



日本の力を、世界のために。

Supporting Your Global Challenges

Overview of Financial Results for the Year Ended March 31, 2014

June 4, 2014

Japan Bank for International Cooperation

Table of Contents

Overview of Financial Results for the Fiscal Year Ended March 31, 2014

1. Summary of Financial Results for the Year Ended March 31, 2014
2. Statement of Operations : Comparison with FY2012
3. Balance Sheet : Comparison with FY2012
(Appendix) Changes in Foreign Currency Loans
4. Risk-Monitored Loans

(Appendix)

Consolidated and Individual Account Balance Sheets and Statements of Operations

Explanatory Note: Comparison of figures in this report

Since the Japan Bank for International Cooperation (henceforth “JBIC”) terminated financial operations for facilitating realignment of United States Forces in Japan at the end of September 2, 2012, the figures in the following financial document to be compared represent the overall JBIC figures including the financial account related to financial operations for facilitating realignment of United States Forces in Japan.

· Statement of Operations : The Statement of Operations of the previous fiscal year (JBIC Account in FY2012)

1. Summary of Financial Results for the Year Ended March 31, 2014

(Unit: billion yen)

	FY2013(A)	FY2012(B)	(A)-(B)
Gross Operating Profit	89.2	78.8	10.3
Net Operating Profit	74.2	61.3	12.8
Ordinary Profit	91.3	63.5	27.8
Net Income	91.3	63.5	27.8

(Unit: billion yen)

	FY2013(A)	FY2012(B)	(A)-(B)
Loans and Bills Discounted	12,655.4	10,555.1	2,100.2
Loans and Bills in Foreign Currencies	10,691.6	8,619.2	2,072.4
USD Equivalent of loans in foreign currencies (billion USD)	103.8	91.6	12.2
Guarantees	2,422.6	2,400.6	21.9
Total Assets	16,346.0	14,430.2	1,915.8

- Net operating profit increased by 12.8 billion yen compared to FY2012 due to an increase in gross operating profit.
- Ordinary profit increased by 27.8 billion yen compared to FY2012 due to improvement in gross operating profit and reversal of allowance for loan losses.
- Net income increased by 27.8 billion yen compared to FY2012.
- Loans and bills discounted increased by 2,100.2 billion yen due to increase in loans and bills in foreign currencies.

2. Statement of Operations: Comparison with FY2012

(Unit: billion yen)

	FY2013(A)	FY2012(B)	(A)-(B)
Gross Operating Profit	89.2	78.8	10.3
Interest Income	65.4	48.4	17.0
Fees and Commissions	21.5	21.8	▲0.3
Other Profits (▲ losses)	2.2	8.5	▲6.3
Operating Expenses (▲)	▲14.9	▲17.5	2.5
Net Operating Profit	74.2	61.3	12.8
Reversal of Allowance for Loan Losses (▲Amount of Provision)	10.0	▲14.6	24.6
Other Profits and Losses	7.0	16.8	▲9.8
Recoveries of Written-off Claims	3.7	4.5	▲0.8
Gain on Investments in Partnerships	3.6	11.8	▲8.1
Other	▲0.3	0.4	▲0.7
Ordinary Profit	91.3	63.5	27.8
Extraordinary Profits and Losses	0	0	0
Net Income	91.3	63.5	27.8

Net income for FY2013 reached 91.3 billion yen with an increase of 27.8 billion yen compared to FY2012, due to the following reasons. (hereafter an increase or a decrease is in comparison with FY2012)

- Interest income increased by 17 billion yen due to an increase in loans.
- Other profit decreased by 6.3 billion yen due mainly to a decrease in foreign exchange transactions losses.
- Reversal of allowance for loan losses increased by 10 billion yen due to a decrease in special overseas asset allowance account.
- Other profits and losses exceeded 7 billion yen due to recoveries of written-off claims and gain on investments in partnerships.

3. Balance Sheet (Assets): Comparison with FY2012

(Unit: billion yen)

	FY2013(A)	FY2012(B)	(A)-(B)
Total Assets	16,346.0	14,430.2	1,915.8
Cash and due from banks	723.1	837.9	▲114.7
Receivables under resale agreements	202.7	284.9	▲82.1
Securities	227.2	122.1	105.0
Loans and bills discounted	12,655.4	10,555.1	2,100.2
Of which USD Equivalent of loans in foreign currencies (billon USD)	103.8	91.6	12.2
Other	243.7	368.2	▲124.4
Customers' liabilities for acceptances and guarantees	2,422.6	2,400.6	21.9
Allowance for loan losses	▲128.8	▲138.8	10.0

Total Assets increased to 16,346 billion yen, due to the following reasons (in comparison with FY2012).

- Securities increased by 105 billion yen due mainly to new acquisition of stocks and bonds.
- Loans and bills discounted increased by 2,100.2 billion yen due mainly to an increase in loans in foreign currency loans.
- Customers' liabilities for acceptances and guarantees increases by 21.9 billion yen due mainly to more new guarantees than cancellations.
- Other assets decreased by 124.4 billion yen due mainly to a decrease in derivatives other than for trading-assets.

3. Balance Sheet (Liabilities and Net Assets): Comparison with FY2012

(Unit: billion yen)

	FY2013(A)	FY2012(B)	(A)-(B)
Total Liabilities	14,004.7	12,083.5	1,921.2
Borrowed money	8,407.7	7,234.5	1,173.1
Bonds payable	2,711.3	2,215.9	495.4
Other liabilities	448.7	216.6	232.0
Provision for retirement benefits	14.2	15.6	▲ 1.4
Acceptances and guarantees	2,422.6	2,400.6	21.9
Total Net Assets	2,341.3	2,346.7	▲ 5.4
Shareholders' equity	2,271.3	2,211.6	59.6
Deferred gains or losses on hedges	64.4	132.8	▲ 68.3
Valuation difference on available-for-sale securities	5.4	2.2	3.2

Total liabilities was 14,004.7 billion yen and total net assets was 2,341.3 billion yen, due to the following reasons (in comparison with FY2012).

- Borrowed money increased by 1,173.1 billion yen due mainly to borrowings from the Foreign Exchange Funds Special Account.
- Bonds payable increased by 495.4 billion yen due mainly to the amount of new issuances exceeding redemptions.
- Other liabilities increased by 232 billion yen due mainly to an increase in derivatives other than trading-liabilities.
- Shareholders' equity increased due to positive net income (by 91.3 billion yen) in FY2013 minus payment to the national treasury (by 31.6 billion yen) out of the net income in FY2012.

(Appendix) Changes in Foreign Currency Loans

	2012/3	2012/9	2013/3	2013/9	2014/3	% Change (From 2013/9 to 2014/3)
Loans and bills (billion yen)	8,110.3	8,131.1	10,555.1	11,839.6	12,655.4	6.9%
Of which, foreign currencies	6,096.7	6,191.6	8,619.2	9,790.9	10,691.6	9.2%
% of foreign currencies	75.2%	76.1%	81.7%	82.7%	84.5%	—
USD equivalent of foreign currencies (billion USD)	74.1	79.7	91.6	100.1	103.8	3.7%
JPY/USD exchange rate	82.19 yen	77.60 yen	94.05 yen	97.75 yen	102.92 yen	—

- The balance of loans and bills was app. 13,000 billion yen at the end of March 2014.
- The ratio of loans and bills in foreign currencies in the total loan and bills is increasing period-by-period.
- Although loans and bills in foreign currencies increased by 3.7% in USD equivalent in comparison with the first half of FY2013, the figure increased by 9.2% in JPY equivalent due to yen depreciation.
- The majority of the balance of loans and bills in foreign currencies was denominated in US dollars, which totaled 10,045 billion yen (97.6 billion dollars) at the end of March 2014.

4. Risk-Monitored Loans

(1) Banking Act enforcement regulations standard

(Unit: billion yen)

	FY2013(A)	FY2012(B)	(A)-(B)
Bankrupt loans	—	—	—
Non accrual loans	96.3	96.1	0.2
Past due loans (3 months or more)	75.5	69.0	6.5
Restructured loans	77.3	79.9	▲2.6
Total risk monitored (1)	249.3	245.1	4.2
Total loans and bills discounted (2)	12,655.4	10,555.1	2,100.3
Ratio of risk monitored loans ((1) / (2))	1.97%	2.32%	▲0.35%

(2) Financial Revitalization Law standard

(Unit: billion yen)

	FY2013(A)	FY2012(B)	(A)-(B)
Bankrupt and quasi-bankrupt loans	—	—	—
Doubtful loans	96.3	96.1	0.2
Substandard loans	152.9	149.0	3.9
Total disclosed loans (1)	249.3	245.1	4.2
Normal loans	14,865.2	12,744.8	2,120.4
Total loans and bills (2)	15,114.5	12,989.9	2,124.6
Ratio of disclosed loans ((1) / (2))	1.65%	1.89%	▲0.24%

- The balance of total risk monitored loans (Banking Act base) and total disclosed loans (Financial Revitalization Law base) increased each by 4.2 billion yen respectively, compared to FY2012.
- The ratio of risk monitored loans to total loans and bills was 1.97% (0.35% decrease) and the ratio of disclosed loans was 1.65% (0.24% decrease), both compared to FY2012.

For the Second Fiscal Year Ended March 31, 2014
Balance Sheet (as of March 31, 2014)

(Unit: millions of yen)

Accounts (Assets)	Amounts	Accounts (Liabilities)	Amounts
Cash and due from banks	723,189	Borrowed money	8,407,707
Cash	0	Borrowings	8,407,707
Due from banks	723,189	Bonds payable	2,711,377
Receivables under resale agreements	202,733	Other liabilities	448,229
Securities	227,201	Accrued expenses	29,106
Other securities	227,201	Unearned revenue	52,091
Loans and bills discounted	12,655,401	Derivatives other than for trading-liabilities	303,640
Loans on deeds	12,655,401	Cash collateral received for financial instruments	63,140
Other assets	213,627	Lease obligations	38
Prepaid expenses	323	Other	211
Accrued income	37,008	Provision for bonuses	483
Derivatives other than for trading-assets	73,135	Provision for directors' bonuses	5
Cash collateral paid for financial instruments	102,890	Provision for retirement benefits	14,251
Other assets	271	Provision for directors' retirement benefits	20
Property, plant and equipment	28,558	Acceptances and guarantees	2,422,658
Buildings	3,176	Total Liabilities	14,004,734
Land	24,694	(Net Assets)	
Lease assets	31	Capital stock	1,360,000
Other	655	Retained earnings	911,366
Intangible assets	1,561	Legal retained earnings	820,000
Software	1,561	Other retained earnings	91,366
Customers' liabilities for acceptances and guarantees	2,422,658	Retained earnings brought forward	91,366
Allowance for loan losses	(128,885)	Total shareholders' equity	2,271,366
		Valuation difference on available-for-sale securities	5,472
		Deferred gains or losses on hedges	64,472
		Total valuation and translation adjustments	69,945
		Total Net Assets	2,341,312
Total Assets	16,346,047	Total Liabilities and Net Assets	16,346,047

For the Second Fiscal Year Ended March 31, 2014
Statement of Operations

(Unit: millions of yen)

Accounts	Amounts	
Ordinary Income		226,100
Interest income	181,143	
Interest on loans and discounts	149,769	
Interest and dividends on securities	643	
Interest on receivables under resale agreements	262	
Interest on deposits with banks	1,623	
Interest on interest swaps	28,784	
Other interest income	60	
Fees and commissions	23,722	
Other fees and commissions	23,722	
Other ordinary income	3,615	
Gain on foreign exchange transactions	3,615	
Other income	17,617	
Reversal of allowance for loan losses	10,006	
Recoveries of written-off claims	3,713	
Gain on investments in partnerships	3,694	
Other	203	
Ordinary Expenses		134,741
Interest expenses	115,677	
Interest on borrowings and rediscounts	57,187	
Interest on bonds	58,430	
Other interest expenses	60	
Fees and commissions payments	2,217	
Other fees and commissions	2,217	
Other ordinary expenses	1,377	
Amortization of bond issuance cost	979	
Loss on derivatives other than for trading or hedging	138	
Other	260	
General and administrative expenses	14,952	
Other general and administrative expenses	516	
Other	516	
Ordinary Profit		91,358
Extraordinary Income		8
Gain on disposal of noncurrent assets	8	
Extraordinary losses		0
Loss on disposal of noncurrent assets	0	
Net Income		91,366