

## Form for FY2019 Survey of Trends in Business Activities of Foreign Affiliates

Submission Deadline	2020/9/30
Submit To	Minister of Economy, Trade and Industry

(To be completed by Ministry of Economy, Trade and Industry)

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- This survey covers companies that satisfied the following conditions as of the end of March of the year 2020, or satisfied the following conditions during the year 2019.
- Scope of the survey
  - 1) A company in which more than one third of shares or holdings is owned by a foreign investor, and in which the principal foreign investor's direct investment ratio is more than 10%.
  - 2) A company funded by a domestic company (in Japan) in which more than one third of shares or holdings is owned by foreign investors, in which the total ratio of the foreign investors' direct and indirect investment is more than one third of the shares or holdings of the company concerned, and in which the principal foreign investor's direct investment ratio is more than 10%.
- **The entries in this survey will be used for statistical purposes only and will be kept confidential under the Statistics Law. They will not be used for any purposes that may cause concern to the respondent.**
- The data of this survey is as of March 31, 2019. Please give annual figures for the **fiscal year 2019**. Please refer to "Notes for Completing the Survey Form" before completing this form.
- All monetary amounts should be indicated in yen denomination, rounded off to units of one million yen.
- "1 Company outline," "2-2," and "2-3" are pre-printed based on the information given in the previous survey. **If any alterations need to be made, cross out the items with a ===== and input the correct entries.**

(Since we may need to make some clarifications, please designate the contact details for the person completing the form.)

Name of respondent	Department
Address (only provide the address if it differs from the address of the head office written in 102)	Telephone No.

### 1. Company Outline

101	(katakana) Company name					* If the address of the head office differs from the address indicated in the registration, write the address of the office which is actually functioning as the head office.
102	(Postal code) Address					
103	Business sector code	Business sector No.	Type of industry			* Please enter your industrial classification. * Please refer to the Industrial Classification Code Table in Appendix I of the Notes for Completing the Survey Form. If you are not sure of your type of industry, enter the specific details of your business.
104	Foreign capital ratio	*Write figures up to the first decimal point and justify to the right. *If a foreign investor has made both direct and indirect investments, enter the combined total of the investment ratio and the indirect investment ratio.				
105	Name of the principal foreign investor					* Write the name of the principal foreign investor in Japanese <b>katakana characters or Roman letters.</b> * If it is a company, enter the company name. * If your company has both direct and indirect investments from foreign investors, enter the principal foreign investor with the higher ratio.
106	Nationality of the principal foreign investor	No. of region/country	Name of region/country			* Refer to the Regional and National Classification Code Table in Appendix II of the Notes for Completing the Survey Form. * Write the nationality of the principal foreign investor you entered in Item 105 above, "Name of the principal foreign investor."
107	Investment ratio of the principal foreign investor	*Write figures up to the first decimal point and justify to the right. *Enter the investment ratio of the principal foreign investor entered in Item 105 above, "Name of the principal foreign investor."				
	If you are under "Scope of the survey 2")	The domestic company name (which is owned by the principal foreign investor entered in item 105 "Name of the principal foreign investor")	Investment ratio of the domestic company (responded to the left column)			
108	Business sector code of the principal foreign investor	1. Same sector	Business sector No.	Type of industry		* If the business sector of the principal foreign investor you entered in Item 105 above, "Name of the principal foreign investor" is the same of your business sector, please circle 1, and if not, please circle 2 and answer the corresponding business sector number and type of industry.
		2. Different sector				* If the principal foreign investor is an individual, leave the business sector no. blank and enter "individual" for type of
109	Capital or investments	(¥ million) * Enter the amount of paid-in capital or investments held.				
110	Accounting term	* Write the two-digit accounting month.				
111	Consumption tax	1. Tax included 2. Tax excluded		*Please find your Corporate Number at the website ( <a href="https://www.houjin-bangou.nta.go.jp/en/">https://www.houjin-bangou.nta.go.jp/en/</a> ) and enter it.		
112	Corporate Number					

\* Circle the relevant number corresponding to whether consumption tax is included in the monetary amounts given below.

## 2. Operation status

### 2-1. Operation status

Circle the relevant number for the operation status of your company as of March 31, 2020.

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

211	1. In operation	Company is currently in operation.
	2. Before the first accounting term after establishment	Company has not yet reached the first accounting term after establishment or after foreign capitalization.
	3. Not yet established, not yet in operation	Company has not yet been established/ is not in operation
	4. Suspended	Company is temporarily out of business or in dormancy.
	5. Dissolution, withdrawal, or reduction of foreign capital ratio	Company dissolved due to liquidation, bankruptcy, takeover, merger or similar reason. Your company's foreign investors have withdrawn or your company's ratio of capitalization by foreign investors has fallen below one third.
	i. In FY2019 ii. In or before FY2018	

\* If your answer is 1, then fill in all the items from [2-2] amounts given below.

\* If your answer is 2/3/4, please fill in 221 "Year of establishment or foreign capitalization" and 231 "Reason for which the ratio of shares or equity owned by foreign investors has surpassed one-third of the total shares." After that, please fill in all the items from [8] Investment environment in Japan

\* If your answer is 5 and i (In FY2019), then please fill in 221 "Year of establishment or foreign capitalization" and all the items from [8] Investment environment in Japan. If your answer is 5 and ii (In or before FY2018), please fill in all the items from [8] Investment environment in Japan.

### 2-2. Year of establishment or foreign capitalization

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

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

		YYYY	MM
221	Year of establishment or foreign capitalization		

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

### 2-3. Reason for which the ratio of shares or equity owned by foreign investors has surpassed one-third of the total shares

Select and circle one number from the following.

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

231	1. Newly established by a single company
	2. Newly established as a joint venture
	3. Merger & Acquisition
	4. Other

\* Please include cases in which the ratio of shares or equity owned by foreign investors has surpassed one third of the total shares due to a capital increase after the M&A.

If you selected "1. In operation" under the "2-1. Operation status", please answer after "3 Employment (Total full-time persons employed)".

However, if you responded to "The FY2020 Basic Survey of Japanese Business Structure and Activities of the Ministry of Economy, Trade and Industry," fill in the survey items only **within the red frames**. The "Basic Survey of Japanese Business Structure and Activities" is a designated statistical survey conducted by the Ministry of Economy, Trade and Industry for those companies with 50 employees or more and with capital of 30 million yen or more. For details, refer to page 5 of the "Notes for Completing the Survey Form."

If you selected an answer **other than** "1. In operation" under the "2-1. Operation status", please answer after [8] Investment environment in Japan.

## 3. Employment (Total full-time persons employed)

### 3-1. Types and functions of establishments in Japan

(Persons)

311	Total full-time persons employed						
312	(Number of foreign full-time persons included in the figure above)						
313	Salaried directors						
314	(Number of foreign salaried directors included in the figure above)						
315	Full-time employees						
316	(Number of foreign full-time employees included in the figure above)						
317	Regular employees, regular staff						
318	(Number of foreign regular employees, regular staff included in the figure above)						
319	Part-timers, casual employees						

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

\* "Full-time employees" refers to those who have been employed for a period unspecified or at least one month

\* "Regular employees and regular staff" means a person who is a regular employee, for whom generally there is no limit on the term of employment contract (including retirement system), at your company and works a prescribed number of hours a week.

\* Please do not include the number of temporary workers contracted from a temporary staffing agency.

\* If there are no applicable figures, write "-."

**3-2. Total full-time persons employed (entered in 311 and 312) for each prefecture and functions of establishments in Japan**

For 323 "Function," select the functions(s) of your establishments in each prefecture from the function column below and enter that number. (multiple answers possible)

		321	322	323			321	322	323
		Total full-time persons employed	Number of foreign full-time persons included in the figure above	Function			Total full-time persons employed	Number of foreign full-time persons included in the figure above	Function
1	Hokkaido				25	Shiga			
2	Aomori				26	Kyoto			
3	Iwate				27	Osaka			
4	Miyagi				28	Hyogo			
5	Akita				29	Nara			
6	Yamagata				30	Wakayama			
7	Fukushima				31	Tottori			
8	Ibaragi				32	Shimane			
9	Tochigi				33	Okayama			
10	Gunma				34	Hiroshima			
11	Saitama				35	Yamaguchi			
12	Chiba				36	Tokushima			
13	Tokyo				37	Kagawa			
14	Kanagawa				38	Aichi			
15	Niigata				39	Kochi			
16	Toyama				40	Fukuoka			
17	Ishikawa				41	Saga			
18	Fukui				42	Nagasaki			
19	Yamanashi				43	Kumamoto			
20	Nagano				44	Oita			
21	Gifu				45	Miyazaki			
22	Shizuoka				46	Kagoshima			
23	Aichi				47	Okinawa			
24	Mie					Total			

Functions	1. Headquarters 5. Distribution	2. Sales and Marketing	3. Research and development	4. Manufacturing and processing
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**8. Investment environment in Japan**

**8-1. What is attractive about expanding business in Japan?**

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

811	1	Income levels are high. Customer volume for products and services is high (large market).	9	Extensive infrastructure (transportation, energy, communications, etc.)
	2	Sensitive to added value and trends in products and services. Proving ground for measuring competitiveness of new products and services	10	Solid financial environment, financing opportunities
			11	Extensive breaks and incentives
	3	Concentration of global companies and affiliates	12	Extensive business support organizations
	4	Gateway to the Asian market. Optimal location for regional headquarters.	13	Low cost of doing business (labor, real estate, etc.)
	5	Availability of quality personnel	14	Developed living environment
	6	Geographical advantage for accessing headquarters and countries your company manages.	15	Legal provisions regarding intellectual property is extensive
	7	Very open business regulations	16	Increased demand is projected due to the Olympic Paralympic Games 2020
8	High quality research and development environment	17	Other (specify": )	

**8-2. What do you think are factors inhibiting expanding business in Japan?**

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

821	1	Difficulty securing personnel. (management, engineers, persons with language skills, common labor, etc.)	7	Insufficient tax- and other incentives (tax privileges, lack of available assistance, etc.)
	2	High standard that users demand from products and services (quality, delivery, price, etc.)	8	Difficult M&A environment (legal system, resistance to foreign capital)
	3	High cost of doing business (labor, tax, real estate, etc.)	9	Difficulty securing financing (difficult loan conditions, regulations regarding financing)
	4	Strict regulations, permits and license system (legal restraints, product planning and inspection, etc.)	10	Difficulty obtaining visas (Unclear status of residence, obtaining work visas and family stay visas)
	5	Complicated administrative procedures (long time required from application to approval, complicated procedures, etc.)	11	Living environment for foreigners (admittance system of schools, hospitals, etc. for foreigners; lifestyle differences, etc.)
	6	Exclusivity and distinctiveness of the Japanese market (intragroup transactions, connections, shortage of market information in English, business practices, etc.)	12	Other (specify": )

**9. Cost of doing business in Japan**

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

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

901	1	Labor costs	5	Facility costs (plant, information systems, office equipment, etc.)	9	Utilities (electric, gas, plumbing, etc.)
	2	Rent (office space)	6	Distribution costs	10	Land leasing costs
	3	Tax liability	7	Communication costs	11	Other(specify": )
	4	Land acquisition costs	8	Social security costs		

**10. Employment and human resources in Japan**

**10-1. What do you think are inhibiting factors in securing Japanese personnel?**

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

1011	1	High standards of compensation such as salary, etc.
	2	High standards of non-obligatory welfare costs
	3	Recruiting and hiring costs
	4	Strict labor regulations
	5	Lack of mobility in the labor market
	6	Underdeveloped employment agency services
	7	Business communication difficulties in English
	8	Other (specify": )

**10-2. What do you think are inhibiting factors in securing foreign personnel?**

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

1021	1	High standards of compensation such as salary, etc.
	2	High standards of non-obligatory welfare costs
	3	Difficulties obtaining permanent residence
	4	Difficulties obtaining work visas
	5	Difficulties obtaining visa for domestic workers and babysitters
	6	Difficulty finding residential accommodation
	7	Lack of medical facilities with English speaking staff
	8	Lack of international schools
	9	Difficulty finding employment for spouse
	10	Business communication difficulties in Japanese
	11	Other (specify": )

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

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

1101	1	Will increase staff
	2	Maintain current conditions
	3	Will reduce staff

**12. Your company's future expansion in Japan**

What are your thoughts on future business expansion in Japan? Please select the corresponding items from the following and circle the corresponding number, respectively. (multiple answers possible)

1201	Planning business expansion	1-1	Corporate planning
		1-2	Sales and marketing
		1-3	Research and development
		1-4	Manufacturing and processing
	Maintain current conditions	2	Maintain current conditions
	Planning to downsize	3-1	Corporate planning
		3-2	Sales and marketing
		3-3	Research and development
		3-4	Manufacturing and processing
	Discontinue operations	4	Discontinue operations

**13. Impacts of COVID-19**

**13-1 What are the impacts of COVID-19 on your business?**

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

1301	1	Decrease in orders/sales	5	Deterioration of cash flow	9	Difficulties in procuring supplies due to supply chain disruption
	2	Increase in orders/sales	6	Reduced workforce	10	Other (specify": )
	3	Reduced clients/consumers due to movement restriction	7	Excessive workforce		
	4	Negative impact on distribution of products, goods and services	8	Increase in business costs due to COVID-19		

**13-2 If the impact of COVID-19 continues, what are the current difficulties in continuing your business in Japan?**

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

1302	1	Securing/increasing clients/consumers	5	Disruption of supply chains and finding alternatives	9	Living environment for foreigners (admittance system of schools, hospitals, etc. for foreigners; lifestyle differences, etc.)
	2	Maintaining current and acquiring new customers / consumers	6	Securing adequate human resources	10	Other (specify": )
	3	Difficulty securing financing (difficult loan conditions, regulations regarding financing)	7	Applying for new visa and renewing visas		
	4	Communications via digital tools	8	Lack of informations, support (unable to access information in English, lack of support organizations, etc.)		

Remarks

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**This completes the survey. Thank you for your cooperation.**