

Stock in Focus

Nomura Research Institute (NRI)



By the Loomis Sayles Global Equity Team

THE LOOMIS SAYLES GLOBAL EQUITY FUND

- The Loomis Sayles Global Equity Fund uses a disciplined, bottom-up, unconstrained approach to investing.
- Based on deep, fundamental research, the Fund features a concentrated portfolio of high-quality companies with the ability to grow their intrinsic value.
- The Loomis Sayles Global Equity Fund's investment strategy features a long-term track record going back to 2004*.

** This refers to the Loomis Sayles Global Equity Opportunity Composite upon which the strategy of the Loomis Sayles Global Equity Fund is based. The Loomis Sayles Global Equity Fund was launched on 1 November 2018.*



STOCK IN FOCUS

Nomura Research Institute (NRI) is a Japanese provider of IT and consulting services for banks, asset managers, and retail chains.

Nomura Research Institute (NRI) was born out of the 1988 merger between the former Nomura Research Institute (founded in 1965 as Japan's first fully-fledged private sector think tank) and Nomura Computer Systems, which was established in 1966. Nomura Computer Systems made headlines implementing the first business applications for commercial computers in Japan.

INVESTMENT THESIS

Nomura Research Institute meets our three alpha drivers of quality, intrinsic value growth and attractive valuation.

Quality assessment: The company rates highly across our quality criteria, benefiting from a solid management team and a distinctive business model.

The management team has a proven track record of attaining strategic goals, enabling the company to grow revenue at a rate well above Japan's GDP growth.

The NRI business model has allowed the company to build deep relationships with its clients – a manifestation of decades of consistent execution and service. NRI has worked with industry leaders for decades, in some cases since the 70's. NRI provides vertically integrated services across strategy consulting, system integration, business process outsourcing and software which allows NRI to charge customers for packaged solutions, rather than billing hourly which helps deliver stable revenue and attractive profit margins.

NRI's competitors face high barriers to entry as the company supports a large portion of the financial services industry in Japan (with approximately 50% of Japan's retail brokers using an NRI developed back-office system).

ABOUT LOOMIS, SAYLES & COMPANY

Boston-based Loomis Sayles has been managing money for investors since 1926. The firm currently manages over \$290 billion USD on behalf of clients worldwide. With extensive resources across the US, Europe and Asia, Loomis Sayles is well positioned to manage global equities and seek long term performance.



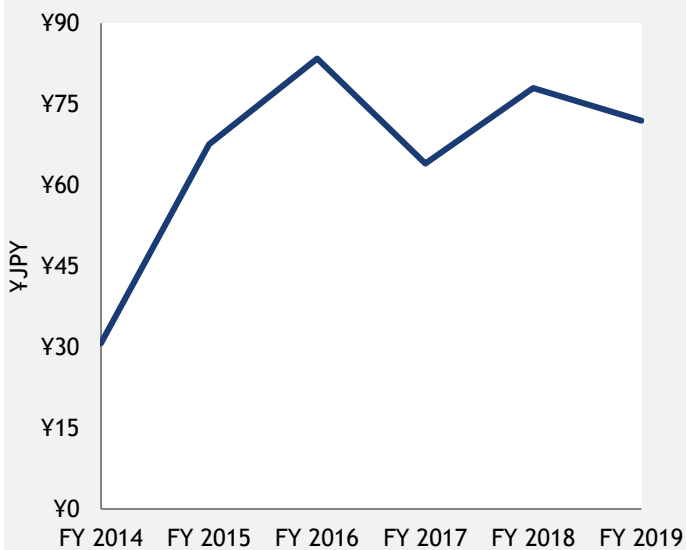
Intrinsic Value Growth: We expect intrinsic value growth to be driven by revenue growth, as NRI benefits from the demand for companies to integrate technology into their business operations. Margin expansion and capital allocation are also expected to contribute to NRI's intrinsic value growth. The value generated through the compounding of a company's cash flows over time, or the 'duration effect', is an attribute that the Loomis Sayles Global Equity Fund seeks to capture as a long term investor.



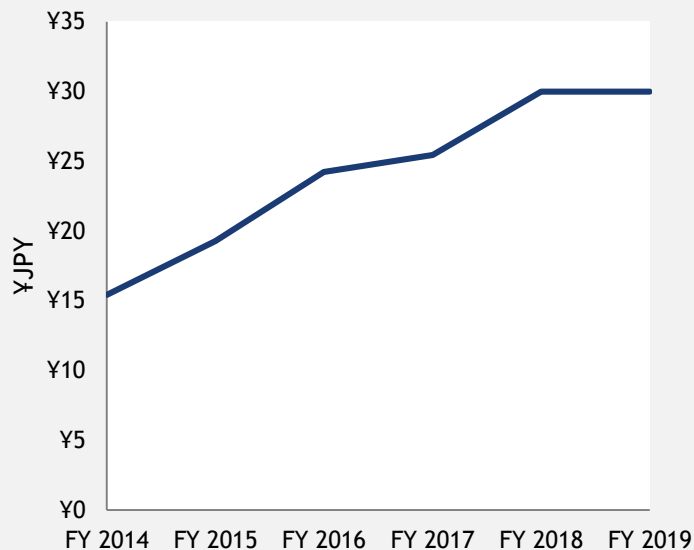
Valuation: Shares of NRI are attractively valued based on Loomis Sayles' thorough bottom-up research of NRI using a Discounted Cash Flow (DCF) valuation methodology. Loomis Sayles disciplined approach to valuation has allowed for opportunistic trading activity that benefits investors since a position was first initiated in NRI in 2013.

KEY GROWTH & VALUE MEASURES

FREE CASH FLOW PER SHARE



DIVIDEND PER SHARE



Financial year (FY) refers to the period ending 31 March.

The Loomis Sayles Global Equity Composite has been invested in Nomura Research Institute (NRI) since December 2013, while the Fund has held a position in NRI since launching in November 2018. This investment reflects the rigorous investment process undertaken by the Loomis Sayles Global Equity team.

Disclaimer

The information in this presentation is provided for general information purposes only and does not take into account the investment objectives, financial situation or needs of any person. Investors Mutual Limited (AFSL 229988) is the issuer and Responsible Entity of the Loomis Sayles Global Equity Fund ('Fund'). Loomis Sayles & Company, L.P. is the Investment Manager.

This information should not be relied upon in determining whether to invest in the Fund and is not a recommendation to buy, sell or hold any financial product, security or other instrument. In deciding whether to acquire or continue to hold an investment in the Fund, an investor should consider the Fund's Product Disclosure Statement, available on the website www.loomissayles.com.au or by contacting us on 1300 157 862. **Past performance is not a reliable indicator of future performance.**

Investment in the Fund are not a deposit with, or other liability of, Investors Mutual Limited and are subject to investment risk, including possible delays in repayment and loss of income and principal invested. Investors Mutual Limited does not guarantee the performance of the Fund or any particular rate of return.

The fact that shares in a particular company may have been mentioned should not be interpreted as a recommendation to buy, sell or hold that stock.

This portfolio is actively managed, and holdings are subject to change. Reference to specific securities or holdings should not be considered recommendations for action by investors. There is no guarantee the portfolio continues to invest as indicated.