

The comprehensive service site that supports location of enterprises from both inside and outside Japan, into "Hyogo-Kobe" through one-stop services.

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"Hyogo-Kobe" Area Where the Business, Natural, Cultural, and Daily Living Environments are All Excellent

- Pay attention to the best balance of factors that support business -

The Kansai region contained the Miyako (Imperial capital) in ancient times, and it has prospered as a political, industrial and cultural center. Today, this area has the second largest market in Japan. Furthermore, compared with the Tokyo metropolitan area where people, things, and money are overconcentrated, Kansai is characterized by its comfortable environment where things are more relaxed. Due to the firm industrial foundation that succeeds the tradition of manufacturing, next-generation-type production bases, such as for displays and batteries, are concentrated. As such, Kansai is full of business opportunities. Hyogo prefecture in particular has a good balance between business and comfortable living, presenting a great attraction, and many companies have moved into this area.

"Panel Bay" / "Battery Bay" leads the business power in the Kansai area

Currently, in the Osaka bay area that connects the coastlines of Hyogo, Osaka and Wakayama, large plants that produce display panels of flat-panel TVs, lithium batteries, solar batteries, etc., are being built one after another. The entire bay area is now called "Panel Bay" or "Battery Bay." With the total investment counting as much as one trillion and hundreds of billion yen, this area is becoming the world's most advanced production area in the environmental and new energy fields.

In the formation of "Panel Bay" / "Battery Bay," the infrastructure plays an important role, including Kansai International Airport, which is the only airport operated 24 hours a day in Japan, and other airports; a super-pivotal port "Hanshin Port"; a railway network including the Shinkansen; and the web of expressways.

In Kansai, conventional-type industries had been concentrated and progressed in various places. Furthermore, in recent years, bio / medical industry clusters have been formed, such as the "Kobe Medical Industry Development Project" and "Saito Life Science Park," and collaboration between industries and universities is being promoted. As such, a widely ranging industrial structure, from manufacturing to research and development, is established in the Kansai area.

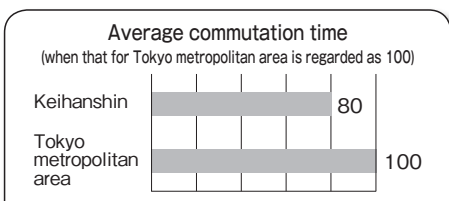
The environment of Hyogo-Kobe helps realize high-quality living.

Hyogo-Kobe has a surrounding environment and city functions that enable people to spend not only their work but also private hours comfortably. This area is in the top class in Japan in terms of comfort for foreigners to live in.

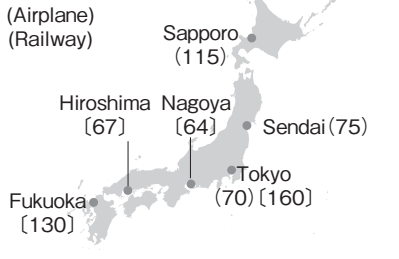
- Rich natural environment

Hyogo prefecture, which faces the Japan Sea to north and the Seto Inland Sea and the Pacific Ocean to south, is blessed with a natural environment with a wide variety. Kobe city has Mt. Rokko in its back and Osaka bay in the front, and people can feel close to nature.

- Easy transportation access



Time required from Kobe to various places in Japan



- Comfortable living environment for foreigners

The prefecture, where about 101,000 foreigners from 141 countries live (as of the end of December 2009), is well equipped with facilities as well as administrative services and support for foreigners. Another positive characteristic is the lower commodity price relative to Tokyo.

- Good schools and medical services for foreigners are available.

Centered on Kobe city, there are thirteen foreigners'

schools, including Chinese and Western schools. In addition, there are permanent facilities that provide educational consultation and coordinate dispatch supporters, aimed to support foreign children and students.

Kobe, where people and information gather

Medical institutions that can handle multiple languages are also available.

Kobe city emphasizes the attraction of international conferences, as they lead to economic effects and information forwarding. In the past three years, over 200 conferences have been held annually. Among them, many are important and large-scale conferences that attract global attention. In August 2010, the International Congress of Immunology will be held, which is the largest-class conference in Kobe city with approximately 5,000 researchers from over 70 countries (hosted by Japanese Society for Immunology). As an international convention city where people and information gather from all over the world, more and more is expected from Kobe city.



- A Panel Bay / Battery Bay
- B Saito Life Science Park (bio / medicine / new drug development)
- C Kobe Medical Industrial Development Project (advanced medicine / new drug development) (next-generation supercomputer)
- D Harima Science Garden City (nanotech / SPring-8)
- E Hanshin industrial zone (electric equipment / general machinery / iron and steel)
- F Coastal industrial zone (oil / chemical / iron and steel)
- G Katsura Innovation Park district (life science / the environment)
- H Kansai Science City, a base of culture, academics and research

1) Kansai plant of Asahi Glass Co., Ltd. (Amagasaki city, Hyogo prefecture) / glass substrates for liquid crystal and plasma displays

2) Asahi Glass Co., Ltd. (Takasago city, Hyogo prefecture) / glass substrates (construction completed in FY 2009)

3) IPS Alpha Technology, Ltd. (Himeji city, Hyogo prefecture) / liquid crystal panels (operation scheduled to start in July 2010)

4) SANYO Electric Co., Ltd. (Kaizuka city, Osaka prefecture; Awaji city, Hyogo prefecture) / lithium ion batteries

(construction completed by 2009)

5) Kaneka Solartech Corporation (Toyooka city, Hyogo prefecture) / thin film silicon solar cells

6) SANYO Electric Co., Ltd. (Kasai city, Hyogo prefecture) / HEV lithium ion batteries (construction scheduled to be completed in July 2010)

7) Panasonic Corporation (Amagasaki city, Hyogo prefecture) / plasma display panels (PDP) (construction completed in December 2009)

8) Panasonic Corporation Energy

Company (Suminoe-ku, Osaka city, Osaka prefecture) / lithium secondary batteries (production started in 2009)

9) Sharp Corporation, Dai Nippon Printing Co., Ltd., Corning Japan, etc. [Sakai city, Osaka prefecture] / liquid crystal panels, solar batteries, etc.] (production started in October 2009)

10) Sumitomo Metal Industries, Ltd. (Wakayama city, Wakayama prefecture) / steel pipes, sheet metal (repair of a blast furnace, sintering equipment, etc.) (construction scheduled to be completed by FY 2012)

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Aiming to become a bridge between China and Japan with advanced technology, under the theme of beauty and health

With technology in full use and Kobe's comfortable environment in the background, BHI Inc. moves with the times through research and development.

"Kobe is the best location," confidently says Mr. Jianzhong Yang, president of Beauty & Health Innovation (hereinafter referred to as BHI Inc.), which was established in the second phase of Kobe Port Island in April last year. For BHI Inc., which aims to rapidly progress in both China and Japan mainly through research and development of cosmetics and health foods, Kobe's location and environment are essential. We interviewed President Yang about the business activities of his remarkably progressing company and the environment that supports its activities.



Beauty & Health Innovation

Jianzhong Yang
President



Competing based on technology, in Japan - the country he is familiar with

— Tell us about BHI Inc.'s business activities.

Presently, our main business is to provide technologies to manufacturers. Our company was established as a subsidiary of a major Chinese cosmetic manufacturer, "江苏隆力奇生物科技有限公司 (Jiangsu Longliqi Biological Science and Technology Co., Ltd.," with 50% capital provided by the parent company. As such, we mainly conduct research entrusted by the company.

In addition, we are providing technologies to other companies, and we have already received offers from four or five companies in Japan and the US, including a Japanese super major company. We are becoming increasingly confident in our technological strength and feeling out our possibilities.

- Why did you establish the company in Japan, instead of China or the US?

For me, Japan was familiar because I had lived here for almost 20 years including my schooldays. In addition, this country is close to the Chinese market, which will be the most important market in the future. Also, the majority of Japanese and Chinese are ethnically similar, which is convenient in developing hair care and skincare products. In Japan, panel testing to evaluate products using real people is easy.

Selected Kobe because of the balance between business and daily living

— Your father is Mr. Yichou Yang, who is an international geologist. I understand you once intended to choose the same path as

your father as a researcher.

After studying in Japan, I worked as a researcher at the University of Arizona in the U.S. with a plan to continue living as a researcher like my father. As soon as I learned about my wife's pregnancy, however, I changed my mind. My father accomplished a remarkable feat having proven that the Yaluzhangbu Grand Canyon in Tibet is the world's largest canyon, but he was away from home because of his research for half a year. As such, I cannot say that he was a good father for the family. As I want to take good care of my family and spend time with them, I decided to work in the business world.

— It seems your choice of Kobe is also partly based on your thoughts for your family.

That is correct. From the business perspective alone, Tokyo is by far more advantageous, but Kobe is the best considering the balance with daily living. In a good living environment, we can also have more energy for business. Since I left my hometown, Peking, I have lived in three cities each in Japan and the US - for a total of 25 years overseas - and I have realized that Kobe is the best in the world.

Kobe has a nice climate and is close to the ocean and mountains, though it is still a big city. Also, there have historically been many foreigners living here, and daily living facilities and communities for foreigners are well established. Particularly, schools here are wonderful and I am satisfied with my children's education. Another attractive point is that we don't have to feel stress from being a foreigner here. For example, I hesitate to speak Chinese even in Tokyo, but I don't feel that way at all in Kobe and am able to feel very relaxed.

Promote OEM based on research & development and aim to establish our own brand

— What are additional advantages of being located in the Medical Industry Development Project area?

We were lucky that we could move into an office attached with a research facility, as it provides an advantage to us. There are also facilities with cutting-edge experiment / testing

equipment in the vicinity, and we can conduct advanced experiments and analyses by using them anytime. In addition to the advantages in the physical aspect, there are possibilities for joint research with companies and organizations nearby. We would like to pursue research on various things such as hair growth mechanism and skin anti-aging.

Furthermore, we have great transportation access. It takes only five minutes by car from our office to Kobe Airport. A monthly business trip to Tokyo is not a problem at all. Rather, short time and comfort for daily commuting are great merits.

— What is your prospect for the future?

We will soon begin importing products by the OEM of our parent company. Our parent company produces high-quality products using our technology at a low cost, and we import them and sell them as a Japanese brand. I know the Japanese market and Japanese way of thinking well, and our employees are Japanese. I am confident that we can move with the times if BHI Inc. bridges Japan and China.

We are also developing products using Chinese medicinal herbs aiming to market them as our brand two years from now. By using their assured effects for hair and skin, cultivated by China's long history, we aim to firmly establish our brands to the point that people think of our products when they hear the name BHI.

[Beauty & Health Innovation]

Head Office: 3F/6F, Kobe International Business Center, 5-5-2, Minatojima Minamimachi, Chuo-ku, Kobe city

Establishment: April 1, 2009

Capital: 10 million yen

Business activities:

1. Research, development, production, sale, and import and export of health foods
 2. Research, development, production, sale, and import and export of chemicals, quasi-drugs, and cosmetics
 3. Planning, production, and sale of daily miscellaneous goods
 4. Consulting and personnel training related to research and development of cosmetics
 5. Other incidental business related to the above
- Employees: 14 persons (as of March 31, 2010)