

TANKAN Summary (December 2001)

111th Short-Term Economic Survey of All Enterprises in Japan

178th Short-Term Economic Survey of Principal Enterprises in Japan

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Research and Statistics Department

Bank of Japan

Number of sample enterprises

	Manufacturing	Nonmanufacturing	Total	Response rate
All Enterprises	3,722	4,925	8,647	96.8%
Large enterprises	759	642	1,401	97.9%
Medium-sized enterprises	1,080	1,680	2,760	96.8%
Small enterprises	1,883	2,603	4,486	96.5%
Principal Enterprises	378	304	682	99.9%
(Memo) Financial institutions	-	-	176	100.0%

Responding Period: November 8th to December 11th.

Memo: Average of predicted exchange rates expected by large manufacturing enterprises

(yen per US dollar)

	FY2000			FY2001		
		1H	2H		1H	2H
June 2001 survey	108.57	106.59	110.55	114.05	115.10	113.08
Sept 2001 survey	-	-	-	116.97	118.10	115.89
Dec 2001 survey	-	-	-	119.47	120.34	118.59

1. Business Conditions

(Net percentage of respondents who reported "Favorable")

	Large enterprises						Medium-sized enterprises						Small enterprises					
	Sept 2001 survey		Dec 2001 survey				Sept 2001 survey		Dec 2001 survey				Sept 2001 survey		Dec 2001 survey			
	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Manufacturing	-33	-31	-38	-5	-36	2	-43	-42	-48	-5	-47	1	-47	-52	-49	-2	-55	-6
Textiles	-44	-40	-47	-3	-47	0	-65	-52	-63	2	-52	11	-61	-65	-63	-2	-64	-1
Lumber & wood products	-60	-40	-50	10	-40	10	-57	-52	-58	-1	-46	12	-70	-66	-66	4	-69	-3
Pulp & paper	-26	-20	-20	6	-13	7	-46	-42	-49	-3	-32	17	-50	-48	-35	15	-45	-10
Chemicals	-26	-25	-31	-5	-28	3	-32	-31	-35	-3	-28	7	-37	-34	-35	2	-36	-1
Petroleum & coal products	-63	-25	-38	25	-25	13	-9	0	-18	-9	-9	9	-40	-27	-33	7	-23	10
Ceramics, stone & clay	-57	-70	-61	-4	-61	0	-48	-43	-48	0	-52	-4	-59	-63	-61	-2	-64	-3
Iron & steel	-75	-54	-75	0	-64	11	-50	-52	-53	-3	-58	-5	-59	-68	-69	-10	-69	0
Nonferrous metals	-40	-25	-40	0	-45	-5	-59	-59	-53	6	-52	1	-60	-61	-61	-1	-74	-13
Food & beverages	1	2	-7	-8	-5	2	-13	-10	-21	-8	-20	1	-29	-28	-30	-1	-32	-2
Processed metals	-35	-22	-36	-1	-35	1	-45	-44	-45	0	-42	3	-50	-58	-54	-4	-58	-4
Industrial machinery	-25	-43	-38	-13	-54	-16	-53	-54	-60	-7	-64	-4	-43	-54	-50	-7	-58	-8
Electrical machinery	-60	-49	-63	-3	-54	9	-57	-58	-62	-5	-65	-3	-59	-66	-61	-2	-71	-10
Shipbuilding & heavy machinery	-20	-30	-20	0	-20	0	-16	-16	-41	-25	-25	16	-34	-47	-34	0	-48	-14
Motor vehicles	-2	-14	-14	-12	-16	-2	-29	-34	-37	-8	-35	2	-25	-39	-40	-15	-47	-7
Precision machinery	-29	-33	-37	-8	-37	0	-49	-52	-56	-7	-62	-6	-41	-49	-42	-1	-54	-12
Basic materials	-43	-36	-43	0	-40	3	-47	-43	-48	-1	-43	5	-56	-57	-56	0	-58	-2
Processing	-29	-29	-36	-7	-35	1	-42	-42	-48	-6	-49	-1	-41	-48	-46	-5	-52	-6
Nonmanufacturing	-17	-20	-22	-5	-25	-3	-27	-32	-29	-2	-35	-6	-37	-43	-39	-2	-46	-7
Construction	-36	-44	-42	-6	-50	-8	-27	-36	-24	3	-39	-15	-41	-53	-41	0	-54	-13
Real estate	0	9	18	18	0	-18	4	0	4	0	0	-4	-12	-21	-17	-5	-22	-5
Wholesaling	-17	-26	-30	-13	-24	6	-37	-38	-41	-4	-44	-3	-43	-46	-45	-2	-51	-6
Retailing	-17	-13	-13	4	-10	3	-31	-32	-32	-1	-36	-4	-45	-51	-47	-2	-49	-2
Transportation	-23	-28	-29	-6	-35	-6	-38	-40	-42	-4	-48	-6	-38	-46	-43	-5	-50	-7
Communications	0	9	9	9	18	9	10	0	20	10	0	-20	23	8	7	-16	0	-7
Electric & gas utilities	0	0	0	0	-6	-6	0	0	0	0	-20	-20	-3	-10	-11	-8	-11	0
Services	-3	-11	-19	-16	-21	-2	-23	-28	-23	0	-31	-8	-29	-30	-26	3	-37	-11
Leasing	22	0	11	-11	-11	-22	-2	-15	-4	-2	-15	-11	-30	-34	-31	-1	-40	-9
All industries	-25	-26	-31	-6	-31	0	-34	-36	-37	-3	-40	-3	-42	-47	-44	-2	-50	-6

	All Enterprises					
Manufacturing	-43	-45	-47	-4	-49	-2
Nonmanufacturing	-31	-36	-34	-3	-40	-6
All industries	-36	-40	-40	-4	-43	-3

(Notes) 1. Response rate = The number of enterprises responding to the question of Business Conditions (or that of financial institutions responding to the question of Fixed Investment) / 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 revision of actual results = "Actual results of current survey" minus "Actual results of the previous survey".

Changes of forecast = "Forecast of current survey" minus "Actual results of current survey".

1. Business Conditions (Continued)

(Net percentage of respondents who reported "Favorable")

	Principal Enterprises					
	Sept 2001 survey		Dec 2001 survey			
	Actual result	Forecast	Actual result	Forecast		Changes
				Changes in revision		
Manufacturing	-33	-32	-37	-4	-36	1
Textiles	-38	-47	-35	3	-47	-12
Pulp & paper	-55	-36	-55	0	-27	28
Chemicals	-34	-29	-39	-5	-34	5
Petroleum refining	-50	-12	-38	12	-25	13
Ceramics, stone & clay	-41	-47	-35	6	-41	-6
Iron & steel	-75	-58	-71	4	-63	8
Nonferrous metals	-32	-21	-37	-5	-42	-5
Food & beverages	0	0	-13	-13	-16	-3
Processed metals	-23	-23	-31	-8	-31	0
Industrial machinery	-22	-36	-33	-11	-53	-20
Electrical machinery	-61	-48	-56	5	-48	8
Shipbuilding & heavy machinery	-17	-17	-17	0	-17	0
Motor vehicles	-10	-18	-14	-4	-7	7
Precision machinery	-40	-40	-50	-10	-50	0
Basic materials	-43	-37	-43	0	-41	2
Processing	-25	-27	-32	-7	-32	0
Nonmanufacturing	-15	-16	-20	-5	-21	-1
Construction	-37	-51	-43	-6	-53	-10
Real estate	4	0	3	-1	-7	-10
Wholesaling	-24	-15	-24	0	-19	5
Retailing	-24	-15	-22	2	-15	7
Transportation	-14	-14	-20	-6	-21	-1
Communications	-29	-14	-14	15	0	14
Electric & gas utilities	0	0	-7	-7	-7	0
Services	-5	-16	-23	-18	-30	-7
Leasing	21	14	7	-14	7	0
All industries	-25	-25	-29	-4	-30	-1

<Memo> Percentage share of the number of respondents choosing each alternative (Actual result)

(% ,% points)

	Sept 2001 survey			Dec 2001 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises	Large enterprises	Medium-sized enterprises	Small enterprises
Manufacturing	-33	-43	-47	-38	-48	-49
1.Favorable	5	5	5	5	3	5
2.Not so favorable	57	47	43	52	46	41
3.Unfavorable	38	48	52	43	51	54
Nonmanufacturing	-17	-27	-37	-22	-29	-39
1.Favorable	9	8	6	8	7	6
2.Not so favorable	65	57	51	62	57	49
3.Unfavorable	26	35	43	30	36	45

(Note) Business Conditions DI = Percentage share of enterprises responding for "Favorable" minus "Unfavorable"

2. Supply and Demand Conditions, Inventories, and Prices

(% points)

		Large enterprises					
		Sept 2001 survey		Dec 2001 survey			
		Actual result	Forecast	Actual result	Forecast		Changes
					Changes in revision		
Supply and demand conditions for products and services:	Manufacturing	-44	-42	-48	-4	-43	5
Diffusion index of "Excess demand" minus	Basic materials	-52	-48	-56	-4	-47	9
"Excess supply"	Processing	-41	-40	-45	-4	-42	3
Overseas supply and demand conditions for products :	Manufacturing	-34	-30	-37	-3	-33	4
Diffusion index of "Excess demand" minus	Basic materials	-39	-36	-42	-3	-36	6
"Excess supply"	Processing	-31	-29	-35	-4	-33	2

Inventory level of finished goods and merchandise:	Manufacturing	36	22	37	1	24	-13
Diffusion index of "Excessive or somewhat excessive"	Basic materials	40	28	41	1	32	-9
minus "Insufficient or somewhat insufficient"	Processing	34	20	35	1	21	-14
Wholesalers' inventory level:	Manufacturing	41	33	44	3	34	-10
Diffusion index of "Excessive or somewhat excessive"	Basic materials	47	36	50	3	39	-11
minus "Insufficient or somewhat insufficient"	Processing	39	31	40	1	32	-8

Change in output prices:	Manufacturing	-33	-31	-37	-4	-34	3
Diffusion index of "Rise" minus "Fall"	Basic materials	-32	-21	-35	-3	-26	9
	Processing	-34	-35	-38	-4	-38	0
Change in input prices:	Manufacturing	-10	-11	-16	-6	-13	3
Diffusion index of "Rise" minus "Fall"	Basic materials	-11	-7	-17	-6	-9	8
	Processing	-11	-13	-15	-4	-15	0

(% points)

		Small enterprises					
		Sept 2001 survey		Dec 2001 survey			
		Actual result	Forecast	Actual result	Forecast		Changes
					Changes in revision		
Supply and demand conditions for products and services:	Manufacturing	-57	-58	-58	-1	-60	-2
Diffusion index of "Excess demand" minus	Basic materials	-69	-67	-67	2	-66	1
"Excess supply"	Processing	-50	-53	-53	-3	-56	-3
Overseas Supply and demand conditions for products:	Manufacturing	-42	-44	-45	-3	-47	-2
Diffusion index of "Excess demand" minus	Basic materials	-50	-52	-56	-6	-55	1
"Excess supply"	Processing	-37	-39	-40	-3	-42	-2

Inventory level of finished goods and merchandise:	Manufacturing	33	24	33	0	25	-8
Diffusion index of "Excessive or somewhat excessive"	Basic materials	42	32	41	-1	31	-10
minus "Insufficient or somewhat insufficient"	Processing	27	19	29	2	22	-7
Wholesalers' inventory level:	Manufacturing	48	45	49	1	43	-6
Diffusion index of "Excessive or somewhat excessive"	Basic materials	58	55	58	0	53	-5
minus "Insufficient or somewhat insufficient"	Processing	41	37	41	0	38	-3

Change in output prices:	Manufacturing	-38	-43	-43	-5	-46	-3
Diffusion index of "Rise" minus "Fall"	Basic materials	-39	-39	-43	-4	-44	-1
	Processing	-38	-45	-43	-5	-48	-5
Change in input prices:	Manufacturing	-6	-7	-9	-3	-9	0
Diffusion index of "Rise" minus "Fall"	Basic materials	-7	-7	-10	-3	-8	2
	Processing	-5	-8	-7	-2	-9	-2

3. Sales and Current Profits

Sales

		FY2000		FY2001	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	4.9	-	-4.9	-3.3
	Domestic Sales	4.7	-	-3.9	-3.2
	Exports	5.5	-	-8.5	-3.8
	Nonmanufacturing	2.3	-	-2.6	-2.6
Medium-sized enterprises	Manufacturing	3.3	-	-5.2	-2.6
	Nonmanufacturing	3.4	-	-2.0	-2.6
Small enterprises	Manufacturing	2.8	-	-4.9	-1.6
	Nonmanufacturing	-0.1	-	-1.8	-1.0
All Enterprises	All industries	2.8	-	-3.0	-2.5
Principal Enterprises	Manufacturing	5.0	-	-4.0	-3.3
	Nonmanufacturing	-0.5	-	-4.0	-2.8

(Year-to-year growth rate, %)

1H FY2000	2H FY2000		1H FY2001		2H FY2001	
		Adjustment ratio		Adjustment ratio	(Forecast)	Adjustment ratio
5.3	4.5	-	-3.3	-1.3	-6.4	-5.1
4.7	4.7	-	-1.9	-1.6	-5.7	-4.6
7.5	3.6	-	-7.9	-0.6	-9.0	-6.9
2.2	2.5	-	-0.9	-1.4	-4.2	-3.8
3.9	2.8	-	-4.3	-1.3	-6.1	-3.7
4.0	2.9	-	-1.9	-2.2	-2.1	-3.1
3.4	2.2	-	-3.6	-0.4	-6.1	-2.8
-0.4	0.2	-	-1.1	-0.4	-2.3	-1.6
3.0	2.6	-	-2.0	-1.4	-3.9	-3.5
5.2	4.9	-	-2.2	-1.2	-5.6	-5.2
-0.4	-0.6	-	-2.4	-1.3	-5.4	-4.2

Current Profits

		FY2000		FY2001	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	32.3	-	-34.4	-19.2
	Basic materials	29.8	-	-23.1	-12.9
	Processing	33.6	-	-40.1	-22.9
	Nonmanufacturing	6.1	-	-7.8	-6.5
Medium-sized enterprises	Manufacturing	43.9	-	-39.7	-16.3
	Nonmanufacturing	13.2	-	-1.2	-6.4
Small enterprises	Manufacturing	24.1	-	-42.5	-22.9
	Nonmanufacturing	7.3	-	-4.1	-0.6
All Enterprises	All industries	18.0	-	-18.7	-10.5
Principal Enterprises	Manufacturing excluding petroleum refining	37.3	-	-32.5	-19.5
	Nonmanufacturing excluding electric & gas utilities	-2.3	-	-12.7	-11.2

(Year-to-year growth rate, %)

1H FY2000	2H FY2000		1H FY2001		2H FY2001	
		Adjustment ratio		Adjustment ratio	(Forecast)	Adjustment ratio
42.4	24.7	-	-31.2	-1.1	-37.1	-31.2
39.0	22.9	-	-16.7	0.5	-28.6	-23.2
44.2	25.6	-	-38.5	-2.2	-41.5	-35.4
25.6	-9.4	-	-10.4	5.1	-4.9	-16.1
63.7	33.2	-	-39.7	-12.1	-39.7	-18.9
17.1	10.4	-	0.7	0.7	-2.6	-11.2
49.0	11.4	-	-55.7	-21.2	-33.4	-23.6
10.7	5.1	-	5.3	10.5	-10.8	-8.3
30.0	9.4	-	-17.6	1.3	-19.6	-18.7
44.1	32.3	-	-28.2	1.0	-36.0	-32.1
6.1	-9.7	-	-14.2	2.7	-11.1	-21.8

Ratio of Current Profit to Sales

		FY2000		FY2001	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	4.61	-	3.18	-0.63
	Nonmanufacturing	2.66	-	2.52	-0.10
Medium-sized enterprises	Manufacturing	4.70	-	2.99	-0.49
	Nonmanufacturing	1.86	-	1.88	-0.07
Small enterprises	Manufacturing	3.00	-	1.82	-0.50
	Nonmanufacturing	2.33	-	2.27	0.01
All Enterprises	All industries	2.87	-	2.40	-0.22
Principal Enterprises	Manufacturing excluding petroleum refining	4.52	-	3.21	-0.63
	Nonmanufacturing excluding electric & gas utilities	1.96	-	1.79	-0.16

(%, % points)

1H FY2000	2H FY2000		1H FY2001		2H FY2001	
		Adjustment ratio		Adjustment ratio	(Forecast)	Adjustment ratio
4.46	4.75	-	3.17	0.01	3.19	-1.21
2.94	2.41	-	2.66	0.17	2.39	-0.35
3.91	5.43	-	2.46	-0.30	3.49	-0.65
1.63	2.07	-	1.68	0.05	2.06	-0.19
2.51	3.47	-	1.15	-0.31	2.46	-0.66
2.02	2.61	-	2.15	0.21	2.39	-0.17
2.74	2.99	-	2.30	0.06	2.50	-0.47
4.25	4.77	-	3.17	0.08	3.24	-1.27
2.10	1.83	-	1.85	0.08	1.73	-0.38

(Note) Adjustment ratios are calculated as the percentage change of the figures between present and previous surveys.

4. Fixed Investment

Fixed Investment		(Year-to-year growth rate, %)			
		FY2000		FY2001	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	8.3	-	-4.4	-7.1
	Nonmanufacturing	-2.5	-	-7.9	-1.0
	All industries	1.5	-	-6.5	-3.6
Medium-sized enterprises	Manufacturing	12.2	-	-11.7	4.4
	Nonmanufacturing	-6.7	-	-2.1	1.6
	All industries	-4.6	-	-3.3	1.9
Small enterprises	Manufacturing	15.2	-	-16.3	1.7
	Nonmanufacturing	-2.6	-	-5.5	8.6
	All industries	1.6	-	-8.4	6.8
All Enterprises	Manufacturing	10.1	-	-7.8	-4.0
	Nonmanufacturing	-4.4	-	-4.9	1.8
	All industries	-0.9	-	-5.7	0.2

Software Investment		(Year-to-year growth rate, %)			
		FY2000		FY2001	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	0.7	-	1.2	-2.3
	Nonmanufacturing	-8.4	-	14.7	-7.1
	All industries	-4.6	-	8.7	-5.1
Medium-sized enterprises	Manufacturing	14.3	-	23.1	-4.0
	Nonmanufacturing	-5.7	-	-12.8	-6.9
	All industries	-4.7	-	-10.8	-6.7
Small enterprises	Manufacturing	7.1	-	42.6	-0.8
	Nonmanufacturing	-1.4	-	34.6	25.6
	All industries	-0.1	-	35.9	20.2
All Enterprises	Manufacturing	2.0	-	5.3	-2.4
	Nonmanufacturing	-6.3	-	2.7	-3.6
	All industries	-4.2	-	3.3	-3.3

Software and Fixed Investment		(Year-to-year growth rate, %)			
		FY2000		FY2001	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	7.7	-	-4.0	-6.7
	Nonmanufacturing	-2.9	-	-6.6	-1.5
	All industries	1.1	-	-5.6	-3.7
Medium-sized enterprises	Manufacturing	12.3	-	-10.7	4.1
	Nonmanufacturing	-6.6	-	-2.8	1.1
	All industries	-4.6	-	-3.8	1.4
Small enterprises	Manufacturing	15.0	-	-15.2	1.6
	Nonmanufacturing	-2.5	-	-4.1	9.3
	All industries	1.6	-	-7.1	7.4
All Enterprises	Manufacturing	9.6	-	-7.0	-3.9
	Nonmanufacturing	-4.6	-	-4.5	1.4
	All industries	-1.1	-	-5.2	-0.1

Production Capacity (Net percentage of respondents who reported "Excessive capacity")

		Sept 2001 survey		Dec 2001 survey			
		Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Large enterprises	Manufacturing	28	25	31	3	28	-3
	Nonmanufacturing	6	4	7	1	5	-2
	All industries	18	15	20	2	18	-2
Medium-sized enterprises	Manufacturing	31	29	33	2	32	-1
	Nonmanufacturing	5	4	5	0	4	-1
	All industries	15	14	16	1	15	-1
Small enterprises	Manufacturing	28	26	29	1	29	0
	Nonmanufacturing	9	8	9	0	9	0
	All industries	17	15	17	0	18	1
All Enterprises	Manufacturing	29	27	30	1	30	0
	Nonmanufacturing	7	5	7	0	6	-1
	All industries	17	15	17	0	16	-1

5. Employment

Employment Conditions (Net percentage of respondents who reported "Excessive employment")

		Sept 2001 survey		Dec 2001 survey			
		Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Large enterprises	Manufacturing	32	30	38	6	31	-7
	Nonmanufacturing	14	12	16	2	12	-4
	All industries	24	21	28	4	22	-6
Medium-sized enterprises	Manufacturing	33	31	34	1	32	-2
	Nonmanufacturing	5	4	7	2	7	0
	All industries	16	14	18	2	16	-2
Small enterprises	Manufacturing	26	27	31	5	30	-1
	Nonmanufacturing	11	12	12	1	14	2
	All industries	18	18	20	2	21	1
All Enterprises	Manufacturing	29	29	34	5	30	-4
	Nonmanufacturing	9	9	11	2	11	0
	All industries	18	18	21	3	19	-2
Principal Enterprises	Manufacturing	32	29	36	4	31	-5
	Nonmanufacturing	14	11	16	2	12	-4
	All industries	24	21	27	3	23	-4

Number of Employees (All industries) (Year-to-year growth rate, %)

	Dec 2000	Mar 2001	June 2001	Sept 2001
Large enterprises	-0.6	-0.5	-0.4	0.5
Medium-sized enterprises	-0.2	-0.6	-0.1	0.6
Small enterprises	-0.2	-1.1	-1.3	-1.5
All Enterprises	-0.4	-0.7	-0.6	0.0
Principal Enterprises	-2.4	-2.2	-1.5	-1.8

Number of New Graduates Hired *(All industries)
(special survey for December) (Year-to-year growth rate, %)

	FY2001	FY2002
Large enterprises	3.7	3.6
Medium-sized enterprises	-2.8	-7.9
Small enterprises	-5.2	-22.8
All Enterprises	-1.4	-8.0
Principal Enterprises	1.8	7.1

*Percentage change of scheduled figures against the actual figures of the previous year.

6. Corporate Finance

Financial Position (All industries) (Diffusion index of "Easy" minus "Tight", % points)

	Sept 2001 survey		Dec 2001 survey			
	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Large enterprises	10	4	8	-2	1	-7
Medium-sized enterprises	-7	-14	-8	-1	-15	-7
Small enterprises	-16	-26	-17	-1	-29	-12
All Enterprises	-8	-18	-10	-2	-19	-9
Principal Enterprises	10	5	7	-3	-1	-8

Lending Attitude of Financial Institutions(All industries)

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

	Sept 2001 survey		Dec 2001 survey			
	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Large enterprises	17	10	14	-3	7	-7
Medium-sized enterprises	3	-3	0	-3	-6	-6
Small enterprises	-4	-13	-6	-2	-15	-9
All Enterprises	1	-6	0	-1	-8	-8
Principal Enterprises	10	4	5	-5	-2	-7

Change in Interest Rate on Loans (All industries) (Diffusion index of "Rise" minus "Fall", % points)

	Sept 2001 survey		Dec 2001 survey			
	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Large enterprises	-9	4	-2	7	6	8
Medium-sized enterprises	-7	3	-2	5	4	6
Small enterprises	-5	3	-2	3	5	7
All Enterprises	-6	3	-2	4	5	7
Principal Enterprises	-7	6	2	9	11	9

Liquidity Ratio (All industries) (months)

	Dec 2000	Mar 2001	June 2001	Sept 2001
Large enterprises	1.08	1.09	1.00	1.03
Medium-sized enterprises	1.16	1.17	1.12	1.15
Small enterprises	1.79	1.81	1.75	1.77
All Enterprises	1.25	1.26	1.19	1.22
Principal Enterprises	0.98	0.99	0.93	0.95
(Seasonally adjusted)	0.99	0.97	0.96	0.95

$$\text{Liquidity Ratio} = \frac{\text{Quarter-end balance of cash, deposits, and short-term investment in securities}}{\text{Monthly average sales during the fiscal year which covers the related quarter}}$$

7. Overseas Activities (special survey for June and December)

Overseas Production and Investment (Manufacturing) (Year-to-year growth rate, %)

		FY2000		FY2001	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Overseas production	9.3	-3.7	2.7	-7.2
	Share of overseas production	18.95	-0.58	20.16	-0.15
	Overseas investment	15.0	-2.6	-7.9	-6.1
	Share of overseas investment	26.75	-0.52	26.04	1.09
Principal Enterprises	Overseas production	13.3	-0.7	2.9	-4.6
	Share of overseas production	22.18	-0.13	23.36	0.16
	Overseas investment	9.9	-3.5	-2.3	-4.2
	Share of overseas investment	29.55	-0.75	29.49	1.42

(Notes) 1. In principle, overseas production and investment of affiliates are aggregated.

2. Partly includes yen conversion estimates in the case of foreign currency denominated transaction.

3. Percentages share of overseas production

$$= \text{Value of overseas production} / (\text{Value of sales} + \text{Value of overseas production}) * 100$$

Percentages share of overseas investment

$$= \text{Value of overseas investment} / (\text{Value of domestic investment} + \text{Value of overseas investment}) * 100$$

4. The figures include respondents with no overseas affiliates.

Appendix: Fixed Investment of Financial Institutions

(Year-to-year growth rate, %)

		FY2000		FY2001	
			Adjustment ratio	(Forecast)	Adjustment ratio
Fixed Investment of Financial institutions		9.7	-	3.6	-4.3
	Banks	13.6	-	36.3	-4.3
	Securities companies	-7.9	-	34.0	-6.2
	Insurance companies	8.2	-	-25.3	-4.2

Software Investment of Financial institutions		46.5	-	24.9	-1.7
	Banks	47.5	-	32.6	-1.9
	Securities companies	73.4	-	15.9	-2.1
	Insurance companies	31.5	-	8.1	-0.8

Software and Fixed Investment of Financial institutions		19.1	-	10.5	-3.4
	Banks	25.2	-	34.7	-3.3
	Securities companies	30.6	-	22.6	-3.8
	Insurance companies	11.5	-	-19.7	-3.4

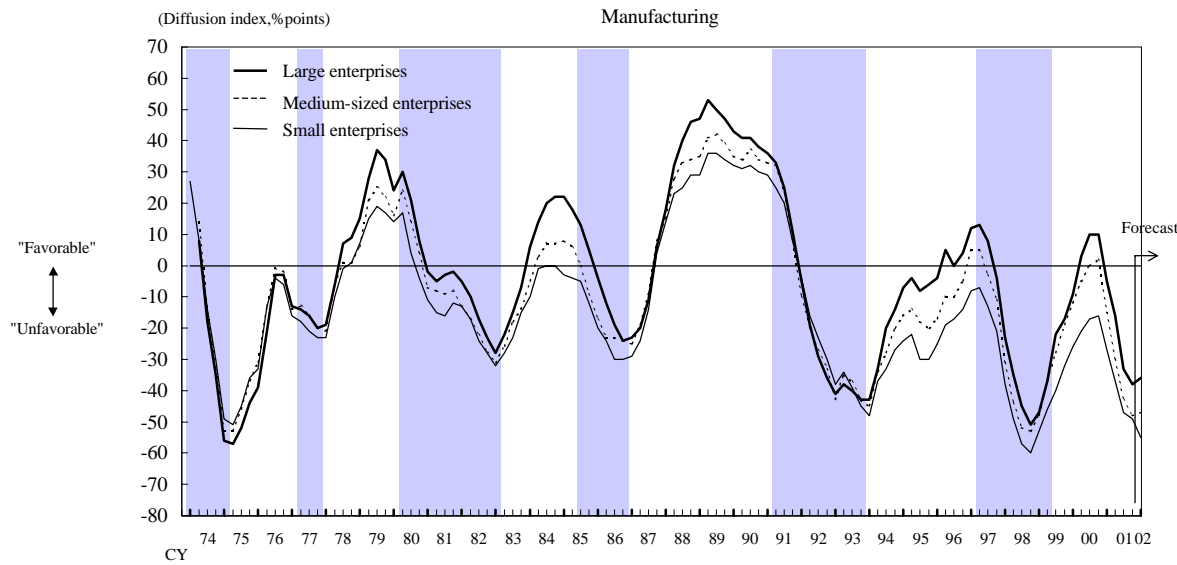
(special survey for June and December) (Year-to-year growth rate, %)

		FY2000		FY2001	
			Adjustment ratio	(Forecast)	Adjustment ratio
Investment for Computerizing of Financial institutions		28.7	-	24.6	-4.5
	Banks	26.4	-	29.8	-4.2
	Securities companies	66.0	-	19.7	-6.5
	Insurance companies	21.0	-	9.9	-4.3

Reference Charts

[Business Conditions]

Note: Shaded areas indicate periods of recession (according to the Cabinet Office), unless otherwise noted.

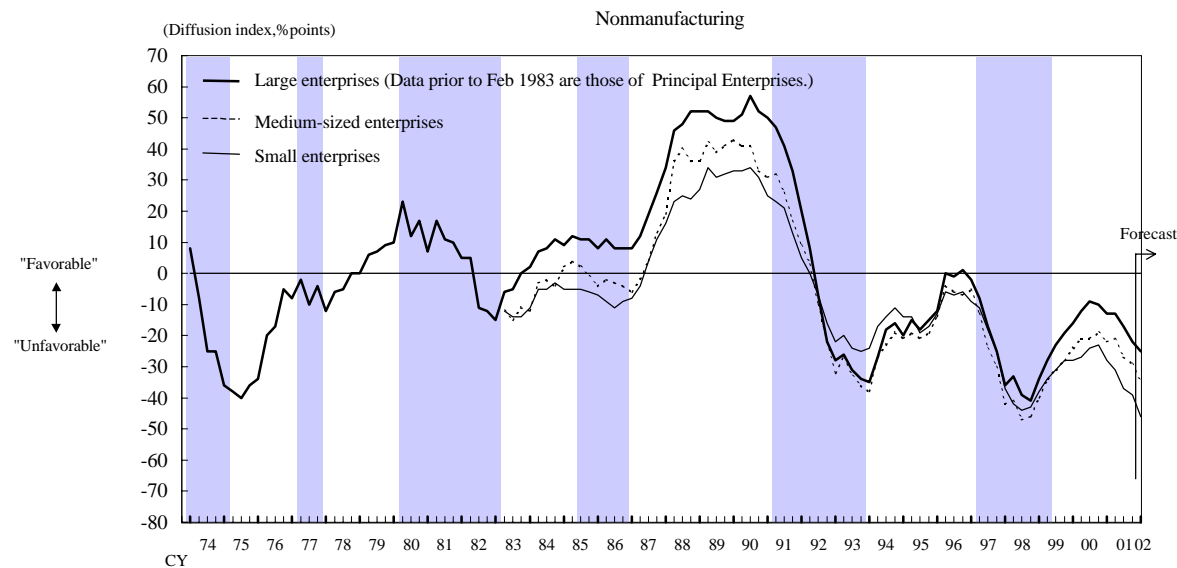


Peaks and Bottoms of Business Conditions

(Net percentage of respondents who reported "Favorable")

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

	December 2001 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	-38	-48	-49
Forecast	-36	-47	-55

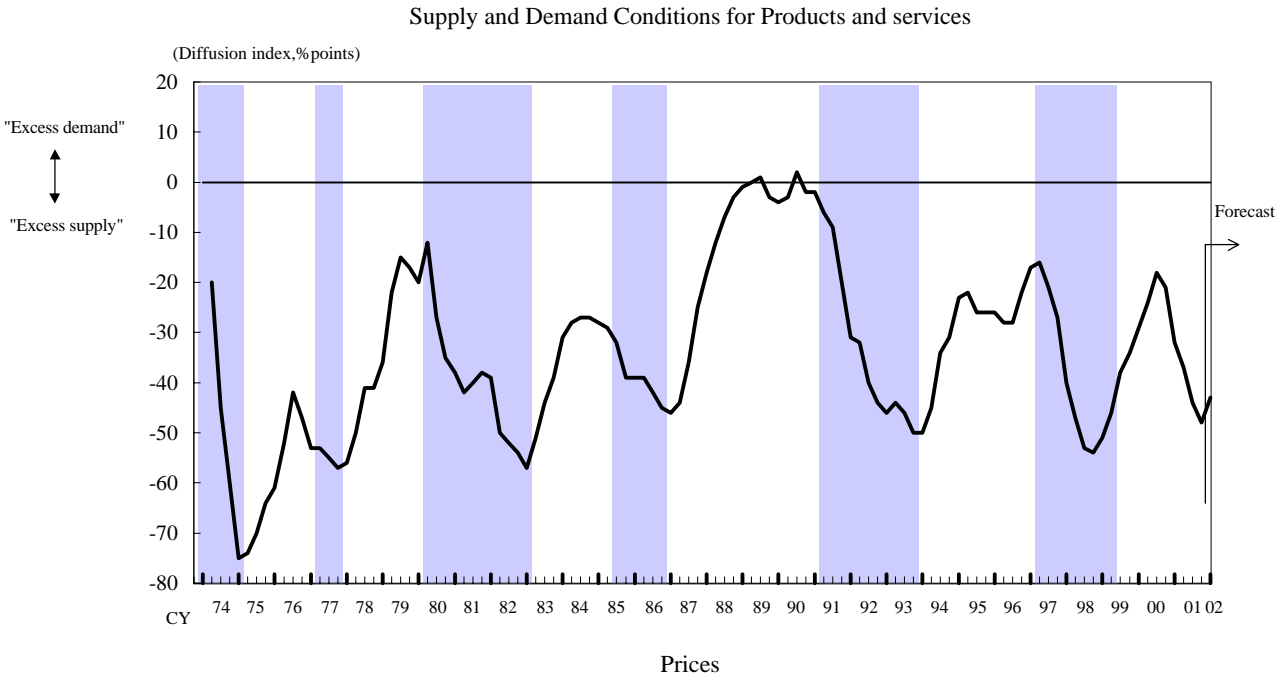


(Net percentage of respondents who reported "Favorable")

Nonmanufacturing					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	-6 (5/83)		-15 (8/83)		-14 (8,11/83)
12 (5/85)	8 (2,8,11/86,2/87)	4 (5/85)	-6 (2/87)	-3 (11/84)	-11 (8/86)
57 (8/90)	-35 (2/94)	43 (2/90)	-38 (2/94)	34 (5/89,8/90)	-25 (11/93)
1 (11/96)	-41 (12/98)	-4 (5/96)	-47 (9/98)	-6 (5,11/96)	-44 (9/98)

	December 2001 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	-22	-29	-39
Forecast	-25	-35	-46

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



Peaks and Bottoms of Supply and Demand Conditions for Products and Services

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

Large manufacturing enterprises	
Peak	Bottom
	-75 (2/75)
-42 (8/76)	-57 (11/77)
-12 (5/80)	-57 (2/83)
-27 (8,11/84)	-46 (2/87)
2 (8/90)	-50 (11/93,2/94)
-16 (6/97)	-54 (12/98)

December 2001 survey	
Actual result	-48
Forecast	-43

Peaks and Bottoms of Prices

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

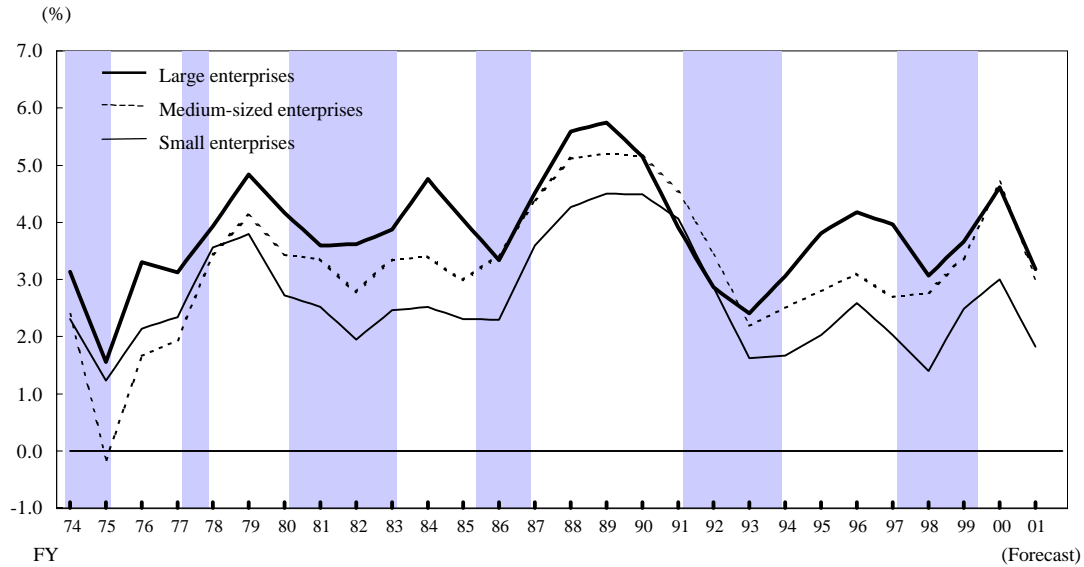
Large manufacturing enterprises			
Output prices		Input prices	
Peak	Bottom	Peak	Bottom
	-13 (2,8/75)		8 (8/75)
13 (8/76)	-19 (11/78)	34 (8/76)	-16 (8/78)
39 (5/80)	-23 (2/83)	77 (5/80)	4 (2/82)
-4 (2/84)	-42 (8,11/86)	14 (11/82)	-35 (8,11/86)
5 (11/90)	-29 (11/93,5/94)	31 (11/90)	-19 (11/93)
-16 (6/97)	-38 (12/98)	9 (3/97)	-15 (12/98,3/99)

December 2001 survey		
	Output prices	Input prices
Actual result	-37	-16
Forecast	-34	-13

[Ratio of Current Profit to Sales]

Note: There is no continuity between the figures before FY1997 and those after FY1998, as the calculation method of the All Enterprises TANKAN was changed from simple aggregates to population estimates from the March 1999 survey.

Manufacturing

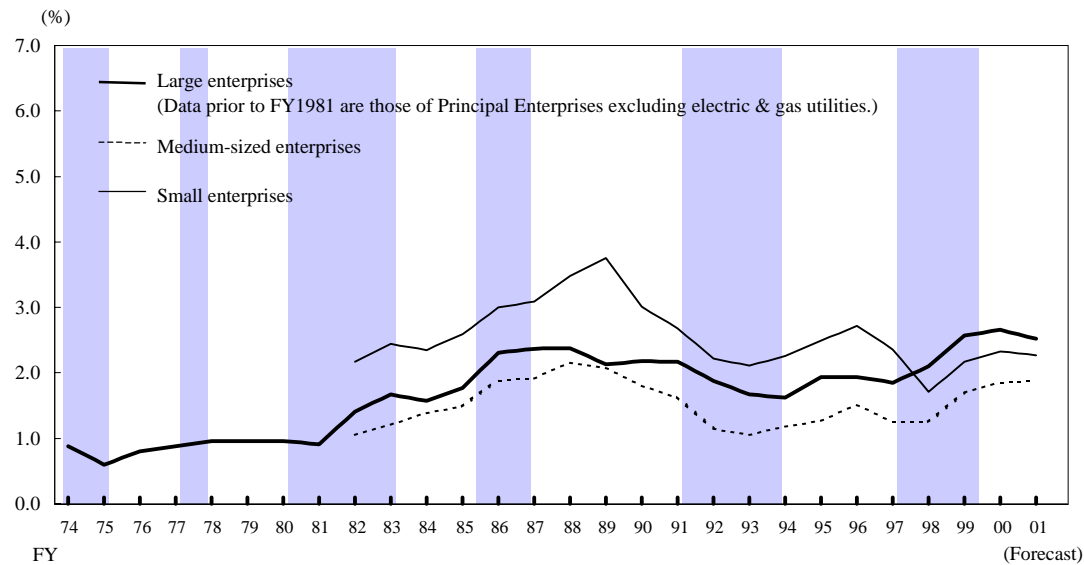


Peaks and Bottoms of Ratio of Current Profit to Sales

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)

	December 2001 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
FY 2000	4.61	4.70	3.00
FY 2001 (Forecast)	3.18	2.99	1.82

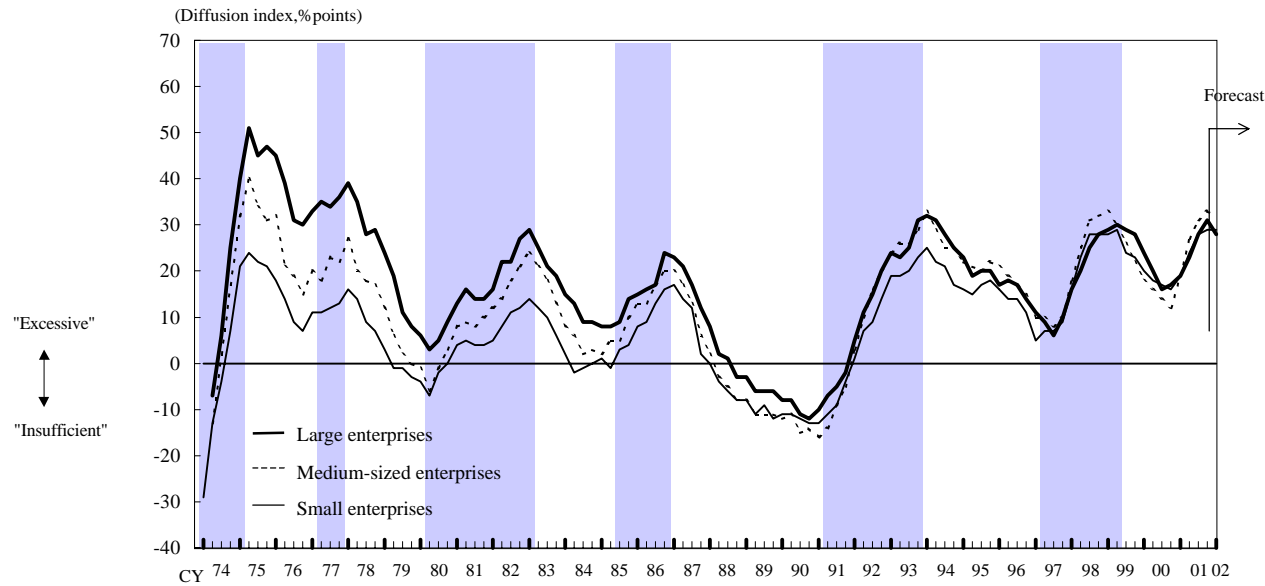
Nonmanufacturing



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)	2.16 (FY88)	1.06 (FY93)	2.44 (FY83)	2.35 (FY84)
2.38 (FY88)	1.62 (FY94)	1.52 (FY96)	1.25 (FY97,98)	3.75 (FY89)	2.11 (FY93)
1.94 (FY95,96)	1.85 (FY97)			2.72 (FY96)	1.71 (FY98)

	December 2001 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
FY 2000	2.66	1.86	2.33
FY 2001 (Forecast)	2.52	1.88	2.27

[Production Capacity (Manufacturing)]



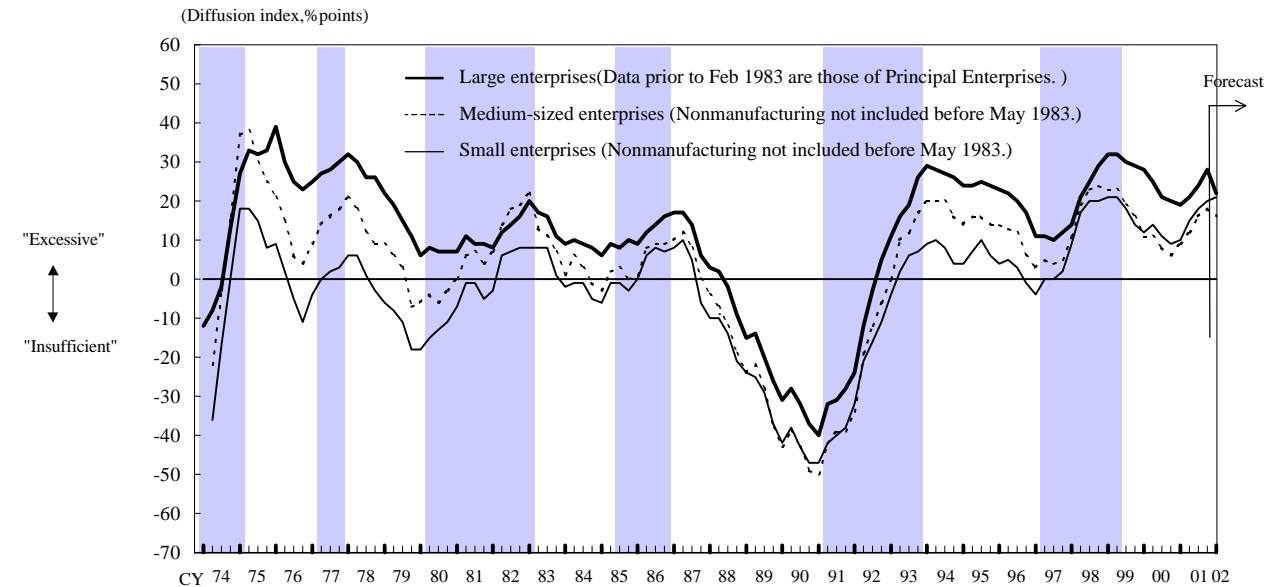
Peaks and Bottoms of Production Capacity

(Net percentage of respondents who reported "Excessive capacity")

Manufacturing					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
51 (5/75)	30 (11/76)	40 (5/75)	15 (11/76)	24 (5/75)	7 (11/76)
39 (2/78)	3 (5/80)	27 (2/78)	-6 (5/80)	16 (2/78)	-7 (5/80)
29 (2/83)	8 (2,5/85)	24 (2/83)	2 (8/84,2/85)	14 (2/83)	-2 (5/84)
24 (11/86)	-12 (11/90)	20 (11/86,2/87)	-16 (2/91)	17 (2/87)	-13 (11/90,2/91)
32 (2/94)	6 (9/97)	33 (2/94)	8 (9/97)	25 (2/94)	5 (3/97)
30 (6/99)		33 (3/99)		29 (6/99)	

	December 2001 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	31	33	29
Forecast	28	32	29

[Employment Conditions (All industries)]



Peaks and Bottoms of Employment Conditions

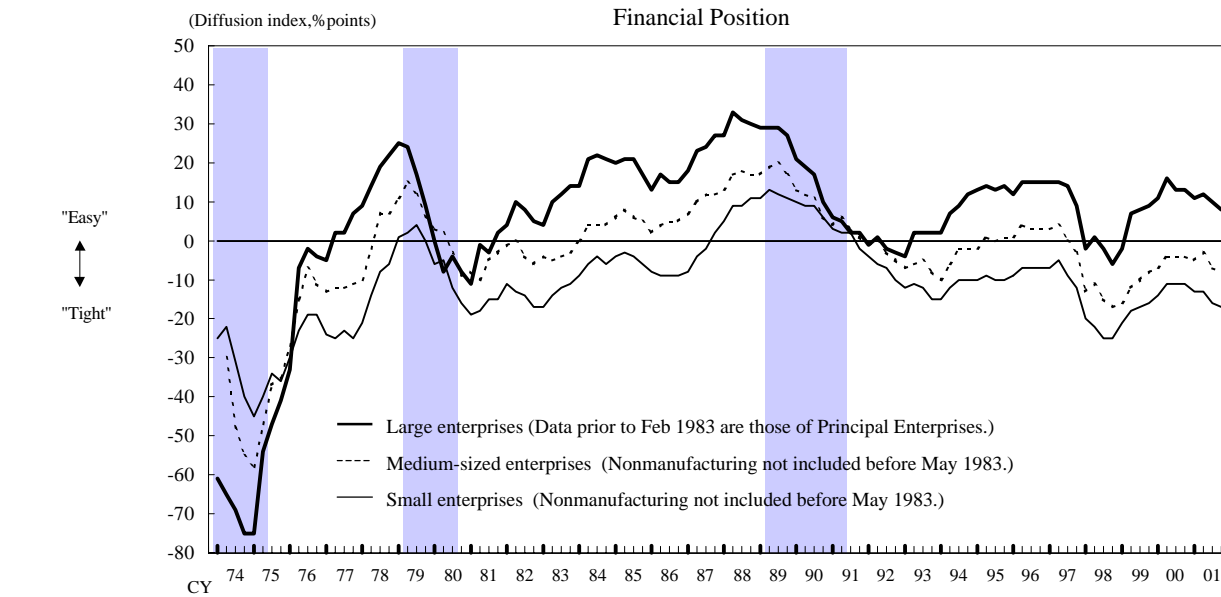
(Net percentage of respondents who reported "Excessive employment")

All industries					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
17 (5/83)	6 (2/85)	13 (5/83)	-3 (2/85)	8 (5,8/83)	-6 (2/85)
17 (2,5/87)	-40 (2/91)	12 (5/87)	-50 (2/91)	10 (5/87)	-47 (11/90,2/91)
29 (2/94)	10 (9/97)	20 (2,5,8/94)	3 (3/97)	10 (5/94,8/95)	-4 (3/97)
32 (3,6/99)		24 (12/98)		21 (3,6/99)	

	December 2001 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	28	18	20
Forecast	22	16	21

Note: Shaded areas indicate periods in which the official discount rate had been raised.

[Corporate Finance (All industries)]

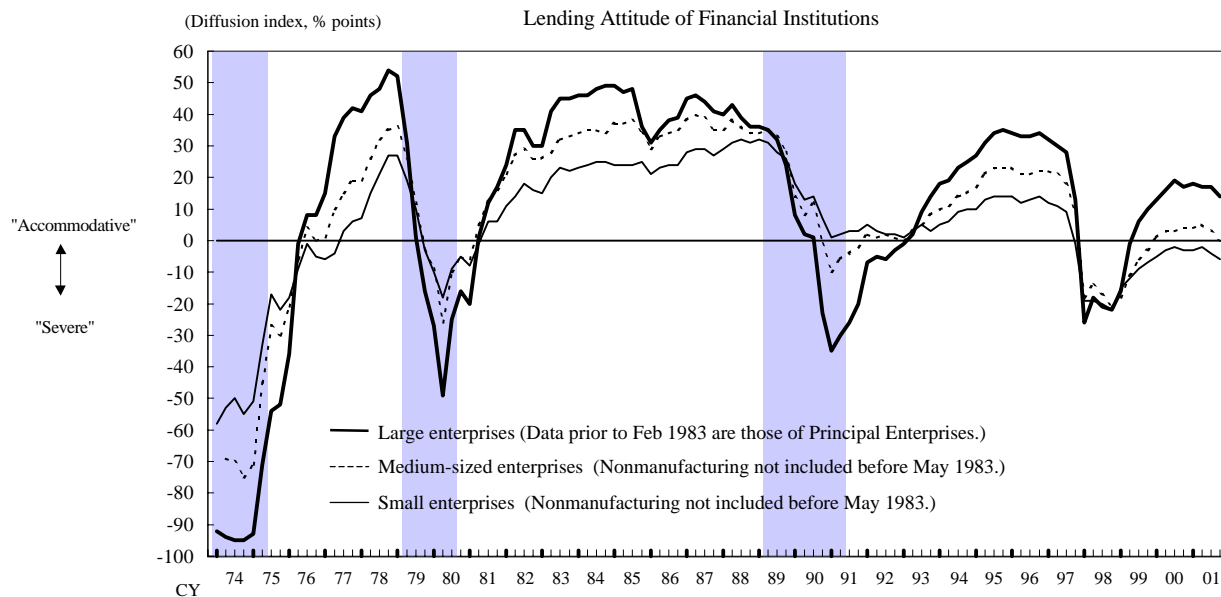


Peaks and Bottoms of Financial Position

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

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

	December 2001 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	8	-8	-17



Peaks and Bottoms of Lending Attitude of Financial Institutions

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

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

	December 2001 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	14	0	-6