

# TANKAN Summary (March 2002)

112th Short-Term Economic Survey of All Enterprises in Japan

179th Short-Term Economic Survey of Principal Enterprises in Japan

Not to be released before 8:50 a.m. on  
Monday, April 1, 2002

April 1, 2002

Research and Statistics Department

Bank of Japan

Number of sample enterprises

	Manufacturing	Nonmanufacturing	Total	Response rate
All Enterprises	3,740	4,911	8,651	96.8%
Large enterprises	757	642	1,399	97.9%
Medium-sized enterprises	1,073	1,671	2,744	96.8%
Small enterprises	1,910	2,598	4,508	96.4%
Principal Enterprises	378	303	681	99.6%
(Memo) Financial institutions	-	-	175	99.4%

Responding Period: February 22nd to March 29th.

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

( yen per US dollar )

	FY2001			FY2002		
		1H	2H		1H	2H
Dec 2001 survey	119.47	120.34	118.59	-	-	-
Mar 2002 survey	121.71	120.31	123.12	124.21	124.34	124.08

## 1. Business Conditions

(Net percentage of respondents who reported "Favorable")

	Large enterprises						Medium-sized enterprises						Small enterprises					
	Dec 2001 survey		Mar 2002 survey				Dec 2001 survey		Mar 2002 survey				Dec 2001 survey		Mar 2002 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	-38	-36	-38	0	-27	11	-48	-47	-47	1	-38	9	-49	-55	-51	-2	-51	0
Textiles	-47	-47	-45	2	-38	7	-63	-52	-64	-1	-60	4	-63	-64	-63	0	-66	-3
Lumber & wood products	-50	-40	-50	0	-40	10	-58	-46	-52	6	-44	8	-66	-69	-68	-2	-57	11
Pulp & paper	-20	-13	-26	-6	0	26	-49	-32	-62	-13	-45	17	-35	-45	-43	-8	-45	-2
Chemicals	-31	-28	-23	8	-19	4	-35	-28	-37	-2	-24	13	-35	-36	-37	-2	-29	8
Petroleum & coal products	-38	-25	-38	0	-25	13	-18	-9	-10	8	-20	-10	-33	-23	-38	-5	-24	14
Ceramics, stone & clay	-61	-61	-74	-13	-65	9	-48	-52	-50	-2	-58	-8	-61	-64	-61	0	-70	-9
Iron & steel	-75	-64	-67	8	-56	11	-53	-58	-58	-5	-58	0	-69	-69	-65	4	-61	4
Nonferrous metals	-40	-45	-50	-10	-35	15	-53	-52	-55	-2	-45	10	-61	-74	-63	-2	-47	16
Food & beverages	-7	-5	-4	3	-3	1	-21	-20	-23	-2	-13	10	-30	-32	-33	-3	-26	7
Processed metals	-36	-35	-39	-3	-35	4	-45	-42	-45	0	-43	2	-54	-58	-54	0	-58	-4
Industrial machinery	-38	-54	-44	-6	-28	16	-60	-64	-62	-2	-52	10	-50	-58	-53	-3	-58	-5
Electrical machinery	-63	-54	-59	4	-32	27	-62	-65	-54	8	-38	16	-61	-71	-60	1	-56	4
Shipbuilding & heavy machinery	-20	-20	-20	0	-40	-20	-41	-25	-16	25	0	16	-34	-48	-35	-1	-56	-21
Motor vehicles	-14	-16	-16	-2	-17	-1	-37	-35	-24	13	-36	-12	-40	-47	-39	1	-42	-3
Precision machinery	-37	-37	-52	-15	-44	8	-56	-62	-59	-3	-56	3	-42	-54	-49	-7	-40	9
Basic materials	-43	-40	-42	1	-33	9	-48	-43	-51	-3	-44	7	-56	-58	-57	-1	-55	2
Processing	-36	-35	-37	-1	-25	12	-48	-49	-45	3	-36	9	-46	-52	-48	-2	-48	0
Nonmanufacturing	-22	-25	-22	0	-21	1	-29	-35	-32	-3	-31	1	-39	-46	-42	-3	-46	-4
Construction	-42	-50	-41	1	-46	-5	-24	-39	-24	0	-27	-3	-41	-54	-44	-3	-55	-11
Real estate	18	0	9	-9	9	0	4	0	4	0	-4	-8	-17	-22	-21	-4	-24	-3
Wholesaling	-30	-24	-25	5	-14	11	-41	-44	-44	-3	-37	7	-45	-51	-48	-3	-49	-1
Retailing	-13	-10	-13	0	-6	7	-32	-36	-35	-3	-34	1	-47	-49	-48	-1	-50	-2
Transportation	-29	-35	-41	-12	-38	3	-42	-48	-45	-3	-42	3	-43	-50	-45	-2	-48	-3
Communications	9	18	18	9	18	0	20	0	10	-10	10	0	7	0	7	0	0	-7
Electric & gas utilities	0	-6	0	0	-6	-6	0	-20	0	0	0	0	-11	-11	-14	-3	-11	3
Services	-19	-21	-14	5	-15	-1	-23	-31	-25	-2	-28	-3	-26	-37	-30	-4	-35	-5
Leasing	11	-11	0	-11	0	0	-4	-15	-6	-2	-15	-9	-31	-40	-34	-3	-38	-4
All industries	-31	-31	-31	0	-24	7	-37	-40	-37	0	-34	3	-44	-50	-46	-2	-49	-3

	All Enterprises					
Manufacturing	-47	-49	-47	0	-42	5
Nonmanufacturing	-34	-40	-36	-2	-38	-2
All industries	-40	-43	-41	-1	-40	1

(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					
	Dec 2001 survey		Mar 2002 survey			
	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Manufacturing	-37	-36	-39	-2	-27	12
Textiles	-35	-47	-50	-15	-41	9
Pulp & paper	-55	-27	-46	9	-18	28
Chemicals	-39	-34	-32	7	-24	8
Petroleum refining	-38	-25	-38	0	-13	25
Ceramics, stone & clay	-35	-41	-53	-18	-41	12
Iron & steel	-71	-63	-65	6	-48	17
Nonferrous metals	-37	-42	-47	-10	-32	15
Food & beverages	-13	-16	-4	9	0	4
Processed metals	-31	-31	-38	-7	-46	-8
Industrial machinery	-33	-53	-47	-14	-29	18
Electrical machinery	-56	-48	-56	0	-33	23
Shipbuilding & heavy machinery	-17	-17	-17	0	-50	-33
Motor vehicles	-14	-7	-14	0	-10	4
Precision machinery	-50	-50	-50	0	-50	0
Basic materials	-43	-41	-45	-2	-32	13
Processing	-32	-32	-34	-2	-24	10
Nonmanufacturing	-20	-21	-21	-1	-16	5
Construction	-43	-53	-49	-6	-59	-10
Real estate	3	-7	0	-3	-10	-10
Wholesaling	-24	-19	-30	-6	-9	21
Retailing	-22	-15	-20	2	-10	10
Transportation	-20	-21	-28	-8	-18	10
Communications	-14	0	0	14	0	0
Electric & gas utilities	-7	-7	-7	0	-7	0
Services	-23	-30	-16	7	-14	2
Leasing	7	7	21	14	14	-7
All industries	-29	-30	-31	-2	-22	9

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

(%,% points)

	Dec 2001 survey			Mar 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises	Large enterprises	Medium-sized enterprises	Small enterprises
Manufacturing	-38	-48	-49	-38	-47	-51
1.Favorable	5	3	5	4	3	4
2.Not so favorable	52	46	41	54	47	41
3.Unfavorable	43	51	54	42	50	55
Nonmanufacturing	-22	-29	-39	-22	-32	-42
1.Favorable	8	7	6	8	7	5
2.Not so favorable	62	57	49	62	54	48
3.Unfavorable	30	36	45	30	39	47

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

## 2. Supply and Demand Conditions, Inventories, and Prices

(% points)

		Large enterprises					
		Dec 2001 survey		Mar 2002 survey			
		Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Supply and demand conditions for products and services:	Manufacturing	-48	-43	-45	3	-39	6
Diffusion index of "Excess demand" minus	Basic materials	-56	-47	-55	1	-46	9
"Excess supply"	Processing	-45	-42	-41	4	-37	4
Overseas supply and demand conditions for products :	Manufacturing	-37	-33	-32	5	-26	6
Diffusion index of "Excess demand" minus	Basic materials	-42	-36	-35	7	-29	6
"Excess supply"	Processing	-35	-33	-30	5	-24	6

Inventory level of finished goods and merchandise:	Manufacturing	37	24	33	-4	20	-13
Diffusion index of "Excessive or somewhat excessive"	Basic materials	41	32	37	-4	23	-14
minus "Insufficient or somewhat insufficient"	Processing	35	21	31	-4	19	-12
Wholesalers' inventory level:	Manufacturing	44	34	39	-5	29	-10
Diffusion index of "Excessive or somewhat excessive"	Basic materials	50	39	47	-3	35	-12
minus "Insufficient or somewhat insufficient"	Processing	40	32	36	-4	25	-11

Change in output prices:	Manufacturing	-37	-34	-38	-1	-36	2
Diffusion index of "Rise" minus "Fall"	Basic materials	-35	-26	-32	3	-27	5
	Processing	-38	-38	-40	-2	-40	0
Change in input prices:	Manufacturing	-16	-13	-11	5	-11	0
Diffusion index of "Rise" minus "Fall"	Basic materials	-17	-9	-3	14	-5	-2
	Processing	-15	-15	-15	0	-14	1

(% points)

		Small enterprises					
		Dec 2001 survey		Mar 2002 survey			
		Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Supply and demand conditions for products and services:	Manufacturing	-58	-60	-57	1	-57	0
Diffusion index of "Excess demand" minus	Basic materials	-67	-66	-64	3	-65	-1
"Excess supply"	Processing	-53	-56	-53	0	-53	0
Overseas supply and demand conditions for products :	Manufacturing	-45	-47	-44	1	-42	2
Diffusion index of "Excess demand" minus	Basic materials	-56	-55	-51	5	-50	1
"Excess supply"	Processing	-40	-42	-39	1	-37	2

Inventory level of finished goods and merchandise:	Manufacturing	33	25	31	-2	22	-9
Diffusion index of "Excessive or somewhat excessive"	Basic materials	41	31	37	-4	28	-9
minus "Insufficient or somewhat insufficient"	Processing	29	22	26	-3	18	-8
Wholesalers' inventory level:	Manufacturing	49	43	45	-4	40	-5
Diffusion index of "Excessive or somewhat excessive"	Basic materials	58	53	53	-5	50	-3
minus "Insufficient or somewhat insufficient"	Processing	41	38	39	-2	34	-5

Change in output prices:	Manufacturing	-43	-46	-43	0	-43	0
Diffusion index of "Rise" minus "Fall"	Basic materials	-43	-44	-38	5	-36	2
	Processing	-43	-48	-46	-3	-47	-1
Change in input prices:	Manufacturing	-9	-9	-5	4	-3	2
Diffusion index of "Rise" minus "Fall"	Basic materials	-10	-8	-1	9	2	3
	Processing	-7	-9	-8	-1	-7	1

### 3. Sales and Current Profits

#### Sales

		FY2001		FY2002	
		(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	-6.3	-1.5	0.6	-
	Domestic Sales	-5.5	-1.6	0.5	-
	Exports	-9.3	-0.9	1.1	-
	Nonmanufacturing	-1.5	1.2	-0.3	-
Medium-sized enterprises	Manufacturing	-6.7	-1.5	0.8	-
	Nonmanufacturing	-3.6	-1.7	0.4	-
Small enterprises	Manufacturing	-6.0	-1.2	-0.8	-
	Nonmanufacturing	-3.6	-1.9	0.2	-
All Enterprises	All industries	-3.8	-0.8	0.2	-
Principal Enterprises	Manufacturing	-5.2	-1.3	0.5	-
	Nonmanufacturing	-4.3	-0.3	-1.3	-

(Year-to-year growth rate, %)

1H FY2001	2H FY2001		1H FY2002		2H FY2002	
	(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio
-3.6	-8.8	-2.6	-1.3	-	2.5	-
-1.9	-8.7	-3.2	-1.2	-	2.1	-
-9.1	-9.5	-0.5	-1.4	-	3.7	-
0.9	-3.6	0.6	-0.9	-	0.3	-
-4.5	-8.7	-2.8	-1.7	-	3.3	-
-2.5	-4.7	-2.7	-0.8	-	1.5	-
-3.5	-8.3	-2.4	-3.2	-	1.5	-
-1.8	-5.3	-3.1	-1.3	-	1.7	-
-1.8	-5.6	-1.8	-1.2	-	1.4	-
-2.1	-7.9	-2.5	-1.1	-	2.1	-
-2.4	-6.0	-0.6	-1.9	-	-0.7	-

#### Current Profits

		FY2001		FY2002	
		(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	-45.1	-16.3	36.8	-
	Basic materials	-35.1	-15.7	9.7	-
	Processing	-50.1	-16.7	54.7	-
	Nonmanufacturing	-9.7	-2.1	12.1	-
Medium-sized enterprises	Manufacturing	-45.0	-8.8	31.3	-
	Nonmanufacturing	-11.1	-10.0	18.3	-
Small enterprises	Manufacturing	-48.5	-10.5	58.4	-
	Nonmanufacturing	-12.7	-8.9	17.4	-
All Enterprises	All industries	-25.9	-8.8	22.6	-
Principal Enterprises	Manufacturing excluding petroleum refining	-43.8	-15.0	42.6	-
	Nonmanufacturing excluding electric & gas utilities	-14.6	-2.3	23.0	-

(Year-to-year growth rate, %)

1H FY2001	2H FY2001		1H FY2002		2H FY2002	
	(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio
-34.1	-54.5	-27.7	6.4	-	74.8	-
-25.4	-43.5	-20.9	-4.5	-	25.8	-
-38.5	-60.2	-32.0	13.1	-	110.3	-
-8.8	-10.6	-6.1	6.8	-	18.1	-
-40.9	-47.8	-13.4	22.1	-	38.1	-
-2.8	-17.2	-15.0	6.4	-	28.8	-
-52.3	-45.9	-18.8	58.6	-	58.2	-
-0.9	-21.1	-11.5	5.7	-	27.8	-
-19.1	-31.6	-14.9	9.0	-	36.3	-
-29.4	-55.6	-29.1	7.3	-	88.1	-
-14.1	-15.1	-4.7	16.0	-	30.4	-

#### Ratio of Current Profit to Sales

		FY2001		FY2002	
		(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	2.70	-0.48	3.68	-
	Nonmanufacturing	2.44	-0.08	2.74	-
Medium-sized enterprises	Manufacturing	2.77	-0.22	3.60	-
	Nonmanufacturing	1.72	-0.16	2.02	-
Small enterprises	Manufacturing	1.64	-0.18	2.63	-
	Nonmanufacturing	2.11	-0.16	2.47	-
All Enterprises	All industries	2.21	-0.19	2.71	-
Principal Enterprises	Manufacturing excluding petroleum refining	2.64	-0.57	3.74	-
	Nonmanufacturing excluding electric & gas utilities	1.72	-0.07	2.14	-

(%, % points)

1H FY2001	2H FY2001		1H FY2002		2H FY2002	
	(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio
3.05	2.37	-0.82	3.28	-	4.04	-
2.65	2.23	-0.16	2.86	-	2.63	-
2.42	3.11	-0.38	3.00	-	4.15	-
1.63	1.80	-0.26	1.75	-	2.28	-
1.24	2.04	-0.42	2.04	-	3.18	-
2.04	2.18	-0.21	2.18	-	2.74	-
2.26	2.16	-0.34	2.49	-	2.91	-
3.04	2.26	-0.98	3.30	-	4.15	-
1.83	1.62	-0.11	2.16	-	2.12	-

(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, %)			
		FY2001		FY2002	
		(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	-6.7	-2.4	-8.4	-
	Nonmanufacturing	-5.7	2.4	-8.4	-
	All industries	-6.1	0.5	-8.4	-
Medium-sized enterprises	Manufacturing	-13.2	-1.8	-14.3	-
	Nonmanufacturing	-2.7	-0.6	-1.2	-
	All industries	-4.1	-0.8	-2.7	-
Small enterprises	Manufacturing	-15.3	1.2	-24.8	-
	Nonmanufacturing	-4.5	1.1	-13.4	-
	All industries	-7.4	1.1	-16.2	-
All Enterprises	Manufacturing	-9.3	-1.7	-12.0	-
	Nonmanufacturing	-4.2	0.8	-6.0	-
	All industries	-5.6	0.1	-7.6	-

Software Investment		(Year-to-year growth rate, %)			
		FY2001		FY2002	
		(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	3.3	2.1	-2.6	-
	Nonmanufacturing	11.7	-2.5	0.2	-
	All industries	8.0	-0.6	-1.0	-
Medium-sized enterprises	Manufacturing	17.4	-4.6	3.0	-
	Nonmanufacturing	-12.8	-0.1	-5.1	-
	All industries	-11.1	-0.4	-4.5	-
Small enterprises	Manufacturing	31.9	-7.5	-3.7	-
	Nonmanufacturing	26.7	-5.9	9.3	-
	All industries	27.5	-6.2	7.1	-
All Enterprises	Manufacturing	6.0	0.7	-2.1	-
	Nonmanufacturing	0.7	-1.9	-1.0	-
	All industries	2.1	-1.2	-1.3	-

Software and Fixed Investment		(Year-to-year growth rate, %)			
		FY2001		FY2002	
		(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	-6.0	-2.0	-8.0	-
	Nonmanufacturing	-4.7	2.0	-7.8	-
	All industries	-5.2	0.4	-7.9	-
Medium-sized enterprises	Manufacturing	-12.4	-1.9	-13.7	-
	Nonmanufacturing	-3.4	-0.6	-1.4	-
	All industries	-4.5	-0.8	-2.8	-
Small enterprises	Manufacturing	-14.5	0.9	-24.2	-
	Nonmanufacturing	-3.4	0.7	-12.4	-
	All industries	-6.4	0.8	-15.2	-
All Enterprises	Manufacturing	-8.5	-1.6	-11.4	-
	Nonmanufacturing	-3.9	0.6	-5.7	-
	All industries	-5.1	0.0	-7.2	-

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

		Dec 2001 survey		Mar 2002 survey			
		Actual result	Forecast	Actual result	Forecast		
					Changes in revision		Changes
Large enterprises	Manufacturing	31	28	33	2	27	-6
	Nonmanufacturing	7	5	7	0	5	-2
	All industries	20	18	21	1	17	-4
Medium-sized enterprises	Manufacturing	33	32	33	0	29	-4
	Nonmanufacturing	5	4	6	1	4	-2
	All industries	16	15	16	0	13	-3
Small enterprises	Manufacturing	29	29	29	0	27	-2
	Nonmanufacturing	9	9	10	1	9	-1
	All industries	17	18	18	1	17	-1
All Enterprises	Manufacturing	30	30	31	1	28	-3
	Nonmanufacturing	7	6	8	1	7	-1
	All industries	17	16	18	1	16	-2

## 5. Employment

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

		Dec 2001 survey		Mar 2002 survey			
		Actual result	Forecast	Actual result	Forecast		
					Changes in revision		Changes
Large enterprises	Manufacturing	38	31	36	-2	29	-7
	Nonmanufacturing	16	12	16	0	15	-1
	All industries	28	22	27	-1	22	-5
Medium-sized enterprises	Manufacturing	34	32	33	-1	28	-5
	Nonmanufacturing	7	7	6	-1	6	0
	All industries	18	16	17	-1	14	-3
Small enterprises	Manufacturing	31	30	28	-3	27	-1
	Nonmanufacturing	12	14	14	2	14	0
	All industries	20	21	20	0	20	0
All Enterprises	Manufacturing	34	30	31	-3	28	-3
	Nonmanufacturing	11	11	12	1	11	-1
	All industries	21	19	20	-1	18	-2
Principal Enterprises	Manufacturing	36	31	38	2	31	-7
	Nonmanufacturing	16	12	13	-3	14	1
	All industries	27	23	27	0	23	-4

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

	Mar 2001	June 2001	Sept 2001	Dec 2001
Large enterprises	-0.5	-0.4	0.5	-0.3
Medium-sized enterprises	-0.6	-0.1	0.6	0.5
Small enterprises	-1.1	-1.3	-1.5	-2.0
All Enterprises	-0.7	-0.6	0.0	-0.5
Principal Enterprises	-2.2	-1.5	-1.8	-2.5

Number of New Graduates Hired \*(All industries)

(special survey for December)	(Year-to-year growth rate, %)	
	FY2001	FY2002
Large enterprises	-	-
Medium-sized enterprises	-	-
Small enterprises	-	-
All Enterprises	-	-
Principal Enterprises	-	-

\*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)

	Dec 2001 survey		Mar 2002 survey			
	Actual result	Forecast	Actual result	Forecast		Changes
				Changes in revision		
Large enterprises	8	1	6	-2	1	-5
Medium-sized enterprises	-8	-15	-10	-2	-15	-5
Small enterprises	-17	-29	-19	-2	-28	-9
All Enterprises	-10	-19	-11	-1	-19	-8
Principal Enterprises	7	-1	1	-6	0	-1

Lending Attitude of Financial Institutions(All industries)

	Dec 2001 survey		Mar 2002 survey			
	Actual result	Forecast	Actual result	Forecast		Changes
				Changes in revision		
Large enterprises	14	7	5	-9	2	-3
Medium-sized enterprises	0	-6	-4	-4	-9	-5
Small enterprises	-6	-15	-9	-3	-17	-8
All Enterprises	0	-8	-5	-5	-11	-6
Principal Enterprises	5	-2	-4	-9	-5	-1

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

	Dec 2001 survey		Mar 2002 survey			
	Actual result	Forecast	Actual result	Forecast		Changes
				Changes in revision		
Large enterprises	-2	6	13	15	18	5
Medium-sized enterprises	-2	4	9	11	17	8
Small enterprises	-2	5	8	10	16	8
All Enterprises	-2	5	10	12	16	6
Principal Enterprises	2	11	17	15	20	3

Liquidity Ratio (All industries) (months)

	Mar 2001	June 2001	Sept 2001	Dec 2001
Large enterprises	1.09	1.00	1.03	0.97
Medium-sized enterprises	1.17	1.12	1.15	1.14
Small enterprises	1.81	1.75	1.77	1.74
All Enterprises	1.26	1.19	1.22	1.18
Principal Enterprises	0.99	0.93	0.95	0.90
(Seasonally adjusted)	0.96	0.96	0.95	0.89

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

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

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

		FY2001		FY2002	
		(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Overseas production	-	-	-	-
	Share of overseas production	-	-	-	-
	Overseas investment	-	-	-	-
	Share of overseas investment	-	-	-	-
Principal Enterprises	Overseas production	-	-	-	-
	Share of overseas production	-	-	-	-
	Overseas investment	-	-	-	-
	Share of overseas investment	-	-	-	-

- (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  
= Value of overseas production / (Value of sales + Value of overseas production) \* 100  
Percentages share of overseas investment  
= Value of overseas investment / (Value of domestic investment + 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, %)

		FY2001		FY2002	
		(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio
Fixed Investment of Financial institutions		-4.4	-7.9	-22.0	-
	Banks	28.6	-6.0	-20.4	-
	Securities companies	0.3	-25.1	-26.1	-
	Insurance companies	-31.7	-8.6	-24.2	-
Software Investment of Financial institutions		18.1	-5.6	-10.5	-
	Banks	27.1	-4.1	-16.9	-
	Securities companies	4.6	-9.8	11.6	-
	Insurance companies	0.4	-8.1	-1.2	-

Software and Fixed Investment of Financial institutions		2.9	-7.1	-17.7	-
	Banks	28.0	-5.2	-18.9	-
	Securities companies	3.0	-16.0	-2.0	-
	Insurance companies	-26.4	-8.5	-19.0	-

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

		FY2001		FY2002	
		(Forecast)	Adjustment ratio	(Forecast)	Adjustment ratio
Investment for Computerizing of Financial institutions		-	-	-	-
	Banks	-	-	-	-
	Securities companies	-	-	-	-
	Insurance companies	-	-	-	-

## Reference Charts

### [Business Conditions]

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

△ on right top of the charts shows the recent peak, October 2000, unless otherwise noted.

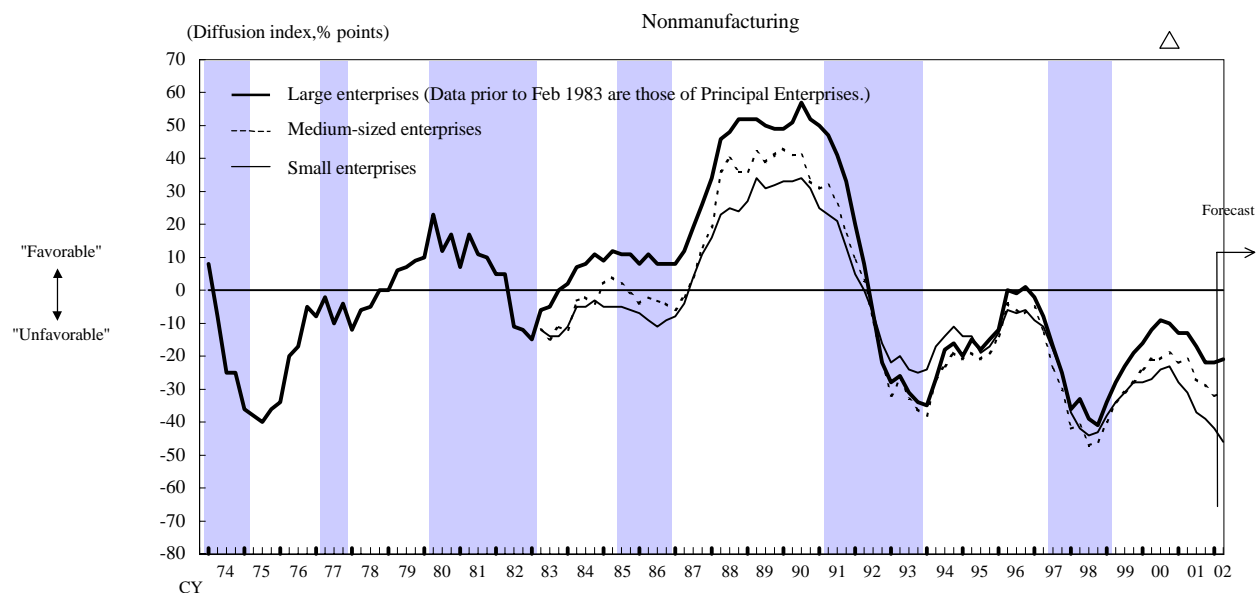
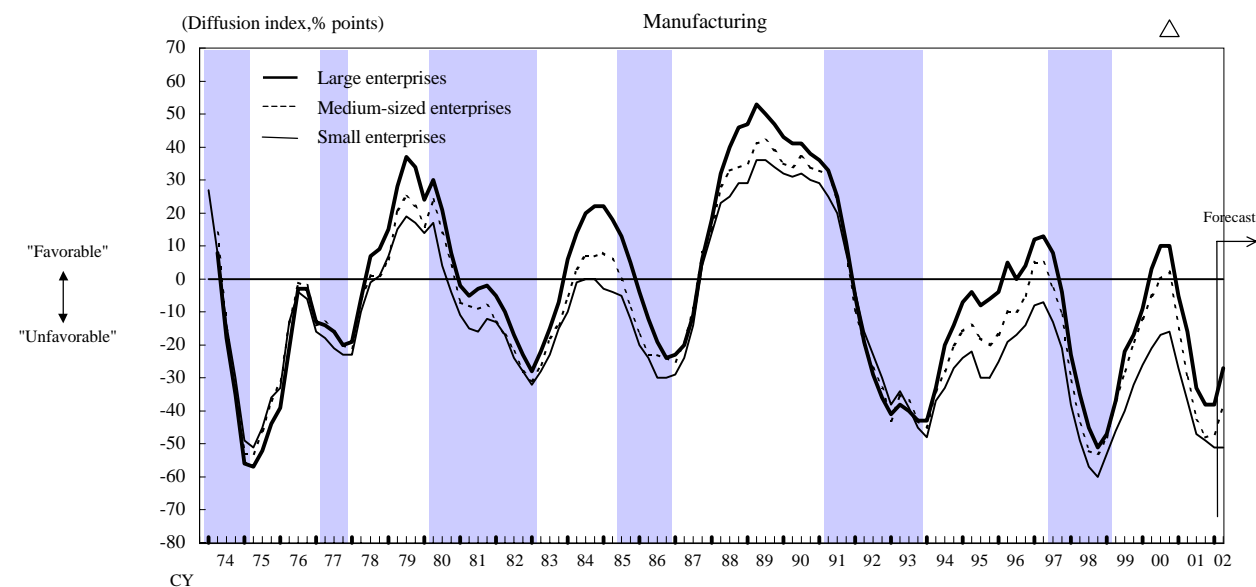
### Peaks and Bottoms of Business Conditions

(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)
10 (9,12/00)		2 (12/00)		-16 (12/00)	

	March 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	-38	-47	-51
Forecast	-27	-38	-51

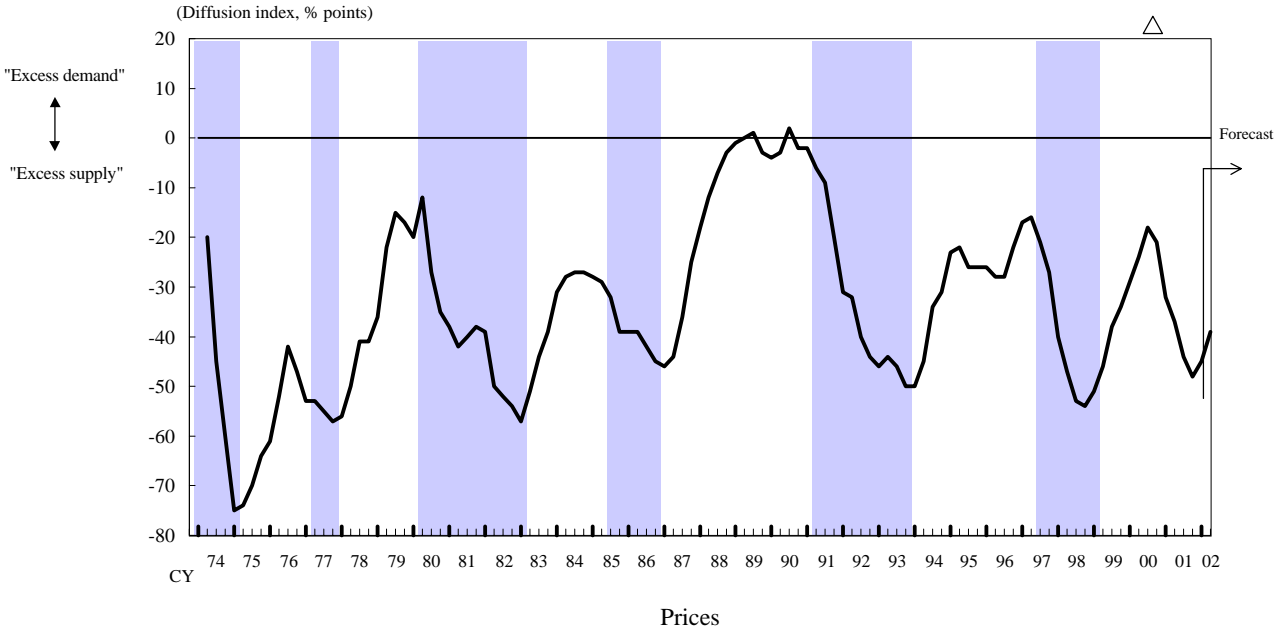
(Net percentage of respondents who reported "Favorable")					
Nonmanufacturing					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	-6 (5/83)		-15 (8/83)		-14 (8,11/83)
12 (5/85)	8 (2,8,11/86,2/87)	4 (5/85)	-6 (2/87)	-3 (11/84)	-11 (8/86)
57 (8/90)	-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)
-9 (9/00)		-19 (12/00)		-23 (12/00)	

	March 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	-22	-32	-42
Forecast	-21	-31	-46



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

Supply and Demand Conditions for Products and Services



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)
-18 (9/00)	

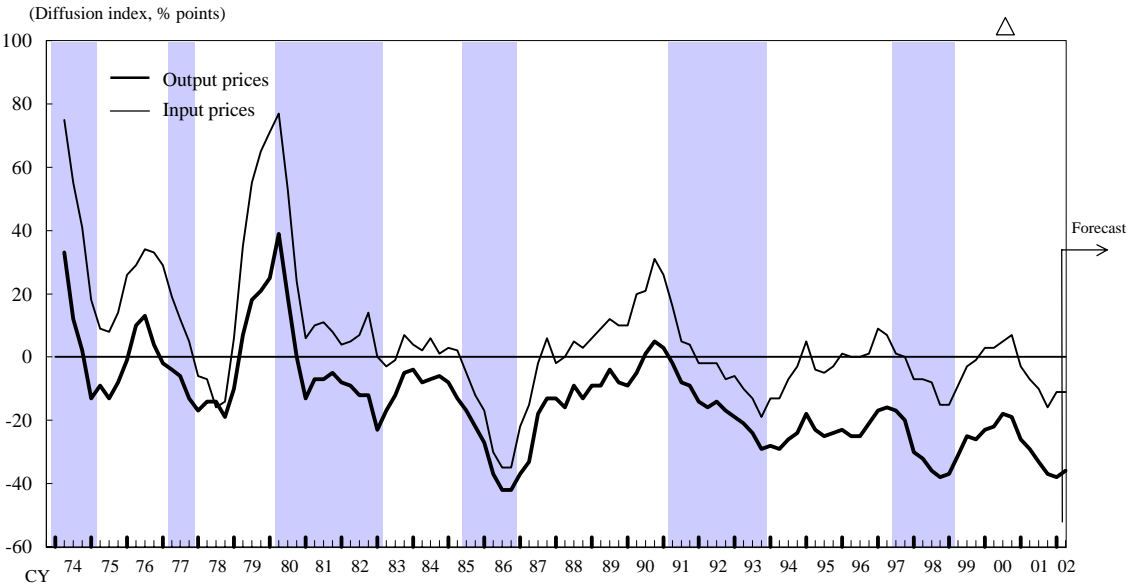
March 2002 survey	
Actual result	-45
Forecast	-39

Peaks and Bottoms of Prices

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

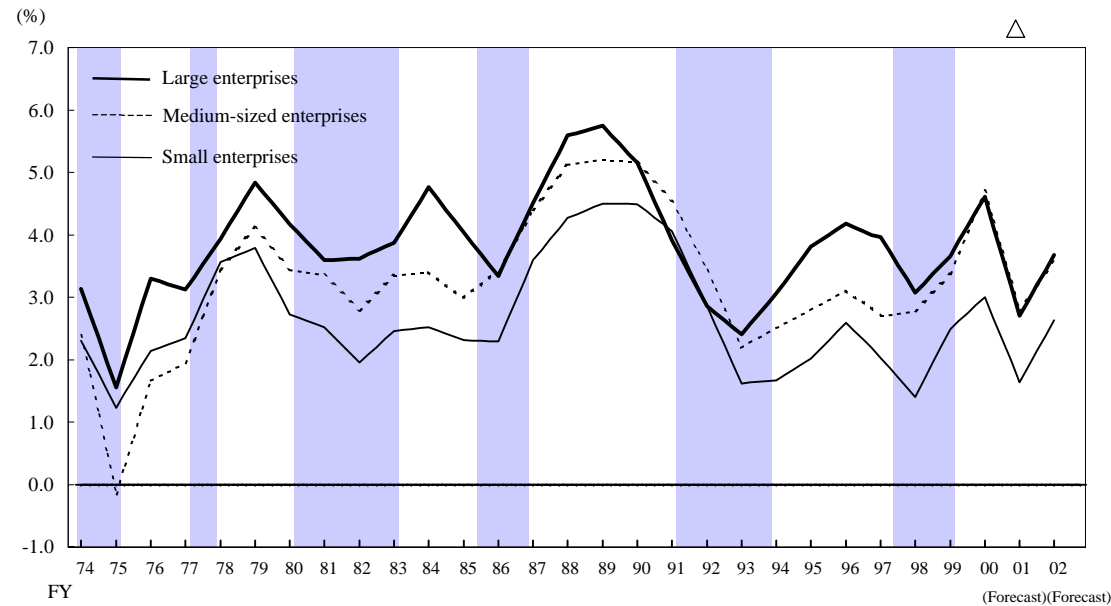
Large manufacturing enterprises			
Output prices		Input prices	
Peak	Bottom	Peak	Bottom
	-13 (2,8/75)		8 (8/75)
13 (8/76)	-19 (11/78)	34 (8/76)	-16 (8/78)
39 (5/80)	-23 (2/83)	77 (5/80)	4 (2/82)
-4 (2/84)	-42 (8,11/86)	14 (11/82)	-35 (8,11/86)
5 (11/90)	-29 (11/93,5/94)	31 (11/90)	-19 (11/93)
-16 (6/97)	-38 (12/98)	9 (3/97)	-15 (12/98,3/99)
-18 (9/00)		7 (12/00)	

March 2002 survey		
	Output prices	Input prices
Actual result	-38	-11
Forecast	-36	-11



## [Ratio of Current Profit to Sales]

### Manufacturing



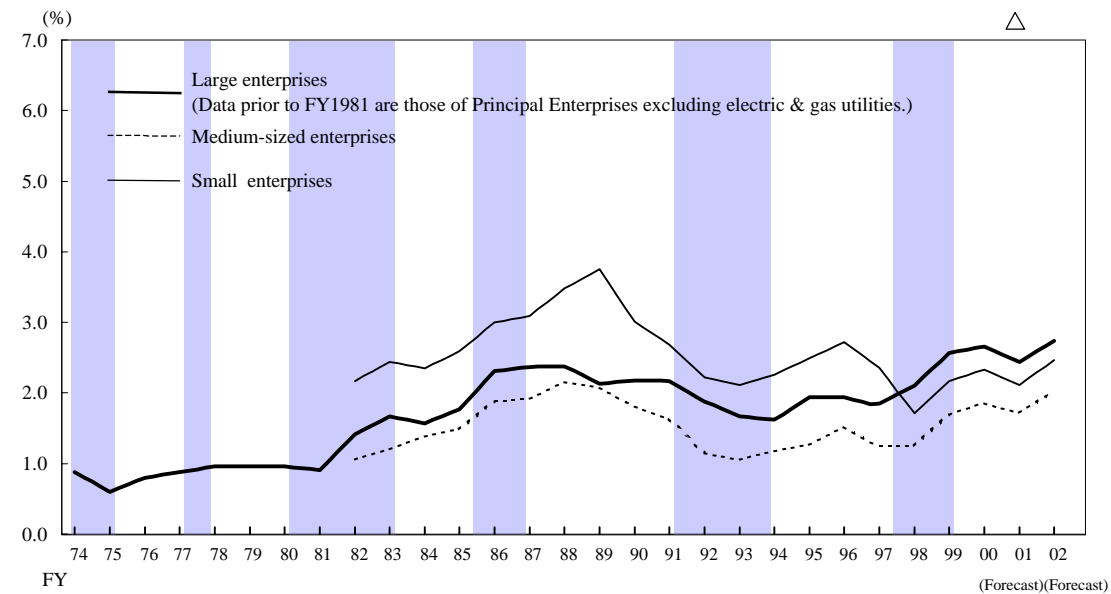
Note: There is no continuity between the figures before FY1997 and those after FY1998, as the calculation method of the All Enterprises TANKAN was changed from simple aggregates to population estimates from the March 1999 survey.

### 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)
4.61 (FY00)		4.70 (FY00)		3.00 (FY00)	

	March 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
FY 2001 (Forecast)	2.70	2.77	1.64
FY 2002 (Forecast)	3.68	3.60	2.63

### Nonmanufacturing

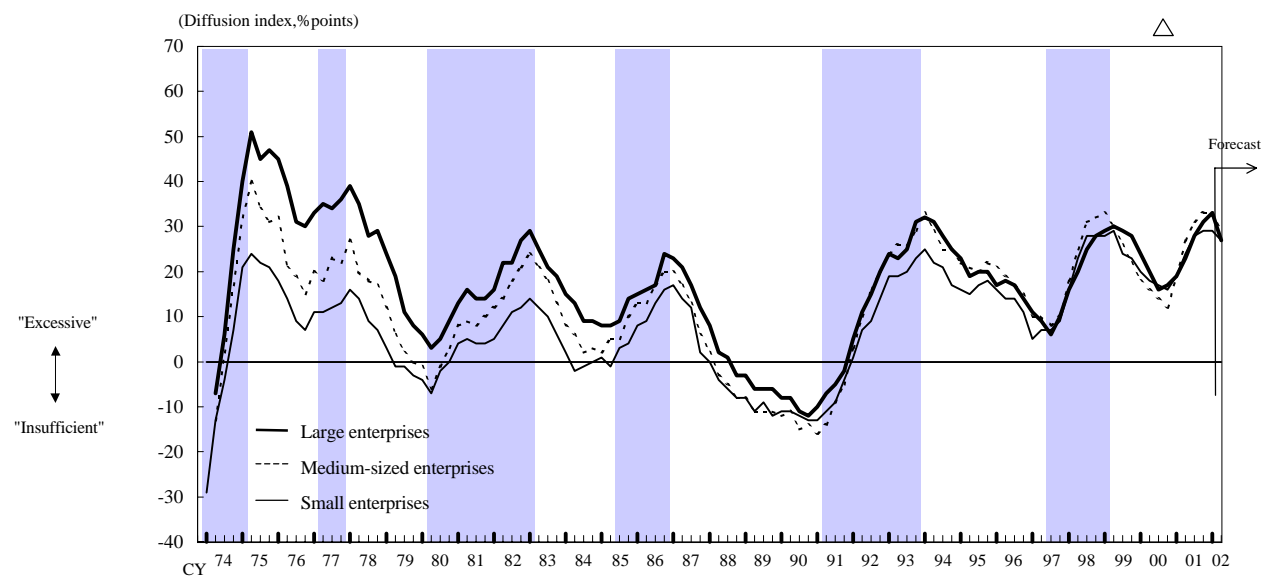


Nonmanufacturing					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	1.41 (FY82)		1.06 (FY82)		2.17 (FY82)
1.67 (FY83)	1.57 (FY84)	—	—	2.44 (FY83)	2.35 (FY84)
2.38 (FY88)	1.62 (FY94)	2.16 (FY88)	1.06 (FY93)	3.75 (FY89)	2.11 (FY93)
1.94 (FY95,96)	1.85 (FY97)	1.52 (FY96)	1.25 (FY97,98)	2.72 (FY96)	1.71 (FY98)
2.66 (FY00)		1.86 (FY00)		2.33 (FY00)	

	March 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
FY 2001 (Forecast)	2.44	1.72	2.11
FY 2002 (Forecast)	2.74	2.02	2.47



## [Production Capacity (Manufacturing)]



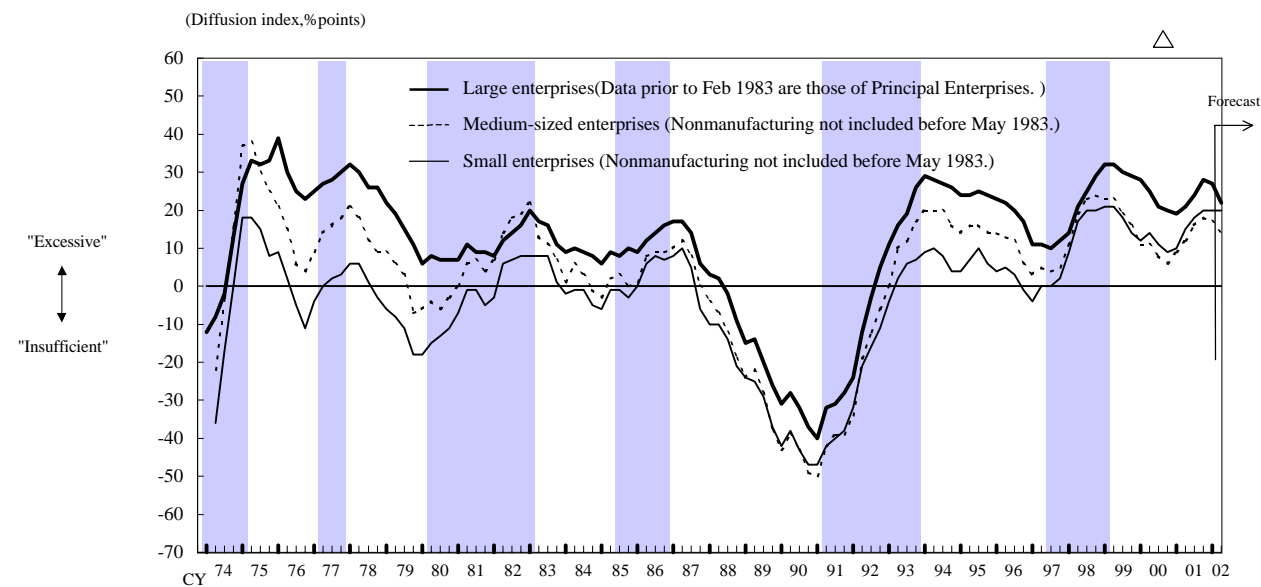
### Peaks and Bottoms of Production Capacity

(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)	16 (9/00)	33 (3/99)	12 (12/00)	29 (6/99)	16 (12/00)

	March 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	33	33	29
Forecast	27	29	27

## [Employment Conditions (All industries)]



### Peaks and Bottoms of Employment Conditions

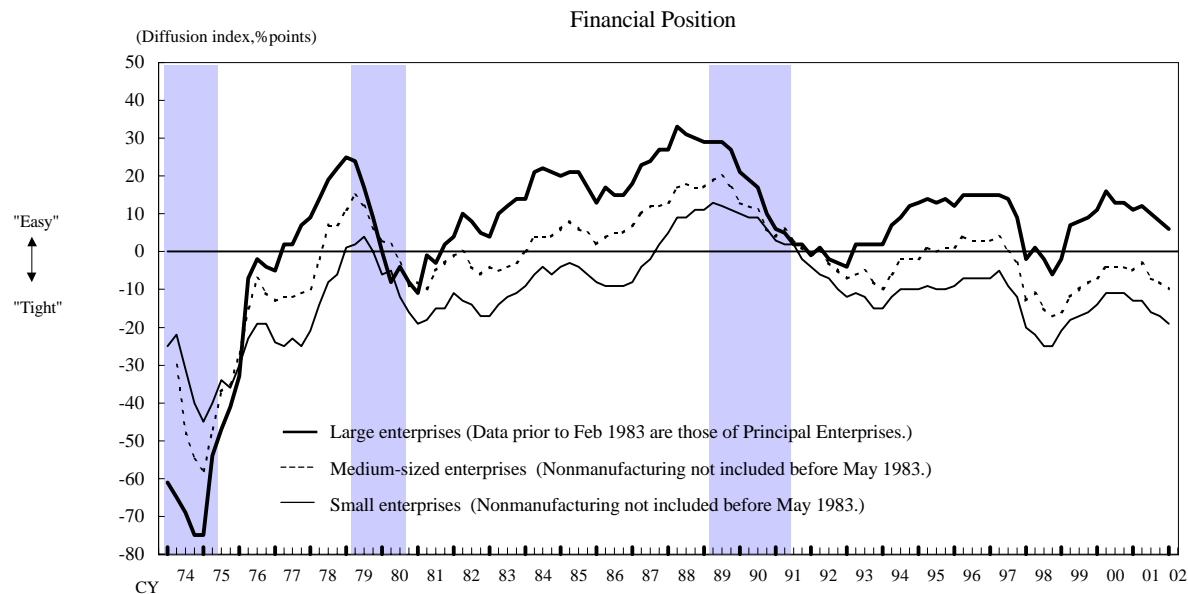
(Net percentage of respondents who reported "Excessive employment")

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)	19 (3/01)	24 (12/98)	6 (12/00)	21 (3,6/99)	9 (12/00)

	March 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	27	17	20
Forecast	22	14	20

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

## [Corporate Finance (All industries)]

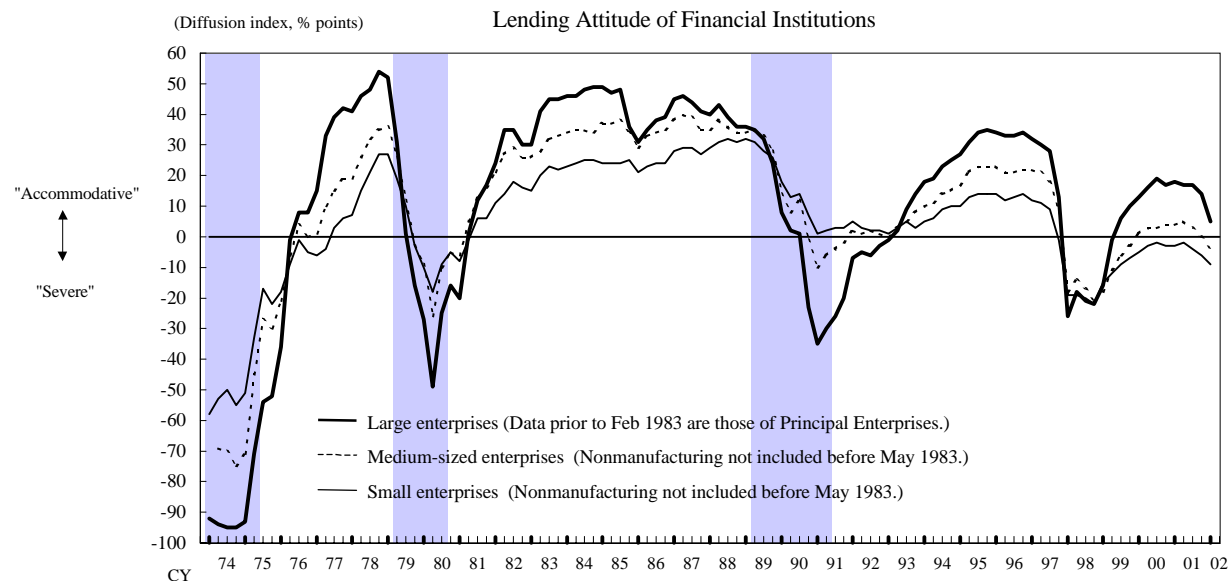


### Peaks and Bottoms of Financial Position

(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)

	March 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	6	-10	-19



### 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)

	March 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	5	-4	-9