



Press Release

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Pages 3

PwC Japan releases PwC Global CEO Survey results

A special survey on how the global community is viewing post-earthquake Japan

- **Over 60% of CEOs say confidence in Japan remains unchanged**
- **Of companies doing business in Japan, 63% had their operations disrupted and 21% plan to change their supply chain strategy**
- **Important issues for Japan are fiscal deficit management, energy policies and political stability and leadership**

Tokyo, 26 July 2011 – A majority of CEOs say their confidence in Japan remains largely unchanged, despite the devastation caused by the recent earthquake and subsequent tsunami. But a coordinated series of actions are needed to help get the country back on track.

These are some of the key findings arising out of a special survey of global CEOs carried out by PwC Japan in a bid to gain an insight from the global business community into what actions the country has to take to achieve recovery.

Over 60% of the surveyed companies stated that their confidence in Japan remained largely unchanged. However, nearly a third of those doing business in Japan signalled a decrease in confidence. A large number of CEOs thought that Japan would lose global competitiveness over the long term – especially amongst companies doing business in Japan, where the number was over 60%.

Companies doing business in Japan responded that they had suffered a relatively large impact on their revenues or operations (63% of CEOs said operations within Japan had been disrupted, 52% said operations in and around the Tohoku region had been disrupted, 38% reported a decline in income). In addition, 21% of CEOs were planning to change their supply chain strategies. For companies not doing business in Japan, direct impact was minor, but one in ten companies said they planned to change their supply chain strategies and logistics anyway.

Says Yumiko Noda, the leader of PwC's Japan Recovery Taskforce: "Despite the inevitable and serious impact on Japanese business, a majority of respondents said that Japan would overcome the crisis and get back on the track of economic growth. But a combined effort would be needed to achieve this."



Responses to the question of what post-disaster Japan needed to do were narrowed down mainly to the following four: improved economic policies and fiscal deficit management; a clear energy policy that supports energy security; timely and accurate government communication; and political stability and leadership. In short, a more powerful recovery effort combining both political and economic is thought to be required.

Notes to editors:

Survey methodology:

Every year, PwC conducts an opinion survey of the global business leaders, the results of which are published as the PwC Annual Global CEO Survey. The survey targets the CEOs and directors of the top 100 companies from each country (and for the world's ten largest economies, top 1000 companies).

This year, in light of the severe destruction due to the March 11 Great East Japan Earthquake, CEOs that contribute to PwC's Annual Global CEO survey were asked to cooperate on a special questionnaire survey regarding the impact of the disaster on their businesses and on the picture for post-earthquake Japan (survey period: 29 June to 18 July). Responses were received from 201 CEOs, which includes 52 CEOs from companies doing business in Japan.

The survey report can be downloaded at http://www.pwc.com/jp/ja/japan-news/assets/pdf/20110726ceo_survey_eng.pdf

***PwC's "Japan Recovery Taskforce"**

PwC – has been heavily involved in a number of large scale disaster restoration and recovery processes, including the Haiti Earthquake, Hurricane Katrina and Bush Fire in Victoria. With a hope of leveraging such global knowledge and experiences to help the recovery of Tohoku and Japan, PwC Japan and PwC Global have teamed up to establish a "Japan Recovery Taskforce".

The PwC Global CEO Pulse Survey and a global seminar titled "Towards a Future for Japan" to be held on 26 July are part of the first initiatives by the taskforce. Further activities will be undertaken in the coming months.

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