

Balance Sheet  
As of March 31, 2012

(Yen)

Item	Current fiscal year	Previous fiscal year	Change
<b>I. Assets</b>			
1. Current Assets			
Cash and Deposits	46,869,815	21,856,529	25,013,286
Prepayments	1,155	1,260	△105
Total Current Assets	46,870,970	21,857,789	25,013,181
2. Fixed Assets			
(1) Specified Assets			
Accumulated Assets for Operating Costs	38,000,000	52,810,000	△14,810,000
Assets for the Fund	500,000,000	500,000,000	0
Total specified assets	538,000,000	552,810,000	△14,810,000
(2) Other Fixed Assets			
Buildings	2,253,300	0	2,253,300
Cumulative depreciation of buildings (-)	△343,787	0	△343,787
Furniture, Fixtures and Equipment	1,720,315	1,008,480	711,835
Accumulated Depreciation of Furniture, Fixtures and Equipment (-)	△262,367	△88,220	△174,147
Software	3,372,854	0	3,372,854
Total Other Fixed Assets	6,740,315	920,260	5,820,055
Total Fixed Assets	544,740,315	553,730,260	△8,989,945
Total assets	591,611,285	575,588,049	16,023,236
<b>II. Liabilities</b>			
1. Current Liabilities			
Accounts Payable - Other	5,096,640	2,717,780	2,378,860
Lease Obligations	0	252,120	△252,120
Income Taxes Payable	70,000	35,000	35,000
Deposits Taken	44,444	161,119	△116,675
Allowance for Relocation Work Expenses	0	72,550,000	△72,550,000
Total Current Liabilities	5,211,084	75,716,019	△70,504,935
2. Long-term Liabilities			
Lease Obligations	0	668,140	△668,140
Allowance for Relocation Work Expenses	346,473	0	346,473
Total Long-term Liabilities	346,473	668,140	△321,667
Total Liabilities	5,557,557	76,384,159	△70,826,602
<b>III. Net Assets</b>			
1. Fund	500,000,000	500,000,000	0
(Amount allocated to Specified Assets)	(500,000,000)	(500,000,000)	(0)
2. Designated Net Assets	0	0	0
3. General Net Assets	86,053,728	△796,110	86,849,838
(Amount allocated to Specified Assets)	(38,000,000)	(52,810,000)	(△14,810,000)
Total Net Assets	586,053,728	499,203,890	86,849,838
Total Liabilities and Net Assets	591,611,285	575,588,049	16,023,236

Statement of Changes in Net Assets  
April 1, 2011 to March 31, 2012

(Yen)

Item	Current fiscal year	Previous fiscal year	Change
I. Changes in General Net Assets			
1. Changes in Ordinary Revenue and Expenses			
(1) Ordinary Revenue			
Membership Dues	450,887,850	229,006,550	221,881,300
(Expense Contributions)	(450,887,850)	(229,006,550)	(221,881,300)
Operating Expense Contributions	450,887,850	166,674,900	284,212,950
Employee Expense Contributions	0	62,331,650	△62,331,650
Enrollment Fees	55,776,000	55,450,500	325,500
Enrollment Fees	55,776,000	55,450,500	325,500
Revenue from Management of Specified Assets	89,852	92,483	△2,631
Interest Received from Specified Assets	89,852	92,483	△2,631
Miscellaneous Revenue	1,515,823	35,926	1,479,897
(Miscellaneous Revenue)	(1,515,823)	(35,926)	(1,479,897)
Interest Received	7,619	2,455	5,164
Miscellaneous Revenue	1,508,204	33,471	1,474,733
Total Ordinary Revenue	508,269,525	284,585,459	223,684,066
(2) Ordinary Expenses			
Operating Expenses	357,188,671	169,143,451	188,045,220
(Personnel Expenses)	(100,233,625)	(38,898,149)	(61,335,476)
Personnel Expenses	0	38,898,149	△38,898,149
Payroll allowance	94,786,820	0	94,786,820
Retirement benefit expenses	5,446,805	0	5,446,805
(Public Relations Expenses)	(5,477,325)	(4,821,582)	(655,743)
Public Relations Expenses	5,477,325	4,821,582	655,743
(Membership and Meeting Expenses)	(1,220,940)	(2,577,435)	(△1,356,495)
Membership Expenses	0	1,260,000	△1,260,000
Meeting Expenses	1,220,940	1,317,435	△96,495
(Business Expenses)	(27,442,229)	(2,641,426)	(24,800,803)
Travel and Transportation Expenses	706,920	1,096,498	△389,578
Communication and Transport Expenses	19,369,083	632,543	18,736,540
Printing and Binding Expenses	4,991,357	800,551	4,190,806
Consumable Supplies Expenses	2,142,340	31,878	2,110,462
Books and Newspaper Expenses	232,529	79,956	152,573
(Outsourcing Expenses)	(164,589,600)	(96,307,050)	(68,282,550)
Outsourcing Expenses	164,589,600	96,307,050	68,282,550
(Asset Management Expenses)	(6,757,648)	(1,308,590)	(5,449,058)
Rental Fees	1,955,666	1,220,370	735,296
Repair Costs	3,403,884	0	3,403,884
Depreciation	606,154	88,220	517,934
Software depreciation	445,471	0	445,471
Provision of Allowance for Relocation Work Expenses	346,473	0	346,473
(Manuscript and Speaking Fees)	(0)	(977,777)	(△977,777)
Manuscript and Speaking Fees	0	977,777	△977,777
(Taxes and Dues)	(18,200)	(124,400)	(△106,200)
Taxes and Dues	18,200	124,400	△106,200
(Miscellaneous Expenses)	(51,449,104)	(21,487,042)	(29,962,062)
Consultant Fees	0	20,370,542	△20,370,542
Miscellaneous stipends	48,381,201	0	48,381,201
Miscellaneous Expenses	3,067,903	1,116,500	1,951,403
Administrative Expenses	64,161,016	43,653,118	20,507,898
(Personnel Expenses)	(50,614,051)	(30,790,802)	(19,823,249)
Personnel Expenses	0	30,790,802	△30,790,802
Payroll allowance	47,113,501	0	47,113,501
Retirement benefit expenses	3,500,550	0	3,500,550
(Business Expenses)	(2,571,365)	(381,245)	(2,190,120)
Communication and Transport Expenses	1,017,721	142,028	875,693
Printing and Binding Expenses	69,930	82,530	△12,600
Consumable Supplies Expenses	1,483,714	156,687	1,327,027
(Outsourcing Expenses)	(0)	(5,910,450)	(△5,910,450)
Outsourcing Expenses	0	5,910,450	△5,910,450
(Asset Management Expenses)	(8,912,688)	(4,257,116)	(4,655,572)

Item	Current fiscal year	Previous fiscal year	Change
Rental Fees	8,906,632	4,218,325	4,688,307
Repair Costs	6,056	38,791	Δ32,735
(Taxes and Dues)	(40,600)	(259,600)	(Δ219,000)
Taxes and Dues	40,600	259,600	Δ219,000
(Miscellaneous Expenses)	(2,022,312)	(2,053,905)	(Δ31,593)
Training expenses	35,000	0	35,000
Consultant Fees	0	1,470,000	Δ1,470,000
Miscellaneous stipends	1,470,000	0	1,470,000
Miscellaneous Expenses	517,312	583,905	Δ66,593
Total Ordinary Expenses	421,349,687	212,796,569	208,553,118
Changes in Ordinary Expenses during the Current	86,919,838	71,788,890	15,130,948
2. Changes in Non-recurring Revenue and Expenses			
(1) Non-recurring Revenue			
Total Non-recurring Revenue	0	0	0
(2) Non-recurring Expenses			
Provision of Allowance for Relocation Work Expenses	0	72,550,000	Δ72,550,000
Provision of Allowance for Relocation Work Expenses	0	72,550,000	Δ72,550,000
Total Non-recurring Expenses	0	72,550,000	Δ72,550,000
Changes in Non-recurring Expenses during the Current	0	Δ72,550,000	72,550,000
Changes in General Net Assets during the Current	86,919,838	Δ761,110	87,680,948
Income Tax, Resident Tax, and Business Tax	70,000	35,000	35,000
Changes in General Net Assets during the Current	86,849,838	Δ796,110	87,645,948
Beginning Balance of Net Assets	Δ796,110	0	Δ796,110
Ending Balance of Net Assets	86,053,728	Δ796,110	86,849,838
II. Changes in Designated Net Assets			
Changes in Designated Assets during the Current	0	0	0
Beginning Balance of Designated Net Assets	0	0	0
Ending Balance of Designated Net Assets	0	0	0
III. Changes in Fund			
Fund Receipts	0	500,000,000	Δ500,000,000
Changes in the Fund during the Current Year	0	500,000,000	Δ500,000,000
Beginning Balance of Fund	500,000,000	0	500,000,000
Ending Balance of Fund	500,000,000	500,000,000	0
IV. Balance of Net Assets at Year End			
Balance of Net Assets at Year End	586,053,728	499,203,890	86,849,838

## Notes to Financial Statements

### 1. Important accounting policies

#### (1) Depreciation method for fixed assets

##### i. Buildings, structures, and furniture, fixtures and equipment

Declining-balance method

##### ii. Software

Straight-line method

##### iii. Leased assets (leased assets from finance lease transactions excluding those accompanied by a transfer of ownership)

The lease period is set as the service life and the straight-line method is used until the residual value reaches zero.

#### (2) Basis for accruing allowances

- Allowance for Relocation Work Expenses

The estimated costs required for removal work at the current Zengin Centers associated with the completion of the contract of the Zengin System (planned for November 2021), which commenced operations in November 2011, has been recorded equally over the period from start to finish of the contract.

#### (3) Accounting treatment of consumption tax, etc.

The tax inclusion method is used when accounting for consumption tax, etc

### 2. Changes in accounting methods

#### (Changes in labeling methods)

“Personnel expenses” from the previous fiscal year have been re-categorized into “Payroll allowance” and “Retirement benefit expenses” starting with the current fiscal year under review. In addition, “Manuscript and lecture expenses” and “Consulting fees” have been merged into the new category “Miscellaneous stipends” starting with the current fiscal year under review.

### 3. Change in specified assets and balances

Changes in specified assets and the respective balances are as follows:

(Yen)

Item	Balance at end of previous year	Increase in current year	Decrease in current year	Balance at end of current year
Specified Assets				
Accumulated Assets for Operating Costs	52,810,000	53,120,000	67,930,000	38,000,000
Assets for the Fund	500,000,000	0	0	500,000,000
Total	552,810,000	53,120,000	67,930,000	538,000,000

#### 4. Breakdown of source of specified assets

Specified assets are broken down as follows:

(Yen)

Item	Balance at end of current year	(Amount Allocated from the Fund)	(Amount Allocated from General Net Assets)	(Amount for liabilities)
Specified Assets				
Accumulated Assets for Operating Costs	38,000,000	—	38,000,000	—
Assets for the Fund	500,000,000	500,000,000	—	—
Total	538,000,000	500,000,000	38,000,000	—

#### 5. Marketable securities held as collateral

Marketable securities are held from member financial institutions as collateral in accordance with the Domestic Fund Transfer System. The market value of these securities at the end of the current year was 13,822,051,471,020 yen.

#### 6. Changes in fund and balances

Changes in the fund and the respective balances are as follows:

(Yen)

Item	Balance at end of previous year	Increase in current year	Decrease in current year	Balance at end of current year
Fund				
Fund	500,000,000	0	0	500,000,000
Total	500,000,000	0	0	500,000,000

#### 7. Details of transactions with related parties

Details of transactions with related parties are as follows:

##### (1) Related party

- i. Type: Controlled corporation
- ii. Name: Japanese Bankers Association
- iii. Address: Chiyoda-ku, Tokyo
- iv. Total assets: 20,105,193,026 yen (amount settled)
- v. Businesses: Economic organization
- vi. Ratio of voting rights: 100%
- vii. Details of relationship

Concurrent appointment of officers, etc.: Concurrent appointment of officers

Business relationship: Business process outsourcing

##### (2) Details of transactions, etc

Transaction	Transaction amount	Item	Balance at year end
administrative outsourcing expenses	157,906,350 yen (amount settled)	—	0

Note: The cost of administrative outsourcing expenses is determined based on all necessary expenses for the contract.