

Institutional Investor, the global finance magazine has ranked HDFC Bank MD Mr. Aditya Puri the best CEO and HDFC Bank the best firm in the Banks sector of Asia ex-Japan, according to the participants in the 2016 All-Asia Executive Team.

The All-Asia Executive Team 2016 is Institutional Investor's annual ranking of the region's most highly regarded CEOs, CFOs, investor relations professionals and IR companies.

The magazine ranks companies in four categories - Best CEO, Best CFO, Best IR Professional and Best IR Company - within their individual business sectors, using scores from a survey of investment professionals.

The magazine surveys portfolio managers and buy- and sell-side analysts at nearly 600 financial institutions to measure the performance of executives at companies they covered, as well as the companies themselves on various IR and corporate governance issues such as whether the companies made their boards and senior executives accessible to investors and whether they provided timely disclosures of essential financial information. Close to 1,400 investment professionals participated in the survey.

The buy-side professionals surveyed manage an estimated \$963 billion worth of AXJ securities. To be eligible for the rankings, the companies needed to have their HQ in AXJ and trade on a regional exchange.

Top companies by sector

Autos and Auto Parts: Motherson Sumi Systems, India

Banks: HDFC Bank, India

Basic Materials: China Resources Cement Holdings, Hong Kong

Consumer/Discretionary: Intime Retail (Group) Co., China

Consumer/Staples: China Resources Beer (Holdings) Co., Hong Kong

Gaming and Lodging: MGM China Holdings, Macau

Health Care and Pharmaceuticals: Sun Pharmaceutical Industries, India

Industrials: China State Construction International Holdings, Hong Kong

Insurance: AIA Group, Hong Kong

Internet: JD.com, China

Oil and Gas: China Oilfield Services, China

Power: Beijing Enterprises Water Group, Hong Kong

Property: Ayala Land, The Philippines

Technology/Hardware: Sunny Optical Technology (Group) Co., China

Technology/IT Services and Software: Infosys, India

Technology/Semiconductors: Taiwan Semiconductor Manufacturing Co., Taiwan

Telecommunications: China Unicom (Hong Kong), Hong Kong

Transportation: Kerry Logistics Network, Hong Kong

Top CEOs by sector

Autos and Auto Parts: Vivek Chaand Sehgal, Motherson Sumi Systems, India

Banks: Aditya Puri, HDFC Bank, India

Consumer/Discretionary: Xiaodong Chen, Intime Retail (Group) Co., China

Consumer/Staples: Jie Hong, China Resources Beer (Holdings) Co., Hong Kong

Gaming and Lodging: Grant Bowie, MGM China Holdings, Macau

Health Care and Pharmaceuticals: Dilip Shanghvi, Sun Pharmaceutical Industries, India

Industrials: Yong (Sammy) Zhou, China State Construction International Holdings, Hong Kong

Insurance: Mark Tucker, AIA Group, Hong Kong

Oil and Gas: Yong Li, China Oilfield Services, China

Power: Xiaoyong Hu, Beijing Enterprises Water Group, Hong Kong

Technology/Semiconductors: Mark Liu, C.C. Wei, Taiwan Semiconductor Manufacturing Co., Taiwan

Telecommunications: Xiaochu Wang, China Unicom (Hong Kong), Hong Kong

Here's the article carried by the magazine to announce the same.

The 2016 All-Asia Executive Team

Shifting Gears

Successful corporate leaders across the region are revving up growth by focusing on underserved markets. **By Carolyn Koo**

THE POPULATION OF INDIA — 1.3 billion — is so large that even breaking it down demographically yields staggeringly high numbers. Take the country's semiurban and rural population, which totals a massive 751.2 million — more than double the number of residents of the United States.

HDFC Bank, India's largest financial institution as measured by market capitalization, hopes to transform as many as possible of these rural denizens into customers, with the goal of growing that share of its business from roughly 15 percent to 40 percent over the next three to five years, according to Aditya Puri, chief executive officer of the Mumbai-headquartered institution. He maintains that technology is the key to success — and many market observers believe he is right.

Puri is the best CEO and HDFC the best firm in the Banks sector of Asia ex-Japan, according to participants in the 2016 All-Asia Executive Team, *Institutional Investor's* annual ranking of the region's most highly regarded CEOs, CFOs, investor relations professionals and IR companies. The table on the opposite page lists the winning entities in each of the survey's 18 industry sectors.

People who live in semiurban and rural areas of India, Puri says, have a lack of organized banking services. "They have the finance companies and they have the moneylenders, but they don't have somebody that has the brand and the latest range of financial products," he notes.

A digital offering can help solve that problem, even if most people

in these areas have low-end mobile phones with Internet access, known as feature phones, rather than high-end smartphones. "Most of our products are now available on a feature phone, so a customer doesn't have to hop onto a bus or a motorbike or whatever and go from his village to the town where the branch is," Puri reports.

This accessibility is possible only because HDFC took the initiative to ramp up its technology over the past two years, after Puri traveled to California's Silicon Valley in 2014 to see how banking would change in the wake of the movement from physical networks to information networks that place the customer at the center.

Appealing to the underserved is also an important theme at MGM China Holdings, according to Grant Bowie, the Gaming & Lodging sector's highest-rated CEO. Macau, the world's largest gaming center and the only place in greater China where gambling is legal, has long relied on a junket system that caters to high rollers. VIPs, primarily from the mainland, are treated to free travel and accommodation, among other perks, for agreeing to spend some time in Macau's casinos. However, the industry has

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GRANT BOWIE
MGM China Holdings



Best CEOs:
Xiaochu Wang, China Unicom (Hong Kong); Aditya Puri, HDFC Bank; and Grant Bowie, MGM China Holdings

suffered from the Chinese government's anticorruption drive and a decelerating domestic economy, with revenue from this group plunging by roughly 25 percentage points over the past five years, to about 50 percent of the market.

As a result, casino operators have turned their attention to the mass market — people who are interested in activities such as dining out, shopping and attending shows, as well as gaming experiences. "That market is much, much bigger," Bowie says. And it's one that MGM China has been serving since long before the recent thinning of the junket herd. Today it accounts for approximately 80 percent of the company's earnings before interest, taxes, depreciation and amortization — up from 70 percent just a few years ago.

"We run our business here as a portfolio. Just because something is not sexy today doesn't mean it's not going to be the darling of tomorrow," he says. "The key is about looking into the future — where is the market going, what is the market going to do, how do we build options?"



Gaming will always be a significant source of revenue, the 58-year-old adds, but it's even more important to determine other pursuits that visitors to the former Portuguese colony are willing to pay for. The shift "may have an impact on the gaming stream, but it's going to attract a whole lot of new customers who, instead of spending 80 percent of their bankroll on gambling, will bring exactly the same bankroll and maybe gaming is only 50 percent of their spend. But they're still going to spend 50 percent on nongaming and, as long as you can get margin on that, as long as you can provide possible experiences, do you really care?" Bowie asks.

Technological superiority is the linchpin of China Unicom (Hong Kong)'s strategy, especially when it comes to fourth-generation networks. The telecommunications operator had been losing ground to its larger rival, China Mobile. In September, when Xiaochu Wang became CEO of China Unicom after holding the same post at yet another competitor, China Telecom Corp., the 57-year-old "adjusted operating pri-

orities by focusing resources on 4G to fuel mobile business momentum," the Beijing-based executive explains. That included accelerating mobile network deployment, opening China Unicom's 4G network to all subscribers and expediting the migration of subscribers to 4G.

Wang, the category's No. 1 CEO, says the goal is to drive a gradual turnaround as the Internet of Things, cloud computing and Internet finance present opportunities for his company, the second-largest mobile carrier in China and fourth largest in the world, as measured by number of subscribers.

MGM China's Bowie shares a similar philosophy. "I'm not a risk-taker, I'm an option creator — because if I have more options than my competitors, then I'm taking less risk," he explains. "What I think is really important is that we're constantly looking for new opportunities." •

Online

For the list of top CEOs, CFOs and IR Professionals, go to iim.ag/aset.

INDUSTRY CHAMPIONS

AUTOS + AUTO PARTS

Motherson Sumi Systems
India

BANKS

HDFC Bank
India

BASIC MATERIALS

China Resources Cement Holdings
Hong Kong

CONSUMER/DISCRETIONARY

Intime Retail (Group) Co.
China

CONSUMER/STAPLES

China Resources Beer (Holdings) Co.
Hong Kong

GAMING + LODGING

MGM China Holdings
Macau

HEALTH CARE + PHARMACEUTICALS

Sun Pharmaceutical Industries
India

INDUSTRIALS

China State Construction International Holdings
Hong Kong

INSURANCE

AIA Group
Hong Kong

INTERNET

JD.com
China

OIL + GAS

China Oilfield Services
China

POWER

Beijing Enterprises Water Group
Hong Kong

PROPERTY

Ayala Land
The Philippines

TECHNOLOGY/HARDWARE

Sunny Optical Technology (Group) Co.
China

TECHNOLOGY/IT SERVICES + SOFTWARE

Infosys
India

TECHNOLOGY/SEMICONDUCTORS

Taiwan Semiconductor Manufacturing Co.
Taiwan

TELECOMMUNICATIONS

China Unicom (Hong Kong)
Hong Kong

TRANSPORTATION

Kerry Logistics Network
Hong Kong