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Equity Strategies

Yuki's Process for Delivering Outperformance in Japan and the U.S.



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Executive Summary

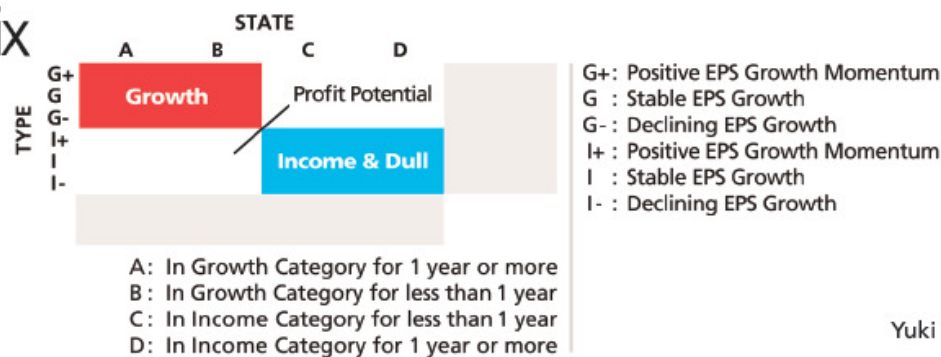
Efficient Market Characteristics

- Market Values Stocks According to Fundamentals
- **Companies with better fundamentals outperform companies with weak fundamentals**

Yuki Process

- Gather Balance Sheet & Profit/Loss data on public companies
- Screen for balance sheet strength, earnings growth momentum and other growth qualities
- Categorize companies into growth and non-growth categories

Yuki Matrix



Yuki Investments

- From the growth categories, Identify a Growth Universe tailored to strategy specifications of the Investor with the objective of consistently outperforming the index
- Construct the Portfolio

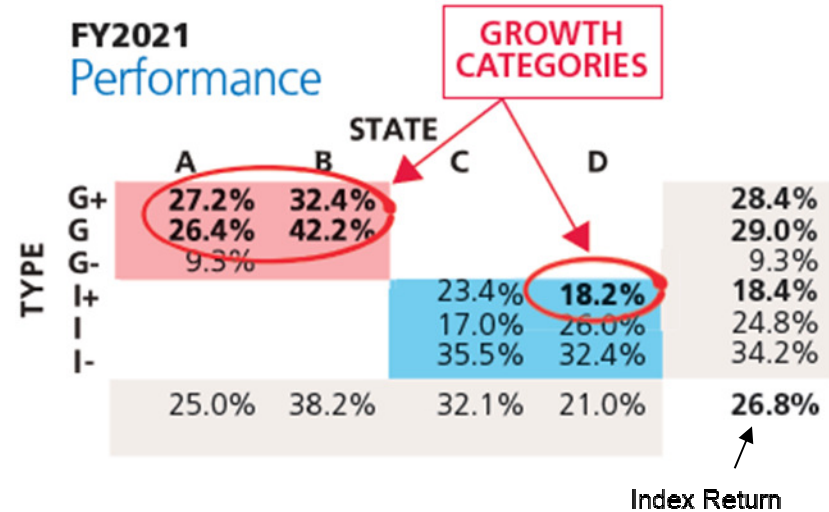
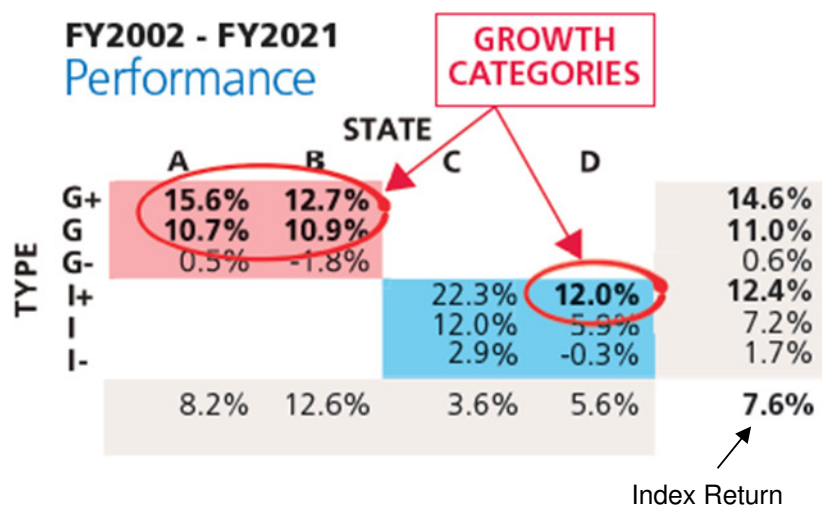


Performance

Companies with Better Fundamentals Perform Better

- **S&P500** – From growth categories Yuki identifies growth universes that are tailored to investor needs and specifications

Annual Returns



The returns for the Growth Categories is consistently better than the Index return

Note: Equity Returns on this page is calculated using market cap figures.

Yuki Investments

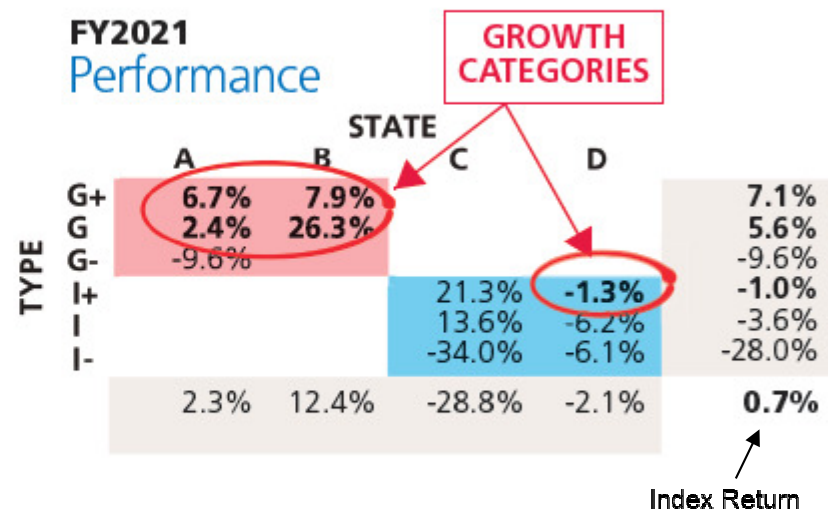
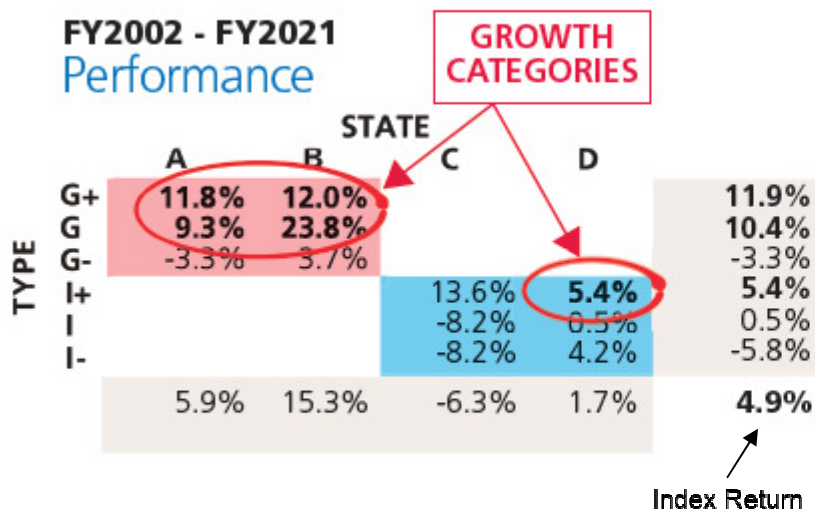


Performance (cont'd)

Companies with Better Fundamentals Perform Better

- Japan – All Listed Companies. From growth categories Yuki identifies growth universes that are tailored to investor needs and specifications, e.g., small cap, large cap, income

Annual Returns



The returns for the Growth Categories is consistently better than the Index return

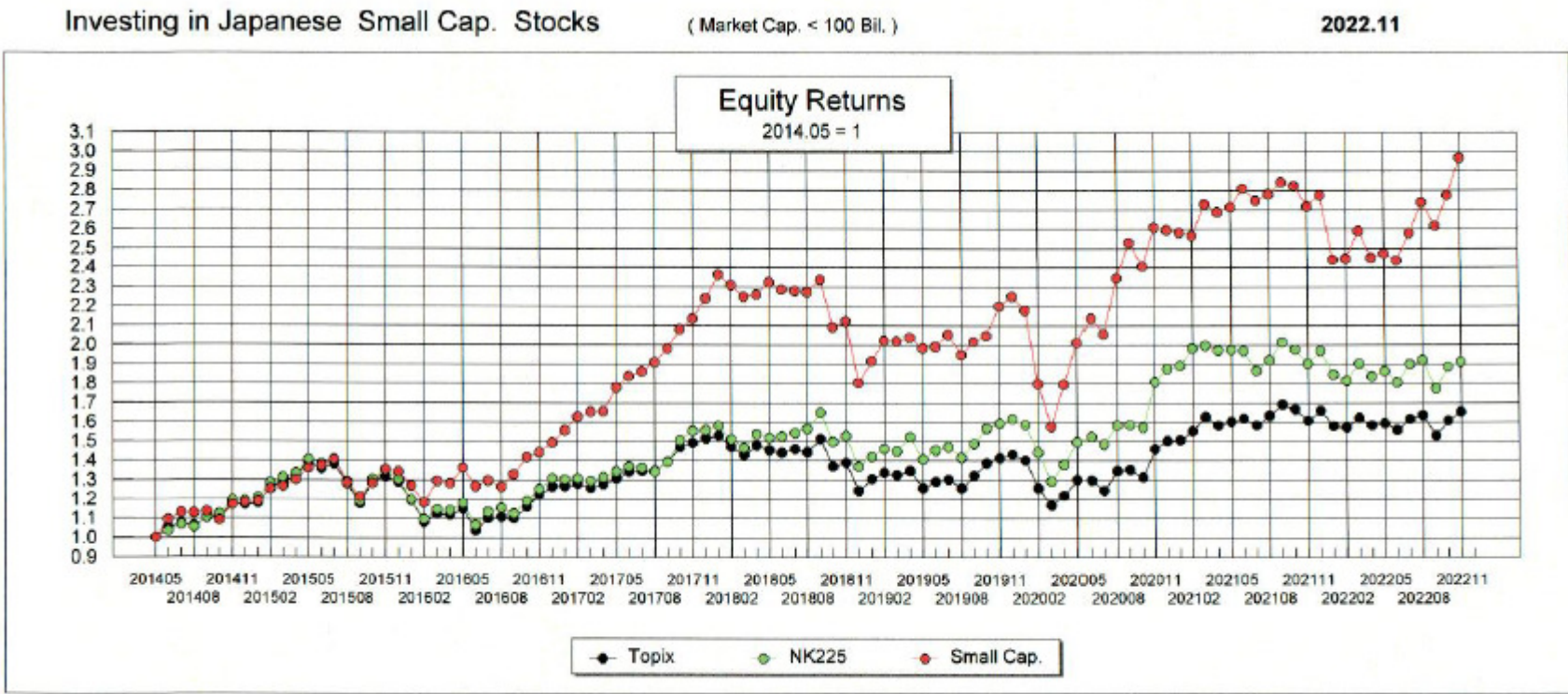
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Yuki Investments



Sample Japanese Equity Strategies

- Japanese Small Cap



Note : Equity Returns for the graph on this page is calculated using market cap figures.

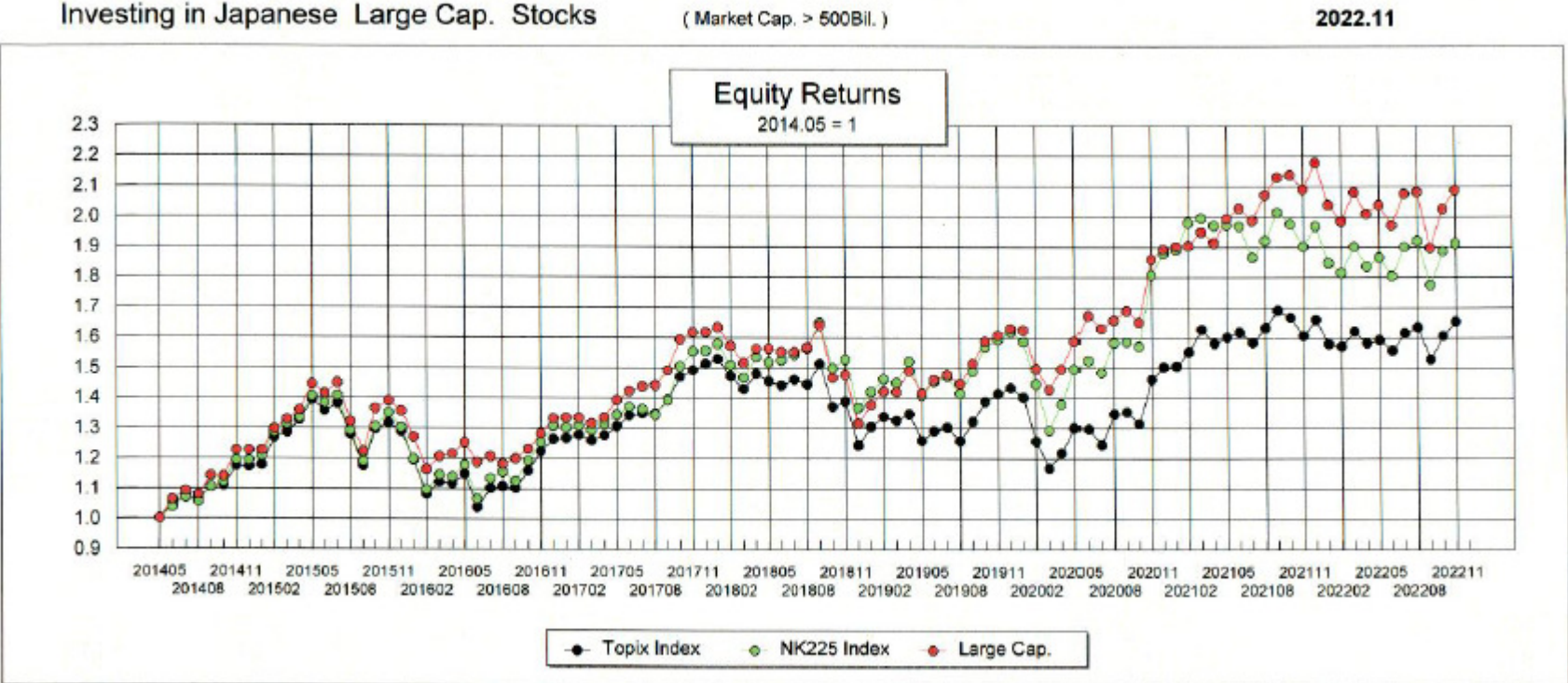
Yuki Investments

- Japanese Small Cap Universe size: JPY 7.95 trillion



Sample Japanese Strategies (cont'd)

- Japanese Large Cap



Note : Equity Returns for the graph on this page is calculated using market cap figures.

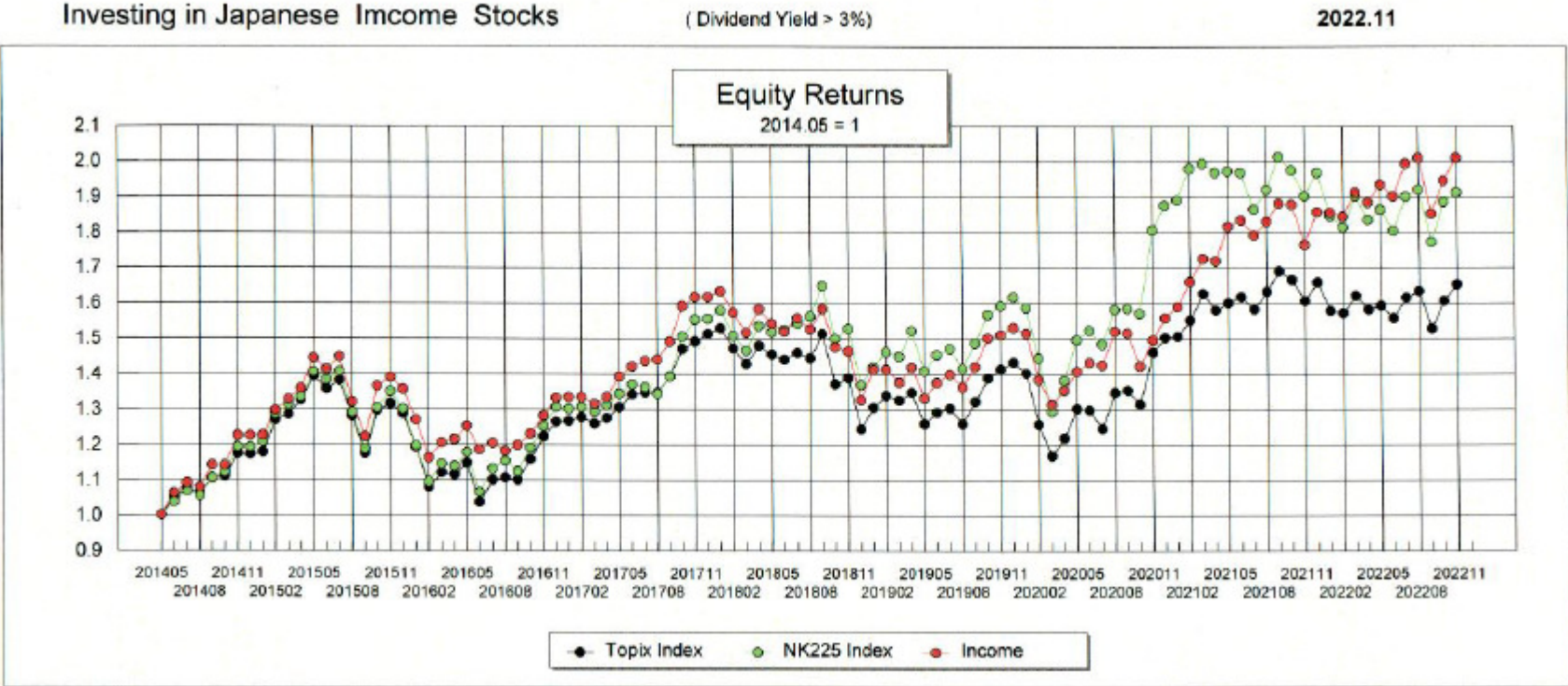
Yuki Investments

- Japanese Large Cap Universe size: JPY 146.12 trillion



Sample Japanese Strategies (cont'd)

- Japanese Income Stocks



- Japanese Income Stocks Universe size: JPY 186.34 trillion



Conclusion

- **Yuki's Investment Process and Strategy Creates Opportunities for Outperformance in Any Efficient Market**
- While this presentation demonstrates that the strategy works in the U.S. and Japan, it is equally effective in efficient markets in Europe and Asia
- Companies with better fundamentals perform better than companies with weak fundamentals
 - **Yuki's process enables the design of a growth universe tailored to the specific needs of investors.**
- This is especially true now that the global monetary easing cycle has ended, economies are experiencing inflation and slower economic growth, and investor focus has shifted even more to fundamentals and stock selection.
- Yuki has designed multiple Growth Universes in markets around the world.
 - **Contact me if you would like to learn more about our Growth Universe process**