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Overview of Financial Results for the Fiscal Year Ended March 31, 2015

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Japan Bank for International Cooperation

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1.Summary of Financial Results for the Fiscal Year Ended March 31, 2015

(Unit: JPY in billion)

	2015/3(A)	2014/3(B)	(A)-(B)
Gross Operating Profit	113.2	89.2	24.0
Net Operating Profit	96.2	74.2	21.9
Ordinary Profit	120.4	91.3	29.1
Net Income	126.1	91.3	34.8

(Unit: JPY in billion)

	2015/3(A)	2014/3(B)	(A)-(B)
Loans and Bills Discounted	14,432.9	12,655.4	1,777.5
Loans and Bills (in Foreign Currencies)	12,619.5	10,691.6	1,927.9
USD Equivalent of loans in foreign currencies (USD in billion)	105.0	103.8	1.2
Guarantees	2,572.3	2,422.6	149.7
Total Assets	18,463.8	16,346.0	2,117.8

- Net Operating Profit increased by JPY21.9 billion compared to FY2013 due to an increase in Gross Operating Profit.
- Ordinary Profit increased by JPY29.1 billion compared to FY2013 due to gains Reversal of allowance for loan losses and Gain on investments in partnership, etc.
- Net Income increased by JPY34.8 billion compared to FY2013.
- Loans and Bills Discounted increased by JPY1,777.5 billion due to increase in loans in foreign currencies.

2. Statement of Operations : Comparison with FY2013

(Unit: JPY in billion)

	2015/3(A)	2014/3(B)	(A)-(B)
Gross Operating Profit	113.2	89.2	24.0
Interest Income	76.8	65.4	11.4
Fees and Commissions	33.8	21.5	12.3
Other Profit	2.5	2.2	0.2
Operating Expenses ()	17.0	14.9	2.0
Net Operating Profit (Actual base)	96.2	74.2	21.9
Reversal of Allowance for Loan Losses	13.3	10.0	3.3
Other Profits and Losses	10.8	7.0	3.7
Recoveries of Written-off Claims	0.1	3.7	3.6
Gain on Investments in Partnership	10.6	3.6	6.9
Other	0.1	0.3	0.4
Ordinary Profit	120.4	91.3	29.1
Extraordinary Profits and Losses	5.6	0	5.6
Net Income	126.1	91.3	34.8

Net Income for FY2014 reached JPY126.1 billion with an increase of JPY34.8 billion compared to FY2013, due to the following reasons. (hereafter increase and decrease is in comparison with FY2013)

- Interest Income increased by JPY11.4 billion due to an increase in loans.
- Fees and Commissions increased by JPY12.3 billion due to an increase in commissions on commitments.
- Allowance for loan losses was accounted for JPY13.3 billion profits due to a decrease in allowances for individual loans.
- Extraordinary Profits and Losses was accounted for JPY5.6 billion profits due to the transfer of employee pension fund past benefits.

3. Balance Sheet (Assets) : Comparison with FY2013

(Unit: JPY in billion)

	2015/3(A)	2014/3(B)	(A) - (B)
Total assets	18,463.8	16,346.0	2,117.8
Cash and due from banks	850.4	723.1	127.3
Sales under agreement to resell	-	202.7	202.7
Securities	261.7	227.2	34.5
Loans and bills discounted	14,432.9	12,655.4	1,777.5
Of which USD Equivalent of loans in foreign currencies (billion USD)	105.0	103.8	1.2
Other	461.7	243.7	218.0
Customers' liabilities for acceptances and guarantees	2,572.3	2,422.6	149.7
Allowance for loan losses	115.4	128.8	13.4

Total assets increased to JPY18,463.8 billion, due to the following reasons (in comparison with the end of FY2013).

- Securities increased by JPY34.5 billion due mainly to new acquisition of stocks and equity participations.
- Loans and bills discounted increased by JPY1,777.5 billion due mainly to an increase in foreign currency loans.
- Other assets increased by JPY218.0 billion due mainly to an increase in derivatives other than for trading - assets.

3. Balance Sheet (Liabilities and Equities): Comparison with FY2013

(Unit: billion yen)

	2015/3(A)	2014/3(B)	(A)-(B)
Total liabilities	16,003.2	14,004.7	1,998.5
Borrowed money	9,425.3	8,407.7	1,017.6
Bonds payable	3,049.4	2,711.3	338.1
Other liabilities	949.7	448.7	501.0
Provision for retirement benefits	6.3	14.2	7.9
Acceptance and guarantees	2,572.3	2,422.6	149.7
Total net assets	2,460.5	2,341.3	119.2
Shareholders' equity	2,384.0	2,271.3	112.7
Deferred gains or losses on hedges	63.6	64.4	0.8
Valuation differences on available-for-sale securities	12.7	5.4	7.3

Total liabilities was JPY16,003.2 and Total net assets was JPY2,460.5 billion, due to the following reasons (in comparison with the end of FY2013).

- Borrowed money increased by JPY1,017.6 billion due mainly to borrowings from the Foreign Exchange Funds Special Account.
- Bonds payable increased by JPY338.1 billion due mainly to the amount of new issuances exceeding redemptions.
- Shareholders' equity increased due to positive net income (by JPY112.7 billion), issuance of new stocks for JPY31.0 billion in FY2014 and minus payment to the national treasury (by JPY456 billion) out of the net income in FY2013.

(Appendix) Changes in Foreign Currency Loans

	2013/3	2013/9	2014/3	2014/9	2015/3	% Change (From 2014/9 to 2015/3)
Loans and bills (JPY in billion)	10,555.1	11,839.6	12,655.4	13,578.3	14,432.9	6.3%
of which, foreign currencies	8,619.2	9,790.9	10,691.6	11,687.5	12,619.5	8.0%
% of foreign currencies	81.7%	82.7%	84.5%	86.1%	87.4%	-
USD equivalent of foreign currencies (USD in billion)	91.6	100.1	103.8	106.7	105.0	1.6%
JPY/USD exchange rate	JPY94.05	JPY97.75	JPY102.92	JPY109.45	JPY120.17	-

- The balance of loans and bills was app. JPY14,000 billion at the end of March 2015.
- The ratio of loans and bills in foreign currencies the total loan and bills is increasing period-by-period.
- Although loans and bills in foreign currencies decreased by 1.6% in USD equivalent compared to Sept 2014, the figure increased by 8.0% in JPY equivalent due to yen depreciation.
- The majority of the balance of loans and bills in foreign currencies was denominated in USD, which totaled JPY11,936.7 billion (USD99.3 billion) making up 94.6% of the total at the end of March 2015.

4. Risk-Monitored Loans

(1) Banking Act enforcement regulations standard

(Unit: JPY in billion)

	2015/3(A)	2014/3(B)	(A)-(B)
Bankrupt loans	-	-	-
Non accrual loans	120.4	96.3	24.1
Past due loans (3 months or more)	35.9	75.5	39.6
Restructured loans	73.7	77.3	3.6
Total risk monitored (1)	230.1	249.3	19.2
Total loans and bills discounted(2)	14,432.9	12,655.4	1,777.5
Ratio of risk monitored loans ((1) / (2))	1.59%	1.97%	0.38%

(2) Financial Revitalization Law standard

(Unit: JPY in billion)

	2015/3(A)	2014/3(B)	(A)-(B)
Bankrupt and quasi-bankrupt loans	-	-	-
Doubtful loans	120.4	96.3	24.1
Substandard loans	109.7	152.9	43.2
Total disclosed loans (1)	230.1	249.3	19.2
Normal loans	16,819.5	14,865.2	1,954.3
Total loans and bills (2)	17,049.7	15,114.5	1,935.2
Ratio of disclosed loans ((1) / (2))	1.35%	1.65%	0.30%

- The balance of total risk monitored loans (Banking Act base) and total disclosed loans (Financial Revitalization Law base) decreased each by JPY19.2 billion respectively with decreases in applicable loans, compared to the end of FY2013.
- The ratio of risk monitored loans to total loans and bills was 1.59% (0.38% decrease) and the ratio of disclosed loans was 1.35% (0.30% decrease), both compared to the end of FY2013.

For the Third Fiscal Year Ended March 31, 2015
Statement of Operations

(Unit: JPY in million)

Accounts	Amounts	
Ordinary Income		257,252
Interest income	192,973	
Interest on loans and discounts	166,130	
Interest and dividends on securities	2,030	
Interest on receivables under resale agreements	59	
Interest on deposits with banks	1,479	
Interest on interest swap	23,116	
Other interest income	156	
Fees and commissions	35,901	
Other fees and commissions	35,901	
Other ordinary income	4,100	
Gain on foreign exchange transactions	3,856	
Other	244	
Other income	24,276	
Reversal of allowance for loan losses	13,392	
Recoveries of written-off claims	101	
Gain on sale of stocks	0	
Gain on investments in partnerships	10,633	
Other	148	
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Ordinary Expenses		136,755
Interest expenses	116,076	
Interest on borrowings and rediscounts	50,488	
Interest on bonds	65,567	
Other interest expenses	20	
Fees and commissions payments	2,088	
Other fees and commissions	2,088	
Other ordinary expenses	1,585	
Amortization of bond issuance cost	659	
Loss on derivatives other than for trading or hedging	520	
Other	405	
General and administrative expenses	17,004	
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Ordinary Profit		120,496
Extraordinary Income		5,707
Gain on disposal of noncurrent assets	9	
Gain on employee pension fund liability transfer	5,698	
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Extraordinary losses		16
Loss on disposal of noncurrent assets	16	
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Net Income		126,187
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For the Third Fiscal Year Ended March 31, 2015
Balance Sheet (as of March 31, 2015)

(Unit: JPY in million)

Accounts	Amounts	Accounts	Amounts
(Assets)		(Liabilities)	
Cash and due from banks	850,496	Borrowed money	9,425,316
Cash	0	Borrowings	9,425,316
Due from banks	850,496	Bonds payable	3,049,490
Securities	261,786	Other liabilities	949,227
Other securities	261,786	Accrued expenses	27,645
Loans and bills discounted	14,432,949	Unearned revenue	63,934
Loans on deeds	14,432,949	Derivatives other than for trading-liabilities	833,744
Other assets	430,297	Cash collateral received for financial instruments	12,750
Prepaid expenses	520	Lease obligations	31
Accrued income	45,331	Others	11,121
Derivatives other than for trading-assets	18,913	Provision for bonuses	500
Cash collateral paid for financial instruments	365,250	Provision for directors' bonuses	6
Other assets	282	Provision for retirement benefits	6,395
Property, plant and equipment	28,295	Provision for directors' retirement benefits	30
Buildings	3,040	Acceptances and guarantees	2,572,328
Land	24,664		
Lease assets	22	Total Liabilities	16,003,296
Other	567	(Net Assets)	
Intangible assets	3,154	Capital stock	1,391,000
Software	3,154	Retained earnings	993,053
Customers' liabilities for acceptance and guarantees	2,572,328	Legal retained earnings	865,683
Allowance for loan losses	115,492	Other retained earnings	127,369
		Retained earnings brought forward	127,369
		Total shareholders' equity	2,384,053
		Valuation difference on available-for-sale securities	12,786
		Deferred gains or losses on hedges	63,681
		Total valuation and translation adjustments	76,467
Total Assets	18,463,816	Total Net Assets	2,460,520
		Total Liabilities and Net Assets	18,463,816