March 2010

JETRO Geneva Newsletter

Japan External Trade Organization

Special points of interest:

- Japan's exports jumped 45.3% in February 2010 from a year earlier.
- A Kimono with 111,160 natural colored pearls was exhibited at Baselworld (March 18 to 25).
- Japanese car manufacturers presented environment-friendly cars, such as fuel cell, hybrid and electric ones, at Geneva Motor Show (March 4 to 14)
- FUJISOFT INCORPORATED announced the successful development of "PALRO®", "a humanoid robot with integrated intellectual systems".

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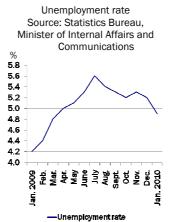
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Japan's current economic situation

The Cabinet improved in March its assessment of the economic situation. According to the Monthly Economic Report "although the economy has been picking steadily, it is only weakly self-sustaining and mains in a difficult situation such as a high unemployment rate".

from Exports Japan jumped 45.3% in February 2010 from a year earlier. The increase was led by exports to Asia (+55.7%), North America (+50.2%) and to a lesser extent Western Europe (+19.5%). Exports to Switzerland raised 7.9% year-on-year in February, whereas they soared 97.5% in January from a year earlier. Industrial production index grew in January 2010 2.7% to 92.1 month-on-month and 18.5% from a year earlier. Business situation also improved. The coincident



index of business conditions, assessing the current state of the economy, raised 14.0% to 99.9 in January 2010 from 87.6 year-on-year. Corporate profits surged 102.2% in the fourth quarter of 2009 from previous year.

Domestic consumption recovered. The consumer confidence index jumped 49.0% to 39.8 in February 2010 from 27.7 a year earlier. Consumption expenditures went up 0.2% in nominal terms and

1.7% in real terms from a year earlier.

Whereas the unemployment rate remains severe, it decreased since the July record high. As a result of the economic recovery, it went down to 4.9% in January from 5.2% in December, falling below 5% for the first time since March 2009 (see graph). The number of unemployed persons was 3.23 mio. in January 2010.

Japan's economy remains in a "mild deflationary phase" (Monthly Economic Report). The consumer price index was down 0.2% in January 2010 from a month earlier and down 1.3% over the year. However, the index domestic corporate goods price grew 0.1 points to 102.4 in January from a month earlier.



Baselworld, Hall 6, "Hall of Universe"

Japanese jewellery and pearls at Baselworld

A Japan Pavilion was held from March 18 to 25 at Baselworld, "the World Watch and Jewellery Show". It gathered ten Japanese companies at hall 6, also called "Hall of Universe". All of them were sponsored by JETRO. Among the ten companies, eight exhibited pearl products and two others, fine jewellery. It was a unique opportunity to dis-

cuss with company's managers and product designers.

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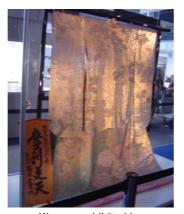
Nobu Kaneko, Corporate Officer, Tanaka Pearl Co. Ltd.

Japanese jewellery and pearls at Baselworld

(Continued from page 1)

LA PERLE D'ORIENT exhibited а Kimono with 111.160 natural colored pearls. Achieved in 1989. the first year of the reign of Emperor Heisei, it is valued at ¥ 100,000,000 (about CHF 1.2 mio.). The company also exhibited strings of natural pearls. "We would like to remind people that Japan is the country where the culture of pearls started", said Ketan Chaudhari, company's representative.

"The location is perfect", said Keiichi Inoue, Sanwa Pearl Co., Ltd., a company with a booth next to the



Kimono exhibited by LA PERLE D'ORIENT

Kimono. He exhibited splendid strings of white, gold and black pearls. Yoshio Fujiyoshi, Akoya Pearl Co., Ltd. (collana), a company specialized in elegant black pearls combined with leather cords, is also pleased to attend this "prestigious exhibition".

Japanese booths presented pearls with wonderful colors. Yakushi Pearl exhibited white, orange and purple pearls. Tanaka Pearl Co., Ltd. shown white, golden and black pearls, but also Akoya pink ones.

The companies came to Basel to find new partners in Europe. For example, Nishijin Pearl Co., Ltd. and Shimada Trading Co., Ltd., both present in Asian markets, wish to expend their business to Europe. PEARL INTERNATIONAL CO. LTD. sells in China and Europe: Raj Shah, company's representative said he hopes the company "to develop partnerships with European clients".

Fine jewellery products

were also exhibited. Aiko Yamazaki (picture), Designer of RENAISSANCE GEM Inc., presented Mother of pearl products using the "pique process", a rare method consisting in precious metal inlaying. The designer also recently exhibited with a calligrapher at Kiyomizu temple (eastern Kyoto). Kazumi Tashiro and Eriko Fujii, Designers, exhibited fine jewellery products made with gold, diamonds, rubies and other precious materials.



Toshiyuki Sugihara, Board Director, and Aiko Yamazaki, Designer, in Kimono, RENAISSANCE GEM INC.

The Diet approved FY2010 budget

On March 24, Japan's House of Councilors (Upper House) has approved the record ¥92.3 trillion budget (CHF 1.1 trillion). The House of Representatives (Lower House) cleared it earlier in the month.

The FY2010 budget shows an increase by

4.24% from FY2009 budget. It is funded by a record bond issuance of ¥44.3 trillion (CHF 516 billion, 48% of global budget). Tax revenues account for 40.5% of the budget and other revenues for 11.5%.

The FY2010 will enact new policies, such as

allowance per child (¥ 13,000; CHF 151), the effectively free public high school tuition and the individual household income support for agriculture. Social welfare expenditures will also raise 9.8% from FY2009 budget to ¥27.3 trillion (CHF 318 billion).

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Electric and hybrid cars at Geneva Show

Japanese car manufacturers exhibited many "ecocars", such as hybrid and electric ones, during the 80th International Motor Show in Geneva held from March 4 to 14, 2010. The following cars are some examples.

Honda exhibited, the hybrid sport CRZ car, the FCX fuel cell car and the U3X concept electric monocycle. It also presented some concept vehicles. The EV-N is a retrodesign electric concept car previously shown at Tokyo Motor Show. The 3R -C is a three-wheeled electric vehicle concept showing "what a future minimal"



Lexus CT 200h hybrid car

urban transport vehicle for one person might look like" (Honda's press release).

Toyota presented the Auris with Hybrid Synergy Drive®. "a full hybrid capable of operating in petrol and electric modes alone, as well as a combination of both" (Toyota's press kit). The car, scheduled to be sold on Swiss market during the summer 2010, has a CO2 emission of 89 g/km and a fuel consumption of 3.8 L/km only.

Lexus, the Toyota's luxury division, exhibited hybrid cars only. With a 1.8L VVT-i petrol engine and a powerful electric motor, the Lexus CT 200h "combines 2.0 L performance with class leading CO2 emissions" (Lexus press kit).

Mitsubishi previewed the hybrid PX MiEV car and the electric i-MiEC car. The i-MiEC has a range capacity of 160 km and a maximum speed of 130km/h.

Suzuki exhibited the Swift Plug-in Hybrid, a 54kW motor car powered by lith-ium-ion batteries and a gasoline engine.

Mazda shown the Mazda 5 Hydrogen RE Hybrid MPV compact car combining hydrogen engine with an electric motor.

Nissan also presented the Leaf all electric car (see February issue).

692,000 people visited the 2010 Geneva Motor Show, showing an increase of the number of visitors by 7% from a year earlier. The next Geneva Motor Show will be held from March 3 to 13, 2011.



Honda electric EV-N and 3R-C concept cars



Suzuki Swift Plug-in Hybrid



Mitsubishi i-MiEV (Mitsubishi innovative Electric Vehicle)

World leading exhibitions on renewable energy

Organized by Reed Exhibitions Japan Ltd., exhibitions on renewable energy were held from March 3 to 5 at Tokyo Big Sight.

The show was attended by 1,261 exhibitors from 61 countries or regions, including United States, China and European countries such as Switzerland, France and Germany. Around 80,000 industry professionals visited the exhibitions. Many participants emphasized the quality of the event organi-

zation

Five exhibitions were held at the same time.

"PV Expo 2010" is a photovoltaic exhibition.

"FC Expo 2010" is the 6th international hydrogen and fuel cell exhibition.

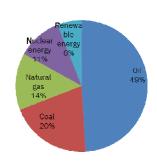
77 firms took part in "PV SYSTEM EXPO", the first photovoltaic power generation system exhibition.

231 exhibitors participated in "BATTERY JAPAN", the first international show on rechargeable battery.

"1st Processing Technol-

ogy Expo" is a show on all kinds of processing technologies.

The Ministry of Economy, Trade and Industry launched on November 1. 2009, a new purchase system for solar powergenerated electricity to promote the use of nonfossil energy sources and the effective use of fossil energy materials. In 2005, renewable energy counted for 8.4% of Japan's final energy consumption (see graph).



Japan's primary energy supply (FY 2005) Source: METI

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PALRO®, your new robot friend

On February 1, 2010, FU-JISOFT INCORPORATED announced the successful development of "PALRO®", "a humanoid robot with integrated intellectual systems".

With 39.8 centimeters tall and 1.6 kg, the robot has a humanoid behavior. It is able to walk on two legs, watch, listen and talk with humans. It can also visually and orally recognize a person and locate itself in the room.

Connected on Internet, it can collect information from Websites and its environment, and inform it of its owner, or send it on its owner's computer or mobile phone.

His name "PALRO®" is drawn from the English familiar word for friend

"pal" and "ro", the first letters of "robot".

FUJISOFT first produced a model for engineering research in educational institutions. The company plans to market "PALRO®" by March 2011. It will be



PALRO® FUJISOFT's intelligent robot

equipped with various softwares and may then serve, for example, as a home janitor.

Initial price of "PALRO®" is $\frac{4}{298,000}$ (about CHF 3,500).

Established in 1970, Fu-JISOFT is a Japanese IT company located in Yokohama, in Kanagawa Pref. (in the neighborhood of Tokyo Pref.). According to Mr. Nozawa, Chairman, and Mr. Shiraishi, President, the company is "an IT solution vendor who is changing IT itself". It creates "answers to challenges and dreams for the future".

For further information, please visit FUJISOFT'S Website: http://www.fsi.co.jp/e/solutions/robot_technologies/index.html

JETRO is a government-related organization that works to promote mutual trade and investment between Japan and the rest of the world. Originally established in 1958 to promote Japanese exports abroad, JETRO's core focus in the 21st century has shifted toward promoting foreign direct investment into Japan and helping small to medium size Japanese firms maximize their global export potential.

The JETRO Geneva Newsletter can also be viewed and/or downloaded online:

http://www.jetro.go.jp/switzerland/newsletter



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