

TANKAN Summary (December 2002)

115th Short-Term Economic Survey of All Enterprises in Japan

182nd Short-Term Economic Survey of Principal Enterprises in Japan

Not to be released before 8:50 a.m. on
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Research and Statistics Department

Bank of Japan

Number of sample enterprises

	Manufacturing	Nonmanufacturing	Total	Response rate
All Enterprises	3,645	4,769	8,414	98.1%
Large enterprises	748	627	1,375	99.3%
Medium-sized enterprises	1,057	1,626	2,683	98.1%
Small enterprises	1,840	2,516	4,356	97.7%
Principal Enterprises	373	297	670	99.7%
(Memo) Financial institutions	-	-	172	100.0%

Responding Period: November 12th to December 12th.

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

(yen per US dollar)

	FY2001			FY2002		
		1H	2H		1H	2H
June 2002 survey	122.94	120.34	125.52	125.73	126.23	125.26
Sept 2002 survey	-	-	-	122.70	124.62	120.82
Dec 2002 survey	-	-	-	122.19	123.76	120.61

1. Business Conditions

(Net percentage of respondents who reported "Favorable")

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

	All Enterprises					
Manufacturing	-28	-27	-24	4	-27	-3
Nonmanufacturing	-31	-31	-30	1	-34	-4
All industries	-30	-29	-28	2	-31	-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 2002 survey		Dec 2002 survey			
	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Manufacturing	-18	-15	-15	3	-17	-2
Textiles	-38	-29	-35	3	-35	0
Pulp & paper	-10	-10	10	20	-10	-20
Chemicals	-9	-8	-3	6	-4	-1
Petroleum refining	-14	14	-15	-1	-14	1
Ceramics, stone & clay	-41	-47	-35	6	-29	6
Iron & steel	-13	-9	-8	5	-9	-1
Nonferrous metals	-31	-42	-26	5	-37	-11
Food & beverages	-10	-7	-7	3	0	7
Processed metals	-7	-7	-7	0	-7	0
Industrial machinery	-27	-17	-17	10	-17	0
Electrical machinery	-36	-23	-42	-6	-37	5
Shipbuilding & heavy machinery	-17	-17	-50	-33	-50	0
Motor vehicles	17	10	21	4	14	-7
Precision machinery	10	0	0	-10	-10	-10
Basic materials	-21	-19	-16	5	-18	-2
Processing	-15	-10	-14	1	-15	-1
Nonmanufacturing	-13	-12	-17	-4	-12	5
Construction	-46	-44	-59	-13	-49	10
Real estate	0	0	0	0	0	0
Wholesaling	-5	-7	-9	-4	-2	7
Retailing	-13	-2	-13	0	0	13
Transportation	-18	-18	-22	-4	-18	4
Communications	0	0	0	0	0	0
Electric & gas utilities	-7	-7	0	7	-7	-7
Services	-9	-12	-21	-12	-14	7
Leasing	21	7	21	0	7	-14
All industries	-16	-14	-16	0	-14	2

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

(%, % points)

	Sept 2002 survey			Dec 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises	Large enterprises	Medium-sized enterprises	Small enterprises
Manufacturing	-14	-22	-37	-9	-19	-33
1.Favorable	11	10	8	14	11	9
2.Not so favorable	64	58	47	63	59	49
3.Unfavorable	25	32	45	23	30	42
Nonmanufacturing	-13	-28	-38	-16	-28	-36
1.Favorable	11	7	5	8	7	6
2.Not so favorable	65	58	52	68	58	52
3.Unfavorable	24	35	43	24	35	42

(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 2002 survey		Dec 2002 survey			
		Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Supply and demand conditions for products and services	Manufacturing	-33	-30	-31	2	-30	1
Diffusion index of "Excess demand" minus	Basic materials	-37	-35	-33	4	-30	3
"Excess supply"	Processing	-31	-29	-29	2	-29	0
Overseas supply and demand conditions for products :	Manufacturing	-19	-19	-17	2	-19	-2
Diffusion index of "Excess demand" minus	Basic materials	-20	-23	-18	2	-19	-1
"Excess supply"	Processing	-20	-18	-16	4	-19	-3

Inventory level of finished goods and merchandise:	Manufacturing	25	16	23	-2	15	-8
Diffusion index of "Excessive or somewhat excessive"	Basic materials	29	17	26	-3	16	-10
minus "Insufficient or somewhat insufficient"	Processing	23	15	23	0	15	-8
Wholesalers' inventory level:	Manufacturing	27	23	25	-2	23	-2
Diffusion index of "Excessive or somewhat excessive"	Basic materials	31	25	26	-5	24	-2
minus "Insufficient or somewhat insufficient"	Processing	26	22	25	-1	24	-1

Change in output prices:	Manufacturing	-31	-28	-27	4	-27	0
Diffusion index of "Rise" minus "Fall"	Basic materials	-19	-8	-10	9	-8	2
	Processing	-35	-35	-34	1	-34	0
Change in input prices:	Manufacturing	-6	-7	-3	3	-7	-4
Diffusion index of "Rise" minus "Fall"	Basic materials	1	-1	7	6	-1	-8
	Processing	-8	-9	-8	0	-10	-2

(% points)

		Small enterprises					
		Sept 2002 survey		Dec 2002 survey			
		Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Supply and demand conditions for products and services	Manufacturing	-51	-51	-51	0	-51	0
Diffusion index of "Excess demand" minus	Basic materials	-63	-59	-59	4	-59	0
"Excess supply"	Processing	-45	-45	-46	-1	-47	-1
Overseas Supply and demand conditions for products:	Manufacturing	-36	-37	-34	2	-36	-2
Diffusion index of "Excess demand" minus	Basic materials	-44	-45	-41	3	-43	-2
"Excess supply"	Processing	-31	-32	-30	1	-31	-1

Inventory level of finished goods and merchandise:	Manufacturing	28	20	22	-6	18	-4
Diffusion index of "Excessive or somewhat excessive"	Basic materials	36	27	28	-8	22	-6
minus "Insufficient or somewhat insufficient"	Processing	23	16	19	-4	15	-4
Wholesalers' inventory level:	Manufacturing	37	35	37	0	35	-2
Diffusion index of "Excessive or somewhat excessive"	Basic materials	48	47	47	-1	44	-3
minus "Insufficient or somewhat insufficient"	Processing	30	27	30	0	29	-1

Change in output prices:	Manufacturing	-36	-36	-34	2	-36	-2
Diffusion index of "Rise" minus "Fall"	Basic materials	-33	-30	-28	5	-29	-1
	Processing	-39	-41	-37	2	-41	-4
Change in input prices:	Manufacturing	0	1	4	4	5	1
Diffusion index of "Rise" minus "Fall"	Basic materials	4	5	10	6	11	1
	Processing	-2	-1	1	3	2	1

3. Sales and Current Profits

Sales

		FY2001		FY2002	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	-5.7	-	0.8	0.0
	Domestic Sales	-5.3	-	-0.9	-0.7
	Exports	-6.9	-	6.7	2.4
	Nonmanufacturing	-3.5	-	-2.1	-1.0
Medium-sized enterprises	Manufacturing	-6.7	-	2.0	-0.2
	Nonmanufacturing	-2.1	-	-1.3	-0.4
Small enterprises	Manufacturing	-6.0	-	-0.5	-0.4
	Nonmanufacturing	-4.0	-	-1.8	-0.8
All Enterprises	All industries	-3.9	-	-1.0	-0.6
Principal Enterprises	Manufacturing	-5.6	-	0.4	-0.1
	Nonmanufacturing	-5.3	-	-4.6	-1.9

(Year-to-year growth rate, %)

1H FY2001	2H FY2001		1H FY2002		2H FY2002	
		Adjustment ratio		Adjustment ratio	(Forecast)	Adjustment ratio
-2.5	-8.6	-	-1.5	0.6	3.1	-0.6
-1.1	-9.1	-	-3.9	-0.4	2.1	-0.9
-7.1	-6.6	-	6.9	4.2	6.5	0.8
-0.6	-6.1	-	-4.2	-0.8	0.0	-1.3
-4.3	-8.9	-	0.3	0.7	3.6	-1.0
-0.5	-3.6	-	-3.5	-0.5	0.9	-0.3
-3.7	-8.2	-	-2.6	0.2	1.7	-1.0
-2.2	-5.7	-	-3.5	-0.4	-0.3	-1.2
-1.5	-6.1	-	-3.1	-0.3	1.0	-0.8
-2.2	-8.7	-	-1.7	0.6	2.4	-0.7
-2.6	-7.7	-	-6.5	-1.7	-2.8	-2.0

Current Profits

		FY2001		FY2002	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	-38.6	-	31.8	0.6
	Basic materials	-27.6	-	6.5	-1.4
	Processing	-44.1	-	48.5	1.6
	Nonmanufacturing	-7.9	-	4.2	-2.6
Medium-sized enterprises	Manufacturing	-35.6	-	16.2	-1.5
	Nonmanufacturing	0.4	-	0.0	-1.9
Small enterprises	Manufacturing	-46.2	-	43.0	-0.9
	Nonmanufacturing	-4.4	-	3.1	-0.3
All Enterprises	All industries	-19.6	-	11.6	-1.2
Principal Enterprises	Manufacturing excluding petroleum refining	-36.6	-	36.6	2.3
	Nonmanufacturing excluding electric & gas utilities	-11.1	-	11.1	-1.1

(Year-to-year growth rate, %)

1H FY2001	2H FY2001		1H FY2002		2H FY2002	
		Adjustment ratio		Adjustment ratio	(Forecast)	Adjustment ratio
-30.5	-45.5	-	11.6	11.9	54.0	-6.9
-16.9	-36.9	-	-7.4	7.4	22.3	-7.9
-37.3	-50.0	-	24.5	14.3	74.4	-6.4
-11.0	-4.5	-	4.9	9.1	3.5	-12.5
-41.5	-31.7	-	15.9	4.3	16.4	-4.5
4.6	-2.7	-	-8.1	6.4	6.4	-6.8
-52.7	-41.7	-	42.1	7.0	43.5	-4.8
-1.6	-6.5	-	5.8	7.4	1.1	-5.6
-17.6	-21.2	-	5.7	8.7	16.8	-7.9
-28.3	-43.3	-	18.0	13.3	55.8	-4.9
-15.6	-6.3	-	12.1	9.7	10.2	-9.8

Ratio of Current Profit to Sales

		FY2001		FY2002	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	3.00	-	3.93	0.02
	Nonmanufacturing	2.54	-	2.70	-0.05
Medium-sized enterprises	Manufacturing	3.24	-	3.70	-0.05
	Nonmanufacturing	1.91	-	1.93	-0.03
Small enterprises	Manufacturing	1.72	-	2.47	-0.01
	Nonmanufacturing	2.32	-	2.44	0.02
All Enterprises	All industries	2.40	-	2.71	-0.01
Principal Enterprises	Manufacturing excluding petroleum refining	3.06	-	4.22	0.11
	Nonmanufacturing excluding electric & gas utilities	1.86	-	2.16	0.02

(%, % points)

1H FY2001	2H FY2001		1H FY2002		2H FY2002	
		Adjustment ratio		Adjustment ratio	(Forecast)	Adjustment ratio
3.18	2.83	-	3.60	0.36	4.23	-0.29
2.63	2.45	-	2.88	0.26	2.54	-0.32
2.39	4.08	-	2.76	0.09	4.58	-0.16
1.72	2.09	-	1.63	0.10	2.21	-0.15
1.23	2.20	-	1.80	0.11	3.10	-0.13
2.03	2.59	-	2.23	0.16	2.63	-0.12
2.29	2.51	-	2.50	0.21	2.90	-0.22
3.16	2.97	-	3.83	0.44	4.58	-0.19
1.84	1.89	-	2.23	0.24	2.09	-0.18

(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	Adjustment		FY2002
			ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	-9.2	-	-10.7	-1.6
	Nonmanufacturing	-8.6	-	-4.3	-0.1
	All industries	-8.9	-	-6.8	-0.7
Medium-sized enterprises	Manufacturing	-10.9	-	-12.9	2.6
	Nonmanufacturing	-2.0	-	-2.3	-2.4
	All industries	-3.2	-	-3.6	-1.9
Small enterprises	Manufacturing	-14.7	-	-6.6	5.7
	Nonmanufacturing	-0.4	-	-3.2	1.9
	All industries	-4.3	-	-4.1	2.8
All Enterprises	Manufacturing	-10.5	-	-10.4	0.3
	Nonmanufacturing	-4.2	-	-3.2	-0.8
	All industries	-5.9	-	-5.1	-0.6

Software Investment		(Year-to-year growth rate, %)			
		FY2001	Adjustment		FY2002
			ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	13.0	-	-5.7	4.5
	Nonmanufacturing	7.7	-	0.8	6.9
	All industries	10.1	-	-2.2	5.8
Medium-sized enterprises	Manufacturing	3.4	-	8.3	5.9
	Nonmanufacturing	-8.2	-	-0.3	3.1
	All industries	-7.5	-	0.3	3.3
Small enterprises	Manufacturing	42.8	-	15.2	13.3
	Nonmanufacturing	26.5	-	6.1	3.7
	All industries	29.1	-	7.7	5.4
All Enterprises	Manufacturing	13.8	-	-3.2	5.2
	Nonmanufacturing	1.5	-	1.0	4.7
	All industries	4.8	-	-0.2	4.8

Software and Fixed Investment		(Year-to-year growth rate, %)			
		FY2001	Adjustment		FY2002
			ratio	(Forecast)	Adjustment ratio
Large enterprises	Manufacturing	-7.6	-	-10.2	-1.1
	Nonmanufacturing	-7.7	-	-3.9	0.4
	All industries	-7.7	-	-6.4	-0.2
Medium-sized enterprises	Manufacturing	-10.5	-	-12.2	2.7
	Nonmanufacturing	-2.4	-	-2.2	-2.1
	All industries	-3.4	-	-3.4	-1.6
Small enterprises	Manufacturing	-13.7	-	-6.0	5.9
	Nonmanufacturing	0.5	-	-2.8	2.0
	All industries	-3.3	-	-3.6	2.9
All Enterprises	Manufacturing	-9.1	-	-9.9	0.6
	Nonmanufacturing	-3.9	-	-2.9	-0.5
	All industries	-5.3	-	-4.8	-0.2

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

		Sept 2002 survey		Dec 2002 survey			
		Actual result	Forecast	Actual result	Forecast		Changes
					Changes in revision		
Large enterprises	Manufacturing	25	24	23	-2	21	-2
	Nonmanufacturing	7	6	7	0	5	-2
	All industries	17	16	16	-1	14	-2
Medium-sized enterprises	Manufacturing	24	23	23	-1	23	0
	Nonmanufacturing	5	3	3	-2	3	0
	All industries	12	11	11	-1	11	0
Small enterprises	Manufacturing	25	23	24	-1	22	-2
	Nonmanufacturing	9	8	9	0	8	-1
	All industries	16	14	15	-1	14	-1
All Enterprises	Manufacturing	25	23	23	-2	22	-1
	Nonmanufacturing	7	6	7	0	6	-1
	All industries	14	13	14	0	13	-1

5. Employment

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

		Sept 2002 survey		Dec 2002 survey			
		Actual result	Forecast	Actual result	Forecast		Changes
					Changes in revision		
Large enterprises	Manufacturing	27	26	26	-1	24	-2
	Nonmanufacturing	16	12	16	0	11	-5
	All industries	22	19	22	0	18	-4
Medium-sized enterprises	Manufacturing	22	21	20	-2	21	1
	Nonmanufacturing	8	4	6	-2	5	-1
	All industries	13	11	12	-1	11	-1
Small enterprises	Manufacturing	22	18	19	-3	19	0
	Nonmanufacturing	12	11	10	-2	11	1
	All industries	16	14	14	-2	15	1
All Enterprises	Manufacturing	22	20	21	-1	21	0
	Nonmanufacturing	11	9	10	-1	9	-1
	All industries	15	14	14	-1	14	0
Principal Enterprises	Manufacturing	30	28	29	-1	26	-3
	Nonmanufacturing	16	14	17	1	15	-2
	All industries	24	22	23	-1	21	-2

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

	Dec 2001	Mar 2002	June 2002	Sept 2002
Large enterprises	-0.3	-2.1	-3.1	-4.0
Medium-sized enterprises	0.5	2.8	1.4	1.5
Small enterprises	-2.0	-1.1	-2.2	-3.3
All Enterprises	-0.5	-0.2	-1.4	-2.0
Principal Enterprises	-2.5	-3.4	-5.9	-6.1

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

	FY2002	FY2003
Large enterprises	3.6	-12.8
Medium-sized enterprises	-7.9	-12.2
Small enterprises	-22.8	-19.8
All Enterprises	-8.0	-14.1
Principal Enterprises	7.1	-14.2

*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 2002 survey		Dec 2002 survey			
	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Large enterprises	8	4	8	0	3	-5
Medium-sized enterprises	-7	-13	-8	-1	-15	-7
Small enterprises	-16	-24	-16	0	-25	-9
All Enterprises	-9	-16	-9	0	-17	-8
Principal Enterprises	5	0	4	-1	-1	-5

Lending Attitude of Financial Institutions(All industries)

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

	Sept 2002 survey		Dec 2002 survey			
	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Large enterprises	5	-1	3	-2	-3	-6
Medium-sized enterprises	-5	-11	-7	-2	-13	-6
Small enterprises	-10	-17	-10	0	-19	-9
All Enterprises	-6	-12	-7	-1	-14	-7
Principal Enterprises	-3	-9	-7	-4	-12	-5

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

	Sept 2002 survey		Dec 2002 survey			
	Actual result	Forecast	Actual result	Changes in revision	Forecast	Changes
Large enterprises	9	20	8	-1	18	10
Medium-sized enterprises	13	20	14	1	21	7
Small enterprises	12	21	13	1	22	9
All Enterprises	12	20	12	0	21	9
Principal Enterprises	10	20	10	0	20	10

Liquidity Ratio (All industries) (months)

	Dec 2001	Mar 2002	June 2002	Sept 2002
Large enterprises	0.97	1.03	0.97	0.97
Medium-sized enterprises	1.14	1.16	1.08	1.07
Small enterprises	1.74	1.78	1.73	1.72
All Enterprises	1.18	1.23	1.16	1.16
Principal Enterprises	0.89	0.96	0.92	0.92
(Seasonally adjusted)	0.89	0.93	0.96	0.92

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	
			Adjustment ratio	(Forecast)	Adjustment ratio
Large enterprises	Overseas production	4.9	1.9	4.1	0.7
	Share of overseas production	20.63	0.30	21.17	0.15
	Overseas investment	0.9	3.9	2.5	8.0
	Share of overseas investment	28.87	0.78	31.77	2.06
Principal Enterprises	Overseas production	7.2	0.2	4.0	-1.7
	Share of overseas production	24.38	0.04	25.09	-0.27
	Overseas investment	5.0	3.3	1.7	5.9
	Share of overseas investment	32.57	0.48	35.83	1.64

(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	
			Adjustment ratio	(Forecast)	Adjustment ratio
Fixed Investment of Financial institutions		-6.1	-	-28.4	-5.6
	Banks	25.9	-	-27.7	-7.1
	Securities companies	-2.1	-	-10.6	5.5
	Insurance companies	-32.5	-	-31.3	-4.4

Software Investment of Financial institutions		18.7	-	-12.1	-4.3
	Banks	26.9	-	-22.8	-7.7
	Securities companies	4.4	-	21.2	4.1
	Insurance companies	4.0	-	4.5	-0.8

Software and Fixed Investment of Financial institutions		1.9	-	-22.3	-5.1
	Banks	26.3	-	-25.7	-7.4
	Securities companies	2.0	-	9.9	4.5
	Insurance companies	-26.5	-	-22.8	-3.3

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

		FY2001		FY2002	
			Adjustment ratio	(Forecast)	Adjustment ratio
Investment for Computerizing of Financial institutions		16.2	-	-15.9	-4.4
	Banks	23.0	-	-22.8	-5.5
	Securities companies	3.0	-	10.0	5.5
	Insurance companies	0.1	-	-2.0	-6.4

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

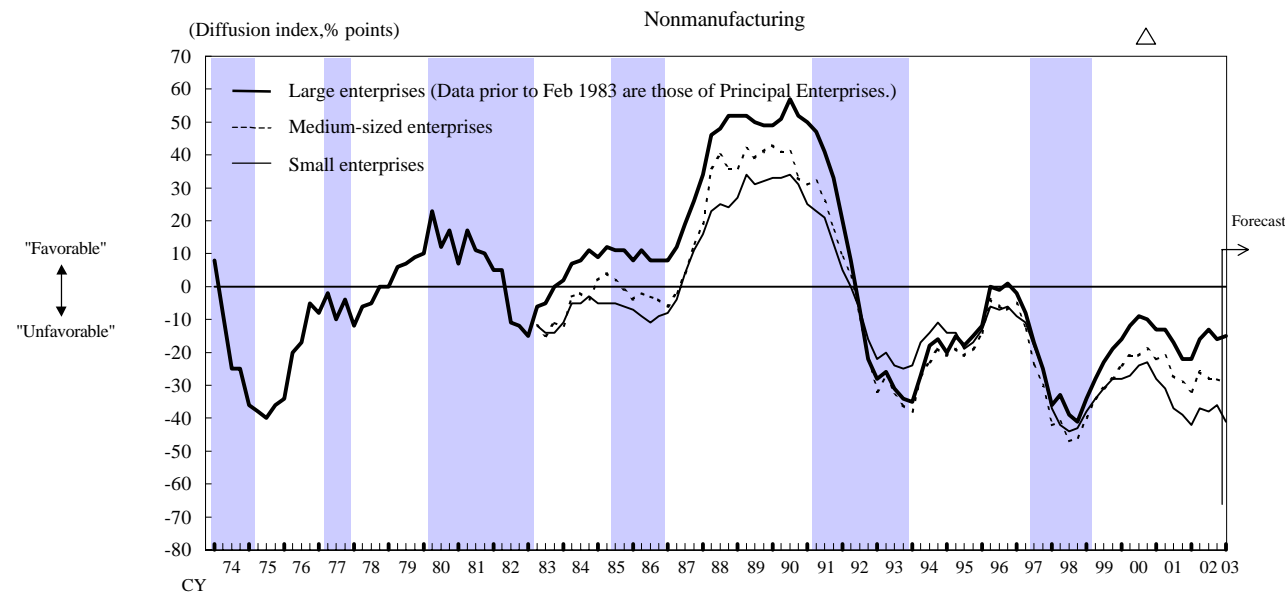
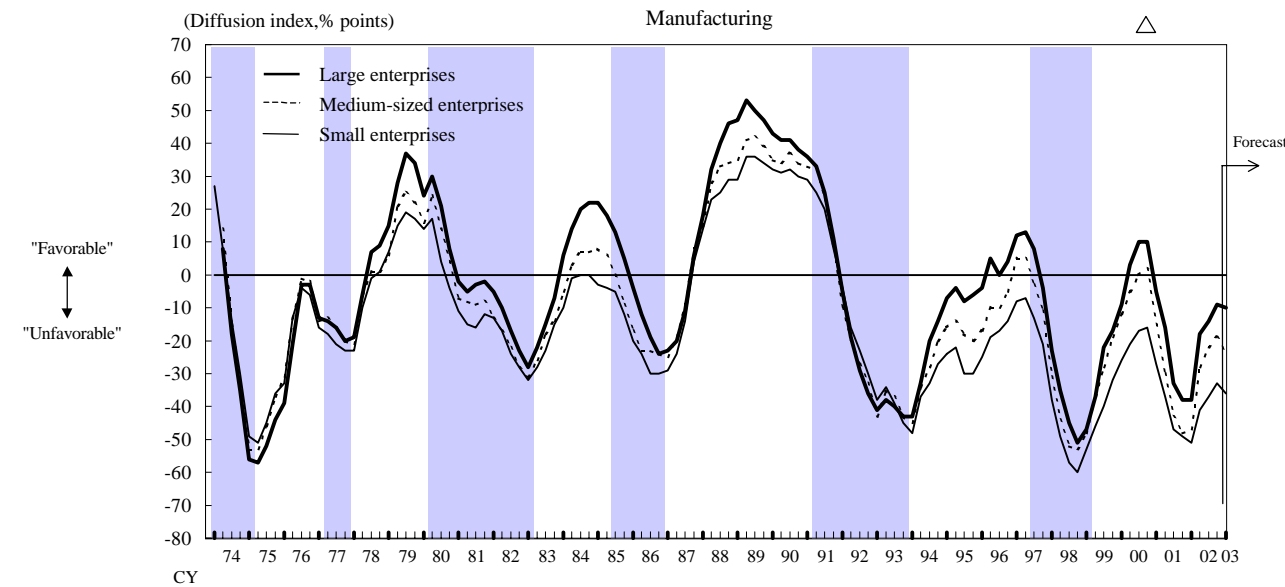
(Net percentage of respondents who reported "Favorable")

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)	

	December 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	-9	-19	-33
Forecast	-10	-24	-36

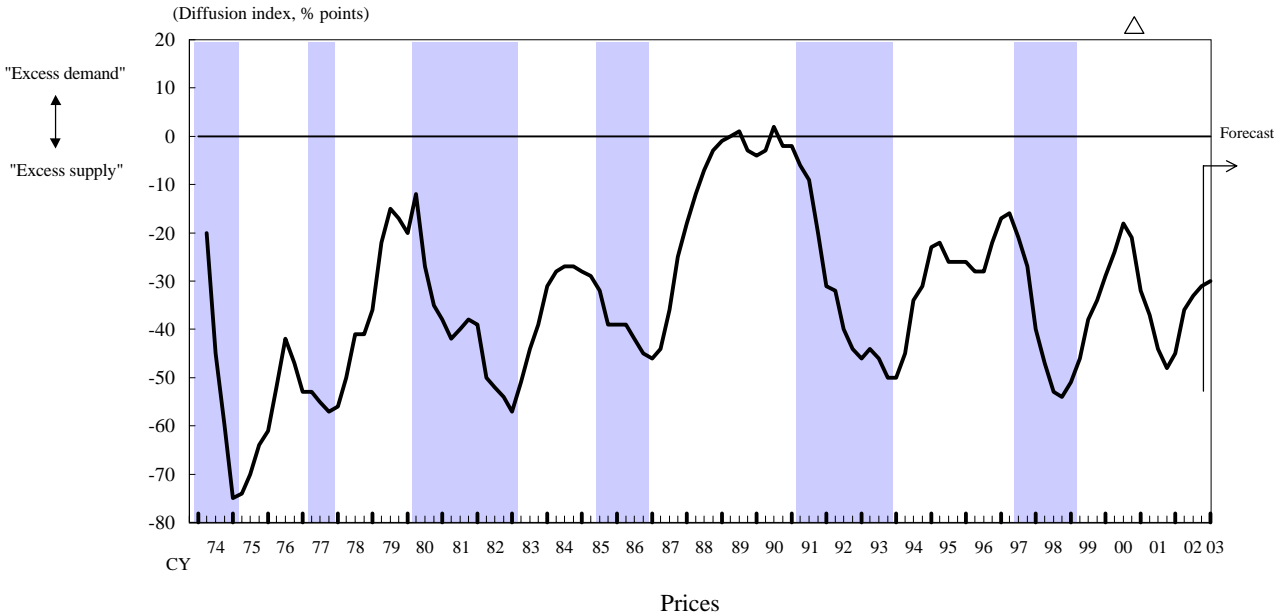
Nonmanufacturing					
Large enterprises		Medium-sized enterprises		Small enterprises	
Peak	Bottom	Peak	Bottom	Peak	Bottom
	-6 (5/83)		-15 (8/83)		-14 (8,11/83)
12 (5/85)	8 (2,8,11/86,2/87)	4 (5/85)	-6 (2/87)	-3 (11/84)	-11 (8/86)
57 (8/90)	-35 (2/94)	43 (2/90)	-38 (2/94)	34 (5/89,8/90)	-25 (11/93)
1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

	December 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	-16	-28	-36
Forecast	-15	-29	-41



[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)	

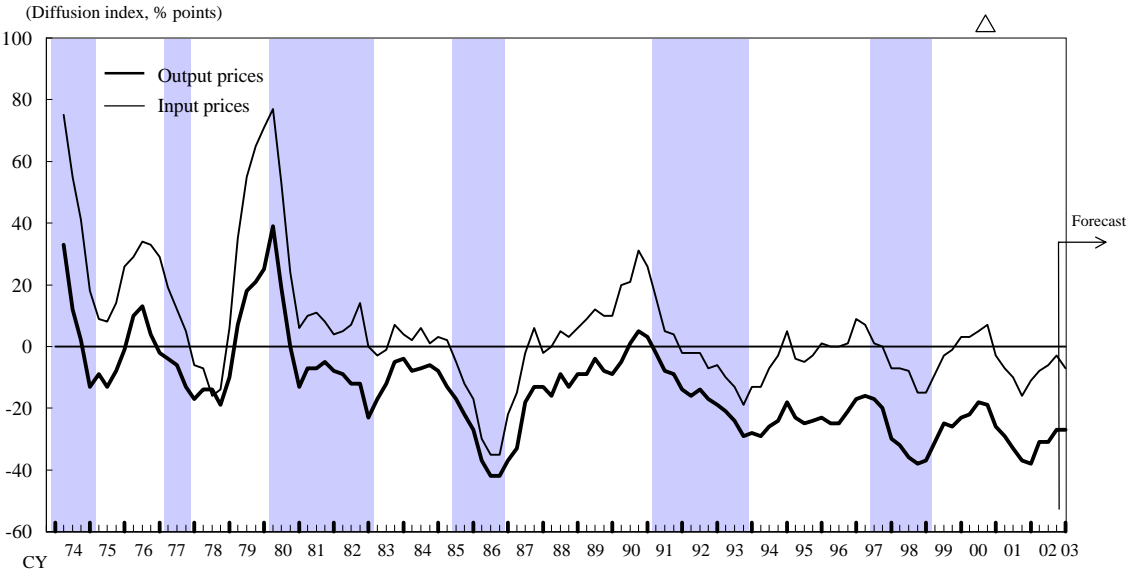
December 2002 survey	
Actual result	-31
Forecast	-30

Peaks and Bottoms of Prices

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

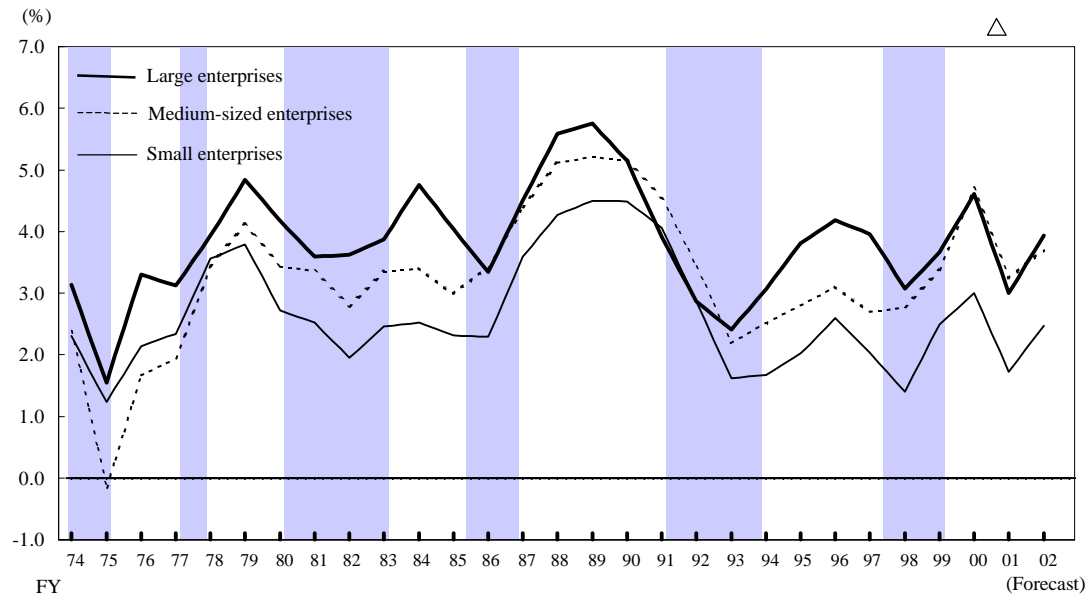
Large manufacturing enterprises			
Output prices		Input prices	
Peak	Bottom	Peak	Bottom
	-13 (2,8/75)		8 (8/75)
13 (8/76)	-19 (11/78)	34 (8/76)	-16 (8/78)
39 (5/80)	-23 (2/83)	77 (5/80)	4 (2/82)
-4 (2/84)	-42 (8,11/86)	14 (11/82)	-35 (8,11/86)
5 (11/90)	-29 (11/93,5/94)	31 (11/90)	-19 (11/93)
-16 (6/97)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

December 2002 survey		
	Output prices	Input prices
Actual result	-27	-3
Forecast	-27	-7



[Ratio of Current Profit to Sales]

Manufacturing



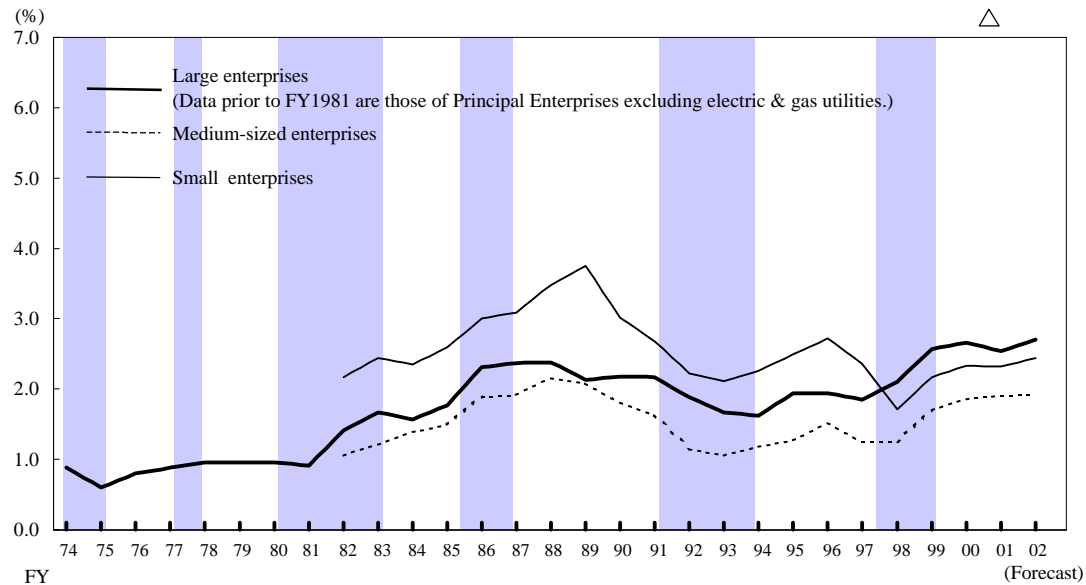
Note: There is no continuity between the figures before FY1997 and those after FY1998, as the calculation method of the All Enterprises TANKAN was changed from simple aggregates to population estimates from the March 1999 survey.

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)	

	December 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
FY 2001	3.00	3.24	1.72
FY 2002 (Forecast)	3.93	3.70	2.47

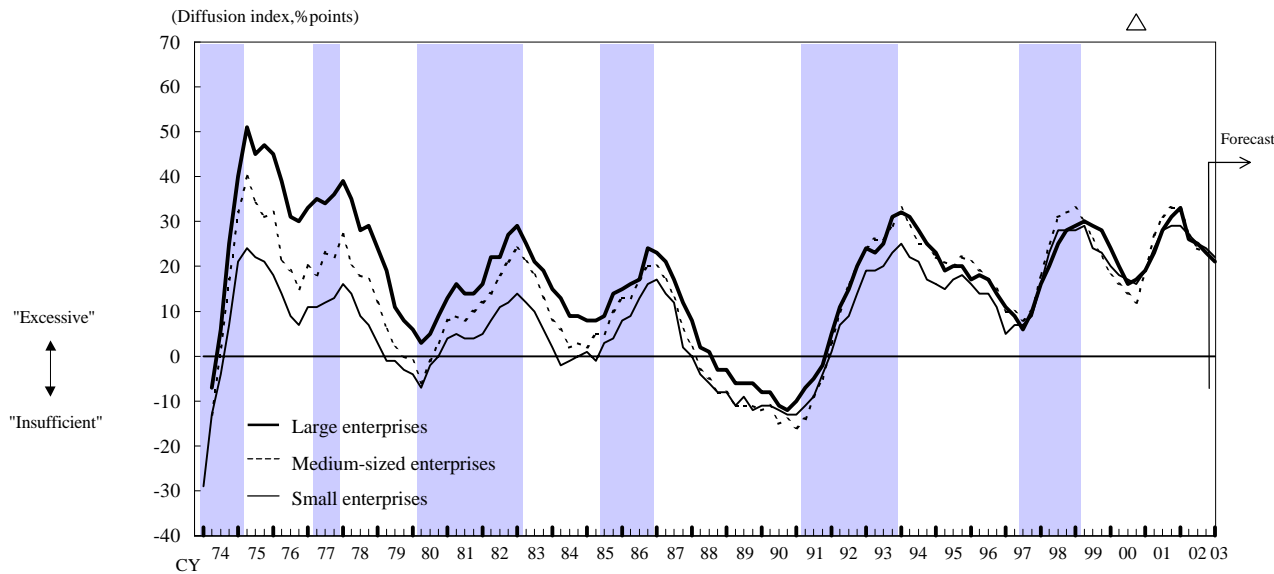
Nonmanufacturing



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)				2.33 (FY00)	

	December 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
FY 2001	2.54	1.91	2.32
FY 2002 (Forecast)	2.70	1.93	2.44

[Production Capacity (Manufacturing)]



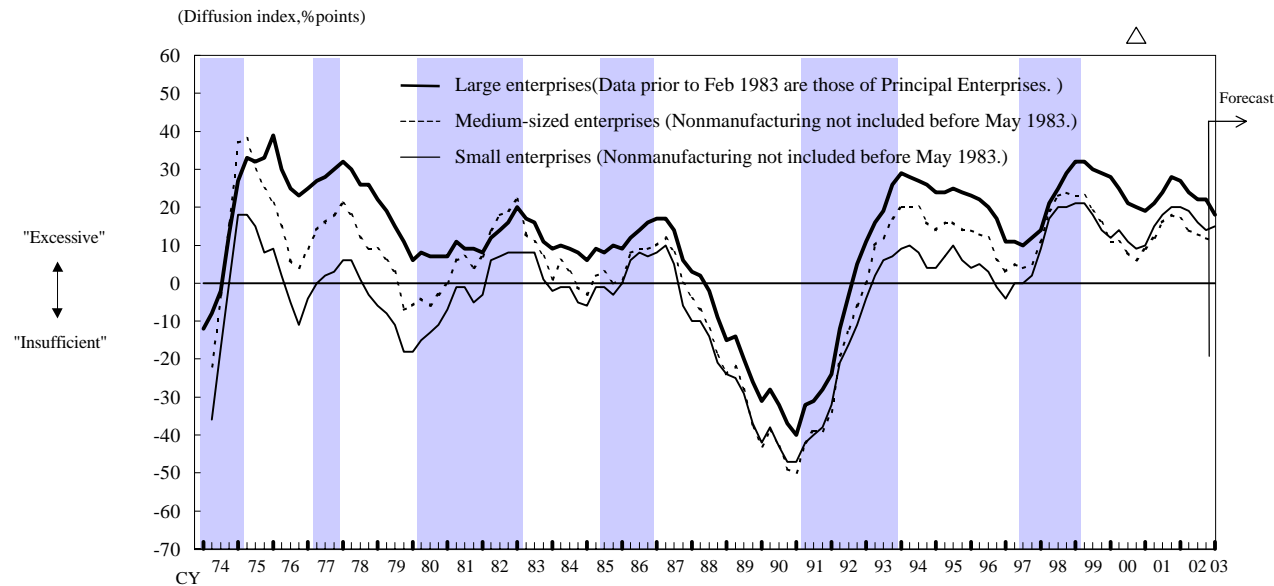
Peaks and Bottoms of Production Capacity

(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)

	December 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	23	23	24
Forecast	21	23	22

[Employment Conditions (All industries)]



Peaks and Bottoms of Employment Conditions

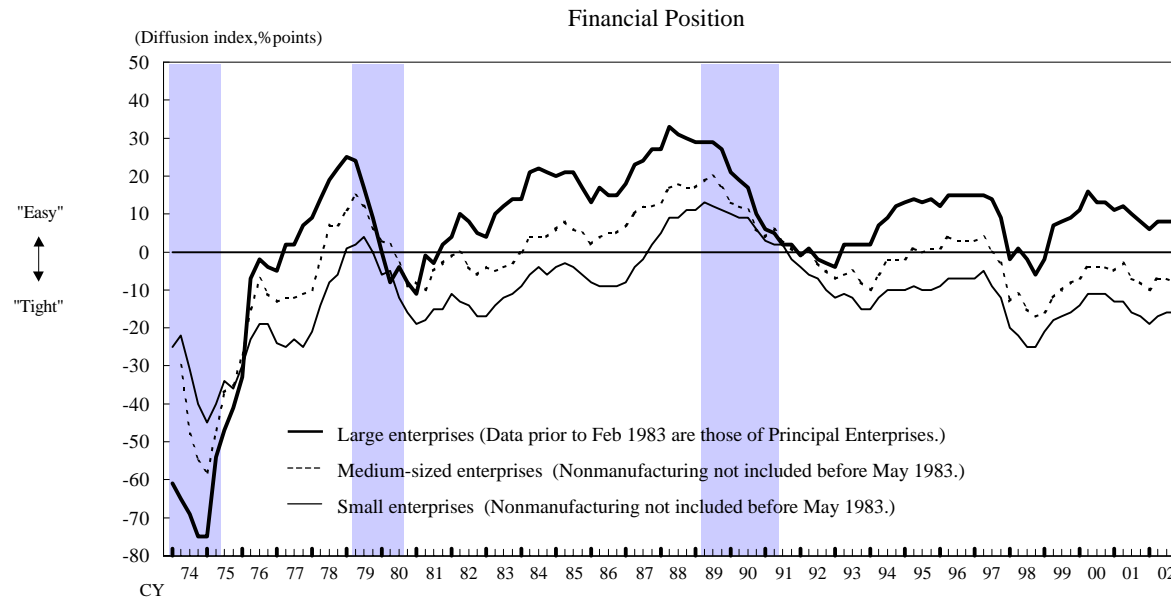
(Net percentage of respondents who reported "Excessive employment")

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)

	December 2002 survey		
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	22	12	14
Forecast	18	11	15

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

[Corporate Finance (All industries)]

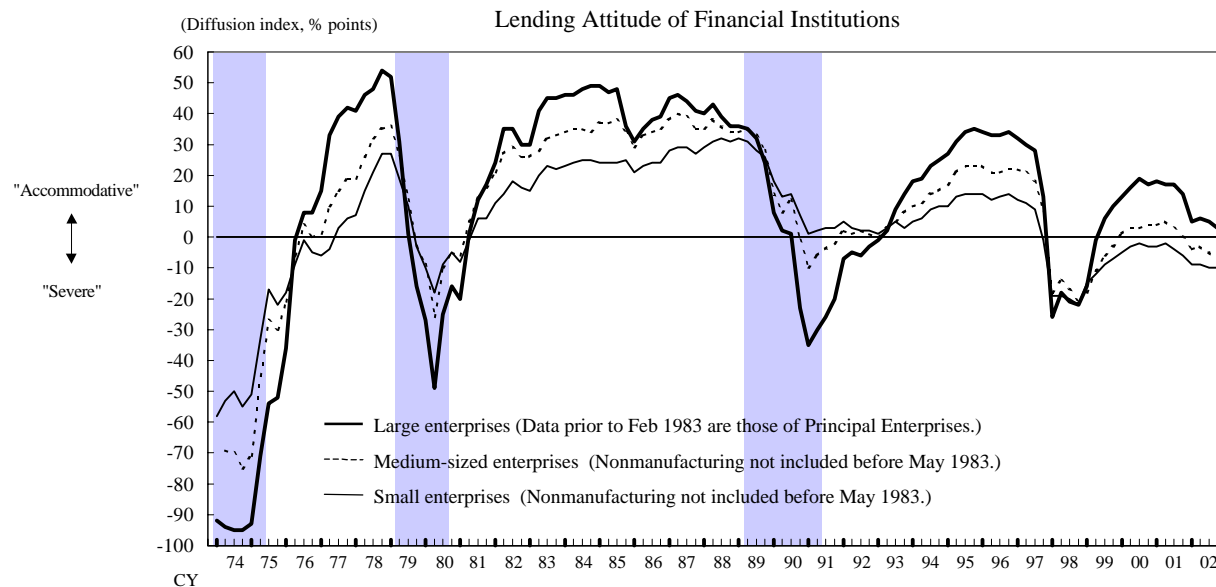


Peaks and Bottoms of Financial Position

(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 2002 survey			
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	8	-8	-16



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 2002 survey			
	Large enterprises	Medium-sized enterprises	Small enterprises
Actual result	3	-7	-10