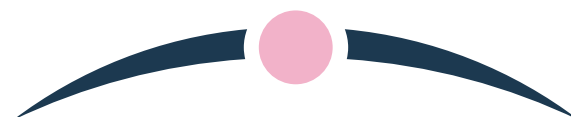




Transpacific Enterprises' ever-expanding suite of IR support services offers listed companies the opportunity to promptly share breaking news with investors overseas, while also providing valuable support for direct communications with existing and potential investors.

The Transpacific Enterprises IR Help Desk service supports Japan's IR managers by providing English liaison as well as research and information distribution services. We handle direct communication with existing and potential investors, collect information concerning client companies from various sources, and distribute information on request via one or more online and social media platforms.



TRANSPACIFIC ENTERPRISES

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June 2015

Linking Japan



Local Color

Asian Countries are Putting their Own Spin on Social Networking

Social Media in Japan and the Asia Pacific

A closer look at social media in the region that accounts for more than half of those engaged in social media use globally

Corporate Snapshots

Data on some of Japan's top social media platform operators

Finger on the Pulse

How Japanese firms are tapping into the power of social media

Constantly Evolving

Social media use in Japan's political arena

Publisher's Note

To be honest, I am not particularly fond of this issue's theme. I struggle with social media. There is clearly a need for privacy in this world, which IT and Internet firms lucidly continue to ignore. The fact that people are investing in and capitalizing on ordinary people exposing their lives to the public or speaking off the cuff is unsettling. I often wonder if the U.S. wouldn't be calmer this year if it weren't for social media. Of course, readers may argue social media is forcing necessary change, though I beg to differ.

Having stated my position, social media in Japan and Asia – as initial U.S. players are finding out – is a different paradigm. The ability or inability, in any regional direction, for applications and services to adapt to differing cultures and norms will determine their fate. Advances are being made daily and social media continues to evolve. My hope is that it evolves in a direction where privacy is protected, because I tremble with trepidation that some ill-conceived camera has caught me in some disgraceful moment and can share it with the world.

J. Michael Owen
Chairman
Transpacific Enterprises

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Former LINE CEO's new venture; 'detoxing' via social media; Fujitsu's latest social media solution, and more

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Linking Japan

June 2015	Volume 11
Publisher:	J. Michael Owen
Chief Editor:	Michael Deininger
Production Director:	Rey Deboer
Production Assistant:	Megumi Ishizuka
Writing/Editing:	Michael Deininger, Rey Deboer
Design:	Aya Konishi, Tomohiro Mizuno, Miwa Nishikata
Advertising:	Yasuo Ito
Published:	June 2015

Published by Transpacific Enterprises
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Social Media in Japan and the Asia Pacific

The general impression in the West might be that social media has gained traction much more rapidly there than in Asia, but those same people would likely be surprised to find that just over half of the world's active social media users reside in Asia. According to data released in March 2015 by We Are Social, East, Southeast, South and Central Asia and Oceania combined account for nearly 53% of global social media participants. Of the Asia Pacific's estimated population of more than 4 billion people, about 27% are actively participating in social media. Growth since the beginning of 2014 has been enormous.

Many of the top social media and messaging or chat-type applications developed in the West have achieved significant penetration globally. It is somewhat surprising to note, however, that nearly half of the world’s 20 most popular platforms were developed in the Asia Pacific or outside of the U.S. Viber, the chat/messaging service developed in Israel in 2010, claims the largest market share among social media platforms in burgeoning Myanmar. The country, which while working through anticipated growing pains has made significant strides since the victory in 2012 parliamentary by-elections by the National League for Democracy party, has seen meteoric growth in internet access and social media use. With the rapid broadening of internet access and the increasing availability of quality, reasonably priced smartphones from manufacturers such as Huawei and Samsung, mobile internet has overtaken all other media in terms of daily usage. According to the results of a survey of Myanmar internet users by On Device Research released in June 2014, 72% access the Internet via a mobile device on a daily basis, compared to 61% who watch television daily.

The tiny island republic of Timor-Leste which became independent in 2002 after four centuries as a Portuguese colony, more than two decades of Indonesian occupation and with the help of a United Nations mission, has seen mobile device use rise rapidly, with more than half of the country’s population of nearly 1.2 million owning at least one mobile device, according to March 2015 data from We Are Social. Facebook has achieved penetration of 6%.

Social Networking is Old Hat

Social networking is not at all new to the region. QQ, developed by Chinese firm Tencent Holdings and launched in 1999, today features online games, shopping, blogging, chat capability and more. It now boasts more than 800 million users. In

fact, the platform established a Guinness World Record on July 3, 2014 for simultaneous access, peaking at a staggering 210,212,085 users. QQ has also ventured abroad, establishing alliances with ibibo in India and AOL in the U.S. Japan’s Mixi debuted as a social networking service in February 2004. Mobile capability was added in September of the same year. The company, originally called E-Mercury, Inc., changed its name to Mixi, Inc. in February 2006 and listed on the TSE Mothers index seven months later. Mixi’s IPO was one of 15 that month in Japan, but attracted the most widespread media coverage. After losing ground to SNS competitors Facebook, Twitter and Line, Mixi made a foray into online game development. Monster Strike, released in late 2013, became a smash hit and the company’s decision to partner with QQ in China and to release a North American version of the game in 2014 proved wise. The impact of these steps was staggeringly positive. In the year ended March 2015, Mixi recorded 68,265 million yen in revenue – a year-on-year gain of 973.7%. Net income rose from a deficit of 1,573 million yen to a profit of 19,104 million yen. The company has rescued itself through reinvention, and while its social network may become a thing of the past, it appears to have established itself as one of the industry’s premier online game developers.

Social Media Use in Japan

Though the propagation of social media throughout the region is apparent, Japan – long recognized as a leader in technological advancement and sophistication – spends less time than twelve other APAC countries fiddling with social media on a daily basis. Japanese people spend an average of about 20 minutes on social media, with nearly 92% of the estimated 24 million active social media users accessing via a mobile device. Mobile is monstrous in Japan. According to the

Telecommunications Carrier Association (TCA), there were close to 143 million mobile subscriptions, or 1.13 per person as of September 2014. NTT Docomo led the way with 64.3 million, trailed by KDDI with 41.6 million and Softbank – which brought the iPhone here in 2008 – with 37 million.

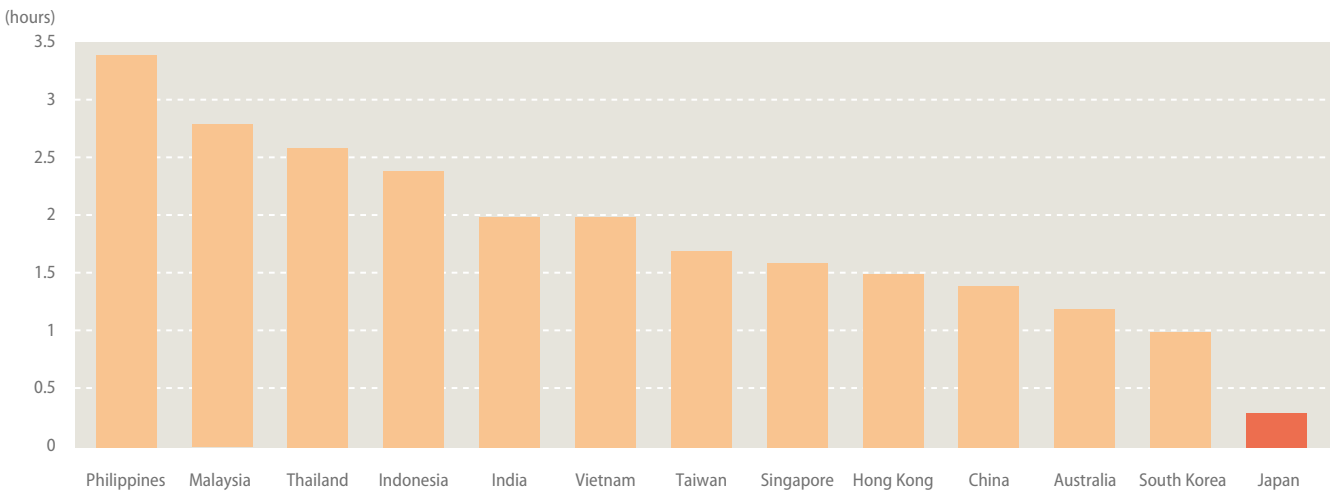
In terms of platform popularity, Twitter has a slim lead over Facebook, but there is a significant drop to other platforms including Mixi, Line, Google +, Skype, Mobage and Gree. The penetration of LinkedIn in the Asia Pacific, which today has an estimated 364 million members worldwide, lags behind that of Western countries. The U.S. alone has 115 million registered users, and Europe close to 90 million, while all Asia-Pacific countries combined total less than 70 million.

LinkedIn continues to be regarded in Japan as a platform exclusively for use by those seeking employment, and not as a viable channel via which to market products and services. An April 14 Japanese-language article online at CNet Japan looked at LinkedIn’s new “Elevate” application – scheduled

for general release in late summer or early fall. The application is designed to enable individuals to share information in an easier, more customized way to their benefit and that of their company. On April 10, again in Japanese, Tech Crunch posted a short article on LinkedIn’s acquisition of online education company Lynda.com. These two developments, and timely reports on them in Japanese, may signal a change in the way LinkedIn is viewed in Japan and toward its use during business hours, though in terms of international and intercultural exchange and relationship building, the language barrier remains a significant hurdle for the service.

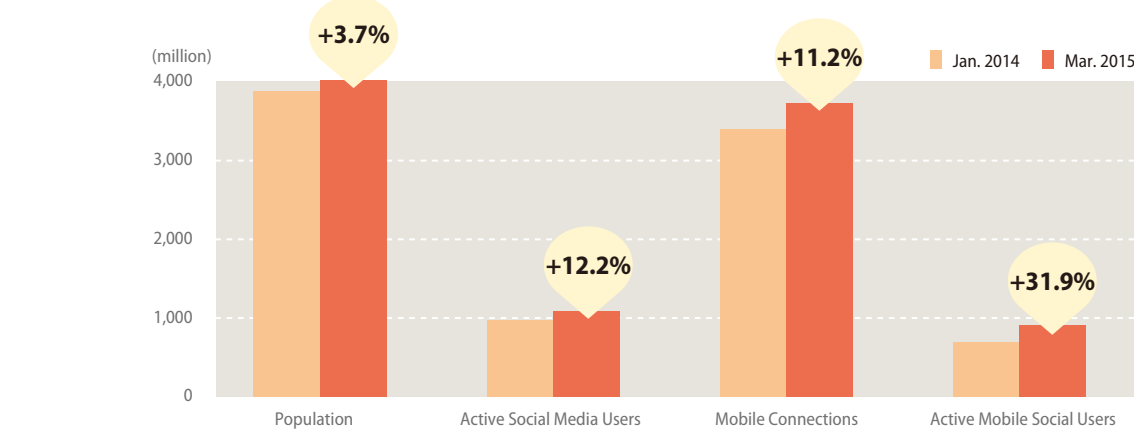
For personal as well as business use, Facebook has gained wider acceptance than LinkedIn among individuals. Unlike LinkedIn, Facebook is designed for users to share personal information as well as that concerning their careers, enabling the exchange of information and the building of relationships, crucial to business success in Japan.

Time Spent Per Day on Social Media – Asia Pacific



Source: We Are Social (March 2015)

Growth in Social Media Use - Asia Pacific



Source: We Are Social (March 2015)

Tabelog (operated by Kakaku.com)

Monthly users 60.7 million	Monthly page views 1.45 billion
PC: 24.5 million	PC: 430 million
SP: 35.1 million	SP: 971 million
other: 1.1 million	other: 31.3 million

Dinner with a Friend

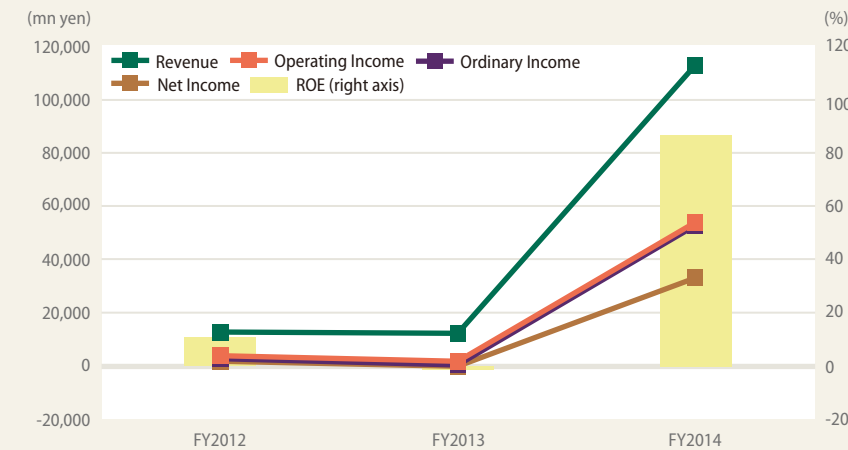
In February, LINE Corporation and Kakaku.com reached an agreement on an alliance under which the two companies will undertake joint product development. Kakaku.com operates a restaurant information site called Tabelog, where users share opinions on restaurants. As of February, there were about 800,000 restaurants registered with the service, and nearly 64 million users per month. A restaurant that is registered with Tabelog can now add a LINE@ Add Friend button to its Tabelog page, thereby enabling restaurants to further increase recognition as they build their friend list. LINE@ is a service primarily for businesses that was launched in 2012 and has surpassed 140,000 users.

Japanese SNS Platform Operators



MIXI

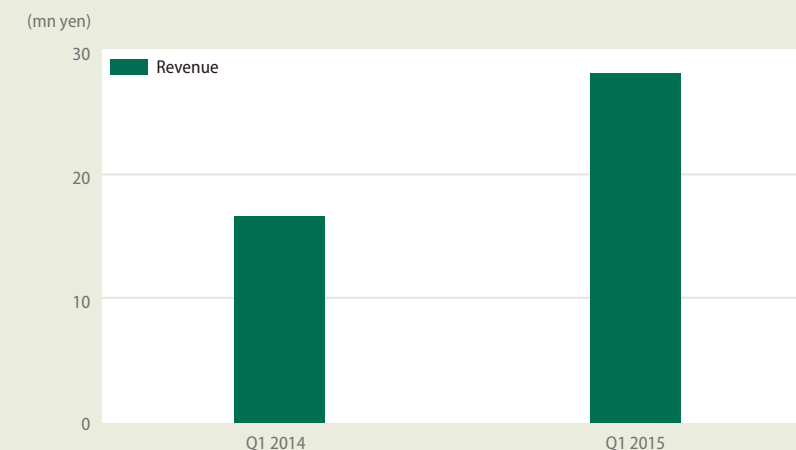
Company Name	Mixi, Inc. (2121)	Website	http://mixi.co.jp/en/
Index	TSE Mothers	Businesses	SNS; smartphone game development
SNS Platform	mixi	Representative	Hiroki Morita - President
Founded	1999	No. of Users (SNS)	15 million (as of October 5, 2013)
Headquarters	Shibuya, Tokyo		
Group Companies	<ul style="list-style-type: none"> Mixi Recruitment, Inc. Mixi Research, Inc. Nohana Diverse, Inc Confianza, Inc MUSE & Co.,Ltd. Hunza, Inc. Mixi America ,Inc. imercury Capital, Inc. 		



Financial Results			
	FY2014	FY2013	FY2012
Revenue	112,918	12,155	12,632
Operating Income	52,686	480	2,574
Ordinary Income	52,706	263	2,629
Net Income	32,966	-227	1,654
ROE	86.8%	-1.2%	10.7%

LINE

Company Name	LINE Corporation	Website	http://linecorp.com/en/
Index	Resubmitted application for listing - April 2015	Businesses	Mobile messaging platform, games, blog, etc.
SNS Platform	LINE	Representative	Takeshi Idezawa - Representative Director and CEO
Founded	2000	No. of Users (SNS)	560 million (as of October 9, 2014)
Headquarters	Shibuya, Tokyo		
Group Companies	<ul style="list-style-type: none"> LINE Plus Corporation LINE Fukuoka Corporation LINE Business Partners Corporation LINE BIZ+ Pte. Ltd. LINE Pay Corporation LINE PLAY Corporation LINE Ventures Corporation LINE C&I Corporation LINE Friends Corporation Bonsai Garage Corporation LINE Book Distribution Corporation AUBE, LTD. LINE Bros. Corporation LINE MUSIC Corporation 		

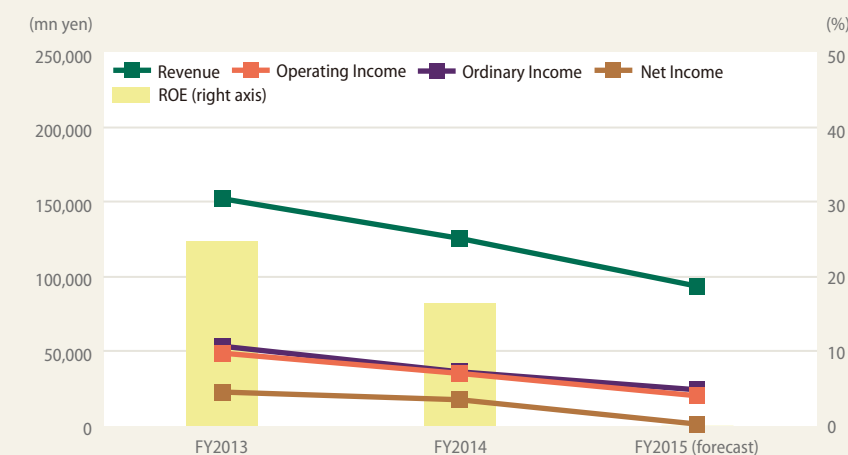


Financial Results		
	FY2014	FY2013
Revenue	86,300	40,400

LINE Corporation once again filed for listing on the Tokyo Stock Exchange on April 2, 2015. Revenue figures above were posted on the LINE website on January 29, 2015, and have not been reviewed by an auditor.

GREE

Company Name	GREE, Inc. (3632)	Website	http://corp.gree.net/global/
Index	TSE 1st section	Businesses	Mobile games, commerce and lifestyle business, community and media business, advertising, investment
SNS Platform	GREE	Representative	Yoshikazu Tanaka - Founder, Chairman and CEO
Founded	2004	No. of Users (SNS)	200 million (as of July 23, 2013)
Headquarters	Roppongi, Tokyo		
Group Companies	<ul style="list-style-type: none"> GREE Entertainment Products, Inc. GREE Business Operations, Inc. GREE Ventures, Inc. GREE United Life, Inc. SEKAIE, Inc. Pokelabo, Inc. LessonPass, Inc. Glossom, Inc. GREE International, Inc. GREE Korea Inc. Tonight, Inc. 		



Financial Results			
	FY2015 (forecast)	FY2014	FY2013
Revenue	93,500	125,598	152,238
Operating Income	20,000	35,007	48,615
Ordinary Income	24,000	36,056	53,257
Net Income	1,000	17,347	22,514
ROE	NA	16.4%	24.8%

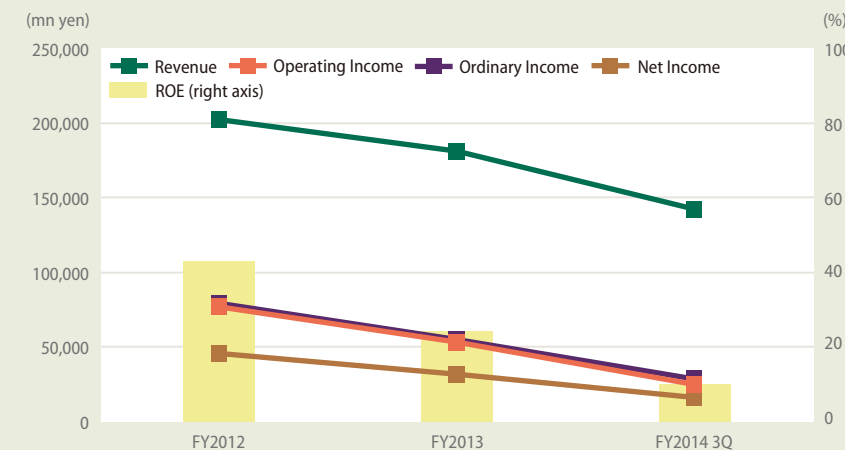
Financial results taken from company websites.

Japanese SNS Platform Operators



DeNA

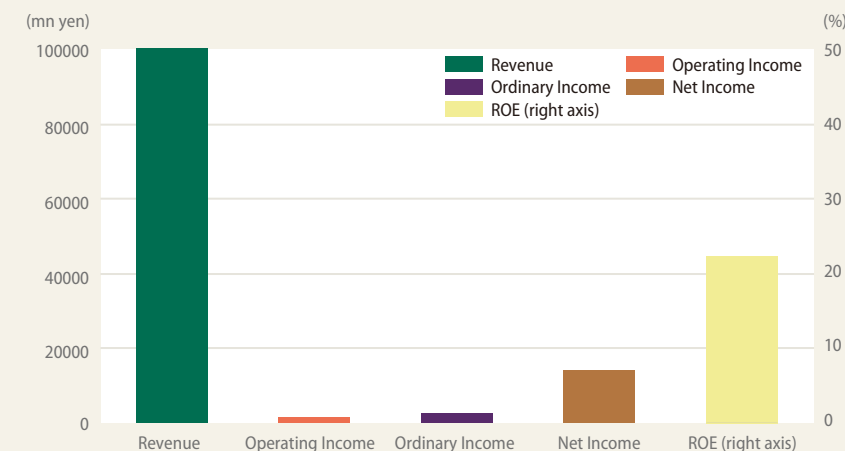
Company Name	DeNA Co., Ltd. (2432)	Website	http://dena.com/intl/
Index	TSE 1st section	Businesses	Social games, e-commerce, entertainment, other
SNS Platform	Mobage	Representative	Isao Moriyasu - President and CEO
Founded	1999	No. of Users (SNS)	49.6 million (as of May 9, 2013)
Headquarters	Shibuya, Tokyo		
Group Companies	<ul style="list-style-type: none"> Mobaoku Corporation PAYGENT Co., Ltd. Everystar Co., Ltd. DeNA Osaka Co., Ltd. Air Link Co., Ltd. YOKOHAMA DeNA BAYSTARS BASEBALL CLUB, INC. Shanghai Zongyou Network Technology Co., Ltd. (WAPTX Group) ngmoco, LLC. DeNA Seoul Co., Ltd. 		



	Financial Results		
	FY2014	FY2013	FY2012
Revenue	142,419	181,313	202,467
Operating Income	24,764	53,198	76,840
Ordinary Income	28,443	54,920	79,215
Net Income	16,041	31,661	45,581
ROE	10.04%	24.37%	42.99%

KADOKAWA-DWANGO

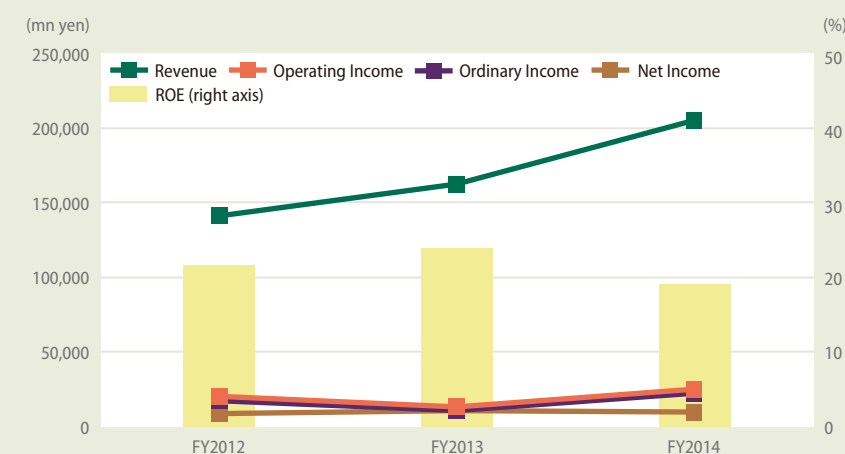
Company Name	KADOKAWA-DWANGO Co., Ltd. (9468) (Dwango and Kadokawa merged on October 1, 2014)	Website	http://info.dwango.co.jp/english/index.html
Index	TSE 1st section	Businesses	Publishing; film; publishing rights; digital contents; planning, development and operation of network entertainment service and contents; operation of video-sharing website
SNS Platform	Niconico	Representative	Takashi Araki - President
Founded	Dwango, Co. 1997; Kadokawa Shoten 1945	No. of Users (SNS)	2.23 million premium users (as of April 29, 2015)
Headquarters	Ginza, Tokyo		
Group Companies	<ul style="list-style-type: none"> Spike Chunsoft Co., Ltd. niwango, Inc. MAGES. Inc. Vantan Inc. 		



	Financial Results	
	FY2014 (6-month fiscal year)	
Revenue	100,566	
Operating Income	1,391	
Ordinary Income	2,472	
Net Income	14,055	
ROE	22.50%	

CyberAgent

Company Name	CyberAgent, Inc. (4751)	Website	https://www.cyberagent.co.jp/en/
Index	TSE 1st section	Businesses	Blog, internet advertising, games, media, investment development, other
SNS Platform	Ameba	Representative	Susumu Fujita - President, Founder
Founded	1998	No. of Users (SNS)	40 million (as of September 15, 2014)
Headquarters	Shibuya, Tokyo		
Group Companies	<ul style="list-style-type: none"> AMoAd, Inc. CyberZ, Inc. CyberSS, Inc. CA-Reward, Inc. CyberBuzz, Inc. MicroAd, Inc. CyberCasting&PR, Inc. CA ADVance, Inc. App2go, Inc. RightSegment, Inc. Complesso, Inc. CA ADVANCE Vietnam Co., Ltd. SIROK, Inc. 7gogo, Inc. Shibuya Clip Create, Inc. CA Tech Kids, Inc. CyberAgentWill, Inc. Hasigo, Inc. Grenge, Inc. Cygames, Inc. Applibot, Inc. Sumzap, Inc. GRIPHONE, Inc. R-FORCE ENTERTAINMENT Inc. GCREST, Inc. Craft Egg Inc. GREEN MONSTER, Inc. Amesta, Inc. WAVEST, Inc. CA MOBILE, Ltd. WeddingPark, Ltd. CyberAgent Crowd Funding, Inc. STRIDE, Inc. Takusuta, Inc. CyberAgent Ventures, Inc. 		



	Financial Results		
	FY2014	FY2013	FY2012
Revenue	205,234	162,493	141,111
Operating Income	22,220	10,318	17,410
Ordinary Income	22,188	10,570	17,146
Net Income	9,556	10,504	8,522
ROE	19.10%	24.00%	21.70%

Financial results taken from company websites.

Short Messaging

Former LINE CEO Morikawa launches new venture

Akira Morikawa, who played a key role in the explosive success of the LINE messaging platform, left the company this March and has already started the engine of a new venture. C Channel is a platform that provides one-minute, professionally produced videos offering general lifestyle information including food, travel and fashion, primarily targeting females from teenagers through thirty somethings. This summer the company is expected to release an app, and as Morikawa remains an advisor to LINE Corporation, the possibility of collaboration exists as well.

Hesitant to say it on Facebook or Twitter? Maybe you need to DETOX

Launched by CyberAgent in February 2014, DETOX is a platform via which users are able to communicate not just successes and helpful information, but also failures, troubles and odd experiences – to get the “poison” out of their system. Users are not required to use their real names, and as such information is considered safe. As of this March DETOX is available at Google Play and iTunes (Japanese only).

Fujitsu releases SNS real-time monitoring solution for corporations, municipal governments

On May 8, Fujitsu announced the launch of a social media business support solution. FUJITSU Intelligent Data Service SocialLive enables the real-time monitoring of information on Twitter concerning events such as crimes, accidents and disasters, and displays the location of occurrence of such events on a map. Fujitsu, with its business social media solutions, supports the real-time acquisition of information such as event locations and images, fortification of internal risk management concerning social media for corporations, and effective use of social media as a marketing channel.

Rakuten head Hiroshi Mikitani on falling U.S. social media stock prices

At a press conference in Tokyo on May 8, Hiroshi Mikitani – Chairman, President and CEO of Rakuten – spoke on falling stock prices of social media issues in the U.S. He said that going forward, the actual financial performance of those companies will undergo closer scrutiny, and that just having strong revenue and user numbers won't be enough. LinkedIn and Twitter, after releasing less-than-encouraging results and forecasts, saw their stock prices tumble by more than 20% in a matter of hours. Rakuten? Revenue was up 14.9% to 158.8 billion yen and operating income rose 28.7% to 29 billion yen, the best January-to-March period in the company's history.

Photo-sharing SNS platform Snapee, CanCam to enter into content tieup

Snapee is a platform operated by Mind Palette Co., Ltd. It was launched in 2011 and enables users to decorate and alter photos they have taken and share them with friends. According to the website, the service – geared toward females in their 20s and 30s – now has more than 10 million users. In April, it announced an agreement with publisher Shogakkan's fashion magazine CanCam – which printed about 150,000 copies in the last quarter of 2014 – under which CanCam has actually opened and maintains a Snapee account and uses it to provide younger girls with the latest in fashion information and trends.



一般社団法人戦略的グローバルIR協会

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SGIM Seminar

Monday, June 15, 2015

“Expectations of Japanese Firms for Corporate Governance and IR”

Date/Time: June 15 (Mon.) 14:00 – 16:00 (doors open at 13:45)

Venue: Sanno Kenpo Kaikan, 2-5-6 Akasaka, Minato-ku, Tokyo

Fee: Members and representatives of listed companies FREE; others 5,000 yen

TIME	PROGRAM
13:45 – 14:00	Doors open/registration
14:00 – 14:15	Welcome address J. Michael Owen , Representative Director, SGIM Masaki Kai , Representative Director, SGIM
14:15 – 15:00	“Expectations of Japanese Firms for Corporate Governance and IR” Kenneth Lebrun , Partner, Shearman & Sterling LLP Chairman, Foreign Direct Investment Committee, American Chamber of Commerce in Japan (ACCJ)
15:00 – 15:45	Dialogue Masaki Kai , Representative Director, SGIM Kenneth Lebrun , Partner, Shearman & Sterling LLP Chairman, Foreign Direct Investment Committee, American Chamber of Commerce in Japan (ACCJ)
15:45 – 16:00	Upcoming SGIM activities/seminars

*Program details subject to change.



Masaki Kai
Representative Director
President
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J. Michael Owen
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Chairman and CEO
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Kiyohiro Sugashita
Partner
Director and CEO
Sugashita Partners, Ltd.

SGIM strongly advocates IR as an important obligation of corporate leadership. SGIM studies and promotes ideal IR and disclosure practices and strategies particularly for IR targeting foreign investors.

SGIM studies, promotes and develops strategic IR practices closely linked with management strategies, especially financial strategies.

At the same time, SGIM will nurture leaders, officers and middle-management who can implement global IR strategy in collaboration with professionals, auditors, lawyers and IR servicers in order to contribute to the evolution of international corporate activities.

Finger on the Pulse

How Japanese Firms are Tapping into the Power of Social Media

In the recent past, numerous Japanese companies prohibited social media use among their employees, due to potential macro risks such as unauthorized sharing of protected or sensitive corporate information or property, as well as micro risks including employee venting that could not only damage internal relationships and impact harmony within the enterprise, but tarnish its external image as well. “Employees becoming too close via social media can also create issues,” said Talknote CEO and Founder Haruo Koike in a Huffington Post interview published online this February. “Communication over personal social media accounts opens up the possibility of the occurrence of sexual and power harassment among employees.” Koike’s firm is an internal SNS platform developer, but he is cognizant of the potential risks associated with its use. “When employees communicate on a one-on-one basis in a casual manner, theoretically there is no risk. However, if the exchange escalates, risks such as the release of protected corporate information and the involvement in such discussions of people outside the firm surface.”

A September 2013 survey of IT specialists released on IT Media’s Keyman’s Net IT support website showed that personal internet use was not allowed at 53.9% of the firms responding. A look at this response based on the size of the enterprise not surprisingly reveals that the larger the enterprise is, the more stringent the management of internet use. 22.8% of the respondents from firms where private internet use is prohibited had 100 or fewer employees; 56.2% had between 101 and 1,000 employees, and 73.8% had over 1,001 employees. With regard to specific websites and services to which access is prohibited, 66.1% of the firms implementing controls on website viewing ban access to the controversial message board

2channel (“Ni-channel”), followed by Niconico at 48.5%, Gmail at 46%, a popular third-party FTP site at 44.8%, and Facebook at 42.3%. Twitter, YouTube, Yahoo! Auction, Ameba Blog and Amazon also made the list.

Social media platforms have effected a paradigm shift on communications. It’s never been easier or faster to share information, opinions, recipes, gripes, trade secrets, etc. This ease of transmission naturally carries with it potentially great risk, and demands responsible behavior. As such, many Japanese firms – as well as foreign companies operating here – have established and posted social media policies and guidelines on their websites. While many are brief and straightforward, and indeed appear to be based on a template, other companies have formulated more comprehensive and involved guidelines. Some firms even provide employees with training on the “proper” use of social media, allowing only those who have completed the training to be involved in managing corporate social media activities. There are numerous firms active on social networking platforms – among Japanese companies, convenience store chain Lawson, telecommunications giant Softbank, entertainment firm Capcom and Softbank competitor KDDI all maintain social media accounts on no less than seven different platforms. Coca-Cola Japan leads the pack, however, with active accounts on at least 11 social media platforms.

On April 22, social media and IT solution provider GaiaX launched Q-LINK, a free service which provides advice and consulting concerning online marketing. The company has registered 100 online marketing specialists from 50 different firms to field inquiries, and expects around 10,000 question-and-answer exchanges in the service’s initial year. Typical inquiries that have appeared include, “Articles that feature moving

images generally incorporate less text, and I’ve heard that this can negatively impact search rankings. Would posting a video from YouTube improve the article’s position in the search results?” and “As we are a major retail/food and beverage firm, compliance standards are stringent and it’s difficult for us to engage customers in casual exchanges using Facebook.”

Online marketing and the activation of social media as a tool for promotion and image maintenance are widely practiced, but restrictions remain in terms of employees utilizing social media as individuals, much less as representatives of the company. The value and power of social media are recognized and Japanese firms, while employing the platforms, take a traditionally circumspect approach.

On the Inside

The market in Japan for internal SNS is rather small but growing swiftly. As of late 2014, it was valued at approximately US\$21 million, up close to 130% against the preceding year, and according to a November release from internal SNS developer Talknote, it is expected to grow to US\$37 million by the year 2017. Talknote has secured the top market share – while their November release had them with over 13,000 users, as of early May their website shows them having surpassed 15,000, including corporations such as KDDI and Namco. Talknote’s closest competitors – Microsoft (Yammer), Salesforce (Chatter) and social media and IT solution provider GaiaX (airy) – trail by significant margins.

Social Networking Accounts by Platform – Japanese Companies

	COMPANY	INDUSTRY	Twitter	Facebook	Google +	Mixi	Gree	Mobage	Blog	YouTube	NicoNico	Ustream	Pinterest	LINE
1	Coca-Cola Japan	Food & beverage	12	18	7		1	3	20	8	20	5	12	5
2	Lawson	Convenience store	7	14	4	3	5	4			9		4	2
3	Softbank	Telecommunications	3	5	11			9			2	1	11	3
4	Capcom	Entertainment	9			16		10	14	5	13	7		
4	KDDI	Telecommunications	20	7						13	14	9	15	18
6	Konami	Entertainment	2				18		8	7	10	17		
6	Microsoft Japan	IT	16	2					4		5	12	3	
6	Panasonic	Electronics					10	12		14	3	16		16
6	Sony	Electronics		15		10	12	6		11	4			
6	Square Enix	Entertainment	5					11	1	4	7	14		
6	Suntory Holdings	Food & beverage		17		6	2	1	3					1
6	Walt Disney Japan	Entertainment	4	9		1			2	17				11
13	Benesse Holdings	Education/publishing				12				9		11	9	15
13	Culture Convenience Club	Entertainment	11		20	19			19					8
13	Ryohin Keikaku (MUJI)	Discount retail	19	6		7							8	14
13	Nissan Motor	Automotive			8				6	18		3	16	
13	Sega	Entertainment					11		12	6	1	18		
13	Tower Records	Entertainment	1		3				13			6	14	
19	ANA	Travel		8	19							4		13
19	Family Mart	Convenience store				13	14	8						20
19	Nike Japan	Sporting goods				4			16	19		20		
19	NTT Docomo	Telecommunications	13	20							15	8		
19	Sanrio	Entertainment				17	9		7				1	
19	Starbucks Coffee Japan	Food & beverage	6	11		2			10					

* Numbers indicate appearances in top 20 in terms of followers, likes, etc. for each social media platform.
** Chart based upon data obtained from Agile Media Network “Brandchart” corporate social media usage rankings.



Constantly Evolving

Social Media Use in Japan’s Political Arena

Social networking platforms are actively being used by the Japanese national government. Prime Minister Abe has accounts on Twitter, Facebook and LinkedIn and, despite sporadic posting habits on the latter, has nearly 130,000 followers. The Ministry of Finance and the Ministry of Economy, Trade and Industry also operate Facebook and Google + accounts. The Ministry of Foreign Affairs alone, including domestically operated accounts and those operated by the country’s embassies and consulates overseas, has more than 100 Twitter, Facebook, YouTube and Flickr accounts.

Numerous current and former political figures also use social media and post frequently. Toru Hashimoto, Osaka Mayor and author of several controversial tweets concerning the comfort women issue, has more followers than any regular Twitter user in the political realm. Former Prime Minister Yukio Hatoyama, who with only 430 tweets has acquired over 580,000 followers, has been active of late, most recently promoting a dialogue with former Vice Minister of Finance Eisuke Sakakibara that was broadcast on Niconico Live on May 4.

Campaigning via social media became permissible in Japan

as of April 2013, and social media use among political figures has since picked up steam. Initially it was rough going as perhaps not enough coaching and preparation was undertaken before implementation.

In March of that year, Yasuhisa Mizuno, who as an official of the Reconstruction Agency had been overseeing assistance for residents of Fukushima Prefecture – the location of the Fukushima Dai-ichi nuclear power plant – received a less-than-rousing reception at a gathering of citizens discussing the effects of radioactive fallout. On the night of March 7, 2013, he tweeted that he had attended a meeting where he was verbally assaulted by leftist (expletive), adding that he was not angry; rather that “I only have pity for their lack of intelligence.” Though it went pretty much undetected initially, it was picked up weeks later. This few seconds of honesty ended up costing him his job. The agency claimed to not have been aware he was even using Twitter.

After internet campaigning got the green light, a number of political parties established accounts on the LINE messaging application – 10 altogether – including the Liberal Democratic

Twitter Usage Among Japanese Political Figures

Name	Position	Following	Followers	Tweets
Toru Hashimoto	Mayor, City of Osaka	23	1,304,912	14,586
Hideo Higashikokubaru	Former Governor, Miyazaki Prefecture	22	615,879	7,725
Yukio Hatoyama	Former Prime Minister	129,125	585,265	430
Shinzo Abe	Prime Minister	6	479,406	1,063
Naoki Inose	Former Governnor, City of Tokyo	256	454,067	22,221
Renho Murata	Former Minister for Government Revitalization	13,328	363,844	9,585
Yoshitaka Kirishi	Commentator	302,327	301,636	20,563
Heizo Takenaka	Former Minister of Internal Affairs and Communications	9	262,776	449
Kazuhiro Hiraguchi	Former Minister of Internal Affairs and Communications	7,144	254,093	10,454
Taro Kono	Member, House of Representative	332	229,583	9,871

Source: meyou.jp (as of May 5, 2015)

“It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you’ll do things differently.”

-Warren Buffett

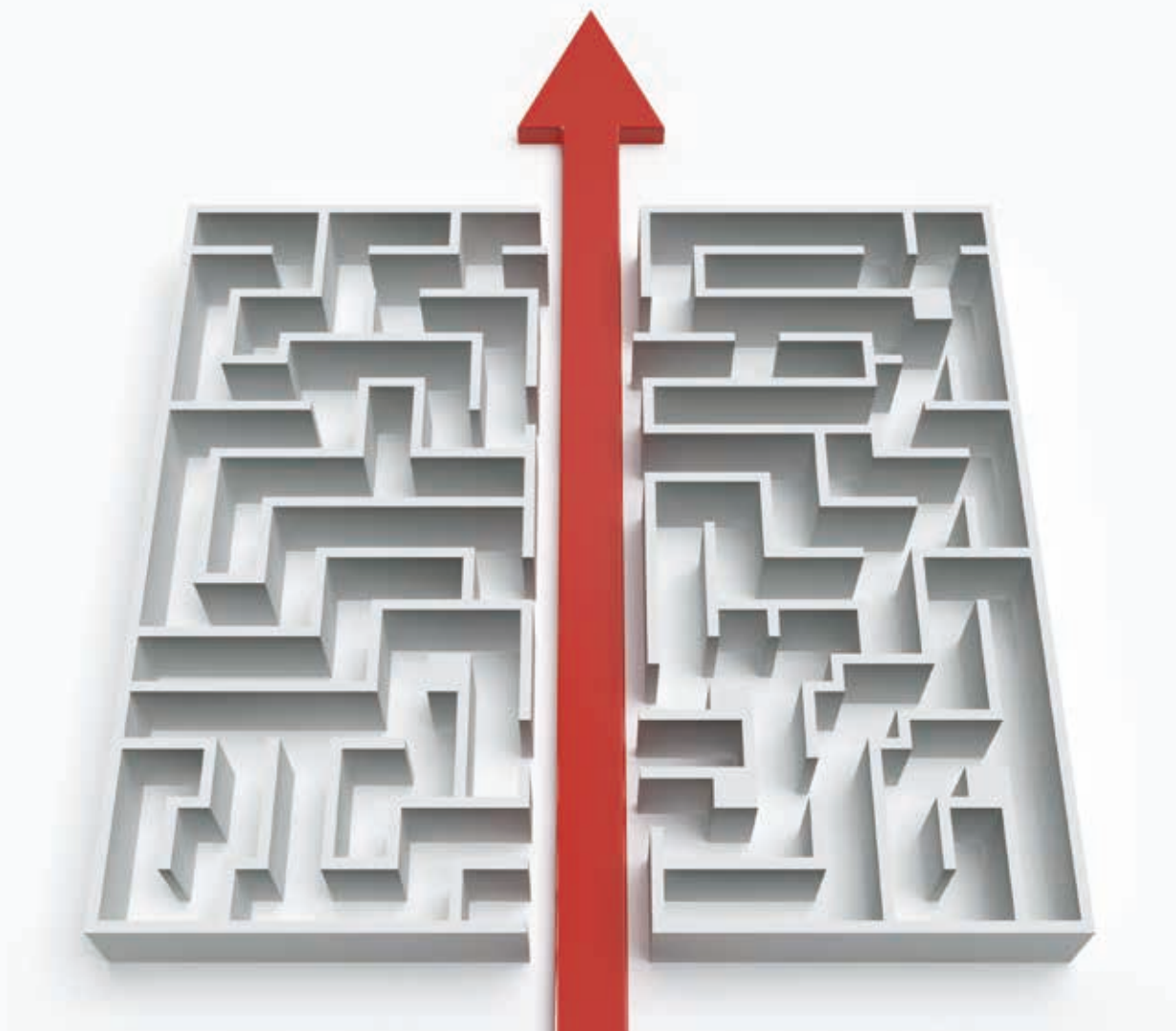
Party, The Democratic Party of Japan, New Komeito and the Japan Restoration Party. In August 2013, however, according to livedoor Blog, nine of the parties closed their LINE accounts. They had opened the accounts for free for the purpose of campaigning and, according to the blog (which picked the story up from Mainichi – link is no longer active) closed the accounts because as of the 15th of August they would have incurred a fee for service. The 10 parties had accumulated a total of about 500,000 friends. The New Komeito party found it very effective. They transmitted information such as locations and times of stump speeches 75 times during the

campaign, and their public relations spokesperson noted that “Through dissemination of information over the Internet, we were able to get information directly to our supporters.” The Communist Party also transmitted actively, and reportedly received more than 1,000 replies daily.

While political figures continue to proactively use social media, there are kinks to be worked out. On April 30, 2015, the following was tweeted from Prime Minister Abe’s Twitter account (translation): “Just boarded the plane for the flight from Washington D.C. to San Francisco. Appears we will land ahead of the government plane. Will meet the Prime Minister at the airport. Got virtually no sleep last night, will sleep on the flight.” This clearly could not have been from the Prime Minister, and the same text appeared in a tweet issued earlier from the account of Ichita Yamamoto, who holds multiple ministry positions in Abe’s cabinet. One related party commented, “Yamamoto’s fitness as a politician is being called into question through frivolous postings on Twitter and blogs. I shudder to think what would happen if Yamamoto accidentally posted one of his frequent karaoke videos via the Prime Minister’s account.”

Getting Engaged

ONPA JAPAN, a firm founded in 2009 that provides a variety of online services, launched “Yoku Shimasho,” (let’s make things better), a social media platform that aims to get younger politicians more active in social media on April 28, 2015. The platform is designed for Diet members, assemblymen and women, governors and mayors. Profile holders can easily offer up-to-date information on issues where positions have been solidified, issues that are currently under deliberation, and results or effects of measures passed and implemented. Profile holders can also obtain opinions from constituents on topics such as disaster prevention, tourism, urban development and more. ONPA Japan is asking for an initial membership fee of about US\$1,680, followed by a minimum 6-month agreement at about US\$250 a month.



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Dashboard on Japanese Economy

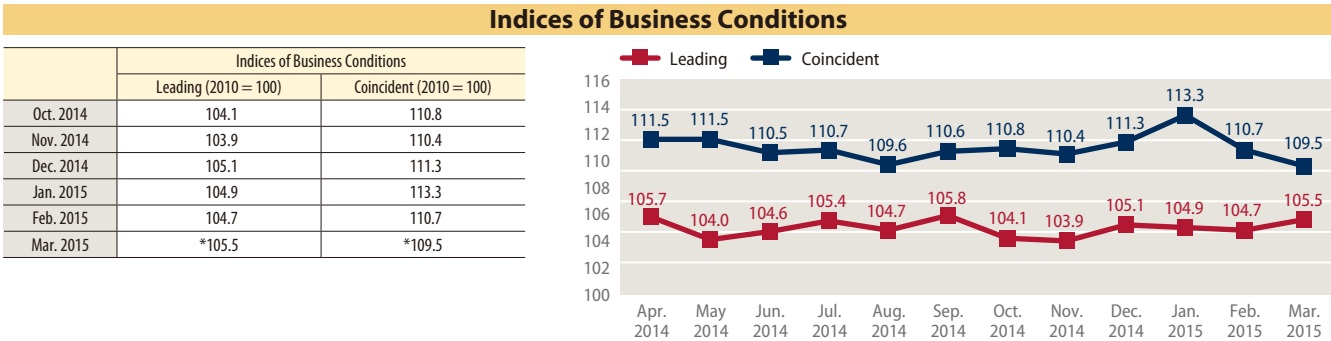
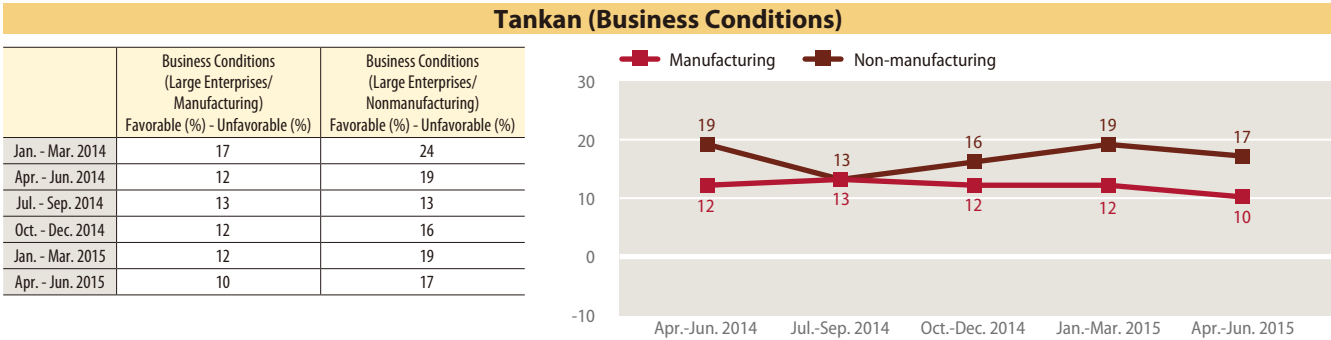
June 2015

Linking Japan provides regular updates of major Japanese economic indices. Our hope is that this information will adequately convey an overview of Japanese economic trends to our readers. In order to refine and better meet this objective, please provide us with feedback and requests regarding the information posted here. The fiscal year for most Japanese companies runs from April 1 through March 31.

Data accurate as of May 13, 2015.

* Indicates provisional figures.
** Data not available at time of publication.

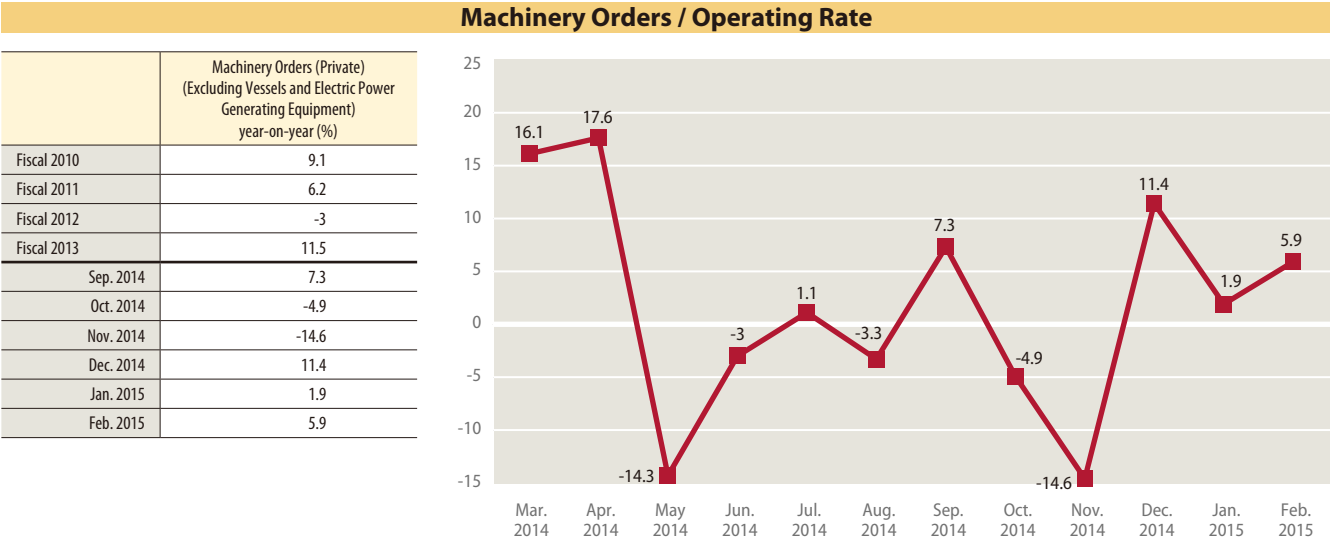
GDP (Gross Domestic Product)				
	Nominal Gross Domestic Product (trillion yen)	Nominal Growth Rate period-on-period (%)	Real Gross Domestic Product (trillion yen)	Real Growth Rate period-on-period (%)
Fiscal 2010	480.2	1.3	512.4	3.4
Fiscal 2011	473.9	-1.3	514.4	0.4
Fiscal 2012	474.5	0.1	519.6	1
Fiscal 2013	483.1	1.8	530.6	2.1
Jan. - Mar. 2014	487.9	5.6	534.9	5.1
Apr. - Jun. 2014	*489.3	*1.2	*526.1	*-6.4
Jul. - Sep. 2014	*484.9	*-3.5	*522.6	*-2.6
Oct. - Dec. 2014	*489.5	*3.9	*524.6	*1.5



Consumption				
	Consumption Expenditure year-on-year (%)	Retail Sales Value year-on-year (%)	Number of New Cars Sold (thousand)	Department Store Sales year-on-year (%)
Oct. 2014	-4	1.4	39.7	-2.2
Nov. 2014	-2.5	0.5	41.6	-1
Dec. 2014	-3.4	0.1	43.2	-1.7
Jan. 2015	-5.1	-2	40.1	-2.7
Feb. 2015	-2.9	-1.7	48.2	1.1
Mar. 2015	-10.6	*-9.7	69.5	-19.7

Consumption Expenditure: Household with two or more people, change from actual results of previous year.
Number of New Cars Sold: Total of passenger cars, trucks and busses. Includes light motor vehicles. Survey conducted by Japan Automobile Dealers Association and Japan Mini Vehicle Association.
Department Store Sales: Based on existing department stores. Survey conducted by Japan Department Stores Association.

Housing					
	Number of New Housing Construction Starts (thousand units)	Number of Condominiums Sold		Orders Received for Construction year-on-year (%)	Contracted Amount of Public Works year-on-year (%)
		Tokyo Metropolitan Area (units)	Kinki Region (units)		
Fiscal 2011	841	45,173	20,415	7.1	-0.5
Fiscal 2012	893	46,754	24,114	2.4	10.3
Fiscal 2013	987	55,245	23,338	20.1	17.7
Fiscal 2014	880	44,529	19,840	8.2	-0.3
Jan. 2015	864	1,679	1,314	27.5	-13.7
Feb. 2015	905	2,598	1,905	1	2.3
Mar. 2015	920	4,457	2,019	10.8	-12.4



Indices of Industrial Production				
	Shipments		Inventories	
	Change month-on-month (%)	Change year-on-year (%)	Change month-on-month (%)	Change year-on-year (%)
Fiscal 2010	—	-1.5	—	5.2
Fiscal 2011	—	-1.8	—	4.5
Fiscal 2012	—	2.9	—	-3.4
Fiscal 2013	—	*-1.1	—	*4.1
Oct. 2014	0.1	-0.6	-0.1	3.9
Nov. 2014	-0.7	-4.8	1.1	6.6
Dec. 2014	-0.2	-0.1	-0.1	6.2
Jan. 2015	5.5	-2.1	-0.4	5.6
Feb. 2015	-4.4	-2.9	1.1	7
Mar. 2015	*-0.3	*-1.9	*0.3	*6.1

Industry			
	Indices of Production Integrated Circuits year-on-year (%)	Crude Steel Production (thousand tons)	Indices of Tertiary Industry Activity (2005=100)
Fiscal 2010	—	—	97.8
Fiscal 2011	-14	106,642	98.5
Fiscal 2012	-4	107,305	99.2
Fiscal 2013	7.1	111,524	100.5
Fiscal 2014	*6.9	*109,844	—
Jan. 2015	17.5	9,022	*100.2
Feb. 2015	12.8	8,441	*100.5
Mar. 2015	*7.8	*9,282	—

Monthly data for Indices of Tertiary Industry Activity is seasonally adjusted value.

Unemployment Rate and Active Job Openings-to-Applicants Ratio		
	Unemployment Rate (%)	Active job openings-to-applicants ratio (times)
Fiscal 2010	4.9	0.56
Fiscal 2011	4.5	0.68
Fiscal 2012	4.3	0.82
Fiscal 2013	3.9	0.97
Oct. 2014	3.5	1.1
Nov. 2014	3.5	1.12
Sep. 2014	3.4	1.14
Jan. 2015	3.6	1.14
Feb. 2015	3.5	1.15
Mar. 2015	3.4	1.15

Unemployment Rates from March to August 2011 are supplementary estimates including those for three prefectures of Iwate, Miyagi and Fukushima.

Finance				
	Monetary Basis year-on-year (%)	Total Outstanding Loans of Banks year-on-year (%)	Domestically Licensed Bank Weighted Average Lending Rate Annual Rate (%)	Newly Issued Government Bond Yields (10 years) Annual Rate (%)
Fiscal 2009	—	—	—	—
Fiscal 2010	—	—	1.573	—
Fiscal 2011	14.9	-0.1	1.477	0.985
Fiscal 2012	8.7	1.1	1.383	0.56
Fiscal 2013	44	2.3	1.28	0.64
Fiscal 2014	39.3	*2.5	-	0.4
Jan. 2015	37.4	2.6	1.179	0.275
Feb. 2015	36.7	2.6	1.173	0.33
Mar. 2015	35.2	*2.7	—	0.4
Apr. 2015	35.2	—	—	0.34

Total Outstanding Loans of Banks: Average of outstanding loans.
Newly Issued Government Bond Yields (10 years): Figures as of end of the period. Announced by Japan Bond Trading.

Consumer Price Index			
	Consumer Price Index (general, excluding fresh food)		
	All Japan (2010 = 100)	month-on-month (%)	year-on-year (%)
Fiscal 2011	99.8	—	0
Fiscal 2012	99.6	—	-0.2
Fiscal 2013	100.4	—	0.8
Fiscal 2014	103.2	—	2.8
Jan. 2015	102.6	-0.6	2.2
Feb. 2015	102.5	-0.1	2
Mar. 2015	103	0.4	2.2

Trade			
	Trade and Customs Clearance		Import Price Indices year-on-year (%)
	Export (billion yen)	Import (billion yen)	
Fiscal 2011	65,288.50	69,710.60	7
Fiscal 2012	63,940.00	72,097.80	1.7
Fiscal 2013	70,856.50	84,612.90	13.5
Fiscal 2014	74,670.30	*83,809.80	*0.2
Jan. 2015	6,143.40	7,317.20	-6.7
Feb. 2015	5,941.40	6,369.90	-10.1
Mar. 2015	6,926.80	*6,699.4	*-8.1

Stock and Yen Exchange Rates			
	Nikkei Stock Average (yen)	Yen Exchange Rates against the U.S. Dollar (yen)	Yen Exchange Rates against the Euro (yen)
Fiscal 2011	9,183.44	79.05	108.96
Fiscal 2012	9,612.07	82.89	106.73
Fiscal 2013	14,406.76	100.16	134.2
Fiscal 2014	16,253.25	109.75	138.69
Jan. 2015	17,274.40	118.24	137.27
Feb. 2015	18,053.20	118.57	134.78
Mar. 2015	19,197.57	120.39	130.47
Apr. 2015	19,767.92	119.55	128.92

Nikkei Stock Average: Average for the period.
Yen Exchange Rates: Tokyo, interbank, spot trading, average for the period.