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INTERVIEW

Gilgen Door Systems has become part of the Japanese group Nabtesco

Established in Schwarzenburg (Canton of Bern) in 1961, Gilgen Door Systems is specialized in automatic door business.

In April 2011, it has been acquired by the Japanese multinational group Nabtesco.

Jakob Gilgen, CEO and son of the founder, graduated in electro-technical and mechanical engineering, and in management (MBA). Hidekazu Itakura, business development manager, took office in Switzerland in October 2011. "I was fully engaged in the acquisition process. I have been posted here as a person who can understand Gilgen the most", he said. According to Mr. Gilgen, "he is doing a lot more: he understands very well Switzerland and helps to understand culture differences".

Acquisition by Nabtesco Group

Gilgen Door Systems was looking for a new partner to develop its activities. It has been acquired in April 2011 by the Japanese group Nabtesco.

"We found the right partner for the future. Nabtesco was present in Japan and more generally in Asia, and also in the United States, but not in Europe, where we are. As a consequence, we did not have to reorganize our company", explained Jakob Gilgen.

"As Nabtesco has already about

50% of Japanese market, it was difficult to increase our domestic market share. The only way to expand our business was to move outside Japan", said Hidekazu Itakura.

Headquartered in Tokyo, Nabtesco has a turnover of ¥ 198.9 billion (forecast) in FY2013 ending in March 2014, showing an increase by 10.8% from the previous year. It is specialized in four core business segments: precision, transport, aircraft & hydraulic, and industrial equipments.

The automatic door business, in which Gilgen Door Systems is active, is included in its industrial equipment segment, which represents a total of ¥ 53.4 billion.

Expansion of the historical company

Gilgen Door Systems has grown in the country-side town of Schwarzenburg, where its headquarters is located (administration, production and R&D). "This place is convenient. It is close to Bern, Thun and Fribourg. Our employees enjoy their life here. And once you are famous on the market, you do not need to be located in a large city", explained Jakob Gilgen.

The company now employs a



Hidekazu Itakura, Business Development Manager, Jakob Gilgen, CEO, Gilgen Door Systems AG

total of 850 people, including approximately 400 full-time equivalent employees in its headquarters and others in its sales offices in Germany, Austria, Italy, United Kingdom, France, Hong-Kong and China.

Gilgen Door Systems produces different types of automatic doors and driving systems for buildings, but also for trains and metros (such as in Paris, Hong-Kong and New York).

Thanks to the support of Nabtesco to its growth strategy, Gilgen Door Systems will build a new facility at its headquarters to expand it by about 30%. Under the strong leadership by local management team of Gilgen Door Systems together with supports from Nabtesco, Gilgen Door System is challenging further growth in Switzerland as well as other European markets.

動向

SITUATION

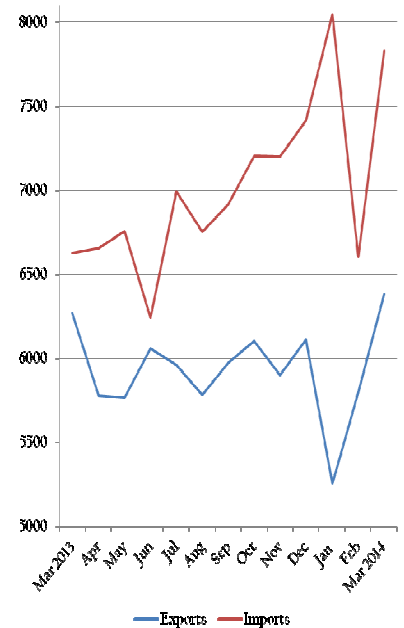
Japan's current economic situation

According to the Cabinet Office Monthly Economic Report (April 2014), "The Japanese economy is on a moderate recovery trend, while some weak movements are seen lately due to a reaction after a last-minute rise in demand before a consumption tax increase". "Concerning short-term prospects, although weakness remains for the time being due to the reaction after a last-minute rise in demand, the economy is expected to recover as the effect gradually lessens, while the effects of the policies support. However, slowing down of overseas economies is still downside risk of the Japanese economy", it further mentioned.

Japan's exports increased 1.8%

over the year to ¥ 6,383 billion in March 2014 (see graph). Exports to Western Europe (+8.9, including +26.0% for Switzerland) increased significantly, whereas the growth of exports to Asia (+1.4%) and North America (+2.5%) has been quite moderate.

Reflecting an anticipation of the consumption tax hike, the consumption expenditures per household increased from the previous year 9.6% in nominal terms and 7.5% in real terms to an average of ¥ 384,680 per household in March 2014 (see article below). The unemployment rate remained at a low level (3.6% in March against 4.1% in the same month of the preceding year).



Trade statistics in billions of Yen
Source: Ministry of Finance

政策

POLICY

Consumption tax rate has been increased to 8%

The Japanese consumption tax rate has been increased 3 points from 5% to 8% since April 1, 2014.

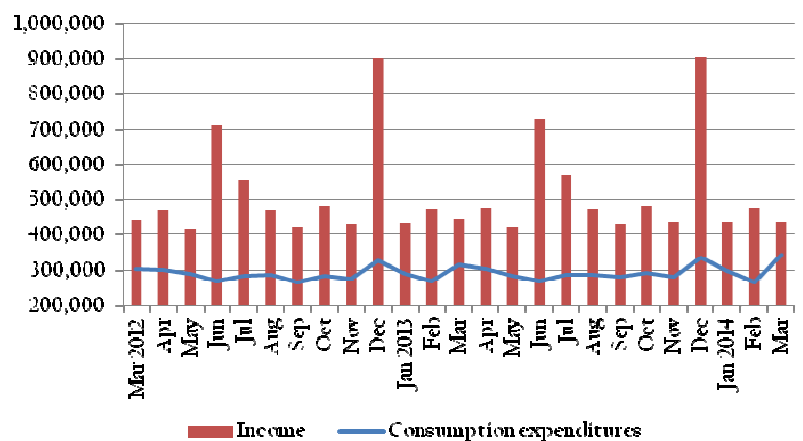
This decision was approved by the Parliament on June 26, 2012.

It is the first time in 17 years that the consumption tax rate is increased in Japan. In 1997, it was raised to 5%. In 1989, it was introduced at a rate of 3%.

Japan's consumption rate remains low compared to tax rates in Western Europe. The regular tax rate is for instance of 8% in Switzerland too, 19% in Germany, 20% in France and 21% in Italy.

This increase of the tax will help to reduce Japan's budget deficit.

According to a survey of *Reuters*



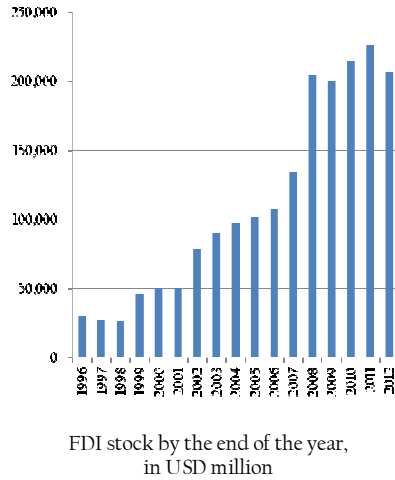
Family budget, two-or-more-person households, in Yen
Source: Statistics Bureau, Ministry of Internal Affairs and Communications

among 400 companies in a variety of industries (240 answers), two thirds assume that their sales will remain the same or increase in

April (service-sector companies are the most optimistic), compared with the same month in the preceding year.

JETRO will further promote direct investment into Japan

Prime Minister Shinzo Abe has declared on April 4, 2014 that the promotion of foreign direct investment (FDI) into Japan is an important policy within the growth strategy. As part of this strategy, Hiroyuki Ishige, Chairman and CEO of JETRO, has underlined that “JETRO will support overseas business of Japanese SMEs as well as strengthen its FDI promotion activities into Japan to contribute to achievement of the target set by the Government to double Japan’s investment stock by 2020”^{*}. Investment promotion is one of the core missions of JETRO since 2003. In the past decade, it supported more than 10,000 foreign



companies, including 1,000 which have actually established bases in Japan. Nevertheless, JETRO has decided to strengthen its action.

In July 2013, it has set up an “Invest-Japan Task Force”.

It also decided on April 4, 2014, to enhance its activities as a “one-stop center” through its worldwide network consisting in 40 domestic offices and 73 overseas offices. Our offices can provide information about administrative procedures or regulations related to establishing a presence in Japan.

JETRO will also recruit a total of 60 new “Invest Japan Attachés” worldwide to contact 3,000 foreign companies to invest into Japan.

^{*}Please see the press release of Hiroyuki Ishige, Chairman and CEO: <http://www.jetro.go.jp/en/news/announcement/20140408609-news>

活動

ACTIVITY

Cherry trees to celebrate 150th anniversary

The cherry blossom is admired by the Japanese people as a beautiful

symbol of the nature. This event is called *hanami* in Japanese.

A gift to the City of Geneva

The Japan Club of Geneva has offered to the City of Geneva twenty cherry trees to celebrate the 150th anniversary of Swiss—Japanese diplomatic relations.

They have been planted on March 31 in the park of the Swiss Museum of Ceramics and Glass (“Musée de l’Ariana”). They belong to two Japanese species, namely “Someiyoshino” and “Taihaku”, which bloom at different periods.

Cherry blossom in Winterthur

A ceremony also took place in the City of Winterthur on Saturday 3rd May at Eulachpark to celebrate the cherry blossom (*hanami*).



Planting cherry trees at the park of the Musée de l’Ariana



From left to right: Hiromi Yano, President of the Japan Club of Geneva, Guillaume Barzone, Administrative Councilor of the City of Geneva, and H.E. Takashi Okada, Head of the Japanese Consulate in Geneva.

文化

CULTURE

革新

INNOVATION

Kaneka has developed new protective films

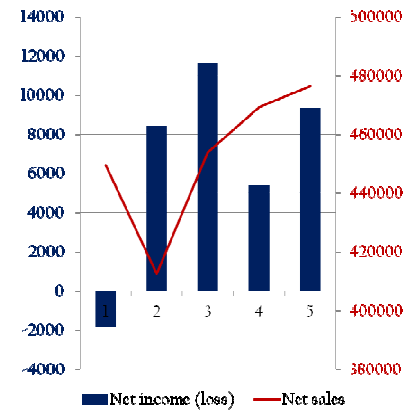
The Japanese company Kaneka Corporation has developed a new protective film able to pass twice more backlight than conventional films. Although conventional films let only pass 10% of the screen backlight, Kaneka's films made in acrylic resin enables 20% of the screen backlight to pass.

This innovation is of particular interest for the smartphone industry, which is eager to increase the energy efficiency of smartphones.

It is estimated that 40 to 50% of the smartphone power is used for the screen backlight.

Kaneka has started to ship samples of its new film to Japanese major panel manufacturers.

Kaneka Corporation is a producer of chemical products, with net sales of ¥ 476.5 billion and a net income of ¥ 9.3 billion in FY 2013, ending March 31.



Consolidated financial highlights, in millions of yen, years ended March 31
Source: Annual Report 2013, Kaneka Corporation

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 Switzerland Newsletter can also be viewed and/or downloaded online:
<http://www.jetro.go.jp/switzerland/newsletter>

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