Japan's Best Global Brands 2010

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Creating and managing brand value™

Interbrand



FOR IMMEDIATE RELEASE

Contact:

Interbrand Japan, Inc. (Tokyo) M. Nakamura, H. Hatakeyama

Phone: 03-3230-1075 Fax: 03-3230-8772

Interbrand Announces Japan's Top 30 Global Brands

Japan's Best Global Brands 2010

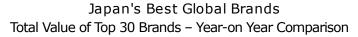
Toyota the Most Valuable Brand (\$30,529 million) 24 of Top 30 Brands Fall in Value Big Jump by Asics; Shimano Joins the Top 30!

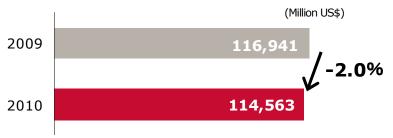
Interbrand, the world's leading brand consultancy, has announced Japan's Best Global Brands 2010. Now in its second year, this ranking uses proprietary Interbrand criteria – the global standard for brand valuation – to calculate the monetary value of global brands originating in Japan. Results can be compared with Interbrand's renowned Best Global Brands, which has used the same criteria to rank the world's top 100 brands every year since 1999.

Highlights of Japan's Best Global Brands 2010

Value of Japan's Top 30 Global Brands Falls From Previous Year

The global recession triggered by the global financial crisis has had a major impact on Japan's global brands. Most fell in value, including 24 of those ranked among this year's top 30. Total value for the top 30 also declined by 2%. This poor showing by Japan's global brands stands out against the results for the Best Global Brands 2009 (announced September 2009), of which only 16 of the top 30 fell in value.





Starting in the middle of last year, amid reports that the global economy had bottomed out and as economic indicators were trending higher, many corporations began to revise their earnings projections upward. This was largely due, however, to demand generated by emergency government economic measures and cost reductions achieved by freezing investments and controlling labor costs, and cannot be attributed to increased brand value.



Japan's Best Global Brands 2010

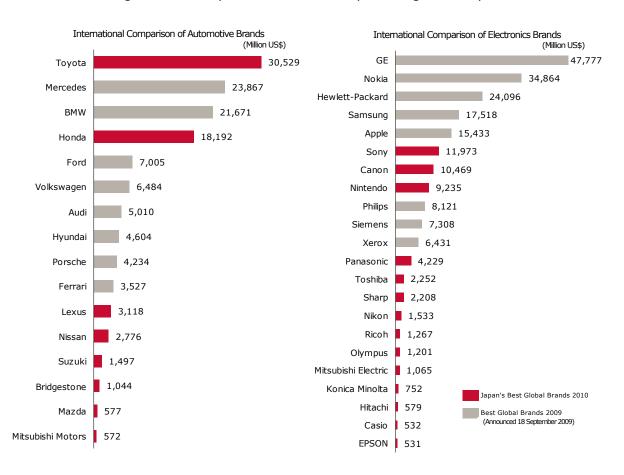
2010 JBGB Rank	2009 JBGB Rank	Brand	Sector	2010 Brand Value (\$m)	Change in brand value vs JBGB2009
1	1	Toyota	Automotive	30,529	-3%
2	2	Honda	Automotive	18,192	3%
3	3	Sony	Consumer Electronics	11,973	-4%
4	4	Canon	Computer Hardware	10,469	0%
5	5	Nintendo	Consumer Electronics	9,235	1%
6	6	Panasonic	Consumer Electronics	4,229	-1%
7	7	Lexus	Automotive	3,118	-4%
8	8	Nissan	Automotive	2,776	-4%
9	9	Toshiba	Diversified	2,252	-6%
_ 10	10	Sharp	Consumer Electronics	2,208	-6%
11	11	Shiseido	Personal Care	2,157	-2%
12	12	Komatsu	Machinery	2,033	1%
13	14	Nikon	Optical	1,533	0%
14	13	Suzuki	Automotive	1,497	-4%
15	15	Ricoh	Computer Hardware	1,267	-8%
16	16	Olympus	Optical	1,201	-5%
17	19	Daikin	Machinery	1,067	-1%
18	17	Mitsubishi Electric	Diversified	1,065	-9%
19	18	Bridgestone	Automotive	1,044	-6%
_ 20	20	Yamaha	Diversified	847	-12%
21	21	Konica Minolta	Computer Hardware	752	-5%
22	26	ASICS	Sporting Goods	664	11%
23	25	Fujitsu	Computer Services	583	-5%
24	22	Hitachi	Diversified	579	-12%
25	24	Mazda	Automotive	577	-6%
26	23	Mitsubishi Motors	Automotive	572	-9%
27	NEW	Shimano	Machinery	555	NEW
28	27	Casio	Consumer Electronics	532	-10%
29	28	Epson	Computer Hardware	531	-9%
30	30	Kikkoman	Food	525	-2%





Japan's Global Brands Driven by the Automotive and Electronics Industries

For Japan's Best Global Brands 2010, the members of the top 30 were almost completely unchanged from the previous year, with the rank order for the top 10 remaining exactly the same. As was the case last year, the automotive and electronics segments do most of the heavy lifting among global brands originating in Japan. Even in these industries, however, there remains a wide gulf between Japan's brands and their powerful global competitors.



Increased Brand Value for Asics; Shimano Joins the Top 30

Despite the difficult economic situation, Asics succeeded in increasing its brand value by 11% year-on-year, jumping from 26th to 22nd in the rankings. Benefiting from a worldwide marathon boom, the company developed a clear global brand strategy, implementing a global brand campaign and following the opening of its London flagship store with another in New York.

Shimano has also joined the list of Japan's best global brands, coming into the ranking at 27th. Boasting an 80% share of the global market for competition and sport bicycle drivetrain components, the company has earned a coveted place in European markets by establishing a reputation in road racing, the very symbol of cycling culture.

As attention turns toward developing countries, it is worth noting that both of these brands have succeeded by understanding the market trend toward health and the environment in the developed countries of Europe and North America.



The Value of Powerful Brands Aiming for Overseas Expansion

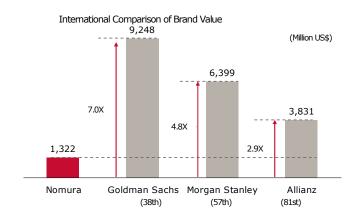
A number of Japanese brands in the financial, retail, daily necessities, food, and Internet shopping industries that have become dominant domestic performers have declared their intention to move aggressively toward overseas expansion. The assertive moves by these brands in difficult economic times merit a closer look.

Although not selected among Japan's Best Global Brands because they did not meet the selection criteria that at least 30% of total sales for fiscal 2008 come from outside Japan, in anticipation of their further growth we calculated brand value for Nomura, Uniqlo, and Rakuten, all of which seek to become global brands, and checked their distance from global competitors.

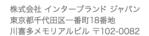
Nomura

Nomura quickly expanded its global presence in September 2008 when it acquired personnel and other assets from Lehman Brothers' Asia-Pacific and Europe and Middle East operations, jumping from 18,000 employees at the end of March 2008 to 26,000 at the end of September 2009. The company's current brand value is \$1,322 million, which would rank it 15th had it been one of Japan's Best Global Brands 2010.

Looking at the Top 100 brands that make up the Best Global Brands 2009, Goldman Sachs, the highest-ranking investment bank, is 7.0 times larger than Nomura while Allianz, the smallest financial institution, is 2.9 times as large. Although there is a big gap between Nomura and the top global brands, the results of its global expansion are starting to be felt; it recorded the highest monthly trading volume on the London Stock Exchange from July through December 2009 and its international revenue exceeded domestic revenue for the first time in the second quarter of the period ending March 2010. Future developments will be watched as the company embarks on a full-scale entry into the largest market, the United States.



Brand Value Figures and Ranking: Japanese Brands: Japan's Best Global Brands 2010 Overseas Brands: Best Global Brands 2009



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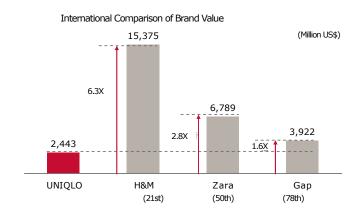
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Uniqlo

Uniqlo caused a stir last October when the opening of its flagship store in Paris was welcomed with huge lines for days. Its brand value was calculated at \$2,443 million, which would rank it among the top 10 at 9th place had it been one of Japan's Best Global Brands 2010.

Looking at the Best Global Brands 2009, H&M, the top brand in the same industry, was 6.3 times larger than Uniqlo, Zara was 2.8 times as large and Gap 1.6 times as large. With extremely high profitability and growth, Uniqlo is quickly moving toward becoming a global brand. Although once synonymous with low prices, by developing high-performance materials Uniqlo has successfully shifted its position to one of providing simple, tastefully designed clothing at a reasonable price. Overseas, this has brought Uniqlo a strong reputation for Japanese quality, making it one of Japan's brands to watch.

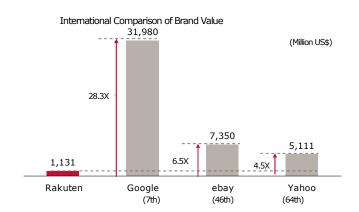


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Rakuten

Established in 1997, in just 12 years Rakuten has become one of the best-known Internet service brands with sales of 250 billion yen. With the ultimate goal of becoming the world's leading Internet service company, Rakuten has taken its first steps toward becoming a global brand with expansion into Taiwan in 2008 and into Thailand in 2009. Its brand value was calculated at \$1,131 million, which would rank it 17th had it been one of Japan's Best Global Brands 2010.

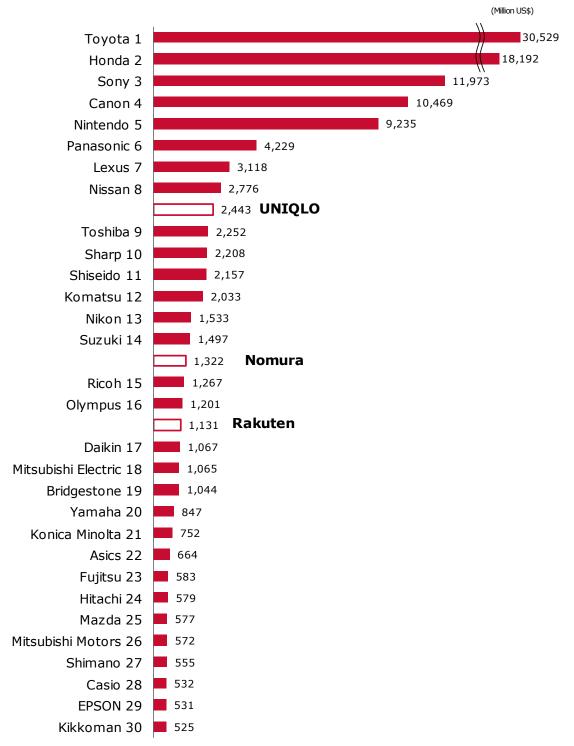
Looking at the Best Global Brands 2009, Google, the top-ranking Internet service brand, is 28.3 times larger than Rakuten, while eBay is 6.5 times as large and Yahoo 4.5 times as large. Because the rate of growth in value for Internet-related brands tends to be much higher than in other industries, a successful global expansion could lead to rapid growth in brand value.



Brand Value Figures and Ranking: Japanese Brands: Japan's Best Global Brands 2010 Overseas Brands: Best Global Brands 2009



Comparison With Brands Ranked Among Japan's Best Global Brands





Evaluation Criteria and Methodology Used for Interbrand's Top 30 Rankings, 'Japan's Best Global Brands 2010'

Criteria:

These rankings are intended to clarify the brand value of global brands originating in Japan. To permit comparison of their positions using global standards, the criteria used to select the candidates for 'Japan's Best Global Brands' are the same as those used by Interbrand in selecting the candidates for its annual top 100 'Best Global Brands.' Firms that meet the following criteria were selected for evaluation:

- Corporate brands that originated in Japan (i.e., corporate brands originally created by Japanese firms)
- Firms listed on the Tokyo Stock Exchange (as of October 31, 2009 and for which analysts' reports were available) and that make substantial financial information publicly available
- Sales outside Japan accounting for 30% or more of total sales (as of fiscal 2008)
- Even if a purely B2B brand, must have a wider public profile and awareness (i.e., recognized by 10% or more of Interbrand consultants employed throughout the world)

Methodology:

The Interbrand method for valuing brands is a proven, straightforward formula that examines brands through the lens of financial strength, importance in driving consumer selection, and the likelihood of ongoing branded revenue. Our method evaluates brands much like analysts would value any other asset: on the basis of how much they're likely to earn in the future. There are three core components to our proprietary method:

Financial Analysis

Our approach to valuation starts by forecasting the future revenue specifically attributable to the branded products. We subtract operating costs from revenue to calculate branded operating profit. We then apply a charge to the branded profit for capital employed. This gives us economic earnings. All financial analysis is based on publicly available company information. Interbrand culls from a range of analysts' reports* to build a consensus estimate for financial reporting. * Figures from analyst projections used in this evaluation are based on the IFIS Consensus, an average of the projections made by major analysts that is published by IFIS Japan. The IFS Consensus as of November 16, 2009, was used.

Role of Brand Analysis

A measure of how the brand influences customer demand at the point of purchase is applied to the economic earnings to arrive at Branded Earnings, For this study, industry benchmark analysis for the role the brand plays in driving customer demand is derived from Interbrand's database of more than 5,000 prior valuations conducted over the course of 20 years. In-house market research is used to establish individual brand scores against our industry benchmarks.

Brand Strength Score

This is a benchmark of the brand's ability to secure ongoing customer demand (loyalty, repurchase and retention) and thus sustain future earnings, translating branded earnings into net present value. This assessment is a structured way of determining the specific risk to the strength of the brand. We compare the brand against common factors of brand strength, such as: market position, customer franchise, image, and support.



Note: Role of brand analysis and brand strength analysis are based on a wide variety of published materials and are calculated on the basis of a multi-faceted examination by Interbrand consultants at our offices around the world.

About Interbrand

Interbrand started in 1974 when the world still thought of brands as just another word for logo. Over its 30+ years, Interbrand has changed the dialogue, defined the meaning of brand management, and continues to lead the debate on understanding brands as valuable business assets.

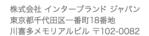
Today, Interbrand is among the largest brand consultancies and has grown to include 36 offices in 26 countries. A diverse range of insightful thinkers brings together the combination of rigorous strategy and analytics with world-class design creativity to help its clients create and manage brand value in all market dynamics.

It is widely respected for its annual study, 'Best Global Brands,' creating a broader platform for the discussion on brands in the Webby-award winning brandchannel.com, and numerous industry honors for its client work. For more on Interbrand, visit www.interbrand.com.

Contact

Interbrand Japan M. Nakamura/H. Hatakeyama tel: 03-3230-1075 fax: 03-3230-8772

PR AGENCY: ANTIL INC. Y. Tagami/C. Akiyama tel: 03-5572-6064 fax: 03-5572-6065



T 03 3230 1075 F 03 3230 8772 www.interbrand.com

