

August 26, 2013

## Press Release

Nikko Asset Management Co., Ltd.

### **Results of Exercise of Voting Rights at June 2013 GSMs**

Nikko Asset Management Co., Ltd. ("Nikko AM") announced today the results of its exercise of voting rights in proposals made at the general shareholder meetings of 1,908 invested companies between July 2012 and June 2013. Nikko AM voted against 1,803 of a total 18,929 company-generated proposals, resulting in a 9.5 percent ratio of nay votes on such proposals. Details may be found in the table below.

Nikko AM voted against 1,001 of a total 13,731 proposals regarding the election of directors. The nay ratio in this category fell by 2.6% from the previous year to 7.3% mainly due to a decrease from last year in the number of companies underperforming, as well as an increase in efforts by companies to strengthen their corporate governance, such as the appointment of outside directors. Nikko AM voted against 76 of a total 271 proposals regarding the payment of retirement benefits. Due to a decrease in the number of proposals on payments to outside directors and outside auditors, which Nikko AM generally votes against, the nay ratio in this category fell by 12.7% from the previous year to 28%. Nikko AM's nay ratio for proposals on preventive measures against acquisition remained high at 97.4%.

In aiming to ensure the fulfillment of its fiduciary responsibility by appropriately exercising its voting rights in the companies in which it invests, Nikko AM established its Guidelines for the Exercise of Voting Rights in 2002 and exercises its voting rights based on the content of those guidelines, while also making revisions to them when so required. Nikko AM was the first asset management company in Japan to release results of its exercise of voting rights, and has been doing so since 2007. The past results of its exercise of voting rights are available for your reference on the following page on our website.

<http://en.nikkoam.com/voting-rights/results>

Nikko AM will continue to fulfill its fiduciary responsibility through active dialogue with the companies in which it invests.

## Status of Exercise of Voting Rights by Proposal Type

### 1. Company-generated Proposals

Proposal	July 2012 – June 2013				(For Ref.) July 2011 – June 2012			
	Subtotal	Yea	Nay	Nay ratio	Subtotal	Yea	Nay	Nay ratio
Appropriation of surpluses	1,320	1,302	18	1.4%	1,309	1,283	26	2.0%
Partial revision to articles of incorporation	624	570	54	8.7%	562	501	61	10.9%
Election/Dismissal of directors	13,731	12,730	1,001	7.3%	12,731	11,465	1,266	9.9%
Election/Dismissal of corporate auditors	2,183	1,788	395	18.1%	3,185	2,561	624	19.6%
Retirement benefit payments	271	195	76	28.0%	339	201	138	40.7%
Revision of executive remuneration amount	317	292	25	7.9%	373	346	27	7.2%
Granting of stock acquisition rights	160	102	58	36.3%	176	112	64	36.4%
Restructuring	63	46	17	27.0%	61	44	17	27.9%
Other company-generated proposals	260	101	159	61.2%	214	110	104	48.6%
<i>Granting of stock acquisition rights (preventive measures against acquisition)</i>	<i>153</i>	<i>4</i>	<i>149</i>	<i>97.4%</i>	<i>100</i>	<i>4</i>	<i>96</i>	<i>96.0%</i>
<i>Selection of corporate auditors</i>	<i>25</i>	<i>22</i>	<i>3</i>	<i>12.0%</i>	<i>31</i>	<i>31</i>	<i>0</i>	<i>0.0%</i>
<i>Other</i>	<i>82</i>	<i>75</i>	<i>7</i>	<i>8.5%</i>	<i>83</i>	<i>75</i>	<i>8</i>	<i>9.6%</i>
<b>Total</b>	<b>18,929</b>	<b>17,126</b>	<b>1,803</b>	<b>9.5%</b>	<b>18,950</b>	<b>16,623</b>	<b>2,327</b>	<b>12.3%</b>

### 2. Shareholder Proposals

Proposal	July 2012 – June 2013				(For Ref.) July 2011 – June 2012			
	Subtotal	Yea	Nay	Yea ratio	Subtotal	Yea	Nay	Yea ratio
Appropriation of surpluses	5	0	5	0.0%	5	1	4	20.0%
Election/Dismissal of officers	49	0	49	0.0%	62	2	60	3.2%
Other proposals (incl. revision to articles of incorporation)	68	0	68	0.0%	85	0	85	0.0%
<b>Total</b>	<b>122</b>	<b>0</b>	<b>122</b>	<b>0.0%</b>	<b>152</b>	<b>3</b>	<b>149</b>	<b>2.0%</b>

## About Nikko Asset Management

Established in 1959, the Nikko Asset Management group (Nikko AM) has grown to become the largest regional asset management company headquartered in Asia, with total AUM of US\$162 billion\* and one of the largest distributor networks across the Asia-Pacific region, comprising over 300 banks, brokers, IFAs and life insurance companies.

Nikko AM manages a wide range of Asian equity and Asian fixed income strategies for retail and institutional investors around the world. The company has been recognised by industry peers for outstanding performance, product innovation and market leadership across the Asia-Pacific region, winning a number of prestigious awards\*\*, including “Asia-Based Asset Manager of the Year” in 2012 and “Best Japan Onshore Fund Manager” in 2013, 2012 and 2011, both from *AsianInvestor*.

Nikko AM also offers specialist third-party expertise – currently from over 40 fund managers – through the World Series Fund Platform®, operating a “best-in-class” approach across a broad range of asset classes.

Nikko AM’s senior management team has significant experience across Asian as well as global markets. The team combines local knowledge with internationally recognised standards of investment practice, transparency and corporate governance to achieve growth across the business. The company adopts a “multi local” approach – giving local management teams a high degree of autonomy to address local market conditions and client servicing needs.

Nikko AM’s head office is in Tokyo and the firm has an extensive footprint across the Asia-Pacific region that includes offices in Singapore, Hong Kong, Sydney, Melbourne, Brisbane and Auckland. Offices in New York and London with full service teams provide support to investors in the US, Europe and the Middle East.

Nikko AM’s strong Asian presence is cemented with stakes in several joint venture companies. Rongtong Fund Management is one of the largest Sino-foreign joint venture fund management firms in China, while Hwang Investment Management Berhad and Asian Islamic Investment Management Sdn. Bhd. are leading investment management firms in Malaysia. Recent additions Ambit Investment Advisory Private Limited in Mumbai and Ambit Mauritius Investment Management Private Limited provide Indian equity expertise to Nikko AM’s global clients.

Nikko AM is an independently managed asset management company, majority owned by Sumitomo Mitsui Trust Holdings and with DBS Bank as the second largest shareholder.

For more information, please visit [www.nikkoam.com/english](http://www.nikkoam.com/english)

\* Consolidated assets under management and advice of Nikko AM and its subsidiaries as at 31 March 2013. “Largest” based on AUM sourced from Asia, including Australia and New Zealand, using third party published AUM figures as of June 30, 2012. “Regional” excludes firms with more than 75% of AUM sourced from a single country.

\*\*These awards are based on past performance and does not guarantee future investment performance.