

J-Eurus Founding Partners Announce New Global Corporate Governance Program for Japanese Companies.

– J-Eurus partners and Sodali, Ltd. will provide services in corporate governance, board evaluation, shareholder engagement and strategic advice to Japanese companies.

Tokyo – 25 July, 2012. J-Eurus Investor Relations today released details of an enhanced corporate governance service package for Japanese companies that its founding partners, Yoshiko Iwata and Yoshiko Takayama, have developed in conjunction with Sodali, Ltd., a leading global consultancy based in Europe.

Ms. Iwata, President of J-Eurus IR, said that many of the firm’s clients have been asking for governance advice in response to reforms introduced by Japan’s Ministry of Finance and the Tokyo Stock Exchange during last few years.

“In addition to these regulatory pressures, many of our clients are concerned about the decline in cross-shareholdings among Japanese companies and the growing skepticism among global institutional investors about Japanese equities,” Ms. Iwata said.

Ms. Takayama, J-Eurus Managing Director, noted that problems involving a few high-profile companies had a broad negative impact on the Japanese financial market and had increased foreign investors’ fears about risk and fraud. “Japanese companies must work aggressively to restore global confidence,” she said.

The Corporate Governance Program for Japan includes the following services:

- Corporate governance benchmarking and perception studies based on global and local best practice and legal standards;
- Board evaluation;
- Research and strategic consultation on corporate governance, director responsibilities and shareholder rights;
- Institutional investor outreach, engagement and road shows;
- Preparation and conduct of annual meetings;
- Disclosure policy and communication with shareholders, proxy advisory firms and activist investors;
- Information Agent services related to mergers and acquisitions, takeovers and other extraordinary transactions

Ms. Iwata said that the new governance program differs from the firm's traditional investor relations and communication activities in two ways: (1) it brings into financial communications important new information relating to environmental practices, social policy and corporate governance (ESG) and (2) it expands the targeted investor audience to include decision-makers responsible for governance, share voting and stewardship and ESG investors in addition to securities analysts and portfolio managers. Ms. Iwata said that this broader "holistic" approach to Investor Relations has been developed by Sodali for its clients in Europe and Latin America during the past few years.

Ms. Iwata said that Japanese companies have always supported voluntary, private sector initiatives rather than legislation or regulation to improve market practices. It is reported that the revised Companies Act in Japan will not include mandatory requirement of independent directors, but regardless of the regulation, some Japanese issuers are improving their governance to differentiate themselves and attract investors. Accordingly, she believes that Japanese companies will welcome the opportunity to privately benchmark their ESG practices, conduct internal discussions about the merits of global standards and introduce appropriate changes at their own pace in coordination with their business strategy. “Japanese companies prefer to work quietly out of the limelight,” she said, “and our new service will enable them to do so.”

The governance program also introduces enhanced annual meeting services and capabilities to facilitate the collection of votes from overseas shareholders. “The annual meeting is a high-profile public event that highlights corporate governance issues,” Ms. Iwata said. “The goal of our service is to help Japanese companies manage shareholder expectations around the meeting, clarify misperceptions about governance and avoid undue media attention.”

Ms. Takayama said that she and Ms. Iwata have chosen to work with Sodali because of the firm’s global profile and its expertise in corporate governance, shareholder engagement, board-level advisory work and cross-border share voting.

Ms. Takayama also mentioned three specific considerations in their decision to work with Sodali in Japan: “First, Sodali works exclusively for companies and not for dissidents. Second, their rigorous Code of Business Conduct ensures strict

confidentiality and protects our clients from conflicts of interest. Third, Sodali promotes the European ‘principles-based’ governance system that we believe is best suited to Japanese companies, which are generally less comfortable with the rigid U.S. ‘rules-based’ governance model.”

Ms. Takayama noted that Sodali Chairman John Wilcox has been working with Japanese companies for more than 20 years, including during his years as Head of Corporate Governance at TIAA-CREF, the giant U.S. retirement system that owns shares of many Japanese companies.

About J-Eurus

J-Eurus IR Co., Ltd. is an independent consulting firm founded in Japan in 2000 by pioneering Investor Relations practitioners for the purpose of helping Japanese companies deal with the global challenges of corporate governance and relations with shareholders and investors. The firm’s founders participate in major domestic and international organizations on matters of governance and the capital markets, including the Tokyo Stock Exchange Best Disclosure Companies Selection Board and the International Corporate Governance Network Board of Governors. J-Eurus is a thought leader on these issues in Japan and helps bring the Japanese perspective to other financial markets.

About Sodali (<http://www.sodali.com>)

Sodali is an international consultancy and service provider that has achieved prominence as a leader in corporate governance, the development of institutional investor relations, the management of shareholder meetings and the mechanics of cross-border share voting. The firm’s mission of “aligning interests” is based on the conviction that a company’s governance and business strategy should work together to serve the long-term economic interests of the enterprise and its stakeholders. In addition to its assignments with some of the world’s largest publicly-traded corporations, Sodali also works extensively with developing market companies, family-owned businesses, mutual companies and state-owned enterprises. The firm is based in Rome, with offices in Athens, Geneva, London, Madrid, Milan, New York, Paris and representatives in other financial centers around the world.