



Tokyo Metropolitan Government

Invest Tokyo Program Overview

April 2020



TOKYO
METROPOLITAN
GOVERNMENT

Invest
Tokyo

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1. Introduction

Invest Tokyo Program Aim and Design

- ▶ Tokyo Metropolitan Government (TMG) invites and supports foreign financial companies to remake Tokyo as a Global Financial City

Aim

Global Financial City: Tokyo*

- ✓ Turn Tokyo into a Global Financial City that serves as Asia's financial hub
- ✓ Attract financial talent, funds, information, and technologies
- ✓ Support and attract Asset Management and Fintech companies
- ✓ Contribute to solving social issues

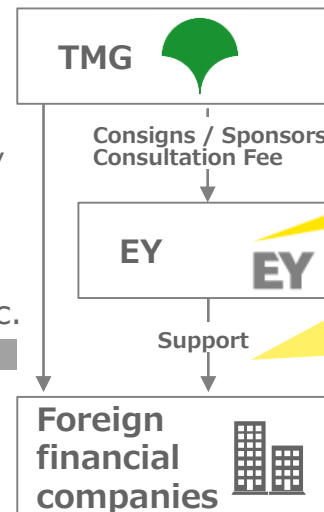
Program Design

Support and attract 15 foreign financial companies in FY2020
(April 2020 – March 2021)

- ⇒ This program successfully attracted **35 Asset Management / Fintech companies** to Tokyo in 2017-2019 and 100+ other companies (IT, healthcare etc.) to Tokyo in 2013-2019

- ✓ Provides subsidy program
- ✓ Business/ living environment improvement etc.

→ Details on p.5



- ✓ Provides **free consultation support, legal (licensing) advices** and other landing supports

→ Details on p.5

- ✓ Asset Management and Fintech companies who will expand into Tokyo/Japan

→ Details on p.4

* "Global Financial City: Tokyo" Vision (November 2017) – for details please find below:
https://www.senryaku.metro.tokyo.lg.jp/en/gfct/vision/images/02-2_vision-en.pdf

2. TMG & EY's Mission

Who We're Looking For

- ▶ Eligible candidates are Asset Management and Fintech companies registered outside of Japan who are interested in operating in Tokyo

Eligibility

- ✓ Asset Management or Fintech company **registered outside of Japan**
- ✓ Has **no existing** registered office (excludes rep office) in Japan and **has not yet announced** any intention to create an office in Tokyo
- ✓ Has some level of interest in opening the office in Tokyo:
 - A registered branch or legal entity in Tokyo, owned by a foreign headquarters (JV with Japanese companies etc. will be eligible, if the applicant's foreign HQ owns more than 1/3)
 - For Asset Management companies, investment management or sales functions etc.
 - For Fintech companies, R&D or sales functions etc.
- ✓ Can submit a Letter of Intent (investment plan) by March 2021
- ✓ Will open office in Tokyo by March 2022
 - Physical presence (could be rent/ no limitation on its size/amount etc.)
 - Hiring at least one person
 - Registration of company/branch
 - Start operation
 - If the company needs license, the deadline (of acquisition of license and start of operation) may be extended to March 2023
- ✓ Cooperate with TMG's to post the company introduction to TMG's homepage, make interview, provide information of office establishment, etc.



* In principle, the location of the base is assumed to be the "Special Zone for Asian Headquarters", a special economic zone defined by TMG

- ✓ The zone includes financial centre area around Tokyo Station/ Otemachi/ Nihonbashi/ Kayabacho, and sub-city center areas such as Ikebukuro, Shinjyuku, Shibuya and Shinagawa (see left figure: details in URL below)



* "Special Zone for Asian Headquarters": https://www.senryaku.metro.tokyo.lg.jp/invest_tokyo/english/invest-tokyo/ahq.html

2. TMG & EY's Mission

Support Provided through the Program

- ▶ We help to ensure smooth business launch, profitability and growth through four key support areas

Consultation support

- Market analysis
- Growth strategy planning
- Expert advice on planning of operational & other costs (license fees, etc.)
- Legal advice on license registration, etc.
- Other specialist advice (regarding industry association memberships, tax, accounting, etc.)

Business Partner Search support

- Assistance in discovering opportunities for partnerships/ client acquisition
- Listing of investors/investment opportunities in Tokyo

Financial Incentives

- Covers the cost of establishing the office*¹
 - Fees incurred in consultation with experts:
 - ① Registration of the company
 - ② Acquisition of License
 - ③ Setup of labor management, etc.
 - Personnel recruitment costs
- Covers the cost of operation
 - Establishing outsourced middle/back office operations*²
 - Office rent, office equipment acquisition, consulting fees for consultants/specialists *³

On-the-Ground support

- Assistance in registration, personnel recruitment, office search, accounting, etc.
- Assistance for daily life including provision of healthcare, education, and other information

- **Subsidies provided through TMG. Application support provided through EY. (Terms & Conditions Apply. Please inquire for details)**
- **Other 3 Supports will be provided FREE by EY (funded by TMG).**

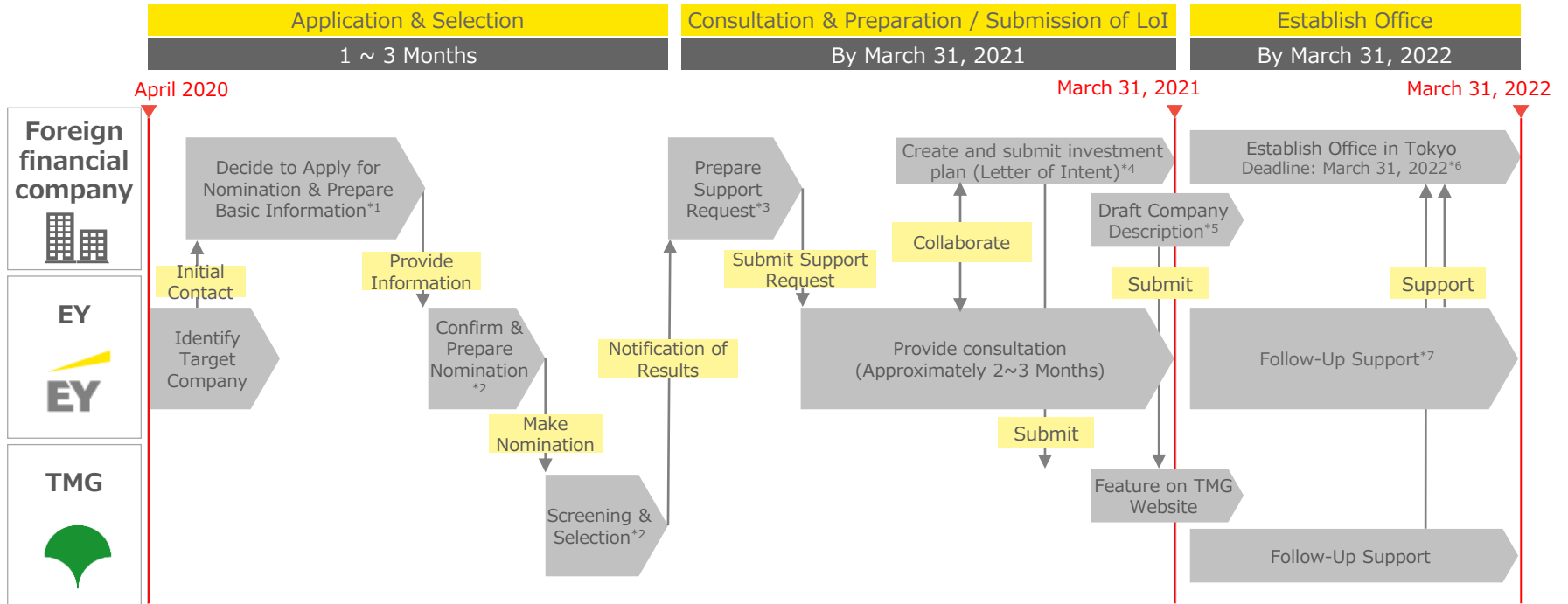
*1 Covers the 1/2 cost up to 7.5 million JPY. Eligible cost will be the cost incurred within the fiscal year (April – March) of the office establishment.

*2 Covers the 1/2 cost up to 7 million JPY. Eligible cost will be the cost incurred between April 2020 – March 2021, and the cost of outsourcing to the service providers certified by TMG. (Only available to Asset Management companies who started their Asset Management business after 2013 and registered to JFSA after 2018 April.)

*3 Covers the 1/2 cost up to 10 million JPY. Eligible cost will be the cost incurred between April 2020 – January 2021. Only available to companies established the office between April 2018 – March 2020.

3. Receiving Support Procedures & Schedule

- ▶ After application, screening, and selection, EY will provide consultation to create an investment plan (Letter of Intent)



*1: Includes basic information about the company, strengths, and reasons for interest in opening in Japan.

*2: EY will confirm details, eligibility, and fit to the program, and prepare a nomination document to be reviewed by TMG. EY may obtain additional information or conduct Q&A as necessary. May be expedited depending on need and available resources.

*3: This is the first document that is to be signed. Although not legally binding, it signifies intention to receive support and submit an LOI by March 2021.

*4: Submitted after having deliberated internally and decided an expand into Tokyo. Although not legally binding, please describe the expected business content etc. in Tokyo / Japan for the next three years after establishment.

*5: To be prepared soon after submitting the investment plan. To be posted on the Tokyo Website after confirmation by TMG / your company.

*6: Office should be established by March, 2022. If obtaining the licenses, the deadline (of acquisition of license and start of operation) may be extended to March 2023.

*7: The follow up support will be provided by the Business Development Center TOKYO, the business support organization of TMG.

The company may be introduced to the Business Development Center TOKYO after submission of the investment plan.

3. How-To: Steps to Receive Support

Terms & Conditions

Documents to be Submitted	1. Support Request	<ul style="list-style-type: none"> ➤ Formal Application for the TMG/EY support program ➤ To be submitted after TMG approval to support the applicant / before EY provides support (Requires signature by authorized representative) ➤ Includes information such as: <ul style="list-style-type: none"> • Applicant company name, person in charge • Support period and support contents
	2. Investment Plan	<ul style="list-style-type: none"> ➤ A Letter of Intent describing the applicant's 3-year business plan in Japan ➤ To be submitted after the end of the support period after internal deliberation and determination to open an office in Tokyo (Requires signature by representative of the decision making body) ➤ Includes information such as: <ul style="list-style-type: none"> • Applicant's company name, business overview, person in charge, global locations, financial info. • Applicant's business plan in Tokyo and Japan • The business details to be conducted in Japan • Types of the license to be acquired (if applicable) • When/where an office will be established • How many (and what types of) employees may be hired • Expected amount of investment to be brought to Japan, and its sources (e.g. internal reserve of HQ) • The novelty of the investment, expected ripple effect and its assumptions • Name of applicant's authorized representative (Decision making process)
	3. Company Description	<ul style="list-style-type: none"> ➤ Announcement of the companies supported by TMG and submitted investment plan <ul style="list-style-type: none"> • Intends to feature on the applicants - local firms/citizens can learn about the applicant ➤ To be submitted after the applicant finalization and submission of investment plan ➤ Includes information such as: <ul style="list-style-type: none"> • Applicant company name, business overview, expected business functions in Japan etc.
General Terms & Conditions	<ul style="list-style-type: none"> ➤ This support program is free of charge, so no cost will be imposed to the applicant <ul style="list-style-type: none"> • The provision of support is limited due to this FREE support scheme (that the support is sponsored by TMG), and the capacity is limited due to the public funding availability ➤ Note that the support request and investment plan is NOT a legally binding document ➤ The applicant has to try their best to proceed the business plan in Japan. However, if there should be any unforeseen circumstances occurs and the applicant cannot execute the business plan, there will be no legal or economic sanctions accompanied <ul style="list-style-type: none"> • In such case, we kindly ask that the applicant will notify TMG and EY about such situation, and the reason 	

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About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

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