

---

# Proposal for the Establishment of Data Centres in Hokkaido

# Agenda

---

**I Energy Cost Reduction Using Cool Climate and Snow**

**II Presence of Competitor**

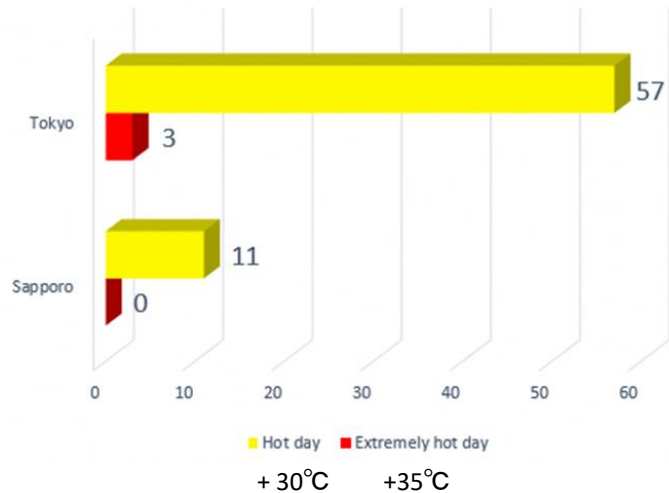
**III Securement of a Large Piece of Land at a Low Cost**

**IV Skilled Workforce Availability**

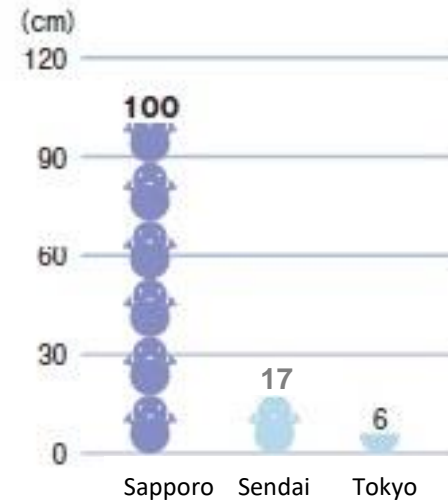
**V Low Risk for Natural Disasters**

# 70% reduction in power consumption of air conditioning, compared to Tokyo

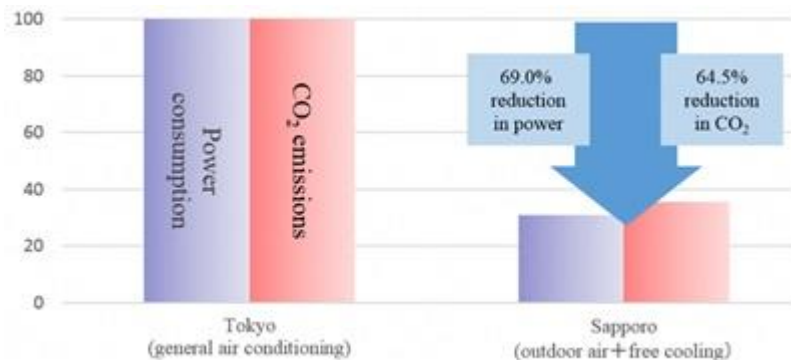
Number of hot days/extremely hot days



Greatest Depth of Accumulated Snow



Reduction Rates in power consumption



Various companies uses Snow-based cold energy

Company name	Type of facilities	Capacity of storehouse	Energy resource
Toyota Hokkaido	Snow-based air conditioning system	500t	Snow
Denso Hokkaido	Snow-based air conditioning system	327t	Snow
Seiko Epson	Snow-based air Conditioning system	70t	Snow

## A largest domestic internet data centre operator has chosen Hokkaido

### About Sakura Internet Inc,

Foundation: August, 1999

Capital Stock: 20.5 million USD

Employee: 500 people

Sales: 120 million USD



### Sakura's Data Centre

Total Land 51,448 m<sup>2</sup>

Total Floor 11,392 m<sup>2</sup>

Number of Rack 1,000

Electric power 60,000V



### Benefit in Hokkaido

Not only Cool climate, Low risk of natural disaster, but also...

#### Fast Approval

We got approval for setting Special high-voltage power **only in 9 month.**

#### Low Initial Cost

It cost only **30,000 USD** for setting Special high-voltage power.

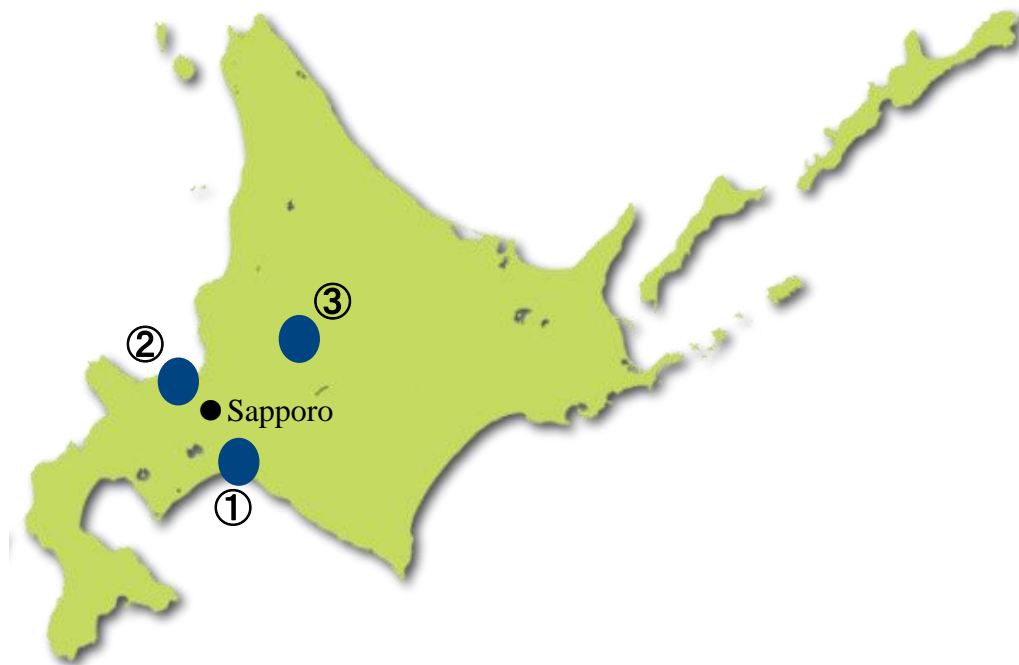
### CEO Massage

I have visited almost half of the prefectures in Japan and finally decided to set in Ishikari, Hokkaido.  
 Running cost here is extremely low, about half of that in Tokyo.  
 Hokkaido will be the relay point between Asia and Europe through the ongoing arctic data cable project.



CEO Sakura Internet Inc.  
Mr. Kunihiro Tanaka

## We can offer over 10ha with low price



### ① Eastern Tomakomai area

Location: Tomakomai, Abira, Atsuma  
Site area: 5,500 ha (4,431 ha on sale)  
Lowest price: 82 USD/m<sup>2</sup>

### ② Ishikari Bay New Port area

Location: Ishikari, Otaru  
Site area: 1,369 ha (136 ha on sale)  
Lowest price: 109 USD/m<sup>2</sup>

### ③ Sorachi Complex

Location: Bibai, Naie  
Site area: 247 ha (94 ha on sale)  
Lowest price: 6 USD/m<sup>2</sup>

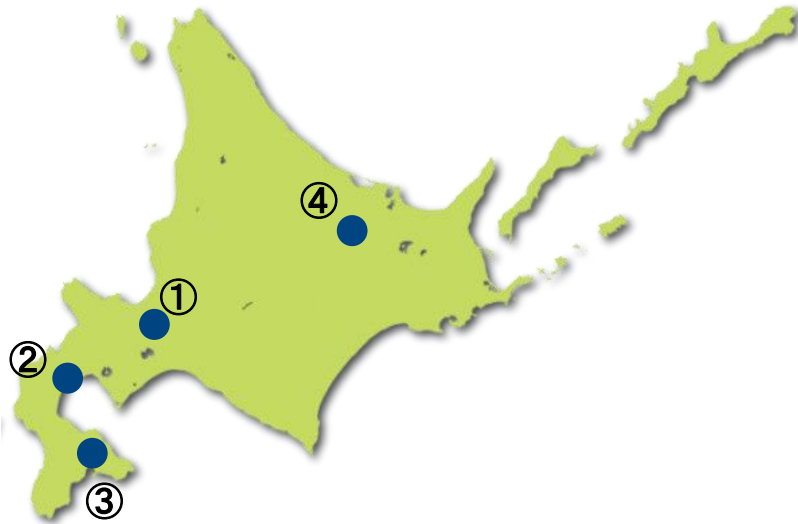
**\*90% cashback available**

### ※ Nishi Tokyo area

Location: Oume, Hamura  
Site area: 166 ha (56.5 ha on sale)  
Lowest price: 849 USD/m<sup>2</sup>

## We can offer a lot of human resources with outstanding IT skills

### ■ Location of universities, related to IT/Electronics/machiner



- ① **Sapporo area**
  - Hokkaido University
  - Hokkaido University of Science
  - Hokkai Gakuen University
  - Hokkaido Information University
  - Chitose Institute of Science and Technology

- ② **Muroran area**
  - Muroran Institute of Technology

- ③ **Hakodate area**
  - Future University of Hakodate

- ④ **Kitami area**
  - Kitami Institute of Technology

### ■ US software company opened R&D Centre in Sapporo in 2016



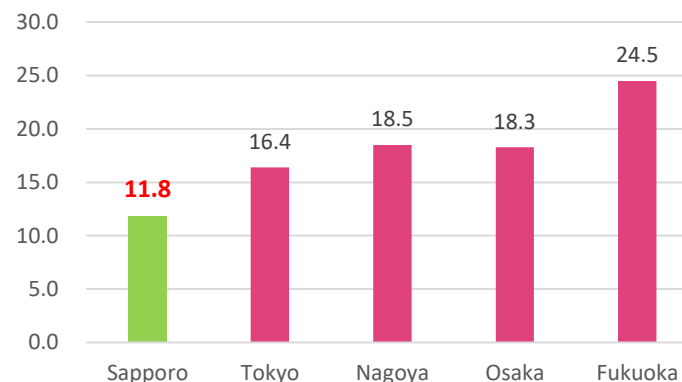
#### Deciding Factors

- Sapporo is an IT hub within Japan
  - Rocket needed to hire a lot of engineers with outstanding IT skills
- “Once we saw concrete prospects for hiring human resources, we finally made our decision to go for it”*

## You can operate data center with low risk for natural disaster

■ Annual average number of days on which lightning occurred over the last 10 years (2006 – 2015)

- Slightly more than 70%** of Tokyo
- Slightly more than 60%** of Osaka
- Slightly less than 50%** of Fukuoka



■ Probability of an earthquake with an intensity of at least 6 Lower in the next 30 years

- Slightly less than 50%** in Tokyo, and **less than 1%** in Sapporo

※Assuming that disasters will not occur simultaneously in Hokkaido and Tokyo

