Appendix 1

Outline of the Monthly Survey on Service Industries

Survey Objective

The main aim of the survey is to provide the best possible monthly estimates of sales (income) and persons working at the location of establishment for the service industries and subsequently to enhance the accuracy of economic indicators such as Quarterly Estimates (QE) of GDP.

Coverage of the Survey

The sample size totals approximately 39,000 establishments. These were selected using a statistical method, from among 2.81 million establishments mainly engaged in the service sector. These establishments already existed at the time of the 2006 Establishment and Enterprise Census of Japan.

Types of Questionnaires and Survey Items

(1) Types of Questionnaires

"Questionnaire for the first month" is used at the beginning of the survey while the "Monthly questionnaire" is used from the second month.

- (2) Survey Items
 - Types of legal organizations and amounts of capital (first month only)
 - · Categories of main business activities of establishments (first month only)
 - · Sales (Income) (monthly)
 - · Number of persons working at the location of establishment by employment status at the last business day of each month (monthly)

Implementation of the Survey

The Statistics Bureau of Japan (SBJ) entrusts the implementation of the survey to research companies. The questionnaires are delivered to the establishment and collected by enumerators or sent to the establishment by mail and returned from the establishment depending on the size of establishment. The surveys can also be submitted via internet.

Tabulation of the Survey

The SBJ entrusts the tabulation to the National Statistics Center.

Release of the Survey Results

The results are shown on the SBJ website and laid open for public inspection.

The preliminary survey results are scheduled to be released two months after the survey month.

The final survey results are scheduled to be released five months after the survey month.