

# Analysis of TMG's Finances

- Up to this point, TMG's financial condition in FY2017 was studied through analyses of conventional government accounting and financial statements.
- This section looks back over past financial management and considers future TMG finances by analyzing future financial demand.

## Chapter 1 - TMG financial management to date

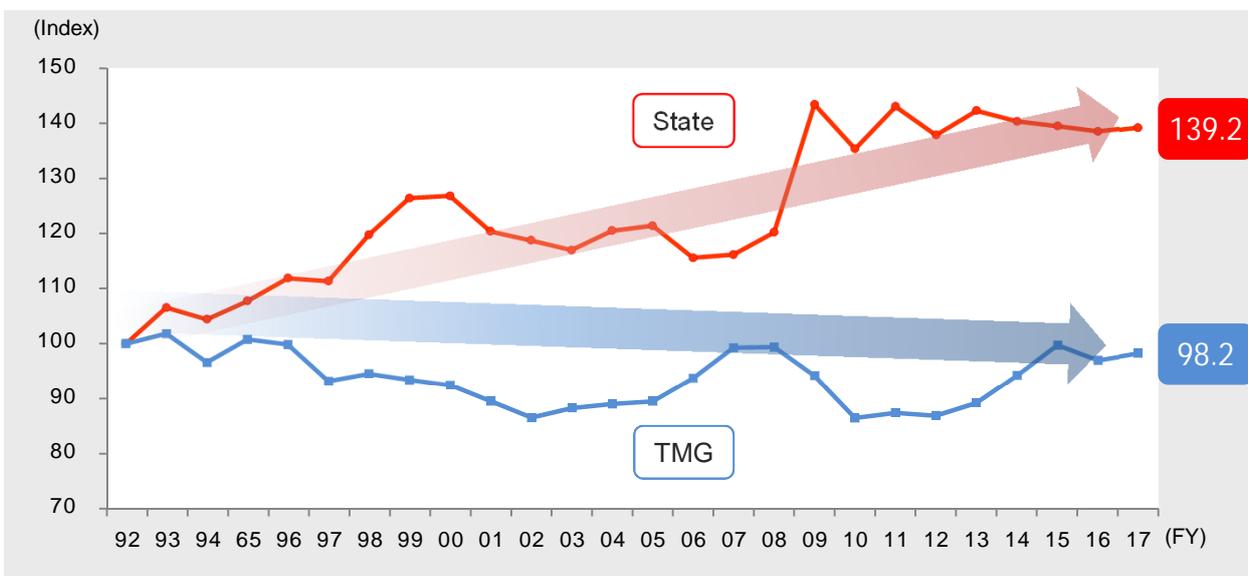
The actual balance of revenues and expenses in the FY2017 financial results was 125.3 billion yen in the black, but in the past, maximum deficits in excess of 100 billion yen have been recorded, and TMG faced the reality of falling into the critical status of a local public entity under financial reconstruction.

Since a large part of the metropolitan tax revenues that form the basis of Tokyo's annual revenues is primarily comprised of revenue from the two corporate taxes, which are susceptible to economic fluctuation, and as Tokyo is the only prefecture to have never received ordinary local allocation tax, Tokyo requires financial management that is more self-reliant than other municipalities.

Under such conditions, TMG engaged in financial reconstruction efforts ahead of the state, and endeavoured with persistent reviews even after financial reconstruction was achieved, which have, in contrast to the state, allowed TMG to control financial scale at a level comparable to FY1992 (Figure 1).

The figure below shows a comparison between the financial conditions of the state and TMG.

**[Figure 1] Changes in State/TMG Financial Scale**



\* Values have been index converted with values for FY1992 set as 100.

\* State results are for general account settlement, TMG results are for ordinary account settlement.

# 1 Comparison of State and TMG expenses structures

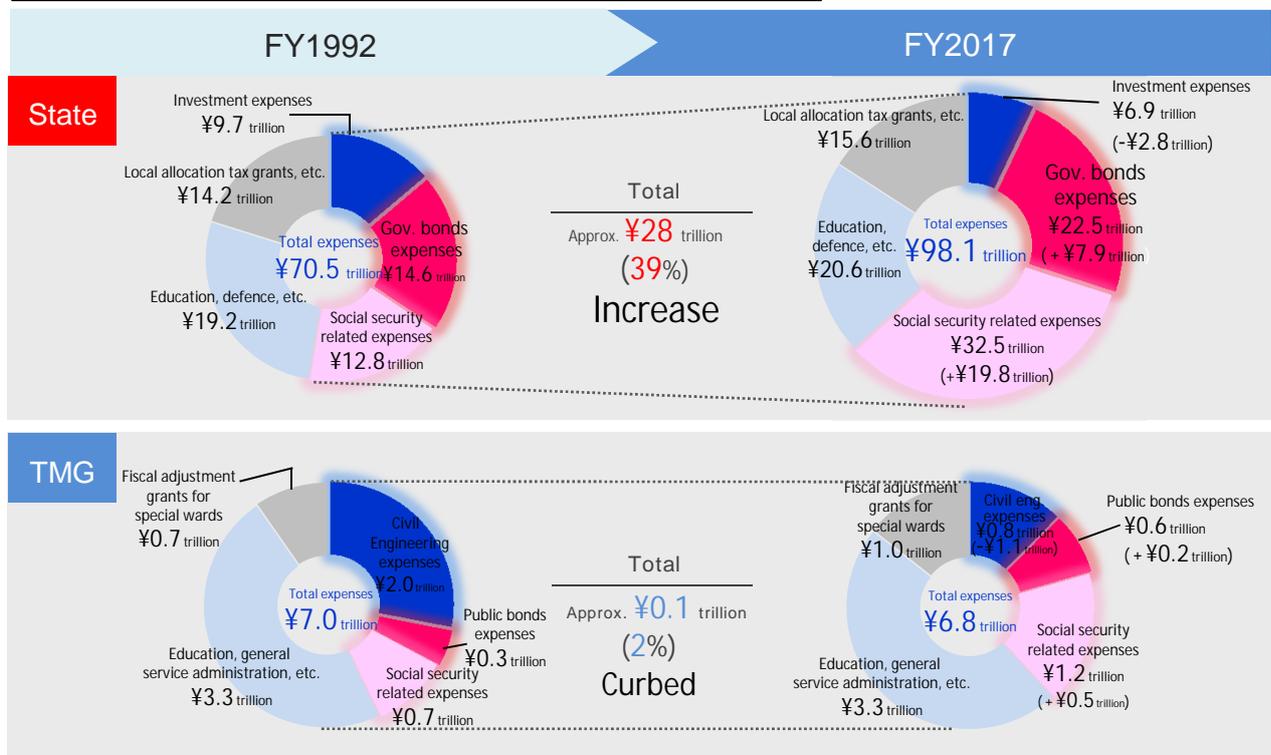
We will first compare TMG's expenses structures for FY1992 and FY2017 against the state's expenses structures for the same years.

For the state, while investment expenses decreased by approx. 2.8 trillion yen in comparison to FY1992, social security related expenses and government bonds expenses increased by 19.8 trillion yen and 7.9 trillion yen respectively, resulting in an increase of approx. 28.0 trillion yen in total expenses (Figure 2).

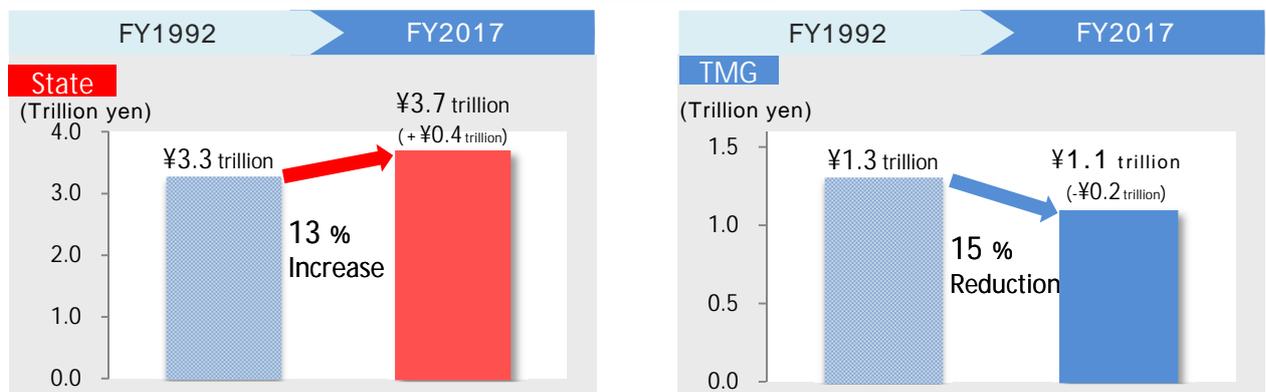
For TMG, while social security related expenses increased significantly in comparison to FY1992 in a similar manner to the state, civil engineering expenses were reduced by approx. 1.1 trillion yen. In addition, regarding salary expenses, while the state's expenses increased by approx. 0.4 trillion yen, TMG has controlled expenses at previous levels, mainly through the reduction of salary expenses by approx. 0.2 trillion yen (Figure 3).

So, why is there such a difference? Let us go into a more detailed analysis.

**[Figure 2] Comparison of State/TMG Expenses Structures**



**[Figure 3] Comparison of State/TMG Salary Expenses**



\* In Figure 2, values for the state are from general account settlement, and values for TMG are from ordinary account settlement. TMG's social security related expenses are comprised of welfare expenses, hygiene expenses, and labour expenses, from which disaster relief expenses and clearance expenses have been excluded.

\* In Figure 3, values for the state are from the general account supplementary budget, and values for TMG are from ordinary account settlement.

## 2 Approaches undertaken by TMG to date

Ahead of the state, TMG altered course towards curbing expenditure following the collapse of the bubble economy, and based on the “Fiscal consolidation plan for the Tokyo Metropolis”, which was termed for FY1996 - FY1998, curbed expenses such as investment expenses.

However, due to factors such as the continued slump in tax revenues, financial results for FY1998 recorded the worst ever deficit. Consequently, from FY2000 onwards, full efforts were focused on financial reconstruction approaches based on two “Financial Reconstruction Promotion Plans”, and TMG engaged in the thorough implementation of internal efforts and reviews of measures.

This resulted in the securing of approx. 870 billion yen in financial resources, with financial results changing over into the black in FY2005, bringing the period of financial reconstruction to a close, and through continued efforts such as the curbing of expenditure, TMG is endeavoring to maintain sound financial management.

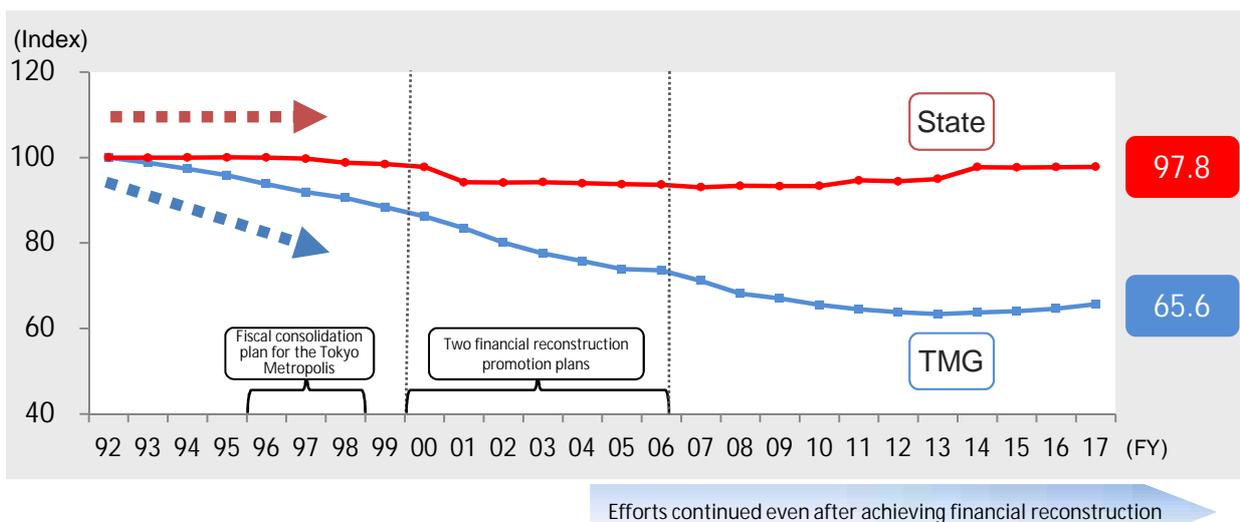
Now, we look at the specific details of the main approaches undertaken to date.

### Reduction of personnel numbers

To date, within the backdrop of diversification and sophistication of the needs of Tokyo citizens, TMG has implemented the reduction of personnel numbers through reviews of administrative projects across all agencies, and endeavoured to improve services provided for its citizens while establishing efficient execution systems based on small numbers of elite personnel.

Approaches such as these resulted in a 34% reduction in TMG personnel numbers compared to FY1992, while personnel numbers for the state remained about the same (Figure 4).

**[Figure 4] Changes in State/TMG Personnel Numbers**



\* Values have been index converted with values for FY1992 set as 100.

\* Figures for the state are for fixed personnel numbers under the general accounts budget, while figures for TMG are for fixed personnel numbers under the general administration section (excl. clearance section transfers).

## Reform of administrative bodies

TMG undertook drastic reviews, such as inspections into the necessity of the administrative bodies themselves and the merits of utilizing such bodies, and through reorganization efforts, reduced the numbers of bodies, TMG contract employees and executive officers.

In addition, with the implementation of approaches such as the discontinuation of all executive officer retirement benefit systems and the introduction of performance evaluation systems for executive officers, TMG has steadily moved towards the streamlining of management (Figures 5 and 6).

**[Figure 5] Comparison of Administrative Bodies, TMG Contract Employees and Executive Officers**

	FY1999	FY2017
Number of bodies	64	33
Number of TMG contract employees	4,590	2,067
Number of executive officers	162	78

**[Figure 6] Main Approaches**

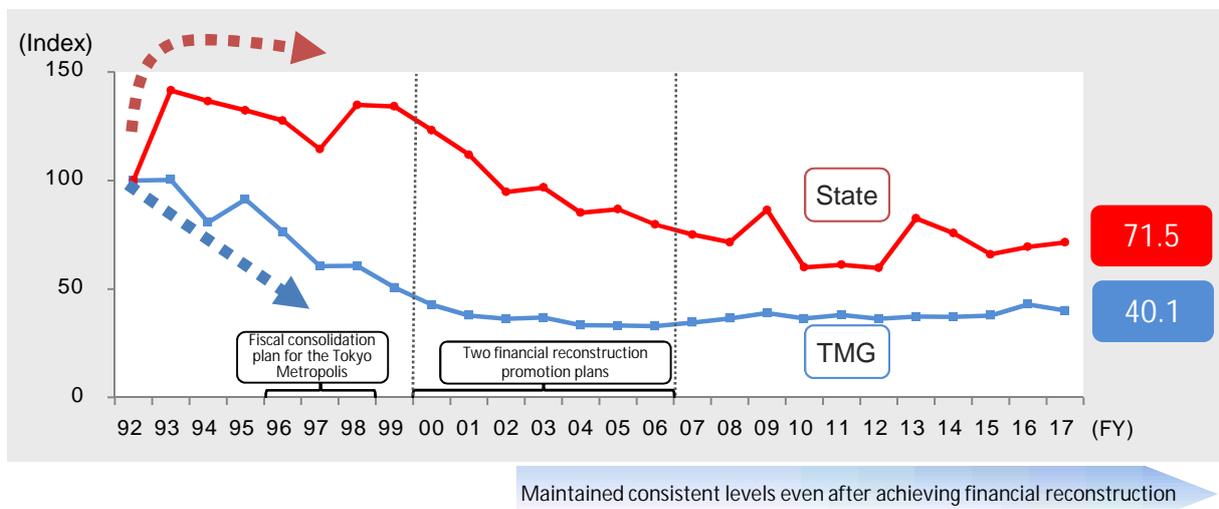
- Discontinuation of all executive officer retirement benefit systems
- Introduction of performance evaluation systems for executive officers
- Reviews of management target evaluation systems
- Evaluation of expenditures to management bodies in budget formation

## Curbing of investment expenses

With the impact of the economic slump accompanying the collapse of the bubble economy and the subsequent further intensification of economic conditions, the state placed an emphasis on economic measures such as promoting regional implementation of public works using local government bonds as financial resources.

When the bubble economy collapsed, TMG initially complied with the state's economic measures and undertook successive construction projects for large-scale facilities, etc. but later on, TMG accelerated approaches towards financial reconstruction through measures such as the cessation of new construction projects, and curbed investment expenses by approx. 60% in comparison to FY1992 (Figure 7).

**[Figure 7] Changes in State/TMG Investment Expenses**



\* In Figure 7, values have been index converted with values for FY1992 set as 100. Values for the state are from general account settlement, and values for TMG are from ordinary account settlement.

## Project review approaches

Even after achieving financial reconstruction, TMG is undertaking project review approaches in order to maintain sound financial management.

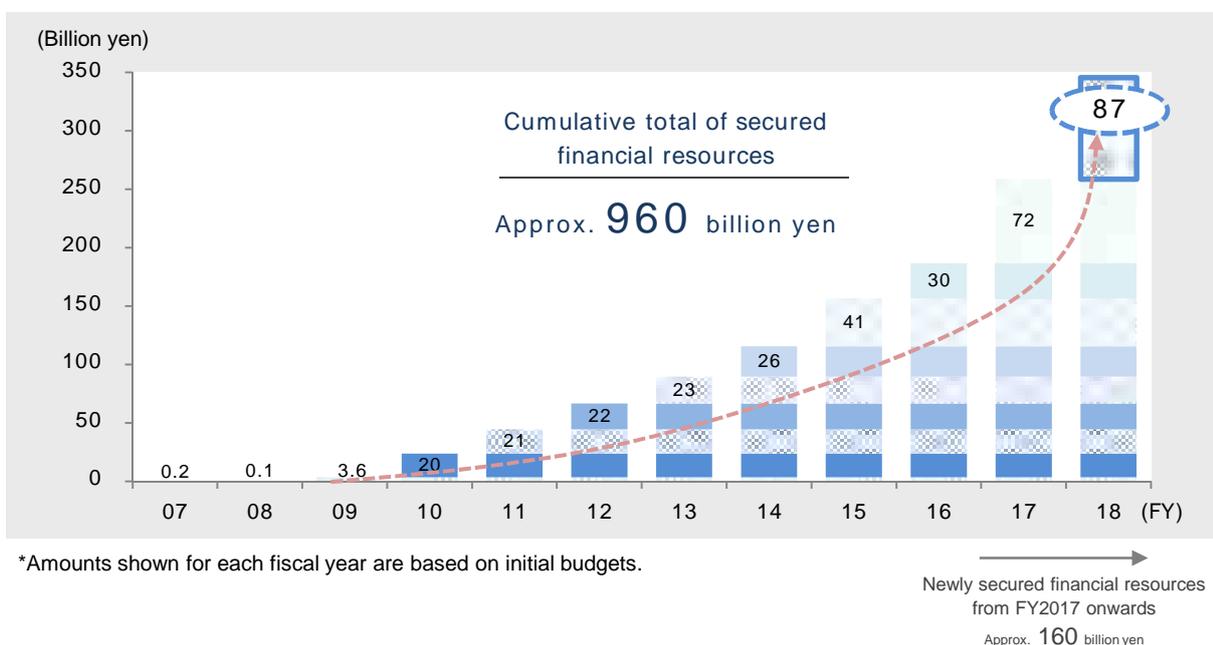
In light of the results of project revisions implemented intensively in accordance with the two financial reconstruction promotion plans, project reviews are approaches that have reconfigured such review efforts so that they may be continued even after achieving financial reconstruction.

Through the utilization of checks from specialist perspectives and new public accounting methods, diverse inspections were conducted in the process of budget formation, and steadfast reviews of measures were further promoted.

In addition, from the FY2017 budget onwards, along with adoption of the principle of setting fixed periods for all projects, other actions such as the introduction of systems that make determinations related to project revision, expansion and continuation, etc. by conducting reviews in relation to projects that have reached the ends of their terms, further reinforced the PDCA cycles derived from project reviews to date.

The results of such actions led to the securing of a cumulative total of approx. 960 billion yen in financial resources (Figure 8).

**[Figure 8] Financial Resource Amounts secured through Project Reviews**



### 3 The Results of Efforts to Date

From the period of financial reconstruction up to the present day, TMG has worked to curb expenditure through the implementation of strict checks on each measure and persistent approaches to improve their efficiency and effectiveness.

Now, we look at the specific results of the approaches undertaken to date.

#### Funds

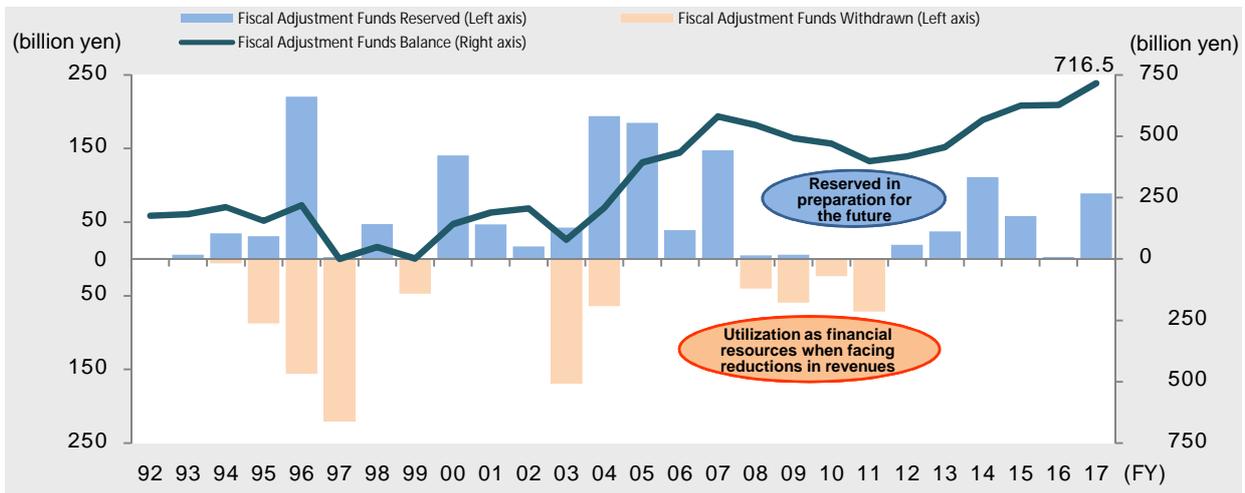
Fiscal adjustment funds are designed for financial resource adjustment between fiscal years with the objective of contributing to sound financial management, and serve a significant role in the financial management of Tokyo, which is subject to unstable metropolitan tax revenues.

However, when the protracted slump in tax revenues following the collapse of the bubble economy occurred, sufficient funds had not been reserved, and Tokyo fell into a state of financial crisis with funds balance almost bottoming out from FY1997 to FY1999.

In light of lessons learned, TMG strategically reserved the financial resources generated through subsequent efforts to curb expenditure, and currently provides stable administrative services by utilizing these reserves as financial resources when facing significant reductions in revenues.

Even with the robust metropolitan tax revenues of recent years, TMG continued to build reserves in preparation for the future, along with efforts to curb expenditure, and had secured a balance of 716.5 billion yen as of end FY2017 (Figure 9).

**[Figure 9] Changes in Fiscal Adjustment Funds Amounts Reserved/Withdrawn, and Funds Balance**



<Reference>

Other than the fiscal adjustment funds, 1,811.7 billion yen has been secured in funds for the realization of 3-cities as of end FY2017, as financial resources required for preparations to host the Tokyo 2020 Games and the steady deployment of policies included in the "Action Plan for 2020".

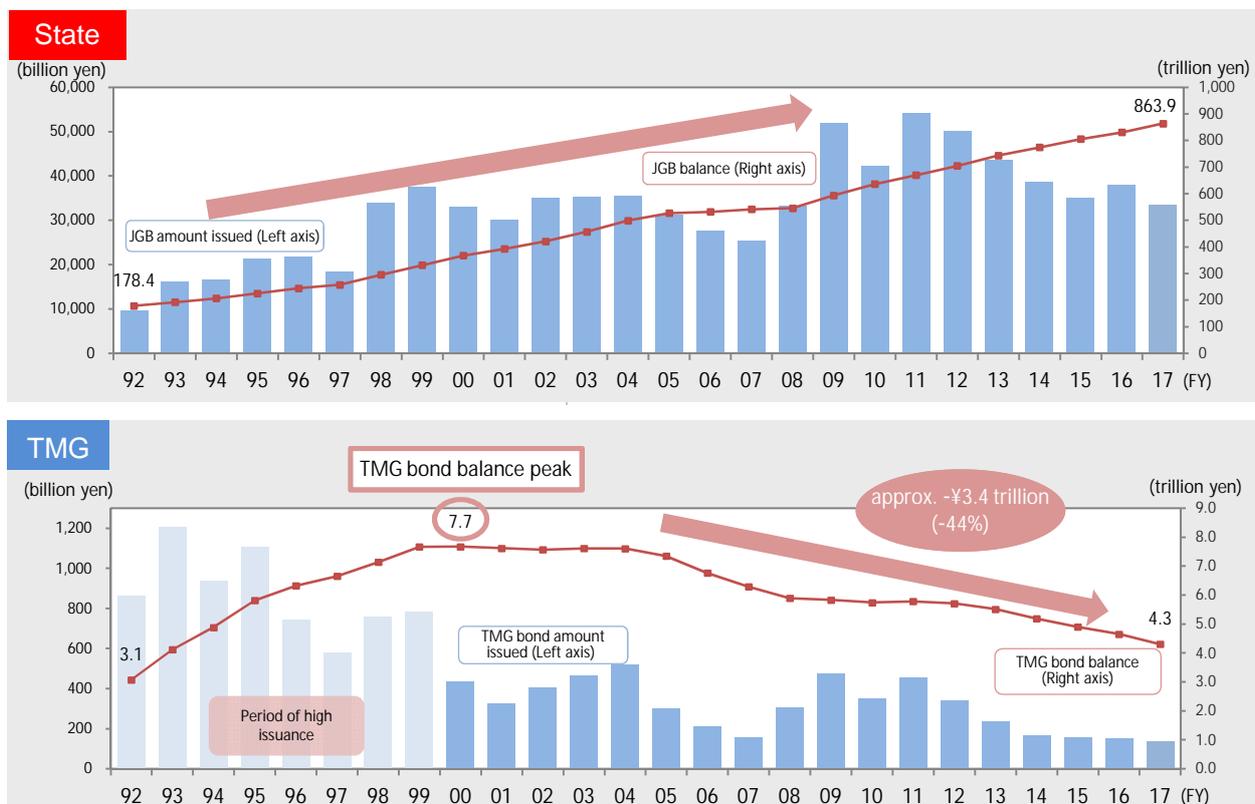
## TMG Bonds

The amount of Japanese Government Bonds (JGB) issued has soared, and JGB balance at end FY2017 had swelled to approx. 864 trillion yen (Figure 10).

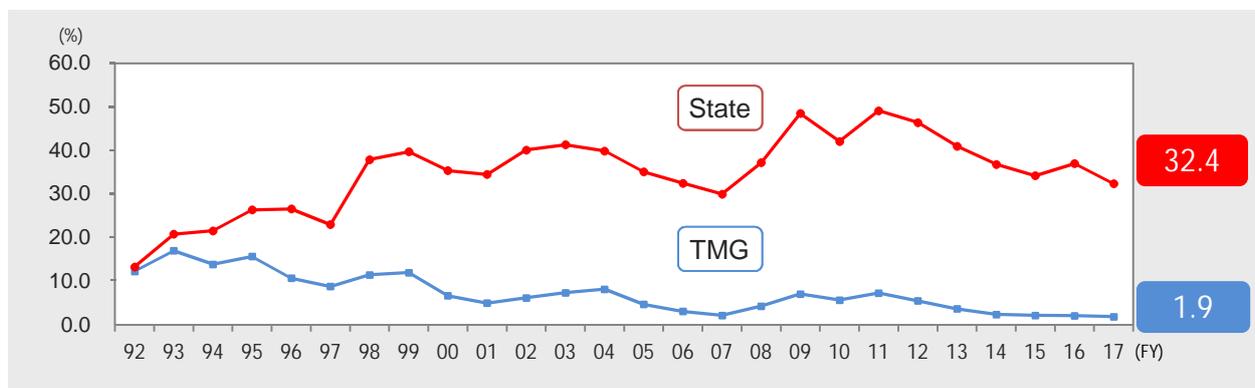
As a result of TMG's efforts to curb expenditure, TMG bonds balance as of end FY2017 had decreased by approx. 3.4 trillion yen or 44% in comparison to the peak in FY2000.

When looking at dependency on bond issuance, which is the ratio of public bonds issuance amount to overall revenue, while JGBs account for 32.4% of the state's revenues, TMG bonds account for just 1.9% of TMG revenues (Figure 11).

**[Figure 10] Changes in Amounts of Public Bonds Issued by the State/TMG and Public Bond Balance**



**[Figure 11] Changes in State/TMG Dependency on Bond Issuance**



\* In Figure 10, values for the state are from general account settlement, and values for TMG are from ordinary account settlement. However, the JGB balance for FY2017 is a forecast value based on the revised draft budget.

\* In Figure 11, values for the state are from general account settlement, and values for TMG are from ordinary account settlement.

As shown above, efforts to curb expenditure have enabled TMG to secure fund balance and reduce TMG bonds balance, and realize sound financial management. These results are also reflected in the primary balance index, one of the state's fiscal consolidation targets.

## Primary Balance

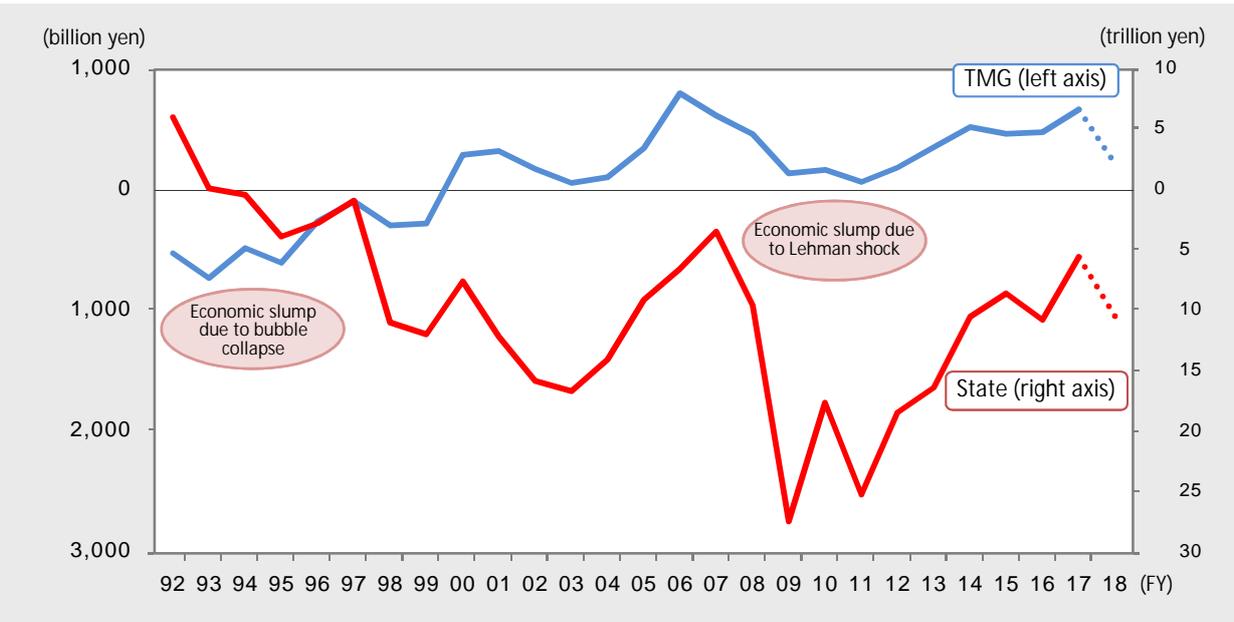
Primary balance reflects the balance of tax revenues/revenues other than tax revenues and expenditures excluding expenses for public bonds (repayments for principal on public bonds and interest payment costs). This index indicates how much of the policy expenses deemed necessary at the time are covered by revenues at the time.

While TMG's primary balance was in the red prior to FY1999 due to the effects of the collapse of the bubble economy, as a result of aforementioned financial management efforts, TMG finances have remained in the black since FY2000, regardless of the significant reductions in revenues faced due to the effects of the Lehman Shock, by utilizing financial resources such as the fiscal adjustment funds generated through efforts to curb expenditure (Figure 12).

Instead of focusing on balance for a single fiscal year, the primary balance requires comprehensive analyses from medium and long term perspectives.

In order to ensure the fulfilment of missions bestowed upon TMG finances and the stable implementation of measures into the future, persistent autonomous reforms with an even greater focus on creativity than before, together with further efforts to eliminate any wasteful aspects, etc. along with sustained medium to long term financial capabilities that will form the foundation for the implementation of measures, will be essential.

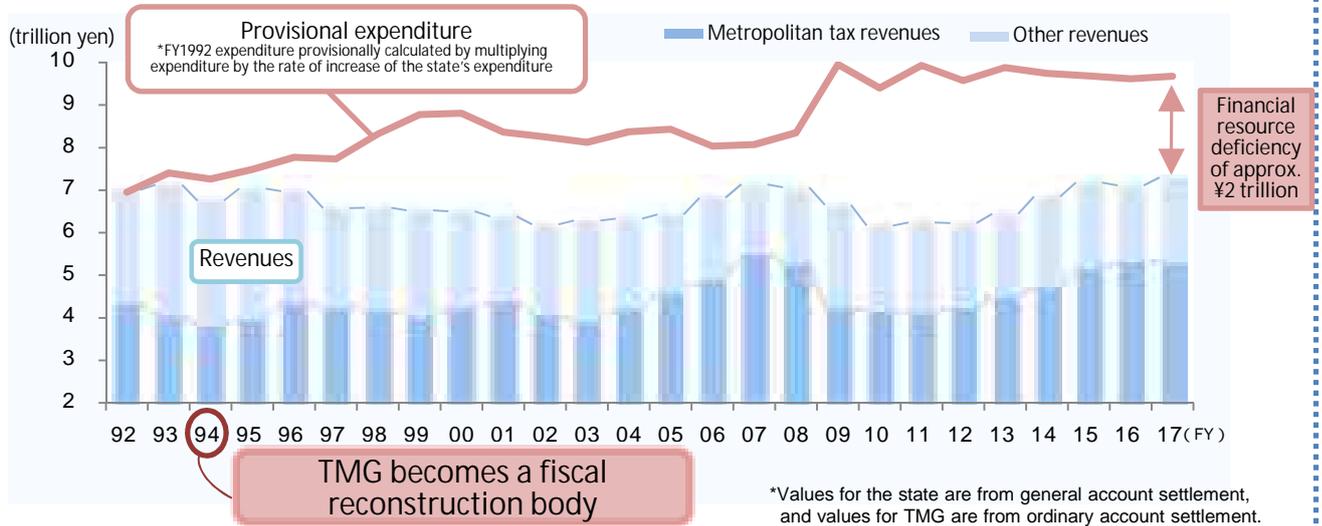
**[Figure 12] Changes in State/TMG Primary Balance**



\*Values up to FY2017 are from general account settlements, values for FY2018 are from general accounts initial budget.

## If TMG's financial management was the same as the state's

As stated previously, TMG engaged in financial reconstruction efforts ahead of the state. If TMG had increased its expenditure in the same manner as the state, TMG's revenues would not have been sufficient to cover expenditure. The financial resource shortfall for FY2017 would have been approx. ¥2 trillion.



Due to the Law on the Fiscal Consolidation of Local Governments, local governments are obliged to act promptly when fiscal consolidation or reconstruction is deemed necessary. If the increase in expenditure shown above had continued, TMG's real deficit ratio would have exceeded fiscal reconstruction standards by FY1994, and this would have resulted in a financial crisis causing TMG to become a fiscal reconstruction body (at the time known as a "financial rehabilitation body").

### Case

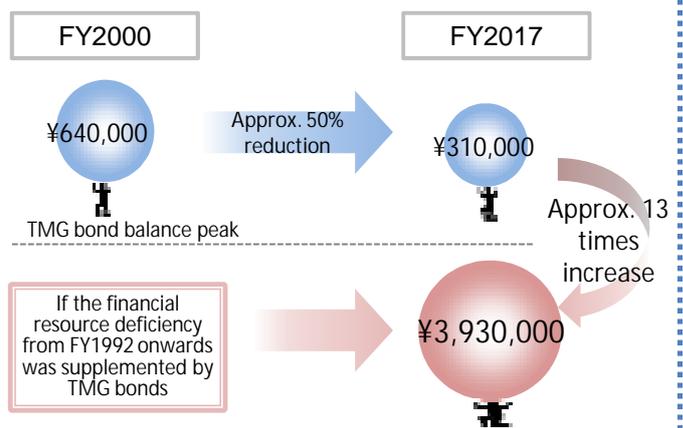
## If financial resource deficiency was supplemented by "TMG bonds" (debts)

Due to the curbing of expenditure, TMG bond balance per Tokyo citizen has fallen by about 50% from its peak in FY2000.

Meanwhile, the state is currently continuing with financial management that uses deficit-financing bonds (debts) to cover financial resource deficiencies.

If TMG had followed the state and covered the cumulative total deficiency from FY1992 onwards using TMG bonds (debts), the comparative TMG bond balance per citizen by the end of FY2017 would have been approx. 13 times the current figure, and the burden on Tokyo's citizens would have increased significantly.

### [TMG bond balance per person]



\*Figures for total Tokyo population are from "Population of Tokyo (Estimated)" (TMG Bureau of General Affairs) (as of April 1, 2018).

\*TMG bond balance is based on ordinary accounts.

Drastic reductions in expenditure are required in order to come up with the financial resources for the repayment of large debts, and this can have a serious impact on administrative services. Consequently, it is important for regional governments including TMG, to continue their efforts to curb expenditure and conduct financial management with an eye to the future.

## Chapter 2 – Working towards future financial management

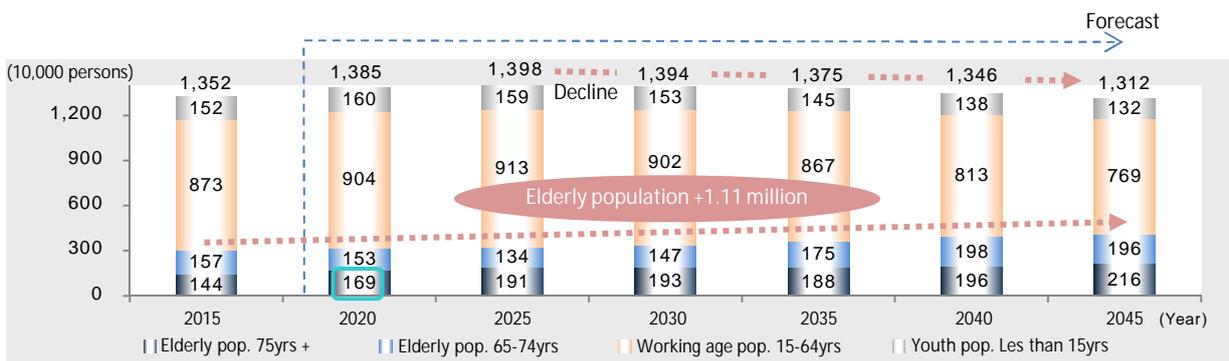
- While supporting approaches towards the realization of 3-cities and preparations for a successful Tokyo 2020 Games under unstable revenue structures, an awareness of the financial demands that TMG finances cannot avoid must be maintained in order to realize sustainable financial management into the future.
- In addition, in order to achieve sustainable growth for Japan as a whole, with Tokyo serving as a strong driving force in Japan, the proactive implementation of measures that will allow Tokyo to win out effectively in intensifying worldwide competition among cities, will be necessary.
- This section analyses the future financial demands faced by Tokyo and considers future financial management with a focus on approaches to improve Tokyo's international competitiveness.

### 1 Colossal financial demand facing Tokyo

The 65 years and over elderly population of Tokyo will increase by about 1.4 times, approx. 1.11 million, over the thirty years from 2015, with percentage of overall population forecast to increase from 23% to 31%, and there is demand for the realization of a society in which citizens can live with peace of mind and for responses to accommodate a super-aging society (Figure 13).

In addition, from 2020, the 75 years and over population will surpass the 65-74 years population, and the population is expected to shift to a declining trend after reaching a peak in 2025 as the last of the baby-boom generation passes 75 years of age. With the full arrival of a progressively aging society with low birth rate and a declining population, social security costs, such as medical care and nursing care costs, are expected to continue increasing.

**[Figure 13] Changes in Tokyo's Population by Age Group**



\* Created from "Population Census" (MIC). Figures from 2020 onwards are estimates by the Office of the Governor for Policy Planning.

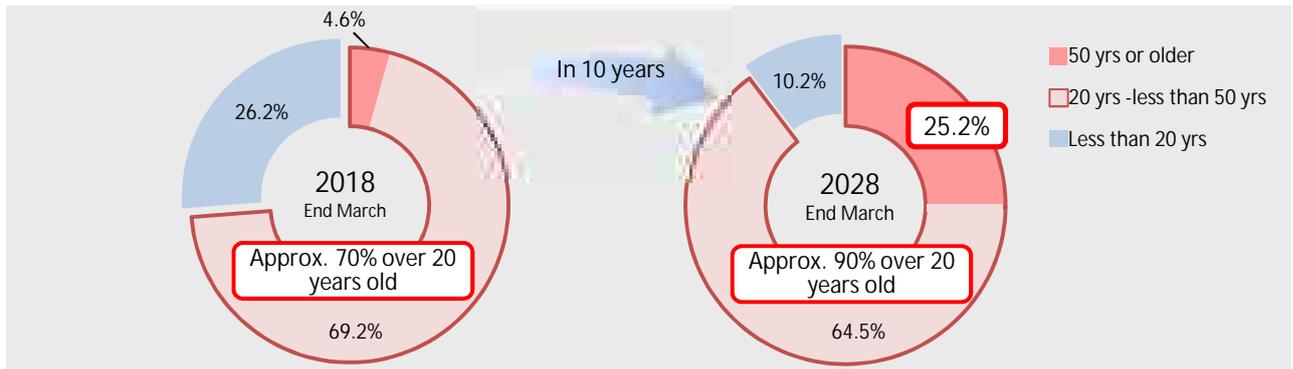
\* Due to figures being rounded up or truncated, and the presence of persons of unknown age included among the actual figures, the totals of breakdowns may not be equal to the total count.

\* Persons of unknown age have been excluded from calculations for the figures for 2015.

The construction of public properties (buildings) owned by the TMG was concentrated in the mid-60s to mid-70s and in the single digit years of the Heisei period (1989-97), and as of end March 2018, roughly 70% of TMG owned buildings were over 20 years old, making the handling of deterioration an important issue. If another 10 years pass under current conditions, the percentage of buildings over 20 years old will reach roughly 90%, and about one quarter of buildings will be over 50 years old (Figure 14).

Due to the rapid deterioration of owned facilities, social capital stock maintenance/renewal costs are expected to increase significantly.

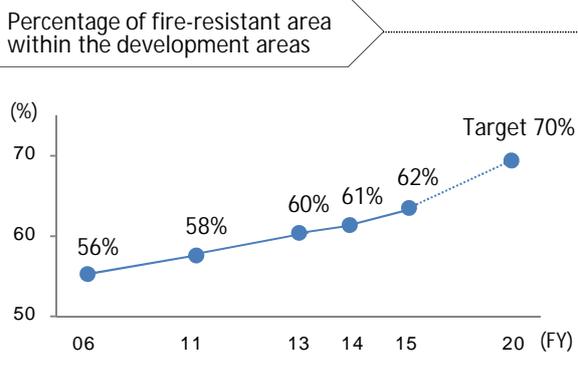
**[Figure 14] Public Property (buildings) Percentages by Building Age**



\* Figure 14 is organised in calendar years, and excludes public properties owned by the Tokyo Metropolitan Government Bureau of Waterworks, Bureau of Sewerage and Bureau of Transportation.

In addition, with Tokyo facing risks related to the incidence of large-scale disasters such as the Tokyo Inland Earthquake and localized torrential downpours, etc. there is a need for the promotion of intensive and focused measures in preparation for large-scale disasters, such as fire and earthquake resistance works in districts with close-set wooden housing and measures against torrential downpours, etc. in order to protect the lives and assets of Tokyo citizens and ensure safety and security.

**Fire and earthquake resistance works in districts with close-set wooden housing**



Main targets	<Promotion of fire-resistance in urban areas> 70% fire-resistant area within development areas (FY2020) <Formation of fire-break belts> Development along all designated routes for improvement (FY2020) etc.
Main approaches	Fireproof zones Development of attractive new locations etc.
FY2018 budget	¥74.2 billion

**Measures against torrential downpours**

- ✓ Recent years have seen an increasing trend in localized torrential downpours in Tokyo.
- ✓ Flood damages have occurred in several hundred buildings across Tokyo.

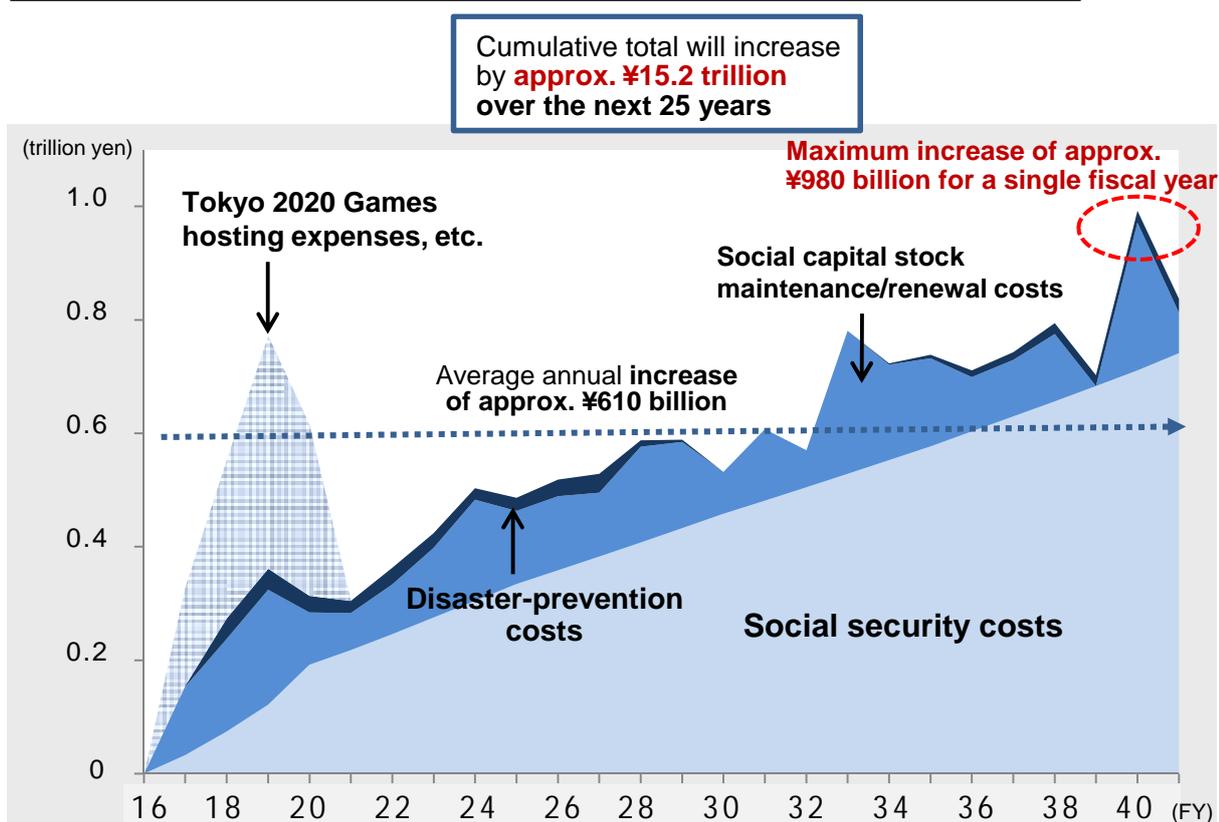
Ref: <National Damage Estimation (Arakawa River Flood)>  
Approx. 98km<sup>2</sup> inundated, approx. 1.26 million population within inundated region  
Long-term interruption of lifelines, major socio-economic impact.  
\*From "Approaches for the avoidance of catastrophic socio-economic damages (August 2017)", Investigative committee on disaster preparedness and mitigation measures against worst-case flooding scenarios, etc. (Kanto Regional Development Bureau, MLIT)

Main targets	- Prevention of flood damage from rainfall up to 60mm/hour - Prevention of inundation above floor level caused by rainfall up to 1/20 annual exceedance probability (Tokyo wards: 75mm/hour, Tama: 65mm/hour) etc.
Main approaches	Development of small and medium sized rivers Development of drainage systems Development erosion control facilities etc.
FY2018 budget	¥83.0 billion

According to provisional calculations based on estimates by an external research institution, in comparison to current levels, the total of the main items of financial demand in Tokyo (social security, social capital stock, disaster-prevention) is expected to increase over the next twenty five years at an average annual increase rate of approx. ¥610 billion up to a maximum of approx. ¥980 billion.

With a further rough figure of approx. ¥1.41 trillion needed by FY2020 for approaches aimed at the success of the Tokyo 2020 Games, and a cumulative amount of increase in expenses over the next twenty five years, rising to approx. ¥15.2 trillion, colossal financial demand is forecast.

**[Figure 15] Main items of Financial Demand in Tokyo (Total of each estimate)**



\* Regarding social security costs, social capital stock maintenance/renewal costs, and disaster-prevention costs, increase amounts from FY2016 onwards have been built up with Tokyo 2020 Games hosting expenses, etc.

\* Provisional calculations for the various costs have been made as shown below, using estimates by external research institutions as reference values.

Social security costs

Provisional calculations for overall TMG social security costs were made by multiplying the FY2016 settled amount, which was used as the standard, by inflation rates, etc. on the premise that projects such as those that are current will continue in the future.

Social capital stock maintenance/renewal costs

Using the FY2016 settled amount as the standard, provisional calculations were made on the premise of total renewal of social capital stock at the end of legally defined service years, by multiplying acquisition prices by construction cost deflators and inflation rates, based on public-sector accounting information, etc.

Disaster-prevention costs

Overall disaster-prevention costs were estimated by multiplying the budgeted amounts for disaster-prevention costs from FY2008 to FY2017, which were used as the standard, by inflation rates, etc. using the various plans implemented by TMG for reference.

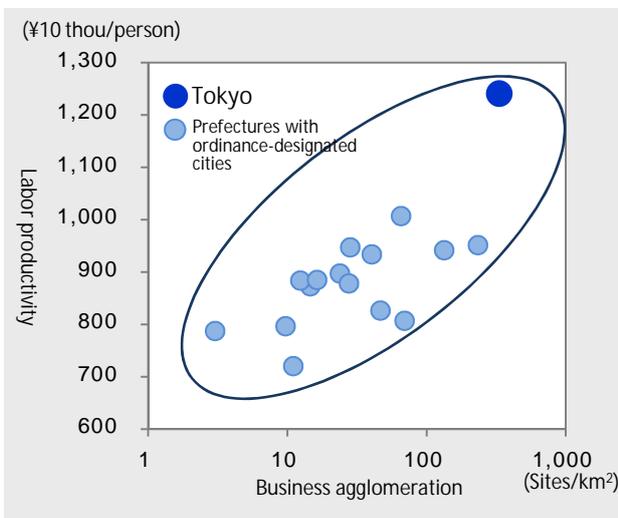
## 2 The need for further investment in Tokyo

A positive correlation between business agglomeration and labor productivity (Gross prefectural product for one worker) can be seen, and in comparison to other regions, Tokyo's labor productivity is particularly high (Figure 16).

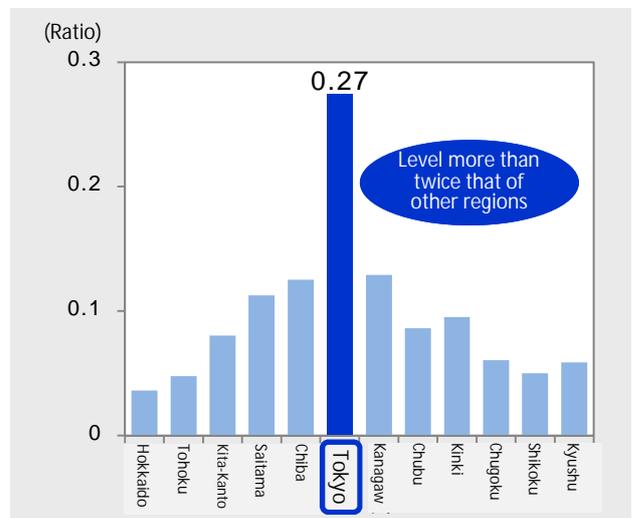
In addition, the level of marginal productivity of social capital investment (effect on GDP growth when one unit of social capital investment is added) in Tokyo, is more than twice that of other regions (Figure 17).

This indicates that proactive investment in Tokyo, which is fully demonstrating the merits of agglomeration, will be more effective in terms of economic growth for the whole of Japan.

**[Figure 16] Relationship between Business Agglomeration and Labor Productivity**



**[Figure 17] Marginal Productivity of Social Capital Investment**

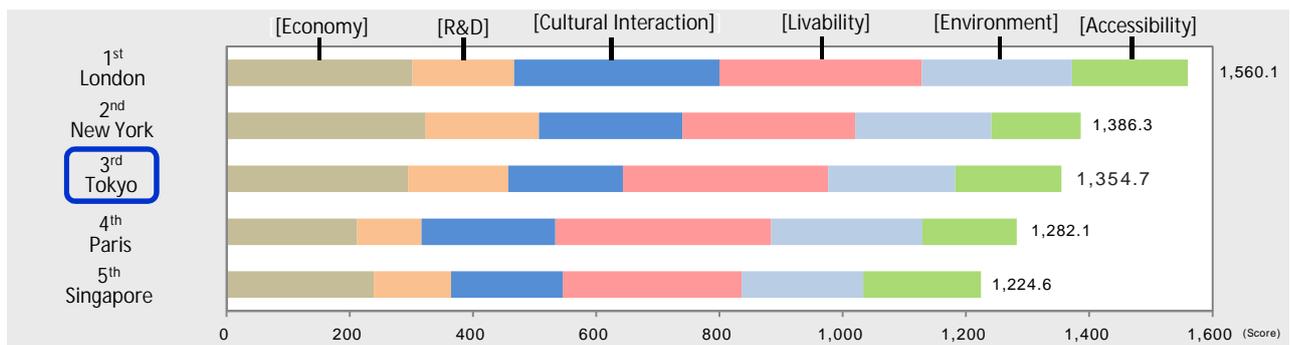


\*Analyses results have been provided by an external research institution.

In order to revitalize Japan as it faces a rapid decline in population/declining birth-rate and aging population, instead of Tokyo and other regions scrambling for a bigger piece of the limited domestic pie, Tokyo must serve as a strong driving force in Japan, winning effectively in intensifying worldwide competition between cities, and proactively implement measures that will lead to sustainable growth for Japan as a whole.

According to the “Global Power City Index”, which evaluates the international competitiveness of cities, Tokyo was ranked third in the world in 2017 (Figure 18).

**[Figure 18] Global Power City Index**



\*Cited from “Global Power City Index 2017”, (The Mori Memorial Foundation, Institute for Urban Strategies (October 2017))

According to the results of research conducted by an external research institute, for Tokyo to continue winning in worldwide competition among cities and for this to lead to sustainable growth for Japan as a whole, the return on investment will be high for approaches such as those given below.

Example of approaches/targets that may be effective in improving international competitiveness		Economic ripple effect
Enhanced functionality of Haneda Airport	Expanded annual arrival/departure slots at Haneda Airport (expansion of approx. 39,000 times)	Approx. ¥700 billion
Enhanced railway networks	Development of 6 lines such as the Haneda Airport Access Line	Approx. ¥2.5 trillion
Development of outer ring roads	Development between the Kan-Etsu Expressway and the Tomei Expressway	Approx. ¥3.9 trillion
Attraction of overseas companies/support for small and medium sized businesses, etc.	Attraction of overseas financial companies (attraction of approx. 200 companies) Support for small and medium businesses entering growth industries (support for approx. 3,200 companies) Business succession/revitalization, etc. support for small and medium businesses within Tokyo (support for approx. 14,500 companies)	Approx. ¥1.8 trillion
Improved receptive environments for overseas travellers, etc.	Attraction of overseas travellers to Tokyo (attraction of approx. 50 million per year) Attraction of international conferences (annual hosting of approx. 760 conferences)	Approx. ¥1.4 trillion
Barrier-free accessibility on roads and railway stations, etc.	Barrier-free accessibility on city roads that connect stations, daily living related facilities etc. (development of approx. 234km of roads) Installation of elevators in railway stations, etc. (Installation in all stations in Tokyo)	Approx. ¥500 billion
Further introduction of renewable energies	Expanded use of electrical power derived from renewable energies (Increase to approx. 40%)	Approx. ¥1.3 trillion

\* Approaches/indices are derived from the results of research conducted by an external research institute, and are indicative of one example.

\* Economic ripple effect values, excluding those given for enhanced functionality of Haneda Airport, have been calculated by an external research institute, and represent cumulative totals up to FY2040.  
The given economic ripple effect of enhanced functionality of Haneda Airport is taken from "Economic ripple effect from enhanced functionality of Haneda Airport (METI) (June 2016)".

In order to undertake determined approaches towards policies to raise the standards of Tokyo's attractiveness/vitality and connect this to the growth of Japan as a whole, the adoption of medium to long term perspectives that maintain awareness of future changes in the socio-economic situation, such as population structures, and efforts to secure financial resources through the systematic and strategic utilization of TMG bonds and funds, will be necessary.

Due to the persistent autonomous reforms that have been promoted to date, the actual balance of revenues and expenses in the FY2017 financial results was in the black.

For the future, TMG must maintain a robust and flexible fiscal foundation in order to continue working towards the resolution of issues faced by Tokyo, and to steadily progress with policies aimed at creating a society in which everyone can live with peace of mind and vitality, maintain steady and efficient progress towards the overall completion of preparations for the Tokyo 2020 Games, and for Tokyo to achieve further evolution as mature city and continue to generate growth.

Meanwhile, with the state progressing with reviews related to new irregular corrective actions on local corporation taxes, etc. in the lead up to the FY2019 tax reforms, motions to seize more of Tokyo's precious financial resources are accelerating. For Japan to continue growing as a whole, Tokyo must serve as a strong driving force in order to increase the size of the pie by drawing in people and money from around the world, and every region, including Tokyo, must fulfil its role. Measures to deprive TMG of its financial resources will not only obstruct regional revitalization, they will have an overall diminishing effect on Japan and draw the country into a negative spiral, and as such, are entirely unacceptable.

With such difficulties in forecasting the direction of future financial environments, TMG must proactively deploy strategic measures through the utilization of new concepts that the administration does not possess, and in relation to the project reviews that have steadily yielded results to date, take measures such as the implementation of new reviews that take cost/benefit perspectives into consideration, for the further thorough elimination of wasteful aspects, and tie this in to improvements in the efficiency and effectiveness of every measure.

On that basis, TMG will strategically and systematically utilize funds and TMG bonds, and maintain stable financial capabilities into the future to ensure the fulfilment of the missions bestowed upon TMG finances.

## 2. Fiscal Year 2017 Tokyo Metropolitan Government Financial Report

- In comparison to the end of the previous fiscal year, total assets had increased by 666.5 billion yen to 47,995.5 billion yen, while total liabilities had decreased by 331.8 billion yen to 14,359.3 billion yen, and the net asset ratio, which represents the percentage of the total net assets to the total assets, was 70.1% (69.0% as of the end of the previous fiscal year).
- In special accounts, total net assets reached 9.1 billion yen.
- In public enterprise accounts, the net asset ratio was 54.5% (53.2% as of the end of the previous fiscal year).
- With respect to administrative bodies, their financial health improved in general. For further improvement of financial position, it is essential that each of the bodies continues to enhance its management efforts.

### (1) TMG Comprehensive Financial Statements

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

- Elimination offsets of internal transactions are limited to the scope of the ordinary account.
- Special accounts outside of the scope of the ordinary account, public enterprise accounts, administrative 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, 33 administrative bodies, and 3 local independent administrative corporations.

## &lt;TMG Comprehensive Financial Statements&gt;

(in billion yen,%)

Item	FY2017	FY2016	Change in amount	Percentage of change
<b>Assets</b>				
Current Assets	3,193.1	2,936.6	256.4	8.7
Fixed Assets	44,802.3	44,392.1	410.1	0.9
(of which, tangible fixed assets)	38,620.3	38,487.9	132.4	0.3
Deferred assets	0.0	0.1	(0)	(0.0)
<b>Total Assets</b>	<b>47,995.5</b>	<b>47,328.9</b>	<b>666.5</b>	<b>1.4</b>
<b>Liabilities</b>				
Current liabilities	1,297.0	1,215.9	81.1	6.7
Fixed liabilities	10,823.9	11,227.0	(403.0)	(3.6)
Deferred revenues	2,238.3	2,248.2	(9.9)	(0.4)
<b>Total Liabilities</b>	<b>14,359.3</b>	<b>14,691.2</b>	<b>(331.8)</b>	<b>(2.3)</b>
<b>Total Net Assets</b>	<b>33,636.1</b>	<b>32,637.6</b>	<b>998.4</b>	<b>3.1</b>
<b>Total Liabilities and Net Assets</b>	<b>47,995.5</b>	<b>47,328.9</b>	<b>666.5</b>	<b>1.4</b>

- Total assets were 47,995.5 billion yen (47,328.9 billion yen at the end of the previous fiscal year), and this is mainly because fixed assets increased by 410.1 billion yen in comparison to the end of the previous fiscal year, resulting in an increase of 666.5 billion yen for the same comparison. Of the total assets, tangible fixed assets accounted for 38,620.3 billion yen or 80.5%.
- Total liabilities were 14,359.3 billion yen (14,691.2 billion yen at the end of the previous fiscal year), and this is mainly because of an increase in current liabilities of 81.1 billion yen in comparison to the previous fiscal year, while deferred revenues and fixed liabilities decreased by 9.9 billion yen and 403.0 billion respectively for the same comparison, resulting in a decrease of 331.8 billion yen for the same comparison. Of the total liabilities, fixed liabilities accounted for 10,823.9 billion yen or 75.4%.
- Total net assets were 33,636.1 billion yen (32,637.6 billion yen at the end of the previous fiscal year), an increase of 998.4 billion yen from the end of the previous fiscal year. The net asset ratio was 70.1% (69.0% 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 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 two special accounts was 9.1 billion yen (9.0 billion yen at the end of the previous fiscal year).

## **[2] Public Enterprise Accounts**

- Regarding the current balance, the Hospitals, Central Wholesale Market and Urban Redevelopment Project accounts were in deficit, the Industrial Waterworks account was balanced, and the remaining 7 accounts were in surplus. In the profit/loss for the current period, the Hospitals, Central Wholesale Market and Urban Redevelopment Project accounts were in deficit, and the remaining 7 accounts were in surplus. Additionally, the net assets ratio was 54.5% (53.2% at the end of the previous fiscal year).

## **[3] Administrative Bodies etc.**

- Among 33 administrative bodies (33 bodies in the previous fiscal year), the total of 23 bodies including public interest corporations (the total number was 23 in the previous fiscal year) saw an increase in the overall net asset ratio. For the remaining 10 joint-stock companies (10 in the previous fiscal year), the ratio of net assets to total assets increased from the previous fiscal year, and they were in surplus in the current balance and net profit/loss for the current period. To promote further improvement of financial position, it is essential that each of the bodies continues to enhance its management efforts.
- TMG has been striving to improve administrative bodies' financial conditions, for example, by setting managerial goals from a "finances" perspective, and as well as such efforts, 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 administrative bodies etc. and maintain a manageable financial burden for TMG into the future.



**( Appended Tables )**

# 1. Fiscal Year 2017 Tokyo Metropolitan Government Ordinary Account Financial Statement

## (1) Ordinary Account Balance Sheet

(As of March 31, 2018)

Item	FY2017	FY2016	Change in amount
<b>Assets</b>			
I Current assets	1,633.7	1,423.3	210.3
Cash and deposits	490.3	390.5	99.7
Uncollected revenues	69.2	78.7	(9.4)
Reserve for deficits due to non-payment	(8.9)	(10.4)	1.4
Fund reserves	942.8	810.8	132.0
Fiscal adjustment fund	716.5	627.4	89.0
Sinking fund	226.3	183.3	42.9
Short-term loans	140.9	154.0	(13.1)
Allowance for bad debt	(0.8)	(0.6)	(0.1)
Other current assets	0.2	0.3	(0.1)
II Fixed assets	32,988.7	32,618.0	370.7
1. Administrative assets	8,188.6	8,171.6	16.9
1. Fixed tangible assets	8,183.1	8,166.2	16.9
Buildings	2,621.1	2,639.5	(18.4)
Structures	359.6	343.8	15.7
Timber	0.6	0.6	0.0
Vessels etc.	-	17.0	(17.0)
Vessels	11.7	-	11.7
Aircraft	4.8	-	4.8
Buoys etc.	0.6	0.7	(0)
Land	5,184.4	5,164.3	20.1
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	988.5	1,069.9	(81.4)
1. Fixed tangible assets	978.0	1,059.6	(81.6)
Buildings	342.4	362.8	(20.4)
Structures	65.6	67.9	(2.2)
Timber	0.0	0.0	0.0
Vessels etc.	-	0.1	(0.1)
Vessels	0.1	-	0.1
Aircraft	-	-	-
Buoys etc.	0.3	0.3	(0)
Land	569.3	628.1	(58.8)
2. Intangible fixed assets	10.4	10.3	0.1
Surface rights	1.1	1.1	0.0
Other intangible fixed assets	9.3	9.1	0.1
3. Important property	65.8	83.0	(17.1)
4. Infrastructure assets	14,720.9	14,598.3	122.6
1. Tangible fixed assets	14,706.9	14,584.2	122.6
Other than land	-	2,214.9	(2,214.9)
Buildings	57.8	-	57.8
Structures	2,206.2	-	2,206.2
Buoys	0.6	-	0.6
Land	12,442.1	12,369.3	72.8
2. Intangible fixed assets	14.0	14.0	0.0
Surface rights	14.0	14.0	0.0
Other intangible fixed assets	-	-	-
5. Software	-	-	-
6. Leased assets	1.4	6.9	(5.5)
7. Construction in progress	1,208.1	1,194.4	13.6
8. Software in progress	0.8	-	0.8
9. Investment and other assets	7,814.3	7,493.5	320.8
Securities and investments	-	731.1	(731.1)
Securities	240.8	-	240.8
Investments and subventions	643.0	-	643.0
Allowance for Investment Loss	-	-	-
Public enterprise account investments	2,083.2	2,029.4	53.7
Long-term loans	1,053.0	1,127.7	(74.7)
Allowance for bad debt	(3.0)	(3.5)	0.5
Other obligations	11.2	10.7	0.4
Fund Reserves	3,618.7	3,430.7	188.0
Sinking fund	1,289.0	1,191.8	97.2
Special purpose fund	2,039.1	1,950.4	88.7
Fixed sum management fund	290.5	288.4	2.1
Other investments etc.	167.3	167.3	0.0
<b>Total assets</b>	<b>34,622.4</b>	<b>34,041.4</b>	<b>58.1</b>

(in billion yen)

Item	FY2017	FY2016	Change in amount
<b>Liabilities</b>			
I Current liabilities	460.7	427.6	3.3
Unpaid refunds	1.8	2.5	(0.7)
TMG bonds	352.0	335.0	16.9
Short-term borrowing	0.0	0.0	(0)
Borrowing from other accounts	-	-	-
Fund operational costs	-	-	-
Other short-term borrowing	0.0	0.0	(0)
Lease obligations	0.1	2.7	(2.6)
Arrearage	-	-	-
Deferred payments	-	-	-
Unpaid guarantee liabilities	-	-	-
Other accounts payable	-	-	-
Reserve for bonus	105.2	85.6	19.5
Other current liabilities	1.4	1.4	0.0
II Fixed liabilities	6,473.5	6,692.4	(218.9)
TMG bonds	5,497.1	5,724.2	(227.0)
Long-term borrowing	10.7	10.9	(0.1)
Borrowing from other accounts	10.3	10.5	(0.1)
Fund operational costs	-	-	-
Other long-term borrowing	0.3	0.3	(0)
Lease obligations	0.7	0.8	(0.1)
Reserve for retirement allowances	961.8	951.8	9.9
Other reserves	-	-	-
Other fixed liabilities	2.9	4.4	(1.4)
Guaranty deposits	-	-	-
Other fixed liabilities	2.9	4.4	(1.4)
<b>Total liabilities</b>	<b>6,934.2</b>	<b>7,120.0</b>	<b>(185.7)</b>
<b>Net Assets</b>			
Net assets	27,688.2	26,921.3	766.8
(of which is increase/decrease in the current period)	766.8	812.1	(45.2)
<b>Total net assets</b>	<b>27,688.2</b>	<b>26,921.3</b>	<b>766.8</b>
<b>Total liabilities and net assets</b>	<b>34,622.4</b>	<b>34,041.4</b>	<b>581.0</b>

## (2) Ordinary Account Administrative Cost Statement

(From April 1, 2017, to March 31, 2018)

(in billion yen)

Item	FY2017	FY2016	Change in amount
<b>Ordinary Balance</b>			
<b>I. Administrative balance</b>			
1. Administrative revenues	6,178.6	6,167.9	1.1
Local taxes	5,288.0	5,315.9	(27.8)
Local transfer taxes	245.1	235.5	9.5
Local special grant	5.2	4.8	0.3
Allocations for municipalities with facilities owned by the national government	0.0	0.0	(0)
Miscellaneous tax-related revenues	0.0	0.1	(0.1)
National treasury disbursements	305.7	267.4	38.2
Traffic safety special grant	2.8	2.9	(0.1)
Operating revenues (special account)	0.4	0.0	0.3
Shares and charges	7.3	7.7	(0.3)
Fees and charges	152.2	153.5	(1.3)
Revenues from property	12.6	11.8	0.7
Miscellaneous (commissioned work revenues)	52.9	51.5	1.4
Miscellaneous	103.2	112.8	(9.6)
Donations	0.0	0.0	(0)
Funds transferred	2.6	3.3	(0.6)
Miscellaneous administrative revenues	0.1	-	0.1
2. Administrative expenses	5,554.7	5,349.7	205.0
Tax-related expenses	1,385.0	1,367.6	17.3
Payroll-related expenses	1,354.6	1,338.9	15.7
Building expenses	285.6	274.2	11.4
Maintenance and repair expenses	103.9	103.9	0.0
Social welfare expenses	130.7	127.9	2.8
Subsidizing expenses etc.	1,198.4	1,115.7	82.6
Subsidized investment costs	66.5	75.9	(9.4)
Independent investment expenses	327.1	332.5	(5.4)
Direct government investment expenses	47.8	50.9	(3.1)
Investments (subvention etc.)	-	30.7	(30.7)
Subventions	15.0	-	15.0
Transfers	197.8	197.8	0.0
Depreciation expenses	177.3	171.1	6.2
Debt guaranty expenses	-	-	-
Transfer to reserve for deficit due to non-payment	7.7	8.8	(1.0)
Transfer to allowance for bad debt	0.1	0.1	0.0
Transfer to reserve for bonus	105.2	85.6	19.5
Transfer to reserve for retirement allowances	147.8	64.1	83.6
Transfer to other reserves	-	-	-
Other administrative expenses	3.7	3.3	0.4
<b>II. Financial balance</b>			
1. Financial revenues	14.2	15.5	(1.3)
Revenues from interest earned and dividends	14.2	15.5	(1.3)
2. Financial expenses	70.7	78.4	(7.6)
Expenses for public bonds (interest)	69.4	76.3	(6.9)
TMG bond issuing fees	1.1	1.5	(0.3)
Discount on TMG bonds	0.0	0.3	(0.3)
Interest on borrowing from other accounts	0.0	0.1	(0)
<b>Ordinary balance</b>	<b>567.3</b>	<b>755.3</b>	<b>(187.9)</b>
<b>Special Balance</b>			
I. Special revenues	214.3	50.5	163.8
Profit on sale of fixed assets	4.0	6.5	(2.5)
Other special revenues	210.3	43.9	166.4
II. Special expenses	94.0	63.8	30.2
Loss on sale of fixed assets	30.9	8.4	22.4
Loss on disposal of fixed assets	10.0	26.1	(16.1)
Disaster recovery expenses	0.6	3.0	(2.3)
Deficit due to non-payment	0.5	1.4	(0.8)
Bad debts loss	0.9	0.1	0.8
Other special expenses	51.0	24.6	26.3
<b>Balance for the current period</b>	<b>687.6</b>	<b>742.1</b>	<b>(54.4)</b>

### (3) Ordinary Account Cash Flow Statement

(From April 1, 2017, to March 31, 2018)

(in billion yen)

Item	FY2017	FY2016	Change in amount	Item	FY2017	FY2016	Change in amount
<b>I. Administrative services activities</b>				<b>II. Social capital improvement investment activities</b>			
Tax revenues etc.	5,539.6	5,558.5	(18.9)	National treasury disbursement etc.	88.4	86.1	2.3
Local taxes	5,289.2	5,317.9	(28.7)	National treasury disbursement	83.8	81.1	2.7
Local transfer taxes	245.1	235.5	9.5	Shares and charges	3.6	3.4	0.1
Local special grants	5.2	4.8	0.3	Amount transferred etc.	0.9	1.5	(0.5)
Allocations for municipalities with facilities owned by the national government	0.0	0.0	(0)	Revenues from property	47.6	6.3	41.3
Miscellaneous tax-related revenues	0.0	0.1	(0.1)	Cash from sale of property	47.6	6.3	41.3
National treasury disbursement etc.	308.6	270.7	37.8	Funds transferred	115.2	57.1	58.0
National treasury disbursement	305.7	267.8	37.9	Financial adjustment fund	-	-	-
Traffic safety special grant	2.8	2.9	(0.1)	Sinking fund	-	-	-
Other administrative revenues	329.1	339.9	(10.8)	Special purpose fund	115.2	57.1	58.0
Operating revenues (special account)	0.4	0.0	0.3	Fixed amount invest fund	-	-	-
Shares and charges	7.2	7.6	(0.3)	Revenues from collection of loan principal etc	345.1	381.1	(36.0)
Fees and charges	151.5	152.8	(1.2)	Security deposit revenues	0.0	0.1	(0)
Revenues from property	10.9	11.0	(0)	Social capital improvement expenses	344.1	381.3	(37.1)
Miscellaneous (commissioned work revenues)	52.9	51.5	1.4	Building expenses	5.4	4.4	1.0
Miscellaneous	103.1	113.3	(10.1)	Subsidizing expenses etc.	0.0	2.5	(2.4)
Donations	0.0	0.0	(0)	Subsidized investment costs	118.4	126.2	(7.7)
Funds transferred	2.6	3.3	(0.6)	Independent investment expenses	220.0	248.0	(27.9)
Financial revenues	14.2	15.5	(1.3)	Funds reserved	295.6	370.3	(74.6)
Revenues from interest earned and dividends	14.2	15.5	(1.3)	Financial adjustment fund	89.0	2.6	86.4
Tax-related expenses	1,385.0	1,367.6	17.3	Sinking fund	-	-	-
Tax-related expenses	1,385.0	1,367.6	17.3	Special purpose fund	204.4	365.3	(160.8)
Administrative expenses	3,893.7	3,841.9	51.8	Fixed sum management fund	2.1	2.3	(0.2)
Payroll-related expenses	1,533.8	1,530.8	2.9	Loans and investments, etc.	347.0	301.1	45.8
General and miscellaneous expenses	285.3	273.9	11.3	Investments	-	5.1	(5.1)
Maintenance and repair expenses	103.9	103.8	0.0	Investments and subventions	34.5	-	34.5
Social welfare expenses	130.6	127.7	2.8	Transfers (other accounts)	53.7	44.6	9.1
Subsidizing expenses etc.	1,199.8	1,115.2	84.5	Loans	258.6	251.3	7.2
Subsidized investment costs	66.5	75.9	(9.4)	Deposit expenses	0.3	0.2	0.1
Independent investment expenses	327.1	333.7	(6.5)	Balance of social capital improvement investment activities	(390.7)	(522.1)	131.4
Direct government investment expenses	47.8	50.9	(3.1)	Balance of administrative activities cash flow	450.8	371.8	79.0
Investments (subvention etc.)	-	30.7	(30.7)	<b>III. Financing activities</b>			
Amount transferred	198.7	198.7	(0)	Revenues from financing activities	137.6	155.1	(17.5)
Financial expenses	70.6	78.3	(7.6)	TMG bonds	136.8	152.6	(15.8)
Expenses for public bonds (interest, fees)	70.5	78.1	(7.6)	Loans from other accounts	0.8	2.5	(1.7)
Interests on borrowing from other accounts	0.0	0.1	(0)	Fund management fees	-	-	-
Special expenses	0.6	3.0	(2.3)	Funds transferred	-	-	-
Disaster recovery business expenses	0.6	3.0	(2.3)	Expenses for financial activities	490.2	399.9	90.3
Balance of administrative service activities	841.6	893.9	(52.3)	Expenses for public bonds (principal)	486.4	397.7	88.7
				Refund of loans from other accounts etc	3.7	2.1	1.5
				Refund of fund management fees etc	-	-	-
				Balance of Financing activities	(352.6)	(244.7)	(107.8)
				Total balance	98.2	127.0	(28.8)
				Balance brought forward from the previous fiscal year	378.6	251.5	127.0
				Proforma balance	476.8	378.6	98.2

#### (4) Ordinary Account Statement of Changes in Net Assets

(From April 1, 2017, to March 31, 2018)

(in billion yen)

	Opening balance equivalent	National treasury disbursements	Charges and transfers etc.	Assessed value of donated assets	Amounts transferred to wards, towns etc.	Cross-accounting transaction account	Other surplus	Total
Balance at the end of the previous period	19,021.8	1,285.1	92.3	346.3	(123.3)	(1.9)	6,300.8	26,921.3
Amount changed for the current period	-	83.8	4.6	7.6	(16.8)	(0.1)	687.6	766.8
Change in fixed assets etc.	-	83.8	4.6	7.6	(16.8)	(7.8)	-	71.4
Change in TMG bonds etc	-	-	-	-	-	(22.4)	-	(22.4)
Other intra-bureau transactions	-	-	-	-	-	30.1	-	30.1
Balance for the current period	-	-	-	-	-	-	687.6	687.6
Balance at the end of the current period	19,021.8	1,368.9	96.9	354.0	(140.1)	(2.0)	6,988.5	27,688.2

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

(in billion yen)

Item	Balance at the end of the previous period	Increase for the current period	Decrease for the current period	Balance at the end of the current period	Accrued depreciation amount at the end of the current period	Depreciation for the current period	Net balance at the end of the current period
Tangible fixed assets	28,845.6	2,250.1	2,016.7	29,079.0	3,935.5	177.3	25,143.5
Administrative assets	10,496.2	714.8	594.5	10,616.4	2,433.3	108.9	8,183.1
Buildings	4,676.6	450.6	391.7	4,735.5	2,114.4	90.5	2,621.1
Structures	615.6	137.5	96.8	656.2	296.6	16.3	359.6
Timber	0.6	0.0	0.0	0.6	-	-	0.6
Vessels etc.	37.1	-	-	-	-	-	-
Vessels	-	6.9	5.2	15.3	3.5	0.4	11.7
Aircraft	-	-	1.0	22.5	17.6	1.5	4.8
Buoys etc.	1.6	-	-	1.6	1.0	0.0	0.6
Land	5,164.3	119.7	99.6	5,184.4	-	-	5,184.4
Ordinary assets	1,404.9	315.7	383.5	1,337.0	359.0	16.0	978.0
Buildings	636.8	44.9	53.6	628.2	285.7	13.9	342.4
Structures	136.7	17.3	17.6	136.4	70.8	2.0	65.6
Timber	0.0	0.0	0.0	0.0	-	-	0.0
Vessels etc	0.7	-	-	-	-	-	-
Vessels	-	0.7	0.7	0.7	0.5	0.0	0.1
Aircraft	-	1.0	1.0	-	-	-	-
Buoys etc.	2.2	-	-	2.2	1.9	0.0	0.3
Land	628.1	251.6	310.4	569.3	-	-	569.3
Important property	200.1	40.3	34.5	205.9	140.0	9.3	65.8
Infrastructure assets	15,540.6	606.0	437.3	15,709.2	1,002.3	43.0	14,706.9
Other than land	3,171.2	-	-	-	-	-	-
Buildings	-	0.9	0.6	117.3	59.5	2.9	57.8
Structures	-	408.1	312.5	3,146.9	940.6	39.9	2,206.2
Buoys	-	-	-	2.7	2.1	0.0	0.6
Land	12,369.3	196.9	124.1	12,442.1	-	-	12,442.1
Leased assets	9.2	-	7.0	2.1	0.7	0.0	1.4
Construction in progress	1,194.4	573.2	559.5	1,208.1	-	-	1,208.1
Intangible fixed assets	29.8	1.0	0.1	30.7	-	-	30.7
Administrative assets	5.4	0.0	0.0	5.4	-	-	5.4
Surface rights	5.4	-	-	5.4	-	-	5.4
Other intangible fixed assets	-	0.0	0.0	-	-	-	-
Ordinary assets	10.3	0.1	0.0	10.4	-	-	10.4
Surface rights	1.1	-	-	1.1	-	-	1.1
Other intangible fixed assets	9.1	0.1	0.0	9.3	-	-	9.3
Infrastructure assets	14.0	0.0	0.0	14.0	-	-	14.0
Surface rights	14.0	0.0	0.0	14.0	-	-	14.0
Other intangible fixed assets	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-
Software in progress	-	0.8	0.0	0.8	-	-	0.8
Total	28,875.4	2,251.2	2,016.8	29,109.8	3,935.5	177.3	25,174.3

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

Year-to-date (From April 1, 2017, to March 31, 2018)
<p><b>(Accounting Policy)</b></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"> <li>Special Wards Fiscal Adjustment</li> <li>Local Consumption Tax Adjustment</li> <li>Ogasawara Islands Livelihood Rehabilitation Fund</li> <li>One-Parent Family Welfare Loan Fund</li> <li>Physically or Mentally Handicapped Annuity</li> <li>Small and Medium Enterprise Facility Installation Fund</li> <li>Forestry and Lumber Industry Improvement Subsidy</li> <li>Coastal Fishery Improvement Subsidy</li> <li>Metropolitan Public Housing</li> <li>Urban Development Fund</li> <li>Land Acquisition</li> <li>Expenses for Public Bonds</li> <li>Waterfront Urban Infrastructure Development Project</li> </ul>
<p>2. Base Date</p> <p>The base date shall be taken as being March 31, 2018, the results and statements, however, include all deposits and withdrawals carried out between April 1, 2018, and May 31, 2018 (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 and the residual value rate in the "Tokyo Metropolitan Government Guideline for Processing Ledgers Related to Public Property" and the "Tokyo Metropolitan Government Bureau of Construction Infrastructure Asset Control Standards".</p> <p>However, the paving of roads, defined as replacement assets by the "Tokyo Metropolitan Government Bureau of Construction Infrastructure Asset Control Standards", is subject to adoption of a processing method that treats spending required for partial road replacement as actual expenses.</p> <p>(2) Important property</p> <p>Important property is depreciated on a straight line basis according to the service life in the "Service Life Benchmarks for Important Property."</p>

Year-to-date  
(From April 1, 2017, to March 31, 2018)

7. Method Used for Intangible Fixed Asset Depreciation  
 (1) Surface rights, easements, patent rights, copyrights, etc.  
 Intangible fixed assets are not depreciated.  
 (2) Software.  
 Software is depreciated on a straight line basis with service life set at five years and residual value set at zero.
8. Processing Method for Deferred Assets  
 These are, in principle, not subject to accounting.  
 All TMG bonds issue expenses and discounts are not calculated as deferred assets, and the total amount is treated as costs and expenses incurred during the year of issue.
9. Valuation Methods and Benchmarks for Securities, Investments and Subventions  
 As for securities, investments and subventions, administrative 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.
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  
 Since there is a possibility that some of the metropolitan taxes, usage charges, and other outstanding revenues may lead to a deficit due to non-payment as a result of the ending of limitations, the reserve for deficit due to non-payment was recorded as an amount gained by calculating the liquidation status of such outstanding revenues, the composition of finances of the counterparty, and the metropolitan government's previous deficit due to non-payment over the past three years and multiplying it by the amount of outstanding revenues as of the end of the fiscal year.  
 (2) Bad debt reserve  
 Since there is a possibility that some of the metropolitan government's loans may lead to an exemption or a reduction of repayment, the bad debt reserve was recorded as an amount gained by calculating the liquidation status of such loans, the composition of finances of the counterparty and the reduction of such loans based on exemptions etc. over the past three years and multiplying it by the amount of the metropolitan government's loans as of the end of the fiscal year.  
 (3) 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.  
 (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.  
 (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.
11. Conversion Standards for Converting Foreign-currency-denominated Assets and Debt into yen equivalent  
 The Tokyo Metropolitan Government issues foreign-currency-denominated bonds in the U.S. and European markets. As the risk that accompanies fluctuations in principal and interest is hedged by the currency swap transaction between foreign currencies and yen, the value of these bonds is calculated in yen at the time of issue.
12. Accounting Standards for Revenues and Expenses  
 These are calculated on the concept of revenues and expenses being carried out based on the policy of using accrual accounting. Items that met these standards were included in the calculations for the financial statement.

Year-to-date  
(From April 1, 2017, to March 31, 2018)

**(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.
3. Changes to Accounting Principles and Procedures
  - (1) Regarding the acquisition of software, in the past, the method of charging to expenses at the time the expenses were incurred was used, but for cases where reductions in future expenses are guaranteed, software is recorded under assets, from the current period.

This change has been implemented to distribute expenses appropriately across the periods affected by the expenses reducing effect, and to reflect this reality in the financial statement.

With this change, 0.8 billion yen was recorded under the new software-in-progress category, and the total for assets increased by the same amount.
  - (2) Regarding subventions, while in the past, the method of charging to expenses at the time the expenses were incurred was used, from the current period, subventions are recorded under assets.

This change has been implemented in order to treat subventions, which are classified as "Rights based on investments" in the same manner as investments under the Local Autonomy Act, in the same manner as investments in the financial statement.

After dividing securities and investments into securities, investments and subventions, the amount for subventions, 134.6 billion yen, was recorded under investments and subventions, and the total for assets increased by the same amount.
  - (3) 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, from the current period.

This change has been implemented to reflect investment damages related to consolidated organizations, in the financial statement in a timely manner, prior to said damages becoming impairment.

However, for this period, the scope of consolidation is under review, and as subject organizations have not been clearly defined, allowance for investment loss has not been recorded.
  - (4) Regarding the reserve for retirement allowances, while in the past, the allowance amount was calculated on a unit price per person with appointive power basis, from this period, calculations have been made on a unit price per person with appointive power and years of service basis.

This change has been implemented to reflect future financial burden more accurately in the financial statement.

With this change, the reserve for retirement allowance amount increased by 101.0 billion yen, and the total for liabilities increased by the same amount.
  - (5) Regarding the reserve for bonuses, while in the past, the reserve amount was calculated on a year-end allowances and bonus payable basis, from this period, calculations include legal welfare expenses amounts.

This change has been implemented to reflect the financial burdens, which will arise with a high degree of certainty along with the payment of bonuses, in the financial statement.

With this change, the reserve for bonuses amount increased by 19.3 billion yen, and the total for liabilities increased by the same amount.

Year-to-date  
(From April 1, 2017, to March 31, 2018)

4 Changes to Display Methods

- (1) In the past, vessels and aircraft under administrative assets and ordinary assets were displayed as a total amount under vessels, etc. (17.1 billion yen in the previous year) on the balance sheet. However, from this period, the display has been divided into "Vessels" (11.8 billion yen for this period) and "Aircraft" 4.8 billion yen for the same period), in order to bring the balance sheet in line with ledgers related to public property.
- (2) In the past, tangible fixed assets under infrastructure assets were displayed separately as "Land" (12,369.3 billion yen in the previous year) and "Other than land" (2,214.9 billion yen in the previous year). However, from this period, these have been separated into "Buildings" (57.8 billion yen for this period), "Structures" (2,206.2 billion yen for the same period), "Buoys, etc." (0.6 billion yen for the same period), and "Land" (12,442.1 billion yen for the same period), in line with categories under administrative assets and ordinary assets.

**Administrative Cost Statement-related Items**

- 1 Display Method for Entered Amounts  
The entered figures have been rounded down to the indicated unit.

**Cash Flow Statement-related Items**

- 1 Display Method for Entered Amounts  
The entered figures have been rounded down to the indicated unit.

2 Scope of Funds

The total amount of funds (including cash and cash equivalents) shall be taken as the balance brought forward from the previous fiscal year under the ordinary account as well as all cash revenues for the current fiscal year.

## [Notes]

### Balance Sheet-related Items

#### 1. Contingent Liabilities

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

(in billion yen)

Item	End of FY2017
Related to public corporations/societies	61.1
Others	166.5

#### 2. Other Debt Burdens (estimated future expenditure)

(in billion yen)

Item	End of FY2017
Interest rate subsidy-related items	25.5
Others	1,251.9

#### 3. Expected Repayments of Outstanding Borrowing (as of the end of FY2017)

(in billion yen)

Item	FY2018	From FY2019	Total
TMG bonds	352.0	5,497.1	5,849.2
Borrowing from other accounts etc.	0	0.3	0.3
Total	352.0	5,497.5	5,849.6

Outstanding balance of TMG bonds of 5,849.2 billion yen, as of the end of fiscal year 2017, is expected to give rise to a total future interest payment of 585.5 billion yen.

#### 4. Figures for Temporary Borrowing

In order to carry out short-term funding, 100.0 billion yen were raised from the fiscal adjustment fund on May 31, 2017 and was repaid on June 1. The total interest on this borrowing was 27,397 yen and its payment was implemented from the general account.

#### 5. Sinking Fund

Following the settlement of accounts for fiscal year 2017, there was no shortfall.

## 6. Breakdown of Other Funds

(in billion yen)

Item	End of FY2017
Special Fund for Expenses Needed in Relation to the Switch of the Corporate Enterprise Tax to a National Tax	-
Disaster Prevention Fund for Town Planning	300.1
Fund for the Promotion of Utility Pole Elimination	63.6
Welfare, Health and Safety Fund	6.3
Fund for the Development of a Pleasant and People Friendly City	37.4
Advanced Welfare City Realization Fund	222.5
Fund for the Promotion of Sports for the Disabled	15.3
Social Capital Improvement Fund	626.7
Japan Arts Fund	8.5
Fund for the Promotion of a Hydrogen Society and the Development of a Smart-Energy City	33.3
Omotenashi Hospitality and Tourism Fund	12.7
Creating Innovation Fund	30.0
Tokyo Olympic and Paralympic Games Hosting Fund Reserve	514.0
Disaster Relief Fund	18.5
Fund for Annuity for Individuals with Physical or Mental Disabilities	44.4
Fund for Stabilization of Finance of Nursing Care Insurance	3.5
Support Fund for Expansion of Administrative Work of National Health Insurance	2.5
Fund for Green and Flower Tokyo Fundraising Campaign	0.0
Pollution-Related Health Damage Prevention Fund	2.3
Fund for Stabilizing the Expenses of Local Government on Medical Insurance for the Elderly Aged over 75	21.1
Fund for Enforcing the Consumer Support by Local Government	0.2
Fund for Establishing the Supportive Society to Raise Children	4.1
Temporary Special Fund for Quakeproofing Social Welfare Facilities	-
Temporary Special Fund for Quakeproofing Medical Facilities	0.9
Fund for Forestry Development Acceleration and Forestry Rejuvenation	-
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	34.9
Tokyo Human Resources Fund for City Diplomacy	6.4
Fund for Stabilization of Finance of National Health Insurance	27.1
Municipal Promotion Fund	290.4
Equipment Procurement Fund	0.1
Total	2,329.7

## Administrative Cost Statement-related Items

### Content and accounting standards for revenues items

#### (1) Administrative revenues

Item	Content and accounting standards
Local taxes	Calculated as income from normal taxes as stipulated under the Local Tax Law, all taxes under the previous law, earmarked taxes by law and by local ordinance (lodgment tax stipulated under TMG lodgment tax ordinance) . Local consumption tax, however, is calculated as the amount following settlement by prefectural governments.
Local transfer taxes	This includes all revenues from local road transfer taxes, petroleum gas transfer tax, the special tonnage transfer tax, aviation fuel transfer tax, special local corporate transfer tax, and local gasoline transfer tax.
Local special grants	The amount of grant provided to compensate a decrease in tax revenues by local institutions as a result of implementation of special tax deduction for housing loans etc. in individual inhabitant tax will be recorded.
Allocations for municipalities with facilities owned by the national government	This is provided for municipalities with facilities owned by the national government (Tokyo Metropolitan Government for its special wards). This sum is appropriated as an allocated amount as an alternative to a fixed assets tax.
Miscellaneous tax-related revenues	Calculated as the amount for adjustment of collection of interest and expenditures from collection of tax delinquency.
National treasury disbursement	Calculated as sum equivalent from the national treasury disbursement for the meeting of administrative services activity support requirements.
Traffic safety special grant	In order to allocate the revenues obtained through fines paid to the national government etc. in accordance with the Road Traffic Act to expenses necessary for establishing and managing road traffic safety facilities, the amount allocated to municipalities is calculated.
Operating revenues (Special accounts)	Revenues calculated as the sum from loan interest on special accounts, revenues from premiums, and revenues from penalty charges.
Shares and charges	Sum calculated from shares and charges in meeting requirements of administrative services activity support.
Fees and charges	Calculated as the total amount from all relevant fees and charges.
Revenues from property	Calculated as the total amount from revenues from property.
Miscellaneous (commissioned work revenues)	Calculated as the total amount from commissioned work revenues.
Miscellaneous	Calculated as the total of revenues from profit-earning business and proceeds from the sale of commodities.
Contributions	Calculated as the total revenues from contributions.
Transfers	Calculated as total amount required to meet requirements of administrative services activity support from the total amount of funds transferred from other accounts.
Miscellaneous administrative revenues	All other administrative revenues not stipulated in the above items.

#### (2) Financial revenues

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

#### (3) Special revenues

Item	Content and accounting standards
Profit on sale of fixed assets	Calculated as total revenues from the disposal of fixed assets (excluding securities, 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	FY2017
Cash and deposits	476.8
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)	476.8

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	FY2017
Metropolitan inhabitant tax	1,771.6
Business tax	1,060.9
Local consumption tax	663.5
Real estate acquisition tax	82.8
Metropolitan tobacco tax	16.3
Automobile acquisition tax	17.3
Light-oil delivery tax	40.7
Automobile tax	104.6
Fixed assets tax	1,192.8
Special land ownership tax	-
Business office tax	104.7
City planning tax	230.4
Others	2.9
Total	5,289.2

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	FY2017
Sinking fund transfer	183.3
Sinking fund reserve	323.5

## 2. Fiscal Year 2017 Tokyo Metropolitan Government Comprehensive Financial Statement

### (1) Tokyo Metropolitan Government Comprehensive Financial Statement

#### [1] Ordinary Account and "Special Accounts"

(in million yen)

	Ordinary Account A	"Special Accounts" B		(Simple Total) (A+B)
		Slaughter house B1	Metropolitan Public Housing Tenants Security Deposit B2	
<b>Administrative Cost Statement (Ordinary balance)</b>				
<b>I. Administrative balance</b> (1)=a-b	623,869	(3,987)	33	619,914
<b>Administrative revenues</b> a	6,178,666	1,413	33	6,180,113
Local taxes etc.	5,533,188	-	-	5,533,188
Grants etc.	8,066	-	-	8,066
National treasury disbursement	305,751	-	-	305,751
Funds transferred	2,692	-	32	2,725
Other	328,967	1,413	0	330,381
<b>Administrative expenses</b> b	5,554,797	5,401	-	5,560,198
Tax-related expenses	1,385,004	-	-	1,385,004
Payroll-related expenses	1,354,649	2,146	-	1,356,796
Subsidizing expenses etc.	1,198,425	1,053	-	1,199,479
Investment expenses	441,456	3	-	441,460
Funds disbursed	197,826	-	-	197,826
Other	977,434	2,197	-	979,631
<b>II. Financial balance</b> (2)=c-d	(56,493)	(20)	-	(56,514)
<b>Financial revenues</b> c	14,218	0	-	14,218
<b>Financial expenses</b> d	70,712	20	-	70,733
<b>Ordinary balance</b> (3) = (1) + (2)	567,375	(4,008)	33	563,400
<b>Special balance</b>				
<b>Special revenues</b> e	214,386	-	1	214,388
<b>Special expenses</b> f	94,097	-	-	94,097
<b>Special balance</b> (4)=e-f	120,289	-	1	120,290
<b>Balance for the current period</b> (5)=(3)+(4)	687,664	(4,008)	34	683,690
Transfer to general account g	-	3,910	-	3,910
Disbursement from general account h	-	-	-	-
<b>Balance brought forward</b> (5)+g-h	<b>687,664</b>	<b>(97)</b>	<b>34</b>	<b>687,601</b>
<b>Balance Sheet (Assets)</b>				
<b>I. Current assets</b>	1,633,753	-	6,611	1,640,364
Cash and deposits	490,309	-	6,602	496,911
Other current assets	1,143,444	-	8	1,143,452
<b>II. Fixed assets</b>	32,988,714	13,484	10,351	33,012,550
<b>Tangible fixed assets</b>	25,143,528	13,484	-	25,157,012
Land	18,195,978	-	-	18,195,978
Other tangible fixed assets (property etc.)	6,947,549	13,484	-	6,961,034
<b>Intangible fixed assets</b>	30,789	-	-	30,789
<b>Investments etc.</b>	7,814,396	-	10,351	7,824,748
Long-term loan	1,053,015	-	10,351	1,063,367
Funds	3,618,785	-	-	3,618,785
Other investments etc.	3,142,596	-	-	3,142,596
<b>III. Deferred assets</b>	-	-	-	-
<b>Total assets</b>	<b>34,622,468</b>	<b>13,484</b>	<b>16,962</b>	<b>34,652,915</b>
<b>(Liabilities)</b>				
<b>I. Current liabilities</b>	460,728	747	-	461,475
<b>II. Fixed liabilities</b>	6,473,504	3,733	16,845	6,494,084
Long-term borrowing	5,507,901	1,862	-	5,509,763
Other fixed liabilities	965,603	1,870	16,845	984,320
<b>III. Deferred revenues</b>	-	-	-	-
<b>Total liabilities</b>	<b>6,934,232</b>	<b>4,480</b>	<b>16,845</b>	<b>6,955,559</b>
<b>(Net assets)</b>				
<b>Total net assets</b>	<b>27,688,235</b>	<b>9,003</b>	<b>116</b>	<b>27,697,355</b>
(of which are changes in the current period)	766,844	18	34	766,896
<b>Total liabilities and net assets</b>	<b>34,622,468</b>	<b>13,484</b>	<b>16,962</b>	<b>34,652,915</b>

## [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
<b>Profit and Loss Statement</b>						
<b>Operating profit</b> (1)=a-b	(19,411)	(4,940)	(5)	7,592	518	(695)
<b>Operating earnings</b> a	135,333	13,986	-	12,364	4,053	48,181
<b>Operating expenses</b> b	154,744	18,926	5	4,771	3,534	48,876
Business cost price	91,911	108	-	2,425	2,261	36,026
Administrative expenses	62,833	18,818	5	2,346	1,273	12,849
<b>Non-operating profit</b> (2)=c-d	17,364	2,600	2	2,795	518	1,167
<b>Non-operating earnings</b> c	25,112	4,074	2	4,543	536	8,306
<b>Non-operating expenses</b> d	7,748	1,474	-	1,747	17	7,139
<b>Current balance</b> (1)+(2)	(2,046)	(2,339)	(2)	10,388	1,037	472
<b>Special profit</b> (3)=e-f	(415)	(5,401)	-	(7,631)	-	571
<b>Special earnings</b> e	-	-	-	-	-	579
<b>Special expenses</b> f	415	5,401	-	7,631	-	7
Net profit for the current period (4)=(1)+(2)+(3)	(2,462)	(7,741)	(2)	2,757	1,037	1,044
Retained profit brought forward (5)	-	(10,184)	5,767	68,544	13,753	(11,446)
<b>Changes of other unappropriated profit</b> (6)	2,985	4,146	-	-	195	-
<b>Unappropriated revenues for the current period</b> (4)+(5)+(6)	<b>522</b>	<b>(13,779)</b>	<b>5,764</b>	<b>71,301</b>	<b>14,987</b>	<b>(10,401)</b>

<b>Balance Sheet</b>						
<b>(Assets)</b>						
<b>I. Current assets</b>	124,108	114,327	38,093	230,770	28,213	42,261
<b>Cash and deposits</b>	92,260	111,937	38,078	210,673	28,064	30,887
<b>Other current assets</b>	31,848	2,389	15	20,097	149	11,373
<b>II. Fixed assets</b>	172,698	832,177	903	813,177	336,824	180,743
<b>Tangible fixed assets</b>	135,047	831,861	903	689,161	331,210	72,445
Land	779	188,071	114	688,516	312,892	23,886
Other tangible fixed assets (property etc.)	134,268	643,789	789	645	18,317	48,559
<b>Intangible fixed assets</b>	565	6	-	65	36	105
<b>Investments etc.</b>	37,085	309	-	123,950	5,577	108,191
Long-term loan	-	3	-	5,000	-	90,000
Funds	-	-	-	-	-	-
Other investments etc.	37,085	306	-	118,950	5,577	18,191
<b>III. Deferred assets</b>	-	11	-	-	-	-
<b>Total assets</b>	<b>296,806</b>	<b>946,516</b>	<b>38,997</b>	<b>1,043,948</b>	<b>365,037</b>	<b>223,004</b>
<b>(Liabilities)</b>						
<b>I. Current liabilities</b>	49,100	8,909	203	21,436	1,149	18,517
<b>II. Fixed liabilities</b>	108,943	392,279	137	201,949	285	61,926
<b>Long-term borrowing</b>	69,971	356,658	-	187,265	94	42,812
<b>Other fixed liabilities</b>	38,972	35,621	137	14,684	190	19,114
<b>III. Deferred revenues</b>	3,901	53,056	-	0	98	1,733
<b>Total liabilities</b>	<b>161,944</b>	<b>454,245</b>	<b>341</b>	<b>223,386</b>	<b>1,533</b>	<b>82,177</b>
<b>(Capital)</b>						
<b>Total capital</b>	<b>134,861</b>	<b>492,270</b>	<b>38,656</b>	<b>820,561</b>	<b>363,504</b>	<b>140,827</b>
(of which are changes in the current period)	3,537	(7,741)	860	3,591	1,143	760
<b>Total liabilities and capital</b>	<b>296,806</b>	<b>946,516</b>	<b>38,997</b>	<b>1,043,948</b>	<b>365,037</b>	<b>223,004</b>

(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							
<b>Operating profit</b>	(1)=a-b	26,570	497	21,218	(927)	(22,136)	8,281
<b>Operating earnings</b>	a	149,714	1,463	321,319	750	288,342	975,512
<b>Operating expenses</b>	b	123,144	965	300,101	1,678	310,479	967,230
Business cost price		71,777	828	212,636	1,024	103,178	522,180
Administrative expenses		51,367	137	87,464	653	207,301	445,050
<b>Non-operating profit</b>	(2)=c-d	7,472	27	10,350	927	59,495	102,723
<b>Non-operating earnings</b>	c	14,873	27	15,509	1,004	87,262	161,253
<b>Non-operating expenses</b>	d	7,401	0	5,158	77	27,766	58,529
<b>Current balance</b>	(1)+(2)	34,043	525	31,568	-	37,358	111,004
<b>Special profit</b>	(3)=e-f	141	5	(1,821)	-	89,858	75,306
<b>Special earnings</b>	e	988	5	1,000	-	90,854	93,428
<b>Special expenses</b>	f	847	-	2,822	-	996	18,121
<b>Net profit for the current period</b>	(4)=(1)+(2)+(3)	34,184	530	29,746	-	127,217	186,311
Retained profit brought forward	(5)	(294,618)	-	-	-	9,327	(218,856)
Changes of other unappropriated profit	(6)	-	-	33,666	-	39,002	79,997
<b>Unappropriated revenues for the current period</b>	(4)+(5)+(6)	<b>(260,434)</b>	<b>530</b>	<b>63,413</b>	<b>-</b>	<b>175,547</b>	<b>47,451</b>

Balance Sheet							
<b>(Assets)</b>							
<b>I. Current assets</b>		187,978	4,724	250,981	8,483	198,898	1,228,841
<b>Cash and deposits</b>		139,373	3,970	195,492	7,726	63,556	922,021
<b>Other current assets</b>		48,604	753	55,489	757	135,341	306,820
<b>II. Fixed assets</b>		1,364,325	3,848	2,432,770	23,119	5,720,352	11,880,940
<b>Tangible fixed assets</b>		1,323,366	3,841	2,389,989	22,749	5,719,833	11,520,410
Land		131,196	99	258,174	1,047	612,146	2,216,925
Other tangible fixed assets (property etc.)		1,192,169	3,741	2,131,814	21,701	5,107,687	9,303,485
<b>Intangible fixed assets</b>		1,915	6	41,464	370	309	44,845
<b>Investments etc.</b>		39,043	1	1,316	-	208	315,684
Long-term loan		-	-	-	-	-	95,003
Funds		-	-	-	-	-	-
Other investments etc.		39,043	1	1,316	-	208	220,680
<b>III. Deferred assets</b>		-	-	9	-	61	82
<b>Total assets</b>		<b>1,552,303</b>	<b>8,572</b>	<b>2,683,760</b>	<b>31,603</b>	<b>5,919,312</b>	<b>13,109,863</b>
<b>(Liabilities)</b>							
<b>I. Current liabilities</b>		68,146	304	141,336	653	277,233	586,992
<b>II. Fixed liabilities</b>		779,256	169	264,673	54	1,332,667	3,142,343
<b>Long-term borrowing</b>		540,601	-	219,750	-	1,317,445	2,734,598
<b>Other fixed liabilities</b>		238,655	169	44,923	54	15,221	407,744
<b>III. Deferred revenue</b>		417,218	651	166,637	5,109	1,589,930	2,238,335
<b>Total liabilities</b>		<b>1,264,620</b>	<b>1,125</b>	<b>572,647</b>	<b>5,817</b>	<b>3,199,831</b>	<b>5,967,670</b>
<b>(Capital)</b>							
<b>Total capital</b>		<b>287,682</b>	<b>7,447</b>	<b>2,111,113</b>	<b>25,785</b>	<b>2,719,481</b>	<b>7,142,192</b>
(of which are changes in the current period)		39,223	530	32,353	286	168,803	243,349
<b>Total liabilities and capital</b>		<b>1,552,303</b>	<b>8,572</b>	<b>2,683,760</b>	<b>31,603</b>	<b>5,919,312</b>	<b>13,109,863</b>

### [3-1] Administrative 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
<b>Statement of Changes in Net Assets</b>							
<b>(Changes in unrestricted net assets)</b>							
<b>Current increase (decrease) for the current period</b>	(1)=a-b	13	15	(12)	659	64	(74)
<b>Current revenues</b>	a	245	731	1,180	12,330	1,735	6,768
<b>Current expenses</b>	b	232	716	1,192	11,670	1,671	6,843
<b>Nonrecurring increase (decrease) for the current period</b>	(2) = c-d	(0)	-	-	(1)	(0)	-
<b>Nonrecurring revenues</b>	c	-	-	-	7	0	-
<b>Nonrecurring expenses</b>	d	0	-	-	9	0	-
<b>Corporation tax etc.</b>	(3)	3	[-]	3	69	0	1
<b>Total changes in unrestricted net assets for the current period</b>	(4)=(1)+(2)+(-3)	10	15	(16)	588	64	(75)
<b>Unrestricted net assets at the beginning of the current period</b>	(5)	159	867	489	7,084	632	1,224
<b>Unrestricted net assets at the end of the current period</b>	(6)=(4)+(5)	169	883	473	7,673	697	1,149
<b>(Changes in restricted net assets)</b>							
<b>Total changes in restricted net assets for the current period</b>	(7)	-	-	-	311	-	4
<b>Restricted net assets at the beginning of the current period</b>	(8)	101	4,000	300	387	1	533
<b>Restricted net assets at the end of the current period</b>	(9)=(7)+(8)	101	4,000	300	698	1	538
<b>Net assets at the end of fiscal year</b>	(6)+(9)	<b>270</b>	<b>4,883</b>	<b>773</b>	<b>8,371</b>	<b>698</b>	<b>1,687</b>

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

<b>Balance Sheet</b>							
<b>(Assets)</b>							
<b>I. Current assets</b>		129	322	347	5,693	535	2,735
<b>Cash and deposits</b>		128	287	172	5,166	333	1,279
<b>Other current assets</b>		1	34	174	527	202	1,456
<b>II. Fixed assets</b>		173	6,808	544	5,735	466	1,261
<b>Tangible fixed assets</b>		6	103	18	560	13	24
Land		-	-	-	-	-	-
Other tangible fixed assets (property etc.)		6	103	18	560	13	24
<b>Intangible fixed assets</b>		-	0	0	25	8	5
<b>Investments etc.</b>		166	6,704	525	5,148	444	1,231
Long-term loan		-	-	-	-	26	-
Funds		-	-	-	-	-	-
Other investments etc.		166	6,704	525	5,148	418	1,231
<b>III. Deferred assets</b>		-	-	-	-	-	-
<b>Total assets</b>		<b>303</b>	<b>7,130</b>	<b>891</b>	<b>11,428</b>	<b>1,001</b>	<b>3,997</b>
<b>(Liabilities)</b>							
<b>I. Current liabilities</b>		27	7	107	2,367	232	1,982
<b>II. Fixed liabilities</b>		4	2,240	10	689	71	327
<b>Long-term borrowing</b>		-	2,240	-	-	-	-
<b>Other fixed liabilities</b>		4	-	10	689	71	327
<b>III. Deferred revenues</b>		-	-	-	-	-	-
<b>Total liabilities</b>		<b>32</b>	<b>2,247</b>	<b>117</b>	<b>3,056</b>	<b>303</b>	<b>2,310</b>
<b>(Net assets)</b>							
<b>Total net assets</b>		<b>270</b>	<b>4,883</b>	<b>773</b>	<b>8,371</b>	<b>698</b>	<b>1,687</b>
(of which are changes in the current period)		10	15	(16)	899	64	(70)
<b>Total liabilities and net assets</b>		<b>303</b>	<b>7,130</b>	<b>891</b>	<b>11,428</b>	<b>1,001</b>	<b>3,997</b>

<b>Current status of metropolitan government's involvement</b>							
<b>Investment ratio (%)</b>		74.2	45.5	85.6	32.2	4.4	100
<b>Number of metropolitan government contract employees/ Number of permanent employees</b>		6/10	4/8	9/178	32/301	2/115	38/169

\* 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, 2018, number of employees is as of 1 August, 2017

(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

<b>Statement of Changes in Net Assets</b>							
<b>(Changes in unrestricted net assets)</b>							
<b>Current increase (decrease) for the current period</b>	(1)=a-b	300	357	(148)	(32)	(93)	-
<b>Current revenues</b>	a	3,862	25,732	6,273	2,796	3,739	395
<b>Current expenses</b>	b	3,562	25,375	6,419	2,828	3,833	395
<b>Nonrecurring increase (decrease) for the current period</b>	(2) = c-d	(0)	1	1	(0)	46	-
<b>Nonrecurring revenues</b>	c	-	5	2	-	57	0
<b>Nonrecurring expenses</b>	d	0	4	0	0	10	0
<b>Corporation tax etc.</b>	(3)	126	0	0	[-]	[-]	[-]
<b>Total changes in unrestricted net assets for the current period</b>	(4)=(1)+(2)-(-3))	173	358	(147)	(32)	(46)	-
<b>Unrestricted net assets at the beginning of the current period</b>	(5)	391	64,005	4,065	1,323	521	-
<b>Unrestricted net assets at the end of the current period</b>	(6)=(4)+(5)	564	64,363	3,918	1,291	474	-
<b>(Changes in restricted net assets)</b>							
<b>Total changes in restricted net assets for the current period</b>	(7)	36	-	(10)	(18)	(4)	(5)
<b>Restricted net assets at the beginning of the current period</b>	(8)	909	13	379	1,309	344	46
<b>Restricted net assets at the end of the current period</b>	(9)=(7)+(8)	946	13	368	1,291	340	41
<b>Net assets at the end of fiscal year</b>	(6)+(9)	<b>1,511</b>	<b>64,376</b>	<b>4,287</b>	<b>2,582</b>	<b>814</b>	<b>41</b>

\*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.

<b>Balance Sheet</b>							
<b>(Assets)</b>							
<b>I. Current assets</b>		2,421	21,961	2,997	967	811	61
<b>Cash and deposits</b>		2,381	4,968	1,247	874	800	58
<b>Other current assets</b>		39	16,993	1,750	92	10	2
<b>II. Fixed assets</b>		1,177	54,362	56,364	4,568	1,324	58
<b>Tangible fixed assets</b>		60	1,289	795	166	685	26
Land		-	656	73	-	-	-
Other tangible fixed assets (property etc.)		60	633	721	166	685	26
<b>Intangible fixed assets</b>		158	27	152	17	111	0
<b>Investments etc.</b>		958	53,044	55,417	4,384	527	31
Long-term loan		-	15	-	865	-	0
Funds		-	-	-	1,755	-	-
Other investments etc.		958	53,029	55,417	1,763	527	31
<b>III. Deferred assets</b>		-	-	-	-	-	-
<b>Total assets</b>		<b>3,598</b>	<b>76,323</b>	<b>59,362</b>	<b>5,536</b>	<b>2,135</b>	<b>119</b>
<b>(Liabilities)</b>							
<b>I. Current liabilities</b>		2,087	8,626	1,167	805	982	61
<b>II. Fixed liabilities</b>		-	3,320	53,906	2,148	338	17
<b>Long-term borrowing</b>		-	-	-	117	-	-
<b>Other fixed liabilities</b>		-	3,320	53,906	2,031	338	17
<b>III. Deferred revenues</b>		-	-	-	-	-	-
<b>Total liabilities</b>		<b>2,087</b>	<b>11,947</b>	<b>55,074</b>	<b>2,953</b>	<b>1,320</b>	<b>78</b>
<b>(Net assets)</b>							
<b>Total net assets</b>		<b>1,511</b>	<b>64,376</b>	<b>4,287</b>	<b>2,582</b>	<b>814</b>	<b>41</b>
(of which are changes in the current period)		209	358	(157)	(50)	(51)	(5)
<b>Total liabilities and net assets</b>		<b>3,598</b>	<b>76,323</b>	<b>59,362</b>	<b>5,536</b>	<b>2,135</b>	<b>119</b>

<b>Current status of metropolitan government's involvement</b>							
<b>Investment ratio (%)</b>		90.9	76.9	99.5	60.0	100	100
<b>Number of metropolitan government contract employees/ Number of permanent employees</b>		4/23	14/260	66/302	39/127	53/200	17/33

\* 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, 2018, number of employees is as of 1 August, 2017

(in million yen)

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

Statement of Changes in Net Assets							
(Changes in unrestricted net assets)							
<b>Current increase (decrease) for the current period</b>	(1)=a-b	(17)	71	(5)	(54)	35	71
Current revenues	a	55,008	12,080	5,729	3,249	6,871	9,289
Current expenses	b	55,025	12,009	5,734	3,304	6,835	9,216
<b>Nonrecurring increase (decrease) for the current period</b>	(2) = c-d	69	(0)	-	-	0	54
Nonrecurring revenues	c	77	3	-	-	0	57
Nonrecurring expenses	d	7	3	-	-	0	2
Corporation tax etc.	(3)	[-]	[-]	2	[-]	0	60
<b>Total changes in unrestricted net assets for the current period</b>	(4)=(1)+(2)+(-)(3)	52	70	(7)	(54)	36	66
<b>Unrestricted net assets at the beginning of the current period</b>	(5)	(3,704)	3,063	59	400	984	1,835
<b>Unrestricted net assets at the end of the current period</b>	(6)=(4)+(5)	(3,651)	3,134	51	345	1,020	1,902
(Changes in restricted net assets)							
<b>Total changes in restricted net assets for the current period</b>	(7)	(193)	(9)	(0)	(284)	60	86
<b>Restricted net assets at the beginning of the current period</b>	(8)	7,036	1,280	498	6,801	899	78
<b>Restricted net assets at the end of the current period</b>	(9)=(7)+(8)	6,843	1,270	498	6,516	960	164
<b>Net assets at the end of fiscal year</b>	(6)+(9)	<b>3,192</b>	<b>4,404</b>	<b>550</b>	<b>6,862</b>	<b>1,981</b>	<b>2,066</b>

\*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)							
<b>I. Current assets</b>		10,340	26,842	4,672	808	4,331	1,713
Cash and deposits		2,624	1,839	1,324	755	4,068	1,010
Other current assets		7,715	25,003	3,347	52	263	703
<b>II. Fixed assets</b>		10,660	41,391	797	7,383	11,675	1,828
Tangible fixed assets		7,144	362	17	253	496	342
Land		-	75	-	-	-	20
Other tangible fixed assets (property etc.)		7,144	287	17	253	496	321
Intangible fixed assets		894	327	7	5	-	5
Investments etc.		2,621	40,701	773	7,125	11,178	1,480
Long-term loan		-	-	-	10	-	0
Funds		-	36,724	-	2,893	748	161
Other investments etc.		2,621	3,977	773	4,221	10,430	1,318
<b>III. Deferred assets</b>		-	-	-	-	-	-
<b>Total assets</b>		<b>21,001</b>	<b>68,234</b>	<b>5,470</b>	<b>8,191</b>	<b>16,007</b>	<b>3,542</b>
(Liabilities)							
<b>I. Current liabilities</b>		8,130	62,982	4,674	696	4,162	1,410
<b>II. Fixed liabilities</b>		9,678	847	245	632	9,863	64
Long-term borrowing		-	-	-	562	-	-
Other fixed liabilities		9,678	847	245	70	9,863	64
<b>III. Deferred revenues</b>		-	-	-	-	-	-
<b>Total liabilities</b>		<b>17,809</b>	<b>63,829</b>	<b>4,920</b>	<b>1,328</b>	<b>14,026</b>	<b>1,475</b>
(Net assets)							
<b>Total net assets</b>		<b>3,192</b>	<b>4,404</b>	<b>550</b>	<b>6,862</b>	<b>1,981</b>	<b>2,066</b>
(of which are changes in the current period)		(140)	60	(7)	(339)	97	153
<b>Total liabilities and net assets</b>		<b>21,001</b>	<b>68,234</b>	<b>5,470</b>	<b>8,191</b>	<b>16,007</b>	<b>3,542</b>

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		161/2,839	39/245	23/125	134/177	18/107	109/329

\* 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, 2018, number of employees is as of 1 August, 2017

(in million yen)

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

Statement of Changes in Net Assets					
<b>(Changes in unrestricted net assets)</b>					
<b>Current increase (decrease) for the current period</b>	(1)=a-b	302	335	10	1,799
Current revenues	a	15,045	12,858	2,385	188,310
Current expenses	b	14,743	12,522	2,374	186,507
<b>Nonrecurring increase (decrease) for the current period</b>	(2) = c-d	(30)	(6)	(3)	132
Nonrecurring revenues	c	-	15	-	227
Nonrecurring expenses	d	30	22	3	94
Corporation tax etc.	(3)	73	121	21	484
<b>Total changes in unrestricted net assets for the current period</b>	(4)=(1)+(2)-(3)	198	207	(13)	1,447
Unrestricted net assets at the beginning of the current period	(5)	4,026	9,556	1,835	98,825
Unrestricted net assets at the end of the current period	(6)=(4)+(5)	4,224	9,764	1,821	100,273
<b>(Changes in restricted net assets)</b>					
Total changes in restricted net assets for the current period	(7)	18	-	3	(4)
Restricted net assets at the beginning of the current period	(8)	2,867	1	498	28,288
Restricted net assets at the end of the current period	(9)=(7)+(8)	2,885	1	502	28,283
<b>Net assets at the end of fiscal year</b>	(6)+(9)	<b>7,110</b>	<b>9,765</b>	<b>2,323</b>	<b>128,556</b>

Balance Sheet					
<b>(Assets)</b>					
<b>I. Current assets</b>		5,366	13,028	984	107,072
Cash and deposits		3,649	11,506	846	45,323
Other current assets		1,717	1,522	137	61,748
<b>II. Fixed assets</b>		4,757	6,273	1,572	219,186
Tangible fixed assets		486	2,488	14	15,356
Land		-	1,043	-	1,869
Other tangible fixed assets (property etc.)		486	1,444	14	13,486
Intangible fixed assets		35	36	54	1,876
Investments etc.		4,235	3,748	1,504	201,953
Long-term loan		-	1	-	919
Funds		-	-	-	42,282
Other investments etc.		4,235	3,747	1,504	158,751
<b>III. Deferred assets</b>		-	-	-	-
<b>Total assets</b>		<b>10,123</b>	<b>19,302</b>	<b>2,556</b>	<b>326,259</b>
<b>(Liabilities)</b>					
<b>I. Current liabilities</b>		2,670	8,892	164	112,240
<b>II. Fixed liabilities</b>		343	644	68	85,462
Long-term borrowing		-	-	-	2,919
Other fixed liabilities		343	644	68	82,542
<b>III. Deferred revenues</b>		-	-	-	-
<b>Total liabilities</b>		<b>3,013</b>	<b>9,536</b>	<b>233</b>	<b>197,702</b>
<b>(Net assets)</b>					
<b>Total net assets</b>		<b>7,110</b>	<b>9,765</b>	<b>2,323</b>	<b>128,556</b>
(of which are changes in the current period)		216	207	(10)	1,443
<b>Total liabilities and net assets</b>		<b>10,123</b>	<b>19,302</b>	<b>2,556</b>	<b>326,259</b>

Current status of metropolitan government's involvement			
Investment ratio (%)	14.5	0.2	16.3
Number of metropolitan government contract employees/ Number of permanent employees	59/604	31/447	13/64

\* 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, 2018, number of employees is as of 1 August, 2017

### [3-2] Administrative 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	1,219	1,219
Service revenues	a	9,475	9,475
Service expenses	b	8,256	8,256
Changes in non-service balance	(2)=c-d	23	23
Non-service revenues	c	95	95
Non-service expenses	d	72	72
Changes in ordinary balance	(1)+(2)	1,242	1,242
Changes in extraordinary balance	(3)=e-f	(578)	(578)
Extraordinary revenues	e	2,314	2,314
Extraordinary expenses	f	2,893	2,893
Changes in balance for current period	(4)=(1)+(2)+(3)	663	663
Changes in balance carried forward from previous period	(5)	1,860	1,860
Changes in balance carried forward from current period	€ (6)=(4)+(5)	2,523	2,523
Withdrawals from funds	(7)	-	-
Withdrawals from other reserves	(8)	962	962
Other funds reserved	(9)	1,456	1,456
<b>Changes in balance carried forward to next period</b>	<b>(6)+(7)+(8)-(9)</b>	<b>2,029</b>	<b>2,029</b>

Balance Sheet			
<b>(Assets)</b>			
<b>I. Current assets</b>		2,581	2,581
Cash and deposits		2,446	2,446
Other current assets		134	134
<b>II. Fixed assets</b>		6,991	6,991
Tangible fixed assets		3,675	3,675
Land		-	-
Other tangible fixed assets (property etc.)		3,675	3,675
Intangible fixed assets		2	2
Investments etc.		3,312	3,312
Long-term loan		0	0
Funds		-	-
Other investments etc.		3,312	3,312
<b>III. Deferred assets</b>		-	-
<b>Total assets</b>		<b>9,572</b>	<b>9,572</b>
<b>(Liabilities)</b>			
<b>I. Current liabilities</b>		806	806
<b>II. Fixed liabilities</b>		731	731
Long-term borrowing		294	294
Other fixed liabilities		436	436
<b>III. Deferred revenues</b>		-	-
<b>Total liabilities</b>		<b>1,537</b>	<b>1,537</b>
<b>(Net assets)</b>			
<b>Total net assets</b>		<b>8,034</b>	<b>8,034</b>
(of which are changes in the current period)		3,522	3,522
<b>Total liabilities and net assets</b>		<b>9,572</b>	<b>9,572</b>

Current status of metropolitan government's involvement	
Investment ratio (%)	100
Number of metropolitan government contract employees/ Number of permanent employees	363/968

\* The investment ratio is calculated as of 31 March, 2018, number of employees is as of 1 August, 2017

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

(in million yen)

		Tokyo Metropolitan Housing Supply Corporation F1	(Simple Total) (F)
<b>Profit and Loss Statement</b>			
<b>Operating profit</b>	(1)=a-b	8,945	8,945
<b>Operating revenues</b>	a	134,805	134,805
<b>Operating expenses</b>	b	125,860	125,860
Operating costs		124,403	124,403
Administrative expenses		1,456	1,456
<b>Non-operating profit</b>	(2) = c-d	(320)	(320)
<b>Non-operating revenues</b>	c	312	312
<b>Non-operating expenses</b>	d	632	632
<b>Current balance</b>	(1)+(2)	8,625	8,625
<b>Special profit</b>	(3)=e-f	(247)	(247)
<b>Special revenues</b>	e	96	96
<b>Special expenses</b>	f	343	343
<b>Pre-reserve profit under special laws</b>	(1)+(2)+(3)	<b>8,377</b>	<b>8,377</b>

<b>Balance Sheet</b>			
<b>(Assets)</b>			
<b>I. Current assets</b>		60,969	60,969
<b>Cash and deposits</b>		38,105	38,105
<b>Other current assets</b>		22,864	22,864
<b>II. Fixed assets</b>		1,184,874	1,184,874
<b>Tangible fixed assets</b>		1,179,925	1,179,925
Land		1,037	1,037
Other tangible fixed assets (property etc.)		1,178,887	1,178,887
<b>Intangible fixed assets</b>		1,237	1,237
<b>Investments etc.</b>		3,711	3,711
Long-term loan		-	-
Funds		-	-
Other investments etc.		3,711	3,711
<b>III. Deferred assets</b>		-	-
<b>Total assets</b>		<b>1,245,844</b>	<b>1,245,844</b>
<b>(Liabilities)</b>			
<b>I. Current liabilities</b>		54,203	54,203
<b>II. Fixed liabilities</b>		773,774	773,774
<b>Long-term borrowing</b>		629,525	629,525
<b>Other fixed liabilities</b>		144,249	144,249
<b>III. Deferred revenues</b>		-	-
<b>Total liabilities</b>		<b>827,978</b>	<b>827,978</b>
<b>(Capital)</b>			
<b>Total capital</b>		<b>417,865</b>	<b>417,865</b>
(of which are changes in the current period)		8,377	8,377
<b>Total liabilities and capital</b>		<b>1,245,844</b>	<b>1,245,844</b>

<b>Current status of metropolitan government's involvement</b>	
Investment ratio (%)	100
Number of metropolitan government contract employees/ Number of permanent employees	7/599

\* The investment ratio is calculated as of 31 March, 2018, number of employees is as of 1 August, 2017

#### [4] Administrative Bodies (limited corporations)

(in million yen)

		Tokyo Stadium G1	Tokyo Tama Intercity Monorail Co., Ltd. G2	Tokyo Water Front Area Rapid Transit, Inc G3	Tama New Town Development Center G4	Tokyo International Forum G5	TOKYO RINKAI HOLDINGS Co., Ltd G6
<b>Profit and Loss Statement</b>							
<b>Operating profit</b>	(1)=a-b	129	1,934	5,733	421	(33)	17,618
<b>Operating revenues</b>	a	1,536	8,705	20,888	1,591	7,237	72,095
<b>Operating expenses</b>	b	1,407	6,770	15,155	1,169	7,270	54,476
Operating costs		1,068	4,116	6,140	1,041	5,698	50,253
Sales and administrative expenses		339	2,654	9,015	128	1,572	4,223
<b>Non-operating profit</b>	(2)=c-d	19	(184)	(1,182)	0	28	(1,679)
<b>Non-operating revenues</b>	c	19	114	36	1	30	272
<b>Non-operating expenses</b>	d	0	299	1,219	0	1	1,951
<b>Current balance</b>	(1)+(2)	149	1,749	4,550	422	(4)	15,938
<b>Special profit</b>	(3)=e-f	-	-	(60)	(2)	(43)	(247)
<b>Special revenues</b>	e	-	-	91	-	11	221
<b>Special expenses</b>	f	-	-	152	2	55	468
<b>Corporation tax etc.</b>	(4)	46	665	1,392	129	(25)	4,926
<b>Net profit for the current period</b>	(1)+(2)+(3)-(4)	<b>103</b>	<b>1,084</b>	<b>3,097</b>	<b>289</b>	<b>(23)</b>	<b>10,765</b>
<b>Balance Sheet</b>							
<b>(Assets)</b>							
<b>I. Current assets</b>		5,714	12,444	16,090	3,037	5,289	67,423
<b>Cash and deposits</b>		5,404	8,411	6,404	2,891	4,692	46,051
<b>Other current assets</b>		310	4,033	9,685	145	597	21,371
<b>II. Fixed assets</b>		4,517	61,854	210,130	7,510	2,105	314,886
<b>Tangible fixed assets</b>		456	61,515	186,244	7,509	811	273,710
Land		-	30,131	13,012	3,705	-	64,249
Other tangible fixed assets (property etc.)		456	31,383	173,232	3,804	811	209,461
<b>Intangible fixed assets</b>		2,746	13	14,399	0	95	20,896
<b>Investments etc.</b>		1,314	325	9,485	0	1,198	20,279
Long-term loan		-	-	-	-	-	-
Funds		-	-	-	-	-	-
Other investments etc.		1,314	325	9,485	0	1,198	20,279
<b>III. Deferred assets</b>		-	-	-	-	-	-
<b>Total assets</b>		<b>10,232</b>	<b>74,299</b>	<b>226,220</b>	<b>10,547</b>	<b>7,394</b>	<b>382,309</b>
<b>(Liabilities)</b>							
<b>I. Current liabilities</b>		571	7,143	17,830	666	2,195	31,146
<b>II. Fixed liabilities</b>		184	34,050	124,153	5,271	739	123,121
<b>Long-term borrowing</b>		-	33,611	5,268	-	-	95,592
<b>Other fixed liabilities</b>		184	439	118,884	5,271	739	27,529
<b>III. Deferred revenues</b>		-	-	-	-	-	-
<b>Total liabilities</b>		<b>755</b>	<b>41,193</b>	<b>141,983</b>	<b>5,937</b>	<b>2,934</b>	<b>154,268</b>
<b>(Net assets)</b>							
<b>Total net assets</b>		<b>9,476</b>	<b>33,106</b>	<b>84,237</b>	<b>4,609</b>	<b>4,459</b>	<b>228,041</b>
(of which are changes in the current period)		103	1,084	3,097	289	(37)	10,737
<b>Total liabilities and net assets</b>		<b>10,232</b>	<b>74,299</b>	<b>226,220</b>	<b>10,547</b>	<b>7,394</b>	<b>382,309</b>

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

<b>Current status of metropolitan government's involvement</b>						
<b>Investment ratio (%)</b>	36.3	79.9	91.3	51.2	51.0	85.1
<b>Number of metropolitan government contract employees/ Number of permanent employees</b>	8/18	11/226	19/285	2/6	7/60	65/565

\*1 The Investment ratio is calculated as of 31 March, 2018, number of employees is as of 1 August, 2017.

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

(in million yen)

Tokyo Kotsu Service Co., Ltd. G7	Waterworks Services Co., Ltd. G8	PUC Co., Ltd. G9	Tokyo Metropolitan Sewerage Service Corporation G10	(Simple Total) (G)
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<b>Profit and Loss Statement</b>						
<b>Operating profit</b>	(1)=a-b	182	178	86	2,387	28,637
<b>Operating revenues</b>	a	6,596	16,133	12,035	24,948	171,768
<b>Operating expenses</b>	b	6,413	15,955	11,949	22,561	143,131
Operating costs		6,085	14,946	11,073	21,542	121,964
Sales and administrative expenses		328	1,009	875	1,019	21,166
<b>Non-operating profit</b>	(2)=c-d	13	26	7	9	(2,940)
<b>Non-operating revenues</b>	c	14	65	29	40	625
<b>Non-operating expenses</b>	d	0	38	21	31	3,566
<b>Current balance</b>	(1)+(2)	195	205	93	2,397	25,697
<b>Special profit</b>	(3)=e-f	-	-	(3)	(13)	(371)
<b>Special revenues</b>	e	-	-	-	-	324
<b>Special expenses</b>	f	-	-	3	13	696
<b>Corporation tax etc.</b>	(4)	63	84	31	829	8,144
<b>Net profit for the current period</b>	(1)+(2)+(3)-(4)	<b>132</b>	<b>120</b>	<b>58</b>	<b>1,553</b>	<b>17,181</b>

<b>Balance Sheet</b>						
<b>(Assets)</b>						
<b>I. Current assets</b>		1,670	4,810	4,684	14,745	135,911
<b>Cash and deposits</b>		409	1,572	2,244	7,391	85,474
<b>Other current assets</b>		1,261	3,237	2,440	7,354	50,437
<b>II. Fixed assets</b>		856	2,522	3,864	2,029	610,277
<b>Tangible fixed assets</b>		66	1,164	2,255	1,280	535,014
Land		-	229	-	-	111,327
Other tangible fixed assets (property etc.)		66	934	2,255	1,280	423,687
<b>Intangible fixed assets</b>		24	451	179	371	39,179
<b>Investments etc.</b>		765	907	1,429	376	36,082
Long-term loan		-	-	0	-	0
Funds		-	-	-	-	-
Other investments etc.		765	907	1,428	376	36,082
<b>III. Deferred assets</b>		-	-	-	-	-
<b>Total assets</b>		<b>2,527</b>	<b>7,333</b>	<b>8,548</b>	<b>16,774</b>	<b>746,188</b>
<b>(Liabilities)</b>						
<b>I. Current liabilities</b>		864	1,846	1,757	5,874	69,896
<b>II. Fixed liabilities</b>		227	1,223	3,419	569	292,961
Long-term borrowing		-	-	-	-	134,472
Other fixed liabilities		227	1,223	3,419	569	158,488
<b>III. Deferred revenue</b>		-	-	-	-	-
<b>Total liabilities</b>		<b>1,092</b>	<b>3,070</b>	<b>5,177</b>	<b>6,444</b>	<b>362,857</b>
<b>(Net assets)</b>						
<b>Total net assets</b>		<b>1,434</b>	<b>4,263</b>	<b>3,371</b>	<b>10,329</b>	<b>383,330</b>
(of which are changes in the current period)		123	119	58	1,548	17,123
<b>Total liabilities and net assets</b>		<b>2,527</b>	<b>7,333</b>	<b>8,548</b>	<b>16,774</b>	<b>746,188</b>

<b>Current status of metropolitan government's involvement</b>				
Investment ratio (%)	100	51.0	84.5	50.0
Number of metropolitan government contract employees/ Number of permanent employees	20/245	44/1,341	36/622	237/783

\* The investment ratio is calculated as of 31 March, 2018, number of employees is as of 1 August, 2017.

## [5] Local Independent Administrative Corporations

(in million yen)

	Tokyo Metropolitan University H1	Tokyo Metropolitan Industrial Technology Research Institute H2	Tokyo Metropolitan Gaikokyo 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
<b>Profit and Loss Statement</b>							
<b>Operating balance</b>	(1)=a-b	(1,370)	(1,004)	(646)	(3,021)		
<b>Operating revenues</b>	a	25,099	6,543	18,989	50,632		
<b>Operating expenses</b>	b	26,469	7,547	19,636	53,653		
Operating costs		24,601	4,597	18,879	48,078		
Administrative expenses		1,867	2,950	756	5,574		
<b>Non-operating balance</b>	(2)=c-d	1,884	1,218	115	3,218		
<b>Non-operating revenues</b>	c	1,927	1,220	115	3,263		
<b>Non-operating expenses</b>	d	42	2	-	44		
<b>Current balance</b>	(1)+(2)	514	213	(531)	197		
<b>Special balance</b>	(3)=e-f	(140)	-	599	458		
<b>Special revenues</b>	e	5	16	810	832		
<b>Special expenses</b>	f	145	16	210	373		
<b>Net profit for the current period</b>	(4)=(1)+(2)+(3)	374	213	68	656		
<b>Retained profit brought forward</b>	(5)	229	-	-	229		
<b>Unappropriated revenues for the current period</b>	(4)+(5)	<b>603</b>	<b>213</b>	<b>68</b>	<b>885</b>		
<b>Balance Sheet</b>							
<b>(Assets)</b>							
<b>I. Current assets</b>		4,524	3,107	9,730	17,362	3,193,104	3,193,104
<b>Cash and deposits</b>		1,921	2,914	7,287	12,123	1,602,406	1,602,406
<b>Other current assets</b>		2,603	193	2,442	5,239	1,590,698	1,590,698
<b>II. Fixed assets</b>		153,129	30,081	32,138	215,349	47,130,170	44,802,327
<b>Tangible fixed assets</b>		147,400	29,756	31,804	208,962	38,620,358	38,620,358
Land		86,035	14,200	15,039	115,274	20,642,413	20,642,413
Other tangible fixed assets (property etc.)		61,365	15,556	16,765	93,687	17,977,945	17,977,945
<b>Intangible fixed assets</b>		246	175	287	709	118,641	118,641
<b>Investments etc.</b>		5,482	148	46	5,677	8,391,170	6,063,327
Long-term loan		-	-	22	22	1,159,313	1,159,313
Funds		-	-	-	-	3,661,067	3,661,067
Other investments etc.		5,482	148	24	5,655	3,570,789	1,242,947
<b>III. Deferred assets</b>		-	-	-	-	82	82
<b>Total assets</b>		<b>157,654</b>	<b>33,188</b>	<b>41,869</b>	<b>232,712</b>	<b>50,323,356</b>	<b>47,995,514</b>
<b>(Liabilities)</b>							
<b>I. Current liabilities</b>		5,663	2,303	3,476	11,443	1,297,057	1,297,057
<b>II. Fixed liabilities</b>		13,638	4,840	16,144	34,623	10,823,981	10,823,981
<b>Long-term borrowing</b>		-	-	13,546	13,546	9,025,120	9,025,120
<b>Other fixed liabilities</b>		13,638	4,840	2,598	21,077	1,798,860	1,798,860
<b>III. Deferred revenues</b>		-	-	-	-	2,238,335	2,238,335
<b>Total liabilities</b>		<b>19,301</b>	<b>7,144</b>	<b>19,621</b>	<b>46,067</b>	<b>14,359,374</b>	<b>14,359,374</b>
<b>(Capital)</b>							
<b>Total capital</b>		<b>138,352</b>	<b>26,044</b>	<b>22,247</b>	<b>186,645</b>	<b>35,963,982</b>	<b>33,636,139</b>
(of which are changes in the current period)		2,414	(499)	120	2,035	1,042,748	1,042,748
<b>Total liabilities and capital</b>		<b>157,654</b>	<b>33,188</b>	<b>41,869</b>	<b>232,712</b>	<b>50,323,356</b>	<b>47,995,514</b>

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

Year-to-date  
(From April 1, 2017, to March 31, 2018)

### (Accounting Policy)

#### 1. Scope

The results and statements contained herein cover all accounting for the Tokyo Metropolitan Government (the ordinary account, the "Special Accounts," and the public enterprise accounts), as well as administrative bodies supervised by the Tokyo Metropolitan Government and local independent administrative corporations, with both groupings being displayed.

##### (1) Ordinary Account

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

##### (2) "Special Accounts"

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

Slaughterhouse  
Metropolitan Public Housing Tenants Security Deposit

##### (3) Public Enterprise Accounts

The following 11 accounts are classified as public enterprise accounts

Hospitals  
Central Wholesale Market  
Urban Redevelopment Project  
Waterfront Area Development Project  
Port and Harbor Project  
Transportation  
Urban Rapid Transit Railway  
Electric Power  
Waterworks  
Industrial Waterworks  
Sewerage

##### (4) Administrative Bodies Supervised by Tokyo Metropolitan Government

These bodies are organizations in which the Tokyo Metropolitan Government provides investment and financial backing, provides continued financial spending or physical support, and which require supervision by the Tokyo Metropolitan Government. All of the 33 applicable bodies are regarded as 100% wholly owned by the Tokyo Metropolitan Government.

- i) Limited corporations (10 bodies) (Numbers in parentheses indicate the portion held)  
Tokyo Stadium (36.3%); Tokyo Tama Intercity Monorail Co., Ltd. (79.9%); Tokyo Waterfront Area Rapid Transport, Inc. (91.3%); Tama New Town Development Center (51.2%); Tokyo International Forum Co., Ltd. (51.0%); Tokyo Rinkai Holdings (85.1%)\*<sup>1</sup>; Tokyo Kotsu Service Co., Ltd. (100%); Tokyo Waterworks Service Co., Ltd. (51.0%); PUC Co., Ltd. (84.5%); Tokyo Metropolitan Sewerage Service Corporation (50.0%).

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

Year-to-date (From April 1, 2017, to March 31, 2018)	
<p>ii) Public interest corporations (23 Bodies)</p> <p>Tokyo Metropolitan Human Rights Promotion Center; Tokyo Metropolitan Islands Promotion Corporation; Tokyo Tax Association; Tokyo Metropolitan Foundation for History and Culture; Tokyo Metropolitan Symphony Orchestra; Tokyo Sport Benefits Corporation; Tokyo Marathon Foundation; Tokyo Urban Planning and Development Corporation; Tokyo Metropolitan Housing Supply Corporation; Tokyo Environmental Public Service Corporation; Tokyo Metropolitan Foundation for Social Welfare and Public Health; Tokyo Metropolitan Organization for Medical Research; Johoku Labor and Welfare Center; Tokyo Metropolitan Social Welfare Services Corporation; Tokyo Metropolitan Health and Medical Treatment Corporation; Tokyo Metropolitan Small and Medium Enterprise Support Center; Tokyo Foundation for Employment Services; Tokyo Development Foundation For Agriculture, Forestry &amp; Fisheries; Tokyo Convention and Visitors Bureau; Tokyo Zoological Park Society; Tokyo Metropolitan Park Association; Tokyo Metropolitan Public Corporation for Road Improvement and Management; Tokyo Emergency First-Aid Association.</p> <p>(5) Local Independent Administrative Corporations</p> <p>Three organizations below established by TMG based on Local Independent Administrative Corporations Law</p> <ul style="list-style-type: none"> <li>Tokyo Metropolitan University</li> <li>Tokyo Metropolitan Industrial Technology Research Institute</li> <li>Tokyo Metropolitan Geriatric Hospital and Institute of Gerontology</li> </ul>	
<p>2. Base Date</p> <p>The base date for this statement shall be taken as being March 31, 2018, although for the ordinary account and the "Special Accounts" these will also include all account deposits and withdrawals during the period between April 1, 2018, and May 31, 2018 (the settlement period).</p>	
<p>3. Adjustment between Investment and Capital</p> <p>The total amount of any investment in the ordinary account and provision for capital in the public enterprise accounts, as well as investment securities in the ordinary account and self-capitalization of limited corporations (inherent capital) shall be offset.</p>	
<p>4. Offset between Credits and Debt</p> <p>Although any overlap, credits, and debts are eliminated from the ordinary account, there has been no elimination of offsetting of any overlaps, credits, debts, revenues, or expenses between the ordinary account and the non-ordinary accounts, and between other non-ordinary accounts.</p>	
<p>5. Revision of Individual Financial Statements</p> <p>Debenture capital in the public enterprise accounts moved from net assets to liabilities, owned capital (inherent capital, incorporated capital) moved to surplus.</p>	
<p>6. 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>7. Inventory Valuation Method and Benchmarks</p> <p>Inventory assets in public enterprise accounts are calculated mainly using the cost method determined by the moving-average method.</p> <p>Inventory assets in administrative bodies supervised by Tokyo Metropolitan Government are calculated mainly using the cost method determined by the first-in, first-out method.</p>	

Year-to-date  
(From April 1, 2017, to March 31, 2018)

8. Method Used for Fixed Asset Depreciation

In the ordinary account and the "Special Accounts", tangible fixed assets within administrative assets, ordinary assets and leased assets are depreciated on a straight-line basis according to the service life and the residual value rate in the "Tokyo Metropolitan Government Guidelines for Processing Ledgers Related to Public Property". Tangible fixed assets within infrastructure assets are depreciated on a straight line basis according to the service life and the residual value rate in the "Tokyo Metropolitan Government Guideline for Processing Ledgers Related to Public Property" and the "Tokyo Metropolitan Government Bureau of Construction Infrastructure Asset Control Standards". The paving of roads, defined as replacement assets by the "Tokyo Metropolitan Government Bureau of Construction Infrastructure Asset Control Standards", however, is subject to adoption of a processing method that treats spending required for partial road replacement as actual expenses. Important property is depreciated on a straight line basis according to the service life in the "Service Life Benchmarks for Important Property." 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 administrative bodies supervised by the Tokyo Metropolitan Government, they adopt a straight line basis according to the ordinance of Ministry of Finance.

9. Investment Securities Valuation Method and Benchmarks

In both the ordinary account and the "Special Accounts", investments securities are calculated based upon their acquisition price. For items that have a markedly decreased actual cash value or real value, however, these are calculated using the reduced value.

For public enterprise accounts, bonds held to maturity are calculated using the amortized cost method, while other securities are calculated using the cost method determined by the specific identification method and moving-average method.

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

10. Accounting Standards for Reserve Allowances

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

(1) Reserve for deficit due to non-payment

In both the ordinary account and the "Special Accounts", since there is a possibility that some of the metropolitan taxes, usage charges, and other outstanding revenues may lead to a deficit due to non-payment as a result of the extinctive prescription, the reserve for deficit due to non-payment is recorded as an amount gained by calculating the possible percentage, by using the liquidation status of such outstanding revenues, the composition of finances of the counterparty, and the metropolitan government's previous deficit due to non-payment over the past three years, and multiplying it by the amount of outstanding revenues as of the end of fiscal year.

(2) Bad debt reserve

In both the ordinary account and the "Special Accounts", since there is a possibility that some of the metropolitan government's loans may lead to an exemption or a reduction of repayment, the bad debt reserve is recorded as an amount gained by calculating the possible percentage, by using the liquidation status of such loans, the composition of finances of the counterparty and the reduction of such loans based on exemptions etc. over the past three years, and multiplying it by the amount of the metropolitan government's loans as of the end of fiscal year.

In preparation for losses to administrative bodies due to bad debt, in addition to the ceiling provided by the tax law as stipulated by the corporation tax law, the amount of the estimate of the unrecoverable individual debt is to be appropriated.

Year-to-date  
**(From April 1, 2017, to March 31, 2018)**

- (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 FY2017
Ordinary account	3,935.5
“Special Accounts”	9.3
Public enterprise accounts	7,574.5
Limited corporations	433.3
Public interest corporations	314.4
Independent administrative corporations	83.6
Total	12,350.8

### 2. Expected Repayments of Outstanding Borrowings

(in billion yen)

Item	FY2018	From FY2019	Total
Ordinary account	352.0	5,507.9	5,859.9
“Special Accounts”	0.5	1.8	2.4
Public enterprise accounts	236.0	2,489.5	2,725.6
Limited corporations	13.4	134.4	147.9
Public interest corporations	50.7	623.1	673.9
Independent administrative corporations	0.7	13.1	13.9
Total	653.6	8,770.1	9,423.7

### 3. Assets Offered as Collateral

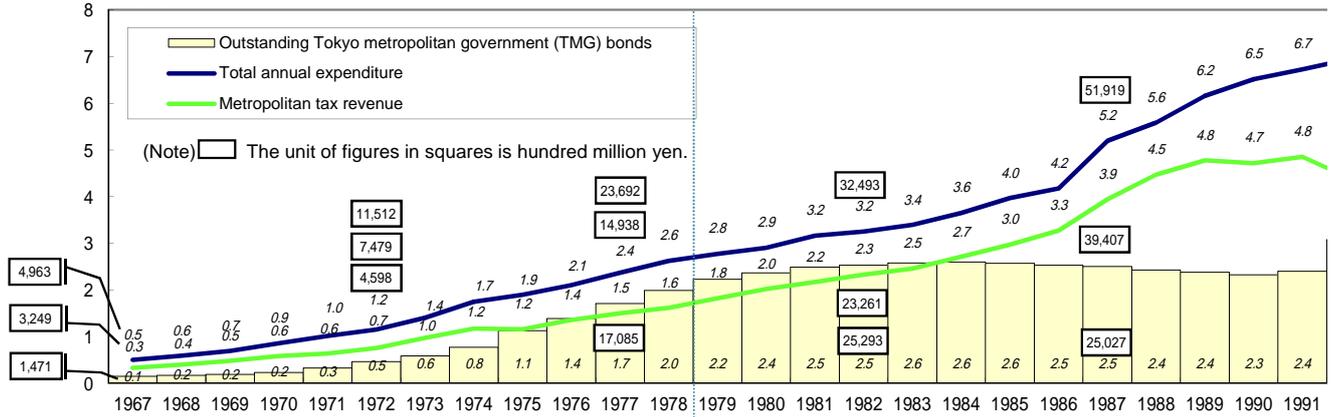
Of the assets of the limited corporations, a total value of 413.3 billion yen is offered as collateral.



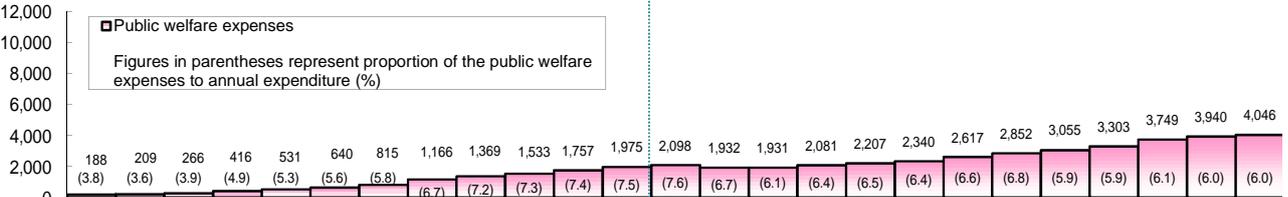
## **( Reference Tables )**

# Tokyo Metropolitan Government Financial chronological tables (Ordinary Account)

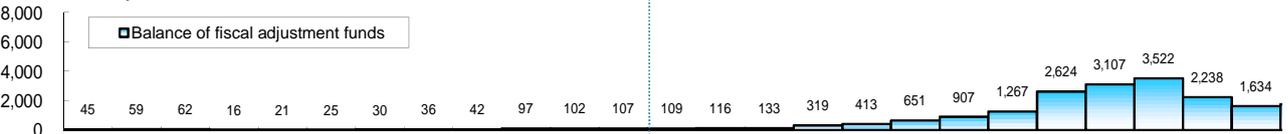
(in trillion yen)



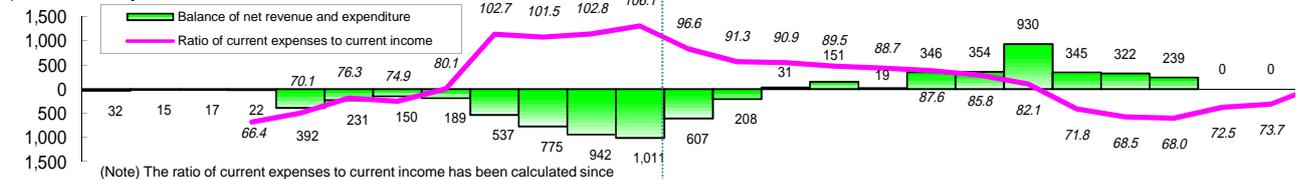
(in 100 million yen)



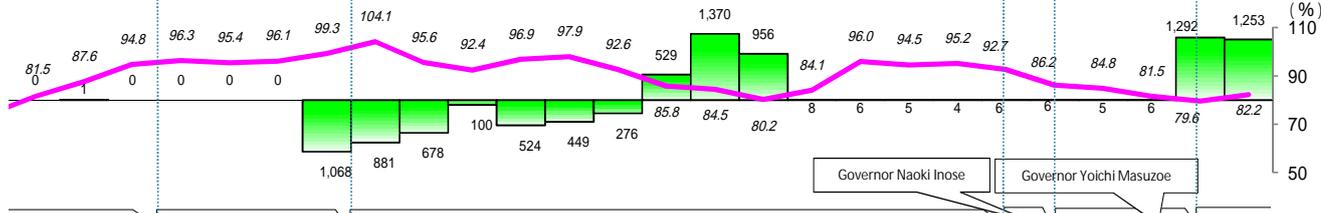
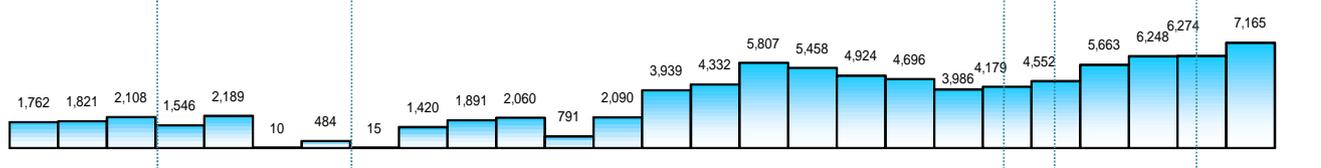
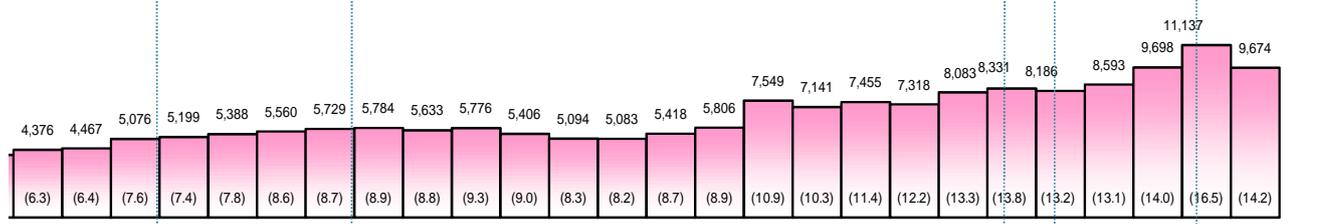
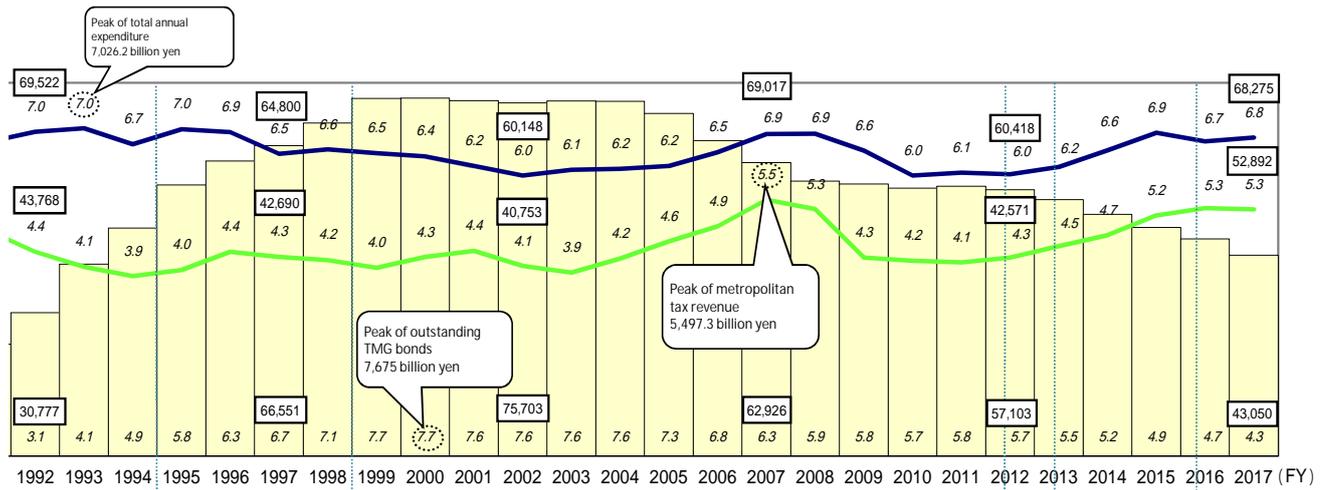
(in 100 million yen)



(in 100 million yen)



Fiscal year	Governor Ryokichi Minobe												Governor Shunichi Suzuki											
	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
Major events	Governor Minobe's metropolitan administration starts.																							
	The Ogasawara Islands returned to Japan (June)																							
	Nixon shock																							
	The racing business run by the Tokyo metropolitan government was abolished (March).																							
	Fistoli 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 Tokyo 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 the metropolitan government (106.1%).																							
	Fiscal 1978 budget: A skeleton budget compiled. / Second oil crisis 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)																							



1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017

In September, a supplementary budget compiled (response to the national government's emergency economic package).  
 Fiscal 1994 annual closing: Tax revenue decreased for the third consecutive year.  
 Governor Aoshima's metropolitan administration starts. A supplementary budget compiled (Measures for handling matters after cancellation of the world expo, etc.).  
 "Fiscal consolidation plan for the Tokyo Metropolis" formulated (November).  
 "Long-term Strategies for a Resident-Friendly Tokyo" formulated (February).  
 The consumption tax rate increased and local consumption tax introduced.  
 Fiscal 1998 annual closing: The largest deficit in the balance of net revenue and expenditure in the history of the Tokyo Metropolitan Government recorded (negative 106.8 billion yen).  
 Governor Ishihara's metropolitan administration starts. Fiscal Reconstruction Promotion Plan formulated (July).  
 Salaries for metropolitan officials reduced (until the end of fiscal 2001) / Responsibility of collection and disposal of garbage transferred to special wards.  
 All the residents in the Miyake Islands evacuated (September). "Tokyo vision 2000" formulated (December).  
 Announcement of "TMG Working Balance Sheet" started (April).  
 Salaries for metropolitan officials reduced (until the end of fiscal 2003).  
 "Second Fiscal Reconstruction Promotion Plan" formulated (October).  
 Tax levy on the basis of the size of business for enterprise taxes on corporates introduced.  
 The basis to prorata local enterprise taxes on corporates reviewed.  
 Fiscal 2005 annual closing: Balance of net revenue and expenditure swings back into the black.  
 Fiscal 2006 budget: First zero budget ceiling in 24 years.  
 "Guidelines for future fiscal administration" formulated (July) / "Tokyo's Big Change: The 10-Year Plan" formulated (December).  
 The Tokyo Metropolitan Government starts to disclose the annual financial report of the Tokyo Metropolis (September).  
 Tax revenue sources transferred in line with the trinity reform (from income tax to individual inhabitant tax).  
 In September, a supplementary budget compiled (implementation of emergency economic package) / Economic crisis triggered by the bankruptcy of Lehman Brothers (September).  
 "TMG emergency countermeasure II" formulated (October) - In December, a supplementary budget compiled.  
 Temporary measures for enterprise taxes on corporates adopted.  
 In June, a supplementary budget compiled (response to the national government's economic crisis measures).  
 The Great East Japan Earthquake occurs (March).  
 "Tokyo Emergency Measures 2011" formulated (May) - In June, a supplementary budget compiled.  
 "Tokyo Vision 2020" formulated (December) / Fiscal 2011 annual closing.  
 Tax revenue decreases for the fourth consecutive year for the first time in the history of the Tokyo Metropolitan Government.  
 In June, a supplementary budget compiled (social security and tax system's enacted (August)).  
 Governor Ise's metropolitan administration starts (December).  
 TMG led by Governor Masuzoe inaugurated (February).  
 Tokyo was announced as the host city of 2020 Olympic and Paralympic Games (September).  
 The consumption tax rate increased to 8% (April) and local corporate tax introduced.  
 "Long-Term Vision for Tokyo" formulated (December).  
 "Comprehensive Strategies for Tokyo" (November).  
 TMG led by Governor Koike inaugurated (August).  
 "New Tokyo, New Tomorrow: The Action Plan for 2020" formulated (December).  
 Introduction of a system for project proposals by Tokyo citizens and TMG employees.

Governor Yukio Aoshima  
 Governor Shintaro Ishihara  
 Governor Naoki Inose  
 Governor Yoichi Masuzoe  
 Governor Yuriko Koike