

IMAGINE THE FUTURE.

GLOBAL VILLAGE
Community Station

**The University of Tsukuba
Fiscal Year 2016 Financial Management**



筑波大学
University of Tsukuba

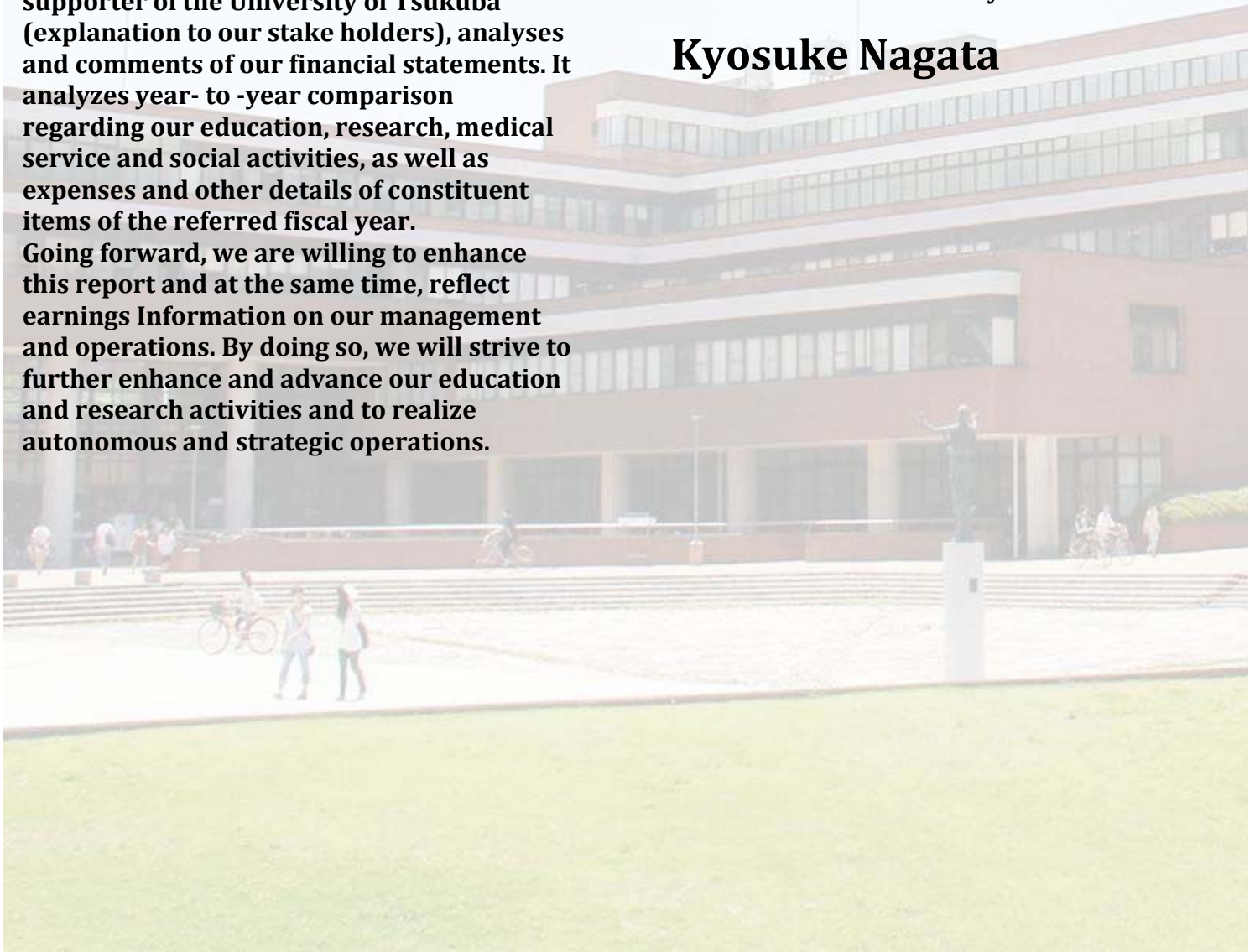
Message from the President

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 2016.
You can download this report.

[http://www.tsukuba.ac.jp/
public/misc/info_zaimu28.html](http://www.tsukuba.ac.jp/public/misc/info_zaimu28.html)



Major Events (Topics)

■ Participating in the 6th African Development Conference (TICAD VI)



The University delegation which consisted of President Kyosuke Nagata, other faculty members participated in the 6th Tokyo International Conference on African Development (TICAD VI) held in Nairobi, the capital city of Kenya on August 27- 28.

At the thematic session "Promoting social stability for shared prosperity," President Nagata gave his remarks on behalf of Japanese universities, and appealed that multilateral cooperation by consortiums between universities was important.

In addition, at the Japan Fair exhibition, faculty members of the Office of Global Initiatives set up a booth exhibition of the Japan-Africa Academic Network (JAAN), a network chaired by the University of Tsukuba, to introduce the activities of JAAN.

■ IIIS Professor Masashi Yanagisawa to Receive the Medal of Honor with Purple Ribbon



Professor Masashi Yanagisawa of the International Institute for Integrative Sleep Medicine (IIIS) was chosen as the recipient of the Medal of Honor with Purple Ribbon (Shijuho sho) for the 2016 Spring Conferment. He was recognized for his contributions to research in the field of physiological sciences, pharmacodynamics, and neuroscience. Professor Yanagisawa discovered the neuropeptide "Orexin", which is essential for regulating the sleep-wake cycle and energy homeostasis. This contributed a lot to the development of the field of sleep medicine. The Medal of Honor with Purple Ribbon (Shijuho sho) is presented to those who have made a great discovery or invention in the field of science and technology and who have achieved a great result in the field of sports and art. Professor Yanagisawa will be officially recognized as the recipient on May 29, and the medal awarding ceremony will be held on May 15.

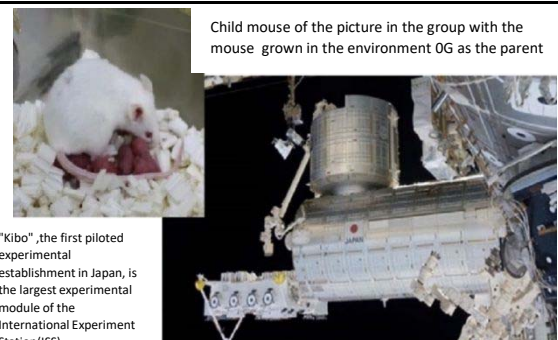
■ Partnership Agreement between International Christian University (ICU) and University of Tsukuba



In April, University of Tsukuba concluded an Inter-University Cooperation Agreement with the International Christian University as a model of national-private Inter-University Cooperation.

Our university has promoted the Campus-in-Campus (CiC) initiative as part of the Top Global University Project of the Ministry of Education, Culture, Sports, Science and Technology (MEXT). Based on the CiC concept, our university aims to promote exchange with universities in Japan, naming its effort as the Campus-with-Campus (CwC) initiative. Through the CwC efforts, our university utilizes education resources and strengths and aims to promote the strength of trans-border cooperation beyond the national, public and private universities. Through this agreement, both of universities aim to share campus facilities and develop education which actively utilizes educational research resources with going forward to practice trial lessons and to join student exchange programs.

■ World's first survival return of all mice reared for a long time in ISS "Kibo"



"Kibo", the first piloted experimental establishment in Japan, is the largest experimental module of the International Experiment Station (ISS).

The University of Tsukuba, The Japan Aerospace Exploration Agency (JAXA), and Osaka University achieved successful completion of rearing mice for 35 days and returning in good health by using the Cell Biology Experiment Facility (CBEF) with an exclusive centrifuge function in the Japanese Experiment Module ("Kibo") of the International Space Station (ISS) for the first time in the world.

The twelve male mice reared over the long term were launched from Florida on July 19 (JST), and returned to Earth in good health in California, USA on August 27.

Furthermore, due to the collaboration between our university and Osaka University, the next generation (child mouse) with this space mouse as the parent was born on September 27.

This long-term rearing is simultaneous under an artificial gravity environment (1G) in orbit and under a microgravity environment (0G) and also the first space experiment in the world.

■ The University of Tsukuba Hospital 40th Anniversary Commemorative Ceremony



40th anniversary of the University Hospital of Tsukuba welcomed in October 2016 and Ceremony was held on November 3.

At the ceremony, Deputy Minister of the Higher Education Bureau, Ministry of Education, Culture, Sports, Science and Technology (MEXT) then read a congratulatory speech on behalf of MEXT Minister: "The University of Tsukuba Hospital has established Mito Chiiki Iryo Kyoiku Center (Mito Medical Education Center) in Mito Kyodo General Hospital, aiming to solve a doctor shortage. It was the first medical education center in Japan set at a private medical institution. The center has contributed to provide training for doctors and to improve local medical services. We hope the University Hospital will continue to work for its mission.

New initiatives of affiliated hospitals (complete medical checkup · nurse special action training etc.) are reported on page 11 and after.

■ Participants from the University of Tsukuba played the active part in Rio de Janeiro Olympic and Paralympic Games



2016 The Rio de Janeiro Olympic Games were held from August 5 to 21, and large numbers of Participants from the University of Tsukuba took part in the Rio de Janeiro Olympic and Paralympic Games from September 7 to 18.

A total of about 450 people including students, faculty members, the general public gathered in the hall to send cheers and encourage the players who were waiting to representing Japan in the 2016 Rio de Janeiro Olympic and Paralympic Games on July 14.

With the pride of the University of Tsukuba, the players demonstrated the best performance in the tournament and played an active part in winning medals by judo and swimming.

■ Badminton Girl team win Three consecutive Victories at the 67th All Japan University Badminton Championship



The 67th All Japan University Badminton Championship was held in Chiba City from October 14 to 20. The university's badminton club won their third championship in a row in the women's team competition. In the final game, we won Waseda University 3: 1 and our success was the 5th overall victory for this Games.

Also, Kashihara and Kato (2016 Japan B Representative) were dispatched to Brunei to participate as members of "Sport for Tomorrow", an international contribution plan of the Government of Japan, (Ministry of Foreign Affairs) from October 23 to 28.

University of Tsukuba Badminton Department
<http://www.sports.tsukuba.ac.jp/badminton/>



■ Comprehensive Partnership agreement between the University of Tsukuba and Under Armour(DOME Corporation)



It was the first partnership agreement concluded between a national university and a sports apparel brand in Japan. The University of Tsukuba and DOME Corporation have common goals to contribute to improving society, local community, and students' experience on campus through sports. They intend to cooperate for the industrialization of sports, the promotion of people's health, and the development of the next generation of athletes based on the partner relationship.

At the event held on November 15, new uniforms and products produced by Under Armour® were introduced and 8 teams already decide to wear them.

Financial Highlights for Fiscal Year 2016

Summary of B/S

Details are reported on page 21

(In millions of yen)			
Item	FY2015	FY2016	Change
Assets	394,395	392,714	▲ 1,681
Land	248,513	247,083	▲ 1,430
Buildings	95,385	94,677	▲ 708
Tools, Furniture and Fixtures	14,109	13,771	▲ 339
Vessels	163	130	▲ 33
Construction in Progress	1,724	87	▲ 1,637
Investment in Securities	2,701	2,701	▲ 0
Cash and Deposits	12,792	15,798	3,006
Accounts Receivable	6,294	6,172	▲ 121
Marketable Securities	500	-	▲ 500
Liabilities	95,026	91,849	▲ 3,177
Per Contra Liabilities for Property Acquisition	29,004	26,766	▲ 2,238
Borrowings	19,604	15,773	▲ 3,831
Management Expenses Grants Liabilities	-	813	813
Donation Liabilities	4,104	4,066	▲ 38
PFI Liabilities	24,984	25,212	228
Accounts Payable	10,405	10,616	211
Reserve Allowance	1,178	1,267	89
Net Assets	299,369	300,865	1,496
Government Investment	232,358	232,358	-
Capital Surplus	64,141	64,999	858
Reserve Funds Carried Forward from Previous Mid-Term Plan Period	1,902	2,646	744
Unappropriated Retained Surplus (or Undisposed Loss) at the end of the term	▲ 27	863	889

Summary of P/L

Details are reported on page 23

(In millions of yen)			
Item	FY2015	FY2016	Change
Ordinary expenses	94,022	93,742	▲ 280
Education Expenses	6,561	6,477	▲ 84
Research Expenses	7,524	6,846	▲ 678
Medical Service Expenses	20,032	19,818	▲ 214
Education and Research Support Expenses	2,357	2,343	▲ 15
Sponsored Research Expenses	4,178	4,261	82
Cooperative Research Expenses	881	1,085	204
Sponsored Operations Expenses	1,209	1,296	87
Personnel Expenses	47,753	48,407	654
General Administrative Expenses	2,640	2,471	▲ 169
Ordinary Income	93,732	94,404	672
Management Expenses Grants Income	37,108	35,927	▲ 1,181
Student Fee Income	8,547	9,470	922
University Hospital Income	29,410	30,544	1,135
Sponsored Research Income	4,778	4,911	133
Cooperative Research Income	956	1,194	238
Sponsored Operations Income	1,281	1,406	126
Subsidy Income	2,779	2,143	▲ 636
Donation Income	2,036	2,053	16
Ordinary Profit (Loss)	▲ 290	662	952
Extraordinary Profit and Loss	263	▲ 9	▲ 272
Reduction of Reserve Funds Carried Forward from Previous Mid-Term Plan	-	209	209
Gross Profit (Loss)	▲ 27	863	889

* Only main items are mentioned.

○ Points of Earnings in fiscal Year 2016

① About Global Residence Development Project

With the completion of the global village and community station, appropriate 1,990 million yen, for buildings, equipment, and furnishings, etc. expenses such as fixtures and mending expenses were 90 million yen, and PFI obligations increased by 2,080 million yen.

② Regarding Personnel Expenses

In the university segment, personnel expenses, based on NPA recommendation due to change in the pay scale such as revision of faculty staff arrangement assignment and tackling by other efficient efforts decreased (▲129 million yen), In the hospital segment personnel expenses, based on NPA recommendation due to change in the pay scale and an increase in medical professionals such as doctors to strengthen hospital functions increased (519 million yen).

Personnel expenses increased 654 million yen compared to fiscal year 2016 due to Retirement benefits increased 264 million yen.

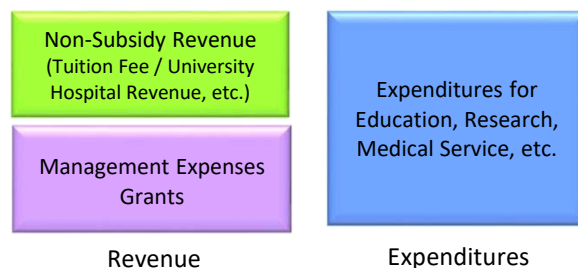
③ Regarding profit of University Hospital

Gross profit for the current fiscal year was 970 million yen due to income and expenditure balance was (624 million yen) on the impact of increasing number of surgical operations and cost reductions, depreciation and amortization of fixed assets (346 million yen) at the University hospital.

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 2016, we received approximately 40.9 billion yen in Management Expenses Grants. This accounted for about 41% 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. 373 yen

= Business Operation Costs / Population

Costs : approx. 47.3 billion yen

Population : approx. 126.822 million

* Population is estimated population as of January 1st, 2017, Bureau of Statistics, Ministry of Internal Affairs and Communications

[cf.] Figure reported in fiscal year 2015: approx. 378 yen

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

Completion of the Sekisho Field of the University of Tsukuba

Grass on the Second Soccer Field was removed and replaced with new artificial turf. The renovation work was completed April 27, and the field was renamed as "Sekisho Field of the University of Tsukuba".

At the completion ceremony held on the same day, including President Kyosuke Nagata of the University of Tsukuba, President and Representative Director Masaki Seki of Sekisho Shoji Corporation, President Tsukasa Morikawa of Hasegawa Sports Facilities Co., Ltd. and approximately 200 people including university faculty staff, students and others inside and outside the campus attended the ceremony and celebrating the completion of the new ground.

In the completion ceremony, Mr. Seki Masao, Chairman of the Board of Directors, said, "We can cooperate with universities as a company rooted in the community, and there is no more pleasure," President Nagata said, "In addition to utilizing in lessons and extracurricular activities, I would like to open to the public as much as possible."

President Nagata of the University of Tsukuba also said, "I would like to promote the effective use of the Sekisho Field, not only for university classes and extracurricular activities but for the use of the public".

We are going to play not only soccer but American football and lacrosse matches at the new ground in the future.



University of Tsukuba Physical Education Center website:

<https://www.sapec.tsukuba.ac.jp/>



For Our Student and Prospective Students

Started operation of Global Village



Global Village Exterior Image
(After completion of second phase at the end of March 2018)

As a part of Global Residence Development Project (see the back side), with a purpose of promoting internationalized campus, Global Village started its operation from April 2017.

This student dormitory has become a mixed share house type of general students and international students which we have not had in our university so far, and one unit consists of shared living dining, shower room, private room and so on. In addition, there is a community station with lounge etc inside with a concept of promoting cultural exchange among students from different countries.

In addition, due to the naming rights contract, the name of the community station will be "Daiwa Lease Community Station" from October 2017.



Community Station: Lounge



Unit: Living Dining Room



Unit : single room

Global Village Outline

Room type	Shared-house type of unit for a mix of Japanese and international students (5 people per each unit)
Fees	JPY 35,800/month *Utility (electricity, heater, and water) used in each unit and room will be charged to each resident additionally.
Room Facilities	Desk, Chair, Bed, Air-conditioner, Curtain, Bookshelf, Mirror, Wall clock, LED desk light, Wireless LAN
Shared LDK	Kitchen, Refrigerator, Microwave, Dining table, Chair, Shelf, Curtain, Wall clock
Unit Facilities	Shared toilets (2 locations), Shared shower room
Security	Triple security with entrance building security, unit entrance lock and room door lock. On-site monitoring system with security camera
Others	Cultural exchange events with international students are available. Free access to Community Station, shared facility built on site.
Construction period	I phase Construction: Completion at the end of March 2017(310 houses and Communities Station), II Phase Construction : April 2017 to the end of March 2018 (190 houses)

For detailed information, please see below website of the University of Tsukuba Campus Life
<http://www.tsukuba.ac.jp/campuslife/healthlife.html>



For Our Student and Prospective Students

Education Related Expenses

Total expenses related to education (Education Related Expenses) are approximately 23.5 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.

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 the fiscal year 2016, we provided a total of 28,764 thousand yen of admission fees exemption for 115 students and 1,043,970 thousand yen of tuition exemption for 5,549 students including students who suffered from "Kumamoto earthquake in 2016", "Kanto-Tohoku heavy rain in September 2015" and "East Japan great earthquake".

Unit Price of payment by Students in Fiscal Year 2016 (In yen)

Classification	Tuition	Admission Fee	Examination Fee
Faculty	535,800	282,000	17,000
Graduate school	535,800	282,000	30,000
Low school	804,000	282,000	30,000

Breakdown of Education Related Expenses (In thousands of yen)

Expenses Classification	FY 2016
Education expenses	5,283,436
Education and research support expenses	2,286,026
Amount equivalent to depreciation not recorded in P/L	1,637,793
Personnel expenses	14,289,632
Total	23,496,888

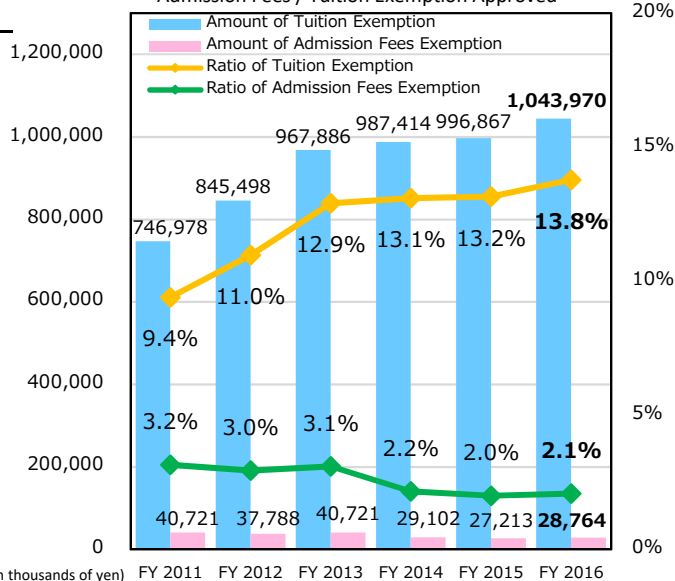
Education Related Expenses

approx. 1.41 million yen per student

= Education Related Expenses / The number of students

Actual number of students in FY 2016 : 16,651
[cf.] Figure reported in FY 2015 : approx. 1.42 million yen

Admission Fees / Tuition Exemption Approved



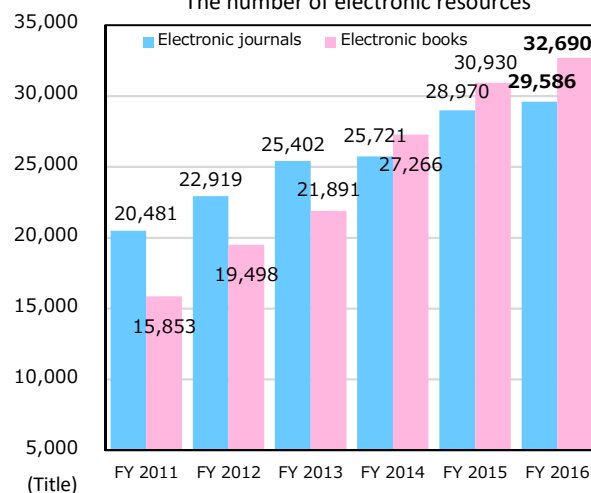
Ratio of Tuition Exemption (%) = Amount of Exemption / Entrance Fee (Tuition Fee) revenue

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 2016, our university libraries owned approximately 2.71million books, which were worth approximately 10.2 billion yen. The number of books per student is 163(The number and the amount of books include audio visual materials (such as CDs)). The number of electronic resources such as electronic journals or electronic books is increasing, it is utilized in education and research.

The number of electronic resources



For Our Student 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. And 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 Opening Ceremony of the Campus-in-Campus mutual office school degree programs which is based on a conference organized by research institutes and private companies at Tsukuba Science City.

In the fiscal year 2016, we concluded an agreement with the University of California, Irvine, Sao Paulo University, Malaysian Institute of Technology at Campus-in Campus (CiC) program as collaboration with partner schools around the world, and the University of Tsukuba and Bordeaux University carried out the utilize Course Juke Box System.

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. 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). As of March 31, 2017, we had 13 overseas offices in 12 countries (areas) and a total of 343 agreements, consisting of 5 CiC agreements, 140 university exchange agreements and 198 department exchange agreements, in 65 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. 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 2016, we provided 73,190 thousand yen for 140 students by reviewing.
* For the number of overseas study students, because of we changed the aggregation method such as collecting data widely, it has increased significantly compared to every year.

For detailed information,
please see below website of the University of Tsukuba Campus Life
http://www.tsukuba.ac.jp/campuslife/scholarship_tsukuba.html



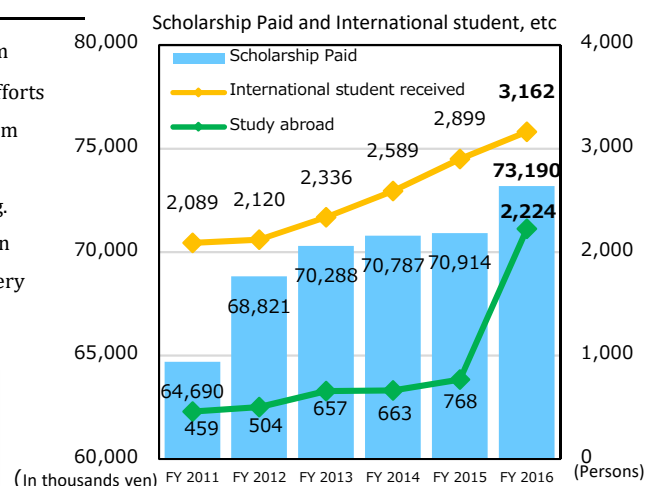
Opening Ceremony of the Campus-in-Campus mutual office



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



Japanese language and culture training by short-term trainees (Kimono dressing experience)



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 6.5 billion yen.

"Buds of Science" Prize

At the laboratory school education office, as a youth program and part of the 100th anniversary commemorative project of Dr. Shoichiro Tomonaga who received the Nobel Prize in Physics Prize as a forerunner of the University of Tsukuba and the president of Tokyo University of Education, the "Buds of Science" Prize was established.

The "Bud of Science" award is held for elementary, junior high and high school students and presents to individuals who demonstrate their enthusiastic efforts toward science and nature, and for the winners every year at the Christmas time, the University of Tsukuba At the university hall, we hold presentation and awards ceremony. In the 11th award ceremony 2016, there were too many entries about 2,900 which is the highest ever, including entries from 200 Japanese schools and 8 Overseas Japanese schools from countries (China, Korea, Thailand, Hungary, India, Iran). In addition, We had set up a new award as "Special Inquiry Award" and " Exploration Award" for the first time applicants from Special support school (intellectual disability).

Also, the book titled "I want to know more! , World of Science Buds" (PART 1 - 5) has been published by Tsukuba University Press that the past winning works have been appeared in that.

A symposium session and Sport exchange program aiming to a symbiotic society

The MEXT Department of contract office as a part of the project "Understanding of person with disabilities through school exchange and joint learning(Barrier-free mind) " an event named, " co-existence society aiming sports exchange and symposium gathering " with attending laboratory junior and high school was held at the venue.

In the morning, Kazuki Takahashi, player of Boccia who represented Japan at 2016 Rio Paralympics (NPO Corporate independent living center belong department) was the guest to held Boccia exchange and adapted sports exchange. From the afternoon Kazuki Takahashi gave a lecture with the theme of "peoples with disabilities how to live and change their life Challenges to the world of mushrooms~" and some presentations were held by students from laboratory schools.

Through experience of the adopted person in sports and lecture given by Paralympian, also a symposium was held by students from laboratory schools considered as an opportunity to deepen understanding of "a symbiotic society".

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

Expenses Classification	FY 2016
Education expenses	604,009
Amount equivalent to depreciation not recorded in P/L	182,735
Personnel expenses	5,729,158
Total	6,515,902

Education Related Expenses approx. 1.51 million yen per student

= Education Related Expenses / The number of students
Actual number of students in FY 2016: 4,294
[cf.] Figure reported in FY2015 approx. 1.46 million yen



The 11th "Buds of Science" awards Award Ceremony/Presentation (2016.12.17)



Participants conducting Boccia competition with Takahashi

For Our Clients at the University Hospital

Principles

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

Policy

We work to spread knowledge about health and medicine.

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 contribute to international society through our medical research and promotion of advanced medical technology.

Characteristics

The University of Tsukuba Hospital is a major teaching hospital of the University of Tsukuba, School of Medicine and has led the country in providing innovative training programs in residencies and fellowships in various specialties. As a teaching hospital, the hospital provides multidisciplinary education to students in various areas of specialty. The hospital encourages compassionate and personalized care for patients provided by integrated medical teams consisting of highly qualified physicians, nurses and other medical professionals.

The hospital is also designated as a "Special Functioning Hospital" that is committed to provide state-of-the-art medical care and to conduct educational and research activities that promote patient care. The referral system between the University Hospital and other community hospitals or clinics has been utilized to best meet the needs of each patient.



■ Tsukuba Preventive Medicine Research Center 【Contributing to the Community by Prevention of Disease through Complete Medical Checkup】

We established the Tsukuba Preventive Medicine Research Center, a complete checkup facility that combines research functions for preventive medicine in October 2016. The Center conducts medical treatment by medical staff with long clinical experience and using the latest frontier of medical equipment.

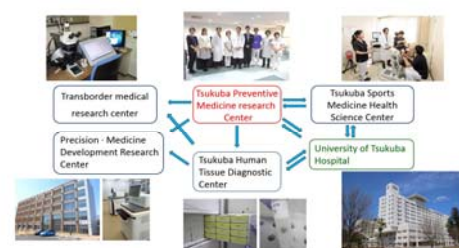
Even if a serious illness is found, smooth treatment can be done by related various departments in the hospital. In addition, in cooperation with "Tsukuba Sports Medicine and Health Science Center," we will also provide effective programs to improve lifestyles by taking in scientific perspectives and prevent diseases through nutritional guidance.

Epidemiological data obtained from the examination and surplus blood are used for research after obtaining approval from the medical examiner. We collaborate with our research organization "Precision · Medicine Development Research Center" and "Transborder Medical Research Center" to predict diseases that may occur in the future based on illness outbreaks and apply it to research aiming for prevention of disease.

Here is Different University of Tsukuba Hospital
"Tsukuba Preventive Medicine Research Center" Complete Health Checkup

- Doctors, nurses, and technicians who have **extensive knowledge and skills** with experience in the clinical actual spot are involved in medical examinations and the results are **checked by expert doctors!**
- Various options** can be selected differently from other Health Checkups such as PET CT and cancer screening using the blood!
- When a serious illness is found in the unlikely cases, **smooth treatment** can be done by means of related collaboration with the University Hospital!
- We will utilize the data and Test pieces (blood) obtained in the personal Health Checkups for research on preventive medicine and innovative medicine, and **promote prevention and preemptive medicine in Japan!**
*Utilize only data obtained with the consent of examinee.

Regardless of whether you visit our hospital continually or not, **anyone can use it!**



Basic course

Interview, Physical measurement, Visual acuity test / Fundus / Ocular pressure , Hearing test, Respiratory function test, Abdominal echocardiography test, Chest X-ray exam, Upper gastrointestinal transnasal endoscopy test, Electrocardiogram, Blood test, Urinalysis, Fecal examination, Internal examination, Explanation of results, Daily guidance

Option course

Heart checkup
Brain checkup
Oral checkup
Cancer Test

Tsukuba Preventive Medicine Research Center website:
<http://www.yobou.hosp.tsukuba.ac.jp/>



■ University of Tsukuba Hospital DPAT 【Heart care of those affected by the Kumamoto earthquake】

The University of Tsukuba Hospital dispatched a Disaster Psychiatric Assistance Team (DPAT), a mixed unit of the our hospital psycho neuropathy group, Ibaraki Prefecture Disaster / Regional Psychiatry Medical Research Center and Ibaraki prefectural medical center, dispatched to Kumamoto Prefecture at the request of Ibaraki Governor from April 20 to May 8. DPAT provided psychological and heart care support to the earthquake victims on site. From our hospital, Dr. Kiyotaka Nemoto of the psychiatric nerve consultation group, Dr. Hirokazu Tachikawa, Nurse Yoko Kajiyama, Mental Health Care worker Saori Ekoyama, Working coordinator Hirokazu Akashi Clinical Engineer, Kosaku Saotome Radiological technologist, Dr. Sho Takahashi and Dr. Noriko Sodeyama from the Ibaraki Prefecture Disaster / Regional Psychiatry Research Center participate as members and visit evacuation centers in Kumamoto prefecture and visit individual cases in need to care and carried out a wide range of support activities toward victims and supporters. In addition, there was a letter of appreciation from the DPAT secretariat commissioned by the Ministry of Health, Labor and Welfare for the achievement of the team on mental care in the affected areas.



■ Nurse Special Action Training 【Supporting the Future of Medical Care with Nurse Skill up】

According to the partial revision of Public Health Nurses, Midwives, and Nurses law required students to take "Special Action Training" for nurses who perform specific actions according to the procedure manual. The University of Tsukuba Hospital from October 2016, as the designated training institution for the specific action training in Ibaraki Prefecture, has demonstrated advanced clinical practical skills at medical sites including at home and started a course aiming to train nurses who play a part in regional medical care in Ibaraki prefecture.

In this course, supervisor and guidance nurses who provide achievements as a medical institution and offer educational e-learning systems so that they can take courses while working.



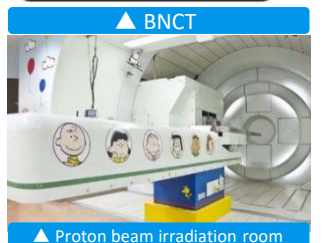
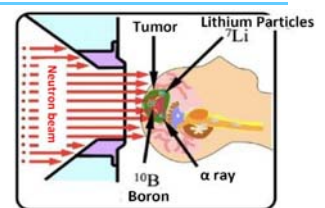
Nurse Special Action Site : http://www.hosp.tsukuba.ac.jp/kango_tokutei/



■ Next Generation Cancer Radiation Therapy 【Toward Practical Application of "BNCT"】

The University of Tsukuba Hospital is developing a treatment equipment as the hospital-annex accelerator (BNCT) to establish and promotion boron neutron capture therapy (BNCT) which is the next-generation cancer radiation therapy. A complete set of equipment has been completed so far and passed the facility inspection in January 2017. As a result, our research facility started operation as an official outbreak of radiation facility, and we confirmed that the equipment was able to generate the neutron beam as they had designed. In addition, as a next step, in order to evaluate the therapeutic effect of generated neutrons and the safety of their organisms, cell irradiation experiment was started from May 2017, after these physical experiments and biological irradiation experiments were carried out, We rapidly plan to start clinical trials using the equipment.

In addition, this hospital has started full-scale clinical research on proton therapy from 1983, that has the longest history in Japan and many excellent achievements. Especially for cancer which occurred in the deep part of the body such as liver cancer, we are doing proton beam radiotherapy that have got ahead of the world and its treatment method is currently highly regarded as the world standard. From April 2016, proton therapy for childhood cancer patients has become insurance indication.



The number of treatment patients

Liver cancer	1,552
Prostate cancer	613
Lung cancer	529
Metastatic tumors	512
Esophageal cancer	339
Childhood cancer	302
Head and Neck cancer	253
Brain tumors	165
Bladder cancer	165
Pancreatic cancer	117
Cranial base tumors	72
Cerebral arteriovenous malformation	49
Mediastinum	27
Rectal cancer	25
Kidney cancer	20
Others	163

Proton Therapy Website : <http://www.pmrc.tsukuba.ac.jp/>

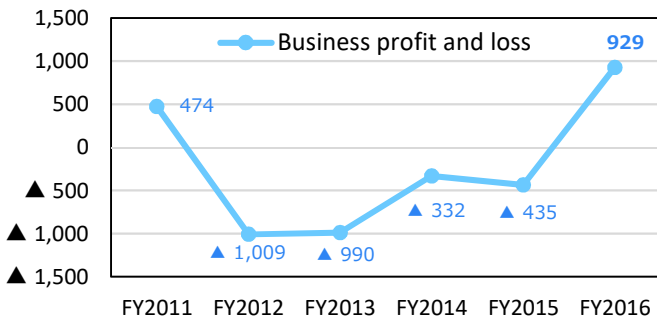


For Our Clients at the University Hospital

Financial Situation of the University Hospital

In fiscal year 2016, Operating Income was 35,706 million yen with increase by 1,587 million yen compared to fiscal year 2015 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 outpatient. On the other hand, Operating Expenses were 34,777 million yen with increase by 223 million yen compared to fiscal year 2015 due to personnel expenses with increase in medical staff such as doctors 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 2016, was 929 million yen.

Long-term change in profit and loss of The University Hospital (In millions of yen)



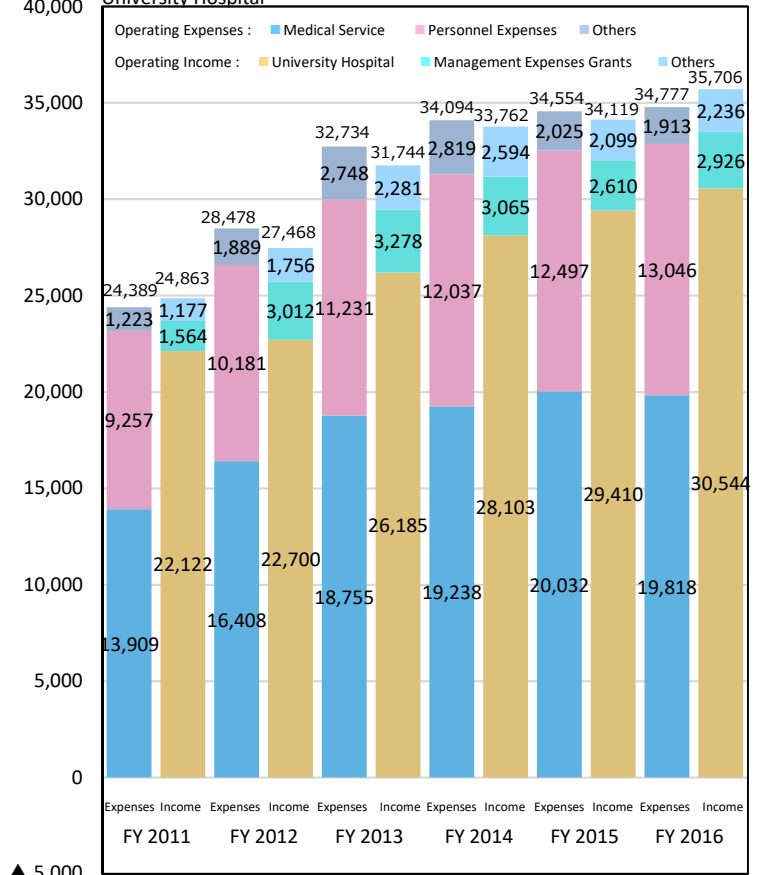
Main Causes of Gross profit are reported on page 30

Revenue and Expenditures of the University Hospital

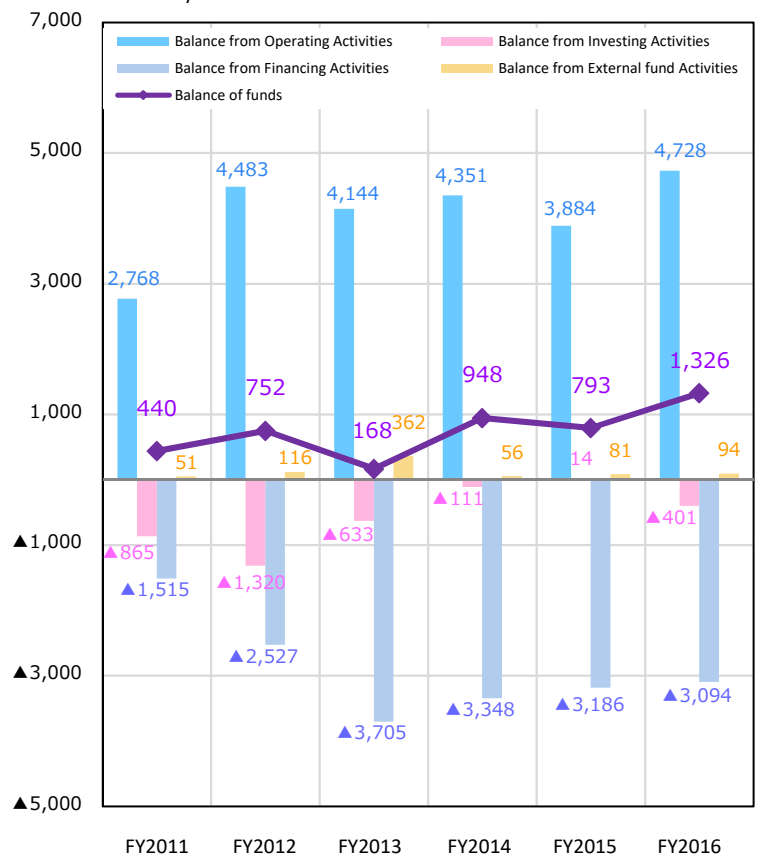
The balance of Revenues from business activities increased by 844 million yen compared to the previous fiscal year and became 4,728 million yen. This is due to an increase in the number of surgical workers, shortened hospital stays, an increase in the number of patients receiving outpatient chemotherapy, Revenues of the hospital increased by 1,135 million yen compared to the previous fiscal year.

The balance of Revenues from investing activities was ▲ 401 million yen. This is due to expenditures such as renewal of obsolete medical equipment and upfront investment (inspecting of equipment and facility repairing) for the establishment of the Tsukuba Preventive Medical Research Center (complete checkup facility) in April 2017. The balance of Revenues from financing activities was 3,094 million yen. This was an increase of 92 million yen compared to the previous fiscal year, decreasing of expenses for repayment of lease liabilities, National Institution for Academic Degrees and Quality Enhancement of Higher Education and repayment of interest mainly caused to increase the Revenues.

Changes in Annual Financial Situation of the University Hospital (In millions of yen)



Revenue situation of The University Hospital change over the years (In millions of yen)



For the Supporters of the University of Tsukuba

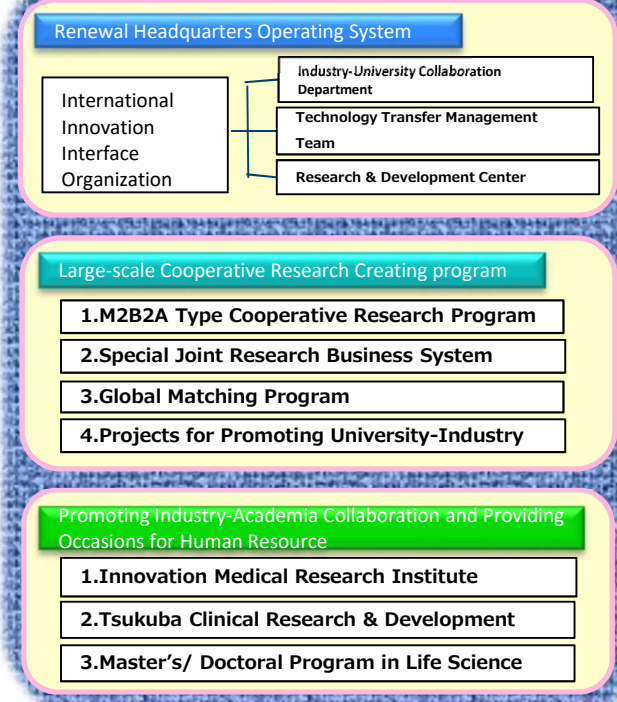
Promotion of Industry-Academia Collaboration

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



Strengthen Development Research Organization Operated by External Funds

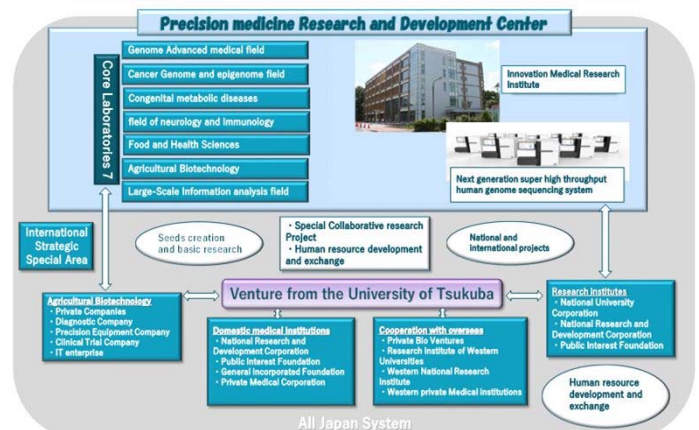
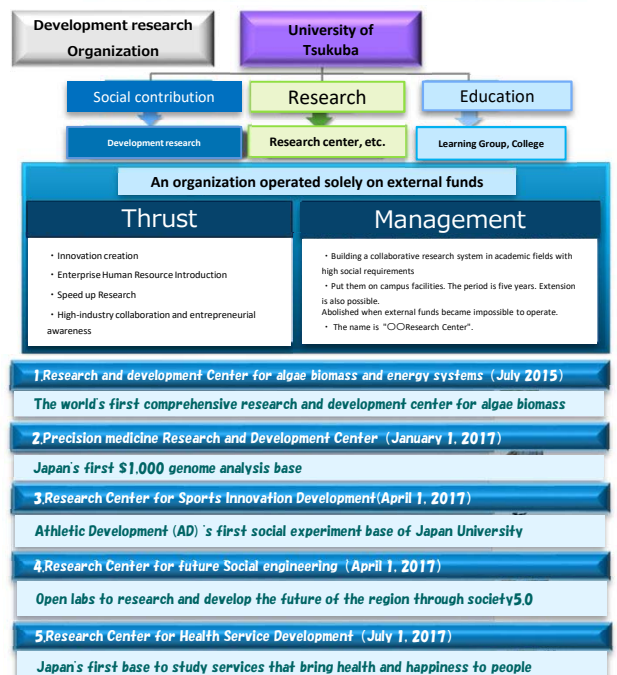
Organization of Development Research under the Headquarters for International Industry-University Collaboration was established 1 of July 2015. This is an organization that responds to "social contribution" among university missions, and the name is called "Development Research Center".

Each development research center operates independently of external funds only, have 5 years of time limitation. Although it can be extended, it will be abolished when it can no longer be operated by external funds. As of July 2016, five development research centers were set up, and every one of them are expected to be the center for expansion of Industry-University Collaboration in the future as a representative of Japan.

The Research and Development Center for Precision Medicine (PMC)

The total human genome analyzed from 13 years to 15 years about 350 billion yen of funds and now it is the time that we can analyze about 1 day at around 1,000 dollars (100,000 yen). The Research and Development Center for Precision Medicine (PMC) was established as Japan's first omics analysis center aiming to develop a \$1000 genome sequencing technology.

At the center, genomic medical treatment project including Precision Medicine is promoted research through collaborations among various industry, government, and universities.



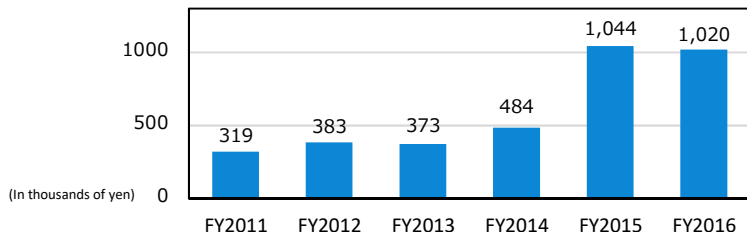
Cooperative Research

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.

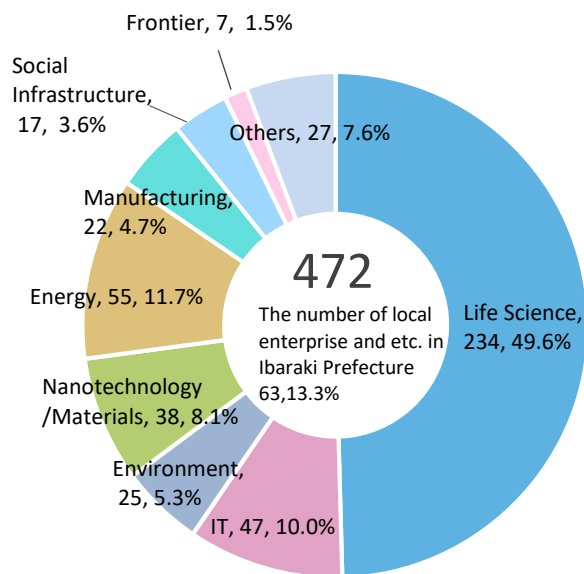
Trend of Private Collaborative Research

Private collaborative research that expanded more than twice compared to the previous fiscal year 2015 that continued to be more than 1 billion yen annually for the fiscal year 2016.

Trends of Private Collaborative Research



Track Record of Cooperative Research (by research area) in Fiscal Year 2016



University of Tsukuba International
Academia-Industry Collaboration Headquarters website:
<http://www.sanrenhonbu.tsukuba.ac.jp/>



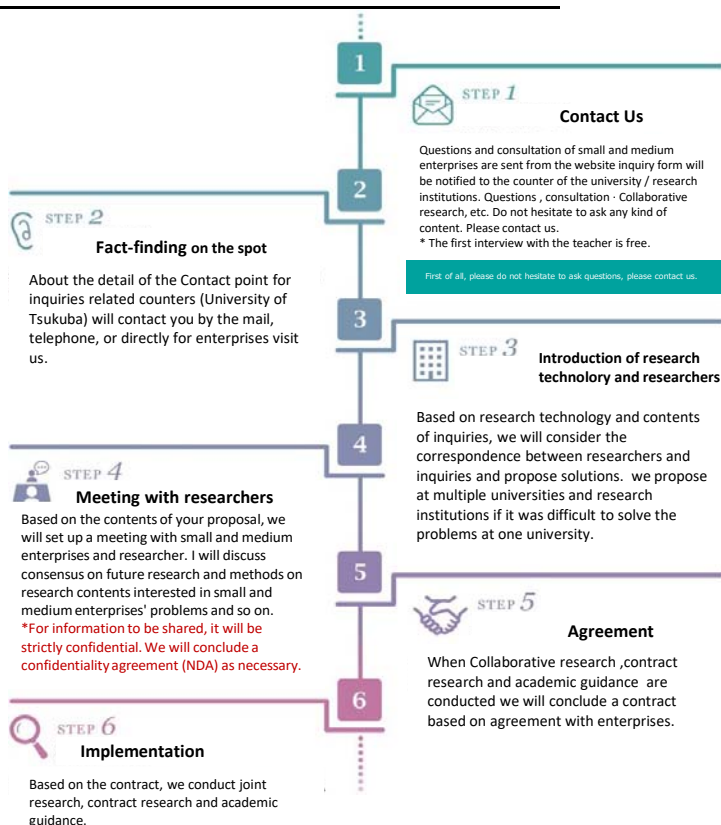
Published Web of Industry-university collaboration platform to meet the needs of small and medium enterprises

University of Tsukuba, Ibaraki University, Chiba University, Nagoya Institute of Technology, Agricultural Research Organization, this five organizations collaborate, on October 20, opened Web-based "Industry-university collaboration platform" that that allows freely search and inquire about technical information.

In this website, (1) you can search technical information of the five organizations by field, (2) explain technical information in an easy-to-understand way using infographic (movie), (3) related to industry-university collaboration We provide inquiries and other features free of charge. Please take a look at it once.



Case of Inashiki-shi and regional creation project "Rice milk" "Raw rice milk" which can handle raw rice like milk, born using "wet grinding technology"



Industry-academia collaboration platform website
<http://sme-univ-coop.jp/>



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.

TSUKUBA INTERNATIONAL STRATEGIC ZONE site
<http://www.tsukuba-sogotokku.jp/>



○Eight Pioneering Projects



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



Tsukuba Technical Concierge (T T C)

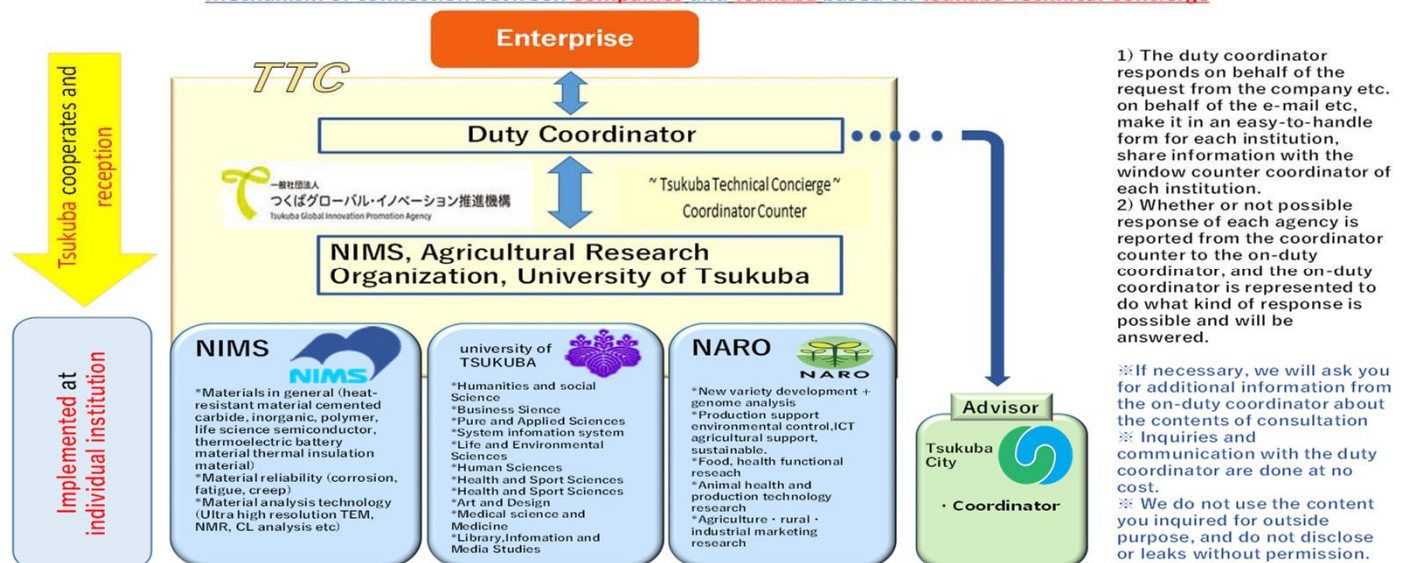






Why do not you bring up "Tsukuba" and "Innovation"!
 Technical consultation wanted!

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 2016) 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.

Mechanism of connection between Companies and Tsukuba based on Tsukuba Technical Concierge



Tsukuba Technical Concierge (T T C) website
<http://tsukuba-gi.jp/ttc/>



For Our Regional Community

■ Providing of Extension Programs

The University of Tsukuba as a new conception of the Research University Town has developed and contributed its activities to the society as an international collaborative activity base of research excellence, as well as human resource development base in Tsukuba and industry, government, university collaboration center.

As one form of such social contribution, the extension program is aimed at returning the achievements obtained from the advanced and pioneering research and education fields of our university to society as soon as possible and delivering the vision of the purpose to everyone in the fiscal year 2016.

We are carrying out the content of the programs speedy and aggressively as a rich international base for knowledge and not be bound by a fixed concept with diversity and flexibility for the results of research from now on.

Program implemented in Fiscal Year 2016

Program name
In order to taste wine more professionally
Global pharmaceutical and medical device development management course
Emergency Stress Elementary-level Training for Firefighters
A young baseball scientific coaching course for fathers and mothers
Algae Technology Workshop ~ Foundations of Algae (Cultivation and Analysis of Algae)



For detailed information, please go to the University of Tsukuba Extension Program site below
<http://extension.sec.tsukuba.ac.jp/>



■ 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.

Please see more information from URL below
<http://www.tsukuba.ac.jp/community/>



List of open courses

Course	Number	Enrollee
Incumbent Training Course	29 courses	974 people
General Open Course	32 courses	857 people
Total	61 courses	1,831 people

List of certificate programs

Course	Enrollee	Total Revenue
Library Management Course	4 people	515
University Management and Cultivation of Human Resources	17 people	1,050
Coordinated, Continuing, Medical Staff Education Program	19 people	-
Total	40 people	1,565

Course	Number
Science promotion, education field	7 courses
International field	3 courses
Environment field	3 courses
Culture / region activation field	15 courses
Health · Medical · Welfare field	14 courses
Disaster prevention / reconstruction assistance field	3 courses
Total	45 courses

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.

There are "General Fund" and "Specific Fund". The "General Fund" can be specified for the purpose of strengthening functions such as education, international exchange, research and regional contribution. In addition, that does not specify usage for receiving donations.

The "Fund Special", began in 2016 fiscal year for the purpose of projects mentioned below: In addition to "Tsukuba University Sports Association Project" and "Supported Hospital Support Project", the "Shiinmai Association Foundation", "International Student Association Foundation", "Komaba Junior High School Attached to the University of Tsukuba - The school's 70th anniversary education support fund", and "scholarship support project fund" specialized for support of students who are faced on difficulty to study due to economic reasons.

As appreciation for the supports, from the fiscal year 2015, our university started "TSUKUBA FUTURE SHIP PREMIUM" by giving products produced by our university and related products (eg milled rice, sweet potatoes, pears, Tsukuba University original Bordeaux wines) toward to the fixed certain amount of your donations.

■ Cloud Funding Business

We have started a business partnership with READYFOR CO., LTD., which is the first and largest domestic cloud funding service "Readyfor", in Japan and such a partnership between a cloud-funding operator and a national university to gain donation by utilizing cloud funding will be the first in Japan.

In the future, we will promote the use of cloud funding as a powerful tool for gaining of donation and disseminate the merits of the University of Tsukuba by developing actively in the project. We hope to lead to the formation of donation habits in our country together with more citizens.

■ 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.

The University of Tsukuba Alumni Association card website:
<http://www.smbc-card.com/nyukai/affiliate/tsukuba/index.jsp>



■ The University of Tsukuba Supporters Community

The "University of Tsukuba Supporters Community" is a social networking service (SNS) established as a place of exchange to deepen the ties of everyone related to the University of Tsukuba. You can connect with graduates and retired faculty members and staff as well as students and current teachers and staff. please use as the place to exchange opinions and information across borders and generation.

Track Record of Donation in Fiscal Year 2016

Purpose of donation	Contribution amount	Number of assets
General fund	17,206	4,060
Specific fund	218,510	4,060
University of Tsukuba Sports Association (TSA) project	5,394	206
Assisted hospital support project (including 40th anniversary fund)	19,099	90
Shihokai Association Foundation (Including transition assets from Shihokai)	113,416	1,686
International Student Association Fund (Including Transferred Assets from International Student Association)	18,078	183
Annex Komaba Middle High 70th Anniversary Fund	57,512	1,893
Scholarship support project fund	5,010	2
Total	235,716	8,120

For details of the activities of the University of Tsukuba Foundation, how to apply for donation, etc., please visit the following website of Tsukuba University Foundation
<https://futureship.sec.tsukuba.ac.jp/>



"Tsukuba University library materials purchasing project" NEXT GOAL achievement

For details of the activities of the University of Tsukuba Foundation, how to apply for donation, etc., please visit the following website of Tsukuba University Foundation

https://readyfor.jp/university_of_tsukuba



Gold Card (Left), Student Card, General Card



University of Tsukuba Supporters Community "KUTTUKbal" Image Character "Kuttus kun"

University of Tsukuba Supporters Community website

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



■ Research Related Expenses

Total expenses related to research (Research Related Expenses) are approximately 16.1 billion yen.

[Management Expenses Grants Expenses]

Expenses for research funded by Management Expenses Grants.

Expenses for research funded by Non-Subsidy Revenue.

[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	FY2016
Management Expenses Grants Expenses	2,544,957
External Funds Expenses	8,850,301
Expenses associated with assets	4,729,674
Total	16,124,932

Research Related Expenses
approx. 8.44 million yen per teacher

Including Research Related Expenses funded by
Management Expenses Grants
approx. 1.33 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 2016 : 1,910

[cf.] Figure reported in FY 2015 : approx. 9.03 million yen

■ General Administrative Expenses

General Administrative Expenses are recorded as expenses necessary for management and operations of the university. In fiscal year 2016, General Administrative Expenses were approximately 2.5 billion yen with decrease by 169 million yen from fiscal year 2015.

In addition, the ratio of General Administrative Expenses to operating expenses compared to the previous year, declined by 0.2% and became 2.7% due to efforts to improve the efficiency of University Management.

General Administrative Expenses Ratio
2.7%

= General Administrative Expenses / Operating Expenses

Breakdown of General Administrative Expenses (In thousands of yen)

Classification	FY 2015	FY 2016	Change
Consumables	167,653	153,662	▲ 13,991
Utility costs	163,555	198,950	35,395
Travel expenses	60,004	50,874	▲ 9,130
Maintenance costs	271,714	231,558	▲ 40,156
Repair costs	165,599	204,026	38,427
Non-life insurance premium	53,782	57,034	3,253
Advertising expenses	77,746	92,457	14,711
Compensation / Consignment / Commission	1,077,682	924,203	▲ 153,479
Tax and Dues	103,476	102,523	▲ 953
Depreciation Expenses	263,922	269,854	5,932
Others	234,978	185,902	▲ 49,076
Total General Administrative Expenses	2,640,111	2,471,043	▲ 169,067
Operating Expenses (cf. p. 23)	90,494,941	90,532,680	37,739
General Administrative Expenses Ratio	2.9%	2.7%	▲ 0.2%

■ Operation of Evaluation of Educational Research Organization

The content of the quantitative evaluation index, with indicating of the income and expenditure of the organization and the number of personnel, etc, provide the quantitative evaluation indicators that show the activity situation of research and education and try and examine the objective evaluation system. Based on the results of the verification, "The National University Corporation of the Tsukuba University Evaluation Rules" was established based on the relationship with the national university corporation evaluation and the full-scale evaluation of the education and research organization was carried out based on the quantitative evaluation index.

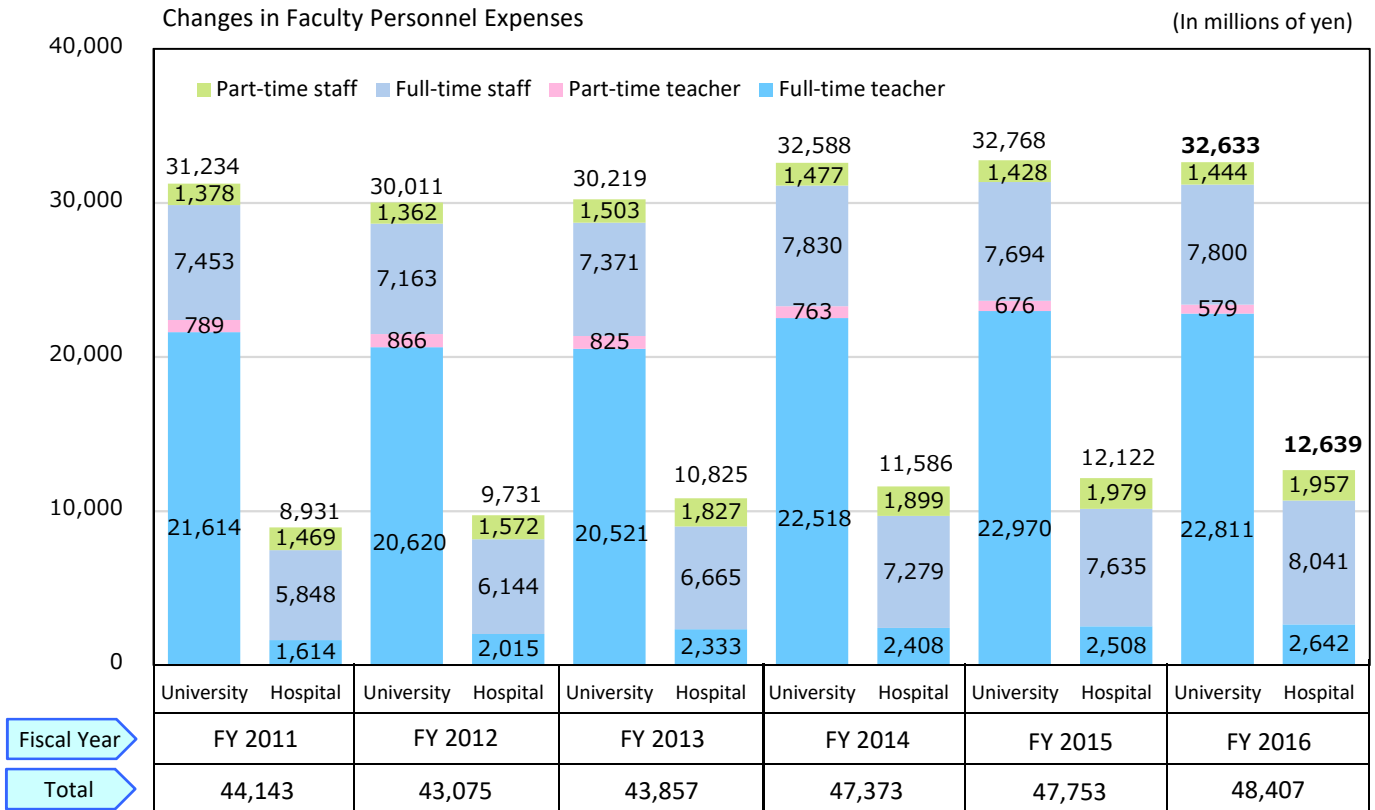
We have also decided to carry out a policy on unbalanced allocation of important and strategic expenses in connection with the full-scale practicing of organization evaluation based on quantitative evaluation indicators.

Expenses category	Item
Education field (undergraduate school)	6 items
Education field (graduate school)	8 items
Field of study	15 items

Budget Amount in
FY2017
20,000 thousand yen

Personnel Expenses

Personnel Expenses account for 51.6% of Ordinary Expenses and approximately 48.4 billion yen is paid out (including 154 million yen for personnel expenses for directors and 2,981 million yen for retirement benefits). In the university segment, personnel expenses, based on NPA recommendation due to change in the pay scale such as revision of faculty staff arrangement assignment and tackling by other efficient efforts decreased (▲129 million yen), In the hospital segment personnel expenses, based on NPA recommendation due to change in the pay scale and an increase in medical professionals such as doctors to strengthen hospital functions increased (519 million yen).



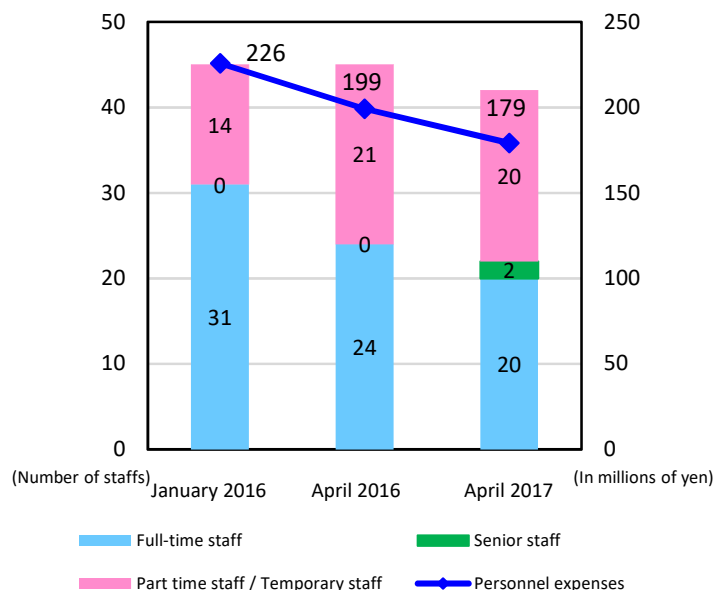
Improvement of Business Operation for Controlling Expenses

As an Improvement of Business Operation for Controlling Expenses on January 2016, the Accounting Affairs from the Support Office was integrated into the Contract Department and The University Accounting Center. Up to now, we have implemented a total of 15 business improvements, including justifying of processing methods related to the use of corporate cards and simplification of the travel expenses statement (revision of rules). As a result, by changing the full-time staff to senior staff and part-time staff during the period up to April 2017, the number of full-time staff decreased by 11 people, the total number decreased by 3 people, personnel expenses were decreased by 46.6 million yen (20.6%) compare to the previous year.

For the future, we plan to further reduce personnel expenses and improve operations by updating financial accounting system, early execution of budget and business collaboration with other departments.

※ The number of personnel and personnel expenses during the consolidation start (including the evaluation period) and personnel shift period as of April are added up. Personnel expenses are calculated using certain assumptions value.

Trends in personnel



Balance Sheet (B/S)

(In millions of yen)

Item	FY 2015	FY 2016	Change
Assets	394,395	392,714	▲1,681
Fixed Assets	374,553	370,429	▲4,124
Land	248,513	247,083	▲1,430
Buildings	90,229	89,343	▲887
Structures	5,155	5,334	178
Mechanical equipment/tools, furniture and fixtures	14,109	13,771	▲339
Books	10,091	10,162	71
Works of art and Collected items	901	908	6
Construction in Progress	1,724	87	▲1,637
Patents	198	205	6
Software	220	182	▲38
Patent in Progress	219	188	▲31
Investment in Securities	2,701	2,701	▲0
Other Fixed Assets	491	465	▲26
Current Assets	19,842	22,285	2,443
Cash and Deposits	12,792	15,798	3,006
Accounts Receivable	6,294	6,172	▲121
Marketable Securities	500	-	▲500
Drugs, Medicine and Materials for Medical Services	153	197	44
Other Current Assets	103	118	15

It decreased due to transfer the site of Namiki 3-chome employee dormitory with impairment recognition (▲1,430 million yen).

It decreased due to depreciation expenses even though it increased due to completion of the Global Village Community Station (1,959 million yen), renovation of the Medical School Building (1,280 million yen), completion of Global Sports Innovation Building (942 million yen), etc.

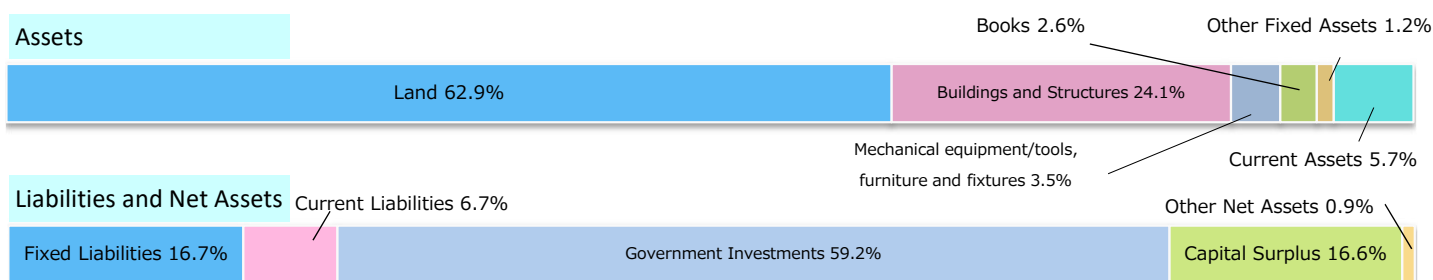
It decreased due to depreciation expenses even though it increased due to completion of BNCT equipment (652 million yen), acquisition of DNA sequencer equipment (337 million yen), etc.

It decreased due to completion of BNCT equipment (▲652 million yen), etc, completion of the renovation of the Medical School Building (▲577 million yen), etc.

It increased due to the balance carry forward from Management Expenses Grants (813 million yen), the maturity of Marketable Securities (500 million yen), Accounts Payable (211 million yen), cash flow balance (980 million yen), etc.

Financial Statements in Fiscal Year 2016

○Breakdown of Assets / Liabilities / Net Assets by composite in fiscal year 2016



(In millions of yen)

Item	FY 2015	FY 2016	Change
Liabilities	95,026	91,849	▲3,177
Fixed Liabilities	70,149	65,569	▲4,580
Per Contra Liabilities for Property Acquisition	29,004	26,766	▲2,238
Borrowings	15,216	11,415	▲3,800
Long-term PFI Liabilities	23,133	23,326	193
Other Fixed Liabilities	2,796	4,062	1,265
Current Liabilities	24,877	26,280	1,403
Management Expenses Grants Liabilities	-	813	813
Donation Liabilities	3,912	3,970	58
External Funds Liabilities	1,427	1,269	▲158
Borrowings scheduled to be repaid within one year	4,388	4,357	▲30
Short-term PFI Liabilities	1,851	1,887	35
Accounts Payable	10,142	10,500	358
Other Current Liabilities	4,207	3,485	▲723
Net Assets	299,369	300,865	1,496
Government Investment	232,358	232,358	-
Capital Surplus	64,141	64,999	858
Reserve Funds Carried Forward from Previous Mid-Term Plan Period	1,902	2,646	744
Reserve	995	-	▲995
Unappropriated retained earnings (or Undisposed loss) at the end of the term	▲27	863	889

It decreased due to Depreciation Expenses, etc.

It decreased due to Redemption of PFI Liabilities for the University Hospital redevelopment Project (▲1,642 million yen) and PFI obligation of the Laboratory Animal Resource Center (▲209 million yen) but it increased due to completion of Global Residence Development Project with new PFI debt (2,080 million yen).

The previous fiscal year is the final year of the midterm plan is 0 yen due to the Debt Settlement. Major Brought forward increased due to the expenses for promoting the introduction of annual salary scheme (37 million yen), expenses for operation business achievement standard project etc. (776 million yen).

It decreased due to the ERATO project (▲146 million yen), etc.

It is decreased due to New long-term borrowings with the Global Residence Development Project (557 million yen), borrowings for purchasing land (▲3,963 million yen), Borrowings for the Global Residence Development Project (▲28 million yen) and borrowings from the National Institution for Academic Degrees and Quality Enhancement of Higher Education (▲397 million yen) as a result of regular repayment.

It increased due to Retirement benefits payment (329 million yen), etc.

It increased due to repayment of borrowings related to land purchase (3,963 million yen), and Fixed Assets Gain (3,312 million yen), etc.

It increased due to transfer from reserve (995 million yen) with accounting processing for the final year of the medium-term plan.

Financial Statements in Fiscal Year 2016

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 2015	FY 2016	Change
Ordinary Expenses	94,022	93,742	▲280
Operating Expenses	90,495	90,533	38
Education Expenses	6,561	6,477	▲84
Research Expenses	7,524	6,846	▲678
Medical Service Expenses	20,032	19,818	▲214
Education and Research Support Expenses	2,357	2,343	▲15
Sponsored Research Expenses	5,059	4,261	▲799
Cooperative Research Expenses	881	1,085	204
Sponsored Operations Expenses, etc.	1,209	1,296	87
Personnel Expenses	47,753	48,407	654
General Administrative Expenses	2,640	2,471	▲169
Financial Expenses	802	677	▲125
Miscellaneous Loss	84	61	▲23
Extraordinary Loss	195	56	▲139
Gross Income (Loss)	▲27	863	889

It decreased due to Repair expenses preceding fiscal year for renovation of building (4A building, the Humanities and Social Sciences building, etc.) (▲87 million yen) .

Based on the previous year recorded It decreased due to building renovation of Natural Sciences Building (Bldg.B), and relocation expenses of Institute for Integrative Sleep Medicine building etc.(▲255 million yen) and research expenses of subsidies for High-Performance General-Purpose Computing Advanced Project, etc.(▲315 million yen).

It increased due to Pharmaceuticals costs required for securing income by running advanced Acute medical care(485 million yen) and decreased due to Depreciation Expenses(▲509 million), and utility expenses for water, heat and electricity(▲ 109 million yen).

It increased due to cooperative research acceptance by base research for the advanced accessible society (128 million yen) and also increased due to joint clinical research with the raising of clinical research (53 million yen).

It increased due to acceptance of Tsukuba Innovation-Ecosystem Building Construction (63 million yen).

In the university segment, personnel expenses, based on NPA recommendation due to change in the pay scale such as revision of faculty staff arrangement assignment and tackling by other efficient efforts decreased (▲129 million yen), In the hospital segment personnel expenses, based on NPA recommendation due to change in the pay scale and an increase in medical professionals such as doctors to strengthen hospital functions increased (519 million yen). Personnel expenses increased 654 million yen compared to fiscal year 2016 due to Retirement benefits increased 264 million yen.

What is the difference between Income and Revenue?

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

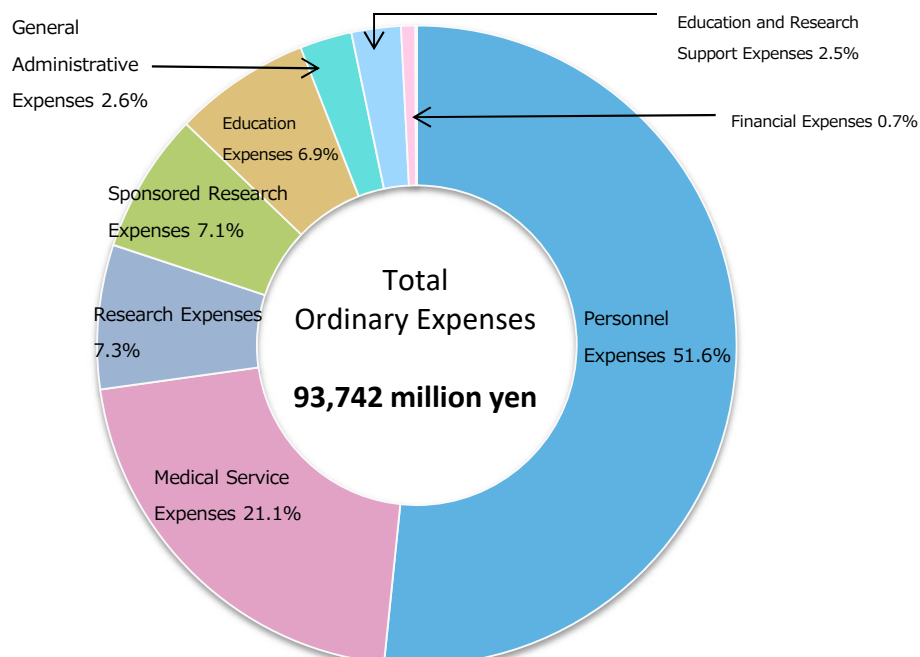
Income that is not Revenue
(ex) accrued income such as interest

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

○ Breakdown of Ordinary Income and Expenses by composite in fiscal year 2016





(In millions of yen)

Item	FY 2015	FY 2016	Change
Ordinary Income	93,732	94,404	672
Management Expenses Grants Income	37,108	35,927	▲1,181
Student Fee Income	8,547	9,470	922
University Hospital Income	29,410	30,544	1,135
Sponsored Research / Cooperative Research Income	5,734	6,105	371
Sponsored Operations Income	1,281	1,406	126
Facilities Expenses Grants Income	355	392	37
Subsidy Income	2,779	2,143	▲636
Donation Income	2,036	2,053	16
Reversal of Per Contra Liabilities for Property Acquisition	3,888	3,642	▲247
Financial Income	48	34	▲14
Miscellaneous Gains	2,545	2,688	143
Extraordinary Profit	458	47	▲411
Reduction of Appropriated Surplus	-	-	-
Reduction of Reserve Funds Carried Forward from Previous Mid-Term Plan Period	-	209	209

It decreased to for the following fiscal year (▲813 million yen) and due to transfer expenses such as building renovation recorded in the previous fiscal year (▲240 million yen), etc.

It decreased due to tuition fee obligations (73 million yen) and decrease in assets gain due to tuition fee resources (▲849 million yen).

It increased due to the development of advanced Acute Medical Care (1,135 million yen).

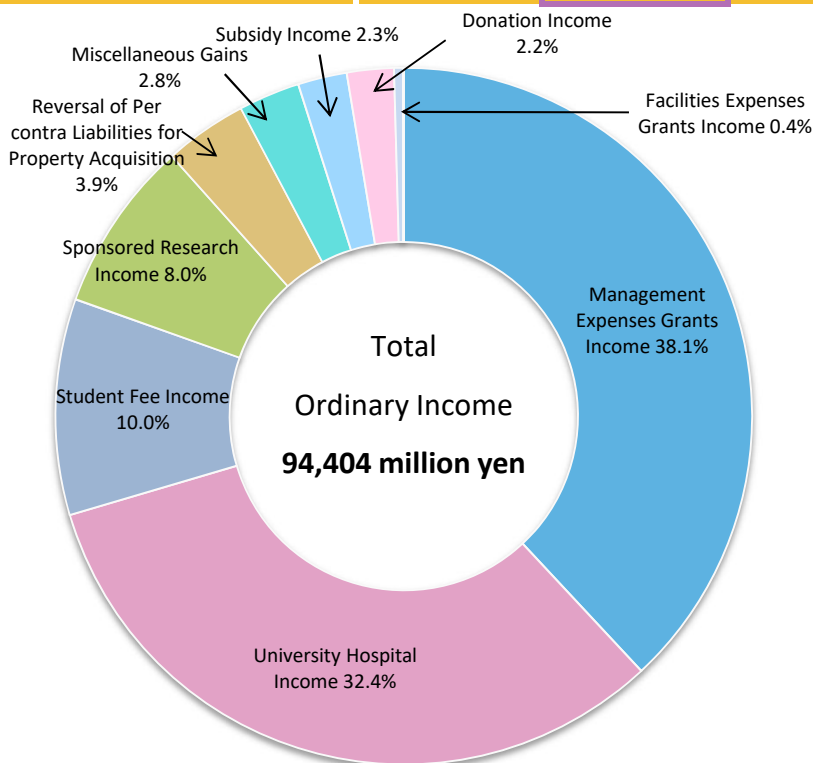
It increased due to cooperative research acceptance by base research for the advanced accessible society (128 million yen) and also increased due to joint clinical research with the raising of clinical research (53 million yen).

It increased due to acceptance of Tsukuba Innovation-Ecosystem Building Contract (63 million yen).

It decreased due to research expenses of subsidies for High-Performance General-Purpose Computing Advanced Project (▲398 million yen).

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

It increased due to retirement expenses (158 million yen) and promotion cost for introducing annual salary system (51 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 2015	FY 2016	Change
I Cash Flow from Operating Activities	13,184	13,125	▲59
Education/Research Operation Expenditures	▲15,520	▲14,726	794
Medical Service Operation Expenditures	▲15,295	▲16,752	▲1,457
Expenditures of Personnel Expenses	▲49,201	▲49,526	▲325
Other Operating Expenditures	▲2,594	▲2,890	▲296
Management Expenses Grants Revenue	41,040	40,875	▲165
Student Fee Revenue	9,236	9,277	42
University Hospital Revenue	29,279	30,516	1,237
Sponsored Research/Operations Revenue	8,398	7,981	▲417
Subsidy Revenue	3,237	2,876	▲361
Donation Revenue	2,112	2,440	327
Other Operating Revenue	2,451	2,714	263
Changes in Deposits Payable	42	355	313
Amount Paid to National Treasury	-	▲15	▲15
II Cash Flow from Investing Activities	▲6,740	▲6,264	477
Expenditures from Acquisition of Marketable Securities	▲5,600	-	5,600
Revenue from Sale of Marketable Securities	5,600	500	▲5,100
Expenditures from Acquisition of Tangible/Intangible Fixed Assets	▲10,498	▲5,276	5,222
Revenue from Sales of Tangible/Intangible Fixed Assets	-	-	-
Expenditures from Deposit of Time Deposits	▲49,500	▲42,000	7,500
Revenue from Refund of Time Deposits	50,200	38,100	▲12,100
Revenue from Facility Expenses	3,127	2,374	▲753
Expenditures of payment of the National Institution for Academic Degrees and Quality Enhancement of Higher Education	-	-	-
Expenditures from Fulfillment of Asset Retirement Obligations	▲118	-	118
Other Investing Revenue and Expenditures	▲0	0	0
Interests and Dividends Received	48	38	▲11
III Cash Flow from Financing Activities	▲7,656	▲7,750	▲94
Expenditures for Repayment of Lease Liabilities	▲1,130	▲1,156	▲26
Expenditures for Repayment of the National Institution for Academic Degrees and Quality Enhancement of Higher Education	▲401	▲375	26
Revenue and Expenditures for Repayment of Long-term Borrowings	▲3,249	▲3,456	▲206
Other Financing Expenditures	▲1,991	▲1,998	▲7
Interest Paid	▲885	▲765	120
IV Differences from Currency Conversion of Funds	2	▲6	▲8
V Changes in Funds	▲1,210	▲894	315
VI Initial Balance	9,502	8,292	▲1,210
VII Closing Balance	8,292	7,398	▲894

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 2015	FY 2016	Change
I Operating Expenses	44,309	41,158	▲3,151
1) Expenses in Profit and Loss Statement	94,217	93,798	▲419
Operating Expenses	90,495	90,533	38
General Administrative Expenses	2,640	2,471	▲169
Financial Expenses	802	677	▲125
Miscellaneous Expenses	84	61	▲23
Extraordinary Loss	195	56	▲139
2) (Deduction) Non-Subsidy Revenue	▲49,908	▲52,639	▲2,731
Student Fee Income	▲6,867	▲7,752	▲885
Admission Fee Income	▲1,374	▲1,394	▲20
Examination Fee Income	▲307	▲324	▲17
University Hospital Income	▲29,410	▲30,544	▲1,135
Sponsored Research Income	▲5,734	▲6,105	▲371
Sponsored Operations Income	▲1,281	▲1,406	▲126
Donation Income	▲2,036	▲2,053	▲16
Reversal of Management Expenses Grants Per Contra Liabilities for Property Acquisition (Student Fee)	▲635	▲663	▲28
Reversal of Donations Per Contra Liabilities for Property Acquisition	▲578	▲621	▲42
Financial Income	▲48	▲34	14
Miscellaneous Gains	▲1,624	▲1,719	▲95
Extraordinary Income	▲14	▲25	▲11
II Depreciation Amount not Included in P/L	4,987	4,904	▲83
III Impairment Loss Amount not Included in P/L	83	1,563	1,479
IV Interest Expense Equivalent Amount not Included in P/L	▲25	2	26
V Sales or Disposal Amount not Included in P/L	▲89	7	97
VI Estimated Amount of Increase in Unreserved Bonus	4	▲4	▲9
VII Estimated Amount of Increase in Unreserved Retirement Benefit	▲1,281	▲560	720
VIII Opportunity Cost	38	208	169
Opportunity cost of debt-credit transactions of decreased or free-of-charge usage fees from the national government or local public authorities	38	17	▲22
Opportunity cost of government investment	-	191	191
IX National University Corporation Business Operation Cost	48,027	47,277	▲750

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.

Financial Statements in Fiscal Year 2016

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.

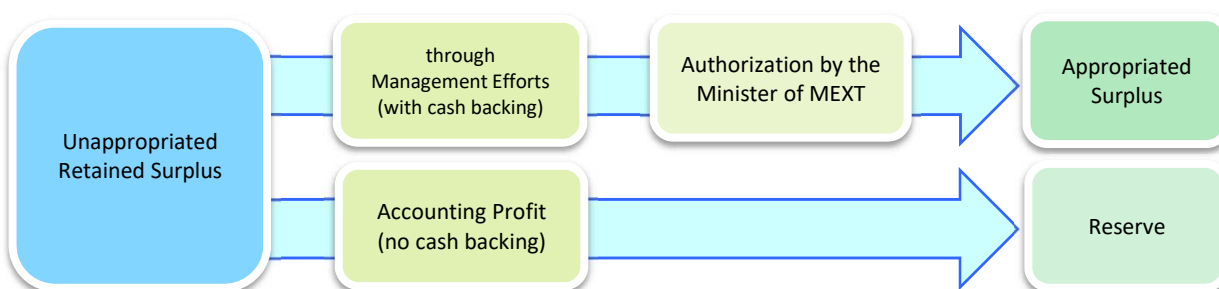
Statement on Appropriation of Retained Surplus or Disposition of Loss

(In millions of yen)

Items	FY 2015	FY 2016	Change	Outline
I Unappropriated Retained Surplus (or Undisposed Loss) at the end of the term	▲27	863	889	
Gross Profit (Loss)	▲27	863	889	
II Retained Surplus Appropriation (Loss Disposition)	▲27	863	889	
Appropriated Surplus	-	863	863	Amount to be requested for approval by the Minister of MEXT under the National University Corporations Law Article 35, which provides for the mutatis mutandis application of the Act on the General Rules for Incorporated Administrative Agencies Article 44, Paragraph 3 (This amount, with cash backing, may be carried forward to the next fiscal year upon receiving authorization of management efforts and making the use of the fund clear.)
Reduction of Reserve Funds Carried Forward from Previous Mid-Term Plan Period	▲27	-	27	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.

Financial Statements in Fiscal Year 2016

○Flow of Appropriation of Earned Surplus



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	40,726	41,186	461	It increased due to additional allocation, etc.
Facilities Maintenance Grants	2,419	2,632	213	It decreased due to receive additional issues.
Subsidy Revenue	2,168	2,333	165	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	114	141	27	
Non-Subsidy Revenue	39,932	41,437	1,505	
Revenue from Tuitions, Admission and Examination Fee	9,190	9,284	95	It increased due to running highly advanced and acute stage medical care.
University Hospital Revenue	29,280	30,516	1,236	
Revenue from appropriation of property	-	-	-	
Other Miscellaneous Revenue	1,463	1,637	174	
Revenue from Industry-Academia Collaboration Research and Donations	10,636	12,636	2,000	It increased due to efforts to gain Funds.
Reduction of Reserve Allowance	538	581	43	
Revenue for Repayment of Long-term Borrowings	598	557	▲41	
Loan Collection Money	-	2	2	
Appropriated Surplus	-	209	209	
Total	97,130	101,715	4,585	

○Expenditures

Classification	Budget	Actual	(In millions of yen)	
			Difference (Actual - Budget)	
Operating Expenses	74,566	74,083	▲483	Medical Expenses increased, along with increase in Medical Operations, the expenditure of Operation Expenses decreased due to the reduction in Educational Research Expenses along with the carry over of projects to be continued in the following fiscal year.
Education and Research Expenses	46,453	45,521	▲932	
Medical Service Expenses	28,113	28,563	450	
Facility Maintenance Expenses	4,985	5,184	199	The amount of expenditures increased due to increase in income amount of Facilities Maintenance Grants.
Subsidies	2,168	2,333	165	
Expenditures for Industry-Academia Collaboration Research and Donation Projects	10,636	10,554	▲82	The amount of expenditures decreased due to decreasing the balance brought forward the projects to be continued in the following fiscal year.
Loan	-	3	3	
Redemption of Long-term Borrowings	4,776	4,768	▲8	
Total	97,130	96,925	▲205	

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

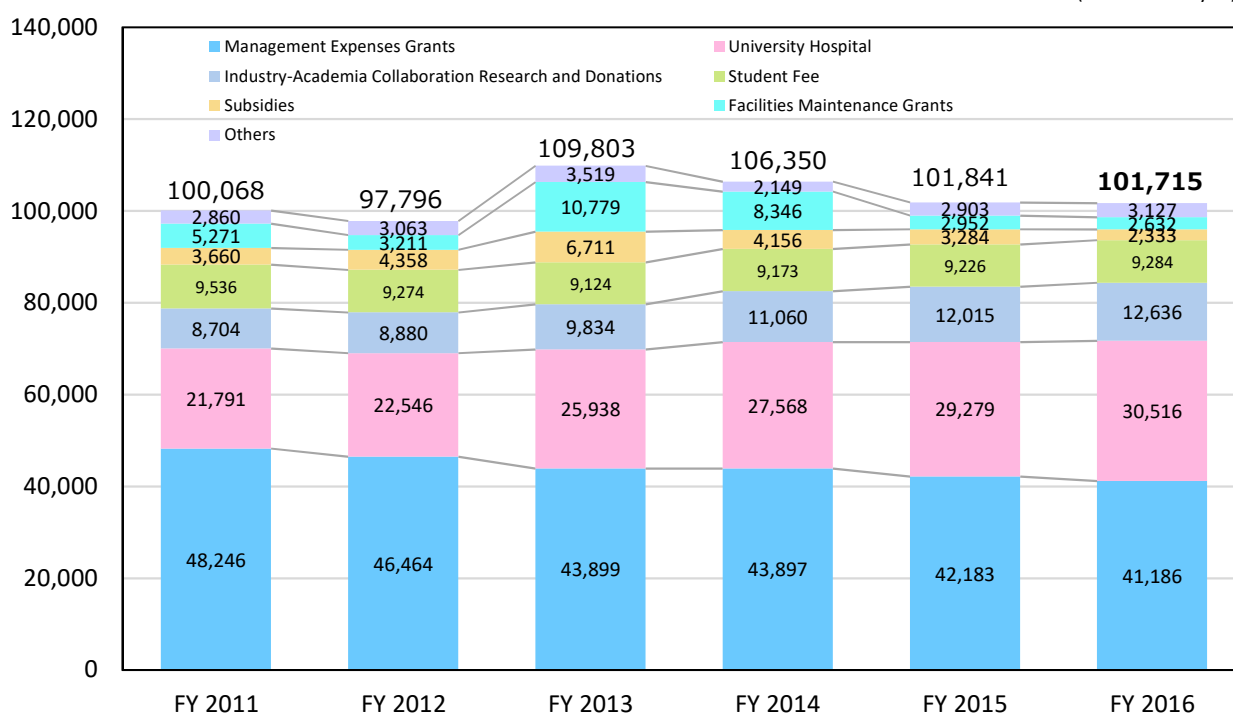
The revenue of our university consists of Management Expenses Grants and Facilities Maintenance Grants, which are provided by the national government, Subsidies, external funds such as Industry-Academia Collaboration Research and Donations, Non-Subsidy Revenue such as Student Fee and University Hospital Revenue, and etc. Our Revenues from The University Hospital and Industry-Academia Collaboration, also Revenues from donations increased, but due to a decrease in Management Expenses Grants, in general have been decreasing compare to the previous fiscal year.

Our Expenditure have also been increasing consists of Educational Research Expenses, Medical Care Expenses, Industry-Academia Collaboration Expenses, donation project expenses, etc.

While Management Expenses Grants are being reduced, it is essential to compensate for financial shortages by acquiring Non-subsidy Revenues and External Funds.

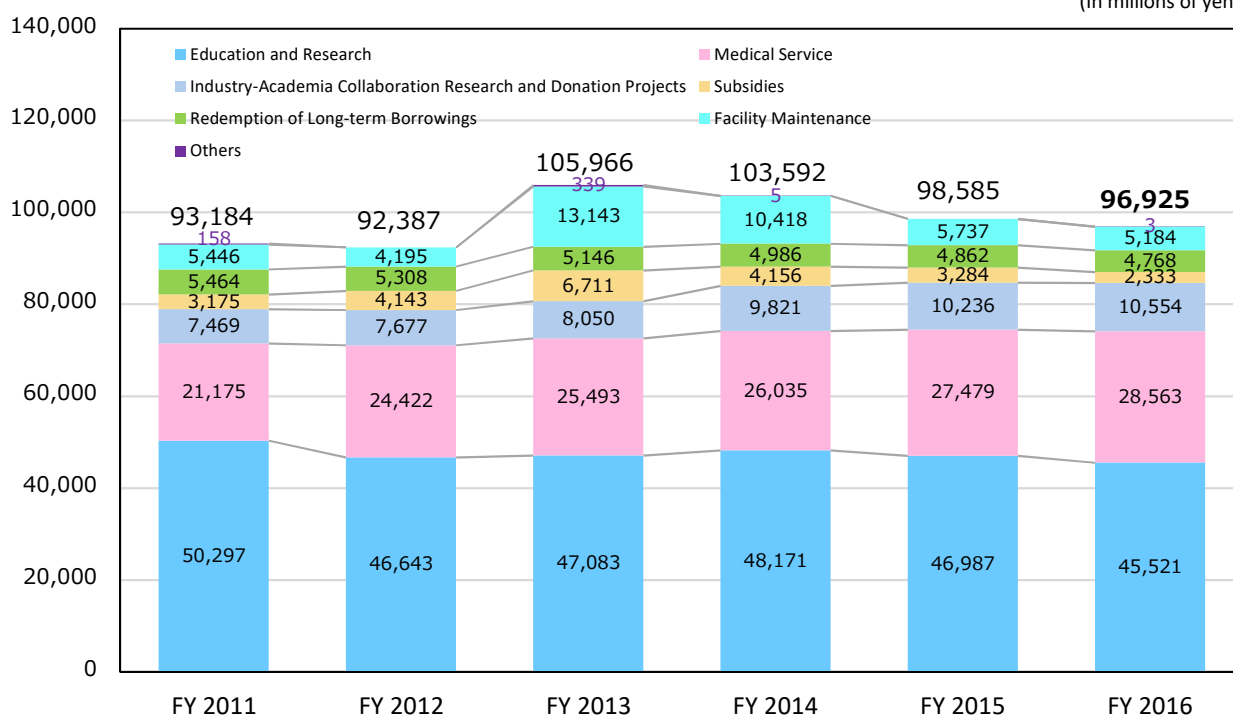
○ Revenue

(In millions of yen)



○ Expenditures

(In millions of yen)



Factors of Total Loss at the End of the Term

Gross Profit of our university in fiscal year 2016 was 863 million yen (▲107 million yen for our university and 970 million yen for the university Hospital). It was caused by following matters.

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

1) Impact of expenses recorded in Global Residence Development Project (PFI and borrowings) (▲ 107 million yen).

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

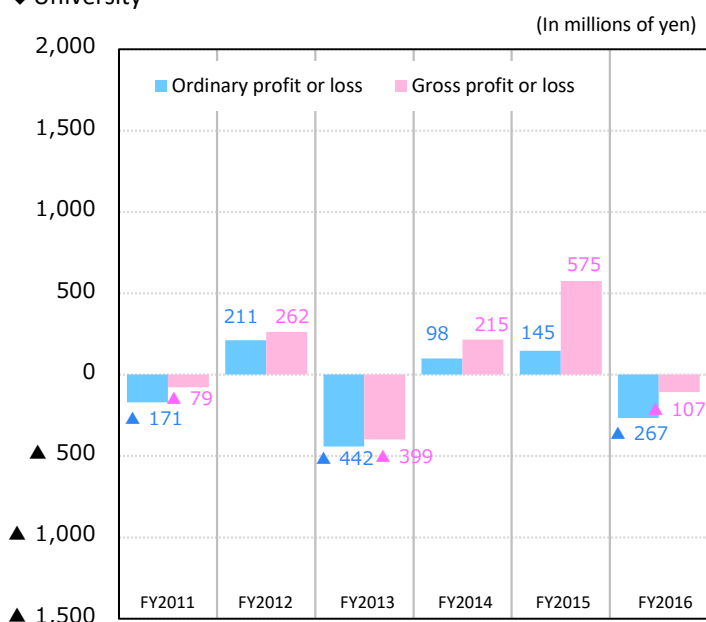
1) Revenue balance difference due to the increased profit in the number of surgical operations and cost reduction etc. (624 million yen).

2) The impact of depreciation expenses in the fixed assets at The University Hospital (346 million yen).

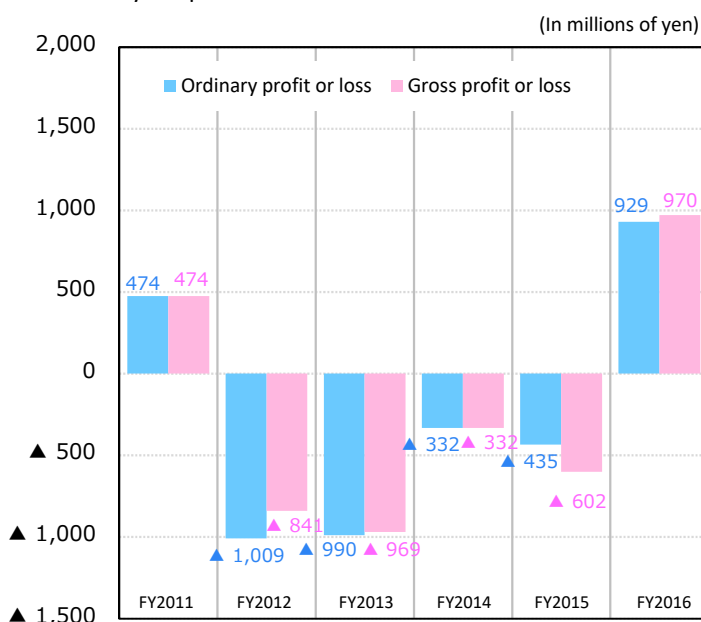
Gross Profit (Loss) in Fiscal Year 2016 (In millions of yen)

Classification	University	University hospital	Total
Ordinary Expenses	▲ 58,965	▲ 34,777	▲ 93,742
Ordinary Income	58,698	35,706	94,404
Extraordinary Profit and Loss	▲ 7	▲ 2	▲ 9
Mid-term target period reversal of carry-forward reserve amount	167	43	210
Gross Income(Loss)	▲ 107	970	863

◆ University

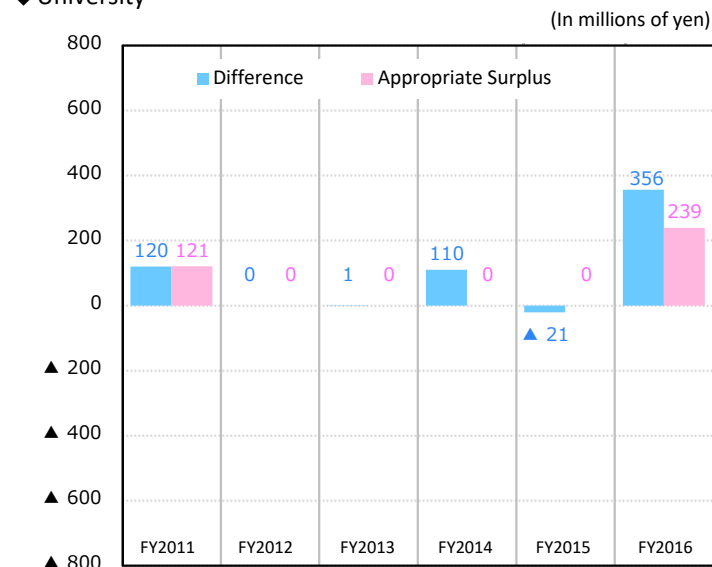


◆ University hospital

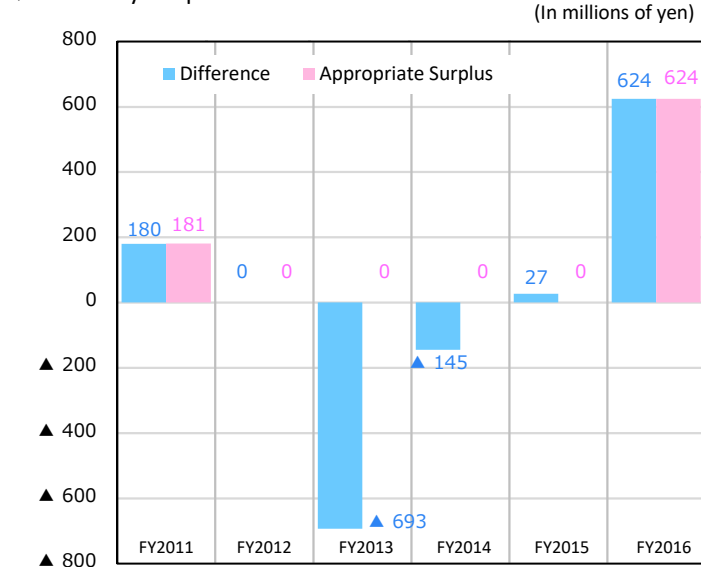


Changes in Revenue and Expenditures

◆ University



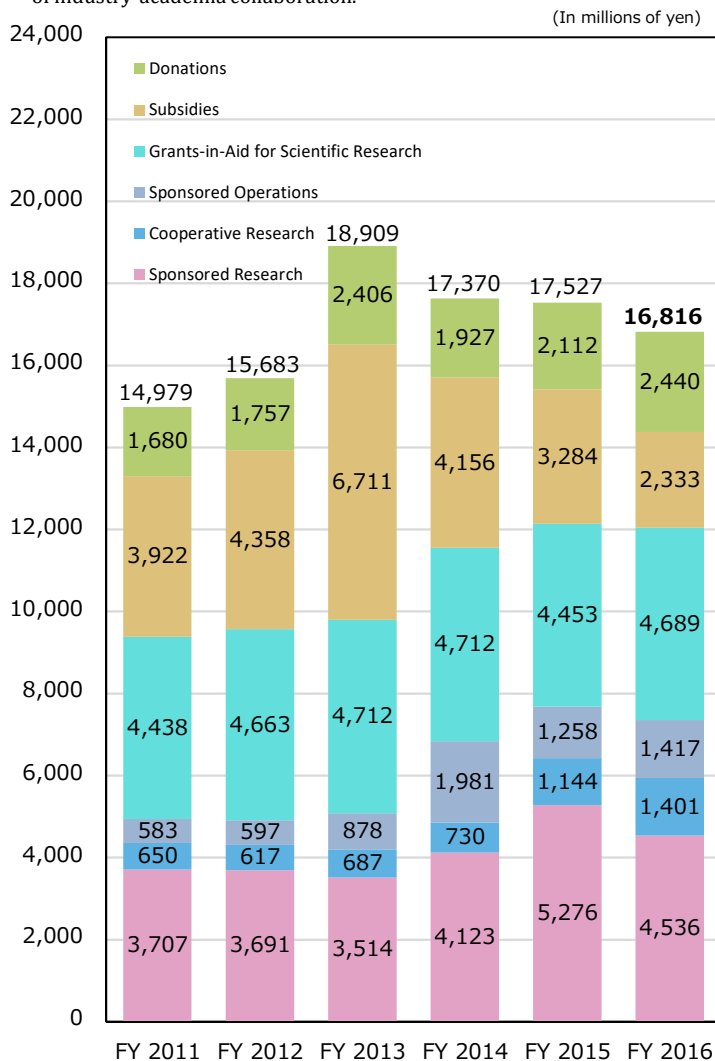
◆ University hospital



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 2016, they increased by increasing revenue of include endowed courses.

- Mito Clinical Education and Training Center operations : 1 305 million yen
- Ibaraki Prefecture Endowed Course on Regional Medical System Pedagogy : 1 191 million yen

* Only main projects are mentioned in tables

【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 : 4 716 million yen
- Subsidies of the Project for Promoting International Core for Research (WPI) : 1 517 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 : 2,101 4,607 million yen
- Health and Labor Sciences Research Grants : 35 75 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 2016, they increased by adoption of large-scale program.

- High Performance Support Project : 1 698million yen
- Sports Academy forming support project : 1 368 million yen

* Only main projects are mentioned in tables.

On the use of indirect expenses accepted by external funds

The indirect expenses of competitive funds were determined to introduce in the Basic Science and efficiently Technology Plan (Decided by the Cabinet in March 2001) ", by taking account of the need for covering the necessary expenses for the management of research institutions accompanying the implementation of research in order to utilize competitive funds more effectively and efficiently. Then with regard to the purpose, amount, usage, execution method and etc. of indirect expenses, the " A common guideline concerning the execution of indirect expenses of competitive funds (Application for Affiliated Office of Liaison Meeting on Competitive Funds Revised May, 2013) ", the common matters of each ministry, was established. The purpose of introducing indirect expenses is to promote competition among research institutions and improve the quality of research by utilizing them for the improvement of the research and development environment of researchers who acquired competitive funds and the functions of the whole research institutions.

Based on the above purpose of introducing indirect expenses, our university uses them efficiently and flexibly to improve the functions of our university and the research environment of researchers.

Main use of indirect expenses

- Operating expenses for large scale computer (supercomputer)
- Electronic journal introduction expenses
- Electricity, light, heating and water utilities fee

■ Donations

We have established four new foundation projects in the fiscal year 2016(Shihokai Foundation, International Student Committee, etc.).

In addition, the total amount of donation received from Endowed Courses increased compare to the previous fiscal year from donation programs within the Ibaraki prefecture regional medical system lecturer, Hitachinaka Society Collaborative Education Research Center and Hitachi society collaborative education research center management, etc.

*Excludes gifts-in-kind.

*The number of donations received is the total.

*Acceptance results is classified by type of deposit.

Donation Liabilities in Fiscal Year 2016

(In thousands of yen)

Classification	Initial balance	Number	Increase	Decrease	Closing balance
Donations	3,276,951	857	1,298,790	1,585,515	2,990,227
Endowed courses	574,989	16	904,209	818,117	661,081
Funds	252,013	8,129	236,862	74,389	414,486
Total	4,103,954	9,002	2,439,861	2,478,021	4,065,794

■ Sponsored Research, Cooperative Research, Sponsored Operations

In fiscal year 2016, the revenue of sponsored research and cooperative research increased compared to the previous fiscal year 2015.

Although the revenue of sponsored research has a tendency for increase year by year, but Due to the large amount of receipts from starting the multi-support strategic project(renamed to high performance support project from FY2016),JST Strategic Basic Research Programs (ERATO NOMURA Microbial Community Control Project) etc, the amount of receipts decreased compared to the 2015 fiscal year.

* The number of receipts is the number of projects that accepted the obligation.

Sponsored Research, Cooperative Research, Sponsored Operations Liabilities in Fiscal Year 2016

(In thousands of yen)

Classification	Initial balance	Number	Increase	Decrease	Closing balance
Sponsored Research	900,014	442	4,535,913	4,911,037	524,891
Cooperative Research	411,422	355	1,401,205	1,194,237	618,390
Sponsored Operations	115,960	227	1,416,520	1,406,422	126,058
Total	1,427,396	1,024	7,353,638	7,511,696	1,269,339

■ Grants-in-Aid for Scientific Research

In fiscal year 2016, the amount received for new academic area studies and Fundamental Research Project(S) Scientific Research and Grants-in-Aid for Young Scientists project (A),Young Scientists Researches (B) in the large-scale research disciplines of Grant-in-Aid increased compared to fiscal year 2015.

Also, we are promoting the increase of the application rate as a goal of Grant-in-Aid for Scientific Research year by year.

We also exceeded the previous fiscal year's total amount of acceptance of Grant-in-Aid for Scientific Research and other expenses.

*Includes amounts received as expenses shared.

Grants-in-Aid for Scientific Research Deposited in Fiscal Year 2016

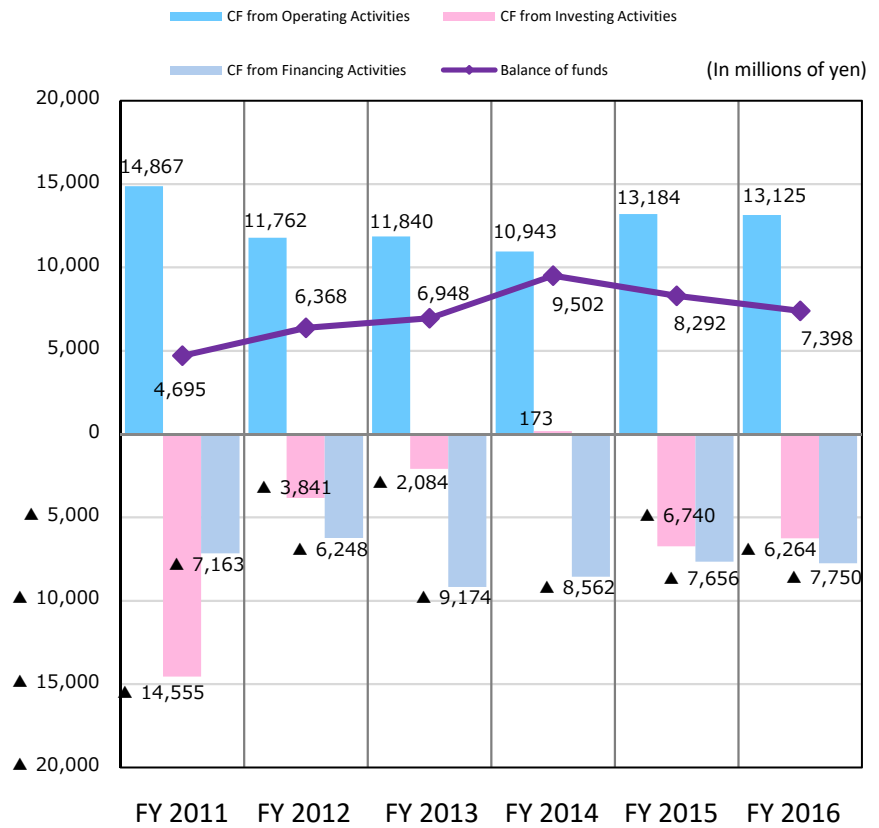
(In thousands of yen)

Classification	Initial balance	Number	Increase		Decrease		Closing balance
			Direct expenses	Indirect expense	Direct expenses	Indirect expenses	
Grants-in-Aid for Scientific Research (Kakenhi)	-	804	2,447,157	-	2,447,157	-	-
Multi-year Fund-based Grants-in-Aid (Multi-year Fund)	214,949	1,120	1,076,697	-	1,004,693	-	307,834
Kakenhi (Multi-year Fund in part)	103,247	177	271,220	-	307,377	-	56,121
Health and Labor Sciences Research Grants	-	35	81,976	-	81,976	-	-
Grants for Industrial Technology Research	-	2	1,620	-	1,620	-	-
Leading-edge Research Promotion Fund (Multi-year Fund)	-	1	0	-	0	-	-
			68,343	-	68,343	-	-
			20,307	-	20,307	-	-
Total	318,195	2,139	3,947,013	1,118,114	3,911,165	1,108,202	363,955

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.

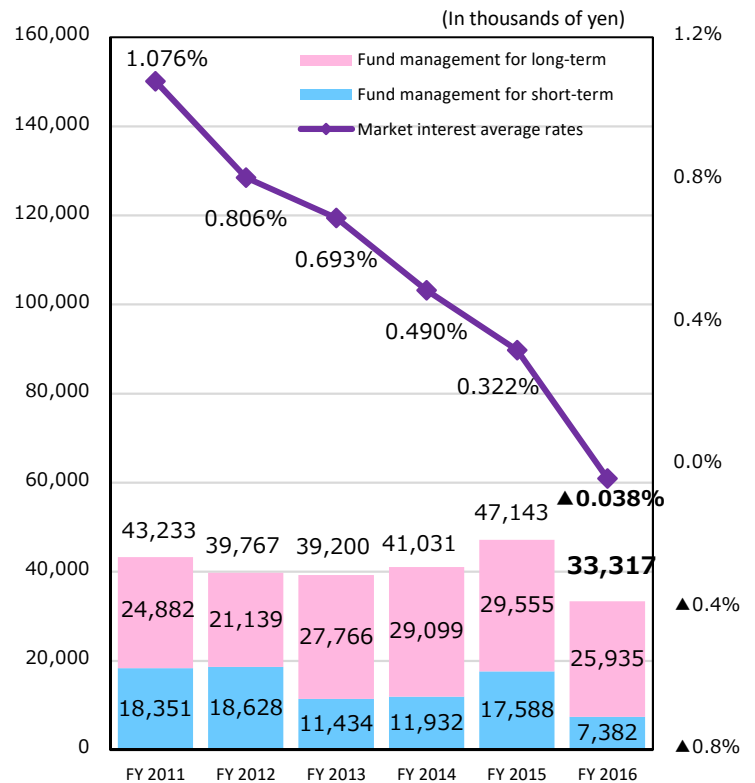
In the fiscal year 2016, "Cash Flow from Operating Activities," which shows the flow of funds for education and research activities, increased by 13,125 million yen, which was almost the same as in the previous fiscal year 2015 due to increasing University Hospital revenue. "Cash Flow from Investing Activities," which shows purchase and sales of marketable securities, such as government bonds and certificates of deposit, and tangible fixed assets, decreased by 477 million yen compared to the fiscal year 2015 due to the decrease in revenues from the redemption of Marketable Securities. On the other hand, "Cash Flow from Financing Activities," which shows the situation of procurement and repayment of funds was 7,750 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 the fiscal year 2016, low-interest rates continued throughout the year due to the Negative Interest Rate policy of the BOJ, so the operation profit of short-term Management greatly decreased by 10,000 thousand yen compared to the previous fiscal year. Total Management Income altogether Short-term Management and long-term Management also decreased by 13,800 thousand yen from the previous year to 33,317 thousand yen. In addition, the Management Profit as a part of aiming further to promote internationalization of the university is applied to the student scholarship (Tsukuba Scholarship).

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



On Fixed Assets

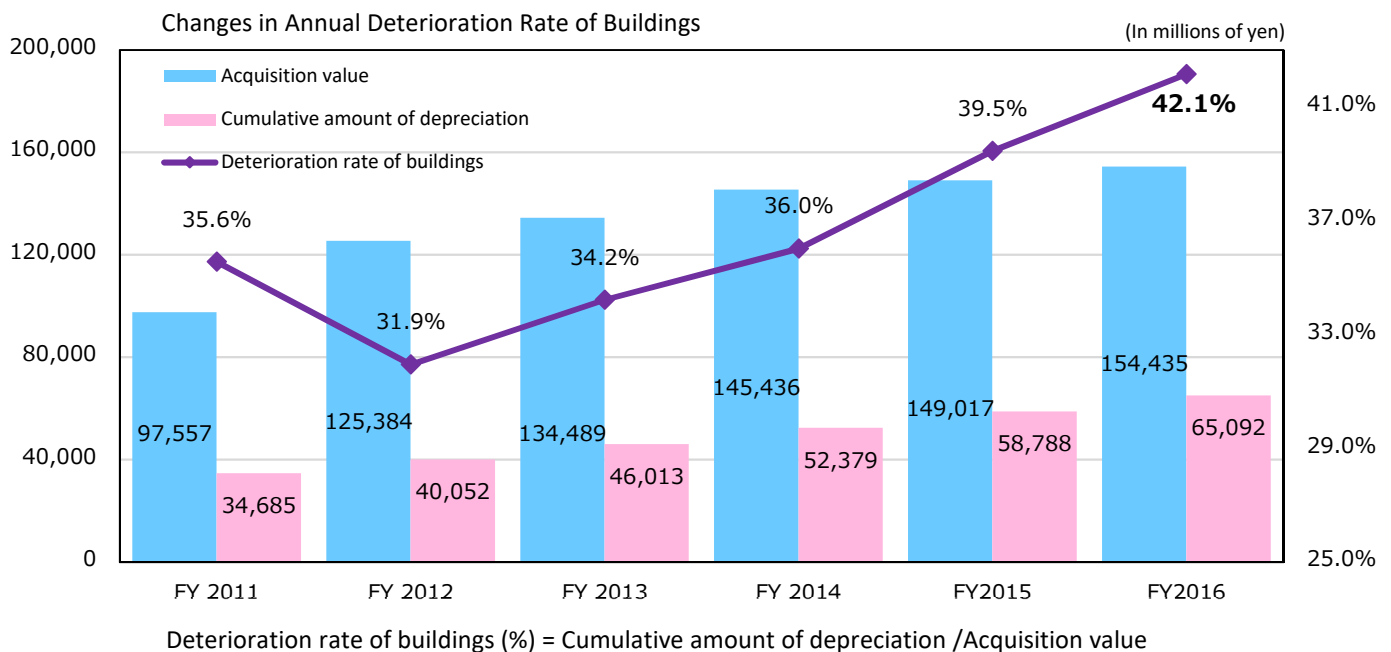
Deterioration Rate of Buildings

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 2016.

Assets which mainly increased are following: Research assets due to completion of building for the International institute for Integrative Sleep Medicine (IIS) 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.

