Master's Thesis Abstract

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The Graduate School of Humanities and Social Sciences
Major Program / Course :
· Cultural Arts Course
· Modern Inter-Cultural Studies Course
· Policy Science Course

Title
A study of Intangibles in Corporate Valuation
-Empirical Analysis of Intellectual Property in Manufacturing-

As globalization progresse, companies are finding more opportunities to increase their scale and are facing fiercer competition in the market. For sustained growth in this environment, companies must prioritize their future potential and acquire a competitive edge. This involves efforts such as improving customer satisfaction and developing new products.

Such efforts not only promote growth but also increase the scale of a company's assets. While these efforts often lack a physical form, they have a significant impact due to their potential to generate future economic benefits. These are known as "intangibles," or intangible assets in Japanese. The importance of intangibles is growing as their proportion in corporate assets increases.

When evaluating companies, investors generally consider profitability and sometimes market response, as indicated by stock prices. Intangibles, being crucial for companies, potentially influence how investors assess them. In other words, the impact of intangibles on a company's earnings and stock price is a critical factor for evaluation. Therefore, accurately assessing intangibles is important.

The manufacturing sector is recognized for its emphasis on intangibles, which are believed to have a greater impact on manufacturing companies than on those in other industries. Consequently, there is a strong correlation between intangibles and both corporate earnings and value in manufacturing. This thesis analyzes the manufacturing sector specifically.

It starts by surveying the accounting definitions and regulations of intangibles, building on prior research. Using necessary sample data, it employs empirical analysis methods like multiple regression analysis to clarify the relationship between intangibles and both corporate earnings and corporate value.