

# Introduction

This publication presents revised estimates that cover the financial structure and operations of nonbank U.S. multinational companies (MNCs) and their nonbank foreign affiliates for the fiscal year 2005.

These estimates cover the universe of nonbank U.S. parent companies and their nonbank foreign affiliates. They are derived by combining the sample data that were reported in the Annual Survey of U.S. Direct Investment Abroad, 2005 that was conducted by the Bureau of Economic Analysis (BEA) with BEA's estimates of data for affiliates not in the sample. The estimates for nonsample parents and affiliates that existed before 2005 were derived by extrapolating forward their data from BEA's 2004 benchmark survey of U.S. direct investment abroad.

The concepts and definitions that underlie these estimates are the same as those used for BEA's 1999 and 2004 benchmark surveys. They are described in

*U.S. Direct Investment Abroad: 2004 Final Benchmark Data.*

The revised estimates for 2005 are comparable with the estimates for 1977 and for 1982–2004. For the availability of these estimates, see the International Investment Division Product Guide on BEA's Web site at [www.bea.gov/scb/account\\_articles/international/iidguide.htm](http://www.bea.gov/scb/account_articles/international/iidguide.htm).

The scheme that is used for the titles of the tables for the 2004–2005 estimates is similar to that used for the 1999–2003 estimates. To aid in making comparisons between these estimates, see the guide below that provides cross references for the titles for the 2004–2005 estimates and those for the 1999–2003 estimates.

For additional information about the revised 2005 estimates, call Ray Mataloni of the International Investment Division's Research Branch at 202–606–9867 or send an e-mail to [raymond.mataloni@bea.gov](mailto:raymond.mataloni@bea.gov).

**The Numbering Scheme for the Operations of Nonbank  
Multinational Companies in 2004–2005 and in 1999–2003—Continues**

2004–2005	1999–2003
<b>Foreign Affiliates</b>	
<b>Group A. Selected Data</b>	
II.A 1 II.A 2	II.A 1 II.A 2
<b>Group B. Balance Sheet</b>	
II.B 5 II.B 6 II.B 13	II.B 5 II.B 6 II.B 13
<b>Group E. Income Statement</b>	
II.E 3 II.E 4 II.E 6 II.E 7 II.E 9	II.E 3 II.E 4 II.E 6 II.E 7 II.E 9
<b>Group H. Employment and Compensation of Employees</b>	
II.H 3 II.H 4 II.H 5 II.H 6 II.H 10	II.H 3 II.H 4 II.H 6 II.H 7 II.H 11
<b>Group I. U.S. Trade in Goods</b>	
II.I 3 II.I 4 II.I 11 II.I 12	II.I 5 II.I 6 II.I 19 II.I 20
<b>U.S. Parents</b>	
<b>Group M. Selected Data</b>	
II.M 1	II.M 1
<b>Group Q. Sales</b>	
II.Q 1 II.Q 2	II.Q 1 II.Q 2
<b>Group R. Value Added</b>	
II.R 1	II.R 1
<b>Group T. U.S. Trade in Goods</b>	
II.T 1 II.T 2	II.T 1 II.T 4
<b>Majority-Owned Foreign Affiliates</b>	
<b>Group A. Selected Data</b>	
III.A 1 III.A 2	III.A 1 III.A 2
<b>Group B. Balance Sheet</b>	
III.B 1–2 III.B 3–4 III.B 5 III.B 6 III.B 7 III.B 11–12 III.B 13	III.B 1–2 III.B 3–4 III.B 5 III.B 6 III.B 7 III.B 11–12 III.B 13
<b>Group C. External Financial Position</b>	
III.C 1 III.C 2 III.C 3 III.C 4	III.C 1 III.C 2 III.C 3 III.C 4

**The Numbering Scheme for the Operations of Nonbank  
Multinational Companies in 2004–2005 and in 1999–2003—Table Ends**

2004-2005	1999-2003
<b>Majority-Owned Foreign Affiliates—Continued</b>	
<b>Group D. Property, Plant, and Equipment</b>	
III.D 6 III.D 7 III.D 8	III.D 6 III.D 7 III.D 8
<b>Group E. Income Statement</b>	
III.E 1 III.E 2 III.E 3 III.E 4 III.E 5 III.E 6 III.E 7 III.E 8 III.E 9	III.E 1 III.E 2 III.E 3 III.E 4 III.E 5 III.E 6 III.E 7 III.E 8 III.E 9
<b>Group F. Sales</b>	
III.F 1 III.F 2 III.F 3 III.F 4 III.F 7 III.F 8 III.F 9 III.F 13 III.F 14 III.F 15 III.F 16 III.F 18 III.F 20 III.F 22	III.F 1 III.F 2 III.F 3 III.F 4 III.F 7 III.F 8 III.F 9 III.F 13 III.F 14 III.F 17 III.F 18 III.F 20 III.F 22 III.F 24
<b>Group G. Value Added</b>	
III.G 1 III.G 2 III.G 3 III.G 4 III.G 5 III.G 6 III.G 7 III.G 8 III.G 9	III.G 1 III.G 2 III.G 3 III.G 4 III.G 5 III.G 6 III.G 7 III.G 8 III.G 9
<b>Group H. Employment and Compensation of Employees</b>	
III.H 1 III.H 2 III.H 3 III.H 4 III.H 5 III.H 6 III.H 10	III.H 3 III.H 4 III.H 6 III.H 7 III.H 11
<b>Group I. U.S. Trade in Goods</b>	
III.I 1 III.I 2 III.I 3 III.I 4 III.I 5 III.I 11 III.I 12 III.I 13	III.I 1 III.I 2 III.I 5 III.I 6 III.I 9 III.I 19 III.I 20 III.I 23
<b>Group J. Research and Development</b>	
III.J 3 III.J 12	III.J 3 III.J 12
<b>Group K. Other Financial and Operating Data</b>	
III.K 1 III.K 2	III.K 1 III.K 2

## General Notes to the Tables

- The estimates are on a fiscal year (FY) basis; an affiliate's fiscal year is defined as the financial reporting year that ended in that calendar year. Unless otherwise specified, all balances are as of the close of FY 2005.
- Detail may not add to totals because of rounding.
- An asterisk “(\*)” indicates a value between -\$500,000 and +\$500,000, or fewer than 50 employees, as appropriate.
- A “(D)” indicates that the data in the cell have been suppressed to avoid disclosure of data of individual companies.
- A “U.S. parent company” is the person, resident in the United States, that owns or controls 10 percent or more of the voting securities of an incorporated foreign business enterprise or an equivalent interest in an unincorporated foreign business enterprise. “Person” is broadly defined to include any individual, branch, partnership, associated group, association, estate, trust, corporation or other organization (whether or not organized under the laws of any state), or any government entity. If incorporated, the U.S. parent is the fully consolidated U.S. enterprise consisting of (1) the U.S. corporation whose voting securities are not owned more than 50 percent by another U.S. corporation, and (2) proceeding down each ownership chain from that U.S. corporation, any U.S. corporation (including Foreign Sales Corporations located within the United States) whose voting securities are more than 50 percent owned by the U.S. corporation above it. A U.S. parent comprises the domestic (U.S.) operations of a U.S. multinational company.
- A “foreign affiliate” is a foreign business enterprise in which there is U.S. direct investment, that is, in which a U.S. person owns or controls 10 percent of the voting securities or the equivalent. Foreign affiliates comprise the foreign operations of a U.S. multinational company over which the U.S. parent is presumed to have a degree of managerial influence.
- A “majority-owned nonbank affiliate” (MOFA) is a foreign affiliate in which the combined direct and indirect ownership interest of all U.S. parents exceeds 50 percent.
- The tables cover only nonbank parents and affiliates. Nonbank parents (affiliates) exclude parents (affiliates) classified as depository institutions, which consist of commercial banks, savings institutions, and credit unions.
- The designation “by country” in a table title indicates that data are disaggregated by country of foreign affiliate.
- Unless otherwise specified, the designation “by industry” in a table title indicates that the data are disaggregated by industry of foreign affiliate.
- Not all tables show each country in a group, such as “Other Europe,” or each industry in a group, such as “Other industries.” For these countries, see table II.A 1 or III.A 1. For the industries, see table II.A 2 or III.A 2; see also BEA's *Guide to Industry and Foreign Trade Classifications for International Surveys*.
- “Eastern Europe” comprises Albania, Armenia, Azerbaijan, Belarus, Bulgaria, Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Latvia, Lithuania, Moldova, Poland, Romania, Russia, Slovakia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.
- The European Union (25) comprises Austria, Belgium, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.
- OPEC is the Organization of Petroleum Exporting Countries. Its members are Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.
- **All footnotes follow the last table.**