

Japan's regulations update

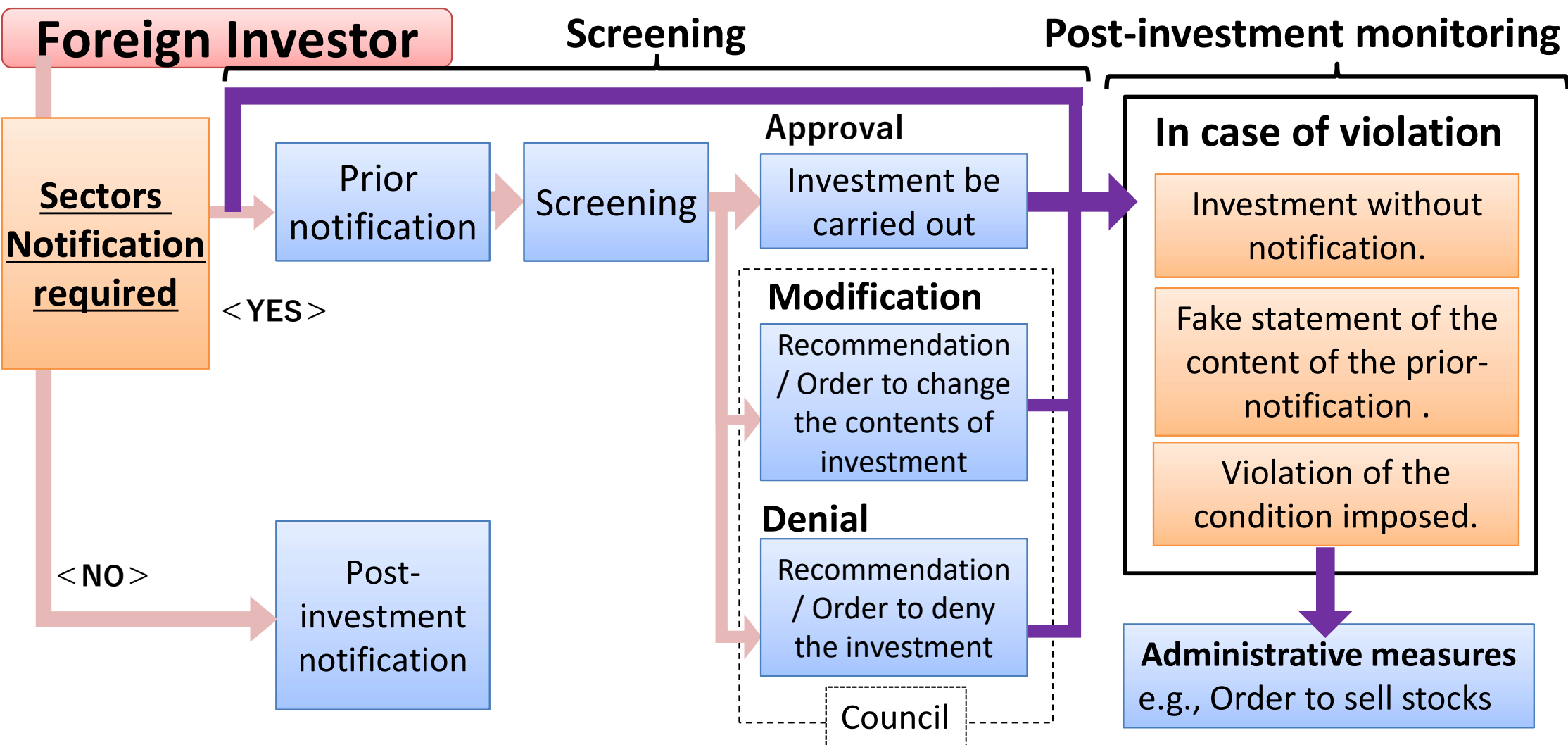
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Inward FDI Screening Program

- Foreign Exchange and Foreign Trade Act (FEFTA) is a governing law of both security export control and security investment control.
- Following acquisition are subject to investment screening.
 - (1) 10% or more of total shares of a listed company; or
 - (2) a unlisted corporation, etc.



Sectoral Coverage Required for Prior-notification

- Weapons
- Airplanes
- Space
- Nuclear materials
- Electricity, Gas, Heat & Water suppliers
- Telecommunication
- Broadcasting
- Rail transport, air transport, maritime transport, carriage
- Pharmaceuticals
- All listed items in export control regimes (Manufacturer and technology suppliers) *Added in Oct 2017

etc.

Expansion of Sectoral Coverage of Inward FDI Screening

- In May 2019, we expanded sectoral coverage of inward FDI screening to the field of cybersecurity to prevent transfer of critical technology.
- The regulation came into force on 1 August, 2019.

Data processing related equipment and components manufacturing industry

- Integrated circuits
- Semiconductor memory media
- Optical discs and magnetic tapes and discs
- Electronic circuit board
- Communication equipment wired
- Mobile phone and PHS
- Radio communication equipment
- Computer, except personal computer
- Personal computer
- External storages

(※)=expand scope of the industry

Data processing software manufacturing industry

- Custom software services
- Embedded software services
- Package software services

Information service industry

- Regional telecommunications, except wire broadcast telephones(※)
- Long-distance telecommunications(※)
- Wire broadcast telephones
- Miscellaneous fixed telecommunications(※)
- Mobile telecommunications(※)
- Data processing services
- Internet support services(※)