

Financial Conditions

1 Two-Year Financial Statements

1-1 General Account

Balance Sheet

(Unit: Millions of yen)

	As of March 31, 2010	As of March 31, 2011		As of March 31, 2010	As of March 31, 2011
Assets			Liabilities and Net assets		
I Current assets			Liabilities		
Cash and bank deposits	104,944	121,420	I Current liabilities		
Inventories			Management grant liabilities	23,976	30,906
Stored goods	539	448	Funds for grant aid projects	57,826	66,918
Advance payments	8,204	7,712	Donations received	362	392
Prepaid expenses	247	188	Accrued payments	21,924	18,502
Accrued income	48	28	Accrued expense	208	214
Accrued revenues	1,674	1,838	Lease liabilities	96	95
Short-term loans of development investment and financing	702	509	Deposit received	424	250
Allowance for possible loan losses	(1)	(10)	Deferred revenue		0
Short-term loans of migration investment and financing	235	210	Total current liabilities	104,816	117,277
Allowance for possible loan losses	(4)	(2)	II Fixed liabilities		
Consignment goods		11	Property liabilities		
Suspense payments	61	32	Property management grants	1,998	2,036
Advances paid	2	5	Property grants, etc	76	70
Total current assets	116,649	132,389	Long-term lease liabilities	185	119
II Fixed assets			Asset retirement obligation		271
1 Tangible fixed assets			Total fixed liabilities	2,259	2,496
Buildings	47,047	45,669	Total liabilities	107,075	119,773
Accumulated depreciation	(11,529)	(12,726)	Net assets		
Accumulated impairment loss	(1,014)	(128)	I Capital		
Structures	1,590	1,576	Governmental investment	83,333	83,333
Accumulated depreciation	(788)	(818)	Total capital	83,333	83,333
Accumulated impairment loss	(22)		II Capital surplus		
Machines and equipment	201	200	Capital surplus	(506)	(2,610)
Accumulated depreciation	(133)	(131)	Accumulated depreciation not included in expenses	(13,301)	(14,334)
Vehicles and other transportation devices	1,792	1,861	Accumulated impairment loss not included in expenses	(1,540)	(173)
Accumulated depreciation	(1,013)	(1,055)	Accumulated interest expense not included in expenses		(2)
Tools, instruments, and fixtures	2,137	2,091	Total capital surplus	(15,347)	(17,119)
Accumulated depreciation	(1,097)	(1,132)	III Retained earnings		
Land	19,283	18,391	Carryover reserve in the midterm period	2,104	2,092
Accumulated impairment loss	(495)	(36)	Reserve	391	1,696
Construction in process	5	24	Unappropriated income for the current year	1,305	1,129
Total fixed assets	55,962	53,788	[Total income for the current year]	1,305	1,129
2 Intangible fixed assets			Total retained earnings	3,800	4,917
Trademarks	3	2	Total net assets	71,786	71,131
Telephone subscription rights	4	4	Total of liabilities and net assets		
Right to use power plants and other supply facilities	3			178,861	190,904
Total intangible fixed assets	10	7			
3 Investment and other assets					
Long-term deposit	323	323			
Long-term loans of development investment and financing	2,916	2,379			
Allowance for possible loan losses	(3)	(152)			
Long-term loans of migration investment and financing	2,406	1,762			
Allowance for possible loan losses	(1,331)	(1,088)			
Long-term installment principal on sales of settlement	39	31			
Allowance for possible loan losses	(39)	(31)			
Long-term prepaid expenses	11	1			
Guarantee money paid	1,917	1,495			
Total investment and other assets	6,239	4,720			
Total fixed assets	62,212	58,515			
Total assets	178,861	190,904			

Statement of Income

(Unit: Millions of yen)

	April 1, 2009– March 31, 2010	April 1, 2010– March 31, 2011
Ordinary expenses		
Operating expenses		
Expenses for program formulation	7,322	6,700
Expenses for technical cooperation projects	75,131	70,636
Expenses for grant aid projects	367	149
Expenses for public participation based cooperation	21,279	19,619
Expenses for emigration program	409	342
Expenses for disaster relief activities	965	917
Expenses for aid personnel recruitment and training	869	708
Expenses for follow-up cooperation	1,440	1,199
Expenses for project/program evaluation	237	326
Research-related expenses	728	501
Expenses for operation support	7,459	7,427
Expenses for accounting support	27,003	27,735
Expenses for grant aid programs	62,044	90,587
Contracted program expenses	2,360	1,881
Expenses for donation projects	62	12
Depreciation expenses	443	448
General administrative expenses	10,126	8,788
Financial expenses		
Interest expense	1	0
Foreign exchange loss	568	658
Miscellaneous loss	9	19
Total ordinary expenses	218,824	238,652
Ordinary revenues		
Revenues from management grants	152,460	144,254
Revenues from grant aid programs	62,044	90,587
Revenues from contracted programs		
Revenues from contracted programs from Japanese government and the local government agencies	2,309	1,881
Revenues from contracted programs from the other parties	50	1
Revenues from development investment and financing	92	73
Revenues from settlement affairs	11	4
Revenues from migration investment and financing	73	54
Donation revenues	62	12
Transfer from allowance for possible loan losses	253	79
Transfer from liabilities for property management grants	781	485
Transfer from liabilities for property grants	23	22
Financial revenues		
Interest income	98	83
Miscellaneous profits	2,192	2,272
Total ordinary revenues	220,448	239,805
Ordinary profits	1,624	1,153
Extraordinary loss		
Loss on retirement of fixed assets	499	22
Loss on sales of fixed assets	11	15
Extraordinary profits		
Profits on sales of fixed assets	0	2
Net income	1,114	1,117
Reversal of surplus deposits from the previous mid-term period	190	12
Total income for the current year	1,305	1,129

Statement of Cash Flows

(Unit: Millions of yen)

	April 1, 2009– March 31, 2010	April 1, 2010– March 31, 2011
I Cash flow from operating activities		
Payment of operating expenses	(136,161)	(133,722)
Payments for grant aid projects	(61,590)	(89,377)
Payment of contracted program expenses	(2,316)	(1,975)
Payment of personnel costs	(14,875)	(14,628)
Other operation payments	(1,497)	(1,400)
Proceeds from management grants	161,652	151,726
Proceeds from grant aid programs	88,983	99,680
Proceeds from contracted programs	2,602	2,011
Loan interest income	166	138
Proceeds from settlement affairs	22	13
Interest revenues	9	6
Installment principal	14	7
Donation revenues	46	41
Other operation proceeds	1,794	2,632
Subtotal	38,825	15,139
Interest received	115	93
Interest paid	(1)	(0)
Cash flow from operating activities	38,939	15,232
II Cash flow from investing activities		
Payments for purchase of fixed assets	(1,955)	(598)
Proceeds from sales of fixed assets	941	1,242
Payments for loans receivable	(40)	
Proceeds from loans receivable	977	1,136
Putting money for time deposits	(248,723)	(511,000)
Proceeds from time deposit refund	239,800	448,500
Payments for purchase of negotiable certificates of deposit	(16,400)	
Proceeds from negotiable certificates of deposit refunds	16,400	
Cash flow from investing activities	(9,001)	(60,719)
III Cash flow from financing activities		
Repayment of lease liabilities	(98)	(110)
Cash flow from financing activities	(98)	(110)
IV Effect of exchange rate fluctuation on funds	(365)	(426)
V Net increase in funds	29,476	(46,024)
VI Funds at the beginning of year	34,468	63,944
VII Funds at the end of year	63,944	17,920

1-2 Finance and Investment Account

Balance Sheet

(Unit: Millions of yen)

	As of March 31, 2010	As of March 31, 2011		As of March 31, 2010	As of March 31, 2011
Assets			Liabilities		
I Current assets			I Current liabilities		
Cash and bank deposits	14,691	51,393	Borrowings from government fund for Fiscal Investment and Loan Program due within one year	394,775	318,067
Loans	11,054,312	11,051,139	Accrued payments	5,467	4,845
Allowance for possible loan losses	(131,415)	(96,054)	Accrued expense	11,980	11,420
Advance payments	4,606	4,568	Lease liabilities	163	161
Prepaid expenses	96	74	Deposit received	31	441
Accrued income			Allowance for bonuses	199	201
Accrued interest on loans receivable	51,269	47,652	Suspense receipt	128	16
Accrued commitment charges	1,417	673	Total current liabilities	412,744	335,151
Accrued interest receivable	2	2			
Accrued revenues	353	432	II Fixed liabilities		
Consignment goods	-	3	Bonds	80,000	140,000
Suspense payments	9	4	Borrowings from government fund for Fiscal Investment and Loan Program	2,335,395	2,141,775
Advances paid	0	0	Long-term lease liabilities	183	29
Emission reduction assets	151	174	Allowance for retirement benefits	7,371	7,707
Derivatives	-	4,022	Asset retirement obligation	-	69
Total current assets	10,995,490	11,064,082	Total fixed liabilities	2,422,950	2,289,580
			Total liabilities	2,835,694	2,624,731
II Fixed assets			Net assets		
1 Tangible fixed assets			I Capital		
Buildings	3,198	3,298	Governmental investment	7,518,156	7,622,556
Accumulated depreciation	(228)	(391)	Total capital	7,518,156	7,622,556
Accumulated impairment loss	-	(675)			
Structures	59	59	II Retained earnings		
Accumulated depreciation	(7)	(11)	Reserve	590,585	779,252
Accumulated impairment loss	-	(12)	Unappropriated income for the current year	188,666	162,972
Machines and equipment	192	194	[Total income for the current year]	188,666	162,972
Accumulated depreciation	(28)	(41)	Total retained earnings	779,252	942,223
Accumulated impairment loss	-	(102)			
Vehicles and other transportation devices	200	249	III Valuation and translation adjustments		
Accumulated depreciation	(47)	(84)	Net unrealized gains on other securities	(76)	(132)
Tools, instruments, and fixtures	691	726	Deferred gains or losses on hedges	-	4,420
Accumulated depreciation	(235)	(417)	Total valuation and translation adjustments	(76)	4,289
Land	13,873	13,873			
Accumulated impairment loss	-	(6,091)	Total net assets	8,297,331	8,569,068
Construction in process	50	0			
Total fixed assets	17,719	10,575			
2 Intangible fixed assets					
Trademarks	0	0			
Total intangible fixed assets	0	0			
3 Investment and other assets					
Investment securities	6,226	5,990			
Affiliated companies stock	112,521	112,034			
Claims in bankruptcy, rehabilitation, reorganization or other equivalent claims	24,557	25,089			
Allowance for possible loan losses	(24,557)	(24,803)			
Long-term prepaid expenses	1	-			
Guarantee money paid	1,067	832			
Total investment and other assets	119,816	119,142			
Total fixed assets	137,534	129,717			
Total assets	11,133,025	11,193,799	Total of liabilities and net assets	11,133,025	11,193,799

Statement of Income

(Unit: Millions of yen)

	April 1, 2009– March 31, 2010	April 1, 2010– March 31, 2011
Ordinary expenses		
Expenses related to operations of cooperation through finance and investment		
Interest on bonds and notes	1,412	2,523
Interest on borrowings	46,871	42,819
Interest on interest swaps	–	2,029
Outsourcing expenses	13,665	15,876
Bond issuance expenses	248	297
Foreign exchange loss	–	30
Personnel expenses	3,640	3,325
Provision for allowance for bonuses	–	1
Retirement benefit expenses	–	737
Property expenses	10,813	13,218
Depreciation expenses	387	402
Taxes	31	110
Loss on valuation of investment securities	40	30
Loss on valuation of affiliated companies stock	782	487
Interest expenses	–	0
Other ordinary expenses	–	250
Total ordinary expenses	77,888	82,135
Ordinary revenues		
Revenues from operations of cooperation through finance and investment		
Interest on loans	214,547	206,370
Interest on government bonds, etc.	45	16
Dividends on investments	9,691	7,604
Commissions	1,441	1,821
Foreign exchange gain	11	–
Gain on valuation of affiliated companies stock	17,113	–
Transfer from allowance for possible loan losses	16,353	35,361
Financial revenues		
Interest income	3	10
Miscellaneous profits	457	496
Recoveries of written-off claims	–	372
Grants from government general account	7,000	–
Total ordinary revenues	266,660	252,049
Ordinary profits	188,772	169,915
Extraordinary loss		
Loss on retirement of fixed assets	130	2
Loss on sales of fixed assets	–	2
Impairment loss	–	6,930
Impact of application of accounting standards for asset retirement obligations	–	9
Total extraordinary loss	130	6,943
Extraordinary profits		
Profits on sales of fixed assets	0	0
Reversal of allowance for bonuses	24	–
Total extraordinary profits	24	0
Net income	188,666	162,972
Total income for the current year	188,666	162,972

Statement of Cash Flows

(Unit: Millions of yen)

	April 1, 2009– March 31, 2010	April 1, 2010– March 31, 2011
I Cash flow from operating activities		
Payments for loans	(744,975)	(677,748)
Repayment of borrowings from the private sector	(6,000)	(40,800)
Repayment of borrowings from government fund for Fiscal Investment and Loan Program	(403,029)	(462,529)
Interest paid	(49,158)	(47,535)
Payment of personnel costs	(3,723)	(3,728)
Other operation payments	(22,528)	(30,575)
Proceeds from collection of loans receivable	642,146	680,389
Proceeds from borrowings from the private sector	6,000	40,800
Proceeds from borrowings from government fund for Fiscal Investment and Loan Program	129,800	192,200
Proceeds from issuance of bonds	49,752	59,703
Grants from government general account	7,000	–
Loan interest income	217,467	209,987
Other operation proceeds	808	4,452
Subtotal	(176,439)	(75,384)
Interest and dividend income	9,737	7,630
Cash flow from operating activities	(166,702)	(67,754)
II Cash flow from investing activities		
Payments for purchase of fixed assets	(1,161)	(119)
Proceeds from sales of fixed assets	168	213
Payments for purchase of investment securities	(117)	–
Proceeds from the collection and liquidation of investment securities	83	–
Proceeds from the collection of investment securities	–	127
Proceeds from sales and liquidation of affiliated companies stock	32,065	–
Payments for purchase of negotiable certificates of deposit	(1,057,540)	(368,300)
Proceeds from negotiable certificates of deposit refunds	1,057,540	368,300
Cash flow from investing activities	31,038	222
III Cash flow from financing activities		
Repayment of lease liabilities	(148)	(166)
Proceeds from government investment	127,300	104,400
Cash flow from financing activities	127,152	104,234
IV Net increase in funds	–	36,702
V Net decrease in funds	(8,512)	–
VI Funds at the beginning of year	23,203	14,691
VII Funds at the end of year	14,691	51,393

2 Disclosure of Financial Conditions of Finance and Investment Account

Average Balance of Interest-Earning Assets and Interest-Bearing Liabilities, Interest and Earning Yields

(Units: Millions of yen, %)

	FY2009			FY2010		
	Average Balance	Interest*	Yield	Average Balance	Interest*	Yield
Interest-earning assets	11,096,377	242,018	2.18	11,213,983	215,304	1.92
Loans	10,926,587	215,987	1.98	11,041,044	208,191	1.89
Investments	123,704	25,982	21.00	119,487	7,087	5.93
Deposits + Securities	46,086	48	0.10	53,452	26	0.05
Interest-bearing liabilities	2,901,796	48,283	1.66	2,708,565	45,342	1.67
Borrowings	2,842,481	46,871	1.65	2,596,126	42,819	1.65
Bonds	59,315	1,412	2.38	112,438	2,523	2.24

* Investments include investment securities and affiliated companies stock. Dividends received, profit and loss associated with the valuation of investment securities, and profit and loss associated with the valuation of affiliated companies stock are recorded as interest items.

Balance of Deposits and Securities—Application of Surplus Funds

(Unit: Millions of yen)

	End of FY2009	End of FY2010
Deposits + Securities	14,691	51,393

Yield/Interest rate

(Unit: %)

	FY2009	FY2010
Total average interest rate spread	(0.47)	(1.08)
Yields on interest-earning assets	2.18	1.92
Costs of interest-bearing liabilities	2.65	3.00

Note:

Yields on Interest-Earning Assets = Interest / Average Balance of Interest-Earning Assets
 Costs of Interest-Bearing Liabilities = (Interest Expenses + Bonds and Notes Expenses + Other Expenses) / Average Balance of Interest-Bearing Liabilities

cf.

Interest-Earning Assets = Interest on Loans + Interest on Government Bonds, etc. + Dividends on Investments + Interest Income + Commissions + Profit and Loss Associated with the Valuation of Investment Securities / Affiliated Companies Stock

Average Balance of Interest-Earning Assets = Loans + Investments + Bank Deposits (excluding Checking Accounts)

Interest Expenses = Interest on Borrowings + Interest on Bonds and Notes

Bonds and Notes Expenses = Bonds and Notes Issuance Costs

Other Expenses = Outsourcing Expenses + Personnel Expenses (including Provisions to Allowance for Retirement Benefits/Bonuses) + Property Expenses + Depreciation Costs + Tax

Average Balance of Interest-Bearing Liabilities = Borrowings + Bonds and Notes

Breakdown of Allowance for Possible Loan Losses

(Unit: Millions of yen)

	End of FY2009	End of FY2010
Loans	131,415	96,054
Claims in bankruptcy, rehabilitation, reorganization or other equivalent claims	24,557	24,803
Total	155,972	120,857

Note: 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 and the deductions of the amount expected to be collected through the disposal of collateral and execution of guarantees. The allowance for claims on debtors who are not legally bankrupt but are likely to become bankrupt ("Potentially bankrupt borrowers") is provided based on an assessment of the overall solvency or the debtors after deducting the amount expected to be collected through the disposal of collateral and the execution of guarantees. The allowance for claims on debtors other than Bankrupt borrowers, Substantially bankrupt borrowers and Potentially bankrupt borrowers is provided primarily based on the default rate, which is calculated based on the actual defaults during a certain period in the past.

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

Principal Assets in Foreign Currency

(Units: Thousands of US\$, Thousands of INR)

	End of FY2009	End of FY2010
Affiliated companies stock (US \$)	12	12
Investment securities (US \$)	6,049	5,814
Investment securities (INR)	118,283	47,044

Maturity Structure of Loans as of March 31, 2011

(Unit: Billions of yen)

Maturity	Collection from Loans
1 year or less	622.2
over 1 year, up to 2 years	619.4
over 2 years, up to 3 years	641.4
over 3 years, up to 4 years	659.5
over 4 years, up to 5 years	662.5
over 5 years, up to 10 years	3,162.6
over 10 years, up to 15 years	2,215.5
over 15 years, up to 20 years	1,147.3
over 20 years, up to 25 years	726.9
over 25 years, up to 30 years	461.5
over 30 years, up to 35 years	127.9
over 35 years, up to 40 years	17.0
over 40 years	0
Total	11,063.7

Note: The figures exclude principal in arrears for over three months as of the end of March 2011 from the total projected collection from "Loans" and "Claims in bankruptcy, rehabilitation, reorganization or other equivalent claims."

Maturity Structure of Long-Term Borrowings as of March 31, 2011

(Unit: Billions of yen)

Maturity	Repayment of Borrowings
1 year or less	318.1
over 1 year, up to 2 years	323.2
over 2 years, up to 3 years	317.1
over 3 years, up to 4 years	275.4
over 4 years, up to 5 years	241.1
over 5 years, up to 10 years	728.4
over 10 years, up to 15 years	167.5
over 15 years, up to 20 years	49.4
over 20 years, up to 25 years	39.7
over 25 years	0
Total	2,459.8

Maturity Structure of Bonds as of March 31, 2011

(Unit: Billions of yen)

Maturity	Redemption
over 15 years, up to 20 years	140.0
Total	140.0

Information on the Quality of Assets of Japan International Cooperation Agency (JICA) Finance and Investment Account

Although the Banking Act and Act on Emergency Measures for the Revitalization of the Financial Functions of 1998 (the "Financial Revitalization Act") do not apply to JICA, JICA has made self-assessments of the quality of its assets since the fiscal year ended March 31, 2001, in accordance with the standards set forth in the Inspection Manual for Deposit-Taking Institutions of the Financial Services Agency of Japan. This was aimed at increasing disclosure on its asset quality and improving the internal management of credit risks.

One characteristic of JICA's operation is that a considerable portion of its loans is official credit for the governments of developing countries. Thus, when an indebted country is temporarily unable to service debt due to economic difficulties, debt rescheduling will sometimes take place, based on an international agreement among the creditor countries in the Paris Club, in order to ensure sustainable debt service. A debtor country receiving such temporary support for overcoming the liquidity problem will implement economic restructuring programs agreed upon with the IMF to

acquire sustainable debt service capacity.

The loans rescheduled under the agreement in the Paris Club have a high probability of repayment, because, unlike loans provided by private financial institutions, their nature as official credit provides an asset-securing mechanism under the above international framework. Nonetheless, to facilitate comparison with private financial institutions, JICA, in principle, discloses the loans rescheduled in the Paris Club and whose debtor countries are categorized as "needs attention" in its self-assessments of asset quality, as loan assets require to be disclosed classifying them either as "Restructured Loans" (under the Banking Act) or "Special Attention Assets" (under the Financial Revitalization Act).

1 Risk Monitored Loans

The following table shows the classification of Risk Monitored Loans based on the self-assessments of asset quality in accordance with the disclosure standard of Risk Monitored Loans applied to commercial financial institutions

(under the Banking Act). Each category of Risk Monitored Loans is defined as follows:

(1) Loans to Debtor in Legal Bankruptcy

Among loans that are placed in non-accrual status (except the portion deducted as allowance for loan losses), when collection of either principal or interest becomes doubtful for the reason that principal or interest is past due for a considerable period of time or for other reasons, those loans which there is filing of reorganization procedures under the Corporate Reorganization Act or bankruptcy procedures under the Bankruptcy Act or special liquidation procedures under the Companies Act or other relevant laws, or there is suspension of transactions in promissory notes issued by the borrowers in the clearing house. (Note 1)

(2) Past Due Loans

Loans that are placed in non-accrual status except those classified as "Loans to Debtor in Legal Bankruptcy" or those whose interest payments are deferred in order to expedite the borrowers' business restructuring or support their business operations

(3) Loans in Arrears by 3 Months or More

Loans whose principal or interest is past due three months or more from the date following the contractually scheduled payment date and not classified as "Loans to Debtor in Legal Bankruptcy" or "Past Due Loans"

(4) Restructured Loans

Loans whose terms and conditions are modified in favor of the borrowers in order to expedite the borrowers' business restructuring or support their business operations by, among others, reducing the stated interest rate, deferring interest payments or write-downs, and that are not classified as "Loans to Debtor in Legal Bankruptcy," "Past Due Loans" and "Loans in Arrears by 3 Months or More" (Note 2)

(Unit: Millions of yen)

	March 2011 Reporting Period
Loans to Debtor in Legal Bankruptcy	—
Past Due Loans	25,089
Loans in Arrears by 3 Months or More	—
Restructured Loans	593,826
Total (1)	618,915
Balance of Loans Receivable (2)	11,076,228
(1)/(2)	5.59%

2 Loan Assets Required to Be Disclosed under the Financial Revitalization Act

The below table shows the classification of loans based on the self-assessments of asset quality in accordance with the disclosure standard of the Financial Revitalization Act.

Each category of Loan Assets to be disclosed under the Financial Revitalization Act is defined as follows.

(1) Bankrupt or De Facto Bankrupt Assets

"Bankrupt or De Facto Bankrupt Assets" are loans and other credits to debtors who have begun proceedings under the Bankruptcy Act, the Corporate Reorganization Act, the Financial Revitalization Act and other similar laws of Japan and have financially failed. In the asset quality self-assessments, these loans are loans to debtors who are legally or substantially bankrupt.

(2) Doubtful Assets

"Doubtful Assets" are loans and other credits to debtors whose financial and operational conditions have deteriorated and who have a possibility that payment of principal and/or interest will not be made on a contractual basis. In the asset quality self-assessments, these loans are loans to the debtors who are likely to become bankrupt.

(3) Special Attention Assets

"Special Attention Assets" are loans to debtors who are categorized as "needs attention borrower" in the asset quality self-assessments, and

(i) loans whose principal and/or interest is overdue for three months or more from the date following the scheduled payment date but which are not categorized as "Bankrupt or De Facto Bankrupt Assets" and "Doubtful Assets" ("Past due loans (three months or more)");

(ii) restructured loans on which JICA granted concessions to borrowers in financial difficulties through amending terms and conditions of the loans to assist them to recover and eventually be able to pay to creditors, but which are not categorized as "Bankrupt or De Facto Bankrupt Assets", "Doubtful Assets" or "Overdue loans (three months or more)". (Note 2)

(4) Normally Performing Assets

"Normally Performing Assets" are loans to borrowers with no particular problem in their financial conditions, categorized in the asset quality self-assessments either as "loans to normal borrowers" or "loans to needs attention borrowers (excluding Special Attention Assets)", but which are not categorized as "Bankrupt or De Facto Bankrupt Assets", "Doubtful Assets" and "Special Attention Assets".

(Note 1)

According to the Ordinance for Enforcement of Banking Law 19, 2-1-5, which establishes the disclosure standards of risk-management loans held by private financial institutions, debt owed by foreign debtors must be disclosed as bankrupt debtor debt for all debtors fulfilling each of the following conditions: 1) nonpayment of interest or principal within the most recent

(Unit: Millions of yen)

	March 2011 Reporting Period	
Loans Payable*1 (% of total credit transactions)	Bankrupt or De Facto Bankrupt Assets	— (—)
	Doubtful Assets	25,089 (0.23)
	Special Attention Assets	593,826 (5.34)
	Sub Total	618,915 (5.56)
	Normally Performing Assets	10,505,638 (94.44)
Loan-loss Reserve*1	Bankrupt or De Facto Bankrupt Assets	—
	Doubtful Assets	24,803
	Special Attention Assets	71,911
	Sub Total	96,714
	General Loan-loss Reserve for loans not requiring close monitoring	24,143
	Special Allowance for Foreign Debt	—
Total	120,857	
Collateral / Guarantees	Bankrupt or De Facto Bankrupt Assets	—
	Doubtful Assets	—
	Special Attention Assets	—
	Sub Total	—
Coverage Amount*2 (Coverage Ratio, %)	Bankrupt or De Facto Bankrupt Assets	— (—)
	Doubtful Assets	24,803 (98.86)
	Special Attention Assets	71,911 (12.11)
	Sub Total	96,714 (15.63)

*1 Based on JICA's self-assessments of assets, the difference between the debt exposure to bankrupt debtors and debtors in bankruptcy and the amount recognized as recoverable by means of collateral or guarantees is considered as the projected amount that cannot be collected on, and so is subtracted directly from the total debt exposure. As such, this figure is not included in the above chart under "Loans Payable" or "Loan-loss Reserve".

*2 Coverage amount refers to the combined total of the loan-loss reserve set aside for each debt and the value of collateral and guarantees, while the coverage ratio represents the ratio of the coverage amount as a percentage of total loans payable.

previous three-year period from the end of the term; 2) no contract signed regarding the extension of the redemption deadline within the most recent previous three-year period from the end of the term; and 3) no specific plans to sign a contract regarding the extension of the redemption at the end of the term. In making disclosures based on the above, JICA, in line with its asset self-assessments and taking into consideration the international framework for cooperation, has classified the aforementioned foreign government debt as debt with bankruptcy concern, while in the disclosure of Risk Monitored Loans, this debt is included as “Past Due Loans”.

(Note 2)

An international consensus was reached at the creditor nation conference (Paris Club Meeting) on rescheduling foreign government debt (where the debtor is a country, and debt originates from such government entities as trade insurance or export credit agencies) of debtor nations temporarily unable to make payments due to a deterioration in their balance of payments. As a result, a temporary liquidity support program for debtor nation governments (balance of payments assistance under the framework of international cooperation) will be shortly executed. In conjunction with this temporary liquidity assistance, debtor nations will implement an economic reform program agreed upon with the International Monetary Fund (IMF), making it possible for the country to continue to service its debt obligations.

The total foreign government debt principal applicable to the debt rescheduling agreement at the Paris Club Meeting held in JICA's Finance and Investment Account was ¥1,130,262 million as of the end of FY2010. Debt from debtor nations classified as debtor nation of concern that received approval for rescheduling measures, in principle, classified as “Restructured Loans”, excluding debt classified as “Loans in Arrears by 3 Months or More”. These debts account for ¥593,826 million (of this amount the deferred principal totals ¥517,230 million) under the category “Restructured Loans” in the above chart.