



World Investment Report 2008

*Transnational Corporations
and the Infrastructure Challenge*

Country fact sheet: **Japan**

EMBARGO

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Foreign direct investment (FDI) overview, selected years

(Millions of dollars and percentages)

FDI flows	1990-2000 (Annual average)	2004	2005	2006	2007	as a percentage of gross fixed capital formation			
						1990-2000 (Annual average)	2005	2006	2007
Japan									
Inward	3 149	7 816	2 775	- 6 506	22 549	-	0.3	- 0.6	2.2
Outward	25 409	30 951	45 781	50 266	73 549	2.2	4.3	4.9	7.2
<i>Memorandum</i>									
China									
Inward	30 104	60 630	72 406	72 715	83 521	11.0	7.7	6.4	5.9
Outward	2 195	5 498	12 261	21 160	22 469	1.0	1.3	1.9	1.6
United Kingdom									
Inward	40 321	55 963	177 901	148 189	223 966	18.0	46.2	34.6	44.8
Outward	73 378	91 019	80 009	86 764	265 791	32.5	20.8	20.3	53.1
United States									
Inward	109 513	135 826	104 773	236 701	232 839	7.0	4.3	9.1	9.0
Outward	92 010	294 905	15 369	221 664	313 787	6.3	0.6	8.5	12.1
European Union									
Inward	209 482	214 342	498 400	562 444	804 290	11.9	18.2	18.6	22.6
Outward	280 398	368 006	609 267	640 542	1 142 229	16.0	22.2	21.2	32.1
Developed economies									
Inward	357 219	403 687	611 283	940 861	1 247 635	7.3	8.9	12.8	15.6
Outward	438 258	786 004	748 885	1 087 186	1 692 141	9.1	10.9	14.8	21.2
World									
Inward	492 605	717 695	958 697	1 411 018	1 833 324	7.7	9.7	12.9	14.8
Outward	492 535	920 151	880 808	1 323 150	1 996 514	7.9	9.0	12.2	16.2
FDI stocks						as a percentage of gross domestic product			
	1990	1995	2000	2006	2007	1990	2000	2006	2007
Japan									
Inward	9 850	33 531	50 322	107 633	132 851	0.3	1.1	2.5	3.0
Outward	201 441	238 452	278 442	449 567	542 614	6.7	6.0	10.3	12.4
<i>Memorandum</i>									
China									
Inward	20 691	101 098	193 348	292 559	327 087	5.1	16.2	10.5	10.1
Outward	4 455	17 768	27 768	73 330	95 799	1.1	2.3	2.6	3.0
United Kingdom									
Inward	203 905	199 772	438 631	1 133 437	1 347 688	20.6	30.4	47.3	48.6
Outward	229 307	304 865	897 845	1 440 058	1 705 095	23.1	62.3	60.0	61.5
United States									
Inward	394 911	535 553	1 256 867	1 843 885	2 093 049	6.8	12.8	14.0	15.1
Outward	430 521	699 015	1 316 247	2 454 674	2 791 269	7.4	13.4	18.6	20.2
European Union									
Inward	761 897	1 146 970	2 190 397	5 675 258	6 881 625	10.6	25.9	39.0	40.9
Outward	810 472	1 322 742	3 050 580	6 547 536	8 086 111	11.3	36.1	44.9	48.1
Developed economies									
Inward	1 412 605	2 051 355	3 987 624	8 766 020	10 458 610	8.1	16.2	24.9	27.2
Outward	1 640 405	2 607 460	5 265 116	10 837 952	13 042 178	9.5	21.3	30.8	33.9
World									
Inward	1 941 252	2 914 356	5 786 700	12 470 085	15 210 560	9.1	18.1	25.5	27.9
Outward	1 785 267	2 941 198	6 148 211	12 756 149	15 602 339	8.5	19.4	26.3	28.9

Source: UNCTAD, *World Investment Report 2008*; www.unctad.org/wir or www.unctad.org/fdistatistics
For details, see "definitions and sources" in annex B and annex tables B. 1-B.3 in *WIR08*.

Cross-border merger and acquisition overview, 1990-2007

(Millions of dollars)

Region/economy	Sales				Purchases			
	1990-2000 (Annual average)	2005	2006	2007	1990-2000 (Annual average)	2005	2006	2007
Japan	1 688	5 604	18 376	20 895	6 404	12 363	31 048	23 550
<i>Memorandum</i>								
China	558	10 131	11 452	12 185	297	5 599	15 384	4 529
United Kingdom	26 879	214 637	201 652	207 151	24 379	113 406	125 747	269 709
United States	45 361	143 140	229 993	439 993	34 873	173 575	209 185	370 378
European Union	75 313	539 490	530 040	734 550	68 135	477 530	509 018	847 882
Developed economies	142 124	774 191	921 784	1 424 211	130 113	784 411	937 747	1 414 753
World	159 269	929 362	1 118 068	1 637 107	159 269	929 362	1 118 068	1 637 107

Source: UNCTAD, *World Investment Report 2008*; www.unctad.org/wir or www.unctad.org/fdistatistics
For details, see "definitions and sources" in annex B and annex tables B. 4 and B. 6 in *WIR08*.

Country rankings by Inward FDI Performance Index, Inward FDI Potential Index and Outward FDI Performance Index, 2005-2007^a

Economy	Inward FDI Performance Index		Economy	Inward FDI Potential Index		Economy	Outward FDI Performance Index	
	2006	2007		2005	2006		2006	2007
Korea, Republic of	126	130	Korea, Republic of	19	19	Colombia	35	39
Australia	115	131	Russian Federation	23	20	United States	39	40
Venezuela, Bolivarian Rep. of	127	132	Switzerland	20	21	Saudi Arabia	79	41
Iran, Islamic Republic of	133	133	Australia	22	22	Greece	45	42
Kuwait	135	134	Denmark	21	23	Lithuania	41	43
Japan	137	135	Japan	24	24	Japan	44	44
Nepal	138	136	Spain	25	25	Brazil	37	45
Ireland	141	137	Austria	27	26	Kazakhstan	128	46
Luxembourg	1	138	Israel	26	27	Oman	46	47
Angola	136	139	Saudi Arabia	28	28	Korea, Republic of	51	48
Azerbaijan	14	140	Kuwait	31	29	Philippines	67	49

Source: UNCTAD, *World Investment Report 2008*; www.unctad.org/wir or www.unctad.org/fdistatistics

For details, see annex table A.I.10. in *WIR08*.

Note: Ranking is that of the latest year available. Covering 141 economies. The potential index is based on 12 economic and policy variables

^a Three-year moving averages, using data for the three previous years, including the year in question.

Presence in the Top 50 financial TNCs ranked by Spread Index, 2006 ^a

(Millions of dollars, number of employees)

Financial TNCs	Rank 2006	GSI ^b	Assets	Employees	Affiliates			
					Total	Number of foreign affiliates	I.I. ^c	Number of host countries
Nomura Holdings Inc	36	29.3	296 837	14 668	137	69	50.4	17
Mitsubishi Ufj Financial Group	37	29.0	1 585 767	82 838	116	61	52.6	16
Mizuho Financial Group Inc	44	25.1	1 269 600	45 758	87	42	48.3	13
Sumitomo Mitsui Financial Group	45	24.6	901 711	40 681	83	36	43.4	14

Source: UNCTAD, *World Investment Report 2008*; www.unctad.org/wir or www.unctad.org/fdistatistics

For details, see annex table A.I.17. in *WIR08*.

^a All data are based on the companies' annual reports unless otherwise stated. Data on affiliates is based on the Dun and Bradstreets "Who owns Whom" database

^b GSI, the "Geographical Spread Index", is calculated as the square root of the Internationalization Index multiplied by the number of host countries

^c II, the "Internationalization Index", is calculated as the number of foreign affiliates divided the number of all affiliates (Note: Affiliates counted in this table refer to only majority-owned affiliates).

Presence in the world's top 100 non-financial TNCs, ranked by foreign assets, 2006 ^a

(Millions of dollars and number of employees)

Corporation	Ranking by:			Foreign			TNI ^b (Per cent)	II ^c
	Foreign assets	TNI ^b	II ^c	Assets	Sales	Employment		
Toyota Motor Corporation	3	87	93	164 627	78 529	113 967	45.4	40.33
Honda Motor Co Ltd	18	11	75	76 264	77 605	148 544	81.9	58.02
Nissan Motor Co Ltd	27	48	97	61 398	68 703	93 935	61.9	31.33
Mitsui & Co Ltd	34	44	72	50 678	17 557	39 792	66.2	61.49
Mitsubishi Motors Corporation	35	95	77	48 328	37 270	19 048	35.1	57.14
Sony Corporation	40	52	47	40 925	52 045	103 900	59.4	75.29
Hitachi Ltd	72	97	87	23 905	27 840	122 196	31	47.99
Marubeni Corporation	73	91	78	23 788	8 876	12 188	43	57.06
Matsushita Electric Industrial Co., Ltd.	96	88	83	19 043	38 622	183 227	45	54.06

Source: UNCTAD/Erasmus University database; www.unctad.org/wir or www.unctad.org/fdistatistics

For details, see annex table A.I.15. in *WIR08*.

^a All data are based on the companies' annual reports unless otherwise stated. Data of affiliates are from D&B Who Owns Whom database

^b TNI is calculated as the average of the following three ratios: foreign assets to total assets, foreign sales to total sales and foreign employment to total employment

^c II is calculated as the number of foreign affiliates divided by number of all affiliates (Note: Affiliates counted in this table refer to only majority-owned affiliates)

Note: The list covers non-financial TNCs only. In some companies, foreign investors may hold a minority share of more than 10 per cent.

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This fact sheet and additional information on the *World Investment Report 2008* and the *Report* itself can be found at the following URL:

<http://www.unctad.org/wir>

The sources for all this information are the *World Investment Report 2008* and UNCTAD databases on FDI/TNC and cross-border M&As. These databases can be found at the following URL:

<http://www.unctad.org/fdistatistics>

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