



# 2024 Survey on Business Conditions of Japanese Companies Operating Overseas (Asia and Oceania)

-Business confidence strong in India, recovering in ASEAN, and sluggish in China

Japan External Trade Organization (JETRO)

Research and Analysis Department

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# Key findings

## 1. In 2024, profits and business confidence recovered, while decreased local demand hindered performance in China, Thailand.

- ❖ The percentage of profitable companies rose by 3.4% from the FY2023 survey. India recorded its highest rate since FY2008, with ASEAN and many other countries and regions also seeing an increase. In contrast, China hit its lowest rate since FY2013 (⇒See pp.6-8).
- ❖ Business confidence improved in most countries, except in China, Myanmar and Thailand. An increased local demand boosted business confidence in India, while lower local demand and fiercer competition deflated business confidence in China (⇒See pp. 9-14).

## 2. 43.8% of companies eyeing business expansion, a slight decrease from the FY2023 survey

- ❖ India took the lead with 80.3% of companies considering business expansion. However, business expansion intention decreased in Thailand, also hitting a record low in China (⇒See pp.17-22).

## 3. Fiercer competition in the business environment, especially with Chinese companies in ASEAN

- ❖ Compared to 5 years ago, 37.8% of companies increased their market share in their main products and services. In India, this percentage exceeded 60%. At the same time, competitors increased for 48.6% of companies, exceeding 60% in the case of China (⇒See pp.23-24).
- ❖ 74.2% of companies identified local companies as competitors, followed by Japanese companies (62.4%). A relatively high percentage of ASEAN manufacturing companies identified Chinese companies as their main competitors, with competition being particularly fierce in the electrical and electronic equipment components, as well as in the chemicals and medicine industries(⇒See pp. 25-29).

## 4. Supply chain restructuring made progress, with notable production transfers from Japan and China to ASEAN

- ❖ In response to rising costs and supply chain disruptions, 71.5% of manufacturing companies developed new suppliers in the past 5 years. 39.3% of companies intend to expand their local procurement over the next 1-2 years, a rise compared to the 30.3% seen in the FY2023 survey (⇒See pp. 36-44).
- ❖ 15.6% of manufacturing companies have transferred production from other countries/regions in the past 5 years. Most transfers were from Japan and China to ASEAN, with transfers to Vietnam accounting for the largest share at 24.8%. Reasons for these transfers include improved cost competitiveness and the need to avoid China risk (⇒See pp. 45-48).

# Survey Summary (1)

(Company, %)

## Purpose of the survey

- To understand the current business activities of Japanese-affiliated companies operating in Asia and Oceania and to disseminate these findings widely.

## Survey countries/regions

- Japanese-affiliated companies (with direct and indirect Japanese investment of 10% or greater, and the branch offices and representative offices of Japanese companies) operating in a total of 20 countries/regions in Northeast Asia(5) and ASEAN(9), Southwest Asia(4), and Oceania(2).

## Survey period

- August 20 – September 18, 2024

## Response rate

- Of a total of 13,727 surveys sent out, we received valid responses from 5,007 companies (36.5%). The breakdown of respondents by country and region is shown in the table on the right.

## Notes

- The survey has been conducted since 1987 and this year is 38th version.
- Since 2007, the survey has included non-manufacturing sectors.
- Companies that responded to at least one question were considered valid responses.
- The numbers in parentheses in each slide indicate the number of the companies with valid responses.
- Numbers in tables are rounded up, so they are not necessarily added up to 100%.
- Surveys in Taiwan were conducted with the assistance of Japan-Taiwan Exchange Association.

|                       | Companies surveyed | Companies responding |             | Breakdown      |                   | Valid responses |
|-----------------------|--------------------|----------------------|-------------|----------------|-------------------|-----------------|
|                       |                    | Number               | (%)         | Mmanufacturing | Non-manufacturing |                 |
| <b>Total</b>          | <b>13,727</b>      | <b>5,007</b>         | <b>100</b>  | <b>2,190</b>   | <b>2,817</b>      | <b>36.5</b>     |
| <b>Northeast Asia</b> | <b>2,518</b>       | <b>1,276</b>         | <b>25.5</b> | <b>555</b>     | <b>721</b>        | <b>50.7</b>     |
| China                 | 1,366              | 771                  | 15.4        | 420            | 351               | 56.4            |
| Taiwan                | 569                | 226                  | 4.5         | 66             | 160               | 39.7            |
| Hong Kong and Macau   | 414                | 186                  | 3.7         | 26             | 160               | 44.9            |
| South Korea           | 169                | 93                   | 1.9         | 43             | 50                | 55.0            |
| <b>ASEAN</b>          | <b>9,246</b>       | <b>3,065</b>         | <b>61.2</b> | <b>1,378</b>   | <b>1,687</b>      | <b>33.1</b>     |
| Vietnam               | 2,243              | 863                  | 17.2        | 404            | 459               | 38.5            |
| Thailand              | 2,203              | 541                  | 10.8        | 300            | 241               | 24.6            |
| Indonesia             | 1,482              | 476                  | 9.5         | 267            | 209               | 32.1            |
| Singapore             | 1,116              | 415                  | 8.3         | 87             | 328               | 37.2            |
| Malaysia              | 917                | 359                  | 7.2         | 177            | 182               | 39.1            |
| Philippines           | 527                | 166                  | 3.3         | 72             | 94                | 31.5            |
| Cambodia              | 295                | 111                  | 2.2         | 29             | 82                | 37.6            |
| Myanmar               | 375                | 99                   | 2.0         | 25             | 74                | 26.4            |
| Laos                  | 88                 | 35                   | 0.7         | 17             | 18                | 39.8            |
| <b>Southwest Asia</b> | <b>1,449</b>       | <b>469</b>           | <b>9.4</b>  | <b>213</b>     | <b>256</b>        | <b>32.4</b>     |
| India                 | 1,130              | 313                  | 6.3         | 148            | 165               | 27.7            |
| Bangladesh            | 175                | 79                   | 1.6         | 32             | 47                | 45.1            |
| Pakistan              | 65                 | 46                   | 0.9         | 21             | 25                | 70.8            |
| Sri Lanka             | 79                 | 31                   | 0.6         | 12             | 19                | 39.2            |
| <b>Oceania</b>        | <b>514</b>         | <b>197</b>           | <b>3.9</b>  | <b>44</b>      | <b>153</b>        | <b>38.3</b>     |
| Australia             | 347                | 155                  | 3.1         | 30             | 125               | 44.7            |
| New Zealand           | 167                | 42                   | 0.8         | 14             | 28                | 25.1            |

# Survey Summary (2)

## By industry (manufacturing)

(Company, %)

|  | Valid response | (%)         |
|--|----------------|-------------|
| <b>Manufacturing Total</b>                         | <b>2,190</b>   | <b>43.7</b> |
| Transport equipment parts                          | 314            | 6.3         |
| Iron/Nonferrous metals/Metals                      | 285            | 5.7         |
| Electrical machinery parts/Electronic device parts | 197            | 3.9         |
| General machinery                                  | 184            | 3.7         |
| Chemicals/Medicine                                 | 180            | 3.6         |
| Electrical and electronic equipment                | 151            | 3.0         |
| Plastic products                                   | 149            | 3.0         |
| Food   | 143            | 2.9         |
| Textiles/ Textiles apparel                         | 116            | 2.3         |
| Rubber/Ceramic/Stone and clay product              | 99             | 2.0         |
| Paper/Wood products/Printing                       | 81             | 1.6         |
| Precision machinery/Medical equipment              | 65             | 1.3         |
| Transport equipment                                | 62             | 1.2         |
| Other manufacturing                                | 164            | 3.3         |

## By industry (non-manufacturing)

(Company, %)

|   | Valid response | (%)         |
|---|----------------|-------------|
| <b>Non-manufacturing Total</b>            | <b>2,817</b>   | <b>56.3</b> |
| Trading/ Wholesale                        | 555            | 11.1        |
| Sales companies                           | 406            | 8.1         |
| Transport/Warehouse                       | 303            | 6.1         |
| Business services                         | 270            | 5.4         |
| Information and communications            | 267            | 5.3         |
| Construction                              | 223            | 4.5         |
| Finance/ Insurance                        | 172            | 3.4         |
| Real estate agencies/ Real estate lessors | 74             | 1.5         |
| Travel/ Amusement                         | 62             | 1.2         |
| Retail                                    | 54             | 1.1         |
| Mining/Energy                             | 51             | 1.0         |
| Education/ Medical                        | 42             | 0.8         |
| Restaurant                                | 24             | 0.5         |
| Agriculture, forestry and fisheries       | 8              | 0.2         |
| Other non-manufacturing                   | 306            | 6.1         |

## By country/region

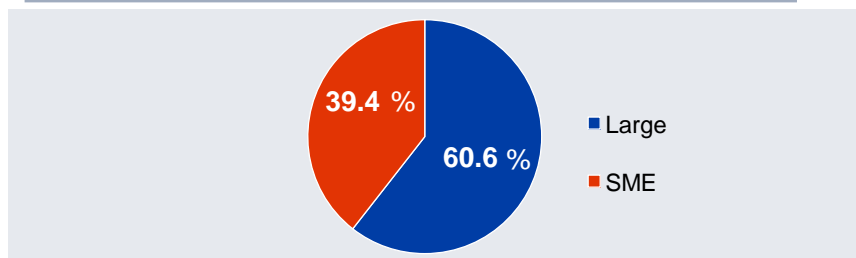
(Company)

|                       | Large        | SME          |
|-----------------------|--------------|--------------|
| <b>Total</b>          | <b>3,032</b> | <b>1,975</b> |
| <b>Northeast Asia</b> | <b>823</b>   | <b>453</b>   |
| China                 | 463          | 308          |
| Taiwan                | 168          | 58           |
| Hong Kong and Macau   | 118          | 68           |
| South Korea           | 74           | 19           |
| <b>ASEAN</b>          | <b>1,697</b> | <b>1,368</b> |
| Vietnam               | 447          | 416          |
| Thailand              | 209          | 332          |
| Indonesia             | 290          | 186          |
| Singapore             | 284          | 131          |
| Malaysia              | 230          | 129          |
| Philippines           | 102          | 64           |
| Cambodia              | 59           | 52           |
| Myanmar               | 58           | 41           |
| Laos                  | 18           | 17           |
| <b>Southwest Asia</b> | <b>360</b>   | <b>109</b>   |
| India                 | 257          | 56           |
| Bangladesh            | 49           | 30           |
| Pakistan              | 40           | 6            |
| Sri Lanka             | 14           | 17           |
| <b>Oceania</b>        | <b>152</b>   | <b>45</b>    |
| Australia             | 128          | 27           |
| New Zealand           | 24           | 18           |

(Note 1) Breakdown of industry categories is shown on the next page.

(Note 2) Representative offices are included in "Other non-manufacturing".

## Large/small and medium-sized enterprises (SME)



(Note 1) Company size refers to the size of the Japanese headquarters (parent company).

(Note 2) The definition of SMEs here is based on the provisions of Japanese Small and Medium-sized Enterprise Basic Act.

# Survey Summary (3)

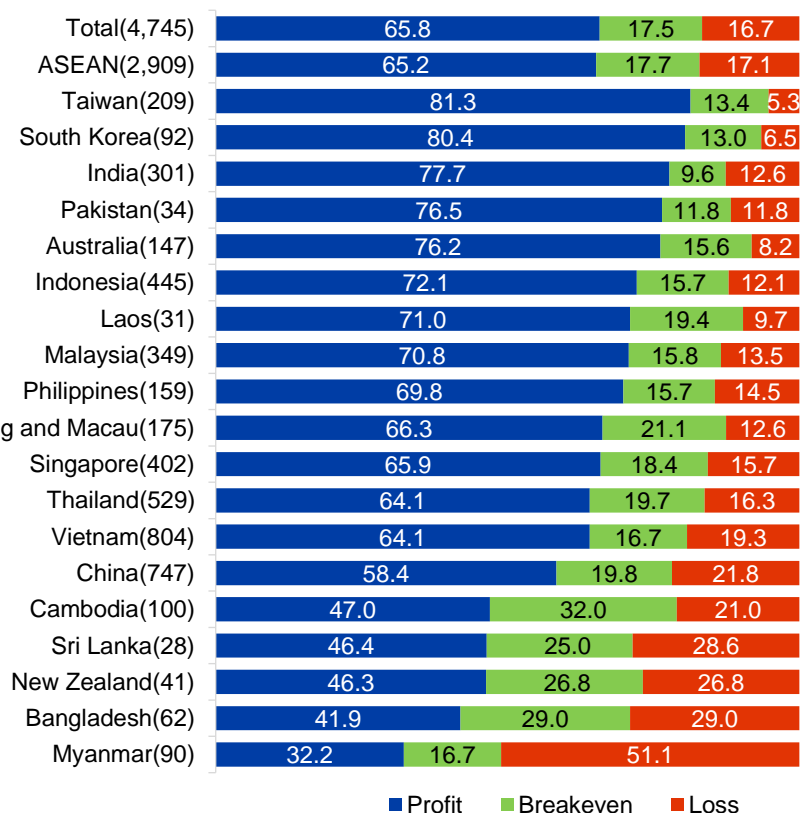
| Number | Major group   | Group   | Number | Major group                              | Group  |
|--------|---|---|--------|--|--|
| 1      | Food  | Food/processed food, agricultural or fishery products   | 16     | Mining/Energy                            | Mining<br>Electricity/gas/heat supply/water supply   |
| 2      | Textiles/Textile apparel                            | Textiles (Spun fabrics/Woven fabrics/Chemical fibers)<br>Textile apparel/Textile products (including footwear, gloves, leather products, sewn products)                 | 17     | Construction                             | Construction/plant/engineering   |
| 3      | Paper/Wood products/Printing                        | Lumber/Wood products, Furniture/Interior/Fixtures, Paper/Pulp, Printing/Publishing  | 18     | Transport/Warehouse                      | Transport/warehousing  |
| 4      | Chemicals/Medicine                                  | Chemicals/Petroleum products, Medicines   | 19     | Information and communications           | Communications/IT/software/information systems/digital service<br>BPO (Business Process Outsourcing)<br>Media/mass media/content<br>Advertising/marketing/research   |
| 5      | Plastic products                                    | Plastic products  | 20     | Trading/Wholesale                        | Trading companies, Wholesale   |
| 6      | Rubber/Ceramic/Stone and clay products              | Rubber products<br>Ceramic/Stone and clay products  | 21     | Retail                                   | Retail   |
| 7      | Iron/Nonferrous metals/Metals                       | Iron and steel (including cast and wrought products)<br>Nonferrous metals<br>Fabricated metal products (including plated products)                                      | 22     | Sales companies                          | Sales companies  |
| 8      | General machinery                                   | General-purpose machinery (including machines for general use, for production, machine tools/agricultural machinery and construction machinery/molds and machine tools) | 23     | Finance/Insurance                        | Banks<br>Non-banks (Insurance/securities brokerage/credit card/leasing, etc.)  |
| 9      | Electrical machinery/Electronic devices             | Electrical machinery/Electronic devices<br>Information and communication electronics equipment/Office machines  | 24     | Real estate agencies/Real estate lessors | Real estate, Building and facility management/air conditioning/security/cleaning, Rental   |
| 10     | Electrical machinery parts/ Electronic device parts | Electrical machinery parts/Electronic device parts  | 25     | Business services                        | Consulting<br>Professional services such as legal, accounting, and tax affairs<br>Holding/managing company<br>Design/architectonics<br>Repair/maintenance/inspection and analysis<br>Recruiting/temporary staffing |
| 11     | Precision machinery/Medical equipment               | Precision instruments (Analytical instruments/Optical instruments and apparatus, etc.)<br>Medical equipment   | 26     | Travel/Amusement                         | Hotel/travel<br>Amusement/living-related and personal services (including events, sports facilities and hair-dressing/beauty salons)   |
| 12     | Transport equipment                                 | Transportation equipment (Motor vehicles/motorcycles)<br>Transportation equipment (Railroad vehicles/ships/aircraft/industrial trucks)                                  | 27     | Restaurant                               | Restaurants  |
| 13     | Transport equipment parts                           | Transportation equipment parts (Motor vehicles/motorcycles)<br>Transportation equipment parts (Railroad vehicles/ships/aircraft/transportation vehicles)                | 28     | Education/Medical                        | Education/research institutions<br>Medical/welfare/health care   |
| 14     | Other manufacturing                                 | Daily necessities/stationery/sundries<br>Miscellaneous manufacturing industries   | 29     | Other non-manufacturing                  | Other  |
| 15     | Agriculture, forestry and fisheries                 | Agriculture, forestry and fisheries   |        |  |  |

# 1 | In 2024, Profitable companies increase in ASEAN and India, but remained below 60% in China

- Overall, 65.8% of companies expected “profits” in their operating profit for 2024, rising by 3.4 points from the FY2023 survey (62.4%). On the other hand, 16.7% expected “losses,” a 2.2-point decrease from the FY2023 survey (18.9%).
- In China (58.4%), they fell 1.9 points from the FY2023 survey, the lowest since 2013. In contrast, they rose by 4.3 points in ASEAN; and India saw a 6.8-point increase, the highest since the FY2008 survey.

**Operating profit forecast for 2024  
(by country/region)**

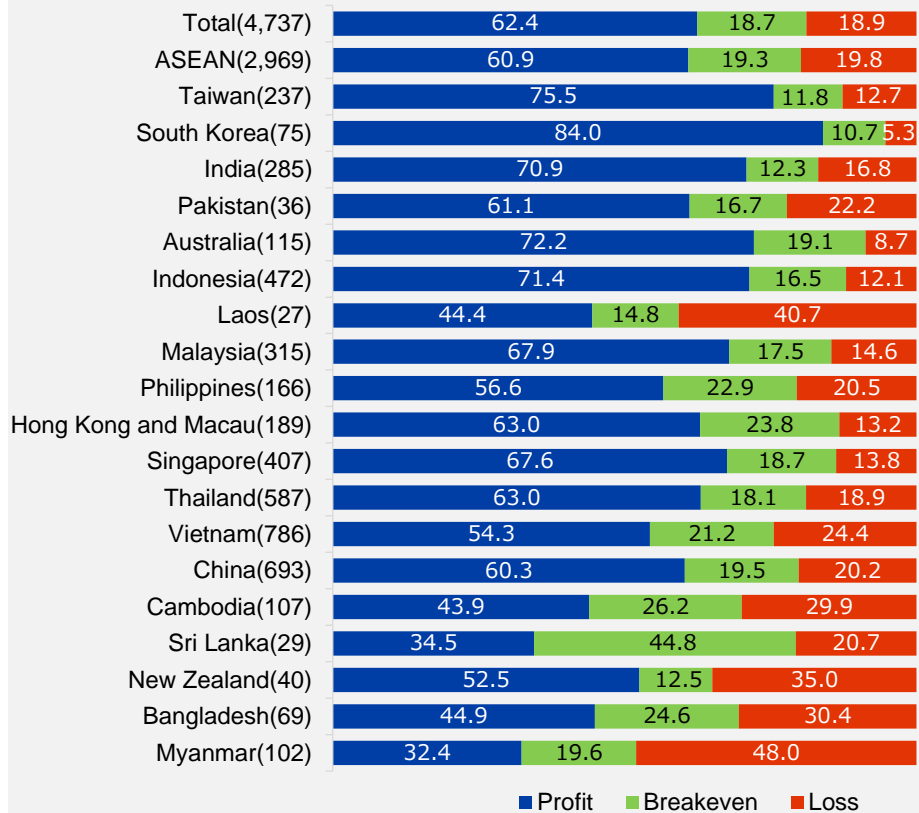
(%)



■ Profit ■ Breakeven ■ Loss

**Operating profit forecast for 2023  
(by country/region)**

(%)

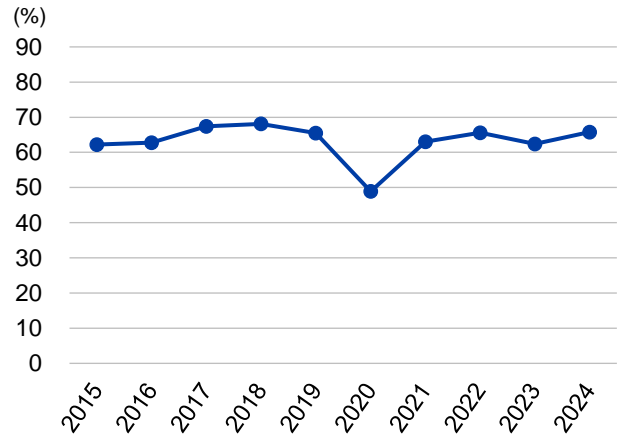


■ Profit ■ Breakeven ■ Loss

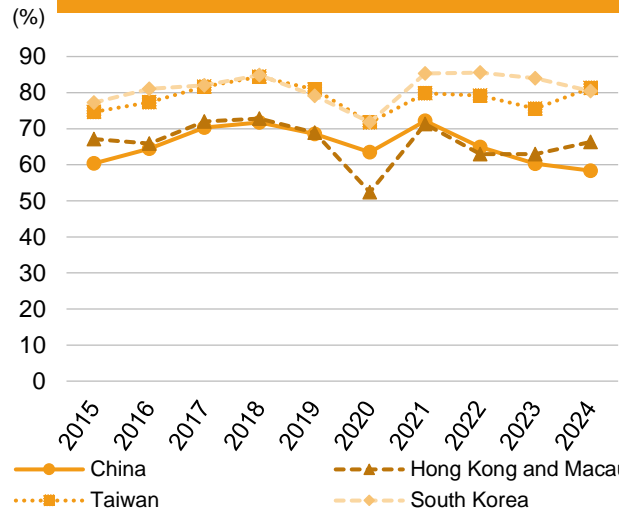
# 2 | Profitable companies increase across 3 countries in Southwest Asia

Time-series data of profitable companies (by country/region)

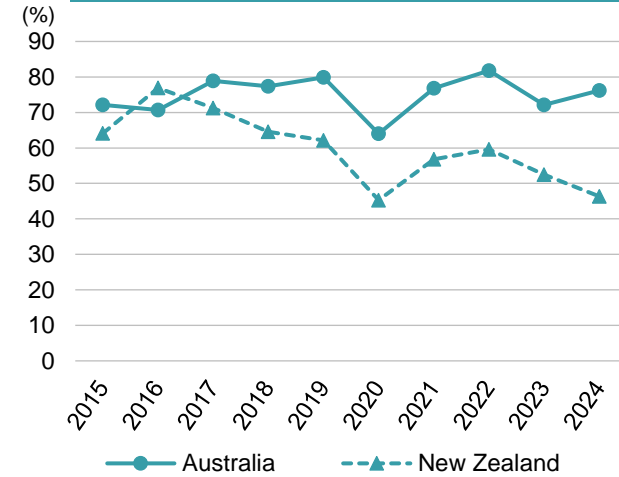
## Total



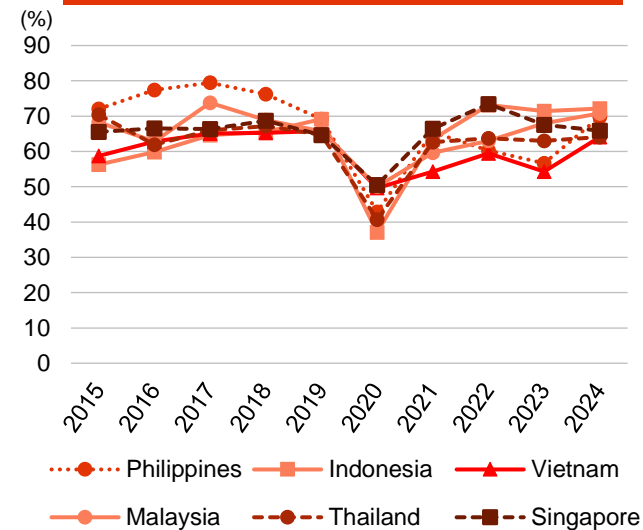
## Northeast Asia



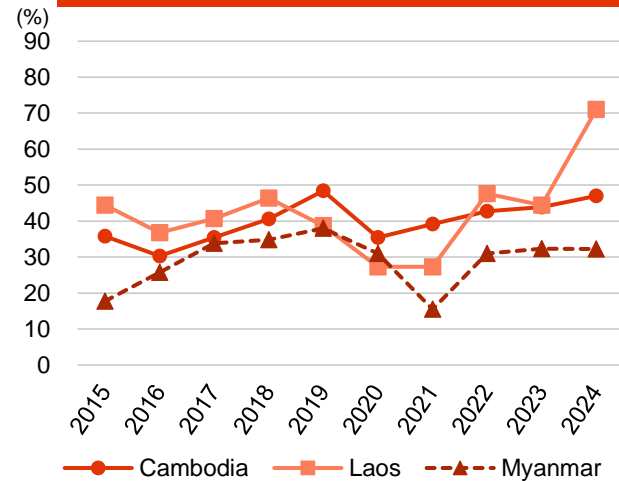
## Oceania



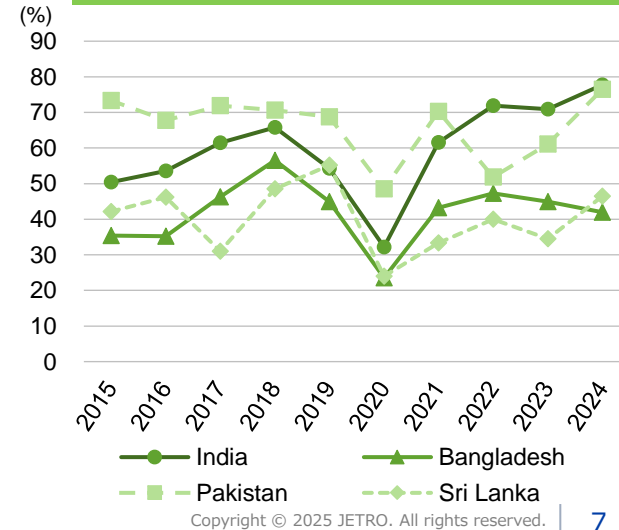
## ASEAN6



## ASEAN (CLM)



## Southwest Asia

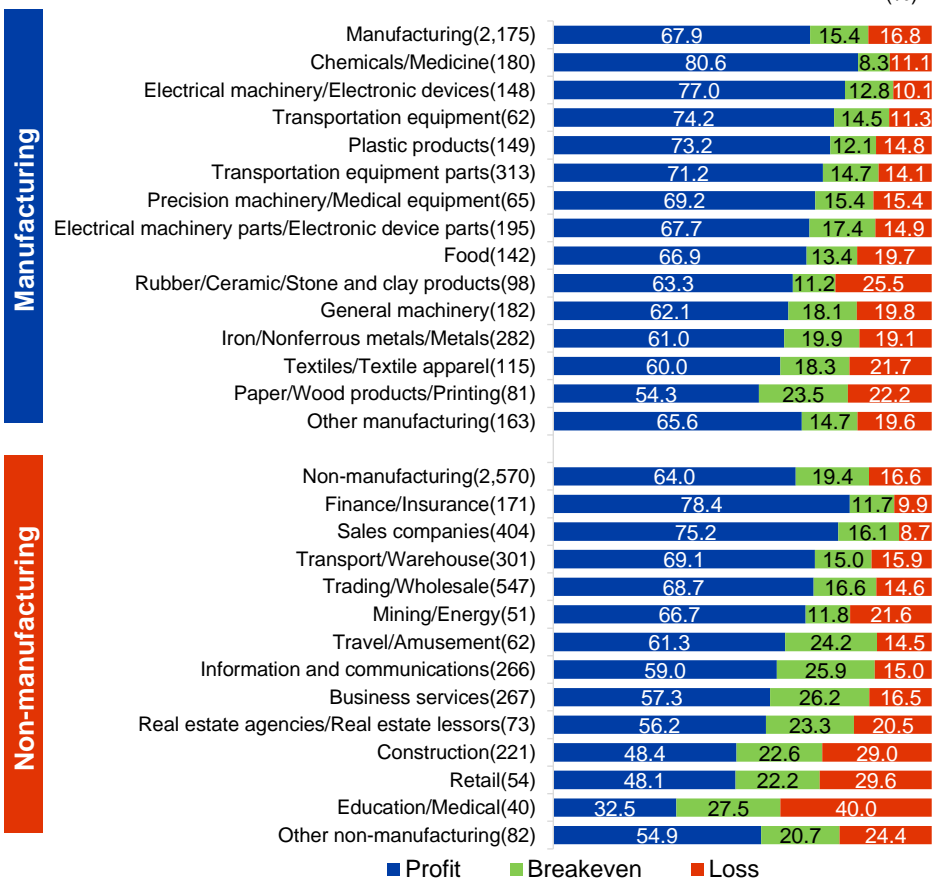




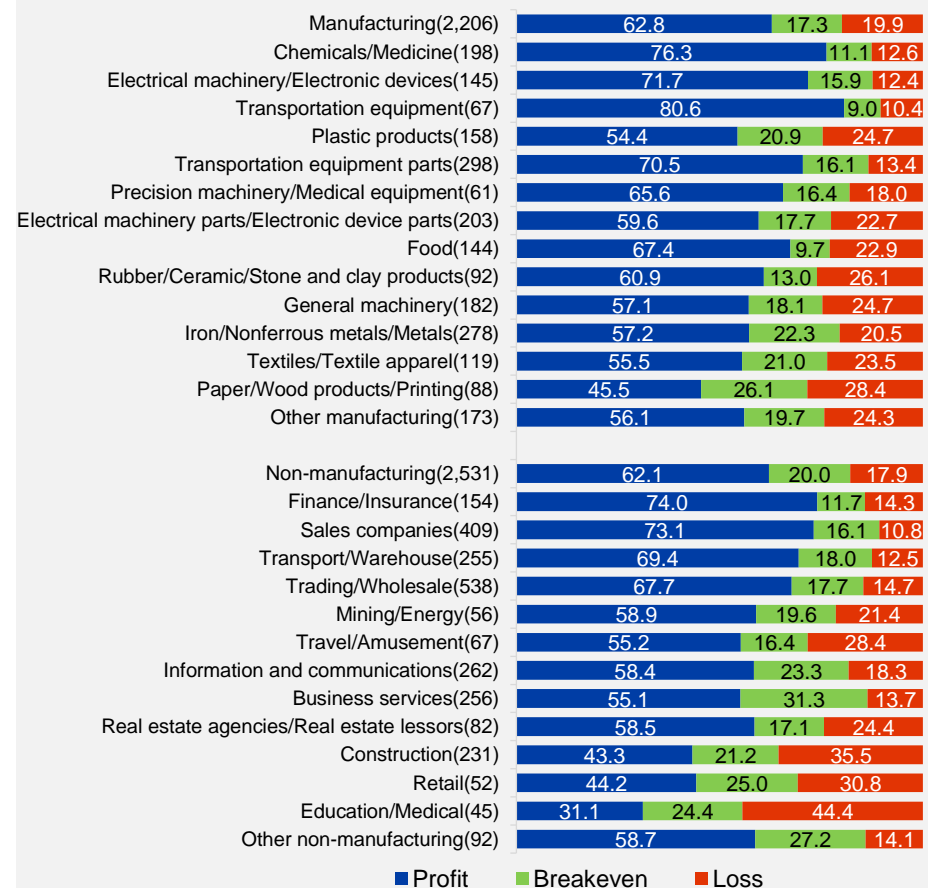
# 3 | Profitable companies increase both in the manufacturing and non-manufacturing sectors

- 67.9% of manufacturing companies and 64.0% of non-manufacturing companies expected “profits”, rising by 5.1 points and 1.9 points, respectively, from the FY2023 survey. Those in “profits” increased in the electrical machinery/electronic device and its parts industries as well as in the transportation equipment parts industries, but decreased 6.4 points in the transportation equipment.

Operating profit forecast for 2024 (by industry) (%)



(Reference) Results of the FY2023 survey (by industry) (%)

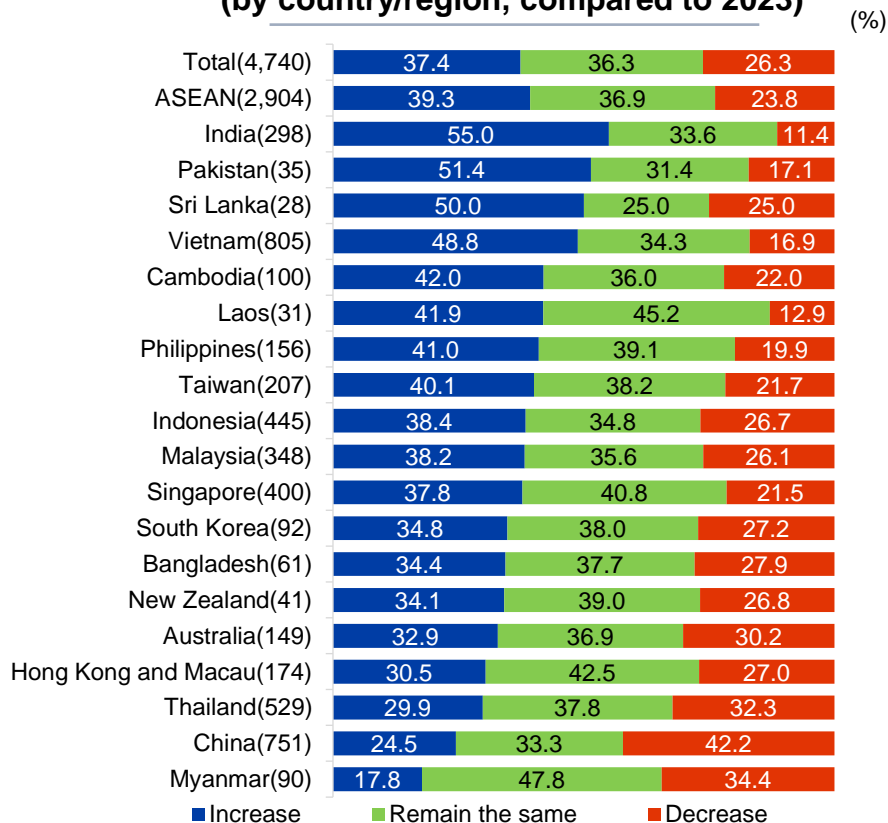


(Note) Industries with at least 35 valid responses.

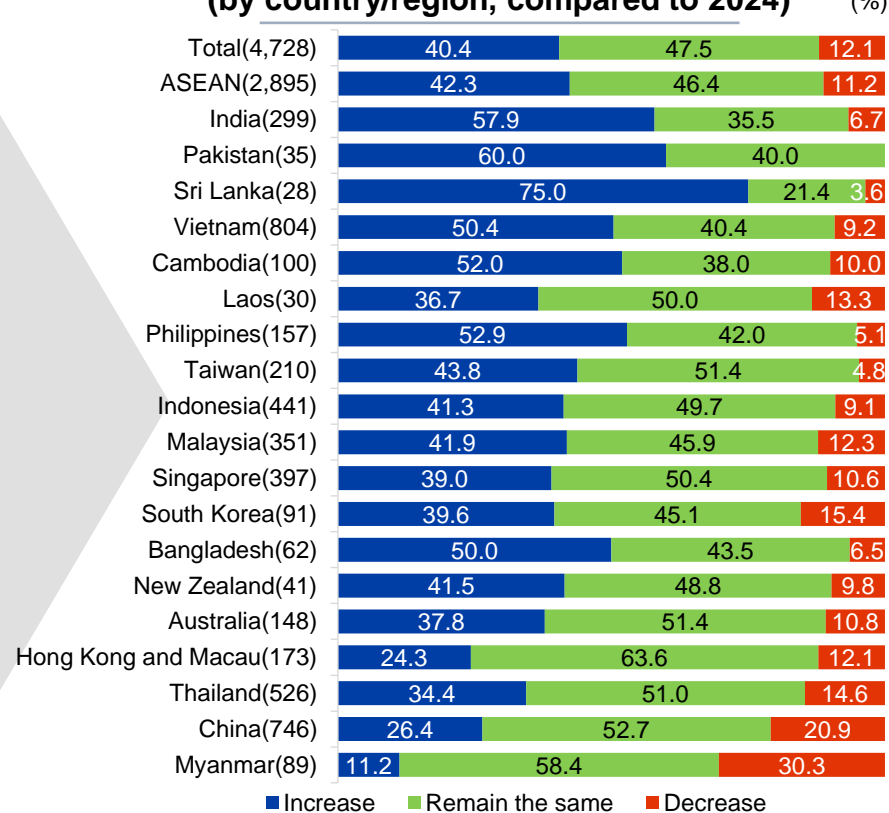
# 4 | Operating profit forecast for 2024 turned positive for many countries and regions

- Compared to the FY2023 survey, 37.4% of companies forecasted an “increase” in their operating profits for 2024, a 4.3-point rise, whereas 26.3% of companies foresaw a “decrease,” a 6.5-point reduction. The percentage of “increase” responses rose significantly, with an increase of 22.4 points in Sri Lanka, 16.8 points in Vietnam, 15.3 points in Pakistan and 14.7 points in Taiwan.
- Compared to 2024, 2025 forecasts in operating profits indicated a 3.0-point rise for “increases,” and a 14.2-point contraction for “decreases.”

**Operating profit forecast for 2024**  
(by country/region, compared to 2023)



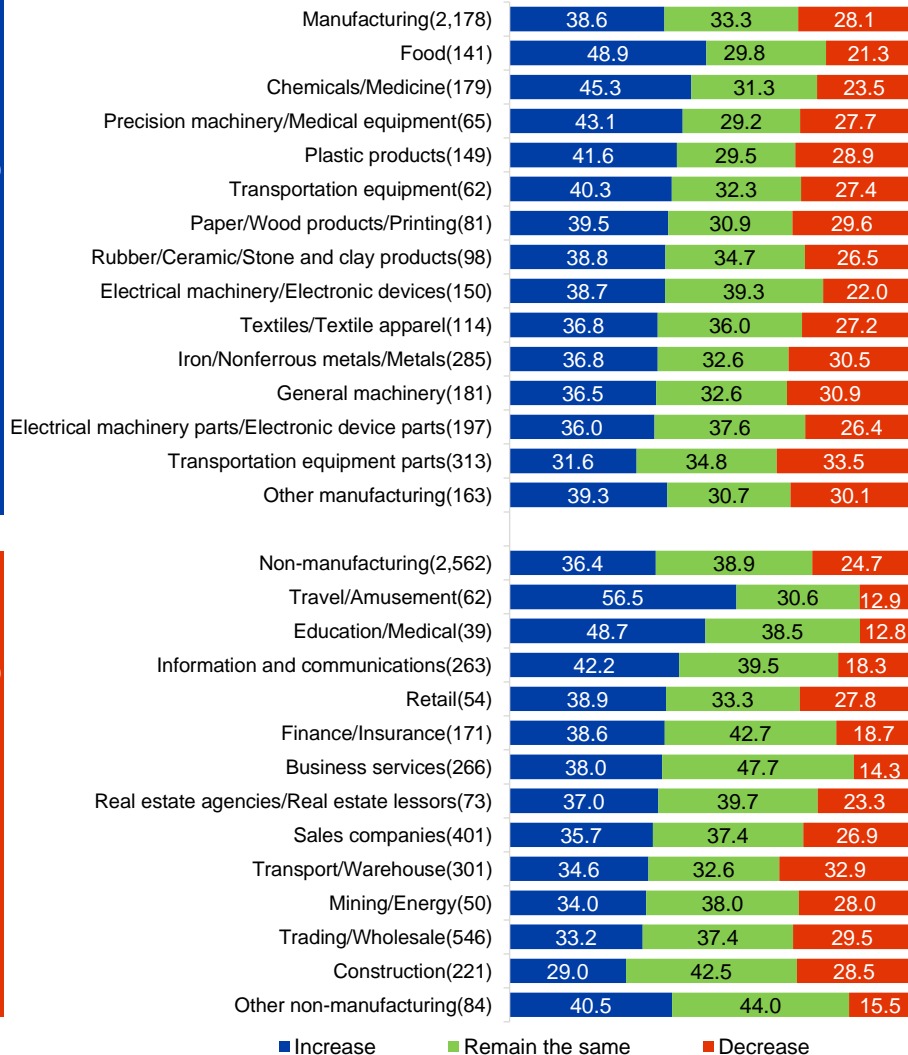
**Operating profit forecast for 2025**  
(by country/region, compared to 2024)



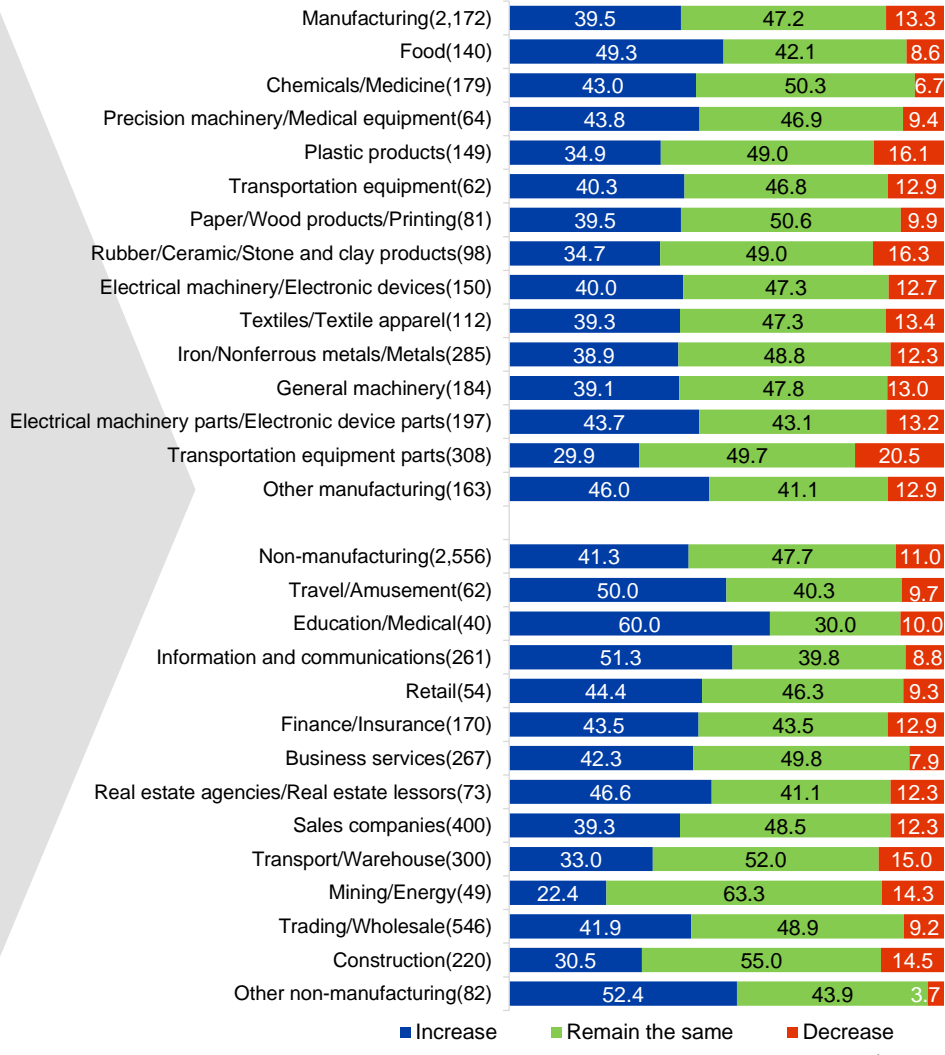
5

# Operating profit forecasts for 2024 and 2025 by industry: Positive turnovers expected for both manufacturing and non-manufacturing sectors

**Operating profit forecast for 2024 (by industry, compared to 2023)** (%)



**Operating profit forecast for 2025 (by industry, compared to 2024)** (%)



■ Increase ■ Remain the same ■ Decrease

■ Increase ■ Remain the same ■ Decrease

(Note) Industries with at least 30 valid responses.

# 6 | Local demand fluctuation had a significant effect on profits

- “Increasing demand in local market” was the largest contributor (47.4%) to the increase of operating profits for 2024, with particularly high responses from India (76.7%), South Korea (62.5%) and Taiwan (62.2%).
- “Decreasing demand in local market” was the largest contributor to the decrease of operating profit for 2024, with particularly high responses from Thailand (73.1%), China (66.7%), Indonesia (65.3%) and Myanmar (61.3%).

## Reasons for “increase” in operating profit forecast for 2024 (multiple responses)

|  | (%)  |
|--|------|
| Increasing demand in local market  | 47.4 |
| Strengthened sales system in local market (Note 2)                         | 29.3 |
| Increasing demand in export destinations                                   | 24.8 |
| Improvement in production efficiency, sales efficiency, the operating rate | 22.8 |
| Change in sales prices   | 15.4 |
| Reduction of other expenditures  | 15.2 |
| Reduction of raw material procurement/parts costs                          | 12.5 |
| Effects of exchange rate fluctuation                                       | 12.5 |
| Reduction of labor costs   | 11.9 |
| Strengthened export system (Note 2)  | 10.2 |

(Note 1) The number of valid responses is 1,759 companies.

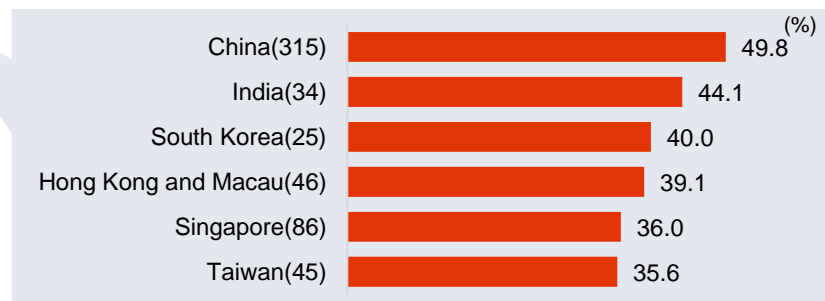
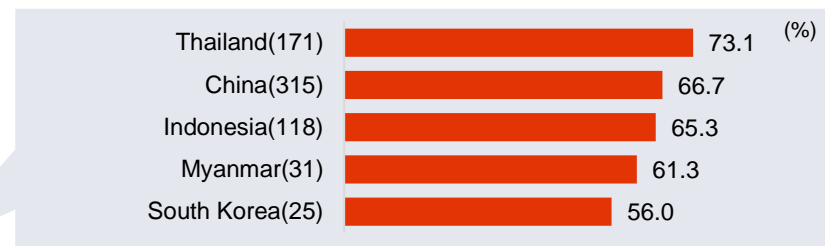
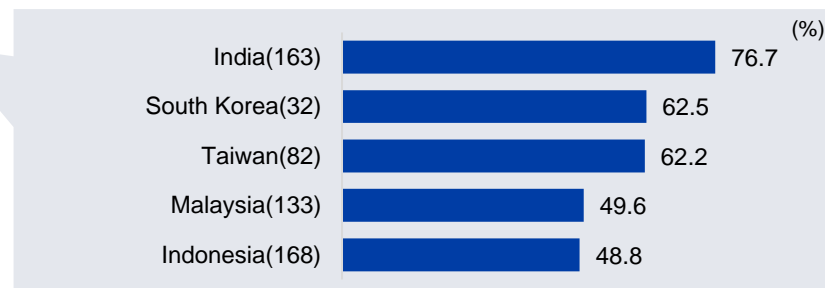
(Note 2) Strengthened sales/export system refers to expansion of products, services, personnel, etc.

## Reasons for “decrease” in operating profit forecast for 2024 (multiple responses)

|  |      |
|--|------|
| Decreasing demand in local market  | 53.3 |
| Intensified market competition with other companies                          | 35.1 |
| Rising of labor costs  | 33.5 |
| Decreasing demand in export destinations                                     | 26.2 |
| Rising raw material /parts procurement costs                                 | 25.3 |
| Effects of exchange rate fluctuation   | 22.3 |
| Increase of other expenditures   | 14.4 |
| Change in sales prices   | 12.6 |
| Reduction of sales system in local market (Note 2)                           | 9.8  |
| Deterioration in production efficiency, sales efficiency, the operating rate | 6.9  |
| Reduction of export system (Note 2)  | 6.7  |

(Note 1) The number of valid responses is 1,240 companies.

(Note 2) Strengthened sales/export system refers to expansion of products, services, personnel, etc.



(Note) Countries/regions with at least 20 valid responses and that exceeded the average are selected.

# 7 | Reasons behind the operating profit forecast for 2025

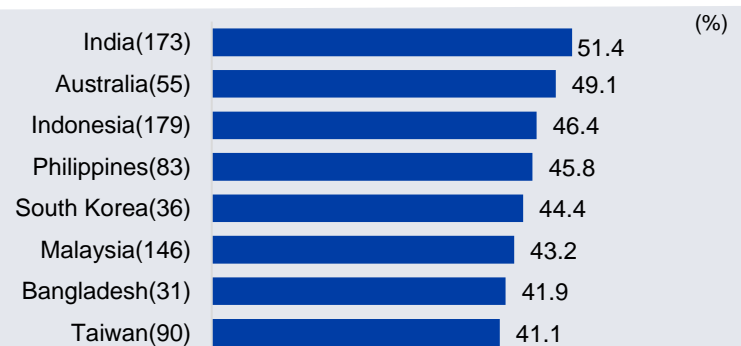
- “Increasing demand in local market” was the largest contributor to the forecasted increase in operating profit for 2025, particularly high in India (74.6%), Taiwan (63.3%), South Korea (55.6%), and Indonesia (55.3%). “Strengthened sales structure in local market” was also relatively high in India (51.4%).
- “Decreasing demand in local market” was the main contributor to the forecasted decrease in operating profit for 2025 (49.6%), particularly acute in China (71.2%).

## Reasons for “increase” in operating profit forecast for 2025 (multiple responses)

|   | (%)  |
|---|------|
| Increasing demand in local market                     | 49.6 |
| Strengthened sales structure in local market (Note 2) | 39.8 |
| Improvement in production efficiency                  | 25.7 |
| Increasing demand in export destination               | 25.6 |
| Strengthened export structure (Note 2)                | 15.4 |
| Reduction of other expenditures                       | 12.1 |
| Reduction of raw material /parts procurement costs    | 9.5  |
| Reduction of labor costs                              | 7.4  |
| Effects of exchange rate fluctuation                  | 5.6  |

(Note 1) The number of valid responses is 1,898 companies.

(Note 2) Strengthened sales/export system refers to expansion of products, services, personnel, etc.



## Reasons for “decrease” in operating profit forecast for 2025 (multiple responses)

|  | (%)  |
|--|------|
| Decreasing demand in local market  | 49.6 |
| Intensified market competition with other companies                          | 38.2 |
| Rising of labor costs  | 37.7 |
| Rising raw material/parts procurement costs                                  | 28.2 |
| Decreasing demand in export destinations                                     | 24.0 |
| Effects of exchange rate fluctuation   | 21.9 |
| Increase of other expenditures   | 16.0 |
| Reduction of sales structure in local market(Note 2)                         | 9.5  |
| Deterioration in production efficiency, sales efficiency, the operating rate | 7.9  |
| Reduction of export structure (Note 2)                                       | 7.5  |



(Note) Countries/regions with at least 20 valid responses and above the overall average.

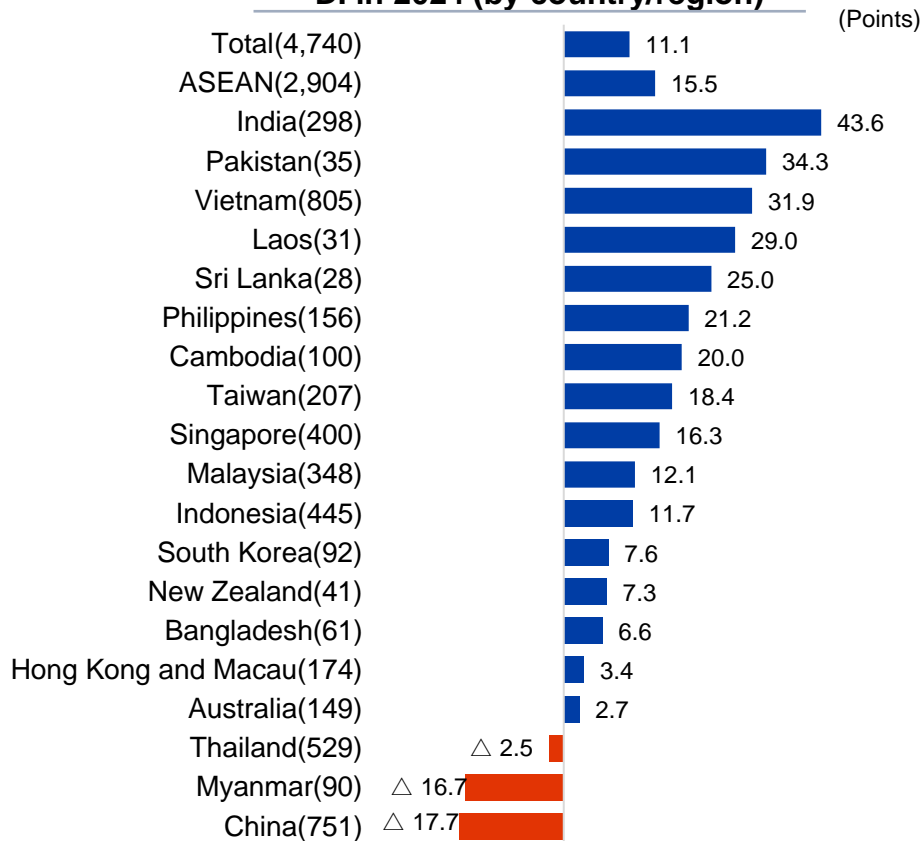
(Note 1) The number of valid responses is 570 companies.

(Note 2) Downsizing of sales/export system refers to downsizing of products, services, personnel, etc

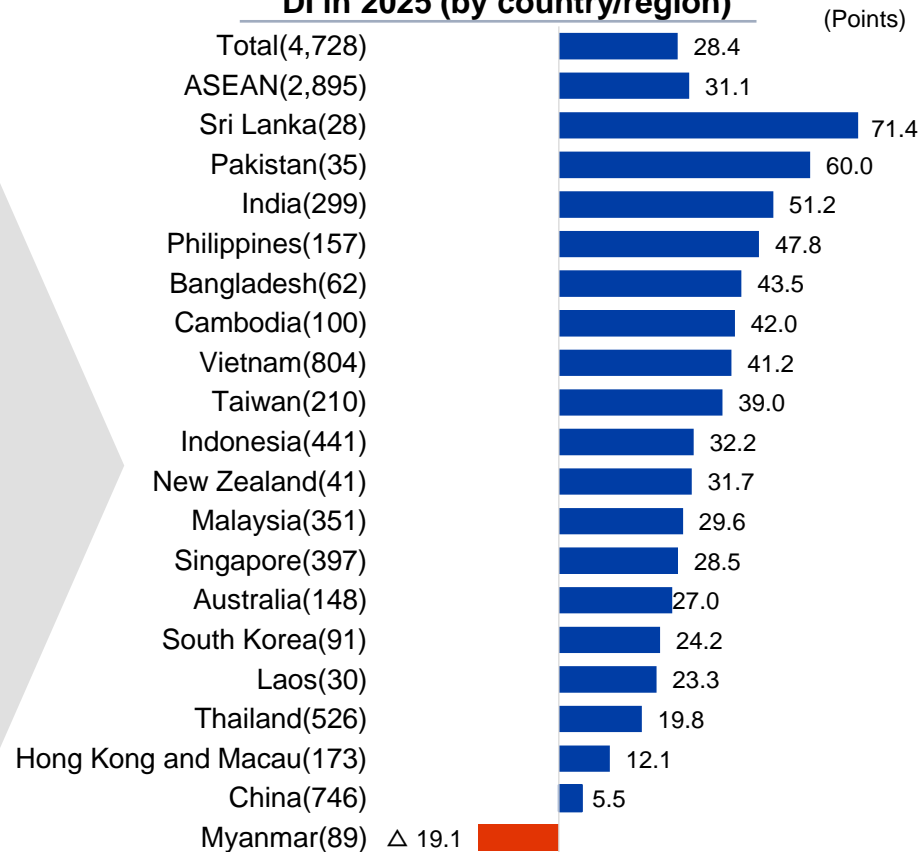
# 8 | Business confidence improved significantly in many countries and regions

- The 2024 business confidence DI (see note) stood at 11.1 points, rising more than 10 points from the FY2023 survey. The DI increased by 29.4 points in Taiwan, 15.7 points in South Korea and 14.2 points in ASEAN, while it decreased by 2.9 points in China.
- The 2025 DI is expected to further increase to 28.4 points. Compared to 2024, the 2025 DI is also expected to increase region-wise by 15.6 points in ASEAN and by 7.6 points in India.

**DI in 2024 (by country/region)**



**DI in 2025 (by country/region)**

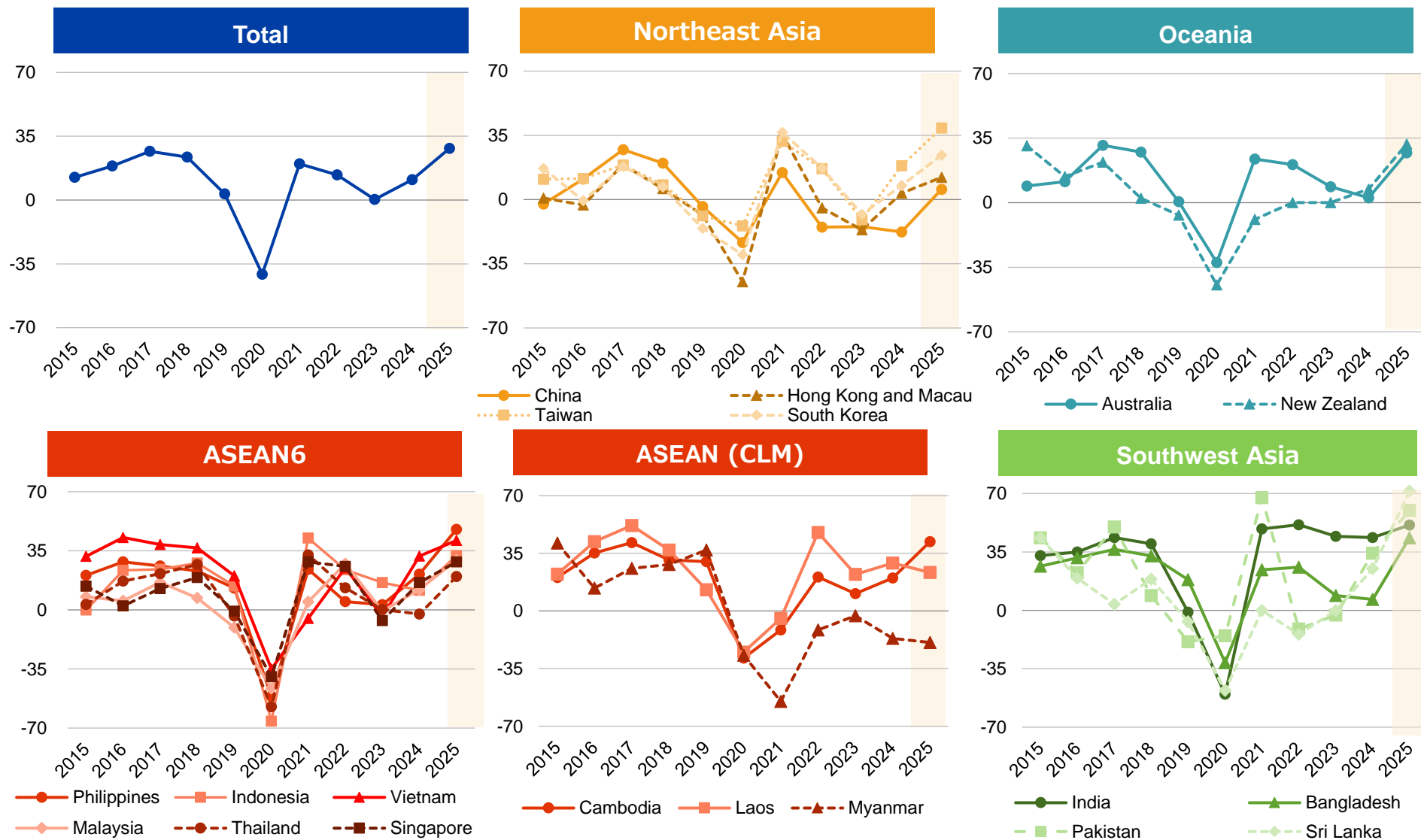


(Note) DI stands for Diffusion Index and is calculated by subtracting the proportion of companies that answered the operating profit forecast would 'Decrease' from the proportion of companies that answered it would 'Increase'. A numerical indicator of how business confidence is changing.

# 9 Business confidence improved in many countries and regions in 2024

DI : 2015-2024 & 2025 forecast (by country/region)

(Points)



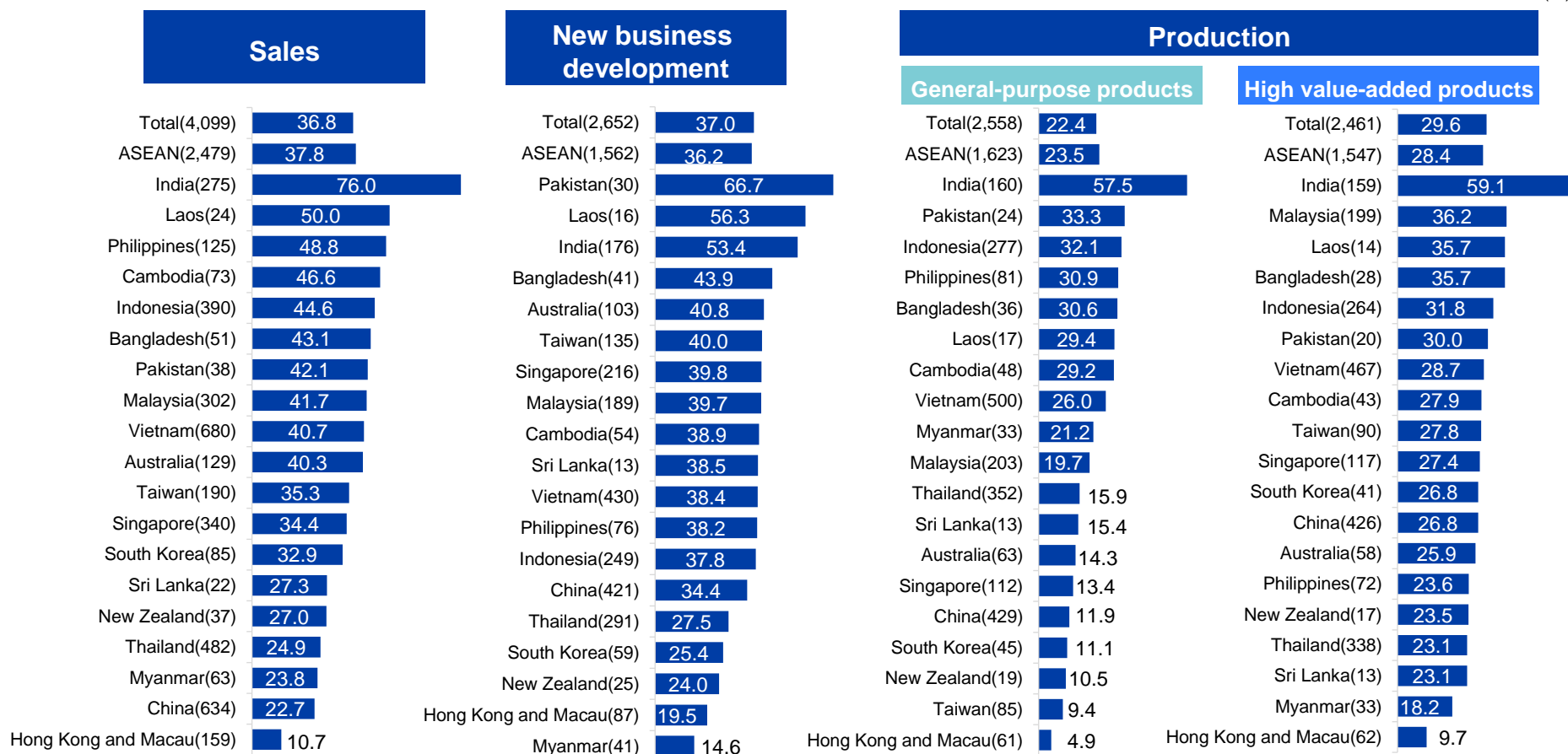
(Note) DI stands for Diffusion Index and is calculated by subtracting the proportion of companies that answered the operating profit forecast would 'Decrease' from the proportion of companies that answered it would 'Increase'. A numerical indicator of how business confidence is changing.

# 1 More companies expanded production for high added-value products than for general-purpose products

- After the pandemic, 36.8% of companies expanded their “sales” functions, and 37.0% expanded their “new business development” functions. Moreover, companies increased their production functions for "high value-added products," 7.2% more than for "general-purpose products."
- India had the highest proportion of companies that expanded both their “sales” and “production” functions.

Expanded function during the post-pandemic period (multiple responses)

(%)



(Note) The percentage is calculated for each functions.



## 2 Strengthened local human resources and reinforced production facility after COVID-19

- After the pandemic, 54.2% of companies "strengthened local human resources" and 31.2% "increased local employees".
- 36.0% of manufacturing companies "reinforced production facility", with particularly high percentages in India (52.1%), Bangladesh (50.0%), and Laos (50.0%). Also, in Vietnam and the Philippines these percentages rose above 40%.

Efforts implemented during the post-pandemic period (multiple responses) (%)

|                          | Strengthen local human resource development for local employees | Increase local employees | Localize expatriate posts | Promotion of decarbonization | Alliance with / investment to local companies |
|--------------------------|---|--------------------------|---------------------------|------------------------------|---|
| Total (4,300)            | 54.2  | 31.2                     | 18.3                      | 16.1                         | 11.4  |
| ASEAN (2,649)            | 54.2  | 31.9                     | 16.9                      | 15.9                         | 10.7  |
| Vietnam(746)             | 49.1  | 34.5                     | 16.1                      | 14.3                         | 12.5  |
| Thailand(474)            | 54.2  | 23.4                     | 15.4                      | 15.2                         | 7.8   |
| Indonesia(409)           | 57.7  | 31.1                     | 14.2                      | 17.6                         | 9.5   |
| Singapore(358)           | 50.0  | 32.7                     | 26.3                      | 14.0                         | 10.9  |
| Malaysia(313)            | 58.8  | 35.8                     | 17.9                      | 24.9                         | 12.1  |
| Philippines(144)         | 57.6  | 40.3                     | 13.9                      | 17.4                         | 10.4  |
| Cambodia(98)             | 67.3  | 30.6                     | 9.2                       | 12.2                         | 16.3  |
| Myanmar(75)              | 58.7  | 21.3                     | 21.3                      | 4.0                          | 4.0   |
| Laos(32)                 | 62.5  | 50.0                     | 9.4                       | 3.1                          | 9.4   |
| India(289)               | 52.9  | 60.2                     | 15.9                      | 18.0                         | 13.8  |
| Bangladesh(66)           | 62.1  | 40.9                     | 15.2                      | 4.5                          | 18.2  |
| Pakistan(43)             | 44.2  | 18.6                     | 16.3                      | 25.6                         | 4.7   |
| Sri Lanka(28)            | 50.0  | 25.0                     | 14.3                      | 7.1                          | 7.1   |
| Australia(119)           | 50.4  | 39.5                     | 13.4                      | 31.1                         | 14.3  |
| New Zealand(33)          | 36.4  | 30.3                     | 3.0                       | 21.2                         | 18.2  |
| China(658)               | 55.2  | 15.3                     | 27.8                      | 15.8                         | 13.2  |
| Taiwan(199)              | 57.8  | 35.7                     | 12.6                      | 15.6                         | 11.6  |
| Hong Kong and Macau(134) | 54.5  | 17.2                     | 25.4                      | 9.7                          | 6.7   |
| South Korea(82)          | 54.9  | 36.6                     | 15.9                      | 13.4                         | 13.4  |

Efforts implemented during the post-pandemic period (manufacturing, multiple responses) (%)

|                         | Reinforce production facility | Diversifying products | Introduce new industrial technology | Increase procurement volume from local suppliers | Shift to more advanced products |
|-------------------------|-------------------------------|-----------------------|-------------------------------------|--|---------------------------------|
| Total (1,961)           | 36.0                          | 25.4                  | 21.2                                | 19.8   | 15.0                            |
| ASEAN(1,236)            | 37.5                          | 26.3                  | 21.2                                | 18.0   | 14.5                            |
| Vietnam(364)            | 44.0                          | 30.8                  | 24.2                                | 21.4   | 16.8                            |
| Thailand(276)           | 33.3                          | 26.1                  | 18.8                                | 19.6   | 12.7                            |
| Indonesia(231)          | 39.4                          | 24.2                  | 17.7                                | 15.2   | 13.0                            |
| Singapore(80)           | 17.5                          | 10.0                  | 15.0                                | 1.3  | 8.8                             |
| Malaysia(157)           | 36.3                          | 29.3                  | 26.1                                | 19.1   | 17.8                            |
| Philippines(64)         | 43.8                          | 18.8                  | 20.3                                | 25.0   | 10.9                            |
| Cambodia(29)            | 37.9                          | 41.4                  | 34.5                                | 20.7   | 24.1                            |
| Myanmar(19)             | 10.5                          | 10.5                  | 5.3                                 | 10.5   | 0.0                             |
| Laos(16)                | 50.0                          | 31.3                  | 25.0                                | 6.3  | 25.0                            |
| India(140)              | 52.1                          | 24.3                  | 24.3                                | 33.6   | 19.3                            |
| Bangladesh(26)          | 50.0                          | 34.6                  | 26.9                                | 11.5   | 23.1                            |
| Pakistan(20)            | 35.0                          | 30.0                  | 10.0                                | 35.0   | 35.0                            |
| Sri Lanka(11)           | 36.4                          | 9.1                   | 27.3                                | 9.1  | 9.1                             |
| Australia(25)           | 12.0                          | 8.0                   | 8.0                                 | 0.0  | 16.0                            |
| New Zealand(12)         | 33.3                          | 0.0                   | 8.3                                 | 8.3  | 8.3                             |
| China(373)              | 30.3                          | 27.1                  | 24.4                                | 23.9   | 15.3                            |
| Taiwan(61)              | 21.3                          | 14.8                  | 8.2                                 | 19.7   | 8.2                             |
| Hong Kong and Macau(20) | 5.0                           | 20.0                  | 5.0                                 | 5.0  | 15.0                            |
| South Korea(37)         | 32.4                          | 21.6                  | 18.9                                | 10.8   | 10.8                            |

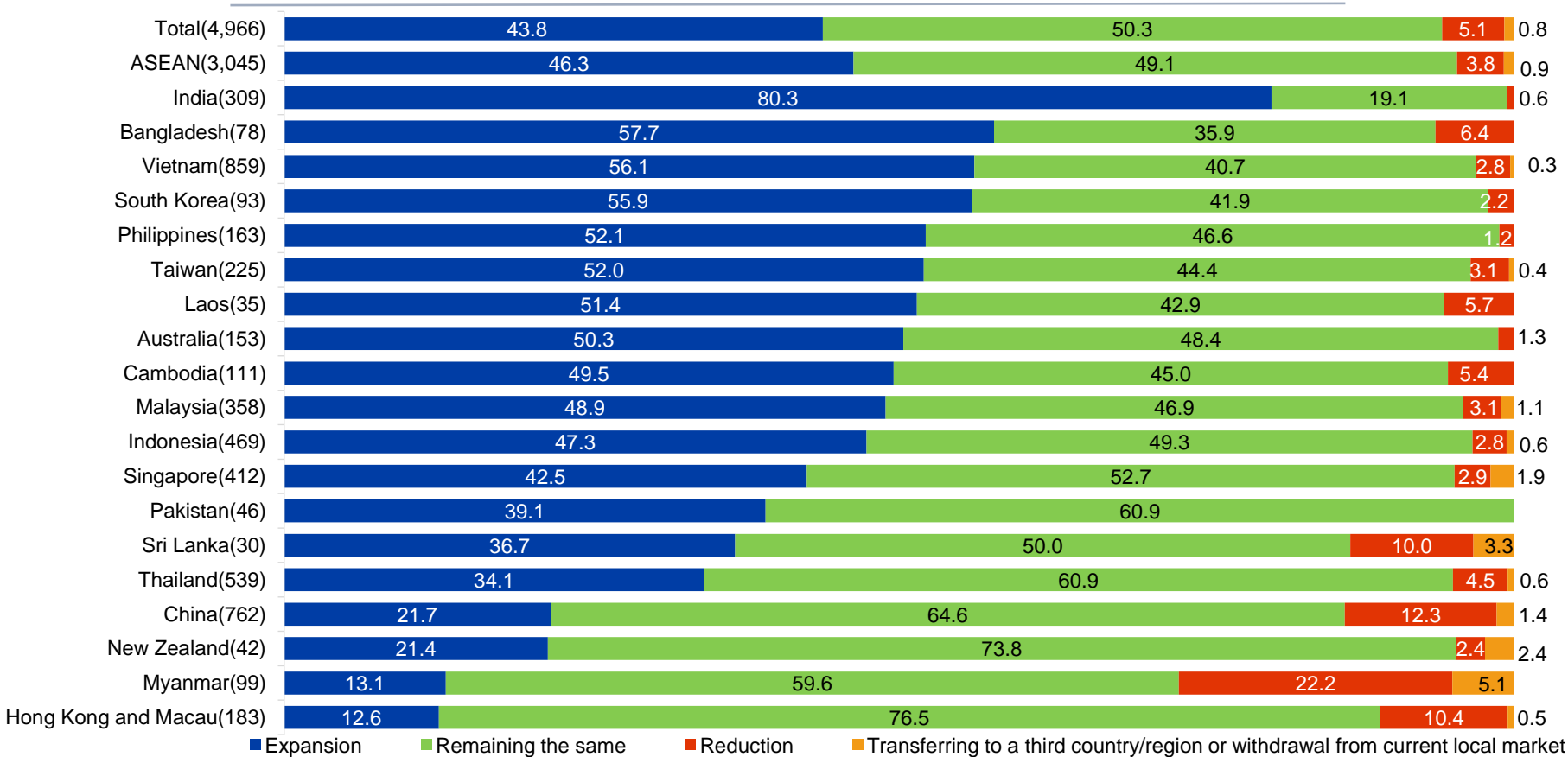
(Note) Values 5-10 points higher than the total number are shown in light orange, and values 10 points or more higher than the total number are shown in orange.

# 3 | Intention to expand business slightly increased, but hit a new record low in China

- Regarding the direction of business development in the next 1-2 years, 43.8% of companies signaled they intended to expand, a 1.7-point reduction from the FY2023 survey (45.5%). 5.9% of companies said they would reduce or transfer to a third country or region or withdraw from the current local market, rising by 0.5 points from the FY2023 survey (5.4%).

**Approach to future business plans/activities in the next 1-2 years (by country/region)**

(%)

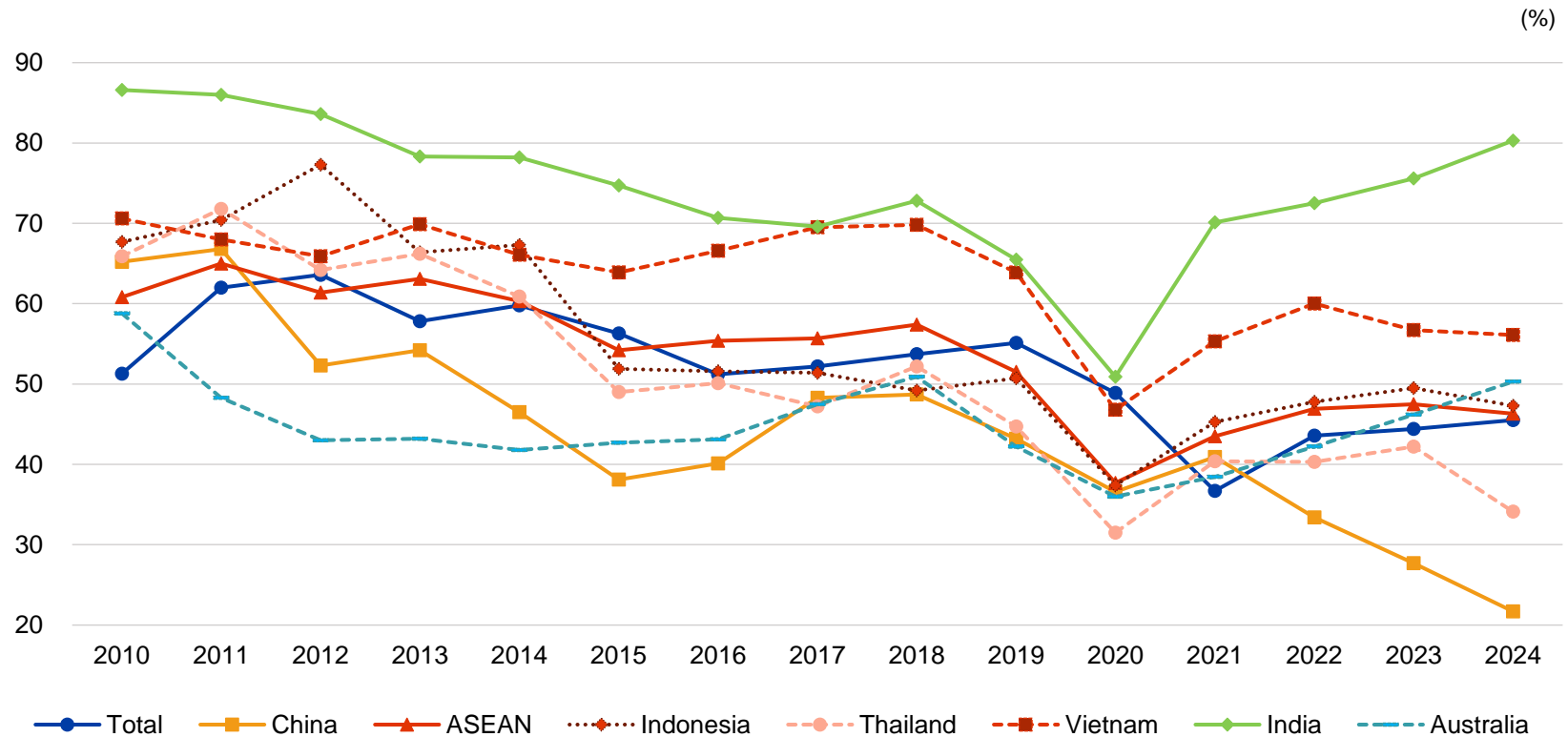


(Note) China's record low refers to the period since the FY2007 survey, from which both manufacturing and non-manufacturing companies are included. Copyright © 2025 JETRO. All rights reserved.

## 4 | Expansion intentions remain high in India, while they decreased in China and Thailand

- The percentage of companies intending to expand in ASEAN decreased by 1.2 points from the FY2023 survey, with a notable decrease in Thailand (by 8.1 points). In China, it decreased for the third consecutive year with a 6.0-point slump, reaching a record low. On the other hand, India retained its lead at 80.3% (up 4.7 points) and in Australia this intention also increased by 4.1 points to reach 50.3%.

The percentage of companies expecting to expand in the next 1-2 years (2010-2024)



(Note) Figures for Cambodia and Laos have been included in ASEAN average since 2010 and 2011, respectively.

# 5 | “Increase of local market demand” is the main reason for business expansion intention

- Regarding the reasons of intention to expand business in the next 1-2 years, an “increase of local market demand” (67.0%) was the main factor in most countries and regions. Also, relatively strong reasons in ASEAN and Southwest Asia were an “increase in exports,” and in Northeast Asia a “high acceptability of value-added products and services.”

Reasons for future business expansion in the next 1-2 years (multiple responses)

(%)

|                         | Increase of local market demand | Increase of exports | High acceptability of value-added products and services | Advanced competitiveness over rival companies | High advantage in human resources | Deregulation | Expansion of incentives | Others |
|-------------------------|---------------------------------|---------------------|---|---|-----------------------------------|--------------|-------------------------|--------|
| Total (2,126)           | 67.0                            | 33.3                | 22.7  | 19.3  | 6.8                               | 1.1          | 1.0                     | 10.4   |
| ASEAN(1,379)            | 63.6                            | 37.1                | 20.4  | 19.7  | 6.3                               | 0.9          | 0.7                     | 10.9   |
| Vietnam(472)            | 64.8                            | 41.1                | 15.7  | 16.7  | 7.4                               | 1.3          | 0.2                     | 10.0   |
| Indonesia(220)          | 75.0                            | 25.0                | 22.7  | 26.8  | 6.8                               | 0.0          | 0.0                     | 10.0   |
| Thailand(180)           | 63.3                            | 43.3                | 26.1  | 17.2  | 5.0                               | 0.6          | 0.6                     | 12.2   |
| Malaysia(171)           | 62.6                            | 35.7                | 24.0  | 20.5  | 5.3                               | 0.6          | 1.8                     | 9.9    |
| Singapore(170)          | 53.5                            | 38.8                | 23.5  | 15.9  | 2.4                               | 0.6          | 1.8                     | 15.3   |
| Philippines(84)         | 64.3                            | 28.6                | 17.9  | 19.0  | 8.3                               | 2.4          | 1.2                     | 10.7   |
| Cambodia(52)            | 55.8                            | 32.7                | 23.1  | 26.9  | 13.5                              | 3.8          | 0.0                     | 9.6    |
| Laos(18)                | 33.3                            | 66.7                | 16.7  | 27.8  | 0.0                               | 0.0          | 0.0                     | 11.1   |
| Myanmar(12)             | 41.7                            | 33.3                | 0.0   | 41.7  | 8.3                               | 0.0          | 0.0                     | 8.3    |
| India(243)              | 88.9                            | 25.5                | 23.0  | 13.6  | 8.6                               | 0.8          | 2.1                     | 4.9    |
| Bangladesh(43)          | 67.4                            | 39.5                | 32.6  | 11.6  | 14.0                              | 2.3          | 0.0                     | 11.6   |
| Pakistan(18)            | 61.1                            | 38.9                | 33.3  | 27.8  | 27.8                              | 5.6          | 0.0                     | 5.6    |
| Sri Lanka(11)           | 63.6                            | 18.2                | 18.2  | 9.1   | 9.1                               | 27.3         | 0.0                     | 0.0    |
| Australia(76)           | 64.5                            | 22.4                | 21.1  | 15.8  | 6.6                               | 0.0          | 3.9                     | 18.4   |
| New Zealand(9)          | 55.6                            | 33.3                | 22.2  | 11.1  | 0.0                               | 0.0          | 0.0                     | 22.2   |
| China (160)             | 65.0                            | 26.9                | 29.4  | 25.6  | 6.3                               | 1.3          | 3.1                     | 13.1   |
| Taiwan(114)             | 71.1                            | 28.9                | 28.9  | 21.9  | 2.6                               | 0.0          | 0.0                     | 8.8    |
| South Korea(50)         | 70.0                            | 16.0                | 36.0  | 20.0  | 6.0                               | 0.0          | 0.0                     | 6.0    |
| Hong Kong and Macau(23) | 47.8                            | 26.1                | 30.4  | 26.1  | 13.0                              | 4.3          | 0.0                     | 13.0   |

(Note) Red highlights are darkened to match the percentage height.

# 6 | “Sales” remains the function with highest expansion intention

- Among companies intending to expand their business in the next 1-2 years, the highest response was expanding their “sales” functions at 68.2%, followed by “new business development” at 28.4%, and “production (of high value-added products)” at 27.9%.
- China and South Korea showed relatively high responses for “R&D” expansion, whereas Oceania leaned towards “new business development.”

**Functions to be expanded (multiple responses)**

|                         | Sales | New business development | Production (High value-added products) | Production (General-purpose products) | Customer Service | R&D  | Regional headquarters | Others |
|-------------------------|-------|--------------------------|--|---------------------------------------|------------------|------|-----------------------|--------|
| Total (2,148)           | 68.2  | 28.4                     | 27.9                                   | 20.7                                  | 19.0             | 8.6  | 3.7                   | 6.1    |
| ASEAN(1,393)            | 67.3  | 26.8                     | 27.3                                   | 21.3                                  | 17.8             | 6.7  | 3.3                   | 6.5    |
| Vietnam(476)            | 62.2  | 26.5                     | 27.1                                   | 25.4                                  | 16.6             | 5.3  | 0.6                   | 5.5    |
| Indonesia(220)          | 71.4  | 27.3                     | 27.7                                   | 26.4                                  | 16.8             | 8.2  | 2.7                   | 8.6    |
| Thailand(182)           | 72.5  | 27.5                     | 36.3                                   | 19.2                                  | 15.4             | 7.1  | 3.8                   | 3.3    |
| Malaysia(174)           | 70.1  | 21.3                     | 33.9                                   | 20.7                                  | 20.1             | 10.3 | 4.0                   | 4.6    |
| Singapore(173)          | 74.6  | 28.3                     | 18.5                                   | 5.8                                   | 17.3             | 5.8  | 9.8                   | 10.4   |
| Philippines(84)         | 65.5  | 26.2                     | 17.9                                   | 22.6                                  | 15.5             | 7.1  | 6.0                   | 9.5    |
| Cambodia(54)            | 50.0  | 31.5                     | 20.4                                   | 16.7                                  | 35.2             | 5.6  | 1.9                   | 11.1   |
| Laos(18)                | 55.6  | 44.4                     | 27.8                                   | 33.3                                  | 27.8             | 5.6  | 0.0                   | 0.0    |
| Myanmar(12)             | 75.0  | 33.3                     | 16.7                                   | 25.0                                  | 16.7             | 0.0  | 0.0                   | 0.0    |
| India(246)              | 70.3  | 25.2                     | 32.5                                   | 28.0                                  | 27.6             | 11.8 | 5.7                   | 4.9    |
| Bangladesh(43)          | 51.2  | 37.2                     | 39.5                                   | 25.6                                  | 18.6             | 11.6 | 2.3                   | 14.0   |
| Pakistan(18)            | 77.8  | 38.9                     | 44.4                                   | 11.1                                  | 38.9             | 22.2 | 0.0                   | 5.6    |
| Sri Lanka(11)           | 63.6  | 54.5                     | 9.1                                    | 0.0                                   | 9.1              | 0.0  | 0.0                   | 18.2   |
| Australia(76)           | 72.4  | 44.7                     | 11.8                                   | 11.8                                  | 19.7             | 5.3  | 3.9                   | 2.6    |
| New Zealand(9)          | 88.9  | 44.4                     | 0.0                                    | 11.1                                  | 11.1             | 11.1 | 0.0                   | 0.0    |
| China (164)             | 67.7  | 27.4                     | 38.4                                   | 22.0                                  | 14.6             | 18.9 | 5.5                   | 4.3    |
| Taiwan(114)             | 73.7  | 32.5                     | 21.9                                   | 11.4                                  | 17.5             | 8.8  | 2.6                   | 7.9    |
| South Korea(51)         | 66.7  | 33.3                     | 23.5                                   | 11.8                                  | 19.6             | 13.7 | 2.0                   | 0.0    |
| Hong Kong and Macau(23) | 82.6  | 34.8                     | 17.4                                   | 4.3                                   | 26.1             | 0.0  | 8.7                   | 4.3    |

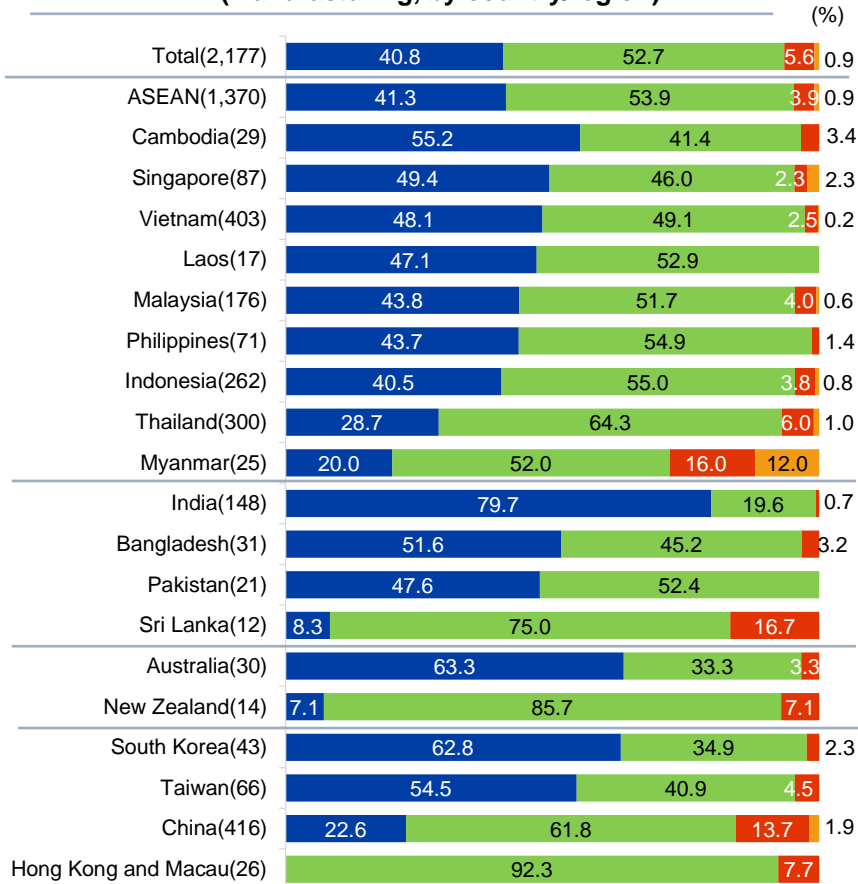
(Note) Red highlights are darkened to match the percentage height.

# 7 Intention to expand “sales” is also high in the manufacturing sector

Manufacturing only

- 40.8% of manufacturing companies intend to expand their business plans and activities in the next 1-2 years, such intentions being particularly high in India (79.7%), followed by Australia (63.3%) and South Korea (62.8%).
- Regarding the functions to be expanded, most manufacturing companies answered “sales” (65.2%), with a relatively high percentage also for “production” (47.8% for high added-value products and 42.6% for general-purpose products).

Approach to future business plans/activities in the next 1-2 years (Manufacturing, by country/region)



Functions to be expanded (Manufacturing, by country/region) (%)

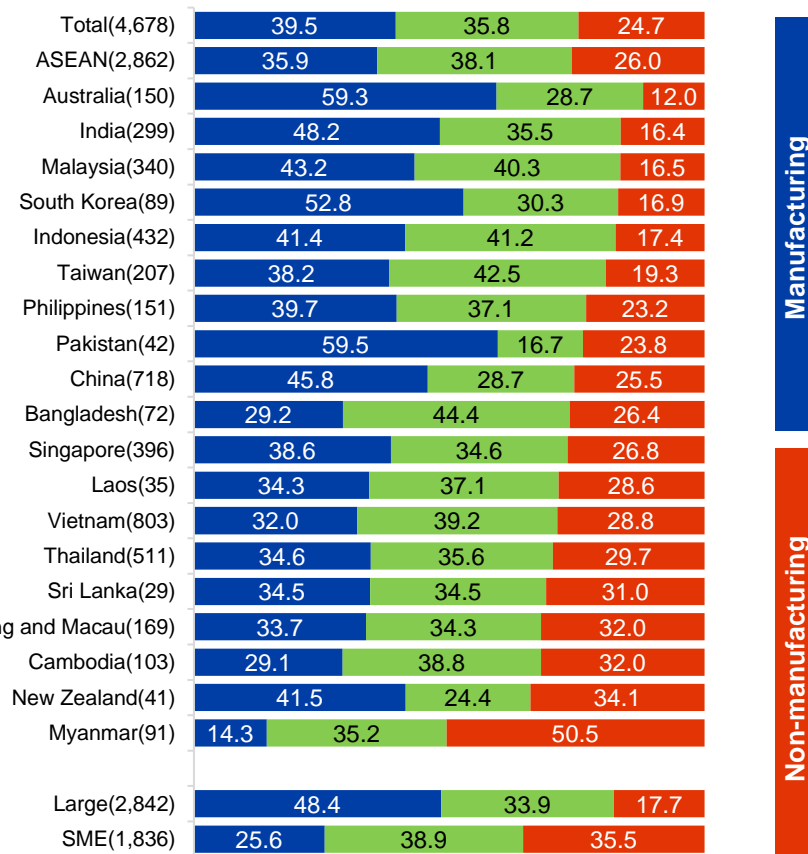
|                     | Sales                  | Production (High value-added products) | Production (General-purpose products) | New business development | R&D  | Customer Service |
|---------------------|------------------------|--|---------------------------------------|--------------------------|------|------------------|
| Total (882)         | 65.2                   | 47.5                                   | 42.6                                  | 17.9                     | 13.4 | 10.7             |
| ASEAN(563)          | 63.9                   | 45.1                                   | 45.3                                  | 15.3                     | 10.1 | 8.5              |
| Cambodia(16)        | 43.8                   | 37.5                                   | 50.0                                  | 12.5                     | 12.5 | 6.3              |
| Singapore(42)       | 92.9                   | 33.3                                   | 16.7                                  | 11.9                     | 9.5  | 11.9             |
| Vietnam(193)        | 56.5                   | 43.0                                   | 53.9                                  | 11.9                     | 9.3  | 6.2              |
| Laos(8)             | 37.5                   | 37.5                                   | 62.5                                  | 12.5                     | 12.5 | 12.5             |
| Malaysia(77)        | 59.7                   | 61.0                                   | 42.9                                  | 11.7                     | 18.2 | 16.9             |
| Philippines(31)     | 58.1                   | 35.5                                   | 48.4                                  | 19.4                     | 3.2  | 6.5              |
| Indonesia(105)      | 73.3                   | 39.0                                   | 49.5                                  | 20.0                     | 13.3 | 11.4             |
| Thailand(86)        | 66.3                   | 55.8                                   | 32.6                                  | 22.1                     | 3.5  | 2.3              |
| Myanmar(5)          | 80.0                   | 20.0                                   | 60.0                                  | 0.0                      | 0.0  | 0.0              |
| India(117)          | 67.5                   | 54.7                                   | 47.9                                  | 21.4                     | 15.4 | 13.7             |
| Bangladesh(15)      | 53.3                   | 73.3                                   | 53.3                                  | 26.7                     | 20.0 | 13.3             |
| Pakistan(10)        | 100.0                  | 60.0                                   | 20.0                                  | 20.0                     | 30.0 | 30.0             |
| Sri Lanka           | No valid data (Note 1) |  |                                       |                          |      |                  |
| Australia(19)       | 68.4                   | 21.1                                   | 15.8                                  | 36.8                     | 15.8 | 10.5             |
| New Zealand         | No valid data (Note 1) |  |                                       |                          |      |                  |
| South Korea(27)     | 66.7                   | 40.7                                   | 22.2                                  | 22.2                     | 14.8 | 25.9             |
| Taiwan(36)          | 77.8                   | 44.4                                   | 30.6                                  | 27.8                     | 13.9 | 19.4             |
| China (93)          | 62.4                   | 55.9                                   | 36.6                                  | 19.4                     | 26.9 | 9.7              |
| Hong Kong and Macau | No valid data (Note 1) |  |                                       |                          |      |                  |

(Note 1) Countries/regions with at least 5 valid responses. Functions with 10% or more are shown.  
 (Note 2) Red highlights are darkened to match the percentage height.

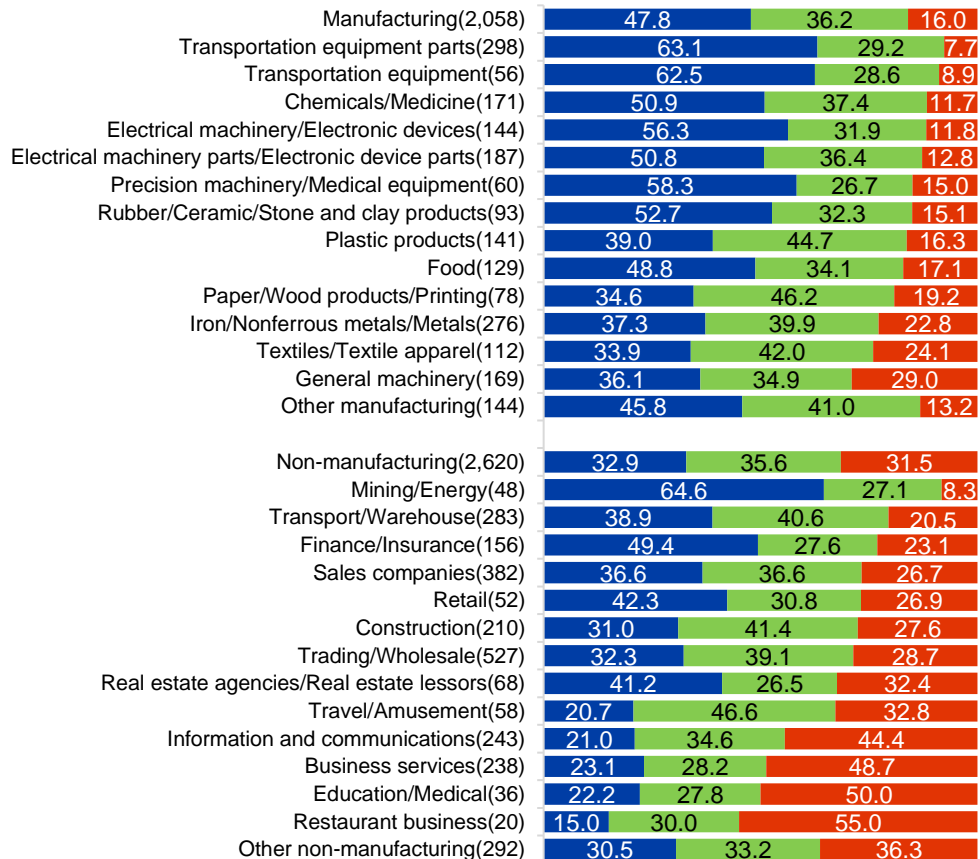
# 8 | Over 70% of companies are implementing or considering decarbonization initiatives

- 75.3% of companies have already implemented or have plans to implement some forms of decarbonization, such as reducing greenhouse gas emissions. Industry-wise, the percentage was 84.0% in the manufacturing industry and 68.5% in the non-manufacturing industry.
- More than 60% of the transportation equipment parts, mining and energy companies answered they were already working on decarbonization.

**Japanese companies' efforts toward decarbonization in 2024 (by country/region) (%)**



**Japanese companies' efforts toward decarbonization in 2024 (by industry) (%)**



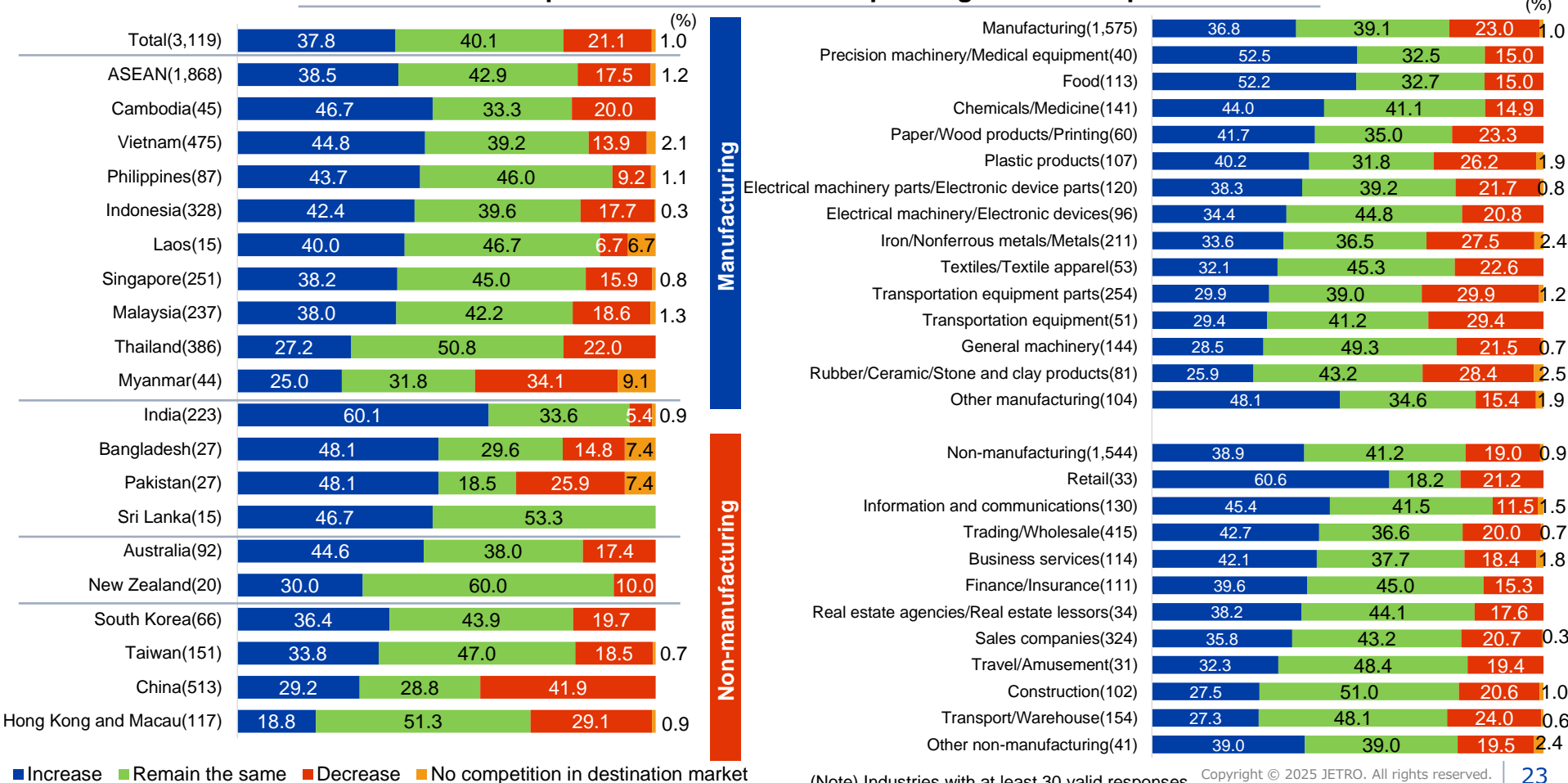
■ We are already making efforts. ■ We have not made any effort yet, but we are planning to do so. ■ We have no plan to make any effort.

(Note) Industries with at least 20 valid responses.

# 1 | Market share expanded remarkably in Southwest Asia

- Compared to 2019, the percentage of companies in Southwest Asia answering that their main product and service' market share had increased was relatively high, exceeding 60% in India. Conversely, more than 30% of companies in Myanmar and China reported “decreases” in their market shares.
- “Increases” exceeded 50% in the precision machinery/medical equipment, food, and retail industries.

The share of main products/services in the operating market compared to 2019

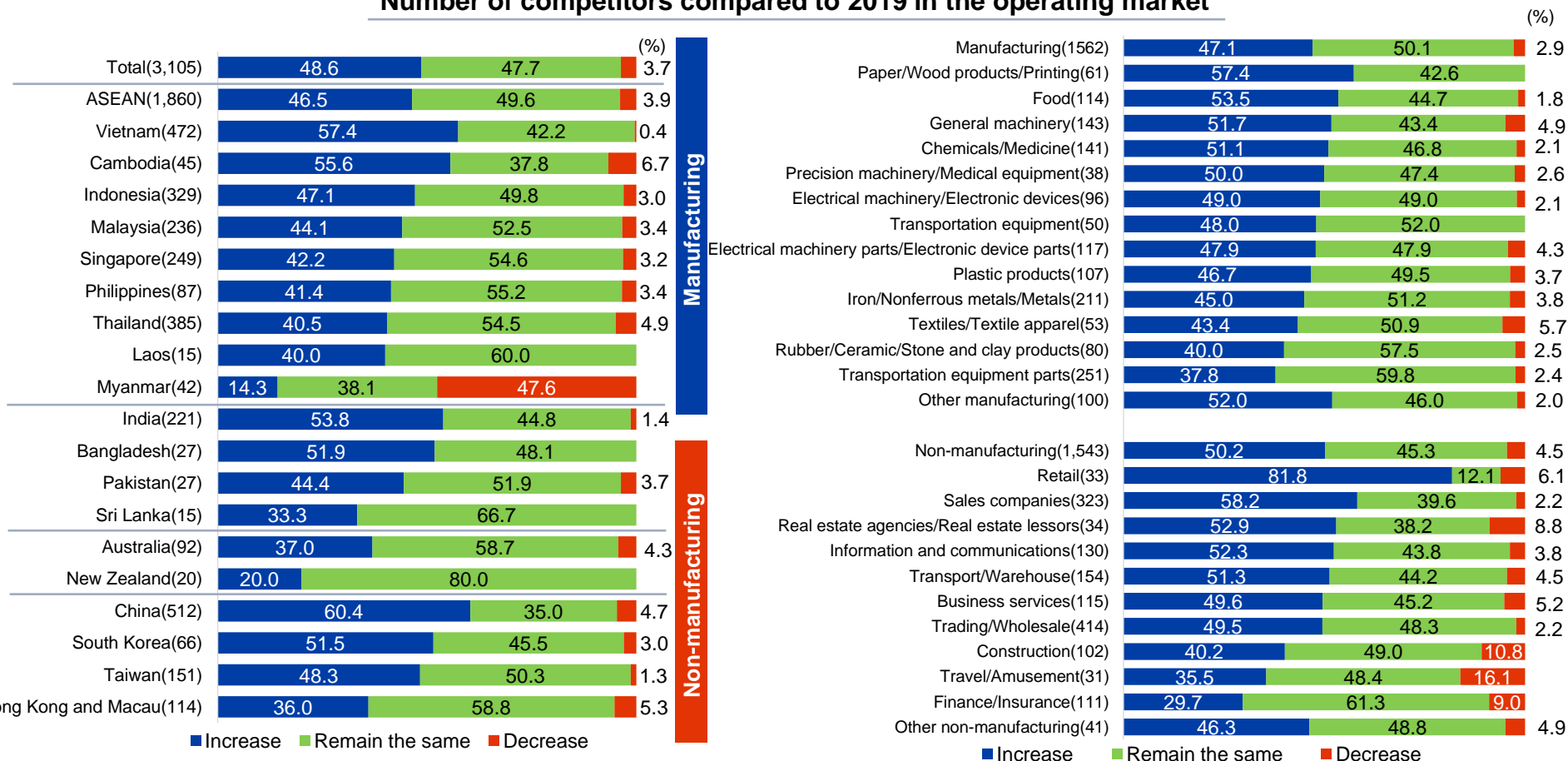




# 2 | The number of competitors increased in many countries and regions, particularly in China

- Compared to 2019, over 60% of companies in China and over 50% in Vietnam, Cambodia, India, Bangladesh, and South Korea, reported an “increase” in their number of competitors. In Myanmar, 47.6% of companies reported a “decrease” in competitors.
- Industry-wise, the proportion of “increase” answers was high for the retail (81.8%), sales (58.2%), paper/wood products/printing (57.4%), food (53.5%), and real estate agencies/real estate lessors (52.9%) industries.

**Number of competitors compared to 2019 in the operating market**



(Note) Industries with at least 30 valid responses.

# 3 | Local companies are the most common competitors, exceeding 95% in China

- “Local companies” accounted for 74.2% of competitors in the operating market, followed by “Japanese companies” at 62.4%. The percentage of “local company” competitors was the highest in China (96.7%), and relatively high in South Korea (86.4%), Sri Lanka (80.0%), Taiwan (79.5%) and Cambodia (78.0%).
- In ASEAN, the percentage of “Chinese company” competitors was especially high in Laos (78.6%) and Thailand (64.2%).

**Competitors (Top 3, multiple responses)**

|                          | Local companies | Japanese companies | Chinese companies | Taiwanese companies | Korean companies | European companies | U.S. Companies | Indian Companies | Others | (%) |
|--------------------------|-----------------|--------------------|-------------------|---------------------|------------------|--------------------|----------------|------------------|--------|-----|
| Total (3,156)            | 74.2            | 62.4               | 41.6              | 12.2                | 16.7             | 21.2               | 13.5           | 3.5              | 6.3    |     |
| ASEAN(1,894)             | 69.2            | 64.6               | 53.8              | 12.6                | 19.5             | 16.2               | 10.3           | 3.8              | 6.9    |     |
| Vietnam(505)             | 73.7            | 62.4               | 47.1              | 19.2                | 30.5             | 10.5               | 6.3            | 1.8              | 6.7    |     |
| Thailand(374)            | 74.6            | 74.1               | 64.2              | 11.0                | 9.4              | 11.0               | 6.4            | 4.8              | 3.5    |     |
| Indonesia(333)           | 68.5            | 64.6               | 53.5              | 10.8                | 23.4             | 15.9               | 6.9            | 6.3              | 5.1    |     |
| Singapore(256)           | 50.0            | 60.5               | 57.8              | 10.2                | 15.6             | 31.6               | 27.7           | 4.3              | 8.6    |     |
| Malaysia(239)            | 69.5            | 62.3               | 57.3              | 11.3                | 11.7             | 20.5               | 13.0           | 3.8              | 5.0    |     |
| Philippines(87)          | 71.3            | 70.1               | 37.9              | 8.0                 | 13.8             | 16.1               | 14.9           | 2.3              | 10.3   |     |
| Cambodia(50)             | 78.0            | 54.0               | 36.0              | 8.0                 | 20.0             | 20.0               | 2.0            | 2.0              | 22.0   |     |
| Myanmar(36)              | 77.8            | 55.6               | 44.4              | 2.8                 | 22.2             | 13.9               | 0.0            | 2.8              | 13.9   |     |
| Laos(14)                 | 57.1            | 28.6               | 78.6              | 0.0                 | 28.6             | 7.1                | 7.1            | 0.0              | 57.1   |     |
| India(235)               | 74.9            | 54.9               | 26.0              | 5.1                 | 18.3             | 47.7               | 17.9           | -                | 7.2    |     |
| Bangladesh(33)           | 69.7            | 33.3               | 42.4              | 3.0                 | 15.2             | 33.3               | 0.0            | 27.3             | 9.1    |     |
| Pakistan(23)             | 60.9            | 34.8               | 78.3              | 8.7                 | 26.1             | 13.0               | 8.7            | 4.3              | 17.4   |     |
| Sri Lanka(15)            | 80.0            | 33.3               | 33.3              | 6.7                 | 0.0              | 20.0               | 6.7            | 40.0             | 6.7    |     |
| Australia(90)            | 65.6            | 48.9               | 33.3              | 4.4                 | 12.2             | 30.0               | 25.6           | 6.7              | 4.4    |     |
| New Zealand(21)          | 66.7            | 28.6               | 28.6              | 4.8                 | 4.8              | 4.8                | 14.3           | 4.8              | 42.9   |     |
| China(512)               | 96.7            | 63.7               | -                 | 19.5                | 12.5             | 22.9               | 16.8           | 1.8              | 4.1    |     |
| Taiwan(156)              | 79.5            | 70.5               | 34.6              | -                   | 15.4             | 26.9               | 21.8           | 1.9              | 1.9    |     |
| Hong Kong and Macau(111) | 51.4            | 60.4               | 68.5              | 21.6                | 4.5              | 21.6               | 19.8           | 1.8              | 5.4    |     |
| South Korea(66)          | 86.4            | 59.1               | 43.9              | 3.0                 | -                | 33.3               | 24.2           | 1.5              | 0.0    |     |

(Note 1) Competitors are classified according to the country/region of investment of the company registered in the country/region of expansion.

The classification is not based on the country/region of origin of the products or services provided.

(Note 2) Responses of 70% or more are orange, and those of 50% to less than 70% are light orange.

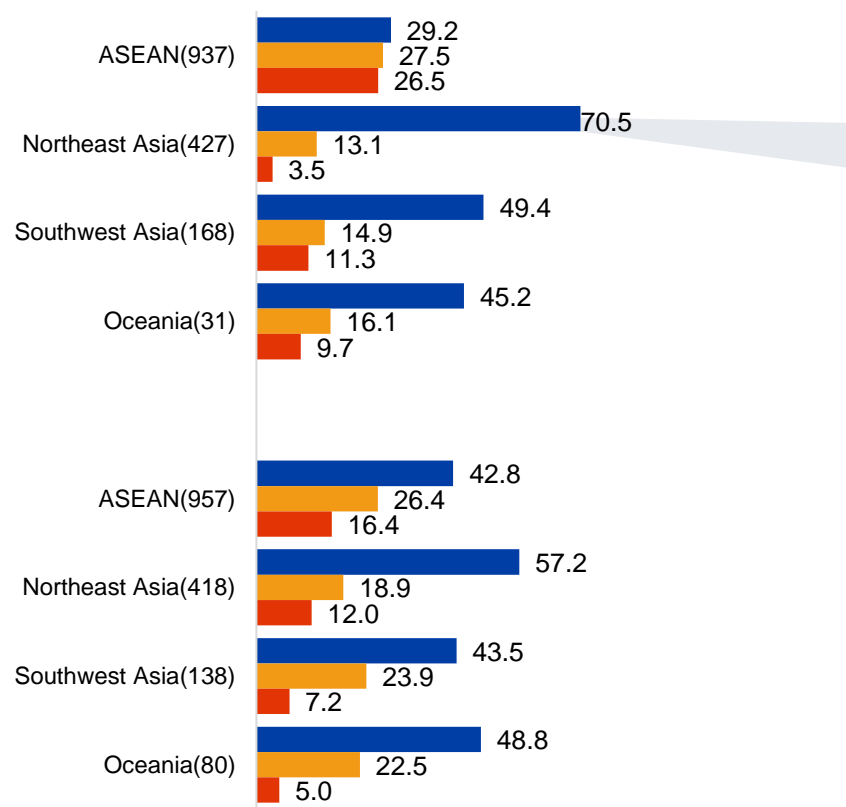
# 4 Chinese companies account for a high percentage of ASEAN's manufacturing competitors

- The percentage of ASEAN manufacturers indicating “local companies” as their main competitors (29.2%) was lower compared to other regions, while it was higher than other regions regarding “Japanese companies” (27.5%) and “Chinese companies” (26.5%).
- More than 30% of companies in Thailand, Malaysia and Singapore identified Chinese companies as their main competitors.

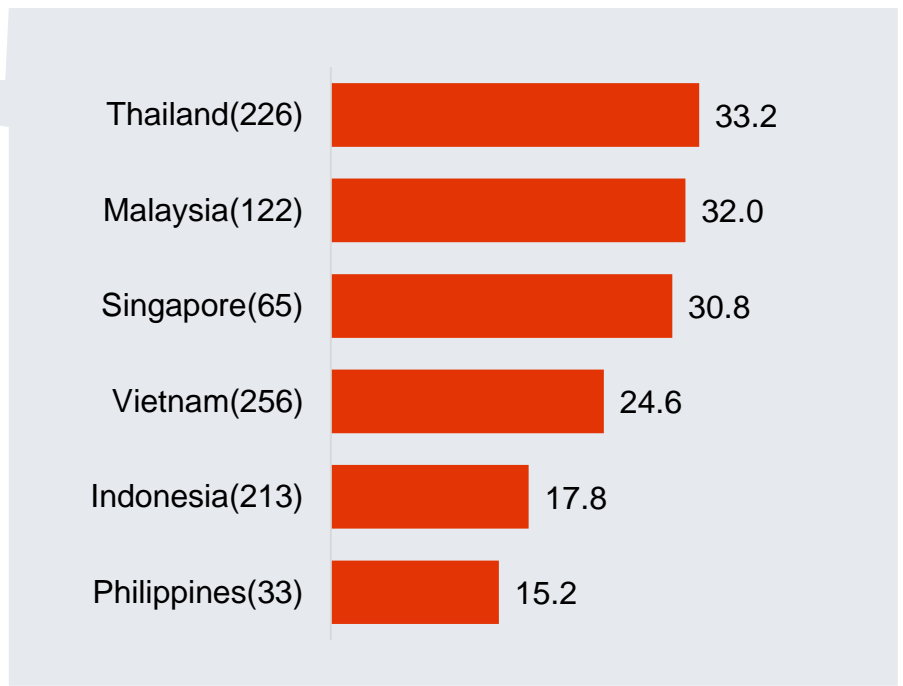
Manufacturing

Non-manufacturing

**Most competitive companies** (%)



**Percentage of companies answered Chinese companies as the most competitive (manufacturing, in ASEAN)** (%)



(Note) Countries with at least 30 valid responses.

■ Local companies ■ Japanese companies ■ Chinese companies

(Note) Responses for “Chinese companies” by Japanese companies in China are counted as “Local companies”.

## 5 | Competes with Chinese companies in the electrical machinery parts /electronic device parts and chemicals/medicine in ASEAN

- In Thailand, Vietnam and Malaysia, a high percentage of companies in the electrical/electronic equipment parts and chemicals/medicine industries identified Chinese companies as their main competitors.
- In the transportation equipment parts industry, only 8.9% of the companies in Indonesia identified Chinese companies as their main competitor, compared to 34.5% in Thailand and 22.2% in Vietnam.

**Percentage of companies answered Chinese companies for being the most competitive (manufacturing, by industry)**

| Thailand   |      | Vietnam  |      | Malaysia   |      | Indonesia                                  |      |
|--|------|--|------|--|------|--|------|
| Electrical machinery parts/Electronic device parts(16) | 50.0 | Electrical machinery parts/Electronic device parts(19) | 36.8 | Electrical machinery parts/Electronic device parts(18) | 44.4 | General machinery(17)                      | 17.6 |
| Chemicals/Medicine(20)                                 | 35.0 | Chemicals/Medicine(18)                                 | 27.8 | Electrical machinery/Electronic devices(15)            | 40.0 | Plastic products(20)                       | 15.0 |
| Transportation equipment parts(55)                     | 34.5 | General machinery(16)                                  | 25.0 | Chemicals/Medicine(17)                                 | 29.4 | Rubber/Ceramic/Stone and clay products(16) | 12.5 |
| Iron/Nonferrous metals/Metals(38)                      | 34.2 | Plastic products(26)                                   | 23.1 |  |      | Iron/Nonferrous metals/Metals(28)          | 10.7 |
| General machinery(34)                                  | 29.4 | Iron/Nonferrous metals/Metals(58)                      | 22.4 |  |      | Transportation equipment parts(45)         | 8.9  |
| Plastic products(19)                                   | 26.3 | Transportation equipment parts(27)                     | 22.2 |  |      |  |      |
|  |      | Food(20)   | 10.0 |  |      |  |      |

(Note 1) Industries with at least 15 valid responses among major ASEAN countries.

(Note 2) The number of valid responses is shown in parentheses under the name of the industry.

# 6 | Cost competitiveness and decision-making speed are the advantages of competitors

- Regarding the reasons for considering a company the most competitive, the highest percentage of companies in ASEAN, Northeast Asia and Southwest Asia answered, “cost competitiveness.” Notably, this percentage exceeded 80% in China.
- In China, a majority (55.8%) answered “speed of decision-making” as the reason for competitiveness. In Oceania, the percentage of companies citing "brand and name recognition" was higher than other regions.

**Reasons for being the most competitive companies (multiple responses, answers with 20% or more of the responses)** (%)

|                          | Cost competitiveness | Speed of decision making | Brand and name recognition | Sales Network | Technical level of products and services | Collaboration and partnering with local companies | Strong sales skills | (Reference) most competitive companies (Note 2) |                  |                 |
|--------------------------|----------------------|--------------------------|----------------------------|---------------|--|---|---------------------|---|------------------|-----------------|
|                          |                      |                          |                            |               |  |   |                     | Local Company                                   | Japanese Company | Chinese Company |
| Total (3,131)            | 74.7                 | 35.6                     | 29.2                       | 26.5          | 24.9                                     | 23.9  | 22.8                | 45.0  | 23.0             | 16.0            |
| ASEAN(1,880)             | 75.1                 | 30.9                     | 26.6                       | 25.3          | 23.7                                     | 23.2  | 20.8                | 36.1  | 27.0             | 21.4            |
| Vietnam(502)             | 76.1                 | 31.3                     | 24.5                       | 24.9          | 20.1                                     | 19.5  | 23.1                | 39.6  | 25.3             | 18.0            |
| Thailand(372)            | 79.8                 | 29.0                     | 20.2                       | 21.8          | 25.5                                     | 22.6  | 19.9                | 30.5  | 34.5             | 27.8            |
| Indonesia(330)           | 76.1                 | 29.1                     | 26.4                       | 25.5          | 27.6                                     | 28.5  | 19.1                | 38.7  | 31.5             | 17.4            |
| Singapore(255)           | 68.2                 | 35.7                     | 37.3                       | 29.0          | 29.4                                     | 20.8  | 20.4                | 28.1  | 19.9             | 25.0            |
| Malaysia(237)            | 77.6                 | 35.4                     | 25.3                       | 23.2          | 20.7                                     | 24.9  | 20.3                | 37.7  | 20.9             | 25.9            |
| Philippines(85)          | 71.8                 | 23.5                     | 31.8                       | 24.7          | 22.4                                     | 25.9  | 23.5                | 39.1  | 31.0             | 11.5            |
| Cambodia(49)             | 63.3                 | 26.5                     | 34.7                       | 40.8          | 14.3                                     | 32.7  | 10.2                | 40.0  | 26.0             | 14.0            |
| Myanmar(36)              | 58.3                 | 22.2                     | 36.1                       | 27.8          | 16.7                                     | 13.9  | 22.2                | 58.3  | 19.4             | 2.8             |
| Laos(14)                 | 78.6                 | 21.4                     | 28.6                       | 35.7          | 14.3                                     | 35.7  | 35.7                | 28.6  | 7.1              | 57.1            |
| India(235)               | 74.0                 | 40.0                     | 40.9                       | 31.9          | 28.5                                     | 22.1  | 25.5                | 46.8  | 20.9             | 5.5             |
| Bangladesh(32)           | 62.5                 | 25.0                     | 31.3                       | 31.3          | 25.0                                     | 31.3  | 34.4                | 39.4  | 12.1             | 24.2            |
| Pakistan(23)             | 78.3                 | 21.7                     | 30.4                       | 39.1          | 13.0                                     | 26.1  | 17.4                | 39.1  | 17.4             | 26.1            |
| Sri Lanka(15)            | 60.0                 | 13.3                     | 20.0                       | 26.7          | 6.7                                      | 26.7  | 26.7                | 73.3  | 6.7              | 13.3            |
| Australia(88)            | 48.9                 | 26.1                     | 63.6                       | 40.9          | 29.5                                     | 27.3  | 33.0                | 45.6  | 22.2             | 6.7             |
| New Zealand(21)          | 52.4                 | 19.0                     | 42.9                       | 38.1          | 9.5                                      | 28.6  | 28.6                | 57.1  | 14.3             | 4.8             |
| China(509)               | 84.7                 | 55.8                     | 21.2                       | 24.0          | 23.8                                     | 27.5  | 27.3                | 80.3  | 10.5             | -               |
| Taiwan(154)              | 65.6                 | 29.2                     | 41.6                       | 23.4          | 32.5                                     | 24.7  | 19.5                | 42.3  | 24.4             | 14.1            |
| Hong Kong and Macau(109) | 71.6                 | 42.2                     | 30.3                       | 30.3          | 33.0                                     | 20.2  | 20.2                | 25.2  | 29.7             | 32.4            |
| South Korea(65)          | 63.1                 | 35.4                     | 40.0                       | 32.3          | 32.3                                     | 16.9  | 26.2                | 53.0  | 15.2             | 10.6            |

(Note 1) Values 5-10 points higher than the total number are shown in light orange, and values 10 points or more higher than the total number are shown in orange.

(Note 2) The competitive companies refer to the percentage of the top three competitors (local, Japanese, and Chinese) in the total response. The number of valid responses differs from the table on the left.

# 7 | Various measures against competition in overseas markets

- Measures to deal with competition in overseas markets included a high percentage of responses for “strengthening sales and public relations,” “cost reduction,” and “diversification of products and services.”
- In Southwest Asia, responses for “diversification of products and services” and “development of products and services” were high.

**Measures being taken specifically to compete in the operating market**  
(multiple responses, answers with 20% or more of the responses)

(%)

|                          | Strengthening sales and public relations | Cost reduction | Diversification of products and services | Development of products and services | Collaboration and cooperation with other companies | Expansion of sales channels | Price reductions | (Reference) most competitive companies (Note 2) |                  |                 |
|--------------------------|--|----------------|--|--------------------------------------|--|-----------------------------|------------------|---|------------------|-----------------|
|                          |  |                |  |                                      |  |                             |                  | Local company                                   | Japanese company | Chinese company |
| Total (3,178)            | 39.6                                     | 39.0           | 38.3                                     | 32.9                                 | 28.6   | 27.7                        | 22.8             | 45.0  | 23.0             | 16.0            |
| ASEAN(1,910)             | 41.3                                     | 38.3           | 37.2                                     | 29.4                                 | 27.8   | 27.5                        | 21.5             | 36.1  | 27.0             | 21.4            |
| Vietnam(506)             | 45.5                                     | 34.2           | 34.8                                     | 28.5                                 | 29.1   | 30.0                        | 23.9             | 39.6  | 25.3             | 18.0            |
| Thailand(387)            | 35.9                                     | 39.8           | 36.2                                     | 26.4                                 | 24.0   | 23.5                        | 26.6             | 30.5  | 34.5             | 27.8            |
| Indonesia(329)           | 39.5                                     | 54.1           | 41.0                                     | 33.7                                 | 28.3   | 26.7                        | 21.6             | 38.7  | 31.5             | 17.4            |
| Singapore(259)           | 40.5                                     | 24.3           | 39.0                                     | 32.4                                 | 27.8   | 23.9                        | 14.7             | 37.7  | 20.9             | 25.9            |
| Malaysia(238)            | 42.4                                     | 39.9           | 36.6                                     | 31.9                                 | 28.6   | 29.8                        | 21.4             | 28.1  | 19.9             | 25.0            |
| Philippines(89)          | 43.8                                     | 43.8           | 31.5                                     | 19.1                                 | 33.7   | 38.2                        | 14.6             | 39.1  | 31.0             | 11.5            |
| Cambodia(51)             | 49.0                                     | 25.5           | 49.0                                     | 29.4                                 | 27.5   | 27.5                        | 11.8             | 40.0  | 26.0             | 14.0            |
| Myanmar(37)              | 32.4                                     | 35.1           | 29.7                                     | 27.0                                 | 29.7   | 27.0                        | 16.2             | 58.3  | 19.4             | 2.8             |
| Laos(14)                 | 50.0                                     | 21.4           | 57.1                                     | 14.3                                 | 21.4   | 28.6                        | 14.3             | 28.6  | 7.1              | 57.1            |
| India(232)               | 39.2                                     | 37.5           | 43.5                                     | 40.9                                 | 30.2   | 31.9                        | 22.4             | 46.8  | 20.9             | 5.5             |
| Bangladesh(32)           | 40.6                                     | 43.8           | 40.6                                     | 40.6                                 | 25.0   | 25.0                        | 28.1             | 39.4  | 12.1             | 24.2            |
| Pakistan(23)             | 36.0                                     | 48.0           | 56.0                                     | 52.0                                 | 4.0  | 40.0                        | 16.0             | 39.1  | 17.4             | 26.1            |
| Sri Lanka(15)            | 46.7                                     | 26.7           | 33.3                                     | 33.3                                 | 20.0   | 40.0                        | 26.7             | 73.3  | 6.7              | 13.3            |
| Australia(94)            | 40.4                                     | 29.8           | 37.2                                     | 37.2                                 | 28.7   | 41.5                        | 8.5              | 45.6  | 22.2             | 6.7             |
| New Zealand(21)          | 42.9                                     | 38.1           | 28.6                                     | 33.3                                 | 23.8   | 38.1                        | 4.8              | 57.1  | 14.3             | 4.8             |
| China(514)               | 32.5                                     | 54.9           | 36.2                                     | 40.9                                 | 31.5   | 23.3                        | 35.4             | 80.3  | 10.5             | -               |
| Taiwan(155)              | 45.2                                     | 23.2           | 46.5                                     | 35.5                                 | 38.7   | 27.7                        | 10.3             | 42.3  | 24.4             | 14.1            |
| Hong Kong and Macau(111) | 35.1                                     | 28.8           | 37.8                                     | 20.7                                 | 22.5   | 26.1                        | 27.0             | 25.2  | 29.7             | 32.4            |
| South Korea(69)          | 42.0                                     | 10.1           | 44.9                                     | 43.5                                 | 26.1   | 23.2                        | 13.0             | 53.0  | 15.2             | 10.6            |

(Note 1) Values 5-10 points higher than the total number are shown in light orange, and values 10 points or more higher than the total number are shown in orange.

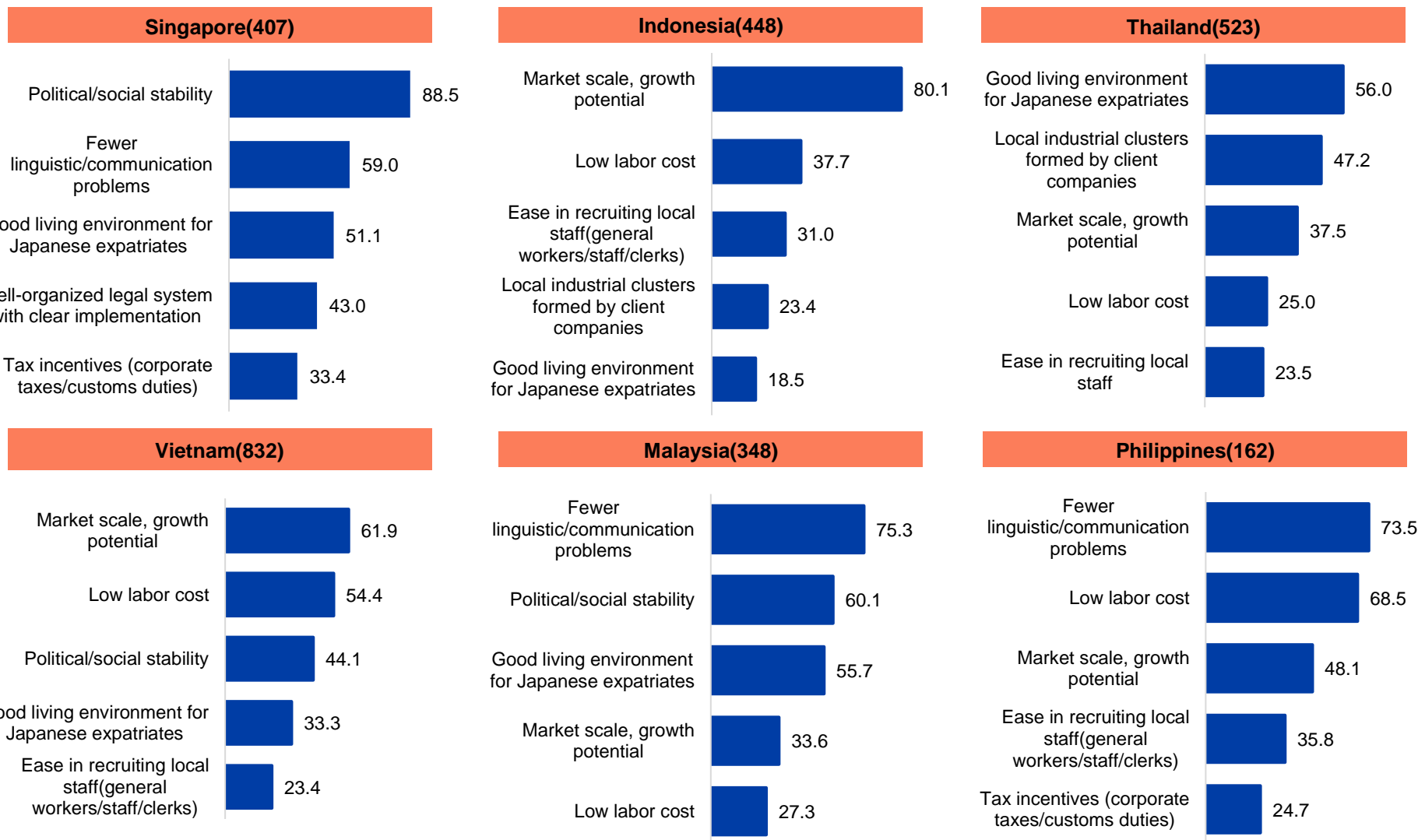
(Note 2) The competitive companies refer to the percentage of the top three competitors (local, Japanese, and Chinese) in the total response.

The number of valid responses differs from the table on the left.

# 1 | Top 5 advantages: ASEAN (1)

Top 5 advantages of the investment environment (multiple responses)

(%)



(Note 1) The number of valid responses is shown in parentheses following country/region name.

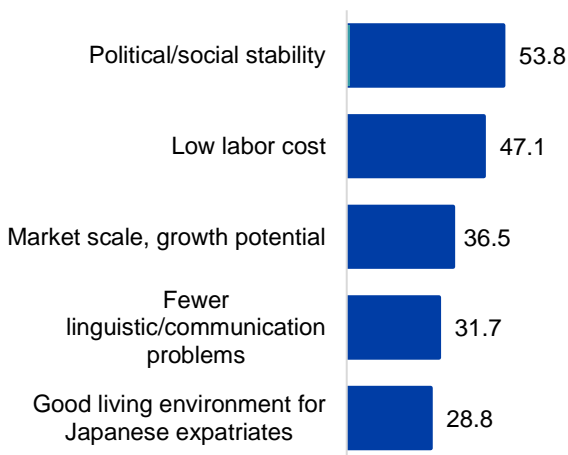
(Note 2) China and Hong Kong and Macau are not included in the survey.

## 2 | Top 5 advantages: ASEAN (2), South Korea, Taiwan

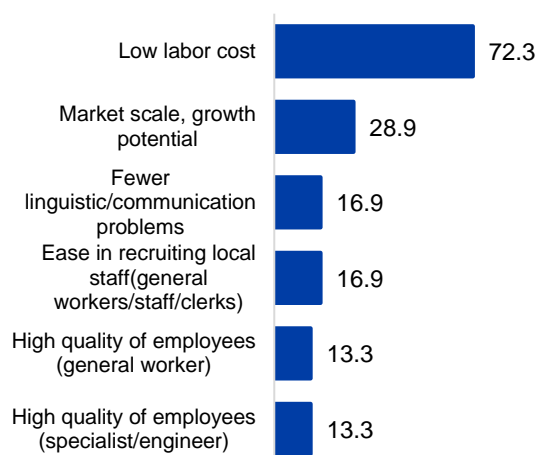
Top 5 advantages of the investment environment (multiple responses)

(%)

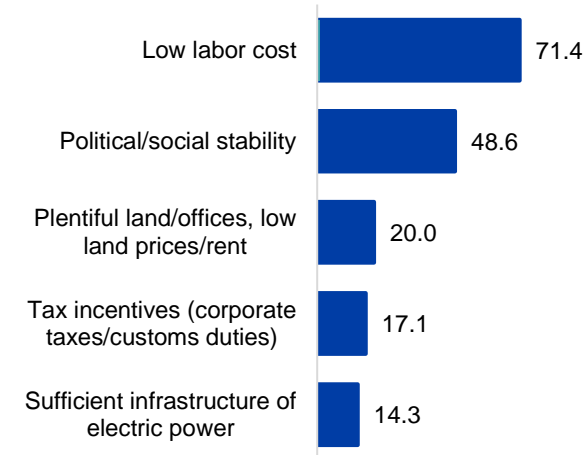
### Cambodia(104)



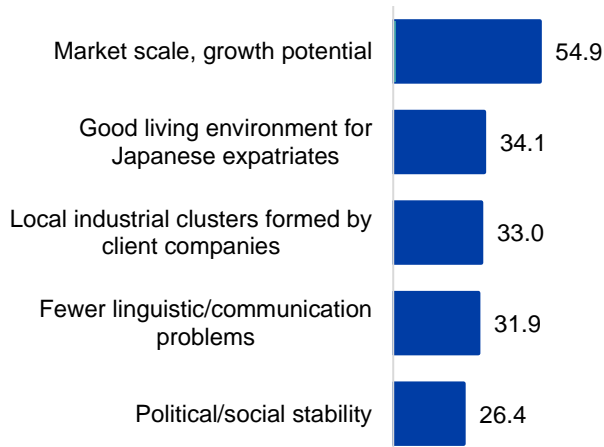
### Myanmar(83)



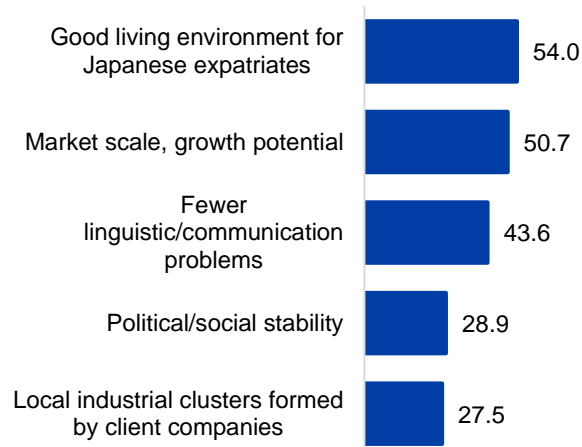
### Laos(35)



### South Korea(91)



### Taiwan(211)



(Note 1) The number of valid responses is shown in parentheses following country/region name.

(Note 2) China and Hong Kong and Macau are not included in the survey.

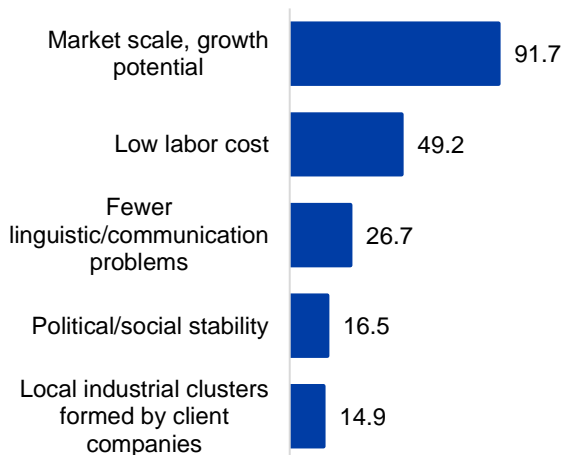


# 3 | Top 5 advantages: Southwest Asia & Oceania

Top 5 advantages of the investment environment (multiple responses)

(%)

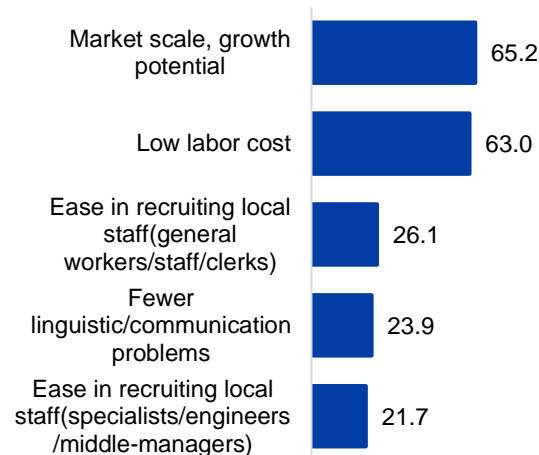
## India(303)



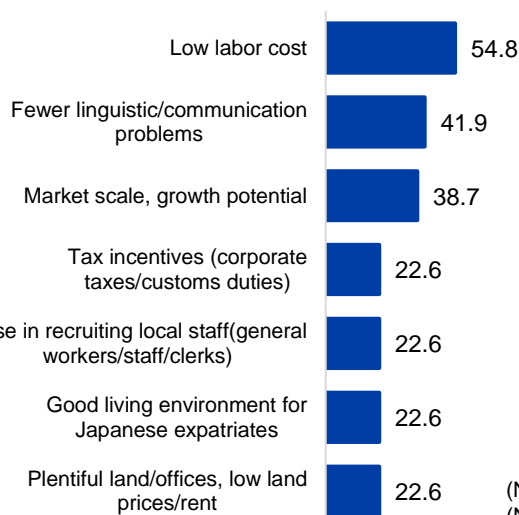
## Bangladesh(75)



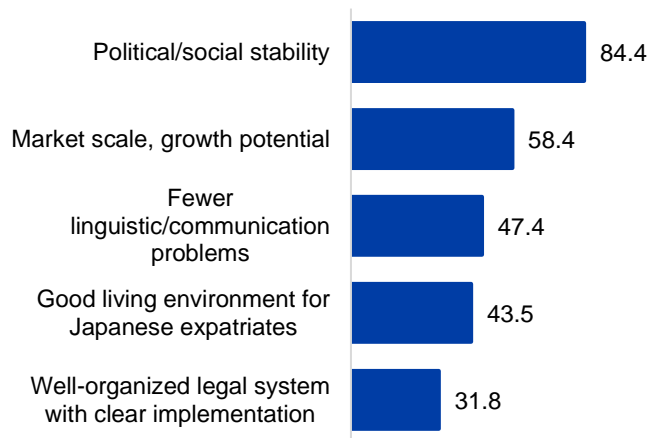
## Pakistan(46)



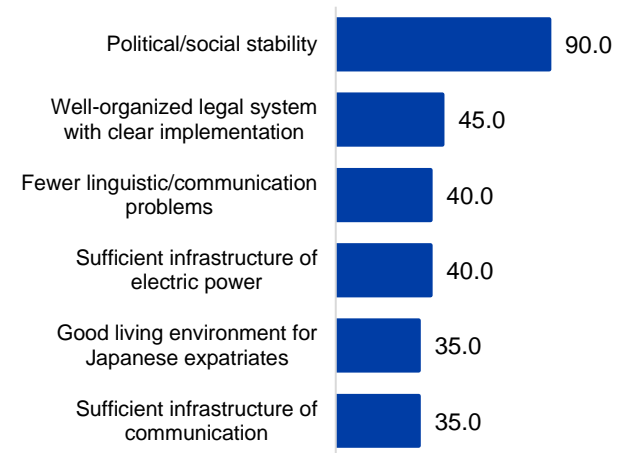
## Sri Lanka(31)



## Australia(154)



## New Zealand(40)

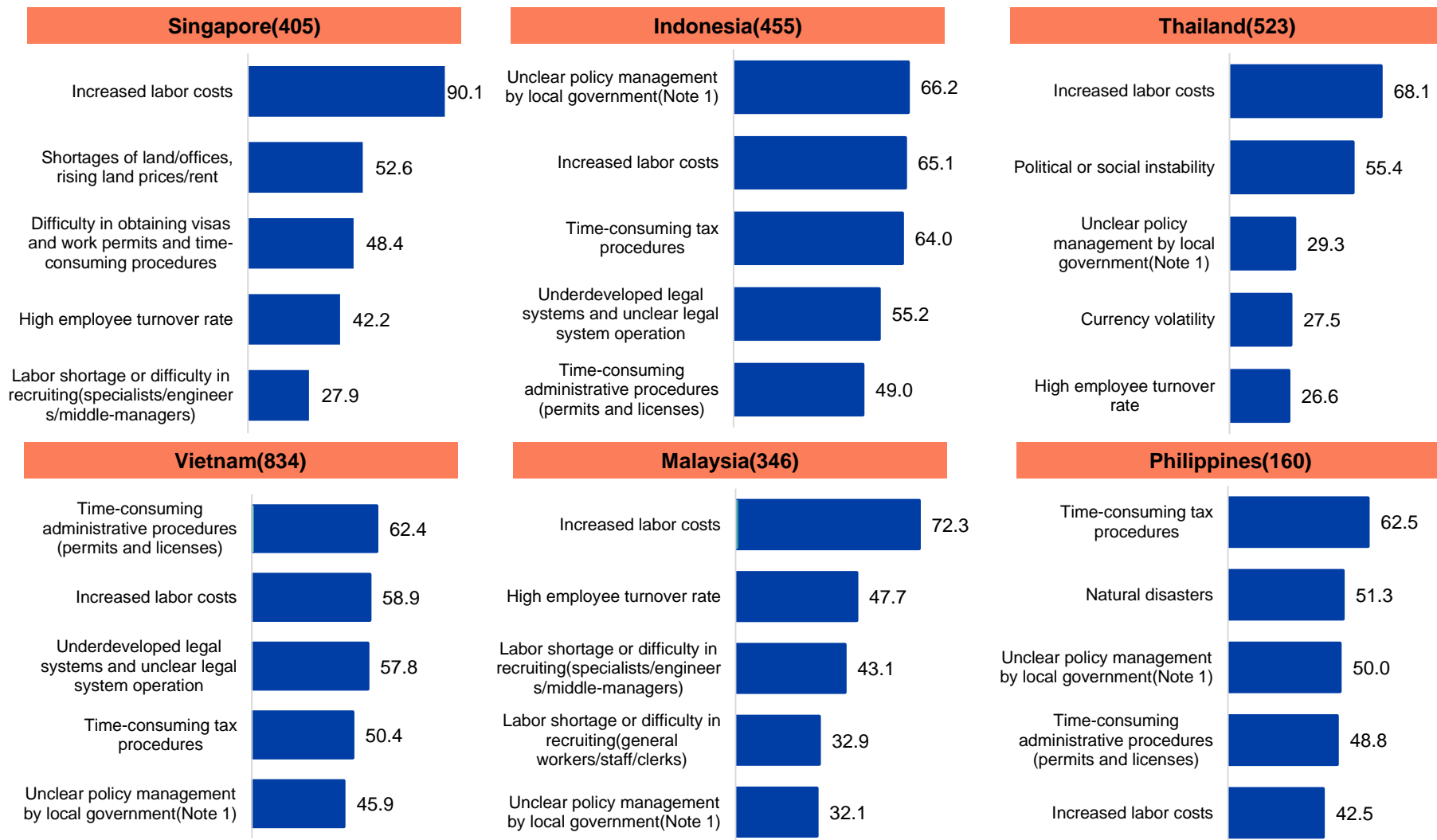


(Note 1) The number of valid responses is shown in parentheses following country/region name.  
 (Note 2) China and Hong Kong and Macau are not included in the survey.

# 4 | Top 5 risks: ASEAN (1)

## Top 5 risks in the investment environment (multiple responses)

(%)



(Note 1) Policy management refers to industrial policy, energy policy, foreign investment regulations, etc.

(Note 2) The number of valid responses is shown in parentheses following country/region name.

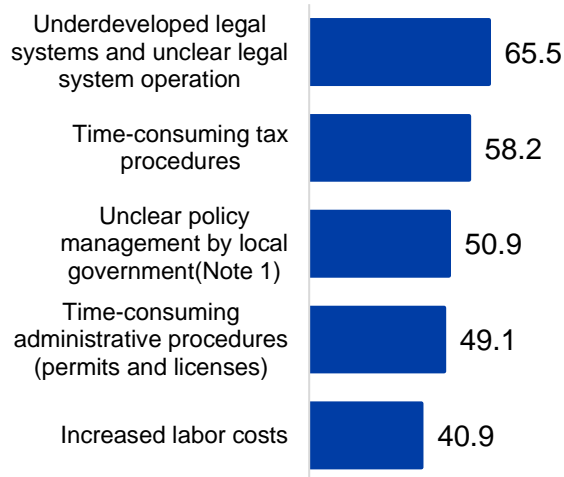
(Note 3) China, Hong Kong and Macau are not included in the survey.

# 5 | Top 5 risks: ASEAN (2), South Korea, Taiwan

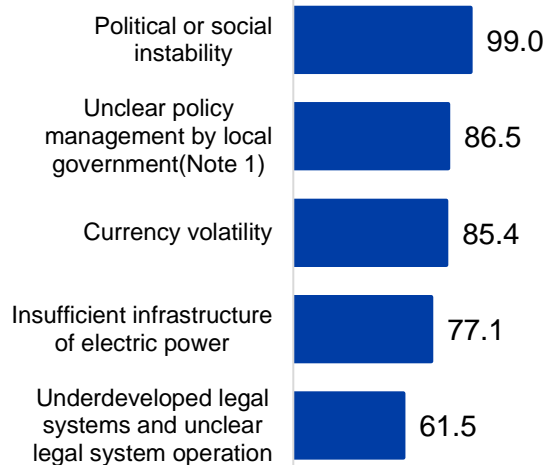
## Top 5 risks in the investment environment (multiple responses)

(%)

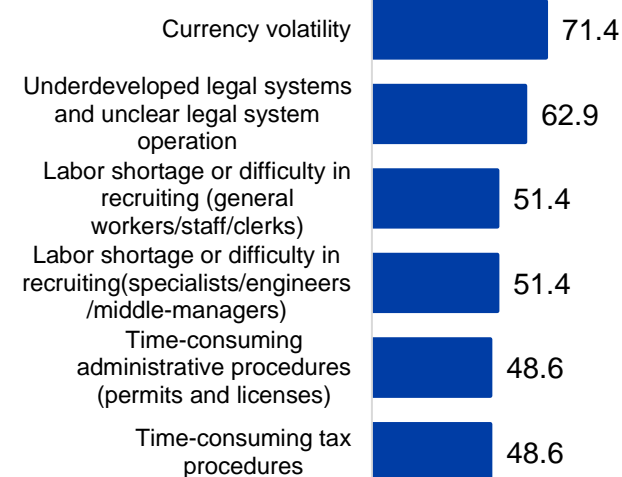
### Cambodia(110)



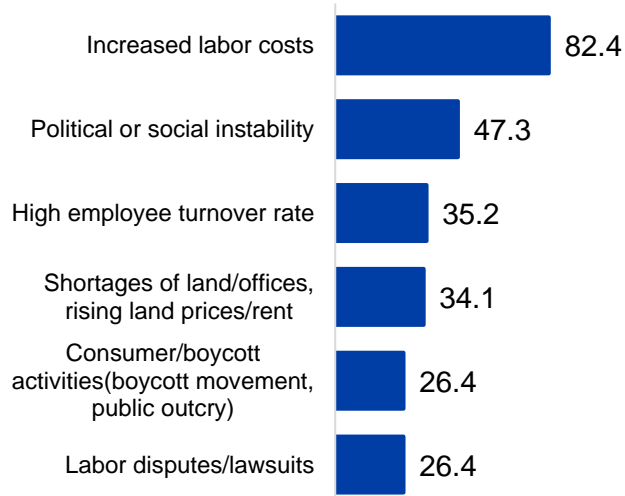
### Myanmar(96)



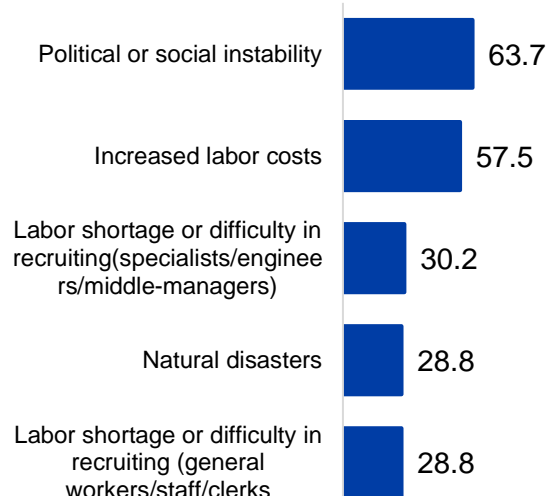
### Laos(35)



### South Korea(91)



### Taiwan(212)

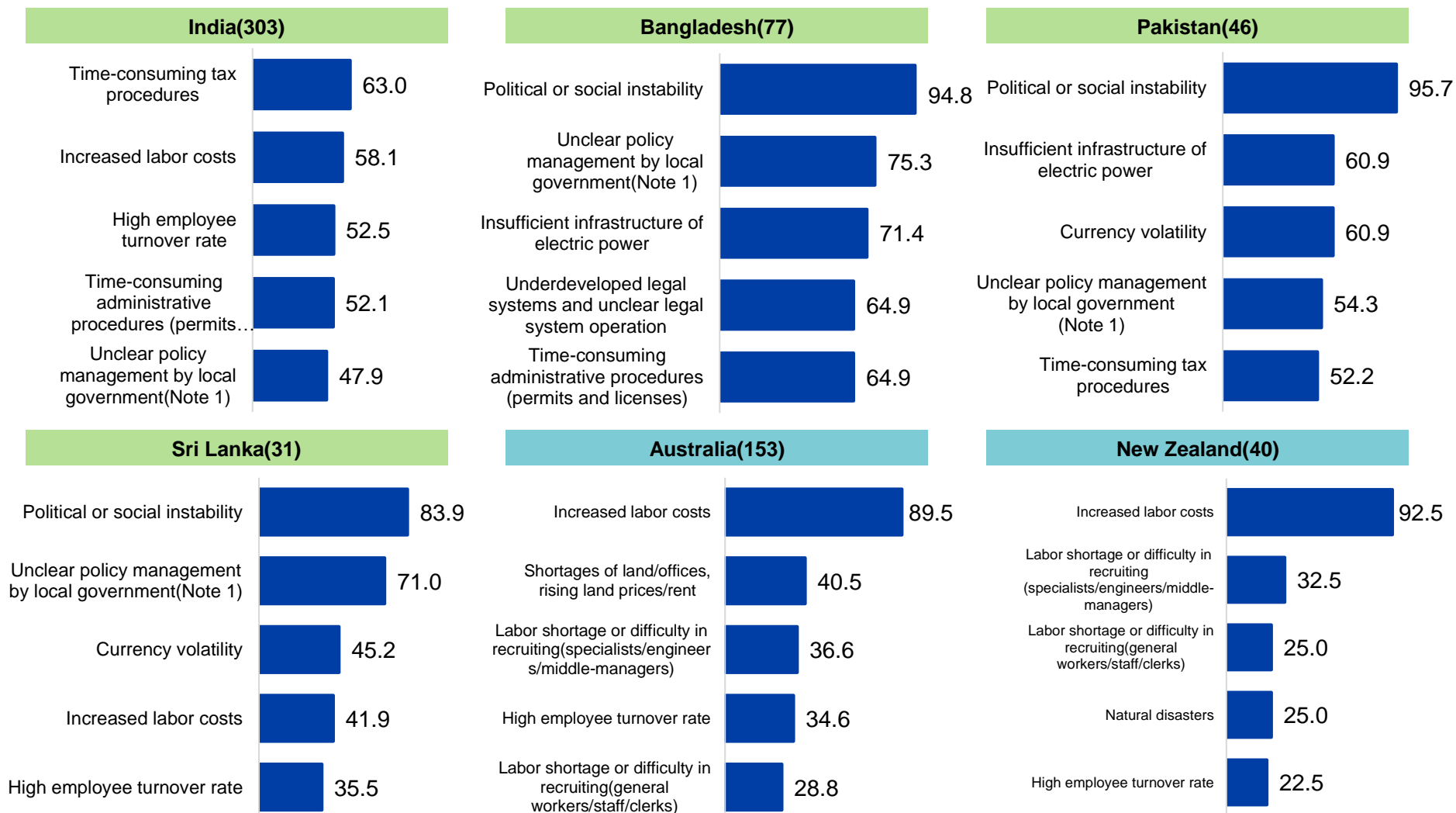


(Note 1) Policy management refers to industrial policy, energy policy, foreign investment regulations, etc.  
 (Note 2) The number of valid responses is shown in parentheses following country/region name.  
 (Note 3) China and Hong Kong and Macau are not included in the survey.

# 6 | Top 5 risks: Southwest Asia & Oceania

## Top 5 risks in the investment environment (multiple responses)

(%)



(Note 1) Policy management refers to industrial policy, energy policy, foreign investment regulations, etc.

(Note 2) The number of valid responses is shown in parentheses following country/region name.

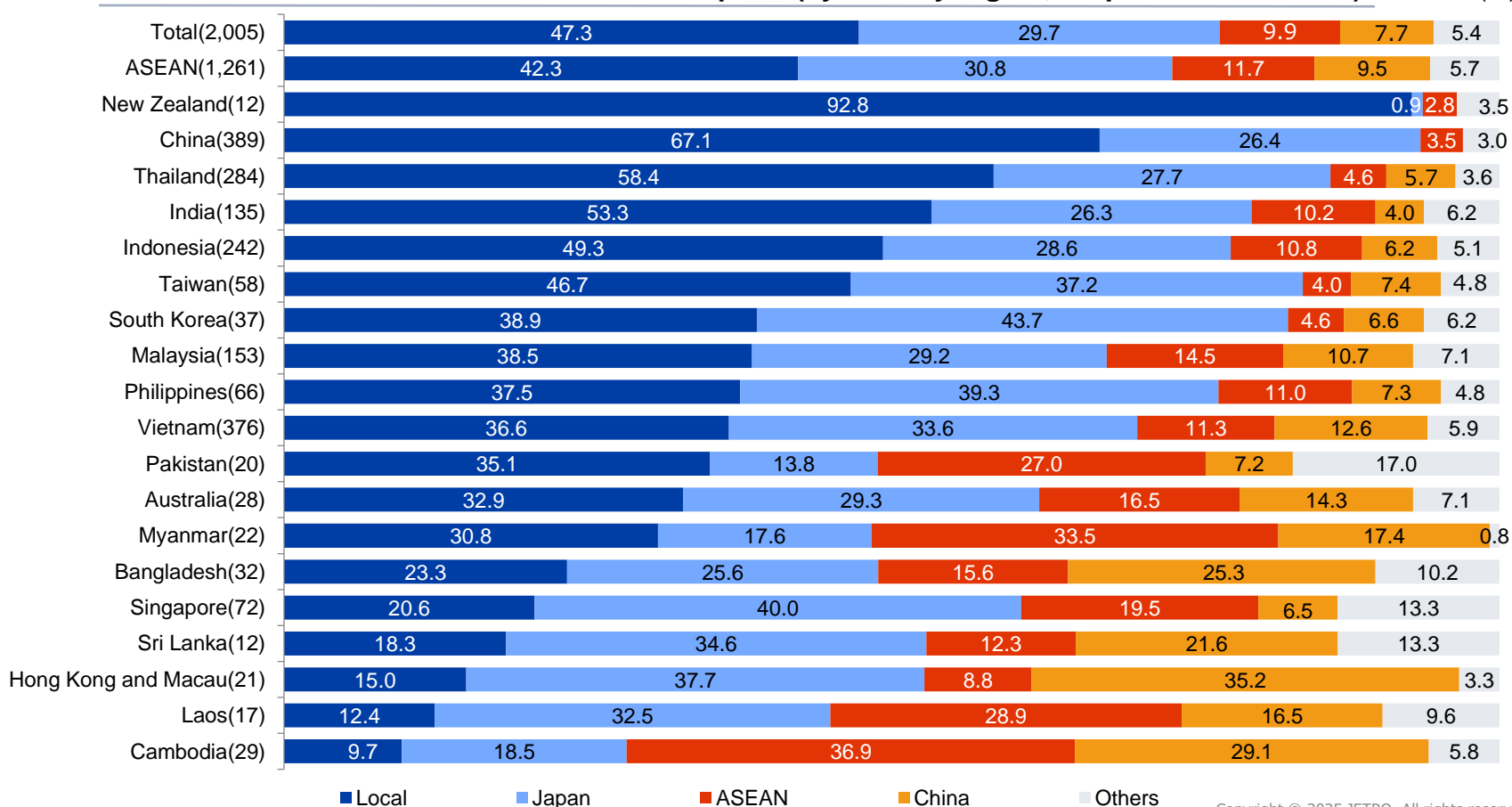
(Note 3) China, Hong Kong and Macau are not included in the survey.

# 1 | Local procurement rate exceeds 50% in China, Thailand, India, etc.

- The local procurement rate was 47.3%. Notably, it exceeded 50% in China, Thailand and India, etc. Japan was the second largest procurement source for many countries and regions, with a relatively high rate at around 40% for South Korea, Singapore and Philippines.
- The percentage of companies with a local procurement rate of 80% or higher was 51.2% in China, and this rate also exceeded the 30% mark in Thailand (37.7%), India (34.1%), and Indonesia (30.6%).

**Procurement sources for raw materials and parts (by country/region, responses total 100%)**

(%)

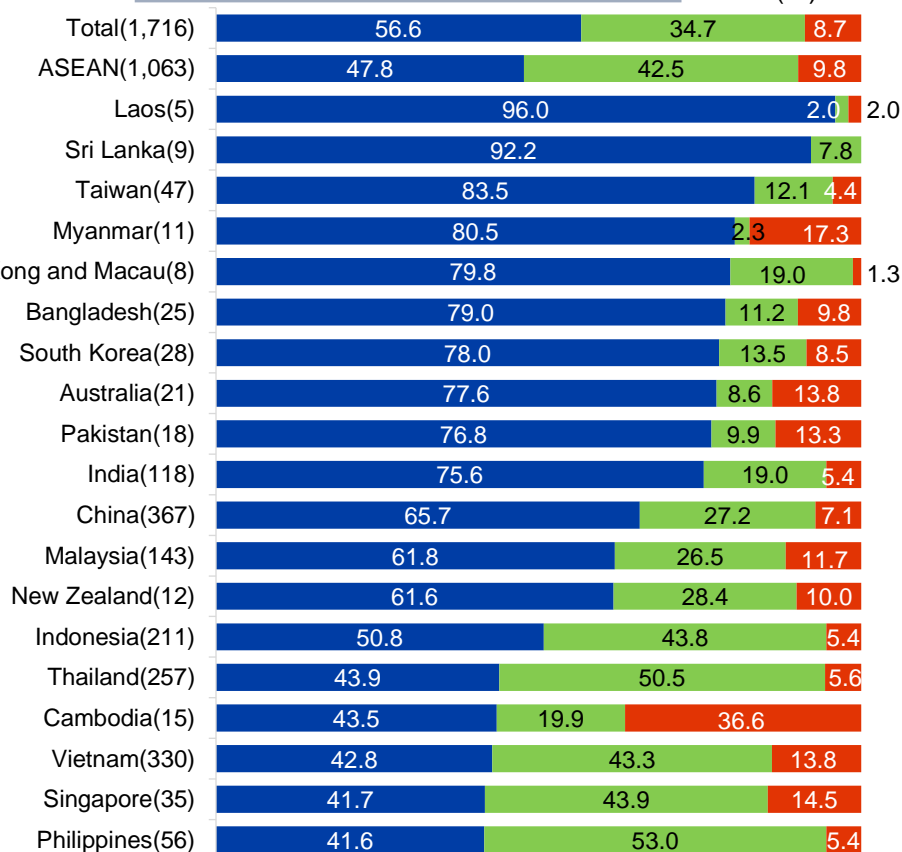


## 2 | More than 50% of companies procure locally, while procurement from Japanese-affiliated companies remains high in ASEAN

- In the breakdown of local suppliers, local companies accounted for 56.6%, a slight increase from the FY2023 survey. Supplies from Japanese-affiliated companies in ASEAN decreased by 1.4 points (34.7%), whereas local companies' supply increased by 4.6 points.
- In many countries and regions, local companies were the main suppliers. However, in Thailand and Philippines, Japanese-affiliated companies accounted for the largest share, also exceeding 40% in Singapore, Indonesia, and Vietnam.

**Breakdown of local suppliers in 2024 (by country/region)**

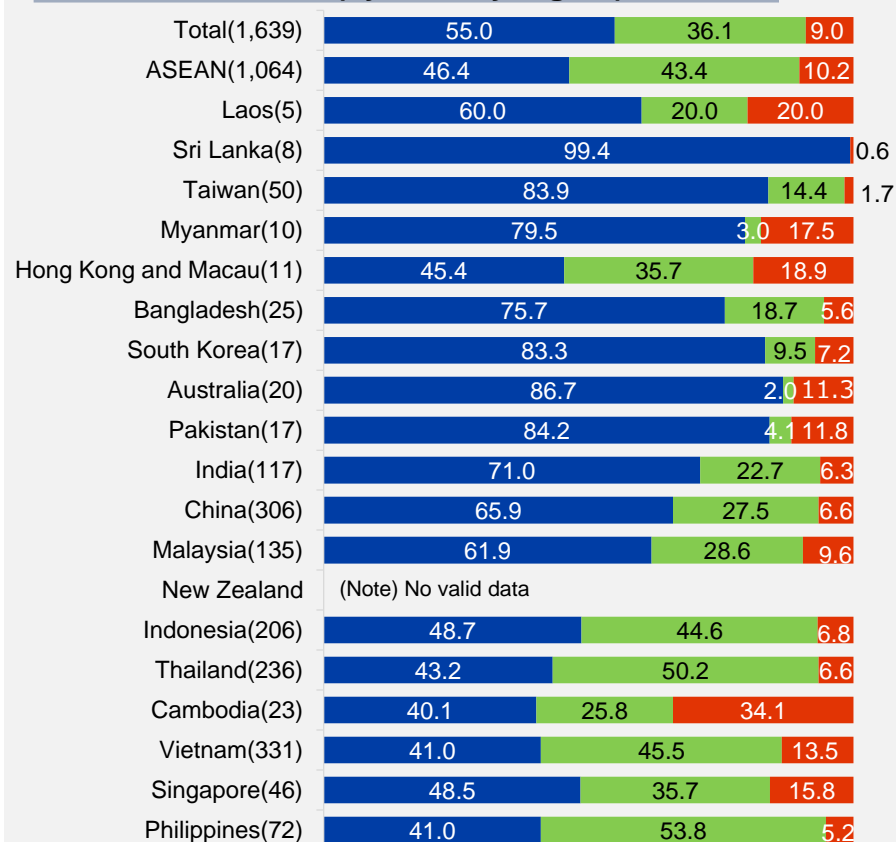
(%)



■ Local companies  
 ■ Japanese-affiliated companies (Located locally)  
 ■ Other foreign-affiliated companies

**(Reference) Breakdown of local suppliers in 2023 (by country/region)**

(%)



■ Local companies  
 ■ Japanese-affiliated companies (Located locally)  
 ■ Other foreign-affiliated companies

(Note) Countries/regions with at least 5 valid responses.

### 3 | Inflation-induced cost increases had the greatest impact on procurement policy over the last 5 years

- The most significant factor affecting the companies' procurement policy over the last 5 years (2019-2024) was "rising raw materials and components prices due to global inflation" at 76.1%, followed by "rising logistics costs due to global inflation" and "supply chain disruption due to COVID-19."

**Factors influencing procurement policy in the last 5 years (by country/region)**

(%)

|                         | Rising raw materials and components prices due to global inflation | Rising logistics costs due to global inflation | Supply chain disruption due to COVID-19 | Impact of US-China trade conflict | Local government policies to promote domestic production | Growing environment-friendly momentum such as decarbonization | Growing momentum in response to human rights issues in the supply chain | Others |
|-------------------------|--|--|---|-----------------------------------|--|---|---|--------|
| Total (1,998)           | 76.1   | 55.9   | 41.0                                    | 26.2                              | 13.8   | 12.6  | 4.1   | 6.3    |
| ASEAN(1,246)            | 78.5   | 60.1   | 41.5                                    | 25.0                              | 10.3   | 11.8  | 5.2   | 5.3    |
| Vietnam(363)            | 74.4   | 55.6   | 43.3                                    | 30.0                              | 3.6  | 11.3  | 5.0   | 5.0    |
| Thailand(282)           | 85.5   | 61.0   | 35.8                                    | 20.9                              | 3.9  | 9.6   | 3.5   | 4.6    |
| Indonesia(231)          | 78.4   | 58.0   | 32.9                                    | 19.0                              | 34.2   | 9.1   | 3.5   | 3.9    |
| Singapore(76)           | 76.3   | 67.1   | 53.9                                    | 26.3                              | 9.2  | 17.1  | 6.6   | 6.6    |
| Malaysia(166)           | 81.9   | 63.3   | 53.0                                    | 35.5                              | 7.8  | 18.1  | 9.6   | 4.8    |
| Philippines(66)         | 81.8   | 72.7   | 45.5                                    | 21.2                              | 7.6  | 16.7  | 3.0   | 3.0    |
| Cambodia(26)            | 69.2   | 61.5   | 53.8                                    | 15.4                              | 0.0  | 7.7   | 3.8   | 11.5   |
| Myanmar(21)             | 52.4   | 57.1   | 19.0                                    | 9.5                               | 0.0  | 0.0   | 23.8  | 38.1   |
| Laos(15)                | 60.0   | 60.0   | 40.0                                    | 6.7                               | 0.0  | 13.3  | 0.0   | 0.0    |
| India(134)              | 76.9   | 59.7   | 38.8                                    | 20.9                              | 37.3   | 9.7   | 4.5   | 4.5    |
| Bangladesh(30)          | 73.3   | 66.7   | 43.3                                    | 30.0                              | 0.0  | 3.3   | 6.7   | 16.7   |
| Pakistan(21)            | 71.4   | 66.7   | 38.1                                    | 14.3                              | 33.3   | 9.5   | 0.0   | 9.5    |
| Sri Lanka(12)           | 75.0   | 75.0   | 33.3                                    | 8.3                               | 0.0  | 25.0  | 8.3   | 8.3    |
| Australia(28)           | 71.4   | 64.3   | 60.7                                    | 7.1                               | 7.1  | 28.6  | 17.9  | 0.0    |
| New Zealand(14)         | 92.9   | 85.7   | 42.9                                    | 7.1                               | 0.0  | 28.6  | 7.1   | 0.0    |
| China(389)              | 69.2   | 37.3   | 40.9                                    | 33.7                              | 20.3   | 14.4  | -   | 8.7    |
| Taiwan(60)              | 76.7   | 56.7   | 31.7                                    | 23.3                              | 1.7  | 20.0  | 0.0   | 6.7    |
| Hong Kong and Macau(24) | 66.7   | 54.2   | 33.3                                    | 45.8                              | 16.7   | 12.5  | -   | 12.5   |
| South Korea(40)         | 72.5   | 55.0   | 40.0                                    | 27.5                              | 10.0   | 7.5   | 2.5   | 10.0   |

(Note 1) The option "Growing momentum in response to human rights issues in the supply chain" is not applicable in China, Hong Kong and Macau.

(Note 2) Values 5 points or more higher than the total number are shown in light orange, and values 10 points or more higher than the total number are shown in orange.

# 4 | COVID-19 and the US-China trade conflict impacted electrical/electronic-related industries' procurement policy

- In the electrical machinery/electronic device and its parts industries, responses for “supply chain disruptions due to COVID-19” and the “impact of US-China trade conflict” rose over 10 points. For the precision machinery, medical equipment and transportation equipment industries, the percentage of responses for “local government policies to promote domestic production” was higher than for other industries.

**Factors influencing procurement policy in the last 5 years (manufacturing, by industry)**

(%)

|   | Rising raw materials/components prices due to global inflation | Rising logistics costs due to global inflation | Supply chain disruption due to the COVID-19 | Impact of US-China trade conflict | Local government policies to promote domestic production | Growing momentum for environment-friendly/decarbonization | Growing momentum for human rights in supply chain | Others |
|---|--|--|---|-----------------------------------|--|---|---|--------|
| Total(1,998)  | 76.1   | 55.9   | 41.0  | 26.2                              | 13.8   | 12.6  | 4.1   | 6.3    |
| Food(133)   | 80.5   | 51.9   | 39.1  | 12.0                              | 5.3  | 11.3  | 6.0   | 9.8    |
| Textiles/Textile apparel(107)                           | 70.1   | 67.3   | 36.4  | 18.7                              | 7.5  | 11.2  | 10.3  | 6.5    |
| Paper/Wood products/Printing(73)                        | 78.1   | 67.1   | 53.4  | 20.5                              | 6.8  | 11.0  | 4.1   | 8.2    |
| Chemicals/Medicine(170)                                 | 73.5   | 68.8   | 45.9  | 20.6                              | 11.2   | 17.6  | 3.5   | 5.9    |
| Plastic products(137)                                   | 73.7   | 52.6   | 35.8  | 25.5                              | 8.8  | 7.3   | 1.5   | 5.8    |
| Rubber/Ceramic/Stone and clay products(89)              | 82.0   | 59.6   | 48.3  | 25.8                              | 13.5   | 16.9  | 6.7   | 7.9    |
| Iron/Nonferrous metals/Metals(267)                      | 73.8   | 50.6   | 30.3  | 30.0                              | 18.0   | 9.0   | 2.6   | 5.2    |
| General machinery(165)                                  | 76.4   | 50.3   | 37.6  | 25.5                              | 13.9   | 8.5   | 1.2   | 9.1    |
| Electrical machinery/Electronic devices(137)            | 79.6   | 59.1   | 57.7  | 43.8                              | 15.3   | 16.1  | 7.3   | 2.9    |
| Electrical machinery parts/Electronic device parts(178) | 78.1   | 56.7   | 47.2  | 44.4                              | 6.2  | 12.9  | 5.6   | 3.9    |
| Precision machinery/Medical equipment(58)               | 72.4   | 60.3   | 58.6  | 34.5                              | 31.0   | 12.1  | 6.9   | 6.9    |
| Transportation equipment(56)                            | 64.3   | 42.9   | 46.4  | 17.9                              | 23.2   | 16.1  | 3.6   | 12.5   |
| Transportation equipment parts(286)                     | 80.1   | 50.0   | 35.0  | 18.9                              | 20.3   | 14.3  | 1.7   | 5.2    |
| Other manufacturing(142)                                | 73.2   | 57.7   | 37.3  | 23.9                              | 14.1   | 15.5  | 3.5   | 5.6    |

(Note 1) The option "Growing momentum for human rights in the supply chain" is not applicable in China, Hong Kong and Macau.

(Note 2) Values 5 points or more higher than the total number are shown in light orange, and values 10 points or more higher than the total in orange.



# 5 | More than 70% of companies developed new suppliers over the last 5 years

- As for procurement actions taken over the last 5 years (2019-2024), the highest percentage of companies indicated that they had development of potential suppliers, followed by an “increased volume of local procurement” and “dispersion of suppliers.”
- More than 60% of companies in China and India, and over 50% in Vietnam, indicated an “increased volume of local procurement.” In countries and regions with low local procurement rates, “dispersion of procurement sources (country/region wise)” tended to be high.

Procurement actions taken in the last 5 years (by country/region)

(%)

|                         | Development of potential suppliers | Increase volume of local procurement | Dispersion of suppliers | Strengthen in-house production | Dispersion of procurement source country/region | Change in procurement strategy to be more conscious of environment and decarbonization | Change in procurement strategy with awareness of human rights in the supply chain | Others |
|-------------------------|------------------------------------|--------------------------------------|-------------------------|--------------------------------|---|--|---|--------|
| Total (1,924)           | 71.5                               | 46.7                                 | 31.1                    | 24.8                           | 19.2  | 10.8   | 4.4   | 4.3    |
| ASEAN(1,199)            | 73.6                               | 43.7                                 | 31.8                    | 23.4                           | 22.0  | 10.5   | 5.5   | 4.2    |
| Vietnam(359)            | 77.7                               | 51.3                                 | 30.9                    | 26.7                           | 22.0  | 8.4  | 4.5   | 3.9    |
| Thailand(270)           | 72.6                               | 42.6                                 | 26.7                    | 26.7                           | 14.4  | 8.9  | 4.4   | 3.3    |
| Indonesia(226)          | 73.0                               | 48.7                                 | 30.5                    | 24.8                           | 16.8  | 7.5  | 4.4   | 2.7    |
| Singapore(69)           | 58.0                               | 18.8                                 | 42.0                    | 14.5                           | 37.7  | 15.9   | 5.8   | 13.0   |
| Malaysia(152)           | 75.7                               | 39.5                                 | 40.1                    | 21.1                           | 29.6  | 18.4   | 10.5  | 3.9    |
| Philippines(62)         | 75.8                               | 46.8                                 | 35.5                    | 12.9                           | 27.4  | 19.4   | 8.1   | 3.2    |
| Cambodia(26)            | 73.1                               | 34.6                                 | 42.3                    | 15.4                           | 38.5  | 7.7  | 0.0   | 3.8    |
| Myanmar(19)             | 57.9                               | 15.8                                 | 15.8                    | 0.0                            | 21.1  | 0.0  | 10.5  | 15.8   |
| Laos(16)                | 62.5                               | 6.3                                  | 18.8                    | 18.8                           | 37.5  | 12.5   | 6.3   | 0.0    |
| India(130)              | 78.5                               | 63.8                                 | 34.6                    | 31.5                           | 13.1  | 10.8   | 5.4   | 2.3    |
| Bangladesh(29)          | 65.5                               | 24.1                                 | 27.6                    | 17.2                           | 34.5  | 10.3   | 3.4   | 3.4    |
| Pakistan(21)            | 57.1                               | 52.4                                 | 19.0                    | 42.9                           | 14.3  | 9.5  | 0.0   | 9.5    |
| Sri Lanka(10)           | 80.0                               | 0.0                                  | 40.0                    | 30.0                           | 20.0  | 20.0   | 0.0   | 0.0    |
| Australia(28)           | 67.9                               | 14.3                                 | 39.3                    | 21.4                           | 32.1  | 25.0   | 17.9  | 3.6    |
| New Zealand(12)         | 41.7                               | 25.0                                 | 25.0                    | 33.3                           | 8.3   | 25.0   | 8.3   | 8.3    |
| China(381)              | 70.1                               | 60.1                                 | 27.0                    | 27.3                           | 7.1   | 9.2  | -   | 4.7    |
| Taiwan(56)              | 58.9                               | 37.5                                 | 35.7                    | 19.6                           | 32.1  | 17.9   | 5.4   | 3.6    |
| Hong Kong and Macau(21) | 47.6                               | 33.3                                 | 23.8                    | 19.0                           | 38.1  | 9.5  | -   | 9.5    |
| South Korea(37)         | 48.6                               | 27.0                                 | 37.8                    | 24.3                           | 27.0  | 8.1  | 2.7   | 5.4    |

(Note 1) The option "Change in procurement strategy with awareness of human rights in the supply chain" is not applicable in China, Hong Kong and Macau.

(Note 2) Values 5 points or more higher than the total number are shown in light orange, and values 10 points or more higher than the total number are shown in orange.

# 6 | Majority of companies in transportation equipment and components increased local procurement

- Companies in the transportation equipment and its parts industries increased the volume of local procurement and strengthened in-house production over the last 5 years.
- In the chemicals/medicine industry, an “increase volume of local procurement” and a “dispersion of procurement source country/region” received similar percentages of responses. In electrical machinery parts/electronic device parts industries, an “increase volume of local procurement”, a “strengthen in-house production” and a “dispersion of procurement source (country/region)” were also promoted.

## Procurement actions taken in the last 5 years (manufacturing, by industry)

(%)

|   | Development of potential suppliers | Increase volume of local procurement | Dispersion of suppliers | Strengthen in-house production | Dispersion of procurement source country/region | Change in procurement strategy to be more conscious of environment and decarbonization | Change in procurement strategy with awareness of human rights in supply chain | Others |
|---|------------------------------------|--------------------------------------|-------------------------|--------------------------------|---|--|---|--------|
| Total(1,924)  | 71.5                               | 46.7                                 | 31.1                    | 24.8                           | 19.2  | 10.8   | 4.4   | 4.3    |
| Food(122)   | 73.8                               | 33.6                                 | 54.1                    | 20.5                           | 18.0  | 10.7   | 5.7   | 2.5    |
| Textiles/Textile apparel(106)                           | 67.0                               | 47.2                                 | 23.6                    | 10.4                           | 17.0  | 9.4  | 6.6   | 2.8    |
| Paper/Wood products/Printing(71)                        | 77.5                               | 38.0                                 | 36.6                    | 35.2                           | 16.9  | 12.7   | 5.6   | 1.4    |
| Chemicals/Medicine(161)                                 | 70.2                               | 35.4                                 | 41.0                    | 14.9                           | 34.2  | 14.9   | 5.6   | 5.6    |
| Plastic products(135)                                   | 69.6                               | 50.4                                 | 29.6                    | 14.1                           | 11.9  | 4.4  | 0.7   | 4.4    |
| Rubber/Ceramic/Stone and clay products(84)              | 76.2                               | 47.6                                 | 28.6                    | 16.7                           | 27.4  | 19.0   | 6.0   | 1.2    |
| Iron/Nonferrous metals/Metals(253)                      | 70.4                               | 44.3                                 | 26.5                    | 23.7                           | 18.2  | 8.3  | 2.0   | 2.8    |
| General machinery(160)                                  | 70.6                               | 54.4                                 | 34.4                    | 40.0                           | 15.6  | 6.3  | 3.1   | 5.6    |
| Electrical machinery/Electronic devices(135)            | 74.1                               | 47.4                                 | 28.1                    | 31.1                           | 28.9  | 14.1   | 6.7   | 7.4    |
| Electrical machinery parts/Electronic device parts(167) | 68.9                               | 46.1                                 | 35.3                    | 19.8                           | 21.0  | 13.8   | 7.2   | 4.8    |
| Precision machinery/Medical equipment(56)               | 66.1                               | 50.0                                 | 30.4                    | 37.5                           | 21.4  | 5.4  | 5.4   | 5.4    |
| Transportation equipment(57)                            | 61.4                               | 63.2                                 | 21.1                    | 26.3                           | 15.8  | 12.3   | 7.0   | 5.3    |
| Transportation equipment parts(277)                     | 75.1                               | 53.1                                 | 22.4                    | 31.4                           | 11.2  | 9.0  | 2.2   | 5.1    |
| Other manufacturing(140)                                | 72.9                               | 46.4                                 | 29.3                    | 26.4                           | 18.6  | 15.0   | 5.0   | 3.6    |

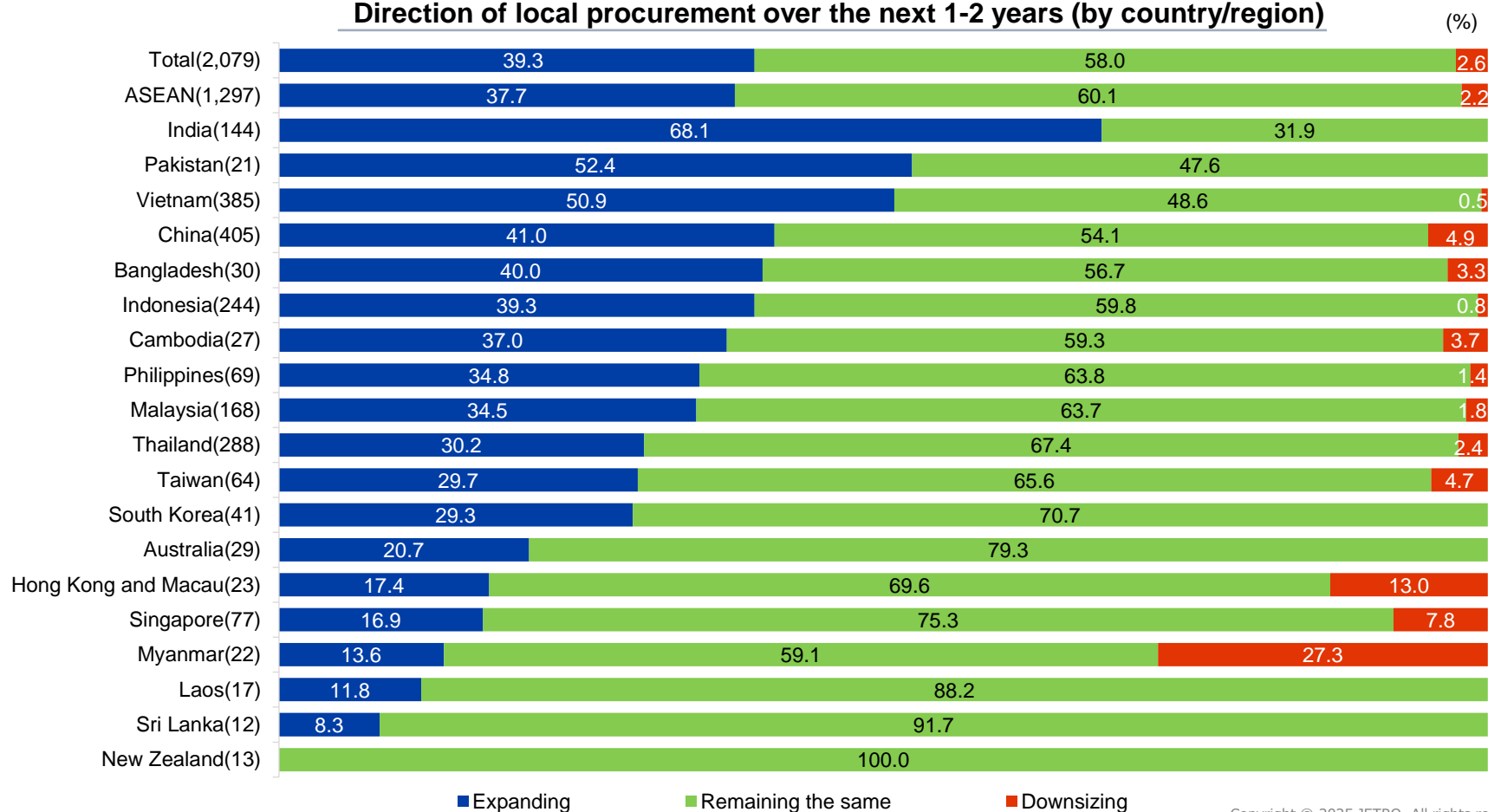
(Note 1) The option "Change procurement policy with awareness of human rights in the supply chain" is not applicable in China, Hong Kong and Macau.

(Note 2) Values 5 points or more higher than the total number are shown in light orange, and values 10 points or more higher than the total number are shown in orange.

# 7 | Forecasts for local procurement remained the same, while for intention to expand increased to almost 40%

- As for the direction of local procurement in the next 1 to 2 years, almost 60% of companies answered they would remain the same, whereas 39.3% expressed their intention to expand, a significant increase from the FY2023 survey (30.3%). In India, Vietnam and other countries, intention to expand exceeded 50%.
- The percentage of companies intending expanding was 50% or more in China, Thailand, Taiwan, and India, whereas it fell below 50% in Vietnam, Philippines and Malaysia.

Direction of local procurement over the next 1-2 years (by country/region)



# 8 | Insufficient quality and technology of local suppliers is the biggest issue

- 54.1% of companies answered, “absence of suppliers that meet quality and technical capabilities requirements” as the main issue for local procurement, followed by “no suppliers that can supply necessary raw materials” (49.1%).
- In India, the most common response was “absence of suppliers that meet the quality and technical capabilities requirement.” Moreover, “no supplier that can supply necessary raw materials” was relatively high in least developed countries, etc.

## Issues in local procurement (by country/region)

|                 | Absence of suppliers that meet the quality and technical capabilities requirement | No supplier that can supply necessary raw materials | No supplier that can supply necessary parts | Sources of raw materials/parts are specified by headquarters or customers. | Less cost competitiveness (imported materials are cheaper) | Absence of suppliers that can accept small lot orders | Struggling with collecting information on potential suppliers | Management or financial problems of local suppliers | Lack of opportunities such as exhibitions, business matching events | Others | (%) |
|-----------------|---|---|---|--|--|---|---|---|---|--------|-----|
| Total(1,495)    | 54.1  | 49.1  | 29.9  | 26.4   | 25.5   | 19.3  | 18.9  | 11.0  | 7.0   | 2.7    |     |
| ASEAN(1,253)    | 52.2  | 51.2  | 29.2  | 26.9   | 25.7   | 19.4  | 19.6  | 9.9   | 7.3   | 2.4    |     |
| Thailand(279)   | 45.5  | 40.1  | 21.5  | 25.8   | 24.0   | 20.4  | 18.3  | 9.0   | 3.6   | 1.4    |     |
| Indonesia(228)  | 58.3  | 56.1  | 27.6  | 22.8   | 30.3   | 19.3  | 19.7  | 13.2  | 7.9   | 3.9    |     |
| Malaysia(167)   | 50.9  | 53.3  | 25.1  | 28.1   | 25.7   | 14.4  | 17.4  | 11.4  | 4.2   | 1.8    |     |
| Philippines(65) | 49.2  | 43.1  | 44.6  | 35.4   | 33.8   | 24.6  | 26.2  | 4.6   | 13.8  | 4.6    |     |
| Vietnam(373)    | 60.9  | 55.0  | 31.1  | 31.1   | 22.0   | 23.9  | 20.9  | 10.5  | 9.7   | 2.1    |     |
| Singapore(75)   | 20.0  | 36.0  | 24.0  | 17.3   | 32.0   | 8.0   | 6.7   | 0.0   | 1.3   | 1.3    |     |
| Myanmar(22)     | 59.1  | 72.7  | 45.5  | 27.3   | 22.7   | 9.1   | 31.8  | 13.6  | 9.1   | 9.1    |     |
| Laos(17)        | 47.1  | 82.4  | 52.9  | 11.8   | 29.4   | 5.9   | 17.6  | 11.8  | 5.9   | 0.0    |     |
| Cambodia(27)    | 51.9  | 81.5  | 70.4  | 22.2   | 18.5   | 14.8  | 37.0  | 11.1  | 25.9  | 0.0    |     |
| India(140)      | 76.4  | 30.7  | 29.3  | 26.4   | 16.4   | 21.4  | 20.0  | 18.6  | 4.3   | 2.1    |     |
| Pakistan(21)    | 66.7  | 66.7  | 19.0  | 28.6   | 38.1   | 19.0  | 0.0   | 33.3  | 4.8   | 4.8    |     |
| Bangladesh(29)  | 79.3  | 65.5  | 55.2  | 17.2   | 48.3   | 17.2  | 17.2  | 20.7  | 10.3  | 6.9    |     |
| Sri Lanka(12)   | 50.0  | 75.0  | 58.3  | 33.3   | 16.7   | 8.3   | 25.0  | 0.0   | 8.3   | 8.3    |     |
| New Zealand(14) | 14.3  | 28.6  | 28.6  | 21.4   | 28.6   | 7.1   | 0.0   | 7.1   | 0.0   | 21.4   |     |
| Australia(26)   | 11.5  | 15.4  | 34.6  | 7.7  | 30.8   | 15.4  | 3.8   | 0.0   | 7.7   | 3.8    |     |

(Note 1) The Northeast Asia region is not included in the question.

(Note 2) Values 5 points or more higher than the total number are shown in light orange, and values 10 points or more higher than the total number are shown in orange.

## 9 | Over 70% in general machinery and transportation equipment industries indicated the lack of quality and technology of local suppliers

- Over 70% of companies in the general machinery and transportation equipment industries cited “lack of local suppliers that meet quality and technical capabilities standards,” while over 60% of companies in the textiles and apparel industries mentioned the same issue.
- “Absence of necessary raw materials suppliers” responses were high at around 60% in the textile and apparel, chemicals and medicine, electrical and electronic equipment components industries. More than 50% of companies in the transportation equipment industry answered, “absence of necessary parts suppliers.”

### Issues in local procurement (manufacturing, by industry)

(%)

|   | Absence of suppliers that meet the quality and technical capabilities requirement | No supplier that can supply necessary raw materials | No supplier that can supply necessary parts | Sources of raw materials/parts are specified by headquarters or customers. | Less cost competitiveness (imported materials are cheaper) | Absence of suppliers that can accept small lot orders | Struggling with collecting information on potential suppliers | Management or financial problems of local suppliers | Lack of opportunities such as exhibitions, business matching events | Others |
|---|---|---|---|--|--|---|---|---|---|--------|
| Total(1,495)  | 54.1  | 49.1  | 29.9  | 26.4   | 25.5   | 19.3  | 18.9  | 11.0  | 7.0   | 2.7    |
| Food(87)  | 43.7  | 39.1  | 10.3  | 10.3   | 20.7   | 17.2  | 19.5  | 11.5  | 4.6   | 3.4    |
| Textiles/Textile apparel(91)                            | 62.6  | 64.8  | 38.5  | 24.2   | 28.6   | 33.0  | 18.7  | 11.0  | 12.1  | 5.5    |
| Paper/Wood products/Printing(63)                        | 57.1  | 34.9  | 17.5  | 12.7   | 22.2   | 15.9  | 30.2  | 9.5   | 17.5  | 7.9    |
| Chemicals/Medicine(114)                                 | 46.5  | 60.5  | 17.5  | 15.8   | 21.9   | 12.3  | 15.8  | 9.6   | 2.6   | 2.6    |
| Plastic products(107)                                   | 48.6  | 46.7  | 27.1  | 40.2   | 22.4   | 16.8  | 13.1  | 7.5   | 2.8   | 0.9    |
| Rubber/Ceramic/Stone and clay products(69)              | 56.5  | 53.6  | 30.4  | 36.2   | 23.2   | 15.9  | 26.1  | 8.7   | 8.7   | 1.4    |
| Iron/Nonferrous metals/Metals(211)                      | 52.1  | 47.9  | 17.1  | 19.4   | 23.7   | 21.3  | 19.0  | 7.1   | 5.7   | 2.8    |
| General machinery(125)                                  | 71.2  | 36.0  | 38.4  | 17.6   | 30.4   | 24.8  | 20.0  | 15.2  | 8.0   | 0.8    |
| Electrical machinery/Electronic devices(104)            | 50.0  | 36.5  | 39.4  | 32.7   | 32.7   | 19.2  | 15.4  | 11.5  | 4.8   | 1.9    |
| Electrical machinery parts/Electronic device parts(121) | 40.5  | 58.7  | 44.6  | 39.7   | 27.3   | 23.1  | 19.0  | 7.4   | 9.9   | 3.3    |
| Precision machinery/Medical equipment(42)               | 54.8  | 45.2  | 38.1  | 33.3   | 31.0   | 16.7  | 28.6  | 14.3  | 11.9  | 0.0    |
| Transportation equipment(43)                            | 74.4  | 48.8  | 51.2  | 20.9   | 30.2   | 18.6  | 0.0   | 25.6  | 2.3   | 2.3    |
| Transportation equipment parts(219)                     | 56.2  | 51.1  | 32.4  | 34.7   | 21.5   | 14.2  | 18.3  | 14.6  | 5.5   | 3.7    |
| Other manufacturing(99)                                 | 56.6  | 56.6  | 34.3  | 25.3   | 30.3   | 20.2  | 23.2  | 9.1   | 9.1   | 1.0    |

(Note 1) The Northeast Asia region is not included in the question.

(Note 2) Values 5 points or more higher than the total number are shown in light orange, and values 10 points or more higher than the total number are shown in orange.

# 10 | The transfer of production function was 15.6%, with the most of transfers to Vietnam

- 15.6% of companies transferred production functions from other countries and regions in the last 5 years (2019-2024). The largest number and percentage of companies transferred to Vietnam.
- A larger percentage of transfers were by companies in the transport equipment parts, iron/nonferrous metals/metals, electric machinery parts/electronic device parts, general machinery, and electric machinery/electronic devices industries.

The percentage of companies answered there was a transfer



The number of companies answered there was a transfer (Top 3 industries in each country/region)

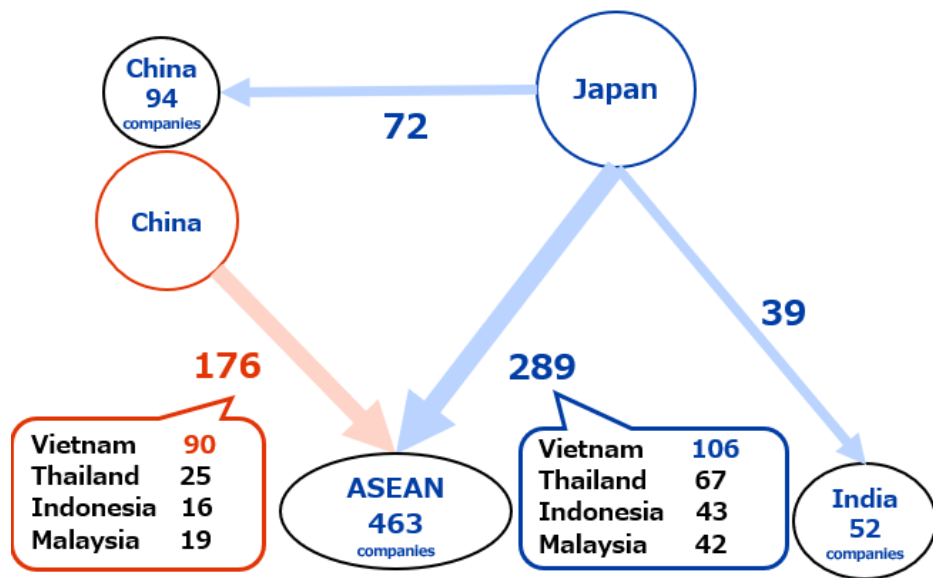
| Country (Total Companies)  | Industry   | Number of Companies |
|----------------------------|--|---------------------|
| <b>Vietnam (181)</b>       | Iron/Nonferrous metals/Metals                      | 32                  |
|                            | Electrical machinery parts/Electronic device parts | 19                  |
|                            | Plastic products                                   | 18                  |
| <b>Indonesia (68)</b>      | General machinery                                  | 12                  |
|                            | Transportation equipment parts                     | 11                  |
|                            | Iron/Nonferrous metals/Metals                      | 6                   |
| <b>Philippines (27)</b>    | Electrical machinery parts/Electronic device parts | 6                   |
|                            | Transportation equipment parts                     | 5                   |
|                            | Electrical machinery/Electronic devices            | 4                   |
| <b>China (99)</b>          | Transportation equipment parts                     | 14                  |
|                            | Electrical machinery parts/Electronic device parts | 13                  |
|                            | General machinery                                  | 12                  |
| <b>Malaysia (60)</b>       | Electrical machinery parts/Electronic device parts | 12                  |
|                            | Electrical machinery/Electronic devices            | 10                  |
|                            | Chemicals/Medicine                                 | 7                   |
| <b>Thailand (99)</b>       | Transportation equipment parts                     | 20                  |
|                            | Iron/Nonferrous metals/Metals                      | 17                  |
|                            | General machinery                                  | 9                   |
| <b>India (52)</b>          | Transportation equipment parts                     | 14                  |
|                            | General machinery                                  | 10                  |
|                            | Chemicals/Medicine                                 | 6                   |
| <b>Bangladesh (14)</b>     | Textiles/Textile apparel                           | 5                   |
|                            | Precision machinery/Medical equipment              | 4                   |
|                            | Rubber/Ceramic/Stone and clay products             | 3                   |
| <b>Cambodia (14)</b>       | Electrical machinery parts/Electronic device parts | 3                   |
|                            | Transportation equipment parts                     | 3                   |
|                            | Textiles/Textile apparel                           | 3                   |
| <b>Other Manufacturing</b> | Other manufacturing                                | 6                   |
|                            | Other manufacturing                                | 6                   |
|                            | Other manufacturing                                | 6                   |

(Note 1) The top 9 countries/regions in terms of the number of companies that responded "Yes, there is a transfer" are listed.  
 (Note 2) The number of valid responses is shown following country/region name.

# 11 | A significant number of production functions transferred from Japan and China to ASEAN

- There was a notable transfer of production from Japan and China to Vietnam, Thailand, Indonesia and other ASEAN countries. Most companies answered they had transferred on a “1-50%” scale, though in some cases they had transferred 100% of their production.
- Many companies answered “cost competitiveness improvement” as the common reason for transferring production. Reasons for transferring production to ASEAN included “personnel shortage in Japan,” “avoiding China risks” and “increase in local demand”. Reasons for transferring production to China in some industries included “responding to increasing demand” and “promoting domestic production in response to customer demand.”

## Major sources and destinations of transfers (657 companies, multiple responses)



## Reasons for the transfer

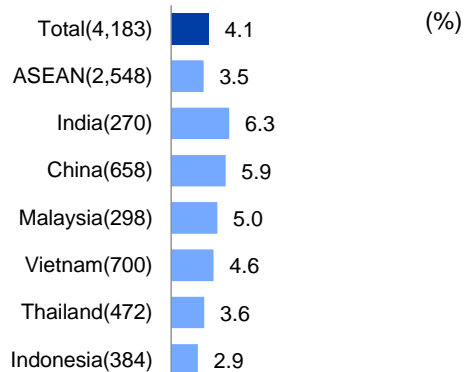
|                 | Reason for transfer (Free answer)   |
|-----------------|---|
| Common          | <ul style="list-style-type: none"> <li>Improvement in cost competitiveness</li> </ul>   |
| Japan → Vietnam | <ul style="list-style-type: none"> <li>Shortage of personnel, rising labor costs, and functional downsizing at Japanese plants</li> <li>To meet local procurement needs</li> </ul>  |
| China → Vietnam | <ul style="list-style-type: none"> <li>Customer's production base moved from China to Vietnam</li> <li>Avoiding China risks (due to customer requests, concerns about geopolitical risks, rising costs of various types, impact of COVID-19 lockdowns)</li> <li>Tariff measures resulting from the US-China trade conflict</li> </ul> |
| Japan → China   | <ul style="list-style-type: none"> <li>Shortage of personnel at factories in Japan</li> <li>Increased production in China based on customer requests</li> <li>Increased demand (for electrical and electronic equipment components, plastic products, general machinery, etc.)</li> </ul>   |
| Japan → ASEAN   | <ul style="list-style-type: none"> <li>Shortage of personnel at factories in Japan</li> <li>Producing outside Japan for risk diversification</li> <li>Local production based on customer requests</li> <li>Increase in local demand</li> </ul>  |
| Japan → India   | <ul style="list-style-type: none"> <li>Requirement for higher local production rate and tax incentives by the Indian government</li> <li>Increased requirements for local procurement by customers</li> </ul>   |
| China → ASEAN   | <ul style="list-style-type: none"> <li>Changes in customer policy (shift to local procurement, relocation of production, etc.)</li> <li>Avoiding China risks</li> <li>Tariff measures resulting from the US-China trade conflict</li> <li>Production reduction, closure or withdrawal of Chinese plants</li> </ul>                    |

(Note) The number of cases and the number of companies do not match because there were cases where one company transfers from multiple countries/regions.

# 12 | 4.1% transferred R&D functions, mostly from Japan to China and ASEAN

- 4.1% of companies answered they had transferred their R&D function. More than 80% of transfers were from Japan.
- The reasons for the transfer were, “the reduction of development costs,” “speeding up development,” and “grasping local needs.” In China and India particularly, the most common reason for transferring R&D functions was to quickly understand the specific needs of the local market.

Percentage of companies answered there was a transfer



The breakdown of transfer source (multiple responses)

|               | Transferred from |       |          |           |        |         |       |          |             |           |        |
|---------------|------------------|-------|----------|-----------|--------|---------|-------|----------|-------------|-----------|--------|
|               | Japan            | China | Thailand | Singapore | Taiwan | Vietnam | India | Malaysia | South Korea | Indonesia | Others |
| Total(159)    | 84.9             | 7.5   | 5.0      | 3.8       | 1.9    | 1.3     | 1.3   | 1.3      | 0.6         | 0.6       | 3.1    |
| ASEAN(82)     | 87.8             | 9.8   | 6.1      | 3.7       | 2.4    | 2.4     | 2.4   | 0.0      | 0.0         | 0.0       | 1.2    |
| Vietnam(30)   | 86.7             | 16.7  | 6.7      | 0.0       | 0.0    | -       | 0.0   | 0.0      | 0.0         | 0.0       | 0.0    |
| Thailand(16)  | 93.8             | 6.3   | -        | 6.3       | 0.0    | 6.3     | 12.5  | 0.0      | 0.0         | 0.0       | 0.0    |
| Malaysia(14)  | 92.9             | 7.1   | 7.1      | 0.0       | 7.1    | 7.1     | 0.0   | -        | 0.0         | 0.0       | 0.0    |
| Indonesia(11) | 81.8             | 0.0   | 18.2     | 18.2      | 0.0    | 0.0     | 0.0   | 0.0      | 0.0         | -         | 0.0    |
| India(16)     | 75.0             | 0.0   | 12.5     | 18.8      | 0.0    | 0.0     | -     | 0.0      | 6.3         | 0.0       | 0.0    |
| China(36)     | 88.9             | -     | 2.8      | 0.0       | 2.8    | 0.0     | 0.0   | 0.0      | 0.0         | 0.0       | 8.3    |

(Note) Countries/regions with at least 10 valid responses.

### Reasons for the transfer

|                | Reason for the transfer (Free answer)   |
|----------------|---|
| Common         | <ul style="list-style-type: none"> <li>Reducing development costs</li> <li>Speeding up development to shorten delivery lead time</li> </ul>   |
| Japan → China  | <ul style="list-style-type: none"> <li>With the rising market share in China, we determined that having that function in China was highly advantageous in terms of customer service and market needs.</li> <li>R&amp;D functions were established in China only for certain purposes, such as introducing new products and applied development design.</li> </ul> |
| Japan→Vietnam  | <ul style="list-style-type: none"> <li>Due to difficulties in securing human resources in Japan</li> <li>Relocation of development function due to the relocation of production base (have product development personnel in the Vietnamese manufacturing bases)</li> </ul>  |
| Japan→Thailand | <ul style="list-style-type: none"> <li>Relocating R&amp;D base due to suppliers' base relocation</li> </ul>   |
| Japan→Malaysia | <ul style="list-style-type: none"> <li>Relocating product development base foreseeing that ASEAN will become a major sales destination</li> </ul>   |
| Japan → India  | <ul style="list-style-type: none"> <li>Relocating IT service development function to India given its strong IT background</li> <li>Strengthening product competitiveness through local product development</li> </ul>   |

(Note 1) Companies that replied “transferred” were surveyed as to where they transferred. The column totals are not 100% due to multiple answers.

(Note 2) Countries/regions with at least 10 valid responses.

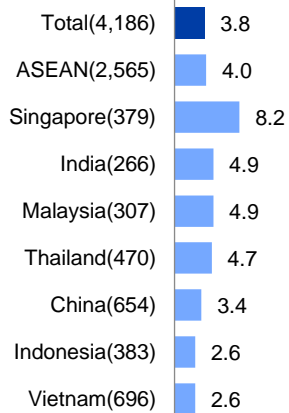
(Note 3) Responses of 70% or more are indicated in dark orange.



# 13 | 3.8% transferred regional headquarters, with the largest number transfers to Singapore

- 3.8% of companies answered they had transferred their regional headquarter functions. Singapore had the largest number and percentage of companies transferring. There were also transfers within ASEAN.
- Japan was the largest source of headquarter transfers, but its destinations were more diversified than transfers of production and R&D functions.
- Reasons for transferring included “strengthening functions in the Asia-Pacific region,” “strengthening management and governance,” and “increasing labor costs”.

## Percentage of companies answered there was a transfer



(Note) Countries/regions with at least 10 valid responses.

## The breakdown of transfer source (multiple responses) (%)

|             |               | Transferred from |           |          |       |         |          |       |           |        |
|-------------|---------------|------------------|-----------|----------|-------|---------|----------|-------|-----------|--------|
|             |               | Japan            | Singapore | Thailand | China | Vietnam | Malaysia | India | Indonesia | Others |
| Transfer to | Total (150)   | 54.0             | 19.3      | 13.3     | 12.0  | 6.0     | 4.7      | 2.7   | 1.3       | 10.7   |
|             | ASEAN(96)     | 51.0             | 21.9      | 14.6     | 14.6  | 7.3     | 5.2      | 4.2   | 2.1       | 8.3    |
|             | Singapore(30) | 46.7             | -         | 30.0     | 6.7   | 13.3    | 10.0     | 6.7   | 3.3       | 13.3   |
|             | Thailand(21)  | 66.7             | 33.3      | -        | 4.8   | 4.8     | 4.8      | 9.5   | 4.8       | 0.0    |
|             | Vietnam(15)   | 53.3             | 13.3      | 6.7      | 33.3  | -       | 0.0      | 0.0   | 0.0       | 6.7    |
|             | Malaysia(14)  | 50.0             | 57.1      | 7.1      | 7.1   | 0.0     | -        | 0.0   | 0.0       | 0.0    |
|             | India(13)     | 53.8             | 30.8      | 23.1     | 7.7   | 0.0     | 0.0      | -     | 0.0       | 0.0    |
|             | China(19)     | 78.9             | 5.3       | 10.5     | -     | 5.3     | 5.3      | 0.0   | 0.0       | 15.8   |

## Reasons for the transfer

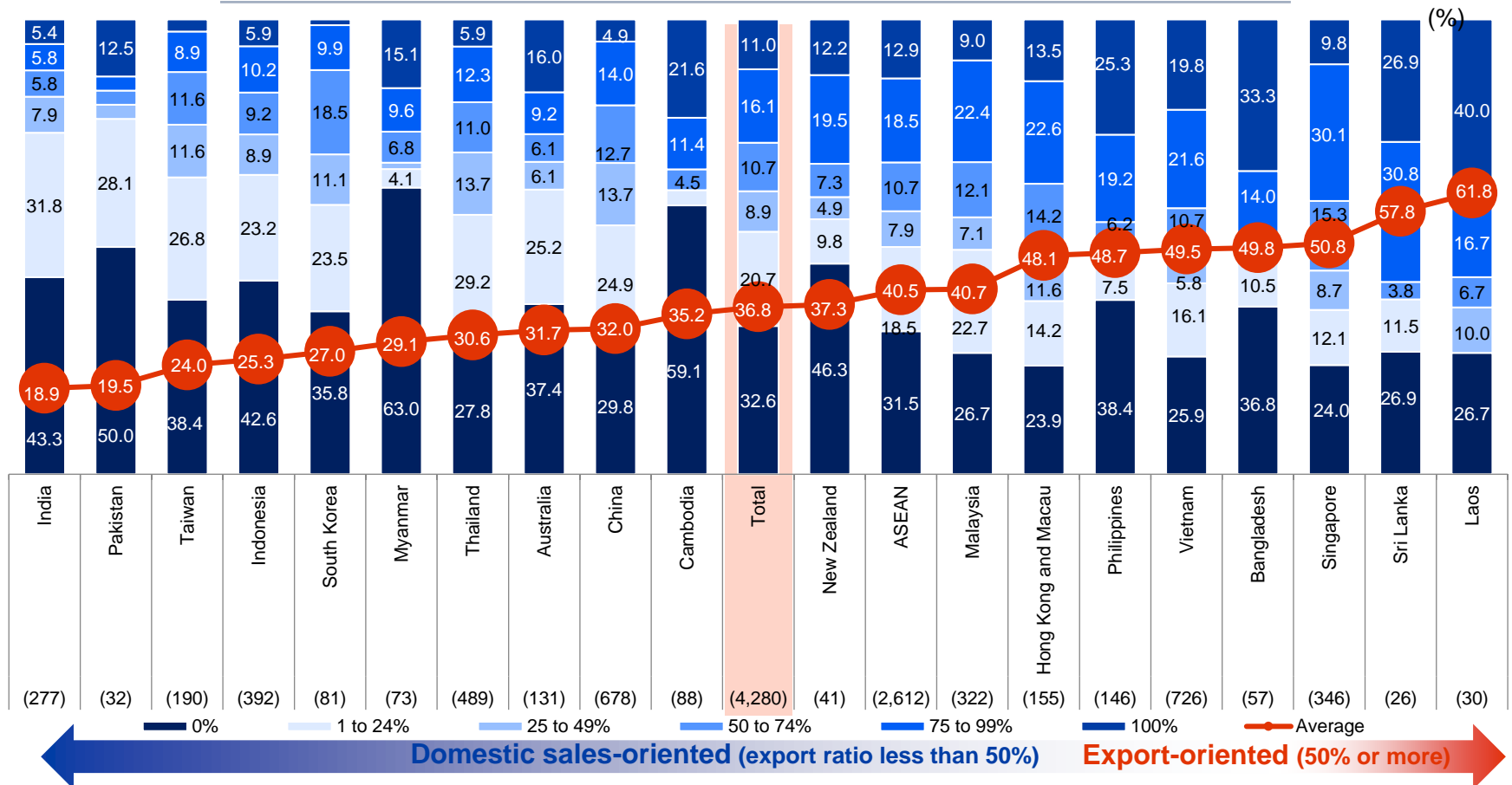
|                    | Reason for the transfer (Free answer)  |
|--------------------|--|
| Japan→Singapore    | <ul style="list-style-type: none"> <li>• Strengthening functions in the Asia-Pacific as well as in governance</li> <li>• Promoting centralized purchasing and utilizing the tax incentives system in Singapore</li> </ul>  |
| Japan→Thailand     | <ul style="list-style-type: none"> <li>• Accelerating business development in Southeast Asia and India</li> </ul>  |
| Japan → China      | <ul style="list-style-type: none"> <li>• Relocating head office planning function due to the advancement of the legal system in China</li> <li>• Strengthening the management of local subsidiaries in China in terms of finance and legal affairs</li> <li>• Responding to local government demands and managing group companies</li> </ul> |
| Thailand→Singapore | <ul style="list-style-type: none"> <li>• Strengthening cooperation with Singapore to avoid China risks</li> </ul>  |
| Singapore→Malaysia | <ul style="list-style-type: none"> <li>• Rise of labor costs and decline of customer demand in Singapore</li> </ul>  |

(Note 1) Companies that replied “transferred” were surveyed as to where they transferred. The column totals are not 100% due to multiple answers.  
 (Note 2) Countries/regions with at least 10 valid responses.  
 (Note 3) Responses of 70% or more are indicated in dark orange.

# 1 Average exports as a percentage of total sales decreased slightly

- The average exports as a percentage of total sales was 36.8% (down 0.3 points) compared to the FY2023 survey.
- The decline was relatively large in China, by 2.6 points compared to the FY2023 survey. On the other hand, the percentage increased by 1.0 points in India and 4.3 points in Pakistan.

Proportion of exports to total sales (all industries, by country/region, 0-100%)



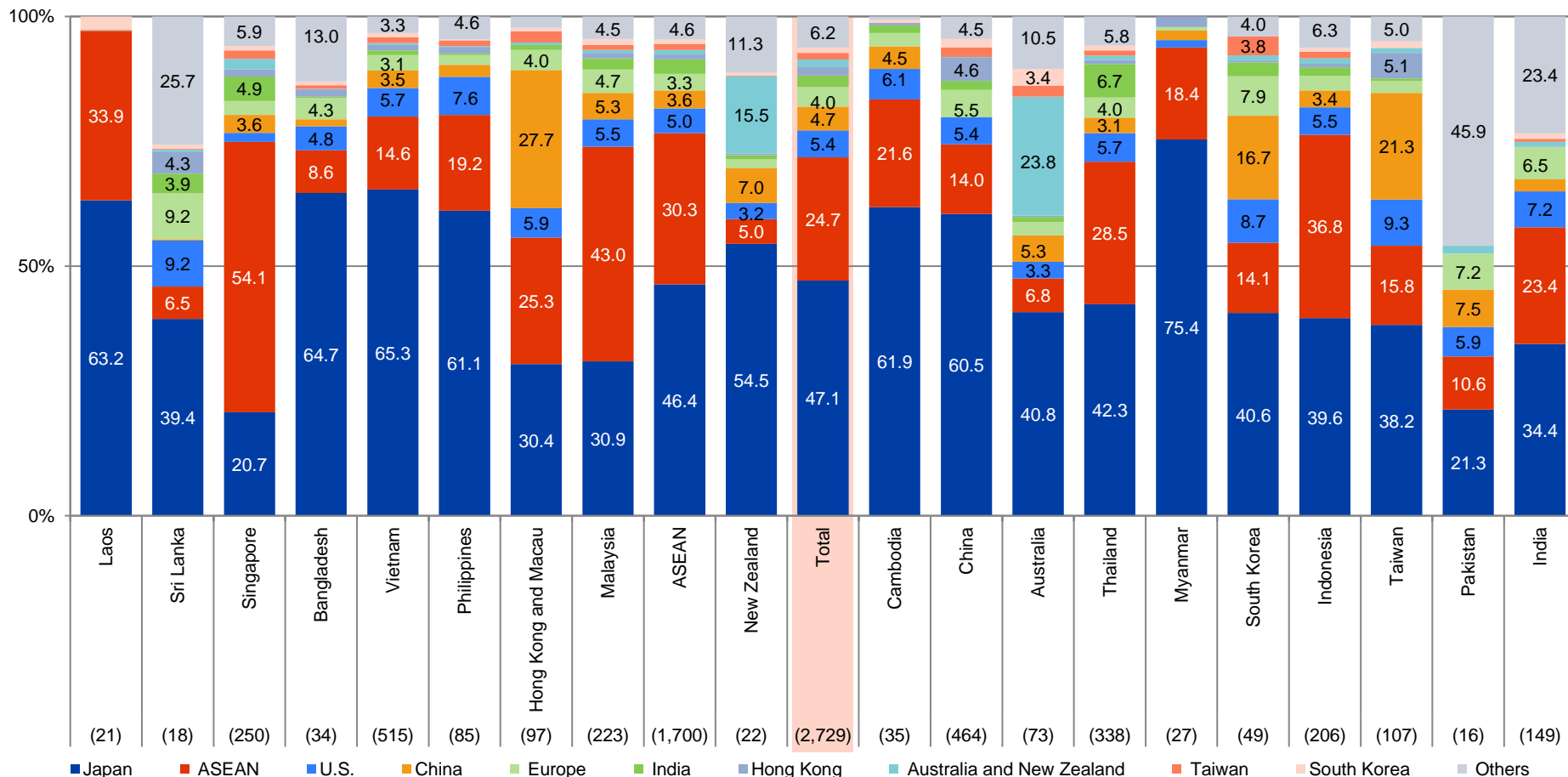
(Note) Figures over 3.5% are shown.

# 2 | Japan was the top export destination, with notable exports to ASEAN

- The average destinations of exports from offshore Japanese-affiliated companies were: Japan (47.1%), receiving the largest proportion of exports, followed by ASEAN (24.7%), U.S. (5.4%), China (4.7%) and Europe (4.0%).

**The breakdown of export destinations (all industries, by country/region, 0-100%)**

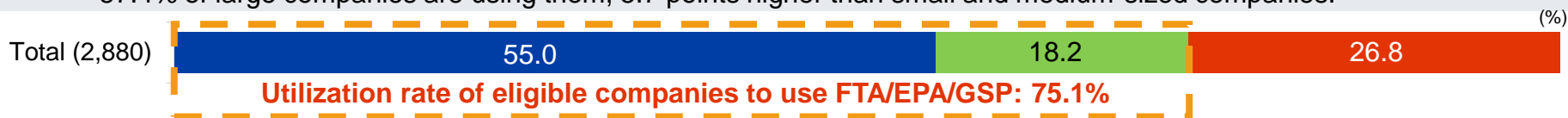
(%)



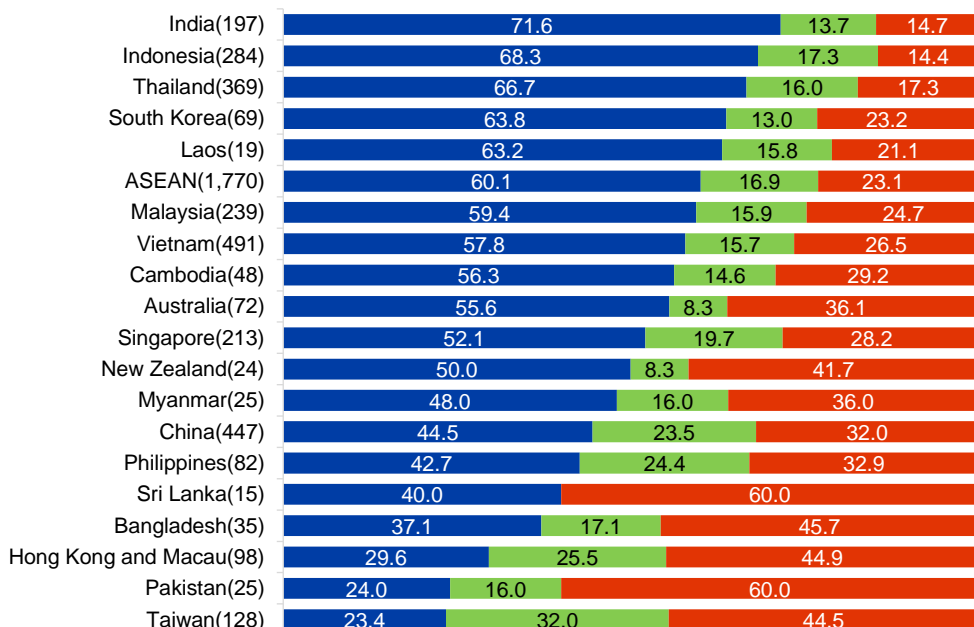
(Note) Figures over 3.5% are shown.

# 3 | Over 70% of eligible companies are using FTA/EPA/GSP

- 55% of companies are using the FTA/EPA/GSP, which could be up to 75.1%, since some eligible companies are not currently using them.
- 58.0% of manufacturing companies are using them, a higher percentage than in the non-manufacturing industry, and 57.4% of large companies are using them, 5.7 points higher than small and medium-sized companies.



Utilization of FTA/EPA/GSP (by country/region) (%)

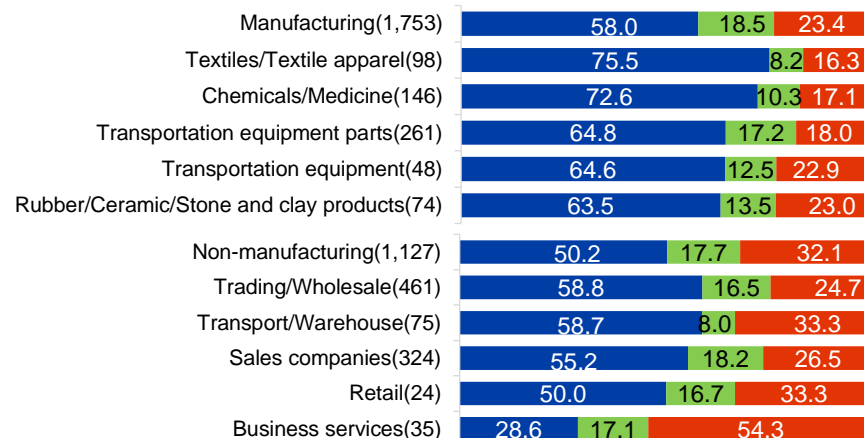


■ using FTAs/EPAs/GSPs    ■ not able to use FTAs/EPAs/GSPs    ■ not eligible for FTAs/EPAs/GSPs

Utilization of FTA/EPA/GSP (Large/SME) (%)



Utilization of FTA/EPA/GSP (Top 5 industries) (%)



(Note 1) "Not eligible" refers the cases where the general tariff rate of an import/export item is 0%, tariff reduction or exemption except for FTA is used, or an export/import item is not subject to an FTA.

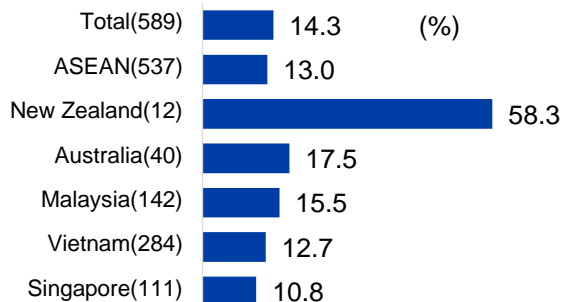
(Note 2) Industries with at least 10 valid responses .

# 4 High percentage of CPTPP utilization for imports and exports to and from Japan

- Comprehensive and Progressive Agreement on Trans-Pacific Partnership (CPTPP) utilization rate was 14.3% among companies using FTAs in CPTPP member countries and regions. In all member countries and regions, a high percentage of companies use the agreement mainly for imports and exports to and from Japan. Large companies had a higher utilization rate compared to small and medium-sized companies.

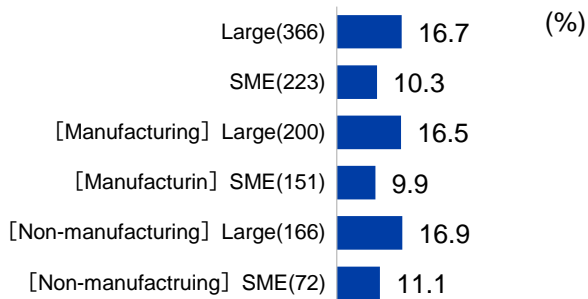
## Export destinations using CPTPP (multiple responses) (%)

### Utilization of CPTPP (by country/region)



|                |                | Export destinations |         |           |          |           |             |        |        |
|----------------|----------------|---------------------|---------|-----------|----------|-----------|-------------|--------|--------|
|                |                | Japan               | Vietnam | Singapore | Malaysia | Australia | New Zealand | Mexico | Canada |
| Country/Region | Total (70)     | 62.9                | 17.1    | 14.3      | 12.9     | 22.9      | 14.3        | 15.7   | 12.9   |
|                | ASEAN(56)      | 60.7                | 21.4    | 14.3      | 16.1     | 21.4      | 14.3        | 19.6   | 14.3   |
|                | Malaysia(22)   | 45.5                | 22.7    | 18.2      | -        | 22.7      | 18.2        | 22.7   | 18.2   |
|                | Singapore(12)  | 58.3                | 58.3    | -         | 58.3     | 41.7      | 25.0        | 0.0    | 0.0    |
|                | Vietnam(22)    | 77.3                | -       | 18.2      | 9.1      | 9.1       | 4.5         | 27.3   | 18.2   |
|                | Australia(7)   | 57.1                | 0.0     | 0.0       | 0.0      | -         | 28.6        | 0.0    | 0.0    |
|                | New Zealand(7) | 85.7                | 0.0     | 28.6      | 0.0      | 57.1      | -           | 0.0    | 14.3   |

### Utilization of CPTPP (Large/SME)



## Import sources using CPTPP (multiple responses) (%)

|                |               | Import destinations |         |           |          |           |             |        |  |
|----------------|---------------|---------------------|---------|-----------|----------|-----------|-------------|--------|--|
|                |               | Japan               | Vietnam | Singapore | Malaysia | Australia | New Zealand | Canada |  |
| Country/Region | Total (68)    | 67.6                | 10.3    | 11.8      | 10.3     | 2.9       | 1.5         | 1.5    |  |
|                | ASEAN(54)     | 77.8                | 13.0    | 14.8      | 13.0     | 1.9       | 1.9         | 1.9    |  |
|                | Malaysia(22)  | 68.2                | 27.3    | 18.2      | -        | 0.0       | 0.0         | 0.0    |  |
|                | Vietnam(20)   | 95.0                | -       | 20.0      | 15.0     | 0.0       | 0.0         | 5.0    |  |
|                | Singapore(12) | 66.7                | 8.3     | -         | 33.3     | 8.3       | 8.3         | 0.0    |  |

(Note 1) The number of companies that responded "using FTA" was taken as the total number of respondents.

(Note 2) The left side of the table indicates the country/region where the respondent companies are located, and the right side indicates the country/region of its import/export partners.

(Note 3) Countries/regions of import destinations with at least 10 valid responses.

(Note) The number of companies that responded "using FTAs" was taken as the total number of respondents.

# 5 | High percentage of RCEP utilization for imports and exports to and from Japan

- Regional Comprehensive Economic Partnership (RCEP) utilization rate was 27.9% among companies using FTAs in RCEP member countries and regions. The utilization rate was higher for large companies than for small and medium-sized companies. High usage was prominent for exports and imports to and from Japan.

## Utilization of RCEP (by country/region)

|                 | (%)  |
|-----------------|------|
| Total(1,334)    | 27.9 |
| ASEAN(1,039)    | 20.6 |
| South Korea(44) | 63.6 |
| China(199)      | 60.3 |
| Philippines(35) | 25.7 |
| Vietnam(284)    | 23.9 |
| Singapore(111)  | 20.7 |
| Indonesia(194)  | 20.6 |
| Australia(40)   | 20.0 |
| Cambodia(27)    | 18.5 |
| Malaysia(142)   | 18.3 |
| Thailand(246)   | 17.5 |

## Utilization of the RCEP Agreement (Large/SME)

|                                | (%)  |
|--------------------------------|------|
| Large(772)                     | 30.7 |
| SME(562)                       | 24.0 |
| [Manufacturing] Large(466)     | 29.2 |
| [Manufacturing] SME(404)       | 24.0 |
| [Non-manufacturing] Large(306) | 33.0 |
| [Non-manufacturing] SME(158)   | 24.1 |

## RCEP utilized export (top) and import (bottom) destinations (multiple responses)

|                |                 | Export destinations |                     |             |         |          |           |          |           |             |           |             |
|----------------|-----------------|---------------------|---------------------|-------------|---------|----------|-----------|----------|-----------|-------------|-----------|-------------|
|                |                 | Japan               | China               | South Korea | Vietnam | Thailand | Indonesia | Malaysia | Singapore | Philippines | Australia | New Zealand |
| Country/Region | Total (353)     | 46.2                | 14.4                | 10.8        | 14.4    | 18.1     | 12.7      | 9.9      | 7.1       | 7.9         | 5.1       | 3.4         |
|                | ASEAN(195)      | 47.7                | 22.1                | 12.3        | 17.9    | 20.0     | 17.4      | 13.8     | 10.8      | 10.3        | 7.2       | 4.6         |
|                | China (120)     | 47.5                | -                   | 10.8        | 10.8    | 19.2     | 6.7       | 6.7      | 3.3       | 5.0         | 2.5       | 1.7         |
|                | Vietnam(49)     | 85.7                | 24.5                | 12.2        | -       | 16.3     | 10.2      | 8.2      | 4.1       | 4.1         | 2.0       | 2.0         |
|                | Thailand(43)    | 34.9                | 23.3                | 14.0        | 23.3    | -        | 25.6      | 14.0     | 11.6      | 7.0         | 7.0       | 2.3         |
|                | Indonesia(40)   | 30.0                | 10.0                | 7.5         | 12.5    | 25.0     | -         | 7.5      | 15.0      | 7.5         | 0.0       | 2.5         |
|                | South Korea(28) | 35.7                | 21.4                | -           | 10.7    | 0.0      | 0.0       | 0.0      | 0.0       | 0.0         | 0.0       | 0.0         |
|                | Malaysia(26)    | 30.8                | 30.8                | 3.8         | 26.9    | 34.6     | 23.1      | -        | 23.1      | 15.4        | 7.7       | 3.8         |
|                | Singapore(23)   | 26.1                | 26.1                | 30.4        | 43.5    | 39.1     | 43.5      | 52.2     | -         | 34.8        | 30.4      | 17.4        |
|                |                 |                     | Import destinations |             |         |          |           |          |           |             |           |             |
|                |                 | Japan               | China               | South Korea | Vietnam | Thailand | Indonesia | Malaysia | Singapore | Philippines | Australia | New Zealand |
| Country/Region | Total (348)     | 62.6                | 24.1                | 9.2         | 10.1    | 15.5     | 9.2       | 8.0      | 7.8       | 3.2         | 2.0       | 1.1         |
|                | ASEAN(190)      | 59.5                | 41.1                | 11.6        | 13.2    | 18.9     | 13.2      | 11.1     | 10.0      | 4.2         | 3.2       | 1.6         |
|                | China (120)     | 64.2                | -                   | 8.3         | 6.7     | 13.3     | 3.3       | 4.2      | 6.7       | 1.7         | 0.0       | 0.0         |
|                | Vietnam(44)     | 81.8                | 52.3                | 9.1         | -       | 22.7     | 13.6      | 15.9     | 9.1       | 6.8         | 0.0       | 0.0         |
|                | Thailand(43)    | 51.2                | 27.9                | 9.3         | 14.0    | -        | 7.0       | 7.0      | 0.0       | 4.7         | 2.3       | 4.7         |
|                | Indonesia(40)   | 52.5                | 42.5                | 17.5        | 15.0    | 22.5     | -         | 10.0     | 12.5      | 0.0         | 5.0       | 0.0         |
|                | South Korea(28) | 78.6                | 17.9                | -           | 7.1     | 3.6      | 0.0       | 0.0      | 0.0       | 3.6         | 0.0       | 3.6         |
|                | Malaysia(26)    | 53.8                | 38.5                | 7.7         | 23.1    | 26.9     | 34.6      | -        | 26.9      | 7.7         | 0.0       | 0.0         |
|                | Singapore(23)   | 52.2                | 39.1                | 13.0        | 8.7     | 21.7     | 17.4      | 21.7     | -         | 4.3         | 8.7       | 0.0         |

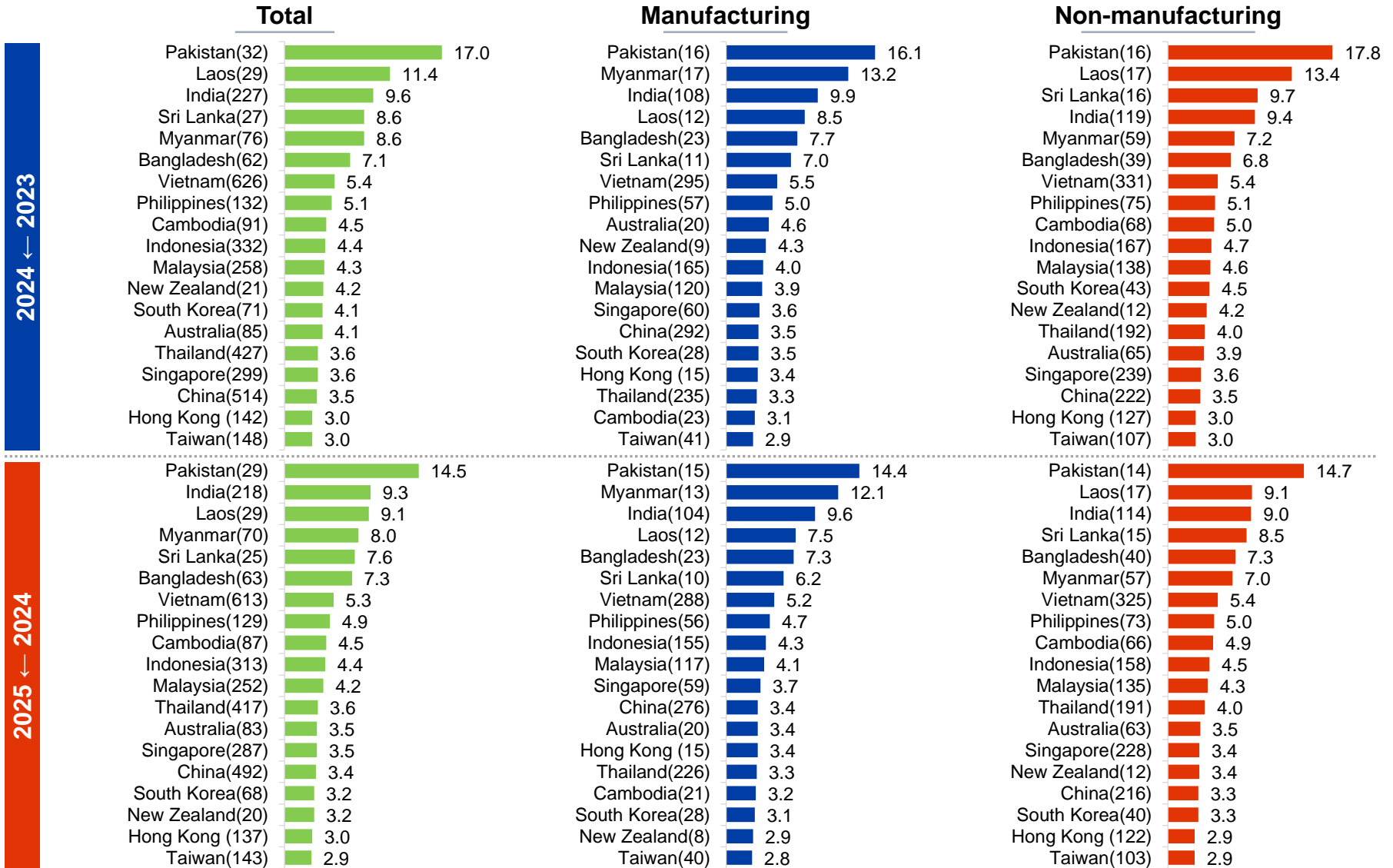
(Note 1) The left side of the table indicates the country/region where the respondent companies are located, and the right side indicates the country/region of its import/export partners.

(Note 2) Countries/regions with at least 15 valid responses.

(Note 3) The number of companies that responded "using FTA" was taken as the total number of respondents.

# 1 | Year-on-Year salary increase rate

(%)

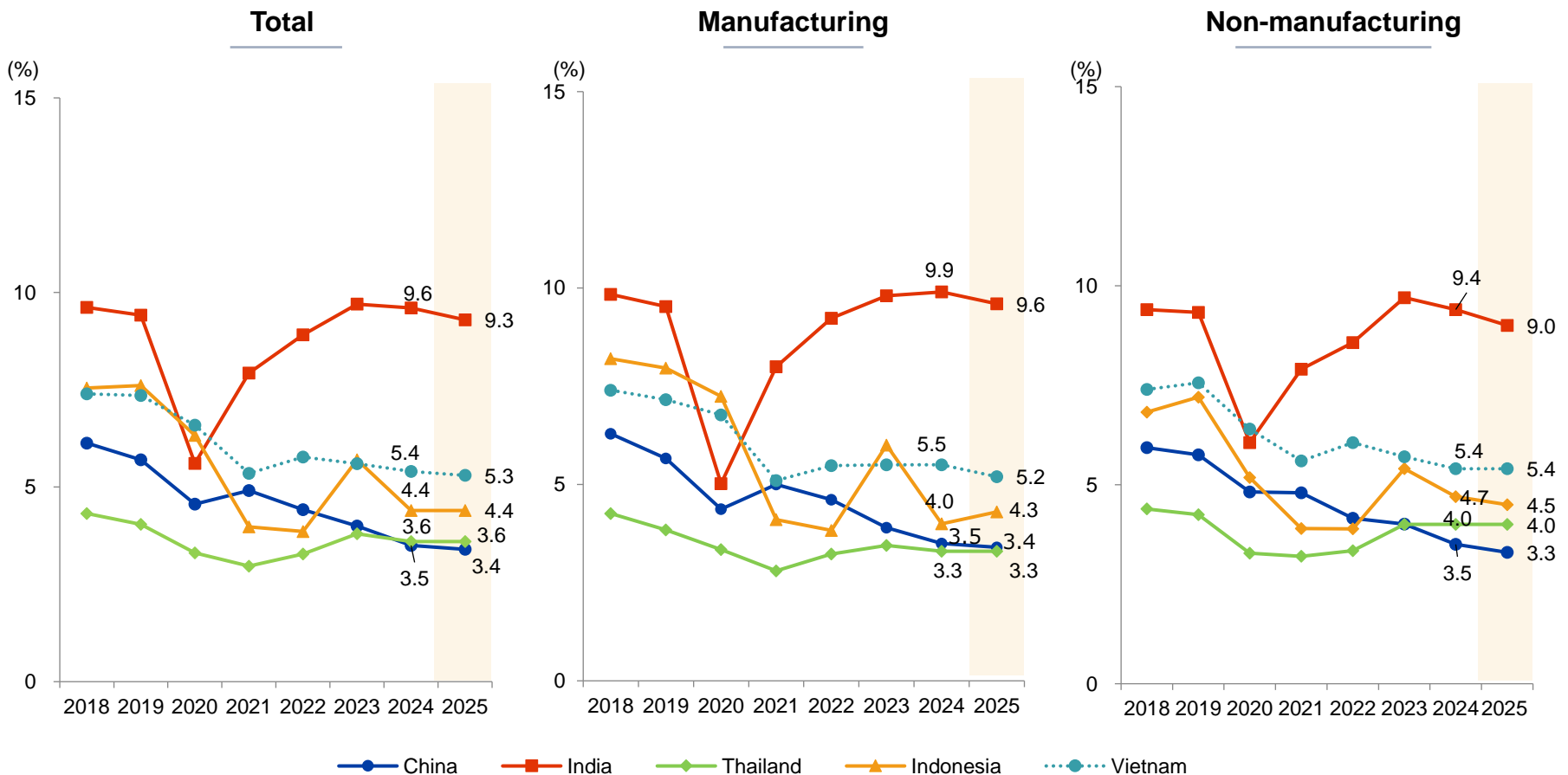


(Note 1) Countries/regions with at least 5 valid responses.

(Note 2) Salary increase rate is the rate of increase in base salary (nominal), excluding salaries that are dependent on individual abilities such as job performance pay and performance pay. Average for all occupations.

## 2 | Year-on-year salary increases (China and other major countries)

- The salary increase rate for 2024 in the major countries were lower than that in FY2023 survey. India was in the 9% level, Vietnam in the 5% level, Indonesia in the 4% level, and Thailand and China in the 3% level.
- The salary increase forecasts for 2025 are almost unchanged from 2024.



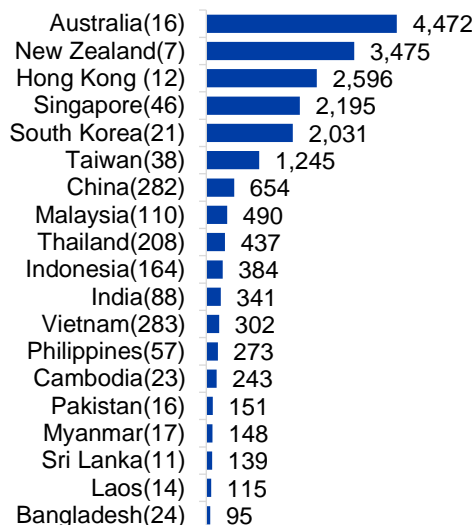
(Note) Figures for 2025 are forecasts.



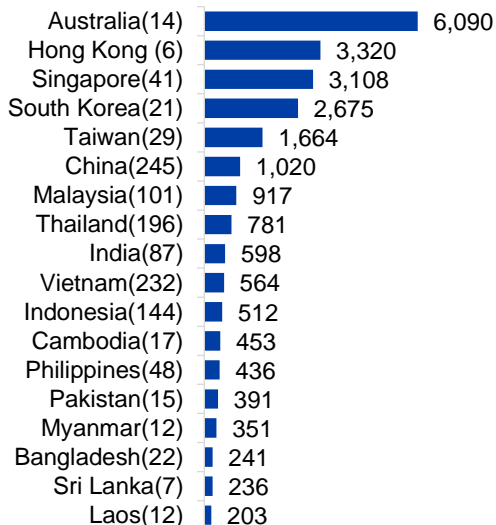
# 3 Monthly Base salary (mean)

(U.S. dollars)

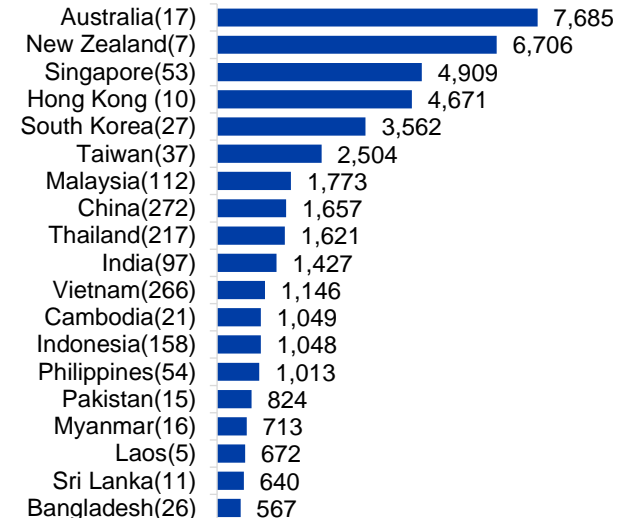
## Manufacturing, Worker



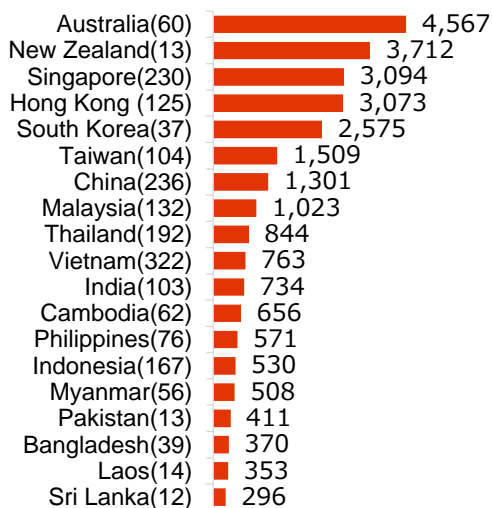
## Manufacturing, Engineer



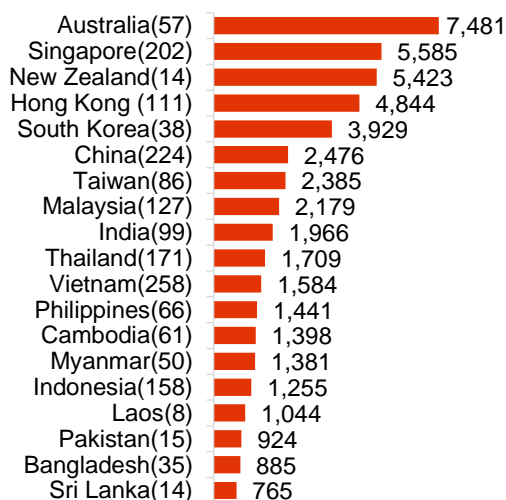
## Manufacturing, Manager



## Non-manufacturing, Staff member



## Non-manufacturing, Manager



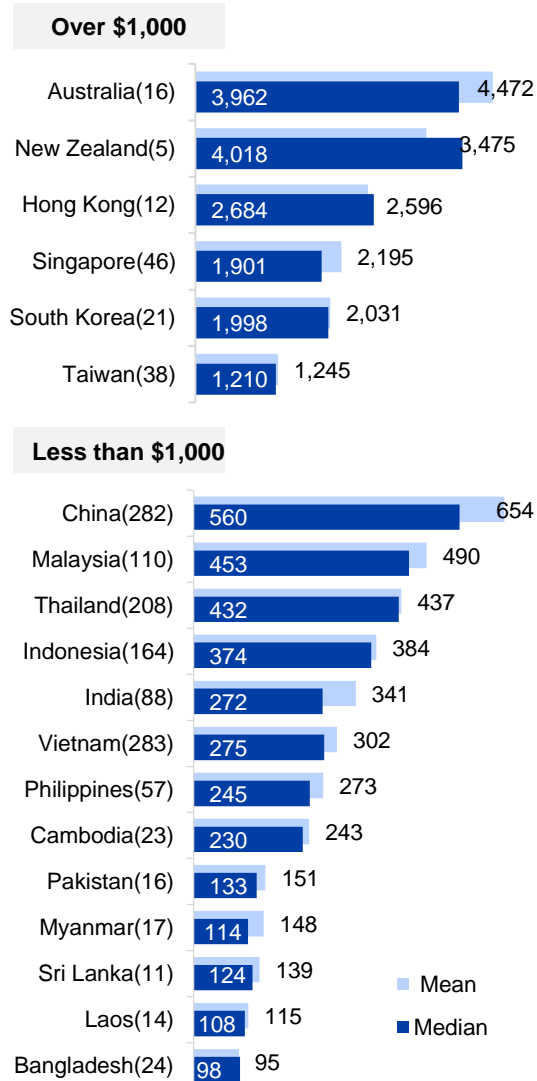
- Base salary: salary excluding benefits, as of August 2024.
- Worker: Regular general workers with 3 years of work experience, not including contract based and probationary workers.
- Engineer: Regular employees who are core technicians, graduates of a vocational college or university, and have 5 years of experience.
- Manager (manufacturing): Regular employees who are section managers in charge of sales, university graduates, and who have 10 years of work experience.
- Staff member: Regular general workers with 3 years of work experience, not including dispatched and probationary workers.
- Manager (non-manufacturing): Regular employees who are section managers in charge of sales, university graduates, and who have 10 years of work experience.

(Note) Cambodia responded in U.S. dollars; Myanmar responded either in its own currency or in U.S. dollars. In other countries/regions, answers are in local currency. The mean of wages in local currency for each occupation were converted to U.S. dollars at the average exchange rate in August 2024 (as announced by the central bank of each country/region; as announced by the Foreign Exchange Administration of China).

(Note) Countries/regions with at least 5 valid responses.

# 4 Monthly base salary (mean / median) - manufacturing workers

Salary by Country/Region



Salary by city (ascending order in average, up to 40th)

(Unit: US\$)

| Rank | City (Country or region / City)        | No. of valid responses | Mean | Median | Rank | City (Country or region / City)    | No. of valid responses | Mean | Median |
|------|--|------------------------|------|--------|------|------------------------------------|------------------------|------|--------|
| 1    | Bangladesh / Overall                   | 24                     | 95   | 98     | 21   | India / Haryana                    | 14                     | 315  | 238    |
| 2    | Laos / Overall                         | 14                     | 115  | 108    | 22   | Indonesia / East Java              | 13                     | 316  | 317    |
| 3    | Sri Lanka / Overall                    | 11                     | 139  | 124    | 23   | Vietnam / Long An Province         | 11                     | 328  | 289    |
| 4    | Myanmar / Overall                      | 17                     | 148  | 114    | 24   | India / Maharashtra                | 11                     | 337  | 358    |
| 5    | Pakistan / Sindh                       | 13                     | 158  | 144    | 25   | Indonesia / Banten Province        | 11                     | 366  | 367    |
| 6    | Cambodia / Other (Note)                | 10                     | 217  | 219    | 26   | Indonesia / West Java              | 110                    | 387  | 380    |
| 7    | Vietnam / Hai Duong Province           | 21                     | 242  | 213    | 27   | India / Karnataka                  | 17                     | 396  | 322    |
| 8    | Philippines / Cebu                     | 11                     | 243  | 229    | 28   | Vietnam / Ho Chi Minh City         | 29                     | 399  | 309    |
| 9    | India / Rajasthan                      | 11                     | 250  | 238    | 29   | Malaysia / Penang                  | 11                     | 401  | 363    |
| 10   | Vietnam / Ha Nam Province              | 15                     | 256  | 218    | 30   | Vietnam / Ba Ria-Vung Tau Province | 10                     | 413  | 330    |
| 11   | Cambodia / Phnom Penh and surroundings | 13                     | 263  | 240    | 31   | Thailand / Other (Note 2)          | 95                     | 422  | 402    |
| 12   | Philippines / Calabarzon               | 30                     | 268  | 259    | 32   | Thailand / EEC                     | 84                     | 436  | 432    |
| 13   | Vietnam / Ban Ninh Province            | 13                     | 279  | 252    | 33   | Indonesia / Jakarta                | 20                     | 475  | 380    |
| 14   | Vietnam / Hai Phong Province           | 20                     | 279  | 268    | 34   | China / Wuhan                      | 12                     | 489  | 510    |
| 15   | India / Tamil Nadu                     | 17                     | 288  | 242    | 35   | Thailand / Bangkok                 | 29                     | 491  | 518    |
| 16   | Vietnam / Hanoi City                   | 28                     | 292  | 266    | 36   | China / Dalian                     | 26                     | 501  | 490    |
| 17   | Vietnam / Hung Yen Province            | 24                     | 293  | 284    | 37   | China / Shenzhen                   | 10                     | 503  | 462    |
| 18   | Vietnam / Dong Nai Province            | 49                     | 297  | 289    | 38   | Malaysia / Selangor                | 51                     | 513  | 453    |
| 19   | Vietnam / Binh Duong Province          | 34                     | 307  | 284    | 39   | China / Zhongshan City             | 11                     | 515  | 476    |
| 20   | Philippines / Metro Manila             | 10                     | 314  | 288    | 40   | China / Dongguan                   | 13                     | 531  | 437    |

(Note 1) Countries/regions and cities with at least 10 valid responses. Countries/regions with no data on cities are shown as "Overall".

(Note 2) Cambodia is divided into "Phnom Penh District (Phnom Penh Metropolitan and surrounding area)" and "Others". Thailand is divided into "Bangkok", "EEC (Chonburi, Rayong and Chuchungsaio provinces)" and "Others".

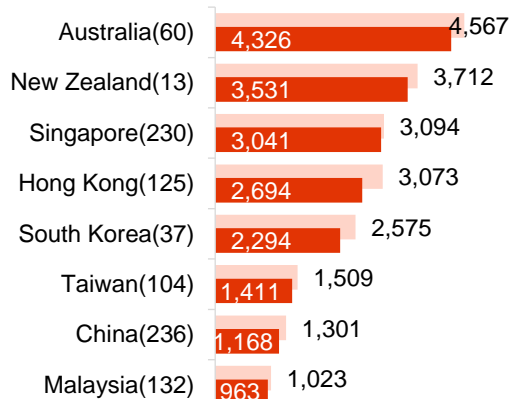
# 5 Monthly base salary (mean / median) - Non-manufacturing, staff member

## Salary by Country/Region

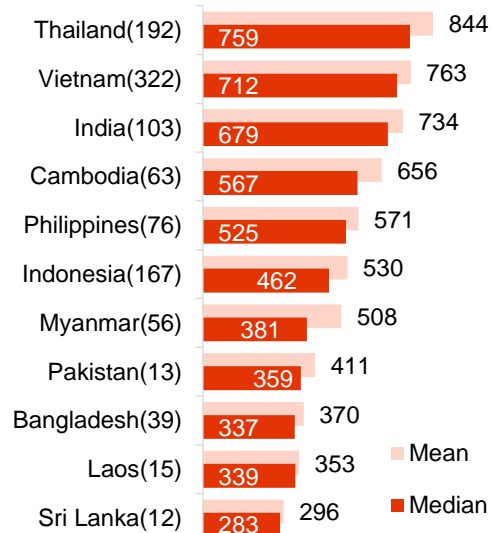
## Salary by city (ascending order in average)

(Unit: US\$)

### Over \$1,000



### Less than \$1,000



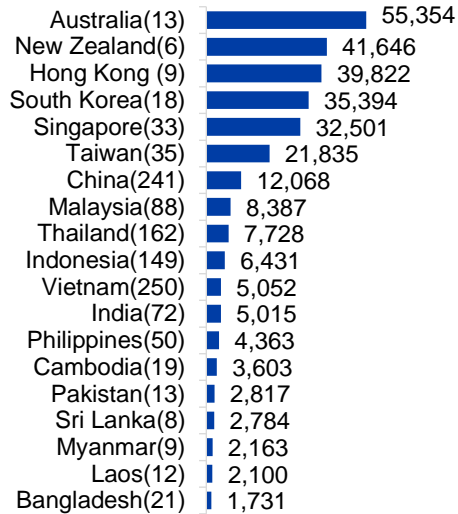
| Rank | City (Country or region / City) | No. of valid responses | Mean | Median | Rank | City (Country or region / City) | No. of valid responses | Mean  | Median |
|------|---------------------------------|------------------------|------|--------|------|---------------------------------|------------------------|-------|--------|
| 1    | Sri Lanka / Overall             | 12                     | 296  | 283    | 19   | China / Dalian                  | 25                     | 899   | 769    |
| 2    | Laos / Overall                  | 15                     | 353  | 339    | 20   | China / Chengdu                 | 14                     | 902   | 700    |
| 3    | Bangladesh / Overall            | 39                     | 370  | 337    | 21   | China / Qingdao                 | 17                     | 902   | 839    |
| 4    | Indonesia / West Java           | 21                     | 469  | 412    | 22   | Malaysia / Selangor             | 48                     | 965   | 907    |
| 5    | Vietnam / Da Nang City          | 14                     | 507  | 454    | 23   | India / Delhi Territory         | 11                     | 1,022 | 1,047  |
| 6    | Myanmar / Overall               | 56                     | 508  | 381    | 24   | Malaysia / Kuala Lumpur         | 76                     | 1,091 | 1,029  |
| 7    | Indonesia / Jakarta             | 142                    | 545  | 507    | 25   | Wuhan, China                    | 17                     | 1,106 | 1,063  |
| 8    | Philippines / Metro Manila      | 64                     | 567  | 525    | 26   | China / Guangzhou               | 13                     | 1,294 | 1,287  |
| 9    | Cambodia / Phnom Penh District  | 59                     | 658  | 600    | 27   | China / Shenzhen                | 11                     | 1,503 | 1,203  |
| 10   | India / Haryana                 | 26                     | 676  | 630    | 28   | Taiwan / Taipei                 | 92                     | 1,518 | 1,427  |
| 11   | Thailand / EEC                  | 10                     | 687  | 648    | 29   | China / Shanghai                | 66                     | 1,604 | 1,473  |
| 12   | India / Maharashtra             | 25                     | 698  | 596    | 30   | China / Beijing                 | 38                     | 1,638 | 1,470  |
| 13   | India / Karnataka               | 25                     | 720  | 679    | 31   | South Korea / Seoul             | 32                     | 2,589 | 2,231  |
| 14   | India / Tamil Nadu              | 14                     | 735  | 596    | 32   | Hong Kong / Overall             | 125                    | 3,073 | 2,694  |
| 15   | Thailand / Other (Note 2)       | 17                     | 740  | 662    | 33   | Singapore / Overall             | 230                    | 3,094 | 3,041  |
| 16   | Vietnam / Ho Chi Minh City      | 173                    | 779  | 726    | 34   | New Zealand / Overall           | 13                     | 3,712 | 3,531  |
| 17   | Vietnam / Hanoi City            | 118                    | 821  | 763    | 35   | Australia / New South Wales     | 31                     | 4,199 | 3,995  |
| 18   | Thailand / Bangkok              | 165                    | 864  | 806    | 36   | Australia / Victoria            | 14                     | 4,761 | 4,561  |

(Note 1) Countries/regions and cities with at least 10 valid responses. Countries/regions with no data on cities are shown as "Overall".  
 (Note 2) Cambodia is divided into "Phnom Penh District (Phnom Penh Metropolitan and surrounding area)" and "Others". Thailand is divided into "Bangkok", "EEC (Chonburi, Rayong and Chuchungsao provinces)" and "Others".

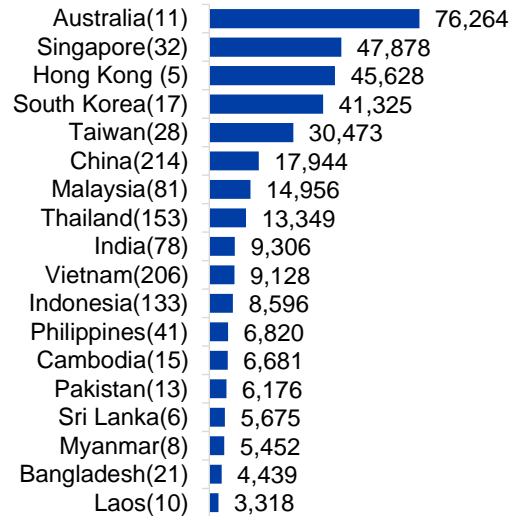
# 6 Annual salary (mean)

(Unit: US\$)

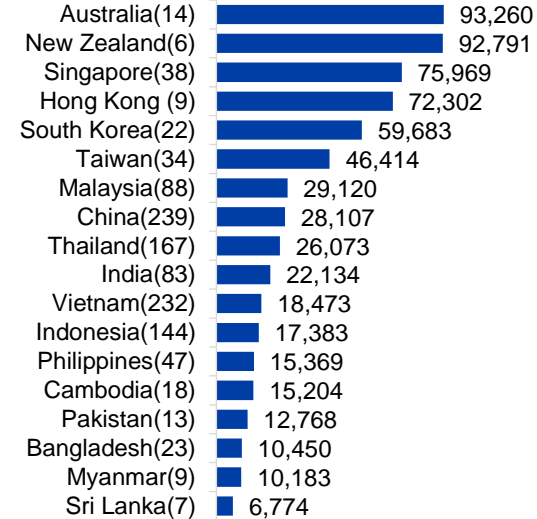
## Manufacturing, Worker



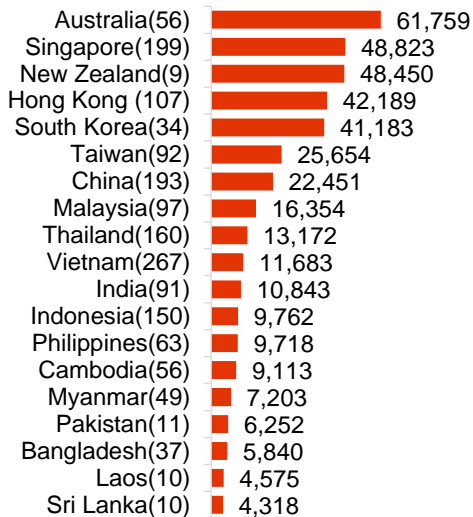
## Manufacturing, Engineer



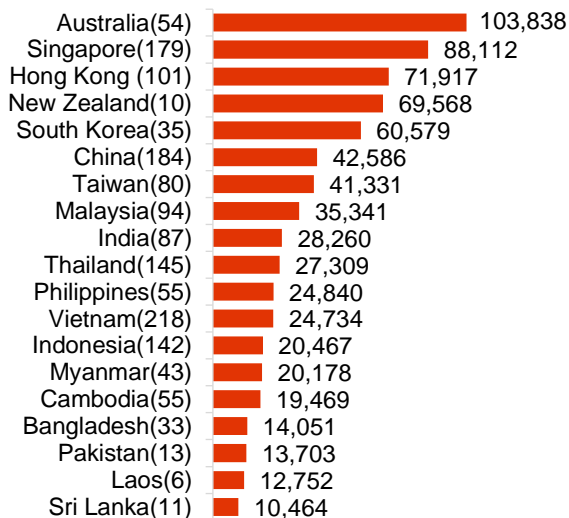
## Manufacturing, Manager



## Non-manufacturing, Staff member



## Non-manufacturing, Manager



- Annual salary (annual amount of real obligation fees): Total liability for an employee (the total of annual base salary, benefits, social security, overtime allowances, and bonuses, excluding severance benefits, as of FY2024).
- See page 56 for definitions of worker, engineer, manager (manufacturing), staff member and manager (non-manufacturing):

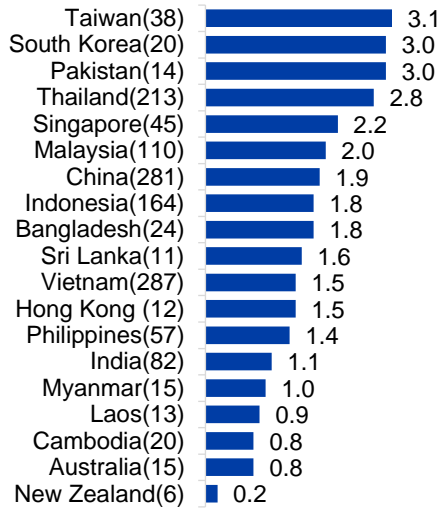
(Note) See page 56 for currency units and U.S. dollar conversion rates at the time of response.

(Note) Countries/regions with at least 5 valid responses.

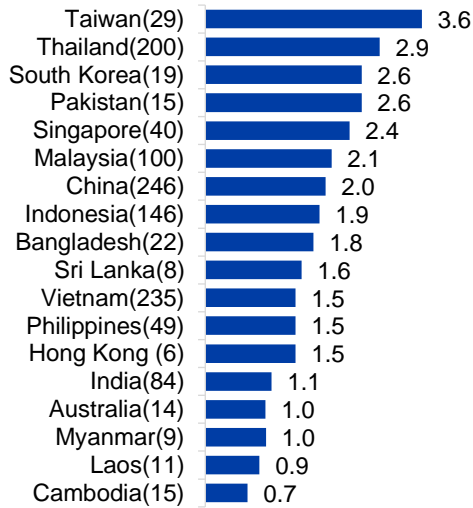
# 7 | Bonus

(Unit: Months)

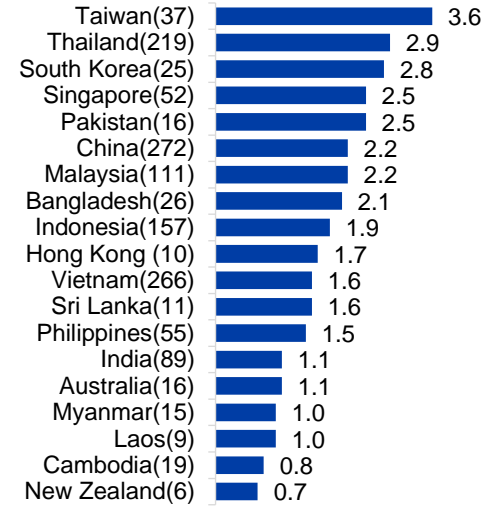
## Manufacturing, Worker



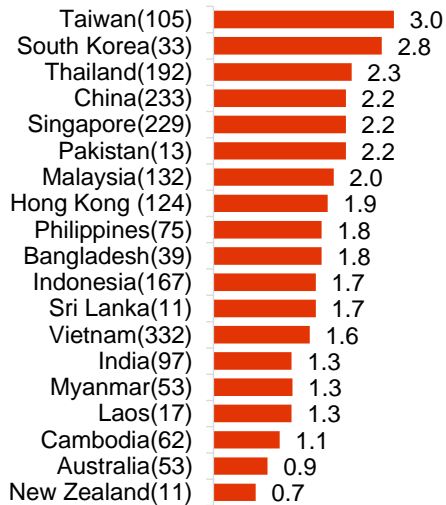
## Manufacturing, Engineer



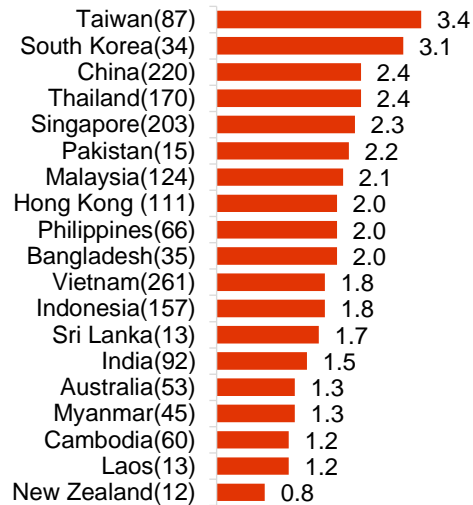
## Manufacturing, Manager



## Non-manufacturing, Staff member



## Non-manufacturing, Manager



(Note 1) Countries/regions with at least 5 valid responses.

(Note 2) Bonus based on base salary (months), paid annually in 2024 (CY/FY).

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