



**2008 ANNUAL SURVEY OF U.S. DIRECT INVESTMENT ABROAD
MANDATORY — CONFIDENTIAL**

**BE-11B(FN) (Report for Foreign Affiliates of Bank U.S. Reporter and
Bank Foreign Affiliate of Nonbank U.S. Reporter)**

DUE DATE — A complete BE-11 report is due May 29, 2009

MAIL REPORTS TO: U.S. Department of Commerce Bureau of Economic Analysis BE-69(A) Washington, DC 20230 OR DELIVER REPORTS TO: U.S. Department of Commerce Bureau of Economic Analysis BE-69(A) Shipping and Receiving, Section M-100 1441 L Street, NW Washington, DC 20005	BEA USE ONLY	Affiliate ID Number	E
	1. Name of U.S. Reporter of foreign affiliate — <i>Same as item 1, Form BE-11A</i>		
2. Name of foreign affiliate being reported — <i>Use the same name on all reports filed subsequently for this affiliate with the Bureau of Economic Analysis, e.g., BE-577.</i>			

IMPORTANT

Please read the **Instruction Booklet**, which contains definitions and reporting requirements, before completing this form. "**Additional Instructions**" specific to line items and "**Special Instructions**" for dealers in financial instruments and finance, insurance, and real estate companies are provided at the back of this form.

For purposes of the BE-11 survey, a "bank" is a business entity engaged in deposit banking or closely related functions, including commercial banks, Edge Act corporations, foreign branches and agencies of U.S. banks whether or not they accept deposits abroad, savings and loans, savings banks, bank holding companies and financial holding companies under the Gramm-Leach-Bliley Act.

- **Who must report** — 1) The bank U.S. Reporter must file Form BE-11B(FN) for each bank and nonbank foreign affiliate for which total assets; sales or gross operating revenues, excluding sales taxes; **or** net income after provision for foreign taxes was greater than \$250 million (positive or negative) at the end of, or for, the affiliate's 2008 fiscal year; 2) the nonbank U.S. Reporter must file Form BE-11B(FN) for each bank foreign affiliate for which total assets; sales or gross operation revenues, excluding sales taxes; or net income after provision for foreign taxes was greater than \$250 million (positive or negative) at the end of or for the affiliate's 2008 fiscal year. See **Instruction Booklet**, Part I, for detailed reporting requirements.

- **Foreign affiliate's 2008 fiscal year** — The foreign affiliate's financial reporting year that has an ending date in calendar year 2008. See **Instruction Booklet**, Part II.A.

- **Translation of foreign currency financial and operating data into U.S. dollars** — Use U.S. Generally Accepted Accounting Principles (FAS 52). See **Instruction Booklet**, Part IV.B.

Bil.	Mil.	Thous.	Dols.
	1	335	

- **Currency amounts** — Report in U.S. dollars rounded to thousands (omitting 000). Do not enter amounts in the shaded portions of each line. **EXAMPLE** — If amount is \$1,334,891.00, report as
 If an item is between + or - \$500.00, enter "0." Use parenthesis () to indicate negative numbers.

- **Contact us for help** — Telephone: 202-606-5566; FAX: 202-606-5312; E-mail: be10/11@bea.gov.

Part I — IDENTIFICATION OF FOREIGN AFFILIATE
 See **Additional Instructions** for Part I on page 7 at the back of this form.

3. Country of incorporation or organization of this foreign affiliate — *Mark (X) one.*

1006	<input type="checkbox"/> 1601 Australia	<input type="checkbox"/> 1307 France	<input type="checkbox"/> 1614 Japan	<input type="checkbox"/> 1327 United Kingdom
	<input type="checkbox"/> 1202 Brazil	<input type="checkbox"/> 1308 Germany	<input type="checkbox"/> 1213 Mexico	<input type="checkbox"/> 1 Other — <i>Specify</i>
	<input type="checkbox"/> 1100 Canada	<input type="checkbox"/> 1611 Hong Kong	<input type="checkbox"/> 1319 Netherlands	
	<input type="checkbox"/> 1650 China	<input type="checkbox"/> 1314 Italy	<input type="checkbox"/> 1325 Switzerland	

4. Country of location — **Country in which this foreign affiliate's physical assets are located or where its primary activity is carried out** — *Mark (X) one.*

1007	<input type="checkbox"/> 1601 Australia	<input type="checkbox"/> 1307 France	<input type="checkbox"/> 1614 Japan	<input type="checkbox"/> 1327 United Kingdom
	<input type="checkbox"/> 1202 Brazil	<input type="checkbox"/> 1308 Germany	<input type="checkbox"/> 1213 Mexico	<input type="checkbox"/> 1 Other — <i>Specify</i>
	<input type="checkbox"/> 1100 Canada	<input type="checkbox"/> 1611 Hong Kong	<input type="checkbox"/> 1319 Netherlands	
	<input type="checkbox"/> 1650 China	<input type="checkbox"/> 1314 Italy	<input type="checkbox"/> 1325 Switzerland	

5. The ending date of this foreign affiliate's 2008 fiscal year.	1009	Month	Day	Year
	1			2008

6. Did the foreign business enterprise become a foreign affiliate of the U.S. Reporter during the fiscal year?

1010	<input type="checkbox"/> 1 1 Yes, and this is its initial report — Affiliate was not previously owned by the U.S. Reporter If "Yes," did the U.S. Reporter — <i>Mark (X) one</i>					
	<input type="checkbox"/> 2 1 Establish the foreign affiliate?	} <i>Enter date</i> <table border="1"> <tr> <td align="center">Month</td> <td align="center">Year</td> </tr> <tr> <td align="center">3</td> <td align="center"> </td> </tr> </table>	Month	Year	3	
Month	Year					
3						
	<input type="checkbox"/> 2 2 Acquire a voting interest of 10 percent or more in an existing foreign company?					
	<input type="checkbox"/> 1 2 No					

Remarks

Part I — IDENTIFICATION OF FOREIGN AFFILIATE — Continued

DIRECT OWNERSHIP IN THIS FOREIGN AFFILIATE — Enter percent of ownership, to a tenth of one percent, based on total voting stock, as applicable, if an incorporated affiliate, or an equivalent interest if an unincorporated affiliate, held directly by	Percent of ownership at close of fiscal year	
	Equity interest	Voting interest
	2008 (1)	2008 (2)
7. U.S. Reporter named in item 1 — Report equity interest and voting interest. 1012	1 . %	2 . %
8. Other foreign affiliate(s) of U.S. Reporter named in Item 1 — If entry is made here, complete items 15 and 16. 1013		2 . %
9. Other U.S. Reporter(s) of this foreign affiliate — If entry is made here, item 17 must be "Yes." 1014		2 . %
10. Foreign affiliate(s) of other U.S. Reporter(s) — If entry is made here, item 17 must be "Yes." 1015		2 . %
11. Other U.S. persons 1016		2 . %
12. Foreign persons in this affiliate's country of location (not reported above) 1017		2 . %
13. All other foreign persons (not reported above) 1018		2 . %
14. TOTAL OF DIRECTLY HELD VOTING OWNERSHIP INTERESTS — Sum of items 7 through 13 1019		2 100.0 %
15. INDIRECT OWNERSHIP IN THIS FOREIGN AFFILIATE — If there is an entry in item 8, enter U.S. Reporter's percent of indirect ownership in this affiliate. See Instruction Booklet , Part I.B.1.c, for instructions on how to calculate indirect ownership percentage. 1020		2 . %
16. Identification of foreign affiliate parent(s) — If there is an entry in item 8 — Enter below, the name(s) and percent(s) of ownership of each foreign affiliate of the U.S. Reporter named in item 1 holding a direct ownership interest in this foreign affiliate. Also, for each foreign affiliate in column (a) that is below the first tier in its ownership chain, enter in column (c) the name of the foreign affiliate that holds a direct ownership interest in it.		

Foreign affiliate(s) holding direct ownership interest in this foreign affiliate			Name of foreign affiliate, if any, in ownership chain that holds direct interest in foreign affiliate named in column (a)
Name and ID Number <i>Enter name and BEA ID Number of foreign affiliate(s) holding a direct ownership interest in this foreign affiliate.</i> (a)	BEA USE ONLY	Percent of direct ownership in this foreign affiliate Close FY 2008 (b)	
a. 1191	1	2 . %	(c)
b. 1192	1	2 . %	
c. 1193	1	2 . %	
TOTAL — Must equal percentage entered in Item 8 1021		2 . %	

17. Do two or more U.S. persons each directly or indirectly own or control at least 10 percent of this foreign affiliate's voting rights? Mark (X) one.

1022 1 Yes — Item 9 or 10 must have an entry, and item 18 must be completed. See **Instruction Booklet**, Part I.B.2.d.(2).

2 No — Skip to item 22

18. If the answer to item 17 is "Yes," give name(s) and mailing address(es) of the other U.S. Reporter(s).

Name	Mailing address

BEA USE ONLY 1025	1	2	3	4	5
BEA USE ONLY 1026	1	2	3	4	5
BEA USE ONLY 1027	1	2	3	4	5

Remarks

Part I — IDENTIFICATION OF FOREIGN AFFILIATE — Continued

19. What is the MAJOR activity of the foreign affiliate?

1029

Industry classification of foreign affiliate (based on sales or gross operating revenues) — Enter the 4-digit International Surveys Industry (ISI) code(s) and the sales or gross operating revenues associated with each code. For a full explanation of each code, see the Guide to Industry Classifications for International Surveys, 2002 . For an inactive affiliate, enter an ISI code based on its last active period.	(1)	Sales or gross operating revenues			
		(2)			
		Bil.	Mil.	Thous.	Dols.
20. Largest sales or gross operating revenues	1030	2			
21. 2nd largest sales or gross operating revenues	1031	2			
22. 3rd largest sales or gross operating revenues	1032	2			
23. 4th largest sales or gross operating revenues	1033	2			
24. 5th largest sales or gross operating revenues	1034	2			
25. 6th largest sales or gross operating revenues	1035	2			
26. 7th largest sales or gross operating revenues	1036	2			
27. Sales or gross operating revenues not accounted for above	1037	2			
28. TOTAL SALES OR GROSS OPERATING REVENUES — Sum of items 20 through 27 →	1038	2			

29. BEA USE ONLY	1039	1	2	3	4	5
	1040	1	2	3	4	5

Remarks

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE

Section A — Income Statement — See <i>Additional Instructions</i> for Part II, Section A, on page 7 at the back of this form.	Amount			
	Bil.	Mil.	Thous.	Dols.
• INCOME				
30. Sales or gross operating revenues, excluding sales taxes — Must equal item 40, column (1). (Dealers in financial instruments see Special Instructions , A.1., page 8; insurance companies see Special Instructions , B.3.a., page 8.)	2041	\$		
31. Income from equity investments in foreign affiliates — For foreign affiliates owned 20 percent or more (including those that are majority-owned), report equity in earnings during the reporting period; for those owned less than 20 percent, report dividends or distributed earnings for unincorporated affiliates. Do not include interest income.	2042			
32. Income from other equity investments	2043			
33. Certain realized and unrealized gains (losses) — Read the following instructions carefully as they are based on economic accounting concepts and in some cases may deviate from what is normally required by U.S. Generally Accepted Accounting Principles. Report gross amount before income tax effect. Include income tax effect in item 36. Report gains (losses) resulting from: a. Sales or other dispositions of financial assets, including investment securities; FAS 115 holding gains (losses) on securities classified as trading securities; and FAS 115 impairment losses. Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies, see Special Instructions , A.1., page 8. b. Sales or other dispositions of land, other property, plant and equipment, or other assets, (other than from the sale of inventory assets in the ordinary course of business), and FAS 144 impairment losses. (Real estate companies, see Special Instructions , A.2., page 8.) c. Goodwill impairment as defined by FAS 142. d. Restructuring costs that reflect write-downs or write-offs of assets or liabilities. (Exclude actual payments and charges to establish reserves for future expected payments, such as for severance pay, and fees to accountants, lawyers, consultants, or other contractors.) e. Disposals of discontinued operations. (Exclude income from the operations of a discontinued segment. Report such income as part of your income from operations in items 28 and 30.) f. Re-measurement of foreign affiliate's foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the reporting period. g. Extraordinary, unusual, or infrequently occurring items that are material, including uninsured losses from accidental damage or disasters and other material items, including write-ups, write-downs, and write-offs of tangible and intangible assets and gains (losses) from the sales or other dispositions of capital assets. (Exclude insured losses and legal judgments.) h. The cumulative effect of a change in accounting principle. i. Change in accounting estimate of provision for expected stock option forfeitures under the inception method as defined by FAS 123.	2044			
34. Other income — <i>Specify</i> <div style="border: 1px solid black; height: 40px; width: 100%;"></div>	2045			
35. TOTAL INCOME — <i>Sum of items 30 through 34</i> →	2046	\$		
• COSTS AND EXPENSES				
36. Of which: Foreign income taxes — Provisions for foreign income taxes for FY 2008	2048			
37. TOTAL COSTS AND EXPENSES →	2050	\$		
• NET INCOME				
38. NET INCOME (LOSS) — <i>Item 35 minus item 37</i> →	2051	\$		
• ADDENDUM				
39. INSURANCE INDUSTRY ACTIVITIES — Premiums earned and losses incurred Report premiums earned and losses incurred for insurance related activities covered by industry codes 5243 (Insurance carriers, except life insurance carriers) and 5249 (Life insurance carriers). a. Of the total sales and gross operating revenues reported in item 28, column 2, were any of the sales or revenues generated by insurance related activities covered by industry codes 5243 or 5249? 2180 <input checked="" type="checkbox"/> 1 <input type="checkbox"/> Yes — Answer b and c <input checked="" type="checkbox"/> 2 <input type="checkbox"/> No — Skip to item 40 <div style="border: 1px solid black; padding: 2px; display: inline-block;">NOTE: Complete b and c ONLY if a is answered "Yes."</div>				
b. Premiums earned — Report premiums, gross of commissions, included in revenue during the reporting year. Calculate as direct premiums written (including renewals) net of cancellations, plus reinsurance premiums assumed, minus reinsurance premiums ceded, plus unearned premiums at the beginning of the year, minus unearned premiums at the end of the year. <u>Exclude</u> all annuity premiums. Also <u>exclude</u> premiums and policy fees related to universal and adjustable life, variable and interest-sensitive life, and variable-universal life policies. →	2181	\$		
c. Losses incurred — Report losses incurred for the insurance products covered by b above. <u>Exclude</u> loss adjustment expenses and losses that relate to annuities. Also <u>exclude</u> losses related to universal and adjustable life, variable and interest-sensitive life, and variable-universal life policies. For <u>property and casualty insurance</u> , calculate as net losses paid during the reporting year, minus net unpaid losses at the beginning of the year, plus net unpaid losses at the end of the year. In the calculation of net losses, include losses on reinsurance assumed from other companies and exclude losses on reinsurance ceded to other companies. Unpaid losses include both case reserves and losses incurred but not reported. For <u>life insurance</u> , losses reflect policy claims on reinsurance assumed or on primary insurance sold, minus losses recovered from reinsurance ceded, adjusted for changes in claims due, unpaid, and in the course of settlement. →	2182	\$		

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE — Continued

Section B — Distribution of Sales or Gross Operating Revenues — See *Additional Instructions* for Part II, Section B, on page 7 at the back of this form.

Distribute sales or gross operating revenues among three categories – sales of goods, sales of services, and investment income. For the purpose of this distribution, "goods" are normally economic outputs that are tangible and "services" are normally economic outputs that are intangible. When a sale consists of both goods and services and cannot be unbundled (i.e., the goods and services are not separately billed), classify the sales as goods or services based on whichever accounts for a majority of the value. Give best estimates if actual figures are not available. Insurance companies also see **Special Instructions**, B.3.c. and d., page 8.

40. Sales or gross operating revenues, excluding sales taxes a. Column (1) equals item 30. b. Column (1) item 40 equals the sum of column (1) for items 41, 42 and 43.	TOTAL Column (1) for items 40 and 42 equals the sum of columns (2) through (7) (1)		Local sales		Sales to U.S.		Sales to other countries		
			To other foreign affiliates of the U.S. Reporter(s)	To unaffiliated customers	To U.S. Reporter(s)	To unaffiliated customers	To other foreign affiliates of the U.S. Reporter(s)	To unaffiliated customers	
			(2)	(3)	(4)	(5)	(6)	(7)	
	Bil.	Mil. Thous.	Dols.						
1				2	3	4	5	6	7
2054	\$			\$	\$	\$	\$	\$	\$
• BY TYPE									
41. Sales of goods	1								
2055									
42. Sales of services	1			2	3	4	5	6	7
2056									
43. Investment income	1								
2057									

Section C — Number of Employees and Employee Compensation — See *Additional Instructions* for Part II, Section C, on page 7 at the back of this form.

NUMBER OF EMPLOYEES — Employees on the payroll at the end of FY 2008 including part-time employees, but excluding temporary and contract employees not included on your payroll records. A count taken at some other date during the reporting period may be given provided it is a reasonable estimate of employees on the payroll at the end of FY 2008. If the number of employees at the end of FY 2008 (or when the count was taken) was unusually high or low due to temporary factors (e.g., a strike), enter the number of employees that reflects normal operations. If the number of employees fluctuates widely during the year due to seasonal business variations, report the average number of employees on the payroll during FY 2008. Base such an average on the number of employees on the payroll at the end of each pay period, month or quarter. If precise figures are not available, give your best estimate.

EMPLOYEE COMPENSATION — Sum of **wages and salaries** and **employee benefit plans**. Expenditures made by an employer in connection with the employment of workers, including cash payments, stock based compensation, payments in-kind, and employer expenditures for employee benefit plans including those required by statute. Base compensation data on payroll records. Report compensation which relates to activities that occurred during the reporting period regardless of whether the activities were charged as an expense on the income statement, charged to inventories, or capitalized. DO NOT include amounts related to activities of a prior period, such as those capitalized or charged to inventories in prior periods.

• NUMBER OF EMPLOYEES

	Number of employees
44. TOTAL NUMBER OF EMPLOYEES — <i>Sum of items 45 and 46</i> →	2065
By Standard Occupation Classification (SOC) — See <i>Additional Instructions</i> on page 7, at the back of this form, for a list of the major SOC groups	
45. Managerial, professional and technical employees (SOC 11-29)	2066
46. All other employees (SOC 31-55)	2067

• EMPLOYEE COMPENSATION

	Amount
	Bil. Mil. Thous. Dols.
47. TOTAL EMPLOYEE COMPENSATION — <i>Sum of items 48 and 49</i> →	2070
By Standard Occupation Classification (SOC)	
48. Managerial, professional and technical employees (SOC 11-29)	2073
49. All other employees (SOC 31-55)	2074

50. If total employee compensation, item 47, is zero, is the compensation on the payroll of another foreign affiliate?
 2075 1 Yes
 2 No — Explain why compensation is zero.

51. BEA USE ONLY	1	2	3	4	5
2076					

Remarks

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE — Continued

Section D — Balance Sheet — See <i>Additional Instructions</i> for Part II, Section D, on page 7 at the back of this form.						Balance at close of fiscal year			
• ASSETS						Bil.	Mil.	Thous.	Dols.
52. Of which: Property, plant, and equipment, net						2084			
53. TOTAL ASSETS						2090	\$		
• LIABILITIES									
54. TOTAL LIABILITIES						2094	\$		
• OWNERS' EQUITY — INCORPORATED AFFILIATE ONLY, complete items 55 through 61									
55. Capital stock and additional paid-in capital						2095			
56. Retained earnings (deficit)						2096			
Accumulated other comprehensive income (loss)						Balance at close of fiscal year			
						Bil.	Mil.	Thous.	Dols.
57. Translation adjustment component						2097	\$		
58. All other components						2098	\$		
59. Total accumulated other comprehensive income (loss) — Equals sum of items 57 and 58.						2099			
60. Other — Include treasury stock and involuntarily (or legally) restricted earnings —Specify						2100			
61. TOTAL OWNERS' EQUITY (INCORPORATED FOREIGN AFFILIATE) — Equals item 53 minus item 54 and, equals the sum of items 55, 56, 59, and 60.						2101	\$		
• OWNERS' EQUITY — UNINCORPORATED AFFILIATE ONLY, complete items 62 and 63									
62. TOTAL OWNERS' EQUITY (UNINCORPORATED FOREIGN AFFILIATE) — Equals item 53 minus item 54.						2102	\$		
63. Translation adjustment — Cumulative amount at year end (per FAS 52) — That portion of item 62 representing the affiliate's cumulative translation adjustment account.						2103			
64. BEA USE ONLY						2064			
Section E — Property, Plant and Equipment (PP&E) — See <i>Additional Instructions</i> for Part II, Section E on page 7 at the back of this form.									
PP&E includes land, timber, mineral and like rights owned, structures, machinery, equipment, special tools, and other depreciable property; construction in progress; and capitalized and expensed tangible and intangible exploration and development costs, but excludes other types of intangible assets, and land held for resale.						Amount			
						Bil.	Mil.	Thous.	Dols.
65. Expenditures for new and used property, plant, and equipment (PP&E)						2109	\$		
66. Current-period depreciation and depletion — Current-period charges against property, plant, and equipment.						2111			
67. BEA USE ONLY	1	2	3	4	5				
2116									
Section F — Interest and Taxes									
						Amount			
						Bil.	Mil.	Thous.	Dols.
68. Interest income — Interest received or due to the affiliate from all payors (including affiliated persons), net of tax withheld at the source. Include all interest receipts included in items 30 and 34. Do not net against interest expensed, item 69.						2124	\$		
69. Interest expensed or capitalized — Interest expensed or capitalized by the affiliate, paid or due to all payees (including affiliated persons), gross of tax withheld. Do not net against interest income, item 68.						2125			
70. Taxes (other than income and payroll taxes) and nontax payments (other than production royalty payments) — Report all such taxes and nontax payments whether or not included in revenues or expenses in the income statement. Include amounts paid or accrued for the year, net of refunds or credits, to foreign governments, their subdivisions and agencies for —						2127			
a. Sales, value added, consumption, and excise taxes collected by the affiliate on goods and services that the affiliate sold;									
b. Property and other taxes on the value of assets and capital;									
c. Any remaining taxes (other than income and payroll taxes); and									
d. Import and export duties, license fees, fines, penalties, and all other payments or accruals of nontax liabilities (other than production royalty payments for natural resources).									
71. BEA USE ONLY	1	2	3	4	5				
2129									
72. BEA USE ONLY	1	2	3	4	5				
2143									

Remarks

2008 ANNUAL SURVEY OF U.S. DIRECT INVESTMENT ABROAD
FORM BE-11B(FN)
ADDITIONAL INSTRUCTIONS BY ITEM

Part I — IDENTIFICATION OF FOREIGN AFFILIATE

7. Ownership by U.S. Reporter named in item 1.

Equity interest is the U.S. Reporter's direct ownership in the total nonvoting equity including nonvoting stock and a limited partner's interest in a partnership.

Voting interest is the U.S. Reporter's direct ownership in just the voting equity of the affiliate. Examples of voting equity include voting stock and a general partner's interest in a partnership. Thus, a U.S. Reporter could have a 100 percent direct voting interest in an affiliate but own less than 100 percent of the affiliate's total equity.

20.—28.

Sales or gross operating revenues of foreign affiliate, by industry of sales or gross operating revenues. See **Additional Instructions** for Part II, Section A, item 30 below.

Holding companies (ISI code 5512) must show total income as reported in item 35. To be considered a holding company, income from equity investments (items 31 and 32) must be more than 50 percent of total income (item 35). In addition, normally at least 50 percent of total assets must consist of investments in affiliates. ISI code 5512, (holding company), is an invalid classification if more than 50 percent of income generated, or expected to be generated, by an affiliate is from non-holding company activities.

Dealers in financial instruments and finance, insurance, and real estate companies see **Special Instructions** on page 8.

Part II — FINANCIAL AND OPERATING DATA OF FOREIGN AFFILIATE

• **Section A — Income Statement**

30. Sales or gross operating revenues, excluding sales taxes —

Report gross operating revenues or gross sales minus returns, allowances, and discounts. Exclude sales or consumption taxes levied directly on the consumer. Exclude net value-added and excise taxes levied on manufacturers, wholesalers, and retailers. Include revenues generated during the year from the operations of a discontinued business segment, but exclude gains or losses from disposals of discontinued operations. Report such gains or losses on page 4, item 33. Affiliates classified in ISI codes 5223, 5224, 5231, 5238, 5252 and 5331 report interest income on this line. Insurance companies with ISI codes 5243 and 5249 should include gross investment income in this item. Dealers in financial instruments and finance, insurance, and real estate companies see **Special Instructions** on page 8.

31. Income from equity investments in foreign affiliates —

Report income from equity investments of all foreign affiliates whether or not they are required to file a form BE-11B. Do not report interest income here. Report interest in item 30 or 34 as appropriate.

32. Income from other equity investments — Do not include interest income here. Report interest in item 30 or 34 as appropriate.

34. Other income — Report non-operating and other income not included in items 30—33.

36. Foreign income taxes — Exclude U.S. income taxes.

• **Section B — Distribution of Sales or Gross Operating Revenues**

40.—43.

Disaggregate the total sales or gross operating revenues into sales of goods, investment income, and sales of services.

41. Sales of goods — Goods are normally economic outputs that are tangible.

42. Sales of services — Services are normally economic outputs that are intangible. Report as sales of services:

- Commissions and fees earned by companies engaged in finance and real estate activities.
- Premiums earned by companies engaged in insurance activities. NOTE: Calculate as direct premiums written (including renewals) net of cancellations, plus reinsurance premiums assumed, minus reinsurance premiums ceded, plus unearned premiums at the beginning of the year, minus unearned premiums at the end of the year.
- Commissions earned by agents or brokers (i.e., wholesalers) who act on behalf of buyers and sellers in the wholesale distribution of goods. NOTE: Agents or brokers do not take title to the goods being sold.

Report the source of real estate rental income in columns 2 through 7 based on the location of the property.

43. Investment income — Report dividends and interest generated by finance and insurance activities as investment income. NOTE: Report commissions and fees as sales of services in item 42.

• **Section C — Number of Employees and Employee Compensation**

45., 46., 48., and 49.

Managerial, professional and technical employees — Covers employees in Standard Occupation Classification System (SOC) groups 11—29 listed below:

- 11-Management Occupations
- 13-Business and Financial Operations Occupations
- 15-Computer and Mathematical Occupations

- 17-Architecture and Engineering Occupations
- 19-Life, Physical, and Social Science Occupations
- 21-Community and Social Services Occupations
- 23-Legal Occupations
- 25-Education, Training, and Library Occupations
- 27-Arts, Design, Entertainment, Sports, and Media Occupations
- 29-Healthcare Practitioners and Technical Occupations

All other employees — Covers employees in SOC groups 31—55 listed below:

- 31-Healthcare Support Occupations
- 33-Protective Service Occupations
- 35-Food Preparation and Serving Related Occupations
- 37-Building and Grounds Cleaning and Maintenance Occupations
- 39-Personal Care and Service Occupations
- 41-Sales and Related Occupations
- 43-Office and Administrative Support Occupations
- 45-Farming, Fishing, and Forestry Occupations
- 47-Construction and Extraction Occupations
- 49-Installation, Maintenance, and Repair Occupations
- 51-Production Occupations
- 53-Transportation and Material Moving Occupations
- 55-Military Specific Occupations

The **SOC** and related information can be found at the Bureau of Labor Statistics web site www.bls.gov. Using the A-Z index, select Standard Occupational Classification (SOC).

47. Employee compensation — Consists of wages and salaries of employees and employer expenditures for all employee benefit plans.

Wages and salaries — Report gross earnings of all employees before deduction of employees' payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, stock based compensation, and commissions. Exclude commissions paid to independent personnel who are not employees.

Include direct payments by employers for vacations, sick leave, severance (redundancy) pay, etc. Exclude payments made by, or on behalf of, benefit funds rather than by the employer. (Include employer contributions to benefit funds in "employee benefit plans.")

Include in-kind payments, valued at their cost, that are clearly and primarily of benefit to the employees as consumers. Do not include expenditures that benefit employers as well as employees, such as expenditures for plant facilities, employee training programs, and reimbursement of business expenses.

Employee benefit plans — Report employer expenditures for all employee benefit plans including those mandated by government statute, those resulting from collective bargaining contracts and those that are voluntary. Include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers' compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. Also, include deferred post employment and post retirement expenses per FAS 106. If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

• **Section D — Balance Sheet**

52. Property, plant, and equipment net — Report net book value of land, timber, mineral rights and similar rights owned. Also include structures, machinery, equipment, special tools, deposit containers, construction in progress, and capitalized tangible and intangible exploration and development costs of the foreign affiliate. Include items on capital leases from others, per FAS 13. Exclude all other types of intangible assets, and land held for resale. (Unincorporated affiliates include items owned by the U.S. Reporter(s) but in the affiliate's possession whether or not carried on the affiliate's books or records. However, insurance companies see **Special Instructions** B.2, page 8.)

55. Capital stock and additional paid-in capital — Include common and preferred, voting and nonvoting capital stock and additional paid-in capital.

56. Retained earnings (deficit) — Include earnings retained by the corporation and legally available for dividends; and earnings voluntarily restricted.

58. All other components of owner's equity — Include the cumulative balance of unrealized holding gains and losses due to changes in the valuation of available-for-sale securities per FAS 115 and any other comprehensive income items required to be displayed separately from retained earnings as per FAS 130.

• **Section E — Property, Plant and Equipment (PP&E)**

65. Expenditures for new and used PP&E — Include items leased from others (including land) under capital leases. Exclude items the affiliate has sold under a capital lease.

Exclude from expenditures all changes in PP&E, resulting from a change in the entity (e.g., mergers, acquisitions, divestitures, etc.) or accounting principles during FY 2008.

**SPECIAL INSTRUCTIONS FOR DEALERS IN FINANCIAL
INSTRUMENTS, FINANCE COMPANIES, INSURANCE
COMPANIES AND REAL ESTATE COMPANIES**

A. Certain realized and unrealized gains (losses) for (1) dealers in financial instruments and finance and insurance companies, and (2) real estate companies.

1. Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies — Include in item 33:

- impairment losses as defined by FAS 115,
- realized gains and losses on trading or dealing,
- unrealized gains or losses, due to changes in the valuation of financial instruments, that flow through the income statement, and
- goodwill impairment as defined by FAS 142.

EXCLUDE from item 33, unrealized gains or losses due to changes in the valuation of financial instruments that are taken to other comprehensive income. Reflect such changes in item 58 (all other components of accumulated other comprehensive income (loss)).

EXCLUDE from item 33, income from explicit fees and commissions. Include income from these fees and commissions as operating income in items 28 and 30 and as sales of services in item 42.

2. Real estate companies — Include in item 33:

- impairment losses, as defined by FAS 144 and
- goodwill impairment as defined by FAS 142.

EXCLUDE the revenues earned and expenses incurred from the sale of real estate you own. Such revenues should be reported as operating income in items 28, 30, and 40 and as sales of goods in item 42. Such expenses, including the net book value of the real estate sold, should be reported as costs of goods sold. Do not net the expenses against the revenues.

B. Special Instructions for insurance companies

1. When there is a difference between the financial and operating data reported to the stockholders and the data reported in the annual statement to an insurance department, prepare the BE-11 on the same basis as the annual report to the stockholders. Valuation should be according to normal commercial accounting

procedures, not at rates promulgated by national insurance departments, e.g., include assets not acceptable for inclusion in the annual statement to an insurance department, such as: 1. non-trusted or free account assets and 2. nonadmitted assets, including furniture and equipment, agents' debit balances, and all receivables deemed to be collectible. Include mandatory securities valuation reserves that are appropriations of retained earnings in the owners' equity section of the balance sheet not in the liability section.

2. Do not include assets of the U.S. Reporter held in the country of location of the affiliate that are for the benefit of the U.S. Reporter's policyholders.

3. Instructions for reporting specific items

a. Sales or gross operating revenues, excluding sales taxes (item 30) — Include items such as earned premiums, annuity considerations, gross investment income, and items of a similar nature. Exclude income from equity investments in unconsolidated business enterprises that is to be reported in item 31 and exclude certain realized and unrealized gains or losses that are to be reported in item 33.

b. Certain realized and unrealized gains (losses) (item 33) — See **Special Instructions**, A.1.

c. Sales of services (item 42, column 1) — Include premium income and income from other services, if any. See **Additional Instructions** for Part II, Section B., item 42, on page 7.

d. Investment income (item 43, column 1) — Report that portion of sales or gross operating revenues that is investment income. However, report any gains or losses on investments, in accordance with **Special Instructions**, A.1. See **Additional Instructions** for Part II, Section B, item 43, on page 7 to determine the location of the transactor of investment income.

e. Expenditures for property, plant, and equipment (item 65) — Include expenditures WHEREVER CLASSIFIED IN THE BALANCE SHEET (e.g., include expenditures that have been classified in "other noncurrent assets").