

2. Operation status

2-1. Operation status

Circle the relevant number for the operation status of your company as of March 31, 2012.

If "5. Dissolution, withdrawal and foreign capital reduced" is applicable, circle one of the corresponding periods during which the dissolution, withdrawal, or foreign capital reduction occurred.

| | | | |
|---|---|--|---|
| 211 | 1. In operation | Company is currently in operation. | * Fill in all the items from 2-2 amounts given below. * Fill in the items 231 "Year of establishment or foreign capitalization," 241 "Reason for which the ratio of shares or equity owned by foreign investors has surpassed one third of the total shares." * i. For those who selected fiscal 2011, please enter item 221, 222 "Transfer of functions" and item 231 "Year of establishment or foreign capitalization". |
| | 2. Before the first accounting term after establishment | Company has not yet reached the first accounting term after establishment or after foreign capitalization. | |
| | 3. Not yet established, not yet in operation | Company has not yet been established/ is not in operation | |
| | 4. Suspended | Company is temporarily out of business or in dormancy. | |
| | 5. Dissolution, withdrawal and reduction of foreign capital ratio reduced | Company dissolved due to liquidation, bankruptcy, takeover, merger or similar reason. Your company's foreign investors have withdrawn or your company's ratio of capitalization by foreign investors has fallen below one third. | |
| i. In FY2011 ii. In or before FY2010 | | | |

2-2. Transfer of functions

2-1. This question is for those who answered "i. Fiscal 2011" in "1. In operation" or "5. Dissolution, withdrawal and foreign capital ratio reduced" for "Operation status".

Are there any functions that were transferred from Japan to overseas during fiscal 2011?

Select an item and circle the corresponding number from below.

For the transferred functions, enter the country and region it was transferred to. (multiple answers possible)

| | | | | | | | |
|-----|---|-----|---|-----|------------------------------|--------------------|-----------------------------------|
| 221 | 1 | Yes |  Only if you answered "Yes" | 222 | Transferred functions | | Country and region transferred to |
| | 2 | No | | | 1 | Corporate planning | |
| | | | 2 | | Sales and marketing | | |
| | | | 3 | | Research and development | | |
| | | | 4 | | Manufacturing and processing | | |
| | | | 5 | | Distribution | | |
| | | | 6 | | Finance | | |
| | | | 7 | | Human resources | | |

*Please refer to "Appendix II. Regional and National Classification Cord Table"

2-3. Year of establishment or foreign capitalization

Please write the two-digit month and four-digit year of the time when the ratio of shares or equity owned by foreign investors surpassed one third of the total shares in your company.

If the ratio of shares or equity owned by foreign investors was less than one third at the time of establishment, give the year when it surpassed one third of the total.

| | | | | | |
|-----|---|------|--|----|---|
| 231 | Year of establishment or foreign capitalization | YYYY | | MM | * If the company that invested in your company was changed either from a foreign investor to another foreign investor or from a foreign investor to a foreign-affiliated holding company, write the initial "Year of establishment or foreign capitalization" instead of the time when the investing company was changed. |
| | | | | | |

2-4. Reason for which the ratio of shares or equity owned by foreign investors has surpassed one-third of the total shares

Select and circle one number from the following.

If your investing company was changed from one foreign investor to another foreign investor or from a foreign investor to a foreign-affiliated holding company, write "Reason for which the ratio of shares or equity owned by foreign investors has surpassed one third of the total shares" at the initial time instead of at the time when the investing company was changed.

| | | |
|-----|--|---|
| 241 | 1. Newly established by a single company | * Please include the case in which the ratio of shares or equity owned by foreign investors has surpassed one third of the total shares due to capital increase in the M&A. |
| | 2. Newly established as a joint venture | |
| | 3. Merger & Acquisition | |
| | 4. Other | |

2-1. For those that selected "1. In operation" under "Operation status", please answer every survey item after "3 Employment (Total full-time persons employed)".

However, if you responded to "The FY2012 Basic Survey of Japanese Business Structure and Activities of the Ministry of Economy, Trade and Industry," fill in the survey items **within the red frame below.**

The "Basic Survey of Japanese Business Structure and Activities" is a designated statistical survey conducted by the Ministry of Economy, Trade and Industry for those companies with 50 employees or more and with capital of 30 million yen or more. For details, refer to page 5 of the "Notes for Completing the Survey Form."

2-1. If you selected an answer other than "1. In operation" under "Operation status", please answer 9 Investment environment in Japan and 15 Future business expansion in Japan.

3. Employment (Total full-time persons employed)

(Persons)

| | | | | | | | |
|-----|--|--|--|--|--|--|--|
| 301 | Total full-time persons employed | | | | | | |
| 302 | (Of which, number of foreign full-time persons employed) | | | | | | |
| 303 | Salaried directors | | | | | | |
| 304 | (Of which, number of foreign salaried directors) | | | | | | |
| 305 | Full-time employees | | | | | | |
| 306 | (Of which, number of foreign full-time employees) | | | | | | |
| 307 | Regular employees, regular staff | | | | | | |
| 308 | (Of which, number of foreign regular employees, regular staff) | | | | | | |
| 309 | Part-timers, casual employees | | | | | | |

* "Full-time employees" refers to regular employees, regular staff, part-timers, and casual employees

* "Full-time employees" refers to those who have employed for a period unspecified or at least one month, and those for at least 18 days within the previous two months at the time the survey conducted.

* Please do not include the number of dispatched workers from a worker dispatching business operator.

* If there are no applicable figures, write down "0."

4. Types and functions of establishments

4-1. Types and functions of establishments in Japan

Please enter the **number of establishments** for each of the below functions.

(Units: No. of establishments)

| | | 411 | 412 | 413 | 414 | 415 | 416 | 417 |
|---|-----------------------|--------------------|---------------------|--------------------------|------------------------------|--------------|---------|-----------------|
| | | Corporate planning | Sales and marketing | Research and development | Manufacturing and processing | Distribution | Finance | Human resources |
| 1 | No. of establishments | | | | | | | |

* If an establishment bears multiple functions, enter it in each applicable function. Enter "0" if there is no applicable figure.

4-2. Location of regional headquarters

421 Does your company serve as a regional headquarters that controls functions (Note 2) of bases that have a capital relationship with the foreign parent company (Note 1) in the Asia and Oceania region?
 Circle the corresponding number.
 1. Yes 2. No

(Note 1) Parent company refers to the principal foreign investor entered in item 105 "Name of the principal foreign investor." (hereinafter the same)

(Note 2) Function refers to those listed in the following under "Functions".

422 This is for companies that answered "1. Yes" in item 421.
 Which country and regional base does your company control? Also, what functions in those bases does your company control?
 Circle the corresponding country and region's number and select the corresponding function from the function column below and enter that number. (multiple answers possible)

| Country/Region | Function | Country/Region | Function | Country/Region | Function |
|----------------|----------|---------------------|----------|---|----------|
| 1. China | | 7. Thailand | | 13. Australia | |
| 2. Hong Kong | | 8. Indonesia | | 14. New Zealand | |
| 3. Taiwan | | 9. Cambodia | | 15. Japan (Japanese companies other than your company) | |
| 4. South Korea | | 10. The Philippines | | | |
| 5. India | | 11. Malaysia | | 16. Other Asia and Oceania regions (Country/Region) | |
| 6. Vietnam | | 12. Singapore | | | |

This is for those that answered in item 421 "2. No", or answered "1. Yes", but has a regional headquarters in the Asia and Oceania region other than your company.
Where is your parent company's regional headquarters located that controls all of the bases in the Asia and Oceania regions (excluding your company)? Also, what functions are controlled by that regional headquarters? Circle the corresponding country and region's number and select the corresponding function from the function column below and enter that number (multiple answers possible). Select "21. Not established" if the foreign parent company acts as the Asia and Oceania regional headquarters.

| Country/Region | Function | Country/Region | Function | Country/Region | Function |
|----------------|----------|--|----------|--|----------|
| 1. China | | 9. Cambodia | | 16. Other Asia and Oceania regions (Country/Region) | |
| 2. Hong Kong | | 10. The Philippines | | | |
| 3. Taiwan | | 11. Malaysia | | 17. North America | |
| 4. South Korea | | 12. Singapore | | 18. Central and South America | |
| 5. India | | 13. Australia | | 19. Europe | |
| 6. Vietnam | | 14. New Zealand | | 20. Middle East/Africa | |
| 7. Thailand | | 15. Japan (Japanese companies other than your company) | | 21. Not established | |
| 8. Indonesia | | | | | |

| | | | | |
|-----------|-----------------------|------------------------|-----------------------------|---------------------------------|
| Functions | 1. Corporate Planning | 2. Sales and Marketing | 3. Research and development | 4. Manufacturing and processing |
| | 5. Distribution | 6. Finance | 7. Human resources | 8. Other |

5. Sales turnover and purchase turnover

5-1. Sales turnover

| | | ¥ million | | | | | |
|-----|--|-----------|--|--|--|--|--|
| 511 | Sales turnover | | | | | | |
| 512 | Of which, exports | | | | | | |
| 513 | Of which, exports to principal foreign investors | | | | | | |
| 514 | Of which, exports to Asian region | | | | | | |
| 515 | Of which, royalty income | | | | | | |

* If your business is banking, life insurance or non-life insurance, write the current expenses. If your business is other finance, write the operating expenses.

* Write the amount of goods directly exported by your company carrying out customs procedures in its own name.

* Enter the purchase turnover from the principal foreign investor you put in Item 105 "Name of the principal foreign investor."

* If there are no applicable figures, write down "0."

5-2. Purchase turnover

| | | ¥ million | | | | | |
|-----|--|-----------|--|--|--|--|--|
| 521 | Purchase turnover | | | | | | |
| 522 | Of which, imports | | | | | | |
| 523 | Of which, imports from the principal foreign investors | | | | | | |
| 524 | Of which, imports from Asian region | | | | | | |

* If your business is banking, life insurance or non-life insurance, write the current expenses. If your business is other finance, write the operating expenses.

* Write the amount of goods directly imported by your company carrying out customs procedures in its own name.

* Enter the purchase turnover from the principal foreign investor you put in Item 105 "Name of the principal foreign investor."

* If there are no applicable figures, write down "0."

6. Expenses

6-1. Payments for the principal foreign investor

Enter the payments for the principal foreign investor you put in Item 105 "Name of the principal foreign investor" based on accounting data.

| | | ¥ million | | | | | |
|-----|-------------------|-----------|--|--|--|--|--|
| 611 | Dividends | | | | | | |
| 612 | Interest on loans | | | | | | |
| 613 | Royalties | | | | | | |

* If there are no applicable figures, write down "0."

(円)

6-2. R&D expenses

| | | | | | | | |
|-----|-----------------------------|--|--|--|--|--|--|
| 621 | In-house R&D expenses | | | | | | |
| 622 | Expenses for R&D commission | | | | | | |
| 623 | Research grants | | | | | | |

* If there are no applicable figures, write down "0."

6-3. Plant and equipment investments

| | | | | | | | |
|-----|---|--|--|--|--|--|--|
| 631 | Plant and equipment investment (excluding land) | | | | | | |
|-----|---|--|--|--|--|--|--|

(¥ million) * Please write the amount of acquisition of tangible fixed assets (including construction in process account and excluding land) during fiscal year 2011 before depreciation.

* If there are no applicable figures, write down "0."

7. Profit

| | | | | | | | |
|-----|---|--|--|--|--|--|--|
| 701 | Current profit (△ indicates a loss) | | | | | | |
| 702 | Current net income (△ indicates a loss) | | | | | | |

(¥ million)

* Add △ before figures when you have made a loss in the current profit or the current net income.

8. Assets

| | | | | | | | |
|-----|------------------|--|--|--|--|--|--|
| 801 | Total assets | | | | | | |
| 802 | Total net assets | | | | | | |

(¥ million)

9. Investment environment in Japan

9-1. What is attractive about expanding business in Japan?

Please select up to 5 top items from the following and circle the corresponding number.

| | | | | |
|-----|---|---|----|---|
| 911 | 1 | Income levels are high. Customer volume for products and services is high. | 9 | Extensive infrastructure (transportation, energy, communications, etc.) |
| | 2 | Sensitive to added value and trends in products and services. Proving ground for measuring competitiveness of new products and services | 10 | Solid financial environment, financing opportunities |
| | 3 | Concentration of global companies and affiliates | 11 | Extensive breaks and incentives |
| | 4 | Gateway to the Asian market. Optimal location for regional headquarters. | 12 | Extensive business support organizations |
| | 5 | Availability of quality personnel | 13 | Low cost of doing business (labor, real estate, etc.) |
| | 6 | Geographical advantage for accessing headquarters and countries your company manages. | 14 | Developed living environment |
| | 7 | Very open business regulations | 15 | Legal provisions regarding intellectual property is extensive |
| | 8 | High quality research and development environment | 16 | Increased demand is projected due to the earthquake |
| | | | 17 | Other (specify":) |

9-2. What do you think are inhibiting factors in expanding business in Japan?

Please select up to 5 top items from the following and circle the corresponding number.

| | | | | |
|-----|---|---|----|--|
| 921 | 1 | Difficulty securing personnel. (management, engineers, persons with language skills, common labor, etc.) | 8 | Shortage of information and support services (shortage of market information in English, underdeveloped support organizations, etc.) |
| | 2 | High standard that users demand from products and services (quality, delivery, price, etc.) | 9 | Difficulty securing financing (difficult loan conditions, regulations regarding financing) |
| | 3 | High cost of doing business (labor, tax, real estate, etc.) | 10 | Living environment for foreigners (admittance system of schools, hospitals, etc. for foreigners; lifestyle differences, etc.) |
| | 4 | Exclusivity and distinctiveness of the Japanese market (intragroup transactions, connections, business practices, etc.) | 11 | Underdeveloped infrastructure (transportation, energy, communications, etc.) |
| | 5 | Not enough breaks and incentives (tax privileges, lack of available assistance, etc.) | 12 | Concerns regarding radiation exposure |
| | 6 | Strict regulations, permits and license system (legal restraints, product planning and inspection, etc.) | 13 | Concerns regarding natural disasters such as earthquake and tsunami |
| | 7 | Complicated administrative procedures (long time required from application to approval, complicated procedures, etc.) | 14 | Power supply concerns |
| | | | 15 | Other (specify":) |

10. Cost of doing business in Japan

What do you think are inhibiting factors with regards to the cost of doing business in Japan?

Please select **up to 3 top items** from the following and circle the corresponding number.

| | | | | | | |
|------|---|------------------------|---|---|----|---|
| 1001 | 1 | Labor costs | 5 | Facility costs (plant, information systems, office equipment, etc.) | 9 | Utilities (electric, gas, plumbing, etc.) |
| | 2 | Rent (for office) | 6 | Distribution costs | 10 | Land leasing costs |
| | 3 | Tax liability | 7 | Communication costs | 11 | Other(specify":) |
| | 4 | Land acquisition costs | 8 | Social security costs | | |

11. Employment and human resources in Japan

11-1. What do you think are inhibiting factors in securing Japanese personnel?

Please select **up to 3 top items** from the following and circle the corresponding number.

| | | |
|------|---|---|
| 1111 | 1 | High standards of compensation such as salary, etc. |
| | 2 | High standards of non-obligatory welfare costs |
| | 3 | Recruiting and hiring costs |
| | 4 | Strict labor regulations |
| | 5 | Lack of mobility in the labor market |
| | 6 | Underdeveloped employment agency services |
| | 7 | Business communication difficulties in English |
| | 8 | Other (specify":) |

11-2. What do you think are inhibiting factors in securing a foreign personnel?

Please select **up to 3 top items** from the following and circle the corresponding number.

| | | |
|------|----|--|
| 1121 | 1 | High standards of compensation such as salary, etc. |
| | 2 | High standards of non-obligatory welfare costs |
| | 3 | Difficulties obtaining permanent residence |
| | 4 | Difficulties obtaining work visas |
| | 5 | Difficulties obtaining visa for domestic workers and babysitters |
| | 6 | Difficulty finding residential accommodation |
| | 7 | Lack of medical facilities with English speaking staff |
| | 8 | Lack of international schools |
| | 9 | Difficulty finding employment for spouse |
| | 10 | Business communication difficulties in Japanese |
| | 11 | Other (specify":) |

12. Business Partnerships with Japanese companies

12-1. What is the total number of Japanese companies that your company partnered with?

Please select **only one** from the following and circle the corresponding number.

| | | |
|------|---|------------------------|
| 1211 | 1 | Less than 1 company |
| | 2 | 1 company |
| | 3 | 2-4 companies |
| | 4 | 5-9 companies |
| | 5 | More than 10 companies |

12-2. What was the advantage in partnering with a Japanese company?

Please select **only one** from the following and circle the corresponding number.

* Please respond only if you answered no. 2-5 in 12-1.

| | | |
|------|---|---|
| 1221 | 1 | Made entering the Japanese market easier |
| | 2 | Achieved business stabilization and expansion |
| | 3 | Served as foothold for Asia market expansion |
| | 4 | Gained outstanding technology and expertise |
| | 5 | Learned Japanese business practices |
| | 6 | Made use of partner's human and corporate network |
| | 7 | Raised trust and reliability from customers |
| | 8 | Other (specify":) |

13. What are your future plans for business partnerships with Japanese companies?

Please select **only one** from the following and circle the corresponding number.

| | | |
|------|---|--|
| 1301 | 1 | Aggressively promote business partnerships with Japanese companies |
| | 2 | Partner with Japanese companies as needed |
| | 3 | Not considering business partnerships with Japanese companies |
| | 4 | Do not know |

14. What are your thoughts on your company's hiring outlook for this year?

Please select **only one** from the following and circle the corresponding number.

| | | |
|------|---|-----------------------------|
| 1401 | 1 | Will increase staff |
| | 2 | Maintain current conditions |
| | 3 | Will reduce staff |

15. Future business expansion in Japan

What are your thoughts on future business expansion in Japan? Please select just one from the following that corresponds and circle the number.

| | | |
|------|---|-----------------------------|
| 1501 | 1 | Planning business expansion |
| | 2 | Maintain current conditions |
| | 3 | Planning to downsize |
| | 4 | Discontinue operations |

This completes the survey. Thank you for your cooperation.