

Quarterly Survey of Overseas Subsidiaries (Survey from January to March 2019)

~ Summary of the Results ~



June 26, 2019

Research and Statistics Department
Ministry of Economy, Trade and Industry

1 About the Quarterly Survey of Overseas Subsidiaries

(1) Outline of the Survey

I Purpose of the survey

The purpose of this survey is to promote flexible policymaking for both the economy and industry, by understanding the dynamic changes in the overseas activities of Japanese companies.

II Legal basis of the survey

The survey is conducted by the Ministry of Economy, Trade and Industry with approval under the Statistics Act.

III Date of the survey

The survey was based on the period ending on the last day of March 2019. (The deadline for submitting survey responses for this quarter was May 15, 2019.)

IV Coverage of the Survey

The survey covers Japanese companies that met all the following criteria as of the end of March 2018: All industries except finance, insurance, and real estate; companies with 100 million yen or more in capital; companies with 50 or more employees; companies with overseas subsidiaries.

This survey also targets overseas subsidiaries of the above Japanese parent companies (including overseas subsidiaries that were established during the term of the survey) that meet all of the following criteria as of the end of the surveyed quarter: manufacturing companies; companies with 50 or more employees; companies with 50% or more of their capital coming from parent companies, including both direct and indirect funds (such as funds provided via local subsidiaries).

V Method of the Survey

The survey was conducted via mail, using self-declarations submitted by Japanese parent companies.

VI Survey Items

The survey covers actual figures and Diffusion Index (business confidence) for sales, capital investment, and number of employees.

VII Response Rate

The responses to the survey for this quarter are summarized below:

Number of companies covered by the survey (overseas subsidiaries)	Number of companies that responded	Response rate [※]
5,351	4,168	77.9%

※Response rate it was calculated by the valid responses

(2) Notes on Use

I Adjustments to deal with gaps in reported values

Comparisons between the current quarter and the corresponding quarter of the previous year are calculated and estimated by totaling the figures only for overseas subsidiaries (newly established companies included) continuously subject to the survey since the corresponding quarter of the previous year.

II Revisions to statistical data

Statistical data for the current quarter are preliminary results. They are revised at the time of publication of the survey report for the next quarter.

Annual revisions are conducted once a year at the time of publication of the survey report for the April-June quarter. Statistical data for the previous year were retroactively revised and fixed.

III Tabulation method

Data for all companies covered by the survey is tabulated after estimating the results for companies that did not submit responses, based on the following formula in each region and sector (the number of employees given in the previous quarter is used in the case of employees). All items are estimated except the capital investment.

Estimated values for this quarter for companies not submitting data =

Value for the corresponding quarter in the previous year for relevant companies ×

_____ Total values for this quarter for companies that submitted data both this quarter and in the same quarter of the previous year

_____ Total values for the same quarter of the previous year for companies that submitted data both this quarter and in the same quarter of the previous year

IV Classification of countries and regions

i North America:

the United States and Canada

ii Asia

①ASEAN4: Indonesia, Thailand, the Philippines, and Malaysia

ASEAN10: Indonesia, Thailand, the Philippines, Malaysia, Cambodia, Singapore, Brunei, Vietnam, Myanmar, and Laos

②NIEs3: Singapore, Taiwan, and Korea

③China: including Hong Kong

④Other Asian countries: India, Cambodia, Sri Lanka, Pakistan, Bangladesh, Brunei, Vietnam, Myanmar, and Laos

iii Europe:

Ireland, the United Kingdom, Italy, Ukraine, Austria, the Netherlands, Greece, Swiss, Sweden, Spain, Slovakia, the Czech Republic, Denmark, Germany, Turkey, Hungary, Finland, France, Bulgaria, Belgium, Poland, Portugal, Montenegro, Luxembourg, Romania, and Russia

iv Other:

Argentina, Israel, Uruguay, Egypt, Eswatini, El Salvador, Australia, Guatemala, Kenya, Costa Rica, Columbia, Saudi Arabia, Tanzania, Tunisia, Chile, Nigeria, New Zealand, Paraguay, Brazil, Venezuela, Peru, South Africa, Mexico, and Morocco

V Regarding listed currencies

Amounts listed in local currencies are analyzed by converting them into U.S. dollars at the average exchange rate for the quarter announced by the IMF.

Exchange rates of major currencies against the U.S. dollars (average term rates published by IMF "IFS")

		FY2017		FY2018		
		Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.
Japan	Yen	108.23	109.08	111.47	112.91	110.16
ASEAN4	Indonesia (Rupiah)	13576.2	13966.3	14614.4	14790.9	14136.5
	Malaysia (Ringgit)	3.9200	3.9500	4.0900	4.1700	4.0900
	Philippines (Peso)	51.450	52.450	53.550	53.200	52.360
	Thailand (Baht)	31.540	31.920	32.970	32.810	31.610
NIEs3	Republic of Korea (Won)	1072.80	1080.40	1121.40	1127.70	1125.80
	Singapore (Singapore dollar)	1.3200	1.3300	1.3700	1.3700	1.3500
	Taiwan (New Taiwan dollar)	29.3210	29.7840	30.6830	30.8620	30.8340
China	People's Public of China (Yuan)	6.3500	6.3800	6.8100	6.9200	6.7400
	Hong Kong (Hong Kong dollar)	7.830	7.850	7.850	7.830	7.850
Europe	United Kingdom (Pound) [※]	0.720	0.730	0.770	0.780	0.770
	Euro Area (Euro)	0.8100	0.8400	0.8600	0.8800	0.8800

VI Industrial Classification

Industrial Classification is based on the Japan Standard Industrial Classification (JSIC).

Based on sales, the four major industry sectors out of the total of 12 are "Chemicals", "General-purpose machinery (general-purpose, production, and business-oriented machinery)", "Electrical machinery", and "Transportation equipment".

Industry Classification	Japan Standard Industrial Classification(Code)
FOOD AND TABACCO	Manufacture of food (09), manufacture of beverages, tobacco and feed (10)
TEXTILES	Manufacture of textile mill products (11)
LUMBER, PULP, PAPER AND PAPER PRODUCTS	Manufacture of lumber and wood products, except furniture (12), Manufacture of pulp, paper and paper products (14)
CHEMICALS	Manufacture of Chemical and allied products (16)
CERAMIC, STONE AND CLAY PRODUCTS	Manufacture of ceramic, stone and clay products (21)
IRON AND STEEL	Manufacture of iron and steel (22)
NON-FERROUS METALS	Manufacture of non-ferrous metals and products (23)
FABRICATED METAL PRODUCTS	Manufacture of fabricated metal products (24)
GENERAL-PURPOSE, PRODUCTION AND BUSINESS ORIENTED MACHINERY	Manufacture of general-purpose machinery (25), Manufacture of production machinery (26), Manufacture of business oriented machinery (27)
ELECTRICAL MACHINERY	Electronic parts, devices and electronic circuits (28), Manufacture of electrical machinery, equipment and supplies (29), Manufacture of information and communication electronics equipment (30)
TRANSPORTATION EQUIPMENT	Manufacture of transportation equipment (31)
MISCELLANEOUS MANUFACTURING INDUSTRIES	Manufacture of furniture and fixtures (13), Printing and allied industries (15), Manufacture of petroleum and coal products (17), Manufacture of plastic products, except otherwise classified (18), Manufacture of rubber products (19), Manufacture of tanning, leather products and fur skins (20), Miscellaneous manufacturing industries (32)

2 Overview

Fig. 2-1 Long-Term Trends in Sales, etc. of Overseas Subsidiaries

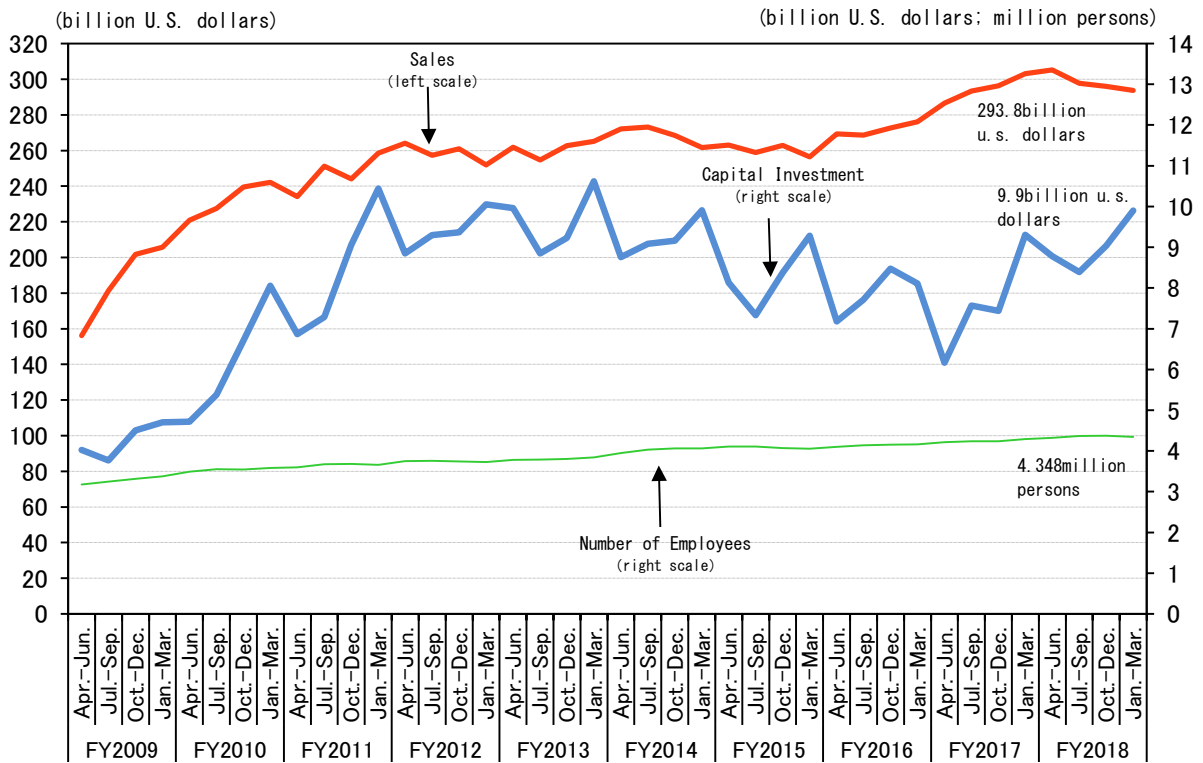


Fig. 2-2 Diffusion Index (DI) for Sales Forecast (Current DI and Next DI)

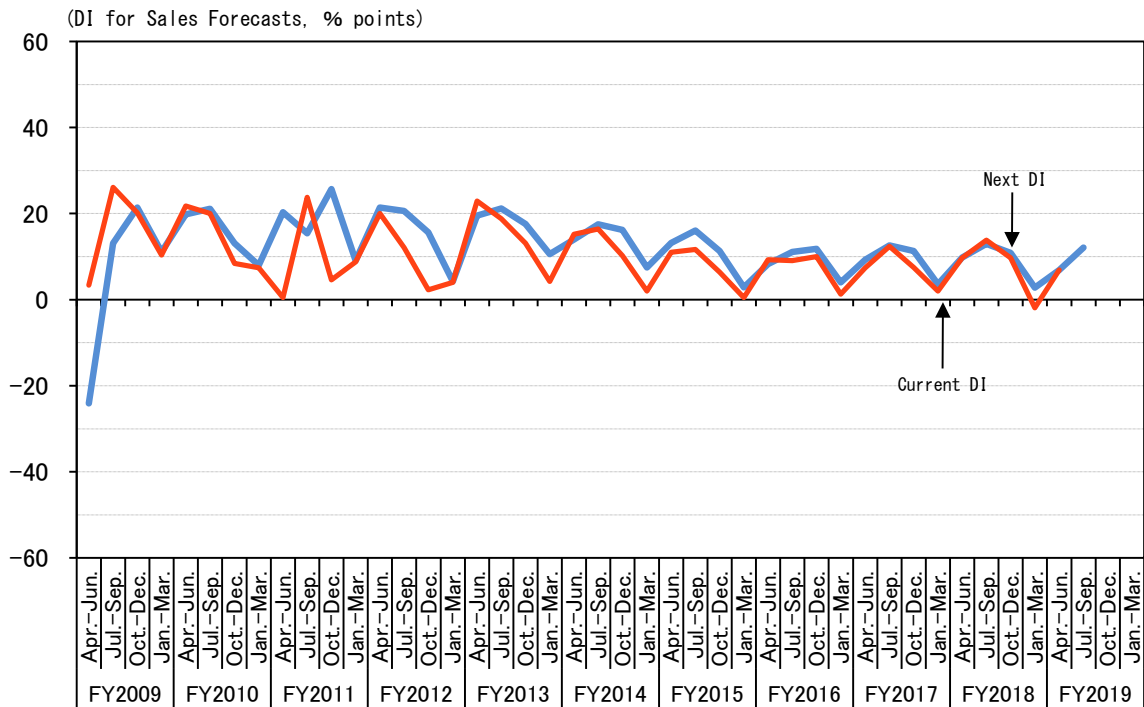


Fig. 2-3 Summary Table of the Survey

	Sales				Capital Investment				Number of Employees			
	Results		Forecasts	Forecasts	Results		Forecasts	Forecasts	Results		Forecasts	Forecasts
	Jan.-Mar. 2019		Current DI	Next DI	Jan.-Mar. 2019		Current DI	Next DI	End of Mar. 2019		Current DI	Next DI
	Billion USD	y/y % chg.	%points	%points	Billion USD	y/y % chg.	%points	%points	Mil. Persons	y/y % chg.	%points	%points
All Regions	293.8	-3.0	6.9	12.1	9.90	5.4	9.4	9.2	4.348	0.8	6.4	4.5
Chemicals	22.3	-3.8	6.5	11.4	0.66	9.4	12.2	7.9	0.183	0.2	12.8	9.3
General-purpose machinery	29.3	0.8	0.2	4.1	0.58	17.0	17.5	13.5	0.476	0.4	12.5	7.4
Electrical machinery	36.6	-9.4	8.5	21.5	1.14	4.3	2.7	9.5	1.020	-2.5	2.3	4.4
Transportation equipment	163.4	-2.7	3.5	6.8	6.03	2.7	5.5	6.9	1.739	2.9	5.5	3.7
North America	89.3	-2.0	4.8	-1.3	2.85	-0.2	4.6	7.0	0.600	1.3	6.1	3.8
Chemicals	6.2	1.0	5.0	13.2	0.16	13.6	-6.2	12.5	0.027	0.2	17.5	12.8
General-purpose machinery	11.0	5.7	0.0	0.0	0.22	16.4	13.8	9.4	0.086	5.6	17.6	14.7
Electrical machinery	5.4	-5.3	-11.5	3.8	0.07	-15.5	0.0	7.1	0.051	-3.2	-7.8	-3.9
Transportation equipment	54.0	-4.0	4.9	-13.5	2.12	-3.2	-3.3	2.2	0.277	1.2	3.8	-1.4
Asia	144.3	-3.1	8.6	15.9	5.26	11.2	10.5	10.1	2.980	0.4	6.7	5.2
Chemicals	9.8	-4.1	6.8	12.9	0.37	13.3	15.3	8.0	0.118	0.2	13.6	10.5
General-purpose machinery	12.8	-3.5	4.2	6.5	0.26	23.2	19.4	15.3	0.337	-1.8	13.3	6.7
Electrical machinery	26.8	-10.1	11.1	24.1	0.97	5.8	3.7	10.4	0.891	-2.9	2.6	5.2
Transportation equipment	74.5	-0.9	4.5	13.3	2.83	9.3	8.4	7.6	1.018	3.8	7.0	6.9
ASEAN 4	56.4	-0.8	-2.2	17.7	2.10	1.8	9.6	6.5	1.233	2.4	5.8	3.7
Chemicals	3.3	-4.1	-3.9	11.0	0.20	5.6	12.7	5.4	0.048	-0.4	15.0	8.2
General-purpose machinery	3.0	-8.3	5.1	7.7	0.09	27.5	10.4	5.9	0.119	-1.6	10.6	4.0
Electrical machinery	10.0	-7.8	-0.6	17.9	0.46	0.9	0.7	1.4	0.382	0.0	-2.4	-3.0
Transportation equipment	31.4	2.0	-11.9	18.5	1.03	-3.1	9.4	10.7	0.432	6.7	8.8	8.4
NIEs 3	11.7	-8.3	8.9	6.0	0.36	20.5	14.6	10.5	0.134	0.4	9.0	6.0
Chemicals	3.4	-2.6	4.1	12.5	0.05	-14.1	17.1	4.8	0.017	-1.5	13.1	8.7
General-purpose machinery	1.8	-0.7	-2.4	9.7	0.03	159.3	20.0	14.3	0.023	3.9	17.5	12.5
Electrical machinery	2.5	-14.3	19.5	18.4	0.08	48.0	21.6	13.5	0.035	0.5	6.9	12.8
Transportation equipment	1.6	-18.4	29.6	-21.7	0.09	-16.5	4.0	-4.7	0.017	-5.0	7.4	-8.0
China (incl. Hong Kong)	59.9	-4.9	13.9	13.6	1.75	36.1	10.9	10.9	1.046	-3.9	6.0	4.8
Chemicals	2.4	-7.2	18.4	14.8	0.06	3.5	18.1	9.5	0.034	-0.9	12.8	11.1
General-purpose machinery	6.9	-2.1	1.3	0.0	0.09	17.4	23.4	13.8	0.136	-4.8	10.4	2.6
Electrical machinery	12.5	-12.1	16.1	27.2	0.37	0.4	1.4	16.8	0.366	-6.7	5.1	8.7
Transportation equipment	30.9	-1.9	14.1	7.3	0.97	76.9	10.6	2.4	0.307	-1.0	5.5	6.2
Europe	36.5	-5.5	-4.6	-3.1	1.05	-6.8	7.6	5.5	0.424	2.6	4.4	-1.4
Chemicals	6.0	-8.1	4.8	-2.7	0.12	-6.2	8.6	0.0	0.034	0.1	5.0	-2.7
General-purpose machinery	5.1	2.4	-15.2	-2.8	0.09	-1.1	16.4	10.6	0.044	5.7	4.1	4.1
Electrical machinery	3.5	-12.1	-4.6	7.4	0.06	-8.3	-3.1	0.0	0.041	3.0	7.0	4.9
Transportation equipment	15.8	-6.6	-5.1	-12.5	0.51	-3.0	-5.9	3.2	0.203	3.6	-2.7	-11.4
(Reference) ASEAN 10	66.5	0.0	2.2	18.6	2.42	3.9	9.6	8.9	1.636	2.7	6.6	5.5
Chemicals	4.5	-4.0	-4.8	9.0	0.23	7.6	12.5	8.0	0.057	-0.1	15.6	10.1
General-purpose machinery	4.4	-5.4	4.8	9.7	0.15	43.8	7.9	11.4	0.172	-0.1	12.0	8.0
Electrical machinery	12.2	-7.1	4.8	20.7	0.53	4.9	3.3	3.3	0.486	-0.4	-1.0	0.0
Transportation equipment	34.3	2.8	-8.5	18.5	1.11	-3.7	9.3	11.6	0.553	6.9	7.9	8.6

Questionnaire

<small>Where to send</small>	<small>Ministry of Economy, Trade and Industry</small>	Quarterly Survey of Overseas Subsidiaries	 政府統計
<small>Due date</small>		Confidential	
<small>No. of copies to be submitted</small>	1	Questionnaire for Quarterly Survey of Overseas Subsidiaries	
<small>Inquiries for further information Enterprise Statistics Office, Research and Statistics Dept., Ministry of Economy, Trade and Industry</small>		The confidentiality of information provided in the questionnaire shall be protected under the Statistics Act.	
As of the end of _____			
Enter the currency code for the amounts you chose.		If the applicable period for the amount you enter here is not a quarter period, cross out "Quarter" with a double line and circle "Half year."	
※ Please be sure to fill in this section.		Make an estimate based on the actual situation eliminating seasonal factors, and choose one from "1. Increase", "2. Unchanged" and "3. Decrease". Circle the applicable number. Both the forecast of the current quarter and the next quarter shall be based on comparison with the respective previous quarter.	
<small>Currency code (See the reverse side)</small>			
<small>Period for the amounts</small>	Quarter	Half year	

Item	Actual result	Forecast		Remarks
		Current quarter	Next quarter	
Sales 101		1. Increase 2. Unchanged 3. Decrease	1. Increase 2. Unchanged 3. Decrease	
Local sales 102		1. Increase 2. Unchanged 3. Decrease	1. Increase 2. Unchanged 3. Decrease	
Sales to Japan 103		1. Increase 2. Unchanged 3. Decrease	1. Increase 2. Unchanged 3. Decrease	
Sales to countries other than Japan 104		1. Increase 2. Unchanged 3. Decrease	1. Increase 2. Unchanged 3. Decrease	
Acquisition of tangible fixed assets in this term (excluding land) 201		1. Increase 2. Unchanged 3. Decrease	1. Increase 2. Unchanged 3. Decrease	

The amount of the tangible fixed assets that your company acquired in this term. The amount does not include any decreases (due to retirement, etc.).

<small>If you answered "1. Increase" for "Next quarter" in 201, then in 202, circle the applicable purpose of acquiring the assets. (Multiple answers allowed.)</small>	202	1	2	3	4
		To increase production capacity	To update or repair facilities and equipment	To promote rationalization and efficiency	Others

Item	Number (persons)	Forecast		Remarks
		End of	End of	
Number of employees 301		1. Increase 2. Unchanged 3. Decrease	1. Increase 2. Unchanged 3. Decrease	

<p style="text-align: center;">Remarks</p> <ul style="list-style-type: none"> • When there are any affiliates to be added to or excluded from the survey, please fill in the questionnaire in accordance with the "Guide for the Questionnaire." • In case of any drastic changes (company merger, suspension of operation, etc.), please provide us with the details. 	<p style="text-align: center; font-size: small;">(Please make the necessary corrections in red ink)</p> <p>Name of the overseas affiliate: _____</p> <p>Country where it is located: _____</p> <p>Name of the headquarters _____</p> <p>Department _____</p> <p>Person in charge _____</p> <p>Telephone _____</p> <p>Code <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>G</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table></p>	G																			
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◆ Thank you for your cooperation. ◆



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※Time series tables for past data are available on the website at the above address.