

KOKUSAI KOGYO to release first GIS-based Area Marketing**Platform Service for Chinese Market**

Product supports corporate clients expanding in Chinese market by identifying effective franchise locations and promotion activities

Kokusai Kogyo Co., Ltd., part of the Kokusai Kogyo Group (Kokusai Kogyo Holdings Co., Ltd.; Head Office: Chiyoda-ku, Tokyo, Japan; President & CEO: Sandra Wu, Wen-Hsiu), a world-leading company in the green infrastructure business, has concluded a memorandum with AutoNavi Software Co., Ltd. (Head Office: Beijing, China; CEO: Congwu Cheng; hereinafter AutoNavi) and will start providing the first Geographic Information System (GIS)-based area marketing platform service in China.

In its 2011 mid-term management plan, Kokusai Kogyo Group announced its objective of achieving *green communities* in the world through its three core businesses: green energy, green property, and geospatial information. In particular, in recognition of the increasingly wide application of high-level geospatial information and its ubiquitous presence in everyday business activities, Kokusai Kogyo Group has expanded its geospatial information consulting services, which previously catered almost exclusively to government clients, to encompass the needs of corporate clients both domestic and overseas.

The increasing demand for area marketing analysis services – crucial for franchise development, customer management, and supply management – has been identified in China, where a burgeoning consumer economy continues to support expanding retail, logistics, and food service industries. Kokusai Kogyo Group and AutoNavi has thus released an area marketing platform service, in which marketing information across key regions in China can be analyzed using GIS and displayed through an Internet-based map data delivery service, for corporate clients planning to enter, or growing rapidly within, the Chinese market.

The product, which combines the technology of Kokusai Kogyo Group's GIS area marketing tool Earth Finder™ and AutoNavi's map delivery service MapABC™, has been successfully tested in the Chinese market since January. Through MapABC™, created by one of the leading technology companies in car navigation systems and mapping services in China, the product will access independently gathered market data on commercial facilities, stores by business type, and consumer price indices. The strength of the product lies in the analysis of potential market bases, with numbers and information delivered through the intuitive and graphic interface of EarthFinder™, an established Kokusai Kogyo Group GIS area marketing tool, supported for over 10 years in the Japanese market.

The product provides the tools to compare and analyze potential franchise locations, predict the effect on sales with the identification of competitors, and suggest the most effective promotional activities, making use of accumulated marketing know-how from the preceding Earth Finder™ and MapABC™, adjusted for the unique conditions of Chinese markets.

The product will be released in October 2011, to Japanese corporate clients looking to join the Chinese market, as well as Chinese and overseas corporate clients. Kokusai Kogyo Group will also begin offering marketing research and consulting services in China at that time.

- Product options -

GIS-ASP (Application Service Provider) services	Standard features include: - market area analysis using 'economic environment' data, - promotion method analysis using address-coded customer data, - sales predictions using Huff Model
Additional marketing research services	Questionnaire and interview-based research on identified candidate areas, including competitor locations, traffic volume, and market area analysis (e.g. day/night population)
Customization	Clients may select application to be provided by ASP, and information categories to be market researched. The interface can be customized to further suit client needs, e.g. to focus on franchise management, customer data management, promotional activity management, or sales staff management.

- Some examples of product content -

Consumer price indices in residential neighborhoods



Estimate of area purchasing power through annual income

Customer base around commercial facilities



Population falling within defined radius of stores

Sales estimate for hypothetical new franchise



Calculated by ratio of residents selecting franchise or competitor

Output from marketing area analysis



List of residential areas falling within marketing area (population, number of households, customer price index, etc.)

Reference

About the Kokusai Kogyo Group

(<http://www.kk-grp.jp/english/>)

In the more than 60 years since its founding, the Kokusai Kogyo Group has supported the construction and management of social infrastructure from a “perspective from the sky” based on aerial photography surveying and satellite images. Using cutting-edge measurement technologies to capture a broad range of spatial information, including topological, geological, and oceanographic data, and analyzing this information using geographic information systems and other tools, the Group has informed national land use and disaster prevention policies in Japan and overseas.

The Group is also committed to the development and management of green infrastructure on a global scale, defining green infrastructure as “environmentally friendly social infrastructure or social capital that utilizes renewable energy.” Building on the expertise it has acquired over the years both in Japan and overseas in social infrastructure development and renewable energy deployment, the Kokusai Kogyo Group actively supports efforts to meet the requirements of realizing a *green city*: the building of safe, resilient communities and low-carbon societies.

- Company name: Kokusai Kogyo Holdings Co., Ltd.
- Stock exchange listing: First Section of the Tokyo Stock Exchange (Securities code: 9234)
- Head Office: 2 Rokubancho, Chiyoda-ku, Tokyo 102-0085, Japan
- Capital: 16.939 billion yen
- President & CEO: Sandra Wu, Wen-Hsiu
- Number of employees: 2,034 (consolidated)
- Number of subsidiaries: 24 domestic companies, 41 foreign companies

About KOKUSAI KOGYO CO., LTD

(<http://www.kk-grp.jp/english/company/group02.html>)

Kokusai Kogyo Co., Ltd.(KKC), a core company of Kokusai Kogyo Holdings Co., Ltd. (listed in the first selection of Tokyo Stock Exchange, code: 9234), is responsible for developing the firm’s “Green Infrastructure business”.

KKC was founded in 1947 and we run aerial information services such as providing the building of social infrastructures, making topographic maps by aerial measurements and precision survey, geospatial information scanning by aerial photography, laser sensors, satellite images, community developments optimizing the use of geospatial information, and “National design consulting service” for environmental planning and disaster prevention. In addition, we have expanded our wide range of businesses to the private sectors providing them with marketing solutions and geospatial information data, playing a leading role as a “geospatial information consulting company”.

About AutoNavi Software Co., Ltd

(<http://www.autonavi.com/>)

About AutoNavi Software Co., Ltd is an operating subsidiary of AutoNavi Holdings Limited, which was listed on the American NASDAQ stock exchange in 2010. It was founded in 2002 with RMB 80 million in capital, and holds a Class A surveying and mapping qualification certificate for digital automotive navigation maps in China. As part of its Internet-based map data services, AutoNavi Software provides services from its map data website "MapABC" and map API (Application Programming Interface) to some 6,500 websites operated by Google, Sina, Alibaba, Microsoft, and Bing, among others. AutoNavi Software's proprietary mobile software, "MiniMap," is used by over 5 million people and has gained tremendous popularity.

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