

TOKYO MEET AND GREET

NYSE Euronext hosts a global investment conference in Japan.

BY JOHN BOYD

EXECUTIVES OF 13 COMPANIES from around the world gathered in Japan's capital for two days in early September to participate in the NYSE Euronext first Tokyo investment conference. The meeting — the first of its kind to be held in Asia — took place in the offices of Daiwa Securities SMBC Co. Ltd., which partnered with the Exchange to host representatives of corporations from North America, Europe, Asia and South America. **SATYAM COMPUTER SERVICES LTD.** (SAY), a leading global business and information-technology company headquartered in Hyderabad, India, joined via teleconferencing; Vadlamani Srinivas, the company's CFO, discussed Satyam with attendees after giving his presentation.

The Tokyo conference is NYSE Euronext's sixth investment gathering to date, following the first such event held in Europe in 2001. Past conferences have revolved around growth, emerging markets and European investment forums. Given the success of the Tokyo event, a proposal to hold another conference there this year is under consideration, says the Exchange. The conference "provided a platform for our companies to tell their stories directly to the Japanese marketplace," said Catherine Kinney, group executive vice president and head of global listings, NYSE Euronext, who hosted the event. She added that Japanese households reportedly own some \$15 trillion worth of financial assets, most held as bank deposits. "This kind of conference allows us to better serve our listed companies and help their IR activities," Kinney said. "We believe it will enable our listed companies to gain access to new investors and diversify their investor bases while creating new opportunities for local investors."

Despite the diversity of industries and areas involved, the presenters resoundingly agreed on the reasons for attending. "I'm looking to

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establish new long-term relationships, and this conference has helped me plant a seed," said Alfredo Ergas, CFO of **ENERSIS SA** (ENI). "We want to increase the number of our Asian inves-

tors, so it is important to inform them of what we plan for the next five years," added Osvaldo Kawakami, general manager at the Tokyo office of **PETROBRAS SA** (PBR). "It's important to have shareholders in the places where we operate," said Michiel van Katwijk, executive vice president, **AEGON NV** (AEG).

Company representatives were pleased with the conference format and investor reaction. "We've gone nonstop from nine this morning, taking only 30 minutes for lunch," said John Gallina, senior vice president of information management and CFO of comprehensive health solutions at **WELLPOINT INC.** (WLP), on the first day of the conference. "We are the largest health-benefits insurer in America and wanted to raise both awareness and excitement with Japanese investors of our value proposition."

Added Manuel Irarrazaval, CFO of **EMPRESA NACIONAL DE ELECTRICIDAD SA** (EOC), known as Endesa Chile: "Coming to Asia for the first time gives us the opportunity to seek investments from outside the U.S. and Europe. It's rare that a Japanese investor visits Chile."

COMPANY STORIES

Although the reasons for attending were similar, each company had a compelling story to tell. For example, **CHINA SECURITY & SURVEILLANCE TECHNOLOGY INC.** (CSR), a Shenzhen-based security and safety solutions provider, explained that some 80 percent of its shareholders reside in the U.S. "We're trying to change the mix to be more Asian, European or even Middle Eastern," said Terence Yap, vice chairman and CFO.

John Coustas, president and CEO of **DANAOS CORP.** (DAC), described the Piraeus, Greece-based company as one of the world's largest container-shipping operations, adding that "in our type of global business, Asia is where everything

originates. It is the driver of our trade.” Coustas explained that Japanese manufacturers built the company’s first ships and that Danaos has long carried goods for Japan’s major trading houses. “We believe it is a natural extension of our business to include Japanese investors among our

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shareholders,” the CEO said. “We’ve had a lot of good one-on-ones, and some of the major fund managers have shown much interest in our business model. I’m sure all this will bear fruit.”

Chile’s largest bank, **BANCO SANTANDER SA** (SAN), is 77 percent owned by **GRUPO SANTANDER** (STD) of Spain. “Among emerging markets, Chile offers stability and good growth,” Robert Moreno, manager of IR and strategy, explained to the attendees. “This conference gives us the

chance to make ourselves known to Japanese investors and for us to get to know them.”

James Squires, executive vice president of finance and CFO of **NORFOLK SOUTHERN CORP.** (NSC), pointed to improved service leading to “a strong pricing environment for U.S. railroads.” Noting that the U.S. is on the verge of an infrastructure boom, Squires added that railroads could be a beneficiary.

MOBILE TELESYSTEMS OJSC (MBT) counts more than 90 million mobile-phone customers in six countries in Eastern Europe and central Asia, which have a total population of 230 million. “What sets us apart not only from regional but also global competitors is that we are invested in a rapidly developing emerging market such as Russia and high-growth, low-penetrated markets in central Asia,” said Joshua Tulgan, director of IR. Trading on NYSE Euronext “gives us credibility in this part of the world.”

Peter Ragauss, senior vice president and CFO of Houston-based **BAKER HUGHES INC.** (BHI), said that with Japan dependent on

imports for most of its energy, “it is important that Japanese investors understand the dynamics of the industry.” He noted that some of the conference attendees he talked with showed a keen understanding of the oil and natural gas industries, and this has prompted him to commit to visiting Japan on a regular basis.

INVESTOR UNIVERSE

Would-be investors also found the experience useful. “This conference is an efficient way to meet companies that would otherwise be difficult to get to,” observed Jumpei Tanaka, a fund manager for Daiwa Asset Management Co. Ltd. “And not just U.S. companies, but companies from South America and Europe.” He also pointed out that the “international focus made it different from conferences I’ve attended that focus only on one region. It’s been a stimulating time for me.”

View video excerpts of the conference at www.nyse.com/Tokyo.

CORPORATE ROLL CALL

Company,* Headquarters	Market Cap (Bil. \$) [†]	Quick Facts
PETROBRAS SA (PBR) Rio de Janeiro, Brazil	81.86	One of the world’s largest exploration, production and refining companies, Petrobras markets and transports oil in Brazil and abroad. It operates 15 refineries, more than 100 production platforms and more than 6,000 gas stations.
WELLPOINT INC. (WLP) Indianapolis, Ind.	17.38	The largest health-benefits company in the U.S. in terms of medical membership, WellPoint serves 35 million members. It is a Blue Cross or Blue Shield licensee in 14 states, including New York and California.
NORFOLK SOUTHERN CORP. (NSC) Norfolk, Va.	17.17	One of six major freight railroad companies in the U.S., Norfolk Southern operates some 21,000 route miles through 22 states in the eastern half of the country, carrying a wide range of freight, including cars, chemicals and coal.
SIMON PROPERTY GROUP INC. (SPG) Indianapolis, Ind.	10.72	With properties representing nearly all types of retail distribution channels, Simon Property Group is the largest real estate company in the U.S.; its malls and retail centers host more than 2.8 billion annual shopper visits, generating \$60 billion in annual retail sales.
MOBILE TELESYSTEMS OJSC (MBT) Moscow, Russia	10.21	Known as the MTS Group, Russia’s largest mobile telephone network company also operates in Eastern European and central Asian countries; it provides services to more than 90 million subscribers.
EMPRESA NACIONAL DE ELECTRICIDAD SA (EOC) Santiago, Chile	8.96	One of the largest power-generation companies in South America, Endesa Chile generates more than 60 percent of its power from low-cost hydroelectric sources. The company also operates in Argentina, Brazil, Colombia and Peru.
BAKER HUGHES INC. (BHI) Houston, Texas	8.75	Baker Hughes is one of the big three global oil-field service companies, with operations in more than 90 countries. It provides products and services used by its customers in the exploration and drilling of oil and natural-gas wells.
ENERSIS SA (ENI) Santiago, Chile	8.42	A leading multinational electric power-generation, transmission and distribution company in South America, Enersis operates in five countries: Argentina, Brazil, Chile, Colombia and Peru.
AEGON NV (AEG) The Hague, Netherlands	7.46	One of the world’s largest life insurance and pension groups, AEGON serves more than 40 million customers in 20-plus countries in the Americas, Europe and Asia, with major operations in the U.S., the Netherlands and the U.K.
BANCO SANTANDER SA (SAN) Santiago, Chile	5.67	Chile’s largest bank is 77 percent owned by Grupo Santander (STD), Spain’s biggest bank in terms of market capitalization. With assets of \$36.7 billion and 9,800 employees, it counts 2.9 million customers served by 470 branches throughout Chile.
SATYAM COMPUTER SERVICES LTD. (SAY) Hyderabad, India	4.26	A leading global business and information-technology services company, Satyam delivers consulting, systems integration and outsourcing solutions to clients in 20 industries and more than 65 countries.
DANAOS CORP. (DAC) Piraeus, Greece	0.29	One of the world’s leading container-shipping operations, Danaos has a fleet of 72 container ships that it leases, fully equipped with crews, on long-term contracts to liner companies.
CHINA DIGITAL TV HOLDING CO. LTD. (STV) Haidian, China	0.26	China Digital has installed smart cards, software and set-top boxes at 164 digital TV network operators in China. Its packages enable network operators to control the distribution of content and value-added services to subscribers.
CHINA SECURITY & SURVEILLANCE TECHNOLOGY INC. (CSR), Shenzhen, China	0.23	China Security, launched in 2001, makes and installs security systems such as surveillance cameras and intruder-detection and access-control equipment, as well as provides consulting and maintenance services. Government installations account for about half of sales.

*COMPANIES LISTED HERE ATTENDED THE 2008 NYSE EURONEXT FIRST TOKYO INVESTMENT CONFERENCE

[†]AS OF DEC. 3, 2008