

AN EMPIRICAL ANALYSIS OF EXERCISE OF VOTING RIGHTS
BY INSTITUTIONAL INVESTORS IN JAPANESE FIRMS:
A COMPARATIVE ANALYSIS BETWEEN DOMESTIC AND
OVERSEAS INVESTORS

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《SUMMARY》

Using a large sample of the exercise of voting rights for director elections and takeover defense plans by institutional investors in Japanese firms, we observe various voting patterns depending on the types and nationalities of institutional investors. We also find that firms with high profitability, firms which improve the voting environment, firms whose CEOs participate in regular briefings for institutional investors, and firms in the MSCI JAPAN Index or the JPX-Nikkei Index 400 are regarded as important factors for an assenting vote of many kinds of investors. Especially Japanese trust banks and Japanese asset management companies tend to attach a great deal of importance to many factors for voting and as a result reveal relatively high voting rates of opposition.

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