

FY2023

Tokyo Metropolitan Government Annual Financial Report

September 2024



TOKYO
METROPOLITAN
GOVERNMENT

Contents

(Financial Results Points)

1

Fiscal Year 2023 Financial Results Points	2
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(1) Settlement of the Ordinary Account and Various Indicators

5

I Status of Fiscal Year 2023 Settlement of Ordinary Account	6
II Analyses of Various Indicators	14

(2) Looking Back Over Fiscal Year 2023 and Future Financial Management

17

I Looking Back Over Fiscal Year 2023	18
II TMG Financial Structure and Colossal Financial Demands	21
III Financial Management with a Steady Focus on the Future	27

(3) Financial Reporting through the New Public Accounting System

33

I TMG Ordinary Account Financial Statements	34
II TMG Comprehensive Financial Statements	43

(Appended Tables)

49

1 Fiscal Year 2023 – Tokyo Metropolitan Government Ordinary Account Financial Statement	50
(1) Ordinary Account Balance Sheet	50
(2) Ordinary Account Administrative Cost Statement	52
(3) Ordinary Account Cash Flow Statement	53
(4) Ordinary Account Statement of Changes in Net Assets	54
(5) Ordinary Account Aggregate Tangible Fixed Assets and Intangible Fixed Assets/Supplementary Details	54
(6) Annexed Detailed Statements of Allowances	55
(7) Accounting Policy and Notes Regarding Preparation of the Tokyo Metropolitan Government Ordinary Account Financial Statement	56
2 Fiscal Year 2023 Tokyo Metropolitan Government Comprehensive Financial Statements	63
(1) Tokyo Metropolitan Government Comprehensive Financial Statement	63
(2) Accounting Policy and Notes Regarding Preparation of the Tokyo Metropolitan Government Comprehensive Financial Statement	75

(Reference Tables)

81

Tokyo Metropolitan Government Financial Chronological Tables (Ordinary Account)	82
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General Notes

- Fractional amounts for figures shown have generally been rounded down to the indicated unit. However, figures for “Financial Results Points (◆ Fiscal Year 2023 Settlement of Ordinary Account)”, “(1) Settlement of the Ordinary Account and Various Indicators”, “(2) Looking Back Over Fiscal Year 2023 and Future Financial Management”, and “(Reference Tables) Tokyo Metropolitan Government Financial Chronological Tables (Ordinary Account)”, have been rounded to the nearest unit.
- Percentage of change and ratio are generally calculated from the figures in each table, and figures shown have been rounded to the nearest unit.



Financial Results Points

Fiscal Year 2023 Financial Results Points

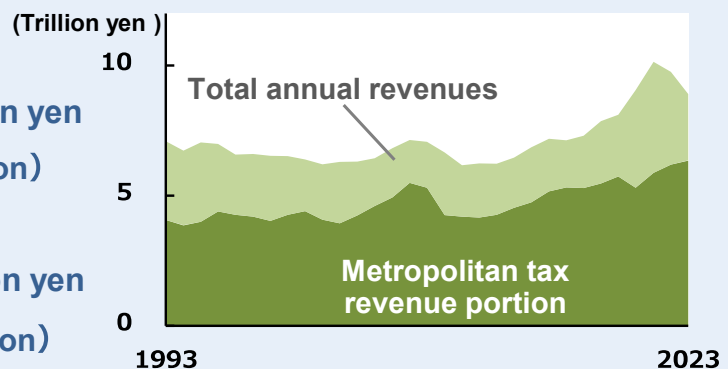
◆ Fiscal Year 2023 Settlement of Ordinary Account

- Total annual revenues **decreased by 856.3 billion yen** compared to the previous fiscal year to **8,898.7 billion yen**, of which metropolitan tax revenues accounted for **6,345.1 billion yen**, an increase of **158.2 billion yen** for the same comparison.
- Total annual expenses **decreased by 835.0 billion yen** compared to the previous fiscal year to **8,353.3 billion yen**.
- As a result, for **the fourth consecutive year**, actual balance was **nearly balanced (6.1 billion yen)**.

Settlement Results

◆ Total annual revenues **8,898.7 billion yen**
(Previous FY comparison: - ¥856.3 billion)

Metropolitan tax revenue portion **6,345.1 billion yen**
(Previous FY comparison: + ¥158.2 billion)

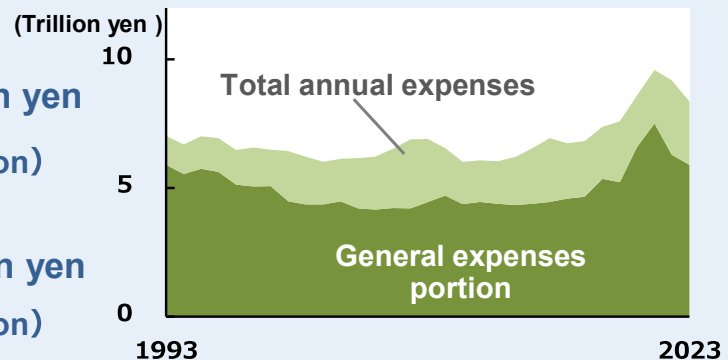


P.8



◆ Total annual expenses **8,353.3 billion yen**
(Previous FY comparison: - ¥835.0 billion)

General expenses portion **5,896.6 billion yen**
(Previous FY comparison: - ¥395.7 billion)

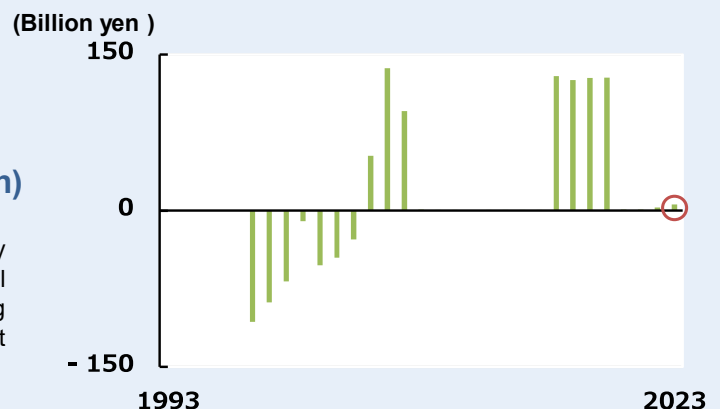


P.10



◆ Actual balance **Nearly balanced (6.1 billion yen)**
(Previous FY comparison: +¥2.9 billion)

* The actual balance is the amount derived by subtracting total annual expenses from total annual revenues (pro forma balance), and then subtracting the fiscal revenues to be carried forward to the next fiscal year.



P.6



◆ Fiscal Year 2023 Ordinary Account Financial Statements

- On the balance sheet, **assets came to 36,725.4 billion yen**, while **liabilities came to 6,397.9 billion yen**, and net assets, which is the difference between assets and liabilities, **came to 30,327.5 billion yen**.
- On the administrative cost statement, **the balance under ordinary balance came to 500.1 billion yen**, and together with the special balance, the **balance for the current period came to 484.8 billion yen**.
- On the cash flow statement, **total balance came to -21.2 billion yen**, while the **pro forma balance**, the sum of total balance and balance carried forward from the previous year, came to **545.4 billion yen**.

◆ Balance Sheet

Current assets	¥1,786.0 billion	Current liabilities	¥490.4 billion
Cash and deposits	¥569.9 billion —	Fixed liabilities	¥5,907.5 billion
Funds reserved	¥936.4 billion, etc.	Total liabilities	¥6,397.9 billion
Fixed assets	¥34,939.4 billion	Total net assets	¥30,327.5 billion
Administrative assets	¥8,082.7 billion —	Total liabilities and net assets	¥36,725.4 billion
Infrastructure assets	¥15,113.8 billion —		
Funds reserved	¥3,469.1 billion, etc.		
Total assets	¥36,725.4 billion		

◆ Administrative Cost Statement

Ordinary balance – Balance of revenues and expenses	A	¥500.1 billion
Special balance – Balance of revenues and expenses	B	- ¥15.3 billion
Balance for the current period	C=A+B	¥484.8 billion

◆ Cash Flow Statement

Balance of administrative service activities	A	¥838.3 billion
Balance of social capital improvement activities	B	- ¥744.9 billion
Balance of administrative activities cash flow	C=A+B	¥93.3 billion
Balance of financing activities	D	- ¥114.6 billion
Total balance	E=C+D	- ¥21.2 billion
Balance carried forward from the previous year	F	¥566.7 billion
Proforma balance	G=E+F	¥545.4 billion

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Settlement of the Ordinary Account and Various Indicators

I Status of Fiscal Year 2023 Settlement of Ordinary Account

◆ Status of Balances

- Due to decreases in national treasury disbursements related to measures against COVID-19, and consequent decreases in expenses, **total annual revenues and total annual expenses were 8,898.7 billion yen and 8353.3 billion yen respectively.**
- **The proforma balance**, the balance between total annual revenues and total annual expenses, came to **545.4 billion yen**, and **continuing from the previous fiscal year, the actual balance**, derived by deducting fiscal revenues to be carried forward to the next fiscal year from the proforma balance, **was nearly balanced at 6.1 billion yen.**
- In addition, **the ordinary balance ratio came to 81.3% (an increase of 1.8 points compared to the previous fiscal year)**, mainly due to the increase in ordinary expenses such as social assistance expenses and subsidy expenses.

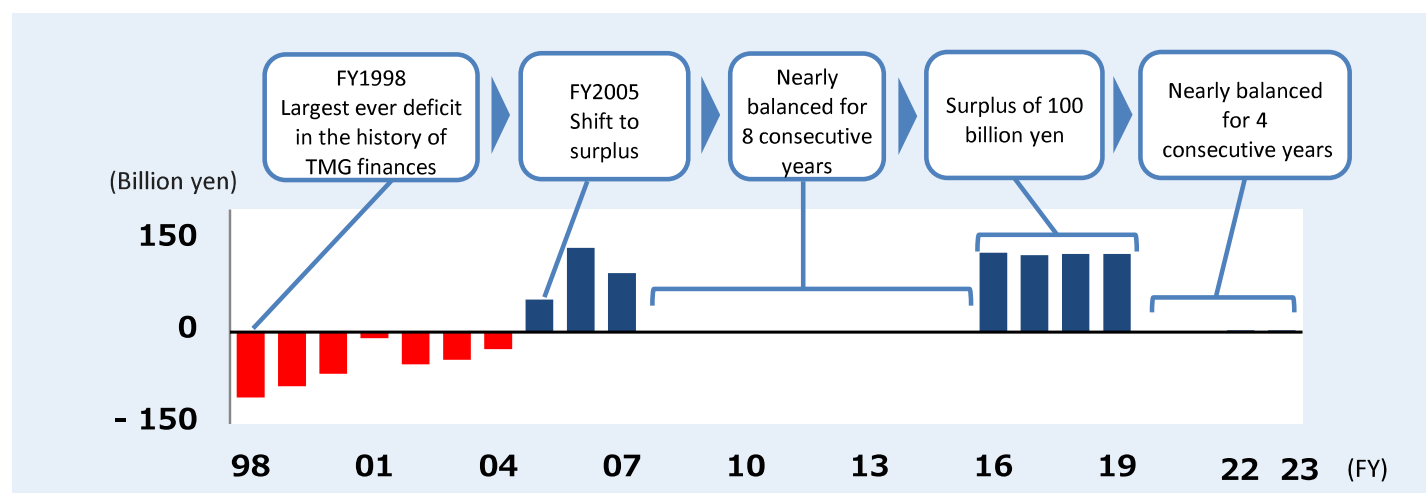
■ Fiscal Year 2023 Settlement Results

(in billion yen, %)

Item		FY2023	FY2022	Change in amount	Percentage of change
Total annual revenues	(A)	8,898.7	9,755.0	(856.3)	(8.8)
Total annual expenses	(B)	8,353.3	9,188.3	(835.0)	(9.1)
Proforma balance	(C=A-B)	545.4	566.7	(21.3)	-
Fiscal revenues to be carried forward	(D)	539.3	563.6	(24.2)	-
Actual balance	(C-D)	6.1	3.1	2.9	-
Ordinary balance ratio		81.3	79.5	-	-

* Fiscal revenues to be carried forward, refers to the necessary financial resources accompanying the carry forward of budgets in cases where, for exceptional reasons, circumstance have arisen whereby execution will extend into the next fiscal year.

■ Changes in actual balance



Column About accounting items

- Ordinary account refers to **the statistical and conceptual accounting utilized to gain an understanding of the financial condition of each local public body and the analyses of local finance in its entirety.**
- **The accounts of each local public body have been reconstructed in a uniform manner according to criteria established by the Ministry of Internal Affairs and Communications.**
- The accounts that are subject to the criteria are the general account and the **14 special accounts excluding the profit-making enterprise account**, with net totals calculated after adjustments such as the deduction of duplicated amounts.

The scope of Tokyo's ordinary account

General account

Used for the **comprehensive accounting of balances required for administration, this records taxes, which comprise the main financial resource, and the various expenses required for the basic activities of local public bodies**, and is the account that serves as a core for the relevant public body.

Special accounts

In relation to specific projects/funds, etc. these accounts are used in the **accounting of balances separated from the general account in cases involving special requirements.**

【14 accounts】

- Special wards fiscal adjustment account
- Local consumption tax adjustment account
- Debt service account
- etc.

【4 accounts】

- National health insurance account
- Slaughterhouse account
- Metropolitan public housing tenants security deposit account
- etc.

Public enterprise accounts

Accounts used for the **accounting of balances for public enterprises with independent accounting systems**, such as trains, waterworks, sewerage, etc.

【9 accounts】

- Urban rapid transit railways account
- Waterworks account
- Sewerage account
- etc.

◆ Status of Annual Revenues

- Metropolitan tax revenues **increased by 2.6% compared to the previous fiscal year**, mainly due to increased revenues from the two corporate taxes as corporate earnings remain strong.
- Meanwhile, national treasury disbursements decreased by **47.4% compared to the previous fiscal year**, mainly due to decreases in grants from the national government in relation to anti-Covid measures, while funds transfers **decreased by 72.9% for the same comparison**, mainly due to decreased withdrawals from fiscal adjustment funds, and TMG bonds decreased by 3.9% for the same comparison, mainly due to appropriate utilization in light of financial conditions and future financial burden.
- As a result, total revenues **decreased by 8.8% compared to the previous fiscal year to 8,898.7 billion yen**.

■ Breakdown of Annual Revenues

(in billion yen, %)					< Ratio >	
Item	FY2023	FY2022	Change in amount	Change of percentage		
Metropolitan taxes	6,345.1	6,186.9	158.2	2.6	71.3%	Metropolitan taxes
Two corporate taxes	2,329.9	2,269.0	60.8	2.7		Local transfer taxes
Local transfer taxes	64.1	63.8	0.3	0.5		0.7%
National treasury disbursements	661.6	1,258.5	(597.0)	(47.4)	7.4%	National treasury disbursement
Funds transfers	210.9	778.1	(567.1)	(72.9)		Funds transfers
TMG bonds	229.3	238.7	(9.4)	(3.9)		2.4%
Others	1,387.8	1,229.1	158.8	12.9	15.6%	TMG bonds
Total revenues	8,898.7	9,755.0	(856.3)	(8.8)		2.6%
						Others

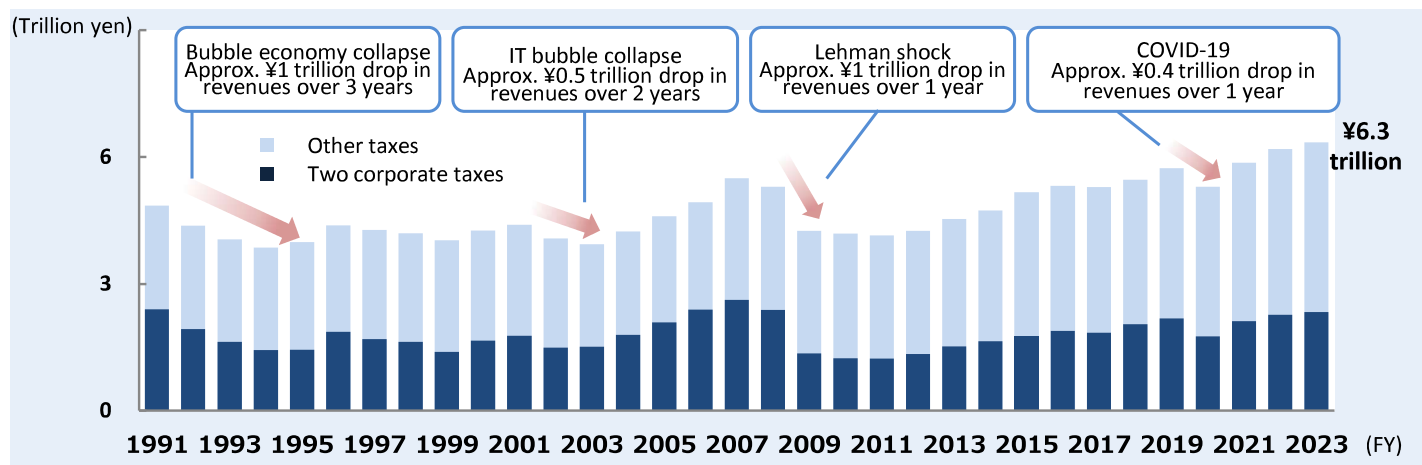
■ The main reasons for changes from the previous fiscal year

- Metropolitan tax revenues **increased by 2.6% or 158.2 billion yen compared to the previous fiscal year**, mainly due to increases in revenues from the two corporate taxes as corporate earnings remain strong.
- Local transfer taxes **increased by 0.5% or 0.3 billion yen compared to the previous fiscal year**, mainly due to increases in revenues from the special corporation business transfer tax.
- National treasury disbursements **decreased by 47.4% or 597.0 billion yen compared to the previous fiscal year**, mainly due to decreases in grants from the national government in relation to measures against COVID-19.
- Funds transfers **decreased by 72.9% or 567.1 billion yen compared to the previous fiscal year**, mainly due to decreased withdrawals from fiscal adjustment funds, while withdrawals from the Smart Tokyo Fund and the Zero Emission Tokyo Fund increased in response to important issues faced by TMG finances.
- TMG bonds **decreased by 3.9% or 9.4 billion yen compared to the previous fiscal year**, as a result of their appropriate utilization in light of financial conditions and future financial burden.
- Others **increased by 12.9% or 158.8 billion yen compared to the previous fiscal year**, mainly due to increases in miscellaneous revenues from collection of principal and interest of small and medium enterprise loans, etc.

Changes in metropolitan tax revenues

- As metropolitan tax revenues, which form the core of TMG revenues, are highly susceptible to economic fluctuations, they have endured repeated considerable changes to date, such as the **significantly reduced tax revenues of about one trillion yen in one year**, due to the effects of the Lehman shock. While **tax revenues fell by about 0.4 trillion yen** due to the impact of COVID-19 in FY2020, corporate earnings recovered in FY2021, and with revenues from the two corporate taxes also increasing in FY2023 as corporate earnings remain strong, revenues have increased for the third consecutive year, rising by **0.2 trillion yen compared to the previous fiscal year**.

Changes in metropolitan tax revenues



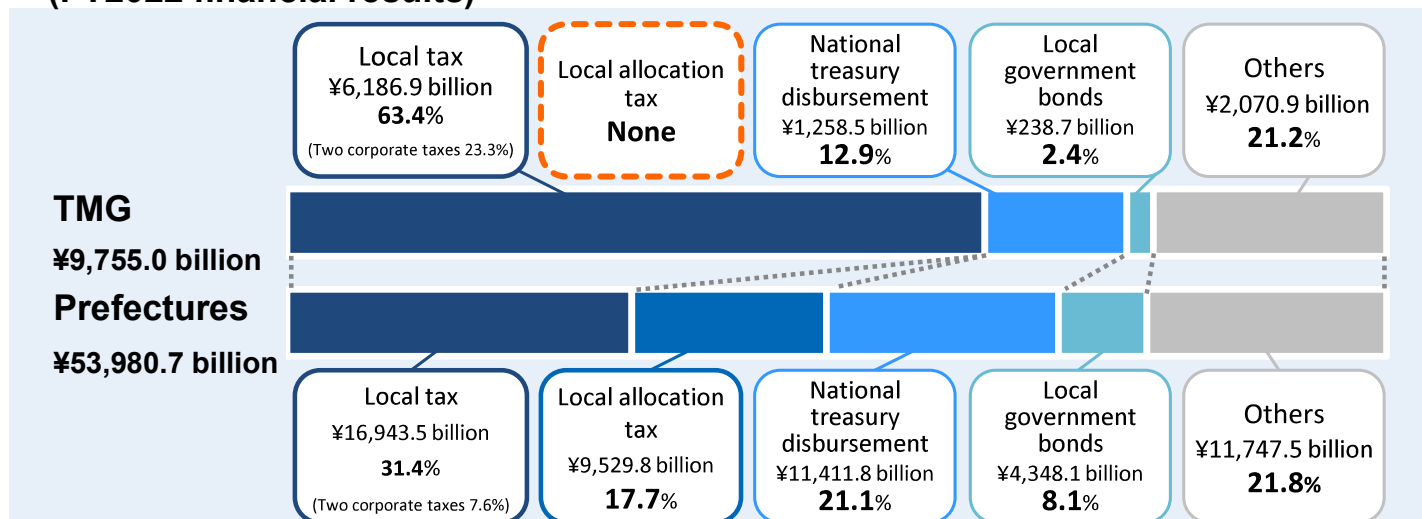
Features of TMG annual revenue structures

- With TMG annual revenue structures, local taxes account for the greater part of annual revenues, of which the two corporate taxes comprise a large proportion, and this **makes the structure susceptible to economic fluctuations**.
- In addition, as the only prefecture that does not receive local allocation tax grants, the TMG **needs to be more self-reliant in the performance of financial management than other prefectures**.

Local allocation tax system

- Local allocation tax is granted by the national government to local governments, without any restrictions on use, in order to adjust financial resource imbalances between local governments and to guarantee financial resources that enable local governments in any region to provide a fixed level of administrative services to its citizens, and is sourced from a certain percentage of income tax, corporation tax, alcohol tax, and consumption tax, and the full amount of local corporation tax.

Comparison of TMG and other prefecture annual revenue structures (FY2022 financial results)



◆ Status of Annual Expenses (by type)

- Looking at annual expenses by type of expense, **compared to the previous fiscal year, investment expenses increased by 1.2%**, mainly due to increased Tokyo Port development expenses.
- While expanding arm-in-arm support for children and child-rearing households through initiatives such as 018 Support, **subsidizing expenses and others decreased by 9.5% and 10.1% respectively compared to the previous fiscal year**, mainly due to decreases in expenses for measures against COVID-19 accompanying the positioning of COVID-19 as a Category V infectious disease.
- As a result, total expenses **decreased by 9.1% compared to the previous fiscal year to ¥8,353.3 billion yen**.

■ Breakdown of expenses by type

(in billion yen, %)					< Ratio >	
Item	FY2023	FY2022	Change in amount	Change of percentage		
General expenses	5,896.6	6,292.3	(395.7)	(6.3)	18.4%	Personnel expenses
Personnel expenses	1,537.5	1,557.6	(20.1)	(1.3)	9.5%	Investment expenses
Investment expenses	790.0	780.6	9.4	1.2	24.2%	Subsidizing expenses
Subsidizing expenses	2,019.3	2,230.3	(211.0)	(9.5)	18.6%	Others
Others	1,549.8	1,723.8	(174.0)	(10.1)	4.6%	Expenses for public bonds
Expenses for public bonds	380.8	385.3	(4.5)	(1.2)	24.9%	Tax-related expenses, etc.
Tax-related expenses, etc.	2,075.9	2,510.8	(434.9)	(17.3)		
Total expenses	8,353.3	9,188.3	(835.0)	(9.1)		

* General expenses refers to expenses excluding public bonds, tax-related expenses for the allocation of a certain percentage of taxes such as local consumption tax grants to wards, towns, etc., and the reserves (principal) of funds aimed at the realization of 3-cities.

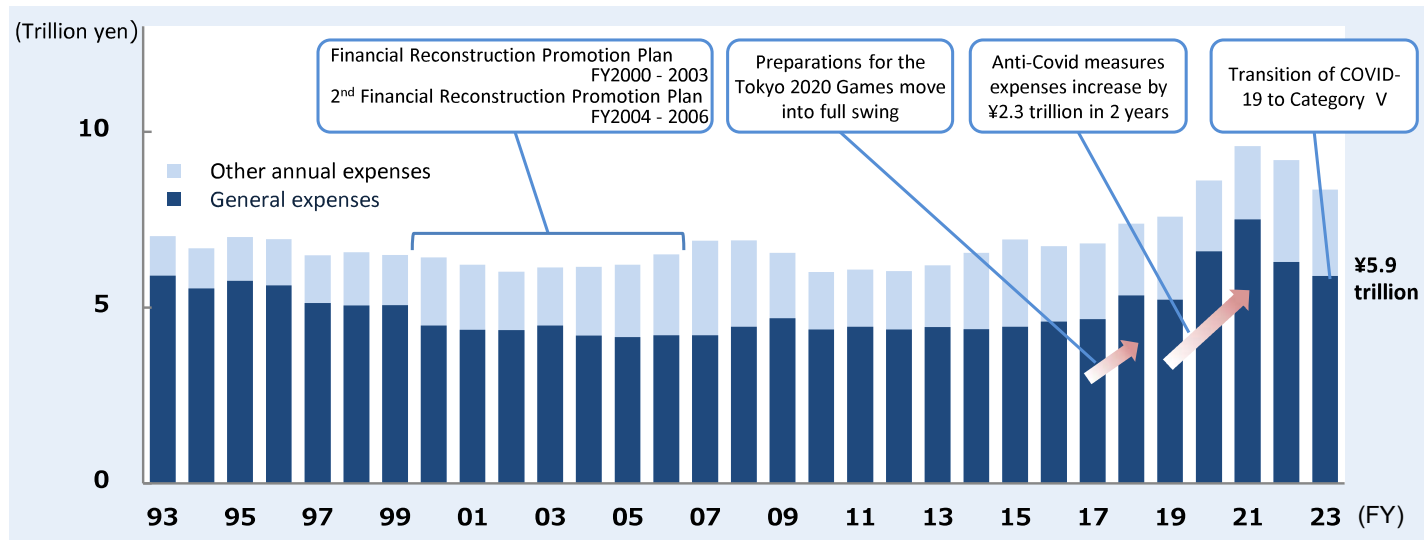
■ The main reasons for changes from the previous fiscal year

- In general expenses, personnel expenses **decreased by 1.3% or ¥20.1 billion yen compared to the previous fiscal year**, mainly due to decreased retirement allowances accompanying the extension of the retirement age.
- In general expenses, investment expenses **increased by 1.2% or 9.4 billion yen compared to the previous fiscal year**, mainly due to increased Tokyo Port development expenses.
- In general expenses, subsidizing expenses **decreased by 9.5% or 211.0 billion yen compared to the previous fiscal year**, mainly due to decreases in expenses for anti-Covid measures.
- In general expenses, others **decreased by 10.1% or 174.0 billion yen compared to the previous fiscal year**, mainly due to decreases in preparation costs for COVID-19 vaccination systems.
- Expenses for public bonds **decreased by 1.2% or 4.5 billion yen compared to the previous fiscal year**, mainly due to a decrease in redemption funds for principal.
- Tax-related expenses **decreased by 17.3% or 434.9 billion yen compared to the previous fiscal year**, mainly due to decreases in deposits to fiscal adjustment funds.

Changes in scale of annual expenses

- **Settled amounts for general expenses** had maintained a generally level trend since the financial reconstruction period, but this shifted to an increasing trend as preparations for the Tokyo 2020 Games moved into full swing, and expenses reached the highest ever recorded in FY2021. The recorded amount for FY2023 was **5.9 trillion yen, a decrease of 0.4 trillion yen compared to the previous fiscal year**, mainly due to decreases in expenses for measures against COVID-19.

■ Changes in settled amounts for annual expenses



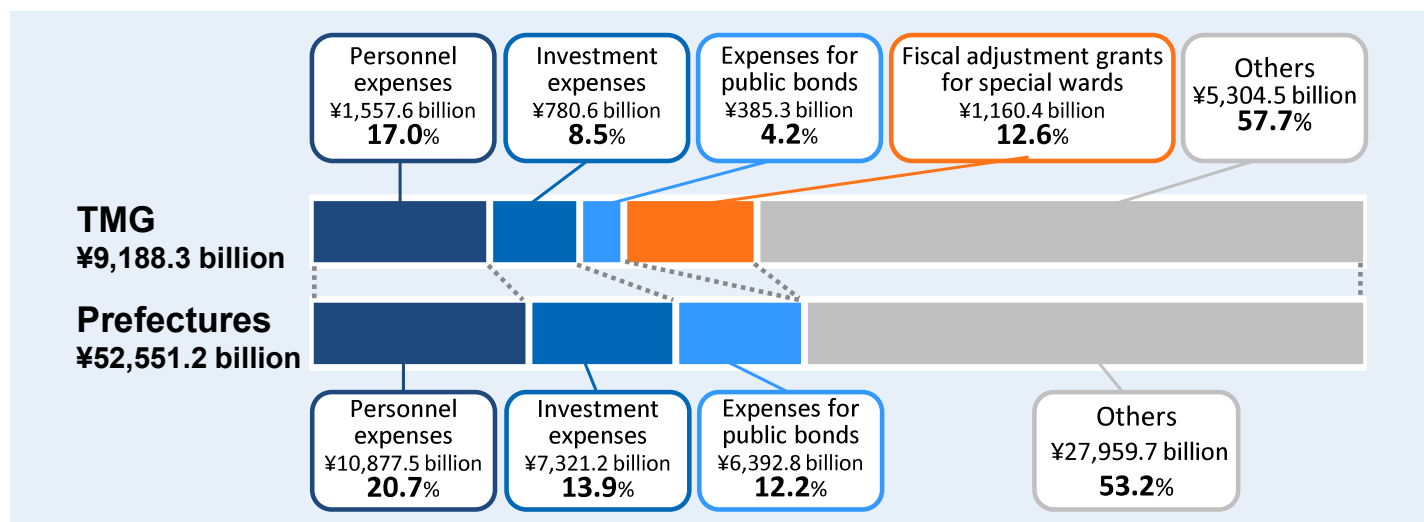
Features of TMG annual expense structure

- One feature of the TMGs expense structure is that the **Fiscal Adjustment Grants for Special Wards** is recorded under the special ward system. In addition, **the ratio of public bonds, which are expenses required for the redemption of local government bonds is low**, giving the TMG much higher fiscal flexibility in comparison to other prefectures.

◆ The special ward system and fiscal adjustment grants for special wards

- The special ward system is a system whereby the **TMG undertakes a portion of municipality administration**, such as water supply/sewerage, fire services, and large-scale city planning, **with collaboration between the TMG and special wards for the performance of metropolitan administration**, in order to secure the integrity of metropolitan administration.
- The fiscal adjustment grants for special wards are grants awarded to special wards by the TMG, in relation to a certain percentage of some municipal taxes imposed and levied by the TMG, in order to undertake **fiscal adjustment between Tokyo's wards and between special wards**.

■ Comparison of TMG and other prefecture annual expense structures (FY2022 financial results)



◆ Status of Annual Expenses (by purpose)

- Looking at annual expenses by administrative purpose, **compared to the previous fiscal year, hygiene expenses and commerce/manufacturing expenses decreased by 45.9% and 37.7% respectively**, mainly due to decreases in expenses for measures against COVID-19 following the positioning of COVID-19 as a Category V infectious disease.
- Meanwhile, **compared to the previous fiscal year, welfare expenses increased by 11.5%**, mainly due to the expansion of arm-in-arm support for children and child-rearing households.
- As a result, total expenses **decreased by 9.1% compared to the previous fiscal year to ¥8,353.3 billion yen**.

■ Breakdown by purpose

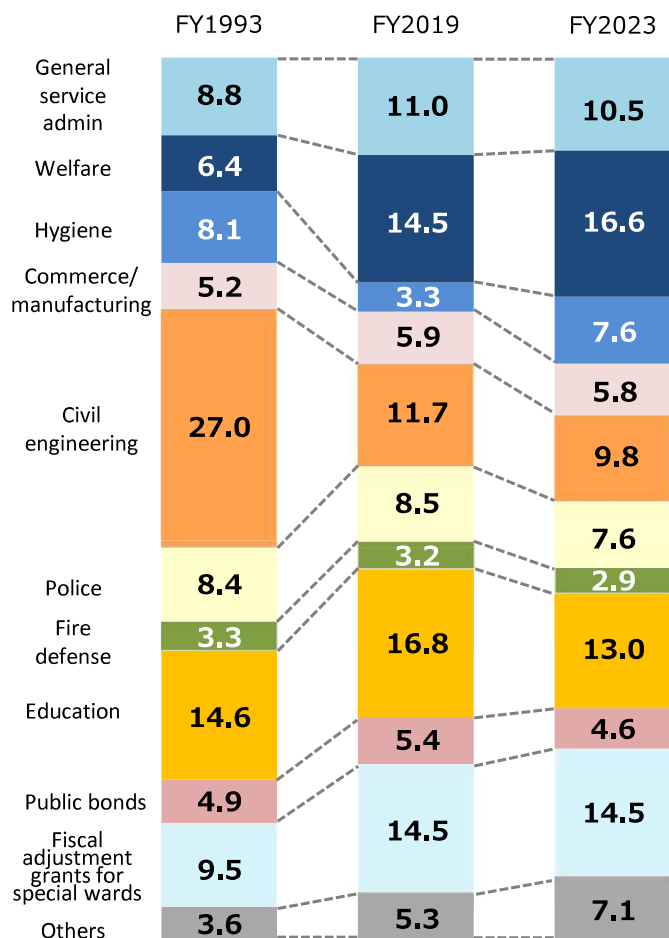
(in billion yen, %)

Item	FY2023	FY2022	Change in amount	Change of percentage
Gen. Service Admin.	877.4	1,091.4	(214.0)	(19.6)
Welfare	1,387.5	1,244.7	142.7	11.5
Hygiene	637.8	1,179.2	(541.4)	(45.9)
Commerce/ manufacturing	482.5	774.9	(292.4)	(37.7)
Civil engineering	817.1	809.6	7.6	0.9
Police	634.4	629.5	4.9	0.8
Fire defense	245.3	234.8	10.5	4.5
Education	1,086.0	1,123.8	(37.8)	(3.4)
Public bonds	380.8	385.3	(4.5)	(1.2)
Fiscal adjustment grants for special wards	1,209.5	1,160.4	49.2	4.2
Others	595.0	554.8	40.2	7.2
Total expenses	8,353.3	9,188.3	(835.0)	(9.1)

- General service administration expenses **decreased by 19.6% or 214.0 billion yen compared to the previous fiscal year**, mainly due to decreased deposits to fiscal adjustment funds.
- Welfare expenses **increased by 11.5% or 142.7 billion yen compared to the previous fiscal year**, mainly due to the implementation of 018 Support.
- Hygiene expenses **decreased by 45.9% or 541.4 billion yen compared to the previous fiscal year**, mainly due to decreases in expenses for measures against COVID-19.
- Commerce/manufacturing expenses **decreased by 37.7% or 292.4 billion yen compared to the previous fiscal year**, mainly due to decreases in spread prevention assistance funds related to reduced business hours.
- Fire defense expenses **increased by 4.5% or 10.5 billion yen compared to the previous fiscal year**, mainly due to increases in comprehensive information and telecommunications systems development expenses.
- Other expenses **increased by 7.2% or 40.2 billion yen compared to the previous fiscal year**, mainly due to increases in labor administration facility improvement expenses and transfer of tax on capital gains.

Column Features of TMG expenses structures by purpose, etc.

<Ratio comparisons> (Units: %)



- The scale of annual expenses for FY1993 was the highest ever recorded at the time.
- FY2019 is pre-COVID-19.

<Expenses per Tokyo citizen>

Item	Purpose	FY2023	(Reference) FY1993
General service Admin.	Planning/admin and revitalization of municipalities, etc.	¥63,070	¥53,455
Welfare	Measures for children on waiting lists, care for the elderly, etc.	¥99,732	¥38,599
Hygiene	Realization of comfortable city environments, etc.	¥45,847	¥49,353
Commerce/manufacturing	Support for small/medium enterprises, revitalization of the tourism industry, etc.	¥34,683	¥31,673
Civil engineering	Development of roads, rivers, harbors, etc. and town development, etc.	¥58,735	¥164,221
Police	Police activities, etc.	¥45,600	¥51,076
Fire defense	Fire defense activities, etc.	¥17,630	¥20,250
Education	School education, etc.	¥78,065	¥88,547
Public bonds	Redemption of TMG bonds and interest payments, etc.	¥27,370	¥30,041
Fiscal Adjustment Grants for Special Wards	Financial adjustments between the TMG and special wards, etc.	¥86,943	¥57,906
Others	Tax related grants to municipalities, etc.	¥42,766	¥21,997
Total		¥600,442	¥607,118

*Calculations are based on total Tokyo population figures given as of January 1, 2024 for FY2023, and as of March 31, 1994 for FY1993, in the "Population Register".

Comparisons between FY1993 and FY2019

- While there were **significant increases in the ratio of welfare expenses** due to increases in expenses related to measures for children and the elderly from the background of an aging society and falling birth rate, there were **significant decreases in civil engineering expenses** as investment expenses were reduced, mainly due to the prioritization of projects in accordance with urgency and necessity.

Comparisons between FY2019 and FY2023

- Along with the **increased percentage for hygiene expenses**, mainly due to increases in expenses related to measures against COVID-19, the **percentage for welfare expenses also increased**, mainly due to increases in expenses related to child-rearing support.

Expenses per Tokyo citizen

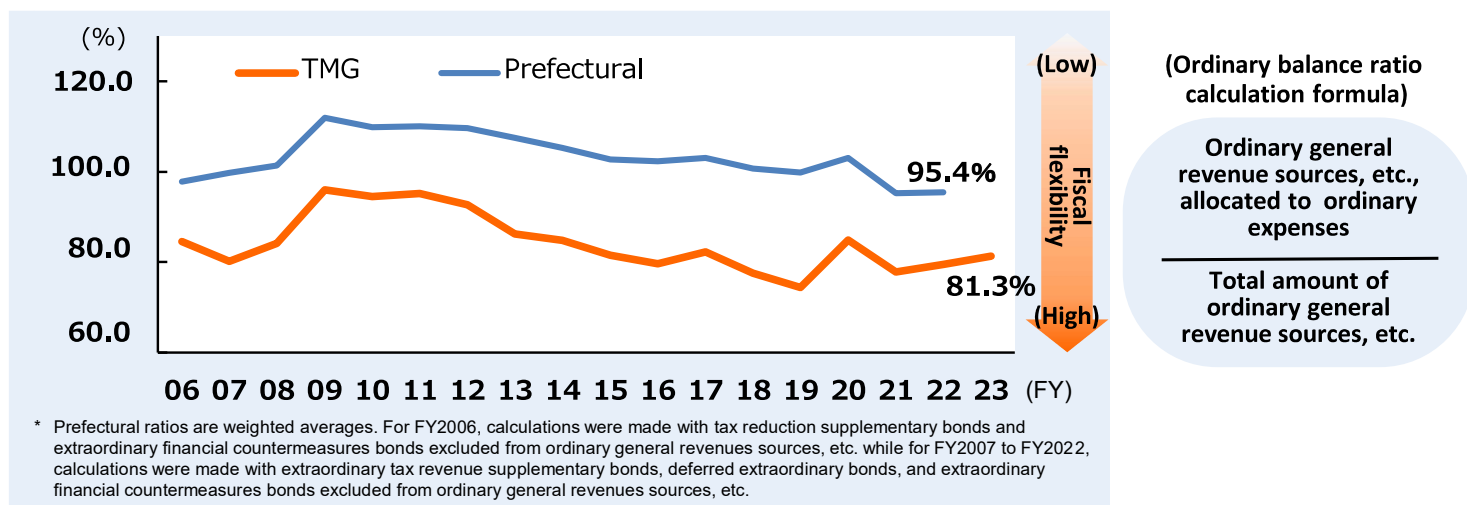
- When expenses were converted to a per-Tokyo citizen amount based on total population as given in the Population Register, **the total amount for FY2023 was about 600,000 yen**, which in order of highest amounts was, 100,000 yen for welfare, 78,000 yen for education, and 59,000 yen for civil engineering.

II Analyses of Various Indicators

Ordinary Balance Ratio

- The ordinary balance ratio is an indicator that shows the level of allocation of ordinary general revenue sources such as local taxes, to ordinary expenses that are difficult to reduce by any simple means, such as personnel expenses, social assistance expenses, and expenses for public bonds. The lower this ratio, the greater the flexibility.
- In FY2023, the ordinary balance ratio rose by 1.8 points to 81.3% compared to the previous fiscal year, mainly due to increases in social assistance expenses and subsidy expenses.
- The TMG's fiscal flexibility, as determined through the ordinary balance ratio, remains high in comparison to the prefectural average.

Changes in Ordinary Balance Ratios

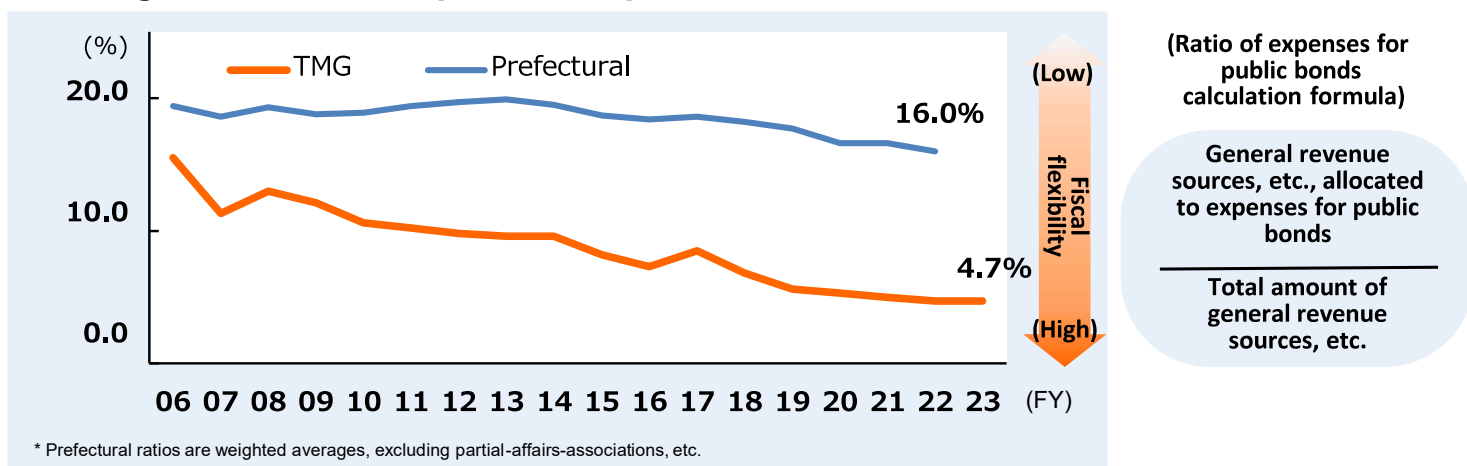


* Prefectural ratios are weighted averages. For FY2006, calculations were made with tax reduction supplementary bonds and extraordinary financial countermeasures bonds excluded from ordinary general revenues sources, etc. while for FY2007 to FY2022, calculations were made with extraordinary tax revenue supplementary bonds, deferred extraordinary bonds, and extraordinary financial countermeasures bonds excluded from ordinary general revenues sources, etc.

Ratio of expenses for public bonds

- The ratio of expenses for public bonds is an indicator of the level of allocation of general revenue sources to the redemption of local government bonds, and the lower this ratio, the greater the fiscal flexibility.
- In FY2023, the ratio of expenses for public bonds remained at the same level of 4.7% compared to the previous fiscal year.
- The TMG's fiscal flexibility, as determined through the ratio of expenses for public bonds, remains high in comparison to the prefectural average.

Changes in ratios of expenses for public bonds

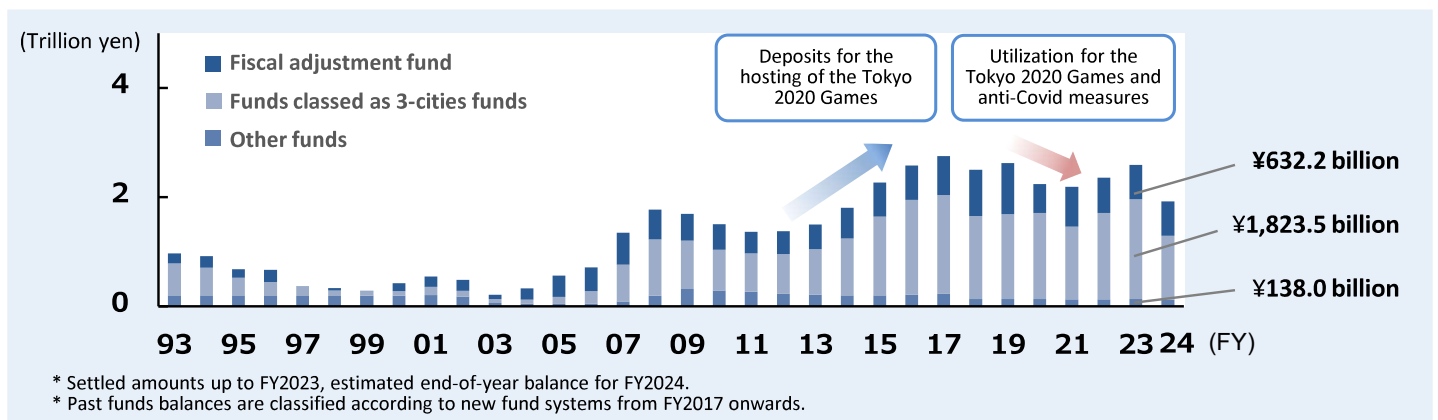


* Prefectural ratios are weighted averages, excluding partial-affairs-associations, etc.

Funds balance

- As of end FY2023, **fiscal adjustment funds balance decreased by 17.5 billion yen to 632.2 billion yen compared to the previous fiscal year**, mainly due to utilization for measures against COVID-19. Meanwhile, the **balance of funds for the realization of 3-cities increased by 245.8 billion yen to 1,823.5 billion yen for the same comparison**, mainly due to deposits to the Tokyo resilience promotion fund.
- As a result, the end FY2023 **balance of funds as a whole, increased by 232.3 billion yen to 2,593.8 billion yen compared to the previous fiscal year**.
- We will continue **the proactive utilization of funds** in FY2024 for the promotion of measures for the realization of a “Future Tokyo”, and the end FY2024 **balance of funds as a whole** is forecast to be **1,924.6 billion yen**.

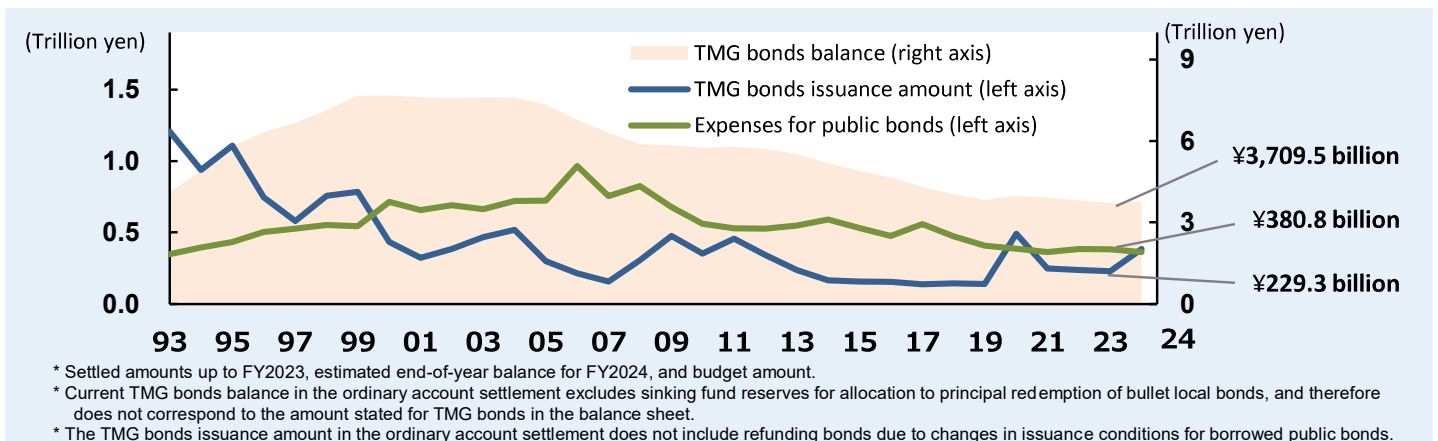
■ Changes in funds balance



TMG bonds balance, etc.

- The TMG bonds issuance amount for FY2023 **decreased by 9.4 billion yen compared to the previous fiscal year to 229.3 billion yen**.
- As a result, **TMG bonds balance decreased for three consecutive years, falling by 108.4 billion yen compared to the previous fiscal year to 3,709.5 billion yen**.
- We will continue to utilize TMG bonds appropriately in light of financial conditions and future financial burden.

■ Changes in TMG bonds balance, TMG bonds issuance amounts, and expenses for public bonds



Details regarding how funds and TMG bonds are being utilized under financial management are given from P27 onwards in section “III Financial Management with a Steady Focus on the Future”.

◆ Ratios set forth by the Law on the Fiscal Consolidation of Local Governments

- The ratios to judge fiscal consolidation and capital shortage ratios based on the Law on the Fiscal Consolidation of Local Governments, focus on stock as well as on flow, and serve as **indicators that clarify the overall finances of local governments** by including expenses in the general accounts in relation to public entities accounts and third-sector public/private enterprises as well as general accounts, etc. (almost the same scope as ordinary accounts).
- In addition, judgment criteria, such as the early consolidation standard, have been defined for each index, and these require **efforts to achieve fiscal consolidation through the formulation of fiscal consolidation plans, etc. in the event that any index exceeds the standard**.
- TMG indices in FY2023 **all fell significantly below the threshold values that would necessitate early consolidation and rebuilding of financial affairs**.

Ratios for judging fiscal consolidation

- General term referring to the four indices for judging the need for early consolidation and rebuilding of financial affairs.
- In the Fiscal Year 2023 Financial Results, **no accounts recorded real deficits**. In addition, the **real debt service ratio**, which is the ratio of the amount required for the redemption of local government bonds, **was 1.3%**, while the **future burden ratio**, which is the ratio of real liabilities that should be borne under general accounts in the future, was **9.7%**, and **both fell below threshold values**.

Index name	Index details	TMG ratio	Early consolidation standard	Fiscal reconstruction standard
Real deficit ratio	• Ratio of real deficit amount in relation to standard financial scale [General account, etc.]	- (No deficit)	5.57%	8.63%
Consolidated real deficit ratio	• Ratio of real deficit amount in relation to standard financial scale [All accounts]	- (No deficit)	10.57%	18.63%
Real debt payment ratio	• Ratio of general revenue sources used for the redemption of local government bonds in relation to standard financial scale (3-year average)	1.3%	25%	35%
Future burden ratio	• Ratio of future burden expected in general accounts, etc. , in relation to the standard financial scale	9.7%	400%	-

Capital shortage ratio

- This is an index showing degree of deterioration of management status in public enterprises, and is calculated as the ratio of capital shortage against business scale of public enterprise accounts.
- In the Fiscal Year 2023 Financial Results, there were **no capital shortages in any of the applicable public enterprise accounts**.

Index name	Index details	TMG ratio	Management consolidation standard
Capital shortage ratio	• Ratio of capital shortage amount in relation to business scale for each public enterprise account	In all accounts - (No capital shortage)	20%

* The ten applicable TMG accounts are; Central Wholesale Markets, Urban Redevelopment Projects, Waterfront Areas Development Projects, Port and Harbor Projects, Transportation, Urban Rapid Transit Railways, Electric Power, Waterworks, Sewerage and Slaughterhouses.

2

Looking Back Over Fiscal Year 2023 and Future Financial Management

I Looking Back Over Fiscal Year 2023

- FY2023 reached a significant turning point with the **positioning of COVID-19 as a Category V infectious disease**, and **reviews of large-scale monetary easing measures**, including the **ending of negative interest rates**.
- Along with the implementation of agile and flexible **measures against COVID-19** and **measures to combat steep rises in prices**, the TMG engaged in the speedy deployment of “**Investment in the future**” initiatives, such as measures to address the low birth-rate and start-up support, from a long-term perspective.
- In this section, we look back over fiscal year 2023, which became a **social and economic turning point**, from a financial viewpoint.

1 Socio-economic trends and TMG responses

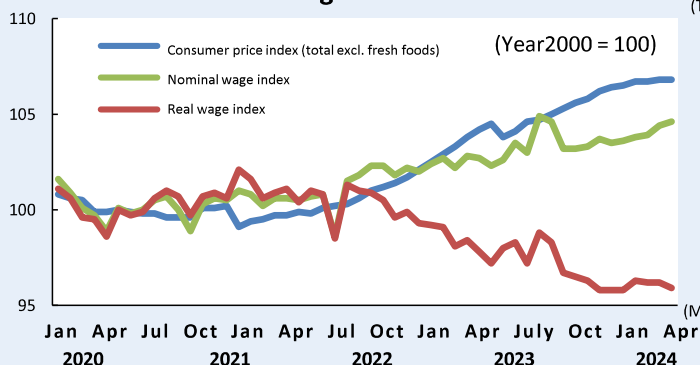
COVID-19

- To date, the TMG has been focusing all its strengths on counter-measures in the battle against COVID-19, a once-in-a-century crisis. In order to implement necessary measures appropriately without missing any opportunities, the TMG undertook prompt and flexible responses such as **the formation of supplementary budgets that effectively utilize TMG financial resources as well as national government grants**.
- In FY2023, along with the earmarking of expenditures related to responses during normal times, such as investigations and research by the Tokyo iCDC experts’ board, etc. in the initial budget, the TMG formed supplementary budgets in response to national policies, infection conditions, and the status of medical care provision systems, with the aim of **securing a system capable of responding flexibly with the spread of infection**, while **steadily promoting the transition to Category V**. As a result, the expenditure amount in FY2023 for anti-Covid measures came to **308.5 billion yen**.
- The TMG’s actions, in bringing its financial capabilities into full play to **fully protect the livelihoods of Tokyo’s citizens and the economy** in the capital Tokyo, where the population and businesses congregate, has led to the vigorous Tokyo of today.

Continuing steep rises in prices and the changing financial environment

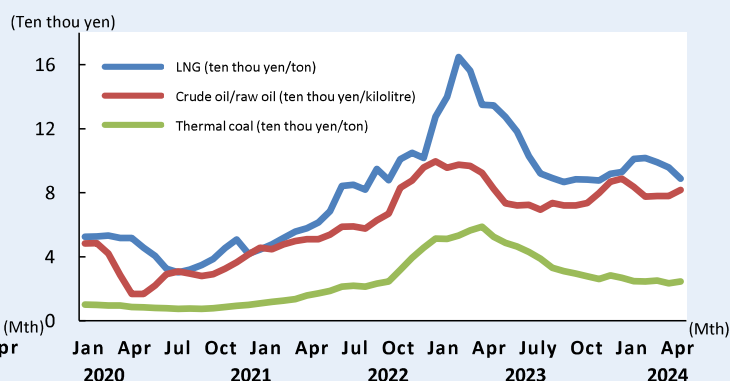
- Steep rises in prices due to overseas conflicts and the weak yen continued to impact the livelihoods of Tokyo’s citizens and business activities in FY2023. Steep rises in prices exceeding rises in wages put pressure on the livelihoods of Tokyo’s citizens, while business operators’ business management was impacted by factors such as the prolonged soaring costs of raw materials (Figure 1, 2).

■ **Figure 1 Changes in the consumer price index and the wage index**



* Created from the “Consumer Price Index” (Ministry of Internal affairs and Communications) and the “Monthly Labour Survey” (Ministry of Health, Labour and Welfare).
* All indices have been seasonally adjusted.

■ **Figure 2 Changes in energy import prices**



* Created from the “Trade Statistics of Japan” (Ministry of Finance).

- In FY2023, as initiatives to protect Tokyo citizens and business operators from the impacts of prolonged steep rises in prices, the TMG implemented a **multi-layered package of measures**, such as **forward-looking initiatives to promote pay increases and the passing-on of price changes**, in addition to **safety-net support**, in the initial budget. Furthermore, the TMG formed supplementary budgets to **support Tokyo citizens and businesses bearing the impact of steep rises in prices**, by providing fuel expenses support for businesses that struggle to pass price changes through to customers, etc. (Figure 3). As a result, FY2023 expenses for measures to combat steep rises in prices came to **282.1 billion yen**.

■ **Figure 3 Measures to combat steep rises in prices**

Safety net support

- Food pantry emergency support project
- Small and medium enterprise financing system (emergency financing in response to COVID-19, the Ukraine situation, the weak yen, energy, etc.) etc.

Measure for pay increases and the passing-on of price changes, etc.

- Projects to promote the creation of workplace environments to improve engagement
- Subcontractor measures project, etc.

Measures for steep rises in energy prices, etc.

- Emergency measures project for steep price rises at medical institutions
- Emergency measures project for steep rises in fuel expenses for freight businesses
- Emergency measures project for steep price rises at nursery facilities
- Emergency measures project for steep price rises at special nursing-care homes for the elderly
- Emergency measures project for steep rises in prices of LP gas for home users, etc.

- In March 2024, the Bank of Japan deemed that conditions had reached a point where the realization of a sustainable and stable 2% price stability target could be anticipated, and **announced the review of large-scale monetary easing measures**, such as the hitherto negative interest rate policy, and decided to raise interest rates for **the first time in seventeen years**, since 2007.
- While continuing to implement appropriate measures in light of the environments surrounding Tokyo's citizens and business operators, for the future, in view of **financial risks such as increased TMG bonds interest payment expenses accompanying rising interest rates**, the TMG will be required to conduct **sustainable financial management with a keen medium and long term focus**.

2 “Investment in the Future” to Resolve Issues Facing the Tokyo Metropolis

- Many challenges remain for Tokyo to achieve sustainable growth, such as preparations for the issues of a graying society and declining population that are shaking the foundations of society, the fall in international competitiveness, and disasters that can occur at any time.
- Until now, the TMG has engaged in the alleviation of economic burden on child-rearing households, and commenced initiatives such as “**018 Support**” and “**Free childcare from the second child onwards**” in FY2023. As with 018 Support leading to **the national government's** repeal of income-related restrictions on child-care allowance, **initiatives such as the TMG's low birth-rate measures are leading the country, and creating a large movement in society**.
- Furthermore, the TMG has comprehensively deployed **pioneering measures to usher in a new era** with the aim of resolving issues facing the Tokyo metropolis, such as **start-up strategies** for the realization of a city that will drive the world's economy, and **increasing the city's resilience** in order to realize a sustainable capital, Tokyo, which will be safe for another 100 years.
- In order to implement initiatives such as these, the TMG has repeatedly undertaken thorough project reviews, which have secured **approximately 810 billion yen** in financial resources **over eight years** since FY2017.
- In this way, the TMG has worked within the confines of limited financial resources to balance the proactive deployment of measures that respond appropriately to changes in social conditions and the needs of Tokyo citizens with sustainable financial management.

Looking back over measures against COVID-19 and financial management

- In the 1,200-day battle against COVID-19, the TMG implemented anti-Covid measures equivalent to **5,776.4 billion yen on a general accounts settlement basis or 5,785.6 billion yen when the hospitals account is included**, over the period from FY2019 to FY2023.

■ Overview of measures against COVID-19 (FY2019 – FY2023, general accounts)

Basis of measures	Settled amount
1 Measures to prevent the spread of COVID-19 Spread prevention assistance fund, hospital bed securing fee subsidy for patient acceptance, accommodation facility utilization project, support for the appropriate implementation of home recuperation, payment of benefits for medical personnel, etc.	¥3,788.2 billion
2 Reinforcement/enhancement of safety nets that support the economic activities and livelihoods of Tokyo citizens Small and medium enterprise financing system, etc., , livelihood welfare funds loans subsidy, monthly support grants for small and medium enterprise operators, Tokyo child-birth support project – COVID won't defeat us!, Payment of "Support benefits for Tokyo rents" etc.	¥1,816.3 billion
3 Approaches aiming for compatibility with spread prevention measures and socio-economic activities Regional tourism support projects, support for business development to accommodate new lifestyles, business foundation reinforcement support project for restaurateurs etc.	¥103.8 billion
4 Approaches to overcome immediate crises by promoting transformation of social structures Emergency support to promote working-from-home, environment development for online study at schools etc.	¥68.1 billion
Total	¥5,776.4 billion

- At the beginning of the Covid crisis, even with no financial support from the national government, the TMG realized the provision of spread prevention assistance funds ahead of the rest of the country, by **utilizing fiscal adjustment funds that had been steadily accumulated to date**. Even as subsequent waves of infection continued, the TMG was able to undertake flexible responses by making withdrawals up to the point of almost total depletion, with the estimated year-end balance amount for fiscal adjustment funds temporarily reduced to 2.1 billion yen.
- Along with firmly securing financial resources from the national government for spread prevention measures to be applied as common nationwide measures, TMG financial resources were utilized for measures taking actual conditions in Tokyo into consideration, with the formation of successive supplementary budgets to enable responses without missing any opportunities.
- By bringing the financial capabilities nurtured to date into full play in this way, and implementing flexible and proactive measures that placed the highest priority on protecting the life and health of every individual, **the TMG was able to suppress the number of fatalities per million to an extremely low level, even among OECD member states**.

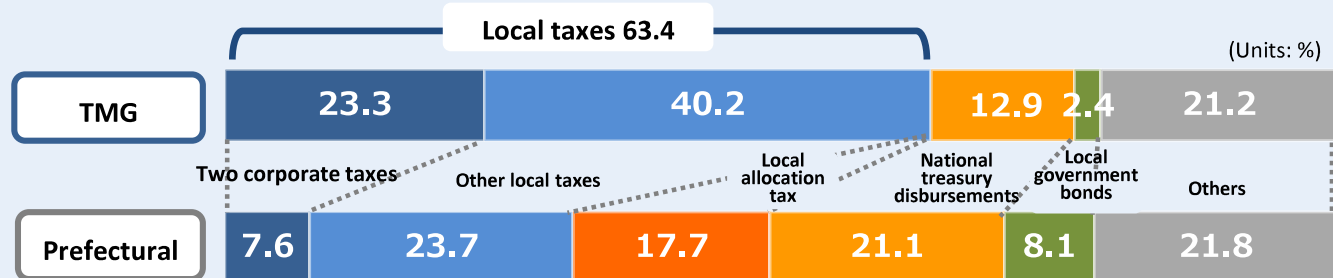
II TMG Financial Status and Colossal Financial Demands

- Even with a **revenue structure easily susceptible to economic fluctuations**, while providing **wide-ranging administrative services**, the TMG must respond to **unavoidable financial demands** such as social security related expenses, and also ensure **“Investment in the future” in order to realize a bright “Future Tokyo” in which all people can shine**.
- In this section, we will study the structure of TMG Finances and the colossal financial demands facing the TMG.

1 Structure of TMG finances

- Local taxes account for approx. 60% of TMG revenues, and of this, approx. 20% is comprised of the two corporate taxes, **making the revenues structure unstable and susceptible to economic fluctuations**. Furthermore, as **Tokyo is the only prefecture that is not awarded local allocation tax**, which retains the function to guarantee financial resources, trends in tax revenues are directly connected to annual revenues, so the **TMG requires greater financial management autonomy in comparison to other prefectures** (Figure 4).

■ Figure 4 Comparison between TMG and other prefecture revenue structures (FY2022 Financial Results)

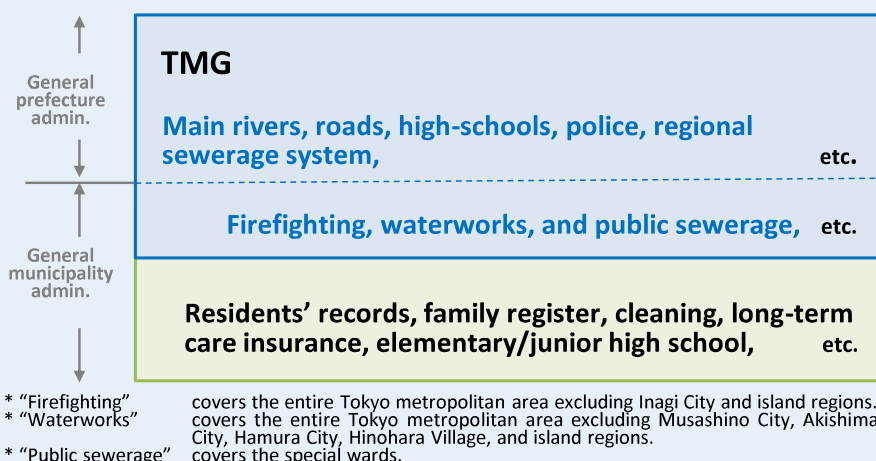


2 Characteristics of financial demands facing the TMG

Financial demands specific to the TMG

- The scope of the TMGs administrative services is considerably greater compared to that of other prefectures under the current local autonomy system. For example, **firefighting, waterworks, and public sewerage administration, which is generally undertaken by municipalities in other prefectures**, is undertaken by the TMG from the perspective of securing the cohesion and uniformity of provided services, and total expenses for these is approximately 400 billion yen (Figure 5).

■ Figure 5 The scope of administration borne by the TMG (envisaged)



- Expenses related to financial demands specific to the TMG (examples)

Firefighting Approx. ¥245.0 billion

Waterworks Approx. ¥6.0 billion

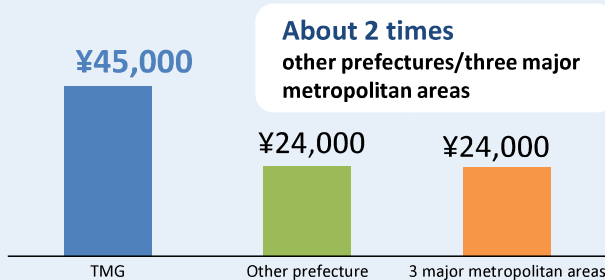
Public sewerage Approx. ¥148.0 billion

- * "Firefighting" expenses include projects consigned from Tama region municipalities excluding Inagi City.
 * "Waterworks" and "Public sewerage" expenses are amounts transferred to the Waterworks and Sewerage accounts.

Financial demands specific to major cities

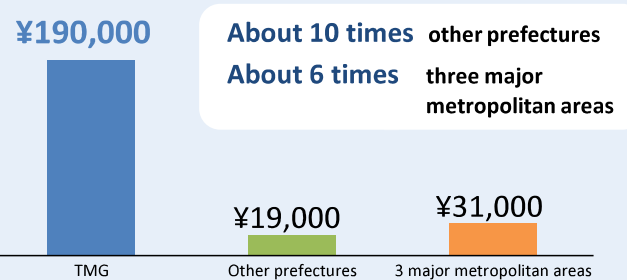
- The metropolitan police department undertakes **local police operations**, including the **handling of demands specific to major cities**, such as the **daytime inbound population** exceeding three million and **concentrated large-scale shopping districts**. In addition to this, the metropolitan police department also undertakes **capital police operations** such as security for the Diet and the Prime Minister's official residence, and VIP protection details, and police expenditure per resident is about **twice that of the average for other prefectures and the three major metropolitan areas** (Figure 6).
- Furthermore, due to the high land prices in Tokyo, **site acquisition expenditure** required for the development of roads, etc. is considerably higher, at **about ten times that of the prefectural average** and **about six times that of the average for the three major metropolitan areas** (Figure 7).

■ Figure 6 Comparison of police expenditure (per resident)



* Created from the "FY2022 Survey of Local Public Finance" (Prefectural section) (Ministry of Internal Affairs and Communications)
 * "3 major metropolitan areas" refers to the regions of the three major metropolitan areas excluding the Tokyo metropolitan area (Saitama, Chiba, Kanagawa, Gifu, Aichi, Mie, Kyoto, Osaka, Hyogo, and Nara prefectures)

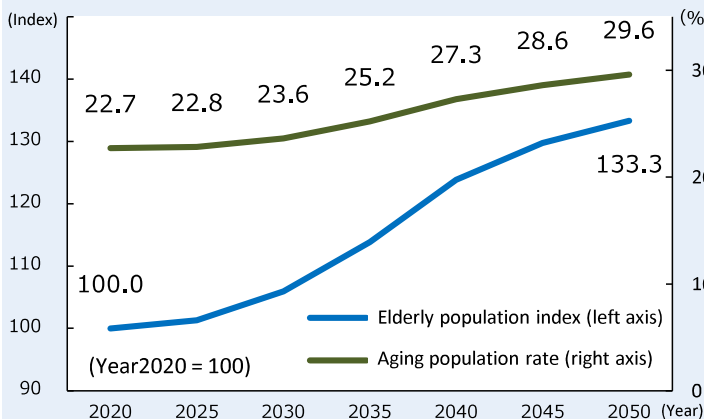
■ Figure 7 Comparison of site acquisition expenditure (per m²)



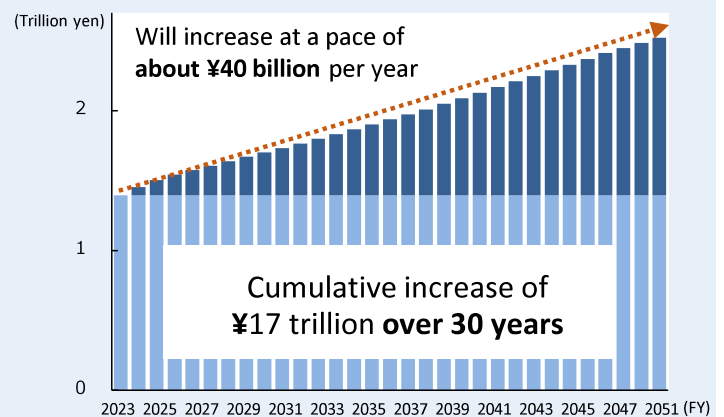
Unavoidable financial demands

- The future population estimates for Tokyo show that by 2050, approximately **one in every three people will be elderly**. Furthermore, the elderly population of 2050, when compared to 2020, is forecast to **increase by over 1,000,000 in Tokyo, about 1.3 times greater** (Figure 8).
- As the full arrival of the graying society progresses, we **forecast an even greater increase in social security related expenses** for initiatives in the elderly sector accompanying future increases in the elderly population and initiatives to combat low birth rates, etc. (Figure 9).

■ Figure 8 Future estimates for elderly population and aging population rate



■ Figure 9 Social security related expenses



* Created from "Regional Population Projections for Japan (2023 estimates)" (National Institute of Population and Social Security Research)

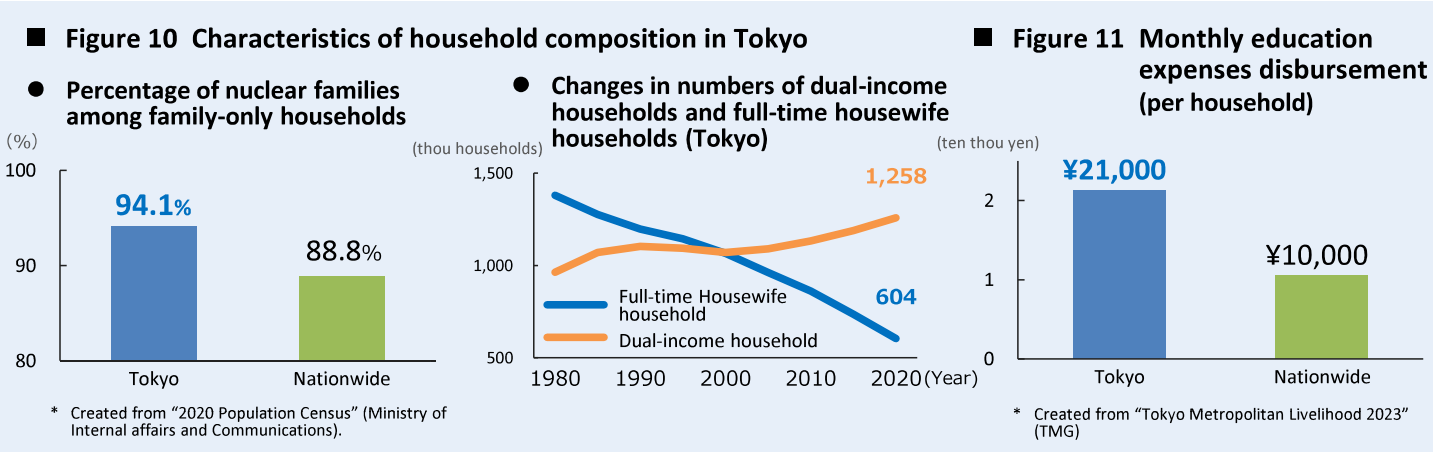
* On the premise projects similar to current projects will be continued, and reflecting the creation of new projects and the expansion of existing projects, overall TMG social security expenses were estimated by multiplying the settled amount for social security expenses in FY2023, which was used as the standard, by inflation rates, etc.

- Furthermore, many facilities owned by the TMG were built during the period of high economic growth and the single digit years of the Heisei era (1989-1997), and they are in an advanced state of deterioration. **Systematic maintenance and renewal** must be conducted in order to secure functionality and safety.
- These are **unavoidable financial demands** that will increase with changes in population structure and the passage of time.

3 Initiatives for the realization of a “Future Tokyo”

Realizing a children-first society

- The **total fertility rate** in 2023 was 1.20 nationwide and 0.99 for Tokyo. **Both figures are the lowest ever recorded**, and show that the declining birth rate is progressing rapidly. **The low birth rate, which is shaking the existential foundations of society and the economy, is a national issue, and should be approached strategically by the national government.** The TMG, being fully aware of the urgency, is engaged in the **speedy implementation of achievable measures**, and will need to **promote multi-faceted initiatives that respect diverse values and ways of thinking**, for the realization of a society in which **those who so desire can marry, bear and raise children without hindrance**, while also taking changes in socio-economic conditions and Tokyo residents’ needs into consideration.
- Tokyo has the **highest percentage of nuclear families** among family-only households in Japan, and **many of these** are characteristically **dual-income households**. Due to the **increase in nuclear families and dual-income households**, there is **increasing demand for support that balances home and work** (Figure 10).
- Furthermore, **expenses related to childbirth/child-rearing in Tokyo, such as childbirth costs and education expenses**, are relatively high (Figure 11). To enable those who so desire to undertake childbirth/child-rearing with peace of mind, the **alleviation of economic burden and environment development is essential**.



Reinforcing and enhancing initiatives for child/child-rearing households

- Until now, the TMG has promoted **seamless support across all life stages** as well as measures for children on waiting-lists for nursery care. In FY2024, the TMG speedily reinforced measures, such as the **introduction of practically free high school tuition, which removes income-related restrictions** (Figure 12). Furthermore, the TMG is also engaged in the **promotion of child-rearing and flexible work styles** in order to **develop environments that enable a balance between child-rearing and work** (Figure 13).
- Moreover, while putting multi-layered dialogue with children into practice, the TMG is deploying policies that operate arm-in-arm with each child, and engaging in initiatives for the realization of a society in which all children can grow up healthily in their own way.

FY2024 initial budget amount

- Promotion of measures to address the low birth-rate/child policy: ¥1.8 trillion

Figure 12 Seamless support for children

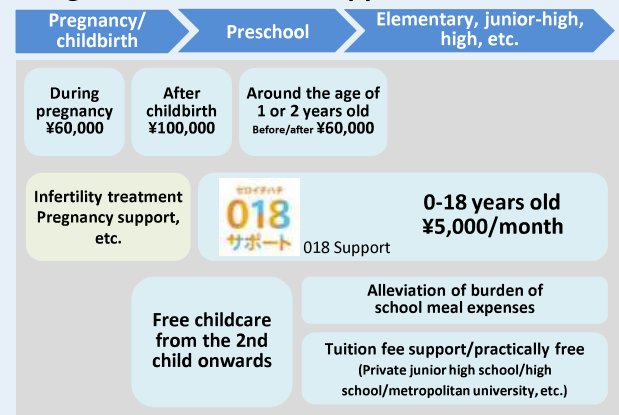
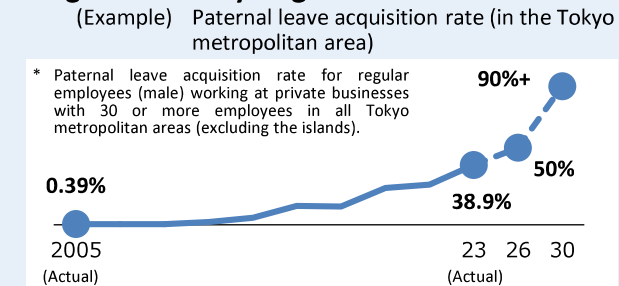


Figure 13 Policy targets

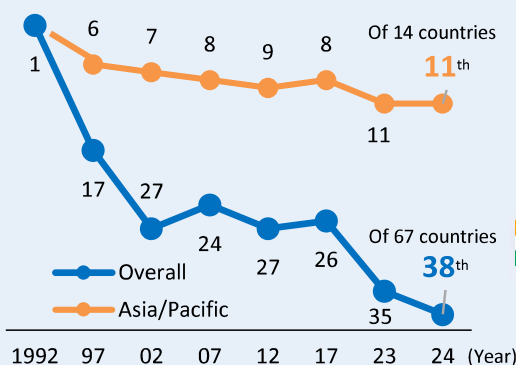


Reinforcement of international competitiveness

- GDP per citizen in Japan is the lowest of the G7 nations, and while Japan formerly ranked 1st in global competitiveness, it has fallen a long way since, currently sitting lower than other countries in Asia, and **international competitiveness is at a low ebb**.
- Across the world, **start-ups have driven change and growth**, and the innovations they create have led to solutions for social issues. While Japan is also producing unicorns (non-listed companies with corporate value exceeding one billion dollars), they are still few in comparison to the United States, etc. and there is a need to increase their number.
- Within this backdrop, Tokyo has **ranked 3rd for eight consecutive years** in the “Global Power City Index”. While Tokyo has **diverse potential to lead international society** as well as the development of Japan, compared to other cities around the world, it has **issues in sectors such as accessibility** (Figure 14).

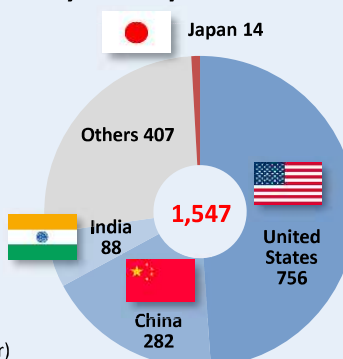
■ Figure 14 International competitiveness status of Japan/Tokyo

● Japan's global competitiveness



* Created from “World Competitiveness Ranking (IMD)”

● Number of unicorns by country



* Created from “The Crunchbase Unicorn Board” (as of August 19, 2024)

● Tokyo's ranking compared to other cities around the world
(Excerpt from Accessibility section)

Indicators		Rank
Movement comfort	Motor vehicle speed	37
	Shortness of commute to work/school	36
	Ease of movement by taxi or bicycle	20
Transportation within the city	Shortness of airport access time	29
International network	Number of cities commissioned for direct international flights	27

* Created from “Global Power City Index 2023” (Mori Memorial Foundation)

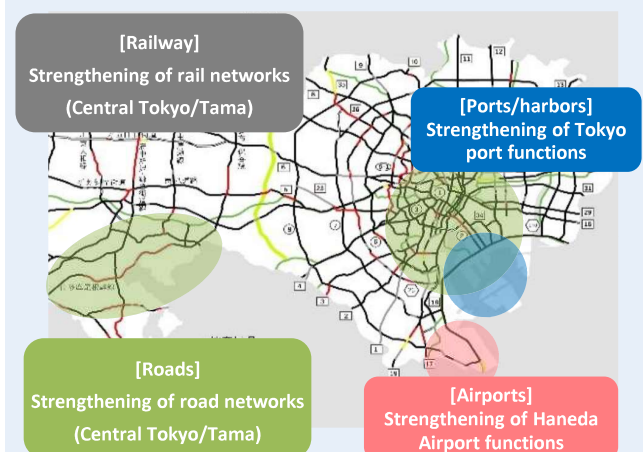
■ Start-up strategy and strengthening of city functions

- Along with the **maximum utilization of the congregation merits of people, things, money, and information**, and **creating new industries and innovations**, Tokyo must **heighten city functions**, and **evolve into an attractive city that will draw in people and investment from around the world**, in order to strengthen its international competitiveness.
- To this end, the TMG is promoting **start-up development, investment in GX/DX, and implementation of cutting-edge technologies**, as well as the **strengthening of urban infrastructure development and logistics functions** that support Tokyo's activities, such as the **strengthening of rail/trunk road networks, and airport/port/harbor functions** (Figure 15).
- Initiatives such as these will lead to improved international presence for the whole of Japan, and not just Tokyo (Figure 16).

■ FY2024 initial budget amount

- Start-up strategy acceleration: Approx. ¥20 billion
- Transportation/logistics network development promotion: Approx. ¥310 billion

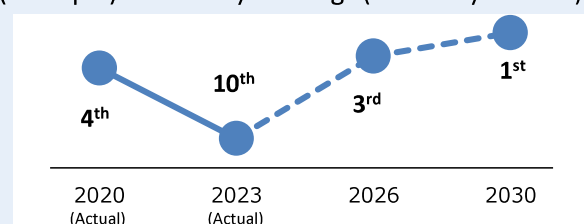
■ Figure 15 Overview of city function strengthening



* Created from “‘Future Tokyo’ Strategy version up to 2024” (TMG)

■ Figure 16 Policy targets

(Example) World city rankings (Economy section)



* Created from “Global Power City Index” Economy section rankings (Mori Memorial Foundation)

Increasing the city's resilience

- We are constantly exposed to the threat of disasters, such as large-scale wind and flood disasters and successive earthquakes, in Japan and overseas. Within this backdrop, the aim of Tokyo, the capital, to enhance resilience against disasters, is important not only to protect Tokyo, but also to strengthen Japan as a whole against disasters.
- Furthermore, in questionnaire surveys of Tokyo residents undertaken in recent years, “**disaster prevention**” has repeatedly been ranked as **1st priority** in sectors concerning initiatives that the TMG should undertake in the future, and indicates that **Tokyo residents have high expectations in relation to disaster prevention initiatives**.
- Until now, the TMG has aimed to enhance wide-ranging measures, such as the promotion of systematic implementation of all types of infrastructure development and initiatives that encourage self-help/mutual aid in preparation for disasters such as earthquakes and wind/flood disasters, and these have steadily yielded results. Continuing to **promote disaster prevention and mitigation measures** into the future can **significantly alleviate damages** (Figure 17).

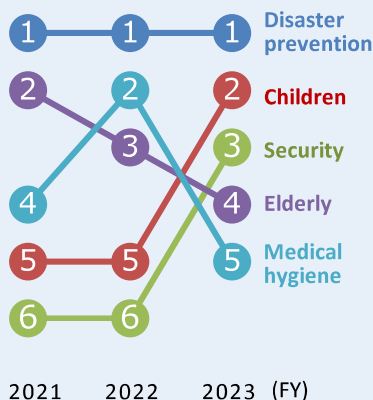
■ **Figure 17 The need to increase city resilience in Tokyo**

● **Damage estimations for a southern Tokyo inland earthquake (Magnitude 7.3)**

Human casualties	Deaths	≈ 6,100
	Injuries	≈ 93,400
Buildings damaged		≈ 194,400
Evacuees		≈ 2,990,000
Persons struggling to return home		≈ 4,530,000
Economic damages		≈ ¥21.6 trillion

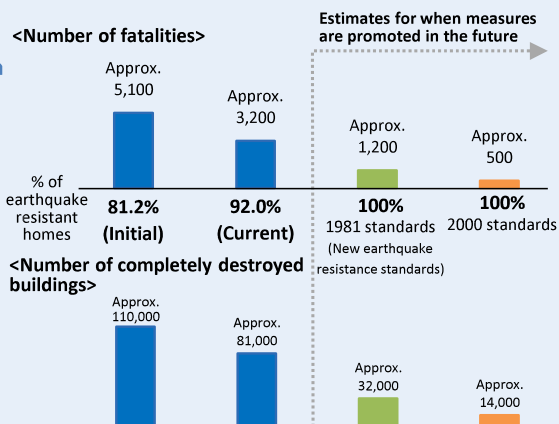
* Created from “Report on Estimated Damages in the Event of a Tokyo Inland Earthquake, etc. (May 2022)” (Tokyo Metropolitan Disaster Management Council).

● **Demands on TMG policies (Sectors the TMG should approach)**



* Created from “The 3rd Internet TMG Policy Monitor Questionnaire FY2023”.

● **Results of damage alleviation through the promotion of earthquake resistance**



* Created from “Report on Estimated Damages in the Event of a Tokyo Inland Earthquake, etc. (May 2022)” (Tokyo Metropolitan Disaster Management Council).
* “Initial” is as of FY2010, and “Current” is as of FY2019.

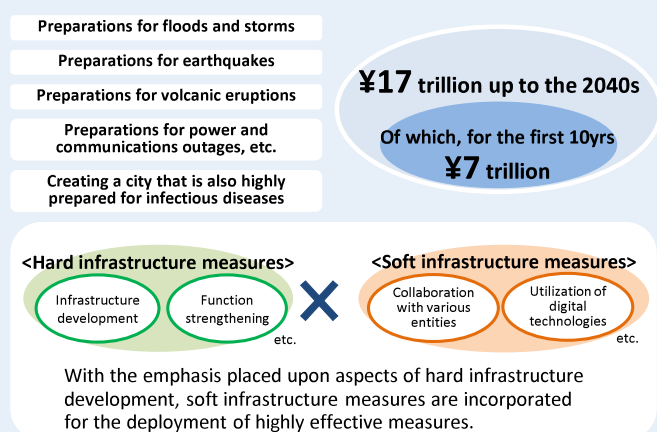
■ TOKYO Resilience Project

- In order to **protect the lives and livelihoods of Tokyo citizens, and maintain the functions and economic activities of Tokyo**, stable and continuous medium to long-term approaches must be taken to enhance the resilience of Tokyo.
- Within this backdrop, the TMG launched the **TOKYO Resilience Project**, which compiles the overall projects implemented by the TMG in relation to **five threats**, in December 2022, for the realization of a resilient Tokyo by the 2040s. Moreover, the project was upgraded in December 2023, with the aim of strengthening and expanding measures from the aspects of both hard and soft infrastructure (Figures 18, 19).

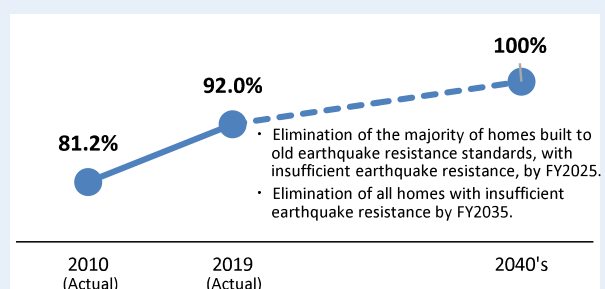
■ Project scale (estimate)

- Total project scale up to the 2040s: **¥17 trillion**
Of which, project scale for the first ten years: **¥7 trillion**

■ **Figure 18 TOKYO Resilience Project**



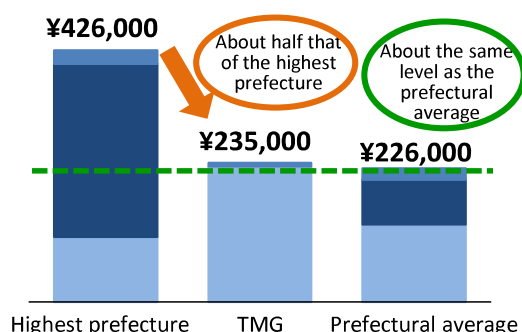
■ **Figure 19 Policy targets (example) Earthquake resistant home percentage**



Aiming for the ideal local tax and financial systems

General revenue source amounts per capita

Local tax Local allocation tax Local transfer tax, etc.



* Created from the "FY2022 Survey of Local Public Finance" (Prefectural section) (Ministry of Internal Affairs and Communications)
* Calculations are based on population figures given in "Population Register" as of January 1, 2023.

- As industrial structures and population scales differ for each local authority, the **local allocation tax system** was established to adjust the financial resource imbalance, and **guarantee the necessary financial resources to allow each local authority to provide a fixed level of administrative services**.
- When comparing general revenue source amounts per capita including local taxes and local allocation tax grants, **the level in Tokyo is almost the same as the average of prefectural governments, and not high at all**.
- Regardless of this, to date, under the pretext of correcting differences in financial capability between cities and rural areas, **a series of unreasonable local corporation tax reviews, through which local taxes were transferred to national tax and redistributed as allocation tax and transfer tax, were conducted. The consequent amount of TMG revenues reduction in FY2024 was 1.3 trillion yen, and the cumulative total since FY2008 now stands at 9.2 trillion yen.**
- To begin with, finance in Japan consists of an expenditures allocation ratio of 4:6 for national government and local government, while this is reversed to 6:4 for national tax and local tax allocation, and due to **successive local corporation tax reviews**, the percentage of local tax, which is an independent financial resource of local governments, has been following a steadily declining trend, and is **flowing against the current of decentralization**.
- For the whole of Japan to achieve sustainable growth, **enhancing and securing local taxes commensurate to the administration and authority that local governments should fulfil is the important issue**, and not the scrambling for a bigger share of limited financial resources.

The impact of "Hometown Tax"

- While one aspect of "Hometown Tax" is to contribute to regional revitalization and restoration support for local authorities that have suffered damages, since there are many issues, **the TMG does not participate in "Hometown Tax", and has demanded that the national government conduct drastic reviews of this tax system.**

■ "Hometown Tax" issues

- Distorts the local tax principle of benefit and burden
 - Return gift competition continues and the difference in revenues between local authorities is widening depending on the existence of popular local products.
 - Expenses such as mediating website fees mount up, and the local authority receiving the donation can only use about 50% of the donated amount.
 - The mechanism raises the upper limit of the deduction amount according to income, so there is an issue from the fairness perspective.
 - When the "one-stop exception" mechanism is used, reduced tax revenues that should be the burden of national government is passed to local authorities.
- The **amount of tax revenue reduction** incurred by the TMG and municipalities in Tokyo due to "Hometown Tax" **is increasing yearly**, and has risen to **about 190 billion yen for FY2024**, reaching a **cumulative total of 950 billion yen** since the system was established in FY2008.
 - While reviews of standards for return gifts and expenses have been conducted up to now, a variety of issues have yet to be resolved. For the future, a significant increase in users is expected due to major EC businesses entering the mediation business, and there are concerns that this will result in further deviation from the original concept of supporting municipalities through contributions. In view of the original purport of contributions, there is a **need to conduct drastic reviews of the "Hometown Tax" system.**

III Financial Management with a Steady Focus on the Future

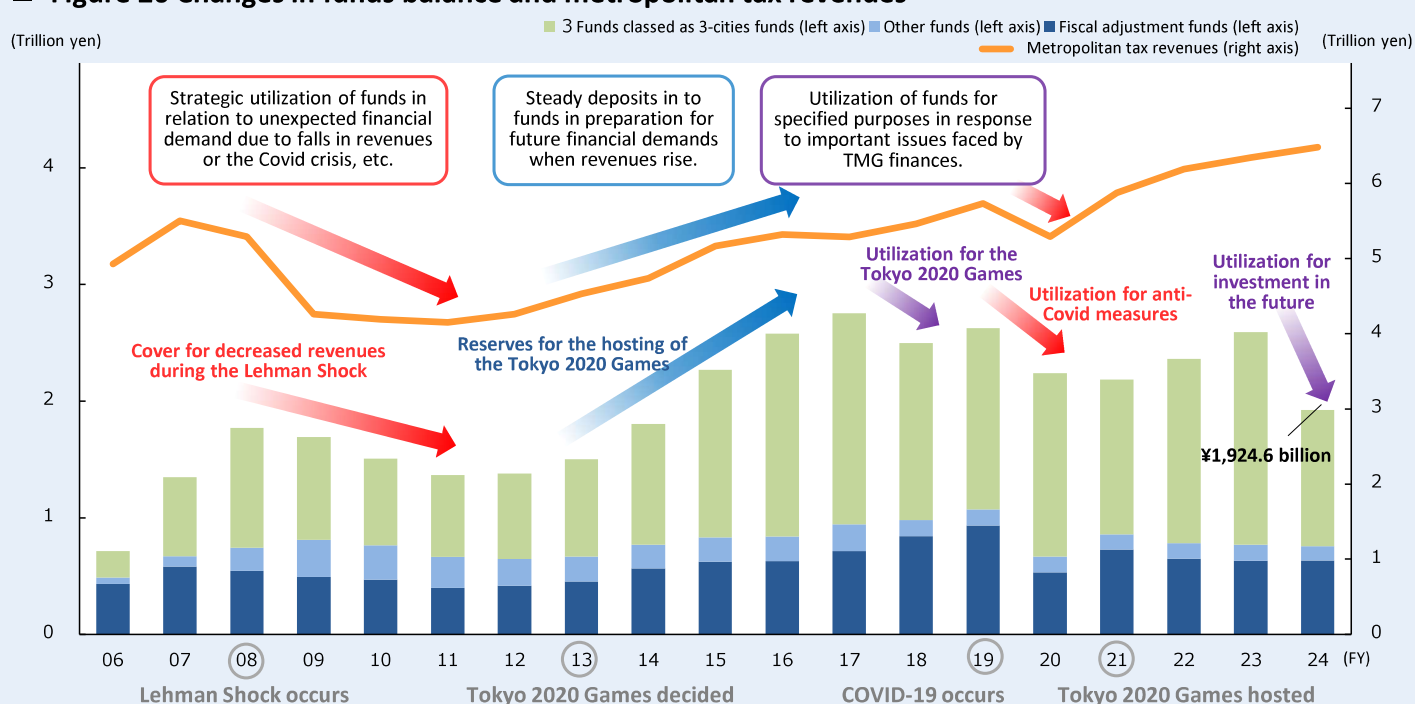
- When considering that future economic trends, such as the effects of fluctuations in financial and capital markets, remain clouded, the forecasting of the TMG's future financial environment is difficult. Within this backdrop, **sustainable financial management** is needed in order to respond appropriately to the colossal financial demands facing the TMG, such as "Investment in the future" in order to realize a bright "Future Tokyo".
- In this section, we will introduce initiatives involving the **funds** and **TMG bonds** that serve important roles in maintaining financial capabilities, and review systems implemented to enhance and strengthen capabilities from the perspective of wise-spending.

1 Maintaining financial capabilities

Strategic fund management

- With a revenues structure susceptible to economic fluctuations and as a non-receiving body in terms of local allocation tax, for the TMG to undertake sustainable financial management, **the utilization of funds that possess a function enabling financial resource adjustments between fiscal years is important.**
- Considering experiences such as the depletion of funds balances accompanying economic fluctuations and slumps in tax revenues, the **TMG has imposed on itself the obligation whereby, when growth in metropolitan tax revenues is forecast, some of the revenues are deposited into fiscal adjustment funds.** Even **when faced with significant falls in revenues**, such as when metropolitan tax revenues fell by about one trillion yen over one year due to the Lehman Shock, the **TMG was able to provide stable administrative services** by making sure to secure funds balances when revenues rose, through the establishment of independent systems such as this. Furthermore, the TMG was able to **respond promptly to unexpected financial demands** such as those of the Covid crisis.
- Considering such experiences, it is **important to make steady deposits into funds** to enable flexible responses, without missing any opportunities, for the occurrence of unexpected events that may occur at any time.
- The estimated end-FY2024 funds balance amount is roughly the same as the level prior to the Lehman Shock, at 1,924.6 billion yen, so from sustainable financial management perspectives, a fixed level of balances has been secured (Figure 20).

■ Figure 20 Changes in funds balance and metropolitan tax revenues



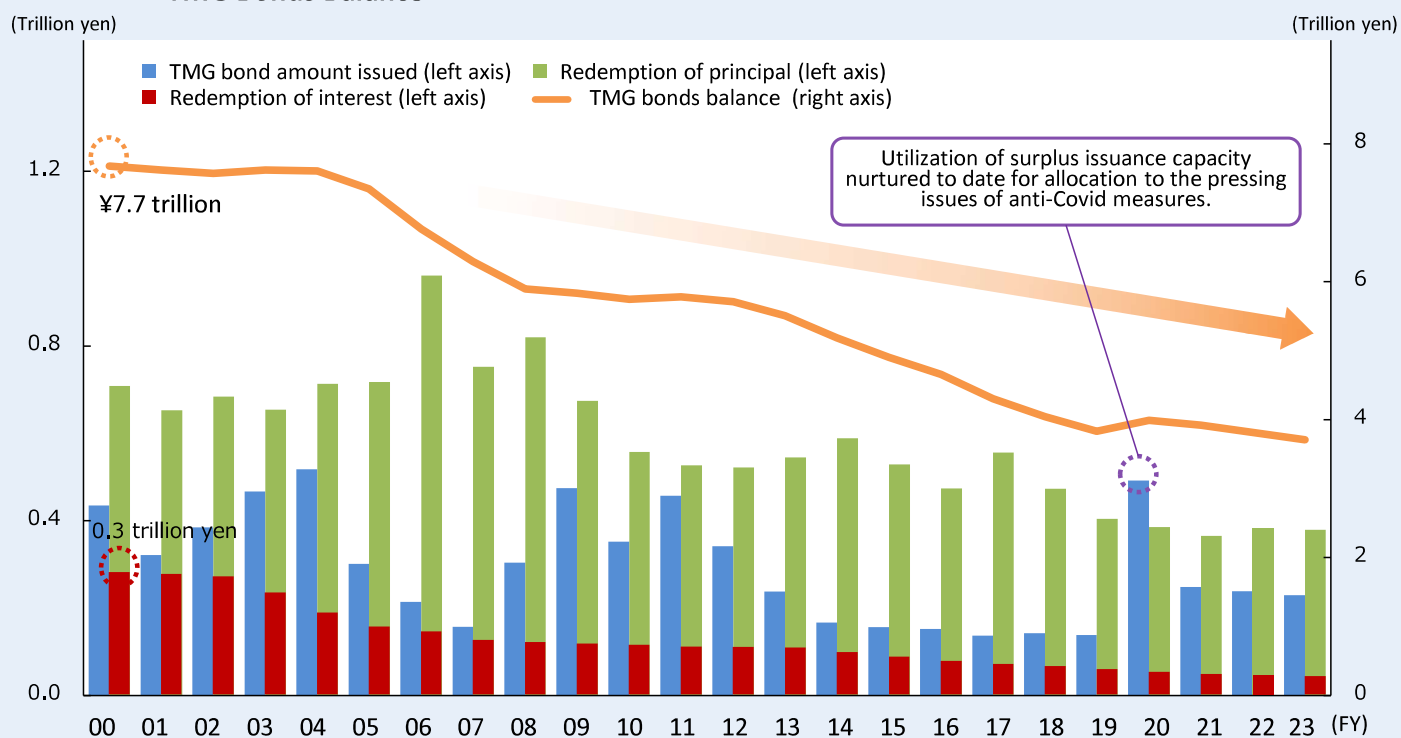
* Past funds balances are classified according to new fund systems from FY2017 onwards.

* Funds balances shown are settled amounts up to FY2023, and the estimated end-of-year balance for FY2024. Metropolitan tax revenues shown are settled amounts up to FY2023, and the budget amount for FY2024.

Strategic utilization of TMG bonds

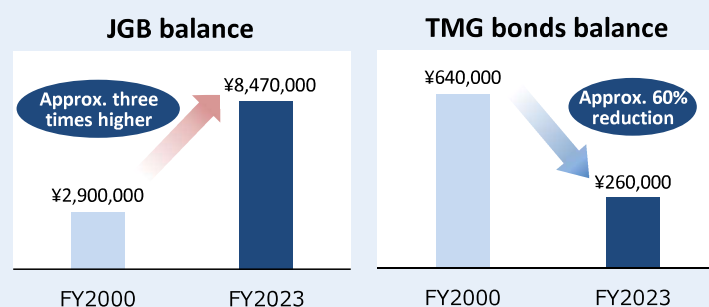
- As with funds, TMG bonds possess **the function of performing financial resource adjustments between fiscal years**, and are essential to sustainable financial management. Furthermore, they also **possess the function of balancing burden between generations**, and must be utilized appropriately whilst taking into consideration the benefits and burdens for future generations.
- Within this protracted economic slump following the collapse of the bubble economy, the TMG mirrored the national government's economic measures and maintained high expenses levels, resulting in the ballooning issuance of TMG bonds, which were used as financial resources, and in **FY2000, TMG bonds balance reached 7,675.0 billion yen**, while interest payment expenses reached 280.3 billion yen, the highest amounts ever recorded for both figures, which became a burden on financial management. Considering this experience, the TMG worked to prevent impacts on the livelihoods of Tokyo citizens due to reduced levels of administrative services resulting from pressure on finances caused by increased redemption of principal and interest, which are mandatory expenses, by **promoting curbs on TMG bonds issuance and advancement of redemptions during periods of robust tax revenues** (Figure 21).

■ **Figure 21 Changes in Amounts of TMG Bonds Issued/Redemption of Principal/Redemption of Interest/TMG Bonds Balance**



- When comparing TMG bonds against JGBs, in comparison to FY2020, the JGB balance per national citizen was about three times higher, while **TMG bonds balance per Tokyo citizen was about 60% lower**, which shows the effort to alleviate of future burden (Figure 22).
- Within this backdrop, with the ending of negative interest rates in March 2024, and the decision to further raise interest rates in July, Japan's monetary policy was significantly reviewed, **and the environment surrounding TMG bonds issuance has changed**.

■ **Figure 22 Comparison of issuance balance per citizen**

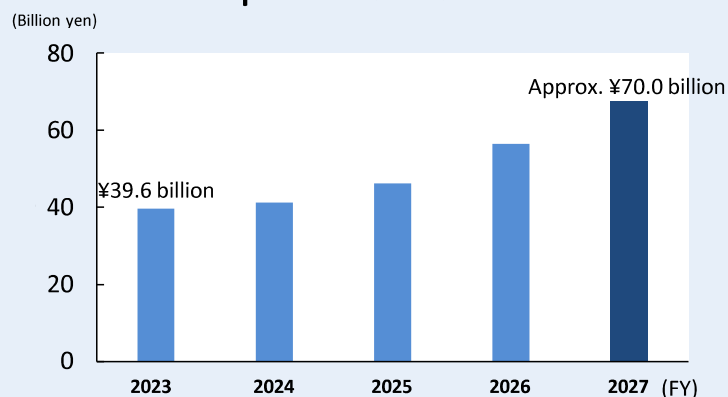


* Calculations are based on population figures as of October 1, given in "Population Estimates" (Ministry of Internal Affairs and Communications) and "Tokyo Population (Estimates)" (TMG).

* Japanese government bonds (JGB) section created from "Materials related to JGB bonds" (Ministry of Finance).

- **TMG bonds interest payment expenses** are expected to **increase if interest rates rise** in the future. When estimates for TMG bonds interest payment expenses are computed on a general accounts basis using the national government's estimates for reference, the estimated **amount for FY2027 is about 70 billion yen** (Figure 23).
- Meanwhile, as a result of steadily reducing TMG bonds balance until now, the estimated amount of interest payment expenses for FY2027 will stay at **about one quarter that of the highest amount ever recorded in FY2000**.
- The TMG will continue to work towards the appropriate utilization of TMG bonds, with future financial burden taken into consideration.

■ **Figure 23 Future TMG bond interest payment expense estimates**



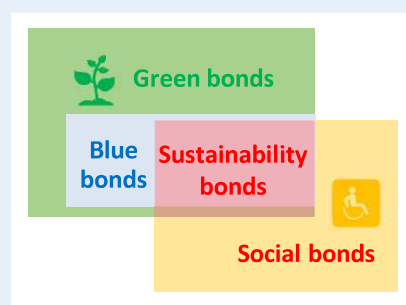
* On a general accounts basis, the figure for FY2023 is the settled amount, and later figures are estimates calculated on the basis that the amounts for new issue bonds for every year from FY2024 onwards will be the same amount as the FY2024 initial budget, of about 300 billion yen.

* For interest rates, the calculated interest rate (1.8%) in the TMG's initial budget for FY2024 is used, and for FY2025 onwards, interest rates were set using [Estimates - 1] in the "FY2024 Budget Estimated Impacts on Expenditures/Revenues in Later Years (February 2024)" (Ministry of Finance), and interest payment expenses were computed from these figures.

Column Sustainable finance initiatives

- With the objective of strongly promoting TMG measures through the backing of Tokyo citizens and companies, the TMG has been issuing "**Tokyo green bonds**" from FY2017 onwards, and "**Tokyo social bonds**" from FY2021 onwards, ahead of local authorities nationwide. In FY2023, the total value of "Tokyo Green Bonds" and "Tokyo Social Bonds" issued was about 110 billion yen.
- Regarding "Tokyo Green Bonds", taking the recently formulated international standardization guidelines, "Blue Bond Guidelines", into consideration, from FY2024 onwards, these have been issued as "**Tokyo Green and Blue Bonds**", and in order to attract investment funds from wide-ranging overseas investors as well as domestic ones, the TMG will be the first local authority in Japan to issue foreign **sustainability bonds** in overseas markets.
- Through initiatives such as these, the TMG is revitalizing the sustainable finance market, and driving the realization of SDGs from the financial sector.

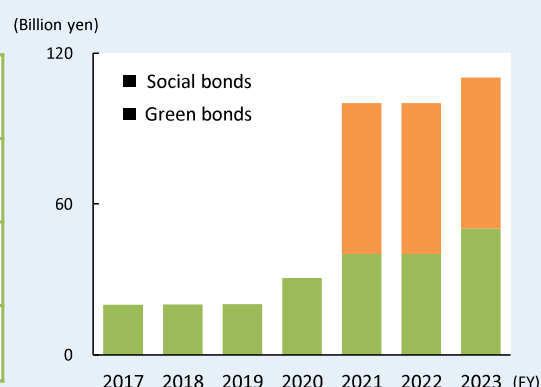
■ Image diagram



■ Allocation target projects

Green	Projects that contribute to the promotion of environmental measures
Blue	Projects that contribute to marine conservation type green projects
Social	Projects that contribute to the resolution of social issues
Sustainability	Both green and social projects

■ Changes in issue amounts

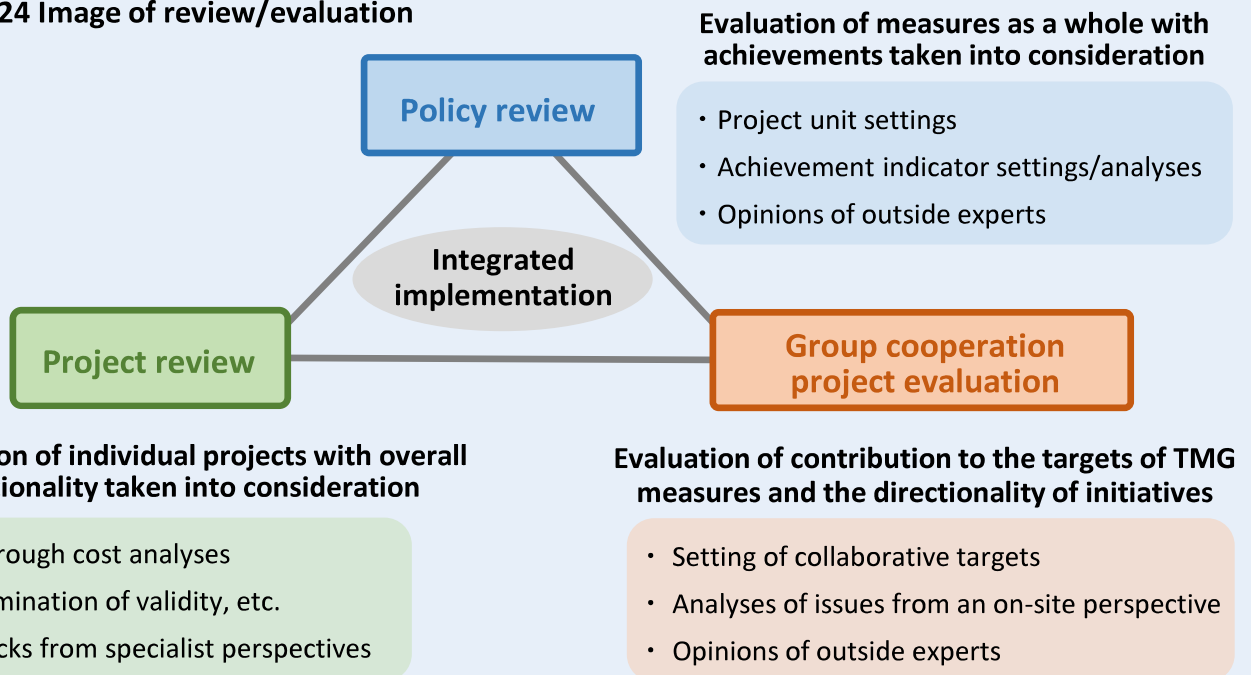


2 Promotion of wise-spending initiatives

Approaches to project and policy reviews/group cooperation project evaluation

- In order to respond appropriately to the various issues facing TMG finances within the scope of limited financial resources, as a part of the budget compilation process, the TMG undertakes **integrated implementation of three evaluation processes**; “**policy review**”, which evaluates the **directionality of measures as a whole**, “**project review**”, which **verifies each project to improve efficiency and effectiveness**, and “**group cooperation project evaluation**”, which **evaluates contribution to the targets of TMG measures and the directionality of initiatives** in projects undertaken by policy cooperation bodies, while taking the degree of achievement into consideration (Figure 24).

■ Figure 24 Image of review/evaluation

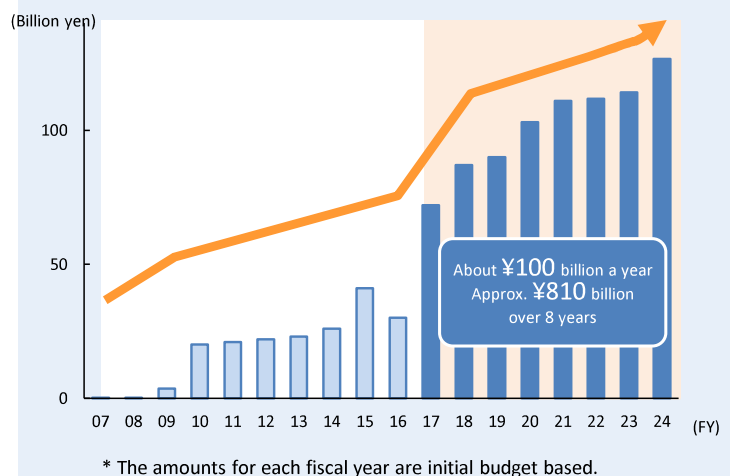


- By **setting “end-of-term” for all projects**, and conducting thorough ex post reviews of projects that have reached their end-of-term, etc. since the formation of the FY2017 budget, project reviews have led to the **securing of approx. 100 billion yen per year, or approx. 810 billion yen in financial resources over the past eight years** (Figure 25).

- The FY2025 budget formation aims to further strengthen initiatives by conducting **thorough project reviews** from the perspectives of Tokyo’s citizens and business operators, to **eliminate wasteful aspects** in relation to **similar projects**, while **building sustainable execution systems** by promoting the **implementation of BPR** and the **utilization of cutting-edge technologies**, such as generative AI, **in project reviews**.

- The TMG will **further promote wise-spending approaches** by verifying the achievements of policies implemented to date, and the appropriateness/validity of projects, and conducting thorough reviews and redesigns.

■ Figure 25 Status of financial resources secured through project reviews



Summary of this chapter

- FY2023 began with the transition of COVID-19 to a Category V disease, and reached a major socio-economic milestone in March with the Bank of Japan's reviews of large-scale monetary easing measures, etc. Within this backdrop, the TMG implemented agile and flexible **measures against COVID-19** and **measures to combat steep rises in prices**.
- In addition to such unexpected financial demands, **there are unavoidable financial demands**, such as **financial demands specific to major cities** and social security related expenses, etc. Furthermore, with an eye to the future, responses to changes in social conditions and structural issues will be essential. **For the realization of a bright "Future Tokyo" in which all people can shine, there is a need for "Investment in the Future"**, in areas such as realizing a children-first society, strengthening international competitiveness, and increasing the city's resilience.
- Meanwhile, as **the TMG's revenues structure is susceptible to economic fluctuations**, and **as it is a non-receiving body in terms of local allocation tax**, the **TMG requires greater financial management autonomy in comparison to other prefectures** in order to respond to colossal financial demands such as these as well.
- Specifically, there is a need to **maintain financial capabilities through the strategic and systematic utilization of funds and TMG bonds** from medium to long-term perspectives. Furthermore, it is **important to further promote wise-spending approaches** by promoting initiatives aimed at the creation of highly efficient and effective measures from a perspective that places greater priority on achievements, etc. through the integrated implementation of policy reviews, project reviews and group cooperation policy evaluation.
- In this way, through the advancement of necessary initiatives from the perspectives of maintaining financial capabilities and wise-spending, the TMG will secure a resilient financial foundation and **undertake sustainable financial management**.

3

Financial Reporting through the New Public Accounting System

I TMG Ordinary Account Financial Statements

◆ Overview of the New Public Accounting System

- The TMG introduced the **new public accounting system, which uses double-entry bookkeeping/accrual basis accounting**, ahead of the rest of the country in FY2006.
- The introduction of the new public accounting system facilitated **understanding of stock information on assets and costs information**, including expenses that do not involve the movement of cash, such as depreciation expenses, etc. and by conducting **financial analyses from a different perspective to government accounting**, we have connected this to **enhanced accountability** in relation to **management reinforcement** and financial information.

The thinking behind the new public accounting system

- Conventional government accounting employs single-entry bookkeeping/cash basis, which **prioritizes strict management of cash flow**.

The thinking behind conventional government accounting

- ✓ **Single-entry bookkeeping**: Recording method that only allows an understanding of cash flow in relation to a single transaction.
- ✓ **Cash basis**: Concept of creating records based on actual cash revenues and expenses.

- The new public accounting system employs double-entry bookkeeping/accrual basis accounting, which **facilitates an understanding of stock information such as assets and liabilities, and cost information on an accrual basis**.

The thinking behind the new public accounting system

- ✓ **Double entry bookkeeping**: Method that creates records from two sides, cause and effect, in relation to a single transaction
- ✓ **Accrual basis**: Concept of creating records of revenues and expenses at the time of the transaction, regardless of cash revenues/expenses.

Merits of the new public accounting system

- Compared to the statements of the conventional government accounting system, the financial statements of the new public accounting system have the four merits given below, **which allow an understanding of multi-faceted financial information, enhanced accountability, and reinforced management**.

- ① **Understanding of Tokyo's overall stock information, such as assets and liabilities**
- ② **Understanding of accurate costs information, including depreciation**
- ③ **Enhanced accountability in relation to the results of administrative management**
- ④ **Reinforcement of management, such as verification of measures content, etc.**

Types of financial statement

- The TMG creates financial statements using the new public accounting system as supplementary materials of government accounting statements specified by laws. The TMG's financial statements are comprised of four main statements; ① **Balance Sheet**, ② **Administrative Cost Statement**, ③ **Cash Flow Statement**, and ④ **Statement of Changes in Net Assets**.

[① Balance Sheet]

Asset	Liabilities
	Net assets

- This table shows the amounts for assets/liabilities as of the end of the fiscal year, and **clearly shows the TMG's financial standing.**

[② Administrative Cost Statement]

Expenses	Revenues
Balance for the current period	

- This table shows the amounts of expenses and revenues for administrative management for a single accounting period, and **clearly shows the status of the TMG's revenues/expenses.**

[③ Cash Flow Statement]

Administrative service activities
Social capital improvement activities
Financing activities
Total balance
+
Balance carried forward from the previous year
=
Proforma balance

- This table shows the **cash flow for each of the 3 activity categories for a single accounting period**, and clearly shows the factors behind changes in cash flow.

(Ref) Government accounting statement

Revenues
Expenses
Balance (proforma balance)

[④ Statement of Changes in Net Assets]

Balance at the end of the previous period
Amount changed for the current period
Balance for the current period
Balance at the end of the current period

- This table clearly **indicates changes in net assets, which is the difference between assets and liabilities, for a single fiscal year.**

- The arrows in the above diagram indicate correlations between financial statements.

- ↔ The proforma balance of the cash flow statement matches the proforma balance of the government accounts.
- ↔ Net assets in the balance sheet matches the balance at the end of the current period indicated in the statement of changes in net assets.
- ↔ Balance for the current period in the administrative cost statement is reflected in the amount changed for the current period indicated in the statement of changes in net assets.

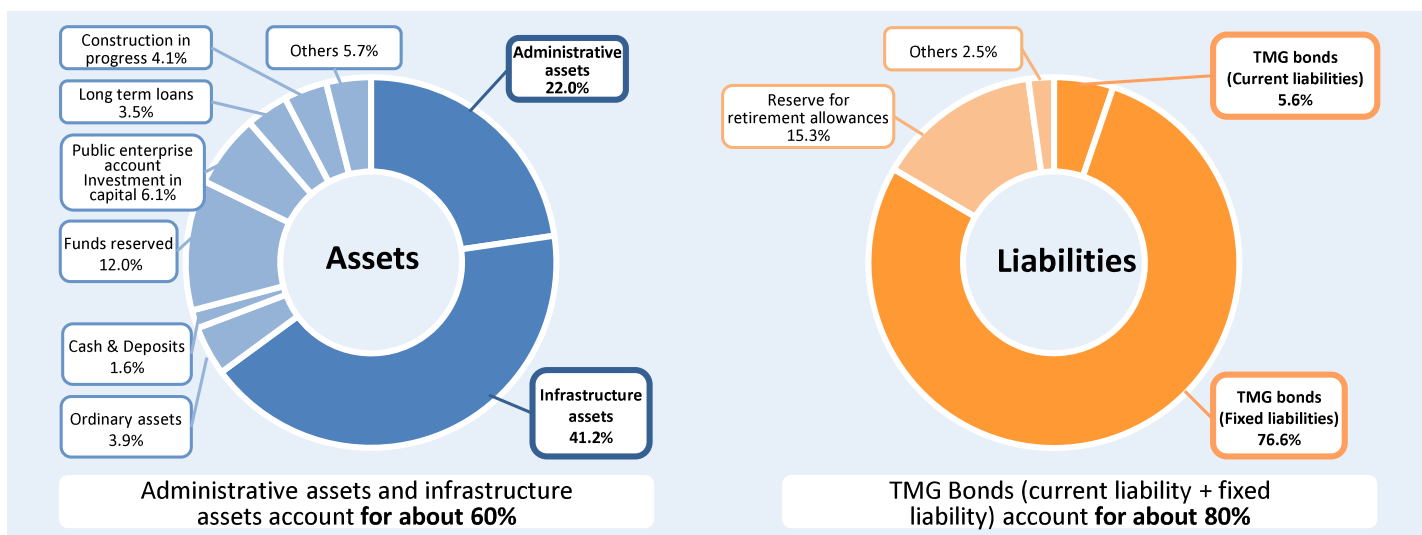
◆ Balance sheet

- The balance sheet categorizes the assets held by the TMG, the liabilities requiring payment in the future, and net assets, which is the difference between the total amount of assets and the total amount of liabilities, to clearly show the **TMG's financial standing as of the end of the fiscal year (including changes during the settlement period)**. In the **balance sheet (B/S)**, the amount for assets is equal to the sum of liabilities and net assets.
- In the Fiscal Year 2023 Financial Results, **while assets increased, liabilities decreased**, with assets and liabilities totals coming to **36,725.4 billion yen** and **6,397.9 billion yen** respectively. Consequently, total net assets also increased to **30,327.5 billion yen**.

Balance sheet overview

- **Administrative assets** such as TMG office buildings and TMG schools, and **infrastructure assets** such as roads, bridges, and ports/harbors, account for about **60%** of the **36,725.4 billion yen** asset total. In addition, **funds reserved**, which accounts for **about 10%** of assets, serve a significant role as preparations for future financial demands.
- **TMG bonds** account for **about 80%** of the **6,397.9 billion yen liabilities** total.

■ Breakdown of assets and liabilities



- **Total net assets came to 30,327.5 billion yen.** This indicates the difference between the total amount of assets and the total amount of liabilities.

The main reasons for changes from the previous year

- In assets, while **funds reserved (current assets) decreased by 46.7 billion yen**, mainly due to the utilization of fiscal adjustment funds, and **funds reserved (fixed assets) increased by 229.9 billion yen**, mainly due to reserves for the Tokyo resilience promotion fund, **investments and subventions under others increased by 113.0 billion yen**, mainly due to increased subventions to the Tokyo Environmental Public Service Corporation, resulting in **an increase in total assets of 422.1 billion yen**.
- In liabilities, **TMG bonds decreased by 163.4 billion yen**, due to reduced TMG bonds issuance resulting from decreased operating expenses following careful examinations of annual expenses, and **total liabilities decreased by 120.8 billion yen**.
- As assets increased while liabilities decreased, **net assets increased by 542.9 billion yen**.

<Balance Sheet>

(in billion yen, %)

Item	FY2023	FY2022	Change in amount	Percentage of change
Assets				
I Current assets	1,786.0	1,872.5	(86.5)	(4.6)
Cash & deposits	569.9	590.8	(20.9)	(3.5)
Uncollected revenues	95.8	71.6	24.2	33.8
Reserve for deficits due to non-payment ①	(3.6)	(3.8)	0.2	(5.3)
Funds reserved ②	936.4	983.2	(46.7)	(4.7)
Others	187.3	230.6	(43.2)	(18.7)
II Fixed assets	34,939.4	34,430.7	508.6	1.5
Administrative assets	8,082.7	8,100.8	(18.1)	(0.2)
Ordinary assets	1,432.6	1,455.1	(22.4)	(1.5)
Infrastructure assets ③	15,113.8	15,053.3	60.4	0.4
Funds reserved ②	3,469.1	3,239.1	229.9	7.1
Others	6,841.0	6,582.1	258.8	3.9
Total assets	36,725.4	36,303.3	422.1	1.2
Liabilities				
I Current liabilities	490.4	516.1	(25.7)	(5.0)
TMG bonds ④	358.3	394.2	(35.8)	(9.1)
Reserve for bonus	123.1	115.2	78	6.8
Other	8.8	6.6	2.2	33.3
II Fixed liabilities	5,907.5	6,002.6	(95.0)	(1.6)
TMG bonds ④	4,903.1	5,030.7	(127.6)	(2.5)
Reserve for retirement allowances	976.7	944.2	32.5	3.4
Others	27.6	27.6	0.0	0.0
Total liabilities	6,397.9	6,518.7	(120.8)	(1.9)
Total net assets ⑤	30,327.5	29,784.5	542.9	1.8
Total liabilities and net assets	36,725.4	36,303.3	422.1	1.2

Assets	<p>① <Reserve for deficits due to non-payment> As some uncollected revenues such as fees, etc. may become deficit due to non-payment in the future, the projected uncollectable amount is recorded under reserve.</p> <p>② <Funds reserved> Cash, etc. in preparation for financial resource adjustments between fiscal years and future financial needs is recorded as funds reserved. * Fiscal adjustment funds and sinking funds scheduled for reversal in the next fiscal year are treated as current assets, while funds that do not fall under current assets are treated as fixed assets. * In the ordinary account settlement, the sinking fund reserve amount, which is allocated as financial resources for redemption of bullet local bonds, is recorded under expenses for public bonds, and therefore does not correspond to funds balance in the ordinary account settlement.</p> <p>③ <Infrastructure assets> Records amounts related to roads and bridges, etc.</p>
Liabilities	<p>④ <TMG Bonds> As TMG bonds must be paid in the future, they are recorded as liabilities. * TMG bonds scheduled for redemption in the next fiscal year are treated as current liabilities while TMG bonds scheduled for redemption in the fiscal year after the next fiscal year or later are treated as fixed liabilities.</p>
Net assets	<p>⑤ The net assets section shows the difference between the total amount of assets and the total amount of liabilities in the balance sheet.</p>

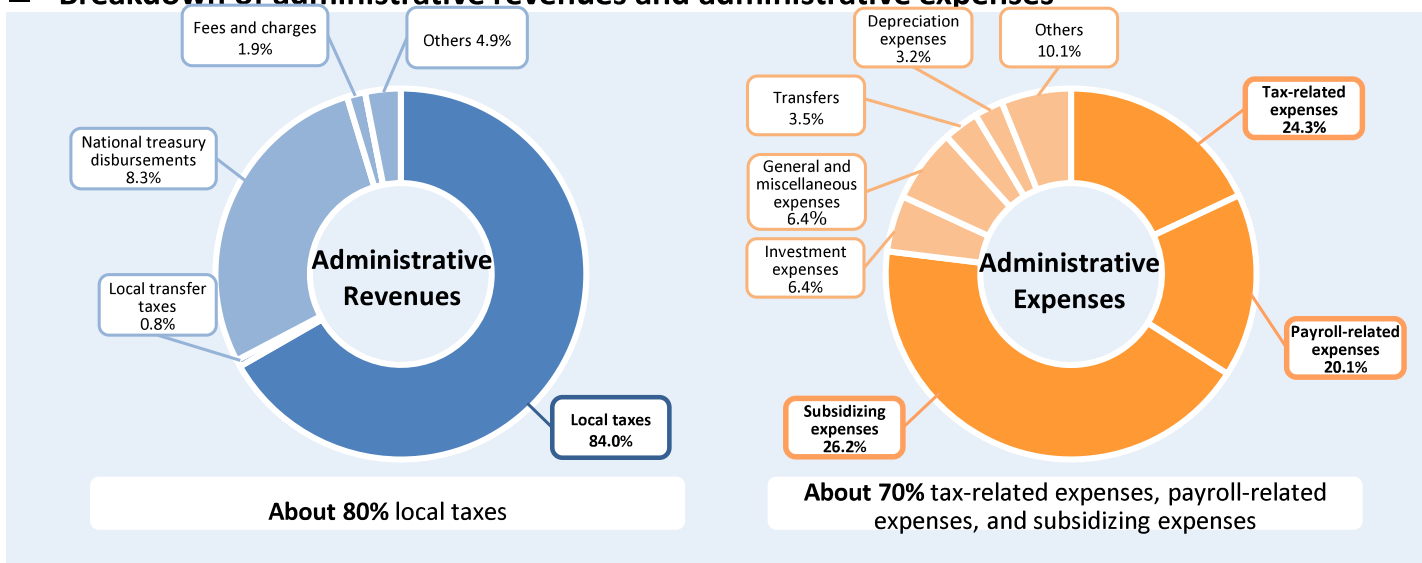
◆ Administrative cost statement

- The administrative cost statement is compiled to **recognize “expenses” arising from administrative services activities provided during a single accounting period** on an accrual basis, including costs that have not generated cash expenses during the period, such as depreciation and amounts transferred to reserves, and also to **indicate the corresponding relationship between “expenses” and “revenues” that serve as the financial resources**, the difference between the two, and clarify administrative services costs.
- In the FY2023 Financial Results, the **balance for the current period decreased by 34.1 billion yen compared to the previous fiscal year to 484.8 billion yen**, mainly due to decreased national treasury disbursements related to measures against COVID-19.
- A surplus in the balance for the current period in the administrative cost statement indicates that the expenses arising from administrative services provided during the period were basically covered by revenues such as tax revenues of the same period.

Administrative cost statement overview

- **Total administrative revenues was 7,544.1 billion yen**, of which **local taxes accounted for about 80%**. **Total administrative expenses was 7,015.0 billion yen**, of which **subsidizing expenses, tax-related expenses, and payroll-related expenses** accounted for a large proportion.

■ Breakdown of administrative revenues and administrative expenses



- Ordinary balance, which is the sum of administrative balance and financial balance was 500.1 billion yen, and together with special balance, **the balance for the current period came to 484.8 billion yen**.

The main reasons for changes from the previous year

- In administrative revenues, while **local taxes increased by 153.7 billion yen**, **national treasury disbursements** related to measures against COVID-19 **decreased by 560.0 billion yen**, bringing the **overall decrease to 296.6 billion yen**.
- In administrative expenses, **subsidizing expenses decreased by 225.7 billion yen**, mainly due to decreases in expenses related to measures against COVID-19, bringing the **overall decrease to 209.4 billion yen**.

<Administrative Cost Statement>

(In billion yen, %)

Item	FY2023	FY2022	Change in amount	Percentage of change
Ordinary Balance				
I Administrative balance				
Administrative revenues	7,544.1	7,840.8	(296.6)	(3.8)
Local taxes	6,338.6	6,184.9	153.7	2.5
National treasury disbursements	627.8	1,187.8	(560.0)	(47.1)
Fees and charges	144.1	143.6	0.4	0.3
Others	433.4	324.3	109.1	33.6
Administrative expenses	7,015.0	7,224.5	(209.4)	(2.9)
Tax-related expenses	1,703.2	1,633.9	69.2	4.2
Payroll-related expenses	1,407.2	1,388.7	18.5	1.3
Subsidizing expenses	1,835.6	2,061.3	(225.7)	(10.9)
Investment expenses	445.7	440.1	5.5	1.2
Depreciation expenses ①	225.4	220.4	4.9	2.2
Transfer to reserve for deficit due to non-payment	3.2	3.4	(0.1)	(2.9)
Transfer to reserve for bonus	123.1	115.2	7.8	6.8
Transfer to reserve for retirement allowances ②	80.4	94.8	(14.3)	(15.1)
Others	1,190.6	1,266.2	(75.5)	(6.0)
II Financial balance				
Financial revenues	14.5	12.5	1.9	15.2
Financial expenses	43.4	45.2	(1.8)	(4.0)
Expenses for public bonds (interest) ③	41.8	43.5	(1.7)	(3.9)
Others	1.5	1.7	(0.1)	(5.9)
Ordinary balance	500.1	583.5	(83.3)	-
Special balance				
Special revenues	28.6	49.5	(20.8)	(42.0)
Special expenses	44.0	114.0	(70.0)	(61.4)
Balance for the current period ④	484.8	519.0	(34.1)	-

* Investment expenses are the sum total of subsidiary investment expenses, independent investment expenses and investment expenses directly controlled by the national government.

Administrative balance	<p>① <Depreciation expenses> The amount of decrease in value of depreciable assets such as buildings and important property, not recognized under government accounting, is recorded under expenses.</p> <p>② <Transferred to reserve for retirement allowances> The amount of increase of future retirement allowances, not recognized under government accounting, is recognized as costs attributable to this fiscal year, and recorded under expenses.</p>
Financial balance	<p>③ <Expenses for public bonds (Interest)> Interest paid on TMG bonds is recorded under financial balance.</p>
Balance for the current period	<p>④ This is the sum total of ordinary balance and special balance. The balance for the current period can also be utilized in preparation for future financial needs, such as fund reserves, etc.</p>

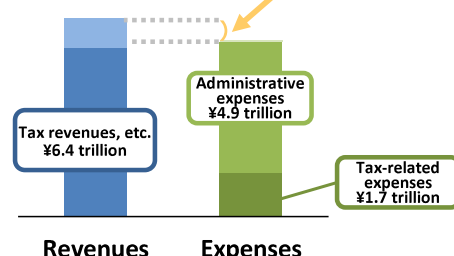
◆ Cash Flow Statement

- The cash flow statement is prepared to **clarify cash flow for each activity category**.
- In the Fiscal Year 2023 Financial Results, **net cash inflow to the balance of administrative services activities was 838.3 billion yen**, mainly due to increases in metropolitan tax revenues, **net cash outflow from the balance of social capital improvement activities was 744.9 billion yen**, mainly due to social capital improvement expenses and loans/investments, etc. expenses, and as the TMG bonds redemption amount exceeded the TMG bonds issuance amount, **the balance of financing activities recorded a net cash outflow of 114.6 billion yen**.
- As a result, **total balance recorded a net cash inflow of 21.2 billion yen**. Furthermore, the sum of this total balance and the balance carried forward from the previous year is equal to the **545.4 billion yen proforma balance of the government accounts**.

Balance of administrative services activities

- This is the **cash balance for the provision of ordinary administrative services**, and when there is a net cash inflow, this means that the expenses for ordinary administrative services were covered by tax revenues, etc.
- In the FY2023 Financial Results, **net cash inflow recorded a decrease of 66.5 billion yen from 904.9 billion yen in the previous year to 838.3 billion yen**, mainly due to decreases in national treasury disbursements.

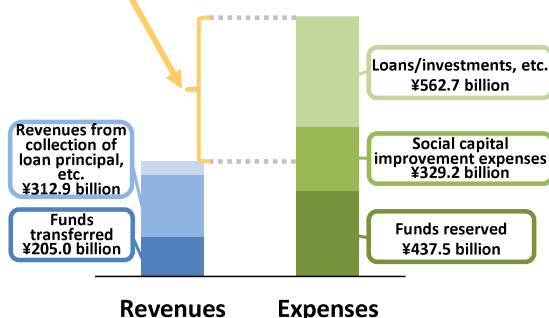
+838.3 billion yen (net cash inflow)



Balance of social capital improvement activities

- This is the **cash balance related to changes in fixed assets and funds**, and when a net cash outflow is recorded, this means that fixed asset formation has progressed, and when a net cash inflow is recorded, this means that withdrawals from funds have progressed.
- In the FY2023 Financial Results, **net cash outflow recorded a decrease of 36.8 billion yen from 781.8 billion yen in the previous year to 744.9 billion yen**, mainly due to decreases in funds reserved.

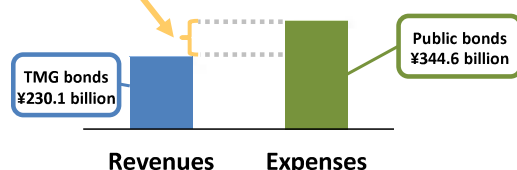
-¥744.9 billion (net cash outflow)



Balance of financing activities

- This is the **cash balance related to external funds procurement through TMG bonds and borrowings and their redemption**. Net cash inflow indicates that the TMG bonds issuance amount exceeded the redemption amount, while net cash outflow indicates that the TMG bonds redemption amount exceeds the issuance amount.
- The FY2023 Financial Results recorded an **increase in net cash outflow of 8.8 billion yen from 105.8 billion yen in the previous year to 114.6 billion yen**, mainly due to decreased TMG bonds issuance resulting from decreased operating expenses following careful examinations of annual expenses.

-¥114.6 billion (net cash outflow)



Total balance	-¥21.2 billion
Amount carried forward from the previous year	+¥566.7 billion
Proforma balance	+¥545.4 billion

<Cash Flow Statement>

(In billion yen, %)

Item	FY2023	FY2022	Change in amount	Percentage of change
Administrative service activities ①				
Total revenues	7,521.2	7,847.1	(325.8)	(4.2)
Tax revenues, etc.	6,416.2	6,258.5	157.7	2.5
Others	1,104.9	1,588.6	(483.6)	(30.4)
Total expenses	6,682.8	6,942.2	(259.3)	(3.7)
Tax-related expenses	1,703.2	1,633.9	69.2	4.2
Administrative expenses	4,934.9	5,261.1	(326.2)	(6.2)
Others	44.7	47.1	(2.4)	(5.1)
Balance of administrative service activities	838.3	904.9	(66.5)	-
Social capital improvement investment activities ②				
Total revenues	584.8	1,124.9	(540.1)	(48.0)
Funds transferred	205.0	775.3	(570.2)	(73.5)
Others	379.8	349.6	30.1	8.6
Total expenses	1,329.8	1,906.8	(576.9)	(30.3)
Social capital improvement expenses	329.2	303.0	26.2	8.6
Fund reserve	437.5	951.7	(514.1)	(54.0)
Others	563.0	652.1	(89.0)	(13.6)
Balance of social capital improvement investment activities	(744.9)	(781.8)	36.8	-
Balance of administrative activities cash flow ③	93.3	123.0	(29.6)	-
Financial activities ④				
Revenues from financing activities	231.6	242.0	(10.3)	(4.3)
TMG bonds	230.1	239.8	(9.6)	(4.0)
Others	1.5	2.2	(0.7)	(31.8)
Expenses related to financing activities	346.3	347.8	(1.4)	(0.4)
Expenses for public bonds (principal)	344.6	345.7	(1.1)	(0.3)
Others	1.7	2.0	(0.3)	(15.0)
Balance of financing activities	(114.6)	(105.8)	(8.8)	-
Total balance	(21.2)	17.2	(38.4)	-
Balance carried forward from the previous year	566.7	549.5	17.2	-
Proforma balance ⑤	545.4	566.7	(21.2)	-

Administrative service activities	① This indicates cash balance for ordinary administrative services such as payment of salaries and purchase of property, etc.
Social capital improvement investment activities	② This indicates cash balance derived from formation of fixed assets and changes to funds, etc.
Balance of administrative activities cash flow	③ This is the sum total of the balance of administrative services activities and the balance of social capital improvement investment activities.
Financial activities	④ This indicates the cash balance for procurement of revenues sources through TMG bond issuance and borrowings, and redemption of TMG bonds, etc.
Proforma balance	⑤ Corresponds to the amount derived by subtracting total annual expenses from total annual revenues under government accounting. Consequently, the cash flow statement can be said to show government accounting settlements as divided into each activity category.

◆ Statement of Changes in Net Assets

- The statement of changes in net assets categorizes the **changes in net assets recorded on the balance sheet** into, **change in fixed assets, etc. change in TMG bonds, etc. and cross-accounting transaction, as well as balance for the current period**, and clarifies the causal factors for each item.
- Regarding variation factors in FY2023, **other than the plus 484.8 billion yen in balance for the current period, net assets increased by 542.9 billion yen**, mainly due to change in fixed assets **attributed to increases in national treasury disbursements** allocated to social capital improvement, **and assessed value of donated assets**.

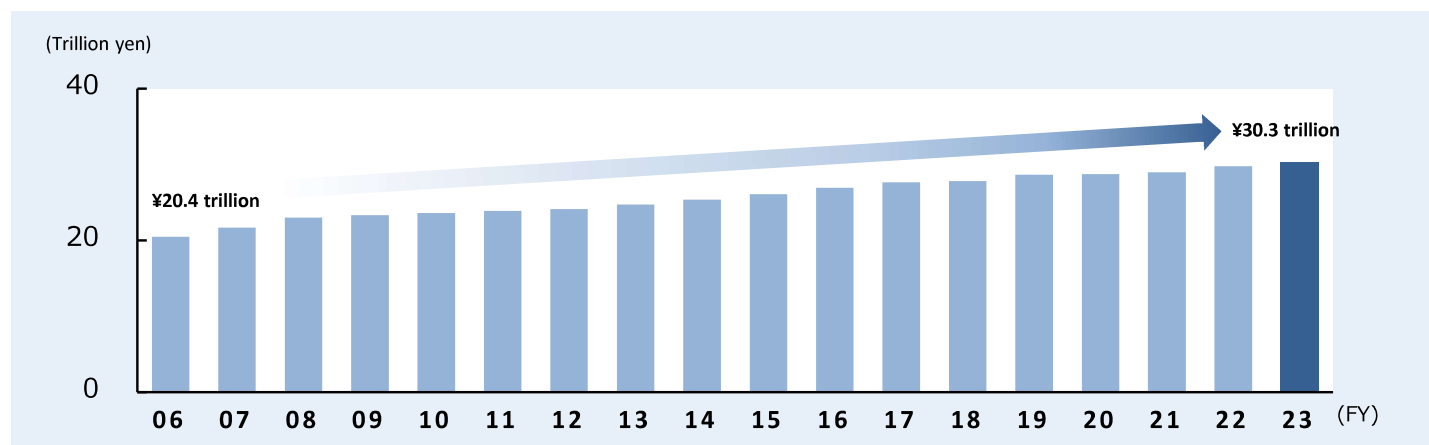
- The statement of changes in net assets is a table that lists each item of net assets from left to right and the variation factors over a single fiscal year from top to bottom. Furthermore, the administrative costs statement's balance for the current period is recorded as surplus in the statement of changes in net assets, and the balance at the end of the current period given in the statement of changes in net assets corresponds to the total amount given under net assets in the balance sheet .

<Statement of Changes in Net Assets>

(in billion yen)

	Opening balance equivalent	National treasury disbursements	Charges and transfers, etc.	Assessed value of donated assets	Amounts transferred to wards, towns, etc.	Cross-accounting transaction account	Other surplus	Total
Balance at the end of the previous period	19,021.8	1,683.3	117.4	726.3	(170.5)	(29.7)	8,435.8	29,784.5
Amount changed for the current period	-	52.1	3.1	10.3	(7.0)	(0.4)	484.8	542.9
Change in fixed assets, etc.	-	52.1	3.1	10.3	(7.0)	(12.7)	-	45.8
Change in TMG bonds, etc.	-	-	-	-	-	(5.0)	-	(5.0)
Cross-accounting transaction	-	-	-	-	-	17.2	-	17.2
Balance for the current period	-	-	-	-	-	-	484.8	484.8
Balance at the end of the current period	19,021.8	1,735.4	120.5	736.6	(177.5)	(30.2)	8,920.7	30,327.5

■ Changes in balance at the end of the current period for net assets



II TMG Comprehensive Financial Statements

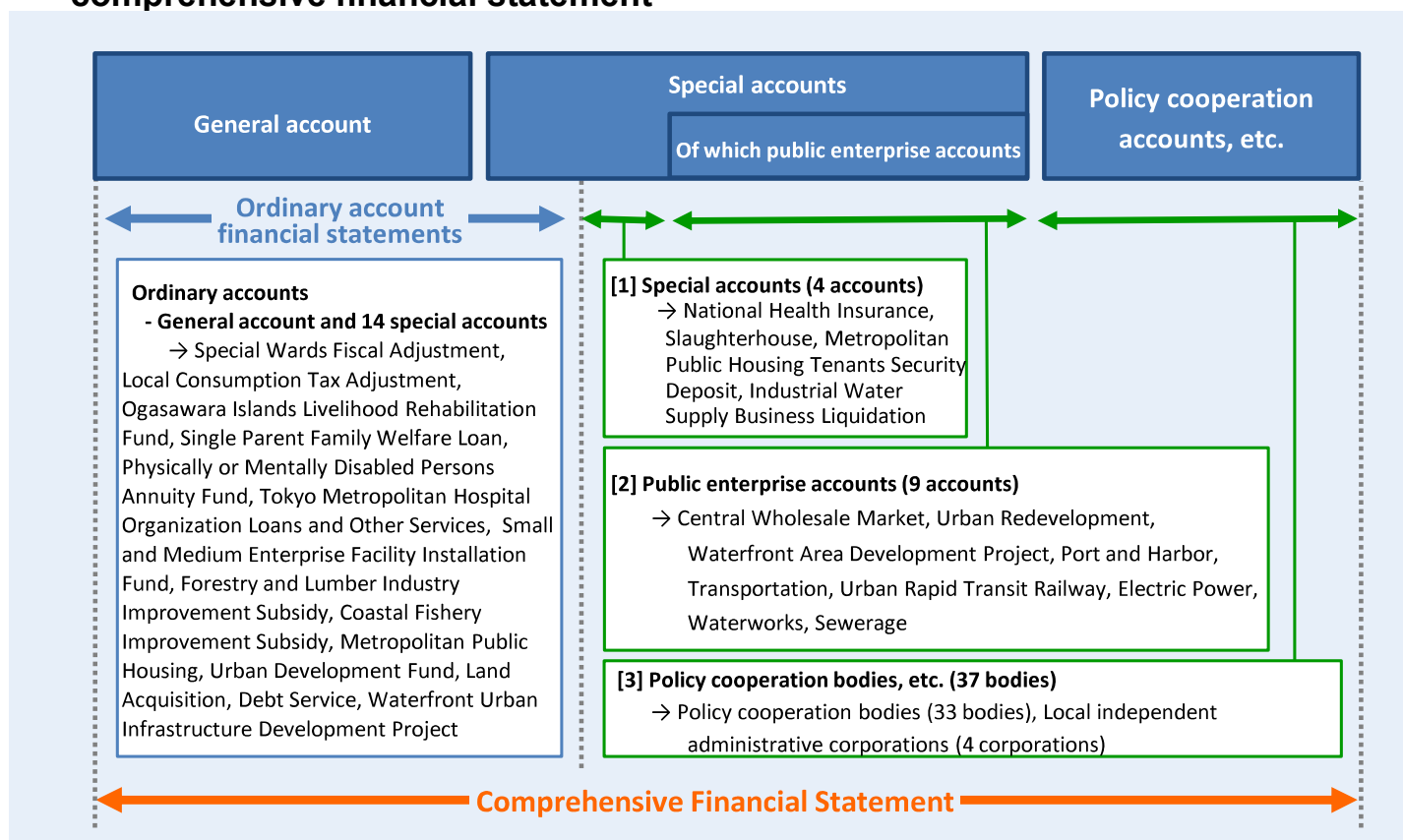
◆ Comprehensive Financial Statement Overview

- In addition to the ordinary account, the TMG comprehensive financial statement includes in its scope, accounts such as **the special account, the public enterprise account, and policy cooperation bodies**, which are not included under the ordinary account.
- The TMG comprehensive totals in the balance sheet recorded totals of **50,668.8 billion yen** for assets, **13,345.0 billion yen** for liabilities, and **37,323.8 billion yen** for net assets.

The scope of the comprehensive financial statement

- The scope of TMG comprehensive financial statements covers **the ordinary account for TMG itself (a general account and 14 special accounts), 4 special accounts outside of the scope of the ordinary account, 9 public enterprise accounts, and, for organizations other than TMG, 33 policy cooperation bodies, and 4 local independent administrative corporations.**

■ The scope of ordinary account financial statements and the comprehensive financial statement



- TMG comprehensive financial statements are prepared as shown below .

- ✓ **Elimination offsets of internal transactions are limited to the scope of the ordinary account.**
- ✓ Special accounts outside of the scope of the ordinary account, public enterprise accounts, policy cooperation bodies, and local independent administrative corporations, **will have their individual financial statements displayed.**
- ✓ Financial statements include not only the balance sheet, but an **administrative cost statement which shows administrative revenues and expenses for the fiscal year in question.**

【 1 】 Special Accounts (outside scope of the ordinary account)

- For the current period, the balance for the **National Health Insurance Account and the Slaughterhouse Account were -73.7 billion yen and -4.6 billion yen respectively**, while the balance for the **Metropolitan Public Housing Tenants Security Deposit Account was -1.0 million yen**, and **Industrial Water Supply Business Liquidation was -8.0 billion yen**, bringing the total for the four special accounts to -86.3 billion yen, and **the balance brought forward, including the transfer to general account and disbursement from general account, was 3.4 billion yen.**
- In the balance sheet, the totals for the four special accounts came to **66.5 billion yen for total assets, 24.0 billion yen for total liabilities, and 42.5 billion yen for total net assets.**

【 2 】 Public Enterprise Accounts

- As shown in the table below, net profit for the current period shows **7 accounts in the black and 2 accounts in the red.**

(in billion yen)

Central Wholesale Market	Urban Redevelopment	Waterfront Area Redevelopment Project	Port and Harbor	Transportation	Urban Rapid Transit Railway	Electric Power	Waterworks	Sewerage
-15.1	0.1	3.8	1.2	1.6	18.0	- 0.0	2.1	6.0

- In the totals for the 9 public enterprise accounts, **net profit for the current period was 17.9 billion yen the black, and unappropriated revenues for the current period, including retained profit brought forward, etc. was 90.8 billion yen in the black**, and in the balance sheet, **total assets came to 13,210.4 billion yen, total liabilities came to 5,151.4 billion yen, and total capital came to 8,058.9 billion yen.**

【 3 】 Policy Cooperation Bodies, etc.

- Of the 22 public interest corporations of the 37 policy cooperation bodies, **14 showed an increase and 8 showed a decrease** in relation to total changes in unrestricted net assets for the current period. For all 22, the totals were **2.2 billion yen for total changes in unrestricted net assets for the current period, 142.5 billion yen for net assets at the end of the fiscal year.** In addition, changes in balance for the current period for one social welfare foundation, and ordinary balance for one of the “Three Local Corporations”, both increased.
- In terms of net profit for the current period for the 9 limited corporations, **all were in the black**, and the total for all 9 came **to 17.5 billion yen in the black.** In addition, for unappropriated revenues for the current period for the 4 local independent administrative corporations, **two were in the black and two were in the red**, and the total for the 4 came to **0.5 billion yen in the black.**
- Balance sheet totals for the 37 policy cooperation bodies showed 3,213.9 billion yen for total assets, 1,771.5 billion yen for total liabilities, 1,442.4 billion yen for total assets, capital and net assets. Totals for the TMG comprehensive balance sheet, including the ordinary account, special accounts (accounts outside the scope of the ordinary account), public enterprise accounts, policy cooperation bodies, etc., showed **50,668.8 billion yen for total assets, 13,345.0 billion yen for total liabilities, and 37,323.8 billion yen for total assets, capital and net assets.**
- The TMG has been striving to improve policy cooperation bodies’ financial conditions, for example, by setting managerial goals from a “finances” perspective. Given this, **it is important to gain an accurate picture of financial conditions of the entire TMG, including policy cooperation bodies etc. and maintain a manageable financial burden for TMG into the future.**

Ordinary Account, “Special Accounts”

[Scope of Ordinary Account]

- General account, and special accounts based on criteria set by the Ministry of Internal affairs and Communications (MIC) (14 accounts)
- Special Wards Fiscal Adjustment, Local Consumption Tax Adjustment, Ogasawara Islands Livelihood Rehabilitation Fund, Single Parent Welfare Loan Fund, Physically or Mentally Disabled Persons Annuity Fund, Tokyo Metropolitan Hospital Organization Loans and Other Services, Small and Medium Enterprise Facility Installation Fund, Forestry and Lumber Industry Improvement Subsidy, Coastal Fishery Improvement Subsidy, Metropolitan Public Housing, Urban Development Fund, Land Acquisition, Debt Service, Waterfront Urban Infrastructure Development Project

[Scope of “Special Accounts”]

- The following 4 accounts that are outside the scope of the ordinary account
- National Health Insurance, Slaughterhouse, Metropolitan Public Housing Tenants Security Deposit, Industrial Water Supply Business Liquidation

Public Enterprise Accounts

[Scope of Public Enterprise Accounts]

- The following 9 public enterprise accounts
- Central Wholesale Market, Urban Redevelopment, Waterfront Area Development Project, Port and Harbor, Transportation, Urban Rapid Transit Railway, Electric Power, Waterworks, Sewerage

Ordinary Account

“Special Accounts”

(Simple total)

Public Enterprise Accounts

(Simple total)

Administrative Cost Statement

Administrative balance	① = a - b	529.0
Administrative revenues	a	7,544.1
Local taxes, etc.		6,402.7
Other administrative revenues		1,141.3
Administrative expenses	b	7,015.0
Financial balance	② = c - d	(28.8)
Financial revenues	c	14.5
Financial expenses	d	43.4
Ordinary balance	③ = ① + ②	500.1
Special balance	④ = e - f	(15.3)
Special revenues	e	28.6
Special expenses	f	44.0
Balance for the current period	⑤ = ③ + ④	484.8
Transfer to general account	g	—
Disbursement from general account	h	—
Balance brought forward	⑤ + g - h	484.8

Profit and Loss Statement

Operating profit	① = a - b	(69.0)
Operating earnings	a	836.8
Operating expenses	b	905.8
Business cost price		488.5
Administrative exp.		417.3
Non-operating profit	② = c - d	99.0
Non-operating earnings	c	125.8
Non-operating expenses	d	26.7
Current balance	① + ②	30.0
Special profit	③ = e - f	(12.0)
Special earnings	e	1.1
Special expenses	f	13.1
Net profit for the current period	④ = ① + ② + ③	17.9
Retained profit brought forward	⑤	1.0
Changes of other unappropriated profit	⑥	71.7
Unappropriated revenues for the current period	④ + ⑤ + ⑥	90.8

Balance Sheet

Total assets	36,725.4
I Current assets	1,786.0
Cash and deposits	569.9
Other current assets	1,216.1
II Fixed assets	34,939.4
Tangible fixed assets	26,159.7
Intangible fixed assets	68.2
Investments, etc.	8,711.4
III Deferred assets	—
Total liabilities	6,397.9
I Current liabilities	490.4
II Fixed liabilities	5,907.5
Long-term borrowing	4,910.8
Other fixed liabilities	996.7
III Deferred revenues	—
Total net assets	30,327.5
Total liabilities/net assets	36,725.4

Balance Sheet

Total assets	13,210.4
I Current assets	1,534.9
Cash and deposits	1,269.7
Other current assets	265.1
II Fixed assets	11,675.4
Tangible fixed assets	11,295.1
Intangible fixed assets	104.8
Investments, etc.	275.5
III Deferred assets	0.0
Total liabilities	5,151.4
I Current liabilities	729.3
II Fixed liabilities	2,262.4
Long-term borrowing	2,035.9
Other fixed liabilities	226.5
III Deferred revenue	2,159.6
Total capital	8,058.9
Total liabilities/capital	13,210.4

Policy Cooperation Bodies, etc.

• Public Interest Corporations, etc. ① Public Interest Incorporated Foundation, etc. 22 bodies

→ Tokyo Metropolitan Human Rights Promotion Center, Tokyo Metropolitan Islands Promotion Corporation, GovTech Tokyo, Tokyo Tax Association, Tokyo Metropolitan Foundation for History and Culture, Tokyo Metropolitan Symphony, Tokyo Metropolitan Foundation "TSUNAGARI", Tokyo Sport Benefit Corporation, Tokyo Marathon Foundation, Tokyo New Town Development Corporation, Tokyo Environmental Public Service Corporation, Tokyo Metropolitan Foundation for Social Welfare and Public Health, Tokyo Metropolitan Organization for Medical Research, Tokyo Metropolitan Small and Medium Enterprise Support Center, Tokyo Foundation for Employment Service, Tokyo Development Foundation for Agriculture, Forestry and Fisheries, Tokyo Convention and Visitors Bureau, Tokyo Zoological Park Society, Tokyo Metropolitan Park Association, Tokyo Metropolitan Public Corporation for Road Improvement and Management, Tokyo Education Promotion and Support Organization for Schools, Tokyo Disaster Prevention & Emergency Medical Service Association

• Public Interest Corporations, etc. ② Social Welfare Corporation, 1 body

→ Tokyo Metropolitan Welfare Corporation

• Public Interest Corporations, etc. ③ Three local public corporations (Special corporation established under special laws, 100% financed by local government), 1 body

→ Tokyo Metropolitan Housing Supply Corporation

Public Interest
Corporations, etc. ①
22 bodies
(Simple total)

Public Interest
Corporations, etc. ②
1 body
(Simple total)

Public Interest
Corporations, etc. ③
1 body
(Simple total)

Statement of Changes in Net Assets		
Current increase (decrease) for the current period ① = a - b		2.4
Current revenues a		210.9
Current expenses b		208.4
Non-recurring increase (decrease) for the current period ② = c - d		0.1
Non-recurring revenues c		0.4
Non-recurring expenses d		0.3
Corporation tax, etc. ③		0.2
Total changes in unrestricted net assets for the current period ④ = ① + ② - ③		2.2
Unrestricted net assets at the beginning of the current period ⑤		105.5
Unrestricted net assets at the end of the current period ⑥ = ④ + ⑤		107.6
Total changes in restricted net assets for the current period ⑦		4.1
Restricted net assets at the beginning of the current period ⑧		30.8
Restricted net assets at the end of the current period ⑨ = ⑦ + ⑧		34.9
Net assets at the end of fiscal year ⑥ + ⑨		142.5

Operating Activity Statement		
Changes in service balance ① = a - b		0.3
Service revenues a		11.8
Service expenses b		11.5
Changes in non-service balance ② = c - d		0
Non-service revenues c		0
Non-service expenses d		0
Changes in ordinary balance ① + ②		0.3
Changes in extraordinary balance ③ = e - f		(0)
Extraordinary revenues e		0
Extraordinary expenses f		0
Changes in balance for current period ④ = ① + ② + ③		0.3
Changes in balance carried forward from previous period ⑤		1.8
Changes in balance carried forward from current period end ⑥ = ④ + ⑤		2.1
Withdrawals from funds ⑦		—
Withdrawals from other reserves ⑧		0.5
Other funds reserved ⑨		0.4
Changes in balance carried forward to next period ⑥ + ⑦ + ⑧ - ⑨		2.2

Profit and Loss Statement		
Operating Profit ① = a - b		9.8
Operating revenues a		129.8
Operating expenses b		120.0
Operating costs		117.9
Administrative expenses		2.0
Non-operating profit ② = c - d		(1.1)
Non-operating revenues c		0
Non-operating expenses d		1.1
Current balance ① + ②		8.6
Special profit ③ = e - f		(0.8)
Special revenues e		—
Special expenses f		0.8
Profit for the current period ① + ② + ③		7.8

Balance Sheet	
Total assets	670.5
I Current assets	193.8
Cash and deposits	70.7
Other current assets	123.1
II Fixed assets	476.7
Tangible fixed assets	8.7
Intangible fixed assets	1.8
Investments, etc.	466.1
III Deferred assets	—
Total liabilities	527.9
I Current liabilities	162.2
II Fixed liabilities	365.7
Long-term borrowing	2.4
Other fixed liabilities	363.2
III Deferred revenues	—
Total net assets	142.5
Total liabilities/net assets	670.5

Balance Sheet	
Total assets	14.6
I Current assets	2.7
Cash and deposits	2.4
Other current assets	0.2
II Fixed assets	11.9
Tangible fixed assets	6.1
Intangible fixed assets	0
Investments, etc.	57
III Deferred assets	—
Total liabilities	2.6
I Current liabilities	1.6
II Fixed liabilities	0.9
Long-term borrowing	0.2
Other fixed liabilities	0.7
III Deferred revenues	—
Total net assets	12.0
Total liabilities/net assets	14.6

Balance Sheet	
Total assets	1,197.4
I Current assets	64.8
Cash and deposits	44.6
Other current assets	20.2
II Fixed assets	1,132.5
Tangible fixed assets	1126.7
Intangible fixed assets	3.5
Investments, etc.	2.2
III Deferred assets	—
Total liabilities	732.3
I Current liabilities	44.9
II Fixed liabilities	687.3
Long-term borrowing	538.2
Other fixed liabilities	149.1
III Deferred revenues	—
Total capital	465.1
Total liabilities/capital	1,197.4

Policy Cooperation Bodies, etc.

• Limited corporations 9 bodies

→ Tokyo Stadium, Tokyo Tama Intercity Monorail Co., Ltd., Tokyo Waterfront Area Rapid Transit, Inc., Tama New Town Development Center, Tokyo International Forum, TOKYO RINKAI HOLDINGS CO., Ltd, Tokyo Kotsu Service Co., Ltd., Waterworks Services Co., Ltd., Tokyo Metropolitan Sewerage Service Corporation

• Local independent administrative corporation 4 bodies

→ Tokyo Metropolitan University, Tokyo Metropolitan Industrial Technology Research Institute, Tokyo Metropolitan Geriatric Hospital and Institute of Gerontology, Tokyo Metropolitan Hospital Organization

Limited
corporations
9 bodies
(Simple total)

Local independent
administrative
corporations
4 bodies
(Simple total)

Tokyo
Metropolitan
Government
overall total

Profit and Loss Statement

Operating profit	① = a - b	21.9
Operating revenues	a	172.5
Operating expenses	b	150.6
Operating costs		129.0
Sales/administrative expenses		21.6
Non-operating profit	② = c - d	(0.1)
Non-operating revenues	c	1.0
Non-operating expenses	d	1.1
Current balance	① + ②	21.7
Special profit	③ = e - f	0.9
Special revenues	e	1.3
Special expenses	f	0.4
Corporation tax, etc.	④	5.1
Net profit for the current period	① + ② + ③ - ④	17.5

Profit and Loss Statement

Operating Balance	① = a - b	(13.8)
Operating revenues	a	290.4
Operating expenses	b	304.2
Operating costs		295.6
Administrative expenses		8.5
Non-operating profit	② = c - d	(4.7)
Non-operating revenues	c	7.0
Non-operating expenses	d	11.7
Current balance	① + ②	(18.5)
Special balance	③ = e - f	18.5
Special revenues	e	19.1
Special expenses	f	0.5
Net profit for the current period	④ = ① + ② + ③	(0)
Retained profit brought forwards	⑤	0.5
Unappropriated revenues for the current period	④ + ⑤	0.5

Balance Sheet

Total assets	714.6
I Current assets	188.3
Cash and deposits	134.7
Other current assets	53.5
II Fixed assets	526.3
Tangible fixed assets	465.3
Intangible fixed assets	37.8
Investments, etc.	23.2
III Deferred assets	—
Total liabilities	288.6
I Current liabilities	105.6
II Fixed liabilities	183.0
Long-term borrowing	53.7
Other fixed liabilities	129.3
III Deferred revenues	—
Total net assets	426.0
Total liabilities/net assets	714.6

Balance Sheet

Total assets	616.6
I Current assets	154.0
Cash and deposits	110.7
Other current assets	43.3
II Fixed assets	462.5
Tangible fixed assets	452.2
Intangible fixed assets	2.7
Investments, etc.	7.5
III Deferred assets	—
Total liabilities	220.0
I Current liabilities	59.8
II Fixed liabilities	160.1
Long-term borrowing	22.1
Other fixed liabilities	137.9
III Deferred revenues	—
Total liabilities	396.6
Total liabilities/capital	616.6

Combined
Total and
Offset
Elimination

50,668.8
3,966.1
2,242.8
1,723.3
46,702.6
39,521.3
219.1
6,962.1
0.0
13,345.0
1,594.2
9,591.1
7,568.4
2,022.7
2,159.6
37,323.8
50,668.8



Appended Tables

1. Fiscal Year 2023 Tokyo Metropolitan Government Ordinary Account
Financial Statement
(1) Ordinary Account

(As of March 31, 2024)

Item	FY2023	FY2022	Change in amount
Assets			
I Current assets	1,786.0	1,872.5	(86.5)
Cash and deposits	569.9	590.8	(20.9)
Uncollected revenues	95.8	71.6	24.2
Reserve for deficits due to non-payment	(3.6)	(3.8)	0.2
Fund reserves	936.4	983.2	(46.7)
Fiscal adjustment fund	632.2	649.7	(17.5)
Sinking fund	304.2	333.4	(29.2)
Short-term loans	188.1	231.3	(43.2)
Allowance for bad debt	(0.7)	(0.7)	0.0
Other current assets	—	—	—
II Fixed assets	34,939.4	34,430.7	508.6
1. Administrative assets	8,082.7	8,100.8	(18.1)
1. Fixed tangible assets	8,077.2	8,095.4	(18.1)
Buildings	2,318.6	2,365.0	(46.4)
Structures	284.4	286.7	(2.2)
Timber	0.7	0.7	(0.0)
Vessels etc.	3.7	4.4	(0.7)
Aircraft	2.0	3.5	(1.4)
Buoys etc.	2.4	2.7	(0.3)
Land	5,465.2	5,432.1	33.0
2. Intangible fixed assets	5.4	5.4	—
Surface rights	5.4	5.4	—
Other intangible fixed assets	—	—	—
2. Ordinary assets	1,432.6	1,455.1	(22.4)
1. Fixed tangible assets	1,419.8	1,442.5	(22.6)
Buildings	299.3	313.0	(13.6)
Structures	37.8	41.9	(4.1)
Timber	0.0	—	0.0
Vessels etc.	0.0	—	—
Aircraft	—	—	—
Buoys etc.	0.0	0.0	(0.0)
Land	1,082.5	1,087.4	(4.9)
2. Intangible fixed assets	12.7	12.5	0.1
Surface rights	0.3	0.3	—
Other intangible fixed assets	12.4	12.2	0.1
3. Important property	74.6	75.9	(1.3)
4. Infrastructure assets	15,113.8	15,053.3	60.4
1. Tangible fixed assets	15,098.9	15,038.4	60.4
Buildings	47.6	47.8	(0.2)
Structures	2,032.5	2,022.1	10.4
Buoys, etc.	1.1	0.5	0.5
Land	13,017.5	12,968.0	49.5
2. Intangible fixed assets	14.9	14.8	0.0
Surface rights	14.9	14.8	0.0
Other intangible fixed assets	—	—	—
5. Software	9.0	6.0	3.0
6. Leased assets	—	1.0	(1.0)
7. Construction in progress	1,489.0	1,428.7	60.3
8. Software in progress	26.0	8.4	17.6
9. Investment and other assets	8,711.4	8,301.2	410.2
Securities	238.9	238.9	—
Investments and subventions	1,253.6	1,140.6	113.0
Allowance for investment loss	—	(13.6)	13.6
Public enterprise account investments	2,241.5	2,202.8	38.6
Long-term loans	1,301.4	1,286.5	14.9
Allowance for bad debt	(1.2)	(1.4)	0.2
Other obligations	8.0	8.3	(0.3)
Fund Reserves	3,469.1	3,239.1	229.9
Sinking fund	1,189.4	1,209.1	(19.7)
Special purpose fund	1,961.5	1,711.7	249.7
Fixed sum management fund	318.2	318.2	(0.0)
Other investments etc.	199.7	199.7	—
Total assets	36,725.4	36,303.3	422.1

(in billion yen)

Item	FY2023	FY2022	Change in amount
Liabilities			
I Current liabilities	490.4	516.1	(25.7)
Unpaid refunds	7.4	4.9	2.4
TMG bonds	358.3	394.2	(35.8)
Short-term borrowing	1.4	1.5	(0.1)
Borrowing from other accounts	1.4	1.5	(0.1)
Fund operational costs	-	-	-
Other short-term borrowing	0.0	0.0	-
Lease obligations	-	0.1	(0.1)
Arrearage	-	-	-
Deferred payments	-	-	-
Unpaid guarantee liabilities	-	-	-
Other accounts payable	-	-	-
Reserve for bonus	123.1	115.2	7.8
Other current liabilities	-	-	-
II Fixed liabilities	5,907.5	6,002.6	(95.0)
TMG bonds	4,903.1	5,030.7	(127.6)
Long-term borrowing	7.6	7.6	0.0
Borrowing from other accounts	7.2	7.2	0.0
Fund operational costs	-	-	-
Other long-term borrowing	0.3	0.3	(0.0)
Lease obligations	-	-	-
Reserve for retirement allowances	976.7	944.2	32.5
Other reserves	-	-	-
Other fixed liabilities	20.0	20.0	-
Guaranty deposits	-	-	-
Other fixed liabilities	20.0	20.0	-
Total liabilities	6,397.9	6,518.7	(120.8)
Net Assets			
Net assets	30,327.5	29,784.5	542.9
(of which is increase/decrease in the current period)	542.9	828.0	(285.0)
Total net assets	30,327.5	29,784.5	542.9
Total liabilities and net assets	36,725.4	36,303.3	422.1

(2) Ordinary Account Administrative Cost Statement

From April 1, 2023
To March 31, 2024

(in billion yen)

Item	FY2023	FY2022	Change in amount
Ordinary Balance			
I. Administrative balance			
1. Administrative revenues	7,544.1	7,840.8	296.6
Local taxes	6,338.6	6,184.9	153.7
Local transfer taxes	64.0	63.7	0.3
Local special grant	7.0	7.7	(0.7)
Allocations for municipalities with facilities owned by the national government	0.0	0.0	(0.0)
Miscellaneous tax-related revenues	0.0	0.0	0.0
National treasury disbursements	627.8	1,187.8	(560.0)
Traffic safety special grant	2.5	2.7	(0.1)
Operating revenues (special account)	0.5	0.6	(0.1)
Shares and charges	14.5	16.5	(2.0)
Fees and charges	144.1	143.6	0.4
Revenues from property	24.3	18.2	6.0
Miscellaneous (commissioned work revenues)	55.2	55.0	0.1
Miscellaneous	244.5	151.3	93.1
Donations	0.1	0.1	0.0
Funds transferred	5.8	2.5	3.2
Miscellaneous administrative revenues	14.5	5.3	9.1
2. Administrative expenses	7,015.0	7,224.5	(209.4)
Tax-related expenses	1,703.2	1,633.9	69.2
Payroll-related expenses	1,407.2	1,388.7	18.5
General and miscellaneous expenses	449.0	623.6	(174.6)
Maintenance and repair expenses	112.0	107.8	4.2
Social welfare expenses	274.9	184.8	90.1
Allowances etc.	1,835.6	2,061.3	(225.7)
Subsidized investment costs	76.0	84.8	(8.8)
Independent investment expenses	335.7	325.3	10.3
Direct government investment expenses	33.9	29.9	4.0
Subventions	110.7	99.9	10.8
Transfers	243.3	248.6	(5.2)
Depreciation expenses	225.4	220.4	4.9
Debt guaranty expenses	—	—	—
Transfer to reserve for deficit due to non-payment	3.2	3.4	(0.1)
Transfer to allowance for bad debt	0.1	0.1	0.0
Transfer to reserve for bonus	123.1	115.2	7.8
Transfer to reserve for retirement allowances	80.4	94.8	(14.3)
Transfer to other reserves	—	—	—
Other administrative expenses	0.3	1.1	(0.8)
II. Financial balance			
1. Financial revenues	14.5	12.5	1.9
Revenues from interest earned and dividends	14.5	12.5	1.9
2. Financial expenses	43.4	45.2	(1.8)
Expenses for public bonds (interest)	41.8	43.5	(1.7)
TMG bond issuing fees	1.3	1.6	(0.2)
Discount on TMG bonds	0.1	0.0	0.1
Interest on borrowing from other accounts	0.0	0.0	(0.0)
Ordinary balance	500.1	583.5	(83.3)
Special Balance			
I. Special revenues	28.6	49.5	(20.8)
Profit on sale of fixed assets	4.8	5.6	(0.8)
Other special revenues	23.8	43.8	(19.9)
II. Special expenses	44.0	114.0	(70.0)
Loss on sale of fixed assets	0.7	0.0	0.6
Loss on disposal of fixed assets	8.9	4.0	4.8
Disaster recovery expenses	1.3	1.9	(0.5)
Deficit due to non-payment	1.3	0.7	0.6
Bad debts loss	0.0	—	0.0
Other special expenses	31.6	107.2	(75.6)
Balance for the current period	484.8	519.0	(34.1)

(3) Ordinary Account Cash Flow Statement

From April 1, 2023
to March 31, 2024

(in billion yen)

Item	FY2023	FY2022	Change in amount	Item	FY2023	FY2022	Change in amount
I. Administrative services activities				II. Social capital improvement investment activities			
Tax revenues etc.	6,416.2	6,258.5	157.7	National treasury disbursement etc.	55.3	75.4	(20.1)
Local taxes	6,345.0	6,186.8	158.1	National treasury disbursement	52.2	70.6	(18.3)
Local transfer taxes	64.0	63.7	0.3	Shares and charges	2.6	4.3	(1.6)
Local special grants	7.0	7.7	(0.7)	Amount transferred etc.	0.4	0.5	(0.0)
Allocations for municipalities with facilities owned by the national government	0.0	0.0	(0.0)	Revenues from property	11.3	21.2	(9.9)
Miscellaneous tax-related revenues	0.0	0.0	0.0	Cash from sale of property	11.3	21.2	(9.9)
National treasury disbursement etc.	611.8	1,190.6	(578.7)	Funds transferred	205.0	775.3	(570.2)
National treasury disbursement	609.2	1,187.9	(578.6)	Financial adjustment fund	66.2	281.7	(215.4)
Traffic safety special grant	2.5	2.7	(0.1)	Sinking fund	—	—	—
Other administrative revenues	478.6	385.4	93.1	Special purpose fund	138.7	493.6	(354.8)
Operating revenues (special account)	0.5	0.6	(0.1)	Fixed amount invest fund	—	—	—
Shares and charges	14.4	16.5	(2.0)	Revenues from collection of loan principal etc	312.9	252.8	60.0
Fees and charges	143.9	143.5	0.3	Security deposit revenues	0.1	0.0	0.1
Revenues from property	24.3	18.2	6.0				
Miscellaneous (commissioned work revenues)	55.2	55.0	0.1	Social capital improvement expenses	329.2	303.0	26.2
Miscellaneous	234.1	148.6	85.4	General and miscellaneous expenses	25.5	12.5	12.9
Donations	0.1	0.1	0.0	Subsidizing expenses, etc.	0.1	—	0.1
Funds transferred	5.8	2.5	3.2	Subsidized investment costs	94.7	103.1	(8.4)
Financial revenues	14.5	12.5	1.9	Independent investment expenses	208.8	187.2	21.5
Revenues from interest earned and dividends	14.5	12.5	1.9	Funds reserved	437.5	951.7	(514.1)
				Financial adjustment fund	48.7	204.2	(155.4)
Tax-related expenses	1,703.2	1,633.9	69.2	Sinking fund	—	—	—
Tax-related expenses	1,703.2	1,633.9	69.2	Special purpose fund	387.6	746.2	(358.6)
Administrative expenses	4,934.9	5,261.1	(326.2)	Fixed sum management fund	1.2	1.2	(0.0)
Payroll-related expenses	1,570.4	1,594.0	(23.5)	Loans and investments, etc.	562.7	652.1	(89.4)
General and miscellaneous expenses	449.0	623.7	(174.6)	Investments and subventions	239.3	338.5	(99.1)
Maintenance and repair expenses	112.0	107.8	4.1	Transfers (other accounts)	38.7	32.0	6.6
Social welfare expenses	274.9	184.8	90.0	Loans	284.5	281.5	3.0
Subsidizing expenses, etc.	1,839.1	2,061.6	(222.4)	Deposit expenses	0.3	0.0	0.3
Subsidized investment costs	76.0	84.8	(8.8)	Balance of social capital improvement investment activities	(744.9)	(781.8)	36.8
Independent investment expenses	335.7	325.3	10.3	Balance of administrative activities cash flow	93.3	123.0	(29.6)
Direct government investment expenses	33.9	29.9	4.0				
Amount transferred	243.4	248.7	(5.2)	III. Financing activities			
Financial expenses	43.3	45.2	(1.8)	Revenues from financing activities	231.6	242.0	(10.3)
Expenses for public bonds (interest, fees)	43.3	45.1	(1.8)	TMG bonds	230.1	239.8	(9.6)
Interests on borrowing from other accounts	0.0	0.0	(0.0)	Loans from other accounts	1.5	2.2	(0.7)
Special expenses	1.3	1.9	(0.5)	Fund management fees	—	—	—
Disaster recovery business expenses	1.3	1.9	(0.5)	Funds transferred	—	—	—
Balance of administrative service activities	838.3	904.9	(66.5)	Expenses for financial activities	346.3	347.8	(1.4)
				Expenses for public bonds (principal)	344.6	345.7	(1.1)
				Refund of loans from other accounts etc	1.7	2.0	(0.3)
				Refund of fund management fees etc	—	—	—
				Balance of Financing activities	(114.6)	(105.8)	(8.8)
				Total balance	(21.2)	17.2	(38.4)
				Balance brought forward from the previous fiscal year	566.7	549.5	17.2
				Proforma balance	545.4	566.7	(21.2)

(4) Ordinary Account Statement of Changes in Net Assets

From April 1, 2023
To March 31, 2024

(in billion yen)

	Open balance equivalent	National treasury disbursements	Charges and transfers, etc.	Assessed value of donated assets	Amounts transferred to wards, towns, etc.	Cross- accounting transaction account	Other surplus	Total
Balance at the end of the previous period	19,021.8	1,683.3	117.4	726.3	(170.5)	(29.7)	8,435.8	29,784.5
Amount changed for the current period	—	52.1	3.1	10.3	(7.0)	(0.4)	484.8	542.9
Change in fixed assets etc.	—	52.1	3.1	10.3	(7.0)	(12.7)	—	45.8
Change in TMG bonds etc.	—	—	—	—	—	(5.0)	—	(5.0)
Other intra-bureau transactions	—	—	—	—	—	17.2	—	17.2
Balance for the current period	—	—	—	—	—	—	484.8	484.8
Balance at the end of the current period	19,021.8	1,735.4	120.5	736.6	(177.5)	(30.2)	8,920.7	30,327.5

(5) Ordinary Account Aggregate Tangible Fixed Assets and Intangible Fixed Assets / Supplementary Details

(in billion yen)

Item	Balance at the end of the previous period	Increase for the current period	Decrease for the current period	Balance at the end of the current period	Accrued depreciation amount at the end of the current period	Depreciation for the current period	Net balance at the end of the current period
Tangible fixed assets	31,534.1	2,046.7	1,766.2	31,814.6	5,654.9	223.3	26,159.7
Administrative assets	11,516.0	920.9	814.7	11,622.3	3,545.0	136.8	8,077.2
Buildings	5,302.5	470.6	413.3	5,359.9	3,041.2	116.0	2,318.6
Structures	734.0	78.4	61.9	750.4	466.0	18.4	284.4
Timber	0.7	0.0	0.0	0.7	—	—	0.7
Vessels	17.0	—	—	17.0	13.3	0.7	3.7
Aircraft	24.8	9.4	9.4	24.8	22.7	1.4	2.0
Buoys etc.	4.6	1.5	2.1	4.1	1.6	0.1	2.4
Land	5,432.1	360.8	327.7	5,465.2	—	—	5,465.2
Ordinary assets	1,928.3	368.8	371.9	1,925.2	505.3	22.0	1,419.8
Buildings	712.0	211.8	206.0	717.8	418.4	19.8	299.3
Structures	125.7	19.4	23.5	121.6	83.8	2.2	37.8
Timber	0.0	0.0	0.0	0.0	—	—	0.0
Vessels	0.8	—	—	0.8	0.8	—	0.0
Aircraft	—	—	—	—	—	—	—
Buoys, etc.	2.2	0.4	0.4	2.2	2.1	0.0	0.0
Land	1,087.4	137.0	141.9	1,082.5	—	—	1,082.5
Important property	231.0	27.4	23.7	234.6	160.0	12.6	74.6
Infrastructure assets	16,427.8	284.1	168.6	16,543.3	1,444.4	51.7	15,098.9
Buildings	124.3	5.8	0.8	129.3	81.7	3.8	47.6
Structures	3,332.1	115.4	55.3	3,392.3	1,359.7	47.7	2,032.5
Buoys, etc.	3.3	0.7	—	4.0	2.9	0.0	1.1
Land	12,968.0	162.0	112.4	13,017.5	—	—	13,017.5
Leased assets	2.1	4.6	6.7	—	—	0.0	—
Construction in progress	1,428.7	440.7	380.4	1,489.0	—	—	1,489.0
Intangible fixed assets	51.8	46.8	23.8	74.8	6.5	2.1	68.2
Administrative assets	5.4	0.0	0.0	5.4	—	—	5.4
Surface rights	5.4	—	—	5.4	—	—	5.4
Other intangible fixed assets	—	0.0	0.0	—	—	—	—
Ordinary assets	12.5	1.6	1.4	12.7	—	—	12.7
Surface rights	0.3	—	—	0.3	—	—	0.3
Other intangible fixed assets	12.2	1.6	1.4	12.4	—	—	12.4
Infrastructure assets	14.8	0.1	0.0	14.9	—	—	14.9
Surface rights	14.8	0.1	0.0	14.9	—	—	14.9
Other intangible fixed assets	—	—	—	—	—	—	—
Software	10.4	7.6	2.4	15.6	6.5	2.1	9.0
Software in progress	8.4	37.4	19.7	26.0	—	—	26.0
Total	31,585.9	2,093.5	1,790.0	31,889.5	5,661.5	225.4	26,228.0

(6) Annexed Detailed Statement of Ordinary Account Reserve Allowances

(in billion yen)

Item	Balance at end of previous period	Increase for current period	Decrease for current period		Balance at end of current period
			Intended use	Other	
Reserve for deficit due to non-payment	3.8	3.2	3.4	0.0	3.6
Bad debt reserve	2.2	0.1	0.1	0.2	1.9
Allowance for investment	13.6	–	–	13.6	–
Reserve for bonuses	115.2	123.1	115.2	–	123.1
Reserve for retirement allowances	944.2	79.9	47.4	–	976.7
Total	1,079.2	206.5	166.3	13.9	1,105.4

(7) Accounting Policy and Notes Regarding Preparation of the Tokyo Metropolitan Government Ordinary Account Financial Statement

<p align="center">Year-to-date (From April 1, 2023, to March 31, 2024)</p>	
<p>(Accounting Policy)</p> <p>1. Target Range</p> <p>The results and statements contained herein cover the Tokyo Metropolitan Government's ordinary account. Any overlap, credits, or debts between accounts have been eliminated. The target range of the ordinary account encompasses the following accounts:</p> <p>General account</p> <p>Special accounts (14 accounts)</p> <ul style="list-style-type: none"> Special Wards Fiscal Adjustment Local Consumption Tax Adjustment Ogasawara Islands Livelihood Rehabilitation Fund Single Parent Welfare Loan Fund Physically or Mentally Disabled Persons Annuity Fund Tokyo Metropolitan Hospital Organization Loans Project and Other Services Small and Medium Enterprise Facility Installation Fund Forestry and Lumber Industry Improvement Subsidy Coastal Fishery Improvement Subsidy Metropolitan Public Housing Urban Development Fund Land Acquisition Debt Service Waterfront Urban Infrastructure Development Project 	
<p>2. Base Date</p> <p>The base date shall be taken as being March 31, 2024, the results and statements, however, include all deposits and withdrawals carried out between April 1, 2024, and May 31, 2024 (the settlement period).</p>	
<p>3. Calculation of Assets and Liabilities</p> <p>The balance sheet shows not only all of the assets (actual commodities with convertible value and legal rights) owned by the Tokyo Metropolitan Government and all legally outstanding debt, but also records all "Assets" and "Liabilities" based on accrual accounting.</p>	
<p>4. Application of Current Arrangement</p> <p>The listed order of items for assets and liabilities is arranged using the current arrangement, with current assets being followed by fixed assets.</p>	
<p>5. Application of One-Year Rule</p> <p>The division between fixed and current assets is subject to the application of the one-year rule. For a period of one year following the base date, all assets and liabilities gained during this period shall be categorized as current items, with all other items designated as fixed.</p>	
<p>6. Method Used for Tangible Fixed Asset Depreciation</p> <p>(1) Administrative assets, ordinary assets and infrastructure assets</p> <p>Tangible fixed assets within administrative assets and ordinary assets are depreciated on a straight-line basis according to the service life and the residual value rate in the "Tokyo Metropolitan Government Guidelines for Processing Ledgers Related to Public Property".</p> <p>Tangible fixed assets within infrastructure assets are depreciated on a straight line basis according to the service life in the "Tokyo Metropolitan Government Guideline for Processing Ledgers Related to Public Property" and the "Tokyo Metropolitan Government Bureau of Construction Infrastructure Asset Control Standards".</p> <p>However, the paving of roads, defined as replacement assets by the "Tokyo Metropolitan Government Bureau of Construction Infrastructure Asset Control Standards", is subject to adoption of a processing method that treats spending required for partial road replacement as actual expenses.</p> <p>(2) Important property</p> <p>Important property is depreciated on a straight line basis according to the service life in the "Service Life Benchmarks for Important Property."</p>	

Year-to-date (From April 1, 2023, to March 31, 2024)	
7. Method Used for Intangible Fixed Asset Depreciation	<p>(1) Surface rights, easements, patent rights, copyrights, etc. Intangible fixed assets are not depreciated.</p> <p>(2) Software. Software is depreciated on a straight line basis with service life set at five years and residual value set at zero.</p>
8. Processing Method for Deferred Assets	<p>These are, in principle, not subject to accounting.</p> <p>All TMG bonds issue expenses and discounts are not calculated as deferred assets, and the total amount is treated as costs and expenses incurred during the year of issue.</p>
9. Valuation Methods and Benchmarks for Securities, Investments and Subventions	<p>As for securities, investments and subventions, policy cooperation bodies' stocks, investments and subventions held by TMG are stated at their acquisition prices. However, items whose market value or real value markedly decreased are booked at reduced value.</p>
10. Accounting Standards for Reserve Allowances	<p>The Tokyo Metropolitan Government's main reserve allowances are outlined below.</p> <p>(1) Reserve for deficit due to non-payment Since there is a possibility that some of the metropolitan taxes, usage charges, and other outstanding revenues may lead to a deficit due to non-payment as a result of the ending of limitations, the reserve for deficit due to on payment was recorded as an amount gained by calculating the liquidation status of such outstanding revenues, the composition of finances of the counterparty, and the metropolitan government's previous deficit due to non-payment over the past three years and multiplying it by the amount of outstanding revenues as of the end of the fiscal year.</p> <p>(2) Bad debt reserve Since there is a possibility that some of the metropolitan government's loans may lead to an exemption or a reduction of repayment, the bad debt reserve was recorded as an amount gained by calculating the liquidation status of such loans, the composition of finances of the counterparty and the reduction of such loans based on exemptions etc. over the past three years and multiplying it by the amount of the metropolitan government's loans as of the end of the fiscal year.</p> <p>(3) Allowance for Investment Loss Of the securities, investments and subventions, regarding those related to consolidated organizations, where market value or real value falls below acquisition value to a certain degree, the difference is recorded as allowance for investment loss. Furthermore, reversal of allowance is conducted when market value or real value recovers.</p> <p>(4) Reserve for retirement allowances The retirement allowance payment used in the event of city employees voluntary retiring is used to calculate the required reserve for retirement allowances.</p> <p>(5) Reserve for bonuses A part of the year-end allowances and bonus payable in the following fiscal year as well as the accompanying legal welfare expenses are recorded as reserve for bonuses in case the relevant liabilities incurring this fiscal year are attributable.</p>
11. Conversion Standards for Converting Foreign-currency-denominated Assets and Debt into yen equivalent	<p>The Tokyo Metropolitan Government issues foreign-currency-denominated bonds in the U.S. and European markets.</p> <p>As the risk that accompanies fluctuations in principal and interest is hedged by the currency swap transaction between foreign currencies and yen, the value of these bonds is calculated in yen at the time of issue.</p>
12. Accounting Standards for Revenues and Expenses	<p>These are calculated on the concept of revenues and expenses being carried out based on the policy of using accrual accounting. Items that met these standards were included in the calculations for the financial statement.</p>

<p style="text-align: center;">Year-to-date (From April 1, 2023, to March 31, 2024)</p>	
<p>(Others)</p>	
<p>Balance Sheet-related Items</p>	
1. Display Method for Entered Amounts	The entered figures have been rounded down to the indicated unit.
2. Accounting Standards for Fixed Assets	The balance sheet amount for all TMG-owned public property, important property, infrastructure assets, software, and leased assets, is calculated using the acquisition price.
<p>Administrative Cost Statement-related Items</p>	
1. Display Method for Entered Amounts	The entered figures have been rounded down to the indicated unit.②
<p>Cash Flow Statement-related Items</p>	
1. Display Method for Entered Amounts	The entered figures have been rounded down to the indicated unit.
2. Scope of Funds	The total amount of funds (including cash and cash equivalents) shall be taken as the balance brought forward from the previous fiscal year under the ordinary account as well as all cash revenues for the current fiscal year.

[Notes]

Balance Sheet-related Items

1. Contingent liabilities

Debt burden for debt guarantee and indemnity for which amount to pay is not determined

(in billion yen)

Item	End of FY2023
Related to public corporations/societies	41.3
Others	265.3

2. Other Debt Burdens (estimated future expenditure)

(in billion yen)

Item	End of FY2023
Interest rate subsidy-related items	12.0
Others	1,520.8

3. Expected Repayments of Outstanding Borrowings (as of the end of FY2023)

(in billion yen)

Item	FY2024	From FY2025	Total
TMG bonds	358.3	4,903.1	5,261.5
Borrowing from other accounts, etc.	0.0	0.3	0.3
Total	358.3	4,903.5	5,261.8

Outstanding balance of TMG bonds of 5,261.5 billion yen, as of the end of fiscal year 2023, is expected to give rise to a total future interest payment of 383.5 billion yen.

4. Figures for Temporary Borrowing

In order to carry out short-term funding, 100.0 billion yen were raised from the fiscal adjustment fund on May 31, 2023, and was repaid on June 6 of the same year.

The total interest on this borrowing was 32,876 yen and its payment was implemented from the general account.

5. Sinking Fund

Following the settlement of accounts for FY2023, there was no shortfall.

6. Breakdown of Other Funds

(in billion yen)

Item	End of FY2023
Tokyo Resilience Promotion Fund	450.0
Advanced Welfare City Realization Fund	294.9
Social Capital Improvement Fund	505.9
Zero Emission Tokyo Fund	102.8
Smart Tokyo Fund	123.0
Fund Reserve for New Railway Line Construction, etc.	88.6
Green Tokyo Fund	24.8
Fund to Promote the Installation of Renewable Energy Equipment in New Buildings	129.8
Tokyo 2020 Legacy Fund	107.6
Disaster Relief Fund	17.5
Fund for Annuity for Individuals with Physical or Mental Disabilities	22.7
Fund for Stabilization of Finance of Nursing Care Insurance	3.5
Fund for Green and Flower Tokyo Fundraising Campaign	0.0
Pollution-Related Health Damage Prevention Fund	0.4
Fund for Stabilizing the Expenses of Local Government on Medical Insurance for the Elderly Aged over 75	21.1
Fund for Establishing the Supportive Society to Raise Children	15.3
Temporary Special Fund for Quakeproofing Medical Facilities	0.0
Fund for Utilizing the Senkaku Islands through Tokyo Metropolitan Government Senkaku Island Donations	1.4
Fund for Support of Agricultural Structural Reform	0.0
Fund for Securing Comprehensive Regional Medical/Nursing Care	37.6
Tokyo Human Resources Fund for City Diplomacy	2.9
Disaster Waste Management Fund	-
Public Primary and Junior High School Information Equipment Fund	10.7
Municipal Promotion Fund	318.1
Equipment Procurement Fund	0.1
Total	2,279.7

Administrative Cost Statement-related Items

Content and accounting standards for revenues items

(1) Administrative revenues

Item	Content and accounting standards
Local taxes	Calculated as income from normal taxes as stipulated under the Local Tax Law, all taxes under the previous law, earmarked taxes by law and by local ordinance (lodgment tax stipulated under TMG lodgment tax ordinance) . Local consumption tax, however, is calculated as the amount following settlement by prefectural governments.
Local transfer taxes	This includes all revenues from liquefied petroleum gas transfer tax, the special tonnage transfer tax, aviation fuel transfer tax, local gasoline transfer tax, forest environment transfer tax, automobile weight transfer tax, and special local corporate transfer tax.
Local special grants	<p>This includes all revenues indicated below.</p> <ul style="list-style-type: none"> • The amount of grant provided to compensate a decrease in tax revenues by local institutions as a result of implementation of special tax deduction for housing loans etc. in individual inhabitant tax. • The amount of grant provided to supplement falls in revenues of local public bodies due to the expansion of special measures for fixed-asset tax for the realization of a productivity revolution.
Allocations for municipalities with facilities owned by the national government	This is provided for municipalities with facilities owned by the national government (Tokyo Metropolitan Government for its special wards). This sum is appropriated as an allocated amount as an alternative to a fixed assets tax.
Miscellaneous tax-related revenues	Calculated as the amount for adjustment of collection of interest and expenditures from collection of tax delinquency.
National treasury disbursement	Calculated as sum equivalent from the national treasury disbursement for the meeting of administrative services activity support requirements.
Traffic safety special grant	In order to allocate the revenues obtained through fines paid to the national government etc. in accordance with the Road Traffic Act to expenses necessary for establishing and managing road traffic safety facilities, the amount allocated to municipalities is calculated.
Operating revenues (Special accounts)	Revenues calculated as the sum from loan interest on special accounts, revenues from premiums, and revenues from penalty charges.
Shares and charges	Sum calculated from shares and charges in meeting requirements of administrative services activity support.
Fees and charges	Calculated as the total amount from all relevant fees and charges.
Revenues from property	Calculated as the total amount from revenues from property.
Miscellaneous (commissioned work revenues)	Calculated as the total amount from commissioned work revenues.
Miscellaneous	Calculated as the total of revenues from profit-earning business and proceeds from the sale of commodities.
Contributions	Calculated as the total revenues from contributions.
Transfers	Calculated as total amount required to meet requirements of administrative services activity support from the total amount of funds transferred from other accounts.
Miscellaneous administrative revenues	All other administrative revenues not stipulated in the above items.

(2) Financial revenues

Item	Content and accounting standards
Revenues from interest earned and dividends	Calculated as revenues gained from interest on deposits and stock dividends, etc.

(3) Special revenues

Item	Content and accounting standards
Profit on sale of fixed assets	Calculated as total revenues from the disposal of fixed assets (excluding securities, investments and subventions) and increase in book value from the claim amount.
Other special revenues	Calculated as the gain on the sale of securities, investments and subventions and profit attributed to prior period's adjustment of gain and loss etc.

Cash Flow Statement-related Items

1. The balance at the end of the period for cash and cash equivalents (proforma balance), and items noted on the balance sheet related to this amount.

(in billion yen)

Item	FY2023
Cash and deposits	545.4
Balance of payments for the portion of Urban Redevelopment Project Account in the ordinary account classification	-
Balance at the end of the fiscal year for cash and cash equivalents (Proforma balance)	545.4

As part of the provisions for drawing up figures for the statistics of settlement of the ordinary account, part of Urban Redevelopment Project Account is classified as the regular settlement of the ordinary account. All annual revenues and expenses for the relevant operations is appropriated in the balance sheet as the ordinary account cash flow statement.

2. Breakdown of Revenues from Local Taxes

(in billion yen)

Item	FY2023
Metropolitan inhabitant tax	1,901.8
Business tax	1,590.4
Local consumption tax	744.2
Real estate acquisition tax	99.6
Metropolitan tobacco tax	17.5
Light-oil delivery tax	36.9
Automobile tax	115.5
Fixed assets tax	1,436.1
Special land ownership tax	-
Business office tax	118.5
City planning tax	278.6
Others	5.4
Total	6,345.0

3. Handling of the Sinking Fund Transfer and the Sinking Fund Reserve

When establishing a reserve for a sinking fund for use as a fiscal resource for redemption of bullet maturity amortization of local bonds, under the provisions for compiling figures for the statistics of the ordinary account settlement, it is “expenses for public bonds (principal)” that is appropriated for the repayment of TMG bonds. When accessing the sinking fund for redeeming TMG bonds, due to use of sinking fund reserve for handling expenses for public bonds, an amount equivalent to the accessed amount will be exempted from revenues and expenses.

Consequently, this means that the movement of cash related to the sinking fund will not be shown as “social capital improvement investment activities.”

(in billion yen)

Item	FY2023
Sinking fund transfer	333.4
Sinking fund reserve	284.4

2. Fiscal Year 2023 Tokyo Metropolitan Government Comprehensive Financial Statement

(1) Tokyo Metropolitan Government Comprehensive Financial Statement

[1] Ordinary Account and “Special Accounts”

(in million yen)

	Ordinary Account A	"Special Accounts" B				(Simple Total) (A + B)
		National Health Insurance Account B1	Slaughterhouse B2	Metropolitan Public Housing Tenants Security Deposit B3	Industrial Water Supply Business Liquidation B4	
Administrative Cost Statement (Ordinary balance)						
I. Administrative balance ① = a - b	529,085	(73,767)	(4,598)	1	(10,508)	440,212
Administrative revenues a	7,544,108	1,009,616	1,497	1	2	8,555,225
Local taxes etc.	6,402,779	-	-	-	-	6,402,779
Grants etc.	7,122	-	-	-	-	7,122
National treasury disbursement	627,820	289,037	-	-	-	916,857
Funds transferred	5,867	-	-	1	-	5,869
Other	500,518	720,579	1,497	0	2	1,222,597
Administrative expenses b	7,015,022	1,083,384	6,095	-	10,510	8,115,013
Tax-related expenses	1,703,264	-	-	-	-	1,703,264
Payroll-related expenses	1,407,240	47	2,244	-	-	1,409,533
Subsidizing expenses etc.	1,835,679	1,083,248	1,354	-	2,373	2,922,656
Investment expenses	445,773	-	11	-	-	445,785
Funds disbursed	243,397	-	-	-	-	243,397
Other	1,379,666	88	2,484	-	8,137	1,390,376
II. Financial balance ② = c - d	(28,892)	0	(10)	-	0	(28,903)
Financial revenues c	14,530	0	0	-	0	14,530
Financial expenses d	43,423	-	10	-	-	43,433
Ordinary balance ③ = ① + ②	500,192	(73,767)	(4,608)	1	(10,508)	411,309
Special balance						
Special revenues e	28,698	-	-	-	2,495	31,194
Special expenses f	44,004	-	-	-	-	44,004
Special balance ④ = e - f	(15,306)	-	-	-	2,495	(12,810)
Balance for the current period ⑤ = ③ + ④	484,886	(73,767)	(4,608)	1	(8,012)	398,498
Transfer to general account g	-	86,709	3,362	-	-	90,072
Disbursement from general account h	-	195	-	-	-	195
Balance brought forward ⑤ + g - h	484,886	12,746	(1,246)	1	(8,012)	488,375
Balance Sheet (Assets)						
I. Current assets	1,786,063	23,502	-	9,789	8,043	1,827,399
Cash and deposits	569,934	23,502	-	8,338	8,043	609,818
Other current assets	1,216,129	0	-	1,451	-	1,217,580
II. Fixed assets	34,939,417	10,620	5,699	7,282	1,634	34,964,654
Tangible fixed assets	26,159,731	-	5,699	-	1,597	26,167,027
Land	19,565,317	-	-	-	32	19,565,350
Other tangible fixed assets (property etc.)	6,594,413	-	5,699	-	1,565	6,601,677
Intangible fixed assets	68,276	-	-	-	24	68,300
Investments etc.	8,711,410	10,620	-	7,282	13	8,729,326
Long-term loan	1,301,416	1,169	-	7,282	-	1,309,869
Funds	3,469,159	9,450	-	-	-	3,478,609
Other investments etc.	3,940,835	-	-	-	13	3,940,848
III. Deferred assets	-	-	-	-	-	-
Total assets	36,725,481	34,122	5,699	17,072	9,677	36,792,054
(Liabilities)						
I. Current liabilities	490,401	4	207	-	-	490,612
II. Fixed liabilities	5,907,580	44	6,796	16,981	-	5,931,403
Long-term borrowing	4,910,804	-	4,919	-	-	4,915,723
Other fixed liabilities	996,775	44	1,877	16,981	-	1,015,679
III. Deferred revenues	-	-	-	-	-	-
Total liabilities	6,397,981	49	7,003	16,981	-	6,422,015
(Net assets)						
Total net assets	30,327,500	34,073	(1,304)	91	9,677	30,370,038
(of which are changes in the current period)	542,974	12,753	(761)	1	9,677	564,646
Total liabilities and net assets	36,725,481	34,122	5,699	17,072	9,677	36,792,054

[2] Public Enterprise Accounts

(in million yen)

	Central Wholesale Market C1	Urban Redevelopment Project C2	Waterfront Area Development Project C3	Port and Harbor Project C4	Transportation C5	Urban Rapid Transit Railway C6
Profit and Loss Statement						
Operating profit ① = a - b	(12,708)	-	7,961	747	359	4,018
Operating earnings a	16,277	-	11,433	4,006	49,896	139,975
Operating expenses b	28,985	-	3,472	3,259	49,537	135,956
Business cost price	125	-	100	2,031	35,828	79,352
Administrative expenses	28,860	-	3,372	1,228	13,708	56,604
Non-operating profit ② = c - d	2,189	88	2,559	508	1,351	13,995
Non-operating earnings c	4,200	88	3,687	530	3,924	17,123
Non-operating expenses d	2,011	-	1,128	21	2,572	3,127
Current balance ① + ②	(10,518)	88	10,520	1,256	1,710	18,013
Special profit ③ = e - f	(4,645)	66	(6,701)	(0)	(21)	-
Special earnings e	146	66	-	-	-	-
Special expenses f	4,791	-	6,701	0	21	-
Net profit for the current period ④ = ① + ② + ③	(15,163)	155	3,818	1,255	1,688	18,013
Retained profit brought forward ⑤	78,313	5,847	138,630	21,495	(33,220)	(215,175)
Changes of other unappropriated profit ⑥	43,688	-	-	-	-	-
Unappropriated revenues for the current period ④ + ⑤ + ⑥	106,838	6,002	142,448	22,751	(31,531)	(197,161)
Balance Sheet						
(Assets)						
I. Current assets	526,495	40,494	246,388	34,650	35,222	173,399
Cash and deposits	524,629	40,422	244,193	34,043	20,973	99,738
Other current assets	1,866	72	2,194	607	14,249	73,661
II. Fixed assets	707,975	42,409	750,850	343,297	206,229	1,305,106
Tangible fixed assets	687,630	42,409	639,279	336,873	74,854	1,298,963
Land	379,673	-	637,872	317,520	23,911	131,658
Other tangible fixed assets (property etc.)	307,957	42,409	1,406	19,352	50,942	1,167,304
Intangible fixed assets	39	-	29	39	389	1,335
Investments etc.	20,306	-	111,541	6,384	130,986	4,807
Long-term loan	-	-	5,000	807	90,000	-
Funds	-	-	-	-	-	-
Other investments etc.	20,306	-	106,541	5,577	40,986	4,807
III. Deferred assets	-	-	-	-	-	-
Total assets	1,234,471	82,903	997,238	377,948	241,452	1,478,505
(Liabilities)						
I. Current liabilities	42,788	43,676	102,469	1,301	17,943	69,076
II. Fixed liabilities	225,091	-	2,175	288	77,606	615,302
Long-term borrowing	221,730	-	-	-	60,951	464,649
Other fixed liabilities	3,361	-	2,175	288	16,655	150,652
III. Deferred revenues	32,249	-	0	55	1,351	377,581
Total liabilities	300,129	43,676	104,645	1,644	96,901	1,061,960
(Capital)						
Total capital	934,342	39,227	892,592	376,303	144,551	416,544
(of which are changes in the current period)	(15,163)	155	3,982	4,319	22,453	28,424
Total liabilities and capital	1,234,471	82,903	997,238	377,948	241,452	1,478,505

(in million yen)

	Electric Power C7	Waterworks C8	Sewerage C9	(Simple Total) (C)
Profit and Loss Statement				
Operating profit ① = a - b	(130)	(8,672)	(60,579)	(69,003)
Operating earnings a	925	324,405	289,960	836,881
Operating expenses b	1,056	333,077	350,539	905,884
Business cost price	926	235,637	134,578	488,579
Administrative expenses	130	97,440	215,960	417,305
Non-operating profit ② = c - d	27	10,475	67,820	99,016
Non-operating earnings c	27	14,062	82,164	125,807
Non-operating expenses d	0	3,586	14,343	26,791
Current balance ① + ②	(103)	1,803	7,241	30,012
Special profit ③ = e - f	64	384	(1,171)	(12,024)
Special earnings e	76	828	-	1,117
Special expenses f	11	443	1,171	13,142
Net profit for the current period ④ = ① + ② + ③	(39)	2,188	6,070	17,987
Retained profit brought forward ⑤	-	-	5,174	1,066
Changes of other unappropriated profit ⑥	70	18,084	9,928	71,772
Unappropriated revenues for the current per ④ + ⑤ + ⑥	31	20,272	21,173	90,826

Balance Sheet				
(Assets)				
I. Current assets	7,652	288,545	182,083	1,534,933
Cash and deposits	5,611	219,483	80,654	1,269,750
Other current assets	2,041	69,061	101,429	265,183
II. Fixed assets	3,703	2,602,376	5,713,550	11,675,499
Tangible fixed assets	3,685	2,498,967	5,712,483	11,295,146
Land	99	280,624	610,851	2,382,212
Other tangible fixed assets (property etc.)	3,586	2,218,342	5,101,632	8,912,933
Intangible fixed assets	17	102,100	866	104,817
Investments etc.	1	1,308	200	275,535
Long-term loan	-	-	-	95,807
Funds	-	-	-	-
Other investments etc.	1	1,308	200	179,728
III. Deferred assets	-	1	-	1
Total assets	11,356	2,890,923	5,895,634	13,210,435
(Liabilities)				
I. Current liabilities	414	203,061	248,651	729,384
II. Fixed liabilities	148	291,974	1,049,894	2,262,480
Long-term borrowing	-	255,543	1,033,032	2,035,906
Other fixed liabilities	148	36,430	16,862	226,574
III. Deferred revenue	501	147,655	1,600,226	2,159,622
Total liabilities	1,064	642,692	2,898,772	5,151,487
(Capital)				
Total capital	10,292	2,248,231	2,996,861	8,058,947
(of which are changes in the current period)	(39)	3,049	33,641	80,823
Total liabilities and capital	11,356	2,890,923	5,895,634	13,210,435

[3-1] Policy Cooperation Bodies (incorporated foundations (1))

(in million yen)

		Tokyo Metropolitan Human Rights Promotion Center D1	Tokyo Metropolitan Islands Promotion Corporation D2	GovTech Tokyo D3	Tokyo Tax Association D4	Tokyo Metropolitan Foundation for History and Culture D5	Tokyo Metropolitan Symphony D6
Statement of Changes in Net Assets							
(Changes in unrestricted net assets)							
Current increase (decrease) for the current period	① = a - b	(41)	(51)	(12)	(13)	860	(0)
Current revenues	a	294	1,024	557	1,206	16,708	1,849
Current expenses	b	335	1,076	569	1,222	15,847	1,849
Nonrecurring increase (decrease) for the current period	② = c - d	-	(49)	-	-	(15)	4
Nonrecurring revenues	c	-	-	-	-	58	4
Nonrecurring expenses	d	-	49	-	-	73	-
Corporation tax etc.	③	0	(-)	(0)	0	70	0
Total changes in unrestricted net assets for the current period	④ = ① + ② - ③	(41)	(101)	(12)	(13)	775	3
Unrestricted net assets at the beginning of the current period	⑤	199	765	-	408	7,704	724
Unrestricted net assets at the end of the current period	⑥ = ④ + ⑤	158	664	(12)	394	8,480	728
(Changes in restricted net assets)							
Total changes in restricted net assets for the current period	⑦	-	-	1,200	14	289	-
Restricted net assets at the beginning of the current period	⑧	101	4,000	-	300	1,252	1
Restricted net assets at the end of the current period	⑨ = ⑦ + ⑧	101	4,000	1,200	315	1,542	1
Net assets at the end of fiscal year	⑥ + ⑨	259	4,664	1,188	710	10,022	729

1*The figure in brackets [] in the "Corporation Tax etc." section is included in the figure for "Current increase (decrease) for the current period"

2* "Current increase (decrease) for the current period" for the Tokyo Tax Association reflects loss (gain) on valuation of endowment and loss (gain) on valuation of investment securities, etc

Balance Sheet							
(Assets)							
I. Current assets		122	292	373	232	6,698	510
Cash and deposits		118	238	352	127	5,719	278
Other current assets		3	54	21	105	978	231
II. Fixed assets		199	6,675	1,180	647	7,760	570
Tangible fixed assets		6	59	226	50	417	7
Land		-	-	-	-	-	-
Other tangible fixed assets (property etc.)		6	59	226	50	417	7
Intangible fixed assets		-	0	6	0	185	1
Investments etc.		192	6,615	947	596	7,157	562
Long-term loan		-	-	-	-	-	17
Funds		-	-	-	-	-	-
Other investments etc.		192	6,615	947	596	7,157	544
III. Deferred assets		-	-	-	-	-	-
Total assets		322	6,968	1,554	880	14,459	1,080
(Liabilities)							
I. Current liabilities		60	64	365	126	2,839	242
II. Fixed liabilities		3	2,240	-	43	1,597	108
Long-term borrowing		-	2,240	-	-	-	-
Other fixed liabilities		3	-	-	43	1,597	108
III. Deferred revenues		-	-	-	-	-	-
Total liabilities		63	2,304	365	170	4,436	351
(Net assets)							
Total net assets		259	4,664	1,188	710	10,022	729
(of which are changes in the current period)		(41)	(101)	1,188	1	1,065	3
Total liabilities and net assets		322	6,968	1,554	880	14,459	1,080

Current status of metropolitan government's involvement							
Investment ratio (%)		74.2	45.5	100	85.6	32.2	4.4
Number of metropolitan government contract employees/ Number of permanent employees		7/17	4/8	20/21	13/180	33/397	3/110

* 1 The investment ratio: the ratio of TMG's monetary support, or deemed monetary support in case of merging in midterm, to an administrative body

* 2 The investment ratio and number of employees are calculated as 1 August, 2023

(in million yen)

	Tokyo Metropolitan Foundation "TSNAGARI"	Tokyo Sport Benefits Corporation	Tokyo Marathon Foundation	Tokyo New Town Development Corporation	Tokyo Environmental Public Service Corporation	Tokyo Metropolitan Foundation for Social Welfare and Public Health
	D7	D8	D9	D10	D11	D12
Statement of Changes in Net Assets						
(Changes in unrestricted net assets)						
Current increase (decrease) for the current period ①=a-b	0	126	489	116	(175)	(63)
Current revenues a	605	4,437	5,422	22,220	9,589	6,523
Current expenses b	605	4,311	4,932	22,104	9,764	6,587
Nonrecurring increase (decrease) for the current period ②=c-d	-	-	(0)	(1)	(34)	(0)
Nonrecurring revenues c	-	-	0	-	-	-
Nonrecurring expenses d	-	-	1	1	34	0
Corporation tax etc. ③	-	0	0	0	0	[-]
Total changes in unrestricted net assets for the current period ④=①+②-③	0	125	489	114	(209)	(63)
Unrestricted net assets at the beginning of the current period ⑤	(0)	792	308	65,142	5,639	1,105
Unrestricted net assets at the end of the current period ⑥=④+⑤	-	701	797	65,256	5,429	1,041
(Changes in restricted net assets)						
Total changes in restricted net assets for the current period ⑦	40	(4)	8	-	(0)	(85)
Restricted net assets at the beginning of the current period ⑧	215	505	277	13	356	2,600
Restricted net assets at the end of the current period ⑨=⑦+⑧	256	501	286	13	356	2,515
Net assets at the end of fiscal year ⑩+⑨	256	1,202	1,084	65,269	5,785	3,557

1* The figure in brackets [-] in the "Corporation Tax, etc." section is included in the figure for "Current increase (decrease) for the current period"

2* Unrestricted net assets at the end of the current period of the Tokyo Sport Benefits Corporation reflects the unrestricted net assets decrease amount.

3* "Current increase (decrease) for the current period" for the Tokyo Environmental Public Service Corporation reflects loss (gain) on valuation of specific assets.

Balance Sheet						
(Assets)						
I. Current assets	327	1,664	970	24,199	5,809	3,198
Cash and deposits	327	1,130	867	9,344	4,204	3,137
Other current assets	0	534	103	14,855	1,605	61
II. Fixed assets	275	875	382	55,395	321,965	5,664
Tangible fixed assets	25	44	35	1,331	710	229
Land	-	-	-	506	73	-
Other tangible fixed assets (property etc.)	25	44	35	825	636	229
Intangible fixed assets	90	1	48	363	332	38
Investments etc.	159	830	298	53,700	320,923	5,396
Long-term loan	-	-	-	4	-	376
Funds	-	-	-	1,000	434	3,168
Other investments etc.	159	830	298	52,695	320,488	1,851
III. Deferred assets	-	-	-	-	-	-
Total assets	602	2,540	1,353	79,595	327,775	8,863
(Liabilities)						
I. Current liabilities	341	1,301	269	10,391	3,328	3,146
II. Fixed liabilities	4	36	-	3,933	318,661	2,159
Long-term borrowing	-	-	-	-	-	-
Other fixed liabilities	4	36	-	3,933	318,661	2,159
III. Deferred revenues	-	-	-	-	-	-
Total liabilities	346	1,337	269	14,325	321,989	5,306
(Net assets)						
Total net assets	256	1,202	1,084	65,269	5,785	3,557
(of which are changes in the current period)	41	(95)	497	114	(209)	(148)
Total liabilities and net assets	602	2,540	1,353	79,595	327,775	8,863

Current status of metropolitan government's involvement						
Investment ratio (%)	100	100	90.9	76.9	100	60.1
Number of metropolitan government contract employees/ Number of permanent employees	9/35	109/195	4/42	18/294	67/360	59/196

* 1 The investment ratio: the ratio of TMG's monetary support, or deemed monetary support in case of merging in midterm, to an administrative body

* 2 The investment ratio and number of employees are calculated as 1 August, 2023

(in million yen)

	Tokyo Metropolitan Organization for Medical Research D13	Tokyo Metropolitan Small and Medium Enterprise Support Center D14	Tokyo Foundation for Employment Service D15	Tokyo Development Foundation For Agriculture, Forestry & Fisheries D16	Tokyo Convention and Visitors Bureau D17	Tokyo Zoological Park Society D18
Statement of Changes in Net Assets						
(Changes in unrestricted net assets)						
Current increase (decrease) for the current period ① = a - b	11	98	6	(15)	8	177
Current revenues a	4,285	45,773	16,005	4,582	15,574	10,784
Current expenses b	4,274	45,674	15,999	4,598	15,565	10,596
Nonrecurring increase (decrease) for the current period ② = c - d	1	-	7	(34)	14	(1)
Nonrecurring revenues c	57	0	7	46	14	0
Nonrecurring expenses d	55	0	0	80	0	1
Corporation tax etc. ③	[-]	-	2	[-]	3	(3)
Total changes in unrestricted net assets for the current period ④ = ① + ② - ③	12	98	11	(49)	19	179
Unrestricted net assets at the beginning of the current period ⑤	796	3,225	40	298	970	1,268
Unrestricted net assets at the end of the current period ⑥ = ④ + ⑤	808	3,324	51	248	989	1,447
(Changes in restricted net assets)						
Total changes in restricted net assets for the current period ⑦	21	(96)	0	3,003	(308)	5
Restricted net assets at the beginning of the current period ⑧	344	1,681	495	13,579	959	249
Restricted net assets at the end of the current period ⑨ = ⑦ + ⑧	366	1,585	495	16,582	651	254
Net assets at the end of fiscal year ⑥ + ⑨	1,174	4,909	546	16,831	1,641	1,702

* 1 The figure in brackets [-] in the "Corporation Tax, etc." section is included in the figure for "Current increase (decrease) for the current period"

* 2 Current increase (decrease) for the current period of Tokyo Zoological Park Society reflects loss (gain) on valuation of investment securities, etc.

Balance Sheet						
(Assets)						
I. Current assets	1,173	82,473	28,293	1,279	7,629	1,996
Cash and deposits	1,169	7,544	9,244	1,228	7,345	1,015
Other current assets	3	74,928	19,048	50	284	981
II. Fixed assets	1,851	5,851	1,395	17,170	31,225	1,567
Tangible fixed assets	1,030	671	80	278	79	318
Land	-	69	-	-	-	20
Other tangible fixed assets (property etc.)	1,030	602	80	278	79	297
Intangible fixed assets	72	298	8	3	4	18
Investments etc.	748	4,880	1,305	16,889	31,140	1,229
Long-term loan	-	-	-	0	-	1
Funds	-	226	20	12,934	732	241
Other investments etc.	748	4,653	1,284	3,954	30,407	986
III. Deferred assets	-	-	-	-	-	-
Total assets	3,024	88,324	29,688	18,450	38,855	3,564
(Liabilities)						
I. Current liabilities	1,347	82,478	28,307	1,188	7,527	1,827
II. Fixed liabilities	502	936	834	430	29,686	34
Long-term borrowing	-	-	-	247	-	-
Other fixed liabilities	502	936	834	182	29,686	34
III. Deferred revenues	-	-	-	-	-	-
Total liabilities	1,850	83,414	29,141	1,619	37,213	1,861
(Net assets)						
Total net assets	1,174	4,909	546	16,831	1,641	1,702
(of which are changes in the current period)	33	2	11	2,953	(289)	184
Total liabilities and net assets	3,024	88,324	29,688	18,450	38,855	3,564

Current status of metropolitan government's involvement						
Investment ratio (%)	100	50.2	50.7	64.4	-	7.5
Number of metropolitan government contract employees/ Number of permanent employees	30/177	59/369	31/220	120/186	24/171	88/366

* 1 The investment ratio: the ratio of TMG's monetary support, or deemed monetary support in case of merging in midterm, to an administrative body

* 2 The investment ratio and number of employees are calculated as 1 August, 2023

(in million yen)

	Tokyo Metropolitan Park Association D19	Tokyo Metropolitan Public Corporation for Road Improvement and Management D20	Tokyo Education Promotion and Support Organization D21	Tokyo Disaster Prevention & Emergency Medical Service Association D22	(Simple Total) (D)
Statement of Changes in Net Assets					
(Changes in unrestricted net assets)					
Current increase (decrease) for the current period ① = a - b	685	255	8	(26)	2,446
Current revenues a	18,355	14,919	7,650	2,556	210,928
Current expenses b	17,670	14,664	7,642	2,583	208,474
Nonrecurring increase (decrease) for the current period ② = c - d	(3)	23	226	(27)	109
Nonrecurring revenues c	-	24	226	-	440
Nonrecurring expenses d	3	0	-	27	331
Corporation tax etc. ③	74	103	[-]	6	259
Total changes in unrestricted net assets for the current period ④ = ① + ② - ③	607	175	235	(60)	2,295
Unrestricted net assets at the beginning of the current period ⑤	4,641	9,709	99	1,736	105,578
Unrestricted net assets at the end of the current period ⑥ = ④ + ⑤	5,249	9,885	334	1,676	107,656
(Changes in restricted net assets)					
Total changes in restricted net assets for the current period ⑦	20	-	0	1	4,113
Restricted net assets at the beginning of the current period ⑧	2,961	1	435	491	30,822
Restricted net assets at the end of the current period ⑨ = ⑦ + ⑧	2,982	1	435	493	34,936
Net assets at the end of fiscal year ⑥ + ⑨	8,231	9,886	770	2,169	142,593

1* The figure in brackets [-] in the "Corporation Tax, etc." section is included in the figure for "Current increase (decrease) for the current period"

Balance Sheet					
(Assets)					
I. Current assets	7,640	15,091	2,770	1,067	193,818
Cash and deposits	3,750	10,756	1,914	884	70,701
Other current assets	3,890	4,335	855	183	123,117
II. Fixed assets	5,123	6,134	3,349	1,441	476,703
Tangible fixed assets	981	2,045	59	22	8,712
Land	-	1,043	-	-	1,714
Other tangible fixed assets (property etc.)	981	1,001	59	22	6,998
Intangible fixed assets	84	36	256	19	1,872
Investments etc.	4,057	4,052	3,034	1,399	466,118
Long-term loan	-	-	-	-	401
Funds	67	-	-	-	18,826
Other investments etc.	3,989	4,052	3,034	1,399	446,891
III. Deferred assets	-	-	-	-	-
Total assets	12,764	21,225	6,119	2,509	670,522
(Liabilities)					
I. Current liabilities	3,905	10,304	2,591	250	162,207
II. Fixed liabilities	627	1,035	2,757	89	365,722
Long-term borrowing	-	-	-	-	2,487
Other fixed liabilities	627	1,035	2,757	89	363,234
III. Deferred revenues	-	-	-	-	-
Total liabilities	4,532	11,339	5,349	339	527,929
(Net assets)					
Total net assets	8,231	9,886	770	2,169	142,593
(of which are changes in the current period)	627	175	235	(58)	6,192
Total liabilities and net assets	12,764	21,225	6,119	2,509	670,522

Current status of metropolitan government's involvement				
Investment ratio (%)	14.5	0.2	100	16.3
Number of metropolitan government contract employees/ Number of permanent employees	46/635	23/489	48/175	14/68

* 1 The investment ratio: the ratio of TMG's monetary support, or deemed monetary support in case of merging in midterm, to an administrative body

* 2 The investment ratio and number of employees are calculated as 1 August, 2023

[3-2] Policy Cooperation Bodies (incorporated foundations etc. (2))

(in million yen)

	Tokyo Metropolitan Welfare Corporation E1	(Simple Total) (E)
Operating Activity Statement		
Change in service balance ① = a - b	310	310
Service revenues a	11,891	11,891
Service expenses b	11,580	11,580
Changes in non-service balance ② = c - d	25	25
Non-service revenues c	85	85
Non-service expenses d	60	60
Change in ordinary balance ① + ②	335	335
Change in extraordinary balance ③ = e - f	(0)	(0)
Extraordinary revenues e	2	2
Extraordinary expenses f	2	2
Change in balance for current period ④ = ① + ② + ③	335	335
Change in balance carried forward from previous period ⑤	1,808	1,808
Change in balance carried forward from current period ⑥ = ④ + ⑤	2,143	2,143
Withdrawals from funds ⑦	-	-
Withdrawals from other reserves ⑧	529	529
Other funds reserved ⑨	463	463
Change in balance carried forward to next period ⑥ + ⑦ + ⑧ - ⑨	2,208	2,208

Balance Sheet		
(Assets)		
I. Current assets	2,748	2,748
Cash and deposits	2,460	2,460
Other current assets	288	288
II. Fixed assets	11,905	11,905
Tangible fixed assets	6,141	6,141
Land	-	-
Other tangible fixed assets (property etc.)	6,141	6,141
Intangible fixed assets	1	1
Investments etc.	5,762	5,762
Long-term loans	-	-
Funds	-	-
Other investments etc.	5,762	5,762
III. Deferred assets	-	-
Total assets	14,654	14,654
(Liabilities)		
I. Current liabilities	1,610	1,610
II. Fixed liabilities	991	991
Long-term borrowing	201	201
Other fixed liabilities	790	790
III. Deferred revenues	-	-
Total liabilities	2,601	2,601
(Net assets)		
Total net assets	12,052	12,052
(of which are changes in the current period)	103	103
Total liabilities and net assets	14,654	14,654

Current status of metropolitan government's involvement

Investment ratio (%)	100
Number of metropolitan government contract employees/ Number of permanent employees	206/1,089

* 2 The investment ratio and number of employees are calculated as 1 August, 2023

【3-3】 Policy Cooperation Bodies (incorporated foundations, etc. (3))

(in million yen)

	Tokyo Metropolitan Housing Supply Corporation F1	(Simple Total) (F)
Profit and Loss Statement		
Operating profit ① = a - b	9,804	9,804
Operating revenues a	129,849	129,849
Operating expenses b	120,045	120,045
Operating costs	117,989	117,989
Administrative expenses	2,056	2,056
Non-operating profit ② = c - d	(1,152)	(1,152)
Non-operating revenues c	26	26
Non-operating expenses d	1,179	1,179
Current balance ① + ②	8,651	8,651
Special profit ③ = e - f	(804)	(804)
Special revenues e	-	-
Special expenses f	804	804
Pre-reserve profit under special laws ① + ② + ③	7,847	7,847

Balance Sheet		
(Assets)		
I. Current assets	64,878	64,878
Cash and deposits	44,640	44,640
Other current assets	20,238	20,238
II. Fixed assets	1,132,585	1,132,585
Tangible fixed assets	1,126,772	1,126,772
Land	1,037	1,037
Other tangible fixed assets (property, etc.)	1,125,734	1,125,734
Intangible fixed assets	3,595	3,595
Investments, etc.	2,217	2,217
Long-term loans	-	-
Funds	-	-
Other investments, etc.	2,217	2,217
III. Deferred assets	-	-
Total assets	1,197,463	1,197,463
(Liabilities)		
I. Current liabilities	44,962	44,962
II. Fixed liabilities	687,372	687,372
Long-term borrowings	538,208	538,208
Other fixed liabilities	149,163	149,163
III. Deferred revenues	-	-
Total liabilities	732,335	732,335
(Capital)		
Total capital	465,128	465,128
(of: うち 当期増減額)	7,847	7,847
Total liabilities and capital	1,197,463	1,197,463

Current status of metropolitan government's involvement	
Investment ratio (%)	100
Number of metropolitan government contract employees/ Number of permanent employees	9/1,055

* 2 The investment ratio and number of employees are calculated as 1 August, 2023

[4] Policy Cooperation Bodies (limited corporations)

(in million yen)

	Tokyo Stadium G1	Tokyo Tama Intercity Monorail Co., Ltd. G2	Tokyo Water Front Area Rapid Transit, Inc. G3	Tama New Town Development Center G4	Tokyo International Forum G5	TOKYO RINKAI HOLDINGS Co., Ltd. G6
Profit and Loss Statement						
Operating profit ① = a - b	104	1,385	3,776	207	764	11,973
Operating revenues a	1,934	8,264	17,927	1,617	6,034	70,294
Operating expenses b	1,829	6,878	14,150	1,410	5,270	58,320
Operating costs	1,459	4,531	6,284	1,241	3,956	54,271
Sales and administrative expense	369	2,346	7,865	169	1,314	4,049
Non-operating profit ② = c - d	33	87	(451)	(0)	41	(93)
Non-operating revenue c	33	209	24	0	42	407
Non-operating expenses d	0	121	475	1	0	500
Current balance ① + ②	137	1,473	3,325	206	805	11,880
Special profit ③ = e - f	(0)	-	-	(0)	(4)	957
Special revenues e	-	-	122	-	-	1,243
Special expenses f	0	-	122	0	4	286
Corporation tax etc. ④	27	550	164	63	127	2,904
Net profit for the current period ① + ② + ③ - ④	110	922	3,161	142	673	9,932

Balance Sheet						
(Assets)						
I. Current assets	6,540	2,725	15,227	2,176	5,944	117,980
Cash and deposits	6,051	2,196	5,831	2,089	5,448	89,497
Other current assets	489	529	9,395	86	496	28,483
II. Fixed assets	3,271	57,032	177,630	7,383	1,479	268,152
Tangible fixed assets	266	56,763	162,171	7,177	832	233,141
Land	-	30,131	12,772	3,705	-	61,713
Other tangible fixed assets (property etc.)	266	26,631	149,398	3,472	832	171,428
Intangible fixed assets	2,152	63	14,075	78	32	20,648
Investments etc.	851	205	1,383	128	614	14,361
Long-term loan	-	-	-	-	-	-
Funds	-	-	-	-	-	-
Other investments etc.	851	205	1,383	128	614	14,361
III. Deferred assets	-	-	-	-	-	-
Total assets	9,811	59,757	192,858	9,560	7,423	386,132
(Liabilities)						
I. Current liabilities	483	7,137	13,851	619	4,441	65,226
II. Fixed liabilities	79	17,517	89,849	3,155	763	63,613
Long-term borrowing	-	16,706	1,010	-	-	36,021
Other fixed liabilities	79	810	88,839	3,155	763	27,592
III. Deferred revenues	-	-	-	-	-	-
Total liabilities	563	24,654	103,701	3,774	5,205	128,840
(Net assets)						
Total net assets	9,248	35,102	89,156	5,785	2,218	257,292
(of which are changes in the current period)	110	922	3,161	142	673	9,908
Total liabilities and net assets	9,811	59,757	192,858	9,560	7,423	386,132

*The figure for Tokyo Rinkai Holdings represent account values on a consolidated basis.

Current status of metropolitan government's involvement						
Investment ratio (%)	36.3	79.9	91.3	51.2	51.0	85.1
Number of metropolitan government contract employees/ Number of permanent employees	13/30	11/247	17/312	4/11	7/55	69/565

1* The investment ratio and number of employees are calculated as 1 August, 2023

2* Number of employees in Tokyo Rinkai Holdings Co., Ltd. includes those of its consolidated subsidiaries.

(in million yen)

Tokyo Kotsu Service Co., Ltd.	Tokyo Water Co., Ltd.	Tokyo Metropolitan Sewerage Service Corporation	(Simple Total)
G7	G8	G9	(G)

Profit and Loss Statement					
Operating profit ① = a - b		439	2,700	572	21,924
Operating revenues	a	8,633	29,275	28,615	172,596
Operating expenses	b	8,194	26,574	28,042	150,672
Operating costs		7,650	23,409	26,263	129,068
Sales and administrative expenses		543	3,165	1,779	21,604
Non-operating profit ② = c - d		4	193	45	(140)
Non-operating revenues	c	6	253	45	1,023
Non-operating expenses	d	1	60	0	1,163
Current balance ① + ②		443	2,894	617	21,783
Special profit ③ = e - f		-	(1)	(9)	941
Special revenues	e	-	-	-	1,366
Special expenses	f	-	1	9	424
Corporation tax etc. ④		126	963	246	5,173
Net profit for the current period ① + ② + ③ - ④		317	1,929	361	17,551

Balance Sheet					
(Assets)					
I. Current assets		3,092	14,956	19,666	188,311
Cash and deposits		1,668	10,362	11,580	134,726
Other current assets		1,423	4,593	8,086	53,584
II. Fixed assets		1,257	6,193	3,986	526,386
Tangible fixed assets		135	2,180	2,668	465,335
Land		-	229	-	108,551
Other tangible fixed assets (property etc.)		135	1,951	2,668	356,784
Intangible fixed assets		71	286	395	37,804
Investments etc.		1,050	3,726	923	23,245
Long-term loan		-	-	-	-
Funds		-	-	-	-
Other investments etc.		1,050	3,726	923	23,245
III. Deferred assets		-	-	-	-
Total assets		4,349	21,149	23,653	714,697
(Liabilities)					
I. Current liabilities		1,112	5,058	7,681	105,611
II. Fixed liabilities		542	5,405	2,136	183,063
Long-term borrowing		-	-	-	53,737
Other fixed liabilities		542	5,405	2,136	129,326
III. Deferred revenues		-	-	-	-
Total liabilities		1,654	10,463	9,818	288,675
(Net assets)					
Total net assets		2,695	10,686	13,835	426,022
(of which are changes in the current period)		191	1,924	356	17,390
Total liabilities and net assets		4,349	21,149	23,653	714,697

Current status of metropolitan government's involvement			
Investment ratio (%)	100	80.4	50.0
Number of metropolitan government contract employees/ Number of permanent employees	18/328	151/2,125	222/847

* The investment ratio and number of employees are calculated as 1 August, 2023

[5] Local Independent Administrative Corporations

						(in million yen)		
						Combined Total	Offset Elimination	Tokyo Metropolitan Government Overall Total
						(A+B+C+D+E+F+G+H)		
						(H)		
Tokyo Metropolitan University H1								
Tokyo Metropolitan Industrial Technology H2								
Tokyo Metropolitan Geriatric Hospital and Institute of Gerontology H3								
Tokyo Metropolitan Hospital Organization H4								
(Simple Total)								
Profit and Loss Statement								
Operating balance	① = a - b	(510)	(1,571)	(385)	(11,355)	(13,822)		
Operating revenues	a	28,786	7,581	21,081	232,974	290,424		
Operating expenses	b	29,296	9,152	21,467	244,329	304,246		
Operating costs		27,134	5,381	20,740	242,396	295,652		
Administrative expenses		2,161	3,771	727	1,933	8,594		
Non-operating balance	② = c - d	914	1,654	134	(7,466)	(4,762)		
Non-operating revenues	c	987	1,656	134	4,256	7,035		
Non-operating expenses	d	73	1	-	11,722	11,798		
Current balance	①+②	403	83	(251)	(18,821)	(18,585)		
Special balance	③ = e - f	18,407	-	(379)	527	18,554		
Special revenues	e	18,554	5	4	535	19,100		
Special expenses	f	147	5	384	8	545		
Net profit for the current period	④ = ① + ② + ③	18,811	83	(630)	(18,294)	(30)		
Retained profit brought forward	⑤	561	-	-	-	561		
Unappropriated revenues for the current period	④+⑤	19,372	83	(630)	(18,294)	530		
Balance Sheet								
(Assets)								
I. Current assets		7,369	4,948	14,093	127,675	154,087	3,966,177	3,966,177
Cash and deposits		4,567	4,388	10,784	91,013	110,753	2,242,851	2,242,851
Other current assets		2,802	560	3,308	36,661	43,333	1,723,326	1,723,326
II. Fixed assets		149,449	28,530	28,707	255,877	462,565	49,250,301	46,702,691
Tangible fixed assets		145,541	25,533	27,036	254,123	452,235	39,521,370	39,521,370
Land		86,035	14,200	15,039	114,430	229,704	22,288,570	22,288,570
Other tangible fixed assets (property etc.)		59,506	11,333	11,997	139,693	222,530	17,232,800	17,232,800
Intangible fixed assets		206	680	623	1,263	2,773	219,166	219,166
Investments etc.		3,701	2,316	1,047	490	7,556	9,509,764	6,962,154
Long-term loan		-	-	-	-	-	1,406,077	1,406,077
Funds		-	-	-	-	-	3,497,436	3,497,436
Other investments etc.		3,701	2,316	1,047	490	7,556	4,606,250	2,058,640
III. Deferred assets		-	-	-	-	-	1	1
Total assets		156,819	33,478	42,801	383,552	616,652	53,216,480	50,668,870
(Liabilities)								
I. Current liabilities		9,081	4,656	4,438	41,708	59,885	1,594,274	1,594,274
II. Fixed liabilities		1,502	6,772	13,607	138,232	160,114	9,591,149	9,591,149
Long-term borrowing		-	-	8,920	13,225	22,145	7,568,411	7,568,411
Other fixed liabilities		1,502	6,772	4,686	125,007	137,968	2,022,738	2,022,738
III. Deferred revenues		-	-	-	-	-	2,159,622	2,159,622
Total liabilities		10,583	11,429	18,046	179,941	220,000	13,345,046	13,345,046
(Capital)								
Total capital		146,235	22,049	24,755	203,611	396,651	39,871,434	37,323,824
(of which are changes in the current period)		12,131	(559)	(924)	(18,294)	(7,646)	669,357	669,357
Total liabilities and capital		156,819	33,478	42,801	383,552	616,652	53,216,480	50,668,870

(2) Accounting Policy and Notes Regarding Preparation of the Tokyo Metropolitan Government Ordinary Account Financial Statement

Year-to-date (From April 1, 2023, to March 31, 2024)	
(Accounting Policy)	
1. Scope	<p>The results and statements contained herein cover all accounting for the Tokyo Metropolitan Government (the ordinary account, the "Special Accounts," and the public enterprise accounts), as well as policy cooperation bodies supervised by the Tokyo Metropolitan Government and local independent administrative corporations, with both groupings being displayed.</p>
(1) Ordinary Account	<p>Comprises a combination of general account and special accounts that meet the standards set by the Ministry of Internal Affairs and Communications (14 accounts). Any overlap, credits, or debts between accounts have been eliminated.</p>
(2) "Special Accounts"	<p>The following 4 accounts are special accounts that fall outside of the scope of the ordinary account.</p> <ul style="list-style-type: none"> National Health Insurance Slaughterhouse Metropolitan Public Housing Tenants Security Deposit Industrial Water Supply Business Liquidation
(3) Public Enterprise Accounts	<p>The following 9 accounts are classified as public enterprise accounts</p> <ul style="list-style-type: none"> Central Wholesale Market Urban Redevelopment Project Waterfront Area Development Project Port and Harbor Project Transportation Urban Rapid Transit Railway Electric Power Waterworks Sewerage
(4) Policy Cooperation Bodies Supervised by Tokyo Metropolitan Government	<p>These bodies are organizations in which the Tokyo Metropolitan Government provides investment and financial backing, provides continued financial spending or physical support, and which require supervision by the Tokyo Metropolitan Government. All of the 33 applicable bodies are regarded as 100% wholly owned by the Tokyo Metropolitan Government.</p>
i) Limited corporations (9 bodies) (Numbers in parentheses indicate the portion held)	<p>Tokyo Stadium (36.3%); Tokyo Tama Intercity Monorail Co., Ltd. (79.9%); Tokyo Waterfront Area Rapid Transport, Inc. (91.3%); Tama New Town Development Center (51.2%); Tokyo International Forum Co., Ltd. (51.0%); Tokyo Rinkai Holdings (85.1%)*, Tokyo Kotsu Service Co., Ltd. (100%); Tokyo Water Co., Ltd. (80.4%), Tokyo Metropolitan Sewerage Service Corporation (50.0%).</p>
*1	<p>In the comprehensive financial statement, earnings figures are stated on a consolidated basis.</p>

Year-to-date (From April 1, 2023, to March 31, 2024)	
ii)	<p>Public interest corporations (24 Bodies) Tokyo Metropolitan Human Rights Promotion Center; Tokyo Metropolitan Islands Promotion Corporation; GovTech Tokyo^{*2}; Tokyo Tax Association; Tokyo Metropolitan Foundation for History and Culture; Tokyo Metropolitan Symphony Orchestra; Tokyo Metropolitan Foundation “TSUNAGARI”^{*3}; Tokyo Sport Benefits Corporation; Tokyo Marathon Foundation; Tokyo Urban Planning and Development Corporation; Tokyo Metropolitan Housing Supply Corporation; Tokyo Environmental Public Service Corporation; Tokyo Metropolitan Foundation for Social Welfare and Public Health; Tokyo Metropolitan Organization for Medical Research; Tokyo Metropolitan Social Welfare Services Corporation; Tokyo Metropolitan Small and Medium Enterprise Support Center; Tokyo Foundation for Employment Services; Tokyo Development Foundation For Agriculture, Forestry & Fisheries; Tokyo Convention and Visitors Bureau; Tokyo Zoological Park Society; Tokyo Metropolitan Park Association; Tokyo Metropolitan Public Corporation for Road Improvement and Management; Tokyo Education Promotion and Support Organization^{*4}; Tokyo Emergency First-Aid Association.</p> <p>^{*2} Established 24 July 2023. ^{*3} Transferred to public interest corporation on 1 April 2023. ^{*4} Name changed to “Tokyo Education Promotion and Support Organization” on 1 July 2023.</p>
(5)	<p>Local Independent Administrative Corporations Three organizations below established by TMG based on Local Independent Administrative Corporations Law Tokyo Metropolitan University Tokyo Metropolitan Industrial Technology Research Institute Tokyo Metropolitan Geriatric Hospital and Institute of Gerontology Tokyo Metropolitan Hospital organization</p>
2.	<p>Base Date The base date for this statement shall be taken as being March 31, 2024, although for the ordinary account and the “Special Accounts” these will also include all account deposits and withdrawals during the period between April 1, 2024 and May 31, 2024 (the settlement period). Furthermore, the Tokyo Marathon Foundation policy cooperation body set its closing date at June 30, resulting in a three-month settlement. While the differences in settlement dates exceed three months, entries in individual financial statements as of June 30, 2023 have been recorded in a side-by-side format.</p>
3.	<p>Adjustment between Investment and Capital The total amount of any investment in the ordinary account and provision for capital in the public enterprise accounts, as well as investment securities in the ordinary account and self-capitalization of limited corporations (inherent capital) shall be offset.</p>
4.	<p>Offset between Credits and Debt Although any overlap, credits, and debts are eliminated from the ordinary account, there has been no elimination of offsetting of any overlaps, credits, debts, revenues, or expenses between the ordinary account and the non-ordinary accounts, and between other non-ordinary accounts.</p>
5.	<p>Revision of Individual Financial Statements Debenture capital in the public enterprise accounts moved from net assets to liabilities, owned capital (inherent capital, incorporated capital) moved to surplus.</p>
6.	<p>Application of Current Arrangement The listed order of items for assets and liabilities is arranged using the current arrangement, with current assets being followed by fixed assets.</p>
7.	<p>Inventory Valuation Method and Benchmarks Inventory assets in public enterprise accounts are calculated mainly using the cost method determined by the moving-average method. Inventory assets in policy cooperation bodies supervised by Tokyo Metropolitan Government are calculated mainly using the cost method determined by the first-in, first-out method.</p>

Year-to-date (From April 1, 2023, to March 31, 2024)	
8. Method Used for Fixed Asset Depreciation	<p>In the ordinary account and the “Special Accounts”, tangible fixed assets within administrative assets, ordinary assets and leased assets are depreciated on a straight-line basis according to the service life in the “Tokyo Metropolitan Government Guidelines for Processing Ledgers Related to Public Property”. Tangible fixed assets within infrastructure assets are depreciated on a straight line basis according to the service life in the “Tokyo Metropolitan Government Guideline for Processing Ledgers Related to Public Property” and the “Tokyo Metropolitan Government Bureau of Construction Infrastructure Asset Control Standards”. The paving of roads, defined as replacement assets by the “Tokyo Metropolitan Government Bureau of Construction Infrastructure Asset Control Standards”, however, is subject to adoption of a processing method that treats spending required for partial road replacement as actual expenses. Important property is depreciated on a straight line basis according to the service life in the “Service Life Benchmarks for Important Property.” Within intangible fixed assets, surface rights, easements, patent rights, copyrights, etc. are not depreciated, while software is depreciated on a straight line basis with service life set at five years and residual value set at zero.</p> <p>Assets of public enterprise accounts are depreciated on a straight line basis according to the service life in the “Enforcement Standards of the Local Public Enterprise Law”.</p> <p>For policy cooperation bodies supervised by the Tokyo Metropolitan Government, they adopt a straight line basis according to the ordinance of Ministry of Finance.</p>
9. Investment Securities Valuation Method and Benchmarks	<p>In both the ordinary account and the “Special Accounts”, investments securities are calculated based upon their acquisition price. For items that have a markedly decreased actual cash value or real value, however, these are calculated using the reduced value.</p> <p>For public enterprise accounts, bonds held to maturity are calculated using the amortized cost method, while other securities are calculated using the cost method determined by the specific identification method and moving-average method.</p> <p>For policy cooperation bodies supervised by the Tokyo Metropolitan Government, bonds held to maturity are calculated using the amortized cost method, while other securities are calculated using the cost method determined by the moving-average method.</p>
10. Accounting Standards for Reserve Allowances	<p>The Tokyo Metropolitan Government’s main reserve allowances are outlined below.</p> <p>(1) Reserve for deficit due to non-payment</p> <p>In both the ordinary account and the “Special Accounts”, since there is a possibility that some of the metropolitan taxes, usage charges, and other outstanding revenues may lead to a deficit due to non-payment as a result of the extinctive prescription, the reserve for deficit due to non-payment is recorded as an amount gained by calculating the possible percentage, by using the liquidation status of such outstanding revenues, the composition of finances of the counterparty, and the metropolitan government’s previous deficit due to non-payment over the past three years, and multiplying it by the amount of outstanding revenues as of the end of fiscal year.</p> <p>(2) Bad debt reserve</p> <p>In both the ordinary account and the “Special Accounts”, since there is a possibility that some of the metropolitan government’s loans may lead to an exemption or a reduction of repayment, the bad debt reserve is recorded as an amount gained by calculating the possible percentage, by using the liquidation status of such loans, the composition of finances of the counterparty and the reduction of such loans based on exemptions etc. over the past three years, and multiplying it by the amount of the metropolitan government’s loans as of the end of fiscal year.</p> <p>In preparation for losses to policy cooperation bodies due to bad debt, in addition to the ceiling provided by the tax law as stipulated by the corporation tax law, the amount of the estimate of the unrecoverable individual debt is to be appropriated.</p>

Year-to-date (From April 1, 2023, to March 31, 2024)	
(3) Allowance for investment loss	Of the investment securities, regarding those related to consolidated organizations, where market value or real value falls below acquisition value to a certain degree, the difference is recorded as allowance for investment loss. Furthermore, reversal of allowance is conducted when market value or real value recovers.
(4) Reserve for retirement allowances	The retirement allowance payment used in the event of government employees retiring voluntarily is mainly used to calculate the required reserve for retirement allowances.
(5) Repair allowance	The required amount based on a repair plan is posted as the repair allowance to prepare mainly for the payment of repairing expenses for equipment.
(6) Reserve for bonus payment	A portion of the terminal allowances, bonuses attributable to this fiscal year, and the accompanying legal welfare expenses, to be paid in the next fiscal year is calculated as other current liabilities.
(Other)	
1. Display Method for Entered Amounts	The entered figures have been rounded down to the indicated unit. The differences of accounting standards of each organization are not taken into consideration.

[Notes]

1. Accumulated Depreciation of Tangible Fixed Assets

(in billion yen)

Item	End of FY2023
Ordinary account	5,574.1
"Special Accounts"	45.8
Public enterprise accounts	8,830.9
Limited corporations	530.4
Public interest corporations	379.2
Independent administrative corporations	162.7
Total	15,523.2

2. Expected Repayments of Outstanding Borrowings

(in billion yen)

Item	FY2024	From FY2025	Total
Ordinary account	359.8	4,910.8	5,270.6
"Special Accounts"	0.0	4.9	4.9
Public enterprise accounts	289.6	1,790.9	2,080.5
Limited corporations	55.1	142.4	197.6
Public interest corporations	50.6	508.5	559.1
Independent administrative corporations	0.7	22.1	22.9
Total	756.0	7,379.7	8,135.7

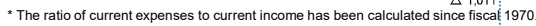
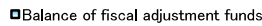
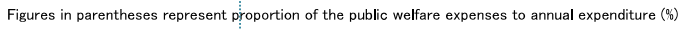
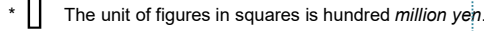
3. Assets Offered as Collateral

Of the assets of the limited corporations, a total value of 321.4 billion yen is offered as collateral.

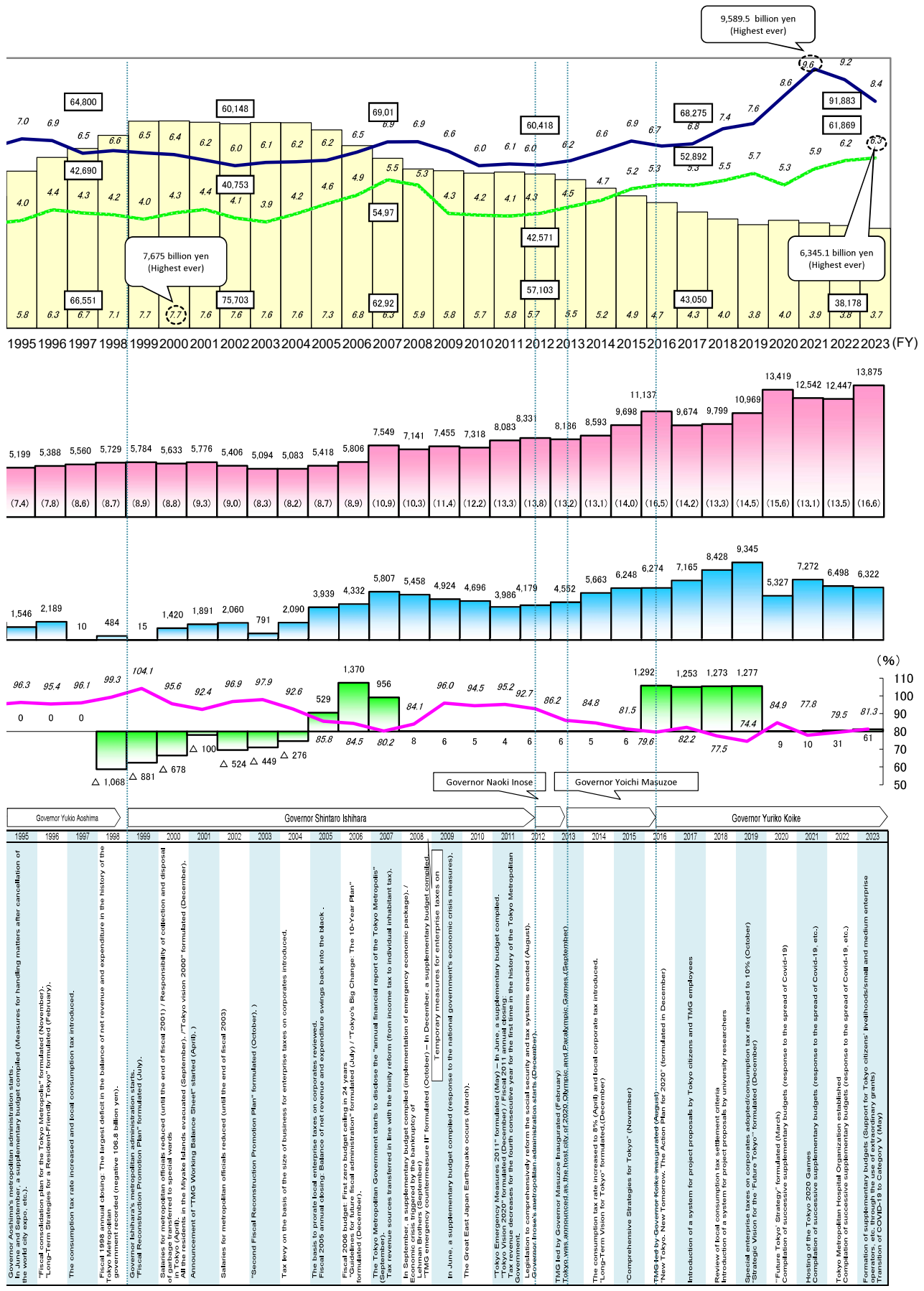


Reference Tables

(in trillion yen)



Major events



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