

Outline of Survey on Trends of Land Transaction (First Survey) for FY2013

October , 2013

Ministry of Land, Infrastructure, Transport and Tourism,
Land Economy and Construction and Engineering Industry Bureau,
Real Estate Market Division

<Survey method, etc.>

1. Purpose of the survey

This is a survey of major companies which appear to have a great influence on land market trends, and is carried out to understand and organize their short-term intentions regarding land transactions, etc. with an aim to develop and provide simple and clear leading indicators.

2. Coverage of the survey

Listed companies (including over-the-counter trading) and unlisted companies with capital of 1 billion yen or more; 3,500 enterprises in total

3. Survey items

(1) Judgments about the land transaction situation

(2) Judgments about land price levels

(3) Intentions to purchase or sell land

(4) Intentions to increase or decrease land and buildings for own company use

4. Survey method: Questionnaire survey (sending and collecting by mail)

5. Date of the survey: August 2013

6. Results of the collection

	No. of questionnaires distributed	No. of valid responses	Rate of valid responses
Listed companies	1,750 companies	520 companies	29.7%
Unlisted companies	1,750 companies	820 companies	46.9%
Total	3,500 companies	1,340 companies	38.3%

7. Implementing agency of the survey: TIME AGENT Co., Ltd.

(1) Judgments about the land transaction situation

Judgments about the land transaction situation in general terms were sought from companies whose headquarters are located in each region.

a. Judgments about the current land transaction situation (DI)

All regions showed increases of 20 points or more, and “Tokyo” turned to a positive for the first time since the survey in March 2008. “Tokyo” increased by 33.7 points to +9.4 points, “Osaka” increased by 24.3 points to -1.6 points, and “Other regions” increased by 24.9 points to -12.5 points. (Figure 1)

b. Forecasts of the land transaction situation in a year’s time (DI)

All regions showed increases, marking positive figures. In particular, “Osaka” increased 14.7 points to +13.8 points, and “Other regions” increased by 9.2 points to +0.3 points, turning to positives for the first time since the survey in September 2007. (Figure 2)

c. Judgments about the current land transaction situation (Responses)

All regions showed increases in responses of “active,” and decreases in responses of “sluggish.” In particular, “Tokyo” showed an increase in responses of “active,” by 17.0 points. (Figure 3)

d. Forecasts of the land transaction situation in a year’s time (Responses)

All regions showed increases in responses of “active,” and decreases in responses of “sluggish.” In particular, “Osaka” showed an increase in responses of “active,” by 8.2 points. (Figure 4)

Figure 1 DI about judgments of the current land transaction situation (by location of headquarters)

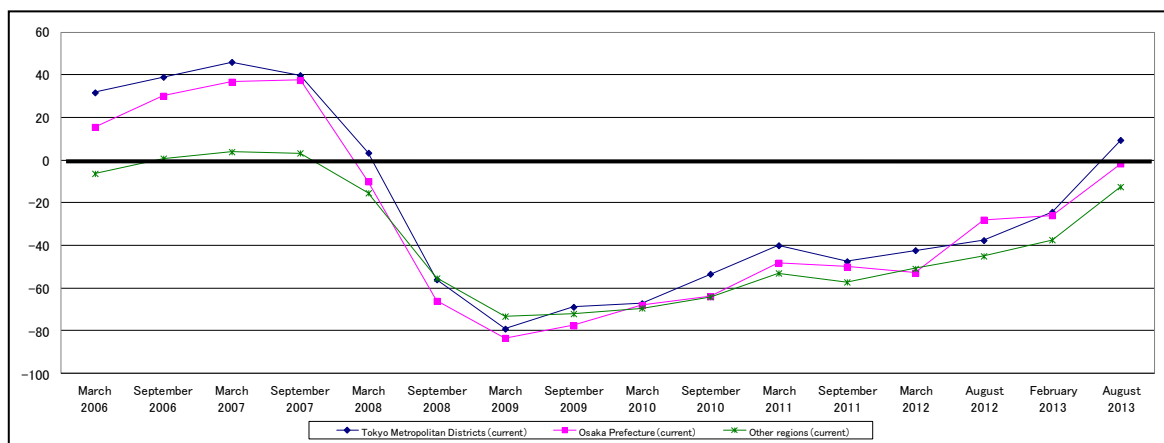


Figure 2 DI about forecasts of the land transaction situation in a year's time (by location of headquarters)

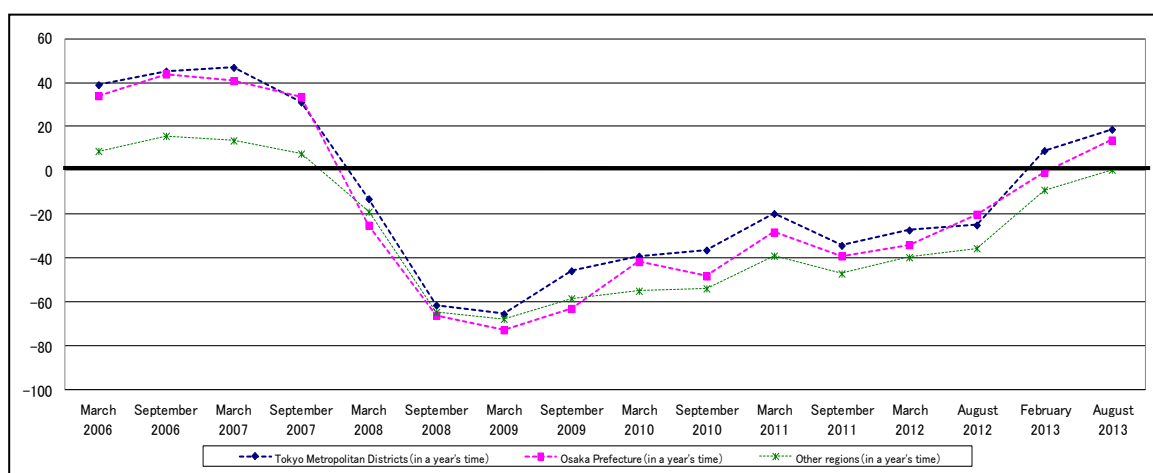


Figure 3 Judgments of the current land transaction situation (by location of headquarters)

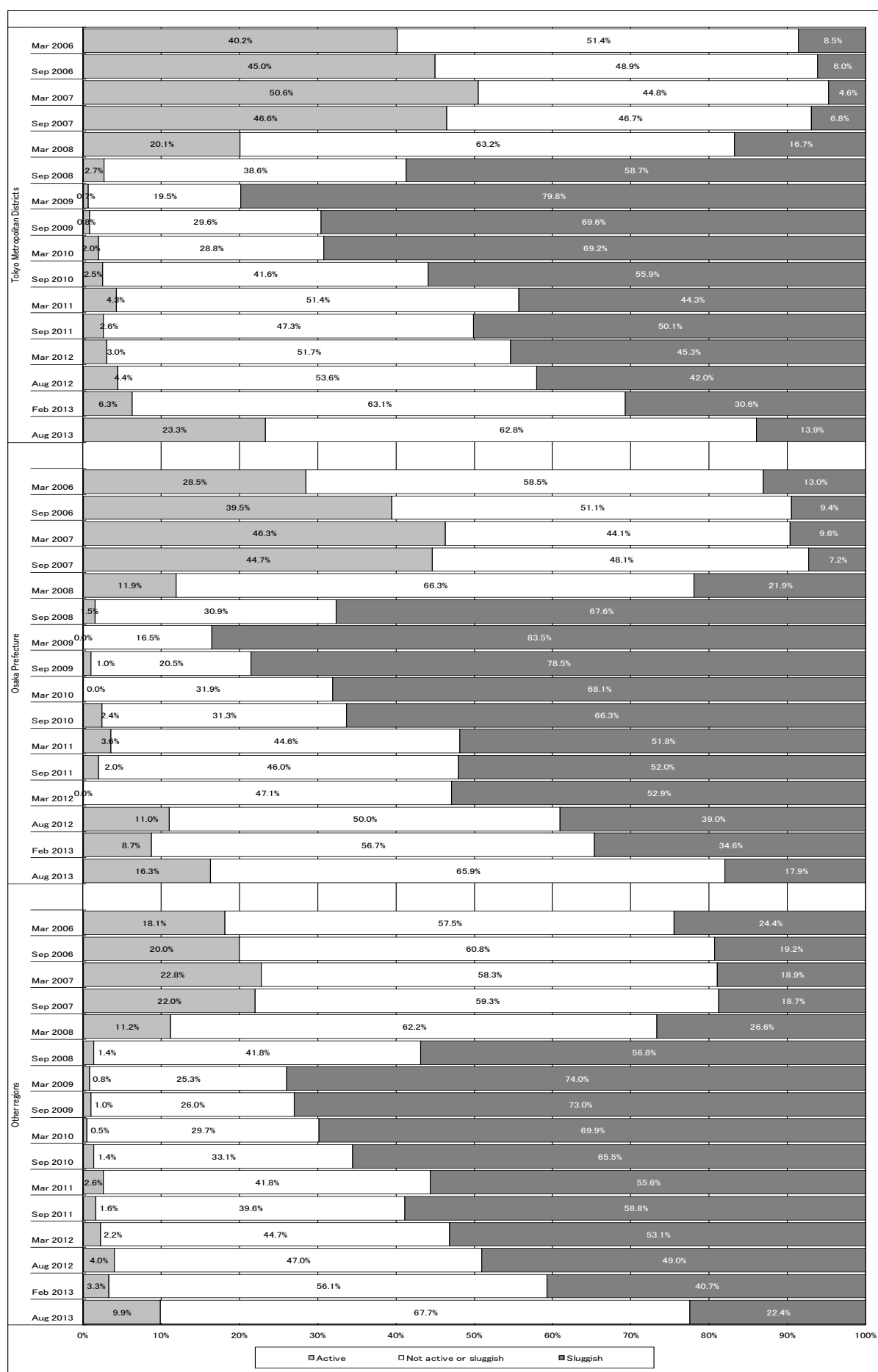
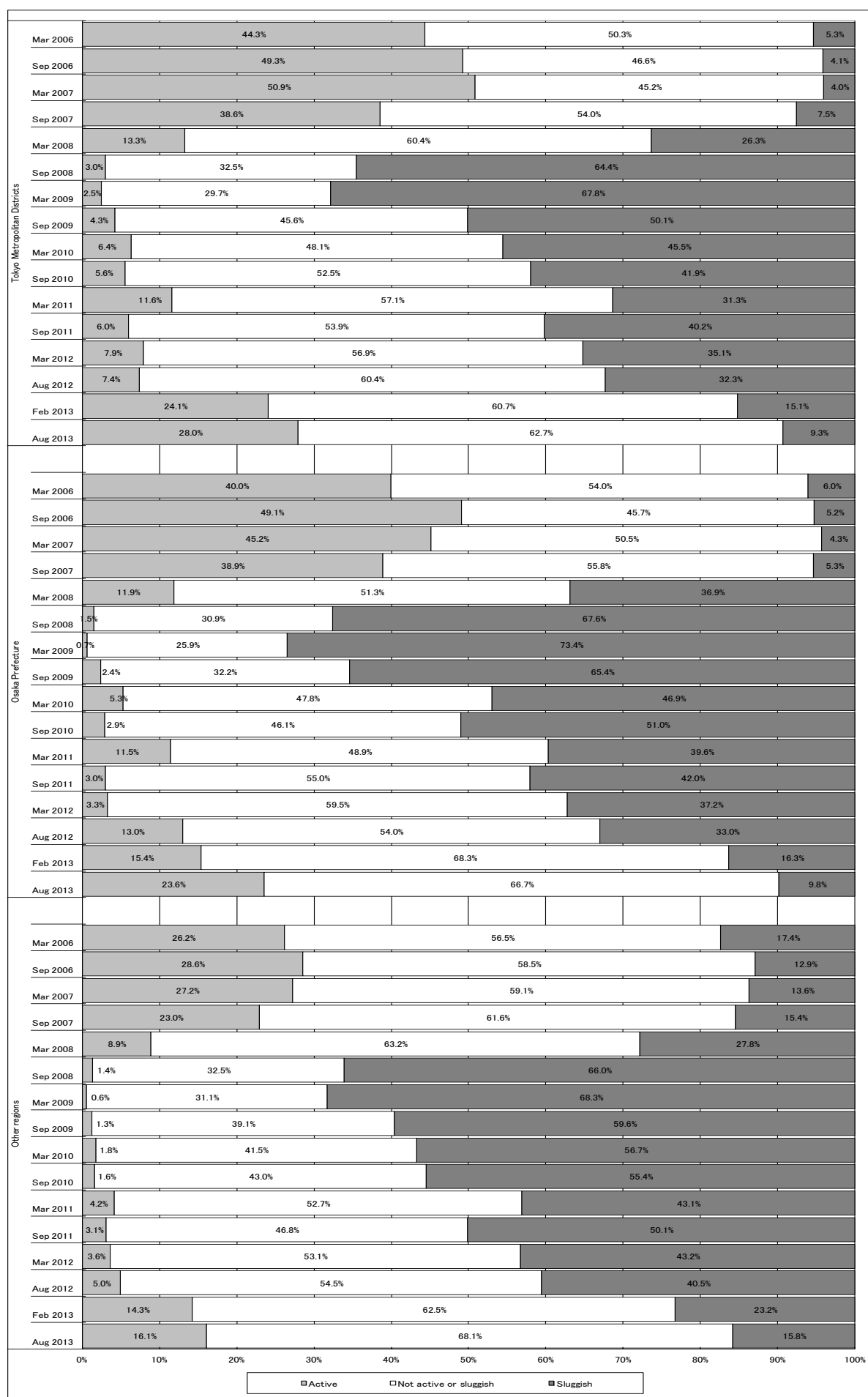


Figure 4 Forecasts of land transaction situation in a year's time (by location of headquarters)



(2) Judgments about land price levels

Judgments about land price levels at the locations of headquarters were sought from companies whose headquarters are located in each region.

a. Judgments of the current land price levels

“Tokyo” and “Osaka” showed increases in responses of “high,” and “Other regions” showed an increase in responses of “appropriate.” (Figure 5)

b. Forecasts of land price levels in a year’s time

All regions showed increases in responses of “expect to rise.” (Figure 6)

As a result, DI (“expect to rise” – “expect to decline”) marked +39.1 points, +15.7 points, and 0.0 points for “Tokyo,” “Osaka,” and “Other regions,” respectively. (Figure 7)

Figure 5 Judgments of the current land price levels (by location of headquarters)

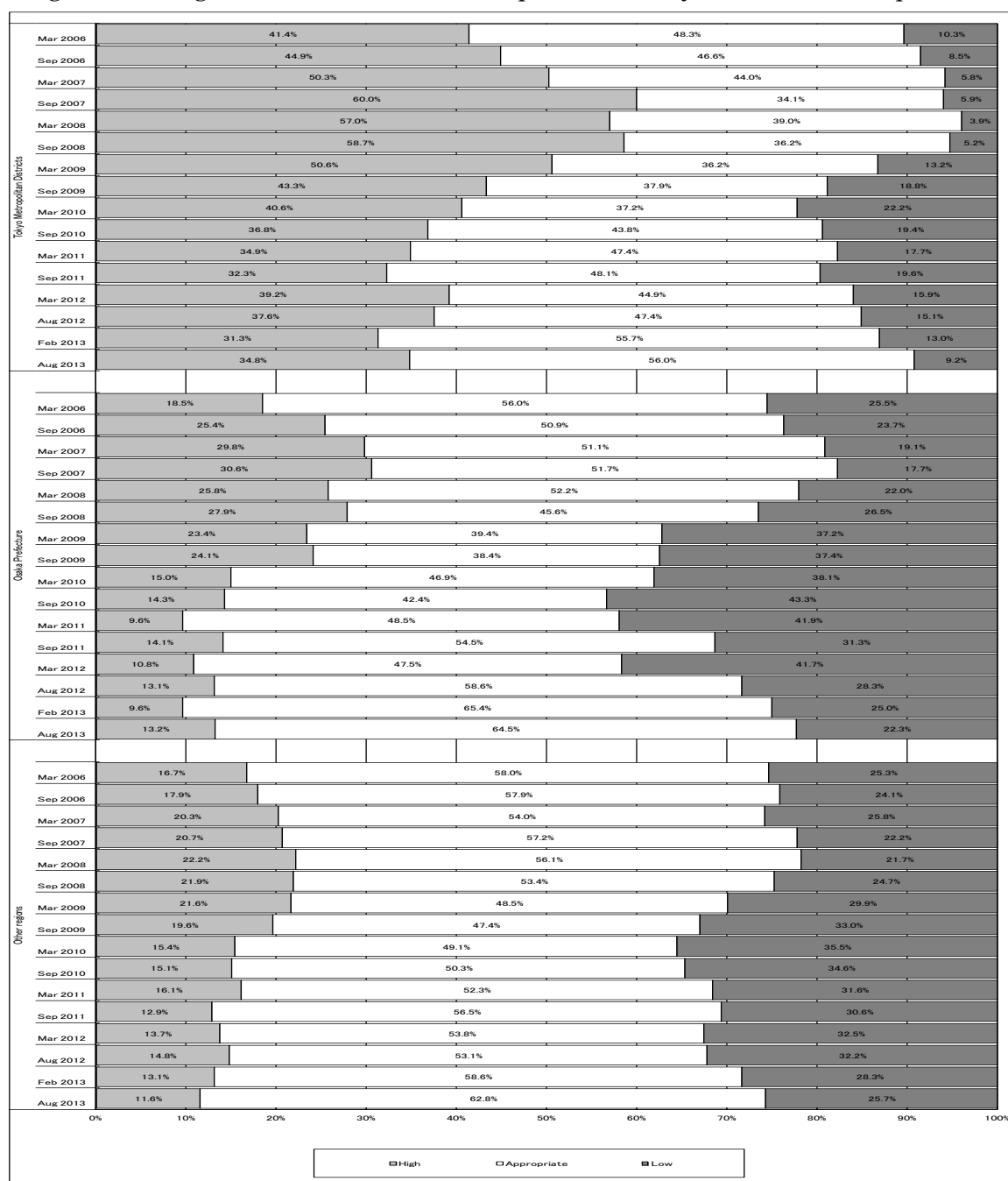


Figure 6 Forecasts of land price levels in a year's time (by location of headquarters)

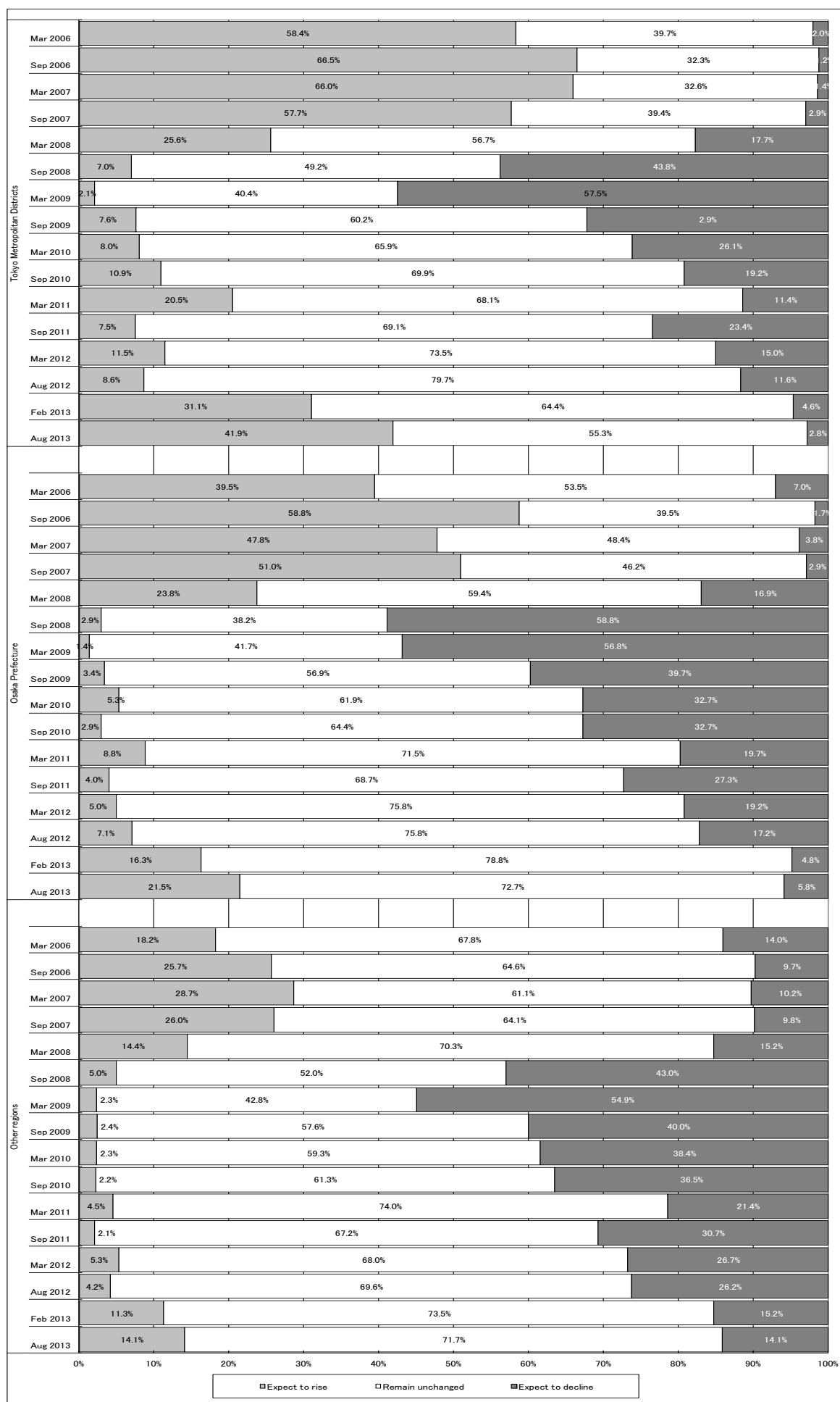
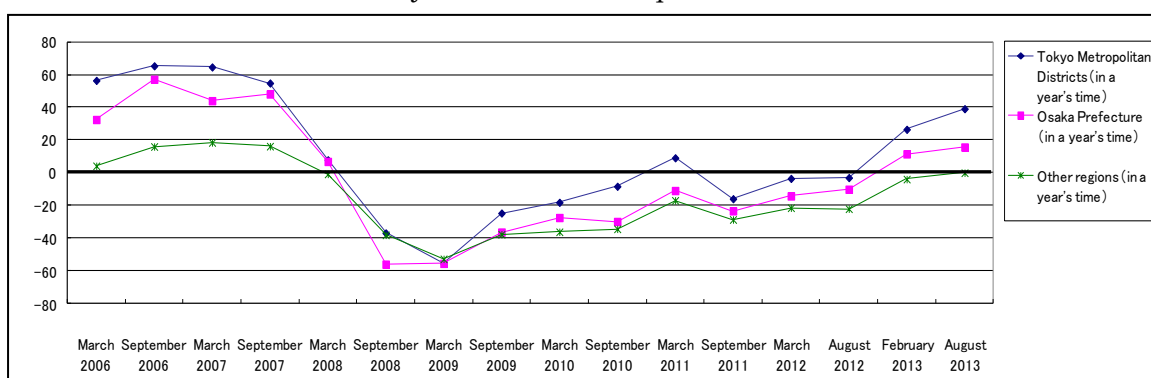


Figure 7 DI about forecasts of land price levels in a year's time

(by location of headquarters)



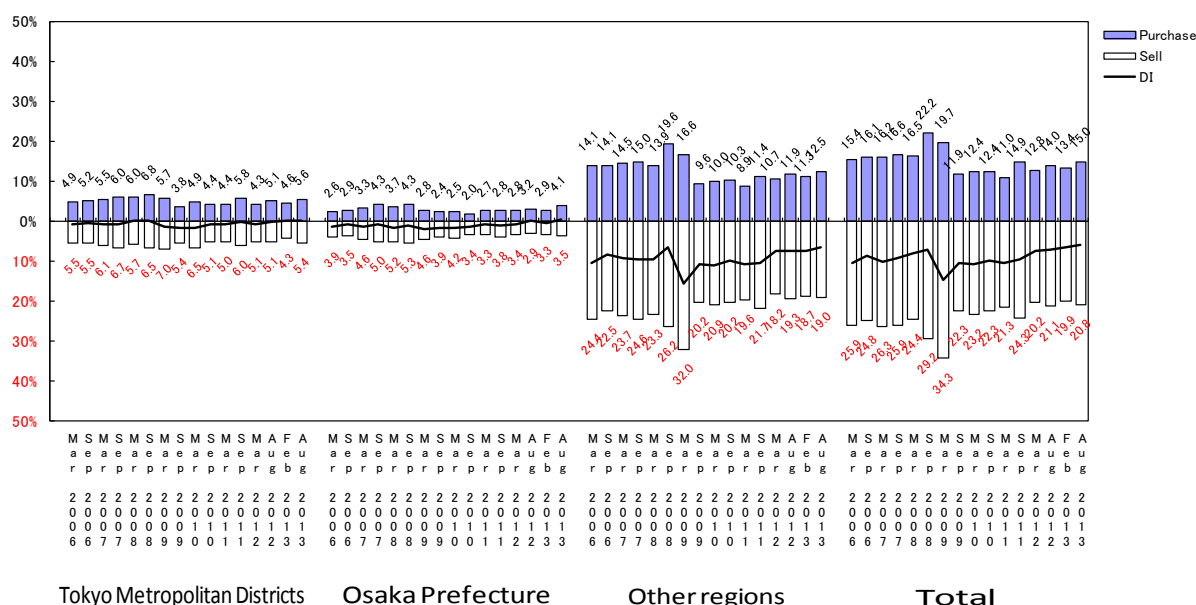
Note: DI = Rate of (Rise)–(Decline). The unit is points.

(3) Intentions to purchase or sell land

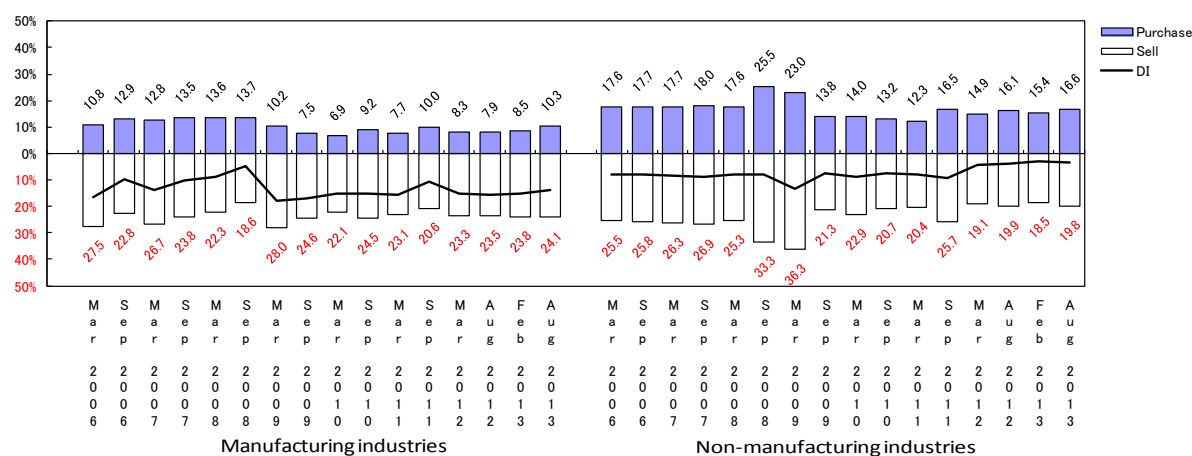
As for the “intentions to purchase or sell land within a year,” all regions showed increases in the rates of responses both for “purchase” and “sell,” looking by location of properties, with an almost flat result for DI (“Purchase” – “Sell”).

By industry, both “manufacturing industries” and “non-manufacturing industries” showed increases in the rates of responses both for “purchase” and “sell.” Compared with “non-manufacturing industries,” “manufacturing industries” showed a higher rate of responses of “sell” and a lower rate of responses of “purchase,” resulting in a lower DI. (Figure 8)

Figure 8 Intentions to purchase or sell land within a year
(by location of properties)



(by industry)



Notes 1: The figures of the intentions to purchase or sell are the ratios of companies which responded that they intend to purchase or sell land to the total number of valid responses (the total number of valid responses in each industry for intentions by industry).

2: As for intentions by location of properties, multiple answers regarding regions are allowed for companies, so the totals may differ from the sums of each region.

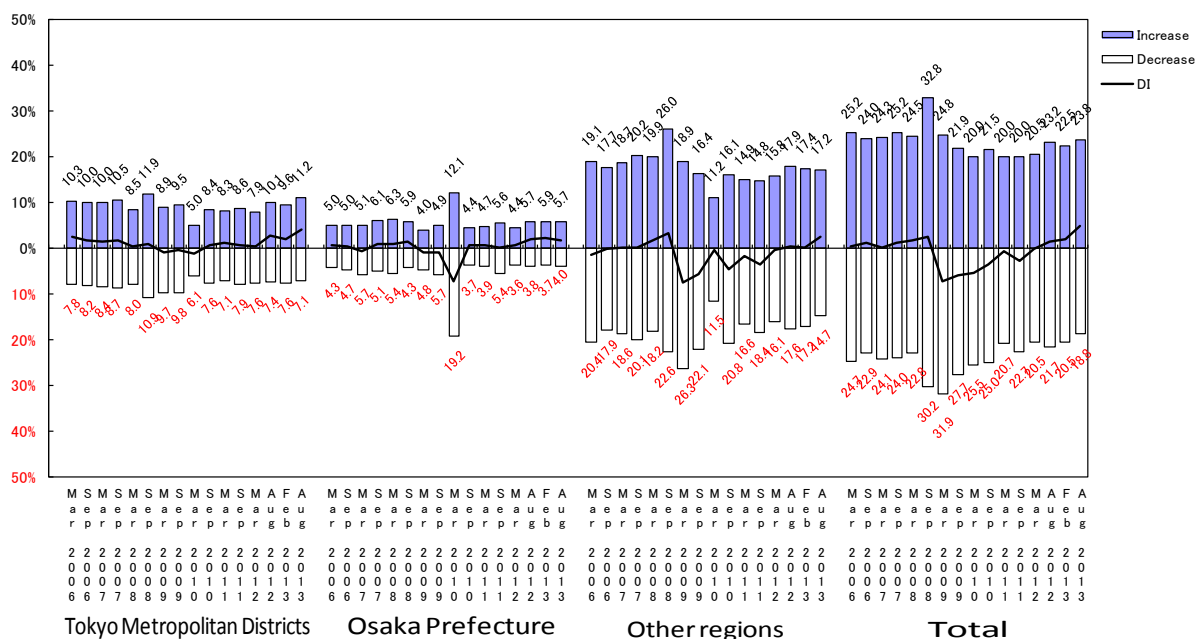
(4) Intentions to increase or decrease land and buildings for own company use

As for the “intentions to increase or decrease land and buildings for own company use within a year,” the DIs by location of properties (“Increase” — “Decrease”) declined for “Osaka,” and rose for “Tokyo” and “Other regions.”

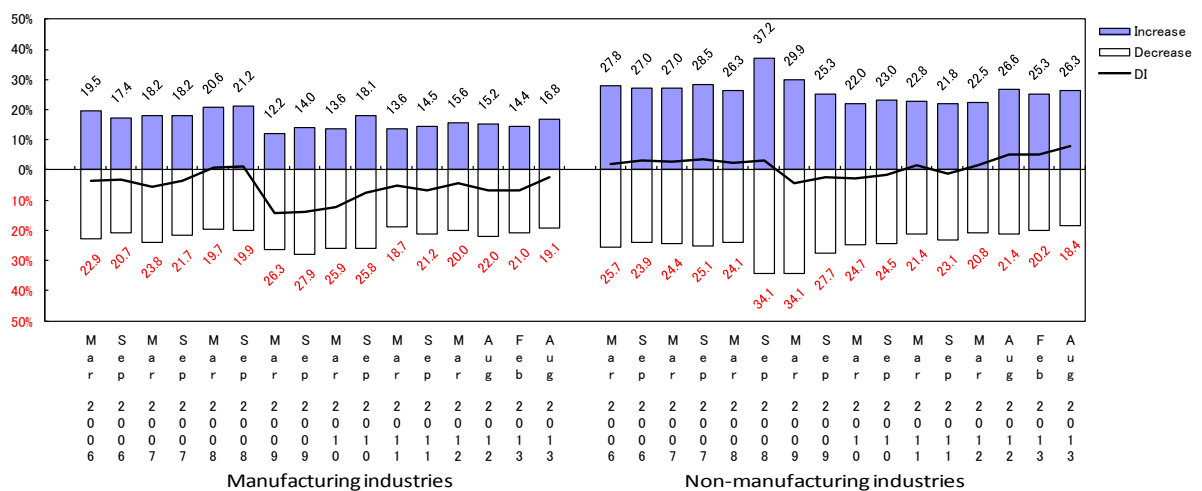
The DIs by industry rose both for “manufacturing industries” and “non-manufacturing industries,” especially marking the record-high DI for “non-manufacturing industries.” (Figure 9)

Figure 9 Intentions to increase or decrease land and buildings for own company use within a year

(by location of properties)



(by industry)



Notes 1: The intentions to increase or decrease land and buildings for own company use are as follows:

- Exclude the purpose of selling and lending to other companies and the purpose of

investment

- Include the use of a building only (cases of moving into a rental building as a tenant, etc. also apply)

- Include “rent” or “terminate to rent,” not only to purchase or sell

2: The figures of the intentions to increase or decrease are the ratios of companies which responded that they have intentions to increase or decrease land and building use to the total number of valid responses (the total number of valid responses in each industry for intentions by industry).