

Financial Statements

**Fiscal Year 2024
(1 April, 2024 to 31 March, 2025)**

EU-Japan Centre for Industrial Cooperation

Shirokane Takanawa Station Building, 4th Floor
1-27-6 Shirokane, Minato-ku, Tokyo

Balance sheet

As of March 31, 2005

(Unit: Yen)

| Item | Fiscal Year 2024 | Fiscal Year 2023 | Increase/decrease |
|--|------------------|------------------|-------------------|
| I Assets | | | |
| 1. Current assets | | | |
| Cash and deposits | 607,934,612 | 236,698,374 | 371,236,238 |
| Deposits paid | 163,454 | 447,755 | △ 284,301 |
| Accounts receivable | 449,044 | 572,139,873 | △ 571,690,829 |
| Prepaid expenses | 33,245,309 | 9,951,535 | 23,293,774 |
| Suspense payments | 13,200 | 253,432 | △ 240,232 |
| Total current assets | 641,805,619 | 819,490,969 | △ 177,685,350 |
| 2. Accounting standards for reserves | | | |
| (1) Specified assets | | | |
| Reserve assets for officer's retirement benefits | 16,119,600 | 12,726,000 | 3,393,600 |
| Allowance assets for specified business | 164,545,243 | 188,053,061 | △ 23,507,818 |
| Total specified assets | 180,664,843 | 200,779,061 | △ 20,114,218 |
| (2) Other noncurrent assets | | | |
| Facilities attached to buildings | 1,256,069 | 1,956,165 | △ 700,096 |
| Furniture, fixtures and equipment | 198,056 | 423,825 | △ 225,769 |
| Leased assets | 1,692,487 | 2,659,622 | △ 967,135 |
| Lease deposits | 12,772,020 | 12,772,020 | 0 |
| Total other noncurrent assets | 15,918,632 | 17,811,632 | △ 1,893,000 |
| Total noncurrent assets | 196,583,475 | 218,590,693 | △ 22,007,218 |
| Total assets | 838,389,094 | 1,038,081,662 | △ 199,692,568 |
| II Liabilities | | | |
| 1. Current liabilities | | | |
| Lease obligations | 731,803 | 723,138 | 8,665 |
| Accounts payable | 119,529,428 | 22,039,341 | 97,490,087 |
| Accrued consumption taxes | 2,313,988 | 1,151,280 | 1,162,708 |
| Accrued expenses | 24,417,478 | 23,941,682 | 475,796 |
| Advance received | 400,000 | 5,450,000 | △ 5,050,000 |
| Deposits received | 5,514,065 | 9,273,672 | △ 3,759,607 |
| Allowance for directors' bonuses | 1,476,000 | 1,476,000 | 0 |
| Total current liabilities | 154,382,762 | 64,055,113 | 90,327,649 |
| 2. Noncurrent liabilities | | | |
| Allowance for officers' retirement benefits | 16,119,600 | 12,726,000 | 3,393,600 |
| Lease obligations | 985,857 | 1,717,660 | △ 731,803 |
| Total noncurrent liabilities | 17,105,457 | 14,443,660 | 2,661,797 |
| Total liabilities | 171,488,219 | 78,498,773 | 92,989,446 |
| III Net Properties | | | |
| 1. Designated net properties | | | |
| European Commission subsidies | 0 | 0 | 0 |
| Total designated net properties | 0 | 0 | 0 |
| (Of which appropriated to specified assets) | (0) | (0) | 0 |
| 2. General Net Properties | 666,900,875 | 959,582,889 | △ 292,682,014 |
| (Of which appropriated to specified assets) | (164,545,243) | (188,053,061) | △ 23,507,818 |
| Total net properties | 666,900,875 | 959,582,889 | △ 292,682,014 |
| Total Liabilities and Net Properties | 838,389,094 | 1,038,081,662 | △ 199,692,568 |

Statement of Increases/Decrease in Net Properties

①: 1 April, 2024 to 31 March, 2025

(Unit: Yen)

| Item | Fiscal Year 2024 (1 April, 2024 to 31 March, 2025) | Fiscal Year 2023 (1 April, 2023 to 31 March, 2024) | Increase/decrease |
|--|--|--|-------------------|
| I Increase/Decrease in General Net Properties | | | |
| 1 Ordinary increase/decrease | | | |
| (1) Ordinary revenue | | | |
| i. Membership fee income | | | |
| Supporting member dues | 6,920,000 | 1,000,000 | 5,920,000 |
| ii. Subsidies received | | | |
| State subsidies received | 186,308,000 | 180,000,000 | 6,308,000 |
| European Commission subsidies received | 573,978,923 | 548,940,000 | 25,038,923 |
| iii Contribution received | 0 | 0 | 0 |
| Contribution received | 18,041,648 | 13,889,503 | 4,152,145 |
| iv. Foreign exchange gain | 0 | 0 | 0 |
| Foreign exchange gain | 0 | 21,815,426 | △ 21,815,426 |
| v. Miscellaneous revenue | 0 | 0 | 0 |
| Interest income | 654,789 | 8,505 | 646,284 |
| Miscellaneous revenue | 230,000 | 1,421,240 | △ 1,191,240 |
| Ordinary revenue total | 786,133,360 | 767,074,674 | 19,058,686 |
| (2) Ordinary expenses | | | |
| i. Operating expenses | | | |
| Officers' compensation | 16,133,108 | 14,728,335 | 1,404,773 |
| Salaries and allowances | 166,348,761 | 152,710,676 | 13,638,085 |
| Legal welfare expenses | 44,901,388 | 40,048,992 | 4,852,396 |
| Conference expenses | 46,876,322 | 23,735,109 | 23,141,213 |
| Travel and transportation expenses | 10,185,090 | 10,542,156 | △ 357,066 |
| Communication and haulage expenses | 1,391,077 | 1,524,975 | △ 133,898 |
| Information processing expenses | 9,313,012 | 9,215,520 | 97,492 |
| Consumable furniture and fixture expenses | 577,848 | 0 | 577,848 |
| Supplies expenses | 299,677 | 287,165 | 12,512 |
| Printing and bookbinding expenses | 866,642 | 680,287 | 186,355 |
| Utilities expenses | 638,601 | 819,565 | △ 180,964 |
| Rent expenses | 13,051,095 | 10,429,760 | 2,621,335 |
| Honoraria | 27,999,357 | 19,518,163 | 8,481,194 |
| Interpreter expenses | 8,157,414 | 4,647,411 | 3,510,003 |
| Scholarships | 55,673,080 | 57,644,330 | △ 1,971,250 |
| Taxes and dues | 896,675 | 1,021,687 | △ 125,012 |
| Commission fees | 0 | 40,000 | △ 40,000 |
| Books and materials expenses | 0 | 2,970 | △ 2,970 |
| Business consignment expenses | 90,280,584 | 105,878,467 | △ 15,597,883 |
| Interest expenses | 12,680 | 17,023 | △ 4,343 |
| Miscellaneous expenses | 1,218,965 | 805,149 | 413,816 |
| Operating expenses total | 494,821,376 | 454,297,740 | 40,523,636 |
| ii Administrative operating expenses | | | |
| Officers' compensation | 2,136,412 | 3,541,185 | △ 1,404,773 |
| Salaries and allowances | 45,423,115 | 38,912,257 | 6,510,858 |
| Provision for directors' bonuses | 1,476,000 | 1,476,000 | 0 |
| Provision for directors' retirement benefits | 3,393,600 | 3,393,600 | 0 |
| Legal welfare expenses | 13,248,523 | 11,087,770 | 2,160,753 |
| Welfare expenses | 83,302 | 62,778 | 20,524 |
| Conference expenses | 44,996 | 547,029 | △ 502,033 |
| Travel and transportation expenses | 961,408 | 1,226,728 | △ 265,320 |
| Communication and haulage expenses | 2,617,144 | 2,299,978 | 317,166 |
| Information processing expenses | 8,258,663 | 16,322,337 | △ 8,063,674 |
| Depreciation and amortization | 1,828,544 | 1,376,290 | 452,254 |
| Consumable furniture and fixture expenses | 759,837 | 0 | 759,837 |
| Supplies expenses | 960,703 | 1,191,782 | △ 231,079 |
| Printing and bookbinding expenses | 389,133 | 409,846 | △ 20,713 |
| Utilities expenses | 548,710 | 1,395,829 | △ 847,119 |
| Rent expenses | 14,798,817 | 15,103,890 | △ 305,073 |
| Lease expenses | 1,163,992 | 1,107,673 | 56,319 |
| Honoraria | 5,965,930 | 5,373,815 | 592,115 |
| Taxes and dues | 1,650,140 | 1,712,461 | △ 62,321 |
| Commission fees | 4,655,088 | 3,695,797 | 959,291 |
| Books and materials expenses | 358,820 | 297,800 | 61,020 |
| Business consignment expenses | 27,963,923 | 28,173,093 | △ 209,170 |
| Interest expenses | 12,682 | 17,022 | △ 4,340 |
| Miscellaneous expenses | 3,494,800 | 7,334,335 | △ 3,839,535 |
| Foreign exchange loss | 14,241,468 | 0 | 14,241,468 |
| Administrative operating expenses total | 156,435,760 | 146,059,295 | 10,376,465 |
| Total ordinary expenses | 651,257,126 | 600,357,035 | 50,900,091 |
| Ordinary increase (decrease) before valuation | 134,876,234 | 166,717,639 | △ 31,841,405 |
| Valuation gains (losses) | 0 | 0 | 0 |
| Ordinary increase (decrease) during period | 134,876,234 | 166,717,639 | △ 31,841,405 |
| 2 Ext Extraordinary revenue | | | |
| (1) Subsidy received adjustment | | | |
| Transfers in from grants outside the European Commission | 0 | 4,024,432 | △ 4,024,432 |
| Commission Grant Settlement Adjustment | 0 | 0 | 0 |
| Gain on refund of scholarship | 0 | 0 | 0 |
| Total extraordinary revenue | 0 | 4,024,432 | △ 4,024,432 |
| Extraordinary expenses | | | |
| (2) Disposal of fixed assets | 0 | 521,750 | △ 521,750 |
| State subsidies returned | 2,578,551 | 2,190,903 | 387,648 |
| Uncollectible amounts | 105,580,502 | 4,024,432 | 101,556,070 |
| Loss on prior adjustment | 319,399,195 | 0 | 319,399,195 |
| Total extraordinary expenses | 427,558,248 | 6,737,085 | 420,821,163 |
| Extraordinary Increase (decrease) during period | △ 427,558,248 | △ 2,712,653 | △ 424,845,595 |
| Increase (decrease) in general net properties during period | △ 292,682,014 | 164,004,986 | △ 456,687,000 |
| Balance of general net properties at beginning of period | 959,582,889 | 795,577,903 | 164,004,986 |
| Balance of general net properties at end of period | 666,900,875 | 959,582,889 | △ 292,682,014 |
| II Increase/Decrease in Designated Net Properties | | | |
| Transfer to general net properties | 0 | △ 4,024,432 | 4,024,432 |
| Increase (decrease) in designated net properties during period | 0 | △ 4,024,432 | 4,024,432 |
| Balance of designated net properties at beginning of period | 0 | 4,024,432 | △ 4,024,432 |
| Balance of designated net properties at end of period | 0 | 0 | 0 |
| III Balance of Net Properties at End of Period | 666,900,875 | 959,582,889 | △ 292,682,014 |

Notes of Financial Statements

1. Notes pertaining to the assumption of a going concern

There were no events or conditions that may cast significant doubt on the assumption of a going concern.

2. Significant accounting policies

(1) Method of depreciation and amortization of noncurrent assets

Facilities attached to buildings, furniture, fixtures and equipment: These assets are depreciated using the straight-line method.

Leased assets: Leased assets pertaining to finance lease transactions not involving the transfer of ownership are depreciated over the lease period using the straight-line method with no residual value.

(2) Accounting standards for reserves

Directors' bonuses reserve: In order to prepare for the payment of bonuse, the amount attributable to the current fiscal year of the estimated directors' bonuses amount to be paid is recorded.

Reserve for officer retirement benefits : To provide for the payment of retirement benefits to directors, the amount required at the end of the fiscal year based on internal regulations is recorded.

(3) Accounting for consumption tax

Consumption taxes are accounted for using the tax inclusive method.

3. Increase/decrease in specified assets and balances thereof

The increase/decrease in specified assets and balances thereof were as stated below.

(Unit: yen)

| Item | Balance at end of fiscal year 2023 | Increase during fiscal year 2024 | Decrease during fiscal year 2024 | Balance at end of fiscal year 2024 |
|--|------------------------------------|----------------------------------|----------------------------------|------------------------------------|
| Reserve assets for officer retirement benefits | 12,726,000 | 3,393,600 | 0 | 16,119,600 |
| Provision assets for specified business | 188,053,061 | 0 | 23,507,818 | 164,545,243 |
| Total | 200,779,061 | 3,393,600 | 23,507,818 | 180,664,843 |

4. Breakdown of financial resources for specified assets

The breakdown of financial resources for specified assets was as stated below.

(Unit: yen)

| Item | Balance at end of fiscal year 2023 | (Amount appropriated from designated net properties) | (Amount appropriated from general net properties) | (Amount corresponding to liabilities) |
|--|------------------------------------|--|---|---------------------------------------|
| Specified assets: | | | | |
| Reserve assets for officer retirement benefits | 16,119,600 | (0) | (0) | (16,119,600) |
| Allowance assets for specified business | 164,545,243 | 0 | 0 | (0) |
| Total | 180,664,843 | 0 | 0 | 16,119,600 |

5. Acquisition cost, accumulated depreciation and amortization, and closing balance of noncurrent assets

The acquisition cost, accumulated depreciation and amortization, and closing balance of noncurrent assets were as stated below.

(Unit: yen)

| Item | Acquisition cost | Accumulated depreciation/amortization | Balance at end of fiscal year 2022 |
|----------------------------------|------------------|---------------------------------------|------------------------------------|
| Facilities attached to buildings | 14,118,396 | 12,862,327 | 1,256,069 |
| Furniture and fixtures | 8,594,603 | 8,396,547 | 198,056 |
| Leased assets | 3,626,758 | 1,934,271 | 1,692,487 |
| Total | 26,339,757 | 23,193,145 | 3,146,612 |

6. Breakdown, granting authorities, increase/decrease during fiscal year 2021, and balances of subsidies

The breakdown, granting authorities, increase/decrease during fiscal year 2021, and balances of subsidies were as stated below.

(Unit: yen)

| Subsidy name | Granting authority | Balance at end of fy2023 | Increase during fiscal year 2024 | Decrease during fiscal year 2024 | Balance at end of fiscal 2024 | Balance sheet category |
|--|---|--------------------------|----------------------------------|----------------------------------|-------------------------------|------------------------|
| Subsidies | | | | | | |
| Subsidies to projects for promotion of Japan-EU industrial cooperation | Ministry of Economy, Trade and Industry | 0 | 186,308,000 | 186,308,000 | 0 | - |
| Subsidies for promotion of Japan-EU industrial cooperation | European Commission | 0 | 573,978,923 | 573,978,923 | 0 | - |
| Total | | 0 | 760,286,923 | 760,286,923 | 0 | |

7. Matters related lease transactions

Finance lease transactions

i. Finance lease transactions not involving transfers of ownership

Details on leased assets: Multipurpose devices (furniture and fixtures) in use at the Tokyo office

Appended Itemized Statements

1. Details on specified assets

These were as stated in "3. Increase/decrease in specified assets and balances thereof" of the Notes to Financial Statements.

2.Details on provision

(Unit: yen)

| Item | Balance at end of fiscal year 2023 | Increase / decrease during fiscal 2024 | Decrease during fiscal 2024 | | Balance at end of fiscal year 2024 |
|---|------------------------------------|--|-----------------------------|--------|------------------------------------|
| | | | Purpose of expenditure | others | |
| Directors' bonuses reserve | 1,476,000 | 1,476,000 | 1,476,000 | 0 | 1,476,000 |
| Reserve for executive retirement benefits | 12,726,000 | 3,393,600 | 0 | 0 | 16,119,600 |