Financial Summary

General Account

1

Balance Sheet (Unit: Millions of ye		
	As of March 31,2013	As of March 31,2014
Assets		
Current assets		
Cash and deposits	48,350	54,695
Securities	80,000	100,000
Others	15,981	19,272
Total current assets	144,331	173,967
Non-current assets		
Tangible assets	46,297	46,077
Intangible assets	5	5
Investments and other assets	3,197	2,876
Total non-current assets	49,499	48,958
Total assets	193,830	222,925
Liabilities		
Current liabilities		
Operational grant liabilities	22,624	31,732
Funds for grant aid	95,993	115,082
Others	15,665	18,993
Total current liabilities	134,282	165,807
Non-current liabilities		
Contra accounts for assets	2,250	2,099
Others	574	641
Total non-current liabilities	2,825	2.740
Total liabilities	137,106	168,547
	107,100	100,017
Net assets		
Capital		
Government investment	67,279	66,701
Total capital	67,279	66,701
Capital surplus		
Capital surplus	(16,687)	(16,507)
Total capital surplus	(16,687)	(16,507)
Retained earnings		
Retained earnings	6,131	4,185
Total retained earnings	6,131	4,185
Total net assets	56,723	54,378
Total of lightlitigs and not assorts	102.020	222.025
Total of liabilities and net assets	193,830	222,925

(Assets)

For the business year ended March 31, 2014, total assets amounted to ¥222,925 million, increasing ¥29,095 million from the previous business year. The increase can be mainly attributed to a ¥6,345 million or 13.1% increase in cash and bank deposits and a ¥20,000 million or 25.0% increase in securities.

(Liabilities)

2

For the business year ended March 31, 2014, total liabilities were ¥168,547 million, increasing V31.440 million or 22.9% gear-on-year. The major factor in the increase was a V9.108 million or r40.3% increase in operational grant liabilitie, and a V19,089 million or 19.9% increase in funds for grant aid.

Statement of Income

(Unit: Millions of yen)

	April 1, 2012– March 31,2013	April 1, 2013– March 31,2014
Ordinary expenses		
Operating expenses		
Expenses for technical cooperation projects	72,017	75,659
Expenses for public participation-based cooperation	14,738	14,683
Expenses for assistance promotion	13,333	13,804
Expenses for operation support	28,242	27,743
Expenses for grant aid	96,618	85,423
Others	8,579	8,311
General administrative expenses	8,451	8,676
Financial expenses	36	27
Others	233	11
Total ordinary expenses	242,247	234,337
Ordinary revenues		
Revenues from operational grants	126,465	143,523
Revenues from grant aid	96,618	85,423
Others	3,463	3,466
Total ordinary revenues	226,546	232,411
Ordinary income (Ordinary loss)	(15,701)	(1,926)
Extraordinary losses	2,022	32
Extraordinary income	8	7
Reversal of reserve fund carried over from the	17,454	3,894
previous Mid-term Objective period		
Total income (loss) for the current business year	(261)	1,943

(Ordinary expenses)

For the business year ended March 31, 2014, ordinary expenses amounted to ¥234,337 million, declining ¥7,910 million or 3.3% from the previous business year. The major factor was ¥11,195 million or 11.6% year-on-year decrease in expenses for grant aid. (Ordinary revenues)

For the business year ended March 31, 2014, ordinary revenues totaled ¥232,411 million, increasing ¥5,865 million of 2.6% year-on-year. The major factor in the increase was the ¥17,058 million or 13.5% increase in revenues from operational grants.

(Total income and loss for the current business year) In addition to the ordinary loss noted above, the following items were recorded in the business

year under review. There was an extraordinary loss of ¥32 million, including a loss on disposal of non-current assets and other losses. Extraordinary income amounted to ¥7 million in gain on sales of non-current assets. Moreover, reversal of reserve fund carried over from the previous Mid-term Objective period totaled ¥3,894 million. As a result, total income for the current business year was ¥1,943 million, increasing ¥2,204 million or 843.9% from a year earlier.

Statement of Cash Flows

(Unit: Millions of yen)

		April 1, 2012– March 31,2013	April 1, 2013– March 31,2014
I.	Cash flows from operating activities		
	Payments of operating expenses	(132,224)	(132,534)
	Payments for grant aid	(98,052)	(85,366)
	Payments of personnel expenses	(14,662)	(14,874)
	Proceeds from operational grants	149,663	152,973
	Proceeds from grant aid	102,413	104,512
	Other proceeds and payments	(3,093)	1,978
II.	Cash flows from investing activities	(3,515)	(34,818)
III.	Cash flows from financing activities	(9,095)	(517)
IV.	Effect of exchange rate fluctuation on funds	(100)	(9)
V.	Net decrease in funds	(8,666)	(8,655)
VI.	Funds at the beginning of the business year	52,016	43,350
VII.	Funds at the end of the business year	43.350	34.695

(Cash flows from operating activities)

For the business year ended March 31, 2014, cash flows from operating activities amounted to a cash outflow of ¥26,690 million, increasing ¥22,646 million, or 560.0%, year-on-year. The main contributor to the increase was the ¥12,686 million, or 12.9%, decrease in payments for grant aid and the recording of payments to the nation treasury of ¥5,670 million of reserve funds in the previous Mid-term Objective period (no results this year).

(Cash flows from investing activities) For the business year ended March 31, 2014, cash flows from investing activities amounted to a cash outflow of ¥34,818 million, declining ¥31,303 million, or 890.5% from a year earlier. The decrease can be primarily attributed to the ¥224,000 million, or 39.9%, increase in payments for purchase of negotiable deposit. (Cash flows from financing activities)

For the business year ended March 31, 2014, cash flows from financing activities amounted to a cash outflow of ¥517 million, increasing ¥8,578 million or 94.3% from the previous business year. The major contributor to the decline was the recording of ¥5,126 million in proceeds from collection of debt, etc., during the set objective period of the Second Mid-Term Plan as lending program (no results this year).

Finance and Investment Account 2

Assets Current assets Loans Allowance for loan losses Others11,020,269 (140,847)11,068,669 (142,613)Non-current assets Tangible assets Claims probable in bankruptcy, claims probable in bankruptcy, claims probable in bankruptcy, claims probable in losses9,035 (140,877)8,902 (140,877)Others9,035 (140,877)8,902 (140,577)8,575 (40,577)Allowance for loan losses Claims probable in bankruptcy, claims probable in nehabilitation and other Allowance for loan losses72,617 (46,566) (77,35268,137 (46,566)OthersTotal non-current assets11,129,49911,153,848Liabilities Current liabilities Current liabilities Current liabilities Dothers11,129,49911,153,848Liabilities Current liabilities Gurrent liabilities Total current liabilities Total current liabilities Dothers317,109 (317,109 (317,109 (327,876)225,876 (69,698Non-current liabilities Bonds Bonds Borrowings from government fund for Fiscal Investment and Loan Program Others260,000 (320,000320,000 (320,000)Net assets Capital Government investment Total rotal liabilities Total capital Government investment Total rotal retained earnings Reserve fund Others1,036,291 (1,129,7891,129,789 (12,563)Net assets Capital Government investment Total retained earnings Reserve fund Others1,036,291 (1,129,7891,25,538 (23,303)Net assets Valuation and translation adjustments(32,708) (32,208)(23,303) (23,303)Notal net assets Val	Balance Sheet		(Unit: Millions of yen)
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Borrowings from government fund for Fiscal Investment and Loan Program Others Total non-current liabilities Total non-current liabilities Total liabilities Capital Government investment 7,714,798 7,765,398 Retained earnings Reserve fund Others Total retained earnings Total retained earnings Reserve fund 1,036,291 1,129,789 Others 1,036,291 1,129,789 1,255,358 Valuation and translation adjustments (32,708) Valuation and translation adjustments 8,811,879 8,997,452	Non-current liabilities		
Fiscal Investment and Loan Program Others1,662,561 8,2521,506,086 8,252OthersTotal non-current liabilities Total liabilities1,930,813 2,317,6201,834,175 2,317,620Net assets Capital Government investment7,714,798 7,765,3987,765,398 7,765,398Retained earnings Reserve fund Others1,036,291 93,4971,129,789 1,255,558Valuation and translation adjustments(32,708)(23,303) 8,997,452Total net assets5,8811,8798,997,452	Bonds	260,000	320,000
Others8,2528,089Total non-current liabilities1,930,8131,834,175Total non-current liabilities2,317,6202,156,396Net assets2,317,6202,156,396Capital7,714,7987,765,398Government investment7,714,7987,765,398Total capital7,714,7987,765,398Retained earnings1,036,2911,129,789Reserve fund1,036,2911,129,789Others93,497125,569Total retained earnings1,129,7891,255,358Valuation and translation adjustments(32,708)(23,303)Total net assets8,811,8798,997,452	Borrowings from government fund for		
Total non-current liabilities1,930,8131,834,175Total liabilities2,317,6202,156,396Net assets7,714,7987,765,398Capital7,714,7987,765,398Government investment7,714,7987,765,398Total capital7,714,7987,765,398Retained earnings1,036,2911,129,789Reserve fund1,036,2911,255,569Others93,497125,569Total retained earnings1,129,7891,255,358Valuation and translation adjustments(32,708)(23,303)Total net assets8,811,8798,997,452	Fiscal Investment and Loan Program	1,662,561	1,506,086
Total liabilities2,317,6202,156,396Net assets Capital Government investment7,714,7987,765,398Total capital Total capital7,714,7987,765,398Retained earnings Reserve fund Others1,036,2911,129,789Total retained earnings Total retained earnings Total retained earnings1,036,2911,129,789Valuation and translation adjustments(32,708)(23,303)Total net assets8,811,8798,997,452	Others	8,252	8,089
Net assets Capital Government investment7,714,7987,765,398Total capital7,714,7987,765,398Total capital7,714,7987,765,398Retained earnings Reserve fund Others1,036,2911,129,789Others93,497125,569Total retained earnings Valuation and translation adjustments(32,708)(23,303)Total net assets8,811,8798,997,452	Total non-current liabilities	1,930,813	1,834,175
Capital7,714,7987,765,398Government investment7,714,7987,765,398Total capital7,714,7987,765,398Retained earnings1,036,2911,129,789Others93,497125,569Total retained earnings1,129,7891,255,358Valuation and translation adjustments(32,708)(23,303)Total net assets8,811,8798,997,452	Total liabilities	2,317,620	2,156,396
Government investment 7,714,798 7,765,398 Total capital 7,714,798 7,765,398 Retained earnings 7,714,798 7,765,398 Reserve fund 1,036,291 1,129,789 Others 93,497 125,569 Total retained earnings 1,129,789 1,255,358 Valuation and translation adjustments (32,708) (23,303) Total net assets 8,811,879 8,997,452	Net assets		
Total capital 7,714,798 7,765,398 Retained earnings 1,036,291 1,129,789 Others 93,497 125,569 Total retained earnings 1,129,789 1,255,358 Valuation and translation adjustments (32,708) (23,303) Total net assets 8,811,879 8,997,452	Capital		
Retained earnings Reserve fund1,036,2911,129,789Others93,497125,569Total retained earnings1,129,7891,255,358Valuation and translation adjustments(32,708)(23,303)Total net assets8,811,8798,997,452	Government investment	7,714,798	7,765,398
Reserve fund Others 1,036,291 1,129,789 Others 93,497 125,569 Total retained earnings 1,129,789 1,255,358 Valuation and translation adjustments (32,708) (23,303) Total net assets 8,811,879 8,997,452	Total capital	7,714,798	7,765,398
Reserve fund Others 1,036,291 1,129,789 Others 93,497 125,569 Total retained earnings 1,129,789 1,255,358 Valuation and translation adjustments (32,708) (23,303) Total net assets 8,811,879 8,997,452	Retained earnings		
Others 93,497 125,569 Total retained earnings 1,129,789 1,255,358 Valuation and translation adjustments (32,708) (23,303) Total net assets 8,811,879 8,997,452	-	1 036 201	1 1 20 7 20
Total retained earnings1,129,7891,255,358Valuation and translation adjustments(32,708)(23,303)Total net assets8,811,8798,997,452			
Valuation and translation adjustments (32,708) (23,303) Total net assets 8,811,879 8,997,452			
Total net assets 8,811,879 8,997,452	rotai retaineu eamings	1,129,769	1,200,008
	Valuation and translation adjustments	(32,708)	(23,303)
	Total net assets	8,811,879	8,997,452
I otal of liabilities and net assets 11,129,499 11,153,848	Total of liabilities and net assets	11,129,499	11,153,848

(Assets)

For the business year ended March 31, 2014, total assets amounted to ¥11,153,848 million, increasing ¥24,349 million or 0.2% from the previous business year, primarily due to ¥48,400 million or 0.4% increase in loans. (Liabilities)

For the business year ended March 31, 2014, total liabilities were ¥2,156,396 million, declining ¥161,224 million or 7.0% year-on-year, primarily due to ¥197,709 million or 10.0% reduction in borrowings from government fund for Fiscal Investment and Loan Program.

Statement of Income

(Unit: Millions of yen)

Ordinary expensesExpenses related to operations of cooperation through finance and investmentInterest on bonds and notes4,334Interest on borrowings31,348Interest on borrowings31,348Interest on interest rate swaps0perations consignment expenses21,0310perating and administrative expenses12,795Provision of allowance for loan losses25,278Provision for contingnent losses20,1960thers5,424Total ordinary expenses128,703Ordinary revenuesRevenues from operations of cooperation through finance and investmentInterest on loans184,958Dividends on investments27,520Reversal of provision for contingent losses0thers9,0710thers653Total ordinary revenues222,202	
through finance and investment 4,334 Interest on borrowings 31,348 Interest on borrowings 31,348 Interest on interest rate swaps 8,297 Operations consignment expenses 21,031 Operating and administrative expenses 12,795 Provision of allowance for loan losses 25,278 Provision for contingnent losses 20,196 Others 5,424 Total ordinary expenses Revenues from operations of cooperation through finance and investment 184,958 Dividends on investments 27,520 Reversal of provision for contingent losses	
Interest on bonds and notes 4,334 Interest on borrowings 31,348 Interest on interest rate swaps 8,297 Operations consignment expenses 21,031 Operating and administrative expenses 12,795 Provision of allowance for loan losses 25,278 Provision for contingnent losses 20,196 Others 5,424 Total ordinary expenses 128,703 Ordinary revenues 128,703 Revenues from operations of cooperation through finance and investment 184,958 Dividends on investments 27,520 Reversal of provision for contingent losses	
Interest on borrowings 31,348 Interest on interest rate swaps 8,297 Operations consignment expenses 21,031 Operating and administrative expenses 12,795 Provision of allowance for loan losses 25,278 Provision for contingnent losses 20,196 Others 5,424 Total ordinary expenses 128,703 Ordinary revenues 128,703 Revenues from operations of cooperation through finance and investment 184,958 Dividends on investments 27,520 Reversal of provision for contingent losses - Others 9,071 Others 653	
Interest on interest rate swaps8,297Operations consignment expenses21,031Operating and administrative expenses12,795Provision of allowance for loan losses25,278Provision for contingnent losses20,196Others5,424Total ordinary expensesOrdinary revenuesRevenues from operations of cooperation throughfinance and investment184,958Dividends on investments27,520Reversal of provision for contingent losses-Others9,071Others653	4,950
Operations consignment expenses21,031Operating and administrative expenses12,795Provision of allowance for loan losses25,278Provision for contingnent losses20,196Others5,424Total ordinary expensesIterest128,703Ordinary revenues128,703Revenues from operations of cooperation through finance and investment Interest on loans184,958Dividends on investments27,520Reversal of provision for contingent losses—Others9,071Others653	27,388
Operating and administrative expenses 12,795 Provision of allowance for loan losses 25,278 Provision for contingnent losses 20,196 Others 5,424 Total ordinary expenses Ordinary revenues 128,703 Ordinary revenues 128,703 Interest from operations of cooperation through finance and investment 184,958 Dividends on investments 27,520 Reversal of provision for contingent losses — Others 9,071 Others 653	10,147
Provision of allowance for loan losses 25,278 Provision for contingnent losses 20,196 Others 5,424 Total ordinary expenses 128,703 Ordinary revenues 128,703 Ordinary revenues 128,703 Interest from operations of cooperation through finance and investment 184,958 Dividends on investments 27,520 Reversal of provision for contingent losses — Others 9,071 Others 653	21,278
Provision for contingnent losses 20,196 Others 5,424 Total ordinary expenses 128,703 Ordinary revenues 128,703 Ordinary revenues 128,703 Interest on loans 184,958 Dividends on investments 27,520 Reversal of provision for contingent losses — Others 9,071 Others 653	12,669
Others 5,424 Total ordinary expenses 128,703 Ordinary revenues 128,703 Revenues from operations of cooperation through finance and investment 184,958 Interest on loans 184,958 Dividends on investments 27,520 Reversal of provision for contingent losses — Others 9,071 Others 653	7,755
Total ordinary expenses128,703Ordinary revenues128,703Revenues from operations of cooperation through finance and investment184,958Interest on loans184,958Dividends on investments27,520Reversal of provision for contingent losses—Others9,071Others653	_
Ordinary revenues Revenues from operations of cooperation through finance and investment Interest on loans 184,958 Dividends on investments 27,520 Reversal of provision for contingent losses — Others 9,071 Others 653	8,090
Revenues from operations of cooperation through finance and investment184,958Interest on loans184,958Dividends on investments27,520Reversal of provision for contingent losses—Others9,071Others653	92,278
finance and investment184,958Interest on loans184,958Dividends on investments27,520Reversal of provision for contingent losses—Others9,071Others653	
Interest on loans 184,958 Dividends on investments 27,520 Reversal of provision for contingent losses — Others 9,071 Others 653	
Dividends on investments 27,520 Reversal of provision for contingent losses — Others 9,071 Others 653	
Reversal of provision for contingent losses — Others 9,071 Others 653	178,962
Others 9,071 Others 653	24,430
Others 653	10,877
	3,150
Total ordinary revenues 222.202	428
	217,847
Ordinary income 93,499	125,570
Extraordinary losses 2	1
Extraordinary income 0	0
Total income for the current business year 93,497	125,569

(Ordinary expenses)

(oruinaly expenses) For the business year ended March 31, 2014, ordinary expenses amounted to ¥92,278 million, declining ¥36,425 million or 28.3% from the previous business year. The major factor was the absence of provision for contingent losses in ordinary expenses which was ¥20,196 million in the previous business vear.

(Ordinary revenues)

For the business year ended March 31, 2014, ordinary revenues decreased ¥4,355 million or 2.0% to ¥217,847 million. The major factor of decrease in ordinary revenues was ¥5,996 million or 3.2% decrease in interest on loans. (Total income and loss for the current business year)

In addition to the ordinary income noted above, there was an extraordinary loss of V1 million as loss on disposal of non-current assets. As a result, total income for the current business year was ¥125,569 million, increasing ¥32,071 million or 34.3% from the previous business year.

Statement of Cash Flows

(Unit: Millions of yen)

		April 1, 2012– March 31,2013	April 1, 2013– March 31,2014
I.	Cash flows from operating activities	(98,452)	(48,098)
	Payments for loans	(665,481)	(742,635)
	Repayments of borrowings from government		
	fund for Fiscal Investment and Loan Program	(323,204)	(317,109)
	Proceeds from collection of loans	629,557	705,353
	Proceeds from borrowings from government		
	fund for Fiscal Investment and Loan Program	82,900	119,400
	Proceeds from issuance of bonds	59,646	59,693
	Proceeds from interest on loans	189,588	174,240
	Other operation proceeds and payments	(71,458)	(47,040)
II.	Cash flows from investing activities	32,144	5,134
III.	Cash flows from financing activities	50,248	50,520
IV.	Net increase/decrease in funds	(16,060)	7,556
V.	Funds at the beginning of the business year	74,880	58,820
VI.	Funds at the end of the business year	58.820	66.376

(Cash flows from operating activities)

For the business year ended March 31, 2014, cash flows from operating activities amounted to a cash outflow of ¥48,098 million, increasing ¥50,354 million or 51.1% year-on-year. The main contributor to the increase was the ¥36,500 million or 44.0%, increase in proceeds from borrowings from government fund for Fiscal Investment and Loan Program. (Cash flows from investing activities)

For the business year ended March 31, 2014, cash flows from investing activities amounted to V5,134 million, decreasing ¥27,010 million or 84.0% from the previous business year. The decrease was primarily attributed to the ¥16,098 million or 75.3% decrease in proceeds from the sales and collection of shares of affiliated companies.

(Cash flows from financing activities) For the business year ended March 31, 2014, cash flows from financing activities amounted to ¥50,520 million, increasing ¥272 million or 0.5% from the previous business year. The major contributor to the increase was the ¥258 million or 0.5% increase in proceeds from government investment.

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