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March 10, 1999

Research and Statistics Department, Bank of Japan

## Data comparison between pre- and post-revision of *TANKAN* in the December 1998 survey

Due to the revision of *Tankan* (the abbreviation of *the Short-term Economic Survey of Enterprises in Japan*), there will be no continuity between the figures of *the All Enterprises Tankan* of December 1998 and March 1999 surveys. For your convenience, we have collected and aggregated prior figures for the new sample enterprises at the timing of the December survey. The attached tables are the data comparison between pre- and post-revision.

\* The main points of the revision of *the All Enterprises Tankan*:

1. Revision of the number of population and sample enterprises by industry and scale.
  2. Review of industry and scale of the sample enterprises included in both pre- and post-revision.
  3. Unification of quantitative data into population estimates. (Items for judgemental survey will continue to be simple aggregates.)
- No revision will be made to *the Principal Enterprises Tankan* except some changes of industry classification for a few enterprises.

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## Data comparison between pre- and post-revision of TANKAN in the December 1998 survey

99th Short-Term Economic Survey of All Enterprises in Japan

166th Short-Term Economic Survey of Principal Enterprises in Japan

March 10, 1999

Research and Statistics Department

Bank of Japan

## Number of sample enterprises

|                          | Pre-revision  |                   |       |               | Post-revision |                   |       |               |
|--------------------------|---------------|-------------------|-------|---------------|---------------|-------------------|-------|---------------|
|                          | Manufacturing | Non-manufacturing | Total | Response rate | Manufacturing | Non-manufacturing | Total | Response rate |
| All Enterprises          | 3,921         | 5,208             | 9,129 | 91.8%         | 3,936         | 5,537             | 9,473 | 94.1%         |
| Large enterprises        | 809           | 616               | 1,425 | 96.1%         | 781           | 655               | 1,436 | 96.3%         |
| Medium-sized enterprises | 1,080         | 1,405             | 2,485 | 94.3%         | 1,117         | 1,865             | 2,982 | 94.6%         |
| Small enterprises        | 2,032         | 3,187             | 5,219 | 89.4%         | 2,038         | 3,017             | 5,055 | 93.3%         |
| Principal Enterprises    | 382           | 315               | 697   | 100.0%        | 383           | 311               | 694   | 100.0%        |

Memo: Average of predicted exchange rates expected by large manufacturing enterprises  
(yen per US dollar)

|               | FY 1998 |        |        |
|---------------|---------|--------|--------|
|               |         | 1H     | 2H     |
| Pre-revision  | 129.20  | 134.87 | 123.38 |
| Post-revision | 129.07  | 134.53 | 123.47 |

(Notes) Data on pre-revision are simple aggregates, and on post-revision are population estimates.

## 1. Business Conditions

(Net percentage of respondents who reported "Favorable")

|                                    | Large enterprises |          |         |               |          |         | Medium-sized enterprises |          |         |               |          |         | Small enterprises |          |         |               |          |         |
|------------------------------------|-------------------|----------|---------|---------------|----------|---------|--------------------------|----------|---------|---------------|----------|---------|-------------------|----------|---------|---------------|----------|---------|
|                                    | Dec 1998 survey   |          |         |               |          |         | Dec 1998 survey          |          |         |               |          |         | Dec 1998 survey   |          |         |               |          |         |
|                                    | Pre-revision      |          |         | Post-revision |          |         | Pre-revision             |          |         | Post-revision |          |         | Pre-revision      |          |         | Post-revision |          |         |
|                                    | Actual result     | Forecast | Changes | Actual result | Forecast | Changes | Actual result            | Forecast | Changes | Actual result | Forecast | Changes | Actual result     | Forecast | Changes | Actual result | Forecast | Changes |
| Manufacturing                      | -51               | -45      | 6       | -49           | -43      | 6       | -53                      | -50      | 3       | -52           | -49      | 3       | -60               | -60      | 0       | -56           | -58      | -2      |
| Textiles                           | -72               | -49      | 23      | -70           | -50      | 20      | -79                      | -69      | 10      | -83           | -67      | 16      | -77               | -74      | 3       | -75           | -77      | -2      |
| Lumber & wood products             | -92               | -83      | 9       | -89           | -89      | 0       | -86                      | -57      | 29      | -87           | -57      | 30      | -70               | -68      | 2       | -70           | -64      | 6       |
| Pulp & paper                       | -72               | -67      | 5       | -81           | -69      | 12      | -53                      | -50      | 3       | -50           | -53      | -3      | -46               | -48      | -2      | -39           | -48      | -9      |
| Chemicals                          | -42               | -35      | 7       | -39           | -32      | 7       | -37                      | -37      | 0       | -38           | -39      | -1      | -40               | -41      | -1      | -41           | -39      | 2       |
| Petroleum & coal products          | -70               | -60      | 10      | -70           | -60      | 10      | -73                      | -73      | 0       | -73           | -73      | 0       | -70               | -70      | 0       | -47           | -53      | -6      |
| Ceramics, stone & clay             | -76               | -72      | 4       | -78           | -70      | 8       | -61                      | -61      | 0       | -61           | -63      | -2      | -64               | -61      | 3       | -65           | -61      | 4       |
| Iron & steel                       | -83               | -77      | 6       | -85           | -77      | 8       | -66                      | -59      | 7       | -69           | -63      | 6       | -81               | -75      | 6       | -80           | -75      | 5       |
| Nonferrous metals                  | -67               | -38      | 29      | -65           | -35      | 30      | -63                      | -70      | -7      | -64           | -64      | 0       | -68               | -66      | 2       | -70           | -71      | -1      |
| Food & beverages                   | -19               | -8       | 11      | -18           | -5       | 13      | -28                      | -16      | 12      | -27           | -19      | 8       | -32               | -34      | -2      | -28           | -27      | 1       |
| Processed metals                   | -53               | -50      | 3       | -52           | -52      | 0       | -60                      | -51      | 9       | -61           | -50      | 11      | -73               | -64      | 9       | -69           | -65      | 4       |
| Industrial machinery               | -54               | -51      | 3       | -51           | -46      | 5       | -61                      | -63      | -2      | -62           | -66      | -4      | -64               | -76      | -12     | -63           | -73      | -10     |
| Electrical machinery               | -49               | -45      | 4       | -48           | -42      | 6       | -49                      | -52      | -3      | -44           | -49      | -5      | -62               | -62      | 0       | -53           | -56      | -3      |
| Shipbuilding & heavy machinery     | -33               | -45      | -12     | -30           | -40      | -10     | -25                      | -25      | 0       | -17           | -25      | -8      | -48               | -63      | -15     | -52           | -64      | -12     |
| Motor vehicles                     | -52               | -45      | 7       | -53           | -45      | 8       | -64                      | -54      | 10      | -68           | -55      | 13      | -61               | -54      | 7       | -63           | -55      | 8       |
| Precision machinery                | -39               | -39      | 0       | -46           | -58      | -12     | -35                      | -53      | -18     | -43           | -47      | -4      | -53               | -60      | -7      | -44           | -60      | -16     |
| Basic materials                    | -64               | -53      | 11      | -62           | -50      | 12      | -61                      | -57      | 4       | -61           | -56      | 5       | -66               | -64      | 2       | -64           | -64      | 0       |
| Processing                         | -45               | -41      | 4       | -45           | -40      | 5       | -49                      | -46      | 3       | -48           | -47      | 1       | -55               | -57      | -2      | -52           | -54      | -2      |
| Nonmanufacturing                   | -41               | -36      | 5       | -39           | -33      | 6       | -46                      | -44      | 2       | -41           | -41      | 0       | -43               | -45      | -2      | -43           | -45      | -2      |
| Construction                       | -50               | -45      | 5       | -51           | -43      | 8       | -43                      | -33      | 10      | -38           | -32      | 6       | -33               | -35      | -2      | -32           | -36      | -4      |
| Real estate                        | -50               | -50      | 0       | -42           | -42      | 0       | -40                      | -33      | 7       | -39           | -31      | 8       | -38               | -37      | 1       | -39           | -40      | -1      |
| Wholesaling                        | -42               | -34      | 8       | -39           | -29      | 10      | -51                      | -49      | 2       | -53           | -47      | 6       | -53               | -54      | -1      | -48           | -49      | -1      |
| Retailing                          | -43               | -34      | 9       | -39           | -31      | 8       | -54                      | -48      | 6       | -47           | -41      | 6       | -54               | -52      | 2       | -57           | -54      | 3       |
| Transportation                     | -56               | -50      | 6       | -52           | -46      | 6       | -67                      | -62      | 5       | -67           | -58      | 9       | -50               | -55      | -5      | -52           | -59      | -7      |
| Communications                     | -10               | 10       | 20      | -11           | 0        | 11      | 75                       | 50       | -25     | 42            | 34       | -8      | 0                 | 0        | 0       | 25            | 35       | 10      |
| Electric & gas utilities           | 13                | 7        | -6      | 12            | 6        | -6      | -20                      | 10       | 30      | -20           | 10       | 30      | -4                | -4       | 0       | -8            | -8       | 0       |
| Services                           | -25               | -30      | -5      | -22           | -27      | -5      | -33                      | -40      | -7      | -29           | -39      | -10     | -31               | -38      | -7      | -31           | -35      | -4      |
| Leasing                            | 0                 | 0        | 0       | -22           | -22      | 0       | -23                      | -24      | -1      | -25           | -31      | -6      | -36               | -38      | -2      | -36           | -36      | 0       |
| All industries                     | -47               | -41      | 6       | -44           | -39      | 5       | -48                      | -47      | 1       | -46           | -45      | 1       | -50               | -52      | -2      | -48           | -50      | -2      |
| All respondents of All Enterprises | -49               | -48      | 1       | -47           | -47      | 0       |                          |          |         |               |          |         |                   |          |         |               |          |         |

(Notes) FY = fiscal year (April - March of the following year)

1H = first half (April - September)

2H = second half (October - March of the following year)

## 1. Business Conditions (Continued)

(Net percentage of respondents who reported "Favorable")

|                                | Principal Enterprises |          |         |               |          |         |
|--------------------------------|-----------------------|----------|---------|---------------|----------|---------|
|                                | Dec 1998 survey       |          |         |               |          |         |
|                                | Pre-revision          |          |         | Post-revision |          |         |
|                                | Actual result         | Forecast | Changes | Actual result | Forecast | Changes |
| Manufacturing                  | -56                   | -48      | 8       | -56           | -48      | 8       |
| Textiles                       | -74                   | -59      | 15      | -74           | -63      | 11      |
| Pulp & paper                   | -82                   | -73      | 9       | -82           | -73      | 9       |
| Chemicals                      | -52                   | -46      | 6       | -50           | -44      | 6       |
| Petroleum refining             | -70                   | -60      | 10      | -70           | -60      | 10      |
| Ceramics, stone & clay         | -75                   | -81      | -6      | -76           | -76      | 0       |
| Iron & steel                   | -80                   | -76      | 4       | -83           | -79      | 4       |
| Nonferrous metals              | -70                   | -45      | 25      | -65           | -40      | 25      |
| Food & beverages               | -16                   | -6       | 10      | -18           | -9       | 9       |
| Processed metals               | -50                   | -50      | 0       | -54           | -54      | 0       |
| Industrial machinery           | -54                   | -44      | 10      | -53           | -43      | 10      |
| Electrical machinery           | -51                   | -31      | 20      | -48           | -29      | 19      |
| Shipbuilding & heavy machinery | -50                   | -67      | -17     | -50           | -67      | -17     |
| Motor vehicles                 | -50                   | -32      | 18      | -52           | -34      | 18      |
| Precision machinery            | -46                   | -55      | -9      | -60           | -70      | -10     |
| Basic materials                | -67                   | -58      | 9       | -66           | -58      | 8       |
| Processing                     | -46                   | -38      | 8       | -47           | -38      | 9       |
| Nonmanufacturing               | -41                   | -34      | 7       | -41           | -34      | 7       |
| Construction                   | -59                   | -54      | 5       | -59           | -54      | 5       |
| Real estate                    | -43                   | -34      | 9       | -45           | -36      | 9       |
| Wholesaling                    | -43                   | -36      | 7       | -43           | -34      | 9       |
| Retailing                      | -58                   | -42      | 16      | -58           | -42      | 16      |
| Transportation                 | -37                   | -33      | 4       | -38           | -32      | 6       |
| Communications                 | -33                   | -17      | 16      | -33           | -17      | 16      |
| Electric & gas utilities       | 0                     | 0        | 0       | 0             | 0        | 0       |
| Services                       | -26                   | -27      | -1      | -27           | -28      | -1      |
| Leasing                        | -29                   | -29      | 0       | -27           | -27      | 0       |
| All industries                 | -50                   | -42      | 8       | -50           | -42      | 8       |

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

(% points)

|  |                 | Large enterprises |          |         |               |          |         |
|--|-----------------|-------------------|----------|---------|---------------|----------|---------|
|  |                 | Dec 1998 survey   |          |         |               |          |         |
|  |                 | Pre-revision      |          |         | Post-revision |          |         |
|  |                 | Actual result     | Forecast | Changes | Actual result | Forecast | Changes |
| Supply and demand conditions for products:           | Manufacturing   | -54               | -51      | 3       | -53           | -49      | 4       |
| Diffusion index of "Excess demand" minus             | Basic materials | -65               | -58      | 7       | -63           | -57      | 6       |
| "Excess supply"                                      | Processing      | -49               | -48      | 1       | -49           | -46      | 3       |
| Supply and demand conditions for products overseas:  | Manufacturing   | -33               | -31      | 2       | -34           | -31      | 3       |
| Diffusion index of "Excess demand" minus             | Basic materials | -44               | -42      | 2       | -46           | -43      | 3       |
| "Excess supply"                                      | Processing      | -29               | -27      | 2       | -28           | -26      | 2       |
| Inventory level of finished goods and merchandise:   | Manufacturing   | 37                | 25       | -12     | 38            | 25       | -13     |
| Diffusion index of "Excessive or somewhat excessive" | Basic materials | 47                | 32       | -15     | 46            | 31       | -15     |
| minus "Insufficient or somewhat insufficient"        | Processing      | 34                | 22       | -12     | 35            | 23       | -12     |
| Wholesalers' inventory level:                        | Manufacturing   | 43                | 36       | -7      | 42            | 36       | -6      |
| Diffusion index of "Excessive or somewhat excessive" | Basic materials | 52                | 43       | -9      | 52            | 42       | -10     |
| minus "Insufficient or somewhat insufficient"        | Processing      | 39                | 33       | -6      | 39            | 33       | -6      |
| Change in output prices:                             | Manufacturing   | -38               | -33      | 5       | -37           | -32      | 5       |
| Diffusion index of "Rise" minus "Fall"               | Basic materials | -42               | -24      | 18      | -40           | -24      | 16      |
|  | Processing      | -36               | -36      | 0       | -36           | -35      | 1       |
| Change in input prices:                              | Manufacturing   | -15               | -10      | 5       | -15           | -9       | 6       |
| Diffusion index of "Rise" minus "Fall"               | Basic materials | -21               | -11      | 10      | -19           | -9       | 10      |
|  | Processing      | -12               | -10      | 2       | -13           | -9       | 4       |
|  |                 |                   |          |         |               |          |         |
|  |                 | Small enterprises |          |         |               |          |         |
|  |                 | Dec 1998 survey   |          |         |               |          |         |
|  |                 | Pre-revision      |          |         | Post-revision |          |         |
|  |                 | Actual result     | Forecast | Changes | Actual result | Forecast | Changes |
| Supply and demand conditions for products:           | Manufacturing   | -65               | -65      | 0       | -63           | -63      | 0       |
| Diffusion index of "Excess demand" minus             | Basic materials | -72               | -71      | 1       | -71           | -71      | 0       |
| "Excess supply"                                      | Processing      | -59               | -58      | 1       | -58           | -58      | 0       |
| Supply and demand conditions for products overseas:  | Manufacturing   | -47               | -47      | 0       | -45           | -47      | -2      |
| Diffusion index of "Excess demand" minus             | Basic materials | -55               | -55      | 0       | -55           | -55      | 0       |
| "Excess supply"                                      | Processing      | -41               | -42      | -1      | -40           | -42      | -2      |
| Inventory level of finished goods and merchandise:   | Manufacturing   | 35                | 27       | -8      | 35            | 26       | -9      |
| Diffusion index of "Excessive or somewhat excessive" | Basic materials | 45                | 35       | -10     | 45            | 35       | -10     |
| minus "Insufficient or somewhat insufficient"        | Processing      | 27                | 21       | -6      | 28            | 21       | -7      |
| Wholesalers' inventory level:                        | Manufacturing   | 52                | 47       | -5      | 53            | 47       | -6      |
| Diffusion index of "Excessive or somewhat excessive" | Basic materials | 63                | 56       | -7      | 65            | 59       | -6      |
| minus "Insufficient or somewhat insufficient"        | Processing      | 44                | 39       | -5      | 45            | 39       | -6      |
| Change in output prices:                             | Manufacturing   | -39               | -38      | 1       | -40           | -40      | 0       |
| Diffusion index of "Rise" minus "Fall"               | Basic materials | -42               | -39      | 3       | -44           | -40      | 4       |
|  | Processing      | -36               | -39      | -3      | -37           | -41      | -4      |
| Change in input prices:                              | Manufacturing   | -9                | -3       | 6       | -9            | -4       | 5       |
| Diffusion index of "Rise" minus "Fall"               | Basic materials | -13               | -2       | 11      | -14           | -3       | 11      |
|  | Processing      | -6                | -4       | 2       | -6            | -4       | 2       |

### 3. Sales and Current Profits

#### Sales

|                          |                  | FY 1998<br>(Forecast) |               |
|--------------------------|------------------|-----------------------|---------------|
|                          |                  | Pre-revision          | Post-revision |
| Large enterprises        | Manufacturing    | -4.8                  | -5.0          |
|                          | Domestic sales   | -6.3                  | -6.4          |
|                          | Exports          | 0.3                   | 0.3           |
|                          | Nonmanufacturing | -6.7                  | -6.3          |
| Medium-sized enterprises | Manufacturing    | -6.6                  | -5.7          |
|                          | Nonmanufacturing | -4.3                  | -3.8          |
| Small enterprises        | Manufacturing    | -7.8                  | -7.2          |
|                          | Nonmanufacturing | -3.9                  | -4.5          |
| All Enterprises          | All industries   | -5.5                  | -5.2          |
| Principal Enterprises    | Manufacturing    | -5.0                  | -5.0          |
|                          | Nonmanufacturing | -6.5                  | -6.5          |

(Year-to-year growth rate, %)

| 1H FY1998<br>(Forecast) |  | 2H FY1998<br>(Forecast) |               |
|-------------------------|--|-------------------------|---------------|
|                         |  | Pre-revision            | Post-revision |
| Pre-revision            |  | -7.0                    | -7.0          |
|                         |  | -10.1                   | -9.9          |
|                         |  | 3.1                     | 3.3           |
|                         |  | -8.3                    | -7.9          |
| Post-revision           |  | -8.6                    | -8.0          |
|                         |  | -7.0                    | -6.3          |
|                         |  | -8.8                    | -8.7          |
|                         |  | -5.4                    | -6.0          |
| Pre-revision            |  | -7.4                    | -7.1          |
| Post-revision           |  | -7.3                    | -7.2          |
| Pre-revision            |  | -8.0                    | -8.0          |
| Post-revision           |  | -5.1                    | -5.1          |

#### Current Profits

|                          |   | FY 1998<br>(Forecast) |               |
|--------------------------|---|-----------------------|---------------|
|                          |   | Pre-revision          | Post-revision |
| Large enterprises        | Manufacturing                                       | -23.4                 | -22.9         |
|                          | Basic materials                                     | -25.2                 | -22.1         |
|                          | Processing  | -22.6                 | -23.2         |
|                          | Nonmanufacturing                                    | -10.5                 | -12.0         |
| Medium-sized enterprises | Manufacturing                                       | -33.5                 | -24.0         |
|                          | Nonmanufacturing                                    | 2.4                   | -2.8          |
| Small enterprises        | Manufacturing                                       | -50.7                 | -41.7         |
|                          | Nonmanufacturing                                    | -15.0                 | -11.2         |
| All Enterprises          | All industries                                      | -19.2                 | -16.8         |
| Principal Enterprises    | Manufacturing excluding petroleum refining          | -22.7                 | -22.7         |
|                          | Nonmanufacturing excluding electric & gas utilities | -9.8                  | -9.8          |

(Year-to-year growth rate, %)

| 1H FY1998<br>(Forecast) |  | 2H FY1998<br>(Forecast) |               |
|-------------------------|--|-------------------------|---------------|
|                         |  | Pre-revision            | Post-revision |
| Pre-revision            |  | -29.1                   | -28.2         |
|                         |  | -30.7                   | -27.2         |
|                         |  | -28.4                   | -28.6         |
|                         |  | -14.6                   | -17.5         |
| Post-revision           |  | -51.5                   | -33.3         |
|                         |  | 1.8                     | -17.3         |
|                         |  | -67.6                   | -65.1         |
|                         |  | -19.3                   | -13.9         |
| Pre-revision            |  | -25.1                   | -24.6         |
| Post-revision           |  | -27.8                   | -27.8         |
| Pre-revision            |  | -13.7                   | -13.9         |
| Post-revision           |  | -5.5                    | -5.5          |

#### Ratio of Current Profit to Sales

|                          |   | FY 1998<br>(Forecast) |               |
|--------------------------|---|-----------------------|---------------|
|                          |   | Pre-revision          | Post-revision |
| Large enterprises        | Manufacturing                                       | 3.20                  | 3.30          |
|                          | Nonmanufacturing                                    | 1.77                  | 1.87          |
| Medium-sized enterprises | Manufacturing                                       | 1.93                  | 2.91          |
|                          | Nonmanufacturing                                    | 1.37                  | 1.13          |
| Small enterprises        | Manufacturing                                       | 1.09                  | 1.33          |
|                          | Nonmanufacturing                                    | 2.13                  | 1.65          |
| All Enterprises          | All industries                                      | 2.31                  | 1.90          |
| Principal Enterprises    | Manufacturing excluding petroleum refining          | 3.27                  | 3.26          |
|                          | Nonmanufacturing excluding electric & gas utilities | 1.47                  | 1.47          |

(%)

| 1H FY1998<br>(Forecast) |  | 2H FY1998<br>(Forecast) |               |
|-------------------------|--|-------------------------|---------------|
|                         |  | Pre-revision            | Post-revision |
| Pre-revision            |  | 3.25                    | 3.36          |
|                         |  | 1.82                    | 1.93          |
|                         |  | 1.44                    | 2.45          |
|                         |  | 1.23                    | 0.84          |
| Post-revision           |  | 0.71                    | 0.75          |
|                         |  | 1.89                    | 1.40          |
|                         |  | 2.32                    | 1.76          |
|                         |  | 3.35                    | 3.34          |
| Pre-revision            |  | 1.55                    | 1.55          |
| Post-revision           |  | 1.40                    | 1.40          |

(Notes for Current Profits and Ratio of Current Profit to Sales) <All Enterprises> Data on pre-revision are simple aggregates, and on post-revision are population estimates.

<Principal Enterprises> Data on both pre- and post-revision are simple aggregates.

#### 4. Fixed Investments

Fixed Investments (Year-to-year growth rate, %)

|                          |                  | FY1998<br>(Forecast) |               |
|--------------------------|------------------|----------------------|---------------|
|                          |                  | Pre-revision         | Post-revision |
|                          |                  | Large enterprises    | Manufacturing |
|                          | Nonmanufacturing | -0.6                 | 1.1           |
|                          | All industries   | -3.8                 | -2.5          |
| Medium-sized enterprises | Manufacturing    | -11.8                | -7.8          |
|                          | Nonmanufacturing | -9.5                 | -1.8          |
|                          | All industries   | -10.0                | -2.6          |
| Small enterprises        | Manufacturing    | -18.1                | -17.6         |
|                          | Nonmanufacturing | -13.7                | -7.7          |
|                          | All industries   | -15.0                | -10.5         |
| All Enterprises          | Manufacturing    | -10.6                | -9.7          |
|                          | Nonmanufacturing | -5.8                 | -1.6          |
|                          | All industries   | -7.4                 | -3.8          |
| Principal Enterprises    | Manufacturing    | -7.7                 | -7.6          |
|                          | Nonmanufacturing | 0.2                  | 0.2           |
|                          | All industries   | -2.6                 | -2.6          |

#### Production Capacity (Manufacturing)

(Net percentage of respondents who reported "Excessive capacity", % points)

|                                    |  | Dec 1998 survey |          |         |               |          |         |
|------------------------------------|--|-----------------|----------|---------|---------------|----------|---------|
|                                    |  | Pre-revision    |          |         | Post-revision |          |         |
|                                    |  | Actual result   | Forecast | Changes | Actual result | Forecast | Changes |
| Large enterprises                  |  | 28              | 27       | -1      | 28            | 26       | -2      |
| Medium-sized enterprises           |  | 32              | 31       | -1      | 32            | 30       | -2      |
| Small enterprises                  |  | 28              | 29       | 1       | 27            | 27       | 0       |
| All respondents of All Enterprises |  | 29              | 29       | 0       | 29            | 28       | -1      |
| Principal Enterprises              |  | 27              | 24       | -3      | 26            | 24       | -2      |

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

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

|                       |                              | FY1998<br>(Forecast) |                     |
|-----------------------|------------------------------|----------------------|---------------------|
|                       |                              | Pre-revision         | Post-revision       |
|                       |                              | Large enterprises    | Overseas production |
|                       | Share of overseas production | 24.8                 | 18.7                |
| Principal Enterprises | Overseas production          | 6.0                  | 6.0                 |
|                       | Share of overseas production | 25.7                 | 22.5                |

Overseas investment (Manufacturing) (Year-to-year growth rate, %)

|                       |                               | FY1998<br>(Forecast) |                      |
|-----------------------|-------------------------------|----------------------|----------------------|
|                       |                               | Pre-revision         | Post-revision        |
|                       |                               | Large enterprises    | Overseas investments |
|                       | Share of overseas investments | 33.9                 | 25.9                 |
| Principal Enterprises | Overseas investments          | -7.0                 | -7.0                 |
|                       | Share of overseas investments | 34.8                 | 30.1                 |

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

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

3. Percentages share of overseas production = Value of overseas production / (Value of sales + Value of overseas production) \* 100

Percentages share of overseas investments = Value of overseas investment / (Value of domestic investment + Value of overseas investment) \* 100

4.<All Enterprises> Data on pre-revision are simple aggregates, on post-revision are population estimates.

<Principal Enterprises> Data on both pre- and post-revision are simple aggregates.

#### 6. Employment

Employment Conditions

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

|                                    |                  | Dec 1998 survey   |               |         |               |          |         |
|------------------------------------|------------------|-------------------|---------------|---------|---------------|----------|---------|
|                                    |                  | Pre-revision      |               |         | Post-revision |          |         |
|                                    |                  | Actual result     | Forecast      | Changes | Actual result | Forecast | Changes |
|                                    |                  | Large enterprises | Manufacturing | 38      | 37            | -1       | 39      |
|                                    | Nonmanufacturing | 17                | 12            | -5      | 17            | 12       | -5      |
|                                    | All industries   | 29                | 26            | -3      | 30            | 26       | -4      |
| Medium-sized enterprises           | Manufacturing    | 37                | 35            | -2      | 37            | 35       | -2      |
|                                    | Nonmanufacturing | 15                | 11            | -4      | 13            | 10       | -3      |
|                                    | All industries   | 24                | 22            | -2      | 22            | 19       | -3      |
| Small enterprises                  | Manufacturing    | 32                | 31            | -1      | 32            | 31       | -1      |
|                                    | Nonmanufacturing | 12                | 11            | -1      | 13            | 13       | 0       |
|                                    | All industries   | 20                | 20            | 0       | 21            | 20       | -1      |
| All respondents of All Enterprises | Manufacturing    | 35                | 33            | -2      | 35            | 34       | -1      |
|                                    | Nonmanufacturing | 13                | 11            | -2      | 14            | 12       | -2      |
|                                    | All industries   | 23                | 22            | -1      | 23            | 20       | -3      |
| Principal Enterprises              | Manufacturing    | 39                | 37            | -2      | 39            | 37       | -2      |
|                                    | Nonmanufacturing | 18                | 15            | -3      | 18            | 15       | -3      |
|                                    | All industries   | 29                | 28            | -1      | 29            | 28       | -1      |

#### Number of Employees (All industries)

(Year-to-year growth rate, %)

|                          | Sep 1998     |               |
|--------------------------|--------------|---------------|
|                          | Pre-revision | Post-revision |
| Large enterprises        | -1.0         | -0.1          |
| Medium-sized enterprises | -1.3         | -1.6          |
| Small enterprises        | -1.5         | -1.6          |
| All Enterprises          | -1.3         | -1.0          |
| Principal Enterprises    | -2.0         | -2.0          |

#### Hiring New Graduates (All industries) (special survey for December)

(Year-to-year growth rate, %)

|                          | FY1999       |               |
|--------------------------|--------------|---------------|
|                          | Pre-revision | Post-revision |
| Large enterprises        | -22.9        | -21.7         |
| Medium-sized enterprises | -24.4        | -22.1         |
| Small enterprises        | -28.9        | -29.6         |
| All Enterprises          | -23.5        | -23.8         |
| Principal Enterprises    | -21.8        | -21.8         |

(Notes) 1. Percentage change of scheduled figures against the actual figures of the previous year.

2.<All Enterprises> Data on pre-revision are simple aggregates, on post-revision are population estimates.

<Principal Enterprises> Data on both pre- and post-revision are simple aggregates.

## 7. Corporate Finance

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

|                                    | Dec 1998 survey |          |         |               |          |         |
|------------------------------------|-----------------|----------|---------|---------------|----------|---------|
|                                    | Pre-revision    |          |         | Post-revision |          |         |
|                                    | Actual result   | Forecast | Changes | Actual result | Forecast | Changes |
|                                    |                 |          |         |               |          |         |
| Large enterprises                  | -6              | -13      | -7      | -3            | -11      | -8      |
| Medium-sized enterprises           | -17             | -27      | -10     | -17           | -27      | -10     |
| Small enterprises                  | -25             | -36      | -11     | -22           | -35      | -13     |
| All respondents of All Enterprises | -20             | -30      | -10     | -18           | -29      | -11     |
| Principal Enterprises              | -7              | -15      | -8      | -7            | -15      | -8      |

Lending Attitude of Financial Institutions (All industries) (Diffusion index of "Accommodative" minus "Severe", % points)

|                                    | Dec 1998 survey |          |         |               |          |         |
|------------------------------------|-----------------|----------|---------|---------------|----------|---------|
|                                    | Pre-revision    |          |         | Post-revision |          |         |
|                                    | Actual result   | Forecast | Changes | Actual result | Forecast | Changes |
|                                    |                 |          |         |               |          |         |
| Large enterprises                  | -22             | -30      | -8      | -20           | -28      | -8      |
| Medium-sized enterprises           | -21             | -27      | -6      | -20           | -28      | -8      |
| Small enterprises                  | -22             | -29      | -7      | -19           | -28      | -9      |
| All respondents of All Enterprises | -21             | -29      | -8      | -20           | -27      | -7      |
| Principal Enterprises              | -36             | -40      | -4      | -36           | -40      | -4      |

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

|                                    | Dec 1998 survey |          |         |               |          |         |
|------------------------------------|-----------------|----------|---------|---------------|----------|---------|
|                                    | Pre-revision    |          |         | Post-revision |          |         |
|                                    | Actual result   | Forecast | Changes | Actual result | Forecast | Changes |
|                                    |                 |          |         |               |          |         |
| Large enterprises                  | 7               | 24       | 17      | 6             | 23       | 17      |
| Medium-sized enterprises           | 3               | 17       | 14      | 3             | 16       | 13      |
| Small enterprises                  | -1              | 10       | 11      | -2            | 10       | 12      |
| All respondents of All Enterprises | 2               | 15       | 13      | 1             | 14       | 13      |
| Principal Enterprises              | 9               | 26       | 17      | 9             | 26       | 17      |

Liquidity Ratio (All industries) (months)

|                          | Pre-revision |           |           | Post-revision |           |           |
|--------------------------|--------------|-----------|-----------|---------------|-----------|-----------|
|                          | Mar 1998     | June 1998 | Sept 1998 | Mar 1998      | June 1998 | Sept 1998 |
| Large enterprises        | 1.29         | 1.26      | 1.34      | 1.36          | 1.32      | 1.41      |
| Medium-sized enterprises | 1.22         | 1.20      | 1.22      | 1.29          | 1.26      | 1.28      |
| Small enterprises        | 1.57         | 1.61      | 1.62      | 1.66          | 1.67      | 1.71      |
| All Enterprises          | 1.33         | 1.31      | 1.36      | 1.40          | 1.37      | 1.43      |
| Principal Enterprises    | 1.38         | 1.35      | 1.44      | 1.38          | 1.35      | 1.44      |

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