

Summary of Survey Results

The results of this survey show that corporate sales in Japan during FY2018 increased in Manufacturing and decreased in Non-Manufacturing. Ordinary profits decreased in Manufacturing and increased in Non-Manufacturing. Investment in plant and equipment increased in both Manufacturing and Non-Manufacturing. Investment in inventory increased in Manufacturing and decreased in Non-Manufacturing.

Figures for ordinary profits, cash dividends, and investment in plant and equipment are shown for finance and insurance separately, as well as for All Industries, including Finance and Insurance.

Note: Unless otherwise specified, All Industries and Non-Manufacturing exclude Finance and Insurance. Additionally, Japan Post Group is included in All Industries, Finance and Insurance, Non-Manufacturing and All Industries (including Finance and Insurance).

1. Earnings Conditions

(1) Sales (Table 1)

All Industries' sales recorded 1,535.2114 trillion yen, down by 8.9314 trillion yen from the previous fiscal year (1,544.1428 trillion yen), resulting in a year-on-year growth rate (hereinafter referred to as the "percentage change") of -0.6% (6.1% in the previous fiscal year).

The percentage change on a sector-by-sector basis indicated that sales decreased in some businesses, including business-oriented machinery. However, sales increased in specific businesses, including production machinery, chemical and allied products, and Transportation Equipment, resulting in an increase of 2.0% as a whole (2.7% in the previous fiscal year).

As for Non-Manufacturing, the sales of Transport and Postal Activities, Construction, and Information and Communications increased, but those of Wholesale and Retail Trade and Services decreased, resulting in a reduction of 1.5% as a whole (7.3% in the previous fiscal year).

(2) Ordinary Profits (Table 1 and Table 2)

Ordinary profits for All Industries were 83.9117 trillion yen, exceeding the previous fiscal year's figure (83.5543 trillion yen) by 363.4 billion yen, resulting in an increase of 0.4% (11.4% in the previous fiscal year).

In terms of percentage change, the ordinary profits of some businesses, including Production Machinery and Food, increased. However, Manufacturing as a whole recorded a year-on-year growth rate of -3.4% (17.7% in the previous fiscal year) due to a decrease in the ordinary profits of specific businesses, including Business Oriented Machinery, Transportation Equipment, and Chemical and Applied Products.

In Non-Manufacturing, the ordinary profits of some businesses, including Wholesale and

Retail Trade, Real Estate, and Information and Communications, decreased. However, the Non-Manufacturing as a whole recorded a year-on-year growth rate of 2.4% (8.4% in the previous fiscal year) due to an increase in the ordinary profits of specific businesses, including Services, Construction, and Transport and Postal Activities.

The ordinary profits of All Industries (including Finance and Insurance) were 95.2295 trillion yen, while those of Finance and Insurance alone were 11.3118 trillion yen.

(3) Ratio of Profits to Sales (Figure 1 and Figure 2)

The ratio of operating profits to sales of All Industries was 4.4% (also 4.4% in the previous fiscal year). In comparison, the ratio of ordinary profits to sales was 5.5% (5.4% in the previous fiscal year).

Viewed by sector, the ratio of operating profits to sales in Manufacturing was 4.6% (5.1% in the previous fiscal year) and that in Non-Manufacturing was 4.3% (4.1% in the previous fiscal year).

The ratio of ordinary profits to sales of Manufacturing was 6.6% (7.0% in the previous fiscal year), and that of Non-Manufacturing was 5.0% (4.9% in the previous fiscal year).

2. Cash Dividends (Table 3)

The net profits of All Industries for the fiscal period totaled 62.0300 trillion yen, exceeding the previous fiscal year's figure (61.4707 trillion yen) by 559.3 billion yen.

The dividend for All Industries was 26.2068 trillion yen, which was 2.8886 trillion yen higher than that of the previous year (23.3182 trillion yen).

The net profits for the fiscal period of All Industries (including Finance and Insurance) were 69.3592 trillion yen, while those of Finance and Insurance alone were 7.3292 trillion yen.

3. Changes in Earned surplus (Table 4)

The accumulated profits of All Industries totaled 463.1308 trillion yen, exceeding the previous fiscal year's figure (446.4844 trillion yen) by 16.6464 trillion yen.

The accumulated profits of All Industries (including Finance and Insurance) totaled 526.0166 trillion yen, and those of Finance and Insurance amounted to 62.8859 trillion yen.

4. Value Added, etc. (Figure 3 and Figure 4)

The value added to All Industries totaled 314.4822 trillion yen, exceeding the previous fiscal year's figure (311.7130 trillion yen) by 2.7692 trillion yen.

The ratio of value added to All Industries was 20.5% (20.2% in the previous fiscal year). In contrast, the labor productivity of All Industries totaled 7.30 million yen (7.39 million yen in the previous fiscal year).

5. Investment Conditions

(1) Investment in Plant and equipment (Table 5, Figure 5, Reference Table)

Investment by All Industries in plant and equipment totaled 49.1277 trillion yen, exceeding the previous fiscal year's figure (45.4475 trillion yen) by 3.6802 trillion yen, resulting in an increase of 8.1% (5.8% in the previous fiscal year).

The percentage change on a sector-by-sector basis indicated that investment by specific businesses, including electrical machinery, equipment, supplies, and fabricated metal products businesses, decreased in Manufacturing. However, investment by some businesses, including Information and Communication Electronics Equipment, Transportation Equipment, and chemical and allied products businesses, increased, resulting in an increase of 6.5% as a whole (4.4% in the previous fiscal year). As for Non-Manufacturing, investment by specific businesses, including Wholesale and Retail Trade, Services, and Construction, decreased. However, investment by some businesses, including Real Estate, Transport and Postal Activities, and Information and Communications, increased, resulting in an increase of 8.9% as a whole (6.6% in the previous fiscal year).

Investment by All Industries (including Finance and Insurance) totaled 50.9118 trillion yen, while that of Finance and Insurance alone was 1.7841 trillion yen.

(2) Increases in inventories (Table 6)

Investment in inventory by All Industries totaled 4.6533 trillion yen, down by 2.3085 trillion yen from the previous fiscal year (6.9618 trillion yen).

Viewed by sector, investment by specific businesses, including Information and Communication Electronics Equipment, Business Oriented Machinery, and General-Purpose Machinery in Manufacturing, increased from the previous fiscal year, resulting in an inventory investment of 2.8789 trillion yen. As for Non-Manufacturing, investment by specific businesses, including Real Estate and Wholesale and Retail Trade, decreased, resulting in an inventory investment of 1.7744 trillion yen.

The inventory ratio of All Industries was 8.1%, up by 0.4 points from the previous fiscal year (7.7%).

6. Ratio of net worth (Table 7)

The ratio of the net worth of All Industries was 42.0%, marking a 0.3-point increase over the previous fiscal year (41.7%).

Viewed by sector, the ratio of net worth increased from the previous fiscal year both in Manufacturing and Non-Manufacturing.

Viewed by capital stock bracket, the ratio of net worth increased from the previous fiscal year in all brackets except for businesses in a capital stock bracket below 10 million yen, which decreased from the previous year.

Additionally, the ratio of the net worth of All Industries (including Finance and Insurance) was 20.7%, while that of Finance and Insurance alone was 6.1%.

7. Capital Situation

(1) Raising of funds (Table 8 and Figure 6-1)

The raising of funds by All Industries totaled 92.9449 trillion yen, down by 19.6003 trillion yen from the previous fiscal year's figure (112.5452 trillion yen).

Viewed by item, external funds amounted to 17.3645 trillion, resulting in an increase of 5.7485 trillion yen over the previous fiscal year (11.6160 trillion yen), since there were increases in capital and borrowings, despite a decrease in bonds.

As for internal funds, both internal reserves and depreciation decreased, resulting in funds of 75.5803 trillion yen, down by 25.3489 trillion yen from the previous year's figure (100.9292 trillion yen).

(2) Funds Management (Table 8 and Figure 6-2)

The funds demanded by All Industries totaled 60.4432 trillion yen, down by 6.4163 trillion yen from the previous fiscal year's figure (66.8595 trillion yen).

Viewed by item, fixed-asset investment increased by 4.7665 trillion yen, but working capital decreased by 11.1828 trillion yen, resulting in a decrease for the first time in three years.

Funds management totaled 32.5017 trillion yen, down by 13.1840 trillion yen from the previous fiscal year's figure (45.6857 trillion yen).

Viewed by item, cash, deposits, and securities decreased although other investments increased, resulting in a decrease in funds management for the first time in two years.

(3) Liquidity Ratio (Figure 7)

The liquidity ratio of All Industries was 15.4%, marking a 0.1-point increase over the previous fiscal year's ratio (15.3%). Viewed by sector, Manufacturing recorded 16.0%, marking a 0.3-point increase from the previous fiscal year's ratio (15.7%). In comparison, Non-Manufacturing was 15.2%, marking no change from the previous fiscal year's figure.

Table 1 – Sales and Ordinary Profits, etc.

(Unit: 100 million yen; %)

Classification	Item	Sales		Operating profits		Ordinary profits	
			Percent change		Percent change		Percent change
All Industries		15,352,114	-0.6	677,295	0.4	839,177	0.4
Manufacturing		4,142,698	2.0	191,517	-6.7	273,468	-3.4
Food		458,416	2.1	16,063	3.1	19,674	0.0
Chemical and Allied Products		428,059	5.0	36,735	1.3	45,373	-3.9
Petroleum and Coal Products		113,150	7.8	1,923	-45.2	2,315	-39.0
Iron and Steel		172,001	3.1	4,317	-19.3	6,618	-10.8
Fabricated Metal Products		208,771	5.8	7,676	-12.0	10,397	-1.9
General-Purpose Machinery		74,636	1.6	4,997	1.7	5,971	-1.9
Production Machinery		268,835	10.9	19,250	22.2	26,326	37.7
Business Oriented Machinery		134,256	-0.9	8,776	5.4	9,878	-36.7
Electrical Machinery, Equipment and Supplies		317,953	0.8	15,736	-14.5	24,857	-5.0
Information and Communication Electronics Equipment		332,733	2.9	14,900	-7.8	19,288	-3.6
Transportation Equipment		795,140	1.8	31,020	-18.8	59,975	-3.4
Non-Manufacturing		11,209,416	-1.5	485,779	3.6	565,709	2.4
Construction		1,449,599	2.7	63,321	6.1	71,978	8.2
Wholesale and Retail Trade		5,475,705	-6.0	93,373	-6.7	131,249	-6.6
Real Estate		465,363	7.1	51,563	-9.7	51,607	-15.0
Goods Rental and Leasing		161,288	5.5	12,039	28.9	9,353	4.6
Information and Communications		761,794	4.5	67,509	-3.3	75,158	-2.4
Transport and Postal Activities		718,625	8.8	35,359	5.2	38,494	5.0
Production, Transmission and Distribution of Electricity		275,853	6.5	10,141	-13.7	10,075	-3.8
Services		1,759,902	-1.0	145,225	21.3	166,394	18.7

Note 1. The finance and insurance is not included in all industries and non-manufacturing.

2. Japan Post Holdings Co., Ltd., Japan Post Service Co., Ltd., Japan Post Network Co., Ltd., have been included in data since the FY2009 edition of the annual survey.
Additionally, Japan Post Network Co., Ltd. was established on October 1, 2012 following the merger of Japan Post Service Co., Ltd. and Japan post Network Co., Ltd.

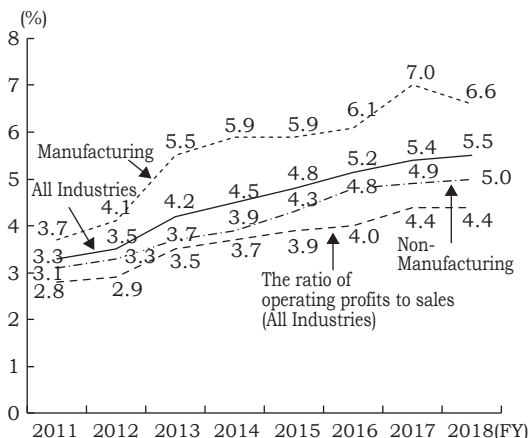
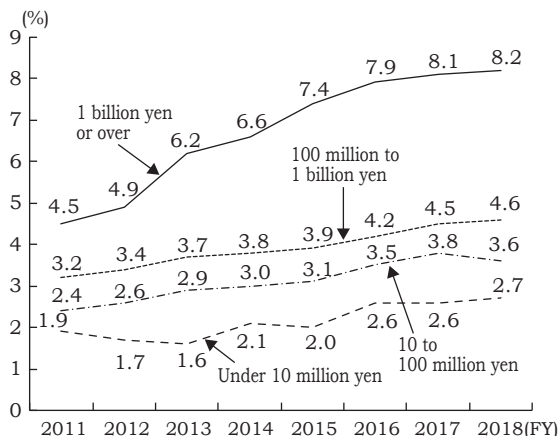
Table 2 - Trends in Ordinary Profits

(Unit: 100 million yen; %)

Classification	FY	2014		2015		2016		2017		2018	
			Percent change		Percent change		Percent change		Percent change		Percent change
All Industries		645,861	8.3	682,201	5.6	749,872	9.9	835,543	11.4	839,177	0.4
Manufacturing		236,987	9.3	233,370	-1.5	240,537	3.1	283,176	17.7	273,468	-3.4
Non-Manufacturing		408,874	7.7	448,831	9.8	509,335	13.5	552,367	8.4	565,709	2.4
All Industries (including Finance and Insurance)		785,794	8.0	808,963	2.9	866,016	7.1	962,764	11.2	952,295	-1.1
Finance and Insurance		139,933	6.9	126,762	-9.4	116,144	-8.4	127,221	9.5	113,118	-11.1
Banking		73,905	7.2	67,877	-8.2	56,015	-17.5	57,404	2.5	47,476	-17.3
Money lending business etc.		8,115	-10.2	8,687	7.1	7,584	-12.7	10,687	40.9	11,860	11.0
Finance products transaction dealers		10,547	-11.3	8,696	-17.5	6,993	-19.6	7,125	1.9	3,982	-44.1
Futures commodity transaction dealers etc.		7,963	6.6	6,531	-18.0	10,500	60.8	15,080	43.6	11,144	-26.1
Insurance (consolidated)		37,558	17.1	33,162	-11.7	32,874	-0.9	34,650	5.4	35,910	3.6
Life insurance institutions		30,478	9.3	25,207	-17.3	24,237	-3.8	26,453	9.1	27,135	2.6
Non-life insurance institutions		7,080	68.6	7,955	12.4	8,637	8.6	8,197	-5.1	8,775	7.0
Other		1,844	26.0	1,809	-1.9	2,179	20.5	2,274	4.4	2,746	20.8

Note 1. The finance and insurance is not included in all industries and non-manufacturing.

2. Japan Post Group and The Shoko Chukin Bank, Ltd. have been included in data since the FY2009 edition of the survey.

Figure 1 - Trends in the Ratio of Ordinary Profits to Sales (by sector)**Figure 2 - Trends in the Ratio of Ordinary Profits to Sales (All Industries: by capital bracket)****Table 3 - Trends in the Cash Dividends (All Industries)**

(Unit: 100 million yen; %)

FY	2014		2015		2016		2017		2018	
Classification		Ratio of component		Ratio of component		Ratio of component		Ratio of component		Ratio of component
All Industries										
Net profits for the period	413,101	100.0	418,315	100.0	497,465	100.0	614,707	100.0	620,300	100.0
Dividends	168,833	40.9	222,106	53.1	200,802	40.4	233,182	37.9	262,068	42.2
All Industries (including Finance and Insurance)										
Net profits for the period	498,164	100.0	500,314	100.0	578,801	100.0	703,905	100.0	693,592	100.0
Dividends	211,744	42.5	263,916	52.8	241,721	41.8	282,727	40.2	309,965	44.7
Finance and Insurance										
Net profits for the period	85,063	100.0	81,999	100.0	81,336	100.0	89,198	100.0	73,292	100.0
Dividends	42,911	50.4	41,811	51.0	40,919	50.3	49,545	55.5	47,896	65.3

Note 1. Net profits for the period = Ordinary profits + Special profits - Special losses - Income taxes-current - Income taxes-deferred
 2. Japan Post Group and The Shoko Chukin Bank, Ltd. have been included in data since the FY2009 edition of the survey.

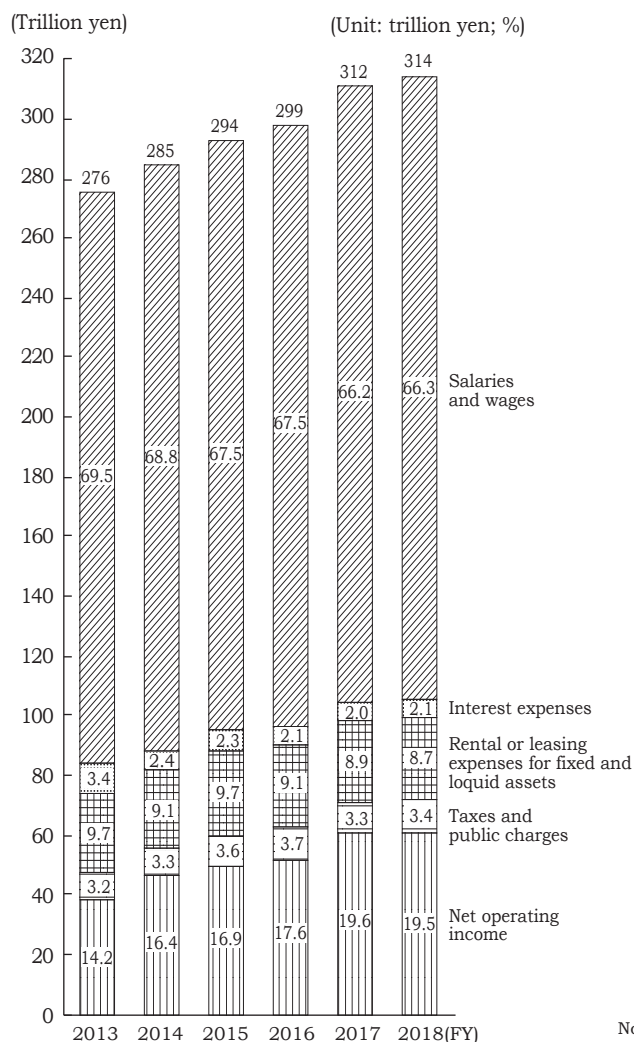
Table 4 - Changes in Earned Surplus

(Unit: 100 million yen; %)

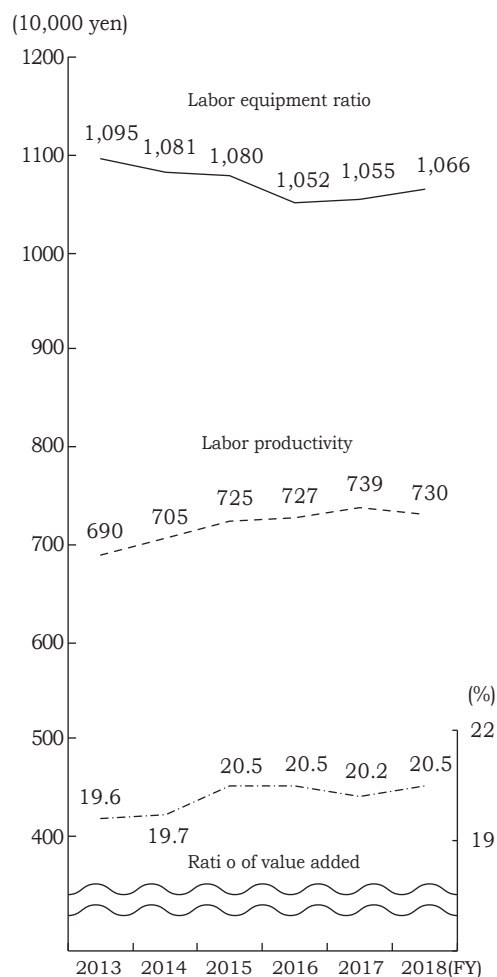
FY	2014		2015		2016		2017		2018	
Classification		Percent change		Percent change		Percent change		Percent change		Percent change
All Industries	3,543,775	8.1	3,778,689	6.6	4,062,348	7.5	4,464,844	9.9	4,631,308	3.7
Manufacturing	1,231,460	3.4	1,318,841	7.1	1,405,858	6.6	1,533,205	9.1	1,636,012	6.7
Non-Manufacturing	2,312,315	10.7	2,459,848	6.4	2,656,489	8.0	2,931,639	10.4	2,995,296	2.2
All Industries (including Finance and Insurance)	4,031,997	8.2	4,292,157	6.5	4,606,122	7.3	5,074,454	10.2	5,260,166	3.7
Finance and Insurance	488,223	9.3	513,468	5.2	543,775	5.9	609,610	12.1	628,859	3.2

Note: The finance and insurance is not included in all industries and non-manufacturing.

**Figure 3 - Trends in Value added
(All industries: ratio of component)**



**Figure 4 - Trends in Value added Related Ratios
(All industries)**



Note 1. $\text{Ratio of value added} = \frac{\text{Value added}}{\text{Sales}} \times 100$

2. $\text{Value added per employee (labor productivity)} = \frac{\text{Value added}}{\text{Number of employees}}$

3. $\text{Labor equipment ratio} = \frac{\text{Tangible fixed assets (excluding construction in process)} \text{ (average for beginning of year and end of year)}}{\text{Number of employees}}$

Table 5 - Trends in Investment in Plant and Equipment

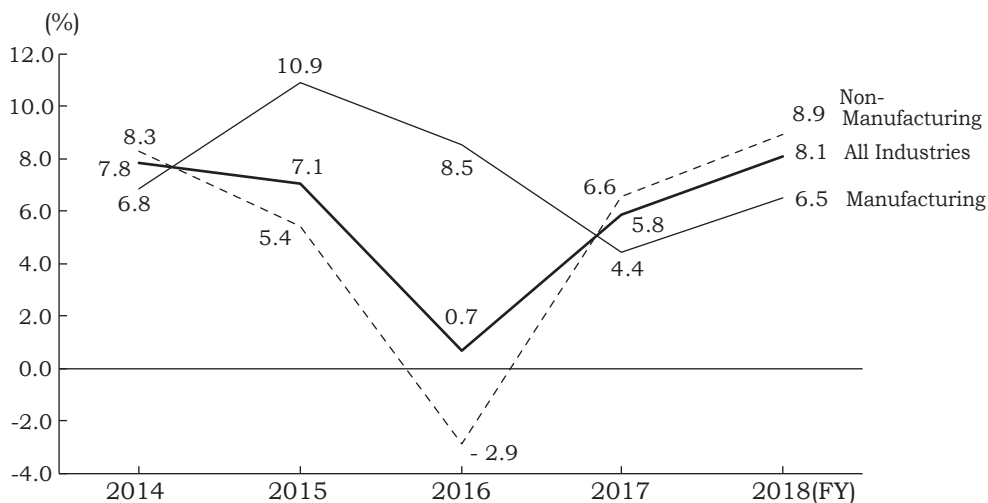
(Unit: 100 million yen; %)

Classification	FY	2014		2015		2016		2017		2018	
			Percent change		Percent change		Percent change		Percent change		Percent change
All Industries		398,228	7.8	426,365	7.1	429,380	0.7	454,475	5.8	491,277	8.1
		(394,760)	(7.7)	(424,474)	(7.5)	(426,888)	(0.6)	(453,529)	(6.2)	(487,356)	(7.5)
Manufacturing		120,219	6.8	133,336	10.9	144,731	8.5	151,140	4.4	160,947	6.5
		(119,129)	(6.8)	(133,511)	(12.1)	(144,274)	(8.1)	(150,597)	(4.4)	(159,979)	(6.2)
Food		12,835	-14.9	12,233	-4.7	14,435	18.0	16,512	14.4	16,570	0.4
Chemical and Allied		14,179	-3.6	15,389	8.5	18,039	17.2	17,186	-4.7	19,298	12.3
Products Petroleum and Coal		1,922	13.3	1,633	-15.0	1,503	-8.0	1,320	-12.2	2,479	87.8
Products Iron and Steel		7,419	23.2	6,566	-11.5	8,427	28.3	9,143	8.5	10,722	17.3
Fabricated Metal Products		6,169	2.3	6,132	-0.6	6,925	12.9	8,337	20.4	7,929	-4.9
General-Purpose Machinery		2,007	76.7	2,465	22.8	2,388	-3.1	2,378	-0.4	2,459	3.4
Production Machinery		5,640	-0.1	7,190	27.5	7,633	6.2	6,940	-9.1	8,808	26.9
Business Oriented Machinery		5,114	34.1	4,897	-4.2	4,983	1.8	3,944	-20.8	5,201	31.9
Electrical Machinery, Equipment and Supplies		8,410	23.4	10,170	20.9	10,522	3.5	13,150	25.0	11,545	-12.2
Information and Communication Electronics Equipment		11,252	-2.5	16,845	49.7	16,004	-5.0	16,262	1.6	19,202	18.1
Transportation Equipment		21,029	8.0	24,020	14.2	27,603	14.9	26,103	-5.4	28,891	10.7
Non-Manufacturing		278,009	8.3	293,029	5.4	284,650	-2.9	303,336	6.6	330,329	8.9
		(275,630)	(8.0)	(290,963)	(5.6)	(282,614)	(-2.9)	(302,931)	(7.2)	(327,377)	(8.1)
Construction		20,412	-3.5	21,522	5.4	20,535	-4.6	27,182	32.4	26,707	-1.7
Wholesale and Retail Trade		58,369	7.0	60,888	4.3	57,726	-5.2	58,704	1.7	50,549	-13.9
Real Estate		26,427	24.7	33,561	27.0	30,585	-8.9	32,391	5.9	52,563	62.3
Goods Rental and Leasing		19,360	31.5	17,377	-10.2	20,748	19.4	18,214	-12.2	19,096	4.8
Information and Communications		34,836	-5.7	38,506	10.5	33,197	-13.8	35,318	6.4	40,868	15.7
Transport and Postal Activities		35,097	-3.1	42,137	20.1	45,717	8.5	46,508	1.7	58,072	24.9
Production, Transmission and Distribution of Electricity		23,034	34.3	23,796	3.3	20,392	-14.3	23,585	15.7	27,609	17.1
Services		49,912	9.2	44,622	-10.6	45,862	2.8	50,438	10.0	45,024	-10.7
All Industries (including Finance and Insurance)		417,316	7.9	445,901	6.8	448,063	0.5	474,675	5.9	509,118	7.3
		(413,060)	(8.1)	(442,093)	(7.0)	(444,163)	(0.5)	(472,397)	(6.4)	(505,580)	(7.0)
Finance and Insurance		19,088	9.8	19,536	2.3	18,683	-4.4	20,199	8.1	17,841	-11.7
		(18,300)	(18.8)	(17,619)	(-3.7)	(17,275)	(-2.0)	(18,868)	(9.2)	(18,224)	(-3.4)
Banking		10,108	-6.1	10,910	7.9	9,935	-8.9	9,393	-5.5	9,038	-3.8
Money Lending Business etc.		2,902	50.2	2,744	-5.4	2,829	3.1	3,656	29.2	1,196	-67.3
Finance Products Transaction Dealers		1,132	18.7	1,452	28.3	1,297	-10.7	1,119	-13.7	1,149	2.7
Futures Commodity Transaction Dealers etc.		811	111.1	400	-50.6	474	18.4	624	31.7	916	47.0
Insurance (consolidated)		3,818	26.6	3,410	-10.7	3,586	5.2	4,673	30.3	4,931	5.5
Life Insurance institutions		2,800	63.5	2,836	1.3	2,870	1.2	3,674	28.0	3,920	6.7
Non-Life Insurance		1,018	-21.9	574	-43.6	716	24.8	999	39.4	1,011	1.2
Miscellaneous Insurance Institutions		318	-5.1	620	94.6	561	-9.4	736	31.1	612	-16.8

Note 1. Investment in plant and equipment = Increases of tangible fixed assets (excluding land) + Increases of software + Depreciation expenses + Special depreciation.

2. Parentheses indicates the value excluding increases of software.

3. Japan Post Group and The Shoko Chukin Bank, Ltd. have been included in data since the FY2009 edition of the survey.

Figure 5 - Investment in plant and equipment (YoY Percent Change)**Table 6 - Trends in Increases in Inventories**

(Unit: 100 million yen; %)

FY	2014	2015	2016	2017	2018
Classification					
All Industries	27,411	-449	28,526	69,618	46,533
Finished goods and merchandise	21,212	1,891	18,598	37,973	26,250
Goods in process	9,491	5,652	2,723	19,618	9,055
Raw materials and goods in storage	-3,291	-7,992	7,206	12,027	11,228
Manufacturing	9,020	-12,174	3,857	28,632	28,789
Petroleum and Coal Products	-7,135	-5,274	2,476	2,035	1,233
Iron and steel	940	-3,136	-126	3,659	2,627
General-Purpose Machinery	387	-4	387	647	898
Production Machinery	623	129	981	3,345	2,938
Business Oriented Machinery	452	648	662	1,064	1,387
Electrical Machinery, Equipment and Supplies	2,058	-1,984	459	4,768	1,238
Information and Communication Electronics Equipment	817	117	33	1,743	3,584
Non-Manufacturing	18,392	11,725	24,669	40,986	17,744
Construction	2,749	2,982	-3,877	1,587	3,511
Wholesale and Retail Trade	5,660	150	7,477	14,637	9,687
Real Estate	12,729	10,569	15,320	20,807	7,583
Ratio of inventories to sales	7.7	7.6	7.5	7.7	8.1

Note 1. Increases in inventories = Increases in inventories during the period.

2. Ratio of inventories to sales = (Inventories (at the end of the quarter) / Sales) × 100

3. The finance and insurance is not included in all industries and non-manufacturing.

4. Japan Post Holdings Co., Ltd., Japan Post Service Co., Ltd., Japan Post Network Co., Ltd., have been included in data since the FY2009 edition of the annual survey. Additionally, Japan Post Network Co., Ltd. was established on October 1, 2012 following the merger of Japan Post Service Co., Ltd. and Japan post Network Co., Ltd.

Table 7 - Trends in Ratio of Net Worth

(Unit : %)

FY	2014	2015	2016	2017	2018
Classification					
All Industries	38.9	39.9	40.6	41.7	42.0
Manufacturing	45.3	46.4	47.6	48.6	49.9
Non-Manufacturing	36.4	37.5	37.9	39.1	39.1
Capital stock					
1 billion yen or over	44.6	45.0	44.8	45.2	45.5
100 million to 1 billion yen	38.1	39.2	39.9	40.2	42.0
10 to 100 million yen	35.0	37.9	38.3	41.0	41.2
Under 10 million yen	17.0	13.9	19.1	20.5	19.3

(Unit : %)

FY	2014	2015	2016	2017	2018
Classification					
All Industries (including Finance and Insurance)	19.4	19.7	19.7	20.6	20.7
Finance and Insurance	6.5	6.3	6.1	6.2	6.1
All Industries (including Finance and Insurance)					
Capital stock					
1 billion yen or over	16.1	16.0	15.9	16.2	16.4
100 million to 1 billion yen	32.6	33.4	33.7	34.2	35.9
10 to 100 million yen	34.0	37.1	36.7	39.7	40.5
Under 10 million yen	16.6	14.6	18.6	20.1	18.9
Finance and Insurance					
Capital stock					
1 billion yen or over	6.2	6.0	5.8	5.8	5.8
100 million to 1 billion yen	11.2	11.6	11.2	11.5	11.7
10 to 100 million yen	16.9	19.2	13.9	17.1	26.9
Under 10 million yen	12.7	24.3	14.4	14.8	13.4

Note 1. Ratio of net worth = [(Net assets - Subscription rights to shares) / Liabilities and Net Assets] × 100

2. Japan Post Group and The Shoko Chukin Bank, Ltd. have been included in data since the FY2009 edition of the survey.

Table 8 - Supply-Demand Conditions for Funds (All Industries)

(Unit: 100 million yen; %)

Classification		FY		2015		2016		2017		2018	
					Percent change		Percent change		Percent change		Percent change
Raising of funds	External funds			-42,494	*	-371,931	*	116,160	*	173,645	49.5
	Capital increase			-78,574	*	-566,129	*	-37,615	*	15,461	*
	Bond issues			1,811	-51.5	94,772	5,132.3	64,365	-32.1	56,704	-11.9
	Total borrowings			34,269	3.6	99,427	190.1	89,409	-10.1	101,480	13.5
	Long-term			4,159	-91.9	110,295	2,551.7	33,230	-69.9	65,383	96.8
	Short-term			30,110	*	-10,868	-136.1	56,179	*	36,097	-35.7
	Internal funds			683,748	-21.3	856,433	25.3	1,009,292	17.8	755,803	-25.1
	Internal reserves			286,205	-41.8	476,085	66.3	627,561	31.8	375,310	-40.2
	Depreciation expenses			397,544	5.6	380,347	-4.3	381,731	0.4	380,494	-0.3
	Total funds procurement			641,254	-23.2	484,502	-24.4	1,125,452	132.3	929,449	-17.4
Funds management	Total funds demand	Intangible fixed assets		444,875	6.0	477,746	7.4	478,535	0.2	526,200	10.0
		Investment in plant and equipment		426,365	7.1	429,380	0.7	454,475	5.8	491,277	8.1
		(exclude investment in software)		(424,474)	(7.5)	(426,888)	(0.6)	(453,529)	(6.2)	(487,356)	(7.5)
		Land		17,662	13.8	24,447	38.4	23,996	-1.8	34,970	45.7
		Intangible fixed assets		848	-85.7	23,919	2,721.7	64	-99.7	-47	-173.6
		Working capital		36,268	-73.1	88,368	143.7	190,060	115.1	78,232	-58.8
		Increases in inventories		-449	-101.6	28,526	*	69,618	144.1	46,533	-33.2
		Inter-company credit balance		3,035	-91.3	4,368	43.9	12,282	181.2	41,646	239.1
		Other		33,682	-53.5	55,474	64.7	108,160	95.0	-9,947	-109.2
		Total funds demand		481,143	-13.2	566,114	17.7	668,595	18.1	604,432	-9.6
	Funds management	Cash and deposits		131,492	1.0	119,294	-9.3	79,639	-33.2	73,776	-7.4
		Securities		-20,615	-117.7	-285,820	*	257,560	*	118,290	-54.1
		Liquid (retained temporarily)		-23,211	*	-13,302	*	-13,302	*	1,047	*
		Fixed (investment)		2,596	-98.0	-272,517	-10,596.3	270,592	*	117,244	-56.7
		Other investment		49,234	42.5	84,913	72.5	119,659	40.9	132,951	11.1
		Total funds management		160,111	-43.0	-81,612	-151.0	456,857	*	325,017	-28.9

- Note 1. Capital increases represent changes capital stock, capital reserve, and subscription rights to shares during the fiscal year of the survey.
2. Short-term borrowings include the bills receivable discounted outstanding.
3. Internal reserves represents the total of accumulated profits, reserve (or provisions) required by special law, and other liabilities (accrued liabilities) during the fiscal year of the survey. Accumulated profits represents changes in other capital surplus, accumulated earnings, other (valuation difference in re-appraisal of land, and valuation difference in marked to market financial products, etc.), and treasury stock during the fiscal year of the survey.
4. Investment in plant and equipment the total increases of tangible fixed assets (excluding land), increases of software, and depreciation expenses. Additionally, parentheses indicates the value excluding increases of software. Software is not included in intangible fixed assets.
5. Inter-company credit balance (credit surplus) = (Bills receivable + Accounts receivable + Bills receivable discounted outstanding) - (Bills payable + Accounts payable). However, if the value is negative (credit deficit), it is included in internal reserves.
6. "Other" under working capital = Other liquid assets (short-term loans receivable, etc.) + Deferred assets
7. Other investment refers to long-term loans receivable and real estate for investment, etc.
8. Japan Post Holdings Co., Ltd., Japan Post Service Co., Ltd., Japan Post Network Co., Ltd., have been included in data since the FY2009 edition of the annual survey. Additionally, Japan Post Network Co., Ltd. was established on October 1, 2012 following the merger of Japan Post Service Co., Ltd. and Japan post Network Co., Ltd.
9. * Asterisks indicate that capital investment for the previous year could not be calculated because it was a negative value.

Figure 6-1 - Trends in Raising of Funds
(All industries: ratio of component)

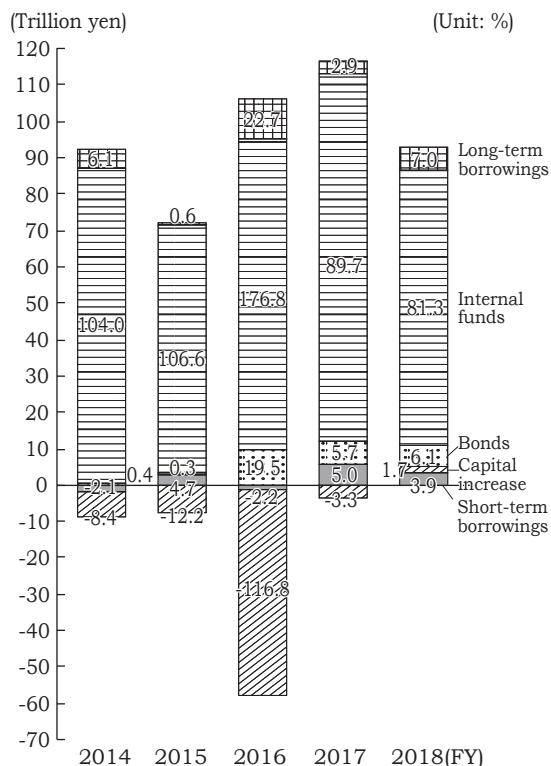
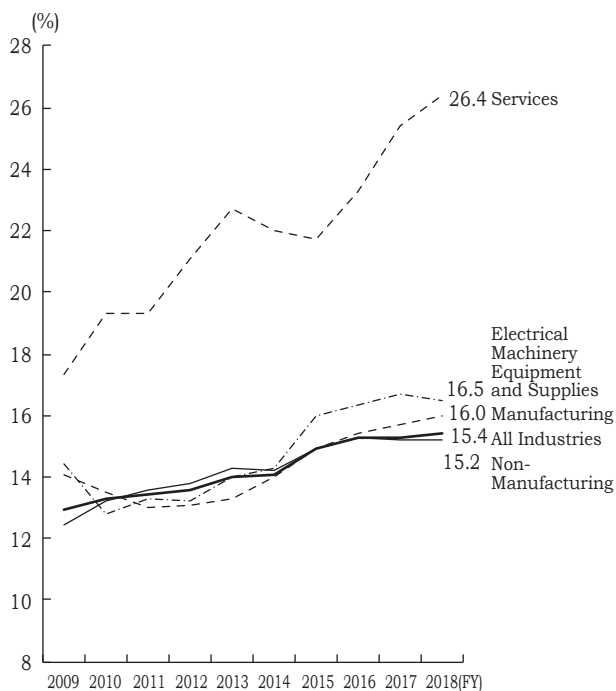


Figure 7 - Trends in Liquidity Ratio (By Sector)



(Note) Liquidity Ratio

$$= \frac{(\text{Cash and deposits} + \text{Securities})}{(\text{average of beginning of year and end of year})} \times 100$$

Sales

Figure 6-2 - Trends in Funds Management
Conditions (All industries: ratio of component)

