



NEWS RELEASE

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Japan Investor Relations Association Announces 22nd IR Award Winners

The Japan Investor Relations Association (JIRA, Chairman: Shuzo Sumi, Chairman of the Board, Tokio Marine Holdings, Inc.), the only privately-run non-profit organization working for the proliferation and improvement of investor relations (IR) activities in Japan, has announced the 2017 IR Award winners.

The IR Award (Committee Chairman: Tetsuo Kitagawa, Professor of International Management, Aoyama Gakuin University Graduate School) is designed to recognize companies which have been highly accredited in the investment community for their understanding and promotion of IR activities. This year marks the 22nd year since the start of the IR Award. The 2017 IR Award winners have the following characteristics:

- Top management is actively engaged in dialogue with shareholders and investors, incorporating it in corporate management and enhancing corporate value. Outside directors as well as executives and managers of business departments well understand capital markets while joining in corporate-wide efforts to conduct proactive IR activities. Such an attitude has supported a higher level of information disclosure and resulted in the adoption of Key Performance Indices (KPIs) and other benchmarks, which are easy to understand for investors.
- Regardless of the business climate, the level of information disclosure is maintained or enhanced. Such consistency has earned the trust of investors. Easy access to the IR department and the communication capability of those responsible for and in charge of IR are highly regarded. Companies are also active in holding an IR Day and other diverse meetings and briefings, which are aimed at foreign and domestic institutional investors, individual investors, analysts and others. Fair and timely information disclosure is carried out.
- Non-financial information is presented in the context of corporate value enhancement. Environmental, social, and corporate governance (ESG) information is also actively disclosed. With a good understanding of the perspectives of stakeholders, the companies prepare an integrated report, hold a presentation on the report, and enhance presentation materials that make use of non-financial information, among their wide range of efforts.

According to Committee Chairman Tetsuo Kitagawa: "In light of the Stewardship Code and the Corporate Governance Code, both of which have been introduced in Japan in the past two years, the companies selected for the IR Award this year have maintained a high level of corporate disclosure and dialogue with capital markets. They have enhanced transparency in management by sincerely being open to capital markets regardless of changes in the business environment. Concerning the use of ESG and other non-financial information, they keep listening to investors

and devising ways to leverage their special characteristics. Winners of the Best IR Award for Encouragement have made remarkable progress in their IR activities in a short period of time.”

Of the JIRA member companies, 284 publicly-traded companies applied for the 2017 IR Award and a total of 14 companies were selected and received awards: the IR Grand Prix were given to two companies, the Best IR Awards to seven, the IR Special Awards to three, and the Best IR Awards for Encouragement to two. The major reasons for the selection with previous award records for each winner are stated in the Supplementary Information.

Award winners

IR Grand Prix

Komatsu Ltd.
Shionogi & Co., Ltd.

Best IR Award

Daikin Industries, Ltd.
Daiwa House Industry Co., Ltd.
Nabtesco Corporation
Nomura Research Institute, Ltd.
Pola Orbis Holdings Inc.
Marui Group Co., Ltd.
Mitsubishi UFJ Financial Group, Inc.

IR Special Award

Kirin Holdings Company, Limited
Sony Corporation
Fuji Oil Co., Ltd.

Best IR Award for Encouragement

Trusco Nakayama Corporation
Recruit Holdings Co., Ltd.

Details of each award

Best IR Award

This is the annual award given to the publicly traded companies with IR best practices among members of the Japan Investor Relations Association (JIRA).

IR Grand Prix

This award, introduced in 2005, is given to companies that have been awarded the Best IR Award twice in the last 10 years, and are worthy of being selected for a third time. The award winners are excluded from consideration for the same award for two years from the year they receive the award.

IR Special Award

Companies with unique IR practices are given the award out of the applicants for the Best IR award. They include companies that take on a leadership role in IR activities in their respective industry, consistently improve IR practices and are highly regarded for promoting their IR to individual investors. This Award was also introduced in 2005.

Best IR Award for Encouragement

Out of the applicants for the Best IR Award, the companies covered in this award category are: listed either on emerging markets or the Second Section of the Tokyo Stock Exchange; companies listed for less than ten years on the First Section of the Tokyo Stock Exchange; or small and mid-cap companies which apply for the Best IR Award for the first time. This award was launched in 2002.

Three-step selection process

- ① The first screening was based on the surveys filled out and submitted by applicant companies. (252 companies were selected into the second screening.)
- ② The second screening was conducted by 14 select committee members, comprising of securities analysts, institutional investors, journalists and other members. They closely examined 211 candidate companies for the IR Grand Prix, Best IR Awards and IR Special Awards, and 41 candidate companies for the Best IR Award for Encouragement.
- ③ The final (or third) screening was conducted by all committee members, including academics, attorneys and other experts in addition to the above select members.

The award ceremony will be held as part of the “IR Conference 2017.”

December 15, 2017, from 11:30am at the Belle Salle Tokyo Nihonbashi in Tokyo

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About the Japan Investor Relations Association (JIRA):

JIRA, founded in 1993, is a non-profit organization which promotes IR practices in Japan. It has 582 members as of October 1, 2017. Its major activities include IR education, surveys and research, and hosting opportunities for interchanges among member companies.

【Supplementary Information】

Major Reasons for the Selection of Awards and Other Information

IR Grand Prix

Komatsu Ltd.

(Received the IR Grand Prix in 2010 and the Best IR Award in 2007, 2008, 2013 and 2016)

Komatsu has maintained consistent information disclosure and dialogue with investors for many years. Changes in management have not caused this attitude to waver, and IR matters have been appropriately handled as an organization and by fully-knowledgeable IR staff. Engagement by top management and other management members, plant visits, and briefings by business departments have been highly praised by investors. Komatsu is conscious of the importance of fair disclosure, discloses monthly average hours of construction machine use and other data on its website, and has enhanced IR activities for individual investors. The ESG briefing, one of the areas that Komatsu has recently emphasized, is noted as a way to raise the credibility of its sustainable growth.

Shionogi & Co., Ltd.

(Received the Best IR Award in 2015 and 2016 and the IR Special Award in 2014)

Shionogi's top management is proactively engaged in dialogue with investors and makes a convincing argument about the competitiveness of the company. Consistent high-level information disclosure and communication with capital markets, even during periods of a harsh environment, have earned the credibility of investors. Shionogi is highly accredited for utilizing feedback from the investment community to improve governance, incorporate it in business strategy and change the mind-set of executives in the R&D department. The IR department makes efforts to keep improving its activities and to show linkage between their initiatives on social issues and the enhancement of their corporate value, by promoting dialogue regarding ESG.

Best IR Award

Daikin Industries, Ltd.

(First time recipient of the Best IR Award)

Top management meets with investors and discusses the business environment and its longer-term challenges with a coherent attitude. The IR department understands the needs of investors, incorporates them in briefings and other materials, and creatively adopts a different theme for the annual report each year. Daikin is also active in information disclosure via its website as well as the hosting of plant visits and other events. Moreover, IR activities for individual investors are promoted. Capital policy, such as setting a high dividend on equity (DOE) target, is articulated, thereby facilitating understanding by capital markets.

Daiwa House Industry Co., Ltd.

(First time recipient of the Best IR Award)

Daiwa House has strengthened its IR activities in recent years. Its attitude, information disclosure, feedback to management and events, such as business presentations, are highly regarded as some of the best in the industry. Disclosed data are detailed and easy to understand, enabling useful discussion in small meetings by business segment. Daiwa House's first integrated report clearly explained the process of enhancing corporate value and

the presentation meeting on its integrated report has been highly praised in the investment community as a tool for better dialogue and understanding.

Nabtesco Corporation

(Received the IR Special Award in 2012)

Nabtesco's IR activities are steadily improving, despite the company being in a volatile business environment. Led by top management, the company is proactive in promoting IR activities. It is noted that the company's briefings are fair, straightforward and consistent. Nabtesco's integrated report gives a good long-term overview of corporate governance, accounting standards, and the remuneration system, thereby facilitating better understanding of the company. Concerning ESG, Nabtesco communicates with investors through meetings and other occasions. Moreover, its website has dedicated pages for individual investors. They are easy to understand and contain many illustrations.

Nomura Research Institute, Ltd.

(First time recipient of the Best IR Award)

While said to be in a business category that is difficult to understand, Nomura Research Institute (NRI) has continually enhanced its information disclosure. Top management is actively engaged in dialogue with investors and is open to candid exchanges of opinions. The IR department is making efforts to explain the views of management and business activities to investors for their better understanding. The IR team, which is experienced, resourceful and highly accessible, is regarded as highly credible in the investment community. Good briefing materials and events, such as meetings by business segment, are also well commended.

Pola Orbis Holdings Inc.

(Received the Best IR Award in 2015)

Pola's top management is deeply involved in IR activities, has enhanced its disclosure, and has clearly demonstrated that it uses the opinions of capital markets in management. The top management is continuing dialogue with foreign and domestic investors, while the IR department has been promoting events for individual investors. Supported by the business planning, finance and other departments, information required is consolidated in the IR department, leading to high praise for accurate information disclosure. IR tools, including the Fact Book with product data for each brand, are well commended.

Marui Group Co., Ltd.

(Received the IR Special Award in 2016)

In recent years, Marui has made efforts to enhance its IR activities, spearheaded by its top management. The company has published an integrated report for three consecutive years. In this report, its corporate story is clearly presented and the use of Key Performance Indices (KPI), partly based on the opinions of investors, is shown to enhance corporate value. Marui carries out IR activities based on a stance of "co-creating" corporate value with shareholders and investors. Briefings and their materials are highly accredited. As a part of efforts to promote ESG, Marui hosts presentation meetings focused on businesses, as well as on ESG and the integrated report.

Mitsubishi UFJ Financial Group, Inc.

(First time recipient of the Best IR Award)

MUFG's top management has a proactive attitude toward IR and frequently meets with investors. While their business is diverse and their organization is complex, the IR

department is implementing initiatives to enable the group to be better understood by investors. The MUFG Investors Day, when the head of each business group and a leading independent outside director make presentations and undertake a Q&A session, small meetings with top management, presentations by business group, and other events are highly acclaimed. MUFG's integrated report, which is divided into two parts – the main part and a data book – is extensive and rich in content.

IR Special Award

Kirin Holdings Company, Limited

(Received the IR Grand Prix in 2009, the Best IR Award in 1999 and 2000, and the IR Special Award in 2006)

Kirin's top management is proactively engaged in dialogue with investors and discusses the management transformation and how to enhance corporate value. Management makes convincing arguments and discloses information desired by investors even when the business environment is harsh. Kirin is forthcoming with IR activities that use non-financial information. Its IR tool, "the Transition of Corporate Governance," earned high marks. While Kirin's IR activities have long been highly praised, they have recently been receiving renewed attention and increased recognition.

Sony Corporation

(Received the Best IR Award in 1996)

Sony's top management and CFO clearly demonstrate their willingness to make use of investors' opinions in management for the enhancement of corporate value. The IR department also sincerely and thoroughly responds to questions raised by investors to ensure their better understanding. Sony also speedily captures the needs and concerns of capital markets, and appropriately reflects those factors in their briefing materials. Enhanced disclosure, focused on cash flow, is one such example. Management is strongly committed to capital markets and is frequently engaged in dialogue with investors.

Fuji Oil Co., Ltd.

(First time recipient of the IR Special Award)

In recent years, Fuji Oil has made tremendous progress in its IR activities. Top management is leading the whole management team in strengthening IR activities. Some outside directors also participate in IR meetings with internal directors, demonstrating their commitment to active dialogue with capital markets. Through the hosting of technology presentation meetings, facility tours and other events, the IR department is expanding opportunities to communicate with investors and promoting a better understanding of the company's business model. Fuji Oil is also taking initiatives such as incorporating investors' viewpoints in its medium-term business plan.

Best IR Award for Encouragement

Trusco Nakayama Corporation

(First time recipient of the Best IR Award for Encouragement)

Top management's open and sincere attitude has been well recognized. This is reflected in the company's disclosed information through the incorporation of medium and short-term business forecasts and other useful subjects for investors. Trusco is striving to provide quick and fair information disclosure. One example is its result briefing materials are available both in Japanese and in English. The Japanese version is uploaded on its website on the day of the briefing. Putting an emphasis on ESG information, including social contributions and the

empowerment of female employees, the context is solid and detailed. Presenters at IR briefings are knowledgeable and familiar with what is going on in the company. Trusco is also strongly engaged in IR activities for individual investors.

Recruit Holdings Co., Ltd.

(First time recipient of the Best IR Award for Encouragement)

Since being listed on the Tokyo Stock Exchange in 2014, Recruit's prominent IR activities have been highly commended. The IR department has been striving to provide high-level information disclosure with result briefing materials and other thorough, detailed materials, and sincere responses to shareholders. Recruit makes good use of feedback from capital markets, which is proven by the adoption of management benchmarks which reflect investors' perspectives. In addition to its regular result briefings, meetings on business areas of interest to investors are highly regarded. Recruit is also expanding opportunities for dialogue with individual investors.

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