5 reasons
Why Japanese IT Market is Attractive
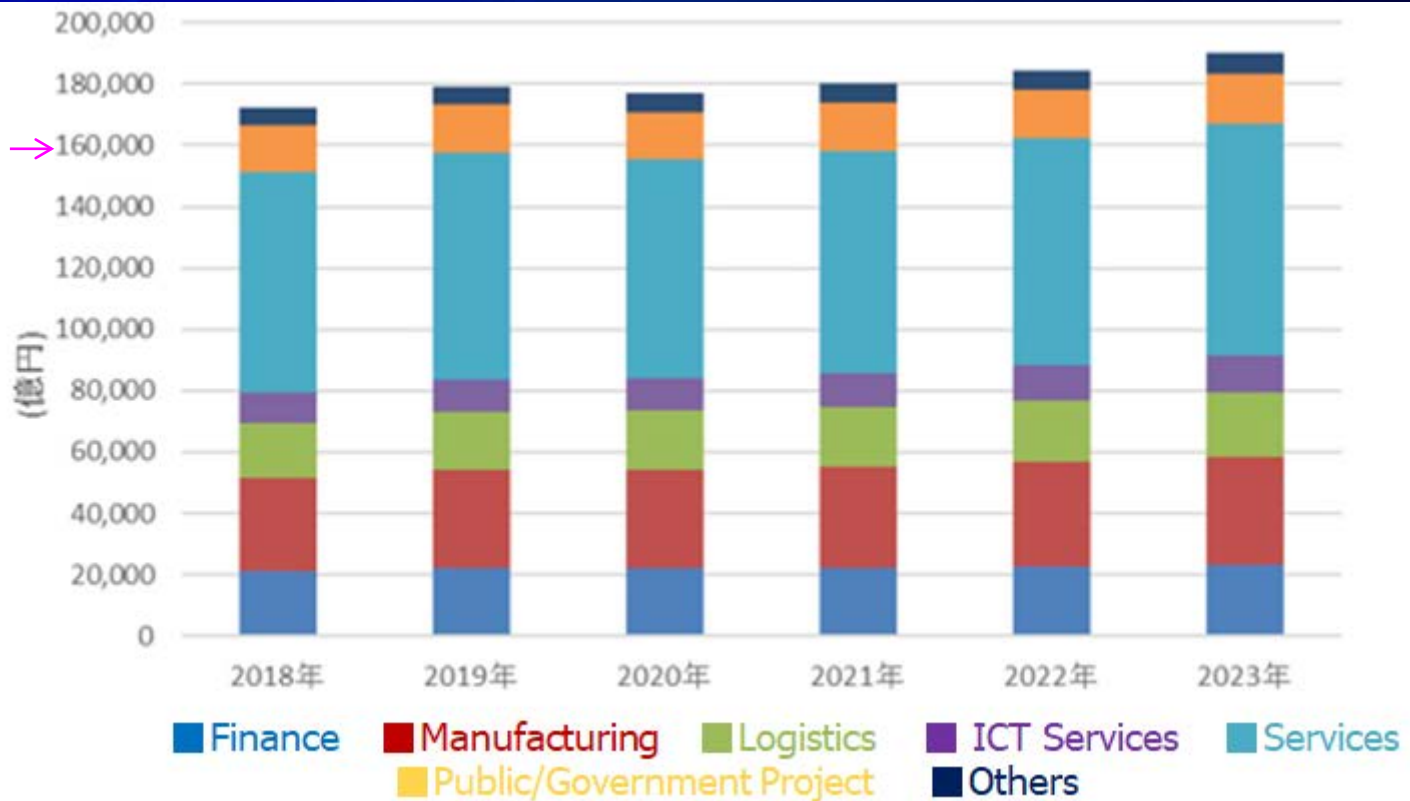
Presented by: Reed Exhibitions Japan Ltd.

Why Japan?

Reason 1 : The Stable Market

The Japanese ICT is growing steadily.

160
Billion
USD →

Source: IDC Japan

Why Japan?

Reason 2 : Outbreak of COVID 19

1) More and more IT-based ways of working and services have been developed, and ICT has become the focus of attention and needed.

, 2) The Japanese government's IT implementation subsidies are set to expand further. The rate will be expanded to 3/4 of the cost of the project. Up to 4.5 million yen (approx. 42,080 USD) will be subsidized. ※Subject to conditions
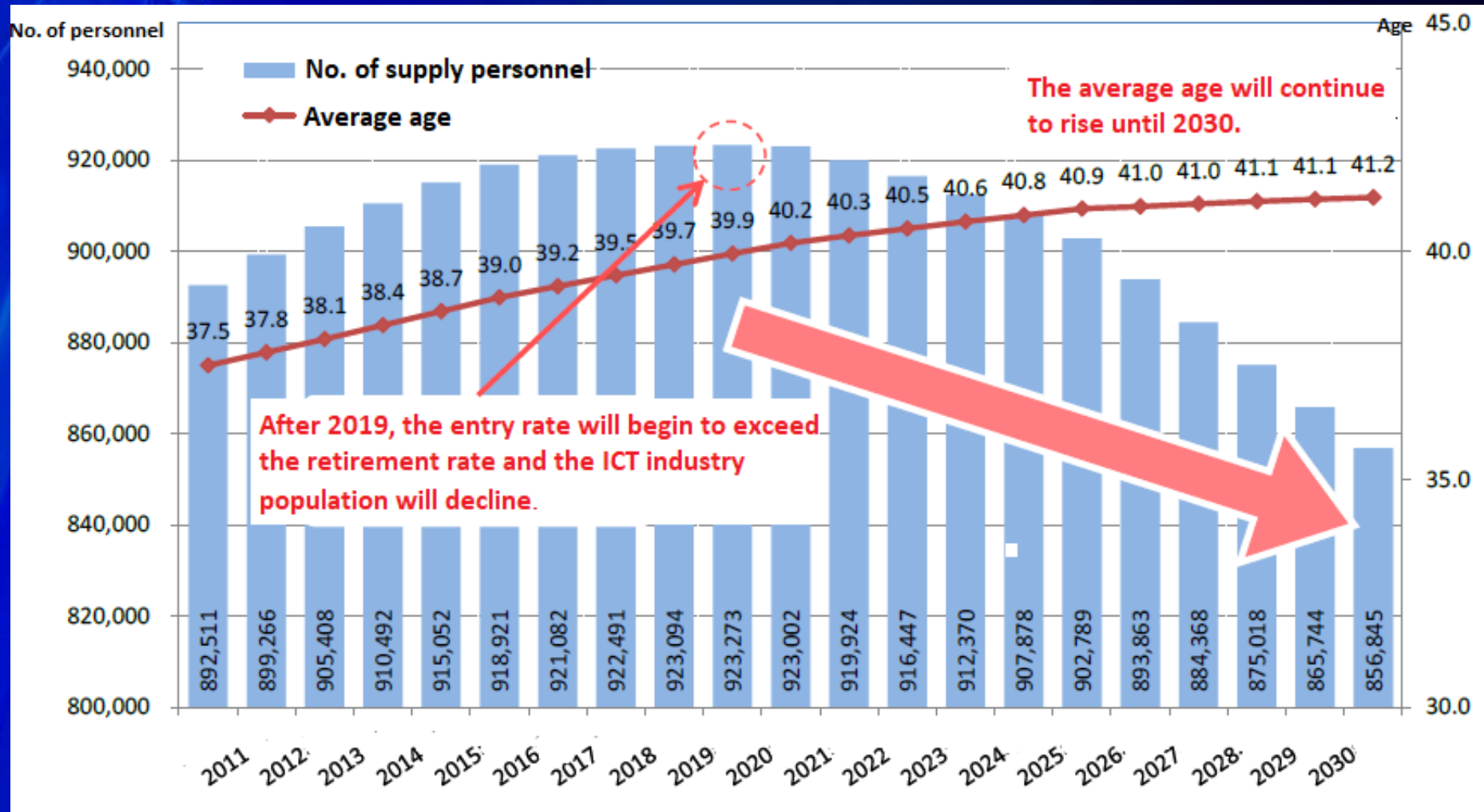
As more companies adopt IT services, IT vendors may form partnerships with foreign vendors in orders to handle the large number of orders.

Reason 3 : Shortage of ICT manpower

The number of ICT engineers in Japan is expected to become down trend from 2019.

Why Japan?

Number of IT human resources (supply) in Japan
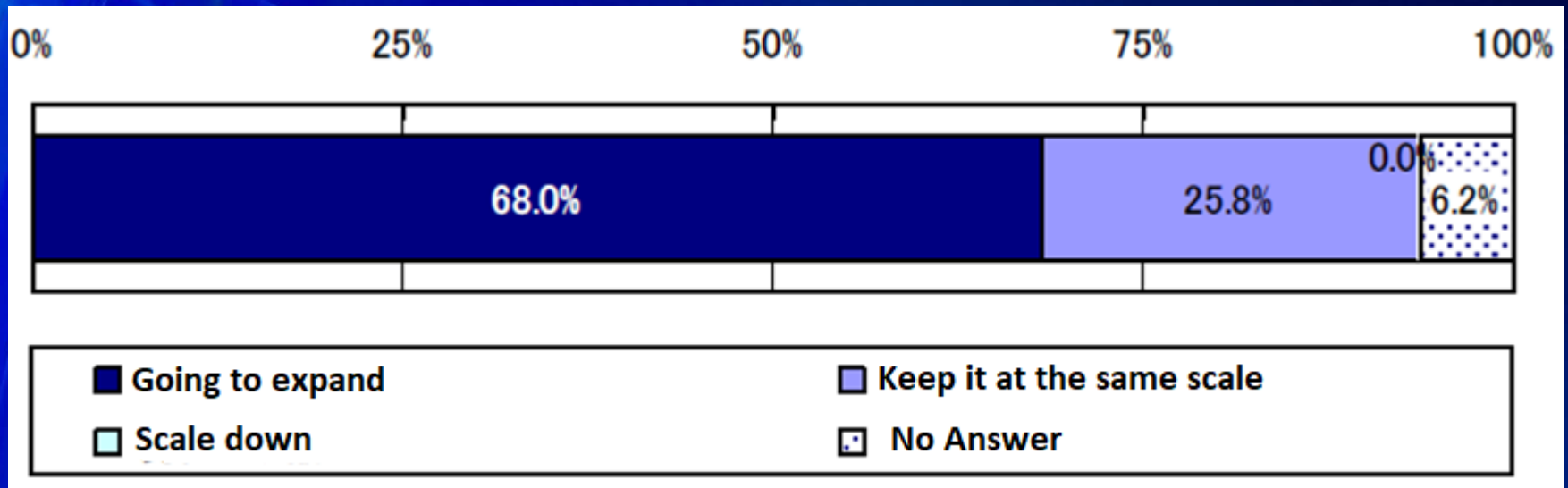
Source: METI

Why Japan?

Reason 4 : Japan is looking for offshore partners .

68.0% of Japanese companies expect to use more offshore outsourcing service for their Software/Apps/System development because of the shortage of manpower of ICT engineer.
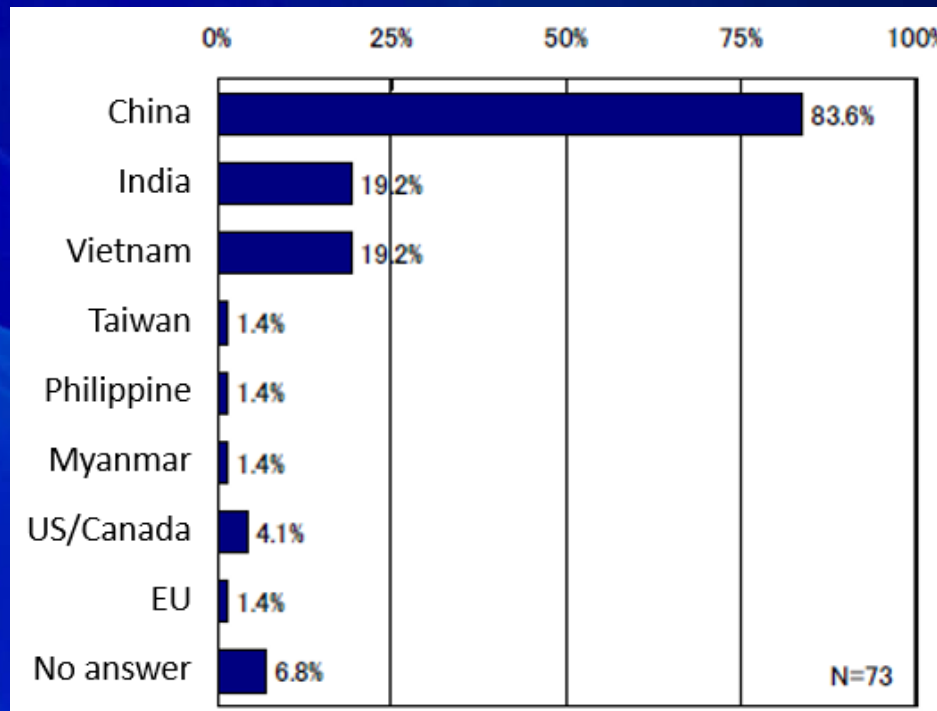
Amount of Offshore Outsourcing (After 2018)

| 0% | 25% | 50% | 75% | 100% |

| 68.0% | 25.8% | 0.0% 6.2% |

Legend:
- ■ Going to expand
- ■ Keep it at the same scale
- □ Scale down
- ⊡ No Answer

Source: IPA

Why Japan?

Reason 5 : Japan is looking for alternative partners.

China has been top share of offshore outsourcing business from Japan for many years but the share is getting smaller because of the labor cost and political risks.

China	83.6%
India	19.2%
Vietnam	19.2%
Taiwan	1.4%
Philippine	1.4%
Myanmar	1.4%
US/Canada	4.1%
EU	1.4%
No answer	6.8%

N=73

Source: IPA (2017)

Now is the time to enter the Japanese market as an offshore software development service!

The best way is exhibiting at **Software & Apps Development Expo Autumn** inside of Japan's largest IT show "Japan IT Week Autumn 2020"