

BALANCE SHEETS (UNAUDITED)**JAPAN BANK FOR INTERNATIONAL COOPERATION****International Financial Account**

	In millions of yen		In millions of U.S. dollars	
	September 30, 2007	September 30, 2006	March 31, 2007	September 30, 2007
Assets				
Cash and due from banks (Note 3)	¥ 297,011	¥ 660,055	¥ 260,732	\$ 2,573
Securities (Notes 4 and 15)	777	609	804	7
Loans (Note 5)	7,757,510	7,855,990	7,888,505	67,205
Miscellaneous assets (Note 6)	246,181	205,311	198,249	2,133
Tangible fixed assets (Note 7)	18,209	18,509	18,457	158
Intangible fixed assets	2,327	2,418	2,180	20
Deferred charges on bonds and notes	964	1,419	1,066	9
Customers' liabilities for acceptances and guarantees	1,603,695	1,139,823	1,496,958	13,893
Allowance for possible loan losses	(118,864)	(145,831)	(130,061)	(1,030)
Total assets	¥ 9,807,813	¥ 9,738,307	¥ 9,736,893	\$ 84,968

	In millions of yen		In millions of U.S. dollars	
	September 30, 2007	September 30, 2006	March 31, 2007	September 30, 2007
Liabilities and net assets				
Liabilities				
Bonds and notes (Note 8)	¥ 2,041,606	¥ 2,120,441	¥ 1,976,086	\$ 17,687
Borrowings	4,321,422	4,619,984	4,380,023	37,438
Miscellaneous liabilities	152,879	188,307	194,629	1,325
Reserve for bonus payments	623	601	637	5
Reserve for employee retirement benefits	10,060	10,117	10,031	87
Acceptances and guarantees (Note 9)	1,603,695	1,139,823	1,496,958	13,893
Total liabilities	8,130,287	8,079,274	8,058,365	70,435

Net assets				
Capital:				
Capital attributable to the International Financial Account	985,500	985,500	985,500	8,538
Retained earnings:				
Other retained earnings				
Reserve attributable to the International Financial Account (Note 12)	780,375	745,236	745,236	6,760
Accumulated deficit	(79,338)	(89,548)	(51,086)	(687)
	701,037	655,687	694,149	6,073
Total stockholders' equity	1,686,537	1,641,187	1,679,649	14,611
Net deferred gains (losses) on hedges	(9,011)	17,845	(1,122)	(78)
Total valuation differences and translation adjustments	(9,011)	17,845	(1,122)	(78)
Total net assets	1,677,525	1,659,032	1,678,527	14,533
Total liabilities and net assets	¥ 9,807,813	¥ 9,738,307	¥ 9,736,893	\$ 84,968

See accompanying "Notes to Financial Statements" which are an integral part of these statements.

STATEMENTS OF OPERATIONS (UNAUDITED)**JAPAN BANK FOR INTERNATIONAL COOPERATION****International Financial Account**

	In millions of yen	In millions of yen	In millions of yen	In millions of U.S. dollars
	First half of FY 2007	First half of FY 2006	FY 2006	First half of FY 2007
Income				
Interest income	¥ 183,785	¥ 166,782	¥ 340,956	\$ 1,592
Interest on loans	179,438	162,851	332,441	1,554
Interest on due from banks	4,346	3,930	8,515	38
Fees and Commissions	4,930	3,886	7,759	43
Other operating income	-	512	1,100	-
Other ordinary income	79	129	205	1
Other extraordinary income (Note 11)	12,156	3,171	19,743	105
Total income	200,951	174,482	369,765	1,741
Expenses				
Interest expenses	149,481	135,063	280,718	1,295
Fees and Commissions	390	399	2,042	4
Other operating expenses	1,395	665	1,193	12
General and administrative expenses	7,640	7,216	16,178	66
Other ordinary expenses	11	48	43	0
Other extraordinary losses	3	5	43	0
Total expenses	158,924	143,398	300,218	1,377
Net income	¥ 42,026	¥ 31,084	¥ 69,546	\$ 364

See accompanying "Notes to Financial Statements" which are an integral part of these statements.

STATEMENTS OF CHANGES IN NET ASSETS (UNAUDITED)
JAPAN BANK FOR INTERNATIONAL COOPERATION
International Financial Account

First half of FY 2007

(In millions of yen)

	Stockholders' equity					Valuation differences and translation adjustments		Total net assets
	Capital	Retained earnings			Total stockholders' equity	Net deferred losses on hedges	Total valuation differences and translation adjustments	
	Capital attributable to the International Financial Account	Other retained earnings		Total retained earnings				
		Reserve attributable to the International Financial Account	Accumulated deficit					
Balance at March 31, 2007	985,500	745,236	(51,086)	694,149	1,679,649	(1,122)	(1,122)	1,678,527
Changes during the interim accounting period								
Proceeds from issuance of capital stocks attributable to the International Financial Account	-	-	-	-	-	-	-	-
Transfer to reserve attributable to the International Financial Account from accumulated deficit	-	35,139	(35,139)	-	-	-	-	-
Payment to National Treasury from the International Financial Account	-	-	(35,139)	(35,139)	(35,139)	-	-	(35,139)
Net income	-	-	42,026	42,026	42,026	-	-	42,026
Net changes in the items other than stockholder's equity	-	-	-	-	-	(7,888)	(7,888)	(7,888)
Net changes during the interim accounting period	-	35,139	(28,251)	6,887	6,887	(7,888)	(7,888)	(1,001)
Balance at September 30, 2007	985,500	780,375	(79,338)	701,037	1,686,537	(9,011)	(9,011)	1,677,525

STATEMENTS OF CHANGES IN NET ASSETS (UNAUDITED)
JAPAN BANK FOR INTERNATIONAL COOPERATION
International Financial Account

First half of FY 2007

(In millions of U.S. dollars)

	Stockholders' equity					Valuation differences and translation adjustments		Total net assets
	Capital	Retained earnings			Total stockholders' equity	Net deferred losses on hedges	Total valuation differences and translation adjustments	
	Capital attributable to the International Financial Account	Other retained earnings		Total retained earnings				
	Reserve attributable to the International Financial Account	Accumulated deficit						
Balance at March 31, 2007	8,538	6,456	(443)	6,014	14,551	(10)	(10)	14,542
Changes during the interim accounting period								
Proceeds from issuance of capital stocks attributable to the International Financial Account	-	-	-	-	-	-	-	-
Transfer to reserve attributable to the International Financial Account from accumulated deficit	-	304	(304)	-	-	-	-	-
Payment to National Treasury from the International Financial Account	-	-	(304)	(304)	(304)	-	-	(304)
Net income	-	-	364	364	364	-	-	364
Net changes in the items other than stockholder's equity	-	-	-	-	-	(68)	(68)	(68)
Net changes during the interim accounting period	0	304	(245)	60	60	(68)	(68)	(9)
Balance at September 30, 2007	8,538	6,760	(687)	6,073	14,611	(78)	(78)	14,533

STATEMENTS OF CASH FLOWS (UNAUDITED)**JAPAN BANK FOR INTERNATIONAL COOPERATION****International Financial Account**

	In millions of yen		In millions of yen		In millions of yen		In millions of U.S. dollars	
	First half of FY 2007		First half of FY 2006		FY 2006		First half of FY 2007	
Cash flows from operating activities								
Net income	¥	42,026	¥	31,084	¥	69,546	\$	364
Depreciation and amortization		673		618		1,267		6
Decrease in allowance for possible loan losses		(11,197)		(2,131)		(17,901)		(97)
Increase (decrease) in reserve for bonus payments		(14)		(31)		4		(0)
Increase (decrease) in reserve for employee retirement benefits		29		(96)		(182)		0
Interest income		(183,785)		(166,782)		(340,956)		(1,592)
Interest expenses		149,481		135,063		280,718		1,295
Net loss on securities		11		48		43		0
Foreign exchange loss (gain)		20		(9,855)		(10,419)		0
Net loss (gain) on sales of tangible fixed assets		1		(4)		26		0
Net decrease in loans		130,995		261,550		256,940		1,135
Net increase (decrease) in bonds and notes		65,400		50,000		(122,204)		567
Net decrease in borrowings		(58,601)		(286,585)		(526,546)		(508)
Net decrease (increase) in due from banks (excluding cash equivalents)		(42,515)		(252,279)		107,848		(368)
Interest received		177,740		170,231		346,338		1,540
Interest paid		(146,204)		(130,144)		(285,199)		(1,267)
Others, net		(108,452)		(7,956)		8,421		(940)
Net cash provided by (used in) operating activities		15,610		(207,270)		(232,253)		135
Cash flows from investing activities								
Purchases of securities		(81)		(249)		(438)		(1)
Sales of securities		75		-		-		1
Purchases of tangible fixed assets		(111)		(117)		(445)		(1)
Purchases of intangible fixed assets		(466)		(139)		(189)		(4)
Proceeds from sales of tangible fixed assets		4		11		21		0
Net cash used in investing activities		(579)		(494)		(1,052)		(5)
Cash flows from financing activities								
Payment to National Treasury		(21,267)		(22,179)		(36,314)		(184)
Net cash used in financing activities		(21,267)		(22,179)		(36,314)		(184)
Effect of exchange rate changes on cash and cash equivalents		(0)		0		0		(0)
Net decrease in cash and cash equivalents		(6,236)		(229,945)		(269,619)		(54)
Cash and cash equivalents at the beginning of the period		31,122		300,742		300,742		270
Cash and cash equivalents at the end of the period	¥	24,886	¥	70,797	¥	31,122	\$	216

See accompanying "Notes to Financial Statements" which are an integral part of these statements.

NOTES TO FINANCIAL STATEMENTS(UNAUDITED)
JAPAN BANK FOR INTERNATIONAL COOPERATION
International Financial Account

1. Basis of presentation

The accompanying financial statements have been prepared from the accounts maintained by Japan Bank for International Cooperation ("JBIC" or the "Bank") in accordance with the provisions set forth in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects as to application and disclosure requirements from International Financial Reporting Standards.

The Bank's accounts are separated into the International Financial Account and the Overseas Economic Cooperation Account as required under Article 41 of the Japan Bank for International Cooperation Law ("JBIC Law") whereby the accounting shall be separated according to the categories of international financial operations and overseas economic cooperation operations and be recorded by establishing separate accounts for each operation. In separating the accounts, transactions directly related to either of the operations are attributed to the account for these operations and overhead expenses and others are allocated to both of the accounts in accordance with certain pre-defined allocation rate.

Consolidated financial statements are not prepared since JBIC has no subsidiaries.

The amounts indicated in millions of yen are rounded down by omitting figures less than one million. Totals may therefore not add up exactly because of such omission.

Amounts in U.S. dollars are presented solely for the convenience of readers outside Japan. The rate of ¥115.43=\$1.00, the exchange rate as of September 30, 2007, has been used in translation. The presentation of such amounts is not intended to imply that Japanese yen have been or could be readily converted, realized or settled into U.S. dollars at that rate or any other rate.

2. Significant accounting policies

(a) Cash and cash equivalents

"Cash and cash equivalents" as stated in the statements of cash flows consists of cash on hand and due from Bank of Japan included in "Cash and due from banks" in the balance sheets.

(b) Securities

All securities are classified as "Available-for-sale securities" which have no market value and are carried at cost based on the moving average method.

(c) Valuation method for derivative financial instruments

All derivative financial instruments are carried at fair value, except for certain derivatives that are designated as hedging instruments as discussed below.

(d) Accounting for hedges of interest rate risks

(i) Hedge accounting

JBIC accounts for derivatives used for interest rate risk hedging purposes under the deferral method.

(ii) Hedging instruments and hedged items

Hedging instruments: interest rate swaps

Hedged items: loans, borrowings, bonds and notes

(iii) Hedging policy

JBIC enters into hedging transactions up to the amount of the underlying hedged assets and liabilities.

(iv) Assessment of hedge effectiveness

JBIC assesses the effectiveness of designated hedges by measuring and comparing the change of fair value or cumulative change of cash flows of both hedging instruments and corresponding hedged items from the date of inception of the hedges to the assessment date.

(e) Accounting for hedges of foreign exchange risks

Hedge instruments used to hedge foreign exchange risks associated with various foreign currency denominated monetary assets and liabilities are accounted for using the deferral method, in accordance with the standard treatment of The Japanese Institute of Certified Public Accountants (JICPA) Industry Audit Committee Report No. 25.

The effectiveness of the hedging instruments described above, such as currency-swaps, exchange swaps and similar transactions, hedging the foreign exchange risks of monetary assets and liabilities denominated in foreign currencies is assessed by comparing the foreign currency position of the hedged monetary assets and liabilities with that of the hedging instruments.

(f) Foreign currency translation and revaluation method

JBIC maintains its accounting records in Japanese yen. Assets and liabilities denominated in foreign currencies are translated into Japanese yen at the market exchange rate prevailing at the interim fiscal period end.

(g) Depreciation basis for fixed assets

(i) Tangible fixed assets

Tangible fixed assets are depreciated under the declining balance method over their useful economic lives except for buildings (excluding installed facilities) acquired on or after April 1, 1998, which are depreciated under the

straight-line method, and the applicable share of estimated annual depreciation costs for the interim fiscal period is recorded based on the following range of useful lives.

The principal estimated useful economic lives are as follows:

Buildings: 38 years to 50 years

Equipment: 2 years to 20 years

In accordance with the amendment of the corporate tax laws in this fiscal year, the tangible fixed assets acquired on or after April 1, 2007 are depreciated based on the depreciation method under the amended corporate tax laws. Formerly, the assets were depreciated to the uniform residual values determined by the tax laws. Under the amended tax laws, the uniform residual values were removed. As for the tangible fixed assets acquired before April 1, 2007, from this interim period, their residual values are depreciated over five years using the straight line method after the regular depreciation to the uniform residual values completes. This accounting change had no material impact on the interim financial statements of this interim fiscal period.

(ii) Intangible fixed assets

Amortization of intangible fixed assets is computed by the straight-line method. Software used by JBIC is amortized over its useful life (5 years).

(h) Allowance for possible loan losses

The allowance for claims on debtors who are legally bankrupt ("Bankrupt borrowers") or substantially bankrupt ("Substantially bankrupt borrowers") is provided based on the outstanding balance after the write-offs described in Note 5 (i) and the deductions of the amount expected to be collected through the disposal of collateral and the execution of guarantees.

The allowance for claims on debtors who are not legally bankrupt but are likely to become bankrupt ("Potentially bankrupt borrowers") is provided based on an assessment of the overall solvency of the debtors after deducting the amount expected to be collected through the disposal of collateral and the execution of guarantees.

The allowance for claims on debtors other than Bankrupt borrowers, Substantially bankrupt borrowers and Potentially bankrupt borrowers is provided primarily based on the default rate, which is calculated based on the actual defaults during a certain period in the past.

The allowance for possible losses on specific overseas loans is provided based on the expected loss amount taking into consideration the political and economic situations of these countries.

All claims are assessed initially by the operational departments and secondly by risk evaluation departments based on internal rules for self-assessment of asset quality. The internal audit department, which is independent from the operational departments, reviews these self-assessments, and the allowance is provided based on the results of the assessment.

(i) Reserve for bonus payments

"Reserve for bonus payments" is calculated and provided for based on estimated amounts of future payments attributable to the services that have been rendered by employees to the date of the interim balance sheet. Reserve for bonus payments to executive directors is included in the account.

(j) Reserve for employee retirement benefits

"Reserve for employee retirement benefits" represents the future payment for pension and retirement benefits to employees and executive directors, and is accrued based on the projected benefit obligations and the estimated pension plan assets at the interim fiscal period end.

The actuarial gain or loss is recognized in the year in which it arises.

(k) Lease transactions

Finance leases that do not involve the transfer of ownership to the lessee at the end of the lease term are accounted for as an operating lease.

(l) Consumption taxes

Consumption taxes, including local consumption tax, are excluded from the transaction amounts.

(m) Significant changes in accounting policies

The definitions of securities in "Accounting Standards for Financial Instruments" (ASBJ Statement No. 10) and in "Practical Guidelines on Accounting Standards for Financial Instruments" (JICPA Laws and Regulations Committee Report No. 14) were partially revised on June 15, 2007 and on July 4, 2007 respectively, which is applicable from the fiscal year and the interim fiscal period ending on or after the enforcement date of the Financial Instruments and Exchange Law. JBIC has adopted the revised standards and guidelines commencing with this interim fiscal period.

3. Cash and cash equivalents

The reconciliation between the balance of cash and cash equivalents at the end of each (interim) fiscal year and the amount of cash and due from banks reported in the (interim) balance sheets as of September 30, 2007 and 2006, and

March 31, 2007 were as follows:

	September 30, 2007 (In millions of yen)		September 30, 2006 (In millions of yen)		March 31, 2007 (In millions of yen)		September 30, 2007 (In millions of U.S. dollars)	
Cash and due from banks	¥	297,011	¥	660,055	¥	260,732	\$	2,573
Due from banks(*)		(272,125)		(589,258)		(229,610)		(2,357)
Cash and cash equivalents	¥	24,886	¥	70,797	¥	31,122	\$	216

(*) Excluding Due from Bank of Japan

4. Securities

Securities as of September 30, 2007 and 2006, and March 31, 2007 were as follows:

	September 30, 2007 (In millions of yen)		September 30, 2006 (In millions of yen)		March 31, 2007 (In millions of yen)		September 30, 2007 (In millions of U.S. dollars)	
Equity	¥	12	¥	12	¥	12	\$	0
Other securities		765		597		791		7
	¥	777	¥	609	¥	804	\$	7

5. Loans

All of loans are loans on deeds. The amounts reported on the (interim) balance sheets as of September 30, 2007 and 2006, and March 31, 2007 were as follows:

	September 30, 2007 (In millions of yen)		September 30, 2006 (In millions of yen)		March 31, 2007 (In millions of yen)		September 30, 2007 (In millions of U.S. dollars)	
Bankrupt loans	¥	44,847	¥	47,333	¥	47,333	\$	389
Non-accrual loans		127,689		125,628		126,610		1,106
Past due loans (3 months or more)		-		-		-		-
Restructured loans		68,013		136,419		112,868		589
	¥	240,549	¥	309,380	¥	286,813	\$	2,084

- (a) "Bankrupt loans" refer to loans, after write-offs, on which accrued interest income is not recognized as there is substantial doubt about the ultimate collectability of either principal or interest because they are past due for a considerable period of time or for other reasons, and to borrowers who fall into the following categories:
- who have begun bankruptcy, settlement, reorganization, winding-up or special liquidation proceedings under the Bankruptcy Law, the Corporate Reorganization Law, the Civil Rehabilitation Law, the Corporate Law or other similar laws of Japan
 - who have had their transactions with the promissory note clearinghouse suspended, or
 - who have begun similar proceedings under any foreign law
- (b) "Non-accrual loans" are loans on which accrued interest income is not recognized, excluding loans on which interest payments are deferred in order to support the borrowers' recovery from financial difficulties.
- (c) "Past due loans (3 months or more)" are loans whose principal or interest payment is past due for three months or more, and which do not fall under the category of "Bankrupt loans" and "Non-accrual loans."
- (d) "Restructured loans" are loans whose repayment terms and conditions have been amended in favor of the borrowers (e.g. reduction of or exemption from the stated interest rate, the deferral of interest payments, the extension of principal repayments or renunciation of claims) in order to support the borrowers' recovery from financial difficulties, and which do not fall under the category of "Bankrupt loans," "Non-accrual loans," and "Past due loans (3 months or more)."
- (e) The amounts of loans indicated in the table above are gross amounts prior to deduction of allowance for possible

loan losses.

- (f) In the event that a debtor country encounters temporary payment difficulties and requests debt rescheduling with respect to external public debt (whose creditors are Sovereigns, Trade Insurance Institutions and Export Credit Institutions, etc.) due to an unfavorable balance of international payment, meetings of creditor countries (the "Paris Club") would be held to discuss debt relief measures (rescheduling). When creditor countries agree on debt relief measures, debt-rescheduling agreements between the creditors and a debtor are agreed. Under such temporary liquidity assistance, the debtor carries out the Economic Restructuring Program that was agreed with the International Monetary Fund ("IMF") and continues to make repayments of the debt. The principal amount of loans for which JBIC has agreed to provide debt relief pursuant to the Paris Club agreements is as follows:

	September 30, 2007 (In millions of yen)	September 30, 2006 (In millions of yen)	March 31, 2007 (In millions of yen)	September 30, 2007 (In millions of U.S. dollars)
International Financial Account	¥ 343,050	¥ 355,033	¥ 347,972	\$ 2,972

In terms of repayment probability of the loans rescheduled in the Paris Club, their nature as public debt, unlike loans provided by private financial institutions, provides an asset securing mechanism under such an international framework. Nonetheless, in order to facilitate comparison with private financial institutions, JBIC classifies those loans to borrowers classified under the assessment as "Watchlisted" (but not "Past due loans (3 months or more)"), that were rescheduled under the Paris Club as "Restructured loans." The amount of such loans, included in "Restructured loans" in the above table, is ¥9,438 million (\$82 million) of which ¥5,687 million (\$49 million) represents original principal attributable to the International Financial Account as of September 30, 2007, ¥21,544 million of which ¥12,956 million represents original principal as of September 30, 2006 and ¥7,753 million of which ¥3,838 million represents original principal as of March 31, 2007.

- (g) Upon special request, major creditor countries, including Japan, agreed at the Paris Club to offer a grace period ("Moratorium") for countries affected by the Sumatra Earthquake and India Tsunami in December 2004 in order to support their reconstruction and recovery. During this Moratorium period creditor countries will not expect any debt payment on the due dates up to December 31, 2005, and will reschedule the repayment period of deferred debts for 5 years including a 1 year grace period.

As of the end of September 2007, of the affected countries, Indonesia and Sri Lanka had requested the Paris Club for the Moratorium. The amounts rescheduled repayment period for affected countries, as of the end of September 2007, were ¥6,208 million (\$54 million) in the International Financial Account.

Loans related to this Moratorium are not included in the loans described in (a) to (d) above, since lending terms has been modified based on an international agreement under this Moratorium to offer a grace period in order to support reconstruction and recovery of affected countries, and is therefore irrelevant to their debt-repayment ability.

- (h) As JBIC's debtors mainly require long-term loans, JBIC generally enters into commitment line contracts with these debtors. JBIC provides commitment lines under which it lends necessary funds up to a predetermined amount, which is within the borrowers' financing needs for the projects and up to the agreed maximum to lend, upon borrowers' request, provided that the request meets terms and conditions for disbursement prescribed in the Loan Agreement. The total balance of unused commitment lines as of September 30, 2007 and 2006, and March 31, 2007 were ¥1,004,384 million (\$8,701million), ¥1,457,406million and ¥1,242,335 million respectively.

- (i) With respect to claims with collateral or guarantees on debtors who are legally or substantially bankrupt ("Bankrupt borrowers and substantially bankrupt borrowers"), the residual booked amount of the claims after deduction of the amount which is deemed collectible through the disposal of collateral or the execution of guarantees is written-off against the respective claims. The amounts of the accumulated write-offs as of September 30, 2007 and 2006, and March 31, 2007 were ¥5,351million (\$46 million) ¥5,508 million and ¥5,472 million respectively.

6 . Miscellaneous assets

A part of the net earnings on the International Financial Account is paid to the National Treasury, pursuant to Article 44 of the JBIC law. Preliminary payments to the National Treasury, made on a best estimation basis amounted to ¥6,247 million (\$54 million) for the interim fiscal year ended September 30, 2007, ¥5,984 million for the interim fiscal year ended September 30, 2006 and ¥20,119 million for the fiscal year ended March 31, 2007 respectively, and accounted for under Miscellaneous assets on the interim balance sheets.

7 . Depreciation

Depreciation expense in First half of FY 2007 and 2006, and FY 2007 and Accumulated Depreciation as of September 30, 2007 and 2006, and March 31, 2007 were as follows:

	First Half of FY2007 (In millions of yen)	First Half of FY2006 (In millions of yen)	FY2007 (In millions of yen)	First Half of FY2007 (In millions of U.S. dollars)
Depreciation Expense	¥ 673	¥ 618	¥ 1,267	\$ 6
	September 30, 2007 (In millions of yen)	September 30, 2006 (In millions of yen)	March 31, 2007 (In millions of yen)	September 30, 2007 (In millions of U.S. dollars)
Accumulated Depreciation on Tangible Fixed Assets	¥ 14,591	¥ 14,673	¥ 14,303	\$ 126

8 . Bonds and notes

Based on debt assumption agreements with financial institutions, JBIC has transferred the debt repayment obligation for certain bonds to such financial institutions. JBIC had contingent obligations in respect to the following bonds as of September 30, 2007 and 2006, and March 31, 2007:

	September 30, 2007 (In millions of yen)	September 30, 2006 (In millions of yen)	March 31, 2007 (In millions of yen)	September 30, 2007 (In millions of U.S. dollars)
	¥	¥	¥	\$
FILP Agency Bond 5	-	50,000	50,000	-
FILP Agency Bond 7	60,000	60,000	60,000	520
FILP Agency Bond 9	50,000	50,000	50,000	433
FILP Agency Bond 11	50,000	50,000	50,000	433

9 . Acceptances and guarantees

Acceptances and Guarantees as of September 30, 2007 and 2006, and March 31, 2007 were as follows:

	September 30, 2007 (In millions of yen)	September 30, 2006 (In millions of yen)	March 31, 2007 (In millions of yen)	September 30, 2007 (In millions of U.S. dollars)
	¥	¥	¥	\$
Acceptances	-	-	-	-
Guarantees	1,603,695	1,139,823	1,496,958	13,893
	¥ 1,603,695	¥ 1,139,823	¥ 1,496,958	\$ 13,893

10. Assets pledged as collateral

There were no assets pledged as collateral as of September 30, 2007 and 2006, and March 31, 2007.

11. Other extraordinary income

"Other extraordinary income" include "Reversal of allowance for possible loan losses", ¥11,197 million (\$97 million) for the interim year ended September 30, 2007

12. Reserve

Pursuant to Article 44 of JBIC Law, "Reserve attributable to the International Financial Account" is provided from net earnings from the International Financial Account.

13. Lease transactions

Lease transactions in the (interim) fiscal years ended September 30, 2007, 2006 and March 31, 2007 were as follows. There were no impairment losses for the leased asset.

(a) Finance lease transactions, excluding leases that ownership of the property are deemed to be substantially

transferred to the lessee:

- Acquisition cost, accumulated depreciation and net balance of leased property as of September 30, 2007 and 2006, and March 31, 2007, were as follows:

	September 30, 2007 (In millions of yen)	September 30, 2006 (In millions of yen)	March 31, 2007 (In millions of yen)	September 30, 2007 (In millions of U.S. dollars)
	¥	¥	¥	\$
Acquisition cost				
Equipment	557	381	408	5
Others	493	313	340	4
Total	¥ 1,051	¥ 695	¥ 748	\$ 9
Accumulated depreciation				
Equipment	364	241	295	3
Others	270	188	221	2
Total	¥ 634	¥ 430	¥ 516	\$ 5
Net balance				
Equipment	193	139	113	2
Others	222	125	118	2
Total	¥ 416	¥ 265	¥ 231	\$ 4

- Future lease payment obligations as of September 30, 2007, 2006 and March 31, 2007 are summarized below:

	September 30, 2007 (In millions of yen)	September 30, 2006 (In millions of yen)	March 31, 2007 (In millions of yen)	September 30, 2007 (In millions of U.S. dollars)
	¥	¥	¥	\$
Due within 1 year	173	168	147	2
Due after 1 year	247	104	91	2
Total	¥ 421	¥ 272	¥ 238	\$ 4

- Lease payment, depreciation expenses and interest expense for the (interim) fiscal year ended September 30, 2007 and 2006, and March 31, 2007 were as follows:

	September 30, 2007 (In millions of yen)	September 30, 2006 (In millions of yen)	March 31, 2007 (In millions of yen)	September 30, 2007 (In millions of U.S. dollars)
	¥	¥	¥	\$
Lease payment	123	86	177	1
Depreciation expense	118	82	169	1
Interest expense	4	3	6	0

- Depreciation expense is calculated using the straight-line method over the useful economic life of the respective leased assets with zero residual value.
- The difference between total lease payments and the acquisition cost of leased assets is debited to effective interest expenses, and is allocated to each fiscal year using the interest method.

(b) Operating lease transactions:

- Future lease payment obligations as of September 30, 2007 and 2006, and March 31, 2007 are summarized below:

	September 30, 2007 (In millions of yen)	September 30, 2006 (In millions of yen)	March 31, 2007 (In millions of yen)	September 30, 2007 (In millions of U.S. dollars)
	¥	¥	¥	\$
Due within 1 year	0	1	3	0
Due after 1 year	-	0	-	-
Total	¥ 0	¥ 1	¥ 3	\$ 0

14. Derivative transactions

Notes to derivative transactions in the interim fiscal period ended September 30, 2007 are as follows:

(a) Interest rate-related transactions

Gains or losses arising from changes in fair value of interest rate-related derivatives are not included in the interim statements of operations.

Hedge accounting is applied to all the interest rate-related derivative transactions.

(b) Currency-related transactions

Gains or losses arising from changes in fair value of currency-related derivatives are not included in the interim statements of operations.

Hedge accounting is applied to all currency-related derivative transactions.

(c) Equity-related transactions

Not applicable

(d) Bond-related transactions

Not applicable

(e) Commodity-related transactions

Not applicable

(f) Credit derivatives transactions

Not applicable

Notes to derivative transactions in the interim fiscal period ended September 30, 2006 are as follows:

(a) Interest rate-related transactions

Gains or losses arising from changes in fair value of interest rate-related derivatives are not included in the interim statements of operations.

Hedge accounting is applied to all the interest rate-related derivative transactions.

(b) Currency-related transactions

Gains or losses arising from changes in fair value of currency-related derivatives are not included in the interim statements of operations.

Hedge accounting is applied to all currency-related derivative transactions.

(c) Equity-related transactions

Not applicable

(d) Bond-related transactions

Not applicable

(e) Commodity-related transactions

Not applicable

(f) Credit derivatives transactions

Not applicable

Notes to derivative transactions in the fiscal year ended March 31, 2007 are as follows:

(a) Interest rate-related transactions

Gains or losses arising from changes in fair value of interest rate-related derivatives are not included in the statements of operations.

Hedge accounting is applied to all interest rate-related derivative transactions.

(b) Currency-related transactions

Gains or losses arising from changes in fair value of currency-related derivatives are not included in the statements of operations.

Hedge accounting is applied to all currency-related derivative transactions.

(c) Equity-related transactions

Not applicable

(d) Bond-related transactions

Not applicable

(e) Commodity-related transactions

Not applicable

(f) Credit derivatives transactions

Not applicable

15. Market value of securities

Notes to market value of securities as of September 30, 2007 are as follows:

(a) Held-to-maturity debt securities

Not applicable

(b) Available-for-sale security with market value

Not applicable

(c) Held-to-maturity debt securities and available-for-sale securities whose market value is not readily determinable were as follows:

	September 30, 2007 (In millions of yen)	September 30, 2007 (In millions of U.S. dollars)
	¥	\$
Held-to-maturity debt securities	-	-
Unlisted foreign securities	-	-
Available-for-sale securities		
Unlisted Japanese equities other than over-the-counter	12	0
Unlisted foreign equities	-	-
Other unlisted Japanese securities	251	2
Other unlisted foreign securities	513	5
Others	27,000	234
Total	¥ 27,777	\$ 241

Notes to market value of securities as of September 30, 2006 are as follows:

(a) Held-to-maturity debt securities

Not applicable

(b) Available-for-sale securities with market value

Not applicable

(c) Held-to-maturity debt securities and available-for-sale securities whose market value is not readily determinable were as follows:

	September 30, 2006 (In millions of yen)
	¥
Held-to-maturity debt securities	-
Unlisted foreign securities	-
Available-for-sale securities	
Unlisted Japanese equities other than over-the-counter	12
Unlisted foreign equities	-
Other unlisted Japanese securities	250
Other unlisted foreign securities	346
Others	460,800
Total	¥ 461,409

Notes to market value of securities as of March 31, 2007 are as follows:

(a) Held-to-maturity debt securities

Not applicable

(b) Available-for-sale securities with market value

Not applicable

(c) Held-to-maturity debt securities and available-for-sale securities whose market value is not readily determinable were as follows:

	March 31, 2007	
	(In millions of yen)	
	¥	
Held-to-maturity debt securities		-
Unlisted foreign securities		-
Available-for-sale securities		
Unlisted Japanese equities other than over-the-counter		12
Unlisted foreign equities		-
Other unlisted Japanese securities		253
Other unlisted foreign securities		537
Total	¥	<u>804</u>