

Low costs and good incentives make expansion easy.

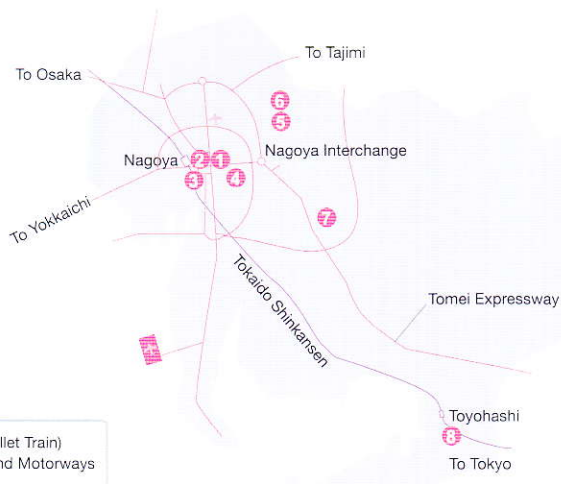
● Cost Comparison of Japan's Three Major Metropolitan Areas

Among the three major metropolises, the ease of expanding into Aichi stands out.



● Information and Office Space for Entrepreneurs

Support is available in Aichi for entrepreneurs and for small and medium-sized businesses branching into new areas.



① Aichi Venture House



② JETRO Invest Japan Business Support Center



③ Toyohashi Science Core

No.	Name	Area	Rooms	Cost to Tenants (Monthly)
1	Aichi Venture House	Naka-ku, Nagoya	25	Rent: free / actual: ¥2,500 (per m ²) or so
2	JETRO Invest Japan Business Support Center	Naka-ku, Nagoya	4	Rent: free / actual: transportation fares or so
3	Nagoya Business Incubator Kanayama	Nakagawa-ku, Nagoya	24	Rent: ¥2,900 / service fee: ¥1,100 (per m ²) or so
4	Nagoya Business Incubator Shirakane	Showa-ku, Nagoya	48	Rent: ¥2,900 / service fee: ¥1,100 (per m ²) or so
5	Creation Core Nagoya	Moriyama-ku, Nagoya	19	Rent: ¥131,040-510,720 or so
6	Science Exchange Plaza	Moriyama-ku, Nagoya	10	Rent: ¥63,420-78,907 or so
7	Toyohashi Science Core	Toyohashi	27	Rent: ¥21,000-164,673 or so

Note: There may be times when all facilities are booked, and hence unavailable. Please do not hesitate to contact I-BAC. (See back cover for details.)
There are many other incubator facilities in addition to above mentioned facilities.

Aichi is the most affordable of Japan's three major metropolitan areas for property prices, rent, and wages. There's also a system in place to provide support and subsidies for expanding businesses.

Incentives Overview

Subsidy Program to Promote Investments in the Cutting- Edge Sectors of the 21st Century

Requirements for a subsidy	Applicable facilities	Expense of acquiring fixed property (excluding land)	Number of new hired full-time employees
	Factories	Large companies : 5 billion yen or more SMEs : 200 million yen or more	Factories : Large companies : 20 employees or more SMEs : 5 employees or more For investments over 30 billion yen, an additional increase of 10 full-time employees is necessary for every 10 billion yen of investment.
	Research laboratories	Large companies: 500 million yen or more, SMEs: 200 million yen or more	
Expenses to be subsidized	Expense of acquiring fixed property (excluding land)		Subsidy amount
	Factories	Up to 10% of applicable expenses (up to 5% of factory leasing costs)	Up to 10 billion yen (For investments under 30 billion yen, subsidies up to 1 billion yen)
	Research laboratories	Up to 20% of applicable expenses (up to 10% of laboratory leasing costs)	For investments over 30 billion yen, the amount above 30 billion yen receives a 5% subsidy.
Applicable fields	1. aerospace 2. environment / new energies 3. health and longevity 4. advanced materials 5. nanotechnologies 6. biotechnologies 7. IT 8. other cutting-edge technology fields approved by the governor		

Subsidy Program to Promote Investments for the Creation of New Aichi

※ Application must be submitted by the day before construction.
※ A screening committee will approve the companies to be subsidized.

TypeA Support company reinvestment within the prefecture in collaboration with municipalities

Applicable fields	1 next generation vehicle, aerospace, environment/new energies, robots, IT, health and longevity, and other fields approved by the Governor 2 All fields designated in the basic plan are based on the Act on Formation and Development of Regional Industrial Clusters through Promotion of Establishment of New Business Facilities, etc.		
Subsidy requirements	Applicable fields	investment amount	Number of full-time employee
	Facilities operated in Aichi Prefecture for over 20 years	Large companies SMEs	100or more must be maintained 25 or more must be maintained
Eligible expenses	Expenses for the acquisition of fixed assets(excluding land cost)		Amount Limit
	10 % (Independent prefectural subsidy rates up to 5%)		1 billion (Independent prefectural subsidy up to 500 million yen)

TypeB Support the establishment of companies in fields at the core of the supply chain

Applicable fields	Regarding Point1, relevant fields are ①Fields of materials and parts at the core of the supply chain ②Fields belonging to expanding markets		
Subsidy requirements	Applicable facilities	investment amount	Number of full-time employee
	Large companies	① 500million yen or more ② 5billion yen or more	① Number of employees must be maintained for 4 years at the same level as before the Great East Japan Earthquake ② 20 or more increase in the number of full-time employees
	SMEs	20million yen or more	① Number of employees must be maintained for 4 years at the same level as before the Great East Japan Earthquake ② 5 or more increase in the number of full-time employees
Eligible expenses	Expenses for the acquisition of fixed assets(excluding land cost)		Amount Limit
	10% (The rate is reduced to 5% for equipment investments at existing plants)		1 billion yen

Subsidy Program to Support R&D for the Creation of New Aichi

※ Application must be submitted by the day before construction.
※ A screening committee will approve the companies to be subsidized.

Applicable fields	(1) next generation vehicle, aerospace, environment/new energies, robots, IT, health and longevity, and other fields approved by the Governor(For R&D only) (2) All technology fields designated by the SME Manufacturing Technology Enhancement Law (3) All technology fields supported by Aichi Center for industry and Science Technology		
Subsidy requirements	Following types of R&D performed by companies, etc. with a facility in Aichi. ① In the case of SMEs, consortiums, etc., in general, R&D is performed in collaboration with a public R&D institute. ② In the case of Large companies, in general R&D is performed by a consortium where industries, academia, and governments collaborate.	Applicable proving tests for companies, etc. to perform in Aichi. ① Proving tests which utilize next-generation technologies or local strengths and are performed in collaboration with municipalities. ② Proving tests which can enhance the technologies related to next-generation growth fields, or commercially viable technologies that improve Aichi industry's competitiveness.	
Eligible expenses	Expenses related to raw materials, machinery / equipment, commissioned transformations, commissioned tests, commissioned research, etc.	Expenses related to experiment equipment and systems, facility operations, necessary expenses for collaborators performing experiments, etc.	
Amount Limit	200 million yen In the case of SMEs, generally 100 million yen	Subsidy rates	In general, 1/2 for Large companies and 2/3 in all other cases

※ A screening committee will select the companies to be subsidized.

New Business Promotion Tax Incentives (Abatement of Real Estate Acquisition Tax)

Applicable period	The period from the date an area is designated until March 31, 2013
Prerequisites	To qualify, your business must fall under either of the following categories: 1. Investment in facilities* amounts to 100 million yen or more. *Premises and depreciating fixed assets (excluding land) 2. Your business has at least 5 full-time employees.
Reduction Amount	Small and medium-sized business owners: an amount equal to three-quarters of your property acquisition tax Other (large companies): an amount equal to one-half of your property acquisition tax.

Tax Incentives for New Businesses Under the Business Facilities Promotion Law

Applicable requirements	Facilities that will contribute to greater improvement in the production and manufacturing of new products, and which cost the following amounts: • Buildings: buildings that cost 500 million yen or more (*50 million yen or more) to acquire • Machinery: machinery that costs 10 million yen (*5 million yen) or more per unit to acquire, and costs 300 million yen (*40 million yen) or more in total. *The lower amounts apply to food producers and companies in the agriculture, forestry, and fishing sectors.
Special depreciation rates	Buildings: 8%, machinery: 15%

Long-Term Installment Payment System for Real Estate Subdivisions (applicable to industrial sites owned by the Aichi Public Enterprise Bureau)

Period	Up to 10 years (up to ten times including the initial payment)
Amount of initial payment	10% or more of the contracted amount (to be paid within 15 days from the day after the contract is concluded)
Payment method	Payment must be made in equal annual installments of the amount remaining after deducting the initial payment from the contracted amount (payment date: the response deadline date of the contract)

Land Lease System (applicable to industrial sites owned by the Aichi Public Enterprise Bureau)

Uses	For industrial/distribution/commercial use	Lease type	Enterprise lease (10-20 years)
Annual rent	Land price x 3% + tax and public dues (Note: Tax and public dues are the amount equivalent to fixed property taxes.) A 50% discount on the annual lease fee is applicable during construction of facilities for a maximum of six months.		
One-time payment	Deposit: Monthly rent x rent for 12-24 months	Key money: N/A	
Introductory areas	<ul style="list-style-type: none"> • Inland areas: (1) Nukata Nambu (2) Toyohashi-Ishimakinishikawa (3) Shinshiro Nambu • Coastal areas: (1) Mito No. 2 (2) Kinuura No. 14 (3) Tahara No. 1 • Central Japan Airport City 		

Foreign Company Incentive Program (*Support through the Greater Nagoya Initiative)

Eligible companies	Companies that are at least 50% foreign-owned, and that are establishing new companies or branches in the Greater Nagoya region (Aichi, Gifu, and Mie Prefectures)
Eligible expenses	① Costs for procedural requirements for establishing the company in the Greater Nagoya area : - Consultation and expenses for specialists in company registration and visa applications, including legal advisors, judicial scrivener, certified public accountant, licensed tax account, administrative consultant, and public consultant on social and labor insurance. (Translating expenses are included) ※ Tax and public dues such as the registration and license tax and stamp fees are excluded. ② Expenses necessary for personnel recruitment, brokerage costs for leasing office, market relevance etc. research expenses, consultant fee for the market research etc. ※ Tax and public dues such as the registration and license tax and stamp fees are excluded.
Support funds	① up to 500,000 yen per company ② up to 500,000 yen per company