

Tankan Summary (June 2016)

169th Short-Term Economic Survey of Enterprises in Japan

Not to be released before 8:50 a.m.
on Friday, July 1, 2016

July 1, 2016
Research and Statistics Department
Bank of Japan

Number of Sample Enterprises

	Manufacturing	Nonmanufacturing	Total	Response rate
All Enterprises	4,412	6,450	10,862	99.7%
Large Enterprises	1,085	1,041	2,126	99.7%
Medium-sized Enterprises	1,170	1,860	3,030	99.6%
Small Enterprises	2,157	3,549	5,706	99.7%
Financial institutions	-	-	197	99.0%

Responding Period: May 30 to June 30

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

	FY 2015		FY 2016		(yen per US dollar)	
	1H	2H	1H	2H	1H	2H
March 2016 Survey	119.80	120.93	118.69	117.46	117.45	117.46
June 2016 Survey	119.87	120.98	118.73	111.41	111.46	111.36

1. Business Conditions

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

	Large Enterprises						Medium-sized Enterprises						Small Enterprises								
	March 2016 Survey		June 2016 Survey				March 2016 Survey		June 2016 Survey				March 2016 Survey		June 2016 Survey						
	Actual result	Forecast	Actual result	Forecast		Changes		Actual result	Forecast	Actual result	Forecast		Changes		Actual result	Forecast	Actual result	Forecast		Changes	
Manufacturing	6	3	6	0	6	0	5	-2	1	-4	0	-1	-4	-6	-5	-1	-7	-2			
Textiles	-3	-6	-3	0	-6	-3	-2	-11	2	4	-7	-9	-17	-22	-16	1	-17	-1			
Lumber & Wood products	41	12	29	-12	18	-11	23	13	32	9	19	-13	0	-13	-5	-5	-11	-6			
Pulp & Paper	3	7	7	4	11	4	0	2	0	0	5	5	-15	-9	-18	-3	-18	0			
Chemicals	10	4	11	1	7	-4	11	0	6	-5	4	-2	5	-1	9	4	2	-7			
Petroleum & Coal products	-16	5	6	22	5	-1	-18	-4	5	23	-4	-9	-19	-23	-28	-9	-17	11			
Ceramics, Stone & Clay	9	-3	3	-6	12	-4	9	-5	2	-9	-4	-7	11	-9	-10	-3	-8	2			
Iron & Steel	-22	-21	-12	10	-9	3	-19	-19	-21	-2	-10	11	-23	-15	-14	9	-16	-2			
Nonferrous metals	0	-5	3	3	-6	-9	6	-7	-10	-16	2	12	-8	-9	-7	1	-7	0			
Food & Beverages	20	16	29	9	17	-12	13	12	14	1	8	-6	6	5	5	-1	4	-1			
Processed metals	4	3	10	6	3	-7	0	-12	-6	-6	-6	0	-7	-3	-6	1	-8	-2			
General-purpose machinery	11	15	14	3	12	-2	-2	-10	-14	-12	-4	10	4	1	-2	-6	-4	-2			
Production machinery	12	4	10	-2	9	-1	19	5	13	-6	8	-5	9	0	4	-5	-8	-12			
Business oriented machinery	15	12	11	-4	8	-3	7	2	-2	-9	5	7	10	6	6	-4	4	-2			
Electrical machinery	-7	-1	-6	1	5	11	-4	-3	-4	0	-5	-1	-7	-10	-10	-3	-7	3			
Shipbuilding & Heavy machinery, etc.	10	7	4	-6	-3	-7	19	8	8	-11	4	-4	9	9	13	4	8	-5			
Motor vehicles	5	-1	-2	-7	3	5	4	-12	-7	-11	-6	1	3	6	0	-3	1	1			
Basic materials	3	-1	6	3	4	-2	3	-5	1	-2	0	-1	-10	-12	-9	1	-10	-1			
Processing	7	5	6	-1	8	2	7	0	1	-6	0	-1	1	-1	-2	-3	-3	-1			
Nonmanufacturing	22	17	19	-3	17	-2	17	9	14	-3	10	-4	4	-3	0	-4	-4	-4			
Construction	45	32	36	-9	31	-5	25	9	26	1	16	-10	10	-3	6	-4	-1	-7			
Real estate	37	26	32	-5	28	-4	31	17	26	-5	15	-11	14	7	12	-2	5	-7			
Goods rental & Leasing	17	23	20	3	17	-3	18	13	21	3	20	-1	14	4	10	-4	8	-2			
Wholesaling	2	4	10	8	5	-5	10	2	10	0	5	-5	-5	-9	-6	-1	-8	-2			
Retailing	18	13	11	-7	12	1	13	10	2	-11	5	3	-10	-9	-16	-6	-17	-1			
Transport & Postal activities	21	13	16	-5	10	-6	14	5	7	-7	2	-5	5	-6	2	-3	-5	-7			
Communications	33	11	44	11	28	-16	14	0	35	21	10	-25	26	14	16	-10	9	-7			
Information services	31	24	27	-4	23	-4	24	15	20	-4	15	-5	16	10	12	-4	9	-3			
Electric & Gas utilities	5	3	3	-2	2	-1	13	9	13	0	2	-11	12	5	5	-7	5	0			
Services for businesses	21	17	34	13	27	-7	23	20	22	-1	20	-2	5	1	7	2	0	-7			
Services for individuals	16	27	11	-5	22	11	14	8	9	-5	10	1	-1	-3	-1	0	-5	-4			
Accommodations, Eating & Drinking services	22	19	11	-11	11	0	19	12	3	-16	7	4	4	0	-17	-22	-11	6			
All industries	13	11	12	-1	12	0	12	5	9	-3	6	-3	1	-4	-1	-2	-5	-4			

	All Enterprises					
Manufacturing	1	-3	0	-1	-2	-2
Nonmanufacturing	11	4	8	-3	4	-4
All industries	7	1	4	-3	2	-2

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)

	March 2016 Survey			June 2016 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	6	5	-4	6	1	-5	6	0	-7
1. Favorable	16	20	18	16	17	17	12	13	13
2. Not so favorable	74	65	60	74	67	61	82	74	67
3. Unfavorable	10	15	22	10	16	22	6	13	20
Nonmanufacturing	22	17	4	19	14	0	17	10	-4
1. Favorable	27	25	20	25	23	18	21	18	13
2. Not so favorable	68	67	64	69	68	64	75	74	70
3. Unfavorable	5	8	16	6	9	18	4	8	17

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

2. Supply and Demand Conditions, Inventories, and Prices

(% points)

		Large Enterprises					
		March 2016 Survey		June 2016 Survey			
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Domestic Supply & Demand Conditions for Products and Services:	Manufacturing	-13	-13	-10	3	-11	-1
	Basic materials	-19	-19	-15	4	-16	-1
	Processing	-9	-9	-9	0	-8	1
Diffusion index of "Excess demand" minus "Excess supply"	Nonmanufacturing	-10	-9	-10	0	-9	1
Overseas Supply & Demand Conditions for Products:	Manufacturing	-11	-9	-8	3	-8	0
Diffusion index of "Excess demand" minus "Excess supply"	Basic materials	-19	-16	-16	3	-13	3
	Processing	-7	-5	-4	3	-5	-1

(% points)

		Small Enterprises					
		March 2016 Survey		June 2016 Survey			
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Domestic Supply & Demand Conditions for Products and Services:	Manufacturing	-26	-27	-26	0	-26	0
	Basic materials	-34	-35	-34	0	-33	1
	Processing	-20	-21	-20	0	-21	-1
Diffusion index of "Excess demand" minus "Excess supply"	Nonmanufacturing	-18	-21	-21	-3	-22	-1
Overseas Supply & Demand Conditions for Products:	Manufacturing	-18	-17	-17	1	-16	1
Diffusion index of "Excess demand" minus "Excess supply"	Basic materials	-24	-23	-24	0	-23	1
	Processing	-14	-13	-13	1	-12	1

Inventory Level of Finished Goods & Merchandise:	Manufacturing	15	13	-2		
Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Basic materials	15	13	-2		
	Processing	15	12	-3		
Wholesalers' Inventory Level:	Manufacturing	14	13	-1		
Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Basic materials	18	18	0		
	Processing	11	10	-1		

Inventory Level of Finished Goods & Merchandise:	Manufacturing	14	15	1		
Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Basic materials	19	18	-1		
	Processing	10	13	3		
Wholesalers' Inventory Level:	Manufacturing	20	20	0		
Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Basic materials	28	26	-2		
	Processing	15	17	2		

Change in Output Prices:	Manufacturing	-15	-13	-12	3	-9	3
Diffusion index of "Rise" minus "Fall"	Basic materials	-22	-19	-12	10	-4	8
	Processing	-11	-11	-12	-1	-10	2
	Nonmanufacturing	-1	0	0	1	1	1
Change in Input Prices:	Manufacturing	-8	-1	-2	6	4	6
Diffusion index of "Rise" minus "Fall"	Basic materials	-20	-5	-5	15	7	12
	Processing	-2	2	-1	1	3	4
	Nonmanufacturing	5	10	8	3	13	5

Change in Output Prices:	Manufacturing	-11	-13	-12	-1	-13	-1
Diffusion index of "Rise" minus "Fall"	Basic materials	-12	-12	-13	-1	-11	2
	Processing	-11	-15	-12	-1	-14	-2
	Nonmanufacturing	-7	-6	-7	0	-6	1
Change in Input Prices:	Manufacturing	7	12	7	0	15	8
Diffusion index of "Rise" minus "Fall"	Basic materials	-2	9	3	5	15	12
	Processing	12	14	10	-2	14	4
	Nonmanufacturing	9	17	13	4	20	7

3. Sales and Current Profits

Sales (Year-to-year % change)

		FY2015		FY2016	
			Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	-2.3	-0.7	-0.5	-0.7
	Domestic Sales	-3.1	0.0	0.0	0.2
	Exports	-0.3	-2.4	-1.6	-2.5
	Nonmanufacturing	-2.8	-1.2	-0.8	-1.7
	All industries	-2.6	-1.0	-0.7	-1.3
Medium-sized Enterprises	Manufacturing	0.5	-0.1	0.7	-0.4
	Nonmanufacturing	0.5	0.1	2.0	0.4
	All industries	0.5	0.1	1.7	0.2
Small Enterprises	Manufacturing	0.6	0.5	0.2	0.2
	Nonmanufacturing	-0.3	0.7	-0.6	0.5
	All industries	-0.1	0.6	-0.4	0.4
All Enterprises	Manufacturing	-1.4	-0.4	-0.2	-0.5
	Nonmanufacturing	-1.3	-0.3	-0.1	-0.5
	All industries	-1.3	-0.4	-0.1	-0.5

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

(Year-to-year % change)

1H FY2015	2H FY2015		1H FY2016		2H FY2016	
		Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate
0.1	-4.5	-1.4	-2.3	-1.6	1.3	0.2
-2.1	-4.0	-0.2	-1.4	-0.9	1.4	1.1
5.3	-5.5	-4.1	-4.0	-3.1	0.9	-1.9
-1.4	-4.2	-1.9	-2.6	-2.3	1.0	-1.1
-0.8	-4.3	-1.7	-2.5	-2.0	1.1	-0.6
1.5	-0.3	-0.3	-0.2	-0.4	1.4	-0.3
1.2	-0.2	0.1	1.7	0.5	2.2	0.3
1.2	-0.2	0.0	1.3	0.3	2.0	0.2
1.3	0.0	1.0	-0.4	-0.3	0.8	0.6
0.5	-1.1	1.0	-0.8	0.2	-0.5	0.7
0.7	-0.9	1.0	-0.7	0.1	-0.2	0.7
0.5	-3.1	-0.8	-1.6	-1.2	1.2	0.2
-0.2	-2.3	-0.5	-1.1	-0.9	0.8	-0.2
0.0	-2.5	-0.6	-1.2	-1.0	0.9	-0.1

Current Profits (Year-to-year % change)

		FY2015		FY2016	
			Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	-5.3	-1.8	-11.6	-11.6
	Basic materials	3.8	0.7	-3.4	3.3
	Processing	-8.5	-2.8	-14.9	-17.0
	Nonmanufacturing	11.5	-0.4	-3.4	-1.8
	All industries	2.8	-1.1	-7.3	-6.5
Medium-sized Enterprises	Manufacturing	8.0	0.3	-4.2	-3.1
	Nonmanufacturing	9.5	4.3	-3.7	-1.6
	All industries	9.0	3.0	-3.8	-2.1
Small Enterprises	Manufacturing	3.4	3.1	1.1	1.8
	Nonmanufacturing	10.1	3.8	-12.8	-1.7
	All industries	8.4	3.7	-9.5	-0.8
All Enterprises	Manufacturing	-2.9	-1.0	-9.3	-9.0
	Nonmanufacturing	10.8	1.5	-5.8	-1.7
	All industries	4.8	0.4	-7.2	-4.7

(Year-to-year % change)

1H FY2015	2H FY2015		1H FY2016		2H FY2016	
		Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate
14.5	-23.0	-3.7	-22.7	-14.9	3.0	-8.0
18.6	-10.9	2.2	-15.2	-1.5	12.0	8.6
12.9	-27.0	-5.8	-25.7	-19.8	-0.5	-14.0
18.7	3.4	-0.3	-9.0	-4.6	3.7	1.6
16.6	-11.0	-1.9	-15.6	-9.4	3.4	-3.2
16.4	1.0	-0.1	-13.1	-7.4	4.3	0.6
13.8	6.4	7.5	-6.1	-3.4	-1.8	-0.3
14.7	4.7	5.1	-8.5	-4.7	0.0	-0.1
11.4	-3.5	3.9	-5.7	-1.3	7.9	4.8
15.6	5.9	8.9	-12.9	-3.1	-12.6	-0.5
14.5	3.6	7.7	-11.1	-2.6	-8.1	0.8
14.3	-18.2	-2.3	-19.9	-12.6	3.8	-5.4
17.2	4.7	3.8	-9.4	-4.1	-2.1	0.7
16.0	-5.4	1.4	-13.9	-7.6	0.2	-1.8

3. Sales and Current Profits (Continued)

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

		FY2015		FY2016	
			Changes	(Forecast)	Changes
Large Enterprises	Manufacturing	7.15	-0.08	6.35	-0.78
	Nonmanufacturing	5.35	0.05	5.21	0.00
	All industries	6.08	0.00	5.67	-0.31
Medium-sized Enterprises	Manufacturing	5.09	0.02	4.85	-0.14
	Nonmanufacturing	3.28	0.13	3.10	-0.07
	All industries	3.70	0.11	3.50	-0.08
Small Enterprises	Manufacturing	3.94	0.10	3.97	0.06
	Nonmanufacturing	3.48	0.10	3.06	-0.07
	All industries	3.58	0.10	3.26	-0.04
All Enterprises	Manufacturing	6.25	-0.04	5.68	-0.54
	Nonmanufacturing	4.29	0.08	4.04	-0.05
	All industries	4.91	0.04	4.56	-0.21

(% , % points)

1H FY2015	2H FY2015		1H FY2016		2H FY2016	
		Changes	(Forecast)	Changes	(Forecast)	Changes
8.26	6.07	-0.14	6.53	-1.02	6.18	-0.55
6.07	4.64	0.08	5.67	-0.14	4.76	0.12
6.95	5.22	-0.01	6.02	-0.49	5.34	-0.14
5.09	5.10	0.00	4.43	-0.33	5.24	0.04
2.96	3.58	0.24	2.73	-0.11	3.45	-0.02
3.45	3.93	0.19	3.12	-0.16	3.85	-0.01
4.00	3.88	0.11	3.79	-0.04	4.15	0.16
3.27	3.68	0.27	2.87	-0.10	3.23	-0.04
3.43	3.72	0.23	3.07	-0.09	3.43	0.01
7.01	5.52	-0.08	5.71	-0.74	5.66	-0.34
4.50	4.09	0.17	4.12	-0.13	3.97	0.03
5.30	4.54	0.09	4.62	-0.33	4.51	-0.08

Net Income (Year-to-year % change)

		FY2015		FY2016	
			Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	-8.8	-9.2	2.8	-8.5
	Basic materials	-11.6	-6.2	28.3	14.2
	Processing	-7.8	-10.2	-5.6	-16.0
	Nonmanufacturing	-5.7	-18.0	14.7	-2.1
	All industries	-7.3	-13.7	8.6	-5.4
Medium-sized Enterprises	Manufacturing	12.6	-11.3	9.6	-4.3
	Nonmanufacturing	10.0	5.9	0.2	-1.6
	All industries	10.7	0.0	3.1	-2.5
Small Enterprises	Manufacturing	-0.6	3.9	13.0	0.6
	Nonmanufacturing	27.6	5.8	-15.7	-2.2
	All industries	20.0	5.4	-9.3	-1.5
All Enterprises	Manufacturing	-5.9	-8.2	4.7	-7.0
	Nonmanufacturing	4.7	-8.4	3.5	-2.1
	All industries	-0.1	-8.3	4.0	-4.2

(Year-to-year % change)

1H FY2015	2H FY2015		1H FY2016		2H FY2016	
		Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate
20.1	-39.5	-23.1	-20.6	-11.5	52.3	-5.0
28.5	-56.8	-21.9	-13.2	0.0	167.1	35.2
17.1	-33.8	-23.3	-23.5	-15.7	27.6	-16.3
16.3	-38.0	-44.7	-13.2	-2.8	91.4	-1.3
18.1	-38.9	-34.3	-16.9	-7.1	69.5	-3.2
20.6	3.3	-23.4	-14.4	-10.2	41.9	1.1
3.7	16.2	10.1	-8.4	-4.9	7.9	1.1
9.1	12.5	-1.2	-10.5	-6.7	16.8	1.1
4.9	-6.3	7.8	2.6	-3.6	25.4	5.0
28.4	26.8	13.3	-15.6	-3.8	-15.7	-0.8
21.7	18.5	12.2	-11.2	-3.7	-7.5	0.7
18.6	-32.2	-19.8	-17.9	-10.5	47.0	-3.1
16.7	-9.9	-18.6	-13.0	-3.3	29.6	-0.7
17.5	-20.3	-19.1	-15.2	-6.5	36.5	-1.7

4. Fixed Investment, etc.

		Fixed Investment including Land Purchasing Expenses* (Year-to-year % change)				(Year-to-year % change)						
		FY2015		FY2016 (Forecast)		1H FY2015	2H FY2015	1H FY2016 (Forecast)		2H FY2016 (Forecast)		
			Revision rate		Revision rate				Revision rate		Revision rate	
Large Enterprises	Manufacturing	8.4	-4.3	12.8	4.7	9.9	7.3	-7.5	22.8	5.2	4.9	4.3
	Nonmanufacturing	1.0	-6.6	2.7	-1.1	-1.4	2.9	-8.3	8.6	-3.2	-1.6	0.6
	All industries	3.4	-5.8	6.2	0.9	2.3	4.3	-8.0	13.6	-0.1	0.6	1.8
Medium-sized Enterprises	Manufacturing	9.3	1.7	5.8	2.5	9.4	9.1	2.5	14.4	2.0	-1.0	2.9
	Nonmanufacturing	8.3	3.9	-10.2	3.7	5.8	10.2	5.8	1.2	5.4	-18.5	2.2
	All industries	8.7	3.1	-4.6	3.2	7.1	9.9	4.6	6.0	4.0	-12.5	2.5
Small Enterprises	Manufacturing	11.5	6.4	-17.8	12.3	-4.6	24.9	11.1	7.2	6.1	-33.5	19.3
	Nonmanufacturing	5.2	1.7	-13.5	7.3	14.2	-1.9	1.9	-4.5	5.2	-21.6	9.7
	All industries	7.2	3.2	-14.9	8.8	8.2	6.4	5.0	-1.2	5.5	-25.9	12.7
All Enterprises	Manufacturing	9.1	-1.5	6.0	5.3	7.1	10.7	-2.7	18.8	4.8	-3.8	5.9
	Nonmanufacturing	2.9	-3.5	-2.5	1.0	2.7	3.1	-4.5	4.6	-0.4	-8.0	2.1
	All industries	5.0	-2.8	0.4	2.5	4.2	5.6	-3.9	9.4	1.5	-6.6	3.4

* Excludes Software Investment.

		Software Investment (Year-to-year % change)			
		FY2015		FY2016 (Forecast)	
			Revision rate		Revision rate
Large Enterprises	Manufacturing	4.9	3.8	1.3	5.9
	Nonmanufacturing	-2.2	-3.0	7.5	3.0
	All industries	0.2	-0.6	5.3	4.0
Medium-sized Enterprises	Manufacturing	3.0	2.3	-3.5	-2.5
	Nonmanufacturing	14.8	9.9	2.1	-1.0
	All industries	12.9	8.7	1.3	-1.2
Small Enterprises	Manufacturing	-6.3	1.7	-5.0	8.1
	Nonmanufacturing	-8.6	1.3	3.6	9.7
	All industries	-7.9	1.4	1.0	9.3
All Enterprises	Manufacturing	3.9	3.5	0.6	5.5
	Nonmanufacturing	0.0	-0.5	6.2	2.8
	All industries	1.2	0.8	4.4	3.6

		Software and Fixed Investment excluding Land Purchasing Expenses (Year-to-year % change)			
		FY2015		FY2016 (Forecast)	
			Revision rate		Revision rate
Large Enterprises	Manufacturing	8.0	-3.5	12.0	4.3
	Nonmanufacturing	-0.1	-6.6	7.5	-0.7
	All industries	2.8	-5.5	9.1	1.1
Medium-sized Enterprises	Manufacturing	9.4	1.3	7.5	1.7
	Nonmanufacturing	8.1	2.8	-7.7	0.9
	All industries	8.6	2.3	-2.3	1.2
Small Enterprises	Manufacturing	14.9	6.6	-16.8	12.1
	Nonmanufacturing	-1.0	0.2	-2.7	6.0
	All industries	4.2	2.4	-7.7	7.9
All Enterprises	Manufacturing	9.4	-1.2	6.3	4.8
	Nonmanufacturing	1.0	-4.0	3.2	0.6
	All industries	3.9	-3.0	4.3	2.1

		Land Purchasing Expenses (Year-to-year % change)			
		FY2015		FY2016 (Forecast)	
			Revision rate		Revision rate
Large Enterprises	Manufacturing	9.0	-5.9	-9.0	92.9
	Nonmanufacturing	8.2	-3.5	-35.6	-1.3
	All industries	8.3	-3.7	-33.8	3.4
Medium-sized Enterprises	Manufacturing	-1.0	15.7	-53.8	74.1
	Nonmanufacturing	17.4	24.3	-23.0	41.5
	All industries	14.2	22.9	-27.7	44.1
Small Enterprises	Manufacturing	-33.5	-0.1	-27.9	13.4
	Nonmanufacturing	43.4	9.1	-61.0	25.9
	All industries	26.0	7.9	-57.0	23.2
All Enterprises	Manufacturing	-13.8	0.5	-26.1	51.4
	Nonmanufacturing	17.9	3.0	-41.4	8.9
	All industries	13.9	2.7	-39.9	12.6

		Production Capacity (Diffusion index of "Excessive capacity" minus "Insufficient capacity," % points)					
		March 2016 Survey		June 2016 Survey			
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Large Enterprises	Manufacturing	4	3	4	0	3	-1
	Nonmanufacturing	-1	-1	0	1	-1	-1
	All industries	2	2	2	0	1	-1
Medium-sized Enterprises	Manufacturing	4	3	5	1	2	-3
	Nonmanufacturing	-2	-3	-2	0	-3	-1
	All industries	0	-1	0	0	-1	-1
Small Enterprises	Manufacturing	3	1	3	0	0	-3
	Nonmanufacturing	-4	-4	-3	1	-5	-2
	All industries	-1	-2	0	1	-3	-3
All Enterprises	Manufacturing	4	2	4	0	2	-2
	Nonmanufacturing	-2	-3	-2	0	-4	-2
	All industries	-1	-1	1	2	-2	-3

5. Fixed Investment of Financial institutions

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

	FY2015		FY2016	
		Revision rate	(Forecast)	Revision rate
Financial institutions	-13.2	-1.1	12.9	3.9
Banks	-11.5	-3.2	10.5	2.2
<i>Shinkin</i> banks & Other financial institutions for small businesses	-18.5	-1.0	38.5	11.2
Financial products transaction dealers	3.8	2.3	6.8	23.3
Insurance companies	-19.4	0.5	3.9	-0.8
Non-deposit money corporations	-0.2	4.6	14.1	8.3
(Memo) All industries including Financial institutions	4.4	-2.8	0.7	2.5
Nonmanufacturing including Financial institutions	2.2	-3.4	-1.9	1.1

* Excludes Software Investment.

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

	FY2015	Revision rate	FY2016	Revision rate
Financial institutions	32.4	2.8	8.1	7.4
Banks	33.1	4.0	6.6	4.6
<i>Shinkin</i> banks & Other financial institutions for small businesses	23.2	-1.5	10.7	16.5
Financial products transaction dealers	44.5	9.5	-12.8	13.0
Insurance companies	40.3	-1.4	26.5	13.2
Non-deposit money corporations	5.6	-2.3	6.4	1.7
(Memo) All industries including Financial institutions	7.8	1.3	5.3	4.6
Nonmanufacturing including Financial institutions	9.1	0.6	6.8	4.3

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

	FY2015	Revision rate	FY2016	Revision rate
Financial institutions	-61.0	1.2	-50.8	12.3
Banks	-81.1	-14.2	-1.0	-2.7
<i>Shinkin</i> banks & Other financial institutions for small businesses	148.2	15.4	-70.3	7.6
Financial products transaction dealers	-100.0	-	-	-
Insurance companies	-64.7	0.3	-54.3	23.5
Non-deposit money corporations	-	228.6	-100.0	-100.0
(Memo) All industries including Financial institutions	10.1	2.7	-40.1	12.6
Nonmanufacturing including Financial institutions	13.4	2.9	-41.6	9.0

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

	FY2015	Revision rate	FY2016	Revision rate
Financial institutions	11.9	0.9	12.2	5.6
Banks	13.4	0.9	8.4	3.6
<i>Shinkin</i> banks & Other financial institutions for small businesses	-16.4	-2.5	41.6	12.3
Financial products transaction dealers	35.9	8.2	-9.6	14.9
Insurance companies	20.0	-0.4	20.4	5.4
Non-deposit money corporations	2.5	1.2	10.4	5.2
(Memo) All industries including Financial institutions	4.3	-2.8	4.8	2.3
Nonmanufacturing including Financial institutions	1.8	-3.6	3.9	1.0

6. Employment

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

		March 2016 Survey		June 2016 Survey			
		Actual result	Forecast	Actual result		Forecast	
					Changes		Changes
Large Enterprises	Manufacturing	-3	-1	-3	0	-3	0
	Nonmanufacturing	-20	-19	-18	2	-18	0
	All industries	-11	-10	-10	1	-10	0
Medium-sized Enterprises	Manufacturing	-10	-10	-9	1	-9	0
	Nonmanufacturing	-27	-28	-26	1	-28	-2
	All industries	-21	-21	-19	2	-21	-2
Small Enterprises	Manufacturing	-9	-12	-8	1	-12	-4
	Nonmanufacturing	-27	-29	-26	1	-30	-4
	All industries	-20	-23	-19	1	-23	-4
All Enterprises	Manufacturing	-9	-9	-6	3	-9	-3
	Nonmanufacturing	-26	-28	-25	1	-28	-3
	All industries	-18	-20	-17	1	-20	-3

Number of New Graduates Hired (All industries)

(Surveyed only in June and December)

(Year-to-year % change)

	FY2015		FY2016		FY2017	
		Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	11.0	1.2	7.7	0.8	2.9	-
Medium-sized Enterprises	7.1	0.4	4.9	0.9	3.6	-
Small Enterprises	2.2	-1.4	6.8	-3.3	7.6	-
All Enterprises	6.2	-0.1	6.7	-1.0	5.0	-
All Enterprises & Financial institutions	6.7	-0.1	6.7	-0.8	4.7	-
Manufacturing	9.5	1.3	7.3	2.3	1.0	-
Nonmanufacturing	4.8	-0.7	6.4	-2.4	6.9	-
Financial institutions	12.7	-0.1	6.5	0.9	0.3	-

7. Corporate Finance

Financial Position (All industries)

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

	March 2016 Survey		June 2016 Survey	
	Actual result	Forecast	Actual result	Changes
Large Enterprises	22	/	24	2
Medium-sized Enterprises	20		21	1
Small Enterprises	6		7	1
All Enterprises	13		14	1
Manufacturing	11		12	1
Nonmanufacturing	15		16	1

Lending Attitude of Financial institutions (All industries)

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

	March 2016 Survey		June 2016 Survey	
	Actual result	Forecast	Actual result	Changes
Large Enterprises	28	/	29	1
Medium-sized Enterprises	27		28	1
Small Enterprises	20		19	-1
All Enterprises	23		23	0
Manufacturing	22		22	0
Nonmanufacturing	23		23	0

Change in Interest Rate on Loans (All industries)

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

	March 2016 Survey		June 2016 Survey			
	Actual result	Forecast	Actual result	Forecast		Changes
				Changes	Changes	
Large Enterprises	-31	-20	-27	4	-10	17
Medium-sized Enterprises	-27	-21	-27	0	-12	15
Small Enterprises	-24	-22	-24	0	-13	11
All Enterprises	-26	-22	-26	0	-12	14
Manufacturing	-27	-21	-26	1	-12	14
Nonmanufacturing	-26	-21	-25	1	-12	13

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

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

	March 2016 Survey		June 2016 Survey	
	Actual result	Forecast	Actual result	Changes
Large Enterprises	38	/	39	1

8. Business Conditions of Financial institutions

Business Conditions

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

	March 2016 Survey		June 2016 Survey			
	Actual result	Forecast	Actual result	Forecast		Changes
				Changes	Changes	
Banks	16	8	7	-9	3	-4
<i>Shinkin</i> banks & Other financial institutions for small businesses	13	6	0	-13	0	0
Financial products transaction dealers	-7	3	-4	3	6	10
Insurance companies	21	24	26	5	23	-3
Non-deposit money corporations	7	7	7	0	7	0
Financial institutions	12	10	8	-4	7	-1

Production Capacity

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

	March 2016 Survey		June 2016 Survey			
	Actual result	Forecast	Actual result	Forecast		Changes
				Changes	Changes	
Banks	2	2	1	-1	1	0
<i>Shinkin</i> banks & Other financial institutions for small businesses	-3	-3	-3	0	-5	-2
Financial products transaction dealers	-7	-7	-6	1	-6	0
Insurance companies	-5	-5	-8	-3	-11	-3
Non-deposit money corporations	0	0	0	0	0	0
Financial institutions	-2	-2	-2	0	-3	-1

Employment Conditions

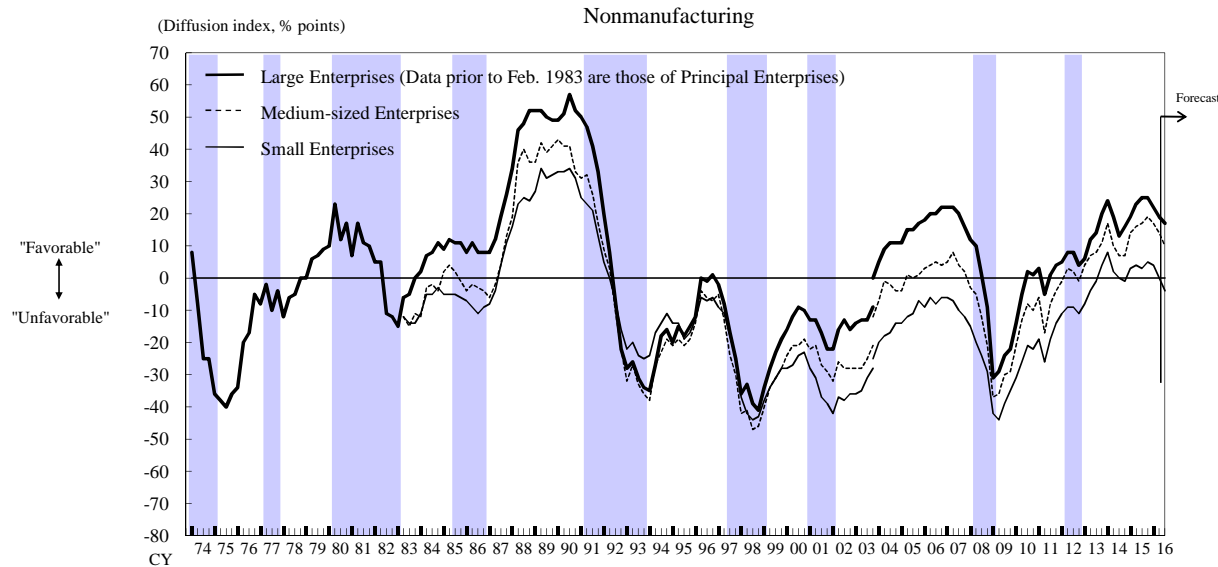
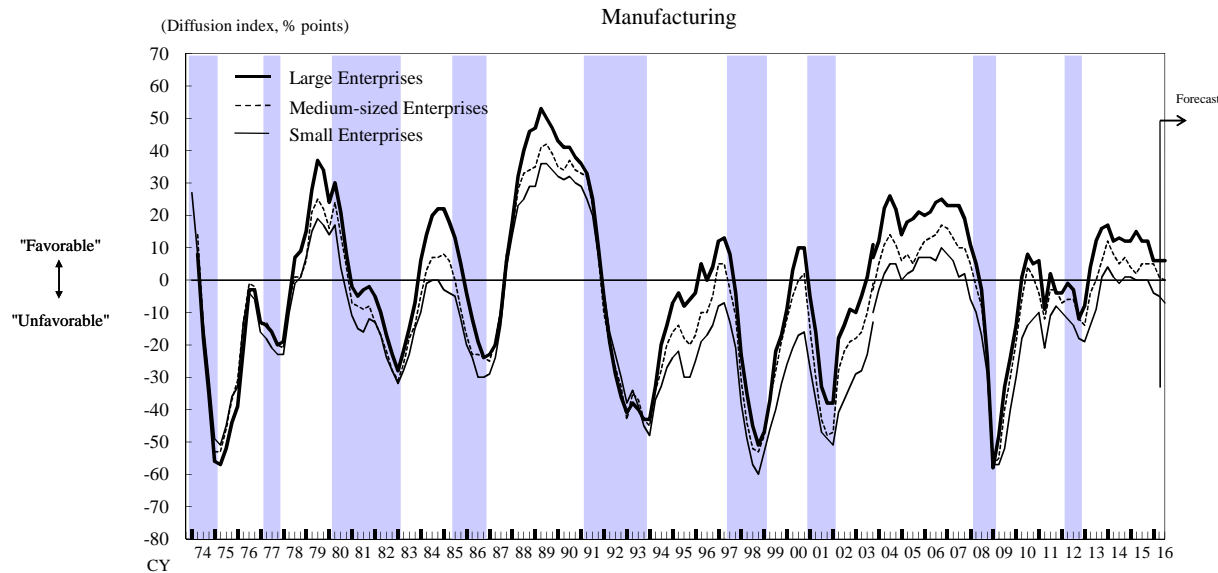
(Diffusion index of "Excessive employment" minus "Insufficient employment," % points)

	March 2016 Survey		June 2016 Survey			
	Actual result	Forecast	Actual result	Forecast		Changes
				Changes	Changes	
Banks	0	-4	3	3	0	-3
<i>Shinkin</i> banks & Other financial institutions for small businesses	-24	-14	-13	11	-16	-3
Financial products transaction dealers	-24	-20	-16	8	-23	-7
Insurance companies	-8	-10	-13	-5	-13	0
Non-deposit money corporations	-8	-8	-8	0	-8	0
Financial institutions	-10	-10	-7	3	-9	-2

(Reference Charts)

- Notes: 1. Unless otherwise noted, shaded areas indicate periods of recession (according to the Cabinet Office).
- 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)	-12 (12/12)	4 (10/9)	-14 (13/3)	-8 (11/12)	-19 (13/3)

	June 2016 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	6	1	-5
Forecast	6	0	-7

Peaks and Bottoms of Business Conditions (from May 1983)

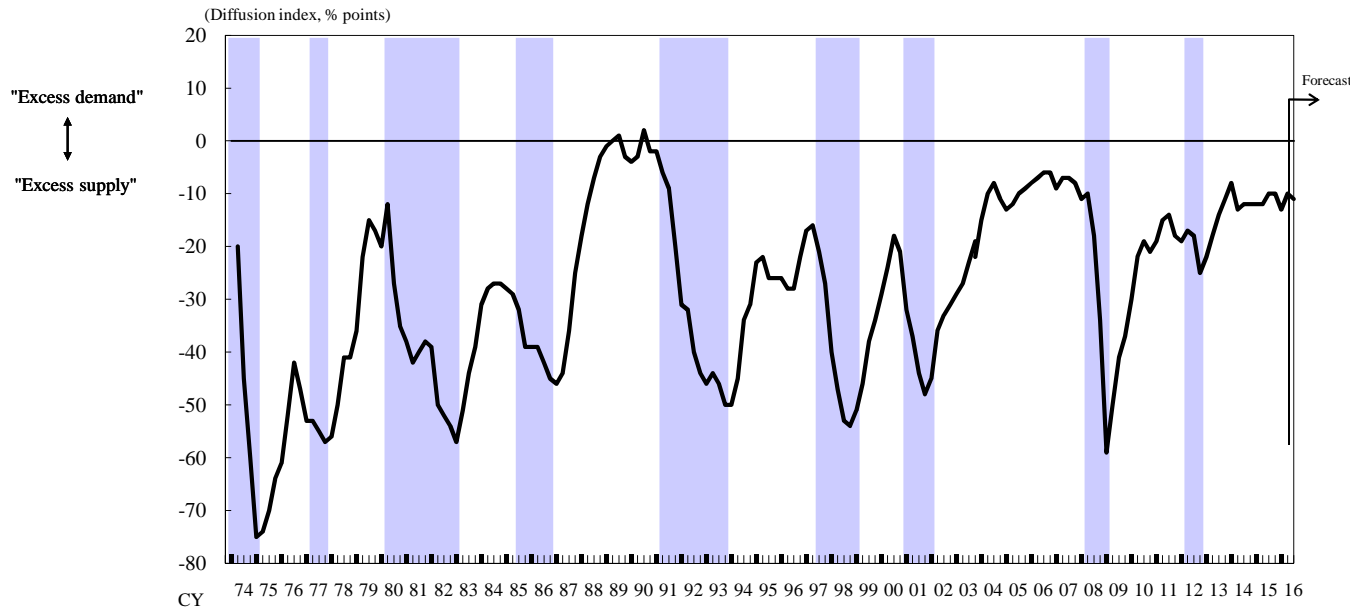
(Diffusion index of "Favorable" minus "Unfavorable," % points)

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)	4 (12/12)	3 (12/6)	-1 (12/12)	-9 (12/6, 9)	-11 (12/12)

	June 2016 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	19	14	0
Forecast	17	10	-4

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

Domestic Supply and Demand Conditions for Products and Services



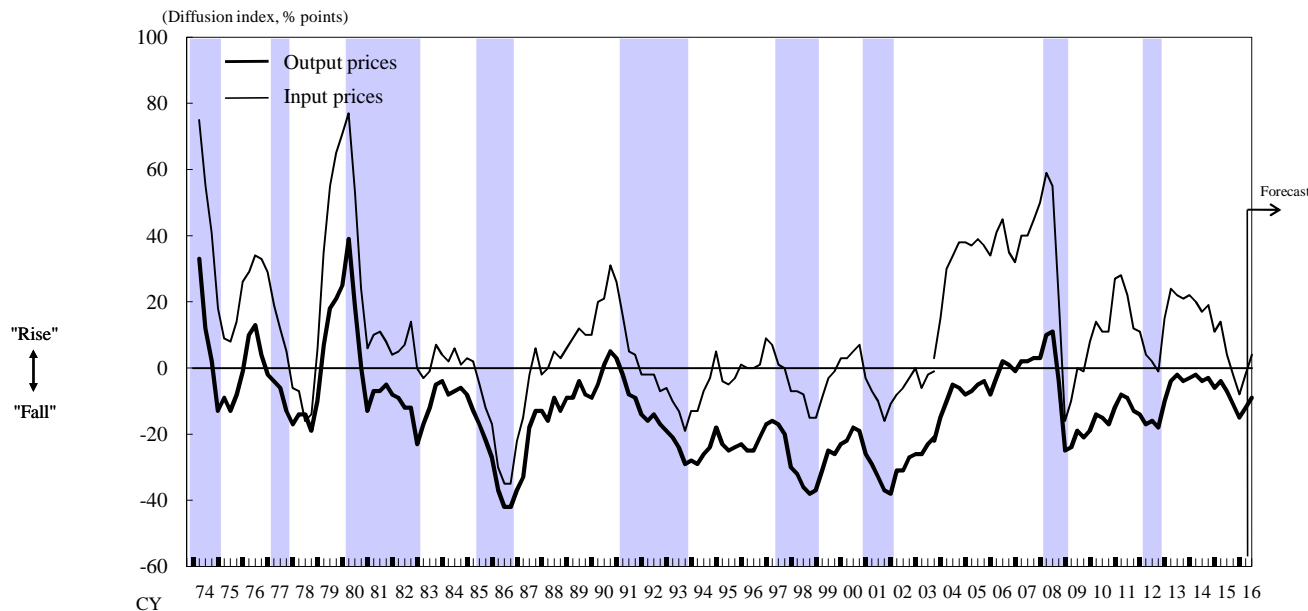
Peaks and Bottoms of Domestic Supply and Demand Conditions for Products and Services (from May 1974)

(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)	-25 (12/12)

June 2016 Survey	
Actual result	-10
Forecast	-11

Prices



Peaks and Bottoms of Prices (from May 1974)

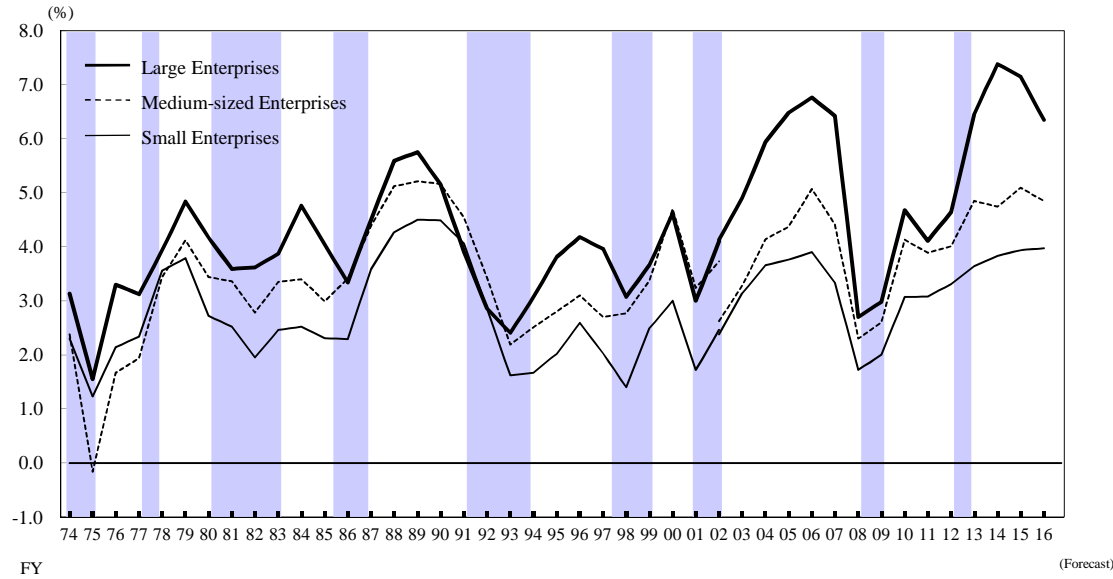
(Diffusion index of "Rise" minus "Fall," % points)

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)	-18 (12/12)	28 (11/6)	-1 (12/12)

June 2016 Survey		
	Output Prices	Input Prices
Actual result	-12	-2
Forecast	-9	4

[Ratio of Current Profit to Sales]

Manufacturing

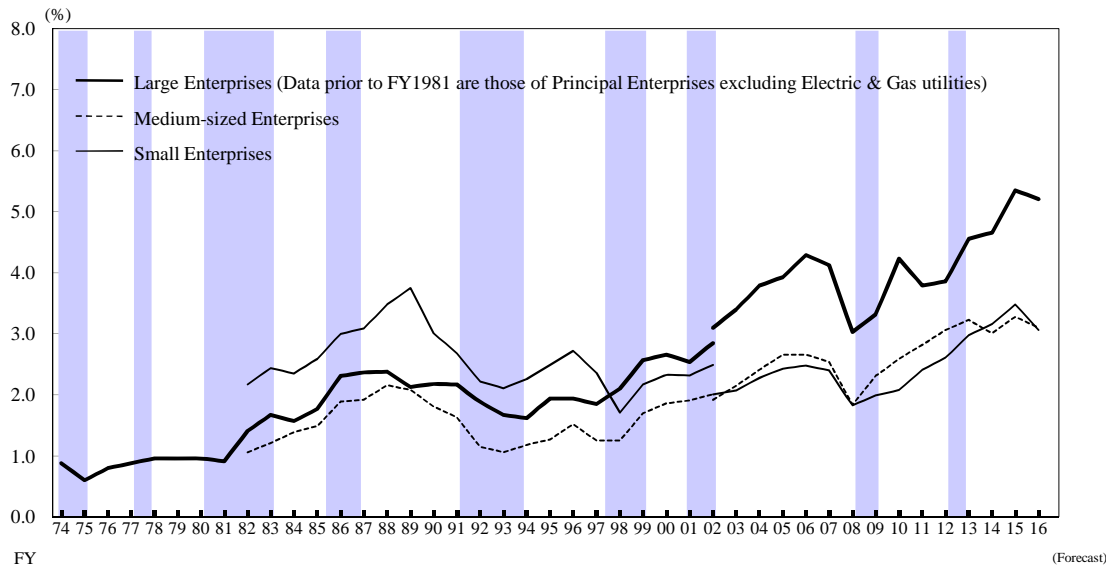


Peaks and Bottoms of Ratio of Current Profit to Sales (from 1974)

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 (FY01)	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)

	June 2016 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
FY2015	7.15	5.09	3.94
FY2016 (Forecast)	6.35	4.85	3.97

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)

	June 2016 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
FY2015	5.35	3.28	3.48
FY2016 (Forecast)	5.21	3.10	3.06

[Developments of Fixed Investment including Land Purchasing Expenses]

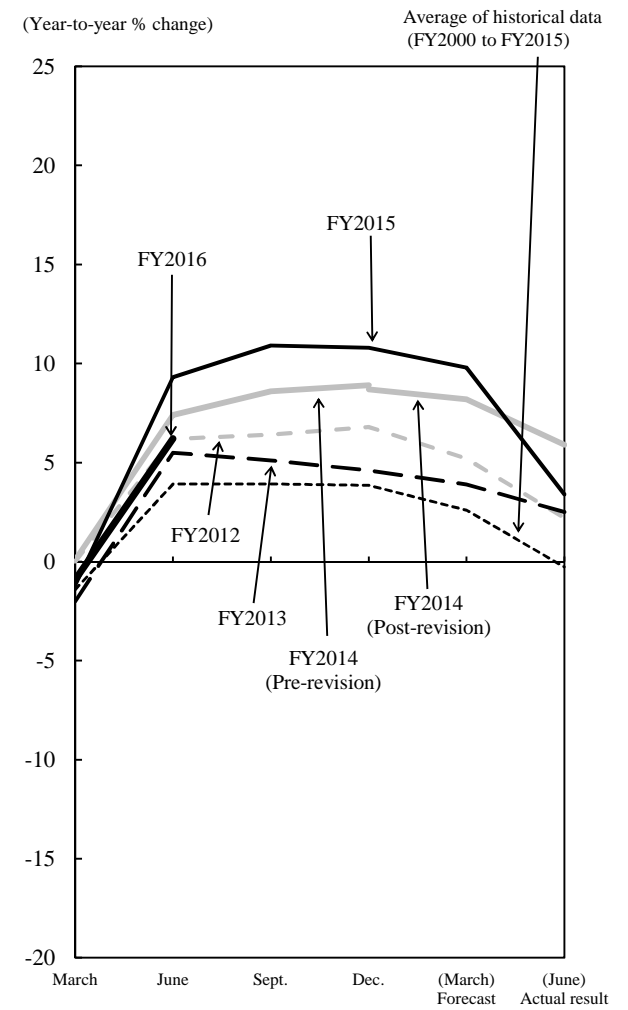
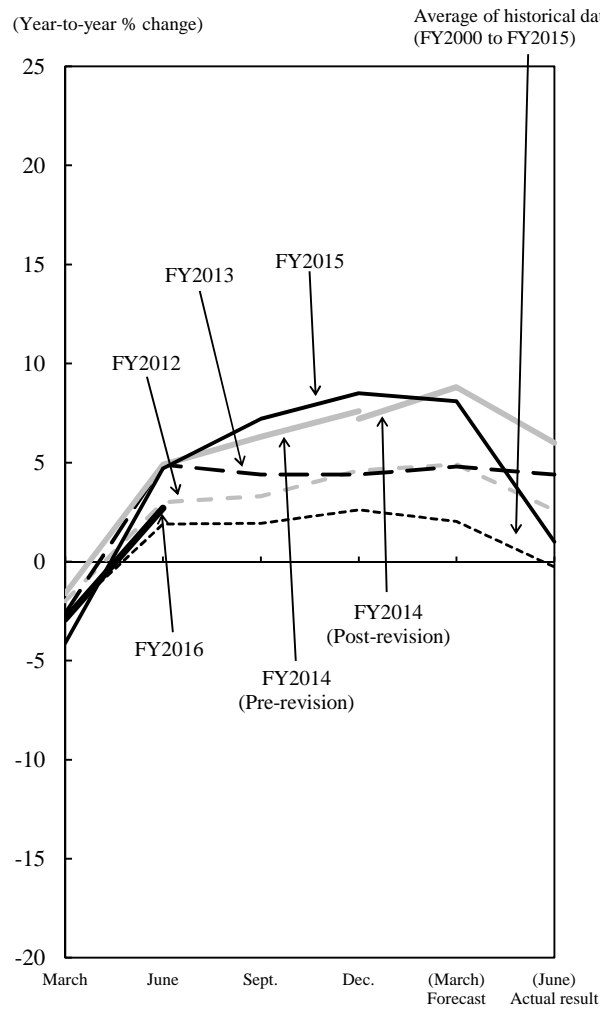
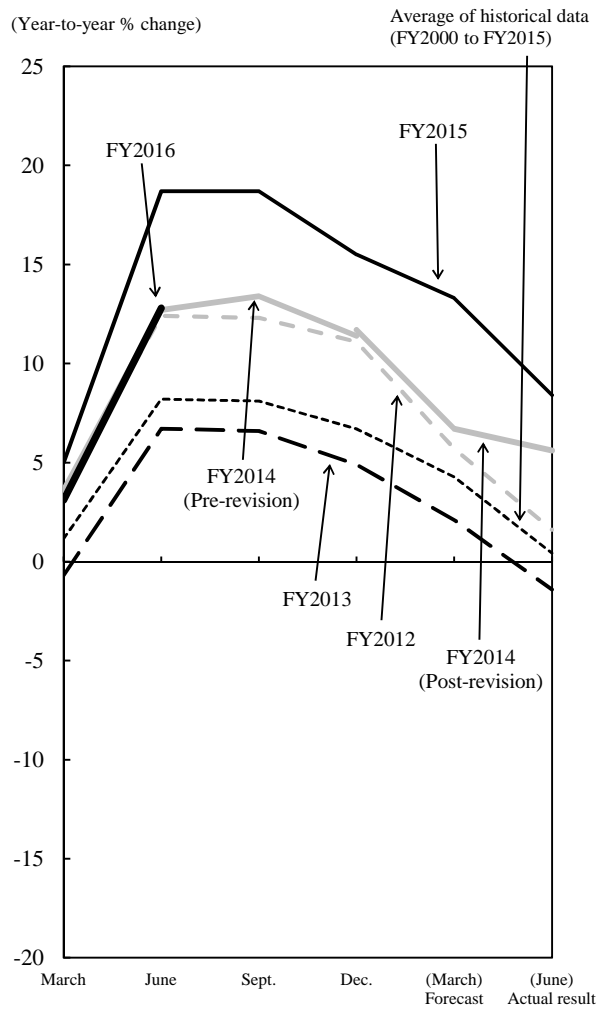
Notes: 1. The graphs indicate the revision pattern of fixed investment. The horizontal axis represents the point of time when the survey is conducted for each fiscal year. Namely, the first survey for each year (March survey) is on the left, and the last survey (June survey of the following year; actual result) is on the right. The vertical axis represents the year-to-year percent change.
 2. Excludes software investment.

(1) Large Enterprises

Manufacturing

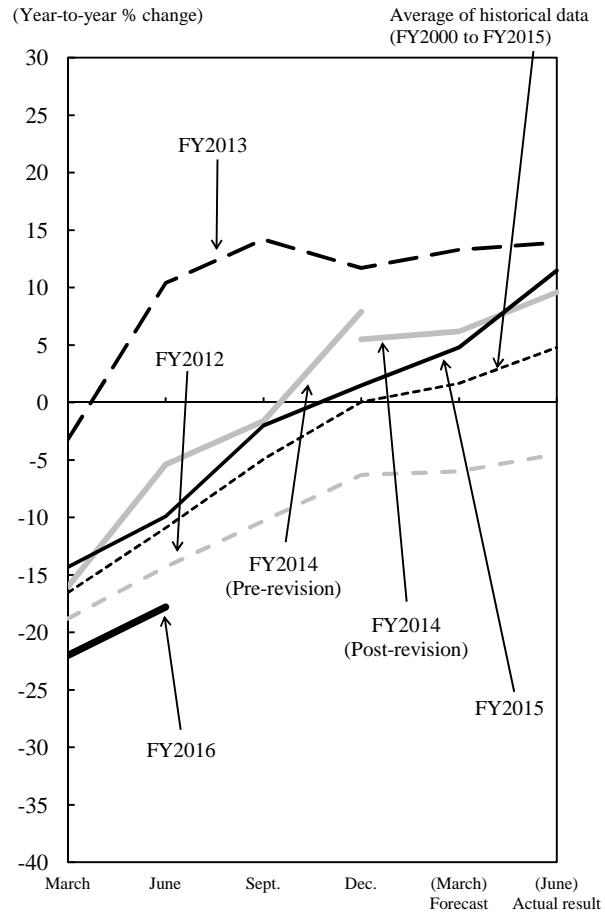
Nonmanufacturing

All industries

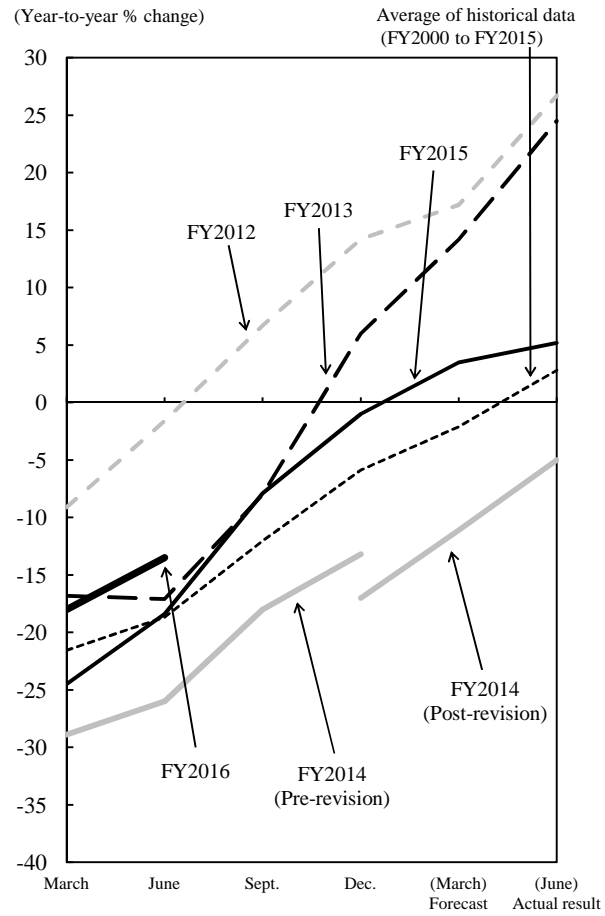


(2) Small Enterprises

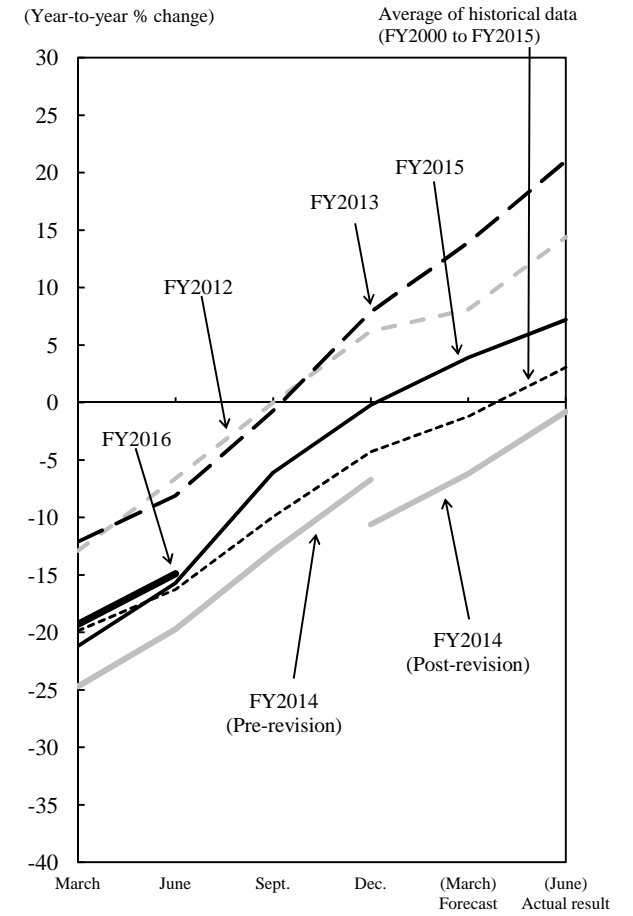
Manufacturing



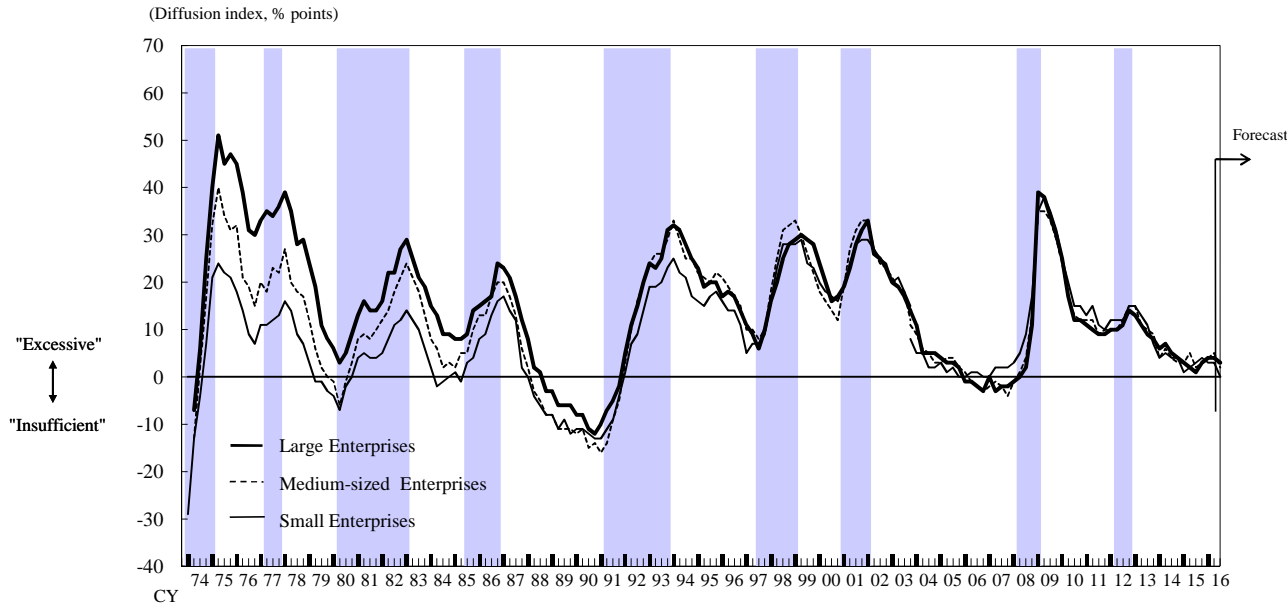
Nonmanufacturing



All industries



[Production Capacity (Manufacturing)]

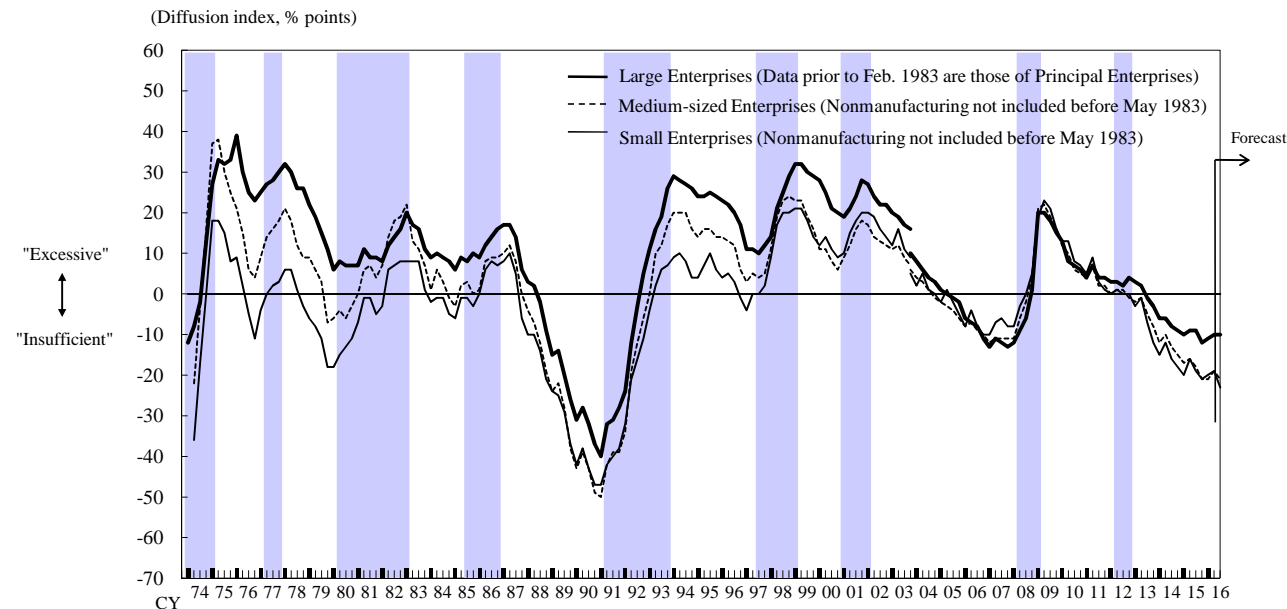


Peaks and Bottoms of Production Capacity (from May 1977)
(Diffusion index of "Excessive capacity" minus "Insufficient capacity," % points)

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)
14 (12/12)		15 (12/12,13/3)		15 (12/12,13/3)	

	June 2016 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	4	5	3
Forecast	3	2	0

[Employment Conditions (All industries)]

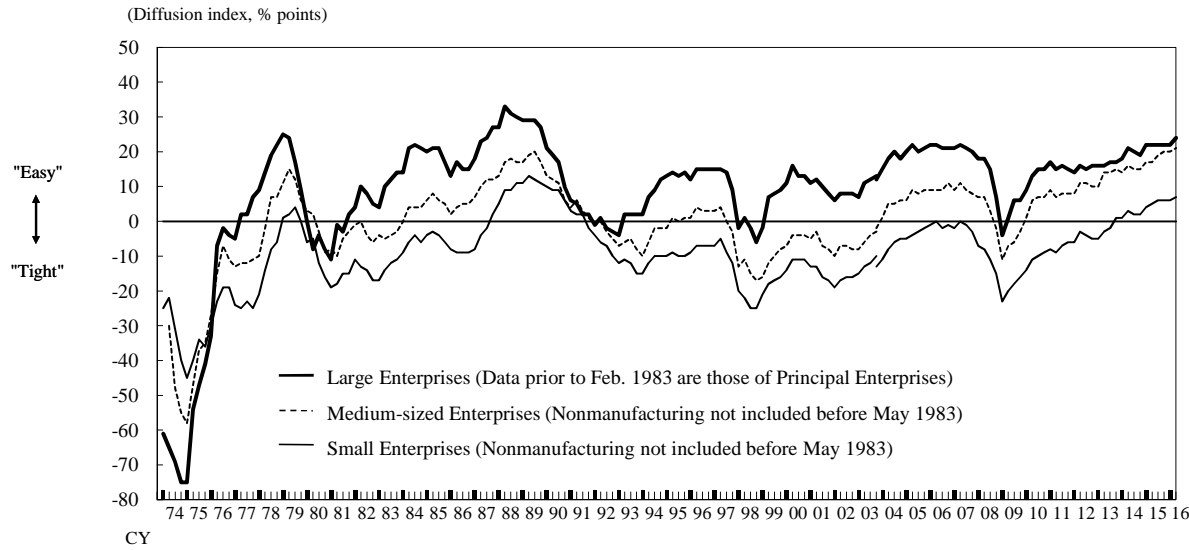


Peaks and Bottoms of Employment Conditions (from May 1986)
(Diffusion index of "Excessive employment" minus "Insufficient employment," % points)

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 (09/06)	0 (12/3)	23 (09/6)	0 (12/3)
4 (12/12)		1 (12/6,9)		1 (12/6)	

	June 2016 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	-10	-19	-19
Forecast	-10	-21	-23

Financial Position



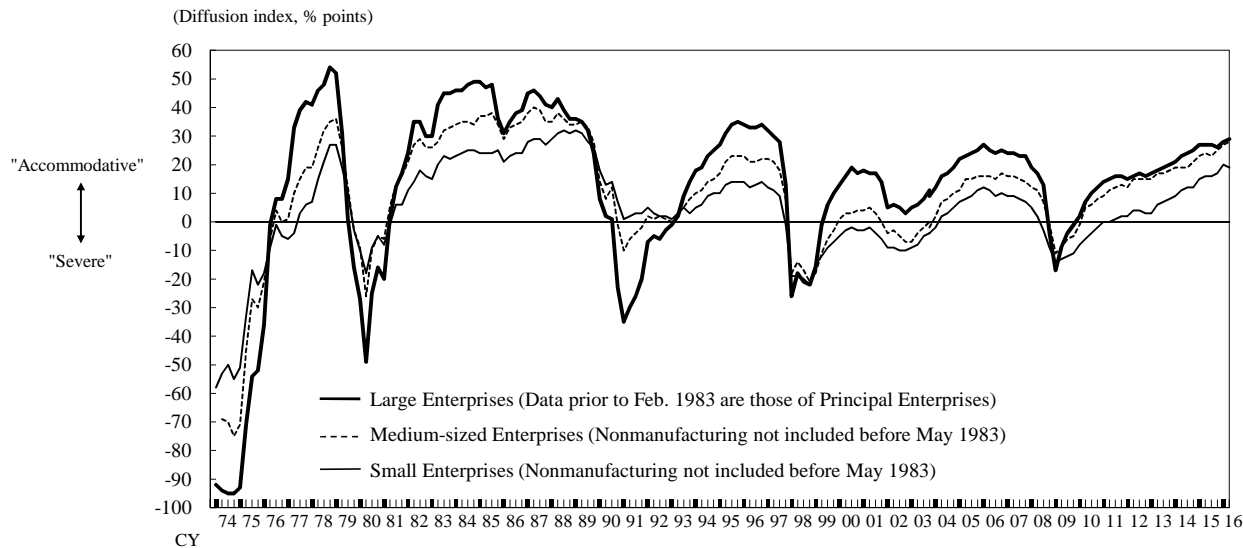
Peaks and Bottoms of Financial Position (from May 1983)

(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)

	June 2016 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	24	21	7

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)

	June 2016 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	29	28	19