

Interbrand Releases 7th Annual Report on Japan's Best Global Brands Top 30 and 5th Annual Report on Japan's Best Domestic Brands Top 30

- ***The total value of Japan's Best Global Brands (Top 30) rose 15 percent year-on-year, reaching a new all-time high.***
- ***In Japan's Best Global Brands, automotive brands surged ahead as Toyota held the #1 spot for the seventh consecutive year and Subaru and Mazda achieved record-setting increases in brand value.***
- ***Uniqlo and Yakult moved from the domestic brand ranking to the global brand ranking for the first time.***
- ***Recruit, Nitori and TOTO entered the domestic ranking for the first time; Epson and Yamaha entered the global ranking again.***

TOKYO, Japan (February 12, 2015) — Interbrand, the world's largest brand consultancy, has released Japan's Best Global Brands 2015, a report ranking the value of the top 30 brands originating in Japan against a global standard. Now in its seventh year, the report lists the value of global brands originating in Japan—that is, the brands of Japanese companies that conduct business globally—in monetary terms. The results can be compared with those found in Interbrand's Best Global Brands report—a report issued annually since 2000 that identifies the world's 100 most valuable brands. Interbrand has also released Japan's Best Domestic Brands 2015, its fifth annual report ranking Japan's top 30 domestic brands.

How does the value of leading brands originating in Japan compare against a global standard? We hope that presenting the position of Japan's leading brands relative to leading global brands using a common measure of brand value will help companies to expand globally and increase their corporate value.

Japan's Best Global Brands 2015 Top 30

In an external environment made more favorable by factors such as the economic recovery in developed countries—particularly the U.S.—and the depreciation of the yen, globally marketed Japanese brands increased their brand value significantly again this year. The total value of the Japan's Best Global Brands 2014 Top 30 rose by 15 percent year-on-year. This increase was especially impressive compared to the 7 percent year-on-year increase seen in the total value of the 100 Best Global Brands (published in October 2014).

1. The Value of Automotive-related Brands Continues to Rise Sharply

Subaru (#13, +72%), **Mazda** (#17, +56%) and **Bridgestone** (#11, +26%) continued to perform very well, and took the top three spots for year-on-year percentage increase in brand value among the Top 30 brands. What these companies have in common is ongoing efforts to reform all of their global business activities with a focus on brand. These efforts have begun to earn them the backing of overseas customers as well. Other brands in the category are also doing well: on average, the value of automotive-related brands rose by 31 percent.

2. The Ability of Electronics Brands to Stay Current is Being Tested

Hitachi (#18, +25%) again raised its value significantly. Hitachi is continuing its aggressive efforts, centered on the social innovation business, to push a global approach that integrates its business and brand strategies. **Epson** (#26, NEW) joined the ranking, having shown a knack for accurately assessing user needs and a high degree of adaptability, especially in emerging countries. Meanwhile, there was a substantial drop in the value of brands such as **Nintendo** (#8, -33%) and **Nikon** (#16, -29%), both of which operate in markets where the demands of users are shifting dramatically.

As industry barriers collapse, there is intense rivalry in the technology and electronics sectors—particularly among innovative start-ups and global corporations. Given the importance in these sectors of defining a meta-identity to underpin a world-class brand philosophy or story (and continually innovating in ways that reinforce that philosophy), there is an acute need to transform management styles in order to take the lead in a new age.

3. New Global Brands Expanding Overseas Efficiently With Unique Business Models

Two top brands from Japan's retail and foods sectors finally joined the Japan's Best Global Brands ranking through their aggressive pursuit of globalization as a growth driver. **Uniqlo** (#7, NEW) and **Yakult** (#27, NEW) proved that their unique business models can also work in overseas markets. They are becoming indispensable brands, particularly in Asia. **Uniqlo**, in particular, jumped straight into the Top 10 as a new entrant. With continued success in Europe and the U.S., the brand may even be poised to enter the Best Global Brands ranking in the near future.

● Top Risers (Top 5 year-on-year percentage increases in brand value)

Subaru (+72%), **Mazda** (+56%), **Bridgestone** (+26%), **Hitachi** (+25%), **Asics** (+24%)

● New Entrants

Uniqlo (#7), **Epson** (#26), **Yakult** (#27), **Yamaha** (#29)

Japan's Best Global Brands 2015 (Top 30)

2015 Rank	2014 Rank	Brand	Sector	Brand Value (US m\$)	Change in Brand Value	Ratio of Overseas Sales (FY 2013)
1	1	Toyota	Automotive	42,392 *	+20%	75%
2	2	Honda	Automotive	21,673 *	+17%	84%
3	3	Canon	Computer Hardware	11,702 *	+6%	81%
4	4	Sony	Consumer Electronics	8,133 *	-3%	72%
5	5	Nissan	Automotive	7,623 *	+23%	80%
6	7	Panasonic	Consumer Electronics	6,303 *	+8%	50%
7	NEW	Uniqlo	Retail	4,859	+17%	37%
8	6	Nintendo	Consumer Electronics	4,103 *	-33%	69%
9	8	Lexus	Automotive	3,305	+21%	75% **
10	9	Toshiba	Diversified	2,472	+6%	58%
11	12	Bridgestone	Automotive	2,446	+26%	81%
12	11	Komatsu	Machinery	2,162	+1%	78%
13	16	Subaru	Automotive	1,998	+72%	72%
14	14	Suzuki	Automotive	1,887	+10%	61%
15	13	Shiseido	Personal Care	1,620	-16%	51%
16	10	Nikon	Optical	1,575	-29%	85%
17	21	Mazda	Automotive	1,393	+56%	76%
18	19	Hitachi	Diversified	1,265	+25%	45%
19	18	Asics	Sporting Goods	1,259	+24%	70%
20	15	Ricoh	Business Services	1,216	+4%	58%
21	17	Daikin	Machinery	1,175	+11%	71%
22	20	Mitsubishi Electric	Diversified	1,110	+18%	39%
23	22	Unicharm	Personal Care	986	+17%	57%
24	23	Shimano	Machinery	925	+19%	88%
25	24	Nomura	Financial Services	874	+19%	31%
26	NEW	Epson	Consumer Electronics	849	NEW	72%
27	NEW	Yakult	Food & Beverages	763	+8%	35%
28	26	Fujitsu	Computer Services	735	+4%	38%
29	NEW	Yamaha	Diversified	732 ****	NEW	83%
30	27	Konica Minolta	Computer Hardware	704	+6%	77%

*The brand values of Toyota, Honda, Canon, Sony, Nissan, Panasonic, and Nintendo were taken from "Best Global Brands 2014".

** Lexus's ratio of overseas sales is the same as Toyota's.

**** Yamaha here refers to Yamaha Motor and Yamaha Corporation.

Japan's Best Domestic Brands 2015 Top 30

The total value of the **Japan's Best Domestic Brands 2015** (Top 30) rose only 1 percent year-on-year due to a general slowing of last year's upward trend, sluggish business sentiment due to an increase in the consumption tax, and rising raw material costs caused by the depreciation of the yen. At the same time, only four brands fell in brand value year-on-year, while brands that understood the elements of their success and made fundamental organizational reforms tended to perform well.

1. Food Brands Steadily Rise in Value Through Aggressive Brand Investment at Home and Abroad

Suntory (#10, +17%) joined the Top 10 by steadily increasing its domestic brand value, even as it continued to steer the brand and its management system in the direction of becoming a global brand. **Asahi** (#13, +14%) continued to change its profit structure, while focusing on key activities for enhancing its social value. **Calbee** (#26, +14%) performed well with another year of steady increase in brand value.

2. Retail Brands Pursue "Japanese Values" to Drive Growth

Uniqlo has moved into the ranks of Japan's Best Global Brands. Given its presence in the market, **Muji** (#17, +35%) seems poised to follow. Offering products and services that thoroughly embody a universal worldview both typically Japanese and completely world-class, Muji continues to increase its brand value in the West and in Asia. **Nitori** (#27, NEW) also joined the ranking after shifting from focusing on low-pricing to offering added value.

3. Japanese Brands Restructuring Value by Embracing Globalization

Following **Uniqlo**, **Yakult**, and **Muji**, many Japanese brands have begun to move aggressively in the direction of globalization as a growth driver. **MUFG** (#2, +9%), which has begun planning its development as a global brand, saw a favorable rise in value. **TOTO** (#30, NEW), which joined the ranking for the first time, is focusing on Asia in establishing itself as a premium brand.

In the telecommunications sector, **Softbank** (#3, +12%) continued to increase its value with a fast-paced brand strategy designed to fit a business strategy incorporating global M&A activity. **Recruit** (#6, NEW) leapt quickly into sixth position in the ranking, having met the financial criteria as the result of its IPO. Having achieved success by providing a variety of product and services that match people to people, the company aims for even further growth through globalization.

- **Top Risers** (Top 5 year-on-year percentage increase in brand value)
Muji (+35%), **NEC** (+21%), **Suntory** (+17%), **Asahi** (+14%), **Calbee** (+14%)

- **New Entrants**
Recruit (#6), **Nitori** (#27), **TOTO** (#30)

Japan's Best Domestic Brands 2015 Top 30

2015 Rank	2014 Rank	Brand	Sector	Brand Value (US m\$)	Change in Brand Value	Ratio of Overseas Sales (FY 2013)
1	1	NTT Docomo	Telecommunications	9,572	-10%	Less than 10%
2	2	MUFG	Financial Services	7,122	+9%	32% *
3	3	Softbank	Telecommunications	7,107	+12%	43% *
4	5	SMFG	Financial Services	4,214	+2%	19%
5	6	au	Telecommunications	4,200	+4%	Less than 10%
6	NEW	Recruit	Diversified	3,309	NEW	24%
7	7	Mizuho	Financial Services	2,571	-6%	22%
8	8	Rakuten	Internet Services	2,349	+13%	11%
9	9	Kirin	Food & Beverages	1,942	+2%	35% *
10	11	Suntory **	Food & Beverages	1,905	+17%	36% *
11	10	Kao	Personal Care	1,895	+2%	31% *
12	13	Tokio Marine	Financial Services	1,418	+12%	28%
13	14	Asahi	Food & Beverages	1,409	+14%	11%
14	12	Lawson	Retail	1,380	+5%	Less than 10%
15	15	Nissin	Food & Beverages	1,082	+1%	18%
16	16	Secom	Security	1,066	+0%	Less than 10%
17	21	Muji	Retail	853	+35%	21%
18	17	Mitsubishi Estate	Construction & Real Estate	762	-4%	Less than 10%
19	18	FamilyMart	Retail	724	-4%	12%
20	20	Mitsui Fudosan	Construction & Real Estate	719	+5%	Less than 10%
21	22	Daiwa House	Construction & Real Estate	538	+9%	Less than 10%
22	25	NTT Data	Computer Services	508	+10%	22%
23	24	Meiji	Food & Beverages	504	+6%	Less than 10%
24	30	NEC	Computer Services	499	+21%	19%
25	26	Dai-ichi Life	Financial Services	484	+7%	Less than 10%
26	29	Calbee	Food & Beverages	469	+14%	Less than 10%
27	NEW	Nitori	Retail	460	NEW	Less than 10%
28	27	Sekisui House	Construction & Real Estate	455	+2%	Less than 10%
29	28	Yamato	Transportation	429	+4%	Less than 10%
30	NEW	TOTO	Construction & Real Estate	418	NEW	20%

*Although overseas sales exceeded 30% of total sales for the corporation as a whole, MUFG, Softbank, Kirin, Suntory and Kao were included in the domestic ranking because overseas sales for businesses operating under respective brands did not.

** The evaluation of brand value and ratio of overseas sales is based on figures for the publicly-traded Suntory Food & Beverage Limited.

Brand Evaluation for “Japan’s Best Global/Domestic Brands 2015”

CRITERIA FOR EVALUATION

In order to shed light on the value of global Japanese brands and enable comparison of their relative position against a common global measure, brands meeting the following criteria were selected for evaluation:

1. The brand originated in Japan: The corporate or business brand is the product of a Japanese enterprise
2. Financial information is publicly available: The corporation was publicly listed as of 31 October 2014, and analyst reports are available
3. Overseas sales (sales outside Japan) account for at least 30% of the brand’s total sales, based on FY 2013 results: Brands for which overseas sales account for less than 30% of total sales are covered in the ranking of Best Domestic Brands.
4. B2B brands are eligible if recognized globally: Recognition must reach at least 10% among consultants at Interbrand’s global offices

Note: For brands that also appeared in the Best Global Brand 2014 rankings, FY 2014 brand values are used.

METHODOLOGY

Interbrand’s methodology for evaluating brand value is based on the brand’s financial strength, influence on purchasing decisions, and contribution to future earnings. In the same way that securities analysts analyze and evaluate the value of a company, we analyze and evaluate the value of a brand by asking, “What is its future earning potential?” This methodology has been certified compliant with ISO 10668, the global standard for measuring the monetary value of brands as established by the International Organization for Standardization. The evaluation is made up of the following three specific analyses:

Financial Performance: Project the company’s future earnings

First, we estimate the current and future revenues of the business operating under the brand. We then subtract operating expenses, taxes, and capital cost of investment to calculate future economic profit. Our analysis is based on published corporate data; future projections are based on analyst performance forecasts. (Note: For analyst forecasts this evaluation relies on the IFIS Consensus, an average of major analysts’ estimates published by IFIS Japan, Ltd. <http://www.ifis.co.jp/en/index.htm>. The IFIS Consensus data used is current as of November 21, 2014.)

Role of Brand: Derive the brand’s contribution to profits

Next, in order to derive the brand’s contribution to future economic profits as calculated in the analysis of financial performance, we analyze the brand’s influence on customer purchasing decisions. In evaluating the role that a brand plays in consumer purchasing trends, we perform benchmark analyses by industry that draw on our database of brand value evaluations accumulated over the past 25 years. Based on these industry benchmarks, we perform a proprietary analysis to derive a brand contribution score.

Brand Strength: Evaluate the brand’s contribution to future earnings

Brand strength analysis measures a brand’s power to inspire what the client needs to sustain future earnings—market loyalty, repeat purchases by consumers, and lock in—and discounts brand earnings to derive a present value. Our evaluation offers a systematic means of determining a brand’s risk based on 10 factors that we believe are key. These include not only external factors such as market position, consumer recognition and favorability, and brand image but also internal factors such as support for the brand among management and employees and the company’s brand protection system. This results in a score on a 100-point scale that is converted into a discount rate that can be applied to future brand profits to derive brand value.

About Interbrand

Interbrand is the world's leading brand consultancy, with a network of 33 offices in 27 countries. Since it opened for business in 1974, it has changed the way the world sees branding: from just another word for "logo" to a business' most valuable asset to business strategy brought to life. Publisher of the highly influential annual Best Global Brands ranking, Interbrand believes that brands have the power to change the world—and helps its clients achieve this goal every day. Interbrand's combination of strategy, creativity, and technology delivers fresh ideas and insights, deep brand intelligence, clear business opportunities, and compelling brand experiences. Interbrand is part of the Omnicom Group Inc. (NYSE: OMC) network of agencies. For more information, please visit us at Interbrand.com

For more information, please contact:

Tokyo

Masamichi Nakamura, Executive Director

Ryuichi Hayashi, Senior Associate

japan@interbrand.com

+81-3-3230-1075