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News Release

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FOR IMMEDIATE RELEASE

Morningstar Announces Findings from Third Global Investor Experience Report; The Netherlands Earned a B

CHICAGO/AMSTERDAM, May 15, 2013—Morningstar, Inc. (NASDAQ: MORN), a leading provider of independent investment research, today released its Global Investor Experience report, which assesses the experiences of mutual fund investors in 24 countries across North America, Europe, Asia, and Africa. The Netherlands earned a B in the 2013 report.

Morningstar's evaluation of investor-friendly practices in fund markets worldwide identified the United States as the best market for fund investors based on criteria such as investor protection, transparency, fees, taxation, and investment distribution, while South Africa scored the worst. This year's report also includes first-time reviews of fund investor experiences in Korea and Denmark.

"We launched the first Global Investor Experience report in 2009 to examine the treatment of mutual fund shareholders in 16 countries with the goal of advancing a dialogue about best practices worldwide. Since that time we've had numerous conversations with regulators and investment companies in multiple countries about their existing policies and ways to improve," John Rekenthaler, vice president of research for Morningstar, said. "Working with our analysts around the world, we expanded our survey to 24 countries this year. We hope our survey findings will help investment companies, distributors, and regulatory bodies around the globe continue to focus on improving the environment for investors."

Morningstar researchers evaluated countries in four categories: Regulation and Taxation, Disclosure, Fees and Expenses, and Sales and Media. Morningstar weighted the questions and answers to give greater importance to factual, empirical answers as well as the high-priority issues of fees, taxes, and transparency. Morningstar assigned countries a letter grade for each category and then added the

category scores to produce an overall country grade. The report's authors gathered information from available public data and from Morningstar analysts. Below are the overall country grades, from highest to lowest scores and then in alphabetical order:

United States: A
Korea: B+
Netherlands: B
Singapore: B
Taiwan: B
Thailand: B
China: B-
Denmark: B-
Germany: B-
India: B-
Norway: B-
Spain: B-
Sweden: B-
Switzerland: B-
United Kingdom: B-
Australia: C+
Belgium: C+
Canada: C+
France: C+
Italy: C+
Japan: C
Hong Kong: C-
New Zealand: C-
South Africa: D

- With an overall grade of B, Dutch investors have an investment experience that is above average compared to other the countries in this survey. Average scores in Regulations and Taxation, Sales and Media, and Fees and Expenses are buoyed by a good score in the area of Disclosure.
- The Netherlands, along with most of Europe, is in the midst of rapid changes in regulations that have had both positive and negative effects on investors; many of these pan-European regulations benefit investors.
- Taxes in the Netherlands are not particularly favorable to investors. Dutch taxes ("vermogensrendementsheffing") are unique within the survey. Dutch investors had an after tax return lower than that of many countries in a hypothetical tax scenario conducted by Morningstar for this report. From a tax perspective, investors are better off in Singapore (complete absence of taxes on mutual fund investments) and Hong Kong (virtually nonexistent taxes on fund investments). With favorable policies such as tax exemptions on capital gains and even a tax credit for investment in long-term equity investments—five years or more—Thailand fares best in this survey on Taxation.
- Dutch Disclosure earns a B, which puts it above most countries in the study and brings up the country's overall score. Several factors contribute this above-average grade. For one, Dutch funds typically provide the name of the portfolio manager despite there being no requirement for it. Additionally, fund boards and management companies disclose their co-investment beside share-holders. The Netherlands is one of only two countries that disclose any management stake in the fund, and Dutch disclosures are very helpful to investors in this respect.

- Fund Fees and Expenses in the Netherlands are average. Foreign funds sold in the Netherlands tend to be more expensive than local funds, and the effects of this are compounded by the fact that there are relatively few local funds. On a more positive note, there are presently plans in place to prohibit asset-based commissions beginning in 2014, and new commission-free share classes are beginning to be introduced.
- Sales practices in the Netherlands are regulated by MiFID, and this directive goes far in preventing the most egregious sales practices from happening in countries belonging to the European Union.
- As a plus for investors, more than 50% of funds in the Netherlands are sold by a distributor offering multiple fund sponsors.

Among the key findings of the study:

- Bans on advisor commissions are spreading around the world. In the UK, the retail distribution review (RDR) has already brought such a ban into effect, while similar moves are underway in Australia and the Netherlands..
- While the U.S. and European fund markets are roughly similar in size, U.S. investors pay significantly lower fees than European investors.
- New Zealand showed the largest improvement from the 2011 study rising to a C- from a D- because of positive regulatory changes and an encouraging expansion of disclosure requirements.
- Fund companies in most countries continue to treat the names of portfolio managers as trade secrets, leaving investors no way to determine who is responsible for a fund's success or failure.
- Australia and New Zealand do not require funds to publicly disclose full portfolio holdings, while France, South Africa, Korea, and the UK only disclose holdings to current owners.

To read Morningstar's complete Global Investor Experience report, visit
http://global.morningstar.com/fundinvestorexperience2013

About Morningstar, Inc.

Morningstar, Inc. is a leading provider of independent investment research in North America, Europe, Australia, and Asia. The company offers an extensive line of products and services for individuals, financial advisors, and institutions. Morningstar provides data on approximately 422,000 investment offerings, including stocks, mutual funds, and similar vehicles, along with real-time global market data on more than 9 million equities, indexes, futures, options, commodities, and precious metals, in addition to foreign

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