

Financial Affairs and Organization

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Financial Statements

Budgets and Results in FY2006

(In millions of yen)

		Budget	Result
Revenues	Government subsidies	13,388	13,388
	Investment revenue	1,940	1,987
	Donation revenue	635	711
	Other revenue	219	318
	Revenue from disposition of inheritance reserve	1,389	1,205
Total		17,573	17,612

Expenditures	Operating expenses	13,055	13,335
	Arts and cultural programs	3,012	3,022
	Japanese-language programs	3,876	3,948
	Japanese studies and intellectual exchange programs	2,556	2,506
	Survey, research, and information-service programs	648	759
	Other programs	2,961	3,099
	General and administrative expenses	4,517	4,498
	Salaries and wages	2,772	2,705
	Supplies	1,745	1,793
Total		17,573	17,834

Notes : 1. Expenditures include 310 million yen brought forward from the previous year.

2. The increase in revenues mainly consists of increases in specified donation revenues and revenues earned from offering the Japanese-Language Proficiency Test.

3. Totals may not correspond due to rounding of fractional amounts of less 1 million yen.

Balance Sheet As of March 31, 2007

(In yen)

Assets			
Current assets	Cash and deposits		5,654,490,081
	Marketable securities		7,954,401,898
	Prepaid expenses		22,209,546
	Accrued income		307,566,821
	Other current assets		1,009,808,168
Total current assets			14,948,476,514
Tangible fixed assets	Buildings	12,619,016,882	
	Accumulated depreciation	(1,876,161,736)	
	Cumulative loss due to impairment	(10,601,421)	10,732,253,725
	Structures	309,667,593	
	Accumulated depreciation	(89,881,598)	219,785,995
	Machinery and equipment	9,134,105	
	Accumulated depreciation	(5,317,836)	3,816,269
	Vehicles and transport equipment	109,959,971	
	Accumulated depreciation	(53,500,560)	56,459,411
	Tools, equipment, and fixtures	1,021,783,888	
	Accumulated depreciation	(581,390,864)	440,393,024
	Art objects		439,553,049
	Land		209,484,129
	Construction in progress		33,492,068
Total		12,135,237,670	
Intangible fixed assets	Land lease rights		10,598,000
	Software		81,783,134
	Telephone subscription rights		441,000
	Total		92,822,134
Investments and other assets	Investment securities		85,191,245,026
	Long-term time deposits		1,700,000,000
	Deposits and bonds		776,255,733
	Total		87,667,500,759
Total fixed assets			99,895,560,563
Total assets			114,844,037,077
Liabilities			
Current liabilities	Amount in arrears		1,638,900,434
	Accrued expenses		6,457,972
	Consumption tax payable		552,500
	Deposits payable		39,865,581
	Lease liabilities		4,430,007
	Allowances		
	Allowances for bonuses	16,064,490	16,064,490
Total current liabilities			1,706,270,984
Fixed liabilities	Asset counterpart liabilities		823,004,657
	Government operational expense subsidies related to asset counterpart	789,512,589	
	Government operational expense subsidies related to construction in progress counterpart	33,492,068	
	Long-term lease liabilities		4,232,492
Total fixed liabilities			827,237,149
Total liabilities			2,533,508,133
Shareholders' equity			
Capital stock	Government investment	112,970,859,465	
	Total		112,970,859,465
Capital surplus	Capital surplus	(95,658,472)	
	Accumulated depreciation outside profit and loss	(2,513,486,761)	
	Cumulative loss due to impairment for items other than profit and loss	(17,570,292)	
	Endowments from private sector	900,261,787	
	Total		(1,726,453,738)
Retained earnings	Inheritance reserve	257,209,035	
	Reserve	588,847,197	
	Unappropriated profit for the term (Of which : Gross profit for the term)	220,066,985	
	Total		1,066,123,217
Total shareholders' equity			112,310,528,944
Total liabilities and shareholders' equity			114,844,037,077

Profit and Loss Statement

April 1, 2006 to March 31, 2007

(In yen)

Ordinary expenses	Arts and cultural programs		3,303,165,761
	Japanese-language programs		4,178,262,950
	Japanese studies and intellectual exchange programs		2,748,426,068
	Survey, research, and information-service programs		887,948,002
	Other programs		
	Overseas programs	3,233,836,247	
	Cooperating in cultural exchange facilities program	702,463,141	3,936,299,388
	General and administrative expenses		2,427,922,778
	Financial expenses		226,417
Total ordinary expenses			17,482,251,364
Ordinary income	Income from government operational expense subsidies		13,348,862,523
	Income from investments		2,026,580,210
	Income from donations		
	Income from donations	32,062,350	
	Income from specified donations	694,936,806	726,999,156
	Refund of asset counterpart		
	Refund of government operational expense subsidies related to asset counterpart	90,075,694	90,075,694
	Financial income		
	Interest received	2,003,581	2,003,581
Sundry income		357,790,174	
Total ordinary income			16,552,311,338
Ordinary loss			929,940,026
Net loss for the term			929,940,026
Income from disposition of inheritance reserve			1,150,007,011
Net income for the term			220,066,985

Statement of Profit Distribution

(In yen)

Unappropriated retained earnings at the end of the term			220,066,985
	Gross profit	220,066,985	
Transferred reserve funds			257,209,035
	Inherited reserve funds	257,209,035	
Appropriation of retained earnings			
	Reserve	477,276,020	

Cash Flow Statement April 1, 2006 to March 31, 2007

(In yen)

Cash flow from operating activities	Program expenses	(12,102,141,750)
	Salaries and wages	(2,639,041,212)
	Other operating expenses	(1,839,532,343)
	Revenue from government operational expense subsidies	13,388,901,000
	Investment revenue	1,987,250,741
	Revenue from donations	711,999,156
	Other miscellaneous revenue	391,208,202
	Subtotal	(101,356,206)
	Interest received	1,513,070
	Interest paid	(226,417)
Cash flow from operating activities	(100,069,553)	
Cash flow from investment activities	Expenses for acquisition of investment securities	(9,026,624,231)
	Revenue from redemption of investment securities	7,650,753,973
	Expenditure through deposits into fixed-term accounts	(2,700,000,000)
	Income through repayment of fixed-term accounts	1,000,000,000
	Expenses for acquisition of tangible fixed assets	(384,271,268)
	Revenue from selling of tangible fixed assets	3,776,127
	Expenses for acquisition of deposits and bonds	(19,790,330)
	Revenue from acquisition of deposits and bonds	9,428,201
	Cash flow from investment activities	(3,466,727,528)
Cash flow from financial activities	Expenses for repayment of lease liabilities	(14,845,932)
	Revenue from endowments from private sector	1,010,000
	Cash flow from financial activities	(13,835,932)
Difference in conversion related to funds	1,997,146	
Decrease in funds	(3,578,635,867)	
Balance at the beginning of the term	9,233,125,948	
Balance at the end of the term	5,654,490,081	

Statement of Administrative Service Execution Costs

April 1, 2006 to March 31, 2007

(In yen)

Operating expenses	Expenses in the profit and loss statement		
	Program expenses	15,054,102,169	
	General and administrative expenses	2,427,922,778	
	Financial expenses	226,417	17,482,251,364
	(Deducted) Revenue on hand, etc.		
	Income from investments	(2,026,580,210)	
	Income from donations	(726,999,156)	
	Financial income	(2,003,581)	
	Miscellaneous profits	(357,790,174)	(3,113,373,121)
	Total		14,368,878,243
Amount equivalent to depreciation, etc. outside profit and loss	Amount equivalent to depreciation outside profit and loss	627,189,755	
	Amount equivalent to the value of retired fixed assets outside profit and loss	51,888,091	679,077,846
Amount equivalent to cumulative loss due to impairment for items other than profit and loss			17,570,292
Estimated increase in retirement allowances not provided for			(57,498,829)
Opportunity cost	Opportunity cost of margin transactions which are gratis or at a reduced fee assets from national or local public bodies	503,726,546	
	Opportunity cost of investments by government or local public organizations	1,825,735,774	2,329,462,320
Total administrative service execution costs			17,337,489,872