

Trends in Technology Exports from Japan - 1996 Fiscal Year -
(NISTEP Report No. 58)

Information Analysis Division

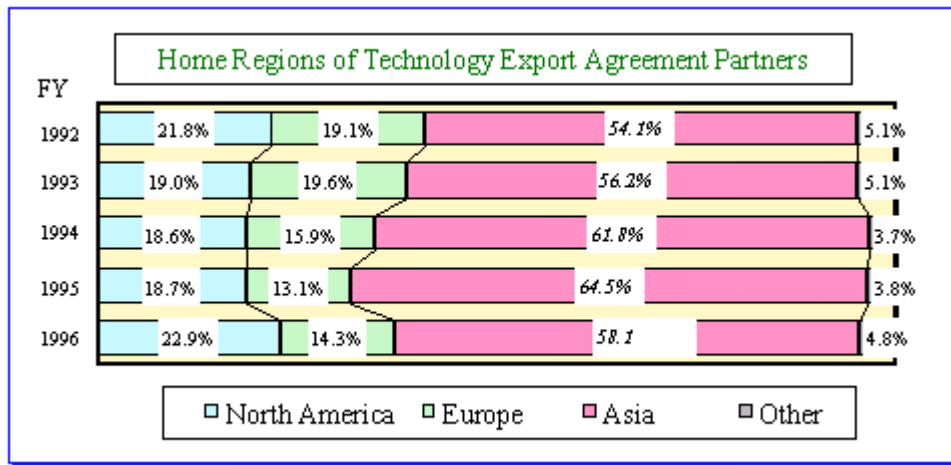
This survey was conducted to elucidate the characteristics of Japan's technology trade based on questionnaire inquiries targeted at private companies, with the details of technology exports that took place in FY 1996 (April 1, 1996 to March 31, 1997) compiled. (Targeted companies: Those capitalized at 1 billion yen or more.)

The following are some of the noteworthy trends observed in FY 1996:

- echnology exports to China have fallen, reversing the trend set over the previous few years, and this marks a real slowdown in Japan's technology exports to that country.
- Technology exports to the U.S. have exhibited a dramatic rise, keeping the No. 1 spot for the third consecutive year.
- Technology exports in 'transportation equipment' have fallen from the previous fiscal year, reversing the earlier trend, despite remaining No. 1 for three consecutive years. In contrast, technology exports in 'iron and steel' have soared, moving up to second place.

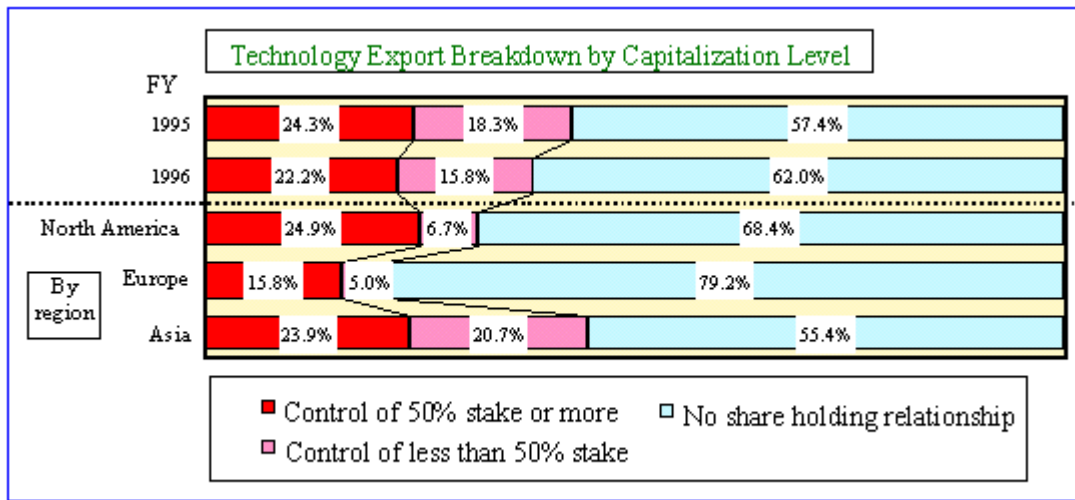
< New Technology Exports >

Two hundred and sixty companies (total number of companies responding 1,107) engaged in new technology export activities, involving 842 agreements, which represent a rise over the previous fiscal year.



<Technology Exports by Region and Country >

By region, the number of technical exports to Asia has remained more or less the same, although Asia's share has declined, accounting for only about 60% (58.1%) of the total. By country, the top export destination was the U.S., with technology exports to that country experiencing a large increase in terms of both the number of agreements and share (20.5%). Technology exports to China fell for the first time, in terms of both the number of agreements and share (11%), marking a real slowdown in Japan's technology exports to that country.

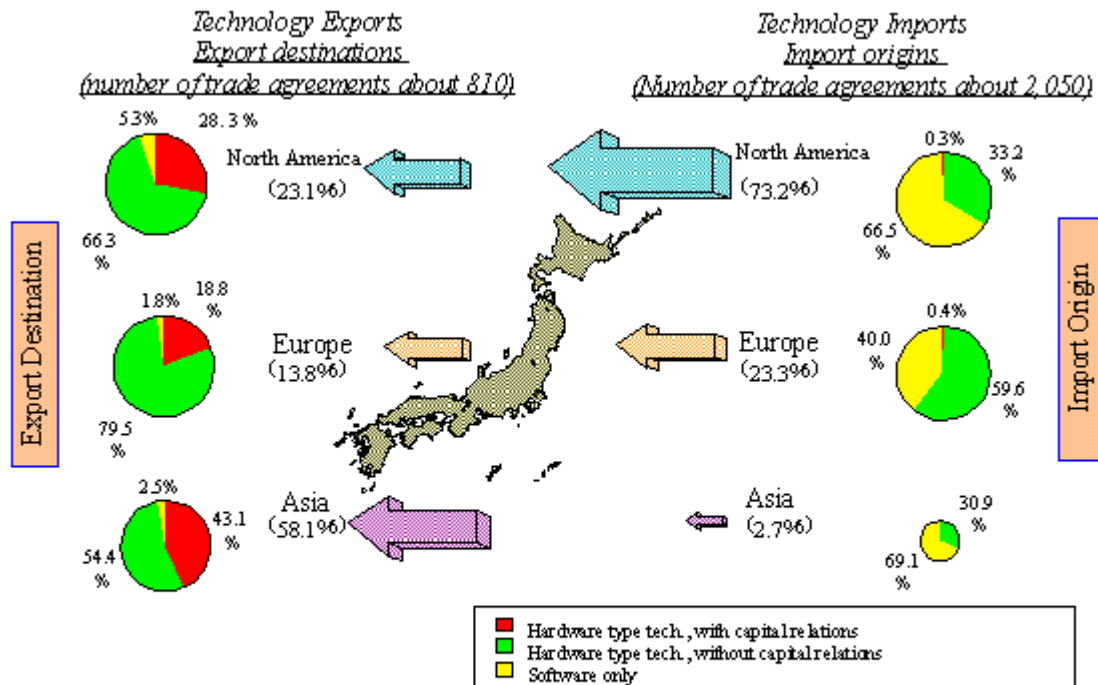


< Technology Exports by Technological Category >

Technology exports in 'transportation equipment' have fallen from the previous fiscal year in terms of both the number of agreements and share, reversing the earlier trend, despite maintaining the No. 1 spot. In contrast, technology exports in "iron and steel" have soared, moving up to second place.

< Technology Exports via Share Holding Relationship with Agreement Partners >

With Asia, nearly half of all technology exports (44.6%) still go to companies with which Japanese exporting companies have a share holding relationship, despite this representing a fall from the previous fiscal year.



< Structural Comparison of Technology Exports and Imports >

A comparison of Japan's technology exports and imports based on the findings of this survey and the 'Trend Analysis of Trends in Imports of Foreign Technology to Japan (FY 1996)' reveals Japan's extremely lopsided technology trade structure, which is characterized by the import of software from the U.S. and export of hardware technology to Asia through share holding relationships.

