Nomura Individual Investor Survey

December 2011

2 December 2011

Equity Research Department
Nomura Securities Co., Ltd.

The Nomura Individual Investor Survey is a monthly survey conducted with the aim of better understanding investing activity by individuals and providing information on related trends.
1. Survey overview

(1) Nomura I-View Index at 36.4, down 2.8pt from previous survey
The Nomura Individual Investor Market View Index (Nomura I-View Index), based on respondents' three-month outlook for share prices and calculated by subtracting the percentage of responses for "rise" from that for "fall" was 36.4, down 2.8pt from 39.2 the previous month. More individual investors expected stock prices to decline, with the index below its historical average for the second straight month. In terms of projections for the margin of rise or fall, there was no significant change from the previous month. The response "a rise of about 1,000 points" was once again selected by more than half of respondents.

(2) Increased focus on forex trends
Respondents were asked to select the factor most likely to impact the stock market in the next three months. International affairs was again the most popular response, though the proportion of respondents selecting it declined 1.7ppt from last month. The proportion of respondents selecting forex trends rose 3.1ppt, the largest increase for any of the factors. The ranking of all factors has remained unchanged since September.

(3) Increased investment appeal of consumer goods sector
We calculated a diffusion index for each sector by subtracting the percentage of responses for "unappealing" from that for "appealing." For the fourth straight month, the DI was highest for pharmaceuticals, though it declined from the previous month. The DI for consumer goods marked the largest increase of all sectors, rising in appeal ranking from sixth to third. The DI for the electrical equipment/precision equipment sector saw the steepest decline and turned negative.

(4) Majority expect yen appreciation versus US dollar
On the outlook for the USD/JPY rate over the next three months, the total percentage of respondents expecting the yen to strengthen against the dollar increased to 56.7%, from 47.5% last month. The response ratio exceeded 50% for the first time since November 2010. The category "rise of about ¥5 against the dollar" was the only one for which the proportion of responses rose compared with the previous month, by a sharp 10.5ppt.

(5) View of euro continues to deteriorate
Respondents were asked to choose one currency as an "appealing" investment target and one as "unappealing." We calculated a diffusion index for each currency by subtracting the percentage of responses for "unappealing" from that for "appealing." The Australian dollar was the most appealing currency for the 23rd straight time since this survey question was introduced in January 2010 (no survey was conducted in April 2011), though its DI declined slightly from the previous month. The euro's DI declined the most of any currency for the third straight month, to -53.0, a second consecutive record low.

(6) Reduced appetite for increasing holdings of all marketable securities except investment trusts
To give an indication of plans for holding financial instruments, we calculate DIs for each financial instrument by subtracting the percentage of respondents planning to cease holding the instrument or decrease their holding from the percentage planning to hold the instrument for the first time or increase their holding. DIs declined compared from the previous month for all marketable securities except investment trusts, for which the DI held flat.
2. Survey results

(1) Nomura I-View Index at 36.4, down 2.8pt from previous survey

The Nomura Individual Investor Market View Index (Nomura I-View Index), based on respondents' three-month outlook for share prices and calculated by subtracting the percentage of responses for "rise" from that for "fall" was 36.4, down 2.8pt from 39.2 the previous month. More individual investors expected stock prices to decline, with the index below its historical average for the second straight month (Figure 1).

The Nikkei Average reference level (17 November close) was 8,479, down from the time of the previous survey (19 October close of 8,772).

1. The Nomura I-View Index and reference level of Nikkei Average at time of survey

![Chart showing the Nomura I-View Index, Past average for index, and Nikkei Average at time of survey.]

Note: (1) The Nomura I-View Index is based on data collected by this survey and expressed as a diffusion index. The calculation method is as follows: \[
\left( \frac{\text{Number of responses indicating expected rise in share prices in the next three months} - \text{number of responses indicating expected fall in share prices in the next three months}}{\text{number of respondents}} \right) \times 100.
\]
The figure for January 2010 used here excludes respondents who projected the Nikkei Average would be flat.

(2) The Nomura I-View Index ranges from –100 to +100. The closer to +100 the figure is, the more bullish the outlook held by individual investors. The closer to –100 the figure is, the more bearish the outlook held by individual investors.
The combined proportion of respondents projecting the Nikkei Average would rise over the next three months was 68.2%, down 1.4ppt from 69.6% last month. There was no significant change in response rates for any category compared with the previous month. A majority of respondents again projected the Nikkei Average would rise by around 1,000pt, but the ratio of individual investors expecting a fall of about 1,000pt increased by 1.4ppt, the largest increase for all responses (Figure 2).

### 2. Outlook for Nikkei Average during the next three months

![Chart showing outlook for Nikkei Average](chart.png)

**Note:** Respondents were asked to share their outlook for the Nikkei Average during the next three months based on a 17 November closing figure of 8,479. Respondents could choose one answer from a possible six responses ranging from a rise of more than 2,000 points to a fall of more than 2,000 points with 1,000-point increments in between.
(2) Increased focus on forex trends
Respondents were asked to select the factor most likely to impact the stock market in the next three months. International affairs was again the most popular response, though its response ratio fell 1.7ppt from last month, the largest decline for all categories. Forex trends again ranked second, as it did last month, but its response ratio rose 3.1ppt from the previous month, the largest increase among the possible choices. All the other responses saw only slight rises or falls. The ranking of all factors has remained unchanged since September (Figure 3).

### 3. Impact of factors on the stock market

Note: Respondents were asked to choose one answer from a possible seven responses concerning factors likely to impact the stock market over the next three months or so.
Increased investment appeal of consumer goods sector

We calculated a diffusion index for each sector by subtracting the percentage of responses for "unappealing" from those for "appealing." Pharmaceuticals was the most appealing sector for the fourth straight month, though its DI was down 2.8pt from last month, at 15.7. The DI for the consumer goods sector saw the largest advance among all sectors (+6.2pt from the previous month), with its appeal ranking rising from sixth to third. The DI for the electrical equipment/precision equipment sector saw the steepest decline and turned negative. The DI for financials, at -25.2, moved below last month's previous record low (Figures 4, 5).

### 4. Investment appeal by sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>DI</th>
<th>Breakdown of DI (% of responses)</th>
<th>(Ref)</th>
<th>Previous DI</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Appealing</td>
<td>Unappealing</td>
<td></td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>15.7</td>
<td>18.4</td>
<td>2.7</td>
<td>18.5</td>
</tr>
<tr>
<td>Materials</td>
<td>11.1</td>
<td>16.0</td>
<td>4.9</td>
<td>11.3</td>
</tr>
<tr>
<td>Consumer goods</td>
<td>8.3</td>
<td>15.8</td>
<td>7.5</td>
<td>6.4</td>
</tr>
<tr>
<td>Capital goods/other</td>
<td>7.7</td>
<td>12.4</td>
<td>4.7</td>
<td>2.1</td>
</tr>
<tr>
<td>Telecommunications</td>
<td>6.6</td>
<td>8.6</td>
<td>2.0</td>
<td>6.4</td>
</tr>
<tr>
<td>Electrical equipment/precision equipment</td>
<td>-3.5</td>
<td>7.5</td>
<td>11.0</td>
<td>2.8</td>
</tr>
<tr>
<td>Transportation and utilities</td>
<td>-9.5</td>
<td>4.9</td>
<td>14.4</td>
<td>-11.7</td>
</tr>
<tr>
<td>Automobiles</td>
<td>-11.2</td>
<td>10.0</td>
<td>21.2</td>
<td>-14.1</td>
</tr>
<tr>
<td>Financials</td>
<td>-25.2</td>
<td>6.4</td>
<td>31.6</td>
<td>-23.7</td>
</tr>
</tbody>
</table>

Note: Respondents were given nine sectors and asked to choose one viewed as an appealing investment target and one viewed as unappealing. For each sector we calculated a diffusion index by subtracting the percentage of responses for unappealing from that for appealing. The materials sector comprises mining, textiles, paper & pulp, chemicals, oil, ceramics, steel, nonferrous metals, and trading houses. The financials sector comprises banks, miscellaneous finance, securities, and insurance. The capital goods/others sector comprises construction, machinery, shipbuilding, transportation equipment, miscellaneous manufacturing, and real estate. The transportation and utilities sector comprises railroads & buses, trucking, shipping, airlines, warehousing, electric power, and gas. The consumer goods sector comprises marine products, food, retail, and services.

### 5. Trend in DIs for selected sectors

![Diagram showing trend in DIs for selected sectors](image-url)
(4) Most-watched stocks

Respondents were asked to name one stock that they would like to have in their portfolio, irrespective of short- or long-term investment horizon (including stocks actually held) or that they find appealing. We show the most popular responses below (Figure 6).

6. Name a stock with appeal (1,000 valid responses)

<table>
<thead>
<tr>
<th>Code</th>
<th>Company</th>
<th>No. of respondents</th>
<th>Code</th>
<th>Company</th>
<th>No. of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>7203</td>
<td>Toyota Motor</td>
<td>78</td>
<td>8411</td>
<td>Mizuho Financial Group</td>
<td>12</td>
</tr>
<tr>
<td>4502</td>
<td>Takeda Pharmaceutical</td>
<td>42</td>
<td>2811</td>
<td>Kagome</td>
<td>11</td>
</tr>
<tr>
<td>9984</td>
<td>Softbank</td>
<td>27</td>
<td>4523</td>
<td>Eisai</td>
<td>11</td>
</tr>
<tr>
<td>2702</td>
<td>McDonald's Holdings (Japan)</td>
<td>26</td>
<td>4755</td>
<td>Rakuten</td>
<td>11</td>
</tr>
<tr>
<td>8058</td>
<td>Mitsubishi Corp</td>
<td>24</td>
<td>6752</td>
<td>Panasonic</td>
<td>11</td>
</tr>
<tr>
<td>8267</td>
<td>Aeon</td>
<td>21</td>
<td>9501</td>
<td>Tokyo Electric Power</td>
<td>11</td>
</tr>
<tr>
<td>6301</td>
<td>Komatsu</td>
<td>16</td>
<td>3402</td>
<td>Toray Industries</td>
<td>10</td>
</tr>
<tr>
<td>7733</td>
<td>Olympus</td>
<td>16</td>
<td>4661</td>
<td>Oriental Land</td>
<td>10</td>
</tr>
<tr>
<td>7751</td>
<td>Canon</td>
<td>15</td>
<td>7550</td>
<td>Zensho Holdings</td>
<td>10</td>
</tr>
<tr>
<td>9202</td>
<td>All Nippon Airways</td>
<td>15</td>
<td>6501</td>
<td>Hitachi</td>
<td>9</td>
</tr>
<tr>
<td>9437</td>
<td>NTT Docomo</td>
<td>15</td>
<td>6502</td>
<td>Toshiba</td>
<td>9</td>
</tr>
<tr>
<td>5401</td>
<td>Nippon Steel</td>
<td>13</td>
<td>4452</td>
<td>Kao</td>
<td>8</td>
</tr>
<tr>
<td>7267</td>
<td>Honda Motor</td>
<td>13</td>
<td>8031</td>
<td>Mitsui &amp; Co</td>
<td>8</td>
</tr>
<tr>
<td>8306</td>
<td>Mitsubishi UFJ Financial Group</td>
<td>13</td>
<td>8316</td>
<td>Sumitomo Mitsui Financial Group</td>
<td>8</td>
</tr>
<tr>
<td>6758</td>
<td>Sony</td>
<td>12</td>
<td>9433</td>
<td>KDDI</td>
<td>8</td>
</tr>
</tbody>
</table>

Note: Not included in valid responses were answers of “none” or clearly mistaken responses.
(5) Majority expect yen appreciation versus US dollar

On the outlook for the USD/JPY rate over the next three months, the ratio of respondents expecting the yen to strengthen against the dollar increased to 56.7%, from 47.5% last month. The ratio exceeded 50% for the first time since November 2010. The response “a rise of about ¥5 against the dollar” was the only one for which the proportion of responses rose compared with the previous month, by a sharp 10.5ppt. The biggest decline in response ratio (-6.4ppt) was for those expecting the yen to weaken about ¥5 against the dollar (Figure 7). At the time of the latest survey (17 November), the noon indicative USD/JPY rate was 77.04 (versus the previous survey’s 76.69 on 19 October), with the yen weaker by just 0.35.

7. Respondents’ three-month outlook for the US$/¥ rate

Note: Respondents were asked to share their outlook for the USD/JPY rate during the next three months, referencing a 17 November indicative rate of US$1=¥77.04. Respondents could choose one answer from a possible six responses ranging from a rise of ¥10 or more against the dollar to a fall of ¥10 or more against the dollar, with ¥5 increments in between.
Respondents were asked to choose one currency as an "appealing" investment target and one as "unappealing." We calculated a diffusion index for each currency by subtracting the percentage of responses for "unappealing" from that for "appealing." The Australian dollar was the most appealing currency for the 23rd straight time since this survey question was introduced in January 2010 (no survey was conducted in April 2011), though its DI declined slightly from the previous month, to 32.3pt from 32.7pt. The DI for the US dollar was negative again at -4.9, but for a third consecutive month it improved more than any other currency DI, by 4.4pt. The euro's DI declined the most of any currency for the third consecutive month, by a sharp 10.2pt, to mark a second straight record low of -53.0 (Figure 8).

### 8. Investment appeal by currency

<table>
<thead>
<tr>
<th>Currency</th>
<th>DI</th>
<th>Breakdown of DI (%) of responses</th>
<th>(Ref) Previous DI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian dollar</td>
<td>32.3</td>
<td>33.6</td>
<td>32.7</td>
</tr>
<tr>
<td>Japanese yen</td>
<td>13.8</td>
<td>24.5</td>
<td>14.0</td>
</tr>
<tr>
<td>Brazilian real</td>
<td>9.0</td>
<td>11.9</td>
<td>5.5</td>
</tr>
<tr>
<td>Canadian dollar</td>
<td>2.1</td>
<td>2.5</td>
<td>2.0</td>
</tr>
<tr>
<td>Pound sterling</td>
<td>-0.9</td>
<td>1.1</td>
<td>-0.4</td>
</tr>
<tr>
<td>Chinese renminbi</td>
<td>-1.5</td>
<td>10.2</td>
<td>-5.1</td>
</tr>
<tr>
<td>US dollar</td>
<td>-4.9</td>
<td>10.0</td>
<td>-9.3</td>
</tr>
<tr>
<td>Euro</td>
<td>-53.0</td>
<td>3.0</td>
<td>-42.8</td>
</tr>
</tbody>
</table>

Note: Respondents were given nine currency options and asked to choose one viewed as an appealing investment target and one viewed as unappealing. Those selecting "other" were asked to specify a currency.
(7) Reduced appetite for increasing purchases of all marketable securities except investment trusts

To give an indication of plans for holding financial instruments, we calculate DIs for each financial instrument by subtracting the percentage of respondents planning to cease holding the instrument or decrease their holding from the percentage planning to hold the instrument for the first time or increase their holding. DIs declined compared from the previous month for all marketable securities except investment trusts, for which the DI held flat. Although for all marketable securities the proportion of "plan to increase" responses was higher than "plan to decrease" responses, investors appear to have become less willing to increase holdings (Figure 9).

9. Financial instruments for which investors are either seeking to increase or decrease their holdings

<table>
<thead>
<tr>
<th>Currency</th>
<th>DI</th>
<th>Breakdown of DI (% of responses)</th>
<th>Previous DI</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Plan to increase</td>
<td>Plan to decrease</td>
</tr>
<tr>
<td>Cash &amp; deposits</td>
<td>39.9</td>
<td>43.5</td>
<td>3.6</td>
</tr>
<tr>
<td>Equities</td>
<td>11.9</td>
<td>38.5</td>
<td>26.6</td>
</tr>
<tr>
<td>Bonds</td>
<td>5.3</td>
<td>8.5</td>
<td>3.2</td>
</tr>
<tr>
<td>Securities issued overseas</td>
<td>4.9</td>
<td>8.8</td>
<td>3.9</td>
</tr>
<tr>
<td>Investment trusts</td>
<td>2.1</td>
<td>16.7</td>
<td>14.6</td>
</tr>
<tr>
<td>Other</td>
<td>1.6</td>
<td>2.3</td>
<td>0.7</td>
</tr>
<tr>
<td>None</td>
<td>-26.5</td>
<td>33.2</td>
<td>59.7</td>
</tr>
</tbody>
</table>

Note: Respondents were given a selection of seven financial instruments and asked to choose those for which they planned to increase their holdings and those for which they planned to decrease their holdings (multiple responses were allowed). In the exhibit, "plan to increase" refers to financial instruments that investors plan to hold for the first time or for which they plan to increase their holding, while "plan to decrease" refers to instruments that investors plan to cease holding or for which they plan to decrease their holding.
3. Nomura Individual Investor Survey
With the aim of better understanding investing activity by individuals and providing information on those trends, the Equity Research Department of Nomura Securities conducts a monthly survey—the Nomura Individual Investor Survey. The results of the survey have been published monthly since April 2006.

Survey method: Questionnaire conducted electronically using the internet monitor questionnaire service administered by Nomura Investor Relations Co., Ltd.

Survey target: Survey sent to 3,000 individual investors randomly selected from the approximately 11,800 with equity investment experience participating in Nomura Investor Relations’ internet monitor questionnaire service.

Number of responses: 1,000 (survey closed when 1,000 responses received)

Survey period: Survey distributed on 17 November with deadline for responses on 18 November.

Survey content: Questions included each month are (1) share price outlook, (2) factors expected to impact the stock market, (3) attractive sectors and stocks, (4) USD/JPY rate outlook and attractive currencies, and (5) financial instruments for which investors plan to change their holdings. Respondents are also queried each month on their personal profiles.

4. Nomura Individual Investor Survey (December 2011) respondents

Gender: Male (77.3%), Female (22.7%)

Age: Under 30 (1.0%), 30–39 (14.3%), 40–49 (27.3%), 50–59 (27.8%), 60 and above (29.6%)

Occupation: Self-employed/fisheries, agriculture, forestry (9.6%), Professional (physician/medical professional, lawyer, etc) (2.2%), Company management/corporate officer (5.5%), Company employee/public servant (45.6%), Housewife (10.8%), Part-time worker/casual worker/job-hopper (4.9%), Unemployed/pensioner (19.5%), Other (1.9%)

Region: Kanto (42.1%), Kinki (22.0%), Tokai/Koshinetsu/Hokuriku (18.0%), Hokkaido/Tohoku (5.3%), Chugoku/Shikoku/Kyushu (12.6%)

Financial assets held: Less than ¥1,000,000 (6.6%), ¥1,000,000–¥2,999,999 (9.9%), ¥3,000,000–¥4,999,999 (12.7%), ¥5,000,000–¥9,999,999 (19.3%), ¥10,000,000–¥29,999,999 (30.5%), ¥30,000,000–¥49,999,999 (10.6%), ¥50,000,000 or more (10.4%)

Value of domestic stocks held: Less than ¥500,000 (11.4%), ¥500,000–¥999,999 (12.3%), ¥1,000,000–¥2,999,999 (26.2%), ¥3,000,000–¥4,999,999 (17.0%), ¥5,000,000–¥9,999,999 (15.9%), ¥10,000,000–¥29,999,999 (12.5%), ¥30,000,000 or more (4.7%)

Investment experience: Less than three years (1.4%), Three years to less than five years (8.4%), Five years to less than 10 years (32.8%), 10 years to less than 20 years (28.5%), 20 years or more (28.9%)

Investment plan for domestic stocks: Mainly for long-term holding (47.4%), Pursuit of gains from short-term appreciation (12.2%), Pursuit of dividends and shareholder perks (28.1%), No particular plan (12.3%)

Notice
The next Nomura Individual Investor Survey (January 2012) is scheduled for release on Thursday, 5 January 2012.
Emerging Markets (ex-Asia):

Markets ex-Asia.

The analyst expects the sector to underperform the Benchmark during the next 12 months.

MSCI Emerging Markets ex-Asia, unless otherwise stated in the valuation methodology.

**Benchmarks are as follows:**

- United States
- Europe

**STOCKS**

A 'Buy' indicates that the analyst expects the stock to outperform the Benchmark over the next 12 months. A 'Neutral' indicates that the analyst expects the stock to perform in line with the Benchmark over the next 12 months. A rating of 'Reduce', indicates that the analyst expects the stock to underperform the Benchmark over the next 12 months. A rating of 'Suspended', indicates that the rating, target price and estimates have been suspended temporarily to comply with applicable regulations and/or firm policies in certain circumstances including, but not limited to, when Nomura is acting in an advisory capacity in a merger or strategic transaction involving the company.

**SECTORS**

A 'Bullish' stance, indicates that the analyst expects the sector to outperform the Benchmark during the next 12 months. A 'Neutral' stance, indicates that the analyst expects the sector to perform in line with the Benchmark during the next 12 months. A 'Bearish' stance, indicates that the analyst expects the sector to underperform the Benchmark during the next 12 months.

**Important Disclosures**

**Conflict-of-interest disclosures**

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**Online availability of research and conflict-of-interest disclosures**

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- 39% have been assigned a Buy rating which, for purposes of mandatory disclosures, are classified as a Buy rating; 8% of companies with this rating are investment banking clients of the Nomura Group*.
- 54% have been assigned a Neutral rating which, for purposes of mandatory disclosures, is classified as a Hold rating; 3% of companies with this rating are investment banking clients of the Nomura Group*.
- 7% have been assigned a Reduce rating which, for purposes of mandatory disclosures, are classified as a Sell rating; 0% of companies with this rating are investment banking clients of the Nomura Group*.

As at 30 September 2011. *The Nomura Group as defined in the Disclaimer section at the end of this report.

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- 41% have been assigned a Neutral rating which, for purposes of mandatory disclosures, is classified as a Hold rating; 50% of companies with this rating are investment banking clients of the Nomura Group*.
- 10% have been assigned a Reduce rating which, for purposes of mandatory disclosures, are classified as a Sell rating; 20% of companies with this rating are investment banking clients of the Nomura Group*.

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**Explanation of Nomura's equity research rating system in Europe, Middle East and Africa, US and Latin America**

The rating system is a relative system indicating expected performance against a specific benchmark identified for each individual stock. Analysts may also indicate absolute upside to target price defined as (fair value - current price)/current price, subject to limited management discretion. In most cases, the fair value will equal the analyst's assessment of the current intrinsic fair value of the stock using an appropriate valuation methodology such as discounted cash flow or multiple analysis, etc.

**Importantly Disclosures**

Any Authors named on this report are Research Analysts unless otherwise indicated.
Explanation of Nomura's equity research rating system for Asian companies under coverage ex Japan published from 30 October 2008 and in Japan from 6 January 2009

STOCKS
Stock recommendations are based on absolute valuation upside (downside), which is defined as (Target Price - Current Price) / Current Price, subject to limited management discretion. In most cases, the Target Price will equal the analyst's 12-month intrinsic valuation of the stock, based on an appropriate valuation methodology such as discounted cash flow, multiple analysis, etc. A 'Buy' recommendation indicates that potential upside is 15% or more. A 'Neutral' recommendation indicates that potential upside is less than 15% or downside is less than 5%. A 'Reduce' recommendation indicates that potential downside is 5% or more. A rating of 'Suspected' indicates that the rating and target price have been suspended temporarily to comply with applicable regulations and/or firm policies in certain circumstances including when Nomura is acting in an advisory capacity in a merger or strategic transaction involving the subject company. Securities and/or companies that are labelled as 'Not rated' or shown as 'No rating' are not in regular research coverage of the Nomura entity identified in the top banner. Investors should not expect continuing or additional information from Nomura relating to such securities and/or companies.

SECTORS
A 'Bullish' rating means most stocks in the sector have (or the weighted average recommendation of the stocks under coverage) is a positive absolute recommendation. A 'Neutral' rating means most stocks in the sector have (or the weighted average recommendation of the stocks under coverage) is a negative absolute recommendation.

Explanation of Nomura's equity research rating system in Japan published prior to 6 January 2009
STOCKS
A rating of '1' or 'Strong buy', indicates that the analyst expects the stock to outperform the Benchmark by 15% or more over the next six months. A rating of '2' or 'Buy', indicates that the analyst expects the stock to outperform the Benchmark by 5% or more but less than 15% over the next six months. A rating of '3' or 'Neutral', indicates that the analyst expects the stock to either outperform or underperform the Benchmark by less than 5% over the next six months. A rating of '4' or 'Reduce', indicates that the analyst expects the stock to underperform the Benchmark by 5% or more but less than 15% over the next six months. A rating of '5' or 'Sell', indicates that the analyst expects the stock to underperform the Benchmark by 15% or more over the next six months.

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SECTORS
A 'Bullish' stance, indicates that the analyst expects the sector to outperform the Benchmark during the next six months. A 'Neutral' stance, indicates that the analyst expects the sector to perform in line with the Benchmark during the next six months. A 'Bearish' stance, indicates that the analyst expects the sector to underperform the Benchmark during the next six months.

Benchmark indices are as follows:

Japan: Topix; United States: S&P 500; MSCI World Technology Hardware & Equipment; Europe, by sector - Hardware/Semiconductors: FTSE W Europe IT Hardware; Telecoms: FTSE W Europe Business Services; Business Services: FTSE W Europe; Auto & Components: FTSE W Europe Auto & Parts; Communications equipment: FTSE W Europe IT Hardware; Ecology Focus: Bloomberg World Energy Alternate Sources; Global Emerging Markets: MSCI Emerging Markets ex-Asia.

Target Price
A Target Price, if discussed, reflect in part the analyst's estimates for the company's earnings. The achievement of any target price may be impeded by general market and macroeconomic trends, and by other risks related to the company or the market, and may not occur if the company's earnings differ from estimates.

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