

An aerial photograph of Osaka, Japan, showing a dense urban landscape with numerous skyscrapers and modern buildings. A prominent blue semi-transparent overlay covers the middle portion of the image, serving as a background for the text. In the foreground, a river flows through the city, crossed by a bridge. The sky is clear and blue.

Osaka's Attractiveness for Business

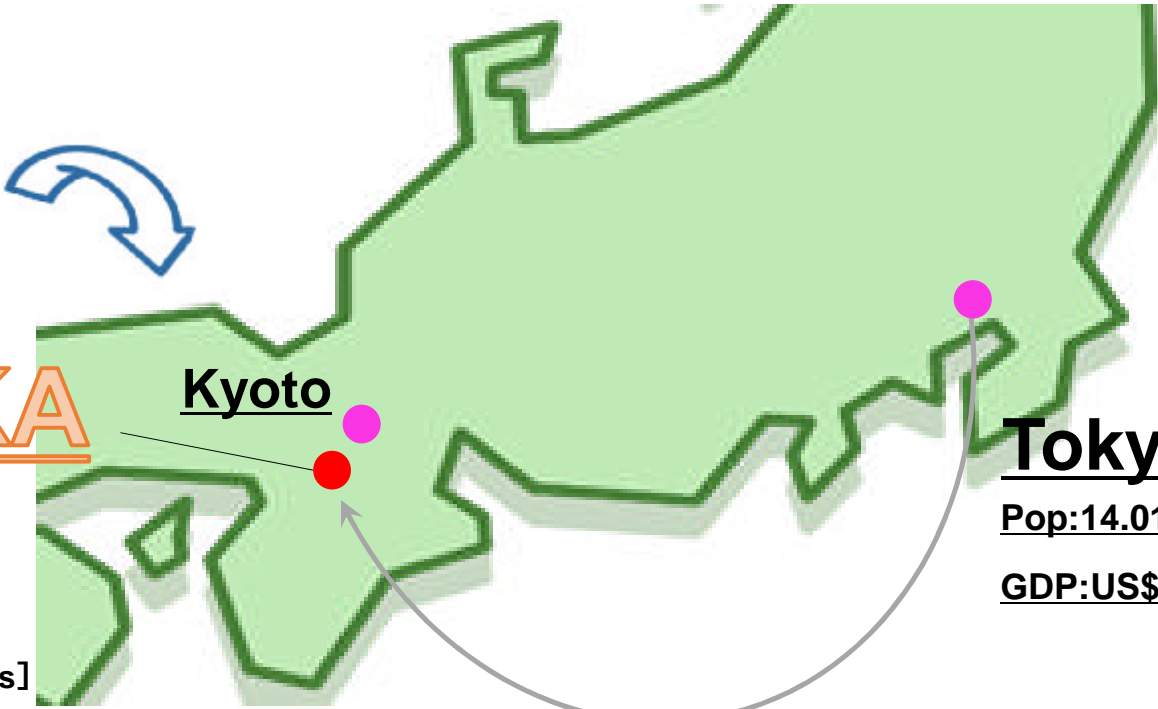
Governor of Osaka Prefecture
YOSHIMURA Hirofumi
May 23, 2023

Agenda

- **Introduction to Osaka**
- **Osaka's Industry**
- **Osaka's Major Projects**
- **Appendix**

Introduction to Osaka

Osaka's location and geographical characteristics



OSAKA

Pop.:8.81mil

GDP:US\$379bn

Kyoto

Tokyo

Pop:14.01mil

GDP:US\$1,064bn

[International air network with global connections]

- Connecting 92 cities in 24 countries/regions worldwide (2019 winter timetable planning peak)
- Nearly one hour closer to Asian cities than to the Tokyo area

	Osaka metropolitan area	Tokyo metropolitan area
Access from Hong Kong	About 4 hours	About 5 hours

“OSAKA” chosen as a BCP base

★Cases of establishing a BCP base in Osaka:26

(Mar '19 - Apr '23, Osaka Prefecture, grasped)

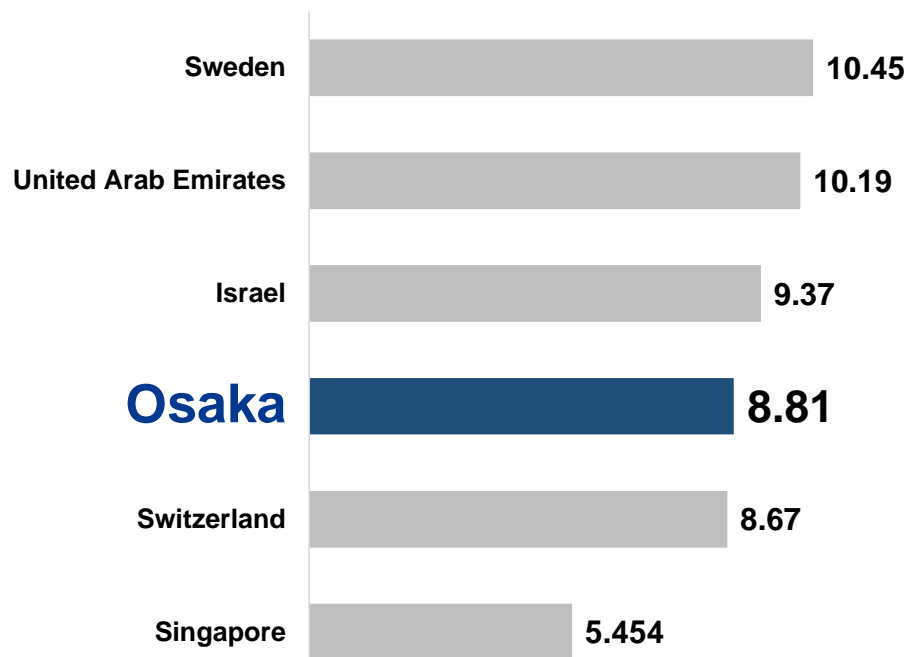
Source : 'Results of a survey on back-up for metropolitan-area headquarter companies, Sep.2020'
 Surveyed by : Companies listed on the First Section of the Tokyo Stock Exchange with headquarters in Tokyo.

Population and GDP comparison

- ◆ Population of 8.8 million, comparable to Switzerland
- ◆ GDP of 379 billion USD, comparable to Singapore

Population

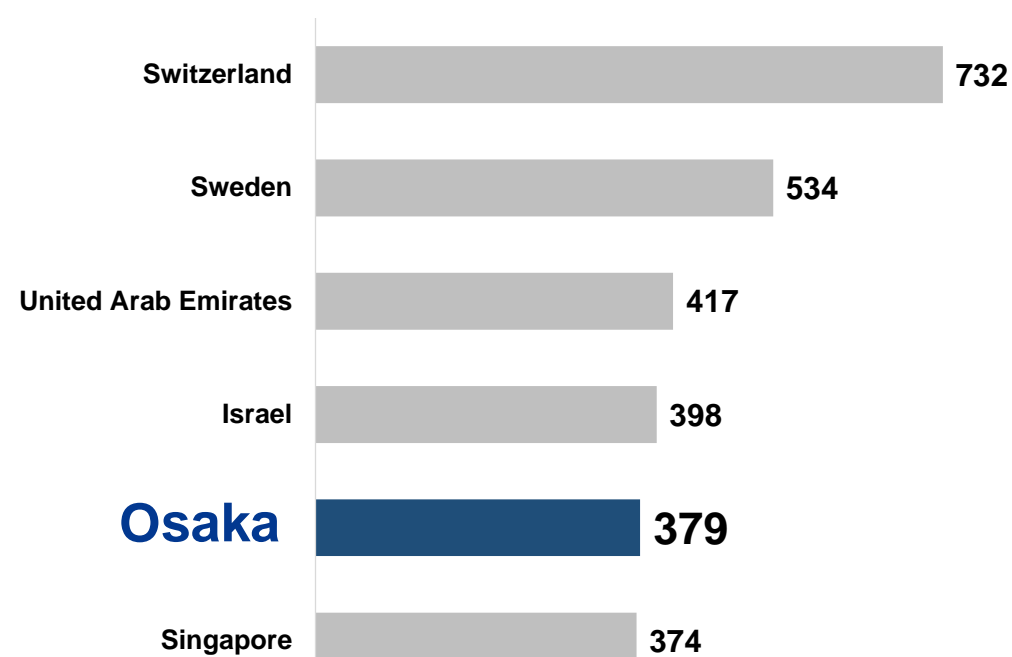
Unit: one million



Source : IMF "World Economic Outlook Database"(Data from 2021),
Ministry of Internal Affairs and Communications (MIC) "Population Estimate" as of Oct 1, 2021

GDP

Unit: billion USD



Source : Osaka Prefectural Government "2022 Naniwa economic data"

Osaka/Kansai connected to Asia

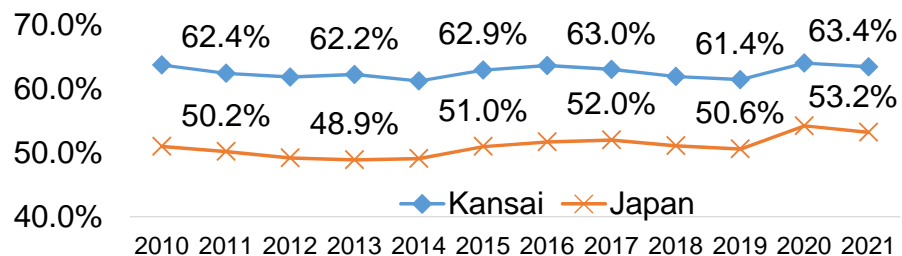
- ◆ Osaka has been an economic centre for 1400 years, welcoming traders and travellers from all over Asia.
- ◆ Even today, Osaka's links with Asia are nurtured through trade and people coming and going.

Osaka has been a link between Asia and Japan

Osaka, a prosperous trading port with Asia and the world



Asia's share of Kansai's exports and imports

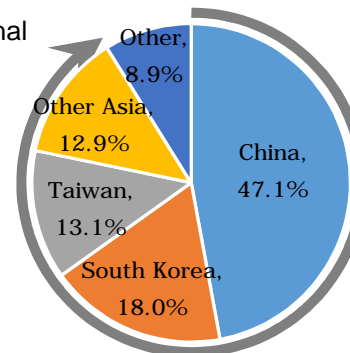


Kansai : Osaka, Kyoto, Hyogo, Wakayama, Nara, Shiga
 Source : Osaka Customs "Trade Statistics of Japan"

Percentage of nationalities of foreign nationals entering Japan

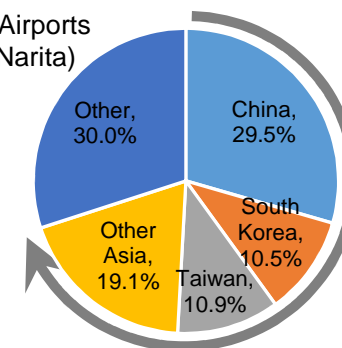
Kansai International Airport

Asia 91%



Metropolitan Airports (Haneda & Narita)

Asia 70%

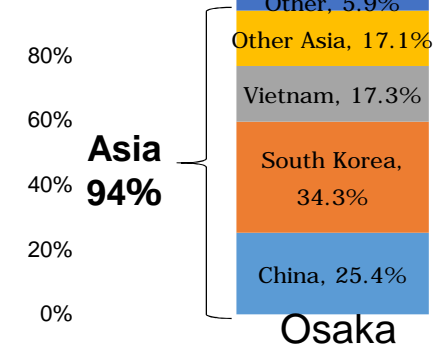


Source : Immigration Services Agency of Japan (ISA) "Immigration statistics" (2019)

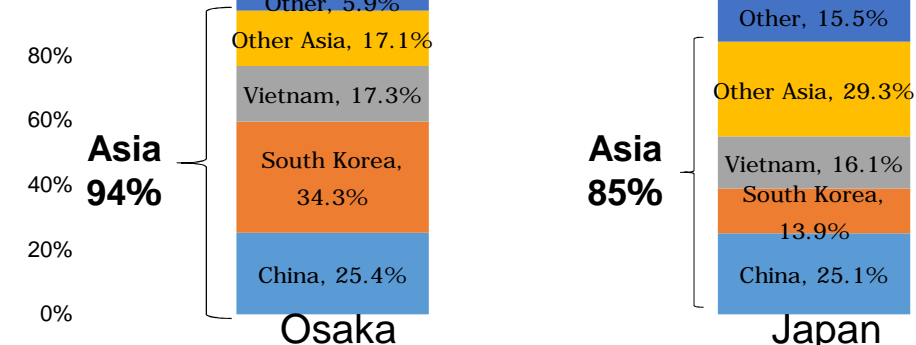
Percentage of nationalities of foreign residents

100%

Asia 94%



Asia 85%



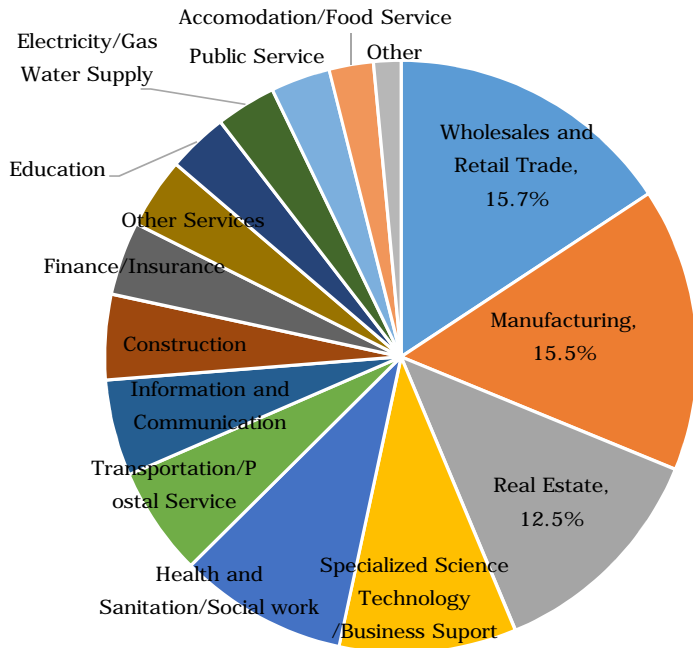
Source : ISA "Foreign Resident Statistics" (2022)

Osaka's Industry

Industrial structure of Osaka

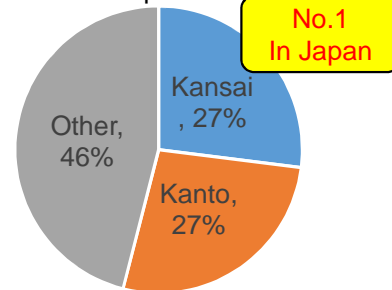
- ◆ Osaka has a good balance of manufacturing industries such as electronics, industrial machinery, devices, chemicals, food and construction; distribution and logistics industries such as department stores; and service industries such as inbound tourism and financial services.
- ◆ Strengths in manufacturing, including carbon neutrality and life sciences.

Osaka Pref. Nominal GRP by industry in 2019



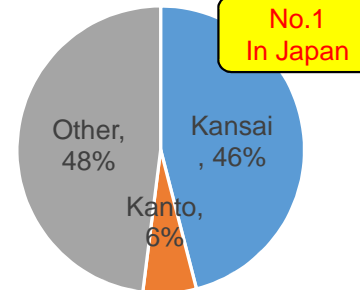
	Osaka	Tokyo
Shipment value/ Domestic share (million yen/%)	16,850,834 (5.4%)	8,545,216 (2.7%)
Number of manufacturers	15,522	9,887

Medical & Pharmaceutical-related Companies



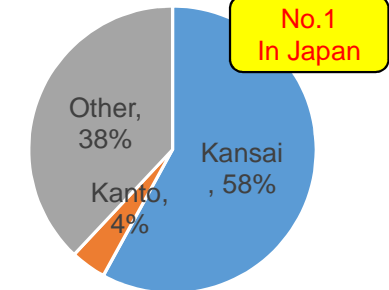
Total Production in Japan
68.2 billion USD

Lithium-ion Battery



Total Production in Japan
4.6 billion USD

Solar Battery Module



Total Production in Japan
3.6 billion USD

Source : Osaka Prefectural Government "2022 Naniwa economic data"

Kanto : Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo, Kanagawa
Source : MIC & Ministry of Economy, Trade and Industry (METI) "2016 Economic Census"

Osaka's Attractiveness for Business



1. Carbon Neutrality



2. Life Science



3. Inbound Tourism



Jumpstart Project



1

Expo 2025
Osaka-Kansai



2

City
Development



3

Start-Up
Ecosystem



4

Global
Financial City



5

Integrated
Resort



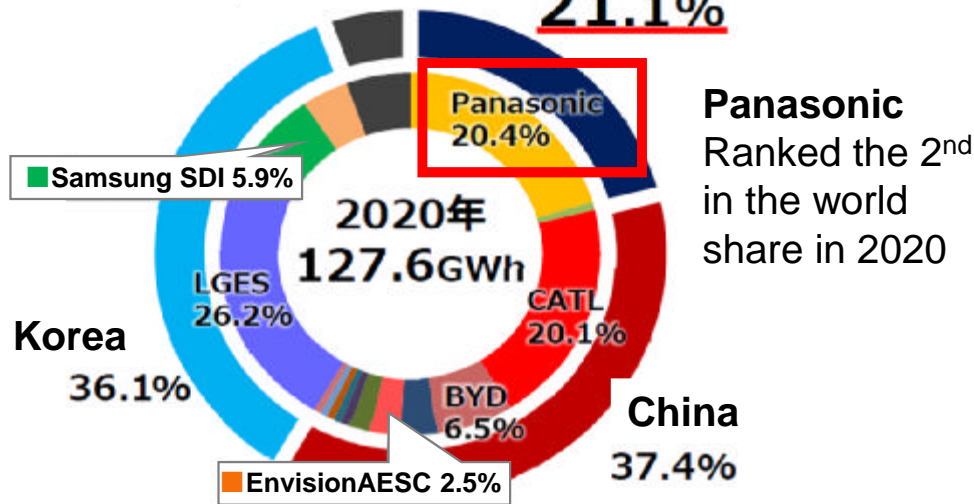
Carbon Neutrality

Strength

Research and production bases for storage batteries, which are essential for EVs, etc. are concentrated in Osaka.

Global share of automotive lithium-ion batteries in 2020

JAPAN
21.1%

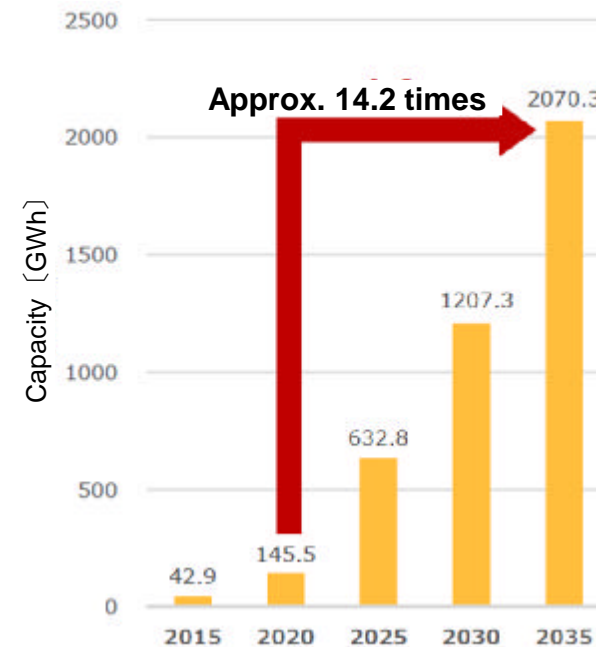


Source : METI "Current status and challenges of the storage battery industry" (Nov. 2021)

Opportunity

With the expansion of the EV market, Rapid expansion of the automotive storage battery market

Global market of automotive batteries

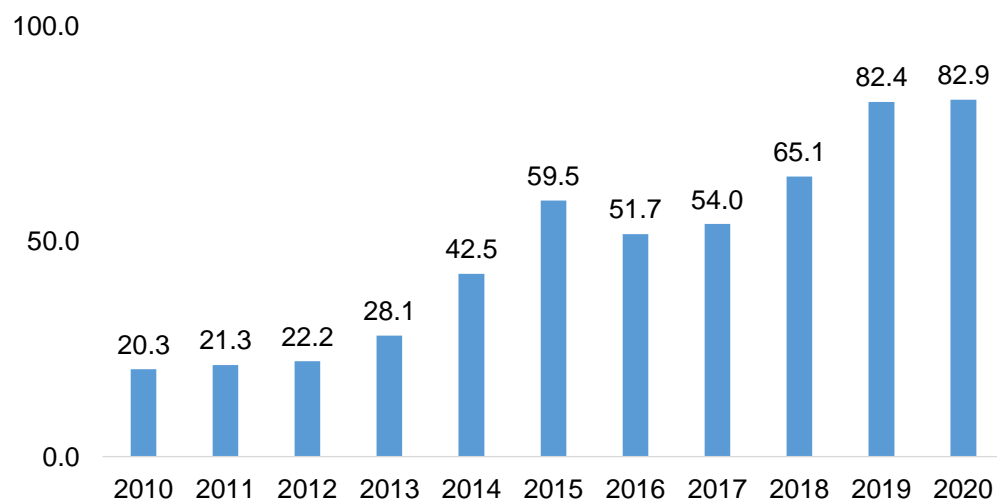


Source : METI "Current status and challenges of the storage battery industry" (Nov. 2021)

Strength

Concentration of life science companies and research institutes
Medical equipment production value on the rise

Medical equipment production value in Osaka
(billion yen)

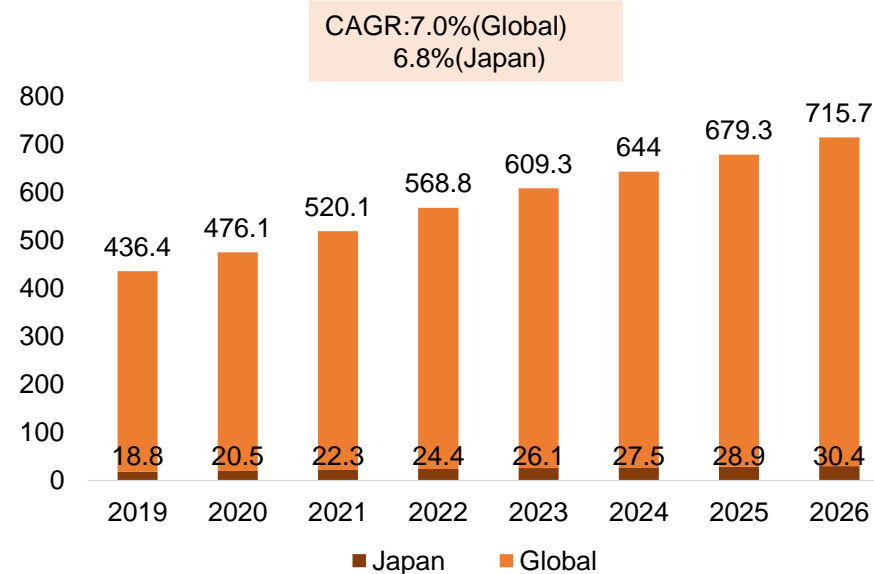


Source : Ministry of Health, Labour and Welfare (MHLW) "Statistics of Production by Pharmaceutical Industry"

Opportunity

In the expanding global bio-industrial market
Osaka companies are expected to play an active role

Global bio-industry market size
(billion USD)



Source : METI "The 'Fifth Industrial Revolution' pioneered by biotechnology" (Feb. 2021)

Inbound Tourism

Strength

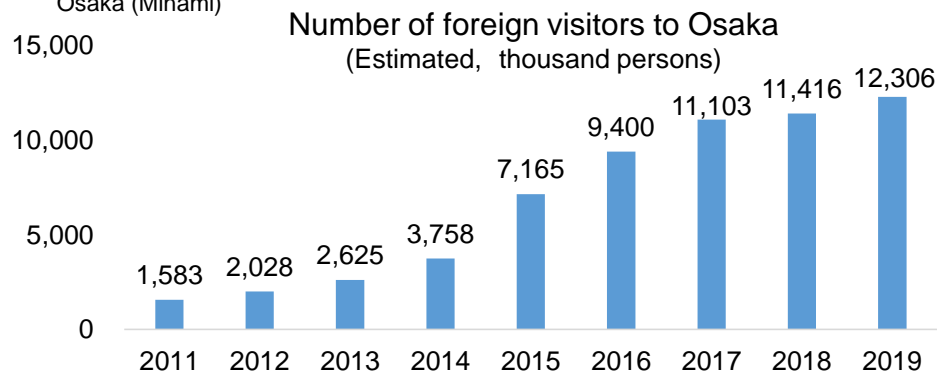
The number of foreign visitors to the pre-Corona Eight consecutive years of growth until 2019



Streetscape of the southern area of Osaka (Minami)

Kushikatsu

Universal Studios Japan



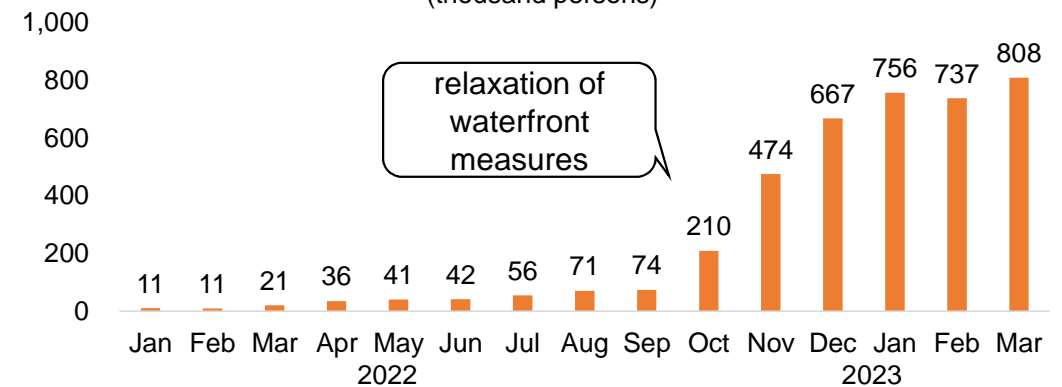
Source : Osaka Prefectural Government "2022 Naniwa economic data"

Opportunity

Covid19 is converging and inbound traffic is expected to revive.

Due to the relaxation of the Japanese Government's waterfront measures in October 2022, foreign visitors to Japan are on the rise

Number of foreign passengers at Kansai International Airport (thousand persons)



Source : "Kansai International Airport Osaka International Airport, Kobe Airport, March 2023 Utilisation status" (Apr. 2023)

World Renowned Enterprises from Osaka

- ◆ Many Osaka companies have been operating their business worldwide in a variety of fields, as well as Carbon Neutrality and life-science fields.



Ono Pharmaceutical



Takeda Pharmaceutical



Nissin Foods



Our Efforts to Create a Better Society

- ◆ “Osakans,” with their innate innovative nature, have created many new social systems and products to make the world a better place

Dojima Rice Market

The world’s first futures trading market



Instant noodles that changed the world’s food culture



Automatic ticket gate



Conveyer-belt sushi bar



Osaka's Major Projects

- Expo 2025 Osaka-Kansai
- Umekita 2nd Project
- Development of start-up ecosystem
- Global Financial City OSAKA Strategy
- Integrated Resort

Expo 2025 Osaka-Kansai



Theme: Designing Future Society for Our Lives

Concept: People's Living Lab

Period: Sunday, 13 April to Monday, 13 October 2025; 184 days

Projected number of Visits : Approx. 28.2 million

Venue: Yumeshima Island (Osaka City)

Site area: 155ha

Economic effect : Approx. 2 trillion yen



Courtesy of Japan Association for the International Expo, 2025

Expo 2025 Osaka-Kansai



- ◆ At Expo 2025 Osaka-Kansai, new technologies such as carbon neutrality, life sciences and flying cars will be demonstrated and lead to social implementation.

Carbon Neutral technology such as hydrogen energy will be demonstrated



© Adobe Stock

Using iPS cells, etc. Practical application of regenerative medicine



Realize the operation of “Flying Cars”



image

Introduction of 'cashless payments'.

- The venue is completely cashless.
- A variety of payment methods (credit cards, IC e-money, QR e-money) will be available.

Expo 2025 Osaka-Kansai



- ◆ Osaka Prefecture and City will exhibit at the local pavilion 'Osaka Healthcare Pavilion Nest for Reborn'.
- ◆ Osaka's industries, universities and municipalities gather their wisdom and ideas to create new values for the future society from the perspective of 'life' and 'health'.



UMEKITA Project 2nd Stage (GRAND GREEN OSAKA)

- ◆ Redevelop around Osaka Station, the largest terminal area in western Japan, planning to construct high-grade accommodations, condominiums, innovation facilities, etc.
- ◆ Concept is: 'MIDORI (Green)' and 'Innovation' in Harmony

Image of the completion



©GRAND GREEN OSAKA developers

ABOUT

Core function

Unparalleled innovation platform in the world

Office space

Over 100,000m² of Large-scale office space

Hotels

Accommodations that meet a wide range of needs from tourists to business people

Residential area

High-grade condominiums suitable for an urban hub

Urban park

Urban public space with diverse and high-quality landscapes, planned by world-class designers

Commercial area

Sophisticated and convenient urban commercial area with rich and soothing greenery

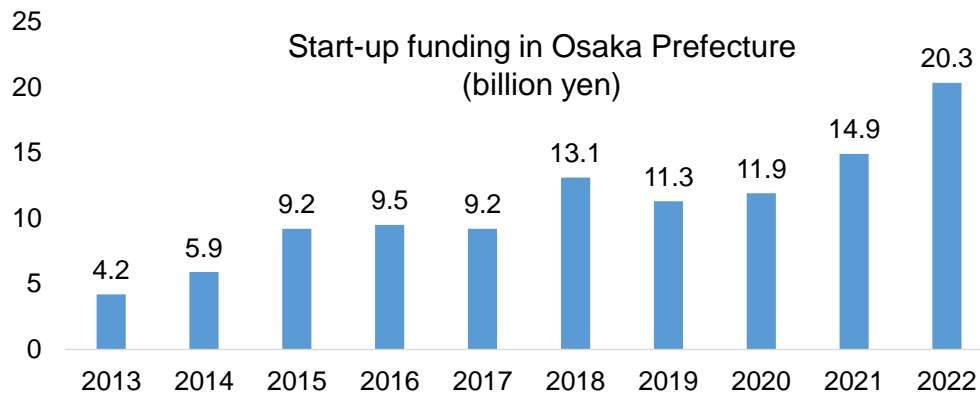
Schedule	Summer, 2024: Pre-opening of some districts FY 2027: Full completion of the project
Site area	Approx. 17ha Entire Umekita site: 24ha, Pre-opening districts: 7ha

Development of start-up hubs

- ◆ “The Osaka Startup Ecosystem Consortium”, a collaboration of government, industry, and universities, will provide seamless support for startup companies, including financing, acquisition of human resources, and overseas expansion.



- ✓ Identification and development of academic seeds
- ✓ Organizes annual 'Hack Osaka' event
- ✓ Bridging financial institutions and VCs with start-ups for funding.



Source: INITIAL, 2022 Japan Startup Finance

<Recent examples of initiatives>



“KI·DO·U” program for the creation of global start-ups

Organized by: Osaka Business Development Agency

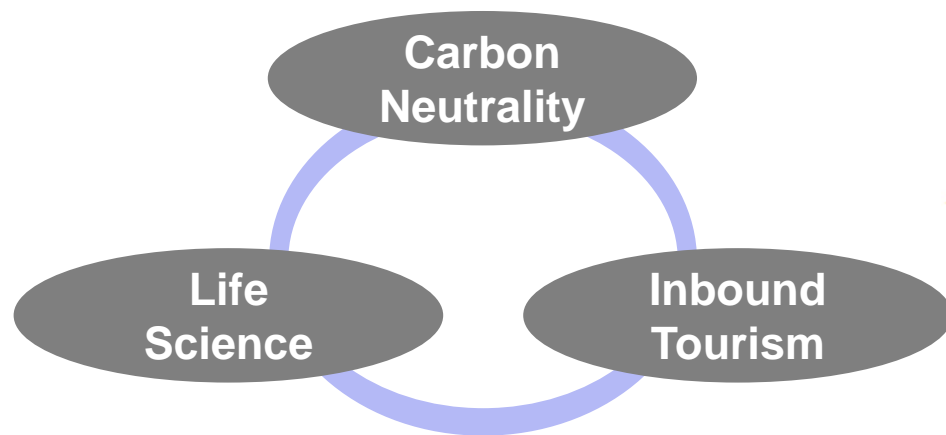
Provides business funding and six months of hands-on support to five start-ups selected through presentation screening, etc., with a focus on life sciences, healthcare, carbon neutrality and Web 3.0.

Global Financial City OSAKA Strategy Vision

- ◆ Accelerating Osaka's industries and projects with the power of finance to shape the future of Japan and the world

Osaka-Kansai's economic growth
Solve the world's problems

Osaka's industry and projects



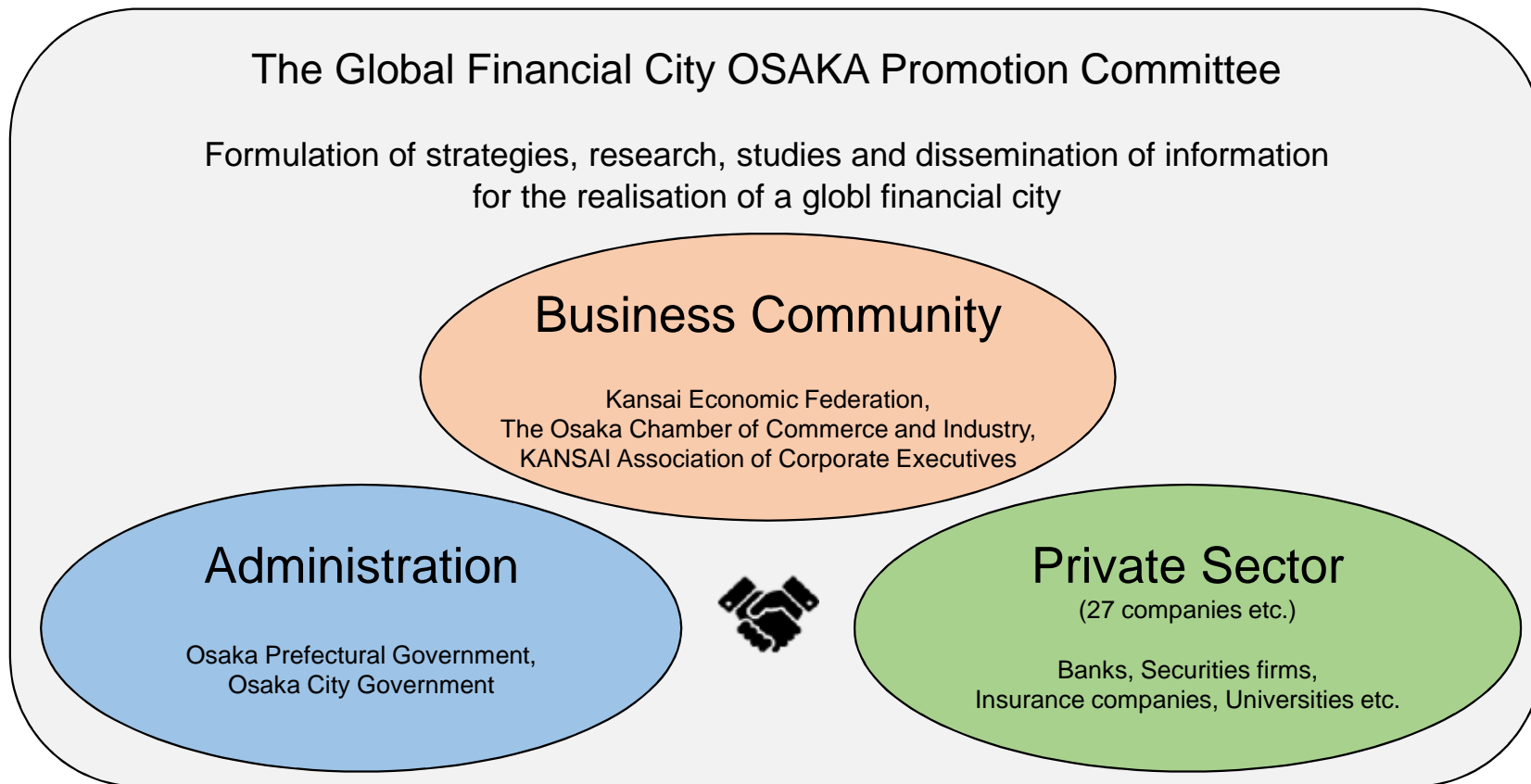
Accelerate Efforts by the Financial Power

Clustering manpower, goods and capital in Osaka

- Invest in Osaka's industry and projects
- Develop new fintech businesses from Osaka

Promoting the Global Financial City OSAKA with Entirety of Osaka

- ◆ The Global Financial City OSAKA Promotion Committee, a collaboration between the business community, government and private sector, has been set up to attract companies, support financing for start-ups and promote sustainable finance.



Promoting Global Financial City OSAKA Support as a municipality

◆ To build a regional economic ecosystem in Osaka through finance power, we municipality are providing various supports.

■ Business matching

- Cooperation in business matching between foreign companies and companies in Osaka, etc.
(Introduction of Osaka start-ups to overseas venture capitalists,
Creating opportunities for collaboration between foreign fintechs and regional financial institutions, e.g.)

■ One-stop Support Center

- Free consultation and support for foreign financial enterprises
- One-stop consultation handling issues ranging from professional needs such as financial licenses to daily life-related issues such as housing, education and medical services.

■ Subsidy

- Subsidizing expenses for conducting a preliminary survey or establishing a base, for foreign financial companies etc. to establish a base in Osaka City, .
 - Preliminary survey: Total amount of expenses, up to a maximum of 1.1 million yen
 - Base establishment: 50% of the total amount of expenses, up to a maximum of 10 million yen

■ Tax and regulatory reform

- Reduction of up to approximately 2% in the effective corporate tax rate for local taxes for new financial foreign companies setting up in Osaka City (under consideration).
- We will continue to improve the business environment by, for example, requesting the government to relax taxation and regulations that act as barriers to entry.

Bid to the Integrated Resort (IR)

- ◆ Constructing a complex facility that includes international conference/exhibition halls, hotels, entertainment facilities and a casino, etc. on Yumeshima Island, Osaka.
- ◆ Established and operated by Osaka IR Co., Ltd.(MGM Resorts Japan LLC ORIX are core shareholders)
- ◆ Getting the approval of the site development plan from the national government in April

(Source: IR Area Development Plan)

Size	<p>Site area : Approx. 492,000 m²</p> <p>Total floor area of the facility: Approx. 770,000 m²</p> <p>MICE : International conference hall (the largest conference room capacity: over 6,000 people) Exhibition hall: (exhibition area: 20,000 m²)</p> <p>Number of guest rooms : Approx.2,500 rooms</p> <p>Casino: Gaming zone is limited to within 3% of the total floor area</p>
Estimated annual number of visitors	<p>Approx. 20 million</p> <p>(From Japan: Approx.14 million; From overseas: Approx.6 million)</p>
Scheduled opening date	<p>Fall or winter of 2029</p> <p style="text-align: right;">* in the case of the fastest progress</p>
Impact on the economy	<p>During construction: Approx. 1.58 trillion JPY</p> <p>After opening : Approx.1.14 trillion JPY a year</p> <p style="text-align: right;">*Kansai area</p>

Invest in OSAKA !!
