Press Release May 14, 2012

To Members of The Osaka Economic Press Club

(cc: Osaka Prefectural Government Press Club, Osaka municipal government Press Club)

O-BIC Achievement Results in FY 2011 & FY 2012 No. 1 achievement

[Contact]

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I. O-BIC Results of Achievements in FY 2011

Joint announcement by the Osaka Prefectural Government, Osaka Municipal Government, Osaka Chamber of Commerce and Industry (OCCI) and JETRO Osaka

The Osaka Business & Investment Center (O-BIC) was established in 2001, jointly by the Osaka Prefectural Government, Osaka Municipal Government, and the OCCI. Functioning as a one-stop support center, O-BIC promotes foreign direct investment in Osaka. (Secretariat: International Division in OCCI)

1. Summary - FY 2011 Activities - 32 successfully invited cases -

- In FY 2011, by working closely with the JETRO Osaka and the Osaka International Business Promotion Center (IBPC) as "ALL-OSAKA team", in spite of the concerns of reputational damage by the big earthquake and a strong yen, O-BIC succeeded in inviting <u>32 foreign companies and organizations</u> to Osaka, which exceeded the past average (25 cases).
- In particular, for the smooth operation of foreign government offices and companies in Japan who were affected by the Tohoku Earthquake, O-BIC helped them to find offices in Osaka. Also O-BIC stepped up on its PR activities to show the conducive environment in Osaka and Kansai to foreign economic organizations and foreign companies etc. In addition, same as the previous year, O-BIC provided detailed support, such as introduction to the business environment and arrangement of business meetings with companies in Osaka etc, to foreign companies who showed strong interest in setting bases in Osaka.
- Also in foreign countries including China, South Korea, Taiwan, Singapore, United States, and Germany, O-BIC organized on-site promotions such as exhibitions, seminars, and visits to attract foreign investment.

2. Overview of FY 2011 Achievements - Increased interest from Western countries-

A breakdown of the 32 cases which O-BIC successfully invited shows that 20 cases or over 60% of the total are from Asian countries like China, Korea, etc., while 12 cases, most of which were secondary investments (where a foreign company which already has a presence in another area in Japan newly establishes a branch office etc. in Osaka) were from Western countries (as against 9 cases in FY 2010), which has been down since 2008, the year of the Lehman Shock.

The top 3 countries region-wise are, 9 cases from China (including Hong Kong), 6 cases from Korea and 4 cases from USA.

Of special note is the investment by solar power system related companies in Osaka. For example

- a German Certification Body for performance and safety of solar power generation systems and lithium-ion batteries established the Kansai Technology center, while SK Solar, a Chinese solar cell module manufacturer established a Japanese subsidiary company. This shows that the merits and potential of Osaka in the field of new energies is highly rated, and that market growth due to the Feed-in Tariff Scheme for renewable energy which will be launched in July 2012 is also highly anticipated.
- Ouring the 11 years from FY2001 (when O-BIC was established) to FY2011, there were altogether 280 investments into Osaka, and the top 3 of the cumulative number of cases by country are China(84 cases), Korea(41 cases) and USA(34 cases).

| FY | Tatal | |
|------|------|------|------|------|------|------|------|------|------|------|-------|--|
| 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | Total | |
| 13 | 14 | 33 | 24 | 25 | 24 | 36 | 28 | 19 | 32 | 32 | 280 | |

II. O-BIC- The 1st promotional case in FY2012

- ESCO Micro Pte. Ltd., a Singaporean major company which is involved in development, production and sales of medical equipment and instruments plans to establish a Japanese Subsidiary "ESCO Japan" in Osaka city, by the end of May 2012.
- The main products are; air pollution control instrument, air cleaner, and biotechnology laboratory equipment. Especially, they enjoy over 20 % of the world-market share in the field of Biological Safe Cabinets.
- With development capabilities and technological strength cultivated by the global development, they are actively expanding the line-up of the new products of cell culture related products like CO2 incubator or ultra-low temperature freezer.
- While strengthening cooperation with local sales distributors to collect information related to biotechnology research and the latest technologies, they aim to provide further contribution to biotechnology research and medical fields in Japan
- O-BIC provided information related to their establishment in Japan, as well as support for promotion.

(Attachments)

- ①FY 2011 O-BIC Major successful investments
- ② List of FY2011 achievements
- 3 Outline of FY2012 first achievement

FY 2011 O-BIC Major Successful Investments

1. TÜV Rheinland Kansai Technology Center

A Germany based leading global third-party certification organization that provides technical services.

Location: Higashinari-ku, Osaka-shi (Floor area 2,571.10 m2) Business: Evaluation and test of performance and safety for lithium-ion battery and solar power generation

Support: To receive subsidy from Osaka Prefecture (¥ 20 million)



2. ZebraJapan Co., Ltd.

A chain of 120 "Tiger" shops for popular Danish miscellaneous goods, mainly in Europe (Danish version 100 yen shop)

Location: Osaka city (No.1 shop in Asia, to be opened this summer)

Business: After opening 3 shops in Osaka, to expand business (about 100

shops) across Japan, including Tokyo.

Support: To provide financial assistance for company registration and VISA

(¥ 150, 000), public relations, information on authentication, business

partners etc





3. Canadian Trade Office in Osaka (in the OCCI bldg)



On March 25, 2012, Japan Prime Minister Noda mentioned as follows in a joint announcement with Canada Prime Minister Harper:

"We are very happy that Canada has established the Osaka office in the OCCI building to strengthen the commercial relationship between the two countries"

(Photo by Cabinet Public Relations Office)

Location: OCCI building

Activities: Promotion of business, trade and investment and science and technology exchange

between Canada and Japan

Support: To carry out promotional activities, to offer benefits for the establishment, and to hold co-sponsored events etc.

4. Air Asia X opens Osaka Office

A Malaysian long-distance flight operator that is part of Asia's biggest LCC group, Air Asia.

Location: Izumisano-shi, Osaka

Business: LCC flight service between KIX and KL

Support: To help with PR, and to sponsor the CEO's seminar

(300 participants at OCCI Hall)



Osaka Business and Investment Center (O-BIC) Achievements in FY2011 (April 2011-March 2012)

<By-Country/By-Industry at glance>

Cases of new Entry, figures in brackets ()=FY2010

| | | Bio ⁻ | T/ Tech/ D ※ | Service | | Trade | | Import/Sales/ Manufacturing / Marketing | | Organizati ons/Agen cies | | | | Total | |
|----------------------|---------------------|------------------|--------------------|---------|-----|-------|-----|--|------|--------------------------------|-----|---|-----|-------|------|
| Asia | China | 1 | | | (1) | 3 | | 4 | (4) | | | | | 8 | (5) |
| | Korea | | | 2 | (1) | | (2) | 4 | (6) | | | | | 6 | (9) |
| | Singapore | | | | | | (1) | | | | | | | 0 | (1) |
| | India | | (2) | | (1) | | | | (1) | | | | | 0 | (4) |
| | Indonesia | | | | | 1 | | | | | | | | 1 | (0) |
| | Taiwan | | | | | | | 1 | (2) | | | | | 1 | (2) |
| | Hong Kong | | | | | 1 | | | (1) | | | | | 1 | (1) |
| | Hong Kong/Singapore | | | | (1) | | | | | | | | | 0 | (1) |
| | Malaysia | | | 1 | | | | | | | | | | 1 | (0) |
| | Mongolia | | | | | | | | | 1 | | | | 1 | (0) |
| | Philippines | | | | | 1 | | | | | | | | 1 | (0) |
| | Asia Total | 1 | (2) | 3 | (4) | 6 | (3) | 9 | (14) | 1 | (0) | 0 | (0) | 20 | (23) |
| North Americ a | USA | | | 2 | | | | 2 | (1) | | | | | 4 | (1) |
| | Canada | | | | | | | | | 1 | | | | 1 | (0) |
| | North America Total | 0 | (0) | 2 | (0) | 0 | (0) | 2 | (1) | 1 | (0) | 0 | (0) | 5 | (1) |
| | France | | | | (1) | | | 2 | | | | | | 2 | (1) |
| Europe | Germany | 1 | (1) | | | | | | | | | | | 1 | (1) |
| | Italia | | | | | | | | | | (1) | | | 0 | (1) |
| | Spain | | | | (1) | | | | | | | | | 0 | (1) |
| | Poland | | | | | | | | | | (1) | | | 0 | (1) |
| | England | | | 2 | | | | 1 | (1) | | | | (1) | 3 | (2) |
| | Denmark | | | | | | | 1 | | | | | | 1 | (0) |
| | Europe Total | 1 | (1) | 2 | (2) | 0 | (0) | 4 | (1) | 0 | (2) | 0 | (1) | 7 | (7) |
| Oceania | Australia | | | | | | | | (1) | | | | | 0 | (1) |
| | Oceania Total | 0 | (0) | 0 | (0) | 0 | (0) | 0 | (1) | 0 | (0) | 0 | (0) | 0 | (1) |
| Total | | 2 | (3) | 7 | (6) | 6 | (3) | 15 | (17) | 2 | (2) | 0 | (1) | 32 | (32) |

XInclude evaluation and test performance

0-BIC The $1^{\rm st}$ promotional case in FY 2012

<Head Office>

Corporate Name: ESCO Micro Pte. Ltd.

Representative: Lin Xiang Qian

Address: 21 Changi South St. 1, Singapore 486777

Number of Employees: 650

Capital: approx. 418,000,000 yen (as of Feb. 2012)

Established: January 1984

Business Outline: A global player in containment, clean air and laboratory equipment

technology.

<0saka-Office>

Corporate Name: ESCO JAPAN

Address: Asia Pacific Trade Center - ITM Bldg. 5F-H-10-1, 2-1-10 Nankoukita, Suminoe-ward

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