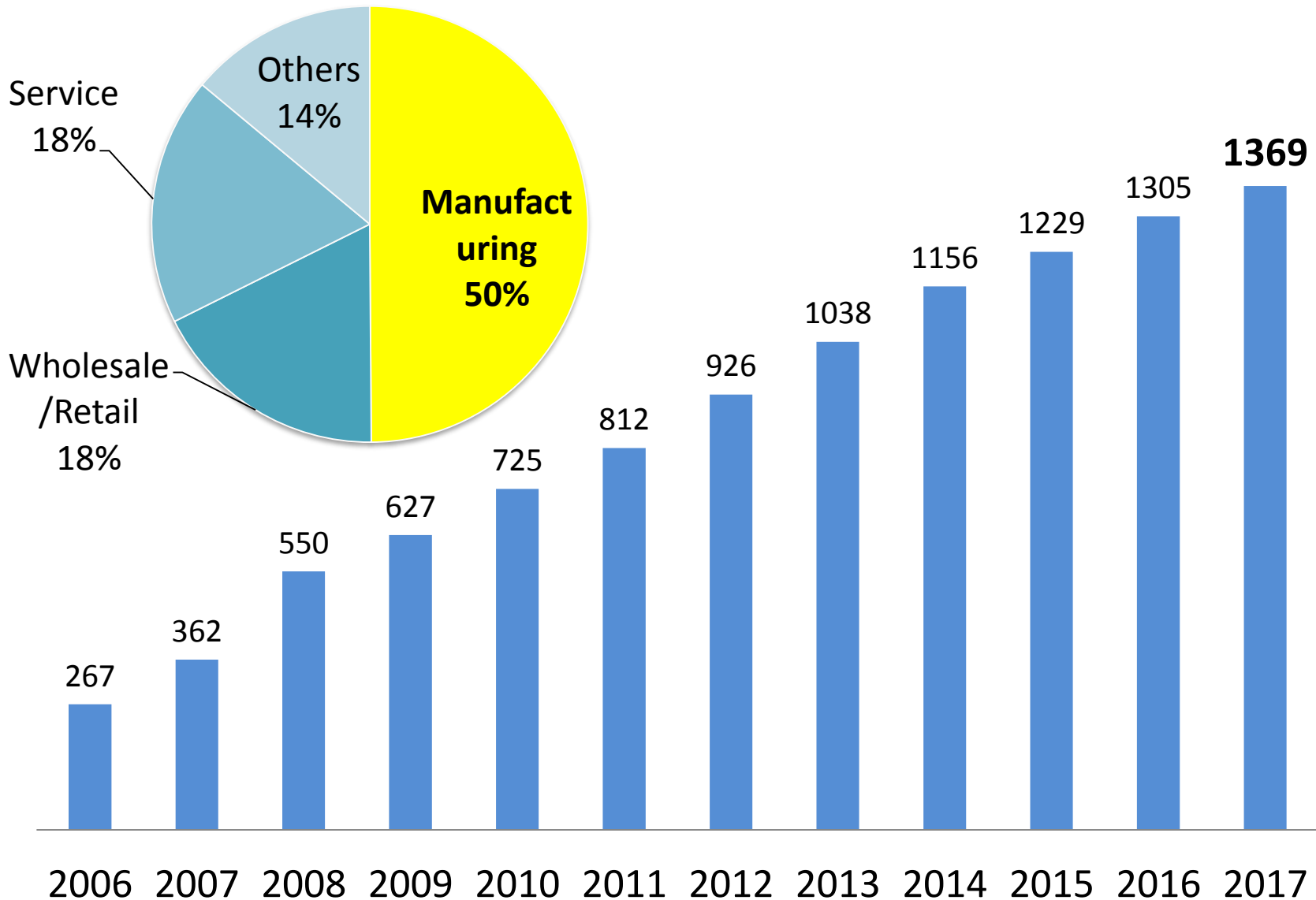
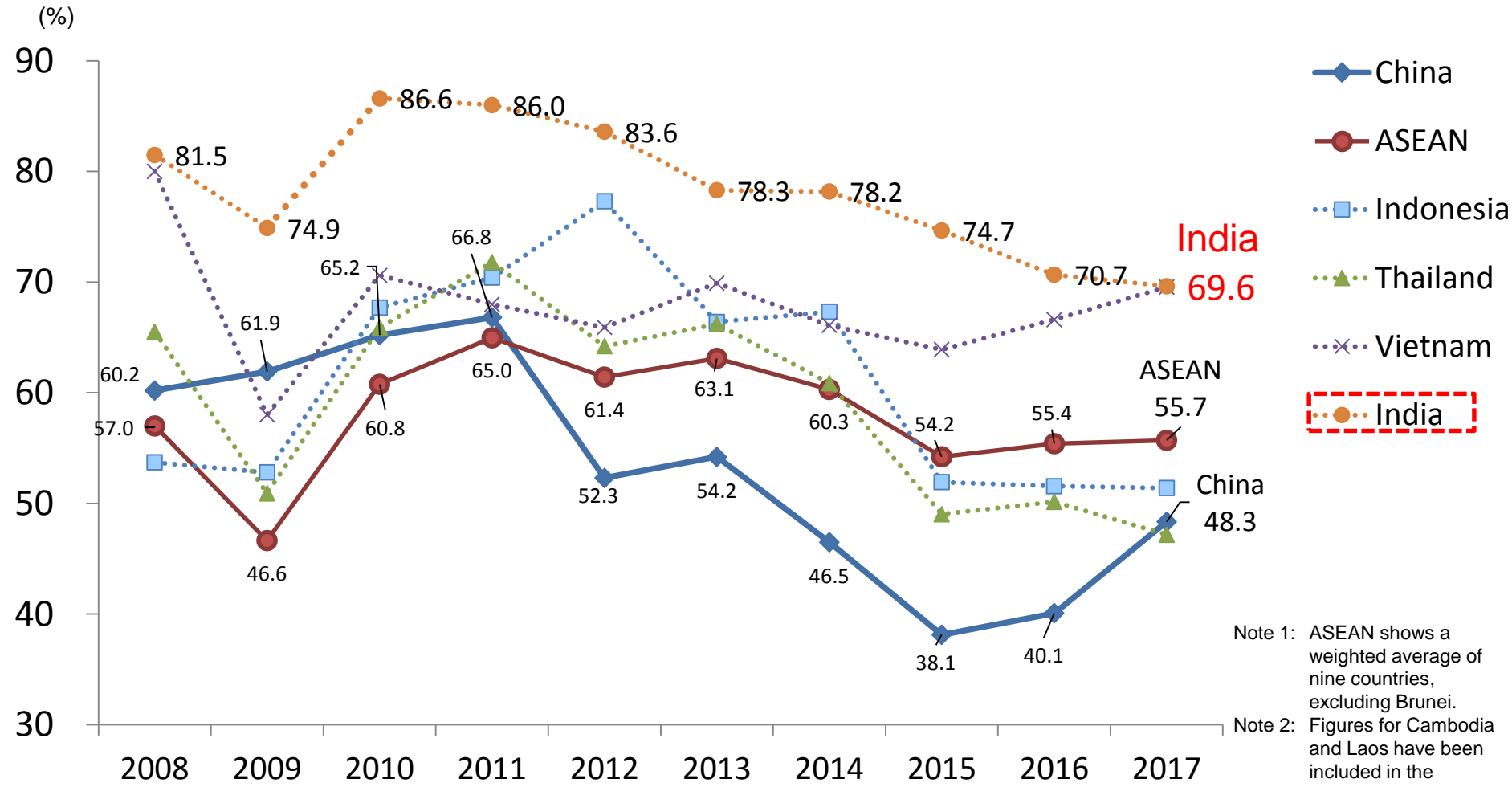


Number of Japanese companies is growing



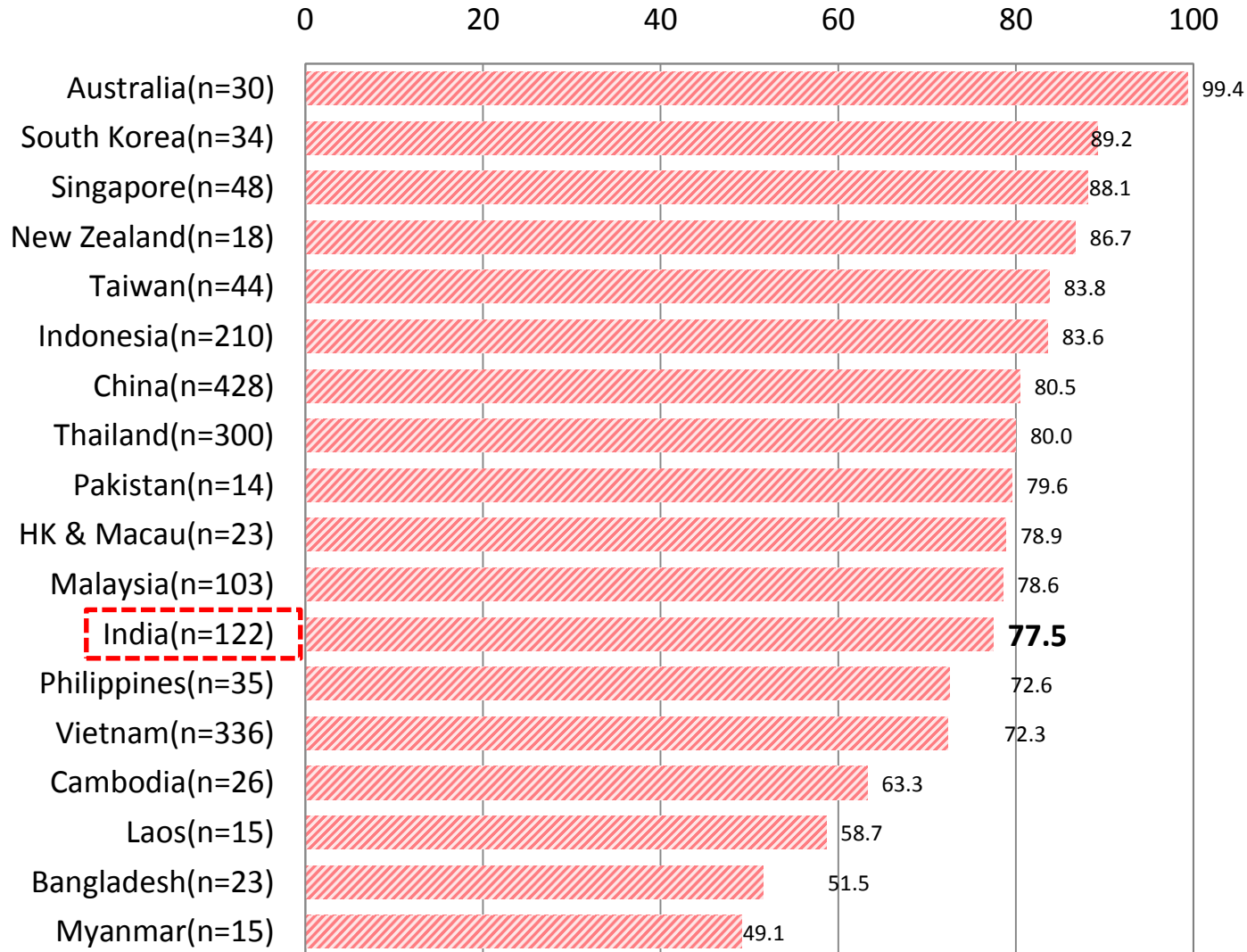
**Proportions of firms expecting to expand in the next 1 to 2 years
(2008 to 2017, China and other major countries in Asia)**



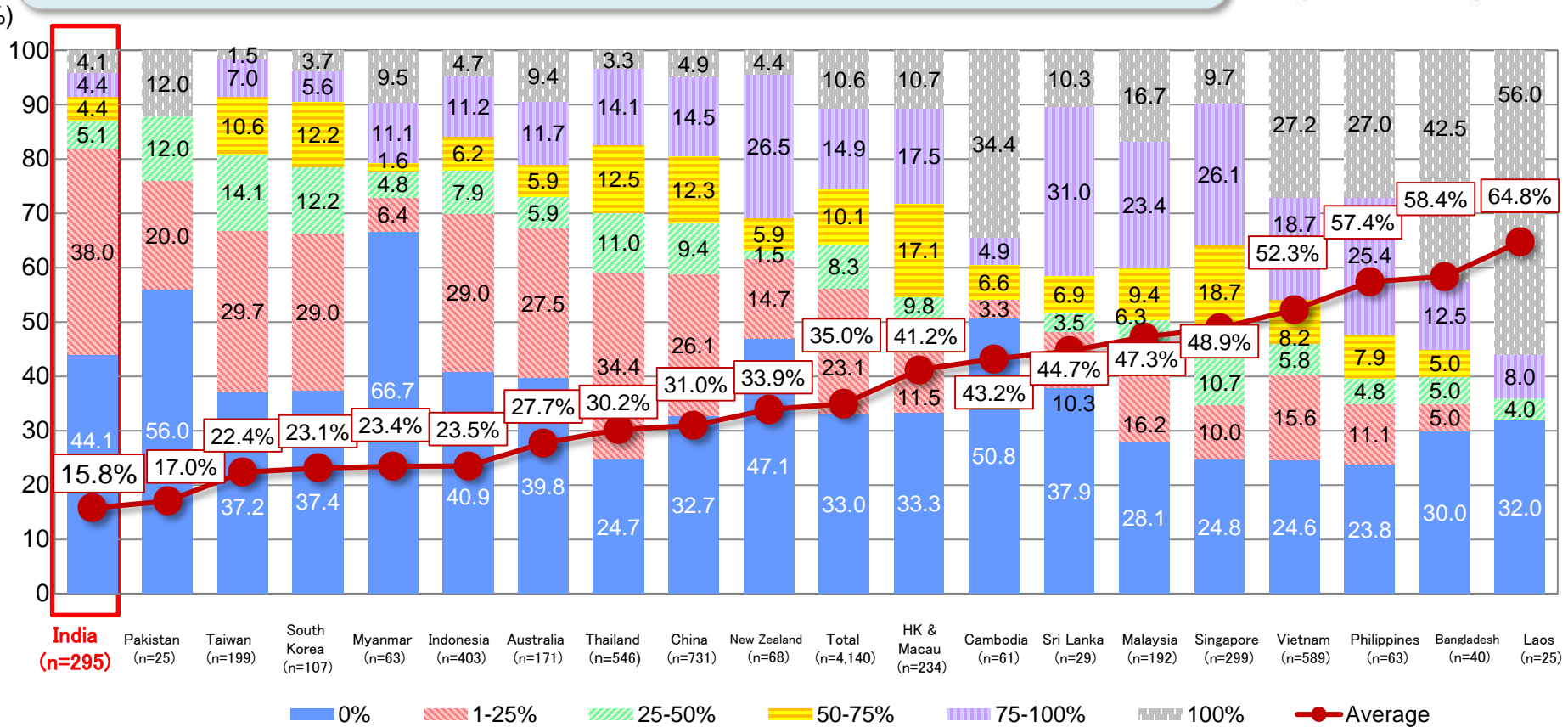
Note 1: ASEAN shows a weighted average of nine countries, excluding Brunei.
Note 2: Figures for Cambodia and Laos have been included in the ASEAN average since 2010 and 2011, respectively.

Local production cost in comparison with production cost in Japan, which is taken as 100 (by country/region)

Note: Country/region for which n ≥ 10



Proportion of export sales to the total sales (by country/region, responses as 0-100%)



- The average proportion of export sales to total sales among Japanese-affiliated companies was 35.0% (down 1.1 pp from the previous year).
- By country/region, the proportion exceeded 50% in Laos (64.8%), Bangladesh (58.4%), the Philippines (57.4%), and Vietnam (52.3%). On the other hand, the proportion of domestic sales was high in India (15.8%) and Pakistan (17.0%), with less than a 20% export ratio.
- The proportion of totally export-oriented firms (export ratio: 100%) was high in Laos (56.0%), Bangladesh (42.5%) and Cambodia (34.4%). Meanwhile, completely domestic sales-oriented firms (export ratio: 0%) exceeded 50% in Myanmar (66.7%), Pakistan (56.0%) and Cambodia (50.8%).

Problems by country/region (top 5, multiple answers)

India

		2017 survey	2016 survey
1	Wage increase (n=319)	72.1	67.5
2	Competitors' market shares are growing (cost-wise competition) (n=321)	64.2	59.2
3	Quality of employees (n=319)	58.3	49.5
4	Tax burdens (i.e. corporate taxes and transfer pricing taxes) (n=320)	51.3	52.6
5	Difficulty in quality control (n=150)	50.7	51.1