

Tankan Summary (June 2014)

161st Short-Term Economic Survey of Enterprises in Japan

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July 1, 2014

Research and Statistics Department

Bank of Japan

Number of Sample Enterprises

	Manufacturing	Nonmanufacturing	Total	Response rate
All Enterprises	4,179	6,248	10,427	99.2%
Large Enterprises	1,143	1,136	2,279	99.0%
Medium-sized Enterprises	1,119	1,736	2,855	99.5%
Small Enterprises	1,917	3,376	5,293	99.2%
Financial institutions	-	-	193	98.4%

Responding Period: May 28 to June 30

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

	FY 2013		FY 2014		(yen per US dollar)	
	1H	2H	1H	2H	1H	2H
March 2014 Survey	98.37	97.66	99.06	99.48	99.38	99.58
June 2014 Survey	99.17	97.87	100.44	100.18	100.14	100.23

1. Business Conditions

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

	Large Enterprises						Medium-sized Enterprises						Small Enterprises					
	March 2014 Survey		June 2014 Survey				March 2014 Survey		June 2014 Survey				March 2014 Survey		June 2014 Survey			
	Actual result	Forecast	Actual result	Forecast	Changes	Changes	Actual result	Forecast	Actual result	Forecast	Changes	Changes	Actual result	Forecast	Actual result	Forecast	Changes	Changes
Manufacturing	17	8	12	-5	15	3	12	3	8	-4	8	0	4	-6	1	-3	3	2
Textiles	8	0	3	-5	5	2	-6	-9	0	6	0	0	-19	-27	-18	1	-21	-3
Lumber & Wood products	74	5	18	-56	4	-14	38	10	7	-31	6	-1	32	-19	-6	-38	-5	1
Pulp & Paper	0	-4	3	3	-6	-9	-13	-23	-18	-5	-8	10	-12	-14	-15	-3	-9	6
Chemicals	10	5	7	-3	9	2	9	0	-2	-11	2	4	1	-4	4	3	4	0
Petroleum & Coal products	-6	0	14	20	0	-14	27	33	-7	-34	25	32	10	-11	-11	-21	-9	2
Ceramics, Stone & Clay	29	21	12	-17	25	13	22	8	10	-12	14	4	22	12	18	-4	12	-6
Iron & Steel	19	12	21	2	31	10	12	14	20	8	18	-2	19	9	11	-8	20	9
Nonferrous metals	22	8	6	-16	16	10	31	12	28	-3	19	-9	7	-3	2	-5	5	3
Food & Beverages	9	7	8	-1	6	-2	-8	-10	-3	5	0	3	-5	-6	-7	-2	-3	4
Processed metals	16	15	16	0	18	2	22	18	6	-16	15	9	10	6	7	-3	14	7
General-purpose machinery	27	33	23	-4	29	6	9	0	6	-3	-4	-10	-4	0	1	5	11	10
Production machinery	25	18	19	-6	28	9	18	10	27	9	20	-7	17	3	15	-2	16	1
Business oriented machinery	12	9	15	3	17	2	26	22	12	-14	16	4	12	1	13	1	8	-5
Electrical machinery	12	8	16	4	21	5	3	-3	7	4	5	-2	0	-13	-3	-3	4	7
Shipbuilding & Heavy machinery, etc.	-3	3	0	3	7	7	20	17	23	3	8	-15	8	4	19	11	10	-9
Motor vehicles	36	-2	13	-23	14	1	19	-2	11	-8	7	-4	25	0	15	-10	9	-6
Basic materials	17	7	10	-7	12	2	13	3	7	-6	9	2	7	-7	-1	-8	1	2
Processing	17	9	15	-2	17	2	10	2	8	-2	8	0	4	-5	2	-2	4	2
Nonmanufacturing	24	13	19	-5	19	0	17	5	10	-7	8	-2	8	-4	2	-6	0	-2
Construction	37	26	33	-4	28	-5	25	14	18	-7	12	-6	21	1	14	-7	7	-7
Real estate	36	29	32	-4	27	-5	13	5	12	-1	5	-7	6	-3	1	-5	-1	-2
Goods rental & Leasing	55	42	52	-3	39	-13	25	16	20	-5	15	-5	25	16	16	-9	25	9
Wholesaling	16	8	11	-5	14	3	19	5	10	-9	10	0	7	-5	2	-5	0	-2
Retailing	24	-5	1	-23	10	9	30	-11	-4	-34	3	7	11	-25	-25	-36	-16	9
Transport & Postal activities	15	9	13	-2	14	1	10	4	6	-4	3	-3	-2	-6	-2	0	-3	-1
Communications	21	17	36	15	23	-13	20	16	20	0	4	-16	8	14	12	4	15	3
Information services	28	23	23	-5	26	3	18	14	13	-5	15	3	13	10	8	-5	9	1
Electric & Gas utilities	-3	-13	-13	-10	-8	5	19	8	7	-12	3	-4	-2	0	5	7	7	2
Services for businesses	34	32	38	4	33	-5	18	9	17	-1	14	-3	11	2	9	-2	4	-5
Services for individuals	20	16	20	0	12	-8	-2	-5	5	7	8	3	-10	-12	-4	6	-5	-1
Accommodations, Eating & Drinking services	19	2	14	-5	12	-2	2	3	5	3	7	2	-13	-15	-10	3	-8	2
All industries	21	11	16	-5	17	1	14	4	9	-5	8	-1	7	-5	2	-5	2	0

	All Enterprises					
Manufacturing	10	1	6	-4	7	1
Nonmanufacturing	14	1	8	-6	6	-2
All industries	12	1	7	-5	7	0

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 2014 Survey			June 2014 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	17	12	4	12	8	1	15	8	3
1. Favorable	25	25	24	20	21	21	20	19	19
2. Not so favorable	67	62	56	72	66	59	75	70	65
3. Unfavorable	8	13	20	8	13	20	5	11	16
Nonmanufacturing	24	17	8	19	10	2	19	8	0
1. Favorable	29	26	24	26	20	19	22	16	15
2. Not so favorable	66	65	60	67	70	64	75	76	70
3. Unfavorable	5	9	16	7	10	17	3	8	15

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

2. Supply and Demand Conditions, Inventories, and Prices

(% points)

		Large Enterprises					
		March 2014 Survey		June 2014 Survey			
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Domestic Supply & Demand Conditions for Products and Services:	Manufacturing	-8	-14	-13	-5	-11	2
	Basic materials	-8	-15	-15	-7	-13	2
Diffusion index of "Excess demand" minus "Excess supply"	Processing	-8	-12	-11	-3	-9	2
	Nonmanufacturing	-7	-12	-8	-1	-9	-1
Overseas Supply & Demand Conditions for Products:	Manufacturing	-9	-7	-5	4	-4	1
Diffusion index of "Excess demand" minus "Excess supply"	Basic materials	-15	-14	-11	4	-11	0
	Processing	-6	-3	-2	4	1	3

(% points)

		Small Enterprises					
		March 2014 Survey		June 2014 Survey			
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Domestic Supply & Demand Conditions for Products and Services:	Manufacturing	-17	-23	-21	-4	-19	2
	Basic materials	-18	-26	-26	-8	-24	2
Diffusion index of "Excess demand" minus "Excess supply"	Processing	-17	-21	-18	-1	-17	1
	Nonmanufacturing	-11	-19	-17	-6	-17	0
Overseas Supply & Demand Conditions for Products:	Manufacturing	-13	-13	-8	5	-8	0
Diffusion index of "Excess demand" minus "Excess supply"	Basic materials	-22	-22	-17	5	-16	1
	Processing	-8	-8	-4	4	-4	0

		Large Enterprises					
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Inventory Level of Finished Goods & Merchandise:	Manufacturing	13	12	-1			
Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Basic materials	10	14	4			
	Processing	15	12	-3			
Wholesalers' Inventory Level:	Manufacturing	12	10	-2			
Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Basic materials	13	14	1			
	Processing	11	9	-2			

		Small Enterprises					
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Inventory Level of Finished Goods & Merchandise:	Manufacturing	13	12	-1			
Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Basic materials	12	14	2			
	Processing	12	10	-2			
Wholesalers' Inventory Level:	Manufacturing	12	13	1			
Diffusion index of "Excessive or somewhat excessive" minus "Insufficient or somewhat insufficient"	Basic materials	13	19	6			
	Processing	10	10	0			

		Large Enterprises					
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Change in Output Prices:	Manufacturing	-3	-3	-2	1	-2	0
Diffusion index of "Rise" minus "Fall"	Basic materials	9	7	6	-3	8	2
	Processing	-9	-8	-7	2	-7	0
	Nonmanufacturing	6	6	8	2	6	-2
Change in Input Prices:	Manufacturing	22	22	20	-2	19	-1
Diffusion index of "Rise" minus "Fall"	Basic materials	32	27	29	-3	23	-6
	Processing	18	20	16	-2	17	1
	Nonmanufacturing	25	22	23	-2	22	-1

		Small Enterprises					
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Change in Output Prices:	Manufacturing	-5	-2	-4	1	0	4
Diffusion index of "Rise" minus "Fall"	Basic materials	4	10	5	1	9	4
	Processing	-12	-9	-10	2	-7	3
	Nonmanufacturing	-1	4	2	3	4	2
Change in Input Prices:	Manufacturing	39	46	40	1	43	3
Diffusion index of "Rise" minus "Fall"	Basic materials	44	49	46	2	45	-1
	Processing	35	44	36	1	42	6
	Nonmanufacturing	32	39	33	1	34	1

3. Sales and Current Profits

Sales (Year-to-year % change)

		FY2013		FY2014	
			Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	7.1	1.6	1.4	1.7
	Domestic Sales	5.1	2.0	1.4	2.2
	Exports	12.3	0.6	1.4	0.6
	Nonmanufacturing	5.4	2.0	2.1	3.1
	All industries	6.0	1.8	1.8	2.5
Medium-sized Enterprises	Manufacturing	3.8	0.7	1.1	1.0
	Nonmanufacturing	3.2	0.8	0.8	0.4
	All industries	3.4	0.8	0.9	0.6
Small Enterprises	Manufacturing	4.9	1.0	1.0	1.1
	Nonmanufacturing	6.3	2.1	-1.8	1.3
	All industries	6.0	1.9	-1.2	1.2
All Enterprises	Manufacturing	6.2	1.3	1.3	1.5
	Nonmanufacturing	5.2	1.8	0.7	2.0
	All industries	5.5	1.6	0.9	1.8

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

(Year-to-year % change)

1H FY2013	2H FY2013		1H FY2014		2H FY2014	
		Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate
4.0	10.0	2.2	2.1	1.4	0.7	2.0
1.2	8.9	2.7	2.6	2.2	0.2	2.2
11.6	13.0	0.9	0.7	-0.5	2.0	1.6
3.4	7.2	3.6	3.2	2.3	1.2	3.8
3.7	8.3	3.1	2.7	1.9	1.0	3.1
-0.4	8.0	1.6	2.4	0.9	-0.1	1.2
0.5	5.7	1.7	2.4	0.0	-0.6	0.8
0.3	6.3	1.7	2.4	0.2	-0.5	0.9
1.0	8.7	1.9	3.6	1.6	-1.3	0.6
4.1	8.3	3.7	0.4	1.2	-3.7	1.3
3.4	8.4	3.3	1.1	1.3	-3.2	1.2
2.8	9.5	2.1	2.4	1.4	0.2	1.7
3.0	7.2	3.2	2.2	1.5	-0.6	2.5
2.9	7.9	2.9	2.3	1.4	-0.4	2.2

Current Profits (Year-to-year % change)

		FY2013		FY2014	
			Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	48.7	3.8	-3.0	2.1
	Basic materials	34.4	4.0	1.8	9.3
	Processing	55.7	3.7	-5.1	-0.8
	Nonmanufacturing	24.6	7.3	-6.1	4.0
	All industries	35.0	5.6	-4.6	3.1
Medium-sized Enterprises	Manufacturing	25.4	6.6	-8.5	4.9
	Nonmanufacturing	9.0	7.5	-9.1	-0.2
	All industries	14.2	7.2	-8.9	1.5
Small Enterprises	Manufacturing	15.3	4.8	0.2	2.3
	Nonmanufacturing	21.3	8.8	-6.7	2.7
	All industries	19.7	7.8	-4.9	2.6
All Enterprises	Manufacturing	40.9	4.2	-3.4	2.5
	Nonmanufacturing	20.8	7.7	-6.8	2.9
	All industries	28.4	6.2	-5.4	2.7

(Year-to-year % change)

1H FY2013	2H FY2013		1H FY2014		2H FY2014	
		Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate
83.9	23.7	4.7	-8.3	-0.4	2.5	4.6
67.7	11.1	1.0	-7.5	7.6	11.6	10.9
91.7	29.9	6.4	-8.6	-3.4	-1.4	1.9
26.1	23.0	14.2	-10.3	-3.1	-1.8	11.6
48.6	23.3	9.5	-9.3	-1.8	0.2	8.1
28.5	22.9	13.0	-13.1	1.8	-4.5	7.4
9.0	9.1	13.1	-14.0	-3.4	-5.3	2.2
15.3	13.3	13.1	-13.7	-1.5	-5.0	3.8
8.3	21.6	8.8	2.5	1.6	-1.7	2.9
16.0	25.2	15.9	-0.8	1.8	-10.7	3.3
13.8	24.3	14.1	0.1	1.8	-8.5	3.2
64.3	23.3	6.3	-7.8	0.1	1.0	4.8
21.0	20.6	14.4	-9.1	-2.1	-4.7	7.7
36.5	21.7	11.0	-8.5	-1.2	-2.4	6.5

3. Sales and Current Profits (Continued)

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

		FY2013		FY2014	
			Changes	(Forecast)	Changes
Large Enterprises	Manufacturing	6.45	0.14	6.17	0.03
	Nonmanufacturing	4.56	0.23	4.19	0.03
	All industries	5.30	0.19	4.96	0.02
Medium-sized Enterprises	Manufacturing	4.85	0.27	4.39	0.16
	Nonmanufacturing	3.23	0.20	2.91	-0.02
	All industries	3.65	0.22	3.30	0.03
Small Enterprises	Manufacturing	3.64	0.13	3.61	0.04
	Nonmanufacturing	2.98	0.19	2.83	0.04
	All industries	3.12	0.17	3.00	0.04
All Enterprises	Manufacturing	5.73	0.16	5.47	0.06
	Nonmanufacturing	3.82	0.21	3.54	0.03
	All industries	4.44	0.19	4.16	0.03

(% , % points)

1H FY2013	2H FY2013		1H FY2014		2H FY2014	
		Changes	(Forecast)	Changes	(Forecast)	Changes
6.93	6.01	0.15	6.23	-0.11	6.11	0.15
4.83	4.31	0.40	4.20	-0.23	4.19	0.30
5.65	4.97	0.29	4.99	-0.19	4.94	0.23
4.75	4.94	0.50	4.03	0.04	4.72	0.27
3.01	3.43	0.35	2.53	-0.09	3.27	0.05
3.47	3.82	0.39	2.92	-0.06	3.64	0.10
3.41	3.85	0.24	3.37	0.00	3.84	0.09
2.58	3.32	0.35	2.55	0.01	3.08	0.06
2.77	3.43	0.32	2.74	0.01	3.24	0.06
6.00	5.48	0.22	5.40	-0.07	5.52	0.16
3.81	3.84	0.38	3.39	-0.12	3.68	0.18
4.52	4.36	0.32	4.05	-0.10	4.27	0.17

Net Income (Year-to-year % change)

		FY2013		FY2014	
			Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	150.3	-0.7	1.5	2.9
	Basic materials	108.4	-3.8	7.5	7.2
	Processing	173.4	0.7	-1.0	1.1
	Nonmanufacturing	49.4	1.1	-2.0	2.1
	All industries	86.1	0.2	-0.3	2.5
Medium-sized Enterprises	Manufacturing	43.0	4.2	-1.6	8.1
	Nonmanufacturing	24.9	1.1	-0.4	-3.2
	All industries	30.5	2.1	-0.8	0.3
Small Enterprises	Manufacturing	36.3	0.9	11.8	1.0
	Nonmanufacturing	32.2	5.6	-0.5	1.6
	All industries	33.2	4.4	2.6	1.5
All Enterprises	Manufacturing	114.0	0.0	2.2	3.3
	Nonmanufacturing	40.7	2.1	-1.4	1.0
	All industries	64.9	1.2	0.1	2.0

(Year-to-year % change)

1H FY2013	2H FY2013		1H FY2014		2H FY2014	
		Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate
188.3	113.9	-2.2	-8.5	-0.8	14.5	7.0
193.6	52.9	-5.3	-8.1	0.0	27.1	14.6
186.2	158.3	-0.8	-8.6	-1.2	9.1	3.6
70.7	28.2	0.1	-8.4	-3.4	6.4	9.2
112.9	59.7	-1.0	-8.4	-2.2	10.4	8.1
50.2	36.5	7.9	-9.3	9.0	6.0	7.3
22.0	27.3	1.4	4.9	-4.2	-4.6	-2.4
31.1	30.1	3.3	-0.3	-0.1	-1.2	0.7
32.2	40.4	2.2	9.4	0.2	14.0	1.9
33.5	31.2	11.3	-1.3	-1.8	0.1	4.3
33.1	33.3	9.1	1.7	-1.2	3.4	3.7
140.2	88.9	-0.5	-7.0	0.2	13.3	6.5
54.1	28.8	3.0	-5.2	-3.2	2.6	5.7
83.2	48.2	1.5	-6.0	-1.8	7.0	6.0

4. Fixed Investment, etc.**

Fixed Investment including Land Purchasing Expenses*

(Year-to-year % change)

(Year-to-year % change)

		FY2013		FY2014		1H FY2013	2H FY2013	1H FY2014		2H FY2014	
			Revision rate	(Forecast)	Revision rate			(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	-1.4	-3.4	12.7	5.1	-8.4	5.2	22.7	5.3	4.6	5.0
	Nonmanufacturing	4.4	-0.4	4.9	6.1	6.1	3.1	13.6	8.0	-1.9	4.5
	All industries	2.5	-1.4	7.4	5.8	0.8	3.8	16.6	7.0	0.2	4.6
Medium-sized Enterprises	Manufacturing	-3.6	-2.0	15.9	4.5	-10.2	2.5	33.8	3.9	1.4	5.2
	Nonmanufacturing	8.0	3.1	-5.2	3.3	10.1	6.2	-0.4	4.7	-9.5	2.0
	All industries	3.6	1.3	2.2	3.8	2.2	4.9	11.2	4.3	-5.6	3.2
Small Enterprises	Manufacturing	13.9	0.6	-5.4	13.3	20.9	8.2	13.5	17.0	-22.7	8.6
	Nonmanufacturing	24.5	9.0	-26.0	13.4	30.2	19.9	-16.6	14.6	-34.2	12.1
	All industries	21.0	6.2	-19.7	13.4	27.1	16.1	12.3	15.5	-30.7	10.9
All Enterprises	Manufacturing	0.5	-2.5	10.1	6.1	-4.6	5.2	22.9	6.8	-0.4	5.5
	Nonmanufacturing	8.2	1.7	-2.4	6.6	10.7	6.3	5.5	8.4	-8.8	5.0
	All industries	5.6	0.3	1.7	6.5	5.2	5.9	11.3	7.8	-6.1	5.2

* Excludes Software Investment.

Software Investment

(Year-to-year % change)

		FY2013		FY2014	
			Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	4.9	-0.6	8.1	7.5
	Nonmanufacturing	19.1	20.6	2.0	21.7
	All industries	14.4	13.2	3.9	16.8
Medium-sized Enterprises	Manufacturing	2.6	-10.9	28.3	1.6
	Nonmanufacturing	7.3	4.3	-0.8	-1.3
	All industries	6.4	1.2	4.5	-0.7
Small Enterprises	Manufacturing	42.2	-3.3	-2.0	17.9
	Nonmanufacturing	8.1	-1.3	26.6	12.4
	All industries	17.5	-2.0	17.0	13.9
All Enterprises	Manufacturing	6.8	-1.7	9.0	7.5
	Nonmanufacturing	16.5	16.3	3.1	17.0
	All industries	13.5	10.4	4.8	14.0

Software and Fixed Investment excluding Land

Purchasing Expenses

(Year-to-year % change)

		FY2013		FY2014	
			Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	-0.8	-3.6	13.7	5.6
	Nonmanufacturing	4.4	0.8	5.5	5.0
	All industries	2.6	-0.7	8.3	5.2
Medium-sized Enterprises	Manufacturing	-4.1	-3.3	18.2	3.8
	Nonmanufacturing	11.8	2.7	-0.6	3.0
	All industries	5.6	0.5	6.0	3.3
Small Enterprises	Manufacturing	17.1	-0.7	-3.5	11.9
	Nonmanufacturing	19.6	6.1	-16.0	9.9
	All industries	18.7	3.7	-11.8	10.6
All Enterprises	Manufacturing	1.1	-3.1	11.7	6.1
	Nonmanufacturing	7.7	1.9	1.2	5.3
	All industries	5.3	0.1	4.7	5.6

Land Purchasing Expenses

(Year-to-year % change)

		FY2013		FY2014	
			Revision rate	(Forecast)	Revision rate
Large Enterprises	Manufacturing	0.7	28.6	-66.6	-24.5
	Nonmanufacturing	26.7	11.0	-7.1	63.5
	All industries	23.3	12.6	-13.4	56.1
Medium-sized Enterprises	Manufacturing	24.5	40.5	-36.7	50.1
	Nonmanufacturing	-17.3	7.9	-42.4	1.0
	All industries	-13.2	11.6	-41.6	6.3
Small Enterprises	Manufacturing	-10.5	20.6	-31.1	59.1
	Nonmanufacturing	50.4	23.0	-65.8	81.6
	All industries	36.6	22.6	-60.6	75.2
All Enterprises	Manufacturing	-0.5	27.4	-47.7	20.1
	Nonmanufacturing	22.2	13.9	-30.9	53.2
	All industries	18.8	15.4	-33.0	49.1

Production Capacity

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

		March 2014 Survey		June 2014 Survey			
		Actual result	Forecast	Actual result	Changes	Forecast	Changes
Large Enterprises	Manufacturing	6	6	7	1	5	-2
	Nonmanufacturing	-3	-3	-2	1	-3	-1
	All industries	2	1	2	0	1	-1
Medium-sized Enterprises	Manufacturing	4	4	6	2	3	-3
	Nonmanufacturing	-3	-4	-1	2	-3	-2
	All industries	0	0	1	1	-1	-2
Small Enterprises	Manufacturing	4	4	5	1	2	-3
	Nonmanufacturing	-4	-5	-3	1	-5	-2
	All industries	-1	-2	0	1	-3	-3
All Enterprises	Manufacturing	5	5	5	0	3	-2
	Nonmanufacturing	-4	-4	-2	2	-4	-2
	All industries	0	-1	1	1	-2	-3

** Data are compiled under the new lease accounting standard.

5. Fixed Investment of Financial institutions**

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

	FY2013		FY2014	
		Revision rate	(Forecast)	Revision rate
Financial institutions	21.7	-1.1	11.8	3.7
Banks	41.7	-4.1	24.5	4.1
<i>Shinkin</i> banks & Other financial institutions for small businesses	15.1	-2.0	30.5	6.1
Financial products transaction dealers	111.3	10.9	-30.5	-17.2
Insurance companies	-5.9	5.0	-10.9	4.4
Non-deposit money corporations	26.4	-2.7	1.0	1.6
(Memo) All industries including Financial institutions	6.0	0.3	2.0	6.4
Nonmanufacturing including Financial institutions	8.7	1.6	-1.8	6.5

* Excludes Software Investment.

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

	FY2013		FY2014	
		Revision rate	(Forecast)	Revision rate
Financial institutions	25.4	-4.8	-2.4	-6.0
Banks	37.9	-1.4	0.1	-0.8
<i>Shinkin</i> banks & Other financial institutions for small businesses	45.9	10.8	26.6	3.1
Financial products transaction dealers	28.8	1.1	1.3	-1.0
Insurance companies	-3.4	-15.5	-23.7	-27.1
Non-deposit money corporations	23.6	-8.1	15.2	-1.3
(Memo) All industries including Financial institutions	15.9	6.7	3.3	9.2
Nonmanufacturing including Financial institutions	18.8	9.5	1.6	9.8

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

	FY2013		FY2014	
		Revision rate	(Forecast)	Revision rate
Financial institutions	0.5	12.2	-34.5	-9.5
Banks	75.6	3.7	155.2	-13.6
<i>Shinkin</i> banks & Other financial institutions for small businesses	-52.5	0.6	-74.0	-22.2
Financial products transaction dealers	-	-	-	-
Insurance companies	2.4	15.4	-69.3	0.0
Non-deposit money corporations	-	-	-	-
(Memo) All industries including Financial institutions	17.8	15.3	-33.1	45.1
Nonmanufacturing including Financial institutions	20.9	13.8	-31.1	48.2

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

	FY2013		FY2014	
		Revision rate	(Forecast)	Revision rate
Financial institutions	25.3	-3.7	8.2	-0.2
Banks	39.2	-2.9	9.5	2.6
<i>Shinkin</i> banks & Other financial institutions for small businesses	33.7	0.1	36.9	6.0
Financial products transaction dealers	45.6	3.8	-8.1	-5.1
Insurance companies	-6.7	-8.0	-1.4	-9.8
Non-deposit money corporations	25.3	-4.9	6.7	0.3
(Memo) All industries including Financial institutions	6.2	-0.1	4.9	5.3
Nonmanufacturing including Financial institutions	8.8	1.4	1.7	4.8

** Data are compiled under the new lease accounting standard.

6. Employment

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

		March 2014 Survey		June 2014 Survey			
		Actual result	Forecast	Actual result		Forecast	
				Changes	Changes	Changes	Changes
Large Enterprises	Manufacturing	2	4	2	0	1	-1
	Nonmanufacturing	-14	-12	-14	0	-14	0
	All industries	-6	-4	-6	0	-6	0
Medium-sized Enterprises	Manufacturing	-4	-1	-2	2	-4	-2
	Nonmanufacturing	-16	-15	-15	1	-18	-3
	All industries	-12	-10	-10	2	-13	-3
Small Enterprises	Manufacturing	-4	-1	-1	3	-6	-5
	Nonmanufacturing	-23	-20	-18	5	-23	-5
	All industries	-15	-14	-12	3	-17	-5
All Enterprises	Manufacturing	-2	1	0	2	-3	-3
	Nonmanufacturing	-19	-18	-17	2	-20	-3
	All industries	-12	-11	-10	2	-14	-4

Number of New Graduates Hired (All industries)

(Surveyed only in June and December)

(Year-to-year % change)

	FY2013		FY2014		FY2015	
		Revision rate	(Forecast)	Revision rate	(Forecast)	Revision rate
Large Enterprises	0.9	-0.9	0.3	1.2	6.4	-
Medium-sized Enterprises	4.9	1.0	4.2	1.6	2.3	-
Small Enterprises	10.1	1.4	5.3	5.1	1.6	-
All Enterprises	5.4	0.5	3.3	2.9	3.4	-
All Enterprises & Financial institutions	5.3	0.5	4.0	2.8	4.2	-
Financial institutions	3.7	1.0	15.2	2.3	14.6	-

7. Corporate Finance

Financial Position (All industries)

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

	March 2014 Survey		June 2014 Survey	
	Actual result	Forecast	Actual result	Changes
			Forecast	
Large Enterprises	18		21	3
Medium-sized Enterprises	14		16	2
Small Enterprises	1		3	2
All Enterprises	8		10	2

Lending Attitude of Financial institutions (All industries)

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

	March 2014 Survey		June 2014 Survey	
	Actual result	Forecast	Actual result	Changes
			Forecast	
Large Enterprises	21		23	2
Medium-sized Enterprises	19		19	0
Small Enterprises	9		11	2
All Enterprises	15		15	0

Change in Interest Rate on Loans (All industries)

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

	March 2014 Survey		June 2014 Survey			
	Actual result	Forecast	Actual result	Forecast		Changes
			Forecast	Actual result	Changes	
Large Enterprises	-7	1	-6	1	1	7
Medium-sized Enterprises	-7	4	-7	0	1	8
Small Enterprises	-6	4	-6	0	3	9
All Enterprises	-7	4	-6	1	2	8

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

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

	March 2014 Survey		June 2014 Survey	
	Actual result	Forecast	Actual result	Changes
			Forecast	
Large Enterprises	29		31	2

8. Business Conditions of Financial institutions

Business Conditions

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

	March 2014 Survey		June 2014 Survey			
	Actual result	Forecast	Actual result	Forecast		Changes
			Forecast	Actual result	Changes	
Banks	15	11	14	-1	16	2
<i>Shinkin</i> banks & Other financial institutions for small businesses	17	11	17	0	14	-3
Financial products transaction dealers	35	32	14	-21	35	21
Insurance companies	30	32	32	2	29	-3
Non-deposit money corporations	0	-7	7	7	0	-7
Financial institutions	20	17	18	-2	20	2

Production Capacity

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

	March 2014 Survey		June 2014 Survey			
	Actual result	Forecast	Actual result	Forecast		Changes
			Forecast	Actual result	Changes	
Banks	3	3	1	-2	0	-1
<i>Shinkin</i> banks & Other financial institutions for small businesses	3	0	0	-3	6	6
Financial products transaction dealers	-7	0	0	7	-4	-4
Insurance companies	0	-3	-3	-3	0	3
Non-deposit money corporations	-14	-14	-14	0	-14	0
Financial institutions	0	0	-1	-1	-1	0

Employment Conditions

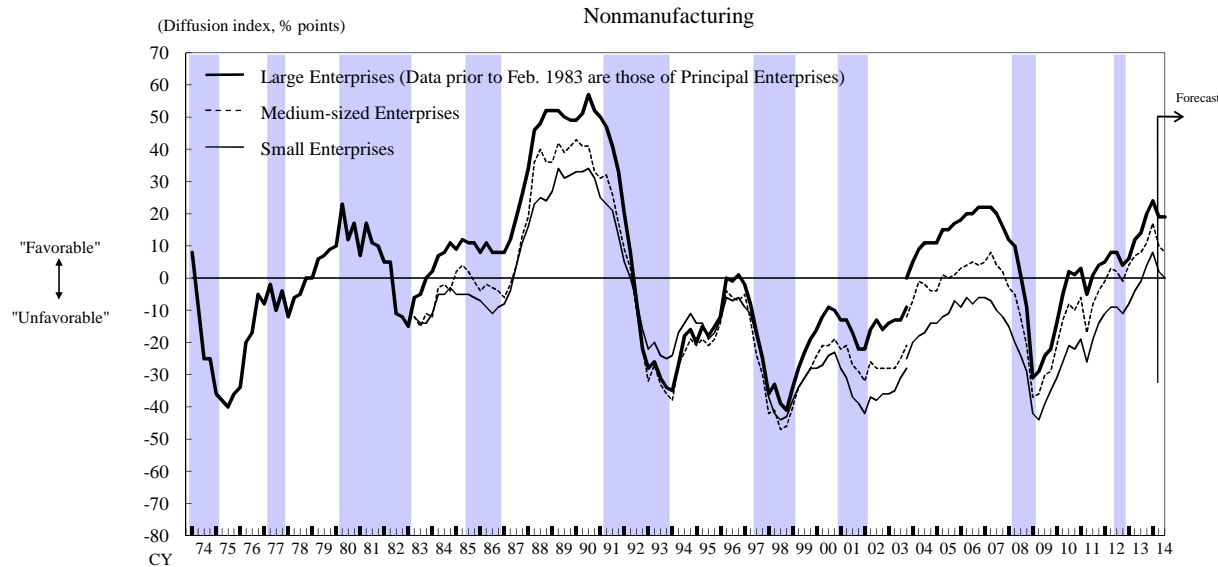
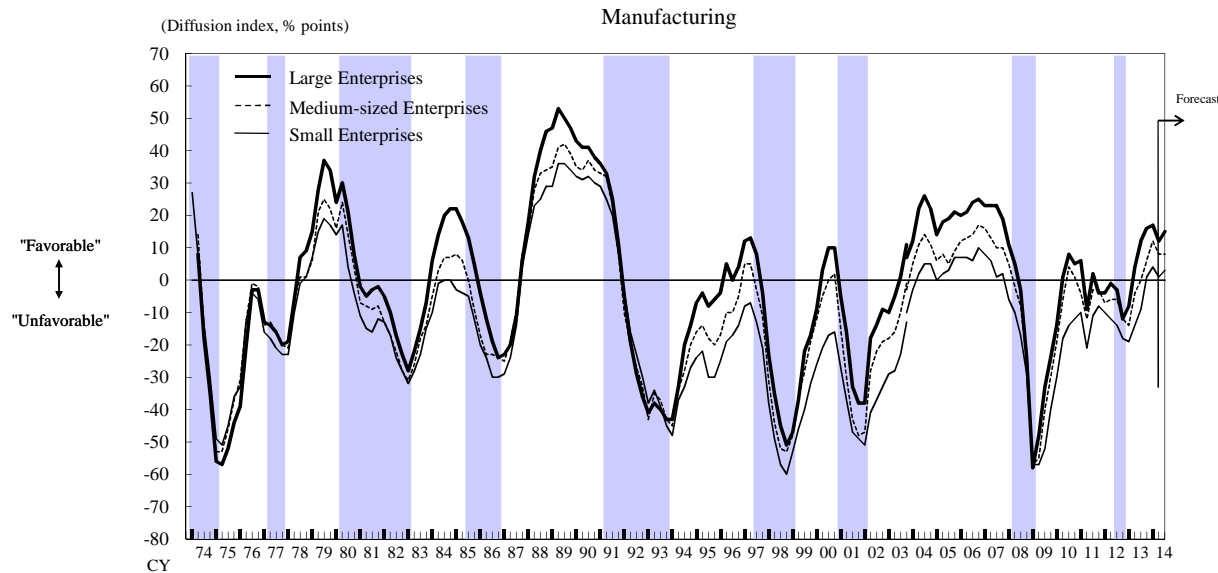
(Diffusion index of "Excessive employment" minus "Insufficient employment," % points)

	March 2014 Survey		June 2014 Survey			
	Actual result	Forecast	Actual result	Forecast		Changes
			Forecast	Actual result	Changes	
Banks	0	-3	-2	-2	-4	-2
<i>Shinkin</i> banks & Other financial institutions for small businesses	-19	-11	-11	8	-16	-5
Financial products transaction dealers	-17	-7	-14	3	-17	-3
Insurance companies	-15	-8	-10	5	-8	2
Non-deposit money corporations	0	-7	0	0	0	0
Financial institutions	-10	-6	-7	3	-8	-1

(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 (75/5)		-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 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	12	8	1
Forecast	15	8	3

Peaks and Bottoms of Business Conditions (from May 1983)

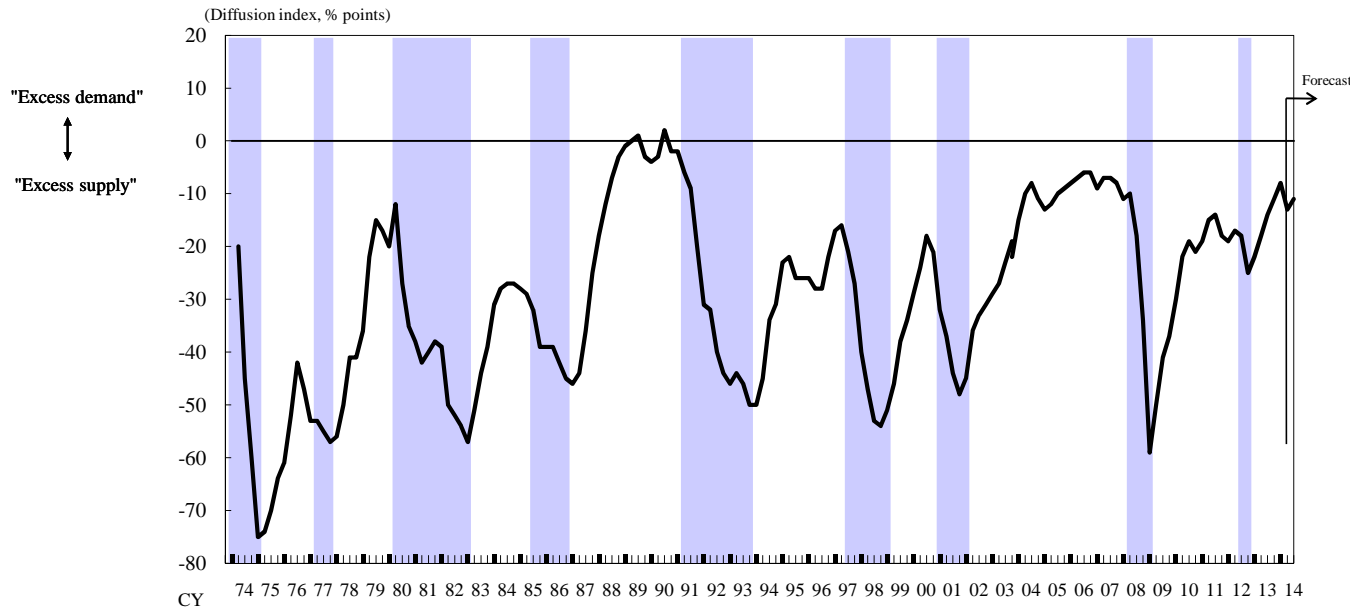
(Diffusion index of "Favorable" minus "Unfavorable," % points)

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 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	19	10	2
Forecast	19	8	0

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

Domestic Supply and Demand Conditions for Products and Services



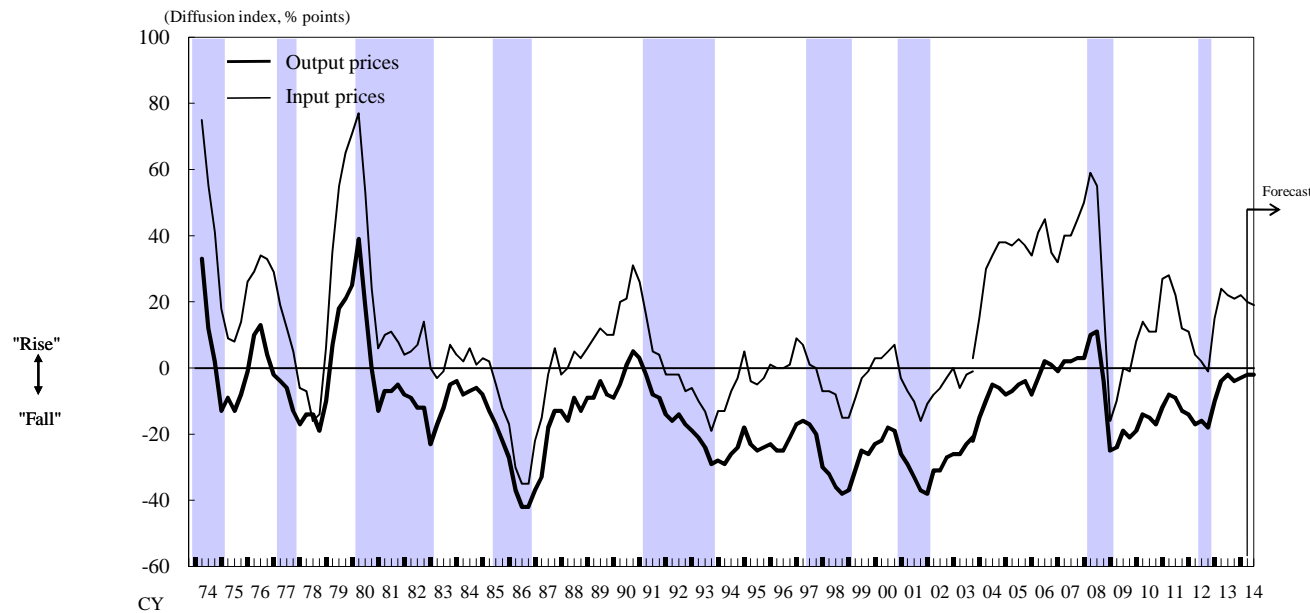
Peaks and Bottoms of Domestic Supply and Demand Conditions for Products and Services (from May 1974)

(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 2014 Survey	
Actual result	-13
Forecast	-11

Prices



Peaks and Bottoms of Prices (from May 1974)

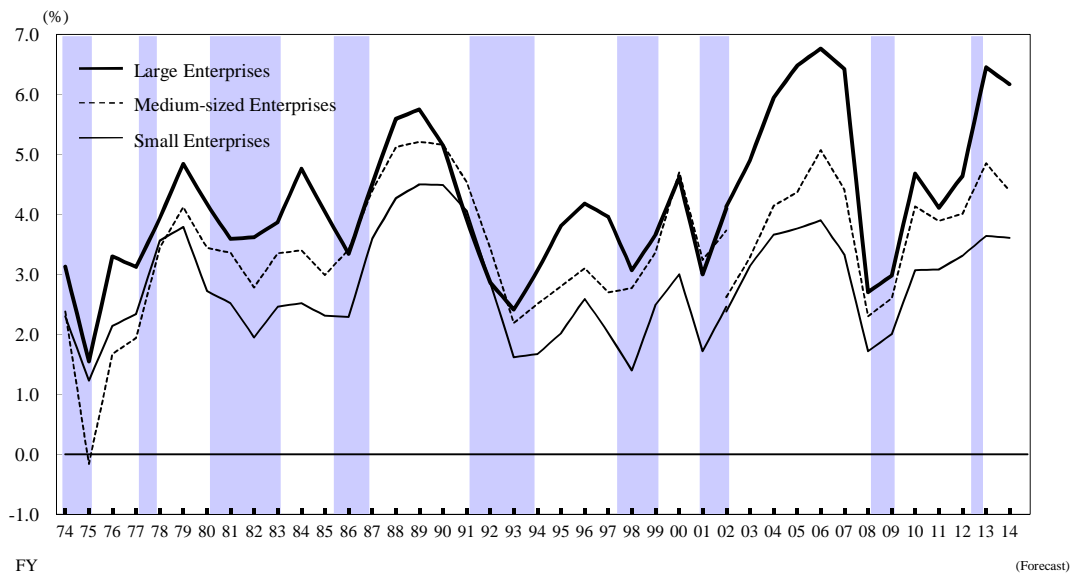
(Diffusion index of "Rise" minus "Fall," % points)

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 2014 Survey		
	Output Prices	Input Prices
Actual result	-2	20
Forecast	-2	19

[Ratio of Current Profit to Sales]

Manufacturing

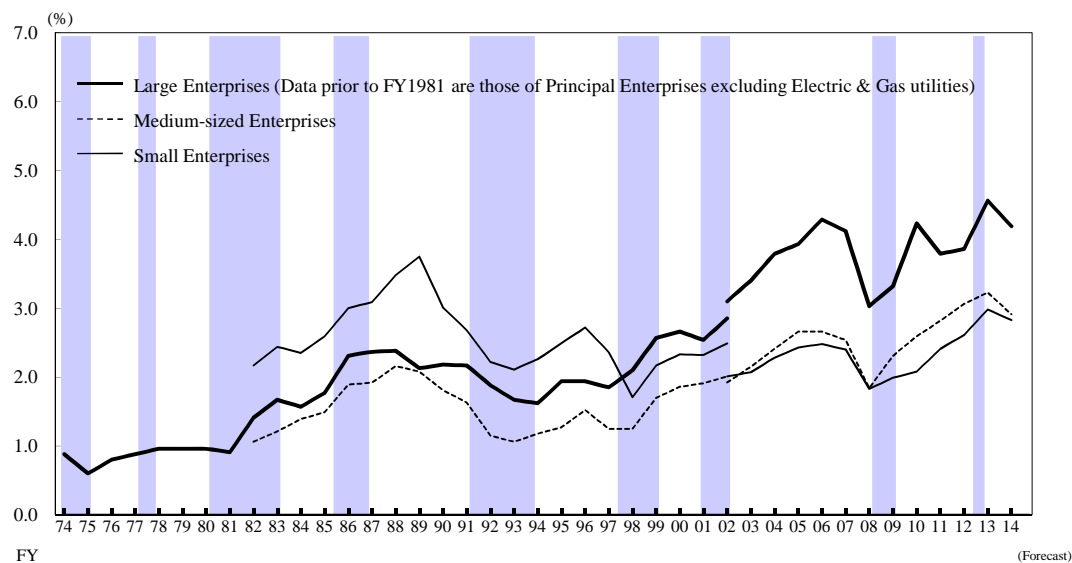


Peaks and Bottoms of Ratio of Current Profit to Sales (from 1974)

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 (FY00)	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 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
FY2013	6.45	4.85	3.64
FY2014 (Forecast)	6.17	4.39	3.61

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 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
FY2013	4.56	3.23	2.98
FY2014 (Forecast)	4.19	2.91	2.83

[Developments of Fixed Investment including Land Purchasing Expenses]

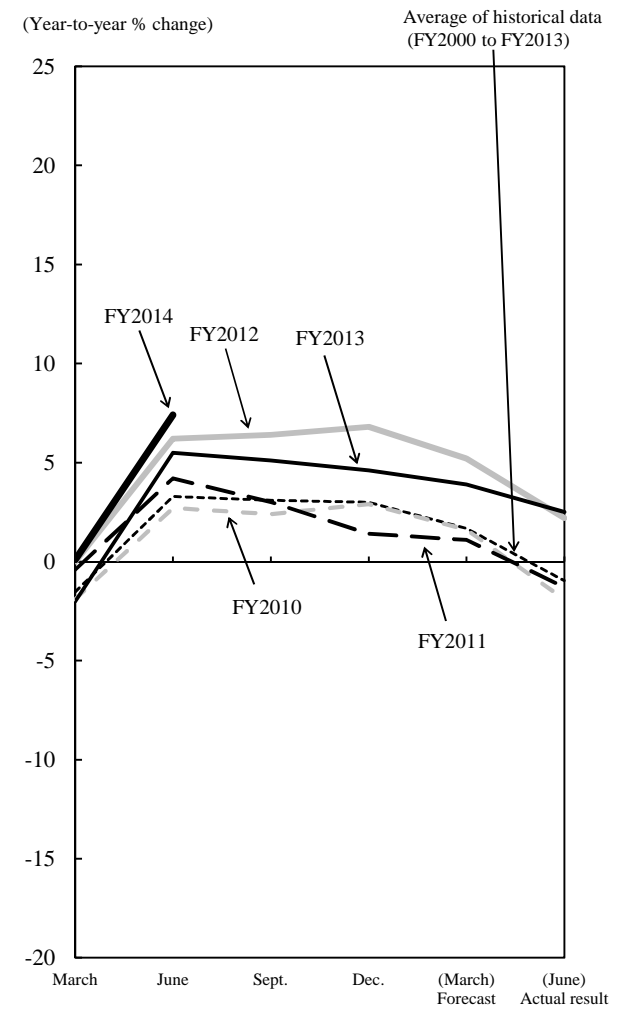
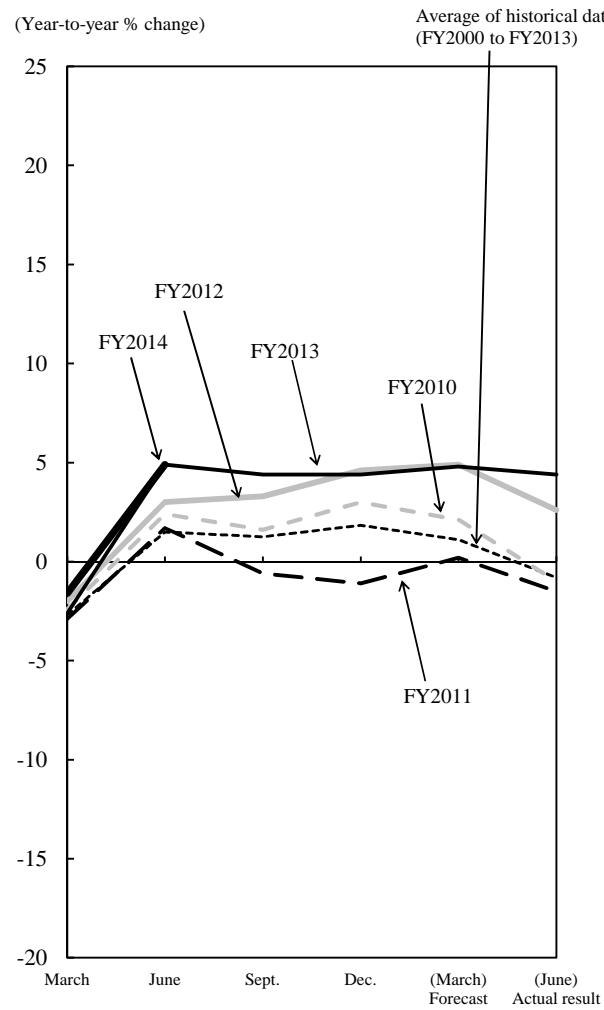
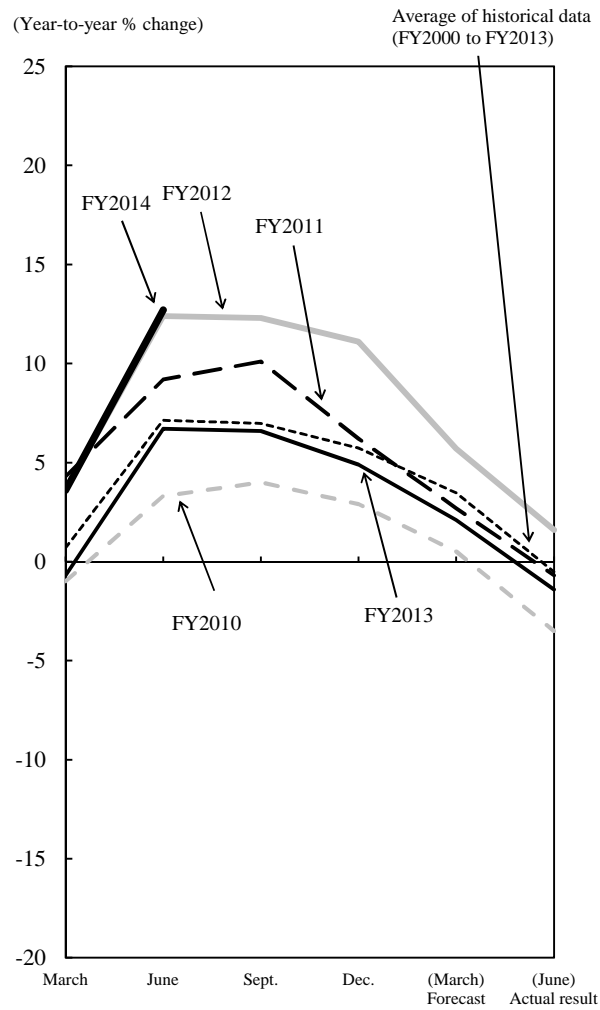
Notes: 1. The graphs indicate the revision pattern of fixed investment. The horizontal axis represents the point of time when the survey is conducted for each fiscal year. Namely, the first survey for each year (March survey) is on the left, and the last survey (June survey of the following year; actual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

(1) Large Enterprises

Manufacturing

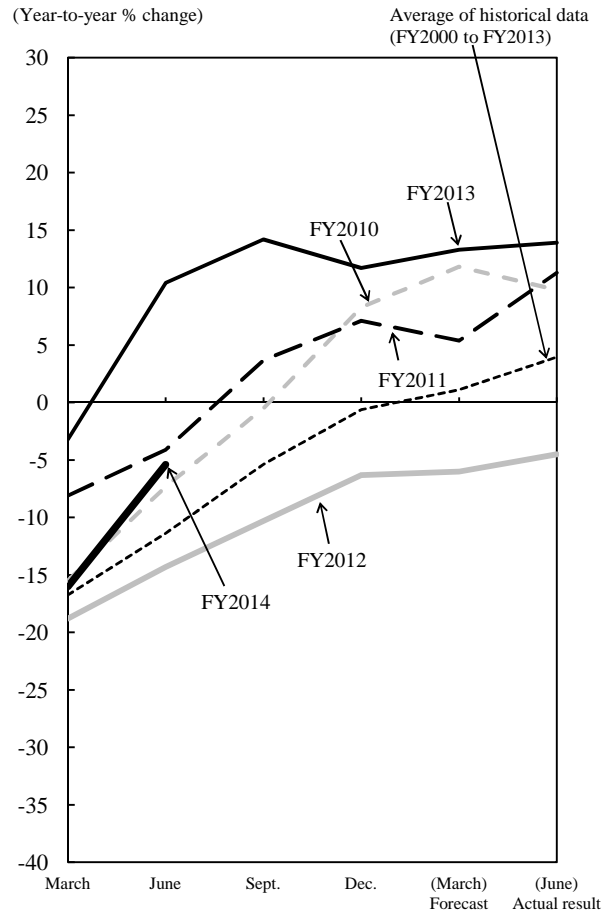
Nonmanufacturing

All industries

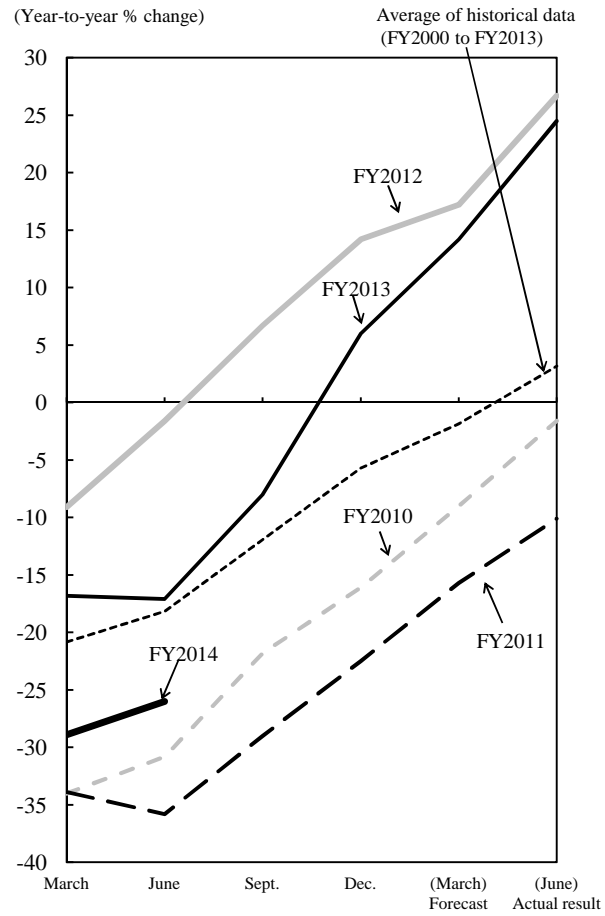


(2) Small Enterprises

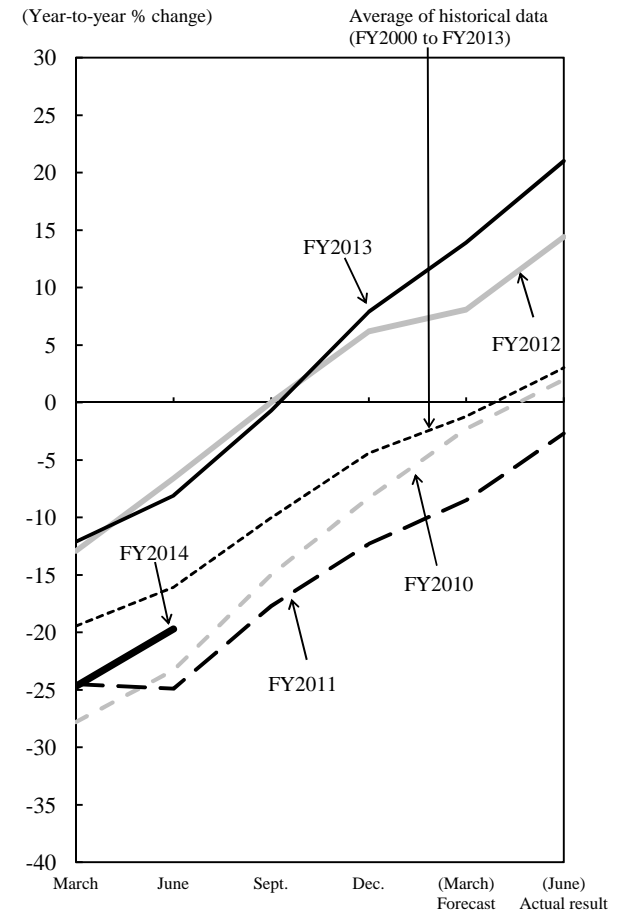
Manufacturing



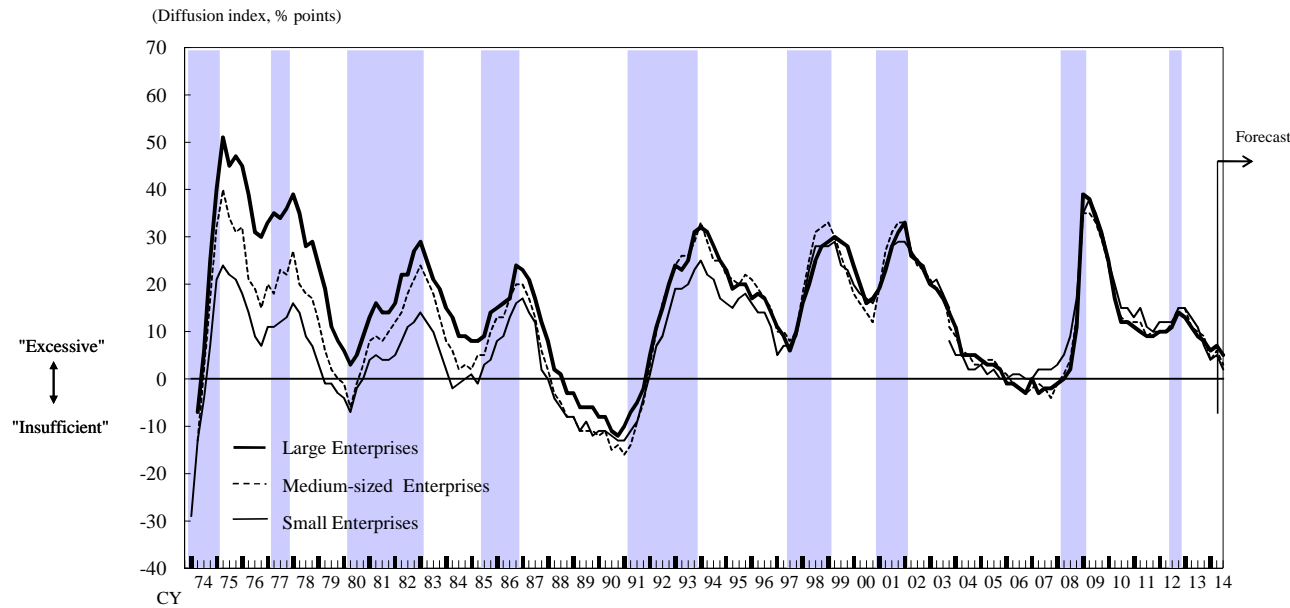
Nonmanufacturing



All industries



[Production Capacity (Manufacturing)]

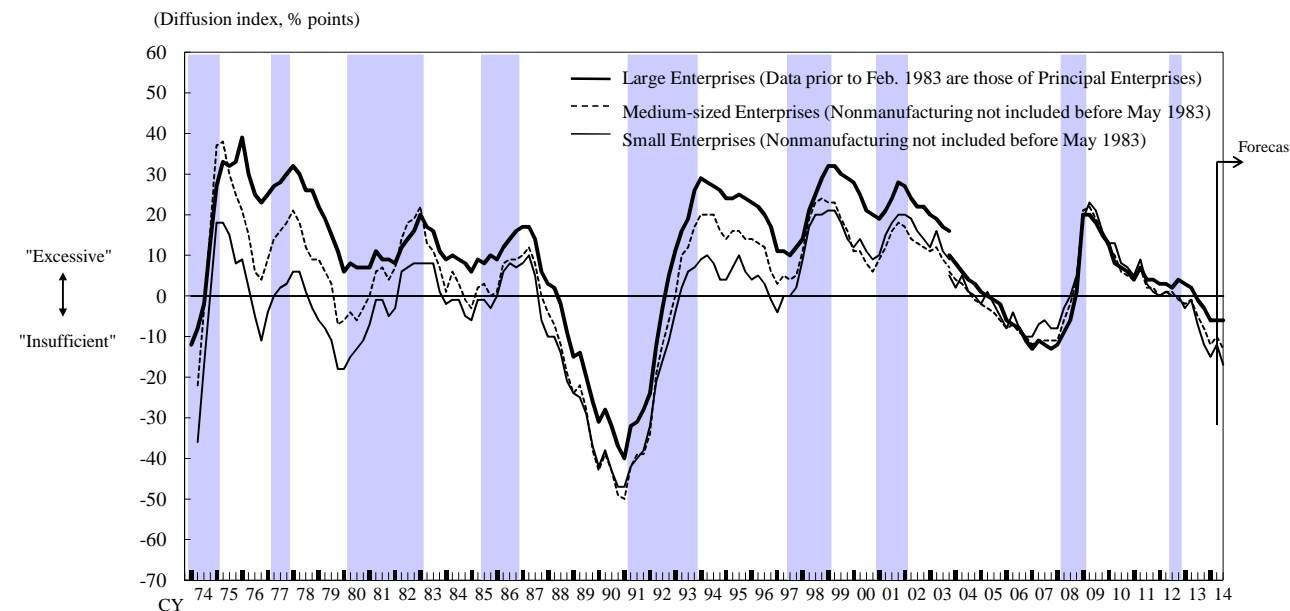


Peaks and Bottoms of Production Capacity (from May 1977)
(Diffusion index of "Excessive capacity" minus "Insufficient capacity," % points)

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 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	7	6	5
Forecast	5	3	2

[Employment Conditions (All industries)]

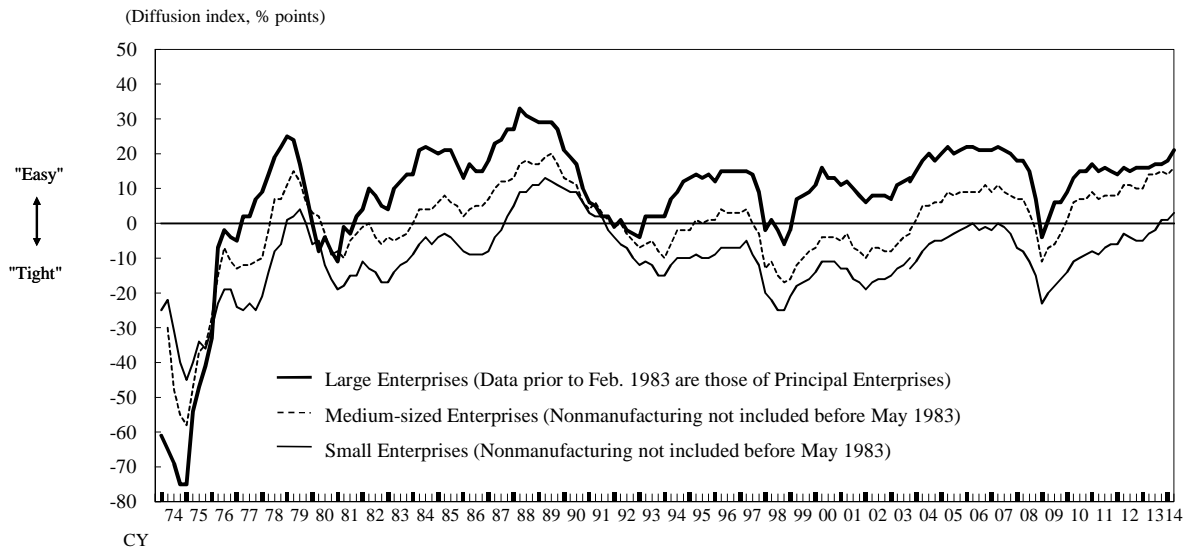


Peaks and Bottoms of Employment Conditions (from May 1986)
(Diffusion index of "Excessive employment" minus "Insufficient employment," % points)

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 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	-6	-10	-12
Forecast	-6	-13	-17

Financial Position



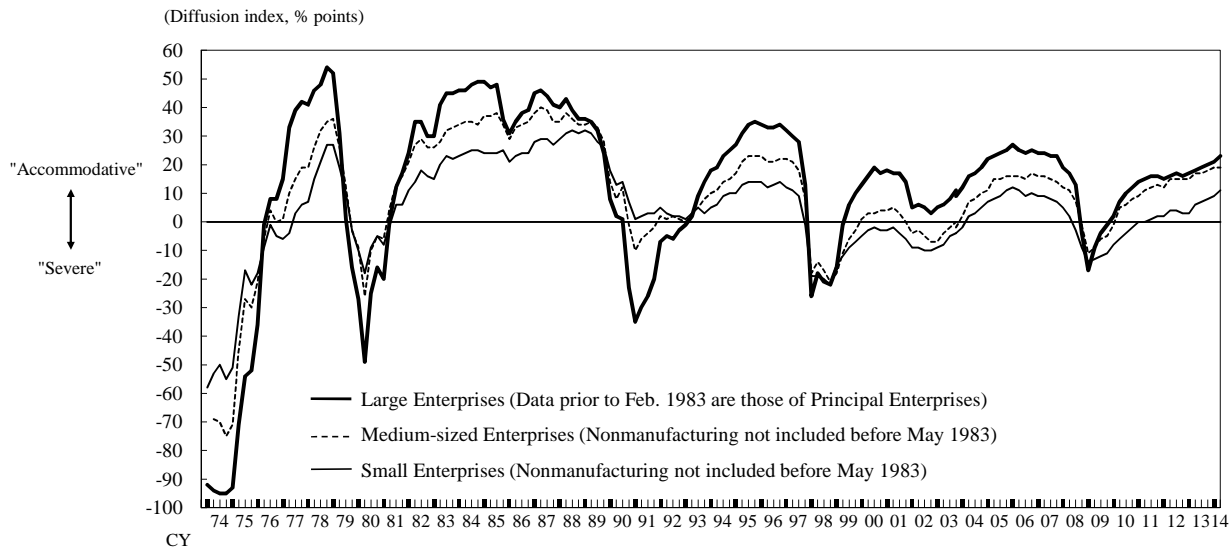
Peaks and Bottoms of Financial Position (from May 1983)

(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 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	21	16	3

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 2014 Survey		
	Large Enterprises	Medium-sized Enterprises	Small Enterprises
Actual result	23	19	11