

**IMAGINE
THE
FUTURE.**

The University of Tsukuba

Fiscal Year 2015 Financial Management Report

Message from the President

The University of Tsukuba makes greater efforts to search for truth, to create wisdom which generates innovation and to develop global human resources which lead it. It is a major responsibility of our university, as a national university corporation, to provide highly transparent earnings information to everyone who supports operations of our university, both within and outside our institution, so that the situation with our operations is well understood. Therefore, we have been preparing financial reports in order to provide easy to understand explanations and to foster greater understanding of our earnings information. This financial report basically consists of introduction of outline of the referred fiscal year, reports to every supporter of the University of Tsukuba (explanation to our stake holders), analyses and comments of our financial statements. It analyzes year-to-year comparison regarding our education, research, medical service and social activities, as well as expenses and other details of constituent items of the referred fiscal year. Going forward, we are willing to enhance this report and at the same time, reflect earnings information on our management and operations. By doing so, we will strive to further enhance and advance our education and research activities and to realize autonomous and strategic operations.

President of the University of Tsukuba
Kyosuke Nagata



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【Points to note of reading this report】

The figures less than the unit are rounded off in each table.
Therefore, the total may not match the sum.

【Detailed information pertaining to Earnings】

Please refer to the Financial Statements for details of Earnings in fiscal year 2015.
You can download this report.

[http://www.tsukuba.ac.jp/
public/misc/info_zaimu27.html](http://www.tsukuba.ac.jp/public/misc/info_zaimu27.html)



Major Events (Topics)

■ IIS new Building is completed



IIS Building was completed on July 10, 2015 as a new research center of International Institute for Integrative Sleep Medicine (WPI-IIS). This building is the 6-story building which has innovative design for promoting communication among researchers. In the lobby there are some imaginative arts made by faculty members who belong to Faculty of Art and Design.

WPI-IIS is a World Premier Research Center which includes from basic research to clinical in order to solve the mysteries of sleep. Since fiscal year 2012, the institute has been selected and established as World Premier International Research Center Initiative launched by the Ministry of Education, Culture, Sports, Science and Technology (MEXT).

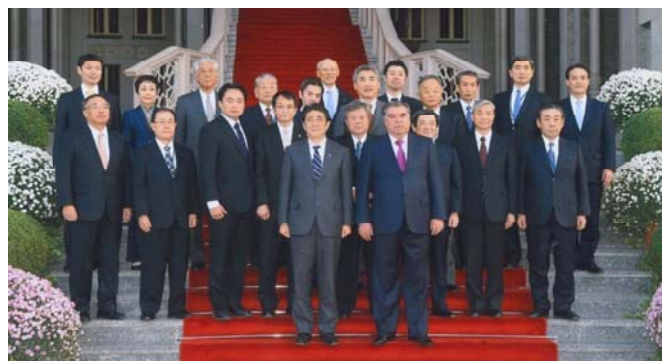
■ Our Dance Club Wins the Prize by the Minister of Education, Culture, Sports, Science and Technology



From August 5 to 8, 2015, All Japan Dance Festival-KOBE was held. This is one of the biggest dance festival in Japan. Our dance club performed "Ramitsu-by the photo 'A sense of detachment'" and they got the prize.

The prize by the Minister of Education, Culture, Sports, Science and Technology is given to the most superior performance which has the high quality of creation. It is their 11th title and their first time in 2 years.

■ President Nagata Visits Central Asia with Prime Minister Shinzo Abe on Official Business Trip



President Nagata accompanied Prime Minister Shinzo Abe to countries in the Central Asia region on an official business trip as a representative from the education and academic world in Japan from October 22 to 26, 2015.

President Nagata made a speech about the importance of developing human resources for economic progress in Turkmenistan. He explained that educational institutions in Japan are ready to cooperate with Turkmenistan in accepting and fostering Turkmen students. The University of Tsukuba intends to use the visit as an opportunity to further promote academic exchange with countries in the Central Asia region, including Turkmenistan, Tajikistan, and Uzbekistan.

■ HAL FOR MEDICAL USE is approved to receive national Health Insurance Coverage



HAL FOR MEDICAL USE (LOWER LIMB TYPE) which is the first's robotic medical treatment in Japan was approved to receive national health insurance coverage in January 2016.

HAL, robot suits, which is researched and developed by Prof. Yoshiyuki Sankai received the world first's international certification as a robotic medical treatment equipment in January 2013 and as for a personal care robot in February 2013. In addition HAL received the CE marking (=a certification of medical equipment in Europe) in August 2013.

■ Tsukuba Sports Medicine & Health Science Center Launches



Tsukuba Sports Medicine & Health Science Center was established in the University of Tsukuba hospital on October 1, 2015. The aims of the establishment are to support for injured athletes who want to early return to their field and to help citizens improve their health.

The center is able to provide the consistent care from surgery to rehabilitation owing to the cooperation between Faculty of Health and Sport Sciences which has many leading trainers and Faculty of Medicine which has top class diagnosis and rehabilitation systems in Japan. The center is expected to bring various effects, for example not only the development of new clinic treatments in Sports medical, injury preventions, and early recovery for top athletes but also the training of human resources in Sports medical, the improvement of public health, and the reduction of medical expenses.

■ JST ERATO NOMURA microbial community control project Launches



Prof. Nobuhiko Nomura of the Faculty of Life and Environmental Sciences was selected as a new research area of JST ERATO and one of research representatives. Prof. Nomura researches microbial community control and this project was named NOMURA microbial community control project.

In ERATO outstanding research leaders strive to generate the seeds of breakthrough new technology. ERATO aims to form a new headstream of science and technology, and ultimately contribute to science, technology, and innovation that will change society and the economy in the future.

■ University of Tsukuba Satellite Office Opens



On September 5, a University of Tsukuba Satellite Office opened on the second floor of BiVi Tsukuba, a commercial complex located in front of Tsukuba Station. The office serves as a facility to offer information about the university and to exhibit the university's research achievements. In addition, various events are planned to be held in a common space in part of the office shared with the city of Tsukuba.

■ The University of Tsukuba and National Institute of Fitness and Sports in Kanoya Establish joint master programs



The University of Tsukuba and National Institute of Fitness and Sports in Kanoya have engaged in the establishment of joint master programs since fiscal year 2012. Both universities started to prepare for the establishment of joint master programs as conducting joint degree programs for master's courses and doctor's courses from fiscal year 2015. The following 2 joint programs will be established in fiscal year 2016. This effort was highly evaluated at the interim appraisal of the subsidy for promoting University reforms in July 2015.

- Joint Master's Program in International Development and Peace through Sport
- Joint Doctoral Program in Advanced Physical Education and Sports for Higher Education

Financial Highlights for Fiscal Year 2015

Summary of B/S

Details are reported on page 21

(In millions of yen)			
Item	FY2014	FY2015	Change
Assets	401,905	394,395	▲ 7,510
Land	248,513	248,513	-
Buildings	98,241	95,385	▲ 2,856
Tools, Furniture and Fixtures	17,465	14,109	▲ 3,356
Vessels	196	163	▲ 34
Construction in Progress	756	1,724	968
Investment in Securities	2,601	2,701	100
Cash and Deposits	14,702	12,792	▲ 1,910
Accounts Receivable	6,650	6,294	▲ 356
Marketable Securities	600	500	▲ 100
Liabilities	103,295	95,026	▲ 8,269
Per Contra Liabilities for Property Acquisition	28,628	29,004	376
Borrowings	23,254	19,604	▲ 3,650
Management Expenses Grants Liabilities	822	-	▲ 822
Donation Liabilities	4,133	4,104	▲ 29
PFI Liabilities	26,763	24,984	▲ 1,779
Accounts Payable	12,446	9,813	▲ 2,633
Reserve Allowance	508	706	198
Net Assets	298,610	299,369	759
Government Investment	232,358	232,358	-
Capital Surplus	63,355	64,141	786
Reserve Funds Carried Forward from Previous Mid-Term Plan Period	2,019	1,902	▲ 117
Unappropriated Retained Surplus (or Undisposed Loss) at the end of the term	▲ 117	▲ 27	90

* Only main items are mentioned.

Summary of P/L

Details are reported on page 23

(In millions of yen)			
Item	FY2014	FY2015	Change
Ordinary expenses	94,611	94,022	▲ 589
Education Expenses	6,828	6,561	▲ 266
Research Expenses	8,620	7,524	▲ 1,097
Medical Service Expenses	19,238	20,032	794
Education and Research Support Expenses	2,419	2,357	▲ 62
Sponsored Research Expenses	4,618	5,059	441
Sponsored Operations Expenses	1,880	1,209	▲ 671
Personnel Expenses	47,373	47,753	381
General Administrative Expenses	2,657	2,640	▲ 17
Ordinary Income	94,377	93,732	▲ 646
Management Expenses Grants Income	37,744	37,108	▲ 636
Student Fee Income	9,231	8,547	▲ 684
University Hospital Income	28,103	29,410	1,306
Sponsored Research Income	5,150	5,734	584
Sponsored Operations Income	1,969	1,281	▲ 689
Subsidy Income	2,893	2,779	▲ 114
Donation Income	1,954	2,036	83
Ordinary Loss	▲ 233	▲ 290	▲ 56
Extraordinary Loss	▲ 54	▲ 195	▲ 142
Extraordinary Profit	49	458	409
Reduction of Reserve Funds Carried Forward from Previous Mid-Term Plan	4	-	▲ 4
Reduction of Appropriated Surplus	117	-	▲ 117
Gross Loss	▲ 117	▲ 27	90

○ Points of Earnings in fiscal year 2015

① Completion of building for the Innovation Medical Research Institute and building for the International Institute for Integrative Sleep Medicine (IIIS)

Buildings increased 1,205 million yen due to completion of building for the Innovation Medical Research Institute and building for the International Institute for Integrative Sleep Medicine (IIIS).

② Regarding personnel expenses

Personnel expenses increased 381 million yen compared to fiscal year 2014 due to the change in the pay scale based on NPA recommendation (up 268 million yen), rose the legal welfare calculative by consolidation of the pension systems (up 131 million yen).

③ Unused Management Expenses Grants Income

Unused Management Expenses Grants 435 million yen (promotion of the annual salary system 276 million yen, retirement allowances 158 million yen, others 1 million yen) recorded Extraordinary Profit due to the last year of the second Mid-Term Plan.

Earnings of National University Corporations

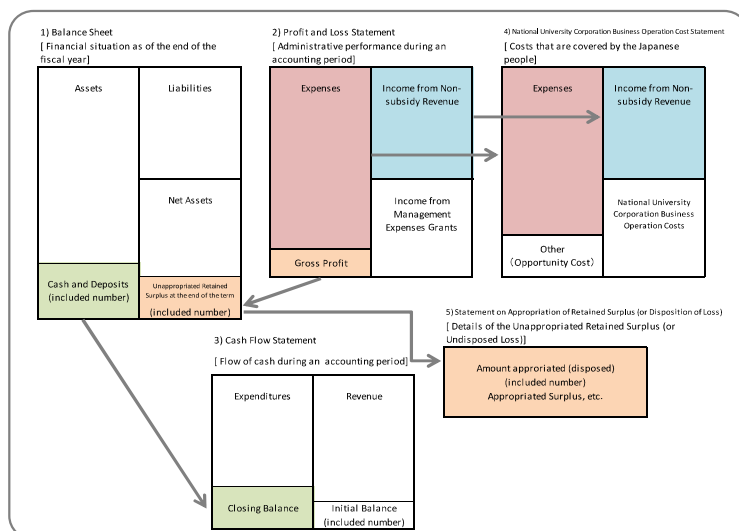
Statements Pertaining to Earnings

National university corporations prepare Financial statements following the Accounting Standards for National University Corporations based on business accounting.

Furthermore, universities also prepare statements not required in business accounting such as National University Corporation Business Operation Cost Statement, which shows the burden share of the Japanese people for university corporation's operations, and Earnings Statement based on governmental accounting.

The principal operations of education and research are not for-profit, unlike corporations, therefore unique accounting treatment is applied for the expenses emerged for those.

Scheme of Financial Statements



1) Balance Sheet (B/S)

Statement that discloses the financial situation by describing all Assets, Liabilities, Net Assets (Capital) of the university as of the settlement date (the end of the fiscal year).

2) Profit and Loss Statement (P/L)

Statement that shows situation with operations of the university by matching income and expenses required from the respective goals in education, research and etc. and discloses the profit gained.

3) Cash Flow Statement (C/F)

A financial statement reported in the three segments of operating activities, investing activities and financing activities, to disclose the cash flow situation during an accounting period.

4) National University Corporation Business Operation Cost Statement (O/C)

A financial statement showing the amount burdened by the Japanese people for operating a national university corporation.

5) Statement on Appropriation of Retained Surplus or Disposition of Loss (draft)

Calculated by subtracting Deficit Brought Over from Gross Profit (or Gross Loss) calculated in Profit and Loss Statement. Prepared to show details of the appropriation (or disposition) of Unappropriated Retained Surplus (or Undisposed Loss).

○ Earnings Statement

Statement that reports situation with operations, following the governmental accounting standards, with cash basis as the base but partially adopting accrual basis taking the idea of transfer consolidation periods into consideration, and by making a comparison with the annual budget.

Unique Accounting Treatment (an Example)

National university corporations are not for-profit, therefore Management Expenses Grants from the national government and Tuition Fees from the students are received as liabilities, and the obligations to operate education and research are generated. If facilities are acquired using Management Expenses Grants and tuition fees, there is no matching income for Depreciation Expenses for facilities. Therefore, matching income is recorded as "Reversal of Per Contra Liabilities for Property Acquisition" to balance the income and expenses.

Private Enterprise

Profit 5	Sales 25
Depreciation (expenses) 20	

Sales are recorded. If sales are larger, there will be a profit; if sales are smaller, there will be a loss.

National University Corporation

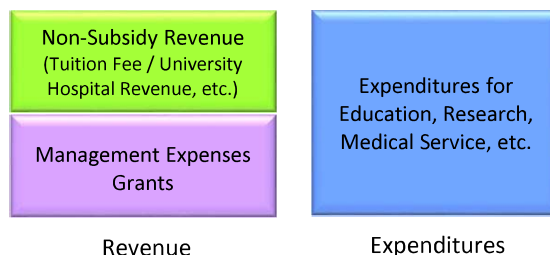
Depreciation (expenses) 20	=	Reversal of Per Contra Liabilities for Property Acquisition (income) 20
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In order to balance the income and expenses, an income of "Reversal of Per Contra Liabilities" is recorded in the same amount as the expenses.

For Domestic People

Management Expenses Grants

Management Expenses Grants are provided by the national government for expenses related to the operation of national university corporations. In fiscal year 2015, we received approximately 41 billion yen in Management Expenses Grants. This accounted for about 40% of the entire revenue.



Costs borne by the Japanese people

"National University Corporations Business Operation Cost Statement" is prepared under the Accounting Standards for National University Corporations in order to disclose how much the Japanese people bear for activities of universities. This statement is based on the costs in Profit and Loss Statement, adding costs which are not recorded in Profit and Loss Statement but are ultimately borne by the Japanese people in the broad sense and excluding Non-Subsidy Revenue such as tuition which is not directly borne by the Japanese people.

Per Capita Cost
approx. 378 yen

= Business Operation Costs / Population

Costs : approx. 48 billion yen

Population : approx. 127.043 million

* Population is estimated population as of January 1st, 2016, Bureau of Statistics, Ministry of Internal Affairs and Communications

[cf.] Figure reported in fiscal year 2014: approx. 395 yen

For the breakdown of Business Operation Costs, please refer to the National University Corporations Business Operation Cost Statement on page 26.

Global Residence Development Project

We newly started "Global Residence Development Project" which promotes a "routine of the internationalization". This is because we need to repair accommodations, the basis on international students' life, for promoting internationalization with improvement of student dormitory, etc. This project was adopted as a PFI project due to reduce the financial burden and utilize funds, management skills, and techniques of private enterprises. Then we also construct, maintain and manage each facility.

We built an "International House" as a student dormitory where international students learn and live together, and "Community Plaza" as a base facility of dormitory education and international exchange in student dormitory, both operations will start in April 2017.

We repaired a part of "Short term study abroad, Short Stay House" where international students stay for a short term by the Long-term Borrowings in March 2016, and started the operation. We plan to complete the repair in March 2017 and the operation will start in April 2017.



International House, Community Plaza
conceptual drawing



Short term study abroad, Short Stay House

For Our Students and Prospective Students

Education Related Expenses

Total expenses related to education (Education Related Expenses) are approximately 23.3 billion yen.

[Education Expenses]

Expenses required for education for students such as classes and extracurricular activities

[Education and Research Support Expenses]

Expenses related to supporting organizations such as the university libraries and the Academic Computing & Communications Center

[Amount Equivalent to Depreciation not recorded in P/L]

Expenses not recorded in P/L applied for depreciation of educational assets which were acquired using assets invested from the national government, Facility Expenses or Appropriated Surplus

[Personnel Expenses]

A half of which is calculated as expenses required for education

In addition, other expenses such as Research Related Expenses and expenses for maintenance of our campus for enhancement of educational environment are also closely related to providing education.

Breakdown of Education Related Expenses

(In thousands of yen)

Expenses Classification	FY 2015
Education expenses	5,233,486
Education and research support expenses	2,248,547
Amount equivalent to depreciation not recorded in P/L	1,600,364
Personnel expenses	14,234,775
Total	23,317,172

Education Related Expenses
approx. 1.42 million yen per student

= Education Related Expenses / The number of students

Actual number of students in FY 2015 : 16,476
[cf.] Figure reported in FY 2014 : approx. 1.44 million yen

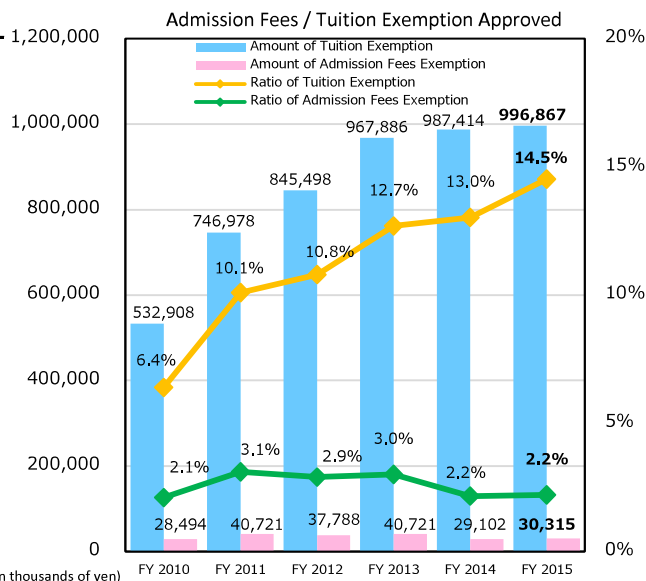
Admission Fees / Tuition Exemption

We offer programs to waive all or a part of admission fees or tuition to students who have difficulty paying due to financial problems or other inevitable reasons and who excel at studies.

In fiscal year 2015, we provided a total of 30,315 thousand yen of admission fees exemption for 139 students and 996,867 thousand yen of tuition exemption for 3,034 students including students who suffered from heavy rains in September (3,215 thousand yen for 12 students) and the Great East Japan Earthquake disaster (27,012 thousand yen for 67 students).

Unit Price of Payment by Students in Fiscal Year 2015 (In yen)

Classification	Tuition	Admission Fee	Examination Fee
Faculty	535,800	282,000	17,000
Graduate School	535,800	282,000	30,000
Law School	804,000	282,000	30,000

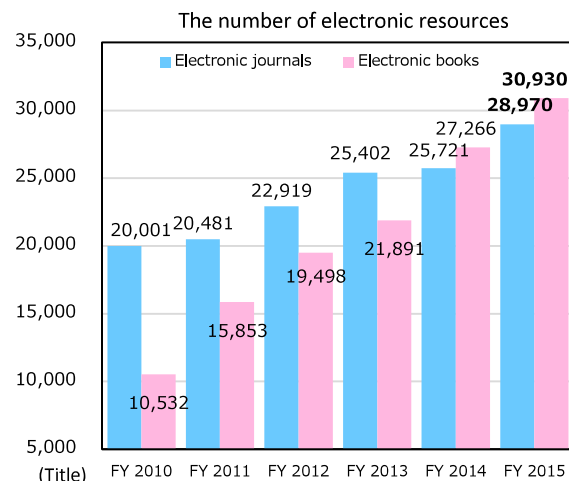


Ratio of Tuition Exemption (%) = Amount of Tuition Exemption / Tuition Income

The University Library

Our university libraries consist of the Central Library and four specialized libraries (Art and Physical Education Library, Medical Library, Library on Library and Information Science and Otsuka Library). They are managed under a unified administrative system. The library website provides electronic journals and database, as well as it offers services such as updates of borrowing periods, books reservations and requests for copies of literatures in other universities. At the end of fiscal year 2015, our university libraries owned approximately 2.69million books, which were worth approximately 10.1 billion yen. The number of books per student is 163. The number of electronic resources such as electronic journals or electronic books is increasing, it is utilized in education and research.

* The number and the amount of books include audio visual materials (such as CDs).



For Our Students and Prospective Students

Promotion of Educational Innovation

Our University promotes University reforms and internationalization in order to raise the level of research and educational activities to which is equal to the world. From fiscal year 2014, in order to secure the international compatibility of academic degrees, we aim to transfer to world standard degree programs by setting the course numbering system and “tuning” which means ensure the quality. In addition, we also promote joint degree programs with overseas universities and a new type of graduate school degree programs which is based on a conference organized by research institutes and private companies at Tsukuba Science City. We are planning to construct Campus-in-Campus system at which you can share campuses with our partner institutions and allow one another to utilize respective research and educational resources without any national or institutional barriers, utilize Course Juke Box System, and invite education and research units from overseas.

Promotion of International Exchange

We aim to improve the level of academic research and to bring up human resources with an international outlook by international academic exchanges. As of March 31st, 2016, we had 13 overseas offices in 12 countries (areas) and a total of 322 agreements, consisting of 126 university exchange agreements and 196 department exchange agreements, in 61 countries (areas). We conduct active international exchanges, for example, receiving foreign students, sending students and faculty members to abroad, inviting foreign researchers, and holding international conventions. Fiscal year 2014 University of Tsukuba was selected as “Top Global University” Project sponsored by the Ministry of Education, Culture, Sports, Science and Technology (MEXT). We engage in Campus-in-Campus system which brings freely research and educational exchange with our partner universities in overseas to students and faculty members. In addition, 4 projects were selected as a “Re-Inviting Japan Project” sponsored by MEXT, and we provide student exchanges programs which is intended for ASEAN, Russian-speaking countries, and Latin American countries. We are making efforts to enhance the supporting system on a scale of whole our university in order to promote these projects for internationalization with a central focus on Global Commons. Setting up the “Student Commons” which functions as a common learning space for Japanese and international students who are from various countries and have different fields, we provide an environment where “internationalization is part of everyday life”.

The University of Tsukuba Student Scholarship “The Tsukuba Scholarship”

The Tsukuba Scholarship is a program to provide financial support for students from abroad, support for students going study abroad, and emergency student loans by efforts toward internationalization. We support them with this our own scholarship program funded by our Non-Subsidy Revenue. In fiscal year 2015, we provided 70,914 thousand yen for 172 students by reviewing “The Tsukuba Scholarship” with the promotion of “Top Global University” Project.



Opening Ceremony of the Campus-in-Campus mutual office



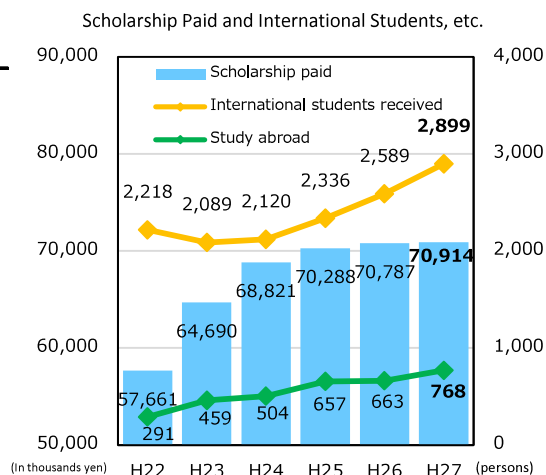
Signing Ceremony of the Campus-in-Campus agreement with University of bordeaux and National Taiwan University



13 overseas locations in 12 countries(areas)



short-term trainees experience Japanese culture(flower arrangement)



For Our Laboratory School Students and Prospective Students

Laboratory Schools

We have 11 laboratory schools in the Tokyo metropolitan area.

In elementary, junior high and senior high school, a total of 6 schools in Tokyo and Saitama prefecture, we provide education attaching importance to not only scholastic ability but also general ability including competence to solve problems and competence in communication which are required in the real world in the school tradition of liberty and autonomy.

In special needs education schools, a total of 5 schools in Tokyo, Kanagawa and Chiba prefecture, we accept children and students with different disabilities. We aim to bring up independent people who can actively join the social community by providing education that suits each one's state and growth stage.

Total expenses related to education (Education Related Expenses) in 11 laboratory schools are approximately 7.1 billion yen.

Breakdown of Education Related Expenses (in laboratory schools) (In thousands of yen)

Expenses Classification	FY 2015
Education expenses	869,958
Amount equivalent to depreciation not recorded in P/L	201,445
Personnel expenses	6,024,411
Total	7,095,814

Education Related Expenses
approx. 1.67 million yen per student

= Education Related Expenses / The number of students

Actual number of students in FY 2015: 4,241

[cf.] Figure reported in FY2014: approx. 1.60 million yen

Super Global High School(SGH) Program



On March 2014, Senior High School at Otsuka and Senior High School at Sakado were selected for the "Super Global High School (SGH) Program" by the Ministry of Education, Culture, Sports, Science and Technology. At the senior high school at Otsuka, its two main pillars of the activities are "SGH study(study of solving problems)" and "SGH program(overseas dispatch)." Through each activities, it aims for "development of top leaders of the global society." What students acquire at overseas dispatch (in 4 countries, "Singapore, Canada, China, and South Korea") contribute to all students. Then it helps students increase more motivation. Senior high school at Otsuka is designated at the host school of this project and plays a promoting role as the central core of 123 SGH certified schools and 56 associated schools all over Japan.

Senior high school at Sakado aims for the goal, "The Global Human Resource Development for Building Sustainable ASEAN Society through the Advanced Educational Activities at the Integrated Science High School" and held High school international ESD Symposium 2015. Our school globally promoted research of problems as the SGH certified school, working with associated schools in all countries of the world as the host school.



Report Conference on SGH program (overseas dispatch) (Senior High School at Otsuka)



International Fieldwork with the local 2 schools at the forestry educational center in Indonesia (Senior high school at Sakado)

Super Science High Schools (SSH) Program



Since fiscal year 2002, being selected as a "Super Science High School" by the Ministry of Education, Culture, Sports, Science and Technology, Junior and Senior High School at Komaba have been working on enhancement of education especially in science and mathematics.

In the third period, which started in fiscal year 2012, we set a theme of research and development as "Research and Development of junior high, senior high, undergraduate and graduate collaborative programs which bring up global scientists rich in culture and inquiry mind ." We are working on bringing up students' abilities of science communication by continuously running "instructing and learning each other" activities such as from senior high school students to junior high school students and from undergraduate/graduate students to senior high school students, developing competence in presentation in English which can be understood at international exchanges and academic conferences, continuously doing research exchanges with National Taichung First Senior High School in Taiwan in fiscal year 2015 too.



Research exchanges with National Taichung First Senior High School (in Junior and Senior High School at Komaba)

For Our Clients at the University Hospital



(The upper: outward view of Keyaki building)
(The lower: heliport)

Principle of the University of Tsukuba Hospital

We are committed to providing high-quality medical care and cultivating medical professionals who can contribute to developing the medical field.

Policy of the University of Tsukuba Hospital

- We are committed to providing the safest and highest quality medical care to patients.
- Fully mindful of our mission and responsibility, we cultivate medical professionals who are rich in humanity.
- We promote a team approach to medical care services and thereby build links with the local community.
- We work to spread knowledge about health and medicine.
- We contribute to international society through our medical research and promotion of advanced medical technology.

The University of Tsukuba Hospital on WEB

<http://www.s.hosp.tsukuba.ac.jp/>



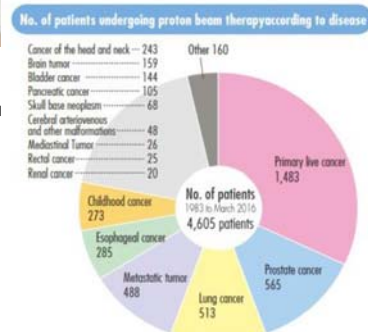
Proton Beam Therapy

We are the first university hospital in Japan that operates a proton beam therapy facility and do the treatment of 4,605 patients more than 30 years. Proton beam therapy for pediatric cancer was approved for health insurance coverage starting in April 2016. An activity was inaugurated in June 2016 called "Issei Kids House Project" to provide reasonably-priced lodgings for pediatric proton beam therapy patients and their families.

We are aiming to insurance listing and adaptation expansion of proton treatment and promote the development accelerator for clinical research of the next -generation particle beam treatment "Boron Neutron Capture Therapy (BNCT)".



The proton beam medical device
This is the advanced medical device to lighten the strain and side effects of patients.



Efforts Toward Revival of Community Medicine

Ibaraki is the second worst prefecture in Japan in terms of the number of doctors per population of 100,000 by prefecture. In order to cope with the urgent problem of the collapse of community medicine caused by the shortage of doctors, we are working on a community medicine revival plan with the aim of contributing to enhancement and qualitative improvement of the community medicine system in areas where there are not enough doctors by using various methods in cooperation with the government.

[Major Efforts toward Revival of Community Medicine]

- 1) Development and management of new programs for bringing up human resources leading community medicine
- 2) Development of environment for pre-/post-graduation and lifelong education and training and bringing up doctors rooted in the regional community
- 3) Contribution to community medicine by constructing an educational and instructional system and supporting medical care at central hospitals
- 4) Promotion of joint research and development and clinical trials for pharmaceuticals and hospital equipment which are produced in the regional community by utilizing clinical data and teachers' abilities of research in our university hospital

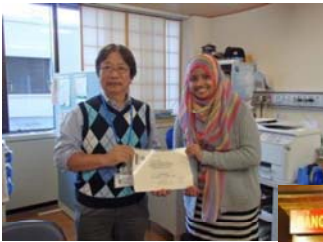
Cooperation Destination	Development Hospital	Number of Teachers / Doctors
Ibaraki Prefecture	Kamisu Saiseikai Hospital	2
	Ibaraki Prefectural Central Hospital	15
	Ibaraki Children's Hospital	3
Ibaraki JA	Mito Kyodo General Hospital	25
Hitachi, Ltd.	Hitachinaka General Hospital	5
	Hitachi General Hospital, Taga General Hospital	5
Tsuchiura City	National Hospital Organization Kasumigaura Medical Center	5
Kitaibaraki City	Kitaibaraki City Hospital	1
Tsukuba City	Tsukuba-city Birth Center	3
Toride Medical Association	Toride Kitasoma Health Medical Center Medical Association Hospital	2
Saiseikai Imperial Gift Foundation	Kamisu Saiseikai Hospital	3
Kasama City	Kasama City Hospital	2

International Medical Center

University of Tsukuba Hospital has been operating since October 2012 as an Office for the Promotion of International Medical Affairs with the purpose of advancing the hospital's internationalization.

In order to reinforce that function, its activities start in the present fiscal year under its new name of International Medical Center,

- 1) Receiving trainees and handling visits from other countries
- 2) Support for dispatch of hospital employees to other countries
- 3) Promoting and supporting the reception of patients from other countries
- 4) Support for accreditation from Joint Commission International (JCI)



Tsukuba Sports Medicine & Health Science Center

The Faculty of Health and Sport Sciences at the University of Tsukuba specializes in physical education, sports and health. The faculty has many of the finest trainers in Japan on its faculty, and also sends many highly educated and trained trainers to institutions in Japan and other countries. The medical care and medical treatment program is one of the top diagnostic and rehabilitation organizations in Japan, with many world-class sports physicians contracted for the World Cup and other events who provide sports medicine education to tournament coaches. Groups of specialists in both physical education and medicine work together to establish an integrated rehabilitation system from treatment through return to competition,

- 1) Treatment and Research Departments
- 2) Athlete Support Department
- 3) Health Enhancement Department



Tsukuba Clinical Research & Development Organization (T-CReDO) Center for Innovative Medicine and Engineering (CIME)

The Center for Innovative Medicine and Engineering (CIME) was set up within The University of Tsukuba Hospital in January 2014 as the division for supporting clinical research through industry-academia-government cooperation. As it is situated within the hospital access to the medical work floor is easy, an optimal environment for research and development of medical apparatus and pharmaceuticals is in place, and the Center mainly provides support for clinical research into medical devices.

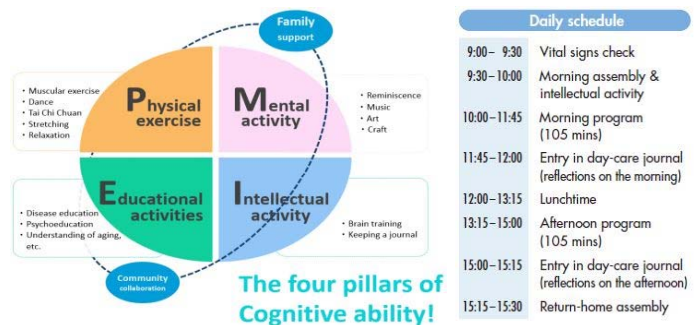
CIME

CIME, the acronym for the Center for Innovative Medicine and Engineering, is also a French word for peak or summit. It reflects our desire to scale summits in our chosen fields of research.



Day-care Service for Improving Cognitive Ability

The Psychiatry Department started to offer a day-care service in 2013. Cognitive Ability Improvement Day-Care is designed for persons who are worried about forgetfulness and other signs of decreased cognitive functions. The service was started to provide various science-based programs to maintain or improve cognitive ability. In addition to providing various programs, the service now provides increased psychological assistance by helping patients learn the concept of "smart aging" (creating a self that is not afraid of aging or forgetfulness) and learn how to cope with anxiety and stress.



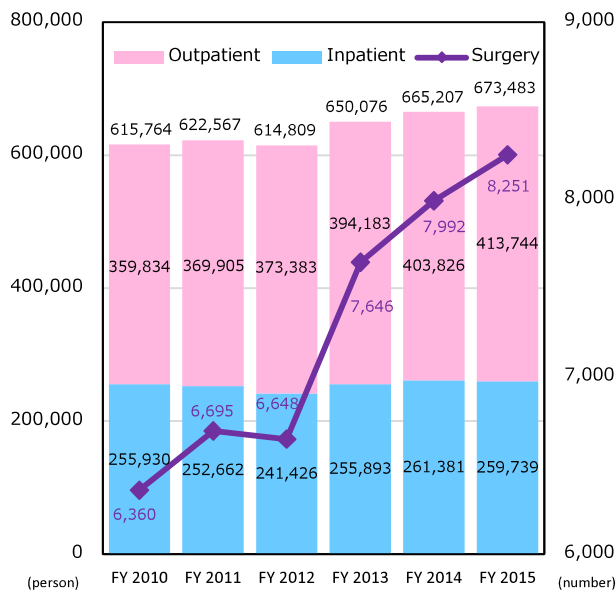
For Our Clients at the University Hospital

Medical Care at the University Hospital

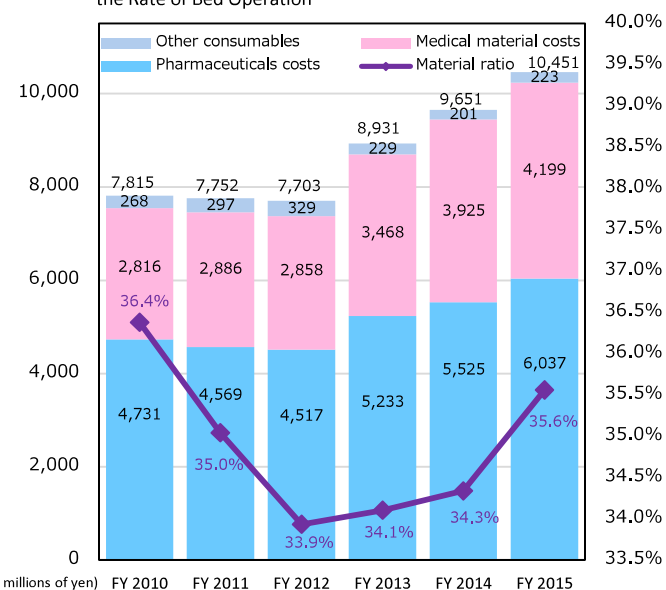
The university hospital has been the acceptance of high-quality medical care and many patients to increase the doctors and nurses and work activity to improve services for improvement of bed occupancy rate the by the efficient operation beds , shortening of the average length of stay and increase in the number of surgical operations and foreign patients .

We reduced costs for consumables such as expansion of the switching of generic drugs, however, pharmaceuticals costs and medical material costs increased and material ratio [pharmaceuticals/hospital revenue] increased tendency with the start of service of new building and increase the number of patients stated previously from the provision of advanced medical care.

Changes in the Number of Patients and Surgeries



Changes in Expenses for Pharmaceuticals and etc. and the Rate of Bed Operation



Financial Situation of the University Hospital

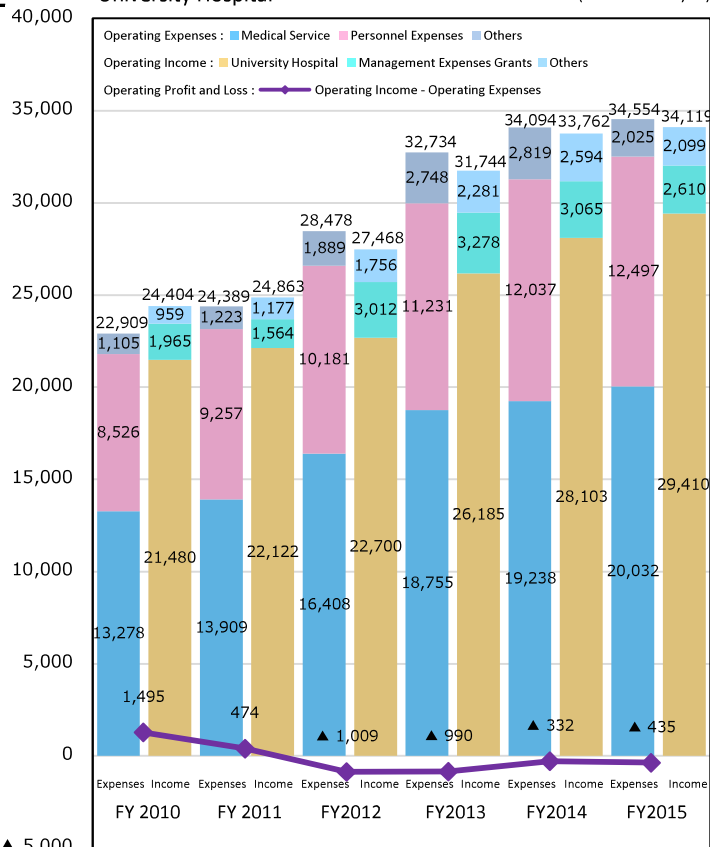
In fiscal year 2015, Operating Income was 34,119 million yen with increase by 357 million yen compared to fiscal year 2014 as a result of increase of the number of surgical operations by the University Hospital redevelopment project, rise in the occupancy rate and shortening of the average length of stay and increase of the number of surgical operations.

On the other hand, Operating Expenses were 34,554 million yen with increase by 460 million yen compared to fiscal year 2014 due to depreciation expenses of the KEYAKI Building operated over the year, personnel expenses with increase in medical staff such as doctors and nurses to strengthen hospital function and increase in pharmaceuticals costs by running highly advanced and acute stage medical care.

From the above, University hospital of business profit and loss (Operating Income - Operating Expenses) in fiscal year 2015, was

▲ 435 million yen.

Changes in Annual Financial Situation of the University Hospital



Main causes of Gross Loss are reported on page 30

For Corporations

Promotion of Industry-Academia Collaboration

We established the "International Innovation Interface Organization" on April 1, 2014 and set up "Interdisciplinary Research Platform with Enterprises, Research Institute and Academia" in fiscal year 2015 for strengthening industry-academia collaboration for becoming a university that can contribute to industry creation of a new era and solution of global problems.

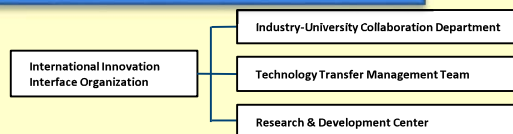
This platform consists of "Renewal Headquarters Operating System" that changes from complication to simple and mobility by unifying all functions of industry-academia collaboration, "Large-scale Cooperative Research Creating Program" that reforms the process and system for receiving Large-scale Cooperative Research, and "Promoting Industry-Academia Collaboration and Providing Occasions for Human Resource Development" that makes a new system for promoting both industry-academia collaboration and human resource development.

"M2B2A-type cooperative research program" is the type of Market to Business to Academia, That is to say, we solve future research problems which private enterprises image by Interdisciplinary research potential of our university.



Interdisciplinary Research Platform with Enterprises, Research Institute and Academia

Renewal Headquarters Operating System



Large-scale Cooperative Research Creating Program

- ① M2B2A Type Cooperative Research Program
- ② Special Joint Research Business System
- ③ Global Matching Program
- ④ Projects for Promoting University-Industry Cooperation

Promoting Industry-Academia Collaboration and Providing Occasions for Human Resource Development

- ① Innovation Medical Research Institute
- ② Tsukuba Clinical Research & Development Organization
- ③ Master's/Doctoral Program in Life Science Innovation

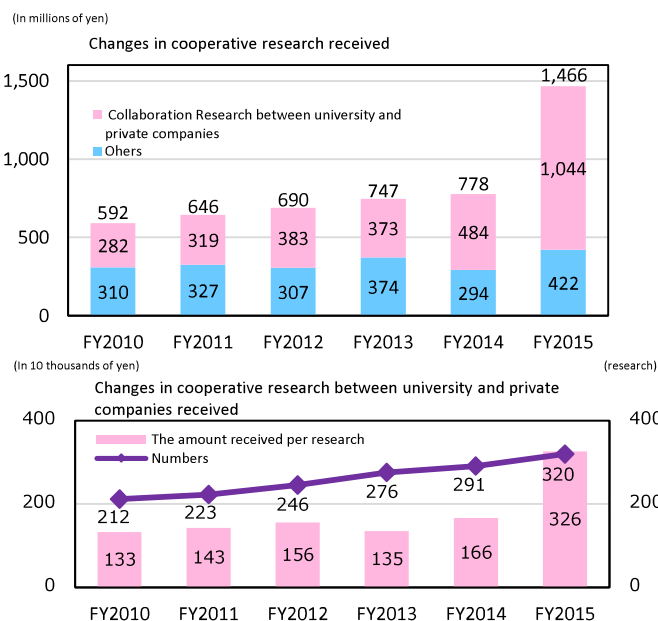
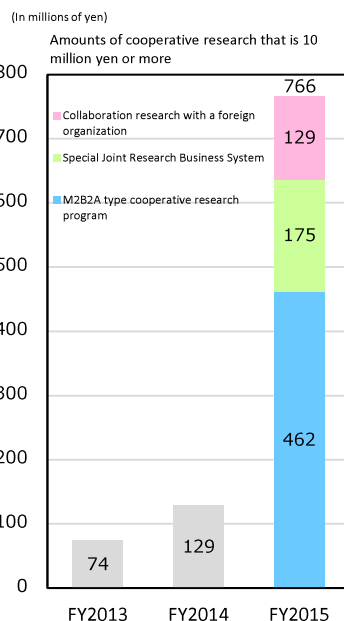
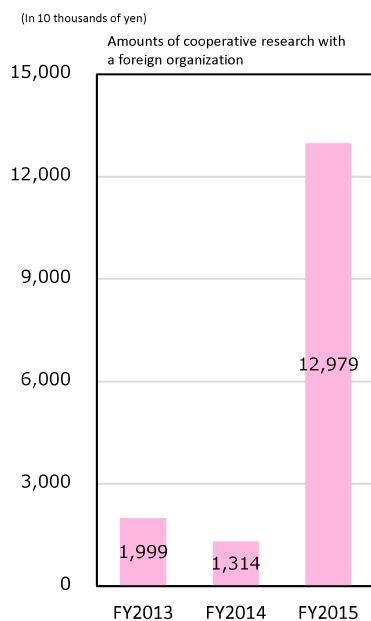
Expanding International Industry-Academia Collaboration

The number of cooperative research with foreign private enterprises greatly increased through "Interdisciplinary Research Platform with Enterprises, Research Institute and Academia" in fiscal year 2015. As a result of promoting matching with the world's top 20 private enterprises in the fields of medicine development as targets, the number of cooperative research increased tenfold compared to that of fiscal year 2014. This number ranked second according to the ranking of national university in previous year, so the year 2015 became a beachhead in expanding international industry-academia collaboration.

Expanding Large-scale Cooperative Research

In fiscal year 2015, the number of large-scale cooperative research (10 million yen or more) increased about sixfold compared to that of fiscal year 2014 through "M2B2A type cooperative research program", "Special Joint Research Business System", and "Global matching program" of "Interdisciplinary Research Platform with Enterprises, Research Institute and Academia". So this leads to the expansion of mounting opportunity in society by the increase of cooperative research which private enterprises and the university seriously deal with.

As a result, the number of cooperative research between the university and private enterprises in fiscal year 2015 doubled from that of fiscal year 2014. Also the amount received per research doubled from 1.66million yen to 3.26million yen. Thus industry-academia collaboration at the University of Tsukuba was revitalized, fiscal year 2015 was a year of inflection point in expanding large-scale cooperative research between the university and private enterprises and promoting internationalization.

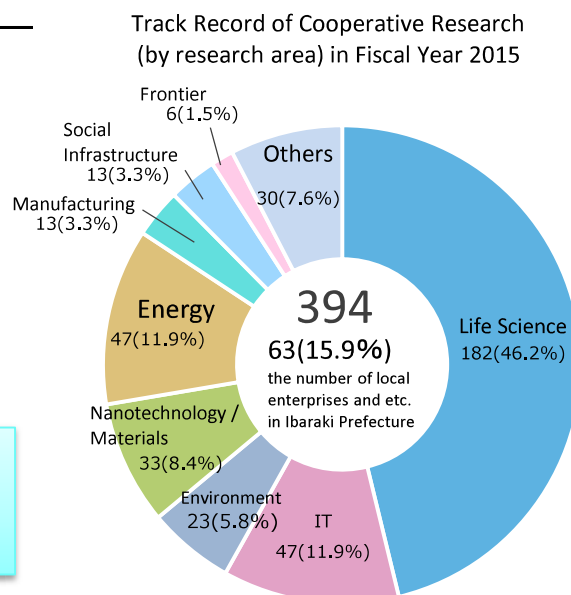


Cooperative Research

Cooperative Research is a system that our teachers and researchers from private enterprises together research on a common theme on an equal footing, which promotes to achieve superior results. We launched the "Cooperative Research Launch Support Project" in fiscal year 2010, and we recommend and support cooperative research by our young teachers and small/medium-sized enterprises in order to expand range of research activities.

If you have a consultation of Industry-Academia Collaboration, please send your thoughts to Division of Collaborative Research.

<http://www.sanrenhonbu.tsukuba.ac.jp/>



Drug Discovery Collaboration Agreement with Merck

International Institute for Integrative Sleep Medicine, University of Tsukuba (WPI-IIS) concluded a research collaboration agreement with Merck & Co., Inc. Under the agreement, WPI-IIS and Merck will perform collaborative research aimed at discovering new medicines for disorders of the central nervous system.

"I am very pleased to establish this collaborative research agreement with Merck. By combining the basic research conducted in our institute and the drug discovery expertise at Merck, we hope to deliver new medicines to the patients," said Masashi Yanagisawa, a director of WPI-IIS.

By conducting drug discovery in collaboration with the central nervous system researchers at Merck, the collaboration will also encourage interactions between scientists involved in the field of drug discovery, and accelerate the exploration of new treatment options for disorders of the central nervous system.



Endowed Courses

The system of Endowed courses sets up and manages "endowed course" or "endowed research division", effectively utilizing donations from donors such as private enterprises. They aim to diversify and activate education and research of our university.

In fiscal year 2015, we set up a new course of "Advanced Digestive Surgery Course Endowed by the JA Ibaraki Prefecture Welfare Federation of Agricultural Cooperative".

We hold a total of 18 courses including ones having been continued.



Symposium for commemorating the open of "Certificate Programme on Nature Conservation"



Research Report of Toshokan Ryutsu Center (TRC) Library Management (completed in fiscal year 2015)

List of Endowed Courses in Fiscal Year 2015

Endowed Course
Toshokan Ryutsu Center (TRC) Library Management Course
Life-style Diseases Course Endowed by the JA Ibaraki Prefecture Welfare Federation of Agricultural Cooperative
Ibaraki Prefecture Department of Primary Care and Medical Education
"Environmental Disaster Prevention" Course
Research Course on Regional Medical System
Innovation in North & Middle Ibaraki Healthcare Network (Social Cooperation Program)
Arrhythmia Research Department
Innovation in South Ibaraki Healthcare Network
Innovation in Ibaraki Pediatric Healthcare Network
Innovation in Power Electronics of Toyota and Denso
Innovation in Power Electronics of Fuji Electric Holdings Corporation
Course on Perinatal Medicine
Certificate Programme on Nature Conservation (CPNC)
Southern Ibaraki Prefecture Department of Primary Care and Medical Education
Prevention and Treatment of Stroke Course Endowed by the JA Ibaraki Prefecture Welfare Federation of Agricultural Cooperative
Locomotorium Regenerative Medical Course Endowed by the JA Ibaraki Prefecture Welfare Federation of Agricultural Cooperative
Advanced Digestive Surgery Course Endowed by the JA Ibaraki Prefecture Welfare Federation of Agricultural Cooperative
Arrhythmia Next Generation Endowed Research Division

■ TSUKUBA INTERNATIONAL STRATEGIC ZONE

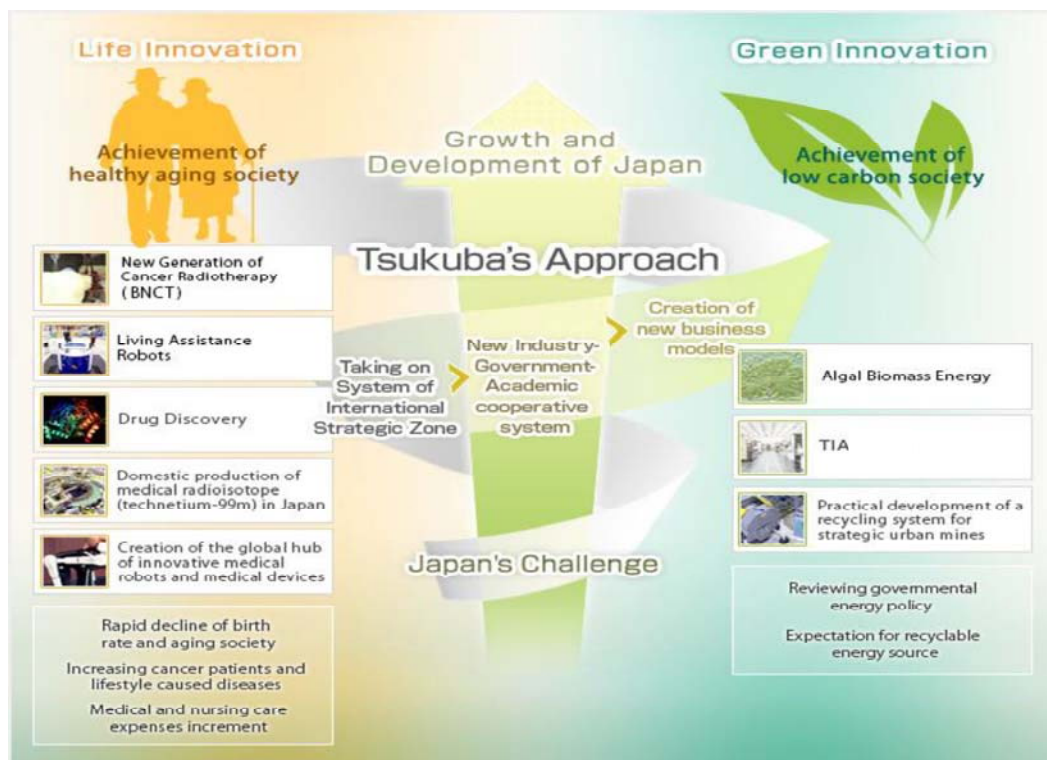
In December 2011, Tsukuba City and parts of Ibaraki Prefecture were designated as "International Strategic Zone". In fiscal year 2015, we start a new project, so 8 leading research and development projects are promoted in Tsukuba International Strategic Zone today. Our university is involved in 8 all projects.

The details of TSUKUBA INTERNATIONAL STRATEGIC ZONE are introduced on website from URL below.

<http://www.tsukuba-sogotokku.jp/>



○Eight Pioneering Projects



For the Supporters of the University of Tsukuba

○Add a new project to Tsukuba International Strategic Zone

Practical development of a recycling system for strategic urban mines (for 5 years(fiscal year 2015-2019))

【Contents】

Urban mines, which contain small home appliances and other discarded electronic and electrical devices that may be recycled for their metals, are mostly undeveloped or buried under the ground. Therefore, efforts are being made to lead the world in integrating the development of revolutionary recycling technologies with educating the public about their potential, the environment, etc., to help ensure a stable supply of various necessary metals for manufacturing, promote the development of recycling industries, and materialize a recycling society that is based on the concept of strategic urban mines.



○Open one-stop window of technical advice from private enterprises

Tsukuba Technical Concierge (TTC)

【Contents】

Based on troubles and inquiries from private enterprises, TTC staff of Tsukuba Global Innovation Promotion Agency confirms the possibility of solution in each institution(3 institutions :NIMS, University of Tsukuba and NARO joined as of the end of fiscal year 2015) and adjusts a consultation between private enterprises and a relevant institution. Then the relevant institution is in charge of and deals with the trouble for cooperative research and analysis. In collaboration with Tsukuba city, we already completed dealing with 3 troubles. In the future, we will activate envisaging the expansion of participating institutions.



For Our Regional Community

■ Lifelong Education

We provide lifelong education such as open courses and certificate programs for non-students.

Open courses release and diffuse educational and research achievements of our university through lectures in order to contribute to improvement of people's culture and development of people's ability at work and real life. Certificate programs are special courses for adults. Each course requires 120 hours or more studies depending on its goals and contents. A certificate based on the School Education Law will be issued to those who have completed the program. It can be recorded as an educational background in curriculum vitae.

Please see more information from URL below.

<http://www.tsukuba.ac.jp/education/>



■ Contribution to Society

We work on activities for contribution to society as a regional center of knowledge in order to return intellectual achievements to society positively. We aim to create a bond between local people and our university, to bring up excellent human resources and to form a good cycle of regional activeness.

○ A Case of Social Contribution Project

Regional and Social Contribution Project by Experience-based Science Education Using Super Small Artificial Satellite

We convey the appeal of the University of Tsukuba, the base of the Tsukuba science city, by promoting science development to high and junior high school students. We offer experience-oriented specialized education with a focus on experiments in the field of science and engineering which is difficult to understand in a classroom lecture by using super Small artificial Satellite ITF-2 under development (released by ISS module "Kibo" in fiscal year 2016).



Encouraging Children in Disaster-struck areas in Tohoku by Exercise Programs SPARTS

We develop "SPARTS" program which can highly improve physical and brain function with increasing efficiency of time and space by closely combining sports and arts and support children in disaster-struck area. Today, this is the largest and longest support in physical education for schools in disaster-struck areas in Tohoku by the university.



Art Day Camp & Art Expedition in The Summer Vacation of 2015 - Become Leonardo da Vinci of Tsukuba!

We aim at making children in Tsukuba or neighboring municipalities creative, having rich and free mind through this project which utilizes human resources involved in art in our university (teachers and students) and art resources (exhibit and student art studio).



List of open courses

Course	Number	Enrollee
Incumbent Training Course	29 courses	1,011 people
General Open Course	35 courses	853 people
Prioritized Open Course	5 courses	147 people
Total	69 courses	2,011 people

List of certificate programs (In thousands of yen)

Course	Enrollee	Total Revenue
Library Management Course	22 people	2,601
University Management and Cultivation of Human Resources	23 people	1,421
Coordinated, Continuing, Medical Staff Education Program	29 people	-
Total	74 people	4,022

Please see more information from URL below.

<http://www.tsukuba.ac.jp/community/>



For Our Alumni

■ The University of Tsukuba Fund (TSUKUBA FUTURESHP)

We established the “University of Tsukuba Fund (TSUKUBA FUTURESHP)” in April 2010, aiming to contribute to various activities such as support for students in our university and children/students in our laboratory schools, promotion of education and research activities, and contribution to the regional community.

This fund consists of two kinds of fund; the “General Fund” which provides support aiming to reinforce four functions that our university should serve, and the “Specific Fund” which provides support aiming to aid specific projects. We accept donations without designation of use and used books donations.

In addition, we set up the “TSUKUBA FUTURESHP PREMIUM” in fiscal year 2015. We send those who donates more than 30 thousand yen and corporation donates more than 100 thousand yen the rice harvested in the Agriculture and Forestry Center in our university. We have been receiving good reviews for this activity.



Image of gifts by TSUKUBA FUTURESHP PREMIUM

Donations in Fiscal Year 2015

Classification	Number
Our faculty members and retired faculty members	4,137
Our alumni and their families	306
Families of four students	89
Others	133
Total	4,665

as of March 31st, 2016
Total amount: 525,343 thousand yen
Total number: 21,432 donations

As to information on the details of the activities of the University of Tsukuba Fund and on how to donate, you can see from URL below.

<https://futureship.sec.tsukuba.ac.jp/>

■ The University of Tsukuba Alumni Association

The “University of Tsukuba Alumni Association” is a “forum” launched for the purpose of strengthening collaboration between our university and everyone involved in our university including graduates, completed students, current students, former faculty members, current faculty members, organizations for extracurricular activities, and specific alumni associations. Please make use of the “University of Tsukuba Alumni Association” when everyone involved in our university gathers, connects and promotes exchanges under the “common bond” of the “University of Tsukuba”.

In addition, we set up the “University of Tsukuba Alumni Association website” in July 2012. This website has a SNS which only those who are involved in our university such as graduates, completed students, current students, former faculty members, and current faculty members can access. Please make use of this SNS.

The University of Tsukuba Alumni Association on web

<https://alumni.tsukuba.ac.jp/>



■ The University of Tsukuba Alumni Association card

We started “The University of Tsukuba Alumni Association card” business since fiscal year 2015. This card business has a mechanism of donating part of the proceeds of the card company to our university fund and putting economic assistance to students by using this card. Benefits of this card also receiving a service by about 200 stores in Tsukuba city suburbs.



For the Supporters of the University of Tsukuba

For Our Faculty Members

Research Related Expenses

Total expenses related to research (Research Related Expenses) are approximately 17.6 billion yen.

[Management Expenses Grants Expenses]

Expenses for research funded by Management Expenses Grants, tuition fee, Non-Subsidy Revenue and etc.

[External Funds Expenses]

Expenses for research funded by Donations and Subsidies.

Expenses for Sponsored Research and Cooperative Research.

Subsidies provided by the national government for researcher individuals.

[Expenses associated with assets]

Expenses for research funded by Facility Expenses.

Depreciation of research assets.

Breakdown of Research Related Expenses (In thousands of yen)

Classification	FY 2015
Management Expenses Grants Expenses	2,826,960
External Funds Expenses	10,008,140
Expenses associated with assets	4,732,926
Total	17,568,026

Research Related Expenses
approx. 9.03 million yen per teacher
Including Research Related Expenses funded by
Management Expenses Grants
approx. 1.45 million yen per teacher
(including Utility costs, Consignment costs and etc.)

= Research Related Expenses / The number of full-time teachers

Number of full-time teachers in FY 2015 : 1,945

[cf.] Figure reported in FY 2014 : approx. 9.74 million yen

General Administrative Expenses

General Administrative Expenses are recorded as expenses necessary for management and operations of the university. In fiscal year 2015, General Administrative Expenses were approximately 2.6 billion yen with decrease by 17 million yen from fiscal year 2014. This is mainly caused by decrease in Repair costs. The ratio of General Administrative Expenses to Operating Expenses was 2.9%. This ratio is same as the previous year.

General Administrative Expenses Ratio

2.9%

= General Administrative Expenses / Operating Expenses

Breakdown of General Administrative Expenses (In thousands of yen)

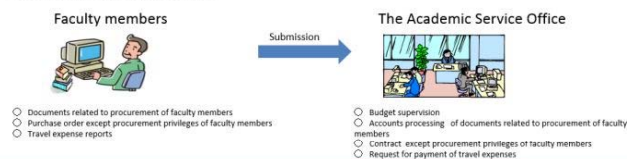
Classification	FY 2014	FY 2015	Change
Consumables	160,356	167,653	7,298
Utility costs	209,753	163,555	▲ 46,198
Travel expenses	66,423	60,004	▲ 6,419
Maintenance costs	268,412	271,714	3,303
Repair costs	268,250	165,599	▲ 102,651
Non-life insurance premium	53,507	53,782	275
Advertising expenses	67,893	77,746	9,853
Compensation / Consignment / Commission	943,780	1,077,682	133,902
Tax and Dues	129,035	103,476	▲ 25,559
Depreciation Expenses	258,428	263,922	5,494
Others	230,975	234,978	4,003
Total General Administrative Expenses	2,656,811	2,640,111	▲ 16,700
Operating Expenses (cf. p. 23)	90,975,676	90,494,941	▲ 480,736
General Administrative Expenses Ratio	2.9%	2.9%	▲ 0%

The Univ. Accounting Center (Accounting unification)

We established "The Univ. Accounting Center" in January 2016, aiming to redistribute human resources to international, education, and research core division by improving efficiency of contract and calculation of travel expenses that 160 persons are in charge of in 20 areas of Academic Service Office or other relevant offices.

Accounting unification

Previous processing procedure



Present processing procedure



* The accounting section of the Academic Service Office is in charge of budget supervision

Personnel Expenses

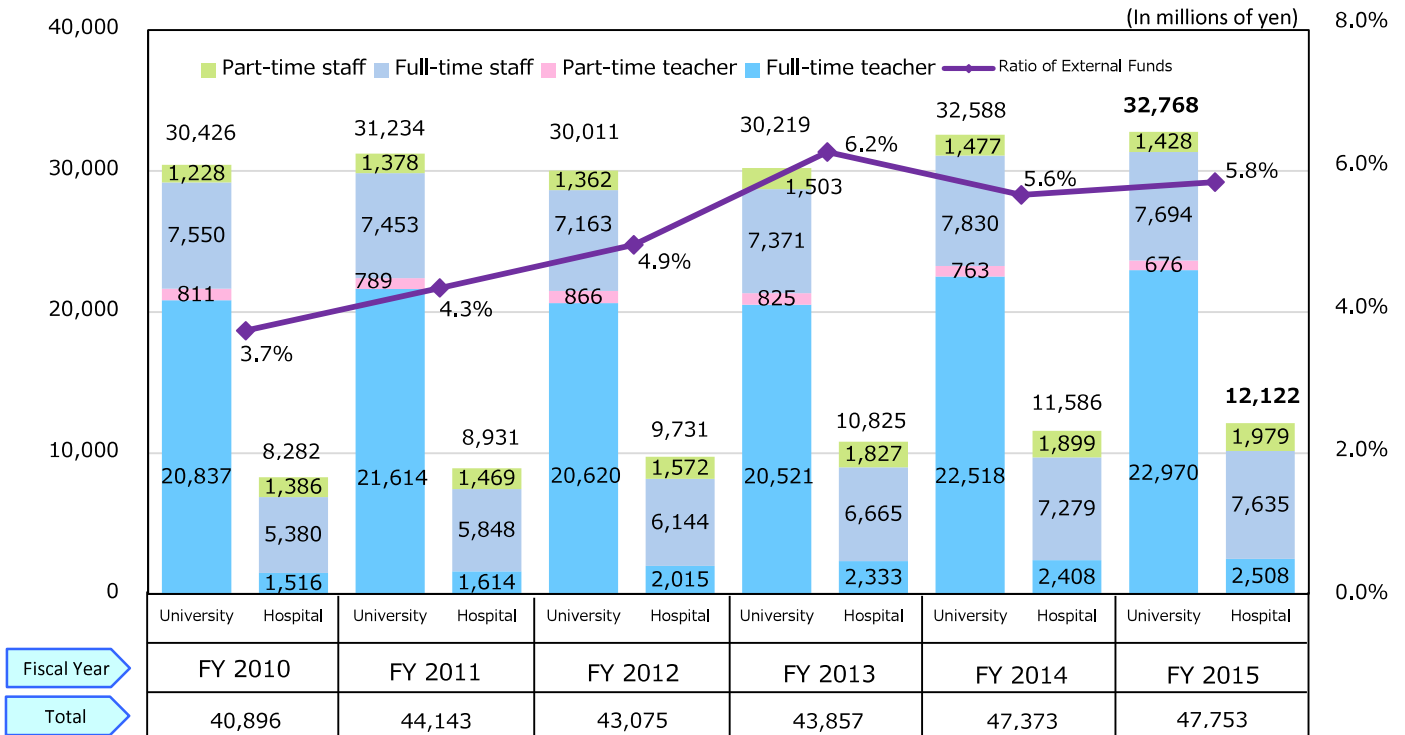
Personnel Expenses account for 50.8% of Ordinary Expenses and approximately 47.8 billion yen is paid out (including 146 million yen for personnel expenses for directors and 2,717 million yen for retirement benefits). Personnel Expenses increased by 716 million yen (teachers 465 million yen, staff 251 million yen) due to increase associated with the influence that was the salary revision was based on the recommendations of

the National Personnel Authority, and increased the number of medical staff for doctors and nurse to strengthen the hospital function.

In addition, the proportion of External Funds to Personnel Expenses has been rising year by year, which shows we are diversifying operations of our university and actively running projects such as research, development and contribution to the regional community.

Classification	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
Teachers	1,705	1,788	1,808	1,797	1,864	1,945

Changes in Faculty Personnel Expenses

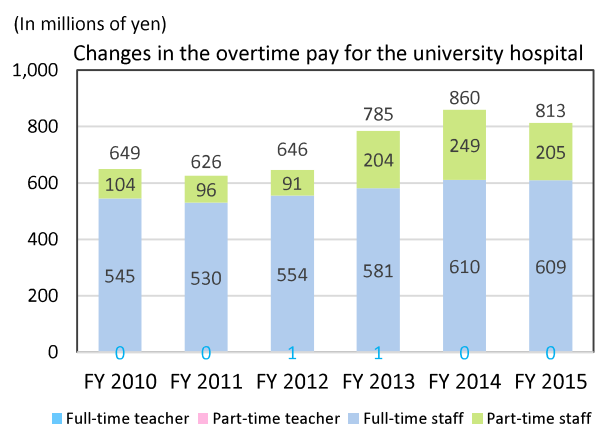
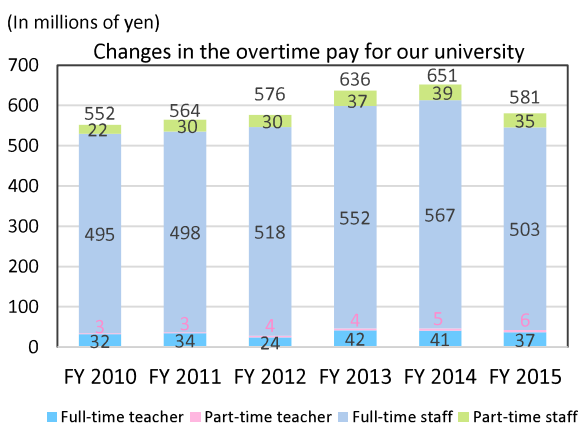


* The Personnel Expenses in graph do not include personnel expenses for directors and retirement benefits.

Improvement of Business Operations for Controlling Expenses

In fiscal year 2015, executive summary for reduction of the overtime pay was formulated due to prevention of health problems, Improvement of business efficiency, promotion of work-life balance, and reducing personal expenses.As

a result, overtime pay of full-time staffs belong to university was reduced by 64million, part-time staffs belong to hospital was reduced by 44million.



Balance Sheet (B/S)

(In millions of yen)

Item	FY 2014	FY 2015	change
Assets	401,905	394,395	▲ 7,510
Fixed Assets	379,712	374,553	▲ 5,159
Land	248,513	248,513	-
Buildings	93,058	90,229	▲ 2,828
Structures	5,184	5,155	▲ 28
Mechanical equipment/tools, furniture and fixtures	17,465	14,109	▲ 3,356
Books	10,009	10,091	82
Works of art and Collected items	899	901	2
Construction in Progress	756	1,724	968
Patents	208	198	▲ 10
Software	249	220	▲ 29
Patent in Progress	236	219	▲ 17
Investment in Securities	2,601	2,701	100
Other Fixed Assets	534	491	▲ 43
Current Assets	22,193	19,842	▲ 2,351
Cash and Deposits	14,702	12,792	▲ 1,910
Accounts Receivable	6,650	6,294	▲ 356
Marketable Securities	600	500	▲ 100
Drugs, Medicine and Materials for Medical Services	147	153	6
Other Current Assets	94	103	10

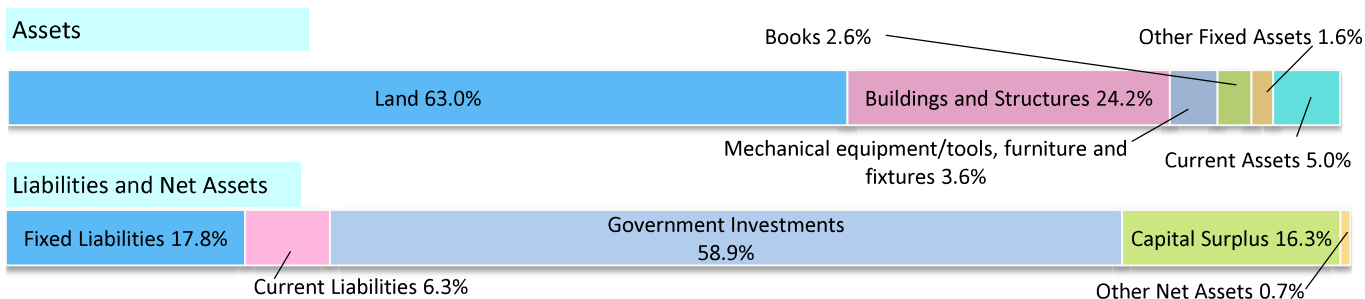
It decreased due to depreciation expenses even though it increased due to completion of building for the International Institute for Integrative Sleep Medicine (IIS) (998 million yen), repair works of the student lodgings by Global Residence Development Project (646 million yen), completion of building for the Innovation Medical Research Institute (207 million yen), etc.

It decreased due to depreciation expenses even though it increased due to acquisition of Central laboratory bench (WPI) (293 million yen), etc.

It increased due to repair works on buildings for the Institutes of Medicine (557 million yen) and construction of buildings for Sports Liaison (408 million yen).

It decreased due to early budget execution.

○ Breakdown of Assets / Liabilities / Net Assets by composite in fiscal year 2015



(In millions of yen)

Item	FY 2014	FY 2015	Change		
Liabilities	103,295	95,026	▲ 8,269		
Fixed Liabilities	75,881	70,149	▲ 5,733	It increased due to repair works on buildings for the Institutes of Medicine (557 million yen) and construction of buildings for Sports Liaison (408 million yen).	
Per Contra Liabilities for Property Acquisition	28,628	29,004	376		
Borrowings	18,869	15,216	▲ 3,653		It decreased due to Redemption of PFI Liabilities for the University Hospital redevelopment project (▲1,640 million yen) and the Laboratory Animal Resource Center (▲202 million yen) even though it increased due to completion of PFI Liabilities for the University Hospital redevelopment project (42 million yen) and Global Residence Development Project (22 million yen).
Long-term PFI Liabilities	24,919	23,133	▲ 1,786		
Other Fixed Liabilities	3,466	2,796	▲ 670		
Current Liabilities	27,414	24,877	▲ 2,537	It decreased due to reduce all Management Expenses Grants Liabilities with the last year of the second Mid-Term Plan.	
Management Expenses Grants Liabilities	822	-	▲ 822	It decreased due to regular repayment of borrowings from financial institutions for purchasing land (▲ 3,963 million yen) and borrowings from the Center for National University Finance and Management (▲ 422 million yen) even though it increased due to the new Long-term borrowings for Global Residence Development Project (735 million yen).	
Donation Liabilities	3,845	3,912	67		
Borrowings scheduled to be repaid within one year	4,385	4,388	3		
Short-term PFI Liabilities	1,845	1,851	6		
Accounts Payable	12,446	9,813	▲ 2,633		It decreased due to decrease in construction to be completed at the end of fiscal year 2015 and early budget execution.
Reserve Allowance	508	706	198	It increased due to Provision for environmental measures (162 million yen).	
Other Current Liabilities	3,563	4,207	644		
Net Assets	298,610	299,369	759		
Government Investment	232,358	232,358	-	It increased due to repayment of borrowings for purchasing land (3,963 million yen) and acquisition of fixed assets (1,777 million yen), etc.	
Capital Surplus	63,355	64,141	786		
Reserve Funds Carried Forward from Previous Mid-Term Plan Period	2,019	1,902	▲ 117	It decreased due to disposition of loss for fiscal year 2014 (▲117 million yen).	
Reserve	995	995	-		
Unappropriated retained earnings (or Undisposed loss) at the end of the term	▲ 117	▲ 27	90		

Balance Sheet (B/S)

Reveals the financial condition of a corporation on the day of settlement. Liabilities and Net Assets show the “source of fund procurement” and Assets show “how the procured funds have been managed”.

Assets : The majority is Fixed Assets such as land and buildings.

Liabilities : Borrowings (including PFI Liabilities) account for 47%, but we are striving to achieve a stable financial operation by making repayments in a well-planned manner.

Net Assets : They account for 76% of the total of Liabilities and Net Assets with 78% coming from government investment.

Profit and Loss Statement (P/L)

(In millions of yen)

Item	FY 2014	FY 2015	Change
Ordinary Expenses	94,611	94,022	▲ 589
Operating Expenses	90,976	90,495	▲ 481
Education Expenses	6,828	6,561	▲ 266
Research Expenses	8,620	7,524	▲ 1,097
Medical Service Expenses	19,238	20,032	794
Education and Research Support Expenses	2,419	2,357	▲ 62
Sponsored Research Expenses	4,618	5,059	441
Sponsored Operations Expenses	1,880	1,209	▲ 671
Personnel Expenses	47,373	47,753	381
General Administrative Expenses	2,657	2,640	▲ 17
Financial Expenses	925	802	▲ 123
Miscellaneous Loss	53	84	31
Extraordinary Loss	54	195	142
Gross Income (Loss)	▲ 117	▲ 27	90

It decreased due to repair works on building (2B building, 6A building, etc.) (▲149 million yen) and decrease in electricity costs (▲81 million yen).

It decreased due to repair works on buildings (Building for the Institutes of Medicine, Natural Science Building B, etc.) (▲295 million yen) and decrease in electricity costs (▲189 million yen).

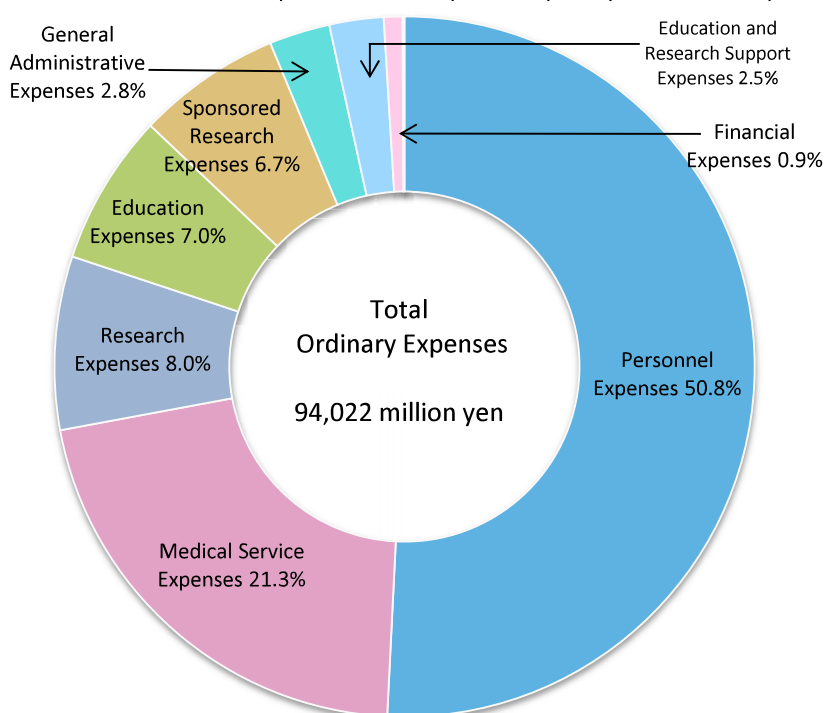
It increased due to running highly advanced and acute stage medical care (794 million yen).

It increased due to the cooperative research acceptance by base research for the advanced accessible society (286 million yen).

It decreased due to finished the sponsored operation for Tsukuba International Strategic Zone in fiscal year 2014 (▲574 million yen).

It increased due to salary revision by recommendation from the National Personnel Authority (268 million yen) and rose the legal welfare calculative by consolidation of the pension systems (131 million yen) even though it decreased due to reduction of the overtime pay (▲70 million yen).

○ Breakdown of Ordinary Income and Expenses by composite in fiscal year 2015



What is the difference between Income and Revenue?

Income / Expenses : accrual basis accounting
 Revenue / Expenditures : cash basis accounting

Income that is not Revenue

(ex) accrued income such as interest

Revenue that is not Income

(ex) unearned revenue such as down payments

Expenditures that are not Expenses

(ex) prepayments such as rents

Expenses that are not Expenditures

(ex) depreciation expenses

(In millions of yen)

Item	FY 2014	FY 2015	Change
Ordinary Income	94,377	93,732	▲ 646
Management Expenses Grants Income	37,744	37,108	▲ 636
Student Fee Income	9,231	8,547	▲ 684
University Hospital Income	28,103	29,410	1,306
Sponsored Research / Sponsored Operations Income	7,119	7,015	▲ 105
Facilities Expenses Grants Income	928	355	▲ 573
Subsidy Income	2,893	2,779	▲ 114
Donation Income	1,954	2,036	83
Reversal of Per Contra Liabilities for Property Acquisition	3,960	3,888	▲ 72
Financial Income	42	48	6
Miscellaneous Gains	2,402	2,545	143
Extraordinary Profit	49	458	409
Reduction of Appropriated Surplus	117	-	▲ 117
Reduction of Reserve Funds Carried Forward from Previous Mid-Term Plan Period	4	-	▲ 4

It decreased due to decreased Utility costs (▲136 million yen), Repair costs (▲118 million yen), Retirement benefits (▲113 million yen), Personnel expenses (▲73 million yen).

It decreased due to increase in acquisition of assets by tuition fee (▲722 million yen) even though it increased due to increase in student fee (38 million yen).

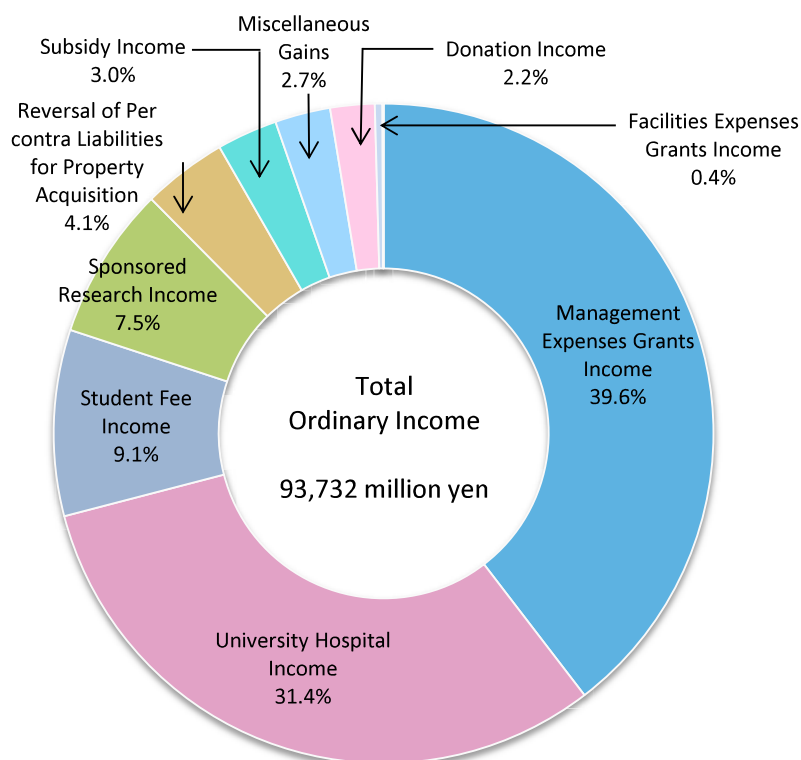
It increased due to running highly advanced and acute stage medical care (1,306 million yen).

It decreased due to decrease of enforcement costs due to finished Tsukuba International Strategic Zone (▲574 million yen) even though it increased due to increase of enforcement costs by Multi Support Project (1,069 million yen).

It decreased due to subsidies of the Project for Promoting International Core (Project for Top Global University: ▲87 million yen).

It increased due to accepted Ibaraki Prefecture Research Course on Regional Medical System (36 million yen), Locomotorium Regenerative Medical Science Endowed by the JA Ibaraki Prefecture Welfare Federation of Agricultural Cooperative (21 million yen) and advanced gastroenterological surgery (19 million yen).

It increased due to recorded unused Management Expenses Grants Income with the last year of the second Mid-Term Plan (435 million yen).



Profit and Loss Statement (P/L)

The statement shows the amount of income minus expenses as profit. It reveals the situation with the operation of a national university corporation during a certain accounting period.

Cash Flow Statement (C/F)

(In millions of yen)

It shows the flow of cash, such as business revenue and expenditures, related to conducting the respective operations of education and research, etc.

It records the difference between the amount received and the amount paid.

It shows the flow of cash in fund management or acquisition of Fixed Assets for establishing the operational foundation towards the future.

It shows the flow of cash in repayment of Borrowings, etc.

It shows the changes in the amount of funds during the fiscal term.

The closing balance does not include time deposits and thus does not match the Cash and Deposits in Balance Sheet.

Items	FY 2014	FY 2015	Change
I Cash Flow from Operating Activities	10,943	13,184	2,242
Education/Research Operation Expenditures	▲17,522	▲15,520	2,002
Medical Service Operation Expenditures	▲15,298	▲15,295	4
Expenditures of Personnel Expenses	▲46,632	▲49,201	▲2,569
Other Operating Expenditures	▲3,018	▲2,594	424
Management Expenses Grants Revenue	41,231	41,040	▲191
Student Fee Revenue	9,178	9,236	58
University Hospital Revenue	27,568	29,279	1,710
Sponsored Research/Operations Revenue	6,514	8,398	1,884
Subsidy Revenue	4,569	3,237	▲1,332
Donation Revenue	1,942	2,112	171
Other Operating Revenue	2,394	2,451	58
Changes in Deposits Payable	18	42	24
Amount Paid to National Treasury	-	-	-
II Cash Flow from Investing Activities	173	▲6,740	▲6,913
Expenditures from Acquisition of Marketable Securities	▲16,300	▲5,600	10,700
Revenue from Sale of Marketable Securities	23,000	5,600	▲17,400
Expenditures from Acquisition of Tangible/Intangible Fixed Assets	▲11,901	▲10,498	1,403
Revenue from Sales of Tangible/Intangible Fixed Assets	12	-	▲12
Expenditures from Deposit of Time Deposits	▲33,800	▲49,500	▲15,700
Revenue from Refund of Time Deposits	30,600	50,200	19,600
Revenue from Facility Expenses	8,525	3,127	▲5,398
Expenditures of payment of the Center for National University Finance and Management Debt Burden	▲5	-	5
Expenditures from Fulfillment of Asset Retirement Obligations	-	▲118	▲118
Other Investing Revenue and Expenditures	▲1	▲0	1
Interests and Dividends Received	42	48	6
III Cash Flow from Financing Activities	▲8,562	▲7,656	906
Expenditures for Repayment of Lease Liabilities	▲1,151	▲1,130	22
Expenditures for Repayment of the Center for National University Finance and Management Debt Burden	▲429	▲401	28
Revenue and Expenditures for Repayment of Long-term Borrowings	▲3,984	▲3,249	735
Other Financing Expenditures	▲1,984	▲1,991	▲7
Interest Paid	▲1,013	▲885	127
IV Differences from Currency Conversion of Funds	▲0	2	2
V Changes in Funds	2,553	▲1,210	▲3,763
VI Initial Balance	6,948	9,502	2,553
VII Closing Balance	9,502	8,292	▲1,210

Cash Flow Statement (C/F)

The statement focuses on the flow of cash during a certain accounting period and displays them by specific activity segments. It shows the flow and overage/shortage of cash that cannot be seen in "Balance Sheet" or "Profit and Loss Statement."

While Profit and Loss Statement shows the expenses and income generated during the fiscal term, this statement recognizes and measures the fact of "cash received and paid" including borrowings and additional investments unrelated to expenses and income, and it is indicated as revenue (plus) and expenditures (minus: ▲) segments.

National University Corporation Business Operation Cost Statement (O/C)

(In millions of yen)			
Items	FY 2014	FY 2015	Change
I Operating Expenses	45,617	44,309	▲ 1,308
1) Expenses in Profit and Loss Statement	94,665	94,217	▲ 448
Operating Expenses	90,976	90,495	▲ 481
General Administrative Expenses	2,657	2,640	▲ 17
Financial Expenses	925	802	▲ 123
Miscellaneous Expenses	53	84	31
Extraordinary Loss	54	195	142
2) (Deduction) Non-Subsidy Revenue	▲ 49,048	▲ 49,908	▲ 860
Student Fee Income	▲ 7,576	▲ 6,867	709
Admission Fee Income	▲ 1,352	▲ 1,374	▲ 22
Examination Fee Income	▲ 304	▲ 307	▲ 3
University Hospital Income	▲ 28,103	▲ 29,410	▲ 1,306
Sponsored Research Income	▲ 5,150	▲ 5,734	▲ 584
Sponsored Operations Income	▲ 1,969	▲ 1,281	689
Donation Income	▲ 1,954	▲ 2,036	▲ 83
Reversal of Management Expenses Grants Per Contra Liabilities for Property Acquisition (Student Fee)	▲ 505	▲ 635	▲ 130
Reversal of Donations Per Contra Liabilities for Property Acquisition	▲ 580	▲ 578	1
Financial Income	▲ 42	▲ 48	▲ 6
Miscellaneous Gains	▲ 1,500	▲ 1,624	▲ 124
Extraordinary Income	▲ 13	▲ 14	▲ 1
II Depreciation Amount not Included in P/L	4,868	4,987	119
III Impairment Loss Amount not Included in P/L	227	83	▲ 144
IV Interest Expense Equivalent Amount not Included in P/L	▲ 10	▲ 25	▲ 15
V Sales or Disposal Amount not Included in P/L	63	▲ 89	▲ 152
VI Estimated Amount of Increase in Unreserved Bonus	12	4	▲ 7
VII Estimated Amount of Increase in Unreserved Retirement Benefit	▲ 1,828	▲ 1,281	547
VIII Opportunity Cost	1,225	38	▲ 1,187
Opportunity cost of debt-credit transactions of decreased or free-of-charge usage fees from the national government or local public authorities	89	38	▲ 50
Opportunity cost of government investment	1,136	-	▲ 1,136
IX National University Corporation Business Operation Cost	50,173	48,027	▲ 2,146

It shows the expenses in Profit and Loss Statement minus income of Non-Subsidy Revenue.

It shows income other than that coming from tax money from the Japanese people.

It shows the increase in the cost borne by the Japanese people that is not included in Profit and Loss Statement.

It shows the amount waived or reduced for being a national university corporation, in using assets held by the government, etc.

It includes staff residence halls rented free of charge from the national government.

No interest payment is required on government investments recorded in Balance Sheet, but this shows the hypothetical amount that would be paid.

National University Corporation Business Operation Cost Statement (O/C)

The statement summarizes costs borne by the Japanese people for business operations of a national university corporation to ensure thoroughness of information disclosure so that it would contribute to the evaluation/assessment of operations of a national university by the Japanese people as taxpayers.

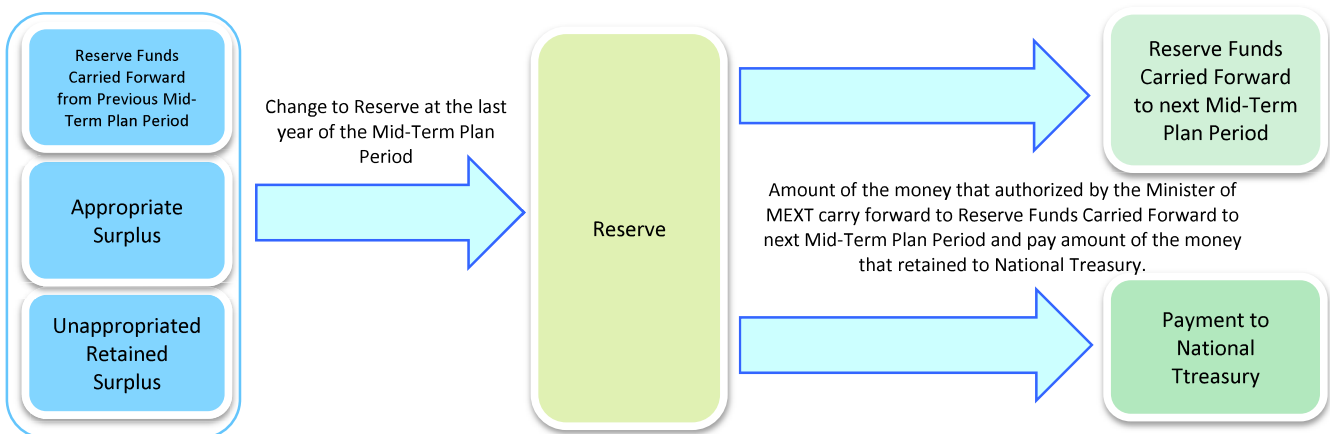
That is to say, it represents the amount borne by the Japanese people for our university.

Statement on Appropriation of Retained Surplus or Disposition of Loss

(In millions of yen)

Items	FY 2014	FY 2015	Change	Outlines
I Unappropriated Retained Surplus (or Undisposed Loss) at the end of the term	▲117	▲27	90	
Gross Profit (Loss)	▲117	▲27	90	
II Retained Surplus Appropriation (Loss Disposition)	▲117	▲27	90	
Reduction of Reserve Funds Carried Forward from Previous Mid-Term Plan Period	▲117	▲27	90	In case Unappropriated Retained Surplus at the end of the term emerges, the amount other than Appropriated Surplus is categorized as Reserve. In case Undisposed Loss at the end of the term emerges, the loss is covered by the reduction of Reserve.
III Reserve	-	1,876	1,876	
Reserve Funds Carried Forward from Previous Mid-Term Plan Period	-	1,876	1,876	At the last year of the Mid-Term Plan, if Appropriated Surplus and Reserve Funds Carried Forward from Previous Mid-Term Plan Period retained, it changes to Reserve.
IV Retained Surplus Appropriation	-	1,876	1,876	

○ Flow of Appropriation of Earned Surplus At the last year of the Mid-Term Plan



Statement on Appropriation of Retained Surplus

National University Corporations are non-profit corporations which conduct operations with Management Expenses Grants received. Its accounting is based on a system under which the profit and loss shall be balanced if operations are implemented as planned. However, if non-subsidy revenue increases or costs decrease by efficient operations management, there will be a profit. "Statement on Appropriation of Retained Surplus" is prepared in order to show how this profit will be carried forward to the next fiscal year.

Earnings Statement

○ Revenue

Classification	Budget	Actual	(In millions of yen)	
			Difference (Actual - Budget)	
Management Expenses Grants	41,218	42,183	965	It increased due to additional allocation, etc.
Facilities Maintenance Grants	4,072	2,952	▲ 1,120	It decreased due to unfinished Project for Earthquake Proof Countermeasure.
Subsidy Revenue	3,111	3,284	173	It increased due to attend to get subsidies from the country that were not planned in the budget stage.
Grants for Facilities from the Center for National University Finance and Management	175	175	-	
Non-Subsidy Revenue	39,865	39,958	94	
Revenue from Tuitions, Admission and Examination Fee	9,420	9,226	▲ 194	It increased due to running highly advanced and acute stage medical care.
University Hospital Revenue	29,076	29,279	203	
Revenue from appropriation of property	5	5	0	
Other Miscellaneous Revenue	1,364	1,449	85	
Revenue from Industry-Academia Collaboration Research and Donations	8,522	12,015	3,493	It increased due to efforts to gain funds.
Reduction of Reserve Allowance	549	540	▲ 9	
Revenue for Repayment of Long-term Borrowings	743	735	▲ 8	
Total	98,255	101,841	3,586	

○ Expenditures

Classification	Budget	Actual	(In millions of yen)	
			Difference (Actual - Budget)	
Operating Expenses	74,894	74,467	▲ 427	Medical Service Expenses decreased due to reduction even though Education and Research Expenses increased due to increase in income of the property loans and the refunded consumption tax.
Education and Research Expenses	46,954	46,987	34	
Medical Service Expenses	27,940	27,479	▲ 461	
Facility Maintenance Expenses	6,865	5,737	▲ 1,128	It decreased due to decrease in income of Facilities Maintenance Grants.
Subsidies	3,111	3,284	173	
Expenditures for Industry-Academia Collaboration Research and Donation Projects	8,522	10,236	1,714	It increased due to increase in the amounts received of Donations.
Redemption of Long-term Borrowings	4,863	4,862	▲ 1	
Total	98,255	98,585	331	

Earnings Statement

As the majority of the operating funds is appropriated from the national government resources, management by budget classifications similar to that of the national government is required. The statement shows the situation of implementation in comparisons to the budget plan.

On Operating Expenses

Changes in Annual Operating Expenses

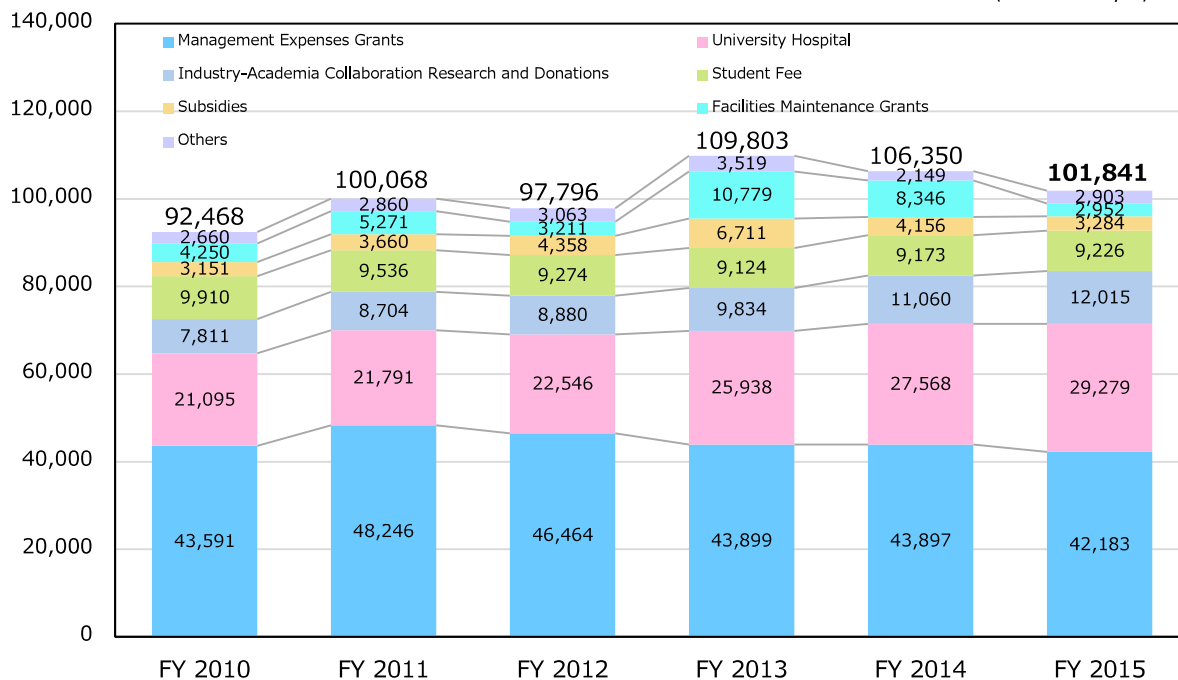
The revenue of our university consists of Management Expenses Grants and Facilities Maintenance Grants, which are provided by the national government, Subsidies, external funds such as Industry-Academia Collaboration Research and Donations, Non-Subsidy Revenue such as Student Fee and University Hospital Revenue, and etc. Looking at the changes, our revenue is in an increasing trend although Management

Expenses Grants in general have been decreasing.

The expenditures consist of Education and Research Expenses, Medical Service Expenses, Industry-Academia Collaboration Research Expenses, and etc. Our expenditures have also been increasing year by year. Therefore, our Operating Expenses are in an increasing trend, and it can be seen that operations of our university have been expanding.

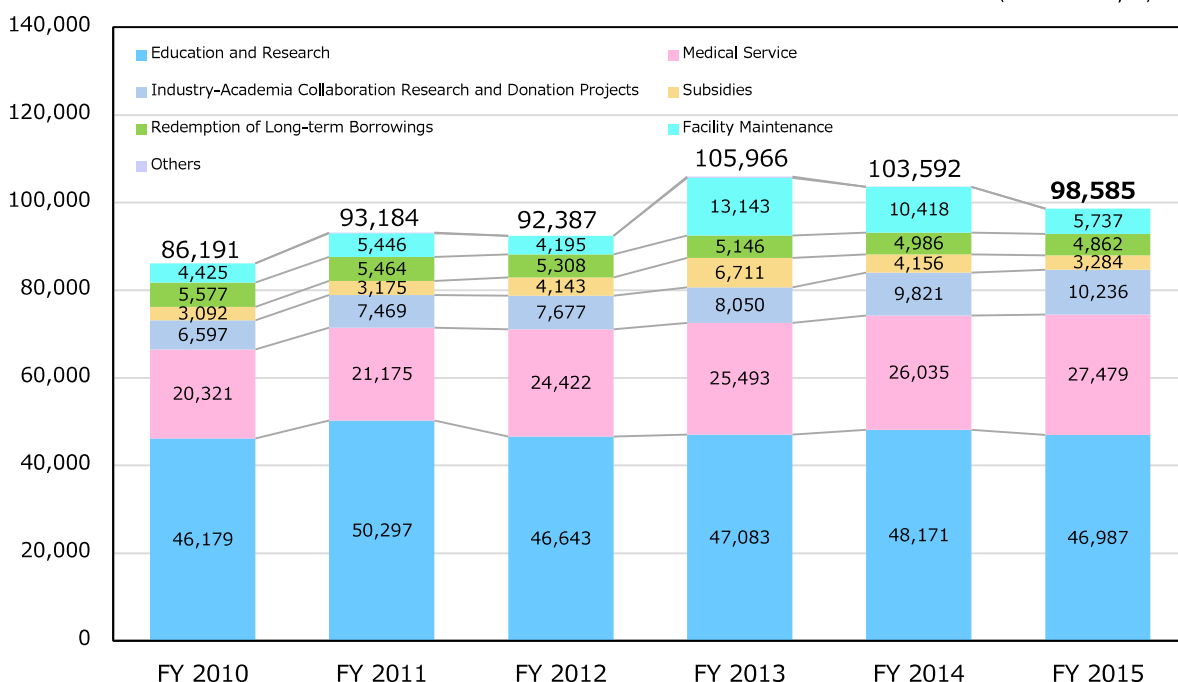
Revenue

(In millions of yen)



Expenditures

(In millions of yen)



On Profit (Loss)

Main Causes of Gross Loss

Gross Profit (Loss) of our university in fiscal year 2015 was ▲27 million yen (575 million yen for our university and ▲602 million yen for the university hospital). It was caused by following matters.

(1) Main causes of the Profit and Loss of our university

1) The causes of the Profit on accounting due to gap between recording fiscal year of the consumption tax and fiscal year of refund and payment of consumption tax (133 million yen).

(2) Main causes of the Loss of the university hospital

1) The causes of the Loss due to Redemption of PFI Liabilities and Depreciation Expenses for assets in initial stage of the University Hospital redevelopment project (▲341 million yen).

2) The cause of the Loss due to increase in Medical Service Expenses by running highly advanced and acute stage medical care (Medical Service Expenses Ratio 1.2%, ▲354 million yen).

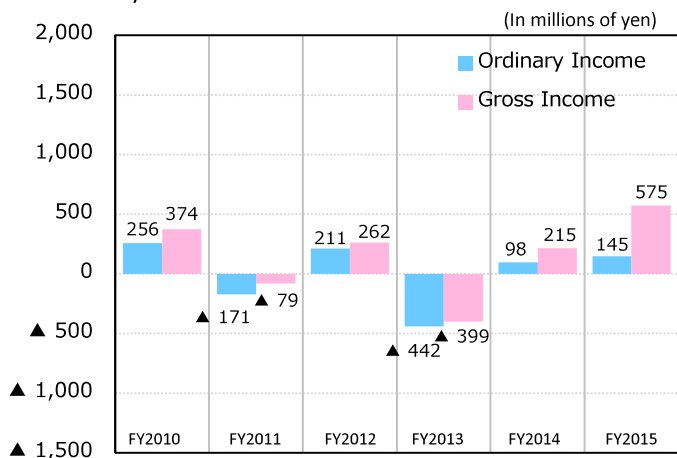
3) The cause of the Profit due to decrease in Medical Service Expenses by switching to generic drugs and unit price reduction according to contract review (282 million yen).

4) The cause of the Loss due to recorded Extraordinary Loss by adjustments of prior year Earnings (▲167 million yen).

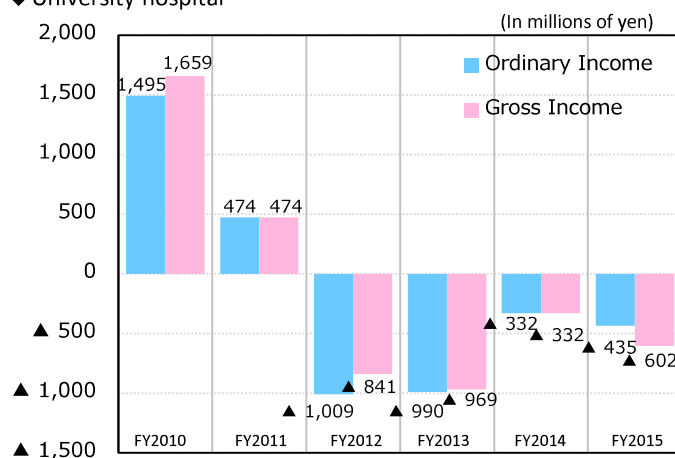
Gross Profit (Loss) in fiscal 2015 (In millions of yen)

Classification	University	University hospital	Total
Ordinary Expenses	▲ 59,468	▲ 34,554	▲ 94,022
Ordinary Income	59,613	34,119	93,732
Extraordinary Profit and Loss	430	▲ 167	263
Gross Income(Loss)	575	▲ 602	▲ 27

◆ University

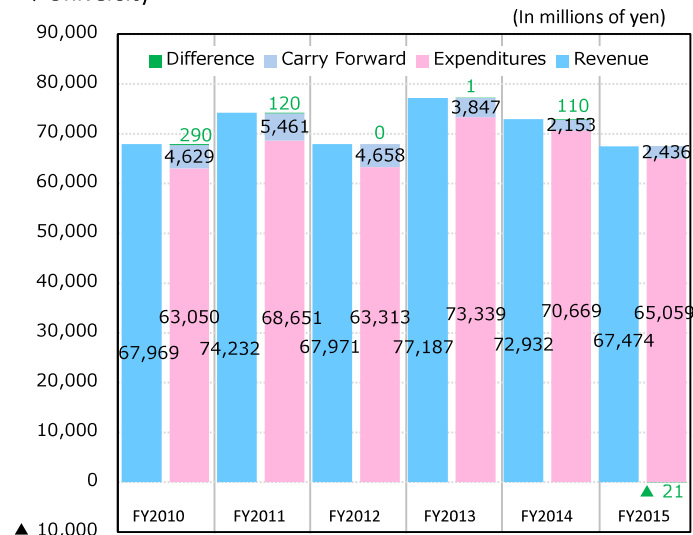


◆ University hospital

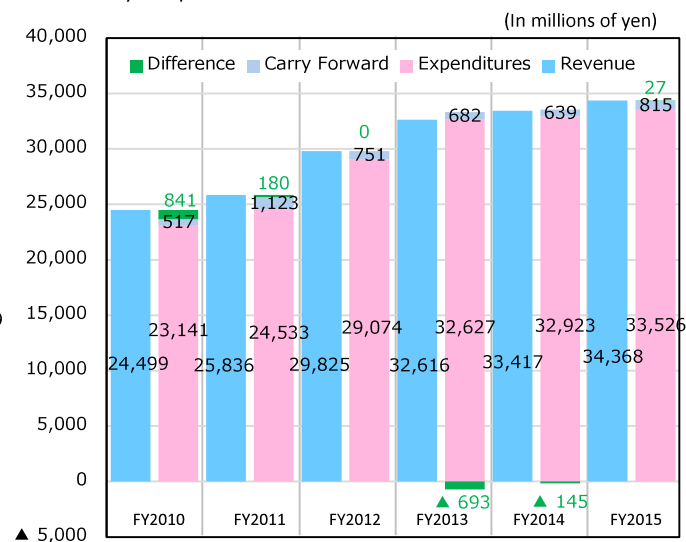


Changes in Revenue and Expenditures

◆ University



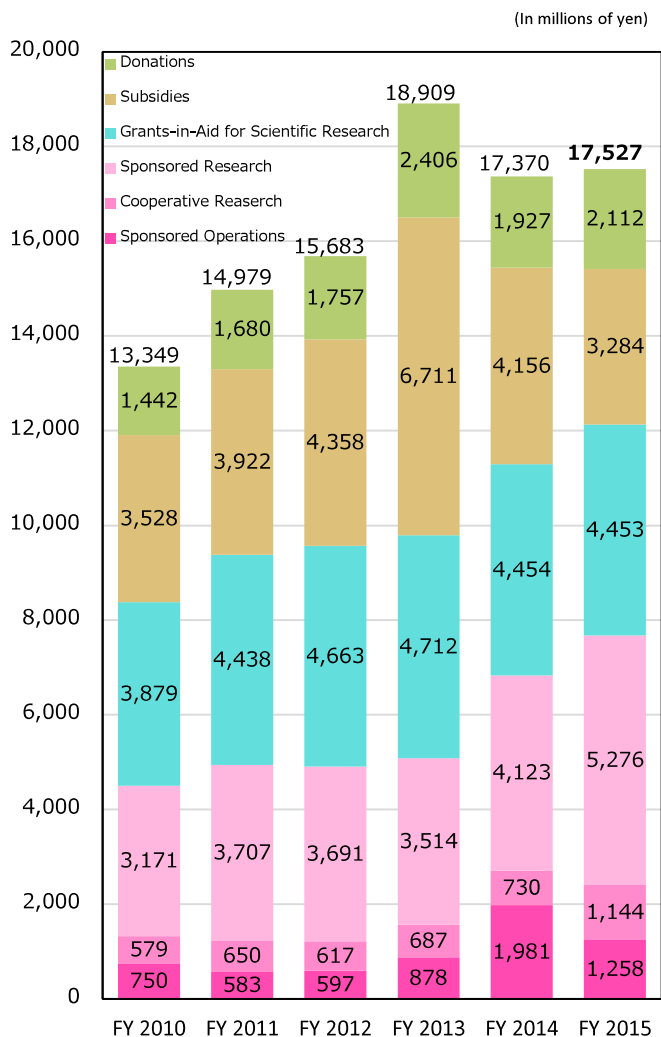
◆ University hospital



On External Funds

Changes in Annual External Funds Received

External funds received has become a yearly increase by a variety of efforts to increase and support our university's educational and research activities. Sponsored Research and Cooperative Research especially have been increasing, it can be seen that promoting activity of industry-academia collaboration.



* Includes indirect expenses.
* Excludes gifts-in-kind in Donations.

[Donations]

They are donated funds from corporations or individuals to the university for the purpose of enhancing education or for academic research. They include endowed courses that are courses funded by donations from private institutions. They have been increasing year by year. In fiscal year 2015, they increased by increasing of revenue of include endowed courses.

- Mito Clinical Education and Training Center operations	: 1	303 million yen
- Ibaraki Prefecture Endowed Course on Regional Medical System Pedagogy	: 1	177 million yen
- Regional Medical and Medicine and Engineering Cooperation Course	: 1	135 million yen

[Subsidies]

They are granted by the national government or local public authorities to specific projects of the university.

- Subsidy for the Support for University Education	: 4	735 million yen
- Subsidies of the Project for Promoting International Core for Research (WPI)	: 1	502 million yen
- Subsidy for state-of-the-art high-performance general-purpose supercomputer project	: 1	398 million yen

[Grants-in-Aid for Scientific Research]

They are research aids for the development of original/leading research in all fields from humanities/social sciences to natural sciences, granted by the national government to individual researchers.

- Grants-in-Aid for Scientific Research	: 2,068	4,293 million yen
- Health and Labor Sciences Research Grants	: 30	77 million yen
- Other Grants	: 2	83 million yen

[Sponsored Research, Cooperative Research, Sponsored Operations]

Sponsored Research is a system under which our university is commissioned from an external consigner to conduct research as the university's operation and reports the results to this consigner. Cooperative Research is that the university carries out a research on common subject by cooperating with or sharing it with outside researchers. They have been increasing year by year, and in fiscal year 2015, they increased by adoption of large-scale program.

- Multi Support Project for Medal	: 1	1,312 million yen
- Sports Academy forming support project	: 1	439 million yen
- ERATO NOMURA Microbial Community Control Project	: 1	364 million yen

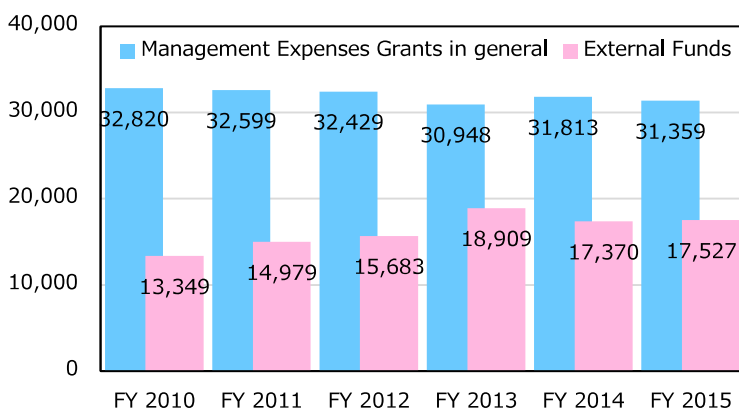
* Only main projects are mentioned in tables.

(In millions of yen)

Changes in Annual Management Expenses Grants and External Funds

The graph on the right compares the above mentioned amount of external funds received and the amount of Management Expenses Grants in general received. While Management Expenses Grants in general have been decreasing year by year, it can be seen that supporting the operations of the university by receiving external funds.

* Management Expenses Grants in general excludes the portion from the supplementary budget.



■ Donations

In fiscal year 2015, we set up new Endowed courses (Advanced Gastroenterology Course Endowed by the JA Ibaraki Prefecture Welfare Federation of Agricultural Cooperative).

The total amount received increased compared to fiscal year 2014 due to the increase in Life-style Diseases Course Endowed by the JA Ibaraki Prefecture Welfare Federation of Agricultural Cooperative and Ibaraki Prefecture Endowed Course on Regional Medical System Pedagogy.

* Excludes gifts-in-kind.

* The number of donations received is the total.

Donation Liabilities in Fiscal Year 2015

(In thousands of yen)

Classification	Initial balance	Number	Increase	Decrease	Closing balance
Donations	3,217,982	857	1,297,258	1,238,289	3,276,951
Endowed courses	679,656	17	753,459	858,126	574,989
Funds	235,172	4,665	61,779	44,938	252,013
Total	4,132,810	5,539	2,112,497	2,141,353	4,103,954

■ Sponsored Research, Cooperative Research, Sponsored Operations

In fiscal year 2015, the revenue of sponsored research increased from fiscal year 2014 due to the start JST Strategic Basic Research Programs (ERATO NOMURA Microbial Community Control Project). The revenue of cooperative research increased due to the start drug discovery research in collaboration with Merck & Co.. The revenue of Sponsored Operations decreased due to Project for promotion of Medicine and engineering cooperation (Tsukuba International Strategic Zone) completed in the previous year.

Sponsored Research, Cooperative Research, Sponsored Operations Liabilities in Fiscal Year 2015

(In thousands of yen)

Classification	Initial balance	Number	Increase	Decrease	Closing balance
Sponsored Research	401,595	438	5,276,363	4,777,944	900,014
Cooperative Research	223,810	323	1,143,767	956,155	411,422
Sponsored Operations	138,455	206	1,258,182	1,280,677	115,960
Total	763,860	967	7,678,313	7,014,777	1,427,396

■ Grants-in-Aid for Scientific Research

In fiscal year 2015, the amount received in new academic area studies and Scientific Research project(S) in the large-scale research disciplines of Grant-in-Aid for Scientific Research and Grants-in-Aid for Young Scientists project(A) in Grant-in-Aid for Challenging Exploratory Research increased compared to fiscal year 2014.

The number increased due to promote an application.

Total amount almost remaining unchanged from the previous year.

* Includes amounts received as expenses shared.

Grants-in-Aid for Scientific Research Deposited in Fiscal Year 2015

(In thousands of yen)

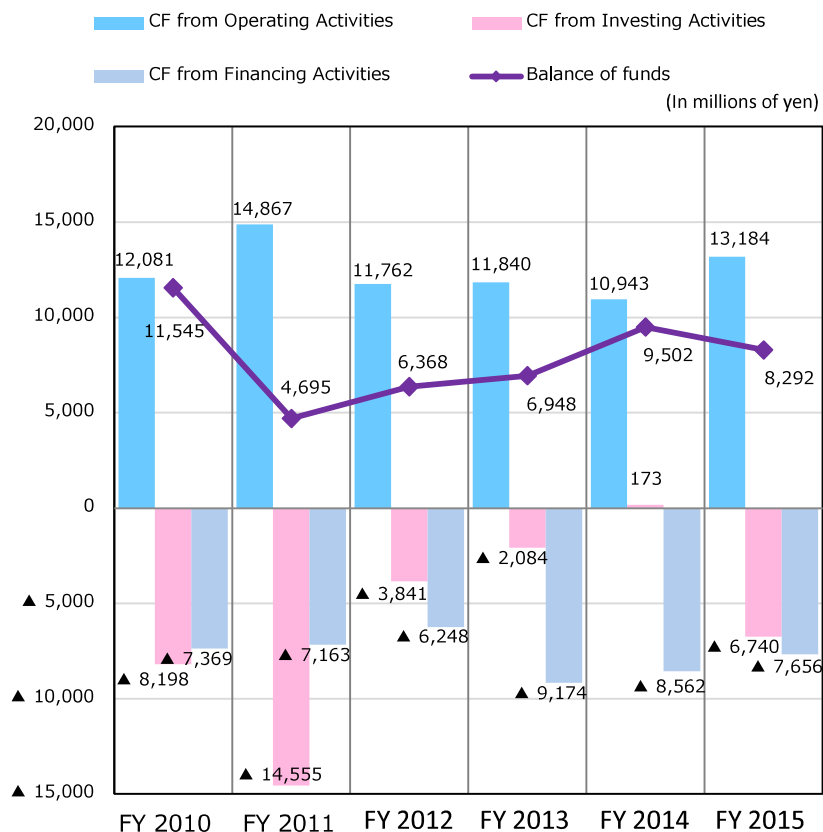
Classification	Initial balance	Number	Increase	Direct expenses	Decrease	Direct expenses	Closing balance
				Indirect expenses	Indirect expenses		
Grants-in-Aid for Scientific Research (Kakenhi)	-	637		1,963,912		1,963,912	-
				535,541		535,541	
Multi-year Fund-based Grants-in-Aid (Multi-year Fund)	192,588	1,007		975,111		957,831	214,949
				290,851		285,770	
Kakenhi (Multi-year Fund in part)	157,839	424		538,611		580,605	103,247
				161,818		174,416	
Health and Labor Sciences Research Grants	-	30		100,830		100,830	-
				13,438		13,438	
Grants for Industrial Technology Research	-	1		4,405		4,405	-
				1,322		1,322	
Leading-edge Research Promotion Fund (Multi-year Fund)	-	1		60,000		60,000	-
				18,000		18,000	
Total	350,427	2,100		3,642,869		3,667,583	318,195
				1,020,970		1,028,487	

Changes in Annual Cash Flow

Cash Flow Statement focuses on the flow of funds (cash) during a certain accounting period and describes the flow in specific activity segments.

In fiscal year 2015, "Cash Flow from Operating Activities," which shows the flow of funds for education and research activities, increased by 2,241 million yen compared to fiscal year 2014 due to increase University Hospital revenue and Sponsored Research revenue and so on.

"Cash Flow from Investing Activities," which shows purchase and sales of marketable securities, such as government bonds and certificates of deposit, and tangible fixed assets, increased compared to fiscal year 2014 due to decrease in revenues from redemption of Marketable Securities. On the other hand, "Cash Flow from Financing Activities," which shows the situation of procurement and repayment of funds was ▲7,656 million yen mainly due to repayment of Long-term Borrowings, Lease Liabilities and PFI liabilities.

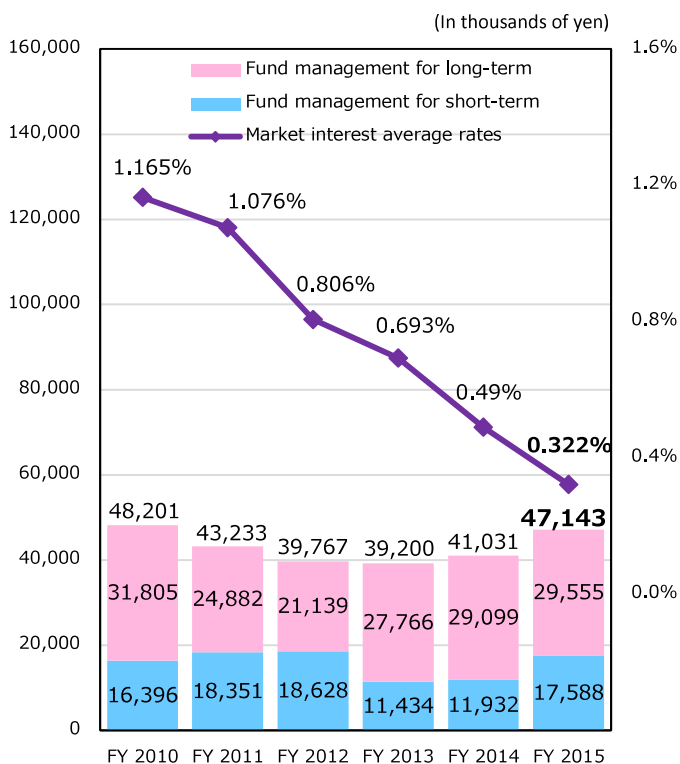


Track Record of Profit from Fund Management

Since the corporatization of national universities, Management Expenses Grants have been being reduced every year and to secure various sources of revenue is the challenge for us. Our university makes fund management using funds not scheduled to be paid out in foreseeable future. We invest Donations in government bonds and government guaranteed-bonds for long-term management as well as we invest Management Expenses Grants in certificates of deposit for short-term (less than one year) management.

In fiscal year 2015, interest received exceeds the previous fiscal year in the situation that market interest rates were low. This is because interest received by short-term increased due to start a certified operates a new financial institution and an active fund management using funds not scheduled to be paid out in foreseeable future.

* The market interest average rates are taken from the average annual yield for newly issued ten-year government bonds.



Financial Information pertaining to Management

On Fixed Assets

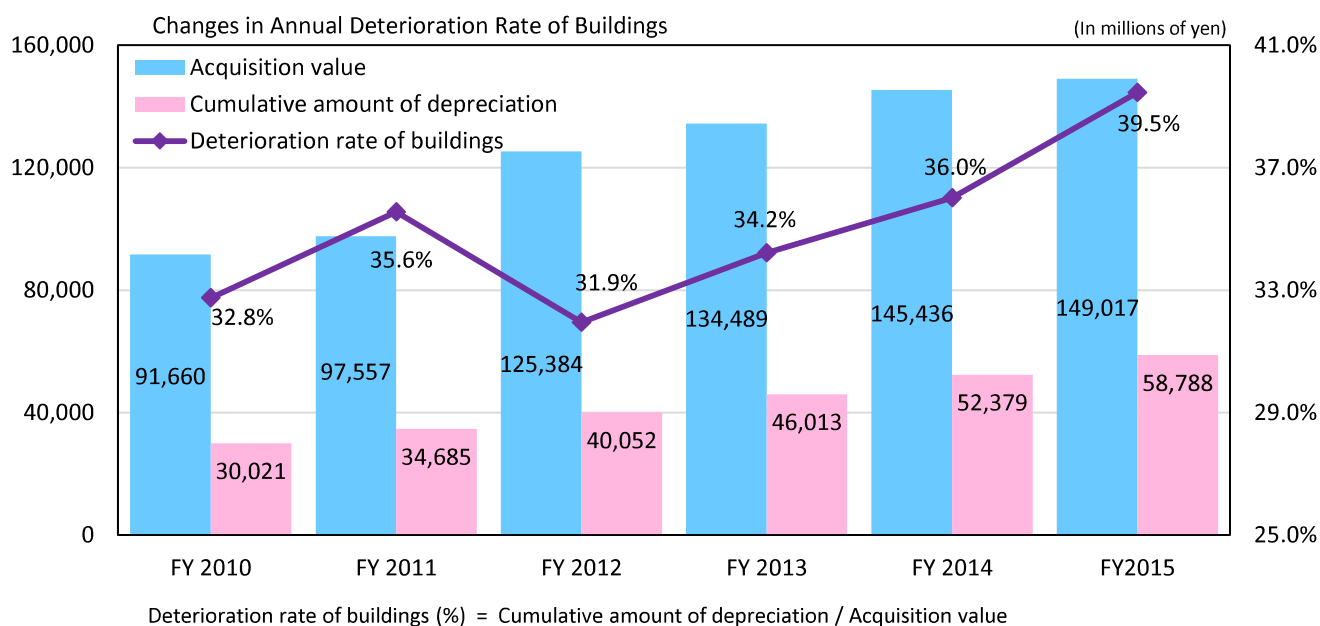
Deterioration Rate of Buildings

By calculating the rate of cumulative amount of Depreciation Expenses for Buildings to acquisition value of them, it can be grasped as a whole that how long they have been from acquisition as compared with their service lives.

In fiscal year 2012, deterioration rate declined because a new building was built by the project for the university hospital redevelopment. However, it rose thereafter because no large-scale remodeling or renewal of buildings was applied.

Furthermore, at the corporatization of national universities in fiscal year

2004, the buildings which were acquired by fiscal year 2003 were succeeded from the national government. However, acquisition value was recorded on estimated value as of the time of corporatization, as well as their service lives were set as new service lives on that remaining as of the time of corporatization. Because of that, years of depreciation are shorter than actual ages of service. As a result, actual deterioration rate of buildings is more progressing than one on the graph.



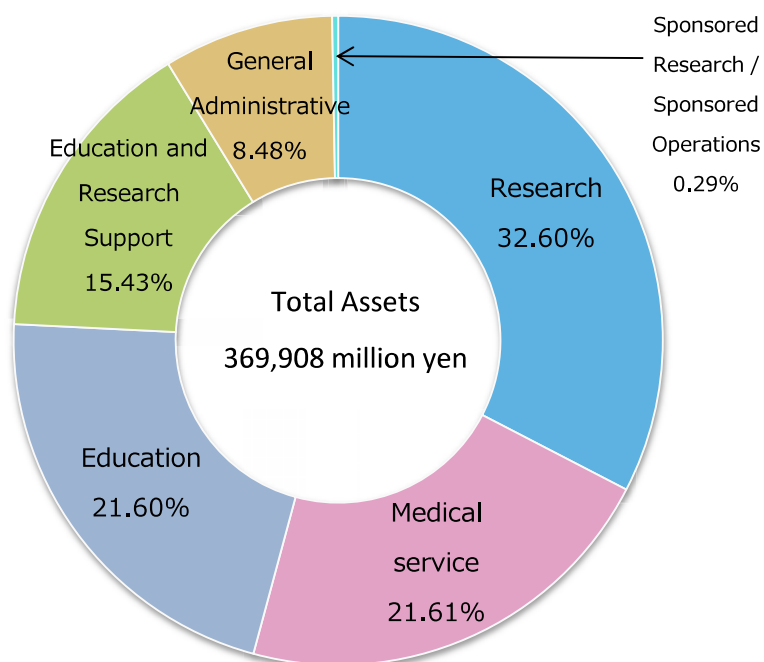
Share of Assets by Usages

The right graph shows the share of assets by usages. The value of assets is the remaining value, which subtracts Depreciation Expenses until now from acquisition value, as of the end of fiscal year 2015.

Assets which mainly increased are following: Research assets due to completion of building for the International Institute for Integrative Sleep Medicine (IIIS) and Education assets due to repair works of the student lodgings.

It seems that nearly equal levels of funds are invested in education, research and medical service. We can say that well-balanced investments not being one-sided by any of usages are made.

* The total in graph on the right excludes items such as Construction in Progress from "Fixed Assets" in Balance Sheet on page 21.





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