



U.S. DEPARTMENT OF COMMERCE  
Economic and Statistics Administration  
BUREAU OF ECONOMIC ANALYSIS

**2004 BENCHMARK SURVEY OF  
U.S. DIRECT INVESTMENT ABROAD  
MANDATORY — CONFIDENTIAL**

FORM **BE-10A (Report for Nonbank U.S. Reporter)** (REV. 12/2004)

**DUE DATE** — A complete BE-10 report is due on the following dates:  
**May 31, 2005** for a U.S. Reporter required to file fewer than 50 Forms BE-10B(LF), BE-10B(SF), BE-10B Mini, and/or BE-10B BANK  
**June 30, 2005** for a U.S. Reporter required to file 50 or more Forms BE-10B(LF), BE-10B(SF), BE-10B Mini, and/or BE-10B BANK

|   |   |                           |          |
|---|---|---------------------------|----------|
| <b>MAIL REPORTS TO:</b><br>U.S. Department of Commerce<br>Bureau of Economic Analysis<br>BE-69(A)<br>Washington, DC 20230<br><br><b>OR</b><br><b>DELIVER REPORTS TO:</b><br>U.S. Department of Commerce<br>Bureau of Economic Analysis<br>BE-69(A)<br>Shipping and Receiving,<br>Section M-100<br>1441 L Street, NW<br>Washington, DC 20005 | <b>BEA USE ONLY</b>                         | <b>Reporter ID Number</b> | <b>A</b> |
|   | <b>1. Name and address of U.S. Reporter</b> |                           |          |

**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 banks, including bank holding companies, see the report forms for banks and the **Instruction Booklet**, Part I.C.

• **Who must report** — Form BE-10A must be filed by each nonbank U.S. person that has a foreign affiliate reportable in this survey. Data on Form BE-10A pertain to the fully consolidated U.S. domestic business enterprise. **DO NOT FULLY CONSOLIDATE OPERATIONS OF FOREIGN AFFILIATES ON FORM BE-10A.** Report data pertaining to the operations of foreign affiliates on Forms BE-10B(LF), BE-10B(SF), BE-10B Mini, or BE-10B BANK. See **Instruction Booklet**, Part I, for detailed reporting requirements.

**Note:** A U.S. Reporter that is **not** a bank but that owns a majority interest in a U.S. bank — **DO NOT** consolidate banking activities on this form. Instead file the bank, including all of its domestic subsidiaries or units, on Form BE-10A BANK. (However, if the bank, including its domestic subsidiaries, does not have a foreign affiliate, it is not required to report.) Banking activities owned by a nonbank must also be included on the nonbank's Form BE-10A using the equity method of accounting.

• **U.S. Reporter's 2004 fiscal year** — The U.S. Reporter's financial reporting year that has an ending date in calendar year 2004. See **Instruction Booklet**, Part II.A.

• **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

| Bil. | Mil. | Thous. | Dols. |
|------|------|--------|-------|
|      | 1    | 335    |       |

If an item is between + or - \$500.00, enter "0." Use parenthesis ( ) to indicate negative numbers.

• **Additional copies** — For additional copies of BE-10 forms, instructions and the Guide to Industry Classifications for International Surveys, 2002, visit the BEA Web site [www.bea.gov](http://www.bea.gov).

• **Contact us for help** — Telephone: 202-606-5566; FAX: 202-606-5312 or 5317; E-mail: [be10/11@bea.gov](mailto:be10/11@bea.gov).

Public reporting burden for this BE-10 report (**comprising Form BE-10A or BE-10A BANK and Form(s) BE-10B(LF), BE-10B(SF), BE-10B Mini, and/or BE-10B BANK**) is estimated to average 110 hours per response. This burden includes time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate to Director, Bureau of Economic Analysis (BE-1), U.S. Department of Commerce, Washington, DC 20230; and to the Office of Management and Budget, Paperwork Reduction Project 0608-0049, Washington, DC 20503.

|                        |   |
|------------------------|---|
| <b>MANDATORY</b>       | ▶ This survey is being conducted under the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended - hereinafter "the Act"), and the filing of reports is mandatory under Section 5(b)(2) of the Act (22 U.S.C. 3104).   |
| <b>CONFIDENTIALITY</b> | ▶ The Act provides that your report to this Bureau is confidential and may be used only for analytical or statistical purposes. Without your prior written permission, the information filed in your report cannot be presented in a manner that allows it to be individually identified. Your report cannot be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.   |
| <b>PENALTIES</b>       | ▶ Whoever fails to report shall be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participates in such violations, upon conviction, may be punished by a like fine, imprisonment or both. (22 U.S.C. 3105)<br><br>Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number. |

|  |           |         |           |   |  |            |
|--|-----------|---------|-----------|---|--|------------|
| <b>PERSON TO CONSULT CONCERNING QUESTIONS ABOUT THIS REPORT</b> — Enter name and address |           |         |           | <b>CERTIFICATION</b> — The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with Part IV.E of the <b>Instruction Booklet</b> , estimates may have been provided. |  |            |
| Name   |           | Address |           |   |  |            |
|  |           |         |           | Authorized official's signature   |  | Date       |
| TELEPHONE NUMBER   | Area code | Number  | Extension | Print or type name and title  |  |            |
| FAX NUMBER   | Area code | Number  |           | Telephone number  |  | FAX number |

|  |      |   |  |                     |
|--|------|---|--|---------------------|
| May we use e-mail to correspond with you to discuss questions relating to this survey, including questions that may contain information about your company that you may consider confidential? (Note that electronic mail is not inherently confidential; we will treat information we receive as confidential, but e-mail is not necessarily secure against interception by a third party.) | 1000 | 1 | <input type="checkbox"/> Yes — If yes, please provide your e-mail address. → | E-mail address<br>1 |
|  |      | 1 | 2 <input type="checkbox"/> No  |                     |
|  |      |   |  | 1001                |



**Part I – IDENTIFICATION OF U.S. REPORTER — Continued**

**13. Major activity of fully consolidated domestic U.S. Reporter — Mark (X) one**

Select the one activity below that best describes the major activity of the U.S. Reporter. For an inactive U.S. Reporter, select the activity based on its last active period; for "start-ups," select the intended activity.

- 1013 <sup>1</sup>  1 Producer of goods
- <sup>1</sup>  2 Seller of goods the U.S. Reporter does not produce
- <sup>1</sup>  3 Producer or distributor of information
- <sup>1</sup>  4 Provider of services
- <sup>1</sup>  5 Other – Specify

**14. What is the MAJOR product or service involved in this activity? If a product, briefly state what is done to it, i.e., whether it is mined, manufactured, sold at wholesale, packaged, transported, etc. (For example, "Manufacture widgets.")**

1014

**Industry classification of fully consolidated domestic U.S. Reporter (based on sales or gross operating revenues)** — Enter in columns (1) and (2) respectively, the 4-digit International Surveys Industry (ISI) code(s) and the sales associated with each code. For a full explanation of each code, see the **Guide to Industry Classifications for International Surveys, 2002**. For an inactive U.S. Reporter, enter an ISI code based on its last active period. Holding companies (ISI code 5512) must show total income as reported in item 41. Enter in column (3), the number of employees on the payroll at the end of FY 2004, including part-time employees. 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 2004. If employment is subject to unusual variations, see instructions for "NUMBER OF EMPLOYEES" under Section C, page 7. For most companies the employment distribution in column (3) is not proportional to the sales distribution in column (2). Therefore, do not distribute employment in column (3) in proportion to sales in column (2). See **Additional Instructions for Part I, page 15, at the back of this form.**

|  | ISI code<br>(1) | Sales or gross operating revenues<br>(2) |      |        | Number of employees engaged in activities for the ISI codes in column (1)<br>(3) |
|--|-----------------|--|------|--------|--|
|  |                 | Bil.                                     | Mil. | Thous. | Dols.  |
| <b>15. Largest sales or gross operating revenues</b> 1015  | 1               | 2  |      |        | 3  |
| <b>16. 2nd largest sales or gross operating revenues</b> 1016  | 1               | 2  |      |        | 3  |
| <b>17. 3rd largest sales or gross operating revenues</b> 1017  | 1               | 2  |      |        | 3  |
| <b>18. 4th largest sales or gross operating revenues</b> 1018  | 1               | 2  |      |        | 3  |
| <b>19. 5th largest sales or gross operating revenues</b> 1019  | 1               | 2  |      |        | 3  |
| <b>20. 6th largest sales or gross operating revenues</b> 1020  | 1               | 2  |      |        | 3  |
| <b>21. 7th largest sales or gross operating revenues</b> 1021  | 1               | 2  |      |        | 3  |
| <b>22. 8th largest sales or gross operating revenues</b> 1022  | 1               | 2  |      |        | 3  |
| <b>23. 9th largest sales or gross operating revenues</b> 1023  | 1               | 2  |      |        | 3  |
| <b>24. 10th largest sales or gross operating revenues</b> 1024   | 1               | 2  |      |        | 3  |
| <b>25. Number of employees of administrative offices and other auxiliary units</b> — Include employees at corporate headquarters, central administrative, and regional offices located in the U.S. that provide administration and management or support services. Support services include accounting, data processing, legal, research and development and testing, and warehousing. Also include employees located at an operating unit that provide administration and management or support services to more than one operating unit. Exclude employees located at an operating unit that provide administration and management or support services for only that unit. Instead, report such employees in column (3) of items 15 through 24 in the industry(ies) of the operating unit(s). 1025 |                 |  |      |        | 3  |
| <b>26. Sales or gross operating revenues and employees not accounted for above</b> 1026  |                 | 2  |      |        | 3  |
| <b>27. TOTAL SALES OR GROSS OPERATING REVENUES AND EMPLOYEES — Sum of items 15 through 26 (Column (2) must equal item 37 and also item 49 column (1). Column (3) must equal item 53.)</b> 1027   |                 | 2  |      |        | 3  |
| <b>28. BEA USE ONLY</b> 1028   | 1               | 2  |      |        | 5  |
| <b>1128</b>  | 1               | 2  |      |        | 5  |
| <b>29. BEA USE ONLY</b> 1029   | 1               | 2  |      |        | 5  |
| <b>1129</b>  | 1               | 2  |      |        | 5  |

Remarks

**Part II – SELECTED FINANCIAL AND OPERATING DATA OF U.S. REPORTER**

**30. Are (1) total assets, (2) sales or gross operating revenues, excluding sales taxes and (3) net income (loss), all less than \$150 million at the end of, or for, the U.S. Reporter's 2004 fiscal year?**

- 2030 

|   |   |
|---|---|
| 1 | 1 |
| 1 | 2 |

 Yes — Complete Part II, Part IV, **and** the BE-10A Supplement A on the remainder of this Form BE-10A.  
 No — Complete Part III, Part IV, **and** the BE-10A Supplement A on the remainder of this Form BE-10A.

|                              |      |   |   |      | Amount |      |        |       |
|------------------------------|------|---|---|------|--------|------|--------|-------|
|                              |      |   |   |      | Bil.   | Mil. | Thous. | Dols. |
| <b>31. Net income (loss)</b> |      |   |   | 2031 | 1      |      |        |       |
| <b>32. Total assets</b>      |      |   |   | 2032 | 1      |      |        |       |
| <b>33. Total liabilities</b> |      |   |   | 2033 | 1      |      |        |       |
| <b>34.-36. BEA USE ONLY</b>  | 2036 | 1 | 2 | 3    | 4      | 5    |        |       |

**IMPORTANT** ► If you completed Part II, SKIP Part III and continue with Part IV of this form.

**Part III — FINANCIAL AND OPERATING DATA OF U.S. REPORTER**  
 Complete **ONLY** if the answer to item 30 is "No."

| Section A — Income Statement of U.S. Reporter — See <b>Additional Instructions</b> for Part III, Section A, on page 15 at the back of this form.  | Amount (1) |      |        |       |
|---|------------|------|--------|-------|
|   | Bil.       | Mil. | Thous. | Dols. |
| <b>• INCOME</b>   |            |      |        |       |
| <b>37. Sales or gross operating revenues, excluding sales taxes</b> — Must equal item 27 column (2) and also item 49 column (1). ( <i>Dealers in financial instruments see <b>Special Instructions</b>, A.1., page 16; insurance companies see <b>Special Instructions</b>, B.2.a., page 16.</i> )  | 1          |      |        |       |
| 3037  | \$         |      |        |       |
| <b>38. Income from equity investments in unconsolidated business enterprises (domestic and foreign)</b> — For those owned 20 percent or more (including majority-owned foreign affiliates), report equity in earnings during the reporting period; for those owned less than 20 percent, report dividends or distributed earnings for unincorporated affiliates. <i>Do not include interest income.</i>   | 1          |      |        |       |
| 3038  |            |      |        |       |
| <b>39. Certain realized and unrealized gains (losses)</b> — 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 <b>gross before</b> income tax effect. Include income tax effect in item 43. Report gains (losses) resulting from:<br><b>a.</b> Sales or dispositions of investment securities, and FAS 115 impairment losses. Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies, see <b>Special Instructions</b> , A.1., page 16;<br><b>b.</b> Sales or dispositions of land, other property, plant and equipment, or other assets, and FAS 144 impairment losses. <u>Exclude</u> gains or losses from the sale of inventory assets in the ordinary course of trade or business. Real estate companies, see <b>Special Instructions</b> , A.2., page 16;<br><b>c.</b> Goodwill impairment as defined by FAS 142;<br><b>d.</b> Restructuring. Include restructuring costs that reflect write-downs or write-offs of assets or liabilities. <u>Exclude</u> 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. <u>Include</u> actual payments and charges to establish reserves for future expected payments, in item 42 (cost of goods sold or services rendered and selling, general, and administrative expenses);<br><b>e.</b> Disposals of discontinued operations. <u>Exclude</u> income from the operations of a discontinued segment. Report such income as part of your income from operations in items 27, 37, and 49;<br><b>f.</b> Re-measurement of U.S. Reporter's foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the reporting period;<br><b>g.</b> Extraordinary, unusual, or infrequently occurring items that are material. <u>Include</u> losses from accidental damage or disasters after estimated insurance reimbursement. <u>Include</u> other material items, including write-ups, write-downs, write-offs, of tangible and intangible assets; gains (losses) from the sale or other disposition of capital assets; and gains (losses) from the sale or other disposition of financial assets, including securities, to the extent not included above. <u>Exclude</u> legal judgments. Include legal judgments in item 42;<br><b>h.</b> The cumulative effect of a change in accounting principle. | 1          |      |        |       |
| 3039  |            |      |        |       |
| <b>40. Other income</b> — <i>Specify</i><br><div style="border: 1px solid black; height: 20px; width: 100%;"></div>   | 1          |      |        |       |
| 3040  |            |      |        |       |
| <b>41. TOTAL INCOME</b> — <i>Sum of items 37 through 40</i> →   | 1          |      |        |       |
| 3041  | \$         |      |        |       |
| <b>• COSTS AND EXPENSES</b>   |            |      |        |       |
| <b>42. Cost of goods sold or services rendered and selling, general, and administrative expenses</b> — <i>Insurance companies see <b>Special Instructions</b>, B.2.c., page 16.</i>   | 1          |      |        |       |
| 3042  |            |      |        |       |
| <b>43. U.S. income taxes</b> — Provision for U.S. Federal, state, and local income taxes. Exclude production royalty payments.  | 1          |      |        |       |
| 3043  |            |      |        |       |
| <b>44. Other costs and expenses not included above, including minority interests in income (loss) that arise out of consolidation</b> — <i>Specify</i><br><div style="border: 1px solid black; height: 20px; width: 100%;"></div>   | 1          |      |        |       |
| 3044  |            |      |        |       |
| <b>45. TOTAL COSTS AND EXPENSES</b> — <i>Sum of items 42, 43, and 44</i> →  | 1          |      |        |       |
| 3045  | \$         |      |        |       |
| <b>• NET INCOME</b>   |            |      |        |       |
| <b>46. NET INCOME (LOSS)</b> — <i>Item 41 minus item 45</i> →   | 1          |      |        |       |
| 3046  | \$         |      |        |       |

Remarks

• ADDENDUM

47. 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 27, column 2, were any of the sales or revenues generated by insurance related activities covered by industry codes 5243 or 5249?

3047  1  Yes – Answer items b and c  
 2  No – Skip to item 48

**NOTE: Complete items b and c ONLY if item a is answered "Yes."**

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. Exclude all annuity premiums. Also exclude premiums and policy fees related to universal and adjustable life, variable and interest-sensitive life, and variable-universal life policies.

c. **Losses incurred** — Report losses incurred for the insurance products covered by b above. Exclude loss adjustment expenses and losses that relate to annuities. Also exclude losses related to universal and adjustable life, variable and interest-sensitive life, and variable-universal life policies.

For property and casualty insurance, 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 life insurance, 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.

|      |    | Amount<br>(1) |      |        |       |
|------|----|---------------|------|--------|-------|
|      |    | Bil.          | Mil. | Thous. | Dols. |
| 3048 | \$ |               |      |        |       |
| 3049 | \$ |               |      |        |       |

48. WHOLESALE AND RETAIL TRADE INDUSTRY ACTIVITIES — Goods purchased for resale without further processing

Wholesale trade industry activities include the wholesale trade of durable goods and nondurable goods. The wholesale trade of durable goods is covered by industry codes 4231 through 4239. The wholesale trade of nondurable goods is covered by industry codes 4241 through 4249.

Retail trade industry activities are covered by industry codes 4410, 4420, 4431, 4440, 4450, 4461, 4471, 4480, 4510, 4520, 4530, and 4540.

See the *Guide to Industry Classifications for International Surveys, 2002* for a detailed description of each of the wholesale and retail trade industry codes listed above.

a. Of the total sales and gross operating revenues reported in item 27, column 2, were any of the sales or revenues generated by wholesale or retail trade activities?

3050  1  Yes – Answer items b and c  
 2  No – Skip to item 49

**NOTE: Complete items b and c ONLY if item a is answered "Yes."**

b. Enter the cost of goods purchased for resale without further processing during the fiscal year that ended in calendar year 2004

|      |    | Amount<br>(1) |      |        |       |
|------|----|---------------|------|--------|-------|
|      |    | Bil.          | Mil. | Thous. | Dols. |
| 3051 | \$ |               |      |        |       |

c. Enter the closing balances at the end of fiscal years 2003 and 2004 of the inventory of goods purchased for resale without further processing.

|      |    | BALANCES             |      |        |       |                                      |      |        |       |
|------|----|----------------------|------|--------|-------|--------------------------------------|------|--------|-------|
|      |    | Close FY 2004<br>(1) |      |        |       | Close FY 2003<br>(Unrestated)<br>(2) |      |        |       |
|      |    | Bil.                 | Mil. | Thous. | Dols. | Bil.                                 | Mil. | Thous. | Dols. |
| 3052 | \$ |                      |      |        |       |                                      |      |        |       |

Section B — Distribution of Sales or Gross Operating Revenues — See **Additional Instructions** for Part III, Section B, on page 15 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.2.d. and e., page 16.**

| 49. Sales or gross operating revenues, excluding sales taxes | TOTAL<br>Column (1) equals the sum of columns (2) through (4) |      |        |       |      |      |        |       |      |      |        |       |      |      |        |       |
|--|---|------|--------|-------|------|------|--------|-------|------|------|--------|-------|------|------|--------|-------|
|  | (1)   |      |        |       | (2)  |      |        |       | (3)  |      |        |       | (4)  |      |        |       |
|  | Bil.  | Mil. | Thous. | Dols. | Bil. | Mil. | Thous. | Dols. | Bil. | Mil. | Thous. | Dols. | Bil. | Mil. | Thous. | Dols. |
| 3147   | \$  |      |        |       | \$   |      |        |       | \$   |      |        |       | \$   |      |        |       |
| 50. Sales of goods   | 3148  |      |        |       |      |      |        |       |      |      |        |       |      |      |        |       |
| 51. Sales of services  | 3149  |      |        |       |      |      |        |       |      |      |        |       |      |      |        |       |
| 52. Investment income  | 3150  |      |        |       |      |      |        |       |      |      |        |       |      |      |        |       |

Remarks

Part III — FINANCIAL AND OPERATING DATA OF U.S. REPORTER — Continued

**Section C — Number of Employees and Employee Compensation** — See *Additional Instructions* for Part III, Section C, on page 15 at the back of this form.

**NUMBER OF EMPLOYEES** — Employees on the payroll at the end of FY 2004, 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 2004. If the number of employees at the end of FY 2004 (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 2004. 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** — Expenditures made by an employer in connection with the employment of workers including cash payments, payments in-kind, and employer expenditures for employee benefit plans including those mandated by government statute, such as the employer's share of Social Security taxes. 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 data related to activities of a prior period, such as those capitalized or charged to inventories in prior periods.

|  |      | Number of employees |      |        |       |
|--|------|---------------------|------|--------|-------|
| <b>• NUMBER OF EMPLOYEES</b>   |      |                     |      |        |       |
| <b>53. TOTAL NUMBER OF EMPLOYEES — Sum of items 54 and 55</b>  | 3253 | 1                   |      |        |       |
| <b>By Standard Occupation Classification (SOC) — See Additional Instructions, page 15 for a list of the major SOC groups.</b>  |      | 1                   |      |        |       |
| <b>54. Managerial, professional and technical employees (SOC 11-29)</b>  | 3254 | 1                   |      |        |       |
| <b>55. All other employees (SOC 31-55)</b>   | 3255 | 1                   |      |        |       |
| <b>56. Number of employees in item 53 who are research and development employees —</b><br>Employees engaged in R&D, including managers, scientists, and other professional and technical employees | 3256 | 1                   |      |        |       |
| <b>• EMPLOYEE COMPENSATION</b>   |      | Amount              |      |        |       |
|  |      | Bil.                | Mil. | Thous. | Dols. |
| <b>57. TOTAL EMPLOYEE COMPENSATION — Equals the sum of items 58 and 59 and the sum of items 60 and 61.</b>   | 3257 | 1                   |      |        |       |
| <b>By component</b>  |      |                     |      |        |       |
| <b>58. Wages and salaries — Employee's gross earnings (before payroll deductions), and direct and in-kind payments by the employer to employees</b>  | 3258 | 1                   |      |        |       |
| <b>59. Employee benefit plans — Employer expenditures for all employee benefit plans</b>   | 3259 | 1                   |      |        |       |
| <b>By Standard Occupation Classification (SOC)</b>   |      |                     |      |        |       |
| <b>60. Managerial, professional and technical employees (SOC 11-29)</b>  | 3260 | 1                   |      |        |       |
| <b>61. All other employees (SOC 31-55)</b>   | 3261 | 1                   |      |        |       |

Remarks

## Part III — FINANCIAL AND OPERATING DATA OF U.S. REPORTER — Continued

**Section D — Balance Sheet of U.S. Reporter** — See *Additional Instructions* for Part III, Section D, on page 16 at the back of this form.

**NOTE** — Disaggregate all asset and liability items in the detail shown. Show accounts receivable and payable between the U.S. Reporter and its foreign affiliates in the proper asset and liability accounts of the U.S. Reporter. Do not report them as a net amount.

|  |      | Balance at close of FY 2004 |      |        |       |
|--|------|-----------------------------|------|--------|-------|
|  |      | Bil.                        | Mil. | Thous. | Dols. |
| <b>• ASSETS</b>  |      |                             |      |        |       |
| <b>62. Cash items</b>  | 3362 | \$                          |      |        |       |
| <b>63. Current receivables</b> — Net of allowances for doubtful items. ( <i>Insurance companies see Special Instructions, B.2.f., page 16.</i> )   | 3363 |                             |      |        |       |
| <b>64. Inventories</b> — Land development companies exclude land held for resale (include in item 65); finance and insurance companies exclude inventories of marketable securities (include in item 65 or 70 as appropriate). The primary basis of inventory valuation is:<br><br><input type="checkbox"/> <sup>3459</sup> <input type="checkbox"/> <sup>1</sup> LIFO <input type="checkbox"/> <sup>1</sup> <input type="checkbox"/> <sup>3</sup> Other — Specify<br><input type="checkbox"/> <sup>1</sup> <input type="checkbox"/> <sup>2</sup> FIFO | 3364 |                             |      |        |       |
| <b>65. Other current assets, including land held for resale and current marketable securities</b>  | 3365 |                             |      |        |       |
| <b>66. Property, plant, and equipment, net</b>   | 3366 |                             |      |        |       |
| <b>67. Equity investments in unconsolidated U.S. domestic business enterprises</b> — Report on the equity basis enterprises owned 20 to 50 percent. Report at cost enterprises owned less than 20 percent.   | 3367 |                             |      |        |       |
| <b>68. Equity investments in foreign affiliates</b> — Report on the equity basis enterprises owned 20 to 100 percent. Report at cost enterprises owned less than 20 percent.   | 3368 |                             |      |        |       |
| <b>69. Noncurrent receivables</b> — Net of allowances for doubtful items.  | 3369 |                             |      |        |       |
| <b>70. Other noncurrent assets</b>   | 3370 |                             |      |        |       |
| <b>71. TOTAL ASSETS</b> — Sum of items 62 through 70 —————→  | 3371 | \$                          |      |        |       |
| <b>• LIABILITIES</b> ( <i>Insurance companies see Special instructions, B.2.g., page 16.</i> )   |      |                             |      |        |       |
| <b>72. Trade accounts and trade notes payable, current</b>   | 3372 |                             |      |        |       |
| <b>73. Other current liabilities and long-term debt</b>  | 3373 |                             |      |        |       |
| <b>74. Other noncurrent liabilities</b>  | 3374 |                             |      |        |       |
| <b>75. TOTAL LIABILITIES</b> — Sum of items 72, 73, and 74 —————→  | 3375 | \$                          |      |        |       |
| <b>• OWNERS' EQUITY</b>  |      |                             |      |        |       |
| <b>76. TOTAL OWNERS' EQUITY</b> — Item 71 minus item 75 —————→   | 3376 | \$                          |      |        |       |
| <b>Section E — Property, Plant and Equipment (PP&amp;E)</b> — See <i>Additional Instructions</i> for Part III, Section E, on page 16 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 tangible and intangible exploration and development costs, but excludes other types of intangible assets, and land held for resale.  |      | Amount                      |      |        |       |
|  |      | Bil.                        | Mil. | Thous. | Dols. |
| <b>• BALANCE, CLOSE FY 2003</b> ( <i>Insurance companies see Special Instructions, B.2.h., page 16.</i> )  |      |                             |      |        |       |
| <b>77. Net book value of PP&amp;E at close FY 2003</b> — The closing FY 2003 value, before restatement due to a change in the entity or accounting methods or principles.  | 3477 | \$                          |      |        |       |
| <b>• CHANGES DURING FY 2004</b>  |      |                             |      |        |       |
| <b>78. Restatement due to a change in the entity (i.e., due to mergers, acquisitions, divestitures, etc.) or due to a change in accounting methods or principles</b> — If the answer to item 7 was "Yes," give amount by which the net book value of item 77 would be restated. If a decrease, put amount in parentheses. Include gains (losses) resulting from the sale or disposition of domestic subsidiaries of the U.S. Reporter, and from revaluation of assets (whether or not realized) in items 39 and/or 76.                                 | 3478 |                             |      |        |       |
| <b>Expenditures by the U.S. Reporter for, or transfers into the U.S. Reporter of</b> ( <i>Insurance companies see Special Instruction B.2.i., on page 16.</i> )  |      |                             |      |        |       |
| <b>79. Land and mineral rights, including timber</b> — Include expenditures for land and capitalized expenditures for mineral and timber rights. Exclude other capitalized expenditures for the exploration and development of natural resources and expenditures for land held for resale.  | 3479 |                             |      |        |       |
| <b>80. PP&amp;E other than land, mineral, and timber rights.</b> ( <i>Report changes due to mergers and acquisitions in item 78.</i> )   | 3480 |                             |      |        |       |
| <b>81. Depreciation</b>  | 3481 | (                           |      | )      |       |
| <b>82. Depletion</b>   | 3482 | (                           |      | )      |       |
| <b>83. Other increases (decreases)</b> — Net book value of sales, retirements, or transfers out of assets; land held for resale; and other increases (decreases). Include divestitures of subsidiaries in item 75. Include any gains (losses) from the sale or disposition of property, plant, and equipment in item 39.   | 3483 |                             |      |        |       |
| <b>• BALANCE, CLOSE FY 2004</b> ( <i>Insurance companies see Special Instructions, B.2.h., page 16.</i> )  |      |                             |      |        |       |
| <b>84. Net book value of PP&amp;E at close FY 2004</b> — Equals sum of items 77 through 83; must also equal item 66.   | 3484 |                             |      |        |       |
| <b>• ADDENDUM</b>  |      |                             |      |        |       |
| <b>85. Petroleum and mining exploration and development expenditures charged against income including expenditures charged against income to acquire or lease mineral rights</b> — Do not include expenditures capitalized in prior years that are reclassified as expensed in the current year; such expenditures are considered to be expenditures only in the year when initially expensed.   | 3485 |                             |      |        |       |
| <b>86. BEA USE ONLY</b>  | 3486 |                             |      |        |       |



## Part III — FINANCIAL AND OPERATING DATA OF U.S. REPORTER — Continued

| Section F — Interest, production royalty payments, taxes, fees and royalties   | Amount |             |       |
|--|--------|-------------|-------|
|  | Bil.   | Mil. Thous. | Dols. |
| <b>87. Interest income</b> — Interest received or due to the U.S. Reporter from all payors (including affiliated persons), net of tax withheld at the source. Include all interest receipts included in items 37 and 40. <i>Do not net against interest expensed, item 88.</i>   | 3587   | \$          | 1     |
| <b>88. Interest expensed or capitalized</b> — Interest expensed or capitalized by the U.S. Reporter, paid or due to all payees (including affiliated persons), gross of tax withheld. <i>Do not net against interest income, item 87.</i>  | 3588   |             | 1     |
| <b>89. Production royalty payments to Federal, state, and local governments for natural resources, total</b> — Include amounts paid or accrued for the year. Include payments in-kind at market value.   | 3589   |             | 1     |
| <b>90. Taxes (except income and payroll taxes) and nontax payments (other than production royalty payments)</b> — 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 Federal, state, and local governments, their subdivisions and agencies for —<br><b>a.</b> Sales, consumption, and excise taxes collected by the U.S. Reporter on goods and services the U.S. Reporter sold;<br><b>b.</b> Property and other taxes on the value of assets and capital;<br><b>c.</b> Any remaining taxes (other than income and payroll taxes); and<br><b>d.</b> Import and export duties, license fees, fines, penalties, and all other payments or accruals of nontax liabilities (except production royalty payments for natural resources).   | 3590   |             | 1     |
| <b>• ROYALTIES, LICENSE FEES, AND OTHER FEES FOR THE USE, SALE, OR PURCHASE OF INTANGIBLE PROPERTY</b>   |        |             | 1     |
| <b>91. Receipts from foreign persons other than U.S. Reporter's foreign affiliates</b> — Include royalties, license fees, and other amounts received by the U.S. Reporter from, or credited to the U.S. Reporter by foreign persons other than U.S. Reporter's foreign affiliates for the use or sale of intangible property. <b>Exclude</b> receipts from the granting to others the right to exploit natural resources you own or control.   | 3591   |             | 1     |
| <b>92. Payments to foreign persons other than U.S. Reporter's foreign affiliates</b> — Include royalties, license fees, and other amounts paid, or credited, by the U.S. Reporter to foreign persons other than U.S. Reporter's foreign affiliate for use or purchase of intangible property. <b>Exclude</b> payments to others for the right to exploit natural resources they own or control.  | 3592   |             | 1     |
| <b>93. BEA USE ONLY</b>  | 3593   |             | 1     |
| <b>Section G — Technology</b>  |        |             |       |
| <b>• RESEARCH AND DEVELOPMENT (R&amp;D) EXPENDITURES</b> — Include all costs incurred in performing R&D, including depreciation, amortization, wages and salaries, property taxes and other taxes (except income taxes), materials and supplies, allocated overhead, and indirect costs.<br><br>R&D includes the following:<br><br><ol style="list-style-type: none"> <li>The planned, systematic pursuit of new knowledge or understanding toward general application (<b>basic research</b>);</li> <li>The acquisition of knowledge or understanding to meet a specific, recognized need (<b>applied research</b>); and</li> <li>The application of knowledge or understanding toward the production or improvement of a product, service, process, or method (<b>development</b>).</li> </ol> <b>Basic research</b> is the pursuit of new scientific knowledge or understanding that does not have specific immediate commercial objectives, although it may be in fields of present or potential commercial interest.<br><br><b>Applied research</b> applies the findings of basic research or other existing knowledge toward discovering new scientific knowledge that has specific commercial objectives with respect to new products, services, processes, or methods.<br><br><b>Development</b> is the systematic use of the knowledge or understanding gained from research or practical experience directed toward the production or significant improvement of useful products, services, processes, or methods, including the design and development of prototypes, materials, devices, and systems.<br><br>R&D includes the activities described above, whether assigned to separate organizational units of the company or conducted by company laboratories and technical groups that are not a part of a separate R&D organization.<br><br>Exclude expenditures for quality control; routine product testing; market research; sales promotion, sales service, and other nontechnological activities; routine technical services; research in the social sciences or psychology; geological and geophysical exploration activities, and advertising programs to promote or demonstrate new products or processes.<br><br>Include all costs incurred to support R&D. Include wages, salaries, and related costs; materials and supplies consumed; R&D depreciation, cost of computer software used in R&D activities; utilities, such as telephone, telex, electricity, water, and gas; travel costs and professional dues; property taxes and other taxes (except income taxes) incurred on account of the R&D organization or the facilities they use; insurance expenses; maintenance and repair, including maintenance of buildings and grounds; company overhead including: personnel, accounting, procurement and inventory, and salaries of research executives not on the payroll of the R&D organization. Exclude capital expenditures, expenditures for tests and evaluations once a prototype becomes a production model, patent expenses, and income taxes and interest. |        |             |       |
| <b>NOTE</b> — Items 94 through 98 pertain to R&D <b>performed</b> by the U.S. Reporter, including R&D performed by the U.S. Reporter for others under contract. This is the basis on which National Science Foundation surveys request information on R&D. The FAS 2 measure of R&D (i.e., R&D from which the firm <b>benefits</b> ) is the sum of items 95 and 99.  |        |             |       |
| <b>94. R&amp;D performed BY the U.S. Reporter, total</b> — <i>Sum of items 95 through 98.</i>  | 3694   | \$          | 1     |
| <b>95.</b> For U.S. Reporter's own account   | 3695   |             | 1     |
| <b>96.</b> For Federal Government (i.e., federally financed R&D)   | 3696   |             | 1     |
| <b>97.</b> For foreign affiliates under contract   | 3697   |             | 1     |
| <b>98.</b> For others under contract   | 3698   |             | 1     |
| <b>99. R&amp;D performed FOR the U.S. Reporter by others (including foreign affiliates) on a contractual basis</b>   | 3699   |             | 1     |
| <b>100. BEA USE ONLY</b>   | 3700   |             | 1     |

**Part IV — EXPORTS AND IMPORTS BY THE U.S. REPORTER —**  
**Goods only valued f.a.s. at the port of exportation; do not include services — See Instruction Booklet, Part V.**

**IMPORTANT NOTES**

Report exports and imports of goods by the U.S. Reporter in FY 2004. Report all goods that physically left or entered the U.S. customs area. Report data on a "shipped" basis, i.e., on the basis of when and to (or by) whom the goods were shipped. This is the same basis as official U.S. trade statistics to which these data will be compared. Do **not** record a U.S. import or export if the goods did not physically enter or leave (i.e., were not physically shipped to or from) the United States, even if they were charged to the U.S. Reporter by, or charged by the U.S. Reporter to, a foreign person.

U.S. Reporters normally keep their accounting records on a "charged" basis, i.e., on the basis of when and to (or by) whom the goods were charged. The "charged" basis may be used if there is no material difference between it and the "shipped" basis. If there is a material difference, the "shipped" basis must be used or adjustments made to data on a "charged" basis to approximate a "shipped" basis. The data should include goods only; they should **exclude** services.

**Capital goods** — Include capital goods but exclude the value of ships, planes, railroad rolling stock, and trucks that were temporarily outside the United States transporting people or goods.

**Consigned goods** — Include consigned goods in the trade figures when shipped or received, even though they are not normally recorded as sales or purchases, or entered into intercompany accounts when initially consigned.

**In-transit goods** — Exclude from exports and imports the value of goods that are in-transit. In-transit goods are goods that are not processed or consumed by residents in the intermediate country(ies) through which they transit; the in-transit goods enter that

country(ies) only because that country(ies) is along the shipping lines between the exporting and importing countries. In-transit goods are goods en route from one foreign country to another via the United States (such as from Canada to Mexico via the United States), and in-transit exports are goods en route from one part of the United States to another part via a foreign country (such as from Alaska to Washington State via Canada).

**Packaged general use computer software** — Include exports and imports of packaged general use computer software. Value such exports and imports at the full transaction value, i.e., the market value of the media on which the software is recorded and the value of the information contained on the media. Do not include exports and imports of customized software designed to meet the needs of a specific user. This type of software is considered a service and should not be included as trade in goods. Also do not include negotiated leasing fees for software that is to be used on networks.

**Natural gas distribution** — Include the value of natural gas that is exported or imported as trade in goods. Do not include as an export or import natural gas that you do not produce or sell at wholesale. The transmission of natural gas for others via a pipeline without producing or wholesaling the natural gas is considered a service and should not be reported as trade in goods.

**Electricity and Water** — Report the value of electricity and water as exports and imports if the product value can be separated out from the service value. Report **ONLY** the product value (electricity and water). **DO NOT** report the service value (transmission and distribution).

**101. On what basis were the trade data in the section prepared? — Mark (X) one.**

- 4101  1 "Shipped" basis  
 2 "Charged" basis without adjustments, because there is no material difference between the "charged" and "shipped" bases.  
 3 "Charged" basis with adjustments to correct for material differences between the "charged" and "shipped" bases.

| • EXPORTS OF GOODS BY THIS U.S. REPORTER<br>(Value f.a.s. U.S. port)                | TOTAL<br>(1) |      |               | Shipped to its<br>foreign affiliates<br>(2) |      |               | Shipped to<br>other foreigners<br>(3) |      |               |
|---|--------------|------|---------------|---|------|---------------|---------------------------------------|------|---------------|
|   | Bil.         | Mil. | Thous.  Dols. | Bil.  | Mil. | Thous.  Dols. | Bil.                                  | Mil. | Thous.  Dols. |
| <b>102. Total goods shipped in FY 2004 by this U.S. Reporter to foreigners</b> 4102 | 1            | 2    | 3             | 1   | 2    | 3             | 1                                     | 2    | 3             |
|   | \$           | \$   | \$            | \$  | \$   | \$            | \$                                    | \$   | \$            |
| • IMPORTS OF GOODS BY THIS U.S. REPORTER<br>(Value f.a.s. foreign port)             | TOTAL<br>(1) |      |               | Shipped by its<br>foreign affiliates<br>(2) |      |               | Shipped by<br>other foreigners<br>(3) |      |               |
|   | Bil.         | Mil. | Thous.  Dols. | Bil.  | Mil. | Thous.  Dols. | Bil.                                  | Mil. | Thous.  Dols. |
| <b>103. Total goods shipped in FY 2004 to this U.S. Reporter by foreigners</b> 4103 | 1            | 2    | 3             | 1   | 2    | 3             | 1                                     | 2    | 3             |
|   | \$           | \$   | \$            | \$  | \$   | \$            | \$                                    | \$   | \$            |
| <b>104. BEA USE ONLY</b> 4104   | 1            | 2    | 3             | 1   | 2    | 3             | 1                                     | 2    | 3             |
|   | 4105         | 1    | 2             | 3   | 4    |               |                                       |      |               |

Remarks

**LISTING OF FOREIGN AFFILIATES  
 With Assets, Sales or Gross Operating Revenues, AND Net Income (loss)  
 of \$10 Million or Less**

Name of U.S. Reporter

| 1    | Name of foreign affiliate<br>(1) | Country of location<br>(2) | Primary industry code <sup>1</sup><br>(3) | Total assets<br>(4)                                  |        | Total liabilities<br>(5)                             |        | Sales or gross operating revenues<br>(6)             |        | Net income (loss) after foreign income tax<br>(7)    |        | Number of employees<br>(8) | Debt and intercompany balances between U.S. Reporter and foreign affiliate |        |
|------|----------------------------------|----------------------------|---|--|--------|--|--------|--|--------|--|--------|----------------------------|--|--------|
|      |                                  |                            |   | Mil.   | Thous. | Mil.   | Thous. | Mil.   | Thous. | Mil.   | Thous. |                            | Mil.   | Thous. |
| 5002 |                                  |                            | 3   | \$   | \$     | \$   | \$     | \$   | \$     | \$   |        | 8                          | \$   | \$     |
| 5003 |                                  |                            | 3   | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | 11                         | U.S. Reporter's percentage of ownership <sup>2</sup>                       |        |
| 5004 |                                  |                            | 3   | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | 11                         | U.S. Reporter's percentage of ownership <sup>2</sup>                       |        |
| 5005 |                                  |                            | 3   | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | 11                         | U.S. Reporter's percentage of ownership <sup>2</sup>                       |        |
| 5006 |                                  |                            | 3   | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | 11                         | U.S. Reporter's percentage of ownership <sup>2</sup>                       |        |
| 5007 |                                  |                            | 3   | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | 11                         | U.S. Reporter's percentage of ownership <sup>2</sup>                       |        |
| 5008 |                                  |                            | 3   | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | 11                         | U.S. Reporter's percentage of ownership <sup>2</sup>                       |        |
| 5009 |                                  |                            | 3   | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | 11                         | U.S. Reporter's percentage of ownership <sup>2</sup>                       |        |
| 5010 |                                  |                            | 3   | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | U.S. Reporter's percentage of ownership <sup>2</sup> |        | 11                         | U.S. Reporter's percentage of ownership <sup>2</sup>                       |        |

<sup>1</sup> See Form BE-10B(LF), pages 23 and 24 or Guide to Industry Classifications for International Surveys, 2002, for code: enter code which accounts for largest amount of sales or gross operating revenues, excluding sales taxes.

<sup>2</sup> To calculate indirect ownership percentages — See **Instruction Booklet**, Part I.A.2.

| <b>LISTING OF FOREIGN AFFILIATES — Continued</b> |                            |   |                     |        |                          |        |  |        |   |        |                            |        | <b>BEA USE ONLY</b>  |        | Reporter ID Number |        | A     |       |
|--|----------------------------|---|---------------------|--------|--------------------------|--------|--|--------|---|--------|----------------------------|--------|--|--------|--------------------|--------|-------|-------|
| <b>Name of U.S. Reporter</b>                     |                            |   |                     |        |                          |        |  |        |   |        |                            |        |  |        |                    |        |       |       |
| Name of foreign affiliate<br>(1)                 | Country of location<br>(2) | Primary industry code <sup>1</sup><br>(3) | Total assets<br>(4) |        | Total liabilities<br>(5) |        | Sales or gross operating revenues<br>(6) |        | Net income (loss) after foreign income tax<br>(7) |        | Number of employees<br>(8) |        | Debt and intercompany balances between U.S. Reporter and foreign affiliate |        |                    |        |       |       |
|  |                            |   | Mil.                | Thous. | Mil.                     | Thous. | Mil.                                     | Thous. | Mil.  | Thous. | Mil.                       | Thous. | Mil.   | Thous. | Mil.               | Thous. | Dols. | Dols. |
| 1  |                            | 3   | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10                 |        |       |       |
| 5011   |                            |   | \$                  |        | \$                       |        | \$                                       |        | \$  |        |                            |        | \$   |        |                    |        |       |       |
| 1  |                            | 3   | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10                 |        |       |       |
| 5012   |                            |   |                     |        |                          |        |  |        |   |        |                            |        |  |        |                    |        |       |       |
| 1  |                            | 3   | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10                 |        |       |       |
| 5013   |                            |   |                     |        |                          |        |  |        |   |        |                            |        |  |        |                    |        |       |       |
| 1  |                            | 3   | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10                 |        |       |       |
| 5014   |                            |   |                     |        |                          |        |  |        |   |        |                            |        |  |        |                    |        |       |       |
| 1  |                            | 3   | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10                 |        |       |       |
| 5015   |                            |   |                     |        |                          |        |  |        |   |        |                            |        |  |        |                    |        |       |       |
| 1  |                            | 3   | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10                 |        |       |       |
| 5016   |                            |   |                     |        |                          |        |  |        |   |        |                            |        |  |        |                    |        |       |       |
| 1  |                            | 3   | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10                 |        |       |       |
| 5017   |                            |   |                     |        |                          |        |  |        |   |        |                            |        |  |        |                    |        |       |       |
| 1  |                            | 3   | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10                 |        |       |       |
| 5018   |                            |   |                     |        |                          |        |  |        |   |        |                            |        |  |        |                    |        |       |       |
| 1  |                            | 3   | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10                 |        |       |       |
| 5019   |                            |   |                     |        |                          |        |  |        |   |        |                            |        |  |        |                    |        |       |       |

<sup>1</sup> See Form BE-10B(LF), pages 23 and 24 or Guide to Industry Classifications for International Surveys, 2002, for code: enter code which accounts for largest amount of sales or gross operating revenues, excluding sales taxes.

<sup>2</sup> To calculate indirect ownership percentages — See **Instruction Booklet, Part I.A.2.**

| <b>LISTING OF FOREIGN AFFILIATES — Continued</b> |                            |  |                     |        |                          |        |  |        |   |        |                            | <b>BEA USE ONLY</b> |  | Reporter ID Number |      | A      |       |       |
|--|----------------------------|--|---------------------|--------|--------------------------|--------|--|--------|---|--------|----------------------------|---------------------|--|--------------------|------|--------|-------|-------|
| <b>Name of U.S. Reporter</b>                     |                            |  |                     |        |                          |        |  |        |   |        |                            |                     |  |                    |      |        |       |       |
| Name of foreign affiliate<br>(1)                 | Country of location<br>(2) | Primary industry code <sup>1</sup><br>(3)            | Total assets<br>(4) |        | Total liabilities<br>(5) |        | Sales or gross operating revenues<br>(6) |        | Net income (loss) after foreign income tax<br>(7) |        | Number of employees<br>(8) |                     | Debt and intercompany balances between U.S. Reporter and foreign affiliate |                    |      |        |       |       |
|  |                            |  | Mil.                | Thous. | Mil.                     | Thous. | Mil.                                     | Thous. | Mil.  | Thous. | Mil.                       | Thous.              | Mil.   | Thous.             | Mil. | Thous. | Dols. | Dols. |
| 1  |                            | 3  | 4                   | \$     | 5                        | \$     | 6  | \$     | 7   | \$     | 8                          |                     | 9  | 10                 |      |        |       |       |
| 5020   | <sup>2</sup> BEA USE ONLY  | U.S. Reporter's percentage of ownership <sup>2</sup> | 4                   |        | 5                        |        | 6  |        | Direct (11)                                       |        | 11                         | %                   | Indirect (12)  | 12                 |      |        |       |       |
| 1  |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |                     | 9  | 10                 |      |        |       |       |
| 5021   | <sup>2</sup> BEA USE ONLY  | U.S. Reporter's percentage of ownership <sup>2</sup> | 4                   |        | 5                        |        | 6  |        | Direct (11)                                       |        | 11                         | %                   | Indirect (12)  | 12                 |      |        |       |       |
| 1  |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |                     | 9  | 10                 |      |        |       |       |
| 5022   | <sup>2</sup> BEA USE ONLY  | U.S. Reporter's percentage of ownership <sup>2</sup> | 4                   |        | 5                        |        | 6  |        | Direct (11)                                       |        | 11                         | %                   | Indirect (12)  | 12                 |      |        |       |       |
| 1  |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |                     | 9  | 10                 |      |        |       |       |
| 5023   | <sup>2</sup> BEA USE ONLY  | U.S. Reporter's percentage of ownership <sup>2</sup> | 4                   |        | 5                        |        | 6  |        | Direct (11)                                       |        | 11                         | %                   | Indirect (12)  | 12                 |      |        |       |       |
| 1  |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |                     | 9  | 10                 |      |        |       |       |
| 5024   | <sup>2</sup> BEA USE ONLY  | U.S. Reporter's percentage of ownership <sup>2</sup> | 4                   |        | 5                        |        | 6  |        | Direct (11)                                       |        | 11                         | %                   | Indirect (12)  | 12                 |      |        |       |       |
| 1  |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |                     | 9  | 10                 |      |        |       |       |
| 5025   | <sup>2</sup> BEA USE ONLY  | U.S. Reporter's percentage of ownership <sup>2</sup> | 4                   |        | 5                        |        | 6  |        | Direct (11)                                       |        | 11                         | %                   | Indirect (12)  | 12                 |      |        |       |       |
| 1  |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |                     | 9  | 10                 |      |        |       |       |
| 5026   | <sup>2</sup> BEA USE ONLY  | U.S. Reporter's percentage of ownership <sup>2</sup> | 4                   |        | 5                        |        | 6  |        | Direct (11)                                       |        | 11                         | %                   | Indirect (12)  | 12                 |      |        |       |       |
| 1  |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |                     | 9  | 10                 |      |        |       |       |
| 5027   | <sup>2</sup> BEA USE ONLY  | U.S. Reporter's percentage of ownership <sup>2</sup> | 4                   |        | 5                        |        | 6  |        | Direct (11)                                       |        | 11                         | %                   | Indirect (12)  | 12                 |      |        |       |       |
| 1  |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |                     | 9  | 10                 |      |        |       |       |
| 5028   | <sup>2</sup> BEA USE ONLY  | U.S. Reporter's percentage of ownership <sup>2</sup> | 4                   |        | 5                        |        | 6  |        | Direct (11)                                       |        | 11                         | %                   | Indirect (12)  | 12                 |      |        |       |       |

<sup>1</sup> See Form BE-10B(LF), pages 23 and 24 or Guide to Industry Classifications for International Surveys, 2002, for code: enter code which accounts for largest amount of sales or gross operating revenues, excluding sales taxes.

<sup>2</sup> To calculate indirect ownership percentages — See **Instruction Booklet, Part I.A.2.**

| LISTING OF FOREIGN AFFILIATES — Continued |                            |  |                     |        |                          |        |  |        |   |        | BEA USE ONLY               |        | Reporter ID Number   |        | A   |  |
|---|----------------------------|--|---------------------|--------|--------------------------|--------|--|--------|---|--------|----------------------------|--------|--|--------|---|--|
| Name of U.S. Reporter                     |                            |  |                     |        |                          |        |  |        |   |        |                            |        |  |        |   |  |
| Name of foreign affiliate<br>(1)          | Country of location<br>(2) | Primary industry code <sup>1</sup><br>(3)            | Total assets<br>(4) |        | Total liabilities<br>(5) |        | Sales or gross operating revenues<br>(6) |        | Net income (loss) after foreign income tax<br>(7) |        | Number of employees<br>(8) |        | Debt and intercompany balances between U.S. Reporter and foreign affiliate |        |   |  |
|   |                            |  | Mil.                | Thous. | Mil.                     | Thous. | Mil.                                     | Thous. | Mil.  | Thous. | Mil.                       | Thous. | Mil.   | Thous. | Owed to U.S. Reporter by foreign affiliate<br>(9) | Owed to foreign affiliate by U.S. Reporter<br>(10) |
| 1   |                            | 3  | 4                   | \$     | 5                        | \$     | 6  | \$     | 7   | \$     | 8                          | 9      | 10   | \$     | 12  |  |
| 5029                                      |                            | U.S. Reporter's percentage of ownership <sup>2</sup> | →                   |        | →                        |        | →  |        | →   |        | 11                         | %      | →  |        |   | %  |
| 1   |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10  |  |
| 5030                                      |                            | U.S. Reporter's percentage of ownership <sup>2</sup> | →                   |        | →                        |        | →  |        | →   |        | 11                         | %      | →  |        |   | %  |
| 1   |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10  |  |
| 5031                                      |                            | U.S. Reporter's percentage of ownership <sup>2</sup> | →                   |        | →                        |        | →  |        | →   |        | 11                         | %      | →  |        |   | %  |
| 1   |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10  |  |
| 5032                                      |                            | U.S. Reporter's percentage of ownership <sup>2</sup> | →                   |        | →                        |        | →  |        | →   |        | 11                         | %      | →  |        |   | %  |
| 1   |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10  |  |
| 5033                                      |                            | U.S. Reporter's percentage of ownership <sup>2</sup> | →                   |        | →                        |        | →  |        | →   |        | 11                         | %      | →  |        |   | %  |
| 1   |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10  |  |
| 5034                                      |                            | U.S. Reporter's percentage of ownership <sup>2</sup> | →                   |        | →                        |        | →  |        | →   |        | 11                         | %      | →  |        |   | %  |
| 1   |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10  |  |
| 5035                                      |                            | U.S. Reporter's percentage of ownership <sup>2</sup> | →                   |        | →                        |        | →  |        | →   |        | 11                         | %      | →  |        |   | %  |
| 1   |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10  |  |
| 5036                                      |                            | U.S. Reporter's percentage of ownership <sup>2</sup> | →                   |        | →                        |        | →  |        | →   |        | 11                         | %      | →  |        |   | %  |
| 1   |                            | 3  | 4                   |        | 5                        |        | 6  |        | 7   |        | 8                          |        | 9  |        | 10  |  |
| 5037                                      |                            | U.S. Reporter's percentage of ownership <sup>2</sup> | →                   |        | →                        |        | →  |        | →   |        | 11                         | %      | →  |        |   | %  |

<sup>1</sup> See Form BE-10B(LF), pages 23 and 24 or Guide to Industry Classifications for International Surveys, 2002, for code: enter code which accounts for largest amount of sales or gross operating revenues, excluding sales taxes.  
<sup>2</sup> To calculate indirect ownership percentages — See **Instruction Booklet, Part I.A.2.**

Use additional sheets, if necessary, to account for all affiliates.

**BENCHMARK SURVEY OF U.S. DIRECT INVESTMENT ABROAD — 2004  
FORM BE-10A  
ADDITIONAL INSTRUCTIONS BY ITEM**

**Part I — IDENTIFICATION OF U.S. REPORTER**

**15.—27.**

**Sales or gross operating revenues and employment of fully consolidated domestic U.S. Reporter by industry of sales or gross operating revenues.** (Dealers in financial instruments and finance, insurance, and real estate companies see **Special Instructions** on page 16. Also see **Additional Instructions for Part III, Section A, item 37.**)

If fewer than ten ISI codes are used, account for total sales or gross operating revenues in items 15 through 24.

**Holding companies** — Holding companies (ISI code 5512) must show total income (item 41). A conglomerate must determine its 4-digit ISI code(s) based on the activities of the fully consolidated U.S. domestic business enterprise. The "holding company" classification is often an invalid classification for a conglomerate. Please call BEA for further assistance before using code 5512.

- 25. Employees of administrative offices and auxiliary units** — Auxiliary units and administrative offices are primarily engaged in performing management and support services for the fully consolidated U.S. domestic business enterprise. These services can include accounting, data processing, legal services, research and development, testing, warehousing, etc. Administrative offices and auxiliary units are typically located separately from the operating units of the company.

**Part III — FINANCIAL AND OPERATING DATA OF U.S. REPORTER**

**• Section A — Income Statement of U.S. Reporter**

- 37. 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 taxes and excise taxes levied on manufacturers, wholesalers, and retailers. Companies with ISI codes 5223, 5224, 5231, 5238, 5252 and 5331 should include interest income on this line. Insurance companies with ISI codes 5243 and 5249 should include gross investment income on this line. Dealers in financial instruments and finance, insurance, and real estate companies see **Special Instructions** on page 16.
- 40. Other income** — Report non-operating and other income not included in item 37.
- 42. Costs of goods sold or services rendered and selling, general, and administrative expenses** — Report operating expenses that relate to sales or gross operating revenues (item 37) and selling, general, and administrative expenses. Include production royalty payments to governments, their subdivisions and agencies, and to other persons. Include depletion charges representing the amortization of the actual cost of capital assets but exclude all other depletion charges. Companies with ISI codes 5223, 5224, 5231, 5238, 5252 and 5331 should include interest expense.

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

**49.—52.**

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

- 50. Sales of goods** — Goods are normally economic outputs that are tangible. Report as sales of goods:
- Mass produced media, including exposed film, video tapes, DVD's, audio tapes, and CD's
  - Books — NOTE: Book publishers to the extent feasible, report as sales of services all revenues associated with the design, editing, and marketing activities necessary for producing and distributing books that you both publish and sell. If you cannot unbundle (i.e., separate) these revenues from the value of the books you sell, then report your total sales as sales of goods or services based on the activity that accounts for a majority of the value.
  - Energy trading activities where you take title to the goods — NOTE: If you act in the capacity of a broker or agent to facilitate the sale of goods and you do not take title to the goods, report your revenue (i.e., commissions) as sale of services in item 51.
  - Magazines and periodicals sold in retail stores — NOTE: Report subscription sales as sales of services in item 51.
  - Packaged general use computer software
  - Structures sold by businesses in real estate
  - Revenues earned from building structures by businesses in construction
  - Electricity, natural gas, and water — NOTE: Revenues derived from transmitting and/or distributing these goods, as opposed to revenues derived from the sale of the actual product, should to the extent feasible, be reported as sales of services in item 51.
- 51. Sales of services** — Services are normally economic outputs that are intangible. Report as sales of services:
- Advertising revenue
  - 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. Exclude all annuity premiums. Also exclude premiums and policy fees related to universal and adjustable life, variable and interest-sensitive life, and variable-universal life policies.

- 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.
- Magazines and periodicals sold through subscriptions. — NOTE: Report magazines and periodicals sold through retail stores, as sales of goods in item 50.
- Newspapers
- Pipeline transportation
- Software downloaded from the Internet, electronic mail, an Extranet, an Electronic Data Interchange network, or some other online system.
- Computer systems design and related services
- Negotiated licensing fees for software to be used on networks
- Electricity transmission and distribution, natural gas distribution, and water distribution

Report the source of real estate rental income in columns 2 through 4 based on the location of the property.

- 52. 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 51.

Finance or insurance companies that include investment income in gross operating revenues should report the source of such investment income in columns (2) through (4) based on the location of the issuer of the financial instrument whether publicly issued or privately placed. If the location of the issuer of the financial instrument is unknown, then substitute the nationality of the issuer. If both the location and nationality of the issuer are unknown, and an intermediary (e.g. trustee, custodian, or nominee) is used to manage the investment (financial instrument or real estate), use the country of location of the intermediary.

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

**54. and 55.; 60. and 61.**

**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 User Guide** can be found at the Bureau of Labor Statistics web site [www.bls.gov](http://www.bls.gov). Select Standard Occupational Classification (SOC).

- 56. Research and development employees** — Research and development employees are scientists, engineers, and other professional and technical employees, including managers, who spend all or a majority of their time engaged in scientific or engineering R&D work, at a level that requires knowledge of physical or life sciences, engineering, or mathematics at least equivalent to that acquired through completion of a four-year college course with a major in one of these fields. Training may be either formal or by experience.

- 58. 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, 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" as discussed in item 59 below.)

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.

## BE-10A

**59. Employee benefit plan** — 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 postemployment and postretirement 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 of U.S. Reporter

**62. Cash items** — Include deposits in financial institutions and other cash items. Do NOT include overdrafts as negative cash. Instead, report overdrafts in item 73 (other current liabilities and long-term debt). Exclude certificates of deposits (CDs) and other deposits of the U.S. Reporter held by its foreign affiliates or other foreign persons. Instead, report CDs in item 63 (current receivables) or item 69 (noncurrent receivables) as appropriate.

**63. Current receivables** — Include the current portion of CDs and other deposits of the U.S. Reporter held by its foreign affiliates or other foreign persons.

**66. Property, plant, and equipment, net** — Report net of accumulated depreciation and depletion. Include 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 U.S. Reporter. Include items on capital leases from others, per FAS 13. Exclude all other types of intangible assets, and land held for resale.

**69. Noncurrent receivables** — Include the noncurrent portion of CDs and other deposits of the U.S. Reporter held by its foreign affiliates or other foreign persons.

**73. Other current liabilities and long-term debt** — Include overdrafts, commercial paper issued and other current liabilities not included in item 72. Include long-term debt securities owed such as bonds or notes, lease obligations capitalized per FAS 13, and all other long-term intercompany debt.

**74. Other noncurrent liabilities** — Include noncurrent items not reported on line 73 such as deferred taxes and underlying minority interest in consolidated domestic subsidiaries.

### • Section E — Property, Plant, and Equipment (PP&E) 77.— 84.

Include items leased from others (including land) under capital leases. Also include the capitalized value of timber, mineral, and similar rights leased by the U.S. Reporter from others. Exclude items the U.S. Reporter has sold under a capital lease.

Exclude from expenditures (items 79 and 80) all changes in PP&E, resulting from a change in the entity (e.g., due to mergers, acquisitions, divestitures, etc.) or accounting principles during FY 2004. Account for such changes in item 78.

For U.S. Reporters engaged in exploring for, or developing, natural resources, include in items 79 and 80 exploration and development expenditures made during FY 2004 that were capitalized, including capitalized expenditures to acquire or lease mineral rights. Include adjustments for expenditures charged against income in prior years but subsequently capitalized during FY 2004 in item 83.

**81. Depreciation** — Exclude depletion. Report depletion separately in item 82.

## 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 39

- 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 39, unrealized gains or losses due to changes in the valuation of financial instruments that are taken directly to owners' equity.

**EXCLUDE** from item 39, income from explicit fees and commissions. Include income from these fees and commissions as part of your income from operations in items 15 through 26.

#### 2. Real estate companies — Include in item 39:

- 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 27 column 2, 37, and 49 and as sales of goods in item 50. Such expenses, including the net book value of the real estate sold, should be reported as costs of goods sold in item 42. 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 stockholders and the data reported in the annual statement to an insurance department, prepare the BE-10 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. Instructions for reporting specific items

**a. Sales or gross operating revenues, excluding sales taxes (item 37)** — 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 38 and exclude certain realized and unrealized gains or losses that are to be reported in item 39.

**b. Certain realized and unrealized gains (losses) (item 39)**  
See Special Instruction A.1.

**c. Cost of goods sold or services rendered and selling, general, and administrative expenses (item 42)** — Include costs relating to sales or gross operating revenues, such as policy losses incurred, death benefits, matured endowments, other policy benefits, increases in liabilities for future policy benefits, and other underwriting expenses.

**d. Sales of services (item 51, column 1)** — Include premium income and income from other services, if any. See Part III.B.51. on Page 15.

**e. Investment income (item 52 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 Instruction A.1. See instructions for Part III, Section B item 52 on page 15 to determine the location of the transactor of investment income.

**f. Current receivables (item 63)** — Include current items such as agents' balances, uncollected premiums, amounts recoverable from reinsurers, and other current notes and accounts receivable (net of allowances for doubtful items) arising from the ordinary course of business.

**g. Current liabilities and long-term debt (items 72 and 73)** — Include current items such as loss liabilities, policy claims, commissions due, and other current liabilities arising from the ordinary course of business, and long-term debt. Include policy reserves in "Other noncurrent liabilities," unless they are clearly current liabilities.

**h. Net book value of property, plant, and equipment (items 77 and 84)** — Include the net book value of property, plant, and equipment, WHEREVER CLASSIFIED IN THE BALANCE SHEET. Therefore, the opening and closing net book values for property, plant, and equipment will not necessarily reconcile with their balance sheet counterpart (item 66).

**i. Expenditures for property, plant, and equipment (items 79 and 80)** — Include expenditures and all related depreciation, depletion, and like charges WHEREVER CLASSIFIED IN THE BALANCE SHEET (e.g., include expenditures for PP&E that have been classified in "other noncurrent assets").