

Survey on Business Operations of Foreign-affiliated Companies in Japan

Summary of Survey Results

March 2022

**Japan External Trade Organization (JETRO)
Invest Japan Department**

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1. Introduction

■ Background of survey

In the “Japan Revitalization Strategy - JAPAN is BACK” (approved by the Cabinet on June 14, 2013), the Japanese government set a goal of raising the FDI stock in Japan to 35 trillion yen by 2020, and has focused on promoting FDI by, for example, simplifying regulations and administrative procedures, aiming to be “the world’s best country to do business.” As a result of these efforts, the FDI stock in Japan exceeded 20 trillion yen for the first time in 2014, and since then, both in terms of the stock and as a percentage of GDP, it has continued to increase, and reached 39.7 trillion yen at the end of 2020, surpassing the target amount. At the Council for Promotion of Foreign Direct Investment in Japan held in June last year, a new “Strategy for Promoting FDI in Japan” was decided, with the policy goal of increasing the FDI stock to 60 trillion yen and 10% of GDP by 2025, and to 80 trillion yen and 12% of GDP by 2030.

Inward FDI will contribute to strengthening the growth potential of the Japanese economy, revitalizing the region, etc. through innovation by integrating domestic and foreign resources, expanding investment and creating jobs in the region. On the other hand, the global economy hit by the spread of COVID-19 has been slow to recover, and there are concerns that it will have an impact on future FDI in Japan.

■ Objective of survey

This survey aims to grasp the current status and trends of foreign-affiliated companies based in Japan, the attractiveness and challenges of the Japanese business environment and the support needed, and to prepare basic data that will contribute to the FDI promotion projects in Japan and related measures.

Note: The preparation of this report was commissioned to Tokyo Shoko Research, Ltd.

2. Overview of survey implementation

■ Outline of survey

1. Survey target

6,582 foreign-affiliated companies in Japan
 *Foreign-affiliated companies" refers to companies in which the foreign parent company has a stake, regardless of the percentage of foreign capital.

2. Survey items (*List of items on the last slide)

- I. Outline of your company
- II. Business environment in Japan
- III. Business plan of your company in Japan
- IV. Collaboration and cooperation in Japan
- V. Others

3. Methodology

Online and mail survey

4. Survey period

September 17 to October 29, 2021

5. Collection of survey responses

Number of valid responses received: 1,315

Valid response rate : 20.0%

[Reference] Definition of large enterprises and SMEs (based on capital and number of employees)

| Classification | Manufacturing and others | Wholesale | Retailing | Services |
|------------------------------------|---|---|--|--|
| Large enterprises | Companies other than small and medium-sized enterprises | | | |
| Small and medium-sized enterprises | JPY 300 million or less Or 300 employees or less | JPY 100 million or less Or 100 employees or less | 50 million. Or 50 employees or less | JPY 50 million or less Or 100 employees or less |

■ Overview of responded companies

| Breakdown of the industry | # of Companies | Composition ratio (%) |
|---|----------------|-----------------------|
| Total | 1,315 | 100.0 |
| Manufacturing | 197 | 15.0 |
| Food and beverage | 9 | 0.7 |
| Textile products and apparel | 3 | 0.2 |
| Chemicals | 18 | 1.4 |
| Pharmaceuticals and cosmetics | 15 | 1.1 |
| Plastic products | 9 | 0.7 |
| Rubber products | 4 | 0.3 |
| Metal products | 11 | 0.8 |
| General-purpose machinery and equipment | 1 | 0.1 |
| Production machinery and equipment | 23 | 1.7 |
| Business-oriented machinery and equipment | 5 | 0.4 |
| Electronic components and devices | 28 | 2.1 |
| Electrical machinery and equipment | 20 | 1.5 |
| Information and communication equipment | 2 | 0.2 |
| Transportation machinery and equipment | 21 | 1.6 |
| Stationery, toys and sporting goods | 1 | 0.1 |
| Others (including unknown) | 27 | 2.1 |
| Wholesale trade / general trade | 507 | 38.6 |
| Retail trade | 50 | 3.8 |
| Services and others | 398 | 30.3 |
| Construction | 10 | 0.8 |
| Transportation and postal services | 27 | 2.1 |
| Information and communications | 129 | 9.8 |
| Finance and insurance | 43 | 3.3 |
| Real estate and goods rental and leasing | 10 | 0.8 |
| Accommodations | 5 | 0.4 |
| Restaurant business | 4 | 0.3 |
| Education and learning support | 6 | 0.5 |
| Medical care and welfare | 5 | 0.4 |
| Lifestyle-related services, entertainment and recreation services | 8 | 0.6 |
| Academic research, professional and technical services | 66 | 5.0 |
| Others (including unknown) | 85 | 6.5 |
| Large enterprises | 61 | 4.6 |
| Small and medium-sized enterprises | 1,088 | 82.7 |

3. Points of survey results

(1) Current status and trends of foreign-affiliated companies in Japan

- While the number of wholesalers/trading companies is large as a whole, companies in the industry of services and others are increasing remarkably in recent years.
- Country/region where the foreign parent company is located: 20% in North America, over 30% in Asia, and 40% in Europe
- Over 70% of the head offices of foreign-affiliated companies in Japan are located in the Kanto region.
- Although polarization of sales among companies is clear, there are a number of companies, especially new entrants, that are doing well.
- Limited impact of COVID-19 on future business plans in Japan.

(2) Attractiveness and challenges of the business environment in Japan, and support needed

- The most attractive feature of Japan is its market size, while its technology and R&D capabilities are appreciated to a certain extent.
- Regarding future employment prospects, "recruiting Japanese mid-career workers" is the most common.
- While responding no change in the Japanese business environment, many selected "getting worse" for securing human resources and immigration control.
- "One-stop system and digitization of labor and tax-related procedures" is the most focusing policy.
- "Subsidies and incentives," "provision of information," and "arrangement for recruiting human resources" are ranked high as the support sought.

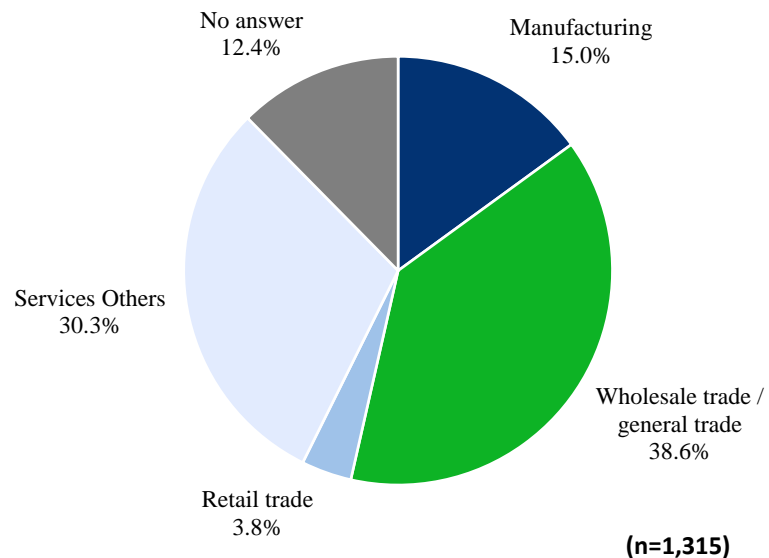
(3) Collaboration/cooperation with Japanese companies and other entities

- More than half of the large enterprises are collaborating/cooperating or considering to collaborate/cooperate with Japanese companies and other entities.
- More than 40% of the respondents selected "small and medium-sized enterprises," "universities," and "large enterprises" as partners for collaboration/partnership.
- "Gathering information" is the biggest challenge.

(1) CURRENT STATUS AND TRENDS OF FOREIGN-AFFILIATED COMPANIES IN JAPAN

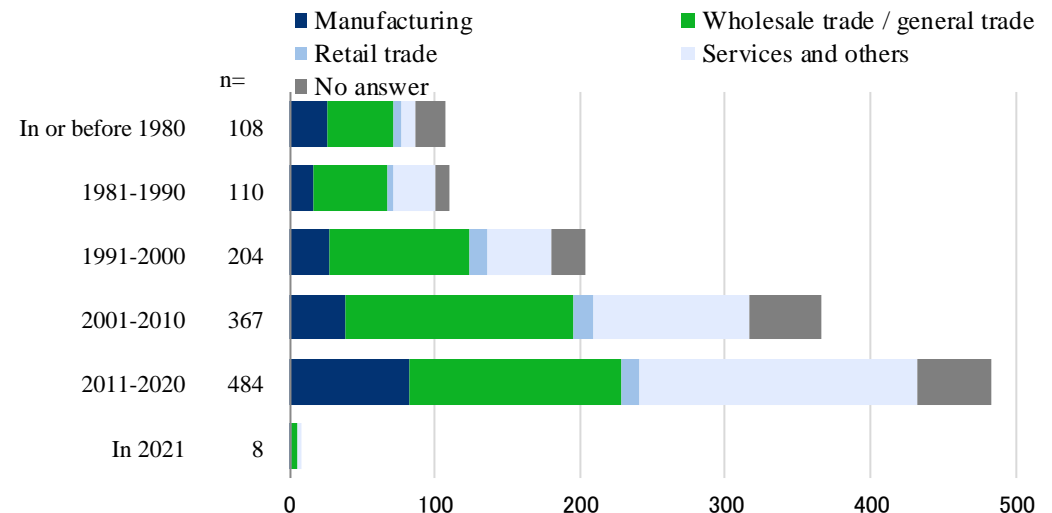
- 1| While the number of wholesalers/trading companies is large as a whole, companies in the industry of services and others are increasing remarkably in recent years.
- Of the responded foreign-affiliated companies in Japan, companies of wholesale trade / general trade accounted for the largest share at 38.6%, followed by services and others at 30.3%, manufacturing at 15.0%, and retail trade at 3.8%.
- While companies of wholesale trade / general trade accounted for a large share of entries before 2010, the percentage of services and others increased gradually after 2001, and it accounted for around 40% of new entrants after 2011.

Industry of foreign-affiliated companies in Japan



Q1 "Industry of foreign-affiliated companies in Japan"

**Industry of foreign-affiliated companies in Japan by timing of entry
(i.e. when the company was established or invested)**



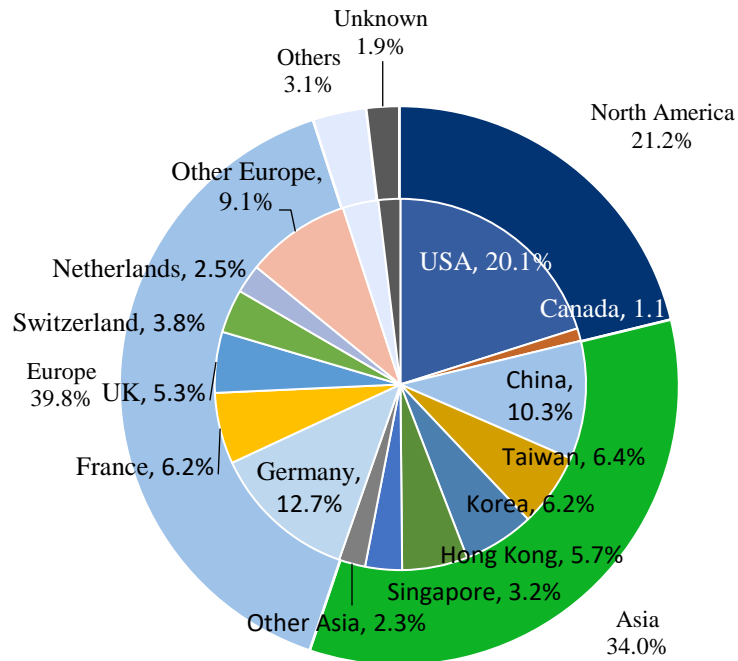
Q1 "Industry of foreign-affiliated companies in Japan" × Q4 "Timing of establishment or investment of foreign-affiliated companies in Japan"

Note: "Foreign-affiliated companies" refers to companies in which the foreign parent company has a stake, regardless of the percentage of foreign capital.

2| Country/region where the foreign parent company is located: 20% in North America, over 30% in Asia, and 40% in Europe

- Looking at the country/region of the foreign parent company of the responded foreign-affiliated companies, the U.S. had the highest percentage at 20.1%, followed by Germany at 12.7%, and China at 10.3%. By region, Europe accounted for 40%, North America for 20%, and Asia for over 30%.
- Prior to 1980, North America and Europe accounted for the majority, but after 2001, the entry of Asian countries increased, accounting for more than 40% of the total after 2011.

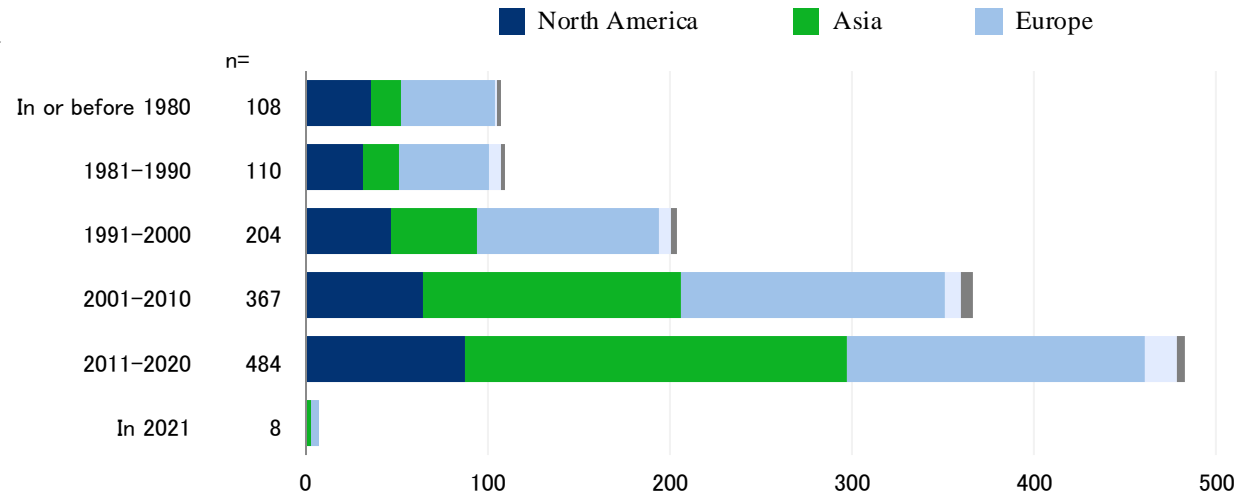
Country/region of the foreign parent company



(n=1,315)

Q3 "Country/region of the foreign parent company"

Country/region of the foreign parent company by timing of entry

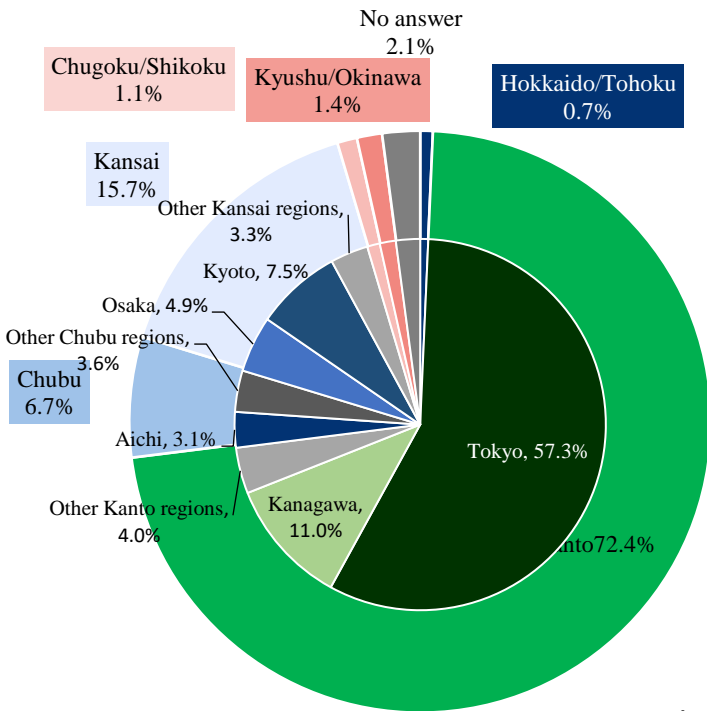


Q3 "Country/region of the foreign parent company" × Q4 "Timing of establishment or investment of foreign-affiliated companies in Japan"

3| Over 70% of the head offices of foreign-affiliated companies in Japan are located in the Kanto region.

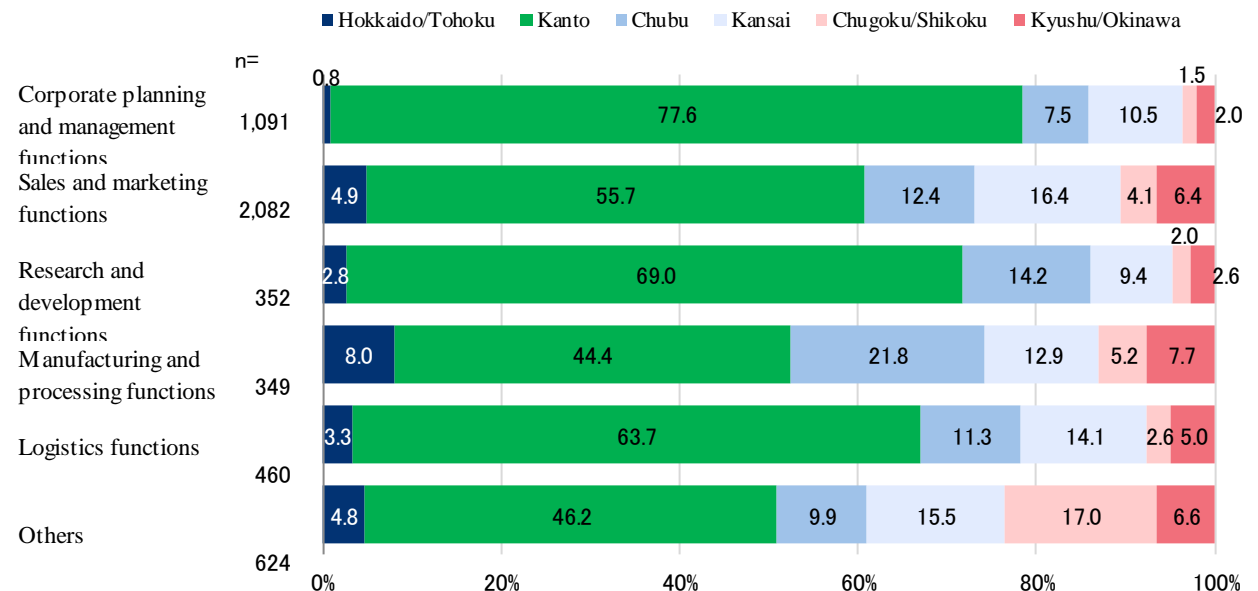
- According to the survey, more than 70% of the head offices of responded companies are located in the Kanto region, and nearly 60% are concentrated in Tokyo.
- Nearly 80% of the corporate planning and management functions are concentrated in the Kanto region.
- The functions with the most dispersed locations in Japan are manufacturing and processing, with 40% located in Kanto, followed by 20% in Chubu and around 15% in Kansai.

Head office location of foreign-affiliated companies in Japan



(n=1,315)

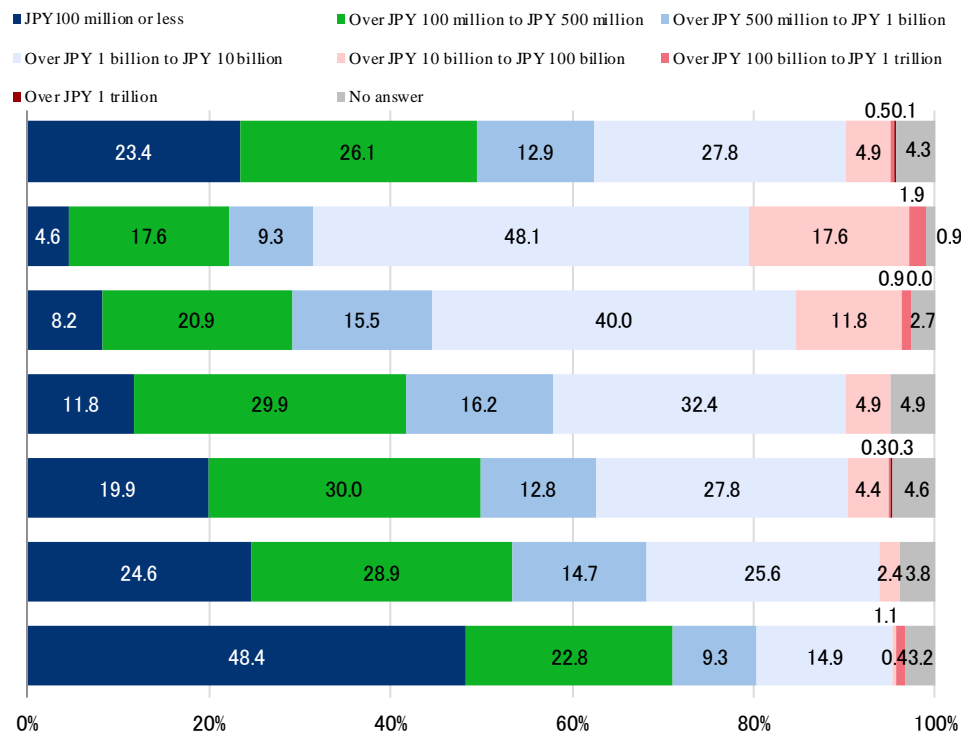
Distribution of business sites in Japan by function



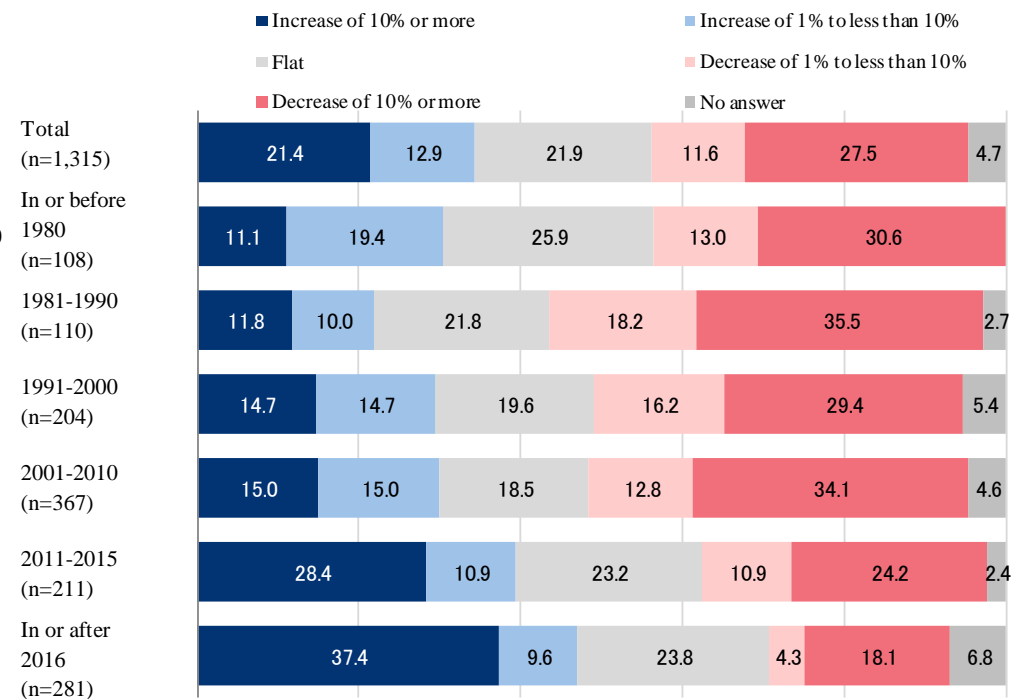
4| While polarization of sales among companies is clear, there are a number of companies, especially new entrants, that are doing well.

- Looking at annual sales for the most recent fiscal year by timing of entry, approximately 70% of responded companies that entered the market in or before 1980 had sales of "over 1 billion," and 20% of them had "over 10 billion." On the other hand, about half of the companies entered in or after 2016 had sales of "less than 100 million yen," indicating that companies that have been in the market for longer tend to have larger sales.
- Looking at the year-on-year increase/decrease in sales by timing of entry, the percentage of "increase of 10% or more" was large among the companies entered in or after 2011, and especially in or after 2016, it accounted for nearly 40%.

Sales by timing of entry



Year-on-year increase/decrease in sales by timing of entry

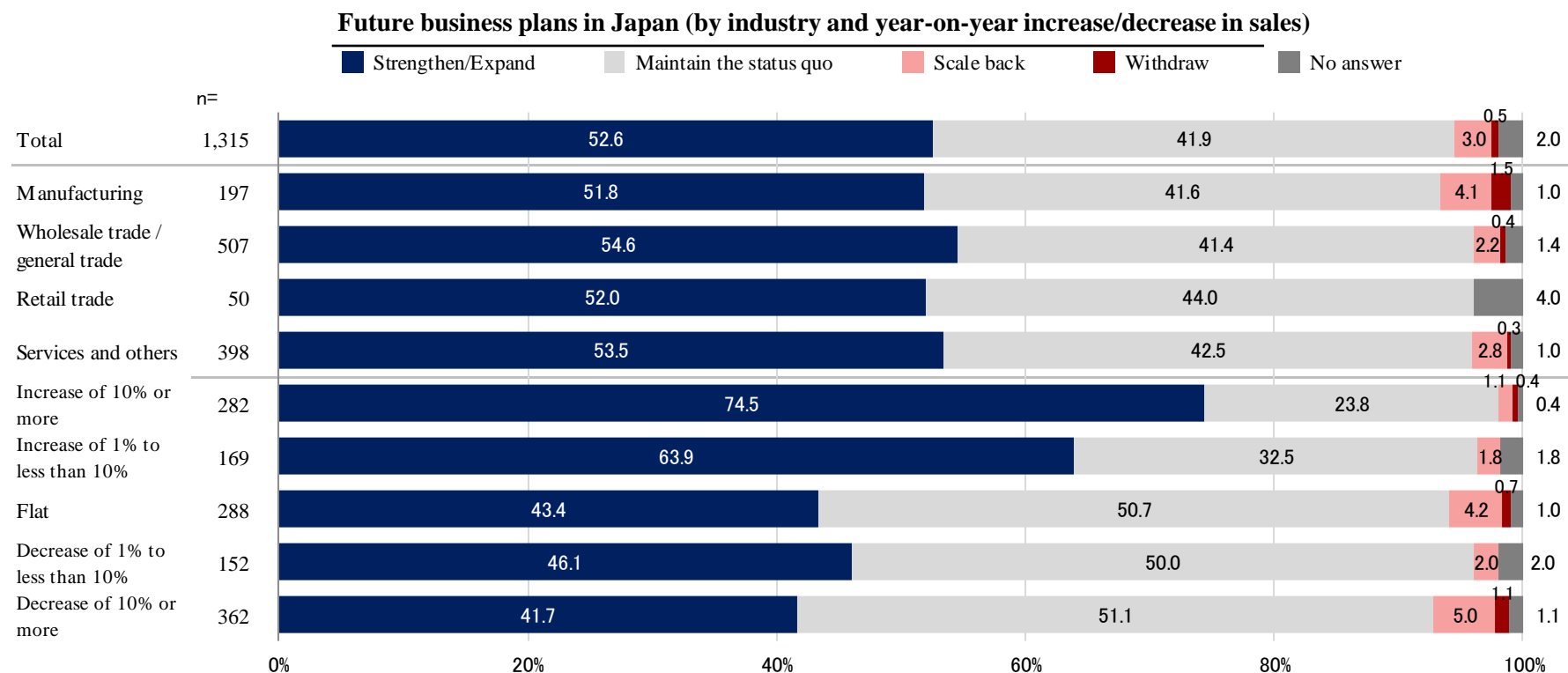


Q8 "Annual sales amount for the most recent fiscal year of foreign-affiliated companies in Japan" x Q4 "Timing of establishment or investment of foreign-affiliated companies in Japan"
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Q9 "Year-on-year increase/decrease in sales amount for the most recent fiscal year of foreign-affiliated companies in Japan" x Q4 "Timing of establishment or investment of foreign-affiliated companies in Japan"

5| Limited impact of COVID-19 on future business plans in Japan

- Although there was a clear tendency for polarization in sales in the most recent fiscal year, when asked about future business plans in Japan, “strengthen or expand” was selected by 50% to over 60% of respondents, and it was over 90% when including “maintain the status quo,” indicating that there is no significant difference in their willingness to expand business.
- Looking at the year-on-year increase/decrease in sales, it can be seen that there is a strong tendency for expansion among companies whose sales were at “increase.” On the other hand, even in the group of companies who replied “flat” or “decrease”, more than 40% of them showed tendency for expansion, and this tendency exceeded 90% when including “maintain the status quo.”



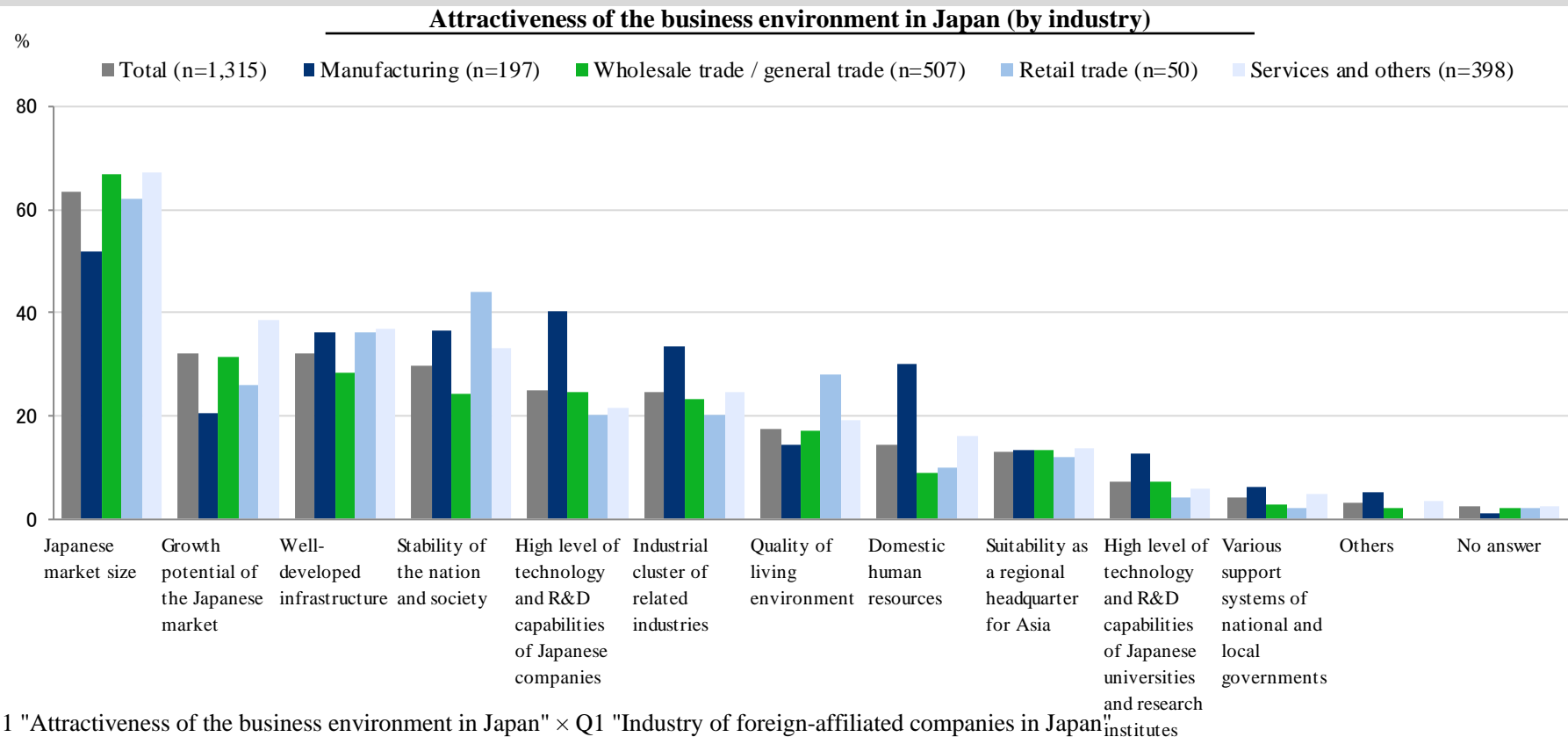
Q14, "Future business plan in Japan" × Q1, "Industry of foreign-affiliated companies in Japan"

Q14 "Future business plan in Japan" × Q9 "Year-on-year increase/decrease in sales amount for the most recent fiscal year of foreign-affiliated companies in Japan"

(2) ATTRACTIVENESS AND CHALLENGES OF THE BUSINESS ENVIRONMENT IN JAPAN, AND SUPPORT NEEDED

1| The most attractive feature of Japan is its market size while its technology and R&D capabilities are appreciated to a certain extent.

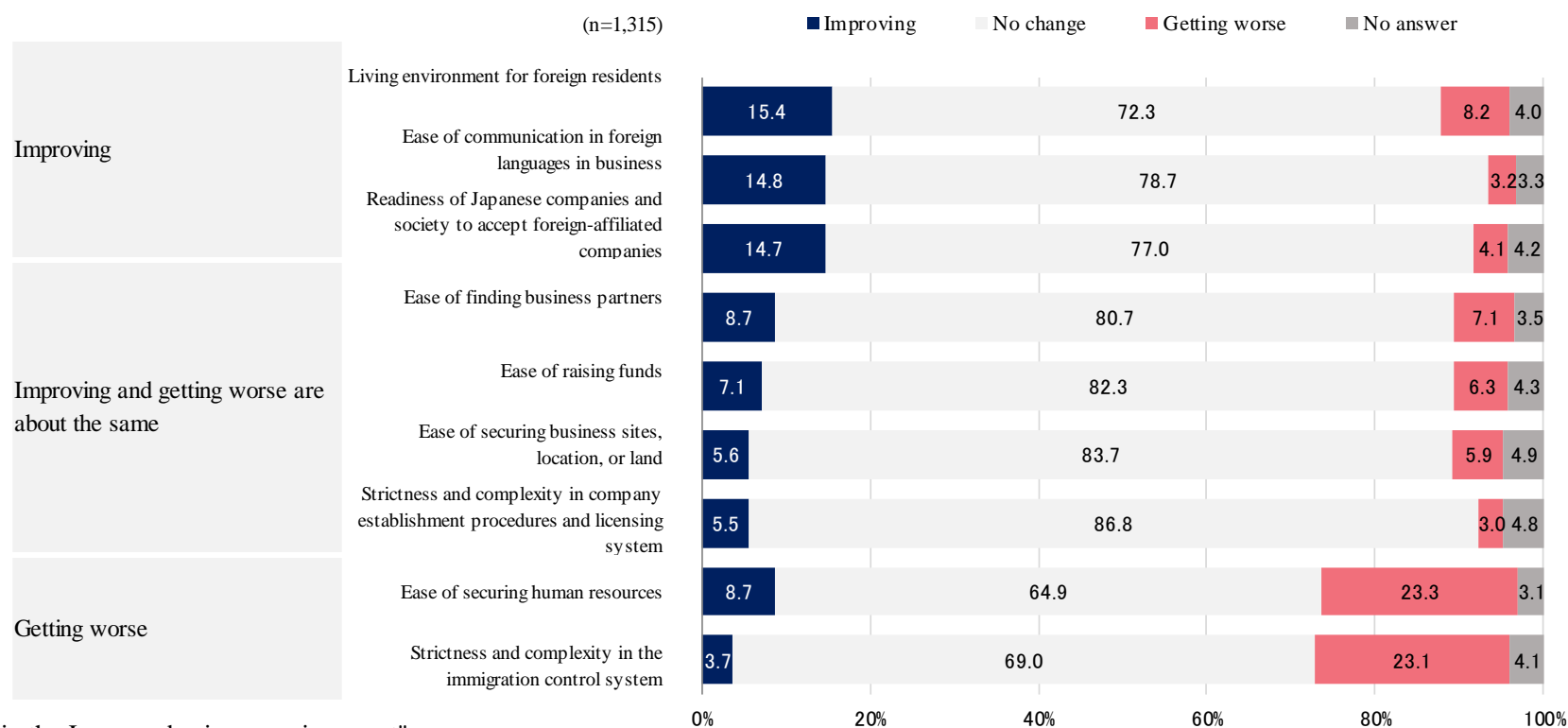
- Regarding the attractiveness of the business environment in Japan, "Japanese market size" ranked first at over 60%. On the other hand, "growth potential of the Japanese market" accounted for just over 30%, with a tendency to rate it even lower depending on the type of industry or the overseas/domestic region. Only 10% of the respondents selected "suitability as a regional headquarter for Asia."
- The manufacturing sector responded that "high level of technology and R&D capabilities of Japanese companies" (40.1%), "industrial cluster of related industries" (33.5%), and "domestic human resources" (29.9%) were attractive, indicating a certain degree of appreciation for Japanese manufacturing, Japanese quality, and Japanese brands.



2| While responding no change in the Japanese business environment, many selected “getting worse” for securing human resources and immigration control.

- Regarding changes in the Japanese business environment perceived over the past 1-2 years, more than 70% of companies responded "no change" for most of the nine items surveyed.
- Regardless of their attributes, many are feeling improvement in the areas of "ease of communication in foreign languages in business," "readiness of Japanese companies and society to accept foreign-affiliated companies," and "living environment for foreign residents," compared to other items.
- On the other hand, more than 20% of respondents answered that "strictness and complexity in the immigration control system" and "ease of securing human resources" are getting worse.

Changes in the Japanese business environment over the past 1-2 years



3| Regarding future employment prospects, "recruiting Japanese mid-career workers" is the highest.

- Regarding recruitment, around 90% of the respondents, regardless of industry or company size, answered that “recruiting Japanese mid-career workers in Japan,” indicating a strong preference for hiring industry-ready workers. Companies with a large number of employees are actively recruiting new Japanese graduates in Japan and mid-career workers of foreign nationals in Japan as well.
- "Recruiting mid-career workers of foreign nationals in Japan," "recruiting new graduates of international students in Japan," and "transferring non-Japanese employees hired overseas to Japanese bases" were relatively common among companies that entered the market in 2016 or later, and it was also seen that a number of companies have recruited foreign nationals in the early stages of their entry.

Employment prospects (by industry, number of employees, and timing of entry)

| | | Recruiting Japanese mid-career workers in Japan | Recruiting mid-career workers of foreign nationals in Japan | Recruiting new Japanese graduates in Japan | Transferring non-Japanese employees hired overseas to Japanese bases | Recruiting new graduates of international students in Japan | Transferring Japanese employees hired overseas to Japanese bases | Others | No answer |
|---------------------------|-----------|---|---|--|--|---|--|--------|-----------|
| Total | (n=1,315) | 87.1 | 33.7 | 22.2 | 11.0 | 8.6 | 4.3 | 6.0 | 2.1 |
| Manufacturing | (n=197) | 89.3 | 37.1 | 40.1 | 12.2 | 11.2 | 6.1 | 6.1 | 1.0 |
| Wholesale trade / general | (n=507) | 88.0 | 24.5 | 14.8 | 6.7 | 5.5 | 1.8 | 5.5 | 2.4 |
| Retail trade | (n=50) | 96.0 | 34.0 | 26.0 | 6.0 | 8.0 | 0.0 | 2.0 | 0.0 |
| Services and others | (n=398) | 86.7 | 42.2 | 21.4 | 16.3 | 10.6 | 6.5 | 6.8 | 1.8 |
| 50 or less employees | (n=1,087) | 86.0 | 31.4 | 15.9 | 9.9 | 6.8 | 3.1 | 6.7 | 1.7 |
| 51 to 100 employees | (n=84) | 90.5 | 40.5 | 42.9 | 11.9 | 10.7 | 3.6 | 1.2 | 4.8 |
| 101 to 300 employees | (n=88) | 96.6 | 43.2 | 55.7 | 17.0 | 12.5 | 11.4 | 5.7 | 1.1 |
| 301 or more employees | (n=43) | 93.0 | 60.5 | 74.4 | 23.3 | 37.2 | 14.0 | 0.0 | 2.3 |
| In or before 1980 | (n=108) | 84.3 | 25.9 | 32.4 | 12.0 | 11.1 | 6.5 | 7.4 | 1.9 |
| 1981-1990 | (n=110) | 87.3 | 29.1 | 24.5 | 14.5 | 2.7 | 1.8 | 6.4 | 2.7 |
| 1991-2000 | (n=204) | 90.7 | 30.4 | 19.6 | 6.9 | 9.3 | 3.4 | 4.4 | 2.5 |
| 2001-2010 | (n=367) | 85.6 | 31.9 | 19.6 | 7.4 | 6.8 | 2.7 | 7.1 | 1.4 |
| 2011-2015 | (n=211) | 85.8 | 37.0 | 19.0 | 12.8 | 6.6 | 4.3 | 7.1 | 2.4 |
| In or after 2016 | (n=281) | 91.5 | 40.9 | 26.0 | 16.0 | 13.5 | 6.4 | 3.6 | 1.8 |

Comments on securing human resources (excerpt)

Shortage of human resources sought

- Recruitment of competent and language (English) proficient personnel.
- Compared to other overseas bases, there is a lack of human resources with the mindset, language skills, and skills to respond globally.
- Problem of IT personnel shortage.

High recruitment costs

- We would like to hire new employees, but we don't have the budget for that, so it would be grateful if we could have a place where we can post jobs for free.
- It is difficult to recruit excellent human resources in Japan and the cost of recruiting is high. The only way to run the company is to recruit personnel in the country where the parent company is located. It is very difficult to switch to localization (hiring locally in Japan).
- Since human resources cannot be found through general public methods, there is no choice but to use recruiters, which requires success fees.

Q15 "Future employment prospects in your business in Japan" × Q7 "Number of employees of foreign-affiliated companies in Japan"

Note: Numerical values are in %. The size of value is expressed by the length of the bar based on the maximum value.

4| "One-stop system and digitization of labor and tax-related procedures" is the most focusing policy.

- "One-stop system and digitization of labor and tax-related procedures" has become a government policy that attracts attention from a wide range of companies, regardless of industry or company size.
- "Promotion of digital transformation (DX)" and "policies for a carbon neutral-society" have shown a high level of interest, especially among large enterprises.
- By timing of entry, more than 40% of the companies that entered the market in or before 1980 selected "policies for a carbon neutral-society," while "promotion of open innovation," "promotion of smart cities," "strengthening of startup ecosystems," and "promotion of demonstration projects that go beyond existing regulations" were relatively high among the companies that entered in and after 2016, of which "promotion of open innovation" in particular was higher than the companies of other entry timings by about 10 points.

Government policies to focus on (by company size, industry, and timing of entry)

| | | One-stop system and digitization of labor and tax-related procedures | Promotion of digital transformation (DX) | Policies for a carbon neutral-society | Promotion of open innovation | Promotion of smart cities | Strengthening of startup ecosystems | Promotion of demonstration projects that go beyond existing regulations | Corporate governance arrangements | Others | None in particular | No answer |
|------------------------------------|-----------|--|--|---------------------------------------|------------------------------|---------------------------|-------------------------------------|---|-----------------------------------|--------|--------------------|-----------|
| Total | (n=1,315) | 39.2 | 35.5 | 31.6 | 19.0 | 13.4 | 9.3 | 9.2 | 8.3 | 3.1 | 19.8 | 3.1 |
| Large enterprises | (n=61) | 41.0 | 62.3 | 55.7 | 29.5 | 13.1 | 13.1 | 16.4 | 9.8 | 0.0 | 4.9 | 3.3 |
| Small and medium-sized enterprises | (n=1,088) | 39.7 | 34.6 | 29.6 | 17.8 | 13.1 | 9.3 | 8.5 | 8.5 | 3.1 | 21.1 | 2.4 |
| Manufacturing | (n=197) | 42.1 | 38.6 | 43.1 | 25.9 | 9.1 | 9.6 | 10.7 | 11.2 | 2.0 | 14.7 | 2.0 |
| Wholesale trade / general trade | (n=507) | 37.3 | 28.2 | 30.8 | 12.4 | 12.0 | 6.1 | 6.7 | 6.3 | 2.6 | 25.8 | 3.0 |
| Retail trade | (n=50) | 42.0 | 32.0 | 34.0 | 8.0 | 12.0 | 8.0 | 8.0 | 4.0 | 2.0 | 24.0 | 2.0 |
| Services and others | (n=398) | 41.5 | 45.7 | 25.1 | 23.9 | 16.3 | 13.8 | 10.8 | 10.6 | 4.0 | 15.3 | 2.0 |
| In or before 1980 | (n=108) | 38.0 | 36.1 | 43.5 | 18.5 | 11.1 | 7.4 | 11.1 | 13.0 | 2.8 | 21.3 | 0.0 |
| 1981-1990 | (n=110) | 40.9 | 37.3 | 38.2 | 10.0 | 6.4 | 8.2 | 5.5 | 9.1 | 5.5 | 19.1 | 5.5 |
| 1991-2000 | (n=204) | 34.8 | 30.9 | 29.9 | 12.7 | 10.3 | 3.9 | 8.3 | 8.3 | 1.5 | 25.5 | 3.9 |
| 2001-2010 | (n=367) | 40.6 | 36.2 | 28.9 | 17.7 | 13.6 | 7.4 | 7.9 | 6.5 | 3.0 | 20.4 | 1.9 |
| 2011-2015 | (n=211) | 38.9 | 33.2 | 27.0 | 17.1 | 11.8 | 9.5 | 8.1 | 8.1 | 3.3 | 21.3 | 4.3 |
| In or after 2016 | (n=281) | 41.6 | 38.8 | 33.8 | 30.2 | 21.0 | 16.4 | 13.9 | 7.5 | 3.6 | 13.5 | 1.8 |

Q13 "Areas of government policy to focus on" × Size, Q13 "Areas of government policy to focus on" × Q1 "Industry of foreign-affiliated companies in Japan,"

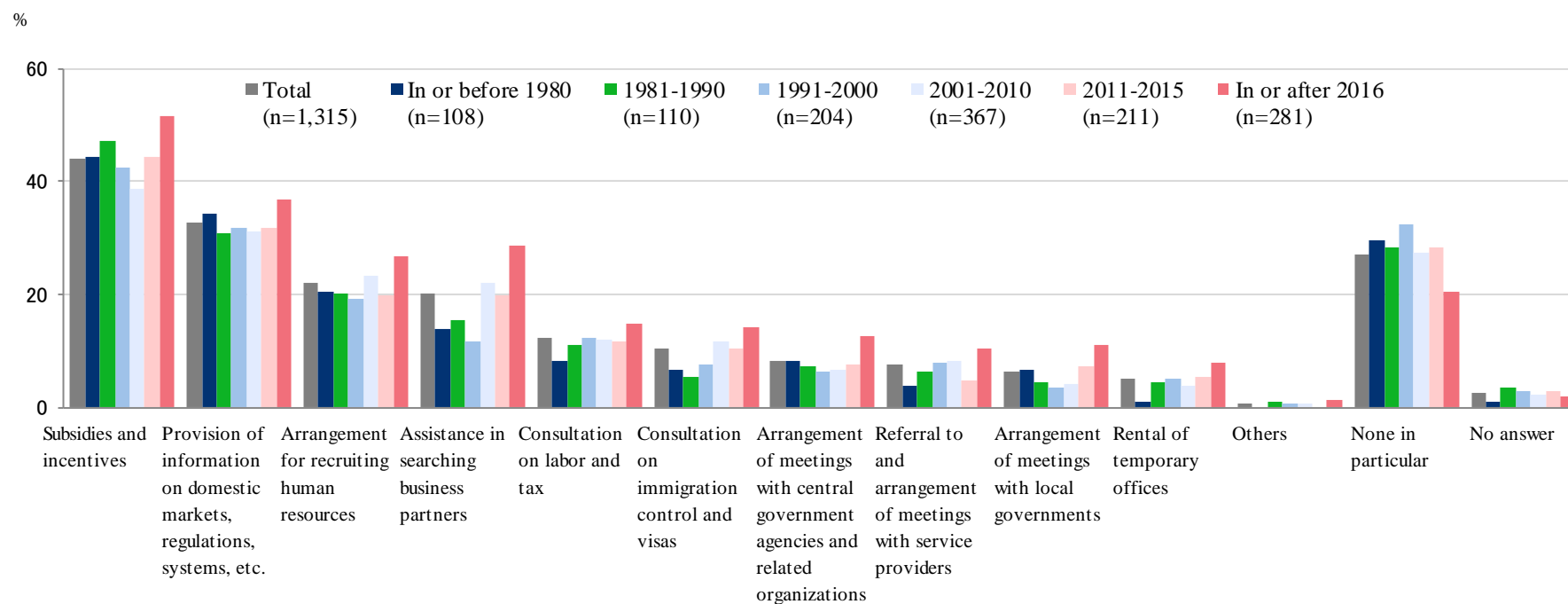
Q13 "Areas of government policy to focus on" × Q4 "Timing of establishment or investment of foreign-affiliated companies in Japan"

Note: Numerical values are in %. The size of value is expressed by the length of the bar based on the maximum value. Copyright (C) 2022 JETRO. All rights reserved.

5| "Subsidies and incentives," "provision of information," and "arrangement for recruiting" are ranked high as the support sought.

- Overall, the top public support services that foreign affiliated companies in Japan have used or would like to use are "subsidies and incentives," "provision of information," and "arrangement for recruiting."
- New entrants have a high tendency of having used or intending to use support services provided by public institutions, with a particularly high demand for "assistance in searching business partners."

Public support services that foreign affiliated companies in Japan have used or would like to use (by timing of entry)

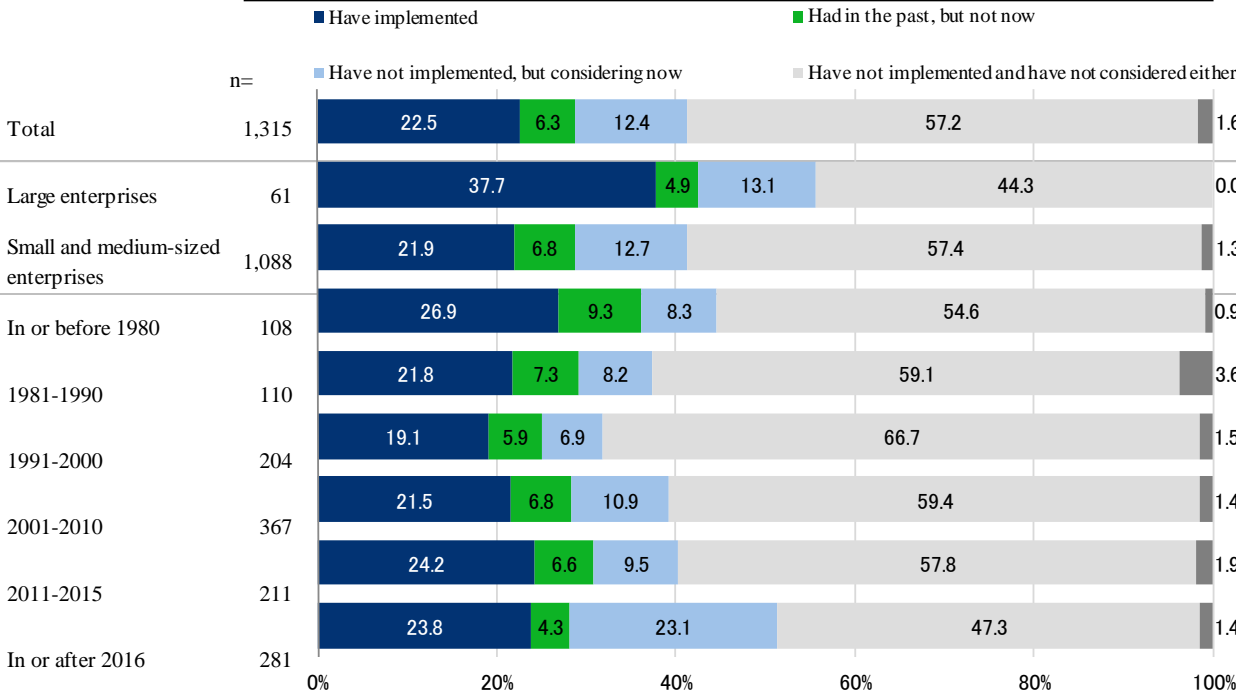


(3) COLLABORATION/COOPERATION WITH JAPANESE COMPANIES

1| More than half of the large enterprises are collaborating/cooperating or considering to collaborate/cooperate with Japanese companies and other entities

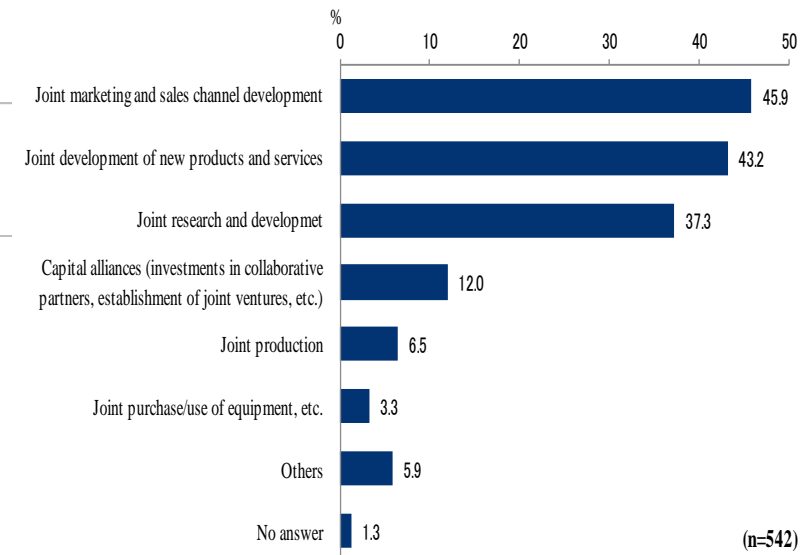
- As to collaboration/cooperation, 22.5% of the respondents answered that they “have implemented” overall. The implementation rate is relatively high among large enterprises with a little less than 40%, and over 20% among small and medium-sized enterprises. The response of “have not implemented, but considering now” was higher among the group of companies that entered the market in and after 2016, at 23.1%.
- When the companies that responded they have implemented or are considering to implement collaboration/cooperation were asked about the specifics of their collaboration/cooperation (including those under consideration), “joint marketing and sales channel development” was the highest at 45.9%, followed by “joint development of new products and services” at 43.2% and “joint research and development” at 37.3%.

Implementation of collaboration/cooperation (by company size and timing of entry)



Q23 "Implementation status of collaboration/cooperation" × Size,
 Q23 "Implementation status of collaboration/cooperation" × Q4 "Timing of establishment or investment of foreign-affiliated companies in Japan"

Details of collaboration/cooperation

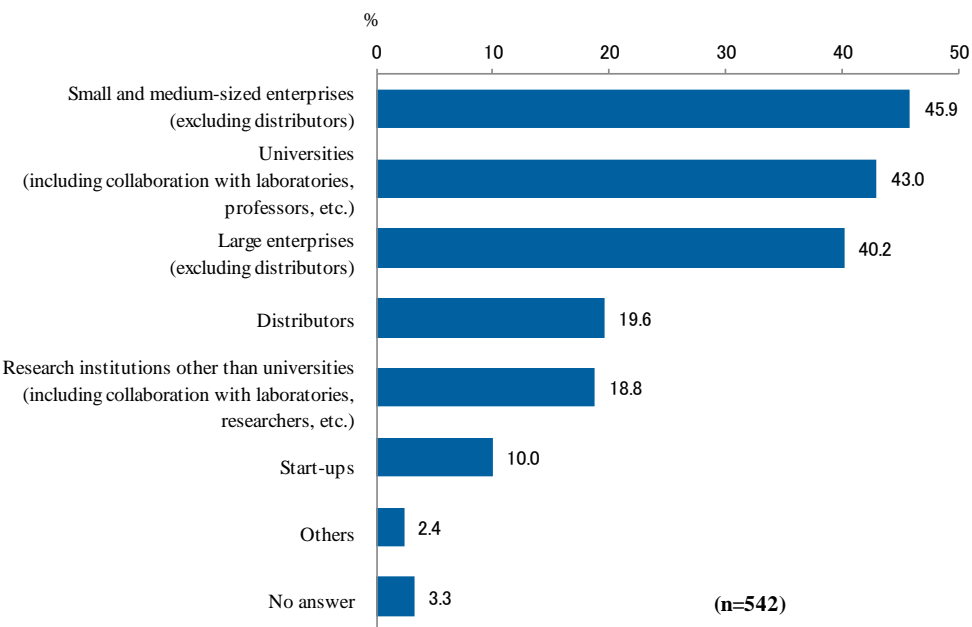


Q23 "Details of collaboration/cooperation"

2| More than 40% of the respondents selected "small and medium-sized enterprises," "universities," and "large enterprises" as partners for collaboration/partnership.

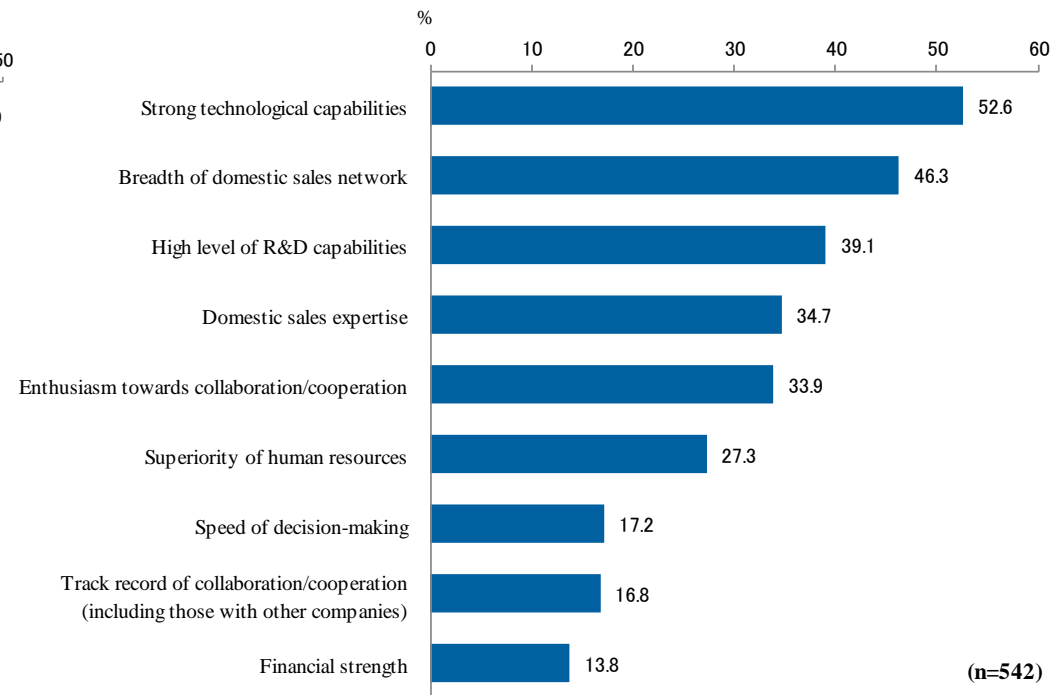
- Regarding partners for collaboration/cooperation (including those under consideration), “small and medium-sized enterprises,” “universities,” and “large enterprises” were the most common, at over 40% relatively.
- More than half (52.6%) of the respondents were looking for "strong technological capabilities" in their partners, followed by "breadth of domestic sales network" at 46.3% and "high level of R&D capabilities" at 39.1%.

Partners for collaboration/cooperation



Q24 "Partners for collaboration/cooperation"

Elements you consider important when selecting partners



Q26, "Elements you consider important when selecting a partner(s) for collaboration/cooperation"

3| "Gathering information" is the biggest challenge for collaboration/cooperation

- “Gathering information about potential partners” was the biggest challenge for collaboration/cooperation.
- In particular, “delay in decision-making of partners” and “lack of partners’ communication skills aside from Japanese” were also cited as challenges among relatively small companies and also new entrants.
- By the implementation status of collaboration/cooperation, a certain number of companies cited "difficulty for fulfilling due diligence in deciding partners" as a challenge.

**Challenges in implementing collaboration/cooperation
(by capital, timing of entry, and implementation status of collaboration/cooperation)**

| | | Gathering information about potential | Difficulties in building adequate system within | Difficulty of fulfilling due diligence for deciding | Lack of partners' communication skills aside | Delay in decision-making of partners | Changes due to frequent personnel changes by | Others | No answer |
|--|-----------|---------------------------------------|---|---|--|--------------------------------------|--|--------|-----------|
| Tota; | (n=1,315) | 44.0 | 36.5 | 22.0 | 20.2 | 17.6 | 6.6 | 6.9 | 7.1 |
| JPY 5 million or less | (n=153) | 43.1 | 37.9 | 19.6 | 32.7 | 26.1 | 11.1 | 10.5 | 2.6 |
| Over JPY 5 million to JPY 10 million | (n=288) | 44.4 | 36.5 | 23.3 | 21.5 | 19.4 | 6.6 | 5.6 | 6.9 |
| Over JPY 10 million to JPY 30 million | (n=197) | 44.2 | 33.5 | 16.2 | 20.3 | 16.2 | 5.6 | 7.1 | 8.1 |
| Over JPY 30 million to JPY 50 million | (n=146) | 45.9 | 31.5 | 19.2 | 16.4 | 10.3 | 5.5 | 8.2 | 11.0 |
| Over JPY 50 million to JPY 100 million | (n=271) | 39.9 | 40.6 | 24.7 | 16.2 | 15.9 | 6.3 | 6.6 | 7.7 |
| Over JPY 100 million to JPY 300 million | (n=117) | 45.3 | 42.7 | 23.1 | 14.5 | 16.2 | 6.8 | 2.6 | 5.1 |
| Over JPY 300 million to JPY 1 billion | (n=82) | 50.0 | 29.3 | 22.0 | 20.7 | 14.6 | 2.4 | 8.5 | 6.1 |
| Over JPY 1 billion | (n=49) | 46.9 | 32.7 | 36.7 | 14.3 | 22.4 | 8.2 | 10.2 | 8.2 |
| In or before 1980 | (n=108) | 43.5 | 28.7 | 25.9 | 20.4 | 11.1 | 10.2 | 8.3 | 5.6 |
| 1981-1990 | (n=110) | 42.7 | 37.3 | 20.9 | 19.1 | 18.2 | 5.5 | 10.9 | 8.2 |
| 1991-2000 | (n=204) | 37.7 | 38.7 | 16.2 | 18.1 | 15.2 | 6.9 | 6.4 | 10.8 |
| 2001-2010 | (n=367) | 45.0 | 38.7 | 23.7 | 18.8 | 16.6 | 6.5 | 5.2 | 5.2 |
| 2011-2015 | (n=211) | 46.4 | 37.9 | 21.8 | 20.9 | 17.1 | 3.8 | 8.5 | 8.1 |
| In or after 2016 | (n=281) | 45.2 | 32.0 | 23.8 | 23.1 | 24.9 | 7.8 | 6.4 | 6.4 |
| Have implemented | (n=296) | 41.2 | 31.4 | 20.3 | 23.6 | 27.0 | 10.1 | 6.1 | 6.4 |
| Had in the past, but not now | (n=83) | 55.4 | 41.0 | 27.7 | 18.1 | 10.8 | 3.6 | 2.4 | 4.8 |
| Have not implemented, but considering now | (n=163) | 65.0 | 34.4 | 30.1 | 18.4 | 26.4 | 5.5 | 0.6 | 3.7 |
| Have not implemented and have not consider | (n=752) | 40.2 | 39.1 | 20.5 | 19.7 | 13.0 | 6.0 | 9.2 | 6.8 |

Q27 "Challenges in conducting collaboration/cooperation" × Q6 "Capital" × Q27 "Challenges in conducting collaboration/cooperation" × Q4 "Timing of establishment or investment of foreign-affiliated companies in Japan"

Q27 "Challenges in conducting collaboration/cooperation" × Q23 "Implementation status of collaboration/cooperation"

Note: Numerical values are in %. The size of value is expressed by the length of the bar based on the maximum value.

[Reference] List of survey items

I. Outline of your company

1. Industry of foreign parent companies and foreign-affiliated companies in Japan
2. Foreign capital ratio and ownership ratio of foreign parent company
3. Country/region of the foreign parent company
4. Timing of establishment or investment of foreign-affiliated companies in Japan
5. Form of establishment or investment of foreign-affiliated companies in Japan
6. Capital of foreign-affiliated companies in Japan
7. Number of employees of foreign-affiliated companies in Japan
8. Annual sales amount for the most recent fiscal year of foreign-affiliated companies in Japan
9. Year-on-year increase/decrease in sales for the most recent fiscal year of foreign-affiliated companies in Japan
10. Locations and functions of your business sites in Japan

II. Business environment in Japan

11. Attractiveness of the business environment in Japan
12. Changes in the Japanese business environment
13. Areas of government policy to focus on

III. Business plan of your company in Japan

14. Future business plan in Japan
15. Future employment prospects in business in Japan
16. Plans to establish a new site(s) or strengthen an existing site(s) in the future
17. If planning to establish a new site(s), functions of the site and candidate locations
18. If planning to strengthen an existing site(s), functions of the site and candidate locations
19. Factors you consider important in deciding on a location (region/prefecture)
20. Review and/or revision of the business plan in Japan due to the spread of COVID-19
21. Details of any revisions of the business plan in Japan due to the spread of COVID-19
22. Public support services that you have used or would like to use

IV. Collaboration and cooperation in Japan

23. Implementation status of collaboration/cooperation and their details
24. Partners for collaboration/cooperation
25. Sources of information that are used when searching for a partner(s) for collaboration/cooperation
26. Elements you consider important when selecting a partner(s) for collaboration/cooperation
27. Challenges in conducting collaboration/cooperation

V. Others

28. Whether you have ever used JETRO's services
29. Any problems with your business activities in Japan
30. Whether or not you would like JETRO to follow up with your company