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Interbrand Releases 2nd Annual Best Korea Brands Report

- **Korea's Top 50 brands are worth USD $101.261 billion**
- **The combined brand value of the top five brands, Samsung Electronics, Hyundai Motors, Kia Motors, SK Telecom, and POSCO, is USD $5.967 billion This accounts for 59 percent of the total brand value of the top 50 brands in Korea**
- **Despite the continuing economic recession, the automotive, retail and IT-Telcom industries grew by 21 percent, 15 percent and 20 percent respectively**

SEOUL, Korea (20 February 2014) – Interbrand, the world's leading brand consultancy, has released its 2014 Best Korea Brands report, a ranking of the top 50 most valuable Korean brands.

The total value of Korea's top 50 brands is worth USD $101.261 billion. When compared to Japan's top 30 brands, a comparative analysis revealed that Korea's top 30 brands (USD $94.105 billion) is equivalent to 82 percent of Japan's top 30 brands (USD $114.762 billion). *

** Comparative analysis is based on an exchange rate of USD 1 = KRW 1,093.7 (average annual currency of 2013)*

Top five brands including Samsung Electronics and Hyundai closely match Japan's top five brands

Samsung Electronics, the largest mobile phone manufacturer in the world, takes the number one spot and has increased its brand value by 23 percent to USD $39.610 billion. Following in the second spot is Hyundai Motors which raised its brand value by 23 percent to USD $9.004 billion. Kia Motors, ranking third, also showed strong momentum by enhancing its brand value by 18 percent to USD $4.708 billion. SK Telecom and POSCO ranked fourth and fifth by increasing their brand value by four percent and five percent respectively. The total value of the top five brands is USD $59.671 billion, which is equivalent to 79 percent of the value of Japan's top 5 brands in the 2014 Japan's Best Global Brands report.

The combined brand value of Samsung, Hyundai, and Kia, which were also a part of the 2013 Best Global Brands ranking, grew by 22.47 percent to USD $53.322 billion. These three brands account for 53 percent of the total brand value of the top 50 Korean brands, once again highlighting their prominence.

The sum of all subsidiary brands of Samsung and Hyundai is approximately $67 billion

Eight of Samsung's subsidiaries, namely Samsung Electronics (+23%, #1), Samsung Life Insurance (+10%, #6), Samsung Fire & Marine Insurance (0%, #15), Samsung C&T (+11%, #23), newcomers Samsung Securities (#33), Hotel Shilla (#36), and Samsung Heavy Industries (#46) ranked in the top 50 Best Korea Brands. Ten corporate brands related to Hyundai including Hyundai Motors (+23%, #2), Kia Motors (+18%, #3), and new entrants Hyundai Marine & Fire Insurance (#37), Hyundai Capital (#38), Hyundai Home Shopping (#48) appear on the top 50 list. Together, Samsung and Hyundai have a total of 18 brands ranked, worth USD $67.269 billion and account for 66 percent of the top 50 brands.

Financial services brands struggle as the banking industry continues to underperform

With seven new brands, including Samsung Securities (#33), Hyundai Marine & Fire Insurance (#37), Hyundai Capital (#38), Mirae Asset (#43), Dongbu Insurance (#44), Hanwha Life Insurance (#42) and BC Card (#49), new to the top 50 list, the financial services sector represents a total of 16 brands included in the top 50 list.

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However, the recent decline of consumer confidence triggered by occurrences such as breaches in data security, frequent change in c-level management and fraud has led to a 50 percent decrease in terms of net profit. Most notably, the combined brand value of KB Kookmin Bank (-2%, #9), Shinhan Bank (-10%, #12) and Hana Bank (-4%, #13), fell by 5.33 percent from USD $5.839 billion to USD $5.528 billion.

Construction brands grows while heavy industry brands fall

Despite the on-going recession in the construction, steel, and shipbuilding industries, the brand values of POSCO (+5%, #5), Samsung C&T (+11%, #23), and Hyundai Construction (+4%, #24) increased between two and thirteen percent compared to last year. In contrast, heavy industry brands such as Hyundai Heavy Industries (-3%, #14), LG Chemicals (-11%, #17), and SK Innovation (-4%, #26) saw their brand values decline between three and eleven percent. Doosan Infracore (#35) and S-Oil (#40) who have invested in active brand communications, have rightfully earned their place as newcomers to the top 50 list.

Mobile shopping and SNS pushes the retail industry forward

Increased use of the Internet along with improved performance of home and mobile shopping platforms help to bolster the growth and brand value of Korean retail brands. The top retail brands include Lotte Shopping (+18%, #18), E-Mart (#29), Hyundai Department Store (+2%, #30), and CJ O Shopping (#34). Most notably, E-Mart (#29), KT&G (#27) and Nongshim (#50) have entered the top 50 list, increasing the total number of retail brands in the top 50 list to 13 (only two retail brands were ranked in last year's report: Lotte Shopping and Hyundai Department Store.)

The combined brand value of the retail brands in the top 30 is USD $5.038 billion. This is 4.26 percent higher than the combined brand value of retail brands in Best Japan Brands 2014. As retail brands begin to utilize various communication channels such as SNS to maximize customer experience, they have, in turn, enhanced their ability to communicate with their customers.

Brand activation to maximize customer experience is vital to success in the global market

"Interbrand is paying close attention to Korean brands which are quickly enhancing their brand management capabilities and strategies," said Graham Hales, Interbrand's Global Chief Marketing Officer. "We hope Korean brands do not limit themselves to traditional advertising, but instead focus on 'activating' their brands by maximizing customer experience." Hales adds, "In order to grow into a renowned global brand, corporations should realize and act upon the premise that branding should not be restricted to external communication activities. All great brands start from within. It is important that every employee understands and believes in the brand."

Jihun Moon, Chief Executive Officer of Interbrand Korea said, "The remarkable growth of IT-Telecom brands in spite of the continuing recession is worth paying attention to. Although the financial and heavy industries have stagnated, customer-centric industries such as retail have shown noticeable growth as well as their potential to become global brands. I hope that this report serves as a beacon of guidance for Korean brands - ultimately helping them to establish successful and unique brand strategies vital to becoming world-class brands."

Interbrand's 2014 Best Korea Brands

2014 RANK	2013 RANK	BRAND	SECTOR	2014 BRAND VALUE (USD $million)	% CHANGE IN BRAND VALUE
1	1	Samsung Electronics	Electronics	39,610	23%
2	2	Hyundai Motor Company	Automotive	9,004	23%
3	3	Kia Motors Corporation	Automotive	4,708	18%
4	4	SK Telecom	Telecommunications	3,855	4%
5	5	POSCO	Steel	2,494	5%
6	7	Samsung Life Insurance	Insurance	2,476	10%
7	10	LG Electronics	Electronics	2,392	25%
8	8	NAVER	Internet Service	2,295	4%
9	6	KB Kookmin Bank	Banking	2,264	-2%
10	9	Shinhan Card	Financial Services	2,187	14%
11	12	Korea Telecom	Telecommunications	1,825	5%
12	11	Shinhan Bank	Banking	1,657	-10%
13	13	Hana Bank	Banking	1,607	-4%
14	14	Hyundai Heavy Industries	Heavy Industry	1,565	-3%
15	16	Samsung Fire & Marine Insurance	Insurance	1,551	0%
16	17	Hyundai Mobis	Automotive	1,410	18%
17	15	LG Chem	Chemical	1,402	-11%
18	18	Lotte Shopping	Retail	1,313	18%
19	20	Amore Pacific	FMCG	1,148	15%
20	19	Hyundai Card	Financial Services	1,121	6%
21	21	Samsung Card	Financial Services	1,121	6%
22	23	Kyobo Life Insurance	Insurance	1,065	20%
23	22	Samsung C&T	Construction	1,061	11%
24	24	Hyundai Engineering & Construction	Construction	903	4%
25	26	Hankook Tire	Automotive	779	16%
26	25	SK Innovation	Energy	757	-4%
27	N/A	KT&G	Tobacco	747	NEW
28	28	LG Household & Health Care	FMCG	616	22%
29	N/A	Emart	Retail	613	NEW
30	27	Hyundai Department Store	Retail	601	2%
31	30	CJ Cheiljedang	Food & Beverage	541	24%
32	N/A	Hite Jinro	Alcohol	471	5%
33	N/A	Samsung Securities	Securities	458	NEW
34	N/A	CJ O Shopping	Retail	407	NEW
35	N/A	Doosan Infracore	Heavy Industry	406	NEW
36	N/A	Hotel Shilia	Hospitality	399	NEW
37	N/A	Hyundai Marine & Fire Insurance	Insurance	397	NEW
38	N/A	Hyundai Capital	Financial Services	358	NEW
39	N/A	Lotte Himart	Retail	348	NEW
40	N/A	S-OIL	Energy	347	NEW
41	N/A	LG U+	Telecommunications	341	NEW
42	N/A	Hanwha Life	Insurance	340	NEW
43	N/A	Mirae Asset	Securities	336	NEW
44	N/A	Dongbu Insurance	Insurance	330	NEW
45	N/A	CJ E&M	Entertainment	308	NEW
46	N/A	Samsung Heavy Industries	Heavy Industry	298	NEW
47	N/A	GS Shop	Retail	289	NEW
48	N/A	Hyundai Hmail	Retail	271	NEW
49	N/A	BC Card	Financial Services	259	NEW
50	N/A	Nongshim	Food & Beverage	252	NEW

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About Interbrand

Founded in 1974, Interbrand is the world's leading brand consultancy. With nearly 40 offices in 27 countries, Interbrand's combination of rigorous strategy, analytics, and world-class design enables it to assist clients in creating and managing brand value effectively, across all touchpoints, in all market dynamics. Interbrand is widely recognized for its annual Best Global Brands report, the definitive guide to the world's most valuable brands, as well as its Best Global Green Brands report, which identifies the gap between customer perception and a brand's performance relative to sustainability. It is also known for having created brandchannel.com, a Webby-award winning resource about brand marketing and branding. For more information about Interbrand, please visit us at www.interbrand.com and follow us on Twitter and Facebook.

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