

Trends in the Notifications Related to Chapter Four of  
The Antimonopoly Act in Fiscal Year 2002

May 30, 2002  
Fair Trade Commission

. The Trends in Mergers, Divisions and Business Acquisitions, etc., in Fiscal Year 2002

A. The Trends in The Number of Notifications Received

(1) Mergers

The number of notified mergers was 112 cases (all of them are mergers among Japanese companies).

(2) Divisions

The number of notified divisions was 21 cases (all of them are divisions among Japanese companies).

(3) Business acquisitions, etc.

The number of notified business acquisition, etc. was 197 cases (all of them are business acquisitions, etc. among Japanese companies).

Note1: The notifications for mergers, divisions and business acquisitions, etc. have to be submitted to JFTC in the case of the certain conditions (for example, in the case of domestic party's transaction, a) One of the parties to transaction has sum of total assets more than ten billion yen including the company's parent and subsidiary companies, and b) any other party to the transaction has sum of total assets more than one billion yen including the company's parent and subsidiary companies.)

2: The Notification System concerning Divisions (Joint Establishment Divisions and Acquisition Divisions) was newly established by the amendments of the Antimonopoly Act in May 2000, and came into effect in fiscal year 2001.

B. Classification by Formation

All of the mergers were absorption mergers and no mergers through establishment of a new company were notified. Of the 21 cases of divisions, 5 cases were joint establishment divisions, and 16 cases were acquisition divisions. Of the 197 cases of business acquisitions, etc., 190 cases were business acquisitions, and 7 cases were acquisition of fixed assets.

### C. Classification by Value of Total Assets

The following is the classification of mergers, divisions and business acquisitions, etc. by value of total assets after transactions.

#### (1) Mergers

Mergers between 10 billion yen and 50 billion yen were 42 cases (37.5% of all the cases), comprising the largest number, followed by 29 mergers over 100 billion yen (25.9%), 15 mergers between 1 billion yen and 5 billion yen (13.4%) (See Table 1).

Table 1: Number of notifications of mergers classified by total assets

Unit: cases;(%)

FY	Total Assets	Under 1 billion yen	1-5 billion yen	5-10 billion yen	10-50 billion yen	50-100 billion yen	100 billion yen and more	Total
2001		9 (7.1)	20 (15.7)	6 (4.8)	56 (44.1)	12 (9.4)	24 (18.9)	127 (100.0)
2002		10 (8.9)	15 (13.4)	6 (5.4)	42 (37.5)	10 (8.9)	29 (25.9)	112 (100.0)

Notes:

1. Total Assets is calculated after the merger.
2. Because the sum of total assets including the company's parent and subsidiaries has been adopted as a basis for threshold of the notification requirements as a result of the amendments of the Antimonopoly Act in FY 1998, total assets of the merged company itself might be under 1 billion yen.

Table 2: Number of the mergers classified by total assets (FY 2002)

Dissolving Company \ Acquiring Company	Under 1 billion yen	1 - 5 billion yen	5 - 10 billion yen	10 - 50 billion yen	50 - 100 billion yen	100 - 500 billion yen	Over 500 billion yen	Total
Under 1 billion yen	1 0	1	0	0	0	0	0	1 1
1 - 5 billion yen	9	5	2	1	0	0	1	1 8
5 - 10 billion yen	2	3	3	2	0	0	0	1 0
10 - 50 billion yen	1	1 4	8	1 6	0	0	0	3 9
50 - 100 billion yen	0	2	2	3	3	1	0	1 1
100 - 500 billion yen	0	3	0	3	3	3	1	1 3
Over 500 billion yen	0	1	0	1	2	2	4	1 0
<b>Total</b>	<b>2 2</b>	<b>2 9</b>	<b>1 5</b>	<b>2 6</b>	<b>8</b>	<b>6</b>	<b>6</b>	<b>1 1 2</b>

Note: For mergers of three or more companies (in other words, when there are two or more dissolving companies), the figures are based on the dissolving company with the greatest amount of assets.

(2) Divisions

a. Joint Established Divisions

Joint established divisions over 100 billion yen were 3 cases (60.0% of all the cases), and 2 joint established divisions between 10 billion yen and 50 billion yen (40.0%) (See Table 3).

Table 3: Number of notifications of joint established divisions classified by total assets

Unit: cases;(%)

Total Assets \ FY	Under 1 billion yen	1-5 billion yen	5-10 billion yen	10-50 billion yen	50-100 billion yen	100 billion yen and more	Total
2001	0 (0.0)	0 (0.0)	2 (40.0)	1 (20.0)	0 (0.0)	2 (40.0)	5 (100.0)
2002	0 (0.0)	0 (0.0)	0 (0.0)	2 (40.0)	0 (0.0)	3 (60.0)	5 (100.0)

Notes:

1. Total Assets is of the newly established company after the joint established division.

2. Because the sum of total assets including the company's parent and subsidiaries has been adopted as a basis for threshold of the notification requirements, total assets of the newly established company itself might be under 1 billion yen as in the case of mergers.

**Table 4: Number of the joint establishment divisions classified by total assets (FY 2002)**

Alienating Company 1 \ Alienating Company 2	Under 1 billion yen	1 - 5 billion yen	5 - 10 billion yen	10 - 50 billion yen	50 - 100 billion yen	100 - 500 billion yen	Over 500 billion yen	Total
	Under 1 billion yen	0	0	0	0	0	0	0
1 - 5 billion yen	0	0	0	0	0	0	0	0
5 - 10 billion yen	0	0	0	0	0	0	0	0
10 - 50 billion yen	0	0	1	0	0	0	0	1
50 - 100 billion yen	0	0	0	0	0	0	0	0
100 - 500 billion yen	0	0	0	1	0	0	0	1
Over 500 billion yen	0	0	0	0	0	0	3	3
<b>Total</b>	0	0	1	1	0	0	3	5

Note: For joint establishment divisions, the figures are based on the alienating company 1 (which is to alienate whole part of the business or substantial part of the business) with the greatest amount of assets, and the figures are based on the alienating company 2 with the second greatest amount of assets.

#### b Acquisition Divisions

Acquisition divisions between 10 billion yen and 50 billion yen were 5 cases (31.3% of all the cases), comprising the largest number, followed by 3 acquisition divisions both between 50 billion yen and 100 billion yen and over 100 billion yen (18.8%) (See Table 5).

Table 5: Number of notifications of the acquisitions divisions classified by total assets

Unit: cases;(%)

FY	Total Assets	Under 1 billion yen	1-5 billion yen	5-10 billion yen	10-50 billion yen	50-100 billion yen	100 billion yen and more	Total
2001		1 (6.7)	2 (13.3)	0 (0.0)	4 (26.7)	3 (20.0)	5 (33.3)	15 (100.0)
2002		1 (6.3)	2 (12.5)	2 (12.5)	5 (31.3)	3 (18.8)	3 (18.8)	16 (100.0)

Notes:

1. Total assets are of the acquiring company after the acquisition division.
2. Because the sum of total assets including the company's parent and subsidiaries has been adopted as a basis for threshold of the notification requirements, total assets of the acquiring company itself might be under 1 billion yen as in the case of mergers.

Table 6: Number of the acquisition divisions classified by total assets (FY 2002)

Acquiring Company \ Alienating Company	Under 1 billion yen	1 - 5 billion yen	5 - 10 billion yen	10 - 50 billion yen	50 - 100 billion yen	100 - 500 billion yen	Over 500 billion yen	Total
Under 1 billion yen	0	1	0	0	0	0	1	2
1 - 5 billion yen	0	0	1	1	1	2	0	5
5 - 10 billion yen	0	0	0	0	0	0	0	0
10 - 50 billion yen	0	1	0	0	0	0	6	7
50 - 100 billion yen	0	0	0	1	1	0	0	2
100 - 500 billion yen	0	0	0	0	0	0	0	0
Over 500 billion yen	0	0	0	0	0	0	0	0
Total	0	2	1	2	2	2	7	16

Note: For acquisition division, from two or more companies (in other words, when there are two or more alienating companies), the figures are based on the alienating company with the greatest amount of assets.

(3) Business Acquisitions, etc.

Business acquisitions, etc. between 10 billion yen and 50 billion yen were 65 cases (33.0% of all the cases), comprising the largest number, followed by 48 business acquisitions, etc. over 100 billion yen (24.4%), and 32 the business acquisitions, etc. between 1 billion yen and 5 billion yen (16.2%) (See Table 7).

Table 7: Number of notifications of business acquisitions, etc. classified by total assets

Unit: cases;(%)

FY	Total Assets	Under 1 billion yen	1 - 5 billion yen	5 - 10 billion yen	10 - 50 billion yen	50 - 100 billion yen	Over 100 billion yen	Total
	2001		31 (15.9)	29 (14.9)	10 (5.1)	52 (26.7)	14 (7.2)	59 (30.3)
2002		31 (15.7)	32 (16.2)	9 (4.6)	65 (33.0)	12 (6.1)	48 (24.4)	197 (100.0)

Note:

1. Total assets are of the acquiring company after the acquisition.
2. Because the sum of total assets including the company's parent and subsidiaries has been adopted as a basis for threshold of the notification requirements, total assets of the acquiring company itself might be under 1 billion yen as in the case of mergers.

**Table 8: Number of the business acquisitions, etc. classified by total assets before the amendment**

Acquiring Company \ Acquired Company	Under 1 billion yen	1 - 5 billion yen	5 - 10 billion yen	10 - 50 billion yen	50 - 100 billion yen	100 - 500 billion yen	Over 500 billion yen	Total
Under 1 billion yen	8	1 5	1 3	8	2	8	3	5 7
1 - 5 billion yen	4	2	4	5	1	1	2	1 9
5 - 10 billion yen	0	2	2	1	1	0	1	7
10 - 50 billion yen	0	2 3	8	6	2	1 4	6	5 9
50 - 100 billion yen	1	4	1	3	0	2	1	1 2
100 - 500 billion yen	1	2	2	5	2	7	1	2 0
Over 500 billion yen	0	2	3	6	2	4	6	2 3
Total	1 4	5 0	3 3	3 4	1 0	3 6	2 0	1 9 7

Note: For business acquisitions, etc. from two or more companies (in other words, when there are two or more acquired companies), the figures are based on the acquired company with the greatest amount of assets.

#### D. Classification by Sector

The following is a classification of notifications of mergers, divisions and business acquisitions, etc. by sector in FY2002.

##### (1) Mergers

Mergers by the wholesaling/retailing sector occupy the largest portion of total, numbering 26 cases (23.2% of the total), followed by the manufacturing sector (25 cases, 22.3%), the service sector ( 22 cases, 19.6%), and the finance/insurance sector (16 cases, 14.3%) (See table 9).

Within the manufacturing sector, machinery manufactures comprised 8cases, chemicals/petroleum/coal manufactures comprised 5 cases.

Table 9: Trends in notifications of mergers, classified by industry

Unit: cases;(%)

Industrial Classification	FY	2001	2002
Agriculture/Forestry/Fishery		0 ( 0.0)	0 ( 0.0)
Mining		0 ( 0.0)	0 ( 0.0)
Construction		5 ( 3.9)	6 ( 5.4)
Manufacturing		23 (18.1)	25 (22.3)
Food Products		2 ( 1.6)	0 ( 0.0)
Textiles		0 ( 0.0)	0 ( 0.0)
Lumber/Wood products		0 ( 0.0)	1 ( 0.9)
Paper/Pulp		0 ( 0.0)	3 ( 2.7)
Publishing/Printing		2 ( 1.6)	0 ( 0.0)
Chemicals/Petroleum/Coal		5 ( 3.9)	5 ( 4.5)
Rubber/Leather		1 ( 0.8)	1 ( 0.9)
Ceramics/Cement		0 ( 0.0)	0 ( 0.0)
Steel		1 ( 0.8)	3 ( 2.7)
Nonferrous Metals		2 ( 1.6)	1 ( 0.9)
Metal Goods		3 ( 2.4)	2 ( 1.8)
Machinery		6 ( 4.6)	8 ( 7.1)
Other Manufacturing Businesses		1 ( 0.8)	1 ( 0.9)
Wholesaling/Retailing		32 (25.2)	26 (23.2)
Real Estate		8 ( 6.3)	5 ( 4.5)
Transportation/Communications/Warehousing		10 ( 7.9)	8 ( 7.1)
Service		25 (19.7)	22 (19.6)
Finance/Insurance		21 (16.5)	16 (14.3)
Electric/Gas		1 ( 0.8)	1 ( 0.9)
Other		2 ( 1.6)	3 ( 2.7)
<b>Total</b>		<b>127 (100.0)</b>	<b>112 (100.0)</b>

Notes:

1. Business types are based on the types of newly established companies or remaining companies.



2. "Other" refers to newly established companies or remaining companies which have not begun operations or have suspended business operations.

[ Reference ]

In FY 2002, the number of notified mergers whose value of total assets after transactions was over 100 billion yen was 29 cases. And within the mergers, the finance/insurance sector occupied the largest portion of the total, numbering 11 cases

Table: Notifications of mergers over 100 billion yen value of total assets after transactions, classified by industry

Unit: cases;(%)

FY				
Industrial Classification	2001		2002	
Agriculture/Forestry/Fishery	0	( 0.0)	0	( 0.0)
Mining	0	( 0.0)	0	( 0.0)
Construction	0	( 0.0)	2	( 6.9)
Manufacturing	4	(16.7)	8	(27.6)
Food Products	0	( 0.0)	0	( 0.0)
Textiles	0	( 0.0)	0	( 0.0)
Lumber/Wood products	0	( 0.0)	0	( 0.0)
Paper/Pulp	0	( 0.0)	1	( 3.4)
Publishing/Printing	0	( 0.0)	0	( 0.0)
Chemicals/Petroleum/Coal	1	( 4.2)	2	( 6.9)
Rubber/Leather	0	( 0.0)	0	( 0.0)
Ceramics/Cement	0	( 0.0)	0	( 0.0)
Steel	0	( 0.0)	0	( 0.0)
Nonferrous Metals	0	( 0.0)	1	( 3.4)
Metal Goods	2	( 8.3)	0	( 0.0)
Machinery	1	( 4.2)	4	( 13.8)
Other Manufacturing Businesses	0	( 0.0)	0	( 0.0)
Wholesaling/Retailing	4	(16.7)	4	(13.8)
Real Estate	2	( 8.3)	0	( 0.0)
Transportation/Communications/Warehousing	0	( 0.0)	2	( 6.9)
Service	2	( 8.3)	1	( 3.4)
Finance/Insurance	12	(50.0)	11	(37.9)
Electric/Gas	0	( 0.0)	0	( 0.0)
Other	0	( 0.0)	1	( 3.4)
Total	24	(100.0)	29	(100.0)

(2) Divisions

a. Joint Established Divisions

Joint established divisions by the manufacturing sector occupy the largest portion of total, numbering 4 cases (80.0% of the total). It is followed by the wholesaling/retailing sector (1 case, 20.0%) (See table 10).

Within the manufacturing sector, machinery manufactures comprised 2 cases, both food product manufactures and steel manufactures comprised 1 case.

Table 10: Trends in notifications of joint established divisions, classified by industry  
Unit: cases;(%)

Industrial Classification	FY		2002	
	2001			
Agriculture/Forestry/Fishery	0	( 0.0)	0	( 0.0)
Mining	0	( 0.0)	0	( 0.0)
Construction	0	( 0.0)	0	( 0.0)
Manufacturing	4	(80.0)	4	(80.0)
Food Products	0	( 0.0)	1	(20.0)
Textiles	0	( 0.0)	0	( 0.0)
Lumber/Wood products	0	( 0.0)	0	( 0.0)
Paper/Pulp	0	( 0.0)	0	( 0.0)
Publishing/Printing	0	( 0.0)	0	( 0.0)
Chemicals/Petroleum/Coal	2	(40.0)	0	(0.0)
Rubber/Leather	0	( 0.0)	0	( 0.0)
Ceramics/Cement	0	( 0.0)	0	( 0.0)
Steel	0	( 0.0)	1	(20.0)
Nonferrous Metals	0	( 0.0)	0	( 0.0)
Metal Goods	0	( 0.0)	0	( 0.0)
Machinery	2	(40.0)	2	(40.0)
Other Manufacturing Businesses	0	( 0.0)	0	( 0.0)
Wholesaling/Retailing	1	(20.0)	1	(20.0)
Real Estate	0	( 0.0)	0	( 0.0)
Transportation/Communications/Warehousing	0	( 0.0)	0	( 0.0)
Service	0	( 0.0)	0	( 0.0)
Finance/Insurance	0	( 0.0)	0	( 0.0)
Electric/Gas	0	( 0.0)	0	( 0.0)
Other	0	( 0.0)	0	( 0.0)
<b>Total</b>	<b>5</b>	<b>(100.0)</b>	<b>5</b>	<b>(100.0)</b>

Notes:

Business types are based on the types of newly established company.

[ Reference ]

In FY 2002, the number of notified joint established divisions, whose value of total assets after transactions were over 100 billion yen, was 3 cases. And within the divisions, the manufacturing sector occupied 2 cases.

Table: Notifications of the joint established divisions over 100 billion yen value of total assets after transactions, classified by industry

Unit: cases;(%)

FY		
Industrial Classification	2001	2002
Agriculture/Forestry/Fishery	0 ( 0.0)	0 ( 0.0)
Mining	0 ( 0.0)	0 ( 0.0)
Construction	0 ( 0.0)	0 ( 0.0)
Manufacturing	1 (50.0)	2 (66.7)
Food Products	0 ( 0.0)	1 (33.3)
Textiles	0 ( 0.0)	0 ( 0.0)
Lumber/Wood products	0 ( 0.0)	0 ( 0.0)
Paper/Pulp	0 ( 0.0)	0 ( 0.0)
Publishing/Printing	0 ( 0.0)	0 ( 0.0)
Chemicals/Petroleum/Coal	0 ( 0.0)	0 ( 0.0)
Rubber/Leather	0 ( 0.0)	0 ( 0.0)
Ceramics/Cement	0 ( 0.0)	0 ( 0.0)
Steel	0 ( 0.0)	0 ( 0.0)
Nonferrous Metals	0 ( 0.0)	0 ( 0.0)
Metal Goods	0 ( 0.0)	0 ( 0.0)
Machinery	1 (50.0)	1 (33.3)
Other Manufacturing Businesses	0 ( 0.0)	0 ( 0.0)
Wholesaling/Retailing	1 (50.0)	1 (33.3)
Real Estate	0 ( 0.0)	0 ( 0.0)
Transportation/Communications/Warehousing	0 ( 0.0)	0 ( 0.0)
Service	0 ( 0.0)	0 ( 0.0)
Finance/Insurance	0 ( 0.0)	0 ( 0.0)
Electric/Gas	0 ( 0.0)	0 ( 0.0)
Other	0 ( 0.0)	0 ( 0.0)
Total	2 (100.0)	3 (100.0)

b. Acquisition Divisions

Acquisition divisions by the manufacturing sector occupy the largest portion of total, numbering 11 cases (68.8% of the total). It is followed by the construction sector (2 cases, 12.5%), the wholesaling/retailing sector, the transportation/communication/warehousing sector, and service (1 case 6.3%) (See table 11).

Within the manufacturing sector, both chemicals/petroleum/cool manufactures and machinery manufactures comprised 5 cases respectively, nonferrous metals manufactures comprised 1 case.

Table 11: Trends in notifications of acquisition divisions, classified by industry

Unit: cases;(%)

Industrial Classification	FY		2001		2002	
Agriculture/Forestry/Fishery	0	( 0.0)	0	( 0.0)	0	( 0.0)
Mining	0	( 0.0)	0	( 0.0)	0	( 0.0)
Construction	1	( 6.7)	2	(12.5)	2	(12.5)
Manufacturing	2	(13.3)	11	(68.8)	11	(68.8)
Food Products	0	( 0.0)	0	( 0.0)	0	( 0.0)
Textiles	0	( 0.0)	0	( 0.0)	0	( 0.0)
Lumber/Wood products	0	( 0.0)	0	( 0.0)	0	( 0.0)
Paper/Pulp	0	( 0.0)	0	( 0.0)	0	( 0.0)
Publishing/Printing	0	( 0.0)	0	( 0.0)	0	( 0.0)
Chemicals/Petroleum/Coal	0	( 0.0)	5	(31.3)	5	(31.3)
Rubber/Leather	0	( 0.0)	0	( 0.0)	0	( 0.0)
Ceramics/Cement	0	( 0.0)	0	( 0.0)	0	( 0.0)
Steel	0	( 0.0)	0	( 0.0)	0	( 0.0)
Nonferrous Metals	0	( 0.0)	1	( 6.3)	1	( 6.3)
Metal Goods	0	( 0.0)	0	( 0.0)	0	( 0.0)
Machinery	2	(13.3)	5	(31.3)	5	(31.3)
Other Manufacturing Businesses	0	( 0.0)	0	( 0.0)	0	( 0.0)
Wholesaling/Retailing	2	(13.3)	1	( 6.3)	1	( 6.3)
Real Estate	2	(13.3)	0	( 0.0)	0	( 0.0)
Transportation/Communications/Warehousing	4	(26.7)	1	( 6.3)	1	( 6.3)
Service	0	( 0.0)	1	( 6.3)	1	( 6.3)
Finance/Insurance	4	(26.7)	0	( 0.0)	0	( 0.0)
Electric/Gas	0	( 0.0)	0	( 0.0)	0	( 0.0)
Other	0	( 0.0)	0	( 0.0)	0	( 0.0)
<b>Total</b>	<b>15</b>	<b>(100.0)</b>	<b>16</b>	<b>(100.0)</b>	<b>16</b>	<b>(100.0)</b>

Notes:

Business types are based on the types of newly established company.

[ Reference ]

In FY 2002, the number of notified acquisition divisions whose value of total assets after transactions were over 100 billion yen, was 3 cases. And within the divisions, the manufacturing sector occupied the all portion of the total.

Table: Notifications of the acquisition divisions over 100 billion yen value of total assets after alienations, classified by industry

Unit: cases;(%)

Industrial Classification \ FY	2001	2002
Agriculture/Forestry/Fishery	0 ( 0.0)	0 ( 0.0)
Mining	0 ( 0.0)	0 ( 0.0)
Construction	0 ( 0.0)	0 ( 0.0)
Manufacturing	1 (20.0)	3 (100.0)
Food Products	0 ( 0.0)	0 ( 0.0)
Textiles	0 ( 0.0)	0 ( 0.0)
Lumber/Wood products	0 ( 0.0)	0 ( 0.0)
Paper/Pulp	0 ( 0.0)	0 ( 0.0)
Publishing/Printing	0 ( 0.0)	0 ( 0.0)
Chemicals/Petroleum/Coal	0 ( 0.0)	1 (33.0)
Rubber/Leather	0 ( 0.0)	0 ( 0.0)
Ceramics/Cement	0 ( 0.0)	0 ( 0.0)
Steel	0 ( 0.0)	0 ( 0.0)
Nonferrous Metals	0 ( 0.0)	0 ( 0.0)
Metal Goods	0 ( 0.0)	0 ( 0.0)
Machinery	1 (20.0)	2 (66.7)
Other Manufacturing Businesses	0 ( 0.0)	0 ( 0.0)
Wholesaling/Retailing	1 (20.0)	0 ( 0.0)
Real Estate	0 ( 0.0)	0 ( 0.0)
Transportation/Communications/Warehousing	0 ( 0.0)	0 ( 0.0)
Service	0 ( 0.0)	0 ( 0.0)
Finance/Insurance	3 (60.0)	0 ( 0.0)
Electric/Gas	0 ( 0.0)	0 ( 0.0)
Other	0 ( 0.0)	0 ( 0.0)
<b>Total</b>	<b>5 (100.0)</b>	<b>3 (100.0)</b>

(3) Business acquisitions, etc.

Business acquisitions, etc. by the manufacturing sector occupy the largest portion of total, numbering 65 cases (33.0% of the total). It is followed by the wholesaling/retailing sector ( 55 cases, 27.9%), the service sector (30 cases, 15.2%), the finance/insurance sector (11 cases 5.6%) (See table 12).

Within the manufacturing sector, a large number of cases involved machinery manufactures or chemicals/petroleum/coal manufactures (22 cases and 20 cases, respectively).

Table 12: Trends in notifications received of business acquisitions, etc., classified by sector

Industrial Classification	FY		Unit: cases;(%)	
	2001		2002	
Agriculture/Forestry/Fishery	0	( 0.0)	0	( 0.0)
Mining	0	( 0.0)	1	( 0.5)
Construction	4	( 2.1)	6	( 3.0)
Manufacturing	53	(27.2)	65	(33.0)
Food Products	6	( 3.1)	10	( 5.1)
Textiles	0	( 0.0)	1	( 0.5)
Lumber/Wood products	1	( 0.5)	0	( 0.0)
Paper/Pulp	1	( 0.5)	2	( 1.0)
Publishing/Printing	1	( 0.5)	1	( 0.5)
Chemicals/Petroleum/Coal	13	( 6.7)	20	(10.2)
Rubber/Leather	2	( 1.0)	0	( 0.0)
Ceramics/Cement	2	( 1.0)	0	( 0.0)
Steel	1	( 0.5)	2	( 1.0)
Nonferrous Metals	3	( 1.6)	2	( 1.0)
Metal Goods	1	( 0.5)	0	( 0.0)
Machinery	21	(10.8)	22	(11.2)
Other Manufacturing Businesses	1	( 0.5)	5	( 2.5)
Wholesaling/Retailing	58	(29.7)	55	(27.9)
Real Estate	3	( 1.5)	1	( 0.5)
Transportation/Communications/Warehousing	10	( 5.1)	8	( 4.1)
Service	30	(15.4)	30	(15.2)
Finance/Insurance	15	( 7.7)	11	( 5.6)
Electric/Gas	0	( 0.0)	3	( 1.5)
Other	22	(11.3)	17	( 8.6)
<b>Total</b>	<b>195</b>	<b>(100.0)</b>	<b>197</b>	<b>(100.0)</b>

Notes:

1. Business types are based on the types of the acquiring company.

2. "Other" refers to the acquiring company which has not yet been established, have not begun operations, or have suspended business operations.

[ Reference ]

In FY 2002, the number of notified business acquisitions, etc. whose value of total assets after transactions were over 100 billion yen, were 48. And within the business acquisitions, etc., the manufacturing sector occupied the largest portion of the total, numbering 15 cases

Table: Notifications of the business acquisitions, etc. over 100 billion yen value of total assets after transactions, classified by industry

Unit: cases;(%)

Industrial Classification	FY	
	2001	2002
Agriculture/Forestry/Fishery	0 ( 0.0)	0 ( 0.0)
Mining	0 ( 0.0)	0 ( 0.0)
Construction	1 ( 3.3)	1 ( 2.1)
Manufacturing	17 (28.3)	15 (31.3)
Food Products	1 ( 1.6)	4 ( 8.3)
Textiles	0 ( 0.0)	0 ( 0.0)
Lumber/Wood products	1 ( 1.6)	0 ( 0.0)
Paper/Pulp	0 ( 0.0)	1 ( 2.1)
Publishing/Printing	0 ( 0.0)	1 ( 2.1)
Chemicals/Petroleum/Coal	4 ( 6.7)	4 ( 8.3)
Rubber/Leather	1 ( 1.6)	0 ( 0.0)
Ceramics/Cement	0 ( 0.0)	0 ( 0.0)
Steel	0 ( 0.0)	0 ( 0.0)
Nonferrous Metals	0 ( 0.0)	1 ( 2.1)
Metal Goods	0 ( 0.0)	0 ( 0.0)
Machinery	10 (16.7)	2 ( 4.2)
Other Manufacturing Businesses	0 ( 0.0)	2 ( 4.2)
Wholesaling/Retailing	12 (20.0)	12 (25.0)
Real Estate	2 ( 3.3)	1 ( 2.1)
Transportation/Communications/Warehousing	4 ( 6.7)	2 ( 4.2)
Service	10 (14.3)	8 (16.7)
Finance/Insurance	12 (20.0)	8 (16.7)
Electric/Gas	0 ( 0.0)	1 ( 2.1)
Other	1 ( 1.7)	0 ( 0.0)
<b>Total</b>	<b>60 (100.0)</b>	<b>48 (100.0)</b>



## E. Classification by Type

The notification of mergers, divisions and business acquisitions, etc. in FY 2002 classified by type is as follows.

### (1) Mergers

The total number of mergers classified by type in FY 2002, calculated as the number of dissolving companies, was 181 cases. Of this total, horizontal connections comprised the largest number with 107 cases (59.1% of the total), followed 64 conglomerate connections cases (35.4%), and 10 vertical connections (5.5%) (See Table 13).

Note: Cases are calculated based on the number of dissolving companies. Thus, for example, in a three-company merger, we assume that a merger between two companies has occurred twice.

Table 13: Mergers classified by type (calculated as the number of dissolving companies)

Unit: cases; (%)								
Type FY	Horizontal	Vertical	Conglomerate				Other	Total
			Regional expansion	Article range expansion	Outright	Subtotal		
2001	126 (64.3)	16 (8.2)	11 (5.6)	28 (14.3)	15 (7.6)	54 (27.5)	0 (0.0)	196 (100.0)
2002	107 (59.1)	10 (5.5)	21 (11.6)	18 (9.9)	25 (13.8)	64 (35.4)	0 (0.0)	181 (100.0)

Note: The type of mergers is as follows.

- a) Horizontal: The companies concerned are in the same market and supply the same type of goods or services.
- b) Vertical: The companies concerned have a supplier-purchaser relationship.
- c) Conglomerate: All the other types of mergers other than horizontal and vertical mergers.

Regional expansion: Mergers, divisions or acquisitions, etc. between businesses which supply the same type of goods or services to different markets.

Commodity expansion: Mergers, divisions or acquisitions, etc. between which have a connection in the aspects of manufacturing or sales, but do not have a direct competitive relationship in the goods or service that they provide.

Outright: Mergers, divisions or acquisitions between firms which do not have any business relationship

d) Others

Reorganization: Mergers, divisions or acquisitions exclusively devoted to either:

(1) transferring general partnerships, limited partnerships, or limited companies into incorporations; or

(2) transferring the incorporations structure to a limited company.

Face value changes: Mergers conducted exclusively to change the face value of a par value stock issued by the incorporation.

(2) Divisions

a. Joint Established Divisions

The total number of joint established divisions classified by type in FY 2002, calculated as the number of notifying companies, was 6 cases. Of this total, horizontal connections comprised the largest number with 5 cases (83.3% of the total), and vertical connection comprised only 1 (16.7%) (See Table 14).

Note: Cases are calculated based on the number of notifying companies. Thus, for example, in three-notifying companies, we assume that a division between two companies has occurred twice.

Table 14: Joint established divisions classified by type (calculated as the number of notifying companies)

Unit: cases;(%)

FY	Type	Horizontal	Vertical	Conglomerate			Other	Total
				Regional expansion	Article range expansion	Outright		
2001		5 (71.4)	2 (28.6)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	7 (100.0)
2002		5 (83.3)	1 (16.7)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	6 (100.0)

Note: The types of divisions are same as those in Table 13, based on relationship of alienating part of the companies.

b. Acquisition Divisions

The total number of acquisition divisions classified by type in FY 2002, calculated as the number of notifying companies, was 18 cases. Of this total, horizontal connections comprised the largest number with 7 cases (38.9% of the total), followed 6 vertical connections cases (33.3%), and 5 conglomerate connections (27.8%) (See Table 15).

Note: Cases are calculated based on the number of notifying companies. Thus, for example, in three-notifying companies, we assume that a division between two companies has occurred twice.

Table 15: Divisions classified by type (calculated as the number of notifying companies)

Unit: cases;(%)

FY	Type	Horizontal	Vertical	Conglomerate			Other	Total	
				Regional expansion	Article range expansion	Outright			Subtotal
2001		25 (83.4)	1 (3.3)	4 (13.3)	0 (0.0)	0 (0.0)	4 (13.3)	0 (0.0)	30 (100.0)
2002		7 (38.9)	6 (33.3)	0 (0.0)	1 (5.6)	4 (22.2)	5 (27.8)	0 (0.0)	18 (100.0)

Note: The types of divisions are same as those in Table 13, based on relationship of alienating part of the companies.

(3) Business acquisitions, etc.

The total number of business acquisitions classified by type of business acquisitions in FY 2002, calculated as the number of acquired companies, was 198 cases. Of this total, horizontal connections comprised the largest number with 145 cases (73.2% of the total), followed by 37 conglomerate connections cases (18.7%), and 16 vertical connections (8.1%) (See Table 16).

Note: Cases are calculated based on the number of acquired companies. Thus, for example, we assume that if one company acquires businesses from two companies, then the number of business acquisitions are calculated as occurring twice.

Table 16: Business acquisitions, etc. classified by type (calculated as the number of acquired companies)

Unit: cases;(%)

Type FY	Horizontal	Vertical	Conglomerate				Other	Total
			Regional expansion	Article range expansion	Outright	Subtotal		
2001	138 (69.3)	15 (7.5)	16 (8.0)	13 (6.5)	17 (8.5)	46 (23.1)	0 (0.0)	199 (100.0)
2002	145 (73.2)	16 (8.1)	7 (3.5)	17 (8.6)	13 (6.6)	37 (18.7)	0 (0.0)	198 (100.0)

Note: The types of business acquisitions, etc. are same as those in Table 13.

. The Trend in Stockholding in FY 2002

A. The Trends in Reports of Stockholding by companies etc.

In FY 2002, the number of the submitted stockholding reports under Section 10(2) of the Antimonopoly Act was 899 cases. Of these 48 reports were submitted by foreign companies.

Note: Where a company, with its total assets more than two billion yen and with the sum of its total assets plus those of its parents and subsidiaries more than ten billion yen, acquires or holds stock of a domestic company with the total assets more than one billion yen or of a foreign company with the total sales in Japan more than one billion yen, such a company has to file a report within 30 days after the ratio of its own voting rights exceeds 10%, 25%, or 50% by such acquisition or holding.

B. Classification by total assets

The number of submitted reports of stockholding classified by total assets in FY 2002 is as follows (See Table 17).

Table 17: Number of submissions of a report of stockholding classified by total assets

							Unit: cases;(%)	
Total Assets FY	2 - 5 billion yen	5 - 10 billion yen	10 - 50 billion yen	50 - 100 billion yen	Over 100 billion yen	Total	by foreign companies	
2001	1 6 (1.9)	2 9 (3.4)	1 9 9 (23.5)	7 4 (8.7)	5 2 9 (62.5)	8 4 7 (100.0)	5 1	
2002	3 (0.4)	8 (0.9)	1 4 7 (17.3)	7 3 (8.6)	6 2 0 (72.9)	8 5 1 (100.0)	4 8	

Note: Total assets are of the stockholding companies before transactions.

[ Reference ]

In FY 2002, the number of submitted reports of stockholding whose value of total assets before transactions were over 100 billion yen, was 620 cases, and the manufacturing sector occupied the largest portion of the total, numbering 200 cases. Judging from the change from FY 2000, though being still high, the ratio of the manufacturing sector tends to decrease. On the other hand, the ratio of the wholesaling/retailing and the transportation/communications/warehousing sector is increasing. (see Table 18)

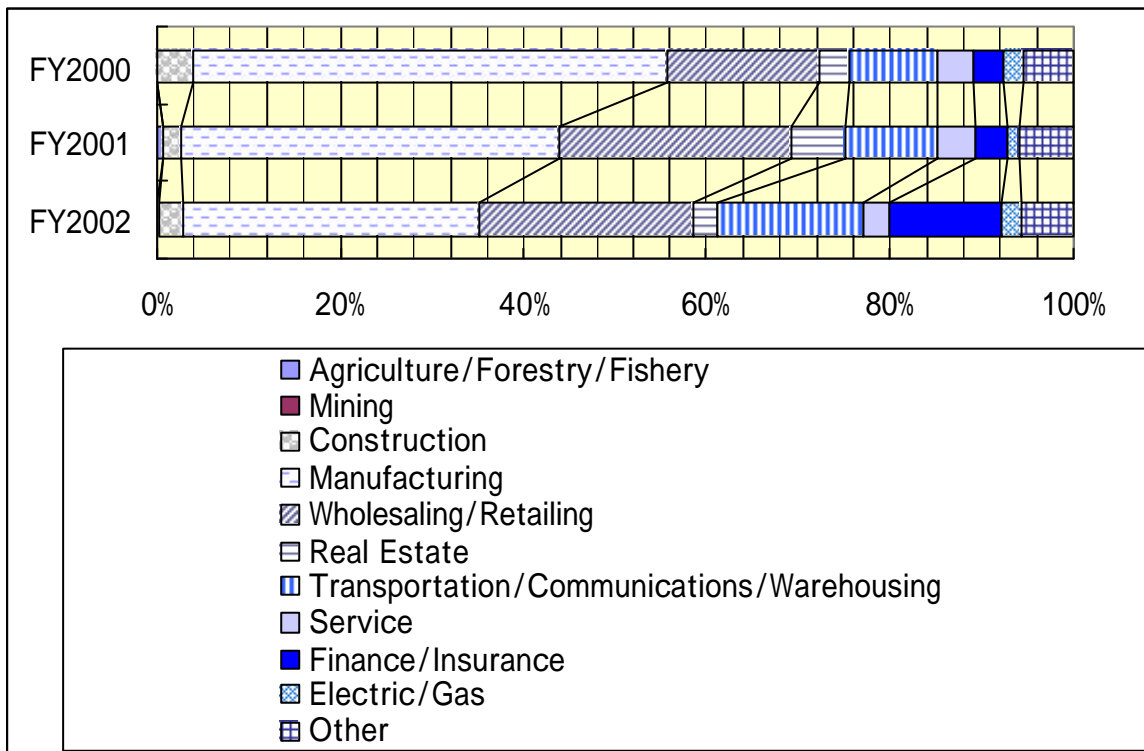
Table: The number of the submitted reports of the stockholding over 100 billion yen value of total assets before transactions, classified by industry

Industrial Classification	FY		Unit: cases;(%)	
	2001		2002	
Agriculture/Forestry/Fishery	3	( 0.6)	0	( 0.0)
Mining	1	( 0.2)	1	( 0.2)
Construction	10	( 1.9)	17	( 2.7)
Manufacturing	218	(41.2)	200	(32.3)
Food Products	13	( 2.5)	16	( 2.6)
Textiles	0	( 0.0)	5	( 0.8)
Lumber/Wood products	5	( 0.9)	0	( 0.0)
Paper/Pulp	13	( 2.4)	14	( 2.3)
Publishing/Printing	2	( 0.4)	4	( 0.6)
Chemicals/Petroleum/Coal	45	( 8.5)	23	( 3.7)
Rubber/Leather	0	( 0.0)	1	( 0.2)
Ceramics/Cement	7	( 1.3)	3	( 0.5)
Steel	12	( 2.3)	10	( 1.6)
Nonferrous Metals	4	( 0.8)	3	( 0.5)
Metal Goods	2	( 0.4)	2	( 0.3)
Machinery	97	(18.3)	110	(17.7)
Other Manufacturing Businesses	18	( 3.4)	9	( 1.5)
Wholesaling/Retailing	135	(25.5)	145	(23.4)
Real Estate	30	( 5.7)	17	( 2.7)
Transportation/Communications/Warehousing	53	(10.0)	98	(15.8)
Service	22	( 4.2)	18	( 2.9)
Finance/Insurance	19	( 3.6)	76	(12.3)
Electric/Gas	6	( 1.1)	12	( 1.9)
Other	32	( 6.0)	36	( 5.8)
<b>Total</b>	<b>529</b>	<b>(100.0)</b>	<b>620</b>	<b>(100.0)</b>

Note: It is thought that increase in the number of the submitted reports on

finance/insurance industry caused as a result that the target of the restriction provided by Section11 has changed from financial company including a security, a trust, and a mutual financing company as well as a bank and an insurance company to a bank and an insurance company, and that instead of restriction on holding other companies' rights of voting, holding non-financial companies' rights of voting has been restricted.

Table18: Trends in ratio of the number of the submitted reports of stockholding over 100 billion yen value of total assets before transactions, classified by industry (from FY 2000 to FY 2002)



(Classified by the ratio of the holding voting rights)

In FY 2002, the number of submitted reports of stockholding over 100 billion yen value of total assets before transactions, classified ratio of increase in holding voting rights is as follows(See Table 19)

Acquisitions over 50% were 358 cases (57.7% of the cases),comprising the largest number. The number of stock acquisitions to have subsidiary is increasing

Table19: The number of submitted reports of stockholding over 100 billion yen value of total assets before transactions, classified by the ratio of holding voting rights

Unit : cases ; (%)

FY	ratio of holding voting rights	10-25%	25-50%	Over 50%	Total
	13		126 (23.8)	92 (17.4)	311 (58.8)
14		140 (22.6)	122 (19.7)	358 (57.7)	620 (100.0)



. The Trends in Establishment of Holding Companies, etc. in FY 2002

In FY 2002, the number of submitted holding company business report under the Antimonopoly Act 9(5) was 16 cases (see Table 21). And there were 7 notifications of new establishment of holding companies under the AMA 9(6) (see Table 22).

Note: As a result of the amendments in FY 2002 (coming into force on November 28<sup>th</sup> in 2002), the target of restriction of Section 9 has been changed from “ holding company ” to “ company ” as a whole. And under the classification (1) holding company (2) financial company (a company that is engaged in banking, insurance or securities businesses (excluding those classified as a holding company) ) (3) general business company (excluding (1) and (2) companies) , the threshold has been established on the total amount of assets including the company’s subsidiaries, and any companies that correspond to the threshold has been bound to submit a company business report and a notification of new establishment.

Table 20 The number of company that submitted a report pursuant to AMA 9, classified by value of total assets and formation

Formation Value of Total Assets	Holding company (the threshold based on the total assets:600 billion) AMA9(5)	Financial company ( the threshold based on the total assets:8 trillion ) AMA9(5)	General business company (the threshold based on the total assets:2 trillion ) AMA9(5)	Total
over 8 trillion	8	0	0	8
between 5 trillion yen and 8 trillion yen	2	-	0	2
between 2 trillion yen and 5 trillion yen	8	-	2	10
between 1 trillion yen and 2 trillion yen	1	-	-	1
between 600 billion	1	-	-	1

yen and 1 trillion yen				
Total	20	0	2	22

Note: The number of notifications was 23, but the number of companies was 22. Of these 22 submitted companies, the number of holding companies was 20, and the number of general business companies was 2. 13 companies of 20 holding companies were established as joint holding companies by stock transfer. The other 7 companies were established as holding company by stock transfer and dividing company in order to change the organization of corporation group.

Table 21: Company that submitted a report pursuant to AMA 9(5)\*

Company Name
Sapporo Hokuyo Holdings, Inc.
Momiji Holdings, Inc.
Nikko Cordial Corporation
Nippon Unipac Holding
Daiwa Bank Holdings, Inc.
Mitsubishi Tokyo Financial Group, Inc.
UFJ Holdings, Inc.
Tawa S.A.
Mizuho Holdings, Inc.
AXA Insurance Holding Co., Ltd.
Nippon Telegraph Telephone Corporation
IBM AP Holdings
Mitsui Trust Holdings, Inc.
Pfizer Investment Capital Limited
**IBM World Trade Corporation
**Canon Inc

Note1: This provision corresponds to Section9(6) in the former law.

2: \*\*: A company that submitted a report pursuant to the provisions after the amendments in FY 2002.

Table 22: Company that notified pursuant to AMA 9(6)

Company Name
Millea Holdings, Inc.
Kyushu-Shinwa Holdings, Inc.
Pfizer Investment Capital Limited

<p>JFE Holdings, Inc.  Nippon Mining Holdings, Inc.  Japan Airlines System Corporation  Sumitomo Mitsui Financial Group</p>
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Note: This provision corresponds to Section9(7) in the former law.

[ Reference ]

### The Trends in Permissions and Approvals

. Stockholding by a large-scale Non-financial Company

In FY 2002, there were no cases in which stockholding by large-scale non-financial companies was permitted under Section 9-2(1)( ) of the Antimonopoly Act, nor approved under Section 9-2(1)( ).

Besides, Section9-2 was repealed as a result of the amendments in FY 2002 (coming into force on November 28 in 2002)

. Holding rights of voting by Financial Companies

There were 131 cases in FY 2002 of holding rights of voting by financial companies which were authorized under Section 11 of the Antimonopoly Act. Of these 114 cases were subject to the proviso of Section 11(1) (77 cases involving banks, 15 cases involving securities companies, 22 cases involving insurance companies). 17 cases were subject to the provision of Section 11(2) (17 cases involving banks).

Of the number of authorizations under the proviso Section 11(1), 7 cases were submitted by the foreign companies. And none of the foreign company submitted under 11(2).

Note: As a result of the amendments of Antimonopoly Act in FY 2002, the target of the restriction provided by Section11 has changed from financial including a security, a trust, and a mutual financing company as well as a bank and an insurance company to only a bank and an insurance company, and instead of restriction on holding other companies' rights of voting, holding non-financial companies' rights of voting has been restricted; thus the number of the notification on and after November 28 in 2002 bases on the regulation after the amendment.

The number of authorization under AMA 11		
	FY	
sector	13	14

Bank	247	94
Security	35	15
Insurance	63	22
Total	351	131

Note: The number of authorizations under Section 11 of the Antimonopoly Act has decreased.  
The above amendment is thought to be one of reasons.

[ Reference Data ] Trends in the number of notification concerning mergers and acquisitions, etc.

FY	Reports of business activities of the holding companies	Notifications of new establishment of the holding companies	Reports of stockholding	Reports of stockholding of other than company	Notifications of mergers	Notifications of divisions	Notifications of business acquisitions
1947			( 2 )	( 0 )	( 23 )		( 22 )
1948			( 31 )	( 0 )	( 309 )		( 192 )
1949			( 13 )	( 0 )	( 123 )		( 53 )
			2,373	0	448		143
1950			3,840	0	420		207
1951			4,546	0	331		182
1952			4,795	0	385		124
1953			3,863	0	344		126
1954			2,827	0	325		167
1955			3,033	0	338		143
1956			3,080	0	381		209
1957			3,069	0	398		140
1958			3,316	0	381		118
1959			3,170	0	413		139
1960			2,991	0	440		144
1961			3,211	1	591		162
1962			3,231	0	715		193
1963			3,844	0	997		223
1964			3,921	4	864		195
1965			4,534	1	894		202
1966			4,325	0	871		264
1967			4,075	2	995		299
1968			4,069	3	1,020		354
1969			4,907	0	1,163		391
1970			4,247	2	1,147		413
1971			5,832	0	1,178		449
1972			5,841	1	1,184		452
1973			6,002	0	1,028		443
1974			5,738	0	995		420
1975			5,108	9	957		429
1976			5,229	6	941		511
1977			5,085	1	1,011		646
1978			5,372	0	898		595
1979			5,359	0	871		611
1980			5,759	2	961		680
1981			5,505	1	1,044		771
1982			6,167	1	1,040		815
1983			6,033	4	1,020		702
1984			6,604	2	1,096		790
1985			6,640	6	1,113		807
1986			7,202	1	1,147		936
1987			7,573	1	1,215		1,084
1988			6,351	0	1,336		1,028
1989			8,193	0	1,450		988
1990			8,075	0	1,751		1,050
1991			8,034	2	2,091		1,266
1992			8,776	0	2,002		1,079
1993			8,036	3	1,917		1,153
1994			8,954	18	2,000		1,255
1995			8,281	1	2,520		1,467
1996			9,379	0	2,271		1,476
1997	0	0	8,615	7	2,174		1,546
1998	2	0	7,518	0	1,514		1,176
1999	1	1	1,029		151		179
2000	5	1	804		170		213
2001	7	7	898		127	20	195
2002	16	7	899		112	21	197

Note:

1. Number in parenthesis are authorized cases.
2. Holding company business report and holding company established notification were newly implemented in 1997 so there are no numbers of cases recorded up to 1996.  
 Besides, between the amendments in 1997 (coming into force on December 17 in 1997) and the amendments in 2002 (coming into force on November 28 in 2002) holding company business report and notification of new establishment had been bound to submit. After the amendments in 2002, any companies which are greater than certain amount of the total assets are bound to submit company business report and notification of new establishment.
3. The threshold (the value of total assets) of requirements for stockholding and interlocking directorate have been revised as follows

FY	Stockholding Report
1949	Over 5 million yen
1953	Over 100 million yen
1965	Over 500 million yen
1977	Over 2 billion yen
1998	Over 10 billion yen

4. The Notification System concerning Divisions was newly established by the amendments of the Antimonopoly Act in May 2000, and came into effect in fiscal year 2001, so there are no numbers of cases recorded up to 2000.
5. The scope of notification requirement for mergers and business acquisition, etc. was reduced on January 1, 1999, when the amendments of the Antimonopoly Act took into effect.

