

Reconstruction Process after 3/11 Earthquake and its Opportunities

Invest in the disaster areas!

February 2013

Immediate Impact of the 3.11 Disaster



Earthquake Magnitude: 9.0

Casualties:

Dead : over 15,800

Missing: over 2,700

Injured: over 6,000

Evacuees:

Over 342,000

16.9 trillion yen estimated (approx. 133.4 billion euros)

Buildings
(housing, offices, factories, machinery,
etc.)

approx. **10.4 trillion yen .**
(82.1 billion euros)

Basic utilities
(water, gas and electric power supply,
communication service)

approx. **1.3 trillion yen**
(10.3 billion euros)

Economic infrastructure
(river, road, harbors, drainage, and airport,
etc)

approx. **2.2 trillion yen**
(17.4 billion euros)

Farmland and others
(including agriculture, forestry and
fisheries)

approx. **3.0 trillion yen**
(23.7 billion euros)

Japan's **rapid response** to the disaster helped minimize damage



(Photo courtesy of JR East)

- Quake-resistant construction and technology
- Enhanced safety and early-warning systems on transportation
- Disaster education and preparedness

- National highways took a mere **six days** to repair
- Shinkansen services resumed full operational capability **within about a month and a half**

BEFORE



AFTER





TIMEFRAME

- 10 years for the reconstruction period (with concentrated rapid reconstruction during the first five years)

MEASURES TO BE IMPLEMENTED, INCLUDING:

- Recovery and reconstruction of the disaster-impacted areas and for the restoration of lives of affected people
- Efforts in areas closely connected with disaster-impacted areas
- Nationwide disaster prevention and reduction

BUDGET SCALE (estimation, national and local governments)

- 25 trillion yen(200 billion euros) in the first 5 years (2013 revision)

SUPPORT FOR RECONSTRUCTION

- Create “Special Reconstruction Zones”
- Establish easy-to-use grants for implementation of reconstruction plans, formulated by local governments
- Work towards reconstruction with the private sector

Established on Feb. 10, 2012 as a new governmental agency, under the Cabinet, with a view to promoting and coordinating all the policies and measures for reconstruction in an integrated manner.

Mandate

- Planning and coordination of the national policies and measures for reconstruction
- Supporting the efforts of afflicted local governments for reconstruction and serving as “one-stop” vis-à-vis the local authorities

Organization

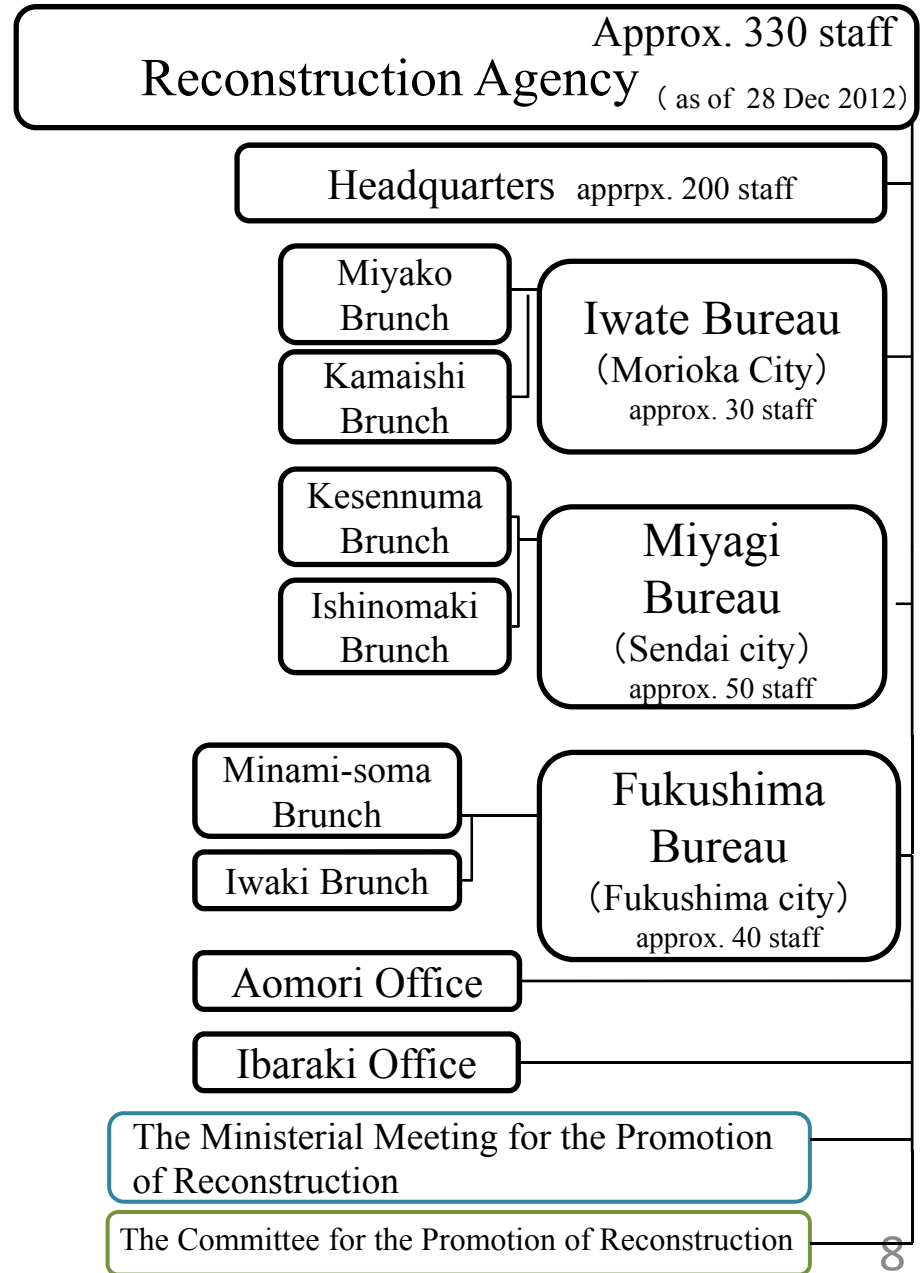
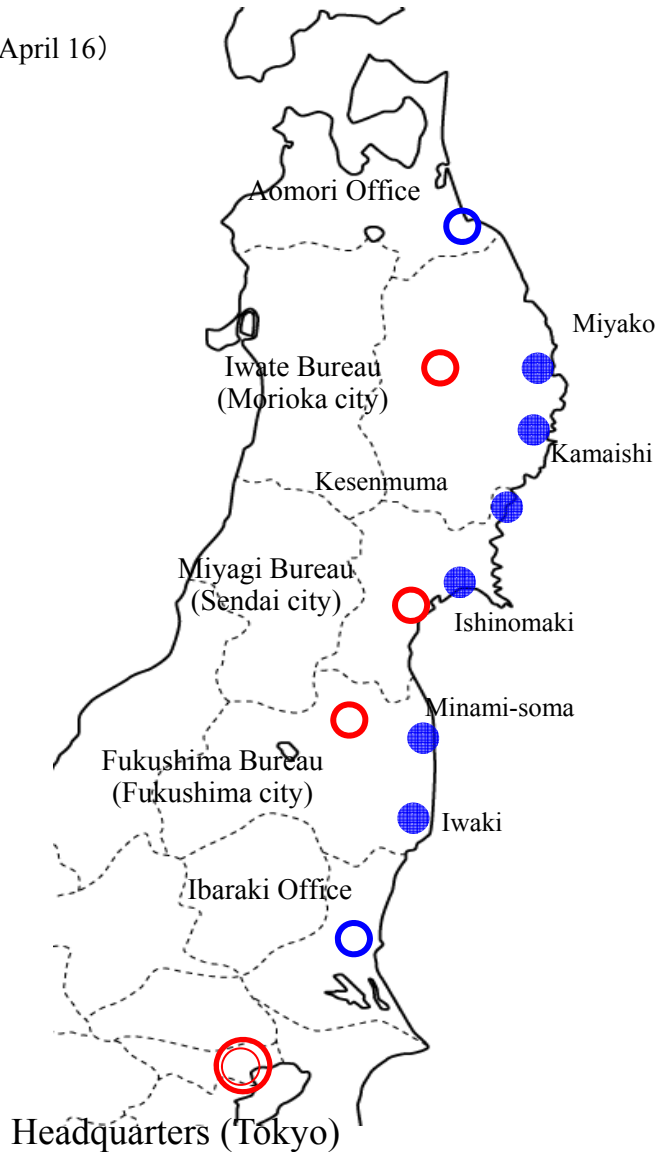
- Head of the Agency: Prime minister
- Regional bureau established in the three prefectures: Iwate, Miyagi and Fukushima

Period of formation:

- Ten years (FY2011-2020)

Reconstruction Agency and its regional bureau

(As of April 16)



Establishment of a new service for collaboration with private sector in the Agency

1. Organization

- New organization for collaboration with private-sector for reconstruction established on 1st Apr 2012, “Unit for Collaboration with Private Sector for Reconstruction”.
- Staff members of the new unit comprise: Japan Business Federation, Japan Association of Corporate Executives, and Japan Chamber of Commerce and Industry.
- New task force in each Regional Bureaus of Reconstruction Agency formed.
→ 20 officers in total (10 in Tokyo headquarters, 10 in regional bureaus)

2. Mission

- Provide technical support for collaboration with private sector in afflicted municipalities;
- Hold committee meetings charged with each reconstruction project and provide necessary support to relevant local governments;
- Hold seminars and exhibitions to facilitate collaboration with private sector;
- Compile and release a list of FAQ and a collection of best practices on collaboration for reconstruction with private sector in afflicted municipalities.

Substantial Budget Allocation to Reconstruction



FY2011 First Supplementary Budget (May 2011)

⇒ ¥4.01 trillion (31.6 billion euros)

FY2011 Second Supplementary Budget (July 2011)

⇒ ¥1.91 trillion(15.0 billion euros)

FY2011 Third Supplementary Budget (November 2011)

⇒ ¥9.24 trillion (72.8 billion euros)

FY 2012 Regular Budget (April 2012)

⇒ ¥3.78 trillion (29.8 billion euros)

FY 2012 First Supplementary Budget (Under Consideration)

⇒ ¥3.79 trillion (29.9 billion euros)

FY 2013 Regular Budget (Under Consideration)

⇒ ¥4.38 trillion (34.5 billion euros)

A variety of incentives are provided in the Special Zone for Reconstruction which include deregulation / reduced procedures, tax breaks and funding for reconstruction projects

Special Measures and Arrangements

- Reduced Regulations and Procedures
- Land Use Restructuring Facilitation
- Tax breaks
- Financial support

Examples of reconstruction plans and projects

- Town-building through unprecedented land use restructuring for securing housings and employment
- Regional development by promoting the introduction of renewable energy
- Development of medical industrial cluster

Special Zone Tax breaks (1)

(1) Tax breaks to assist create employment in severely damaged areas

(i) Special Depreciation / Tax Credit

| Special depreciation | ~March 2014 | ~March 2016 |
|-----------------------------|------------------------|-------------|
| Machines / installations | Immediate depreciation | 50% |
| Buildings and constructions | 25% | |

Selected option applied

| Tax credit | ~March 2014 | ~March 2016 |
|-----------------------------|-------------|-------------|
| Machines / installations | 15% | |
| Buildings and constructions | 8% | |

(ii) Special Corporate Tax Credit

Designated corporations are eligible for tax credit equivalent to 10% of the combined amount of salaries and other payments for the employees from severely damaged areas.

(iii) Taxation to Promote Establishment of New Business Facilities

New corporations are eligible for inclusion in deductible expenses of reserve funds for reinvestments (to a maximum of their revenues for designated five years)



Corporations are eligible for immediate depreciation if they make reinvestment, etc. (to a maximum of their balance of reserves for reinvestments, etc.)

* Designated corporations located in the Reconstruction Industrial Cluster Areas are allowed to choose one of the arrangements (i), (ii) and (iii).

(1) Tax breaks to assist create employment in severely damaged areas

(iv) Tax breaks for R&D

Corporations are eligible for immediate depreciation if they acquire assets for research and development activities.



Corporations are eligible for tax credit equivalent to 12% (normally 8 – 10%) of the expense for immediate depreciation of assets for research and development activities.

(2) Exemption from local tax or application of non-uniform tax rates

Designated corporations seeking the tax breaks in (1) are also eligible for local tax exemption or reduced local tax rates for corporate enterprise tax, real estate acquisition tax and fixed asset tax in accordance with the provisions of relevant ordinances of the local governments, if the corporations acquire machines, buildings and other properties in the zones.

* The tax breaks in (1) and (2) apply to the designated corporations located in the Reconstruction Industrial Cluster Areas.

Note: Example for making best use of the aforementioned tax breaks:

The tax breaks provided in this slide is flexible enough to allow corporations to make best use of them by picking up the items which they consider most suited to their specific investment plan from the menu of tax breaks. It is noted that, for instance, the clock starts for the immediate depreciation, which is valid until March 2014, on 11 March 2011, whereas the clock for the five-year corporation tax exemption does NOT start ticking until when they have been designated by municipalities they are located in, thereby allowing the corporations to make use of the tax breaks in the following manner:

Immediate depreciation for the first year;

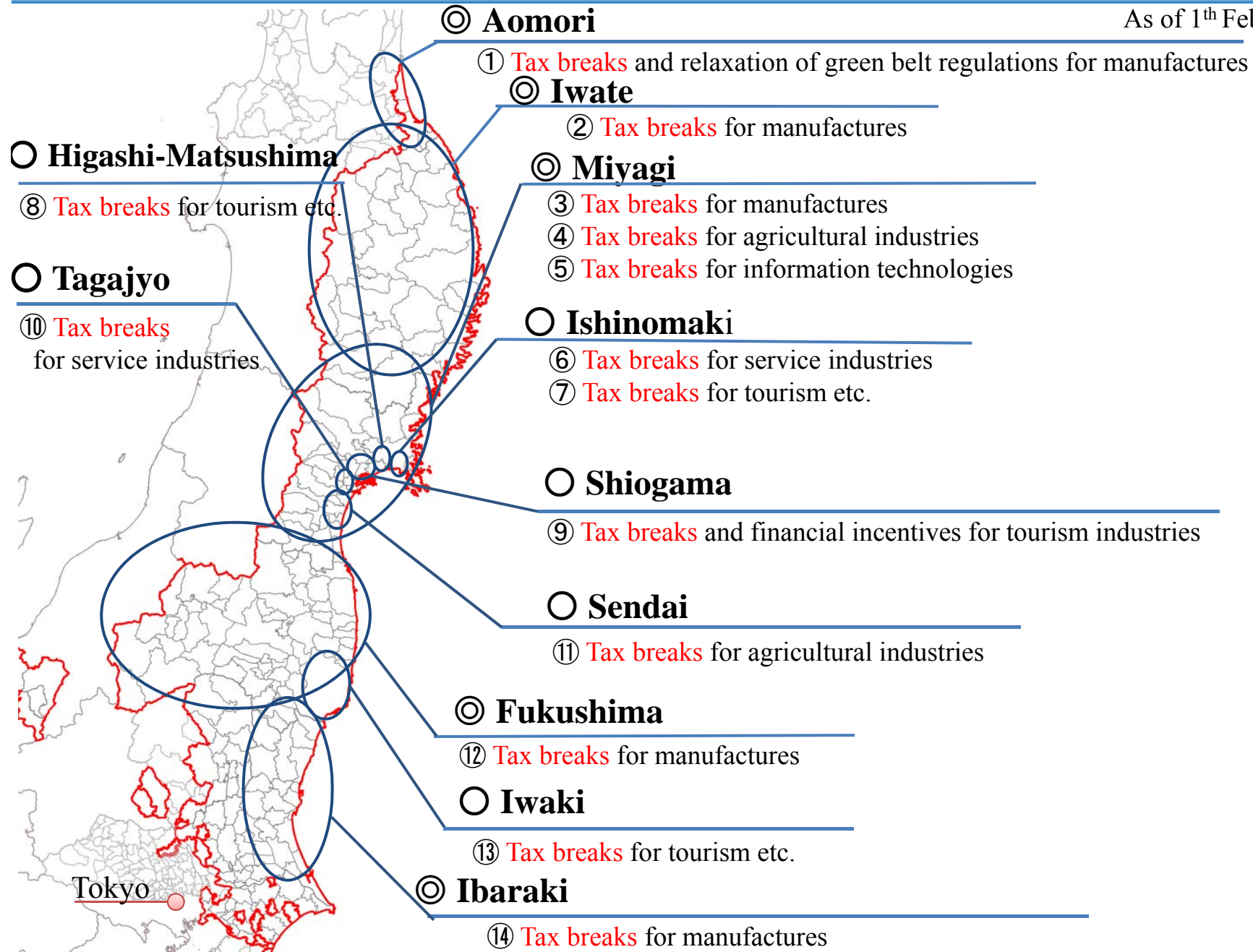
Special corporate tax credit for the second year; and

Taxation to promote establishment of new business facilities (five-year corporation tax exemption) for the third year

Approved Plans for Special Zones for Reconstruction



As of 1th February 2013



Outline of Grants for Reconstruction

Objectives: Support town-building undertaken on the basis of the reconstruction plans formulated by local governments afflicted by the disaster, and accelerate reconstruction.

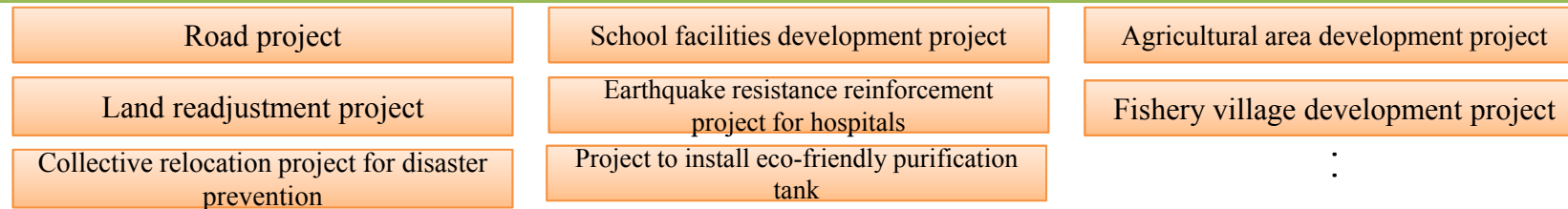
Features: The grants for reconstruction of areas severely damaged by the disaster are intended to enable their swift and flexible implementation by choosing from the diverse projects those necessary to reconstruct areas.

All expenses will be borne by the central government (additional national subsidy and local allocation tax)

Budget Scale: **Total of 2 trillion 289 billion Yen on Project Basis**

Core Projects

Diverse infrastructure projects* necessary for reconstruction of the afflicted municipalities are consolidated into a single package “Core Projects”. (*40 subsidy projects of 5 Ministries)



Associated Projects

Projects proposed by municipalities to be implemented in connection with the Core Projects.

Maximum budget scale: up to 35% of the funds allocated for the core projects

■ 1st Distribution

Approximately 305 billion yen (project basis), allocated to 59 municipalities in 7 prefectures

■ 2nd Distribution

Approximately 316 billion yen (project basis), allocated to 71 municipalities in 8 prefectures

■ 3rd Distribution

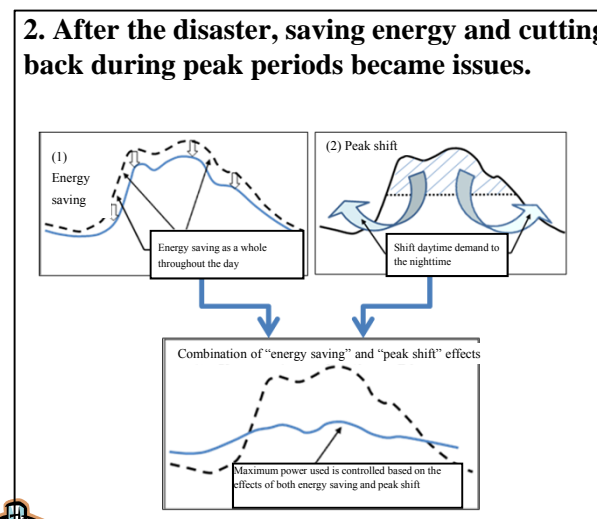
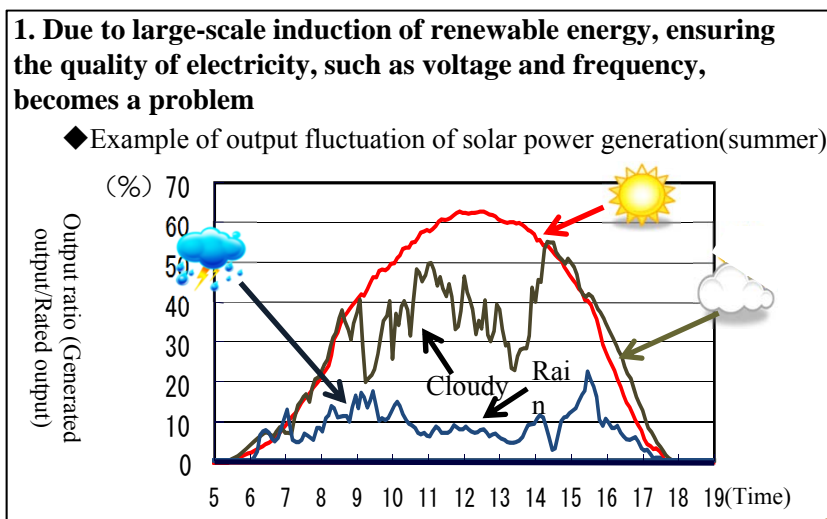
Approximately 181 billion yen (project basis), allocated to 56 municipalities in 9 prefectures

■ 4th Distribution

Approximately 880 billion yen (project basis), allocated to 72 municipalities in 7 prefectures

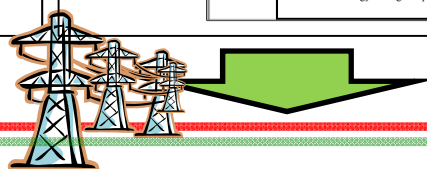


- As output of renewable energy such as sunlight fluctuates greatly, issues such as insufficient wavelength adjusting power and an increase in voltage of the power network due to large influxes arise.
- After the earthquake disaster, saving energy and cutting back during peak hours became an urgent issue for power networks, and ensuring supply of energy during disasters also became a challenge.
- The solution to these kinds of problems is an efficient system for energy, including electricity, heat, and transportation, otherwise known as a “smart community.”

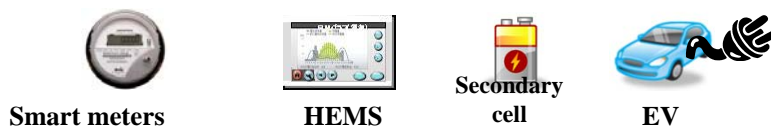


3. Sales of products that promote safety.

| 容量 | 価格 |
|--------|-------|
| 1kWh | 87万円 |
| 2.5kWh | 189万円 |



Smart grids



Efficient use of electricity based on IT technology and secondary cells

Smart communities



Efficient use of energy that includes electricity, heat, and transportation

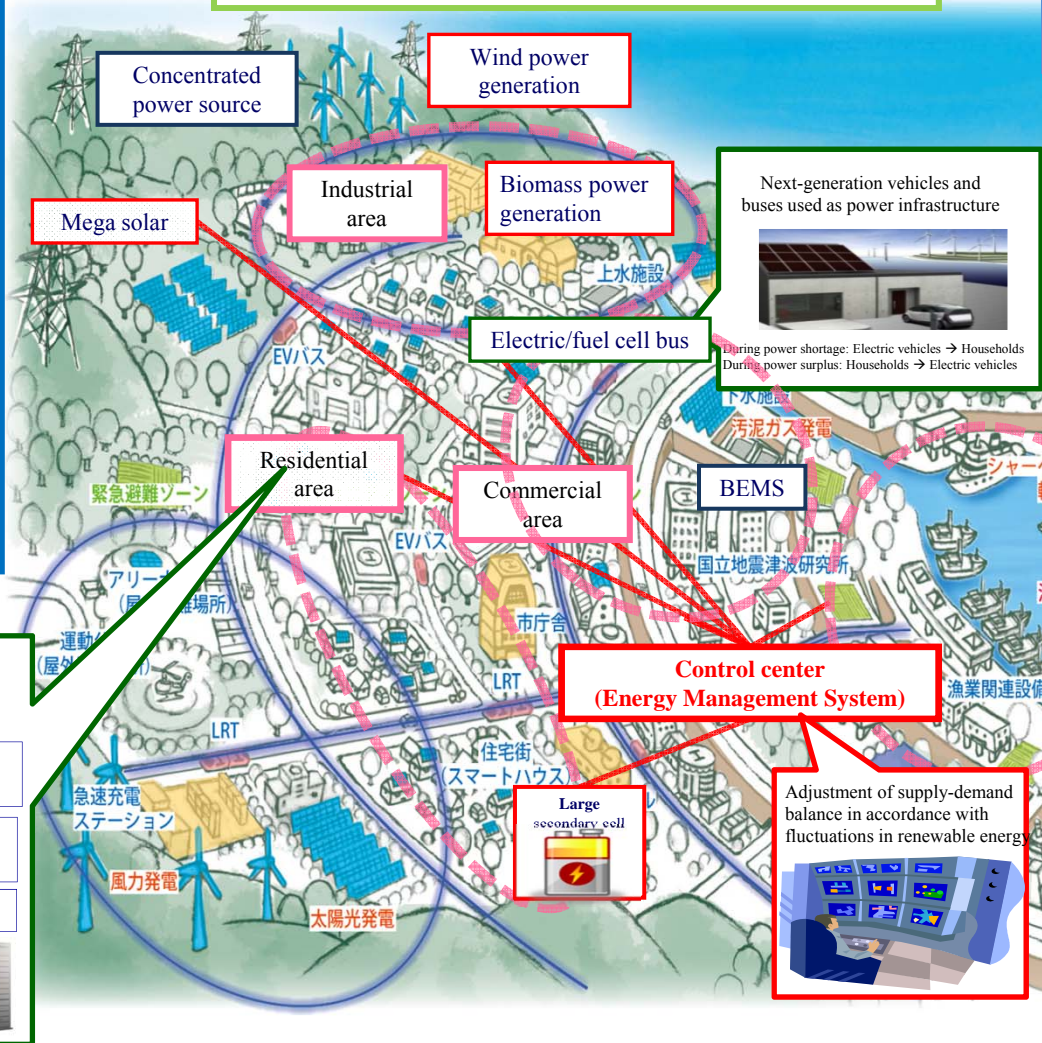
Construction of Smart Community in Tohoku

- As part of restoration, the construction of smart communities that make use of renewable energy is supported in the three prefectures hit by the disaster (Fukushima, Miyagi, Iwate) (Third supplementary budget for FY2011: 8.06 billion yen)

Schedule

- Create master plan (From April of this year)
- ↓
- Select target projects based on master plan (Planned for this winter)
- ↓
- Introduction of renewable energy facilities, secondary cells, energy management system, etc. (By end of FY2015 (concentrated restoration period))

Smart community to be constructed will look like below



Development of homes resistant to disasters and that make use of renewable energy to the fullest extent

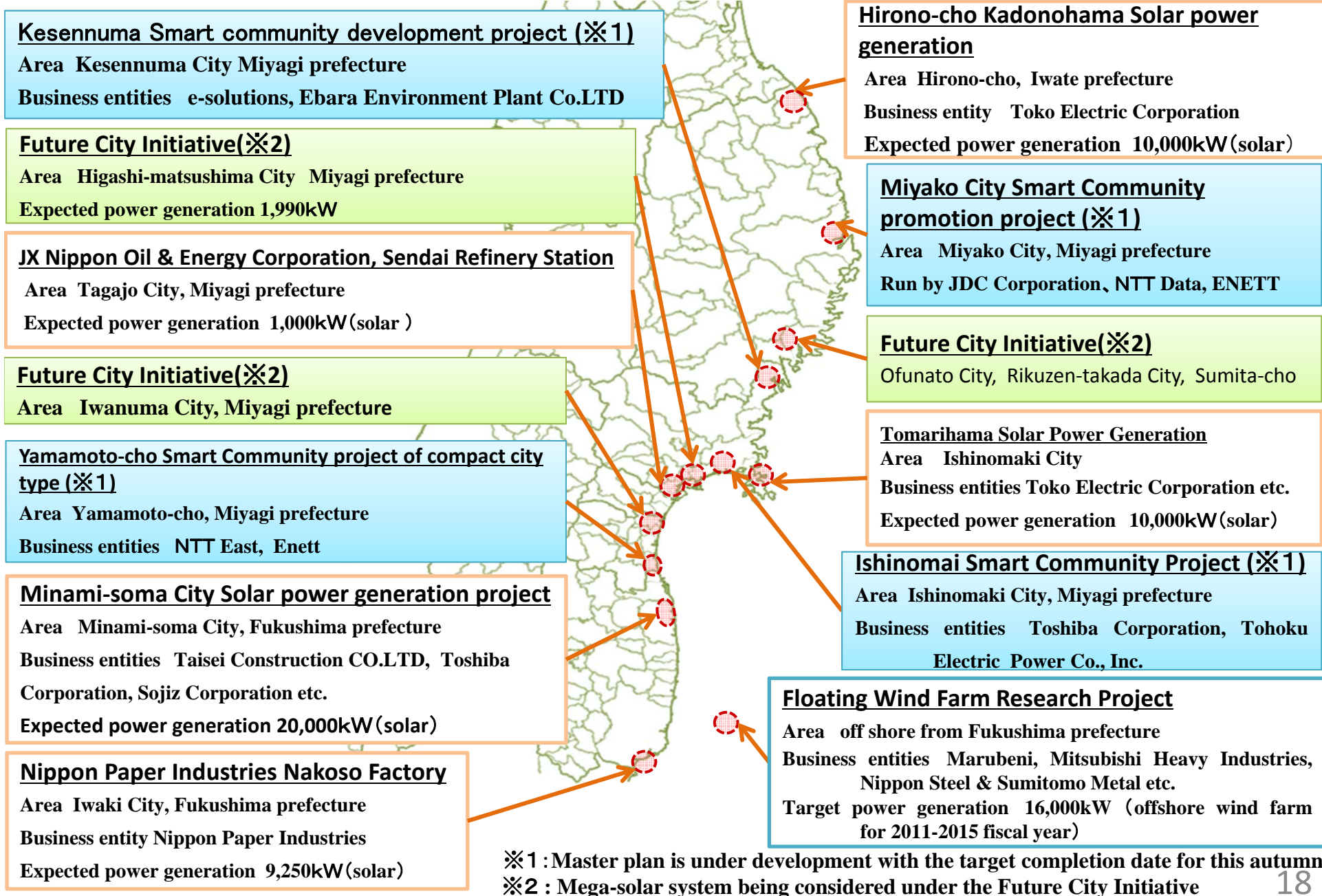
HEMS (Home Energy Management System)

- Solar power generation
- Fuel cell
- Next-generation vehicle/secondary cell

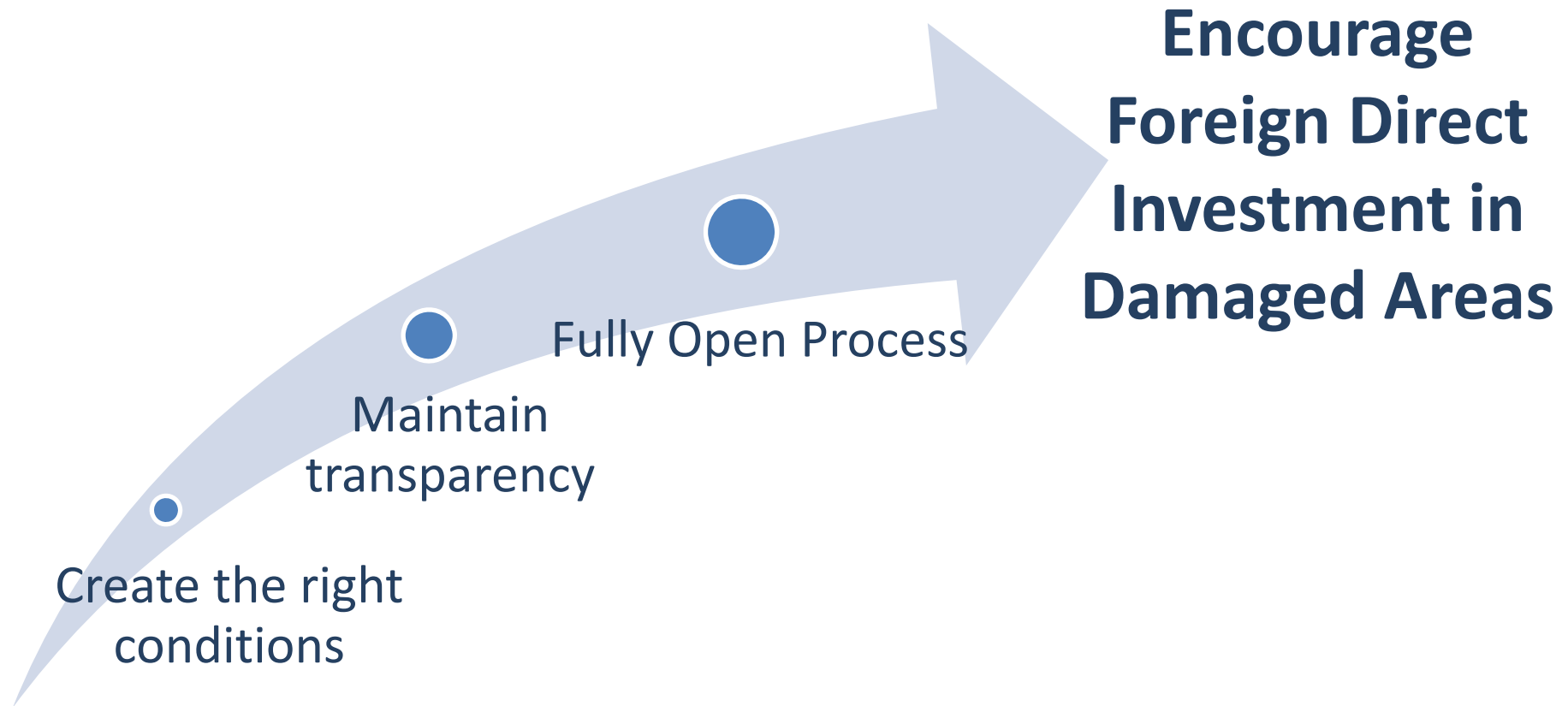
Major corporations and project managers for the Tohoku Smart Community Project

| Area | Major corporations | Project manager |
|--------------------|--|--------------------------|
| Miyako City | NTT Data, Ennet | JDC Corporation |
| Kitakami City | NTT Facilities | Kitakami Office Plaza |
| Kesennuma City | Ebara Environmental Plant | E-solutions |
| Ishinomaki City | Toshiba, Tohoku-Electric Power Co., Inc. | Toshiba |
| Ohira Village | Toyota Motor Corporation, Central Motor | Toyota Motor Corporation |
| Yamamoto Town | Ennet | NTT East |
| Aizuwakamatsu City | Fujitsu, Tohoku-Electric Power Co., Inc. | Fujitsu |
| Kamaishi City | - | - |

New Renewable Energy Projects in Tohoku



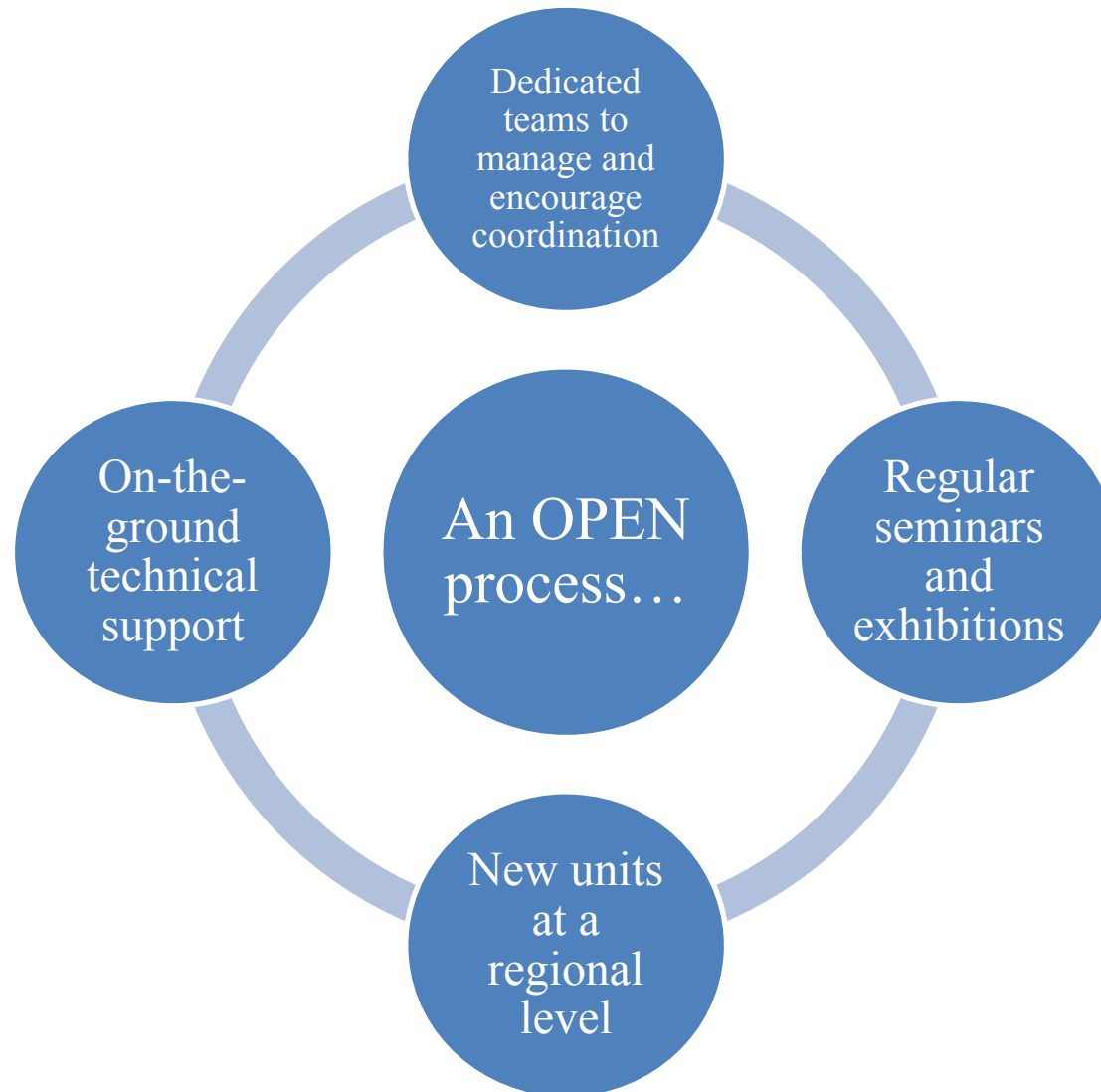
※1 : Master plan is under development with the target completion date for this autumn
 ※2 : Mega-solar system being considered under the Future City Initiative



Basic Guidelines for Reconstruction (decided on 29 July 2011) (abstract)

(Ch.1 Basic Concept)

(x) Upon reconstruction, bonds (kizuna) with the international community would be reinforced and the Government aims for reconstruction open to the world, incorporating various types of vigor from foreign countries.



- ▣ **Sanriku Coastline:** Marine products
- ▣ **Miyagi & Iwate:**
 - Auto and parts manufacture (Toyota, etc.)
 - Agriculture and horticulture
- ▣ **Fukushima:** OEM manufacture and shipment (medical equipment and pharma industry, etc.)



- ▣ **Amazon:** Established a new customer service centre in Sendai
- ▣ **IKEA:** opened a new store in Sendai
- ▣ **Toys R Us:** Opened new stores in the region
- ▣ **General Electrics (GE):** New branch office in Sendai



Key Drivers of Growth



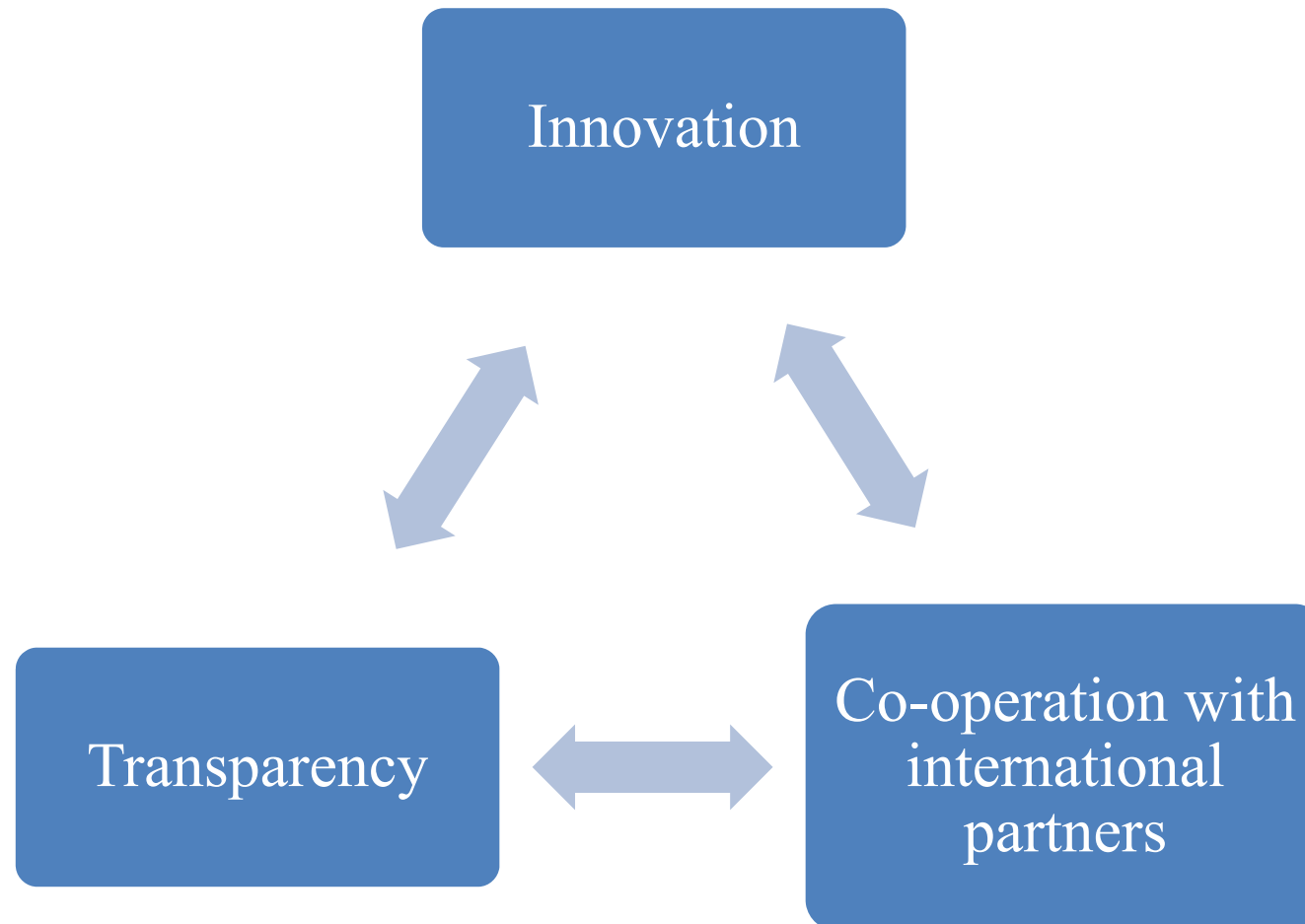
Conclusion: This is what we believe.

Revitalizing disaster hit areas will play a leading role in the emergence of a **dynamic new Japan**

Reconstruction efforts and **revitalization** of the broader Japanese economy are closely linked



Conclusion: These are our commitments.



February 2013

APPENDIX



復興庁

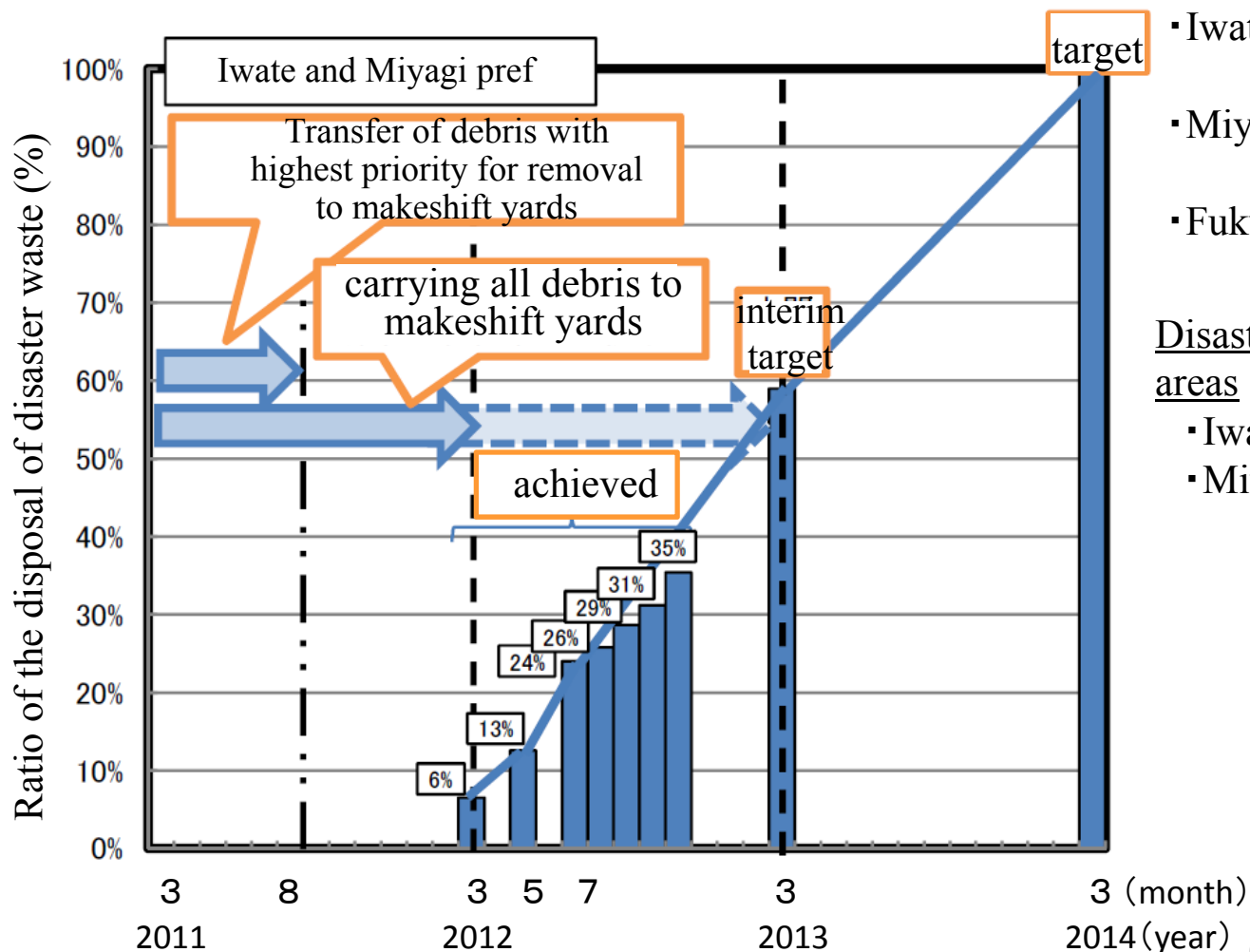
Reconstruction Agency

A- Current status of reconstruction in the public infrastructures, agriculture and fisheries

| Items | Progress | Current status | Items | Progress | Current status |
|--|------------|--|-----------------------------------|------------|---|
| Public housing development ※as of Nov, 2012 | <p>27%</p> | Lands secured 5,651 / 20,952 for houses (excluding Fukushima pref.) | Agricultural fields | <p>38%</p> | Restored farming areas 8,190 / 21,480 ha |
| Collective household relocation ※as of Nov, 2012 | <p>82%</p> | Consent by the Minister for Land, Infrastructure and Transport secured for 188 / 229 districts | Fishing ports | <p>35%</p> | Fishing ports resumed operation 111 / 319 |
| Land readjustment ※as of Nov, 2012 | <p>60%</p> | Urban planning decision made for 34 / 57 districts | Aquaculture facility | <p>77%</p> | Resuming business is in clear sight for 51,540 out of 67,121 aquaculture facilities |
| Hospitals ※as of Mar, 2012 | <p>90%</p> | Hospitals resumed service 165 / 184 | Fish haul | <p>65%</p> | Captured fish 69% on a weight basis (80% on a value basis) compared with the same period prior to the disaster |
| Schools ※Aug, 2012 | <p>81%</p> | Schools Resumed classes 1,875 / 2,325 | fish processing facilities | <p>66%</p> | Facilities resumed fish processing 528 / 800 |

B- Clearing debris in progress

Current status of disposal of wastes caused by the disaster



Makeshift incinerators

- Iwate pref. 2 incinerators (capacity: 195 tons/day)
- Miyagi pref. 29 incinerators (capacity: 4,495 tons/day)
- Fukushima pref. 3 incinerators (capacity: 570 tons/day)

Disaster wastes for disposal in wider areas

- Iwate pref.: 450,000 tons
- Miyagi pref.: 910,000 tons

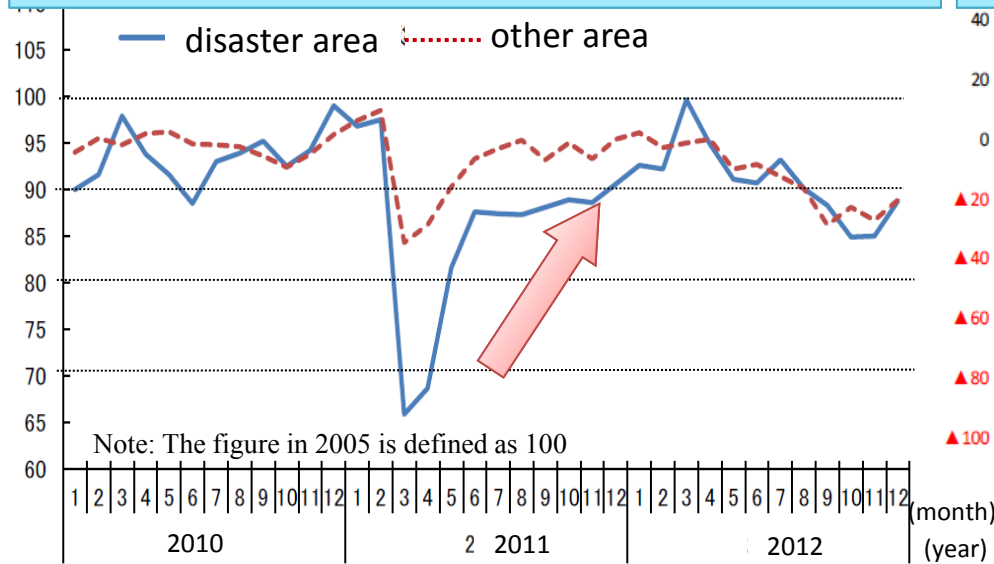


(makeshift incinerators at Sendai City)

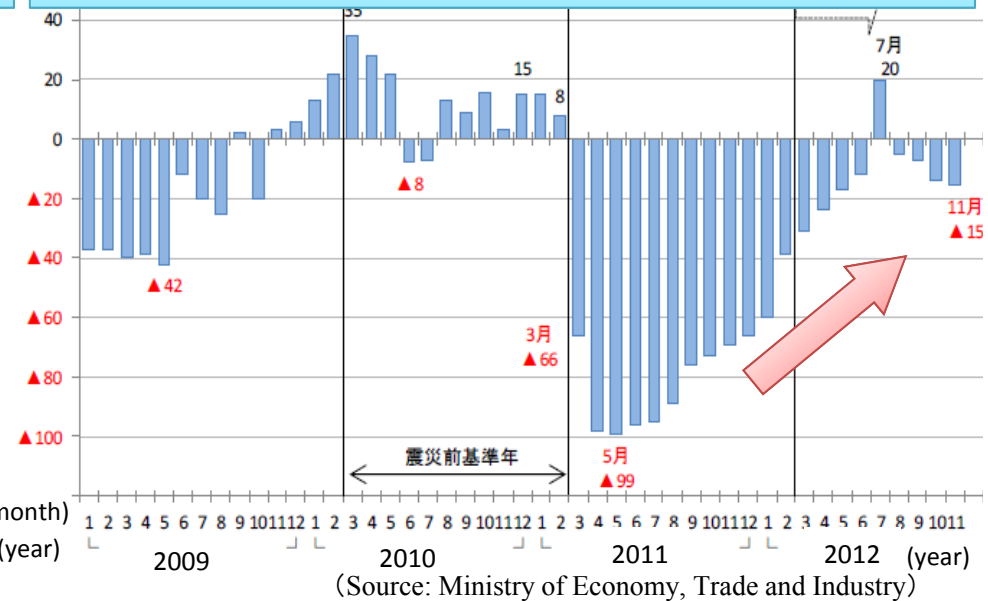
C- Current status of reconstruction in mining and industry

○ Index for mining and industry has recovered to pre-disaster level, thus materialization of visible reconstruction in the Tsunami devastated areas remains challenges

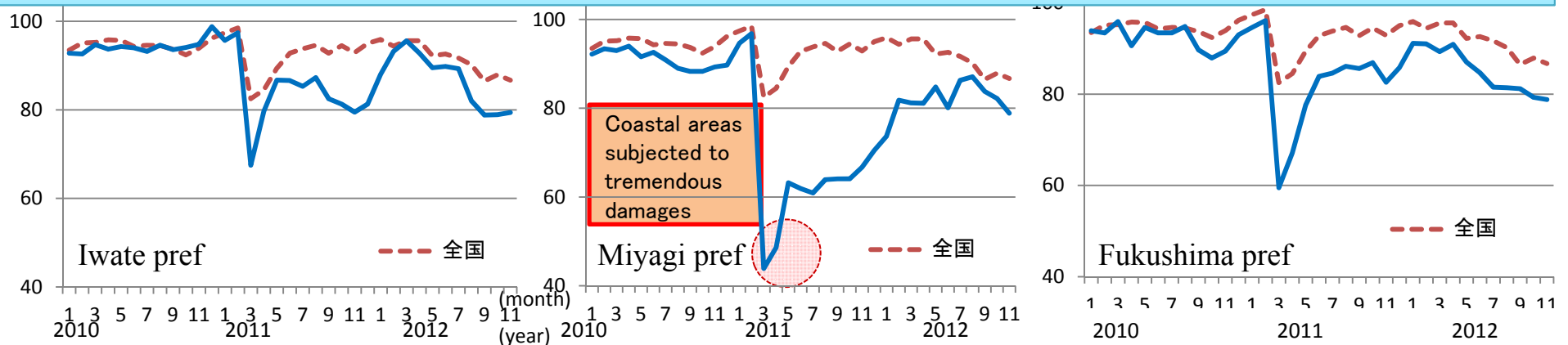
Production Index for Mining and industry in/out of the disaster area



Estimated output of 59 corporations in the Tsunami devastated areas

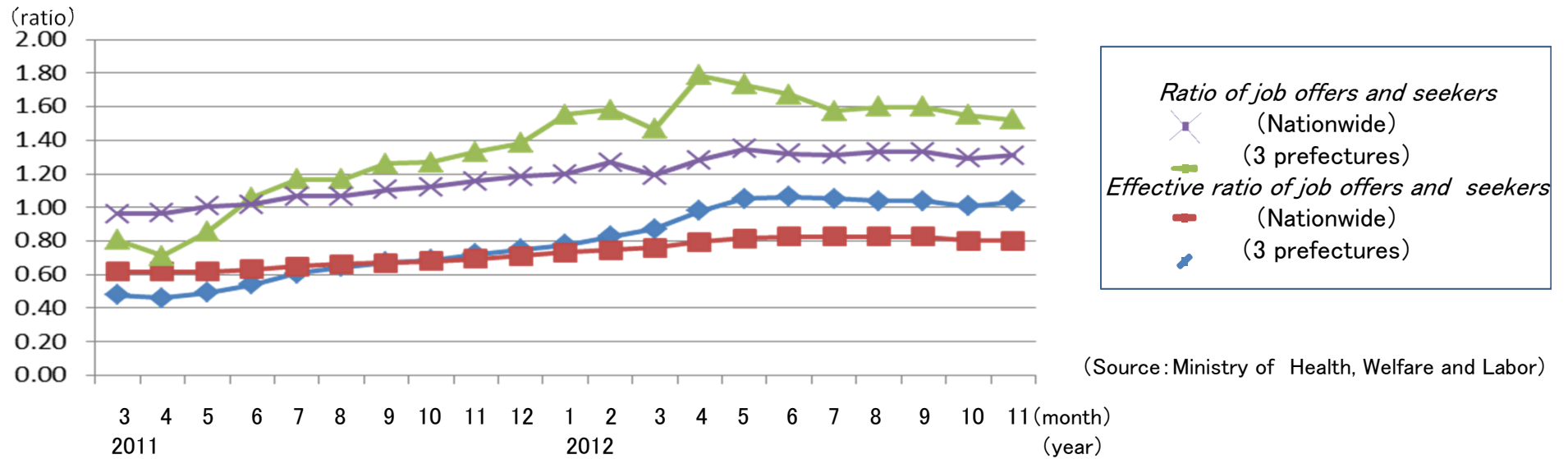


Production Index for mining and industry

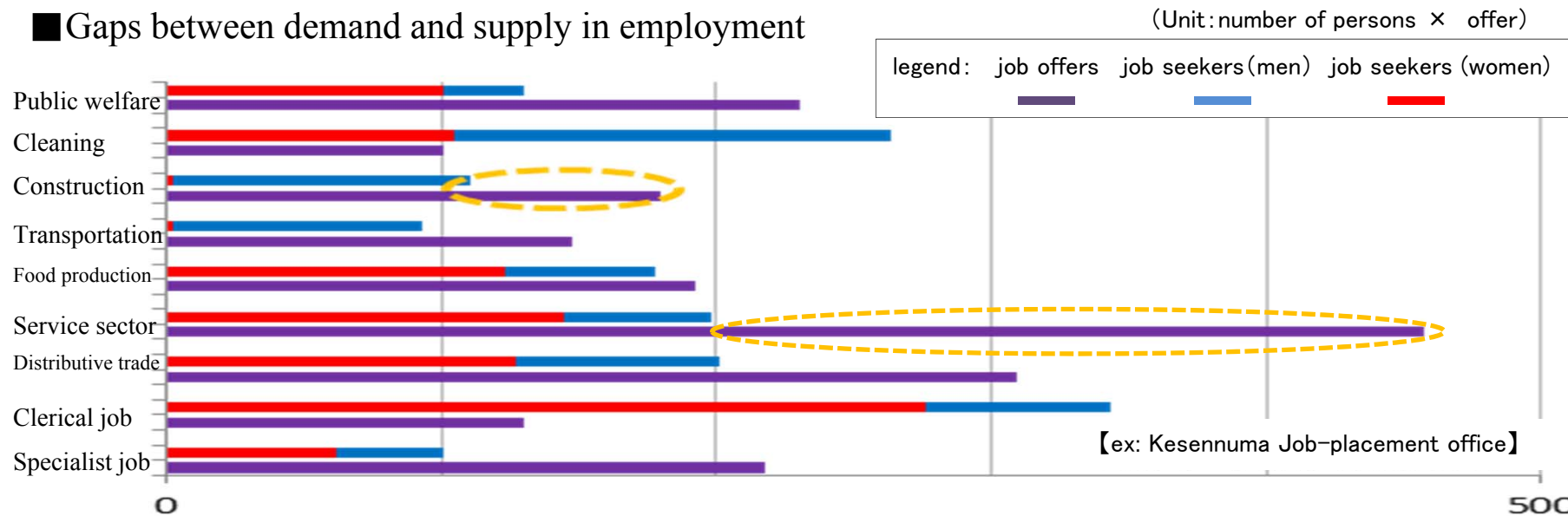


D- Employment

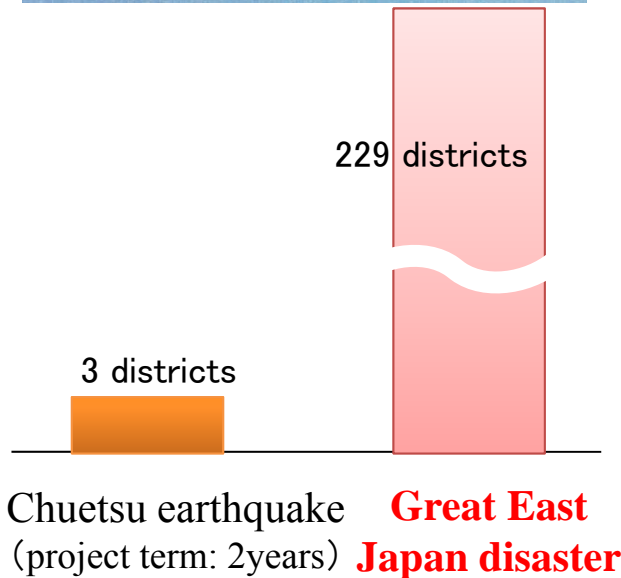
■ Trend in employment



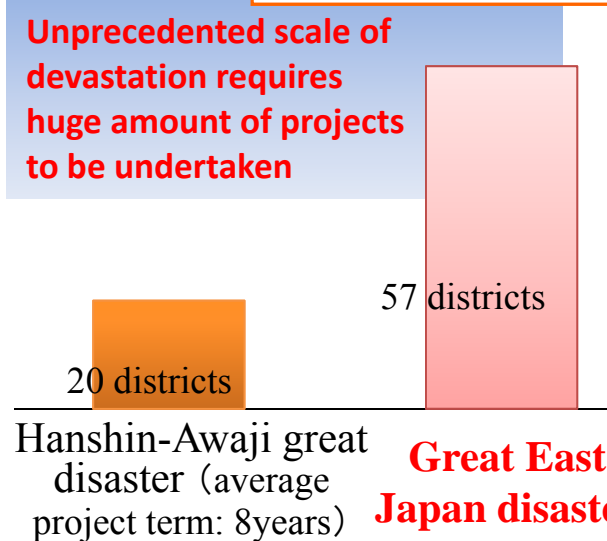
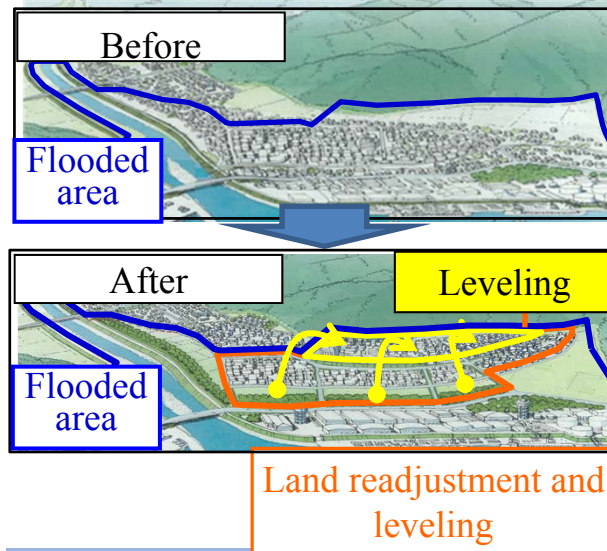
■ Gaps between demand and supply in employment



Collective household relocation

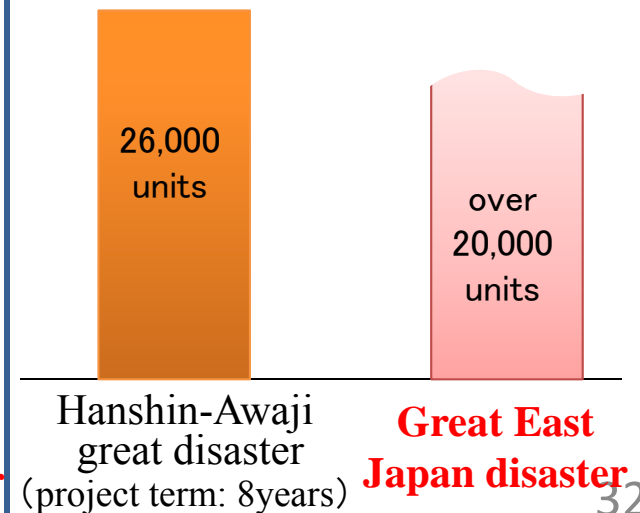


Land readjustment for residential areas



Development of public housings

[Soma city, Fukushima prefecture]
 Construction: Feb - Aug 2012
 Structure: Wooden row house 12 units



F- Exhaustive List of Approved Plans for Reconstruction Promotion



Tax breaks ①

As of 1st February 2013

| | Region | Approval (Revision) | Areas covered | Summary | Outline of the special measures |
|---|--------|---|---|--|--|
| 1 | Aomori | 2 nd Mar | 4 coastal municipalities in Aomori Prefecture | Tax breaks and relaxation of green belt regulations for manufacturers | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Eco-friendly manufacturing, life science industry, electronics industry, environment and renewable energy industry, food-related industry, information service industry and retailing 【Municipalities covered】 Hachinohe City, Misawa City, Oirase Town, Hashikami Town ● Relaxed requirements for the proportion of green areas in constructing factories 【Municipalities covered】 Hachinohe City, Oirase Town, Hashikami Town |
| 2 | Iwate | 30 th Mar (28 th Aug) | Iwate Prefecture | Tax breaks for manufacturers, Deregulation of production & sale of medical devices | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Electrical industry, medical & healthcare industry, automobile industry, timber industry, tourism, food industry and marine industry ● Relaxed requirements for the experience required of managers in medical device manufacture and sales 【Areas covered】 Entire prefecture |
| 3 | Miyagi | 9 th Feb (25 th May) (14 th Dec) | Miyagi Prefecture | Tax breaks for major manufacturing sectors | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Manufacturing (automobile industry, electrical industry, food industry, timber industry, medical & healthcare industry, renewable energy industry, aerospace industry and marine industry) 【Areas covered】 Entire prefecture |
| 4 | | 12 th Jun | Miyagi Prefecture and 11 municipalities | Tax breaks for IT-related projects | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Information technology (software industry, internet services, call centers, BPO offices, data centers, design development industry, digital content industry) 【Municipalities covered】 10 coastal municipalities and 7 adjacent municipalities |
| 5 | | 28 th Sep | Miyagi Prefecture and 11 municipalities | Tax breaks for agriculture-related industries | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Agriculture and related industries 【Areas covered】 11 coastal cities |
| 6 | | 23 rd Mar | Ishinomaki City | Tax breaks for commerce-related industries | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Commerce, tourism industry, medical & healthcare industry and ICT industry 【Areas covered】 City center |

F- Exhaustive List of Approved Plans for Reconstruction Promotion



Tax breaks ②

As of 1th February 2013

| | Region | Approval (Revision) | Areas covered | Summary | Outline of the special measures |
|----|-----------|--|---|--|---|
| 7 | Miyagi | 27 th July (28 th Sep) | Ishinomaki City | Tax breaks for industries relevant to tourism and commerce | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Tourism, commerce, industry relevant to renewable energy or recycling 【Areas covered】 Areas in the Oshika Peninsula |
| 8 | | 14 th Dec | Higashi-Matsushima City | Tax breaks for tourism and commerce | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Tourism, commerce, industry relevant to renewable energy etc. 【Areas covered】 Coastal areas |
| 9 | | 23 rd Mar | Shiogama City | Tax breaks for tourism Financial incentives for tourism and marine industries | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Marine transport services, food retail, accommodation services, etc. ● Financial incentives (Compensation for the interest rate of loans) 【Target project】 Construction of a new aquarium, marine industrial plants |
| 10 | | 14 th Dec | Tagajo City | Tax breaks for tourism, medical & healthcare and industry | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Tourism, medical & healthcare and food industry 【Areas covered】 Areas around the Tagajo station |
| 11 | | 2 nd Mar | Sendai City | Tax breaks for agriculture-related industries | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Agricultural industry, renewable energy industry, R&D industry 【Areas covered】 Coastal areas |
| 12 | Fukushima | 20 th Apr | Fukushima Prefecture | Tax breaks for manufacturers | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Automobile industry, electric industry, medical & healthcare industry, renewable energy industry, etc. |
| 13 | | 13 th Nov | Iwaki City | Tax breaks for tourism | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Tourism-related industries |
| 14 | Ibaragi | 9 th March | 13 coastal municipalities in Ibaraki Prefecture | Tax breaks for industries relevant to new energy and other sectors | <ul style="list-style-type: none"> ● Tax breaks (corporation tax, real estate acquisition tax, etc.) 【Scope】 Next-generation industries and the automobile industry, as well as sectors relevant to construction, electricity, machinery, food, fishery, logging, transport, tourism and commerce, etc. 【Municipalities covered】 13 municipalities |



Deregulations ①

As of 1th February 2013

| | Region | Approval (Revision) | Areas covered | Summary | Outline of the special measures |
|---|--------|----------------------|-------------------|--|--|
| 1 | Iwate | 9 th Feb | Iwate Prefecture | Relaxation of medical regulations for improving medical & elderly care & welfare | <ul style="list-style-type: none"> ● Relaxation of medical regulations for improving medical care, elderly care and welfare ▪ Relaxed requirements for medical staff arrangements in hospitals 【Areas covered】 Entire prefecture ▪ Relaxation of the regulations for the management of medical welfare staff providing in-home services ▪ Relaxation of the regulations for the management of welfare staff at intensive care homes for the elderly ▪ Relaxation of the regulations for the management of welfare staff at long-term healthcare facilities ▪ Relaxation of the requirements for buildings and facilities for pharmacies 【Municipalities covered】 12 coastal municipalities |
| 2 | | 3 rd Aug | Kamaishi City | Relaxation of zoning restrictions | <ul style="list-style-type: none"> ● Relaxed requirements for zoning thereby enabling construction of commercial facilities in exclusive industrial zones 【Areas covered】 Minato district |
| 3 | Miyagi | 10 th Apr | Miyagi Prefecture | Relaxation of medical regulations for improving medical & elderly care & welfare | <ul style="list-style-type: none"> ● Relaxation of medical regulations for improving medical care, elderly care and welfare ▪ Relaxed requirements for medical staff arrangements in hospitals 【Areas covered】 Entire prefecture ▪ Relaxation of the regulations for the management of medical welfare staff providing in-home services ▪ Relaxation of the regulations for the management of welfare staff at intensive care homes for the elderly ▪ Relaxation of the regulations for the management of welfare staff at long-term healthcare facilities 【Areas covered】 15 coastal municipalities |
| | | | | Deregulation of production & sale of medical devices | |
| 4 | | 23 rd Mar | Ishinomaki City | Relaxation of the Agricultural Land Act | <ul style="list-style-type: none"> ● Relaxation of Agricultural Land Act requirements concerning construction of “country elevator” storage facilities |



Deregulations ②

As of 1th February 2013

| | Region | Approval (Revision) | Areas covered | Summary | Outline of the special measures |
|---|-----------|----------------------|----------------------|--|--|
| 5 | Miyagi | 28 th Sep | Shichigahama City | Relaxation of zoning restrictions | <ul style="list-style-type: none"> ●Relaxed requirements for zoning thereby enabling construction of larger offices in the areas where they are not currently permitted 【Areas covered】 Ekiraku district |
| 6 | | 6 th Nov | Onagawa-cho | Relaxation of zoning restrictions | <ul style="list-style-type: none"> ●Relaxed requirements for zoning thereby enabling construction of buildings in the areas where they are not currently permitted 【Areas covered】 Washinokami and Konorihama districts |
| 7 | Fukushima | 16 th Mar | Fukushima Prefecture | Deregulation of production & sale of medical devices | <ul style="list-style-type: none"> ●Relaxed requirements for the experience required of managers in medical device manufacture and sales 【Areas covered】 Entire prefecture |
| 8 | | 20 th Apr | Fukushima Prefecture | Relaxation of medical regulations for improving medical & elderly care & welfare | <ul style="list-style-type: none"> ●Relaxation of medical regulations for improving medical care, elderly care and welfare <ul style="list-style-type: none"> ▪Relaxed requirements for medical staff arrangements in hospitals ▪Relaxed application of the regulations for the management of medical welfare staff providing in-home services ▪Relaxed application of the regulations for the management of welfare staff at intensive care homes for the elderly ▪Relaxed application of the regulations for the management of welfare staff at long-term healthcare facilities 【Areas covered】 Entire prefecture |

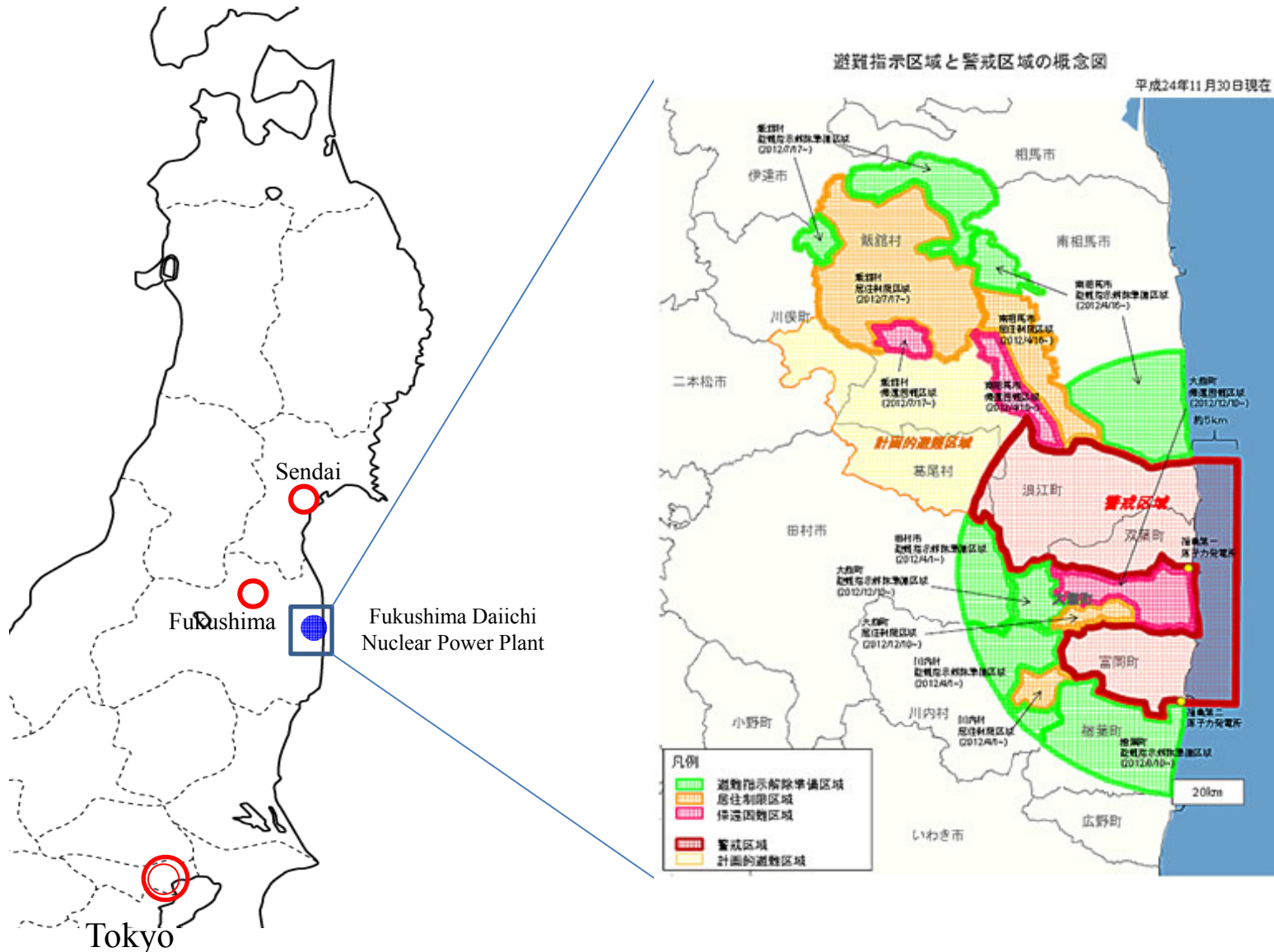


Deregulations ③

As of 1th February 2013

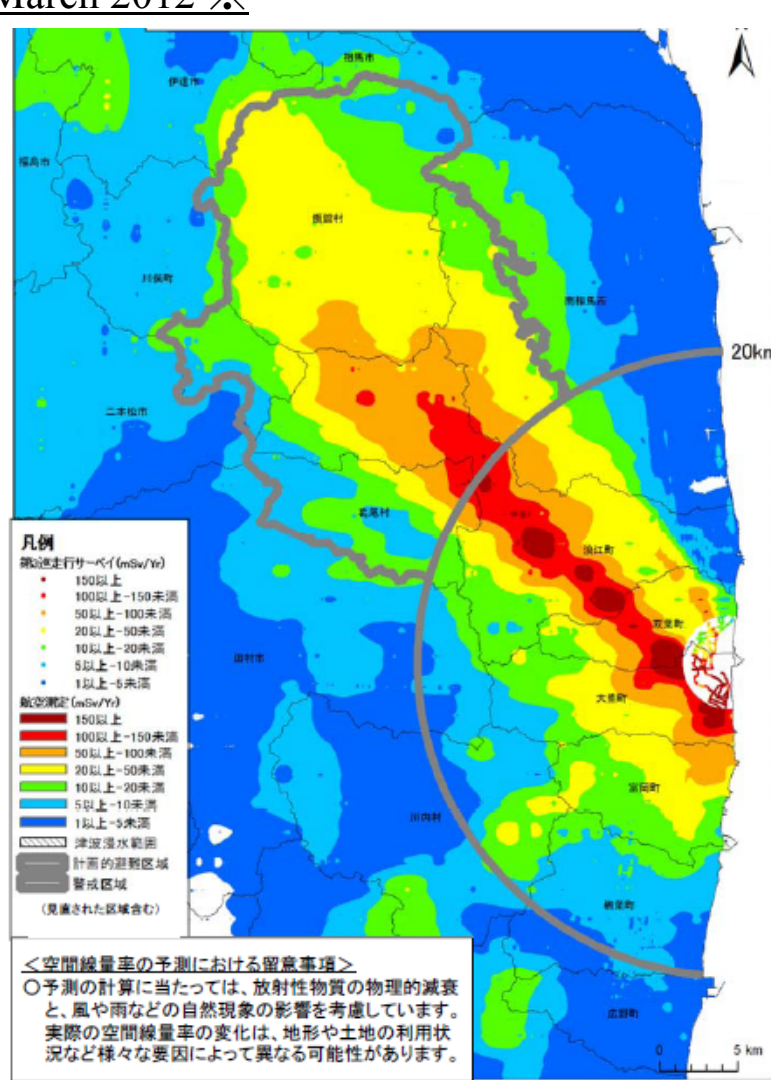
| | Region | Approval (Revision) | Areas covered | Summary | Outline of the special measures |
|----|------------|------------------------|----------------------|--|---|
| 9 | Fuku-shima | 3 rd August | Fukushima Prefecture | Relaxation of the Defined Contribution Pension Act | ● Relaxed application of requirements for defined contribution pensions to facilitate opting out of the pension scheme prior to the statutory deadline. |
| 10 | | 27 th July | Minami-Soma City | Deregulation of temporary building | ● Relaxed requirements for the duration for which temporary buildings can be left in place |
| 11 | Ibaragi | 30 th Oct | Ibaraki Prefecture | Relaxation of the Defined Contribution Pension Act | ● Relaxed application of requirements for defined contribution pensions to facilitate opting out of the pension scheme prior to the deadline. |
| 12 | | 29 th Jan | Ibaraki Prefecture | Deregulation of temporary building | ● Relaxed requirements for the duration for which temporary buildings can be left in place, applied to temporary city office buildings |
| 13 | Tochigi | 6 th Nov | Takanezawa-cho | Deregulation of temporary building | ● Relaxed requirements for the duration for which temporary buildings can be left in place, applied to temporary elementary school buildings |

G- Current status in Fukushima (1) (Location)

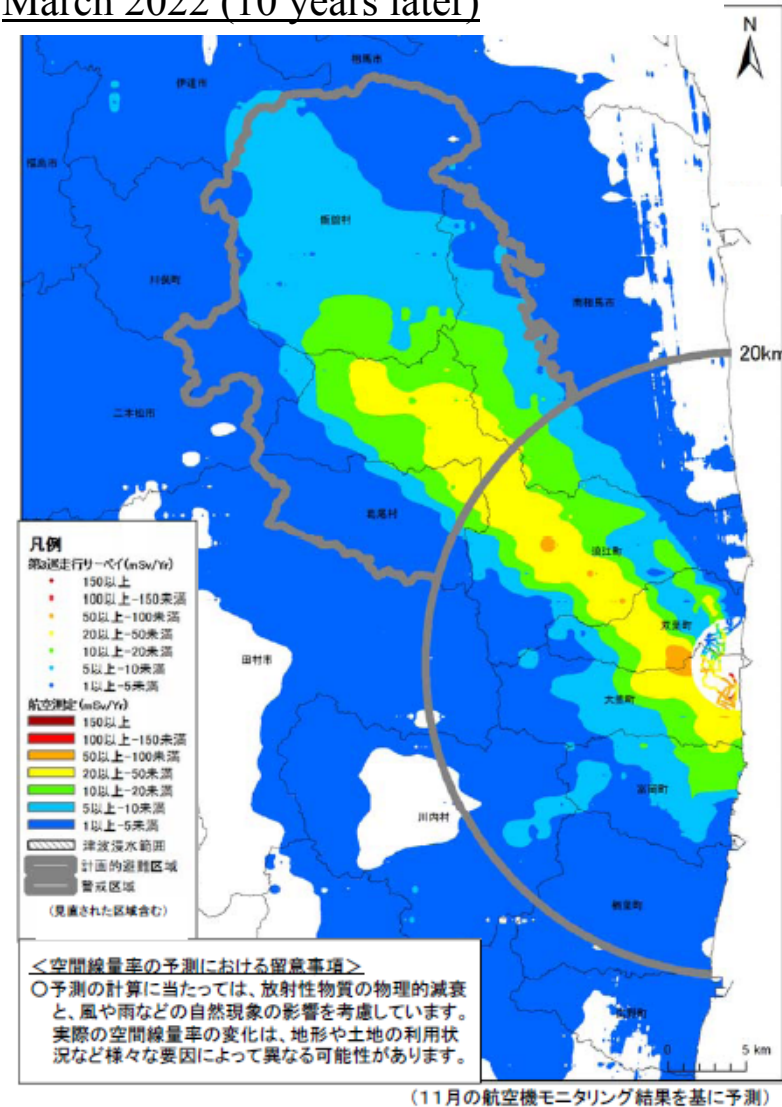


G- Current status in Fukushima (2) (Radiation level)

Current radiation level measured in the air :
March 2012 ※



Estimated radiation level in air :
March 2022 (10 years later)



※ These two charts show the estimated radiation level on the basis of the data collected by air monitoring in November 2011.

※Effect of decontamination is not considered. 39

(as of 30 November 2012)

Evacuees in Fukushima approx. 15,700 persons in total

- (1) inside Fukushima Approx. 98,000 persons
- (2) outside Fukushima Approx. 59,000 persons

Other areas such as Yamagata prefecture have evacuees.

Evacuees from Restricted Areas approx. 110,000 persons

《Areas where neither business nor entry is restricted》

New business is allowed Approx. 22,000 persons

《Areas where some restrictions are still in place》

Restriction on new business in place Approx. 4,000 persons

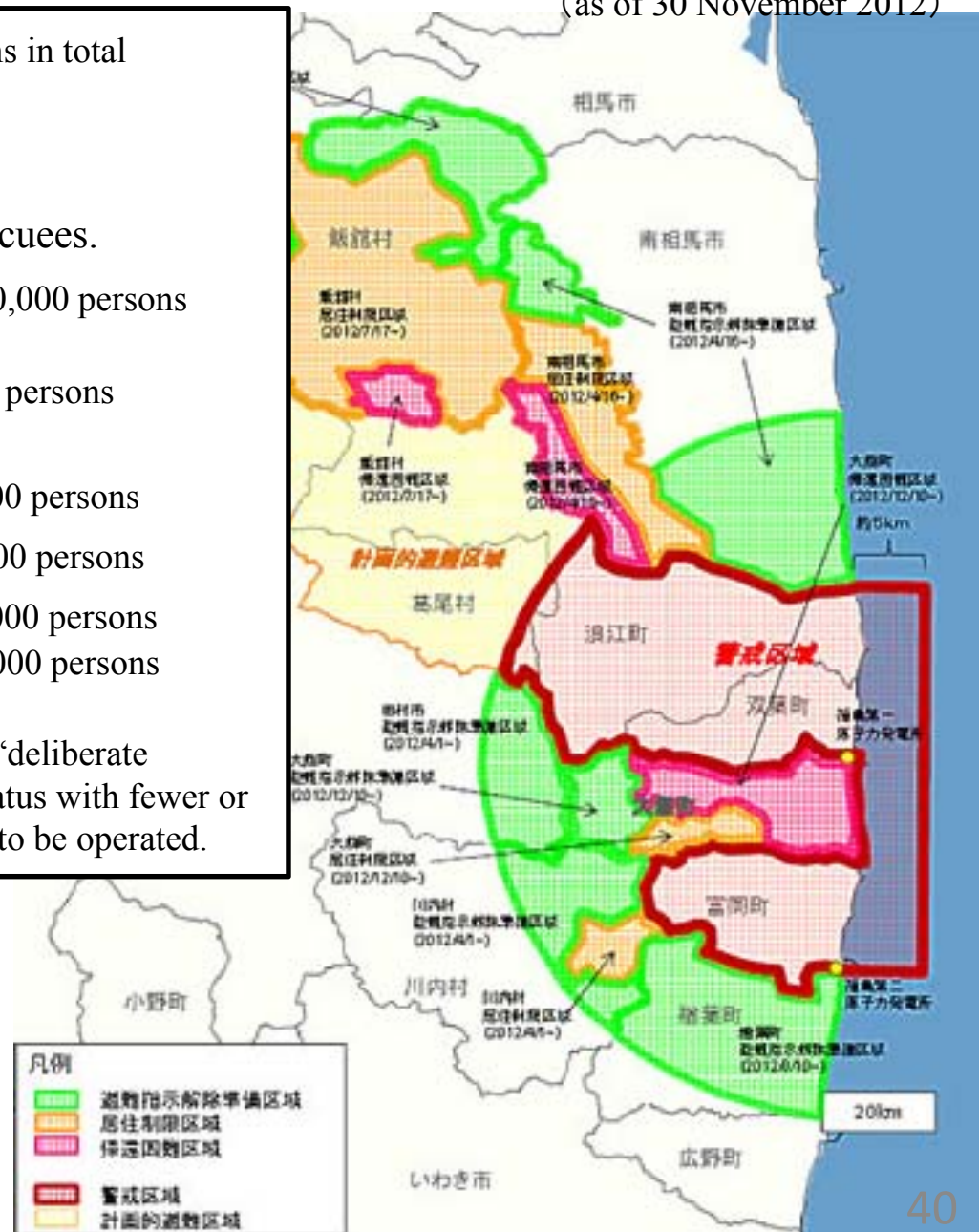
Entry of residents is restricted Approx. 6,000 persons

Longer term evacuation required Approx. 11,000 persons

Deliberate Evacuation areas Approx. 44,000 persons

It is to be noted that the areas with restrictions including “deliberate evacuation areas” are expected to be downgraded to a status with fewer or no restrictions, thereby enabling running new businesses to be operated.

- ① Review of Zoning for evacuation
- ② Decontamination
- ③ Restoration of infrastructure
- ④ Policy on compensation
- ⑤ Assistance to evacuees in the long term
- ⑥ Promotion of employment and industry



February 2013

CONTACT AND USEFUL INFORMATION



Reconstruction Agency

Address : Sankaido-bldg 1st floor, 1-9-13 Akasaka, Minato-ku, Tokyo, JAPAN
(Postal code: 107-0052)
TEL : +81-3-5545-7234, +81-3-5545-7365
e-mail : invest.tohoku@cas.go.jp
Website : <http://www.reconstruction.go.jp/english/>

JETRO PARIS

Address : 27, rue de Berri 75008 Paris, FRANCE
TEL : 01-42-61-27-27
FAX : 01-42-61-19-46
Website : <http://www.jetro.go.jp/france/>



Embassy of France in Tokyo(UBIFRANCE)

Address : 4-11-44Minamiazabu, Minato-ku, Tokyo, Japan
(Post code: 106-8514)

Website : <http://www.ubifrance.fr/japon> (en français)

Tél : +81 (0)3 5798 6079

e-mail : tokyo@ubifrance.fr

List of useful websites on reconstruction efforts (1)

All the information deemed useful for reconstruction efforts under the purview of the Special Zone for Reconstruction is posted on the following website.

[English webpage]

Outline on the Special Zones for Reconstruction (focused on tax breaks)

http://www.reconstruction.go.jp/english/topics/2012/09/120919_2.html

Outline on the Special Zones for Reconstruction

http://www.reconstruction.go.jp/english/topics/20120921_outline_special_zone.pdf

Framework of the Law for Special Zone for Reconstruction

http://www.reconstruction.go.jp/english/topics/20120921_framework_special_zone.pdf

[Japanese webpage]

< Special Zones for Reconstruction >

➤ Details on the Special Zones for Reconstruction

※comprehensive document detailing a wide range of issues such as de-regulation and tax breaks

http://www.reconstruction.go.jp/topics/post_97.html

➤ Exhaustive list of approved plans for special zones for reconstruction

http://www.reconstruction.go.jp/topics/20121012_suishin.pdf

<Grants for Reconstruction>

- Outline of each Core projects (consolidated 40 projects to be conducted by municipalities)
<http://www.reconstruction.go.jp/topics/120405gaiyou.pdf>
- First grant distribution (list of funded projects for respective municipality inclusive)
<http://www.reconstruction.go.jp/topics/000571.html>
- Second grant distribution (list of funded projects for respective municipality inclusive)
<http://www.reconstruction.go.jp/topics/000884.html>
- Third grant distribution (list of funded projects for respective municipality inclusive)
<http://www.reconstruction.go.jp/topics/001197.html>
- Fourth grant distribution (list of funded projects for respective municipality inclusive)
http://www.reconstruction.go.jp/topics/241130_1.html
- Fifth grant submission
http://www.reconstruction.go.jp/topics/20130201_4koufukinjigyokeikeku.pdf