

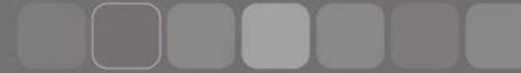


World Ceramic Tiles Forum – National Context

Japan

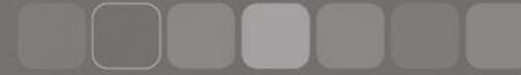


National Context – Japan



- I. General economic situation and trend in the construction sector/demand
- II. Trend in production, consumption and trade in ceramic tiles
- III. Latest developments at national level in energy supply regulation and taxation
- IV. Development in standardisation or regulation at national level affecting ceramic tiles
- V. Other national developments

I. General economic situation, trend in the construction sector/demand



Earthquake disaster in March

- Critical economic circumstances
- Recovery of factories and supply chane

Risks of the economy

- Nuclear disaster and power supply
- Impact of financial instability
 - High currency rate
 - Low stock rate
 - Low demand

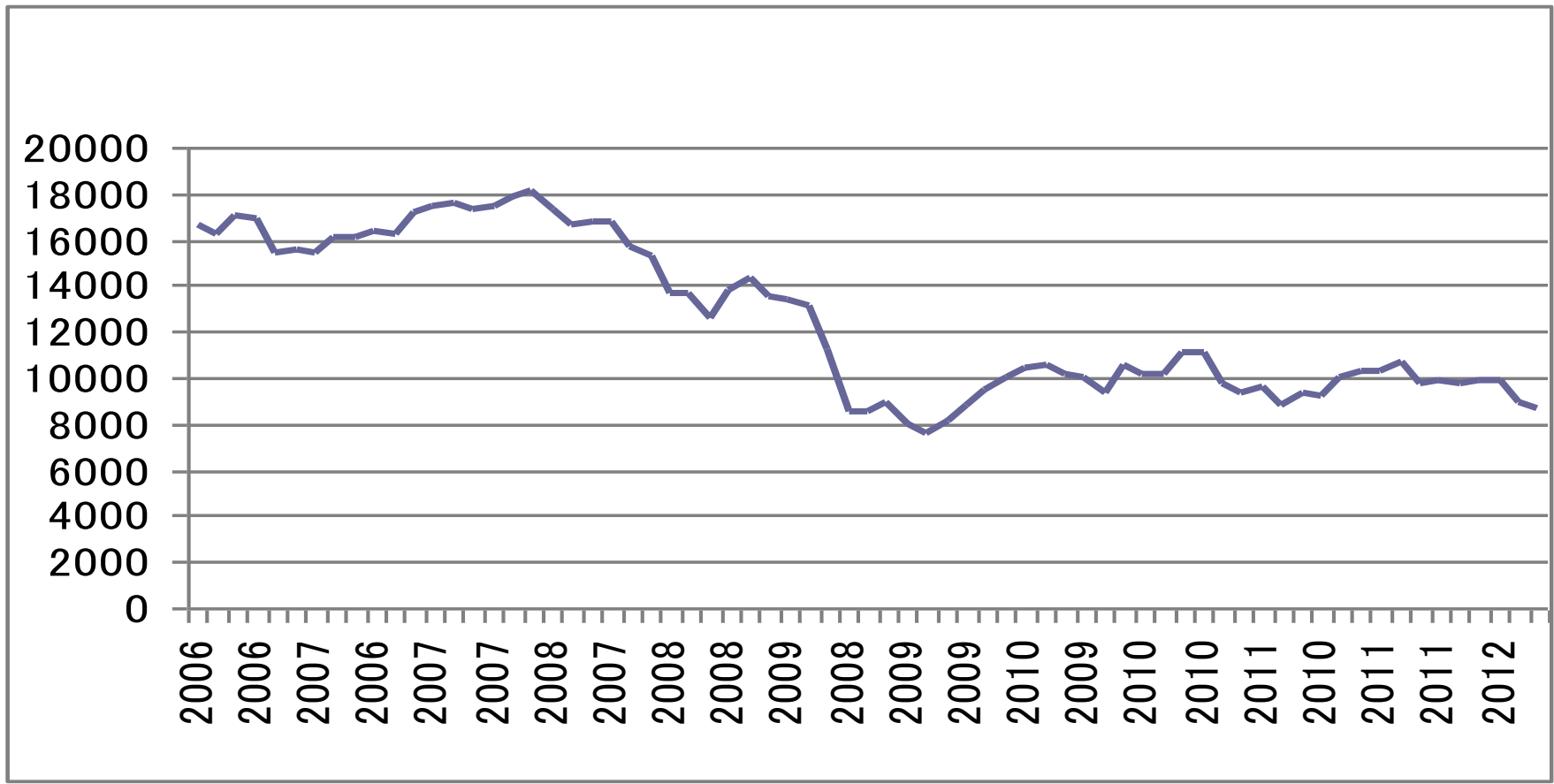


Construction investment

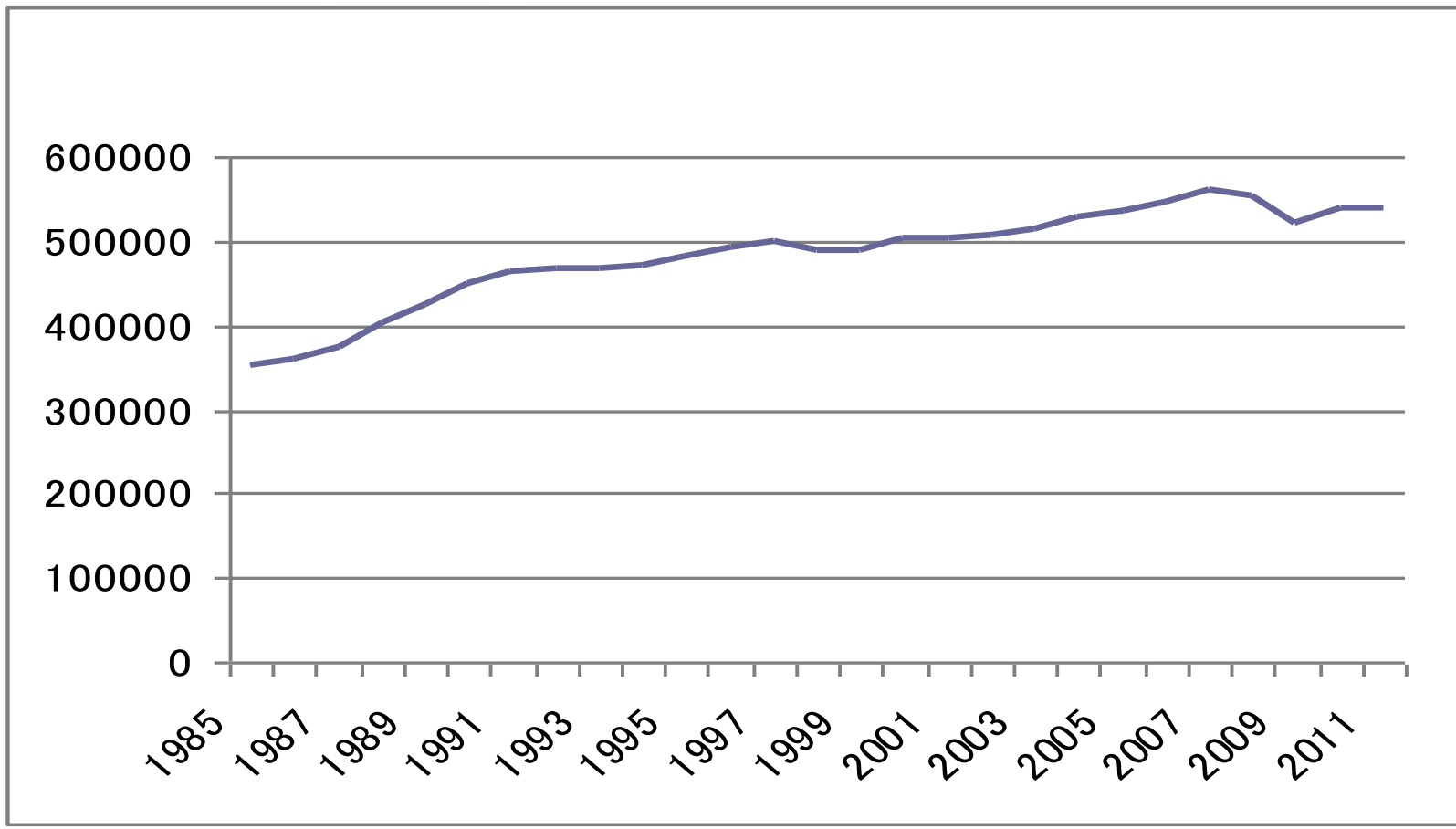
- 44 trillion and 120 billion yen
- rose 7.3% compare to previous year
- Expected 45 trillion yen in 2012 (2.6% up)

Housing start

- 81,986 in October (up 14% to previous year)
- Recovery of consumption demand



Nikkei



GDP

II. Trend in production, consumption and trade in ceramic tiles



Production

- 2,1 million square meters in 2010
- Decrease 8% of volume and 10% of value to previous year
- Increase the production this year (12% up)
- delay in delivery due to increase the demand



Export

- 1.7 million square meters in 2010
- Increased by 20% to previous year
- High currency rate can be a huge risk

Import

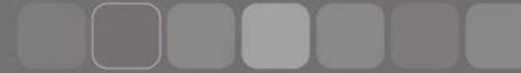
- 11.69 million square meters in 2010
- Increased by 6%



Market in Present

1. Repairing market to the condominiums which was supplied in large quantities in high-growth period (1960s and 1970s)
2. Interior market with eco-tile appeal with environmental improvements such as décor and green tile.
3. Commercial Facilities market which is increasing with large floor tiles.
4. House renovation market and new construction housing market for exterior wall with expecting demand.

III. Latest developments at national level in energy supply regulation and taxation



Fuel condition

- 80% of domestic energy is fossil fuel
- Fossil fuel is mainly imported

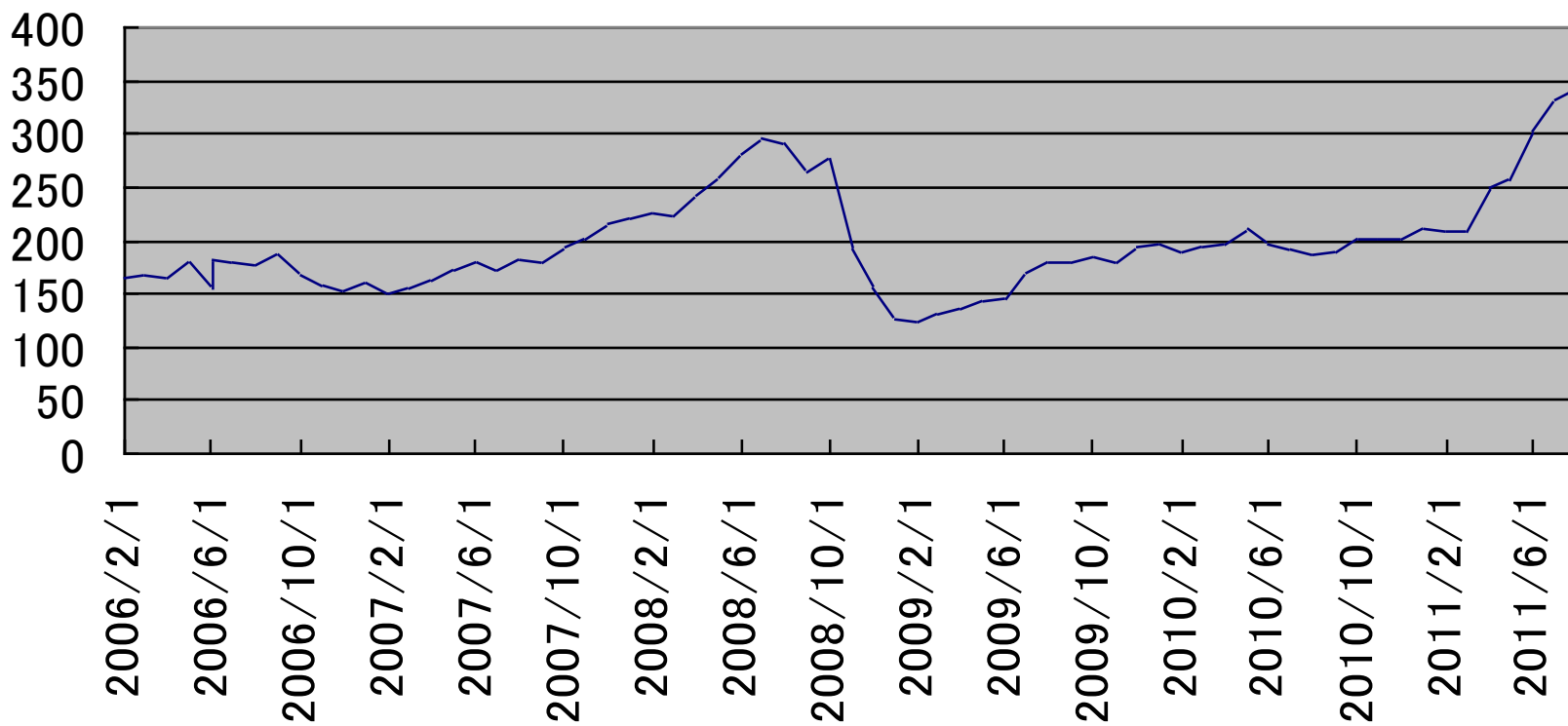
Re-built the energy policy after the nuclear power station crisis

- Solar, Wind, Biomass energy
- Effective use of non-fossil fuel
- Improve the efficient use of fossil energy.



price of natural gas

US dollar



IV. Any development in standardisation or regulation at national level affecting ceramic tiles

Revising JIS A 5209 for ceramic tiles

- Classified by water absorption and forming method
- Bending strength test is changing as more practical test
- Slip resistance test

V. Other national developments



Q-CAT has been launched

Quality accreditation system for **C**ombination of organic
Adhesive and exterior **T**ile





Thank you very much
Japan Ceramic Tiles Manufacture' Association