

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Rural Funds Group

ACN/ARSN 077 492 838

1. Details of substantial holder (1)

Name Daiwa Securities Group Inc

ACN/ARSN (if applicable)

The holder became a substantial holder on 26 /08 /2019

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary	16,815,367	16,815,367	5.02%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Daiwa Asset Management	Investment Management	344,689 Ordinary Shares
Sumitomo Mitsui DS Asset Management	Investment Management	16,470,678 Ordinary Shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Daiwa Asset Management (DAM)		Daiwa Asset Management	344,689 Ordinary
Sumitomo Mitsui DS Asset Management (SMDAM)		Sumitomo Mitsui DS Asset Management	16,470,678 Ordinary

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
	Refer Annexure A			

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Sumitomo Mitsui DS Asset Management	22% subsidiary of Daiwa Securities Group Inc
Daiwa Asset Management	100% subsidiary of Daiwa Securities Group Inc

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Daiwa Securities Group Inc	Gran Tokyo North Tower 9-1, Marunouchi 1-chome, Chiyoda-ku Tokyo Japan

Signature

print name Gichi Tanaka

capacity Head of Compliance

sign here



date 29 / August / 2019

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

Annexure A

Date of change	Person whose relevant interest changed	Nature of Change(6)	Consideration given in relation to change(7)	Class	Number of securities affected	Person's votes affected
6/5/2019	SMDAM	BUY	31,800.07	Ordinary	14,000	14,000
26/4/2019	DAM	BUY	1,035.33	Ordinary	462	462
26/4/2019	DAM	BUY	2,121.31	Ordinary	947	947
26/4/2019	DAM	BUY	2,638.53	Ordinary	1,177	1,177
22/5/2019	SMDAM	BUY	68,540.93	Ordinary	30,000	30,000
28/5/2019	SMDAM	BUY	22,811.89	Ordinary	10,000	10,000
18/6/2019	SMDAM	BUY	94,162.82	Ordinary	40,000	40,000
31/7/2019	DAM	BUY	2,669.22	Ordinary	1,175	1,175
31/7/2019	DAM	BUY	2,146.00	Ordinary	945	945
31/7/2019	DAM	BUY	1,047.38	Ordinary	461	461
8/8/2019	SMDAM	BUY	1,735,402.88	Ordinary	930,000	930,000
8/8/2019	SMDAM	BUY	128,034.29	Ordinary	70,000	70,000
8/8/2019	SMDAM	BUY	887,964.38	Ordinary	500,000	500,000
8/8/2019	SMDAM	BUY	177,592.88	Ordinary	100,000	100,000
8/8/2019	SMDAM	BUY	650,847.10	Ordinary	360,000	360,000
8/8/2019	SMDAM	BUY	73,162.45	Ordinary	40,000	40,000
14/8/2019	SMDAM	BUY	576,816.24	Ordinary	300,000	300,000
19/8/2019	SMDAM	BUY	1,012,926.00	Ordinary	500,000	500,000
19/8/2019	DAM	BUY	131,859.00	Ordinary	65,000	65,000
26/8/2019	SMDAM	BUY	601,921.05	Ordinary	300,000	300,000

Signature 田中義一

Date 29 / 08 / 2019