

PELARGOS CAPITAL JAPAN STRATEGY

VOTING REPORT 2018



Michael Kretschmer
Jan 2019

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Security: [ICHIGO HOTEL REIT INVESTMENT CMN](#)

Security ID: ISIN: JP3048160000 CUSIP: 9JE0FYS39 SEDOL: BYQL3F0 TICKER: J3463 RIC: 3463.CHJ

Meeting Type: Extraordinary General Meeting

Meeting Place: Japan

Meeting Date: Oct 27 2018

Meeting Time: 10:00 AM

Record Date: Jul 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Amend Articles to Amend Asset Management Compensation	X			
2	Elect Executive Director Miyashita, Osamu	X			
3.1	Elect Supervisory Director Iida, Masaru	X			
3.2	Elect Supervisory Director Suzuki, Satoko	X			
4	Elect Alternate Executive Director Yamaguchi, Hiromi	X			
5	Elect Alternate Supervisory Director Ishii, Eriko	X			

Security: [A-ONE SEIMITSU CMN](#)

Security ID: ISIN: JP3160660001 CUSIP: 9JE009NI2 SEDOL: 6588210 TICKER: J6156 RIC: 6156.JNX

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Sep 22 2018

Meeting Time: 01:00 PM

Record Date: Jun 30 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 70		X		
2.1	Elect Director Hayashi, Tetsuya	X			
2.2	Elect Director Murota, Takeshi	X			
2.3	Elect Director Kanemaru, Nobuyuki	X			
2.4	Elect Director Umehara, Katsuhiko	X			
3	Approve Annual Bonus	X			
4	Approve Equity Compensation Plan	X			

A-One Seimitsu is a solid business model with strong cash generation and a cash rich balance sheet. In our opinion the shareholder returns are unfavorable and we voted against this agenda item because we deem 70JPY inappropriately low.

Security: [TECHNOPRO HOLDINGS, INC. CMN](#)

Security ID: ISIN: JP3545240008 CUSIP: 9JE09MXK8 SEDOL: BSM8SQ9 TICKER: J6028 RIC: 6028.T

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Sep 27 2018

Meeting Time: 10:00 AM

Record Date: Jun 30 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 70	X			
2	Amend Articles to Amend Business Lines	X			
3.1	Elect Director Nishio, Yasuji	X			
3.2	Elect Director Sato, Hiroshi	X			
3.3	Elect Director Shimaoka, Gaku	X			
3.4	Elect Director Asai, Koichiro	X			
3.5	Elect Director Yagi, Takeshi	X			
3.6	Elect Director Watabe, Tsunehiro	X			
3.7	Elect Director Yamada, Kazuhiko	X			
3.8	Elect Director Sakamoto, Harumi	X			
4	Appoint Statutory Auditor Nagao, Tatsuhisa	X			

Security: [JAPAN PROCESS DEVELOPMENT CMN](#)

Security ID: ISIN: JP3749300004 CUSIP: 471990655 SEDOL: 6473372 TICKER: J9651 RIC: 9651.T

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Aug 24 2018

Meeting Time: 10:00 AM

Record Date: May 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Amend Articles to Amend Provisions on Number of Directors	X			
2.1	Elect Director Oobu, Hitoshi	X			
2.2	Elect Director Kamiishi, Yoshiaki	X			
2.3	Elect Director Tada, Toshiro	X			
2.4	Elect Director Matsuoka, Hitoshi	X			
2.5	Elect Director Sakamaki, Yoshihiro	X			
2.6	Elect Director Azuma, Satoshi	X			
2.7	Elect Director Morohoshi, Nobuya	X			
2.8	Elect Director Ichinose, Masuo	X			
3.1	Appoint Alternate Statutory Auditor Yamamoto, Hidehiro	X			
3.2	Appoint Alternate Statutory Auditor Ishibashi, Katsuo	X			
4	Approve Equity Compensation Plan	X			
5	Approve Bonus Related to Retirement Bonus System Abolition	X			

Security: **ICHIGO OFFICE REIT INVESTMENT REIT**

Security ID: ISIN: JP3046300004 CUSIP: 9JE01BBF5 SEDOL: B0LNCF6 TICKER: J8975 RIC: 8975.T

Meeting Type: Extraordinary General Meeting

Meeting Place: Japan

Meeting Date: Jul 28 2018

Meeting Time: 10:00 AM

Record Date: Apr 30 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Amend Articles to Make Technical Changes	X			
2	Elect Executive Director Takatsuka, Yoshihiro	X			
3.1	Elect Supervisory Director Fukunaga, Takaaki	X			
3.2	Elect Supervisory Director Terada, Masahiro	X			
4	Elect Alternate Executive Director Chiba, Keisuke	X			
5	Elect Alternate Supervisory Director Kita, Nagahisa	X			

Security: [MAEDA ROAD CONSTRUCTION CO., L*TD. ORD CMN](#)

Security ID: ISIN: JP3861600009 CUSIP: 559990254 SEDOL: 6554727 TICKER: J1883 RIC: 1883.CHJ

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 28 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 55		X		
2.1	Elect Director Okabe, Masatsugu		X		
2.2	Elect Director Imaeda, Ryoza		X		
2.3	Elect Director Takekawa, Hideya		X		
2.4	Elect Director Uchiyama, Hitoshi		X		
2.5	Elect Director Nishikawa, Hirotaka		X		
2.6	Elect Director Fujii, Kaoru		X		
2.7	Elect Director Nagumo, Masaji		X		
2.8	Elect Director Onishi, Kunio		X		
2.9	Elect Director Yokomizo, Takashi		X		
2.10	Elect Director Kajiki, Hisashi		X		

Maeda Road has a very stable, cash generative business model and the management keeps a disproportionate amount of cash on the balance sheet. Despite its above average payout ratio we are of the opinion that its dividend is too low. In addition, Maeda Road has a significant portion of its net worth in cross shareholdings and management seems reluctant to unwind it. This lack of shareholder reward led us to vote against the final dividend and the management team.

Security: OKAMOTO INDUSTRIES INC CMN

Security ID: ISIN: JP3192800005 CUSIP: 678990177 SEDOL: 6657767 TICKER: J5122 RIC: 5122.T

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 28 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 10		X		
2	Approve Reverse Stock Split to Comply with Exchange Mandate and Decrease Authorized Capital in Connection with Reverse Stock Split	X			
3.1	Elect Director Okamoto, Yoshiyuki	X			
3.2	Elect Director Tamura, Toshio	X			
3.3	Elect Director Yaguchi, Akifumi	X			
3.4	Elect Director Ikeda, Keiji	X			
3.5	Elect Director Okamoto, Kunihiro	X			
3.6	Elect Director Takashima, Hiroshi	X			
3.7	Elect Director Okamoto, Masaru	X			
3.8	Elect Director Tsuchiya, Yoichi	X			
3.9	Elect Director Tanaka, Kenji	X			
3.10	Elect Director Kawamura, Satoshi	X			
3.11	Elect Director Nodera, Tetsuo	X			
3.12	Elect Director Takahashi, Keita	X			
3.13	Elect Director Tanaka, Yuji	X			
3.14	Elect Director Fukuda, Akihiko	X			
3.15	Elect Director Aizawa, Mitsue	X			
4.1	Elect Director and Audit Committee Member Arisaka, Mamoru	X			
4.2	Elect Director and Audit Committee Member Fukazawa, Yoshimi	X			
4.3	Elect Director and Audit Committee Member Arai, Mitsuo	X			
5.1	Elect Alternate Director and Audit Committee Member Taniguchi, Yuji	X			
5.2	Elect Alternate Director and Audit Committee Member Shinomiya, Akio	X			

In our opinion, the payout ratio at Okamoto Ind. is too low considering the stability of its business model and the high cash accumulated on the balance sheet. The CFO initiates buybacks on a regular basis when the company's share prices is considered undervalued. We appreciate the total return approach and therefore voted in favor of the management team.

Security: [CREO CO LTD ORD CMN](#)

Security ID: ISIN: JP3271000006 CUSIP: J0838T104 SEDOL: 6232658 TICKER: J9698 RIC: 9698.T

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 26 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1.1	Elect Director Anan, Yuji	X			
1.2	Elect Director Kakizaki, Junichi	X			
1.3	Elect Director Ameda, Takashi	X			
1.4	Elect Director Ihara, Kunihiro	X			
1.5	Elect Director Amano, Hiroshi	X			
1.6	Elect Director Terasaki, Isao	X			
1.7	Elect Director Matoiba, Tomoyuki	X			

Security: [TAIHEI DENGYO KAISHA LTD ORD CMN](#)

Security ID: ISIN: JP3447200001 CUSIP: 874999030 SEDOL: 6869948 TICKER: J1968 RIC: 1968.CHJ

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 28 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Amend Articles to Amend Provisions on Number of Directors	X			
2.1	Elect Director Nojiri, Jo	X			
2.2	Elect Director Aoki, Yutaka	X			
2.3	Elect Director Sekine, Shoichi	X			
2.4	Elect Director Kimoto, Toshimune	X			
2.5	Elect Director Takeshita, Yasushi	X			
2.6	Elect Director Tsurunaga, Toru	X			
2.7	Elect Director Kusaka, Shinya	X			
2.8	Elect Director Minakuchi, Yoshihisa	X			
2.9	Elect Director Yuba, Akira	X			
2.10	Elect Director Kato, Yuji	X			
3	Appoint Statutory Auditor Omura, Hiroshi	X			
4	Appoint Alternate Statutory Auditor Yamada, Setsuko	X			
5	Approve Compensation Ceilings for Directors and Statutory Auditors			X	

Security: [MIURA CO., LTD CMN](#)

Security ID: ISIN: JP3880800002 CUSIP: 606990547 SEDOL: 6597777 TICKER: J6005 RIC: 6005.T

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 28 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 17		X		
2	Approve Merger by Absorption	X			
3.1	Elect Director Takahashi, Yuji			X	
3.2	Elect Director Miyauchi, Daisuke			X	
3.3	Elect Director Nishihara, Masakatsu			X	
3.4	Elect Director Hosokawa, Kimiaki			X	
3.5	Elect Director Ochi, Yasuo			X	
3.6	Elect Director Tange, Seigo			X	
3.7	Elect Director Morimatsu, Takashi			X	
3.8	Elect Director Kojima, Yoshihiro			X	
3.9	Elect Director Harada, Toshihide			X	
3.10	Elect Director Yoneda, Tsuyoshi			X	

In our opinion, the payout ratio at Miura Ind. is too low considering the stability of its business model and the company's strong balance sheet. With regards to its cost of capital and achieving adequate return-on-equity, we considering, in Miura Industries case, debt a better source of capital to support management's M&A growth ambitions.

Security: [TEIKOKU ELECTRIC MFG. CMN](#)

Security ID: ISIN: JP3541800003 CUSIP: 9JE008N29 SEDOL: 6155829 TICKER: J6333 RIC: 6333.JNX

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 28 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, With a Final Dividend of JPY 12		X		
2	Amend Articles to Amend Business Lines	X			
3.1	Elect Director Miyaji, Kunio	X			
3.2	Elect Director Nakamura, Yoshiharu	X			
3.3	Elect Director Shiraishi, Kuninori	X			
3.4	Elect Director Funahashi, Masaharu	X			
3.5	Elect Director Yamamoto, Kengo	X			
4.1	Elect Director and Audit Committee Member Koroyasu, Yoshihiro	X			
4.2	Elect Director and Audit Committee Member Hayashi, Koji	X			
4.3	Elect Director and Audit Committee Member Kawashima, Ichiro	X			
4.4	Elect Director and Audit Committee Member Oki, Yoshimasa	X			
5	Approve Equity Compensation Plan	X			

In our opinion, the shareholder reward policy is inadequate and the final dividend of JPY12 too low.

Security: [RYOSAN CO LTD ORD CMN](#)

Security ID: ISIN: JP3975400007 CUSIP: 783990195 SEDOL: 6763200 TICKER: J8140 RIC: 8140.JNX

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 22 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1.1	Elect Director Mimatsu, Naoto	X			
1.2	Elect Director Kurihara, Hiroyuki	X			
1.3	Elect Director Sato, Kazunori	X			
1.4	Elect Director Nishiura, Masahide	X			
2.1	Elect Director and Audit Committee Member Sakamoto, Iwao	X			
2.2	Elect Director and Audit Committee Member Nambu, Shinya	X			
2.3	Elect Director and Audit Committee Member Sato, Fumiaki	X			
2.4	Elect Director and Audit Committee Member Kuwahata, Hideki	X			
2.5	Elect Director and Audit Committee Member Ogawa, Mahito	X			
2.6	Elect Director and Audit Committee Member Tamura, Hirokazu	X			

Security: [KENEDIX RETAIL REIT CORPORATION*N CMN](#)

Security ID: ISIN: JP3047900000 CUSIP: 9JE0GEZ42 SEDOL: BTLX226 TICKER: J3453 RIC: 3453.CHJ

Meeting Type: Extraordinary General Meeting

Meeting Place: Japan

Meeting Date: Jun 15 2018

Meeting Time: 11:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Amend Articles to Change Location of Head Office - Amend Permitted Investment Types - Amend Asset Management Compensation				X
2	Elect Executive Director Asano, Akihiro				X
3	Elect Alternate Executive Director Nobata, Koichiro				X
4.1	Elect Supervisory Director Yasu, Yoshitoshi				X
4.2	Elect Supervisory Director Yamakawa, Akiko				X
5	Elect Alternate Supervisory Director Hiyama, Satoshi				X

We sold this holding prior to the AGM and therefore voted no action.

Security: [ARIAKE JAPAN CMN](#)

Security ID: ISIN: JP3125800007 CUSIP: 038990305 SEDOL: 6049632 TICKER: J2815 RIC: 2815.CHJ

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 22 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 46		X		
2.1	Elect Director Tagawa, Tomoki	X			
2.2	Elect Director Iwaki, Katsutoshi	X			
2.3	Elect Director Shirakawa, Naoki	X			
2.4	Elect Director Uchida, Yoshikazu	X			
2.5	Elect Director Matsumoto, Koichi	X			
2.6	Elect Director Iwaki, Koji	X			
3	Approve Annual Bonus	X			

In our opinion, the shareholder reward policy is inadequate and the final dividend of JPY46 too low.

Security: [ENPLAS CORPORATION CMN](#)

Security ID: ISIN: JP3169800004 CUSIP: 233990688 SEDOL: 6250296 TICKER: J6961 RIC: 6961.CHJ

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 22 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1.1	Elect Director Yokota, Daisuke		X		
1.2	Elect Director Sakai, Takashi		X		
1.3	Elect Director Iue, Toshimasa		X		
2	Elect Alternate Director and Audit Committee Member Ochiai, Sakae	X			
3	Approve Takeover Defense Plan (Poison Pill)		X		

In our opinion, the poison pill is unwarranted and the reason why we voted against the management.

Security: TOSHIBA MACHINE CO LTD CMN

Security ID: ISIN: JP3592600005 CUSIP: 891990236 SEDOL: 6897262 TICKER: J6104 RIC: 6104.CHJ

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 22 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Reverse Stock Split to Comply with Exchange Mandate and Decrease Authorized Capital in Connection with Reverse Stock Split			X	
2.1	Elect Director Iimura, Yukio			X	
2.2	Elect Director Mikami, Takahiro			X	
2.3	Elect Director Sakamoto, Shigetomo			X	
2.4	Elect Director Kobayashi, Akiyoshi			X	
2.5	Elect Director Koike, Jun			X	
2.6	Elect Director Goto, Eiichi			X	
2.7	Elect Director Ogura, Yoshihiro			X	
2.8	Elect Director Sato, Kiyoshi			X	
2.9	Elect Director Iwasaki, Seigo			X	
3	Appoint Statutory Auditor Takahashi, Hiroshi			X	
4	Appoint Alternate Statutory Auditor Imamura, Akifumi			X	

We sold this holding prior to the AGM and therefore voted abstain.

Security: **TAKAMATSU CONSTRUCTION GROUP C*O., LTD. CMN**

Security ID: ISIN: JP3457900003 CUSIP: 8759901A1 SEDOL: 6083135 TICKER: J1762 RIC: 1762.JNX

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 27 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1.1	Elect Director Takamatsu, Takayuki		X		
1.2	Elect Director Ogawa, Kanji		X		
1.3	Elect Director Yoshitake, Nobuhiko		X		
1.4	Elect Director Takamatsu, Takayoshi		X		
1.5	Elect Director Takamatsu, Hirotaka		X		
1.6	Elect Director Matsushita, Yoshinori		X		
1.7	Elect Director Ishida, Masaru		X		
1.8	Elect Director Kitamura, Akira		X		
1.9	Elect Director Ichiki, Ryoji		X		
1.10	Elect Director Takamatsu, Takatoshi		X		
1.11	Elect Director Ueno, Yasunobu		X		
1.12	Elect Director Hagiwara, Toshitaka		X		
1.13	Elect Director Nishide, Masahiro		X		
1.14	Elect Director Aoyama, Shigehiro		X		
1.15	Elect Director Takamatsu, Hideyuki		X		
1.16	Elect Director Tsujii, Yasushi		X		
2	Appoint Statutory Auditor Nakahara, Hideto	X			
3	Approve Career Achievement Bonus for Director		X		

In our opinion, Takamatsu Construction has compared to other companies we invest in too many directors. With regards to decision making process, accountability and shareholder returns we are of the opinion that a board of 16 directors is too comprehensive.

Security: [NEC CAPITAL SOLUTIONS LIMITED CMN](#)

Security ID: ISIN: JP3164740007 CUSIP: 9JE00U8W1 SEDOL: B05KJP2 TICKER: J8793 RIC: 8793.T

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 25 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1.1	Elect Director Imazeki, Tomo		X		
1.2	Elect Director Aoki, Ryoza		X		
1.3	Elect Director Tezuka, Shuichi		X		
1.4	Elect Director Natsume, Norio		X		
1.5	Elect Director Nawa, Takashi		X		
1.6	Elect Director Itatani, Masanori		X		
1.7	Elect Director Suwahara, Koji		X		
1.8	Elect Director Fukuda, Katsumi		X		
2	Appoint Statutory Auditor Okubo, Satoshi	X			

The stock price of NEC Capital Solutions is grossly undervalued and shareholders have suffered from poor performance for many years. The lack of attention to adequately return shareholders led us to vote against the management team.

Security: [IMASEN ELECTRIC INDUSTRIAL CMN](#)

Security ID: ISIN: JP3149100004 CUSIP: 9JE008E78 SEDOL: 6509954 TICKER: J7266 RIC: 7266.CHJ

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 19 2018

Meeting Time: 11:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1.1	Elect Director Wakayama, Kyoji		X		
1.2	Elect Director Adachi, Takashi		X		
1.3	Elect Director Tomida, Masahiro		X		
1.4	Elect Director Satake, Katsuyuki		X		
1.5	Elect Director Sakurai, Takamitsu		X		
1.6	Elect Director Niwa, Yoshihito		X		
1.7	Elect Director Nagai, Yasuo		X		
1.8	Elect Director Suzuki, Yuji		X		
2	Appoint Statutory Auditor Miyazawa, Toshio	X			

The stock price of Imasen is grossly undervalued and shareholders have suffered from poor returns on invested capital for many years. The lack of attention to adequately return shareholders led us to vote against the management team.

Security: [FUJI MEDIA HOLDINGS CMN](#)

Security ID: ISIN: JP3819400007 CUSIP: 3599910N7 SEDOL: 6036582 TICKER: J4676 RIC: 4676.T

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 27 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 20	X			
2.1	Elect Director Kano, Shuji		X		
2.2	Elect Director Miyauchi, Masaki		X		
2.3	Elect Director Kanemitsu, Osamu		X		
2.4	Elect Director Wagai, Takashi		X		
2.5	Elect Director Habara, Tsuyoshi		X		
2.6	Elect Director Hieda, Hisashi		X		
2.7	Elect Director Endo, Ryunosuke		X		
2.8	Elect Director Kishimoto, Ichiro		X		
2.9	Elect Director Yokoyama, Atsushi		X		
2.10	Elect Director Matsumura, Kazutoshi		X		
2.11	Elect Director Ishihara, Takashi		X		
2.12	Elect Director Kiyohara, Takehiko		X		
2.13	Elect Director Shimatani, Yoshishige		X		
2.14	Elect Director Miki, Akihiro		X		
2.15	Elect Director Ishiguro, Taizan		X		
2.16	Elect Director Yokota, Masafumi		X		
2.17	Elect Director Terasaki, Kazuo		X		
3	Appoint Statutory Auditor Minami, Nobuya	X			

The stock price of Fuji Media is grossly undervalued and shareholders have suffered from declining returns on invested capital for almost two decades. We appreciate that the management started to embrace higher shareholder returns in terms of increased total payout ratio. In our opinion, the company is overcapitalized and holds significant net worth in cross shareholdings as well as land, because these items impair capital efficiency we decided to vote against management.

Security: [HITACHI TRANSPORT SYSTEM, LTD. CMN](#)

Security ID: ISIN: JP3791200003 CUSIP: 9EQ28T9U3 SEDOL: 6429234 TICKER: J9086 RIC: 9086.T

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 19 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1.1	Elect Director Izumoto, Sayoko		X		
1.2	Elect Director Urano, Mitsudo		X		
1.3	Elect Director Tanaka, Koji		X		
1.4	Elect Director Fusayama, Tetsu		X		
1.5	Elect Director Magoshi, Emiko		X		
1.6	Elect Director Maruta, Hiroshi		X		
1.7	Elect Director Jinguji, Takashi		X		
1.8	Elect Director Nakatani, Yasuo		X		

Hitachi Transport's return on invested capital is, in our opinion, insufficient and due to the management's lack of shareholder return focus we decided to vote against the board.

Security: [KYUSHU RAILWAY COMPANY CMN](#)

Security ID: ISIN: JP3247010006 CUSIP: 9JE178WF1 SEDOL: BD2BST6 TICKER: J9142 RIC: 9142.JNX

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 22 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, With a Final Dividend of JPY 44			X	
2	Amend Articles to Abolish Board Structure with Statutory Auditors - Adopt Board Structure with Audit Committee - Amend Provisions on Number of Directors - Authorize Directors to Execute Day to Day Operations without Full Board Approval			X	
3.1	Elect Director Karaike, Koji			X	
3.2	Elect Director Aoyagi, Toshihiko			X	
3.3	Elect Director Maeda, Hayato			X	
3.4	Elect Director Tanaka, Ryuji			X	
3.5	Elect Director Furumiya, Yoji			X	
3.6	Elect Director Hirokawa, Masaya			X	
3.7	Elect Director Toshima, Koji			X	
3.8	Elect Director Nuki, Masayoshi			X	
3.9	Elect Director Kuwano, Izumi			X	
4.1	Elect Director and Audit Committee Member Kuga, Eiichi			X	
4.2	Elect Director and Audit Committee Member Goto, Yasuko			X	
4.3	Elect Director and Audit Committee Member Ide, Kazuhide			X	
4.4	Elect Director and Audit Committee Member Eto, Yasunori			X	
5	Approve Compensation Ceiling for Directors Who Are Not Audit Committee Members			X	
6	Approve Compensation Ceiling for Directors Who Are Audit Committee Members			X	

We sold this holding prior to the AGM and therefore voted abstain.

Security: TOSHIBA PLANT SYSTEMS & SVS CMN

Security ID: ISIN: JP3594200002 CUSIP: 890990120 SEDOL: 6897295 TICKER: J1983 RIC: 1983.JNX

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 21 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1.1	Elect Director Hayashi, Masataka	X			
1.2	Elect Director Yoshida, Masaharu	X			
1.3	Elect Director Kamei, Koichi	X			
1.4	Elect Director Tanaka, Yoshikatsu	X			
1.5	Elect Director Kitabayashi, Masayuki	X			
1.6	Elect Director Tsuruhara, Kazunori	X			
1.7	Elect Director Yamazaki, Yasuo	X			
1.8	Elect Director Harazono, Koichi	X			
1.9	Elect Director Shiotsuki, Koji	X			
1.10	Elect Director Wada, Kishiko	X			
1.11	Elect Director Yokoyama, Yoshikazu	X			
2	Appoint Statutory Auditor Uchiyama, Takehisa	X			
3	Appoint Alternate Statutory Auditor Nagaya, Fumihiro	X			

Security: [MITSUI-SOKO HOLDINGS CO LTD CMN](#)

Security ID: ISIN: JP3891200002 CUSIP: 606990406 SEDOL: 6597647 TICKER: J9302 RIC: 9302.JNX

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 27 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Reverse Stock Split to Comply with Exchange Mandate and Decrease Authorized Capital in Connection with Reverse Stock Split	X			
2	Amend Articles to Update Authorized Capital in Connection with Reverse Stock Split - Reduce Share Trading Unit	X			
3.1	Elect Director Tawaraguchi, Makoto		X		
3.2	Elect Director Koga, Hirobumi		X		
3.3	Elect Director Odanaka, Osamu		X		
3.4	Elect Director Nakayama, Nobuo		X		
3.5	Elect Director Ogawa, Ryoji		X		
3.6	Elect Director Masuda, Takayoshi		X		
3.7	Elect Director Gohara, Takeshi		X		
3.8	Elect Director Kino, Hiroshi		X		
3.9	Elect Director Furuhashi, Mamoru		X		
3.10	Elect Director Nakano, Taizaburo		X		

The stock price of Mitsui Soko is grossly undervalued and shareholders have suffered from an extended period of sub cost of capital returns on invested capital. The company holds a significant amount of its net wealth in cross shareholdings and real estate assets. Poor M&A track record and a neglect to appropriately reward shareholders has led us to vote against the management team.

Security: TOKYU CORP CMN

Security ID: ISIN: JP3574200006 CUSIP: 889990289 SEDOL: 6896548 TICKER: J9005 RIC: 9005.JNX

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 28 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 10		X		
2.1	Elect Director Nomoto, Hirofumi		X		
2.2	Elect Director Takahashi, Kazuo		X		
2.3	Elect Director Tomoe, Masao		X		
2.4	Elect Director Watanabe, Isao		X		
2.5	Elect Director Hoshino, Toshiyuki		X		
2.6	Elect Director Ichiki, Toshiyuki		X		
2.7	Elect Director Fujiwara, Hirohisa		X		
2.8	Elect Director Takahashi, Toshiyuki		X		
2.9	Elect Director Shiroishi, Fumiaki		X		
2.10	Elect Director Kihara, Tsuneo		X		
2.11	Elect Director Horie, Masahiro		X		
2.12	Elect Director Hamana, Setsu		X		
2.13	Elect Director Murai, Jun		X		
2.14	Elect Director Konaga, Keiichi		X		
2.15	Elect Director Kanazashi, Kiyoshi		X		
2.16	Elect Director Kanise, Reiko		X		
2.17	Elect Director Okamoto, Kunie		X		
3	Appoint Statutory Auditor Shimamoto, Takehiko	X			
4	Appoint Alternate Statutory Auditor Matsumoto, Taku	X			

In our opinion the payout ratio is inappropriate and as such the final dividend way too low.

Security: [HEIWA REAL ESTATE CO LTD CMN](#)

Security ID: ISIN: JP3834800009 CUSIP: 423990159 SEDOL: 6419600 TICKER: J8803 RIC: 8803.JNX

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 26 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 20	X			
2.1	Elect Director Aizawa, Motoya		X		
2.2	Elect Director Saida, Kunitaro		X		
2.3	Elect Director Ota, Junji		X		
3.1	Appoint Statutory Auditor Tsubaki, Chikami	X			
3.2	Appoint Statutory Auditor Sekine, Jun	X			
4	Approve Annual Bonus		X		
5	Approve Compensation Ceilings for Directors and Statutory Auditors	X			
6	Approve Takeover Defense Plan (Poison Pill)		X		

In our opinion, Heiwa Real Estate stock price is grossly undervalued and management insufficiently consider shareholder interest as return on investment have been below cost of capital for a long time. In addition, the poison pill is in the company's self interest and not aimed at providing shareholders with a sufficient return on investment. Finally, the strong influence of client TSE and cross shareholder Mitsubishi Estate, in our opinion, undermines the establishment of a management team that pursues the interests of its majority shareholders.

Security: [METAWATER CMN](#)

Security ID: ISIN: JP3921260000 CUSIP: 9JE06DTN0 SEDOL: BSTJDT3 TICKER: J9551 RIC: 9551.CHJ

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 26 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1.1	Elect Director Nakamura, Yasushi		X		
1.2	Elect Director Fukushima, Ichiro		X		
1.3	Elect Director Kato, Akira		X		
1.4	Elect Director Nishio, Akira		X		
1.5	Elect Director Sakabe, Susumu		X		
1.6	Elect Director Matsumura, Motofumi		X		
1.7	Elect Director Sue, Keiichiro		X		
1.8	Elect Director Aizawa, Kaoru		X		
1.9	Elect Director Kosao, Fumiko		X		
2.1	Appoint Statutory Auditor Uemura, Kimihiko			X	
2.2	Appoint Statutory Auditor Takimoto, Kazuo			X	
3.1	Appoint Alternate Statutory Auditor Sato, Junichi			X	
3.2	Appoint Alternate Statutory Auditor Shoda, Kenji			X	

The management team has failed to achieve our required rate of return. Considering Metawater's balance sheet, growth perspective and business model we are of the opinion that the payout ratio is too conservative and shareholders are not adequately rewarded.

Security: [HITACHI HIGH-TECHNOLOGIES CORP*OATION CMN](#)

Security ID: ISIN: JP3678800008 CUSIP: 654990704 SEDOL: 6642804 TICKER: J8036 RIC: 8036.JNX

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 22 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1.1	Elect Director Kitayama, Ryuichi	X			
1.2	Elect Director Miyazaki, Masahiro	X			
1.3	Elect Director Nakashima, Ryuichi	X			
1.4	Elect Director Hayakawa, Hideyo	X			
1.5	Elect Director Toda, Hiromichi	X			
1.6	Elect Director Nishimi, Yuji	X			
1.7	Elect Director Tamura, Mayumi	X			

Security: [ALPINE ELECTRONICS, INC. CMN](#)

Security ID: ISIN: JP3126200009 CUSIP: 020990149 SEDOL: 6021481 TICKER: J6816 RIC: 6816.JNX

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 21 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 15	X			
2.1	Elect Director Komeya, Nobuhiko		X		
2.2	Elect Director Endo, Koichi		X		
2.3	Elect Director Kobayashi, Toshinori		X		
2.4	Elect Director Taguchi, Shuji		X		
2.5	Elect Director Ikeuchi, Yasuhiro		X		
2.6	Elect Director Kwarada, Yoji		X		
2.7	Elect Director Inoue, Shinji		X		
2.8	Elect Director Ishibashi, Koji		X		
2.9	Elect Director Kataoka, Masataka		X		
2.10	Elect Director Motokawa, Yasushi		X		
3.1	Elect Director and Audit Committee Member Kojima, Hideo		X		
3.2	Elect Director and Audit Committee Member Hasegawa, Satoko		X		
3.3	Elect Director and Audit Committee Member Yanagida, Naoki		X		
3.4	Elect Director and Audit Committee Member Maeda, Shinji		X		
3.5	Elect Director and Audit Committee Member Kinoshita, Satoshi		X		
4	Approve Additional Dividend	X			
5	Appoint Shareholder Director Nominee Okada, Naoki	X			
6	Appoint Shareholder Director and Audit Committee Member Miyazawa, Nao	X			

The management acts in gross neglect of minority shareholders and its fiduciary duty. The management team has obvious conflict of interests with regards to its parent company Alps. We decided to vote in favor of independent directors Okada-san and Miyazawa-san.

Security: [RELIA INC CMN](#)

Security ID: ISIN: JP3922200005 CUSIP: 619600091 SEDOL: 6129158 TICKER: J4708 RIC: 4708.JNX

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 26 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 18		X		
2.1	Elect Director Shimomura, Yoshihiro	X			
2.2	Elect Director Azabu, Hidenori	X			
2.3	Elect Director Ebata, Wataru	X			
2.4	Elect Director Nakamura, Akihiko	X			
2.5	Elect Director Kishigami, Junichi	X			
2.6	Elect Director Saito, Masaki	X			
2.7	Elect Director Tsunezawa, Kahoko	X			
2.8	Elect Director Amino, Takashi	X			
2.9	Elect Director Kondo, Hirohisa	X			
2.10	Elect Director Kurokawa, Hitoshi	X			

In our opinion, the payout ratio at Relia is insufficiently low and as such the dividend of just JPY18 is insufficiently rewarding shareholders.

Security: [NISHIMATSU CONSTRUTCTN CO LTD CMN](#)

Security ID: ISIN: JP3659200004 CUSIP: 654990233 SEDOL: 6640983 TICKER: J1820 RIC: 1820.CHJ

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 28 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 95		X		
2.1	Elect Director Kondo, Harusada	X			
2.2	Elect Director Takase, Nobutoshi	X			
2.3	Elect Director Maeda, Akira	X			
2.4	Elect Director Isshiki, Makoto	X			
2.5	Elect Director Kono, Yuichi	X			
2.6	Elect Director Sawai, Yoshiyuki	X			
2.7	Elect Director Hayashi, Kensuke	X			
3.1	Elect Director and Audit Committee Member Mizuguchi, Uichi	X			
3.2	Elect Director and Audit Committee Member Mino, Koji	X			
3.3	Elect Director and Audit Committee Member Kikuchi, Kiyomi	X			
3.4	Elect Director and Audit Committee Member Ikeda, Jun	X			

In our opinion, the payout ratio at Nishimatsu Construction is insufficiently low and as such the dividend of just JPY95 is insufficiently rewarding shareholders.

Security: [JAPAN PURE CHEMICAL CMN](#)

Security ID: ISIN: JP3706600008 CUSIP: 9JE009H65 SEDOL: 6563507 TICKER: J4973 RIC: 4973.CHJ

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 15 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			No Action
		For	Against	Abstain	
1	Approve Allocation of Income, with a Final Dividend of JPY 40				X
2.1	Elect Director Watanabe, Masao				X
2.2	Elect Director Shimizu, Shigeki				X
2.3	Elect Director Ikawa, Masahiro				X
2.4	Elect Director Kosaka, Satoru				X
2.5	Elect Director Kiyohara, Yoshizo				X
2.6	Elect Director Tanefusa, Shunji				X
2.7	Elect Director Chiba, Kiyoshi				X
3	Approve Stock Option Plan				X

Security: [ASUNARO AOKI CONSTRUCTION CO.,* LTD. CMN](#)

Security ID: ISIN: JP3303400000 CUSIP: 501990501 SEDOL: 6496603 TICKER: J1865 RIC: 1865.JNX

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Jun 20 2018

Meeting Time: 10:00 AM

Record Date: Mar 31 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1.1	Elect Director Ueno, Yasunobu			X	
1.2	Elect Director Tsujii, Yasushi			X	
1.3	Elect Director Onodera, Hiroyuki			X	
1.4	Elect Director Kunitake, Haruyuki			X	
1.5	Elect Director Hashimoto, Tominobu			X	
1.6	Elect Director Ishida, Masaru			X	
1.7	Elect Director Takamatsu, Takayuki			X	
1.8	Elect Director Honoki, Yoshio			X	
1.9	Elect Director Ogawa, Kanji			X	
1.10	Elect Director Yoshitake, Nobuhiko			X	
1.11	Elect Director Seno, Taisuke			X	
1.12	Elect Director Umeda, Akihiko			X	
1.13	Elect Director Takahashi, Yoshio			X	
1.14	Elect Director Nishide, Masahiro			X	

In our opinion, the number of director is excessive therefore we decided to abstain from reconfirming the board.

Security:

ICHIGO CMN

Security ID:	ISIN: JP3120010008	CUSIP: 9JE009G41	SEDOL: 6549767	TICKER: J2337	RIC: 2337.JNX
Meeting Type:	Annual General Meeting				
Meeting Place:	Japan				
Meeting Date:	May 27 2018				
Meeting Time:	10:00 AM				
Record Date:	Feb 28 2018				
Withdrawal of Instructions Allowed:	Yes				

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Amend Articles to Restore Shareholder Authority to Vote on Share Buybacks - Restore Shareholder Authority to Vote on Income Allocation	X			
2.1	Elect Director Scott Callon	X			
2.2	Elect Director Hasegawa, Takuma	X			
2.3	Elect Director Ishihara, Minoru	X			
2.4	Elect Director Fujita, Tetsuya	X			
2.5	Elect Director Kawate, Noriko	X			
2.6	Elect Director Suzuki, Yukio	X			
2.7	Elect Director Matsuzaki, Masatoshi	X			
2.8	Elect Director Nishimoto, Kosuke	X			
2.9	Elect Director Nakaido, Nobuhide	X			

Security: [DOUTOR-NICHIRETS HOLDINGS CMN](#)

Security ID: ISIN: JP3639100001 CUSIP: 9JE02XG87 SEDOL: B249GF3 TICKER: J3087 RIC: 3087.CHJ

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: May 24 2018

Meeting Time: 10:00 AM

Record Date: Feb 28 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 16		X		
2.1	Elect Director Obayashi, Hirofumi	X			
2.2	Elect Director Hoshino, Masanori	X			
2.3	Elect Director Kidaka, Takafumi	X			
2.4	Elect Director Hashimoto, Kunio	X			
2.5	Elect Director Kanno, Masahiro	X			
2.6	Elect Director Goda, Tomoyo	X			
2.7	Elect Director Takebayashi, Motoya	X			
2.8	Elect Director Sekine, Kazuhiro	X			
2.9	Elect Director Kono, Masaharu	X			
2.10	Elect Director Otsuka, Azuma	X			
3	Approve Annual Bonus			X	

In our opinion, the payout ratio at Doutor is insufficiently low and as such the dividend of just JPY16 is insufficiently rewarding shareholders.

Security: [ZUIKO CORPORATION CMN](#)

Security ID: ISIN: JP3411900008 CUSIP: 989990403 SEDOL: 6989590 TICKER: J6279 RIC: 6279.CHJ

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: May 17 2018

Meeting Time: 10:00 AM

Record Date: Feb 20 2018

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 20		X		
2.1	Elect Director Wada, Takao			X	
2.2	Elect Director Wada, Noboru	X			
2.3	Elect Director Umebayashi, Toyoshi	X			
2.4	Elect Director Makimura, Kazutoshi	X			
2.5	Elect Director Yi Xu	X			
2.6	Elect Director Hioki, Masakatsu	X			
2.7	Elect Director Sasaki, Michio	X			
3	Appoint Alternate Statutory Auditor Ueda, Katsuhisa	X			

In our opinion, the payout ratio at Zuiko is inadequately low and as such the dividend of just JPY20 is insufficiently rewarding shareholders. Because the management team failed to execute and achieve adequate returns-on-investment and adequately rewarding shareholders we abstained from reconfirming Wada Takao.

Security: [SANYO SHOKAI LTD CMN](#)

Security ID: ISIN: JP3339400008 CUSIP: 803990191 SEDOL: 6776888 TICKER: J8011 RIC: 8011.CHJ

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Mar 29 2018

Meeting Time: 10:00 AM

Record Date: Dec 31 2017

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 40		X		
2.1	Elect Director Iwata, Isao	X			
2.2	Elect Director Saito, Susumu	X			
2.3	Elect Director Arai, Toru	X			
2.4	Elect Director Nakayama, Masayuki	X			
2.5	Elect Director Matsuda, Kiyoto	X			
2.6	Elect Director Yano, Masahide	X			
2.7	Elect Director Shiina, Motoyoshi	X			
3	Appoint Statutory Auditor Ito, Rokuichi	X			
4	Appoint Alternate Statutory Auditor Wada, Takao	X			

The company's payout ratio is too low and in our opinion the JPY40 dividend insufficiently rewards shareholders.

Security: [POLA ORBIS HOLDINGS INC CMN](#)

Security ID: ISIN: JP3855900001 CUSIP: 9JE081CE2 SEDOL: B5N4QN8 TICKER: J4927 RIC: 4927.T

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Mar 27 2018

Meeting Time: 01:30 PM

Record Date: Dec 31 2017

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 45	X			
2.1	Elect Director Suzuki, Satoshi	X			
2.2	Elect Director Kume, Naoki	X			
2.3	Elect Director Fujii, Akira	X			
2.4	Elect Director Yokote, Yoshikazu	X			
2.5	Elect Director Komiya, Kazuyoshi	X			
2.6	Elect Director Ushio, Naomi	X			
3.1	Appoint Statutory Auditor Iwabuchi, Hisao	X			
3.2	Appoint Statutory Auditor Sato, Akio	X			
3.3	Appoint Statutory Auditor Nakamura, Motohiko	X			

Security: [JAPAN TOBACCO INC. CMN](#)

Security ID: ISIN: JP3726800000 CUSIP: 471990887 SEDOL: 6474535 TICKER: J2914 RIC: 2914.T

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Mar 27 2018

Meeting Time: 10:00 AM

Record Date: Dec 31 2017

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 70		X		
2	Amend Articles to Remove All Provisions on Advisory Positions			X	
3.1	Elect Director Tango, Yasutake	X			
3.2	Elect Director Terabatake, Masamichi	X			
3.3	Elect Director Iwai, Mutsuo	X			
3.4	Elect Director Minami, Naohiro	X			
3.5	Elect Director Hirowatari, Kiyohide	X			
3.6	Elect Director Koda, Main	X			
3.7	Elect Director Watanabe, Koichiro	X			
4	Appoint Statutory Auditor Nagata, Ryoko	X			
5	Appoint Alternate Statutory Auditor Masaki, Michio	X			

In our opinion the payout ratio is too low and shareholders are not adequately rewarded.

Security: [CANON MARKETING JAPAN INC. CMN](#)

Security ID: ISIN: JP3243600008 CUSIP: 138990122 SEDOL: 6172453 TICKER: J8060 RIC: 8060.T

Meeting Type: Annual General Meeting

Meeting Place: Japan

Meeting Date: Mar 28 2018

Meeting Time: 10:00 AM

Record Date: Dec 31 2017

Response Summary

Proxy Voting Options

Item	Description	Vote			
		For	Against	Abstain	No Action
1	Approve Allocation of Income, with a Final Dividend of JPY 35		X		
2.1	Elect Director Sakata, Masahiro	X			
2.2	Elect Director Usui, Yutaka	X			
2.3	Elect Director Matsusaka, Yoshiyuki	X			
2.4	Elect Director Adachi, Masachika	X			
2.5	Elect Director Hamada, Shiro	X			
2.6	Elect Director Dobashi, Akio	X			
2.7	Elect Director Osawa, Yoshio	X			
3.1	Appoint Statutory Auditor Inoue, Shinichi	X			
3.2	Appoint Statutory Auditor Hasegawa, Shigeo	X			
4	Approve Annual Bonus		X		

In our opinion the payout ratio is too low and shareholders are not adequately rewarded. The company's balance sheet is overcapitalized and the return-on-investment deteriorating