

Toyota chair re-elected amid \$33-bn buyout bid

REUTERS
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TOYOTA MOTOR SHAREHOLDERS re-elected Akio Toyoda as chairman on Thursday, highlighting support among mom-and-pop investors even as the Japanese automaker's \$33 billion buyout of a group company draws criticism from overseas shareholders.

Toyoda, formerly chief executive of the world's top-selling automaker and grandson of its founder, was widely expected to be re-elected at Thursday's annual general meeting. For the first year in three, he was not opposed by either of the leading proxy advisory firms which had previously flagged governance concerns.

The breakdown of voting is yet to be released so it is unclear whether he secured more than last year's 72%, the lowest on record for a Toyota director. The *Nikkei* newspaper reported, without citing its source, that Toyoda was estimated to have received at least 96%.

On Tuesday, shareholders of group company Toyota



Akio Toyoda

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Industries peppered executives with questions about the carmaker's 4.7 trillion yen (\$33 billion) buyout bid that foreign investors have called unfair for minority shareholders. Toyoda, who is not on Toyota Industries' board, was not present at that meeting.

"There had already been a lot in the press about Toyota Industries ... so I think many shareholders thought they had enough information," said Akihiro Horiuchi, a Toyota Motor shareholder in his forties who

was attending the AGM in central Japan for the second time. He said the automaker had explained its rationale for the deal on its Toyo Times news website.

"Toyota (Motor) is the best company in Japan and I think it will continue to grow," Horiuchi said.

Toyota Motor plans to take forklift-maker Toyota Industries private through a complex deal that will see Chairman Toyoda invest 1 billion yen of his own money and spur restructuring of Japan's most powerful corporate group.

Priced 16,300 yen a share, some overseas shareholders have said the price undervalues the target's intrinsic value and strengthens the founding family's control over the group.

Toyota Motor has said the acquisition will allow Toyota Industries to deepen collaboration with group companies, without the concern of short-term profit targets, as the group develops a broader mobility identity. This year, proxy advisers Glass Lewis and Institutional Shareholder Services recommended shareholders re-elect Toyoda.