

Business Year 2016

Financial Statements

Finance and Investment Account

Japan International Cooperation Agency (JICA)

Balance Sheet
(as of March 31, 2017)

Finance and Investment Account

(Unit: Yen)

Assets

I Current assets

Cash and deposits		208,992,616,064	
Securities		2,000,000,000	
Loans	11,661,979,711,338		
Allowance for loan losses	(165,531,067,974)	11,496,448,643,364	
Advance payments		19,942,883,275	
Prepaid expenses		118,182,761	
Accrued income			
Accrued interest on loans	31,939,716,128		
Accrued commitment charges	705,371,585		
Accrued interest	179,892	32,645,267,605	
Accounts receivable		908,050,122	
Suspense payments		4,657,033	
Advances paid		848,152	
Short-term guarantee deposits		17,706,000,000	
Total current assets			11,778,767,148,376

II Non-current assets

1 Tangible assets

Buildings	3,266,812,548		
Accumulated depreciation	(985,260,874)		
Accumulated impairment loss	(680,161,972)	1,601,389,702	
Structures	50,286,752		
Accumulated depreciation	(22,192,322)		
Accumulated impairment loss	(11,670,468)	16,423,962	
Machinery and equipment	194,594,251		
Accumulated depreciation	(65,221,187)		
Accumulated impairment loss	(102,287,680)	27,085,384	
Vehicles	408,074,789		
Accumulated depreciation	(205,851,045)	202,223,744	
Tools, furniture, and fixtures	370,686,607		
Accumulated depreciation	(245,034,615)	125,651,992	
Land	12,703,270,000		
Accumulated impairment loss	(6,091,196,973)	6,612,073,027	
Construction in progress		22,521,084	
Total tangible assets			8,607,368,895

2 Intangible assets

Trademark right		452,906	
Software		115,519,055	
Software in progress		531,519,518	
Total intangible assets			647,491,479

3 Investments and other assets

Investment securities		2,645,877,928	
Shares of affiliated companies		43,634,338,940	
Money held in trust		15,511,130,579	
Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239		
Allowance for loan losses	(73,483,682,562)	13,579,201,677	
Long-term prepaid expenses		53,955,665	
Long-term guarantee deposits		700,941,263	
Total investments and other assets			76,125,446,052

 Total non-current assets 85,380,306,426

 Total assets 11,864,147,454,802

Liabilities

I Current liabilities

Current portion of borrowings from government fund for Fiscal Investment and Loan Program		188,059,967,000	
Accounts payable		5,762,648,946	
Accrued expenses		6,127,855,016	
Derivatives		17,597,957,963	
Lease obligations		25,768,610	
Deposits received		1,161,305,036	
Unearned revenue		5,299,704	
Provision			
Provision for bonuses	284,404,876		
Provision for contingent losses	<u>13,148,734,498</u>	13,433,139,374	
Suspense receipt		<u>252,219,442</u>	
Total current liabilities			<u>232,426,161,091</u>

II Non-current liabilities

Bonds		590,595,600,000	
Discounts on bonds payable		(334,612,737)	
Borrowings from government fund for Fiscal Investment and Loan Program		1,552,258,964,000	
Long-term lease obligations		7,339,303	
Long-term deposits received		2,484,168,000	
Provision for retirement benefits		4,292,719,026	
Asset retirement obligations		<u>70,374,150</u>	
Total non-current liabilities			<u>2,149,374,551,742</u>
Total liabilities			<u>2,381,800,712,833</u>

Net assets

I Capital

Government investment		<u>7,992,227,840,510</u>	
Total capital			<u>7,992,227,840,510</u>

II Retained earnings

Reserve fund		1,472,558,065,095	
Unappropriated income for the current business year		<u>74,363,358,892</u>	
[Total income for the current business year]		[74,363,358,892]	
Total retained earnings			<u>1,546,921,423,987</u>

III Valuation and translation adjustments

Valuation difference on available-for-sale securities		(40,138,542)	
Deferred gains or losses on hedges		<u>(56,762,383,986)</u>	
Total valuation and translation adjustments			<u>(56,802,522,528)</u>
Total net assets			<u>9,482,346,741,969</u>
Total liabilities and net assets			<u>11,864,147,454,802</u>

Statement of Income

(April 1, 2016–March 31, 2017)

Finance and Investment Account

(Unit: Yen)

Ordinary expenses

Expenses related to operations of cooperation through
finance and investment

Interest on bonds and notes	6,116,009,487	
Interest on borrowings	18,632,507,425	
Interest on interest rate swaps	8,270,000,628	
Other Interest expenses	417,817	
Operations consignment expenses	24,432,167,675	
Bond issuance cost	591,326,417	
Personnel expenses	3,812,418,036	
Provision for bonuses	284,404,876	
Retirement benefit expenses	514,441,745	
Operating and administrative expenses	12,605,057,490	
Depreciation	186,574,310	
Taxes	80,633,707	
Loss on valuation of investment securities	548,496,821	
Loss on valuation of shares of affiliated companies	126,468,265	
Loss on investment in money held in trust	837,524,554	
Provision for allowance for loan losses	21,961,138,899	
Other operating expenses	104,866,631	
Other ordinary expenses	352,574	99,104,807,357
Total ordinary expenses		99,104,807,357

Ordinary revenues

Revenues from operations of cooperation through
finance and investment

Interest on loans	152,760,592,741	
Interest on bonds	4,053	
Dividends on investments	13,645,224,178	
Commissions	2,920,154,750	
Foreign exchange gains	750,242,268	
Reversal of provision for allowance for contingent losses	2,600,035,337	172,676,253,327
Financial revenues		
Interest income	18,147,240	18,147,240
Miscellaneous income		768,768,354
Recoveries of written-off claims		19,932,577
Total ordinary revenues		173,483,101,498
Ordinary income		74,378,294,141

Extraordinary losses

Loss on disposal of non-current assets	5,497,831	
Loss on sales of non-current assets	518,192	
Impairment loss	15,311,316	21,327,339

Extraordinary income

Gain on sales of non-current assets	6,392,090	6,392,090
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Net income		74,363,358,892
Total income for the current business year		74,363,358,892

Statement of Cash Flows
(April 1, 2016–March 31, 2017)

Finance and Investment Account

(Unit: Yen)

I	Cash flows from operating activities	
	Payments for loans	(878,083,539,065)
	Repayments of borrowings from government fund for Fiscal Investment and Loan Program	(219,211,646,000)
	Interest expenses paid	(48,600,561,680)
	Payments for personnel expenses	(4,356,193,739)
	Payments for other operations	(85,256,752,991)
	Proceeds from collection of loans	700,862,732,004
	Proceeds from borrowings from government fund for Fiscal Investment and Loan Program	203,000,000,000
	Proceeds from issuance of bonds	110,388,853,743
	Proceeds from interest on loans	149,643,395,588
	Proceeds from commissions	3,520,151,151
	Proceeds from other operations	66,346,728,588
	Subtotal	(1,746,832,401)
	Interest and dividend income received	13,663,283,655
	Net cash provided by operating activities	11,916,451,254
II	Cash flows from investing activities	
	Payments for purchase of non-current assets	(651,311,361)
	Proceeds from sales of non-current assets	23,354,663
	Payments for purchase of investment securities	(2,328,255,822)
	Proceeds from sales and collection of investment securities	9,938,391
	Payments for purchase of shares of affiliated companies	(2,061,950,000)
	Payments for increase of money held in trust	(16,348,655,133)
	Payments into time deposits	(14,770,878,000)
	Proceeds from time deposit refund	16,550,862,000
	Payments for purchase of negotiable deposits	(5,000,000,000)
	Proceeds from refund of negotiable deposits	3,000,000,000
	Net cash used in investing activities	(21,576,895,262)
III	Cash flows from financing activities	
	Repayments of lease obligations	(32,333,135)
	Receipt of government investment	130,070,000,000
	Net cash provided by financing activities	130,037,666,865
IV	Effect of exchange rate fluctuation on funds	1,084,168,241
V	Net increase in funds (decrease)	121,461,391,098
VI	Funds at the beginning of the business year	87,531,224,966
VII	Funds at the end of the business year	208,992,616,064

Statement of Administrative Service Operation Cost
(April 1, 2016–March 31, 2017)

Finance and Investment Account

(Unit: Yen)

I	Operating expenses			
	(1) Expenses in the statement of income			
	Expenses related to operations of cooperation through finance and investment	99,104,807,357		
	Loss on disposal of non-current assets	5,497,831		
	Loss on sales of non-current assets	518,192		
	Impairment loss	<u>15,311,316</u>	99,126,134,696	
	(2) (Deduction) Self-revenues, etc.			
	Revenues from operations of cooperation through finance and investment	(172,676,253,327)		
	Financial revenues	(18,147,240)		
	Miscellaneous income	(768,768,354)		
	Recoveries of written-off claims	(19,932,577)		
	Gain on sales of non-current assets	<u>(6,392,090)</u>	<u>(173,489,493,588)</u>	
	Total operating expenses			(74,363,358,892)
II	Estimated increase in retirement benefits not included in provision			4,364,363
III	Opportunity cost			
	Opportunity cost of government investment			<u>5,152,675,346</u>
IV	Administrative service operation cost			<u>(69,206,319,183)</u>

Basis of Presenting Financial Statements

The accompanying financial statements of JICA have been prepared in accordance with accounting principles for incorporated administrative agencies generally accepted in Japan, which are different in many respects as to application and disclosure requirements of accounting principles for business enterprises generally accepted in Japan.

Significant Accounting Policies

Finance and Investment Account

1. Depreciation method

(1) Tangible assets (except for lease assets)

Straight-line method

The useful lives of major assets are as follows:

Buildings:	2–50 years
Structures:	2–46 years
Machinery and equipment:	2–17 years
Vehicles:	2–6 years
Tools, furniture, and fixtures:	2–15 years

(2) Intangible assets (except for lease assets)

Straight-line method

Software used by JICA is depreciated over its useful life (5 years), which has been determined by JICA.

(3) Lease assets

Lease assets are depreciated by the straight-line method over the lease term. Depreciation for lease assets is calculated with zero residual value being assigned to the asset.

2. Standard for appropriation of provision and estimation for bonuses

The provision for bonuses is calculated and provided for based on estimated amounts of future payments attributable to the services that have been rendered by officers and employees applicable to the current business year.

3. Standard for appropriation of provision and estimation for retirement benefits

The provision for retirement benefits is calculated and provided for based on estimated amounts of future payments attributable to the retirement of employees, and is accrued in line with the retirement benefit obligations and estimated plan assets applicable to the business year ended March 31, 2017. In calculating the retirement benefit obligations, the estimated amount of retirement benefit payments is attributed to the period based on the straight-line basis. The profit and loss appropriation method for actuarial differences and past service costs are presented as follows:

Actuarial differences are recognized as a lump-sum gain or loss in the business year in which they occur.

Past service costs are recognized as a lump-sum gain or loss in the business year in which they occur.

The estimated increase in retirement benefits not included in provision in the statement of administrative service operation cost is reported as the current-year increase of provision for retirement benefits, calculated according to the Accounting Standard for Incorporated Administrative Agency No. 38.

4. Basis and standard for appropriation of allowance, etc.

(1) Allowance for 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 of loan claims after the deductions of the amount expected to be collected through the disposal of collateral and execution of

guarantees, or the same amount is written off directly. 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 overall assessment of the solvency of the debtors after the deductions of the amount expected to be collected through the disposal of collateral and the execution of guarantees, or the same amount is written off directly. There were no write-offs from the above-mentioned outstanding balance of loan claims for the business year 2016.

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 situation of these countries.

All claims are assessed initially by the operational departments (including regional departments) based on internal rules for self-assessment of asset quality. Internal audit department, which is independent from the operational departments, reviews these self-assessments, and an allowance is provided based on the results of the assessments.

(2) Provision for contingent losses

Provision for contingent losses is provided to prepare for the occurrence of contingent losses for a portion of the undisbursed balance of loan commitments, which JICA is absolutely obligated to extend. The amount of the provision is estimated based on the possibility of losses in the future.

5. Standard and method for the valuation of securities

(1) Held-to-maturity securities

Applied using the amortized cost method (straight-line method).

(2) Shares of affiliated companies

Shares of affiliated companies are stated at cost, determined using the moving-average method.

However, when the amount corresponding to the equity holding has fallen below the cost at acquisition, the amount corresponding to the equity holding is used.

(3) Other investment securities (whose fair value is extremely difficult to determine)

Other investment securities are stated at cost, determined using the moving-average method.

Investments in limited partnerships and other similar partnerships, which are regarded as securities under Article 2, Clause 2 of the Japanese Financial Instruments and Exchange Law, Act No. 25 of 1948, are recognized at an amount equivalent to JICA’s percentage share of the net assets of such partnerships, based upon the most recent financial statements available depending on the report date stipulated in the partnership agreement.

6. Standard and method for the valuation of derivative transactions

All derivative financial instruments are carried at fair value.

7. Method for amortization of discount on bonds payable

Discount on bonds payable is amortized over the duration of the bonds.

8. Translation standard for foreign currency-denominated assets and liabilities into yen

Foreign currency money claims and liabilities are translated into Japanese yen mainly at the spot exchange rate at the balance sheet date. Exchange differences are recognized as profit or loss.

9. Method for computing opportunity cost in the statement of administrative service operation cost

Interest rate used to compute opportunity cost concerning government investment:

0.065% with reference to the yield of 10-year fixed-rate Japanese government bonds at the end of March 2017.

10. Method of hedge accounting

(1) Method of hedge accounting

Interest rate swaps are accounted for using the deferral hedge accounting method or the accrual method. Currency swaps are accounted for by the assignment method. As for interest rate and currency swaps, the interest rate part is accounted for using the accrual method and the currency part is accounted for by the assignment method.

(2) Hedging instruments and hedged items

[1] Hedging instruments...Interest rate swaps

Hedged items...Loans, bonds and foreign currency bonds

[2] Hedging instruments...Currency swaps

Hedged items...Foreign currency bonds

[3] Hedging instruments...Interest rate and currency swaps

Hedged items...Foreign currency bonds

(3) Hedging policy

JICA engages in interest rate swaps, currency swaps, or interest rate and currency swaps for the purpose of hedging interest rate or currency fluctuation risks.

(4) Method of evaluation of hedge effectiveness

Hedges that offset market fluctuations of loans are assessed based on discrepancies with regard to maturity and notional principal and others between hedged loans and hedging instruments.

Hedges that offset market fluctuations of bonds are assessed by measuring and comparing the change in fair value of both hedging instruments and corresponding hedged items from the date of inception of the hedges to the assessment date. As for interest rate swaps that satisfy the requirements of the accrual method, currency swaps that satisfy the requirements of the assignment method, and interest rate and currency swaps that satisfy the requirements of the accrual method and the assignment method, JICA is not required to periodically evaluate hedge effectiveness.

11. Accounting treatment for consumption taxes

Consumption taxes and local consumption taxes are included in transaction amounts.

Notes to the financial statements
Finance and Investment Account

(Balance Sheet)

1. Joint obligations

JICA is jointly liable for obligations arising from the following bonds issued by the former Japan Bank for International Cooperation which was succeeded by the Japan Bank for International Cooperation:

Fiscal Investment and Loan Program (FILP) Agency Bonds	200,000,000,000	Yen
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2. Impairment loss on non-current assets

Non-current assets for which impairment loss was recognized

(1) Outline of the usage, type, location, book value, etc. of a non-current asset for which an impairment loss was recognized.

Impairment loss was recognized for the following asset:

(Unit: Yen)

Name of asset	Usage	Location	Type	Book value before impairment loss	Impairment loss during the period	Accumulated impairment loss at the end of the period
Chofu Jutaku	Employee housing	Chofu city, Tokyo	Building	15,311,316	15,311,316	15,311,316

(2) Background relating to the recognition of impairment loss

The asset was considered impaired because there were no residents and no plans to utilize the asset in the future.

3. Undisbursed balance of loan commitments

Most of JICA's loans are long term. Ordinarily, when receiving a request for disbursement of a loan from a borrower, corresponding to the intended use of funds as stipulated by the loan agreement, and upon confirming the fulfillment of conditions prescribed under the loan agreement, JICA promises to loan a certain amount of funds within a certain range of the amount required by the borrower, with an outstanding balance within the limit of loan commitments. The undisbursed balance of loan commitments as of March 31, 2017 was ¥6,163,278,043,046.

(Statement of Income)

1. Gain (loss) on valuation of investment securities and gain (loss) on valuation of shares of affiliated companies

Gain (loss) on valuation of investment securities and gain (loss) on valuation of shares of affiliated companies include gain and loss resulting from valuations, sales and collections of these securities.

2. Recoveries of written-off claims

Recoveries of written-off claims include the amount recovered in excess of book value of the loans transferred to JICA on October 1, 2008, that are associated with the Overseas Economic Cooperation Account of the former Japan Bank for International Cooperation.

(Statement of Cash Flows)

The funds shown in the statement of cash flows are deposit accounts and checking accounts.

1. Breakdown of balance sheet items and ending balance of funds

(as of March 31, 2017)

Cash and deposits	¥208,992,616,064
Ending balance of funds	¥208,992,616,064

2. Description of significant non-cash transactions

Assets granted under finance lease

Tools, furniture, and fixtures ¥362,767

(Statement of Administrative Service Operation Cost)

Number of public officers temporarily transferred to JICA and accounted for as opportunity cost

Of the estimated increase in retirement benefits not included in the provision, ¥4,364,363 was recognized as the current-business-year increase of provision for retirement benefits for 29 public officers temporarily transferred to JICA according to JICA's internal rules.

(Financial instruments)

1. Status of financial instruments

(1) Policy regarding financial instruments

The Finance and Investment Account undertakes financial cooperation operations by providing debt and equity financing. In undertaking these operations, it raises funds by borrowing from the Japanese Government under the FILP, borrowing from financial institutions, issuing bonds, and receiving capital investment from the Japanese Government. From the perspective of asset-liability management (ALM), derivative transactions are conducted for mitigating the adverse impact caused by interest rate and foreign exchange fluctuations.

(2) Details of financial instruments and related risks

The financial assets held in the Finance and Investment Account are loans mainly to developing regions, and are exposed to credit risk attributed to defaults by its borrowers and interest rate risk. Securities, investment securities, and shares of affiliated companies are held for policy-oriented purposes, and are exposed to credit risk of issuers, interest rate risk, and market price volatility risk.

Borrowings and bonds are exposed to liquidity risk as their payments or repayments cannot be duly serviced in such a situation where the account is unable to have access to markets for certain reasons.

In addition to the above, foreign currency claims and liabilities are exposed to foreign exchange fluctuation risk.

(3) Risk management system for financial instruments

[1] Credit risk management

The Finance and Investment Account has established and operates a system for credit management. This system encompasses credit appraisal, credit limit setting, credit information monitoring, internal rating, guarantee and collateral setting, problem loan management, etc., in accordance with integrated risk management rules and various credit risk-monitoring rules. This credit management is carried out by the operational departments (including region department), in addition to the Credit Risk Analysis and Environmental Review Department and General Affairs Department. Additionally, the Risk Management Committee of the Finance and Investment Account and Board Meeting convene on a regular basis for the purpose of deliberating or reporting. Moreover, the Office of Audit monitors the status of credit management.

The credit risks of issuers of investment securities and shares of affiliated companies are monitored by the Private Sector Partnership and Finance Department, which regularly confirms their credit information, etc.

Counterparty risk in derivative transactions is monitored by regularly confirming the exposure and credit standing of counterparties and by securing collateral as necessary.

[2] Market risk management

(i) Interest rate risk management

Interest rates are determined in accordance with the methods prescribed by laws or statements of operational procedures. Interest rate swap transactions are conducted to hedge against the risk of interest rate fluctuations in light of their possible adverse impact.

(ii) Foreign exchange risk management

Foreign currency claims and liabilities are exposed to foreign exchange fluctuation risk; as such, foreign currency claims are funded by foreign currency liabilities, and currency swaps and other approaches are employed to avert or reduce foreign exchange risk.

(iii) Price volatility risk management

Stocks and other securities that are held for policy-oriented purposes are monitored for changes in value affected by the market environment or financial condition of the companies, exchange rates, and other factors.

This information is reported on a regular basis to the Risk Management Committee of the Finance and Investment Account and Board Meeting.

[3] Liquidity risk management related to fund raising

The Finance and Investment Account prepares a funding plan and executes fund raising based on the government-affiliated agencies' budgets, as resolved by the National Diet.

[4] Derivative transaction management

Pursuant to rules concerning swaps, derivative transactions are implemented and managed by separating the sections related to execution of transactions, assessment of hedge effectiveness, and logistics management based on a mechanism with an established internal system of checks and balances.

2. Fair value of financial instruments

Balance sheet amount, fair value, and difference at the balance sheet date are as follows:

(Unit: Yen)

	Balance sheet amount	Fair value	Difference
(1) Loans	11,661,979,711,338		
Allowance for loan losses	(165,531,067,974)		
	11,496,448,643,364	11,946,907,411,217	450,458,767,853
(2) Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239		
Allowance for loan losses	(73,483,682,562)		
	13,579,201,677	13,579,201,677	0
(3) Borrowings from government fund for FILP (including borrowings due within one year)	(1,740,318,931,000)	(1,828,055,191,697)	(87,736,260,697)
(4) Derivative transactions	(17,597,957,963)	(17,597,957,963)	0

* Liabilities are shown in parentheses ().

(Note 1) Method for calculating fair values of financial instruments

[1] Loans

Fair values of loans with floating interest rates are calculated at their book values, as policy interest rates (bank rates) are immediately reflected in their floating interest rates, and therefore, fair value approximates book value. On the other hand, fair values of loans with fixed interest rates are calculated by discounting the total amount of the principal and interest using a rate that combines a risk-free rate with the respective borrowers' credit risk.

[2] Claims probable in bankruptcy, claims probable in rehabilitation, and other

Regarding claims probable in bankruptcy, claims probable in rehabilitation, and other, the estimated uncollectible amount is calculated based on the expected recoverable amount through collateral and

guarantees. Therefore, fair value approximates the balance sheet amount, less the current estimated uncollectible amount, and hence is calculated accordingly.

[3] Borrowings from government fund for FILP (including borrowings due within one year)

Fair value of borrowings from government fund for FILP (including borrowings due within one year) is calculated by discounting the total amount of principal and interest using interest rates expected to be applied to new borrowings for the same total amount.

[4] Derivative transactions

Derivative transactions are interest rate-related transactions (interest rate swaps), and fair values are based on discounted present values.

(Note 2) The following are financial instruments whose fair values are deemed to be extremely difficult to determine. They are not included in the fair value information of financial instruments.

(Unit: Yen)

	Balance sheet amount
Investment securities * 1	2,645,877,928
Shares of affiliated companies * 1	43,634,338,940
Money held in trust * 2	15,511,130,579
Undisbursed balance of loan commitments * 3	0

*1 These financial instruments have no market prices, and the calculation of their fair values is deemed to be impractical.

*2 The money held in trust is composed of the assets in trust that are deemed to be extremely difficult to determine the fair value.

*3 The fair values of the undisbursed balances of loan commitments are deemed to be extremely difficult to determine. The main reason is the difficulty of reasonably estimating future extensions of loans, because of the extremely diverse range of implementation formats for projects in the developing countries where these loans are provided.

(Money held in trust)

1. Money held in trust for the purpose of investment
Not applicable.
2. Money held in trust for the purpose of investment and held-to-maturity
Not applicable.
3. Other (other than for the purpose of investment and held-to-maturity)

(Unit: Yen)

	Balance sheet amount	Acquisition cost	Difference	The amount by which the balance sheet amount exceeds the acquisition cost	The amount by which the balance sheet amount does not exceed the acquisition cost
Money held in trust for others	15,511,130,579	16,348,655,133	837,524,554	0	837,524,554

(Note) “The amount by which the balance sheet amount exceeds the acquisition cost” and “The amount by which the balance sheet amount does not exceed the acquisition cost” are the breakdown of “Difference”.

(Retirement benefits)

1. Overview of retirement benefit plans

To provide retirement benefits for employees, JICA has a defined benefit pension plan comprised of a defined benefit corporate pension plan and a lump-sum severance indemnity plan, and a defined contribution plan comprised of a defined contribution pension plan.

2. Defined benefit pension plan

(1) The changes in the retirement benefit obligation are as follows:

	(Unit: Yen)
Retirement benefit obligation at the beginning of the business year	7,923,004,567
Current service cost	290,464,273
Interest cost	36,894,357
Actuarial differences	186,268,087
Retirement benefit paid	(236,565,466)
Past service cost	0
Contribution by the employee	16,996,495
Retirement benefit obligation at the end of the business year	8,217,062,313

(2) The changes in the plan assets are as follows:

	(Unit: Yen)
Plan assets at the beginning of the business year	3,859,591,768
Expected return on plan assets	0
Actuarial differences	11,996,826
Contribution by the company	114,151,748
Retirement benefit paid	(78,393,550)
Contribution by the employee	16,996,495
Plan assets at the end of the business year	3,924,343,287

(Note) Plan assets include ¥1,655,241,000 paid in advance to the National Treasury in relation to the return of the substitutional portion of the Employees' Pension Funds.

(3) Reconciliation of the retirement benefit obligations and plan assets and provision for retirement benefits and prepaid pension expenses in the balance sheets

	(Unit: Yen)
Funded retirement benefit obligation	4,534,462,783
Plan assets	(3,924,343,287)
Unfunded benefit obligations of funded pension plan	610,119,496
Unfunded benefit obligations of unfunded pension plan	3,682,599,530
Subtotal	4,292,719,026
Unrecognized actuarial differences	0
Unrecognized past service cost	0
Net amount of assets and liabilities in the balance sheets	4,292,719,026
Provision for retirement benefits	4,292,719,026
Prepaid pension expenses	0
Net amount of assets and liabilities in the balance sheets	4,292,719,026

(4) Profit or loss regarding retirement benefits

	(Unit: Yen)
Current service cost	290,464,273
Interest cost	36,894,357
Expected return on plans assets	0
Realized actuarial differences	174,271,261
Amortization of past service cost	0
Extraordinary additional retirement payments	0
Total	501,629,891

(5) Major components of plan assets

Percentages of components to the total (excluding plan assets paid in advance) are as follows:

Bonds	36%
Stocks	34%
General account of life insurance company	20%
Others	10%
Total	100%

(6) Method of determining the long-term expected rate of return on plan assets

The long-term expected rate of return on plan assets is determined based on components of plan assets, its performance and market condition, etc.

(7) Assumptions used

Principal assumptions used in actuarial calculations at the end of the business year

Discount rate	Defined benefit corporate pension plan	0.23%
	Retirement benefits	0.74%
Long-term expected rate of return on plan assets		0.00%

3. Defined contribution plan

The amount of contribution required to be made to the defined contribution plan is ¥12,811,854.

(Lease transactions)

Future minimum lease payments related to operating lease transactions

Future minimum lease payments due within one year of the balance sheet date	¥381,024
Future minimum lease payments corresponding to periods more than one year from the balance sheet date	¥1,268,920

(Asset retirement obligations)

JICA has a building lease agreement for its head office building, and has an obligation to restore the building to its original state at the termination of the lease period. Therefore, the asset retirement obligations have been recorded. The estimate for the asset retirement obligations assumes a five-year lease period for the projected period of use and a discount rate of 0.529%.

The balance of the asset retirement obligations at the end of the current business year was ¥70,374,150.

(Profit and loss under the equity method)

JICA does not maintain any specific affiliated companies and, as such, does not prepare consolidated financial statements. However, profit and loss under the equity method related to affiliated companies are as follows:

Investment amount in affiliated companies	¥43,634,338,940
Investment amount when applying the equity method	¥58,497,246,893
Capital gain amount from investments when applying the equity method	¥19,798,244,949

(Significant contractual liabilities)

Contract liabilities JICA is obliged to pay during the next business year and thereafter are ¥16,722,117,576.

(Significant subsequent events)

Appropriation of profit was approved as follows on May 1, 2017:

		(Unit: Yen)
I. Unappropriated income for the current business year		74,363,358,892
Total income for the current business year	74,363,358,892	
II. Profit appropriation amount		
Reserve fund	74,363,358,892	74,363,358,892

The Accompanying Supplementary Schedules
Finance and Investment Account

(1) Details of acquisition and disposal of non-current assets, depreciation, and accumulated impairment loss

(Unit : Yen)

Type	Balance at the beginning of the period	Increase during the period	Decrease during the period	Balance at the end of the period	Accumulated depreciation		Accumulated impairment loss			Net assets at the end of the period	Remarks	
						Depreciation during the period		Impairment loss during the period (recognized in the statement of income)	Impairment loss during the period (not recognized in the statement of income)			
Tangible assets (Depreciation included in expenses)	Buildings	3,244,509,548	41,215,198	18,912,198	3,266,812,548	985,260,874	90,177,892	680,161,972	15,311,316	0	1,601,389,702	
	Structures	50,459,764	0	173,012	50,286,752	22,192,322	1,426,944	11,670,468	0	0	16,423,962	
	Machinery and equipment	193,923,940	1,406,230	735,919	194,594,251	65,221,187	3,538,323	102,287,680	0	0	27,085,384	
	Vehicles	341,704,167	116,509,804	50,139,182	408,074,789	205,851,045	32,218,377	0	0	0	202,223,744	
	Tools, furniture, and fixtures	352,585,435	28,240,558	10,139,386	370,686,607	245,034,615	45,882,182	0	0	0	125,651,992	
	Total	4,183,182,854	187,371,790	80,099,697	4,290,454,947	1,523,560,043	173,243,718	794,120,120	15,311,316	0	1,972,774,784	
Tangible assets (Non-depreciable assets)	Land	12,703,270,000	0	0	12,703,270,000	0	0	6,091,196,973	0	0	6,612,073,027	
	Construction in progress	13,031,172	22,629,113	13,139,201	22,521,084	0	0	0	0	0	22,521,084	
	Total	12,716,301,172	22,629,113	13,139,201	12,725,791,084	0	0	6,091,196,973	0	0	6,634,594,111	
Total tangible assets	Buildings	3,244,509,548	41,215,198	18,912,198	3,266,812,548	985,260,874	90,177,892	680,161,972	15,311,316	0	1,601,389,702	
	Structures	50,459,764	0	173,012	50,286,752	22,192,322	1,426,944	11,670,468	0	0	16,423,962	
	Machinery and equipment	193,923,940	1,406,230	735,919	194,594,251	65,221,187	3,538,323	102,287,680	0	0	27,085,384	
	Vehicles	341,704,167	116,509,804	50,139,182	408,074,789	205,851,045	32,218,377	0	0	0	202,223,744	
	Tools, furniture, and fixtures	352,585,435	28,240,558	10,139,386	370,686,607	245,034,615	45,882,182	0	0	0	125,651,992	
	Land	12,703,270,000	0	0	12,703,270,000	0	0	6,091,196,973	0	0	6,612,073,027	
	Construction in progress	13,031,172	22,629,113	13,139,201	22,521,084	0	0	0	0	0	22,521,084	
Total	16,899,484,026	210,000,903	93,238,898	17,016,246,031	1,523,560,043	173,243,718	6,885,317,093	15,311,316	0	8,607,368,895		
Intangible assets (Depreciation included in expenses)	Trademark right	731,316	0	0	731,316	278,410	76,363	0	0	0	452,906	
	Software	47,832,033	86,115,254	0	133,947,287	18,428,232	13,254,229	0	0	0	115,519,055	
	Total	48,563,349	86,115,254	0	134,678,603	18,706,642	13,330,592	0	0	0	115,971,961	
Intangible assets (Non-depreciable assets)	Software in progress	192,453,675	372,662,835	33,596,992	531,519,518	0	0	0	0	0	531,519,518	
	Total	192,453,675	372,662,835	33,596,992	531,519,518	0	0	0	0	0	531,519,518	
Total intangible assets	Trademark right	731,316	0	0	731,316	278,410	76,363	0	0	0	452,906	
	Software	47,832,033	86,115,254	0	133,947,287	18,428,232	13,254,229	0	0	0	115,519,055	
	Software in progress	192,453,675	372,662,835	33,596,992	531,519,518	0	0	0	0	0	531,519,518	
	Total	241,017,024	458,778,089	33,596,992	666,198,121	18,706,642	13,330,592	0	0	0	647,491,479	
Investments and other assets	Investment securities	923,593,356	2,287,584,373	565,299,801	2,645,877,928	0	0	0	0	0	2,645,877,928	
	Shares of affiliated companies	41,753,390,955	2,007,416,250	126,468,265	43,634,338,940	0	0	0	0	0	43,634,338,940	
	Money held in trust	0	16,348,655,133	837,524,554	15,511,130,579	0	0	0	0	0	15,511,130,579	
	Claims probable in bankruptcy, claims probable in rehabilitation, and other	63,845,414,239	23,225,436,000	7,966,000	87,062,884,239	0	0	0	0	0	87,062,884,239	
	Allowance for loan losses (non-current)	(63,845,414,239)	(9,638,268,323)	0	(73,483,682,562)	0	0	0	0	0	(73,483,682,562)	
	Long-term prepaid expenses	18,333,132	45,298,439	9,675,906	53,955,665	0	0	0	0	0	53,955,665	
	Long-term guarantee deposits	726,528,994	44,466,550	70,054,281	700,941,263	0	0	0	0	0	700,941,263	
Total	43,421,846,437	34,320,588,422	1,616,988,807	76,125,446,052	0	0	0	0	0	76,125,446,052		

(2) Details of securities

1 Securities recorded under current assets

(Unit : Yen)

Held-to-maturity securities	Type and Name	Acquisition cost	Aggregate face amount	Balance sheet amount	Valuation difference included in current expense	Remarks
	Negotiable deposits	2,000,000,000	2,000,000,000	2,000,000,000	0	

2 Securities recorded under investments and other assets

(Unit : Yen)

	Name	Acquisition cost	Value obtained by multiplying the net asset value by the percentage of shareholding	Balance sheet amount	Valuation difference recognized in the statement of income of the period	Remarks	
Shares of affiliated companies	Sumatra Pulp Corporation	1	1	1	0		
	Japan Saudi Arabia Methanol Co., Inc.	7,149,297,104	5,506,493,158	5,506,493,158	2,070,685		
	SPDC Ltd.	7,269,880,619	20,620,320,152	7,269,880,619	0		
	KAFCO Japan Investment Co., Ltd.	2,436,204,983	2,508,235,256	2,436,204,983	0		
	Nippon Amazon Aluminum Co., Ltd	26,002,629,979	26,664,362,599	26,002,629,979	0		
	Digital Grid Inc.	300,000,000	74,885,392	74,885,392	(225,114,608)		
	The First MicroFinanceBank Ltd.	218,880,000	359,064,940	218,880,000	0		
	Myanmar Japan Thilawa Development Ltd.	321,372,900	605,391,241	321,372,900	0		
	JAPAN ASEAN Women Empowerment Fund	1,707,416,250	1,803,991,908	1,803,991,908	96,575,658		
	Total	45,405,681,836	58,142,744,647	43,634,338,940	(126,468,265)		
Other securities	Type and name	Acquisition cost	Fair Value	Balance sheet amount	Valuation difference recognized in the statement of income of the period	Valuation difference on available-for-sale securities	Remarks
	Prototype Carbon Fund	1	-	1	0	0	
	MGM Sustainable Energy Fund L.P.	620,639,092	-	591,976,192	(24,933,232)	(3,729,668)	
	Asia Climate Partners L.P.	1,923,522,553	-	1,464,293,440	(403,163,770)	(56,065,343)	
	IFC Middle East and North Africa Fund,LP	690,351,645	-	589,608,295	(120,399,819)	19,656,469	
	Total	3,234,513,291	-	2,645,877,928	(548,496,821)	(40,138,542)	
Total balance sheet amount				46,280,216,868		(40,138,542)	

*Acquisition cost of other securities related to the investment to investment limited partnership and other equivalent funds includes the amount equivalent to JICA's percentage share of the accumulated profit/loss amount by the previous term.

(3) Details of loans

(Unit: Yen)

Classification	Balance at the beginning of the period	Increase during the period	Decrease during the period		Balance at the end of the period	Remarks
			Collection, etc.	Write-off		
Loans	11,502,090,784,898	884,052,905,787	724,163,979,347	0	11,661,979,711,338	
Claims probable in bankruptcy, claims probable in rehabilitation, and other	63,845,414,239	23,225,436,000	7,966,000	0	87,062,884,239	
Total	11,565,936,199,137	907,278,341,787	724,171,945,347	0	11,749,042,595,577	

* Increase during the period and decrease during the period by collection in the current business year include reclassifications between "Loans" and "Claims probable in bankruptcy, claims probable in rehabilitation and other".

(4) Details of borrowings

(Unit: Yen)

Classification	Balance at the beginning of the period	Increase during the period	Decrease during the period	Balance at the end of the period	Average interest rate (%)	Maturity date	Remarks
Borrowings from government fund for Fiscal Investment and Loan Program	1,756,530,577,000	203,000,000,000	219,211,646,000	1,740,318,931,000 (188,059,967,000)	1.010	June 2017- January 2042	

* Figures in parentheses indicate the amount of borrowings repayable within one year.

(5) Details of bonds

(Unit: Yen)

Security name	Balance at the beginning of the period	Increase during the period	Decrease during the period	Balance at the end of the period	Coupon (%)	Maturity date	Remarks
FILP Agency Bonds							
FILP Agency Bonds (1st)	30,000,000,000	0	0	30,000,000,000 ()	2.470	September 2028	
FILP Agency Bonds (2nd)	30,000,000,000	0	0	30,000,000,000 ()	2.341	June 2029	
FILP Agency Bonds (3rd)	20,000,000,000	0	0	20,000,000,000 ()	2.134	December 2029	
FILP Agency Bonds (4th)	20,000,000,000	0	0	20,000,000,000 ()	2.079	June 2030	
FILP Agency Bonds (5th)	20,000,000,000	0	0	20,000,000,000 ()	1.918	September 2030	
FILP Agency Bonds (6th)	20,000,000,000	0	0	20,000,000,000 ()	2.098	December 2030	
FILP Agency Bonds (7th)	20,000,000,000	0	0	20,000,000,000 ()	1.991	June 2031	
FILP Agency Bonds (8th)	15,000,000,000	0	0	15,000,000,000 ()	1.554	September 2026	
FILP Agency Bonds (9th)	5,000,000,000	0	0	5,000,000,000 ()	2.129	September 2041	
FILP Agency Bonds (11th)	10,000,000,000	0	0	10,000,000,000 ()	1.140	December 2021	
FILP Agency Bonds (12th)	10,000,000,000	0	0	10,000,000,000 ()	0.901	June 2022	
FILP Agency Bonds (13th)	10,000,000,000	0	0	10,000,000,000 ()	1.752	June 2032	
FILP Agency Bonds (14th)	10,000,000,000	0	0	10,000,000,000 ()	0.825	September 2022	
FILP Agency Bonds (15th)	10,000,000,000	0	0	10,000,000,000 ()	1.724	September 2032	
FILP Agency Bonds (16th)	10,000,000,000	0	0	10,000,000,000 ()	0.300	December 2018	
FILP Agency Bonds (17th)	10,000,000,000	0	0	10,000,000,000 ()	0.720	December 2022	
FILP Agency Bonds (18th)	10,000,000,000	0	0	10,000,000,000 ()	0.868	June 2023	
FILP Agency Bonds (19th)	10,000,000,000	0	0	10,000,000,000 ()	1.725	June 2033	
FILP Agency Bonds (20th)	10,000,000,000	0	0	10,000,000,000 ()	0.787	September 2023	
FILP Agency Bonds (21st)	10,000,000,000	0	0	10,000,000,000 ()	1.734	September 2033	
FILP Agency Bonds (22nd)	10,000,000,000	0	0	10,000,000,000 ()	0.260	December 2018	
FILP Agency Bonds (23rd)	10,000,000,000	0	0	10,000,000,000 ()	0.684	February 2024	
FILP Agency Bonds (24th)	10,000,000,000	0	0	10,000,000,000 ()	0.655	June 2024	
FILP Agency Bonds (25th)	10,000,000,000	0	0	10,000,000,000 ()	1.520	June 2034	
FILP Agency Bonds (26th)	10,000,000,000	0	0	10,000,000,000 ()	0.588	September 2024	
FILP Agency Bonds (27th)	10,000,000,000	0	0	10,000,000,000 ()	1.451	September 2034	
FILP Agency Bonds (28th)	10,000,000,000	0	0	10,000,000,000 ()	0.150	December 2019	
FILP Agency Bonds (29th)	10,000,000,000	0	0	10,000,000,000 ()	0.583	June 2025	
FILP Agency Bonds (30th)	10,000,000,000	0	0	10,000,000,000 ()	1.299	June 2035	
FILP Agency Bonds (31st)	10,000,000,000	0	0	10,000,000,000 ()	0.530	September 2025	
FILP Agency Bonds (32nd)	10,000,000,000	0	0	10,000,000,000 ()	1.212	September 2035	
FILP Agency Bonds (33rd)	10,000,000,000	0	0	10,000,000,000 ()	1.130	December 2035	
FILP Agency Bonds (34th)	10,000,000,000	0	0	10,000,000,000 ()	0.245	February 2026	
FILP Agency Bonds (35th)	0	10,000,000,000	0	10,000,000,000 ()	0.080	June 2026	
FILP Agency Bonds (36th)	0	10,000,000,000	0	10,000,000,000 ()	0.313	June 2036	
FILP Agency Bonds (37th)	0	20,000,000,000	0	20,000,000,000 ()	0.100	September 2026	
FILP Agency Bonds (38th)	0	15,000,000,000	0	15,000,000,000 ()	0.590	September 2046	
FILP Agency Bonds (39th)	0	5,000,000,000	0	5,000,000,000 ()	0.744	February 2037	
Subtotal	420,000,000,000	60,000,000,000	0	480,000,000,000 ()			
Government-guaranteed bonds							
Japan International Cooperation Agency Government-guaranteed bonds (1st)	57,305,000,000 [\$500,000,000]	0	0	57,305,000,000 [\$500,000,000] ()	1.875	November 2019	
Japan International Cooperation Agency Government-guaranteed bonds (2nd)	0	54,550,400,000 [\$500,000,000]	1,259,800,000 []	53,290,600,000 [\$500,000,000] ()	2.125	October 2026	
Subtotal	57,305,000,000 [\$500,000,000]	54,550,400,000 [\$500,000,000]	1,259,800,000 []	110,595,600,000 [\$1,000,000,000] ()			
Total	477,305,000,000	114,550,400,000	1,259,800,000	590,595,600,000 ()			

* Figures in parentheses indicate the amount of bonds redeemable within one year. The amount in [] is denominated in a foreign currency.

(6) Details of provisions

(Unit: Yen)

Classification	Balance at the beginning of the period	Increase during the period	Decrease during the period		Balance at the end of the period	Remarks
			Use for purpose	Others		
Provision for bonuses	259,858,791	284,404,876	259,858,791	0	284,404,876	
Provision for contingent losses	15,766,237,754	13,073,236,068	17,467,919	15,673,271,405	13,148,734,498	
Total	16,026,096,545	13,357,640,944	277,326,710	15,673,271,405	13,433,139,374	

* Decrease during the period (others) for the provision for contingent losses indicates the amount of reversal of the provision after revaluation.

(7) Details of allowance for loan losses, etc.

(Unit: Yen)

Classification	Balance of loans, etc.			Balance of allowance for loan losses			Remarks
	Balance at the beginning of the period	Increase or decrease during the period	Balance at the end of the period	Balance at the beginning of the period	Increase or decrease during the period	Balance at the end of the period	
Loans	11,502,090,784,898	159,888,926,440	11,661,979,711,338	153,208,197,398	12,322,870,576	165,531,067,974	
Claims probable in bankruptcy, claims probable in rehabilitation, and other	63,845,414,239	23,217,470,000	87,062,884,239	63,845,414,239	9,638,268,323	73,483,682,562	
Total	11,565,936,199,137	183,106,396,440	11,749,042,595,577	217,053,611,637	21,961,138,899	239,014,750,536	

* The standard for appropriation of allowance for loan losses is described in No. 4 of Significant Accounting Policies.

(8) Details of provision for retirement benefits

(Unit: Yen)

Classification	Balance at the beginning of the period	Increase during the period	Decrease during the period	Balance at the end of the period	Remarks
Total retirement benefit obligations	7,923,004,567	530,623,212	236,565,466	8,217,062,313	
Retirement benefits	3,526,718,710	314,052,736	158,171,916	3,682,599,530	
Defined benefit corporate pension plan	4,396,285,857	216,570,476	78,393,550	4,534,462,783	
Unrecognized past service cost and unrecognized actuarial differences	0	174,271,261	174,271,261	0	
Plan assets	3,859,591,768	143,145,069	78,393,550	3,924,343,287	
Provision for retirement benefits	4,063,412,799	213,206,882	(16,099,345)	4,292,719,026	

* “Defined benefit corporate pension plan” and “Plan assets” include the amount corresponding to the refund (minimum actuarial liability) of a substitutional portion of Employees’ Pension Fund.

(9) Details of asset retirement obligations

(Unit: Yen)

Classification	Balance at the beginning of the period	Increase during the period	Decrease during the period	Balance at the end of the period	Remarks
Obligation of restoration to original state based on building lease agreement	70,374,150	0	0	70,374,150	Specified expenses in Accounting Standard for Incorporated Administrative Agency No. 91: None

(10) Details of liabilities for guarantee

(Unit: Yen)

Classification	Balance at the beginning of the period		Increase during the period		Decrease during the period		Balance at the end of the period		Remarks
	Number of bonds	Amount	Number of bonds	Amount	Number of bonds	Amount	Number of bonds	Amount	
FILP Agency Bonds (Public offering)	8	250,000,000,000	0	0	1	50,000,000,000	7	200,000,000,000	

* JICA is jointly liable for obligations arising from the above bonds issued by the former Japan Bank for International Cooperation which was succeeded by the Japan Bank for International Cooperation.

(11) Details of capital and capital surplus

(Unit: Yen)

Classification		Balance at the beginning of the period	Increase during the period	Decrease during the period	Balance at the end of the period	Remarks
Capital	Government investment	7,862,157,840,510	130,070,000,000	0	7,992,227,840,510	Increase in capital resulting from the receipt of government investment

(12) Details of reserves

(Unit: Yen)

Classification	Balance at the beginning of the period	Increase during the period	Decrease during the period	Balance at the end of the period	Remarks
Reserve fund stipulated in Paragraph 4 of Article 31 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency	1,369,795,600,709	102,762,464,386	0	1,472,558,065,095	Increase resulting from the appropriation of profits for business year 2015

(13) Details of remunerations and salaries of officers and employees

(Unit: Thousands of yen, persons)

Classification	Remunerations or salaries		Retirement benefits	
	Payment amount	Number of people	Payment amount	Number of people
Officers	46,106	12	5,148	5
Employees	4,140,645	1,908	165,514	80
Total	4,186,751	1,920	170,661	85

(Notes) 1. Payment standard of remunerations and retirement benefits to officers

Remunerations and retirement benefits to officers are paid based on “Rules on Remuneration for Officers” and “Rules on Retirement Benefits for Officers” in place for Incorporated Administrative Agency - Japan International Cooperation Agency.

2. Payment standard of salaries and retirement benefits to employees

Salaries and retirement benefits to employees are paid based on “Rules on Salaries for Employees” and “Rules on Retirement Benefits for Employees” in place for Incorporated Administrative Agency - Japan International Cooperation Agency.

3. Number of people

As for the number of people to whom remunerations or salaries are paid, the average number of JICA officers or employees during the period is used.

4. Others

There are no part-time officers or employees classified as external members.

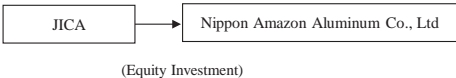
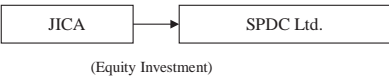
(14) Details of main assets, liabilities, and expenses, except those mentioned above

Operating and administrative expenses		(Unit: Yen)
Classification	Amount	
Operating expenses	5,201,637,329	
Information system-related expenses	1,667,715,287	
Rent expenses on real estate	827,983,002	
Travelling and transportation expenses	1,354,651,278	
Other expenses	3,553,070,594	
Total	12,605,057,490	

(15) Details of affiliated companies

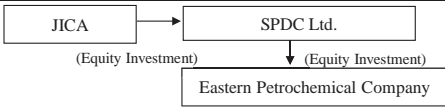
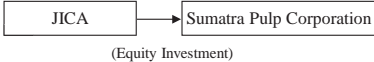
Corporation type and name	(Affiliated company)	(Affiliated company)
Items	KAFCO Japan Investment Co., Ltd.	Karnaphuli Fertilizer Company Limited
Outline of operations	Production of urea and ammonia in Chittagong, Bangladesh	Production of urea and ammonia in Chittagong, Bangladesh
Name of officers	Number of officers: 9 President and CEO: Tomomi Kawai Executive Vice President: Kazuhide Usui (former Deputy General Manager of the International Credit Analysis Department, former Japan Bank for International Cooperation) Auditor: Toru Nomura (former General Manager of the Environmental Surveillance Department, former Japan Bank for International Cooperation)	-
Association chart on transactions between affiliated companies and JICA	<pre> graph LR JICA -- "(Equity Investment)" --> KAFCO[KAFCO Japan Investment Co., Ltd.] </pre>	<pre> graph TD JICA -- "(Equity Investment)" --> KAFCO[KAFCO Japan Investment Co., Ltd.] KAFCO -- "(Equity Investment)" --> Karnaphuli[Karnaphuli Fertilizer Company Limited] </pre>
Assets	¥6,106,902,404	-
Liabilities	¥46,284,308	-
Capital	¥5,023,900,000	-
Retained earnings	¥1,036,718,096	-
Operating revenues	¥869,832,730	-
Ordinary (loss) income	¥751,080,268	-
Net (loss) income	¥662,886,995	-
Unappropriated (loss) income for the current business year	¥760,403,596	-
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	<ul style="list-style-type: none"> - Number of company shares owned by JICA: 46,606 shares - Acquisition cost: ¥2,436,204,983 - Balance sheet amount: ¥2,436,204,983 (No changes from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Development Areas, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the production of urea and ammonia by the company - Date of the initial investment: July 27, 1990 	<ul style="list-style-type: none"> - Number of company shares owned by JICA - - Acquisition cost: - - Balance sheet amount: - - Legal basis: - - Applicable provision of the act: - - Purpose of investment: - - Date of the initial investment: -
Details of receivables and payables	N/A	-
Details of debt guarantee	N/A	-
Amounts and ratios in relation to gross sales, order placement by JICA, etc. (Amounts and ratios of competitive contracts, planning competitions and public selections, and non-competitive negotiated contracts)	N/A	-

(Note)The above amount pertains to the period from September 1, 2015, through August 31, 2016.

Corporation type and name	(Affiliated company)	(Affiliated company)
Items	Nippon Amazon Aluminum Co., Ltd.	SPDC Ltd.
Outline of operations	Production of alumina and smelting ammonium in the Amazon region	Production and sales of ethylene glycol and other petrochemical products in the Al Jubail Industrial Area
Name of officers	Number of officers: 14 President and CEO: Michitaka Nakatomi Auditor: Masatomo Ogane (former Expert for Vietnam, JICA)	Number of officers: 17 President and CEO: Shinichi Nakayama Managing Director: Tsutomu Uchida (former Director General of the Treasury Department, JICA)
Association chart on transactions between affiliated companies and JICA	 <p style="text-align: center;">(Equity Investment)</p>	 <p style="text-align: center;">(Equity Investment)</p>
Assets	¥59,641,366,455	¥108,129,773,633
Liabilities	¥277,966,025	¥26,995,197,848
Capital	¥57,350,000,000	¥14,200,000,000
Retained earnings	¥2,013,400,430	¥66,934,575,785
Operating revenues	¥1,172,199,032	¥95,180,754,735
Ordinary (loss) income	¥412,558,486	¥44,908,906,246
Net (loss) income	¥433,639,488	¥41,742,567,456
Unappropriated (loss) income for the current business year	¥589,973,430	¥45,384,575,785
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	<ul style="list-style-type: none"> - Number of company shares owned by JICA: 51,520,000 shares - Acquisition cost: ¥26,002,629,979 - Balance sheet amount: ¥26,002,629,979 (No changes from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Development Areas, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the smelting of alumina and aluminum - Date of the initial investment: August 29, 1978 	<ul style="list-style-type: none"> - Number of company shares owned by JICA: 2,107,500 shares - Acquisition cost: ¥7,269,880,619 - Balance sheet amount: ¥7,269,880,619 (No changes from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Development Areas, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the manufacturing of ethylene glycol and other petrochemical products - Date of the initial investment: June 17, 1981
Details of receivables and payables	N/A	N/A
Details of debt guarantee	N/A	N/A
Amounts and ratios in relation to gross sales, order placement by JICA, etc. (Amounts and ratios of competitive contracts, planning competitions and public selections, and non-competitive negotiated contracts)	N/A	N/A

(Note)The above amount pertains to the period from January 1, 2016, through December 31, 2016.

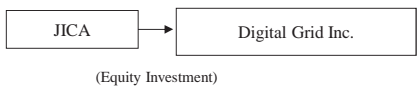
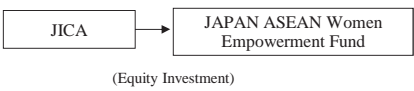
(Note)The above amount pertains to the period from January 1, 2016, through December 31, 2016.

Corporation type and name	(Affiliated company)	(Affiliated company)
Items	Eastern Petrochemical Company	Sumatra Pulp Corporation
Outline of operations	Production and sales of ethylene glycol and other petrochemical products in the Al Jubail Industrial Area	Construction of a pulp mill to manufacture wood pulp from afforested acacia mangium, and production and sale of wood pulp in Muara Enim, South Sumatra
Name of officers	-	Number of officers: 7 President and CEO: Kazuo Hidaka Executive Vice President: Atsushi Sasaki (former Chief Representative of JICA Indonesia Office) Auditor: Rentaro Tamaishi (former Senior Advisor of the Development Assistance Department I, former Japan Bank for International Cooperation)
Association chart on transactions between affiliated companies and JICA		
Assets	-	¥288,770,355
Liabilities	-	¥649,989,765
Capital	-	¥13,350,850,000
Retained earnings	-	(¥13,712,069,410)
Operating revenues	-	¥35,270,475
Ordinary (loss) income	-	(¥73,955,851)
Net (loss) income	-	(¥2,179,424,589)
Unappropriated (loss) income for the current business year	-	(¥13,712,069,410)
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	<ul style="list-style-type: none"> - Number of company shares owned by JICA - - Acquisition cost: - - Balance sheet amount: - - Legal basis: - - Applicable provision of the act: - - Purpose of investment: - - Date of the initial investment: - 	<ul style="list-style-type: none"> - Number of company shares owned by JICA: 114,032 shares - Acquisition cost: ¥1 - Balance sheet amount: ¥1 (No changes from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Development Areas, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the pulp manufacturing business - Date of the initial investment: April 21, 1995
Details of receivables and payables	-	N/A
Details of debt guarantee	-	N/A
Amounts and ratios in relation to gross sales, order placement by JICA, etc. (Amounts and ratios of competitive contracts, planning competitions and public selections, and non-competitive negotiated contracts)	-	N/A

(Note)The above amount pertains to the period from April 1, 2015, through March 31, 2016.

Corporation type and name	(Affiliated company)	(Affiliated company)
Items	Japan Saudi Arabia Methanol Co., Inc.	JSMC PANAMA S.A.
Outline of operations	Production of methanol in the Al-Jubail Industrial Area	Transportation of methanol business
Name of officers	Number of officers: 12 Chairman: Akira Ishiwada Managing Director and General Manager of the General Affairs Department: Susumu Iwamoto (former General Manager of office of Information System, JICA) Auditor: Yutaka Ohashi (former General Manager of the Office for Development Assistance Department IV, former Japan Bank for International Cooperation)	-
Association chart on transactions between affiliated companies and JICA	<pre> graph TD JICA -- "(Equity Investment)" --> JSAMC["Japan Saudi Arabia Methanol Co., Inc."] </pre>	<pre> graph TD JICA -- "(Equity Investment)" --> JSAMC["Japan Saudi Arabia Methanol Co., Inc."] JSAMC -- "(Equity Investment)" --> JSMC["JSMC PANAMA S.A."] </pre>
Assets	¥30,056,002,087	-
Liabilities	¥5,983,774,891	-
Capital	¥2,310,000,000	-
Retained earnings	¥22,043,816,196	-
Operating revenues	¥35,275,288,843	-
Ordinary (loss) income	¥12,270,275,619	-
Net (loss) income	¥11,441,402,284	-
Unappropriated (loss) income for the current business year	¥5,893,216,196	-
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	<ul style="list-style-type: none"> - Number of company shares owned by JICA: 1,386,000 shares - Acquisition cost: ¥7,149,297,104 - Balance sheet amount: ¥5,506,493,158 (An increase of ¥2,070,685 from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Development Areas, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the methanol manufacturing business - Date of the initial investment: December 17, 1979 	<ul style="list-style-type: none"> - Number of company shares owned by JICA - - Acquisition cost: - - Balance sheet amount: - - Legal basis: - - Applicable provision of the act: - - Purpose of investment: - - Date of the initial investment: -
Details of receivables and payables	N/A	-
Details of debt guarantee	N/A	-
Amounts and ratios in relation to gross sales, order placement by JICA, etc. (Amounts and ratios of competitive contracts, planning competitions and public selections, and non-competitive negotiated contracts)	N/A	-

(Note)The above amount pertains to the period from January 1, 2016, through December 31, 2016.

Corporation type and name	(Affiliated company)	(Affiliated company)
Items	Digital Grid Inc.	JAPAN ASEAN Women Empowerment Fund
Outline of operations	LED lamp rental and charging services in the area without electricity in Sub-Saharan Africa	Investment and / or loan to Microfinance Institutes for empowerment of women in ASEAN countries
Name of officers	Number of officers: 7 Representative CEO: Satoshi Akita Outside Director:Kensuke Fukawa(Senior Director, Private Sector Partnership and Finance Department, JICA)	Number of officers: 4 Director Christophe Grüning Director Hoa Le Director Peter Fanconi Director Ted Uemae
Association chart on transactions between affiliated companies and JICA	 (Equity Investment)	 (Equity Investment)
Assets	¥463,998,090	¥4,474,334,707
Liabilities	¥4,701,016	¥17,020,582
Capital	¥223,500,000	¥4,461,759,778
Retained earnings	(¥386,702,926)	(¥4,445,764)
Operating revenues	¥99,411,818	¥6,134,337
Ordinary (loss) income	(¥193,688,968)	(¥4,445,764)
Net (loss) income	(¥382,490,089)	(¥4,445,764)
Unappropriated (loss) income for the current business year	(¥386,702,926)	(¥4,445,764)
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	- Number of company shares owned by JICA: 300 shares - Acquisition cost: ¥300,000,000 - Balance sheet amount: ¥74,885,392(An increase of ¥74,885,392 from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Development Areas, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the LED lamp rental and charging services - Date of the initial investment: October 28, 2016	- Number of company shares owned by JICA: 1,625 shares - Acquisition cost: ¥1,707,416,250 - Balance sheet amount: ¥1,803,991,908(An increase of ¥1,803,991,908 from the end of the previous business year) - Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency - Applicable provision of the act: To lend a person designated by the Minister for Foreign Affairs, such as an organization like a juridical person in Japan or the Development Areas, the funds required for the execution of their Development Projects or making capital contributions to such persons where there is a special necessity in order to effectuate Development Projects. - Purpose of investment: Capital contribution to the fund - Date of the initial investment: October 21, 2016
Details of receivables and payables	N/A	N/A
Details of debt guarantee	N/A	N/A
Amounts and ratios in relation to gross sales, order placement by JICA, etc. (Amounts and ratios of competitive contracts, planning competitions and public selections, and non-competitive negotiated contracts)	N/A	N/A

(Note)The above amount pertains to the period from January 1, 2016, through December 31, 2016.

(Note)The above amount pertains to the period from January 1, 2016, through December 31, 2016.