

Reference Material

Tokyo Metropolitan Government Annual Financial Report

Fiscal Year 2019

This is a provisional English version of Fiscal Year 2019 Tokyo Metropolitan Government Annual Financial Report.

This material is furnished solely for the purpose of the reader's reference only.

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.

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General Notes

- Fractional amounts for figures shown have generally been rounded down to the indicated unit. However, figures for “(1) Fiscal Year 2019 Summary of Financial Results”, “(3) Analysis of TMG’s Finances”, and “Tokyo Metropolitan Government Financial Chronological Tables (Ordinary Account)” have been rounded to the nearest unit.
- Percentage of change and ratio are generally calculated from the figures in each table, and figures shown have been rounded to the nearest unit.
- As adjustments for fractional amounts have not been made, the sums of figures shown may not correspond with given totals.

1

Fiscal Year 2019

**Tokyo Metropolitan Government Settlement of
the Ordinary Account and Various Indicators**

(1) Fiscal Year 2019 Summary of Financial Results

The following is a settlement report of the fiscal year 2019 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] Revenues and Expenses

- Total annual revenues amounted to 8,112.9 billion yen and total annual expenses were 7,581.1 billion yen, with a proforma balance of 531.7 billion yen. The actual balance, calculated by subtracting fiscal revenues to be carried forward from the proforma balance, was a surplus of 127.7 billion yen.
- This is due to strategic withdrawals from funds in addition to increased metropolitan tax revenues compared to the previous fiscal year's settlement, and thorough approaches towards the elimination of wasteful aspects, with an eye to the future, etc.
- Furthermore, the ordinary balance ratio, one of the indices which determine the degree of flexibility in financial structures, stood at 74.4%.

<Fiscal Year 2019 Settlement Results>

(in billion yen, %)

Item	FY2019	FY2018	Change in amount	Percentage of change
Total annual revenues (A)	8,112.9	7,868.8	244.1	3.1
Total annual expenses (B)	7,581.1	7,379.0	202.1	2.7
Proforma balance (C=A-B)	531.7	489.7	42.0	-
Fiscal revenues to be carried forward (D)	404.0	362.4	41.6	-
Actual balance (C-D)	127.7	127.3	0.4	-
Ordinary balance ratio	74.4	77.5	-	-

* Fiscal revenues to be carried forward refers to financial resources that should be carried forward to the next fiscal year together with approved carry forward, carry-forward due to unforeseeable reasons, business balance carried forward, etc. and includes the balance of unsettled local consumption tax carried forward to the following fiscal year.

[2] Main features

<Annual Revenues>

(in billion yen, %)

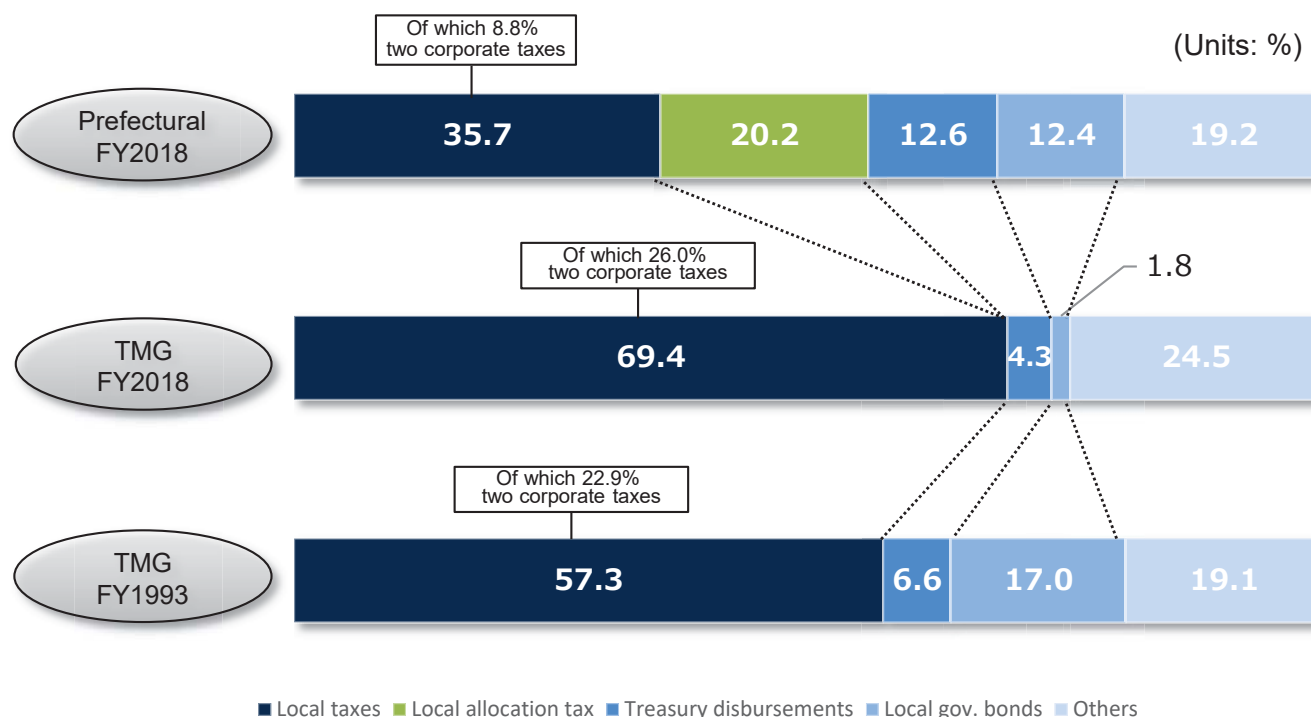
Item	FY2019		FY2018		Change in amount	Percentage of change
	Amount	% of total	Amount	% of total		
Metropolitan taxes	5,732.6	70.7	5,462.5	69.4	270.1	4.9
Two corporate taxes	2,180.1	26.9	2,044.7	26.0	135.4	6.6
Local transfer taxes	271.5	3.3	276.8	3.5	(5.3)	(1.9)
National treasury disbursements	354.8	4.4	337.5	4.3	17.3	5.1
Funds transfers	444.3	5.5	420.3	5.3	24.0	5.7
TMG Bonds	138.6	1.7	142.7	1.8	(4.2)	(2.9)
Others	1,171.0	14.4	1,228.8	15.6	(57.8)	(4.7)
Total revenues	8,112.9	100.0	7,868.8	100.0	244.1	3.1

*The two corporate taxes are the corporate enterprise tax and corporate inhabitant tax.

- Total metropolitan tax revenues increased by 4.9% or 270.1 billion yen compared to the previous fiscal year, mainly due to increases in the two corporate taxes resulting from corporate earnings remaining strong.
- Local transfer taxes decreased by 1.9% or 5.3 billion yen compared to the previous fiscal year, mainly due to a decrease in special local corporate transfer taxes.
- National treasury disbursements increased by 5.1% or 17.3 billion yen compared to the previous fiscal year, mainly due to increases in money in trust accompanying the implementation of elections for the House of Councillors.
- Due to the strategic utilization of funds for the realization of 3-cities, such as Tokyo Olympic and Paralympic Games Hosting Fund Reserve, etc. funds transfers increased by 5.7% or 24.0 billion yen compared to the previous fiscal year.
- TMG bonds decreased by 2.9% or 4.2 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 decreased by 4.7% or 57.8 billion yen compared to the previous fiscal year, mainly due to a decrease of 69.1 billion yen in miscellaneous revenues accompanying decreases in revenues from collection of principal and interest of small and medium enterprise loans.

(Reference) Features of TMG Revenue Structures

◀Revenue Structures of TMG and Other Prefectures▶



- About 70% of TMG's annual revenues are derived from local taxes (metropolitan taxes), and as a large part of this is comprised of revenue from the two corporate taxes, which are susceptible to economic fluctuation, TMG's finances have an inherently unstable structure.
- In addition, TMG is the only municipality that does not receive local allocation tax grants and consequently needs to perform financial management more self-reliantly than other municipalities.
- Meanwhile, in comparison to FY1993, in which expenses peaked prior to FY2018, the percentage of revenue accounted for by local government bonds (TMG bonds) in FY2018 was lower.
- Following the collapse of the bubble economy, TMG utilized funds and issued the largest number of TMG bonds ever issued in order to supplement the fall in tax revenues. The result was that the TMG fell into an unprecedented financial crisis with a rapid increase in the balance of TMG bonds and a record actual balance deficit in FY1998, etc.
- Later, as a part of efforts towards fiscal reconstruction, the TMG endeavored to reduce investment expenses and control TMG bond issuance.
- The ratio of local government bonds to the overall TMG revenue for FY2018 was much lower, even in comparison to other prefectures, and the TMG has been operating healthy financial management with low dependence on local government bonds.

<Annual Expenses>

(in billion yen, %)

Item		FY2019		FY2018		Change in Amount	Percentage of change
		Amount	% of total	Amount	% of total		
General expenses		5,222.4	68.9	5,343.7	72.4	(121.3)	(2.3)
	Personnel expenses	1,532.1	20.2	1,512.3	20.5	19.7	1.3
	Investment expenses	1,117.1	14.7	1,476.0	20.0	(358.9)	(24.3)
	Subsidizing expenses	1,501.1	19.8	1,335.4	18.1	165.7	12.4
	Others	1,072.1	14.1	1,020.0	13.8	52.1	5.1
Expenses for public bonds		406.0	5.4	474.5	6.4	(68.4)	(14.4)
Tax-related expenses etc.		1,952.7	25.8	1,560.8	21.2	391.9	25.1
Total expenses		7,581.1	100.0	7,379.0	100.0	202.1	2.7

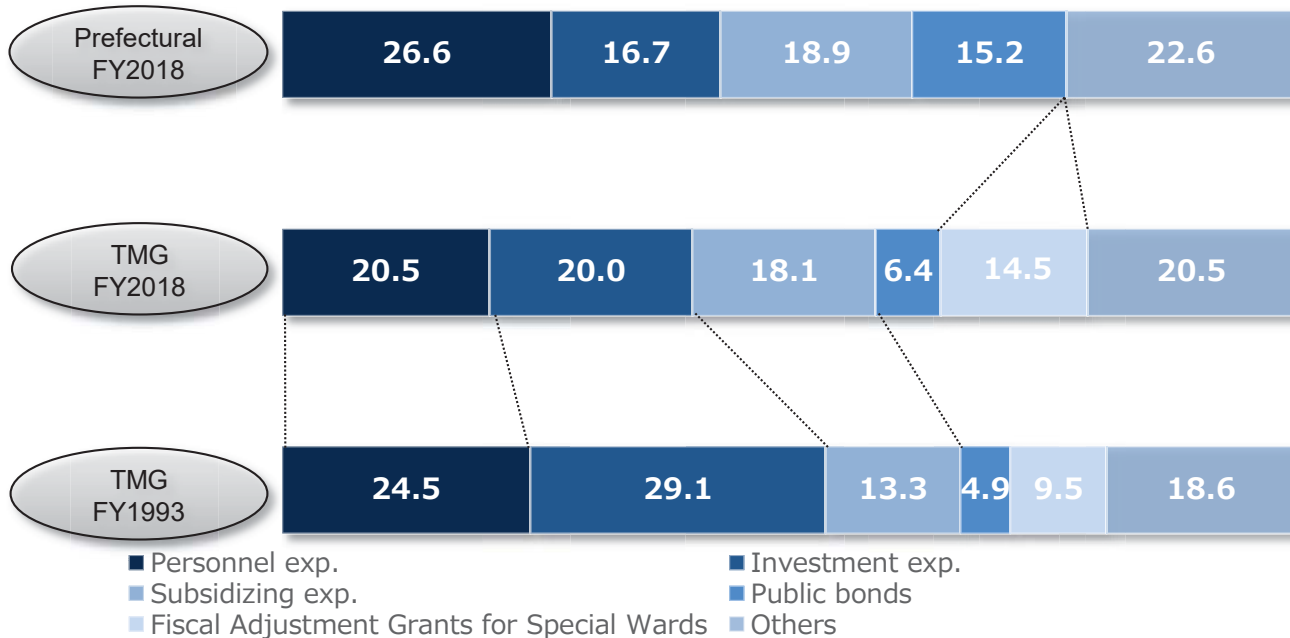
* General expenses refers to expenses excluding public bonds, tax-related expenses for the allocation of a certain percentage of taxes such as local consumption tax grants to wards, towns, etc., and the reserves (principal) of funds aimed at the realization of 3-cities.

- In general expenses, personnel expenses increased by 1.3% or 19.7 billion yen compared to the previous fiscal year. This is mainly due to increased salaries resulting from salary revisions, and increased burden on cooperatives.
- In general expenses, investment expenses decreased by 24.3% or 358.9 billion yen compared to the previous fiscal year, mainly due to the elimination of jurisdiction expenses under public enterprise accounts in relation to the vacant Tsukiji Market site.
- In general expenses, subsidizing expenses increased by 12.4% or 165.7 billion yen compared to the previous fiscal year, mainly due to increases in expenses related to joint implementation projects for the Tokyo 2020 Olympic and Paralympic Games (hereinafter the “Tokyo 2020 Games”), and increased burden due to the introduction of free preschool education/childcare.
- Expenses for public bonds decreased by 14.4% or 68.4 billion yen compared to the previous fiscal year, due to a decrease in redemption funds for principal and interest.
- Tax-related expenses increased by 25.1% or 391.9 billion yen compared to the previous fiscal year. This is mainly due to an increase of 31.1 billion yen in transfers to special wards fiscal adjustment accounting, and deposits of 180.0 billion yen to the social capital improvement fund and 100.0 billion yen to the disaster prevention fund for town planning.

(Reference) Features of TMG Expenses Structures

《TMG and Prefectural Expenses Structures》

(Units: %)



* Tax-related expenses other than those related to fiscal adjustment grants for special wards are included under Others.

- A feature of the TMG that does not exist in other prefectures is that the “Fiscal Adjustment Grants for Special Wards”, which undertakes allocation of financial resources between TMG and Tokyo wards and financial resource adjustments between special wards, is recorded under the special ward system.
- In addition, when compared to FY1993, FY2018 shows a reduction in the ratio of personnel expenses and investment expenses to total expenses.
- The TMG’s stance of maintaining expenses levels for large-scale facilities construction and responses to national government economic measures, etc. even as tax revenues diminished following the collapse of the bubble economy, resulted in a financial crisis. The TMG subsequently steered towards financial reconstruction ahead of the government and other prefectures, reducing personnel numbers and pressing forward with prioritization of project activities, and after achieving financial reconstruction, continued in their efforts to revise measures through their project review activities. With efforts such as these, by FY2018, personnel expenses and investment expenses were down by about 10% and 30% respectively in comparison to FY1993.
- Meanwhile, due to increase in expenses related to social security, the ratio of subsidizing expenses, etc. to total expenses has increased.
- In this way, the TMG is undertaking thorough internal efforts and promoting the metabolism of measures by aiming to review and redesign them through project review activities, etc. and is providing necessary administrative services in accordance with the needs of Tokyo citizens.

<Breakdown of Expenditures by Purpose>

(in billion yen, %)

Item	FY2019		FY2018		Change in Amount	Percentage of change
	Amount	% of total	Amount	% of total		
Gen. Service Admin.	835.7	11.0	503.2	6.8	332.4	66.1
Welfare	1,096.9	14.5	979.9	13.3	117.0	11.9
Hygiene	252.0	3.3	202.3	2.7	49.7	24.6
Commerce/manufacturing	444.9	5.9	379.6	5.1	65.3	17.2
Civil engineering	888.0	11.7	889.5	12.1	(1.5)	(0.2)
Police	642.7	8.5	627.1	8.5	15.6	2.5
Fire defense	242.5	3.2	231.8	3.1	10.7	4.6
Education	1,270.7	16.8	1,068.9	14.5	201.8	18.9
Public bonds	406.0	5.4	474.5	6.4	(68.4)	(14.4)
Others	1,501.6	19.8	2,022.1	27.4	(520.5)	(25.7)
Total expenses	7,581.1	100.0	7,379.0	100.0	202.1	2.7

* Expenditure by purpose refers to expenses that have been itemized according to administrative purposes.

- General service administration expenses increased by 66.1% or 332.4 billion yen compared to the previous fiscal year, mainly due to deposits to the social capital improvement fund and the disaster prevention fund for town planning.
- Welfare expenses increased by 11.9% or 117.0 billion yen compared to the previous fiscal year, mainly due to deposits to the advanced welfare city realization fund and increased development expenses for child welfare facilities.
- Hygiene expenses increased by 24.6% or 49.7 billion yen compared to the previous fiscal year, mainly due to deposits to the Zero Emission Tokyo fund and the expansion of projects to introduce next generation vehicles that consider the environment.
- Commerce/manufacturing expenses increased by 17.2% or 65.3 billion yen compared to the previous fiscal year, mainly due to progress in the development of international exhibition centers, and increased deposits accompanying increases in financing target amounts for the small and medium enterprise financing system.
- Education expenses increased by 18.9% or 201.8 billion yen compared to the previous fiscal year, mainly due to the development of facilities for the Tokyo 2020 Games.
- Other expenses decreased by 25.7% or 520.5 billion yen compared to the previous fiscal year, mainly due to the elimination of jurisdiction expenses under public enterprise accounts in relation to the vacant Tsukiji Market site.

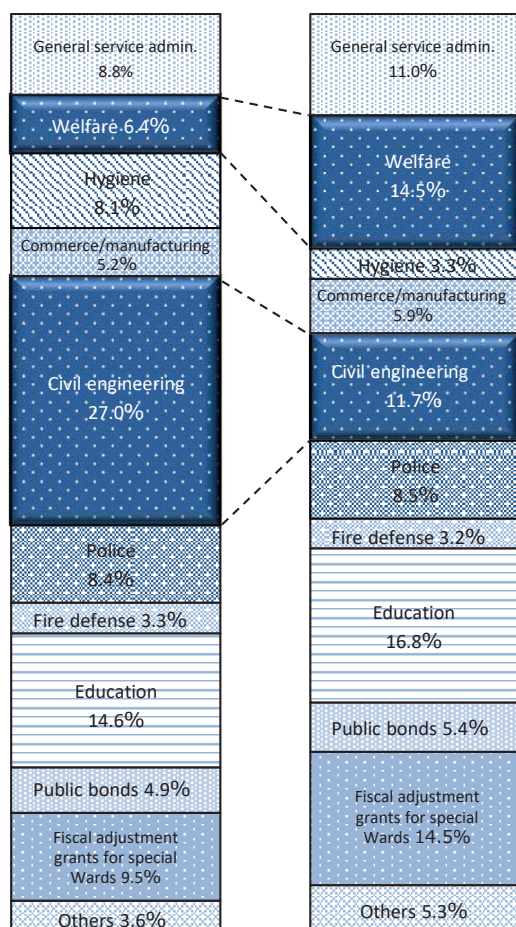
(Reference) Features of TMG Expenses Structures by Purpose, etc.

《TMG Expenses Structure by Purpose》

《Expenses per Tokyo Citizen》

FY1993

FY2019



Item	Purpose	FY2019	(Reference) FY1993
General service administration	Planning/admin and revitalization municipalities, etc.	¥60,403	¥53,455
Welfare	Measures for children on waiting lists, care for the elderly, etc.	¥79,287	¥38,599
Hygiene	Realization of comfortable city environments, etc.	¥18,215	¥49,353
Commerce/manufacturing	Support for small/medium enterprises, revitalization of the tourism industry, etc.	¥32,157	¥31,673
Civil engineering	Development of roads, rivers, harbors, etc. and town development, etc.	¥64,187	¥164,221
Police	Police activities, etc.	¥46,455	¥51,076
Fire defense	Fire defense activities, etc.	¥17,531	¥20,250
Education	School education and preparation for the Tokyo 2020 Games, etc.	¥91,849	¥88,547
Public bonds	Redemption of TMG bonds and interest payments, etc.	¥29,348	¥30,041
Fiscal Adjustment Grants for Special Wards	Financial adjustments between the TMG and special wards, etc.	¥79,453	¥57,906
Others	Tax related grants to municipalities, etc.	¥29,085	¥21,997
Total		¥547,969	¥607,118

* Total Tokyo population for FY2019 is as of January 1, 2020, as given in the "Population Register".

* Total Tokyo population for FY1993 is as of March 31, 1994, as given in the "Population Register".

- Comparisons between FY1993 and FY2019 shows an increase in the ratio of welfare expenses to total expenses and a decrease in civil engineering expenses.
- The increase in welfare expenses is mainly due to increased costs related to measures implemented for children and the elderly from the background of an aging society and falling birth rate.
- Meanwhile, with reductions in investment expenses due to prioritization of projects in accordance with urgency and necessity, the ratio of civil engineering expenses to total expenses has decreased significantly.
- In addition, expenses of 7,581.1 billion yen in the FY2019 fiscal results were translated into expenses per Tokyo citizen. Expenditure amounts for welfare expenses and education expenses have increased in comparison to other categories.
- In this way, efforts are made to establish an accurate understanding of the needs of Tokyo citizens, which change with the times, in order to conduct appropriate allocation of financial resources, such as the limited metropolitan tax revenues, etc. to the necessary measures.

[3] Fiscal Indices

(i) Ordinary balance ratio

- The ordinary balance ratio is an indicator that measures fiscal flexibility by indicating the level of allocation of local taxes, etc. to expenses that are difficult to reduce by any simple means, such as personnel expenses, social assistance expenses, expenses for public bonds, etc. The lower this ratio, the greater the flexibility.
- The FY2019 ordinary balance ratio was 74.4%, an improvement of 3.1 percentage points from 77.5% in the previous fiscal year.
- This is mainly due to a decrease in redemption expenses for principal and interest under expenses for public bonds, and an increase in metropolitan tax revenues.
- In recent years, the average prefectural figures have exceeded 100%, and the status of Tokyo's fiscal flexibility is high.

* Ordinary balance ratio (%) = General revenues sources allocated to ordinary expenses, etc. ÷ Ordinary general revenue sources, etc. x 100

Changes in Ordinary Balance Ratios

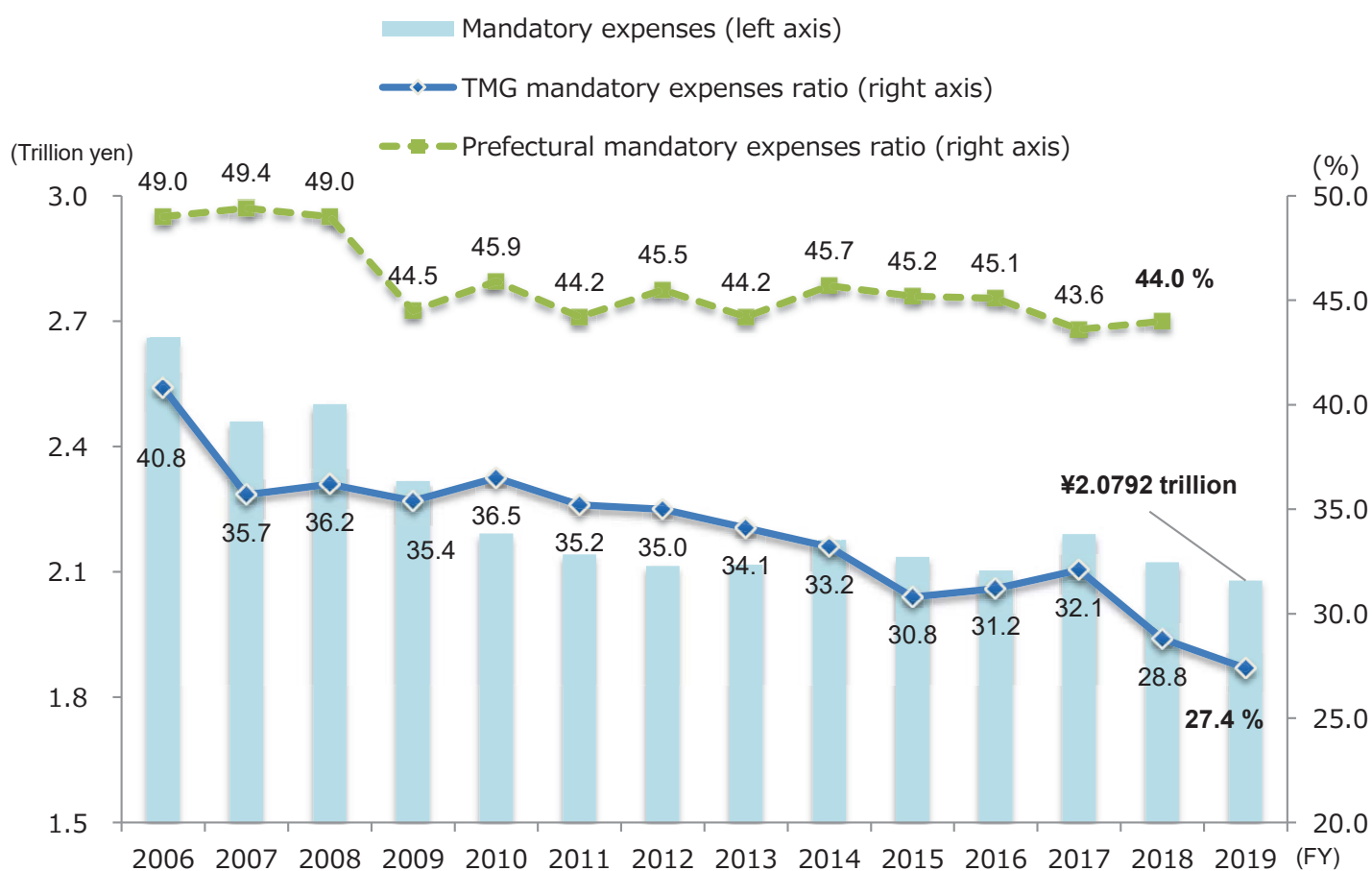


* Prefectural ratios are weighted averages. For FY2006, calculations were made with tax reduction supplementary bonds and extraordinary financial countermeasures bonds excluded from ordinary general revenues sources, etc. while for FY2007 to FY2018, calculations were made with extraordinary tax revenue supplementary bonds and extraordinary financial countermeasures bonds excluded from ordinary general revenues sources, etc.

(ii) Mandatory expenses

- **Mandatory expenses** refers to the expenses of local governments for which expenditure is mandatory, namely personnel expenses, social assistance expenses and expenses for public bonds, and the lower the ratio of these mandatory expenses to total expenses, the higher the financial flexibility.
- **Mandatory expenses for FY2019** came to 2,079.2 billion yen, a decrease of 2.1% or 44.1 billion yen compared to the previous year.
- This is due to a decrease in redemption funds for principal and interest under expenses for public bonds.
- While the ratio of mandatory expenses to total expenses has shown a generally decreasing trend in recent years, this is mainly due to the promotion of persistent autonomous reforms in the form of internal efforts and reviews of measures, and the appropriate utilization of TMG bonds, such as controlled issuance with future burdens taken into consideration.
- Prefectural ratios have remained at around 45% in recent years, and the status of Tokyo's fiscal flexibility is high.

Changes in Mandatory Expenses and Ratio to Total Expenses

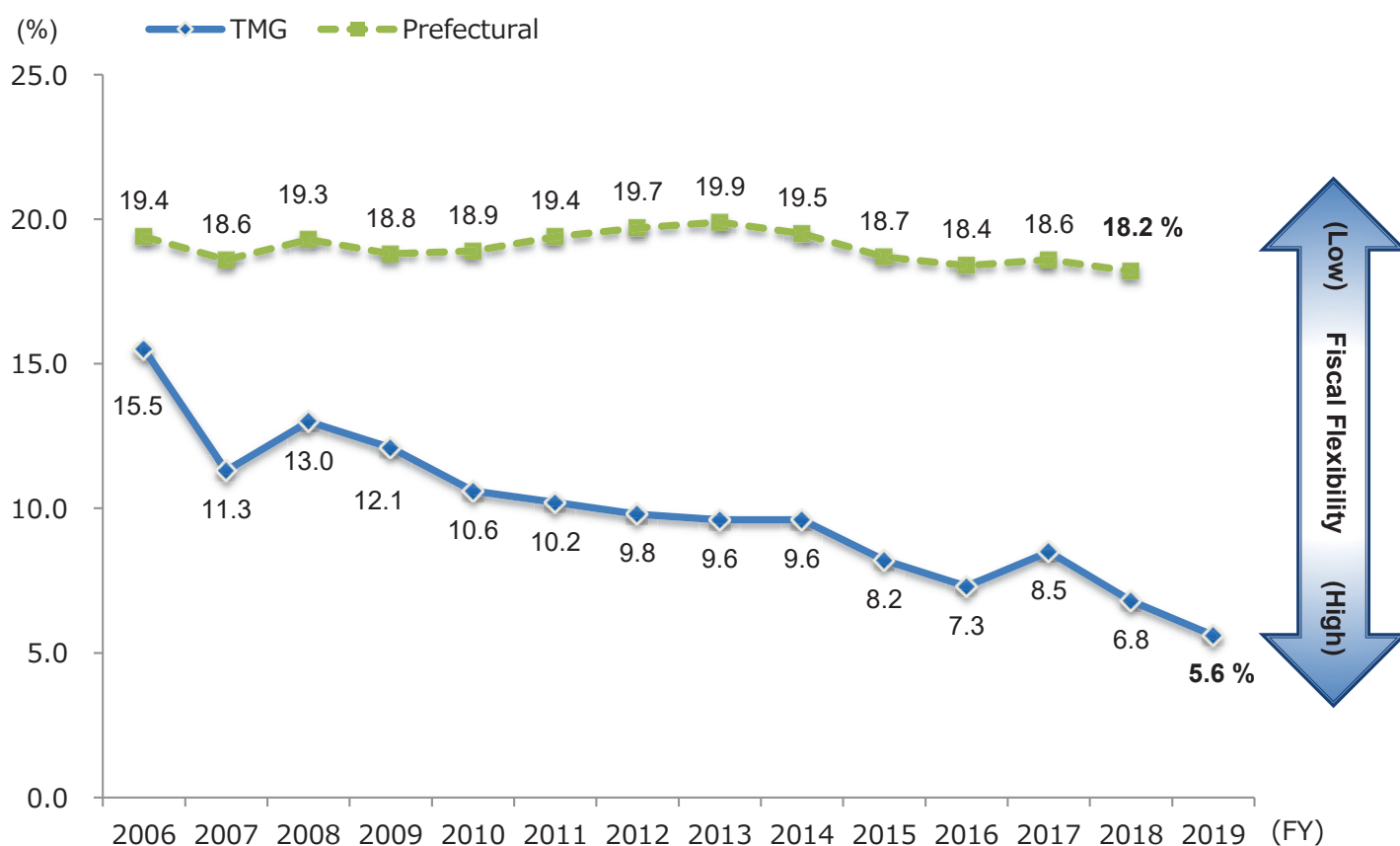


(iii) Ratio of expenses for public bonds

- The ratio of expenses for public bonds is an indicator of the level of allocation of general revenue sources to the redemption of local government bonds, and the lower this ratio, the greater the fiscal flexibility.
- The FY2019 ratio of expenses for public bonds was 5.6%, an improvement of 1.2 percentage points from 6.8% in the previous fiscal year.
- This was mainly due to a decrease in redemption expenses for principal and interest for public bonds, and an increase in metropolitan tax revenues.
- In recent years, the average prefectural figures have remained at around 19%, and the status of Tokyo's fiscal flexibility is high.

* Ratio of expenses for public bonds (%) = General revenues sources allocated to expenses for public bonds, etc. ÷ Total general revenue sources, etc. x 100

Change in Ratios of Expenses for Public Bonds

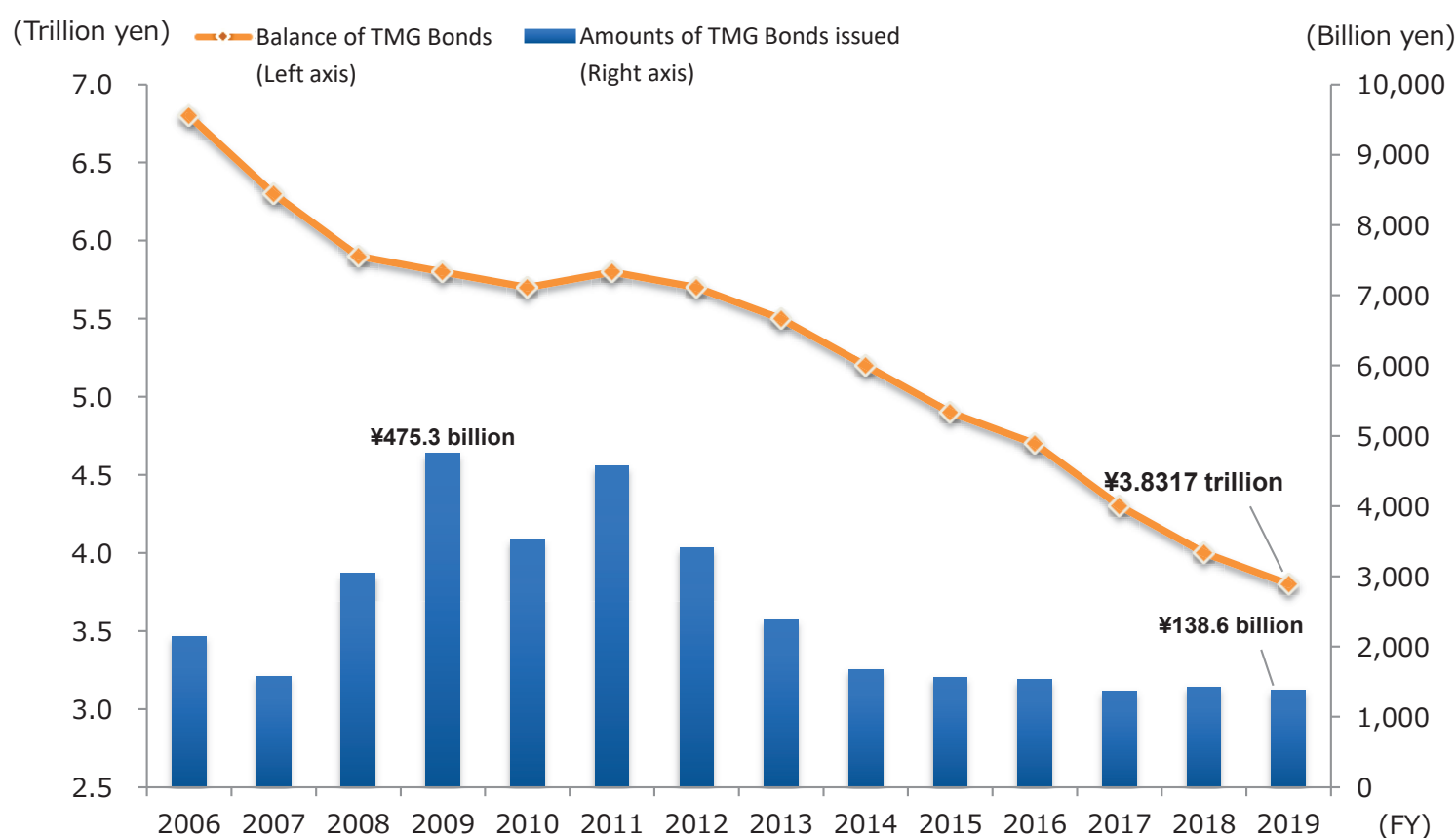


* Prefectural ratios are weighted averages, excluding partial-affairs-associations, etc.

(iv) Current TMG bonds balance

- The balance of TMG bonds (ordinary account bonds) as of the end of fiscal 2019 was 3,831.7 billion yen, which represents a decrease of 5.1% or 207.7 billion yen from the previous fiscal year.
- The amount of TMG bonds issued increased temporarily due to the response to reduced metropolitan tax revenues caused by the Lehman Shock and the response to the Great East Japan Earthquake, but has since decreased and the balance of TMG bonds also continues to decrease.
- The appropriate utilization of TMG bonds will be continued in light of the financial condition and future financial burdens.

**Changes in Balance of TMG Bonds and
Amounts of TMG Bonds Issued**



* Current TMG bonds balance in the ordinary account settlement excludes sinking fund reserves for allocation to principal redemption of bullet local bonds, and therefore does not correspond to the amount stated for TMG bonds in the balance sheet.

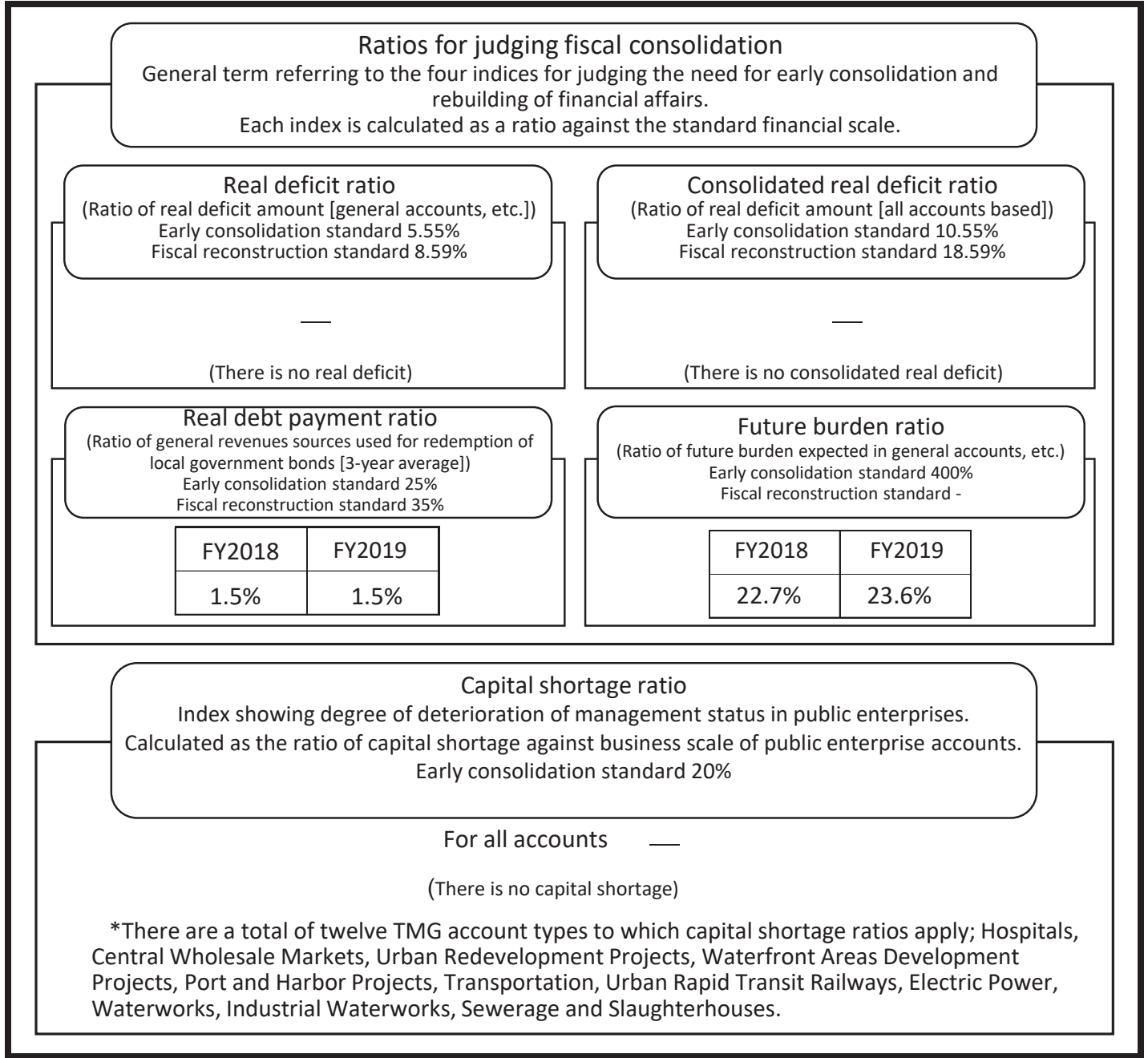
[4] Ratios set forth by the Law on the Fiscal Consolidation of Local Governments

From a background of serious fiscal deterioration in some local governments, the Law on the Fiscal Consolidation of Local Governments was enacted as a mechanism to facilitate prompt responses for cases where fiscal consolidation or reconstruction of financial status is deemed necessary.

The ratios to judge fiscal consolidation and capital shortage ratios based on this law, focus on stock as well as on flow, and serve as indicators that clarify the overall finances of local governments by including expenses in the general accounts in relation to public entities accounts and third-sector public/private enterprises as well as general accounts, etc. (almost the same scope as ordinary accounts).

This law requires local governments to calculate the ratios, 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.

Ratios for TMG, calculated from the FY2019 financial results, are as shown below.



* 1. Standard financial scale indicates the scale of operational general revenue sources for local governments under standard conditions.
 2. Judgment criteria, such as the early consolidation standard, have been defined for each index, and if any of these exceed the standard, efforts to achieve fiscal consolidation, through the formulation of fiscal consolidation plans, etc. must be undertaken.

[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 2019, 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 2019 increased from the previous fiscal year to 35,188.2 billion yen (an increase of 625.6 billion yen from the end of the previous fiscal year), while liabilities were 6,510.8 billion yen (a decrease of 225.8 billion yen from the end of the previous fiscal year). In assets, the balance of fund reserves was 4,474.6 billion yen (an increase of 83.3 billion yen from the end of the previous fiscal year), and in liabilities, the balance of TMG bonds was 5,414.2 billion yen (a decrease of 253.2 billion yen from the end of the previous fiscal year). The ratio of liabilities to assets is 18.5% (a 1.0 percentage point decline from the previous fiscal year).**
- **The administrative cost statement indicates that the balance for the current period stood at 720.0 billion yen (an increase of 619.8 billion yen compared to the previous year), and revenues continued to exceed expenses.**
- **In the cash flow statement, the balance for administrative service activities cash flow shows revenues exceeding expenses by 946.9 billion yen, expenses exceeding revenues by 696.8 billion yen in the balance of social capital improvement investment activities, and in the balance for financing activities, expenses exceeded revenues by 208.1 billion yen, but in the pro forma balance, found by adding the balance for administrative service activities cash flow, the balance of social capital improvement investment activities, the balance for financing activities and the balance brought forward from the previous fiscal year to the total balance, revenues exceeded expenses by 531.7 billion yen.**
- **The statement of changes in net assets shows that net assets increased 851.5 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.**

[2] Summary of Financial Statements

< Governmental accounting (single-entry bookkeeping/cash basis) >

[Ordinary Account Settlement]

- Recognizes revenues and expenses for the current term on a cash basis, and itemizes expenses by purpose and type.

Allows recognition of administrative activities by each administrative purpose or type

Revenues	
Metropolitan tax	
Treasury disbursements	
Misc. revenues	
TMG bonds	
Others	
Expenses	
< By purpose >	< By type >
Welfare	Personnel
Commerce/ manufacturing	Non-personnel
Civil engineering	Subsidizing expenses
Education	Ordinary construction
Others	Others
Proforma balance (revenues – expenses)	

◆ Cannot recognize stock information of assets, etc. or cost information that includes expenses that do not involve transfers of cash such as depreciation expenses, etc.

< New Public Accounting

[Cash Flow Statement]

- Categorizes cash flow into "administrative service activities", which indicates ordinary administrative services, "social capital improvement investment", which indicates changes in formation of fixed assets and funds, etc. and "financing activities", which indicates procurement of revenues sources through public bond issuance and borrowings and the redemption of public bonds, etc. and clarifies the balance in each

Enables recognition of the causes of changes in cash flow

Administrative service activities	
Total revenues	
Tax revenues, etc.	
Other	
Total expenses	
Administrative expenses	
Other	
Balance of admin. service activities	
Social capital improvement investment ◆	
Total revenues	
Funds transferred	
Other	
Total expenses	
Social capital improvement exp.	
Other	
Balance of social capital improvement investment activities	
Balance of administrative activities cash flow	
Financing activities ◆	
Revenues from financing activities	
Expenses for financing activities	
Balance of financing activities	
Total balance	
Balance brought forward from the previous year	
Proforma balance	

Revenues and expenses divided into three categories

Match
(= cash basis)

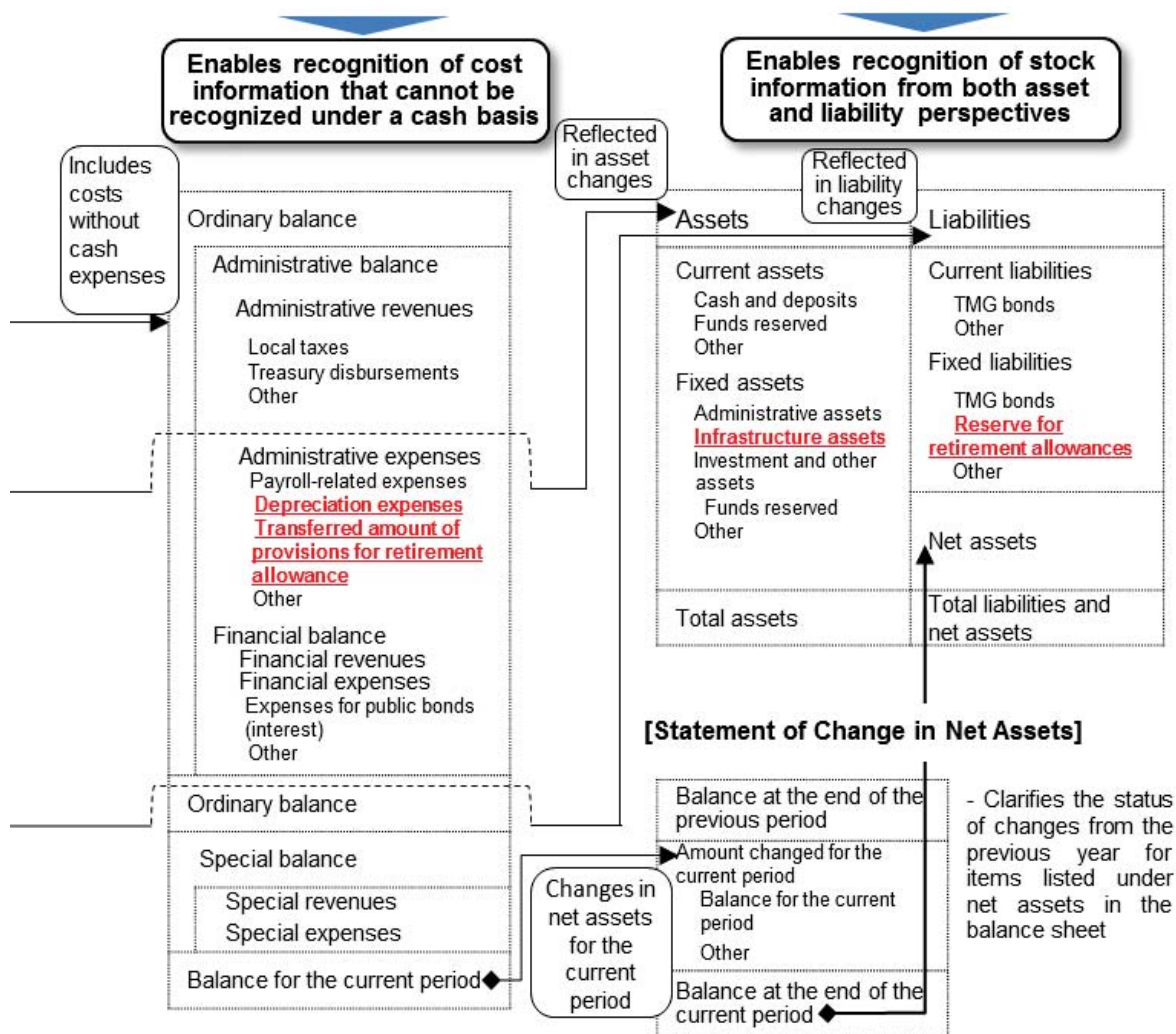
(Double-entry Bookkeeping/Accrual Basis)➤

[Administrative Cost Statement]

- Recognizes "expenses" over a single accounting period on an accrual basis, and clarifies the corresponding relationship between "expenses and "revenues" and the balance between the two
- Costs without cash expenses such as depreciation expenses and transfer to reserve, etc. are included under expenses.

[Balance Sheet]

- Categorizes accounts as "Assets", "Liabilities" and "Net assets", and clarifies stock information regarding infrastructure assets such as roads and bridges, etc. and balance of funds, TMG bonds, etc.



- ◆ By conducting financial analyses from a different perspective to that of government accounting, through recognition of stock information of assets, etc. and cost information on an accrual basis, it is possible to strengthen management and enrich accountability.

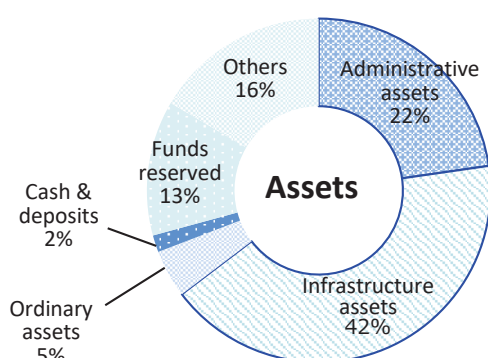
[3] Balance Sheet

- The balance sheet is to be compiled to give a clear picture of the status of the TMG's financial standing (status of 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 points>

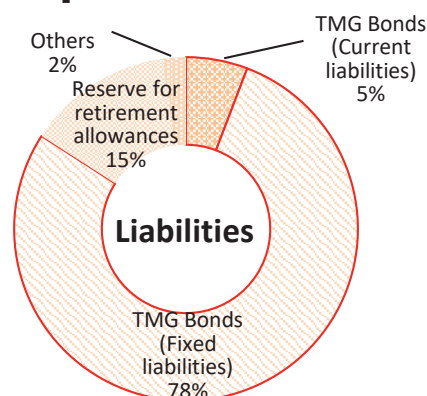
- The assets section shows the extent of assets possessed by the TMG. As shown in Figure 1, administrative assets provided for official use or for use by the public, such as TMG office buildings and TMG schools, etc. and infrastructure assets such as roads, etc. account for about 60% of all TMG assets. In addition, funds reserved, which account for over 10% of assets and serve a significant role as preparations for future financial demands, increased by 83.3 billion yen compared to the previous year as of end FY2019.
- The liabilities section shows the extent of the burden that will be passed down to future generations, such as TMG bonds, arrearage and borrowings, etc. As shown in Figure 2, TMG bonds, which account for over 80% of liabilities, had decreased by 253.2 billion yen compared to the previous year as of end FY2019.

[Figure 1] Breakdown of Assets



Administrative assets and infrastructure assets account **for about 60%**

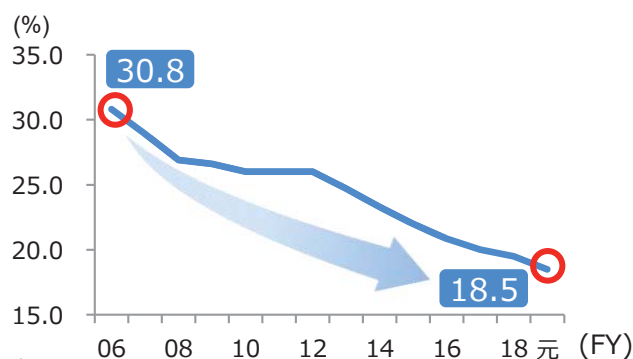
[Figure 2] Breakdown of Liabilities



TMG Bonds (current liability + fixed liability) account **for about 80%**

- As shown in Figure 3, a comparison of ratios of liabilities to assets between end FY2006, when new public accounting systems were introduced, and FY2019, shows a decrease of 12.3 percentage points. Since end FY2006, the ratio of liabilities to assets has maintained a generally decreasing trend, and this indicates that the formation of assets is progressing without increasing future burden.

[Figure 3] Changes in Ratio of Liabilities to Assets*



* Calculated by multiplying the liabilities section total/assets section total by 100.

- The net assets section shows the difference between the total amount of assets and the total amount of liabilities in the balance sheet. With the formation of administrative assets and the redemption of TMG bonds in order to lighten the burden for future generations, the difference as of end FY2019 increased by 851.5 billion yen.

<Balance Sheet>

(in billion yen, %)

Item	FY2019	FY2018	Change in amount	Percentage of change
Assets				
I Current assets	1,932.8	1,866.0	66.7	3.6
Cash & deposits	553.9	511.1	42.7	8.4
Uncollected revenues	67.1	63.2	3.9	6.2
Reserve for deficits due to non-payment ①	(8.0)	(8.3)	0.3	(3.6)
Funds reserved ②	1,215.0	1,187.9	27.1	2.3
Others	104.6	112.0	(7.3)	(6.5)
II Fixed assets	33,255.4	32,696.6	558.8	1.7
Administrative assets	7,998.2	7,751.3	246.8	3.2
Ordinary assets	1,597.7	1,462.9	134.8	9.2
Infrastructure assets ③	14,754.2	14,652.9	101.2	0.7
Funds reserved ②	3,259.5	3,203.3	56.2	1.8
Others	5,645.6	5,625.9	19.6	0.3
Total assets	35,188.2	34,562.6	625.6	1.8
Liabilities				
I Current liabilities	448.1	507.8	(59.6)	(11.7)
TMG bonds ④	326.7	392.2	(65.5)	(16.7)
Reserve for bonus	115.2	111.6	3.5	3.1
Other	6.2	3.9	2.3	59.0
II Fixed liabilities	6,062.6	6,228.8	(166.1)	(2.7)
TMG bonds ④	5,087.4	5,275.2	(187.7)	(3.6)
Reserve for retirement allowances	947.4	921.5	25.8	2.8
Others	27.7	32.0	(4.2)	(13.1)
Total liabilities	6,510.8	6,736.7	(225.8)	(3.4)
Total net assets ⑤	28,677.4	27,825.9	851.5	3.1
Total liabilities and net assets	35,188.2	34,562.6	625.6	1.8

Assets

① <Reserve for deficits due to non-payment>

As some uncollected revenues such as fees, etc. may become deficit due to non-payment in the future, the projected uncollectable amount is recorded under reserve.

② <Funds reserved>

Cash, etc. in preparation for financial resource adjustments between fiscal years and future financial needs is recorded as funds reserved.

* Fiscal adjustment funds and sinking funds scheduled for reversal in the next fiscal year are treated as current assets, while funds that do not fall under current assets are treated as fixed assets.

③ <Infrastructure assets>

Records amounts related to roads and bridges, etc.

Liabilities

④ <TMG bonds>

As TMG bonds must be paid in the future, they are recorded as liabilities.

* TMG bonds scheduled for redemption in the next fiscal year are treated as current liabilities while TMG bonds scheduled for redemption in the fiscal year after the next fiscal year or later are treated as fixed liabilities.

Net assets

⑤ The net assets section shows the difference between the total amount of assets and the total amount of liabilities in the balance sheet.

[4] Administrative Cost Statement

- The administrative cost statement is compiled to recognize “expenses” arising from administrative services activities provided by the TMG during a single accounting period on an accrual basis, indicate the corresponding relationship between “expenses” and “revenues”, the difference between the two, and clarify administrative services costs.
- 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.

<Administrative cost statement points>

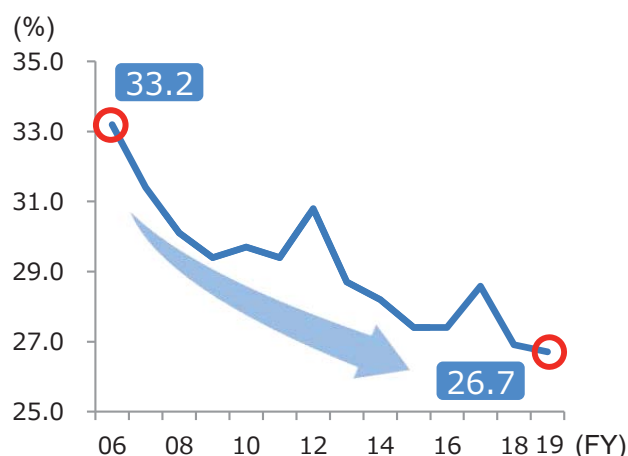
- The administrative cost statement also records costs without cash expenses as expenses. The recording of expenses that are not recognized under government accounting, in an accrual basis administrative costs statement, enables the recognition of cost information.

- Examples of costs without cash expenses -

- In relation to expenses required for public facilities, etc. government accounting only recognizes the initial construction costs and annual maintenance costs. Meanwhile, the accrual basis approach focuses on the decrease of the asset value of a building, etc. as time passes, and records the amount of decrease each year, in accordance with the operational life of the asset, as depreciation expenses.

• The main accrual basis cost related to personnel expenses is transfer to reserve for retirement allowances. This recognizes that even if the payment of retirement allowances is some years later, the cost in terms of amount of increase of future retirement allowances is attributable to this fiscal year, and records this as an expense. Furthermore, as shown in Figure 4, when looking at the ratio of personnel expenses to costs in order to ascertain administrative services efficiency, there has been a generally decreasing trend since FY2006.

[Figure 4] Changes in Personnel Expenses to Cost Ratio*



*1 Calculated using the formula (Payroll related expenses + amount transferred to reserve for retirement allowances + amount transferred to reserve for bonuses) / (administrative expenses + financial expenses) x 100.

*2 Furthermore, recording of reserve for bonuses commenced from FY2012 onwards, together with recording of the relevant amount as amount transferred to reserve for bonuses (recorded under amount transferred to reserves for other allowances in FY2012).

*3 Figures for FY2017 include the effects of increases in allowances due to reviews of amount transferred to reserve for retirement allowances and amount transferred to reserve for bonuses (revised Tokyo accounting standards).

- The balance for the current period for FY2019 shows that revenues exceeded expenses by 720.0 billion yen. Balance for the current period, an item that corresponds to “Net profit for the current period” in the profit and loss statements of private enterprises, is a part of the items that comprise net assets, and is allocated to funds reserved in preparation for future financial demands and the redemption of TMG bonds to alleviate the burden on future generations.

<Administrative Cost Statement>

(In billion yen, %)

Item	FY2019	FY2018	Change in amount	Percentage of change
Ordinary Balance				
I Administrative balance				
Administrative revenues	6,683.9	6,352.3	331.5	5.2
Local taxes	5,739.5	5,463.8	275.7	5.0
National treasury disbursements	293.2	268.9	24.2	9.0
Fees and charges	149.5	150.9	(1.4)	(0.9)
Others	501.6	468.6	33.0	7.0
Administrative expenses	5,921.9	5,581.5	340.4	6.1
Tax-related expenses	1,436.0	1,421.8	14.2	1.0
Payroll-related expenses	1,366.7	1,348.2	18.4	1.4
Subsidizing expenses	1,331.6	1,131.6	200.0	17.7
Investment expenses	462.5	465.7	(3.2)	(0.7)
Depreciation expenses ①	201.9	198.2	3.7	1.9
Transfer to reserve for deficit due to non-payment	5.0	7.2	(2.1)	(29.2)
Transfer to reserve for bonus	115.2	111.6	3.5	3.1
Transfer to reserve for retirement allowances ②	115.6	59.6	55.9	93.8
Others	887.1	837.1	49.9	6.0
II Financial balance				
Financial revenues	13.8	14.0	(0.1)	(0.7)
Financial expenses	59.7	66.1	(6.3)	(9.5)
Expenses for public bonds (interest) ③	58.0	64.5	(6.5)	(10.1)
Others	1.7	1.5	0.1	6.7
Ordinary balance	716.0	718.6	(2.6)	-
Special balance				
Special revenues	148.9	80.2	68.7	85.7
Special expenses	144.9	698.6	(553.7)	(79.3)
Balance for the current period ④	720.0	100.2	619.8	-

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

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

[5] Cash Flow Statement

- The cash flow statement is prepared to categorize the cash flow of the TMG's finances according to "administrative services activities", "social capital improvement investment", and "financing activities", undertaken for funding and repayments, etc. and to indicate the cash balance status in each.
- 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 government 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. Consequently, the cash flow statement can be said to show government accounting settlements as divided into each activity category.

<Cash flow statement points>

- The balance of administrative service activities in FY2019 was 946.9 billion yen in net revenues (net revenues for the previous fiscal year were 911.7 billion yen), an increase of 35.2 billion yen compared to the previous fiscal year. This is mainly due to increases in tax revenues, etc. resulting in a 301.0 billion yen increase in revenues.
- The balance of social capital improvement investment activities for FY2019 was 696.8 billion yen in net expenses (net expenses for the previous fiscal year were 632.2 billion yen), an increase of 64.5 billion yen compared to the previous fiscal year. This is mainly due to a 23.4 billion yen increase in funds transferred under revenues, and an increase of 379.5 billion yen in funds reserved under expenses.
- The balance of financing activities for FY2019 was 208.1 billion yen in net expenses (net expenses for the previous fiscal year were 266.6 billion yen), a decrease of 58.4 billion yen compared to the previous fiscal year. This is mainly due to a 4.1 billion yen decrease in revenues from TMG Bonds issued, and a 62.0 billion yen decrease in expenses for public bonds (principal) allocated to the redemption of past TMG bonds.
- The proforma balance, which is the sum of the balance of social capital improvement investment activities, the balance of financing activities, the balance of administrative services activities (946.9 billion yen) and the balance carried forward from the previous year (489.7 billion yen), indicates a surplus. The proforma balance of 531.7 billion yen consists mainly of financial resources that should be carried over to the next fiscal year, and will be utilized in the next fiscal year.

<Cash Flow Statement>

(in billion yen, %)

Item	FY2019	FY2018	Change in amount	Percentage of change
Administrative service activities ①				
Total revenues	6,665.9	6,364.8	301.0	4.7
Tax revenues, etc.	6,021.9	5,745.3	276.5	4.8
Others	644.0	619.4	24.5	4.0
Total expenses	5,718.9	5,453.1	265.8	4.9
Tax-related expenses	1,436.0	1,421.8	14.2	1.0
Administrative expenses	4,221.7	3,964.4	257.3	6.5
Others	61.2	66.8	(5.6)	(8.4)
Balance of administrative service activities	946.9	911.7	35.2	-
Social capital improvement investment activities ②				
Total revenues	816.7	883.4	(66.7)	(7.6)
Funds transferred	441.7	418.3	23.4	5.6
Others	375.0	465.1	(90.1)	(19.4)
Total expenses	1,513.5	1,515.7	(2.1)	(0.1)
Social capital improvement expenses	554.7	957.2	(402.5)	(42.0)
Fund reserve	571.0	191.5	379.5	198.2
Others	387.7	366.9	20.8	5.7
Balance of social capital improvement activities	(696.8)	(632.2)	(64.5)	-
Balance of administrative activities cash flow ③	250.1	279.4	(29.3)	-
Financial activities ④				
Revenues from financing activities	140.4	143.5	(3.1)	(2.2)
TMG bonds	138.5	142.7	(4.1)	(2.9)
Others	1.8	0.8	1.0	125.0
Expenses related to financing activities	348.5	410.1	(61.5)	(15.0)
Expenses for public bonds (principal)	346.2	408.3	(62.0)	(15.2)
Others	2.2	1.7	0.5	29.4
Balance of financing activities	(208.1)	(266.6)	58.4	-
Total balance	41.9	12.8	29.1	-
Balance carried forward from the previous year	489.7	476.8	12.8	-
Proforma balance ⑤	531.7	489.7	41.9	-

Administrative service activities

① This indicates cash balance for ordinary administrative services such as payment of salaries and purchase of property, etc.

Social capital improvement investment activities

② This indicates cash balance derived from formation of fixed assets and changes to funds, etc.

Balance of administrative activities cash flow

③ This is the sum total of the balance of administrative services activities and the balance of social capital improvement investment activities.

Financial activities

④ This indicates the cash balance for procurement of revenues sources through TMG bond issuance and borrowings, and redemption of TMG bonds, etc.

Proforma balance

⑤ Corresponds to the amount derived by subtracting total annual expenses from total annual revenues under government accounting.

[6] Statement of Changes in Net Assets

- The statement of changes in net assets is compiled to clearly indicate the changes in net asset items, which show the balance between assets and liabilities in the balance sheet, during a single accounting period.
- Furthermore, the administrative costs statement's balance for the current period is recorded as surplus in the statement of changes in net assets, and the balance at the end of the current period given in the statement of changes in net assets corresponds to the total amount given under net assets in the balance sheet.

<Statement of changes in net assets' points>

- Based on deliberations by the Tokyo Accounting Standards Board, the TMG revised its accounting standards in 2007, and in addition to conventional balance sheets, administrative cost statements and cash flow statements, created the "Statement of Changes in Net Assets", which clarifies changes in net assets recorded on the balance sheet in a single accounting period.
- Of the items in the statement of changes in net assets, "Opening balance equivalents" indicates the status of assets when the TMG first started creating balance sheets in FY2006, and the given value has not changed in subsequent fiscal years. Additionally, "National treasury disbursements" refers to the portion of treasury disbursements that will be allocated to expenses for social capital improvements. Other than these, there is also "Assessed value of donated assets", which records assets that have been received without any corresponding expense, and "Amounts transferred to wards, towns, etc.", which records exemptions when assets are transferred to wards, towns, etc. when a business is transferred.
- At the end of fiscal year 2019, net assets stood at 28,677.4 billion yen, an increase of 851.5 billion yen from 27,825.9 billion yen in the previous fiscal year. The increase is due primarily to increases to assessed value of donated assets, etc. following transfer of jurisdiction from public enterprise accounts and balance for the current period etc.

<Statement of Changes in Net Assets>

Shows each item								
	Opening balance equivalent	National treasury disbursements	Charges and transfers etc.	Assessed value of donated assets	Amounts transferred to wards, towns etc.	Cross-accounting transaction account	Other surplus	Total
Balance at the end of the previous period	19,021.8	1,436.5	100.9	360.5	(153.5)	(29.2)	7,088.7	27,825.9
Amount changed for the current period	-	60.9	3.5	73.2	(6.2)	(0.1)	720.0	851.5
Change in fixed assets etc.	-	60.9	3.5	73.2	(6.2)	80.3	-	211.8
Change in TMG bonds etc.	-	-	-	-	-	(9.6)	-	(9.6)
Other intra-bureau transactions	-	-	-	-	-	(70.7)	-	(70.7)
Balance for the current period	-	-	-	-	-	-	720.0	720.0
Balance at the end of the current period	19,021.8	1,497.5	104.4	433.8	(159.8)	(29.3)	7,808.8	28,677.4

The statement of changes in net assets is a table that lists each item of net assets from left to right and the variation factors over a single fiscal year from top to bottom.

Shows variation factors in net assets

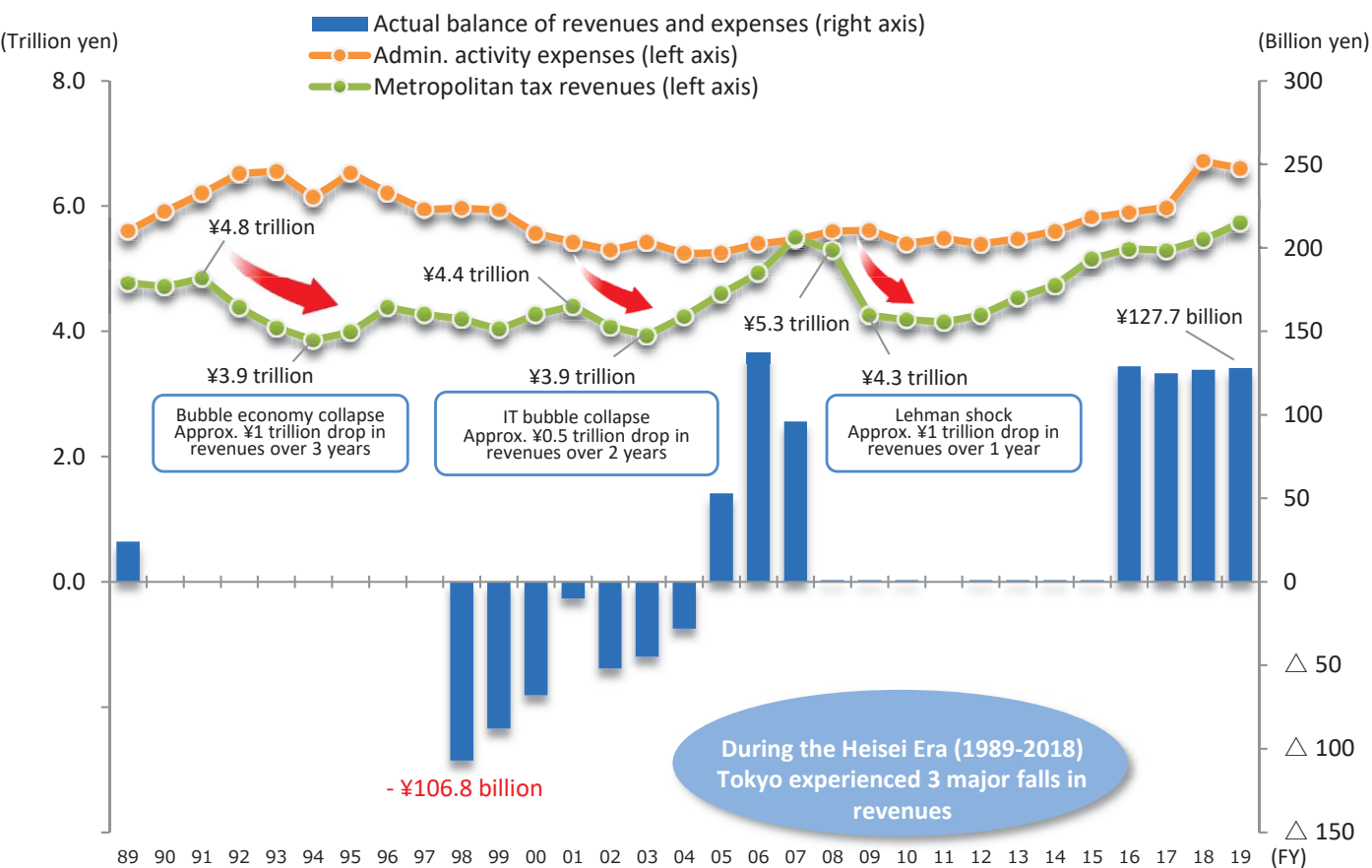
(3) Analysis of TMG Finances

- Up to this point, the TMG's financial condition in FY2019 was studied through analyses of conventional government accounting and financial statements.
- This section analyzes the current financial condition, and considers future financial management according to changes in the environments surrounding TMG finances.

Chapter 1 – FY2019 Financial Condition, etc.

- The actual balance of revenues and expenses in the FY2019 financial results was 127.7 billion yen in the black.
- This is mainly due to the robust metropolitan tax revenues and strategic utilization of systematically built reserves, along with thorough approaches towards the elimination of wasteful aspects with an eye to the future, etc.
- In recent years, with the support of favorable tax revenues, actual balance has tended to remain in the black. However, Tokyo's tax revenues have an inherently unstable structure that is susceptible to economic fluctuations, and metropolitan tax revenues fell significantly during economic crises such as the collapse of the bubble economy and the Lehman Shock (Figure 1).
- In addition, as the TMG is a non-receiving body in terms of ordinary local allocation tax, compared to other municipalities, financial management that incorporates greater preparations for tax revenue fluctuations is essential.

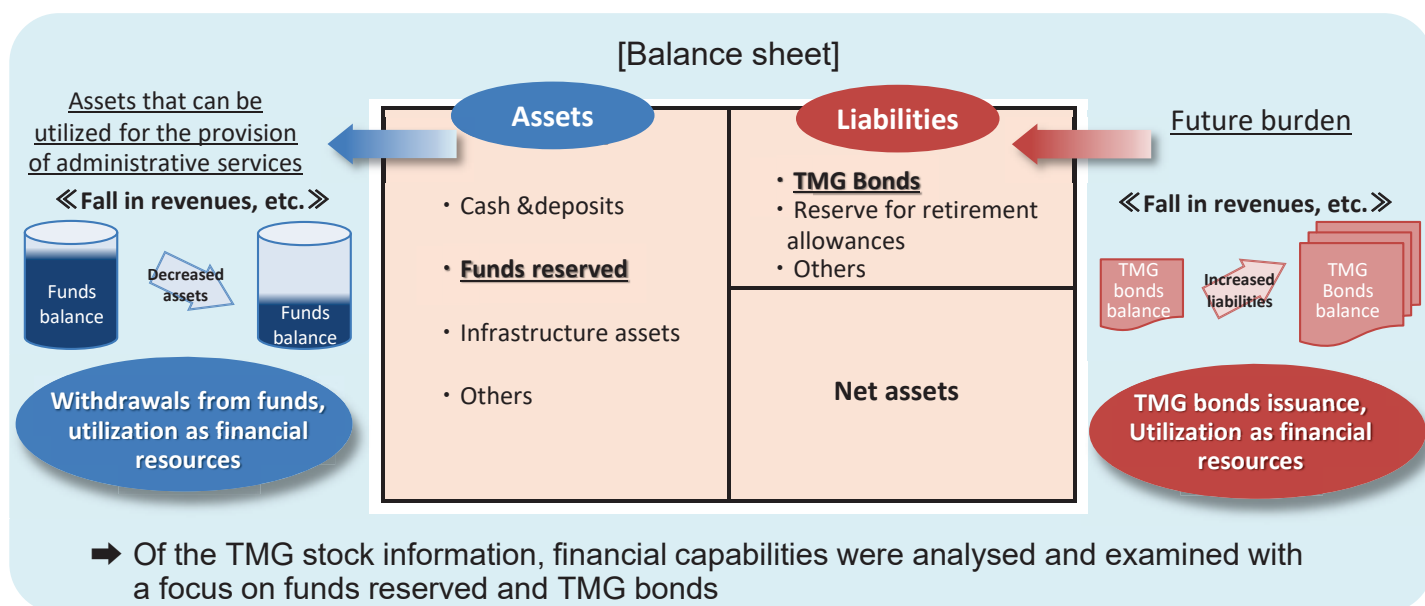
[Figure 1] Changes in Actual Balance of Revenues and Expenses/Admin. Activity Expenses/ Metropolitan Tax Revenues



* Actual Balance of Revenues and Expenses is the amount derived when financial resources that should be carried forward to the next fiscal year for approved carry forward, etc. is deducted from the proforma balance (balance between revenue and expenditure).
* Administrative activity expenses refers to total annual expenses related to administrative services undertaken over the year, excluding deposits to funds and expenses for public bonds.

- Presently, with regards to the current COVID-19 pandemic, cases have been confirmed in Japan since January 2020, and the subsequent spread of infection is having a severe impact on the economic activities and the livelihoods of Tokyo citizens, and while a variety of measures are required, conditions allow no scope for assumptions regarding the impact on TMG finances.
- In view of these conditions, with a focus on continuous responses to the pressing issues currently faced by Tokyo, such as measures aiming for compatibility between the prevention of further COVID-19 infection and socio-economic activities in the future, etc. we begin in this chapter by examining the capabilities of TMG finances through the analyses of financial results as of FY2019.
- For the examination, from TMG stock information recorded in the balance sheet, we first focus on an analysis of funds reserved and TMG bonds, which provide adjustment functions for financial resources between fiscal years and are essential for stable financial management (Figure 2).
- Furthermore, from the perspective of fiscal flexibility, we study the financial condition, taking into consideration the ordinary balance ratio, which indicates the degree to which financial resources allocated to measures for appropriate responses to changes in socio-economic and administrative demand, etc. have been secured, in addition to financial resources allocated to mandatory expenses.

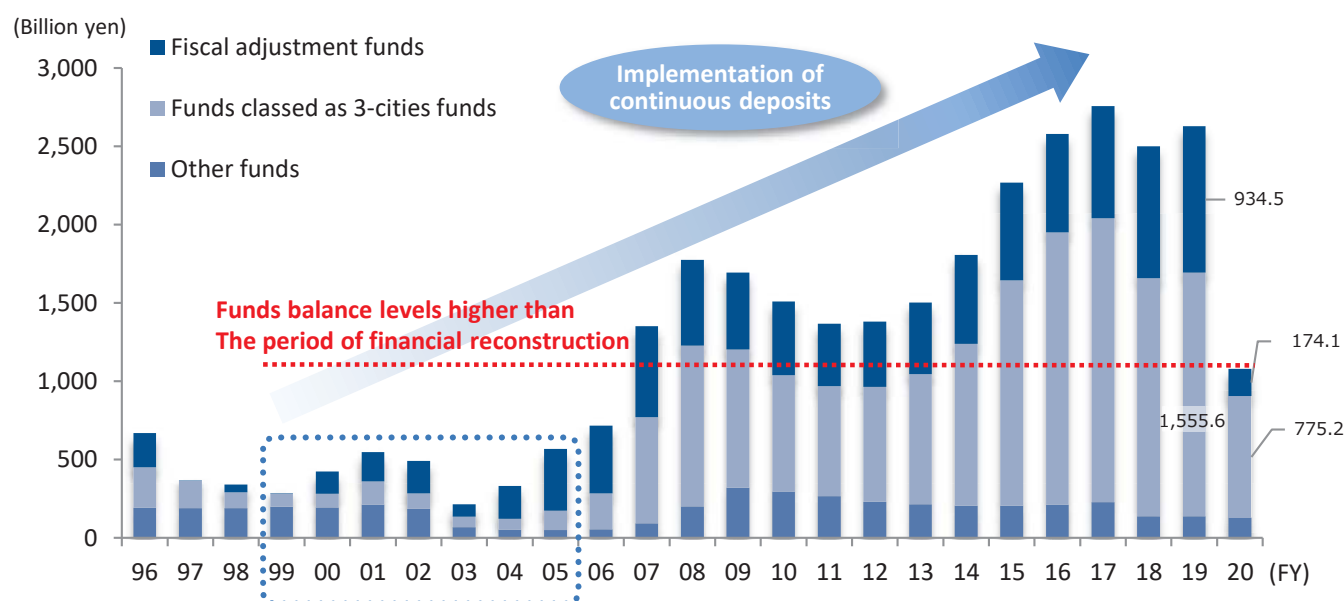
[Figure 2] Areas of Focus in the Analysis of the Financial Condition



Funds balance

- Funds refers to capital built up in advance for specified purposes by local authorities in accordance with prescribed ordinances.
- The TMG has established funds for specified purposes, such as fiscal adjustment funds that work to adjust financial resources between fiscal years, and funds to be allocated to preparations for the Tokyo 2020 Games and measures for the realization of 3-cities, etc. in accordance with the objectives of each.
- The function of fiscal adjustment funds to perform financial adjustments between fiscal years, serves a significant role in the financial management of Tokyo, which is subject to unstable metropolitan tax revenues.
- Until now, utilization of these funds as a financial resource when faced with significant falls in revenues due to events such as the Lehman Shock, etc. has enabled stable provision of administrative services.
- As of end FY2019, funds balance, which was practically depleted by FY1997, had reached the highest ever balance of 934.5 billion yen due to deposits during the period of fiscal reconstruction and continued deposits made after recovery from the Lehman Shock.
- However, due to proactive utilization as the main financial resource for emergency measures related to COVID-19, implemented continuously since February 2020, the estimated year-end balance, based on the budget reflecting the supplementary budget (provisional) up to September FY2020, was 174.1 billion yen.
- End-FY2020 budget based funds balance, which includes funds for the realization of 3-cities, etc. in addition to fiscal adjustment funds, will maintain levels higher than the period of financial reconstruction (Figure 3).
- The TMG will continue to systematically utilize each fund in order to provide appropriate responses in relation to measures against COVID-19, and to steadily promote preparations for disasters and policies aimed at the realization of Zero Emission Tokyo.

[Figure 3] Changes in Funds Balance



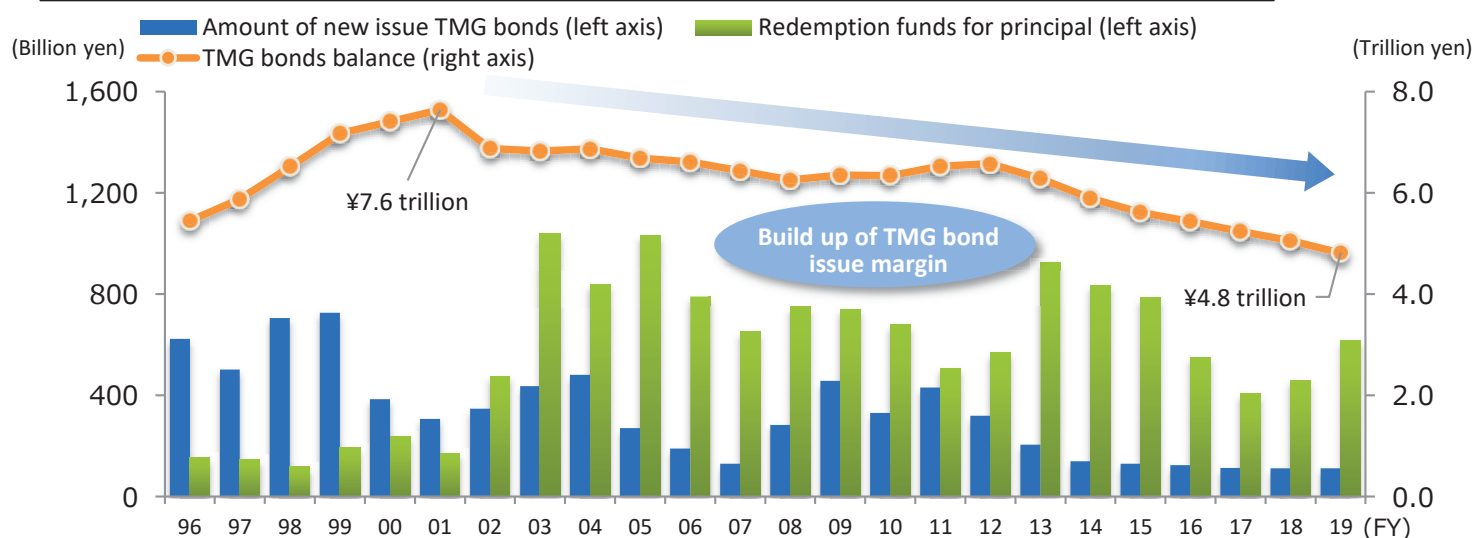
* The FY2020 fiscal adjustment funds balance includes the 70.2 billion yen mandatory reserve amount of the FY2019 results surplus.

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

TMG Bonds Balance

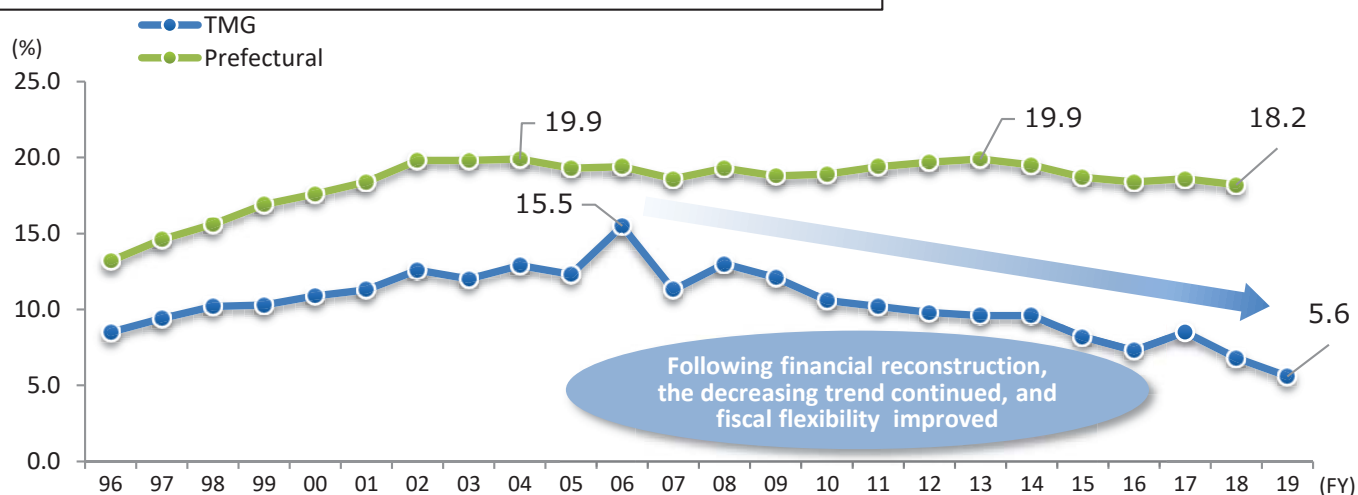
- TMG bonds are debts borne by the TMG in the course of funds procurement, and the redemption of such bonds is conducted over multiple fiscal years.
- Within the protracted economic slump following the collapse of the bubble economy, the TMG issued vast amounts of TMG bonds, mirroring the state's stance regarding economic measures, and maintained high levels of expenses, which caused the TMG bonds balance for FY2001 to balloon up to 7.6 trillion yen.
- However, in the subsequent period of robust tax revenues, new issue and conversion issue of TMG bonds was curbed, and this resulted in a reduction in TMG bonds balance to 4.8 trillion yen as of end FY2019, a reduction of approximately 40% compared to peak levels (Figure 4).
- In addition, redemption expenses for principal and interest under expenses for public bonds have also decreased, and the ratio of expenses for public bonds, which serves as an indicator for the level of allocation of general revenue sources to the redemption of local government bonds, has also maintained low levels (Figure 5).
- In this way, the TMG has prepared for future reductions in revenues, etc. and steadily built up the stamina to accommodate additional issuance of TMG bonds.

[Figure 4] Changes in Amounts of New Issue TMG Bonds/Redemption Funds for Principal/TMG Bonds Balance



* General account based values.

[Figure 5] Changes in Ratio of Expenses for Public Bonds

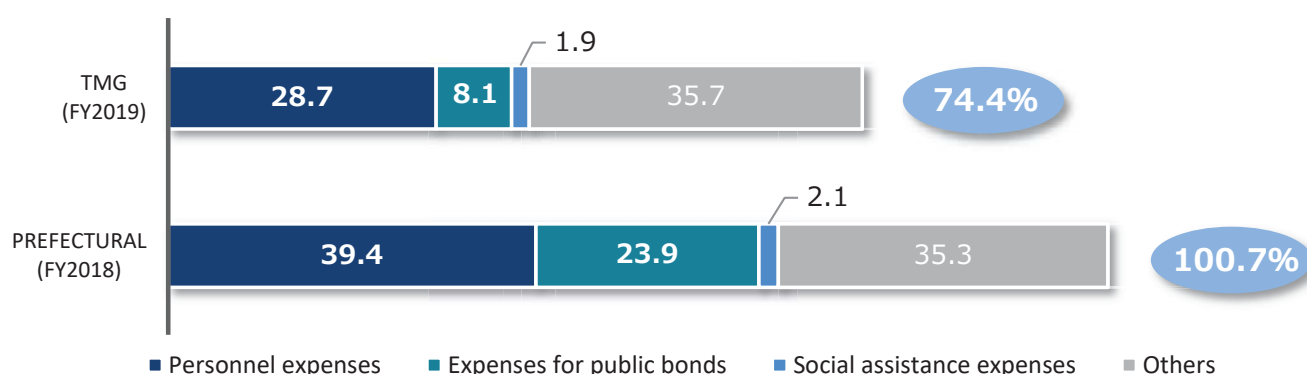


* Prefectural ratios are weighted averages, excluding partial-affairs-associations, etc.

Ordinary Balance Ratio

- The ordinary balance ratio is an indicator that measures fiscal flexibility by indicating the level of allocation of local taxes, etc. to expenses that are difficult to reduce by any simple means, such as personnel expenses, social assistance expenses, which are expenses related to the provision of benefits, etc. implemented in accordance with various laws and ordinances, and expenses for public bonds, which are expenses required for the redemption of local government bonds, etc. The lower this ratio, the greater the flexibility.
- Until now, the TMG has undertaken efforts such as the reduction of personnel expenses by reducing personnel numbers and the reduction of TMG bonds balance by curbing new issues of bonds, and this has resulted in an ordinary balance ration of 74.4% in the FY2019 fiscal results.
- In comparison to average prefectural values exceeding 100% in recent years, the flexibility of TMG finances is high (Figure 6).

[Figure 6] Ordinary Balance Ratio Breakdown Comparison



* The prefectural ratios are weighted averages. Calculations were made with extraordinary tax revenue supplementary bonds and extraordinary financial countermeasures bonds excluded from ordinary general revenues sources, etc.

- As indicated above, in order to prepare for significant falls in tax revenues accompanying economic fluctuations and future financial demands, the TMG has been systematically building funds and continuing to reduce TMG bonds balance.
- In addition, with persistent and continuous reviews/redesign of measures undertaken on a platform of thorough internal efforts to achieve maximum administrative effect at minimum cost, the TMG maintained fiscal flexibility while ensuring the required standards of administrative services.
- The next chapter, looks at the responses taken against COVID-19 while bringing the financial capabilities nurtured to date into full play.

TMG Financial Management to Date

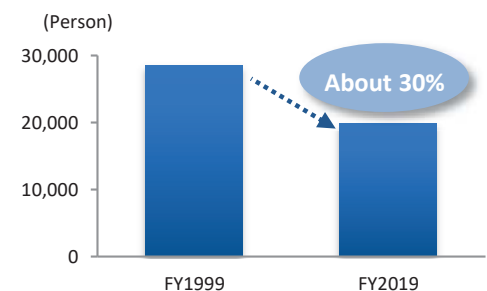
- The metropolitan tax revenues that form the core of TMG revenues have an unstable structure, highlighted by the significant short-term reductions in revenues that occurred three times in the Heisei Era alone (1989-2018).
- Aiming for stable financial management, the TMG has engaged in internal efforts and persistent reviews of measures, etc. while building funds and curbing TMG bond issuance, in order to build fiscal stamina in preparation for future financial demands and other unforeseen circumstances.

[Main approaches undertaken to date]

■ Reduction in numbers of personnel

- Within the backdrop of diversification and sophistication of the needs of Tokyo citizens, the TMG maintained efficient execution systems based on small numbers of elite personnel, and worked to improve services provided for Tokyo citizens while implementing the reduction of personnel numbers through reviews of administrative projects across all agencies. This reduced the number of personnel in the general administration section by about 30% in comparison to FY1999.

◆ Comparison of personnel numbers

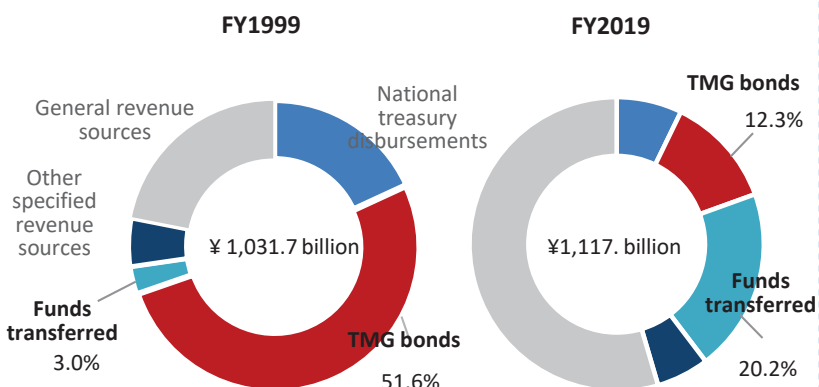


* Fixed personnel numbers under the general administration section of the ordinary accounts (excl. transfer to the Bureau of Public Cleaning).

■ Review of investment expenses

- Even after achieving financial reconstruction by reducing investment expenses through the cessation of new large-scale construction projects, etc. the TMG promoted approaches required for the development of future social infrastructure, such as measures against disasters, and established a financial resource composition that takes financial burden on subsequent fiscal years into account.
- While investment expenses in FY2019 were higher than those of FY1999 due to the development of permanent facilities for the Tokyo 2020 Games, the TMG aimed to secure financial resources through the proactive utilization of funds transferred, including withdrawals from funds, and curbed TMG bond issuance.

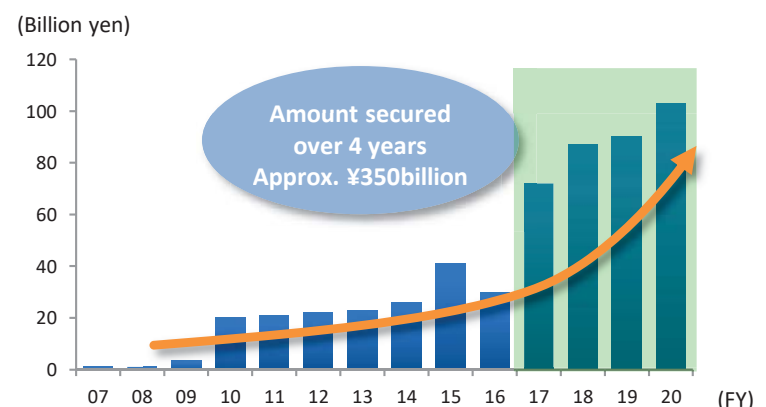
◆ Financial resource composition of investment expenses



■ Project review approaches

- Project reviews are an approach involving the redesign of review efforts in order to extend the achievements of project revisions implemented intensively during the period of financial reconstruction, after achieving financial reconstruction.
- A performance record was steadily established through multi-faceted examinations in the process of budget formation, as well as the rigorous examination of project results, and in the four years from FY2017, the TMG secured financial resources of about 350 billion yen.

◆ Amount of financial resources secured through financial reviews



*Amounts shown for each fiscal year are based on initial budgets.

Chapter 2 – Responses to COVID-19

Responses through supplementary budgets, etc.

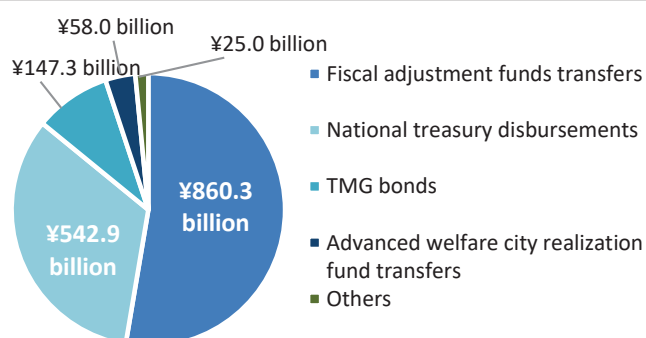
- Since February 2020, the TMG has implemented emergency measures on a scale equivalent to a total of approx. 1.6 trillion yen through several supplementary budget formations, etc. as a response to the spread of COVID-19 (Figures 7, 8, 9).

[Figure 7] Emergency measures related to COVID-19

Measures column	Supplementary budget amounts, etc.	Main items
Measures to prevent the spread of COVID-19	¥649.5 billion	<ul style="list-style-type: none"> • Spread prevention assistance fund (Incl. assistance funds related to shorter business hours) ¥156.0 billion • Payment of benefits for medical personnel, etc. ¥83.3 billion • Available bed securement fee subsidy for patient acceptance ¥96.8 billion • Accommodation facility utilization projects ¥37.1 billion • Payment of "Provisional support for medical institutions accepting COVID-19 patients" ¥20.0 billion
Reinforcement and enhancement of safety nets that support economic activities and the livelihoods of Tokyo citizens	¥908.9 billion	<ul style="list-style-type: none"> • Small and medium enterprise financing system, etc. ¥716.1 billion • Livelihood welfare funds loans subsidy ¥114.3 billion • Payment of "Support benefits for Tokyo rents, etc." ¥44.0 billion • Business format conversion support for restaurant businesses ¥5.3 billion
Approaches aiming for compatibility with infection prevention measures and socio-economic activities	¥17.7 billion	<ul style="list-style-type: none"> • Support for business development for new lifestyles ¥11.7 billion • Expansion of anti-COVID-19 measures in schools ¥4.7 billion
Approaches to overcome immediate crises by promoting transformation of social structures	¥57.4 billion	<ul style="list-style-type: none"> • Emergency support to promote working-from-home ¥45.0 billion • Environment development for online study at schools, etc. ¥11.5 billion
Total	¥1,633.5 billion	

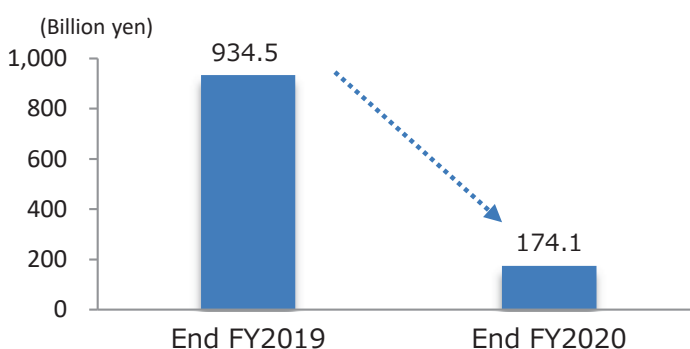
* Supplementary budget amounts, etc. are total amounts up to the September FY2020 supplementary budget (provisional), and include responses through reserve funds and existing expenses, and public enterprise account budgets.

[Figure 8] Breakdown of financial resources for emergency measures



* Others includes responses through reserve funds and existing expenses, and public enterprise account budgets (excl. allocations of national treasury disbursements).

[Figure 9] Fiscal adjustment funds balance



* The figure for end FY2020 is a budget based estimate that reflects the September FY2020 supplementary budget (provisional), and includes the 70.2 billion yen mandatory reserve amount of the FY2019 results surplus.

- Tokyo accounts for about 20% of Japan's total real GDP, and along with the many companies, industries and information gathered here, many people from Japan and abroad also gather here, making Tokyo the hub for connections to all other regions in Japan, and the center of Japan's economic activities (Figure 10).
- As measures taken in Tokyo during epidemics of emerging infectious diseases or disasters have an enormous knock-on effect on socio-economic activities throughout Japan, prompt and appropriate responses are required.
- With the measures taken against COVID-19 this time around, the TMG has brought the financial capabilities nurtured to date into full play to enable the prompt implementation of the largest ever series of emergency measures ever taken, in order to execute the necessary responses without missing any opportunities, and prevent the spread of the disease and provide support for economic activities.
- As financial resources for measures against COVID-19, the TMG has proactively utilized financial support provided from the state, such as the COVID-19 Emergency Comprehensive Support Grant and the Extraordinary Grant for Regional Revitalization, which are national treasury disbursements, and also worked to secure necessary financial resources from funds for specified purposes. However, the fiscal adjustment funds have performed as the core financial resource.
- Until now, TMG funds balance has been a target for criticism by Tokyo wealth theories.
- However, in relation to unexpected financial demands such as those of the current situation, the ability to implement prompt measures can be firmly attributed to the TMG's utilization of past experience and the steadfast sustainment of a robust fiscal foundation in preparation for financial demands in times such as these.

[Figure 10] Tokyo Economic Activity Indicators

Real GDP	No. of companies	No. of Shinkansen passengers	No. of regular domestic flight passengers/Haneda AP	No. of overseas travelers visiting Tokyo
¥106 trillion (19.9%)	250,000 (15.3%)	230,000/day (22.0%)	29.85 million (29.3%)	15.18 million (47.6%)

* Figures given in () represent percentages in relation to nationwide indicators.

* The figure given for real GDP is for FY2019, and is derived from "Tokyo Metropolitan Accounts (FY2018 Preliminary Figures/FY2019 Projections)" (TMG Bureau of General Affairs) and "Quarterly Estimates of GDP (January – March 2020 (Second Preliminary Estimates))" (Cabinet Office).

* The figure given for No. of companies is as of June 1, 2016, and is derived from the "2016 Economic Census" (MIC/METI).

* The figure given for No. of Shinkansen passengers is based on figures for passenger numbers at Tokyo, Ueno and Shinagawa stations, recorded in "Summary of Company Performance (March 2019 Segment)" (Central Japan Railway Company) and "Passengers by Shinkansen Station (FY2018)" (East Japan Railway Company), and is the figure for FY2018. The percentage given is the ratio of passengers in relation to the number of Shinkansen passengers given in "Annual Statistics on Railways and Transportation (FY2018)" (MLIT).

* The figure given for No. of regular domestic flight passengers/Haneda AP is derived from the number of passengers departing from Haneda AP and arriving at various domestic airports, given in "Annual Air Transport Statistics (2019)" (MLIT), and is the figure for FY2019.

* The figure given for No. of overseas travelers visiting Tokyo is derived from "Visitor Arrivals, Japanese Overseas Travelers by Year (1964 – 2019)" (Japan National Tourism Organization) and "Fact-finding Investigation of Tourism Arrivals and etc. in Tokyo (Bureau of Industrial and Labor Affairs, TMG)", and is the figure for 2019.

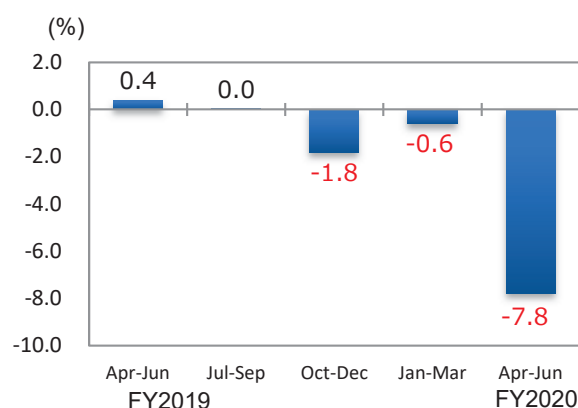
- Through this proactive utilization of each financial resource, beginning with the fiscal adjustment funds, the TMG promptly executed measures against COVID-19, but the overall economic impact is still catastrophic, and economic conditions in Japan and abroad are harsh.
- The next chapter looks at the future economic outlook through projected values of economic indicators, etc. and considers approaches aimed at securing future financial resources.

Chapter 3 – Future Financial Management according to Changes in the Environments Surrounding TMG Finances

Future economic outlook

- While the Monthly Economic Report from the Cabinet Office (August 27, 2020) states that “The Japanese economy is still in a severe situation due to the Novel Coronavirus, but it is showing movements of picking up recently” and “Concerning the outlook, the economy is expected to show movements of picking up, supported by the effects of the policies and improvement in overseas economies”, when considering the actual GDP growth rate for the most recent quarter and the economic outlook from FY2020 onwards, the highest level of scrutiny will still be required in relation to domestic and overseas infection trends (Figures 11, 12).

[Figure 11] Quarterly real GDP growth rates



* From “Quarterly Estimates of GDP for April - June 2020 (First Preliminary Estimates)” (Cabinet Office).

[Figure 12] Project real GDP growth rates

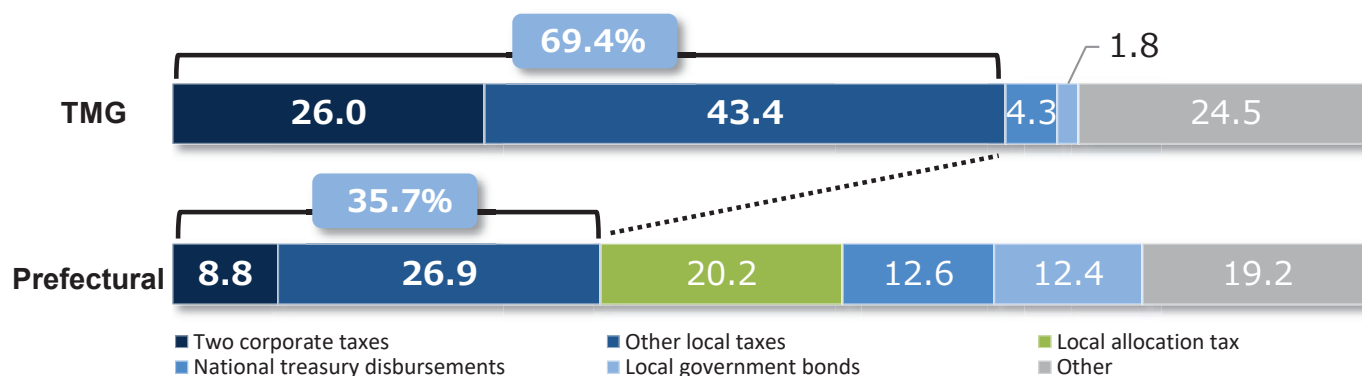
Projection Body	2020 (FY)	2021 (FY)
Cabinet Office	- 4.5%	3.4%
Bank of Japan	- 5.7% ~ - 4.5%	3.0% ~ 4.0%
International Monetary Fund	- 5.8%	2.4%

* From “Mid-Year Economic Projection for FY2020” (Cabinet Office), “Outlook for Economic Activity and Prices (July 2020)” (Bank of Japan), and the “World Economic Outlook Update (June 2020)” (International Monetary Fund).

* Cabinet Office and Bank of Japan figures are for the fiscal year, while International Monetary Fund figures are for the calendar year.

- In addition, the proportion of TMG revenues accounted for by local taxes, including the two corporate taxes, is higher compared to other local governments, and as this is an unstable structure that is susceptible to economic fluctuations, financial management with greater autonomy is required (Figure 13).
- In view of the significant impact of the spread of COVID-19 on Tokyo’s economy, there is a possibility that metropolitan tax revenues will fall accordingly in the future, and even harsher environments surrounding TMG finances are envisaged.

[Figure 13] Comparison of revenue structures of TMG and other prefectures (FY2018 Results)

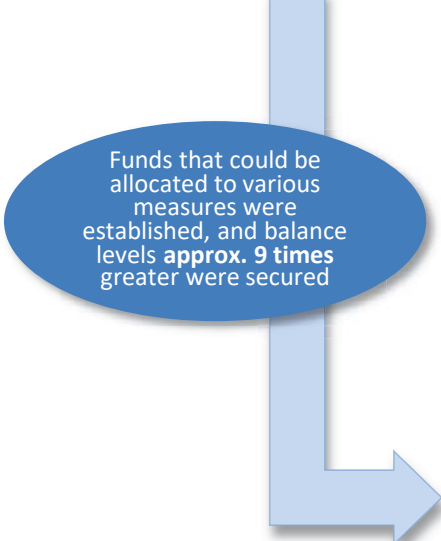


- Along with fiscal adjustment funds, funds for the realization of 3-cities and TMG bonds can also be considered as financial resources to be utilized under these circumstances.
- In addition, approaches to heighten the efficiency and effectiveness of existing projects are also essential.
- In this section, we look at the utilization of funds for the realization of 3-cities and TMG bonds, and project review approaches.

Utilization of funds for the realization of 3-cities

- Other than fiscal adjustment funds, the TMG has until now engaged in preparations for future financial demands in relation to important issues faced by TMG finances, and in order to deploy stable and flexible measures, the TMG has systematically built and utilized funds for specified purposes, which have been established in accordance with the objectives of each.
- Even with supplementary budgets related to COVID-19, the TMG is proactively utilizing other financial resources for measures against COVID-19, such as the allocation of resources from the advanced welfare city realization fund for the reinforcement of medical care provision structures.
- Of the funds for specified purposes, the estimated year-end balance for funds for the realization of 3-cities, based on the budget reflecting the supplementary budget (provisional) up to September FY2020, is 775.2 billion yen, which means that the TMG has secured a funds balance approximately nine times greater in comparison to end FY1999, during the period of financial reconstruction (Figure 14).

[Figure 14] Funds for the realization of 3-cities balance comparison

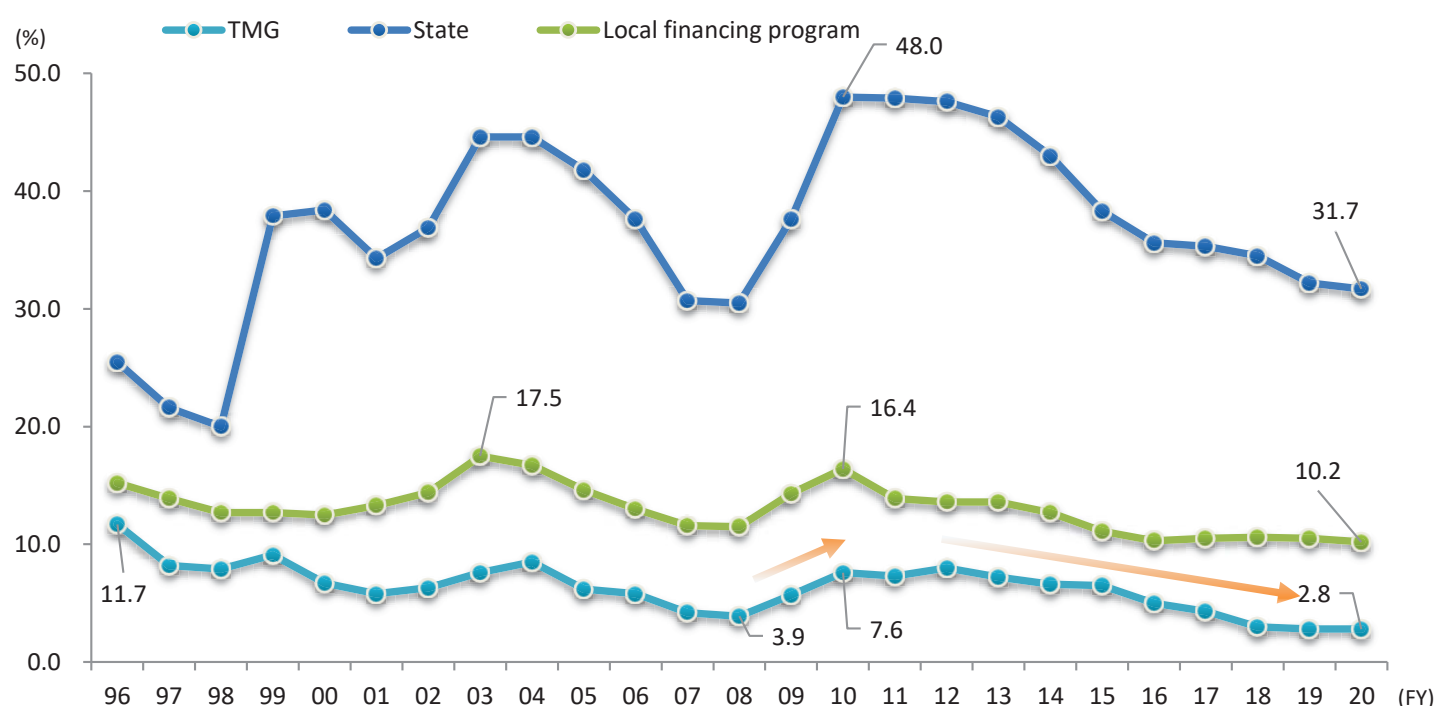
◆ End FY1999		◆ End FY2020 (Estimated)		
Category	Funds balance	Category	Funds balance (Estimated)	Main allocation projects
Social infrastructure development fund	<u>¥85.4 billion</u>	Safe City	¥156.0 billion	
		Disaster prevention fund for town planning	¥131.8 billion	Measures for fire and earthquake resistance and torrential downpours, etc.
		Fund for the promotion of utility pole elimination	¥24.2 billion	Elimination of utility poles from Tokyo's roads
		Smart City	¥500.4 billion	
		Smart Tokyo fund	¥44.1 billion	Innovative business development facilities investment support project
		Zero emission Tokyo fund	¥29.3 billion	ZEV introduction promotion project
		Social infrastructure development fund, and 4 others funds	¥427.0 billion	Infrastructure development, etc.
		Diversity	¥72.2 billion	
		Advanced welfare city realization fund, and 3 other funds	¥72.2 billion	Career progression support for nursery school teachers, etc.
		Preparation funds for the Tokyo 2020 Games	¥46.6 billion	Joint implementation projects, etc. development of competition facilities
		Total	<u>¥775.2 billion</u>	

- In relation to the variety of TMG finance issues, including responses to COVID-19, for which further measures are demanded, the TMG can continue to utilize these funds, built up to date for the steady and stable promotion of measures, as financial resources, even during periods of large fluctuations in metropolitan tax revenues.

Utilization of TMG Bonds

- Regarding projects deemed eligible under Local Finance Law, the TMG has, in recent years, continued the basic theme of curbing TMG bonds issuance, with allocation of bonds curbed in relation to some projects, etc. in order to build up TMG bond issue margin for the future, in preparation for reduced revenues in the future.
- Meanwhile, as TMG bonds provide an important function that aims to balance the burden between generations, these must be utilized appropriately as a financial resource for the formation and updating of public facilities that will be used in the future, such as roads, etc. with due consideration given to the balance between benefit and burden for future generations.
- In addition, TMG bonds possess an adjustment function for financial resources between fiscal years, and under circumstances such as the Lehman Shock, the proactive utilization of TMG bonds enabled the steady deployment of measures.
- Such effective utilization of TMG bonds in accordance with objectives or circumstances is important, and in circumstances where reductions in metropolitan tax revenues are anticipated, strategic utilization as a financial resource for the steady promotion of measures can be considered.
- Now, we will look at issue margin, with a focus on dependency on bond issuance and TMG bonds balance per Tokyo citizen, from the perspectives of flow and stock, in the utilization of TMG bonds.
- First, we look at dependency on bond issuance from the flow perspective.
- Dependency on bond issuance is an indicator of the percentage of total annual revenues accounted for by the bond issuance amount, and shows the degree to which the budget is dependent on TMG bonds.
- Dependency on bond issuance, based on the FY2020 general accounts initial budget, is 2.8%. This is a significantly lower level compared to past TMG levels, and state and local financing programs (Figure 15).

[Figure 15] Changes in dependency on bond issuance in TMG, state and local financing programs



* General account initial budget based values

- Next, we look at TMG bonds balance from the stock perspective.
- TMG bonds balance, based on the FY2020 general accounts initial budget, is 4,729.4 billion yen, which amounts to 340,000 yen per Tokyo citizen.
- This is about 50% lower than the TMG bonds balance peak of FY2001.
- Furthermore, this level is significantly lower than the Japanese Government Bond (JGB) balance per person for FY2020 (Figure 16).

[Figure 16] Bond issuance balance per citizen

Category		Bond issuance balance	Balance per citizen (Bond issuance balance/total population)
TMG bonds	FY2001	¥7,638.4 billion	¥630,000
	FY2020	¥4,729.4 billion	¥340,000



JGB	FY2020	¥905.9823 trillion	¥7.19 million
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* TMG bonds balance values are FY2001 results for general accounts and FY2020 initial budget based.

* Figures for total population in Tokyo in FY2001 and FY2020 are derived from “Tokyo Population (Estimates)” (TMG Bureau of General Affairs), (as of April 1, 2001 and April 1, 2020).

* JGB (ordinary) balance is FY2020 initial budget based.

* Total population for FY2020 is derived from “Population Estimates (April 2020)” (MIC), (as of April 1, 2020).

- Even when viewing from the perspectives of both flow and stock in this way, there is clearly ample issue margin for TMG bonds.
- As one of the financial resources that allow measures to protect Tokyo’s economy, its citizens and their lifestyles to be implemented continuously, TMG bonds are positioned to allow maximum performance of their functions without placing a huge burden on future generations.

Project Review Approaches

- Project reviews are approaches whereby multifaceted examinations, such as checks conducted from specialist perspectives working in coordination with related departments, application of new public accounting methods, and thorough post-project examinations of projects that have reached the ends of their terms, are conducted during the budget formation process.
- For the FY2021 budget formation, further enhancement of project review approaches, along with improved efficiency and effectiveness in each project, will be important in order to respond to the various issues faced by TMG finances, within the scope of limited financial resources.
- For the FY2021 budget formation, in addition to reviews that take COVID-19 status and changes in social conditions into consideration, the TMG will place an even greater focus on creativity, through the implementation of reviews that consider approaches to policy reviews, etc. and build projects with higher efficiency and effectiveness (Figure 17).

[Figure 17] List of review methods for the FY2021 budget formation

Review Type	Overview
Reviews through post-project examinations	Review of future responses through thorough examination of the results and financial status accompanying project implementation, with sufficient attention given to necessity, benefit, execution systems and future impacts (In particular, proactive reviews of “approaches aimed at reviews that take COVID-19 status and changes in social conditions into consideration”, and “budgeting projects that consider approaches to policy reviews”)
Reviews of autonomous expenses	Implementation of reviews based on voluntary/autonomous examinations conducted under the responsibility of each bureau with regards to ordinary and fixed expenses, from the perspective of promoting creativity in each bureau.
ICT related reviews	Examination of validity, feasibility, and cost, from the perspectives of improving cost-effectiveness and securing practicality, in the development and operation of information systems and the deployment of new projects that utilize ICT.
Reviews of expenditures to policy cooperation bodies	Regarding projects that are implemented through expenditures to policy cooperation bodies, examinations concerning necessity, benefit, and the appropriateness of implementation by said bodies.
Project reviews accompanying reviews of execution systems	Examination of project implementation methods, etc. including execution systems, from the perspective of aiming for efficient and effective project execution.
Reviews of projects which aim to utilize contracts spanning multiple fiscal years	Analysis and examination of optimal contracting methods, including debt burdens and utilization of multiple fiscal year contracts through long-term continuous contracts, as well as single-year contracts.
Evidence based (objective indicators) reviews	Evidence based (objective indicators) examination of project appropriateness using statistical data and technological indicators, etc. for the development/refurbishment of facilities and procurement of important assets, and the implementation of subsidized/subcontracted projects, etc.

- As we have seen in this chapter, with an even harsher financial environment forecast for the future, the TMG must bring the financial capabilities nurtured to date into full play, and promote unceasing project reviews, in order to deal appropriately with pressing issues such as the further reinforcement of measures against COVID-19.

- Due to the thorough approaches to eliminate any wasteful aspects from the perspective of Wise-Spending, etc. the actual balance of revenues and expenses in the FY2019 financial results remained in the black.
- However, due to the impact of COVID-19, the economic outlook has become cloudy, and with the implementation of new irregular corrective actions under the FY2019 tax reforms, in addition to Tokyo's revenue structures, which are susceptible to economic fluctuations, the future financial environment is forecast to become even harsher.
- Within this backdrop, there is demand for the promotion of steady implementation of measures, such as preparations for disasters and responses to the decline in population/declining birth-rate and aging population, in addition to dealing appropriately with pressing issues, beginning with measures against COVID-19, to create a society in which everyone can live in peace and participate with vitality.
- Furthermore, there is a need for the assertive deployment of measures that will lead to sustainable growth for Tokyo and Japan as a whole, taking into consideration approaches towards the greater refinement of Tokyo's "Earning Capabilities", such as the realization of "Global Financial City: Tokyo", the realization of "Zero Emission Tokyo", and perspectives of SDGs and sustainable recovery, etc.
- In addition, along with the acceleration of digitalization to enrich the livelihoods of Tokyo's citizens and improve productivity, it will be important to promote approaches that will create a new society, such as the promotion of structural reforms for Tokyo with an eye to a future where COVID-19 has been overcome, etc.
- To achieve this, along with bringing into play the financial capabilities nurtured to date, such as funds and TMG bonds, a healthy financial foundation must be maintained through the further reinforcement of approaches to project reviews, together with continuous reviews of existing measures to ascertain necessity and urgency, in order to maximize the effect of each project.
- While there are difficulties in forecasting future financial environments, the TMG will work to resolve the mounting issues facing TMG finances and steadily fulfil the missions bestowed upon TMG finances, while keeping an eye on future financial management.

2

Fiscal Year 2019

Tokyo Metropolitan Government Financial Report

(1) TMG Comprehensive Financial Statements

Summary of Financial Statements

- In comparison to the end of the previous fiscal year, total assets had increased by 629.6 billion yen to 49,075.8 billion yen, while total liabilities had decreased by 344.1 billion yen to 13,665.8 billion yen, and the net asset ratio, which represents the percentage of the total net assets to the total assets, was 72.2% (71.1% as of the end of the previous fiscal year).
- In special accounts, which are outside of the scope of the ordinary account, total net assets reached 49.8 billion yen.
- In public enterprise accounts, the net asset ratio was 57.9% (57.0% as of the end of the previous fiscal year).
- With respect to policy cooperation 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.

- TMG comprehensive financial statements are prepared as shown below so that the comprehensive financial status of public enterprises and policy cooperation bodies, etc. can be understood more accurately.
 - Elimination offsets of internal transactions are limited to the scope of the ordinary account.
 - Special accounts outside of the scope of the ordinary account, public enterprise accounts, policy cooperation bodies, and local independent administrative corporations, will have their individual financial statements displayed.
 - Financial statements include not only the balance sheet, but an administrative cost statement which shows administrative revenues and expenses for the fiscal year in question.
- 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, 34 policy cooperation bodies, and 3 local independent administrative corporations.

<TMG Comprehensive Financial Statements>

(in billion yen, %)

Item	FY2019	FY2018	Change in amount	Percentage of charge
Assets				
I Current assets	4,173.1	4,071.5	101.6	2.5
II Fixed assets	44,902.6	44,374.6	528.0	1.2
(of which, tangible fixed assets)	39,091.3	38,618.3	472.9	1.2
III Deferred assets	0	0	(0)	(0.0)
Total assets	49,075.8	48,446.1	629.6	1.3
Liabilities				
I Current liabilities	1,498.1	1,365.2	132.8	9.7
II Fixed liabilities	9,949.6	10,421.3	(471.7)	(4.5)
III Deferred revenues	2,218.0	2,223.3	(5.2)	(0.2)
Total liabilities	13,665.8	14,009.9	(344.1)	(2.5)
Total net assets	35,410.0	34,436.2	973.8	2.8
Total liabilities and assets	49,075.8	48,446.1	629.6	1.3

- Total assets were 49,075.8 billion yen (48,446.1 billion yen at the end of the previous fiscal year), and this is mainly because fixed assets increased by 528.0 billion yen in comparison to the end of the previous fiscal year, resulting in an increase of 629.6 billion yen for the same comparison. Of the total assets, tangible fixed assets accounted for 39,091.3 billion yen or 79.7%.
- Total liabilities were 13,665.8 billion yen (14,009.9 billion yen at the end of the previous fiscal year), and this is mainly because of an increase in current liabilities of 132.8 billion yen in comparison to the previous fiscal year, while fixed liabilities and deferred revenues decreased by 471.7 billion yen and 5.2 billion yen respectively for the same comparison, resulting in a decrease of 344.1 billion yen for the same comparison. Of the total liabilities, fixed liabilities accounted for 9,949.6 billion yen or 72.8%.
- Total net assets were 35,410.0 billion yen (34,436.2 billion yen at the end of the previous fiscal year), an increase of 973.8 billion yen from the end of the previous fiscal year. The net asset ratio was 72.2% (71.1% at the end of the previous fiscal year).

(2) Management Status by Managing Body

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

- For the current period, the balance for the National Health Insurance Account and the Slaughterhouse Account was in deficit, while the balance for the Metropolitan Public Housing Tenants Security Deposit Account was in surplus. The total of the total net assets of these three special accounts was 49.8 billion yen (52.0 billion yen at the end of the previous fiscal year).

[2] Public Enterprise Accounts

- Regarding the current balance, the Hospitals, Central Wholesale Market, Transportation, and Industrial Waterworks accounts were in deficit, and the remaining 7 accounts were in surplus. In the profit/loss for the current period, the Hospitals and Transportation accounts were in deficit, the Industrial Waterworks account was balanced, and the remaining 8 accounts were in surplus. Additionally, the net assets ratio was 57.9% (57.0% at the end of the previous fiscal year).

[3] Policy Cooperation Bodies etc.

- Among 34 policy cooperation bodies (33 bodies in the previous fiscal year), the total of 24 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.
- The TMG has been striving to improve policy cooperation bodies' financial conditions, for example, by setting managerial goals from a "finances" perspective, and as well as such efforts, The TMG has engaged in efforts to gain 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 policy cooperation bodies etc. and maintain a manageable financial burden for TMG into the future.



Appended Tables

1. Fiscal Year 2019 Tokyo Metropolitan Government Ordinary Account Financial Statement

(1) Ordinary Account Balance Sheet

(As of March 31, 2020)

Item	FY2019	FY2018	Change in amount
Assets			
I Current assets	1,932.8	1,866.0	66.7
Cash and deposits	553.9	511.1	42.7
Uncollected revenues	67.1	63.2	3.9
Reserve for deficits due to non-payment	(8.0)	(8.3)	0.3
Fund reserves	1,215.0	1,187.9	27.1
Fiscal adjustment fund	934.4	842.7	91.6
Sinking fund	280.6	345.1	(64.5)
Short-term loans	105.4	112.6	(7.1)
Allowance for bad debt	(0.8)	(0.8)	(0.0)
Other current assets	-	0.2	(0.2)
II Fixed assets	33,255.4	32,696.6	558.8
1. Administrative assets	7,998.2	7,751.3	246.8
1. Fixed tangible assets	7,992.7	7,745.9	246.8
Buildings	2,389.4	2,265.6	123.8
Structures	288.4	266.8	21.6
Timber	0.6	0.6	(0.0)
Vessels	7.6	6.6	0.9
Aircraft	4.2	1.8	2.3
Buoys etc.	2.4	0.4	1.9
Land	5,299.8	5,203.7	96.0
2. Intangible fixed assets	5.4	5.4	0.0
Surface rights	5.4	5.4	0.0
Other intangible fixed assets	-	-	-
2. Ordinary assets	1,597.7	1,462.9	134.8
1. Fixed tangible assets	1,586.7	1,451.3	135.3
Buildings	361.3	274.0	87.3
Structures	48.3	49.3	(0.9)
Timber	0.0	0.0	0.0
Vessels	0.0	0.0	0.0
Aircraft	-	-	-
Buoys etc.	0.0	0.0	(0.0)
Land	1,176.8	1,127.9	48.9
2. Intangible fixed assets	11.0	11.5	(0.5)
Surface rights	0.3	1.1	(0.8)
Other intangible fixed assets	10.6	10.3	0.3
3. Important property	74.0	73.0	1.0
4. Infrastructure assets	14,754.2	14,652.9	101.2
1. Tangible fixed assets	14,739.3	14,638.9	100.4
Buildings	46.5	50.3	(3.7)
Structures	1,994.5	2,067.6	(73.0)
Buoys	0.7	0.2	0.4
Land	12,697.5	12,520.7	176.7
2. Intangible fixed assets	14.8	14.0	0.8
Surface rights	14.8	14.0	0.8
Other intangible fixed assets	-	-	-
5. Software	2.8	0.6	2.2
6. Leased assets	1.2	1.2	(0.0)
7. Construction in progress	1,306.3	1,352.9	(46.5)
8. Software in progress	3.4	2.2	1.1
9. Investment and other assets	7,517.2	7,399.1	118.1
Securities	239.1	240.8	(1.6)
Investments and subventions	644.6	636.1	8.5
Allowance for Investment Loss	-	-	-
Public enterprise account investments	2,179.1	2,134.6	44.5
Long-term loans	1,018.9	1,009.4	9.4
Allowance for bad debt	(2.3)	(2.6)	0.3
Other obligations	10.7	10.1	0.6
Fund Reserves	3,259.5	3,203.3	56.2
Sinking fund	1,273.1	1,254.1	19.0
Special purpose fund	1,692.1	1,656.6	35.5
Fixed sum management fund	294.1	292.5	1.6
Other investments etc.	167.3	167.3	0.0
Total assets	35,188.2	34,562.6	625.6

(in billion yen)

Item	FY2019	FY2018	Change in amount
Liabilities			
I Current liabilities	448.1	507.8	(59.6)
Unpaid refunds	2.2	2.2	(0.0)
TMG bonds	326.7	392.2	(65.5)
Short-term borrowing	2.3	0.0	2.3
Borrowing from other accounts	2.3	-	2.3
Fund operational costs	-	-	-
Other short-term borrowing	0.0	0.0	0.0
Lease obligations	0.1	0.1	0.0
Arrearage	-	-	-
Deferred payments	-	-	-
Unpaid guarantee liabilities	-	-	-
Other accounts payable	-	-	-
Reserve for bonus	115.2	111.6	3.5
Other current liabilities	1.5	1.4	0.0
II Fixed liabilities	6,062.6	6,228.8	(166.1)
TMG bonds	5,087.4	5,275.2	(187.7)
Long-term borrowing	7.2	9.8	(2.6)
Borrowing from other accounts	6.8	9.4	(2.6)
Fund operational costs	-	-	-
Other long-term borrowing	0.3	0.3	(0.0)
Lease obligations	0.4	0.6	(0.1)
Reserve for retirement allowances	947.4	921.5	25.8
Other reserves	-	-	-
Other fixed liabilities	20.0	21.5	(1.5)
Guaranty deposits	-	-	-
Other fixed liabilities	20.0	21.5	(1.5)
Total liabilities	6,510.8	6,736.7	(225.8)
Net Assets			
Net assets	28,677.4	27,825.9	851.5
(of which is increase/decrease in the current period)	851.5	137.6	713.8
Total net assets	28,677.4	27,825.9	851.5
Total liabilities and net assets	35,188.2	34,562.6	625.6

(2) Ordinary Account Administrative Cost Statement

(From April 1, 2019, to March 31, 2020)

(in billion yen)

Item	FY2019	FY2018	Change in amount
Ordinary Balance			
I. Administrative balance			
1. Administrative revenues	6,683.9	6,352.3	331.5
Local taxes	5,739.5	5,463.8	275.7
Local transfer taxes	271.5	276.8	(5.3)
Local special grant	17.7	5.9	11.7
Allocations for municipalities with facilities owned by the national government	0.0	0.0	0.0
Miscellaneous tax-related revenues	0.0	0.0	(0.0)
National treasury disbursements	293.2	268.9	24.2
Traffic safety special grant	2.6	2.6	(0.0)
Operating revenues (special account)	0.0	1.4	(1.4)
Shares and charges	7.8	7.2	0.5
Fees and charges	149.5	150.9	(1.4)
Revenues from property	12.7	12.5	0.1
Miscellaneous (commissioned work revenues)	53.9	53.6	0.2
Miscellaneous	108.6	106.2	2.3
Donations	0.0	0.0	0.0
Funds transferred	2.3	1.6	0.6
Miscellaneous administrative revenues	24.1	0.0	24.0
2. Administrative expenses	5,921.9	5,581.5	340.4
Tax-related expenses	1,436.0	1,421.8	14.2
Payroll-related expenses	1,366.7	1,348.2	18.4
Building expenses	335.2	300.2	34.9
Maintenance and repair expenses	106.2	104.6	1.5
Social welfare expenses	136.2	131.3	4.9
Subsidizing expenses etc.	1,331.6	1,131.6	200.0
Subsidized investment costs	59.0	51.0	7.9
Independent investment expenses	366.5	369.2	(2.6)
Direct government investment expenses	36.9	45.4	(8.5)
Subventions	27.5	18.6	8.9
Transfers	277.8	279.0	(1.2)
Depreciation expenses	201.9	198.2	3.7
Debt guaranty expenses	-	-	-
Transfer to reserve for deficit due to non-payment	5.0	7.2	(2.1)
Transfer to allowance for bad debt	0.2	0.1	0.0
Transfer to reserve for bonus	115.2	111.6	3.5
Transfer to reserve for retirement allowances	115.6	59.6	55.9
Transfer to other reserves	-	-	-
Other administrative expenses	3.8	3.0	0.8
II. Financial balance			
1. Financial revenues	13.8	14.0	(0.1)
Revenues from interest earned and dividends	13.8	14.0	(0.1)
2. Financial expenses	59.7	66.1	(6.3)
Expenses for public bonds (interest)	58.0	64.5	(6.5)
TMG bond issuing fees	1.5	1.3	0.1
Discount on TMG bonds	0.1	0.2	(0.0)
Interest on borrowing from other accounts	0.0	0.0	(0.0)
Ordinary balance	716.0	718.6	(2.6)
Special Balance			
I. Special revenues	148.9	80.2	68.7
Profit on sale of fixed assets	6.5	20.6	(14.0)
Other special revenues	142.3	59.6	82.7
II. Special expenses	144.9	698.6	(553.7)
Loss on sale of fixed assets	1.0	1.3	(0.2)
Loss on disposal of fixed assets	64.2	12.9	51.3
Disaster recovery expenses	1.5	0.7	0.7
Deficit due to non-payment	0.1	1.4	(1.2)
Bad debts loss	0.1	0.1	(0.0)
Other special expenses	77.8	682.1	(604.2)
Balance for the current period	720.0	100.2	619.8

(3) Ordinary Account Cash Flow Statement

(From April 1, 2019, to March 31, 2020)

(in billion yen)

Item	FY2019	FY2018	Change in amount	Item	FY2019	FY2018	Change in amount
I. Administrative services activities				II. Social capital improvement investment activities			
Tax revenues etc.	6,021.9	5,745.3	276.5	National treasury disbursement etc.	64.3	72.2	(7.9)
Local taxes	5,732.6	5,462.5	270.1	National treasury disbursement	60.9	68.4	(7.4)
Local transfer taxes	271.5	276.8	(5.3)	Shares and charges	2.6	3.1	(0.4)
Local special grants	17.7	5.9	11.7	Amount transferred etc.	0.6	0.7	(0.0)
Allocations for municipalities with facilities owned by the national government	0.0	0.0	0.0	Revenues from property	15.3	42.8	(27.4)
Miscellaneous tax-related revenues	0.0	0.0	(0.0)	Cash from sale of property	15.3	42.8	(27.4)
National treasury disbursement etc.	296.4	271.7	24.7	Funds transferred	441.7	418.3	23.4
National treasury disbursement	293.7	269.0	24.7	Financial adjustment fund	-	-	-
Traffic safety special grant	2.6	2.6	(0.0)	Sinking fund	-	-	-
Other administrative revenues	333.7	333.7	0.0	Special purpose fund	441.7	418.3	23.4
Operating revenues (special account)	0.0	1.4	(1.4)	Fixed amount invest fund	-	-	-
Shares and charges	7.7	7.2	0.5	Revenues from collection of loan principal etc	295.0	349.7	(54.6)
Fees and charges	149.3	150.9	(1.5)	Security deposit revenues	0.1	0.2	(0.0)
Revenues from property	12.7	12.6	0.1				
Miscellaneous (commissioned work revenues)	53.9	53.6	0.2	Social capital improvement expenses	554.7	957.2	(402.5)
Miscellaneous	107.6	106.1	1.4	Building expenses	8.3	7.4	0.8
Donations	0.0	0.0	0.0	Subsidizing expenses etc.	0.0	0.8	(0.8)
Funds transferred	2.3	1.6	0.6	Subsidized investment costs	98.4	128.0	(29.6)
Financial revenues	13.8	14.0	(0.1)	Independent investment expenses	447.9	820.9	(372.9)
Revenues from interest earned and dividends	13.8	14.0	(0.1)	Funds reserved	571.0	191.5	379.5
				Financial adjustment fund	91.6	126.2	(34.5)
Tax-related expenses	1,436.0	1,421.8	14.2	Sinking fund	-	-	-
Tax-related expenses	1,436.0	1,421.8	14.2	Special purpose fund	477.6	63.3	414.3
Administrative expenses	4,221.7	3,964.4	257.3	Fixed sum management fund	1.6	1.9	(0.2)
Payroll-related expenses	1,571.0	1,550.2	20.8	Loans and investments, etc.	387.7	366.7	21.0
General and miscellaneous expenses	335.1	300.1	35.0	Investments and subventions	45.5	37.1	8.4
Maintenance and repair expenses	106.2	104.2	1.9	Transfers (other accounts)	44.5	51.4	(6.8)
Social welfare expenses	136.2	131.3	4.9	Loans	297.6	278.1	19.4
Subsidizing expenses etc.	1,332.5	1,132.2	200.3	Deposit expenses	0.0	0.1	(0.1)
Subsidized investment costs	59.0	51.0	7.9	Balance of social capital improvement investment activities	(696.8)	(632.2)	(64.5)
Independent investment expenses	366.5	370.5	(4.0)	Balance of administrative activities cash flow	250.1	279.4	(29.3)
Direct government investment expenses	36.9	45.4	(8.5)				
Amount transferred	277.9	279.1	(1.2)	III. Financing activities			
Financial expenses	59.7	66.0	(6.3)	Revenues from financing activities	140.4	143.5	(3.1)
Expenses for public bonds (interest, fees)	59.6	66.0	(6.3)	TMG bonds	138.5	142.7	(4.1)
Interests on borrowing from other accounts	0.0	0.0	(0.0)	Loans from other accounts	1.8	0.8	1.0
Special expenses	1.5	0.7	0.7	Fund management fees	-	-	-
Disaster recovery business expenses	1.5	0.7	0.7	Funds transferred	-	0.0	(0.0)
Balance of administrative service activities	946.9	911.7	35.2	Expenses for financial activities	348.5	410.1	(61.5)
				Expenses for public bonds (principal)	346.2	408.3	(62.0)
				Refund of loans from other accounts etc	2.2	1.7	0.5
				Refund of fund management fees etc	-	-	-
				Balance of Financing activities	(208.1)	(266.6)	58.4
				Total balance	41.9	12.8	29.1
				Balance brought forward from the previous fiscal year	489.7	476.8	12.8
				Proforma balance	531.7	489.7	41.9

(4) Ordinary Account Statement of Changes in Net Assets

(From April 1, 2019, to March 31, 2020)

(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	1,436.5	100.9	360.5	(153.5)	(29.2)	7,088.7	27,825.9
Amount changed for the current period	-	60.9	3.5	73.2	(6.2)	(0.1)	720.0	851.5
Change in fixed assets etc.	-	60.9	3.5	73.2	(6.2)	80.3	-	211.8
Change in TMG bonds etc.	-	-	-	-	-	(9.6)	-	(9.6)
Other intra-bureau transactions	-	-	-	-	-	(70.7)	-	(70.7)
Balance for the current period	-	-	-	-	-	-	720.0	720.0
Balance at the end of the current period	19,021.8	1,497.5	104.4	433.8	(159.8)	(29.3)	7,808.8	28,677.4

(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	29,993.3	12,211.2	11,554.7	30,649.8	4,949.3	244.9	25,700.5
Administrative assets	10,702.2	10,665.7	10,309.4	11,058.5	3,065.7	123.3	7,992.7
Buildings	4,800.5	7,858.5	7,640.0	5,018.9	2,629.5	103.8	2,389.4
Structures	659.4	189.9	153.9	695.4	406.9	17.3	288.4
Timber	0.6	0.0	0.0	0.6	-	-	0.6
Vessels	15.9	6.0	4.7	17.2	9.6	1.4	7.6
Aircraft	20.1	10.0	7.6	22.5	18.3	0.6	4.2
Buoys etc.	1.6	13.6	11.5	3.7	1.2	0.0	2.4
Land	5,203.7	2,587.4	2,491.3	5,299.8	-	-	5,299.8
Ordinary assets	1,888.0	370.7	216.9	2,041.7	455.0	18.2	1,586.7
Buildings	633.9	151.3	47.9	737.3	375.9	16.0	361.3
Structures	123.1	11.9	10.5	124.5	76.1	2.1	48.3
Timber	0.0	0.0	0.0	0.0	-	-	0.0
Vessels	0.7	2.2	2.2	0.7	0.7	-	0.0
Aircraft	-	0.6	0.6	-	-	-	-
Buoys etc.	2.2	0.0	0.0	2.2	2.1	0.0	0.0
Land	1,127.9	204.5	155.5	1,176.8	-	-	1,176.8
Important property	212.0	35.2	34.8	212.4	138.4	10.7	74.0
Infrastructure assets	15,836.0	491.8	299.2	16,028.6	1,289.2	92.5	14,739.3
Buildings	120.0	0.0	0.1	119.9	73.4	3.7	46.5
Structures	3,192.5	36.2	20.9	3,207.8	1,213.2	88.6	1,994.5
Buoys	2.7	0.8	0.3	3.3	2.5	0.1	0.7
Land	12,520.7	454.5	277.7	12,697.5	-	-	12,697.5
Leased assets	2.1	-	-	2.1	0.8	0.0	1.2
Construction in progress	1,352.9	647.7	694.2	1,306.3	-	-	1,306.3
Intangible fixed assets	34.0	10.4	6.5	37.8	0.2	0.2	37.6
Administrative assets	5.4	1.9	1.9	5.4	-	-	5.4
Surface rights	5.4	1.9	1.9	5.4	-	-	5.4
Other intangible fixed assets	-	-	-	-	-	-	-
Ordinary assets	11.5	1.2	1.7	11.0	-	-	11.0
Surface rights	1.1	0.8	1.6	0.3	-	-	0.3
Other intangible fixed assets	10.3	0.4	0.1	10.6	-	-	10.6
Infrastructure assets	14.0	0.8	0.0	14.8	-	-	14.8
Surface rights	14.0	0.8	-	14.8	-	-	14.8
Other intangible fixed assets	-	0.0	0.0	-	-	-	-
Software	0.6	2.8	0.4	3.1	0.2	0.2	2.8
Software in progress	2.2	3.5	2.4	3.4	-	-	3.4
Total	30,027.3	12,221.7	11,561.2	30,687.7	4,949.5	245.1	25,738.2

(6) Annexed Detailed Statement of Ordinary Account Reserve Allowances

(in billion yen)

Item	Balance at end of previous period	Increase for current period	Decrease for current period		Balance at end of current period
			Intended use	Other	
Reserve for deficit due to non-payment	8.3	5.0	5.3	0.0	8.0
Bad debt reserve	3.5	0.2	0.1	0.3	3.1
Allowance for investment loss	-	-	-	-	-
Reserve for bonuses	111.6	115.2	111.6	-	115.2
Reserve for retirement allowances	921.5	115.2	89.3	-	947.4
Total	1,045.1	235.7	206.5	0.4	1,073.8

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

<p align="center">Year-to-date (From April 1, 2019, to March 31, 2020)</p>	
<p>(Accounting Policy)</p> <p>1. Target Range</p> <p>The results and statements contained herein cover the Tokyo Metropolitan Government's ordinary account. Any overlap, credits, or debts between accounts have been eliminated. The target range of the ordinary account encompasses the following accounts:</p> <p>General account</p> <p>Special accounts (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, 2020, the results and statements, however, include all deposits and withdrawals carried out between April 1, 2020, and May 31, 2020 (the settlement period).</p>	
<p>3. Calculation of Assets and Liabilities</p> <p>The balance sheet shows not only all of the assets (actual commodities with convertible value and legal rights) owned by the Tokyo Metropolitan Government and all legally outstanding debt, but also records all "Assets" and "Liabilities" based on accrual accounting.</p>	
<p>4. Application of Current Arrangement</p> <p>The listed order of items for assets and liabilities is arranged using the current arrangement, with current assets being followed by fixed assets.</p>	
<p>5. Application of One-Year Rule</p> <p>The division between fixed and current assets is subject to the application of the one-year rule. For a period of one year following the base date, all assets and liabilities gained during this period shall be categorized as current items, with all other items designated as fixed.</p>	
<p>6. Method Used for Tangible Fixed Asset Depreciation</p> <p>(1) Administrative assets, ordinary assets and infrastructure assets</p> <p>Tangible fixed assets within administrative assets and ordinary assets are depreciated on a straight-line basis according to the service life and the residual value rate in the "Tokyo Metropolitan Government Guidelines for Processing Ledgers Related to Public Property".</p> <p>Tangible fixed assets within infrastructure assets are depreciated on a straight line basis according to the service life in the "Tokyo Metropolitan Government Guideline for Processing Ledgers Related to Public Property" and the "Tokyo Metropolitan Government Bureau of Construction Infrastructure Asset Control Standards".</p> <p>However, the paving of roads, defined as replacement assets by the "Tokyo Metropolitan Government Bureau of Construction Infrastructure Asset Control Standards", is subject to adoption of a processing method that treats spending required for partial road replacement as actual expenses.</p> <p>(2) Important property</p> <p>Important property is depreciated on a straight line basis according to the service life in the "Service Life Benchmarks for Important Property."</p>	

Year-to-date (From April 1, 2019, to March 31, 2020)	
7. Method Used for Intangible Fixed Asset Depreciation	<p>(1) Surface rights, easements, patent rights, copyrights, etc. Intangible fixed assets are not depreciated.</p> <p>(2) Software. Software is depreciated on a straight line basis with service life set at five years and residual value set at zero.</p>
8. Processing Method for Deferred Assets	<p>These are, in principle, not subject to accounting.</p> <p>All TMG bonds issue expenses and discounts are not calculated as deferred assets, and the total amount is treated as costs and expenses incurred during the year of issue.</p>
9. Valuation Methods and Benchmarks for Securities, Investments and Subventions	<p>As for securities, investments and subventions, policy cooperation bodies' stocks, investments and subventions held by TMG are stated at their acquisition prices. However, items whose market value or real value markedly decreased are booked at reduced value.</p>
10. Accounting Standards for Reserve Allowances	<p>The Tokyo Metropolitan Government's main reserve allowances are outlined below.</p> <p>(1) Reserve for deficit due to non-payment Since there is a possibility that some of the metropolitan taxes, usage charges, and other outstanding revenues may lead to a deficit due to non-payment as a result of the ending of limitations, the reserve for deficit due to 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.</p> <p>(2) Bad debt reserve Since there is a possibility that some of the metropolitan government's loans may lead to an exemption or a reduction of repayment, the bad debt reserve was recorded as an amount gained by calculating the liquidation status of such loans, the composition of finances of the counterparty and the reduction of such loans based on exemptions etc. over the past three years and multiplying it by the amount of the metropolitan government's loans as of the end of the fiscal year.</p> <p>(3) Allowance for Investment Loss Of the securities, investments and subventions, regarding those related to consolidated organizations, where market value or real value falls below acquisition value to a certain degree, the difference is recorded as allowance for investment loss. Furthermore, reversal of allowance is conducted when market value or real value recovers.</p> <p>(4) Reserve for retirement allowances The retirement allowance payment used in the event of city employees voluntary retiring is used to calculate the required reserve for retirement allowances.</p> <p>(5) Reserve for bonuses A part of the year-end allowances and bonus payable in the following fiscal year as well as the accompanying legal welfare expenses are recorded as reserve for bonuses in case the relevant liabilities incurring this fiscal year are attributable.</p>
11. Conversion Standards for Converting Foreign-currency-denominated Assets and Debt into yen equivalent	<p>The Tokyo Metropolitan Government issues foreign-currency-denominated bonds in the U.S. and European markets. As the risk that accompanies fluctuations in principal and interest is hedged by the currency swap transaction between foreign currencies and yen, the value of these bonds is calculated in yen at the time of issue.</p>
12. Accounting Standards for Revenues and Expenses	<p>These are calculated on the concept of revenues and expenses being carried out based on the policy of using accrual accounting. Items that met these standards were included in the calculations for the financial statement.</p>

Year-to-date (From April 1, 2019, to March 31, 2020)	
(Others)	
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 Fixed Assets	The balance sheet amount for all TMG-owned public property, important property, infrastructure assets, software, and leased assets, is calculated using the acquisition price.
Administrative Cost Statement-related Items	
1. Display Method for Entered Amounts	The entered figures have been rounded down to the indicated unit.
2. Changes to Display Methods	Traditionally, the display method for gain on reversal of reserve allowances had been to include this under “Other special revenues” in the Administrative Cost Statement. However, from the current period, this will be included under “Miscellaneous administrative revenues”. Furthermore, reversal of allowance for doubtful accounts for the current period is 0.1 billion yen, and there is no gain on reversal for other reserve allowances (Reserve for deficit due to non-payment, Allowance for investment loss, Reserve for retirement allowances).
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 FY2019
Related to public corporations/societies	53.1
Others	203.2

2. Other Debt Burdens (estimated future expenditure)

(in billion yen)

Item	End of FY2019
Interest rate subsidy-related items	19.6
Others	700.2

3. Expected Repayments of Outstanding Borrowing (as of the end of FY2019)

(in billion yen)

Item	FY2020	From FY2021	Total
TMG bonds	326.7	5,087.4	5,414.2
Borrowing from other accounts etc.	0	0.3	0.3
Total	326.7	5,087.8	5,414.6

Outstanding balance of TMG bonds of 5,414.2 billion yen, as of the end of fiscal year 2019, is expected to give rise to a total future interest payment of 475.4 billion yen.

4. Figures for Temporary Borrowing

In order to carry out short-term funding, 300.0 billion yen were raised from the fiscal adjustment fund on May 30, 2019 and was repaid on June 5. The total interest on this borrowing was 575,342 yen and its payment was implemented from the general account.

5. Sinking Fund

Following the settlement of accounts for fiscal year 2019, there was no shortfall.

6. Breakdown of Other Funds

(in billion yen)

Item	End of FY2019
Disaster Prevention Fund for Town Planning	230.3
Fund for the Promotion of Utility Pole Elimination	40.4
Welfare, Health and Safety Fund	4.2
Fund for the Development of a Pleasant and People Friendly City	14.2
Advanced Welfare City Realization Fund	194.6
Fund for the Promotion of Sports for the Disabled	5.5
Social Capital Improvement Fund	575.4
Japan Arts Fund	2.8
Fund for the Promotion of a Hydrogen Society and the Development of a Smart-Energy City	-
Zero Emission Tokyo Fund	30.0
Omotenashi Hospitality and Tourism Fund	5.3
Creating Innovation Fund	-
Smart Tokyo Fund	50.0
Fund Reserve for New Railway Line Construction, etc.	69.0
Green Tokyo Fund	30.0
Tokyo Olympic and Paralympic Games Hosting Fund Reserve	307.5
Disaster Relief Fund	17.5
Fund for Annuity for Individuals with Physical or Mental Disabilities	36.2
Fund for Stabilization of Finance of Nursing Care Insurance	3.5
Fund for Green and Flower Tokyo Fundraising Campaign	0
Pollution-Related Health Damage Prevention Fund	1.8
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
Fund for Establishing the Supportive Society to Raise Children	4.0
Temporary Special Fund for Quakeproofing Medical Facilities	0
Fund for utilizing the Senkaku Islands through Tokyo Metropolitan Government Senkaku Island Donations	1.4
Fund for Support of Agricultural Structural Reform	0
Fund for Securing Comprehensive Regional Medical/Nursing Care	41.0
Tokyo Human Resources Fund for City Diplomacy	5.2
Municipal Promotion Fund	294.0
Equipment Procurement Fund	0.1
Total	1,986.3

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, local gasoline transfer tax, forest environment transfer tax, and motor vehicle tonnage transfer tax.
Local special grants	This includes all revenues indicated below. <ul style="list-style-type: none"> The amount of grant provided to compensate a decrease in tax revenues by local institutions as a result of implementation of special tax deduction for housing loans etc. in individual inhabitant tax. The amount of grant provided to compensate a decrease in tax revenues by local institutions as a result of the temporary alleviation of the automobile tax environmental performance levy in order to level demand accompanying increases in consumption tax rates. The amount of grant provided at full national expense in relation to local government burden related to free preschool education/childcare due to diminished increases in local revenues in FY2019 as a result of increases in consumption tax rates.
Allocations for municipalities with facilities owned by the national government	This is provided for municipalities with facilities owned by the national government (Tokyo Metropolitan Government for its special wards). This sum is appropriated as an allocated amount as an alternative to a fixed assets tax.
Miscellaneous tax-related revenues	Calculated as the amount for adjustment of collection of interest and expenditures from collection of tax delinquency.
National treasury disbursement	Calculated as sum equivalent from the national treasury disbursement for the meeting of administrative services activity support requirements.
Traffic safety special grant	In order to allocate the revenues obtained through fines paid to the national government etc. in accordance with the Road Traffic Act to expenses necessary for establishing and managing road traffic safety facilities, the amount allocated to municipalities is calculated.
Operating revenues (Special accounts)	Revenues calculated as the sum from loan interest on special accounts, revenues from premiums, and revenues from penalty charges.
Shares and charges	Sum calculated from shares and charges in meeting requirements of administrative services activity support.
Fees and charges	Calculated as the total amount from all relevant fees and charges.
Revenues from property	Calculated as the total amount from revenues from property.
Miscellaneous (commissioned work revenues)	Calculated as the total amount from commissioned work revenues.
Miscellaneous	Calculated as the total of revenues from profit-earning business and proceeds from the sale of commodities.
Contributions	Calculated as the total revenues from contributions.
Transfers	Calculated as total amount required to meet requirements of administrative services activity support from the total amount of funds transferred from other accounts.
Miscellaneous administrative revenues	All other administrative revenues not stipulated in the above items.

(2) Financial revenues

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

(3) Special revenues

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

Cash Flow Statement-related Items

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

(in billion yen)

Item	FY2019
Cash and deposits	531.7
Balance of payments for the portion of Urban Redevelopment Project Account in the ordinary account classification	-
Balance at the end of the fiscal year for cash and cash equivalents (Proforma balance)	531.7

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	FY2019
Metropolitan inhabitant tax	1,938.4
Business tax	1,261.2
Local consumption tax	629.4
Real estate acquisition tax	82.4
Metropolitan tobacco tax	16.1
Automobile acquisition tax	9.2
Light-oil delivery tax	39.2
Automobile tax	108.2
Fixed assets tax	1,285.2
Special land ownership tax	-
Business office tax	110.9
City planning tax	248.6
Others	3.3
Total	5,732.6

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

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

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

(in billion yen)

Item	FY2019
Sinking fund transfer	345.1
Sinking fund reserve	299.6

2. Fiscal Year 2019 Tokyo Metropolitan Government Comprehensive Financial Statement

(1) Tokyo Metropolitan Government Comprehensive Financial Statement

[1] Ordinary Account and "Special Accounts"

(in million yen)

		Ordinary Account	"Special Accounts"			(Simple Total)
			B			
			National Health Insurance Account	Slaughter house	Metropolitan Public Housing Tenants Security Deposit	
		A	B1	B2	B3	(A+B)
Administrative Cost Statement						
(Ordinary balance)						
I. Administrative balance (1)=a-b		761,990	(86,518)	(4,161)	23	671,335
Administrative revenues a		6,683,974	1,006,991	1,438	23	7,692,428
Local taxes etc.		6,011,100	-	-	-	6,011,100
Grants etc.		20,432	-	-	-	20,432
National treasury disbursement		293,205	311,174	-	-	604,379
Funds transferred		2,347	-	-	23	2,370
Other		356,888	695,817	1,438	0	1,054,145
Administrative expenses b		5,921,983	1,093,509	5,599	-	7,021,093
Tax-related expenses		1,436,018	-	-	-	1,436,018
Payroll-related expenses		1,366,712	42	2,167	-	1,368,922
Subsidizing expenses etc.		1,331,633	1,093,404	1,239	-	2,426,277
Investment expenses		462,520	-	13	-	462,533
Funds disbursed		277,873	-	-	-	277,873
Other		1,047,225	63	2,178	-	1,049,467
II. Financial balance (2)=c-d		(45,959)	2	(7)	-	(45,964)
Financial revenues c		13,824	2	0	-	13,826
Financial expenses d		59,783	-	7	-	59,791
Ordinary balance (3)=(1)+(2)		716,031	(86,516)	(4,168)	23	625,370
(Special balance)						
Special revenues e		148,982	-	-	0	148,983
Special expenses f		144,920	-	0	-	144,920
Special balance (4)=e-f		4,061	-	(0)	0	4,062
Balance for the current period (5)=(3)+(4)		720,092	(86,516)	(4,168)	24	629,433
Transfer to general account g		-	85,176	3,683	-	88,860
Disbursement from general account h		-	516	-	-	516
Balance brought forward (5)+g-h		720,092	(1,856)	(484)	24	717,777
Balance Sheet						
(Assets)						
I. Current assets		1,932,830	20,626	0	10,050	1,963,507
Cash and deposits		553,963	20,626	-	7,725	582,314
Other current assets		1,378,867	-	0	2,325	1,381,192
II. Fixed assets		33,255,463	27,451	6,109	6,863	33,295,887
Tangible fixed assets		25,700,551	-	6,109	-	25,706,660
Land		19,174,211	-	-	-	19,174,211
Other tangible fixed assets (property etc.)		6,526,339	-	6,109	-	6,532,449
Intangible fixed assets		37,668	-	-	-	37,668
Investments etc.		7,517,243	27,451	-	6,863	7,551,557
Long-term loan		1,018,933	-	-	6,863	1,025,796
Funds		3,259,553	27,451	-	-	3,287,005
Other investments etc.		3,238,756	-	-	-	3,238,756
III. Deferred assets		-	-	-	-	-
Total assets		35,188,293	48,077	6,109	16,913	35,259,394
(Liabilities)						
I. Current liabilities		448,175	4	325	-	448,505
II. Fixed liabilities		6,062,674	44	4,131	16,758	6,083,609
Long-term borrowing		5,094,723	-	2,258	-	5,096,981
Other fixed liabilities		967,951	44	1,873	16,758	986,627
III. Deferred revenues		-	-	-	-	-
Total liabilities		6,510,849	49	4,457	16,758	6,532,114
(Net assets)						
Total net assets		28,677,443	48,028	1,651	155	28,727,280
(of which are changes in the current period)		851,517	(1,856)	(353)	24	849,333
Total liabilities and net assets		35,188,293	48,077	6,109	16,913	35,259,394

[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	(20,136)	(13,318)	-	7,684	983	(3,212)
Operating earnings	a	141,069	14,542	-	10,897	4,081	49,226
Operating expenses	b	161,205	27,861	-	3,212	3,098	52,438
Business cost price		94,435	107	-	723	1,835	37,861
Administrative expenses		66,769	27,753	-	2,488	1,263	14,577
Non-operating profit	(2)=c-d	15,926	187	11	2,220	528	347
Non-operating earnings	c	23,939	4,955	11	4,353	544	2,026
Non-operating expenses	d	8,013	4,768	-	2,132	15	1,679
Current balance	(1)+(2)	(4,209)	(13,131)	11	9,905	1,512	(2,864)
Special profit	(3)=e-f	817	38,820	-	(24)	-	(17)
Special earnings	e	988	46,410	-	-	-	0
Special expenses	f	170	7,589	-	24	-	17
Net profit for the current period	(4)=(1)+(2)+(3)	(3,392)	25,689	11	9,881	1,512	(2,882)
Retained profit brought forward	(5)	2,611	90,252	5,767	80,143	16,302	(10,331)
Changes of other unappropriated profit	(6)	-	669	-	-	33	-
Unappropriated revenues for the current period	(4)+(5)+(6)	(780)	116,612	5,778	90,024	17,848	(13,213)
Balance Sheet							
(Assets)							
I. Current assets		82,626	647,414	41,254	252,780	31,117	41,940
Cash and deposits		54,728	645,445	41,216	249,891	30,362	29,827
Other current assets		27,897	1,968	38	2,888	755	12,113
II. Fixed assets		168,079	756,934	32,074	791,983	335,700	184,714
Tangible fixed assets		127,265	736,621	32,074	670,240	330,109	77,693
Land		779	379,572	114	668,304	312,019	23,913
Other tangible fixed assets (property etc.)		126,486	357,048	31,960	1,936	18,090	53,780
Intangible fixed assets		659	6	-	27	13	224
Investments etc.		40,154	20,306	-	121,714	5,577	106,796
Long-term loan		-	0	-	5,000	-	90,000
Funds		-	-	-	-	-	-
Other investments etc.		40,154	20,306	-	116,714	5,577	16,796
III. Deferred assets		-	7	-	-	-	-
Total assets		250,706	1,404,355	73,329	1,044,763	366,818	226,655
(Liabilities)							
I. Current liabilities		45,144	68,862	34,521	94,408	669	20,819
II. Fixed liabilities		73,689	306,973	137	110,487	266	67,002
Long-term borrowing		33,583	303,843	-	97,485	27	48,182
Other fixed liabilities		40,105	3,130	137	13,002	238	18,820
III. Deferred revenue		3,494	37,332	-	0	78	1,752
Total liabilities		122,327	413,168	34,659	204,895	1,013	89,573
(Capital)							
Total capital		128,378	991,187	38,670	839,868	365,804	137,081
(of which are changes in the current period)		(3,392)	25,689	11	10,464	1,409	(16,270)
Total liabilities and capital		250,706	1,404,355	73,329	1,044,763	366,818	226,655

(in million yen)

Urban Rapid Transit Railway C7	Electric Power C8	Waterworks C9	Industrial Waterworks C10	Sewerage C11	(Simple Total) (C)
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Profit and Loss Statement							
Operating profit	(1)=a-b	21,152	745	17,677	(787)	(35,783)	(24,995)
Operating earnings	a	153,006	1,669	321,767	691	291,649	988,603
Operating expenses	b	131,854	924	304,090	1,478	327,433	1,013,598
Business cost price		78,656	774	210,732	735	118,130	543,992
Administrative expenses		53,197	150	93,358	743	209,302	469,605
Non-operating profit	(2)=c-d	8,800	27	12,199	754	62,584	103,588
Non-operating earnings	c	14,203	27	16,733	852	84,102	151,750
Non-operating expenses	d	5,403	0	4,533	98	21,517	48,162
Current balance	(1)+(2)	29,952	773	29,876	(33)	26,801	78,593
Special profit	(3)=e-f	124	-	-	33	302	40,057
Special earnings	e	124	-	-	918	302	48,745
Special expenses	f	0	-	-	885	-	8,687
Net profit for the current period	(4)=(1)+(2)+(3)	30,077	773	29,876	-	27,104	118,651
Retained profit brought forward	(5)	(223,784)	-	-	-	8,195	(30,842)
Changes of other unappropriated profit	(6)	-	-	22,127	-	37,184	60,014
Unappropriated revenues for the current period	(4)+(5)+(6)	(193,707)	773	52,004	-	72,483	147,823

Balance Sheet							
(Assets)							
I. Current assets		186,704	6,093	311,828	7,835	225,632	1,835,228
Cash and deposits		123,187	5,094	262,852	6,887	97,409	1,546,903
Other current assets		63,517	999	48,975	947	128,223	288,325
II. Fixed assets		1,383,500	3,801	2,468,002	23,158	5,725,079	11,873,029
Tangible fixed assets		1,325,530	3,792	2,438,491	22,837	5,724,549	11,489,206
Land		131,177	99	261,070	1,047	613,812	2,391,911
Other tangible fixed assets (property etc.)		1,194,352	3,693	2,177,421	21,790	5,110,736	9,097,295
Intangible fixed assets		1,422	8	28,186	320	316	31,186
Investments etc.		56,548	1	1,324	-	213	352,636
Long-term loan		-	-	-	-	-	95,000
Funds		-	-	-	-	-	-
Other investments etc.		56,548	1	1,324	-	213	257,635
III. Deferred assets		-	-	4	-	25	38
Total assets		1,570,204	9,895	2,779,836	30,994	5,950,737	13,708,296
(Liabilities)							
I. Current liabilities		96,842	220	179,016	531	271,554	812,591
II. Fixed liabilities		694,097	161	259,465	68	1,221,942	2,734,291
Long-term borrowing		455,815	-	215,146	-	1,206,182	2,360,266
Other fixed liabilities		238,281	161	44,318	68	15,760	374,024
III. Deferred revenue		406,171	599	162,578	4,930	1,601,156	2,218,092
Total liabilities		1,197,111	981	601,059	5,530	3,094,653	5,764,975
(Capital)							
Total capital		373,092	8,913	2,178,776	25,463	2,856,084	7,943,320
(of which are changes in the current period)		40,041	773	31,434	(560)	60,082	149,682
Total liabilities and capital		1,570,204	9,895	2,779,836	30,994	5,950,737	13,708,296

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

(in million yen)

	Tokyo Metropolitan Human Rights Promotion Center D1	Tokyo Metropolitan Islands Promotion Corporation D2	Tokyo Tax Association D3	Tokyo Metropolitan Foundation for History and Culture D4	Tokyo Metropolitan Symphony D5	Tokyo Sport Benefits Corporation D6
Statement of Changes in Net Assets						
(Changes in unrestricted net assets)						
Current increase (decrease) for the current period (1)=a-b	4	(15)	(0)	(160)	37	(105)
Current revenues a	214	651	1,184	16,295	1,824	7,347
Current expenses b	209	667	1,185	16,455	1,786	7,452
Nonrecurring increase (decrease) for the current period (2)=c-d	(1)	(0)	(0)	(0)	0	-
Nonrecurring revenues c	-	-	-	1	0	-
Nonrecurring expenses d	1	0	0	2	-	-
Corporation tax etc. (3)	1	[-]	0	0	0	0
Total changes in unrestricted net assets for the current period (4)=(1)+(2)-[(3)]	1	(15)	(1)	(161)	37	(105)
Unrestricted net assets at the beginning of the current period (5)	182	876	452	7,784	746	1,134
Unrestricted net assets at the end of the current period (6)=(4)+(5)	184	861	451	7,623	784	1,029
(Changes in restricted net assets)						
Total changes in restricted net assets for the current period (7)	-	-	-	349	-	(5)
Restricted net assets at the beginning of the current period (8)	101	4,000	300	2,335	1	538
Restricted net assets at the end of the current period (9)=(7)+(8)	101	4,000	300	2,684	1	532
Net assets at the end of fiscal year (6)+(9)	285	4,861	751	10,308	785	1,562

*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	123	329	255	6,687	471	3,132
Cash and deposits	121	276	158	5,980	304	1,461
Other current assets	2	53	97	707	166	1,671
II. Fixed assets	188	6,808	648	7,730	636	1,168
Tangible fixed assets	7	87	54	422	17	132
Land	-	-	-	-	-	-
Other tangible fixed assets (property etc.)	7	87	54	422	17	132
Intangible fixed assets	-	0	2	39	6	7
Investments etc.	180	6,720	592	7,268	613	1,028
Long-term loan	-	-	-	-	26	-
Funds	-	-	-	-	-	-
Other investments etc.	180	6,720	592	7,268	587	1,028
III. Deferred assets	-	-	-	-	-	-
Total assets	312	7,138	904	14,418	1,108	4,300
(Liabilities)						
I. Current liabilities	21	37	116	3,412	235	2,516
II. Fixed liabilities	5	2,240	36	697	86	222
Long-term borrowing	-	2,240	-	-	-	-
Other fixed liabilities	5	-	36	697	86	222
III. Deferred revenues	-	-	-	-	-	-
Total liabilities	26	2,277	153	4,109	322	2,738
(Net assets)						
Total net assets	285	4,861	751	10,308	785	1,562
(of which are changes in the current period)	1	(15)	(2)	188	37	(111)
Total liabilities and net assets	312	7,138	904	14,418	1,108	4,300

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	6/11	4/8	11/183	33/346	2/117	38/171

* 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, 2020, number of employees is as of 1 August, 2019.

(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	101	194	155	(67)	(32)	-
Current revenues a	4,226	24,314	6,575	2,898	3,922	356
Current expenses b	4,125	24,119	6,416	2,965	3,954	356
Nonrecurring increase (decrease) for the current period (2)=c-d	-	(6)	(6)	-	36	-
Nonrecurring revenues c	-	0	1	-	39	0
Nonrecurring expenses d	-	6	8	-	3	0
Corporation tax etc. (3)	0	0	0	[-]	[-]	[-]
Total changes in unrestricted net assets for the current period (4)=(1)+(2)+(-3))	101	186	148	(67)	4	-
Unrestricted net assets at the beginning of the current period (5)	439	64,591	3,927	1,205	626	-
Unrestricted net assets at the end of the current period (6)=(4)+(5)	541	64,778	4,076	1,138	631	-
(Changes in restricted net assets)						
Total changes in restricted net assets for the current period (7)	(5)	-	(0)	42	1	(2)
Restricted net assets at the beginning of the current period (8)	903	13	358	1,298	331	42
Restricted net assets at the end of the current period (9)=(7)+(8)	898	13	358	1,341	333	39
Net assets at the end of fiscal year (6)+(9)	1,439	64,791	4,434	2,480	964	39

*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	605	19,497	3,283	1,224	782	40
Cash and deposits	558	9,054	1,502	1,126	779	40
Other current assets	46	10,443	1,780	97	3	0
II. Fixed assets	1,169	53,640	55,957	4,266	1,543	58
Tangible fixed assets	78	2,033	639	154	861	25
Land	-	1,265	73	-	-	-
Other tangible fixed assets (property etc.)	78	768	565	154	861	25
Intangible fixed assets	180	15	121	73	91	0
Investments etc.	910	51,591	55,196	4,038	590	32
Long-term loan	-	9	-	658	-	0
Funds	-	-	-	1,628	-	-
Other investments etc.	910	51,582	55,196	1,751	590	32
III. Deferred assets	-	-	-	-	-	-
Total assets	1,774	73,138	59,240	5,491	2,326	99
(Liabilities)						
I. Current liabilities	334	4,814	979	1,103	957	40
II. Fixed liabilities	-	3,531	53,826	1,907	403	19
Long-term borrowing	-	-	-	31	-	-
Other fixed liabilities	-	3,531	53,826	1,876	403	19
III. Deferred revenues	-	-	-	-	-	-
Total liabilities	334	8,346	54,805	3,011	1,361	60
(Net assets)						
Total net assets	1,439	64,791	4,434	2,480	964	39
(of which are changes in the current period)	95	186	148	(24)	5	(2)
Total liabilities and net assets	1,774	73,138	59,240	5,491	2,326	99

Current status of metropolitan government's involvement						
Investment ratio (%)	90.9	76.9	99.5	60.0	100	100
Number of metropolitan government contract employees/ Number of permanent employees	4/34	14/260	75/311	40/139	41/185	15/27

* 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, 2020, number of employees is as of 1 August, 2019.

(in million yen)

		Tokyo Metropolitan Health and Medical Treatment Corporation D13	Tokyo Metropolitan Small Business Center D14	Tokyo Foundation for Employment Service D15	Tokyo Development Foundation For Agriculture, Forestry & Fisheries D16	Tokyo Convention and Visitors Bureau D17	Tokyo Zoological Park Society D18
Statement of Changes in Net Assets							
(Changes in unrestricted net assets)							
Current increase (decrease) for the current period	(1)=a-b	(1,218)	36	(1)	(11)	34	(158)
Current revenues	a	56,376	16,629	6,894	3,250	8,981	9,164
Current expenses	b	57,595	16,593	6,895	3,261	8,946	9,323
Nonrecurring increase (decrease) for the current period	(2)=c-d	(0)	-	(0)	0	(21)	28
Nonrecurring revenues	c	0	-	-	0	-	28
Nonrecurring expenses	d	1	-	0	-	21	0
Corporation tax etc.	(3)	[-]	[-]	2	[-]	2	12
Total changes in unrestricted net assets for the current period	(4)=(1)+(2)-[(3)]	(1,218)	36	(3)	(10)	10	(142)
Unrestricted net assets at the beginning of the current period	(5)	(3,841)	3,220	44	345	1,041	2,146
Unrestricted net assets at the end of the current period	(6)=(4)+(5)	(5,060)	3,256	40	334	1,052	2,004
(Changes in restricted net assets)							
Total changes in restricted net assets for the current period	(7)	(43)	141	13	494	63	51
Restricted net assets at the beginning of the current period	(8)	6,657	1,524	497	6,492	1,030	170
Restricted net assets at the end of the current period	(9)=(7)+(8)	6,614	1,666	510	6,986	1,094	221
Net assets at the end of fiscal year	(6)+(9)	1,554	4,923	551	7,321	2,146	2,226

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

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

Balance Sheet							
(Assets)							
I. Current assets		10,680	31,460	10,196	803	5,809	1,332
Cash and deposits		2,611	2,704	1,389	588	5,613	557
Other current assets		8,069	28,756	8,806	214	195	774
II. Fixed assets		9,477	5,399	905	7,723	15,194	2,023
Tangible fixed assets		7,137	340	25	278	686	446
Land		-	75	-	-	-	20
Other tangible fixed assets (property etc.)		7,137	265	25	278	686	426
Intangible fixed assets		706	691	2	2	-	22
Investments etc.		1,633	4,367	877	7,442	14,507	1,554
Long-term loan		-	-	-	4	-	3
Funds		-	143	-	3,515	737	253
Other investments etc.		1,633	4,223	877	3,922	13,769	1,298
III. Deferred assets		-	-	-	-	-	-
Total assets		20,158	36,860	11,101	8,527	21,003	3,356
(Liabilities)							
I. Current liabilities		8,061	30,996	10,175	638	5,644	1,103
II. Fixed liabilities		10,542	940	374	567	13,212	26
Long-term borrowing		-	-	-	427	-	-
Other fixed liabilities		10,542	940	374	139	13,212	26
III. Deferred revenues		-	-	-	-	-	-
Total liabilities		18,604	31,936	10,549	1,205	18,856	1,129
(Net assets)							
Total net assets		1,554	4,923	551	7,321	2,146	2,226
(of which are changes in the current period)		(1,262)	177	9	483	74	(90)
Total liabilities and net assets		20,158	36,860	11,101	8,527	21,003	3,356

Current status of metropolitan government's involvement							
Investment ratio (%)		97.4	50.2	50.7	64.4	-	7.5
Number of metropolitan government contract employees/ Number of permanent employees		118/2,874	40/295	26/150	135/176	22/130	103/338

* 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, 2020, number of employees is as of 1 August, 2019.

(in million yen)

Tokyo Metropolitan Park Association	Tokyo Metropolitan Public Corporation for Road Improvement and Management	Tokyo Education Promotion and Support Organization for Schools	Tokyo Disaster Prevention & Emergency Medical Service Association	(Simple Total)
D19	D20	D21	D22	(D)

Statement of Changes in Net Assets						
(Changes in unrestricted net assets)						
Current increase (decrease) for the current period	(1)=a-b	492	292	124	60	(235)
Current revenues	a	16,612	13,558	254	2,348	203,881
Current expenses	b	16,119	13,265	130	2,288	204,115
Nonrecurring increase (decrease) for the current period	(2)=c-d	(5)	27	-	(0)	49
Nonrecurring revenues	c	-	31	-	8	112
Nonrecurring expenses	d	5	4	-	8	63
Corporation tax etc.	(3)	49	133	[-]	39	242
Total changes in unrestricted net assets for the current period	(4)=(1)+(2)+[-(3)]	437	186	124	20	(429)
Unrestricted net assets at the beginning of the current period	(5)	4,372	9,879	-	1,815	100,996
Unrestricted net assets at the end of the current period	(6)=(4)+(5)	4,809	10,066	124	1,836	100,566
(Changes in restricted net assets)						
Total changes in restricted net assets for the current period	(7)	16	-	190	(8)	1,299
Restricted net assets at the beginning of the current period	(8)	2,903	1	-	501	30,002
Restricted net assets at the end of the current period	(9)=(7)+(8)	2,919	1	190	492	31,302
Net assets at the end of fiscal year	(6)+(9)	7,729	10,067	314	2,329	131,869

Balance Sheet						
(Assets)						
I. Current assets		6,148	12,617	205	1,073	116,764
Cash and deposits		3,545	9,996	202	879	49,453
Other current assets		2,602	2,621	3	194	67,310
II. Fixed assets		4,862	6,002	314	1,506	187,227
Tangible fixed assets		763	2,334	21	35	16,584
Land		-	1,043	-	-	2,478
Other tangible fixed assets (property etc.)		763	1,290	21	35	14,105
Intangible fixed assets		27	39	102	30	2,165
Investments etc.		4,072	3,628	190	1,440	168,478
Long-term loan		-	0	-	-	702
Funds		-	-	-	-	6,278
Other investments etc.		4,072	3,627	190	1,440	161,496
III. Deferred assets		-	-	-	-	-
Total assets		11,011	18,619	520	2,580	303,992
(Liabilities)						
I. Current liabilities		2,885	7,752	205	175	82,210
II. Fixed liabilities		395	799	-	75	89,912
Long-term borrowing		-	-	-	-	2,698
Other fixed liabilities		395	799	-	75	87,213
III. Deferred revenues		-	-	-	-	-
Total liabilities		3,281	8,552	205	251	172,123
(Net assets)						
Total net assets		7,729	10,067	314	2,329	131,869
(of which are changes in the current period)		454	186	314	11	869
Total liabilities and net assets		11,011	18,619	520	2,580	303,992

Current status of metropolitan government's involvement				
Investment ratio (%)	14.5	0.2	100	16.3
Number of metropolitan government contract employees/ Number of permanent employees	55/611	31/442	8/8	14/66

* 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, 2020, number of employees is as of 1 August, 2019.

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

(in million yen)

Tokyo Metropolitan Welfare Corporation E1	(Simple Total) (E)
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Operating Activity Statement		
Changes in service balance (1)=a-b	275	275
Service revenues a	9,580	9,580
Service expenses b	9,304	9,304
Changes in non-service balance (2)=c-d	(280)	(280)
Non-service revenues c	71	71
Non-service expenses d	351	351
Changes in ordinary balance (1)+(2)	(4)	(4)
Changes in extraordinary balance (3)=e-f	(0)	(0)
Extraordinary revenues e	-	-
Extraordinary expenses f	0	0
Changes in balance for current period (4)=(1)+(2)+(3)	(4)	(4)
Changes in balance carried forward from previous period (5)	931	931
Changes in balance carried forward from current period end (6)=(4)+(5)	926	926
Withdrawals from funds (7)	-	-
Withdrawals from other reserves (8)	921	921
Other funds reserved (9)	1,049	1,049
Changes in balance carried forward to next period (6)+(7)+(8)-(9)	798	798

Balance Sheet		
(Assets)		
I. Current assets	2,789	2,789
Cash and deposits	2,557	2,557
Other current assets	231	231
II. Fixed assets	9,263	9,263
Tangible fixed assets	737	737
Land	-	-
Other tangible fixed assets (property etc.)	737	737
Intangible fixed assets	5	5
Investments etc.	8,520	8,520
Long-term loan	-	-
Funds	-	-
Other investments etc.	8,520	8,520
III. Deferred assets	-	-
Total assets	12,052	12,052
(Liabilities)		
I. Current liabilities	2,251	2,251
II. Fixed liabilities	965	965
Long-term borrowing	263	263
Other fixed liabilities	701	701
III. Deferred revenues	-	-
Total liabilities	3,216	3,216
(Net assets)		
Total net assets	8,835	8,835
(of which are changes in the current period)	(123)	(123)
Total liabilities and net assets	12,052	12,052

Current status of metropolitan government's involvement	
Investment ratio (%)	100
Number of metropolitan government contract employees/ Number of permanent employees	305/1,077

* The investment ratio is calculated as of 31 March, 2020, number of employees is as of 1 August, 2019.

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

(in million yen)

	Tokyo Metropolitan Housing Supply Corporation F1	(Simple Total) (F)
Profit and Loss Statement		
Operating profit (1)=a-b	10,395	10,395
Operating revenues a	75,953	75,953
Operating expenses b	65,557	65,557
Operating costs	64,734	64,734
Administrative expenses	822	822
Non-operating profit (2)=c-d	(1,165)	(1,165)
Non-operating revenues c	357	357
Non-operating expenses d	1,522	1,522
Current balance (1)+(2)	9,230	9,230
Special profit (3)=e-f	1,721	1,721
Special revenues e	6,020	6,020
Special expenses f	4,299	4,299
Pre-reserve profit under special laws (1)+(2)+(3)	10,952	10,952

Balance Sheet		
(Assets)		
I. Current assets	85,503	85,503
Cash and deposits	56,671	56,671
Other current assets	28,832	28,832
II. Fixed assets	1,160,540	1,160,540
Tangible fixed assets	1,155,980	1,155,980
Land	1,037	1,037
Other tangible fixed assets (property etc.)	1,154,943	1,154,943
Intangible fixed assets	1,934	1,934
Investments etc.	2,625	2,625
Long-term loan	-	-
Funds	-	-
Other investments etc.	2,625	2,625
III. Deferred assets	-	-
Total assets	1,246,044	1,246,044
(Liabilities)		
I. Current liabilities	75,626	75,626
II. Fixed liabilities	736,989	736,989
Long-term borrowing	587,231	587,231
Other fixed liabilities	149,757	149,757
III. Deferred revenues	-	-
Total liabilities	812,615	812,615
(Capital)		
Total capital	433,429	433,429
(of which are changes in the current period)	9,249	9,249
Total liabilities and capital	1,246,044	1,246,044

Current status of metropolitan government's involvement	
Investment ratio (%)	100
Number of metropolitan government contract employees/ Number of permanent employees	6/1,064

* The investment ratio is calculated as of 31 March, 2020, number of employees is as of 1 August, 2019.

[4] Policy Cooperation Bodies (limited corporations)

(in million yen)

	Tokyo Stadium G1	Tokyo Tama Intercity Monorail Co., Ltd. G2	Tokyo Water Front Area Rapid Transit, Inc. G3	Tama New Town Development Center G4	Tokyo International Forum G5	TOKYO RINKAI HOLDINGS Co., Ltd. G6
Profit and Loss Statement						
Operating profit (1)=a-b	(53)	715	5,587	373	(809)	14,439
Operating revenues a	1,901	8,789	20,715	1,605	5,983	71,197
Operating expenses b	1,955	8,074	15,127	1,232	6,792	56,757
Operating costs	1,596	5,094	6,648	1,079	5,309	52,352
Sales and administrative expenses	358	2,980	8,478	153	1,483	4,404
Non-operating profit (2)=c-d	36	(69)	(885)	0	7	(2,328)
Non-operating revenues c	36	111	36	1	36	290
Non-operating expenses d	0	181	922	0	28	2,619
Current balance (1)+(2)	(16)	645	4,702	374	(801)	12,111
Special profit (3)=e-f	-	-	0	1	664	(465)
Special revenues e	-	-	189	5	771	16
Special expenses f	-	-	189	3	107	481
Corporation tax etc. (4)	20	473	1,444	116	(22)	3,941
Net profit for the current period (1)+(2)+(3)-(4)	(37)	171	3,258	258	(114)	7,703
Balance Sheet						
(Assets)						
I. Current assets	6,401	7,779	11,812	2,990	5,735	88,403
Cash and deposits	5,624	6,184	4,935	2,952	4,138	62,561
Other current assets	777	1,595	6,877	37	1,596	25,842
II. Fixed assets	3,717	61,294	198,716	7,275	1,852	305,915
Tangible fixed assets	402	61,084	179,182	7,266	957	266,462
Land	-	30,131	13,012	3,705	-	61,713
Other tangible fixed assets (property etc.)	402	30,952	166,169	3,561	957	204,749
Intangible fixed assets	2,548	36	14,207	0	100	20,981
Investments etc.	766	173	5,326	8	794	18,470
Long-term loan	-	-	-	-	-	-
Funds	-	-	-	-	-	-
Other investments etc.	766	173	5,326	8	794	18,470
III. Deferred assets	-	-	-	-	-	-
Total assets	10,119	69,073	210,528	10,265	7,587	394,318
(Liabilities)						
I. Current liabilities	426	7,139	14,704	716	2,303	26,546
II. Fixed liabilities	154	27,803	104,532	4,404	734	125,325
Long-term borrowing	-	27,278	3,821	-	-	96,983
Other fixed liabilities	154	524	100,711	4,404	734	28,341
III. Deferred revenues	-	-	-	-	-	-
Total liabilities	581	34,942	119,237	5,120	3,038	151,871
(Net assets)						
Total net assets	9,538	34,130	91,291	5,144	4,548	242,446
(of which are changes in the current period)	(37)	171	3,258	258	(129)	7,632
Total liabilities and net assets	10,119	69,073	210,528	10,265	7,587	394,318

*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	11/25	10/224	20/321	2/8	7/59	64/560

*1 The Investment ratio is calculated as of 31 March, 2020, number of employees is as of 1 August, 2019.

*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		339	337	(521)	1,439	21,847
Operating revenues	a	7,512	14,759	14,174	26,475	173,115
Operating expenses	b	7,172	14,422	14,696	25,036	151,268
Operating costs		6,820	13,397	13,720	23,675	129,695
Sales and administrative expenses		352	1,024	976	1,360	21,572
Non-operating profit (2)=c-d		4	74	47	19	(3,093)
Non-operating revenues	c	7	82	67	19	689
Non-operating expenses	d	3	7	19	0	3,783
Current balance (1)+(2)		343	412	(474)	1,458	18,753
Special profit (3)=e-f		-	(33)	(5)	(2)	158
Special revenues	e	-	0	0	-	983
Special expenses	f	-	34	5	2	824
Corporation tax etc. (4)		101	138	(141)	507	6,581
Net profit for the current period (1)+(2)+(3)-(4)		242	239	(338)	948	12,331

Balance Sheet						
(Assets)						
I. Current assets		2,039	5,087	3,992	17,242	151,485
Cash and deposits		551	2,683	317	9,458	99,406
Other current assets		1,487	2,403	3,675	7,784	52,078
II. Fixed assets		1,094	2,601	4,703	2,708	589,877
Tangible fixed assets		151	1,126	1,803	1,574	520,012
Land		-	229	-	-	108,791
Other tangible fixed assets (property etc.)		151	897	1,803	1,574	411,220
Intangible fixed assets		53	275	177	339	38,721
Investments etc.		888	1,198	2,722	794	31,143
Long-term loan		-	-	0	-	0
Funds		-	-	-	-	-
Other investments etc.		888	1,198	2,722	794	31,142
III. Deferred assets		-	-	-	-	-
Total assets		3,133	7,688	8,695	19,951	741,362
(Liabilities)						
I. Current liabilities		910	2,086	2,485	6,089	63,408
II. Fixed liabilities		345	1,516	3,098	1,352	269,268
Long-term borrowing		-	-	-	-	128,084
Other fixed liabilities		345	1,516	3,098	1,352	141,184
III. Deferred revenue		-	-	-	-	-
Total liabilities		1,255	3,602	5,584	7,442	332,677
(Net assets)						
Total net assets		1,878	4,086	3,111	12,508	408,685
(of which are changes in the current period)		232	(280)	(339)	938	11,705
Total liabilities and net assets		3,133	7,688	8,695	19,951	741,362

Current status of metropolitan government's involvement				
Investment ratio (%)	100	51.0	84.5	50.0
Number of metropolitan government contract employees/ Number of permanent employees	21/275	44/1,263	42/687	247/788

* The Investment ratio is calculated as of 31 March, 2020, number of employees is as of 1 August, 2019.

[5] Local Independent Administrative Corporations

(in million yen)

	Tokyo Metropolitan University H1	Tokyo Metropolitan Industrial Technology Research Institute H2	Tokyo Metropolitan Gaikyo 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	(1,747)	(1,136)	(1,154)	(4,038)			
Operating revenues a	25,083	7,365	18,518	50,966			
Operating expenses b	26,831	8,501	19,672	55,005			
Operating costs	24,612	5,463	19,013	49,088			
Administrative expenses	2,218	3,038	659	5,916			
Non-operating balance (2)=c-d	1,898	1,212	115	3,226			
Non-operating revenues c	1,936	1,214	115	3,266			
Non-operating expenses d	38	1	-	39			
Current balance (1)+(2)	150	76	(1,039)	(811)			
Special balance (3)=e-f	(194)	0	(0)	(194)			
Special revenues e	21	2	0	24			
Special expenses f	216	2	0	219			
Net profit for the current period (4)=(1)+(2)+(3)	(43)	76	(1,039)	(1,006)			
Retained profit brought forward (5)	320	-	-	320			
Unappropriated revenues for the current period (4)+(5)	276	76	(1,039)	(685)			
Balance Sheet							
(Assets)							
I. Current assets	6,244	4,048	7,594	17,886	4,173,165		4,173,165
Cash and deposits	2,017	3,839	5,111	10,968	2,348,276		2,348,276
Other current assets	4,226	208	2,482	6,918	1,824,889		1,824,889
II. Fixed assets	149,493	28,122	33,227	210,844	47,326,670	(2,424,006)	44,902,663
Tangible fixed assets	144,263	27,607	30,269	202,141	39,091,322		39,091,322
Land	86,035	14,200	15,039	115,274	21,793,704		21,793,704
Other tangible fixed assets (property etc.)	58,228	13,407	15,230	86,866	17,297,618		17,297,618
Intangible fixed assets	436	365	1,909	2,711	114,394		114,394
Investments etc.	4,793	148	1,048	5,991	8,120,953	(2,424,006)	5,696,946
Long-term loan	-	-	7	7	1,121,506		1,121,506
Funds	-	-	-	-	3,293,284		3,293,284
Other investments etc.	4,793	148	1,041	5,984	3,706,162	(2,424,006)	1,282,155
III. Deferred assets	-	-	-	-	38		38
Total assets	155,738	32,170	40,822	228,731	51,499,874	(2,424,006)	49,075,867
(Liabilities)							
I. Current liabilities	6,638	3,287	3,580	13,507	1,498,101		1,498,101
II. Fixed liabilities	13,471	3,949	17,163	34,584	9,949,620		9,949,620
Long-term borrowing	-	-	11,991	11,991	8,187,517		8,187,517
Other fixed liabilities	13,471	3,949	5,171	22,592	1,762,102		1,762,102
III. Deferred revenues	-	-	-	-	2,218,092		2,218,092
Total liabilities	20,110	7,237	20,744	48,091	13,665,814	-	13,665,814
(Capital)							
Total capital	135,627	24,933	20,078	180,639	37,834,059	(2,424,006)	35,410,052
(of which are changes in the current period)	(1,057)	(633)	(1,039)	(2,730)	1,017,986		1,017,986
Total liabilities and capital	155,738	32,170	40,822	228,731	51,499,874	(2,424,006)	49,075,867

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

Year-to-date
(From April 1, 2019, to March 31, 2020)

(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 policy cooperation 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 3 accounts are special accounts that fall outside of the scope of the ordinary account.

National Health Insurance 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) Policy Cooperation 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 34 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%)*²; PUC Co., Ltd. (84.5%)*³; Tokyo Metropolitan Sewerage Service Corporation (50.0%).

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

*^{2,3} On April 1, 2020, Tokyo Waterworks Service Co., Ltd. and PUC Co., Ltd. merged and established Tokyo Water Co., Ltd.

Year-to-date (From April 1, 2019, to March 31, 2020)	
ii) Public interest corporations (24 Bodies)	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 Education Promotion and Support Organization for Schools ^{*4} ; Tokyo Emergency First-Aid Association.
^{*4} Established in July 1, 2019.	
(5) Local Independent Administrative Corporations	Three organizations below established by TMG based on Local Independent Administrative Corporations Law Tokyo Metropolitan University ^{*5} Tokyo Metropolitan Industrial Technology Research Institute Tokyo Metropolitan Geriatric Hospital and Institute of Gerontology
^{*5} Renamed "Tokyo Metropolitan Public University Corporation from April 2020.	
2. Base Date	<p>The base date for this statement shall be taken as being March 31, 2020, although for the ordinary account and the "Special Accounts" these will also include all account deposits and withdrawals during the period between April 1, 2020, and May 31, 2020 (the settlement period).</p> <p>Furthermore, as of the previous fiscal year, the Tokyo Marathon Foundation policy cooperation body changed its closing date from March 31 to June 30, resulting in a three-month settlement. While the differences in settlement dates exceed three months, entries in individual financial statements as of June 30, 2019 have been recorded in a side-by-side format.</p>
3. Adjustment between Investment and Capital	The total amount of any investment in the ordinary account and provision for capital in the public enterprise accounts, as well as investment securities in the ordinary account and self-capitalization of limited corporations (inherent capital) shall be offset.
4. Offset between Credits and Debt	Although any overlap, credits, and debts are eliminated from the ordinary account, there has been no elimination of offsetting of any overlaps, credits, debts, revenues, or expenses between the ordinary account and the non-ordinary accounts, and between other non-ordinary accounts.
5. Revision of Individual Financial Statements	Debenture capital in the public enterprise accounts moved from net assets to liabilities, owned capital (inherent capital, incorporated capital) moved to surplus.
6. Application of Current Arrangement	The listed order of items for assets and liabilities is arranged using the current arrangement, with current assets being followed by fixed assets.
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 policy cooperation bodies supervised by Tokyo Metropolitan Government are calculated mainly using the cost method determined by the first-in, first-out method.</p>

Year-to-date
(From April 1, 2019, to March 31, 2020)

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 in the "Tokyo Metropolitan Government Guidelines for Processing Ledgers Related to Public Property". Tangible fixed assets within infrastructure assets are depreciated on a straight line basis according to the service life in the "Tokyo Metropolitan Government Guideline for Processing Ledgers Related to Public Property" and the "Tokyo Metropolitan Government Bureau of Construction Infrastructure Asset Control Standards". The paving of roads, defined as replacement assets by the "Tokyo Metropolitan Government Bureau of Construction Infrastructure Asset Control Standards", however, is subject to adoption of a processing method that treats spending required for partial road replacement as actual expenses. Important property is depreciated on a straight line basis according to the service life in the "Service Life Benchmarks for Important Property." Within intangible fixed assets, surface rights, easements, patent rights, copyrights, etc. are not depreciated, while software is depreciated on a straight line basis with service life set at five years and residual value set at zero.

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 policy cooperation 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 policy cooperation bodies supervised by the Tokyo Metropolitan Government, bonds held to maturity are calculated using the amortized cost method, while other securities are calculated using the cost method determined by the moving-average method.

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 policy cooperation bodies due to bad debt, in addition to the ceiling provided by the tax law as stipulated by the corporation tax law, the amount of the estimate of the unrecoverable individual debt is to be appropriated.

Year-to-date (From April 1, 2019, to March 31, 2020)	
(3) Allowance for investment loss	Of the investment securities, regarding those related to consolidated organizations, where market value or real value falls below acquisition value to a certain degree, the difference is recorded as allowance for investment loss. Furthermore, reversal of allowance is conducted when market value or real value recovers.
(4) Reserve for retirement allowances	The retirement allowance payment used in the event of government employees retiring voluntarily is mainly used to calculate the required reserve for retirement allowances.
(5) Repair allowance	The required amount based on a repair plan is posted as the repair allowance to prepare mainly for the payment of repairing expenses for equipment.
(6) Reserve for bonus payment	A portion of the terminal allowances, bonuses attributable to this fiscal year, and the accompanying legal welfare expenses, to be paid in the next fiscal year is calculated as other current liabilities.
(Other)	
1. Display Method for Entered Amounts	The entered figures have been rounded down to the indicated unit. The differences of accounting standards of each organization are not taken into consideration.

[Notes]

1. Accumulated Depreciation of Tangible Fixed Assets

(in billion yen)

Item	End of FY2019
Ordinary account	4,949.3
"Special Accounts"	17.4
Public enterprise accounts	8,051.2
Limited corporations	458.3
Public interest corporations	342.1
Independent administrative corporations	97.9
Total	13,916.5

2. Expected Repayments of Outstanding Borrowings

(in billion yen)

Item	FY2020	From FY2021	Total
Ordinary account	329.0	5,094.7	5,423.8
"Special Accounts"	0.1	2.2	2.3
Public enterprise accounts	382.9	2,115.2	2,498.2
Limited corporations	10.7	128.0	138.7
Public interest corporations	72.8	562.1	635.0
Independent administrative corporations	0.7	11.6	12.4
Total	796.5	7,914.1	8,710.6

3. Assets Offered as Collateral

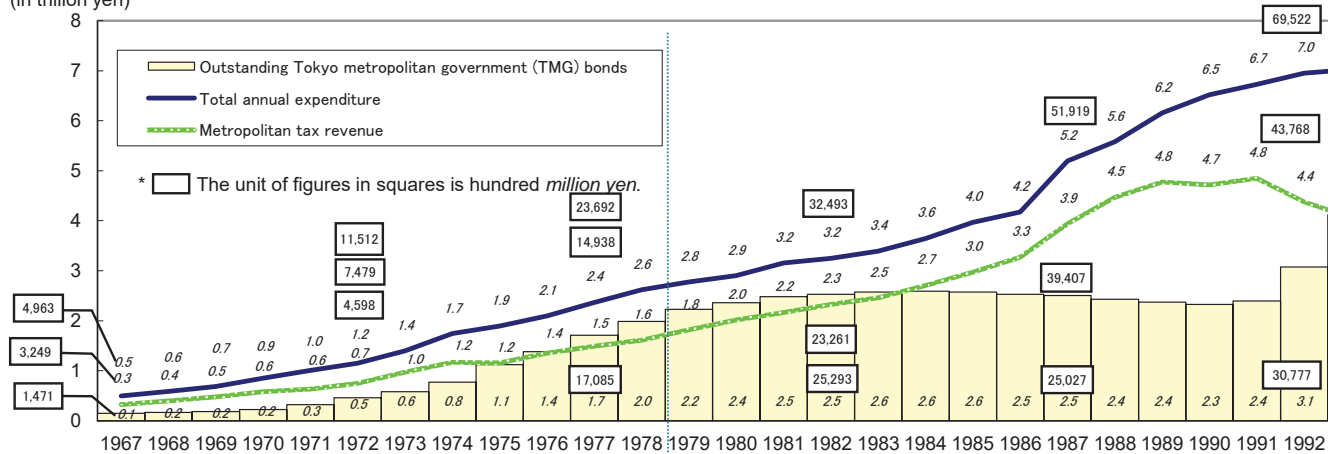
Of the assets of the limited corporations, a total value of 369.2 billion yen is offered as collateral.



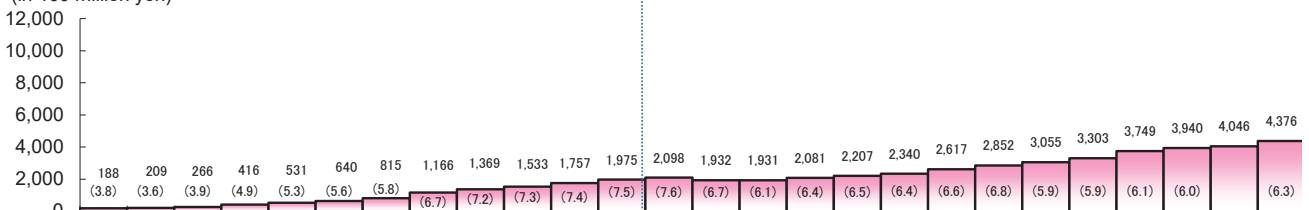
Reference Tables

Tokyo Metropolitan Government Financial chronological tables (Ordinary Account)

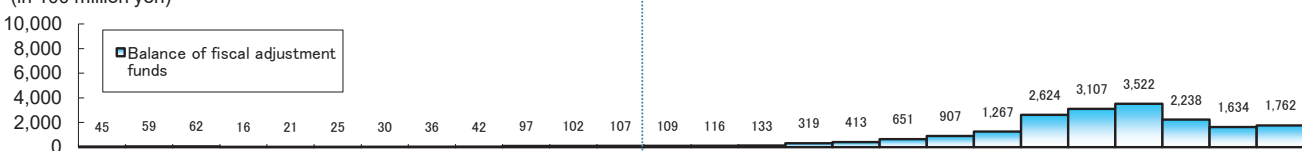
(in trillion yen)



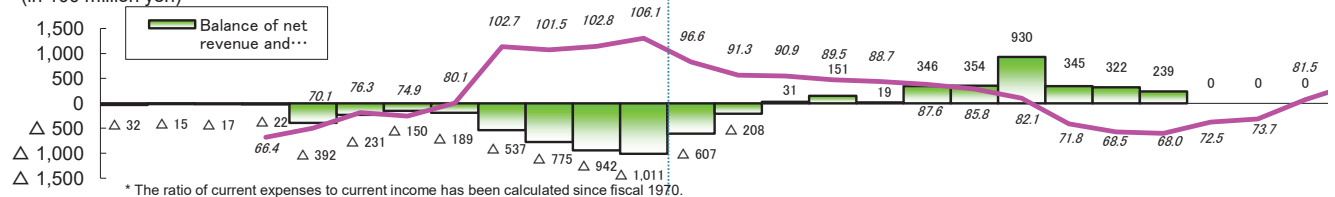
(in 100 million yen)



(in 100 million yen)



(in 100 million yen)



* The ratio of current expenses to current income has been calculated since fiscal 1970.

Governor Ryokichi Minobe													Governor Shunichi 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	1991	1992
Major events	Governor Minobe'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). Three-year administrative plan for the Tokyo Metropolis* formulated (November).																									
	*Fiscal consolidation plan**submitted to the Ministry of Home Affairs (February). 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) Fiscal 1978 annual closing: Ratio of current expenses to current income reaches a record high in the history of metropolitan government (106.1%)																									
	Fiscal 1979 budget: A skeleton budget compiled. Governor Suzuki's metropolitan administration starts. / Tokyo metropolitan government financial rehabilitation committee* set up (July).																									
	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.																									
	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). In December, a supplementary budget compiled (response to the national government's general economic measures).																									
	In September, a supplementary budget compiled (response to the national government's emergency economic package).																									
	Consumption tax was introduced.																									
	Third Long-term Plan for the Tokyo Metropolis formulated (November).																									
	Tokyo Metropolitan Government Building moves to Shinjuku (its current location) (April)																									
	In September, a supplementary budget compiled (response to the national government's emergency economic package).																									

