

**J.D. Power Asia Pacific Reports:
Incidence of Fuel Consumption Problems Decreases as Fuel Efficiency Improves**

Toyota Receives Three Model-Level Awards;
Lexus is the Highest-Ranked Nameplate for a Second Consecutive Year

TOKYO: 29 August 2013 — New-vehicle owners are citing fewer fuel consumption-related problems and an increase in fuel efficiency, according to the J.D. Power Asia Pacific 2013 Japan Initial Quality StudySM (IQS) released today.

The study, now in its third year, measures new-vehicle quality in the first two to nine months of ownership. The study captures problems experienced by owners in 227 problem areas that affect quality across nine categories: vehicle exterior; driving experience; features/ controls/ displays; audio/ entertainment/ navigation (AEN); seats; heating, ventilation and air conditioning (HVAC); vehicle interior; engine/ transmission; and other problems. All problems are summarized as the number of reported problems per 100 vehicles (PP100), with lower scores indicating higher quality performance.

The study finds that problems related to fuel consumption decline to 2.6 PP100 in 2013, down from 3.1 PP100 in 2012. Additionally, fuel efficiency has improved by 3 percent, on average, compared with the 2012 study.

“These results indicate that automakers are making improvements in engine and transmission performance, including fuel efficiency,” said Atsushi Kawahashi, senior director of the automotive division at J.D. Power Asia Pacific.

Overall initial quality averages 100 PP100 in 2013, a slight improvement from 101 PP100 in 2012. While the incidence of defect/ malfunction problems¹ has increased by 2.4 PP100, the number of design-related problems² has decreased by 4.7 PP100 from 2012.

Although the number of defect/ malfunction problems in seven factors of the nine factors has increased in 2013, owners are reporting fewer design-related problems in such areas as windows fogging, transmission, clock difficult to use and excessive fuel consumption.

While engine/ transmission-related problems have decreased to 17.4 PP100 they continue to be the most-frequently reported problem area for a second consecutive year.

The number of problems reported has decreased year over year in all attributes related to automatic transmission (AT)/ continuously variable transmission (CVT), specifically with respect to how the transmission shifts gears.

¹ Refers to a complete breakdown or malfunction of any component, feature or item.

² Refers to components of features that may be functioning properly but are still perceived as problems by the owner because they are difficult to understand or use.

The study finds that 59 percent of owners report zero problems with their vehicle, while 19 percent report one problem; 9 percent report two problems; and 13 percent report three or more problems.

The study also finds variability across brands for design problems compared with defect/ malfunction problems.

“For automobile manufacturers, it is important not only to focus on manufacturing quality, but also to have a better understanding of consumer-perceived quality during the product design stage, which would eventually satisfy customers in this market,” said Kawahashi.

Vehicle problems have a direct impact on customer loyalty. For example, vehicle owners who say they “definitely will” purchase their next vehicle from the same brand report an average of 70 PP100, while those who say they “probably will not” or “definitely will not” purchase their next vehicle from the same brand report an average of 154 PP100.

“Vehicle quality during the initial ownership period plays a great role in building long-term customer loyalty,” said Kawahashi. “The more frequently owners experience problems, the more likely they are to defect when they buy their next vehicle.”

2013 Ranking Highlights

Lexus ranks highest for a second consecutive year, averaging 74 PP100. Lexus is followed by Toyota (89 PP100) and Honda (91 PP100), remaining in the same ranking order from 2012.

Rankings in the four vehicle segments are:

- **Mini-car segment:** Honda N-ONE ranks highest, followed by the Daihatsu Mira Cocoa and Suzuki Lapin, respectively.
- **Compact segment:** Toyota Passo ranks highest, followed by Toyota AQUA, and Toyota Ractis and Toyota Vitz in a tie.
- **Midsize segment:** Toyota Prius ranks highest, followed by the Honda Fit Shuttle and Nissan X-TRAIL, respectively.
- **Minivan segment:** Toyota Voxy ranks highest, followed by the Mazda Premacy and Toyota Vellfire, respectively.

The 2013 Japan Initial Quality Study is based on responses from 11,210 purchasers of new vehicles in the first two to nine months of ownership. The study includes 16 automotive brands and 108 models and ranks models with a sample size of 100 or more usable returns. The study was fielded in May 2013.

The Japan Initial Quality Study (IQS) is one of eight consumer-based benchmark studies conducted by J.D. Power Asia Pacific in Japan. Other 2013 studies conducted by J.D. Power Asia Pacific include:

- The 2013 Japan Winter Tire Customer Satisfaction Index Study, which measures overall customer satisfaction with winter tires, was released in May.
- The 2013 Japan Sales Satisfaction Study (SSI), which measures satisfaction with the new-vehicle sales process, was released in August.
- The 2013 Japan Customer Satisfaction Index (CSI) Study, which measures overall customer satisfaction with service performed at automotive dealer facilities, will be released in late September.
- The 2013 Japan Automotive Performance, Execution and Layout (APEAL) Study, which measures what excites and delights owners about their new vehicle’s performance and design during the first two to nine months of ownership, will be released in late September.
- The 2013 Japan Original Equipment Tire Satisfaction Study, which measures customer satisfaction with original equipment tires, will be released in October.

- The 2013 Japan Navigation Systems Customer Satisfaction Index Study, which measures customer satisfaction with OEMs and aftermarket navigation system, will be released in October.
- The 2013 Japan Replacement Tire Satisfaction Study, which measures customer satisfaction with replacement tires, will be released in October.

About J.D. Power Asia Pacific

J.D. Power Asia Pacific has offices in Tokyo, Singapore, Beijing, Shanghai and Bangkok that conduct customer satisfaction research and provide consulting services in the automotive, information technology and finance industries. Together, the five offices bring the language of customer satisfaction to consumers and businesses in China, India, Indonesia, Japan, Malaysia, Philippines, Taiwan and Thailand. Information regarding J.D. Power Asia Pacific and its products can be accessed through the Internet at japan.jdpower.com. Media email contact: cc-group@jdpower.co.jp

About J.D. Power

J.D. Power is a global marketing information services company providing performance improvement, social media and customer satisfaction insights and solutions. The company's quality and satisfaction measurements are based on responses from millions of consumers annually. Headquartered in Westlake Village, Calif., J.D. Power has offices in North/South America, Europe and Asia Pacific. For more information on [car reviews and ratings](#), [car insurance](#), [health insurance](#), [cell phone ratings](#), and more, please visit JDPower.com. J.D. Power is a business unit of McGraw Hill Financial.

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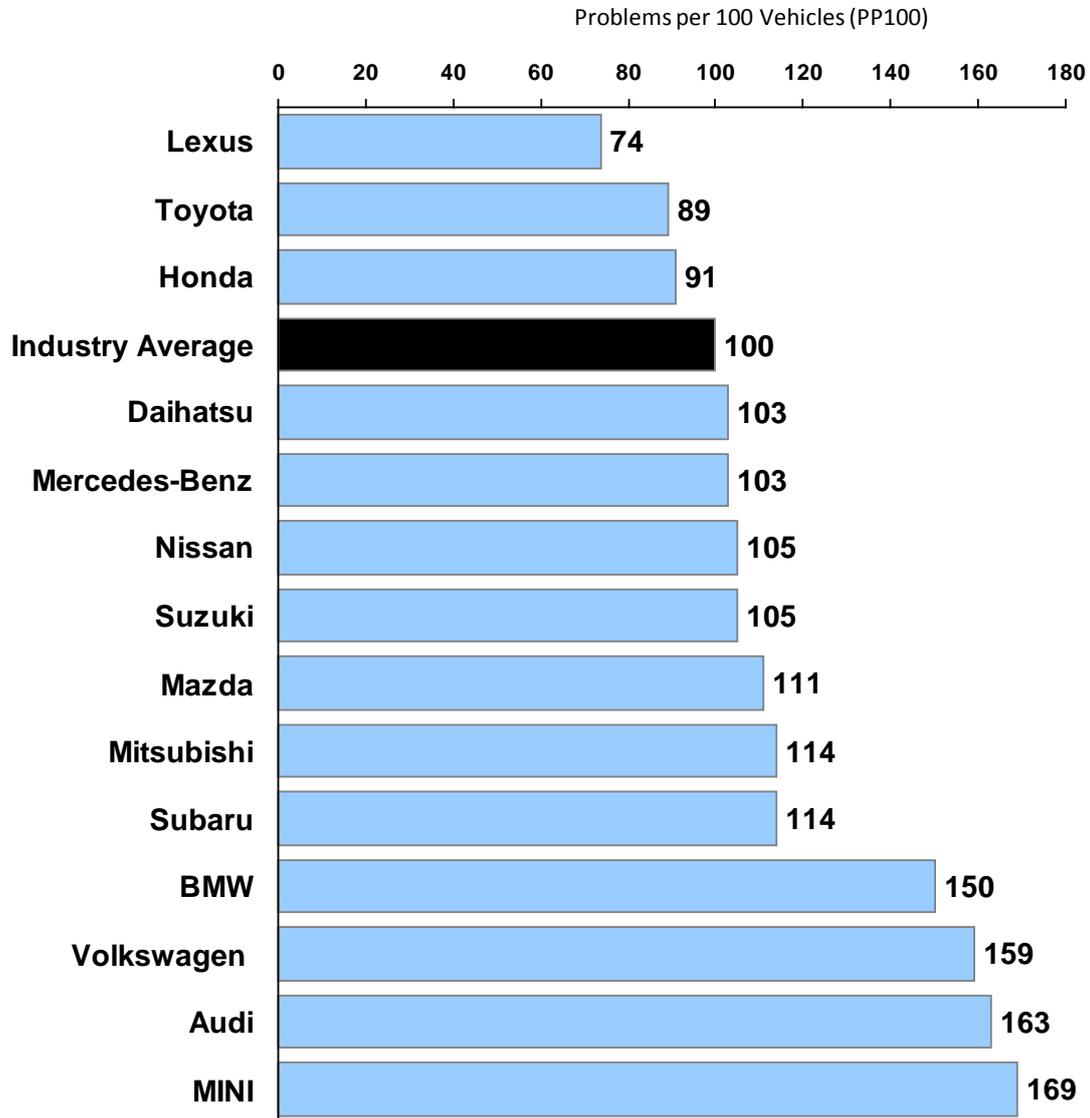
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NOTE: Three charts follow.

J.D. Power Asia Pacific 2013 Japan Initial Quality StudySM (IQS)

2013 Nameplate IQS Ranking

Lower score reflects better quality performance



NOTE: Included in the study, but not ranked due to small sample size are Fiat and Volvo.

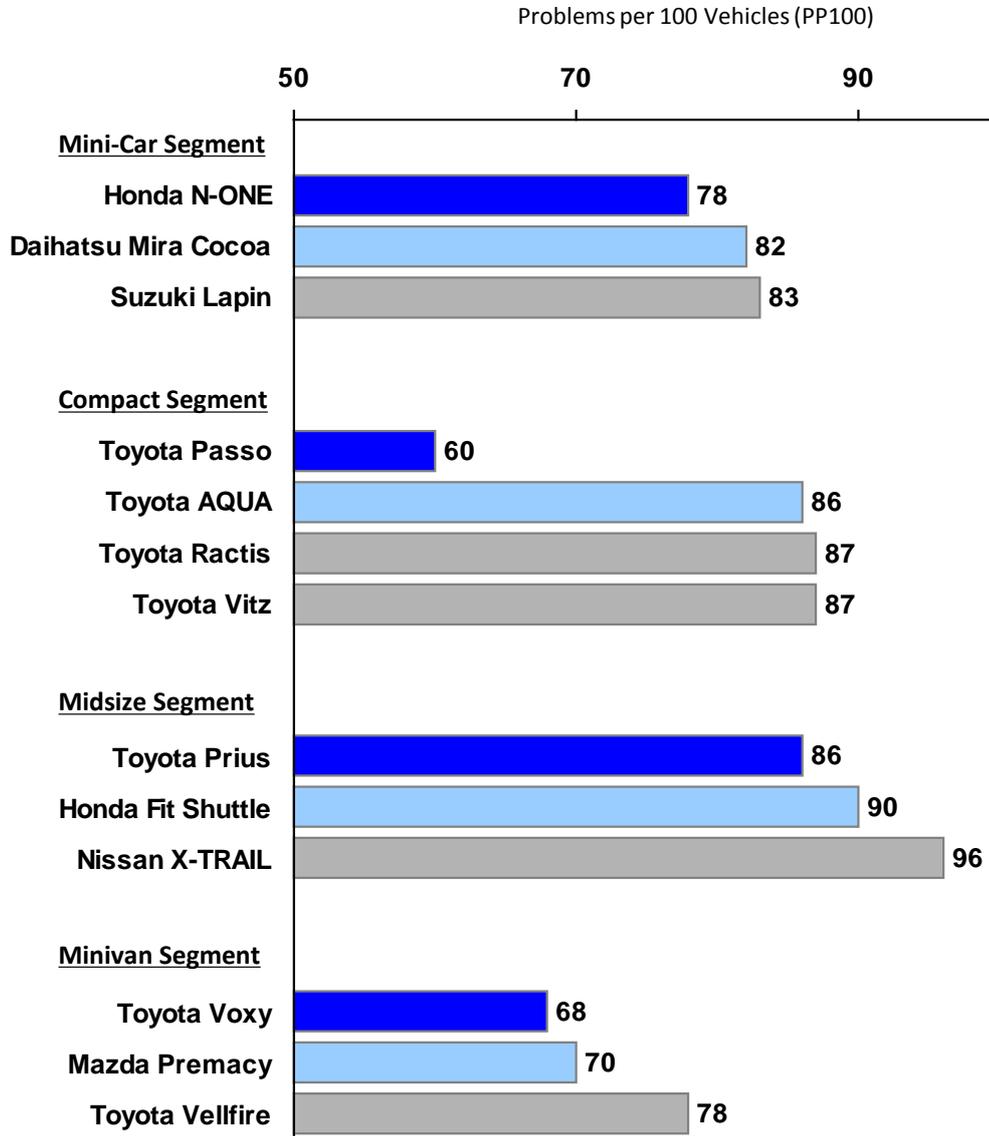
Source: J.D. Power Asia Pacific 2013 Japan Initial Quality StudySM (IQS)

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J.D. Power Asia Pacific 2013 Japan Initial Quality StudySM (IQS)

Top-Three Vehicles per Segment in Initial Quality

Lower score reflects better quality performance



Note: Official rankings are published only for segments with at least three models with sufficient sample that comprise 67 percent of market sales within an award segment. Therefore, no official rankings are published for the large segment.

Source: J.D. Power Asia Pacific 2013 Japan Initial Quality StudySM (IQS)

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