

Summary of the 53rd Basic Survey on Overseas Business Activities (Conducted in July 2023)

Trends of overseas affiliates in the fiscal year (FY) 2022 survey

- The number of overseas affiliates was 24,415. The percentage accounted for by overseas affiliates of ASEAN10 among the total continued to increase.
- The number of employees at overseas affiliates was 5.57 million, down by 2.1% from the previous fiscal year.
- Sales of overseas affiliates increased by 19.2% from the previous fiscal year to 361.5 trillion yen. Ordinary profits and current net profits both increased.
- The overseas production ratio for manufacturing industries (based on all domestic companies) was 27.1%, up by 1.3 percentage points (pp) from the previous fiscal year.
- Both research and development expenses and the amount of capital investment increased in manufacturing industries.

Summary of findings

1. The percentage accounted for by overseas affiliates of ASEAN10 continued to increase.

- (1) The number of overseas affiliates as of the end of FY2022 was 24,415. It consists of 10,433 companies in manufacturing industries and 13,982 companies in non-manufacturing industries.
- (2) Manufacturing companies accounted for 42.7% and non-manufacturing companies accounted for 57.3% of the total.
- (3) By region, the number of overseas affiliates decreased in all regions, mainly in Asia. In Asia, the percentage of ASEAN10 increased for 12 consecutive years, while that of China decreased.

2. The number of employees at overseas affiliates decreased.

- (1) The number of employees at overseas affiliates as of the end of FY2022 was 5.57 million, down by 2.1% from the previous fiscal year.
- (2) The number of employees decreased both in manufacturing industries (4.08 million, down by 2.7% from the previous fiscal year) and in non-manufacturing industries (1.49 million, down by 0.6% (id.)).
- (3) By region, decreases were seen in Asia and Europe, but the number increased in North America. In Asia, the number decreased in China and ASEAN10, but increased in other Asian countries.

3. Sales of overseas affiliates increased. Ordinary profits and current net profits both increased.

- (1) Sales amounted to 361.5 trillion yen, up by 19.2% from the previous fiscal year. By sector, the amount increased in the wholesale trade sector, the transportation equipment sector, etc. By region, increases were seen all in North America, Asia and Europe.
- (2) Ordinary profits increased by 15.0% from the previous fiscal year to 19.6 trillion yen, while current net profits increased by 12.8% (id.) to 16.1 trillion yen.
- (3) The amount of current retained earnings was 4.5 trillion yen (down by 26.1% from the previous fiscal year), and the balance of retained earnings was 55.0 trillion yen (up by 14.0% (id.)).

4. Overseas production ratio of overseas affiliates in manufacturing industries increased.

- (1) The overseas production ratio for manufacturing industries (based on all domestic companies) was 27.1%, up by 1.3 percentage points (pp) from the previous fiscal year.
- (2) By sector, overseas production ratios increased in such sectors as the transportation equipment sector (48.9%) and the non-ferrous metals sector (22.2%), etc.

5. Both research and development expenses and the amount of capital investment of overseas affiliates in manufacturing industries increased.

- (1) Research and development expenses in manufacturing industries increased by 28.4% from the previous fiscal year to 1,165.7 billion yen.
- (2) Research and development expenses per company in manufacturing industries amounted to 747 million yen, up by 32.4% from the previous fiscal year. By sector, the amount increased in the electrical machinery sector, the chemicals sector, the transportation equipment sector, etc.
- (3) The amount of capital investment in manufacturing industries amounted to 4.4 trillion yen, up by 18.5% from the previous fiscal year. By sector, the amount increased in the transportation equipment sector, the electrical machinery sector, the information and communication electronics equipment sector, etc.

1. Distribution of overseas affiliates

- The number of overseas affiliates as of the end of FY2022 was 24,415. It consists of 10,433 companies in manufacturing industries and 13,982 companies in non-manufacturing industries. Overseas affiliates in manufacturing industries accounted for 42.7% of the total number of overseas affiliates of all industries (a 0.3 percentage point (pp) decrease from the previous fiscal year), and those in non-manufacturing industries accounted for 57.3% of the total (a 0.3 pp increase (id.)). (Table 1)
- By region, the number of overseas affiliates decreased in all regions, mainly in Asia. (Table 2)
- In Asia (which accounted for 67.8% of all regions), ASEAN10's share increased for 12 consecutive years and reached 29.7% of all regions (up by 0.3 pp from the previous fiscal year), while China's share decreased to 28.3% (down by 0.5 pp (id.)). (Table 2, Figure 1)

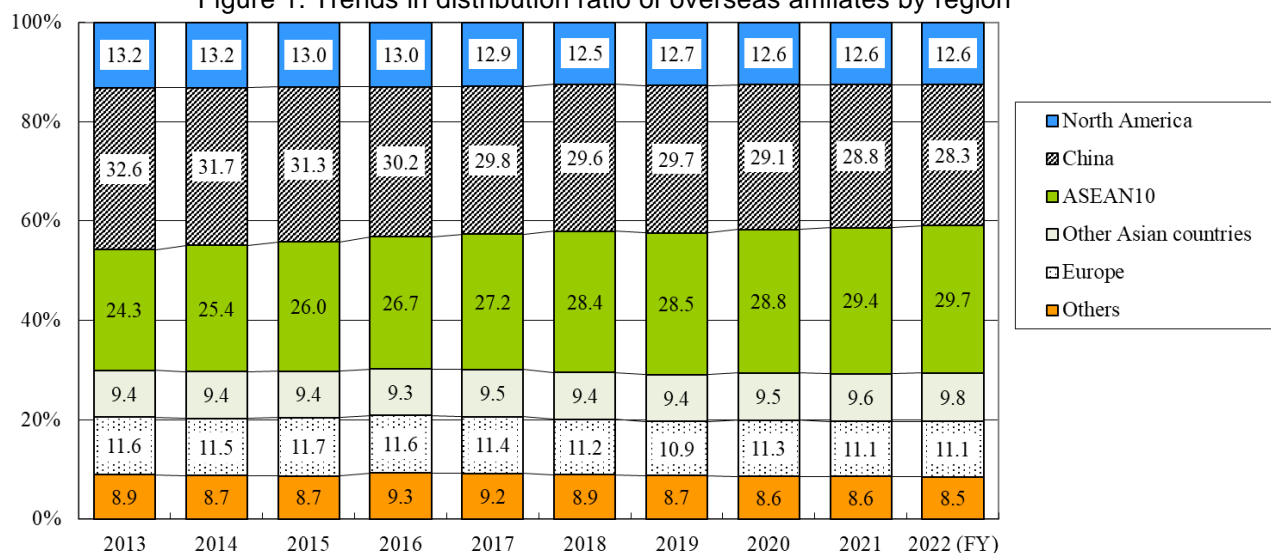
Table 1. Distribution of overseas affiliates by sector

	End of FY2022 Number of	Breakdown by sector		
		FY2021		FY2022
		Breakdown	Breakdown	Change in points
All industries	24,415	100.0	100.0	-
Manufacturing industries	10,433	43.0	42.7	-0.3
		100.0	100.0	-
Food	486	4.9	4.7	-0.2
Textiles	410	4.0	3.9	-0.1
Lumber, wood, paper, and pulp	169	1.8	1.6	-0.2
Chemicals	981	9.8	9.4	-0.4
Petroleum and coal	41	0.6	0.4	-0.2
Ceramic, stone, and clay products	226	2.0	2.2	0.2
Iron and steel	296	2.8	2.8	0.0
Non-ferrous metals	336	3.0	3.2	0.2
Metal products	628	5.8	6.0	0.2
General-purpose machinery	440	4.3	4.2	-0.1
Production machinery	831	7.5	8.0	0.5
Business oriented machinery	391	3.6	3.7	0.1
Electrical machinery	614	5.7	5.9	0.2
Information and communication electronics equipment	914	8.4	8.8	0.4
Transportation equipment	2,220	21.7	21.3	-0.4
Miscellaneous manufacturing industries	1,450	14.1	13.9	-0.2
Non-manufacturing industries	13,982	57.0	57.3	0.3
		100.0	100.0	-
Agriculture, forestry, and fisheries	75	0.5	0.5	0.0
Mining	131	0.9	0.9	0.0
Construction	416	2.9	3.0	0.1
Information and communications	730	5.9	5.2	-0.7
Transport	1,312	9.9	9.4	-0.5
Wholesale trade	7,095	49.9	50.7	0.8
Retail trade	677	4.9	4.8	-0.1
Services	2,497	17.6	17.9	0.3
Miscellaneous non-manufacturing industries	1,049	7.4	7.5	0.1

Table 2. Distribution of overseas affiliates by region

	FY2021	FY2022
	All regions	25,325
	100.0	100.0
North America	3,201	3,079
	12.6	12.6
Asia	17,136	16,547
	67.7	67.8
China	7,281	6,900
	28.8	28.3
ASEAN10	7,435	7,263
	29.4	29.7
Other Asian countries	2,420	2,384
	9.6	9.8
Europe	2,812	2,709
	11.1	11.1
Others	2,176	2,080
	8.6	8.5

Figure 1. Trends in distribution ratio of overseas affiliates by region



2. Advances and withdrawals of overseas affiliates

- The number of overseas affiliates that advanced to overseas markets (new establishment^{Note 1}) in FY2022 was 180 (an increase by 11 companies from the previous fiscal year). When looking at the percentage by region, increases were seen in the percentage of companies that advanced to other Asian countries, ASEAN10 and others, while the percentage decreased for companies that advanced to China, North America, and Europe. (Figure 2)
- The number of overseas affiliates withdrawn from overseas markets^{Note 2} in FY2022 was 720 (a decrease by 72 companies from the previous fiscal year). 260 were companies in manufacturing industries (no change (id.)) and 460 were companies in non-manufacturing industries (a decrease by 72 companies (id.)). (Figure 3)
- The ratio of withdrawals^{Note 3} was 2.9% (down by 0.1 percentage points (pp) from the previous fiscal year). By region, the ratio increased in Europe and decreased in North America and Asia. (Table 3)

Figure 2. Ratio of overseas affiliates by year of establishment or capital participation (by region)

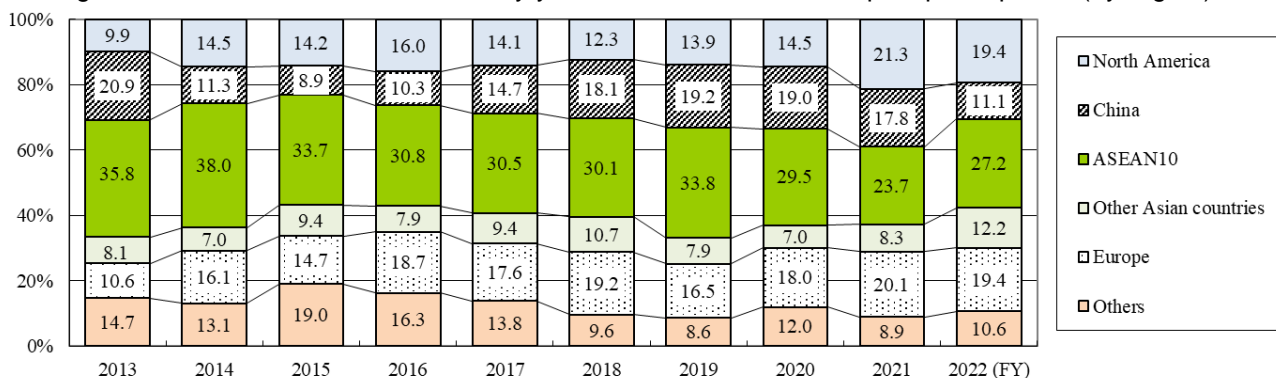


Figure 3. Trends in the number of overseas withdrawals

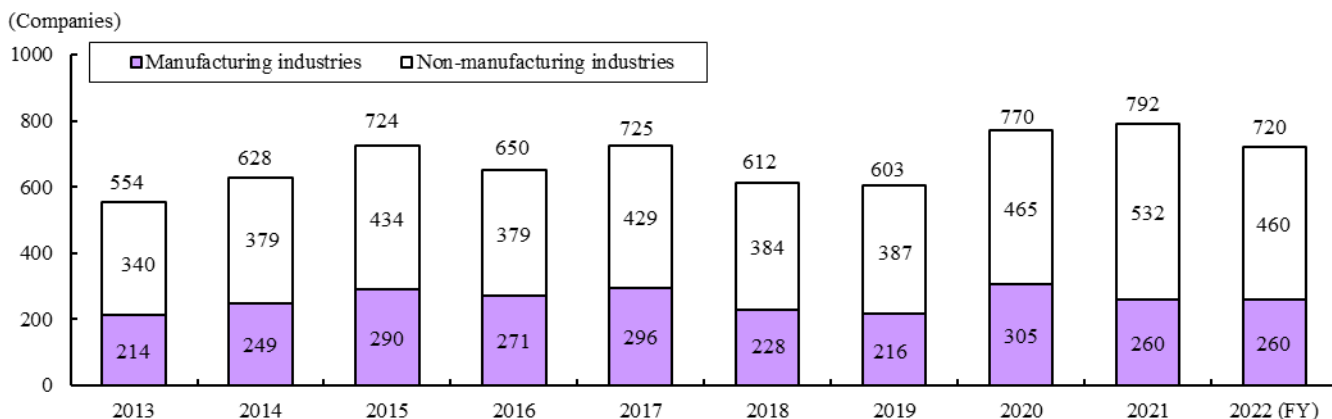


Table 3. Trends in the number of overseas withdrawals and ratio of overseas withdrawals by region

	(Unit: Companies)					(Unit: %)				
	2018	2019	2020	2021	2022 (FY)	2018	2019	2020	2021	2022 (FY)
All regions	612	603	770	792	720	2.3	2.3	2.9	3.0	2.9
North America	61	76	104	101	86	1.8	2.3	3.1	3.1	2.7
Asia	402	385	530	503	462	2.2	2.2	3.0	2.9	2.7
China	232	219	277	275	237	2.9	2.8	3.6	3.6	3.3
ASEAN10	117	123	190	158	176	1.5	1.7	2.5	2.1	2.4
Europe	80	76	63	108	107	2.7	2.6	2.1	3.7	3.8

Note 1: The "Year of establishment or capital participation" counts the overseas affiliates that were newly established in the fiscal year being surveyed.

Note 2: The "Withdrawal" includes "dissolution, withdrawal/transfer" and "decline in control share (where the ratio of investments from the Japan side declines to between 0% and 10%)".

Note 3: Ratio of withdrawals = Number of overseas withdrawals / (Total number of overseas affiliates with valid responses + Number of overseas withdrawals) × 100.0

3. Employment at overseas affiliates

- The number of employees at overseas affiliates as of the end of FY2022 was 5.57 million, down by 2.1% from the previous fiscal year (or up by 0.6% when comparing only companies that gave valid responses for this year and the previous year). (Table 4)
- The number of employees in manufacturing industries was 4.08 million, which decreased by 2.7% from the previous fiscal year. By sector, the number of employees decreased in the information and communication electronics equipment sector (0.51 million, down by 8.0% (id.)), the chemicals sector (0.16 million, down by 14.0% (id.)), and the transportation equipment sector (1.63 million, down by 1.1% (id.)), etc. The number of employees in non-manufacturing industries was 1.49 million, down by 0.6% (id.). By sector, decreases were observed in the retail trade sector (0.17 million, down by 9.4% (id.)), while increases were observed in the services sector (0.25 million, up by 11.3% (id.)), and the wholesale trade sector (0.63 million, up by 3.5% (id.)). (Table 4, Figure 4)
- By region, the number of employees decreased in Asia (3.65 million, down by 3.3% from the previous fiscal year) and Europe (0.61 million, down by 4.9% (id.)), but increased in North America (0.87 million, up by 3.2% (id.)). (Figure 5)
- In Asia, the number of employees decreased in China and ASEAN10, but increased in other Asian countries. (Figure 6)

Table 4. Trends in the number of employees at overseas affiliates

(Units: 10,000 persons, %)

	2018		2019		2020		2021		2022 (FY)	
		Y/Y		Y/Y		Y/Y		Y/Y		Y/Y
All industries	605	1.7	564	-6.9	563	-0.2	569	1.2	557	-2.1
Manufacturing industries	457	0.1	420	-8.2	419	-0.2	420	0.0	408	-2.7
Non-manufacturing industries	148	6.7	144	-2.9	143	-0.2	150	4.6	149	-0.6

Figure 4. Number of employees at overseas affiliates (by major sector)

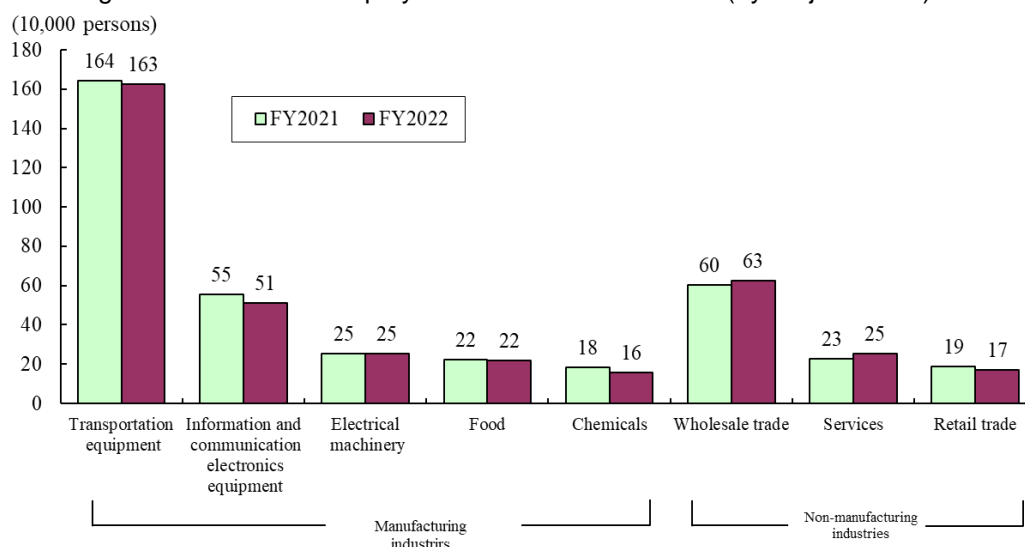


Figure 5. Number of employees at overseas affiliates (by region)

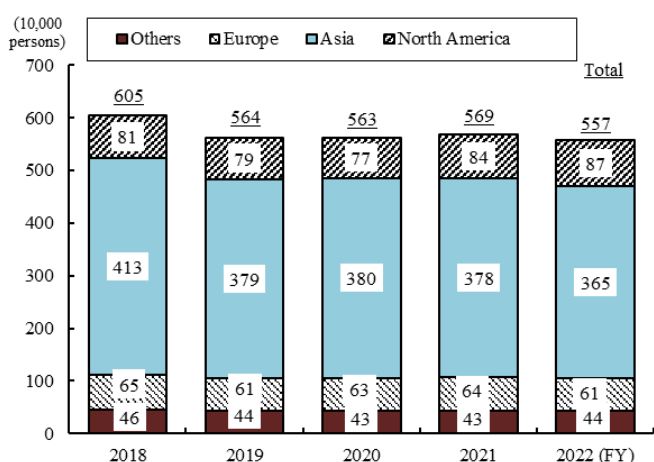
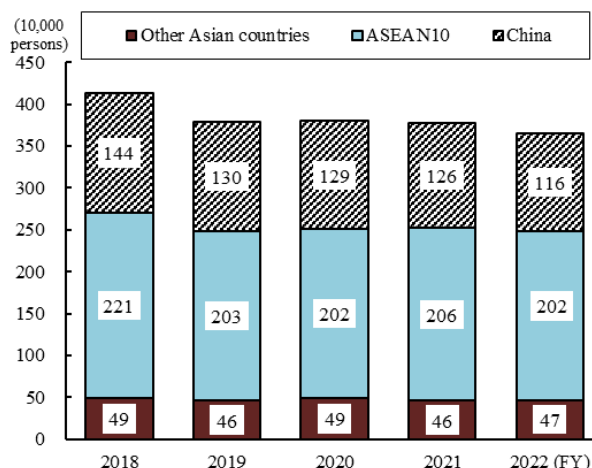


Figure 6. Number of employees at overseas affiliates (in Asia)



4. Sales of overseas affiliates

- Sales of overseas affiliates in FY2022 amounted to 361.5 trillion yen, up by 19.2% from the previous fiscal year (or up by 25.1% when comparing only companies that gave valid responses for this year and the previous year). (Figure 7)
- Manufacturing industries saw an increase to 162.1 trillion yen, up by 16.2% from the previous fiscal year. By sector, sales increased in the transportation equipment sector (79.8 trillion yen, up by 20.5% from the previous fiscal year), the electrical machinery sector (8.4 trillion yen, up by 18.9% (id.)), etc. Non-manufacturing industries saw a 21.8% increase to 199.5 trillion yen (id.). By sector, sales increased in the wholesale trade sector (138.0 trillion yen, up by 20.4% (id.)), the services sector (21.5 trillion yen, up by 48.5% (id.)), and others. (Figure 7, Figure 8)
- By region, sales increased in North America (119.6 trillion yen, up by 23.7% from the previous fiscal year), Asia (162.9 trillion yen, up by 15.6% (id.)), and Europe (48.6 trillion yen, up by 17.2% (id.)). (Figure 9)
- In Asia, increases were observed all in ASEAN10, other Asian countries, and China. (Figure 10)

Figure 7. Sales trends of overseas affiliates

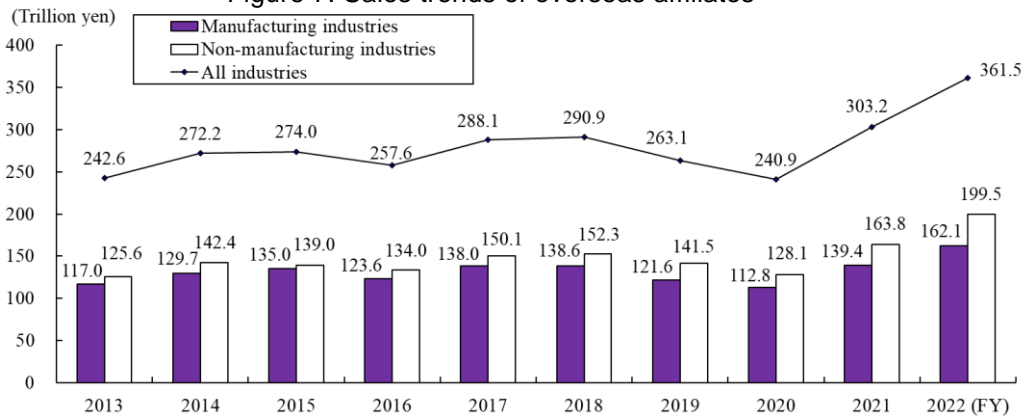


Figure 8. Sales of overseas affiliates (by major sector)

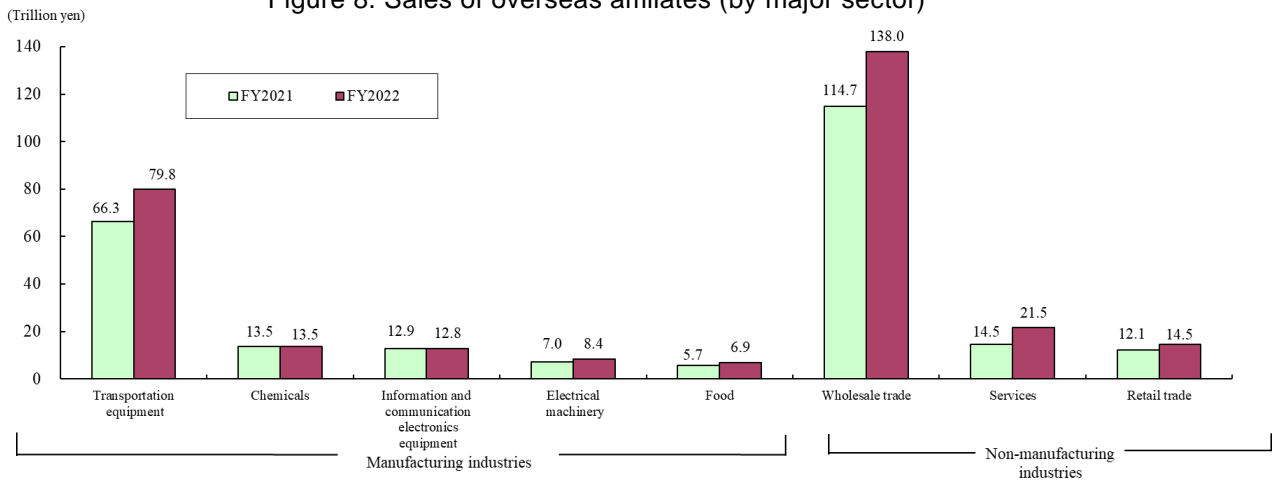


Figure 9. Sales trends of overseas affiliates (by region)

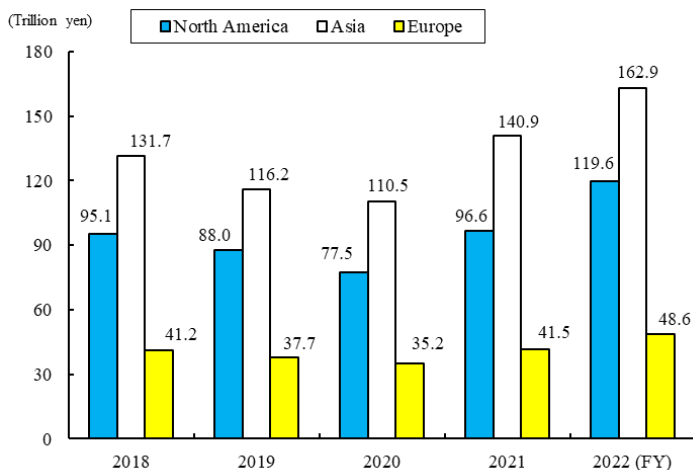
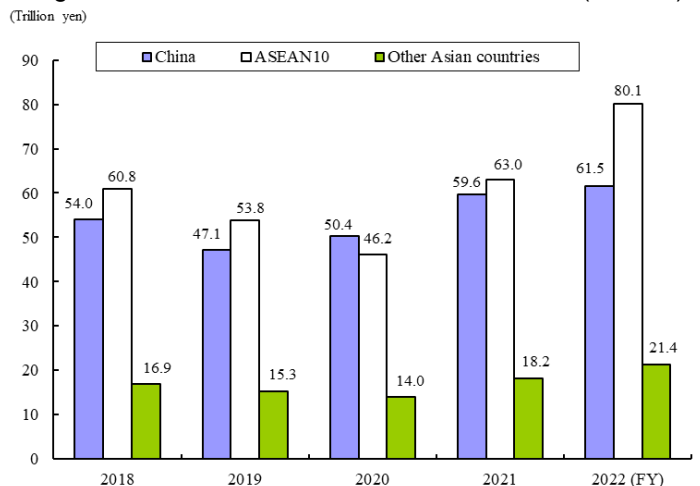


Figure 10. Sales trends of overseas affiliates (in Asia)



5. Overseas production ratio of overseas affiliates in manufacturing industries

- The overseas production ratio for manufacturing industries (based on all domestic companies)^{Note} in FY2022 was 27.1%, up by 1.3 percentage points (pp) from the previous fiscal year. (Figure 11)
- By sector, overseas production ratios increased in the transportation equipment sector (48.9%), the non-ferrous metals sector (22.2%), etc., but decreased in the general-purpose machinery sector (31.7%), the information and communication electronics equipment sector (26.8%), and the chemicals sector (22.6%), etc. (Table 5)

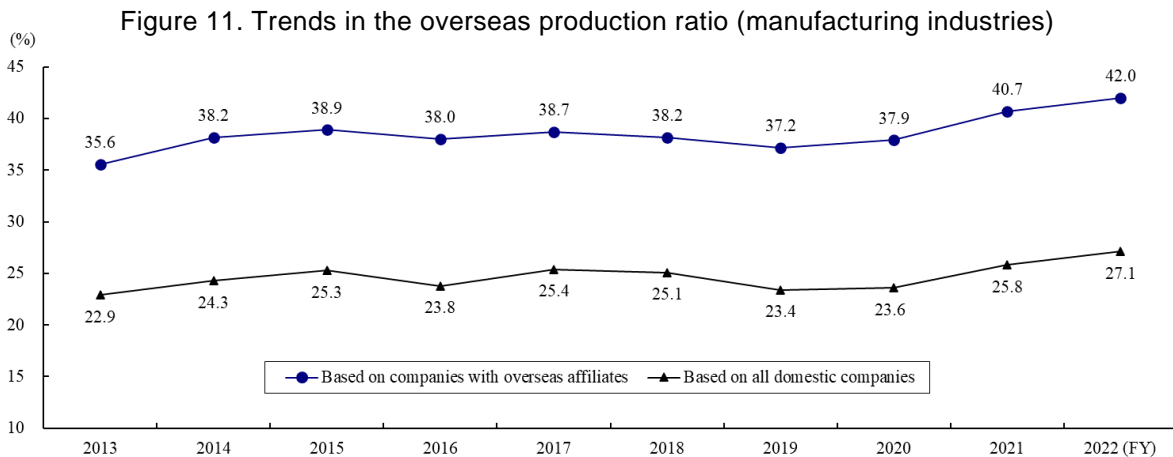


Table 5. Trends in the overseas production ratio by sector (calculated based on the total number of domestic companies (manufacturing industries))

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 (FY)
Total for manufacturing industries	22.9	24.3	25.3	23.8	25.4	25.1	23.4	23.6	25.8	27.1
Food	8.3	11.4	12.2	10.6	11.4	10.7	9.8	9.9	12.0	13.2
Textiles	12.3	12.4	12.9	11.1	14.0	14.2	13.2	13.1	15.2	17.9
Lumber, wood, paper, and pulp	5.7	7.8	9.7	8.2	9.8	10.3	10.0	10.5	12.3	12.3
Chemicals	20.5	22.4	19.4	18.0	20.1	19.8	18.0	18.4	23.4	22.6
Petroleum and coal	12.5	10.1	9.6	6.3	12.8	17.4	3.1	5.4	11.1	10.3
Ceramic, stone, and clay products	16.2	14.1	17.4	16.3	19.0	19.5	17.4	15.5	17.6	22.1
Iron and steel	13.6	14.5	14.0	17.6	19.3	20.8	20.0	20.6	19.2	19.7
Non-ferrous metals	17.5	19.1	18.8	19.0	20.7	21.5	18.1	18.4	20.6	22.2
Metal products	6.2	8.1	6.4	5.7	7.9	7.2	6.7	6.8	8.8	10.7
General-purpose machinery	27.6	34.2	33.8	32.9	31.9	29.2	28.2	29.5	34.4	31.7
Production machinery	13.6	14.6	15.7	13.9	15.9	14.7	14.4	14.7	15.3	17.4
Business oriented machinery	18.4	19.6	18.5	16.2	17.0	17.5	17.0	17.0	18.0	18.3
Electrical machinery	17.7	17.2	17.3	14.5	16.3	15.3	14.6	13.3	19.2	21.8
Information and communication electronics equipment	30.4	30.7	29.4	27.3	29.3	27.8	28.7	30.3	27.4	26.8
Transportation equipment	43.7	46.9	48.8	46.1	47.2	46.9	44.2	44.4	47.0	48.9
Miscellaneous manufacturing industries	14.8	12.0	14.3	12.6	12.9	13.4	12.5	13.0	13.9	15.4

Note: Overseas production ratio based on all domestic companies = Sales of overseas affiliates (manufacturing industries) / (Sales of overseas affiliates (manufacturing industries) + Sales of domestic companies (manufacturing industries)) × 100.0

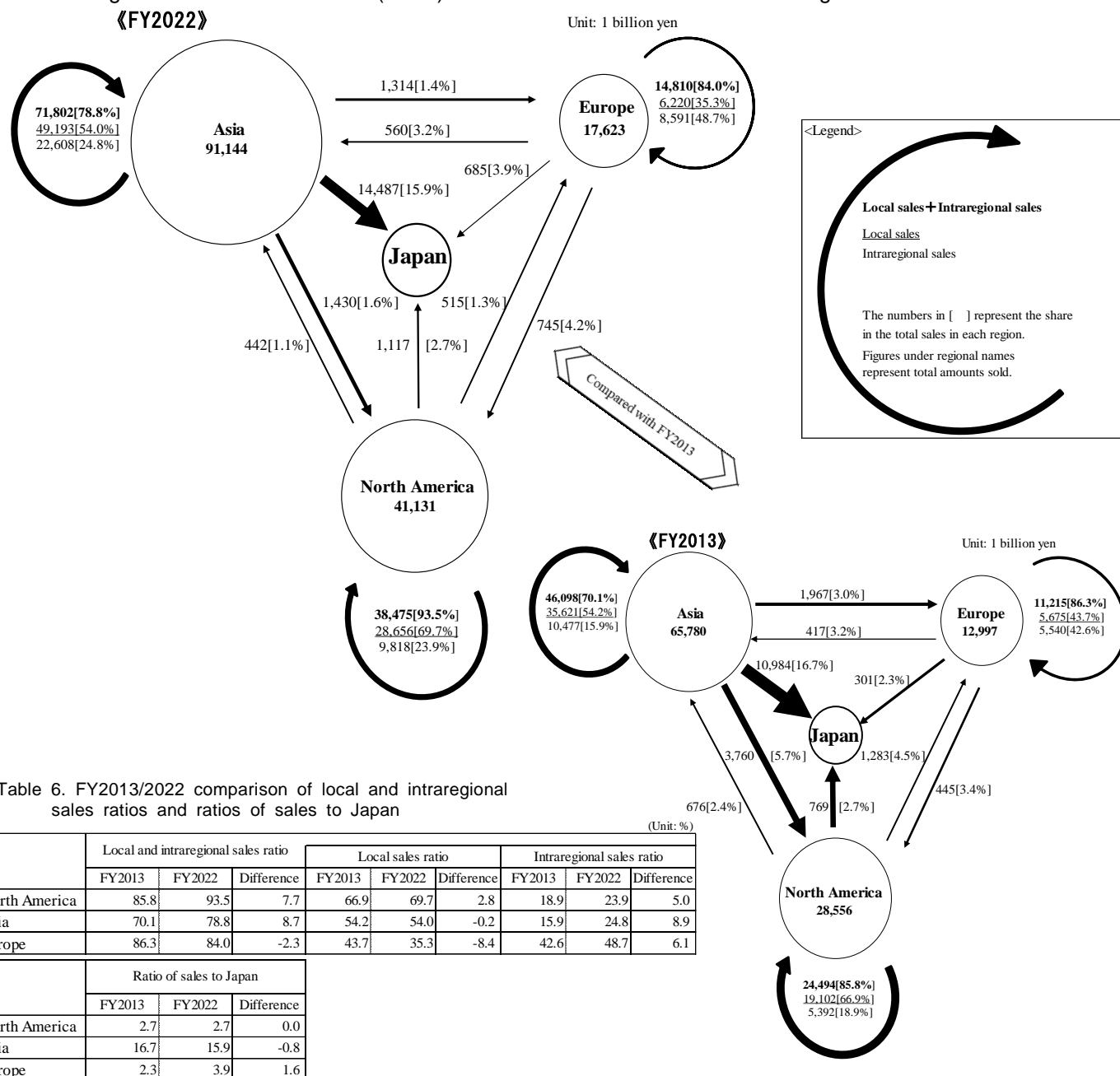
Overseas production ratio based on companies with overseas affiliates = Sales of overseas affiliates (manufacturing industries) / (Sales of overseas affiliates (manufacturing industries) + Sales of parent companies (manufacturing industries)) × 100.0

Source: Sales of domestic companies: "Financial Statements Statistics of Corporations by Industry" (Ministry of Finance)

6. Sale destinations of overseas affiliates in manufacturing industries

- When looking at the local and intraregional sales ratio^{Note 1} of overseas affiliates in manufacturing industries by region, the ratio in FY2022 was 93.5% in North America, 84.0% in Europe, and 78.8% in Asia.
- The ratio of sales to Japan was 15.9% in Asia, 3.9% in Europe, and 2.7% in North America.
- The local sales ratio increased in North America and decreased in Asia and Europe from FY2013. The intraregional sales ratio increased all in Asia, Europe and North America. (Figure 12, Table 6)

Figure 12. Sale destinations (sales) of overseas affiliates in manufacturing industries



Note 1: Local: Country in which overseas affiliates of Japanese companies are located

Intraregional: Same region other than the country in which overseas affiliates of Japanese companies are located (regional classifications: North America, Asia, Europe, etc.)

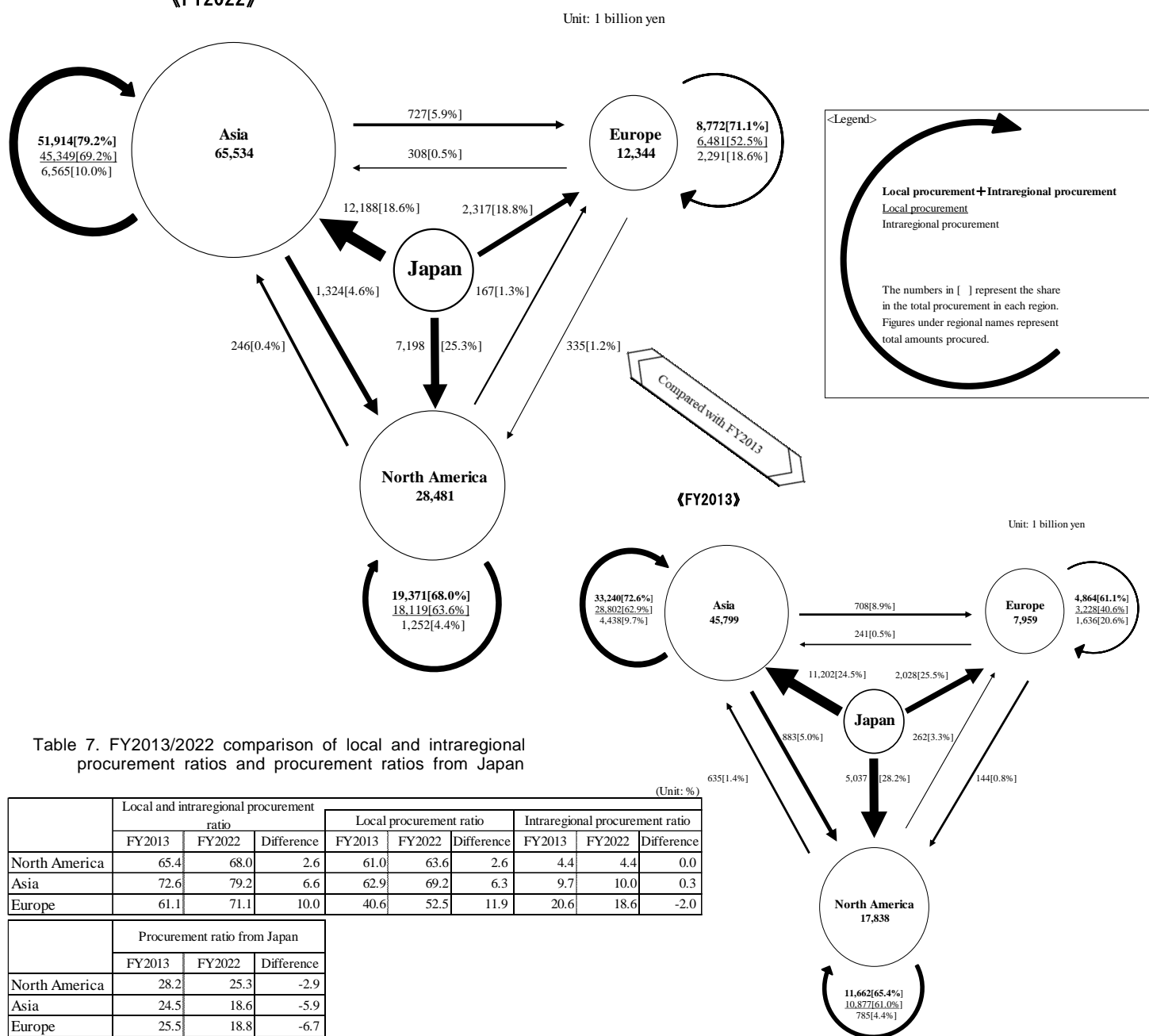
Local and intraregional sales ratio = Local and intraregional sales / Total sales of the region × 100.0

Note 2: The amount of total sales includes the amount of sales to other regions.

7. Procurement destinations of overseas affiliates in manufacturing industries

- When looking at the local and intraregional procurement ratio^{Note 1} of overseas affiliates in manufacturing industries by region, the ratio in FY2022 was 79.2% in Asia, 71.1% in Europe, and 68.0% in North America.
- The procurement ratio from Japan was 25.3% in North America, 18.8% in Europe, and 18.6% in Asia.
- Compared with FY2013, the local and intraregional procurement ratios increased in all Europe, Asia and North America. On the other hand, Europe, Asia and North America all saw decreases in the procurement ratio from Japan. (Figure 13, Table 7)

Figure 13. Procurement destinations (purchases) of overseas affiliates in manufacturing industries (FY2022)



Note 1: Local: Country in which overseas affiliates of Japanese companies are located
 Intraregional: Same region other than the country in which overseas affiliates of Japanese companies are located (regional classifications: North America, Asia, Europe, etc.)
 Local and intraregional procurement ratio = Local and intraregional procurement (purchases) / Total procurement of the region (total purchases) × 100.0

Note 2: The amount of total procurement includes the amount of procurement from other regions.

8. Profits of overseas affiliates

- In FY2022, ordinary profits of overseas affiliates were 19.6 trillion yen, up by 15.0% from the previous fiscal year (or up by 17.9% when comparing only companies that gave valid responses for this year and the previous year). Manufacturing industries saw an increase to 7.5 trillion yen, up by 16.3% (id.), and non-manufacturing industries also saw an increase to 12.2 trillion yen, up by 14.3% (id.). (Figure 14)
- By region, ordinary profits increased in Asia (8.9 trillion yen, up by 9.6% from the previous fiscal year), North America (4.3 trillion yen, up by 10.7% (id.)), and Europe (2.3 trillion yen, up by 6.0% (id.)). (Figure 15)
- The ratio of ordinary profits to sales^{Note} was 6.4%, down by 0.4 percentage points (pp) from the previous fiscal year. The ratio decreased both for manufacturing industries to 5.5% (down by 0.2 pp from the previous fiscal year) and for non-manufacturing industries to 7.2% (down by 0.7 pp (id.)). (Table 8)

Figure 14. Trends in ordinary profits of overseas affiliates

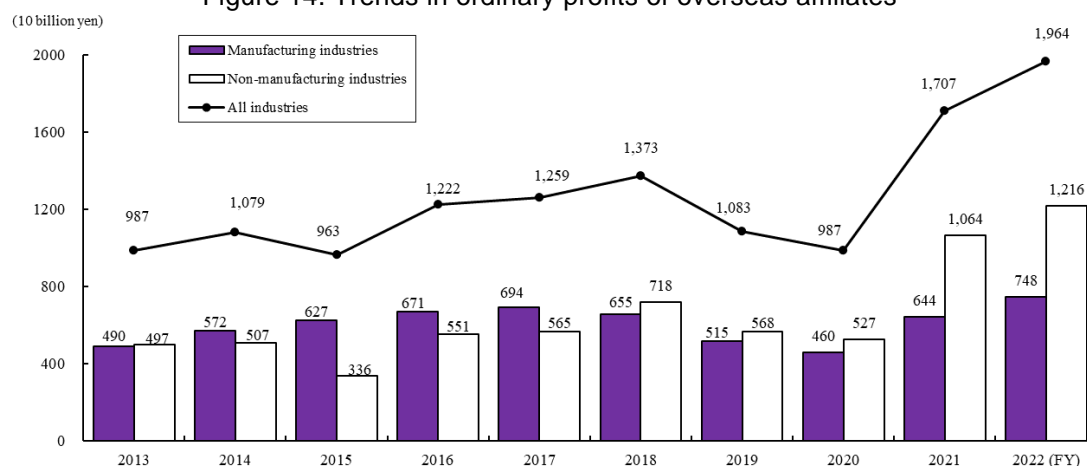


Figure 15. Trends in ordinary profits of overseas affiliates (by region)

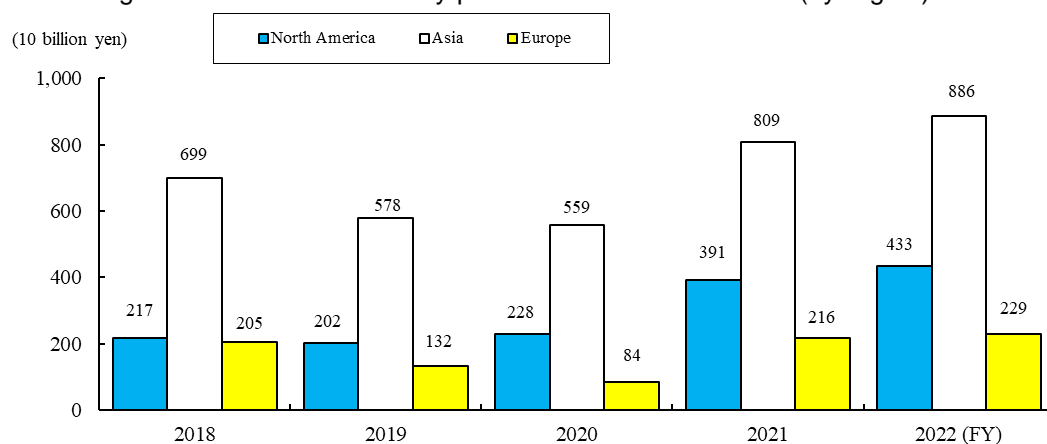


Table 8. Trends in the ratio of ordinary profits to sales of overseas affiliates

		(Unit: %)									
		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022 (FY)
(Reference)	All industries	4.2	4.1	4.0	4.9	4.6	5.3	4.9	4.8	6.8	6.4
	Manufacturing industries	4.6	4.7	5.0	5.8	5.4	5.5	5.0	4.9	5.7	5.5
	Non-manufacturing industries	3.9	3.5	3.0	4.1	3.7	5.1	4.9	4.8	7.9	7.2
	Domestic companies	4.2	4.5	4.8	5.2	5.4	5.5	4.8	4.6	5.8	6.0
	Non-manufacturing industries	3.7	3.9	4.3	4.8	4.9	5.0	4.5	4.1	4.8	5.3

Note: Ratio of ordinary profit to sales = Ordinary profits / Sales × 100.0 (Calculated based on overseas affiliates that responded to questionnaires for both ordinary profits and sales.)

Source: Ratio of ordinary profits to sales in domestic companies: "Financial Statements Statistics of Corporations by Industry" (Ministry of Finance)

9. Profit appropriation of overseas affiliates

- In FY2022, current net profits of overseas affiliates totaled 16.1 trillion yen, up by 12.8% from the previous fiscal year (or up by 15.6% when comparing only companies that gave valid responses for this year and the previous year). Manufacturing industries saw an increase to 6.1 trillion yen, up by 16.7% (id.), and non-manufacturing industries also saw an increase to 9.9 trillion yen, up by 10.6% (id.). (Figure 16)
- The amount of current retained earnings^{Note 1} of overseas affiliates in FY2022 was 4.5 trillion yen, down by 26.1% from the previous fiscal year (or down by 16.8% when comparing only companies that gave valid responses for this year and the previous year). (Figure 17, Table 9)
- The balance of retained earnings^{Note 2} was 55.0 trillion yen, up by 14.0% from the previous fiscal year (or up by 23.7% when comparing only companies that gave valid responses for this year and the previous year). (Figure 17, Table 9)

Figure 16. Trends in current net profits

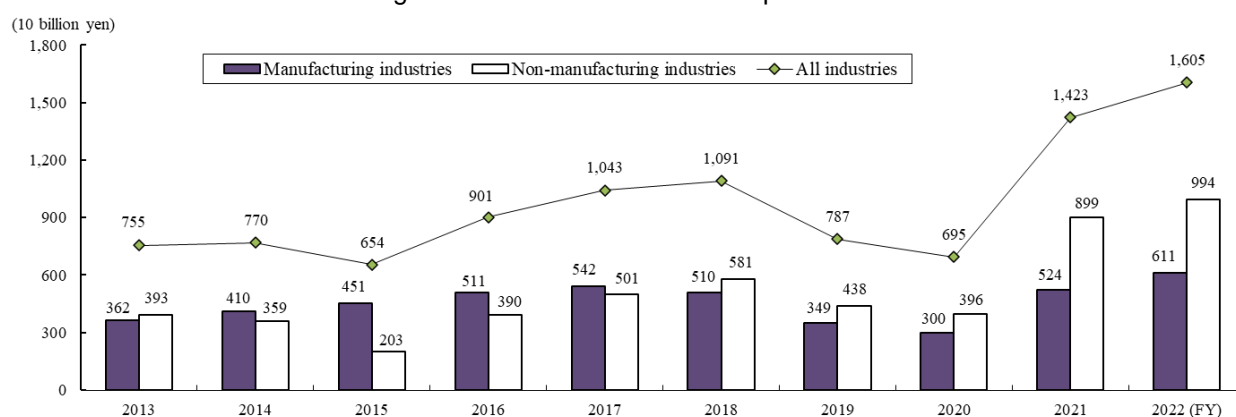


Figure 17. Trends in current retained earnings and balance of retained earnings

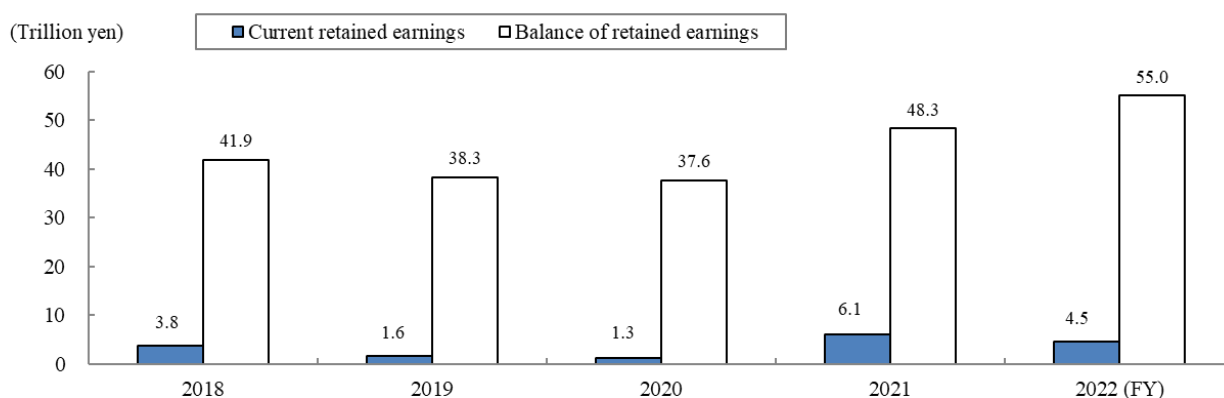


Table 9. Trends in current retained earnings and balance of retained earnings

(Units: 100 million yen, %)

	Current retained earnings			Balance of retained earnings		
	FY2021	FY2022	Y/Y	FY2021	FY2022	Y/Y
All industries	61,338	45,319	-26.1	482,691	550,350	14.0
Manufacturing industries	17,657	17,270	-2.2	204,337	226,421	10.8
Non-manufacturing industries	43,682	28,049	-35.8	278,355	323,929	16.4

Note 1: Current retained earnings = Current net profit or loss - Dividends

Note 2: Year-end balance of retained earnings = Proprietary capital - Capital - Capital reserve

10. Research and development expenses of overseas affiliates in manufacturing industries

- In FY2022, research and development expenses of overseas affiliates in manufacturing industries were 1,165.7 billion yen, up by 28.4% from the previous fiscal year (or up by 33.1% when comparing only companies that gave valid responses for this year and the previous year).
- The ratio of overseas research and development expenses^{Note} was 8.6%, up by 1.4 percentage points (pp) from the previous fiscal year. (Figure 18)
- Research and development expenses per company in manufacturing industries increased by 32.4% from the previous fiscal year to 747 million yen. By sector, the amount increased in the electrical machinery sector, the chemicals sector, the transportation equipment sector, etc. (Table 10) By region, the amount increased all in North America, Asia and Europe. (Table 11)

Figure 18. Trends in research and development expenses of overseas affiliates and in the ratio of overseas research and development expenses (manufacturing industries)

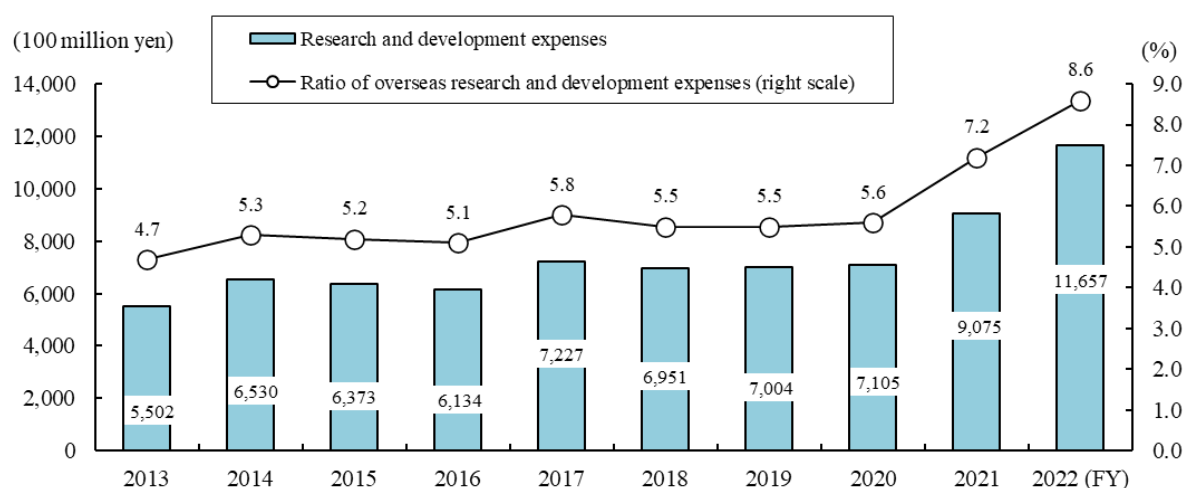


Table 10. Research and development expenses per company in manufacturing industries (by major sector)

(Units: Million yen, %)

	FY2021	FY2022	
		Y/Y difference	Y/Y ratio
Manufacturing industries	564	747	32.4
Chemicals	983	1286	30.8
Transportation equipment	955	1218	27.5
Electrical machinery	403	1076	167.0
Information and communication electronics equipment	805	841	4.5
Production machinery	467	615	31.7

Table 11. Research and development expenses per company in manufacturing industries (by region)

(Units: Million yen, %)

	FY2021		FY2022	
	Y/Y difference	Y/Y ratio	Y/Y difference	Y/Y ratio
All regions	564	23.7	747	32.4
North America	1,706	34.9	2,185	28.1
Asia	272	6.3	423	55.5
Europe	749	26.7	821	9.6

Note: Ratio of overseas research and development expenses (manufacturing industries) = Research and development expenses of overseas affiliates (manufacturing industries) / (Research and development expenses of overseas affiliates (manufacturing industries) + Research and development expenses of domestic companies (manufacturing industries)) × 100.0

Source: Research and development expenses of domestic companies: Total of labor costs, raw material costs, lease costs, other costs and depreciation costs in "Intramural expenditure on R&D of companies, etc. (costs)" in the Report on the Survey of Research and Development in Japan (Ministry of Internal Affairs and Communications)

11. Capital investment in overseas affiliates in manufacturing industries

- In FY2022, the amount of capital investment in overseas affiliates in manufacturing industries increased to 4.4 trillion yen, up by 18.5% from the previous fiscal year (or up by 31.6% when comparing only companies that gave valid responses for this year and the previous year). The ratio of overseas capital investment^{Note} was 22.0%, up by 1.2 percentage points (pp) from the previous fiscal year. (Figure 19)
- By sector, the amount of overseas capital investment increased in the transportation equipment sector (up by 31.5% from the previous fiscal year), the electrical machinery sector (up by 55.2% (id.)), the information and communication electronics equipment sector (up by 21.3% (id.)), etc. (Figure 20)
- By region, the amount of overseas capital investment increased in North America and Asia, but decreased in Europe. In Asia, increases were observed in ASEAN10 and other Asian countries, while decreases were observed in China. (Figure 21, Figure 22)

Figure 19. Trends in capital investment in overseas affiliates and the ratio of overseas capital investment (manufacturing industries)

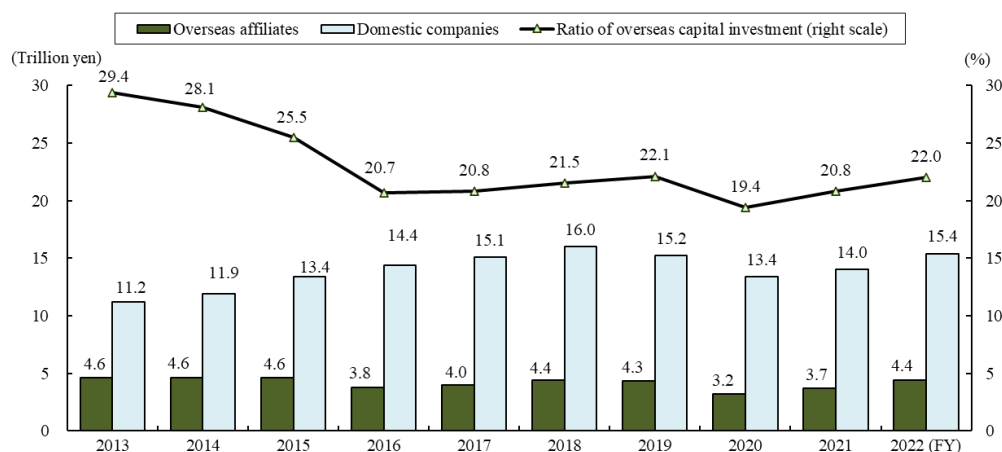


Figure 20. Capital investment in overseas affiliates (by major manufacturing sector)

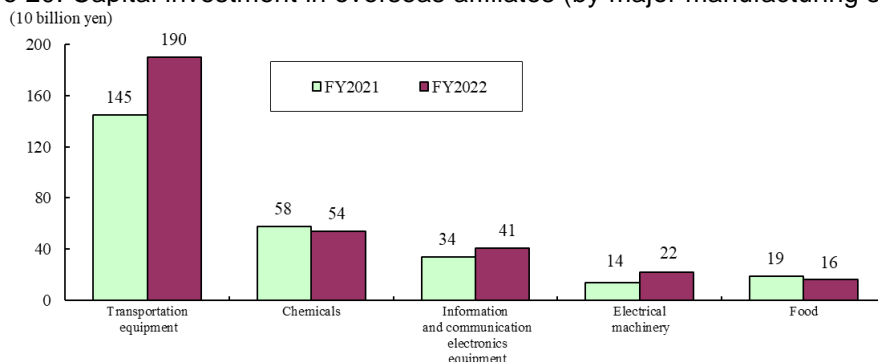


Figure 21. Capital investment in overseas affiliates in manufacturing industries (by region)

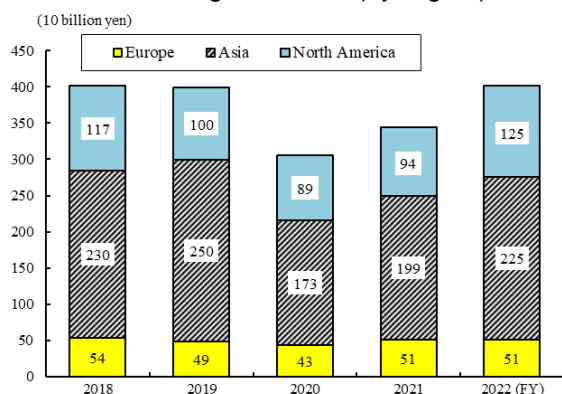
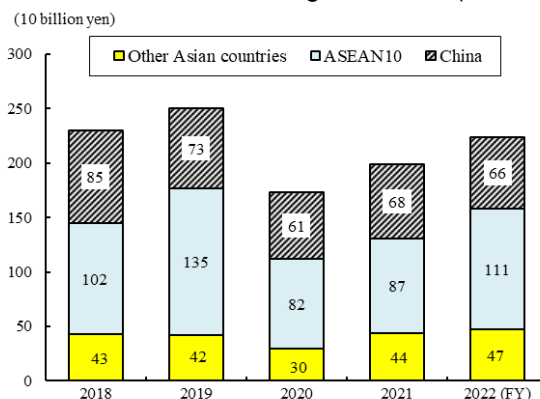


Figure 22. Capital investment in overseas affiliates in manufacturing industries (in Asia)



Note: Ratio of overseas capital investment (manufacturing industries) = Amount of capital investment in overseas affiliates (manufacturing industries) / (Amount of capital investment in overseas affiliates (manufacturing industries) + Amount of capital investment in domestic companies (manufacturing industries)) × 100.0

Source: Amount of capital investment in domestic companies: "Financial Statements Statistics of Corporations by Industry" (Ministry of Finance)

12. Payments from overseas affiliates to Japanese investors

- Payments (such as dividends and royalties) from overseas affiliates to Japanese investors in FY2022 amounted to 6.4 trillion yen, up by 16.1% from the previous fiscal year. (Figure 23)
- Looking at payments from overseas affiliates to Japanese investors by region, payments increased from Asia (up by 13.6% from the previous fiscal year), North America (up by 25.9% (id.)) and others (up by 56.0% (id.)), but decreased from Europe (down by 5.7% (id.)). In Asia, increases were observed in ASEAN10 and China, while decreases were observed in other Asian countries. (Figure 24, Figure 25)
- By major sector, payments increased in the wholesale trade sector (up by 41.8% from the previous fiscal year), the transportation equipment sector (up by 26.6% (id.)), the services sector (up by 42.4% (id.)), etc., but decreased in the chemicals sector (down by 17.1% (id.)), etc. (Figure 26)

Figure 23. Trends in payments from overseas affiliates to Japanese investors (all industries)

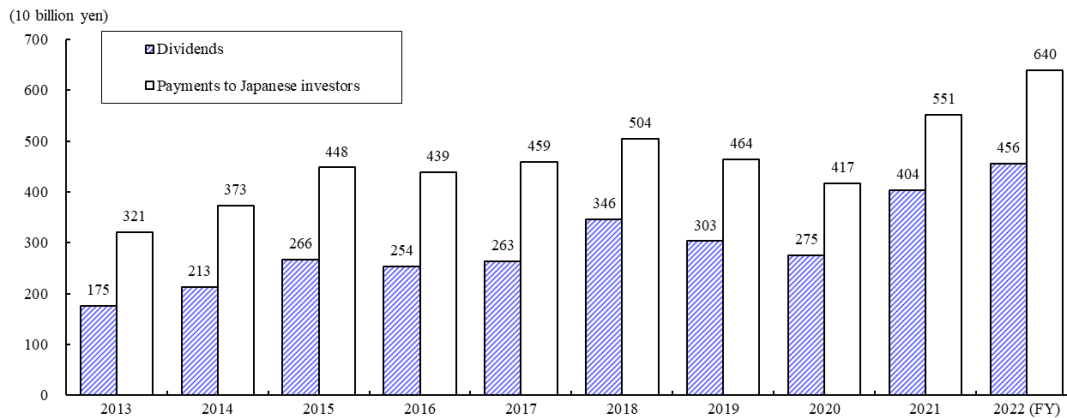


Figure 24. Payments from overseas affiliates to Japanese investors (by region)

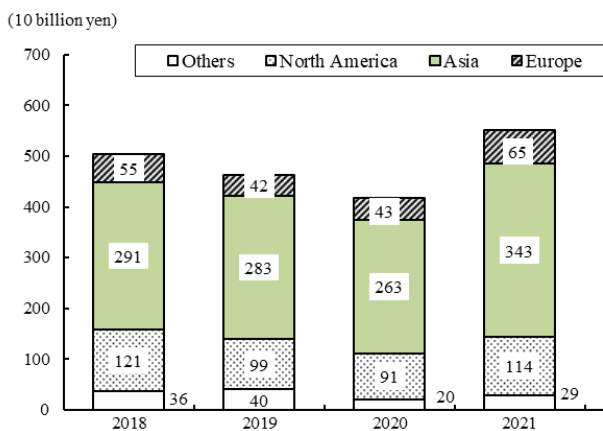


Figure 25. Payments from overseas affiliates to Japanese investors (in Asia)

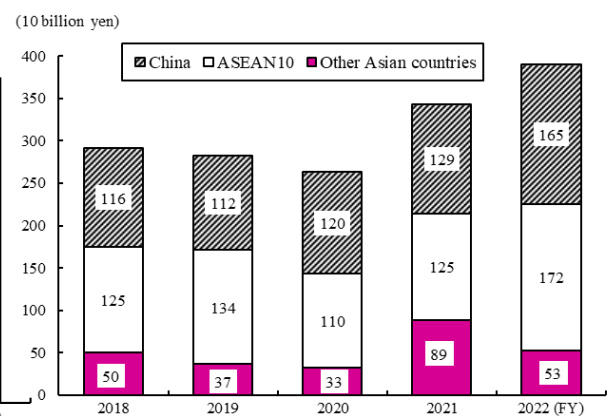


Figure 26. Payments from overseas affiliates to Japanese investors (by major sector)

