

Prepared on: 17/03/2016

This Product Highlights Sheet ("PHS") is an important document.

- It highlights the key terms and risks of this investment product and complements the prospectus of the Fund dated 17 March 2016 (the "Prospectus")¹.
- It is important to read the Prospectus before deciding whether to purchase units in the Fund. If you do not have a copy, please contact us to ask for one.
- You should not invest in the Fund if you do not understand it or are not comfortable with the accompanying risks.
- If you wish to purchase the units in the Fund, you will need to make an application in the manner set out in the Prospectus. Units of the Fund can also be purchased or traded on the SGX-ST as set out in the Prospectus.

LYXOR JAPAN (TOPIX®)(DR) UCITS ETF (the "Fund")

SGX counter name (SGX stock code)	Lyxor Japan US\$(CW4)	SGX-ST Listing Date	30 August 2007
Product Type	Exchange Traded Fund	Designated Market Maker	Société Générale
Management Company	Lyxor International Asset Management (the " <u>Manager</u> ")	Underlying Reference Asset	TOPIX® Gross Total Return Index, denominated in JPY (the " <u>Benchmark Index</u> ")
Traded Currency	Class USD: USD	Expense Ratio (as at 31 October 2015)	0.45% (Class USD units)

PRODUCT SUITABILITY

WHO IS THE PRODUCT SUITABLE FOR?

- The Fund is only suitable for investors who:
 - want capital growth rather than regular income;
 - are prepared to lose some or all of their original investment;
 - seeking exposure to the Japanese equity market; and
 - have considered their personal circumstances at present and for the next five years and are able and willing to invest in a product:
 - for the minimum recommended investment period of more than five years;
 - which has a high equity risk profile and exposure to, amongst others, market risks linked to movements (including declines) in the Benchmark Index;
 - **which net asset value ("NAV") may have a high volatility due to the potential volatility of the Benchmark Index;** and
 - **which may invest in financial derivative instruments on an ancillary basis for investment, hedging and/or efficient portfolio management.**

Please refer to the "Risks of Investing in the Fund", "Investment Objective, Focus & Approach", "Risks", "Other Material Information - Distributions" and "Appendix 1: Benchmark Index" sections of the Prospectus for further information.

KEY PRODUCT FEATURES

WHAT ARE YOU INVESTING IN?

- You are investing in Class USD units (the "Units") of the Fund, which is an exchange traded fund constituted in France and is an Undertaking for Collective Investments in Transferable Securities ("UCITS") Part IV scheme that aims to track the Benchmark Index by using a direct replication strategy and may employ a "sampling" technique (please see the "Investment Strategy" section below for further details).
- The Benchmark Index is a share index calculated and published by the Tokyo Stock Exchange. The Benchmark Index is highly representative of the Japanese economy as it is composed of an important number of companies which are the principal companies in the market, in terms of market capitalisation.
- The Manager reserves the discretion to pay out income distributions and net realised capital gains of the Fund to the Holders at such times as it may determine. There can be no assurance that the Manager will declare dividends or make distributions.

Please refer to the "Basic Information", "Investment Objective, Focus & Approach" "Other Material Information – Distributions" sections and "Appendix 1: Benchmark Index" of the Prospectus for further information.

¹ The Prospectus is accessible at www.lyxoretf.com.sg. You may also obtain a copy of the Prospectus from the Singapore Representative of the Fund, whose details can be found on the last page of this PHS. Unless the context otherwise requires, terms defined in the Prospectus shall have the same meaning when used in this PHS.

Investment Strategy	
<ul style="list-style-type: none"> The Fund will employ a direct replication method, which means that the Fund will invest mainly in the securities that underlie the Benchmark Index. To optimise the direct replication method, the Fund may employ a “sampling” technique that consists in investing in a selection of representative Benchmark Index securities to reduce the costs of investing directly in all of the various Benchmark Index securities. This sampling technique could cause the Fund to invest in a selection of representative Benchmark Index securities (and not in all of them) in proportions that do not reflect their weight within the Benchmark Index, and even to invest in securities that are not constituents of the Benchmark Index. On an ancillary basis, the Fund may also enter into financial derivative instruments. The Manager may decide to adopt another investment strategy as it believes appropriate to achieve the investment objective of the Fund, subject to applicable laws and regulations. 	Please refer to the “Investment Objective, Focus & Approach” section of the Prospectus for further information.
Parties Involved	
WHO ARE YOU INVESTING WITH? <ul style="list-style-type: none"> The Fund is established in France as a fonds commun de placement (FCP) which is an open-ended collective investment fund. The Manager of the Fund is Lyxor International Asset Management, a company incorporated in France. The designated market maker, depository and custodian and the registrar of the Fund is Société Générale, an institution established in France. The administrative agent of the Fund is Société Générale Securities Services Net Asset Value, an institution established in France. The Singapore Representative of the Fund is RBC Investor Services Trust Singapore Limited, a company incorporated in Singapore. 	Please refer to the “The Manager” and “Other Parties” sections of the Prospectus for further information on the role and responsibilities of these entities.
KEY RISKS	
WHAT ARE THE KEY RISKS OF THIS INVESTMENT? The value of the Units and the price of the Units (and its dividends, if any) may rise or fall. These risk factors may cause you to lose some or all of your investment:	Please refer to the “Risks” section of the Prospectus for further information.
Market and Credit Risks	
<ul style="list-style-type: none"> Market prices for the Units may be different from their NAV <ul style="list-style-type: none"> Units are transacted on the SGX-ST on a willing-buyer-willing-seller basis at market prices throughout the trading day. The price of any Units traded on the SGX-ST will depend, amongst other things, on market supply and demand, movements in the value of the Benchmark Index, prevailing financial market, corporate, economic and political conditions. As market prices of Units may sometimes trade above or below the NAV of the Fund, there is a risk that you may not be able to buy or sell at a price close to the NAV. You are exposed to risk linked to the country in which the Fund invests or is exposed to <ul style="list-style-type: none"> Investment of the Fund in Japan or its exposure to this market mean that the NAV of the Fund and its trading prices will be affected by movements or downturns in this market. 	
Liquidity Risks	
<ul style="list-style-type: none"> Units can be redeemed at NAV only through Participating Dealers <ul style="list-style-type: none"> If you wish to redeem your Units at NAV, you must approach a Participating Dealer to apply to the Manager to redeem the Units on your behalf. If you approach a broker or dealer who is not a Participating Dealer, that broker or dealer will have to place redemption orders through a Participating Dealer. In such a case there may be additional charges. There is a minimum amount of EUR 100,000 for redemption of Units in cash being imposed by the Fund on a Participating Dealer. The secondary market may be illiquid <ul style="list-style-type: none"> You can sell your Units on the SGX-ST. However, you may not be able to find a buyer on the SGX-ST when you wish to sell your Units. While the Fund intends to appoint at least one market maker to assist in creating liquidity for investors, liquidity is not guaranteed and trading of Units on the SGX-ST may be suspended in various situations. If the Units are delisted from the SGX-ST or if the CDP is no longer able to act as the depository for the Units listed on the SGX-ST, the Units in your securities accounts with the CDP or held by the CDP may be repurchased (compulsorily or otherwise) by the designated Market Maker or otherwise at a price calculated by reference to the NAV of 	

the Fund calculated as of a certain number of day(s) following the last trading day of the Fund on the SGX-ST (or such other day as may be determined by the Manager in consultation with the SGX-ST and/or the CDP).

Product-Specific Risks

- **You are exposed to foreign exchange risk and currency risk**
 - *Currency risk related to the Fund and Benchmark Index:* The NAV of the Fund could decrease while the value of the Benchmark Index increases due to exchange rate fluctuations in the Japanese yen (being the currency of the Benchmark Index) and the USD (being the currency in which the NAV of the Units is denominated and the SGX-ST listing currency of the Units).
 - If your functional currency is in SGD, you will be exposed to further foreign exchange risks on your investment in the Fund.
- **You are exposed to tracking error risk**
 - The Manager may use optimisation techniques such as “sampling” which consists in investing in a selection of representative securities (and not all securities) that constitute the Benchmark Index, in proportions that differ from those of the Benchmark Index or even investing in securities that are not index constituents or in derivatives. The use of such optimisation techniques may increase the ex post tracking error and cause the Fund to perform differently from the Benchmark Index.
- **You are exposed to risk arising from securities financing transactions**
 - The Fund may use securities financing transactions to manage its portfolio efficiently. If a borrower of securities defaults on its obligations there could be a risk that the value of the collateral received by the Fund is less than the value of the securities lent. The Fund could also fail to receive the securities lent by the date specified, which would diminish its capacity to accommodate investor redemptions.
- **The Fund, Manager and Depository and Custodian are not constituted in Singapore and are governed by foreign laws. Certain investments by the Fund are also governed by foreign laws**
 - As a FCP in France registered as a UCITS IV scheme, the Fund is subject to the applicable laws and regulations in France and the relevant UCITS directives. The Manager and Depository and Custodian are established in France and governed by French laws. Any winding up of the investments of the Fund which are governed by foreign laws may involve delays and legal uncertainties for Singapore investors.
- **You are exposed to risks associated with custodians**
 - The Fund’s assets are held in custody by the Depository and Custodian. This exposes the Fund to a custody risk.
- **You are exposed to risks associated with potential conflicts of interests**
 - The Manager is a subsidiary of Lyxor Asset Management, which is in turn a wholly-owned subsidiary of Société Générale (which is currently the designated Market Maker, depository and custodian and the registrar of the Fund). Société Générale may also be the counterparty for a financial derivative transaction and/or a temporary securities financing transaction for the Fund.
 - Whilst compliance procedures require effective segregation of duties and responsibilities between the relevant divisions within the Société Générale Group, the possibility of conflicts of interest arising cannot be wholly eliminated. If such conflicts arise, the Manager will, in conjunction with the Depository and Custodian, seek to ensure that Holders are treated fairly, and any such conflicts will be treated on an arm’s length basis.

Please refer to the “Conflicts of Interest” section of the Prospectus for further information.

FEES AND CHARGES

WHAT ARE THE FEES AND CHARGES OF THIS INVESTMENT? Payable by you when subscribing or redeeming Units via the Participating Dealer of the Fund:

Subscription fee or preliminary charge (retained by the Manager)	Up to the higher of (i) EUR 50,000 (converted* to USD) per subscription request or (ii) 5% of the NAV per Unit multiplied by the number of Units subscribed.
Subscription fee or preliminary charge (retained by the Fund)	0.03% maximum**
Redemption or realisation charge (retained by the Manager)	Up to the higher of (i) EUR 50,000 (converted* to USD) per redemption request or (ii) 5% of the NAV per Unit multiplied by the number of Units redeemed.

Please refer to the “Fees and Charges” section of the Prospectus for further information.

Redemption or realisation charge (retained by the Manager)	0.03% maximum**
<i>* You should note that the exchange costs and risks, if any, will be borne by you.</i>	
<i>** The Manager will adjust these fees whenever necessary to ensure that primary market investors bear no more than the actual costs of adjusting the portfolio.</i>	
<u>Payable by you when buying or selling Units via the SGX-ST:</u>	
For purchases and sales on the SGX-ST: There will be a clearing fee for trading of Units on the SGX-ST which is currently 0.0325% of the transaction value. You will have to bear brokerage fees charged by their stockbrokers as in the case of acquiring or selling shares listed on the SGX-ST. The prevailing GST (7.0%) on brokerage fees and clearing fees will apply. Please contact your broker for further details.	
<u>Payable by Class USD of the Fund:</u>	
Operating and Management fee, tax included	Currently, 0.45% of the Fund's NAV per annum; Maximum 0.45 % of the Fund's NAV per annum.
<u>Payable by the Fund when investing in the underlying fund(s) (where applicable):</u>	
Subscription fee payable to third parties	Currently nil; Maximum 5.0%.
Redemption or realisation charge	Currently nil.
<u>Payable out of the assets of the underlying fund(s) (where applicable):</u>	
Operating and Management fee, tax included	Currently nil; Maximum 1.0% of the underlying fund's NAV per annum.
CONTACT INFORMATION	
HOW DO YOU CONTACT US?	
You may contact the Singapore Representative of the Fund, RBC Investor Services Trust Singapore Limited, at 20 Cecil Street, Equity Plaza #28-01, Singapore 049705 or the Manager at telephone number (65) 6423 2638 or fax number (65) 6423 2632 to raise any queries about the Fund.	