

Nomura Launches Innovative Daily Investible Index Targeting Private Equity Returns

New York, December 18, 2012 — Nomura, Asia's global investment bank, today announced the United States launch of the Nomura QES Modelled Private Equity Returns Index (the 'PERI'), the first daily investible index for institutional investors which targets returns similar to those which may be achieved through a global broad-based investment in private equity buyout funds on a committed capital basis.

The PERI has been developed in collaboration with sub-adviser and quantitative think tank, Quantitative Equity Strategies, LLC ('QES') and uses data provided by Preqin Ltd, ('Preqin'), the leading source of data and intelligence for the alternative asset industry.

The PERI does not invest in buyout funds directly or indirectly but has been developed on a foundation of private equity research which suggests that a substantial portion of private equity buyout fund returns can be attained through an investment in the 'public market equivalents' of the private investments made by those funds. The PERI implements this theory through a QES developed systematic model which uses financial algorithms, in large part underpinned by private equity industry data from Preqin, to allocate on a weekly basis to these 'public market equivalents'.

The PERI is a daily investible, long only index that targets global private equity like returns but on a committed capital basis. The overall performance is intended to target both the returns of capital actually invested in the private equity buyout fund universe as well as a risk free rate of return on the proportion of capital awaiting deployment.

Exposure to the PERI is obtained exclusively via Nomura, which is able to offer a variety of structured products on the index. Samir Patel, Co-Head of Equities Americas said: "The PERI addresses some of the traditional challenges facing private equity investors such as long lock-ups and uncertainty around cash flows. It can be especially useful in managing private equity allocations in investment portfolios."

The PERI is the first liquid private equity returns index of its kind, and the first investible index to use data from Preqin. Ben Warwick, CEO of QES, said: "We are very excited to partner with Nomura in launching this innovative index, the culmination of many years of buyout industry research, analysis and quantitative modeling at QES."

The PERI is calculated daily by S&P Opco, LLCTM and published on Bloomberg NMQPERI Index.

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Nomura

Nomura is a leading financial services group and the preeminent Asian-based investment bank with worldwide reach. Nomura provides a broad range of innovative solutions tailored to the specific requirements of individual, institutional, corporate and government clients through an international network in over 30 countries. Based in Tokyo and with regional headquarters in Hong Kong, London, and New York, Nomura employs over 27,000 staff worldwide. Nomura's unique understanding of Asia enables the company to make a difference for clients through three business divisions: retail, asset management, and wholesale (global markets and investment banking). Nomura's subsidiaries in the US include Nomura Securities International, Inc. (a member of SIPC) and Nomura Corporate Research and Asset Management Inc. For further information about Nomura, please visit www.nomura.com.

Preqin

Preqin is the leading source of information for the alternative assets industry, providing data and analysis via online databases, publications and bespoke data requests. Preqin has built a reputation in the industry for providing the most comprehensive and extensive information possible. Leading alternative assets professionals from around the world rely on Preqin's services daily, and its data and statistics are regularly quoted by the financial press. For more information, please visit: www.preqin.com

QES

QES is a Denver, Colorado based quantitative investment firm that offers a variety of alternative products that utilize exchange-traded futures and equities and offers investors unprecedented liquidity, transparency, and daily pricing. The firm's products include hedge fund replication (developed with Hedge Fund Research and Nomura); managed futures; convertible bond arbitrage replication; and long-short and long-only equity indices. For more information, please contact gesindices@qesinvest.com