

Outline of the survey

■ Purpose of the survey

Purpose of the Survey of Pure Holding Companies is to shed some light on the activities of pure holding companies and gain fundamental data for taking measures related to pure holding companies.

■ Laws that are grounds for the survey

General statistics survey in accordance with the Statistics Act (2007, Act No. 53)

■ Subjects of the survey

[Region] Nationwide

[Unit] Corporations

[Attributes] Companies which fall under “Pure holding company (Industry 7282)” of the Japan Standard Industrial Classification

■ Survey date and survey period

The survey date is March 31st every year.

In principle, the survey period is one year from April 1st of the previous year of the survey date to March 31st, the survey date.

■ Survey method

Survey forms are distributed to respondent companies, which then fill out the forms and mail them back.

■ Section in charge of the survey

Enterprise Statistics Office, Research and Statistics Department, Minister's Secretariat, Ministry of Economy, Trade and Industry

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Terms of use

The Ministry of Economy, Trade and Industry carried out 2013 Survey of Pure Holding Companies as of March 31st, 2013 and compiled the survey results. Please read the following terms before use:

(Terminology)

- “Corporate separation” refers to a measure through which business of an existing company is transferred to subsidiaries, thereby turning the existing company into a pure holding company.
- “Share transfer” refers to a measure through which shares of an existing company are transferred to a pure holding company.
- “Combination of share exchange and corporate separation” refers to cases where business of an existing company is transferred to subsidiaries while turning another existing company into a subsidiary wholly owned by a pure holding company.
- "Number of regular workers" includes the number of paid directors and regularly employed persons (persons, regardless of their titles as full-time, part-time, temporary or contract employees, employed under a contract longer than one month, or persons employed for 18 days or more each month in the two months prior to the end of the financial year or the most recent settlement term).
- “Full-time workers” are regular workers generally referred to as permanent employee .
- “Dispatched workers” refer to workers who are employed by a worker dispatching business operator and are engaged in a client company’s operations under the client company’s supervision and command, based on a contract between the client company and the worker dispatching business operator concerned, under the aforementioned employment relationship.
- "Workers transferred to other companies, etc." refer to workers transferred to subsidiaries or affiliates whose salary is paid mainly by the pure holding company (unconsolidated).
- A "subsidiary" refers to a company in which a pure holding company (unconsolidated) owns more than 50% of the voting rights. It includes a company in which the subsidiary, or the pure holding company (unconsolidated) and the subsidiary combined, own more than 50% of the voting rights. It also includes a company that a pure holding company (unconsolidated) practically controls, even if the pure holding company (unconsolidated) owns 50% or less of the voting rights.
- An "affiliate" refers to a company in which a pure holding company (unconsolidated) owns no less than 20% but no more than 50% of the voting rights. It also includes a company

which a pure holding company (unconsolidated) can seriously affect through holding 15% or more of the voting rights.

- "Group companies" refer to subsidiaries, affiliates, and a parent company.
- "Newly established" refers to cases where a new company has been set up through founding a new business, etc.
- "Spin-off" refers to cases where a company has separated a business or part of the organization and established it as a separate company (subsidiary or affiliate).
- "Acquisition" refers to cases where voting rights have been acquired.
- "Closure" refers to cases where a company has stopped a subsidiary's or an affiliate's business activities and has not kept them running.
- "Integration" refers to cases of merger among subsidiaries and affiliates.
- "Sellout" refers to cases where voting rights have been assigned to other companies.
- "Whole group" refers to the total of the consolidated companies, if consolidated accounting is adopted. If consolidated accounting is not adopted, "whole group" refers to the total of a pure holding company, subsidiaries, and affiliates.

(Values)

- "-" in tables indicates that there is no applicable number. "0" indicates that the value is less than a unit.
- "X" in tables indicates that the value is hidden because only one or two companies provided answers. Values are also hidden even if three or more companies provided answers in cases where the values could reveal information on respondent companies.
- Each resulted value is summation of values of valid responses for each item.
- With regard to yen values and component ratios, total and summation of breakdown may not agree in cases where figures are rounded to the nearest full unit or a breakdown is not given.

(Other things to be noted)

- Number of respondent companies vary depending on the item because only valid responses were counted for each item.
- For companies which submitted an "annual survey form for Financial Statements Statistics of Corporations by Industry" by Ministry of Finance, data for "Assets, liabilities and net assets" and "Sales or operating revenue and non-operating income" were partially gained from the said survey.
- When you want to reprint data of this survey in other media, please mention "2013 Survey of Pure Holding Companies" as the source.

(Results of the survey data collection)

Number of subject companies: 473

Number of companies which replied: 338

Collection rate: 71.5%

Number of companies which provided valid responses: 291

Outline of the Survey Results

Chapter 1 Conditions of structures and activities of pure holding companies

1. Distribution of companies

- The number of pure holding companies was 291 as of the end of FY2012. By industry, of whole group including group companies, 76 were in manufacturing (accounting for 26.1% of the total), 64 in wholesale and retail trade (22.0%), and 28 in finance and insurance (9.6%), with the three industries together accounting for 57.7% of the figure.
- In terms of the size of capital, 64 companies (22.0%) fell under 10 billion yen or more and less than 100 billion yen and 62 firms (21.3%) were included in the group of 1 billion yen or more and less than 5 billion yen, while 37 companies (12.7%) reported less than 30 million yen as their capital.
- By method of establishment, share transfers were used by 129 companies (44.3%) while corporate separation was employed by 124 (42.6%). A combination of share exchanges and corporate separation were used by 17 companies (5.8%).

Figure 1-1 (1) Number and of companies by industry of whole group and its percentage

Industry of whole group	No. of companies	Rate (%)
Total	291	100
Agriculture and forestry	-	-
Fisheries	1	0.3
Mining and quarrying of stone and gravel	-	-
Construction	11	3.8
Manufacturing	76	26.1
Electricity, gas, heat supply and water	1	0.3
Information and communications	25	8.6
Transport and postal activities	14	4.8
Wholesale and retail trade	64	22.0
Finance and insurance	28	9.6
Real estate and goods rental and leasing	10	3.4
Scientific research, professional and technical services	3	1.0
Accommodations, eating and drinking services	8	2.7
Living-related and personal services and amusement services	4	1.4
Education, learning support	5	1.7
Medical, health care and welfare	2	0.7
Compound services	-	-
Services, N.E.C.	25	8.6
Unknown	14	4.8

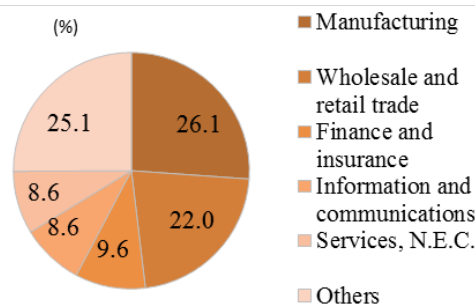


Figure 1-1 (2) Number of companies by size of capital and its percentage

Size of capital	No. of companies	Rate (%)
Total	291	100
Less than 30 million yen	37	12.7
30 million yen or more and less than 50 million yen	9	3.1
50 million yen or more and less than 100 million yen	21	7.2
100 million yen or more and less than 300 million yen	31	10.7
300 million yen or more and less than 500 million yen	8	2.7
500 million yen or more and less than 1 billion yen	18	6.2
1 billion yen or more and less than 5 billion yen	62	21.3
5 billion yen or more and less than 10 billion yen	20	6.9
10 billion yen or more and less than 100 billion yen	64	22.0
100 billion yen or more	21	7.2

Figure 1-1 (3) Number of companies by method of establishment and its percentage

Method of establishment	No. of companies	Rate (%)
Total	291	100
Corporate separation	124	42.6
Share transfer	129	44.3
Combination of share exchange and corporate separation	17	5.8
Other than above	13	4.5
Unknown	8	2.7

3. Percentage of revenue generated from transactions with group companies to the total of sales or operating revenue

- Sales or operating revenue generated from transactions with group companies accounted for 93.8% of the total. Dividends earned accounted for 64.5%, while revenue from group management and other similar revenue constituted 16.1% of the total. By industry, of the whole group including group companies, manufacturing found 49.3% of its revenue in dividends earned, 20.0% of its revenue from group management and other similar revenue, while 15.0% was generated from transactions with non-group companies. In the meantime, finance and insurance received 92.6% of its income from dividends earned while revenue from group management and other similar revenue accounted for 6.5%.

Figure 1-3 Sales or operating revenue of pure holding companies

By industry of whole group	No. of companies	Sales or operating revenue (million yen)														
		Total	Revenue generated from transactions with group companies						Revenue generated from transactions with non-group companies							
			Total	Dividends earned	Interest earned	Revenue from group management and other similar revenue	Rent and rental fees of assets	Revenue from business activities	Others	Total	Dividends earned	Interest earned	Revenue from group management and other similar revenue	Rent and rental fees of assets	Revenue from business activities	Others
Total	261	2,490,732	2,335,508	1,606,559	44,433	402,202	126,668	147,316	8,330	155,224	425	-	65	11,266	134,043	9,425
(% to total)		(100.0)	(93.8)	(64.5)	(1.8)	(16.1)	(5.1)	(5.9)	(0.3)	(6.2)	(0.0)	-	(0.0)	(0.5)	(5.4)	(0.4)
Agriculture and forestry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fisheries	1	x	x	x	x	x	-	x	-	x	x	-	-	-	-	-
Mining and quarrying of stone and gravel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction	10	13,643	13,453	7,145	-	5,905	403	-	-	190	-	-	-	188	2	
(100.0)		(98.6)	(93.8)	(52.4)	-	(43.3)	(3.0)	-	-	(1.4)	-	-	-	(1.4)	(0.0)	
Manufacturing	73	962,793	818,851	474,918	19,355	192,502	29,939	97,430	4,707	143,942	-	-	13	7,391	127,271	9,267
(100.0)		(85.0)	(74.9)	(49.3)	(2.0)	(20.0)	(3.1)	(10.1)	(0.5)	(15.0)	-	-	(0.0)	(0.8)	(13.2)	(1.0)
Electricity, gas, heat supply and water	1	x	x	-	-	-	-	x	-	-	-	-	-	-	-	-
Information and communications	23	77,598	77,058	36,285	x	23,070	9,948	x	1,671	x	x	-	44	x	x	19
(100.0)		(99.3)	(98.2)	(46.8)	x	(29.7)	(12.8)	x	(2.2)	x	x	-	(0.1)	x	x	(0.0)
Transport and postal activities	12	19,237	19,138	7,294	4,337	7,083	208	216	-	99	-	-	99	-	-	-
(100.0)		(99.5)	(99.5)	(37.9)	(22.5)	(36.8)	(1.1)	(1.1)	-	(0.5)	-	-	(0.5)	-	-	-
Wholesale and retail trade	59	392,889	389,107	199,248	884	72,171	77,248	37,900	1,656	3,782	21	-	8	2,426	1,324	3
(100.0)		(99.0)	(99.0)	(50.7)	(0.2)	(18.4)	(19.7)	(9.6)	(0.4)	(1.0)	(0.0)	-	(0.0)	(0.6)	(0.3)	(0.0)
Finance and insurance	26	887,436	887,378	821,795	2,385	58,103	1,135	3,714	246	58	-	-	-	4	54	-
(100.0)		(100.0)	(100.0)	(92.6)	(0.3)	(6.5)	(0.1)	(0.4)	(0.0)	(0.0)	-	-	-	(0.0)	(0.0)	-
Real estate and goods rental and leasing	8	20,936	20,815	5,204	14,381	701	526	3	-	121	-	-	-	x	x	-
(100.0)		(99.4)	(99.4)	(24.9)	(68.7)	(3.3)	(2.5)	(0.0)	-	(0.6)	-	-	-	x	x	-
Education, learning support	2	x	x	x	-	x	-	-	-	-	-	-	-	-	-	-
Accommodations, eating and drinking services	7	14,199	13,751	3,152	18	10,521	51	-	9	448	-	-	-	447	-	1
(100.0)		(96.8)	(96.2)	(22.2)	(0.1)	(74.1)	(0.4)	-	(0.1)	(3.2)	-	-	-	(3.1)	-	(0.0)
Living-related and personal services and amusement services	4	7,625	7,623	2,507	-	3,275	279	1,562	-	2	-	-	-	-	-	2
(100.0)		(100.0)	(100.0)	(32.9)	-	(43.0)	(3.7)	(20.5)	-	(0.0)	-	-	-	-	-	(0.0)
Education, learning support	4	36,020	32,572	22,656	-	9,483	433	-	-	3,448	-	-	-	114	3,334	-
(100.0)		(90.4)	(90.4)	(62.9)	-	(26.3)	(1.2)	-	-	(9.6)	-	-	-	(0.3)	(9.3)	-
Medical, health care and welfare	2	x	x	x	-	x	-	-	-	-	-	-	-	-	-	-
Compound services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services, N.E.C.	23	30,655	28,305	7,668	678	13,635	6,301	-	23	2,350	-	-	-	342	1,875	133
(100.0)		(92.3)	(92.3)	(25.0)	(2.2)	(44.5)	(20.6)	-	(0.1)	(7.7)	-	-	-	(1.1)	(6.1)	(0.4)
Unknown	6	10,009	10,009	9,319	-	141	197	334	18	-	-	-	-	-	-	-
(100.0)		(100.0)	(100.0)	(93.1)	-	(1.4)	(2.0)	(3.3)	(0.2)	-	-	-	-	-	-	-



4. Status of employment

(1) Number of employees by type of employment

- The number of regular workers was 19,278. By employment size, the number of companies employing 10 persons or more and fewer than 50 persons accounted for 31.8% of the total, while companies with fewer than 5 employees made up 22.3% and those with 50 or more and fewer than 100 persons 17.0%. The number of dispatched workers was 592 and that of workers transferred to other companies, etc. was 11,785.
- Full-time workers constituted 46.0% of the total number of regular workers while workers transferred from subsidiaries or affiliates accounted for more, at 47.4%. By industry, of whole group including group companies, in manufacturing, full-time workers made up 60.7% and workers transferred from subsidiaries or affiliates 32.2%, wholesale and retail trade 47.5%, 45.5%, and finance and insurance 6.5%, 92.5% respectively.

Figure 1-4 (1) Number of employees by employment size

Employment size (persons)	No. of companies	No. of regular workers	No. of companies (%)	No. of companies	No. of dispatched workers	No. per company	No. of companies	No. of workers transferred to other companies, etc.	No. per company
Total	283	19,278	100.0	276	592	2.1	276	11,785	42.7
Fewer than 5	63	x	22.3	62	-	-	63	x	x
5 or more and fewer than 10	34	236	12.0	34	x	x	34	103	3.0
10 or more and fewer than 50	90	2,358	31.8	89	58	0.7	88	240	2.7
50 or more and fewer than 100	48	3,516	17.0	47	90	1.9	47	2,361	50.2
100 or more and fewer than 300	34	5,207	12.0	32	179	5.6	31	1,523	49.1
300 or more and fewer than 1,000	12	5,345	4.2	11	166	15.1	12	7,438	619.8
1,000 or more	2	x	0.7	1	x	x	1	x	x

Figure 1-4 (2) Number of employees by industry of whole group

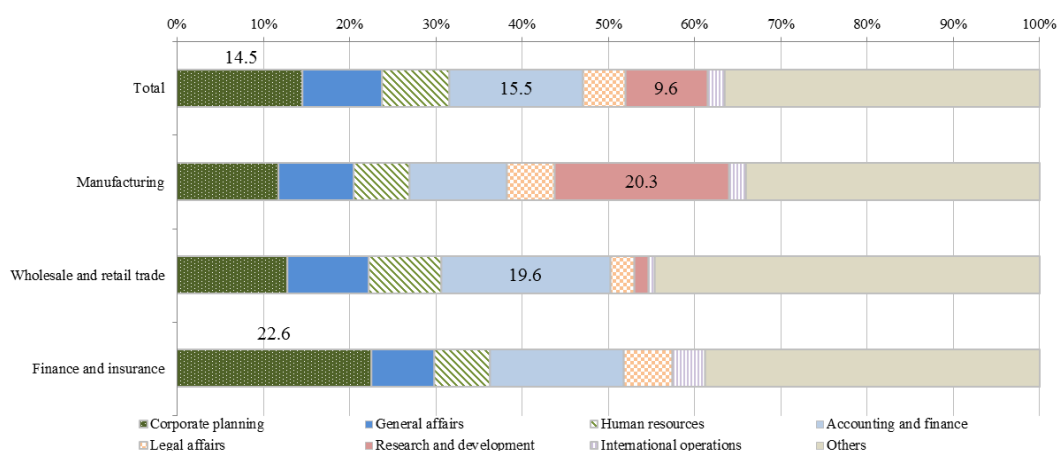
By industry of whole group	No. of companies	No. of regular workers			Rate (%)	
		(1) Total	(2) No. of full-time workers	(3) No. of workers transferred from subsidiaries or affiliates	(2)÷(1) x100	(3)÷(1) x100
Total	277	18,642	8,579	8,827	46.0	47.4
Agriculture and forestry	-	-	-	-	-	-
Fisheries	1	x	x	x	-	-
Mining and quarrying of stone and gravel	-	-	-	-	-	-
Construction	11	314	180	126	57.3	40.1
Manufacturing	73	6,594	4,003	2,123	60.7	32.2
Electricity, gas, heat supply and water	1	x	x	-	-	-
Information and communications	24	1,017	728	85	71.6	8.4
Transport and postal activities	14	520	366	111	70.4	21.3
Wholesale and retail trade	60	3,492	1,659	1,588	47.5	45.5
Finance and insurance	27	3,812	249	3,528	6.5	92.5
Real estate and goods rental and leasing	10	382	202	142	52.9	37.2
Scientific research, professional and technical services	3	30	23	-	76.7	-
Accommodations, eating and drinking services	8	775	271	494	35.0	63.7
Living-related and personal services and amusement services	4	91	90	-	98.9	-
Education, learning support	5	340	86	207	25.3	60.9
Medical, health care and welfare	2	x	x	x	-	-
Compound services	-	-	-	-	-	-
Services, N.E.C.s	25	911	589	258	64.7	28.3
Unknown	9	x	x	x	-	-

(2) Number of regular workers by business division

- By division, 15.5% of regular workers belonged to the accounting and finance division, 14.5% corporate planning, and 9.6% research and development.
- By industry of the whole group, including group companies, research and development of manufacturing, accounting and finance of wholesale and retail trade, and corporate planning of finance and insurance had a large number of workers with 20.3%, 19.6%, and 22.6% respectively.

Figure 1-4 (3) Number of regular workers by business division

Industry of whole group	No. of companies	No. of regular workers by their division								
		Total	Corporate planning	General affairs	Human resources	Accounting and finance	Legal affairs	Research and development	International operations	Others
Total	280	18,131	2,636	1,676	1,411	2,809	886	1,734	355	6,624
(% to total)		(100.0)	(14.5)	(9.2)	(7.8)	(15.5)	(4.9)	(9.6)	(2.0)	(36.5)
Agriculture and forestry	-	-	-	-	-	-	-	-	-	-
Fisheries	1	x	x	x	-	x	x	x	x	x
Mining and quarrying of stone and gravel	-	-	-	-	-	-	-	-	-	-
Construction	11	314	34	65	39	110	6	3	3	54
(% to total)		(100.0)	(10.8)	(20.7)	(12.4)	(35.0)	(1.9)	(1.0)	(1.0)	(17.2)
Manufacturing	76	6,877	814	595	448	774	378	1,393	136	2,339
(% to total)		(100.0)	(11.8)	(8.7)	(6.5)	(11.3)	(5.5)	(20.3)	(2.0)	(34.0)
Electricity, gas, heat supply and water	1	x	x	-	-	-	-	-	-	-
Information and communications	24	1,017	111	117	78	158	109	121	22	301
(% to total)		(100.0)	(10.9)	(11.5)	(7.7)	(15.5)	(10.7)	(11.9)	(2.2)	(29.6)
Transport and postal activities	14	520	72	60	69	93	25	-	3	198
(% to total)		(100.0)	(13.8)	(11.5)	(13.3)	(17.9)	(4.8)	-	(0.6)	(38.1)
Wholesale and retail trade	61	3,579	460	337	299	701	99	60	25	1,598
(% to total)		(100.0)	(12.9)	(9.4)	(8.4)	(19.6)	(2.8)	(1.7)	(0.7)	(44.6)
Finance and insurance	27	2,950	667	212	191	458	165	-	114	1,143
(% to total)		(100.0)	(22.6)	(7.2)	(6.5)	(15.5)	(5.6)	-	(3.9)	(38.7)
Real estate and goods rental and leasing	10	382	33	37	42	88	15	-	9	158
(% to total)		(100.0)	(8.6)	(9.7)	(11.0)	(23.0)	(3.9)	-	(2.4)	(41.4)
Scientific research, professional and technical services	3	30	13	6	3	2	-	-	-	6
(% to total)		(100.0)	(43.3)	(20.0)	(10.0)	(6.7)	-	-	-	(20.0)
Accommodations, eating and drinking services	8	775	79	59	93	153	19	8	5	359
(% to total)		(100.0)	(10.2)	(7.6)	(12.0)	(19.7)	(2.5)	(1.0)	(0.6)	(46.3)
Living-related and personal services and amusement services	3	72	19	4	8	5	1	-	-	35
(% to total)		(100.0)	(26.4)	(5.6)	(11.1)	(6.9)	(1.4)	-	-	(48.6)
Education, learning support	5	340	45	10	17	55	x	x	x	124
(% to total)		(100.0)	(13.2)	(2.9)	(5.0)	(16.2)	-	-	-	(36.5)
Medical, health care and welfare	2	x	x	x	x	x	-	-	-	x
Compound services	-	-	-	-	-	-	-	-	-	-
Services, N.E.C.s	25	911	195	135	108	168	59	40	3	203
(% to total)		(100.0)	(21.4)	(14.8)	(11.9)	(18.4)	(6.5)	(4.4)	(0.3)	(22.3)
Unknown	9	x	x	x	x	x	-	-	-	x



5. Functions performed by pure holding companies

- With regard to types of functions performed by pure holding companies, group-governance related functions were commonly performed as in group business auditing (79.1%), developing and promoting group management strategies (76.6%), and group management philosophy and vision (72.9%). On another note, pure holding companies performing research and technology development functions accounted for a small proportion, at 15.4% of the total, while this rate, if limited to those with assets of 1 trillion yen or more, reached 50.0%.

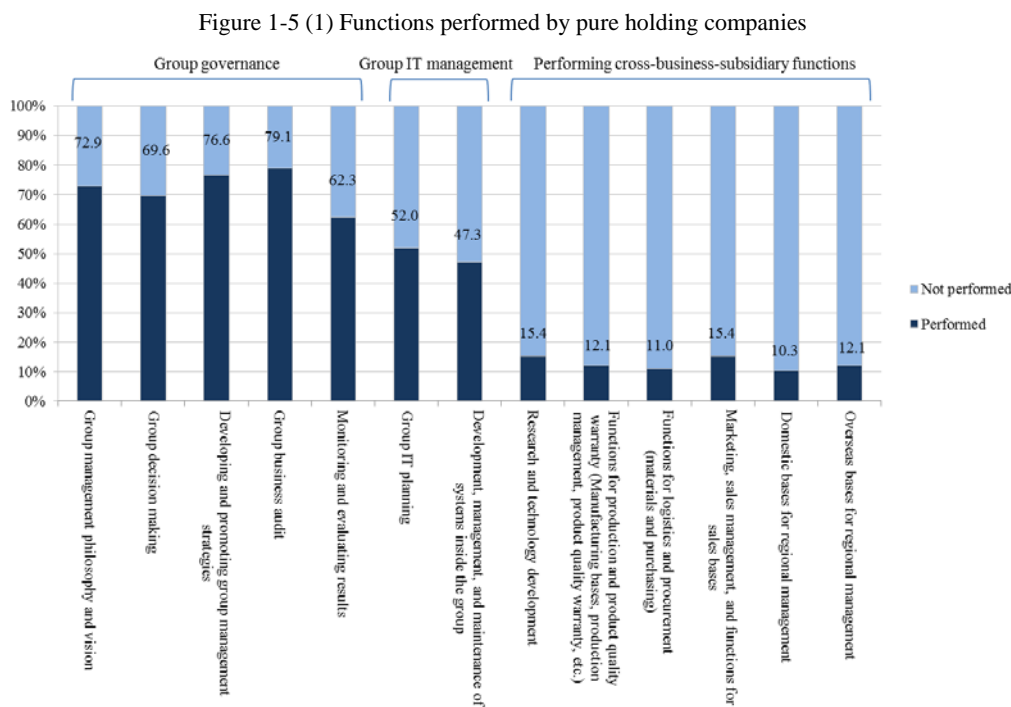
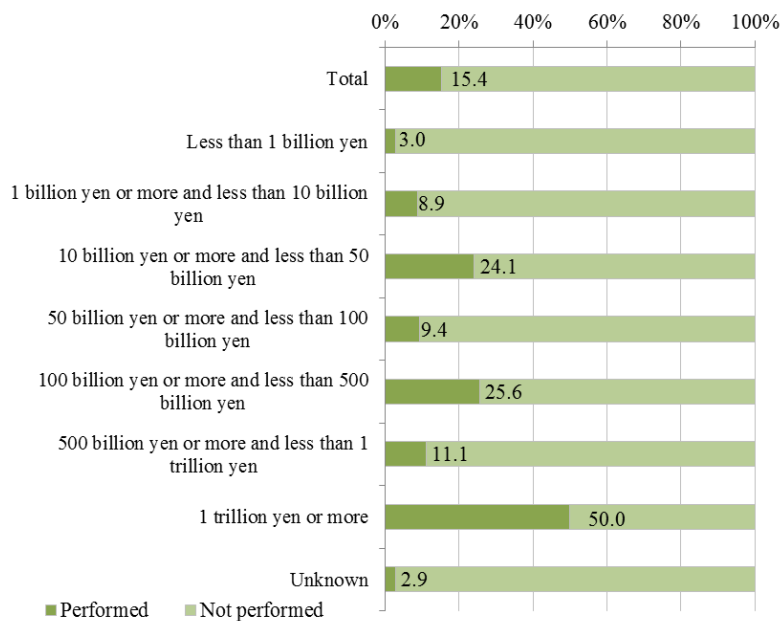


Figure 1-5 (2) Percentage of companies performing research and technology development function by size of capital



Chapter 2 Status of subsidiaries and affiliates

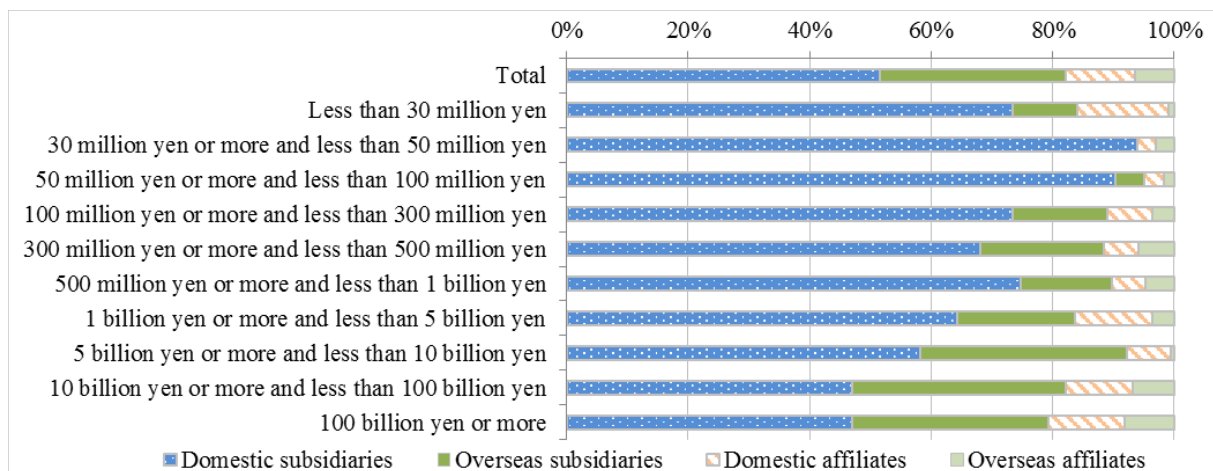
1. Status of subsidiaries and affiliates in Japan and overseas

- Pure holding companies owned 4,711 subsidiaries in Japan and 2,789 abroad. They also had 1,042 domestic and 586 overseas affiliates.
- On average a pure holding company had 17 domestic and 10 overseas subsidiaries, and 4 domestic and 2 overseas affiliates. A breakdown by size of capital shows a trend where the number of subsidiaries and affiliates tends to be greater as the size of capital gets larger.

Figure 2-1 (1) Number of subsidiaries and affiliates by location (domestic or overseas)

By size of capital	No. of companies	Subsidiaries		Affiliates		No. per company			
		Domestic	Overseas	Domestic	Overseas	Subsidiaries		Affiliates	
						Domestic	Overseas	Domestic	Overseas
Total	279	4,711	2,789	1,042	586	17	10	4	2
Less than 30 million yen	33	83	12	17	1	3	0	1	0
30 million yen or more and less than 50 million yen	9	31	-	1	1	3	-	0	0
50 million yen or more and less than 100 million yen	20	112	6	4	2	6	0	0	0
100 million yen or more and less than 300 million yen	30	146	31	15	7	5	1	1	0
300 million yen or more and less than 500 million yen	7	47	14	4	4	7	2	1	1
500 million yen or more and less than 1 billion yen	18	124	25	9	8	7	1	1	0
1 billion yen or more and less than 5 billion yen	62	589	176	117	33	10	3	2	1
5 billion yen or more and less than 10 billion yen	18	252	147	32	2	14	8	2	0
10 billion yen or more and less than 100 billion yen	62	1,519	1,142	357	218	25	18	6	4
100 billion yen or more	20	1,808	1,236	486	310	90	62	24	16

Figure 2-1 (2) Percentage of subsidiaries and affiliates by location (domestic or overseas)



2. Increase and decrease of domestic and overseas subsidiaries

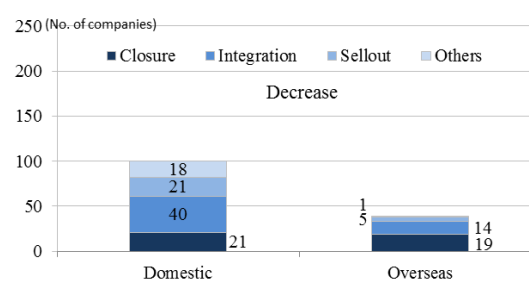
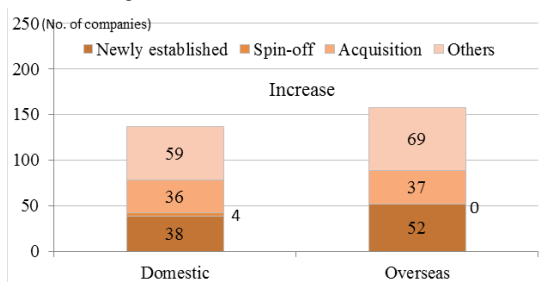
- With regard to subsidiaries of whole groups including group companies, the number of the increase was 414 and that of the decrease was 411 in Japan, whereas 471 were gained and 257 were lost overseas. In particular, manufacturing and finance and insurance saw the largest rates of change.
- With regards to causes, manufacturing's increases by 38 subsidiaries in Japan and 52 overseas were attributed to newly established subsidiaries. The domestic manufacturing's decrease by 40 was due to integration, whereas the overseas decrease by 19 was as a result of closure. In the meantime, newly established actors added 168 domestic and 185 overseas subsidiaries in the finance and insurance industry. 156 domestic and 191 overseas subsidiaries were decreased due to closure.
- Figure 2-2 (1) Number of increase and decrease of subsidiaries by location (domestic or overseas)

By industry of whole group	No. of companies	Domestic		Overseas		Rate (%)			
		Increase	Decrease	Increase	Decrease	Domestic	Overseas	Domestic	Overseas
Total	147	414	411	471	257	100.0	100.0	100.0	100.0
Agriculture and forestry	-	-	-	-	-	-	-	-	-
Mining and quarrying of stone and gravel	-	-	-	-	-	-	-	-	-
Construction	6	6	6	1	1	1.4	1.5	0.2	0.4
Manufacturing	38	137	100	158	39	33.1	24.3	33.5	15.2
Electricity, gas, heat supply and water	-	-	-	-	-	-	-	-	-
Information and communications	17	13	14	11	5	3.1	3.4	2.3	1.9
Transport and postal activities	7	6	12	7	2	1.4	2.9	1.5	0.8
Wholesale and retail trade	32	53	32	48	3	12.8	7.8	10.2	1.2
Finance and insurance	17	176	224	226	203	42.5	54.5	48.0	79.0
Real estate and goods rental and leasing	6	3	9	9	-	0.7	2.2	1.9	-
Scientific research, professional and technical services	-	-	-	-	-	-	-	-	-
Accommodations, eating and drinking services	4	2	2	3	1	0.5	0.5	0.6	0.4
Living-related and personal services and amusement services	3	1	1	-	2	0.2	0.2	-	0.8
Compound services	-	-	-	-	-	-	-	-	-
Services, N.E.C.s	8	12	5	4	-	2.9	1.2	0.8	-
* Others	9	5	6	4	1	1.2	1.5	0.8	0.4

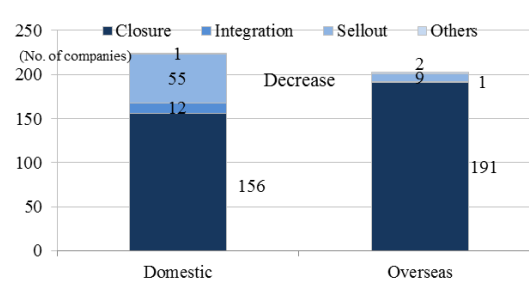
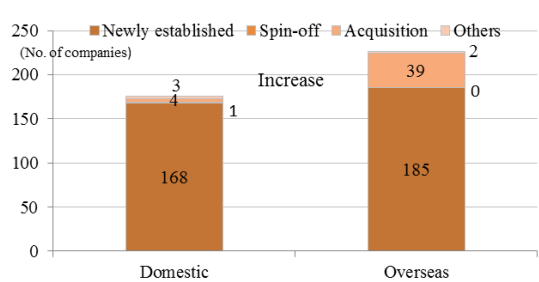
* Others = Fisheries + Education, learning support + Medical, health care and welfare + Unknown

Figure 2-2 (2) Number of increase and decrease of subsidiaries (domestic and overseas) by cause

Manufacturing



Finance and insurance



3. Industries of subsidiaries and whole groups

- With regard to subsidiaries in the same industry as that of the whole group including group companies, overseas subsidiaries were more likely to be in the same industry as the whole group's than domestic subsidiaries were as seen in manufacturing where 68.9% of overseas subsidiaries belonged to their group's industry compared to 51.4% of domestic subsidiaries; or in finance and insurance where 87.9% of overseas subsidiaries compared to 62.4% of domestic shared the industry with their group.

Figure 2-3 Relations of industries between subsidiaries and whole groups

Industry of whole group	No. of companies	No. of domestic subsidiaries	No. of overseas subsidiaries	Domestic		Overseas		% of no. of subsidiaries in their group's industry	
				Subsidiaries in their group's industry	Subsidiaries in other industries	Subsidiaries in their group's industry	Subsidiaries in other industries	% to total no. of domestic subsidiaries	% to total no. of overseas subsidiaries
Total	273	4,355	2,458						
Agriculture and forestry	-	-	-	-	-	-	-	-	-
Mining and quarrying of stone and gravel	-	-	-	-	-	-	-	-	-
Construction	11	121	14	77	44	2	12	63.6	14.3
Manufacturing	70	1,367	1,243	702	665	856	387	51.4	68.9
Information and communications	24	201	53	149	52	51	2	74.1	96.2
Transport and postal activities	13	208	36	139	69	28	8	66.8	77.8
Wholesale and retail trade	63	815	205	448	367	118	87	55.0	57.6
Finance and insurance	27	1,078	693	673	405	609	84	62.4	87.9
Real estate and goods rental and leasing	10	87	30	49	38	27	3	56.3	90.0
Scientific research, professional and technical services	3	11	-	11	-	-	-	100.0	-
Accommodations, eating and drinking services	8	83	28	22	61	20	8	26.5	71.4
Living-related and personal services and amusement services	4	30	37	21	9	34	3	70.0	91.9
Education, learning support	5	48	40	24	24	30	10	50.0	75.0
Compound services	-	-	-	-	-	-	-	-	-
Services, N.E.C.s	24	163	19	105	58	19	0	64.4	100.0
Others*	4	103	45	55	48	29	16	53.4	64.4
Unknown	7	40	15						

* Others = Fisheries + Education, learning support + Medical, health care and welfare

- Number of subsidiaries in their group's industry is acquired by classifying subsidiaries by Major group of Japan Standard Industrial Classification and counting the number of subsidiaries which have turned out to belong to the industry of their group.

Chapter 3 Relations of pure holding companies with subsidiaries and affiliates

1. Loans which pure holding companies extend to group companies or receive from group companies.

- With regard to the financial flow between pure holding companies and group companies, most loans which pure holding companies extended (99.1% of short-term and 99.7% of long-term) are made to group companies. In the meantime, 63.5% of short-term and 8.4% of long-term loans that pure holding companies received came from group companies.

Figure 3-1 Loans which pure holding companies extended and received

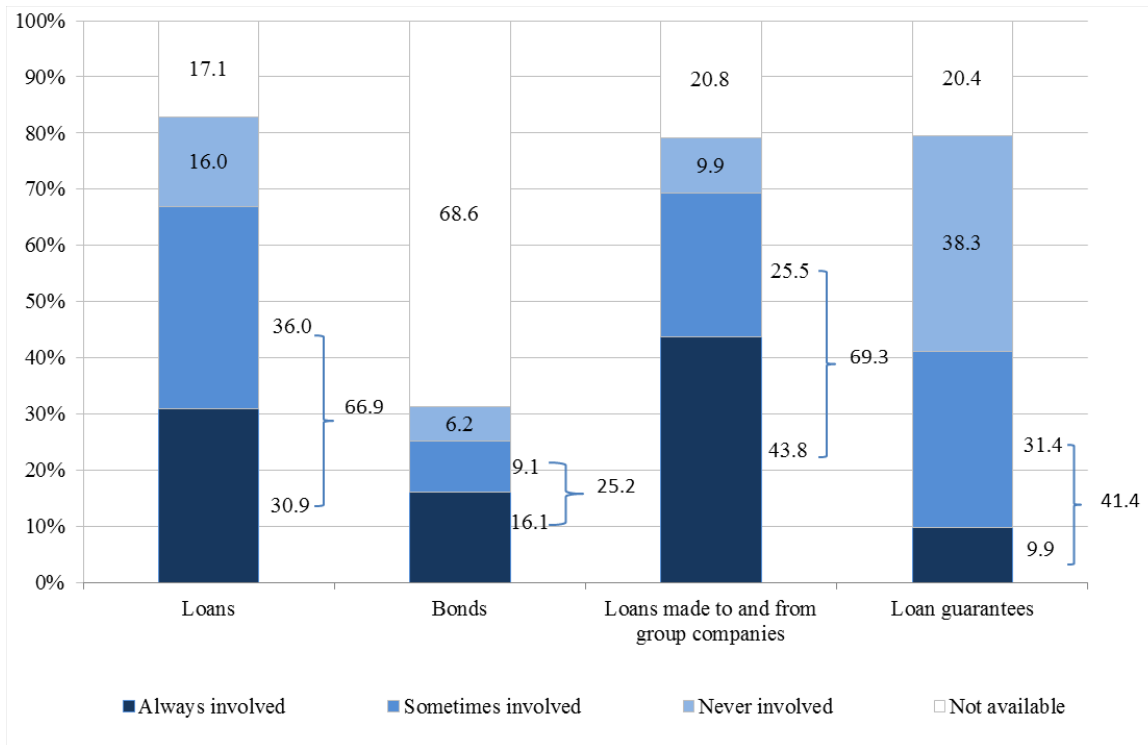
By industry of whole group	No. of companies	Flows of loans extended (million yen)				Rate (%)	
		(1) Short-term loans	(2) To group companies	(3) Long-term loans	(4) To group companies	(2)÷(1)×100	(4)÷(3)×100
Total	251	8,399,420	8,322,298	5,210,659	5,192,971	99.1	99.7
Agriculture and forestry	-	-	-	-	-	-	-
Fisheries	1	x	x	x	x	-	-
Mining and quarrying of stone and gravel	-	-	-	-	-	-	-
Construction	10	31,376	31,149	18,481	18,482	99.3	100.0
Manufacturing	69	3,241,272	3,188,187	3,061,163	3,045,214	98.4	99.5
Electricity, gas, heat supply and water	1	-	-	x	x	-	-
Information and communications	23	7,623	7,545	27,352	27,335	99.0	99.9
Transport and postal activities	12	59,861	59,761	165,503	165,480	99.8	100.0
Wholesale and retail trade	58	1,067,669	1,047,070	484,219	483,130	98.1	99.8
Finance and insurance	26	3,128,303	3,128,174	555,476	555,347	100.0	100.0
Real estate and goods rental and leasing	8	127,511	127,487	661,075	661,071	100.0	100.0
Scientific research, professional and technical services	2	-	-	-	-	-	-
Accommodations, eating and drinking services	7	610,198	610,197	126,289	126,288	100.0	100.0
Living-related and personal services and amusement services	4	x	x	23,232	22,952	-	98.8
Education, learning support	4	500	486	8,060	7,986	97.2	99.1
Medical, health care and welfare	2	x	x	x	x	-	-
Compound services	-	-	-	-	-	-	-
Services, N.E.C.s	20	35,251	34,908	1,171	1,049	99.0	89.6
Unknown	4	-	-	x	x	-	-

By industry of whole group	No. of companies	Flows of loans received (million yen)				Rate (%)	
		(1) Short-term loans	(2) From group companies	(3) Long-term loans	(4) From group companies	(2)÷(1)×100	(4)÷(3)×100
Total	251	7,968,718	5,058,764	7,388,984	621,979	63.5	8.4
Agriculture and forestry	-	-	-	-	-	-	-
Fisheries	1	x	-	x	-	-	-
Mining and quarrying of stone and gravel	-	-	-	-	-	-	-
Construction	10	34,807	-	15,760	-	-	-
Manufacturing	69	2,284,003	832,053	3,376,996	122,461	36.4	3.6
Electricity, gas, heat supply and water	1	x	-	x	x	-	-
Information and communications	23	45,547	15,532	12,252	1,175	34.1	9.6
Transport and postal activities	12	153,878	102,472	190,509	4,326	66.6	2.3
Wholesale and retail trade	58	988,717	575,422	688,626	20,947	58.2	3.0
Finance and insurance	26	3,767,415	3,421,761	2,018,737	441,513	90.8	21.9
Real estate and goods rental and leasing	8	173,154	616	479,832	1,366	0.4	0.3
Scientific research, professional and technical services	2	x	-	x	-	-	-
Accommodations, eating and drinking services	7	330,342	32,116	400,601	-	9.7	-
Living-related and personal services and amusement services	4	1,437	151	7,731	658	10.5	8.5
Education, learning support	4	6,698	-	60,356	-	-	-
Medical, health care and welfare	2	x	-	x	-	-	-
Compound services	-	-	-	-	-	-	-
Services, N.E.C.s	20	51,268	40,482	19,733	463	79.0	2.3
Unknown	4	38,175	38,159	29,068	x	100.0	-

2. Degree of involvement of pure holding companies when group companies seek loans

- Concerning the degree of involvement of pure holding companies when group companies seek loans from outside, 66.9% of pure holding companies were somehow involved (a total of those that replied “always involved” and “Sometimes involved”). Also, many pure holding companies (69.3%) were involved in loans made to and from group companies. On another note, many pure holding companies (38.3%) were not involved in loan guarantees.

Figure 3-2 Degree of involvement of pure holding companies when group companies seek loans



3. Number of officers and percentage of those who have a concurrent post.

- The number of officers per pure holding company was 12.2 and it tended to increase as the size of capital got larger.
- Of all the officers in group companies, those who have a concurrent post as an officer or full-time worker at pure holding companies accounted for 22.7%. This rate was especially high at 42.1% for auditors.

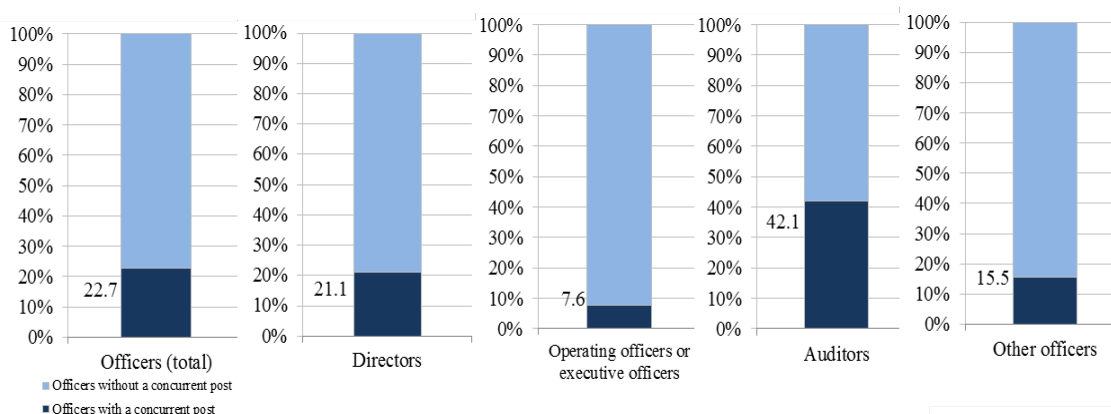
Figure 3-3 (1) Number of officers in pure holding companies

Size of capital	No. of companies	No. of officers in pure holding companies (unconsolidated)					No. per company				
		Total no. of officers	No. of directors	No. of operating officers or executive officers	No. of auditors	No. of other officers	Total no. of officers	No. of directors	No. of operating officers or executive officers	No. of auditors	No. of other officers
Total	284	3,454	1,859	811	774	10	12.2	6.5	2.9	2.7	0.0
Less than 30 million yen	34	137	116	2	19	-	4.0	3.4	0.1	0.6	-
30 million yen or more and less than 50 million yen	9	38	31	-	7	-	4.2	3.4	-	0.8	-
50 million yen or more and less than 100 million yen	20	141	112	7	22	-	7.1	5.6	0.4	1.1	-
100 million yen or more and less than 300 million yen	30	201	143	11	47	-	6.7	4.8	0.4	1.6	-
300 million yen or more and less than 500 million yen	7	67	41	11	15	-	9.6	5.9	1.6	2.1	-
500 million yen or more and less than 1 billion yen	18	209	104	45	57	3	11.6	5.8	2.5	3.2	0.2
1 billion yen or more and less than 5 billion yen	61	740	395	129	210	6	12.1	6.5	2.1	3.4	0.1
5 billion yen or more and less than 10 billion yen	20	336	149	116	70	1	16.8	7.5	5.8	3.5	0.1
10 billion yen or more and less than 100 billion yen	64	1,125	558	314	253	-	17.6	8.7	4.9	4.0	-
100 billion yen or more	21	460	210	176	74	-	21.9	10.0	8.4	3.5	-

Figure 3-3 (2) Percentage of those who have a concurrent post

Size of capital	No. of companies	No. of officers in whole groups excluding pure holding companies (unconsolidated) (total)															
		Total no. of officers	No. of those who concurrently work as officer or full-time worker at pure holding companies		No. of directors	No. of those who concurrently work as officer or full-time worker at pure holding companies		No. of operating officers or executive officers	No. of those who concurrently work as officer or full-time worker at pure holding companies		No. of auditors	No. of those who concurrently work as officer or full-time worker at pure holding companies		No. of other officers	No. of those who concurrently work as officer or full-time worker at pure holding companies		
			Total no. of those with concurrent posts	% of those with concurrent posts		Total no. of those with concurrent posts	% of those with concurrent posts		Total no. of those with concurrent posts	% of those with concurrent posts		Total no. of those with concurrent posts	% of those with concurrent posts		Total no. of those with concurrent posts	% of those with concurrent posts	
Total	239	22,249	5,050	22.7	15,606	3,286	21.1	2,846	216	7.6	3,629	1,526	42.1	168	26	15.5	
Less than 30 million yen	28	283	91	32.2	217	79	36.4	12	-	-	54	12	22.2	-	-	-	
30 million yen or more and less than 50 million yen	9	137	30	21.9	108	19	17.6	6	-	-	23	11	47.8	-	-	-	
50 million yen or more and less than 100 million yen	19	445	144	32.4	318	122	38.4	24	1	4.2	103	21	20.4	-	-	-	
100 million yen or more and less than 300 million yen	27	766	175	22.8	571	132	23.1	54	-	-	139	43	30.9	2	-	-	
300 million yen or more and less than 500 million yen	6	305	76	24.9	206	48	23.3	28	10	35.7	64	14	21.9	7	4	57.1	
500 million yen or more and less than 1 billion yen	15	589	273	46.3	401	162	40.4	75	26	34.7	108	84	77.8	5	1	20.0	
1 billion yen or more and less than 5 billion yen	56	3,366	1,115	33.1	2,446	767	31.4	352	45	12.8	534	296	55.4	34	7	20.6	
5 billion yen or more and less than 10 billion yen	16	1,816	491	27.0	1,294	324	25.0	217	17	7.8	303	154	50.8	2	-	-	
10 billion yen or more and less than 100 billion yen	51	10,106	2,140	21.2	7,069	1,329	18.8	1,321	74	5.6	1,611	723	44.9	105	14	13.3	
100 billion yen or more	12	4,436	515	11.6	2,976	304	10.2	757	43	5.7	690	168	24.3	13	-	-	

* Total no. of those with concurrent posts = number of those who concurrently work as officer or full-time worker at pure holding companies regardless of whether working full-time or part-time at group companies



4. Details of industrial property rights owned by whole groups and pure holding companies

- Pure holding companies own 25.4% of total industrial property rights owned by the whole groups including group companies. By type of right, pure holding companies accounted for 35.0% of trademark rights, 18.0% of utility model rights, 17.3% of design rights, and 12.6% of patents.
- The number of persons dealing with intellectual property per company was 5.3 in a whole group and 1.5 in a pure holding company. Manufacturing as an industry of whole group was high in these numbers with 16.9 and 4.4 persons per a whole group and a pure holding company respectively.

Figure 3-4 (1) Details of industrial property rights owned by whole groups and pure holding companies

Industry of whole group	No. of companies	(1) No. of rights owned by the whole groups					(2) No. of rights owned by pure holding companies (unconsolidated)					(2)-(1)x100				
		Total	Patent	Utility model right	Design right	Trademark right	Total	Patent	Utility model right	Design right	Trademark right	Total	Patent	Utility model right	Design right	Trademark right
Total	231	159,753	62,943	328	6,632	89,850	40,540	7,912	59	1,149	31,420	25.4	12.6	18.0	17.3	35.0
Agriculture and forestry	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fisheries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mining and quarrying of stone and gravel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Construction	7	716	477	9	48	182	4	-	-	-	4	-	-	-	-	2.2
Manufacturing	61	137,724	61,878	255	6,272	69,319	32,495	7,841	48	1,101	23,505	23.6	12.7	18.8	17.6	33.9
Electricity, gas, heat supply and water	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Information and communications	22	3,462	100	6	6	3,350	1,929	8	6	6	1,909	55.7	8.0	100.0	100.0	57.0
Transport and postal activities	13	413	37	-	2	374	352	29	-	2	321	85.2	78.4	-	100.0	85.8
Wholesale and retail trade	53	10,332	233	32	194	9,873	3,791	1	3	3	3,784	36.7	0.4	9.4	1.5	38.3
Finance and insurance	21	2,869	92	6	31	2,740	437	28	-	31	378	15.2	30.4	-	100.0	13.8
Real estate and goods rental and leasing	9	302	-	1	1	300	21	-	-	-	21	7.0	-	-	-	7.0
Scientific research, professional and technical services	2	-	x	-	-	x	-	-	-	-	-	-	-	-	-	-
Accommodations, eating and drinking services	7	1,295	62	7	20	1,206	191	2	-	-	189	14.7	3.2	-	-	15.7
Living-related and personal services and amusement services	3	-	x	-	3	x	45	-	-	3	42	-	-	-	100.0	-
Education, learning support	5	2,247	18	10	50	2,169	1,073	-	-	-	1,073	47.8	-	-	-	49.5
Medical, health care and welfare	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Compound services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services, N.E.C.s	21	265	27	2	3	233	164	3	2	1	158	61.9	11.1	100.0	33.3	67.8
Unknown	6	39	-	-	2	37	38	-	-	2	36	97.4	-	-	100.0	97.3

Figure 3-4 (2) Number of persons dealing with intellectual property in whole groups and pure holding companies

Industry of whole group	No. of companies	No. of persons dealing with intellectual property		No. of persons per company	
		No. of persons dealing with intellectual property in the whole groups	No. of persons dealing with intellectual property in pure holding companies (unconsolidated)	No. of persons dealing with intellectual property in the whole groups	No. of persons dealing with intellectual property in pure holding companies (unconsolidated)
Total	238	1,263	352	5.3	1.5
Agriculture and forestry	-	-	-	-	-
Fisheries	-	-	-	-	-
Mining and quarrying of stone and gravel	-	-	-	-	-
Construction	8	23	1	2.9	0.1
Manufacturing	61	1,032	268	16.9	4.4
Electricity, gas, heat supply and water	1	-	-	-	-
Information and communications	24	50	22	2.1	0.9
Transport and postal activities	13	7	4	0.5	0.3
Wholesale and retail trade	55	40	17	0.7	0.3
Finance and insurance	19	24	5	1.3	0.3
Real estate and goods rental and leasing	9	41	10	4.6	1.1
Scientific research, professional and technical services	2	x	x	-	-
Accommodations, eating and drinking services	7	2	2	0.3	0.3
Living-related and personal services and amusement services	3	x	x	-	-
Education, learning support	5	13	3	2.6	0.6
Medical, health care and welfare	1	x	-	-	-
Compound services	-	-	-	-	-
Services, N.E.C.s	24	21	14	0.9	0.6
Unknown	6	1	1	0.2	0.2

Chapter 4 Forms of pure holding companies

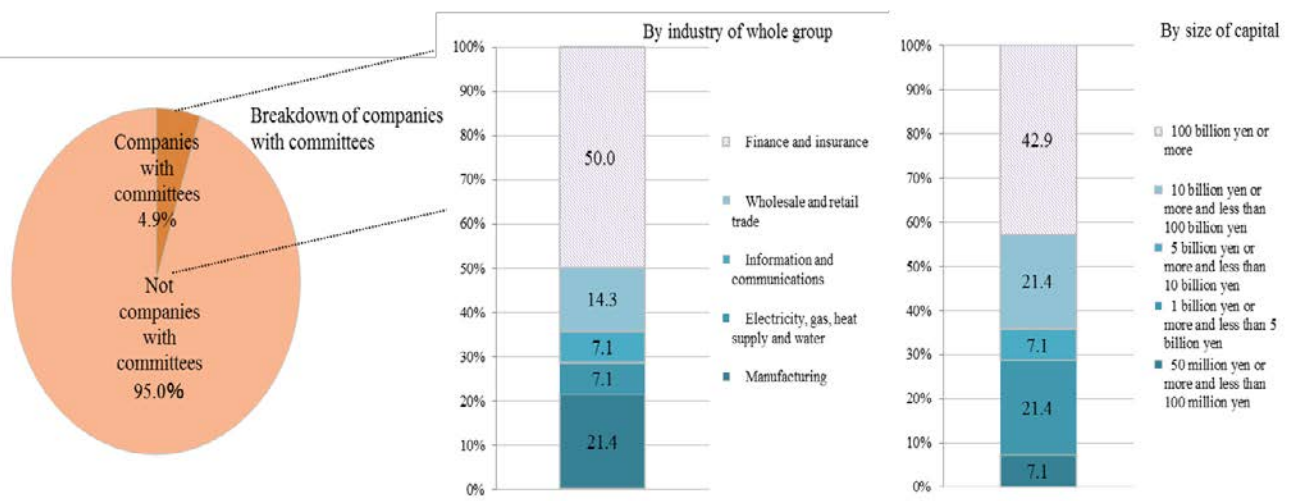
1. Companies with committees

- Fourteen companies were companies with committees, accounting for 4.9% of the total.
- By industry of whole group, seven companies (50.0%) of all the companies with committees were in finance and insurance. By size of capital, six companies (42.9%) had capital of 100 billion yen or more.

Figure 4-1 Companies with committees or not

Industry of whole group	No. of companies with committees			
	Total	Companies with committees	Composition rate (%)	Not companies with committees
Total	283	14	100.0	269
Agriculture and forestry	-	-	-	-
Fisheries	1	-	-	1
Mining and quarrying of stone and gravel	-	-	-	-
Construction	11	-	-	11
Manufacturing	75	3	21.4	72
Electricity, gas, heat supply and water	1	1	7.1	-
Information and communications	24	1	7.1	23
Transport and postal activities	14	-	-	14
Wholesale and retail trade	62	2	14.3	60
Finance and insurance	28	7	50.0	21
Real estate and goods rental and leasing	9	-	-	9
Scientific research, professional and technical services	3	-	-	3
Accommodations, eating and drinking services	8	-	-	8
Living-related and personal services and amusement services	4	-	-	4
Education, learning support	5	-	-	5
Medical, health care and welfare	2	-	-	2
Compound services	-	-	-	-
Services, N.E.C.s	25	-	-	25
Unknown	11	-	-	11

By size of capital	No. of companies with committees			
	Total	Companies with committees	Composition rate (%)	Not companies with committees
Total	283	14	100.0	269
Less than 30 million yen	34	-	-	34
30 million yen or more and less than 50 million yen	9	-	-	9
50 million yen or more and less than 100 million yen	19	1	7.1	18
100 million yen or more and less than 300 million yen	31	-	-	31
300 million yen or more and less than 500 million yen	8	-	-	8
500 million yen or more and less than 1 billion yen	17	-	-	17
1 billion yen or more and less than 5 billion yen	61	3	21.4	58
5 billion yen or more and less than 10 billion yen	19	1	7.1	18
10 billion yen or more and less than 100 billion yen	64	3	21.4	61
100 billion yen or more	21	6	42.9	15



2. Application of consolidated tax payment system

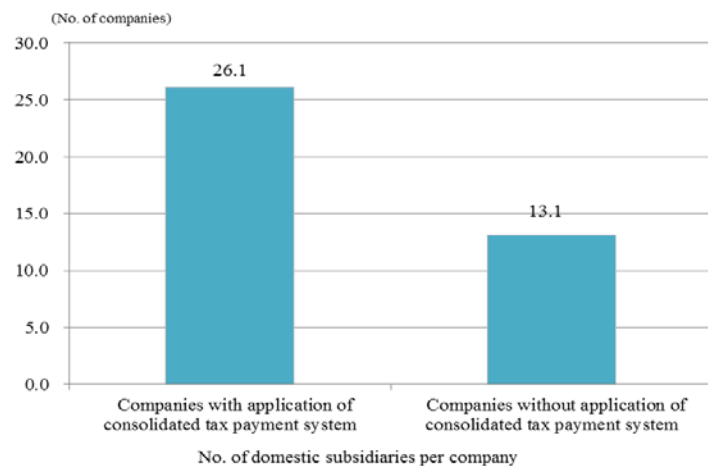
- Consolidated tax payment system was applied to 82 companies or 28.9% of the total. By size of capital, as it got larger, companies were more likely to use the system.
- The number of domestic subsidiaries of companies which used a consolidated tax payment system was 26.1 per company, almost double the number of domestic subsidiaries 13.1 of companies which did not.

Figure 4-2 (1) Status of application of consolidated tax payment system

By size of capital	No. of companies with or without application of consolidated tax payment system			
	Total	With application	Rate (%)	Without application
Total	284	82	28.9	202
Less than 30 million yen	37	1	2.7	36
30 million yen or more and less than 50 million yen	9	1	11.1	8
50 million yen or more and less than 100 million yen	20	3	15.0	17
100 million yen or more and less than 300 million yen	31	4	12.9	27
300 million yen or more and less than 500 million yen	8	2	25.0	6
500 million yen or more and less than 1 billion yen	17	5	29.4	12
1 billion yen or more and less than 5 billion yen	62	18	29.0	44
5 billion yen or more and less than 10 billion yen	17	9	52.9	8
10 billion yen or more and less than 100 billion yen	62	29	46.8	33
100 billion yen or more	21	10	47.6	11

Figure 4-2 (2) Number of subsidiaries and affiliates of companies with or without application of consolidated tax payment system

	No. of companies owning subsidiaries/affiliates	Total				Per company			
		Domestic		Overseas		Domestic		Overseas	
		No. of subsidiaries	No. of affiliates	No. of subsidiaries	No. of affiliates	No. of subsidiaries	No. of affiliates	No. of subsidiaries	No. of affiliates
Total	279	4,711	1,042	2,789	586	17	4	10	2
Companies with application of consolidated tax payment system	80	2,087	613	1,596	307	26	8	20	4
Companies without application of consolidated tax payment system	196	2,576	429	1,193	279	13	2	6	1
Unknown	3	48	-	-	-	16	-	-	-



3. Status of parent companies

- Thirty two pure holding companies (11.0% of the total) had a parent company. Of them, three companies had a parent company of foreign capital which provided more than 50% of their capital.

Figure 4-3 Status of foreign capital and whether or not companies have a parent company

Foreign capital	No. of companies with or without a parent company			
	Total	With	Rate (%)	Without
Total	291	32	100.0	259
Less than 10%	210	26	81.3	184
10% or more and less than 20%	26	1	3.1	25
20% or more and less than 50%	38	2	6.3	36
50%	-	-	-	-
More than 50% and less than 100%	3	1	3.1	2
100%	3	2	6.3	1
Unknown	11	-	-	11

