

Partial Changes to the “Planned Revisions of the *Tankan*”

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Research and Statistics Department

Bank of Japan

As announced in the “[Planned Revisions of the *Tankan*](#)” in December 2016, the Bank of Japan plans to introduce a new survey category for overseas business activities around 2020. The Bank is currently preparing for the implementation of the planned revisions.

The Bank has decided to partially change the planned revisions presented in the “Introduction of New Category regarding Overseas Business Activities” (from page 4 to 5 of the “[Planned Revisions of the *Tankan*](#)”), as below.

	Before the change	After the change
New survey items (on a consolidated basis)	Sales Overseas Sales Current Profits Fixed Investment Overseas Fixed Investment	Unchanged
Calculation method	Simple aggregation	
Release items	(1) Year-on-year rates of changes of each figure (2) Shares of overseas amounts in total amounts for sales and fixed investment	
		<u>Estimation of population total</u> (1) Year-on-year rates of changes of each figure (2) Shares of overseas amounts in total amounts for sales and fixed investment (3) <u>Aggregated amounts of each figure</u>

This decision was made because the population data needed to implement the sample design could be built through the Establishment Frame Database of the Ministry of Internal Affairs and Communications and the financial statements of enterprises.

This allows the Bank to publish aggregated amounts for each figure as estimates of the population total, as requested by some users during public consultation.

The population of the new survey category regarding overseas business activities will be parent companies, with capital of 1 billion yen or more, at the top of a consolidated business group¹ and with sales to overseas external customers or overseas subsidiaries/branches. The sample design uses “stratified sampling,” in the same way as the *Tankan*. Specifically, the population is divided into homogeneous groups (strata) using industry and sales on a consolidated basis in order to select sample enterprises. The new category surveys consolidated figures and the estimate of the population total is obtained by aggregating the population total in each stratum.²

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¹ Specifically, the survey population will be enterprises, of which sales to overseas external customers or overseas subsidiaries/branches are confirmed, based on sources such as the Establishment Frame Database and segmental information of financial statements.

It should be noted that overseas business activities of unconsolidated related companies cannot be confirmed using the above procedure, and therefore business groups with unconsolidated related companies, which are their only related companies with overseas business activities, are not included in the survey population in principle.

² It is also worth noting that the new survey category does not comprehensively capture “overseas business activities” due to technical limitations, as sales and investments on a consolidated basis do not reflect overseas business activities of associates accounted for using, for example, the equity method.