economic stimulus package was deemed a bit underwhelming by some. The mood was further exacerbated by the uncertainty created by the US government shutdown, prompting global investors to adopt a more cautious approach. In this context, many of the Fund’s recent best performers suffered from a reactionary movement, leading to a monthly drop of 1.09% (Class A USD). This affected several of our relative value strategies but also, among others, our long position in Nippi (7932), a manufacturer of gelatin and collagen peptides. Following a 27% gain in September, it dropped by 12% amid a very thin news flow but we remain confident as the firm has recently been granted the right to be involved in the culture of ground-breaking induced pluripotent stem (iPS) cells and accounts large unrealised real-estate profits. E-commerce operator Rakuten (4755) registered a 12% drop in a single day after competitor Yahoo Japan announced a more aggressive pricing scheme. We believed nevertheless that this was an overreaction, as confirmed by the recovery of the stock price since, and that the company is well placed to benefit from a market that is expanding at a faster pace than the increase in competition. On a brighter note, Geostr (5282), a manufacturer of reinforced concrete specialised in tunnel structural material jumped by 57% on the back of the government’s nationwide toughening construction program. The start of the earning season in November should put individual corporate aspects back at the front of investors’ mind and the Fund will look to capture any opportunity arising from this environment.

The large majority of equity markets moved higher in November, in part boosted by the dovish comments provided by the US FED’s chairman-elect, Janet Yellen, which helped propel US equities to new all-time highs. In Japan, first half corporate results were generally in line with analysts’ expectations and, as a consequence, generated little surprise on the stock exchange. It is nevertheless encouraging that the number of Japanese firms heading for record profits has hit a post-Lehman high, a testimony of the strength of corporate Japan as a whole. The Fund edged slightly down by 0.27% (Class A USD). A couple of relative value plays in the real estate and mobile phone industries made good positive contributions while a couple of positions, outright and spreads, among video game makers weighted on the performance. In particular, Nexon (3659) dropped by close to 17% despite reporting robust growth in both Q3 sales and operating profits due to strong performance in Korea. However, guidance for the fourth quarter was lower than expected as the company expects a decline in the number of paying users in China. On the brighter side, Hitachi Medical Corp (6910) was the subject of a takeover offer by its parent company and saw its share price rocketed by more than 30%. Electrical appliance store chain K’s holding (8282) rose by 16% despite a decline in operating profit but thanks to an increase in same-store-sales. Moreover, the share price was supported by the company’s inclusion in the soon to be launched JPX-Nikkei index 400. The creation of this new index is a testament to the ambition to raise Japanese corporate profile and to encourage a more shareholder friendly attitude among Japanese firms. Indeed, unlike most other benchmarks, the selection criteria are not based on market capitalisation but rather on global investment standards such as efficient use of capital or investor-focused management perspectives. Therefore, its ambition is to promote corporate values which will ultimately further improve the perception of the Japanese stock market among investors.

In December the Japanese equity market witnessed some reversal effects and a drop of liquidity, amplified by extended year-end holidays and the fact that individual investors aggressively sold JPY 1.5Tn of stocks just before the introduction of a new capital gain tax in January. These two effects combined generated stock-specific distortions and dragged the fund 1.52% lower (Class A USD). Nevertheless, we believe these were short-term technical factors that are unlikely to impact the market going forward. Among the main laggards was electrical appliances’ stores operator K’s Holdings (8282) which declined by 9%. November same-store-sales marginally dropped by 0.4% but triggered heavy profit takings following the 26% rally registered over the two previous months. A short position taken on an educational service company saw the share price surged by 7% despite guidance on operating profits being lowered while the firm is still experimenting new business solutions in order to try to return to profit growth. In terms of relative value positions, a real estate pair suffered after the company we had shorted announced the signing of a new corporate tenant in a newly completed building. On the bright side, another pair in the food sector gained a combined 9% with our long component expected to generate double digits operating profits growth in FY13, owing to a surge in profitability together with lower costs achieved in its domestic processed foods operations. Finally, we also made a 12% return on a long position taken during the month in Yokogawa Bridge Holding (5911). Demand for bridges should be sustained thanks to the Tokyo Metropolitan Expressway rebuilding plan and the national resilience policy but the announcement of a share buyback from this company also offered an attractive entry point. We would like to wish you a very happy and successful year in 2014.

Investment Manager's Report (continued)

Nomura Permal Alpha Japan Neutral Fund (continued)

In January, Japanese equities started the year on a negative note as Topix slumped to a 6.27% loss under the combined effects of a technical pullback after last year’s rally and growing anxieties among global investors. With increasing signs of a potential slowdown in China, strong question marks about emerging markets and worse-than-expected US employment figures, equities around the world retreated sharply. Nevertheless, the Fund managed to generate a net gain of 0.20% (Class A USD). Despite the weaker market, its outstanding performer was a long position on First Energy Services (9514) whose share price registered stellar gains of about 70% over the month. The energy management service company helps its clients optimise their energy consumption and is specialised in low-pollution power stations and woody biomass energy. The latest falls under a feed-in tariff scheme, similarly to solar energy for example, and the firm is expected to greatly benefit from the expansion of this market segment. Nippi (7932), another long position in a collagen-producing company that we had already presented, also made double-digits gains. It is part of a team that announced the development of a new method to culture induced pluripotent stem (iPS) cells without requiring the use of animal ingredients. As a result, risks of infection in transplant therapy are greatly reduced and this breakthrough will speed up the usage of iPS cells for regenerative medicine. A pair strategy involving a long in an e-commerce company versus a more traditional retailer delivered remarkable results. To offset the impeding consumer tax hike, certain consumers are likely to shop more online whereas high street retail chains are considering eating into their own margins and absorb part of this VAT increase. The main drag on the portfolio was Aeon Credit Service (8570) which, in spite of good business results, was hampered like the entire financial sector by the current risk-off attitude. Overall, this could be an illustration of the Japanese equity market which was strongly affected by global sentiments whilst companies’ fundamentals have been robust and their earnings results better than analysts’ consensus so far. Through its stock picking and market neutral approaches, the Fund will seek to exploit this environment.

February proved to be another hectic period for equities. Indeed, Topix accumulated year-to-date losses firmly in double-digits territories at some point during the month, as weak economic data were released in quick succession around the world and pessimism about emerging markets continued to grow. Nevertheless, investors greeted the Bank of Japan’s announcement to extend two of its lending programs in the belief that this could signal more significant intervention from the central bank further down the line. In the end, the benchmark was 0.74% lower at the close of the month while the Fund managed to grow by 0.40% (Class A USD). Pair strategies provided the main contributors to the performance. In a year when the government is conducting its periodic review of drugs price, we initiated several relative value plays in the pharmaceutical and medical sectors in anticipation of a power shift between companies and some of these positions were already handsomely rewarded. Given the market environment, a few of our outright long-only positions found themselves among the main detractors. Biopharmaceutical firm PeptiDream (4587) had released outstanding 2Q business results and saw its share price more than doubled in the second half of 2013. But it was dragged down by the risk-off movement, which affected most particularly Mothers index companies, and retreated back by 21%. Others however behaved quite well as Sankyu (9065), a leading transportation company, and Yokohama Rubber, the country’s third largest tyre maker, respectively rose by 15% and 9% following upgrades by sell-side analysts. Japanese companies’ fundamentals are sound and their earnings forecasts quite encouraging overall but global macro and geopolitical factors continue to create an uncertain environment. The combination of diligent stock selection and relative value plays could turn out to be a successful approach in these circumstances.

Investment Manager's Report (continued)

Nomura Permal Alpha Japan Neutral Fund (continued)

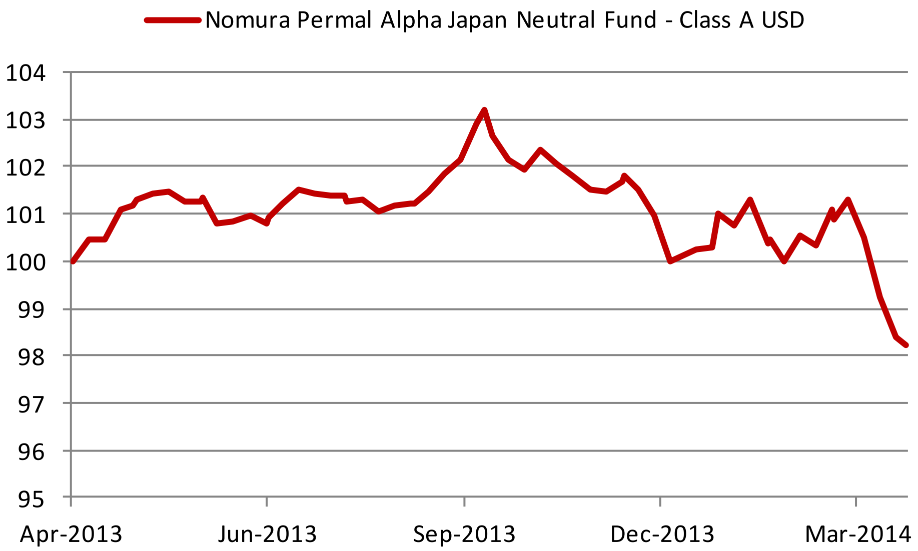
Although the major indices managed to contain their losses - Nikkei and Topix were respectively down 0.1% and 0.7% at month-end - Japanese equities continued to experience strong volatility in March. After a positive start, the market registered a 7% drawdown before crawling back thanks to a sequence of 6 successive positive trading days in the very final part of the month. Macro and geo-political factors such as tensions in the Ukraine, the Chinese economic outlook and US Federal Reserve communications propelled the yen higher and weighed on the equity market. However, above all, there were large distortions generated by factors of a more technical nature including aggressive institutional portfolio reshuffling and profit-taking as the end of the fiscal year approached. As a result, and in the absence of specific corporate news, shares traded out of line with company fundamentals in a forced return reversion confirmed by factor analysis. The best performing stocks of the last 12 months were heavily sold during the month, while underperformers were bought. Similarly, firms with low PER faced downward pressure when those with weak RoE gained traction. At the same time, smaller companies fell victim to forced selling by individual investors facing margin calls, explaining the strong underperformance of the Mothers Index in March (- 8.3%). This kind of market environment is generally challenging for the Fund’s fundamental driven strategy which registered a fall of 2.63% (Class A USD). Fortunately, configurations such as these are by definition short-lived and the market has since reverted to a more rational pattern of behavior. The hike of consumption tax has also now become reality and investors will be eager to assess its impact over the coming months and gauge the likelihood of the Bank of Japan intervening sometimes in the second quarter of the year. In the meantime, individual corporate fundamentals should return as one of the main drivers of the market.

Nomura Permal Alpha Japan Neutral Fund – Class A USD

Month	Monthly Return	AuM(USD)
April 2013	1.31%	3,827,200
May 2013	0.13%	3,932,300
June 2013	-0.42%	3,916,000
July 2013	0.46%	3,933,800
August 2013	-0.15%	3,927,800
September 2013	1.97%	4,005,100
October 2013	-1.09%	3,961,300
November 2013	-0.27%	3,950,800
December 2013	-1.52%	3,890,900
January 2014	0.20%	3,401,000
February 2014	0.40%	3,414,600
March 2014	-2.63%	3,809,300

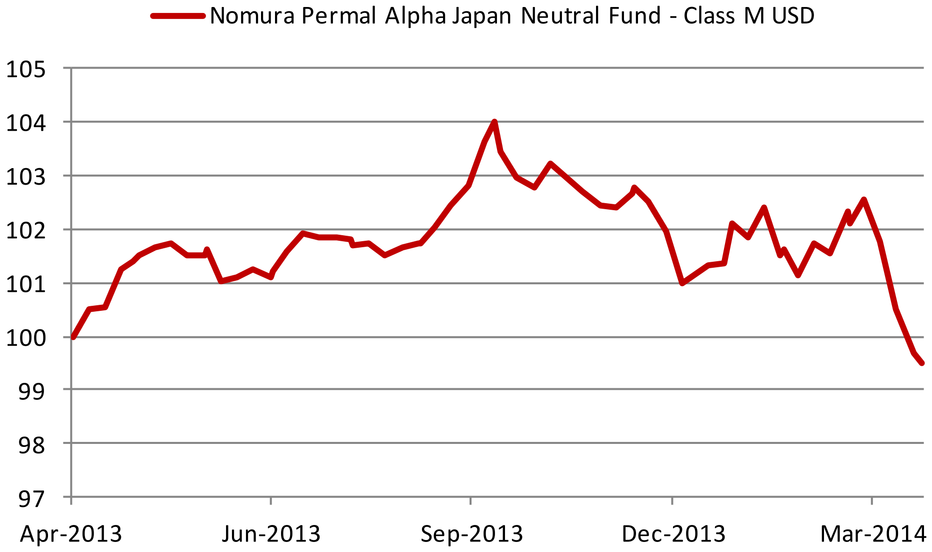
Investment Manager's Report (continued)

Nomura Permal Alpha Japan Neutral Fund (continued)



Nomura Permal Alpha Japan Neutral Fund – Class M USD

Month	Monthly Return	AuM(USD)
April 2013	1.53%	33,678,000
May 2013	0.22%	34,193,000
June 2013	-0.39%	34,269,700
July 2013	0.59%	34,137,600
August 2013	-0.09%	34,337,800
September 2013	2.25%	34,306,800
October 2013	-1.00%	35,077,400
November 2013	-0.18%	34,662,900
December 2013	-1.43%	34,168,500
January 2014	0.29%	34,268,400
February 2014	0.48%	34,433,400
March 2014	-2.53%	33,561,000



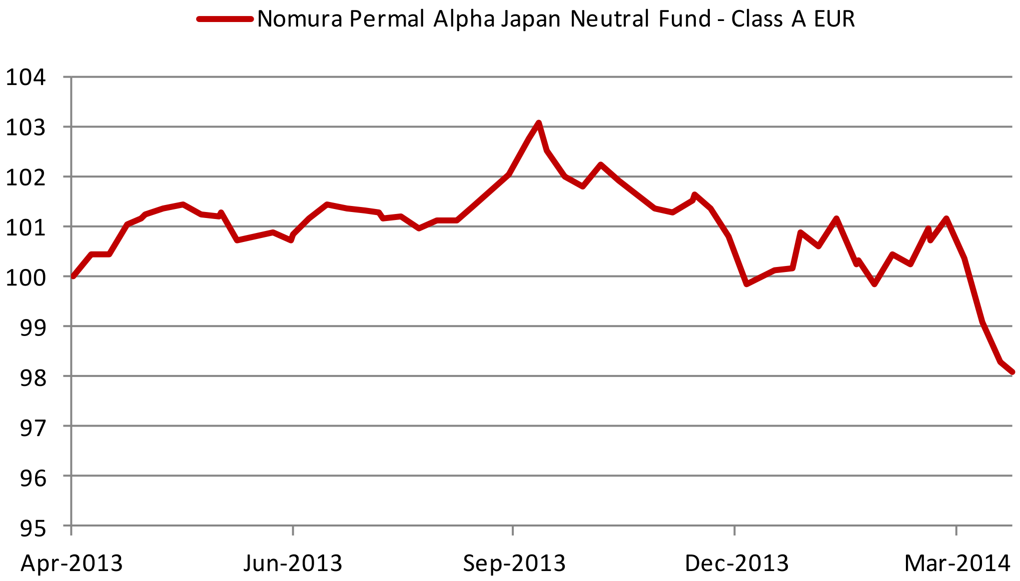
Investment Manager's Report (continued)

Nomura Permal Alpha Japan Neutral Fund (continued)

Nomura Permal Alpha Japan Neutral Fund – Class A EUR

Month	Monthly Return	AuM(EUR)
April 2013	1.26%	2,049,360
May 2013	0.13%	2,451,660
June 2013	-0.43%	2,441,150
July 2013	0.43%	2,451,720
August 2013	-0.16%	2,447,760
September 2013	1.92%	2,494,750
October 2013	-1.09%	2,467,540
November 2013	-0.27%	2,460,790
December 2013	-1.50%	2,423,800
January 2014	0.21%	2,428,940
February 2014	0.39%	2,438,480
March 2014	-2.62%	2,374,500

Nomura Permal Alpha Japan Neutral Fund (continued)



Nomura COLRS Commodity Fund

In June, commodity markets fell due to weak demand from China and indications from the Fed that it may begin tapering its asset purchase program later this year. Gold prices fell on declining inflation expectations and a strong US Dollar during the latter half of the month. Crude oil prices rallied on shrinking U.S. stockpiles and a reduced supply from the OPEC. Industrial metals prices fell on demand concerns from China and the US. Agriculture prices broadly declined on ample supply. Commodity curves flattened in energy led by a rally in contract prices at the front end and in agriculture led by a sell off at the far end.

Investment Manager's Report (continued)

Nomura COLRS Commodity Fund (continued)

In July, commodity markets rallied as the Fed reassured markets on continued stimulus. Gold prices rallied on increased inflation in the US and a weakening US Dollar. Crude oil prices rallied due to the peak driving season in the US and a drop in stockpiles. Industrial metals prices remained range-bound on demand concerns from China and an increased economic growth outlook in Japan and the US. Agriculture prices declined led by grains on ample supply. Commodity curves flattened in WTI crude oil, Brent crude oil and copper led by a rally in contract prices at the front end and steepened in natural gas and corn by a sell off at the front end.

In August, commodity prices rallied on better than expected economic data from China and Europe, and increased political tensions in the middle-east. Gold prices rallied on a weak US Dollar, and expectations of an impending strike on Syria by the US, specially towards the latter half. Crude oil prices rallied due to political unrest in Egypt, Libya and Syria. Industrial metals prices rose on improved demand from China. Agriculture prices rallied led by Soybeans and Cocoa due to poor weather conditions. Commodity curves steepened in the industrial metals and agriculture sector, and flattened in the energy sector.

In September, commodity prices fell on easing political gridlock over Syria and expectations of a tapering in bond purchases by the Fed. Gold prices fell on easing tensions over Syria and reduced inflation expectations in US. Crude oil prices fell on fading seasonal demand and increased supply from North America. Industrial metals prices rose on better than expected manufacturing and labor market data in the US. Agriculture prices fell on increased supply led by corn, soybeans and coffee. Commodity curves steepened in industrial metals due to a rally in prices further out in the curve.

In October, energy and agriculture commodity prices fell on increased supply. In the US, U.S. Senate leaders announced a deal to raise US debt ceiling, extending US treasury’s borrowing capacity till February next year. In China exports contracted, against expectations. In the Euro area, economic data was better than expected, showing signs of recovery. Precious metal prices rallied in the second half of the month as the Fed remained dovish. Energy prices fell on increased supply. Industrial metals prices rose as the Fed continued to maintain economic stimulus. Agriculture prices fell as supply concerns eased due to favourable weather in the Americas. Commodity curves steepened in WTI crude oil, heating oil and wheat.

In November, commodity prices fell on increased supply in the US, expectations of a taper in stimulus by the Fed and increased metal exports from China. In Europe, the central bank cut rates to guard against deflation. Precious metals fell on expectations of a reduction in stimulus by the Fed and reduced physical demand. Energy prices rallied led by natural gas on colder than expected weather conditions. WTI crude oil fell on increased supply in the US while Brent crude oil and gasoline rallied on supply disruptions from Libya. Industrial metals prices fell on higher than expected metal exports from China. Corn and wheat prices fell on increased supply while cocoa and soybeans prices rallied. Commodity curves steepened in WTI crude oil and industrial metals due to a sell off at the front end.

In December, commodity prices rallied on better than expected economic data in the US. Precious metals prices fell as the Fed announced that it would start tapering its bond buying program from January. Energy prices rose due to reducing crude oil stockpiles in the US and an escalating unrest in Libya. Industrial metals prices strengthened on an increased demand outlook. Agriculture prices fell on increased supply. Commodity curves flattened in energy and industrial metals due to a rally at the front end.

In January, commodity prices fell initially but rallied later on a better than expected reduction in unemployment rate in the US and increased demand from China. Precious metals prices rallied on safe haven demand as emerging market currencies fell sharply through the month. Crude oil prices fell initially on increased stockpiles but rallied later. Natural gas prices rallied towards the end of the month on cold weather forecasts. Industrial metals prices fell on expectations of a slowdown in emerging market economies. Agriculture prices fell on increased supply. Commodity curves flattened in the energy sector except natural gas and in corn, soybeans and coffee.

Commodity prices rallied in February 2014 as Ukraine’s turmoil increased the demand for gold and fueled concerns that energy and agriculture supplies will be restricted. Industrial metal prices fell amid speculations of a slowdown in US and China. CoLRS held front or near to front contracts in energy and precious metals sector. In industrial metal sector CoLRS held further out contracts except in copper. In agriculture sector it held further out contracts in corn and soybean, and front contract in wheat. CoLRS ability to position in front as well as further out contracts helped it to gain amid volatile commodity markets in February 2014.

Investment Manager's Report (continued)

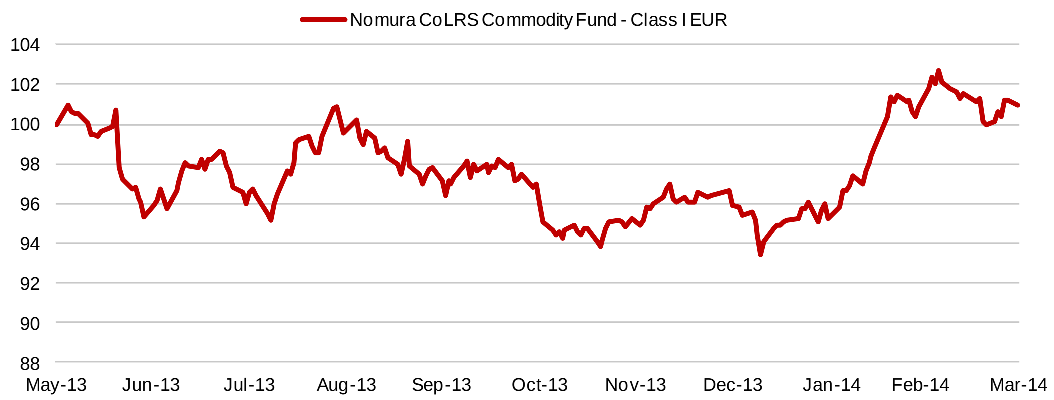
Nomura COLRS Commodity Fund (continued)

In March, commodity prices fell initially on weak economic data from China but rallied later on the supply concerns and rising political crisis in Ukraine. Energy prices remained weak during the first half of the month but strengthened later. Industrial metals prices fell on expectations of a slowdown in the Chinese economy. Agriculture commodities extended their rally, led by grains on supply concerns. Commodity curves steepened in the energy and industrial metals sectors and flattened in grains.

The Fund was launched on 31 May 2013. The below performances cover the period from 31 May 2013 to 31 March 2014.

Nomura COLRS Commodity Fund – Class I EUR

Month	Monthly Return	AuM(USD)
June 2013	-4.67%	26,692,530
July 2013	1.32%	27,044,690
August 2013	3.03%	27,864,820
September 2013	-2.42%	27,191,660
October 2013	-1.13%	26,884,290
November 2013	-0.82%	26,662,970
December 2013	0.67%	26,840,470
January 2014	-0.44%	26,723,040
February 2014	5.68%	28,240,910
March 2014	0.06%	28,257,070

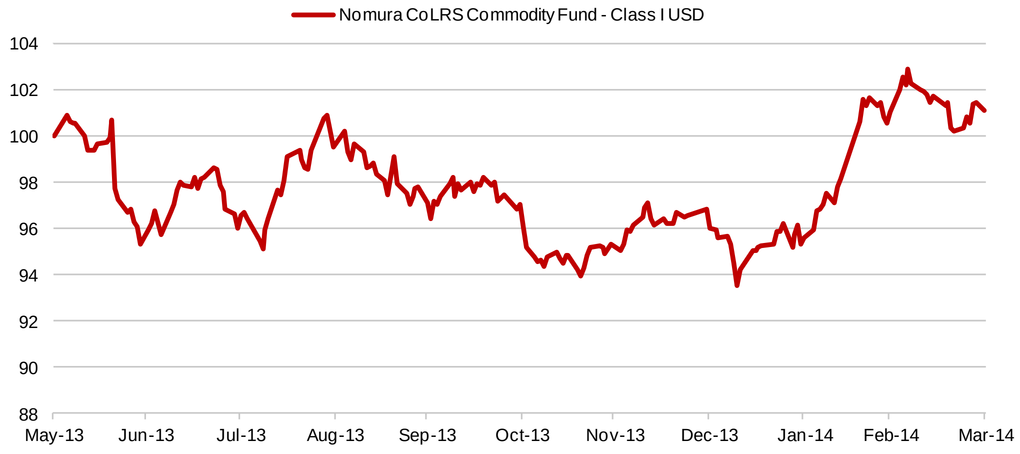


Nomura COLRS Commodity Fund – Class I USD

Month	Monthly Return	AuM(USD)
June 2013	-4.64%	14,304,120
July 2013	1.30%	14,490,120
August 2013	3.06%	15,833,290
September 2013	-2.41%	15,451,010
October 2013	-1.10%	20,469,800
November 2013	-0.75%	21,021,320
December 2013	0.68%	21,165,050
January 2014	-0.46%	21,068,530
February 2014	5.75%	21,928,200
March 2014	0.05%	21,940,260

Investment Manager's Report (continued)

Nomura COLRS Commodity Fund (continued)



Nomura Man Systematic Fixed Income UCITS Fund

In July the contributions of FX trading, directional rates trading and non-directional rates trading were -0.54%, -0.81% and 1.42% respectively. During the month, the strategy cut the short EM (long USD) FX position to leave the exposure essentially flat. Largest losses arose in PLN and MXN, where contributions were -0.10% and -0.11% respectively. Directional net positions remained overall short, with a balance of long and short positions. For example, the strategy was long ILS and NOK whilst being short in USD and CHF. The biggest loss arose in SEK, where the 2 year rate rallied by 7.5bp, and contributed 24bp to the overall loss. The net short position of the strategy has been reduced substantially during the course of the month following the losses in this strategy. In non-directional rates trading, the strategy made substantial profits in EUR and USD (in the earlier part of the month) where the 5 year rate outperformed the 2 year and 10 year rates. The strategy reduced the position in both of these curve trades as both curves moved closer to their ‘fair value’.

In August, FX trading returned 0.52%. The long USD position benefited from the continued weakening of the EM currencies. The largest gains came from Turkey, South Africa and India as their currencies weakened the most on the grounds of weak economic fundamentals. Non-directional rates trading returned -1.71%. 5yr rates increased relative to 2 and 10 year rates, i.e. yield curves become more curved. The model expects these moves to revert and has suffered as curves become more and more curved in the second half of August, particularly in USD. Directional rates trading contributed -0.86%. While the strategy was overall short in the second half of the month, i.e. betting on interest rates to increase, it remained long in some markets. In particular, the strategy suffered from a long position in Israeli interest rates, which sharply increased from 1.3% to 1.7%. The second largest loss came from trading Mexican interest rates, which saw sharp reversals over the month.

In September, FX trading returned -1.90%. The strategy began the month long USD versus EM currencies, and this suffered as the EM currencies strengthened (spurred on by the Fed decision not to taper, in contrast to a consensus tapering estimate of $10-15bn). The strategy closed the month long EM currencies versus the dollar. Directional rates trading returned -1.00%. The strategy suffered particularly in SEK (contributing -45bp, where the strategy started the month short and the market rallied 11bp) and ZAR (contributing -25bp, where the strategy started the month short and the market rallied 24bp). In both cases the strategy closed the month long. By contrast, the decision not to taper was positive for non-directional trading, where the strategy had a contribution of 2.28%. In USD, the 5yr swap rate rallied by about 8bp relative to the 2yr and 10yr rate (and a slightly lesser amount in bond futures). There was a similar behaviour in EUR, and in each case the strategy were correctly positioned.

Investment Manager's Report (continued)

Nomura Man Systematic Fixed Income UCITS Fund (continued)

In October, the government shutdown in the US, the nomination of Janet Yellen as head of the FED and a weak non-farm payrolls number has resulted in the market expectation that the FED will scale back asset purchases slower than previously expected. This in turn has led to falling interest rates, a weaker US dollar and 5 year rates falling relative to 2 and 10 year rates. All three strategies were correctly positioned for these moves. In particular: FX trading returned 0.26%, benefitting from long EM FX positions (relative to the US dollar). Most EM currencies strengthen over the month and contributed positively to the performance. The biggest exception from this macro trend was the Chilean Peso, which weakened as prices for copper, Chile's main export product, declined. Directional rates trading returned 1.30%, benefitting from long positions in interest rates. Biggest gains came from trading 2 year interest rates in SEK and ILS, where rates steadily fell by 13bp and 10bp over the course of the month. Losses came primarily from trading NZD interest rates, which saw a reversal in October. Non-directional rates trading returned 1.41%, benefitting from long positions in 5 year rates (with short positions in 2 and 10 year rates). Performance was positive across all currencies with the exception of CHF.

In November, FX trading contributed -1.73%. This was a result of beginning the month with a long EM position against the dollar. During the month, the dollar strengthened and we closed the month with a small long dollar position. Early in the month, the Czech National Bank began intervening to weaken the Koruna, with the CNB telling reporters "“The question is not whether we stop in 2014, it is rather a question of if it will be enough”. As a result of this extended period of expected intervention, we have removed the currency from the EM Basket that we trade. Directional rates trading contributed +1.78%. Our long SEK position was particularly profitable (contributing about 81bp), benefitting from an unexpectedly weak CPI number. We increased our (broadly long) positions throughout the month. Non-directional rates trading contributed +1.02%. Approximately two thirds of this came from relative value within markets (with USD and EUR being the main contributors), and one third from relative value across markets. Our risk level in non-directional rates trading is at about the lowest we have seen for the last 18 months.

In December, the prime driver of the returns was the Federal Reserve's decision to taper its Asset Purchase Program by a total of $10bn a month, to leave purchases at $75bn a month. This surprised markets and led to a general fixed income selloff. FX trading contributed 0.7bp. We began the month with a small long Dollar position and closed the month with a small short. Directional rates contributed -70bp. Significant contributors to this negative return were ILS, USD and MXN (where the rate selloffs cost us 30bp, 25bp and 27bp respectively). Non-directional rates trading contributed -102bp. This negative return was dominated by the USD butterfly positions, where the rally in the 5 year (relative to the 2 year and 10 year) in November was more than retraced.

The theme for January was one of risk aversion – seen through EM interest rates rises, EM currency weakness (and credit spread widening) – perhaps triggered by the Turkish CB decision not to raise rates. FX trading contributed +83bp. We began the month with a small short Dollar position but went long within the first few days and progressively increased the Dollar long throughout the month. As a result, the strategy performed well compared to the ELMI+ index, which fell 2.2% over the month. Directional rates trading contributed -76bp. Emerging market rates saw a substantial selloff, for example 2yr ZAR sold off by 141bp, 2yr HUF by 96bp and bid-offer spreads widened in sympathy. Our positions were relatively small and to an extent offsetting, but even small basis positions give rise to material P&L with such violent moves. Non-directional rates trading contributed +60bp. The EUR butterfly was a particularly strong performer (with the 5yr rate out-performing) and we cut some of our positions there as the reversion opportunity diminished.

In February, FX trading contributed -83bp. This negative performance was a consequence of our continuing short position and a retracement of the selloff in EM that we saw in January (to illustrate the move, the JP Morgan ELMI+ fell 2.23% in January, and rallied 1.46% in February). The retracement was particularly strong in BRL and ZAR and these were, accordingly, our worst performers. Directional rates trading contributed -4bp. We are long most markets, but short in ZAR, CHF and USD. We saw strong performance in SEK and ILS (where rates rallied 5bp and 27bp), and 2 year ILS rates are now below 1% - a historical low. These gains were offset by losses in ZAR, where rates retraced some of the sharp selloff we saw in January. Non directional rates trading contributed +69bp. The bulk of this positive performance came from EUR, a consequence of the selloff of the 5 year rate relative to the 2 and 10 year rates. Relative value trading across markets also contributed positively, where we are broadly long CAD vs short GBP.

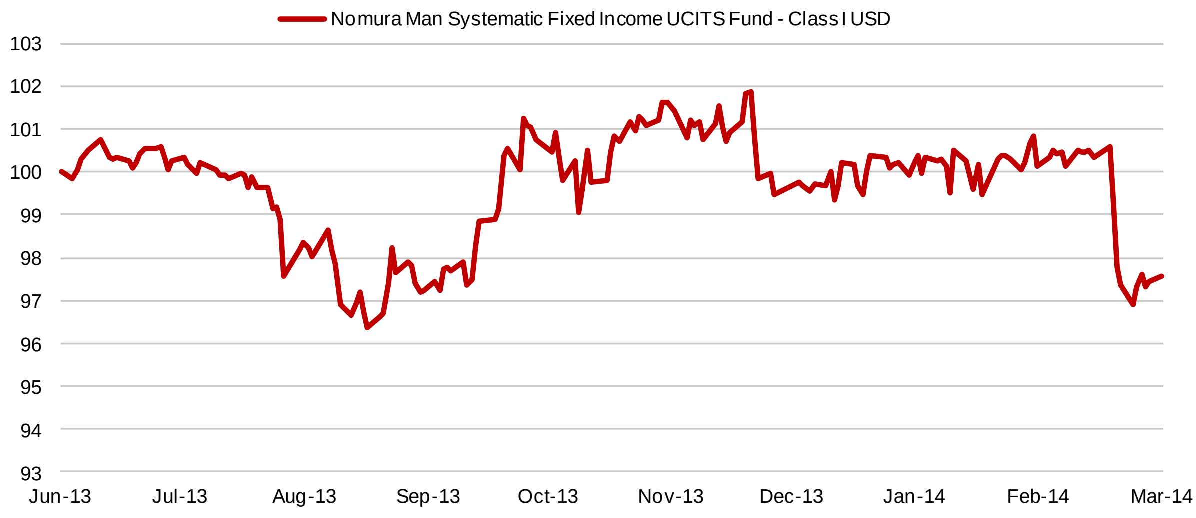
Investment Manager's Report (continued)

Nomura Man Systematic Fixed Income UCITS Fund (continued)

In March, market events were dominated by the first post-FOMC meeting press conference for Chairwoman Yellen, whose remarks about what might constitute "a considerable period", combined with the rise in forecasts from her colleagues about appropriate rate policy saw a violent selloff in Fixed Income, led by the back of the Eurodollar curve, with December 16 Eurodollars selling off some 30bp on the day, and 37bp over the month. Reaction further out, and indeed in other markets, was more muted, with Germany and the UK seeing modest rallies over the month. FX trading contributed -7bp. We started the month short EM currencies versus USD, but by month-end we reversed the position and now stand with a small long EM exposure. Directional rates trading contributed -95bp. Approximately one third of this loss came from our long position in USD. South Africa was another negative contributor, where we were short and rates rallied about 30bp. In response to this, the model reversed positions in ZAR, and we now have a small long position. Non directional rates trading contributed -154bp. This was almost entirely driven by our USD 2/5/10 position, where our long 5yr versus short 2yr and 10yr was hit by Yellen's comments. Across the month, the 2/5/10 butterfly flexed by about 10bp – a large and violent move.

Nomura Man Systematic Fixed Income UCITS Fund – Class I USD

Month	Monthly Return	AuM(USD)
July 2013	0.07%	25,263,910
August 2013	-2.03%	24,750,910
September 2013	-0.62%	24,598,200
October 2013	2.97%	25,328,330
November 2013	1.07%	25,598,880
December 2013	-1.71%	25,160,310
January 2014	0.67%	25,329,360
February 2014	-0.18%	25,284,720
March 2014	-2.56%	24,557,000



STATEMENT OF CUSTODIAN'S RESPONSIBILITIES AND CUSTODIAN'S REPORT

The European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) as amended from time to time (the "Regulations") impose certain obligations on the Custodian and require the Custodian to enquire into the conduct of the Company in each annual accounting period and report thereon to Shareholders. In particular, the Custodian must:

1. ensure that the sale, issue, repurchase, redemption and cancellation of Shares effected by or on behalf of the Company are carried out in accordance with the Regulations and in accordance with the Articles of Association of the Company (the "Articles");

2. ensure that the value of Shares is calculated in accordance with the Regulations and the Articles;

3. ensure that there is legal separation of non-cash assets held under custody and that such assets are held on a fiduciary basis. In jurisdictions where fiduciary duties are not recognised the Custodian must ensure that the legal entitlement of the Company to the assets is assured;

4. maintain appropriate internal control systems to ensure that records clearly identify the nature and amount of all assets under custody, the ownership of each asset and where documents of title to that asset are located;

5. where the Custodian utilises the services of a sub-custodian the Custodian must ensure that these standards are maintained by the sub-custodian;

6. where the Custodian utilises the services of a global sub-custodian the Custodian must

    (i) ensure that the non-cash assets are held on a fiduciary basis by the global sub-custodian's network of custodial agents and this should be confirmed by those agents on a regular basis. In jurisdictions where fiduciary duties are not recognised the Custodian must ensure that the legal entitlement of the Company to the assets is assured;

    (ii) maintain records of the location and amounts of all securities held by each of the custodial agents;

7. notify the Central Bank of Ireland promptly of any material breach of the Regulations, conditions imposed by the Central Bank of Ireland or provisions of the prospectus with regard to an investment company.

CUSTODIAN'S REPORT TO THE SHAREHOLDERS OF NOMURA INVESTMENTS SOLUTIONS PLC FOR THE YEAR ENDED 31 MARCH 2014

In our opinion, the Company has been managed during the year, in all material respects:

(i) in accordance with the limitations imposed on the investment and borrowing powers of the scheme by the memorandum and articles of association and by the Central Bank of Ireland under the powers granted to the Central Bank of Ireland by the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. No. 352 of 2011) as amended from time to time (the "Regulations") and the Investment Funds, Companies and Miscellaneous Provisions Act, 2005; and

(ii) Otherwise in accordance with the provisions of the memorandum and articles of associations and the Regulations.

BNP Paribas Securities Services Dublin Branch
Trinity Point
10-11 Leinster Street South
Dublin 2

Date: 22 July 2014

Directors' Report

The Directors submit their annual report together with the audited financial statements for the year ended 31 March 2014.

Statement of Directors' responsibilities for the Financial Statements
Irish company law requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with Irish statute comprising the Companies Acts, 1963 to 2013 and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 and comply with the Listing Rules of the Irish Stock Exchange. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Business Review
The business of the Company is reviewed in detail in the Investment Manager's Report on pages 3 - 37.

Risks and Uncertainties
The principal risks and uncertainties which the Company faces relate to the use of financial instruments and are listed in Note 10 "Risk Management".

Results
The results for the year are set out in the Profit and Loss Account on page 45. There were no dividends declared for the year ended 31 March 2014.

Directors
The Directors that served during the year are listed on page 2.

Directors' Interests
The Board of Directors are not aware of any shareholding in the Company by any Director, the Secretary, or their spouse and dependent children at the beginning of the year, or at 31 March 2014 or during the year.

Transactions Involving Directors
There were no contracts or arrangements of any significance in relation to the business of the Company in which the Directors had any interest as defined in the Companies Act 1990 at any time during the year to 31 March 2014. The Company notes that Alan F. Crutchett, a director of the Company, was employed by Nomura Bank (Deutschland) GmbH, a related party of the Investment Manager until 30 September 2013.

Books of Account
The Directors have ensured that the proper books and records requirements under Section 202, Companies Act 1990 have been complied with by outsourcing this function to a specialist provider of such services. The books of account are held at the Company's registered office which is 70 Sir John Rogerson's Quay, Dublin 2.

Directors' Report (continued)

Corporate Governance Statement

General Principles
The Company is required to comply with the requirements of the Irish Companies Acts 1963 to 2013 (the "Irish Companies Acts"), the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (the "UCITS Regulations") and the Central Bank of Ireland (the "Central Bank") UCITS notices and guidance notes, as applicable to the Company. Although there is no statutory corporate governance code applicable to Irish collective investment schemes whose shares are admitted to trading on the Irish Stock Exchange, the Company is subject to corporate governance practices imposed by:

A corporate governance code applicable to Irish domiciled collective investment schemes was issued by the Irish Funds Industry Association (the "IFIA") in December 2011 ("the IFIA Code"). While the IFIA Code is a voluntary industry code, its adoption is strongly recommended and was effective from January 1, 2012 with a transitional period of 12 months to December 31, 2012. The IFIA Code was published in response to an invitation to the IFIA by the Central Bank in April 2010 to formulate an appropriate code for Irish investment funds. It operates on a "comply or explain" basis so that, where the board of any company decides not to comply with any provision of the code, the reasons for non-compliance should be set out in its directors' report or on its website. The Board has resolved to adopt the IFIA Code as of 31 December 2012 and all elements have been complied with, except as disclosed below under "Board composition and activities".

(i) the Irish Companies Acts 1963 to 2012 which can be obtained from the Irish statute book website at www.irishstatutebook.ie and are available for inspection at the registered office of the Company;

(ii) the Articles of Association of the Company (the "Articles") which are available for inspection at the registered office of the Company and may be obtained at the registered office of the Administrator or at the Companies Registration Office in Ireland;

(iii) the Central Bank of Ireland (the "Central Bank") in their UCITS notices and Guidance Notes which can be obtained from the Central Bank of Ireland's website at http://www.centralbank.ie/regulation/industry-sectors/funds/ucits/Pages/default.aspx and are available for inspection at the registered office of the Company; and

(iv) the Irish Stock Exchange ("ISE") through the ISE Code of Listing Requirements and Procedures which can be obtained from the ISE's website at http://www.ise.ie/index.asp?locID=7&docID=-1

Internal Control and Risk Management Systems in Relation to Financial Reporting
The Directors are responsible for establishing and maintaining adequate internal control and risk management systems of the Company in relation to the financial reporting process. Such systems are designed to manage rather than eliminate the risk of error or fraud in achieving the Company's financial reporting objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board has put in place a formal procedure to ensure that relevant accounting records for the Company are properly maintained and are readily available, and include the procedure for the production of annual and half-yearly financial statements. The annual financial statements of the Company are produced by the Administrator, reviewed by the Investment Manager, then presented to the Board of Directors who are responsible for the financial statements, for approval and are filed with the Central Bank and the ISE. The statutory financial statements are required to be audited by independent auditors who report annually to the Board on their findings.

Dealings with shareholders
The convening and conduct of shareholders' meetings are governed by the Articles of Association of the Company and the Irish Companies Acts. Although the Directors may convene an extraordinary general meeting of the Company at any time, the Directors are required to convene the first annual general meeting of the Company within eighteen months of incorporation and fifteen months of the date of the previous annual general meeting thereafter. At least twenty one clear days' notice of every annual general meeting and any meeting convened for the passing of a special resolution must be given to shareholders and fourteen days' notice must be given in the case of any other general meeting.

Directors' Report (continued)

Corporate Governance Statement (continued)

Two shareholders present either in person or by proxy constitutes a quorum at a general meeting. The share capital of the Company is divided into different classes of shares and the Irish Companies Acts and the Articles provide that the quorum for a general meeting convened to consider any alteration to the rights attached to any class of shares, is two or more shareholders present in person or by proxy, holding or representing by proxy at least one third of the issued shares of the relevant class.

Every holder of participating shares or non-participating shares present, in person or by proxy who, votes on a show of hands is entitled to one vote. On a poll, every holder of participating shares present, in person or by proxy, is entitled to one vote in respect of each share held by him and every holder of non-participating shares is entitled to one vote in respect of all non-participating shares held by him.

Shareholders may resolve to sanction an ordinary resolution or special resolution at a shareholders' meeting. Alternatively, a resolution in writing signed by all of the shareholders and holders of non-participating shares for the time being entitled to attend and vote on such resolution at a general meeting of the Company, will be valid and effective for all purposes as if the resolution had been passed at a general meeting of the Company duly convened and held. An ordinary resolution of the Company (or of the shareholders of a particular class of shares) requires a simple majority of the votes cast by the shareholders voting, in person or by proxy, at the meeting at which the resolution is proposed. A special resolution of the Company (or of the shareholders of a particular class of shares) requires a majority of not less than 75% of shareholders present, in person or by proxy, and voting in general meeting in order to pass a special resolution including a resolution to amend the Articles of Association.

Board composition and activities

In accordance with the Irish Companies Acts and the Articles of Association, unless otherwise determined by an ordinary resolution of the Company in general meeting, the number of Directors may not be less than three. Currently the Board of Directors of the Company is comprised of three Directors, being those listed on page 2 of these financial statements. Alan Crutchett retired as an employee of the Nomura Group with effect from 30 September 2013 and the Company is currently in the process of appointing another employee of the Nomura Group to the Board of Directors, which process is expected to complete in the near future.

The business of the Company is managed by the Directors, who exercise all such powers of the Company as are not by the Companies Acts or by the Articles of Association of the Company required to be exercised by the Company in general meeting.

A Director may, and the Company Secretary of the Company on the requisition of a Director may, at any time summon a meeting of the Directors. Questions arising at any meeting of the Directors are determined by a majority of votes. In the case of an equality of votes, the Chairman has a second casting vote. The quorum necessary for the transaction of business at a meeting of the Directors is two.

Auditors

The auditors, Deloitte & Touche have signified their willingness to continue in office in accordance with section 160(2) of the Companies Act, 1963.

Signed for and on behalf of the board of directors by

Director

Director

Date: 22 July 2014

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF NOMURA INVESTMENT SOLUTIONS PLC

We have audited the financial statements of Nomura Investment Solutions plc (the "Company") for the year ended 31 March 2014 which comprise the Balance Sheet, the Profit and Loss Account, the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares, the Statement of Cash Flow, the Statement of Accounting Policies and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is Irish law and accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland).

This report is made solely to the Company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors
As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements
In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland of the state of the affairs of the Company as at 31 March 2014 and of the result for the year then ended; and
- have been properly prepared in accordance with the Companies Acts, 1963 to 2013.

Matters on which we are required to report by the Companies Acts, 1963 to 2013

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion proper books of account have been kept by the Company.
- The financial statements are in agreement with the books of account.
- In our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the provisions in the Companies Acts, 1963 to 2013 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

Brian Jackson
For and on behalf of Deloitte & Touche
Chartered Accountants and Statutory Audit Firm
Dublin
Date: 22 July 2014

Nomura Investment Solutions plc

Balance Sheet as at 31 March 2014

	Notes	Nomura Interest Rate Investment Strategy Fund	Enhanced Core Euro Sovereign Bond Fund	Enhanced Euro Equity Fund	Nomura Macro Commodity Strategy Fund[1]	Nomura IRIS*4 Fund[2]	Nomura C10 Fund	Nomura Permal Alpha Japan Neutral Fund	Nomura Man Systematic Fixed Income UCITS Fund[3]	Nomura CoLRS Commodity Fund[4]	TOTAL
		EUR	**EUR**	**EUR**	**EUR**	**EUR**	**EUR**	**USD**	**USD**	**EUR**	**EUR**
Assets											
Financial assets at fair value through profit or loss	11	1,375,943	4,053,370	22,751,610	-	-	5,676,571	32,915	24,609,041	44,184,387	95,952,883
Cash at bank	6	20,347	50,288	127,367	17,092	19,898	34,943	175,396	254,640	31,365	613,872
Receivables from reverse purchase agreements	11	-	-	-	-	-	-	41,708,802	-	-	30,316,036
Receivable for securities sold		-	28,624	-	-	-	-	15,969	-	-	40,231
Prepayments		17,519	2,180	2,196	-	12,530	21,797	2,757	72,830	14,284	125,446
Receivables		189	-	-	-	4,060	-	1,187	-	-	5,112
Total assets		**1,413,998**	**4,134,462**	**22,881,173**	**17,092**	**36,488**	**5,733,311**	**41,937,026**	**24,936,511**	**44,230,036**	**127,053,581**
Liabilities											
Unrealised loss on forward foreign currency contracts	11	212	-	-	-	-	-	-	-	-	212
Unrealised loss on swaps	11	-	-	-	-	-	-	1,166,005	-	-	847,511
Accrued fees	3	19,427	67,670	124,327	17,092	18,162	48,147	133,109	364,687	48,975	705,624
Other payables		20,948	19,530	19,304	-	18,326	21,670	26,565	14,825	6,073	135,935
Total Liabilities (excluding net assets attributable to holders of redeemable participating shares)		**40,587**	**87,200**	**143,631**	**17,092**	**36,488**	**69,817**	**1,325,679**	**379,512**	**55,048**	**1,689,282**
Net Assets Attributable to Holders of Redeemable Participating Shares	5	**1,373,411**	**4,047,262**	**22,737,542**	**-**	**-**	**5,663,494**	**40,611,347**	**24,556,999**	**44,174,988**	**125,364,299**

The number of shares and the Net Asset Value per share are included in notes 4 and 5.

[1] Terminated on 7 March 2014
[2] Terminated on 28 August 2013
[3] Launched on 28 June 2013
[4] Launched on 31 May 2013

On behalf of the Directors

Director	Director
22 July 2014	22 July 2014

The accompanying notes are an integral part of these financial statements

Balance Sheet as at 31 March 2013

	Notes	Nomura Interest Rate Investment Strategy Fund	Enhanced Core Euro Sovereign Bond Fund	Enhanced Euro Equity Fund	Nomura Macro Commodity Strategy Fund	Nomura IRIS*4 Fund	Nomura C10 Fund	Nomura Permal Alpha Japan Neutral Fund[1]	Nomura Quadra Fund[2]	TOTAL
		EUR	EUR	EUR	EUR	EUR	EUR	USD	EUR	EUR
Assets										
Financial assets at fair value through profit or loss	11	35,526,930	18,121,641	22,926,038	12,411,435	4,305,965	14,180,933	340,104	-	107,738,854
Cash at bank	6	56,495	77,317	102,108	56,217	45,697	59,593	195,878	38,433	589,009
Receivables from reverse purchase agreements		-	-	-	-	-	-	39,774,258	-	31,097,936
Receivable for securities sold		72,525	113,378	-	-	-	-	5,409	-	190,132
Prepayments		1,372	2,247	2,088	2,341	475	1,680	-	-	10,203
Receivables		1,914	-	-	-	-	-	-	-	1,914
Total assets		**35,659,236**	**18,314,583**	**23,030,234**	**12,469,993**	**4,352,137**	**14,242,206**	**40,315,649**	**38,433**	**139,628,048**
Liabilities										
Unrealised loss on forward foreign currency contracts	9	-	-	-	-	-	-	71,454	-	55,867
Redemptions payables		72,517	113,383	-	-	-	-	-	-	185,900
Accrued fees	3	68,238	82,473	99,677	48,965	35,615	24,825	217,869	38,433	568,569
Other payables		21,041	19,530	19,304	18,272	18,696	57,253	22,569	-	171,742
Total Liabilities (excluding net assets attributable to holders of redeemable participating shares)		**161,796**	**215,386**	**118,981**	**67,237**	**54,311**	**82,078**	**311,892**	**38,433**	**982,078**
Net Assets Attributable to Holders of Redeemable Participating Shares	5	**35,497,440**	**18,099,197**	**22,911,253**	**12,402,756**	**4,297,826**	**14,160,128**	**40,003,757**	**-**	**138,645,970**

The number of shares and the Net Asset Value per share are included in notes 4 and 5.

[1]Nomura Permal Alpha Japan Neutral Fund launched on 8 June 2012
[2] Nomura Quadra Fund Terminated on 22 February 2013

The accompanying notes are an integral part of these financial statements

Profit and Loss Account
For the year ended 31 March 2014

	Notes	Nomura Interest Rate Investment Strategy Fund	Enhanced Core Euro Sovereign Bond Fund	Enhanced Euro Equity Fund	Nomura Macro Commodity Strategy Fund[1]	Nomura IRIS*4 Fund [2]	Nomura C10 Fund	Nomura Permal Alpha Japan Neutral Fund	Nomura Man Systematic Fixed Income UCITS Fund[3]	Nomura CoLRS Commodity Fund[4]	TOTAL
		EUR	EUR	EUR	EUR	EUR	EUR	USD	USD	EUR	EUR
Income											
Net realised gains/(losses) on financial assets and financial liabilities at fair value through profit or loss		99,013	93,877	3,792,509	60,801	40,122	(1,332,528)	2,142,560	203,942	(309,758)	4,194,502
Net unrealised on financial assets and financial liabilities at fair value through profit or loss		73,428	(157,253)	1,057,823	(9,879)	(13,647)	(369)	(1,432,993)	(390,959)	346,988	(63,557)
Income from investments		5,621	-	-	-	-	-	121,801	-	-	96,482
Total investment income/(loss)		**178,062**	**(63,376)**	**4,850,332**	**50,922**	**26,475**	**(1,332,897)**	**831,368**	**(187,017)**	**37,230**	**4,227,427**
Expenses											
Investment management fees	7	(46,133)	47,926	258,619	(62,786)	(23,297)	38,168	462,131	313,481	145,776	936,871
Performance fees	7	-	-	-	-	-	-	245,760	-	-	183,334
Other expenses	2	103,823	75,147	89,466	81,607	37,610	75,702	146,079	106,648	78,806	730,692
Total operating expenses		**57,690**	**123,073**	**348,085**	**18,821**	**14,313**	**113,870**	**853,970**	**420,129**	**224,582**	**1,850,897**
Increase/(decrease) in Net Assets Attributable to Holders of Redeemable Participating Shares from operations		**120,372**	**(186,449)**	**4,502,247**	**32,101**	**12,162**	**(1,446,767)**	**(22,602)**	**(607,146)**	**(187,352)**	**2,376,530**

Gains and losses arose solely from continuing operations except for the terminated sub-funds as highlighted above. There were no gains or losses other than those dealt with in the Profit or Loss Account.

[1] Terminated on 7 March 2014
[2] Terminated on 28 August 2013
[3] Launched on 28 June 2013
[4] Launched on 31 May 2013

On behalf of the Directors

Director ______________________ Director ______________________

22 July 2014 22 July 2014

The accompanying notes are an integral part of these financial statements.

Profit and Loss Account
For the year ended 31 March 2013

	Notes	Nomura Interest Rate Investment Strategy Fund	Enhanced Core Euro Sovereign Bond Fund	Enhanced Euro Equity Fund	Nomura Macro Commodity Strategy Fund	Nomura IRIS*4 Fund	Nomura C10 Fund	Nomura Permal Alpha Japan Neutral Fund	Nomura Quadra Fund*	TOTAL
		EUR	EUR	EUR	EUR	EUR	EUR	USD	EUR	EUR
Income										
Net realised (losses)/gains on financial assets and financial liabilities at fair value through profit or loss		(477,443)	1,481,643	1,724,870	(806,703)	(204,209)	(261,565)	1,508,880	(3,374,654)	(746,208)
Net unrealised (losses)/gains on financial assets and financial liabilities at fair value through profit or loss		(366,345)	91,908	371,220	(117,035)	53,067	484,364	259,748	-	718,909
Income from investments		74,804	-	-	-	-	-	72,702	-	131,267
Total investment (loss)/income		**(768,984)**	**1,573,551**	**2,096,090**	**(923,738)**	**(151,142)**	**222,799**	**1,841,330**	**(3,374,654)**	**103,968**
Expenses										
Investment management fees	7	211,848	146,134	224,672	8,988	(58,973)	50,480	268,655	50,527	842,324
Performance fees	7	-	-	-	-	-	-	188,114	-	146,096
Other expenses	2	133,610	96,410	99,681	123,666	110,682	95,007	194,204	110,439	920,321
Total operating expenses		**345,458**	**242,544**	**324,353**	**132,654**	**51,709**	**145,487**	**650,973**	**160,966**	**1,908,741**
(Decrease)/Increase in Net Assets Attributable to Holders of Redeemable Participating Shares from operations		**(1,114,442)**	**1,331,007**	**1,771,737**	**(1,056,392)**	**(202,851)**	**77,312**	**1,190,357**	**(3,535,620)**	**(1,804,773)**

* The Fund was terminated on 22 February 2013.
Gains and losses arose solely from continuing operations except for the terminated sub-funds as highlighted above. There were no gains or losses other than those dealt with in the Profit or Loss Account.

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares For the year ended 31 March 2014	Notes	Nomura Interest Rate Investment Strategy Fund EUR	Enhanced Core Euro Sovereign Bond Fund EUR	Enhanced Euro Equity Fund EUR	Nomura Macro Commodity Strategy Fund[1] EUR	Nomura IRIS*4 Fund[2] EUR	Nomura C10 Fund EUR	Nomura Permal Alpha Japan Neutral Fund USD	Nomura Man Systematic Fixed Income UCITS Fund[3] USD	Nomura CoLRS Commodity Fund[4] EUR	TOTAL EUR
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations		**120,372**	**(186,449)**	**4,502,247**	**32,101**	**12,162**	**(1,446,767)**	**(22,602)**	**(607,146)**	**(187,352)**	**2,376,530**
Capital share transactions											
Proceeds from issue of shares		6,025	620,000	1,796,585	-	-	-	1,126,720	25,246,285	44,616,947	66,713,534
Payments for redemption of shares		(34,250,426)	(14,485,486)	(6,472,543)	(12,434,857)	(4,309,988)	(7,049,867)	(496,528)	(82,140)	(254,607)	(79,689,455)
Net increase/(decrease) in net assets from share transactions		**(34,244,401)**	**13,865,486**	**(4,675,958)**	**(12,434,857)**	**(4,309,988)**	**(7,049,867)**	**630,192**	**25,164,145**	**44,362,340**	**(12,975,921)**
Net assets at beginning of period		35,497,440	18,099,197	22,911,253	12,402,756	4,297,826	14,160,128	40,003,757	-	-	138,645,970
Notional foreign exchange adjustment	12	-	-	-	-	-	-	-	-	-	(2,682,280)
Net assets attributable to holders of redeemable participating shares at end of period		**1,373,411**	**4,047,262**	**22,737,542**	**-**	**-**	**5,663,494**	**40,611,347**	**24,556,999**	**44,174,988**	**125,364,299**

[1] Terminated on 7 March 2014
[2] Terminated on 28 August 2013
[3] Launched on 28 June 2013
[4] Launched on 31 May 2013

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares For the year ended 31 March 2013

	Notes	Nomura Interest Rate Investment Strategy Fund	Enhanced Core Euro Sovereign Bond Fund	Enhanced Euro Equity Fund	Nomura Macro Commodity Strategy Fund	Nomura IRIS*4 Fund	Nomura C10 Fund	Nomura Permal Alpha Japan Neutral Fund	Nomura Quadra Fund*	TOTAL
		EUR	EUR	EUR	EUR	EUR	EUR	USD	EUR	EUR
(Decrease)/Increase in net assets attributable to holders of redeemable participating shares from operations		**(1,114,442)**	**1,331,007**	**1,771,737**	**(1,056,392)**	**(202,851)**	**77,312**	**1,190,357**	**(3,535,620)**	**(1,804,773)**
Capital share transactions										
Proceeds from issue of shares		725,036	790,791	1,662,838	1,229,769	824,591	-	42,813,400	20,000,000	58,483,517
Payments for redemption of shares		(30,157,814)	(3,884,137)	(2,429,662)	(17,152,960)	(809,029)	(1,429,547)	(4,000,000)	(16,464,380)	(75,434,079)
Net (decrease)/increase in net assets from share transactions		**(29,432,778)**	**(3,093,346)**	**(766,824)**	**(15,923,191)**	**15,562**	**(1,429,547)**	**38,813,400**	**3,535,620**	**(16,950,562)**
Net assets at beginning of year		66,044,660	19,861,536	21,906,340	29,382,339	4,485,115	15,512,363	-	-	157,192,353
Notional foreign exchange adjustment	12	-	-	-	-	-	-	-	-	208,952
Net assets attributable to holders of redeemable participating shares at end of year		**35,497,440**	**18,099,197**	**22,911,253**	**12,402,756**	**4,297,826**	**14,160,128**	**40,003,757**	**-**	**138,645,970**

* The Fund was terminated on 22 February 2013.

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows
For the year ended 31 March 2014

	Nomura Interest Rate Investment Strategy Fund	Enhanced Core Euro Sovereign Bond Fund	Enhanced Euro Equity Fund	Nomura Macro Commodity Strategy Fund[1]	Nomura IRIS*4 Fund[2]	Nomura C10 Fund	Nomura Permal Alpha Japan Neutral Fund	Nomura Man Systematic Fixed Income UCITS Fund[3]	Nomura CoLRS Commodity Fund[4]	TOTAL
	EUR	EUR	EUR	EUR	EUR	EUR	USD	USD	EUR	EUR
Operating activities										
Increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations	120,372	(186,449)	4,502,247	32,101	12,162	(1,446,767)	(22,602)	(607,146)	(187,352)	2,376,530
Adjustments to reconcile increase/(decrease) in net assets attributable to holders of redeemable participating shares from operations to net cash inflow/(outflow) from operating activities										
Decrease/(increase) in financial assets at fair value through profit or loss	34,151,199	14,068,271	174,428	12,411,435	4,305,965	8,504,362	(532,804)	(24,609,041)	(44,184,387)	13,415,594
Increase/(decrease) in other assets	58,103	84,821	(108)	2,341	(16,115)	(20,117)	(14,504)	(72,830)	(14,284)	31,460
(Decrease)/increase in other liabilities	(121,421)	(128,186)	24,650	(50,145)	(17,823)	(12,261)	(80,764)	379,512	55,048	(102,087)
Net cash inflow/(outflow) from operating activities	34,208,253	13,838,457	4,701,217	12,395,732	4,284,189	7,025,217	(650,674)	(24,909,505)	(44,330,975)	15,721,497
Financing activities										
Proceeds from Issue of Shares	6,025	620,000	1,796,585	-	-	-	1,126,720	25,246,285	44,616,947	66,713,534
Payments for Redemption of Shares	(34,250,426)	(14,485,486)	(6,472,543)	(12,434,857)	(4,309,988)	(7,049,867)	(496,528)	(82,140)	(254,607)	(79,689,455)
Notional foreign exchange adjustment										(2,682,280)
Net cash (outflow)/inflow from financing activities	(34,244,401)	(13,865,486)	(4,675,958)	(12,434,857)	(4,309,988)	(7,049,867)	630,192	25,164,145	44,362,340	(15,658,201)
Net increase/(decrease) in cash	(36,148)	(27,029)	25,259	(39,125)	(25,799)	(24,650)	(20,482)	254,640	31,365	63,296
Cash and cash equivalents at beginning of period	56,495	77,317	102,108	56,217	45,697	59,593	195,878	-	-	550,575
Cash and cash equivalents at end of year	**20,347**	**50,288**	**127,367**	**17,092**	**19,898**	**34,943**	**175,396**	**254,640**	**31,365**	**613,872**

[1] Terminated on 7 March 2014
[2] Terminated on 28 August 2013
[3] Launched on 28 June 2013
[4] Launched on 31 May 2013

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows
For the year ended 31 March 2013

	Nomura Interest Rate Investment Strategy Fund	Enhanced Core Euro Sovereign Bond Fund	Enhanced Euro Equity Fund	Nomura Macro Commodity Strategy Fund	Nomura IRIS*4 Fund	Nomura C10 Fund	Nomura Permal Alpha Japan Neutral Fund	Nomura Quadra Fund	TOTAL
	EUR	EUR	EUR	EUR	EUR	EUR	USD	EUR	EUR
Operating activities									
(Decrease)/Increase in net assets attributable to holders of redeemable participating shares from operations	(1,114,442)	1,331,007	1,771,737	(1,056,392)	(202,851)	77,312	1,190,357	(3,535,620)	(1,804,773)
Adjustments to reconcile (decrease)/increase in net assets attributable to holders of redeemable participating shares from operations to net cash inflow/(outflow) from operating activities									
Decrease/(increase) in financial assets at fair value through profit or loss	30,554,915	1,769,272	(1,000,297)	17,020,121	224,093	1,701,164	(40,114,362)	-	18,659,450
(Decrease)/increase in other assets	(59,957)	(112,716)	932	(14,277)	(25,815)	(161,396)	(5,409)	-	(131,488)
Increase/(decrease) in other liabilities	(9,138)	41,321	49,272	(7,084)	22,542	(204,819)	311,892	38,433	174,383
Net cash inflow/(outflow) from operating activities	29,371,378	3,028,884	821,644	15,942,368	17,969	1,412,261	38,617,522	(3,497,187)	16,897,572
Financing activities									
Proceeds from Issue of Shares	725,036	790,791	1,662,838	1,229,769	824,591	-	42,813,400	20,000,000	58,483,517
Payments for Redemption of Shares	(30,085,297)	(3,770,754)	(2,429,662)	(17,152,960)	(809,029)	(1,429,547)	(4,000,000)	(16,464,380)	(75,248,179)
Notional foreign exchange adjustment	-	-	-	-	-	-	-	-	208,952
Net cash (outflow)/inflow from financing activities	(29,360,261)	(2,979,963)	(766,824)	(15,923,191)	15,562	(1,429,547)	38,813,400	3,535,620	(16,555,710)
Net increase/(decrease) in cash	11,117	48,921	54,820	19,177	33,531	(17,286)	195,878	38,433	341,862
Cash and cash equivalents at beginning of year	45,378	28,396	47,288	37,040	12,166	76,879	-	-	247,147
Cash and cash equivalents at end of year	**56,495**	**77,317**	**102,108**	**56,217**	**45,697**	**59,593**	**195,878**	**38,433**	**589,009**

The accompanying notes are an integral part of these financial statements.

Statement of Accounting Policies

The significant accounting policies adopted by the Company are as follows:

ACCOUNTING POLICIES
(a) Basis of Preparation
These financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts 1963 to 2013, and the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011.

(b) Accounting Convention
The Financial Statements are prepared under the historical cost convention as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

The information required by Financial Reporting Standard No.3 ('FRS 3') "Reporting Financial Performance" in respect of a Statement of Total Recognised Gains and Losses is in the opinion of the Directors, contained in the Profit and Loss Account.

All items dealt with in the Profit and Loss Account relate to continuing operations except for Nomura IRIS*4 Fund and Nomura Macro Commodity Strategy Fund which were terminated. In the opinion of the Directors the reconciliation of movements in shareholders' funds as required by FRS 3 is dealt with in the Statement of Changes in Net Assets Attributable to Holders of Redeemable Participating Shares.

(c) Investments at Fair Value through Profit or Loss
This category has two sub-categories: financial assets and liabilities held for trading, and those designated by management at fair value through profit or loss at inception. Financial assets or liabilities held for trading are acquired or incurred principally for the purpose of selling or repurchasing in the short term.

The Company does not designate any derivatives as hedges in a hedging relationship and therefore all derivative financial instruments held by the Company are categorised as financial assets and financial liabilities at fair value through the profit or loss. This includes the Index Swap contracts (total return swaps) held by all the Sub-Funds and the forward foreign currency contracts held by the Sub-Funds operating share class currency hedging.

Regular-way purchases and sales of investments or transactions to open or close derivative contracts are recognised on a trade date basis - the date which the Company commits to purchase or sell the asset or to open or close the derivative contract. Investments are initially recognised at fair value with any transaction costs expensed in the Profit or Loss as incurred.

Investments are subsequently remeasured at fair value at the year end. The fair value of financial instruments traded in active markets is based on quoted market prices at the year end. The quoted market price used for financial assets held by the Company is the current bid price.

Index Swap contracts are valued based on exit price of the contract as calculated by the swap counterparty. Forward foreign currency contracts are valued based on market exchange rates at the year end date. Derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Gains and losses arising from changes in the fair value of the financial assets and financial liabilities at fair value through profit or loss are included in the Profit and Loss Account in the period in which they arise.

Securities received by the Company for collateral purposes (as disclosed in note 11 to the financial statements) are not reflected as assets of the Company in the Balance Sheet until the point that the Company's right to the collateral has crystallised under the terms of the collateral agreements.

(d) Income from Investments
Income is recognised in the Profit and Loss Account on an accrual basis.

(e) Offsetting Financial Instruments
Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle out on a net basis, or realise the assets and settle the liability simultaneously.

Statement of Accounting Policies (continued)

(f) Redeemable Participating Shares
Redeemable participating shares are redeemable at the shareholders option and are classified as liabilities. The distributions on these units are recognised in the Profit and Loss Account as finance costs.

(g) Foreign Exchange
(i) Functional and presentation currency
Items in the Company's financial statements are measured using the currency of the primary economic environment in which it operates. The functional currency for this Company and each Sub-Fund is Euro except for Nomura Permal Alpha Japan Neutral Fund and Nomura Man Systematic Fixed Income UCITS Fund which is USD.

(ii) Transactions and balances
Assets and liabilities are translated into the functional currency using exchange rates prevailing at the year end. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of assets and liabilities denominated in foreign currencies are recognised in the Profit and Loss Account.

(h) Expenses
All expenses are recognised in the profit and loss on an accrual basis.

(i) Taxation
The Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Consolidation Act, 1997, as amended. It is not chargeable to Irish tax on its income and gains. Tax may arise on the happening of a chargeable event. A chargeable event includes any distribution payments to shareholders or any encashment, redemption, cancellation or transfer of shares. No tax will arise on the Company in respect of chargeable events in respect of:

- a shareholder who is not Irish resident and not ordinarily resident in Ireland at the time of the chargeable event, provided the necessary signed statutory declarations are held by the Company; and
- certain exempted Irish resident investors who have provided the Company with the necessary signed statutory declarations.

Dividend income, interest and capital gains (if any), received on investments made by the Company may be subject to non-recoverable withholding tax in the countries of origin.

(j) Reverse repurchase agreements (Reverse repos)

When the Company purchases a financial asset and simultaneously enters into an agreement to resell the same or substantially similar asset at a fixed price on a future date (“reverse repo”), the arrangement is accounted for as a loan and receivable, recognised in the Balance Sheet as receivables from reverse repurchase agreements, and the underlying asset is not recognised in the Company’s financial statements.

Notes to the Financial Statements for the year ended 31 March 2014

1. Company background

Nomura Investment Solutions plc (the “Company”) is an investment company with variable capital incorporated in Ireland and authorised by the Central Bank of Ireland as a UCITS (Undertakings for Collective Investment in Transferable Securities) pursuant to the UCITS Regulations, 2011 (S.I. No. 352 of 2011) (the “Regulations”). The Company was constituted on 24 July 2009 pursuant to the UCITS Regulations. Nomura Interest Rate Investment Strategy Fund and Nomura ARCS Fund were launched on 29 September 2009, Enhanced Euro Equity Fund was launched on 18 December 2009, Enhanced Core Euro Sovereign Bond Fund was launched on 28 December 2009, Nomura Macro Commodity Strategy Fund and Nomura Macro CPS Fund were launched on 4 February 2010, Nomura IRIS*4 Fund was launched on 20 May 2010 and Nomura C10 Fund was launched on 27 September 2010, Nomura Permal Alpha Japan Neutral Fund was launched on 08 June 2012, Nomura Quadra Fund was launched on 21 June 2012. Nomura CoLRS Commodity Fund launched on 31 May 2013. Nomura Man Systematic Fixed Income UCITS Fund launched on 28 June 2013. Nomura ARCS Fund, Nomura Macro CPS Fund, Nomura Quadra Fund, Nomura IRIS*4 Fund and Nomura Macro Commodity Strategy Fund were liquidated on 7 October 2011, 22 March 2012, 22 February 2013, 28 August 2013 and 7 March 2014 respectively.

2. Other Expenses

31 March 2014	Nomura Interest Rate Investment Strategy Fund EUR	Enhanced Core Euro Sovereign Bond Fund EUR	Enhanced Euro Equity Fund EUR	Nomura Macro Commodity Strategy Fund EUR	Nomura IRIS*4 Fund EUR	Nomura C10 Fund EUR	Nomura Permal Alpha Japan Neutral Fund USD	Nomura Man Systematic Fixed Income UCITS Fund USD	Nomura CoLRS Commodity Fund EUR	Total EUR
Administration fees	25,774	23,816	23,799	12,154	6,416	26,350	29,590	21,725	14,177	170,767
Listing fees	2,361	2,048	2,038	813	813	(1,209)	274	3,281	827	13,133
Audit fees	4,021	4,049	4,021	3,226	2,710	4,021	(848)	5,623	3,953	29,563
Custody fees	13,711	13,516	14,485	10,616	1,671	12,835	25,770	12,516	13,995	109,390
Organisational fees	-	-	-	-	-	-	18,601	-	-	13,876
Directors fees	4,591	4,628	4,652	5,309	449	4,720	7,526	5,878	5,537	39,885
Other expenses	53,365	27,090	40,471	46,699	25,551	28,985	65,166	57,625	40,317	354,076
	103,823	**75,147**	**89,466**	**81,607**	**37,610**	**75,702**	**146,079**	**106,648**	**78,806**	**730,690**

31 March 2013	Nomura Interest Rate Investment Strategy Fund EUR	Enhanced Core Euro Sovereign Bond Fund EUR	Enhanced Euro Equity Fund EUR	Nomura Macro Commodity Strategy Fund EUR	Nomura IRIS*4 Fund EUR	Nomura C10 Fund EUR	Nomura Permal Alpha Japan Neutral Fund USD	Nomura Quadra Fund EUR	Total EUR
Administration fees	34,353	31,066	30,845	31,601	32,919	30,359	39,523	21,756	243,594
Listing fees	9,532	2,499	2,499	9,532	9,532	7,548	49,798	6,296	86,113
Audit fees	3,429	3,429	3,429	3,429	3,429	3,429	3,704	1,750	25,411
Custody fees	22,087	15,364	16,081	16,319	15,029	12,641	19,287	9,400	121,900
Organisational fees	-	-	-	-	-	-	54,372	20,308	62,535
Directors fees	6,240	6,240	6,240	6,240	6,240	6,240	5,720	5,101	46,983
Other expenses	57,969	37,812	40,587	56,545	43,533	34,790	21,800	45,828	333,785
	133,610	**96,410**	**99,681**	**123,666**	**110,682**	**95,007**	**194,204**	**110,439**	**920,321**

Audit fee 31 March 2014

	2014 EUR	2013 EUR
Statutory audit fee	25,411	25,411
Other assurance	-	-
Tax advisory	-	-
Other non audit services	-	-
	25,411	**25,411**

Notes to the Financial Statements for year ended 31 March 2014 (continued)

3. Accrued fees

31 March 2014	Nomura Interest Rate Investment Strategy Fund EUR	Enhanced Core Euro Sovereign Bond Fund EUR	Enhanced Euro Equity Fund EUR	Nomura Macro Commodity Strategy Fund EUR	Nomura IRIS*4 Fund EUR	Nomura C10 Fund EUR	Nomura Permal Alpha Japan Neutral Fund USD	Nomura Man Systematic Fixed Income UCITS Fund USD	Nomura CoLRS Commodity Fund EUR	Total EUR
Management fees	1,193	6,724	43,790	-	-	34,847	33,321	313,481	19,859	358,485
Performance fees	-	-	-	-	-	-	3,110	-	-	2,261
Administration fees	3,561	3,063	3,131	1,464	-	3,934	6,874	9,138	3,726	30,517
Listing fees	-	-	-	2,000	-	-	675	-	493	2,984
Audit fees	5,100	5,128	5,100	4,305	3,789	5,100	6,948	5,623	3,953	41,612
Custody fees	1,310	2,291	2,231	1,176	-	563	1,392	-	2,663	11,246
Directors fees	132	164	132	902	1,111	132	174	3,389	-	5,163
Fee cap	-	46,530	65,799	-	-	-	-	-	-	112,329
Other expenses	8,131	3,770	4,144	7,245	13,262	3,571	80,615	33,056	18,281	141,027
	19,427	**67,670**	**124,327**	**17,092**	**18,162**	**48,147**	**133,109**	**364,687**	**48,975**	**705,624**

31 March 2013	Nomura Interest Rate Investment Strategy Fund EUR	Enhanced Core Euro Sovereign Bond Fund EUR	Enhanced Euro Equity Fund EUR	Nomura Macro Commodity Strategy Fund EUR	Nomura IRIS*4 Fund EUR	Nomura C10 Fund EUR	Nomura Permal Alpha Japan Neutral Fund USD	Nomura Quadra Fund EUR	Total EUR
Management fees	38,889	22,903	34,351	24,359	10,893	3,998	33,531	-	161,610
Performance fees	-	-	-	-	-	-	106,432	-	83,215
Administration fees	7,741	7,023	6,797	7,693	7,154	7,698	15,945	4,532	61,105
Listing fees	3,951	1,281	1,011	3,951	5,763	1,977	44,062	4,094	56,478
Audit fees	3,429	3,429	3,429	3,429	3,429	3,429	3,704	1,705	25,411
Custody fees	4,561	3,101	3,337	2,851	2,879	2,821	2,924	1,642	23,478
Directors fees	2,457	2,457	2,464	2,457	2,457	2,457	1,472	1,733	17,633
Other expenses	7,210	42,279	48,288	4,225	3,040	2,445	9,799	24,727	139,639
	68,238	**82,473**	**99,677**	**48,965**	**35,615**	**24,825**	**217,869**	**38,433**	**568,569**

4. Share Capital

The authorised share capital of the Company is 500,000,300,002 Shares of no par value divided into 300,002 Subscriber Shares of no par value and 500,000,000,000 Shares of no par value. The Directors are empowered to issue up to 500,000,000,000 Shares of no par value in the Company on such terms as they think fit.

The Directors may issue Shares of any Series or Class and create new Series or Classes, on such terms as they may from time to time determine in relation to any Portfolio. Shareholders may request the Company to redeem their Shares on any Business Day, or such other day or days as the Directors may determine (Dealing Day) at their Net Asset Value per Share on such Dealing Day in accordance with the redemption procedures.

One Subscriber Share had been issued to each of the Company Secretary and Matsack Nominees Limited.

Disclosure of Capitalisation shares

In order for the Company to comply with the Central Bank of Ireland's requirements for self-managed investments funds it was required to have a minimum paid up share capital of €300,000 at all times. In this regard the Company had received an application for €300,000 subscriber shares of €1 each (the "Capitalisation Shares") and the appropriate subscription monies from the Investment Manager. The issue and allotment of such shares and receipt of the subscription money would ensure the Company's compliance with the Central Bank of Ireland's requirements in this regards.

Notes to the Financial Statements for year ended 31 March 2014 (continued)

4. Share Capital (continued)

2014	Nomura Interest Rate Investment Strategy Fund Class A Shares EUR	Nomura Interest Rate Investment Strategy Fund Class I Shares EUR	Nomura Interest Rate Investment Strategy Fund Class A Shares GBP	Nomura Interest Rate Investment Strategy Fund Class I Shares USD	Enhanced Core Euro Sovereign Bond Fund Class A Shares EUR	Enhanced Euro Equity Fund Class A Shares EUR
Number of shares outstanding at beginning of period	51,445.74	285,265.38	13,700.49	10,000.00	150,678.86	236,839.09
Subscriptions for the period	-	-	53.02	-	5,334.97	16,546.00
Redemptions for the period	(46,583.00)	(276,678.07)	(13,131.56)	(10,000.00)	(122,266.00)	(59,598.05)
Number of shares outstanding at end of period	4,862.74	8,587.31	621.95	-	33,747.83	193,787.04

	Nomura Macro Commodity Strategy Fund Class I Shares EUR	Nomura Macro Commodity Strategy Fund Class I Shares USD	Nomura IRIS*4 Fund Class I Shares EUR	Nomura IRIS*4 Fund Class A Shares GBP	Nomura IRIS*4 Fund Class I Shares GBP	Nomura C10 Fund Class I Shares EUR
Number of shares outstanding at beginning of period	115,128.13	10,000.00	4,923.65	27,027.74	7,000.02	48,672.21
Subscriptions for the period	-	-	-	-	-	-
Redemptions for the period	(115,128.13)	(10,000.00)	(4,923.65)	(27,027.74)	(7,000.02)	(48,672.21)
Number of shares outstanding at end of period	-	-	-	-	-	-

	Nomura C10 Fund Class I Shares GBP	Nomura C10 Fund Class I Shares USD	Nomura C10 Fund Class A Shares USD	Nomura Permal Alpha Japan Fund Class A Shares EUR	Nomura Permal Alpha Japan Fund Class A Shares USD
Number of shares outstanding at beginning of period	6,445.83	12,100.06	98,931.00	20,000.00	37,085.08
Subscriptions for the period	-	-	-	3,895.60	5,807.28
Redemptions for the period	(6,445.83)	(12,100.06)	(12,743.00)	-	(4,856.10)
Number of shares outstanding at end of period	-	-	86,188.00	23,895.60	38,036.26

	Nomura Permal Alpha Japan Fund Class M Shares USD	Nomura Man Systematic Fixed Income UCITS Fund Class I Shares USD	Nomura CoLRS Commodity Fund Class I Shares EUR	Nomura CoLRS Commodity Fund Class I Shares USD
Number of shares outstanding at beginning of period	327,187.45	-	-	-
Subscriptions for the period	-	252,456.11	280,000.00	220,439.43
Redemptions for the period	-	(818,70)	-	(3,480.00)
Number of shares outstanding at end of period	327,187.45	251,637.41	280,000.00	216,959.43

Notes to the Financial Statements for year ended 31 March 2014 (continued)

5. Net Asset Value

The Net Asset Value per Unit is determined by dividing the value of the net assets of the Company by the total number of Units in issue at the year end. As a result of adjustments in line with Generally Accepted Accounting Principles, the Net Asset Value per Share in the 2014 financial statements is shown as follows:

2014	**Nomura Interest Rate Investment Strategy Fund**	**Enhanced Core Euro Sovereign Bond Fund**	**Enhanced Euro Equity Fund**	**Nomura Macro Commodity Strategy Fund**	**Nomura IRIS*4 Fund**
	EUR	**EUR**	**EUR**	**EUR**	**EUR**
Net asset value for financial statement purposes at 31 March 2014	1,373,411	4,047,262	22,737,5432	-	-
Amortisation of organisational fees	1,644	1,644	1,644	-	-
Net asset value for shareholder dealing purposes at 31 March 2014	1,375,055	4,048,906	22,739,186	-	-
Net asset value per share for financial statement purposes at 31 March 2014					
EUR Class A	94.34	119.92	117.33	-	-
EUR Class I	98.21	-	-	-	-
GBP Class A	94.83	-	-	-	-
GBP Class I	-	-	-	-	-
USD Class I	-	-	-	-	-
USD Class A	-	-	-	-	-
Net asset value per share for shareholder dealing purposes 31 March 2014					
EUR Class A	94.45	119.98	117.34	-	-
EUR Class I	98.32	-	-	-	-
GBP Class A	94.92	-	-	-	-
GBP Class I	-	-	-	-	-
USD Class I	-	-	-	-	-
USD Class A	-	-	-	-	-

Notes to the Financial Statements for year ended 31 March 2014 (continued)

5. Net Asset Value (continued)

	Nomura C10 Fund EUR	Nomura Permal Alpha Japan Neutral Fund USD	Nomura Man Systematic Fixed Income UCITS Fund USD	Nomura CoLRS Commodity Fund EUR
Net asset value for financial statement purposes at 31 March 2014	5,663,494	40,611,347	24,556,999	44,174,988
Amortisation of organisational fees	1,982	25,818	-	1,015
Net asset value for shareholder dealing purposes at 31 March 2014	5,665,476	40,637,166	24,556,999	44,176,003
Net asset value per unit for financial statement purposes at 31 March 2014				
EUR Class I	-	-	-	100.92
EUR Class A	-	99.32	-	-
USD Class I	-	102.51	97.57	101.12
USD Class M	-	-	-	-
USD Class A	90.57	100.08	-	-
Net asset value per share for shareholder dealing purposes at 31 March 2014				
EUR Class I	-	-	-	100.92
EUR Class A	-	99.37	-	-
USD Class I	-	102.57	97.59	101.26
USD Class M	-	-	-	-
USD Class A	90.60	100.15	-	-

Notes to the Financial Statements for year ended 31 March 2014 (continued)

5. Net Asset Value (continued)

2013	**Nomura Interest Rate Investment Strategy Fund**	**Enhanced Core Euro Sovereign Bond Fund**	**Enhanced Euro Equity Fund**	**Nomura Macro Commodity Strategy Fund**
	EUR	**EUR**	**EUR**	**EUR**
Net asset value for financial statement purposes at 31 March 2013	35,497,440	18,099,197	22,911,253	12,402,756
Amortisation of organisational fees	5,630	5,630	5,630	5,639
Net asset value for shareholder dealing purposes at 31 March 2013	35,503,070	18,104,827	22,916,883	12,408,395
Net asset value per share for financial statement purposes at 31 March 2013				
EUR Class A	95.85	120.12	96.74	101.00
EUR Class I	99.03	-	-	-
GBP Class A	95.93	-	-	-
USD Class I	97.70	-	-	99.54
Net asset value per share for shareholder dealing purposes at 31 March 2013				
EUR Class A	95.87	120.16	96.76	101.04
EUR Class I	99.05	-	-	-
GBP Class A	95.94	-	-	-
USD Class I	97.72	-	-	99.59

Notes to the Financial Statements for year ended 31 March 2014 (continued)

5. Net Asset Value (continued)

	Nomura IRIS*4 Fund EUR	Nomura C10 Fund EUR	Nomura Permal Alpha Japan Neutral Fund USD
Net asset value for financial statement purposes at 31 March 2013	4,297,826	14,160,128	40,003,757
Amortisation of organisational fees	5,641	5,967	40,423
Net asset value for shareholder dealing purposes at 31 March 2013	4,303,467	14,166,095	40,044,180
Net asset value per unit for financial statement purposes at 31 March 2013			
EUR Class I	95.56	100.71	-
EUR Class A	-	-	101.14
GBP Class A	94.95	-	-
GBP Class I	95.75	101.07	-
USD Class I	-	97.82	-
USD Class M	-	-	103.24
USD Class A	-	101.00	102.17
Net asset value per share for shareholder dealing purposes at 31 March 2013			
EUR Class I	95.70	100.74	-
EUR Class A	-	-	101.19
GBP Class A	94.98	-	-
GBP Class I	96.23	101.10	-
USD Class I	-	97.87	-
USD Class M	-	-	102.93
USD Class A	-	101.05	101.86

Notes to the Financial Statements for year ended 31 March 2014 (continued)

5. Net Asset Value (continued)

2012

	Nomura Interest Rate Investment Strategy Fund EUR	Enhanced Core Euro Sovereign Bond Fund EUR	Enhanced Euro Equity Fund EUR
Net asset value for financial statement purposes at 31 March 2012	66,044,660	19,861,536	21,906,340
Amortisation of organisational fees	9,550	9,550	9,550
Net asset value for shareholder dealing purposes at 31 March 2012	66,054,210	19,871,086	21,915,890
Net asset value per share for financial statement purposes at 31 March 2012			
EUR Class A	98.43	112.35	89.44
EUR Class I	100.94	-	
GBP Class A	98.15	-	
USD Class I	99.24	-	
Net asset value per share for shareholder dealing purposes at 31 March 2012			
EUR Class A	98.44	112.41	89.48
EUR Class I	100.95	-	
GBP Class A	98.17	-	
USD Class I	99.25	-	

	Nomura Macro Commodity Strategy Fund EUR	Nomura IRIS*4 Fund EUR	Nomura C10 Fund EUR
Net asset value for financial statement purposes at 31 March 2012	29,382,339	4,485,115	15,512,363
Amortisation of organisational fees	9,550	9,550	9,880
Net asset value for shareholder dealing purposes at31 March 2012	29,391,889	4,494,665	15,522,243
Net asset value per unit for financial statement purposes at 31 March 2012			
EUR Class I	105.51	98.70	102.25
GBP Class A	-	98.23	-
GBP Class I	-	98.78	102.16
USD Class I	103.64	-	102.12
USD Class A	-	-	99.64
Net asset value per share for shareholder dealing purposes at 31 March 2012			
EUR Class I	106.48	98.95	102.31
GBP Class A	-	98.47	-
GBP Class I	-	99.02	102.21
USD Class I	104.62	-	102.17
USD Class A	-	-	99.69

Notes to the Financial Statements for year ended 31 March 2014 (continued)

6. Cash at Bank
The Company's cash balances are held with BNP Paribas Security Services Dublin Branch who have a credit rating of AA- as at 31 March 2014.

7. Related Party Transactions
Investment Management Fee
The Investment Manager is entitled to an investment management fee in respect of the investment management services and distribution services provided. The fee payable to the Investment Manager is calculated and accrued daily based on the daily Net Asset Value of the Class and is paid monthly in arrears. The annual fee for is as follows;

Nomura Interest Rate Investment Strategy Fund, Nomura Macro Commodity Strategy Fund, Nomura IRIS*4 Fund, Nomura C10 Fund Nomura CoLRS Commodity Fund

0.50% of the Net Assets attributable to Class I EUR , the Class I GBP, the Class I USD and Class I CHF Shares

1.25% of the Net Assets attributable to Class A EUR, Class A GBP, the Class A USD and Class A CHF

1.75% of the Net Assets attributable to Class D EUR, the Class D GBP, the Class D USD and the Class D CHF

Permal Alpha Japan Neutral Fund

2.00% of the Net Assets attributable to the Class A JPY, the Class A EUR and the Class A USD

0.925% of the Net Assets attributable to Class M USD

Nomura Man Systematic Fixed Income UCITS Fund
1.65% of Net Assets attributable to Class I USD

To the extent that the annual administrative expenses and custody fees exceed 0.15% of the NAV except for Nomura Permal Alpha Japan Neutral Fund and Nomura Man Systematic Fixed Income UCITS Fund are not expected to be more than 0.25% of the NAV (subject to an annual minimum of €50,000), the Promoter will pay any such excess of the administration and custody fees over the above threshold, by reimbursement of such fees to the account of the Sub-Funds. This is reflected in the Profit and Loss Account as a deduction from the investment management fees. The Promoter has paid (in aggregate) the following amounts from inception and for the year up to 31 March 2014: Nomura Interest Rate Investment Strategy Fund aggregate amount of €288,235, for 2014 €96,527 (2013: €73,274), Nomura Macro Commodity Strategy Fund aggregate amount of €318,529, for 2014 €81,596 (2013: €96,113), Nomura IRIS*4 Fund aggregate amount of €361,461, for 2014 €40,625 (2013: €107,680), Nomura C10 Fund aggregate amount of €308,090, for 2014 €63,831 (2013: €77,659) and Nomura CoLRS Commodity Fund aggregate amount of €25,823, for 2014 €25,823 (2013: €nil). In return for paying these amounts and as disclosed in the Company's prospectus,

(a) in the event that the amount of annual administrative expenses actually incurred during a payment period by a Portfolio, in respect of which an administrative expenses fee is charged, is less than the relevant fixed administrative expenses fee, the Company will pay the Promoter up to the difference between the amount of administrative expenses actually incurred and the fixed administrative expenses fee (as shown above, where applicable); and
(b) in the event that the amount of administrative expenses actually incurred during a payment period by a Portfolio, in respect of which is charged is less than the relevant Capped Administrative Expenses Fee (The Capped Administration Fee represents the maximum amount a portfolio can pay in respect of Administration Expenses), the Promoter shall be entitled to receive an amount up to the difference between the amount of administrative expenses actually incurred and the Capped Administrative Expenses Fee (as shown above, where applicable).

The annual operating charge fee for Enhanced Core Euro Sovereign Bond Fund is 1.25% and for Enhanced Euro Equity Fund is 1.50% per annum of the NAV.

This operating charge covers all operating expenses and the Investment Management fee is paid from this. For the purposes of the financial statements the operating charge has been broken into the components making up this charge for presentation purposes only.

Incorporation costs are paid by the Investment Manager on behalf of the Fund and are included in other payables on the Balance Sheet and are later reimbursed by the Fund.

Notes to the Financial Statements for year ended 31 March 2014 (continued)

7. Related Party Transactions (continued)
Investment Management Fee (continued)

Performance Fees
On the Nomura Alpha Japan Neutral Fund, the Investment Manager may, for one or more Portfolios charge a performance fee which is calculated on a weekly accrual basis and payable quarterly in arrears. The performance fee is 20% for Class A shares and 12% for Class M shares. There was a performance fee charged on the Nomura Permal Alpha Japan Neutral Fund during the year ended 31 March 2014 $245,760 (2013: $188,114).

On the Nomura Man Systematic Fixed Income UCITS Fund, the Investment Manager may, for one or more Portfolios charge a performance fee which is calculated on a daily accrual basis and payable semi-annually in arrears. The performance fee is 20%. There was no performance fee charged on the Nomura man Systematic Fixed Income UCITS Fund during the year ended 31 March 2014.

The actual amounts paid and payable for the above related party transactions are disclosed on the Balance Sheet and in the Profit and Loss Account.

Shareholdings
Nomura International Plc is a related party and has the following shareholdings as at 31 March 2014:

	Number of shares 31 March 2014	Percentage of Fund 31 March 2014	Number of shares 31 March 2013	Percentage of Fund 31 March 2013
Nomura Interest Rate Investment Strategy Fund - Eur class	8,439	62.75	306,707	85.10
Nomura Macro Commodity Strategy Fund	-	-	125,000	99.90
Nomura IRIS*4 Fund	-	-	17,424	44.73
Nomura C10 Fund	-	-	72,218	43.47
Nomura Permal Alpha Japan Neutral Fund	100,558	27.53	100,558	26.17
Nomura Man Systematic Fixed Income UCITS Fund	250,000	99.35	-	-
Nomura CoLRS Commodity Fund – Eur class	280,000	100.00	-	-
Nomura CoLRS Commodity Fund – USD class	150,000	69.14		

Nomura Singapore Ltd is also a related party and has the following shareholding as at 31 March 2014:

	Number of shares 31 March 2014	**Percentage of Fund 31 March 2014**	**Number of shares 31 March 2013**	**Percentage of Fund 31 March 2013**
Nomura C10 Fund	-	-	93,931	56.53

Transactions Involving Directors
Alan F Crutchett was a managing director and the chief administrative officer of an affiliate of Nomura Alternative Investment Management (Europe) Ltd, the Investment Manager appointed by the Company until 30 September 2013. Alan F Crutchett has waived his fee until 30 September 2013 (31 March 2013: nil). The Directors fees for the year are disclosed in note 2 and amounts outstanding at year end are disclosed in note 3.

Swap Counterparty
Nomura International plc is the counterparty to all total return swaps and forward foreign currency contracts held at 31 March 2014 and to those which were traded during the year. Nomura International plc is also an affiliate of the Investment Manager and is therefore considered a related party of the Company. Details of all positions held with Nomura International plc as at 31 March 2014 are included in the Schedule of Investments.

8. Other Expenses
Administration Fees
The Company will pay the Administrator a fee in respect of its duties for fund accounting and administration services calculated as a percentage of the total Company average daily net assets, subject to an annual minimum fee per Sub-Fund. To the extent that any Sub-Fund of the Company maintains three or more Classes of Shares, an additional annual fee per Class will be paid. The company will also pay the Administrator annual fees in respect of its duties for transfer agency and registrar services.

Custodian Fees
The Company will pay to the Custodian a fee under the Custodian Agreement calculated as a percentage of the assets of the fund and transactions, subject to an annual minimum fee.

Other fees are comprised of Listing fees, Audit Fees, Organisational Fees and other miscellaneous charges against the Sub-Funds.

Notes to the Financial Statements for year ended 31 March 2014 (continued)

9. Forward foreign currency contracts

Forward foreign currency contracts entered into by each Fund represent a firm commitment to buy or sell a currency at a specified value and point in time based upon an agreed or contracted quantity. The realised and unrealised gains/(losses) are equal to the difference between the value of the contract at the onset and the value of the contract at settlement date or year end date and are included in the Profit and Loss Account. Forward currency contracts are used to manage the currency exposure of hedging non-base share classes.

As of 31 March 2014, the forward currency contracts in the table below were outstanding and are included on the Balance Sheet as Financial Assets at Fair Value through Profit or Loss. All forward contracts are with Nomura Alternative Investment Management (Europe) Limited as counterparty.

31 March 2014

Nomura Interest Rate Investment Strategy Fund

Currency	Buy	Currency	Sell	Unrealised loss	Maturity date
GBP	59,293	**EUR**	71,933	212	03/04/2014
Unrealised gain on forward foreign currency contracts				**212**	

Nomura C10 Fund

Currency	Buy	Currency	Sell	Unrealised gain	Maturity date
USD	7,709,952	**EUR**	5,541,824	52,464	22/04/2014
Unrealised gain on forward foreign currency contracts				**52,464**	

Nomura Permal Alpha Japan Neutral Fund

Currency	Buy	Currency	Sell	Unrealised gain/(loss)	Maturity date
USD	67,467	**EUR**	49,000	53	03/04/2014
EUR	2,401,119	**USD**	3,293,144	10,308	03/04/2014
JPY	42,930,000	**USD**	420,440	(3,533)	03/04/2014
JPY	45,900,000	**USD**	451,585	(5,835)	03/04/2014
EUR	49,000	**USD**	68,083	(669)	03/04/2014
Unrealised loss on forward foreign currency contracts				**324**	

Nomura CoLRS Commodity Fund

Currency	Buy	Currency	Sell	Unrealised gain	Maturity date
USD	22,012,049	**EUR**	15,971,245	673	25/04/2014
Unrealised loss on forward foreign currency contracts				**673**	

Notes to the Financial Statements for year ended 31 March 2014 (continued)

9. Forward foreign currency contracts (continued)

31 March 2013

Nomura Interest Rate Investment Strategy Fund

Currency	Buy	Currency	Sell	Unrealised gain	Maturity date
GBP	1,321,763	EUR	1,534,142	28,743	04/04/2013
GBP	1,500	EUR	1,734	40	04/04/2013
USD	981,604	EUR	750,680	13,738	04/04/2013
Unrealised gain on forward foreign currency contracts				**42,521**	

Nomura Macro Commodity Strategy Fund

Currency	Buy	Currency	Sell	Unrealised gain	Maturity date
USD	995,359	EUR	761,656	13,451	18/04/2013
Unrealised gain on forward foreign currency contracts				**13,451**	

Nomura IRIS*4 Fund

Currency	Buy	Currency	Sell	Unrealised gain	Maturity date
GBP	676,117	EUR	793,648	5,615	26/04/2013
GBP	2,577,854	EUR	3,025,970	21,409	26/04/2013
Unrealised gain on forward foreign currency contracts				**27,024**	

Nomura C10 Fund

Currency	Buy	Currency	Sell	Unrealised gain	Maturity date
GBP	649,044	EUR	751,339	15,985	18/04/2013
USD	9,659,002	EUR	7,391,141	130,533	18/04/2013
USD	1,217,745	EUR	931,828	16,456	18/04/2013
Unrealised gain on forward foreign currency contracts				**162,974**	

Nomura Permal Alpha Japan Neutral Fund

Currency	Buy	Currency	Sell	Unrealised loss	Maturity date
EUR	2,009,106	USD	2,641,131	(71,454)	04/04/2013
Unrealised loss on forward foreign currency contracts				**(71,454)**	

10. Risk Management

In accordance with FRS29 ‘Financial Instruments: Disclosures’, this note details the way in which the Company manages risks associated with the use of financial instruments.

The Company’s activities expose it to a variety of financial risks. Risk management is carried out within Nomura International plc by an independent Risk Manager dedicated to the Investment Manager, as described by the Risk Management Process reviewed by the Central Bank of Ireland and approved and overseen by various parties including the Custodian and the Board of Directors.

As described under FRS29, risk has been separated into the following components: market risk, credit risk and liquidity risk. Each type of risk is described below and qualitative and quantitative analyses are provided where relevant to give the reader an understanding of the risk management methods used.

Notes to the Financial Statements for year ended 31 March 2014 (continued)

10. Risk Management (continued)

Market Risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes market price risk, currency risk and interest rate risk.

(i) Market Price Risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices of the targeted underlying assets of the Sub-Funds' investment objective (other than those arising from interest rate risk and currency risk described thereafter), whether those changes are caused by factors specific to individual financial instruments or their issuer, or other factors affecting similar financial instruments traded in the market.

Each Sub-Fund will generally be fully invested in a total return swap. The swap provides the return of a particular portfolio or underlying index or indices which are consistent with the objective of the Sub-Fund. The swap is susceptible to market price risk arising from uncertainties about future prices of the underlying portfolio or index or indices. Each of the algorithmic indices sponsored by Nomura International plc is published daily and is available through market data sources such as Bloomberg.

The following table summarises the nature and extent of the market price risk as at 31 March 2014
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Fund	Fair Value of the Swaps (EUR)	Description of Exposure	Leverage	Primary Market Risk Drivers
Nomura Interest Rate Investment Strategy ("IRIS") Fund	2014 - 1,375,943 2013 – 35,486,332	Algorithmic strategy trading a variety of liquid money market futures, bond futures and interest rate swaps on a long/short basis	2x	Interest Rates (Short term, long term)
Enhanced Core Euro Sovereign Bond Fund	2014 – 4,053,369 2013 - 18,121,644	iBoxx sovereign bond index, long only, plus an overlay of the MPS algorithmic strategy	3x MPS	Bond prices, short-term interest rates
Enhanced Euro Equity Fund	2014 – 22,751,610 2013 - 22,926,033	Eurostoxx 50 total return index, long only, plus an overlay of the MPS algorithmic strategy	3x MPS	European Equity prices, short-term interest rates
Nomura Macro Commodity Strategy ("MaCS") Fund *(Terminated)*	2014 – 2,042,397 (07th March 2014) 2013 - 12,397,986	Algorithmic strategy trading a variety of liquid commodity futures contracts on a long/short basis	2.5x	Commodities
Nomura Macro IRIS*4 Fund *(Terminated)*	2014 – 4,090,650 (23rd August 2013) 2013 - 4,278,941	Algorithmic strategy trading a variety of liquid money market futures, bond futures and interest rate swaps on a long/short basis	4x	Interest Rates (Short term, long term)
Nomura C10 Fund	2014 - 5,624,108 2013 – 14,017,951	Algorithmic strategy trading FX forwards on a long/short basis	1x	Foreign Exchange (G10, EM currencies)
Nomura Permal Alpha Japan Neutral Fund	2014 – JPY -19,673,742 2013 - JPY – 340,104	Portfolio of research-driven, market neutral, long and short positions in respect of equities selected from a broad universe of Japanese equities and Japanese equities indices	1x	Japanese Equity prices
Nomura Man Systematic Fixed income UCITS Fund	2014 - USD 24,609,041	Systematic Fixed Income, Interest Rates and Currencies Portfolio	1x	Fixed Income Securities, Interest Rates and Currencies 2014 - USD 24,797,1
Nomura CoLRS Commodity Fund	2014 - 44,183,714	Algorithmic strategy trading a variety of liquid commodity futures contracts (from DJ-UBS Index)	1x	Commodities

Notes to the Financial Statements for year ended 31 March 2014 (continued)

10. Risk Management (continued)

Market Risk

(ii) Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk can arise directly when the total return swap is denominated in a different currency from the base currency of the Sub-Fund. At year end, all swaps held by the Company are denominated in Euro apart from the Nomura Permal Alpha Japan Neutral Fund swap denominated in USD and the Nomura Man Systematic Fixed income UCITS Fund denominated in USD.

Each Sub-Fund may issue share classes in currencies other than the base currency. In such instances, the investor is exposed to the currency movements on the valuation of their share.

In the case of non-base currency share classes, the Investment Manager implements a hedging process using forward foreign currency contracts to mitigate the currency risk to the shareholder. A summary of the open forward foreign currency contracts at 31 March 2014 is disclosed in note 9.

Currency risk can also arise indirectly when the total return swap is denominated in the base currency, but the index underlying the swap invests in assets which are denominated in non-base currency. In this latter case, the currency risk is mitigated at the index level by a mechanism embedded in the index methodology.

The underlying indices on which the performance of each swap is based may have currency exposure within the constituent parts of the index. In the case of the Nomura C10 Fund the index on which the performance of the swap is based consists of currency contracts. Any such currency risk forms part of the swap contract and is therefore not separately managed by the Investment Manager.

(iii) Interest Rate Risk

This risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This risk arises on financial instruments whose fair value or future cash flows are affected by changes in interest rates.

As each Sub-Fund is normally fully invested in a total return swap, there is minimal direct interest rate risk related to cash balance in the Sub-Fund. There is an indirect interest rate exposure embedded in the total return swap for the IRIS, COLRS and C10 funds. This exposure arises from Eonia (Euro Overnight Index Average) payments which are accrued daily under the terms of the swap. This interest rate risk is negligible relative to the overall market price risks of the swap. In addition, for all Sub-Funds, the associated swap value is affected by discounting of the swap performance from the next reset date to the present date. This risk is mitigated by resetting the swap with frequency of at least once per month.

The underlying indices or portfolio on which the performance of each swap is based may have interest rate exposure within the constituent parts of the index or portfolio. In the case of the Nomura C10 Fund or the Nomura Man Systematic Fixed Income Fund the index or portfolio consist partly of interest rate instruments and the performance of the swap partly depends on interest related instruments. Any such interest rate risk forms part of the swap contract and is therefore not separately managed by the Investment Manager.

(iv) VaR analysis

The Value-at-Risk (VaR) estimates the potential loss in pre-taxation profit due to market price risks over a given holding period at a specified confidence level. The VaR methodology is a probability based approach that takes into account market volatilities, as well as risk diversification by recognising offsetting positions and correlations between products and markets. Risks can be measured consistently across all markets and risk measures can be aggregated to arrive at a single risk number.

The absolute VaR used by Nomura Investment Solutions reflects the 99% probability that the loss over the holding period will not exceed the calculated VaR. A relative VaR reflects the absolute VaR as a proportion of the VaR of an underlying benchmark index. For example, a relative VaR limit of 1.5 means that VaR of the Sub-Fund should not exceed 1.5 times the VaR of the benchmark index. VaR methodologies employed to calculate daily risk numbers for each Sub-Fund apply a variance-covariance approach or a Monte Carlo approach (for the Nomura Man Systematic Fixed Income Fund), with volatility of each risk factor and correlation between each pair of risk factors estimated from historical market data.

The VaR methodology is customised for each Sub-Fund, and has been reviewed and seen by the Central Bank of Ireland. The accuracy of the models is monitored on an on-going basis by the Risk Manager, with back-tested results presented to the Board of Directors of the Company quarterly.

Notes to the Financial Statements for year ended 31 March 2014 (continued)

10. Risk Management (continued)

(iv) VaR analysis (continued)

The following table summarises the Value-at-risk as at 31 March 2014.

Fund	Holding Period (days)	Absolute / Relative VaR	VaR Limit	VaR 31/03/2014	VaR average 2013-2014	Leverage Employed
Nomura Interest Rate Investment Strategy Fund EUR	5	Absolute	3%	0.23%	0.40%	2x
Enhanced Core Euro Sovereign Bond Fund EUR	5	Relative*	1.5x	1.05x	1.05x	4x (3x MPS+1x iBoxx)
Enhanced Euro Equity Fund EUR	5	Relative**	1.15x	1.00x	1.00x	4x (3x MPS+1x EStoxx50)
Nomura Macro Commodity Strategy Fund EUR *(Terminated)*	5	Absolute	5%	1.03% (07th March 2014)	1.05% (up to 07th March 2014)	2.5x
Nomura IRIS 4 Fund EUR *(Terminated)*	5	Absolute	5%	0.86% (23rd August 2014)	1.06% (up to 23rd August 2014	4x
Nomura C10 Fund EUR	5	Absolute	5%	1.95%	2.22%	1x
Nomura Permal Alpha Japan Neutral Fund	1	Absolute	4.47%	0. 91%	0.57%	1x
Nomura Man Systematic Fixed income UCITS Fund	1	Absolute	3.61%	1.25%	0.88% (since 28th June 2013)	1x

***Reference Portfolio:** Markit iBoxx EUR Belgium France Germany Netherlands Sovereigns 5-10 Years Index
****Reference Portfolio:** Dow Jones Euro Stoxx 50 Total Return Index

The following table summarises the Value-at-risk as at 31 March 2013.

Fund	Holding Period (days)	Absolute / Relative VaR	VaR Limit	VaR 31/03/2013	VaR average 2012-2013	Leverage Employed
Nomura Interest Rate Investment Strategy Fund EUR	5	Absolute	3%	0.56%	0.76%	2x
Enhanced Core Euro Sovereign Bond Fund EUR	5	Relative*	1.5x	1.08x	1.05x	4x (3x MPS+1x iBoxx)
Enhanced Euro Equity Fund EUR	5	Relative**	1.15x	0.99x	1.00x	4x (3x MPS+1x EStoxx50)
Nomura Macro Commodity Strategy Fund EUR	5	Absolute	5%	1.17%	1.23%	2.5x
Nomura IRIS 4 Fund EUR	5	Absolute	5%	1.12%	1.52%	4x
Nomura C10 Fund EUR	5	Absolute	5%	2.31%	2.04%	1x
Nomura Permal Alpha Japan Neutral Fund	1	Absolute	4.47%	0.39%	0.22%	1x

Notes to the Financial Statements for year ended 31 March 2014 (continued)

10. Risk Management (continued)

Credit Risk

The Company may be exposed to credit risk on assets held. This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty risk and issuer risk.

Credit risk arises from entering into over-the-counter swap contracts with Nomura International plc. The Company restricts its exposure to credit losses by obtaining collateral from the counterparty as per Credit Support Annex entered between the Company and the counterparty. Under the terms of the Credit Support Annex should the counterparty default, the Company is entitled to transfer the full notional of the collateral held by the custodian. The collateral position is monitored daily by the Investment Manager and weekly by the Risk Manager.

All cash and collateral is held with the custodian. All investments, including derivatives, are held with the Swap counterparty. The Fund's main credit risk concentration is with the Custodian where the fund cash deposits and assets are held. Bankruptcy or insolvency of the Custodian may cause the fund's rights with respect to the cash and securities held by the Custodian to be delayed or limited. The credit rating for BNP Paribas Securities Services as at 31 March 2014 is A+ published by Standard & Poor's. The Company regularly monitors the credit rating of the custodian.

The exposure of the Company to the counterparty is not deemed to be significant given the collateral arrangements in place as described in the table below. The collateral held consists of corporate bonds the quality of which is assessed in accordance with the requirements of UCITS 10.6.

The following table summarizes the counterparty exposure in respect of the swap contracts and the related collateral held as at 31 March 2014.

Fund	Counterparty Risk Exposure	Collateral (EUR & Gross)	Collateral as % of Counterparty Risk Exposure	Regulatory Collateral Requirement in %
Nomura Interest Rate Investment Strategy Fund EUR	1,375,943	1,409,063	102%	95%
Enhanced Core Euro Sovereign Bond Fund EUR	4,053,370	3,965,031	98%	95%
Enhanced Euro Equity Fund EUR	22,751,610	22,669,732	100%	95%
Nomura C10 Fund EUR	5,624,108	5,632,321	100%	95%
Nomura Permal Alpha Japan Neutral Fund	USD 45,827,265	USD 47,479,007	104%	95%
Nomura Man Systematic Fixed income UCITS Fund	USD 24,609,041	USD 26,652,839	108%	95%
Nomura CoLRS Commodity Fund	44,183,714	45,199,826	102%	95%

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Notes to the Financial Statements for year ended 31 March 2014 (continued)

10. Risk Management (continued)

Credit Risk (continued)

The following table summarizes the counterparty exposure in respect of the swap contracts and the related collateral held as at 31 March 2013

Fund	Counterparty Risk Exposure	Collateral (EUR)	Collateral as % of Counterparty Risk Exposure	Regulatory Collateral Requirement in %
Nomura Interest Rate Investment Strategy Fund EUR	35,484,409	38,664,151	109%	95%
Enhanced Core Euro Sovereign Bond Fund EUR	18,121,641	21,818,553	120%	95%
Enhanced Euro Equity Fund EUR	22,926,038	27,388,171	119%	95%
Nomura Macro Commodity Strategy Fund EUR	12,397,984	13,970,733	113%	95%
Nomura IRIS*4 Fund EUR	4,278,941	5,075,411	119%	95%
Nomura C10 Fund EUR	14,017,959	15,300,133	109%	95%
Nomura Permal Alpha Japan Neutral Fund	40,114,362	39,774,258	99.15%	95%
Nomura Quadra Fund	-		N/A	N/A

Liquidity Risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities, which for each Sub-Fund lies in the ability to sell the assets in order to meet the cash settlement required by investor redemptions

To meet the redemption requirements, each Sub-Fund will generally be required to unwind a portion of its total return swaps. All swaps are traded over-the-counter with Nomura International plc, which has a contractual obligation to provide daily liquidity in normal market conditions through the swap contracts provisions dealt under ISDA standards.

The Investment Manager manages each Fund's liquidity position on a daily basis. Also the Directors are entitled, by the provisions in the prospectus, to limit the number of shares in a Fund repurchased on any given day to shares representing 10% of the total net asset value of the Fund. This is to facilitate an orderly disposition of securities in the interest of the remaining shareholders.

The Fund’s exposure to liquidity risk is detailed in the Balance Sheet. These financial liabilities are all due within 3 months.

11. Fair Value of Financial Instruments

On May 21, 2009 the Accounting Standards Board (ASB) issued ‘Amendments to FRS 29 – Improving Disclosures about Financial Instruments’. The amendments are intended to enhance disclosures about fair value measurement and liquidity risk. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FRS 29 are as follows:

In determining an instrument's placement within the hierarchy, the Directors separate the Company's investment portfolio into two categories: investments and derivative instruments. Each of these categories can further be divided between those held long or sold short.

- **Level 1** Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date;

Investments whose values are based on quoted market prices in active markets, and are therefore classified within level 1, include active listed equities. The Directors do not adjust the quoted price for such instruments, even in situations where the Directors hold a large position and a sale could reasonably impact the quoted price.

- **Level 2** Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active;

Notes to the Financial Statements for year ended 31 March 2014 (continued)

11. Fair Value of Financial Instruments (continued)
Investments that trade in markets that are not considered to be active, but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within level 2. As level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

- **Level 3** Inputs that are unobservable.

Valuation requires inputs that are both significant to the fair value measurement and unobservable.

Nomura Interest Rate Investment Strategy Fund	**Assets at Fair Value as of 31 March 2014**			
	Level 1	**Level 2**	**Level 3**	**Total**
	EUR	**EUR**	**EUR**	**EUR**
Financial assets at fair value through profit or loss held for trading				
Total Return Swap	-	1,375,943	-	1,375,943
	-	1,375,943	-	1,375,943

Nomura Interest Rate Investment Strategy Fund	**Assets at Fair Value as of 31 March 2013**			
	Level 1	**Level 2**	**Level 3**	**Total**
	EUR	**EUR**	**EUR**	**EUR**
Financial assets at fair value through profit or loss held for trading				
Total Return Swap	-	35,484,409	-	35,484,409
Forward Foreign Currency Contracts	-	42,521	-	42,521
	-	35,526,930	-	35,526,930

Enhanced Core Euro Sovereign Bond Fund	**Assets at Fair Value as of 31 March 2014**			
	Level 1	**Level 2**	**Level 3**	**Total**
	EUR	**EUR**	**EUR**	**EUR**
Financial assets at fair value through profit or loss held for trading				
Total Return Swap	-	4,053,370	-	4,053,370
	-	4,053,370	-	4,053,370

Enhanced Core Euro Sovereign Bond Fund	**Assets at Fair Value as of 31 March 2013**			
	Level 1	**Level 2**	**Level 3**	**Total**
	EUR	**EUR**	**EUR**	**EUR**
Financial assets at fair value through profit or loss held for trading				
Total Return Swap	-	18,121,641	-	18,121,641
	-	18,121,641	-	18,121,641

Notes to the Financial Statements for year ended 31 March 2014 (continued)

11. Fair Value of Financial Instruments (continued)

Enhanced Euro Equity Fund	**Assets at Fair Value as of 31 March 2014**			
	Level 1	**Level 2**	**Level 3**	**Total**
	EUR	**EUR**	**EUR**	**EUR**
Financial assets at fair value through profit or loss held for trading				
Total Return Swap	-	22,751,610	-	22,751,610
	-	22,751,610	-	22,751,610

Enhanced Euro Equity Fund	**Assets at Fair Value as of 31 March 2013**			
	Level 1	**Level 2**	**Level 3**	**Total**
	EUR	**EUR**	**EUR**	**EUR**
Financial assets at fair value through profit or loss held for trading				
Total Return Swap	-	22,926,038	-	22,926,038
	-	22,926,038	-	22,926,038

Nomura C10 Fund	**Assets at Fair Value as of 31 March 2014**			
	Level 1	**Level 2**	**Level 3**	**Total**
	EUR	**EUR**	**EUR**	**EUR**
Financial assets at fair value through profit or loss held for trading				
Total Return Swap	-	5,624,107	-	5,624,107
Forward Foreign Currency Contracts		52,464		52,464
	-	5,676,571	-	5,676,571

Nomura C10 Fund	**Assets at Fair Value as of 31 March 2013**			
	Level 1	**Level 2**	**Level 3**	**Total**
	EUR	**EUR**	**EUR**	**EUR**
Financial assets at fair value through profit or loss held for trading				
Total Return Swap	-	14,017,959	-	14,017,959
Forward Foreign Currency Contracts	-	162,974	-	162,974
	-	14,180,933	-	14,180,933

Notes to the Financial Statements for year ended 31 March 2014 (continued)

11. Fair Value of Financial Instruments (continued)

Nomura Permal Alpha Japan Neutral Fund	**Assets at Fair Value as of 31 March 2014**			
	Level 1	**Level 2**	**Level 3**	**Total**
	USD	**USD**	**USD**	**USD**
Financial assets at fair value through profit or loss held for trading				
Equities	32,591	-	-	32,591
Reverse Repos *	-	41,708,802	-	41,708,802
Forward Foreign Currency Contracts	-	324	-	324
	32,591	41,709,126	-	41,741,717

***** Held at amortised cost
The fair value of the collateral accepted in respect of the above reverse repurchase agreement is set out in note 10 within the credit risk section.

Nomura Permal Alpha Japan Neutral Fund	**Assets at Fair Value as of 31 March 2013**			
	Level 1	**Level 2**	**Level 3**	**Total**
	USD	**USD**	**USD**	**USD**
Financial assets at fair value through profit or loss held for trading				
Reverse Repos *	-	39,774,258	-	39,774,258
Total Funded Swaps	-	340,104	-	340,104
	-	40,114,362	-	40,114,362

Nomura Man Systematic Fixed Income UCITS Fund	**Assets at Fair Value as of 31 March 2014**			
	Level 1	**Level 2**	**Level 3**	**Total**
	USD	**USD**	**USD**	**USD**
Financial assets at fair value through profit or loss held for trading				
Total Return Swap	-	24,609,041	-	24,609,041
	-	24,609,041	-	24,609,041

Nomura CoLRS Commodity Fund	**Assets at Fair Value as of 31 March 2014**			
	Level 1	**Level 2**	**Level 3**	**Total**
	EUR	**EUR**	**EUR**	**EUR**
Financial assets at fair value through profit or loss held for trading				
Total Return Swap	-	44,183,714	-	44,184,384
Forward Foreign Currency Contracts	-	673	-	673
	-	44,184,387	-	44,184,387

***** Held at amortised cost

Notes to the Financial Statements for year ended 31 March 2014 (continued)

11. Fair Value of Financial Instruments (continued)

The fair value of the collateral accepted in respect of the above reverse repurchase agreement is set out in note 11 within the credit risk section.

Nomura Interest Rate Investment Strategy Fund	**Liabilities at Fair Value as of 31 March 2014**			
	Level 1	**Level 2**	**Level 3**	**Total**
	EUR	**EUR**	**EUR**	**EUR**
Financial liabilities at fair value through profit or loss held for trading				
Forward Foreign Currency Contracts	-	212	-	212
	-	212	-	212

Nomura Permal Alpha Japan Neutral Fund	**Liabilities at Fair Value as of 31 March 2014**			
	Level 1	**Level 2**	**Level 3**	**Total**
	USD	**USD**	**USD**	**USD**
Financial assets at fair value through profit or loss held for trading				
Total Funded Swaps	-	1,166,005	-	1,166,005
	-	1,166,005	-	1,166,005

Nomura Permal Alpha Japan Neutral Fund	**Liabilities at Fair Value as of 31 March 2013**			
	Level 1	**Level 2**	**Level 3**	**Total**
	EUR	**EUR**	**EUR**	**EUR**
Financial liabilities at fair value through profit or loss held for trading				
Forward Foreign Currency Contracts	-	71,454	-	71,454
	-	71,454	-	71,454

12. Exchange rates

The following exchange rates were used at 31 March 2014 and 31 March 2013 to translate foreign currency assets and liabilities:

	31 March 2014		31 March 2013
GBP	0.8267	GBP	0.8457
USD	1.3783	USD	1.2841
JPY	141.39	JPY	120.69

The base currency of the Nomura Permal Alpha Japan Neutral Fund and Nomura Man Systematic Fixed Income UCITS Fund are USD. For the purpose of presenting the financial statements of this sub-fund in the presentation currency of €, the Balance Sheet amounts have been translated to Euro at the exchange rate ruling at 31 March 2014. Profit & Loss account items have been translated at the average exchange rate for the period. The resulting loss in the Statement of Changes in Net Assets Attributable to Holders of Participating Shares of €2,682,280 is due to the movement in exchange rates as disclosed above. This is a notional amount and has no impact on the Net Asset Value per share of the individual Sub-Funds.

13. Distributions to holders of redeemable participating shares

There were no dividends for the year ended 31 March 2014 and 31 March 2013.

Notes to the Financial Statements for year ended 31 March 2014 (continued)

14. Purchases and Sales
All purchases and sales of investments except for Permal Alpha Japan Neutral Fund which has also equities, made by the Sub-Funds during the year ended 31 March 2014 and 31 March 2013 relate to the opening and closing of the total return swap positions with the swap counterparty. No other investments, except for forwards entered into, have been purchased or sold during the year. As details of the total return swap positions held as at 31 March 2014 and 31 March 2013 are included in the Schedule of Investments a further analysis of purchases and sales for the total return swaps has not been provided. A complete Statement of composition of the portfolio is available from the administrator.

15. Subsequent events
There were no subsequent events after the year ended 31 March 2014 which require disclosure in the financial statements.

16. Significant Events during the Year
The Nomura CoLRS Commodity Fund launched on 31 May 2013.
The Nomura Man Systematic Fixed Income UCITS Fund launched on 28 June 2013.
The Nomura IRIS*4 Fund terminated on 28 August 2013.
The Nomura Macro Commodity Fund terminated on 7 March 2014.

17. Approval of the Financial Statements
The financial statements were approved and authorised for issue by the Board of Directors on 22 July 2014.

Schedule of Investments as at 31 March 2014

Nomura Interest Rate Investment Strategy Fund

Quantity	Security	Fair Value €	% of Net Assets
1,381,635	Nomura Interest Rate Investment Strategy Swap	1,375,943	100.18
	Financial assets at fair value through profit or loss	1,375,943	100.18
	Unrealised loss on forward foreign currency contracts	(212)	(0.01)
	Net liabilities - other	(2,320)	(0.17)
	Net assets attributable to holders of redeemable participating shares	1,373,411	100.00

Collateral consists of:

Nominal	Security	Fair value €
1,550,000	Spain 4% 30/07/2015	1,658,949

Enhanced Core Euro Sovereign Bond Fund

Quantity	Security	Fair Value €	% of Net Assets
4,032,586	Enhanced Core Euro Sovereign Bond Swap	4,053,370	100.15
	Financial assets at fair value through profit or loss	4,053,370	100.15
	Net liabilities - other	(6,108)	(0.15)
	Net assets attributable to holders of redeemable participating shares	4,047,262	100.00

Collateral consists of:

Nominal	Security	Fair value €
500,000	Ayt Cajas Global 01/06/21	533,283
100,000	BCO Popul Esp 4.125% 09/04/2018	112,843
170,000	Network Rail TV 22/11/2047	264,177
800,000	Notting Hill House 3.75% 01/02/2054	963,838
400,000	Peabody Cap 5.25% 17/03/2043	548,755
1,000,000	Spain 4% 30/07/2015	1,070,290
950,000	TGHR Housing Financial 4.5% 17/12/2042	1,153,973
		4,647,159

Enhanced Euro Equity Fund

Quantity	Security	Fair Value €	% of Net Assets
22,120,770	Enhanced Euro Equity Swap	22,751,610	100.06
	Financial assets at fair value through profit or loss	22,751,610	100.06
	Net liabilities - other	(14,068)	(0.06)
	Net assets attributable to holders of redeemable participating shares	22,737,542	100.00

Schedule of Investments as at 31 March 2014

Enhanced Euro Equity Fund (continued)

Collateral consists of:

Nominal	Security	Fair value €
900,000	BCO Popul Esp 4.125% 09/04/2018	1,015,590
2,100,000	Network Rail TV 22/11/2047	3,263,365
4,100,000	Notting Hill Housing 4.375% 15/02/2054	4,939,670
2,430,000	Peabody Cap 5.25% 17/03/2043	3,333,687
2,230,000	Spain 3.75% 31/10/2015	2,371,859
750,000	Spain 4% 30/07/2015	802,717
2,800,000	TGHR Housing 4.5% 17/12/2042	3,401,185
3,550,000	THFC 5.2% 11/10/2043	4,899,408
1,000,000	Unicredit 6.125% 19/04/2021	1,170,562
		25,198,043

Nomura C10 Fund

Quantity	Security	Fair Value €	% of Net Assets
5,562,954	Nomura C10 Swap	5,624,108	99.30
Financial assets at fair value through profit or loss		5,624,108	99.30
Unrealised gain on forward foreign currency contracts		52,463	0.93
Net liabilities - other		(13,077)	(0.23)
Net assets attributable to holders of redeemable participating shares		5,663,494	100.00

Collateral consists of:

Nominal	Security	Fair value €
600,000	Network Rail TV 22/11/2047	932,390
800,000	Notting Hill 4.375% 01/02/20154	963,838
550,000	Peabody Cap 5.25% 17/03/2043	754,538
470,000	Spain 3.75% 31/10/2015	499,898
300,000	Spain 4% 30/07/2015	321,087
550,000	TGHR Housing Financial 4.5% 17/12/2042	668,090
700,000	THFC Fund 5.2% 11/10/2043	966,080
900,000	Unicredit 6.125% 19/04/2021	1,053,505
		6,159,426

Nomura Permal Alpha Japan Neutral Fund

	Fair Value $	% of Net Assets
Total reverse repos at amortised cost	41,708,802	102.70
Equities – Hitachi Maxell Ltd – nominal 2,000	32,591	0.08
Financial assets at fair value through profit or loss	41,741,393	102.78
Unrealised gain on forward foreign currency contracts	324	-
Unrealised loss on interest rate swap	(1,166,005)	(2.87)
Net assets - other	35,635	0.09
Net assets attributable to holders of redeemable participating shares	40,611,347	100.00

Schedule of Investments as at 31 March 2014

Nomura Permal Alpha Japan Neutral Fund (continued)

Collateral consists of:

Nominal	Security	Fair value $
2,100,000	American Express TR 13-29/07/2016	1,530,350
6,800,000	Barclays Bank 7.625% 12-21/11/2022	5,440,789
4,500,000	Dev Bank Japan 1.625% 12-25/09/2019	3,148,825
2,200,000	Devel Bank of Japan 2.125% 14-30/01/2019	1,600,696
200	Escrow Agent Japan	3,792
2,000	Hitachi Maxell Co Ltd	23,564
1,000,000	Lloyds 4.375% 10-12/01/2015	746,446
7,250,000	Mitsubishi Co 1.875% 12-13/07/2017	5,270,289
5,000,000	Morgan Stanley TV06-18/10/2016	3,602,771
1,500,000	Peaboby Cap 5.25% 11-17/03/2043	2,054,214
1,000,000	Standard Chartered 5.7% 12-25/01/2022	783,725
2,100,00	Sumitomo Mitsui 1.8% 13-28/03/2018	1,496,258
5,000,000	THFC Fund 5.2% 11-11/10/2043	6,753,200
		32,454,919

Nomura Man Systematic Fixed Income UCITS Fund

Quantity	Security	Fair Value $	% of Net Assets
24,797,153	Nomura Man Systematic Swap	24,609,041	100.21
Financial assets at fair value through profit or loss		24,609,041	100.21
Net liabilities - other		(52,042)	(0.21)
Net assets attributable to holders of redeemable participating shares		24,556,999	100.00

Collateral consists of:

Nominal	Security	Fair value $
5,000,000	ANZ Banking Group 2.4% 11/11/2016	3,780,703
5,500,000	Barclays Bank 7.625% 21/11/2022	4,510,474
600,000	BHP Billiton 6.5% 01/04/2019	526,592
2,000,000	DB London 3.875% 18/08/2014	1,473,558
3,200,000	Dexia Credit 1.25% 18/10/2016	2,335,770
4,500,000	Hyatt 5.375% 15/08/2021	3,635,831
500,000	Morgan Stanley 4.1% 26/01/2015	375,177
300,000	RIX Corp 3.75% 09/03/2017	228,805
500,000	Sumitomo Mitsui 2.5% 15/01/2018	367,594
5,000,000	Western Union 6.2% 17/11/2036	3,673,504
		20,908,008

Schedule of Investments as at 31 March 2014

Nomura CoLRS Commodity Fund

Quantity	Security	Fair Value €	% of Net Assets
43,837,399	Nomura CoLRS Commodity Swap	44,183,714	100.02
	Financial assets at fair value through profit or loss	44,183,714	100.02
	Unrealised gain on forward foreign currency contracts	673	-
	Net liabilities - other	(9,399)	(0.02)
	Net assets attributable to holders of redeemable participating shares	44,174,988	100.00

Collateral consists of:

Nominal	Security	Fair value €
2,500,000	Ayt Cajas Global 4% 06/2021	2,666,417
2,000,000	Caja Ronda 4.375% 14/10/2015	2,129,254
3,630,000	Network Rail TV 22/11/2047	5,640,959
6,200,000	Notting Hill 4.375% 14/02/2054	7,469,745
5,620,000	Peabody Cap 5.25% 17/03/2043	7,710,008
2,300,000	Spain 3.75% 31/10/2015	2,446,312
6,400,000	Spain 4% 30/07/2015	6,849,854
2,700,000	TGHR Housing Financial 4.5% 17/12/2042	3,279,714
5,250,000	THFC Fund 5.2% 11/10/2043	7,245,603
3,100,000	Unicredit 6.125% 19/04/2021	3,628,741
		49,066,607