

**FORBES ASIA'S 200 BEST UNDER A BILLION LIST SEES 80% NEW ENTRIES**

**Taiwanese companies dominate list of region's most dynamic enterprises**

**The 2006 list includes Faraday Tech, Ports Design, Eu Yan Sang, Billabong International and Nishimatsuya Chain Co**

**SINGAPORE, October 19, 2006** – Eight out of 10 companies on this year's *Forbes Asia's* Best Under a Billion list are new entries, underscoring the dynamism of the region. Taiwanese companies dominate the 2006 league table of 200 leading publicly-quoted companies with sales of under US\$1 billion.

A total of 31 small and midsize enterprises from Taiwan made the cut to this year against 29 from China, 27 from Australia, 23 from India, 19 each from Japan and Singapore, 12 from Hong Kong and 11 each from South Korea and Thailand. Malaysia, Pakistan, New Zealand and Sri Lanka have fewer than 10 companies that made it to the widely-followed list.

The criteria for entry include not just sales of less than US\$1 billion but also solid top-and bottom-line gains and potential for more success.

Companies in the 2005 list significantly outperformed the benchmark London FTSE Small Cap Asia-Pacific index in the last one year.

The 2006 Best Under a Billion list appears in the October 30, 2006 issue of *Forbes Asia*, which is available at the newsstands this week.

Commenting on the large number of new entries in this year's list, Tim Ferguson, editor of *Forbes Asia*, said: "The Asian Pacific economy is fluid and this is best seen at the small and medium-sized enterprise level."

He added that "Taiwan's impressive showing underscores both the entrepreneurial nature of the Taiwanese economy and its underappreciated role as a hub for technology hardware."

Manufacturing companies and businesses providing basic materials that go into manufactured goods and into factories, housing and office towers, have a strong presence on the list. Not surprising since Asian factories are churning out so much of the world's clothing, furniture and electronics.

But there is still room in the top 200 for the weird and wonderful. Slot machines that speak Chinese? Astro of Taiwan makes these and other gaming machines for hot hands in Russia, Japan and Australia. Singapore snack maker Want Want Holdings has lived up to its name by selling rice crackers and gummy sweets wherever Chinese is spoken. Tong Ren Tang's Chinese medicine shops concocting remedies out of cicada skins and jujubes since 1669 and now hope to gain from worldwide interest in traditional remedies.

Jack Huang, who runs the US law firm Jones Day's greater China practice from out of Taiwan and who works with some successful Taiwanese entrepreneurs, said they have "picked their battles well" by targeting a niche market so small and insignificant that bigger companies wouldn't be tempted to take it on.

But what they manufacture is vital enough to a finished product that they can keep some loyalty with their customers: big consumer electronics companies such as Sony, Matsushita or Dell.

They make parts that cost pennies apiece—a small fraction of the cost of a finished good—and they do it well. This matters, explained Huang, "because the cost of a recall could be \$5 for every item returned plus the damage to a company's reputation." Then they stay one step ahead of their customers by investing in their own research to come up with a better chip design or a quieter fan with functions that copycats would have a hard time matching quickly.

That makes it less tempting for anyone back in Tokyo or Silicon Valley to cut half a penny by finding an alternative parts maker.

Not every company in Asia is feeding the region's export machine. In fact, most of the mainland Chinese companies on Forbes Asia's Best Under a Billion list are selling to China's fabled 1.2 billion consumers and many in Japan and India are also focused on their domestic markets.

Pantaloon, a Mumbai retailer, sells everything from cell phones to saris. Riso Kyoiku in Japan keeps the competitive spirit alive with its neighborhood cram schools.

Two other notable companies, which have their feet firmly planted in manufacturing in Asia, are Ports Design and Nishimatsuya Chain Co. The former is a 45-year-old Sino-Canadian brand that operates in China, New York and Toronto and has become one of the most profitable fashion companies in the world.

With sales of barely \$100 million a year (86% in China), Ports Design Hong Kong-traded shares have increased 30% in the past year, versus the 15% for the exchange's main index.

Nishimatsuya Chain Co. returns to the *Forbes Asia's* Best Under a Billion list this year, a stellar performer whose net profit in the six years to the fiscal year ended in February jumped six times to \$50 million while sales tripled to \$820 million.

Others in the list included the Australian apparel manufacturer Billabong International, Singaporean traditional Chinese medicine company Eu Yan Sang International, Indian drugs manufacturer Cipla, South Korean internet services company NHN and Sri Lankan food processing firm John Keells.

Read more about other Best Under a Billion companies in *Forbes Asia's* October 30, 2006 edition.

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