

Annual Survey of Corporate Behavior

FY2008 corporate behavior questionnaire survey sheet

Cabinet Office

Submission deadline: Feb 20, 2009

Valid until March 31, 2009

This questionnaire will be handled in strict confidence.
Your replies will be used only for statistical purposes.

Corporate No.				
Industry				

How to fill in:

- Enter applicable replies in or (enter:). Circle a number that applies in ().
- Answer all the questions except for those asked only of indicated companies.
- If you have changed your corporate name or address, please make correction by hand.
- Please answer on a consolidation basis. However, answer questions 5, 8, and 10–13 based on your company's situation only, and not on a consolidated basis.

Company name					Entered by	Dept			
Address (where this questionnaire is filled in)	Zip code:	under 1.0	1.0 to 5.0 (not incl.)	5.0 to 10.0 (not incl.)		10.0 and over	Name		
		1	2	3		4	Phone	Extension ()	

I. Business environment and basic management policy

(Business outlook and demand forecast)

Q1: Give your rough forecast about nominal and real growth rates ^(Note1), of the Japanese economy and the demand in your industry ^(Note2) for FY 2009, the next three years (annual average rate for FY2009-2011) and the next five years (annual average rate for FY2009-2013), respectively. Enter in the blank below forecast figures to the first decimal point.

Years	FY2009			Next three years (FY2009- 2011 annual average)			Next five years (FY2009- 2013 annual average)		
Growth rate									
Nom. growth rate of JPN. economy			.	%			.	%	
Real growth rate of JPN. economy			.	%			.	%	
Nom. growth rate of demand in your industry			.	%			.	%	
Real growth rate of demand in your industry			.	%			.	%	

Note 1: Given below are GDP growth rates of the past three years that indicate the growth rates of the Japanese economy (source: Quarterly Estimates of GDP) released on Dec.9, 2008).

	FY2005	FY2006	FY2007
Nominal growth rate	0.9%	1.5%	1.0%
Real growth rate	2.3%	2.3%	1.9%

Note 2: For the classification of your industry, refer to the industry classification made by stock exchanges (medium category). If your company covers a wide range of businesses, please reply relating to the industry of your principal business line.

(Exchange rates)

Q2(1): What do you forecast the exchange rate (yen to U.S. dollar) will be in one year from now (around January 2010)? Choose and circle only one number.

80 yen range	90 yen range	100 yen range	110 yen range	120 yen range	130 yen range
1	2	3	4	5	6
140 yen range	150 yen range	other (enter: range)		Not predictable	
7	8	9		10	

(2) To be answered only by exporting companies:

How much is the break-even exchange yen rate to the U.S. dollar for your business at present? Enter an integer number in the blank below.

Note: If the conditions to determine the rate substantially differ from one product or factory to another and make a uniform calculation difficult, please reply relating to your mainstay product.

US\$ = Yen

(Price)

Q3: To be answered only by manufacturing, fishing, agricultural or mining companies.

Q3: How far drop or rise do you forecast the average price of purchase and sales to make your principal products one year from now (around January 2010)? Choose and circle the only one number closest to your forecast. For three years later, please reply on an annualized price basis.

Price	When:	
	Average purchase price	Average sales price
Annual average Rate of change (%)	One year later (around Jan. 2010)	One year later (around Jan. 2010)
20% or more	1	1
10% to 20% (not incl.)	2	2
5% to 10% (not incl.)	3	3
0 % (not incl.) to 5% (not incl.)	4	4
0%	5	5
-5% (not incl.) to 0% (not incl.)	6	6
-10% (not incl.) to -5%	7	7
-20% (not incl.) to -10%	8	8
-20% and less	9	9

(The growth rate of capital investment)

Q4(1): How did/will you increase or decrease your total capital investment (work-based) on an annual average over the past three years (FY2006-2008) and the next three years (FY2009-2011)? Choose and circle only one number of the past and next three years, respectively.

Note: Capital investment should not include land, used items, and a transfer from construction in progress.

Years Annual average Rate of change (%)	Past three years (FY2006-2008)	Next three years (FY2009-2011)
25% or more	1	1
20% to 25% (not incl.)	2	2
15% to 20% (not incl.)	3	3
10% to 15% (not incl.)	4	4
5% to 10% (not incl.)	5	5
0% (not incl.) to 5% (not incl.)	6	6
0%	7	7
-5% (not incl.) to 0% (not incl.)	8	8
-10% (not incl.) to -5%	9	9
-15% (not incl.) to -10%	10	10
-20% (not incl.) to -15%	11	11
-25% (not incl.) to -20%	12	12
-25% and less	13	13
No capital investment was made/is planned.	14	14

(Purpose of capital investment)

(2) What purpose do you consider of importance for capital investment? Choose and circle up to three of the purpose given below for the past three years (FY2006-2008) and the next three years (FY2009-2011), respectively. Of the three, choose and mark with a double circle the most important.

Years Purpose	Past three years (FY2006-2008)	Next three years (FY2009-2011)
Expansion of production capacity or sales capabilities	1	1
Improvement of product or service quality	2	2
Response to informatization	3	3
Laborsaving and rationalization	4	4
Environmental protection	5	5
Energy saving (reducing of fuel costs and lighting/heating costs)	6	6
Overseas investment	7	7
Research and development	8	8
Branching out into new businesses	9	9
Maintenance and replacement	10	10
Others	11	11
No capital investment was made/is planned.	12	12

(Change in the number of employees)

Q5: Did/will you increase or decrease the number of your employees over the past three years (FY2006-2008) and the next three years (FY 2009-2011)? Choose and circle only one number that applies to all personnel and regular employees/staffers for the past and next three years, respectively.

Years Form of employment Annual average Rate of change (%)	Past three years (FY 2006-2008)		Next three years (FY 2009-2011)	
	All personnel	Regular employees	All personnel	Regular employees
15% or more	1	1	1	1
10% to 15% (not incl.)	2	2	2	2
5% to 10% (not incl.)	3	3	3	3
0% (not incl.) to 5% (not incl.)	4	4	4	4
0%	5	5	5	5
-5% (not incl.) to 0% (not incl.)	6	6	6	6
-10% (not incl.) to -5%	7	7	7	7
-15% (not incl.) to -10%	8	8	8	8
-15% and less	9	9	9	9

Q6: To be answered only by manufacturing companies.

Enter estimated/forecast figures to the first decimal point in the blank below. Enter "0" if you have/will have no overseas production.

Ratio of overseas production = (output)	Output of overseas production	
	Output of domestic production	Output of overseas production

Note 2: Overseas production means “production by direct overseas investment” of Foreign Exchange and Foreign Trade Control Law. If two or more partners jointly operate overseas production, the largest shareholder should answer this question (or the manager partner if all partners have the same share).

Year Ratio	Ratio achieved for FY2007	Ratio estimated for FY2008	Ratio forecast for FY2013
Ratio of overseas production (output)	• %	• %	• %

(2) What do you roughly estimate/forecast for the ratio of reverse imports (ratio of exports to Japan to the total overseas production) for FY2007, FY2008 and FY2013, respectively? Enter estimated/forecast figures to the first decimal point in the blank below. If you entered "0" in (1) above for any year, do not enter any figure for that year.

$$\text{Ratio of reverse imports} = \frac{\text{Exports to Japan}}{\text{Output of overseas production}}$$

Year Ratio	Ratio achieved for FY2007	Ratio estimated for FY2008	Ratio forecast for FY2013
Ratio of reverse imports	• %	• %	• %

a. Reason for maintaining domestic production bases

Sophisticated technology is employed, which makes overseas production difficult.	1
It costs less to utilize the existing production facilities.	2
Given the availability of suppliers, domestic production costs less.	3
It had better to produce domestically for the relationship with customers.	4
Lack of know-how about international business management makes us uneasy.	5
Domestic production enables flexible response to domestic demand such as supply of a wide variety of products in small batches.	6
Others	7

b. Reason for maintaining overseas production bases

Reasons for maintaining overseas production sites	
Possibility to secure good-quality and low-cost labor.	1
Local product demand is brisk or is expected to grow in the future.	2
Overseas production enables flexible response to local customer needs.	3
Others	4