

Talk to JETRO First

about business in Japan!

JETRO

INVEST  JAPAN

Message from the Chairman of JETRO

We at JETRO welcome international companies into Japan with open arms! Japan is an ideal country for innovation, and offers you a business and living environment unparalleled in the world.

As Japan's core organization for promoting inward foreign direct investment, JETRO has provided support to more than 12,000 overseas companies interested in setting up business bases, of which over 1,200 have gone on to successfully establish operations. Our core competency is in our experienced bilingual staff and reputable experts. JETRO offers free temporary offices and one-stop support services to give clients the resources and connections they need to get started. In addition, we provide assistance for foreign-affiliated companies already present in the country in order to further expand their potential.

We are a committed and reliable partner for your company.

When it comes to doing business with Japan, please **"Talk to JETRO first!"**

-Hiroyuki Ishige, Chairman & CEO
Japan External Trade Organization (JETRO)



Examples of Foreign-affiliated Companies That Are Seeing Success in the Japanese Market.

Umicore Japan K.K. (Belgium)

Umicore is Belgium's leading functional material manufacturer founded in 1837. The company operates business in the fields of secondary battery materials, solar cells, fuel cells, exhaust gas purification catalysts and recycling of precious metals for the global market with over 80 business bases around the globe. In April 2011, the company established its Japanese base to produce positive-electrode materials for lithium ion batteries in Kobe. CEO Mr. Marc Grynberg says, "It is crucial for Umicore group as a whole to demonstrate our presence to these leading companies and our existing Japanese customers, and to underline our commitment to the Japanese market. We also believe that it is necessary to locate R&D functions near our existing customers."



LitePoint Japan K.K. (United States)

According to Mr. Spiros Bouas, COO of LitePoint, U.S. based provider of test solutions for the development of wireless devices, the company's sales in Japan have been growing steadily since the company established its Japanese subsidiary in 2010. "It is not easy to find engineers of the same high caliber as Japan's engineers", says Spiros. "The existence of top-notch engineers makes the Japanese market very attractive."

Spiros asserts that Japan remains an attractive market even after the Great East Japan Earthquake of 2011. He personally is optimistic, saying, "If the world did not already know the resilience of the Japanese people, the earthquake showed why Japan is one of the leading countries in the world. The Japanese are tough and possess a strong spirit of cooperation." Spiros says that this cohesiveness and ability to cope are linked to the appeal of the Japanese market."



Prudential Holdings of Japan, Inc. (United States)

The life insurance subsidiaries of Prudential Holdings of Japan, Inc. (The Prudential Life Insurance Company, Ltd., The Gibraltar Life Insurance Co., Ltd., and The Prudential Gibraltar Financial Life Insurance Co., Ltd.) ranked third in the Japanese life insurance industry in FY2012 in terms of face amount of new business.

Since entering the Japanese market over 30 years ago, they have steadily grown their business and in FY2012 accounted for nearly half of the total operating income of U.S. based parent company Prudential Financial, Inc. Mr. Tomoyuki Inoue, Senior Officer for Corporate Planning, says "Japan is the world's second largest market next to the U.S. It is an attractive market not only because of continued liberalization, but also because customers place proper value on high quality services."



Message from the Prime Minister of Japan



PHOTO: CABINET PUBLIC RELATIONS OFFICE

The Japan that I am pursuing is a Japan that is wide open to the entire world. What is necessary for Japan's revival is a powerful catalyst that will restyle the old Japan and then make the "new" Japan even stronger. These are the expectations I hold towards direct investments into Japan.

By 2020, we will expand the balance of direct investment in Japan by foreign companies to 35 trillion yen, a doubling of the current figure.

-Shinzo Abe, Prime Minister

Tommy Bahama Group (United States)

A casual lifestyle clothing brand with their base of operations in the US, Tommy Bahama Group operates over 100 stores, mainly in North America. They offer a wide variety of products, including men's and women's sportswear, swimsuits, shoes and accessories, as well as interior decor. They are expanding into Asia as well, with stores in Macao, Singapore and Hong Kong, and they will be opening shops in Japan, which is a focal point of their Asian strategy. In April 2013 they opened a freestanding store in Ginza, Tokyo that combines both a bar and restaurant – the first such store of theirs outside the US. JETRO IBSC provided them with general consultation on penetrating the Japanese market and information on import regulations, and also introduced them to service providers.



Juneyao Airlines Co., Ltd. (China)

Juneyao Airlines is a Chinese commercial airline company based in Shanghai, with many international airline routes to Asian countries. Following the airline routes to Okinawa (Naha) and Osaka (Kansai), the carrier opened scheduled flight routes to Fukuoka this June, to Tokyo (Haneda) in August, and to Nagoya (Chubu) in September. For the new operations, the company set up new sales offices in Fukuoka, at Haneda Airport and in Nagoya. Prior to the opening of the new routes, JETRO provided Juneyao with location-specific market information and arranged meetings with relevant authorities. JETRO also introduced candidate partner companies such as travel agencies, hotels and temporary staff agencies, and provided various other support including leasing temporary office space (IBSC Fukuoka and Nagoya) and assistance with a joint press release and press conference.



AVL Japan K.K. (Austria)

Austria based AVL List GmbH established a subsidiary in Japan in 1995 for the development of powertrain systems and instrumentation and test systems in the Japanese automotive market.

AVL Japan accounts for over 10% of total group sales. Mr. Naoki Okada, President of AVL Japan, views the Japanese market as "highly technology- and service-oriented."

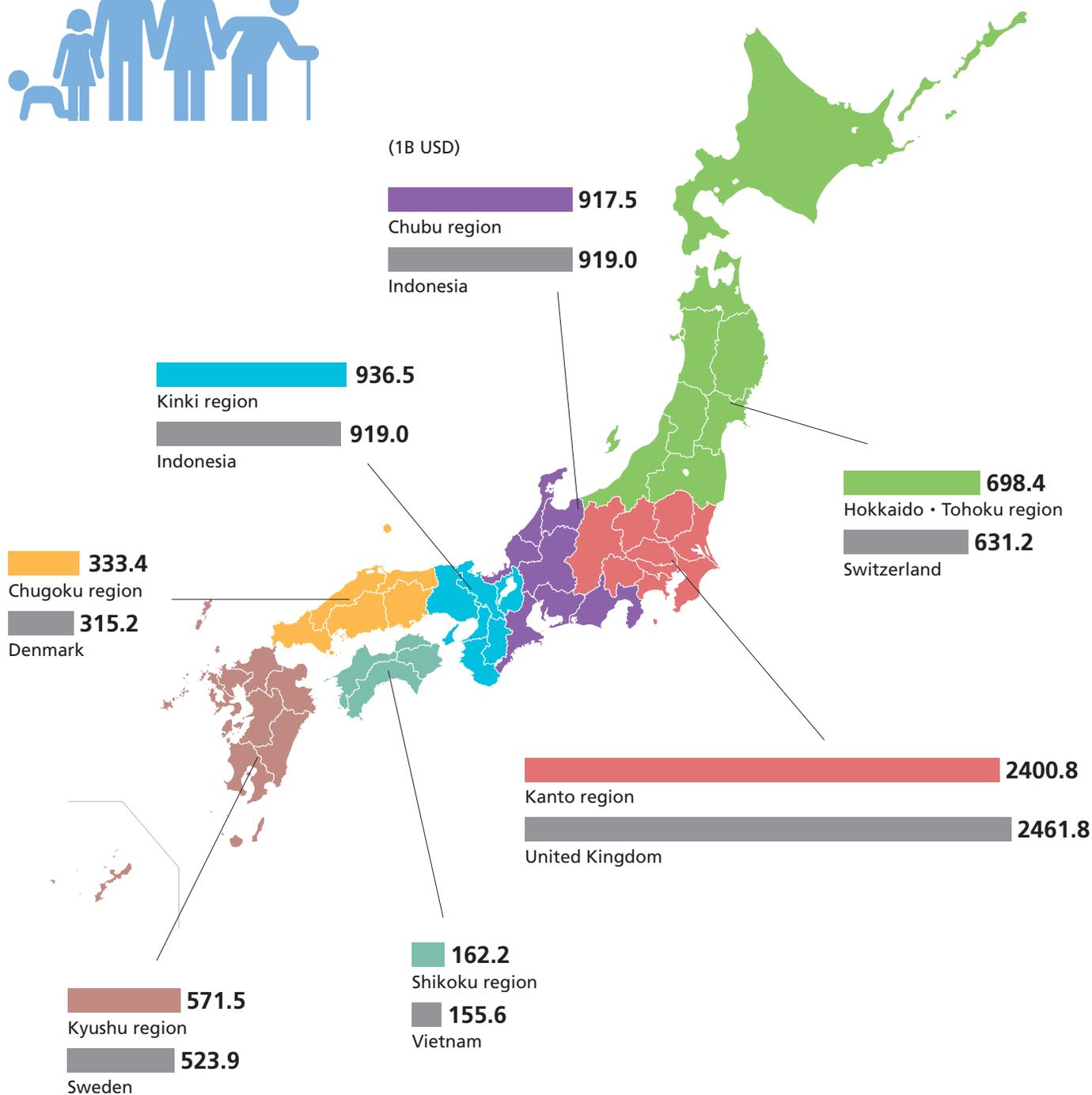
In 2016, AVL will start operation of a new technical center in Kawasaki and expand its service network to respond to customer expectations in Japan.



Japanese Market

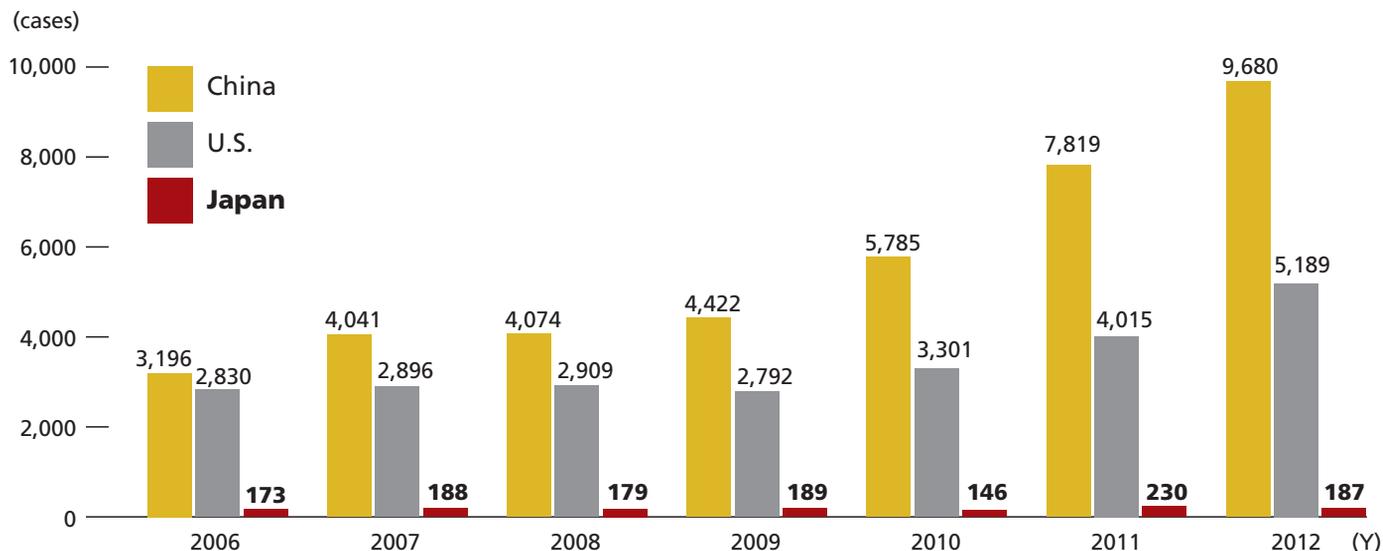
Did you know that Japan is a sophisticated, attractive, and enormous market?

GDP Comparison Between Japan's Regions and Select Foreign Countries



Source: IMF "World Economic Outlook Database"; "Prefectural Economic Almanac FY 2012", Economic and Social Research Institute, Cabinet Office

Number of lawsuits related to IP (patents, utility models, designs) in Japan, the US, and China



Source: Japan Patent Office

Note: There is no utility model system in the US
Jan to Dec for Japan and China, Oct to Sep for the US

Comparison of Ordinary Profit Ratios Between Foreign-affiliated Companies in Japan and All Companies in Japan



Source: Survey of Trends in Business Activities of Foreign Affiliates

Note: ① Ministry of Economy, Trade, and Industry "Survey of Trends in Business Activities of Foreign Affiliates" (*)

② Ministry of Finance Japan "Company Statistics"

(*) Responses from financial, insurance, and real estate companies are excluded

Business Environment

Did you know that Japan offers an ideal environment as a business hub?

Comparison of Research Expenditures Between G8 Countries

Rank	Country	% of GDP	Research expenditures (100M USD)	FY
1	Japan	3.75	1,767	2013
2	Germany	2.98	1,022	2012
3	United States	2.79	4,535	2012
4	France	2.29	554	2012
5	United Kingdom	1.73	391	2012
6	Canada	1.69	248	2012
7	Italy	1.27	263	2012
8	Russian Federation	1.12	379	2012

Source: Compiled by JETRO based on data from the Ministry of Internal Affairs and Communications Statistics Bureau

The Global Competitiveness Index 2014-2015



Source: World Economic Forum, "The Global Competitiveness Report 2014-2015"

Business Sophistication



Source: World Economic Forum, "The Global Competitiveness Report 2014-2015"

Living Environment

Did you know that Japan offers a safe and secure living environment?

Global Peace Index 2015 Global Ranking

Rank	Country	Score
1	Iceland	1.148
2	Denmark	1.150
3	Austria	1.198
4	New Zealand	1.221
5	Switzerland	1.275
6	Finland	1.277
7	Canada	1.287
8	Japan	1.322
9	Australia	1.329
10	Czech Republic	1.341



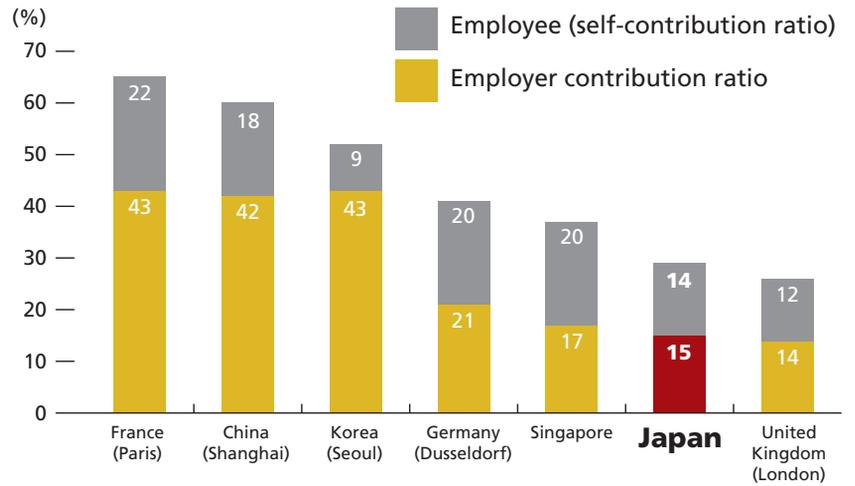
Source: GLOBAL PEACE INDEX 2015, INSTITUTE FOR ECONOMICS & PEACE
Note: Ranking based on 23 indicators including but not limited to number of police officers and violent crimes, risk of internal strife, respect for human rights, potential for terrorism, relationship with neighboring countries, and others.

Business Environment

Comparison of Employer Contribution Ratios for Social Security by Country

Source: Compiled based on data from JETRO's "Survey of Investment Related Costs" FY 2014 Survey

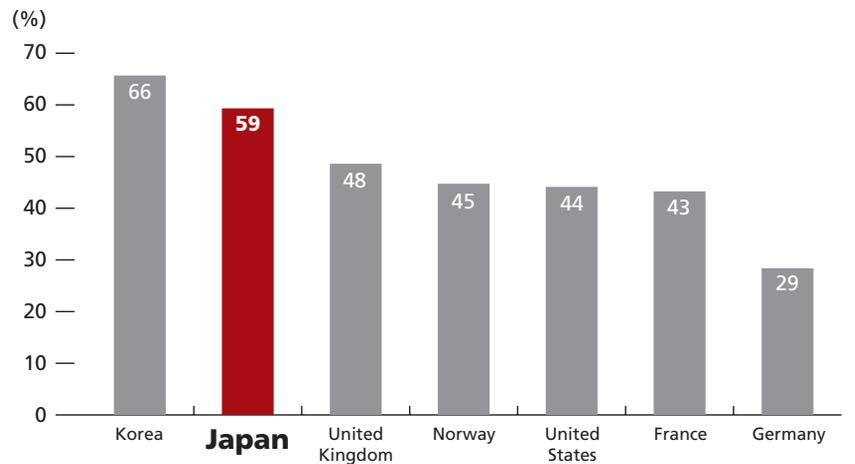
Note: Numbers are rounded to the nearest whole percent. Where there is a range, the largest value is used.



Comparison of College Graduation Ratios by Country

Source: Education at a Glance 2014

Note: Countries ranked in descending order by ratio of college graduates between the ages of 25-34. Here, college graduate means anyone who has completed tertiary education, to include community college and equivalent educational institutions.

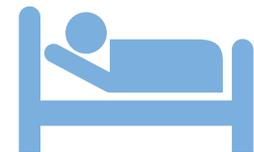
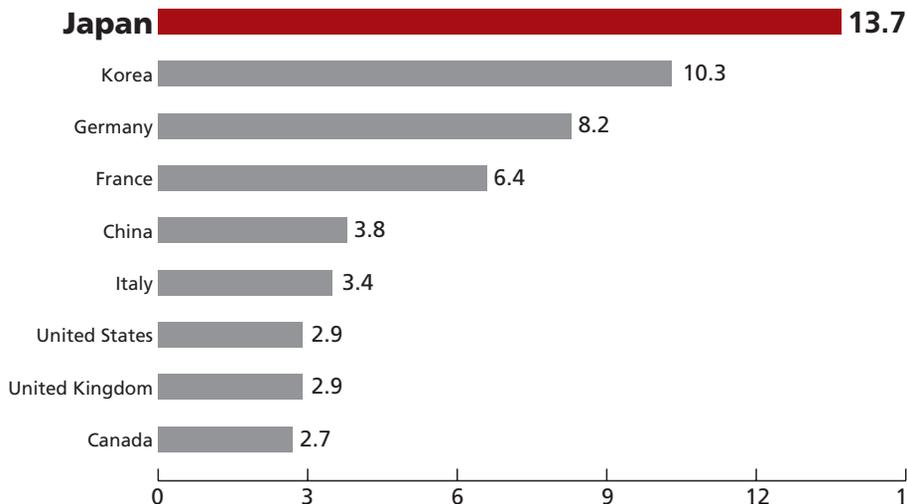


Living Environment

Number of hospital beds per 1000 people

Source: "World Statistics 2015", Ministry of Internal Affairs and Communications

Note: Data from the most recent available years (2007-2012)



(Number of hospital beds)

JETRO IBSC Invest Japan Business Support Center



JETRO IBSC is a one-stop center for establishing a business base and starting your business in Japan.

Consulting

Free individual consultation for your company

- Legal system
- Cost estimation
- Taxation
- Market regulation
- Business practice
- Human resource
- Location
- Subsidy application

Facilities

Temporary office space offered free of charge

- 50 working days free
- Located in 6 major cities
- Fully equipped
- Shared reception
- PC room with printer/scanner etc.
- Conference rooms available
- Event hall available

Information

Gather a wide range of information needed for your business

- Market reports
- Business advisor
- Online database
- Platform of professional service provider
- Connection to ministries and regulatory authority
- Deregulation Request

Tokyo One-Stop Business Establishment Center

Integration of procedures for establishing business by overseas-affiliated companies in one location

The Tokyo One-Stop Business Establishment Center has been jointly established by both the Japanese Government and the Tokyo Metropolitan Government on the same floor as JETRO IBSC. The center provides assistance with completing applications and other procedures required when starting a business, including those for certification of articles of incorporation, company registration and notification of incorporation, taxes, social security, and immigration in one place. The center will also provide interpretation and translation services in multiple languages.

<http://www.jetro.go.jp/en/invest/ibsc/one-stop.html>

JETRO's Global Network



For further information:

www.investjapan.org

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