

To Members of the Osaka Economic Press Club

(cc: Osaka Prefectural Government Press Club, Osaka Municipal Government Press Club)

**Joint release by the Osaka Prefectural Government, Osaka Municipal Government
and Osaka Chamber of Commerce and Industry (OCCI)
Osaka Business and Investment Center (O-BIC)
Achievements in FY 2014**

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I. About the Osaka Business and Investment Center (O-BIC)

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

II. Overview of activities in FY 2014 ~A highest record of 38 investments this FY~

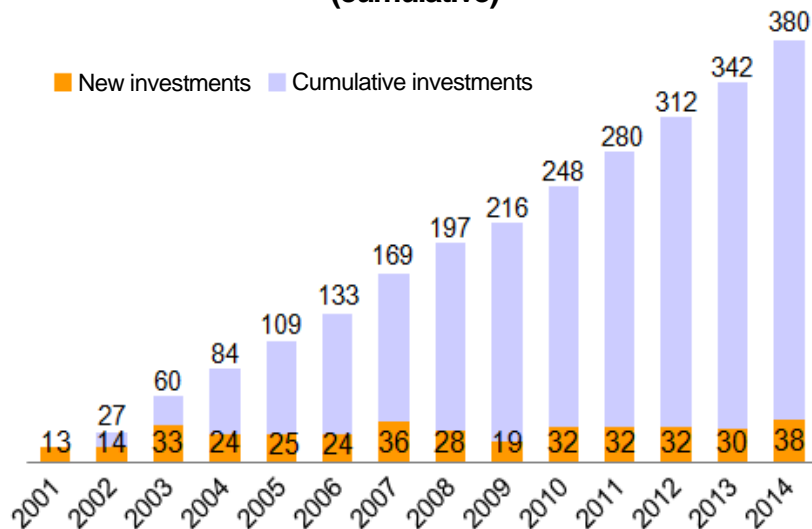
- In 2014, O-BIC attempted to attract foreign investment through cooperation between public and private entities by tying up with Osaka International Business Promotion Center and JETRO Osaka. Efforts from the government to strengthen promotion of investment in Japan, coupled with tailwinds in the form of a depreciating yen helped O-BIC post a highest record of 38 investments in one year ever since its inception.
- As part of FY2014 activities, O-BIC serviced 113 inquiries by giving out market information and providing advisory information for company setup. Further, taking advantage of the country's first ever [Zero Local Tax] tax incentive for Kansai Innovation International Strategic Comprehensive Special Zone, O-BIC placed emphasis on new energy and life sciences industries and also pro-actively promoted Osaka and Kansai regions among overseas business groups and overseas companies in Japan and abroad.
- Further, making effective use of exhibition spaces of promising industry sectors such as new energy and life sciences, O-BIC approached exhibiting companies, found some companies with positive interests and offered them extensive services in the form of arranging business meetings with Osaka companies and offering site visits too.

III. Summary of results in FY 2014

~ Asia continues to contribute 80% of total share, Britain in top 3 for the first time ~

- A closer look at the successful 38 investment cases reveals that 31 of them are from Asian countries such as China and South Korea, thus ensuring that Asia continues to contribute 80% of the total share, which is the same as last year. A country/region-wise breakup shows that the top 3 contributors are China (including Hong Kong) with 17 cases, South Korea with 10 cases, and UK with 4. This is Europe's first entry in the top 3.
- O-BIC visited Britain in May last year and met individual companies, and also accompanied the OCCI delegation on its 'Economic Mission to Europe' in October and actively promoted Osaka among the local companies and business groups. As a result, these companies have now opened offices in Osaka.
- Sector-wise, the number of service industry companies entering Japan for new market opportunities was remarkably high, while Asian companies from countries such as China stood out for the purpose of exporting technologically and qualitatively superior Japanese products to their home countries.
- Ever since O-BIC was established in 2001, a total of 380 companies have made investments in these 14 years, and on a cumulative basis, the top 3 countries in terms of investing companies have been China (including Hong Kong) with 131 cases, South Korea with 66 cases and USA with 40 cases.

O-BIC No. of investing companies (cumulative)



(Attachments and reference documents)

- ① Major promotional success stories in FY 2014
- ② O-BIC Investments Overview Matrix for FY 2014

Promising/listed Asian companies which opened their first Japanese offices in Osaka

>>>Companies which have entered the Japanese market for the first time, with the purpose of strengthening sales with their Osaka partners and to find market opportunities in Japan.

◆ Japan DunAn International Company



Parent company: DunAn Environment, the flagship business for one of the top 500 Chinese companies, DunAn group (Listed Company)

Nature of business: Development, manufacture and sale of air conditioner functional components

◆ Zhongshan Broad-Ocean Motor Osaka Branch



HQ: Zhongshan Broad-Ocean Motor Co., Ltd., one of the top 100 private companies in Guangdong Province, China (Listed Company)

Nature of business: Development, manufacturing and sale of special motors and transmission systems for electric vehicles

◆ AN PHUOC JAPAN Co., Ltd



Parent company: An Phuoc Co., Ltd, Vietnam's leading apparel maker company owning brands. Also a well-known OEM for overseas brands.

Nature of business: OEM for apparel

Japanese and British advanced technology companies building up presence in Umeda area

>>>British companies possessing advanced hardware and software technology have partnered with Osaka company (KAHM Japan Ltd) to establish a presence at the Grand Front Osaka, which is the 'Knowledge Capital' of Osaka.



◆ Nomad Digital Japan Office

HQ: Established in 2002. Ranked 52nd among 100 fastest growing British companies

Nature of business: Offering high-speed wireless communication solutions to the railways, bus and traffic sectors and improve passenger comfort



◆ ISIS Innovation Japan Office

HQ: Britain-based Oxford University, with open participation

Nature of business: company information, intellectual property, knowledge transfer and movement to lab

Overseas companies teaching English in Japan are actively expanding

>>>In response to the growing need for English learning due to an increase in inflow of tourists and the planned Olympics/Paralympics, several overseas companies with rich experience in imparting English training are entering the Japanese market.

◆ YBM Japan

Parent company: South Korea

Nature of business: Operation of a facility to learn English through experience

© Decision to grant (20 million yen) of 'Osaka Prefecture Subsidy for foreign-affiliated companies**'.

*Targeting foreign companies setting up a new HQ or Asian base of operations within Osaka, this system aims to provide partial assistance to cover companies' investments such as rentals, on condition that they meet certain criteria in terms of area and employment conditions.

◆ Night Zookeeper Inc.

Parent company: Joint venture



between an English and Japanese companies
Nature of business: English learning program for children, educational games, application development and overall functioning

Osaka Business and Investment Center (O-BIC)
Investments Overview Matrix for FY 2014
 (April 2014-March 2015)

<By-Country/By-Industry at glance>

Cases of new Entry, figures in brackets ()=FY2013

		IT/ Bio Tech/ R&D ※	Service	Trade	Import/Sales/ Manufacturing /Marketing	Organizations/ Agencies	Others	Total
Asia	China	(1)	4 (5)	5 (1)	5 (4)	(1)		14 (12)
	Hong Kong	1	1		1			3 (0)
	Korea		4 (1)	2	4 (3)			10 (4)
	Singapore		1 (1)					1 (1)
	Taiwan		(2)	1 (1)	(4)			1 (7)
	Thailand		(1)					0 (1)
	Vietnam		1		1	(1)		2 (1)
	Asia Total	1 (1)	11 (10)	8 (2)	11 (11)	0 (2)	0 (0)	31 (26)
North America	USA		1 (1)		(2)			1 (3)
	Canada				1			1 (0)
	North America Total	0 (0)	1 (1)	0 (0)	1 (2)	0 (0)	0 (0)	2 (3)
Europe	UK	1	2				1	4 (0)
	Sweden				1			1 (0)
	Italy	(1)						0 (1)
	Europe Total	1 (1)	2 (0)	0 (0)	1 (0)	0 (0)	1 (0)	5 (1)
Total		2 (2)	14 (11)	8 (2)	13 (13)	0 (2)	1 (0)	38 (30)

※Include evaluation and test performance