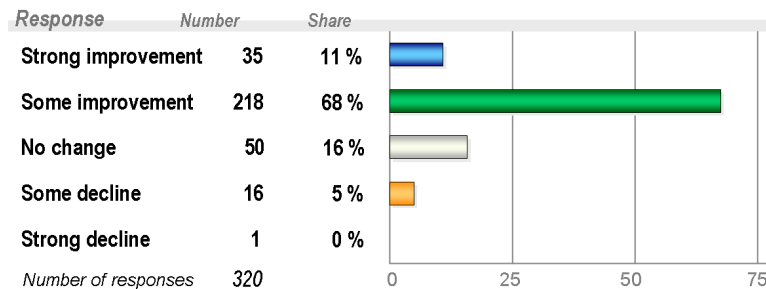


Foreign companies in Japan forecast a strong improvement in economy and their business performance

The Foreign Chambers Information Group (FCIG), made up of foreign chambers of commerce and business groups in Japan, conducted the fourth Foreign Chambers Business Confidence Survey in the period 14-27 October. The survey was sent to members of 13 organizations representing 2,150 foreign affiliated companies and generated 328 valid responses. The previous survey was conducted in April 2003.

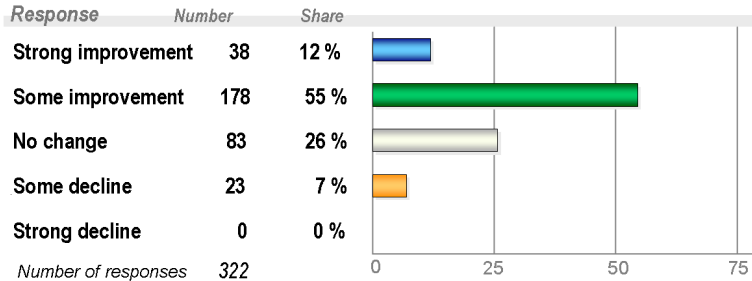
This survey represents a significant improvement in the sentiments on the Japanese economy for the coming 6 months – the index rose from -0.32 in the April survey to +0.68 in this survey. In a scale from -2 to +2 a one point improvement is huge. No company expects a strong decline and only 3 % even a slight decline.

Economy next 6 months



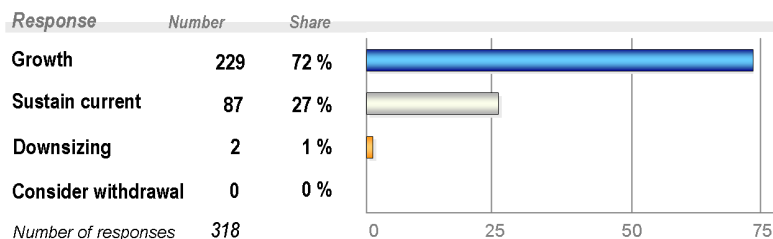
The companies continue to report good performance in their own business. Sales is growing and profitability is expected to further improve (index + 0.72 vs. + 0.55 in April); only 7 % of the companies forecast some decline in profitability, none of them a strong decline.

Profitability next 6 months



The most convincing proof that foreign companies in Japan are still very positive about the opportunities in the Japanese market is that when asked about their strategies in Japan, 72 % responded that they look for further growth, only 2 % are planning to downsize and none of the 328 companies that responded to the survey consider to withdraw from the market.

Strategy in Japan



The next survey will be made in April 2004.

The full report is available at the following address on Friday 7 November at 12:00
<http://www.fcc.or.jp/fcig/confidence-survey.html>