

Not to be released before 8:50 a.m.  
on Monday, December 16, 2013

December 16, 2013

Bank of Japan

Research and Statistics Department

### Revisions of *Tankan* Survey Items and New Release Format

The Bank of Japan (“the Bank”) has decided to revise some survey items for the *Tankan* (Short-term Economic Survey of Enterprises in Japan) from the March 2014 survey (see new sample form in Appendix 1). After inviting suggestions on the proposed revisions, in March 2013 the Bank released its plan for the revisions<sup>1</sup> with a view to implementing them from the first half of 2014.

The release format of the *Tankan* will be changed as of the March 2014 survey. *Tankan* Summary and *Tankan* Outline will be released on April 1, 2014. *Tankan* Summary of "Inflation Outlook of Enterprises" (a new addition to the survey coverage), *Tankan* Figures by Industry, and *Tankan*: The Comprehensive Data Set will be released on April 2, 2014. The new samples of *Tankan* Summary and *Tankan* Summary of "Inflation Outlook of Enterprises" are shown in Appendix 2 and Appendix 3, respectively.

#### New Release Format from the March 2014 Survey

Release Timing	Release Material	Notes
Release day	<i>Tankan</i> Summary	<ul style="list-style-type: none"><li>· Number of Employees (6. Employment) and Ratio of Liquidity (7. Corporate Finance) will be removed.</li><li>· Conditions for CP Issuance (7. Corporate Finance) will be changed from "All Enterprises" basis to "CP-Issuing Enterprises" basis.</li></ul>
	<i>Tankan</i> Outline	<ul style="list-style-type: none"><li>· Conditions for CP Issuance will be changed from "All Enterprises" basis to "CP-Issuing Enterprises" basis.</li></ul>
Following day of release	<i>Tankan</i> Summary of "Inflation Outlook of Enterprises"	<ul style="list-style-type: none"><li>· Will be released from the March 2014 survey.</li></ul>

<sup>1</sup> See "[Planned Revisions of the \*Tankan\* Survey -- Review of survey items, including the introduction of a survey on Inflation Outlook of Firms --](#)," March 22, 2013, Research and Statistics Department, Bank of Japan.

Following day of release	<i>Tankan</i> Figures by Industry	<ul style="list-style-type: none"> <li>· 4. Quarterly Data will be removed.</li> <li>· Number of Employees (5. Financial institutions) will be removed.</li> </ul>
	<i>Tankan</i> : The Comprehensive Data Set	<p>Enterprises</p> <ul style="list-style-type: none"> <li>· Conditions for CP Issuance (1. Judgement Survey) will be changed from "All Enterprises" basis to "CP-Issuing Enterprises" basis.</li> <li>· Material Costs, Personnel Expenses, Depreciation, Financial Income, and Financial Expenses (2. Annual Projections) will be removed.</li> <li>· 3. Quarterly Data will be removed.</li> <li>· 3. Inflation Outlook of Enterprises will be added.</li> </ul> <p>Financial institutions</p> <ul style="list-style-type: none"> <li>· 3. Quarterly Data will be removed.</li> </ul>
	BOJ Time-Series Data Search	<ul style="list-style-type: none"> <li>· Conditions for CP Issuance (Judgement Survey) will be changed from "All Enterprises" basis to "CP-Issuing Enterprises" basis. The former "Conditions for CP Issuance (Based on All Enterprises)" will no longer be updated.</li> <li>· Material Costs, Personnel Expenses, Depreciation, Financial Income, and Financial Expenses (Annual Projections) will no longer be updated.</li> <li>· Quarterly Data will no longer be updated.</li> <li>· Inflation Outlook of Enterprises will be added.</li> </ul> <p>Note: Series codes for Conditions for CP Issuance (Based on All Enterprises) and Quarterly Data, which will no longer be updated, will be changed from the March 2014 survey (see Appendix 4 for details).</p>

From the March 2014 survey, "Conditions for CP Issuance (Based on CP-Issuing Enterprises)", currently released as Reference Data two business days later of release day, will be included within the *Tankan* Summary published on the release day.

Inquiries

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Short-Term Economic Survey of Enterprises in Japan (Tankan)

Sample Form

Tankan is a statistical survey by Bank of Japan in accordance with the Statistics Law (Law No.53 of 2007). Confidentiality of answers to this survey shall be secured. The survey is conducted with the aim of providing an accurate picture of business trends of enterprises in Japan, thereby contributing to the appropriate implementation of monetary policy.

Reference Section Business Survey, Economic Statistics Division, Research and Statistics Dep., Bank of Japan

Confidential

1. Judgement Survey

Survey Item	(1) Business Conditions of Your Enterprise		(2) Domestic Supply and Demand Conditions for Products and Service in Your Industry		(3) Overseas Supply and Demand Conditions for Products in Your Industry		(4) Inventory Level of Finished Goods and Merchandise of Your Enterprise		(5) Wholesalers' Inventory Level in Your Industry		(6) Production Capacity of Your Enterprise		(7) Employment Conditions of Your Enterprise		(8) Financial Position of Your Enterprise		(9) Lending Attitude of Financial Institutions		(10)* Change in Interest Rate on Loan		(11) Conditions for CP Issuance		(12)* Change in Output Prices of Your Enterprise		(13)* Change in Input Prices of Your Enterprise								
	1.Favorable	2.Not so favorable	3.Unfavorable	1.Excess demand	2.Almost balanced	3.Exces supply	1.Excess demand	2.Almost balanced	3.Excess supply	1.Excessive or somewhat excessive	2.Adequate	3.Insufficient or somewhat insufficient	1.Excessive capacity	2.Adequate	3.Insufficient capacity	1.Excessive employment	2.Adequate	3.Insufficient employment	1.Easy	2.Not so tight	3.Tight	1.Accommodative	2.Not so severe	3.Severe	1.Rise	2.Unchanged	3.Fall	1.Easy	2.Not so severe	3.Severe	1.Rise	2.Unchanged	3.Fall
Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast	Actual Result	Forecast		

Please choose one out of three alternatives which best describes the current and forecasted (for the next survey period) conditions, excluding seasonal factors. For 3 items with "\*", please choose one out of three alternatives which best describes the current (from three months earlier) and forecasted (for the next survey period) change, excluding seasonal factors.

Please choose one of the alternatives, excluding the effects of changes due to institutional factors such as the consumption tax.

2. Annual Projections

Survey Item	Period	FY2012		FY2013		FY2014	
		1HF(Apr.'12-Sep.'12) (Actual result)	2HF(Oct.'12-Mar.'13) (Actual result)	1HF(Apr.'13-Sep.'13) (Actual result)	2HF(Oct.'13-Mar.'14) (Actual result)	1HF(Apr.'14-Sep.'14) (Forecast)	2HF(Oct.'14-Mar.'15) (Forecast)
Sales		million yen	million yen	million yen	million yen	million yen	million yen
Exports							
Exchange Rates for Exports (yen per US dollar)							
Operating Profits							
Current Profits							
Net Income							
Fixed Investment							
Land Purchasing Expenses							
Software Investment							

4. Number of New Graduates Hired

(Surveyed only in June and December)

Survey Item	Period	FY2013	FY2014	FY2015
		(Actual result)	(Forecast)	(Forecast)
Number of New Graduates Hired		persons	persons	persons

3. Inflation Outlook of Enterprises

**(1) Outlook for Output Prices**

Relative to the current level, what are your institution's expectations of the rate of price changes in your mainstay domestic products or services for one year ahead, three years ahead, and five years ahead, respectively? Please select the range nearest to your own expectation from the options below.

A point in time	Rate of changes relative to the current level
One year ahead	1. around +20% or higher (+17.5% or higher) 2. around +15% (+12.5% ~ +17.4%) 3. around +10% (+7.5% ~ +12.4%) 4. around +5% (+2.5% ~ +7.4%) 5. around +0% (-2.5% ~ +2.4%) 6. around -5% (-7.5% ~ +2.6%) 7. around -10% (-12.5% ~ +7.6%) 8. around -15% (-17.5% ~ +12.6%) 9. around -20% or lower (-17.6% or lower) 10. Don't know.
Three years ahead	
Five years ahead	

**(2) Outlook for General Prices**

What are your institution's expectations of the annual percent change in general prices (as measured by the consumer price index) for one year ahead, three years ahead, and five years ahead, respectively? Please select the range nearest to your own expectation from the options below.

A point in time	In annual percent rate changes
One year ahead	1. around +6% or higher (+5.5% or higher) 2. around +5% (+4.5% ~ +5.4%) 3. around +4% (+3.5% ~ +4.4%) 4. around +3% (+2.5% ~ +3.4%) 5. around +2% (+1.5% ~ +2.4%) 6. around +1% (+0.5% ~ +1.4%) 7. around -0% (-0.5% ~ +0.4%) 8. around -1% (-1.5% ~ -0.6%) 9. around -2% (-2.5% ~ -1.6%) 10. around -3% or lower (-2.6% or lower)
Three years ahead	※If you have no clear views on general prices, please select one of the three following reasons. 11. Uncertainty over the future outlook is high 12. Not really conscious of inflation fluctuations because they should not influence the strategy of the institution. 13. Other
Five years ahead	

Reference

Accounting Period	Capital	million yen	Number of Employees	persons

Main Business Products and Services

Please write the factors such as drastic changes of demand and supply condition, M&A, sales of business, changes in the accounting method etc., causing or likely to cause large fluctuations in the date such as sales, profit, fixed investment etc. If your accounting period is different from the surveyed period printed on this survey sheet, please write that below.

Thank you for your kind cooperation.

Tankan Summary (March 2014)

160th Short-Term Economic Survey of Enterprises in Japan

(Appendix2)

Not to be released before 8:50 a.m. on Tuesday, April 1, 2014

April 1, 2014  
Research and Statistics Department  
Bank of Japan

Number of Sample Enterprises

	Manufacturing	Nonmanufacturing	Total	Response rate
All Enterprises				
Large Enterprises				
Medium-sized Enterprises				
Small Enterprises				
Financial institutions				

Responding Period:

Ref.: Average of predicted exchange rates expected by large manufacturing enterprises

(yen per US dollar)

	FY 2013		FY 2014	
	1H	2H	1H	2H
Dec. 2013 Survey				
March 2014 Survey				

1. Business Conditions

(Diffusion index of "Favorable" minus "Unfavorable," % points)

	Large Enterprises						Medium-sized Enterprises						Small Enterprises					
	Dec. 2013 Survey		March 2014 Survey				Dec. 2013 Survey		March 2014 Survey				Dec. 2013 Survey		March 2014 Survey			
	Actual result	Forecast	Actual result	Forecast	Changes	Changes	Actual result	Forecast	Actual result	Forecast	Changes	Changes	Actual result	Forecast	Actual result	Forecast	Changes	Changes
Manufacturing																		
Textiles																		
Lumber & Wood products																		
Pulp & Paper																		
Chemicals																		
Petroleum & Coal products																		
Ceramics, Stone & Clay																		
Iron & Steel																		
Nonferrous metals																		
Food & Beverages																		
Processed metals																		
General-purpose machinery																		
Production machinery																		
Business oriented machinery																		
Electrical machinery																		
Shipbuilding & Heavy machinery, etc.																		
Motor vehicles																		
Basic materials																		
Processing																		
Nonmanufacturing																		
Construction																		
Real estate																		
Goods rental & Leasing																		
Wholesaling																		
Retailing																		
Transport & Postal activities																		
Communications																		
Information services																		
Electric & Gas utilities																		
Services for businesses																		
Services for individuals																		
Accommodations, Eating & Drinking services																		
All industries																		

	All Enterprises					
Manufacturing						
Nonmanufacturing						
All industries						

Notes: 1. Response rate = The number of enterprises that responded to the question on Business Conditions / The number of sample enterprises \* 100

2. Actual result: Judgement at the time of the survey, Forecast: Judgement at the time of three months hence

Changes in actual result = "Actual result of the current survey" minus "Actual result of the previous survey"

Changes in forecast = "Forecast of the current survey" minus "Actual result of the current survey"

3. "Shipbuilding & Heavy machinery, etc." indicates Transportation machinery excluding Motor vehicles.

1. Business Conditions (Continued)

<Ref.> Percentage share of the number of respondents choosing each alternative

(%, % points)

	Dec. 2013 Survey			March 2014 Survey					
	Actual result			Actual result			Forecast		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises	Large Enterprises	Medium-sized Enterprises	Small Enterprises	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Manufacturing									
1. Favorable									
2. Not so favorable									
3. Unfavorable									
Nonmanufacturing									
1. Favorable									
2. Not so favorable									
3. Unfavorable									

(Note) Business Conditions DI = Diffusion index of "Favorable" minus "Unfavorable"

2. Supply and Demand Conditions, Inventories, and Prices

(% points)

		Large Enterprises					
		Dec. 2013 Survey		March 2014 Survey			
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Domestic Supply & Demand Conditions for Products and Services: Diffusion index of "Excess demand" minus "Excess supply"	Manufacturing Basic materials Processing Nonmanufacturing						
Overseas Supply & Demand Conditions for Products: Diffusion index of "Excess demand" minus "Excess supply"	Manufacturing Basic materials Processing						

Inventory Level of Finished Goods & Merchandise: Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Manufacturing Basic materials Processing						
Wholesalers' Inventory Level: Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Manufacturing Basic materials Processing						

Change in Output Prices: Diffusion index of "Rise" minus "Fall"	Manufacturing Basic materials Processing Nonmanufacturing						
Change in Input Prices: Diffusion index of "Rise" minus "Fall"	Manufacturing Basic materials Processing Nonmanufacturing						

(% points)

		Small Enterprises					
		Dec. 2013 Survey		March 2014 Survey			
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Domestic Supply & Demand Conditions for Products and Services: Diffusion index of "Excess demand" minus "Excess supply"	Manufacturing Basic materials Processing Nonmanufacturing						
Overseas Supply & Demand Conditions for Products: Diffusion index of "Excess demand" minus "Excess supply"	Manufacturing Basic materials Processing						

Inventory Level of Finished Goods & Merchandise: Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Manufacturing Basic materials Processing						
Wholesalers' Inventory Level: Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Manufacturing Basic materials Processing						

Change in Output Prices: Diffusion index of "Rise" minus "Fall"	Manufacturing Basic materials Processing Nonmanufacturing						
Change in Input Prices: Diffusion index of "Rise" minus "Fall"	Manufacturing Basic materials Processing Nonmanufacturing						

### 3. Sales and Current Profits

Sales (Year-to-year % change)

		FY2013		FY2014	
		(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing				
	Domestic Sales				
	Exports				
	Nonmanufacturing				
	All industries				
Medium-sized Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
Small Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
All Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				

(Year-to-year % change)

1H FY2013	2H FY2013		1H FY2014		2H FY2014	
	(Forecast)	Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate

(Note) Revision rates are calculated as the percentage change of the figures between the current and the previous survey.

Current Profits (Year-to-year % change)

		FY2013		FY2014	
		(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing				
	Basic materials				
	Processing				
	Nonmanufacturing				
	All industries				
Medium-sized Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
Small Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
All Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				

(Year-to-year % change)

1H FY2013	2H FY2013		1H FY2014		2H FY2014	
	(Forecast)	Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate

3. Sales and Current Profits (Continued)

Ratio of Current Profit to Sales (% , % points)

		FY2013		FY2014	
		(Forecast)	Changes	(Forecast)	Changes
Large Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
Medium-sized Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
Small Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
All Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				

(% , % points)

1H FY2013	2H FY2013		1H FY2014		2H FY2014	
	(Forecast)	Changes	(Forecast)	Changes	(Forecast)	Changes

Net Income (Year-to-year % change)

		FY2013		FY2014	
		(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing				
	Basic materials				
	Processing				
Medium-sized Enterprises	Nonmanufacturing				
	All industries				
Small Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
All Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				

(Year-to-year % change)

1H FY2013	2H FY2013	1H FY2014		2H FY2014		
	(Forecast)	Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate

4. Fixed Investment, etc.\*\*

		Fixed Investment including Land Purchasing Expenses* (Year-to-year % change)				(Year-to-year % change)					
		FY2013 (Forecast)		FY2014 (Forecast)		1H FY2013	2H FY2013 (Forecast)		1H FY2014 (Forecast)		2H FY2014 (Forecast)
		Revision rate	Revision rate	Revision rate	Revision rate	Revision rate	Revision rate	Revision rate	Revision rate	Revision rate	Revision rate
Large Enterprises	Manufacturing										
	Nonmanufacturing										
	All industries										
Medium-sized Enterprises	Manufacturing										
	Nonmanufacturing										
	All industries										
Small Enterprises	Manufacturing										
	Nonmanufacturing										
	All industries										
All Enterprises	Manufacturing										
	Nonmanufacturing										
	All industries										

\* Excludes Software Investment.

		Software Investment (Year-to-year % change)			
		FY2013 (Forecast)		FY2014 (Forecast)	
		Revision rate	Revision rate	Revision rate	Revision rate
Large Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
Medium-sized Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
Small Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
All Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				

		Software and Fixed Investment excluding Land Purchasing Expenses (Year-to-year % change)			
		FY2013 (Forecast)		FY2014 (Forecast)	
		Revision rate	Revision rate	Revision rate	Revision rate
Large Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
Medium-sized Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
Small Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
All Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				

		Land Purchasing Expenses (Year-to-year % change)			
		FY2013 (Forecast)		FY2014 (Forecast)	
		Revision rate	Revision rate	Revision rate	Revision rate
Large Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
Medium-sized Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
Small Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				
All Enterprises	Manufacturing				
	Nonmanufacturing				
	All industries				

		Production Capacity (Diffusion index of "Excessive capacity" minus "Insufficient capacity," % points)					
		Dec. 2013 Survey		March 2014 Survey			
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Large Enterprises	Manufacturing						
	Nonmanufacturing						
	All industries						
Medium-sized Enterprises	Manufacturing						
	Nonmanufacturing						
	All industries						
Small Enterprises	Manufacturing						
	Nonmanufacturing						
	All industries						
All Enterprises	Manufacturing						
	Nonmanufacturing						
	All industries						

\*\* Data are compiled under the new lease accounting standard.



5. Fixed Investment of Financial institutions\*\*

Fixed Investment including Land Purchasing Expenses of Financial institutions\* (Year-to-year % change)

	FY2013		FY2014	
	(Forecast)	Revision rate	(Forecast)	Revision rate
Financial institutions				
Banks				
<i>Shinkin</i> banks & Other financial institutions for small businesses				
Financial products transaction dealers				
Insurance companies				
Non-deposit money corporations				
(Memo) All industries including Financial institutions				
Nonmanufacturing including Financial institutions				

\* Excludes Software Investment.

Software Investment of Financial institutions (Year-to-year % change)

Financial institutions				
Banks				
<i>Shinkin</i> banks & Other financial institutions for small businesses				
Financial products transaction dealers				
Insurance companies				
Non-deposit money corporations				
(Memo) All industries including Financial institutions				
Nonmanufacturing including Financial institutions				

Land Purchasing Expenses of Financial institutions (Year-to-year % change)

Financial institutions				
Banks				
<i>Shinkin</i> banks & Other financial institutions for small businesses				
Financial products transaction dealers				
Insurance companies				
Non-deposit money corporations				
(Memo) All industries including Financial institutions				
Nonmanufacturing including Financial institutions				

Software and Fixed Investment excluding Land Purchasing Expenses of Financial institutions (Year-to-year % change)

Financial institutions				
Banks				
<i>Shinkin</i> banks & Other financial institutions for small businesses				
Financial products transaction dealers				
Insurance companies				
Non-deposit money corporations				
(Memo) All industries including Financial institutions				
Nonmanufacturing including Financial institutions				

\*\* Data are compiled under the new lease accounting standard.

6. Employment

Employment Conditions (Diffusion index of "Excessive employment" minus "Insufficient employment," % points)

		Dec. 2013 Survey		March 2014 Survey		
		Actual result	Forecast	Actual result	Forecast	Changes
				Changes		Changes
Large Enterprises	Manufacturing					
	Nonmanufacturing					
	All industries					
Medium-sized Enterprises	Manufacturing					
	Nonmanufacturing					
	All industries					
Small Enterprises	Manufacturing					
	Nonmanufacturing					
	All industries					
All Enterprises	Manufacturing					
	Nonmanufacturing					
	All industries					

Number of New Graduates Hired (All industries)

(Surveyed only in June and December)

(Year-to-year % change)

	FY2012		FY2013		FY2014	
		Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises						
Medium-sized Enterprises						
Small Enterprises						
All Enterprises						
All Enterprises & Financial institutions						
Financial institutions						

## 7. Corporate Finance

### Financial Position (All industries)

(Diffusion index of "Easy" minus "Tight," % points)

	Dec. 2013 Survey		March 2014 Survey	
	Actual result	Forecast	Actual result	Changes
Large Enterprises				
Medium-sized Enterprises				
Small Enterprises				
All Enterprises				

### Lending Attitude of Financial institutions (All industries)

(Diffusion index of "Accommodative" minus "Severe," % points)

	Dec. 2013 Survey		March 2014 Survey	
	Actual result	Forecast	Actual result	Changes
Large Enterprises				
Medium-sized Enterprises				
Small Enterprises				
All Enterprises				

### Change in Interest Rate on Loans (All industries)

(Diffusion index of "Rise" minus "Fall," % points)

	Dec. 2013 Survey		March 2014 Survey	
	Actual result	Forecast	Actual result	Changes
Large Enterprises				
Medium-sized Enterprises				
Small Enterprises				
All Enterprises				

### Conditions for CP Issuance (All industries) < Based on CP-Issuing Enterprises\* >

(Diffusion index of "Easy" minus "Severe," % points)

	Dec. 2013 Survey		March 2014 Survey	
	Actual result	Forecast	Actual result	Changes
Large Enterprises				

\* Figures for both the December 2013 survey and the March 2014 survey are based on CP-Issuing Enterprises.

## 8. Business Conditions of Financial institutions

### Business Conditions

(Diffusion index of "Favorable" minus "Unfavorable," % points)

	Dec. 2013 Survey		March 2014 Survey	
	Actual result	Forecast	Actual result	Changes
Banks				
<i>Shinkin</i> banks & Other financial institutions for small businesses				
Financial products transaction dealers				
Insurance companies				
Non-deposit money corporations				
Financial institutions				

### Production Capacity

(Diffusion index of "Excessive capacity" minus "Insufficient capacity," % points)

	Dec. 2013 Survey		March 2014 Survey	
	Actual result	Forecast	Actual result	Changes
Banks				
<i>Shinkin</i> banks & Other financial institutions for small businesses				
Financial products transaction dealers				
Insurance companies				
Non-deposit money corporations				
Financial institutions				

### Employment Conditions

(Diffusion index of "Excessive employment" minus "Insufficient employment," % points)

	Dec. 2013 Survey		March 2014 Survey	
	Actual result	Forecast	Actual result	Changes
Banks				
<i>Shinkin</i> banks & Other financial institutions for small businesses				
Financial products transaction dealers				
Insurance companies				
Non-deposit money corporations				
Financial institutions				

(Reference Charts)

- Notes: 1. Unless otherwise noted, shaded areas indicate periods of recession (according to the Cabinet Office), and the triangles on the right top corner of the charts show the recent peak, April 2012.  
 2. There is no continuity between the figures up to the December 2003 survey and those from the March 2004 survey (as for the December 2003 survey, the results of preliminary survey based on "Capital" are also shown).  
 3. The "Principal Enterprises" survey was discontinued after the December 2003 survey.

[Business Conditions]

Peaks and Bottoms of Business Conditions (from May 1974)

(Diffusion index of "Favorable" minus "Unfavorable," % points)

Manufacturing					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	-57 (75/5)		-53 (75/2,5)		-51 (75/5)
-3 (76/8, 11)	-20 (77/11)	-1 (76/8)	-21 (78/2)	-4 (76/8)	-23 (77/11, 78/2)
37 (79/8)	-28 (83/2)	25 (79/8)	-31 (83/2)	19 (79/8)	-32 (83/2)
22 (84/11, 85/2)	-24 (86/11)	8 (85/2)	-25 (87/2)	0 (84/8, 11)	-30 (86/8, 11)
53 (89/5)	-43 (93/11, 94/2)	42 (89/8)	-45 (94/2)	36 (89/5,8)	-48 (94/2)
13 (97/6)	-51 (98/12)	5 (97/3, 6)	-53 (98/12)	-7 (97/6)	-60 (98/12)
10 (00/9, 12)	-38 (01/12, 02/3)	2 (00/12)	-48 (01/12)	-16 (00/12)	-51 (02/3)
26 (04/9)	-58 (09/3)	17 (06/12)	-57 (09/3)	10 (06/12)	-57 (09/3,6)
8 (10/9)		4 (10/9)		-8 (11/12)	

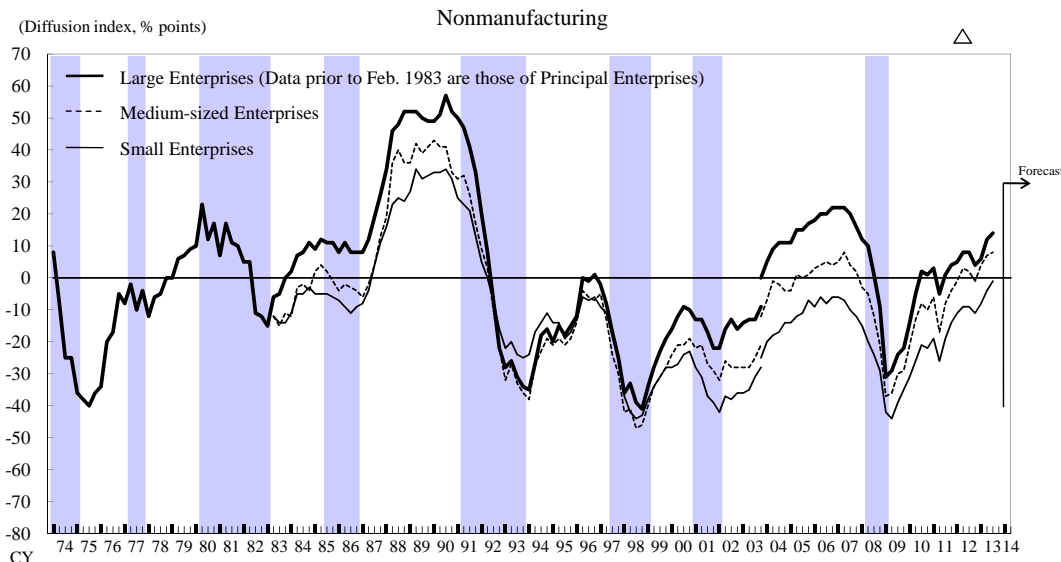
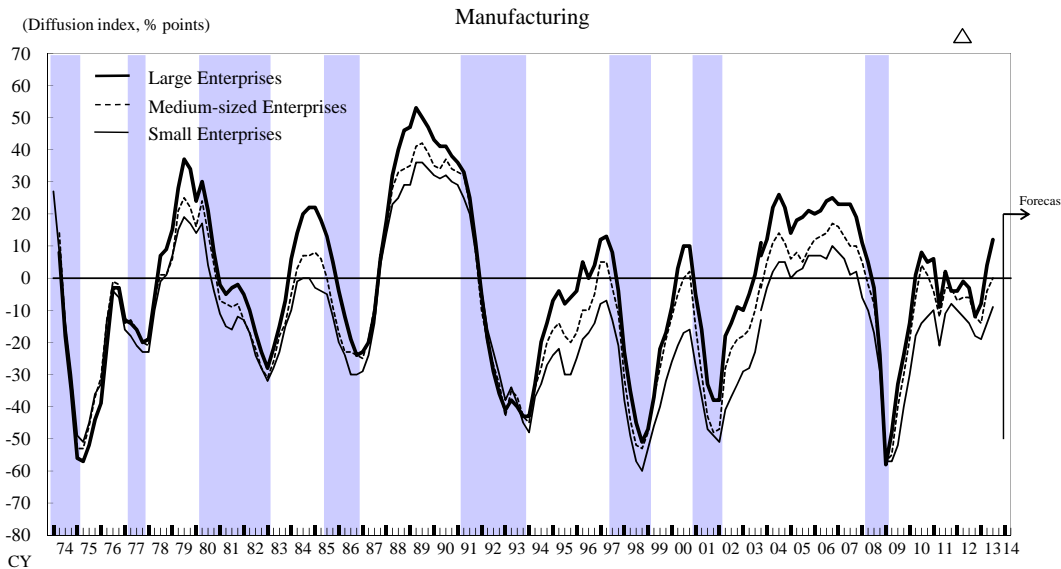
	March 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result			
Forecast			

Peaks and Bottoms of Business Conditions (from May 1983)

(Diffusion index of "Favorable" minus "Unfavorable," % points)

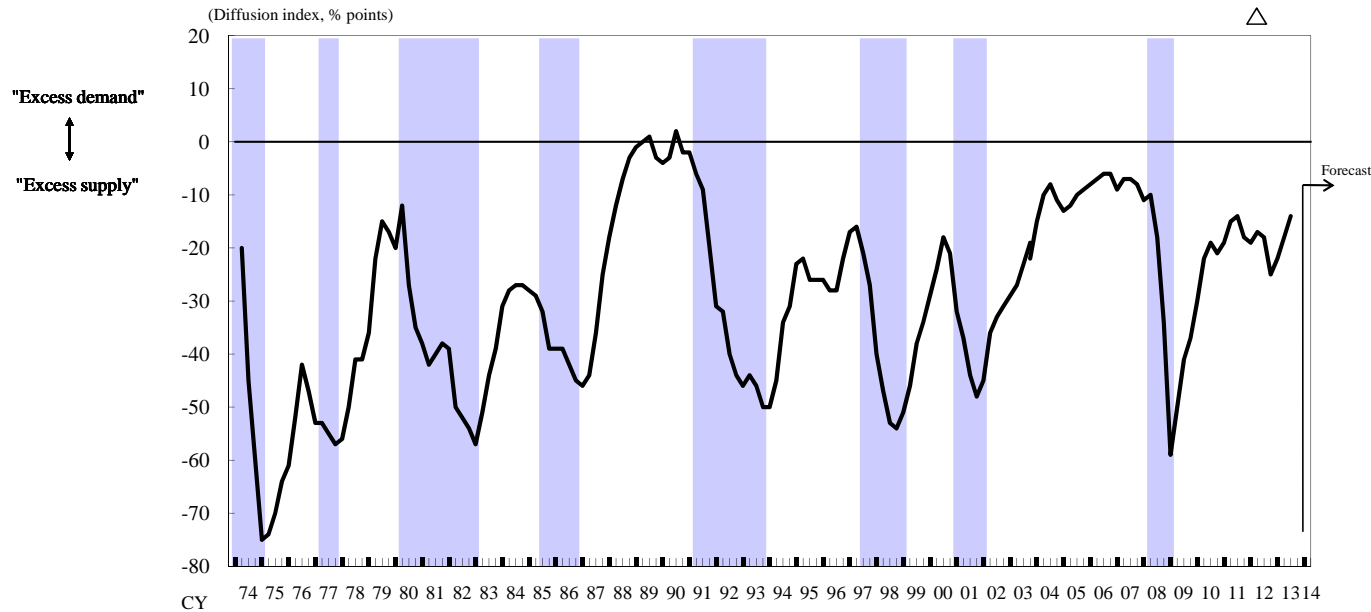
Nonmanufacturing					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	-6 (83/5)		-15 (83/8)		-14 (83/8, 11)
12 (85/5)	8 (86/2, 8, 11, 87/2)	4 (85/5)	-6 (87/2)	-3 (84/11)	-11 (86/8)
57 (90/8)	-35 (94/2)	43 (90/2)	-38 (94/2)	34 (89/5, 90/8)	-25 (93/11)
1 (96/11)	-41 (98/12)	-4 (96/5)	-47 (98/9)	-6 (96/5, 11)	-44 (98/9)
-9 (00/9)	-22 (01/12, 02/3)	-19 (00/12)	-32 (02/3)	-23 (00/12)	-42 (02/3)
22 (06/12, 07/3, 6)	-31 (09/3)	8 (07/6)	-37 (09/3)	-6 (06/6, 12, 07/3)	-44 (09/6)
8 (12/6,9)		3 (12/6)		-9 (12/6,9)	

	March 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result			
Forecast			



[Supply and Demand Conditions and Prices (Large Manufacturing Enterprises)]

Domestic Supply and Demand Conditions for Products and Services



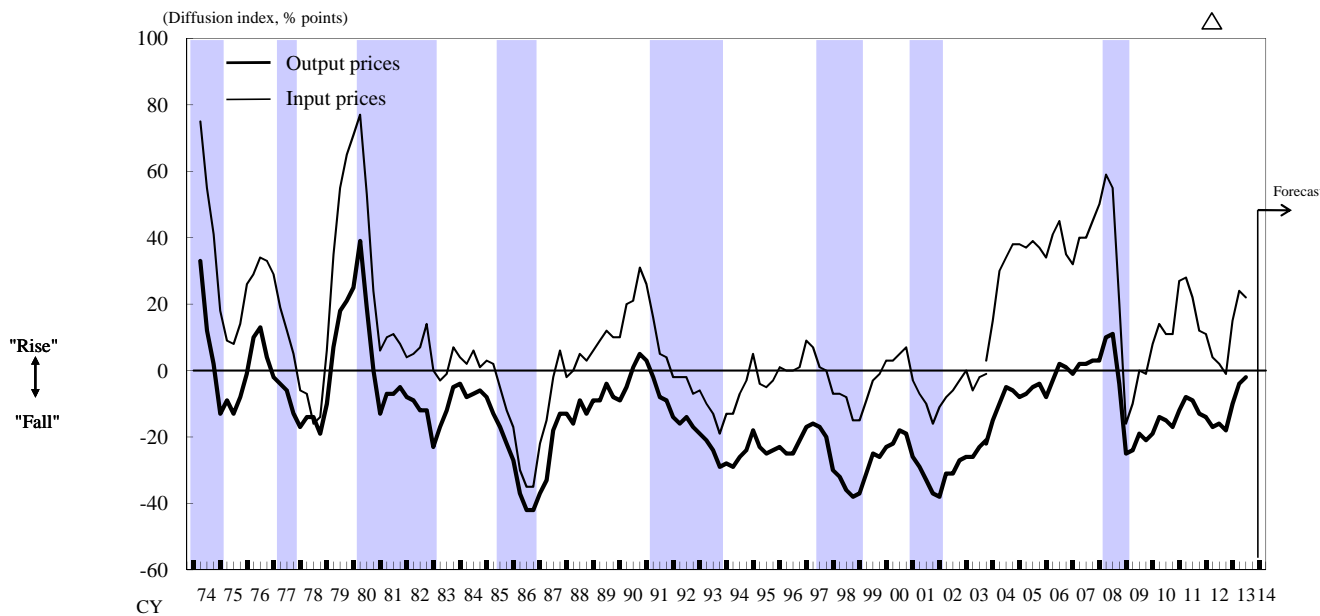
Peaks and Bottoms of Domestic Supply and Demand Conditions for Products and Services (from May 1974)

(Diffusion index of "Excess demand" minus "Excess supply," % points)

Large Manufacturing Enterprises	
Peak	Bottom
	-75 (75/2)
-42 (76/8)	-57 (77/11)
-12 (80/5)	-57 (83/2)
-27 (84/8, 11)	-46 (87/2)
2 (90/8)	-50 (93/11, 94/2)
-16 (97/6)	-54 (98/12)
-18 (00/9)	-48 (01/12)
-6 (06/9, 12)	-59 (09/3)
-14 (11/9)	

March 2014 Survey	
Actual result	
Forecast	

Prices



Peaks and Bottoms of Prices (from May 1974)

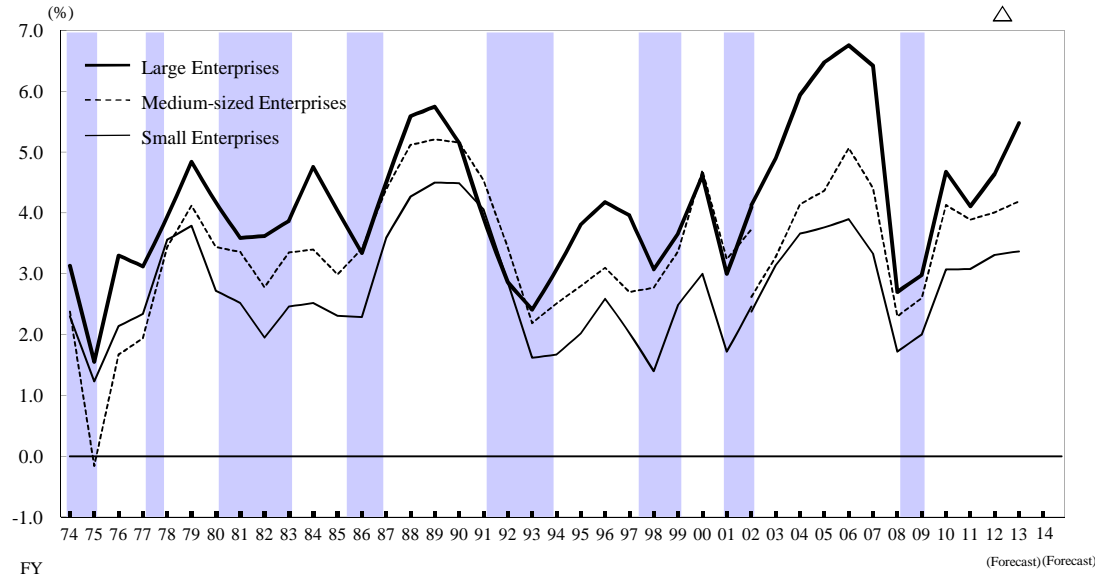
(Diffusion index of "Rise" minus "Fall," % points)

Large Manufacturing Enterprises			
Output Prices		Input Prices	
Peak	Bottom	Peak	Bottom
	-13 (75/2, 8)		8 (75/8)
13 (76/8)	-19 (78/11)	34 (76/8)	-16 (78/8)
39 (80/5)	-23 (83/2)	77 (80/5)	4 (82/2)
-4 (84/2)	-42 (86/8, 11)	14 (82/11)	-35 (86/8, 11)
5 (90/11)	-29 (93/11, 94/5)	31 (90/11)	-19 (93/11)
-16 (97/6)	-38 (98/12)	9 (97/3)	-15 (98/12, 99/3)
-18 (00/9)	-38 (02/3)	7 (00/12)	-16 (01/12)
11 (08/9)	-25 (09/3)	59 (08/6)	-16 (09/3)
-8 (11/6)		28 (11/6)	

March 2014 Survey		
	Output Prices	Input Prices
Actual result		
Forecast		

[Ratio of Current Profit to Sales]

Manufacturing

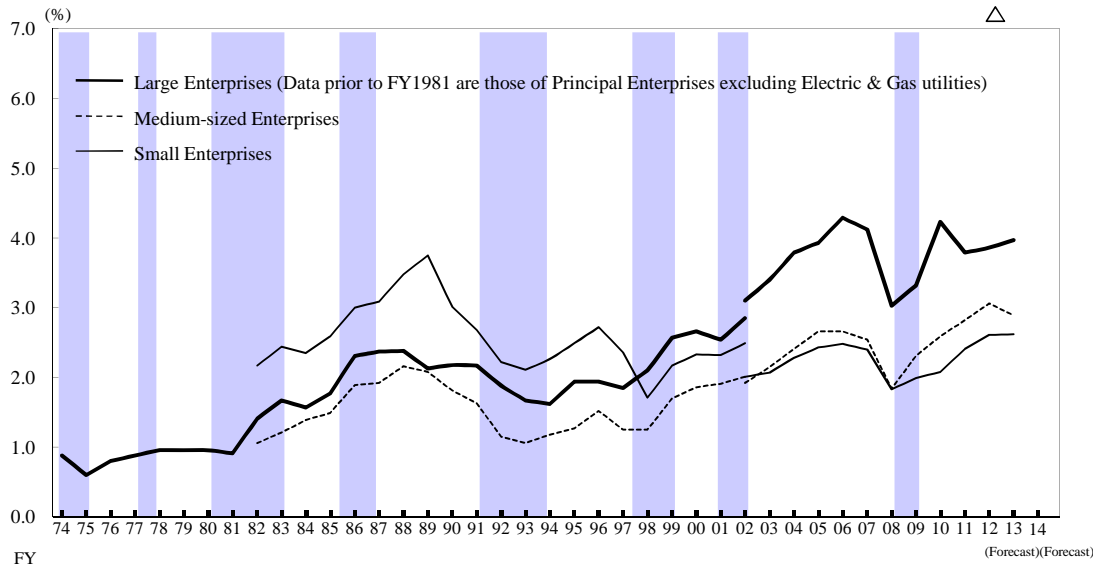


Peaks and Bottoms of Ratio of Current Profit to Sales (from 1974)

Manufacturing (%)					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	1.55 (FY75)		-0.16 (FY75)		1.23 (FY75)
4.84 (FY79)	3.59 (FY81)	4.12 (FY79)	2.78 (FY82)	3.79 (FY79)	1.95 (FY82)
4.76 (FY84)	3.34 (FY86)	3.40 (FY84)	2.99 (FY85)	2.52 (FY84)	2.29 (FY86)
5.75 (FY89)	2.41 (FY93)	5.21 (FY89)	2.19 (FY93)	4.50 (FY89)	1.62 (FY93)
4.18 (FY96)	3.07 (FY98)	3.10 (FY96)	2.70 (FY97)	2.59 (FY96)	1.40 (FY98)
4.61 (FY00)	3.00 (FY01)	4.70 (FY00)	3.24 (FY01)	3.00 (FY00)	1.72 (FY01)
6.76 (FY06)	2.70 (FY08)	5.07 (FY06)	2.30 (FY08)	3.90 (FY06)	1.72 (FY08)

	March 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
FY2013 (Forecast)			
FY2014 (Forecast)			

Nonmanufacturing



Peaks and Bottoms of Ratio of Current Profit to Sales (from 1982)

Nonmanufacturing (%)					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	1.41 (FY82)		1.06 (FY82)		2.17 (FY82)
1.67 (FY83)	1.57 (FY84)	—	—	2.44 (FY83)	2.35 (FY84)
2.38 (FY88)	1.62 (FY94)	2.16 (FY88)	1.06 (FY93)	3.75 (FY89)	2.11 (FY93)
1.94 (FY95,96)	1.85 (FY97)	1.52 (FY96)	1.25 (FY97,98)	2.72 (FY96)	1.71 (FY98)
2.66 (FY00)	2.54 (FY01)	—	—	2.33 (FY00)	2.32 (FY01)
4.29 (FY06)	3.03 (FY08)	2.66 (FY05,06)	1.84 (FY08)	2.48 (FY06)	1.83 (FY08)

	March 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
FY2013 (Forecast)			
FY2014 (Forecast)			

[Developments of Fixed Investment including Land Purchasing Expenses]

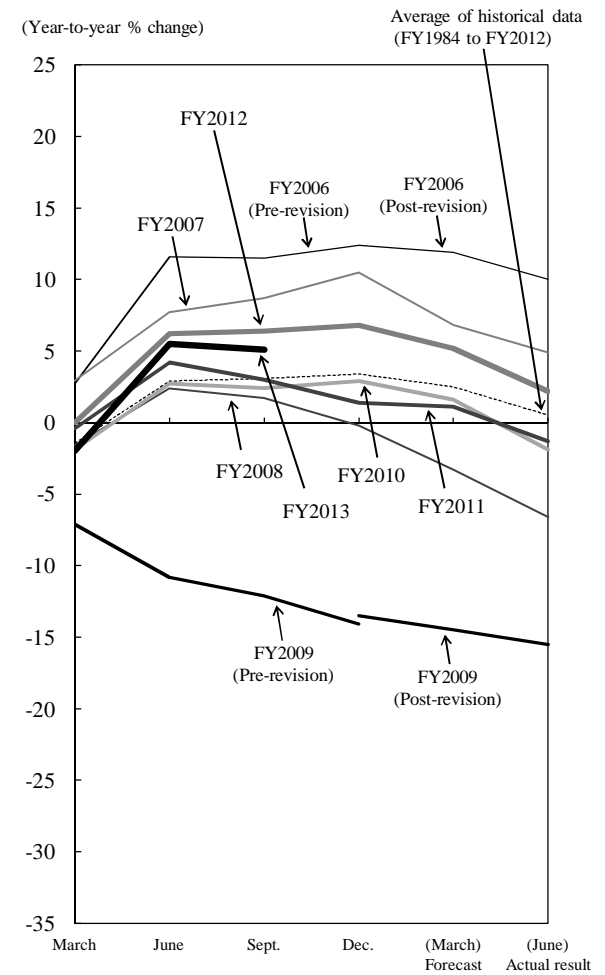
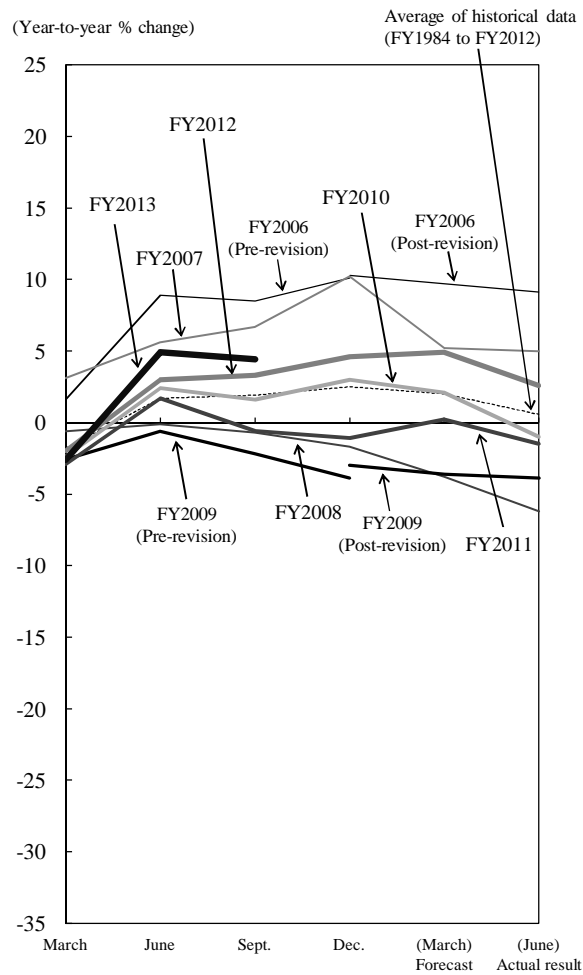
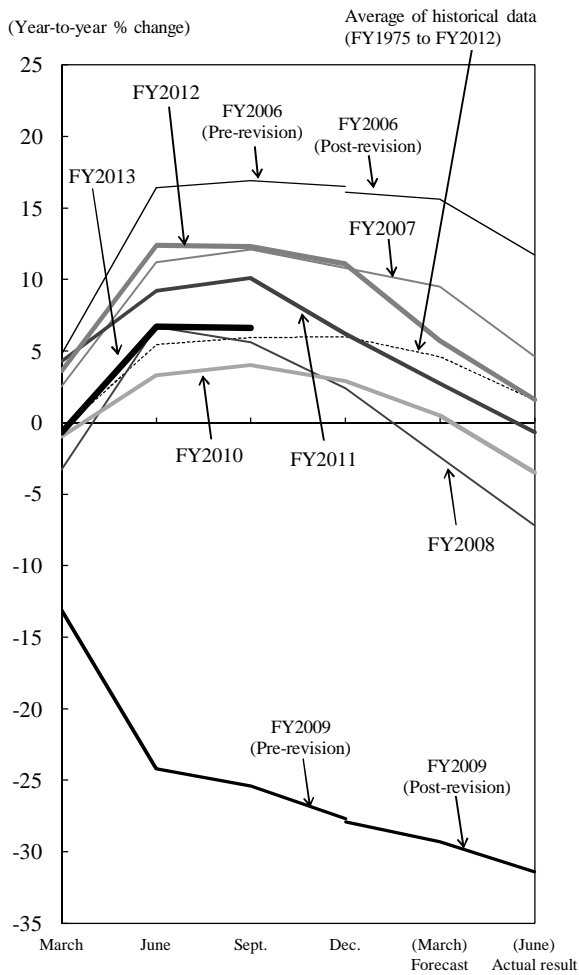
- Notes: 1. The graphs indicate the revision pattern of fixed investment. The horizontal axis represents the point of time when the survey is conducted for each fiscal year. Namely, the first survey for each year (March survey) is on the left, and the last survey (June survey of the following year; actual result) is on the right. The vertical axis represents the year-to-year percent change.
2. The graphs also show December 2009 survey figures that were recalculated with sample enterprises after the March 2010 revision.
3. Excludes software investment.
4. Data of FY2009 or later are compiled under the new lease accounting standard.

(1) Large Enterprises

Manufacturing

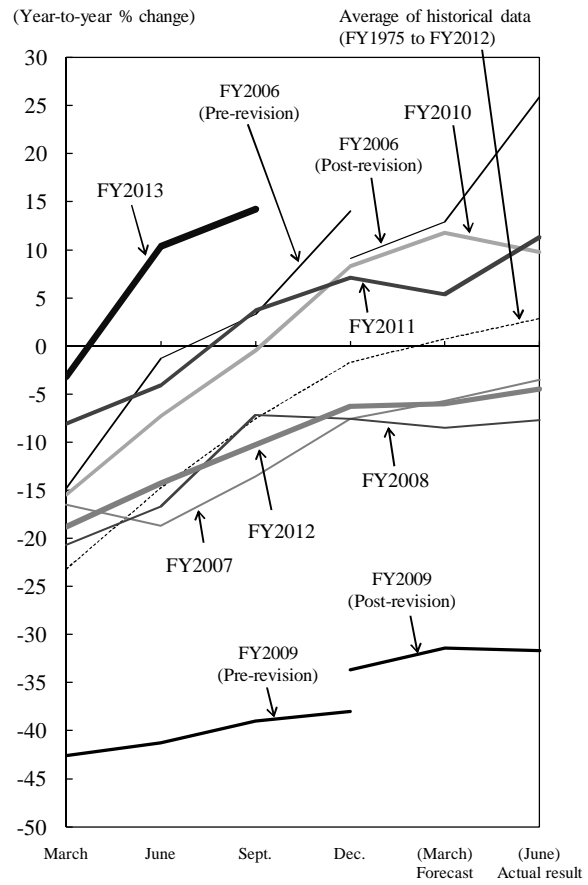
Nonmanufacturing

All industries

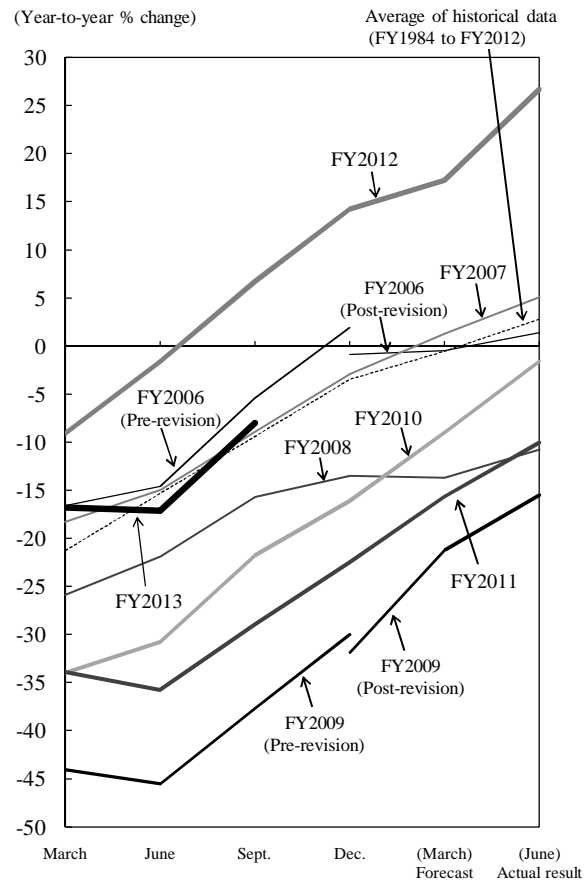


(2) Small Enterprises

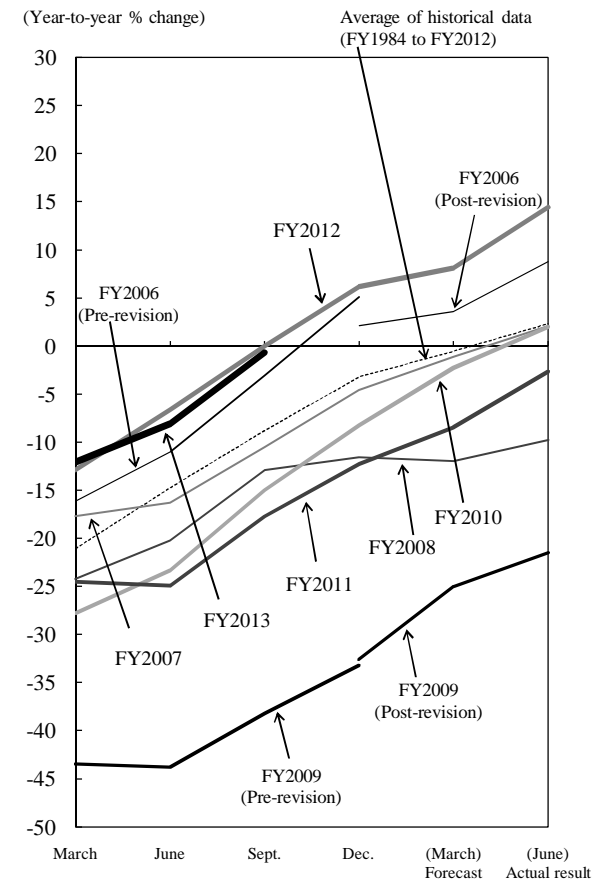
Manufacturing



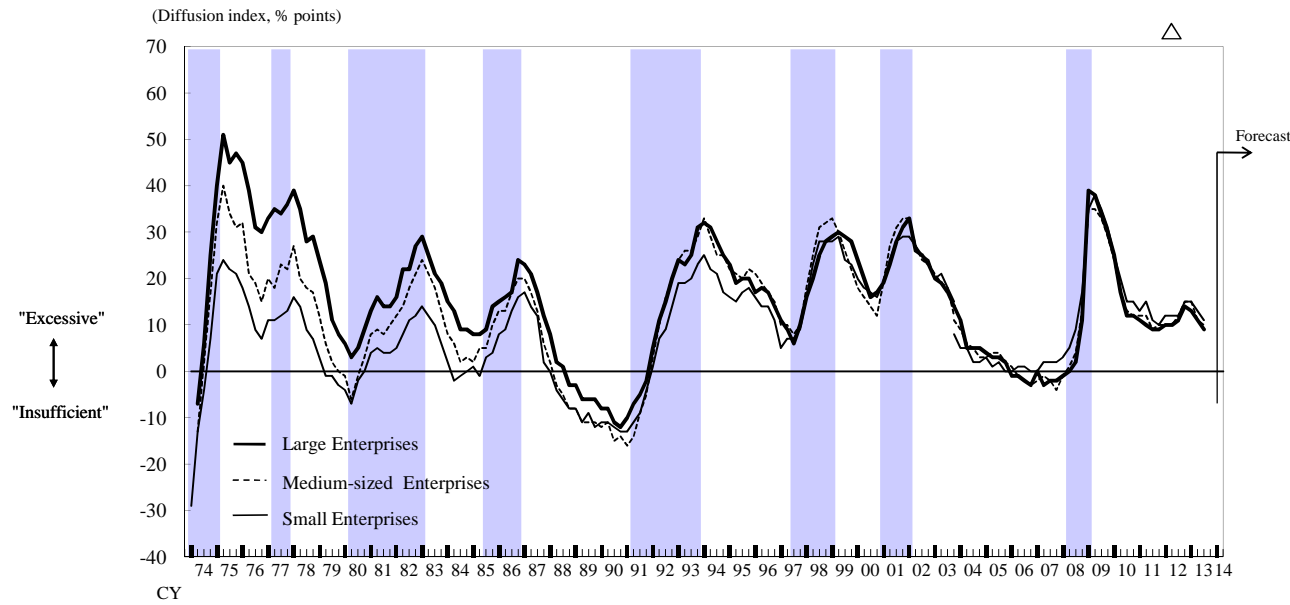
Nonmanufacturing



All industries



[Production Capacity (Manufacturing)]

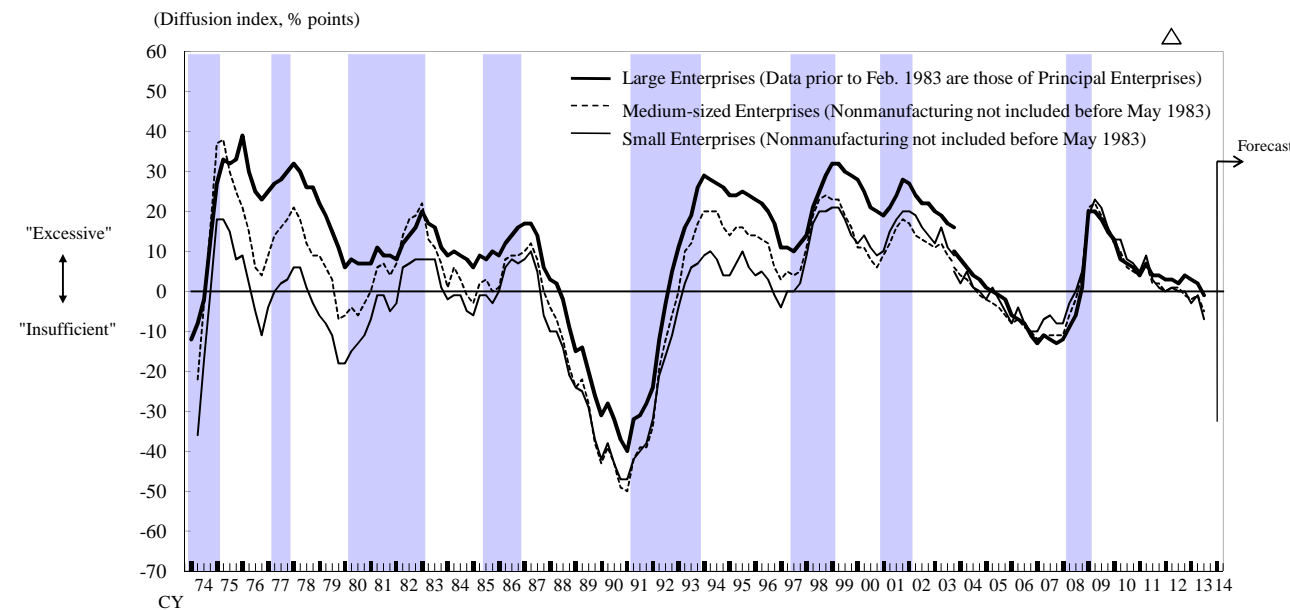


Peaks and Bottoms of Production Capacity (from May 1977)  
(Diffusion index of "Excessive capacity" minus "Insufficient capacity," % points)

Manufacturing					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
39 (78/2)	3 (80/5)	27 (78/2)	-6 (80/5)	16 (78/2)	-7 (80/5)
29 (83/2)	8 (85/2,5)	24 (83/2)	2 (84/8,85/2)	14 (83/2)	-2 (84/5)
24 (86/11)	-12 (90/11)	20 (86/11,87/2)	-16 (91/2)	17 (87/2)	-13 (90/11,91/2)
32 (94/2)	6 (97/9)	33 (94/2)	8 (97/9)	25 (94/2)	5 (97/3)
30 (99/6)	16 (00/9)	33 (99/3)	12 (00/12)	29 (99/6)	16 (00/12)
33 (02/3)	-3 (07/6)	33 (01/12,02/3)	-4 (07/12)	29 (01/12,02/3)	0 (06/12,07/3)
39 (09/3)	9 (11/9,12)	35 (09/3,6)	9 (11/9)	38 (09/6)	10 (11/12)

	March 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result			
Forecast			

[Employment Conditions (All industries)]



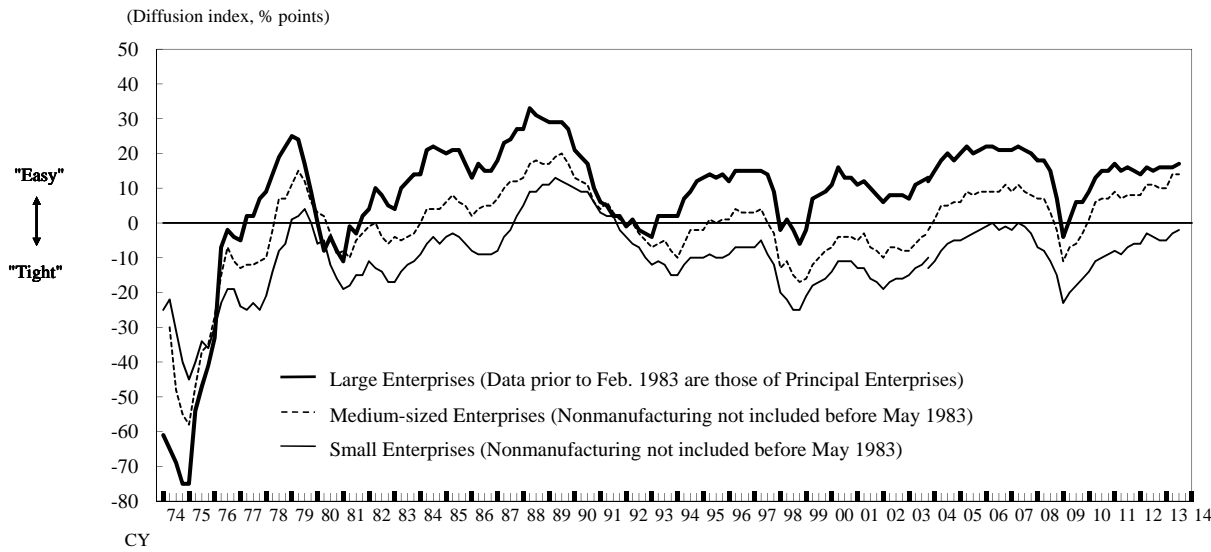
Peaks and Bottoms of Employment Conditions (from May 1986)  
(Diffusion index of "Excessive employment" minus "Insufficient employment," % points)

All industries					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
17 (87/2,5)	-40 (91/2)	12 (87/5)	-50 (91/2)	10 (87/5)	-47 (90/11,91/2)
29 (94/2)	10 (97/9)	20 (94/2,5,8)	3 (97/3)	10 (94/5,95/8)	-4 (97/3)
32 (99/3,6)	19 (01/3)	24 (98/12)	6 (00/12)	21 (99/3,6)	9 (00/12)
28 (01/12)	-13 (07/3,12)	18 (01/12)	-12 (07/3)	20 (01/12,02/3)	-10 (06/12,07/3)
20 (09/3,6)	3 (12/3,6)	22 (09/6)	0 (12/3)	23 (09/6)	0 (12/3)

	March 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result			
Forecast			



### Financial Position



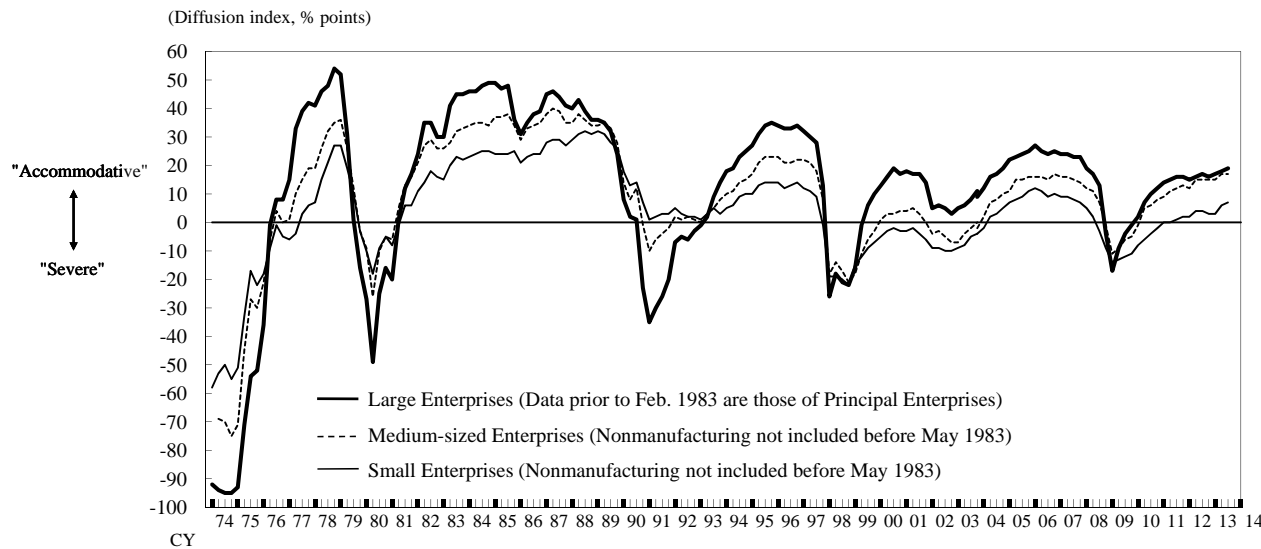
Peaks and Bottoms of Financial Position (from May 1983)

(Diffusion index of "Easy" minus "Tight," % points)

All industries					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
33 (88/5)	-6 (98/12)	20 (89/8)	-17 (98/12)	13 (89/5)	-25 (98/9,12)

	March 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result			

### Lending Attitude of Financial institutions



Peaks and Bottoms of Lending Attitude of Financial institutions (from May 1983)

(Diffusion index of "Accommodative" minus "Severe," % points)

All industries					
Large Enterprises		Medium-sized Enterprises		Small Enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
49 (84/11,85/2)	-35 (91/2)	40 (87/5)	-21 (98/12)	32 (88/8,89/2)	-22 (98/12)

	March 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result			

**Tankan Summary of "Inflation Outlook of Enterprises" (March 2014)**

160th Short-Term Economic Survey of Enterprises in Japan

## 1. Output Prices

(% , %points)

				Percentage Share of the Number of Respondents Choosing Each Alternative										(Reference)		
				1. around +20% or higher	2. around +15%	3. around +10%	4. around +5%	5. around 0%	6. around -5%	7. around -10%	8. around -15%	9. around -20% or lower	10. Don't Know	The Average of Enterprises' Inflation Outlook	Changes	
All Enterprises	All industries	1 Year ahead	P C													
		3 Years ahead	P C													
		5 Years ahead	P C													
Large Enterprises	Manu- facturing	1 Year ahead	P C													
		3 Years ahead	P C													
		5 Years ahead	P C													
	Nonmanu- facturing	1 Year ahead	P C													
		3 Years ahead	P C													
		5 Years ahead	P C													
Small Enterprises	Manu- facturing	1 Year ahead	P C													
		3 Years ahead	P C													
		5 Years ahead	P C													
	Nonmanu- facturing	1 Year ahead	P C													
		3 Years ahead	P C													
		5 Years ahead	P C													

Notes : 1.P...Previous projection,C...Current projection.

2. Respondents are asked to select the alternative nearest to their institution's expectation of the rate of price change for their mainstay domestic products and services, as adjusted to exclude the effects of changes due to institutional factors such as the consumption tax, for "1 year ahead," "3 years ahead," and "5 years ahead" relative to the current level

3. "The Average of Enterprises' Inflation Outlook" is the weighted average by response percentages and is calculated excluding "Don't know." Response numbers are rounded for calculation purposes: for example, "around +15%" and "around +20% or higher" are rounded to +15% and +20%, respectively.

## 2. General Prices

(%, %points)

				Percentage Share of the Number of Respondents Choosing Each Alternative											(Reference) The Average of Enterprises' Inflation Outlook Changes			
				1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11~13. Don't have clear views on General Prices				
				around +6% or higher	around +5%	around +4%	around +3%	around +2%	around +1%	around 0%	around -1%	around -2%	around -3% or lower	11. Un- certainty			12. No Influence	13. Other
All Enterprises	All industries	1 Year ahead	P C															
		3 Years ahead	P C															
		5 Years ahead	P C															
Large Enterprises	Manu- facturing	1 Year ahead	P C															
		3 Years ahead	P C															
		5 Years ahead	P C															
	Nonmanu- facturing	1 Year ahead	P C															
		3 Years ahead	P C															
		5 Years ahead	P C															
Small Enterprises	Manu- facturing	1 Year ahead	P C															
		3 Years ahead	P C															
		5 Years ahead	P C															
	Nonmanu- facturing	1 Year ahead	P C															
		3 Years ahead	P C															
		5 Years ahead	P C															

Notes : 1.P...Previous projection,C...Current projection.

2. Respondents are asked to select the alternative nearest to their institution's expectation of the annual percentage change in general prices (as measured by the consumer price index), as adjusted to exclude the effects of changes due to institutional factors such as the consumption tax, for "1 year ahead," "3 years ahead," and "5 years ahead."

3. "11. Uncertainty" and "12. No Influence" represent "Uncertainty over the future outlook is high" and "Not really conscious of inflation fluctuations because they should not influence the strategy of the institution."

4. "The Average of Enterprises' Inflation Outlook" is the weighted average by response percentages and is calculated excluding "Don't have clear views on General Prices." Response numbers are rounded for calculation purposes: for example, "around +5%" and "around +6% or higher" are rounded to +5% and +6%, respectively.

(Reference Charts)

Distribution of "Inflation Outlook of Enterprises"

[All Enterprises / All industries]

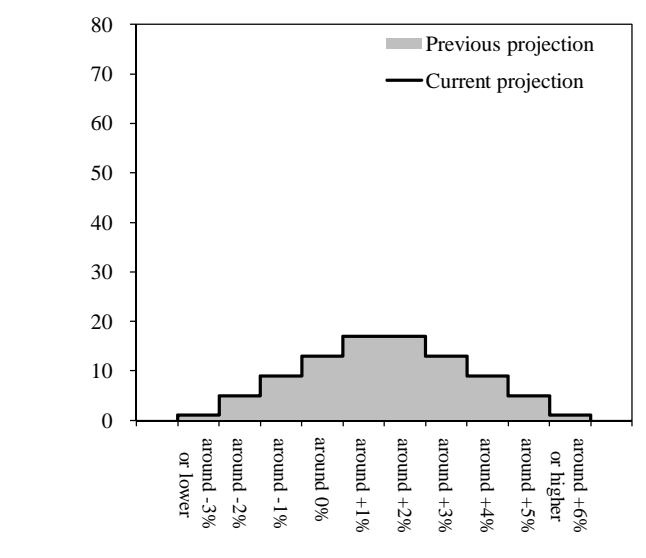
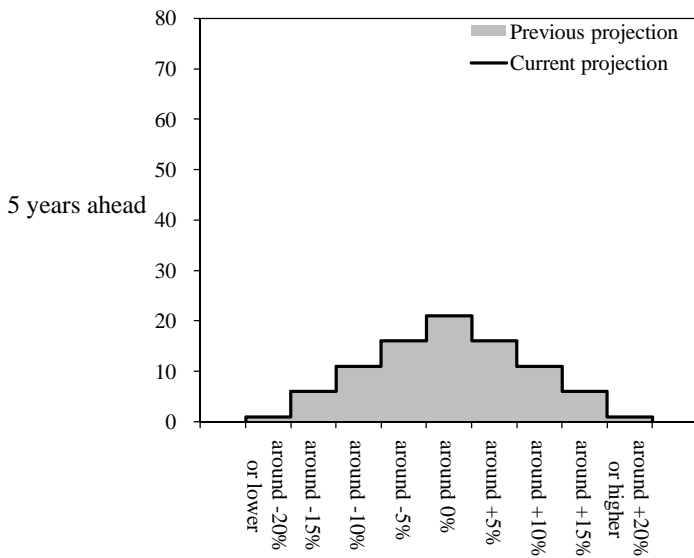
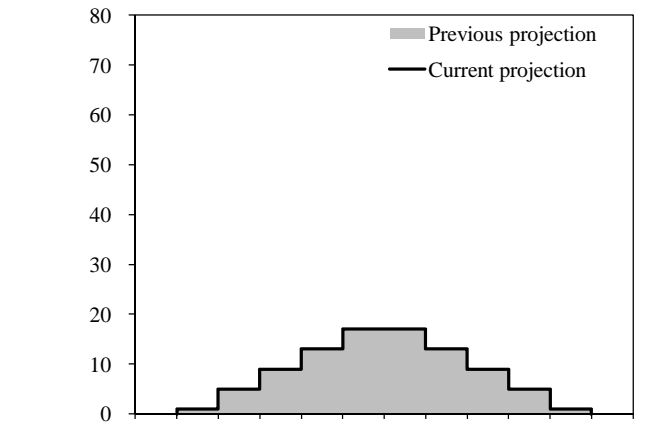
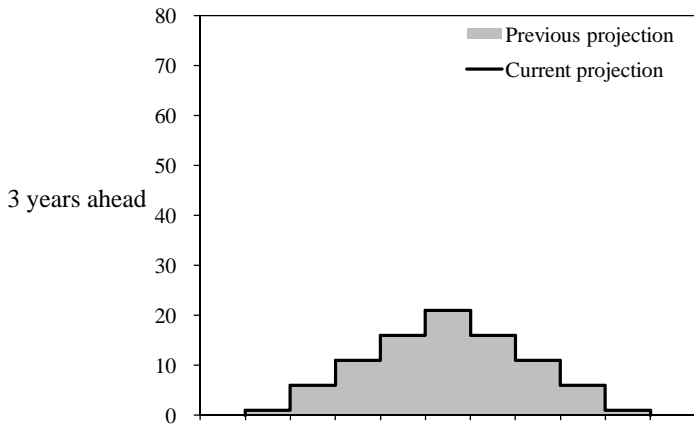
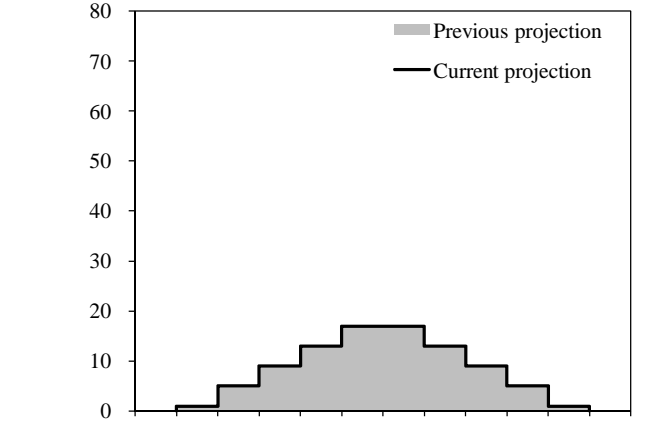
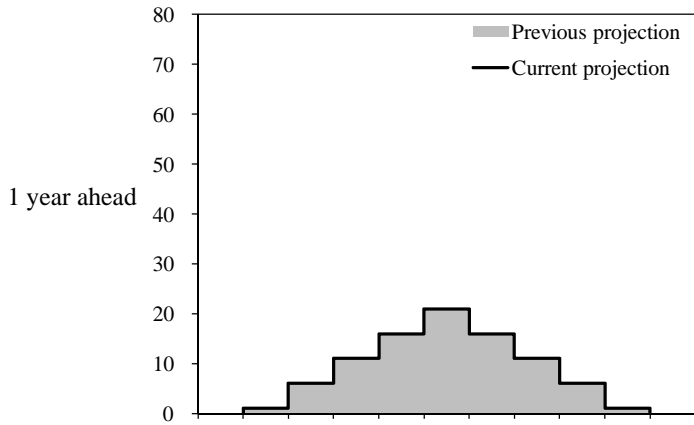
Sample

Output Prices

General Prices

(Percentage Share of the Number of Respondents Choosing Each Alternative,%)

(Percentage Share of the Number of Respondents Choosing Each Alternative,%)



(Rate of Changes Relative to the Current Level)

(Annual Percent Rate Change)

Note : "Don't know" for Output Prices and "Don't have clear views" for General Prices are not shown on the charts.

Changes in *Tankan* series codes in the "BOJ Time-Series Search"

## &lt; Until the December 2013 survey &gt;

Previous Code	Meaning
302	Material Costs
303	Personnel Expenses
304	Depreciation
306	Financial Income
307	Financial Expenses
019	Number of Employees
020	Part-time Workers
021	Total Liabilities
022	Total Assets
616	Interest-bearing Debt Outstanding
617	Level of Liquidity
618	Number of Employees
054	Liquidity
811	Ratio of Liquidity
011	Loans from Financial Institutions
012	Commercial Paper
014	Corporate Bonds
016	Cash & Deposits
017	Securities Listed as Liquid Assets
018	Securities Listed as Fixed Assets
619	Conditions for CP Issuance

## &lt; From the March 2014 survey &gt;

New Code	Meaning
302	(Discontinued) Material Costs
303	(Discontinued) Personnel Expenses
304	(Discontinued) Depreciation
306	(Discontinued) Financial Income
307	(Discontinued) Financial Expenses
019	(Discontinued) Number of Employees
020	(Discontinued) Part-time Workers
021	(Discontinued) Total Liabilities
022	(Discontinued) Total Assets
616	(Discontinued) Interest-bearing Debt Outstanding
617	(Discontinued) Level of Liquidity
618	(Discontinued) Number of Employees
054	(Discontinued) Liquidity
811	(Discontinued) Ratio of Liquidity
011	Outlook for Output Prices (1 year ahead)
012	Outlook for Output Prices (3 years ahead)
014	Outlook for Output Prices (5 years ahead)
016	Outlook for General Prices (1 year ahead)
017	Outlook for General Prices (3 years ahead)
018	Outlook for General Prices (5 years ahead)
619	Conditions for CP Issuance (Based on CP-Issuing Enterprises)
071	(Discontinued) Loans from Financial Institutions
072	(Discontinued) Commercial Paper
074	(Discontinued) Corporate Bonds
076	(Discontinued) Cash & Deposits
077	(Discontinued) Securities Listed as Liquid Assets
078	(Discontinued) Securities Listed as Fixed Assets
679	(Discontinued) Conditions for CP Issuance (Based on All Enterprises) Note: New code 679 is connected to previous code 619 (Conditions for CP Issuance, which is based on "All Enterprises").