

# **The Behavior of Overseas Subsidiaries**

( Quarterly Survey of Japanese Business Activities )

Results for April -June 2002

Prospects for July-December 2002

September 27, 2002

Enterprise Statistics Office,  
Research and Statistics Department,  
Ministry of Economy, Trade and Industry

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. **With regard to company trend survey**

**1. Outline of company trend survey (overseas subsidiaries edition)**

(1) Objectives of the survey

To grasp Japanese company's overseas business activities and to contribute to the planning of flexible industrial policy and trade policy

(2) Legal grounds of survey

Statistics approved by the Article 4 of the Statistics Report Adjustment Law

(3) Date of the survey conducted

The survey was conducted at the end of each term.

The presentation term of investigation is August 15, 2002 this term.

(4) Subject of the survey

As of March 31, 2002, overseas subsidiaries that were possessed by Japanese companies (note) and that satisfied the following conditions (including overseas subsidiaries that were established during the period of the survey).

Note 1) All industry except finance and insurance, and real estate industry, 2) with a capital of 100 million and more, 3) with 50 employees and more, 4) Japanese companies that have reported or declared the acquisition of foreign currencies securities under the provision of "the Foreign Exchange and Foreign Trade Law", and that have possessed overseas subsidiaries

1) Manufacturing firms

2) With 50 employees and more

3) With over 50parent of investment rate of the head office' direct and indirect investment

(5) Method of survey

The survey was conducted by mail, and data gained by the head office's calculation was reported.

(6) Method of totalizing

According to its industry and region, performance figures of companies that did not report were estimated by the following formula. As for total number of employees, the number of the previous term was used. After that, figures of all companies subject to survey were totalized. Estimated items included all items except "this term's amount of money for the acquisition of tangible fixed assets".

This term's estimated figures of companies did not report =

The previous year'figures  $\times \frac{\text{Total of this term's figures of companies that reported for both this term and the same period of last year}}{\text{Total of previous year'figures of companies that reported for both this term and the same period of last year}}$

(7) Classification of industry

If overseas subsidiaries conduct plural business, as a rule, business with highest sales is chosen in order to decide the type of industry according to the middle classification of Japan's standard industry classification.

(8) Classification of countries (regions)

The countries (regions) in which overseas subsidiaries were located were classified as follows (in the order of the Japanese syllabary). In addition, the classification was changed this term to separate "China (including Hong Kong)" from "China and other Asian countries".

<New classification>

- North America: USA and Canada
- Asia(In addition to the following three regions, India, Vietnam, Sri Lanka, Pakistan, Bangladeshi and Myanmar are included.)
  - ASEAN4: Indonesia, Thailand, Philippines, and Malaysia
  - NIES3: Singapore, Taiwan, and South Korea
  - China (including Hong Kong): the People's Republic of China (including Hong Kong Special Administrative District)
- Europe: Ireland, UK, Italy, Austria, Netherlands, Greece, Switzerland, Sweden, Spain, Slovak, Czech, Denmark, Germany, Turkey, Hungary, Finland, France, Belgium, Poland, Portugal, Romania and Russia
- Others: UAE, Argentina, Venezuela, Egypt, El Salvador, Australia, Guatemala, Costa Rica, Colombia, Swaziland, Tanzania, Chile, Nicaragua, New Zealand, Papua New Guinea, Puerto Rico (USA), Brazil, Peru, Mexico, the Republic of Ivory Coast and South Africa

<Former classification>

- North America: USA and Canada
- Asia
  - ASEAN4: Indonesia, Thailand, Philippines, and Malaysia
  - NIES3: Singapore, Taiwan, and North Korea
  - China and other Asia: India, Vietnam, Sri Lanka, Pakistan, Bangladeshi, Myanmar, and the People's Republic of China (including Hong Kong Special Administrative District)
- Europe: Ireland, UK, Italy, Austria, Netherlands, Greece, Switzerland, Sweden, Spain, Slovak, Czech, Denmark, Germany, Turkey, Hungary, Finland, France, Belgium, Poland, Portugal, Romania and Russia
- Others: UAE, Argentina, Venezuela, Egypt, El Salvador, Australia, Guatemala, Costa Rica, Colombia, Swaziland, Tanzania, Chile, Nicaragua, New Zealand, Papua New Guinea, Puerto Rico (USA), Brazil, Peru, Mexico, the Republic of Ivory Coast and South Africa

## 2. Record of changes in the contents of the survey

(with regard to the details, refer to materials published for each term)

- The October-December quarter of 1996, The January-March quarter of 1997
  - From the April-June term of FY 1998
  - From the April-June quarter of 1999
  - From the April-June quarter of 2001
- A sample survey was conducted, and findings were published under the approval of the Management and Coordination Agency.
  - Survey periods for "the amount of acquired tangible fixed assets excluding land" (with regard to parent companies, together with "overseas direct investment") were excluded from quarterly surveys, and researched every other quarter such as the July-September quarter and the January-March quarter. Accordingly, the results and prospects of surveys are conducted semi-annually in stead of quarterly. The contents of the surveys were also changed from "tangible fixed assets completed or acquired except land during the term" to "tangible fixed assets acquired (including construction temporary accounts) except land during the term". With regard to parent companies, findings of "the Ministry of International Trade and Industry's Survey on Investment in Plant and Equipment" were used.
  - The quarterly prospects are also changed to semi-annual prospects.
  - The coefficient of connection was made, and used for data before fiscal 1997(the January-March quarter of 1998) to maintain consistency with the past data because dropped companies were added to the survey from fiscal 1998(the April- June quarter of 1998).
  - Because of a change in estimating method, results were decided not by the increase rate of the previous term but by the increase rate of the same period last year.
  - "Company Trend Survey" was renewed by combining "Industry Economic Trend Survey" with "Company Trend Survey", both of which were under the control of the Ministry of Economy, Trade and Industry. In addition, "Overseas Affiliated Company Edition" was published separately from "Parent Company Edition".

## 3. For your information

### (1) Exchange of currencies

If the amount of money was written in local currency units, these currencies were exchanged to the Japanese yen at the term's average rate published by IMF.

(2) With regard to marks in the table of statistics

Mark -: No results

Mark p: Since the mark means a preliminary figure, the figure is likely to be changed in the next term.

Mark X: The figure was concealed for the protection of secrets because the number of overseas subsidiaries was one or two.

Mark r: These figures were changed from ones published in the previous term except preliminary figures.

(3) Method of deciding figures

1) Decision of quarterly figures

This term's figures are decided in the next term.

2) Decision of the previous fiscal year's figures (quarterly figures and the total figures of fiscal years)

The figures are decided in the next quarter (the April-June quarter) of fiscal year's last quarter (adjustment between fiscal years). The total figures of fiscal year are published with the mark "P" in the January-March quarter.

(4) Handling of the coefficient of connection

• Previous treatment of connection coefficients (the first time)

The coefficient of connection was used for the processing of data before FY 1997 (the January-March quarter of 1998) to maintain the consistency with the past data because dropped companies were added to the survey from FY 1998 (the April-June quarter of 1998). As for the details, refer to materials published in each term.

• Treatment of connection coefficients this time (the second time)

Since the previous term (the April-June quarter of 2001), "Quarterly Survey of Japanese Business Activities" has been renewed after being combined with "The Survey of Industrial and Economic Activities" under the control of Ministry of Economy, Trade and Industry. In addition, since companies included in the survey and questions to be asked were reviewed, differences have come to the fore between findings in the April-June quarter of 2001 and those in the quarters before that. Therefore, the ratio over the same period of the previous year was estimated only on the basis of the total figures of companies which continued to be included in the survey from the previous fiscal year to the April-June quarter of 2001.

At the publication of FY 2002 figures, comparison method used in the survey of 2001 was applied to only the companies consecutively surveyed and recalculated using connection coefficients to maintain the consistency with the past data.

(1) Periods to be connected

The quarters of FY 2000 (October-December quarter of 1998 to January-March quarter of 2001) and before and the quarters of FY 2001 (April-June quarter of 2001 to January-March quarter of 2002) shall be connected together for consistency.

(2) Coefficients of connection

To compare figures of FY 2001 with those of FY2000 and before, connection coefficients for the latter were produced by multiplying:

- factors which were newly included in the survey of FY 2001 and should be "increase", and
- factors which should be "decrease" because they were left out in FY 2001.

Connection coefficient = (A) [(companies consecutively surveyed+newly targeted companies) × actual results of FY 2001/FY 2001 actual results of the companies consecutively surveyed] × [actual results of FY 2000 of the companies consecutively surveyed/FY 2000 actual results]

\* "Companies consecutively surveyed" means enterprises which were included in the surveys during FY2000 and FY 2001.

(3) Scope of adjustment by the coefficients

All the cells of Area x Industry x Item of the form for publication.

(4) Treatment of the published figures

1) "Actual results" ? The figures listed are the actual results before treatment by the coefficients.

For reference, the "connection coefficients" for connection are listed in a separate sheet.

Therefore, when using the actual results of FY 2000 and before in conjunction with those for later business years, you are requested to multiply the actual results of FY 2000 by the coefficients before use , to ensure consistency.

2) "Year-on-year comparison" ? Listed figures are those calculated from the actual results after adjustment by the coefficients. For reference, the figures of acquisition of tangible fixed assets have not been processed for smoothing gaps.

\* Connection coefficients are listed in the statistical table on page 38.

(5) This term's average exchange rate and collection rate

- The exchange rate of the yen to the US dollar is 127.05 yen, a 3.6percent of fall from the same period last year (122.64 yen), a 4.1percent of crease from the previous term (132.46 yen).
- This term's collection rate was as follows.

Number of companies subject to survey	Number of companies that responded	Collection rate
3,190	2,041	64.0percent

## • **Findings of the survey**

### **1. General trend**

[Results]

(1) Sales posted by overseas subsidiaries totaled 11,718.4 billion yen, up 7.4% on a year-on-year basis (an increase of 0.2% from the previous term) partly due to the local currencies' appreciation against the yen (the dollar, up 3.6% and the euro, up 9.0% both from the same term of last year) and the help of favorable transportation equipment.

- By the type of industry, eight out of thirteen industries increased sales. In particular, transportation equipment saw a year-to-year rise of 14.0 % in sales for the tenth straight term of increase since the January-March quarter of 2000 partly because the number of new companies subject to survey increased in India this term. In addition, electrical machinery also saw a year-on-year increase of 2.2% in sales for the first time in five terms since the January-March quarter of 2001.
- By region (or country) (note: referring to the "Classification of regions and countries" on page 4), five out of six regions, except "other regions", posted rises in sales. Especially, China (including Hong Kong) increased 8.8 % from a year earlier for the thirteenth straight term of rise since the April-June term of 1999. In addition, North America saw a 5.7% rise in sales after the third straight term of, and NIES3 an increase of 8.8 % after the four terms of decline.

(2) Local sales was 8,784.4 billion yen, increasing 9.1 % over a year ago from a 1.7 % decrease in the previous term, with the rate of the increase larger than that of sales.

- By the type of industry, while only five industries had increased in the previous term, nine industries including electrical machinery increased local sales in this term. Transportation equipment saw a rise of 14.8% marking an increase for the tenth consecutive term like sales by overseas subsidiaries.
- By region (country), local sales turned to a rise in five regions (countries) including North America.

(3) Exports to Japan (so-called Japan's reimports) were 909.4 billion yen with a significant decrease in electrical machinery, down 1.9% on a year-on-year basis, marking the third consecutive quarter of decline.

- By the type of industry, seven industries including electrical machinery saw exports to Japan decline. Electrical machinery, comprising more than half of total exports to Japan, saw a year-on-year drop of 4.3% (a 13.0% fall in the previous term) for the fourth straight term of decline in this quarter, but the rate of the decline was reduced. Moreover, the exports in industrial machinery, despite of a shrinking growth rate of 1.9% in the previous term, increased for the eleventh consecutive term since the October-December quarter of 1999.
- By region (country), China (including Hong Kong), accounting for more than 30% of total exports to Japan, saw a 6.6% year-on-year rise in this quarter for the thirteenth straight term since the April-June quarter of 1999. All five regions other than China (including Hong



Kong) saw exports to Japan drop.

(4) Exports to countries other than Japan, added to the survey from FY 2001, reached 2,024.6 billion yen, up 4.7% from the same quarter a year ago.

- By industry, the exports rose in ten industries including electrical machinery, making up more than half of total exports to countries except Japan, increasing 3.6% year-on-year, and transportation equipment, accounting for a little below 20% of total exports, rising 4.9%.
- By region (country), the exports rose 12.4% from a year earlier in Asia and 3.7% in Europe, while there was a fall in North America and other regions. Asia saw exports to countries other than Japan significantly rise due to a gain of 11.8% from a year earlier in electrical machinery which accounts for 70% of the exports and a significant growth in transportation equipment (a 44.9% increase from the previous year).

(5) With regard to intra-company transactions (exports to parent companies in Japan and imports from them, added to this survey from FY 2001),

- Exports to parent companies in Japan was 598.2 billion yen, down 0.5% from the corresponding period of last year.

By the type of industry, exports to parent companies in Japan decreased in three out of thirteen industries. Electrical machinery's exports, comprising less than 60% of total exports, fell 6.8% year on year, which contributed to the decline in the exports. Industrial machinery's exports, accounting for the second largest percentage of total exports to parent companies, also showed a slight decline of 0.8% from the year-earlier level.

By region, there was a dip in four regions excluding China (including Hong Kong) and other regions in the exports compared with the previous term. ASEAN 4, comprising 40% of total exports, posted a fall of 0.5% from the previous term, whereas China (including Hong Kong), accounting for slightly more than 30%, saw a 4.9% rise from the year-earlier level.

- Imports from parent companies in Japan was 1,456.2 billion yen, marking a 4.1% rise from a year earlier.

By industry, while an increase in nine industries including transportation equipment from the previous term, there was a decline in four industries including electrical machinery.

Although transportation equipment, accounting for less than 40% of total exports, posted an increase of 17.4% in imports from them the previous year, electrical machinery, also accounting for slightly more than 40% of total exports, registered a 10.0% of decrease from the previous year.

- With regard to trade balance within companies, an excess of imports from parent companies in Japan totaled 857.9 billion yen, up 7.5% from the corresponding period of last year.

Transportation equipment accounted for less than 60% of the total excess of imports, up 17.1% from the previous year and electrical machinery took up slightly more than 30% of the total, down 13.6% from a year earlier. By region (country), North America posted an excess of imports of 668.6 billion yen, up 0.8% from the previous year, of which transportation equipment saw a 14.0% of rise over a year ago. On the other hand, Asia marked an excess of

exports, which totaled 111.2 billion yen, slid 27.1% from the corresponding period of last year.

(6) In terms of equipment investments (the amount of acquired tangible fixed assets except land), it has become impossible to compare investments of this term with those of the same period a year earlier, because of the change in survey period from a semi-annual basis to quarterly in FY 2001, and the change of the companies surveyed.

Changes in equipment investments of overseas subsidiaries, surveyed successively from FY 1999, are shown in the tables below. They had turned to a decrease in all industries for October 2001 to March 2002. In this quarter, however, there was a drop in nine industries including electrical machinery (down 45.7% from a year earlier) with the declining rate further widening. But as far as transportation equipment is concerned, there was a steady rise in equipment investments significantly contributed by North America (up 33.1% year on year) and ASEAN 4 (up 46.2% year on year).

Changes in Equipment Investments by Major Industry (Ratio over same period of last year)

	Oct.1999- Mar.2000	Apr.- Sep.2000	Oct.2000- Mar.2001	Apr.- Sep.2001	Oct.2001- Mar.2002	Apr- Jun.2002
Total	-8.8	11.4	9.2	8.0	-5.6	-22.7
Chemicals	26.0	-32.9	-42.8	8.5	-32.2	-68.5
Industrial machinery	-29.2	14.6	46.5	1.8	-32.8	-30.0
Electrical machinery	-10.7	42.5	30.7	-0.4	-42.7	-45.7
Transportation equipment	4.6	5.2	7.8	23.0	43.1	24.5

Changes in Equipment Investments by Region (Ratio over same period of last year)

	Oct.1999- Mar.2000	Apr.- Sep.2000	Oct.2000- Mar.2001	Apr.- Sep.2001	Oct.2001- Mar.2002	Apr- Jun.2002
North America	-18.1	57.1	21.0	6.0	16.1	-19.6
ASEAN4	-1.8	64.4	36.0	-7.1	-33.8	-38.2
NIES3	-24.1	-26.1	35.6	-31.0	-55.4	-24.0
China and other	-29.1	98.1	3.1	59.1	1.3	-29.6
Europe	16.4	-49.7	-28.0	24.4	-15.1	-14.7

Note: "Year-on-year figures" were calculated using consecutively surveyed companies for the period from the October 1999 to March 2000 term to the October 2001 to March 2002 term, and using newly surveyed companies for the April-June term of 2002.

(7) The number of employees was 1,937,000 persons, remaining flat at 0.0% from the corresponding period of last year. Since the peak in the July-September quarter of 2000, the increase rate had diminished every quarter to post a minus figure for three consecutive terms by the previous term. In this term, however, the number remained unchanged partly due to an increase in transportation equipment.

- By the type of industry, eight industries including transportation equipment (up 6.9% from a year earlier) saw the number of employees increasing. Electrical machinery, comprising 40% of employment, posted the fifth straight term of decline, while the declining rate was shrinking.
- By region (country), China (including Hong Kong) alone increased the number of employees (up 9.9% from a year earlier) because electrical machinery and transportation equipment made a great contribution to the rise.

[Prospects(the July-December term of 2002)]

The survey of this term was submitted by August 15, 2002.

(1) With regard to sales posted by overseas subsidiaries, the prospects for the July-December term of 2002 (DI: note 1) decreased by 4.2 percentage points from the previous term (the April-September quarter of 2002) (28.5 of the DI level in the April-September half of 2002 to 24.3 of the DI level in the July-December term of 2002), turning to a negative figure from the positive figures in the past two consecutive terms. The DI level continued to be at a relatively high level following the previous term (the April-September quarter of 2002).

- By industry, the prospects for sales worsened in eight out of thirteen industries.

Transportation equipment, accounting for a large proportion of the total prospects, saw a 12.4 percentage points decrease (41.7 to 29.3). In addition, basic materials saw a remarkable decline in them. Electric machinery registered a 1.2 percentage points rise (21.5 to 22.7) from the previous term.

- By region (country), while the prospects for sales improved in all six regions (countries) in the previous term (the April-September term of 2002), they deteriorated in all regions except China (including Hong Kong) in this term (the July-December term of 2002). The DI level continued to rise in all regions following the previous term (the April-September period of 2002).

(2) Local sales prospects fell by 4.1 percentage points (26.0 to 21.9) from the preceding period, changing to a decrease from the increases in the past two consecutive terms like sales.

- By the type of industry, eight industries including transportation equipment and steel saw deteriorating in the prospects.
- By regions (country), they worsened in all regions excluding China (including Hong Kong), like sales. China (including Hong Kong) saw the prospects for local sales increase 4.5 percentage points (25.2 to 29.7). The DI level remained positive in all regions (countries) following the previous term (the April-September term of 2002).

(3) The forecast of exports to Japan (so-called Japan's reimports) dropped 4.2 percentage points (8.4 to 4.2), turning to a decline from the increases in the past two consecutive terms. The DI level showed a plus figure.

- By industry, while only food and tabbaco saw the forecast deteriorating in the previous term (the April-September term of 2002), there was a decline in ten industries including electrical machinery and industrial machinery in this term (the July-December term of 2002).
- By region (country), despite the fact that the forecast of exports to Japan improved in all regions in the previous term (the April-September term of 2002), it worsened in all six regions in this term (the July-December term of 2002).

(4) With regard to exports to countries other than Japan, added to the survey from 2001, the prospects turned to a 5.2 percentage points decrease (15.7 to 10.5) in this term (the July-

December term of 2002) from the two consecutive positive figures in the past.

- By the type of industry, nine industries including electrical machinery deteriorated in the prospects. Electrical machinery, accounting for a large portion of their total exports, saw a 4.2 percentage points drop (18.2 to 14.0) from the previous term, transportation equipment a 1.2 percentage points fall (7.7 to 6.5) and chemicals an 8.7 percentage points decrease (23.6 to 14.9) from the previous term. The level of DI showed a plus figure in all industries except ceramics, stone and clay products.
- By region (country), while the outlook had rose in all six regions for the second consecutive term, it deteriorated in all regions except China (including Hong Kong) in this term (the July-December term of 2002). The DI level had showed a plus figure in all regions (countries) since the previous term (the April-September term of 2002).

(5) In terms of intra-company transactions (exports to parent companies in Japan and imports from them), added to this survey in 2001,

- The prospects for exports to parent companies in Japan turned to a 5.3 percentage points drop (7.9 to 2.6) from the preceding term.

The number of worsened industries increased from two industries in the previous term (the April-September term of 2002) to nine. Electrical machinery turned to a 4.7 percentage points fall from the two positive figures in the past and industrial machinery a 13.8 percentage points drop (12.2 to -1.6) as well. The level of DI maintained a plus figure (7.9 to 2.6).

By region (country), although the prospects for exports to parent companies in Japan rose in all regions in the previous term (the April-September term of 2002), they deteriorated in all regions except North America in this term (the July-December term of 2002). Especially, the rates of the declines of NIES3 (a 13.3 percentage points fall from the previous term) and ASEAN 4 (an 11.0 percentage points drop from the previous term) were remarkable.

- The outlook of imports from parent companies in Japan changed to a 0.4 percentage points drop (8.4 to 8.0) from the previous term from two consecutive positive figures. The level of DI remained positive following the previous term (the April-September term of 2002).

By industries, although the chemicals prospects alone had deteriorated in the preceding term (the April-September term of 2002), they worsened in seven industries including transportation equipment in this term (the July-December term of 2002). While electrical machinery, one of key industries, saw a 4.2 percentage points gain (7.9 to 12.1), transportation equipment fell 1.3 percentage points (12.6 to 11.3). The level of DI maintained a plus figure following the previous term (the April-September term of 2002). By region (country), although the forecast of the imports from parent companies in Japan increased had in all six regions in the previous term (the April-September term of 2002), in this term (the July-December term of 2002), it deteriorated in NIES3, Europe and China (including Hong Kong). The level of DI was in a negative figure in NIES3 and Europe, whereas it posted a plus 12.0 in China (including Hong Kong).

(6) With regard to the forecast of equipment investments (the amount of acquired tangible fixed assets excluding land), although it had increased since the term before the previous term (the January-June term of 2002), the rate of the increase got narrow to 0.1 percentage points from the previous term (12.8 to 12.9) in this term (the July-December term of 2002). Transportation equipment greatly contributed to these continuous plus figures.

- By the type of industry, there was a gain in seven industries including transportation equipment. Transportation equipment increased 5.9 percentage points from the previous term (22.5 to 28.4) and its DI level maintained relatively high. In contrast, electrical machinery saw a 6.7 percentage points decline from the previous term (14.3 to 7.6)
- By region (country), although the equipment investments prospects improved in China (up 2.8 percentage points from the previous term), North America (up 2.1 percentage points from the previous term) and NIES3 (up 1.3 percentage points from the previous term), the rates of the improvements were modest. The DI level had rose in all regions (countries) since the previous term (the April-September term of 2002).
- With regard to the objectives of increasing investments (plural answers acceptable), "a boost in productivity" of the four objectives accounted for the highest percentage of 62.1% (59.0% from the previous term), followed by "renewal and repair", 32.6% and "rationalization and streamlining", 19.2%.

Studying the companies which expected "a boost in productivity" by region (country), those in China (including Hong Kong) took up 75.0% of the total number of overseas subsidiaries, 69.8% in ASEAN 4, 52.1% in North America, 50.0% in NIES3 and 41.0% in Europe. Compared with a year earlier, while the ratio of the companies expecting "a boost in productions" rose from 65.2% to 75.0% in China (including Hong Kong), and decreased from 61.1% to 41.0% in Europe and 60.0% to 52.1% in North America. Differences in the prospects for equipment investments were seen among regions (countries).

(7) The prospects of employment in the previous term (the April-September term of 2002) rose 9.5 percentage points (minus 8.0 to 1.5) from the previous term after the second straight term of decline, marking the largest rate of increase since the July-December term of 1998 when the period of prospects was revised to a semi-annual term. The prospects in this term (the July-December term of 2002), however, decreased again to 1.8 percentage points (1.5 to minus 0.3) from the previous term.

- By the type of industry, although the prospects had deteriorated in textiles and non-ferrous metals alone in the previous term (the April-September term of 2002), they worsened in ten industries including industrial machinery in this term (the July-December term of 2002). They improved in non-ferrous metals, iron and steel and transportation equipment. But the DI level of non-ferrous metals stood at a minus figure.
- By region, while the prospects had risen in all regions in the previous term (the April-September term of 2002), they decreased 4.7 percentage points (minus 13.5 to minus 8.8) in all regions (countries) other than NIES3. The DI level of NIES3 showed the largest minus among those of other regions (countries).

Note 1:

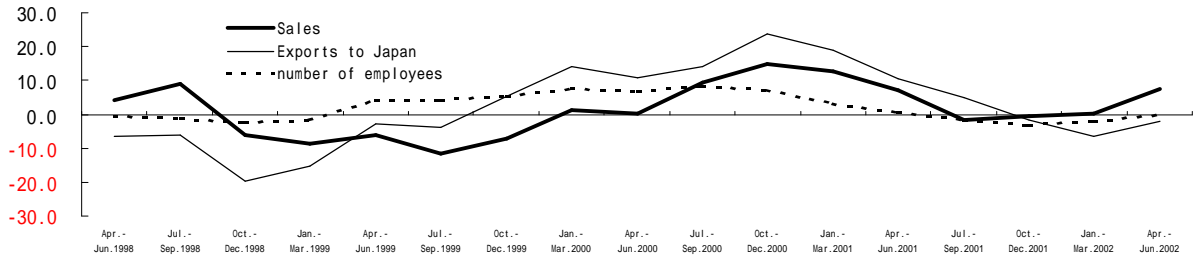
DI = the ratio of companies expecting increase – the ratio of companies expecting decrease

DI compared with the previous term = DI for this term – DI for the previous term

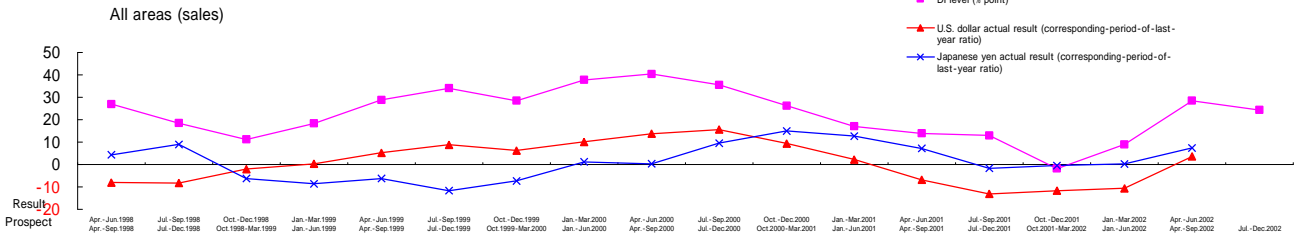
DI for this term: DI obtained from the survey of the April-June quarter of 2002 (prospects for the July-December term of 2002)

DI for the previous term: DI obtained from the survey of the January-March quarter of 2002 (prospects for the April-September term of 2002)

The actual result frame of all overseas subsidiary areas (corresponding-period-of-last-year ratio)



Transition of a prospect (DI) and an actual result (U.S. dollar, Japanese yen)



1. Trends among overseas subsidiaries

Unit:(Results : million yen, Ratio over same quarter of last year : %)

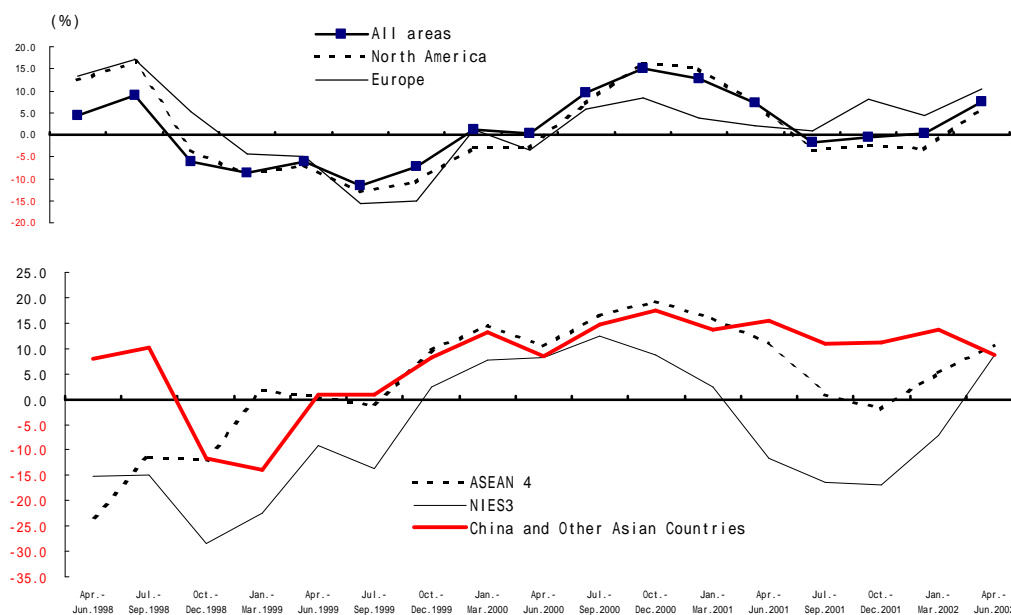
	Quarterly Performances					Ratio Over Same quarter of last year				
	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002
Sales	10,914,029	10,588,211	10,771,848	11,318,749	P 11,718,414	7.2	-1.6	-0.5	0.2	P 7.4
Local sales	8,054,486	7,754,452	7,945,391	8,350,350	P 8,784,402	4.3	-0.3	0.2	-1.7	P 9.1
Exports to Japan	926,646	932,919	907,088	884,592	P 909,369	10.6	5.1	-1.5	-6.5	P -1.9
Exports to countries other than Japan	1,932,961	1,900,296	1,919,374	2,083,807	P 2,024,643					P 4.7
(Parent-subsidiary deals)										
Export to the parent company in Japan	601,186	606,358	572,813	558,846	P 598,229					P -0.5
Import from the parent company in Japan	1,399,233	1,307,001	1,257,154	1,225,584	P 1,456,154					P 4.1
Acquisition of tangible fixed assets	348,667	372,573	303,444	362,961	P 269,364					P -22.7
Number of employees	1,937,034	1,928,943	1,899,061	1,902,863	P 1,936,788	0.7	-1.8	-3.2	-2.2	P 0.0

2. Outlook for Overseas Subsidiaries

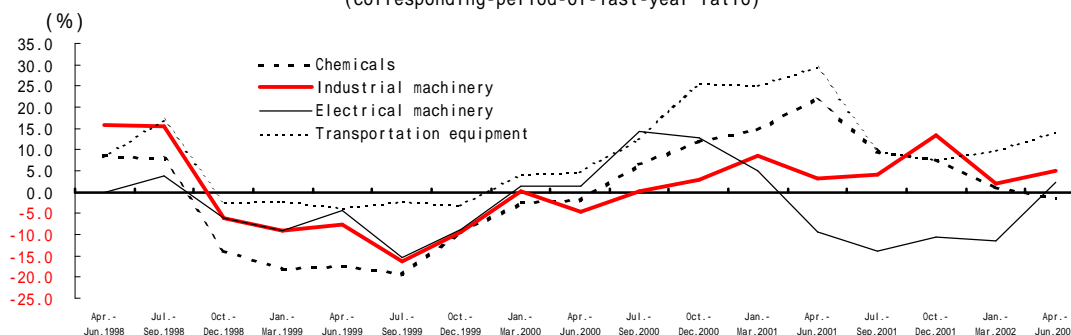
(Unit:%points)

	D I					Ratio Over Previous Quarter				
	Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002	Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002
Sales	12.9	-1.8	8.9	28.5	P 24.3	-1.0	-14.7	10.7	19.6	P -4.2
Local sales	9.1	-0.6	10.7	26.0	P 21.9	-3.8	-9.7	11.3	15.3	P -4.1
Exports to Japan	1.2	-8.5	-4.7	8.4	P 4.2	2.3	-9.7	3.8	13.1	P -4.2
Exports to countries other than Japan	0.5	-4.9	3.1	15.7	P 10.5		-5.4	8.0	12.6	P -5.2
(Parent-subsidiary deals)										
Export to the parent company in Japan	1.1	-7.3	-3.8	7.9	P 2.6		-8.4	3.5	11.7	P -5.3
Import from the parent company in Japan	-5.2	-9.4	-5.4	8.4	P 8.0		-4.2	4.0	13.8	P -0.4
Acquisition of tangible fixed assets	12.9	0.3	8.2	12.8	P 12.9	5.0	-12.6	7.9	4.6	P 0.1
Number of employees	-1.0	-6.6	-8.0	1.5	P -0.3	1.3	-5.6	-1.4	9.5	P -1.8

Local option top quantity actual result (corresponding-period-of-last-year ratio)



The sales actual result of the main types of industry (corresponding-period-of-last-year ratio)



Trends in Sales of Overseas subsidiaries by region Unit(Results : million yen, Ratio over same quarter of last year : %)

	Quarterly Performances				Apr. - Jun. 2002	Ratio Over Same quarter of last year				
	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002		Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002
Total	10,914,029	10,588,211	10,771,848	11,318,749	P 11,718,414	7.2	-1.6	-0.5	0.2	P 7.4
North America	5,409,562	5,180,958	5,322,350	5,578,365	P 5,719,762	7.3	-3.6	-2.4	-3.3	P 5.7
Asean4	1,401,763	1,409,449	1,366,021	1,466,092	P 1,553,739	11.0	1.0	-1.8	5.1	P 10.8
Nies3	772,735	754,213	713,541	758,771	P 840,559	-11.6	-16.4	-16.8	-7.2	P 8.8
China and other	773,928	814,057	773,165	773,491	P 841,794	15.5	10.9	11.2	13.6	P 8.8
Europe	1,775,806	1,718,705	1,910,330	2,010,543	P 1,962,844	2.0	0.8	8.2	4.4	P 10.5
Other	720,733	647,435	621,090	651,945	P 662,371	33.5	8.8	1.4	0.2	P -8.1

Trends in Sales of the main industry Unit(Results : million yen, Ratio over same quarter of last year : %)

	Quarterly Performances				Apr. - Jun. 2002	Ratio Over Same quarter of last year				
	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002		Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002
Manufacturing industry in total	10,914,029	10,588,211	10,771,848	11,318,749	P 11,718,414	7.2	-1.6	-0.5	0.2	P 7.4
Chemicals	764,449	726,608	730,915	713,443	P 751,789	22.0	9.5	7.8	1.1	P -1.7
Industrial machinery	726,246	673,402	696,523	753,771	P 761,664	3.1	4.1	13.4	1.9	P 4.9
Electrical machinery	3,562,252	3,647,311	3,718,369	3,634,227	P 3,639,950	-9.3	-13.8	-10.5	-11.4	P 2.2
Transportation equipment	4,107,993	3,772,317	3,895,443	4,366,261	P 4,682,032	29.3	9.9	7.6	9.8	P 14.0

## 2. Trend by the type of industry

[Results]

With regard to sales by the types of the main industries in all regions,

(1) Chemicals' sales for this term totaled 751.8 billion yen, down 1.7% from the same period of the preceding year, marking the first drop in eight consecutive terms since the April-June quarter of 2000 (6.6% in the July-September quarter of 2000 to 12.0% in the October-December quarter of 2000 to 14.5% in the January-March quarter of 2001 to 22.0% in the April-June quarter of 2001 to 9.5% in the July-September quarter of 2001 to 7.8% in the October-December quarter of 2001 to 1.1% in January-March quarter of 2002 to minus 1.7% in this quarter).

- By region, there was a decline in sales in North America and other regions. Asian regions and Europe saw a double-digit percentage increase from a year earlier. Especially, ASEAN 4 turned to a year on year double-digit rise from two consecutive negative figures in the past.

(2) Industrial machinery's sales reached 761.7 billion yen in this quarter, a 4.9% gain from the corresponding period a year earlier for the eight straight term of increase since the July-September quarter of 2000 (0.3% in the July-September quarter of 2000 to 3.0% in the October-December quarter of 2000 to 8.7% in the January-March quarter of 2001 to 3.1% in the April-June quarter of 2001 to 4.1% in the July-September quarter of 2001 to 13.4% in the October-December quarter of 2001 to 1.9% in the January-March quarter of 2002 to 4.9% in this quarter).

- By region, industrial machinery's sales rose in four regions including North America and ASEAN 4. While sales in North America, comprising slightly more than 40% of total regional sales, saw a 9.8% increase from a year earlier and ASEAN 4 a remarkable rise of 20.6%, China (including Hong Kong) declined in this quarter (down 2.9% from the previous term) after having posted a continuous rise since the July-September quarter of 2000). Europe declined for the second consecutive term (down 1.8% from the previous term).

(3) Electrical machinery's sales for this quarter reached 3,640 billion yen, changing to a 2.2% increase from the previous term after having declined for four terms in a row since the April-June quarter of 2001 (down 9.3% in the April-June quarter of 2001 to down 13.8% in the July-September quarter of 2001 to down 10.5% in the October-December quarter of 2001 to down 11.4% in the January-March quarter of 2001 to up 2.2% in this quarter).

- By region, electrical machinery's sales increased in four regions (countries) excluding Europe and other regions. While China (including Hong Kong) had posted a continuous increase in sales since the April-June quarter of 1999, North America, ASEAN 4 and NIES3 increased from the fourth consecutive quarter of decline, the third consecutive quarter of decrease and the fifth consecutive quarter of slide, respectively.

(4) Transportation equipment's sales for this quarter amounted to 4,682 billion yen, up 14.0% from the previous term, for the tenth consecutive term of rise since the January-March quarter of 2000. Its sharp increase rate greatly contributed to the rise in sales in all industries.



- By region, sales of transportation equipment rose in all regions except other regions, including North America's rise of 3,049.6 billion yen, up 11.9% from the previous term in, Europe's increase of 594.1 billion yen, up 24.3% from the previous term and ASEAN 4's increase of 345.2 billion yen, up 28.9%. NIES3 also posted the first rise in five terms since the January-March quarter of 2001. China (including Hong Kong) has maintained a high growth rate, although accounting for a small portion in total sales in all regions.

[Prospects (the July-December term of 2002)]

With regard to sales prospects by the types of main industries in all regions,

(1) Chemicals' sales prospects for this term (the July-December term of 2002) declined 1.6 percentage points (36.2 to 34.6) from the previous term after two consecutive terms of increase but remained on a high level.

- By region, the sales prospects declined in Europe, ASEAN 4 and North America. Especially, Europe saw a larger fall of 22.0 percentage points (28.1 to 6.1).

The DI level remained at a relatively high level in regions other than Europe.

(2) Industrial machinery's sales prospects for this term (the July-December term of 2002) showed a slight increase of 0.1 percentage point from the previous term (23.1 to 23.2), despite a 24.2 percentage points of increase from the term before the previous in the previous term (the April-September term of 2002).

- By region, although the forecast for the previous term (the April-September term of 2002) had improved in all regions (countries), this term (the July-December term of 2002) saw only two regions rise, that is, North America up 3.3 percentage points (4.0 to 7.3), ASEAN 4 up 5.6 percentage points (42.3 to 47.9) from the previous term. In terms of the DI level, Asian regions (countries) remain at a relative high level with ASEAN 4 at 47.9, China (including Hong Kong) at 43.7 and NIES3 at 29.2.

(3) Electrical machinery's sales prospects for this term (the July-December term of 2002) increased 1.2 percentage points from the previous term (21.5 to 22.7) for the third consecutive term of rise, despite the rise greatly contracting from 22.8 percentage points from the term before the previous in the previous term (the April-September term of 2002).

- By region, although the previous term (the April-September term of 2002) saw all six regions (countries) improve, this term (the July-December term of 2002) saw North America, Europe, China (including Hong Kong) and other regions increase. The sales prospects worsened in NIES3 and ASEAN 4, with NIES3's fall of 13.0 percentage points (27.3 to 14.3) from the previous term the larger.

The DI level have shown a double-digit positive figure in all regions (countries) including worsened ones.

(4) Transportation equipment's sales prospects for this term (the July-December term of 2002) fell

12.4 percentage points from the previous term (41.7 to 29.3) after the second consecutive term of increase. The DI level, however, continue to be relatively high (23.6 in the January-June term of 2002 to 41.7 in the April-September term of 2002 to 29.3 in this term (the July-December term of 2002).

- By region, the prospects fell 20.6 percentage points from the previous term (38.4 to 17.8) in North America, 31.3 percentage points from the previous term (34.1 to 2.8) in Europe, and also declined in NIES3 and other regions. On the other hand, improved regions stand at high levels with ASEAN 4 up 14.8 percentage points from the previous term (38.1 to 52.9) and China (including Hong Kong) up 4.5 percentage points from the previous term (59.1 to 63.6). In addition, the DI level has shown positive figures in these regions for the seventeenth consecutive term of plus since the July-December term of 1998 when its prospects turned to be conducted on a semi-annual basis, and all regions saw the level positive in the third straight term.

## Trends in Sales of the main industry by region

Unit(Results :million yen, Ratio over same quarter of last year : %)

		Quarterly Performances					Ratio Over Same quarter of last year				
		Apr. - Jun.	Jul. - Sep.	Oct. - Dec.	Jan. - Mar.	Apr. - Jun.	Apr. - Jun.	Jul. - Sep.	Oct. - Dec.	Jan. - Mar.	Apr. - Jun.
		2001	2001	2001	2002	2002	2001	2001	2001	2002	2002
Overseas subsidiaries Total		10,914,029	10,588,211	10,771,848	11,318,749	P 11,718,414	7.2	-1.6	-0.5	0.2	P 7.4
Chemicals	Total	764,449	726,608	730,915	713,443	P 751,789	22.0	9.5	7.8	1.1	P -1.7
	North America	324,154	301,058	280,542	223,283	P 251,575	29.2	17.7	5.1	-18.9	P -22.4
	ASEAN4	82,104	82,026	73,973	83,076	P 94,957	3.6	0.7	-8.7	-2.7	P 15.7
	NIES3	68,414	66,547	65,707	70,881	P 75,494	-5.2	-8.3	-8.6	-3.2	P 10.3
	China(Hong Kong is included)	27,526	31,280	34,224	30,647	P 32,055	18.7	33.3	44.4	31.4	P 16.5
	Europe	249,517	234,587	264,403	295,353	P 286,100	30.3	6.5	17.7	24.4	P 14.7
Industrial machinery	Total	726,246	673,402	696,523	753,771	P 761,664	3.1	4.1	13.4	1.9	P 4.9
	North America	298,283	267,380	288,738	322,835	P 327,506	-12.3	-9.3	12.0	-1.2	P 9.8
	ASEAN4	52,982	56,508	61,081	63,795	P 63,879	10.1	-8.0	-1.1	0.9	P 20.6
	NIES3	39,386	39,899	39,864	39,147	P 39,996	-1.5	3.5	-9.7	-6.3	P 1.5
	China(Hong Kong is included)	115,856	113,085	113,743	121,524	P 112,466	65.9	48.6	33.4	28.3	P -2.9
	Europe	204,636	179,050	177,492	190,281	P 200,917	6.4	9.9	17.0	-4.6	P -1.8
Electrical machinery	Total	3,562,252	3,647,311	3,718,369	3,634,227	P 3,639,950	-9.3	-13.8	-10.5	-11.4	P 2.2
	North America	1,195,137	1,305,328	1,352,074	1,238,323	P 1,207,208	-20.5	-19.4	-13.0	-23.1	P 1.0
	ASEAN4	752,360	757,891	726,923	764,792	P 780,581	9.9	-2.8	-1.3	-2.2	P 3.8
	NIES3	439,661	429,817	402,706	432,468	P 466,636	-16.2	-22.2	-21.4	-9.6	P 6.1
	China(Hong Kong is included)	422,231	449,320	428,195	424,238	P 480,206	8.5	3.8	5.4	16.4	P 13.7
	Europe	642,396	595,340	708,821	701,947	P 630,370	-13.0	-19.6	-12.6	-7.7	P -1.9
Transportation equipment	Total	4,107,993	3,772,317	3,895,443	4,366,261	P 4,682,032	29.3	9.9	7.6	9.8	P 14.0
	North America	2,726,188	2,462,991	2,564,619	2,901,878	P 3,049,572	32.7	6.5	3.3	8.1	P 11.9
	ASEAN4	267,770	265,098	256,329	287,405	P 345,235	20.0	12.2	-5.7	30.8	P 28.9
	NIES3	83,810	80,613	79,850	81,262	P 100,457	-13.8	-17.3	-17.7	-13.6	P 19.9
	China(Hong Kong is included)	14,348	17,059	16,451	18,976	P 22,095	13.6	28.4	37.8	44.5	P 54.0
	Europe	478,094	477,606	520,533	557,359	P 594,061	19.6	32.7	44.6	11.5	P 24.3
Food and tobacco	Total	322,779	328,363	320,643	354,812	P 351,610	13.1	11.6	-1.4	13.6	P 8.9
Textiles	Total	148,107	136,860	126,115	135,941	P 145,753	0.7	-1.9	-8.7	-7.4	P -1.6
Wood, pulp and paper products	Total	55,332	50,593	54,291	44,184	P 47,728	-24.9	-36.7	-27.1	-37.3	P -13.7
Ceramics, stone and clay	Total	213,399	217,059	207,276	223,197	P 205,785	3.5	-3.9	7.3	4.2	P -3.6
Iron and steel	Total	199,287	201,575	206,255	226,015	P 238,058	-0.7	4.9	9.5	25.3	P 19.5
Non-ferrous metals	Total	95,635	76,505	75,135	85,256	P 88,693	-21.0	-36.8	-40.6	-23.4	P -7.3
Metals	Total	50,463	49,029	48,862	49,717	P 54,644	-0.9	0.9	7.7	7.7	P 8.3
Precision instruments	Total	196,565	200,914	187,139	194,631	P 197,790	-1.9	-7.2	-9.9	4.5	P 0.6

Outlook for sales of the main industry by region

(Unit:%points)

		D I					Ratio Over Previous Quarter				
		Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002	Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002
Overseas subsidiaries Total		12.9	-1.8	8.9	28.5	P 24.3	-1.0	-14.7	10.7	19.6	P -4.2
Chemicals	Total	20.2	-2.2	18.3	36.2	P 34.6	1.1	-22.4	20.5	17.9	P -1.6
	North America	17.8	-11.8	-4.4	28.9	P 27.3	8.1	-29.6	7.4	33.3	P -1.6
	ASEAN4	17.9	-1.7	27.0	54.1	P 50.0	-8.9	-19.6	28.7	27.1	P -4.1
	NIES3	7.9	-35.1	-2.7	25.0	P 30.6	-1.8	-43.0	32.4	27.7	P 5.6
	China(Hong Kong is included)	35.5	30.5	52.8	39.4	P 45.7	-19.3	-5.0	22.3	-13.4	P 6.3
	Europe	17.7	5.5	18.2	28.1	P 6.1	23.6	-12.2	12.7	9.9	P -22.0
Industrial machinery	Total	6.0	3.3	-1.1	23.1	P 23.2	-13.0	-2.7	-4.4	24.2	P 0.1
	North America	-2.0	-2.4	-2.3	4.0	P 7.3	-4.2	-0.4	0.1	6.3	P 3.3
	ASEAN4	13.8	22.2	3.7	42.3	P 47.9	17.8	8.4	-18.5	38.6	P 5.6
	NIES3	-3.7	-17.4	-22.8	33.4	P 29.2	5.8	-13.7	-5.4	56.2	P -4.2
	China(Hong Kong is included)	14.7	18.2	18.8	52.9	P 43.7	-45.3	3.5	0.6	34.1	P -9.2
	Europe	6.8	-4.8	-4.8	6.7	P 0.0	-24.0	-11.6	0.0	11.5	P -6.7
Electrical machinery	Total	2.9	-15.4	-1.3	21.5	P 22.7	7.6	-18.3	14.1	22.8	P 1.2
	North America	-1.3	-14.3	-5.7	13.4	P 24.7	13.0	-13.0	8.6	19.1	P 11.3
	ASEAN4	-6.4	-27.5	-5.1	20.9	P 14.0	6.7	-21.1	22.4	26.0	P -6.9
	NIES3	-16.7	-30.7	-5.1	27.3	P 14.3	4.8	-14.0	25.6	32.4	P -13.0
	China(Hong Kong is included)	25.2	8.8	21.1	31.5	P 38.2	3.1	-16.4	12.3	10.4	P 6.7
	Europe	17.0	-9.8	-21.5	7.0	P 21.3	11.3	-26.8	-11.7	28.5	P 14.3
Transportation equipment	Total	15.4	3.2	23.6	41.7	P 29.3	-4.9	-12.2	20.4	18.1	P -12.4
	North America	-15.2	-19.8	15.2	38.4	P 17.8	-15.2	-4.6	35.0	23.2	P -20.6
	ASEAN4	37.0	26.3	27.2	38.1	P 52.9	-13.0	-10.7	0.9	10.9	P 14.8
	NIES3	30.0	-23.9	5.5	31.6	P 12.5	13.4	-53.9	29.4	26.1	P -19.1
	China(Hong Kong is included)	64.7	55.0	45.0	59.1	P 63.6	24.7	-9.7	-10.0	14.1	P 4.5
	Europe	16.3	2.1	38.6	34.1	P 2.8	-1.9	-14.2	36.5	-4.5	P -31.3
Food and tobacco	Total	37.9	39.8	44.8	32.2	P 39.8	-17.9	1.9	5.0	-12.6	P 7.6
Textiles	Total	17.9	-10.2	-5.8	8.7	P 6.1	-22.5	-28.1	4.4	14.5	P -2.6
Wood, pulp and paper products	Total	14.8	18.2	17.8	42.8	P 50.0	-12.5	3.4	-0.4	25.0	P 7.2
Ceramics, stone and clay	Total	20.0	16.3	17.1	42.6	P 7.3	6.9	-3.7	0.8	25.5	P -35.3
Iron and steel	Total	26.5	-2.0	17.8	37.3	P 13.5	-3.9	-28.5	19.8	19.5	P -23.8
Non-ferrous metals	Total	-14.0	7.7	21.2	33.3	P 30.1	-11.5	21.7	13.5	12.1	P -3.2
Metals	Total	4.1	-16.3	-27.3	40.5	P 28.3	6.9	-20.4	-11.0	67.8	P -12.2
Precision instruments	Total	24.7	-7.4	-4.9	3.4	P 12.3	16.8	-32.1	2.5	8.3	P 8.9

### 3. Trend by region (country)

#### (1) North America

[Results]

1) Helped by the yen's fall against local currencies, sales reached 5,719.8 billion yen, increasing 5.7% from the same period last year after the third consecutive term of decrease.

- By the type of industry, while transportation equipment due to continued strong demand increases in sales (up 11.9% year-on-year) for ten terms in a row, industrial machinery sales increased 9.8% from a year earlier and the sales of food and tabbaco 7.4% up. In addition, electrical machinery increased in sales 1.0% from the same period last year, although it had showed significant declines for four consecutive terms to the previous one due to a decline in IT-related demand.

In contrast, chemicals sales fell 22.4% from the previous year and the sales of ceramics, stone and clay products dropped 4.5% from the same period last year.

2) Local sales amounted to 5,314.5 billion yen, up 7.6% from the same period of last year, like sales.

3) Exports to Japan (Japan's reimports) recorded 80.6 billion yen, down 23.0% from a year earlier for the fourth consecutive term of decline.

4) Export to countries other than Japan totaled 324.7 billion yen, a year-on-year 11.8% fall.

- By the type of industry, electrical machinery decreased in sales (down 22.5% from the previous year).

5) With regard to intra-company transactions (exports to parent companies in Japan and imports from them),

- Exports to parent companies in Japan posted 39.3 billion yen, down 15.6% from the corresponding period of last year and imports from them 707.9 billion yen, a 0.2% fall from the previous year.

- By the type of industry, exports to parent companies saw electrical machinery fall (down 58.8% from a year earlier). Imports from them saw transportation equipment increase (up 12.7% year-on-year) and electrical machinery decrease (down 12.3% year-on-year).

6) Equipment investments (the amount of tangible fixed assets excluding land) posted to 123.8 billion yen, marking a 19.6% fall from a year earlier.

- By the type of industry, while electrical machinery saw equipment investments decrease (down 72.1% year-on-year), transportation equipment increase (up 33.1% year-on-year).

7) The number of employees totaled 412,000 people and showed a year-on-year decrease of 4.8% for the fifth consecutive terms of decline partly due to deteriorating employment situation.

- By the type of industry, employment dropped in all industries except other types of

industries. Especially, electrical employment, accounting for a large portion of the total number of employees, decreased 8.4% for the sixth consecutive term of fall.

[Prospects (the July-December term of 2002)]

1) Sales prospects slid 8.7 percentage points from the previous term (29.4 to 20.7), marking the first fall after two terms of increase.

- By industry, transportation equipment saw sales prospects decrease 20.6 percentage points from the previous term (38.4 to 17.8) after two consecutive positive figures and steel and iron fell 59.4 percentage points from the previous term (36.3 to minus 23.1) with the DI level also turning to a minus figure. On the other hand, electrical machinery's sales prospects increased 11.3 percentage points from the previous term (13.4 to 24.7) for the third straight term of rise.

2) The prospects of local sales fell 7.3 percentage points from the previous term (29.5 to 22.2) after the second straight term of increase.

3) The forecast for exports to Japan (Japan's reimports) slid 0.8 percentage points from the previous term (minus 0.4 to minus 1.2) after two consecutive terms of increase.

4) The outlook for exports to countries other than Japan dropped 7.2 percentage points from the previous term (14.5 to 7.3).

5) With regard to intra-company transactions (exports to parent companies in Japan and imports from them,)

- The prospects of exports to parent companies increased 2.3 percentage points from the previous term (minus 3.2 to minus 0.9), and the outlook of imports from them rose 3.5 percentage points from the previous term (6.2 to 9.7).

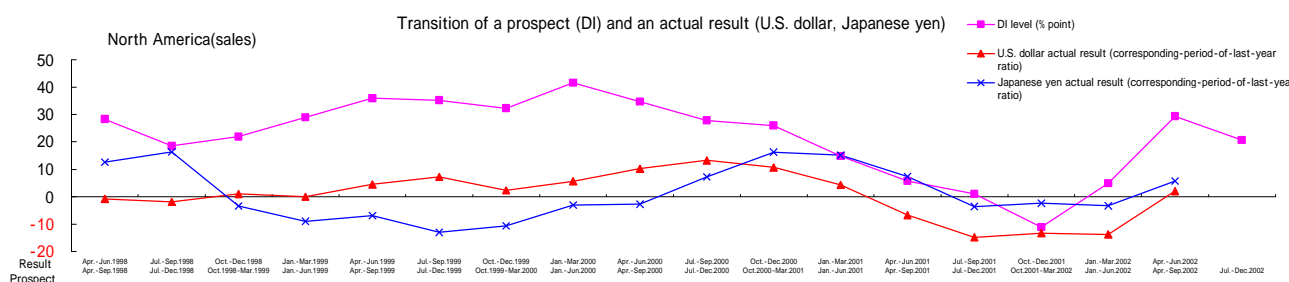
6) The prospects of equipment investments (the amount of acquired tangible fixed assets excluding land) climbed 2.1 percentage points from the previous term (5.8 to 7.9) for the third straight term of increase.

- By industry, the prospects of transportation equipment gained 3.9 percentage points from the preceding term (16.1 to 20.0). Industrial machinery also improved by 4.0 percentage points from the previous term (6.5 to 10.5).

7) The forecast for employment deteriorated again, down 2.5 percentage points from the previous term (minus 5.3 to minus 7.8) after seven terms of increase in the past.

- By the type of industry, electrical machinery's outlook fell 3.0 percentage points from the previous term (minus 7.5 to minus 10.5). Industrial machinery and ceramics, stone and clay products also deteriorated.

On the other hand, transportation equipment's forecast increased 2.0 percentage points from the previous term (6.2 to 8.2) for the third straight term of rise with its DI level a positive figure for two terms in a row.



### 1. Trends among Overseas Subsidiaries in North America

Unit(Results : million yen(Number of employees:persons), Ratio over same quarter of last year

	Quarterly Performances					Ratio Over Same quarter of last year				
	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002
Sales	5,409,562	5,180,958	5,322,350	5,578,365	P 5,719,762	7.3	-3.6	-2.4	-3.3	P 5.7
Local sales	4,936,816	4,739,527	4,873,093	5,154,193	P 5,314,459	3.5	0.9	1.2	-2.3	P 7.6
Exports to Japan	104,653	92,446	85,605	77,110	P 80,621	5.8	-10.8	-13.3	-29.1	P -23.0
Exports to countries other than Japan	368,093	348,985	363,652	347,062	P 324,682					P -11.8
(Parent-subsidiary deals)										
Export to the parent company in Japan	46,518	44,783	37,391	34,338	P 39,278					P -15.6
Import from the parent company in Japan	709,595	649,165	626,863	592,364	P 707,879					P -0.2
Acquisition of tangible fixed assets	154,006	175,202	155,855	198,487	P 123,830					P -19.6
Number of employees	432,760	430,379	417,202	404,408	P 411,844	-3.2	-4.0	-6.3	-8.2	P -4.8

### Trends in Sales of the main industry

Unit(Results : million yen, Ratio over same quarter of last year : %)

	Quarterly Performances					Ratio Over Same quarter of last year				
	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002
Manufacturing industry in total	5,409,562	5,180,958	5,322,350	5,578,365	P 5,719,762	7.3	-3.6	-2.4	-3.3	P 5.7
Chemicals	324,154	301,058	280,542	223,283	P 251,575	29.2	17.7	5.1	-18.9	P -22.4
Industrial machinery	298,283	267,380	288,738	322,835	P 327,506	-12.3	-9.3	12.0	-1.2	P 9.8
Electrical machinery	1,195,137	1,305,328	1,352,074	1,238,323	P 1,207,208	-20.5	-19.4	-13.0	-23.1	P 1.0
Transportation equipment	2,726,188	2,462,991	2,564,619	2,901,878	P 3,049,572	32.7	6.5	3.3	8.1	P 11.9
Precision instruments	46,692	41,377	33,173	36,210	P 30,426	-33.3	-40.0	-54.1	-20.3	P -34.8

### 2. Outlook for North America

(Unit:%points)

	D I					Ratio Over Previous Quarter				
	Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002	Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002
Sales	1.0	-11.1	4.9	29.4	P 20.7	-4.7	-12.1	16.0	24.5	P -8.7
Local sales	2.7	-9.3	6.4	29.5	P 22.2	-1.7	-12.0	15.7	23.1	P -7.3
Exports to Japan	-12.5	-13.2	-5.1	-0.4	P -1.2	-6.3	-0.7	8.1	4.7	P -0.8
Exports to countries other than Japan	-7.9	-7.7	0.4	14.5	P 7.3		0.2	8.1	14.1	P -7.2
(Parent-subsidiary deals)										
Export to the parent company in Japan	-11.9	-11.1	-3.7	-3.2	P -0.9		0.8	7.4	0.5	P 2.3
Import from the parent company in Japan	-11.2	-8.1	-1.6	6.2	P 9.7		3.1	6.5	7.8	P 3.5
Acquisition of tangible fixed assets	15.3	-7.4	3.6	5.8	P 7.9	2.9	-22.7	11.0	2.2	P 2.1
Number of employees	-9.2	-16.1	-19.6	-5.3	P -7.8	-0.7	-6.9	-3.5	14.3	P -2.5

(2) ASEAN4

[Results]

- 1) Sales totaled 1,553.7 billion yen, up 10.8% from the same period of last year, climbing for two terms in a row, partly because of strong local currencies.
  - By the type of industry, sales of transportation equipment increased 28.9% from the same term a year ago for the second consecutive term of increase partly due to an increase in production in Thailand. Chemicals increased 15.7% from the same period of last year after two consecutive terms of decline and industrial machinery continued to increase (up 20.6% from a year earlier). In addition, sales of electrical machinery, a key industry, increased in this term after two consecutive terms of decrease partly due to declining IT-related demand.
- 2) Local sales totaled 622.8 billion yen, up 20.4% from a year earlier for two consecutive terms of increase.
  - By the type of industry, transportation equipment and chemicals increased in sales for the second straight term of rise, 29.1% from the previous year and 29.5% from a year earlier, respectively.
- 3) Exports to Japan (Japan's reimports) totaled 365.2 billion yen (down 0.1% year on year) for the third consecutive term of decline.
  - By industry, electrical machinery sales continued to drop (down 5.0% on a year-on-year basis).
- 4) Exports to countries other than Japan rose 565.7 billion yen, up 9.0% from the corresponding period of last year.
  - By the type of industry, electrical machinery sales climbed a year-on-year 8.6% and the sales of transportation equipment a year-on-year 37.6%.
- 5) In terms of intra-company transactions (exports to parent companies in Japan and imports from them),
  - Exports to parent companies totaled 241.1 billion yen, down 0.5% from the same period last year, while imports from them amounted to 174.4 billion yen, a year-on-year 14.7% rise.
  - By the type of industry, electrical machinery and precision machinery fell 5.4% and 26.4% in exports to parent companies in Japan, respectively, from a year earlier. On the other hand, imports from them saw conspicuous gain (up 40.3% from the year-earlier level).
- 6) Equipment investments (the amount of acquired tangible fixed assets excluding land) amounted 45.2 billion yen, a year-on-year 38.2% drop.
  - By the type of industry, the equipment investments saw chemicals, which had marked a large value in the previous year, a plunge (a year-on-year 90.6% fall), and electrical machinery decline (a drop of 11.1% from a year earlier) too. In contrast, transportation equipment increased 46.2% from the year-earlier level.
- 7) Employment posted 612,000 people, down 2.2% from the previous year, for the fourth consecutive term of decline.



- By the type of industry, electrical machinery employment declined (a year-on-year drop of 6.2%) for the fifth straight term of decrease.

On the other hand, transportation equipment saw employment increase (an 8.6% rise from the previous year) for the third consecutive term of gain.

[Prospects (the July-December term term of 2002)]

1) Sales prospects fell 2.5 percentage points from the previous term (33.3 to 30.8) after two consecutive terms of rise.

- By the type of industry, the sales prospects of electrical machinery slid 6.9 percentage points from the previous term (20.9 to 14.0), marking the first drop in three terms. Other industries also worsened in sales prospects.

In contrast, transport machinery gained 14.8 percentage points from the previous term (38.1 to 52.9), improving after two consecutive terms of fall.

2) The outlook of local sales drop 5.0 percentage points from the previous term (29.1 to 24.1), marking the first dip in three terms.

- By industry, electrical machinery in the prospects of local sales slid 9.6 percentage points from the previous term (22.0 to 12.4), a dip after two terms of increase.

3) The forecast of exports to Japan (Japan's reimports) decreased 5.8 percentage points from the previous term (14.0 to 8.2), the first drop in three terms.

- By the type of industry, industrial machinery saw a significant decrease of 30.9 percentage points from the previous term (26.1 to minus 4.8) and electrical machinery a 4.9 percentage points drop from the previous term (10.5 to 5.6).

4) The prospects for exports to countries other than Japan deteriorated by 4.8 percentage points from the previous term (20.3 to 15.5), showing the first fall in the three terms.

- By industry, electrical machinery marked a conspicuous drop of 19.8 percentage points from the previous term (25.4 to 5.6) in the prospects for exports to countries other than Japan.

5) With regard to intra-company transactions (exports to parent companies in Japan and imports from them),

- The prospects of exports to parent companies decreased 11.0 percentage points from the preceding term (16.5 to 5.5) after two consecutive terms of increase. Those for imports from them gained 1.4 percentage points from the previous term (12.7 to 14.1) for the third straight term of rise partly due to an increase in transportation equipment.

6) The forecast of equipment investments (the amount of acquired tangible fixed assets excluding land) marked a slight fall of 0.3 percentage points from the preceding term (14.6 to 14.3).

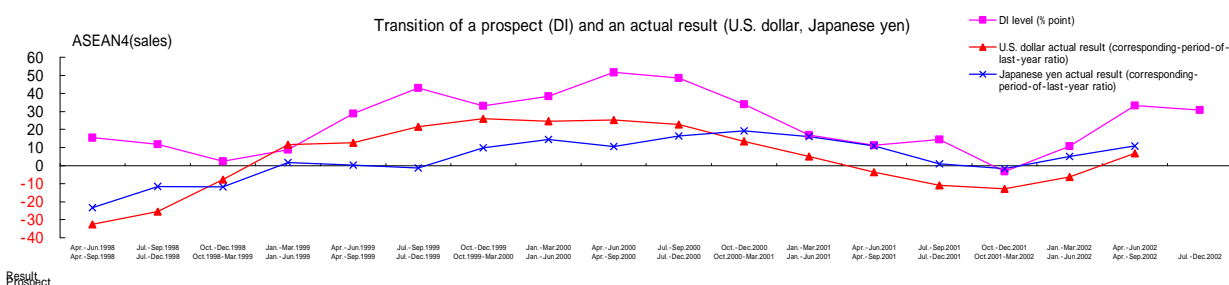
- By the type of industry, electrical machinery and industrial machinery saw a remarkable fall in the forecast of equipment investments.

7) The prospects for employment turned a drop of 1.4 percentage points from the previous term (3.0 to 1.6).

- By industry, textiles saw a change to fall and ceramics, stone and clay products a

sharp drop.

In contrast, employment prospects of transportation equipment turned to the first improvement in three terms. The DI level of electrical machinery increased for the second term of rise although the figure remained negative.



### 1. Trends among Overseas Subsidiaries in ASEAN4

Unit(Results : million yen(Number of employees:persons), Ratio over same quarter of last year)

	Quarterly Performances				Ratio Over Same quarter of last year					
	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002
Sales	1,401,763	1,409,449	1,366,021	1,466,092	P 1,553,739	11.0	1.0	-1.8	5.1	P 10.8
Local sales	517,361	515,100	498,675	559,862	P 622,807	4.4	-5.5	-13.1	3.3	P 20.4
Exports to Japan	365,613	386,367	367,580	358,770	P 365,239	7.9	6.5	-4.2	-10.9	P -0.1
Exports to countries other than Japan	518,850	507,425	499,766	547,460	P 565,693					P 9.0
(Parent-subsidiary deals)										
Export to the parent company in Japan	242,245	258,067	241,453	237,827	P 241,119					P -0.5
Import from the parent company in Japan	152,055	151,571	144,217	153,423	P 174,358					P 14.7
Acquisition of tangible fixed assets	73,115	69,275	52,518	53,209	P 45,167					P -38.2
Number of employees	625,943	618,152	609,258	615,878	P 612,362	2.0	-3.3	-4.3	-2.3	P -2.2

### Trends in Sales of the main industry

Unit(Results : million yen, Ratio over same quarter of last year : %)

	Quarterly Performances				Ratio Over Same quarter of last year					
	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002
Manufacturing industry in total	1,401,763	1,409,449	1,366,021	1,466,092	P 1,553,739	11.0	1.0	-1.8	5.1	P 10.8
Chemicals	82,104	82,026	73,973	83,076	P 94,957	3.6	0.7	-8.7	-2.7	P 15.7
Industrial machinery	52,982	56,508	61,081	63,795	P 63,879	10.1	-8.0	-1.1	0.9	P 20.6
Electrical machinery	752,360	757,891	726,923	764,792	P 780,581	9.9	-2.8	-1.3	-2.2	P 3.8
Transportation equipment	267,770	265,098	256,329	287,405	P 345,235	20.0	12.2	-5.7	30.8	P 28.9
Precision instruments	25,508	25,850	28,144	27,725	P 35,570	29.4	25.3	36.9	26.4	P 39.4

### 2. Outlook for ASEAN4

(Unit:%points)

	D I					Ratio Over Previous Quarter				
	Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002	Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002
Sales	14.5	-3.2	10.7	33.3	P 30.8	3.2	-17.7	13.9	22.6	P -2.5
Local sales	8.5	-1.7	8.6	29.1	P 24.1	-1.5	-10.2	10.3	20.5	P -5.0
Exports to Japan	3.8	-9.0	-4.8	14.0	P 8.2	3.6	-12.8	4.2	18.8	P -5.8
Exports to countries other than Japan	7.5	-4.3	2.9	20.3	P 15.5		-11.8	7.2	17.4	P -4.8
(Parent-subsidiary deals)										
Export to the parent company in Japan	5.2	-7.1	-4.3	16.5	P 5.5		-12.3	2.8	20.8	P -11.0
Import from the parent company in Japan	-1.4	-12.8	-9.2	12.7	P 14.1		-11.4	3.6	21.9	P 1.4
Acquisition of tangible fixed assets	14.4	1.7	7.4	14.6	P 14.3	7.2	-12.7	5.7	7.2	P -0.3
Number of employees	2.9	-1.5	-7.9	3.0	P 1.6	3.6	-4.4	-6.4	10.9	P -1.4

### (3) NIES3

[Results]

1) Sales totaled 840.6 billion yen, the first increase of 8.8% from a year earlier in five terms partly because of the yen's fall against local currencies.

- By the type of industry, there was an increase in sales in nine industries.

Especially electrical machinery, a key industry, turned to a rise in this term (a 6.1% increase from the corresponding period of last year), after the fifth consecutive fall partly due to declining IT-related demand in the previous terms. In addition, the sales of transportation equipment and chemicals sales changed to increase 19.9% from a year earlier and 10.3% from the same period last year, respectively.

2) Local sales totaled 446.2 billion yen at an 8.6% rise, marking the first increase in five terms like sales.

- By the type of industry, electrical machinery and transportation equipment increased for the first time in five terms, up 6.9% from the previous year and up 19.9% from a year earlier, like sales.

3) Exports to Japan (Japan's reimports) totaled 123.2 billion yen a year-on-year fall of 8.6% for the fifth straight term of decline.

- By industry, electrical machinery, a key industry, continued to decrease 9.6% from the same period last year.

4) Exports to countries other than Japan amounted to 271.2 billion yen, up 19.4% from the previous year.

- By the type of industry, electrical machinery and chemicals increase 15.1% and 13.6% respectively from a year earlier.

5) In terms of intra-company transactions (exports to parent companies in Japan and imports from them),

- Exports to parent companies in Japan totaled 95.2 billion yen, down 7.9% from a year earlier and imports from them amounted to 127.5 billion yen, up 15.8% from the year-earlier level.
- By industry, electrical machinery slid in exports to parent companies in Japan, a year-on-year fall of 10.7%, and electrical machinery and transportation equipment 7.1% and 17.2% respectively from a year earlier.

6) Equipment investments (the amount of acquired tangible fixed assets excluding land) amounted to 13.9 billion yen, down 24.0% from the previous year.

- By the type of industry, transportation equipment fell 55.4% from a year earlier and electrical machinery 17.6% from the previous year.

7) The number of employees was 111,000 people, a year-on-year fall of 5.1%, for the sixth consecutive terms of decline. This showed employment conditions continued to deteriorate.

- By the type of industry, electrical machinery employment dropped 7.9% from the previous year for the sixth consecutive term of fall, industrial machinery declined 8.1% from a year earlier for the fifth straight term of dip and chemicals continued to fall in

employment, down 5.7% from the corresponding period of last year.

[Prospects (the July-December term of 2002)]

1) The prospects of sales decreased 10.1 percentage points from the previous term (22.0 to 11.9), marking the first drop in three terms.

- By the type of industry, sales prospects deteriorated in eight industries with electrical machinery dropping 13.0 percentage points from the preceding term (27.3 to 14.3) and transportation equipment sliding 19.1 percentage points from the previous term (31.6 to 12.5), both being the first falls in three terms.

In contrast, the prospects sales for chemicals improved for the third straight term of increase.

2) The outlook for local sales fell 9.8 percentage points from the preceding term (21.5 to 11.7) like sales after the second straight term of increase.

- By the type of industry, electrical machinery dropped in the outlook for local sales for the first time in three terms and the DI level worsened in eight industries including negative DI level figures.

3) The forecast of exports to Japan (Japan's reimports) decreased 11.7 percentage points from the preceding term (3.0 to minus 8.7) for the first time in three terms.

- By industry, industrial machinery saw the exports forecast deteriorate for the first time in three terms.

4) The prospects for exports to countries other than Japan saw nine industries deteriorate including electrical machinery's slide of 9.4 percentage points from the previous term (14.1 to 4.7).

5) In terms of intra-company transactions (exports to parent companies in Japan and imports from them),

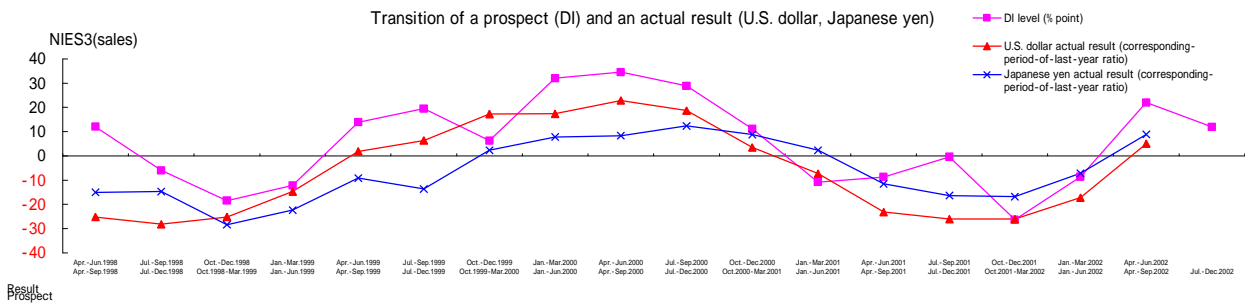
- The prospects of exports to parent companies decreased 13.3 percentage points from the previous term (1.9 to minus 11.4) and the outlook of imports from parent companies declined 10.1 percentage points from the preceding term (6.6 to minus 3.5).

6) The prospects of equipment investments (the amount of acquired tangible fixed assets excluding land) increased 1.3 percentage points from the preceding term (2.1 to 3.4) for the third consecutive term of increase.

- By industry, transportation equipment substantially rose 43.5 percentage points in the equipment investments prospects from the previous term (minus 6.6 to 36.9) and saw the DI level positive. Chemicals also improved in the prospects.

7) Employment rose 4.7 percentage points from the preceding term (minus 13.5 to minus 8.8) for the two straight term of increase. The DI level, however, turned to be negative and a large number of companies continued to expect employment to be declining.

- By the type of industry, employment in transportation equipment increased 20.2 percentage points from the previous term (minus 15.8 to 4.4) to show a great improvement. The DI level turned to be positive as well.



1. Trends among Overseas Subsidiaries in NIES3

Unit(Results : million yen(Number of employees:persons), Ratio over same quarter of last year)

	Quarterly Performances				Ratio Over Same quarter of last year					
	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002
Sales	772,735	754,213	713,541	758,771	P 840,559	-11.6	-16.4	-16.8	-7.2	P 8.8
Local sales	410,899	400,539	381,299	397,521	P 446,210	-16.9	-19.9	-19.5	-16.2	P 8.6
Exports to Japan	134,730	128,333	118,321	117,775	P 123,162	-1.3	-9.4	-22.4	-13.9	P -8.6
Exports to countries other than Japan		225,341	213,921	243,475	P 271,187					P 19.4
(Parent-subsidiary deals)										
Export to the parent company in Japan		94,898	88,813	85,514	P 95,233					P -7.9
Import from the parent company in Japan		98,396	94,616	104,881	P 127,489					P 15.8
Acquisition of tangible fixed assets	18,299	14,163	9,880	13,938	P 13,905					P -24.0
Number of employees	117,222	113,709	110,147	109,285	P 111,186	-4.1	-8.3	-11.2	-9.4	P -5.1

Trends in Sales of the main industry

Unit(Results : million yen, Ratio over same quarter of last year : %)

	Quarterly Performances				Ratio Over Same quarter of last year					
	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002
Manufacturing industry in total	772,735	754,213	713,541	758,771	P 840,559	-11.6	-16.4	-16.8	-7.2	P 8.8
Chemicals	68,414	66,547	65,707	70,881	P 75,494	-5.2	-8.3	-8.6	-3.2	P 10.3
Industrial machinery	39,386	39,899	39,864	39,147	P 39,996	-1.5	3.5	-9.7	-6.3	P 1.5
Electrical machinery	439,661	429,817	402,706	432,468	P 466,636	-16.2	-22.2	-21.4	-9.6	P 6.1
Transportation equipment	83,810	80,613	79,850	81,262	P 100,457	-13.8	-17.3	-17.7	-13.6	P 19.9
Precision instruments	19,011	19,967	18,795	17,540	P 19,204	7.0	14.2	3.1	8.2	P 1.0

2. Outlook for NIES3

(Unit:%points)

	D I				Ratio Over Previous Quarter					
	Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002	Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002
Sales	-0.4	-26.3	-8.6	22.0	P 11.9	8.3	-25.9	17.7	30.6	P -10.1
Local sales	-5.9	-24.3	-5.9	21.5	P 11.7	1.1	-18.4	18.4	27.4	P -9.8
Exports to Japan	-10.8	-22.5	-9.2	3.0	P -8.7	3.8	-11.7	13.3	12.2	P -11.7
Exports to countries other than Japan	-11.2	-23.9	-7.0	14.1	P 4.7		-12.7	16.9	21.1	P -9.4
(Parent-subsidiary deals)										
Export to the parent company in Japan	-10.2	-21.7	-12.4	1.9	P -11.4		-11.5	9.3	14.3	P -13.3
Import from the parent company in Japan	-25.5	-27.7	-12.9	6.6	P -3.5		-2.2	14.8	19.5	P -10.1
Acquisition of tangible fixed assets	-1.1	-17.5	-9.3	2.1	P 3.4	6.0	-16.4	8.2	11.4	P 1.3
Number of employees	-15.5	-21.0	-21.2	-13.5	P -8.8	-0.5	-5.5	-0.2	7.7	P 4.7

#### **(4) China (including Hong Kong)**

[Results]

1) Sales totaled 841.8 billion yen, up 8.8% from the equivalent period a year ago, posting a rise for the thirteenth consecutive period partly due to the yen's fall against local currencies.

- By the type of industry, electrical machinery, making up a large proportion of total sales, saw a 13.7% year-on-year rise in sales for the thirteenth consecutive period of increase and the increase rate registered a double-digit for two periods in a row. Sales of transportation equipments, enjoying brisk demand, skyrocketed by 54.0% for the tenth consecutive term of growth, and the growth rate expanded remarkably for the fifth straight term. Besides, chemicals continued to increase in sales, up 16.5% from the equivalent period a year ago.

2) Local sales amounted to 295.9 billion yen, up 7.9% from the same period of last year, showing a rise for the tenth consecutive period like sales.

- By industry, electrical machinery, accounting for a large portion of total local sales, increased 7.1% from the previous year, marking the first rise in four periods and transportation equipment 's sales increased 42.3% from a year earlier, marking a significant growth for ten periods in a row. Chemicals saw a sharp increase in sales, up 26.2% over a year ago successively.

3) Exports to Japan (Japan's reimports) reached 282.8 billion yen, up 6.6% from a year earlier, marking for thirteen periods in a row.

- By industry, electrical machinery saw exports to Japan increase 18.0% from the year-earlier level for the thirteenth consecutive term.

4) Exports to countries other than Japan were 263.1 billion yen, a year-on-year 12.3% increase.

- By the type of industry, electrical machinery saw the exports increase 15.9% from the corresponding period of last year, and transportation equipment a substantive growth of 102.7% from the year-earlier level.

5) In terms of intra-company transactions (exports to parent companies in Japan and imports from them),

- Exports to parent companies in Japan amounted to 190.7 billion yen and imports from them totaled 111.7 billion yen.
- By industry, electrical machinery, transportation equipment and precision machinery increased in exports to parent companies and transportation equipment and non-ferrous metals showed a remarkable increase in imports from parent companies.

6) Equipment investments (the amount of acquired tangible fixed assets excluding land) posted 21.4 billion yen, down 29.6% from the same period last year.

- By the type of industry, equipment investments in electrical machinery posted a remarkable drop of 50.5% from the previous year.

7) The number of employees was 420,000 people, up 9.9% from a year earlier, continuing to increase since the survey had started.

- By the type of industry, employment saw electrical machinery, a key industry, increase 11.0% from a year earlier for two terms in a row, and transportation equipment saw increase 32.3% from the previous year for the thirteenth straight term with the increase significantly expanding for four terms in a row. As a results, employment rose in ten industries.

[Prospects (the July-December term of 2002)]

1) Sales prospects improved by 2.2 percentage points from the previous term (29.8 to 32.0) for the third straight term of increase.

- By the type of industry, there was an improvement in nine out of thirteen industries and the level of DI increased in all industries. Especially, transportation equipment marked an increase for two terms in a row and electrical machinery continued to show a rise.

2) The outlook for local sales improved by 4.5 percentage points from the preceding term (25.2 to 29.7), like sales.

- By the type of industry, chemicals, industrial machinery, transportation equipment and other industries showed a remarkable increase.

3) The outlook for exports to Japan (Japan's reimports) dropped 2.7 percentage points from the previous term (16.6 to 13.9) for the first time in three periods. The level of DI, however, maintained a double-digit.

- By industry, the exports outlook for electrical machinery and industrial machinery worsened.

4) The prospects of exports to countries other than Japan grew 3.3 percentage points from the preceding period (12.4 to 15.7) for the third consecutive term of increase.

- By the type of industry, the exports prospects improved in chemicals, electrical machinery and transportation equipment.

5) In terms of intra-company transactions (exports to parent companies in Japan and imports from them),

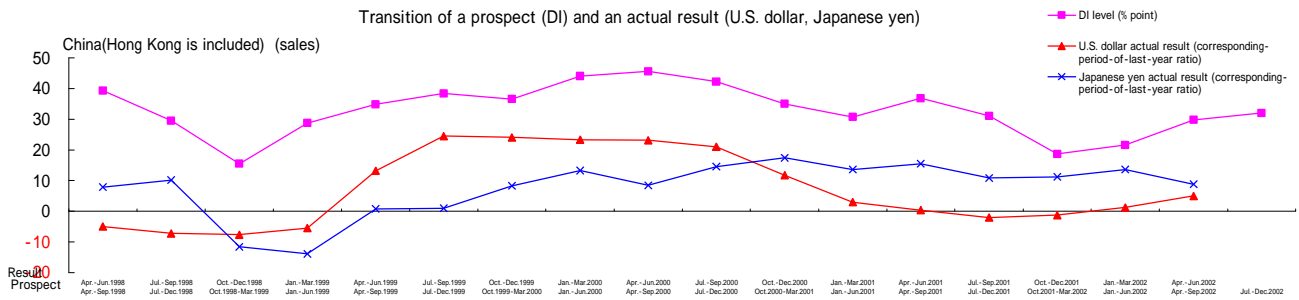
- The forecast of exports to parent companies in Japan decreased 2.8 percentage points from the previous term (14.6 to 11.8) partly due to declining exports in industrial machinery for the first time in three terms. Imports from them slid 0.7 percentage points from the preceding term (12.7 to 12.0) partly due to worsening imports in textiles and steel and iron.

6) The outlook of equipment investments (the amount of acquired tangible fixed assets excluding land) improved by 2.8 percentage points from the previous term (18.5 to 21.3).

- By the type of industry, the outlook of equipment investments in transportation equipment and chemicals increased.

7) The forecast of employment fell 3.9 percentage points from the previous term (14.3 to 10.4). The DI level maintained a double-digit figure.

- By the type of industry, the employment forecast saw textiles deteriorate for the fourth consecutive term and nine industries worsen.



1. Trends among Overseas Subsidiaries in China (Hong Kong is included)

Unit(Results:million yen/Number of employees:persons), Ratio over same quarter of last year : %

	Quarterly Performances				Ratio Over Same quarter of last year					
	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002
Sales	773,928	814,057	773,165	773,491	P 841,794	15.5	10.9	11.2	13.6	P 8.8
Local sales	274,348	283,030	259,628	266,497	P 295,926	7.1	1.0	1.9	1.1	P 7.9
Exports to Japan	265,375	269,062	280,793	272,572	P 282,783	27.0	18.1	23.1	17.8	P 6.6
Exports to countries other than Japan	234,208	261,978	232,749	234,422	P 263,085					P 12.3
(Parent-subsidiary deals)										
Export to the parent company in Japan	181,737	181,461	179,854	171,526	P 190,663					P 4.9
Import from the parent company in Japan	108,275	110,188	106,026	102,648	P 111,742					P 3.2
Acquisition of tangible fixed assets	30,422	37,145	19,910	22,203	P 21,417					P -29.6
Number of employees	382,142	387,145	385,786	400,208	P 420,062	8.8	7.1	3.2	6.9	P 9.9

Trends in Sales of the main industry

Unit(Results: million yen, Ratio over same quarter of last year : %)

	Quarterly Performances				Ratio Over Same quarter of last year					
	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002
Manufacturing industry in total	773,928	814,057	773,165	773,491	P 841,794	15.5	10.9	11.2	13.6	P 8.8
Chemicals	27,526	31,280	34,224	30,647	P 32,055	18.7	33.3	44.4	31.4	P 16.5
Industrial machinery	115,856	113,085	113,743	121,524	P 112,466	65.9	48.6	33.4	28.3	P -2.9
Electrical machinery	422,231	449,320	428,195	424,238	P 480,206	8.5	3.8	5.4	16.4	P 13.7
Transportation equipment	14,348	17,059	16,451	18,976	P 22,095	13.6	28.4	37.8	44.5	P 54.0
Precision instruments	69,118	69,985	61,599	54,960	P 63,351	22.4	4.5	5.2	-9.9	P -8.3

2. Outlook for China (Hong Kong is included)

(Unit:%points)

	D I				Ratio Over Previous Quarter					
	Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002	Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002
Sales	31.1	18.7	21.6	29.8	P 32.0	-5.7	-12.4	2.9	8.2	P 2.2
Local sales	27.1	22.9	28.8	25.2	P 29.7	-8.8	-4.2	5.9	-3.6	P 4.5
Exports to Japan	19.0	-1.0	1.0	16.6	P 13.9	9.1	-20.0	2.0	15.6	P -2.7
Exports to countries other than Japan	7.7	5.8	10.7	12.4	P 15.7		-1.9	4.9	1.7	P 3.3
(Parent-subsidiary deals)										
Export to the parent company in Japan	17.3	-0.7	2.9	14.6	P 11.8		-18.0	3.6	11.7	P -2.8
Import from the parent company in Japan	9.0	0.4	-2.0	12.7	P 12.0		-8.6	-2.4	14.7	P -0.7
Acquisition of tangible fixed assets	23.7	13.7	23.3	18.5	P 21.3	11.2	-10.0	9.6	-4.8	P 2.8
Number of employees	12.0	10.6	10.5	14.3	P 10.4	1.2	-1.4	-0.1	3.8	P -3.9



## **(5) Europe**

### Results

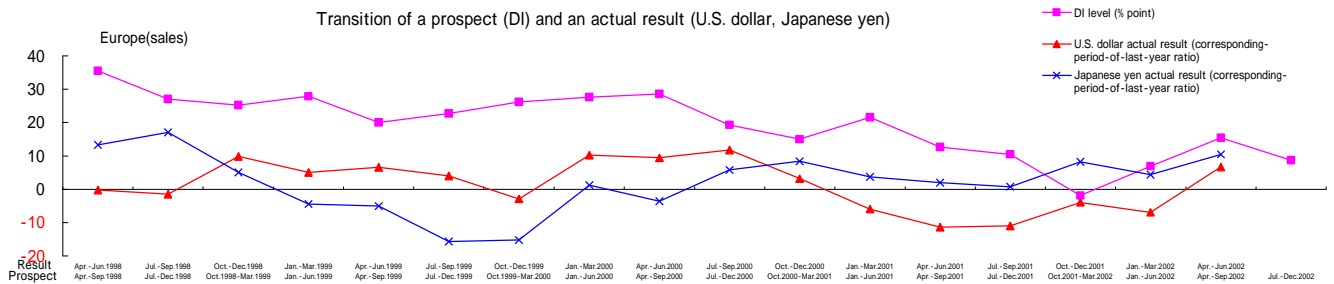
- 1) Sales totaled 1,962.8 billion yen, up 10.5% from the same period a year ago for the eighth straight term of increase, partly due to the yen's fall against local currencies.
  - By the type of industry, transportation equipment increased in sales by 24.3% year on year for six terms in a row and chemicals marked a rise in sales by 14.7% from a year earlier for the eighth consecutive term. In addition, precision machinery also grew 37.9% from the year-earlier level for four terms in a row.

On the other hand, electrical machinery sales slid 1.9% from the same period last year for the sixth consecutive term, partly due to suspension or winding up of its operations resulting from business restructuring.
- 2) Local sales posted 1,443.8 billion yen, up 13.5% year on year like sales.
  - By industry, while transportation equipment increased 36.4% from the previous year for the sixth straight term of increase like sales, and chemicals rose 19.7% from a year earlier, industrial machinery and electrical machinery saw local sales continue to decline, down 6.0% and down 1.6% from the year-earlier level, respectively..
- 3) Exports to Japan (Japan's reimports) posted 21.5 billion yen, down 12.0% from a year earlier for the second consecutive term of decline.
  - By industry, electrical machinery saw exports to Japan fall 33.5% from the previous year for the fifth straight term of decline.
- 4) Exports to countries other than Japan totaled 497.6 billion yen, up 3.7% from the year-earlier level.
  - By the type of industry, the exports increased 7.6% in chemicals and 8.5% in industrial machinery, respectively.
- 5) With regard to intra-company transactions (exports to parent companies in Japan and imports from them),
  - Exports to parent companies was 9.3 billion yen, a 25.5% decline from the previous year, and imports from them was 194.1 billion yen, a year-on-year 12.6% fall.
  - By the type of industry, electrical machinery dropped in exports to parent companies, and imports from them saw a remarkable increase in transportation equipment and precision machinery.
- 6) Equipment investments (the amount of acquired tangible fixed assets excluding land) amounted 44.1 billion yen, down 14.7% from the corresponding period of last year.
  - By the type of industry, equipment investments saw chemicals significantly drop (a year-on-year fall of 76.4%), electrical machinery and transportation equipment decline, down 28.0% and down 6.4% from the previous year respectively.
- 7) The number of employees totaled 201,000 people, down 2.5% from the year-earlier level for the sixth straight term of decline.
  - By industry, employment saw electrical machinery decrease 10.1% from a year earlier for the sixth term of decrease and industrial machinery drop 9.2% from the same period last year successively. On the other hand, transportation equipment in

employment increased 5.2% from a year earlier.

[Prospects (the July-December term of 2002)]

- 1) Sales prospects slid 6.7 percentage points from the previous term (15.4 to 8.7), marking the first drop in three terms.
  - By the type of industry, transportation equipment declined in the prospects of sales for the second consecutive term and its DI level posted a single-digit. Chemicals also saw a sharp drop in the outlook of sales.
- 2) The forecast of local sales fell 7.8 percentage points from the preceding term (17.4 to 9.6) marking the first decrease in three terms like sales.
  - By the type of industry, transportation equipment worsened in the forecast of local sales for the second straight term.
- 3) The outlook for exports to Japan (Japan's reimports) decreased 4.9 percentage points from the previous term (0.6 to minus 4.3).
- 4) The prospects for exports to countries other than Japan fell 5.9 percentage points (10.2 to 4.3) after two terms of increase.
  - By the type of industry, industrial machinery decreased in the exports prospects and its DI level also showed a negative figure.
- 5) In terms of intra-company transactions (exports to parent companies in Japan and imports from them),
  - The forecast of exports to parent companies decreased 3.6 percentage points from the preceding term (0.6 to minus 3.0) partly due to a drop in industrial machinery and electrical machinery, and that of imports from parent companies also decreased 3.3 percentage points from the previous term (0.6 to minus 2.7) partly due to a fall in transportation equipment.
- 6) The prospects of equipment investments (the amount of acquired tangible fixed assets excluding land) slid 4.4 percentage points from the previous term (16.5 to 12.1) for the first time in three terms.
  - By the type of industry, transportation equipment saw equipment investments' prospects deteriorate for the first time in four terms.
- 7) The forecast of employment dropped 3.9 percentage points from the previous term (2.5 to minus 1.4) for the first time in three times and its DI level also marked a minus figure again.
  - By industry, industrial machinery and electrical machinery worsened in employment forecast, whereas transportation equipment improved.



### 1. Trends among Overseas Subsidiaries in Europe

Unit(Results : million yen(Number of employees:persons), Ratio over same quarter of last year)

	Quarterly Performances					Ratio Over Same quarter of last year				
	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002
Sales	1,775,806	1,718,705	1,910,330	2,010,543	P 1,962,844	2.0	0.8	8.2	4.4	P 10.5
Local sales	1,271,533	1,232,188	1,378,543	1,373,090	P 1,443,767	5.3	1.5	10.4	-1.4	P 13.5
Exports to Japan	24,432	24,286	25,115	23,645	P 21,491	-20.2	-5.2	2.5	-27.9	P -12.0
Exports to countries other than Japan	479,841	462,231	506,672	613,808	P 497,586					P 3.7
(Parent-subsidiary deals)										
Export to the parent company in Japan	12,520	11,446	11,526	9,778	P 9,329					P -25.5
Import from the parent company in Japan	172,330	171,592	164,694	175,013	P 194,090					P 12.6
Acquisition of tangible fixed assets	51,670	61,119	47,656	49,025	P 44,087					P -14.7
Number of employees	206,423	206,471	204,181	200,242	P 201,271	-4.2	-2.7	-1.2	-2.9	P -2.5

### Trends in Sales of the main industry

Unit(Results : million yen, Ratio over same quarter of last year : %)

	Quarterly Performances					Ratio Over Same quarter of last year				
	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002	Apr. - Jun. 2001	Jul. - Sep. 2001	Oct. - Dec. 2001	Jan. - Mar. 2002	Apr. - Jun. 2002
Manufacturing industry in total	1,775,806	1,718,705	1,910,330	2,010,543	P 1,962,844	2.0	0.8	8.2	4.4	P 10.5
Chemicals	249,517	234,587	264,403	295,353	P 286,100	30.3	6.5	17.7	24.4	P 14.7
Industrial machinery	204,636	179,050	177,492	190,281	P 200,917	6.4	9.9	17.0	-4.6	P -1.8
Electrical machinery	642,396	595,340	708,821	701,947	P 630,370	-13.0	-19.6	-12.6	-7.7	P -1.9
Transportation equipment	478,094	477,606	520,533	557,359	P 594,061	19.6	32.7	44.6	11.5	P 24.3
Precision instruments	32,692	40,388	41,628	53,803	P 45,081	-1.9	6.8	24.5	43.3	P 37.9

### 2. Outlook for Europe

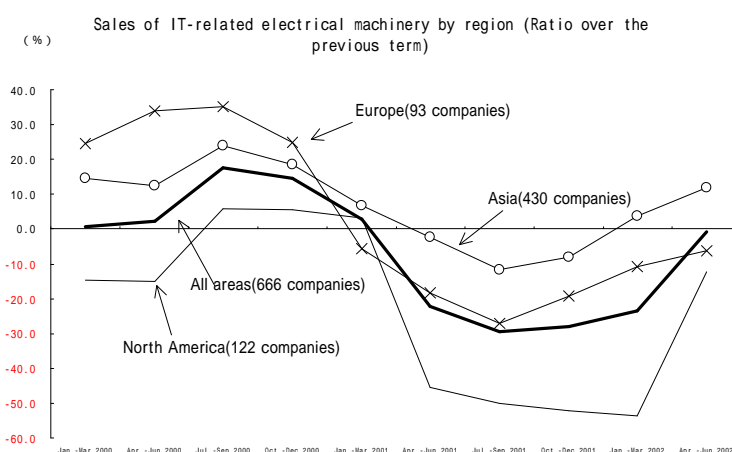
(Unit:%points)

	D I					Ratio Over Previous Quarter				
	Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002	Jul. - Dec. 2001	Oct.2001 -Mar.2002	Jan. - Jun. 2002	Apr. - Sep. 2002	Jul. - Dec. 2002
Sales	10.5	-1.9	6.9	15.4	P 8.7	-2.2	-12.4	8.8	8.5	P -6.7
Local sales	6.9	0.0	6.1	17.4	P 9.6	-4.8	-6.9	6.1	11.3	P -7.8
Exports to Japan	-3.5	-4.0	-9.7	0.6	P -4.3	-2.0	-0.5	-5.7	10.3	P -4.9
Exports to countries other than Japan	1.0	-2.0	3.9	10.2	P 4.3		-3.0	5.9	6.3	P -5.9
(Parent-subsidiary deals)										
Export to the parent company in Japan	-3.6	-4.1	-8.6	0.6	P -3.0		-0.5	-4.5	9.2	P -3.6
Import from the parent company in Japan	-6.2	-7.0	-1.7	0.6	P -2.7		-0.8	5.3	2.3	P -3.3
Acquisition of tangible fixed assets	3.1	-0.4	4.8	16.5	P 12.1	-1.3	-3.5	5.2	11.7	P -4.4
Number of employees	-5.6	-12.2	-10.8	2.5	P -1.4	-0.6	-6.6	1.4	13.3	P -3.9

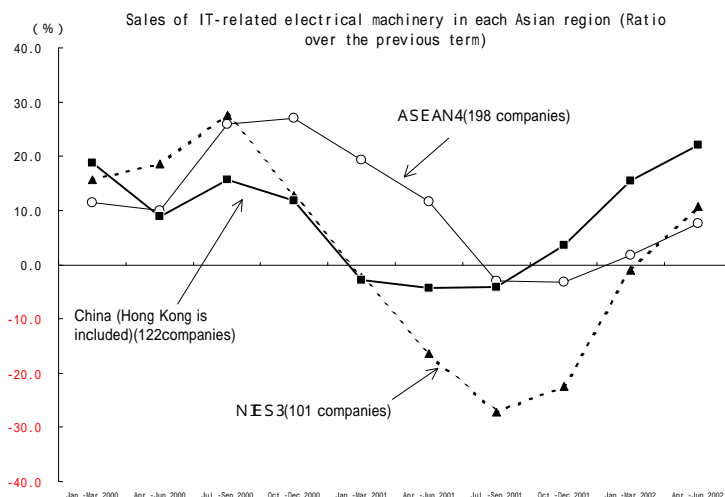
[Topics]

## IT-related Development in Electrical Machinery

With regard to sales of electrical machinery by region, since the peak in the July-September quarter of 2000, IT-related electrical machinery has slowed its rate of increase drastically in each region, and then, after hitting the bottom in Asia and Europe in the July-September quarter of 2001 and in North America in the January-March term of 2002, the rate of decrease diminished. Since the January-March term of 2002, sales in Asia have turned to be on an upward trend.



With regard to Asian regions, sales of IT-related electrical machinery plummeted especially in NIES3 after the October-December term of 2000. After that, the sales bottomed out in the July-September term of 2001 and the rate of decrease sharply diminished in NIES3, and sales of IT-related electrical machinery turned to an increase in China (including Hong Kong). This term saw the sales increase in all regions.



Note 1: Of electrical machinery, IT-related electrical machinery represented computers, electrical communications equipment, electronic communications equipment and parts and integrated circuits, etc.

Note 2: The total figure of the sales of individual regions does not equal the total figure of overseas subsidiaries sales and the total of Asian sales because other regions and some Asian regions are excluded from the "regions".

Transition of actual results of IT-related electrical machinery and general electrical machinery

(Ratio Over Same quarter of last year : %)

Industry	Region	2000				2001				2002	
		Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Apr.-Jun.
IT-related electrical machinery	All areas	0.8	2.2	17.6	14.6	2.9	-22.2	-29.4	-28.1	-23.5	-0.9
	North America	-14.6	-15.0	5.8	5.7	3.1	-45.6	-50.1	-52.3	-53.6	-12.3
	Asia	14.6	12.7	24.1	18.5	6.7	-2.2	-11.7	-8.1	3.8	11.8
	ASEAN 4	11.5	9.9	26.0	27.1	19.3	11.6	-2.9	-3.2	1.8	7.5
	NIES3	15.7	18.6	27.6	12.8	-2.3	-16.4	-27.2	-22.5	-0.9	10.6
	China (Hong Kong is included)	18.7	8.8	15.7	11.8	-2.8	-4.3	-4.1	3.5	15.5	22.1
	Europe	24.6	33.9	35.1	24.9	-5.6	-18.3	-27.2	-19.1	-10.8	-6.2
	Other countries	-50.5	-34.3	5.8	25.4	52.9	44.9	8.8	-39.9	-43.7	46.9

## (Reference)

## 1 . Comparison with the exchange rates of the Japanese yen and the US dollar

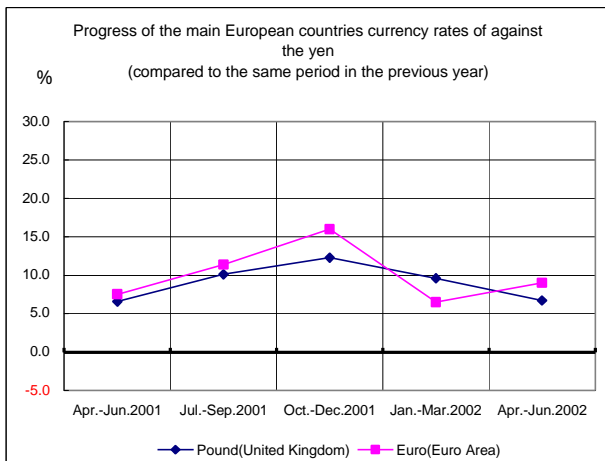
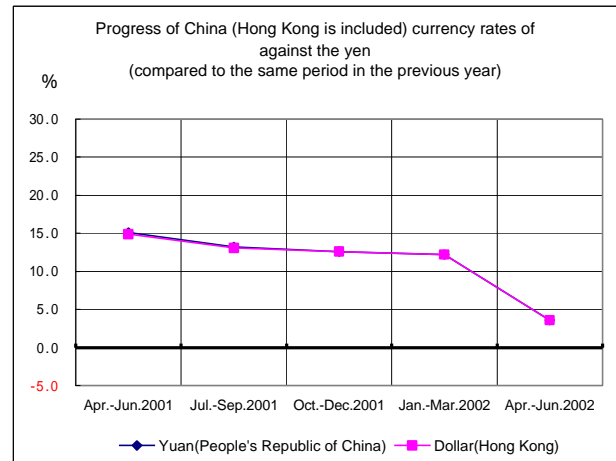
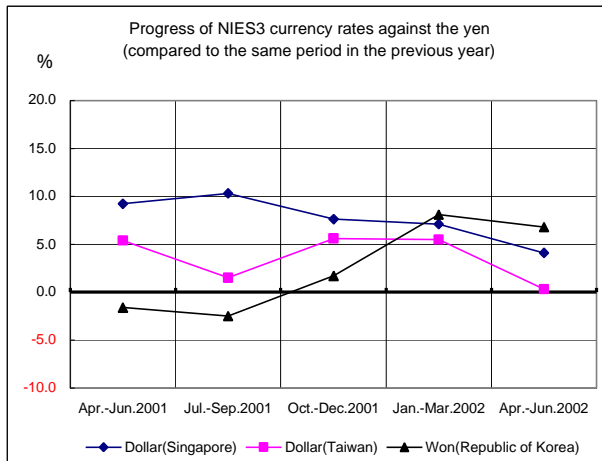
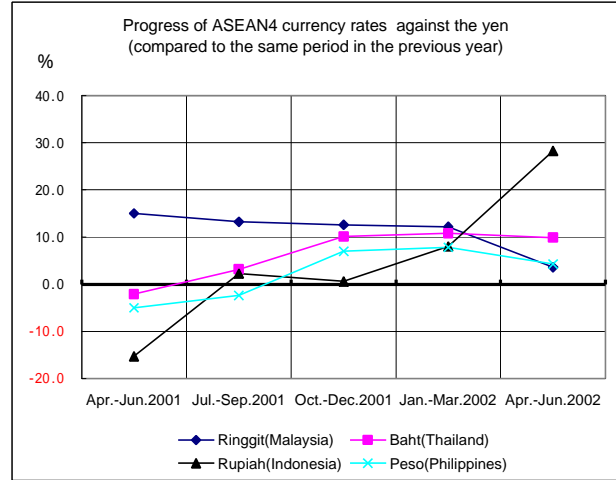
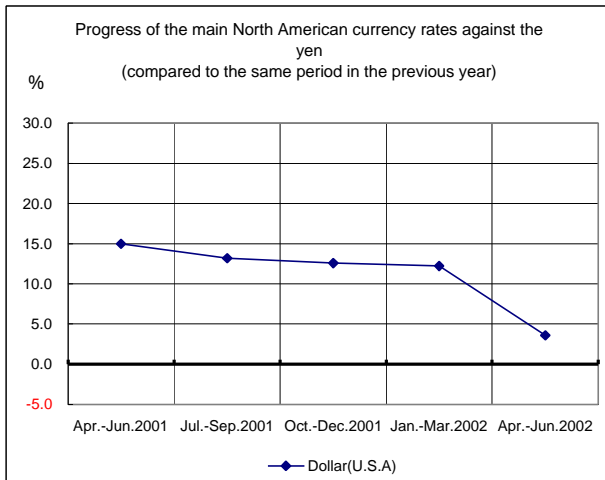
(Ratio Over Same quarter of last year : %)

Area	Item	Japanese yen equivalent					US dollar equivalent				
		2001			2002		2001			2002	
		Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
All areas	Sales	7.2	-1.6	-0.5	0.2	7.4	-6.8	-13.0	-11.6	-10.6	3.6
	Local sales	4.3	-0.3	0.2	-1.7	9.1	-9.4	-11.9	-11.0	-12.4	5.3
	Exports to Japan	10.6	5.1	-1.5	-6.5	-1.9	-3.8	-7.2	-12.5	-16.7	-5.3
North America	Sales	7.3	-3.6	-2.4	-3.3	5.7	-6.8	-14.8	-13.3	-13.8	2.1
	Local sales	3.5	0.9	1.2	-2.3	7.6	-10.1	-10.9	-10.2	-12.9	3.9
	Exports to Japan	5.8	-10.8	-13.3	-29.1	-23.0	-8.0	-21.2	-23.0	-36.7	-25.6
Asia	Sales	5.2	-1.4	-2.5	4.6	12.2	-8.6	-12.8	-13.4	-6.8	8.3
	Local sales	-3.3	-8.6	-11.1	-2.2	18.6	-15.9	-19.3	-21.0	-12.8	14.5
	Exports to Japan	12.1	7.2	0.6	-2.3	1.4	-2.6	-5.2	-10.6	-12.9	-2.1
ASEAN4	Sales	11.0	1.0	-1.8	5.1	10.8	-3.5	-10.8	-12.8	-6.3	7.0
	Local sales	4.4	-5.5	-13.1	3.3	20.4	-9.3	-16.5	-22.8	-7.9	16.2
	Exports to Japan	7.9	6.5	-4.2	-10.9	-0.1	-6.2	-5.9	-15.0	-20.6	-3.6
NIES3	Sales	-11.6	-16.4	-16.8	-7.2	8.8	-23.1	-26.1	-26.1	-17.2	5.0
	Local sales	-16.9	-19.9	-19.5	-16.2	8.6	-27.8	-29.2	-28.5	-25.3	4.8
	Exports to Japan	-1.3	-9.4	-22.4	-13.9	-8.6	-14.2	-19.9	-31.1	-23.2	-11.8
China (Hong Kong is included)	Sales	15.5	10.9	11.2	13.6	8.8	0.4	-2.0	-1.2	1.3	5.0
	Local sales	7.1	1.0	1.9	1.1	7.9	-6.9	-10.7	-9.5	-9.8	4.1
	Exports to Japan	27.0	18.1	23.1	17.8	6.6	10.4	4.4	9.3	5.0	2.9
Europe	Sales	2.0	0.8	8.2	4.4	10.5	-11.3	-10.9	-3.9	-6.9	6.7
	Local sales	5.3	1.5	10.4	-1.4	13.5	-8.5	-10.3	-1.9	-12.1	9.6
	Exports to Japan	-20.2	-5.2	2.5	-27.9	-12.0	-30.6	-16.3	-8.9	-35.7	-15.1
Other	Sales	33.5	8.8	1.4	0.2	-8.1	16.1	-3.8	-10.0	-10.7	-11.3
	Local sales	31.5	7.1	-4.2	5.5	-8.8	14.3	-5.4	-14.9	-6.0	-11.9
	Exports to Japan	34.2	19.6	-23.3	-10.6	-4.5	16.7	5.7	-31.8	-20.3	-7.9

2. Results in the main countries and areas

	Item	Results(million yen, persons)					Ratio Over Same quarter of last year(%)				
		2001			2002		2001			2002	
		Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
United States of America	Sales	4,998,894	4,814,098	4,925,346	5,148,744	5,229,244	6.9	-4.7	-3.1	-3.5	4.6
	Local sales	4,568,815	4,410,290	4,514,130	4,756,874	4,865,212	2.6	-0.8	0.7	-1.9	6.5
	Exports to Japan	97,660	86,497	79,518	73,237	77,035	7.9	-6.6	-10.8	-27.4	-21.1
	Number of employees	414,710	412,213	399,364	387,563	394,471	-3.2	-4.1	-6.4	-8.1	-4.9
Indonesia	Sales	255,885	257,632	233,963	252,591	276,571	15.7	0.6	-2.2	0.6	8.1
	Local sales	96,993	103,042	92,048	103,978	116,135	8.4	-2.8	-5.0	10.6	19.7
	Exports to Japan	59,284	57,860	53,297	48,017	55,332	41.6	22.3	3.5	-28.6	-6.7
	Number of employees	168,485	167,605	166,424	166,391	165,277	8.6	2.9	3.9	3.5	-1.9
Malaysia	Sales	419,617	410,797	389,718	404,305	418,953	3.0	-7.0	-5.1	-2.2	-0.2
	Local sales	112,212	108,454	102,972	109,798	112,848	-0.6	-15.3	-19.2	-7.3	0.6
	Exports to Japan	101,421	103,694	93,712	84,227	91,795	8.6	18.2	-5.4	-19.8	-9.5
	Number of employees	168,473	164,043	158,601	154,942	151,707	-2.1	-6.5	-9.4	-9.2	-10.0
Philippines	Sales	226,501	238,405	239,410	261,760	259,900	13.7	2.9	4.5	10.9	14.7
	Local sales	43,935	42,446	42,848	47,524	50,271	-20.0	-34.2	-32.3	-35.2	14.4
	Exports to Japan	94,521	99,057	99,570	104,049	94,773	-3.7	-9.1	-10.2	-0.1	0.3
	Number of employees	110,302	104,614	102,346	109,604	110,949	2.5	-7.4	-8.2	-2.1	0.6
Thailand	Sales	499,760	502,615	502,930	547,436	598,315	18.1	11.0	0.4	13.0	19.7
	Local sales	264,221	261,158	260,807	298,562	343,553	14.9	10.2	-6.4	18.5	30.0
	Exports to Japan	110,387	125,756	121,001	122,477	123,339	13.2	9.2	0.8	-2.1	11.7
	Number of employees	178,683	181,890	181,887	184,941	184,429	3.9	0.7	-1.3	3.4	3.2
Republic of Korea	Sales	112,158	118,040	106,586	106,467	124,865	6.5	0.0	-5.2	0.7	11.3
	Local sales	69,422	68,997	65,169	65,603	80,262	15.6	5.7	2.0	3.3	15.6
	Exports to Japan	26,079	30,824	25,789	24,194	26,390	-0.9	-5.6	-9.6	-2.2	1.2
	Number of employees	21,074	20,705	19,990	19,793	20,296	0.6	-3.4	-6.5	-5.3	-3.7
Singapore	Sales	373,797	369,131	340,447	353,740	382,428	-16.0	-21.1	-22.6	-11.9	2.3
	Local sales	171,451	168,531	164,316	168,045	180,608	-25.6	-30.7	-27.3	-21.9	5.3
	Exports to Japan	68,173	60,346	55,209	56,862	59,342	7.8	-6.8	-28.4	-14.6	-13.0
	Number of employees	48,506	46,823	44,935	45,071	47,264	-2.8	-7.4	-13.5	-10.6	-2.6
Taiwan	Sales	286,780	267,042	266,508	298,564	333,266	-10.7	-15.2	-12.9	-3.2	16.2
	Local sales	170,026	163,011	151,814	163,873	185,340	-12.5	-9.5	-11.7	-14.1	9.0
	Exports to Japan	40,478	37,163	37,323	36,719	37,430	-7.7	-15.2	-22.9	-18.0	-7.5
	Number of employees	47,642	46,181	45,222	44,421	43,626	-7.0	-11.0	-10.5	-9.6	-8.4
People's Republic of China (Hong Kong is included)	Sales	773,928	814,057	773,165	773,491	841,794	15.5	10.9	11.2	13.6	8.8
	Local sales	274,348	283,030	259,628	266,497	295,926	7.1	1.0	1.9	1.1	7.9
	Exports to Japan	265,375	269,062	280,793	272,572	282,783	27.0	18.1	23.1	17.8	6.6
	Number of employees	382,142	387,145	385,786	400,208	420,062	8.8	7.1	3.2	6.9	9.9
United Kingdom	Sales	622,670	592,368	688,166	712,779	642,854	-3.7	-8.3	1.8	2.3	3.2
	Local sales	465,362	445,374	517,767	543,283	496,509	12.4	6.5	14.6	17.4	6.7
	Exports to Japan	9,982	10,971	11,509	12,730	7,611	-31.5	-18.3	-4.7	-31.6	-23.8
	Number of employees	63,888	62,076	60,857	58,334	58,113	-12.9	-12.9	-15.8	-8.5	-9.0
France	Sales	192,252	177,978	213,095	210,499	214,215	7.7	-7.8	-3.9	-6.0	11.4
	Local sales	131,300	112,454	137,909	144,129	137,285	4.7	-19.4	-12.2	-16.7	4.6
	Exports to Japan	3,365	4,000	4,177	3,241	3,368	-40.9	43.3	46.3	-0.3	0.1
	Number of employees	18,125	17,241	17,062	16,792	17,507	19.1	-2.1	0.7	-5.1	-3.4
Germany	Sales	295,842	243,714	254,090	273,825	282,877	-15.9	-21.3	-17.3	-18.2	-4.4
	Local sales	212,466	165,626	171,551	195,378	206,831	-26.5	-37.2	-31.6	-32.5	-2.7
	Exports to Japan	4,108	3,588	4,478	2,534	3,509	75.2	-1.2	-6.3	-21.9	-14.6
	Number of employees	22,147	21,828	21,741	22,509	22,176	-1.6	0.1	0.6	1.9	0.1
Netherlands	Sales	239,655	294,442	320,275	360,662	364,144	31.7	43.9	54.5	57.5	51.9
	Local sales	175,611	232,351	262,094	182,354	289,187	25.4	42.8	68.2	5.5	64.7
	Exports to Japan	359	684	269	340	306	-42.8	235.3	46.2	29.8	-14.8
	Number of employees	27,811	30,761	30,517	30,454	30,727	-19.4	7.8	8.1	9.3	10.5

## Progress of the currency rates of the main regions against the yen



International Financial Statistics (International Monetary Fund)



## The reference of data

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\* Time series tables for data in the past are on the Web page at the above-mentioned address.