

“Japanese Fiscal Year 2014 Subsidy Program for Projects Promoting Foreign Direct Investment, Site Location and Regional Development in Japan (Project of site location for global companies)” Application Forms

<Guidelines for Completing Application Forms>

(Form 1)

4, 1, 2014

Minister of Economy, Trade and Industry

Applicant's Address: 1-3-1 Kasumigaseki, Chiyoda-ku, Tokyo
Applicant's Name : Keizaisangyou K.K.
President, Taro Keizai

(Seal)

**Application for Japanese Fiscal Year 2014
Subsidy Program for Projects Promoting Foreign Direct Investment, Site Location and Regional
Development in Japan (Project of site location for global companies)**

We wish to apply for the above subsidy as follows:

1. Objective and contents of the subsidy project

Objective: xxxxxxxx

● Enter the objective of this subsidized project (to develop a new site).

Contents: Refer to (Form 2), Section 1. (1)

→ ● Entry not required

2. Commencement and completion dates of the subsidy project

● If there is a specific date for the scheduled commencement of the project, enter it here.

Commencement: After the grant approval

Completion: 03/31/2015

● Enter the date for the scheduled completion for the development of the site.

● If the applicant wishes to include facility leases as cost eligible for the subsidy, in principle the project implementation period (until the end of March, 2015) described in P.3 of Application Guidelines will be the period subject to subsidy. (See P.2 (Note 4) of Application Guidelines) III). Therefore, in such cases, enter 03/31/2015 here.

3. Total amount of costs for the subsidy project: xxx,xxx,xxx,xxx yen

● Enter the total amount of the “Costs required for the subsidy project” listed in Summary chart 4. (1) , in (Form 2).

4. Costs subject to subsidy: xxx,xxx,xxx,xxx yen

● Enter the total amount of the “Costs eligible for the subsidy” listed in Summary chart 4. (1), in (Form 2).

5. Subsidy amount to be applied for: xxx,xxx,xxx,xxx yen

● Enter the total amount of the “Applied amount of the subsidy grant” listed in Summary chart 4.(1) , in (Form 2).

6. Allocation amount of the costs required for the subsidy project, costs eligible for the subsidy and applied amount of the subsidy grant.

Refer to (Form 2), Section 4. (1) Summary chart

→ ● Entry not required.

7. Bases for calculation for the above amount

Refer to (Form 2), Section 4. (2) Breakdown of expenses

→ ● Entry not required.

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2. Basic items concerning the requirements of the subsidy

(1) Fulfillment of requirements of the subsidy.

● Be sure to enter the information required in (1) to (3) in the attached forms provided in the respective number.

- (i) Foreign corporations (including branch offices located in Japan) must obtain corporate status in Japan for their new business locations: Refer to (Attachment 1)
- (ii) Projects must belong to a corporate body consisting of group companies that are operating an actual business in 2 or more countries: Refer to (Attachment 2)
- (iii) The relevant Regional Headquarters operations or R&D activities must continue for a minimum of 3 years after the end of the project period: Refer to (Attachment 3)
- (iv) The project must not have been announced publicly, nor the placing of orders, making of contracts, etc. been undertaken, prior to the date of the cabinet decision (December 24, 2013):
(Choose either of the below)

- The Project has been announced, or the placing of orders, making of contracts, etc. been undertaken, prior to the Cabinet Decision
- The Project has not been announced, nor the placing of orders, making of contracts, etc. been undertaken, prior to the Cabinet Decision

→ ● Check either box.

(2) Implementation ability of the business (Whether the applicant possesses the ability to implement the subsidy projects smoothly.)

*Explain below and fill in the personnel organization chart on (Attachment 4).

● The frame border may be deleted when entering details. (This applies to all forms below.)

(3) Eligibility of the subsidized company (Whether the applicant possesses financial and management strength to implement the subsidized project smoothly.)

*Explain below and attach the company’s financial statements for the past 3 years.

(4) Validity of the expenses eligible for the subsidy (Whether the contents of the expenses eligible for the subsidy are valid.)

*Explain below and attach any documents which would serve as evidence of the relevant cost (e.g. estimates/ product catalogs, etc.)

● Explain the validity of the basis of the expenses described and necessity for the R&D project or Regional Headquarters operation.

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(5) Validity of the time schedule (The time schedule ensures that construction will be completed within the subsidy project period.)

*Explain below and attach the operation schedule.

● Explain the schedule which ensures that placing of orders and making of contracts of survey design costs, facility costs, equipment costs, and facility lease fee regarding the establishment of said site will be completed within the subsidy project period.

3. The effects of the subsidy project (Attached forms shall be used for explanation.)

● Be sure to enter details in the respective attached form set out below.

(1) Uniqueness of the relevant site: Refer to (Attachment 5)

(2) Added value of the relevant site: Refer to (Attachment 6)

(3) Ripple effects the subsidized project is expected to have in Japan: Refer to (Attachment 7)

(4) Overseas locational competitiveness: Refer to (Attachment 8)

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4. Cost of the subsidy project

* Multiply the subsidy rate by “Costs eligible for the subsidy” to arrive at “Applied amount of the subsidy grant” and round down to the nearest whole number. (Refer to Note 5 in Section III of Application Guidelines for the definition of “SMEs” .)

(1) Summary chart

● For the amounts under each expense category, transcribe from the amounts shown in the “Total” row of “(2) Breakdown of expenses” section below.

(Unit: yen)

Expense category	Costs required for the subsidy project	Costs eligible for the subsidy	Applied amount of the subsidy grant
Survey design costs			
Facility costs			
Equipment costs			
Facility rental charges			
Sub total			
Other		—	—
Total			

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(2) Breakdown of expenses (The breakdown shall be entered for each expense category.)

- In the “Costs required for the subsidy project” column below, enter the “Consumption tax included” amount for the costs required in the development of the R&D site and Regional Headquarters that are the subject of subsidization. (Costs incurred for site development which do not apply to the subsidized project, such as for manufacturing site, shall not be included here, so enter them in (Attachment 3), Section 2 (Business Plan Which will not be Eligible for the Subsidy).
- In the “Costs eligible for the subsidy” column below, enter costs to be subsidized as described in Section III (P.2) of the Application Guidelines (Subsidized Costs and Subsidy Rates) (the amount excluding land acquisition costs and exterior work costs which do not apply to this subsidy).
- In the “Applied amount of the subsidy grant” column below, enter the sum obtained by multiplying the subsidy rate (1/2 or 1/3) applicable to the applicant by the “Costs eligible for the subsidy” (rounding down decimal places).
- Add a record row for each expense item as it becomes necessary.
- In the “Total” row, enter the sum of each column. DO NOT multiply the subsidy rate by sum of “Cost eligible for the subsidy” when calculating the sum of “Applied amount of the subsidy grant.”
- Enter any matters worthy of special mention in the “Notes” column.

(i) Survey design costs

(Unit: yen)

Category	Costs required for the subsidy project	Costs eligible for the subsidy	Applied amount of the subsidy grant	Notes
	<ul style="list-style-type: none"> ● Examples to be entered under “Category” column: Design outsourcing fees and ground survey costs, etc. 			
Total				

(ii) Facility costs

(Unit: yen)

Category	Costs required for the subsidy project	Costs eligible for the subsidy	Applied amount of the subsidy grant	Notes
	<ul style="list-style-type: none"> ● Examples to be entered under “Category” column: Construction costs and electrical facility work costs, etc. 			
Total				

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(iii) Equipment costs

(Unit: yen)

Category	Costs required for the subsidy project	Costs eligible for the subsidy	Applied amount of the subsidy grant	Notes
Total				

● Examples to be entered under “Category” column:
XX-related equipment, YY system suites, etc.

(iv) Facility rental charges

(Unit: yen)

Category	Costs required for the subsidy project	Costs eligible for the subsidy	Applied amount of the subsidy grant	Notes
Total				

● In the “(v) Other” column, enter costs that are required for the development of R&D site or Regional Headquarters but which do not fall under numbers (i) to (iv) above (such as land acquisition costs; it does not include running costs such as labor costs).

(v) Other

(Unit: yen)

Category	Costs required for the subsidy project	Notes
Total		

(Note) Deduct the amount equal to consumption tax in calculating the cost eligible for the subsidy.

● With regard to Note above, anything listed below may, as an exception, calculate the subsidy amount by including consumption tax in the Costs eligible for the subsidy.

- (1) Those not classified as taxpayers in the Consumption Tax Act
- (2) Tax-exempt business providers
- (3) Business providers subject to simplified tax
- (4) National or local governments (limited to cases when business is conducted with a special account), and corporations listed Appendix 3 of the Consumption Tax Act
- (5) Those using the general account of a national or local government
- (6) Those taxable business providers that choose a refund of consumption tax, following confirmation of consumption tax and purchase tax deductions, for instance due to a low amount of taxable sales

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5. Other relevant items

(1) Methods of defraying costs required for the subsidy project

- “Costs required for the subsidy project” refers to “Costs required for the subsidy project” on Form 2, Section 4(1) (Summary chart), so reconcile the “Total” row below with the total amounts shown on Form 2, Section 4(1) (Summary chart), and enter a breakdown of the total amounts by entering the respective amount for each item (the method of defrayment).
- In the “Subsidy” row, enter the total amount of the “Applied amount of the subsidy grant” on Form 2, Section 4(1) (Summary chart), and, if any local government grant subsidies, etc., have been provided, enter information on that, for instance, by adding an extra item row.

(Unit: yen)

Item	Amount
Own capital	
Bonds issued or borrowings	
Other	
Subsidy	
Total	

(2) Income generated by the subsidy project

*If any income will be generated from the development of the relevant site, enter that amount

- For “Revenue generated by the subsidized project”, in cases where revenue (research commission revenue and licensing revenue, etc.) will be generated by the relevant R&D site and Regional Headquarters during the subsidized project period (the site development period from the commencement date to the completion date of the subsidized project specified on Form 1), enter the expected revenue amount per item of revenue.
- If no revenue will be generated, write “not applicable”.

(Unit: yen)

Classification of revenues	Amount
	Not Applicable
Total	