

Special points of interest:

- Japan's exports increased 32.1% in June from previous year. Exports to Switzerland grew 30.6% on the same period.
- Nomura is the largest bank in Japan, with almost 40% of retail revenue share in Japan (April-December 2009).
- Japan is Speno's one of the largest market, accounting for 17% of its turnover.
- Seven companies of the Suwa's Desk Top Factory exhibited at Lausanne's EPMT (Microtechnology Professional Environment) show, from June 8 to 11.

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Japan's current economic situation

Cabinet Office's Monthly Economic Report stated in its June issue that "although the economy has been picking up steadily and the foundation for a self-sustaining recovery is being laid, it remains in a difficult situation such as a high unemployment rate".

Japan's exports increased 32.1% in June from previous year to ¥ 5,311 billion. Exports to Asia (+34.4% from a year earlier), Central and South America (+63.3%), Oceania (+66.4%) and Russia (+177.1%) rose significantly. Exports to Western Europe increased 18.1% on a year. More specifically, exports to Switzerland grew 30.6% year-on-year. Demands of the following commodities stimulated Japan's exports: mineral fuels, manufactured goods, machinery

Consumer Confidence Index excluding one-person households, original series
Source: Cabinet Office



and transport equipment. As a consequence, some figures reflecting the economic domestic situation improved. Indices of industrial production (original index) in April went up 25.9% from previous year and 10.9% from previous month. Estimation of GDP annualized growth during the first 2010 quarter was revised

from an initial estimate of 4.9% to 5.0%. Corporate bankruptcies declined 15.1% in May from previous year to 1,021 cases. Japan's economy still faces domestic challenges. Employment rate remains at a relatively high level (5.1%) in April, showing an increase of 0.1% from a month earlier. The number of unemployed persons was 3.56 million in April. Consumer price index in May was up 0.1% from previous month, but was down 0.9% over the year, showing that Japan's economy "is in a mild deflationary phase" (Cabinet Office's June report). However, the confidence of Japan consumers continued to recover. The Consumer Confidence Index rose 19.8% from 35.7 in May 2009 to 42.8 in May 2010 (see graph).

Nomura's global expansion strategy

When it was founded in 1919, Nomura Group was part of a Zaibatsu, a Japanese business conglomerate. Likewise other Zaibatsu, it was broken down after the Second World War. Nomura became independent.

Today, Nomura is the largest bank in Japan, with almost 40% of retail revenue share in Japan (April-December 2009). Masaru Tokiwa joined Nomura in 1985. Specialized in equity derivatives, he worked in Australia, Bah-

rain and Spain. In February 2009, he was appointed as the President of Nomura Bank (Switzerland) LTD.

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Masaru Tokiwa,
President, Nomura Bank
(Switzerland) LTD

Nomura's global expansion strategy

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The largest bank in Japan

Nomura's wholesale business revenue commanded 5% in the global fee pool of major global players for Oct-Dec 2009 which ranked Nomura at 10th in the world. Its tier 1 capital ratio (pure equity), showing the bank's financial strength, increased from 11.7% on March 31, 2009 to 17.8% on December 31, 2009. Nomura challenged downturn trend and Asian crisis through 90's. "As Japanese companies went through difficult times in the 1990s, Japanese banks had to pay Japan's premiums" (extra cost in the interbank market), explained Mr. Tokiwa. In October 2008, Nomura

also acquired Lehman Brothers Holdings Inc.'s Asian and European units. Employees who agreed were transferred to Nomura and responsibilities were reshuffled.

Nomura Switzerland

Nomura employs 65 people in Zurich's and Geneva's offices, including 23 people originating from Lehman Brother. Its main activity in Switzerland is to provide financial services for Swiss investors. Lehman Brother's original business was focused on European equities, equity derivatives, fixed incomes, M&A and financial advisory. And Nomura's original activity was Japanese and Asian equity business.

Nomura's expansion strategy

Nomura's objective is to become top 5 global player, Mr. Tokiwa said. "Nomura is the only Asian bank in business investment sector. Its Asian profile is our strength", he argued. With 4,500 employees in Europe, "Swiss companies may also knock the door for investments in Europe". Nomura is building up a team to significantly grow its sector coverage by the end of this year in the USA - the world largest market. "As Nomura will then be incontrovertibly considered by most institutions in Switzerland and in Europe as a global player, its market share will increase significantly" argued Masaru Tokiwa.

APEC member states	
Australia	New Zealand
Brunei Darussalam	Papua New Guinea
Canada	Peru
Chile	The Philippines
People's Republic of China	Russia
Hong-Kong, China	Singapore
Indonesia	Chinese Taipei
Japan	Thailand
Republic of Korea	The United States
Malaysia	Vietnam
Mexico	

Source: APEC's Website
<http://www.apec.org>

Japan hosted APEC energy meeting

APEC (Asia-Pacific Economic Cooperation) Energy Ministers gathered in Fukui, Chibu region, Japan, on June 19, 2010. The meeting was chaired by H.E. Masayuki Naoshima, Japan's Ministry for Economy, Trade and Industry. Energy Ministers issued a Declaration to ensure energy security, and to promote energy efficiency and clean energies within APEC region. Fukui Declaration provides that member states „have to take on the difficult challenge of enhancing regional energy security, in the midst of emerging

concerns about the global environment and world economy“.

Japan also donated ¥ 360 million (approx. CHF 4.4 million) to promote APEC energy efficiency activities and low-carbon actions. More specifically, it will fund a low-carbon model town project. „Over the next three years, APEC will select between 10 to 20 locations and conduct feasibility study projects to transform these cities into low-carbon cities“, explained H.E. Masayuki Naoshima.

Japan will also host the 18th APEC Economic

Leaders' Meeting from November 13 to 14 in Yokohama. This summit will mark the 15th anniversary of 1995 Bogor's goals and Osaka Action Agenda to set „free and open trade and investment in the Asia-Pacific no later than 2010 in the case of industrialized economies and 2020 in the case of developing economies“. Founded in 1989, APEC now includes 12 member states (see table). Its objective is „to support sustainable economic growth and prosperity in the Asia-Pacific region“ (APEC's Website).

Speno's rail track maintenance business in Japan

Founded in 1960, Speno International S.A. is a Geneva-based company specialized in rail maintenance. It designs, builds and sells rail-grinding trains, and also provides rail maintenance services with its own grinding train fleet.

The company is specialized in rail rectification on high speed tracks, such as Shinkansen lines, on underground metro tracks (Brussels, Milano, Paris, Singapore, Hong-Kong, Taipei... but also Japanese cities, Tokyo and Nagoya) and on mining railroads.

A worldwide business

Speno employs 100 administrative and engineering staff members in its Geneva headquarters. It also provides jobs to 500 people on its train fleet, in its two factories near Venice, Italy, and in its subsidiaries in Perth, Australia

and in Tokyo, Japan.

Speno has customers in many countries over the world, especially in Asia-Pacific region, Europe (including Russia), North America, Brazil, South Africa and some North African countries. Generally speaking, "the highest the infrastructure quality, the highest the need for rail maintenance", said Luca Palmieri, Technical Director.

Japan, its largest market

In 1987, Speno set up a subsidiary office in Tokyo. Today, Japan is Speno's one of the largest market, accounting for 17% of its turnover. "This office is necessary for us to better understand our customers and for them to better understand our concerns", said Gérard Chignol, Administrative and Financial Manager.

33 people are employed in

Speno's office. Most of them are Japanese people. A Japanese team is essential because "Japanese people like to be in touch with local people", argued Mr. Chignol.

Speno already sold 54 grinding trains in Japan. Its main partners are JR's (Japan Rail main companies) and other private local companies. Speno is now in a negotiation process to maintain tracks in Tokyo, Osaka, Hokkaido and Honshu-Hokkaido tunnel.

Is Japan a specific market? According to Mr. Palmieri, "Japanese railways companies are looking for high quality and very reliable machines. Japanese customers are very demanding, but this can be seen as an asset: several technological improvements are now implemented for other markets too".



Speno's MINI 8 M7-6 synchro rail-grinding train in Japan

Suwa DTF's exhibition at Lausanne's EPMT show

Seven companies of the Suwa's Desk Top Factory exhibited at EPMT (Microtechnology Professional Environment) show, held in Beaulieu, Lausanne, from June 8 to 11.

Desk Top Factory (DTF) is a Japanese research consortium set up to promote precision machine industry located in Suwa's industrial area (Nagano prefecture). DTF concept is to downsize industrial machines to produce "small

items with small systems" (DTF's Website). Its objective is to fit the product dimension so as to save cost, energy and space.

The DTF's delegation was made up of the following companies: Daiya Seki, Engineering System Co., Ltd, Hiraide Precision Co., Ltd, Industry Network, KEC Corporation, Mikuni Kogyo Co., Ltd and Takashima Sangyo.

About 70 people also attended a conference on

micro-machine factories. Some presentations were made by DTF's companies. EPMT's show gathered around 550 exhibitors specialized in medical technologies, aerospace, biotechnology, optics and photonics, metrology, automation, robotics, automotive and microelectronics. DTF's delegation also took part in the 8th European Mechatronics Meeting (EMM) held in Grand-Bornand, Haute-Savoie, France, from June 2 to 3.



Suwa's DTF company exhibiting at Lausanne's EPMT show

Sony 3D World Tour stopped by Swiss cities

From June 1 to 16, "Sony 3D World Tour" stopped by five Swiss cities: Zurich, Bern, Basel, Geneva and St. Gallen. Visitors were informed about 3D technologies and Sony's 3D products' characteristics.

Sony developed a wide range of 3D products : TV, Blue-ray Disc™ player and PlayStation™.

BRAVIA HX8 Series 3D TVs and Blue-ray Disc™ BDP-S570 players are available in Switzerland from June 2010. HX8 TV Series provides an optimal quality of image. Edge LED backlight with Zone Dimming brings a slim design. Motionflow PRO 200Hz technology supplies



Sony's 3D TV
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smooth movements. 3D equipments (3D Active Glasses and 3D Sync Transmitter) are sold separately.

From July 2010, Sony will market in Switzerland higher definitions' TV series: BRAVIA LX9 and HX 9 Series 3D TV.

HX8 series TVs are sold for about CHF 3,200 (40") and CHF 3,700 (46"). HX9

series TVs will be sold for around CHF 4,300 (46") and CHF 5,300 (52"). And LX9 series TVs will be sold for about CHF 3,800 (40"), CHF 5,300 (52") and CHF 6,500 (60").

Founded in 1946, Sony is a media company headquartered in Tokyo. Its consolidated sales and operating revenue are of ¥ 7,214,000 million (as of 2009, about CHF 88,000 million). It employs 167,900 people around the world (as of March 31, 2010).

For further information, please see Sony Switzerland's Website: <http://www.sony.ch>.

Agenda

19th Sept.: Small booth exhibition of Japanese food at the WTO Open Day

23rd Oct.: SJCC (Swiss Japanese Chamber of Commerce) 25th Anniversary Gala At the Dolder Grand, Zurich (evening event)

26th Oct.: Japan Day 2010 Uster City Hall (Zurich)
Organized by the City of Uster and the Canton of Zurich

Nov.: JSFTEPA (Japan - Switzerland Free Trade and Economic Partnership Agreement) business seminar with SJCC, in Zurich

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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