

**Press Release**

Nikko Asset Management Co., Ltd.

**Results of Exercise of Voting Rights at June 2009 GSMs****– Nikko AM's Ratio of Votes Opposing Proposals for the Election of Directors Increases –**

Nikko Asset Management Co., Ltd. ("Nikko AM") (Timothy McCarthy, Chairman and CEO) announced today the results of its exercise of voting rights in proposals made at the General Shareholders' Meetings of 1,954 invested companies between July 2008 to June 2009. Nikko AM voted against 908 of a total 14,187 proposals regarding the election of directors, boosting its ratio of nay votes on such proposals to 6.4 percent, showing an increase of two percentage points from the previous term of 4.4%\*. Details may be found in the table below, Status of Exercise of Voting Rights by Proposal Type.

The ratio of nay votes on proposals for anti-takeover measures, such as so-called "poison pill" defenses, marked 97.5 percent, a high percentage similar to the results of the previous term (98.6 percent). The number of proposals for anti-takeover measures had considerably decreased to 120 from the previous term's 213. This shows that it is clear that companies have voluntarily abolished or shelved the introduction of anti-takeover measures.

Aiming to fulfill 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 puts them into practice while making necessary revisions. Most recently, the following two points in the Guidelines were revised in May 2009.

## ○ May 2009 Revisions to Guidelines for the Exercise of Voting Rights

- Regarding proposals for electing directors, etc., the percentage of board of directors' and board of statutory auditors' meetings attended by the candidate in question was newly adopted as an evaluation criterion. If a candidate falls short of the prescribed percentage of meetings attended, the reappointment of the candidate is opposed in principle.
- We request timely and appropriate information from the companies in which Nikko AM invests regarding investment securities held by them.

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

\* From the current term, the method for the aggregation of proposals for electing directors, corporate auditors, etc., has been changed from the method where multiple proposals for electing candidates are counted as a single proposal, collectively to the method where individual proposals for electing candidates are counted. The table Status of Exercise of Voting Rights by Proposal Type shows the previous term's figures that have been modified to those based on the new aggregation method.



## Status of Exercise of Voting Rights by Proposal Type

### 1. Company-generated Proposals

Proposal	July 2008 – June 2009				(For Ref.) July 2007 – June 2008			
	Subtotal	Yea	Nay	Nay ratio	Subtotal	Yea	Nay	Nay ratio
Processing of surpluses	1,288	1,279	9	0.7%	1,419	1,409	10	0.7%
Partial revision to articles of incorporation	1,887	1,328	559	29.6%	773	544	229	29.6%
Election of directors*	14,187	13,279	908	6.4%	13,457	12,871	586	4.4%
Selection of corporate auditors*	2,138	1,629	509	23.8%	3,486	2,797	689	19.8%
Retirement benefit payments	556	401	155	27.9%	729	511	218	29.9%
Revision of amount of executive remuneration	117	112	5	4.3%	224	220	4	1.8%
Granting of stock acquisition rights	241	152	89	36.9%	234	156	78	33.3%
Restructuring	72	60	12	16.7%	73	70	3	4.1%
Other company-generated proposals	491	353	138	28.1%	830	591	239	28.8%
<i>Granting of stock acquisition rights (preventive measures against acquisition)</i>	120	3	117	97.5%	213	3	210	98.6%
<i>Selection of corporate auditors*</i>	61	58	3	4.9%	116	114	2	1.7%
<i>Other*</i>	310	292	18	5.8%	501	474	27	5.4%
<b>Total</b>	<b>20,977</b>	<b>18,593</b>	<b>2,384</b>	<b>11.4%</b>	<b>21,225</b>	<b>19,169</b>	<b>2,056</b>	<b>9.7%</b>

\* From the current term, the method for the aggregation of proposals for electing directors, corporate auditors, etc., has been changed from the method where multiple proposals for electing candidates are counted as a single proposal to the method where proposals for electing candidates are counted individually. The table above shows the previous term's figures that have been modified to those based on the new aggregation method.

### 2. Shareholder Proposals

Proposal	July 2008 – June 2009				(For Ref.) July 2007 – June 2008			
	Subtotal	Yea	Nay	Yea ratio	Subtotal	Yea	Nay	Yea ratio
Processing of surpluses	6	1	5	16.7%	8	2	6	25.0%
Election/Dismissal of officers	37	10	27	27.0%	12	1	11	8.3%
Other proposals (incl. revision to articles of incorporation)	40	1	39	2.5%	55	3	52	5.5%
<b>Total</b>	<b>83</b>	<b>12</b>	<b>71</b>	<b>14.5%</b>	<b>75</b>	<b>6</b>	<b>69</b>	<b>8.0%</b>

## About Nikko Asset Management

Registration Number: Director of the Kanto Local Finance Bureau (Financial instruments firms) No. 368  
Member Associations: The Investment Trusts Association  
Japan Securities Investment Advisers Association

Nikko Asset Management (Nikko AM) is a leading Japan-based asset management group. Since its establishment 50 years ago, Nikko AM has been offering a full lineup of investment trusts to retail investors and high value-added advisory services to institutional investors.

Its investment trusts are distributed through a network of around 200 distributor institutions including banks, securities companies, and Japan Post Bank. The firm offers investors access to both Nikko AM funds that invest mainly in Japanese equities, fixed income, and REITs and, through its independently developed "World Series" third-party sub-advisory platform, opportunities to strategically utilize a global range of top-performing, independent asset managers over a diverse range of asset classes.

In 1999, Nikko AM was the first Japanese firm to arrange a Socially Responsible Investment (SRI) fund ("Nikko Eco Fund") and, in 2001 broke new ground for a Japanese asset management firm by acquiring ISO 14001 certification (world-class environmental management standard). In these and other ways, Nikko AM actively involves itself in socially responsible activities.

Nikko AM has moved to enhance its expertise in the asset management business by clarifying the responsibilities of fund managers, reinforcing collaboration between research and management sections, and refining risk management capability. In recognition of these accomplishments, Nikko AM has been awarded several prestigious fund awards, such as the Lipper Japan Award, Asian Investor's Award, and R&I Fund Award.

The Nikko AM Group<sup>1</sup> has assets totaling 9.6 trillion yen under management as of June 30, 2009<sup>2</sup>, and has overseas offices in London, New York, and Singapore.

Note 1: "Nikko AM Group" stands for Nikko Asset Management Co., Ltd. and its group companies.

Note 2: Consolidated assets (including advised assets) of Nikko Asset Management Co., Ltd. and its overseas subsidiaries.