

# Statistics

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# 1. Overview

## (1) Commitments

### A. Commitments by Purpose of Financing

(Unit: billions of yen, %)

	FY2008			FY2009			FY2010			FY2011			FY2012		
	Number	Total	Share	Number	Total	Share	Number	Total	Share	Number	Total	Share	Number	Total	Share
<b>Loans</b>															
Export Loans	24	27.6	1	46	97.8	3	35	151.2	9	40	207.9	13	40	126.6	3
Shipping	—	—	—	10	11.1	0	14	38.6	2	20	62.6	4	15	23.0	1
Plant	24	27.6	1	36	86.7	3	21	112.5	6	20	145.3	9	25	103.6	2
Import Loans	2	15.4	1	1	8.2	0	1	169.5	10	3	172.6	11	4	304.3	7
Natural Resources	2	15.4	1	1	8.2	0	1	169.5	10	3	172.6	11	4	304.3	7
Overseas Investment Loans	149	1,816.5	67	134	2,193.7	65	60	710.3	40	84	962.0	60	157	3,138.5	74
Natural Resources	30	889.8	33	16	522.9	16	11	221.9	13	26	607.9	38	39	1,784.2	42
Others	119	926.7	34	118	1,670.8	50	49	488.3	28	58	354.0	22	118	1,354.3	32
Untied Loans	8	225.5	8	13	344.3	10	8	76.8	4	3	23.2	1	10	210.5	5
Bridge Loans	—	—	—	—	—	—	—	—	—	—	—	—	2	83.2	2
Sub Total	183	2,085.2	77	194	2,644.1	79	104	1,107.9	63	130	1,365.7	86	213	3,863.3	91
Guarantees	30	523.0	19	22	707.9	21	26	638.1	36	15	228.5	14	21	303.2	7
Equity Participations	5	85.6	3	5	13.0	0	3	19.8	1	1	1.5	0	8	74.3	2
<b>Total</b>	<b>218</b>	<b>2,693.9</b>	<b>100</b>	<b>221</b>	<b>3,365.1</b>	<b>100</b>	<b>133</b>	<b>1,765.9</b>	<b>100</b>	<b>146</b>	<b>1,595.9</b>	<b>100</b>	<b>242</b>	<b>4,240.9</b>	<b>100</b>

### B. Commitments by Region (Loans, Equity Participations and Guarantees)

(Unit: billions of yen, %)

	FY2008			FY2009			FY2010			FY2011			FY2012		
	Number	Total	Share	Number	Total	Share	Number	Total	Share	Number	Total	Share	Number	Total	Share
Asia	96	426.1	16	94	851.0	25	57	221.5	13	65	269.9	17	86	513.6	12
Oceania	18	256.0	10	5	175.4	5	1	8.3	0	12	170.4	11	17	1,005.7	24
Europe	23	606.3	23	35	518.3	15	9	62.4	4	15	216.6	14	33	660.6	16
The Middle East	8	210.0	8	3	102.6	3	11	409.3	23	8	232.4	15	12	305.9	7
Africa	6	113.5	4	3	25.7	1	3	66.3	4	3	3.3	0	7	84.3	2
North America	25	431.3	16	27	495.9	15	10	148.5	8	11	113.6	7	35	710.8	17
Latin America and the Caribbean	38	470.3	17	40	511.5	15	34	426.2	24	26	415.5	26	43	805.5	19
International Organizations, etc.	—	—	—	1	9.1	0	2	24.3	1	3	12.3	1	—	—	—
Others	4	180.1	7	13	675.1	20	6	398.7	23	3	161.5	10	9	154.2	4
<b>Total</b>	<b>218</b>	<b>2,693.9</b>	<b>100</b>	<b>221</b>	<b>3,365.1</b>	<b>100</b>	<b>133</b>	<b>1,765.9</b>	<b>100</b>	<b>146</b>	<b>1,595.9</b>	<b>100</b>	<b>242</b>	<b>4,240.9</b>	<b>100</b>

## (2) Disbursements

(Unit: billions of yen, %)

	FY2008		FY2009		FY2010		FY2011		FY2012	
	Total	Share	Total	Share	Total	Share	Total	Share	Total	Share
Loans										
Export Loans	54.4	2	43.8	1	73.6	4	73.9	5	143.1	5
Import Loans	216.8	10	159.9	5	72.3	3	212.2	15	162.7	6
Overseas Investment Loans	1,433.0	66	2,222.8	67	1,041.5	50	700.7	50	2,144.6	75
Untied Loans	80.7	4	186.7	6	104.4	5	103.2	7	52.2	2
Bridge Loans	—	—	—	—	—	—	—	—	79.7	3
Sub Total	1,785.0	82	2,613.4	78	1,292.0	62	1,090.2	77	2,582.5	90
Guarantees	366.3	17	703.4	21	777.0	37	310.8	22	270.6	9
Equity Participations	30.2	1	13.6	0	26.8	1	7.3	1	17.2	1
Total	2,181.7	100	3,330.4	100	2,095.8	100	1,408.4	100	2,870.4	100

## (3) Repayments

(Unit: billions of yen, %)

	FY2008		FY2009		FY2010		FY2011		FY2012	
	Total	Share	Total	Share	Total	Share	Total	Share	Total	Share
Loans										
Export Loans	125.1	9	119.9	10	152.5	12	125.3	8	112.4	7
Import Loans	69.1	5	60.0	5	197.3	16	252.4	15	147.4	10
Overseas Investment Loans	612.3	46	414.9	35	463.8	37	711.7	43	707.1	46
Untied Loans	285.9	21	242.4	20	204.9	16	192.4	12	161.6	11
Bridge Loans	—	—	—	—	—	—	—	—	79.7	5
Governmental Loans	2.6	0	2.6	0	2.4	0	3.1	0	2.9	0
Sub Total	1,095.2	82	839.9	71	1,021.0	81	1,285.2	78	1,211.3	79
Guarantees	239.8	18	343.9	29	236.7	19	362.6	22	318.1	21
Equity Participations	0.0	0	0.0	0	0.8	0	6.1	0	3.0	0
Total	1,335.0	100	1,183.9	100	1,258.6	100	1,653.9	100	1,532.4	100

(Note) Prepayments in FY2011 and 2012 amounted to ¥263.3 billion and ¥94.9 billion, respectively.

## (4) Outstandings

(Unit: billions of yen, %)

	FY2008		FY2009		FY2010		FY2011		FY2012	
	Total	Share	Total	Share	Total	Share	Total	Share	Total	Share
Loans										
Export Loans	901.1	10	808.2	7	698.5	6	642.9	6	710.3	5
Import Loans	715.5	8	793.2	7	630.5	6	584.4	6	630.2	5
Overseas Investment Loans	4,172.5	47	5,786.3	54	5,827.2	53	5,762.9	55	8,165.9	62
Untied Loans	1,406.5	16	1,333.9	12	1,183.7	11	1,086.3	10	1,035.8	8
Governmental Loans	54.3	1	51.9	0	54.3	0	45.6	0	42.6	0
Sub Total	7,250.1	81	8,773.8	81	8,394.4	77	8,122.3	77	10,585.1	81
Guarantees	1,650.3	18	1,977.0	18	2,443.2	22	2,378.3	22	2,400.6	18
Equity Participations	30.5	0	44.2	0	72.6	1	70.3	1	100.1	1
Total	8,931.0	100	10,795.1	100	10,910.3	100	10,571.0	100	13,086.0	100

## 2. Commitments

### (1) Export Loans by Industry

(Unit: billions of yen, %)

	FY2011			FY2012		
	Number	Total	Share	Number	Total	Share
Shipping	20	62.6	30	15	23.0	18
Road Vehicles and Other Transport Equipment	—	—	—	1	10.2	8
Electrical Machinery	10	19.3	9	6	18.5	15
Telecommunication Equipment	—	—	—	1	1.7	1
Textile Machines	—	—	—	4	36.5	29
Other Industrial Machinery and Equipment, etc.	6	104.1	50	12	30.8	24
Machine Tools and Processing Machinery	2	1.9	1	—	—	—
Chemical Facilities	1	49.6	24	1	4.7	4
Oil and Natural Gas Facilities	1	46.4	22	2	17.1	14
Iron and Non-ferrous Metals Manufacturing Facilities	2	6.1	3	4	5.5	4
Others	—	—	—	5	3.3	3
Others	4	21.7	10	1	5.6	4
<b>Total</b>	<b>40</b>	<b>207.9</b>	<b>100</b>	<b>40</b>	<b>126.6</b>	<b>100</b>

### (2) Natural Resource Loans by Item

(Unit: billions of yen, %)

	FY2011			FY2012		
	Number	Total	Share	Number	Total	Share
<b>Energy Resources</b>	<b>17</b>	<b>458.4</b>	<b>59</b>	<b>26</b>	<b>1,473.1</b>	<b>71</b>
Petroleum	2	55.3	7	6	337.2	16
Natural Gas	11	312.0	40	15	927.3	44
Coal	4	91.0	12	5	208.5	10
<b>Other Resources</b>	<b>10</b>	<b>228.1</b>	<b>29</b>	<b>14</b>	<b>576.2</b>	<b>28</b>
Iron Ore	—	—	—	1	102.9	5
Copper Ore and Concentrate	2	118.2	15	9	456.3	22
Lead and Zinc	1	7.4	1	—	—	—
Nickel	1	60.6	8	2	9.8	0
Aluminium and Bauxite	2	23.0	3	—	—	—
Mineral Phosphate	1	13.7	2	—	—	—
Salt	1	4.4	1	—	—	—
Wood, Wood Chips and Pulp	2	0.5	0	2	7.0	0
Others	2	93.9	12	3	39.1	2
<b>Total</b>	<b>29</b>	<b>780.5</b>	<b>100</b>	<b>43</b>	<b>2,088.5</b>	<b>100</b>

**(3) Overseas Investment Loans by Industry (Excluding Natural Resource Loans)**

(Unit: billions of yen, %)

	FY2011			FY2012		
	Number	Total	Share	Number	Total	Share
<b>Manufacturing Industry</b>	<b>42</b>	<b>101.3</b>	<b>29</b>	<b>45</b>	<b>166.0</b>	<b>12</b>
Food	—	—	—	4	56.9	4
Textiles	3	2.2	1	—	—	—
Lumber and Pulp	1	0.1	0	—	—	—
Chemicals	8	16.0	5	6	19.3	1
Ceramics, Stone and Clay	2	6.4	2	1	1.3	0
Iron and Non-ferrous Metal Products	7	27.6	8	6	16.8	1
Machinery	1	1.7	0	5	1.6	0
Electrical Machinery	2	3.6	1	—	—	—
Transport Equipment	11	40.7	12	13	55.0	4
Other Manufacturing Industries	7	2.7	1	10	14.8	1
<b>Construction</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>2.5</b>	<b>0</b>
<b>Electric, Gas and Heat Supply and Water Service</b>	<b>3</b>	<b>106.4</b>	<b>30</b>	<b>10</b>	<b>114.4</b>	<b>8</b>
<b>Telecommunications</b>	<b>1</b>	<b>4.8</b>	<b>1</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Transport and Postal Services</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>119.5</b>	<b>9</b>
<b>Commerce</b>	<b>1</b>	<b>0.4</b>	<b>0</b>	<b>2</b>	<b>6.3</b>	<b>0</b>
<b>Service Industry</b>	<b>2</b>	<b>12.0</b>	<b>3</b>	<b>5</b>	<b>412.4</b>	<b>30</b>
<b>Others (Note)</b>	<b>9</b>	<b>128.9</b>	<b>36</b>	<b>54</b>	<b>533.0</b>	<b>39</b>
<b>Total</b>	<b>58</b>	<b>354.0</b>	<b>100</b>	<b>118</b>	<b>1,354.3</b>	<b>100</b>

(Note) "Others" includes two-step loans for Japanese private financial institutions. JBIC supports the overseas operations of Japanese enterprises (especially SMEs) engaged in a diverse range of manufacturing and services, such as motor vehicles and parts, electrical and electronic equipment, machinery and metals, chemicals, and wholesale and retail businesses.

**(4) Commitments to Mid-tier Enterprises and SMEs to Support their Overseas Business Activities**

(Unit: billions of yen)

	FY2011		FY2012	
	Number of Projects	Amount	Number of Projects	Amount
<b>Loans to SMEs and Mid-tier Enterprises</b>	<b>16</b>	<b>3.6</b>	<b>34</b>	<b>34.1</b>

(Notes) 1. In making loans to mid-tier enterprises and SMEs, JBIC applies favorable loan terms, such as interest rates.

2. In this table, an SME is defined to be, in principle, an incorporated firm or individual with capital of ¥300 million or less, or having permanent employees of 300 or less. A mid-tier enterprise is defined to be an incorporated firm with capital of less than ¥1 billion (and excludes an SME).

## (5) Loan and Guarantee Commitments by Region

### A. Export Loan Commitments by Region

(Unit: billions of yen, %)

	FY2011			FY2012		
	Number	Total	Share	Number	Total	Share
<b>Asia</b>	<b>14</b>	<b>31.3</b>	<b>15</b>	<b>15</b>	<b>32.9</b>	<b>26</b>
East Asia	2	1.2	1	5	6.0	5
Southeast Asia	8	17.3	8	4	5.4	4
South Asia	4	12.7	6	5	7.5	6
Central Asia and the Caucasus	—	—	—	1	13.9	11
<b>Europe</b>	<b>9</b>	<b>104.0</b>	<b>50</b>	<b>3</b>	<b>4.1</b>	<b>3</b>
Central and Eastern Europe and Russia	3	56.1	27	—	—	—
Western Europe	6	47.8	23	3	4.1	3
<b>The Middle East</b>	<b>4</b>	<b>56.3</b>	<b>27</b>	<b>5</b>	<b>6.6</b>	<b>5</b>
<b>Africa</b>	<b>1</b>	<b>2.7</b>	<b>1</b>	<b>6</b>	<b>59.3</b>	<b>47</b>
Northern Africa	—	—	—	1	17.1	14
Sub-Saharan Africa	1	2.7	1	5	42.2	33
<b>Latin America and the Caribbean</b>	<b>11</b>	<b>8.6</b>	<b>4</b>	<b>11</b>	<b>23.5</b>	<b>19</b>
<b>International Organizations, etc.</b>	<b>1</b>	<b>4.8</b>	<b>2</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Total</b>	<b>40</b>	<b>207.9</b>	<b>100</b>	<b>40</b>	<b>126.6</b>	<b>100</b>

### B. Import Loan Commitments by Region

(Unit: billions of yen, %)

	FY2011			FY2012		
	Number	Total	Share	Number	Total	Share
<b>Oceania</b>	<b>1</b>	<b>12.6</b>	<b>7</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>The Middle East</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>191.1</b>	<b>63</b>
<b>Latin America and the Caribbean</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1</b>	<b>18.1</b>	<b>6</b>
<b>Others</b>	<b>2</b>	<b>160.0</b>	<b>93</b>	<b>2</b>	<b>95.0</b>	<b>31</b>
<b>Total</b>	<b>3</b>	<b>172.6</b>	<b>100</b>	<b>4</b>	<b>304.3</b>	<b>100</b>

### C. Overseas Investment Loan Commitments by Region

(Unit: billions of yen, %)

	FY2011			FY2012		
	Number	Total	Share	Number	Total	Share
<b>Asia</b>	<b>48</b>	<b>210.7</b>	<b>22</b>	<b>52</b>	<b>169.6</b>	<b>5</b>
East Asia	10	3.0	0	16	14.2	0
Southeast Asia	33	200.0	21	23	108.2	3
South Asia	5	7.6	1	12	27.6	1
Central Asia and the Caucasus	—	—	—	1	19.5	1
<b>Oceania</b>	<b>11</b>	<b>157.8</b>	<b>16</b>	<b>16</b>	<b>983.9</b>	<b>31</b>
<b>Europe</b>	<b>6</b>	<b>112.6</b>	<b>12</b>	<b>30</b>	<b>656.4</b>	<b>21</b>
Central and Eastern Europe and Russia	1	2.2	0	1	2.7	0
Western Europe	5	110.3	11	29	653.7	21
<b>The Middle East</b>	<b>3</b>	<b>86.1</b>	<b>9</b>	<b>1</b>	<b>11.6</b>	<b>0</b>
<b>Africa</b>	<b>2</b>	<b>0.5</b>	<b>0</b>	<b>—</b>	<b>—</b>	<b>—</b>
Sub-Saharan Africa	2	0.5	0	—	—	—
<b>North America</b>	<b>4</b>	<b>49.5</b>	<b>5</b>	<b>30</b>	<b>659.6</b>	<b>21</b>
<b>Latin America and the Caribbean</b>	<b>10</b>	<b>344.5</b>	<b>36</b>	<b>24</b>	<b>645.7</b>	<b>21</b>
<b>Others</b>	<b>—</b>	<b>—</b>	<b>0</b>	<b>4</b>	<b>11.4</b>	<b>0</b>
<b>Total</b>	<b>84</b>	<b>962.0</b>	<b>100</b>	<b>157</b>	<b>3,138.5</b>	<b>100</b>

**D. Untied Loan Commitments by Region**

(Unit: billions of yen, %)

	FY2011			FY2012		
	Number	Total	Share	Number	Total	Share
Asia	1	14.0	60	4	133.2	63
Southeast Asia	—	—	—	3	129.0	61
South Asia	1	14.0	60	1	4.2	2
The Middle East	—	—	—	2	7.0	3
Latin America and the Caribbean	1	4.5	20	4	70.2	33
International Organizations, etc.	1	4.6	20	—	—	—
Total	3	23.2	100	10	210.5	100

**E. Bridge Loan Commitments by Region**

(Unit: billions of yen, %)

	FY2011			FY2012		
	Number	Total	Share	Number	Total	Share
Asia	—	—	—	2	83.2	100
Southeast Asia	—	—	—	2	83.2	100
Total	—	—	—	2	83.2	100

**F. Guarantee Commitments by Region**

(Unit: billions of yen, %)

	FY2011			FY2012		
	Number	Total	Share	Number	Total	Share
Asia	2	13.7	6	9	89.6	30
East Asia	—	—	—	1	0.9	0
Southeast Asia	1	4.9	2	6	81.8	27
South Asia	1	8.8	4	2	6.9	2
The Middle East	1	90.0	39	3	89.4	30
Africa	—	—	—	1	25.0	8
Northern Africa	—	—	—	1	25.0	8
North America	7	64.1	28	5	51.1	17
Latin America and the Caribbean	4	57.7	25	3	47.9	16
International Organizations, etc.	1	2.9	1	—	—	—
Total	15	228.5	100	21	303.2	100

**G. Guarantee Commitments by Purpose**

(Unit: billions of yen, %)

	FY2011			FY2012		
	Number	Total	Share	Number	Total	Share
Guarantee for Samurai Bonds	2	130.0	57	3	170.0	56
Guarantee for Import of Aircrafts	7	64.1	28	5	51.1	17
Guarantee for Others	6	34.4	15	13	82.0	27
Total	15	228.5	100	21	303.2	100

**(6) Geographical Distribution of Loan and Equity Participation Commitments**

(Unit: billions of yen)

Region / Country			FY2011		FY2012		Accumulated	
			Number	Total	Number	Total	Number	Total
Asia	East Asia	China	10	3.0	16	12.1	1,504	3,849.7
		Hong Kong	2	1.2	4	4.0	268	295.9
		Republic of Korea					695	1,279.4
		Others			3	6.4	1,027	508.5
		<b>Sub Total</b>	<b>12</b>	<b>4.2</b>	<b>23</b>	<b>22.6</b>	<b>3,494</b>	<b>5,933.6</b>
	Southeast Asia	Brunei Darussalam					4	45.1
		Indonesia	15	59.6	9	133.7	1,469	5,451.7
		Malaysia	2	2.3	3	13.9	591	1,314.5
		Myanmar			2	83.2	56	144.5
		The Philippines	1	60.6	3	16.3	812	1,747.4
		Singapore	5	6.1	2	35.3	460	762.0
		Thailand	12	65.9	10	42.7	2,448	2,690.6
		Viet Nam	6	22.7	3	0.3	121	214.5
		Others					36	213.9
		<b>Sub Total</b>	<b>41</b>	<b>217.4</b>	<b>32</b>	<b>325.8</b>	<b>5,997</b>	<b>12,584.6</b>
	South Asia	Bangladesh					7	22.9
		India	9	34.3	20	41.9	823	1,178.6
		Pakistan					290	298.3
		Sri Lanka	1				59	64.9
		Others					17	3.6
		<b>Sub Total</b>	<b>10</b>	<b>34.3</b>	<b>20</b>	<b>41.9</b>	<b>1,196</b>	<b>1,568.5</b>
	Central Asia and the Caucasus	Kazakhstan			2	33.4	25	301.8
		Turkmenistan					7	75.2
		Uzbekistan					12	60.6
		Others					8	195.0
		<b>Sub Total</b>			<b>2</b>	<b>33.4</b>	<b>52</b>	<b>632.7</b>
	<b>Total</b>		<b>63</b>	<b>256.1</b>	<b>77</b>	<b>423.9</b>	<b>10,739</b>	<b>20,719.6</b>
Oceania		Australia	8	113.8	16	998.4	853	2,766.0
		New Zealand					145	141.2
		Papua New Guinea	4	56.6	1	7.3	56	267.2
		Others					52	27.0
		<b>Total</b>	<b>12</b>	<b>170.4</b>	<b>17</b>	<b>1,005.7</b>	<b>1,106</b>	<b>3,201.5</b>



(Unit: billions of yen)

Region / Country			FY2011		FY2012		Accumulated	
			Number	Total	Number	Total	Number	Total
Europe	Central and Eastern Europe and Russia	Belarus					3	5.6
		Bulgaria					117	134.4
		Czech Republic					31	85.0
		Hungary					36	154.1
		Moldova					1	5.3
		Poland					112	172.4
		Romania					142	95.2
		Russia	4	58.4	1	2.7	113	1,518.9
		Ukraine					11	41.3
		Others					700	1,723.2
		<b>Sub Total</b>	<b>4</b>	<b>58.4</b>	<b>1</b>	<b>2.7</b>	<b>1,266</b>	<b>3,935.9</b>
	Western Europe	Cyprus	3	5.0	4	6.2	18	17.4
		France			4	118.9	309	641.6
		Germany			5	6.8	259	242.5
		United Kingdom			10	150.8	521	1,436.1
		Ireland			3	277.4	40	302.7
		Italy	2	40.6	3	9.5	44	85.2
		Malta	1	2.1			3	11.9
		Netherlands			1	74.4	95	396.5
		Norway					248	456.2
		Portugal					46	37.5
		Sweden	2	63.7			56	132.7
		Switzerland	3	46.6	2	13.4	85	101.1
		Others					743	817.7
		<b>Sub Total</b>	<b>11</b>	<b>158.1</b>	<b>32</b>	<b>657.8</b>	<b>2,467</b>	<b>4,679.7</b>
		<b>Total</b>	<b>15</b>	<b>216.6</b>	<b>33</b>	<b>660.6</b>	<b>3,733</b>	<b>8,615.6</b>
The Middle East		Bahrain					6	110.4
		Iran					199	1,026.8
		Iraq					21	219.9
		Jordan					28	79.8
		Kuwait					22	138.4
		Oman	1	53.0			27	286.1
		Qatar	1	46.4			36	738.6
		Saudi Arabia					76	684.7
		Turkey	2	7.6	7	13.7	176	610.6
		United Arab Emirates	1	32.8	2	202.8	66	1,461.2
		Yemen					11	35.8
		Others					106	212.0
		<b>Total</b>	<b>5</b>	<b>140.0</b>	<b>9</b>	<b>216.5</b>	<b>774</b>	<b>5,604.9</b>

(Unit: billions of yen)

Region / Country			FY2011		FY2012		Accumulated	
			Number	Total	Number	Total	Number	Total
Africa	Northern Africa	Algeria					345	971.8
		Egypt					183	240.5
		Morocco			1	17.1	7	48.4
		Others					22	108.1
		Sub Total			1	17.1	557	1,368.9
	Sub-Saharan Africa	Angola			4	36.5	29	93.4
		Equatorial Guinea					2	17.1
		Gabon					20	33.5
		Kenya					30	19.3
		Liberia					1,202	1,475.0
		Madagascar					9	102.5
		Mozambique	2	0.5			17	25.3
		Niger					117	105.1
		Nigeria					51	266.5
		Seychelles					2	1.2
		South Africa	1	2.7	1	5.6	112	306.7
		Tanzania					20	11.4
		Uganda					6	1.1
		Others					182	112.5
		Sub Total	3	3.3	5	42.2	1,799	2,571.4
		Total	3	3.3	6	59.3	2,356	3,940.3
North America	Canada	3	42.2	5	136.1	324	681.8	
	United States	1	7.2	25	523.4	2,557	6,009.6	
	Total	4	49.5	30	659.6	2,881	6,691.4	
Latin America and the Caribbean	Argentina					272	564.0	
	The Bahamas			3	11.9	18	35.7	
	Bolivia					31	45.4	
	Brazil	3	94.1	7	138.6	1,936	3,103.1	
	British Virgin Islands					3	11.4	
	Cayman Islands					5	97.3	
	Chile	2	118.2	11	521.6	154	1,264.7	
	Colombia	2	52.7	1	5.6	122	276.2	
	Ecuador					31	78.1	
	El Salvador					35	15.0	
	Jamaica					2	3.5	
	Panama	4	4.7	1	1.0	284	415.2	
	Peru	1	13.7			112	447.7	
	Mexico	8	18.8	16	68.5	796	2,157.3	
	Venezuela	2	55.3	1	10.2	81	661.8	
	Others					201	242.5	
	Total	22	357.7	40	757.5	4,083	9,419.6	
International Organizations, etc.	Total	2	9.4			56	1,208.0	
Others	Total	5	163.9	9	154.2	101	1,874.2	
	Grand Total	131	1,367.3	221	3,937.7	25,829	61,275.6	

(Note) Others: Two-step loans to domestic financial institutions, and loans for crossborder projects, etc.

### 3. Outstandings

#### (1) Outstandings by Purpose of Financing

(Unit: billions of yen, %)

	FY2011		FY2012	
	Total	Share	Total	Share
<b>Loans</b>				
<b>Export Loans</b>	<b>642.9</b>	<b>6</b>	<b>710.3</b>	<b>5</b>
Shipping	91.7	1	118.9	1
Plant	550.0	5	590.4	5
Technical Service	1.2	0	0.9	0
<b>Import Loans</b>	<b>584.4</b>	<b>6</b>	<b>630.2</b>	<b>5</b>
Natural Resources	563.2	5	616.2	5
Manufactured Goods & Technologies	21.2	0	14.0	0
<b>Overseas Investment Loans</b>	<b>5,762.9</b>	<b>55</b>	<b>8,165.9</b>	<b>62</b>
Natural Resources	2,367.8	22	3,709.4	28
Others	3,395.0	32	4,456.5	34
<b>Untied Loans</b>	<b>1,086.3</b>	<b>10</b>	<b>1,035.8</b>	<b>8</b>
<b>Governmental Loans</b>	<b>45.6</b>	<b>0</b>	<b>42.6</b>	<b>0</b>
<b>Sub Total</b>	<b>8,122.3</b>	<b>77</b>	<b>10,585.1</b>	<b>81</b>
<b>Guarantees</b>	<b>2,378.3</b>	<b>22</b>	<b>2,400.6</b>	<b>18</b>
<b>Equity Participations</b>	<b>70.3</b>	<b>1</b>	<b>100.1</b>	<b>1</b>
<b>Total</b>	<b>10,571.0</b>	<b>100</b>	<b>13,086.0</b>	<b>100</b>

#### (2) Guarantee Outstandings by Purpose

(Unit: billions of yen, %)

	FY2011		FY2012	
	Total	Share	Total	Share
Guarantee for Samurai Bonds	999.0	42	1,146.5	48
Guarantee for Import of Aircrafts	499.5	21	465.3	19
Guarantee for Others	879.7	37	788.8	33
<b>Total</b>	<b>2,378.3</b>	<b>100</b>	<b>2,400.6</b>	<b>100</b>

### (3) Geographical Distribution of Loan and Equity Participation Outstandings

(As of March 31, 2013; billions of yen)

Region / Country			Number	Total
Asia	East Asia	China	138	161.2
		Hong Kong	2	1.4
		Republic of Korea	8	23.8
		Others	9	42.0
		<b>Sub Total</b>	<b>157</b>	<b>228.5</b>
	Southeast Asia	Brunei Darussalam	1	17.0
		Indonesia	112	727.6
		Malaysia	32	162.9
		The Philippines	20	248.3
		Singapore	18	52.9
		Thailand	61	176.3
		Viet Nam	45	74.0
		<b>Sub Total</b>	<b>289</b>	<b>1,459.4</b>
	South Asia	Bangladesh	1	2.1
		India	70	166.6
		Pakistan	3	61.2
		Sri Lanka	2	0.7
		<b>Sub Total</b>	<b>76</b>	<b>230.8</b>
	Central Asia and the Caucasus	Kazakhstan	13	171.6
		Turkmenistan	1	26.1
		Uzbekistan	1	0.3
		<b>Sub Total</b>	<b>15</b>	<b>198.1</b>
	<b>Total</b>		<b>537</b>	<b>2,117.1</b>
Oceania		Australia	79	622.3
		New Zealand	8	0.9
		Papua New Guinea	6	204.4
		<b>Total</b>	<b>93</b>	<b>827.6</b>
Europe	Central and Eastern Europe and Russia	Belarus	1	2.2
		Bulgaria	5	18.5
		Czech Republic	3	1.8
		Hungary	1	0.2
		Serbia	4	3.1
		Moldova	2	1.3
		Poland	1	2.5
		Romania	3	4.6
		Russia	32	525.5
		Ukraine	5	9.2
		<b>Sub Total</b>	<b>57</b>	<b>569.2</b>
	Western Europe	Cyprus	7	12.0
		France	6	141.2
		Germany	3	3.7
		United Kingdom	14	102.8
		Ireland	3	318.9
		Italy	3	8.6
		Malta	3	13.5
		Netherlands	2	11.5
		Norway	5	14.3
		Portugal	2	3.0
		Sweden	3	77.8
		Switzerland	5	62.1
		<b>Sub Total</b>	<b>56</b>	<b>769.9</b>
	<b>Total</b>		<b>113</b>	<b>1,339.2</b>

(As of March 31, 2013; billions of yen)

Region / Country			Number	Total	
The Middle East		Bahrain	2	50.9	
		Iran	11	130.7	
		Iraq	1	16.7	
		Jordan	1	8.6	
		Kuwait	1	4.1	
		Oman	9	126.4	
		Qatar	5	305.5	
		Saudi Arabia	6	326.5	
		Turkey	17	51.0	
		United Arab Emirates	8	561.4	
		Yemen	2	15.9	
		<b>Total</b>	<b>63</b>	<b>1,598.0</b>	
Africa	Northern Africa	Algeria	6	17.8	
		Egypt	3	21.7	
		Morocco	1	20.3	
		<b>Sub Total</b>	<b>10</b>	<b>59.8</b>	
	Sub-Saharan Africa	Angola	1	11.2	
		Equatorial Guinea	2	8.8	
		Gabon	2	0.6	
		Kenya	2	0.3	
		Liberia	2	17.3	
		Madagascar	2	83.7	
		Mozambique	3	1.3	
		Niger	10	2.0	
		Nigeria	2	14.9	
		Seychelles	1	0.5	
		South Africa	8	42.9	
		Tanzania	1	0.3	
		Uganda	1	0.1	
		<b>Sub Total</b>	<b>37</b>	<b>184.4</b>	
		<b>Total</b>	<b>47</b>	<b>244.2</b>	
		North America	Canada	12	206.9
			United States	59	572.8
			<b>Total</b>	<b>71</b>	<b>779.8</b>
		Latin America and the Caribbean	Argentina	25	83.4
Bolivia	2		10.9		
Brazil	78		668.5		
British Virgin Islands	1		8.4		
Cayman Islands	1		25.4		
Chile	21		768.0		
Colombia	3		62.0		
Ecuador	9		1.2		
El Salvador	1		0.2		
Jamaica	1		0.3		
Panama	14		62.1		
Peru	11		43.7		
Mexico	55		173.6		
Venezuela	6		262.2		
<b>Total</b>	<b>228</b>		<b>2,170.5</b>		
International Organizations, etc.	<b>Total</b>	<b>5</b>	<b>107.4</b>		
Others	<b>Total</b>	<b>39</b>	<b>1,501.1</b>		
<b>Grand Total</b>		<b>1,196</b>	<b>10,685.3</b>		

## 4. Others

### (1) Major Buyer's Credit and Bank-to-bank Loan Commitments (FY2012)

Country	Project/Transaction	Borrower	Amount
Kazakhstan	Export of machinery and services for the refinery modernization project	LLP ATYRAU REFINERY	US\$178 million
Morocco	Export of machinery for the coal-fired thermal power project	JORF LASFAR ENERGY COMPANY 5&6 S.A.	US\$216 million
Angola	Export of textile manufacturing machinery and services	Government of Angola	¥7.6 billion
Angola	Export of textile manufacturing machinery and services	Government of Angola	US\$138 million
Angola	Export of textile manufacturing machinery and services	Government of Angola	US\$173 million
South Africa	Export of machinery and services	The Development Bank of Southern Africa	US\$60 million
Venezuela	Export of railway cars	Government of Venezuela	¥10.2 billion

(Note) A buyer's credit is a loan JBIC directly extends to a foreign importer (buyer) to finance its import of machinery, equipment or services from a Japanese company.

### (2) Untied Loan Commitments (FY2012)

Country	Project/Transaction	Borrower	Amount
Indonesia	Contingent facility against possible future shocks and volatility in global financial markets	Government of Indonesia	¥120.0 billion
Indonesia	Guarantee for privately placed Samurai bonds (GATE) <sup>1</sup>	Government of Indonesia	¥60.0 billion <sup>2</sup>
Malaysia	Credit line for renewable energy and waste to energy projects (GREEN)	RHR Bank Berhad	US\$48 million <sup>3</sup>
Thailand	Credit line for local companies trade with local affiliates and subsidiaries of Japanese SMEs	KASIKORNBANK Public Company Limited	¥4.5 billion <sup>3</sup>
India	Credit line for renewable energy and energy efficiency projects (GREEN)	ICICI Bank Limited	US\$45 million <sup>3</sup>
Turkey	Credit line for renewable energy and energy efficiency projects (GREEN)	Denizbank A.S.	US\$15 million <sup>3</sup>
Turkey	Credit line for renewable energy and energy efficiency projects (GREEN)	Turkiye Kalkinma Bankasi A.S.	US\$60 million <sup>3</sup>
Qatar	Guarantee for privately placed Samurai bonds (GATE) <sup>1</sup>	Qatar Petroleum	¥85.0 billion <sup>2</sup>
Tunisia	Guarantee for privately placed Samurai bonds (GATE) <sup>1</sup>	Central Bank of Tunisia	¥25.0 billion <sup>2</sup>
Brazil	Loan for GHG Emission Reduction Projects (GREEN)	Petróleo Brasileiro S.A.	US\$600 million <sup>3</sup>
Colombia	Credit line for renewable energy businesses (GREEN)	Banco de Bogotá S.A.	US\$60 million <sup>3</sup>
Mexico	Partial acquisition of public offering Samurai bonds (GATE) <sup>1</sup>	Government of Mexico	—

(Notes) 1. GATE refers to the "Guarantee and Acquisition toward Tokyo market Enhancement (GATE)" facility launched in April 2010. It will enable JBIC to acquire Samurai bonds where appropriate, in addition to providing partial guarantees for Samurai bond issues. The GATE facility will thereby support foreign governments and government agencies to raise funds in the Tokyo market.

2. Guarantee commitments made by JBIC (principal amount).

3. The figures denote loan commitments made by JBIC. Apart from them, JBIC has provided guarantees to the portion co-financed by private financial institutions.

## 5. Standard Loan Conditions

Standard loan conditions are shown below. Loan Interest rates are linked to the funding cost of JBIC, including the rate on borrowings from the Fiscal Loan Fund Special Account, and thus they are subject to changes in conditions of the financial market. A loan applicant should make an inquiry at the relevant loan department for specific loan conditions.<sup>1</sup>

### 1— Standard Interest Rates

(As of July 15, 2013)

Type of Loans	Standard Interest Rate <sup>2</sup>	Percentage of Loan Provided by JBIC
Export Loans	<ul style="list-style-type: none"> <li>■ Fixed at commitment (Yen CIRR) <sup>3</sup> <ul style="list-style-type: none"> <li>• 1.16% (Repayment period 5yrs or less)</li> <li>• 1.32% (Repayment period over 5yrs to 8.5yrs)</li> <li>• 1.58% (Repayment period over 8.5yrs)</li> </ul> </li> <li>■ Fixed at tenders <sup>3</sup> <ul style="list-style-type: none"> <li>• above rate + 0.2%</li> </ul> </li> </ul>	60% limit
Import Loans / Overseas Investment Loans / Untied Loans / (Natural Resources / International Competitiveness)	<ul style="list-style-type: none"> <li>■ Japanese yen <sup>4</sup> <ul style="list-style-type: none"> <li>• 1.075% <sup>5</sup></li> </ul> </li> <li>■ Foreign Currency <sup>6</sup> <ul style="list-style-type: none"> <li>• LIBOR+0.5% <sup>5</sup></li> </ul> </li> </ul>	60% limit <sup>7</sup>

(Notes) 1. SMEs are eligible for preferential interest rates and other favorable loan conditions.  
 2. Premium is added based on the type of financing such as collateral /guarantee and loan schemes.  
 3. Synthetic rate based on interest rates charged by JBIC and cofinancing institutions.  
 4. Interest rates on loans in Japanese yen are determined based on specific loan periods and the amortization schedule.  
 The interest rate shown in the table is a reference rate for a 10-year loan with lump-sum repayment upon maturity. Please make an inquiry at the relevant department for interest rate on specific conditions.  
 5. Special interest rates will be applied based on policy implication such as contribution to "Promoting overseas development and acquisition of strategically important natural resources to Japan" or "Maintaining and improving the International competitiveness of Japanese industries."  
 6. Interest rates on loans in foreign currencies are linked to 6-month LIBOR for US dollars.  
 7. 70% limit for resource-related (import and overseas investment) loans.

### 2— Loan Maturity

The loan maturity for each loan will be determined by taking account of cash flows generated by each project.

### 3— Collateral, Guarantee

Collaterals and guarantees are determined in consultation with the clients.

## 6• Breakdown of Countries and Regions

(As of April 1, 2013)

Regions		Countries
Asia	East Asia	China, Hong Kong, Democratic People's Republic of Korea, Republic of Korea, Macao, Mongolia, Taiwan
	Southeast Asia	Brunei Darussalam, Cambodia, East Timor, Indonesia, Laos, Malaysia, Myanmar, The Philippines, Singapore, Thailand, Viet Nam
	South Asia	Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka
	Central Asia and the Caucasus	Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyz, Tajikistan, Turkmenistan, Uzbekistan
Oceania		Australia, Cook Islands, Fiji, Kiribati, Marshall Islands, Micronesia, Nauru, New Caledonia, New Zealand, North Mariana Islands, Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu
Europe	Central and Eastern Europe and Russia	Albania, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Macedonia, Serbia, Montenegro, Moldova, Poland, Romania, Russia, Slovakia, Slovenia, Ukraine, Kosovo
	Western Europe	Andorra, Austria, Belgium, Guernsey, Jersey, Cyprus, Denmark, Finland, France, Germany, United Kingdom (U.K.), Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, Vatican, Channel Islands
The Middle East		Bahrain, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, West Bank and Gaza Strip, Qatar, Saudi Arabia, Syria, Turkey, United Arab Emirates (UAE), Yemen
Africa	Northern Africa	Algeria, Egypt, Libya, Morocco, Tunisia
	Sub-Saharan Africa	Angola, Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Democratic Republic of the Congo, Congo, Cote d'Ivoire, Djibouti, Equatorial Guinea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Guinea-Bissau, Kenya, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Somalia, South Africa, Sudan, Swaziland, Tanzania, Togo, Uganda, Zambia, Zimbabwe, Eritrea, South Sudan
North America		Canada, United States (U.S.)
Latin America and the Caribbean		Antigua and Barbuda, Netherlands Antilles, Argentina, The Bahamas, Barbados, Belize, Bermuda Islands, Bolivia, Brazil, British Virgin Islands, Cayman Islands, Chile, Colombia, Costa Rica, Cuba, Commonwealth of Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, French Guiana, Guyana, Haiti, Honduras, Jamaica, Nicaragua, Panama, Paraguay, Peru, Puerto Rico, Saint Christopher and Nevis, Saint Lucia, St. Vincent and the Grenadines, Suriname, Trinidad and Tobago, Mexico, United States Virgin Islands, Uruguay, Venezuela, Curacao
International Organizations, etc.		International Monetary Fund (IMF), International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), Asian Development Bank (ADB), Inter-American Development Bank (IDB), African Development Bank (AfDB), European Bank for Reconstruction and Development (EBRD), Banco Centroamericano de Integración Económica (BCIE), Corporación Andina de Fomento (CAF), Banque Ouest Africaine de Développement (BOAD), Entidad Binacional Yacyretá (YACYRETA), East African Development Bank (EADB), etc.
Others		Two-step loans to domestic financial institutions, and loans for crossborder projects, etc.



# Financial Statements

## Data 2

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# 1• Statutory Financial Statements

The balance sheets, statements of operations, statements of changes in net assets, and notes to the non-consolidated financial statements of Account for JBIC operations were prepared in accordance with the regulations concerning terminology, forms, and preparation methods of financial statements set in the ordinance of the Ministry of Finance No.59 of 1963. Assets and liabilities, revenue and expenses were classified in accordance with the ordinance of the Ministry of Finance regarding Japan Bank for International Cooperation Act No.15 of 2012, as well as the ministry ordinance to establish the exception of the ministry ordinance about accounts of Japan Bank for International Cooperation at working to prescribe in special measures law Article 16 of 2012 about financial operations for facilitating realignment of U.S. Forces in Japan. There was no comparative information with the prior year presented as FY2012 was the first fiscal year for JBIC.

FY 2012 financial statements for the period of April 1, 2012, to March 31, 2013, were audited by Ernst & Young ShinNihon LLC in accordance with Article 193 Paragraph 2 Item 1 of Financial Instruments and Exchange Act.

No consolidated financial statements were prepared as JBIC has no consolidating subsidiaries.

## Balance Sheet

(Millions of yen)

	March 31, 2013		March 31, 2013
<b>Assets</b>		<b>Liabilities</b>	
Cash and due from banks	837,986	Borrowed money	7,234,598
Cash	0	Borrowings	7,234,598
Due from banks	837,986	Bonds payable <sup>Note 7</sup>	2,215,962
Receivables under resale agreements <sup>Note 5</sup>	284,902	Other liabilities	216,171
Securities <sup>Note 4</sup>	122,181	Accrued expenses	27,127
Other securities	122,181	Unearned revenue	50,284
Loans and bills discounted <sup>Note 6</sup>	10,555,128	Derivatives other than for trading-liabilities	32,654
Loans on deeds	10,555,128	Lease obligations	58
Other assets	338,679	Other	106,045
Prepaid expenses	307	Provision for bonuses	445
Accrued income	34,558	Provision for directors' bonuses	5
Derivatives other than for trading-assets	264,231	Provision for retirement benefits	15,595
Other <sup>Note 7</sup>	39,581	Provision for directors' retirement benefits	29
Property, plant and equipment <sup>Note 8</sup>	28,206	Acceptances and guarantees	2,400,699
Buildings	3,166	Total liabilities	12,083,506
Land	24,694	Net assets	
Lease assets	37	Capital stock	1,360,000
Construction in progress	5	Retained earnings	851,685
Other	301	Legal retained earnings	788,314
Intangible assets	1,352	Other retained earnings	63,370
Software	1,340	Retained earnings brought forward	63,370
Lease assets	11	Total shareholders' equity	2,211,685
Customers' liabilities for acceptances and guarantees	2,400,699	Valuation difference on available-for-sale securities	2,221
Allowance for loan losses	(138,891)	Deferred gains or losses on hedges	132,831
		Valuation and translation adjustments	135,053
		Total net assets	2,346,738
Total assets	14,430,245	Total liabilities and net assets	14,430,245

## Statement of Operations

(Millions of yen)

	March 31, 2013
<b>Ordinary income</b>	<b>217,291</b>
Interest income	167,947
Interest on loans and discounts	132,408
Interest and dividends on securities	441
Interest on receivables under resale agreements	671
Interest on deposits with banks	1,232
Interest on interest swaps	33,191
Other interest income	2
Fees and commissions	23,288
Other fees and commissions	23,288
Other ordinary income	9,171
Gain on foreign exchange transactions	5,197
Income from derivatives other than for trading or hedging	3,950
Other	24
Receipts from the national budget	256
Receipts from general account of the national budget	256
Other income	16,627
Recoveries of written-off claims	4,572
Gain on investments in partnerships <sup>Note 11</sup>	11,843
Other	211
<b>Ordinary expenses</b>	<b>153,708</b>
Interest expenses	119,510
Interest on borrowings and rediscounts	63,797
Interest on bonds	55,476
Other interest expenses	236
Fees and commissions payments	1,427
Other fees and commissions	1,427
Other ordinary expenses	597
Amortization of bond issuance cost	387
Other	210
General and administrative expenses	17,551
Other expenses	14,620
Provision of allowance for loan losses	14,620
Other	0
<b>Ordinary profit</b>	<b>63,583</b>
<b>Extraordinary income</b>	<b>1</b>
Gain on disposal of noncurrent assets	1
<b>Net income</b>	<b>63,585</b>

## Statement of Changes in Net Assets

(Millions of yen)

	March 31, 2013		March 31, 2013
<b>Shareholders' equity</b>		<b>Deferred gains or losses on hedges</b>	
<b>Capital stock</b>		Balance at the beginning of current period <sup>Note 12(b)</sup>	—
Balance at the beginning of current period <sup>Note 12(b)</sup>	1,291,000	Changes of items during the period	
Changes of items during the period		Net changes of items other than shareholders' equity	132,831
Issuance of new shares	69,000	Total changes of items during the period <sup>Note 12(c)</sup>	132,831
Total changes of items during the period	69,000	Balance at the end of current period	132,831
Balance at the end of current period	1,360,000	<b>Total valuation and translation adjustments</b>	
<b>Retained earnings</b>		Balance at the beginning of current period <sup>Note 12(b)</sup>	—
Legal retained earnings		Changes of items during the period	
Balance at the beginning of current period <sup>Note 12(b)</sup>	788,314	Net changes of items other than shareholders' equity	135,053
Changes of items during the period		Total changes of items during the period	135,053
Total changes of items during the period	—	Balance at the end of current period	135,053
Balance at the end of current period	788,314	<b>Total net assets</b>	
<b>Other retained earnings</b>		Balance at the beginning of current period <sup>Note 12(b)</sup>	2,079,309
Retained earnings brought forward		Changes of items during the period	
Balance at the beginning of current period <sup>Note 12(b)</sup>	(5)	Issuance of new shares	69,000
Changes of items during the period		Payment to national treasury	(209)
Payment to national treasury	(209)	Net income	63,585
Net income	63,585	Net changes of items other than shareholders' equity	135,053
Total changes of items during the period	63,376	Total changes of items during the period	267,429
Balance at the end of current period	63,370	Balance at the end of current period	2,346,738
<b>Total retained earnings</b>			
Balance at the beginning of current period <sup>Note 12(b)</sup>	788,309		
Changes of items during the period			
Payment to national treasury	(209)		
Net income	63,585		
Total changes of items during the period	63,376		
Balance at the end of current period	851,685		
<b>Total shareholders' equity</b>			
Balance at the beginning of current period <sup>Note 12(b)</sup>	2,079,309		
Changes of items during the period			
Issuance of new shares	69,000		
Payment to national treasury	(209)		
Net income	63,585		
Total changes of items during the period	132,376		
Balance at the end of current period	2,211,685		
<b>Valuation and translation adjustments</b>			
<b>Valuation difference on available-for-sale securities</b>			
Balance at the beginning of current period <sup>Note 12(b)</sup>	—		
Changes of items during the period			
Net changes of items other than shareholders' equity	2,221		
Total changes of items during the period <sup>Note 12(c)</sup>	2,221		
Balance at the end of current period	2,221		

## Statement of Cash Flow

(Millions of yen)

	March 31, 2013
<b>Cash flow from operating activities</b>	
Net income	63,585
Depreciation and amortization	1,018
Increase (decrease) in allowance for loan losses	14,620
Increase (decrease) in provision for bonuses	(55)
Increase (decrease) in provision for directors' bonuses	4
Increase (decrease) in provision for retirement benefits	2,332
Increase (decrease) in provision for directors' retirement benefits	11
Gain on fund management	(167,947)
Financing expenses	119,510
Loss (gain) related to securities	(11,843)
Loss (gain) on disposal of noncurrent assets	(1)
Net decrease (increase) in loans and bills discounted	(2,444,771)
Net increase (decrease) in borrowed money	1,979,109
Net decrease (increase) in deposit (excluding deposit paid to Bank of Japan)	(128,972)
Net decrease (increase) in receivables under resale agreements	317,822
Increase (decrease) in straight bonds-issuance and redemption	(163,469)
Proceeds from fund management	165,751
Payments for finance	(120,524)
Other	387,646
Subtotal	13,826
Net cash provided by (used in) operating activities	13,826
<b>Cash flow from investing activities</b>	
Purchase of securities	(35,224)
Proceeds from sales of securities	2,946
Purchase of property, plant and equipment	(322)
Proceeds from sales of property, plant and equipment	1
Purchase of intangible assets	(432)
Net cash provided by (used in) investing activities	(33,030)
<b>Cash flow from financing activities</b>	
Proceeds from issuance of common stock	69,000
Repayments of lease obligations	(117)
Payment to national treasury	(26,524)
Net cash provided by (used in) financing activities	42,358
<b>Effect of exchange rate change on cash and cash equivalents</b>	—
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>23,154</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>0</b>
<b>Cash and cash equivalents at end of period</b> <small>Note 13</small>	<b>23,154</b>

## Notes to Financial Statements

### 1. Significant accounting policies

#### (a) Securities

Held-to-maturity securities are carried at amortized cost based on the moving average method. Investments in affiliates are carried at cost based on the moving average method. Available-for-sale securities are in principle stated at fair value with changes in net unrealized gains or losses included directly in Net assets. However, available-for-sale securities whose fair value cannot be readily determined are carried at cost based on the moving average method.

Investments in partnerships for investment, which are regarded as securities under Article 2, Clause 2 of the Japanese Financial Instruments and Exchange Law, are recognized at an amount equivalent to JBIC's percentage share of the net assets of such partnerships, based upon the most recent financial statements available depending on the report date stipulated in the partnership agreement.

#### (b) Valuation method for derivative financial instruments

Derivative financial instruments are carried at fair value.

#### (c) Depreciation basis for fixed assets

##### (i) Property, plant and equipment (except for lease assets)

Tangible fixed assets are depreciated by the declining balance method over their useful economic lives except for buildings (excluding installed facilities) which are depreciated by the straight-line method.

Depreciation is based on the following range of estimated useful lives:

Buildings	3 years to 50 years
Other	2 years to 35 years

##### (ii) Intangible assets (except for lease assets)

Depreciation of intangible fixed assets is computed by the straight-line method. Software used by JBIC is depreciated over its useful life (5 years).

##### (iii) Lease assets

Lease assets in "property, plant and equipment" or "intangible assets," under finance leases that do not involve transfer of ownership to the lessee are depreciated by the straight-line method over the lease term. Depreciation for lease assets is calculated with zero residual value being assigned to the asset.

#### (d) Method of amortization for deferred charges

Organization expenses and bond issuance cost are expensed as incurred.

#### (e) Foreign currency translation and revaluation method

JBIC maintains its accounting records in Japanese Yen. Assets and liabilities denominated in foreign currencies are mostly translated into Japanese yen at the market exchange rate prevailing at the fiscal year end.

#### (f) Allowance for Loan losses

The allowance for loan losses is maintained in accordance with internally established standards.

The allowance for claims on debtors who are legally bankrupt ("Bankrupt borrowers") or substantially bankrupt ("Substantially bankrupt borrowers") is provided based on the outstanding balance after the write-offs described as *below* and the deductions of the amount expected to be collected through the disposal of collateral and the execution of guarantees. The allowance for claims on debtors who are not legally bankrupt but are likely to become bankrupt ("Potentially bankrupt borrowers") is provided based on an assessment of the overall solvency of the debtors after deducting the amount expected to be collected through the disposal of collateral and the execution of guarantees.

The allowance for claims on debtors other than Bankrupt borrowers, Substantially bankrupt borrowers and Potentially bankrupt borrowers is provided primarily based on the default rate, which is calculated based on the actual defaults during a certain period in the past. The allowance for possible losses on specific overseas loans is provided based on the expected loss amount taking into consideration the political and economic situations of these countries.

All claims are assessed initially by the operational departments and subsequently by risk evaluation departments based on internal rules for self-assessment of asset quality. The risk evaluation department, which is independent from the operational departments, review these self-assessments, and the allowance is provided based on the results of the

assessments.

With respect to claims with collateral or guarantees on debtors who are legally or substantially bankrupt ("Bankrupt borrowers and substantially bankrupt borrowers"), the residual booked amount of the claims after deduction of the amount which is deemed collectable through the disposal of collateral or the execution of guarantees is written off. The amount of accumulated write-offs as of March 31, 2013 is ¥8,232 million.

**(g) Provision for bonuses**

The "provision for bonuses" is calculated and provided for based on the estimated amounts of future payments attributable to the services that have been rendered by employees to the date of the balance sheet.

**(h) Provision for directors' bonuses**

The "provision for directors' bonuses" is calculated and provided for based on the estimated amounts of future payments attributable to the services that have been rendered by directors to the date of the balance sheet.

**(i) Provision for retirement benefits**

The "provision for retirement benefits" represents the future payment for pension and retirement benefits to employees, and is accrued based on the projected benefit obligations and the estimated pension plan assets at the end of the fiscal year. Prior service costs and actuarial differences are expensed as incurred.

**(j) Provision for directors' retirement benefits**

The "provision for directors' retirement benefits," which provides for future retirement pension payment to directors, corporate auditors and executive officers, is recognized at the amount accrued at the end of the respective fiscal year.

**(k) Accounting for hedges of interest rate risk**

**(i) Hedge accounting**

JBIC uses derivatives for interest rate risk hedging purposes under the deferral method

**(ii) Hedging instruments and hedged items**

Hedging instruments: interest rate swaps

Hedged items: loans, borrowings, bonds and notes

**(iii) Hedging policy**

JBIC enters into hedging transactions up to the amount of the underlying hedged assets and liabilities

**(iv) Assessment of hedge effectiveness**

JBIC assesses the effectiveness of designated hedges by measuring and comparing the change of fair value or cumulative change of cash flows of both hedging instruments and corresponding hedged items from the date of inception of the hedges to the assessment date.

**(l) Accounting for hedges of foreign exchange risks**

Hedging instruments used to hedge foreign exchange risks associated with various foreign currency denominated monetary assets and liabilities are accounted for using the deferral method, in accordance with the standard treatment of The Japanese Institute of Certified Public Accountants (JICPA) Industry Audit Committee Report No. 25.

The effectiveness of the hedges described above is assessed by comparing the foreign currency position of the hedged loans and bills discounted, borrowings, and bonds payable denominated in foreign currencies with that of the hedging instruments, such as currency swaps and forward foreign exchange contracts which are used for hedging the foreign exchange risks of loans and bills discounted, borrowings, and bonds payable denominated in foreign currencies.

**(m) Consumption and Other Taxes**

Consumption taxes and local consumption taxes ("consumption taxes") are excluded from transaction amounts. Amounts of non-deductible consumption taxes related to property, plant and equipment are expensed as incurred.

**(n) Scope of cash and cash equivalents in the statement of cash flows**

Cash and cash equivalents as stated in the Statement of Cash Flow consists of cash on hand and Deposit with the Bank of Japan in "Cash and due from banks" in the Balance Sheet.



## 2. Standards issued but not yet effective

- “Accounting Standard for Retirement Benefits” (ASBJ Statement No. 26, May 17, 2012)
- “Guidance on Accounting Standard for Retirement Benefits” (ASBJ Guidance No. 25, May 17, 2012)

### (a) Overview

From the viewpoint of improvements to financial reporting and international convergence, the accounting standard and the related guidance have been revised mainly focusing on (a) how retirement benefit obligations and current service costs should be determined and (b) enhancement of disclosures

### (b) Effective date

The amended accounting standard and the guidance are effective as of the end of the fiscal year commencing on April 1, 2013, excluding the amendments relating to the determination of retirement benefit obligation and service cost which are effective as of the beginning of the fiscal year commencing on April 1, 2014.

### (c) Effect of the application of the accounting standard

JBIC is currently evaluating the impact these amendments will have on the results of its operations and financial position.

## 3. Additional Information

(Abolition of Financial Account Related to the Financial Operations for Facilitating Realignment of United States Forces in Japan)

JBIC had been engaged in financial operations for facilitating realignment of United States Forces in Japan set forth in Article 16 of the “Act on Special Measures Concerning Smooth Implementation of Realignment of United States Forces in Japan” (Act No. 67, 2007: “Special Measures Act”). However, a joint statement by the Japan-US Security Consultative Committee dated April 27, 2012, confirmed that “financial commitments by the Japanese government concerning the relocation of the US Marines stationed in Okinawa to Guam” would only be made in the form of cash contributions stipulated in Article 1 of the “Agreement Between the Government of Japan and the Government of the United States of America Concerning the Implementation of the Relocation of III Marine Expeditionary Force Personnel and Their Dependents from Okinawa to Guam,” and that no other forms of financial support would be provided. As the Financial Operations for Facilitating Realignment of United States Forces in Japan no longer needed to be continued, such operations were discontinued at the end of September 2012 upon a resolution at the board of directors meeting on July 24, 2012. In accordance with Article 23 of the Special Measures Act, following the resolution at the board of directors meeting dated November 20, 2012, on November 30, 2012, the residual assets were paid to the national treasury, and the Financial Account Related to the Financial Operations for Facilitating Realignment of United States Forces in Japan was abolished.

## 4. Equities securities of or investment in affiliates:

(Millions of yen)

	March 31, 2013
Equities securities of or investment in affiliates	70,822

## 5. Receivables under resale agreement

Among the securities acquired under resale agreements, these securities which can be sold or pledged without restrictions amounts to:

(Millions of yen)

	March 31, 2013
Receivables under resale agreement	284,902

## 6. Loans

### (a) Bankrupt loans and non-accrual loans included in loans and bills discounted:

(Millions of yen)

	March 31, 2013
Bankrupt loans	—
Non-accrual loans	96,140

“Bankrupt loans” are loans, defined in Article 96, Paragraph 1, Item (iii), a. through e. and Item (iv) of the corporate Tax Law Enforcement Ordinance (Government Ordinance No. 97, 1965), on which accrued interest income is not recognized as there is substantial uncertainty over the ultimate collectability of either principal or interest because they have been



in arrears for a considerable period of time or for other reasons.

"Non-accrual loans" are loans on which accrued interest income is not recognized, although this excludes Bankrupt loans and the loans on which interest payments are deferred in order to support the borrowers' recovery from financial difficulties.

**(b) Loans with interest or principal repayments three months or more in arrears included in loans and bills discounted:**

(Millions of yen)	
	March 31, 2013
Loans with interest or principal repayments three months or more in arrears	69,065

"Loans with interest or principal repayments three months or more in arrears" are loans whose principal or interest payment is three months or more in arrears, and which do not fall under the category of "Bankrupt loans" and "Non-accrual loans."

**(c) Restructured loans included in loans and bills discounted:**

(Millions of yen)	
	March 31, 2013
Restructured loans	79,976

"Restructured loans" are loans whose repayment terms and conditions have been amended in favor of the borrowers (e.g. reduction of or exemption from the stated interest rate, the deferral of interest payments, the extension of principal repayments or renunciation of claims) in order to support the borrowers' recovery from financial difficulties, and which do not fall under the category of "Bankrupt loans," "Non-accrual loans," or "Loans with interest or principal repayments three months or more in arrears."

**(d) The total amount of bankrupt loans, non-accrual loans, loans with interest or principal repayments three months or more in arrears, and restructured loans:**

(Millions of yen)	
	March 31, 2013
Total amount	245,183

The amounts of loans indicated in the table (a) through (d) above are the gross amounts prior to the deduction of allowance for possible loan losses.

**(e) JBIC, as a policy, does not pay down loans in part or in full immediately after the execution of the loan agreements, but instead makes disbursement, in accordance with the progress of the underlying projects. These undisbursed amounts are not included in the loans on deed in the Balance Sheet. The balance of unpaid amounts at end of the fiscal year is as follows:**

(Millions of yen)	
	March 31, 2013
Balance of unpaid loans	2,615,921

**7. Assets pledged as collateral**

Pursuant to Article 34 of the Japan Bank for International Cooperation Act (the "JBIC Act"), all JBIC assets are pledged as general collateral for bonds:

(Millions of yen)	
	March 31, 2013
Bonds payable	2,215,962

Cash collateral paid for financial instruments included in other assets is as follows:

(Millions of yen)	
	March 31, 2013
Cash collateral paid for financial instruments	39,070

**8. Accumulated depreciation of fixed assets**

(Millions of yen)

	March 31, 2013
Accumulated depreciation	308

**9. Contingent liabilities**

Contingent liabilities related to debt assumption agreements for bonds payable are as follows:

(Millions of yen)

	March 31, 2013
15 <sup>th</sup> FILP Agency Bonds (former JBIC)	50,000
31 <sup>st</sup> FILP Agency Bonds (former JBIC)	20,000

In addition, Japan Finance Corporation ("JFC") assumed the obligations of the JFC bonds of ¥1,085,000 million on April 1, 2012, and JBIC is jointly responsible for the obligations of these bonds. In accordance with Article 17 (2) of the Supplementary Provisions of the JBIC Act, all of JBIC's assets are pledged as general collateral for these joint obligations.

**10. Restriction in dividend distribution**

JBIC is restricted in its dividends distribution pursuant to Article 31 of the JBIC Act (including instances deemed applicable by the replacement of terms pursuant to Article 22 (1) of the Special Measures Act).

In the event that the amount of the retained earnings brought forward for each fiscal year exceeds zero in each account related to the operations listed in each item of Article 11 of the JBIC Act, and the operations listed in Article 16 of the Special Measures Act ("operations, etc. listed in each item of Article 11 of the JBIC Act"), JBIC shall accumulate, as a reserve, an amount calculated in accordance with the standards prescribed by the Cabinet Order until it reaches a certain amount stipulated by the Cabinet Order; and if there still is a surplus, JBIC shall pay such surplus into the national treasury within 3 months after the annual closing date.

In the event that the amount of retained earnings brought forward falls below zero in each account of the operations, etc. listed in each item of Article 11 of the JBIC Act, a reserve shall be transferred to the retained earnings brought forward to the extent that its amount of retained earnings brought forward becomes zero.

**11. Income on transactions with affiliates**

Income on transactions with affiliates is as follows:

(Millions of yen)

	March 31, 2013
Gain on investments in partnerships	11,780

**12. Changes in Net Assets****(a) Issued shares and treasury stocks**

For the fiscal year ended March 31, 2013, type and number of issued shares and treasury stocks are as follows:

(unit: thousands of shares)

Types	The number of stocks at the beginning of the fiscal year	Increase during the fiscal year	Decrease during the fiscal year	The number of stocks at the end of the fiscal year	Remarks
Issued shares					
Common Stocks	1,291,000,000	69,000,000	—	1,360,000,000	(Note)
Classified Stock	—	—	—	—	
Total	1,291,000,000	69,000,000	—	1,360,000,000	(Note)
Treasury stock					
Common Stocks	—	—	—	—	
Classified Stock	—	—	—	—	
Total	—	—	—	—	

(Note) The increase is due to the issuance of 69,000,000 thousand shares.

(b) The figures determined by the asset evaluation committee on July 6, 2012, as the opening balance sheet as of the inception of JBIC are used as the balance at the beginning balances (April 1, 2012).

- (c) "Valuation difference on available-for-sale securities" and "Deferred gains or losses on hedges" were presented under "Assets" and "Liabilities," respectively, in the opening balance sheet as of the inception of JBIC. For this reason, they are transferred to "Net assets" during this fiscal year and included in Changes of items during the period.

### 13. Cash Flow

"Cash and cash equivalents" in the statement of cash flows as of March 31, 2013 reconciles to cash and due from banks in the balance sheet as follows;

	(Millions of yen)
	March 31, 2013
Cash and due from banks	837,986
Time deposit and others	(814,832)
Cash and cash equivalents	23,154

### 14. Lease Transactions

#### (a) Finance lease transactions

Finance lease transactions, that do not involve the transfer of ownership to the lessee

##### (i) Description of Lease assets

- ① Property, plant and equipment: Equipment and property
- ② Intangible assets: Software

##### (ii) Depreciation of lease assets

Depreciation of lease assets is calculated under the method as set forth in Note 1 (c).

#### (b) Operating lease transactions

Future minimum lease payments for noncancelable operating lease transactions are as follows

	(Millions of yen)
	March 31, 2013
Due within one year	2
Due after one year	0
Total	2

### 15. Financial instruments and related disclosure

(Fiscal year ended March 31, 2013)

#### 1. Status of financial instruments

##### (1) Initiatives for financial instruments

Based on the JBIC Act, JBIC is a policy-based financial institution wholly owned by the Japanese government, which has the purpose of contributing to the sound development of Japan and the international economy and society, by performing the financial function to promote the overseas development and securement of resources which are important for Japan; maintaining and improving the international competitiveness of Japanese industries; promoting the overseas business having the purpose of preserving the global environment, such as preventing global warming, as well as preventing disruptions to international financial order or taking appropriate measures with respect to damages caused by such disruption.

JBIC's principal operations consist of providing export loans, import loans, investment financing, financing for business development (including guarantees) and capital investment. To conduct these operations, funds are raised through borrowing from the fiscal investment and loans and the foreign exchange fund special account, and the issuing of bonds. An ALM (asset and liability management) function has been established in respect of our financial assets and liabilities that are subject to interest rate and currency fluctuations to assist in ensuring that such fluctuations do not have an adverse effect on our operations. In addition, derivative transactions are entered into for the purpose of mitigating risk inherent in foreign currency denominated transactions. Financial instruments that can be used for the management of surplus funds are limited to safe instruments such as Japanese government bonds, etc., as stipulated in the JBIC Act.

The budget required for governmental financial operations is decided upon by the Diet of Japan, and business plans and financial plans (borrowing from fiscal investment and loans, bonds, general accounting investment, and loans, etc.) are appended to the budget and submitted to the Diet of Japan.

## (2) Types of financial instruments and risks

The assets that JBIC holds mainly include loans to borrowers in Japan and overseas, and securities and liabilities mainly include borrowings and bonds. The associated risks are described below.

### (a) Credit risk

Credit risk is the risk that JBIC will suffer losses if the financial condition of the borrower deteriorates and the value of assets (including off-balance sheet assets) decrease or disappear.

The credit risks associated with JBIC include sovereign risk, country risk, corporate risk, and project risk. Because of the characteristic of support for overseas economic transactions conducted by JBIC, much financing is provided to overseas governments, governmental institutions, and overseas corporations; the credit risk associated with the credit provided typically consists of sovereign or country risk.

As a result, if the financial condition of the individual borrower significantly deteriorates due to political and economic trends in the borrower's country or region, JBIC's performance and financial condition can be adversely affected.

(Note) Sovereign risk refers to risk associated with credit supplied to foreign governments, country risk refers to risk associated with the country in which the corporation or project is located (risk, in addition to corporate risk or project risk, associated with the country in which the corporation or the project is located), and corporate risk refers to the risk associated with credit to corporations and project risk refers to the risk that the cash flow of an underlying project will not perform as planned, in the case of project finance, where the repayment of the borrowing is primarily secured by the cash flow of the project to which credit is supplied.

### (b) Market risk

Market risk is the risk that the value of assets and liabilities (including off-balance sheet assets) will fluctuate and losses will be incurred, or profits derived from assets and liabilities (including off-balance sheet assets) will fluctuate and losses will be incurred due to the fluctuation of various market risk factors such as interest rates, exchange rates, etc.

The market risk associated with JBIC mainly consists of foreign exchange risk and interest rate risk, and losses could be suffered from these risks from market fluctuations. However, in principle, these risks are hedged through interest rate swaps, currency swaps, and forward foreign exchange contracts.

JBIC uses hedge accounting for interest rate hedges, where the hedging instrument is interest rate swaps to hedge the market fluctuation risk associated with loans, borrowed money and bonds. The effectiveness of the hedges is assessed by measuring and comparing the change in fair value or cumulative change in cash flows of both hedging instruments and corresponding hedged items from the date of inception of the hedges to the assessment date.

JBIC uses hedge accounting for foreign exchange hedges, where currency swaps and forward foreign exchange contracts are used to hedge items such as loans, borrowings, and bonds for foreign exchange risk. The effectiveness of the hedging currency-swaps and forward foreign exchange contracts, hedging the foreign exchange risks of monetary assets and liabilities denominated in foreign currencies, is assessed by comparing the foreign currency position of the hedged monetary assets and liabilities with that of the hedging instruments.

### (c) Liquidity risk

Liquidity risk is the risk that losses will be incurred as a result of funding challenges due to a maturity mismatch between financing and funding or unexpected outflow of funds, or being forced to fund at an interest rate significantly higher than in normal circumstances (funding risk), as well as the risk that losses will be incurred from a failure to ingenerate transactions in the market due to market disruption or from being forced to make transactions at a significantly disadvantageous price than in normal circumstances (market liquidity risk).

Long-term and stable funds, such as fiscal loan funds, government-guaranteed bonds, and FILP agency bonds, are secured to finance JBIC and deposits are not accepted, with the result that it considers liquidity risk to be limited. However, financing costs could increase due to market disruption and unexpected events.

## (3) Risk management structure for financial instruments

The risk management structure of JBIC is described below.

### (a) Credit risk management

The basis of credit risk management is centered on individual credit management based on the creditworthiness of the borrower during the credit approval process.

When a new credit application is processed, the relevant finance departments (sales promotion department)

and credit departments collect and analyze information on the borrower. The overseas representative offices also play a part in collecting information on foreign governments and corporations. Credit appraisal takes place based on the information that has been gathered and analyzed, with the different departments ensuring appropriate check throughout the process, leading to the final decision by the management.

For lending to foreign governments and corporations, JBIC makes most use of its position as a public institution and exchanges views and information with governments and other authorities in recipient countries, international institutions such as the IMF and the World Bank, other regional development banks and official export credit agencies as well as private financial institutions in the industrial countries. Using all these channels, JBIC evaluates sovereign or country risk (risk in addition to corporate risk associated with the country in which the corporation is located) based on a broad range of information on government and government agency borrowers as well as political and economic conditions in their countries.

The relevant finance departments and credit departments conduct proper credit risk management based on the credit risk rating system for segmented risk categories and the asset self assessment system based on the Financial Inspection Manual of the Japanese Financial Services Agency. In addition, an Integrated Risk Management Committee is held regularly to report the status of credit management to the management. The credit management situation is also checked by an independent auditing department.

In addition, a claims protection mechanism exists based on an international framework unique to official creditors, that is not contained in private sector financial institutions, for official claims on foreign governments. This mechanism consists of international financial assistance upon international approval by the Paris Club, an international group focusing on debt, to allow the debtor country to continue debt repayment when the debtor country becomes temporarily unable to service its debt due to economic conditions. As part of this international financial assistance, the debtor country conducts an economic reform program upon agreement with the IMF in order to secure the ability to sustainably service its debt. In view of JBIC's position as a public financial institution, it will use the framework of the Paris Club to preserve its official claims on foreign governments.

Besides the individual credit management outlined above, JBIC quantifies credit risks to assess the overall risk of the portfolio in these operations. To quantify credit risks, it is important to take into account the characteristic of the loan portfolio, namely, that there are a significant proportion of long-term loans and loans involving sovereign risk or country risk. Also to be taken into account is the mechanism of securing assets, such as the framework of international financial assistance to debtor countries through the Paris Club, which is unique to official creditors. JBIC uses a unique model to quantify the credit risk taking account of the above explained elements and measures amount of credit risk, which are utilized for credit risk management.

#### **(b) Market risk management**

ALM is used to manage foreign exchange risk and interest rate risk for these operations. Market risk management protocols contain detailed stipulations of risk management methods and procedures, which are used by the ALM Committee to assess and confirm the execution of ALM, and for discussions concerning future responses. In addition, monitoring is conducted through gap analysis and interest rate sensitivity analysis as well as Value at Risk ("VaR") to comprehensively assess the interest and terms of financial assets and liabilities. The results are regularly reported to the ALM Committee.

The basic policy for managing foreign exchange risk and interest rate risk at JBIC is described below.

##### **(i) Foreign exchange risk**

Foreign currency-denominated loans conducted in JBIC involve risks related to exchange rate fluctuations. We have a consistent policy of managing this risk by fully hedging this risk exposure through the use of currency swaps and forward foreign exchange contracts.

##### **(ii) Interest rate risk**

Interest rate risk arises from exposure to market interest rate fluctuations for yen-denominated loan and foreign currency-denominated loan operations and the policy for managing interest rate risk is described below.

###### **a. Yen-denominated loan operations**

For the most part, funding for yen-denominated loans is managed at fixed-rate interest. Currently, interest rate risk for yen-denominated loans is limited since the maturity of loans and the related funding arrangements are generally matched. In addition, swaps are used to hedge interest rate risk for portions of loans that are thought to have high exposures to interest rate fluctuation risk.

###### **b. Foreign currency-denominated loan operations**

For foreign currency-denominated loan operations, interest rate risk is hedged through the application of a consistent policy of using interest rate swaps and managing funds with floating interest rates for both loans and related funding arrangements.

**(iii) Status of market risk**

JBIC only maintains a banking account and do not have financial instruments in a trading account. While JBIC is managed by hedging operation in principle, as already stated previously, market risk is measured in order to assess fair value and potential risks. The following represents an overview of VaR in the current fiscal year.

**a. VaR**

	(Millions of yen)
	March 31, 2013
1) Interest rate VaR:	100.2
2) Exchange rate VaR:	58.7

**b. VaR measurement model**

- 1) Interest rate VaR: Historical model
- 2) Exchange rate VaR: Variance-covariance model

Quantitative standards:

- 1) Confidence Interval: 99%
- 2) Holding period: 1 year
- 3) Observation period: 5 years

**c. Risk management using VaR**

VaR is a market risk measure that assesses the maximum possible profits or losses that could be incurred based on historical market movements of interest rates or exchange rates, etc., over a specific period in the past (or observation period) within a certain period of time (or holding period) under a certain probability (or confidence interval), that is derived statistically by employing the theory of possibility distribution.

This measurement assumes actual market trends and the theory of probability distribution. Based on the possibility that future market trends could deviate from these assumptions, a back-test is performed to cross-check the model-measured interest rate VaR with actual profits or losses, in order to confirm the effectiveness of market risk measurements using VaR. In addition, a stress test, which goes beyond the probability distribution of historical market movements is conducted in order to capture risks from multifaceted perspectives.

The following points should generally be noted for VaR model measurement.

- VaR will differ depending on the confidence interval, holding period or observation period.
- VaR indicates the maximum amount of unrealized profits or losses at the time of measurement. However, calculated VaR may not always be realized in the future with the certain probability because the assumptions, such as market movements, could vary during holding period.
- VaR indicates the maximum value based on specific assumption. As such, it is imperative to keep in mind that VaR may underestimate the potential losses when utilizing VaR as a risk management measure.

**(c) Liquidity risk management related to fund procurement**

Long-term and stable funds such as fiscal loan funds, government-guaranteed bonds, and FILP agency bonds are used to finance these operations and deposits are not accepted.

Cash flows are assessed and proper measures including establishing overdraft facility accounts with multiple private sector financial institutions are taken to maintain daily cash flows for proper risk management.

**(d) Derivative transactions**

A protocol of internal checks with separate divisions executing transactions, assessing the effectiveness of the hedges, and conducting office management has been established for derivative transactions, and these transactions are conducted according to derivatives-related regulations.

**(4) Supplementary explanation concerning fair value of financial instruments**

The fair value of financial instruments includes amounts based on market value and amounts that have been reasonably

estimated when no market value is available. Set valuation inputs are used for the calculation of this amount, and if different valuation inputs are used the resulting amount could vary.

## 2. Fair value of financial instruments

The carrying amount in the balance sheet as of March 31, 2013 and the related fair value, and difference is as follows. Note that unlisted securities whose fair value is extremely difficult to be determined are not included in the following chart (refer to Note 2).

(Millions of yen)

	Amount on Balance Sheet	Fair value	Difference
(1) Cash and due from banks	837,986	837,986	—
(2) Receivables under resale agreements	284,902	284,902	—
(3) Securities			
Available-for-sale securities	22,002	22,002	—
(4) Loans and bills discounted	10,555,128		
Allowance for loan losses <sup>(*)1</sup>	(133,585)		
	10,421,542	10,475,935	54,392
Total assets	11,566,433	11,620,826	54,392
(1) Borrowings	7,234,598	7,336,897	102,299
(2) Bonds payable	2,215,962	2,312,996	97,034
Total liabilities	9,450,560	9,649,894	199,334
Derivative transactions <sup>(*)2</sup>			
Derivative transactions not qualifying for hedge accounting	—	—	—
Derivative transactions qualifying for hedge accounting	231,577	231,577	—
Total derivative transactions	231,577	231,577	—

(\*)1 General allowance for loan losses, specific allowance for loan losses, and the allowance for possible loan losses on specific overseas loans have been deducted from loans.

(\*)2 Derivatives recorded in "other assets and other liabilities" are collectively displayed. The net values of assets and liabilities arising from derivative transactions are displayed. The figures in parenthesis indicate net liabilities.

(Note 1) Valuation methodologies used for estimating fair values for financial instruments

### Assets

#### (1) Cash and due from banks

For Due from banks that do not mature or have a maturity under 3 months, the carrying amounts are used as fair value because the carrying amount approximates the fair value.

#### (2) Receivables under resale agreements

For securities acquired under resale agreements, the carrying amounts are used as fair value because the contractual terms are short (within 3 months) and the carrying amount approximates the fair value.

#### (3) Securities

The fair value of "Available-for-sale securities" is based upon the prices that are indicated from the financial institutions that JBIC transacts with.

#### (4) Loans and bills discounted

For loans with variable interest rates an amount calculated by the floating rate note method to reflect market interest rates over the short term is used for fair value.

For loans with fixed interest, the total principal and interest is discounted by a risk free rate that incorporates the default ratio and coverage ratio to calculate fair value. However for obligations on bankrupt borrowers, substantially bankrupt borrowers, and potentially bankrupt borrowers a provision for bad debt is calculated based on the expected collectable amount from the collateral or guarantee. Fair value approximates the amount on the balance sheet on the closing date after a deduction has been made for the provision for bad debt, so this amount is used for fair value.

### Liabilities

#### (1) Borrowings

Borrowings with variable interest rates indicates that short-term market interest rates and the credit conditions of JBIC are not significantly altered by borrowings. Therefore, the carrying amount is used as fair value because it is considered that the carrying amount approximates the fair value. For borrowings with a fixed interest rate, in principle, fair value is calculated by discounting the principal and interest of the borrowings



by the risk free rate (the standard Japanese government bond rate) based on the set period of loan.

(2) Bonds payable

Market value is used for fair value of bonds.

Derivative transactions

Derivative transactions are discussed under "Derivative transactions."

(Note 2) Financial instruments for which fair values are considered to be extremely difficult to be determined are as follows. They are not included in "Assets, (3) Securities."

(Millions of yen)

Classification	Carrying amount of balance sheet
1) Unlisted stocks (subsidiaries and affiliates) <sup>(*)1</sup>	—
2) Unlisted stocks (other than subsidiaries and affiliates) <sup>(*)1</sup>	22,596
3) Partnership investments (subsidiaries and affiliates) <sup>(*)2</sup>	70,822
4) Partnership investments (other than subsidiaries and affiliates) <sup>(*)2</sup>	6,760
Total	100,178

(\*)1 Since unlisted stocks do not have quoted market prices available and their fair value is extremely difficult to be determined, fair values are not stated.

(\*)2 For partnership investments composed of unlisted stocks that do not have quoted market prices available and for which fair value is extremely difficult to be determined fair values are not stated.

(Note 3) Redemption schedule for receivables and redeemable securities with future redemption dates

(Millions of yen)

	Maturities within one year	Maturities after one year but within three years	Maturities after three years but within five years	Maturities after five years but within seven years	Maturities after seven years but within ten years	Maturities after ten years
Due from banks <sup>(*)1</sup>	837,986	—	—	—	—	—
Receivables under resale agreements	284,902	—	—	—	—	—
Securities <sup>(*)2</sup>						
Available-for-sale securities	1,620	7,279	12,900	—	—	—
Loans and bills discounted <sup>(*)2</sup>	939,299	2,931,552	1,724,192	1,517,443	1,704,365	1,569,549
Total	2,063,809	2,938,832	1,737,092	1,517,443	1,704,365	1,569,549

(\*)1 Demand deposits contained within due from banks are stated as "Maturities within one year."

(\*)2 Within loans and securities, claims against bankrupt borrowers, substantially bankrupt borrowers, and potentially bankrupt borrowers contains an amount of ¥168,725 million that is not expected to be redeemed and not included in the table above.

(Note 4) Redemption schedule for borrowings and bonds with future redemption dates

(Millions of yen)

	Maturities within one year	Maturities after one year but within three years	Maturities after three years but within five years	Maturities after five years but within seven years	Maturities after seven years but within ten years	Maturities after ten years
Borrowings	829,816	2,289,560	3,561,380	349,142	204,700	—
Bonds payable	321,440	898,417	760,590	197,562	20,000	20,000
Total	1,151,256	3,187,977	4,321,970	546,704	224,700	20,000

## 16. Market Value of Securities

The following tables contain information relating to negotiable certificates of deposit as well as "Other securities" that are presented in the balance sheet.

(a) Trading securities

Not applicable

(b) Held-to-maturity debt securities with market value

Not applicable



(c) Available-for-sale securities

(Millions of yen)

	Type	Carrying amount on balance sheet	Acquisition cost	Difference
Securities whose carrying amount exceeds their acquisition cost	Stocks	—	—	—
	Debt securities	—	—	—
	Japanese government bonds	—	—	—
	Corporate bonds	—	—	—
	Others	18,205	18,000	205
	Subtotal	18,205	18,000	205
Securities whose carrying amount does not exceed their acquisition cost	Stocks	—	—	—
	Debt securities	—	—	—
	Japanese government bonds	—	—	—
	Corporate bonds	—	—	—
	Others	273,797	273,800	(2)
	Subtotal	273,797	273,800	(2)
Total		292,002	291,800	202

(d) Held-to-maturity debt securities sold during the fiscal year ended March 31, 2013

Not applicable

(e) Available-for-sale securities sold during the fiscal year ended March 31, 2013

Not applicable

(f) Change in classification of securities

Not applicable

(g) Impairment of securities

Not applicable

(h) Money held in trust

Not applicable

(i) Net unrealized gains (losses) on available-for-sale securities are as follows:

(Fiscal year ended March 31, 2013)

(Millions of yen)

	March 31, 2013
Valuation difference	2,221
Available-for-sale securities *	2,221
Other money held in trust	—
Valuation Difference on available-for-sale securities	2,221

(\*) "Available-for-sale securities" includes foreign exchange translation differences in respect of available-for-sale securities whose fair value cannot be readily determined.

## 17. Derivatives transactions

Notes to derivative transactions in the fiscal year ended March 31, 2013 are as follows;

(a) Derivative transactions not qualifying for hedge accounting

Contact value does not equate to the market risk of the derivative transactions.

(i) Interest rate-related transactions

Not applicable

(ii) Currency-related transactions

Not applicable

(iii) Equity-related transactions

Not applicable

(iv) **Bond-related transactions**

Not applicable

(v) **Commodity-related transactions**

Not applicable

(vi) **Credit derivative transactions**

Not applicable

(b) **Derivative transactions qualifying for hedge accounting**

For derivative transactions qualifying for hedge accounting, contract value as of the settlement date or notional amount defined in agreements, and fair value and its calculation method, by hedged item and by hedge accounting method, are as follows. Contract value does not indicate the market risk of the derivative transactions.

(i) **Interest rate-related transactions**

(Fiscal year ended March 31, 2013)

(Millions of yen)

Hedge accounting method	Type	Major hedged items	Contract value	Contract value (Maturing after one year)	Fair value
Basic accounting method	Interest rate swap	Loans and bills discounted			
		Borrowings			
		Corporate bonds			
	Receive / fixed and pay / floating		1,705,469	1,556,724	69,240
	Receive / floating and pay / fixed		592,416	590,036	(47,370)
	Receive / floating and pay / floating		58,504	58,504	69
Total			—	—	21,940

(Note) Calculation of fair value is based on the discounted cash flows.

(ii) **Currency-related transactions**

(Fiscal year ended March 31, 2013)

(Millions of yen)

Hedge accounting method	Type	Major hedged items	Contract value	Contract value (Maturing after one year)	Fair value
Basic accounting method	Currency swap	Loans and bills discounted	4,149,728	3,754,303	209,632
		Borrowings			
		Corporate bonds			
	Forward foreign exchange contracts	Loans and bills discounted			
	Sell		29	—	0
	Buy		84	—	4
Total			—	—	209,636

Note 1. These are mainly accounted for using the deferred method of hedge accounting under "Accounting and Auditing Treatment Relating to Adoption of Accounting Standard for Foreign Currency Transactions for Banks" (JICPA Industry Audit Committee Report No. 25).

Note 2. Calculation of fair value is based on the discounted cash flows.

(iii) **Equity-related transactions**

Not applicable

(iv) **Bond-related transactions**

Not applicable

**18. Retirement benefits**

JBIC has a defined benefit pension plan comprising of a welfare pension fund plan and a lump-sum severance indemnity plan.

**(a) The funded status of the pension plans**

(Millions of yen)

Disposition		March 31, 2012
Projected benefit obligations	(A)	(20,375)
Fair value of plans' assets	(B)	4,780
Unfunded pension obligations	(C)=(A)+(B)	(15,595)
Unrecognized prior service costs	(D)	—
Actuarial unrecognized difference	(E)	—
Net amount recognized on the balance sheet	(F)=(C)+(D)+(E)	(15,595)
Prepaid pension cost	(G)	—
Provision for retirement benefits	(H)=(F)-(G)	(15,595)

**(b) Component of pension cost**

(Millions of yen)

Disposition		March 31, 2012
Service cost		554
Interest cost		192
Expected return on plans' assets		(83)
Amortization of prior service cost accounted for as expense		—
Actuarial differences accounted for as expense		2,388
Other costs		—
Net pension cost		3,051

(Note) Employee contributions to pension funds have been deducted from the Service cost.

**(c) Principal assumptions made****(i) Discount rate**

	March 31, 2013
Discount rate	1.1%

**(ii) Expected rate of return on plan assets**

	March 31, 2013
Expected rate of return on plan assets	2.0%

**(iii) Method of attributing the projected benefits to periods of services**

Straight-line basis

**(iv) Terms to amortize unrecognized prior service costs**

Charged to expenses in the fiscal year of occurrence.

**(v) Terms to amortize actuarial unrecognized differences**

Charged to expenses in the fiscal year of occurrence.

**19. Deferred tax accounting**

JBIC does not apply deferred tax accounting since JBIC is a nontaxable entity classified in the Article 2, Paragraph 5 of the Corporation Tax Act (Act No. 34, 1965).

**20. Segment Information****(a) Segment Summary**

The Reportable Segments of JBIC are components for which discrete financial information is available and whose operating

results are regularly reviewed by CEO and Board of Directors to assess performance.

JBIC conducts JBIC Operations and Financial Operations for Facilitating Realignment of United States Forces in Japan. In order to attain each goal, JBIC divides its operations, based on the JBIC Act and other relevant acts, into two reportable segments. JBIC's Reportable Segments are "JBIC Operations" and "Financial Operations for Facilitating Realignment of United States Forces in Japan". For the Financial Account Related Operations for Facilitating Realignment of United States Forces in Japan, the financial information as of November 30, 2012 is presented as the account was abolished on the same date.

**(b) Basis of calculation for segment information by reportable segments**

The accounting policies of segment are substantially the same as those described in "Significant accounting policies." Segment profit is based on net profit.

**(c) Segment information by reportable segments**

Fiscal year ended March 31, 2013 (From April 1, 2012 to March 31, 2013)

(Millions of yen)

	JBIC Operations	Financial Operations for Facilitating Realignment of United States Forces in Japan	Reportable Segment (Subtotal)	Adjustments and Eliminations	Total
Ordinary income:					
Ordinary income from outside customers	217,035	256	217,291	—	217,291
Inter-segment ordinary income	4	1	5	(5)	—
Total	217,040	257	217,297	(5)	217,291
Segment profit	63,370	214	63,585	—	63,585
Segment assets	14,430,245	—	14,430,245	—	14,430,245
Segment liabilities	12,083,506	—	12,083,506	—	12,083,506
Other items					
Depreciation	1,018	0	1,018	—	1,018
Interest income	167,947	—	167,947	—	167,947
Interest expense	119,510	—	119,510	—	119,510
Extraordinary income	1	—	1	—	1
Extraordinary loss	—	—	—	—	—
Increase in property, plant and equipment, and intangible assets	803	—	803	—	803

Note 1. Ordinary income is shown in place of Sales for non-financial companies.

Note 2. Adjustments for segment profits include ¥5 million of elimination of inter-segment transactions.

**(d) Related Information**

Fiscal year ended March 31, 2013 (From April 1, 2012 to March 31, 2013)

**(i) Information about Services**

JBIC classifies its operation into two operation accounts for financial reporting purposes. Refer to "20 (c). Segment information by reportable segments" for information about Services.

**(ii) Information about Geographical Areas**

① Ordinary income:

(Millions of yen)

Japan	Asia / Oceania	Europe / Middle East / Africa	North America / Latin America	Total
40,852	70,528	54,300	51,610	217,291

Note 1. Ordinary income is shown in place of Sales for non-financial companies.

Note 2. Ordinary income is classified into "Japan", "Asia/ Oceania", "Europe/ Middle East/ Africa" and "North America/ Latin America" depending on the customers' location .

② Property, plant and equipment

The information about property, plant and equipment is omitted since more than 90% of property, plant equip-

ment on the Balance Sheet are located in Japan.

(iii) **Information about Major Customers**

The information about major customers is omitted since there are no transactions with a certain customer which result in more than 10% of ordinary income on the Statement of Operation.

(e) **Information about impairment loss of property, plant and equipment in Reportable Segments**

Not applicable

(f) **Information about the amortization and balance of goodwill in Reportable Segments**

Not applicable

(g) **Information about the gains from recognition of negative goodwill in Reportable Segments**

Not applicable

**21. Profit and Loss on equity method**

(a) **Affiliates**

(Millions of yen)

	March 31, 2013
Investment in affiliates	70,822
Investment in affiliates (equity method)	70,822
Profit of Investment in affiliates (equity method)	—

(b) **Special purpose entities**

Not applicable.

**22. Related party transactions**

Related party transactions in the fiscal year ended March 31, 2013 are as follows:

(a) **Transactions with parent company and major shareholder companies**

(Millions of yen)

	Corporate name	Location	Capital	Business	Ratio to Total Voting Rights (%)	Relation with related parties	Transactions	Amounts of transactions	Items	Balance as of March 31, 2013
Principal shareholder	Ministry of Finance (Minister of Finance) (Note 1)	Tokyo, Chiyoda-ku	—	Administration for policy based financing	100 (Direct)	Receipt of fund, etc.	Underwriting of capital increase (Note 2)	69,000	—	—
							Receipt of funds (Note 3)	2,144,992	Borrowings	7,234,598
							Repayment of borrowing	645,564		
							Payment of interest on borrowings	63,723	Accrued expenses	14,675
							Guarantee for corporate bonds (Note 4)	1,526,051	—	—

Note 1. Transactions with the ministries and agencies other than Ministry of Finance are as follows:

Ministry of Defense: Receipts from the national budget (subsidy from the government) ¥256 million

2. The underwriting of capital increase represents the increase in capital through shareholder allocation by JBIC at an allocation amount of ¥1 per share.

3. The receipt of funds represents borrowings from the FILP special account and foreign exchange funds special account. FILP interest rates are applied under the FILP agreement, while the interest rate under the respective agreements with foreign exchange funds special account is applied to the borrowing from foreign exchange funds.

4. No guarantee fee has been paid for the guarantee of bonds.

5. Figures in the table above do not include consumption taxes.

## (b) Transactions with fellow subsidiaries and affiliates' subsidiaries

(Millions of yen)

Type	Corporate name	Location	Capital	Business	Ratio to Total Voting Rights (%)	Relation with related parties	Transactions	Amounts of transactions	Items	Balance as of March 31, 2013
Companies that had the majority of their voting rights held by principal shareholders	Japan International Cooperation Agency	Tokyo, Chiyoda-ku	7,782,076	Official development assistance	None	Joint obligor	Joint obligations	990,145 (Note 1, 4)	—	—
	Japan Finance Corporation (Note 3)	Tokyo, Chiyoda-ku	3,455,015	Finance	None	Joint obligor	Joint obligations	1,063,475 (Note 2, 4)	—	—

Note 1. JBIC assumed the obligations of the JBIC bonds in accordance with Article 12 (1) of the Supplementary Provisions of the JBIC Act, and the Japan International Cooperation Agency ("JICA") is jointly responsible for the obligations of these bonds in accordance with Article 4 (1) of Supplementary Provisions of the Japan International Cooperation Agency Act. Pursuant to Article 4 (2) hereof, all of JICA assets are pledged as general collateral for these joint obligations.

2. JBIC assumed the obligations of the JFC bonds in accordance with Article 12 (1) of Supplementary Provisions of the JBIC Act, and JFC is jointly responsible for the obligations of these bonds in accordance with Article 46-2 (1) of Supplementary Provisions of the JFC Act. Pursuant to Article 46-2 (2) hereof, all of JFC's assets are pledged as general collateral for these joint obligations.

3. JBIC is jointly responsible for the obligations of the JFC bonds of ¥1,085,000 million in accordance with Article 17 (1) (ii) of Supplementary Provisions of the JBIC Act. In accordance with Article 17 (2) hereof, all of JBIC's assets are all pledged as general collateral for these joint obligations.

4. In relation to these joint obligations, no transactions are recognized in the statement of operations.

## 23. Amounts per share

Amounts per share as of fiscal year ended March 31, 2013 are calculated as follows:

(Yen)

	March 31, 2013
Net Assets per share of common stock	1.72
Net profit per share of common stock	0.04

Note 1. Net income per share of common stock is based on the following information.

Diluted net profit per share of common stock is not presented since there are no diluted stocks.

(Millions of yen)

	March 31, 2013
Net income	63,585
Amount not attribute to common stock	—
Net income related to common stock	63,585
Average outstanding shares of common stock (during the period)	1,291,756,164 thousands of shares

2. Net assets per share of common stock is based on the following information.

(Millions of yen)

	March 31, 2013
Net Assets	2,346,738
Deductions from net assets	—
Net Assets related to common stock	2,346,738
Year-end outstanding shares of common stock on which net assets per share was calculated	1,360,000,000 thousands of shares

## 24. Subsequent Events

On April 1, 2013, JBIC obtained an approval from the Minister of Health, Labour and Welfare for an exemption from the obligation to pay benefits for future employee services related to the substitutional portion of the Japan Finance Corporation Employee's pension fund which resulted in the transfer of the obligations and related assets to the government.

JBIC will recognize a gain or loss on the transfer and will recognize the extinguishment of the obligation for benefits related to past employee services under the substitutional portion of the pension fund as of the date of approval of the transfer and the date of the transfer of related assets, respectively.

JBIC is currently evaluating the impact on the results of its operation

## 25. Fixed assets

Fixed assets as of March 31, 2013 are as follows;

(Millions of yen)

Class of asset	Balance at the beginning of current period	Increase during the period	Decrease during the period	Balance at the end of current period	Accumulated depreciation	Depreciation	Net fixed assets
Property, plant and equipment							
Buildings	3,174	183	0	3,356	190	190	3,166
Land	24,694	—	—	24,694	—	—	24,694
Lease assets	12	41	—	54	16	16	37
Construction in progress	13	297	304	5	—	—	5
Other	250	153	0	403	101	101	301
Total property, plant and equipment	28,145	675	305	28,515	308	308	28,206
Intangible assets							
Software	1,522	432	—	1,954	614	614	1,340
Lease assets	107	—	—	107	95	95	11
Other	—	126	126	—	—	—	—
Total intangible assets	1,629	559	126	2,061	709	709	1,352

## 26. Bond payable

Major components of bonds payable as of March 31, 2013 are as follows;

(Millions of yen)

Description of bonds payable	Date of issuance	Balance at the beginning of current period	Balance at the end of current period	Interest rate (%)	Collateral	Maturity date	Remarks
Government guaranteed JBIC bonds 6 <sup>th</sup> –8 <sup>th</sup> , 13 <sup>th</sup> , 15–17 <sup>th</sup>	Dec 2, 2003–Jun 18, 2008	477,799 (USD 4,146,065 thousand) (EUR 1,248,040 thousand)	399,928 [201,385] (USD 2,648,972 thousand) [USD 1,499,682 thousand] (EUR 1,249,006 thousand) [EUR 499,792 thousand]	3.375~5.250	General collateral	Nov 26, 2012–Mar 23, 2016	*1
Government guaranteed JFC (JBIC) foreign bonds 2 <sup>nd</sup> –9 <sup>th</sup>	Nov 5, 2009–Feb 7, 2012	1,210,952 (USD 14,733,573 thousand)	892,323 (USD 9,487,752 thousand)	1.500~2.875	General collateral	Jul 6, 2012–Feb 7, 2019	*2
Government guaranteed JBIC foreign bonds 1 <sup>st</sup> –2 <sup>nd</sup>	Jul 19, 2012–Mar 19, 2013	—	233,799 (USD 1,993,929 thousand) (CAD 499,791 thousand)	1.125~2.300	General collateral	Jul 19, 2017–Mar 19, 2018	
JBIC FILP Agency Bonds 10 <sup>th</sup> , 12 <sup>th</sup> , 13 <sup>th</sup> , 16 <sup>th</sup> , 18 <sup>th</sup> , 19 <sup>th</sup> , 21 <sup>st</sup> –23 <sup>rd</sup> , 25 <sup>th</sup> , 27 <sup>th</sup> , 29 <sup>th</sup> , 30 <sup>th</sup>	Feb 6, 2004–May 29, 2008	519,895	519,920 [119,994]	1.340~2.090	General collateral	Dec 20, 2013–Dec 19, 2025	*1
JFC FILP Agency Bonds 3 <sup>rd</sup> , 7 <sup>th</sup> , 12 <sup>th</sup> , 17 <sup>th</sup>	Oct 29, 2009–May 9, 2011	169,989	169,990	0.421~1.430	General collateral	Dec 19, 2014–Sep 20, 2019	*2
Total	—	2,378,637	2,215,962	—	—	—	—

Note 1. The amounts of foreign currency-denominated bonds are shown in original currencies in parentheses ( ).

2. Figures indicated in brackets [ ] represent the amounts to be redeemed within one year.

3. JBIC assumed the obligations in respect of the government guaranteed JBIC bonds and the JBIC bonds (Note 1) which had been issued by JBIC before JFC was established, and JBIC and JICA are now jointly responsible for these obligations in accordance with the JBIC Act.

JBIC also assumed from JFC the obligations concerning the government guaranteed JFC (JBIC) foreign bonds and the JFC corporate bonds (Note 2), and JBIC and JFC are now jointly responsible for these obligations pursuant to the JBIC Act.

4. The redemption schedule of bond payable for each of the next five years as of March 31, 2013 is as follows:

(Millions of yen)

	Within 1 year	After 1 year but within 2 years	After 2 years but within 3 years	After 3 years but within 4 years	After 4 years but within 5 years
Amount	321,440	355,135	543,282	426,200	334,390

## 27. Borrowings

Borrowings as of March 31, 2013 are as follows;

(Millions of yen)

Disposition	Balance at the beginning of current period	Balance at the end of current period	Average interest rate (%)	Due date of payment
Borrowed money	5,255,489	7,234,598	0.78	—
Borrowings	5,255,489	7,234,598	0.78	April 2013–February 2023
Lease obligation (Due within one year)	112	23	—	—
Lease obligation (Due after one year)	13	35	—	September 2017
Other interest-bearing liabilities	293,090	105,240	0.058	—
Cash collateral received for financial instruments	293,090	105,240	0.058	—

Note 1. Average interest rates represent the weighted-average interest rates of debts calculated from the interest rates and balances of debt outstanding as at the end of the current period.

2. As for the lease obligation, there is no average lease rate since the short-cut method is applied for these transactions.

3. There is no fixed maturity date for the repayment of cash collateral received for financial instruments.

4. Borrowed money and lease obligation maturities for the next five years as of March 31, 2013 are as follows:

(Millions of yen)

	Within 1 year	After 1 year but within 2 years	After 2 years but within 3 years	After 3 years but within 4 years	After 4 years but within 5 years
Borrowings	829,816	1,287,151	1,002,409	943,563	2,617,817
Lease obligations	23	10	10	10	5

## 28. Reserves

Reserves as of March 31, 2013 are as follows;

(Millions of yen)

Disposition	Balance at the beginning of current period	Increase during the period	Decrease during the period (use for purpose)	Decrease during the period (others)	Balance at the end of current period
Allowance for loan losses	124,271	54,513	—	39,893	138,891
General allowance for loan losses	19,946	32,612	—	19,946	32,612
Specific allowance for loan losses	86,387	2,009	—	2,009	86,387
Allowance for possible losses on specific overseas loans	17,937	19,891	—	17,937	19,891
Provision for bonuses	501	445	501	—	445
Provision for directors' bonuses	0	5	0	—	5
Provision for directors' retirement benefits	17	11	—	—	29
Total	124,790	54,976	501	39,893	139,372

Note The main factors in the decrease during the period in each of the following reserves is as follows:

General allowance for possible loan losses: Decrease is due to reversal

Specific allowance for possible loan losses: Decrease is due to collection, etc.

Allowance for possible losses on specific overseas loans: Decrease is due to reversal

## 29. Asset Retirement Obligation

Not applicable



### 30. Components of major assets and liabilities

Components of major assets and liabilities as of March 31, 2013 are as follows:

(a) Assets

(i) Due from banks:

Deposits with Bank of Japan (¥23,154 million) and other banks (¥814,832 million)

(ii) Other securities:

Foreign securities (¥122,181 million)

(iii) Prepaid expenses:

General and administrative expenses (¥307 million)

(iv) Accrued income:

Accrued interest income on loans (¥32,300 million), and others

(v) Other assets:

Cash collateral paid for financial instruments (¥39,070 million), and others

(b) Liabilities

(i) Accrued expenses:

Accrued interest on borrowings and rediscounts (¥14,675 million), accrued interest on bonds (¥12,106 million), and others

(ii) Unearned revenue:

Guarantee commission (¥50,100 million), and others

(iii) Other liabilities:

Cash collateral received for financial instruments (¥105,240 million), and others

## 2. Composition of Liabilities and Net Assets

(Unit: millions of yen, %)

	March 31, 2013	
	Amount	% (Note)
Liabilities	12,083,506	83.7
Borrowed Money	7,234,598	50.1
Bonds Payable	2,215,962	15.4
Acceptances and Guarantees	2,400,699	16.6
Other	232,247	1.6
Net Assets	2,346,738	16.3
Capital Stock	1,360,000	9.4
Retained Earnings	851,685	5.9
Valuation Difference on Available-for-sale Securities	2,221	0.0
Deferred Gains or Losses on Hedges	132,831	0.9
<b>Total Liabilities and Net Assets</b>	<b>14,430,245</b>	<b>100</b>

(Note) Ratio to Liabilities and Net Assets added.

### (Information on the Capital Adequacy Ratios)

Although the Banking Act does not apply to JBIC, the capital adequacy ratios for JBIC operations, which are calculated in accordance with Basel II framework and relevant international standards, are set in the table below.

(Unit: millions of yen)

Core Capital (Tier I)	(A)	2,182,221
Supplementary Capital (Tier II)	(B)	32,612
Exclusion	(C)	—
Total Capital (A)+(B)–(C)	(D)	2,214,834
Risk Assets, etc.	(E)	11,064,248
Total Capital Ratio (D)/(E)		20.02%

## 3. The Average Balance of Interest-earning Assets and Interest-bearing Liabilities, Interest and Earning Yields

(Unit: millions of yen, %)

	Fiscal Year Ended March 31, 2013		
	Average Balance	Interest	Earning Yields
Interest-earning Assets	9,908,559	167,947	1.69
Loans and Bills Discounted	8,630,420	132,408	1.53
Due from Banks	461,807	1,232	0.27
Interest-bearing Liabilities	8,384,335	119,510	1.43
Borrowed Money	5,874,376	63,797	1.09
Bonds Payable	2,222,932	55,476	2.50

## 4. Breakdown of Operating Expenses

(Unit: millions of yen)

	Fiscal Year Ended March 31, 2013
Salaries and Other Compensations	4,685
Expenses for Retirement Benefits	3,051
Welfare Benefits	545
Amortization of Property and Equipment	1,018
Leasing on Land, Buildings and Machinery	184
Building Maintenance	229
Supplies	202
Utilities	94
Traveling Expenses	1,270
Communications	92
Advertising Expenses	3
Fees, Donations and Social Expenses	14
Taxes	298
Other	5,859
<b>Total</b>	<b>17,551</b>

## 5. Balance of Due from Banks, Receivables under Resale Agreements and Securities —Application of Surplus Funds

(Unit: millions of yen)

	March 31, 2013
Due from Banks in Japanese Yen	310,000
Due from Banks in Foreign Currencies	425,707
Receivables under Resale Agreements	284,902
Securities	—

## 6 Information on Derivative Transactions

### (1) Basic Policy for Derivative Transactions

JBIC engages in derivatives transactions exclusively for the purpose of hedging exchange rate and interest rate risks.

### (2) Transactions

Derivatives transactions of JBIC include interest rate and currency swaps and forward exchange contracts. The following table gives a summary of these transactions.

### (3) Risks Involved in Derivatives Transactions

Derivatives transactions involve the following risks.

#### *Counterparty Credit Risk*

The potential loss from the failure of a counterparty to perform its obligations in accordance with the terms and conditions of the contract governing transactions due to bankruptcy or its deteriorating business performance.

#### *Market Risk*

The potential loss from changes in the market value of financial products due to fluctuations in interest rates or exchange rates in the market.

### (4) Measures to Address These Risks

#### *Counterparty Credit Risk*

JBIC constantly monitors the market value of a derivative in making transaction with each counterparty, credit risk exposure to it and its creditworthiness. Such information is then used to assess the appropriateness of making transaction with it.

#### *Market Risk*

JBIC utilizes derivatives transactions exclusively for the purpose of hedging. Therefore, the market risk on derivatives transactions and the risk on hedged (lending or funding) transactions, in principle, offset each other.

(As of March 31, 2013; 100 millions of yen)

	Contract Amounts / Notional Amounts	Credit Risk Amounts	Market Value
Interest Rate Swaps	24,560	895	219
Currency Swaps	41,497	6,047	2,096
Forward Exchange Contracts	1	0	0
Other Derivatives	—	—	—
Credit Risk Reductions through Netting		(2,845)	
<b>Total</b>	<b>66,058</b>	<b>4,097</b>	<b>2,315</b>

(Note) "The credit risk amounts" are calculated under Uniform International Standards in accordance with the Banking Act of Japan and the related regulations.

## 7. Yield / Interest Rate

(Unit: %)

	Fiscal Year Ended March 31, 2013
(A)–(B)	0.27
Yields on Interest-earning Assets (A)	1.70
Costs of Interest-bearing Liabilities (B)	1.43

(Note) Yields on Interest-earning Assets = Interest / Average Balance of Interest-earning Assets

Costs of Interest-bearing Liabilities = Interest Expenses / Average Balance of Interest-bearing Liabilities

Cf. Interest = Interest on Loans and Discounts + Interest on Securities + Interest on Receivables under Resale Agreements + Interest on Deposits with Banks + Interest on interest swaps + Other interest income

Average Balance of Interest-earning Assets = Loans and Bills Discounted + Securities + Receivables under Resale Agreements + Cash Equivalents (excluding due from banks) + Capital pledged for derivative transactions

Interest Expenses = Interest on Borrowings and Rediscounts + Interest on Bonds + Interest on interest swaps + Other interest expenses

Average Balance of Interest-bearing Liabilities = Borrowed Money + Bonds Payable + Collateral accepted for derivative transactions

## 8. Loans Outstanding per Employee

(Unit: millions of yen)

March 31, 2013
19,692

## 9. Loans Outstanding by Industry

(Unit: millions of yen)

Industry	March 31, 2013	
	Number of Loans	Balance
Manufacturing	91	297,487
Mining and Quarrying of Stone and Gravel	10	280,876
Construction	2	2,628
Electricity, Gas, Heat Supply, and Water	5	327,458
Information and Communications	1	1,400
Transport and Postal Services	5	41,636
Wholesale Trade	19	857,525
Finance and Insurance	16	1,901,498
Goods Rental and Leasing	7	45,300
Overseas Yen Loan and Domestic Loans Transferred Overseas	450	6,807,548
<b>Total, Including Others</b>	<b>606</b>	<b>10,563,360</b>
Loans Outstanding to Small and Medium-sized Enterprises	72	10,447
Loans Outstanding to Mid-tier Enterprises	60	20,524

(Note) In this table, small and medium-sized enterprises are defined as domestic corporations with the capital of ¥300 million or less or corporations and individuals having 300 or less employees on the regular pay roll.

Mid-tier enterprises are defined as domestic corporations with the capital of ¥1 billion or less (excluding small and medium-sized enterprises).

## 10. Write-off of Loans

(Unit: millions of yen)

Fiscal Year Ended March 31, 2013
—

## 11. Assets in Major Foreign Currencies

(Unit: thousands of regarding currency unit)

	March 31, 2013
Cash Equivalents in Foreign Currency (US\$)	5,110,297
Cash Equivalents in Foreign Currency (STG£)	17,793
Cash Equivalents in Foreign Currency (EUR)	10,411
Cash Equivalents in Foreign Currency (AUD)	0
Cash Equivalents in Foreign Currency (CAD)	192,465
Investments in Foreign Currency (US\$)	900,047
Equity Investments in Foreign Currency (US\$)	103,588
Equity Investments in Foreign Currency (EUR)	0
Equity Investments in Foreign Currency (CNY)	18,000
Equity Investments in Foreign Currency (SGD)	165,999
Loans in Foreign Currency (US\$)	88,219,328
Loans in Foreign Currency (EUR)	558,771
Loans in Foreign Currency (ZAR)	359,900
Loans in Foreign Currency (AUD)	330,397
Loans in Foreign Currency (THB)	3,132,900
Loans in Foreign Currency (SDR)	669,180
Loans in Foreign Currency (CAD)	1,209,770
Loans in Foreign Currency (IDR)	230,000,000

## 12. Administrative Expense Ratio

(Units: %)

	Fiscal Year Ended March 31, 2013
Administrative Expense Ratio	0.16

(Note) Administrative Expense Ratio = General and Administrative Expenses / (Average Balance of Loans and Bills Discounted + Average Balance of Securities + Average Balance of Customers' Liabilities for Acceptances and Guarantees)

## 13. Balance of Loans / Borrowings, Bonds and Notes by Maturity

### Maturity Structure of Loans as of March 31, 2013

(Unit: 100 millions of yen)

Maturity	Collection from Loans
1 Year or Less	9,392
1-2 Years	16,147
2-3 Years	13,167
3-4 Years	8,308
4-5 Years	8,933
5-6 Years	7,586
6-7 Years	7,587
7-8 Years	6,401
8-9 Years	6,071
9-10 Years	4,570
11-15 Years	11,865
16-20 Years	3,673
21-25 Years	137
26-30 Years	19
31-35 Years	—
36-40 Years	—
Over 40 Years	—
<b>Total</b>	<b>103,864</b>

(Note) The figures exclude: ¥168,725 million, the amount of loans and other credits to debtors who are legally or substantially bankrupt, as well as those who are likely to become bankrupt, since they have no prospect for redemption.

### Maturity Structure of Long-term Borrowing and Borrowings from the Special Account of the Former Postal Life Insurance as of March 31, 2013

(Unit: 100 millions of yen)

Maturity	Repayment of Borrowings
1 Year or Less	8,298
1-2 Years	12,871
2-3 Years	10,024
3-4 Years	9,435
4-5 Years	26,178
5-6 Years	3,301
6-7 Years	190
7-8 Years	—
8-9 Years	—
9-10 Years	2,047
Over 10 Years	—
<b>Total</b>	<b>72,345</b>

### Maturity Structure of Bonds and Notes as of March 31, 2013

(Unit: 100 millions of yen)

Maturity	Redemption of Bonds and Notes
1 Year or Less	3,214
1-2 Years	3,551
2-3 Years	5,432
3-4 Years	4,262
4-5 Years	3,343
5-6 Years	1,375
6-7 Years	600
7-8 Years	200
8-9 Years	—
9-10 Years	—
Over 10 Years	200
<b>Total</b>	<b>22,180</b>

## 14. Information on the Quality of Assets

Although the Banking Act and Act on Emergency Measures for the Revitalization of the Financial Functions of 1998 (the "Financial Revitalization Act") do not apply to JBIC, JBIC has made a self-assessment of the quality of its assets since the fiscal year ended March 31, 2001, in accordance with the standards set forth in the *Inspection Manual for Deposit-Taking Institutions* (last revised in April, 2013) of the Financial Services Agency of Japan. This was aimed at increasing disclosure on its asset quality and improving the internal management of credit risks.

One characteristic of JBIC's operations is that a considerable portion of its loans is official credit for the governments of developing countries. Thus, when an indebted country is temporarily unable to service debt due to economic difficulties, debt rescheduling will sometimes take place—based on an international agreement among the creditor countries in the Paris Club—in order to ensure sustainable debt service. A debtor country receiving such temporary support for overcoming the liquidity problem will implement economic restructuring programs agreed upon with the International Monetary Fund (IMF) to acquire sustainable debt service capacity.

The loans rescheduled under the agreement in the Paris Club have a high probability of repayment, because, unlike loans provided by private financial institutions, their nature as official credit provides an asset-securing mechanism under the above international framework. Nonetheless, to facilitate comparison with private financial institutions, JBIC, in principle, discloses the loans rescheduled in the Paris Club and whose debtor countries are categorized as "Needs Attention" in its self-assessment of asset quality, as loan assets required to be disclosed classifying them either as restructured loans (under the Banking Act) or substandard loans (under the Financial Revitalization Act).

ERNST & YOUNG SHINNIHON LLC audited JBIC's self-assessment regarding the quality of its assets, including the following risk-monitored loans, loans to be disclosed under the Financial Revitalization Act and reserves for possible loan losses, in accordance with the *Practical Guidelines for Evaluation of Internal Control over Valuation of Assets and Audits for Write-Offs and Reserve for Possible Loan Losses of Banks and Similar Institutions* (Report No. 4 of the Ad Hoc Committee for Audits of Banks, the Japanese Institute of Certified Public Accountants (JICPA)).

### 1. Risk-Monitored Loans

The following table shows the classification of risk-monitored loans based on the self-assessment of asset quality in accordance with the disclosure standard of risk-monitored loans applied to commercial financial institutions (under the Banking Act).

Each category of risk-monitored loans is defined as follows:

#### 1. Bankrupt Loans

Among loans that are placed in non-accrual status (except the portion deducted as allowance for loan losses), when collection of either principal or interest becomes doubtful for the reason that principal or interest is past due for a considerable period of time or for other reasons, those loans for which there is filing of reorganization procedures under the Corporate Reorganization Act rehabilitation procedures under the Civil Rehabilitation Act, bankruptcy procedures under the Bankruptcy Act, special liquidation procedures under the Companies Act or other relevant laws, or there is suspension of transactions in promissory notes issued by the debtors in the clearing house.<sup>(Note 1)</sup>

#### 2. Non-accrual Loans

Loans that are placed in non-accrual status except those classified as "Bankrupt Loans" or those whose interest payments are deferred in order to expedite the debtors' business restructuring or support their business operations.

#### 3. Past Due Loans (3 months or more)

Loans whose principal or interest is past due 3 months or more from the date following the contractually scheduled payment date and not classified as "Bankrupt Loans" or "Non-accrual Loans".

#### 4. Restructured Loans

Loans whose terms and conditions are modified in favor of the debtors in order to expedite the debtors' business restructuring or support their business operations by, among others, reducing the stated interest rate, deferring interest payments or write-downs, and that are not classified as "Bankrupt Loans", "Non-accrual Loans" and "Past Due Loans (3 months or more)".<sup>(Note 2)</sup>

(Unit: millions of yen)

	Fiscal Year Ended March 31, 2012	Fiscal Year Ended March 31, 2013
Bankrupt Loans	—	—
Non-accrual Loans	101,565	96,140
Past Due Loans (3 months or more)	176	69,065
Restructured Loans	83,014	79,976
Total (1)	184,755	245,183
Total Amounts of Loans (2)	8,110,356	10,555,128
(1) / (2) (%)	2.28	2.32



## 2. Loan Assets to Be Disclosed under the Financial Revitalization Act

The following table shows the classification of loans based on the self-assessment of asset quality in accordance with the disclosure standard of the Financial Revitalization Act.

### 1. Bankrupt and Quasi-bankrupt Assets

"Bankrupt and Quasi-bankrupt Assets" are loans and other credits to debtors who have begun proceedings under the Bankruptcy Act, the Corporate Reorganization Act, the Civil Rehabilitation Act and other similar laws of Japan and have financially failed. In the asset quality self-assessment, these loans are loans to debtors who are legally or substantially bankrupt.

### 2. Doubtful Assets

"Doubtful Assets" are loans and other credits to debtors whose financial and operational conditions have deteriorated and who have a possibility that payment of principal and / or interest will not be made on a contractual basis. In the asset quality self-assessment, these loans are loans to the debtors who are likely to become bankrupt.

### 3. Substandard Loans

"Substandard Loans" are loans to debtors who are categorized as "Needs Attention Debtor" in the asset quality self-assessment, and

- (i) loans whose principal and / or interest is overdue 3 months or more from the date following the scheduled payment date but which are not categorized as "Bankrupt and Quasi-bankrupt Assets" and "Doubtful Assets" ("Past Due Loans (3 months or more)").
- (ii) restructured loans on which the Bank granted concessions to debtors in financial difficulties through amending terms and conditions of the loans to assist them to recover and eventually be able to pay to creditors, but which are not categorized as "Bankrupt and Quasi-bankrupt Assets", "Doubtful Assets" or "Overdue Loans (3 months or more)". (Note 2)

### 4. Normal Assets

"Normal Assets" are loans to debtors with no particular problem in their financial conditions, categorized in the asset quality self-assessment either as "Loans to Normal Debtors" or "Loans to Needs Attention Debtors (excluding substandard loans)", but which are not categorized as "Bankrupt and Quasi-bankrupt Assets", "Doubtful Assets" and "Substandard Loans".

(Unit: millions of yen)

		Fiscal Year Ended March 31, 2012	Fiscal Year Ended March 31, 2013
Loans	Bankrupt and Quasi-bankrupt Assets	658	—
	Doubtful Assets	100,906	96,140
	Substandard Loans	83,190	149,042
	Subtotal (1)	184,755	245,183
	Normal Assets	10,335,469	12,744,811
	Total (2)	10,520,225	12,989,995
	(1) / (2) (%)	1.76	1.89

#### Note 1

According to the Banking Act, which provides the disclosure requirements of "Risk-monitored Loans" adopted by commercial financial institutions in Japan, the loans to overseas public debtors which meet all of the following conditions must be disclosed as "Bankrupt Loans": (1) no payment of principal and its interest 3 years before term-end, (2) no agreement for the extension of the repayment deadlines 3 years before term-end and (3) no concrete plan to conclude an agreement for the extension of the repayment deadline at term-end. In the table shown on the previous page, however, taking into consideration the international cooperation framework on public debt mentioned above, the overseas public debtors who meet the conditions above are classified as "Potentially Bankrupt Debtors" under the asset quality self-assessment criteria and loans to such debtors are classified as "Non-accrual Loans" under the disclosure of "Risk-monitored Loans".

#### Note 2

In the event that a debtor country encounters temporary repayment difficulties in respect of external public debt (sovereign debt, trade insurance institutions and export credit institutions, etc.) due to the deteriorating balance of payments, meetings of creditor countries (the "Paris Club") will be held to mutually agree on debt relief measures (rescheduling), and implementing of temporary support for overcoming the liquidity problem (balance of payment support under an international cooperative framework). With this temporary liquidity support, debtors carry out IMF-agreed economic restructuring programs and continue to make debt repayments. The principal amount of loans for which JBIC has agreed to provide debt relief pursuant to the Paris Club agreements is ¥243,143 million as of the end of the fiscal year ended March 31, 2013.

Loans to debtors classified under the self-assessment as "Needs Attention" (but not "Past Due Loans (3 months or more)") that were rescheduled under the Paris Club as "Restructured loans". The amount of such loans, included in "Restructured loans" in the above table is ¥79,976 million, of which ¥79,720 million represents the original principal.





# Corporate Data

Data

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# 1 • Board of Directors and Auditors (As of June 25, 2013)

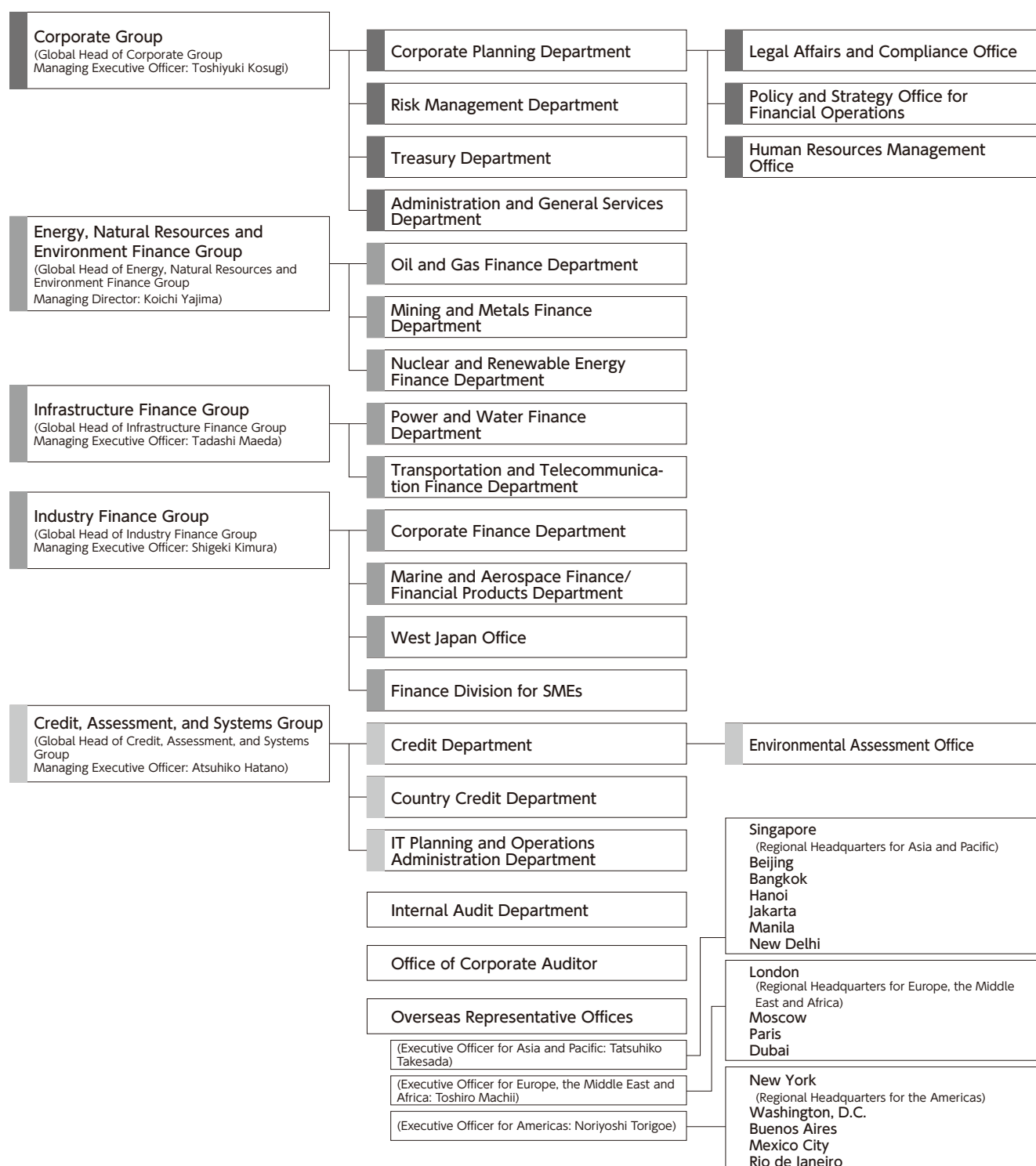
Governor	Hiroshi OKUDA
CEO, Executive Managing Director	Hiroshi WATANABE
COO, Senior Managing Director	Fumio HOSHI
Managing Director, Global Head of Energy, Natural Resources and Environment Finance Group	Koichi YAJIMA
Managing Director (Outside Director)	Akira KONDOH
Corporate Auditor (Full-Time Corporate Auditor)	Hiroshi IMOTO
Corporate Auditor (Outside Corporate Auditor)	Shinji NISHIO
Corporate Auditor (Outside Corporate Auditor)	Tatsuo IGARASHI

## 2. Organizational Chart (As of July 1, 2013)

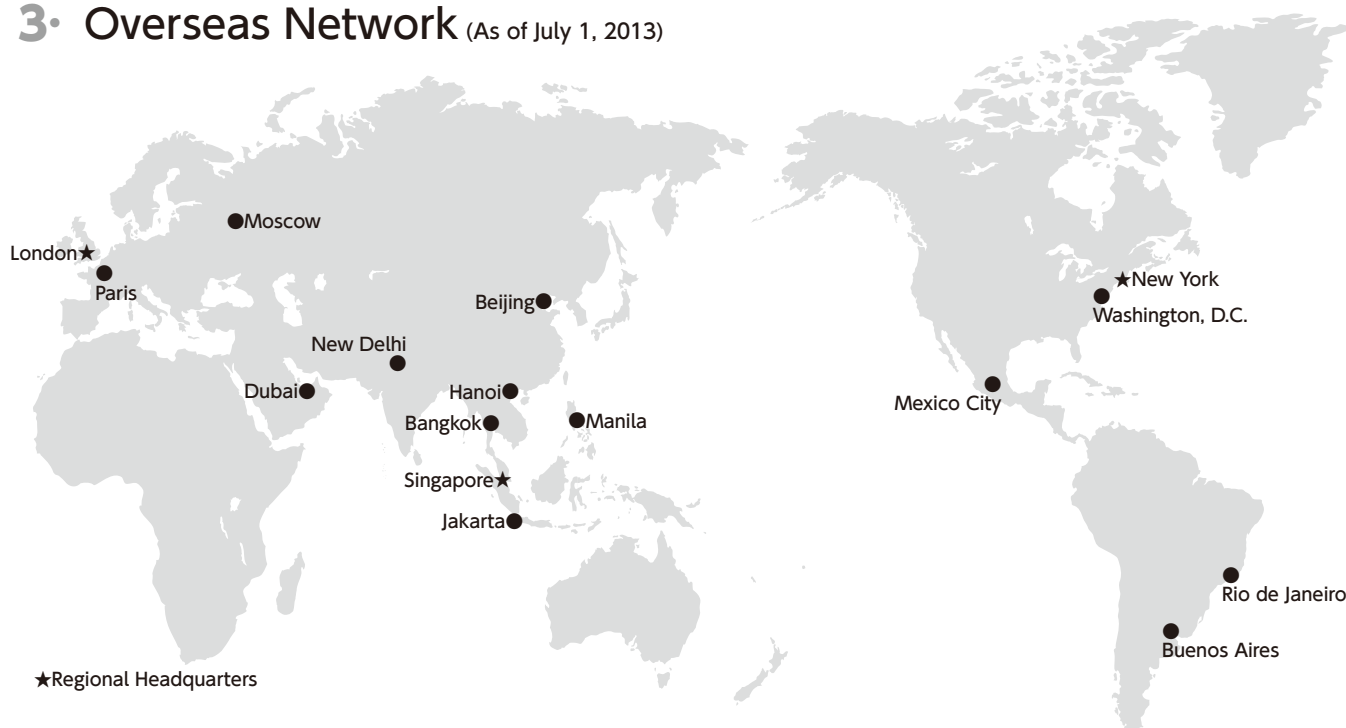
JBIC is constituted by five business groups: three mission/sector-specific finance groups (Energy, Natural Resources and Environment Finance Group; Infrastructure Finance Group; and Industry Finance Group) and the Corporate Group and the Credit, Assessment, and Systems Group which support these finance groups.

This organizational structure was intended to strengthen the capacity to formulate projects by bringing together know-how and expertise in each sector and area, thereby

creating an institution that can execute the functions in its mission more flexibly and strategically: the mission directly linked to Japan's economic policy. In the network of overseas representative offices, Singapore, London and New York are assigned as core regional offices to supervise business and administrative activities as well as to support project formulation in Asia and Pacific; Europe, the Middle East and Africa, and the Americas respectively.



### 3 Overseas Network (As of July 1, 2013)



★Regional Headquarters

★ **REPRESENTATIVE OFFICE IN SINGAPORE**

(Regional Headquarters for Asia and Pacific)  
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● **REPRESENTATIVE OFFICE IN BANGKOK**

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● **REPRESENTATIVE OFFICE IN HANOI**

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● **REPRESENTATIVE OFFICE IN JAKARTA**

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● **REPRESENTATIVE OFFICE IN MANILA**

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● **REPRESENTATIVE OFFICE IN NEW DELHI**

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★ **REPRESENTATIVE OFFICE IN LONDON**  
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● **REPRESENTATIVE OFFICE IN MOSCOW**

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● **REPRESENTATIVE OFFICE IN PARIS**

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● **REPRESENTATIVE OFFICE IN DUBAI**

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★ **REPRESENTATIVE OFFICE IN NEW YORK**  
(Regional Headquarters for the Americas)

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● **REPRESENTATIVE OFFICE IN WASHINGTON, D.C.**

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● **REPRESENTATIVE OFFICE IN MEXICO CITY**

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Fax. 52-55-5525-3473

● **REPRESENTATIVE OFFICE IN RIO DE JANEIRO**

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Fax. 55-21-2554-8798

## 4. History

### Events related to The Export-Import Bank of Japan (JEXIM)

December 1950	The Japan Export Bank Act promulgated and enforced; The Japan Export Bank established
April 1952	The Japan Export Bank changed its name to The Export-Import Bank of Japan

### Events related to the Japan Bank for International Cooperation (former JBIC)

April 1999	The Japan Bank for International Cooperation Act promulgated and enforced
September 1999	Order for the Japan Bank for International Cooperation Act promulgated and enforced
October 1999	The Japan Bank for International Cooperation (former JBIC) established (taking over operations of the Export-Import Bank of Japan and those of the Overseas Economic Cooperation Fund)
October 2003	"JBIC Guidelines for Confirmation of Environmental and Social Considerations" and "Procedures to Submit Objections Concerning JBIC Guidelines for Confirmation of Environmental and Social Considerations" enforced

### Events related to the Japan Finance Corporation

June 2006	The Act on Promotion of Administrative Reform for Realization of Small and Efficient Government promulgated and enforced
May 2007	The Japan Finance Corporation Act promulgated and enforced
April 2008	Order for the Japan Finance Cooperation Act promulgated and enforced
October 2008	The Japan Finance Corporation established
March 2010	The Revision of Japan Finance Corporation Act enforced (Promoting the overseas business having the purpose of preserving the global environment, such as preventing global warming was added to JBIC mission)
April 2010	The Account for Facilitating Realignment of United States Forces in Japan created

### Events related to the Japan Bank for International Cooperation (new JBIC)

May 2011	The Japan Bank for International Cooperation Act promulgated and enforced
July 2011	Order for Enforcement of the Japan Bank for International Corporation Act and Cabinet Order for Revising Part of the Japan Finance Corporation Act promulgated and enforced (The scope of operations was expanded, including the rule on export financing to developed countries)
April 2012	The Japan Bank for International Cooperation (JBIC) established
November 2012	The Account for Facilitating Realignment of United States Forces in Japan closed

## 5. Japan Bank for International Cooperation Act

### Excerpt of the Japan Bank for International Cooperation Act (Act No. 39 of 2011)

#### Article 1: Purpose

Japan Bank for International Cooperation shall be a *Kabushiki-Kaisha*, which has the purpose of contributing to the sound development of Japan and the international economy and society, by taking responsibility for the financial function to promote the overseas development and securement of resources which are important for Japan, to maintain and improve the international competitiveness of Japanese industries and to promote the overseas business having the purpose of preserving the global environment, such as preventing global warming, also providing the financial services that are necessary to prevent disruptions to international financial order or to take appropriate measures with respect to damages caused by such disruption, while having the objective of supplementing the financial transactions implemented by ordinary financial institutions.

#### Article 3: Holding of Shares by Government

The Government shall, at all times, hold the total number of outstanding shares of JBIC.

#### Article 4: Government's Contribution

1. The Government may, when it finds it to be necessary, make contributions to JBIC within the amount appropriated in the budget.
2. When a contribution is made by the Government pursuant to the provisions of the preceding Paragraph, JBIC shall, notwithstanding the provisions of Paragraph 2 of Article 445 of the Companies Act (Act No. 86 of 2005), be allowed not to record the amount exceeding half of such contribution amount as the capital. In this case, "this Act" referenced in Paragraph 1 of the same Article shall be deemed to be replaced with "this Act or Japan Bank for International Cooperation Act (Act No. 39 of 2011)."

#### Article 5: Limitation, etc. on Use of Name

1. No person other than JBIC shall use the words "Japan Bank for International Cooperation" in its name.
2. The provisions of Paragraph 2 of Article 6 of the Banking Act shall not be applied to JBIC.

#### Article 6: Resolution for Appointment and Removal, etc. of Officers, etc.

1. The resolution for the appointment and removal of the Officers, etc. (meaning Directors, Executive Officers and Auditor(s); the same shall apply hereinafter) of JBIC shall not take effect unless the authorization of the Minister of Finance is granted.
2. The resolution for selection and displacement of a Representative Director or Representative Executive Officer of JBIC shall not take effect unless the authorization of the Minister of Finance is granted.

#### Article 11: Scope of Operations

JBIC shall, for attaining its purpose, engage in the operations listed below:

- (1) The loan of funds necessary for the Export of Equipment, etc., the acquisition by assignment of loan receivables related to such funds, the Guarantee, etc. of Liabilities related to such funds, in the case where the Foreign Financial Institutions, etc. or the Foreign Governments, etc. provide the Guarantee, etc. of Liabilities with respect to such funds, the Guarantee, etc. of Liabilities related to such Guarantee, etc. of Liabilities, or the acquisition of the Public/Corporate Bonds, etc. issued in order to procure such funds by certain measures, such as acquisition through subscription;
- (2) The loan of funds necessary to ensure the reliable and timely Import of Important Goods, etc., the acquisition by assignment of loan receivables related to such funds, the Guarantee, etc. of Liabilities related to such funds or the acquisition of the Public/Corporate Bonds, etc. to be issued in order to procure such funds by certain measures, such as acquisition through subscription;

- (3) The loan of funds to be used directly or indirectly for the business which the Juridical Persons, etc. of Japan, Foreign Governments, etc. or Foreign Juridical Persons, etc. Invested in conduct outside Japan, the acquisition by assignment of loan receivables related to such funds, the Guarantee, etc. of Liabilities related to such funds, in the case where the Juridical Persons, etc. of Japan, Foreign Juridical Persons, etc. Invested in, Foreign Financial Institutions, etc. or Foreign Governments, etc. provide the Guarantee, etc. of Liabilities to the Juridical Persons, etc. of foreign countries with respect to such funds, the Guarantee, etc. of Liabilities related to such Guarantee, etc. of Liabilities, or the acquisition of the Public/Corporate Bonds, etc. to be issued in order to procure such funds by certain measures, such as acquisition through subscription;
- (4) (i) The loan to the Foreign Governments, etc., Foreign Financial Institutions, etc. or international organizations, such as the International Monetary Fund, of long-term funds (meaning the funds required to be provided for more than one (1) year; the same shall apply hereinafter) required for their overseas business or the import of goods or introduction of technologies by the foreign country concerned, or funds required to attain the international balance of payments or achieve the stability of the currency of the foreign country concerned, (ii) the acquisition by assignment of loan receivables related to such funds or the Guarantee, etc. of Liabilities related to such funds or (iii) the acquisition of the Public/Corporate Bonds, etc. issued in order to procure such funds by certain measures, such as acquisition through subscription;
- (5) When it is found remarkably difficult for a foreign government or foreign resident to conduct overseas transactions, such as import by reason of the international balance of payments of the foreign country concerned, and it is found urgently necessary, the loan to the governments, governmental agencies or banks of the foreign country concerned, of the short-term funds (meaning the funds required necessary to be provided for one (1) year or less than one (1) year; the same shall apply hereinafter) necessary to facilitate overseas transactions, such as import, until the International Monetary Fund, etc. (meaning international organizations, such as the International Monetary Fund, or governments, governmental agencies or banks of more than two (2) countries other than that foreign country concerned; the same shall apply hereinafter) provides funds to assist the development of the economy of the foreign country concerned (hereinafter referred to as the "Funds for Economic Assistance");
- (6) The provision of contributions to persons who are carrying on business outside Japan (including those Juridical Persons, etc. of Japan whose sole purpose is to make overseas investments and who make contributions to those carrying on the aforesaid business) to contribute funds required for their business;
- (7) The carrying out of the necessary studies related to the operations listed in each of the preceding Items;
- (8) The provision of information to the users of operations provided by JBIC that pertains to such operations; and
- (9) Any other operations incidental to those listed in each of the preceding Items (excluding those listed in Item (7)).

#### Article 12:

1. Among the operations listed in Item (1) of the preceding Article, those which are related to the Export of Equipment, etc. destined for any area other than developing overseas areas (hereinafter referred to as the "Developing Areas") may be conducted only in the cases listed below:
  - (1) when necessary countermeasures are taken in accordance with multilateral arrangements in the case where the Foreign Governments, etc., in which exporters conduct the export destined for the said area, grant credit, underwrite insurance or



provide an interest rate support with more favorable conditions than usual in order to promote the export from such foreign countries; or

- (2) when it is prescribed by a Cabinet Order as being a case recognized especially necessary in order to promote the policies of the Government concerning the maintenance or improvement of the international competitiveness of Japanese industries.
2. Among the operations listed in Item (1) of the preceding Article, those relating to the funds provided to the Juridical Persons, etc. of Japan may be conducted only in the case where the execution of the export by the Juridical Persons, etc. of Japan has become remarkably difficult due to disruptions to international financial order and the Minister of Finance determines that the exceptions of operations of JBIC are necessary in order to deal therewith.
3. Among the operations listed in Item (2) of the preceding Article, other than those conducted in order to promote overseas development and securement of resources important for Japan, only those relating to the funds listed below that are the Guarantee, etc. of Liabilities may be conducted:
  - (1) funds necessary to import the products, such as aircraft, specified by the Minister of Finance, with respect to which the products produced in Japan are not sufficient to replace and the import to Japan is essential; or
  - (2) funds necessary to introduce such technologies specified by the Minister of Finance, with respect to which the technologies of Japan are not sufficient to replace and the introduction to Japan is essential.
4. Among the operations listed in Item (3) of the preceding Article, those relating to the short-term loans may be conducted only in the case where JBIC has agreed to make loan of funds (excluding short-term funds) set forth in the same Item for the execution of business conducted by the Juridical Persons, etc. of Japan and the Foreign Juridical Persons, etc. Invested in and such loan of funds is recognized especially necessary in order to execute such business.
5. Among the operations listed in Item (3) of the preceding Article, the operations of provision of the loan of funds necessary for the overseas business to be conducted by the Juridical Persons, etc. of Japan, other than those listed in Item (2) of the following Paragraph, may be conducted only if such loan is provided directly to such Juridical Persons, etc.
6. Among the operations listed in Item (3) of the preceding Article (excluding those conducted in order to promote overseas development and securement of resources important for Japan), loans to the Juridical Persons, etc. of Japan, other than the loans to the Small and Medium Enterprises, etc. (meaning the Small and Medium Enterprises or medium enterprises specified by the Minister of Finance; hereinafter the same shall apply) may be conducted only in the cases listed below.
  - (1) When the Juridical Persons, etc. of Japan begin or expand overseas business, or improve the efficiency thereof by contributing to the foreign juridical persons or accepting the assignment of all or part of the business of the foreign juridical persons (hereinafter referred to as "Contributions, etc." in this Item), in the case where the loan of funds necessary for such Contributions, etc. is provided (only when it is prescribed by a Cabinet Order as being a case recognized especially necessary in order to promote the policies of the Government concerning the maintenance or improvement of the international competitiveness of Japanese industries).
  - (2) When the Banks, etc. provide the loan of funds listed below, in the case where the loan of funds necessary for such loan by such Banks, etc. is provided to such Banks, etc.:
    - a. loan of funds set forth in Item (3) of the preceding Article to the Small and Medium Enterprises, etc. or the Foreign Juridical Persons, etc. Invested in related to the contribution of the Small and Medium Enterprises, etc.; or
    - b. loan of funds set forth in the preceding Item to the Juridical Persons, etc. of Japan (limited to those prescribed by the Cabinet Order set forth in the same Item).
  - (3) When the execution of overseas business of the Juridical Persons, etc. of Japan has become remarkably difficult due to

disruptions to international financial order, in the case where the Minister of Finance determines that the exceptions of operations of JBIC are necessary in order to deal therewith.

7. Among the operations listed in Item (3) of the preceding Article (excluding those conducted in order to promote overseas development and securement of resources important for Japan), with respect to the business in any area other than the Developing Areas may be conducted only when it is prescribed by a Cabinet Order as being a case recognized especially necessary in order to promote the policies of the Government concerning the maintenance or improvement of the international competitiveness of Japanese industries.
8. The loan to the governments, governmental agencies or banks of foreign countries listed in Item (5) of the preceding Article may be conducted by obtaining the authorization of the Minister of Finance only when the provision of the Funds for Economic Assistance from the International Monetary Fund, etc. is expected to be certain and only in the cases listed below:
  - (1) where, by appropriating all or part of the Funds for Economic Assistance from the International Monetary Fund, etc. (excluding JBIC) for the redemption of the funds related to the loan, the redemption is expected to be secured; or
  - (2) where adequate underlying assets are secured for the loan.
9. Among the operations listed in Items (1) through (4) of the preceding Article, the Guarantee, etc. of Liabilities related to the liabilities of any person other than the Juridical Persons, etc. of Japan (excluding those related to the Public/Corporate Bonds, etc.) may be provided only in the cases listed below:
  - (1) When the Banks, etc., Foreign Financial Institutions, etc. or Foreign Governments, etc. provide the loan of such funds set forth in Items (1) through (4) of the preceding Article, in the case where the Guarantee, etc. of Liabilities related to such loan is provided (including the case in which the loan receivables related to such loan are assigned to the persons specified by the Minister of Finance);
  - (2) In the case where the Guarantee, etc. of Liabilities related to the Guarantee, etc. of Liabilities set forth in Items (1) and (3) of the preceding Article is provided;
  - (3) When, among the Guarantee, etc. of Liabilities related to the funds set forth in Item (3) of the preceding Article, the Juridical Persons, etc. of Japan or the Foreign Juridical Persons, etc. Invested in assign the monetary claims related to the overseas business to be conducted by the Juridical Persons, etc. of Japan or the Foreign Juridical Persons, etc. Invested in to the Banks, etc. or Foreign Financial Institutions, etc. and use the proceeds from the assignment for such business, in the case where the Guarantee, etc. of Liabilities related to such monetary claims is provided; or
  - (4) When the Banks, etc. or Foreign Financial Institutions, etc. provide the loan of funds set forth in Item (3) of the preceding Article in foreign currency, in the case where the Guarantee, etc. of Liabilities related to swap transactions (transactions listed in Item 5 of Paragraph 22 of Article 2 of the Financial Instruments and Exchange Act (Act No. 25 of 1948)) related to such funds conducted by such Banks, etc. or Foreign Financial Institutions, etc., is provided.
10. Among the operations listed in Items (1) through (4) of the preceding Article, the Guarantee, etc. of Liabilities (limited to those related to the Public/Corporate Bonds, etc.) and the acquisition of the Public/Corporate Bonds, etc. may be conducted only in the cases listed below (with respect to the operations listed in Items (1) through (3) of the same Article, the cases listed in Items (2) through (6) below shall apply):
  - (1) where part of the Public/Corporate Bonds, etc. (limited to those with a redemption period of more than one (1) year; the same shall apply in the following Item and Item (3) below) that were issued by the Foreign Financial Institutions, etc., the Foreign Governments, etc. or international organizations, such as the International Monetary Fund, are acquired;
  - (2) where the Public/Corporate Bonds, etc. are acquired and then such Public/Corporate Bonds, etc. are assigned to the Specific Purpose Company, etc. within the period specified by the

Minister of Finance or where the Specific Trust is established, the Public/Corporate Bonds, etc. are entrusted to the Trust Company, etc. as assets of such Specific Trust, and then all or part of beneficial interests in such Specific Trust is assigned;

- (3) where the Public/Corporate Bonds, etc. to be issued by the Specific Purpose Company, etc. or the Trust Company, etc. which are secured by loan receivables or the Public/Corporate Bonds, etc. are acquired;
  - (4) where the Guarantee, etc. of Liabilities relating to the Public/Corporate Bonds, etc. to be issued by the Foreign Juridical Persons, etc. Invested in, the Foreign Financial Institutions, etc., the Foreign Governments, etc. or international organizations, such as the International Monetary Fund, is provided;
  - (5) where the Guarantee, etc. of Liabilities related to such loan receivables, Public/Corporate Bonds, etc. or the monetary claims, which constitute such underlying assets, or the Public/Corporate Bonds, etc. to be issued by the Specific Purpose Company, etc. or the Trust Company, etc. is provided (excluding the Guarantee, etc. of Liabilities related to the Public/Corporate Bonds, etc. to be issued by the Banks, etc.) when the Specific Purpose Company, etc. or the Trust Company, etc. issues the Public/Corporate Bonds, etc. which are secured by loan receivables, the Public/Corporate Bonds, etc. or the monetary claims set forth in Item (3) of the preceding Paragraph; or
  - (6) where the Guarantee, etc. of Liabilities related to the borrowing of funds by the Specific Purpose Company, etc. for the purpose of acquiring by assignment, or acquiring, such loan receivables or Public/Corporate Bonds, etc., which constitute such underlying assets, is provided when the Specific Purpose Company, etc. issues the Public/Corporate Bonds, etc., which are secured by loan receivables or the Public/Corporate Bonds, etc.
11. Among the operations listed in Items (1) through (4) of the preceding Article, those listed below shall be conducted only when the loan thereof or the loan related to the loan receivables to be assigned is the Co-financing; provided, however, that this shall not apply, with respect to the operations listed in Item (1) below, in the case where it is recognized that it is remarkably difficult for the Banks, etc. to provide a loan of funds together with JBIC and the loan from JBIC is urgently necessary to attain the purpose of such loan, or if the case falls under any of the cases listed in Item (2) of Paragraph 6 hereof, with respect to the operations listed in Item (2) below, in the case where the loan receivables to the Foreign Juridical Persons, etc. Invested in with a redemption period of more than one (1) year are acquired by assignment within the period specified by the Minister of Finance for the purpose of assigning the same to the Specific Purpose Company, etc. or for the purpose of establishing the Specific Trust, with respect to the same, in the Trust Company, etc. and assigning all or part of the beneficial interest in such Specific Trust:
- (1) loan of funds pursuant to the provisions of Items (1) through (3) of the preceding Article made to the Juridical Persons, etc. of Japan; or
  - (2) acquisition by assignment of the loan receivables pursuant to the provisions of Items (1) through (4) of the preceding Article.
12. The operations listed in Item (7) of the preceding Article may be conducted only if they are the minimum necessary to promote the performance of the operations listed in Items (1) through (6) of the same Article smoothly and effectively.

#### Article 13: Practice of the Operation

1. The loan of funds, the acquisition by assignment of loan receivables, the acquisition of the Corporate/Public Bonds, etc., the Guarantee, etc. of Liabilities or the provision of contributions pursuant to the provisions of Items (1) through (6) of Article 11 hereof may be conducted only when the repayment of the funds so loaned, the collection of loan receivables so acquired, the redemption of Corporate/Public Bonds, etc. so acquired, the performance of the liabilities so guaranteed, etc. or the realization of profits that enable the payment of dividends resulting from business so contributed is

recognized as being certain.

2. The conditions, such as the interest rates of loans and yield on assigned loan receivables related to the operations listed in Items (1) through (6) of Article 11, shall be determined in light of usual conditions for transactions by the Banks, etc. or the trends of financial markets, so that revenue of JBIC will be sufficient to cover the expenses therefor.

#### Article 15: Business Year

The business year of JBIC shall begin on April 1 of each year and end on March 31 of the following year.

#### Article 16: Budget

1. JBIC shall prepare the budget for revenues and expenditures and submit it to the Minister of Finance for each business year.
2. The revenues set forth in the preceding Paragraph mean interest on loans, interest on the Corporate/Public Bonds, etc., dividends on contributions, debt guarantee fees and other incomes related to asset management and miscellaneous incidental income, and the expenditures set forth in the same Paragraph mean expense of operations, business entrustment fees, interest on borrowings, interest on bonds and notes and incidental expenses.
3. Upon receipt of the budget submitted pursuant to the provisions of Paragraph 1 above, the Minister of Finance shall examine such budget and make any necessary adjustments thereto, and obtain the Cabinet's decision thereon.
4. After the Cabinet's decision is made pursuant to the provisions of the preceding Paragraph, the Cabinet shall submit such budget to the Diet together with the national budget.
5. The form and content of the budget and procedures for the preparation and submission thereof shall be specified by the Minister of Finance.

#### Article 26: Submission of Financial Statements

1. JBIC shall prepare the list of assets every business year.
2. JBIC shall, within three (3) months after the end of every business year, submit to the Minister of Finance the balance sheets, statements of operations and list of assets (hereinafter referred to as the "Balance Sheets, etc.") and business report (including the Electro-Magnetic Record (which means the record specified by the Minister of Finance as a record which is produced by electronic, magnetic, or any other means unrecognizable by human perception and which is used for data-processing by a computer; the same shall apply hereinafter) which has recorded the matters to be described in such Balance Sheets, etc. and its business report) for each business year.

#### Article 27: Preparation and Submission of Report on Settlement of Accounts

1. After submitting the Balance Sheets, etc. pursuant to the provisions of Paragraph 2 of the preceding Article, JBIC shall, every business year, prepare a report on the settlement of accounts for the relevant business year (including the Electro-Magnetic Record which has recorded the matters to be described in such report on the settlement of accounts; the same shall apply hereinafter) and submit it to the Minister of Finance, without delay, by attaching the opinion of the Auditor(s) or Audit Committee concerning such report on the settlement of accounts, together with such submitted Balance Sheets, etc.
2. Upon receiving the report on the settlement of accounts pursuant to the provisions of the preceding Paragraph, the Minister of Finance shall send it to the Cabinet, together with the Balance Sheets, etc. referenced in the same Paragraph.
3. Upon making the submission pursuant to the provisions of Paragraph 1 of this Article, JBIC shall, without delay, keep the report on the settlement of accounts and the document stating the opinion of the Auditor(s) or Audit Committee at its head office and branch offices and make them available for public inspection during the period prescribed by the Ordinance of the Ministry of Finance.
4. The form and content of the report on the settlement of accounts shall be specified by the Minister of Finance.

**Article 28: Sending of Report on Settlement of Accounts to Board of Audit of Japan**

Upon receiving JBIC's report on the settlement of accounts pursuant to the provisions of Paragraph 2 of the preceding Article, the Cabinet shall send it, together with the Balance Sheets, etc. set forth in Paragraph 1 of the same Article, to the Board of Audit of Japan no later than November 30 of the following business year.

**Article 29: Submission of Report on Settlement of Accounts to Diet**

The Cabinet shall submit JBIC's report on the settlement of accounts for which the Board of Audit of Japan has finished its inspection, to the Diet, by attaching the Balance Sheets, etc. set forth in Paragraph 1 of Article 27 hereof, together with the settlement of accounts for national revenues and expenditures.

**Article 31: Payment to National Treasury**

1. In the event that the amount of the surplus recorded in the settlement of accounts for each business year exceeds zero, JBIC shall accumulate, as a reserve, the amount calculated in accordance with the standards prescribed by a Cabinet Order, among such surplus, until it reaches the amount prescribed by the Cabinet Order, and if there is still a surplus, JBIC shall pay the amount of such surplus into the National Treasury within three (3) months after the end of such business year.
2. In the event that the amount of the surplus recorded in the settlement of accounts for each business year falls below zero, JBIC shall allocate such surplus by drawing down the reserve set forth in the preceding Paragraph until the amount of such surplus becomes zero.
3. The procedures for the payment into the National Treasury pursuant to the provisions of Paragraph 1 of this Article, the account into which such payment is to be made and other necessary matters concerning the payment to the National Treasury shall be prescribed by a Cabinet Order.
4. JBIC shall not be allowed to make any appropriation of its surplus, such as dividend of its surplus, unless such disposition is made pursuant to the provisions of Paragraphs 1 and 2 of this Article.

**Article 32: Provision of Loans by Government**

The Government may provide monetary loans to JBIC.

**Article 33: Borrowings and Corporate Bonds**

1. Borrowings of funds made in order to meet JBIC's fund requirements for the performance of its operations shall be limited to the borrowings of short-term loans from financial institutions, such as banks, or the borrowings related to the monetary loans obtained from the Government pursuant to the provisions of the preceding Article.
2. The short-term loans set forth in the preceding Paragraph shall be repaid during the business year in which these borrowings are made; provided, however, that in cases where repayment cannot be made due to shortage of funds, JBIC may reborrow only the amount which cannot be so repaid, with the authorization of the Minister of Finance.
3. Loans reborrowed pursuant to the proviso of the preceding Paragraph shall be repaid within one (1) year.
4. Pursuant to the provisions of a Cabinet Order, JBIC shall, every business year, prepare a basic policy concerning the issuance of corporate bonds made in order to meet fund requirements for the performance of its operations and obtain the authorization of the Minister of Finance. When JBIC intends to make any change to the policy, the same shall apply.
5. When JBIC has issued corporate bonds pursuant to the provisions of preceding Paragraph, it shall, without delay, make a notification of such fact to the Minister of Finance pursuant to the provisions prescribed by a Cabinet Order; provided, however, that this shall not apply if JBIC issues the certificates of corporate bonds, as prescribed by a Cabinet Order, in order to deliver to anyone who has lost such certificates of corporate bonds and, as a result of the issuance of such certificates of corporate bonds, JBIC assumes new liabilities.
6. The total amount of (i) the outstanding amounts of the short-term

loans and the borrowings related to the monetary loans obtained from the Government as set forth in Paragraph 1 of this Article and (ii) the outstanding amount of liabilities relating to the principal amount of corporate bonds set forth in Paragraph 4 of this Article shall not exceed the amount (hereinafter referred to as the "Limitation Amount" in this Article) equivalent to ten (10) times the total amount of the capital and reserves of JBIC (hereinafter referred to as the "Base Amount" in this Article).

7. Notwithstanding the provisions of the preceding Paragraph, when the issuance of new bonds is necessary to reborrow the issued corporate bonds with respect to corporate bonds set forth in Paragraph 4 of this Article, the corporate bonds may be issued in excess of the Limitation Amount only within the period necessary to make such reborrowing.
8. The total amount of the outstanding amounts of (i) monetary loans, (ii) acquisition of the receivables related to assignment and the Corporate/Public Bonds, etc., (iii) liabilities relating to the Guarantee, etc. of Liabilities and (iv) contributions, all of which are made pursuant to the provisions of Items (1) through (6) of Article 11 hereof, shall not exceed the aggregate amount of the Base Amount and the Limitation Amount.

**Article 34: Statutory Lien**

1. A holder of JBIC's corporate bonds shall, with respect to the property of JBIC, have the right to have his/her receivables satisfied in preference to other creditors.
2. The order of the statutory lien set forth in the preceding Paragraph shall be next to the general liens prescribed by the provisions of the Civil Code (Act No. 89 of 1896).

**Article 35: Government Guarantee**

1. Notwithstanding the provisions of Article 3 of the Act Concerning Restrictions on Financial Assistance by the Government to Corporations (Act No. 24 of 1946), the Government may execute a guarantee agreement with respect to the liabilities related to JBIC's corporate bonds (excluding the liabilities with respect to which the Government may execute a guarantee agreement under Paragraph 2 of Article 2 of the Act on Special Measures Pertaining to the Acceptance of Foreign Capital from the International Bank for Reconstruction and Development, etc. (Act No. 51 of 1953) (referred to as the "Foreign Capital Acceptance Act" in the following Paragraph and Paragraph 1 of Article 16 of the Supplementary Provisions)) within the scope of the amount fixed by the budget.
2. Among the amount fixed by the budget set forth in the preceding Paragraph, the amount of liabilities related to the corporate bonds issued in a foreign country and denominated in Japanese currency may be fixed by adding up to the amount fixed by the budget as set forth in Paragraph 2 of Article 2 of the Foreign Capital Acceptance Act, when it is difficult to fix the said amount of liabilities separately from the said amount fixed by the budget set forth in the same paragraph of the Foreign Capital Acceptance Act.
3. The Government may, in addition to the provisions of Paragraph 1 of this Article, execute a guarantee agreement with respect to the liabilities related to the certificates of corporate bonds or coupons thereof, which are issued by JBIC, pursuant to the provisions prescribed by a Cabinet Order, in order to deliver to a person who has lost the certificates of corporate bonds or coupons thereof.

**Article 36: Investment of Surplus Funds**

JBIC shall not invest any surplus funds of its business except by means of:

- (1) Acquisition of national government bonds, local government bonds or government-guaranteed bonds (which mean the bonds for which the redemption of its principal and payment of interest thereon are guaranteed by the Government) and other securities designated by the Minister of Finance;
- (2) Deposit with the Fiscal Loan Fund;
- (3) Deposit with banks or other financial institutions designated by the Minister of Finance;
- (4) Holding of negotiable deposit certificates;
- (5) Money trust to the financial institutions engaging in trust business (which mean the financial institutions that have obtained

the authorization set forth in Paragraph 1 of Article 1 of the Act on Provision, etc. of Trust Business by Financial Institutions);

- (6) Lending of call funds; or
- (7) Means prescribed in the Ordinance of the Ministry of Finance as the means equivalent to the means listed in each of the preceding Items.

#### Article 38: Supervision

1. The Minister of Finance shall supervise JBIC in accordance with the provisions of this Act.
2. With respect to the management or administration of JBIC, in the case where the Minister of Finance finds that there is a violation of laws and regulations or the Articles of Incorporation or any grossly unjust matter exists and in other cases where they find it necessary for the enforcement of this Act, the Minister of Finance may issue JBIC orders concerning its operations as are necessary for the supervision.

#### Article 39: Report and Inspection

1. If the Minister of Finance finds it necessary for the enforcement of this Act, the Minister of Finance may cause JBIC or the Juridical Person Delegated to submit reports or may cause its officials to enter the facilities of JBIC or of the Juridical Person Delegated, such as the offices to inspect the accounting books, documents and other necessary objects; provided, however, that, with respect to the Juridical Person Delegated, such action shall be limited to the scope of operations delegated to it by JBIC.
2. When an official of the Minister of Finance carries out an on-site inspection pursuant to the provisions of the preceding Paragraph, he/she shall carry with him/her identification certifying his/her status and present it to parties concerned.
3. The authority to carry out the on-site inspection pursuant to the provisions of Paragraph 1 above shall not be construed to be that given for the investigation of a criminal offense.

#### Article 40: Delegation of Authority

1. The Minister of Finance may, as prescribed by a Cabinet Order, delegate part of the authority to carry out an on-site inspection pursuant to the provisions of Paragraph 1 of the preceding Article to the Prime Minister.
2. If the Prime Minister has carried out an on-site inspection pursuant to the provisions of Paragraph 1 of the preceding Article on the basis of the delegation pursuant to the provisions of the preceding Paragraph, he/she shall promptly submit a report of the results of the inspection to the Minister of Finance.
3. The Prime Minister shall delegate both the authority delegated pursuant to the provisions of Paragraph 1 above and the authority set forth in the provisions of the preceding Paragraph to the Commissioner of Financial Services Agency.
4. The Commissioner of Financial Services Agency may, as prescribed by a Cabinet Order, delegate all or part of the authority delegated pursuant to the provisions of the preceding Paragraph, to Director-General of the Local Finance Bureau or the Director-General of the Local Finance Branch Bureau.
5. Part of the authority of the Minister of Finance set forth in this Act (excluding that delegated to the Prime Minister pursuant to the provisions of Paragraph 1 above) may, as prescribed by a Cabinet Order, be delegated to the Director-General of the Local Finance Bureau or the Director-General of the Local Finance Branch Bureau.

#### Article 41: Articles of Incorporation

1. In the Articles of Incorporation of JBIC, in addition to the matters listed in each of the Items of Article 27 of the Companies Act, matters relating to the procedures and requirements for the appointment of a person to assume management responsibility from among the Representative Directors or Representative Executive Officers shall be described or recorded.
2. With respect to the matters related to the requirements for the appointment of a person to assume management responsibility set forth in the preceding Paragraph, the provisions that the requirements listed below be satisfied shall be incorporated:

- (1) A person who has discernment and the capability recognized as necessary in light of the purposes set forth in Article 1 hereof and the operations set forth in Article 11 hereof shall be appointed; and
- (2) Due consideration shall be required in order to avoid automatically appointing such persons who have held certain specific governmental positions.
3. The resolution for the amendment of the Articles of Incorporation of JBIC shall not take effect unless the authorization of the Minister of Finance is granted.

#### Article 42: Merger, Company Split, Share Exchange, Assignment and Acceptance of Assignment of Business and Dissolution

Notwithstanding the provisions of Part II, Chapters VII and VIII and Part V, Chapters II, III and IV, Section I of the Companies Act, the merger, company split, share exchange, assignment and acceptance of assignment of all or part of business, to which JBIC becomes a party, and dissolution of JBIC shall be provided for separately by an Act.

#### Article 43: Exclusion from Application, etc. of Financial Instruments and Exchange Act

1. When JBIC performs the actions listed in each of the Items of Paragraph 8 of Article 2 of the Financial Instruments and Exchange Act pursuant to the provisions of Article 11, the provisions of Article 29 of the same Act shall not apply.
2. In the case set forth in the preceding Paragraph, JBIC shall be deemed as the Financial Instruments Business Operator defined in Paragraph 9 of Article 2 of the Financial Instruments and Exchange Act, and the provisions of Chapter III, Section I, Subsection V and Section II (excluding Article 35, Article 35-2, Articles 36-2 through 36-4, Item (2) of Paragraph 1 of Article 37, Item (2) of Paragraph 1 of Article 37-3 and Article 37-7) of the same Act (including the penal provisions relating to such provisions) shall apply.
3. When JBIC performs the actions listed in each of the Items of Paragraph 1 of Article 63 of the Financial Instruments and Exchange Act pursuant to the provisions of Article 11 hereof, the provisions of Paragraph 2 of the said Article 63 shall not apply.
4. In the case set forth in the preceding Paragraph, JBIC shall be deemed as the Financial Instruments Business Operator defined in Paragraph 9 of Article 2 of the Financial Instruments and Exchange Act, and the provisions of Article 38 (limited to the portions relating to Item (1)) and Article 39 of the same Act (including the penal provisions related to such provisions) shall apply.



## 6. Fundamental Policy on Internal Control

### Article 1. Systems for Ensuring Compliance with Laws, Regulations, and the Articles of Incorporation in the Performance of Duties by Directors and Employees

1. JBIC shall adopt Corporate Philosophy, Code of Conduct, and internal rules concerning compliance, including Regulations Concerning Compliance with Laws and Regulations, to ensure that the performance of duties by directors and employees, including temporary workers (this definition applies to the remainder of this document), comply with laws, regulations, and the Articles of Incorporation of JBIC (hereinafter referred to as "Laws and Regulations"). Furthermore, JBIC shall make such internal rules known to all directors and employees.
2. Directors and employees shall abide by all such internal rules concerning compliance.
3. JBIC shall appoint persons responsible for compliance and departments that oversee compliance matters so as to establish and reinforce structures relating to compliance with Laws and Regulations.
4. JBIC shall establish a committee with the Governor as its chairman to review key matters relating to compliance and to monitor the status of compliance with the Laws and Regulations.
5. JBIC shall establish effective internal reporting systems and operate them appropriately so that material matters relating to compliance can be discovered promptly and necessary corrective measures can be introduced.
6. JBIC shall not maintain any relationships whatsoever with antisocial forces. It shall maintain an uncompromising attitude throughout the organization toward antisocial forces, and decisively reject all improper demands from such forces.

### Article 2. Systems relating to Retention and Management of Information concerning Performance of Duties by Directors

1. JBIC shall adopt Information Asset Management Regulations and other rules concerning the retention and management of information assets so that information concerning the performance of duties by directors, customer information, and other information handled by JBIC can be appropriately retained and managed.
2. JBIC shall retain and manage the minutes of Board of Directors meetings and other documents concerning the performance of duties by directors in accordance with laws, regulations, and rules relating to the retention and management of information assets.
3. Directors and employees shall appropriately retain and manage information assets in line with laws, regulations, and rules relating to the retention and management of information assets.

### Article 3. Regulations and Other Systems relating to Management of Loss Exposure

1. In recognition of the importance of risk management, JBIC shall adopt Comprehensive Risk Management Regulations and other rules relating to risk management, with respect to risk management specific to different types of risks that should be recognized in the performance of operations, as well as the organizational structure, etc., for comprehensive risk management. JBIC shall apply appropriate risk management tools to control various types of risks.
2. JBIC shall appoint persons responsible and departments that oversee risk management matters for the management of various types of risks and establish a committee with the Governor as its chairman to conduct reviews and examinations to ensure effective risk management.
3. JBIC shall adopt Crisis Management Regulations and other rules relating to crisis management and establish crisis management systems to prepare for the occurrence of disasters and other critical events.
4. If a critical event occurs that either disrupts or is feared to disrupt normal operations, JBIC shall establish a response headquarters as necessary and take measures for the speedy and efficient restoration of operations in accordance with various rules concerning crisis management.

### Article 4. System to Ensure Efficient Performance of Duties by Directors

1. The Board of Directors shall establish Business Plans and conduct management appropriately.

2. JBIC shall establish the Executive Committee. It shall take on responsibility for certain decisions delegated by the Board of Directors. In addition to making decisions for which it has earned responsibility, it shall deliberate matters prior to the Board of Directors meetings in order to contribute to the decision-making of the Board of Directors. Moreover it shall establish various committees, etc., that take responsibility for certain decisions delegated by it, or as an advisory organization for it.
3. In order to ensure the efficient performance of duties based on the decisions of the Board of Directors, JBIC shall undertake adjustments to internal regulations related to organizational systems, etc., and assign duties appropriately.
4. JBIC shall introduce a mission/sector-specific group structure and a managing executive officer system in order to expedite decision-making processes, and delegate authority based on internal regulations related to organizational systems and authority.

### Article 5. Internal Audit Systems for Ensuring Proper Operations

1. JBIC shall adopt Internal Audit Regulations and other rules relating to internal audits to ensure the appropriateness and soundness of its operations.
2. JBIC shall establish the Internal Audit Committee to make decisions and deliberations concerning important matters relating to internal audits.
3. JBIC shall establish the Internal Audit Department, independent of the departments being audited, to handle matters relating to internal audits.
4. The Internal Audit Department shall undertake internal audits based on internal regulations related to internal audits, and report to the director responsible for internal audits about the results.
5. The Internal Audit Department shall periodically and as necessary, as well as upon request of a director or a corporate auditor, report the results of internal audits to the Board of Directors or other organizations or bodies.
6. The Internal Audit Department shall exchange information as necessary and collaborate with the corporate auditors and accounting auditors, in order to perform internal audits efficiently.

### Article 6. Matters relating to Employees Assigned to Assist Corporate Auditors in Performing their Duties upon Request by Corporate Auditors

1. JBIC shall establish the Office of Corporate Auditor and assign full-time employees to assist the corporate auditors in performing their duties.
2. Those full-time employees shall perform their duties in line with instructions from the corporate auditors.
3. When deemed necessary, the corporate auditors may assign employees other than the full-time employees referred to above to assist in the performance of audits with the approval of the Governor.

### Article 7. Matters relating to Independence from Directors of Employees Assisting Corporate Auditors

JBIC shall secure prior approval of the full-time corporate auditors on any decision concerning personnel evaluations, transfers, or other personnel matters relating to employees assisting with the performance of duties by the corporate auditors.

### Article 8. System of Reporting by Directors and Employees to Corporate Auditors and Other Systems of Reporting to Corporate Auditors

1. The representative director and other directors who perform operational duties shall make accurate reports concerning the status of performance of their duties from time to time at the Board of Directors meetings and other important meetings attended by corporate auditors.
2. In the event that a director or an employee discovers any fact that has the potential of inflicting substantial harm upon JBIC, or improper conduct or serious violations of Laws and Regulations, said director or employee shall promptly report the fact to the corporate auditors.

**Article 9. System for Ensuring Effective Performance of Audits by Corporate Auditors**

1. The corporate auditors shall be entitled to request reports from directors and employees concerning the status of performance of their duties whenever they determine such reports are necessary for the effective performance of audits. A director or employee who receives such a request shall promptly furnish a report in line with the request.
2. The corporate auditors may attend important meetings, including the Board of Directors meetings and the Executive Committee meetings, to express their opinions as necessary. Corporate auditors may also request to review minutes and other related documents.
3. The Governor shall hold periodic meetings with the corporate auditors to exchange opinions.
4. The corporate auditors may request the cooperation of the Internal Audit Department and departments that oversee compliance matters.
5. The corporate auditors may seek the advice of attorneys, certified public accountants, and other professionals concerning audits when deemed necessary for the effective performance of audits.

## 7. Security Policy

Japan Bank for International Cooperation (hereinafter "JBIC") adopts the following fundamental policy concerning the use and management of information assets and will properly handle, manage, protect, and maintain information assets to achieve information security that meets the highest standards so as to support its proper and efficient operations.

### (1) Basic Principles

JBIC shall use and manage information assets in line with the basic principles set forth hereunder while complying with all applicable laws, regulations, and rules.

- A. Information assets shall be used appropriately and only for their intended purposes.
- B. Authority concerning the management of information assets shall be granted only after careful consideration of the nature of the work and necessity.
- C. When adopting and implementing information security measures, the following matters shall be taken into consideration, based on the nature of the work:
  - (a) Clarification of responsibilities and roles within implementation structures
  - (b) Timely and prompt implementation of necessary, sufficient, effective, and efficient measures

### (2) Proper Management of Information Assets

Information assets refer to information and information systems. JBIC classifies them according to such factors as their degree of confidentiality, completeness, usability, and importance, and manages them appropriately in accordance with their classification.

### (3) Information Asset Management Structures

JBIC shall establish a structure for ensuring the security of information assets.

### (4) Protection of Personal Information

JBIC shall protect and manage personal information by establishing and making public our Privacy Policy and pursuant to the provisions of the Act on the Protection of Personal Information Held by Independent Administrative Agencies (Law No. 59 of 2003).

### (5) Protection of Client Information

JBIC shall establish the basic policy for protecting its clients and increasing their convenience for the purpose of appropriate protection and management of information pertaining to them in accordance with this basic policy.

### (6) Training on Information Asset Management

JBIC shall provide necessary training to all officers and employees who handle information assets to ensure that they understand requirements in the applicable laws and regulations, as well as in this policy and other applicable rules, and

prevent the occurrence of information security problems.

### (7) Outsourcing Work

In the event that JBIC engages persons other than its officers and employees to manage its information assets by outsourcing such work, it shall verify that information security is ensured and that appropriate measures have been taken in accordance with the content of the information assets.

### (8) Responses to Incidents Concerning Information Assets

In the event of improper disclosure of personal or client information or other incidents causing a problem on information security, JBIC shall promptly take appropriate measures.

### (9) Evaluation and Review

JBIC shall evaluate and review this policy, as necessary, to make flexible responses to changes in the external environment, such as the enactment, amendment, or repeal of applicable laws and regulations, as well as innovations in information security technology, and to changes in the internal environment, including organizational and operational changes and updates to JBIC's information systems.

## 8 Privacy Policy

Japan Bank for International Cooperation (hereinafter "JBIC") positions the trust of our clients as our first priority, deeply recognizes the importance of our clients' personal information, and believes that it is our duty to our clients to properly manage and protect their personal information.

With a view to protecting our clients' personal information, JBIC will conduct our operations in a manner whereby we observe the Act on the Protection of Personal Information Held by Independent Administrative Agencies, etc. (hereinafter "Act"), the Guidance concerning the Measures to Properly Manage the Personal Information held by Independent Administrative Agencies, etc. and so forth.

### (1) Acquisition of Personal Information

JBIC will acquire our clients' personal information through proper and lawful means. When we acquire personal information from our clients directly in writing, we will specify in advance the purposes for its use that are within the necessary scope of JBIC's operations.

### (2) Use of Personal Information

JBIC will specify the purposes for use in obtaining the necessary personal information of our clients as listed below, and will use it within the scope that is necessary to achieve such purposes:

- A. Loan, equity participation, and guarantee operations, and their related due diligence exercise and research (or their supplementary work)
- B. Due diligence and communication on contracts with JBIC (other than 1. above)
- C. Confirmation of personal identity as per such laws as Foreign Exchange and Foreign Trade Act (Act No. 228, 1949)
- D. Invitation to events (such as seminars) organized by JBIC
- E. Delivery of various JBIC-related materials
- F. Issuance and collection of surveys and questionnaires, and statistical processing and analysis of such outcomes
- G. Operations necessary for responding to questions and inquiries, and for dealing with transactions including queries from JBIC, in a proper and smooth manner

### (3) Provision of Personal Information to Third Parties

JBIC will not provide the personal information acquired from its clients to third parties except in the following cases:

- A. It is required by law.
- B. It is provided within the scope of the purposes for use as prescribed above.
- C. Consent is obtained from the clients.
- D. There are convincing reasons why executive agencies, independent administrative agencies, local municipal entities or local independent administrative agencies would use it to the necessary extent to carry out the law-stipulated operations.
- E. It is used for statistics compilation or academic research.

- F. It is clearly beneficial to the clients or there exist special reasons to provide personal information.

### (4) Subcontract

JBIC may subcontract the handling of our clients' personal information to conduct such operations more smoothly. In such cases, JBIC will attempt to select a trustworthy subcontractor, enter into a confidentiality agreement, adequately supervise the handling and administering of the personal information, and assure the protection of personal information.

### (5) Personal Information Management (PIM)

- A. JBIC will attempt to keep our clients' personal information correct and updated, and take prevention and safety measures against unauthorized access, leakage, loss, damage, and alteration of personal information.
- B. JBIC will constantly educate its employees about the protection and proper management of our clients' personal information to thoroughly make sure of its proper handling in its daily operations.
- C. JBIC will audit and inspect whether the protection and management of personal information is undertaken properly.

### (6) Disclosure, Correction, and Disuse

If a client wishes to make a request to disclose, correct or disuse the clients' personal information held by JBIC, we will deal with such a request by following the procedure of disclosure etc. stipulated in the Act. Meanwhile, there are some cases when such disclosure etc. could be made out of the procedure of disclosure etc. stipulated in the Law, for which please contact at our Head Office or West Japan Office.

### (7) Inquiries about Personal Information Management (PIM)

For inquiries or complaints about the clients' personal information management (PIM) at JBIC, please contact at our Head Office or West Japan Office.

### (8) Continuous Improvement

JBIC will continuously improve the clients' personal information management (PIM) as necessary.