The 12th annual CLSA Japan Forum offers a compelling lineup of keynote and specialist speakers to help you make the most profitable investment choices. We welcome 28 guest presenters to share their unique insights in the fields of finance and strategy; reform, politics and geopolitics; consumer and gaming, healthcare and technology; and autos, energy, machinery, transport and real estate. Here’s your guide to making the most of your time with us.

Our Forum opens on Tuesday morning with CLSA equity strategist Christopher Wood and head of economic research Eric Fishwick. Join them for breakfast as they chart a steady course through the turbulence in global markets. CLSA Japan strategist Nicholas Smith takes over the helm to guide us through the challenges of a sliding yen, an oil rout and tighter labour markets. Investment contrarian Marc Faber contemplates the state of the world in his own inimitable way. Japan Exchange CEO Atsushi Saito describes the future for Japan’s capital markets. CLSA U’s Robert Reoch presents on crowd funding and peer-to-peer lending. Panel members Akitsugu Era, Takeyuki Ishida and George Iguchi examine the latest developments in corporate governance. Tadashi Maeda will discuss JBIC’s mission to develop the Japanese and overseas economies. CLSA analyst Brian Waterhouse says a return to normality for Japan’s banks is not really what you want.

On Thursday, Hirotto Izumi, Special Advisor to the Prime Minister, will present on the progress of Abe’s various initiatives and the outlook for 2015. Japan Tax Institute’s Shigeki Morinobu will discuss fiscal reform under Abe; CRR’s David Murphy analyses the two economies of China; Makiko Fukui links improved company performance to more than just more women in the workforce; and Japan Forum veteran and LDP party member Taro Kono speaks on the future of his party. Robert Peterson explains why Japan Inc should improve its marketing effort. CLSA Korea country head Shaun Cochran identifies the winners and losers in that country. Longstanding political advisor Kevin Maher discusses political dynamics in Japan.

Tuesday’s luncheon keynote features Jeremy Heimans on how organisations can use “new power” to boost their potential. Masata Takamatsu talks tourism trends; JapanConsuming’s Michael Causton and Roy Larke discuss retail; and marketing strategist David McCaughan reveals the future of consumerism in Japan. Professor Masatoshi Ishikawa looks at the latest robotics technologies; former sumo champion Konishiki Yasokichi shares his stories from inside and outside the ring; and child psychologist Louise Porter shows how to motivate children and boost their self-esteem. Michael Ibbotson of the National Vision Research Institute in Australia outlines the case for bionic eyes returning sight to the blind. William Hall expects a bright future for Japanese healthcare under the new government. From CLSA, Elinor Leung talks telecoms; Jay Defibaugh looks at leisure; Oliver Matthew, Nigel Muston and Jun Kato unclock the Japanese consumer; Aaron Fischer and Jon Oh put gaming on the table. The tech team is out in full force: Christian Dinwoodie and Amit Garg on Japan; Nicolas Baratte on Asia; and Ed Maguire on The Internet of Things.

Oil-and-gas market guru Dr Fereidun Fesharaki joins us on Tuesday to discuss the future of global energy supply. MIT’s Gerbrand Ceder provides the energy with new applications for lithium-ion batteries. On Thursday, Toshikazu Okuya of METI presents on the nation’s strategic energy plan, while Pieter Franken of Safecast reveals the truth about radiation in Japan. Takuya Yamazaki, also of METI, discusses upcoming deregulation of the electricity market. Our property panel features Andy Hurfurt of CBRE, Scott Callon of Ichigo Group and Todd Olson of Cushman and Wakefield Japan as well as CLSA analyst Cenk Simsek with his upbeat view. Other CLSA sessions include Geoff Boyd on regional autos and steel, with a cameo from Edward Bourliet on his new Japan steel coverage; Christopher Richter and Dean Enjo on autos and autoparts; Naoto Saito on transport and the trading companies, Morten Paulsen and Edward Bourliet on machinery; and Alexious Lee on China industrials.
Notes to delegates

CFA Institute approved provider

Earn credits with CLSA

CLSA is a provider under the CFA Approved Provider Programme. Attendees of certain sessions can obtain credit towards the CFA Institute Professional Development (PD) programme. In accordance with CFA Institute guidelines, sessions eligible for CFA PD include keynote addresses and specialist-speaker sessions, but not analyst or company presentations. For ease of reference, the daily Forum schedule will mark sessions eligible for accreditation.

Register your attendance at CFA-credit-eligible sessions

To register attendance at accredited sessions, present your delegate’s badge for scanning on entering a Track room. We will forward your information to the CFA Institute, which will record your attendance for PD credits. You can check your credits by logging on to your PD Diary at www.cfainstitute.org about a month after the Forum. Please contact the CFA Institute about any matters relating to your credits.

Credit-hour calculations

Under CFA Institute guidelines, one PD credit hour under the CFA Approved Provider Programme is defined as one hour of educational activity. Please check with our staff for the various hours of eligible credits for CFA Institute Professional Development.

CLSA U

Among those speaking at our Japan Forum this year are a number of CLSA U instructors. Don’t miss their sessions on issues affecting Asian investment themes. As with the courses, these sessions are also eligible for CFA Institute PD credits. Your attendance will be automatically tracked and sent to the CFA Institute. We are pleased to be able to offer this facility as an ongoing part of our Investor Forums and CLSA U programme.

Index

Aaron Fischer .............. 21
Akitsugu Era ................. 7
Alexious Lee ............... 33
Amit Garg .................. 24
Andy Hurfurt ............... 32
Atsushi Saito .............. 5
Brian Waterhouse ......... 8
Cenk Simsek ............... 29
Christian Dinwoodie ....... 24
Christopher Richter ...... 31
Christopher Wood .......... 3
David McCaughan .......... 19
David Murphy .............. 11
Dean Enjo .................. 31
Ed Maguire ..................27
Edward Bourlet ............. 29, 31
Elinor Leung ............... 20
Eric Fishwick .............. 3
Fereidun Fesharaki ....... 28
Geoff Boyd ..................29
George Iguchi .............. 7
Gerbrand Ceder ............ 30
Hiroti Izumi ............... 10
Jay Defibaugh ............. 24
Jeremy Heimans ........... 16
Jon Oh .......................21
Jun Kato ................... 21
Kevin Maher ............... 15
Konishiki Yasokichi ...... 23
Louise Porter ...............25
Makiko Fukui .............. 12
Marc Faber ................. 4
Masato Takamatsu ....... 17
Masatoshi Ishikawa .......18
Michael Causton .......... 26
Michael Ibbotson ..........20
Morten Paulsen .......... 31
Naoto Saito ............... 35
Nicholas Smith ............ 3
Pieter Franken ............ 34
Robert E Peterson ........ 14
Robert Reoch ............. 6
Roy Larke ..................26
Scott Callon ...............32
Shaun Cochran .......... 10
Shigeki Morinobu ....... 11
Tadashi Maeda .......... 9
Takeyuki Ishida .......... 7
Takuya Yamazaki ..... 35
Taro Kono ................. 13
Todd Olson ............... 32
Toshikazu Okuya ....... 33
William Hall .......... 22
Keynote speakers

**CLSA economics and global strategy**

**Christopher Wood**  
Equity Strategist, CLSA

**Eric Fishwick**  
Head of Economic Research, CLSA

**Tuesday**

Asia’s No.1-ranked strategist Christopher Wood and Head of Economic Research Eric Fishwick open our 12th Japan Forum with their assessment of the current state of the markets and emerging economies.

Internationally renowned for his weekly *GREED & fear* report, Chris has been consistently ranked Asia’s top equity strategist by both *Asiamoney* (No.1 in 2006-13 and 2002-04) and *Institutional Investor* (No.1 in 2011-14, 2007-09 and 2003-05). Before joining the finance world, he was a journalist with *The Economist* and is the author of three highly acclaimed books: *Boom & Bust, The Bubble Economy* and *The End of Japan Inc.*

Eric joined CLSA in 1999 and became Head of Economic Research in November 2007. Named Asia’s top economist by *Asiamoney* in 2009, he has 20 years’ experience in financial markets and has worked in developed-economy forex and fixed-income markets as well as emerging-market equities. Before moving into the financial sector, Eric was permanent advisor to the British Parliament at the House of Commons. He has also worked at the Industrial Bank of Japan and Nikko Europe. Eric holds an MA in economics and an MPhil in international relations from the University of Cambridge.

**Earnings in the fast lane**

**Nicholas Smith**  
Japan Strategist, CLSA

**Tuesday**

Two huge events are likely to swing Japanese stocks this year: the oil price rout and the yen skiing down the black run. Since mid-last year, yen crude has halved in price. With its nukes switched off, Japan is one of the most geared economies to the plunge. The windfall is likely to be worth twice last year’s VAT hit. What is surprising about the yen slide is it has demonstrably not been factored into forecasts. Clearly, it is easier to move a graveyard than a yen assumption. Despite these momentous changes, consensus earnings have moved less than 2% over the past year. With an eye-poppingly tight labour market, this year’s spring wage offensive is likely to be especially hard-fought. Which companies will see profits crushed by wage hikes or by stores shuttered because of labour shortages? Where will the oil rout’s bounty be spent? Where is the apparently sleepy consensus most wrong? Does BoJ action even matter anymore? Does Abe?
Keynote speakers

The unstable state of the world in early 2015: Global economy, emerging economies, geopolitical tensions, government intervention

Marc Faber
Editor and Publisher, The Gloom, Boom & Doom Report

Friday

The irresponsibility and insanity of central bankers will ensure slow growth in the world. As Moliere observed, 'Nearly all men die of their remedies, and not of their illnesses.'

Dr Marc Faber was born in Zurich, Switzerland. He went to school in Geneva and Zurich and finished high school with the Matura. He studied Economics at the University of Zurich and, at the age of 24, obtained a PhD in Economics magna cum laude.

Between 1970 and 1978, Dr Faber worked for White Weld & Company Limited in New York, Zurich and Hong Kong.

Since 1973, he has lived in Hong Kong. From 1978 to February 1990, he was the Managing Director of Drexel Burnham Lambert (HK) Ltd. In June 1990, he set up his own business, Marc Faber Limited, which acts as an investment advisor, fund manager and broker/dealer.

Dr Faber publishes a widely read monthly investment newsletter The Gloom Boom & Doom report, which highlights unusual investment opportunities, and is the author of several books including Tomorrow's Gold - Asia's age of discovery, which was first published in 2002 and highlights future investment opportunities around the world. Tomorrow's Gold was for several weeks on Amazon's best-seller list and has been translated into Japanese, Korean, Thai and German. Dr Faber is also a regular contributor to several leading financial publications around the world.

A book on Dr Faber, Riding the Millennial Storm by Nury Vittachi, was published in 1998.

A regular speaker at various investment seminars, Dr Faber is well known for his contrarian investment approach. He is also associated with a variety of funds.
Specialist speakers

The future of Japan’s capital markets

Atsushi Saito
Board Member & Group CEO, Japan Exchange Group

Wednesday

The new JPX-Nikkei 400 index has gained global attention for highlighting those companies that generate high ROE - and, by default, those with rather low returns. Shareholder returns have become an important consideration in boardrooms across Japan. Abe’s Third Arrow reforms have attracted domestic and overseas investors to Japan’s capital markets. Atsushi Saito, Group CEO of Japan Exchange Group, will speak about the current landscape in Japan’s capital markets, the challenges ahead and how best to achieve growth.

Saito joined Nomura Securities after graduating from Keio University in 1963, and went on to work at the firm 35 years. During that time he was stationed twice in New York for a total of 10 years, and in 1986 he was appointed as a member of the board. He oversaw operations in a broad range of areas, from general planning to treasury, legal, human resources and welfare, serving as deputy president at the end.

In 1995, Saito was chairman of the corporate governance overseas survey delegation of Nippon Keidanren that investigated corporate governance in the USA. Also, he participated in the planning of the Japanese financial Big Bang policy promoted by the Hashimoto Cabinet. In ways such as this, Saito has committed his efforts to the liberalisation of financial services in Japan.

After retiring from Nomura, Saito served successively as president, then chairman of Sumitomo Life Investment. As CEO, he participated in company administration and the management of ¥10tn in pension capital.

In April 2003, Saito was employed at the Industrial Revitalization Corporation of Japan - part of the government’s financial revivalisation project. Here, he engaged in revitalisation support programmes for more than 41 different entities like Kanebo and Daiei. After completing all of its objectives, the corporation was dissolved in March 2007 - a year ahead of schedule.

Saito was appointed president and CEO of the Tokyo Stock Exchange in June 2007, and in August of the same year became president and CEO of Tokyo Stock Exchange Group, the holding company for the Tokyo Stock Exchange and Tokyo Stock Exchange Regulation, a self-regulatory corporation.

In January 2013, Tokyo Stock Exchange Group entered into a business combination with Osaka Securities Exchange, establishing Japan Exchange Group (holding company). Saito was appointed Group CEO of Japan Exchange Group. Many have high expectations that his expertise will help to strengthen the international competitiveness of Japan’s financial markets.
Specialist speakers

The new shadow banking - Crowd funding and peer-to-peer lending

Robert Reoch
Director, New College Capital

Wednesday

Crowd funding, peer-to-peer lending and alternative finance are titles given to a fast-growing sector of financial services where numerous online portals allow individuals and companies to lend to each other. Dozens of these portals have appeared over the past five years, the best known being Lending Club and Prosper in the USA and Zopa in the UK, which have each lent more than US$1bn. Lending Club went public on 11 December 2014, and, by the end of that month, boasted a market capitalisation of over US$10bn. The spectacular growth and evolution in this space is partly driven by a dysfunctional banking sector and partly by investors tiring of low returns, high volatility and high correlation of financial markets. Robert Reoch will review why this new sector of financial services has appeared and grown so fast. He will explain how it works, examine how it could evolve and discuss whether this is the new shadow banking sector.

Reoch has more than 25 years of experience in finance. He took a pioneering role as part of the team which set up JP Morgan's European credit-derivative business in the mid-1990s, and has since been influential in the development of the global structured credit market with senior roles at Nomura and Bank of America. Reoch set up a consulting practice in 2001 to provide advisory, quantitative and training services. He has been called as an expert witness and is a frequent commentator on aspects of the financial markets including the 2008 financial crisis: audiences include pension fund boards, investor forums and regulatory bodies as well as the House of Lords Economic Select Committee, EU Parliament CRD Forum and BBC TV and radio. In 2008, Reoch joined New College Capital, a high-net-worth advisory and discretionary fund manager. Reoch has been actively involved in crowd funding and peer-to-peer lending since 2007. Reoch holds degrees in Chinese Studies and Law from Cambridge University.
Specialist speakers

Panel: Governance and stewardship codes

Akitsugu Era  
Vice President, Blackrock

Takeyuki Ishida  
Representative Director, ISS Japan

George Iguchi  
Corporate Governance Officer, Nissay

Thursday

Over the past year, Japan has made some major changes to its corporate governance policies. While the country is usually known for its glacial pace of change, the sweeping governance reforms have been both rapid and drastic: adherence to the Stewardship Code has become a standard that investors look for; there is a new urgency regarding capital efficiency with the launch of the JPX-Nikkei 400 and new ROE thresholds in both the METI-sponsored Ito Review and the ISS Benchmark Policy for Japan; and, lastly, the investment strategy of the US$1.1tn GPIF has been overhauled to improve performance, and will be moving some US$150bn into Japanese and global equities over the coming years. This panel will address what the above has meant and will mean for investors in Japanese equities.

Akitsugu Era is Head of Corporate Governance Japan and a member of the Corporate Governance and Responsible Investment team at BlackRock Japan. He is responsible for voting proxies for Japanese companies, and for engaging with companies on corporate governance issues. In this role, he develops proxy voting and engagement philosophies and guidelines for the company and leads Tokyo's Corporate Governance team. Prior to joining BlackRock in 2011, Era worked from 2006 at Nikko Asset Management, where he was responsible for corporate-governance activities. He also has seven years of experience as CEO of an internet web hosting provider, which he cofounded in 1999. After studying at London Business School, he earned his MBA from Keio University in 2006, and a BS in Liberal Arts from ICU in 2002.

Takeyuki Ishida has 15 years of experience in analysing Japanese shareholder meeting agenda, working as a research analyst covering Japan’s shareholder meetings at Investor Responsibility Research Center (IRRC) in Washington DC from 1999 to 2005. As IRRC was acquired by ISS in 2005, he moved to ISS’s Tokyo office in December 2005. He has a Master of Arts from Johns Hopkins University School of Advanced International Studies. Ishida is a member of the Financial Services Agency’s Council of Experts Concerning the Japanese Version of the Stewardship Code.

George Iguchi started his professional career as an economist at Nissay Asset Management. He is currently Corporate Governance Officer for the company after experience as an equity analyst for various sectors as well as Head of Research. He is also a member of the Audit and Accounting Committee at International Corporate Governance Network (ICGN), the Review Committee of Nikkei Annual Report Awards, the Corporate Accounting Committee at The Securities Analysts Association of Japan (SAAJ), the Technical Committee for Business Combination at the Accounting Standards Board of Japan (ASBJ) and the Corporate Reporting Lab at METI.
Japanese banks in 2015 face much the same problems as they did at the beginning of 2014: high corporate liquidity, anaemic loan demand, relentless margin compression in the domestic business, and sceptical foreign investors. Yet Japanese bank stocks look cheap versus their Western peers, their asset quality seems good, bankruptcies are at 27-year lows, and there is a hint of bank consolidation in the air. So what’s not to like? The bulls claim that a move back to normal levels of inflation and a recovery in the economy will stimulate bank loan demand, while rising interest rates (as Japan exits years of deflation) will allow banks to benefit from a steepening yield curve, raise lending margins and properly price risk. Don’t bet on it; history is not on the side of the bulls. And be careful what you wish for, in case your wishes are granted. A return to normality for Japan’s banks is not what you want because the new normal for banks isn’t normal at all, and the path back to normality for the banks is heavily mined to catch the unwary. Caveat emptor.

Brian believes that major bank stocks may struggle to perform in 2015. Conversely, some regional banks may outperform thanks to a combination of dividend increases, share buybacks, ongoing bank consolidation theme, and the net benefit of a steady inflow of NISA funds into local bank stocks. His top megabank stock pick for 2015 is MUFG. Of the Japanese regional bank stocks, he prefers Hiroshima Bank, Chiba Bank, 77 Bank and Keiyo Bank.
Specialist speakers

**JBIC’s enhancing approach to capital markets**

**Tadashi Maeda**  
Representative Director & Senior Managing Director, Japan Bank for International Cooperation

**Thursday**

The mission of Japan Bank for International Cooperation (JBIC) is to support the development of the Japanese and global economies. JBIC has financed a number of infrastructure projects across the globe, including several in BRIC nations and others in developing nations in Southeast Asia. JBIC acts as a “financial gatekeeper”, participating in the negotiation and construction of infrastructure projects in the early stages and then inviting investors after operation begins. JBIC's recent support activities include: a US$1bn bond offering by the Vietnamese government; a US$1m study into the viability of a high-speed rail line to connect the cities of Dallas and Houston; and a loan to Oldendorff Carriers to finance two ultramax bulker ships. The group is also increasingly pushing eco-friendly projects and has established environmental guidelines that all projects must meet before they can be financed. Tadashi Maeda will explain JBIC's methods and how they enhance capital markets and improve not only the Japanese but also the global economy.

Tadashi Maeda graduated from University of Tokyo, Faculty of Law, in 1980. At JBIC, he has held various positions including Representative in Washington, Director General of Energy, Natural Resources Finance Group, Director General of Corporate Planning Department, Managing Executive Officer & Global Head of Infrastructure and Environment Finance Group. From June 2010 to December 2012, he served as a Special Advisor to the Cabinet and provided the then-Prime Minister and Chief Cabinet Secretary with advice on economic growth strategy, energy policy and infrastructure development policy for international markets. He also served as a member of the Steering Committee of Nuclear Damage Liability Facilitation Fund Steering Committee from October 2011 to October 2013.
**Keynote speakers**

**Address to investors at Japan Forum**

**Hiroto Izumi**  
Special Advisor to the Prime Minister, Government of Japan  
**Thursday**

Hiroto Izumi will provide an update on the progress of Prime Minister Abe’s various economic policies and the outlook for 2015 and beyond.

Hiroto Izumi is Special Advisor to the Prime Minister for economic matters. He was appointed to the position in 2013. Izumi joined the Construction Ministry in 1976 (now the Ministry of Land, Infrastructure, Transport and Tourism) and was there until 2012, when he was appointed Special Advisor to the Cabinet in charge of national strategy. From 2002, Izumi was a professor at Keio University and from 2006 a professor at the National Graduate Institute for Policy Studies (GRIPS).

Izumi graduated from the Urban Engineering Department of Tokyo University in 1976 and received his doctorate in engineering from the same institution in 2001.

---

**Specialist speakers**

**Pendulum**

**Shaun Cochran**  
Head of Korea Research, CLSA  
**Thursday**

Korea has been trapped in a narrow trading range for three years, as cheap valuations have pushed against limited export growth opportunities to pressure margins for companies seeking to defend global market share. Shaun will go through why the consensus view of rate cuts is correct but could be easily disappointed on timing, which, alongside the wide current account and now lower energy prices support his contrarian view that the won might actually rally against the dollar in 2015. The core arguments are that in the large-cap space we favour the hated auto stocks over the tech sector for its valuation support and would look to transition capital towards cheap domestic-oriented companies like Kepco (a great macro hedge), E-mart and even (for the first time in three years) the banks, which have become too cheap to ignore. The core concept is to avoid overexposure to the high-multiple darlings that drove 2014 outperformance that we suspect is likely to reverse and look for asymmetry in the beta. Shaun will show you where to find it.
Specialist speakers

Tax and fiscal reform under Abe

Shigeki Morinobu
President, Japan Tax Institute
Thursday

With Japan’s first sales-tax hike on the books and the second postponed until 2017, the Abe government’s strategy is to ease the pain by shifting its focus to corporate-tax reform. The government has already approved a 2.51% cut to the corporate tax rate effective April 2015 and another 0.8% cut for the following year, bringing the rate down to 31.3%. Furthermore, Abe pledged to lower the rate to below 30% over the coming years.

Shigeki Morinobu will map out these structural reforms with an emphasis on fiscal balance. He discusses the importance of the reforms in aiding the government to reach a primary surplus through a broadening of the tax base and also considers the effects that new tax laws will have on corporate structure and cross shareholdings. His discussion will also put Japan in context by highlighting comparisons with other nations.

Morinobu has a long history working in the Ministry of Finance. After joining the ministry in 1973, he was appointed to offices in the Soviet Union, Los Angeles and London before returning to Japan as the Head of Research Office, Coordination Division, Securities Bureau in 1992. From 1993 to 1998, he worked in the Tax Bureau, where he eventually became the director of the Coordination Division. After, he became the director general of Tokyo Customs and a visiting lecturer at Princeton University. He finished working at the Ministry of Finance in 2006 at which time he was the president of the Policy Research Institute.

Morinobu is currently president of the Japan Tax Institute as well as professor at Chuo Law School. He has written several books, including *Japanese Tax Reform* (2001) and *The Social Security and Tax Number System* (2011), as well as various articles on the Japanese tax regime. He holds a Bachelor of Law from Kyoto University and a Doctorate in Law from Osaka University.

China: One country; two economies

David Murphy
Head of China Reality Research, CLSA
Thursday

David Murphy, head of CLSA’s China Reality Research (CRR), will present the team’s latest findings from their grassroots research across China to draw a macro picture of what is happening as the country moves from over-reliance on investment towards a consumer-driven economy. Some CRR data as well as traditional mainstream data is showing an economy that is slowing significantly and is under the twin pressures of financial stress and large-scale oversupply. At the same time, less well-known data including alternative CRR proprietary information reflects a consumer that seems surprisingly assertive in the face of slowing GDP growth. Through this perspective, David will examine China’s residential property sector, new trends in e-commerce, private manufacturing, resources and the Chinese consumer at home and abroad.
Specialist speakers

Women in the workforce: Issues in addition to raising the ratio of women in the boardroom

Makiko Fukui
President, Harmony Residence
Thursday

Recently, a growing number of funds have been built around the theme of women in the workforce. Nicknamed “Nadeshiko Funds” after the name of the flower that symbolises women in Japan, these funds select companies that promote women at work or that benefit from increased consumption as more women enter or re-enter the workforce. The Ministry of Economy, Trade and Industry and the Tokyo Stock Exchange have officially recognised such funds. Many countries outside Japan have linked higher ROE and ROI to companies that have a higher number of women in the boardroom. Japan trails far behind its international counterparts, with just 0.7% of its 3,500 listed companies employing women with boardroom positions.

Against this background, as asset managers aim to identify those companies with the greatest potential to improve their performance, many are focusing on the ratio of female managers. Makiko Fukui will highlight many issues other than raising the ratio of women in the boardroom, with case studies covering organisational reform and awareness training as well as role-model-based HR systems.

In 2007, Fukui established Harmony Residence, a recruiting firm specialising in introducing highly qualified women managers to companies. She is also a Vice Chair of the Women in Business Committee of the American Chamber of Commerce in Japan. Fukui grew up in New York and has also lived in Australia and France. Fukui graduated from Yokohama National University with a BA in Economics in 1991.
Specialist speakers

The future of the LDP

Taro Kono
House of Representatives, Liberal Democratic Party of Japan
Thursday

The general public is beginning to cool on the LDP as Abe’s approval rating is on a gradual downward trajectory and apathy toward politics led to the lowest voter turnout since WWII at the recent snap elections. Nevertheless, the LDP received an overwhelming majority of the vote and will strive to make bold reforms during its new term in office. After the recent sales-tax hike pushed the still-fickle economy into yet another recession, Abe’s administration is challenged with continuing to push its mandate on economic reform and satisfying a public whose trust in the government’s ability to improve the economy begins to wane. A CLSA Forum veteran, Taro Kono will discuss these challenges as well as what’s in store for the ruling party.

First elected in 1996, at the age of 33, Kono is a seventh-term Member of the House of Representatives, for the 15th district of Kanagawa Prefecture. In summer 2009, he ran for president of the LDP. Although public opinion polls showed him to be ahead of his election rivals, the party’s conservative card-carrying members failed to support its most popular, albeit most outspoken and revolutionary, politician. Kono came second to former finance minister Sadakazu Tanigaki.

Kono joined Fuji Xerox in 1986 and worked at its Singapore subsidiary from 1991 prior to being appointed Managing Director of Nippon Tanshi in 1993. Kono graduated from Georgetown University in 1985 with a BS in Foreign Services.
Specialist speakers

Japan Inc's greatest challenge outside Japan: Marketing!

Robert E Peterson
President, Wickaboag Consulting Group
Friday

It is widely acknowledged by many business people - both Japanese and non-Japanese - that Japanese companies and their executives do not understand marketing. As such, marketing does not have a core function in the Japanese business model, and plays only a small role in corporate decision-making. Robert Peterson will reveal the reasons why. Unless Japanese companies urgently embrace marketing, they risk becoming (even) less competitive in the global marketplace. The domestic market is a no-growth market: for Japanese companies to continue to grow, they must expand their business activities abroad. Marketing will play a key role in achieving success. The investment community should start asking sharp questions to Japanese CEOs about their approach to marketing.

Peterson has specific recommendations on how Japanese companies can embrace marketing and the business benefits. He will list the tough questions the investment community should be asking about a Japanese company’s approach to marketing before investing in the business. Aggressive pushing from the investment community will help raise awareness and force Japanese CEOs to embrace marketing as a core function of their business.

Peterson began his business career with Procter & Gamble (P&G) in 1976: he moved to the advertising agency business in NYC experiencing the tail end of the Mad Men era. He joined Saatchi & Saatchi in 1981 and was transferred to Tokyo in 1982. He has been in and out of Japan ever since. A lifelong expat, he has also lived in Manila, Mexico City, Los Angeles, Brussels and Rome. He left Saatchi in 1999 and established his own consultancy. Toyota has been his main client for over 30 years, working on global marketing and advertising. He has worked with a number of other well-known Japanese multinationals on their global marketing, Western companies trying to do business in Japan and was a strategic consultant to Dentsu for nine years. He is currently working with the Organization for Small & Medium Enterprises (SME) and Regional Innovation, Japan (part of METI). He conducted a marketing seminar for the British Chamber of Commerce Japan in May 2013. In February 2014, he was invited by the American Chamber of Commerce Japan to speak at a Marketing Programs luncheon. In 2013 and 2014, he published articles on this topic in Advertising Age and on BTRAX’s Fresh Tracks blog. He has also served as an Executive-in-Residence at Marietta College in Ohio. Peterson spends about eight months of the year in Tokyo, the rest of the time he is at his office on Lake Wickaboag in Massachusetts or traveling in Europe and Asia.
Specialist speakers

Japanese Politics and Regional Security

Kevin Maher
Senior Advisor, NMV Consulting

Friday

Prime Minister Abe won his second term by a landslide and soon after his term started, in early 2015, the Islamic State beheaded two captured citizens, Kenji Goto and Haruna Yukawa. As China beefs up its military, and territorial disputes continue with both China and Korea, the world is focused on Abe to see if the latest incident is a turning point for Japan’s foreign and defence policy. Abe has already increased military spending, allowed defence exports and reinterpreted the US-imposed pacifist constitution to let Japan defend other countries. Kevin Maher will discuss the complex internal and external dynamics of Japanese politics.

Maher is Senior Advisor at NMV Consulting. A retired Senior Foreign Service Officer, his 30-year career at the Department of State (DoS) focused on Japan and East Asia, where he most recently served as Director of the Office of Japan Affairs. Prior to that, he was the Consul General in Okinawa, where over half of US Forces in Japan are located, and also served as the Director for Political-Military Affairs at the US Embassy in Tokyo. Maher served 19 years in Japan with the Department of State. In addition to his focus on political-military affairs, he also served as the Minister-Counsellor for Environment, Science and Technology at the US Embassy in Tokyo, which included oversight of the nuclear energy relationship. He frequently appears as a guest commentator on Japanese television news programmes, and his views appear regularly in Japanese weekly news magazines and daily press.
Keynote speakers

Understanding "New Power"

Jeremy Heimans
CEO, Purpose
Tuesday

Jeremy Heimans, along with Henry Timms, has co-created a new framework - "new power" - to explain rapidly shifting power dynamics in the world today and the rise of new, participatory or peer-driven models across sectors. He argues that while the stewards of new power have a remarkable capacity to exert power in meaningful ways around the world, they are currently falling short of delivering on the democratising potential of these new participatory models. His presentation will aim to both help emerging organisations think more deeply about how they are using their new influence and to offer a guide for established institutions who must adapt and respond to very new circumstances they don’t yet fully understand.

Heimans (@jeremyheimans) is co-founder and CEO of Purpose, a home for building 21st century movements and ventures that use the power of participation to change the world. Since its launch in 2009, Purpose has launched several new organisations including All Out, a two-million-strong LGBT rights group, built the world’s first open-source global activism platform, and advised institutions like the Bill and Melinda Gates Foundation, the ACLU and Google.

Heimans has been building movements since the age of eight, when, as a child activist in his native Australia, he ran media campaigns and lobbied leaders on issues like children’s rights and nuclear non-proliferation. In 2004, Heimans dropped out of Oxford to co-found a campaign group in the US presidential elections that used crowd-funding to help a group of women whose loved ones were in Iraq hire a private jet to follow Vice-President Dick Cheney on his campaign stops, in what became known as the "Chasing Cheney" tour. The following year he co-founded GetUp, an Australian political organisation and internationally recognised social movement phenomenon that today has more members than all Australia’s political parties combined. In 2007, Heimans co-founded Avaaz, the world’s largest online citizens’ movement, now with more than 40 million members.

In 2011, Heimans received the Ford Foundation’s 75th Anniversary Visionary Award for his work as a movement pioneer and the World Economic Forum named him a Young Global Leader. In 2012, Fast Company ranked him 11th on their annual list of the 100 Most Creative People in Business. The World e-Government Forum has named him as one of the top 10 people who is changing the world of politics and the internet, and the Guardian named him one of the 10 most influential voices on sustainability in the USA. His work has been profiled in publications like Harvard Business Review, The Economist and The New York Times.

Heimans began his career with strategy consultant McKinsey & Company, and he has degrees from Harvard University and the University of Sydney. He lives in New York.
Specialist speakers

Japan tourism market: Road to 2020

Masato Takamatsu
Managing Director & Chief Research Officer, Japan Tourism Marketing

Tuesday

A record 13.4 million overseas tourists visited Japan in 2014, including 2.4 million from mainland China, which is another record and an 83% increase from 2013. A weaker yen, easier visa requirements and growing affluence in neighbouring countries all contributed to the increase, while the 2020 Tokyo Olympics and possible casino legislation are tailwinds for the government’s target of 20 million overseas tourists by 2020 and 30 million by 2030. Tourism market expert, Masato Takamatsu, will present on Japan’s recent outbound and inbound travel trends, the government policies to increase tourism and what this means for Chinese and Asean tourists, as well as domestic Japanese travel trends.

Takamatsu joined Japan Travel Bureau (JTB) in 1982, holding positions in group sales, sales promotion, incentive travel, corporate planning, IT and HR.

Takamatsu is one of the founders of Japan Tourism Marketing (JTM), JTB’s subsidiary company specialising in research and consulting services. Being the Managing Director and CRO, he continues to head research projects and offers consulting service to his clients.

Takamatsu has been invited to speak at conferences and seminars as a destination marketing and tourism crisis management expert. His recent international speaking opportunities includes: UN World Tourism Organization (UNWTO) Symposium on International Tourism Promotion (2009), International Medical Tourism Forum (2011), World Travel & Tourism Council Global Summit (2012), 2nd International Integration of Tourism and Emergency Management Forum (2012) and Industry Leaders & Educators Engagement Symposium co-hosted by the Australian Federation of Travel Agents and New South Wales Ministry of Education (2015). He is also a lecturer for Japan International Cooperation Agency (JICA)’s Destination Marketing Seminar for Ministry of Tourism officers from around the globe.

He is on the UNWTO Tourism Barometer Panel of Tourism Experts, a member of Conseil Consultatif International for Atout France and has recently been appointed as an Expert Committee member of World City Tourism Federation.
Specialist speakers

Japan at the forefront of robotic technology

Masatoshi Ishikawa
Professor, Tokyo University

Tuesday

Dr Masatoshi Ishikawa, from University of Tokyo’s Graduate School of Information Science and Technology, is one of the world’s leading researchers on ultra-high-speed vision systems and robotics. High-speed machine vision enables robots to move faster and more precisely, and allows them to perform tasks that otherwise would be impossible. Ishikawa is known for putting his theories into practice, and the Ishikawa Watanabe Lab has developed robots that can hit baseballs, catch falling rice with chopsticks and be unbeatable in rock-paper-scissors.

Ishikawa advises many of Japan’s leading robotics manufacturers, and is working with several manufacturers and institutions to apply high-speed vision systems. He will discuss cutting-edge technologies and their various applications as well as Japan’s role in robotics globally.

Ishikawa is a professor at the University of Tokyo, where he is developing high-speed vision, visually controlled high-speed robots, high-speed book scanner, high-speed target tracking, dynamic projection mapping and immersive gesture interface, among other projects. He received BE, ME and Dr Eng degrees in mathematical engineering and information physics from the University of Tokyo in 1977, 1979 and 1988, respectively. After Industrial Products Research Institute, Tsukuba, Japan, he moved to the University of Tokyo in 1989. He was an executive adviser to the president, a vice-president and an executive vice-president of the University of Tokyo from 2004 to 2005, from 2004 to 2005, and from 2005 to 2006, respectively.
Specialist speakers

Japan’s fifth sense

David McCaughan
Marketing strategist and thought leader, McCann Worldgroup Hong Kong

Tuesday

Imagine life without your favourite digital device. Japan can’t. Two decades after i-mode made Japan the first nation to have online access via their phone, three decades since PC-based otaku first raised their heads, a decade after Japan began dominating mobile gaming, Japanese people have fully adopted their keitei as a part of their being. Research a few years ago found that more than half of under-30s would give up their nose before their digital devices. That is an underestimation. Those devices are truly now seen as a “sense”, providing constant input into every aspect of life. How does this love affair with digital affect shopping, entertainment and marketing. What are the changes happening as QR codes become old-fashioned, LINE is just normal practice, and @cosme acts as a model for good media? And which new players are shaping the stimulus for Japan’s fifth sense in 2015?

Currently based in Hong Kong, McCaughan has spent the past two decades in Asia leading strategy planning and in senior management roles with McCann, one of the world’s largest advertising and communication companies.

He joined McCann in 1986 in his native Sydney, where he built the Strategic Planning function and has subsequently been based in Bangkok, Hong Kong and Tokyo, leading regional strategy and communication campaigns for clients including Coca-Cola, MasterCard, Nestle, Cathay Pacific, Sunstar, Hitachi, Johnson & Johnson and many others.

After a decade based in Tokyo, McCaughan returned to Hong Kong in early 2014 but remains a constant visitor and commentator on marketing in Japan.

He has an extensive history of working on the implications of media changes, how society is influenced by and influences them. Amazingly, still seen as an Asian thought leader on youth marketing (despite the hair), he is also leading key initiatives into the ageing markets of Asia.

McCaughan has talked at over 400 conferences globally and has been a regular columnist for journals like Advertising Age and Japan Close-Up. He is a board member and contributor for ESOMAR’s Research World.

McCaughan was in previous lives a yoghurt maker; a menswear salesman; for 10 years, a children’s storyteller; and then a butler for a reclusive duke in Rome.
Specialist speakers

China internet: In the sweetspot

Elinor Leung
Head of Asia Telecom & Internet Research, CLSA
Wednesday

China’s mobile internet is likely to leapfrog those of developed markets in terms of scale, user experience and revenue. Its strong telecom industry and deep pockets will help the country build world-class infrastructure and provide leading-edge, cost-effective smartphones. The internet has government support as it is crucial to rebalancing China’s economy towards consumption and helping it to escape the middle-income trap and move up the value chain.

China mobile internet will see record growth in 2015. China Mobile’s 4G is a big success, providing nationwide coverage and download speed of over 20Mbps in one year. 4G smartphone pricing has already fallen below Rmb400. China 4G users could exceed 350m and mobile data usage could jump 2-3x in 2015. China internet continues to be the best secular growth story. Rural growth, e-commerce/O2O and e-finance will be the big catalysts this year. E-finance has gained full government support with Premier Li’s high-profile visit to the opening of WeBank. At the start, e-finance will not compete with traditional banks and focus on new markets like payment, micro/consumer financing, P2P loans, crowd-funding and online security trading. It is key to China reform and private-sector growth.

Developing bionic eyes to return sight to the blind

Michael Ibbotson
Director, National Vision Research Institute, Australian College of Optometry
Professor of Visual Neuroscience, University of Melbourne
Wednesday

Vision impairment is a major global health issue, with nearly 300 million people visually impaired, of whom almost 40 million are blind. As the world’s population ages, vision impairment will emerge as the most prevalent health problem among older people. Vision is very important for quality of life, facilitating independent activities and maximising educational, economic and social outcomes. The development of so called “bionic eyes” - man-machine interfaces that transform images from a digital camera into meaningful signals in the human brain - is a significant technology development that could transform the lives of blind individuals and has significant potential for commercial success.

Professor Ibbotson did his doctoral work at the University of London before moving to Canberra, where he worked at the Australian National University. He held a series of senior leadership roles at the Australian National University before taking up a professorship at Melbourne University and becoming Director of the National Vision Research Institute of Australia. He has worked for extended periods in the USA, at both Emory University and New York University. For over 25 years, Professor Ibbotson’s research activities have investigated the mechanisms that allow biological systems to transform light signals from our environment into neural signals that can be understood and acted upon. Much of his research has dealt with the development of technologies that mimic biological vision systems or form man-machine interfaces for the restoration of sight to the blind.
Specialist speakers

The big, unstoppable trends

**Oliver Matthew**  
Senior Analyst, CLSA Japan

**Nigel Muston**  
Research Analyst, CLSA Japan

**Jun Kato**  
Research Analyst, CLSA Japan

**Wednesday**

As Japanese consumers get used to higher tax, a weaker yen and a tighter labour market, how are they spending? How big can e-commerce become in Japan and who will thrive, who will suffer? What are the key trends in Japanese consumption right now? How are company strategies developing in this environment? CLSA Japan’s consumer team will go over the key themes and trends that matter in 2015 and beyond, identifying the winners and losers in the consumer staples, retail and TMT sectors.

Chinese tourism and global gaming

**Aaron Fischer**  
Head of Consumer and Gaming Research, CLSA

**Jon Oh**  
Research Analyst, CLSA

**Wednesday**

The growing influence of social media is lifting the aspirations of Chinese tourists, with outbound departures expected to double to 200 million by 2020. Blogs are helping to fuel demand for more exotic locations. Hong Kong, meanwhile, will see slower visitor growth due to internal issues. Japan, France and Korea are now top on the Chinese bucket list while destination weddings are also becoming a trend. The upsurge in Chinese outbound travel is a multi-decade theme driving structural growth in the airline, gaming, luggage, retail and internet industries.

Macau was hit by a perfect storm in 2014. Headwinds will persist into 1H15, but Aaron expects growth to resume in 2H15 helped by an easier comp base and new casino openings. There is still significant pent-up gaming demand and new openings will grow volumes. New customers will spend less, causing project ROIC to halve to a still very respectable 32%. While the glory days are over, Macau remains an attractive decade-long tourism story.

Aaron and Jon will also discuss other gaming ideas from around the region, notably Philippines and Singapore and new locations such as Saipan, Vietnam and Cambodia.
Specialist speakers

Abenomics and Japanese healthcare: Moving in the right direction

William Hall
President, Ipsos Healthcare Japan

Wednesday

Prime Minister Abe has vowed to fight the low birthrate and overhaul the healthcare system, which takes care of the fastest-ageing population in the world. William Hall will addresses the new developments in healthcare under Abe such as the establishment a Japan version of the National Institutes of Health (NIH) from 1 April, the possibility of introducing Health Technology Assessment (HTA) from 2016, radical improvement in the pace of drug approvals by the Pharmaceuticals and Medical Devices Agency (PMDA), the viability of an agreement in 2016 on no price cuts on new drugs for the life of the patent, funding and regulatory pathways for iPS cells as well as the establishment of a special economic zone for healthcare.

William Hall has more than 35 years of senior management experience in Japan covering both the client and agency side.

From 1973 to 1988, he worked in the field of consulting and market research in Tokyo. His work in market research and consulting during this period covered, among others, product categories such as pharmaceuticals, medical devices and consumables, consumer goods, industrial and high-tech products, financial services, media and publishing, agribusiness, airlines and air cargo, and tourism. Projects covered a wide range of topics including market entry strategy, new product development, management modelling, acquisition target and/or agent identification and evaluation, advertising and promotional testing, competitor analysis, and market structure and distribution analysis.

In 1989, he became President of Sterling-Winthrop for Japan, responsible for the company's Rx, OTC and consumer product operations in the Japanese market, as well as the development of strategic alliances designed to boost the company's position in that market. With the divestiture of Sterling-Winthrop in 1995, he moved to Eastman Kodak with responsibility for photo-processing, digital imaging, Kodak-owned stores and product distribution services and operations for Kodak in Japan. He returned to the market research and consulting field in 2001, and established the Japan operations of Isis Research, which was acquired by Ipsos. He now heads the Healthcare and Business Consulting Divisions of Ipsos in Japan. In these roles, his work covers the Japanese market as well as emerging markets when working for projects outside of Japan for Japanese and other multinational clients.

He has served on numerous government, advisory and business panels and is a highly regarded expert on the Japan market. William is a frequent lecturer on Japan and Japanese business practices, and is generally regarded as one of the leading Western experts on the impact of the ageing society on the Japanese economy.
Specialist speakers

Succeeding and giving back to Japan as an outsider

Konishiki Yasokichi
Former sumo champion

Wednesday

Hawaiian born sumo champion Konishiki came to Japan at the age of 18 as a gaijin (or outsider) with just a few dollars in his pocket. In his life after sumo, he became a successful entertainer on TV and radio. In 1996, he established Konishi Kids Foundation to help broaden children’s horizons through cultural exchange. Immediately after the earthquake and tsunami of 2011, his foundation focused on charitable giving to children in the Tohoku region. Drawing on his career as a sumo wrestler, Konishiki discusses what it takes to succeed as a foreign rikishi and how outsiders can more fully participate in Japan’s social and economic life.

Saleva’a Fuauli Atisano’e, better known as Konishiki Yasokichi, is a Hawaiian-born Japanese-Samoan former sumo champion. At the University High School in Honolulu, Atisano’e wanted to become a lawyer, and was also the recipient of a music scholarship from Syracuse University. He was recruited in 1982 at the age of 18 by another Hawaiian wrestler, Takamiyama, and quickly rose through the ranks making his debut to the top makunouchi division in eight tournaments by July 1984. He was a three-time winner of the top division championship and was the first foreign-born wrestler to reach ozeki rank, the second-highest in the sport. In 1991, there was a controversy over whether his foreigner status denied him a yokozuna title. Some believe Konishiki opened the door for foreign rikishi such as Akebono, Musashimaru and Asashoryu to gain sumo’s highest rank of yokozuna. In November 1997, Konishiki announced his retirement. Since then, he has become a popular TV personality, previously working on NHK’s children’s programme called Nihongo de Asobo as well as a radio DJ for FM Yokohama.
Specialist speakers

Open(ing) arms: Japan’s embrace of tourism and the implications for its theme parks, casinos and other leisure industries

Jay Defibaugh
Senior Research Analyst, CLSA
Thursday

For many years, Japan was a perennial lightweight in the global tourism battle. But thanks to various public- and private-sector initiatives as well as a weaker yen, Japan in 2014 welcomed a record 13.4m visitors, up more than double from 2011, a year hit by the earthquake, tsunami and nuclear disasters. The stage is set for further growth in inbound tourism, fuelled by visa deregulation, a weak yen, expanded duty-free sales, lower fuel costs and increased landing slots, particularly for low-cost carriers.

A variety of Japan’s leisure-sector stocks are positioned to benefit from the rush of inbound tourists. Jay will discuss the outlook for tourism-related stocks, such as theme park operator Oriental Land, as well as provide an update on prospects for casino legalisation amid government efforts to spur inbound tourism. Jay will also review the investment outlook for other stocks in his coverage including CyberAgent, Nintendo, Sega Sammy, DeNA, Konami and Gree.

Japan technology 2015

Christian Dinwoodie
Senior Research Analyst, CLSA
Amit Garg
Research Analyst, CLSA
Thursday

After being Overweight Japanese technology in 2014, Christian Dinwoodie and Amit Garg recommend more stock selection in 2015. As there is little to get excited about in the hardware industry due to continued demand deceleration in key end-markets (PCs, smartphones, tablets and LCD TVs), they continue to focus on bottom-up stock selection. For components, they recommend companies with rising exposure to the automotive market, passive industry leaders benefitting from the 4G rollout in China as well as companies adopting a modular strategy for product differentiation or offering value-added disruptive products. Yen depreciation should help these companies to deliver strong earnings growth in FY3/16 and potentially spark an upgrade cycle, making valuations still attractive. For Japanese industrial and consumer electronics, restructuring will remain an important theme as new game platforms and over-the-top TV strategies, rising demand for high-quality image sensors, electric vehicle batteries, the expansion of global alliances, OLED printing, 3D NAND and multi-patterning help to support better earnings trajectories. Office equipment makers should also be major beneficiaries of a weaker yen and a US-led economic recovery.
Specialist speakers

The future of Asia tech after smartphones
Nicolas Baratte
Head of Technology Research, CLSA
Thursday

Smartphone growth and PC revival were important drivers of Asia tech in 2014, but the impact of both is diminishing. A few important themes remain however. Smartphone growth comes from emerging markets, where the Chinese supply chain is gaining ground and presenting opportunities for component makers but is a threat for foreign brands. Asia tech keeps consolidating, presenting opportunities in semiconductors and the PC supply chain.

Turning to new product categories, Nicolas reviews the potential of the Internet of Things and explains the difference between consumer and industrial applications. He sees strong potential for the later.

Finally, Nicolas looks at the growth of the Chinese tech industry and its growing threat to the rest of Asia tech.

How to motivate and build self-esteem in children
Louise Porter
Child Psychologist, Small Poppies International
Thursday

Self-esteem has two aspects: our feelings about our competence and our feelings about our worth. Feelings of competence have to be earned: if you want to feel good about your skills, you have to develop some. But our feelings about our worth must be given. And that gift must be unconditional. When we doubt our worth, we try to prove that we are good enough by achieving at high levels - but this only builds our competence. It does not prove our worthiness. To ensure that our children develop a well-anchored sense of their worth, we must not link what they do to who they are. When we judge that they are “good” for doing well, they learn that they would be “bad” if they failed. That is, their worth depends on their achievements. Instead, their competence depends on their achievements, whereas their worth should not be in doubt. In this seminar, Dr Louise Porter will detail the four types of self-esteem and how we can promote both a healthy self-esteem and positive attitude towards striving for success through the feedback that we give children about their successes and failures.

Porter is a child psychologist with more than 30 years of experience in private practice consulting with parents and practitioners about children's developmental and social or emotional challenges. She worked for 10 years in disability and mainstream settings and lectured at a tertiary level for 13 years on early childhood, special and gifted education, and behaviour management. She is an international speaker and has published widely, with some of her books including: A comprehensive guide to classroom management; Gifted young children and Children are people too, with an upcoming series on children's social, emotional and learning needs.
Retail and consumer trends under Abenomics

Michael Causton
Co-founder & Senior partner, JapanConsuming

Roy Larke
Publisher, JapanConsuming

Friday

Abenomics is having a major impact on consumption trends and retailing. On the one hand, the increase in equity prices and other measures has helped increase the wealth of the affluent, supporting department stores and other premium retailers and brands. On the other hand, stagnant wages and rising costs of essentials and utilities due to a weak yen is impacting mass markets with more pressure on middle classes, changing spending patterns, creating both threats and opportunities for consumer brands and retailers. Roy Larke and Michael Causton, senior partners at JapanConsuming, a leading research firm on Japanese consumer and retail markets, will provide an overview and analysis of the key changes in Japanese consumer and retail markets and how these are impacting retailers and consumer brands:

- Income and savings patterns and the impact on consumption levels across key consumer segments
- No longer all middle class: How Japanese consumer types are fragmenting and the impact on consumer markets
- Trends in retail performance by format: Convenience stores, drugstores, GMS and supermarkets, department stores
- Lifestyle (fashion and home): The outlook for investors in Japanese retail and consumer brands

Michael Causton is an expert on Japanese consumer and retail markets. He is co-founder and senior partner at JapanConsuming, a leading research firm specialising in this field (www.japanconsuming.com). He founded two companies after moving to Japan in 1992. First, a clothing import business that was helping overseas brands sell more than ¥2.2 billion in apparel a year to Japan by 1999. In 1999, he cofounded JapanConsuming, where he directs the company’s research activities on Japanese distributors and retailers across all formats from department stores, GMS, specialty chains to e-commerce. As well as research, he consults for a wide range of companies looking to expand or enter the Japanese market as well as investors.

Roy Larke is an expert on retailing, consumer behaviour and marketing with a particular focus on Japan. Until 2013, he worked as an academic in Japan, teaching and publishing in both English and Japanese, before moving to New Zealand. He co-founded JapanConsuming, a monthly market intelligence report on consumer markets that is read by around 3,000 retail professionals and fund managers around the world. In addition to academic work, he consults for a wide range of companies looking to improve their position or diversify channels in the Japanese market. He is a frequent speaker at the Chambers of Commerce in Japan and at executive briefings, and works as an industry expert with a number of equity funds.
Deep field: Discovering the Internet of Things

Ed Maguire
Software Analyst, CLSA Americas
Friday

The multi-trillion economic opportunity around the Internet of Things (IoT) is emerging as the hottest topic for investors in 2015. As we connect the physical world with information technology, data from actions, processes and the environment can increase sales, improve efficiency, automate daily activities and minimise risk. Ed’s presentation will describe what is new and different about IoT, explore the financial, technological and real-world impact across consumer and business use cases. Why now? Significant corporate and venture investments are funding an explosion of new products and companies. New technologies - hardware, software, bandwidth, sensor - make new solutions feasible for the first time. The presentation will explore impact on all sectors of the economy - consumer wearables, smart home, automotive, transport, retail, healthcare, public sector, energy, agriculture and manufacturing - while identifying key players as well as potential winners and losers.
Keynote speakers

Asian oil & gas markets in a global context

Fereidun Fesharaki
Chairman and founder, FACTS Global Energy

Tuesday

The international oil and gas markets are in turmoil. Oil prices are down by nearly 50%, putting in jeopardy many high-cost unconventional as well as LNG projects based on oil price indexation. Also threatened are renewable and clean-energy projects.

Are these changes cyclical or structural? Are there political goals behind these schemes or just economics? What is the direction of prices and when might we see a turnaround? Can Opec rise to the occasion or is it outside their jurisdiction?

What are the implications of these changes for policymakers in Asia in general and in Japan in particular? Can lower prices stimulate demand?

Energy security concepts, which have dominated the thinking for the past 40 years, need to be re-examined in this new reality. Are we ready?

What can we expect in the short, medium, and long terms?

Dr Fereidun Fesharaki is chairman and founder of FACTS Global Energy. His work is recognised for pioneering oil-&-gas market analysis and studies of the Asia Pacific/Middle East energy markets. Born in Iran, he received his PhD in economics from the University of Surrey and then completed a visiting fellowship at Harvard University's Center for Middle Eastern Studies. In the late 1970s, he attended the Opec Ministerial Conferences in his capacity as energy advisor to the Prime Minister of Iran. In 1979, he joined the East-West Center, where he is a senior fellow and heads the energy-related research. He was the 1993 president of the International Association for Energy Economics. Most recently, he was appointed as Honorary Advisor by CNPC Economics and Technology Research Institute.
Specialist speakers

Japan property: A fundamental disconnect

Cenk Simsek
Research Analyst, CLSA
Tuesday

Last year saw share-price performance for the Japanese property developers disconnect from strong fundamentals. On the one hand, Tokyo’s CBD office vacancy rate fell by 2ppt on solid demand while average rents picked up after five consecutive years of decline. On the other, the sector underperformed the Topix by 24%. Concerns centred on the overall economy post the sales-tax hike and the pullback in residential demand. In the meantime, contrary to the developers, the J-Reits attracted investors as bond yields fell.

We have started 2015 with the major developers trading at discounts to their NAVs and a continuing solid fundamental outlook. Join Cenk’s presentation on the Japanese property sector to learn more about these attractive and heavily discounted names, which are set to have a strong run.

Avoiding potholes: Regional auto and steel roundup and sector view

Geoff Boyd
Regional Head of Auto & Steel Research, CLSA
Edward Bourlet
Research Analyst, CLSA Japan
Tuesday

Geoff Boyd, regional head of automotive and steel, will present his views on both sectors across the region, with the first half focused on the auto sector coming hot on the heels of the Japan team’s presentation in the slot before. Generally, the CLSA global automotive team sees this as a tricky year for global auto, given a base case of decelerating growth rates in key markets like the USA, question marks over a European recovery and a base case of 8% growth in China, from double-digit levels in recent years. Additionally, expect pressure in markets like Brazil and Russia, while forex dislocation is a pressure point, particularly for the non-euro or yen-based global peer group. Within this context, focus on country-specific winners in key markets such as India and China (ie, Maruti-Suzuki and Great Wall). Geoff will also focus very much on the outlook for Korea auto names, which is his primary coverage. Geoff recently lowered his outlook for Hyundai Mobis on concerns of euro weakness and slowing top-line growth.

On the steel side, CLSA U speaker Peter Marcus remains firmly in the bearish camp for 2015 global steel. And while he's not at the Japan Forum this year, CLSA concurs with the challenges ahead this year. Geoff is not quite as bearish as Peter but remains negative/neutral on most names, as he has for many years now. Geoff will discuss some possible wildcards for an improved operating environment as well as country-specific plays that appear more interesting (Tata Steel, Bluescope). Edward Bourlet will join Geoff to discuss his recent initiation of the Japanese steel space, with a focus on the country-specific positives.
Specialist speakers

Will Li-ion take all, and what are the consequences of its rapid growth?

Gerbrand Ceder
Professor, Massachusetts Institute of Technology
Wednesday

With no other low-cost or high-energy density technology on the horizon, Li-ion is likely to dominate the energy-storage market for at least the next decade. From its healthy base as the battery of choice for portable electronics and everything wearable, Li-ion batteries have long-term growth potential in automotive and grid applications. The delivery of electric vehicles from high-end car makers like Tesla and BMW, which give the consumer an enjoyable driving experience, is likely to accelerate the expansion of other technologies with electric drive trains, such as Plug-in HEV. Gerbrand Ceder will discuss the likely winners as well as potential materials supply problems as a result.

In particular, Tesla Motors has set aggressive targets for price reductions of Li-ion battery packs, which, if successful, will drive Li-ion into multiple grid-based applications.

Gerbrand Ceder is a Professor of Materials Science and Engineering at the Massachusetts Institute of Technology. He received an engineering degree from the University of Leuven, Belgium, and a PhD in Materials Science from the University of California at Berkeley in 1991. His research interests lie in the design of novel materials for energy generation and storage, including battery materials, thermoelectrics, photovoltaics and photocatalysts. He has worked for 18 years in the Li-battery field, optimising several new electrode materials and has regularly served as scientific advisor to companies and investors in this area. He has published over 300 scientific papers, and holds several US patents. He has served on MIT’s Energy Council as well as on several US Department of Energy committees, including the workgroup preparing the Basic Needs for Electrical Energy Storage report. He has received the MRS Gold Medal, the Battery Research Award from the Electrochemical Society for his work on understanding battery materials, the Career Award from the National Science Foundation, and the Robert Lansing Hardy Award from The Metals, Minerals and Materials Society as well as several teaching awards at MIT. He is a co-founder of Computational Modeling Consultants, Pellion Technologies and The Materials Project, and is the founding Director of the Samsung-MIT programme in Materials for Energy applications.
Specialist speakers

Japan machinery: Peak performance

Morten Paulsen  
Head of Research, CLSA Japan

Edward Bourlet  
Research Analyst, CLSA Japan

Wednesday

The Japan machinery team has had an Overweight stance on the sector since 2012. However, earlier this year, Morten Paulsen and Edward Bourlet lowered their machinery sector rating to market neutral as they believe the machinery cycle has entered its final year of expansion, and they recommend a more defensive sector positioning in 2015. Nevertheless, 2015 will bring its rewards as FY3/16 earnings are set to break all-time records, and they identify five areas where they expect positive surprises versus consensus expectations. Come along to find out what they are!

Japan autos, auto components and tyres: Spinning wheels

Christopher Richter  
Senior Research Analyst, CLSA

Dean Enjo  
Research Analyst, CLSA

Wednesday

Christopher Richter will make the case for Nissan Motor, with its well-timed re-entry into the US full-sized pickup truck market, as he looks at the automaker’s prospects in the world’s major automotive markets and its other new product offerings. He also looks at how Tesla may catalyse value-added change for US automotive distribution. In autoparts, Dean Enjo will explain how changes in LED automotive lighting present a strong thematic choice for Stanley Electric. Low natural rubber prices, cheap oil and a weak yen are all good news for Japanese tyremakers such as Bridgestone. Dean explores the costs and potential impact for Toyota suppliers such as Denso and Aisin Seiki of the new Toyota New Global Architecture (TNGA) modularisation programme to be implemented for the first time in 2015.
Specialist speakers

Panel: Japanese real estate

Andy Hurfurt  
Executive Director, CBRE KK

Scott Callon  
Chairman & Representative Statutory Executive Officer, Ichigo Group Holdings

Todd Olson  
Executive Managing Director, Cushman & Wakefield Japan

Wednesday

The Japanese property sector has been in the spotlight since the change of government in late-2012, with its pursuit of aggressive asset-inflation policies through further quantitative easing. In 2014, the property market saw office rents and occupancies improve, investment appetite grow and the residential segment struggle with the demand pullback post the sales-tax hike. 2015 will be a key year when the market will be looking for more solid signs that Abenomics is working.

Our real-estate panel brings together the real experts on Japan’s property market: Andy Hurfurt of CBRE; Scott Callon of Ichigo Group; and Todd Olson of Cushman & Wakefield Japan. They discuss their on-the-ground experience dealing with landlords, tenants, funds and property transactions in Japan. The discussion will provide a very different perspective on the property market.

Hurfurt heads both CBRE Consulting and CBRE Research. He has consulted on a wide range of Japanese real-estate segments, including asset-specific market reports for office, retail, residential and logistics properties, and has advised more than 30 multinational real-estate funds on Japan. Hurfurt is a Member of the Royal Institute of Chartered Surveyors and holds a BSc (Hons) in estate management from South Bank University.

Callon is chairman and representative statutory executive officer of Ichigo Group, a Jasdaq-listed Japanese real-estate-asset manager. He is also CEO of Ichigo Asset Management, an independent investment manager specialising in Japanese equities. Previously, he was managing director, head of equities at Morgan Stanley Japan and a member of the executive committee. He is a graduate of the Woodrow Wilson School, Princeton University, and holds a PhD in Political Science from Stanford University.

Olson is executive managing director, North Asia and managing director of C&W's Japan operations. He also serves as a member of the Asia Pacific Executive Leadership Council. Olson worked in the commercial real-estate market and lived in Japan for over 25 years. Fluent in Japanese, he focuses on capital markets and tenant representation projects in Japan and throughout Asia Pacific. He has served as account manager for many major corporations, consulting on their Japan real-estate portfolios and implementing transaction strategies.
Specialist speakers

Flexing muscles
Alexious Lee
Head of China Industrial Research, CLSA
Wednesday

One year into power, the new leadership has already introduced a series of mini-stimulus by accelerating infrastructure project approvals, which should turn into order books in 2015 and actual construction for the next three years. Which of the reforms in the 13th Five Year Plan (13FYP) should global investors pay attention to? Can any of these reforms actually resolve funding challenges, deal with overcapacity and drive consolidation?

President Xi announced the One Belt, and One Road (OBAOR) framework at the APEC meeting in November 2014. China will provide the necessary funding, expertise and products to help regional nations develop. Beijing has merged some SOEs into super-conglomerates to compete globally. If successful, it will shape a new competitive landscape in the region. Which of the Chinese companies are most geared to benefit from China’s own “Marshall Plan”?

China remains the biggest market for heavy machinery, trucks and components, despite orders falling by 50% over the past four years. The move to boost domestic investment and drive regional exports will impact end-demand and impact sales and profitability. How are Japanese industrial companies positioned in China? Where are the risks and opportunities?

Japan’s nuclear policy
Toshikazu Okuya
Director, Energy Supply and Demand Policy Office
The Agency for Natural Resources and Energy
Ministry of Economy, Trade and Industry
Thursday

Will the nuclear reactors ever be restarted? If yes, how many and on what timeline? What are the new safety measures? These are the questions both investors and more broadly the entire Japanese public have on their minds. Japan’s power source composition has changed from a 61% reliance on fossil fuels for power before the Great East Japan Earthquake to almost 90% after it. Nuclear plants such as Kansai Electric’s Takahama are inching closer to receiving approval to begin operations in an effort to decrease dependence on fossil fuels and bring a more stable supply to the system.

Toshikazu Okuya presents on the current energy situation in Japan and the nation’s strategic energy plan. The topic of the future of nuclear in Japan will be discussed in relation to Japan’s oil and gas procurement methods, power source comparisons and the development of renewable energy.

Okuya is the Director for the Energy Supply and Demand Policy Office, The Agency for Natural Resources and Energy, Ministry of Economy, Trade and Industry, Japan. He covers mid-to-long term energy policy and energy security. He started his career at METI in 1995. Previously to his current position, he worked in the USA under JETRO to facilitate Japan-US cooperation in various fields like energy security, nuclear nonproliferation, international trade, defence and industrial cooperation. Okuya is a graduate of Tokyo University and John F. Kennedy School of Government at Harvard University.
Specialist speakers

The truth about radiation in Japan

Pieter Franken
Cofounder, Safecast
Thursday

Safecast, a non-ideological, non-profit, volunteer-based organisation created in the days immediately after the Fukushima nuclear crisis in March 2011, has become the most prominent and reliable independent source of radiation data in Japan and abroad. Nearly four years after the accident, concerns about radiation exposure from Fukushima continue, with low public confidence in government and industry statements that the nuclear fallout does not pose a significant risk to public health. The general public remains worried about the impact of long-term exposure, and, lacking faith in government reassurances, has increasingly turned to alternative sources of information like Safecast.

In order to fill the acute information vacuum about the severity of the fallout from Fukushima, Safecast has drawn on the expertise and experience of specialists worldwide, including co-founder Joi Ito (Director of the MIT Media Lab) and advisor Ray Ozzie (former CTO of Microsoft), to quickly field award-winning mobile detectors of their own design. These leverage open-source software and hardware and new-generation DIY tools such as laser cutters and custom PCB fabrication to dramatically accelerate development and deployment time. The group has simultaneously developed an information management system that allows GPS-tagged radiation datapoints to be uploaded into a central database and displayed on interactive web-based and mobile maps.

The radiation data gathered by the growing group of Safecast volunteers in Japan and abroad currently exceeds 26 million datapoints, arguably the most extensive public data set of its kind. It was soon hailed as a technically competent, credible and objective source of radiation information for Japan by experts on both sides of the nuclear power debate. Safecast’s unique open-source hardware and software and crowd-sourced maps and radiation data have all been developed by volunteers and are freely available without restriction for download and use.

Franken’s career spans more than 25 years in IT management and software engineering. He has worked as IT Head of Retail Bank at Citibank Japan and was responsible for the IT transformation at Shinsei Bank. He co-authored a book about the engineering and management techniques used to dramatically transform Shinsei into a retail banking power. He is currently spearheading technology deployment at Monex Securities as Chief Technology Officer. The retail brokerage aims to build a platform to fulfil its vision of becoming a global broker.
Specialist speakers

Winners and losers in Japan transport and trading companies

**Naoto Saito**
Senior Research Analyst, CLSA

**Thursday**

The Wood Sheep (*kinoto hitsuji*) portends another difficult year, better for making progress than last year but with many obstacles to overcome. The transport and trading companies have seen significant headwinds, but Naoto sees opportunities in the quickly changing market environment. Lower commodity prices are a headwind for the trading companies, but this provides an opportunity for evolution as the trading companies become increasingly shareholder friendly. On the other hand, the lower oil price provides a tailwind for the airlines, shippers and railway operators. JAL is Naoto’s top pick - a rerating story on the back of improving margins. Find out what other stocks he likes and which ones he recommends investors to stay away from.

Electricity market deregulation

**Takuya Yamazaki**
Director of Electricity Market Reform (Legislation), Electricity Market Reform Office, Agency for Natural Resources and Energy, Ministry of Economy, Trade and Industry (planned)

Ministry of Economy, Trade and Industry (METI)

**Friday**

With the number of companies indicating a desire to participate in electricity generation and distribution reaching over 450, Japan’s energy deregulation is well under way. FIT (feed-in-tariff) has been more successful in encouraging new entrants than expected, as applications for the programme continue to pile up. In 2016, we will see liberalisation of the market and new entrants will be able to sell their electricity over existing transmission lines to retail customers. The question remains as to whether this new competition will pose a threat to the EPCO oligopoly and if it will help lower energy prices as intended. Takuya Yamazaki of the Ministry of Economy, Trade and Industry will explain the current problems inherent in Japan’s electricity system and the planned actions and timeline for deregulation of the industry.

After joining the Ministry of Economy, Trade and Industry (METI) in 1996, as the first assignment in METI, Yamazaki was involved in the Second Electricity System Reform of Japan in 1999, which introduced retail competition and secured open access to transmission lines of incumbent power companies for new entrants. After that, Yamazaki was assigned to a wide range of policy matters including building a scheme to promote entrepreneurship, establishing the National Information Security Center to enhance Japan’s information security and developing FTA frameworks between Japan and Asian countries, as well as promoting the concept of exporting Japanese infrastructure business abroad such as water and power generation. In his current capacity, Yamazaki has returned to the electricity policy team mainly in order to design the next electricity system reform, which has been discussed intensively since the Great East Japan earthquake and Fukushima nuclear accident.

Yamazaki received a BA in Law from the University of Tokyo in 1996 and an MA in International Public Policy from the School of Advanced International Studies (SAIS) John’s Hopkins University in 2007. He held a visiting scholarship at the Reischauer Center for East Asian Studies of SAIS in 2008.
Exceptions may be made depending upon prevailing market conditions. We define as "Double U-PF" for each market is monitored weekly. The list comprises the most upside/downside but those where the Research Head/Strategist believes there is the highest likelihood of positive/negative returns. The list compiled by Taiwan analyst(s). For relative performance, we benchmark the 12-month total forecast return (including dividends) for the stock against the 12-month forecast return (including dividends) for the market on which the stock trades. For example, in the case of US stock, the recommendation is relative to the expected return for S&P of 10%. Exceptions may be made depending upon prevailing market conditions. We define as "Double Baggers" stocks we expect to yield 100% or more (including dividends) within three years. "High Conviction" Ideas are not necessarily stocks with the most upside/downside but those where the Research Head/Strategist believes there is the highest likelihood of positive/negative returns. The list for each market is monitored weekly.

©2015 CLSA Limited (for research compiled by non-Taiwan analyst(s)) and/or Credit Agricole Securities Taiwan Co., Ltd (for research compiled by Taiwan analyst(s)).

Key to CLSA/CLSA Americas/CA Taiwan investment rankings: **BUY** Total stock return (including dividends) expected to exceed 20%; **O-PF**: Total expected return below 20% but exceeding market return; **U-PF**: Total expected return positive but below market return; **SELL**: Total expected return to be negative. For relative performance, we benchmark the 12-month total forecast return (including dividends) for the stock against the 12-month forecast return (including dividends) for the market on which the stock trades. For example, in the case of US stock, the recommendation is relative to the expected return for S&P of 10%. Exceptions may be made depending upon prevailing market conditions. We define as "Double Baggers" stocks we expect to yield 100% or more (including dividends) within three years. "High Conviction" Ideas are not necessarily stocks with the most upside/downside but those where the Research Head/Strategist believes there is the highest likelihood of positive/negative returns. The list for each market is monitored weekly.

©2015 CLSA Limited (for research compiled by non-Taiwan analyst(s)) and/or Credit Agricole Securities Taiwan Co., Ltd (for research compiled by Taiwan analyst(s)).