

Outline of Yokohama City's Business Location Incentive Program for Growth Industries

– Financial assistance for companies and other organizations establishing operations in Yokohama! –

* This year's applications are being accepted until December 28, 2017.

① Program Overview (* Please see P. 2 for a more detailed explanation of each category.)

- Companies and other organizations located outside of Yokohama who establish offices (including new companies) in Yokohama City for the first time

Targeted Industries	Area/Personnel Requirements	Facilities	Subsidy	Category
<p>“Growth industries”</p> <ul style="list-style-type: none"> ◆ Environment/energy ◆ Healthcare/medical ◆ MICE <p>Priority fields that support growth industries (Hereafter called “priority field.”)</p> <ul style="list-style-type: none"> ◆ IT ◆ Manufacturing industry <p>*See p. 4 for eligible industrial fields</p>	<p>Floor Area: At least 1,000 m² or Number of Employees: At least 60 people</p>	<p>Head office facilities (head office facilities, R&D center facilities, etc.)</p>	<p>Equivalent of 12 months' rent Max. 10 million yen</p>	<p>Category ①</p>
	<p>Floor Area: At least 300 m² or Number of Employees: At least 30 people</p>	<p>Offices, etc. (head office, R&D and office facilities)</p>	<p>Equivalent of 6 months' rent Max. 5 million yen</p>	<p>Category ②</p>
	<p>Floor Area: At least 100 m² or Number of Employees: At least 5 people⁻¹</p>		<p>Equivalent of 3 months' rent Max. 1.5 million yen</p>	<p>Category ③</p>

*1 Exceptions for Foreign-Owned Companies

In the case of a foreign corporation, category ③ is applicable when the floor area is 30 m² or more, and also the number of employees is two or more. Note that regarding the categories ①, ② and ④, a foreign corporation also has the same floor area and personnel requirements as those of a Japanese corporation.

- When companies, etc., with offices or branches in Yokohama City expand them to include head office facilities (“special-case expansion/relocation”^{*2})

Targeted Industries	Area/Personnel Requirements	Facilities	Subsidy	Category
<p>Growth industries</p> <ul style="list-style-type: none"> ◆ Environment/energy ◆ Healthcare/medical ◆ MICE <p>Priority fields that support growth industries</p> <ul style="list-style-type: none"> ◆ IT ◆ Manufacturing industry <p>*See p.4 for eligible industrial fields</p>	<p>[Floor area] Following relocation to Yokohama, the current floor area must represent, at minimum, a 300 m² increase as well as a twofold or greater increase compared to the previous floor area. or [Personnel] Following relocation to Yokohama, the current personnel count must represent, at minimum, a 30-person increase as well as a twofold or greater increase compared to the previous personnel count.</p>	<p>Head office facilities (head office facilities, R&D center facilities, etc.)</p>	<p>Equivalent of 6 months' rent Max. 5 million yen</p>	<p>Category ④</p>

*2: This applies to offices for which existing functions are expanded and new facilities established in addition to companies that move their head office or research and development facilities, etc., to Yokohama from other locations.

<Inquiries>

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② Subsidy Requirements/Subsidy Contents (*Requirements and contents differ according to the categories laid out on P. 1)

- Non-Yokohama companies^(*) (including new companies) or similar organizations establishing offices⁽²⁾ in Yokohama for the first time:

Category ①	<Subsidy amount> Rent ⁽⁶⁾ Equivalent to 12 months' rent Max. 10 million yen
[Industries]	Must mainly be engaged in work for the industries listed on P.4.
[Floor Area/Personnel]	Floor area ⁽³⁾ of at least 1,000 m ² in their new location in Yokohama, or an employee count ⁽⁴⁾ of at least 60.
[Function of Facilities]	Head office ⁽⁵⁾

Category ②	<Subsidy amount> Rent ⁽⁶⁾ Equivalent to 6 months' rent Max. 5 million yen
[Industries]	Must mainly be engaged in work for the industries listed on P.4.
[Floor Area/Personnel]	Floor area ⁽³⁾ of at least 300 m ² in their new location in Yokohama, or an employee count ⁽⁴⁾ of at least 30.
[Function of Facilities]	Head office ⁽⁵⁾

Category ③	<Subsidy amount> Rent ⁽⁶⁾ Equivalent to 3 months' rent Max. 1.5 million yen
[Industries]	Must mainly be engaged in work for the industries listed on P.4.
[Floor Area/Personnel]	Floor area ⁽³⁾ of at least 100 m ² in their new location in Yokohama, or an employee count ⁽⁴⁾ of at least 5. In the case of a foreign corporation ⁽⁷⁾ , Floor area ⁽³⁾ of at least 30 m ² in their new location in Yokohama, or an employee count ⁽⁴⁾ of at least 2.
[Function of Facilities]	Office ⁽²⁾

- Companies with offices⁽²⁾ in Yokohama that expand/move their head office facilities⁽⁵⁾ ("special-case expansion/relocation"):

Category ④	<Subsidy amount> Rent ⁽⁶⁾ Equivalent to 6 months' rent Max. 5 million yen
[Industries]	Must mainly be engaged in work for the industries listed on P.4.
[Floor Area/Personnel]	Floor area / personnel requirements are as follows. (Floor area) Following relocation to Yokohama, the current floor area ⁽³⁾ must represent, at minimum, a 300 m ² increase as well as a twofold or greater increase compared to the previous floor area. (Personnel) Following relocation to Yokohama, the current personnel count ⁽⁴⁾ must represent, at minimum, a 30-person increase as well as a twofold or greater increase compared to the previous personnel count.
[Function of Facilities]	Head office ⁽⁷⁾

(*1) **Non-Yokohama Companies:** This refers to entities like public companies, limited partnerships, unlimited partnerships, limited companies, limited liability companies or Japanese branches of foreign companies (does not include representative offices) that have not established a head office, branch, place of business, or other similar facilities in Yokohama. Incorporated organizations and so forth in MICE-related industries are also eligible to receive subsidies.

(*2) **Offices:** This refers to offices, laboratories, and other similar facilities used in a company's business (does not include factories, warehouses, and stores).

(*3) **Floor Area:** This refers to sections in offices other than storehouses used to store goods, display spaces/showrooms, shops that provide services or sell products, and food/drink facilities.

(*4) **Employees:** This refers to workers eligible to receive employment insurance.

(*5) **Head office facilities:** This refers to divisions/departments in charge of general affairs and personnel, planning and coordination, public relations, international operations, sales operations, R&D, information systems and others areas (excluding branch, sales offices and so forth in charge of a select region or regions in Kanagawa Prefecture).

(*6) **Rent:** This refers to the total of the rent, common service fees, and consumption tax applied to the target section. This does not include security deposits/key money.

(*7) **Foreign corporation:** This refers to a corporation that corresponds to one of the following.

(1) A company, more than one-third of its voting rights or invested capital is held by a corporate body (limited to one that possesses financial results for at least two fiscal periods) which was established based on the laws and regulations of a foreign country.

(2) The Japanese branch of a company which was established based on the laws and regulations of a foreign country (limited to one that possesses financial results for at least two fiscal periods).

③ Location Planning Summary Submission (Prior to Closing of Lease Contract)

Note that financial assistance cannot be applied for if the necessary documentation has not been submitted up until one day prior to concluding the leasing contract.

[Following submission of form 1]

- * Contact one of our representatives after closing your lease contract.
- * When applying for a special-case expansion/relocation: before relocating, please obtain "Applicable Business Ledger Header 1" from the Hello Work office to which your area is assigned. This document will be required at the time of application in order to confirm the number of employees.

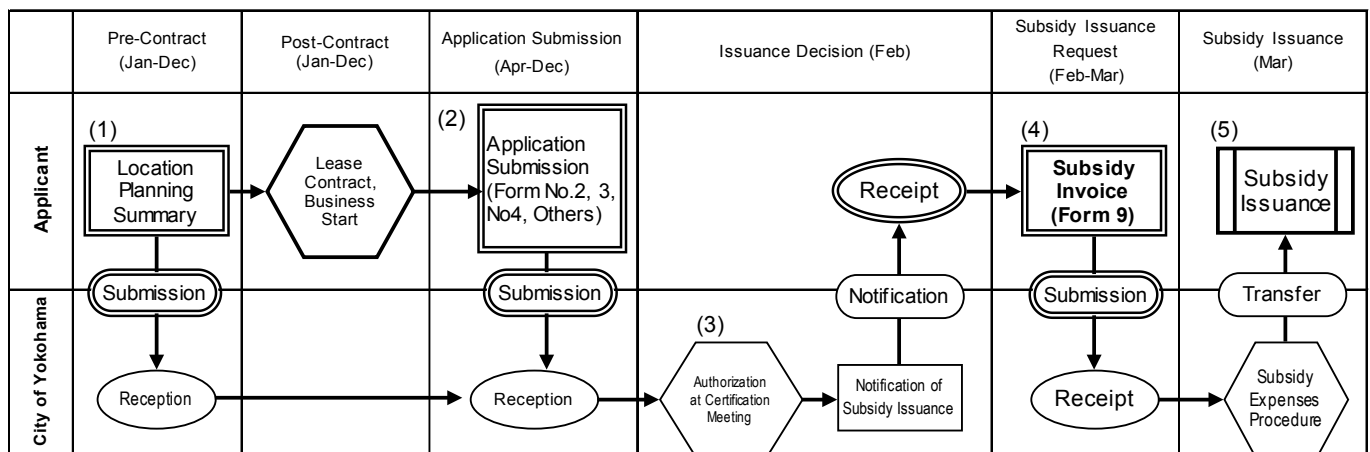
④ Procedural Flow and Schedule

The procedures and schedule up until the granting of the subsidy are roughly as follows.

- (1) Submission of "Location Planning Summary (Form 1)": January - December (Up until one day prior to concluding the leasing contract)
- (2) Subsidy Application: April - December (Post-Contract)
- (3) Authorization at Certification Meeting, Notification of Subsidy Issuance/Subsidy Amount Issued: Following February
- (4) Submission of "Subsidy Invoice (Form 9)": February - March (request of subsidy issuance)
- (5) Subsidy Issuance: End of March (Subsidy transferred to designated bank account of applicant)

* At the certification meeting, the eligibility of companies that are applying for a subsidy is certified.

<Procedural Flow>



⑤ Notes (Post-Subsidy Issuance Obligations)

- (1) **During the following period subsequent to advancing, it is necessary to continue running the business at the work place or other location to which the business advanced.**

Application category	Obligatory period of continuance
Category 1	Period from the day the leasing contract was concluded up until the day on which four years has elapsed
Category 2,3,4	Period from the day the leasing contract was concluded up until the day on which two years has elapsed

- (2) During the obligatory period of continuance in (1), companies report on the status of the most recent year by submitting "Status Report (Form 10)" and "Directors Name List (Form 5)" on the month of the day on which the contract to rent the premises was established. However, if this day falls between January and March, the report following the first year of establishment is to be submitted at the end of April.

* Please note that the issuance decision will be rescinded and subsidy repayment required in the event that any of these items is violated. Furthermore, in terms of repayment, 10.95% of the subsidy's total will be added per year in accordance with the number of days between the receipt of the subsidy and its repayment.

- **There is no overlap between this program and other Yokohama business promotion programs.**
- **If a company has been insolvent for the last 2 fiscal periods, it may be ineligible for subsidy.**
- **If the total amount requested exceeds the City budgets, the subsidy will be allotted on a pro-rata basis within the limits of the budgets.**

6. Business Location Incentive Program: Target Industries

• Growth Industries

Category		Specific businesses		
Environment- and energy-related industries		New-energy technology development businesses	Photovoltaic and solar thermal energy system manufacturing and installation businesses	Wind power businesses
		Businesses that develop and manufacture components for lithium batteries and next-generation storage batteries	Fuel cell manufacturing businesses	Businesses that manufacture next-generation automobiles as well as relevant parts and accessories/fittings
		Businesses that manufacture environmentally friendly aircraft as well as relevant parts and accessories/fittings	Efficient-energy-use production equipment businesses	Efficient-energy-use auxiliary equipment businesses
		Businesses involved in environmentally friendly production systems	Businesses that develop and manufacture LEDs, OLEDs and other next-generation lighting devices	Smart-grid-compatible device and systems businesses
		Businesses that develop and produce alternative materials to rare earth elements, rare metals, etc.	Businesses in the environment/energy field that manufacture components, materials and/or products, or develop relevant technologies	
Healthcare - and medicine-related industries		Pharmaceutical production industry	Businesses that pursue research, development and production of pharmaceutical ingredients	Businesses that pursue research, development and production of chemical product ingredients
		Businesses that pursue research, development and production of seeds and seedlings	Businesses that pursue research, development and production of agricultural chemicals and fertilizers	Businesses that pursue research, development and production of veterinary medicines
		Businesses that develop and manufacture medical equipment and devices	Businesses that pursue research, development and applied production of medical and nursing robots	Businesses that pursue research, development, applications and production for fine ceramic materials and other inorganic materials
		Businesses that pursue research, development and production of food products (functional food products, etc.)	Businesses that pursue research, development and production of food processing ingredients (oligosaccharides, etc.)	Businesses that pursue research, development and production of biosensors
		Businesses that pursue research, development and production of analytical equipment (amino acid analysis equipment, automated sugar chain labeling equipment, etc.)	DNA analysis service businesses	Businesses that undertake contracted genetic testing operations
		Biotechnology support service businesses	Businesses that develop and manufacture equipment related to the development and manufacture of components and materials for the medical/Healthcare field	
MICE (Meeting, Incentive Travel, Convention, Exhibition)-related industries	Professional conference organizer (PCO)	Businesses that handle contracted investigations/surveys, planning, design, exhibitions, organization, production, and execution management in an integrated fashion, and undertake comprehensive organization and presentation efforts as well as corresponding tasks including interior and exterior decor, exhibition apparatus, machinery and equipment (sound, video, etc.) and so forth		
	MICE-related corporation	<p>Corporations that have experience hosting or are expected to gain experience hosting conferences and so forth based on either criterion (1) or (2) below for the administrative offices of academic societies, various associations and other such organizations</p> <p>(1) Conference or similar hosted or backed by the head office of an international organization registered under the Union of International Associations (UIA) fulfilling the following requirements:</p> <p>(a) At least 50 participants</p> <p>(b) At least 3 participating countries including the host country</p> <p>(c) An event period of at least 1 day</p> <p>(2) Conference or similar hosted by a domestic organization or the domestic branch of an international organization fulfilling the following requirements:</p> <p>(a) At least 300 participants (with at least 40% of participants coming from outside of the host country)</p> <p>(b) At least 5 participating countries including the host country</p> <p>(c) An event period of at least 3 days</p>		

• Priority Fields that Support Growth Industries

		Specific businesses		
IT	Hardware	Manufacturing of electric wires/cables	Manufacturing of manufacturing equipment for semiconductor and flat panel display equipment	Manufacturing of vacuum devices/apparatus
		Manufacturing of office appliances	Manufacturing of service-/entertainment-related equipment	Manufacturing of meters/measuring devices/analysis equipment
		Manufacturing of optical equipment and lenses	Manufacturing of electronic devices	Manufacturing of electronic parts
		Manufacturing of recording media	Manufacturing of electronic circuits	Manufacturing of unit parts
		Manufacturing of other electronic parts, devices and circuits	Manufacturing of equipment for use with electronics	Manufacturing of electronic measuring equipment
		Manufacturing of other electric and/or mechanical equipment	Manufacturing of communications equipment and related equipment	Manufacturing of audio/visual equipment
		Manufacturing of electronic calculation equipment and related equipment	Manufacturing of information recordings (other than printed materials such as newspapers and books)	
	Information Communication	Contracted software development	Embedded software	Software packages
		Game software	Portal site server management	Application, service, contents, provider
		Internet utilization support business		
Manufacturing industry	Research, development, applications and manufacturing for micro machines	Manufacturing of laser equipment	Business fields related to laser measurement and cutting	
	Manufacturing of robots	Research, development, applications and manufacturing for non-industrial robots	Manufacturing of automobiles as well as relevant parts and accessories/fittings	
	Manufacturing of aircraft as well as relevant parts and accessories/fittings	Manufacturing of equipment for the space industry	Manufacturing of railway vehicles as well as relevant parts and accessories/fittings	
	Development of marine vessels and marine resource development equipment	Plant engineering	Research, development, applications and manufacturing for high-tech materials	

In effect as of April 2017