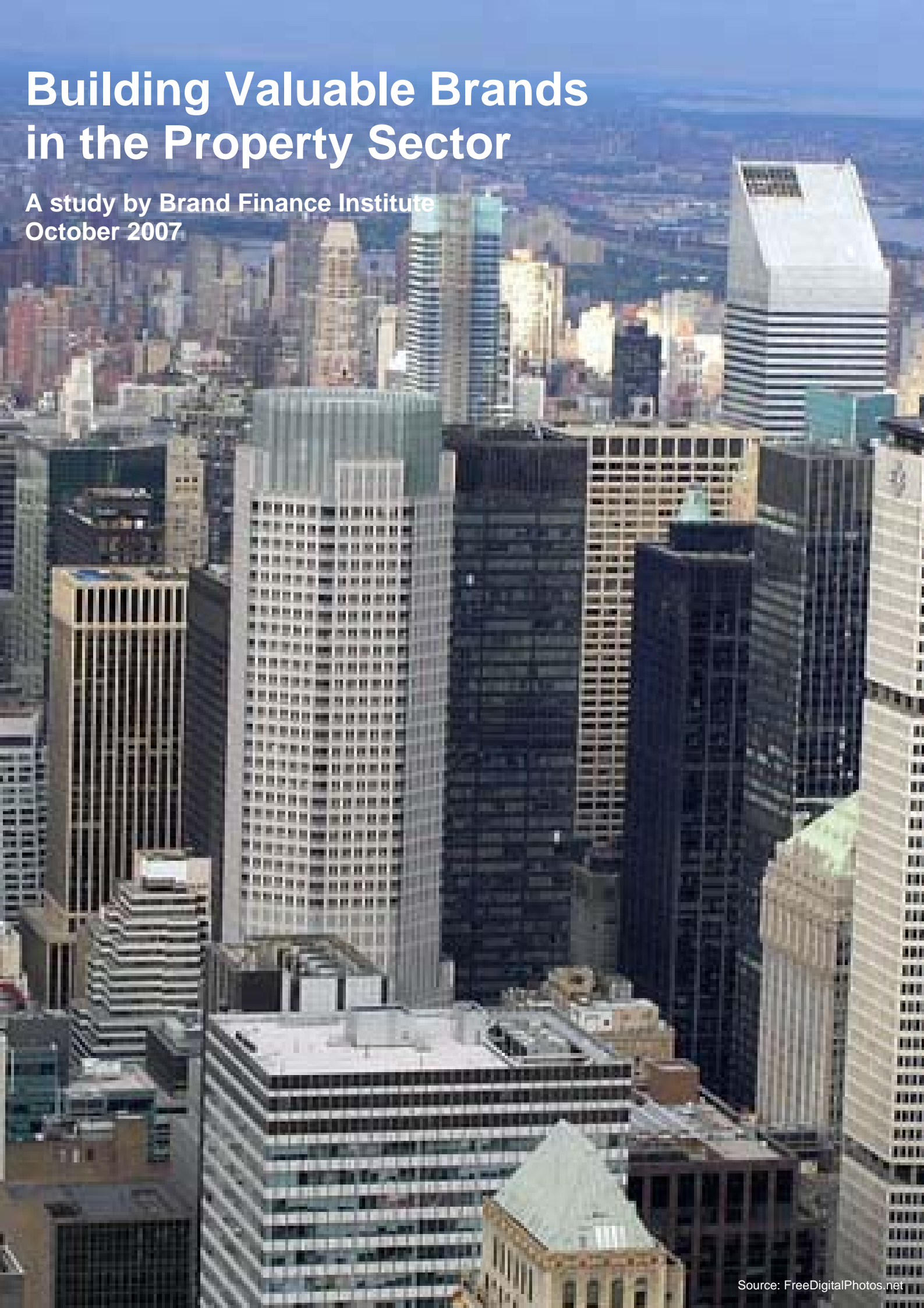


# Building Valuable Brands in the Property Sector

A study by Brand Finance Institute  
October 2007



## Top 30 Most Valuable Property Brands

The Brand Finance Institute is pleased to announce the first ever study conducted on brands in the property sector. This index represents Brand Finance Institute's calculation of the 30 most valuable property brands in the world.

As with other brand valuation studies, Brand Finance used the 'royalty relief' approach to perform the valuation. This is an intuitively simple approach that assumes a company does not own its own brand and calculates how much it would need to pay to license it from a third party. The present value of that stream of (hypothetical) royalty payments represents the value of the brand. Brand Finance has a particular expertise in determining royalty rates for commercial and valuation purposes.

We used the 'royalty relief' methodology for two reasons – firstly, it is the valuation methodology that is favoured by the tax authorities and the courts because it calculates brand values by reference to documented, third-party transactions; and secondly, because it can be performed on the basis of publicly available financial information. This method of valuing the top brands also ensures our results are directly comparable year on year.

The Top 30 Most Valuable Brands in the Property Sector was compiled using publicly available information regarding market share, market growth and company financials from Bloomberg, annual reports and press releases. Market analysis was conducted and verified with the help of property sector analysts.

It should be noted that when Brand Finance conducts a full valuation as part of a client project we are able to access timely internal sources of financial and market data. This enables a much more detailed analysis of brand value by segment, geography or product line for example, which provides greater insight into where the pockets of value creation (or destruction) lie within the organisation.

# Top 30 Property Brands

(all figures are in [USD] millions)

Rank	Company	Country	Enterprise Value	Brand Value (USDm)	Brand Rating	Brand Value / Enterprise Value
1	WESTFIELD GROUP	Australia	45,370	1,080	A	2.4%
2	METROVACESA	Spain	32,444	710	BBB	2.2%
3	MITSUBISHI ESTATE	Japan	39,100	660	BBB-	1.7%
4	MITSUI FUDOSAN	Japan	30,082	653	BBB-	2.2%
5	PROLOGIS	United States	23,561	635	A	2.7%
6	SIMON PROPERTY GROUP	United States	39,410	590	BBB	1.5%
7	VORNADA REALTY TRUST	United States	27,636	584	BB+	2.1%
8	EMAAR PROPERTIES	United Arab Emirates	21,082	582	A+	2.8%
9	GENERAL GROWTH PROPERTY	United States	33,599	582	BBB	1.7%
10	SUN HUNG KAI PROPERTIES	Hong Kong	28,503	508	BBB-	1.8%
11	RODAMCO EUROPE*	Netherlands	16,291	495	BBB+	3.0%
12	LAND SECURITIES	United Kingdom	22,145	494	BB+	2.2%
13	SUMITOMO REALTY	Japan	22,605	376	BB+	1.7%
14	EQUITY RESIDENTIAL	United States	23,493	240	BB-	1.0%
15	BROOKFIELD PROPERTIES	United States	23,720	236	B+	1.0%
16	STOCKLAND	Australia	8,735	197	BB+	2.3%
17	BOSTON PROPERTIES	United States	17,645	181	BB-	1.0%
18	BRITISH LAND	United Kingdom	20,942	169	BB	0.8%
19	ARCHSTONE-SMITH#	United States	19,958	165	BB	0.8%
20	CAPITALAND	Singapore	16,156	163	BB	1.0%
21	GECINA SA	France	17,515	162	BB	0.9%
22	LIBERTY INTERNATIONAL^	United Kingdom	15,845	135	BB	0.9%
23	GOODMAN GROUP	Australia	8,638	134	BB	1.5%
24	CITY DEVELOPMENTS	Singapore	10,229	129	B+	1.3%
25	KLEPIERRE	France	14,294	127	BB+	0.9%
26	SINO LAND	Hong Kong	8,869	123	BB	1.4%
27	CHEUNG KONG	Hong Kong	33,488	122	B-	0.4%
28	UNIBAIL*	France	16,087	121	BB-	0.7%
29	GPT GROUP	Australia	12,590	109	B+	0.9%
30	MIRVAC GROUP	Australia	4,503	100	BB-	2.2%

\* Unibail and Rodamco now a merged entity

# Tishmen Speyer and Lehman Bros buy-out

^ combined value of Capital Shopping Centres and Capital & Counties

## Brand Ratings Definitions

Brand Finance's Top 30 Property Brand Index provides a brand's strength analysis for each of the brands in the form of 'Brand Ratings'. These Ratings are conceptually similar to credit ratings. Brand Ratings are a leading indicator of future performance and value.

AAA	Extremely strong
AA	Very strong
A	Strong
BBB	Average
BB	Under-performing
B	Weak
CCC	Very weak
CC	Extremely weak
C	Failing

The ratings from AA to CCC can be altered by including a plus (+) or minus (-) sign to show their more detailed positioning in comparison with the general rating group

## What is BrandBeta® analysis?

'BrandBeta®' analysis is a benchmarking study of the strength, risk and future potential of a brand relative to its competitor set. It is conceptually similar to a credit rating, which companies are awarded based on their strength, risk and future earning potential.

It serves the following purposes:

- Quantifies the strength and performance of the brand being valued
- Provides an indication of the risk attached to future earnings of the brand, and can be used in the determination of an appropriate discount rate for valuation purposes
- Provides basis for value-based brand tracking

The brand rating incorporates both quantitative and qualitative data. The quantitative data was taken from Bloomberg, annual reports and the companies' own Investor Relation materials. The qualitative data was compiled by the Brand Finance management team together with interviews with sector analysts.

# Brand Finance

The Brand Finance Institute is the training and research arm of Brand Finance plc. Brand Finance plc is an independent consultancy focused on the management and valuation of brands and of branded businesses. Since 1996, Brand Finance has performed brand valuations totalling hundreds of billions of dollars. The valuations have been in support of a variety of business needs including:

- Technical valuations for accounting, tax and legal purposes;
- Valuations in support of commercial transactions (acquisitions, divestitures, licensing and joint ventures) involving different forms of intellectual property;
- Valuations as part of a wider mandate to deliver value-based marketing strategy and tracking.

Brand Finance is headquartered in London and has offices in Sydney, Hong Kong, Bangalore, Paris, Barcelona, Amsterdam, Dubai, Geneva, Moscow, Singapore, Madrid, New York, Toronto, Colombo, Sao Paulo, Zagreb, and Istanbul.

Brand Finance Institute is the research and training division of Brand Finance plc.

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