

March, 2014

Notice concerning the establishment of
“Strategic Global IR Management Association”

The Private Sector’s 5th Arrow of the Abenomics Growth Strategy

1. Establishment of SGIM

We would like to announce the establishment of Strategic Global IR Management Association (SGIM), which aims to promote and support the implementation of global IR “best practices” in Japanese companies.

2. SGIM’s Raison D’être

In Japan’s stock market, the growing presence of foreign investors has become the largest influence in terms of daily trading volume and number of shares owned.

Under “Abenomics,” the government is deploying initiatives to revitalize the stagnating Japanese economy. Abenomics’ “three arrows” —fiscal stimulus policy, monetary easing policy and growth strategy —have given domestic and international investors high expectations for the Japanese economy’s recovery.

Japan’s leading companies have made notable efforts under these economic conditions; however, their IR to inform and engage foreign investors has been insufficient, resulting in lost opportunities for both Japanese companies and investors.

Japan has a number of companies with outstanding management strategy and internal reserves capable of bringing continuing growth to the market. Yet because of their serious lack of global IR strategy or proactive use of English-language information, all but those with serious global recognition are missing opportunities to connect with foreign investors.

3. Mission

SGIM was established with an aim to promote and support top corporate managers of Japanese companies to implement proactive and independent strategic IR for foreign investors. We believe that direct IR by top managers to foreign investors means not only nurturing a sense of trust among them, but also bringing investment capital in medium- to long-term and consequently contributing to enhanced corporate value.

Upon the establishment of SGIM, we have received understanding and approval from Mr. Jeffrey D. Morgan, President and CEO of National Investor Relations Institute (NIRI).

Through SGIM's activities, we aim to contribute to pervade global IR in Japanese companies and further evolution of their international corporate activities and the development of Japanese stock market.

4. Introducing SGIM

① SGIM's Mission

- (1) SGIM strongly advocates IR as an important obligation of corporate leadership.
- (2) SGIM studies and promotes ideal IR and disclosure practices and strategies particular for IR targeting foreign investors.
- (3) SGIM studies, promotes and develops strategic IR practices closely linked with management strategies, especially financial strategies.
- (4) SGIM will nurture leaders, officers and middle-management who can implement global IR strategy in collaboration with experts, auditors, lawyers and IR servicers in order to contribute to the evolution of international corporate activities.

② SGIM's Activities

SGIM recognizes the Japan Investor Relations Association's IR Activities Charter as the basic rules for IR activities, and establishes the following as SGIM's main activities on global IR.

- (1) Collection of global IR intelligence and know-how
- (2) Survey, research and development of global IR-based management
- (3) Educating corporate leaders of listed companies on global IR-based management
- (4) Holding workshops, seminars, etc. on global IR-based management
- (5) Publication of books and magazines global IR-based management
- (6) Timely activities for educating members on global IR
- (7) Facilitating interaction among corporate global IR leaders
- (8) Collaborating with Japanese and overseas IR institutions
- (9) Proposing global IR management policies
- (10) Establishing standards for evaluating global IR activities and issuing “awards” for companies satisfying these standards
- (11) Other necessary activities to achieve SGIM objectives

③ Roadmap of Key Activities for 2014

With due considerations to its purpose, mission and activities, SGIM sets forth a roadmap of key activities for 2014 as follows.

- (1) Launch a website to raise awareness of SGIM and to prepare proper infrastructure
 - ・ Post useful content including overseas IR research documents, etc.
 - ・ Consider methods for timely information release, including blogs and social media
- (2) Hold seminars and study meetings to promote global IR best practices and improve SGIM's industry recognition.
- (3) (Example topics)
 - ・ Keys to creating global IR strategies that appeal to foreign investors
 - ・ Studying global IR tools and communication methods
 - ・ Research on respective foreign investors' investment stance and methods to approach them
 - ・ IR case studies on leading foreign companies and investors' evaluations

④ Overview of SGIM

- (1) Name: Strategic Global IR Management Association
- (2) Address: 2F, 1-8-1, Kayaba-cho, Nihonbashi, Chuo-ku, Tokyo
- (3) URL: <http://www.sgim.or.jp>
- (4) Administrative Officers:

Director Masaki Kai (CEO of Finantec Co., Ltd.)

Director J. Michael Owen (Chairman and CEO of Transpacific Enterprises)

Administrative Staff Kiyohiro Sugashita (CEO of Sugashita Partners, Ltd.)

Auditing Staff Hiroyuki Yanagisawa

(Representative of Yanagisawa & Asano Certified Public Accountants)

⑤ Membership fees

- (1) Admission fee: 10,000 yen for all members
- (2) Annual fee: (See below)
 - ・ Special member (financial institutions, investors, attorneys, IR supporting organization): 300,000 yen
 - ・ Regular member (listed companies, etc.): 180,000 yen

(Contact Information)

Strategic Global IR Management Association

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