

Reference Material

Tokyo Metropolitan Government Annual Financial Report

Fiscal Year 2014

This is a provisional English version of Fiscal Year 2014 Tokyo Metropolitan Government Annual Financial Report.

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If there is any conflict and/or discrepancy between this material and the Japanese original of the Annual Financial Report, information in the Japanese original prevails.

Contents

1	Fiscal Year 2014 Tokyo Metropolitan Government Settlement of the Ordinary Account and Various Indicators	.....	1
	(1) Fiscal Year 2014 Summary of Financial Results	.....	1
	(2) Analysis Based on New Public Accounting Procedures	.....	9
2	Fiscal Year 2014 Tokyo Metropolitan Government Financial Report	.....	39
	(1) TMG Comprehensive Financial Statements	.....	39
	(2) Management Status by Managing Body	.....	40

(Appended Tables)

1	Fiscal Year 2014 Tokyo Metropolitan Government Ordinary Account Financial Statement	.....	44
	(1) Ordinary Account Balance Sheet	.....	44
	(2) Ordinary Account Administrative Cost Statement	.....	46
	(3) Ordinary Account Cash Flow Statement	.....	47
	(4) Ordinary Account Statement of Changes in Net Assets	.....	48
	(5) Ordinary Account Aggregate Tangible Fixed Assets and Intangible Fixed Assets/Supplementary Details	.....	48
	(6) Accounting Policy and Notes Regarding Preparation of the Tokyo Metropolitan Government Ordinary Account Financial Statement	.....	49
2	Fiscal Year 2014 Tokyo Metropolitan Government Comprehensive Financial Statement	.....	57
	(1) Tokyo Metropolitan Government Comprehensive Financial Statement	.....	57
	(2) Accounting Policy and Notes Regarding Preparation of the Tokyo Metropolitan Government Comprehensive Financial Statement	.....	69

(Reference Tables)

Tokyo Metropolitan Government Financial chronological tables (ordinary account)	76
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1. Fiscal Year 2014 Tokyo Metropolitan Government Settlement of the Ordinary Account and Various Indicators

The following is a settlement report of the fiscal year 2014 Tokyo Metropolitan Government (TMG) ordinary account.

The ordinary account is a statistical and conceptual account used for determining the financial position of each local government as well as for analyzing overall local fiscal conditions. This account is reconfigured to conform to the accounting procedures of local governments according to standards established by the Ministry of Internal Affairs and Communications.

The ordinary account consists of a general account and some special accounts. The settlement presents a net calculation that has been adjusted to eliminate overlap between accounts.

(1) Fiscal Year 2014 Summary of Financial Results

[1] Revenues and Expenses

- The actual balance of revenues and expenses for fiscal year 2014 was nearly balanced.
- The ordinary balance ratio stood at 84.8%.
- Sustaining a strong financial foundation remains pivotal to tackle various urgent challenges of Tokyo Metropolitan Government (TMG) quickly and aptly, and to accelerate Tokyo to become a further evolved and matured city, by evaluating all measures from various angles and making a necessary review and reconstruction.

<Fiscal Year 2014 Settlement Results>

(in billion yen, %)

Item	FY2014	FY2013	Change in amount	Percentage of change
Total annual revenues (A)	6,853.4	6,455.2	398.3	6.2
Total annual expenses (B)	6,554.0	6,202.2	351.8	5.7
Proforma balance (C=A-B)	299.4	252.9	46.5	-
Fiscal revenues to be carried forward (D)	298.9	252.3	46.6	-
Actual balance (C-D)	0.5	0.6	(0.1)	-
Ordinary balance ratio	84.8	86.2	-	-

Note: Fiscal revenues to be carried forward include the balance of unsettled local consumption tax carried forward to the following fiscal year.

While total annual revenues amounted to 6,853.4 billion yen, total annual expenses were 6,554.0 billion yen, with a proforma balance resulting in 299.4 billion yen. The actual balance, calculated by subtracting fiscal revenues to be carried forward from the proforma balance, was a surplus of 0.5 billion yen, and revenues and expenses were almost balanced for seven consecutive years after fiscal year 2008. This is because the financial base was strengthened by utilizing increased metropolitan tax revenues etc. and restricting the reversal of funds.

[2] Main features

<Annual Revenues>

(in billion yen, %)

Item	FY2014		FY2013		Change in amount	Percentage of change
	Amount	% of total	Amount	% of total		
Metropolitan taxes	4,734.9	69.1	4,534.2	70.2	200.7	4.4
Two corporate taxes	1,644.2	24.0	1,523.0	23.6	121.2	8.0
Local transfer taxes	364.8	5.3	304.6	4.7	60.2	19.8
National treasury disbursements	386.1	5.6	410.1	6.4	(24.0)	(5.9)
Miscellaneous revenues	632.2	9.2	459.9	7.1	172.4	37.5
TMG bonds	167.0	2.4	237.6	3.7	(70.6)	(29.7)
Others	568.3	8.3	508.8	7.9	59.5	11.7
Total revenues	6,853.4	100.0	6,455.2	100.0	398.3	6.2

Note: The two corporate taxes are the corporate enterprise tax and corporate inhabitant tax.

- Metropolitan tax revenues increased by 4.4% or 200.7 billion yen in total compared to the previous fiscal year mainly due to increases in two corporate taxes, resulting from corporate profits remaining strong, and local consumption taxes, driven by a rise in tax rates.
- Local transfer taxes increased by 19.8% or 60.2 billion yen compared to the previous fiscal year mainly due to an increase in special local corporate transfer taxes.
- National treasury disbursements decreased by 5.9% or 24 billion yen compared to the previous fiscal year mainly because an extraordinary grant for local *genki* (energetic) revitalization and special subsidy for emergency employment creation decreased while a special grant for parenting support measures increased.
- Miscellaneous revenues increased by 37.5% or 172.4 billion yen compared to the previous fiscal year mainly due to a rise in principal/interest receipt of loans to small and medium-sized enterprises.
- TMG bonds decreased by 29.7% or 70.6 billion yen compared to the previous fiscal year as a result of their appropriate utilization in light of the financial condition and future financial burdens.
- Others increased by 11.7% or 59.5 billion yen compared to the previous fiscal year mainly because other income, the balance carried forward, increased by 61.7 billion yen while a share of expenses and expenses borne decreased by 6.6 billion yen.

<Annual Expenses>

(in billion yen, %)

Item		FY2014		FY2013		Change in amount	Percentage of change
		Amount	% of total	Amount	% of total		
General expenses		4,380.5	66.8	4,342.3	70.0	38.2	0.9
	Personnel expenses	1,458.2	22.2	1,445.4	23.3	12.8	0.9
	Investment expenses	757.9	11.6	758.9	12.2	(1.0)	(0.1)
	Others	2,164.5	33.0	2,138.0	34.5	26.4	1.2
Expenses for public bonds		590.4	9.0	547.5	8.8	42.9	7.8
Tax-related expenses etc.		1,583.1	24.2	1,312.5	21.2	270.6	20.6
Total expenses		6,554.0	100.0	6,202.2	100.0	351.8	5.7

Note: General expenses represent expenses excluding public bonds, tax-related expenses for the allocation of a certain percentage of taxes such as local consumption tax grants to municipal authorities, and the reserves of the funds for utilization of intensive activities going forward.

- In general expenses, personnel expenses increased by 0.9% or 12.8 billion yen compared to the previous fiscal year mainly due to a rise in employee salaries through a revision of salaries to increase while retirement allowances reduced owing to a revision of the retirement allowance scheme.
- In general expenses, investment expenses decreased by 0.1% or one billion yen compared to the previous fiscal year primarily due to a total cut in expenses for advance acquisitions of alternative sites for business uses while park maintenance expenses increased.
- In general expenses, others increased by 1.2% or 26.4 billion yen compared to the previous fiscal year largely owing to an increase in subsidies such as disbursements for public enterprise accounts while loans decreased.
- Expenses for public bonds increased by 7.8% or 42.9 billion yen from the last fiscal year, mainly due to an increase in redemption funds for principal.
- Tax-related expenses increased by 20.6% or 270.6 billion yen from the last fiscal year. This is largely because fiscal adjustment grants for special wards increased by 45.5 billion yen in tandem with a rise in metropolitan tax revenues, and the reserves of a disaster prevention fund for town planning and of fiscal adjustment funds increased by 100 billion yen and 74 billion yen, respectively.

[3] Fiscal Indices

(i) Ordinary balance ratio

- The ordinary balance ratio, which represents fiscal flexibility, was 84.8%, an improvement of 1.4 percentage point, from 86.2% in fiscal year 2013.
- This was mainly because metropolitan tax revenues increased for three consecutive years while expenses for public bonds and staff salaries increased.

<Changes in Ordinary Balance Ratio>

(%)

Item	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
Ordinary balance ratio	96.0	94.5	95.2	92.7	86.2	84.8

Note: Ordinary balance ratio = (General revenues sources for appropriation in ordinary expenses) / (Ordinary general revenues sources) x 100 (%)

(ii) Ratio of expenses for public bonds

- The ratio of expenses for public bonds, an indicator of the scale of the fiscal burden on public bonds, was 9.6%, which was the same level as fiscal 2013.

<Changes in the Ratio of Expenses for Public Bonds>

(%)

Item	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
Ratio of expenses for public bonds	12.1	10.6	10.2	9.8	9.6	9.6

Note: Ratio of expenses for public bonds = (General revenues sources for appropriation in ordinary expenses) / (general revenues sources) x 100 (%)

(iii) Current TMG bonds balance

- The current balance of TMG bonds (ordinary account bonds) as of the end of fiscal 2014 was 5,185.8 billion yen, which represents a decrease of 5.9% or 324.7 billion yen from the previous fiscal year.

<Changes in TMG Bonds Balance (Ordinary Account Bonds)>

(in billion yen)

Item	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
TMG bonds balance	5,834.4	5,742.7	5,782.6	5,710.3	5,510.5	5,185.8

Note: Current TMG bonds balance in the ordinary account settlement excludes the amount set aside in the sinking fund as scheduled redemption equivalent to finance the bullet maturity amortization of public offering and the private placement bonds, and therefore does not coincide with the amount stated for TMG bonds in the balance sheet.

[4] Ratios set forth by the Law on the Fiscal Consolidation of Local Governments

The Law on the Fiscal Consolidation of Local Governments (hereinafter, the Fiscal Consolidation Law) requires local governments to calculate the ratios related to financial health, receive inspection of the results by the audit committee, report the results to the assembly, and announce the results to residents on an annual basis.

Various ratios for the Tokyo Metropolitan Government, calculated based on fiscal year 2014 financial results and in accordance with the said law, are as shown below:

Ratios provided for in the Law on the Fiscal Consolidation of Local Governments (Article 3 and 22)

Real deficit ratio	Consolidated real deficit ratio	Real debt payment ratio	Future burden ratio	Capital shortage ratios
—% (No deficit)	—% (No consolidated real deficit)	0.7%	49.7%	—% (No capital shortage)
(Reference) Early consolidation standard: 5.67% Fiscal reconstruction standard: 8.83%	(Reference) Early consolidation standard: 10.67% Fiscal reconstruction standard: 18.83%	(Reference) Early consolidation standard: 25% Fiscal reconstruction standard: 35%	(Reference) Early consolidation standard: 400% —	(Reference) For every public enterprise account Management consolidation standard: 20%

Note: The early consolidation standard and the fiscal reconstruction standard are the criteria for judging whether a local government needs to improve its fiscal position.

If any of the ratios used to judge the restoration of financial health of a local government (real deficit ratio, consolidated real deficit ratio, real debt payment ratio and future burden ratio) is equal to or greater than its corresponding early consolidation standard, such local government shall formulate a plan to consolidate its financial health. If any of the ratios used to judge a local government's financial reconstruction needs (real deficit ratio, consolidated real deficit of debts, real debt payment ratio) is equal to or greater than its corresponding fiscal reconstruction standard, such local government shall formulate fiscal reconstruction plan.

(i) Real deficit ratio

- **The real deficit ratio represents the ratio of the actual deficit (or negative actual balance) in the general account etc., to the standard financial scale. This ratio shows how much of the financial scale for a single fiscal year is accounted for by real deficit.**
- **Since there is no deficit, the real deficit ratio for this fiscal year is not shown.**

Note: Calculating formula of real deficit ratio

$$\text{Real deficit ratio} = \frac{\text{Real deficit in the general account, etc.}}{\text{Standard financial scale}}$$

(ii) Consolidated real deficit ratio

- The consolidated real deficit ratio represents the ratio of consolidated real deficit (which is obtained by adding the real deficit in the general account etc., and fund shortage in the public enterprise accounts) to the standard financial scale. This shows the sum total of debt for all accounts on a single-year basis.
- Since there is no consolidated deficit, the consolidated real deficit ratio for this fiscal year is not shown.

Note: Calculating formula of consolidated real deficit ratio

$$\text{Consolidated real deficit ratio} = \frac{\text{Consolidated real deficit}}{\text{Standard financial scale}}$$

(iii) Real debt payment ratio

- The real debt payment ratio represents the ratio of the amount corresponding to expenses for public bonds of general revenues sources etc., to the standard financial scale.
- Real debt payment ratio for fiscal year 2014 was 0.7%.
- Also, with regard to calculation of real debt payment ratio, it does not reflect the actual condition of TMG which is not a receiver of local allocation taxes, as not only standard fiscal scale which is the denominator includes issuable amount of temporary financial countermeasure bonds that TMG has never issued, but also the denominator and numerator excludes the amount of tax allocation relating to the redemption funds for principal and interest / the quasi-redemption funds for principal and interest.

Notes: 1. Calculating formula of real debt payment ratio

$$\begin{aligned} \text{Real debt payment ratio} &= \frac{(\text{Redemption funds for principal and interest of local bonds} + \text{Quasi-redemption funds for principal and interest of local bonds}) - (\text{Revenue sources for specific expenses} + \text{Expenses for redemption funds for principal and interest and the quasi-redemption funds for principal and interest})}{\text{Standard financial scale} - (\text{Expenses for redemption funds for principal and interest and quasi-redemption funds for principal and interest})} \\ (\text{three-year average}) & \end{aligned}$$

2. If its real debt payment ratio is 18% or more, a local government cannot issue bonds without permission of the Minister of Internal Affairs and Communications on condition that it formulates a plan to optimize the burden of its expenses for public bonds.

3. The issuable amount of bonds for extraordinary fiscal measures is not included in TMG's standard fiscal scale in 2013 because of a revision in the calculation method for the issuable amount of bonds for extraordinary fiscal measures.

<Changes in the Real Debt Payment Ratio>

(%)

Item	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
Real debt payment ratio	3.1 (6.6)	2.2 (6.4)	1.5 (6.8)	1.0 (6.7)	0.6 (6.3)	0.7 (5.8)

Note: Since the calculation method was revised in FY2007, the "city planning tax" has been included in the revenues source for specific expenses. The ratios in brackets represent values calculated by the former standard used in FY2006 and before.

(iv) Future burden ratio

- The future burden ratio represents the ratio of future burden expected in the general account etc., including the current balance of TMG bonds, expenses estimated following debt burden, projected retirement benefit burden, and debts of public corporations and debts of the third sector public/private enterprises etc. whose losses TMG provides compensation for, to the standard financial scale.
- Future burden ratio was 49.7% an improvement of 23.5 percentage point from fiscal year 2013. This was primarily because future burden was reduced by a decline in the current balance of TMG bonds and a revision of the retirement allowance scheme.
- Meanwhile, this ratio does not represent the actual fiscal condition of TMG because it does not include demands for the future renewal of social capital stock etc., and deducts the estimated amount of the local allocation taxes which is not actually granted to TMG.
- Given the above, TMG needs to continue accurately recognizing the burden on future generations and maintaining the fiscal ability as the base for implementing measures in a mid- to long-term perspective.

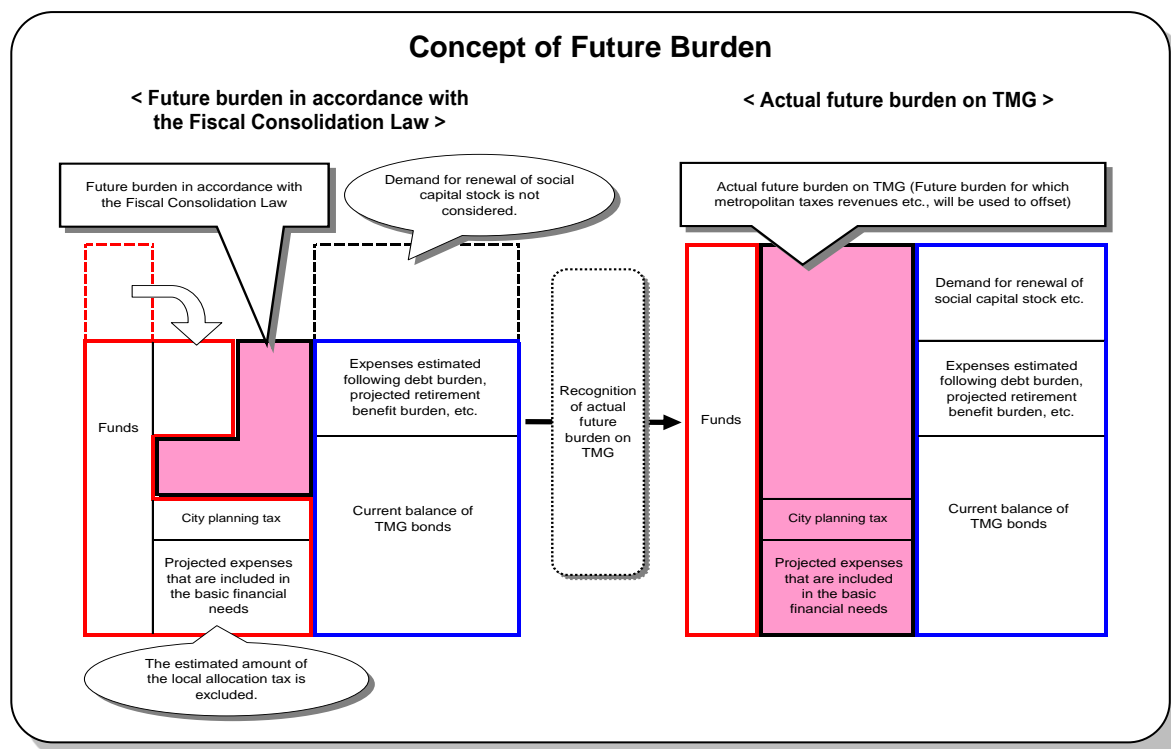
Note: Calculating formula of future burden ratio

$$\text{Future burden ratio} = \frac{\text{Future burden - (Funds that can be allocated + Estimated revenue sources for specific expenses + Projected expenses for the current balance of local bonds)}}{\text{Standard financial scale - (Expenses for redemption funds for principal and interest and quasi-redemption funds for principal and interest)}}$$

<Changes in the Future burden ratio>

(%)

Item	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014
Future burden ratio	77.0	93.6	92.7	85.4	73.2	49.7



(Reference) Capital shortage ratios

-
- ◎ **The capital shortage ratios represent the ratios of capital shortage to business scale by each public enterprise account.**
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- **The finance shortfall ratios for all the public enterprise accounts are not stated in this fiscal year.**

Notes: 1. Calculating formula of capital shortage ratios

Financial shortfall ratio	=	$\frac{\text{Capital shortage}}{\text{Business scale}}$
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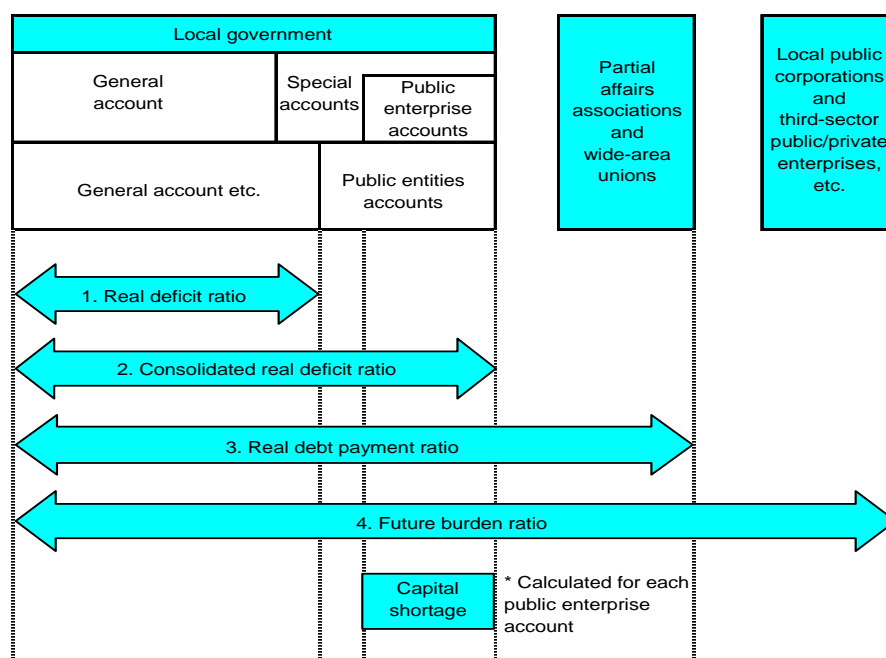
2. Accounts of TMG for which the capital shortage ratios, if any, are stated.

Hospitals, Central Wholesale Market, Urban Redevelopment Project, Waterfront Area Development Project, Port and Harbor Project, Transportation, Urban Rapid Transit Railway, Electric Power, Waterworks, Industrial Waterworks, Sewerage, and Slaughterhouse (total 12 accounts)

Scope in Application of Ratios to Judge Fiscal Consolidation

The scope in application of the ratios used to judge the fiscal consolidation is as shown below.

It includes the general account etc. (almost the same as those under the ordinary account) and the public entities accounts, partial affairs associations, wide-area unions, local public corporations, third-sector public/private enterprises, and other expenses in the general account for public related entities.



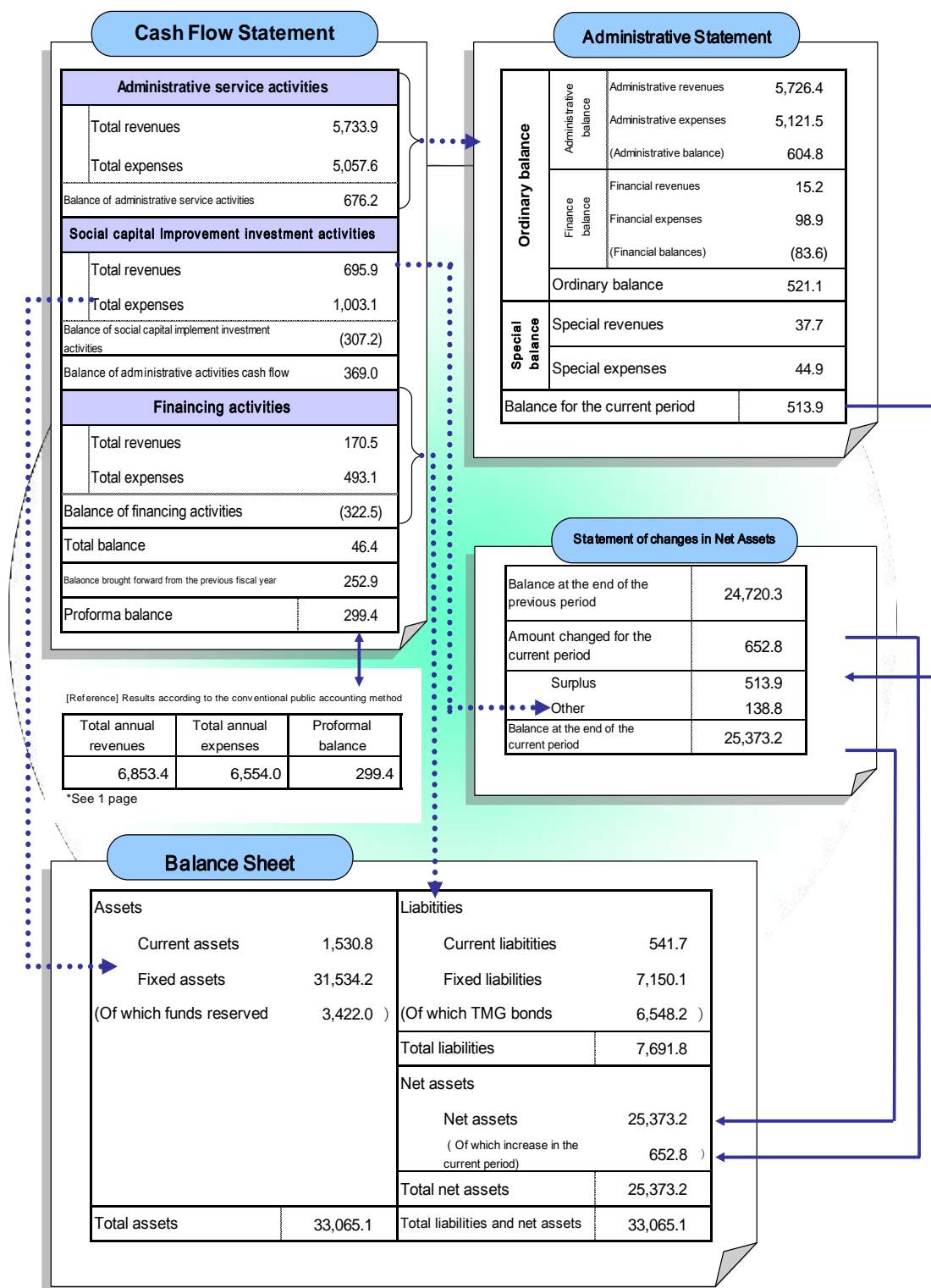
(2) Analysis Based on New Public Accounting Procedures

[1] Summary of Financial Statements

- **TMG's financial statements consist of four tables: the "Balance Sheet", the "Administrative Cost Statement", the "Cash Flow Statement" and the "Statement of Changes in Net Assets". TMG provides "Administrative Cost Statement" in place of the "Profit and Loss Statement" and also provides "Statement of Changes in Net Assets" in place of "Statement of Change in Shareholders' Equity." This is because TMG is not a profit-making organization. TMG's finances in fiscal year 2014, as shown in the financial statements, are summarized below.**
- **About TMG's assets and liabilities in the balance sheet, assets as of the end of fiscal year 2014 increased from the previous fiscal year to 33,065.1 billion yen (32,828.2 billion yen as of the end of fiscal year 2013), while liabilities decreased to 7,691.8 billion yen (8,107.8 billion yen as of the end of fiscal year 2013). In assets, the balance of fund reserves increased 224.3 billion yen from the previous fiscal year to 3,422.0 billion yen, and in liabilities, the balance of TMG bonds decreased 407.0 billion yen to 6,548.2 billion yen. The ratio of liabilities to assets is 23.3%, 1.4% decline from the previous fiscal year (24.7%).**
- **The administrative cost statement indicates that the balance for the current period stood at 513.9 billion yen (473.3 billion yen in fiscal year 2013), and revenues continued to exceed expenses.**
- **In the balance for administrative activities cash flow in the cash flow statement, revenues exceeded expenses by 369.0 billion yen. In the balance for financing activities, expenses exceeded revenues by 322.5 billion yen, but in the pro forma balance, found by adding the balance for administrative activities cash flow and the balance brought forward from the previous fiscal year to the total balance, revenues exceeded expenses by 299.4 billion yen.**
- **The statement of changes in net assets shows that net assets increased 652.8 billion yen, in tandem with progress in social capital improvements.**
- **Given these factors, it is possible to say that TMG's financial soundness is maintained.**

Relationship Between Financial Statements

(in billion yen)



Note: The diagram shown above is an image provided for easier understanding of the relationship between the financial statements. While the cash flow statement shows the amounts that were recorded at the time of actual payment and receipt of cash, the administrative cost statement and others indicate the amounts that were recorded at the time revenues recognized. For such reasons, the amounts on the respective statements do not necessarily match those stated in the corresponding items.

[2] Balance Sheet

The balance sheet is to be compiled to give a clear picture of the status of TMG's assets, liabilities, and net assets as of March 31 (however, this includes the variation during the settlement period). In the balance sheet, the amount of assets, such as land and buildings, is equal to the total of liabilities, such as TMG bonds and borrowings, and net assets.

<Balance Sheet>

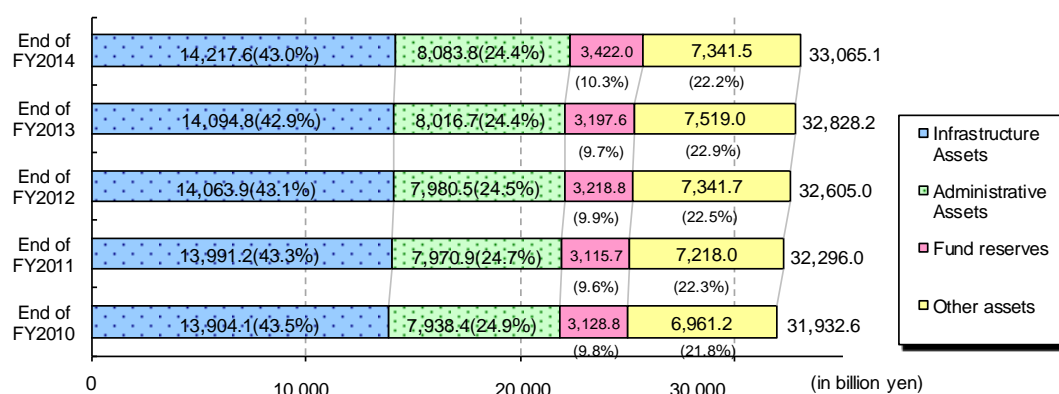
(in billion yen, %)

Item	FY2014	FY2013	Change in amount	Percentage of change
Assets				
I Current assets	1,530.8	1,546.6	(15.8)	(1.0)
Cash and deposits	307.0	258.2	48.8	18.9
Funds reserved	894.4	873.7	20.7	2.4
Other	329.3	414.7	(85.3)	(20.6)
II Fixed assets	31,534.2	31,281.5	252.6	0.8
Administrative assets	8,083.8	8,016.7	67.1	0.8
Infrastructure assets	14,217.6	14,094.8	122.7	0.9
Funds reserved	2,527.6	2,323.9	203.6	8.8
Other	6,705.1	6,846.0	(140.9)	(2.1)
Total assets	33,065.1	32,828.2	236.8	0.7
Liabilities				
I Current liabilities	541.7	655.5	(113.7)	(17.3)
TMG bonds	456.1	576.1	(120.0)	(20.8)
Other	85.6	79.4	6.2	7.8
II Fixed liabilities	7,150.1	7,452.3	(302.2)	(4.1)
TMG bonds	6,092.1	6,379.1	(286.9)	(4.5)
Other	1,057.9	1,073.1	(15.2)	(1.4)
Total liabilities	7,691.8	8,107.8	(416.0)	(5.1)
Total net assets	25,373.2	24,720.3	652.8	2.6
Total liabilities and net assets	33,065.1	32,828.2	236.8	0.7

- Assets as of the end of fiscal year 2014 increased by 236.8 billion yen from the end of the previous fiscal year to 33,065.1 billion yen, while liabilities decreased by 416.0 billion yen from previous fiscal year to 7,691.8 billion yen. As a result, net assets increased by 652.8 billion yen to 25,373.2 billion yen.

- In assets, total net assets increased by 236.8 billion yen as fixed assets increased by 252.6 billion yen while current assets decreased by 15.8 billion yen from the previous fiscal year. Total assets have increased consecutively since fiscal year 2006, when TMG began preparing annual financial reports.
- The decrease in current assets was mainly due to a decrease of 74.7 billion yen in short-term loans while cash and deposits increased by 48.8 billion yen. The increase in fixed assets was mainly due to increases of 67.1 billion yen in administrative assets, 122.7 billion yen in infrastructure assets, and 203.6 billion yen in funds reserved while long-term loans decreased by 187.3 billion yen.
- Assets consist of current assets of 1,530.8 billion yen, accounting for 4.6% of total assets (1,546.6 billion yen, accounting for 4.7% of total assets as of the end of the previous fiscal year) and fixed assets of 31,534.2 billion yen, accounting for 95.4% of total assets (31,281.5 billion yen, accounting for 95.3% of total assets as of the end of the previous fiscal year). As illustrated in Figure 1 below, infrastructure assets and administrative assets were 14,217.6 billion yen, accounting for 43.0% (14,094.8 billion yen and 42.9% as of the end of the previous fiscal year) and 8,083.8 billion yen, accounting for 24.4% (8,016.7 billion yen and 24.4% as of the end of the previous fiscal year), respectively, of total assets, reaching approximately 70% when combined. In addition, funds reserved of current assets and fixed assets combined show an increase of 224.3 billion yen from the end of the previous fiscal year to 3,422.0 billion yen, which corresponds to 10.3% of total assets (3,197.6 billion yen corresponding to 9.7% of total assets as of the end of the previous fiscal year).

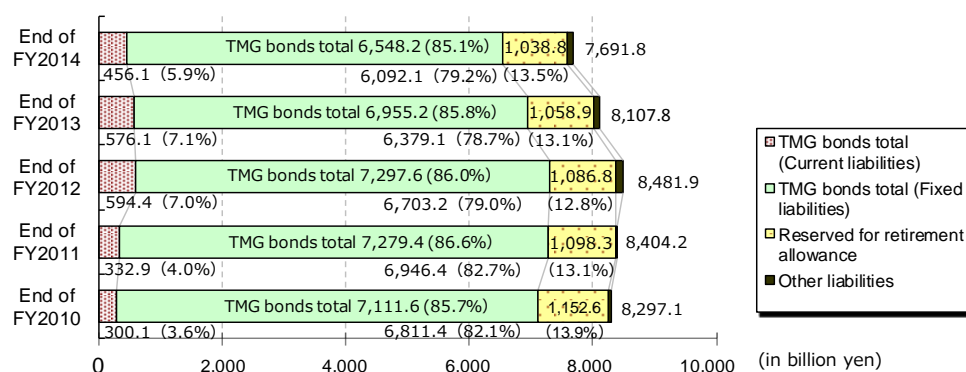
[Figure 1] Changes in Composition of Assets



- In liabilities, total liabilities went down by 416.0 billion yen compared to the previous fiscal year as current liabilities and fixed liabilities decreased by 113.7 billion yen and 302.2 billion yen respectively.
- The decrease in current liabilities is primarily due to a 120.0 billion yen decrease in TMG bonds with its due within one year. The decrease in fixed liabilities is largely attributable to a 286.9 billion yen decrease in TMG bonds with its due later than one year and a 20.1 billion yen decrease in reserve for retirement allowances.

- Liabilities consist of current liabilities of 541.7 billion yen, accounting for 7.0% of total liabilities (655.5 billion yen and 8.1% as of the end of the previous fiscal year) and fixed liabilities of 7,150.1 billion yen, accounting for 93.0% (7,452.3 billion yen and 91.9% as of the end of the previous fiscal year). As illustrated in Figure 2 below, TMG bonds including current liabilities and fixed liabilities account for 85.0% or more of total liabilities. Further, the balance of TMG bonds including current liabilities and fixed liabilities decreased by 407.0 billion yen from the end of the previous fiscal year to 6,548.2 billion yen.

[Figure 2] Changes in Composition of Liabilities



- The ratio of liabilities to assets as of the end of fiscal year 2014 was 23.3% (24.7% at the end of the previous year), posting a 1.4 percentage point decrease.

<Ratio of Liabilities to Assets>

(in billion yen, %)

Item	FY2010	FY2011	FY2012	FY2013	FY2014
Total liabilities (A)	8,297.1	8,404.2	8,481.9	8,107.8	7,691.8
Total Assets (B)	31,932.6	32,296.0	32,605.0	32,828.2	33,065.1
Ratio of liabilities to assets (A)/(B)×100	26.0	26.0	26.0	24.7	23.3

- Total net assets, which represent the difference of assets and liabilities, were 25,373.2 billion yen, an increase of 652.8 billion yen from 24,720.3 billion yen at the end of the previous fiscal year. Net assets have been increasing since fiscal year 2006.

[3] Administrative Cost Statement

The administrative cost statement is compiled to recognize “expenses” arising from administrative services activities provided by TMG during a single accounting period on an accrual basis and clarify the corresponding relationship between “expenses” and the “revenues” and the difference between the two (hereinafter, “the balance”). 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 paid within the revenues such as tax revenues of the same period.

In contrast to settlement based on cash revenues and expenses, using a cash receipt and disbursement method under conventional governmental accounting, costs without cash expenses such as depreciation expenses and transfer to reserve are included under expenses in the administrative cost statement. Investments necessary for formation of assets such as buildings and structures to be used over a long period are not recognized as administrative cost for the current fiscal year, in principle, but counted as expenses for the relevant accounting period by recording depreciation expenses in the administrative cost statement.

<Administrative Cost Statement>

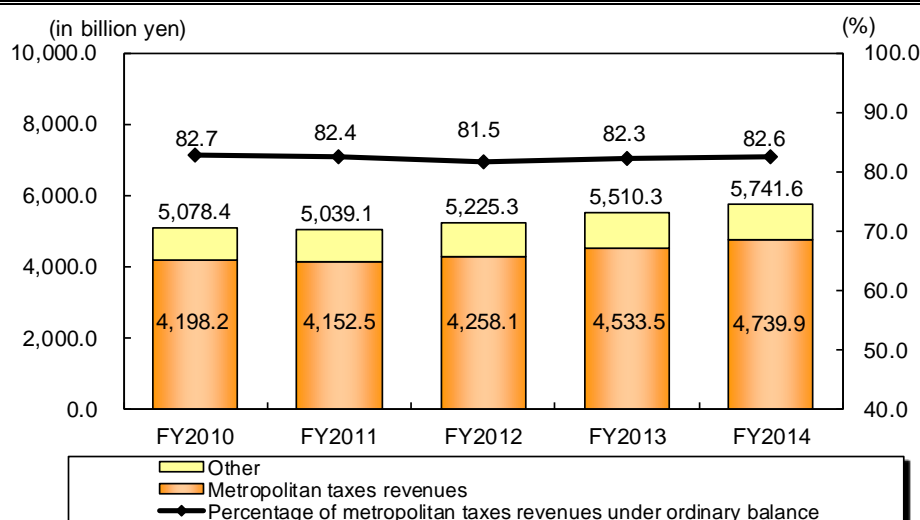
(in billion yen, %)

Item	FY2014	FY2013	Changes in amount	Percentage of change
Ordinary Balance				
I Administrative balance				
Administrative revenues	5,726.4	5,493.4	232.9	4.2
Local taxes	4,739.9	4,533.5	206.3	4.6
Local transfer taxes	364.8	304.5	60.2	19.8
National treasury disbursements	275.8	313.8	(38.0)	(12.1)
Fees and charges	144.8	139.3	5.4	3.9
Other	201.0	202.0	(1.0)	(0.5)
Administrative expenses	5,121.5	4,927.1	194.3	3.9
Tax-related expenses	1,290.5	1,197.6	92.9	7.8
Payroll-related expenses	1,292.4	1,273.4	18.9	1.5
Allowances	1,032.2	1,032.9	(0.6)	(0.1)
Investment expenses	382.8	382.3	0.4	0.1
Other	1,123.5	1,040.8	82.7	7.9
II Financial balance				
Financial revenues	15.2	16.8	(1.5)	(8.9)
Financial expenses	98.9	110.0	(11.1)	(10.1)
Ordinary balance	521.1	473.0	48.0	-
Special Balance				
Special revenues	37.7	21.4	16.2	75.7
Special expenses	44.9	21.2	23.6	111.3
Balance for the current period	513.9	473.3	40.6	-

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

- In the administrative balance, administrative revenues were 5,726.4 billion yen, an increase of 232.9 billion yen compared to the previous fiscal year (5,493.4 billion yen). This is primarily because metropolitan tax revenues increased, reflecting the recovery of corporate profits. Meanwhile, administrative expenses were 5,121.5 billion yen (4,927.1 billion yen in the previous fiscal year), marking a 194.3 billion yen increase compared to the previous year primarily due to a 92.9 billion yen increase in tax-related expenses and a 37.6 billion yen increase in investments in capital (such as contributed money).
- As to the financial balance, financial revenues and expenses were 15.2 billion yen and 98.9 billion yen, a decrease of 1.5 billion yen and 11.1 billion yen from the previous fiscal year, respectively.
- Total revenues in the ordinary balance, which is the sum of administrative revenues and financial revenues, were 5,741.6 billion yen, an increase of 231.3 billion yen from the previous fiscal year. Of the total revenues, metropolitan tax revenues accounted for 82.6% (compared with 82.3% for the previous fiscal year).

[Figure 3] Changes in Composition of Revenues in the Ordinary Balance and Percentage of Metropolitan Tax Revenues of Total Revenues



- Total expenses in the ordinary balance, which is the sum of administrative expenses and financial expenses, stood at 5,220.5 billion yen, 183.2 billion yen increase from the previous fiscal year. Of the total expenses, payroll-related expenses accounted for 24.8% (compared with 25.3% in the previous fiscal year), tax-related expenses, 24.7% (23.8% in the previous fiscal year), and allowances, etc., 19.8% (20.5% in the previous fiscal year).

- Meanwhile, in order to see the efficiency of TMG administrative services we examined the percentage of personnel costs to total costs which decreased 0.5 percentage point to 28.2% from 28.7% in the previous fiscal year.

<Percentage of Personnel Cost to Total Cost>

(in billion yen, %)

Item	FY2010	FY2011	FY2012	FY2013	FY2014
Payroll-related expenses + Transferred amount of provisions for retirement allowance + Transferred amount of provisions for bonuses (A)	1,466.4	1,464.9	1,562.9	1,447.9	1,473.9
Administrative expenses + Financial expenses (B)	4,931.2	4,983.9	5,079.8	5,037.2	5,220.5
Percentage of personnel cost (A) / (B) X100	29.7	29.4	30.8	28.7	28.2

(Note) We started reporting provisions for bonuses from FY2012, and reported the said amount as the transferred amount of provisions for bonuses. (The amount was reported as the transferred amount of other provisions in FY2012). This is for calculating income and expenditures in the current term more properly by reporting, as expenses of this current term, the amount that is based on the current term's actual work records out of term-end allowances and bonus allowances that will be paid in the next term.

- Ordinary balance, which represents the difference of total revenues and total expenses in the ordinary balance, stood at 521.1 billion yen in net revenues, a 48.0 billion yen increase from 473.0 billion yen in net revenues for the previous fiscal year.
- In the special balance section, special revenues were 37.7 billion yen (21.4 billion yen in the previous fiscal year), an increase of 16.2 billion yen compared to the previous fiscal year while special expenses were 44.9 billion yen (21.2 billion yen in the previous fiscal year), an increase of 23.6 billion yen compared to the previous fiscal year.
- The balance for the current period, which is obtained by incorporating the special balance into the ordinary balance, was 513.9 billion yen in net revenues (473.3 billion yen in the previous fiscal year) an increase of 40.6 billion yen from the previous fiscal year. This balance of 513.9 billion yen is reflected in the increase in net assets on the balance sheet.

[4] Cash Flow Statement

The cash flow statement is prepared to categorize the cash flow according to “administrative services activities”, “social capital improvement investment”, and “financing activities”, and to indicate the status of their current cash revenues and cash expenses. The balance of administrative service activities indicates the difference in revenues and expenses accompanying the delivery of ordinary administrative services, and the balance of social capital improvement investment activities indicates the difference in revenues and expenses accompanying the formation of fixed assets and others. The balance of administrative activities cash flow is the combination of these two balances.

The proforma revenues and expenses by the conventional public accounting method (see page 1) is the sum of the balance of administrative activities cash flow, the balance of financing activities and the balance brought forward from the previous fiscal year.

<Cash Flow Statement>

(in billion yen, %)

Item	FY2014	FY2013	Change in amount	Percentage of change
Administrative service activities				
Total revenues	5,733.9	5,505.4	228.5	4.2
Tax revenues etc.	5,104.7	4,844.4	260.3	5.4
Other	629.1	660.9	(31.8)	(4.8)
Total expenses	5,057.6	4,893.4	164.2	3.4
Tax-related expenses	1,290.5	1,197.6	92.9	7.8
Administrative expenses	3,665.6	3,584.9	80.7	2.3
Other	101.4	110.8	(9.4)	(8.5)
Balance of administrative service activities	676.2	611.9	64.3	-
Social capital improvement investment activities				
Total revenues	695.9	519.0	176.8	34.1
Total expenses	1,003.1	869.8	133.2	15.3
Social capital improvement expenses	335.1	339.4	(4.2)	(1.2)
Fund reserve	366.8	181.6	185.1	101.9
Other	301.1	348.8	(47.6)	(13.6)
Balance of social capital improvement activities	(307.2)	(350.8)	43.5	-
Balance of administrative services cash flow	369.0	261.1	107.9	-
Financial activities				
Revenues from financing activities	170.5	239.4	(68.8)	(28.7)
TMG bonds	167.0	238.0	(70.9)	(29.8)
Other	3.4	1.3	2.0	153.8
Expenses related to financing activities	493.1	438.9	54.2	12.3
Expenses for public bonds (principal)	491.6	437.4	54.2	12.4
Other	1.4	1.4	0.0	0.0
Balance of financing activities	(322.5)	(199.4)	(123.1)	-
Total balance	46.4	61.7	(15.2)	-
Balance brought forward from the previous year	252.9	191.2	61.7	-
Proforma balance	299.4	252.9	46.4	-

- The balance of administrative service activities was 676.2 billion yen in net revenues, an increase of 64.3 billion yen from 611.9 billion yen in net revenues for the previous fiscal year. This is largely attributed to 228.5 billion yen of increase in total revenues due to increase of 260.3 billion yen in tax revenues.
- The balance of social capital improvement investment activities was 307.2 billion yen in net expenses (350.8 billion yen in net expenses for the previous fiscal year), a decrease of 43.5 billion yen in net expenses compared to the previous fiscal year. This is mainly because revenues from principal collections on loans increased by 172.3 billion yen while expenses of the funds for special purposes increased by 111.5 billion yen.
- As a result, the balance of administrative service activities cash flow, which is obtained by combining the balance of administrative service activities and the balance of social capital improvement investment activities, stood at 369.0 billion yen in net revenues, an increase of 107.9 billion yen from 261.1 billion yen in net revenues for the previous fiscal year.
- In financing activities, the redemption expenses of TMG bonds (expenses for public bonds (principal)) increased 54.2 billion yen from the previous fiscal year to 491.6 billion yen, while the revenue raised through the issuance of TMG bonds amounted to 167.0 billion yen, a 70.9 billion yen decrease from the previous fiscal year. Accordingly, the balance of financing activities was 322.5 billion yen in net expenses (199.4 billion yen in net expenses for the previous fiscal year.)
- The total balance, which is obtained by combining balance of administrative service activities cash flow and balance of financing activities, was 46.4 billion yen in net revenues (61.7 billion yen in net revenues for the previous fiscal year,) and the proforma balance, found by adding the balance brought forward from the previous fiscal year of 252.9 billion yen to this total balance, came to 299.4 billion yen.

[5] Statement of Changes in Net Assets

The statement of changes in net assets is compiled to clearly indicate the changes in net asset items in the balance sheet during a single accounting period.

<Statement of Changes in Net Assets>

(in billion yen)

Item	Net Assets			Total
	Opening balance equivalents	National treasury disbursements	Other	
Balance at the end of the previous period	19,021.8	1,016.3	4,682.1	24,720.3
Amount changed for the current period	-	109.2	543.6	652.8
Balance for the current period	-	-	513.9	513.9
Other	-	109.2	29.6	138.8
Balance at the end of the current period	19,021.8	1,125.6	5,225.7	25,373.2

- At the end of fiscal year 2014, net assets stood at 25,373.2 billion yen, an increase of 652.8 billion yen from 24,720.3 billion yen in the previous fiscal year. The increase is due primarily to a rise in national treasury disbursements for social capital improvement and balance for the current period etc.

In the amount changed for the current period in net assets, the balance for the current period coincides with the balance for the current period in the administrative cost statement.

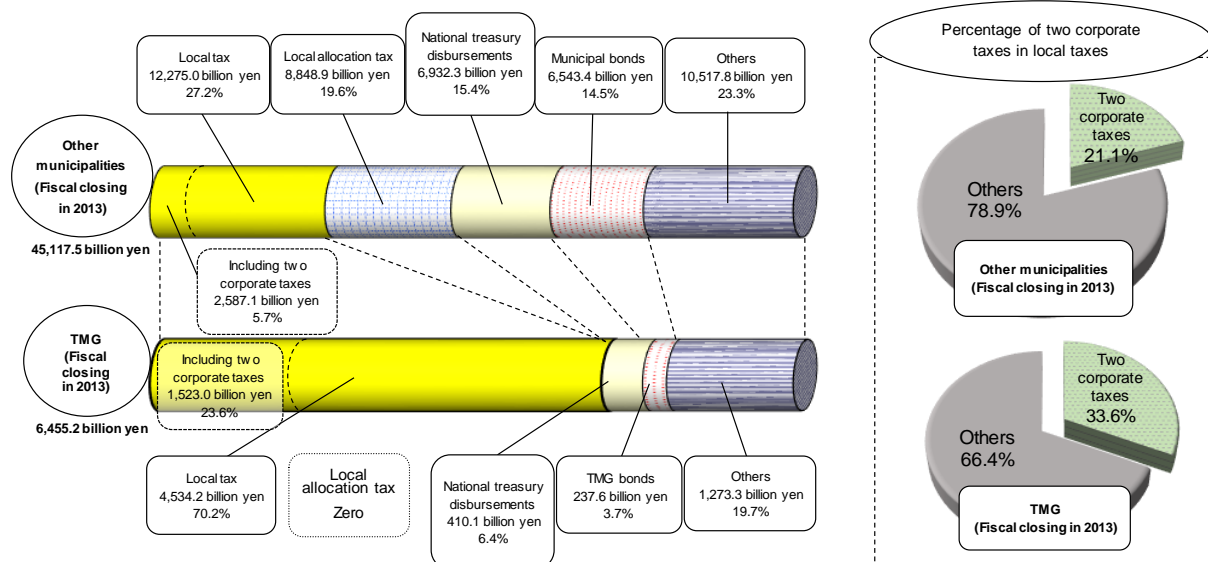
Analysis of TMG's Finances

- TMG's tax revenue in Fiscal Year 2014 increased for three consecutive years.
- Although tax revenues have remained strong currently, predicting the future is difficult mostly due to inherently unstable structure of TMG's finances and the expansion of unreasonable and unfair corrective measures for local corporate taxation.
- In addition, TMG's finances will face difficulties such as the acceleration of a declining birthrate and aging population, the rise of a society with a decreasing population, and the deterioration of social capital stock.
- Beyond making every effort to host the Olympic and Paralympic Games successfully and to materialize forward-looking legacies, TMG will have to sustain its strong financial foundation with an appropriate response to financial needs going forward to realize "the World's Best City, Tokyo" and develop Tokyo continuously.
- Below, we will consider TMG's finances for the future by looking back on the past financial management and analyzing mainly financial needs going forward.

Chapter 1 Looking Back on TMG' Finances So Far

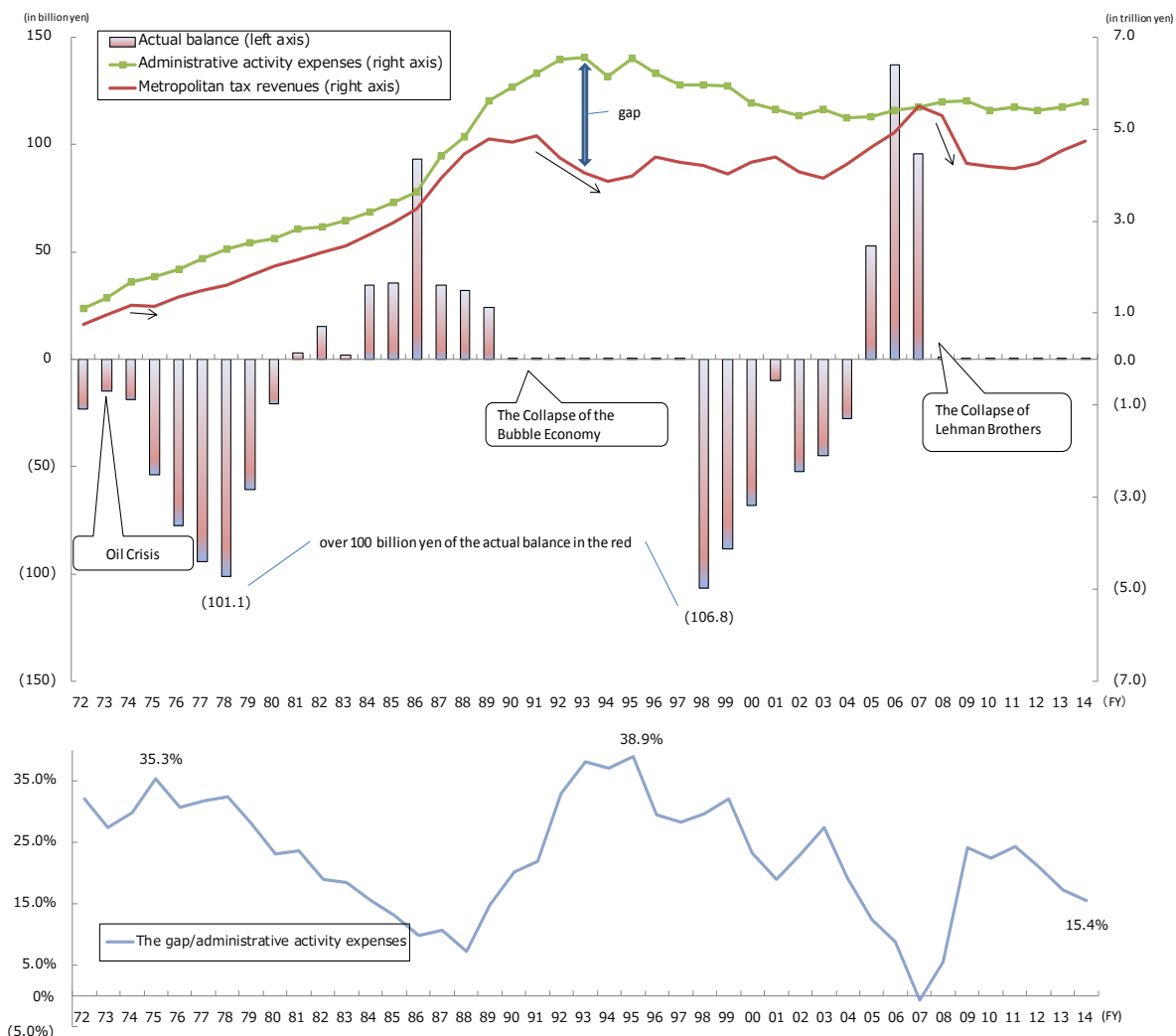
- Metropolitan tax revenues accounting for the most part of TMG's revenues are characterized by its two corporate taxes susceptible to economic fluctuations having a higher ratio to the total revenues compared with that of other prefectures (Figure 4). For this reason, TMG' finances are fundamentally based on an unstable structure (Figure 5).
- Further, as TMG is the only municipality that has not received ordinary local allocation taxes since the start of the system for local allocation taxes in 1954, it needs to perform financial management more self-reliantly than other municipalities.

[Figure 4] Breakdown of Revenues and Ratio of Two Corporate Taxes to the Local Taxes



- Based on this financial structure, TMG's finances have previously faced financial crises triggered by the oil crisis and the collapse of the bubble economy. Looking at TMG's finances for the first half of the 1970s and onward, TMG has posted over 100 billion yen actual balance deficit twice. It, however, securely provided administrative services and managed to maintain the actual balance surplus when metropolitan tax revenues significantly decreased owing to the collapse of Lehman Brothers.
- Here, looking back on the history of TMG's finances for the first half of the 1970s and onward, we examine how TMG has reacted to changes in the economic conditions such as the oil crisis and analyze the gap between administrative activity expenses (the amount calculated by subtracting the funds reserved and public bond expenses from the total expenses) and metropolitan tax revenues.

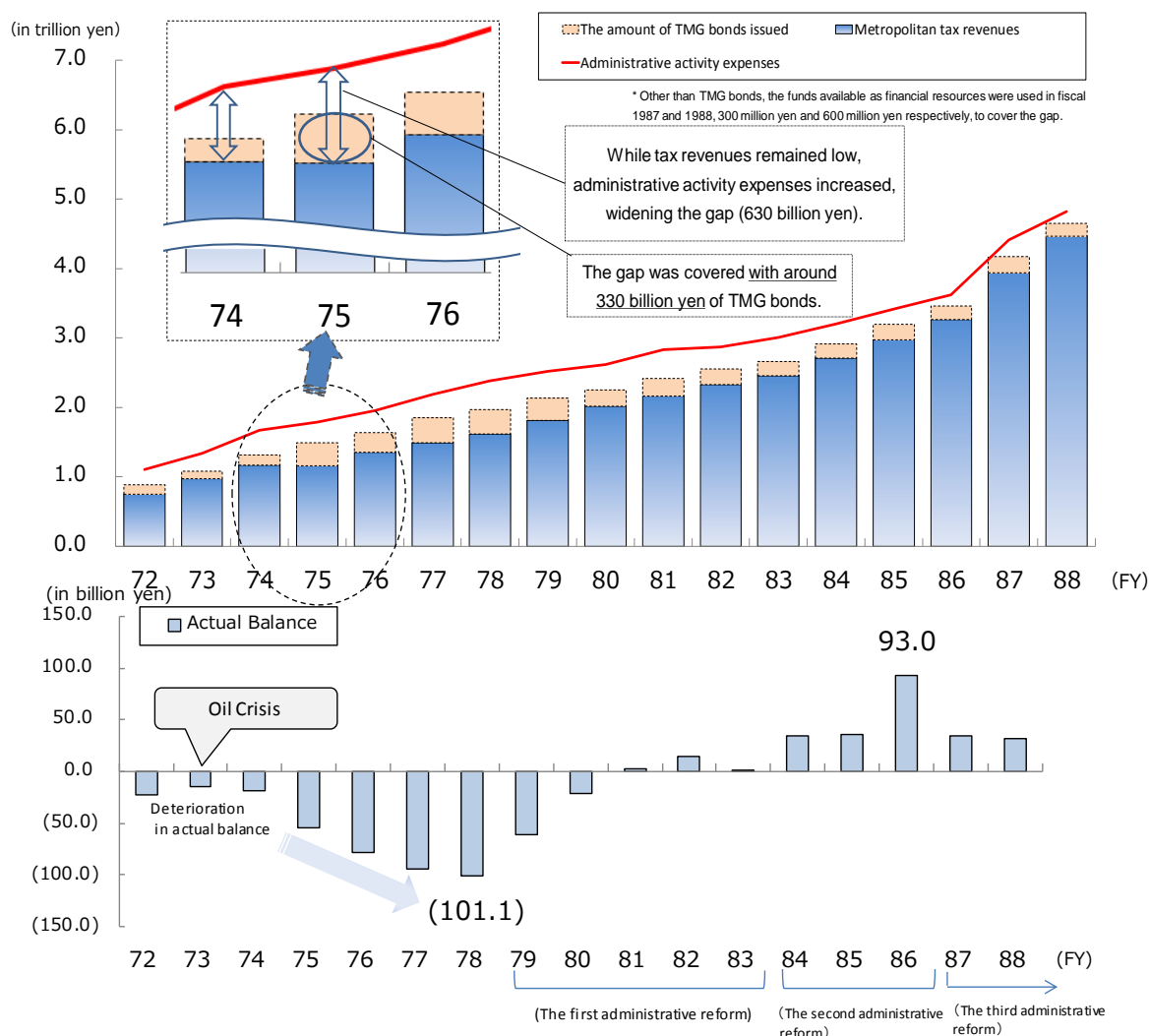
[Figure5] Changes in Actual Balance, Administrative Activity Expenses, and Metropolitan Tax Revenues



- * The actual balance is the amount calculated by subtracting financial resources that should be carried forward to the next fiscal year in order for expenses to be carried over from the proforma balance (the balance between revenues and expenses).
- * Administrative activity expenses are the amount calculated by subtracting the funds reserved and public bond expenses from the total expenses.

- Metropolitan tax revenues used to increase steadily, but it changed its course to a decline, triggered by the oil crisis in 1973. Meanwhile, administrative activity expenses continued to surge mainly due to a rise in ordinary expenses resulting from the growing personnel expenses, driven by the inflation (Figure 6).
- As a result, the gap between administrative activity expenses and metropolitan tax revenues expanded, and in fiscal 1978, the actual balance deficit of 101.1 billion yen was posted, indicating that TMG was very close to become a body whose bond issuance was limited in the definition at that time.

[Figure6] Changes in Gap between Administrative Activity Expenses and Metropolitan Tax Revenues and Actual Balance

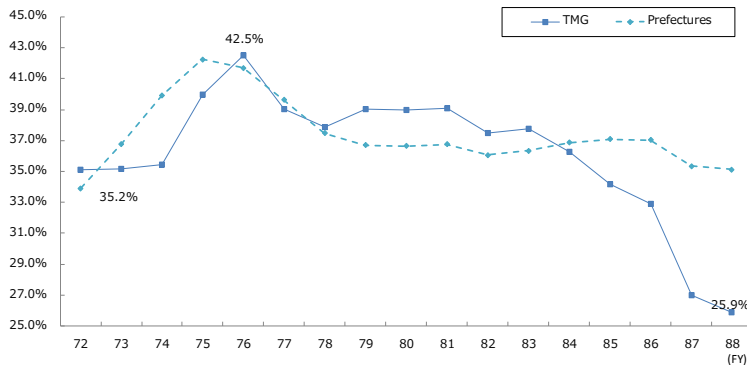


- We look at financial conditions around the oil crisis in particular. First, in expenses, we can see that personnel expenses accounted for about 35% of the total expenses as of fiscal 1973, a high ratio. After that, as a result of a substantial revision of salary increase based on the inflation, personnel expenses accounted for over 40% of the total expenses in fiscal 1976, causing a deterioration in TMG's finances (Figure 7). Other factors contributing to a deterioration in the finances include a growth of expenses such as an increase in disbursements to public-sector companies.



From Early 1970s to Late 1980s - From Oil Crisis to Bubble Economy -

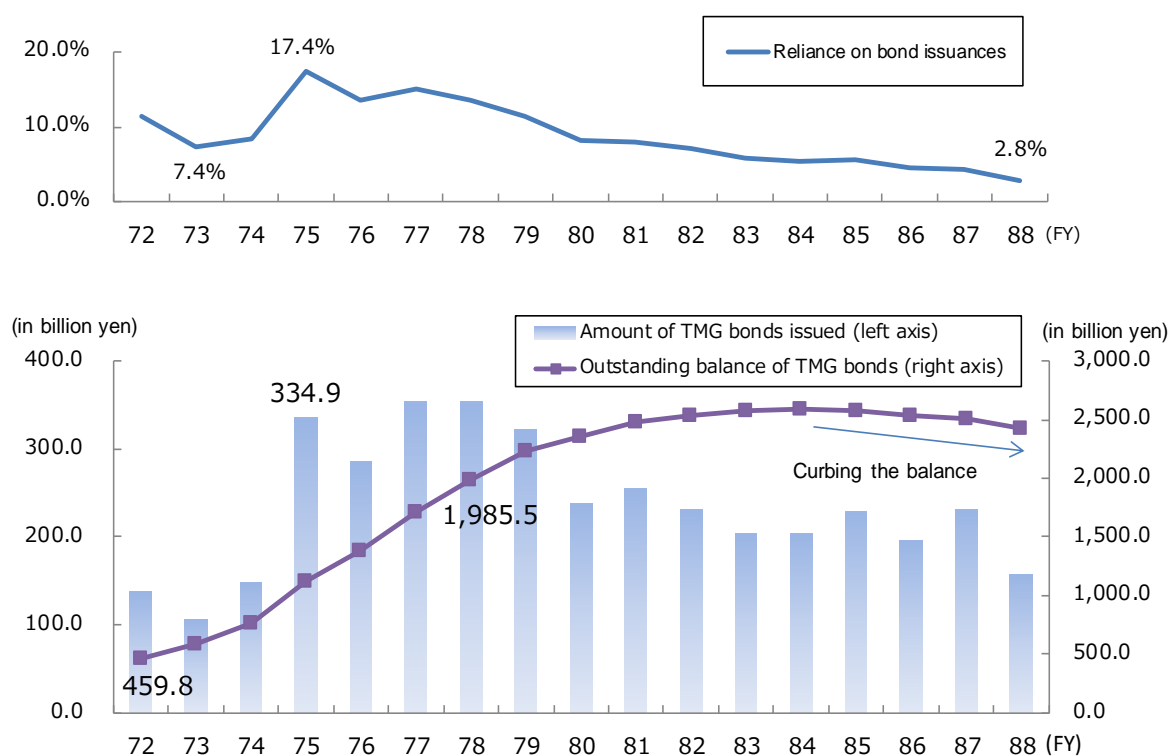
[Figure7] Changes in Personnel Expenses Share out of Total Expenses



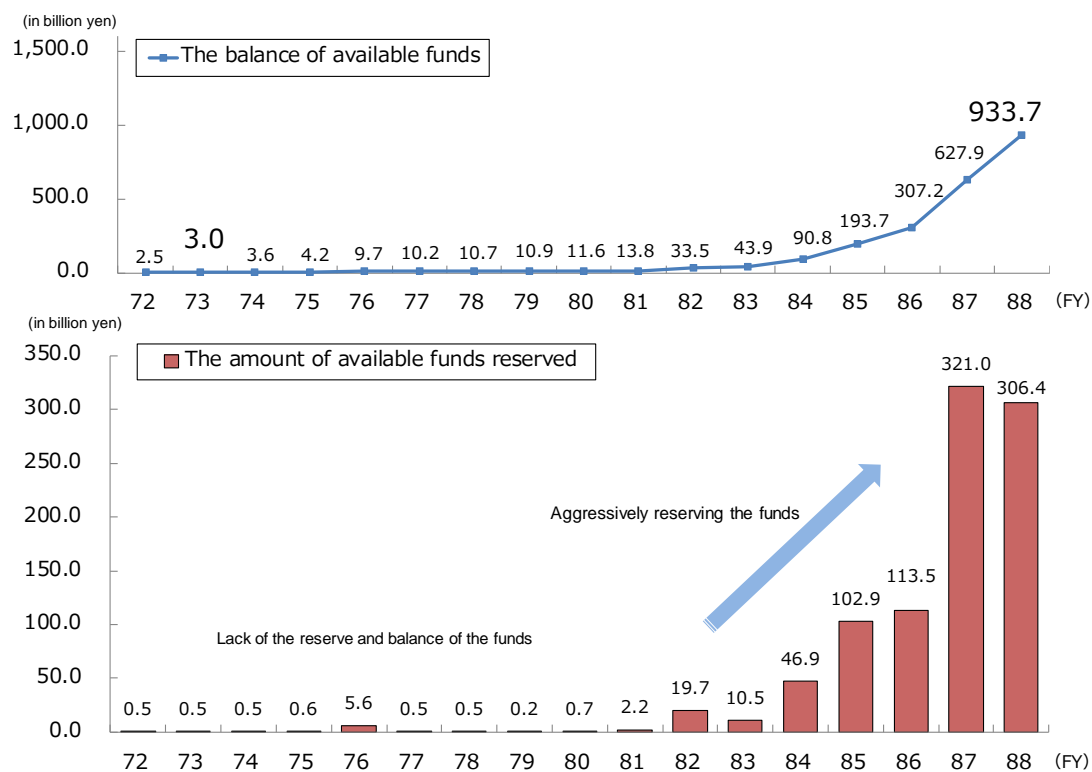
○ Having faced such situations, TMG undertook administrative reforms three times (FY1979 to FY1983, FY1984 to 1986, FY1987 to FY1990) and minimized a rise in personnel expenses by accelerating internal efforts such as reductions in the headcounts and managerial positions. Moreover, TMG reviewed disbursements for public enterprises to control administrative activity expenses, narrowing the gap between administrative activity expenses and metropolitan tax revenues.

- In coming to revenues, the gap between administrative activity expenses and metropolitan tax revenues has been covered by issuing a large amount of TMG bonds after the oil crisis (Figure 6 and 8).
- For example, when metropolitan tax revenues were less than those of the previous fiscal year's financial results in fiscal 1975 for the first time in the history of TMG, the amount of TMG bond issuances was around 330 billion yen to cover about 630 billion yen difference between administrative activity expenses and metropolitan tax revenues (Figure 6 and 8).
- As a result, the degree of reliance on bond issuances (the ratio of TMG bond issuances to the overall revenue) reached 17.4% in fiscal 1975, and the outstanding balance of TMG bonds, which was about 460 billion yen in fiscal 1972, increased rapidly to around two trillion yen in fiscal 1978 (Figure 8).
- While the utilization of TMG bonds is an effective way to adjust the difference in financial resources among fiscal years and maintain fair burdens among generations, it adds the financial burden in the future. Thus, TMG controlled the bond issuances and the refinancing of TMG bonds issued in the past along with a streamlining size of expenses. As a result, the degree of reliance on bond issuances declined sharply and the outstanding balance of TMG bonds started descending in fiscal 1985 as well.
- Meanwhile, the balance of funds available as financial resources was low at around three billion yen as of fiscal 1973 when the oil crisis took place and its balance deemed not sufficient to play an expected role of financial adjustment among fiscal years (Figure 9).
- Therefore, TMG revised financial adjustment fund regulations in fiscal 1980 and instituted a mandatory reserve system responding to an increase in metropolitan tax revenues, leading to the acceleration of a reserve for funds. Consequently, TMG secured available funds of over 900 billion yen in fiscal 1988 including around 300 billion yen balance of financial adjustment funds and enhanced its financial ability, supported by an increase in tax revenues thanks to an improvement in the economy (Figure 9).

[Figure8] Changes in Reliance on Bond Issuances, Amount of TMG Bonds Issued, and Outstanding Balance of TMG Bonds



[Figure9] Changes in Balance of Funds and Amount of Reserves Available as Financial Resources



* TMG reduced the funds for three hundred million yen in FY1987 and six hundred million yen in FY1988.

- TMG was said to have been trapped by a severe burden of the fiscal deficit when it had to confront the inflation and depressions one after another, both triggered by the oil crisis. This indicates that TMG faced a financial crisis owing to complex factors which consist of an increase in expenses mainly due to a rise in ordinary expenses, resulting from inflation, a low growth in tax revenues due to depressions, and a lack of financial ability to deal with such issues.
- To overcome this financial crisis, TMG made administrative reforms three times to review expenses and strengthened financial ability through appropriate utilization of TMG bonds and the reserve of financial adjustment funds.
- Based on the financial foundation enhanced by these efforts, TMG was able to implement aggressive measures for delayed initiatives including the improvement of an urban infrastructure and enhancement of welfare measures through 1980s.
- TMG, however, faced a financial crisis again as it maintained the expense level reflecting the Government's economic measures amid the sharp decline of tax revenues caused by the collapse of the bubble economy.



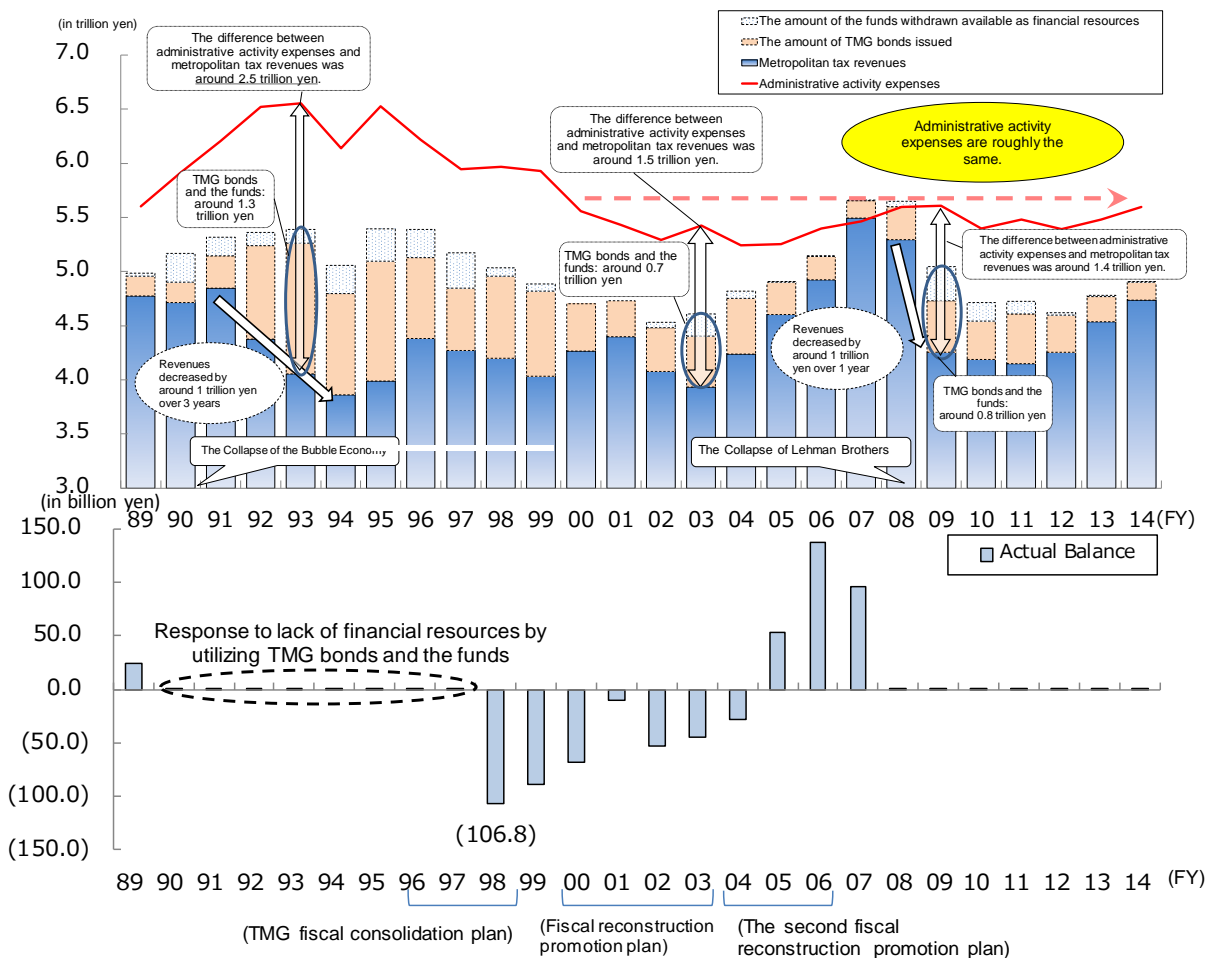
Since 1989

- Collapse of Bubble Economy and Financial Reconstruction, Response to Collapse of Lehman Brothers -

1. Collapse of Bubble Economy and Record Actual Balance Deficit

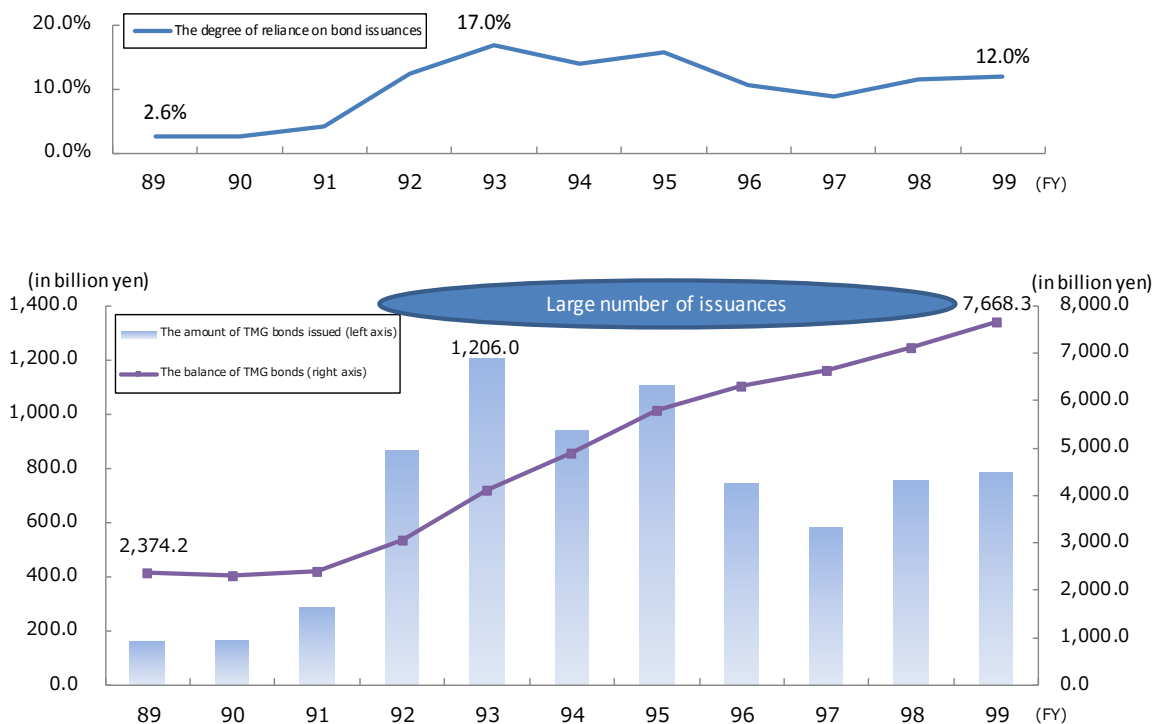
- After 1989, volatile economy has made metropolitan tax revenues fluctuate.
- Metropolitan tax revenues that showed a large increase mainly in fiscal 1987 and 1988 dropped sharply along with economic recessions due to the collapse of the bubble economy and decreased by as much as around one trillion yen over the three years from fiscal 1991.
- Meanwhile, after the collapse of the bubble economy, the Government recommended public works projects based on local bonds as financial resources to local governments as economic measures. TMG maintained the level of expenses responding to successive economic measures by the Government.
- As a result, the gap between administrative activity expenses and metropolitan tax revenues widened to about 2.5 trillion yen in fiscal 1993 when the expenses hit record (Figure 10).

[Figure10] Changes in Gap between Administrative Activity Expenses and Metropolitan Tax Revenues and Actual Balance

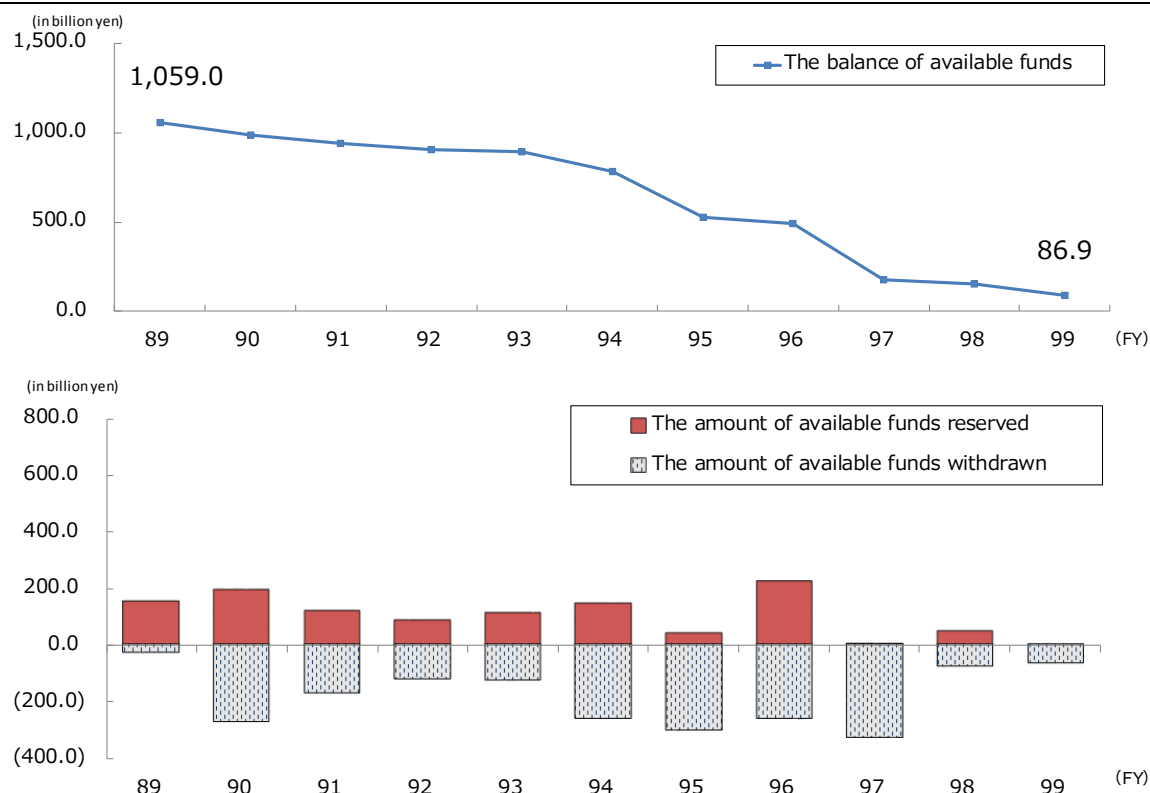


- In such situations, the gap between administrative activity expenses and metropolitan tax revenues was covered by actively utilizing TMG bonds and the funds, and around 1.3 trillion yen of TMG bonds and the funds were used for covering part of about 2.5 trillion yen of the gap in fiscal 1993 (Figure 10).
- In fact, the reliance on bond issuances rose to about 17% in fiscal 1993, and the outstanding balance of TMG bonds surged to around 7.7 trillion yen in fiscal 1999 from about 2.4 trillion yen in fiscal 1989 (Figure 11).
- As a result of the active utilization, the funds available as financial resources declined substantially to 86.9 billion yen in fiscal 1999 from about one trillion yen in fiscal 1989 (Figure 12).
- Under these conditions, the deficit of the actual balance in TMG reached 106.8 billion yen in fiscal 1998, record figure in its history (Figure 10).

[Figure11] Changes in Reliance on Bond Issuances, Amount of TMG Bonds Issued, and Outstanding Balance of TMG Bonds



[Figure12] Changes in Balance of Funds Available as Financial Resources, Amount of Reserves, and Withdrawals



2. Action on Financial Reconstruction and Response to Collapse of Lehman Brothers

- Having embarked on a control of expenses ahead of the Government and other prefectures, TMG has strived for reviewing and redesigning of measures to curb expenses regardless of its nature (i.e. ordinary or investment) with internal efforts for sure and from the perspectives of changes of the times and of roles to be shared among the private sectors and municipalities. Such measures have been based on “TMG Fiscal Consolidation Plan” (the planning period: fiscal 1996 to 1998) and “Fiscal Reconstruction Promotion Plan” implemented in two phases since fiscal 2000.
- Figure 13 shows a comparison of expenses in TMG with those in other prefectures in three fiscal years. Fiscal 1993 when TMG’s expenses peaked is the base year and the total expenses of TMG and other prefectures in fiscal 1993 are considered as 1,000 for the purpose of comparison.
- First, according to the comparison between fiscal 1993 and 2003, while personnel expenses in prefectures increased by 6%, those in TMG decreased by 4% by reducing headcounts through the effort of financial reconstruction. Further, while investment expenses in prefectures decreased by 33%, those in TMG dropped by 63%, which indicated the efforts made, considering urgency and need of projects based on financial conditions at that time.
- Moreover, according to the comparison between fiscal 2003 and 2013, while personnel expenses and administrative activity expenses in prefectures decreased by 13% and 3%, respectively, personnel expenses in TMG continued to decrease by 13%, and at the same time, its administrative activity expenses increased by 1%, which represented that TMG provided necessary administrative services consistently and contributed to effectively implement fiscal reconstruction ahead of other prefectures.

[Figure13] Comparison of Expenses in TMG with Those in Other Prefectures among Fiscal Years

TMG:

Item	FY1993	FY2003			FY2013		
		Compared to FY 1993			Compared to FY 2003		
		Increase and decrease	The ratio of increase and decrease		Increase and decrease	The ratio of increase and decrease	
Expenses	1,000	874	(126)	(13) %	883	9	1 %
Administrative activity expenses	933	772	(161)	(17) %	779	7	1 %
Personnel expenses	245	236	(10)	(4) %	206	(30)	(13) %
Investment expenses	291	107	(184)	(63) %	108	1	1 %
Allowances	243	319	75	31 %	349	30	9 %
Other expenses --- Loans, non-personnel expenses, and others	154	111	(42)	(27) %	117	6	5 %
Reserves	18	7	(11)	(61) %	25	18	257 %
Public bond expenses	49	94	45	92 %	78	(16)	(17) %

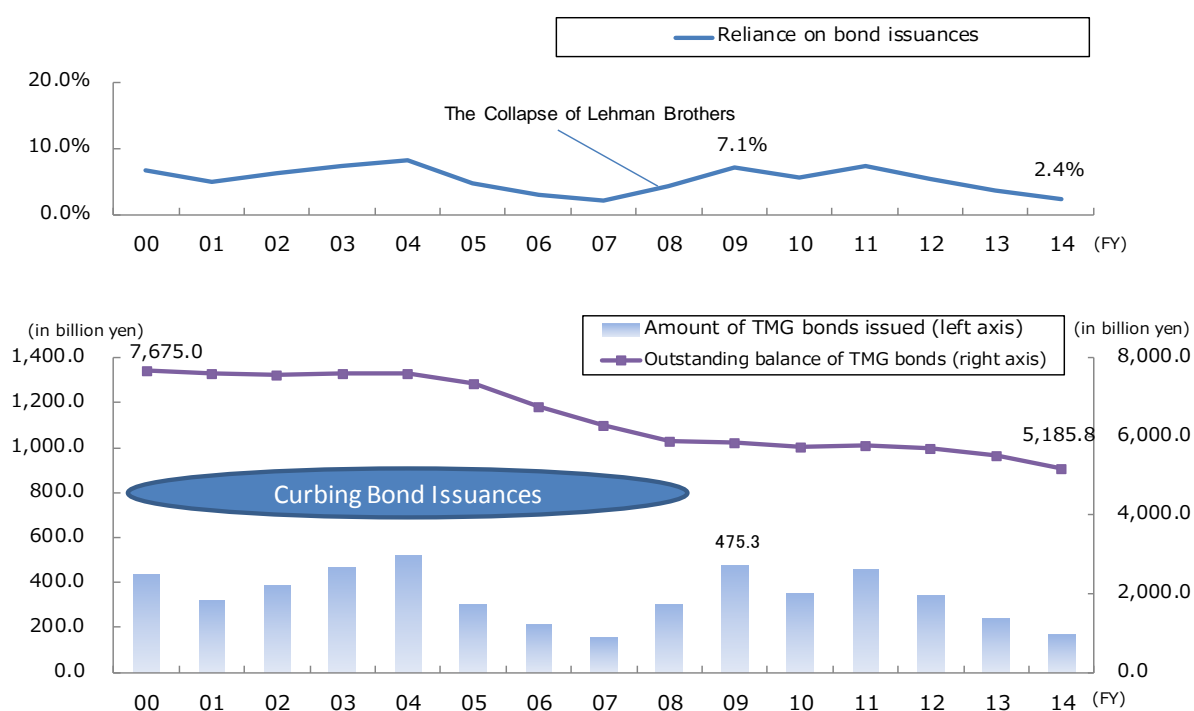
Other Prefectures:

Item	FY1993	FY2003			FY2013		
		Compared to FY 1993			Compared to FY 2003		
		Increase and decrease	The ratio of increase and decrease		Increase and decrease	The ratio of increase and decrease	
Expenses	1,000	1,013	13	1 %	1,038	25	2 %
Administrative activity expenses	912	859	(53)	(6) %	832	(27)	(3) %
Personnel expenses	306	324	18	6 %	282	(42)	(13) %
Investment expenses	350	233	(117)	(33) %	166	(67)	(29) %
Allowances	99	149	50	51 %	227	78	52 %
Other expenses --- Loans, non-personnel expenses, and others	157	152	(5)	(3) %	157	4	3 %
Reserves	15	11	(3)	(20) %	50	39	355 %
Public bond expenses	73	143	70	96 %	156	14	10 %

* The figures in each fiscal year are based on the total expenses of TMG and other prefectures in fiscal 1993 being considered as 1,000.

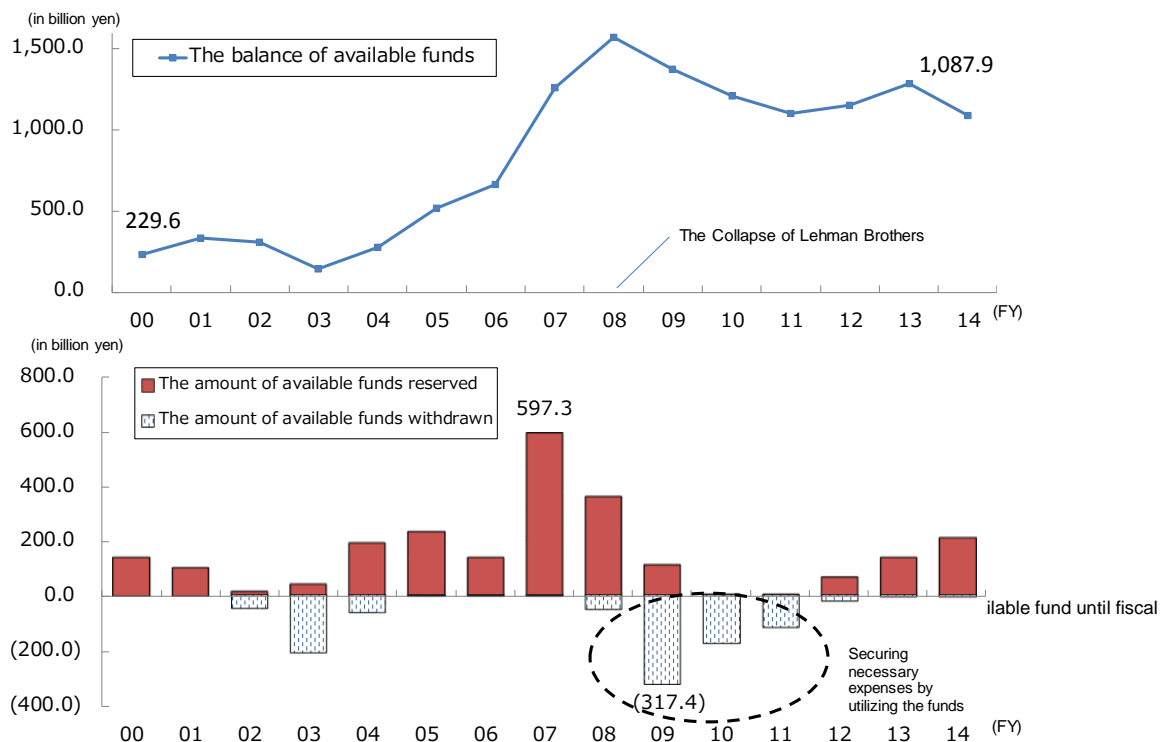
- As explained above, TMG examined each measure thoroughly not only during financial reconstruction but also after the achievement of such financial reconstruction and persistently worked on improving its efficiency and effectiveness.
- These efforts contributed to the control of TMG bond issuances and the buildup of the reserve of the funds.
- First, in coming to the trend of TMG bonds, TMG curbed the issue of TMG bonds since fiscal 2000. The issue amount was more than one trillion yen in fiscal 1993. Additionally, TMG strived to reduce the outstanding balance of TMG bonds and level out the future amount of redemption from fiscal 2007 to 2008 by controlling refinancing of TMG bonds issued in the past and accelerating the reserve of sinking funds (Figure 11, 14).
- In fact, the comparison of public bond expenses in TMG with those in other prefectures shows that public bond expenses in TMG dropped by 17% from fiscal 2003 to 2013 while those in other prefectures increased by 10% during the same period (Figure 13).

[Figure14] Changes in Reliance on Bond Issuances, Amount of TMG Bonds Issued, and Outstanding Balance of TMG Bonds



- Furthermore, a review on the funds available as financial resources shows that TMG secured a balance of around 1.1 trillion yen as of the end of fiscal 2014 as a result of reserving the funds for the future financial needs mainly from fiscal 2006 to 2008 when metropolitan tax revenues remained relatively strong (Figure15).

[Figure15] Changes in Balance of Funds Available as Financial Resources, Amount of Reserves and Withdrawals



- The financial ability developed by making these efforts was demonstrated even in a situation where tax revenues dropped drastically due to the impact of the collapse of Lehman Brothers.
- In fiscal 2009, despite about one trillion yen tax revenue decrease over one year, TMG strived to maintain a necessary level of administrative services by utilizing extra capacity to issue TMG bonds and the funds in order to cover the gap between administrative activity expenses and metropolitan tax revenues of around 1.4 trillion yen (Figure 10, 14, 15). Further, it is worth mentioning that TMG managed to reduce bond issuance amount and the aggregate amount of fund reversal in fiscal 2009 despite the large decline of revenues in comparison to fiscal 1993 when the tax revenues decreased as much as fiscal 2009. It is because TMG curbed administrative activity expenses at the time of financial reconstruction and constantly reviewed and redesigned measures even after the achievement of financial reconstruction.
- As mentioned above, TMG maintained a certain level of administrative activity expenses by constantly reviewing measures and properly utilizing TMG bonds and the funds in order to provide necessary services steadily amid the fluctuating metropolitan tax revenues.

- So far, we have looked back on the past financial management. TMG posted an actual balance deficit of over 100 billion yen twice with its unstable financial structure. In both cases, TMG pursued to establish a robust financial foundation by taking measures of thorough review and reorganization of businesses including internal efforts such as ensuring headcount reduction as well as by utilizing TMG bonds and the funds properly.
- To make sure that TMG accomplishes its missions and steadily expand measures for the future, it needs to rigorously scrutinize measures going forward and improve their efficiency and effectiveness. In addition, TMG has to utilize TMG bonds and the funds systematically and strategically to sustain its financial ability. In the next chapter, we consider forward-looking financial management.

Chapter 2 Forward-looking Financial Management

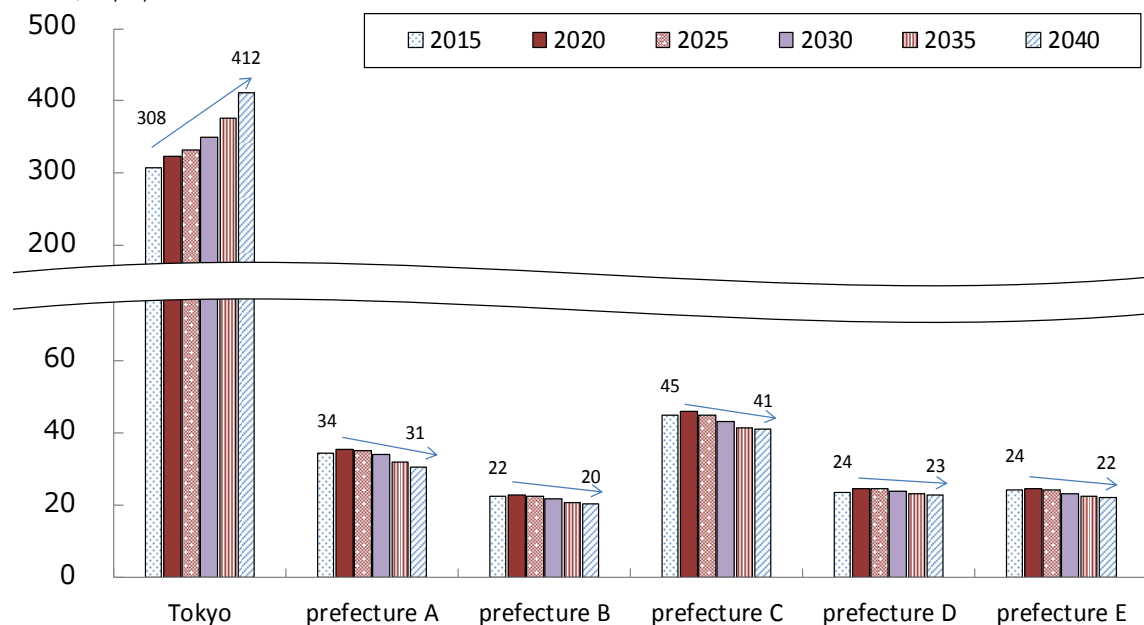
- TMG needs to make every effort to host the Olympic and Paralympic Games successfully and materialize forward-looking legacies despite its unstable financial structure.
- Further, TMG has to strategically implement measures that lead to Tokyo's sustainable development and the nationwide growth.
- For that purpose, TMG needs to recognize the future financial needs, which is unavoidable for TMG's finances, and perform forward-looking financial management as well as utilizing its financial management experience in the past.
- Below, we consider the future financial management through utilization of TMG bonds and the funds while analyzing financial needs for social security and social capital stock.

1. Increase of Social Security Costs and Social Capital Stock Maintenance/Renewal Costs

- TMG is expected to age rapidly. In 2015 when baby boomers in TMG reach the age of 65 or older, about one TMG resident in four is elderly. In 2035, around one in three will be elderly.
- In Figure 16, the elderly ratio in TMG is compared with that in the top-five prefectures having high ratios, utilizing the estimate for the future elderly population. The elderly in TMG are expected to increase by around one million within the next 25 years.

[Figure16] Estimate for Future Elderly Population

(in 10,000 people)

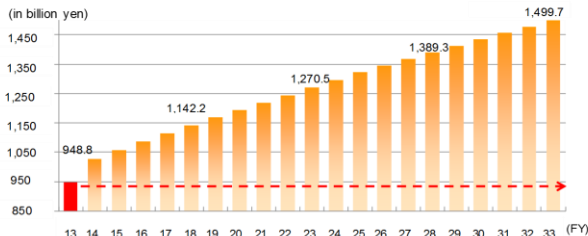


* The estimate for the future elderly population is compiled from Regional Population Projections for Japan (March 2013) by National Institute of Population and Social Security Research.

[Figure17] Estimate for Future Social Security Costs (provisional calculation)

Increase in Social Security Costs

- Society is aging so rapidly that almost one TMG citizen in three will be among elderly people by 2035.
- According to a third party's estimates of future costs, social securities costs will increase by an average 30 billion yen each year.
- In consideration of greater fiscal demand in the future, it is important to review and restructure measures as necessary and strategically push forward with focused measures against key issues.



* The estimates of future costs were calculated by EY ShinNihon LLC.

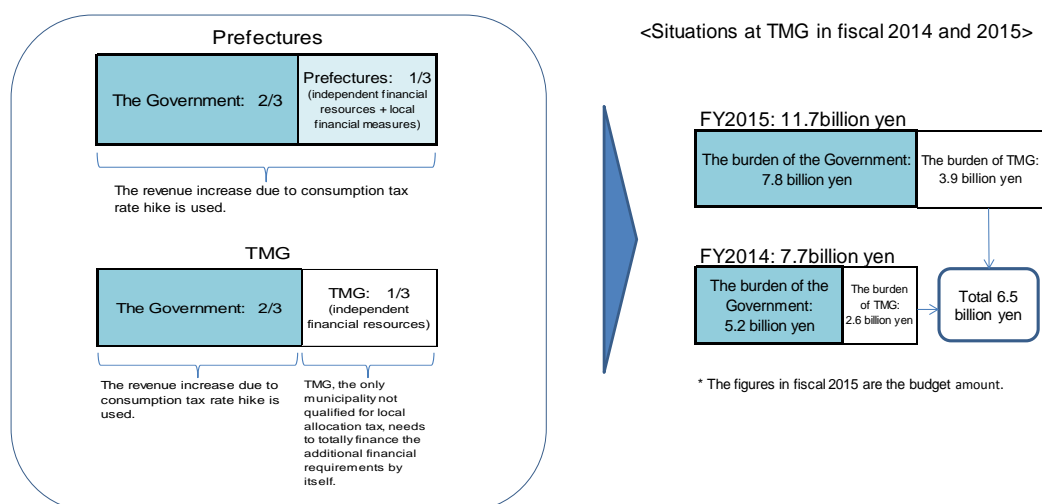
* The estimates were calculated in the following way. The premise is the continuation of business. Figures from fiscal results were employed. Set a coefficient (variation factors such as fluctuations of the population) for each type and content of business related to social securities and multiply it with each cost and reflect matters such as a rise of prices.

* The FY 2013 figure is the amount of fiscal results in the breakdown of expenditures by purpose "Welfare and Public Health."

* The information is excerpted from the summary of fiscal 2013
"Tokyo Metropolitan Government Annual Financial Report."

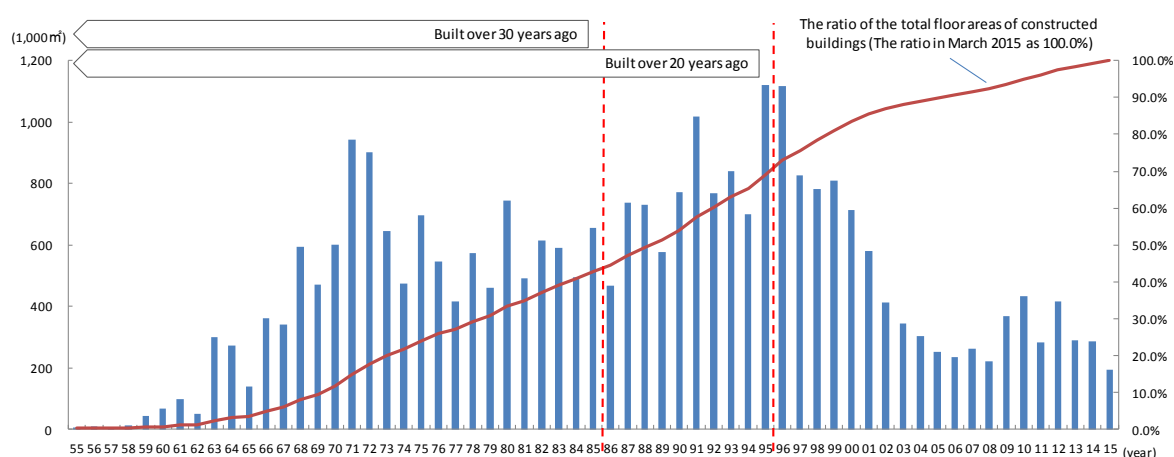
- Based on the population projections and the figures from the financial results, the estimate for the future social security costs is provisionally calculated by a third party, shown in Figure 17.
- In expectation of growing social security costs in the future, TMG must respond to changes in the population structure and social/economic conditions, and realize a city where everyone can live safely going forward. For that to happen, it needs to make the best use of measures for building facilities and providing services from a medium- to long-term perspective and work on enrichment of welfare, health, and medical services.
- Furthermore, TMG must be observant of the Government's movement against the backdrop of enormous financial needs expected for TMG's future.
- The Government's integrated reform of social security and taxation clarifies that the additional revenues to be generated by a rise in a consumption tax rate are to be used for enrichment and stabilization of social security. Accordingly, the Government's local financing program shows measures to enhance social security by utilizing the revenue increase from consumption tax rate hike such as enrichment of child-rearing support and a steady implementation of the system reform for providing medical and nursing care services. TMG must finance the relevant financial requirements by itself, unlike other municipalities that are entitled to the Government's financial support for local financing for the portion to be borne locally.
- In principle, when the Government establishes a new system, the relevant financial requirements for local government's implementation should be secured by the Government. It is a shortcoming of the system if it is designed to disqualify a municipality for the security of financial resources.
- For example, Figure 18 shows financial burdens of the "funds for securing comprehensive regional medical/nursing care" established by the "Act for securing comprehensive medical/nursing care" in order to enhance social security. One third of the funds reserved will be borne by each prefecture and it will be secured by the Government's support according to the local financing measures. Meanwhile, TMG, the municipality not entitled to local allocation tax, will end up with bearing the full burden for the total amount of 6.5 billion yen with its own financial resources.

[Figure18] Financial Burden of Funds for Securing Comprehensive Regional Medical/Nursing Care



- While TMG expects enormous financial needs for the future, it is necessary to strongly encourage the Government to design the system fair to all municipalities, so that even a municipality not receiving local allocation tax does not have to totally finance the additional financial requirements by itself.
- Next, public properties (buildings) owned by TMG were mostly constructed between the mid-1960s and mid-1970s and between 1989 and 1997, as shown in Figure 19. Further, about 40% of all are built over 30 years ago and about 70% over 20 years ago. They are all aging.
- A deterioration of social capital stock is a critical issue. TMG needs to implement planned maintenance and improvement in order to prevent the malfunction and declining safety of facilities from affecting services to residents of Tokyo.

[Figure19] Total Floor Areas of Public Properties (Buildings) by Construction Year



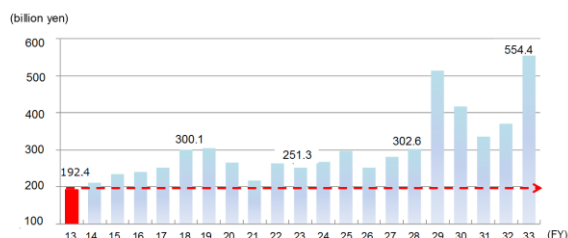
* As of the end of March 2015, calendar years are used.

* The figures exclude public properties owned by Bureau of Waterworks, Bureau of Sewerage, and Bureau of Transportation.

[Figure20] Estimate of Future Increase in Costs for Maintaining and Renewing Social Infrastructure (provisional calculation)

Increase in Costs for Maintaining and Renewing Social Infrastructure

- Tangible fixed assets (including social infrastructure) have worn out exponentially in recent years.
- According to a third party's estimates of future costs, incremental costs for maintaining and renewing social infrastructure will be about 2.3 trillion yen cumulatively for the next 20 years.
- It is necessary to verify the maintenance needs of all sorts of social infrastructure in consideration of its appropriate service and to attempt to level out and reduce its costs in the medium-to-long term through measures including the extension of its operational life.



* The estimates of future costs were calculated by EY ShinNihon LLC.
 * The estimates were calculated in the following way: Based on public accounting information, assume that social infrastructure is renewed altogether when its legal operational life expires. Multiply the acquired price with factors including construction cost deflators and inflation rates.
 * The FY 2013 figure is the amount of fiscal results, extracted from costs of maintaining and renewing social infrastructure.

* The information is excerpted from the summary of fiscal 2013 "Tokyo Metropolitan Government Annual Financial Report."

- Figure 20 shows a provisional calculation for the estimate of the future expenses for maintaining and improving social capital stock, produced by a third party mainly on the basis of TMG's public-sector accounting information.
- From now on, in order to realize sustainable development of Tokyo, TMG has to examine the necessity of developing every social capital stock on the basis of the objective of the business. At the same time, TMG needs to level out or reduce the expenses in the medium-to-long term with their aging under consideration.

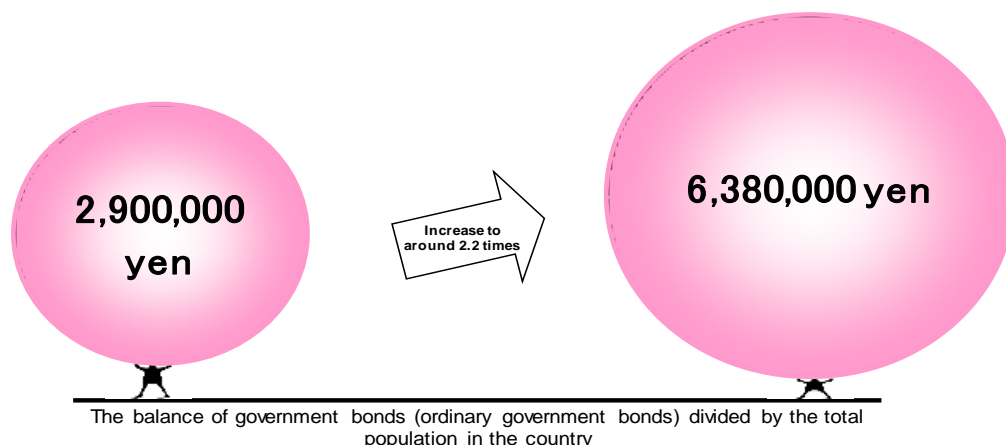
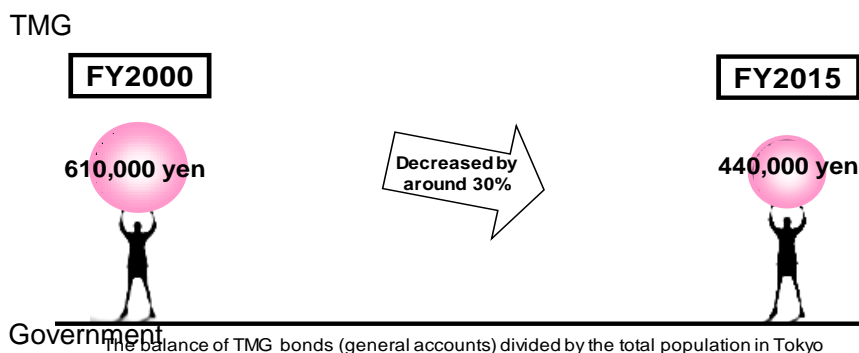
2. Utilization of TMG Bonds and Funds

- As shown in Chapter 1, TMG has constantly provided necessary administrative services by utilizing TMG bonds and the funds properly.
- It is vital to utilize TMG bonds and the funds systematically and strategically in order to respond to social security costs and financial needs such as maintenance and renewal of social capital stock as well as to sustain financial ability - the foundation of implementing measures - in the medium-to-long term.

TMG Bonds:

- Although TMG bonds have a function of balancing the burden among generations as financial resources for forming and improving social capital stock appropriately, they are liabilities payable in the future. Thus, a cost-benefit analysis for the future generations needs to be well conducted when considering the use of TMG bonds.
- As stated above, TMG has strived for controlling the issue of TMG bonds since fiscal 2000. As a result, the balance of TMG bonds per capita has decreased from 610,000 yen in fiscal 2000 to 440,000 yen in fiscal 2015, down around 30%. In contrast, the balance of government bonds per capita has surged from 2.9 million yen in fiscal 2000 to 6.38 million yen in fiscal 2015, up to 2.2 times (Figure 21).

[Figure21] Change in Balance of Bond Issues Per Capita



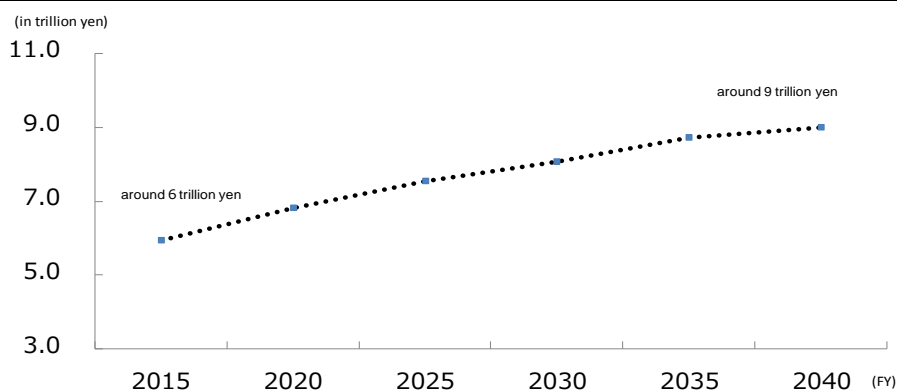
* The information on the total population of Tokyo and the total population of the country in fiscal 2000 is based on Population Census (Ministry of Internal Affairs and Communications).

* The data on the total population of Tokyo in fiscal 2015 is based on Regional Population Projections for Japan (March 2013) by National Institute of Population and Social Security Research.

* The data on the total population of the country in fiscal 2015 is based on Population Projections for Japan (January 2012) by National Institute of Population and Social Security Research.

- Meanwhile, Figure 22 shows the future balance of TMG bonds. It is the mathematical calculation (provisional figure), based on the assumption that the issuance of new bonds will continue at the same level as an initial budget for fiscal 2015 (450 billion yen).
- In this case, the amount of the bonds newly issued exceeds an actual amount of principal redemption ([the amount of principal redemption] – [the amount of refinancing]), increasing the balance of TMG bonds by about 1.5 times over 25 years.

[Figure22] Estimate of Future Balance of TMG Bonds (provisional calculation)



* The figures are provisionally calculated based on an assumption of a certain issuing conditions to make a mathematical estimate. An actual balance of TMG bonds may vary due to a change in the situation of the future bond issuance, and also this estimate will not set a limitation on the future budgeting process.

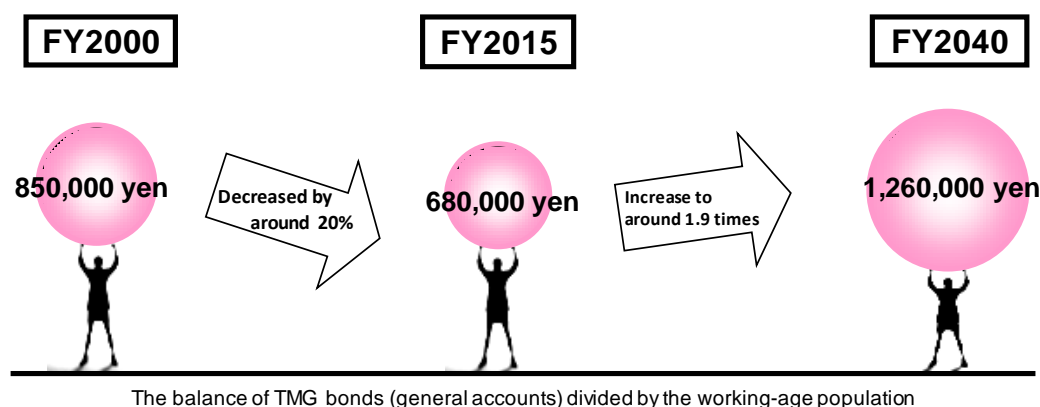
* The issuance of new bonds in fiscal 2015 is provisionally calculated based on figures from an initial budget, and the issuance in and after fiscal 2016 is based on 450 billion yen, the same level as an initial budget for fiscal 2015.

○ Moreover, in terms of balancing the burden among generations - one of the TMG bond functions -, we look at the

* The figures are based on general accounts.

balance of TMG bonds per capita in the working-age population (from the age of 15 to 64) as one viewpoint, reflecting a change in a population structure caused by a declining birthrate, aging population, and a decrease in population. As the working-age population in Tokyo has started falling after fiscal 2013 ahead of the total population, the same assumption (450 billion yen new TMG bond issuance a year) leads to an estimate (provisional calculation) of TMG bonds balance per capita in the working-age population to increase to around 1.9 times from fiscal 2015 to fiscal 2040 (Figure 23).

[Figure23] Change in Balance of TMG Bonds Per Capita in Working-age Population



* The information on the working-age population in fiscal 2000 is based on Population Census (Ministry of Internal Affairs and Communications).

* The data on the working-age population after fiscal 2015 is based on Regional Population Projections for Japan (March 2013) by National Institute of Population and Social Security Research.

- An increase in the balance of TMG bonds will lead to a rise in expenses for public bonds, which are mandatory expenses, resulting in a lower flexibility of TMG finances. A proper utilization of TMG bonds amid a changing situations surrounding the finances requires an examination from various viewpoints of a change in a population structure caused by a declining birthrate, aging population, and a decrease in population as well as the needs for maintenance and renewal of social capital stock.

The Funds:

- Metropolitan tax revenues that support TMG's finances drastically decreased by around one trillion yen over the past year and has continued its declining trend for several years. This remind us of its inherent unstable structure (Figure 10).
- Amid these situations, the funds play an important role in financial management of TMG as explained above.
- TMG is requested to implement its medium-to-long term measures even more steadily and strategically toward the realization of "The Long-Term Vision for Tokyo" and a grand design for the 2040s to be developed going forward.
- Against this backdrop, it is critical to secure the balance of the funds available as financial resources and to strategically utilize the funds further for developing concentrated and prioritized measures.

- TMG must not only take active action for realizing “the World’s Best City, Tokyo” going forward, but also respond to expenses including social security costs and expenses for maintenance and renewal of social capital stock, which cannot be avoided for the future.
- Meanwhile, TMG’s finances with its inherently unstable structure had a plan to correct its unreasonably biased tax sources in the corporate enterprise tax by restoring it as a regional tax. Although the fiscal 2014 Tax Reform concluded the repeal when the consumption tax rate rises to 10%, the corporate enterprise tax has been restored only up to one third of the total amount at a consumption tax rate of 8%.
- Moreover, FY 2014 Tax Reform has allowed part of the corporate inhabitant tax to be included in national taxes, and TMG will need to call for the Government to abolish unreasonable and unfair corrective measures continuously as financial resources of TMG may decline further mainly due to another irrational revisions in local corporate taxation in the future.
- Amid the difficulties in foreseeing the future environment of finances, TMG has to take thorough actions further for self-reform such as business evaluations based on lessons from actions taken at the time of economic fluctuations in the past.
- Based on the above, TMG will sustain stable financial ability going forward and ensure the accomplishment of its mission by utilizing TMG bonds and the funds systematically and strategically.

2. Fiscal Year 2014 Tokyo Metropolitan Government Financial Report

- The accounting system for local public enterprises was revised extensively for the first time in about half century or since 1966, according to an amendment to Local Public Enterprise Act and related cabinet orders and ministerial ordinances. This has led to a wide range of a revision of accounting standard for local public enterprises, which has been adopted into the budget and financial statements by TMG since fiscal 2014.
- In particular, the figures for assets and liabilities in the financial reports have changed significantly as a result of a change in a depreciation method for fixed assets acquired mostly with subsidies.
- In fiscal 2014, total assets were 46,439.6 billion yen while total liabilities were 15,600.3 billion yen, and the net asset ratio, which represents the percentage of the total net assets to the total assets, was 66.4%.
- In special accounts (outside scope of the ordinary account), total net assets were 8 billion yen.
- In public enterprise accounts, the net asset ratio was 50.9%.
- With respect to administrative bodies, their financial health improved in general. For further improvement of financial position, it is essential that each of the bodies continues to enhance its management efforts.

(1) TMG Comprehensive Financial Statements

TMG comprehensive financial statements are prepared as shown below so that the comprehensive financial status of public enterprises and administrative bodies, etc. can be understood more accurately.

- Elimination offsets of internal transactions are limited to the scope of the ordinary account.
- Special accounts, public enterprise accounts, administrative bodies, and local independent administrative corporations, all of which are not subject to the ordinary account, 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.

The scope of TMG comprehensive financial statements covers the ordinary account for TMG itself (a general account and 13 special accounts), two special accounts outside of the scope of the ordinary account, 11 public enterprise accounts, and, for organizations other than TMG, 33 administrative bodies and three local independent administrative corporations.

<TMG Comprehensive Financial Statements> (in billion yen)

(reference)

Item	FY2014	FY2013
Assets		
I Current assets	3,076.9	3,120.3
II Fixed assets	43,362.5	44,398.0
(of which, tangible fixed assets)	38,198.0	39,246.8
III Deferred assets	0.1	5.9
Total Assets	46,439.6	47,524.3
Liabilities		
I Current liabilities	1,486.1	1,943.6
II Fixed liabilities	11,860.3	12,209.3
III Deferred revenues	2,253.8	-
Total Liabilities	15,600.3	14,153.0
Total Net Assets	30,839.2	33,371.3
Total Liabilities and Net Assets	46,439.6	47,524.3

- Total assets were 46,439.6 billion yen, and of the total assets, tangible fixed assets accounted for 38,198.0 billion yen or 82.3%.
- Total liabilities were 15,600.3 billion yen, and of the total liabilities, fixed liabilities accounted for 11,860.3 billion yen or 76.0%.
- Total net assets were 30,839.2 billion yen, and the net asset ratio was 66.4%.

(2) Management Status by Managing Body

[1] Special Accounts (outside scope of the ordinary account)

- For the current period, the balances for the Slaughterhouse Account and the Metropolitan Public Housing Tenants Security Deposit Account were in deficit. Further, the total net assets of these two special accounts were 8.0 billion yen.

[2] Public Enterprise Accounts

- In the current balance, the Transportation account was in deficit, while the Industrial Waterworks account was balanced, and the remaining nine accounts were in surplus. In the net profit/loss for the current period, the Central Wholesale Market account, the Transportation account, and the Electricity account were in deficit, while the Industrial Waterworks account was balanced, and the remaining seven accounts were in surplus. Additionally, the net asset ratio was 50.9%.

[3] Administrative Bodies etc.

- Among 33 administrative bodies (33 bodies in the previous fiscal year), the total of 23 bodies including public interest corporations (the total number was 23 in the previous fiscal year) saw an increase in the overall net asset ratio. For the remaining 10 joint-stock companies (10 in the previous fiscal year), the ratio of net assets to total assets increased from the previous fiscal year, and they were in surplus in the current balance and net profit/loss for the current period. To promote further improvement of financial position, it is essential that each of the bodies continues to enhance its management efforts.
- TMG has been striving to improve administrative bodies' financial conditions, for example, by setting managerial goals, and to get an accurate picture of their financial conditions, including the future outlook, in order to prevent excessive financial burden to the TMG's general account in future fiscal years associated with such bodies.
- In fiscal year 2008, the Fiscal Consolidation Law was enforced, under which estimated amounts of charges for the public enterprise accounts, as well as in the general account for the bodies relating to a local government, such as third-sector public/private enterprises etc. shall be included in the calculation of future burden ratio. Furthermore, the local government is required to have clear understanding of the debt that can affect its financial position etc. over the years to come.

Given this, it is important to gain an accurate picture of financial conditions of the entire TMG, including administrative bodies etc. and maintain a manageable financial burden for TMG into the future.

(Appended Tables)

1. Fiscal Year 2014 Tokyo Metropolitan Government Ordinary Account Financial Statement

(1) Ordinary Account Balance Sheet
(As of March 31, 2015)

(in billion yen)

Item	FY2014	FY2013	Change in amount
Assets			
I Current assets	1,530.8	1,546.6	(15.8)
Cash and deposits	307.0	258.2	48.8
Uncollected revenues	108.5	116.2	(7.7)
Reserve for deficits due to non-payment	(14.1)	(14.2)	0.1
Fund reserves	894.4	873.7	20.7
Fiscal adjustment fund	566.3	455.1	111.1
Sinking fund	328.0	418.5	(90.4)
Short-term loans	234.9	309.7	(74.7)
Allowance for bad debt	(0)	(0)	(0)
Other current assets	-	3.0	(3.0)
II Fixed assets	31,534.2	31,281.5	252.6
1. Administrative assets	8,083.8	8,016.7	67.1
1. Fixed tangible assets	8,077.9	8,010.7	67.1
Buildings	2,616.3	2,587.7	28.6
Structures	334.1	333.3	0.8
Timber	0.6	0.6	(0)
Vessels etc.	17.7	17.8	(0.1)
Buoys etc.	0.8	0.8	(0)
Land	5,108.1	5,070.3	37.8
2. Intangible fixed assets	5.9	5.9	-
Surface rights	5.9	5.9	-
Other intangible fixed assets	-	-	-
2. Ordinary assets	1,092.5	1,117.9	(25.4)
1. Fixed tangible assets	1,083.2	1,109.4	(26.1)
Buildings	370.9	390.2	(19.2)
Structures	72.6	74.5	(1.8)
Timber	0	0	0
Vessels etc.	0.4	0.3	0
Buoys etc.	0.5	0.5	(0)
Land	638.5	643.6	(5.1)
2. Intangible fixed assets	9.2	8.5	0.7
Surface rights	0.3	0.3	-
Other intangible fixed assets	8.8	8.1	0.7
3. Important property	84.6	82.6	1.9
4. Infrastructure assets	14,217.6	14,094.8	122.7
1. Tangible fixed assets	14,203.5	14,080.7	122.7
Land	12,249.7	12,180.7	69.0
Other than land	1,953.8	1,900.0	53.7
2. Intangible fixed assets	14.0	14.0	-
Surface rights	14.0	14.0	-
Other intangible fixed assets	-	-	-
5. Leased assets	8.2	-	8.2
6. Construction in progress	1,316.4	1,307.9	8.5
7. Investment and other assets	6,730.8	6,661.4	69.4
Securities and investments	735.3	732.1	3.1
Public enterprise account investments	1,935.9	1,886.3	49.6
Long-term loans	1,358.8	1,546.1	(187.3)
Allowance for bad debt	(5.6)	(6.0)	0.4
Other obligations	11.3	11.5	(0.1)
Fund Reserves	2,527.6	2,323.9	203.6
Sinking fund	1,005.1	997.1	8.0
Special purpose fund	1,238.7	1,045.2	193.5
Fixed sum management fund	283.7	281.6	2.1
Other investments etc.	167.3	167.3	-
Total assets	33,065.1	32,828.2	236.8

(in billion yen)			
Item	FY2014	FY2013	Change in amount
Liabilities			
I Current liabilities	541.7	655.5	(113.7)
Unpaid refunds	1.3	1.3	(0)
TMG bonds	456.1	576.1	(120.0)
Short-term borrowing	0	0.0	(0)
Borrowing from other accounts	-	-	-
Fund operational costs	-	-	-
Other short-term borrowing	0	0	(0)
Lease obligations	0.6	-	0.6
Arrearage	-	-	-
Deferred payments	-	-	-
Unpaid guarantee liabilities	-	-	-
Other accounts payable	-	-	-
Reserve for bonus	81.3	75.8	5.5
Other current liabilities	2.2	2.2	-
II Fixed liabilities	7,150.1	7,452.3	(302.2)
TMG bonds	6,092.1	6,379.1	(286.9)
Long-term borrowing	7.2	3.7	3.4
Borrowing from other accounts	6.4	3.0	3.4
Fund operational costs	-	-	-
Other long-term borrowing	0.7	0.7	(0)
Lease obligations	3.6	-	3.6
Reserve for retirement allowances	1,038.8	1,058.9	(20.1)
Other reserves	-	-	-
Other fixed liabilities	8.1	10.4	(2.2)
Guaranty deposits	-	-	-
Other fixed liabilities	8.1	10.4	(2.2)
Total liabilities	7,691.8	8,107.8	(416.0)
Net Assets			
Net assets	25,373.2	24,720.3	652.8
(of which is increase/decrease in the current period)	652.8	597.2	55.5
Total net assets	25,373.2	24,720.3	652.8
Total liabilities and net assets	33,065.1	32,828.2	236.8

(2) Ordinary Account Administrative Cost Statement

(From April 1, 2014, to March 31, 2015)

(in billion yen)

(2) Ordinary Account Administrative Cost Statement

(From April 1, 2014, to March 31, 2015)

(in billion yen)

Item	FY2014	FY2013	Change in amount
Ordinary Balance			
I. Administrative balance			
1. Administrative revenues	5,726.4	5,493.4	232.9
Local taxes	4,739.9	4,533.5	206.3
Local transfer taxes	364.8	304.5	60.2
Local special grant	4.8	5.4	(0.5)
Allocations for municipalities with facilities owned by the national government	0	0	0
Miscellaneous tax-related revenues	0.1	0.1	(0)
National treasury disbursements	275.8	313.8	(38.0)
Traffic safety special grant	2.9	3.4	(0.4)
Operating revenues (special account)	0.1	0.1	(0)
Shares and charges	6.6	11.0	(4.3)
Fees and charges	144.8	139.3	5.4
Revenues from property	18.1	11.4	6.6
Miscellaneous (commissioned work revenues)	52.7	52.3	0.4
Miscellaneous	111.9	113.5	(1.6)
Donations	0	0.1	(0)
Funds transferred	3.3	4.3	(1.0)
Miscellaneous administrative revenues	-	-	-
2. Administrative expenses	5,121.5	4,927.1	194.3
Tax-related expenses	1,290.5	1,197.6	92.9
Payroll-related expenses	1,292.4	1,273.4	18.9
Building expenses	261.7	251.2	10.5
Maintenance and repair expenses	95.4	87.5	7.8
Social welfare expenses	123.5	120.4	3.0
Allowances etc.	1,032.2	1,032.9	(0.6)
Subsidized investment costs	85.7	97.9	(12.2)
Independent investment expenses	270.2	253.4	16.7
Direct government investment expenses	26.8	30.9	(4.0)
Investments (subvention etc.)	48.6	10.9	37.6
Transfers	230.3	215.4	14.8
Depreciation expenses	163.1	162.9	0.1
Debt guaranty expenses	-	-	-
Transfer to reserve for deficit due to non-payment	12.2	12.3	(0.1)
Transfer to allowance for bad debt	0.1	0.1	0
Transfer to reserve for bonus	81.3	75.8	5.5
Transfer to reserve for retirement allowances	100.1	98.6	1.4
Transfer to other reserves	-	0	(0)
Other administrative expenses	6.9	5.2	1.6
II. Financial balance			
1. Financial revenues	15.2	16.8	(1.5)
Revenues from interest earned and dividends	15.2	16.8	(1.5)
2. Financial expenses	98.9	110.0	(11.1)
Expenses for public bonds (interest)	96.8	106.6	(9.8)
TMG bond issuing fees	1.8	2.5	(0.7)
Discount on TMG bonds	0	0.7	(0.7)
Interest on borrowing from other accounts	0.2	0	0.1
Ordinary balance	521.1	473.0	48.0
Special Balance			
I. Special revenues	37.7	21.4	16.2
Profit on sale of fixed assets	10.5	8.2	2.2
Other special revenues	27.2	13.1	14.0
II. Special expenses	44.9	21.2	23.6
Loss on sale of fixed assets	1.5	2.7	(1.2)
Loss on disposal of fixed assets	7.1	8.1	(1.0)
Disaster recovery expenses	2.5	0.9	1.6
Deficit due to non-payment	1.5	6.2	(4.6)
Bad debts loss	0	0	0
Other special expenses	32.1	3.2	28.8
Balance for the current period	513.9	473.3	40.6

(3) Ordinary Account Cash Flow Statement (From April 1, 2014, to March 31, 2015)

(in billion yen)

Item	FY2014	FY2013	Change in amount	Item	FY2014	FY2013	Change in amount
I. Administrative services activities				II. Social capital improvement investment activities			
Tax revenues etc.	5,104.7	4,844.4	260.3	National treasury disbursement etc.	116.1	106.0	10.1
Local taxes	4,734.9	4,534.2	200.7	National treasury disbursement	109.6	95.5	14.1
Local transfer taxes	364.8	304.5	60.2	Shares and charges	2.4	5.5	(3.1)
Local special grants	4.8	5.4	(0.5)	Amount transferred etc.	4.0	4.9	(0.9)
Allocations for municipalities with facilities owned by the national government	0	0	0	Revenues from property	12.4	18.2	(5.8)
Miscellaneous tax-related revenues	0.1	0.1	(0)	Cash from sale of property	12.4	18.2	(5.8)
National treasury disbursement etc.	279.3	317.5	(38.1)	Funds transferred	59.8	59.5	0.2
National treasury disbursement	276.3	314.0	(37.7)	Financial adjustment fund	-	-	-
Traffic safety special grant	2.9	3.4	(0.4)	Sinking fund	-	-	-
Other administrative revenues	334.5	326.6	7.9	Special purpose fund	59.1	58.0	1.0
Operating revenues (special account)	0.1	0.1	(0)	Fixed amount invest fund	0.7	1.5	(0.8)
Shares and charges	6.6	10.9	(4.3)	Revenues from collection of loan principal etc	507.5	335.2	172.3
Fees and charges	143.9	137.9	5.9	Security deposit revenues	0	0	(0)
Revenues from property	16.2	7.3	8.9	Social capital improvement expenses	335.1	339.4	(4.2)
Miscellaneous (commissioned work revenues)	52.7	52.3	0.4	Building expenses	3.4	2.4	1.0
Miscellaneous	111.4	113.6	(2.1)	Allowances etc.	0.4	0.9	(0.5)
Donations	0	0.1	(0)	Subsidized investment costs	164.1	156.4	7.7
Funds transferred	3.3	4.0	(0.7)	Independent investment expenses	167.1	179.5	(12.4)
Financial revenues	15.2	16.8	(1.5)	Funds reserved	366.8	181.6	185.1
Revenues from interest earned and dividends	15.2	16.8	(1.5)	Financial adjustment fund	111.1	37.2	73.8
Tax-related expenses	1,290.5	1,197.6	92.9	Sinking fund	-	-	-
Tax-related expenses	1,290.5	1,197.6	92.9	Special purpose fund	252.8	141.3	111.5
Administrative expenses	3,665.6	3,584.9	80.7	Fixed sum management fund	2.8	3.0	(0.2)
Payroll-related expenses	1,489.2	1,476.5	12.7	Loans and investments, etc.	300.9	348.7	(47.7)
General and miscellaneous expenses	261.1	250.4	10.6	Investments	5.6	9.6	(3.9)
Maintenance and repair expenses	95.3	87.5	7.7	Transfers (other accounts)	49.6	53.9	(4.2)
Social welfare expenses	123.3	120.2	3.1	Loans	245.7	285.1	(39.4)
Allowances etc.	1,029.8	1,027.9	1.9	Deposit expenses	0.1	0.1	0
Subsidized investment costs	85.7	99.5	(13.7)	Balance of social capital improvement investment activities	(307.2)	(350.8)	43.5
Independent investment expenses	273.6	257.1	16.4	Balance of administrative activities cash flow	369.0	261.1	107.9
Direct government investment expenses	26.8	30.9	(4.0)	III. Financing activities			
Investments (subvention etc.)	48.6	10.9	37.6	Revenues from financing activities	170.5	239.4	(68.8)
Amount transferred	231.7	223.4	8.3	TMG bonds	167.0	238.0	(70.9)
Financial expenses	98.8	109.9	(11.1)	Loans from other accounts	3.4	1.4	2.0
Expenses for public bonds (interest, fees)	98.6	109.9	(11.3)	Fund management fees	-	-	-
Interests on borrowing from other accounts	0.2	0	0.1	Funds transferred	-	(0)	0
Special expenses	2.5	0.9	1.6	Expenses for financial activities	493.1	438.9	54.2
Disaster recovery/business expenses	2.5	0.9	1.6	Expenses for public bonds (principal)	491.6	437.4	54.2
Balance of administrative service activities	676.2	611.9	64.3	Refund of loans from other accounts etc	1.4	1.4	0
				Refund of fund management fees etc	-	-	-
				Balance of Financing activities	(322.5)	(199.4)	(123.1)
				Total balance	46.4	61.7	(15.2)
				Balance brought forward from the previous fiscal year	252.9	191.2	61.7
				Proforma balance	299.4	252.9	46.4

(4) Ordinary Account Statement of Changes in Net Assets
(From April 1, 2014, to March 31, 2015)

(in billion yen)

	Opening balance equivalent	National treasury disburse- ments	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	1,016.3	76.5	289.3	(83.6)	(1.7)	4,401.6	24,720.3
Amount changed for the current period	-	109.2	5.9	25.3	(1.5)	(0)	513.9	652.8
Change in fixed assets etc.	-	109.2	5.9	25.3	(1.5)	23.1	-	162.1
Change in TMG bonds etc.	-	-	-	-	-	(14.8)	-	(14.8)
Other intra-bureau transactions	-	-	-	-	-	(8.3)	-	(8.3)
Balance for the current period	-	-	-	-	-	-	513.9	513.9
Balance at the end of the current period	19,021.8	1,125.6	82.4	314.6	(85.1)	(1.7)	4,915.6	25,373.2

(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	Depreciati on for the current period	Net balance at the end of the current period
Tangible fixed assets	27,903.6	3,109.2	2,780.7	28,232.1	3,458.0	163.1	24,774.1
Administrative assets	10,073.9	1,549.8	1,393.4	10,230.3	2,152.4	99.4	8,077.9
Buildings	4,397.4	358.7	250.9	4,505.2	1,888.9	85.4	2,616.3
Structures	568.5	1,005.2	993.9	579.7	245.6	12.2	334.1
Timber	0.6	0	0	0.6	-	-	0.6
Vessels etc.	35.4	3.7	4.3	34.8	17.0	1.6	17.7
Buoys etc.	1.6	0.1	0.1	1.6	0.7	0	0.8
Land	5,070.3	181.9	144.0	5,108.1	-	-	5,108.1
Ordinary assets	1,412.7	127.6	139.6	1,400.7	317.4	15.9	1,083.2
Buildings	628.3	61.8	69.5	620.7	249.7	13.7	370.9
Structures	137.4	4.2	3.7	137.8	65.1	2.0	72.6
Timber	0	0	0	0	-	-	0
Vessels etc.	0.9	1.7	1.4	1.3	0.8	0	0.4
Buoys etc.	2.2	-	-	2.2	1.6	0	0.5
Land	643.6	59.7	64.8	638.5	-	-	638.5
Important property	194.0	28.5	24.3	198.2	113.5	9.5	84.6
Infrastructure assets	14,914.9	362.9	202.7	15,075.2	871.6	38.0	14,203.5
Land	12,180.7	168.6	99.6	12,249.7	-	-	12,249.7
Other than land	2,734.2	194.2	103.0	2,825.5	871.6	38.0	1,953.8
Leased assets	-	22.8	11.6	11.1	2.8	0.2	8.2
Construction in progress	1,307.9	1,017.3	1,008.8	1,316.4	-	-	1,316.4
Intangible fixed assets	28.5	1.9	1.2	29.2	-	-	29.2
Administrative assets	5.9	-	-	5.9	-	-	5.9
Surface rights	5.9	-	-	5.9	-	-	5.9
Other intangible fixed assets	-	-	-	-	-	-	-
Ordinary assets	8.5	1.9	1.2	9.2	-	-	9.2
Surface rights	0.3	-	-	0.3	-	-	0.3
Other intangible fixed assets	8.1	1.9	1.2	8.8	-	-	8.8
Infrastructure assets	14.0	-	-	14.0	-	-	14.0
Surface rights	14.0	-	-	14.0	-	-	14.0
Other intangible fixed assets	-	-	-	-	-	-	-
Total	27,932.1	3,111.2	2,782.0	28,261.3	3,458.0	163.1	24,803.3

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

Year-to-date (From April 1, 2014, to March 31, 2015)
<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 (13 accounts)</p> <ul style="list-style-type: none"> Special Wards Fiscal Adjustment Local Consumption Tax Adjustment Ogasawara Islands Livelihood Rehabilitation Fund One-Parent Family Welfare Loan Fund Physically or Mentally Handicapped Annuity 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 Expenses for Public Bonds Waterfront Urban Infrastructure Development Project
<p>2. Base Date</p> <p>The base date shall be taken as being March 31, 2015, the results and statements, however, include all deposits and withdrawals carried out between April 1, 2015, and May 31, 2015 (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 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 and the residual value rate 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, 2014, to March 31, 2015)

7. Processing Method for Deferred Assets

These are, in principle, not subject to accounting.

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.

8. Valuation Standards and Method for Securities and Investments

As for securities and investments, administrative bodies' stocks and investments held by TMG are stated at their acquisition prices. However, items whose market value or real value markedly decreased are booked at reduced value.

9. Accounting Standards for Reserve Allowances

The Tokyo Metropolitan Government's main reserve allowances are outlined below.

(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 non-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.

(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.

(3) 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.

(4) Reserve for bonuses

A part of the year-end allowances and bonus payable in the following fiscal year is recorded as reserve for bonuses in case the relevant liabilities incurring this fiscal year are attributable.

10. Conversion Standards for Converting Foreign-currency-denominated Assets and Debt into yen equivalent

The Tokyo Metropolitan Government issues foreign-currency-denominated bonds in the U.S. and European markets. 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.

11. Accounting Standards for Revenues and Expenses

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.

Year-to-date (From April 1, 2014, to March 31, 2015)	
(Other)	
Balance Sheet-related Items	
1. Display Method for Entered Amounts	The entered figures have been rounded down to the indicated unit.
2. Accounting Standards for Tangible Fixed Assets	The balance sheet amount for all TMG-owned public property, leased assets, important property and infrastructure assets is calculated using the acquisition price.
3. Changes in Accounting Principles and Procedures	<p>Although accounting for finance lease transactions in which the right of ownership is transferred was formerly according to the method for standard lease transactions, it has been changed to the method for standard sales and purchase transactions since the current period, and leased assets are posted as fixed assets while lease obligations are posted as current (fixed) liabilities. This change is to accurately reflect the actual figures on financial statements regarding lease transactions which are in fact considered sales and purchase transactions.</p> <p>Due to this change, leased assets of 8.2 billion yen were newly posted, increasing total assets by the same amount. Further, lease obligations of 4.3 billion yen were newly posted, increasing total liabilities by the same amount.</p>
Administrative Cost Statement-related Items	
1. Display Method for Entered Amounts	The entered figures have been rounded down to the indicated unit.
Cash Flow Statement-related Items	
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 FY2014
Related to public corporations/societies	84.5
Others	95.1

2. Other Debt Burdens (estimated future expenditure)

(in billion yen)	
Item	End of FY2014
Interest rate subsidy-related items	46.8
Others	934.8

3. Expected Repayments of Outstanding Borrowing (as of the end of FY2014)

(in billion yen)			
Item	FY2015	From FY2016	Total
TMG bonds	456.1	6,092.1	6,548.2
Borrowing from other accounts etc.	0	7.2	7.2
Total	456.1	6,099.4	6,555.5

Outstanding balance of TMG bonds of 6,548.2 billion yen, as of the end of fiscal year 2014, is expected to give rise to a total future interest payment of 755.3 billion yen.

4. Figures for Temporary Borrowing

In order to carry out short-term funding, 200.0 billion yen were raised from the fiscal adjustment fund on May 30, 2014 and was repaid on June 3. The total interest on this borrowing was 547,945 yen and its payment was implemented from the general account.

5. Sinking Fund

Following the settlement of accounts for fiscal year 2014, there was no shortfall.

6. Breakdown of Other Funds

(in billion yen)

Item	End of FY2014
Special Fund for Expenses Needed in Relation to the Switch of the Corporate Enterprise Tax to a National Tax	-
Social Capital Improvement Fund	550.5
Tokyo Olympic and Paralympic Games Hosting Fund Reserve	408.8
Fund for Promotion and Exchange of Sports and Culture	0.1
Welfare, Health and Safety Fund	10.5
Fund for Green Tokyo Fundraising Campaign	0.2
Asian Human Resources Fund	2.6
Pollution-Related Health Damage Prevention Fund	3.4
Fund for utilizing the Senkaku Islands through Tokyo Metropolitan Government Senkaku Island Donations	1.4
Disaster Prevention Fund for Town Planning	100.0
Disaster Relief Fund	16.5
Fund for Annuity for Individuals with Physical or Mental Disabilities	59.0
Fund for Stabilization of Finance of Nursing Care Insurance	3.1
Support Fund for Expansion of Administrative Work of National Health Insurance	2.3
Support Fund for Regional Activities on Forestry Development	0
Fund for Stabilizing the Expenses of Local Government on Medical Insurance for the Elderly Aged over 75	21.1
Fund for Enforcing the Consumer Support by Local Government	0.2
Fund for Establishing the Supportive Society to Raise Children	20.2
Temporary Special Fund for Emergency Project on Employment Creation	8.7
Support Fund for High School Students	-
Temporary Special Fund for Quakeproofing Social Welfare Facilities	4.6
Community Healthcare Revitalization Fund	0.9
Temporary Special Fund for Quakeproofing Medical Facilities	4.3
Emergency Enforcement Fund for Regional Measures against Suicide	0
Temporary Special Fund for Improvement of Care Staff Treatment	1.6
Temporary Special Fund for Emergency Development of Foundation for Nursing Care	11.0
Fund for Forestry Development Acceleration and Forestry Rejuvenation	0
Fund for Promotion of Regional Measures against Marine Debris	-
Fund for Support of Agricultural Structural Reform	0.1
Fund for Securing Comprehensive Regional Medical/Nursing Care	5.5
Promotion Fund for the Introduction of Renewable Energy	1.0
Municipal Promotion Fund	283.6
Equipment Procurement Fund	0.1
Total	1,522.4

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 local road transfer taxes, petroleum gas transfer tax, the special tonnage transfer tax, aviation fuel transfer tax, special local corporate transfer tax, and local gasoline transfer tax.
Local special grants	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 will be recorded.
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 and investments) and increase in book value from the claim amount.
Other special revenues	Calculated as the gain on the sale of securities and investments 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	FY2014
Cash and deposits	298.7
Balance of payments for the portion of Urban Redevelopment Project Account in the ordinary account classification	0.6
Balance at the end of the fiscal year for cash and cash equivalents (Proforma balance)	299.4

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	FY2014
Metropolitan inhabitant tax	1,821.9
Business tax	777.0
Local consumption tax	417.6
Real estate acquisition tax	76.6
Metropolitan tobacco tax	18.1
Automobile acquisition tax	9.1
Light-oil delivery tax	41.1
Automobile tax	106.7
Fixed assets tax	1,144.6
Special land ownership tax	0
Business office tax	98.4
City planning tax	220.9
Others	2.2
Total	4,734.9

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

When establishing a reserve for a sinking fund for use as scheduled redemption equivalent to finance the bullet maturity amortization of public offering and private placement 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	FY2014
Sinking fund transfer	418.5
Sinking fund reserve	336.1

2. Fiscal Year 2014 Tokyo Metropolitan Government Comprehensive Financial Statement

(1) Tokyo Metropolitan Government Comprehensive Financial Statement

[1] Ordinary Account and Other “Special Accounts”

(in million yen)

	Ordinary Account A	"Special Accounts" B		(Simple Total) (A+B)
		Slaughter house B1	Metropolitan Public Housing Tenants Security Deposit B2	
Administrative Cost Statement (Ordinary balance)				
I. Administrative balance (1)=a-b	604,822	(3,574)	(29)	601,217
Administrative revenues a	5,726,410	1,564	29	5,728,003
Local taxes etc.	5,104,749	-	-	5,104,749
Grants etc.	7,895	-	-	7,895
National treasury disbursement	275,819	-	-	275,819
Funds transferred	3,313	-	25	3,338
Other	334,632	1,564	4	336,200
Administrative expenses b	5,121,588	5,138	59	5,126,786
Tax-related expenses	1,290,523	-	-	1,290,523
Payroll-related expenses	1,292,401	2,094	-	1,294,496
Allowances etc.	1,032,249	1,183	-	1,033,433
Investment expenses	382,814	10	-	382,825
Funds disbursed	230,300	-	59	230,359
Other	893,298	1,849	-	895,148
II. Financial balance (2)=c-d	(83,644)	(69)	-	(83,713)
Financial revenues c	15,284	0	-	15,284
Financial expenses d	98,929	69	-	98,998
Ordinary balance (3) = (1) - (2) = (1) + (2)	521,177	(3,643)	(29)	517,504
Special balance				
Special revenues e	37,750	3	1	37,756
Special expenses f	44,938	-	-	44,938
Special balance (4)=e-f	(7,187)	3	1	(7,181)
Balance for the current period (5)=(3)+(4)	513,989	(3,639)	(27)	510,322
Transfer to general account g	-	3,059	-	3,059
Disbursement from general account h	-	-	-	-
Balance brought forward (5)+g-h	513,989	(579)	(27)	513,382
Balance Sheet (Assets)				
I. Current assets	1,530,835	-	9,638	1,540,474
Cash and deposits	307,031	-	9,623	316,654
Other current assets	1,223,804	-	15	1,223,819
II. Fixed assets	31,534,267	13,824	6,488	31,554,580
Tangible fixed assets	24,774,171	13,824	-	24,787,995
Land	17,996,503	-	-	17,996,503
Other tangible fixed assets (property etc.)	6,777,667	13,824	-	6,791,492
Intangible fixed assets	29,220	-	-	29,220
Investments etc.	6,730,876	-	6,488	6,737,364
Long-term loan	1,358,868	-	6,488	1,365,356
Funds	2,527,627	-	-	2,527,627
Other investments etc.	2,844,380	-	-	2,844,380
III. Deferred assets	-	-	-	-
Total assets	33,065,103	13,824	16,126	33,095,054
(Liabilities)				
I. Current liabilities	541,769	1,065	-	542,834
II. Fixed liabilities	7,150,103	4,687	16,103	7,170,893
Long-term borrowing	6,099,436	2,810	-	6,102,247
Other fixed liabilities	1,050,666	1,876	16,103	1,068,646
III. Deferred revenues	-	-	-	-
Total liabilities	7,691,873	5,752	16,103	7,713,728
(Net assets)				
Total net assets	25,373,230	8,072	23	25,381,325
(of which are changes in the current period)	652,862	690	(27)	653,525
Total liabilities and net assets	33,065,103	13,824	16,126	33,095,054

[2] Public Enterprise Accounts

(in million yen)

		Hospitals C1	Central Wholesale Market C2	Urban Redevelopment Project C3	Waterfront Area Development Project C4	Port and Harbor Project C5	Transportation C6
Profit and Loss Statement							
Operating profit	(1)=a-b	(15,796)	(2,013)	4,638	9,041	891	(2,602)
Operating earnings	a	131,726	14,410	182,919	16,245	3,826	43,702
Operating expenses	b	147,522	16,423	178,280	7,203	2,935	46,305
Business cost price		85,964	121	178,280	4,970	1,617	34,506
Administrative expenses		61,557	16,302	-	2,233	1,317	11,798
Non-operating profit	(2)=c-d	16,939	2,112	33	1,348	493	611
Non-operating earnings	c	24,570	3,185	33	4,722	523	2,365
Non-operating expenses	d	7,630	1,072	-	3,373	30	1,753
Current balance	(1)+(2)	1,142	99	4,671	10,390	1,384	(1,990)
Special profit	(3)=e-f	6,643	(1,923)	(118)	(818)	(234)	(1,480)
Special earnings	e	46,217	1,124	-	-	-	396
Special expenses	f	39,574	3,047	118	818	234	1,877
Net profit for the current period	(4)=(1)+(2)+(3)	7,786	(1,824)	4,552	9,571	1,150	(3,471)
Retained profit brought forward	(5)	-	(5,428)	1,802	35,992	10,883	(10,283)
Changes of other unappropriated profit	(6)	2,028	6,587	-	49,727	493	3,160
Unappropriated revenues for the current period	(4)+(5)+(6)	9,814	(665)	6,355	95,291	12,527	(10,594)

Balance Sheet							
(Assets)							
I. Current assets		120,879	155,030	41,760	156,108	26,588	41,040
Cash and deposits		91,975	132,260	41,356	151,413	26,089	14,970
Other current assets		28,904	22,769	404	4,695	499	26,070
II. Fixed assets		184,543	615,458	139,856	889,230	336,078	179,128
Tangible fixed assets		150,666	615,136	139,856	776,530	330,499	68,937
Land		780	188,071	-	776,231	313,507	19,563
Other tangible fixed assets (property etc.)		149,886	427,065	139,856	299	16,991	49,373
Intangible fixed assets		259	6	-	1	2	96
Investments etc.		33,617	314	-	112,698	5,577	110,094
Long-term loan		-	8	-	5,000	-	90,000
Funds		-	-	-	-	-	-
Other investments etc.		33,617	306	-	107,698	5,577	20,094
III. Deferred assets		-	20	-	-	-	-
Total assets		305,423	770,508	181,617	1,045,339	362,666	220,169
(Liabilities)							
I. Current liabilities		26,213	30,040	143,393	10,744	949	17,123
II. Fixed liabilities		145,469	197,845	138	190,924	790	61,043
Long-term borrowing		107,914	167,492	-	187,265	620	34,646
Other fixed liabilities		37,554	30,353	138	3,659	170	26,397
III. Deferred revenues		4,482	39,678	-	0	130	2,169
Total liabilities		176,165	267,564	143,532	201,668	1,870	80,336
(Capital)							
Total capital		129,258	502,944	38,085	843,670	360,796	139,832
(of which are changes in the current period)		(120,944)	(207,888)	897	(233,500)	(207)	(41,733)
Total liabilities and capital		305,423	770,508	181,617	1,045,339	362,666	220,169

(in million yen)

Urban Rapid Transit Railway	Electric Power	Waterworks	Industrial Waterworks	Sewerage	(Simple Total)
C7	C8	C9	C10	C11	(C)

Profit and Loss Statement							
Operating profit	(1)=a-b	16,750	1,043	31,954	(483)	(10,264)	33,159
Operating earnings	a	138,208	1,863	313,348	758	280,996	1,128,005
Operating expenses	b	121,458	820	281,393	1,242	291,260	1,094,846
Business cost price		66,857	679	195,863	562	94,639	664,065
Administrative expenses		54,600	140	85,529	679	196,620	430,780
Non-operating profit	(2)=c-d	2,002	48	7,441	483	46,202	77,719
Non-operating earnings	c	12,657	48	14,617	544	86,236	149,506
Non-operating expenses	d	10,654	0	7,175	60	40,034	71,787
Current balance	(1)+(2)	18,753	1,092	39,396	-	35,938	110,878
Special profit	(3)=e-f	(175)	(1,151)	(4,309)	-	41,330	37,762
Special earnings	e	2,879	246	-	-	44,816	95,680
Special expenses	f	3,054	1,397	4,309	-	3,485	57,918
Net profit for the current period	(4)=(1)+(2)+(3)	18,577	(59)	35,087	-	77,268	148,640
Retained profit brought forward	(5)	(384,688)	-	-	-	12,476	(339,245)
Changes of other unappropriated profit	(6)	11,339	0	147,115	1,210	37,333	258,996
Unappropriated revenues for the current period	(4)+(5)+(6)	(354,771)	(58)	182,203	1,210	127,077	68,390

Balance Sheet							
(Assets)							
I. Current assets		152,015	3,619	294,477	6,717	193,770	1,192,009
Cash and deposits		68,651	1,789	201,151	6,471	47,137	783,267
Other current assets		83,364	1,829	93,325	246	146,633	408,742
II. Fixed assets		1,416,120	3,150	2,383,090	23,947	5,630,423	11,801,028
Tangible fixed assets		1,391,802	3,138	2,320,285	23,738	5,629,567	11,450,157
Land		132,534	96	249,983	1,045	534,658	2,216,472
Other tangible fixed assets (property etc.)		1,259,268	3,041	2,070,301	22,692	5,094,908	9,233,685
Intangible fixed assets		772	11	61,645	209	651	63,656
Investments etc.		23,545	1	1,159	-	204	287,213
Long-term loan		-	-	-	-	-	95,008
Funds		-	-	-	-	-	-
Other investments etc.		23,545	1	1,159	-	204	192,204
III. Deferred assets		-	-	18	-	144	183
Total assets		1,568,136	6,770	2,677,586	30,665	5,824,338	12,993,221
(Liabilities)							
I. Current liabilities		75,110	313	140,503	173	279,437	724,003
II. Fixed liabilities		875,108	151	354,939	11	1,572,072	3,398,495
Long-term borrowing		639,735	-	226,394	-	1,535,966	2,900,033
Other fixed liabilities		235,373	151	128,545	11	36,105	498,461
III. Deferred revenue		437,919	744	174,855	5,394	1,588,505	2,253,881
Total liabilities		1,388,138	1,210	670,297	5,580	3,440,015	6,376,379
(Capital)							
Total capital		179,998	5,559	2,007,288	25,085	2,384,322	6,616,841
(of which are changes in the current period)		(982,283)	(1,703)	(424,021)	(9,826)	(4,217,544)	(6,238,755)
Total liabilities and capital		1,568,136	6,770	2,677,586	30,665	5,824,338	12,993,221

[3-1] Administrative Bodies (incorporated foundations (1))

(in million yen)

		Tokyo Metropolitan Human Rights Promotion Center	Tokyo Metropolitan Islands Promotion Corporation	Tokyo Tax Association	Tokyo Metropolitan Foundation for History and Culture	Tokyo Metropolitan Symphony	Tokyo Sport Benefits Corporation
		D1	D2	D3	D4	D5	D6
Statement of Changes in Net Assets							
(Changes in unrestricted net assets)							
Current increase (decrease) for the current period	(1)=a-b	13	(4)	(4)	30	(9)	60
Current revenues	a	235	709	1,175	11,787	1,706	5,071
Current expenses	b	222	714	1,180	11,756	1,715	5,010
Nonrecurring increase (decrease) for the current period	(2)=c-d	-	(35)	-	(25)	(0)	-
Nonrecurring revenues	c	-	-	-	0	-	-
Nonrecurring expenses	d	-	35	-	25	0	-
Corporation tax etc.	(3)	2	[-]	3	0	0	0
Total changes in unrestricted net assets for the current period	(4)=(1)+(2)-[(3)]	10	(39)	(8)	5	(10)	60
Unrestricted net assets at the beginning of the current period	(5)	133	871	527	6,096	719	849
Unrestricted net assets at the end of the current period	(6)=(4)+(5)	144	831	519	6,101	709	910
(Changes in restricted net assets)							
Total changes in restricted net assets for the current period	(7)	-	-	-	44	-	23
Restricted net assets at the beginning of the current period	(8)	101	4,000	300	252	1	517
Restricted net assets at the end of the current period	(9)=(7)+(8)	101	4,000	300	296	1	541
Net assets at the end of fiscal year	(6)+(9)	245	4,831	819	6,398	710	1,451

*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		88	278	400	6,671	409	2,000
Cash and deposits		84	232	274	6,157	168	1,119
Other current assets		4	45	125	514	241	880
II. Fixed assets		174	6,814	551	3,519	544	1,375
Tangible fixed assets		0	137	28	768	18	30
Land		-	-	-	-	-	-
Other tangible fixed assets (property etc.)		0	137	28	768	18	30
Intangible fixed assets		0	0	3	36	28	13
Investments etc.		174	6,676	519	2,713	497	1,332
Long-term loan		-	-	-	-	36	-
Funds		-	-	-	-	-	-
Other investments etc.		174	6,676	519	2,713	461	1,332
III. Deferred assets		-	-	-	-	-	-
Total assets		263	7,093	951	10,190	954	3,375
(Liabilities)							
I. Current liabilities		17	21	115	2,932	191	1,360
II. Fixed liabilities		-	2,240	16	860	51	564
Long-term borrowing		-	2,240	-	-	-	-
Other fixed liabilities		-	-	16	860	51	564
III. Deferred revenues		-	-	-	-	-	-
Total liabilities		17	2,261	132	3,792	243	1,924
(Net assets)							
Total net assets		245	4,831	819	6,398	710	1,451
(of which are changes in the current period)		10	(39)	(8)	49	(10)	84
Total liabilities and net assets		263	7,093	951	10,190	954	3,375

Current status of metropolitan government's involvement							
Investment ratio (%)		74.2	45.5	85.6	32.2	4.4	100
Number of metropolitan government contract employees/ Number of permanent employees		5/8	3/7	8/194	33/246	2/110	40/133

* 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 is calculated as of 31 March, 2015, number of employees is as of 1 August, 2014

(in million yen)

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	Johoku Labor and Welfare Center
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	1	(66)	164	79	(81)	-
Current revenues	a	2,874	25,573	5,907	3,482	4,105	606
Current expenses	b	2,873	25,639	5,743	3,402	4,186	606
Nonrecurring increase (decrease) for the current period	(2)=c-d	(85)	85	(11)	(12)	64	-
Nonrecurring revenues	c	-	130	0	-	70	0
Nonrecurring expenses	d	85	44	11	12	6	0
Corporation tax etc.	(3)	0	0	0	[-]	[-]	[-]
Total changes in unrestricted net assets for the current period	(4)=(1)+(2)+(-3)	(84)	19	152	67	(17)	-
Unrestricted net assets at the beginning of the current period	(5)	383	64,217	3,891	1,512	761	-
Unrestricted net assets at the end of the current period	(6)=(4)+(5)	299	64,236	4,044	1,579	743	-
(Changes in restricted net assets)							
Total changes in restricted net assets for the current period	(7)	-	-	0	56	-	9
Restricted net assets at the beginning of the current period	(8)	880	13	356	1,175	300	37
Restricted net assets at the end of the current period	(9)=(7)+(8)	880	13	356	1,231	300	47
Net assets at the end of fiscal year	(6)+(9)	1,179	64,249	4,401	2,811	1,043	47

*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 Environmental Public Service Corporation reflects specific assets appraisal profit or loss etc. and valuation profit or loss on specified assets etc.

Balance Sheet							
(Assets)							
I. Current assets		1,675	22,164	26,549	2,669	562	153
Cash and deposits		1,632	6,041	25,334	555	537	151
Other current assets		43	16,123	1,214	2,113	24	1
II. Fixed assets		985	53,996	2,268	7,614	1,511	73
Tangible fixed assets		48	1,346	612	158	990	27
Land		-	656	73	-	-	-
Other tangible fixed assets (property etc.)		48	689	538	158	990	27
Intangible fixed assets		44	76	110	16	80	0
Investments etc.		892	52,574	1,546	7,438	440	44
Long-term loan		-	27	-	5,675	-	0
Funds		-	-	-	-	-	-
Other investments etc.		892	52,546	1,546	1,763	440	44
III. Deferred assets		-	-	-	-	-	-
Total assets		2,661	76,161	28,817	10,283	2,073	226
(Liabilities)							
I. Current liabilities		1,482	8,619	24,192	722	735	153
II. Fixed liabilities		-	3,292	223	6,749	294	25
Long-term borrowing		-	-	-	1,423	-	-
Other fixed liabilities		-	3,292	223	5,326	294	25
III. Deferred revenues		-	-	-	-	-	-
Total liabilities		1,482	11,912	24,416	7,472	1,029	179
(Net assets)							
Total net assets		1,179	64,249	4,401	2,811	1,043	47
(of which are changes in the current period)		(84)	19	152	123	(17)	9
Total liabilities and net assets		2,661	76,161	28,817	10,283	2,073	226

Current status of metropolitan government's involvement							
Investment ratio (%)		90.9	76.9	99.7	60.0	100	100
Number of metropolitan government contract employees/ Number of permanent employees		4/16	15/262	69/309	40/110	74/190	19/36

* 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 is calculated as of 31 March, 2015, number of employees is as of 1 August, 2014

(in million yen)

Tokyo Metropolitan Health and Medical Treatment Corporation	Tokyo Metropolitan Small Business Center	Tokyo Foundation for Employment Service	Tokyo Development Foundation For Agriculture, Forestry & Fisheries	Tokyo Convention and Visitors Bureau	Tokyo Zoological Park Society
D13	D14	D15	D16	D17	D18

Statement of Changes in Net Assets							
(Changes in unrestricted net assets)							
Current increase (decrease) for the current period	(1)=a-b	301	92	(32)	15	1	1
Current revenues	a	53,149	6,124	3,567	3,389	1,603	9,055
Current expenses	b	52,847	6,031	3,599	3,373	1,601	9,052
Nonrecurring increase (decrease) for the current period	(2)=c-d	(6)	(1)	-	-	(0)	63
Nonrecurring revenues	c	27	-	-	0	-	81
Nonrecurring expenses	d	33	1	-	0	0	18
Corporation tax etc.	(3)	[94]	0	1	[-]	1	11
Total changes in unrestricted net assets for the current period	(4)=(1)+(2)+(-3)	295	90	(34)	15	-	53
Unrestricted net assets at the beginning of the current period	(5)	(3,557)	2,771	110	525	967	1,669
Unrestricted net assets at the end of the current period	(6)=(4)+(5)	(3,262)	2,862	76	541	967	1,722
(Changes in restricted net assets)							
Total changes in restricted net assets for the current period	(7)	73	86	(0)	175	-	(8)
Restricted net assets at the beginning of the current period	(8)	7,401	674	503	4,374	300	91
Restricted net assets at the end of the current period	(9)=(7)+(8)	7,474	761	503	4,550	300	82
Net assets at the end of fiscal year	(6)+(9)	4,212	3,624	580	5,091	1,268	1,805

*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 valuation profit or loss on basic funds, etc. and valuation profit or loss on specified assets etc.

Balance Sheet							
(Assets)							
I. Current assets		9,753	34,009	1,617	647	646	1,466
Cash and deposits		1,856	1,657	747	580	484	815
Other current assets		7,896	32,352	870	66	162	651
II. Fixed assets		9,635	40,382	743	6,224	1,519	1,622
Tangible fixed assets		6,769	300	23	350	21	407
Land		-	75	-	-	-	20
Other tangible fixed assets (property etc.)		6,769	224	23	350	21	387
Intangible fixed assets		1,520	47	0	7	-	36
Investments etc.		1,344	40,034	718	5,866	1,497	1,178
Long-term loan		-	-	-	29	-	-
Funds		-	36,454	-	1,487	778	59
Other investments etc.		1,344	3,580	718	4,350	719	1,118
III. Deferred assets		-	-	-	-	-	-
Total assets		19,388	74,392	2,360	6,871	2,166	3,088
(Liabilities)							
I. Current liabilities		7,660	33,315	1,591	442	516	1,099
II. Fixed liabilities		7,515	37,452	188	1,337	381	183
Long-term borrowing		-	20,000	-	1,279	-	-
Other fixed liabilities		7,515	17,452	188	57	381	183
III. Deferred revenues		-	-	-	-	-	-
Total liabilities		15,176	70,767	1,780	1,779	898	1,283
(Net assets)							
Total net assets		4,212	3,624	580	5,091	1,268	1,805
(of which are changes in the current period)		368	177	(34)	191	-	45
Total liabilities and net assets		19,388	74,392	2,360	6,871	2,166	3,088

Current status of metropolitan government's involvement							
Investment ratio (%)		97.5	50.2	50.7	64.4	-	7.5
Number of metropolitan government contract employees/ Number of permanent employees		340/2,687	29/171	21/86	127/153	5/46	117/317

* 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 is calculated as of 31 March, 2015, number of employees is as of 1 August, 2014

(in million yen)

Tokyo Metropolitan Park Association	Tokyo Metropolitan Public Corporation for Road Improvement and Management	Tokyo Disaster Prevention & Emergency Medical Service Association	(Simple Total)
D19	D20	D21	(D)

Statement of Changes in Net Assets				
(Changes in unrestricted net assets)				
Current increase (decrease) for the current period	(1)=a-b	459	92	(2) 1,113
Current revenues	a	14,184	12,958	2,437 169,705
Current expenses	b	13,725	12,866	2,440 168,591
Nonrecurring increase (decrease) for the current period	(2)=c-d	(12)	(9)	(12) 0
Nonrecurring revenues	c	-	11	- 321
Nonrecurring expenses	d	12	20	12 320
Corporation tax etc.	(3)	78	11	14 127
Total changes in unrestricted net assets for the current period	(4)=(1)+(2)-(-3)	368	71	(29) 986
Unrestricted net assets at the beginning of the current period	(5)	3,328	9,436	1,870 97,088
Unrestricted net assets at the end of the current period	(6)=(4)+(5)	3,696	9,507	1,841 98,075
(Changes in restricted net assets)				
Total changes in restricted net assets for the current period	(7)	21	-	7 490
Restricted net assets at the beginning of the current period	(8)	2,808	1	499 24,590
Restricted net assets at the end of the current period	(9)=(7)+(8)	2,830	1	506 25,080
Net assets at the end of fiscal year	(6)+(9)	6,527	9,508	2,348 123,156

* Current increase (decrease) for the current period of Tokyo Disaster Prevention & Emergency Medical Service Association reflects specific assets appraisal profit or loss etc.

Balance Sheet				
(Assets)				
I. Current assets		4,373	13,494	1,025 130,658
Cash and deposits		3,341	10,983	896 63,653
Other current assets		1,032	2,510	129 67,004
II. Fixed assets		4,704	6,724	1,621 152,607
Tangible fixed assets		541	2,130	28 14,742
Land		-	896	- 1,722
Other tangible fixed assets (property etc.)		541	1,234	28 13,019
Intangible fixed assets		32	45	49 2,152
Investments etc.		4,130	4,548	1,543 135,712
Long-term loan		-	116	- 5,884
Funds		-	-	- 38,779
Other investments etc.		4,130	4,431	1,543 91,048
III. Deferred assets		-	-	- -
Total assets		9,078	20,218	2,647 283,265
(Liabilities)				
I. Current liabilities		2,271	10,154	249 97,847
II. Fixed liabilities		279	555	49 62,262
Long-term borrowing		-	112	- 25,055
Other fixed liabilities		279	442	49 37,206
III. Deferred revenues		-	-	- -
Total liabilities		2,551	10,709	299 160,109
(Net assets)				
Total net assets		6,527	9,508	2,348 123,156
(of which are changes in the current period)		390	71	(21) 1,477
Total liabilities and net assets		9,078	20,218	2,647 283,265

Current status of metropolitan government's involvement			
Investment ratio (%)	100	0.2	16.3
Number of metropolitan government contract employees/ Number of permanent employees	62/527	29/357	16/66

* 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 is calculated as of 31 March, 2015, number of employees is as of 1 August, 2014

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

(in million yen)

		Tokyo Metropolitan Welfare E1	(Simple Total) (E)
Revenues and Expenses Statement			
Operating balance	(1)=a-b	198	198
Operating revenues	a	11,827	11,827
Operating expenses	b	11,628	11,628
Operating costs		11,248	11,248
Administrative expenses		380	380
Non-operating balance	(2)=c-d	(475)	(475)
Non-operating revenues	c	349	349
Non-operating expenses	d	824	824
Current balance	(1)+(2)	(276)	(276)
Special balance	(3)=e-f	397	397
Special revenues	e	397	397
Special expenses	f	-	-
Balance for the current period	(4)=(1)+(2)+(3)	120	120
Balance brought forward from the previous period	(5)	840	840
Balance carried forward to the next period	(4)+(5)	961	961

Balance Sheet			
(Assets)			
I. Current assets		1,406	1,406
Cash and deposits		1,335	1,335
Other current assets		70	70
II. Fixed assets		1,440	1,440
Tangible fixed assets		21	21
Land		-	-
Other tangible fixed assets (property etc.)		21	21
Intangible fixed assets		1	1
Investments etc.		1,417	1,417
Long-term loan		0	0
Funds		-	-
Other investments etc.		1,417	1,417
III. Deferred assets		-	-
Total assets		2,847	2,847
(Liabilities)			
I. Current liabilities		469	469
II. Fixed liabilities		110	110
Long-term borrowing		-	-
Other fixed liabilities		110	110
III. Deferred revenues		-	-
Total liabilities		579	579
(Net assets)			
Total net assets		2,267	2,267
(of which are changes in the current period)		663	663
Total liabilities and net assets		2,847	2,847

Current status of metropolitan government's involvement	
Investment ratio (%)	100
Number of metropolitan government contract employees/ Number of permanent employees	501/926

* The Investment ratio is calculated as of 31 March, 2015, number of employees is as of 1 August, 2014.

[3-3] Administrative 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	11,870	11,870
Operating revenues a	134,219	134,219
Operating expenses b	122,349	122,349
Operating costs	121,110	121,110
Administrative expenses	1,238	1,238
Non-operating profit (2)=c-d	(398)	(398)
Non-operating revenues c	374	374
Non-operating expenses d	772	772
Current balance (1)+(2)	11,472	11,472
Special profit (3)=e-f	(1,890)	(1,890)
Special revenues e	694	694
Special expenses f	2,585	2,585
Pre-reserve profit under special laws (4)=(1)+(2)+(3)	9,581	9,581
Reserve allowance under special laws (5)	-	-
Reversal of special fund reserves (6)	-	-
Transfer to special fund reserves (7)	-	-
Current profit (4)+(5)+(6)-(-7)	9,581	9,581

Balance Sheet		
(Assets)		
I. Current assets	55,809	55,809
Cash and deposits	36,692	36,692
Other current assets	19,116	19,116
II. Fixed assets	1,219,328	1,219,328
Tangible fixed assets	1,205,871	1,205,871
Land	1,037	1,037
Other tangible fixed assets (property etc.)	1,204,833	1,204,833
Intangible fixed assets	926	926
Investments etc.	12,531	12,531
Long-term loan	-	-
Funds	-	-
Other investments etc.	12,531	12,531
III. Deferred assets	-	-
Total assets	1,275,138	1,275,138
(Liabilities)		
I. Current liabilities	42,845	42,845
II. Fixed liabilities	841,295	841,295
Long-term borrowing	694,520	694,520
Other fixed liabilities	146,774	146,774
III. Deferred revenues	-	-
Total liabilities	884,141	884,141
(Capital)		
Total capital	390,997	390,997
(of which are changes in the current period)	9,581	9,581
Total liabilities and capital	1,275,138	1,275,138

Current status of metropolitan government's involvement	
Investment ratio (%)	100
Number of metropolitan government contract employees/ Number of permanent employees	12/594

* The Investment ratio is calculated as of 31 March, 2015, number of employees is as of 1 August, 2014.

[4] Administrative 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	128	1,066	4,721	401	311	18,168
Operating revenues a	1,254	7,912	19,401	1,728	7,732	70,090
Operating expenses b	1,125	6,845	14,679	1,327	7,421	51,921
Operating costs	904	3,764	5,656	1,213	6,037	48,503
Sales and administrative expenses	221	3,081	9,023	113	1,383	3,418
Non-operating profit (2)=c-d	32	(309)	(1,875)	0	39	(1,738)
Non-operating revenues c	32	99	34	1	39	537
Non-operating expenses d	0	409	1,910	1	0	2,276
Current balance (1)+(2)	161	757	2,845	401	350	16,429
Special profit (3)=e-f	-	-	(110)	(5)	(1)	(415)
Special revenues e	12	-	-	-	-	59
Special expenses f	12	-	110	5	1	475
Corporation tax etc. (4)	58	351	174	145	147	7,437
Net profit for the current period (1)+(2)+(3)-(4)	103	405	2,560	250	201	8,576

Balance Sheet						
(Assets)						
I. Current assets	3,746	9,726	18,197	2,218	4,799	78,781
Cash and deposits	2,703	3,675	1,881	1,447	3,507	50,542
Other current assets	1,043	6,051	16,315	771	1,292	28,238
II. Fixed assets	5,735	66,867	223,852	8,110	2,534	292,500
Tangible fixed assets	394	64,265	197,035	7,966	784	256,150
Land	-	30,131	13,012	3,705	-	64,383
Other tangible fixed assets (property etc.)	394	34,133	184,023	4,261	784	191,766
Intangible fixed assets	3,040	6	14,343	0	43	20,937
Investments etc.	2,300	2,595	12,473	142	1,706	15,412
Long-term loan	-	-	-	-	-	-
Funds	-	-	-	-	-	-
Other investments etc.	2,300	2,595	12,473	142	1,706	15,412
III. Deferred assets	-	-	-	-	-	-
Total assets	9,482	76,594	242,049	10,328	7,334	371,281
(Liabilities)						
I. Current liabilities	201	5,112	13,939	369	2,528	32,656
II. Fixed liabilities	66	41,692	152,463	6,162	760	145,570
Long-term borrowing	-	41,408	7,457	-	-	119,896
Other fixed liabilities	66	284	145,006	6,162	760	25,673
III. Deferred revenues	-	-	-	-	-	-
Total liabilities	268	46,805	166,403	6,532	3,289	178,227
(Net assets)						
Total net assets	9,214	29,788	75,646	3,796	4,045	193,053
(of which are changes in the current period)	103	405	2,540	250	187	10,898
Total liabilities and net assets	9,482	76,594	242,049	10,328	7,334	371,281

*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	7/17	10/186	23/256	2/8	7/56	70/533

*1 The Investment ratio is calculated as of 31 March, 2015, number of employees is as of 1 August, 2014

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

(in million yen)

Tokyo Kotsu Service Co., Ltd.	Waterworks Services Co., Ltd.	PUC Co., Ltd.	Tokyo Metropolitan Sewerage Service Corporation	(Simple Total)
G7	G8	G9	G10	(G)

Profit and Loss Statement						
Operating profit	(1)=a-b	137	433	102	1,262	26,736
Operating revenues	a	5,934	15,940	11,943	21,686	163,625
Operating expenses	b	5,796	15,506	11,840	20,424	136,889
Operating costs		5,553	14,626	11,073	19,513	116,846
Sales and administrative expenses		243	879	767	910	20,042
Non-operating profit	(2)=c-d	14	30	(3)	14	(3,795)
Non-operating revenues	c	16	47	19	15	845
Non-operating expenses	d	2	16	22	1	4,640
Current balance	(1)+(2)	152	464	99	1,277	22,940
Special profit	(3)=e-f	(1)	-	(0)	(8)	(545)
Special revenues	e	-	-	-	-	71
Special expenses	f	1	-	0	8	616
Corporation tax etc.	(4)	59	173	72	478	9,098
Net profit for the current period	(1)+(2)+(3)-(4)	91	290	26	790	13,296

Balance Sheet						
(Assets)						
I. Current assets		1,483	4,297	4,928	12,022	140,202
Cash and deposits		587	1,708	2,626	5,753	74,433
Other current assets		896	2,589	2,302	6,269	65,769
II. Fixed assets		447	1,990	2,797	1,847	606,683
Tangible fixed assets		78	1,184	1,288	1,180	530,329
Land		-	229	-	-	111,461
Other tangible fixed assets (property etc.)		78	955	1,288	1,180	418,867
Intangible fixed assets		22	237	318	335	39,285
Investments etc.		346	568	1,190	331	37,068
Long-term loan		-	-	0	-	0
Funds		-	-	-	-	-
Other investments etc.		346	568	1,190	331	37,068
III. Deferred assets		-	-	-	-	-
Total assets		1,930	6,287	7,725	13,870	746,885
(Liabilities)						
I. Current liabilities		662	2,730	1,841	6,441	66,482
II. Fixed liabilities		177	702	2,549	458	350,605
Long-term borrowing		-	-	-	-	168,762
Other fixed liabilities		177	702	2,549	458	181,843
III. Deferred revenue		-	-	-	-	-
Total liabilities		840	3,432	4,390	6,900	417,088
(Net assets)						
Total net assets		1,090	2,855	3,335	6,970	329,797
(of which are changes in the current period)		80	289	25	780	15,560
Total liabilities and net assets		1,930	6,287	7,725	13,870	746,885

Current status of metropolitan government's involvement				
Investment ratio (%)	100	51.0	56.0	50.0
Number of metropolitan government contract employees/ Number of permanent employees	6/238	42/1,269	48/574	219/679

* The Investment ratio is calculated as of 31 March, 2015, number of employees is as of 1 August, 2014

[5] Local Independent Administrative Corporations

(in million yen)

	Tokyo Metropolitan University H1	Tokyo Metropolitan Industrial Technology Research Institute H2	Tokyo Metropolitan Geriatric Hospital and Institute of Gerontology H3	(Simple Total) (H)	Combined Total (A+B+C+D+E+F+G+H)	Offset Elimination	Tokyo Metropolitan Government Overall Total
Profit and Loss Statement							
Operating balance (1)=a-b	(1,218)	(2,213)	(733)	(4,165)			
Operating revenues a	23,438	6,308	16,545	46,292			
Operating expenses b	24,656	8,522	17,278	50,457			
Operating costs	22,191	5,349	15,442	42,984			
Administrative expenses	2,465	3,172	1,835	7,473			
Non-operating balance (2)=c-d	1,889	2,464	116	4,470			
Non-operating revenues c	1,912	2,464	116	4,493			
Non-operating expenses d	23	0	-	23			
Current balance (1)+(2)	670	251	(616)	305			
Special balance (3)=e-f	(390)	0	(57)	(447)			
Special revenues e	44	10	3	58			
Special expenses f	434	9	61	505			
Net profit for the current period (4)=(1)+(2)+(3)	280	251	(674)	(142)			
Retained profit brought forward (5)	345	-	-	345			
Unappropriated revenues for the current period (4)+(5)	625	251	(674)	202			
Balance Sheet							
(Assets)							
I. Current assets	6,932	2,951	6,506	16,391	3,076,952		3,076,952
Cash and deposits	3,575	2,147	4,290	10,013	1,286,051		1,286,051
Other current assets	3,356	804	2,216	6,377	1,790,900		1,790,900
II. Fixed assets	149,756	33,660	32,294	215,711	45,551,380	(2,188,860)	43,362,519
Tangible fixed assets	144,237	33,177	31,543	208,958	38,198,076		38,198,076
Land	86,035	14,200	10,119	110,354	20,437,552		20,437,552
Other tangible fixed assets (property etc.)	58,202	18,977	21,423	98,603	17,760,524		17,760,524
Intangible fixed assets	214	134	683	1,032	136,275		136,275
Investments etc.	5,303	349	67	5,720	7,217,028	(2,188,860)	5,028,167
Long-term loan	-	-	42	42	1,466,293		1,466,293
Funds	-	-	-	-	2,566,407		2,566,407
Other investments etc.	5,303	349	24	5,677	3,184,328	(2,188,860)	995,467
III. Deferred assets	-	-	-	-	183		183
Total assets	156,689	36,612	38,800	232,102	48,628,516	(2,188,860)	46,439,655
(Liabilities)							
I. Current liabilities	5,969	2,002	3,687	11,659	1,486,143		1,486,143
II. Fixed liabilities	12,813	6,429	17,433	36,676	11,860,338		11,860,338
Long-term borrowing	-	-	15,423	15,423	9,906,042		9,906,042
Other fixed liabilities	12,813	6,429	2,010	21,253	1,954,296		1,954,296
III. Deferred revenues	-	-	-	-	2,253,881		2,253,881
Total liabilities	18,782	8,431	21,120	48,335	15,600,363	-	15,600,363
(Capital)							
Total capital	137,906	28,180	17,680	183,766	33,028,153	(2,188,860)	30,839,292
(of which are changes in the current period)	429	(426)	(674)	(671)	(5,558,617)		(5,558,617)
Total liabilities and capital	156,689	36,612	38,800	232,102	48,628,516	(2,188,860)	46,439,655

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

Year-to-date
(From April 1, 2014, to March 31, 2015)

(Accounting Policy)

1. Scope

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 administrative bodies supervised by the Tokyo Metropolitan Government and local independent administrative corporations, with both groupings being displayed.

(1) Ordinary Account

Comprises a combination of general account and special accounts that meet the standards set by the Ministry of Internal Affairs and Communications (13 accounts). Any overlap, credits, or debts between accounts have been eliminated.

(2) "Special Accounts"

The following 2 accounts are special accounts that fall outside of the scope of the ordinary account.

Slaughterhouse

Metropolitan Public Housing Tenants Security Deposit

(3) Public Enterprise Accounts

The following 11 accounts are classified as public enterprise accounts

Hospitals

Central Wholesale Market

Urban Redevelopment Project

Waterfront Area Development Project

Port and Harbor Project

Transportation

Urban Rapid Transit Railway

Electric Power

Waterworks

Industrial Waterworks

Sewerage

(4) Administrative Bodies Supervised by Tokyo Metropolitan Government

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.

- i) Limited corporations (10 bodies) (Numbers in parentheses indicate the portion held) 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%)^{*1}; Tokyo Kotsu Service Co., Ltd. (100%); Tokyo Waterworks Service Co., Ltd. (51.0%); PUC Co., Ltd. (56.0%); Tokyo Metropolitan Sewerage Service Corporation (50.0%).

*1: In the comprehensive financial statement, earnings figures are stated on a consolidated basis.

<p style="text-align: center;">Year-to-date (From April 1, 2014, to March 31, 2015)</p>	
<p>ii) Public interest corporations (23 Bodies)</p> <p>Tokyo Metropolitan Human Rights Promotion Center; Tokyo Metropolitan Islands Promotion Corporation; Tokyo Tax Association; Tokyo Metropolitan Foundation for History and Culture; Tokyo Metropolitan Symphony Orchestra; 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; Johoku Labor and Welfare Center; Tokyo Metropolitan Social Welfare Services Corporation; Tokyo Metropolitan Health and Medical Treatment 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 Emergency First-Aid Association.</p> <p>(5) Local Independent Administrative Corporations</p> <p>Three organizations below established by TMG based on Local Independent Administrative Corporations Law</p> <p>Tokyo Metropolitan University Tokyo Metropolitan Industrial Technology Research Institute Tokyo Metropolitan Geriatric Hospital and Institute of Gerontology</p>	
2. Base Date	<p>The base date for this statement shall be taken as being March 31, 2015, although for the ordinary account and the "Special Accounts" these will also include all account deposits and withdrawals during the period between April 1, 2015, and May 31, 2015 (the settlement period).</p>
3. Adjustment between Investment and Capital	<p>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. Offset between Credits and Debt	<p>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. Revision of Individual Financial Statements	<p>Debenture capital in the public enterprise accounts moved from net assets to liabilities, owned capital (inherent capital, incorporated capital) moved to surplus.</p>
6. Application of Current Arrangement	<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>
7. Inventory Valuation Method and Benchmarks	<p>Inventory assets in public enterprise accounts are calculated mainly using the cost method determined by the moving-average method.</p> <p>Inventory assets in administrative 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, 2014, to March 31, 2015)

8. Method Used for Fixed Asset Depreciation

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 and the residual value rate 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 and the residual value rate 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."

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".

For administrative bodies supervised by the Tokyo Metropolitan Government, they adopt a straight line basis according to the ordinance of Ministry of Finance.

9. Investment Securities Valuation Method and Benchmarks

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.

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.

For administrative 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.

10. Accounting Standards for Reserve Allowances

The Tokyo Metropolitan Government's main reserve allowances are outlined below.

(1) Reserve for deficit due to non-payment

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.

(2) Bad debt reserve

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. In preparation for losses to administrative 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.

(3) 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.

Year-to-date
(From April 1, 2014, to March 31, 2015)

(4) 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.

(5) Reserve for bonus payment

A portion of the terminal allowances and bonuses attributable to this fiscal year and 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]

7. Accumulated Depreciation of Tangible Fixed Assets

(in billion yen)

Item	End of FY2014
Ordinary account	3,458.0
"Special Accounts"	7.6
Public enterprise accounts	6,836.9
Limited corporations	394.9
Public interest corporations	271.2
Independent administrative corporations	59.1
Total	11,028.0

2. Expected Repayments of Outstanding Borrowings

(in billion yen)

Item	FY2015	From FY2016	Total
Ordinary account	456.1	6,099.4	6,555.5
"Special Accounts"	0.9	2.8	3.7
Public enterprise accounts	263.2	2,655.0	2,918.2
Limited corporations	13.7	168.7	182.5
Public interest corporations	31.1	705.3	736.5
Independent administrative corporations	0.7	15.4	16.1
Total	765.9	9,646.8	10,412.8

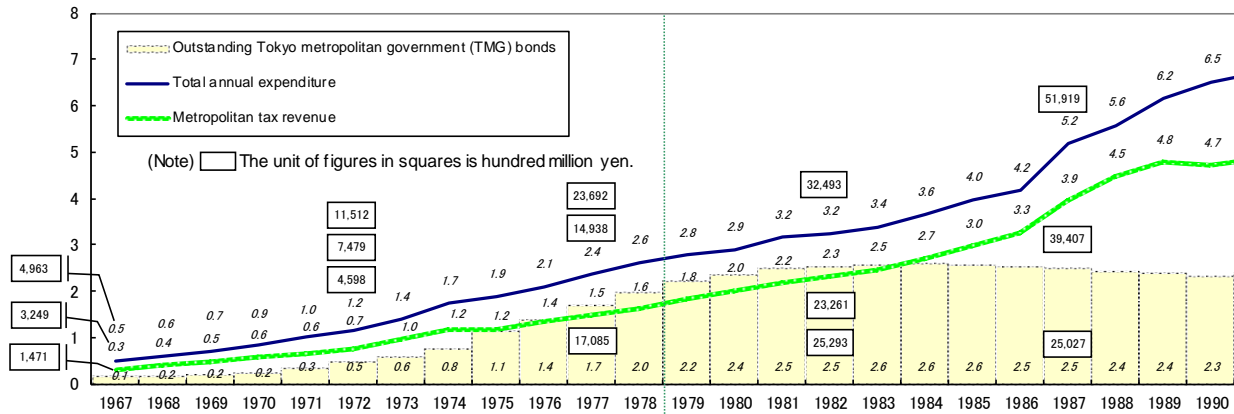
3. Assets Offered as Collateral

Of the assets of the limited corporations, a total value of 441.1 billion yen is offered as collateral.

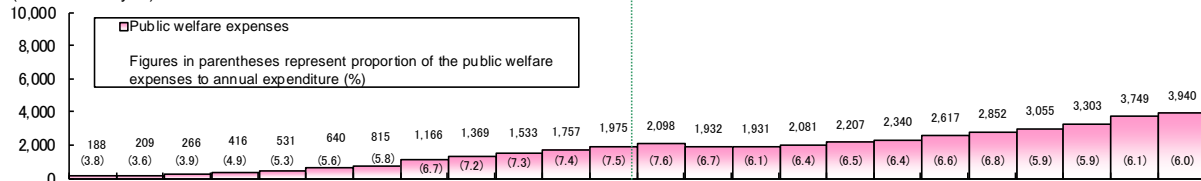
(Reference Tables)

Tokyo Metropolitan Government Financial chronological tables (Ordinary Account)

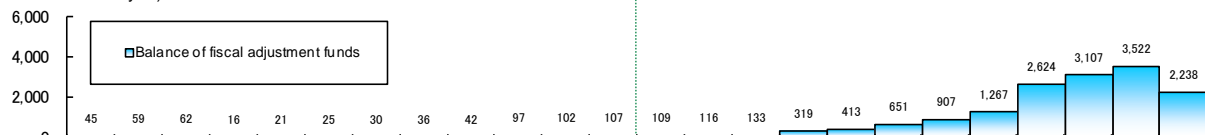
(in trillion yen)



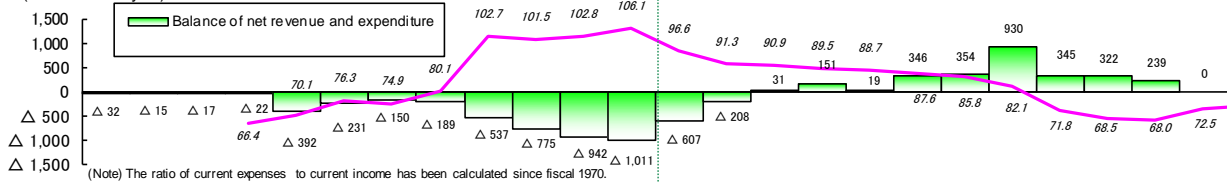
(in 100 million yen)



(100 millions of yen)



(in 100 million yen)



Governor Ryokichi Minobe													Governor Shinichi Suzuki												
Fiscal year	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	
Major events	Governor Minobe's metropolitan administration starts.													Governor Suzuki's metropolitan administration starts.											
	The Ogasawara Islands returned to Japan (June)																								
	Nixon shock																								
	The racing business run by the Tokyo metropolitan government was abolished (March).																								
	First oil crisis																								
	Higher rate for enterprise tax on corporates introduced.																								
	Higher rate for metropolitan inhabitants tax on corporations introduced.																								
	Fiscal 1975 budget: A skeleton budget compiled for the first time in 16 years.																								
	Fiscal 1976 budget: Budget ceiling introduced (zero ceiling).													Times-year administrative plan for the Tokyo Metropolis* formulated (November).											
	Fiscal consolidation plan* submitted to the Ministry of Home Affairs (February).													Fiscal 1979 budget: A skeleton budget compiled. / Second oil crisis											
	Fiscal 1977 annual closing: Balance that deducts expenditure from revenue falls into the red for the first time in the history of the metropolitan government (negative 5.4 billion yen)													Governor Suzuki's metropolitan administration starts. / Tokyo metropolitan government financial rehabilitation committee set up (July).											
	Fiscal 1978 annual closing: Ratio of current expenses to current income reaches a record high in the history of the metropolitan government (100.1%)													Fiscal 1980 budget: First minus-based budget ceiling											
	Fiscal 1981 annual closing: Balance of net revenue and expenditure swings back into the black for the first time in 20 years.													Fiscal 1981 annual closing: Balance of net revenue and expenditure swings back into the black for the first time in 20 years.											
	Long-term Plan for the Tokyo Metropolis formulated for the first time in 20 years (December).																								
	Social meeting for promoting the vigorous administration of Tokyo set up (September).																								
	Plaza Accord (September)																								
	Second Long-term Plan for the Tokyo Metropolis formulated (November).													Fiscal 1985 budget: A skeleton budget compiled. / Second Long-term Plan for the Tokyo Metropolis* formulated (November).											
	In December, a supplementary budget compiled (response to the national governments general economic measures).													Fiscal 1986 budget: A supplementary budget compiled (response to the national governments general economic measures).											
	In September, a supplementary budget compiled (response to the national governments emergency economic package).																								
	Consumption tax was introduced.																								
	Third Long-term Plan for the Tokyo Metropolis formulated (November).																								

