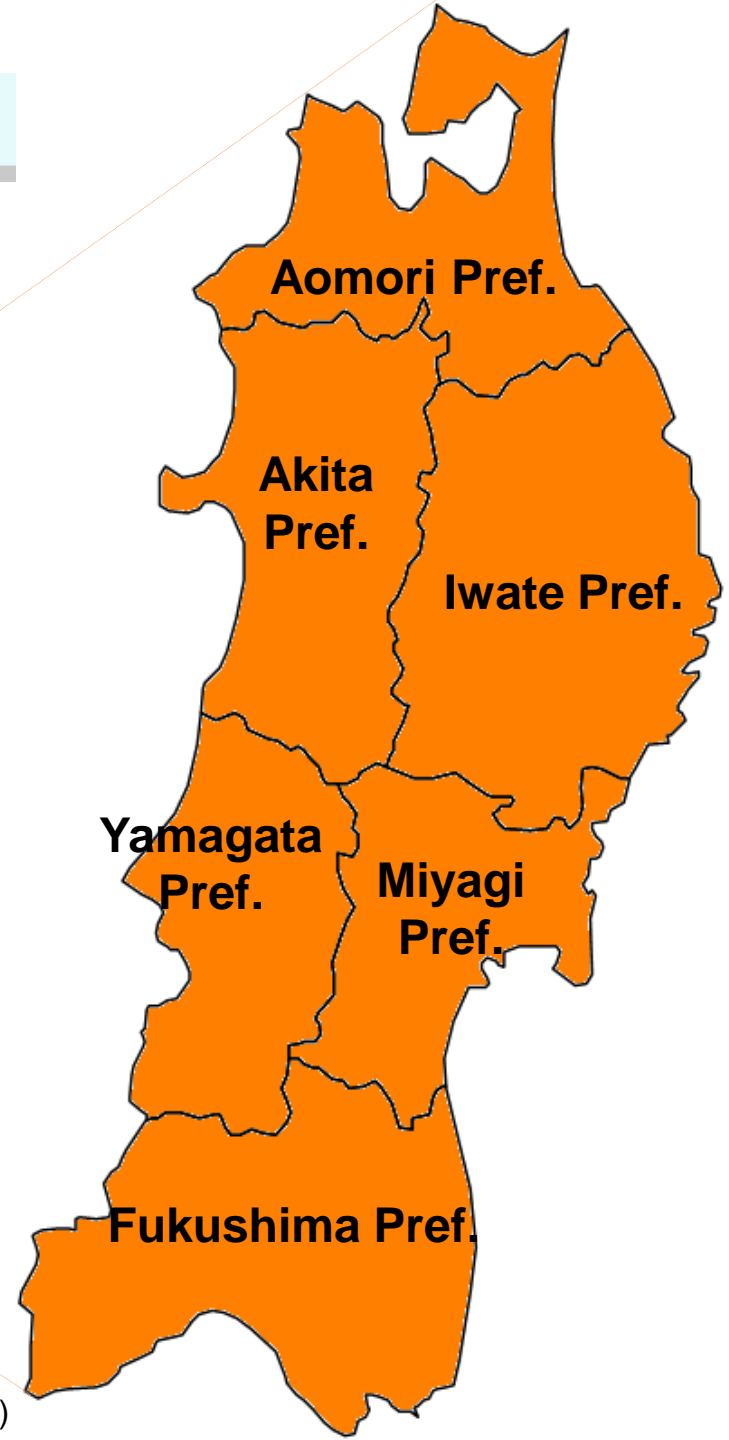
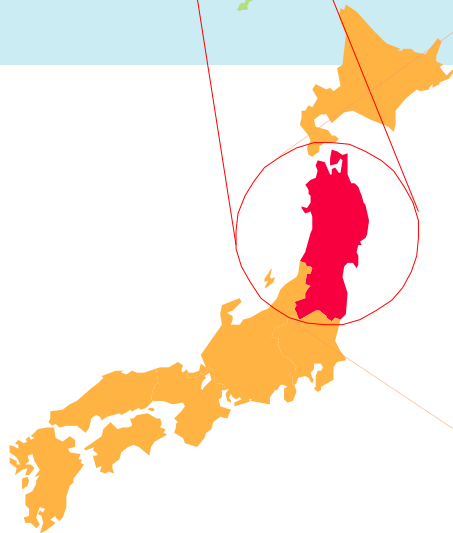
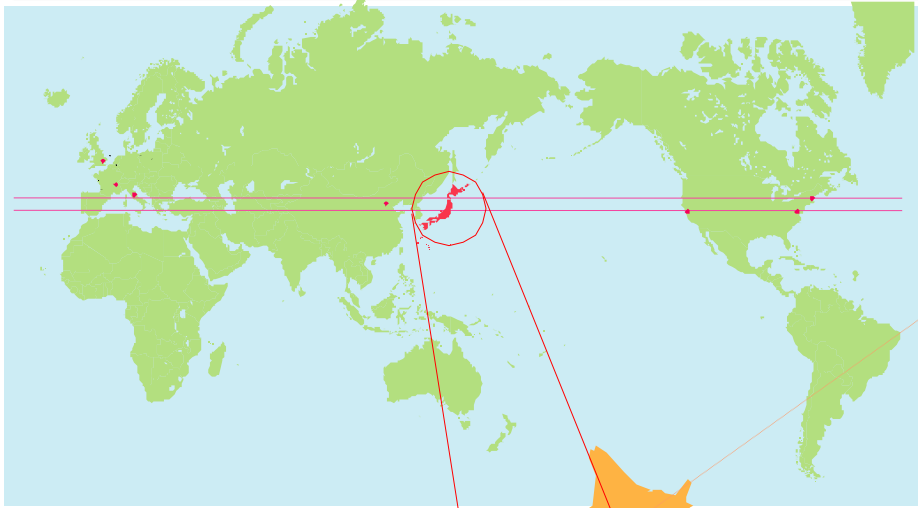


A map of the Tohoku region in Japan, colored in bright green. The map shows the regional outline and internal prefectural boundaries. The text 'TOHOKU' and 'Economic Overview' is overlaid on the map.

# TOHOKU

## Economic Overview

## Located in North-eastern Mainland



	<i>Tohoku</i>	<i>Share in Japan</i>
<i>Area</i>	66,951km <sup>2</sup>	17.7%
<i>Population</i>	9,432,000	7.4%

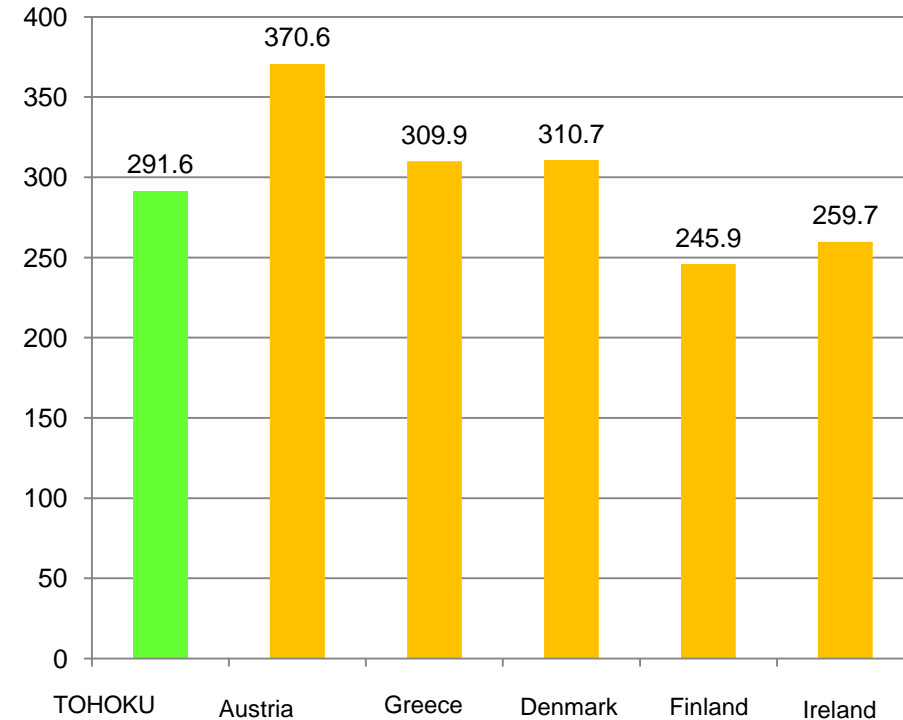
Source: Census (2007)

# Economic Activities: Approx. 7% of Japan

	TOHOKU	Share in Japan
Gross regional product	¥33,301 bn	6.4%
Primary industries	¥903 bn	15.6%
Secondary industries	¥8,609 bn	6.3%
Tertiary industries	¥24,777 bn	6.2%
Income per capita	¥2,572,000	84.1 National=100
Number of business establishments	453,219	7.9%
Population in employment	3,786,000	7.0%
Manufactured goods shipment	¥18,374 bn	5.5%
Retail industry sales	¥9,693 bn	7.2%
Wholesale industry sales	¥17,250 bn	4.2%

## GDP Comparison with Other Countries

(\$, bin)



Exchange Rate of G(R)DP : 1US\$ = ¥ 114.2

Source: OECD Annual National Accounts Database (2007)

Source: Annual Report on Prefectural Accounts (Fiscal 2007), Establishment and Enterprises Census of Japan (2006), Industrial Statistics (2008), Commercial Statistics (2007)

# Leading Industries: Electrical Machinery & Food

Manufacturing of electrical machinery (electronic parts, devices, and circuits, IT machinery and equipment, electrical machinery and equipment) accounts for more than 30% of the manufactured goods shipments in Tohoku.



## Indices of Electrical Machinery Manufacturing

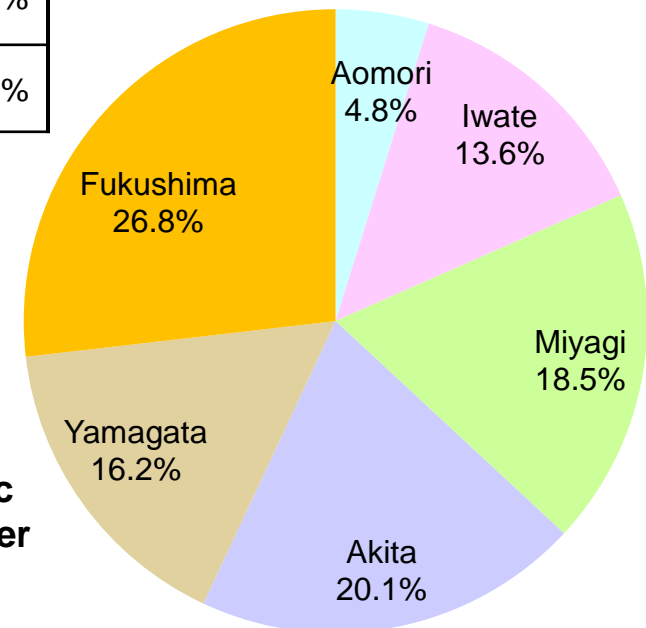
	TOHOKU	Share in Japan (%)	National
Number of business establishments	1,992	10.1	19,772
Number of employees	167,000	13.1	1,272,000
Shipments (¥, bn)	5,587	10.8	51,880
Added value (¥, bn,)	1,498	9.9	15,131

Source: Industrial Statistics (2008)

# Agglomeration of Electronic Parts/Devices-Related Industry

		Number of business establishments	Number of employees	Manufactured goods shipments (¥, bn)	Value added (¥, bn)
2008 (Share in Japan)		903 (15.5%)	93,035 <b>(17.8%)</b>	2,654 (12.9%)	783 (12.9%)
2001 (Share in Japan)		1,055 (16.0%)	91,529 (17.0%)	2,493 (14.1%)	835 (14.3%)
Growth rate (2001–2008)	TOHOKU	<b>85.6%</b>	<b>101.6%</b>	106.4%	93.8%
	National	88.3%	96.9%	115.9%	104.0%

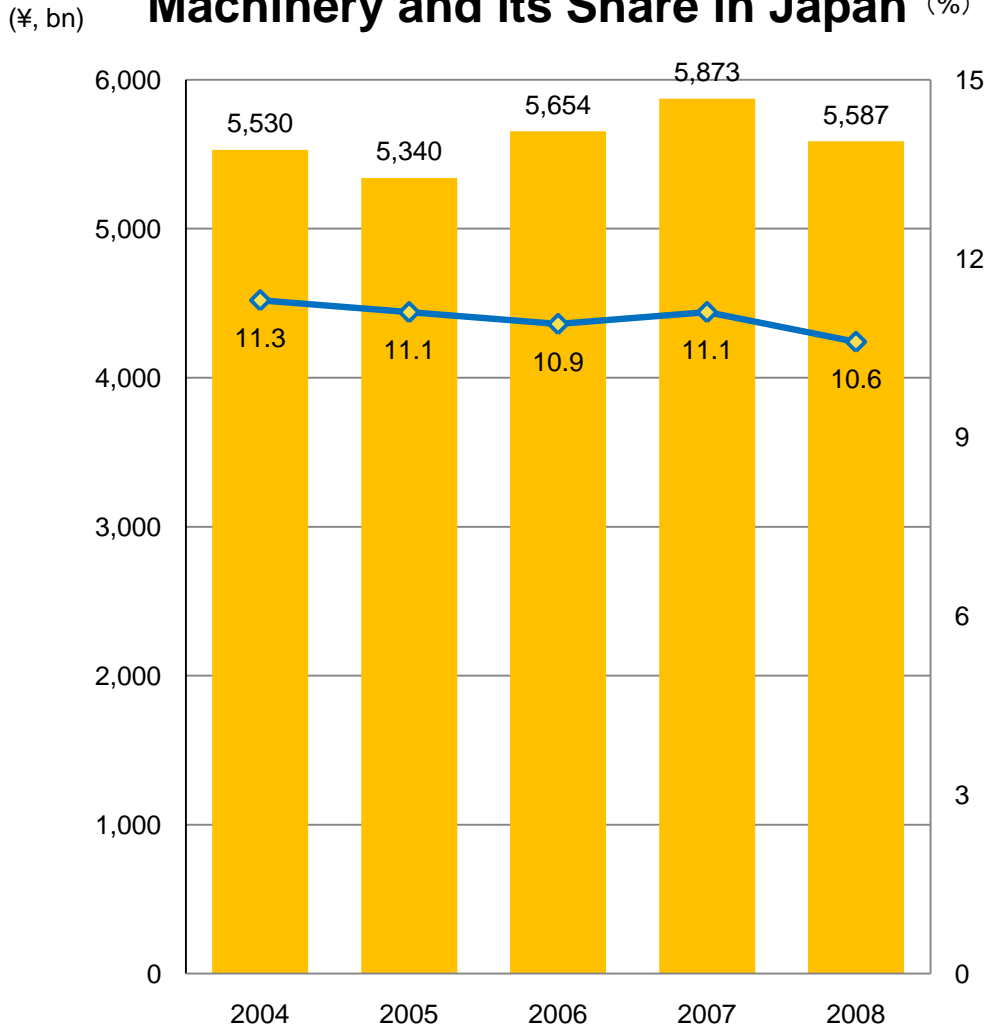
**Shipments of Electronic Parts/Devices/Circuits per Prefecture (¥2,654 billion in 2008)**



Source: Industrial Statistics (2008)

## Electrical Machinery as a Leading Industry

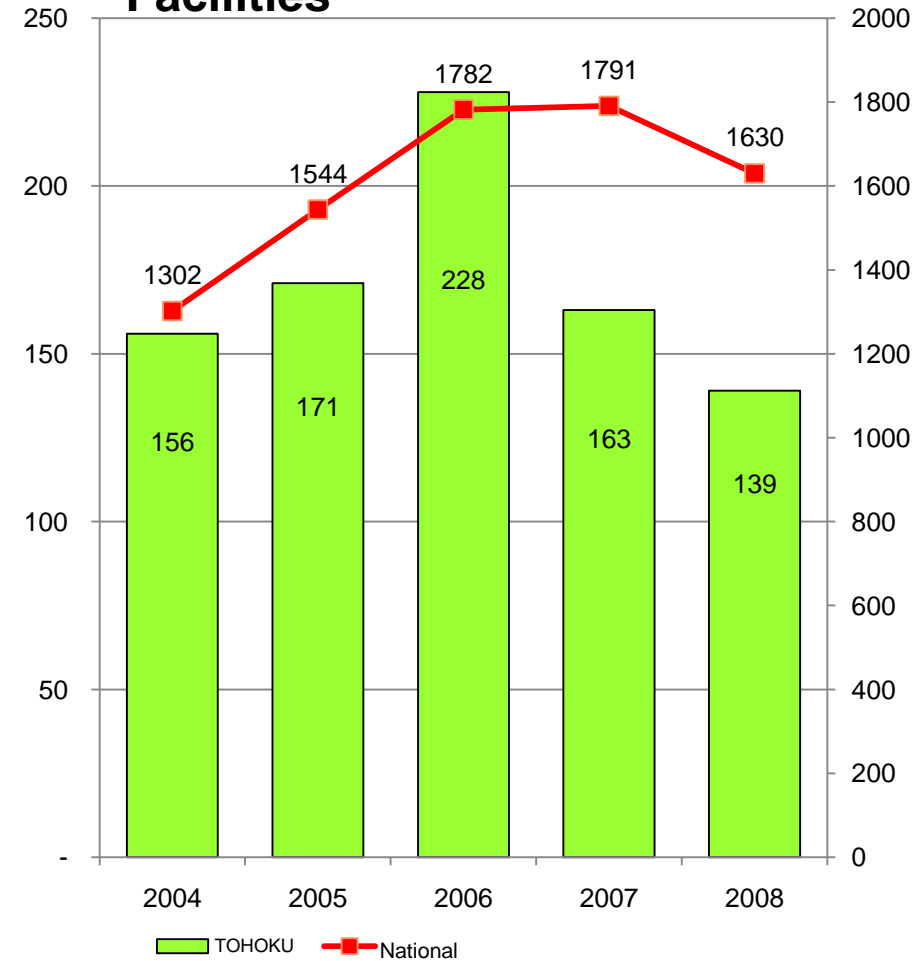
### Shipments of Electrical Machinery and its Share in Japan (%)



Source: Industrial Statistics (2008)

## Steady Increase in New Business Operations

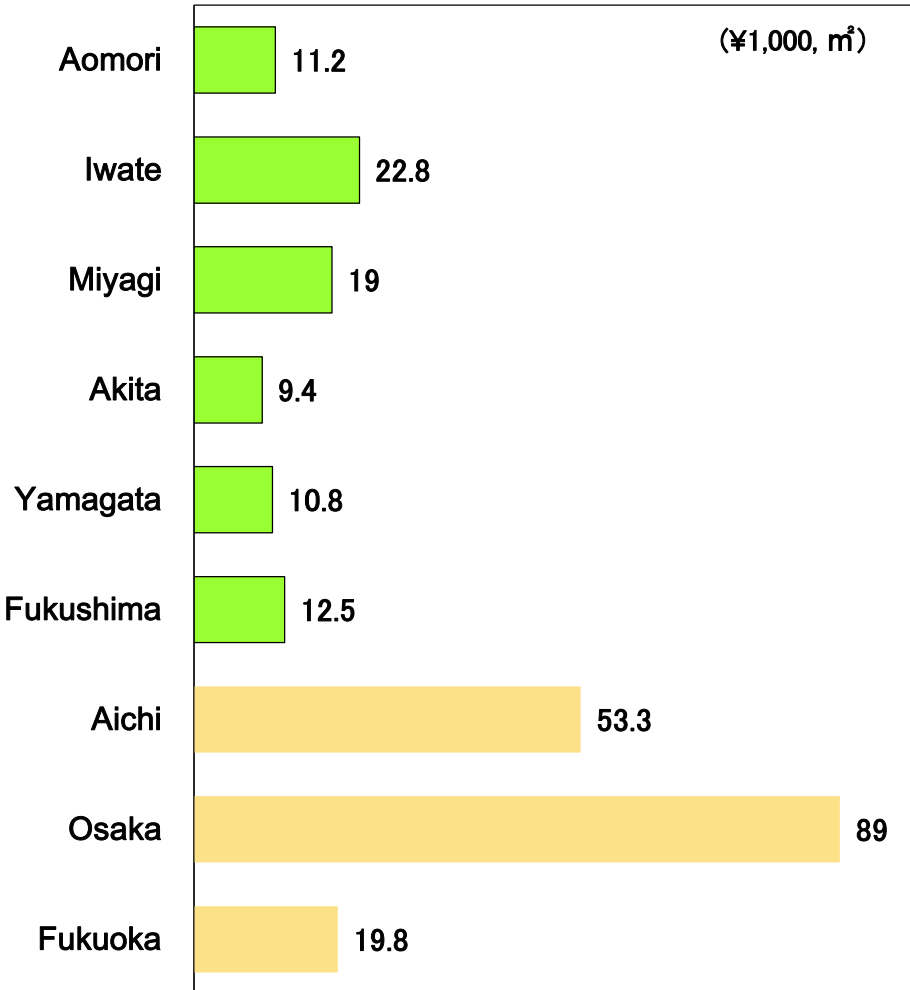
### Change in the Number of New Factories/Research Facilities



Source: Survey of Factory Location Trend

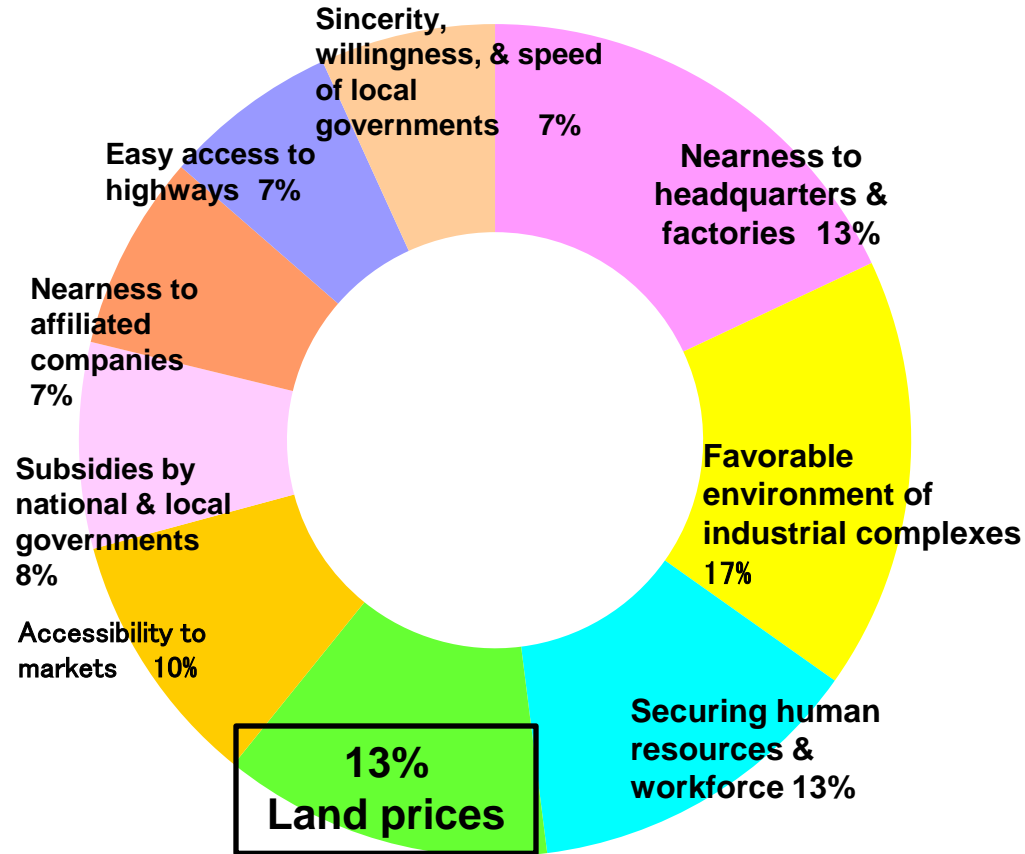
# Low-cost Industrial Sites

## Average Prices of Industrial Sites



Source: Land Price Survey by Prefectural Governments/Average Land Prices by Prefecture and Land Use (2009)

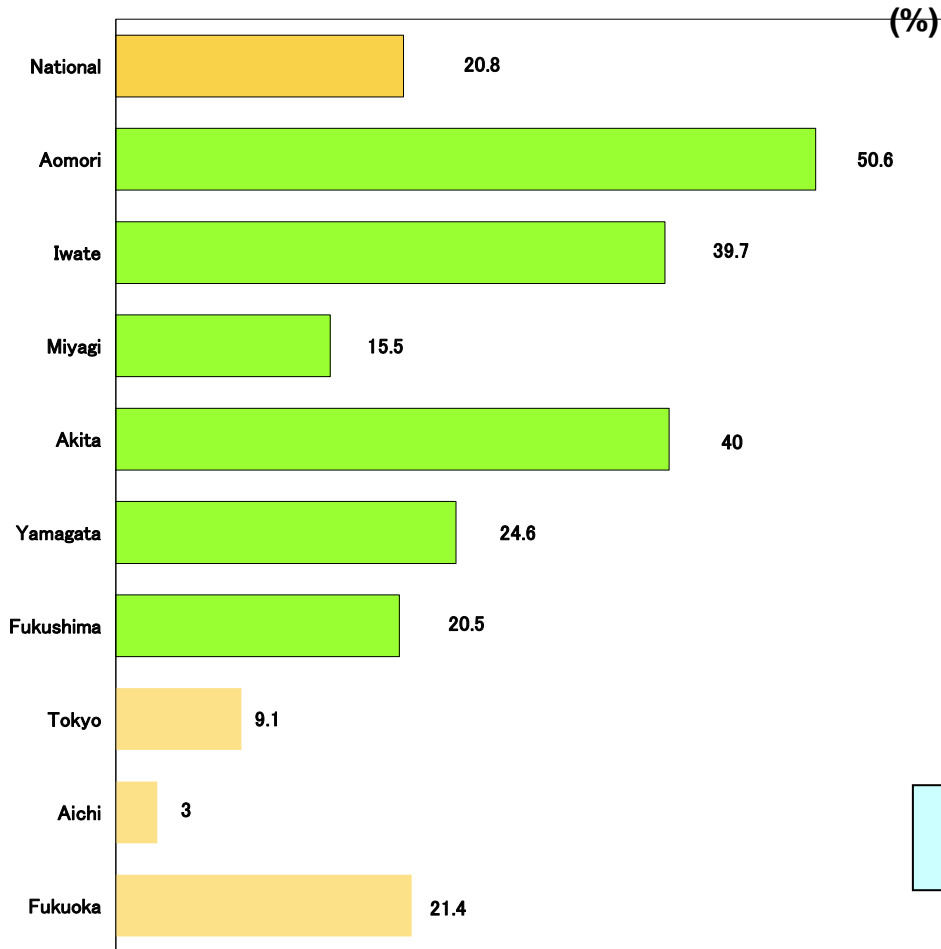
# Multiple Reasons for Choosing TOHOKU



Source: Survey of Factory Location Trend (2008)

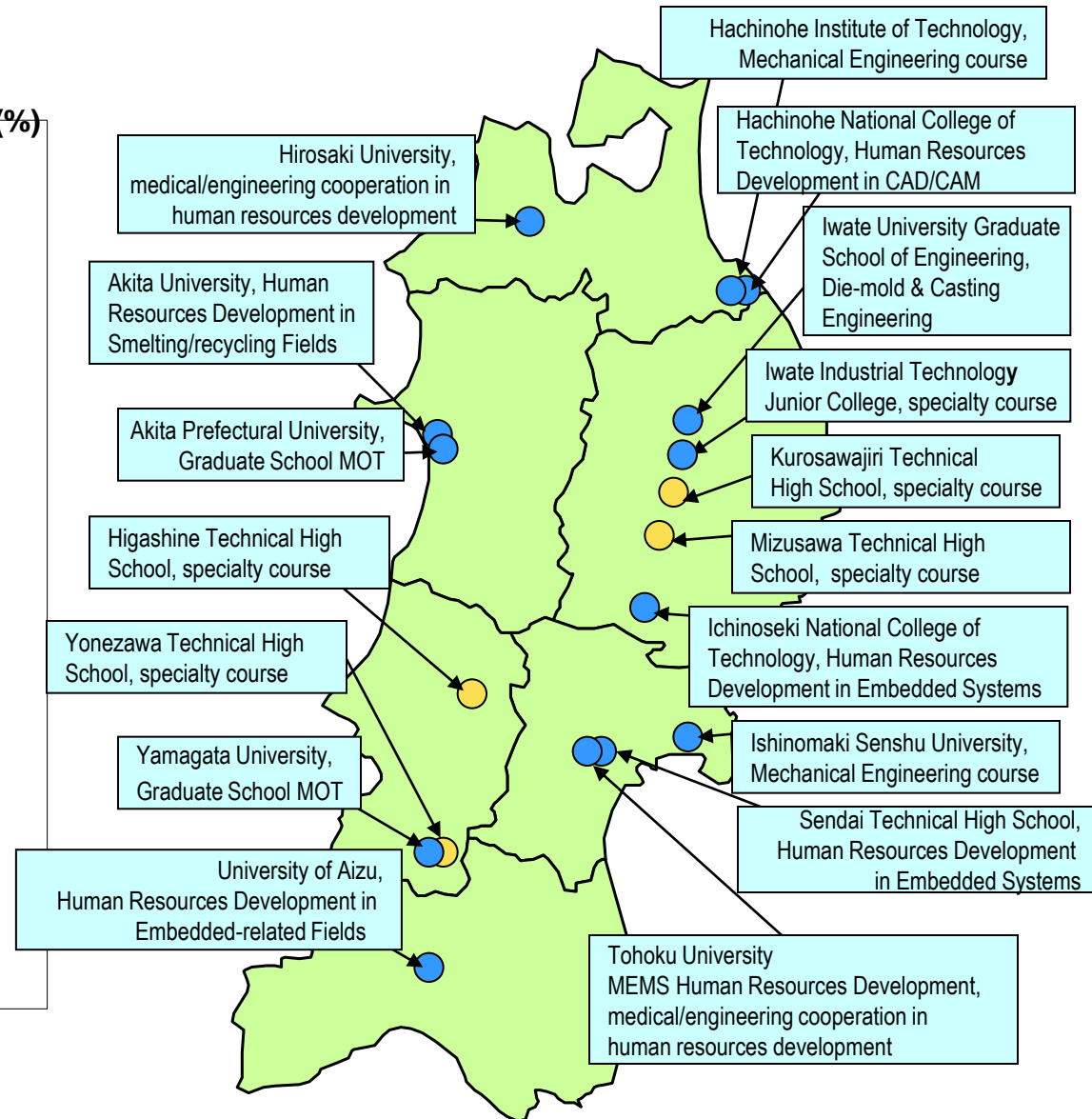
# Smooth Recruitment

## Share of High School Graduates Working beyond Prefectural Borders (%)





Source: Social Indicators by Prefecture 2010




# Human Resources: Talented & Ready to Work



# Recent Major Business Establishment/Expansion

(Announced in and after fiscal 2008, more than ¥10bn in investment)

 New facilities (new sites)  
 Expansion (in premises or neighboring sites)

 Auto-related    Semiconductor-related    Medical-related

**Canon Precision Inc.**

**TDK-MCC Corporation**

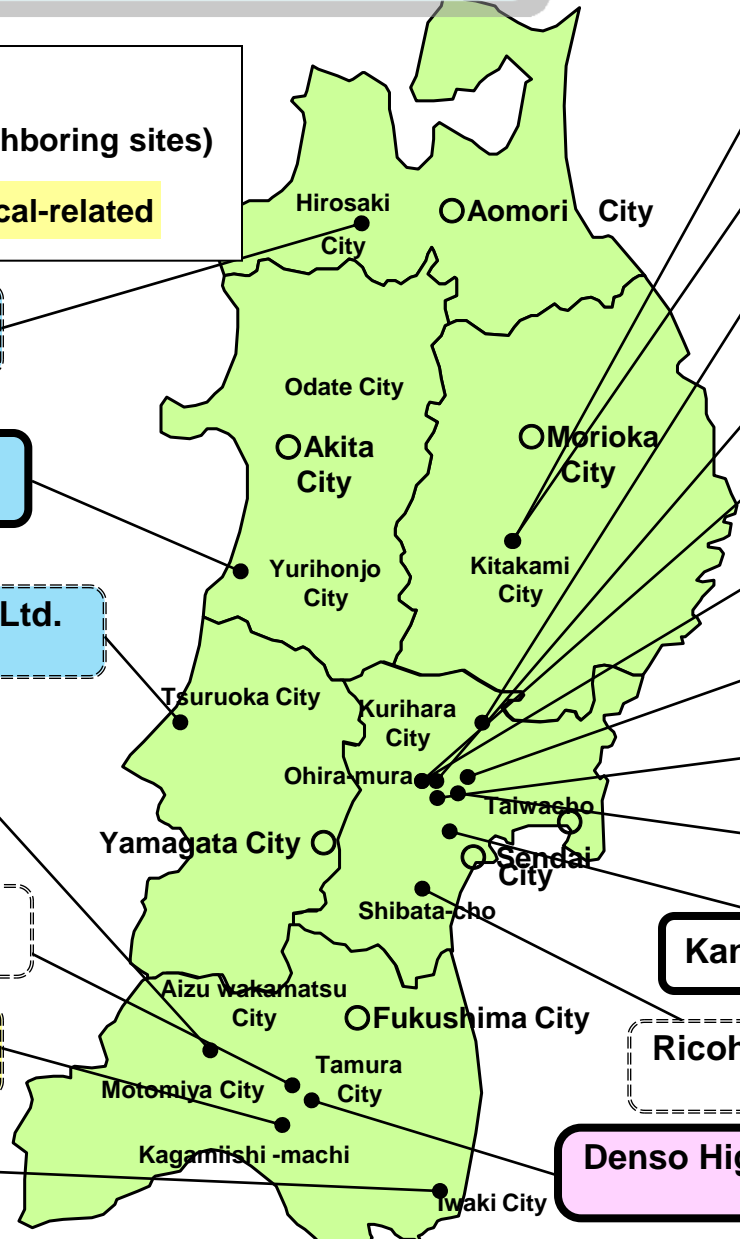
**NEC Semiconductors Yamagata, Ltd.**

**Aizu Olympus Corporation**

**Sony Energy Device Corporation**

**Tohoku Nipro Pharmaceutical Corporation**

**Space Energy Corporation**



**Toshiba Corporation**

**Space Energy Corporation**

**Sandvik Kabushiki Kaisha**

**Aisin Takaoka Co., Ltd.**

**Toyota Boshoku Corporation**

**Central Motor Co., Ltd.**

**Toyota Motor Tohoku Corporation**

**Tokyo Electron Limited**








**Panasonic EV Energy Co., Ltd.**

**Kanazawa Murata Manufacturing Co., Ltd.**

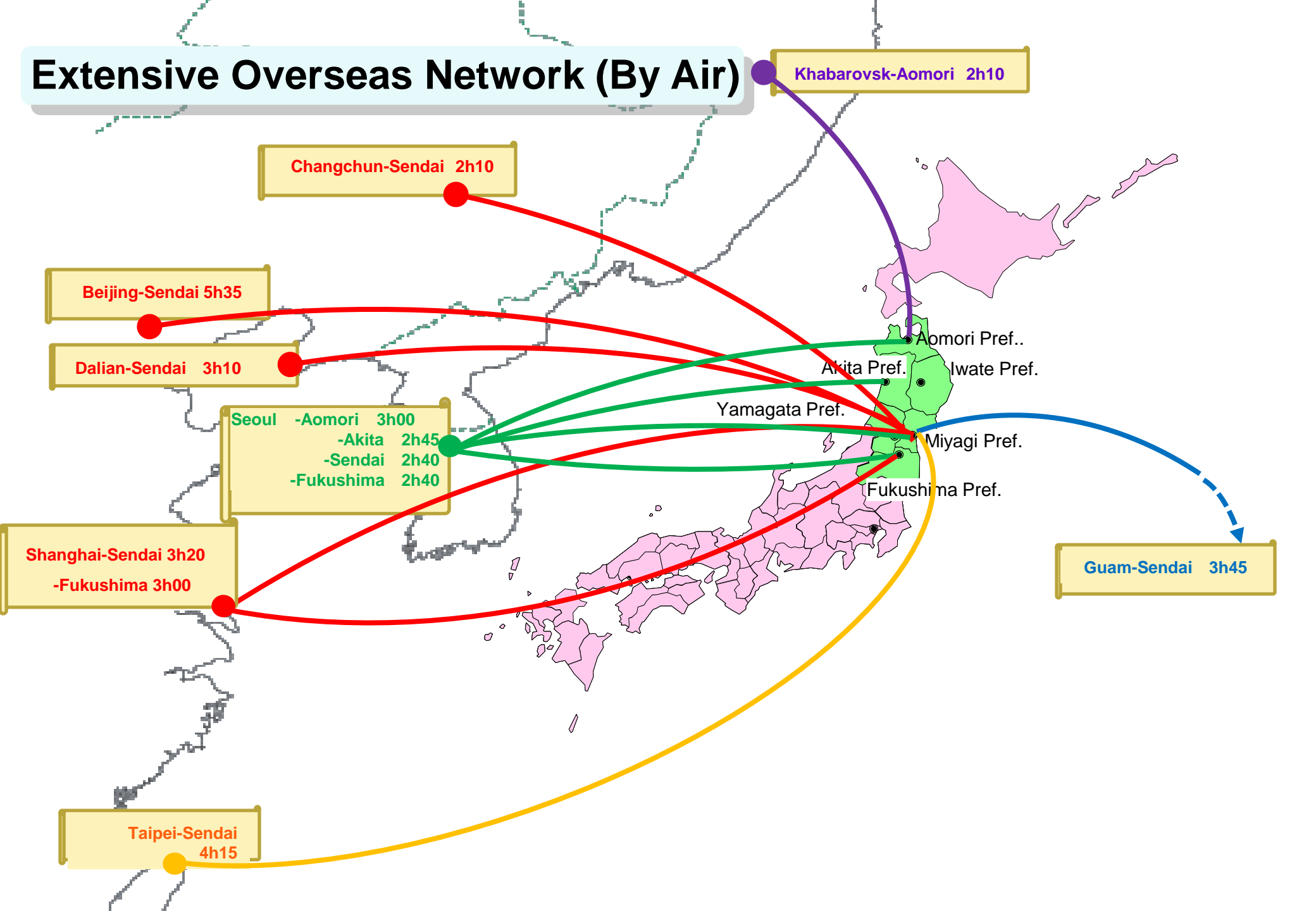
**Ricoh Company, Ltd.**

**Denso Higashinihon Corporation**

## Auto-related Industry Agglomeration in Progress

Company Name	Location	Main Products
 <b>KANTO AUTO WORKS, LTD.</b>	Iwate Prefecture	Planning, R&D, production of Toyota automobiles (Belta, Auris, Blade, Yaris, etc.)
 <b>Aisin Tohoku Co., Ltd.</b>	Iwate Prefecture	Electronic parts, intake/exhaust controlling parts, body-related parts (rotary valves, smart keys, antennas, etc.)
 <b>Toyota Motor Tohoku Corporation</b>	Miyagi Prefecture	Controlling break actuators (ABS/ECB), axles, torque converters
 <b>セントラル自動車株式会社</b> <b>Central Motor Co., Ltd.</b> <b>Wakayanagi Plant</b>	Miyagi Prefecture	Production facilities of Toyota automobiles ※In 2010, the headquarters was moved to Miyagi Prefecture. It is scheduled to manufacture Toyota automobiles (Corolla Axio, Yaris, etc.).
 <b>TDF株式会社</b> <b>TDF Corporation</b>	Miyagi Prefecture	Chassis, engine parts, etc. of Isuzu automobiles and others
 <b>ALPINE</b> <b>Mobile Media Solutions</b> <b>Alpine Electronics, Inc.</b> <b>Iwaki Plant</b>	Fukushima Prefecture	Car navigation systems
 <b>NISSAN</b> <b>Nissan Motor Co., Ltd.</b> <b>Iwaki Plant</b>	Fukushima Prefecture	Engines of Nissan automobiles

# Extensive Overseas Network (By Air)



Khabarovsk-Aomori 2h10

Changchun-Sendai 2h10

Beijing-Sendai 5h35

Dalian-Sendai 3h10

Seoul -Aomori 3h00  
-Akita 2h45  
-Sendai 2h40  
-Fukushima 2h40

Shanghai-Sendai 3h20  
-Fukushima 3h00

Taipei-Sendai 4h15

Guam-Sendai 3h45

Aomori Pref.

Akita Pref.

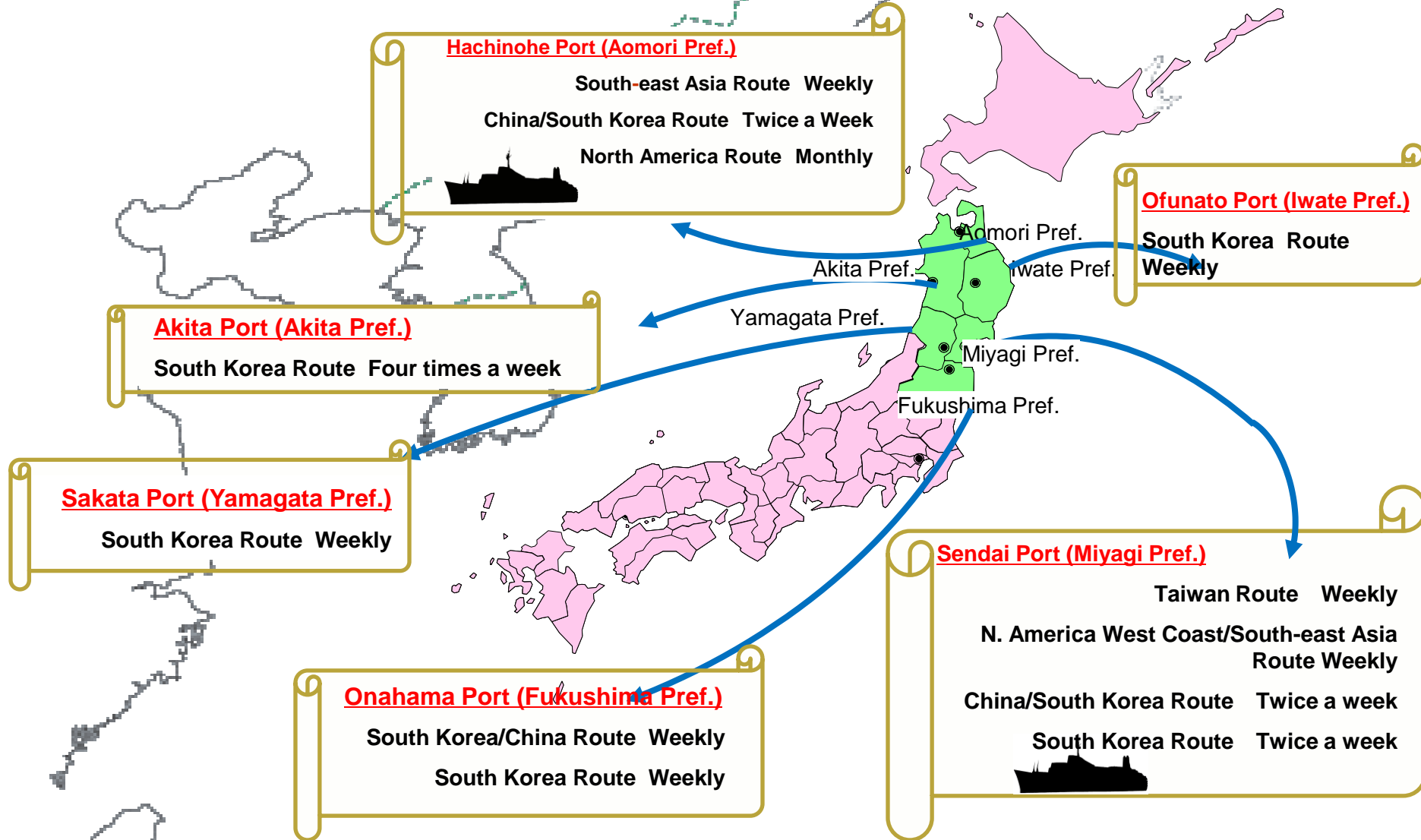
Iwate Pref.

Yamagata Pref.

Miyagi Pref.

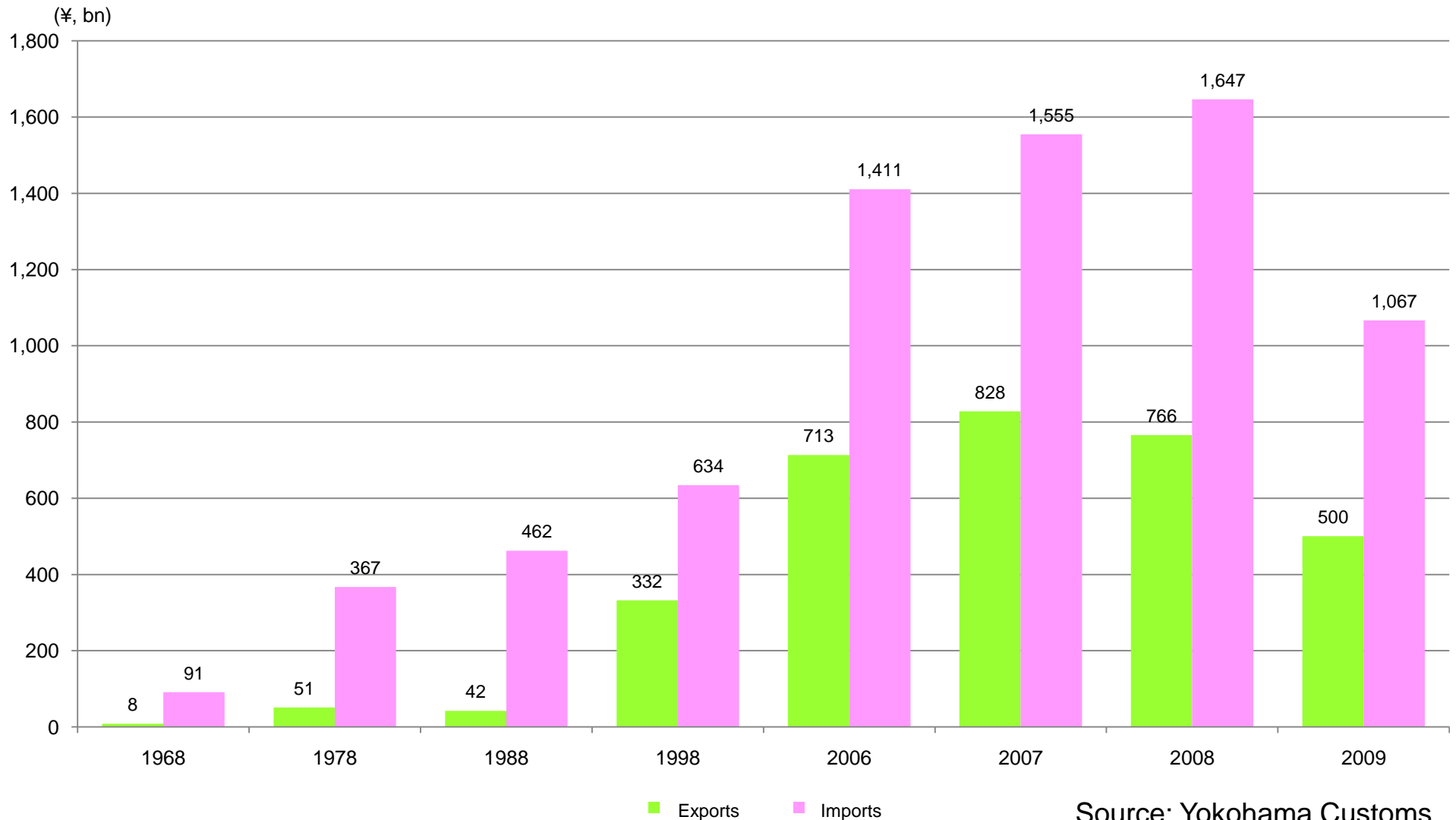
Fukushima Pref.

# Extensive Overseas Network (Container Ship Routes)



# Foreign Trade in Tohoku

In 2009, exports decreased by 34.7% from the previous year, for the second consecutive year. The main export items are office machines, iron and steel products, and ships. Imports reduced by 35.2%, marking the first decline in 7 years. The main import items are coal, petroleum, metalliferous ores, and scrap.

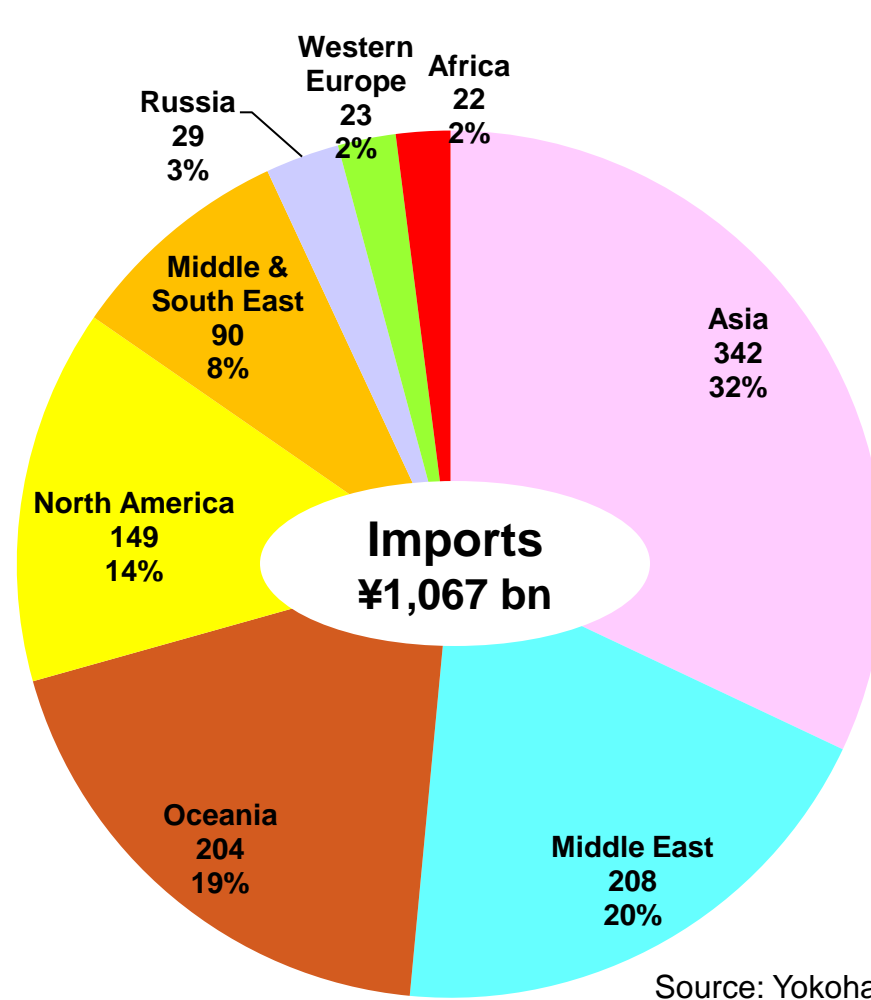
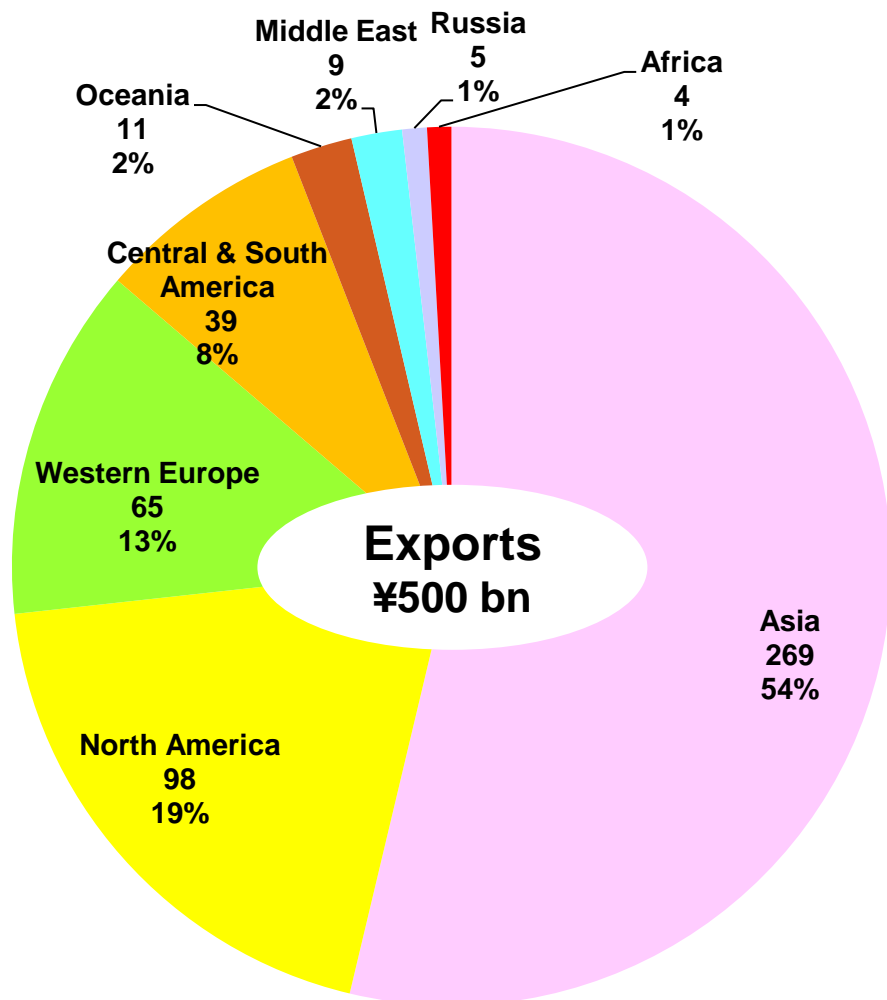


Source: Yokohama Customs

# Asia as a Main Trading Partner

Among Tohoku's trading partners, Asia and North America account for 73% of all exports from the region. The main trading partners in Asia are China (¥98 bn) and South Korea (¥47 bn).

As for imports, Tohoku's main trading partner is Asia, which occupies one-third of all imports to Tohoku, followed by the Middle East and Oceania. In Tohoku, the share of imports from Asia is low and that from Oceania is high, compared with the rest of the country.



# High Research Capability

## Research Institute Ranking by Frequency of Reference Cited in Academic Papers

<Materials Chemistry>

Ranking	Name of Research Institutes	Number of Papers Cited	Number of References Cited
1	Chinese Academy of Science (China)	12,708	64,631
2	Max-Planck Society (Germany)	3,482	47,154
3	Tohoku University	5,744	37,450
4	Advanced Industrial Science and Technology	4,251	29,748
5	Massachusetts Institute of Technology (U.S.)	1,648	29,122

## Research Institute Ranking by Frequency of Reference Cited in Academic Papers

<Physics>

Ranking	Name of Research Institutes	Number of Papers Cited	Number of References Cited
1	Max-Planck Society (Germany)	17,100	258,690
2	Tokyo University	15,368	184,955
3	Massachusetts Institute of Technology (U.S.)	7,959	171,898
4	The National Institute of Nuclear Physics (Italy)	13,738	160,845
5	Russian Academy of Sciences (Russia)	32,066	157,478
⋮	⋮	⋮	⋮
9	Tohoku University	10,908	124,283

# Pleasant Weather

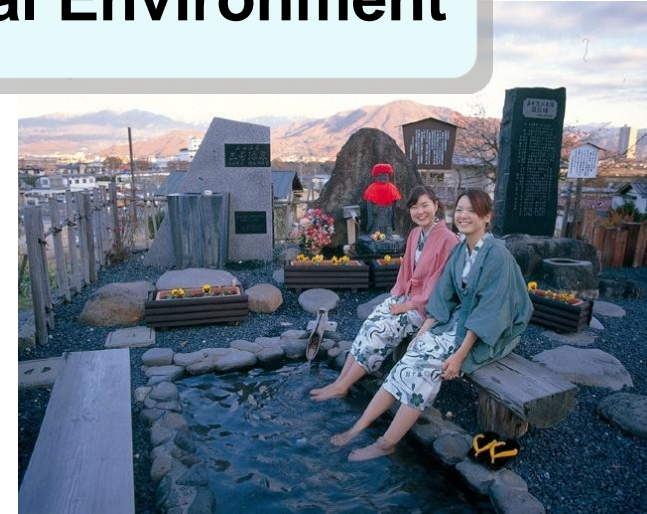
Average Temperature in Main Cities (°C)

	Average temperature	Highest	Lowest
Sapporo	8.5	22.0	-4.1
<b>Sendai</b>	<b>12.1</b>	<b>24.1</b>	<b>1.5</b>
Tokyo	15.9	27.1	5.8
Nagoya	15.4	27.3	4.3
Osaka	16.5	28.4	5.8
Hiroshima	16.1	27.9	5.3
Fukuoka	16.6	27.6	6.4

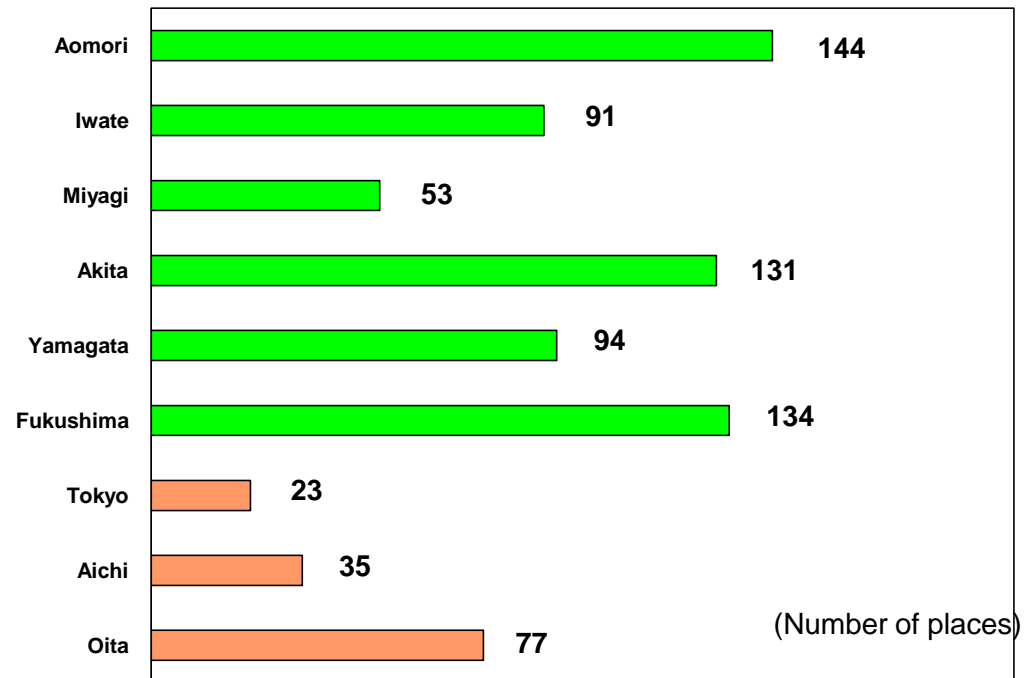
\* The above figures are average temperatures recorded at meteorological observatories between 1971 and 2000.

Source: Japan Weather Table (Japan Meteorological Agency)

# Rich Natural Environment



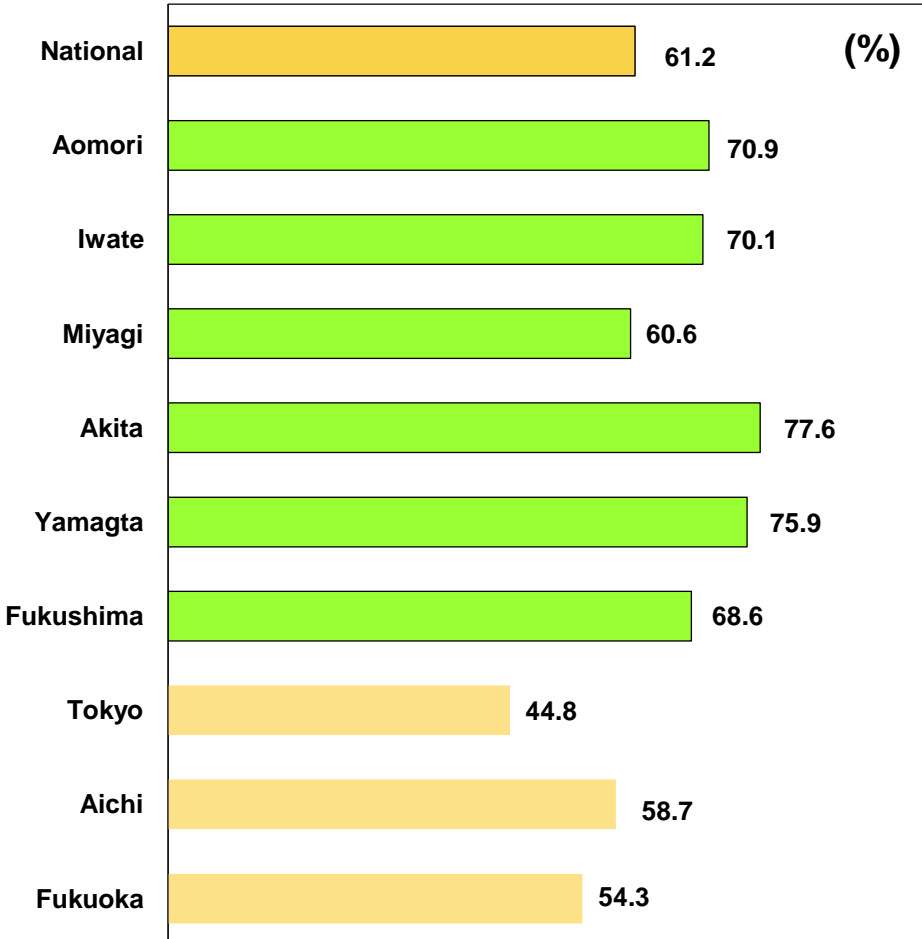
Number of hot springs per prefecture



Source: Ministry of Environment Statistics (Fiscal 2008)

## High Home Ownership Rate

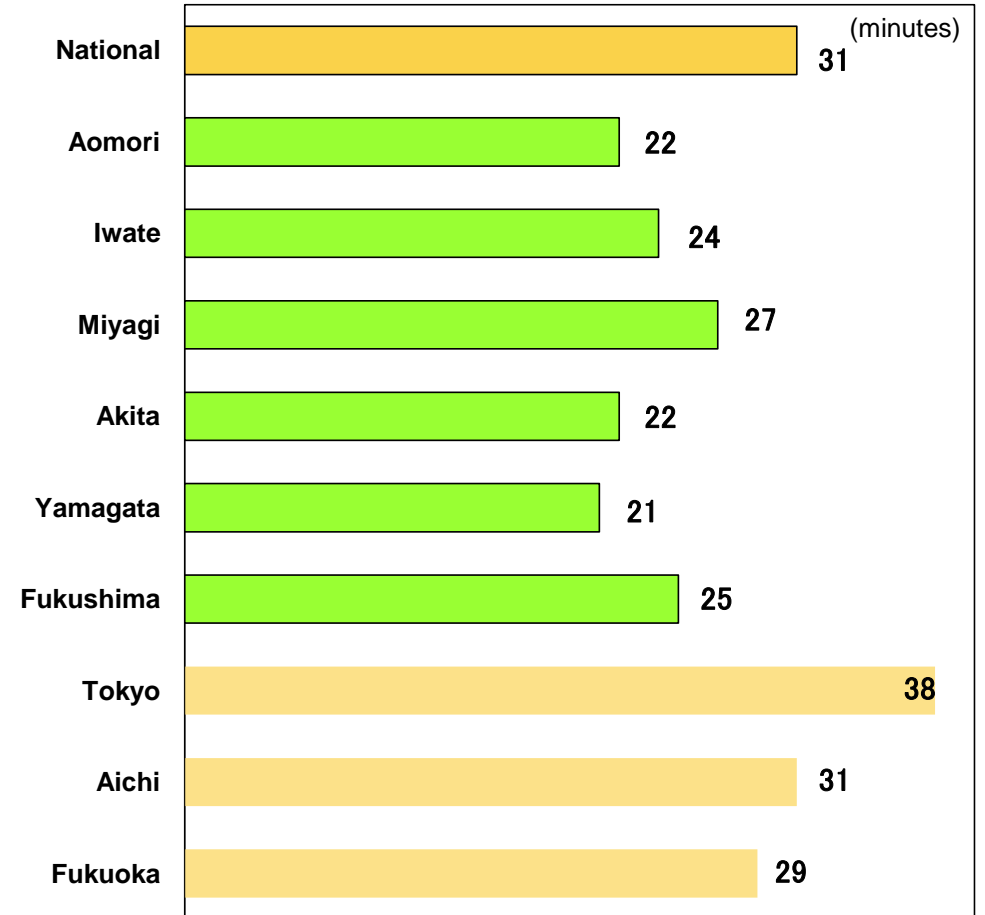
### Number of Households with Home Ownership



Source: Social Indicators by Prefecture (2010)

## Comfortable Commuting

### Average Commuting Time

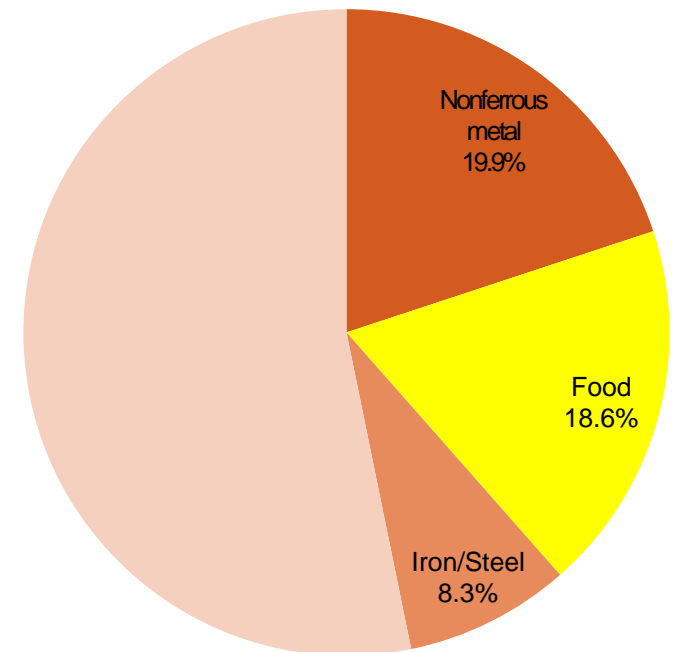


Source: Survey on Time Use and Leisure Activities (2006)

# Aomori Prefecture

	<i>Aomori Pref.</i>	<i>Share in Japan</i>
<b>Area</b>	9,644 km <sup>2</sup>	2.6%
<b>Population</b>	1,391,000	1.1%
<b>Gross prefectural product</b>	¥4,570 bn	0.9%
<b>Primary industries</b>	¥203 bn	3.5%
<b>Secondary industries</b>	¥1,073 bn	0.8%
<b>Tertiary industries</b>	¥3,481 bn	0.9%
<b>Income per capita</b>	¥2,43,000	79.5 National = 100
<b>Number of business establishments</b>	65,415	1.1%
<b>Population in employment</b>	508,000	0.9%
<b>Manufactured goods shipments</b>	¥1,649 bn	0.5%
<b>Retail industry sales</b>	¥1,440 bn	1.1%
<b>Wholesale industry sales</b>	¥1,870 bn	0.5%

The top three industries of manufactured goods shipments are nonferrous metal, food, and iron/steel.

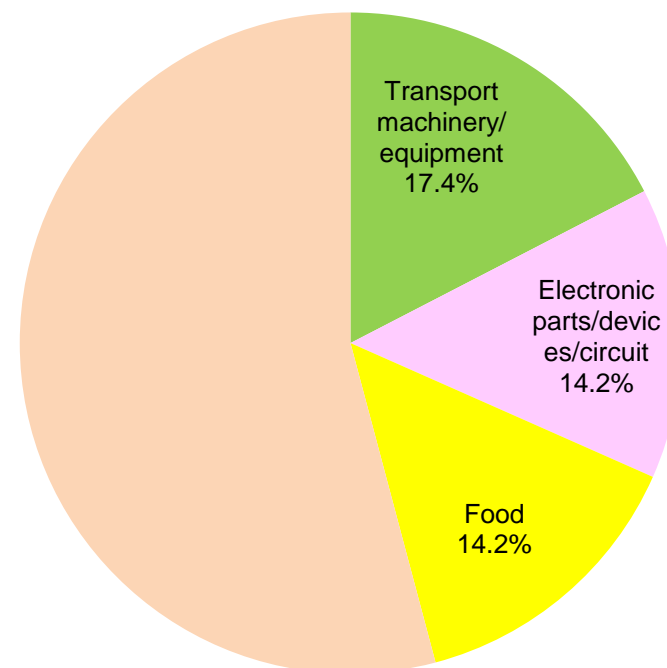


Overseas office: Seoul (South Korea)

# Iwate Prefecture

	<i>Iwate Pref.</i>	<i>Share in Japan</i>
<b>Area</b>	15,279km <sup>2</sup>	4.0%
<b>Population</b>	1,352,000	1.1%
<b>Gross prefectural product</b>	¥4,544 bn	0.9%
<b>Primary industries</b>	¥175 bn	3.0%
<b>Secondary industries</b>	¥1,084 bn	0.8%
<b>Tertiary industries</b>	¥3,413 bn	0.9%
<b>Income per capita</b>	¥2,383,000	77.9 National = 100
<b>Number of business establishments</b>	65,094	1.1%
<b>Population in employment</b>	539,000	1.0%
<b>Manufactured goods shipments</b>	¥2,528 bn	0.8%
<b>Retail industry sales</b>	1,320 bn	1.0%
<b>Wholesale industry sales</b>	1,868 bn	0.5%

The top three industries of manufactured goods shipments are transport machinery/equipment, electronic parts/devices/circuits, and food.

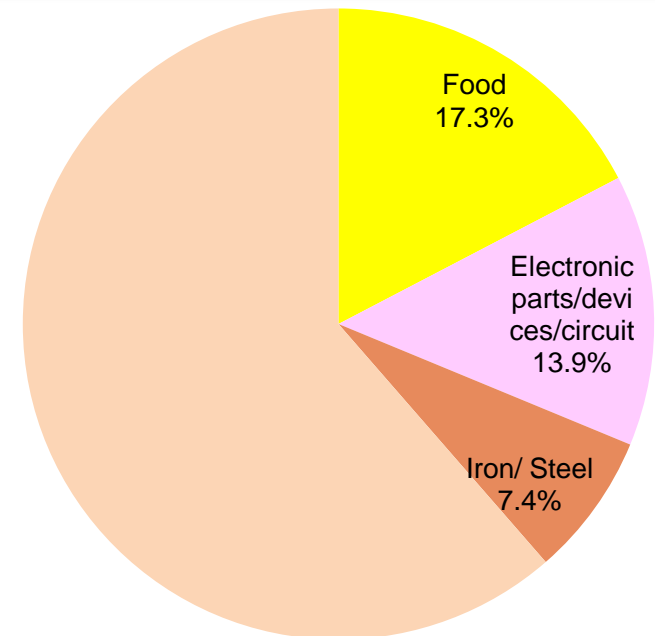


Overseas office: Seoul (South Korea), Dalian (China)

# Miyagi Prefecture

	<i>Miyagi Pref.</i>	<i>Share in Japan</i>
<b>Area</b>	7,286 km <sup>2</sup>	1.9%
<b>Population</b>	2,340,000	1.8%
<b>Gross prefectural product</b>	¥8,286 bn	1.6%
<b>Primary industries</b>	¥141bn	2.4%
<b>Secondary industries</b>	¥1,615 bn	1.2%
<b>Tertiary industries</b>	¥6,798 bn	1.7%
<b>Income per capita</b>	2,580,000	84.3 National = 100
<b>Number of business establishments</b>	105,440	1.8%
<b>Population in employment</b>	975,000	1.8%
<b>Manufactured goods shipments</b>	¥3,539 bn	1.1%
<b>Retail industry sales</b>	¥2,532 bn	1.9%
<b>Wholesale industry sales</b>	¥8,070 bn	2.0%

The top three industries of manufactured goods shipments are food, electronic parts/devices/circuits, and iron/steel.

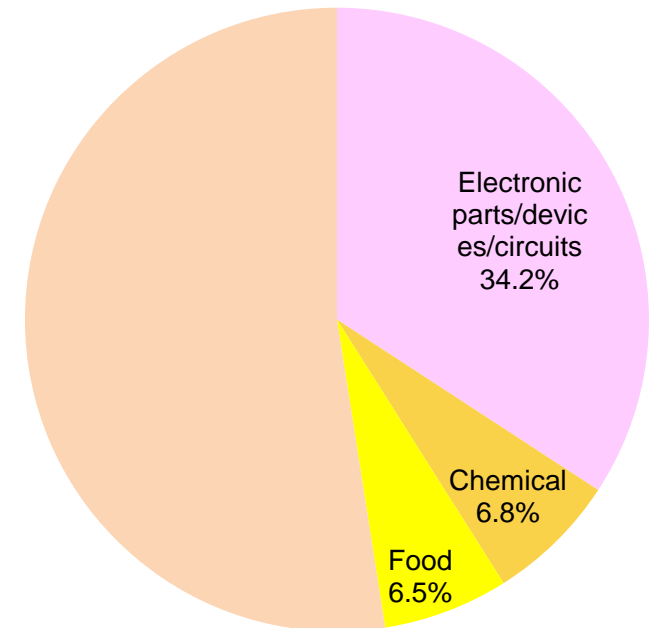


Overseas office: Seoul (South Korea), Dalian (China)

# Akita Prefecture

	<i>Akita Pref.</i>	<i>Share in Japan</i>
<b>Area</b>	11,636 km <sup>2</sup>	3.1%
<b>Population</b>	1,108,000	0.9%
<b>Gross prefectural product</b>	¥3,808 bn	0.7%
<b>Primary industries</b>	¥114 bn	2.0%
<b>Secondary industries</b>	¥974 bn	0.7%
<b>Tertiary industries</b>	¥2,826 bn	0.7%
<b>Income per capita</b>	2,483,000	81.2 National = 100
<b>Number of business establishments</b>	56,493	1.0%
<b>Population in employment</b>	436,000	0.8%
<b>Manufactured goods shipments</b>	¥1,556 bn	0.5%
<b>Retail industry sales</b>	¥1,140 bn	0.8%
<b>Wholesale industry sales</b>	¥1,330 bn	0.3%

The top three industries of manufactured goods shipments are electronic parts/devices/circuits, chemicals, and food.



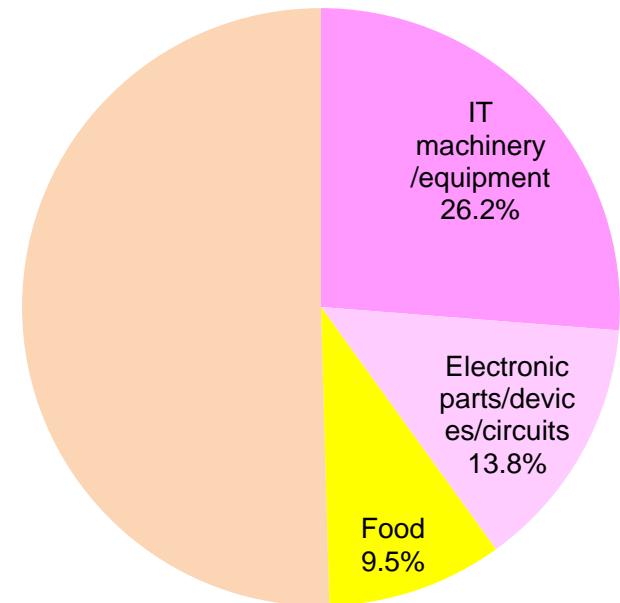
Overseas office: Seoul (South Korea)

※Akita Trade Promotion Association set up the Dalian Office (China).

# Yamagata Prefecture

	<i>Yamagata Pref.</i>	<i>Share in Japan</i>
<i>Area</i>	9,323 km <sup>2</sup>	2.5%
<i>Population</i>	1,188,000	0.9%
<i>Gross prefectural product</i>	4,209 bn	0.8%
<i>Primary industries</i>	¥124 bn	2.1%
<i>Secondary industries</i>	¥1,302 bn	1.0%
<i>Tertiary industries</i>	¥2,908 bn	0.7%
<i>Income per capita</i>	2,541,000	83.1 National = 100
<i>Number of business establishments</i>	63,243	1.1%
<i>Population in employment</i>	490,000	0.9%
<i>Manufactured goods shipments</i>	¥3,117 bn	0.9%
<i>Retail industry sales</i>	¥1,222 bn	0.9%
<i>Wholesale industry sales</i>	¥1,481 bn	0.4%

The top three industries of manufactured goods shipments are IT machinery/equipment, electronic parts/devices/circuits, and food.

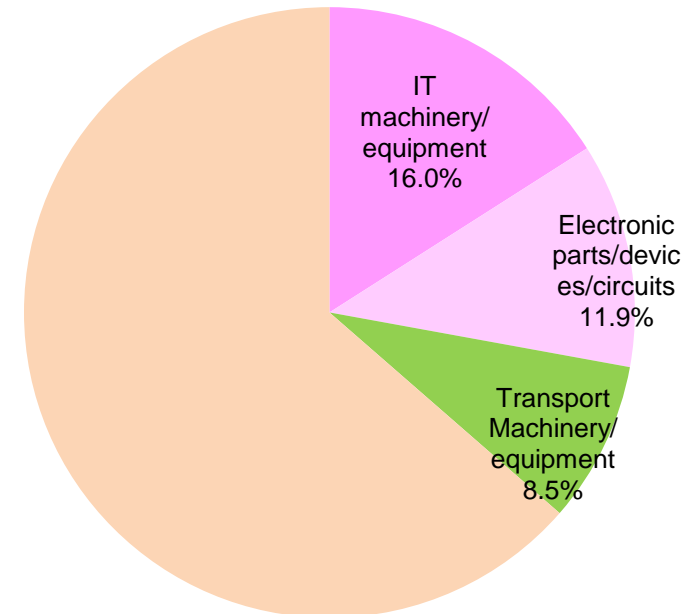


Overseas office: Seoul (South Korea)

# Fukushima Prefecture

	<i>Fukushima Pref.</i>	<i>Share in Japan</i>
<b>Area</b>	13,783 km <sup>2</sup>	3.6%
<b>Population</b>	2,052,000	1.6%
<b>Gross prefectural product</b>	¥7,883 bn	1.5%
<b>Primary industries</b>	¥148 bn	2.5%
<b>Secondary industries</b>	¥2,561 bn	1.9%
<b>Tertiary industries</b>	¥5,351 bn	1.3%
<b>Income per capita</b>	¥2,847,000	93.1 National = 100
<b>Number of business establishments</b>	97,534	1.7%
<b>Population in employment</b>	838,000	1.5%
<b>Manufactured goods shipments</b>	¥5,984 bn	1.8%
<b>Retail industry sales</b>	¥2,039 bn	1.5%
<b>Wholesale industry sales</b>	¥2,631 bn	0.6%

The top three industries of manufactured goods shipments are IT machinery/equipment, electronic parts/devices/circuits, and transport machinery/equipment.



Overseas office: Shanghai (China)