

**Business Year 2021**

# **Financial Statements**

**Finance and Investment Account**

**Japan International Cooperation Agency (JICA)**

# Balance Sheet

(as of March 31, 2022)

## Finance and Investment Account

(Unit: Yen)

### Assets

#### I Current assets

Cash and deposits		158,857,828,146	
Loans	14,053,147,276,242		
Allowance for loan losses	(227,219,120,887)	13,825,928,155,355	
Advance payments		11,496,915,341	
Prepaid expenses		7,009,353	
Accrued income			
Accrued interest on loans	32,390,308,121		
Accrued commitment charges	226,147,472		
Accrued interest	15,374,887	32,631,830,480	
Accounts receivable		1,493,125,387	
Suspense payments		2,721,944	
Advances paid		267,518	
Short-term guarantee deposits		21,001,000,000	
Derivatives		1,174,005,584	
Total current assets			14,052,592,859,108

#### II Non-current assets

##### 1 Tangible assets

Buildings	4,032,316,255		
Accumulated depreciation	(1,336,792,470)		
Accumulated impairment losses	(581,939,170)	2,113,584,615	
Structures	98,256,953		
Accumulated depreciation	(39,537,130)		
Accumulated impairment losses	(11,670,468)	47,049,355	
Machinery and equipment	200,680,532		
Accumulated depreciation	(82,293,586)		
Accumulated impairment losses	(102,287,680)	16,099,266	
Vehicles	589,435,411		
Accumulated depreciation	(347,975,585)	241,459,826	
Tools, furniture, and fixtures	564,241,814		
Accumulated depreciation	(279,727,780)	284,514,034	
Land	12,703,270,000		
Accumulated impairment losses	(6,091,196,973)	6,612,073,027	
Construction in progress		51,829,811	
Total tangible assets		9,366,609,934	

##### 2 Intangible assets

Trademark rights		1,189,214	
Software		2,710,358,635	
Software in progress		2,165,868,909	
Total intangible assets		4,877,416,758	

##### 3 Investments and other assets

Investment securities		11,255,014,268	
Shares of affiliated companies		78,868,480,608	
Money held in trust		83,558,735,463	
Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239		
Allowance for loan losses	(87,062,884,239)	0	
Long-term prepaid expenses		1,516,391	
Long-term guarantee deposits		689,185,285	
Total investments and other assets		174,372,932,015	

    Total non-current assets 188,616,958,707

    Total assets 14,241,209,817,815

# Liabilities

## I Current liabilities

Current portion of bonds	30,000,000,000	
Current portion of borrowings from government fund for Fiscal Investment and Loan Program	96,877,708,000	
Accounts payable	6,052,370,906	
Accrued expenses	5,456,106,399	
Derivatives	15,658,454,323	
Lease obligations	100,717,408	
Deposits received	3,528,961,359	
Provisions		
Provision for bonuses	330,790,893	
Provision for contingent losses	2,197,749,854	2,528,540,747
Suspense receipts		858,200,187
Total current liabilities		161,061,059,329

## II Non-current liabilities

Bonds	1,015,323,560,000	
Discounts on bonds payable	(1,101,417,188)	
Borrowings from government fund for Fiscal Investment and Loan Program	2,945,904,866,000	
Long-term lease obligations	97,832,210	
Long-term deposits received	6,739,145,091	
Provision for retirement benefits	3,793,827,979	
Asset retirement obligations	105,593,237	
Total non-current liabilities		3,970,863,407,329
Total liabilities		4,131,924,466,658

# Net assets

## I Capital

Government investment	8,249,187,840,510	
Total capital		8,249,187,840,510

## II Retained earnings

Reserve fund	1,832,533,153,451	
Unappropriated income for the current fiscal year	22,811,144,997	
(Total income for the current fiscal year)	(22,811,144,997)	
Total retained earnings		1,855,344,298,448

## III Valuation and translation adjustments

Valuation difference on shares of affiliated companies	30,610,952,607	
Valuation difference on available-for-sale securities	3,709,518,036	
Deferred gains or losses on hedges	(29,567,258,444)	
Total valuation and translation adjustments		4,753,212,199
Total net assets		10,109,285,351,157
Total liabilities and net assets		14,241,209,817,815

Statement of Administrative Service Operation Cost  
(April 1, 2021–March 31, 2022)

**Finance and Investment Account**

(Unit: Yen)

I	Expenses in the statement of income		
	Expenses related to operations of cooperation through finance and investment	129,546,184,512	
	Extraordinary losses	<u>59,197,123</u>	
	Total expenses in the statement of income		<u>129,605,381,635</u>
II	Administrative service operation cost		<u>129,605,381,635</u>

## Statement of Income

(April 1, 2021–March 31, 2022)

### Finance and Investment Account

(Unit: Yen)

#### Ordinary expenses

Expenses related to operations of cooperation  
through finance and investment

Interest on bonds and notes	8,430,961,579	
Interest on borrowings	12,509,637,669	
Interest on interest rate swaps	5,435,940,977	
Other interest expenses	67,318	
Operations outsourcing expenses	22,888,556,030	
Bond issuance cost	527,290,288	
Personnel expenses	4,145,189,420	
Provision for bonuses	330,790,893	
Retirement benefit expenses	293,620,196	
Operating and administrative expenses	13,650,260,484	
Depreciation	1,964,830,545	
Taxes	93,976,550	
Loss on valuation of investment securities	391,379,462	
Interest expenses	(16,913)	
Provision for allowance for loan losses	50,856,566,454	
Other operating expenses	8,020,349,570	
Other ordinary expenses	6,783,990	129,546,184,512
Total ordinary expenses		129,546,184,512

#### Ordinary revenues

Revenues from operations of cooperation through  
finance and investment

Interest on loans	118,545,105,332	
Dividends on investments	14,034,564,942	
Interest on interest rate swaps	111,743,010	
Commissions	3,314,528,015	
Foreign exchange gains	1,773,461,572	
Gain on valuation of shares of affiliated companies	316,229,800	
Gain on investment in money held in trust	11,772,427,773	
Reversal of provision for allowance for contingent losses	691,641,612	
Other ordinary revenues	863,392,869	151,423,094,925

#### Financial revenues

Interest income	34,164,272	34,164,272
Miscellaneous income		926,529,774
Recoveries of written-off claims		29,898,865
Total ordinary revenues		152,413,687,836
Ordinary income		22,867,503,324

#### Extraordinary losses

Loss on disposal of non-current assets	58,674,897	
Loss on sales of non-current assets	522,226	59,197,123

#### Extraordinary income

Gain on sales of non-current assets	2,838,796	2,838,796
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Net income		22,811,144,997
Total income for the current fiscal year		22,811,144,997

(Unit: Yen)

(Unit: Yen)

Statement of Cash Flows  
(April 1, 2021–March 31, 2022)

**Finance and Investment Account**

(Unit: Yen)

I. Cash flows from operating activities	
Payments for loans	(1,361,044,493,864)
Repayments of borrowings from the private sector	(15,715,480,000)
Repayments of borrowings from government fund for Fiscal Investment and Loan Program	(104,069,412,000)
Redemption of bonds	(10,000,000,000)
Interest expenses paid	(23,347,618,834)
Payments for personnel expenses	(4,824,341,281)
Payments for other operations	(68,977,774,057)
Proceeds from collection of loans	685,753,407,308
Proceeds from borrowings from the private sector	15,675,632,000
Proceeds from borrowings from government fund for Fiscal Investment and Loan Program	524,100,000,000
Proceeds from issuance of bonds	122,743,211,692
Proceeds from interest on loans	106,073,518,374
Proceeds from commissions	3,066,344,462
Proceeds from other operations	23,570,510,591
Subtotal	(106,996,495,609)
Interest and dividend income received	14,068,930,504
Net cash used in operating activities	(92,927,565,105)
II. Cash flows from investing activities	
Payments for purchase of non-current assets	(1,866,720,800)
Proceeds from sales of non-current assets	6,394,049
Payments for purchase of investment securities	(4,456,887,053)
Proceeds from sales and redemption of investment securities	272,704,726
Payments for purchase of shares of affiliated companies	(418,579,668)
Payments for increase of money held in trust	(18,239,146,474)
Proceeds from decrease of money held in trust	7,156,265,126
Payments into time deposits	(90,855,548,000)
Proceeds from time deposit refund	90,691,506,000
Net cash used in investing activities	(17,710,012,094)
III. Cash flows from financing activities	
Repayments of lease obligations	(70,195,648)
Receipts of government investment	47,020,000,000
Net cash provided by financing activities	46,949,804,352
IV. Effect of exchange rate fluctuation on funds	2,055,249,237
V. Net increase (decrease) in funds	(61,632,523,610)
VI. Funds at the beginning of the fiscal year	220,490,351,756
VII. Funds at the end of the fiscal year	158,857,828,146

## **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**

Effective the year ended March 31, 2022, JICA adopted the “Accounting Standards for Incorporated Administrative Agencies and Notes to Accounting Standards for Incorporated Administrative Agencies” (February 16, 2000 (Revised September 21, 2021), and the “Q&A on Accounting Standards for Incorporated Administrative Agencies and Notes to Accounting Standards for Incorporated Administrative Agencies” (August 2000 (Last revised March 2022)).

### **1. Depreciation method**

#### **(1) Tangible assets (except for leased 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 leased assets)**

Straight-line method

Software used by JICA is depreciated over its useful life (5 years).

#### **(3) Leased assets**

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

### **2. Provision 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 fiscal year.

### **3. Provision 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 fiscal year ended March 31, 2022. 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 is as follows:

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

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

#### **4. Basis and standard for the accrual of allowance and loss contingencies**

##### **(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 fiscal year ended March 31, 2022.

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 and an allowance is provided based on the results of the assessments. In addition, these self-assessments results are reviewed by the internal audit department, which is independent from the operational departments.

##### **(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) Shares of affiliated companies**

Shares of affiliated companies are recognized at an amount equivalent to JICA's percentage share of the net assets of such companies based upon the most recent financial statements.

If the acquisition cost based on the moving average method exceeds the fair value, the difference between the acquisition cost and the fair value is treated as a loss for the fiscal year and recorded in Statement of Income. If the fair value exceeds the acquisition cost based on the moving average method, the difference between the acquisition cost and the fair value is included directly in Net assets.

### **(2) Other investment securities**

#### **[1] Securities whose fair value can be readily determined**

Such investment securities are stated at fair value with changes in net unrealized gains or losses included directly in Valuation and translation adjustments of Net assets. Cost of securities sold is determined by the moving average method.

#### **[2] Securities whose fair value cannot be readily determined**

Such investment securities are carried at cost based on the moving average method. Cost of securities sold is determined by 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.

### **(3) Securities held as trust assets in money-held-in trust account**

The securities are valued in the same way as (2) above.

## **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 monetary claims and liabilities are translated into Japanese yen mainly at the spot exchange rate at the balance sheet date. Exchange differences are recognized in profit or loss.

## **9. Method of hedge accounting**

### **(1) Method of hedge accounting**

Interest rate swaps are accounted for using the deferral hedge accounting method or the exceptional accrual method. Currency swaps are accounted for by the assignment method.

(2) Hedging instruments and hedged items

[1] Hedging instruments...Interest rate swaps

Hedged items...Loans and foreign currency bonds

[2] Hedging instruments...Currency swaps

Hedged items...Foreign currency loans and foreign currency bonds

(3) Hedging policy

JICA enters into interest rate swaps or 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.

As for interest rate swaps that satisfy the requirements of the exceptional accrual method and currency swaps that satisfy the requirements of the assignment method, JICA is not required to periodically evaluate hedge effectiveness.

**10. Accounting treatment for consumption taxes**

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

(Change in presentation)

Effective the fiscal year ended March 31, 2022, "Accounting Standards for Incorporated Administrative Agencies and Notes to Accounting Standards for Incorporated Administrative Agencies" (February 16, 2000 (Revised September 21, 2021)) have been adopted, and notes regarding significant accounting estimates are presented.

## 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    ¥20,000,000,000

##### 2. Financial assets received as collateral

The fair value of financial assets received as collateral at JICA's disposal was ¥5,636,260,765.

##### 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, 2022 was ¥7,069,840,587,231.

#### (Statement of Administrative Service Operation Cost)

##### 1. Cost being borne by the public for the operation of Incorporated Administrative Agency

Administrative service operation cost	¥129,605,381,635
Self-revenues, etc.	¥(152,416,526,632)
Opportunity cost	¥17,278,500,012
Cost being borne by the public for the operation of Incorporated Administrative Agency	¥(5,532,644,985)

##### 2. Method for computing opportunity cost

###### (1) Interest rate used to compute opportunity cost concerning government investment

0.210% with reference to the yield of 10-year fixed-rate Japanese government bonds at March 31, 2022.

###### (2) Method for computing opportunity cost for public officers temporarily transferred to JICA

Of the estimated increase in retirement allowance during service rendered in JICA, costs are calculated in accordance with JICA's internal rules.

#### (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, 2022)

Cash and deposits	¥158,857,828,146
Time deposits	¥0
Ending balance of funds	¥158,857,828,146

## 2. Description of significant non-cash transactions

Assets acquired under finance leases

## Tools, furniture, and fixtures

¥223,436,840

**(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 entered into 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 the Developing Area, and are exposed to credit risk attributed to defaults by its borrowers and interest rate risk. Securities, investment securities, shares of affiliated companies and money held in trust are held for policy-oriented purposes, and are exposed to credit risk of issuers and others, 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 and trustees of money held in trust 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 of Japan.

## [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*1	Fair value*1	Difference
(1) Loans	14,053,147,276,242		
Allowance for loan losses	(227,219,120,887)		
	13,825,928,155,355	13,987,488,488,888	161,560,333,533
(2) Claims probable in bankruptcy, claims probable in rehabilitation, and others	87,062,884,239		
Allowance for loan losses	(87,062,884,239)		
	-	-	-
(3) Borrowings from government fund for FILP (including current portion of borrowings)	(3,042,782,574,000)	(3,030,513,982,347)	12,268,591,653
(4) Bonds (including current portion of bonds)	(1,045,323,560,000)	(1,075,208,367,690)	(29,884,807,690)
(5) Derivative transactions*2			
Derivative transactions not qualifying for hedge accounting	(9,724,561,801)	(9,724,561,801)	-
Derivative transactions qualifying for hedge accounting*3	(4,759,664,908)	(4,759,664,908)	-
	(14,484,226,709)	(14,484,226,709)	-

\*1 Liabilities are shown in parentheses ( ).

\*2 Derivatives transactions recorded in Assets and Liabilities are netted, these derivatives after netting are presented above. The figures in parentheses ( ) indicate net liabilities.

\*3 Interest rate swaps and other derivatives designated as hedging instruments to offset market fluctuations in the hedged items, specifically loans. Deferral hedge accounting is applied to such derivative transactions. JICA has adopted the "Practical Solution on the Treatment of Hedge Accounting for Financial Instruments Referencing LIBOR" (Accounting Standards Board of Japan Practical Issues Task Force No. 40, March 17, 2022) to these hedging relationships.

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

### [1] Loans

The 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. As for hedged loans for which the assignment method is applied, the fair value of such currency swaps is applied.

### [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 current portion of borrowings)

The fair value of borrowings from government fund for FILP (including current portion of borrowings) 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] Bonds (including current portion of bonds)

The fair value of bonds (including current portion of bonds) is determined using market observable prices, if available. For bonds without market observable prices, the fair values are calculated by discounting contractual cash flows at the risk free rate. As for hedged bonds for which the exceptional accrual method and assignment method are applied, the fair value of such interest rate swaps and currency swaps is applied.

[5] Derivative transactions

Derivative transactions are interest rate-related transactions (interest rate swaps), and fair values are based on discounted present values. Interest rate swaps for which the exceptional accrual method is applied and currency swaps for which the assignment method is applied are accounted for together with the corresponding loan or bond. The fair value of these hedging instruments is included in the fair value of the underlying loans or bonds.

(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	11,255,014,268
Shares of affiliated companies *1	78,868,480,608
Money held in trust *2	83,558,735,463
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 the trust for which it is 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 Area 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	83,558,735,463	72,995,670,710	10,563,064,753	10,563,064,753	0

(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 fiscal year	6,541,196,827
Current service cost	269,964,619
Interest cost	33,777,385
Actuarial differences	36,758,900
Retirement benefit paid	(320,806,887)
Past service cost	0
Contribution by employees	16,615,323
Retirement benefit obligation at the end of the fiscal year	6,577,506,167

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

	(Unit: Yen)
Plan assets at the beginning of the fiscal year	2,700,339,445
Expected return on plan assets	54,006,789
Actuarial differences	5,539,551
Contribution by the company	111,589,657
Retirement benefit paid	(104,412,577)
Contribution by employees	16,615,323
Plan assets at the end of the fiscal year	2,783,678,188

(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	2,851,785,754
Plan assets	(2,783,678,188)
Unfunded benefit obligations of funded pension plan	68,107,566
Unfunded benefit obligations of unfunded pension plan	3,725,720,413
Subtotal	3,793,827,979
Unrecognized actuarial differences	0
Unrecognized past service cost	0
Net amount of assets and liabilities in the balance sheets	3,793,827,979
Provision for retirement benefits	3,793,827,979
Prepaid pension expenses	0
Net amount of assets and liabilities in the balance sheets	3,793,827,979

(4) Components of retirement benefit expenses

	(Unit: Yen)
Current service cost	269,964,619
Interest cost	33,777,385
Expected return on plan assets	(54,006,789)
Realized actuarial differences	31,219,349
Amortization of past service cost	0
Extraordinary additional retirement payments	0
Total	280,954,564

(5) Major components of plan assets

Percentages of components to the total are as follows:

Bonds	39%
Stocks	46%
General account of life insurance company	4%
Others	11%
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, the actual historical returns, and market condition, etc.

(7) Assumptions used

Principal assumptions used in actuarial calculations at the end of the fiscal year		
Discount rate	Defined benefit corporate pension plan	0.23%
	Retirement benefits	0.74%
Long-term expected rate of return on plan assets		2.00%

3. Defined contribution plan

The amount of contribution required to be made to the defined contribution plan is ¥12,665,632.

**(Lease transactions)**

Future minimum lease payments related to operating lease transactions

N/A

**(Asset retirement obligations)**

1. Overview of asset retirement obligations

In accordance with a building lease agreement, JICA has the obligation to restore the head office building to its original state. Restoration costs are reasonably estimated and recognized as asset retirement obligations.

2. Amount and calculation method of asset retirement obligations

The estimate for the asset retirement obligations assumes a five-year lease period for the projected period of use and a discount rate between (0.048)% and 0.529%.

3. Changes in the total amount of asset retirement obligations in the current fiscal year

(Unit: Yen)

Balance at the beginning of the fiscal year	105,610,150
Increase related to acquisition of tangible assets	-
Adjustment resulting from passage of time	(16,913)
Decrease due to settlement of asset retirement obligations	-
Balance at the end of the fiscal year	105,593,237

**(Significant accounting estimates)**

The items for which amounts have been recorded in the financial statements for the current fiscal year based on accounting estimates and which may have a significant impact on the financial statements for the following fiscal year are as follows.

▪ Allowance for loan losses and Provision for contingent losses

1. Amount recorded in the financial statements for the current fiscal year

(Unit: Yen)

Allowance for loan losses	314,282,005,126
Provision for contingent losses	2,197,749,854

2. Information about the nature of significant accounting estimates for the identified items

(1) Calculation method

The calculation method of the Allowance for loan losses and Provision for contingent losses is described in "Significant Accounting Policies, 4. Basis and standard for the accrual of allowance and loss contingencies" in the financial statements.

In the course of operations of finance and investment cooperation, JICA is exposed to various risks such as credit risk, market risk, liquidity risk, and operational risk, and JICA may incur losses due to these risks. To address the credit risk, the risk of JICA incurring loss arising from a reduction in, or diminishment of, asset value attributable to a deterioration in debtors' financial condition and for other reasons, JICA calculates an expected loss amount and records it as Allowance for loan losses and Provision for contingent losses. JICA engages in significant financial cooperation operations with overseas governments and governmental institutions, and

therefore, sovereign risk is a relatively significant part of the credit risk that JICA is exposed to in connection with these operations.

Allowance for loan losses and Provision for contingent losses is calculated in accordance with JICA's internal rules for self-assessment of asset quality and internally established standards. The calculation process includes the determination of the debtors' classification based on the evaluation of debtors' solvency in consideration of their financial condition, future prospects, and other relevant factors.

## **(2) Key Assumptions**

Key assumption is the debtors' future prospects used in the determination of the debtors' classification. The future prospects of debtors used in the debtors' classification determination are affected by changes in their political situations and economic conditions. Therefore, JICA's estimation and judgment are reassessed and modified whenever the debtors' political situations and economic conditions change or new information becomes available.

In particular, since the status of economic recovery from the impact of COVID-19 pandemic vary across countries, as well as the impact of the situation in Ukraine, JICA takes into account the outlooks announced by the International Monetary Fund (IMF). The impact of political situations and economic conditions on the certainty of debt repayment in each country is assessed based on the actual circumstances of each country.

## **(3) Impact on the financial statements for the following fiscal year**

The situation related to the COVID-19 pandemic and Ukraine as well as the political situation and economic condition of each country are expected to remain highly uncertain worldwide.

Accordingly, if the debtors' financial condition changes beyond current expectations over the medium to long term, it may have a significant impact on allowance for loan losses and provision for contingent losses in the financial statements for the following fiscal year.

## **(Significant contractual liabilities)**

Contract liabilities JICA is obliged to pay during the next fiscal year and thereafter are ¥6,005,624,642.

## **(Significant subsequent events)**

N/A

The Accompanying Supplementary Schedules  
Finance and Investment Account

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

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 losses			Net assets at the end of the period	Remarks
							Depreciation during the period		Impairment losses during the period	Impairment losses not included in expenses		
Tangible assets (Depreciation included in expenses)	Buildings	4,086,985,275	220,297,694	274,966,714	4,032,316,255	1,336,792,470	129,034,573	581,939,170	0	0	2,113,584,615	
	Structures	98,256,953	0	0	98,256,953	39,537,130	4,585,782	11,670,468	0	0	47,049,355	
	Machinery and equipment	200,923,736	164,608	407,812	200,680,532	82,293,586	2,968,349	102,287,680	0	0	16,099,266	
	Vehicles	588,241,740	36,267,432	35,073,761	589,435,411	347,975,585	66,427,406	0	0	0	241,459,826	
	Tools, furniture, and fixtures	331,486,219	243,577,289	10,821,694	564,241,814	279,727,780	82,494,719	0	0	0	284,514,034	
Tangible assets (Non-depreciable assets)	Total	5,305,893,923	500,307,023	321,269,981	5,484,930,965	2,086,326,551	285,510,829	695,897,318	0	0	2,702,707,096	
	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	3,528,634	51,829,811	3,528,634	51,829,811	0	0	0	0	0	51,829,811	
Total tangible assets	Total	12,706,798,634	51,829,811	3,528,634	12,755,099,811	0	0	6,091,196,973	0	0	6,663,902,838	
	Buildings	4,086,985,275	220,297,694	274,966,714	4,032,316,255	1,336,792,470	129,034,573	581,939,170	0	0	2,113,584,615	
	Structures	98,256,953	0	0	98,256,953	39,537,130	4,585,782	11,670,468	0	0	47,049,355	
	Machinery and equipment	200,923,736	164,608	407,812	200,680,532	82,293,586	2,968,349	102,287,680	0	0	16,099,266	
	Vehicles	588,241,740	36,267,432	35,073,761	589,435,411	347,975,585	66,427,406	0	0	0	241,459,826	
	Tools, furniture, and fixtures	331,486,219	243,577,289	10,821,694	564,241,814	279,727,780	82,494,719	0	0	0	284,514,034	
	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	3,528,634	51,829,811	3,528,634	51,829,811	0	0	0	0	0	51,829,811	
Intangible assets (Depreciation included in expenses)	Total	18,012,692,557	552,136,834	324,798,615	18,240,030,776	2,086,326,551	285,510,829	6,787,094,291	0	0	9,366,609,934	
	Trademark rights	731,316	0	0	731,316	626,867	59,684	0	0	0	104,449	
	Software	8,426,246,841	214,848,298	0	8,641,095,139	5,930,736,504	1,679,260,032	0	0	0	2,710,358,635	
Intangible assets (Non-depreciable assets)	Total	8,426,978,157	214,848,298	0	8,641,826,455	5,931,363,371	1,679,319,716	0	0	0	2,710,463,084	
	Trademark rights	0	1,084,765	0	1,084,765	0	0	0	0	0	1,084,765	
	Software in progress	840,974,714	1,409,728,296	84,834,101	2,165,868,909	0	0	0	0	0	2,165,868,909	
Total intangible assets	Total	840,974,714	1,410,813,061	84,834,101	2,166,953,674	0	0	0	0	0	2,166,953,674	
	Trademark rights	731,316	1,084,765	0	1,816,081	626,867	59,684	0	0	0	1,189,214	
	Software	8,426,246,841	214,848,298	0	8,641,095,139	5,930,736,504	1,679,260,032	0	0	0	2,710,358,635	
	Software in progress	840,974,714	1,409,728,296	84,834,101	2,165,868,909	0	0	0	0	0	2,165,868,909	
	Total	9,267,952,871	1,625,661,359	84,834,101	10,808,780,129	5,931,363,371	1,679,319,716	0	0	0	4,877,416,758	
Investments and other assets	Investment securities	6,644,809,096	4,873,985,905	263,780,733	11,255,014,268	0	0	0	0	0	11,255,014,268	
	Shares of affiliated companies	76,088,813,760	2,779,666,848	0	78,868,480,608	0	0	0	0	0	78,868,480,608	
	Money held in trust	60,952,968,634	26,891,369,147	4,285,602,318	83,558,735,463	0	0	0	0	0	83,558,735,463	
	Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239	0	0	87,062,884,239	0	0	0	0	0	87,062,884,239	
	Allowance for loan losses (non-current)	(87,062,884,239)	0	0	(87,062,884,239)	0	0	0	0	0	(87,062,884,239)	
	Long-term prepaid expenses	5,356,202	1,298,470	5,138,283	1,516,391	0	0	0	0	0	1,516,391	
	Long-term guarantee deposits	682,576,867	14,533,203	7,924,785	689,185,285	0	0	0	0	0	689,185,285	
	Total	144,374,524,559	34,560,853,575	4,562,446,119	174,372,932,015	0	0	0	0	0	174,372,932,015	

## (2) Details of securities

Securities recorded under investments and other assets

(Unit : Yen)

	Name	Acquisition cost	Amount equivalent to JICA's percentage share of the net assets of the affiliated companies	Balance sheet amount	Valuation difference recognized in the Statement of Income of the period	Valuation difference on shares of affiliated companies	Remarks
Shares of affiliated companies	Sumatra Pulp Corporation	2,758,289,455	1	1	0	0	
	Japan Saudi Arabia Methanol Co., Inc.	7,149,297,104	22,685,768,506	22,685,768,506	0	15,536,471,402	
	SPDC Ltd.	7,269,880,619	21,482,078,061	21,482,078,061	0	14,212,197,442	
	KAFCO Japan Investment Co., Ltd.	2,436,204,983	2,437,327,066	2,437,327,066	0	1,122,083	
	Nippon Amazon Aluminum Co., Ltd.	25,066,535,300	24,251,320,066	24,251,320,066	303,938,241	0	
	JAPAN ASEAN Women Empowerment Fund	6,454,158,320	7,315,320,000	7,315,320,000	0	861,161,680	
	Ship Aichi Medical Service Limited	748,809,600	696,666,908	696,666,908	12,291,559	0	
	Total	51,883,175,381	78,868,480,608	78,868,480,608	316,229,800	30,610,952,607	
Other investment 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
	HBL Microfinance Bank Limited	218,880,000	-	161,155,200	0	(57,724,800)	
	Myanmar Japan Thilawa Development Ltd.	321,372,900	-	329,189,400	0	7,816,500	
	Gojo & Company, Inc.	999,997,307	-	999,997,307	0	0	
	WASSHA Inc.	29,203,406	-	29,203,406	0	0	
	MGM Sustainable Energy Fund L.P.	1,096,388,305	-	994,773,481	(189,843,933)	88,229,109	
	IFC Middle East and North Africa Fund, LP	1,021,896,165	-	1,153,414,017	22,018,977	109,498,875	
	MGM Sustainable Energy Fund II L.P.	2,572,473,052	-	2,620,941,089	(229,111,789)	277,579,826	
	I&P Afrique Entrepreneurs II LP	286,529,908	-	279,625,926	(25,784,394)	18,880,412	
	WWB Capital Partners II, L.P.	449,978,029	-	488,554,911	(12,237,688)	50,814,570	
	Covid-19 Emerging and Frontier Markets MSME Support Fund	2,773,607,359	-	3,213,753,430	46,387,782	393,758,289	
	Rebright Partners IV Investment Limited Partnership	114,432,500	-	118,465,872	(2,808,417)	6,841,789	
	SVL-SME Fund	534,695,339	-	561,135,229	0	26,439,890	
	Sanergy, Inc.	278,410,000	-	304,805,000	0	26,395,000	
	Total	10,697,864,270	-	11,255,014,268	(391,379,462)	948,529,460	
Total balance sheet amount				90,123,494,876			

\*Acquisition cost of Other investment 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 for the previous term.

\*The First MicroFinanceBank Ltd. changed its name to HBL Microfinance Bank Limited on January 12, 2022.

## (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	13,341,709,724,403	1,400,826,015,318	689,388,463,479	0	14,053,147,276,242	
Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239	0	0	0	87,062,884,239	
Total	13,428,772,608,642	1,400,826,015,318	689,388,463,479	0	14,140,210,160,481	

## (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	2,622,751,986,000	524,100,000,000	104,069,412,000	3,042,782,574,000 (96,877,708,000)	0.438	October 2022- July 2061	

\* 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	Translation Adjustments	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 ( 0)	2.470	September 2028	
FILP Agency Bonds (2nd)	30,000,000,000	0	0	—	30,000,000,000 ( 0)	2.341	June 2029	
FILP Agency Bonds (3rd)	20,000,000,000	0	0	—	20,000,000,000 ( 0)	2.134	December 2029	
FILP Agency Bonds (4th)	20,000,000,000	0	0	—	20,000,000,000 ( 0)	2.079	June 2030	
FILP Agency Bonds (5th)	20,000,000,000	0	0	—	20,000,000,000 ( 0)	1.918	September 2030	
FILP Agency Bonds (6th)	20,000,000,000	0	0	—	20,000,000,000 ( 0)	2.098	December 2030	
FILP Agency Bonds (7th)	20,000,000,000	0	0	—	20,000,000,000 ( 0)	1.991	June 2031	
FILP Agency Bonds (8th)	15,000,000,000	0	0	—	15,000,000,000 ( 0)	1.554	September 2026	
FILP Agency Bonds (9th)	5,000,000,000	0	0	—	5,000,000,000 ( 0)	2.129	September 2041	
FILP Agency Bonds (11th)	10,000,000,000	0	10,000,000,000	—	0 0	1.140	December 2021	
FILP Agency Bonds (12th)	10,000,000,000	0	0	—	10,000,000,000 (10,000,000,000)	0.901	June 2022	
FILP Agency Bonds (13th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	1.752	June 2032	
FILP Agency Bonds (14th)	10,000,000,000	0	0	—	10,000,000,000 (10,000,000,000)	0.825	September 2022	
FILP Agency Bonds (15th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	1.724	September 2032	
FILP Agency Bonds (17th)	10,000,000,000	0	0	—	10,000,000,000 (10,000,000,000)	0.720	December 2022	
FILP Agency Bonds (18th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.868	June 2023	
FILP Agency Bonds (19th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	1.725	June 2033	
FILP Agency Bonds (20th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.787	September 2023	
FILP Agency Bonds (21st)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	1.734	September 2033	
FILP Agency Bonds (23rd)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.684	February 2024	
FILP Agency Bonds (24th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.655	June 2024	
FILP Agency Bonds (25th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	1.520	June 2034	
FILP Agency Bonds (26th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.588	September 2024	
FILP Agency Bonds (27th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	1.451	September 2034	
FILP Agency Bonds (29th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.583	June 2025	
FILP Agency Bonds (30th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	1.299	June 2035	
FILP Agency Bonds (31st)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.530	September 2025	
FILP Agency Bonds (32nd)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	1.212	September 2035	
FILP Agency Bonds (33rd)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	1.130	December 2035	
FILP Agency Bonds (34th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.245	February 2026	
FILP Agency Bonds (35th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.080	June 2026	
FILP Agency Bonds (36th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.313	June 2036	
FILP Agency Bonds (37th)	20,000,000,000	0	0	—	20,000,000,000 ( 0)	0.100	September 2026	
FILP Agency Bonds (38th)	15,000,000,000	0	0	—	15,000,000,000 ( 0)	0.590	September 2046	
FILP Agency Bonds (39th)	5,000,000,000	0	0	—	5,000,000,000 ( 0)	0.744	February 2037	
FILP Agency Bonds (40th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.220	June 2027	
FILP Agency Bonds (41st)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.602	June 2037	
FILP Agency Bonds (42nd)	20,000,000,000	0	0	—	20,000,000,000 ( 0)	0.597	September 2037	
FILP Agency Bonds (43rd)	20,000,000,000	0	0	—	20,000,000,000 ( 0)	0.625	December 2037	
FILP Agency Bonds (44th)	15,000,000,000	0	0	—	15,000,000,000 ( 0)	0.200	June 2028	
FILP Agency Bonds (45th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.559	June 2038	
FILP Agency Bonds (46th)	20,000,000,000	0	0	—	20,000,000,000 ( 0)	0.664	September 2038	
FILP Agency Bonds (47th)	15,000,000,000	0	0	—	15,000,000,000 ( 0)	0.636	December 2038	
FILP Agency Bonds (48th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.059	June 2029	
FILP Agency Bonds (49th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.333	June 2039	
FILP Agency Bonds (50th)	12,000,000,000	0	0	—	12,000,000,000 ( 0)	0.055	September 2029	
FILP Agency Bonds (51st)	18,000,000,000	0	0	—	18,000,000,000 ( 0)	0.538	December 2049	
FILP Agency Bonds (52nd)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.055	March 2030	
FILP Agency Bonds (53rd)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.160	June 2030	
FILP Agency Bonds (54th)	13,000,000,000	0	0	—	13,000,000,000 ( 0)	0.445	June 2040	
FILP Agency Bonds (55th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.150	September 2030	
FILP Agency Bonds (56th)	12,000,000,000	0	0	—	12,000,000,000 ( 0)	0.459	September 2040	
FILP Agency Bonds (57th)	10,000,000,000	0	0	—	10,000,000,000 ( 0)	0.130	December 2030	
FILP Agency Bonds (58th)	5,000,000,000	0	0	—	5,000,000,000 ( 0)	0.420	December 2040	
FILP Agency Bonds (59th)	0	10,000,000,000	0	—	10,000,000,000 ( 0)	0.125	June 2031	
FILP Agency Bonds (60th)	0	10,000,000,000	0	—	10,000,000,000 ( 0)	0.457	June 2041	
FILP Agency Bonds (61st)	0	10,000,000,000	0	—	10,000,000,000 ( 0)	0.110	September 2031	
FILP Agency Bonds (62nd)	0	10,000,000,000	0	—	10,000,000,000 ( 0)	0.439	September 2041	
FILP Agency Bonds (63rd)	0	10,000,000,000	0	—	10,000,000,000 ( 0)	0.194	January 2032	
FILP Agency Bonds (64th)	0	7,000,000,000	0	—	7,000,000,000 ( 0)	0.533	January 2042	
FILP Agency Bonds (65th)	0	3,000,000,000	0	—	3,000,000,000 ( 0)	0.194	February 2032	
Subtotal	690,000,000,000	60,000,000,000	10,000,000,000	—	740,000,000,000 (30,000,000,000)			

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Security name	Balance at the beginning of the period	Increase during the period	Decrease during the period	Translation Adjustments	Balance at the end of the period	Coupon (%)	Maturity date	Remarks
<b>Government-guaranteed bonds</b>								
Japan International Cooperation Agency Government-guaranteed bonds (2nd)	53,115,800,000 [\$500,000,000]	0 [\$ 0]	0 [\$ 0]	2,342,600,000	55,458,400,000 [\$500,000,000] ( 0)	2.125	October 2026	
Japan International Cooperation Agency Government-guaranteed bonds (3rd)	54,968,150,000 [\$500,000,000]	0 [\$ 0]	0 [\$ 0]	4,099,550,000	59,067,700,000 [\$500,000,000] ( 0)	2.750	April 2027	
Japan International Cooperation Agency Government-guaranteed bonds (4th)	55,022,150,000 [\$500,000,000]	0 [\$ 0]	0 [\$ 0]	4,099,550,000	59,121,700,000 [\$500,000,000] ( 0)	3.375	June 2028	
Japan International Cooperation Agency Government-guaranteed bonds (5th)	55,104,500,000 [\$500,000,000]	0 [\$ 0]	0 [\$ 0]	5,856,500,000	60,961,000,000 [\$500,000,000]	1.000	July 2030	
Japan International Cooperation Agency Government-guaranteed bonds (6th)	0 [\$ 0]	63,921,220,000 [\$580,000,000]	0 [\$ 0]	6,793,540,000	70,714,760,000 [\$580,000,000]	1.750	April 2031	
Subtotal	218,210,600,000 [\$2,000,000,000]	63,921,220,000 [\$580,000,000]	0 [\$ 0]	23,191,740,000	305,323,560,000 [\$2,580,000,000] ( 0)			
Total	908,210,600,000	123,921,220,000	10,000,000,000	23,191,740,000	1,045,323,560,000 (30,000,000,000)			

\* 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
			Intended use	Others		
Provision for bonuses	340,773,166	330,790,893	340,773,166	0	330,790,893	
Provision for contingent losses	2,889,391,466	2,197,749,854	0	2,889,391,466	2,197,749,854	
Total	3,230,164,632	2,528,540,747	340,773,166	2,889,391,466	2,528,540,747	

\* "Decrease during the period (Others) " for the Provision for contingent losses indicates the amount of reversal of the provision after revaluation, etc.

## (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	13,341,709,724,403	711,437,551,839	14,053,147,276,242	176,362,554,433	50,856,566,454	227,219,120,887	
Claims probable in bankruptcy, claims probable in rehabilitation, and other	87,062,884,239	0	87,062,884,239	87,062,884,239	0	87,062,884,239	
Total	13,428,772,608,642	711,437,551,839	14,140,210,160,481	263,425,438,672	50,856,566,454	314,282,005,126	

\* The standard for the accrual 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	6,541,196,827	357,116,227	320,806,887	6,577,506,167	
Retirement benefits	3,673,065,165	269,049,558	216,394,310	3,725,720,413	
Defined benefit corporate pension plan	2,868,131,662	88,066,669	104,412,577	2,851,785,754	
Unrecognized past service cost and unrecognized actuarial differences	0	0	0	0	
Plan assets	2,700,339,445	187,751,320	104,412,577	2,783,678,188	
Provision for retirement benefits	3,840,857,382	169,364,907	216,394,310	3,793,827,979	

## (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	105,610,150	0	16,913	105,593,237	Specified expenses in Accounting Standards for Incorporated Administrative Agencies 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)	1	20,000,000,000	0	0	0	0	1	20,000,000,000	

\* 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 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	53,169	13	2,313	3
Employees	4,547,289	2,024	223,840	104
Total	4,600,459	2,037	226,154	107

(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.


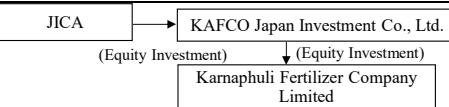


(12) Details of main assets, liabilities, and expenses, other than those mentioned above

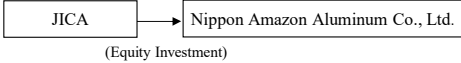
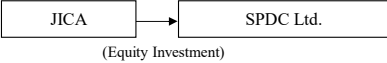
Operating and administrative expenses (Unit: Yen)

Classification	Amount
Operating expenses	5,202,989,689
Information system-related expenses	3,524,786,754
Rent expenses on real estate	925,816,727
Travelling and transportation expenses	552,870,401
Other expenses	3,443,796,913
Total	13,650,260,484

### (13) Details of affiliated companies


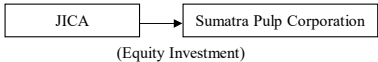
Corporation type and name	(Affiliated companies pursuant to Paragraph 2 (2), Article 120 of the Accounting Standards for Incorporated Administrative Agencies)	(Affiliated companies pursuant to Paragraph 2 (2), Article 120 of the Accounting Standards for Incorporated Administrative Agencies)
Items	KAFCO Japan Investment Co., Ltd.	Karnaphuli Fertilizer Company Limited
Outline of operations	Production of urea and ammonia in Chittagong, People's Republic of Bangladesh	Production of urea and ammonia in Chittagong, People's Republic of Bangladesh
Name of officers	Number of officers: 9 President and CEO: Hiroshi Nakagawa Executive Vice President: Ken Odajima (Deputy Director of Southeast Asia and Oceania of JICA, Seconded) Auditor: Kazuhiko Ueno (Senior Advisor of Loan, Grant and General Administration Department of JICA, Seconded)	-
Association chart on transactions between affiliated companies and JICA	 <pre> graph LR     JICA -- "(Equity Investment)" --&gt; KAFCO[KAFCO Japan Investment Co., Ltd.]           </pre>	 <pre> graph TD     JICA -- "(Equity Investment)" --&gt; KAFCO[KAFCO Japan Investment Co., Ltd.]     JICA -- "(Equity Investment)" --&gt; Karnaphuli[Karnaphuli Fertilizer Company Limited]           </pre>
Assets	¥6,186,224,726	-
Liabilities	¥27,282,787	-
Capital	¥5,023,900,000	-
Retained earnings	¥1,135,041,939	-
Operating revenues	¥994,491,126	-
Ordinary (loss) income	¥878,014,152	-
Net (loss) income	¥777,355,041	-
Unappropriated (loss) income for the current fiscal year	¥1,004,420,539	-
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	- Number of company shares owned by JICA: 46,606 shares - Acquisition cost: ¥2,436,204,983 - Balance sheet amount: ¥2,437,327,066 (A decrease of ¥58,883,437 from the end of the previous fiscal 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 Developing Area, 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	-
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, 2020, through August 31, 2021.

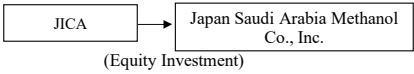
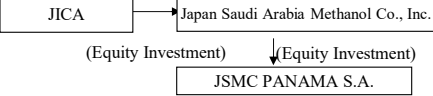
Corporation type and name	(Affiliated companies pursuant to Paragraph 2 (2), Article 120 of the Accounting Standards for Incorporated Administrative Agencies)	(Affiliated companies pursuant to Paragraph 2 (2), Article 120 of the Accounting Standards for Incorporated Administrative Agencies)
Items	Nippon Amazon Aluminum Co., Ltd.	SPDC Ltd.
Outline of operations	Production of alumina and smelting ammonium in the State of Para, Federative Republic of Brazil	Production and sales of ethylene glycol and other petrochemical products in the Al Jubail Industrial Area, Eastern Province of Kingdom of Saudi Arabia
Name of officers	Number of officers: 13 President and CEO: Kenji Kobayashi Auditor: Akio Saito (Director General of Hokkaido Center of JICA, Seconded)	Number of officers: 18 President and CEO: Tsuyoshi Hagiwara Managing Director: Hajime Takeuchi (Director General of Latin America and the Caribbean Department of JICA, Seconded)
Association chart on transactions between affiliated companies and JICA	 <pre> graph LR     JICA -- "(Equity Investment)" --&gt; NipponAmazon[Nippon Amazon Aluminum Co., Ltd.] </pre>	 <pre> graph LR     JICA -- "(Equity Investment)" --&gt; SPDC[SPDC Ltd.] </pre>
Assets	¥56,550,098,335	¥106,877,958,879
Liabilities	¥347,486,458	¥25,692,827,971
Capital	¥53,314,532,130	¥14,200,000,000
Retained earnings	¥2,888,079,747	¥66,985,130,908
Operating revenues	¥3,301,793,035	¥37,320,958,086
Ordinary (loss) income	¥2,889,289,747	¥36,055,461,424
Net (loss) income	¥2,888,079,747	¥33,358,824,320
Unappropriated (loss) income for the current fiscal year	¥2,888,079,747	¥44,935,130,908
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	<ul style="list-style-type: none"> <li>- Number of company shares owned by JICA: 496,652,800 shares</li> <li>- Acquisition cost: ¥25,066,535,300</li> <li>- Balance sheet amount: ¥24,251,320,066 (An increase of ¥303,938,241 from the end of the previous fiscal year)</li> <li>- Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency</li> <li>- 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 Developing Area, 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.</li> <li>- Purpose of investment: Capital contribution to the smelting of alumina and aluminum</li> <li>- Date of the initial investment: August 29, 1978</li> </ul>	<ul style="list-style-type: none"> <li>- Number of company shares owned by JICA: 2,107,500 shares</li> <li>- Acquisition cost: ¥7,269,880,619</li> <li>- Balance sheet amount: ¥21,482,078,061 (A decrease of ¥56,834,110 from the end of the previous fiscal year)</li> <li>- Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency</li> <li>- 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 Developing Area, 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.</li> <li>- Purpose of investment: Capital contribution to the manufacturing of ethylene glycol and other petrochemical products</li> <li>- Date of the initial investment: June 17, 1981</li> </ul>
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, 2021, through December 31, 2021.

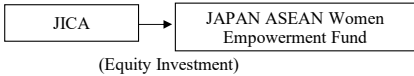
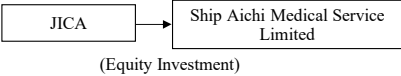
(Note)The above amount pertains to the period from January 1, 2021, through December 31, 2021.

Corporation type and name	(Affiliated companies pursuant to Paragraph 2 (2), Article 120 of the Accounting Standards for Incorporated Administrative Agencies)	(Affiliated companies pursuant to Paragraph 2 (2), Article 120 of the Accounting Standards for Incorporated Administrative Agencies)
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, Eastern Province of Kingdom of Saudi Arabia	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, Republic of Indonesia
Name of officers	-	Number of officers: 6  President and CEO: Takahiro Horita Executive Vice President:: Kazuhiko Ueno (Senior Advisor of Loan, Grant and General Administration Department of JICA, Seconded)
Association chart on transactions between affiliated companies and JICA	 <pre> graph TD     JICA -- "(Equity Investment)" --&gt; SPDC_Ltd[SPDC Ltd.]     SPDC_Ltd -- "(Equity Investment)" --&gt; EPCE[Eastern Petrochemical Company]           </pre>	 <pre> graph LR     JICA -- "(Equity Investment)" --&gt; SPC[Sumatra Pulp Corporation]           </pre>
Assets	-	¥23,416,842
Liabilities	-	¥827,013,884
Capital	-	¥100,000,000
Retained earnings	-	(¥903,597,042)
Operating revenues	-	¥65,222,375
Ordinary (loss) income	-	(¥28,692,989)
Net (loss) income	-	(¥28,872,989)
Unappropriated (loss) income for the current fiscal year	-	(¥903,597,042)
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	-	<ul style="list-style-type: none"> <li>- Number of company shares owned by JICA: 114,032 shares</li> <li>- Acquisition cost: ¥2,758,289,455</li> <li>- Balance sheet amount: ¥1 (No changes from the end of the previous fiscal year)</li> <li>- Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency</li> <li>- 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 Developing Area, 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.</li> <li>- Purpose of investment: Capital contribution to the pulp manufacturing business</li> <li>- Date of the initial investment: April 21, 1995</li> </ul>
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, 2020, through March 31, 2021.

Corporation type and name	(Affiliated companies pursuant to Paragraph 2 (2), Article 120 of the Accounting Standards for Incorporated Administrative Agencies)	(Affiliated companies pursuant to Paragraph 2 (2), Article 120 of the Accounting Standards for Incorporated Administrative Agencies)
Items	Japan Saudi Arabia Methanol Co., Inc.	JSMC PANAMA S.A.
Outline of operations	Production of methanol in the Al-Jubail Industrial Area, Eastern Province of Kingdom of Saudi Arabia	Transportation of methanol business
Name of officers	Number of officers: 12  Chairman: Nariyuki Nagaoka President and CEO: Jun Otake Managing Director and General Manager of the General Affairs Department: Hideyuki Maruoka (Senior Deputy Director General of Infrastructure Engineering Department of JICA, Seconded) Full-time auditor: Yasuo Fujita (Deputy Director of the Institute of JICA, Seconded)	-
Association chart on transactions between affiliated companies and JICA	 <pre> graph LR   JICA -- "(Equity Investment)" --&gt; JSAMC[Japan Saudi Arabia Methanol Co., Inc.]           </pre>	 <pre> graph LR   JICA -- "(Equity Investment)" --&gt; JSAMC[Japan Saudi Arabia Methanol Co., Inc.]   JSAMC -- "(Equity Investment)" --&gt; JSMC[JSMC PANAMA S.A.]           </pre>
Assets	¥163,825,432,525	-
Liabilities	¥88,962,396,454	-
Capital	¥2,310,000,000	-
Retained earnings	¥72,834,625,071	-
Operating revenues	¥60,010,070,304	-
Ordinary (loss) income	¥5,320,729,954	-
Net (loss) income	¥4,883,789,856	-
Unappropriated (loss) income for the current fiscal year	¥70,105,614,363	-
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	<ul style="list-style-type: none"> <li>- Number of company shares owned by JICA: 1,386,000 shares</li> <li>- Acquisition cost: ¥7,149,297,104</li> <li>- Balance sheet amount: ¥22,685,768,506 (An increase of ¥1,479,936,320 from the end of the previous fiscal year)</li> <li>- Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency</li> <li>- 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 Developing Area, 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.</li> <li>- Purpose of investment: Capital contribution to the methanol manufacturing business</li> <li>- Date of the initial investment: December 17, 1979</li> </ul>	-
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, 2021, through December 31, 2021.

Corporation type and name	(Affiliated companies pursuant to Paragraph 2 (2), Article 120 of the Accounting Standards for Incorporated Administrative Agencies)	(Affiliated companies pursuant to Paragraph 2 (2), Article 120 of the Accounting Standards for Incorporated Administrative Agencies)
Items	JAPAN ASEAN Women Empowerment Fund	Ship Aichi Medical Service Limited
Outline of operations	Investment and / or loan to Microfinance Institutes for empowerment of women in ASEAN countries	Establishment and operation of a private general hospital in Dhaka, People's Republic of Bangladesh
Name of officers	Number of officers: 3 Chairperson: Peter Fanconi Director: Christophe Grüning Director: Tetsuro Uemae	Number of officers: 9 Executive Chairman: Dr. Moazzem Hossain Director: Yuho Hayakawa (Chief Representative of JICA Bangladesh Office, Concurrent position)
Association chart on transactions between affiliated companies and JICA		
Assets	¥30,610,512,446	¥6,947,573,236
Liabilities	¥1,227,310,446	¥2,726,518,200
Capital	¥29,383,202,000	¥4,896,336,510
Retained earnings	¥0	(¥675,281,473)
Operating revenues	¥1,719,906,094	¥296,857,455
Ordinary (loss) income	¥825,938,063	(¥286,089,676)
Net (loss) income	¥825,938,063	(¥297,583,558)
Unappropriated (loss) income for the current fiscal year	¥0	(¥675,281,473)
Number of company shares owned by JICA, acquisition cost, balance sheet amount, etc.	<ul style="list-style-type: none"> <li>- Number of company shares owned by JICA: 6,000 shares</li> <li>- Acquisition cost: ¥6,454,158,320</li> <li>- Balance sheet amount: ¥7,315,320,000 (An increase of ¥1,099,218,275 from the end of the previous fiscal year)</li> <li>- Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency</li> <li>- 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 Developing Area, 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.</li> <li>- Purpose of investment: Capital contribution to the fund</li> <li>- Date of the initial investment: October 21, 2016</li> </ul>	<ul style="list-style-type: none"> <li>- Number of company shares owned by JICA: 560,000 shares</li> <li>- Acquisition cost: ¥748,809,600</li> <li>- Balance sheet amount: ¥696,666,908 (An increase of ¥12,291,559 from the end of the previous fiscal year)</li> <li>- Legal basis: Item 2 (b), Paragraph 1, Article 13 of the Act of the Incorporated Administrative Agency - Japan International Cooperation Agency</li> <li>- 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 Developing Area, 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.</li> <li>- Purpose of investment: Capital contribution to the establishment and operation of a private general hospital</li> <li>- Date of the initial investment: May 22, 2019</li> </ul>
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, 2021, through December 31, 2021.

(Note)The above amount pertains to the period from July 1, 2020, through June 30, 2021.