



The University of Tsukuba Fiscal Year 2017 Financial Management Report



筑波大学
University of Tsukuba

Message from the President



President of the University of Tsukuba

Kyosuke Nagata

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.

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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 2017.
You can download this report.

[http://www.tsukuba.ac.jp/
public/misc/info_zaimu29.html](http://www.tsukuba.ac.jp/public/misc/info_zaimu29.html)



Outline of the University of Tsukuba

Basic Targets for FY2017 during Third Mid-term Goals

The university under "the new concept comprehensive university" was established in October 1973 on the history and tradition of forerunner was School, Tokyo University of Education that It was one of the oldest universities in Japan and as a University that was founded on both Domestically and Internationally philosophy, we have led the way of University within the country so far.

In the 3rd Medium Term Target Period under The philosophy of human resource development rooted in our university is expressed with the phrase "shikon risai", and In order to enhance and strengthen the functions as a base for global research and education, which is responsible for creating knowledge to solve global issues. So, we set a goal centered on the development of research education etc. through trans-border collaboration across various "walls" such as systems borders and institutions. In FY2017, as the second year of the 3rd Mid-term target period and crossing over of expectations in the exceeding social changes and regarding creation and succession of knowledge, that is, research and human resource development to succeed it. We implemented measures related to the improvement of the quality of research education and development and efficiency of business management with a keen sense of prospects for the future, in each field ranging from research and education to business management.



Basic Data (as of May 1st, 2017)

Number of students	Number of students (7th) 16,778	Undergraduate Students (12th) 9,944	Graduate Student (6th) 6,834	Affiliated School Students 4,163
Faculty Staff Members	Faculty Staff Members 4,424	Board of Directors 11	Faculty Members 2,419	Staff Members 1,994
International Exchange	International Faculty Staff Members 137	International Students (2th) 2,426	International Exchange Agreements 341 / 65 Countries. Areas	
Organizations	Undergraduate. Graduate area .etc. 9 Undergraduate. 8 Graduate area		Overseas Base 12 Countries. Areas, 13 places	
	Site Area (8th) 12,746,920㎡(Excluding affiliated schools)		Building Site Area (6th) 985,157㎡(Excluding staff accommodation Area)	
Number of Prize-winners	Nobel Laureates (3person) 3 Dr. Sin-Itiro Tomonaga(The Nobel Prize in Physics 1965) Dr. Leo Esaki(The Nobel Prize in Physics 1973) Dr. Hideki Shirakawa(The Nobel Prize in Chemistry 2000)		Olympic · Paralympic Medals	
			Olympic 19 16 21	Paralympic 14 22 18

The brackets indicate the ranking within the National University Corporations.

For detailed information, please see the following Website,2017-2018 fiscal year outline of the University of Tsukuba.

<http://www.tsukuba.ac.jp/public/booklets/overview.html>



Financial Highlights for Fiscal Year 2017

Summary of B/S

Details are reported on page 23

Item	FY2015	FY2016	Change
(In millions of yen)			
Assets	392,714	386,089	▲ 6,625
Land	247,083	246,463	▲ 620
Buildings	94,677	89,546	▲ 5,130
Tools, Furniture and Fixtures	13,771	10,975	▲ 2,795
Vessels	130	96	▲ 34
Construction in Progress	87	642	554
Investment in Securities	2,701	2,701	▲ 0
Cash and Deposits	15,798	16,983	1,185
Accounts Receivable	6,172	6,185	12
Marketable Securities	-	-	-
Liabilities	91,849	84,750	▲ 7,099
Per Contra Liabilities for Property Acquisition	26,766	25,920	▲ 846
Borrowings	15,773	11,415	▲ 4,357
Management Expenses Grants Liabilities	813	2,098	1,286
Donation Liabilities	4,066	4,401	335
PFI Liabilities	25,212	24,330	▲ 883
Accounts Payable	10,616	8,873	▲ 1,743
Reserve Allowance	1,267	1,233	▲ 35
Net Assets	300,865	301,339	474
Government Investment	232,358	231,333	▲ 1,025
Capital Surplus	64,999	65,515	516
Reserve Funds Carried Forward from Previous Mid-Term Plan Period	2,646	3,419	774
Unappropriated Retained Surplus (or Undisposed Loss) at the end of the term	863	1,072	209

* Only main items are mentioned

Summary of P/L

Details are reported on page 25

Item	FY2015	FY2016	Change
(In millions of yen)			
Ordinary expenses	93,742	94,143	401
Education Expenses	6,477	6,743	266
Research Expenses	6,846	6,771	▲ 75
Medical Service Expenses	19,818	20,689	871
Education and Research Support Expenses	2,343	2,193	▲ 149
Sponsored Research Expenses	4,261	3,568	▲ 693
Cooperative Research Expenses	1,085	1,126	42
Sponsored Operations Expenses	1,296	1,233	▲ 63
Personnel Expenses	48,407	48,628	220
General Administrative Expenses	2,471	2,586	115
Ordinary Income	94,404	95,156	752
Management Expenses Grants Income	35,927	35,333	▲ 595
Student Fee Income	9,470	9,681	211
University Hospital Income	30,544	32,475	1,931
Sponsored Research Income	4,911	4,156	▲ 755
Cooperative Research Income	1,194	1,253	59
Sponsored Operations Income	1,406	1,353	▲ 53
Subsidy Income	2,143	2,320	177
Donation Income	2,053	2,164	111
Ordinary Profit (Loss)	662	1,013	351
Extraordinary Profit and Loss	▲ 9	▲ 30	▲ 21
Reduction of Reserve Funds Carried Forward from Previous Mid-Term Plan	209	89	▲ 120
Gross Profit (Loss)	863	1,072	209

○ Points of Earnings in fiscal Year 2017

① Regarding Sale of the Site of Namiki 3-chome Staff Dormitory

Due to the sale of the Site of Namiki 3-chome Staff dormitory (29,313.32m²).The Land decreased by 620 million yen and Capital (government investment) decreased by 1,025 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 (▲40 million yen), In the University 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 (453 million yen).In addition, due to an decrease in retirement benefit expenses (193 million yen), it increased by 220 million yen compared to the previous fiscal year.

③ Regarding profit of Affiliated Hospital

Gross profit for the current fiscal year was 553 million yen due to income and expenditure balance was (506 million yen) on the impact of increasing number of surgical operations and cost reductions ,depreciation and amortization of fixed assets (1059 million yen) at the affiliated hospital.

The Quality Improvement of Education

The education-related expenses of the university in FY2017 were approximately 23.5 billion yen, which is almost the same level as the previous year.

In addition, in order to the provision of education, other expenses such as research-related expenses and maintenance expenses of the campus to improve the educational environment are also closely related.

Education Related Expenses
approx. 1.40 million yen per

= Education Related Expenses / The number of students

Actual number of students in FY 2017 : 16,778
[cf.] Figure reported in FY 2016 : approx. 1.41 million yen

■ Breakdown of Education Related Expenses

(In thousands of yen)

Expenses Classification	FY 2017
Education expenses	5,571,278
Education and research support expenses	2,139,188
Amount equivalent to depreciation not recorded in P/L	1,626,161
Personnel expenses	14,146,588
Total	23,483,215

[Education and Research Support Expenses]

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

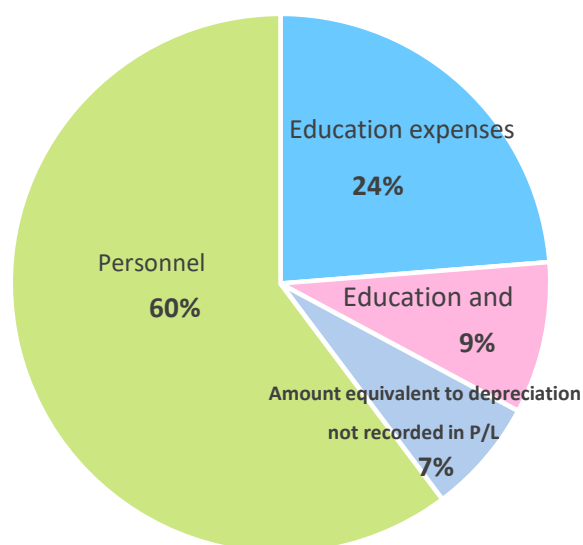
[Amount Equivalent to Depreciation not recorded in P / L]

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]

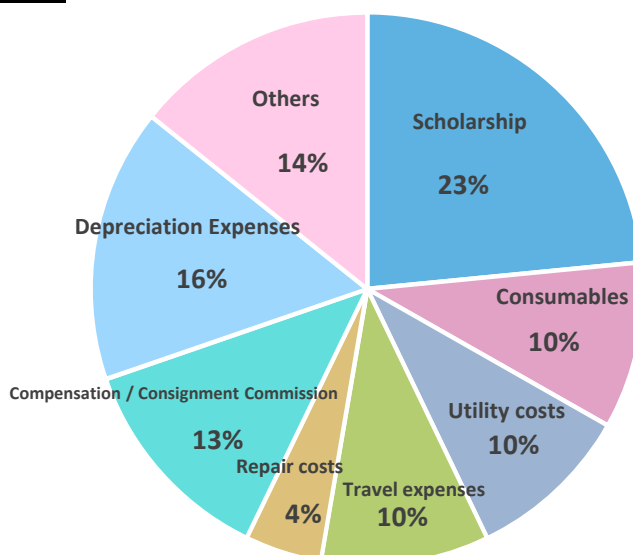
A half of which is calculated as expenses required for education



■ Breakdown on the use of Education Related Expenses

(In thousands of yen)

Expenses Classification	FY 2017
Scholarship expenses	1,305,822
Consumables	545,103
Utility costs	536,613
Travel expenses	548,058
Repair costs	250,318
Compensation / Consignment Commission	698,114
Depreciation Expenses	892,497
Others	794,753
Total	5,571,278



Main activities/achievements

■ Three universities participating in the first international joint degree program starts at the university



Commemoration Ceremony at the Kick-off Symposium for the TGSW2017 International Joint Degree Master's Program in Agro-Biomedical Science in Food and Health

In September 2017, the University of Tsukuba established an International Joint Degree Master's Program in Agro-Biomedical Science in Food and Health (GDP-TRIAD). This program as a first graduate-level joint program conducted by three universities in Japan, Asia, and Europe: the University of Tsukuba, the University of Bordeaux (France) and National Taiwan University (Taiwan). The students who comes from each university study global-scale issues: "Food and Health" at three universities together. In the fiscal year 2017, 13 people, in fiscal 2018 year, 11 people, totally 24 people entered the program.

■ Signing Ceremony and Commemorative Symposium for the Joint Degree Program between the University of Tsukuba and MJIIT

The University of Tsukuba and the Malaysia-Japan International Institute of Technology (MJIIT) have conducted an agreement on the Joint Master's Degree Program in Sustainability and Environmental Sciences as a Joint Degree Program (JDP). A signing ceremony and a commemorative symposium were held in Kuala Lumpur in Malaysia on August 29. President Kyosuke Nagata attended the event from the University of Tsukuba.

When Students completed the course they will be awarded a degree of Joint Master's Degree Program in Sustainability and Environmental Sciences under the name of The University of Tsukuba and the Malaysia-Japan International Institute of Technology. as of September 2018, two people have entered the program.

The International Joint Degree Program (JDP) is expected to further promote developing network ties with overseas universities and expand opportunities for joint education and research.



President Nagata (middle) of the University of Tsukuba; Dr. Wahid Omar (right) President of Malaysian University of Technology

■ Bachelor's Program in Global Issues opened



This Program is a program merged the diverse academic disciplines of Arts and science which means that you can learn what global issues are and how you can resolve them from the perspectives of "Earth Environment" and "Risk and Security", "Human Health and Wellbeing" and "Social Diversity and Inclusiveness" issues and the program will be based on a selected specialized field in the final academic year.

This program is a program which you can obtain "bachelor (academic)" degree in English and a part of the curriculum concluded under the Campus-with-Campus agreement with International Christian University (ICU).

For this reason, students are required to take part in liberal art's classes at the ICU.

In 2017, six first graders entered.

※ This is an effort that is positioned as a domestic version of Campus-in-Campus which is a partnership with overseas universities.

Support Enhancement in the Bachelor's Degrees

Admission Fees/ Tuition Exemption

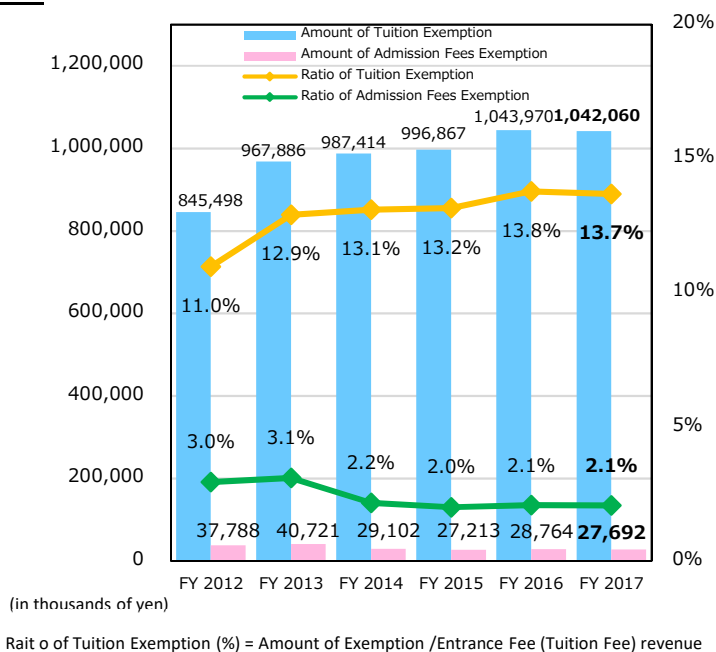
We offer programs to waive all or a part of admission fees or tuition to students who have difficulty paying due to financial problems or other inevitable reasons and who excel at studies.

In the fiscal year 2017, we provided a total of 27,692 thousand yen of admission fees exemption for 99 students and 1,042,060 thousand yen of tuition exemption for 5,576 students.

Unit Price of payment by Students in Fiscal Year 2017 (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

Admission Fees / Tuition Exemption Approved



International Students Acceptance and Supporting for studying abroad

The Tsukuba Scholarship is a program to provide financial support for students from abroad, support for students going to 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.

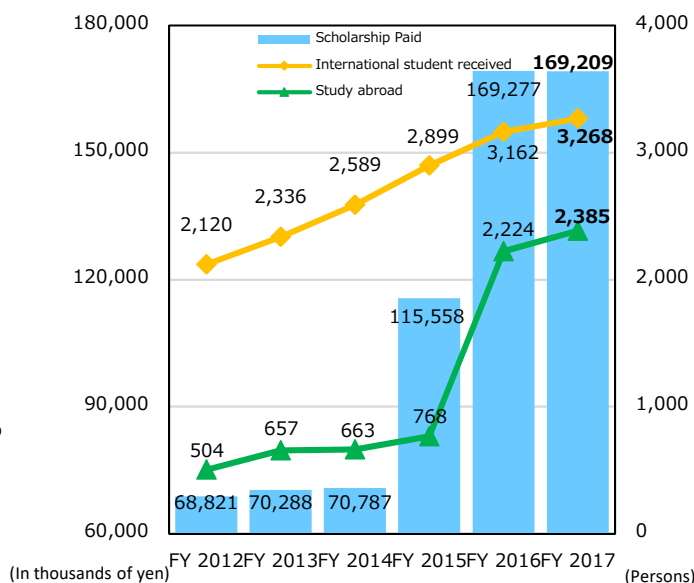
In the fiscal year 2016, we provided 73,190 thousand yen for 140 students by reviewing. For the number of overseas study students, because we changed the aggregation method such as collecting data widely, it has increased significantly compared to every year.

The system was started from FY 2009, with the increasing number of international students accepted and students studied abroad, the amount of scholarships has also been risen, with payment of 567,441 thousand yen to 1,546 people in total.

In addition, from FY2015, we have started our own Overseas Study Abroad Support Project "Haba Take! Tsuku DaiSei" to strengthen support for students going abroad to study.

※ From FY2015, the number of scholarships added which was paid under the system of "Haba Take! Tsuku Daisei".

Scholarship Paid and International student, etc

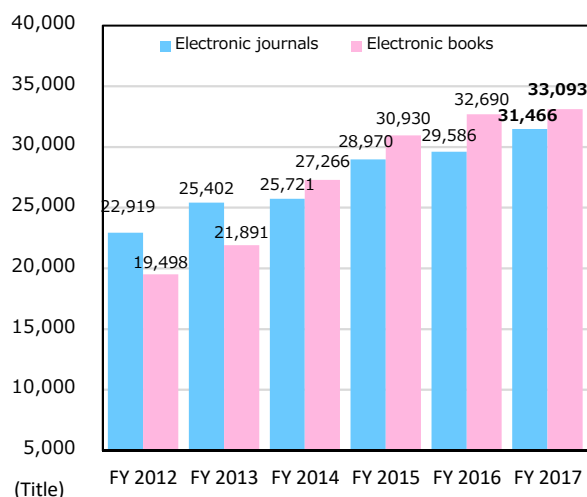


The University Library

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 2017, our university libraries owned approximately 2.73million 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



Main activities/achievements

■ Completion of the Global Village Dormitory



As a part of Global Residence Development Project with a purpose of promoting internationalized campus, construction of the Global Village began on April 2016. Global Village started to operate from April 2017 and completed after two periods of construction on March 2018. As of October 2018, 299 Japanese students and 144 international students have moved in. (Capacity 500 people, occupancy rate 88.6%)

This student dormitory has become a mixed share house type of general students and international students with a concept of promoting cultural exchange among students from different countries. It was developed for the purpose of improving the international sense.

In addition, there is "Daiwa Lease Community Station" with a room dedicated to prayer installed inside as first time in the University designed to accommodate international students.

■ 2017 University of Tsukuba Study Abroad Support Programs "Habatake!Tsukudai-sei" Holding performance report party after returning to the country on (Overseas Study Tour "MUSHA-SHUGYO" Support Program)

The Study Abroad Support Programs (Habatake!Tsukudai-sei) that carrying out from March 2015. Performance report party of "Overseas Study Tour (MUSHA-SHUGYO) Support Program" as a subclass of the program was held on March 2'nd.

This program provides financial support for voluntary student groups who plan exchange/training programs or study tours overseas. In case the students among the group members of adopted project wish to earn the credits, the performance report of the overseas study tour that holds within two weeks after returning the country will be evaluated on the subjects.

In FY2017, 18 student groups have participated.



A group are researching on European infrastructures while practicing cross-borders with long-cycling between Denmark and Germany



A Group have participated in the excavation research of the ruins to deepen the knowledge about Orient History

■ Students active in many areas



The kickball Team who won at 91st Kanto University soccer baseball League games

In FY2017, The kickball Team won at 91st Kanto University soccer baseball League games (November 19th) and advanced to the Round of 16 at Emperor's Cup JFA All-Japan Soccer Championship Tournament. Ms. Yumi Kajihara, a member of the University of Tsukuba Cycling Club, won a gold medal of the UCI Track World Cup held in December and also she had the brilliant grade in other fields.

She purposed to establish Japan's first athletic department in the University of Tsukuba and due to the purpose, a Center for Sports Innovation was established on April 1st, 2017 at the University. The Athletic Department is aimed at improving and upgrading the educational environment etc. of student-athletes and establishing a system due to the promotion of the University sports that was founded on April 2018.

Strengthening Research Functions

The research-related expenses of the University in FY2017 were 15.3 billion yen, a decrease of approximately 800 million yen compared to the previous year (16.1 billion yen).

The main reasons for the decrease were large-scale earthquake resistant construction of research related facilities in FY2016. Also, due to the completion part of the large-scale contracted researches, total research-related expenditures of the University compared to the previous year had a decrease of 1 percent.

If we look at the Breakdown of Research Related Expenses with the source of funds, External Funds Expenses included a scale of 64 percent which it shows the essence of the University research activities.

**The ratio of total Expenditure to the research-related expenses
Approximately 15%**

= Research related expenses / total Expenditure
※ The Total expenditure includes Grants-in-Aid for Scientific Research [cf.] Figure reported in FY 2016 : approx. 16%

■ Breakdown of Research-Related Expenses

(In thousands of yen)

Classification	FY2017
Management Expenses Grants Expenses	3,174,488
External Funds Expenses	9,885,597
Expenses associated with assets	2,244,765
Total	15,304,850

[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.

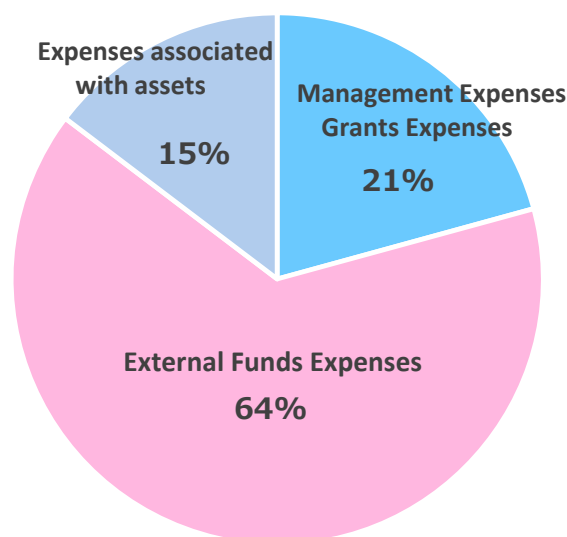
Expenses for Sponsored Research and Cooperative Research.

Subsidies provided by the national government for researcher individuals.

[Expenses associated with assets]

Expenses for research funded by Facility Expenses.

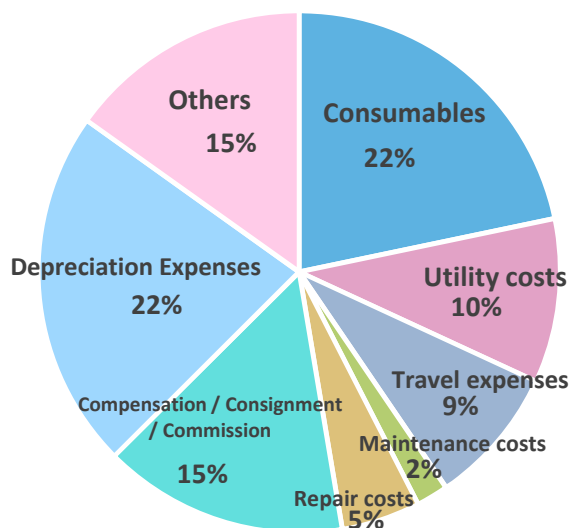
Depreciation of research assets.



■ Breakdown on the use of Management Expenses and Grant Expenses

(In thousands of yen)

Classification	FY2017
Consumables	689,512
Utility costs	322,765
Travel expenses	273,014
Maintenance costs	62,968
Repair costs	155,029
Compensation / Consignment / Commission	481,792
Depreciation Expenses	708,831
Others	480,577
Total	3,174,488



Main activities/achievements

■ Supercomputer jointly operated by University of Tsukuba and University of Tokyo ranks first in the IO-501



Head of the Center for Computational Sciences, Professor Umemura

On November 15, at the Supercomputing Conference held in Denver, Colorado, USA, the storage system of Oakforest-PACS massively parallel cluster-type supercomputer, built by Fujitsu Limited and operated by the Joint Center for Advanced High Performance Computing (jointly operated by The University of Tokyo Information Technology Center and University of Tsukuba Center for Computational Sciences) was acknowledged as the world's highest performance system in the IO - 500 list of storage performance ranking.

A storage system is a structure that includes the servers that perform daily operations, the storage that stores the data and the network that connects these devices. Since storage performance is extremely important for not only large-scale numerical simulation, but also for big data and AI processing, the world ranking of storage performance, the IO-500 list was announced for the first time.

■ Selected as one of the "Top 10 Topics of Research on Agriculture, Forestry and Fisheries in 2017"

"Developing tomatoes that bear fruit without fertilization using genome editing- Application of new genome editing technology to crops in order to rewrite DNA without cutting it" conducted by Professor Hiroshi Egami of Faculty of Life and Environmental Sciences and Tsukuba Plant Innovation Center, was selected as one of the "Top 10 Topics of Research on Agriculture, Forestry and Fisheries in 2017" on December 20th.

The "Top 10 Topics of Research on Agriculture, Forestry and Fisheries in 2017" are ten research results of civic, institutional or public research institutes as well as that of national research and development corporations on agriculture, forestry and fisheries published in the newspapers in one year, which are deemed to be superior in content and of strong public interest, and they are selected by voting members of Agricultural Technology Club (joined by 28 companies such as magazines and papers specialized in agriculture).

These research results are considered as subjects of strong public interest that are superior in content.



Head of the Tsukuba Plant Innovation Center, Professor Egami



■ Promotion of fundamental research by remodeling and consolidating existing research centers



Based on the fundamental policy of reorganization of the research center established in 2016, in order to implement classification of research centers by their function (i.e., advanced research center group, research support center group, Education Center Group) and class (world-class research-education-focused research), we have revised related corporate regulations, etc.

Also due to the reorganization, from 2017, we have established the following five research centers:

- Center for Artificial Intelligence Research
- Research Center for Energy Materials Research
- Tomonaga Center for the History of the Universe
- Mountain Science Center



Strengthening Industry-University Collaboration Functions

The situation of Received External Funds

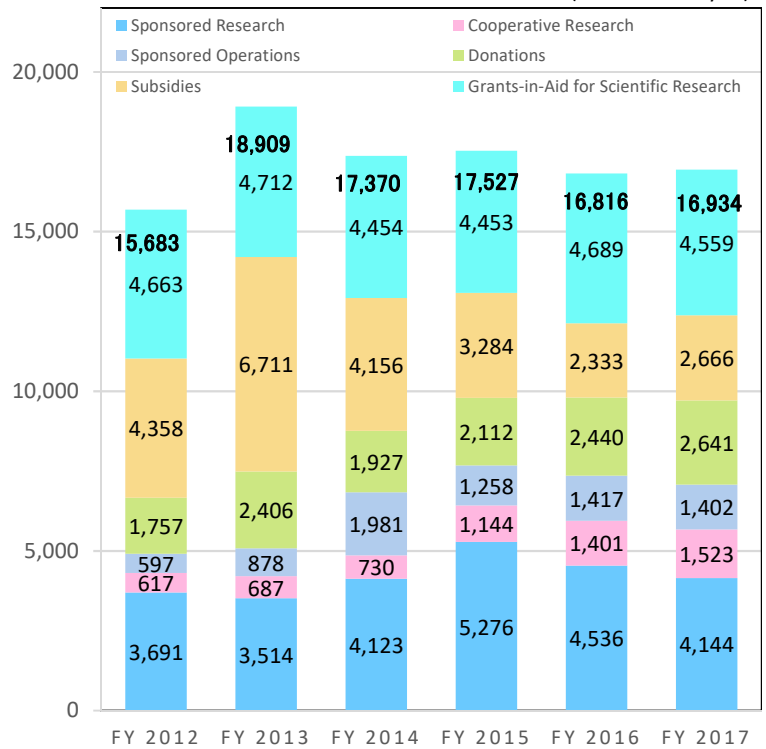
In the university, we will actively acquire competitive research funding such as subsidies and sponsored research funds from the government or its related organizations, also strengthen development system for collaboration of Industry and University, and collaborate with companies including promoting sponsored operations and collaborative researches all over the country as well as within the prefecture.

Regarding the receiving amount of donation, we have established a number of Charity Research Centers and Endowed courses and we are increasing the amount of received donation every year.

These External Funds are an important financial resource to activate educational research activities etc.

Changes in Annual External Funds Received

(In millions of yen)



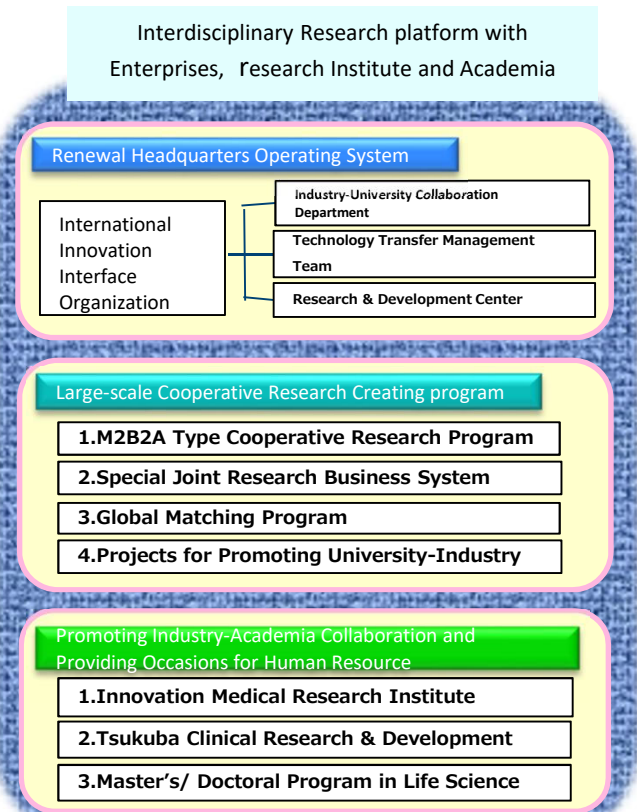
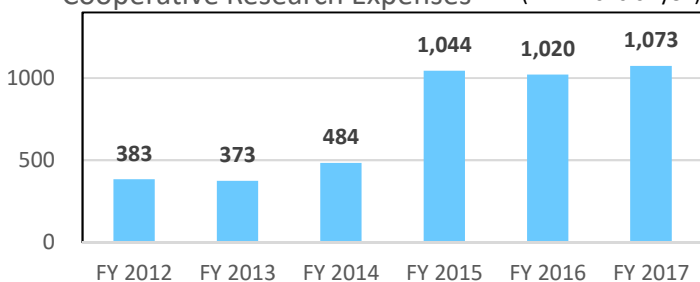
Promotion the System of Industry-Academia Collaboration

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.

When the "International Academia-Industry Collaboration Headquarter" was established, amount of collaborative research expenses from private enterprises was doubled in FY 2015 compared to the previous fiscal year and continued with a larger scale at annual 1 billion Yen after FY2016.

The long-term trend of Private Cooperative Research Expenses (In millions of yen)



Building of Innovation Medical Research Institute

Main activities/achievements

■ The emerge of a consortium of 11 academic and industrial institutions for promotion of resilience education and research



Mr. Nagata, University President, in the center

A resilience education and research promotion consortium of 11 academic and industrial institutions including research institutions and industries of University of Tsukuba, Tsukuba city and nearby areas, was established on March, 9th, supporting the core activities of knowledge, education and research in Japan as well as the world, in the field of risk-resilience.

This consortium includes Secom Co., Ltd., Dai Nippon Printing Co., Ltd., NEC Corporation, DRI Japan General Incorporated Foundation, Central Research Institute of Electric Power Industry, Japan Automobile Research Institute, Japan Automobile Research Institute, Electronic Navigation Research Institute of National Institute of Maritime, Port and Aviation Technology, National Institute of Advanced Industrial Science and Technology, National Research Institute for Earth Science and Disaster Resilience, National Institute of Occupational Safety and Health, Japan, as well as University of Tsukuba

In the future, this consortium will explore new research areas to become the foundation for global academic human resources development in the degree program that is planned to be set up at our university through collaborative knowledge of the participating institutes.

■ A cooperation agreement with National Agriculture and Food Research Organization (NARO) came to a conclusion

A cooperation agreement with National Agriculture and Food Research Organization (omitted as NARO) was concluded on November 27th. As the nation's largest research and development institution in agriculture and food industry, NARO promotes not only research and development but also results that are actually socially profitable, with a global perspective on issues related to agriculture, food and the environment, contributing to a sustainable development of the region and society through a stable supply of safe food, strengthened industrial competitiveness, environmental conservation and creation of new values.

According to this cooperation agreement, we will combine the strength of both parties, and by promoting cooperative research and encouraging research exchanges among researchers and faculty members, we aim to contribute to revitalizing Japan's agriculture and food industry and improving the richness and well-being of the society.



Mr. Sasaki, Vice Chairman of The National Agriculture and Food Research Organization (left) and Mr. Nagata, University President (right)

■ Three new research and development centers were established



Fuel-cell electric vehicle (pictured); at Research and Design Center for Strategic Frontiers in Social Planning, we are conducting research aiming at social application and realization of next generation mobility.

Since July 2015 University of Tsukuba has established research and development centers under the supervision of Headquarters for International Industry-University Collaboration with external funds, in order to actively promote cooperative research and development in academic fields with high social demands and to create a cooperative research system between industry, academia and government.

We established the following three new centers in 2017, also we have planned to establish more centers to cover new fields in the future.

-Research and Design Center for Strategic Frontiers in Social Planning (established in April, 2017)

“A leading-edge research center for mobility infrastructure realizing Society 5.0”

-Sports Innovation Research and Design Center (established in April, 2017)

“A research and design center aiming to establish and promote athletic department in University of Tsukuba”

-Health Service Research and Development Center (established in July, 2017)

“The first Research and Design Center in Japan which specializes in health service research”

Promotion of Globalization

■ Improvement of academic research standards and development of human resources with an international perspective

The University of Tsukuba has selected as one of the top Type of universities in Fiscal 2014 within "Super Globally Universities Creation Support Project (top type)" that sponsored by the Ministry of Education, Culture, Sports, Science, and Technology. We engage in Campus-in-Campus System (CiC)* which brings a free research and educational exchange environment to students and faculty members with our partner universities overseas. As of September 19, 2018, we had 13 overseas offices in 12 countries (areas) and a total of 376 agreements, consisting of 8 CiC agreements, 147 university exchange agreements, and 221 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.



*The CiC agreements is an effort to share transcending functions with foreign partner universities and to obtain trans-border education and research exchange beyond borders and institutional barriers.

In addition, the University of Tsukuba as an "excellent effort and expected to achieve the project purpose," obtained an "S" grade, the highest grade, in the first mid-term evaluation of by the Ministry of Education, Culture, Sports, Science, and Technology implemented in FY2017."S evaluation "the University obtained that means the University of Tsukuba adopted type A during the project, that just only 2 Universities including the University of Tsukuba has selected for this grade among 13 Universities. In addition, 4 projects were selected as a "Re-inviting japan Project "sponsored by MEXT, and we provide student exchanges programs which are intended for ASEAN, Russian-speaking countries, and Latin American countries. We are making efforts to enhance the supporting system on a scale of the whole our university in order to promote these projects for internationalization with a central focus on Global Commons.

Also, 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, and student residence house "Global Village" with the shared-house type of unit for a mix of Japanese and international students, we provide an environment where "internationalization is part of everyday life".

Asian Studies University Association (AEARU) held the 41st meeting of the Board of Directors and the 23rd General Meeting at Tsukuba University



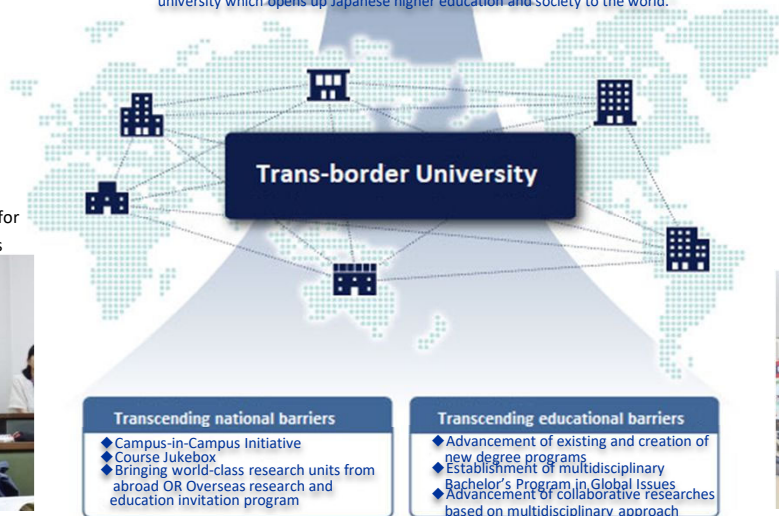
Global Village 2018 New Year Party held



Creating a Trans-border University for a Brighter Future

The University of Tsukuba aims to create a global research and education environment through the implementation of the Campus-in-Campus Initiative and transcending national, institutional, and all other barriers.

The initiative builds on the university's founding philosophy "university open to all" and creates a "trans-border university which opens up Japanese higher education and society to the world."



Holding a health management seminar for international students and their families



Go Abroad! <2017 Fall Study Abroad Fair> held



Main activities/achievements

■ The University of Tsukuba Hosts 33 Campus-in-Campus Students from University of Technology, Malaysia



Associate professor: Dr. Nomura is explaining to the international students from Malaysia (Middle)

From July 9, 33 undergraduate students from the University's Campus-in-Campus (CiC) partner, University of Technology, Malaysia (UTM), enrolled to the University for a Short-term Program. It is a study abroad that utilizes the jukebox of subjects by web service which our university promotes with Super Global University Creation Support Project.

At the orientation on July 10, the program was explained by Koji Iwamoto who coordinated and organized the program.

Next, on July 11th and 12th, the UTM students took the credit of Water Environmental Management Technology, which is the subject of the jukebox and teaching by Associate Professor Nakao Nomura of the Faculty of Life and Environmental Sciences. In addition, they visited the Kasumigaura Purification Center and the Kasumigaura Environment Science Center also learned about wastewater treatment system, history of flood control and utilization of Lake Kasumigaura and water quality etc.

■ The University of Tsukuba received the trophy as a "Top 75 rankings of Asia's Most Innovative Universities"

Tsukuba University ranked 38th (13th in Japan) in "Top 75 rankings of Asia's Most Innovative Universities", jointly announced by Clarivate Analytics, Inc. based in Philadelphia, USA, and Thomson Reuters, on June 2017.

The process began by identifying a subset of 600 academic institutions globally that published the greatest number of papers in scholarly journals from 2010 to 2015, as indexed in the Web of Science Core Collection database. Then, the candidate universities were reduced to those institutions that filed 50 or more number of patents owned by the university and the number of cited academic papers.

To commemorate the University of Tsukuba joining the Top 75 rankings of Asia's Most Innovative Universities, Hiroaki Nishikawa, vice president of the University (Academic Information Department) and Fern Benton Caroline, Vice President and Executive Director for Global Affairs was awarded the trophy by Mr. Asako Watanabe Director of the Science Information Department of the Clarivate Analytics and Tomoko Masuda the Account Manager. On July 21, 2017.



Nishikawa, Vice President who handles the trophy (Center) and Fern Benton Caroline, Vice President (left)

■ President Nagata visits the President of Turkmenistan



President Nagata (front) having a conversation with President Gurbanguly Berdimuhamedov

A University delegation led by President Kyosuke Nagata visited the Turkmenistan Republic of Central Asia on May 18 to 20, 2017, and held a meeting with the Republic of Turkmenistan President, Gurbanguly Berdimuhamedov on May 19th. In the meeting they exchanged opinions on the new educational programs at the Oguz Han Engineering and Technology University, being considered for implementation by the University of Tsukuba with support from the Japanese government.

The Oguz Han Engineering and Technology University, which opened on September 1 last year, is the first real engineering school in Turkmenistan featuring Japanese style education. Currently, two faculty members of the Humanities and Social Sciences have been dispatched to teach Japanese Language courses in the Preparatory Program and would be a plan to enhance by further increasing the faculty members.

Educational Enrichment of Affiliated 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 6.4 billion yen.

Number of Laboratory School included special needs education schools (As of May 1, 2017)

(unit : Number of people)

School name	Kindergarten	elementary school	junior high school	high school
Affiliated Elementary School		813		
Affiliated Junior High School at Otsuka			612	
Affiliated Senior High School at Otsuka				713
Affiliated Junior High School at Komaba			368	
Affiliated Senior High School at Komaba				490
Affiliated Senior High School at Sakado				488
Affiliated Special Needs Education School for the Visually Impaired	12	29	38	103
Affiliated Special Needs Education School for the Deaf	28	70	42	105
Affiliated Special Needs Education School for the Mentally Challenged	10	23	18	24
Affiliated Special Needs Education School for the Physically Challenged		58	35	33
Affiliated Special Needs Education School for Children with Autism	17	34		

Breakdown of expenses related to education

(In thousands of yen)

Expenses Classification	FY2017
Education expenses	650,516
Amount equivalent to depreciation not recorded in P/L	183,539
Personnel expenses	5,561,837
Total	6,395,892

[Education Expenses]

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

[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

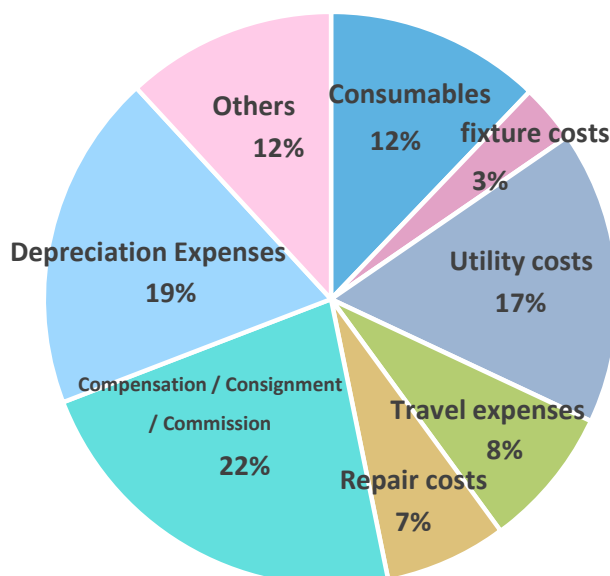
Breakdown of education expenses

(In thousands of yen)

Expenses Classification	FY2017
Consumables	79,032
fixture costs	21,266
Utility costs	107,763
Travel expenses	51,805
Repair costs	44,588
Compensation / Consignment / Commission	145,417
Depreciation Expenses	123,597
Others	77,048
Total	650,516

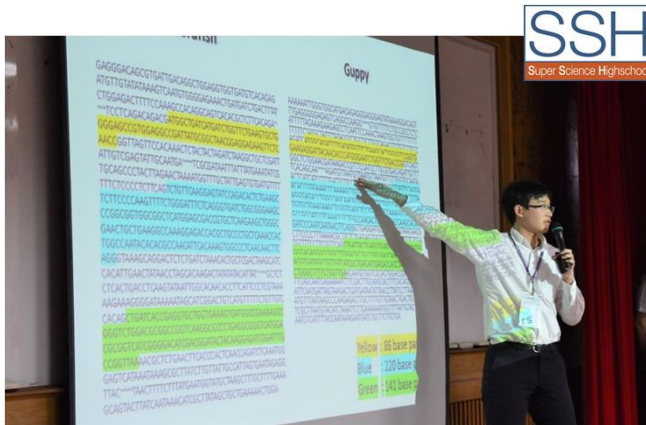
Education Related Expenses
approx. 1.51 million yen
per student

= Education Related Expenses / The number of students
 Actual number of students in FY 2017 : 4,242
 [cf.] Figure reported in FY 2016 : approx. 1.51 million



Main activities/achievements

Fostering global scientists active in international society



In 2002, university-affiliated Komaba Junior and Senior High School was designated as "Super-Science High School (SSH)" by the Ministry of Education, Culture, Sports, Science and Technology. This project aims to train human resources in science and mathematics capable of exploring research subjects set by themselves, through subjective and collaborative learning, and it is conducted for all students enrolled in junior and senior high school.

During 3 periods over the past 15 years SSH project, we have developed and practiced some programs in order to enhance students' research promotion and presentation ability. For the future, we have plans to organize a curriculum that is conscious of the growth process, to operate the learning program based on that, and to ultimately build an Inquiry-Based learning system.

Fostering global human resources to create a sustainable ASEAN society utilizing advanced comprehensive courses

In 2014, university-affiliated Sakado High School received the "Super Global High School" designation for research and development from the Ministry of Education, Culture, Sports, Science and Technology "super global high school", and to foster global leaders who can play an active role internationally, it engaged in developing and practicing high quality educational curriculums through collaboration with domestic and overseas universities and industries as well as international organizations.

Based on the rapid acceleration of globalization, this project aims to train global leaders who can play an active role on an international level in the future from high school, through acquiring international perspectives such as strong communication and problem solving skills, on top of great concern and literacy regarding social issues.

In addition, our school became an accredited International Baccalaureate (IB) school in February 2017, and students applying for the IB program have been enrolled from 2018.

The educational practices up to this date are expected to be strengthened furthermore from a global perspective.



Kurohime Kogen Community Life



Since 2015, In the university-affiliated school education department, young students of Kurohime Kogen of Nagano Prefecture have been experiencing the "Kurohime Kogen Community Life" during their summer vacations, as part of "promotion of understanding of those with disabilities through exchange and cooperative learning at schools (A barrier-free mind)" project which was sponsored by the Ministry of Education, Culture, Sports, Science and Technology. This project aims to develop diverse exchange activities among students of Tsukuba University affiliated schools, including students with various disabilities, through communal living, handicapped and adapted sports, to promote recognition and development of personality, on top of plans to improve awareness of a barrier-free mind. In 2017, 80 students from 10 schools participated in this project: university-affiliated Elementary School, Junior High School, Senior High School, Komaba Junior High School, Komaba Senior High School, Sakado High School, as well as university-affiliated Special Needs Education School for the Visually Impaired, Special Needs Education School for the Deaf, Special Needs Education School for the Mentally Challenged and Special Needs Education School for the Physically Challenged.

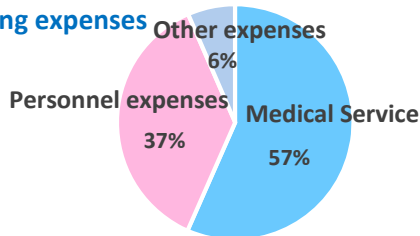
Enhancement of the University Affiliated Hospital functions

Financial Situation of the University Hospital

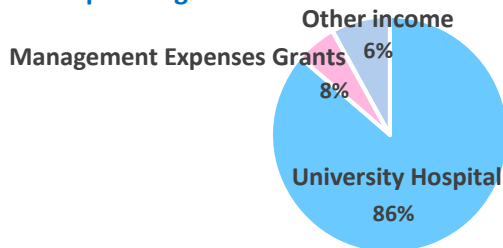
In the fiscal year 2017, Operating Income was 37,616 million yen with an increase of 1,910 million yen compared to the previous fiscal year as a result of improving Hospital functions such as the increase in the number of surgical operations, shortening of the average length of stay and increase in the number of patients receiving outpatient chemotherapy.

On the other hand, Operating Expenses were 36,543 million yen with an increase of 1,766 million yen compared to the previous fiscal year due to personnel expenses with an increase in medical staff such as doctors to strengthen hospital function and increase in pharmaceuticals costs by running a highly advanced and acute stage medical care. From the above, University hospital of business profit and loss (operating Income-Operating Expenses) in the fiscal year 2017, was 1,073 million yen.

The form of operating expenses



The form of operating income



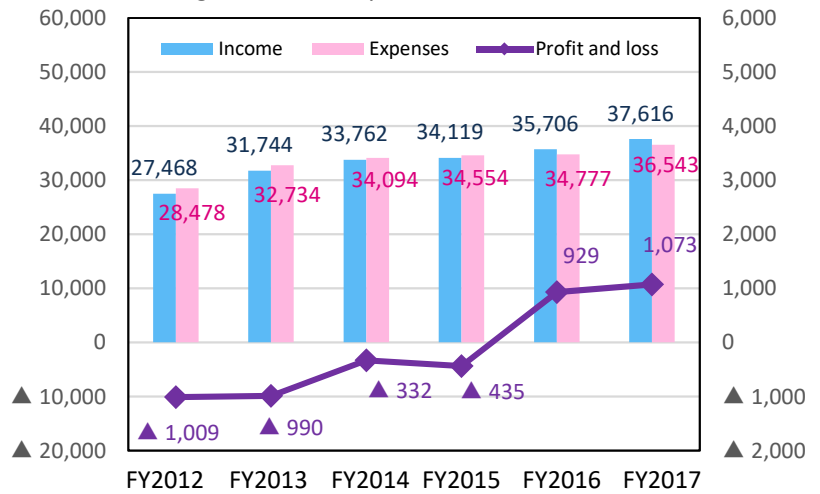
Revenue and Expenditures of the University Hospital

The balance of Revenues from business activities decreased by 89 million yen compared to the previous fiscal year and became 4,639 million yen. The income of the University Hospital increased by 1,931 million yen compared to the previous year due to the Management Expenses Grants carried-over to the amount of the following fiscal year.

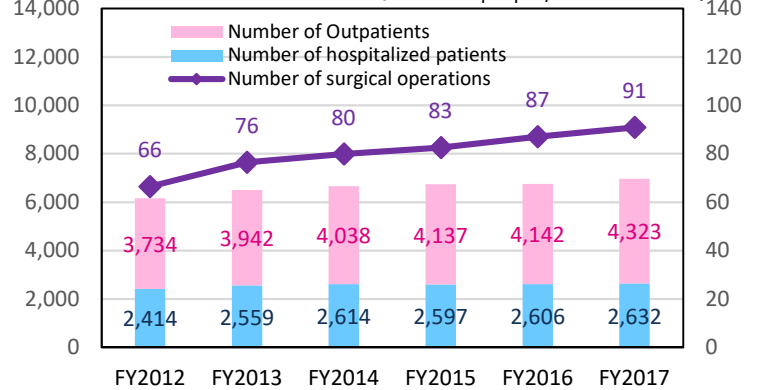
The balance of Revenues from investing activities was ▲350 million yen. This is due to expenditures such as renewal of obsolete medical equipment.

The balance of Revenues from financing activities was ▲2,987 million yen. This was an increase of 107 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.

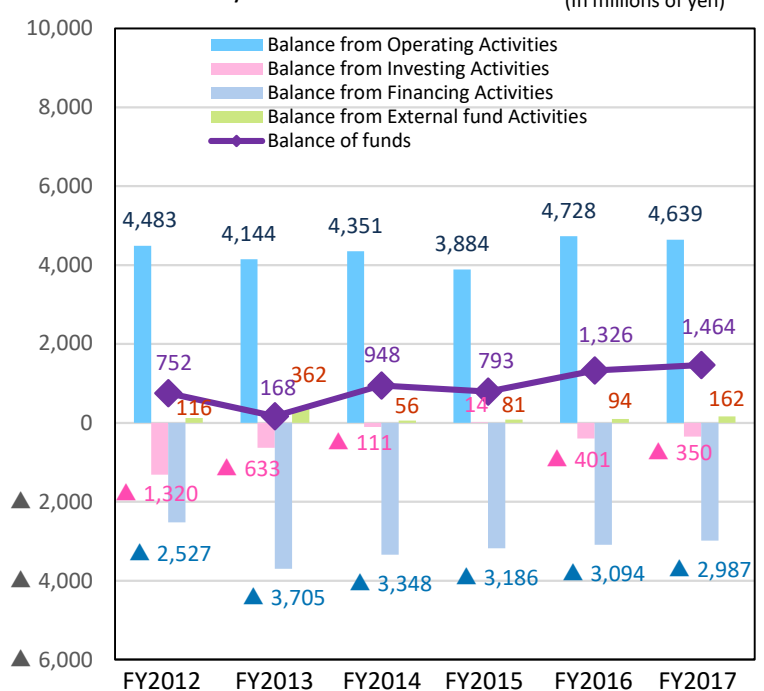
Change in Business profit/loss (In millions of yen)



Changes in the number of patients and surgical operations (a hundred people / a hundred cases)



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



Main activities/achievements

■ Start of a remote medical treatment support via video streaming system



This is Dr. Aonuma supervising cardiac catheterization using the video streaming system

We have started a "Remote Medical Treatment Support via Video Streaming System" at Kamisu Saiseikai Hospital which instructs actual treatment of patients with angina (pectoris) and arrhythmia. (total number of patients in 2017: 56) Up until now, such patients in Kamisu city would have to be transported to nearby hospitals which takes an average of 50 minutes or more, making the death rate caused by acute myocardial infarction, significantly higher than the national average.

This treatment support is a response to these situations for specialists who practice state-of-the-art treatments such as PCI (Cardiac Catheterization) and ablation, with the aim of educating and cultivating university specialist with a wealth of experience and ultimately reforming the treatment system at Kamisu Saiseikai Hospital.

■ Outpatients treated by HAL robotic suit ~ a new approach towards improving functionality~

The HAL (Hybrid Assistive Limb) robotic suit was approved by healthcare insurance as a therapeutic robot in February 2017. Our hospital will start treating outpatients with this method from May 2018, and it is aimed at the following 8 conditions.

Treatment expenses are covered within the scope of medical insurance and are subject to the special medical care subsidization system (for intractable and special diseases).

Spinal Muscular Atrophy (SMA), Spinal and Bulbar Muscular Atrophy (SBMA), Amyotrophic Lateral Sclerosis (ALS), Charcot-Marie Tooth Disease (CMT), Distal Myopathy, Inclusion Body Myositis, Congenital Myopathy, Muscular Dystrophy



Professor Sankai (third person from the right) and the medical staff with HAL robotic suit (in the center)

■ "Tsukuba Kids Medical University" regional contribution project



This picture shows children being instructed by the medical staff

Since 2015, we hold the "Tsukuba Kids Medical University" event which lasts for two days during the summer holidays and it is aimed for fifth and sixth grade elementary students to experience the joy of medical science. And while the capacity is 30, around 60 students apply for it, and it has become a popular event.

For schoolchildren with strong intellectual curiosity, medicine and medical treatment are very attractive and interesting fields, but in reality in Japan there are very few places where they can really experience it.

In this event, we have conducted medicine seminars, nursing seminars, transplant seminars, surgical seminars, emergency medical care seminars, disaster medical care seminars and a variety of programs, and we have had instruction on the procedures, and direct lectures from the staff who are active in the medical field.

Promotion of Projects Funded

■ The University of Tsukuba Fund (TSUKUBA FUTURESHIP)

The University of Tsukuba Fund (TSUKUBA FUTURESHIP) is aiming stably to provide students with the possibility to open up new ways with the environment to be able to devote themselves to learning and research and various opportunities for mutual exchange and promote education, research and Social Contribution Activities in the University, have established from April 2010.

In addition of deposits from financial institutions and cash donations through online payment, we accept the donation by real things such as real estate, securities, and equipment. We also have provided a legacy system and secondhand book donation system.

【Cases for receiving a donation by spots】



The Sekisho Field of the University of Tsukuba
(Construction the lawn of the field)



Rebuilding Hall
(Toda multi-purpose hall)

Track Record of Donation in Fiscal Year 2017 (In thousands of yen)

Purpose of donation	Contribution amount	Number of assets
General fund	62,322	4,090
Specific fund	113,836	3,016
University of Tsukuba Sports Association (TSA) project	6,950	383
Assisted hospital support project (including 40th anniversary fund)	38,483	127
Shihokai Association Foundation (Including transition assets from Shihokai)	39,569	1,481
International Student Association Fund	887	180
Annex Komaba Middle High 70th Anniversary Fund	22,665	826
Scholarship support project fund	5,282	19
Total	176,158	7,106

Tsukuba University Foundation

search



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

From student representatives to the contributors of the University of Tsukuba Foundation

All parties are composed each academic field and school groups as which has the role of conveying the intention of students to the university as a representative of all Students .and Convey students is the University of Tsukuba certified student organization. Currently, we receive support for academic festivals, academic events such as sports day, international exchange/study abroad support, scholarships and others from the resources of the University of Tsukuba Foundation. Thanks to all of you to the supports due to that we are able to make new challenges at events, academic life, and studies. We look forward to your continued support so that each group/student to make better student life.

The previous chairman of Representatives meeting of the academic fields and school groups (All parties)
Physics, 4th years, Yugo Suzumi

■ University of Tsukuba 50th-anniversary commemoration after 151 years old creation of the first base

The 50th anniversary of our university opening in 2023 that forerunner was Tokyo University of Education from the Normal School which was established as the first higher education institution in Japan by the Meiji government, 151 years ago.

As the legacy, we are striving to create a unique, active, and internationally competitive university with superlative education and research facilities As the legacy for further development of the university in the future in order to support researches and human resources and enhance the facilities, we have set up "151's Tsukuba University 50th Anniversary Fund". Thank you for your continued support.

■ University of Tsukuba Card

We have signed a partnership agreement with Mitsui Sumitomo Card Co., Ltd., and we started The University Card Project with credit function targeting university officials from fiscal year 2015.

As the biggest characteristic of "University of Tsukuba Card", you will get the membership privileges just by showing your card. With this card, you will enjoy price discount or other benefits at about 200 locations from local malls to national chain stores around the university and affiliated stores such as shops and restaurants and hotels.

The handling fees such as commission fee to the number of members joining the card and the amount of card usage by the members are regularly donated to the University of Tsukuba Fund by Mitsui Sumitomo Card Co. Ltd.



Gold Card (Left), Student Card ,General Card

■ University of Tsukuba original Bordeaux wine enterprise

To commemorate the signing of the Campus-in-Campus (CiC) cooperation agreement with University of Bordeaux in France, we began importing and selling wine made at a chateau affiliated with this university in 2015.

By 2017, the third year of the enterprise, we have already imported 1,716 bottles of red wine and 300 bottles of white wine.

In addition, Kakuyasu Co, Ltd, which is in charge of the sales, contributes a part of the proceeds to the University of Tsukuba Fund.



Original Bordeaux wine, "Château de Couin"

■ Cooperative enterprise with Dome Co., Ltd.

In 2016, we entered a comprehensive cooperation agreement with Dome Co., Ltd., which is the exclusive Japanese Agent for "UNDER ARMOR".

Match uniforms for each of athletic departments of this university are provided free of charge by Dome Co., Ltd. (accepted as an actual donation to the University of Tsukuba Fund)

In addition, the original sports apparel sold by "Under Armour Club House, University of Tsukuba", carry this university's "Sports Emblem" designed by this university as a symbol to promote this university's sports within and beyond its campus.

The sports emblem's license fee is also beneficial for the activities of this university.



University of Tsukuba Uniform



Inside the store

■ University of Tsukuba Supporters Community

"University of Tsukuba Supporters Community" is a social networking service (SNS) established as exchange venue to strengthen the ties of all people who are related to the University of Tsukuba. You can use it to connect with current students and academic staff as well as graduates and retired academic staff. Please think of it as a medium for exchanging information and opinions that go beyond generations and borders.

■ University of Tsukuba original coffee enterprise

As part of our world expansion and global strategy, and in commemoration of signing an agreement with Sao Paulo University and Santa Cruz Hospital in Brazil, we have begun importing coffee cultivated in a farm owned by the President of Santa Cruz Hospital.

This coffee which is roasted by Saza Coffee which is headquartered in Ibaraki Prefecture, is sold at the company's stores in Tsukuba city. In addition, this company contributes part of sales to the University of Tsukuba Fund.



Made in Brasil original coffee "University of Tsukuba Alianca Estate Coffee"

■ Cloud Funding Business

In this university, we have engaged in a business alliance with READYFOR Co. Ltd. which operates the cloud funding service "Readyfor", in order to raise funds using cloud funding.

Such a partnership between a cloud-funding operator and a national university will be the first in Japan.

From now on, we would like to promote the use of cloud funding as a powerful tool for raising funds, and to send out the word about the merits of University of Tsukuba by actively expanding projects that can bring out the uniqueness of this university, and we would like to bring University of Tsukuba to a new level with the aid of many more citizens, and turn this form of contribution into a convention.



University of Tsukuba Cloud

search

CLICK!

https://readyfor.jp/university_of_tsukuba



University of Tsukuba Supporters Community

search

CLICK!

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



Efficient University Management

Business improvement (reduction of administrative expenses, etc.)

Streamlining accounting processes through centralization

In order to reduce expenses, in January 2016, we consolidated accounting of support offices of each department into Headquarters Department of Contract and Accounting Shared Center.

As a result of improving 15 aspects of business such as improvement of operational manual following the centralization of contract office, reformation of financial accounting system operation, etc., personnel expenses were reduced by 47 million yen in 2016, and about 24 million yen was further reduced in this fiscal year.

In addition to reducing expenses control, we have also improved the quality of our business by optimizing payment documents and strengthening our fraud prevention system.

Moreover, this initiative was deemed excellent by the National University Corporation Evaluation Committee of Ministry of Education, Culture, Sports, Science and Technology.

※ Personnel expenses at the start of consolidation process (trial period included) and in April during which the personnel changes took place were all calculated using fixed assumed figures.

Effective use of strategic facilities through facility management

As our goal to promote effective and efficient utilization of existing facilities and to make maximum use of the assets of our university, from in the fiscal year 2016 we have put a space-charging system for the laboratories and research rooms of our departments into effect (collection of facility usage fee from each department). Obtained revenues are used to cover maintenance and management fees, and planned maintenance and troubleshooting of the facilities, such as the air conditioning equipment of the laboratories and research rooms are implemented.

In the fiscal year 2017, we expanded the scope of our education and research system as a whole by adding centers etc., to designated organizations. As a result, using the approximately 45 million yen of financial resources that we have secured, along with approximately 39 million yen obtained by public space facility fees (across all university shared spaces), we have managed to carry out the maintenance of the air conditioning equipment across 2,349m² of our laboratories and research rooms, and to improve our research and education environment.

Breakdown of general administrative expenses

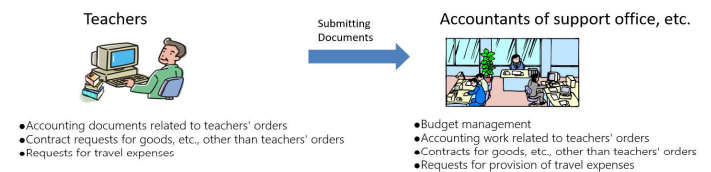
General administrative expenses are allocated as expenses required for operational management of the university. In the fiscal year 2017, General administrative expenses were about 2.6 billion yen, with an increase of about 115 million yen compared to the previous year. The main reason for this increase is PCB (Polychlorinated Biphenyl) disposal costs. In addition, due to the increase in PCB disposal costs, the ratio of general administrative expenses to operating expenses rose to 2.8% (0.1% increase) compared to the previous year, but if we exclude PCB disposal costs, the rate will be at 2.6%, maintaining a low level.

(In millions of yen)

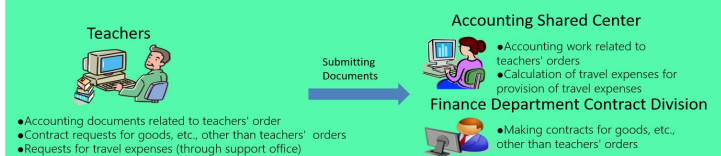
Classification	FY 2017
Consumables	149
Utility costs	143
Repair costs	211
Advertising expenses	111
Compensation / Consignment / Commission	1,118
Tax and Dues	88
Maintenance costs	164
Depreciation Expenses	266
Others	336
Total General Administrative Expenses	2,586

Centralization of accounting

Procedures before the centralization of accounting



Procedures after the centralization of accounting (from January 2016)

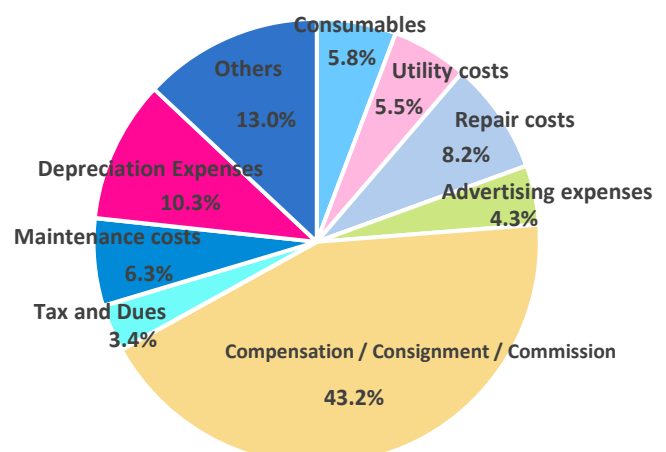


*Accountants of support office, etc., are in charge of budget management

General Administrative Expenses Ratio

2.8%

= General Administrative Expenses / Operating Expenses
[cf.] Figure reported in FY 2016 : approx. 2.7%



Breakdown of Personnel Expenses

Personnel Expenses account for 51.7% of Ordinary Expenses and approximately 48,628 million yen is paid out (including 158 million yen for personnel expenses for directors and 2,788 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 (▲ 40 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 (453 million yen).

Personnel Expenses Ratio
51.7%

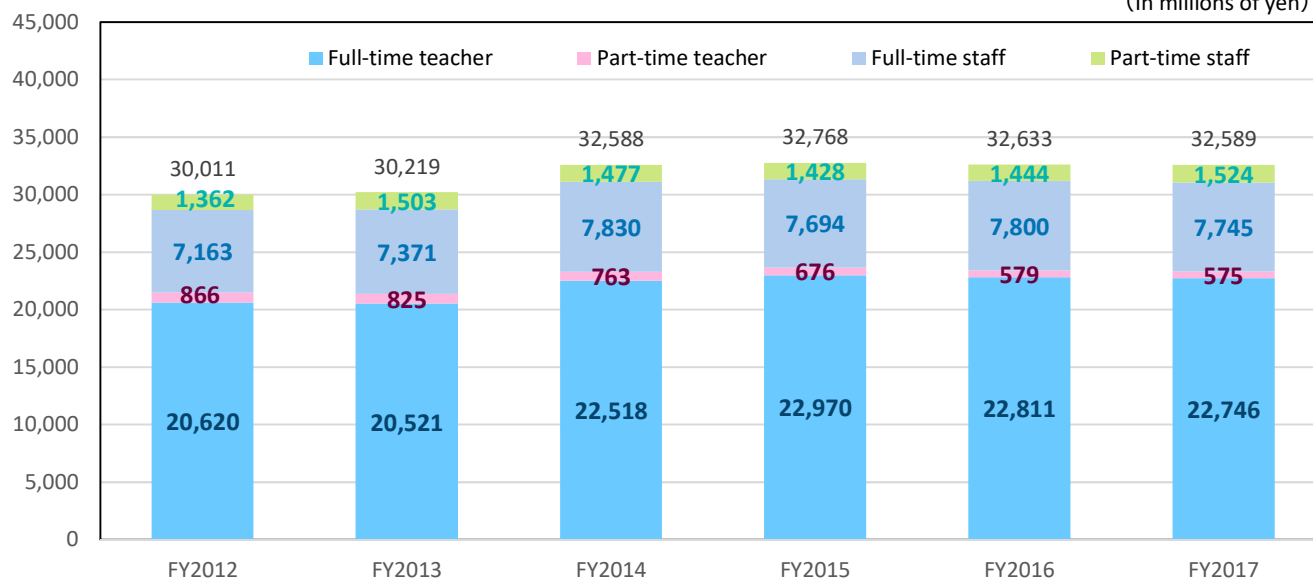
= Personnel Expenses / Ordinary Expenses
[cf.] Figure reported in FY 2016 : approx. 51.6%

(In millions of yen)

Category	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
Personnel expenses for directors	153	149	168	146	154	158
Faculty members Expenses	23,501	23,678	25,689	26,154	26,031	25,977
Staff expenses	16,243	17,366	18,485	18,736	19,241	19,705
Retirement Allowances	3,178	2,664	3,031	2,717	2,981	2,788
Total of Personnel Expenses	43,075	43,857	47,373	47,753	48,407	48,628

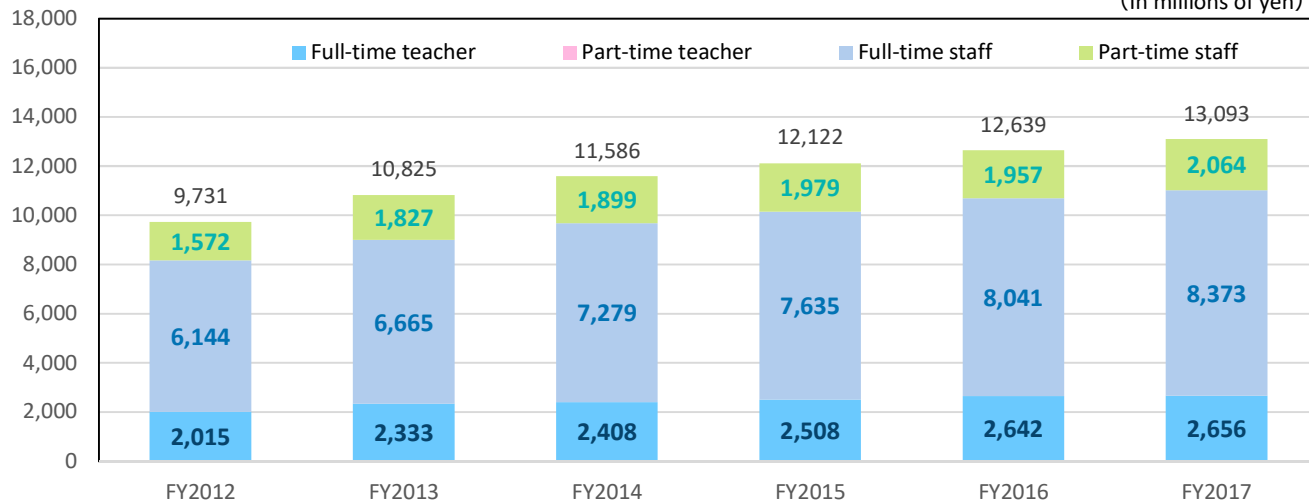
Changes in Faculty Personnel Expenses (The University Hospital excluded)

(In millions of yen)



Changes in Faculty Personnel Expenses (The University Hospital)

(In millions of yen)



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

Balance Sheet (B/S)

(In millions of yen)

Item	FY 2016	FY 2017	Change
Assets	392,714	386,089	▲6,625
Fixed Assets	370,429	362,478	▲7,951
Land	247,083	246,463	▲620
Buildings	89,343	84,492	▲4,851
Structures	5,334	5,054	▲280
Mechanical equipment/tools, furniture and fixtures	13,771	10,975	▲2,795
Books	10,162	10,237	75
Works of art and Collected items	908	905	▲3
Construction in Progress	87	642	554
Patents	205	212	7
Software	182	162	▲20
Patent in Progress	188	175	▲14
Investment in Securities	2,701	2,701	▲0
Other Fixed Assets	465	459	▲5
Current Assets	22,285	23,611	1,326
Cash and Deposits	15,798	16,983	1,185
Accounts Receivable	6,172	6,185	12
Marketable Securities	-	-	-
Drugs, Medicine and Materials for Medical Services	197	185	▲12
Other Current Assets	118	258	140

It decreased due to the sale of the Site of Namiki 3-chome Staff dormitory (▲620 million yen).

Although it increased due to completion of global residence (975 million yen), and renovation of Tsukuba University Hall (225 million yen), etc., it decreased due to Depreciation Expenses (▲6,593 million yen).

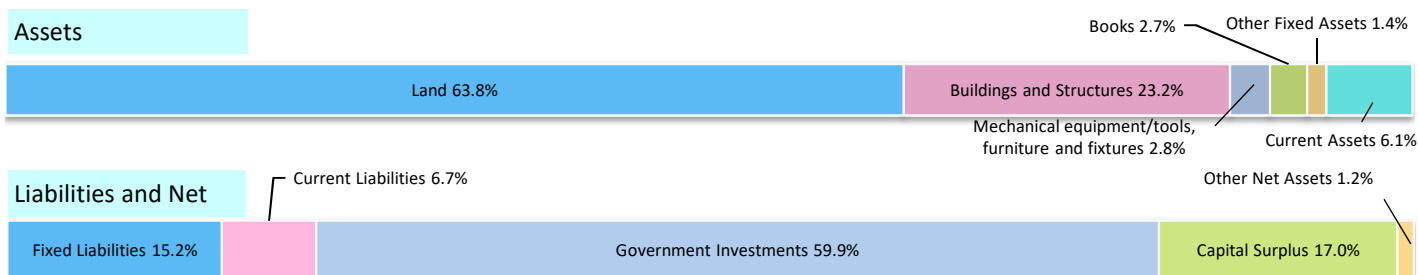
It decreased due to the termination of medical information system lease (▲1,741 million yen) and depreciation (▲1,295 million yen).

Increased due to the construction of Affiliated Special Needs Education School for the Physically Challenged, University of Tsukuba (409 million yen), and building1A earthquake resistant construction (196 million yen), etc.

It increased due to carrying over of the Management Expenses Grants Liabilities (1,286 million yen), etc.

Financial Statements in Fiscal Year 2017

○Breakdown of Assets / Liabilities / Net Assets by composite in fiscal year 2017



(In millions of yen)

Item	FY 2016	FY 2017	Change
Liabilities	91,849	84,750	▲7,099
Fixed Liabilities	65,569	58,868	▲6,701
Per Contra Liabilities for Property Acquisition	26,766	25,920	▲846
Borrowings	11,415	7,133	▲4,282
Long-term PFI Liabilities	23,326	22,502	▲824
Other Fixed Liabilities	4,062	3,313	▲749
Current Liabilities	26,280	25,882	▲398
Management Expenses Grants Liabilities	813	2,098	1,286
Donation Liabilities	3,970	4,401	431
External Funds Liabilities	1,269	1,577	307
Borrowings scheduled to be repaid within one year	4,357	4,282	▲76
Short-term PFI Liabilities	1,887	1,828	▲58
Accounts Payable	10,500	8,827	▲1,672
Other Current Liabilities	3,485	2,869	▲616
Net Assets	300,865	301,339	474
Government Investment	232,358	231,333	▲1,025
Capital Surplus	64,999	65,515	516
Reserve Funds Carried Forward from Previous Mid-Term Plan Period	2,646	2,557	▲89
Reserve	-	863	863
Unappropriated retained earnings (or Undisposed loss) at the end of the term	863	1,072	209

It decreased due to Depreciation Expenses, etc.

New PFI debt (1,005 million yen) increased due to the completion of the Global Residence Development Project, but it decreased due to the redemption of the PFI debt of the affiliated hospital redevelopment project (▲1642 million yen), the PFI debt of the Animal Resource Center (▲215 million yen), and the Global Residence PFI (▲31 million yen).

It increased due to Business Success Criteria project expenses (1,035 million yen) and retirement allowance (251 million yen).

It increased by donation courses (200 million yen).

Although contract researches (▲11 million yen) decreased, it increased due to joint researches (270 million yen) and sponsored projects (50 million yen).

It decreased by periodic repayment of Borrowings for land purchase (▲3,963 million), Borrowing from the University Innovation Support and Degree Grant Organization (▲344 million yen) and also Borrowings for the Global Residence Development Project (▲50 million yen).

It decreased due to the implementation of temporary payment at the end of the fiscal year.

Due to the sale of land, it decreased (▲1,025 million).

Although it decreased due to depreciation expenses (▲4,090 million yen), it increased due to the repayment of loans related to land purchase (3,963 million yen), and Fixed Assets Gain (644 million yen), etc.

It decreased due to the reduction of Reserve Funds Carried Forward from Previous Mid-Term Plan Period (▲89 million yen).

It increased due to the approval of the objective reserve fund for the improvement of the educational research environment, etc. (239 million yen) and the strengthening of function of affiliated University Hospitals (624 million yen).

Financial Statements in Fiscal Year 2017

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 42%, but we are striving to achieve a stable financial operation by making repayments in a well-planned manner.

Net Assets : They account for 78% of the total of Liabilities and Net Assets with 77% coming from government investment.

Profit and Loss Statement (P/L)

(In millions of yen)

Item	FY 2016	FY 2017	Change
Ordinary Expenses	93,742	94,143	401
Operating Expenses	90,533	90,953	420
Education Expenses	6,477	6,743	266
Research Expenses	6,846	6,771	▲75
Medical Service Expenses	19,818	20,689	871
Education and Research Support Expenses	2,343	2,193	▲149
Sponsored Research Expenses	4,261	3,568	▲693
Cooperative Research Expenses	1,085	1,126	42
Sponsored Operations Expenses, etc.	1,296	1,233	▲63
Personnel Expenses	48,407	48,628	220
General Administrative Expenses	2,471	2,586	115
Financial Expenses	677	568	▲109
Miscellaneous Loss	61	37	▲24
Extraordinary Loss	56	70	14
Gross Income (Loss)	863	1,072	209

It increased due to PFI expenses for student dormitories (55 million yen), depreciation expenses (71 million yen), Utility fees (48 million yen), Student Residence Contract Services (87 million yen), etc.

Although it increased due to supercomputer maintenance (96 million yen) and depreciation expenses (84 million yen), etc. It decreases depending on repair expenses (medical science building etc.) recorded in the previous fiscal year etc. (▲265 million yen).

Although it decreased due to depreciation expenses (▲426 million yen), etc. it is increased due to medical supplies required for increasing the income under the development of advanced Acute Medical Care etc.

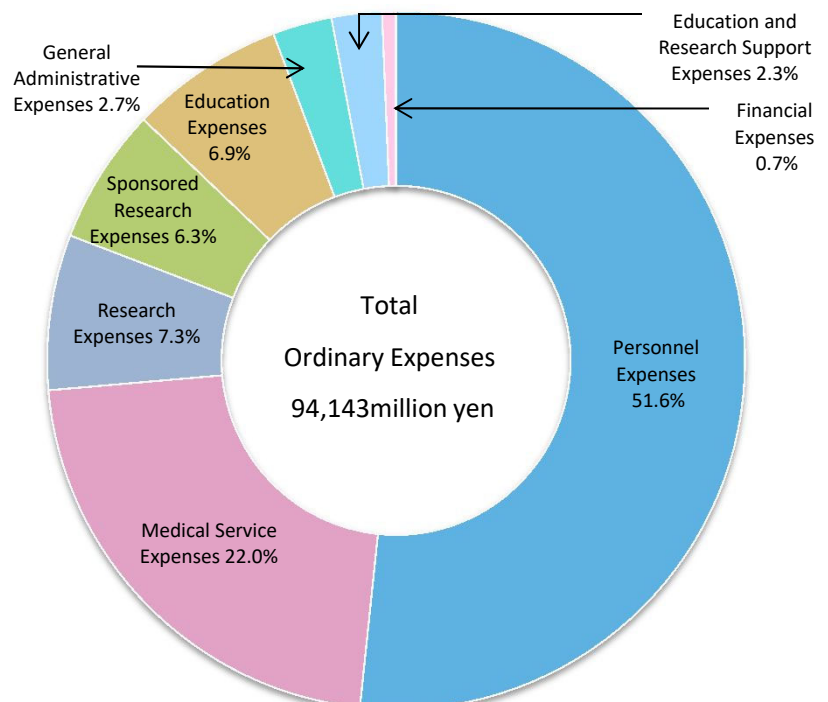
It decreased due to the completion some of the High-Performance Support Project (▲626 million).

It increased due to the acceptance of clinical pathology examination (37 million yen), etc.

It decreased due to the termination of the Science and Technology Research Partnership for Sustainable Development Project (SATREPS) (▲66 million yen), etc.

In addition to a decrease in retirement benefit expenses (minus 193 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 (▲40 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 (453 million yen).

○ Breakdown of Ordinary Income and Expenses by composite in fiscal year 2017



What is the difference between Income and Revenue?

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

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

Revenue that is not Income
(ex) unearned revenue such as down payments

Expenditures that are not Expenses
(ex) prepayments such as rents

Expenses that are not Expenditures
(ex) depreciation expenses

(In millions of yen)

Item	FY 2016	FY 2017	Change
Ordinary Income	94,404	95,156	752
Management Expenses Grants Income	35,927	35,333	▲595
Student Fee Income	9,470	9,681	211
University Hospital Income	30,544	32,475	1,931
Sponsored Research / Cooperative Research Income	6,105	5,409	▲696
Sponsored Operations Income	1,406	1,353	▲53
Facilities Expenses Grants Income	392	89	▲303
Subsidy Income	2,143	2,320	177
Donation Income	2,053	2,164	111
Reversal of Per Contra Liabilities for Property Acquisition	3,642	3,408	▲233
Financial Income	34	36	2
Miscellaneous Gains	2,688	2,888	200
Extraordinary Profit	47	40	▲7
Reduction of Appropriated Surplus	-	-	-
Reduction of Reserve Funds Carried Forward from Previous Mid-Term Plan Period	209	89	▲120

It decreased due to the increase in the amount carried forward in the following year.

It increased due to the increase in tuition fee income etc. (35 million yen) and an increase in expenditure on tuition fee resources (208 million yen)

It increased due to the development of advanced Acute Medical Care such as an increase in the number of surgical operations. (1,931 million yen).

It decreased due to the completion of some of the High-Performance Support Projects (▲655 million yen).

The decrease was due to the decrease in earthquake-resistant construction projects (▲253 million yen), etc.

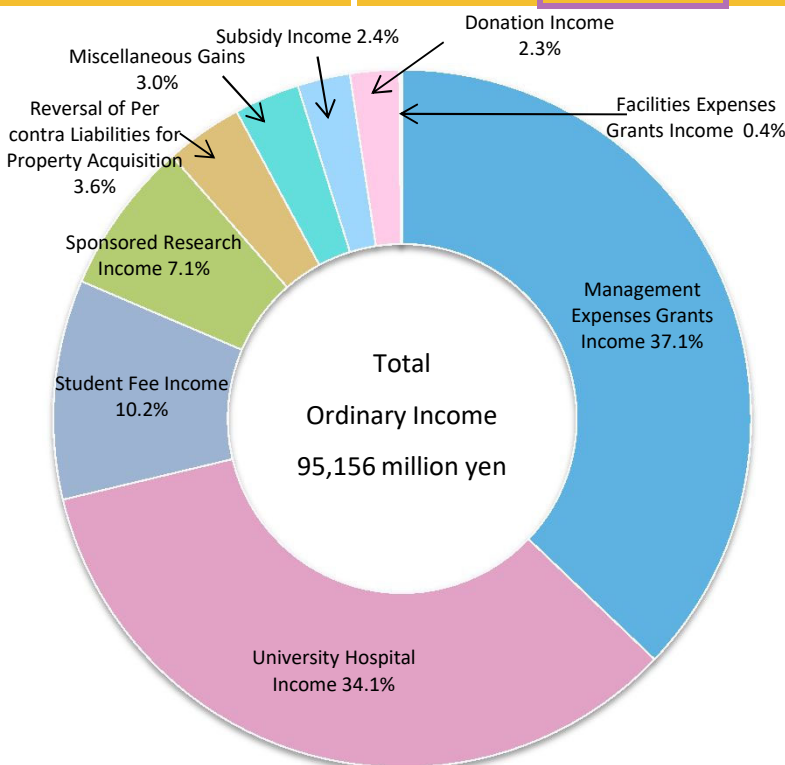
It increased due to the acceptance from the Medical Research and Development Project Grants "A project to accelerate the Tsukuba future of medical care within the worldwide by promoting open innovation."(228 million yen)

It increased due to a new receiving of Endowed Courses and Donation Research Department (50 million yen).

It decreased due to depreciation.

It increased due to the increase in student dormitory revenue (313 million yen).

It decreased due to an increase in annual salary promotion (38 million yen) and a decrease in retirement allowance compared to the previous fiscal year (▲158 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 2016	FY 2017	Change
I Cash Flow from Operating Activities	13,125	11,229	▲1,896
Education/Research Operation Expenditures	▲14,726	▲14,603	124
Medical Service Operation Expenditures	▲16,752	▲18,574	▲1,822
Expenditures of Personnel Expenses	▲49,526	▲50,034	▲508
Other Operating Expenditures	▲2,890	▲3,069	▲180
Management Expenses Grants Revenue	40,875	40,895	20
Student Fee Revenue	9,277	9,263	▲14
University Hospital Revenue	30,516	32,264	1,747
Sponsored Research/Operations Revenue	7,981	7,094	▲887
Subsidy Revenue	2,876	2,866	▲10
Donation Revenue	2,440	2,505	66
Other Operating Revenue	2,714	2,830	116
Changes in Deposits Payable	355	▲206	▲561
Amount Paid to National Treasury	▲15	-	15
II Cash Flow from Investing Activities	▲6,264	▲5,396	868
Expenditures from Acquisition of Marketable Securities	-	▲4,000	▲4,000
Revenue from Sale of Marketable Securities	500	4,000	3,500
Expenditures from Acquisition of Tangible/Intangible Fixed Assets	▲5,276	▲3,873	1,403
Revenue from Sales of Tangible/Intangible Fixed Assets	-	950	950
Expenditures from Deposit of Time Deposits	▲42,000	▲34,700	7,300
Revenue from Refund of Time Deposits	38,100	31,000	▲7,100
Revenue from Facility Expenses	2,374	1,669	▲705
Expenditures of payment of the National Institution for Academic Degrees and Quality Enhancement of Higher Education	-	▲475	▲475
Expenditures from Fulfillment of Asset Retirement Obligations	-	-	-
Other Investing Revenue and Expenditures	0	▲1	▲1
Interests and Dividends Received	38	34	▲4
III Cash Flow from Financing Activities	▲7,750	▲8,347	▲597
Expenditures for Repayment of Lease Liabilities	▲1,156	▲1,300	▲143
Expenditures for Repayment of the National Institution for Academic Degrees and Quality Enhancement of Higher Education	▲375	▲324	52
Revenue and Expenditures for Repayment of Long-term Borrowings	▲3,456	▲4,034	▲578
Other Financing Expenditures	▲1,998	▲2,039	▲41
Interest Paid	▲765	▲651	115
IV Differences from Currency Conversion of Funds	▲6	▲1	5
V Changes in Funds	▲894	▲2,515	▲1,620
VI Initial Balance	8,292	7,398	▲894
VII Closing Balance	7,398	4,883	▲2,515

Financial Statements in Fiscal Year 2017

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 2016	FY 2017	Change
I Operating Expenses	41,158	39,796	▲1,362
1) Expenses in Profit and Loss Statement	93,798	94,213	415
Operating Expenses	90,533	90,953	420
General Administrative Expenses	2,471	2,586	115
Financial Expenses	677	568	▲109
Miscellaneous Expenses	61	37	▲24
Extraordinary Loss	56	70	14
2) (Deduction) Non-Subsidy Revenue	▲52,639	▲54,417	▲1,777
Student Fee Income	▲7,752	▲8,014	▲262
Admission Fee Income	▲1,394	▲1,358	36
Examination Fee Income	▲324	▲309	15
University Hospital Income	▲30,544	▲32,475	▲1,931
Sponsored Research Income	▲6,105	▲5,409	696
Sponsored Operations Income	▲1,406	▲1,353	53
Donation Income	▲2,053	▲2,164	▲111
Reversal of Management Expenses Grants Per Contra Liabilities for Property Acquisition (Student Fee)	▲663	▲672	▲9
Reversal of Donations Per Contra Liabilities for Property Acquisition	▲621	▲639	▲19
Financial Income	▲34	▲36	▲2
Miscellaneous Gains	▲1,719	▲1,953	▲234
Extraordinary Income	▲25	▲34	▲9
II Depreciation Amount not Included in P/L	4,904	4,908	4
III Impairment Loss Amount not Included in P/L	1,563	66	▲1,496
IV Interest Expense Equivalent Amount not Included in P/L	2	2	0
V Sales or Disposal Amount not Included in P/L	7	▲326	▲333
VI Estimated Amount of Increase in Unreserved Bonus	▲4	25	29
VII Estimated Amount of Increase in Unreserved Retirement Benefit	▲560	▲1,937	▲1,376
VIII Opportunity Cost	208	144	▲63
Opportunity cost of debt-credit transactions of decreased or free-of-charge usage fees from the national government or local public authorities	17	13	▲4
Opportunity cost of government investment	191	132	▲59
IX National University Corporation Business Operation Cost	47,277	42,678	▲4,599

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 2017

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.

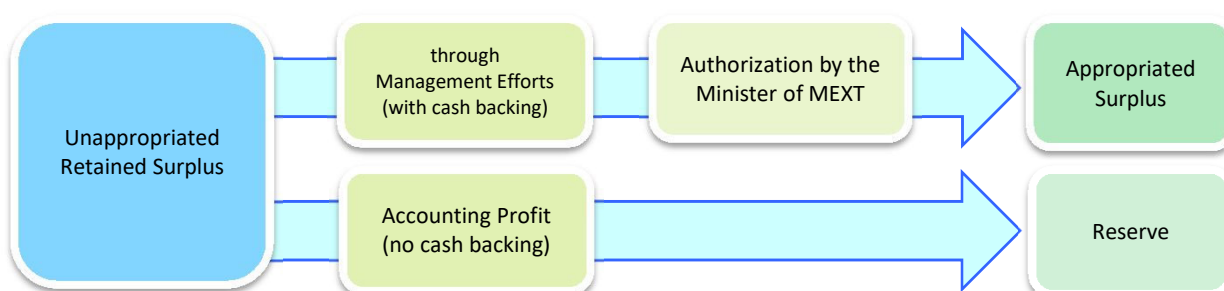
That is to say, it represents the amount borne by the Japanese people for our university.

Statement on Appropriation of Retained Surplus

(In millions of yen)

Items	FY 2016	FY 2017	Change	Outline
I Unappropriated Retained Surplus (or Undisposed Loss) at the end of the term	863	1,072	209	
Gross Profit (Loss)	863	1,072	209	
II Retained Surplus Appropriation (Loss Disposition)	863	1,072	209	
Appropriated Surplus	863	635	▲ 228	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.)
Reserve	-	437	437	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	-	-	-	
Reserve Funds Carried Forward from Previous Mid-Term Plan Period	-	-	-	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.

○ 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	40,618	41,616		998	It increased due to additional allocation, etc.
Facilities Maintenance Grants	2,023	1,156		▲867	Revenue has decreased due to the incomplete project of Komone school building, etc.
Subsidy Revenue	2,156	2,666		511	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	114		-	
Non-Subsidy Revenue	42,481	44,272		1,791	
Revenue from Tuitions, Admission and Examination Fee	9,282	9,248		▲34	
University Hospital Revenue	30,671	32,264		1,592	It increased due to running highly advanced and acute stage medical care.
Revenue from appropriation of property	620	951		331	
Other Miscellaneous Revenue	1,907	1,809		▲98	
Revenue from Industry-Academia Collaboration Research and Donations	11,452	12,502		1,050	It increased due to efforts to gain Funds.
Reduction of Reserve Allowance	574	709		135	
Revenue for Repayment of Long-term Borrowings	108	-		▲108	
Loan Collection Money	5	1		▲4	
Appropriated Surplus	70	89		19	
Total	99,600	103,124		3,524	

○Expenditures

Classification	Budget	Actual	(In millions of yen)	Difference (Actual - Budget)	
Operating Expenses	76,885	76,009		▲875	The amount of expenditure has decreased due to carry forward the projects to be continued in the following fiscal year and efforts tried to reduce medical expenses.
Education and Research Expenses	47,277	45,976		▲1,300	
Medical Service Expenses	29,608	30,033		425	
Facility Maintenance Expenses	4,077	3,101		▲975	Due to the decrease in the revenue amount of facility maintenance expenses, expenditure is also decreasing.
Subsidies	2,156	2,666		511	
Expenditures for Industry-Academia Collaboration Research and Donation Projects	11,452	9,924		▲1,528	The amount of expenditures decreased due to decreasing the balance brought forward the projects to be continued in the following fiscal year.
Loan	5	1		▲4	
Redemption of Long-term Borrowings	4,716	4,649		▲67	
Payment for the National Institution for Academic Degrees and Quality Enhancement of Higher Education	310	475		165	
計	99,600	96,826		▲2,775	

Earnings Statement

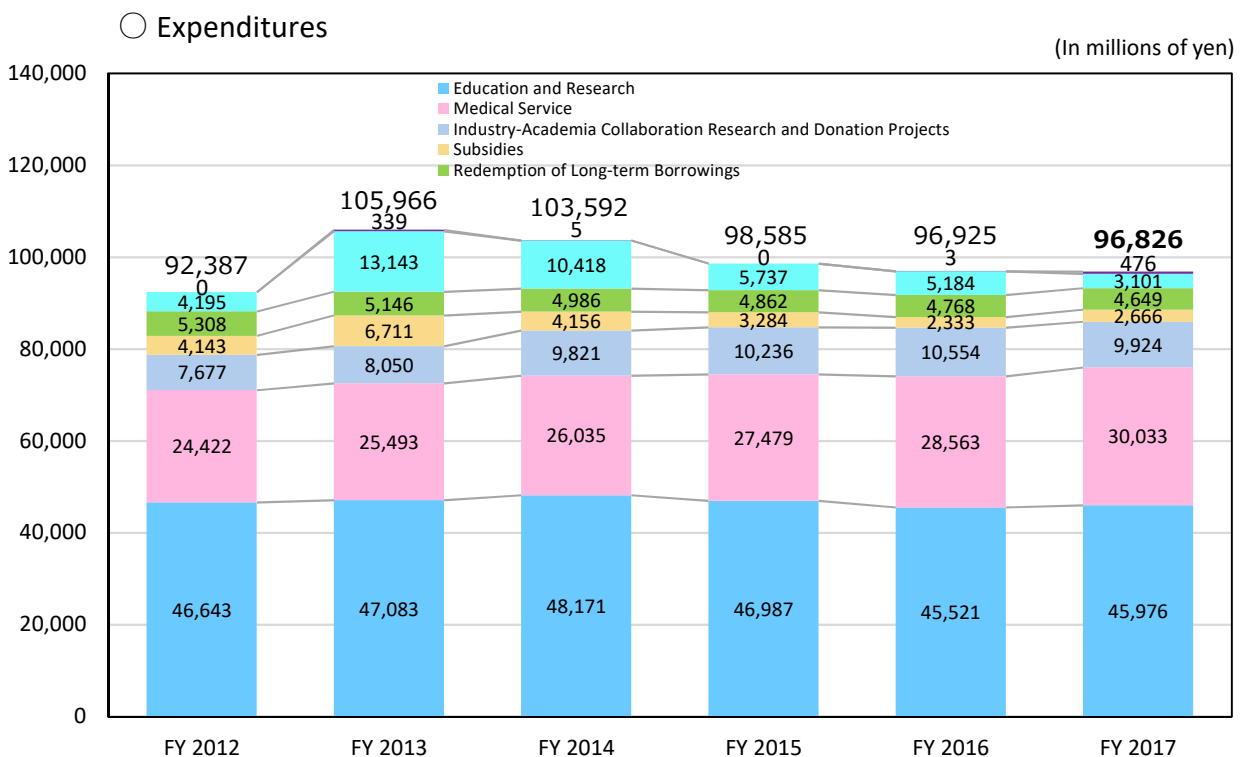
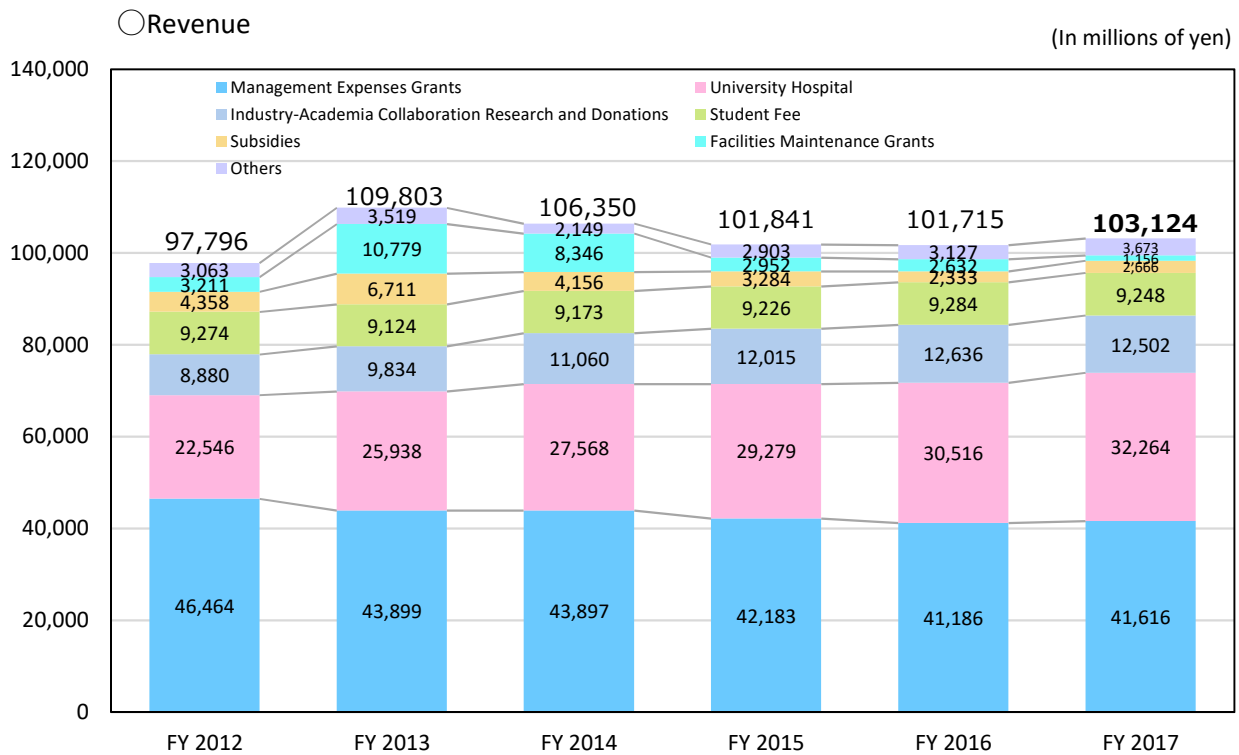
As the majority of the operating funds is appropriated from the national government resources, management by budget classifications similar to that of the national government is required. The statement shows the situation of implementation in comparisons to the budget plan.

On Operating Expenses

Changes in Annual Operating Expenses

In addition to management expenses grants and facilities maintenance grants from the government, our university's revenues come from grants, industry-academia collaboration research revenues, external funds through donations, student fees or revenues generated from university-affiliated hospital. The revenues from the hospital and the grants have been on the rise, and the total amount of revenues is higher than last year.

Our expenditures consist of education and research expenses, medical expenses, industry-academia collaboration research expenses, as well as donation projects, etc. Although medical expenses and grants have increased, due to the decrease in expenditure on industry-academia collaboration research, the total amount of expenditure is less than last year.



Factors of Total Loss at the End of the Term

Gross Profit of our university in fiscal year 2017 was 1,072 million yen (13 million yen for our university and 1,059 million yen for the university Hospital). It was caused by following matters.

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

- 1) A balance difference of 82 million yen, due to reduction in costs and increasing miscellaneous revenues, following the promotion of revenue and expenditure reformation.
- 2) Impact of expenses recorded in Global Residence Development Project (PFI and borrowings) (▲58 million yen).

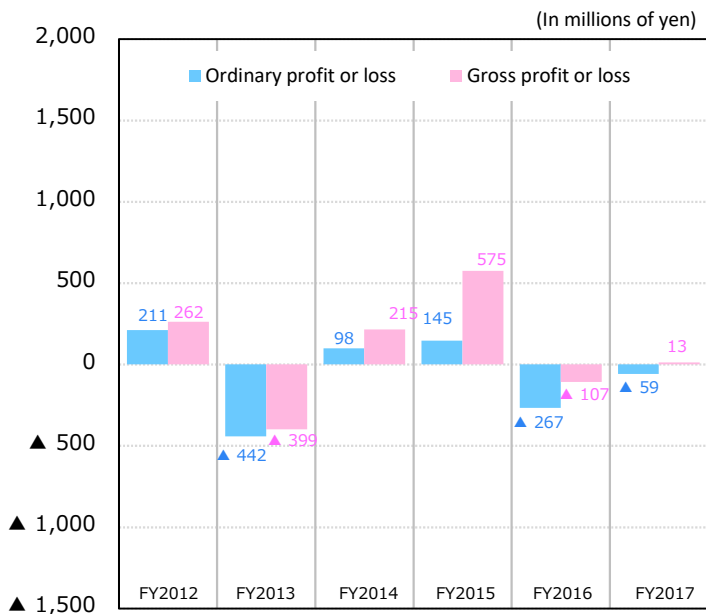
(2) Main causes of the Profit of the university hospital

- 1) Revenue balance difference due to the increased profit in the number of surgical operations and cost reduction etc. (553 million yen).
- 2) The impact of depreciation expenses in the fixed assets at The University Hospital (506 million yen).

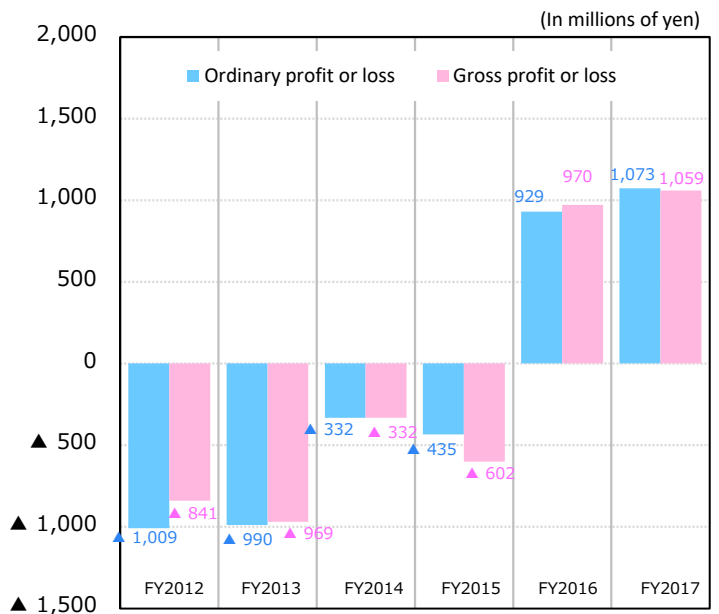
Gross Profit (Loss) in Fiscal Year 2017 (In millions of yen)

Classification	University	University hospital	Total
Ordinary Expenses	▲ 57,599	▲ 36,543	▲ 94,142
Ordinary Income	57,540	37,616	95,156
Extraordinary Profit and Loss	▲ 9	▲ 21	▲ 30
Mid-term target period reversal of carry-forward reserve amount	82	7	89
Gross Income(Loss)	13	1,059	1,072

◆ University

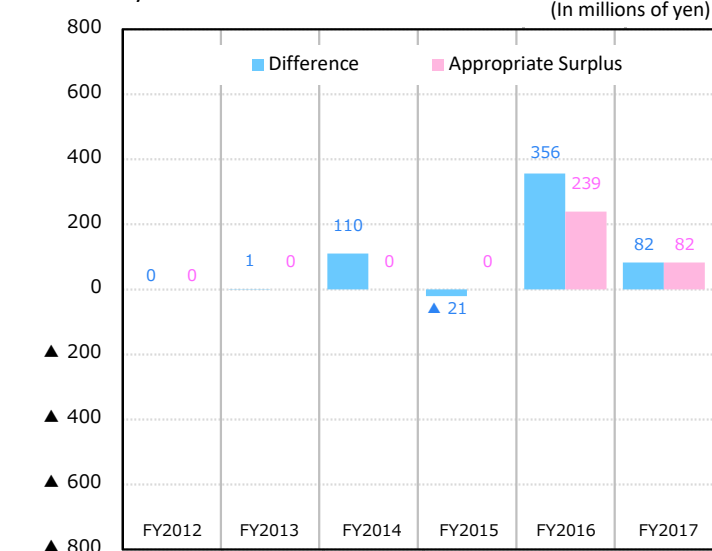


◆ University hospital

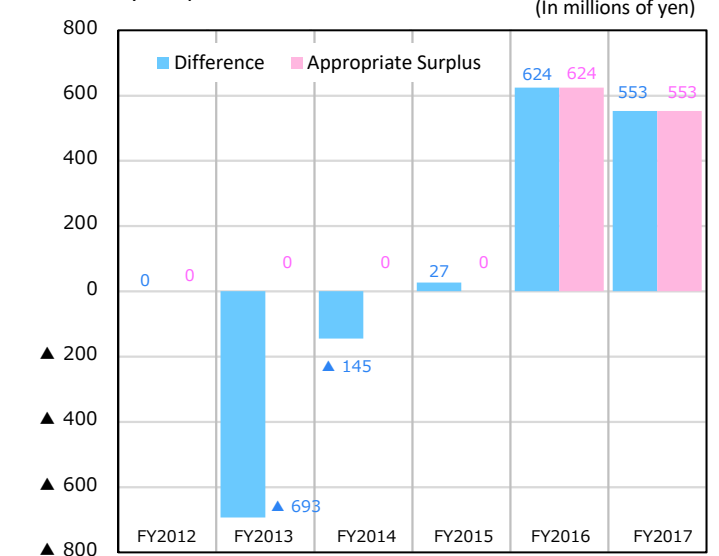


Changes in Revenue and Expenditures

◆ University



◆ University hospital

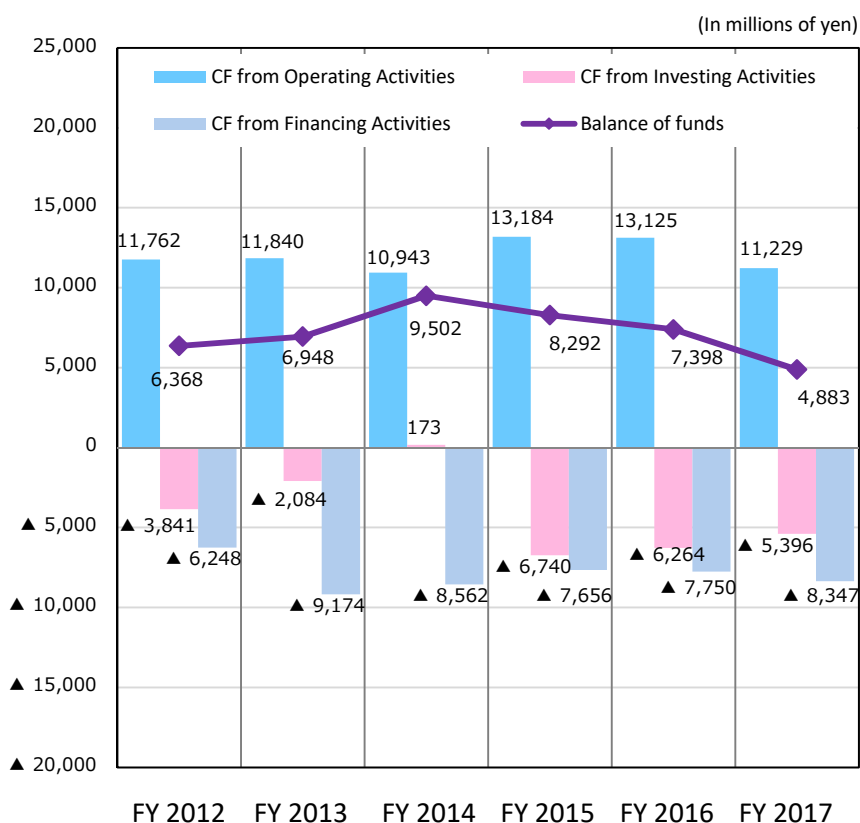


Changes in Annual Cash Flow

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 2017, "Cash Flow from Operating Activities" which shows the flow of funds for education and research activities increased by 1,896 million yen. Which was decreased compared to the previous fiscal year 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 868 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 8,347 million yen mainly due to repayment of Long-term Borrowings. Lease Liabilities. And PFI liabilities.



Track Record of Profit from Fund Management

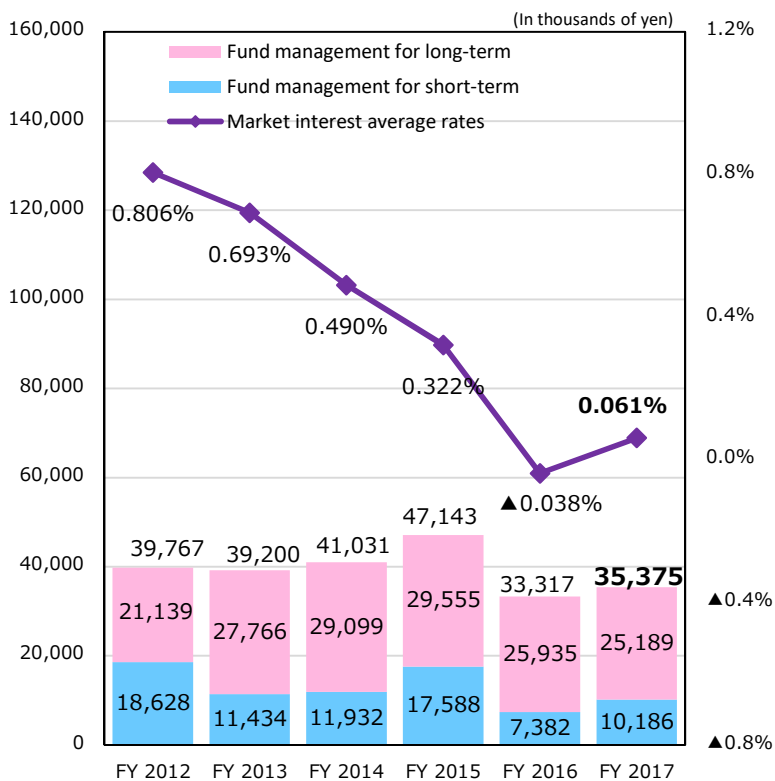
Since the corporatization of national universities, Management Expenses Grants have been being reduced every year and to secure various sources of revenue is the challenge for us.

In our university, we invest funds (Surplus) that we do not plan to pay for a while and allocate it as part of the student scholarship (Tsukuba Scholarship) aimed at the further promoting to the internationalization of The University.

Depending on the source of surplus, the method of operation differs, in the case of donation funds, the long-term operation for more than 1 year mainly for public bonds has been carried out, and when the source is the subsidies, the operation has been carried out for 1 year or less in the Short-term operation with a large-scale time deposit etc.

In the FY2017, Operating profit of long-term investment is decreased by 746 thousand yen compared to the previous fiscal year and became 25,189 thousand yen. This is due to the decreased interest income and maturity redemption of the National bond at the end of FY2016.

Meanwhile, in the short-term operation, the market interest rate slightly increased by 2,804 thousand yen compared to the previous year and became 10,186 thousand yen, and total investment income increased by 2,058 thousand yen compared to the previous fiscal year and became 35,375 thousand yen.



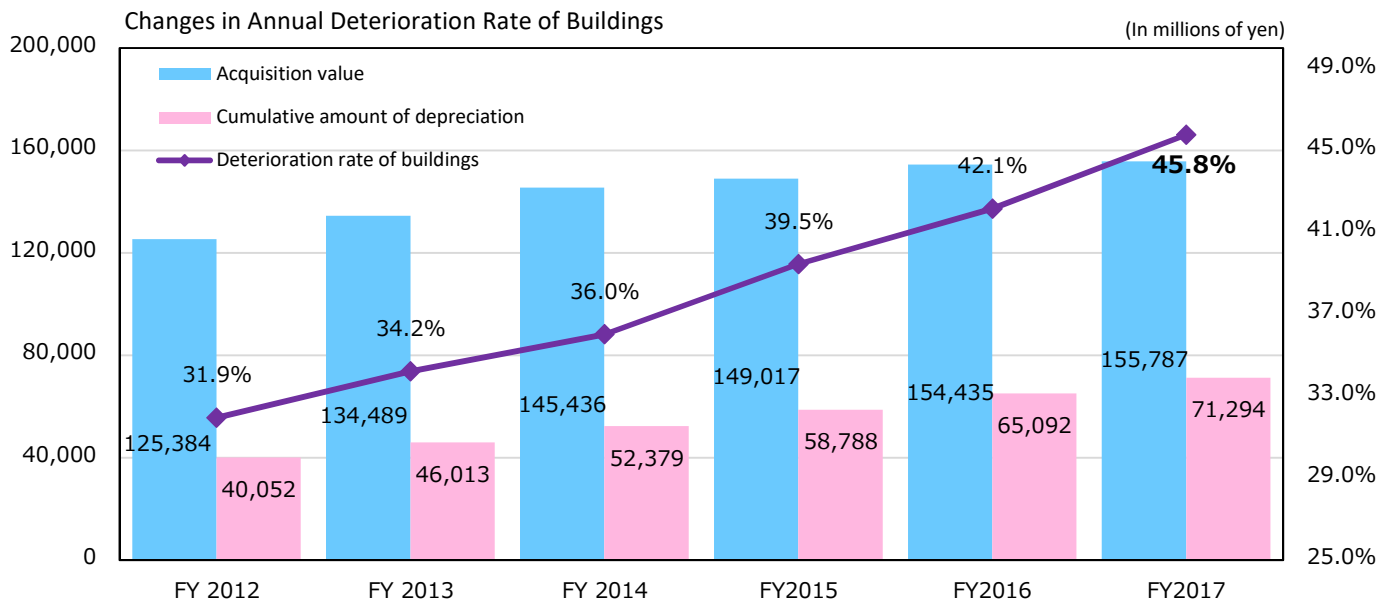
*The market interest average rates are taken from the average annual yield for newly issued ten-year government bonds.

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.



$$\text{Deterioration rate of buildings (\%)} = \frac{\text{Cumulative amount of depreciation}}{\text{Acquisition value}}$$

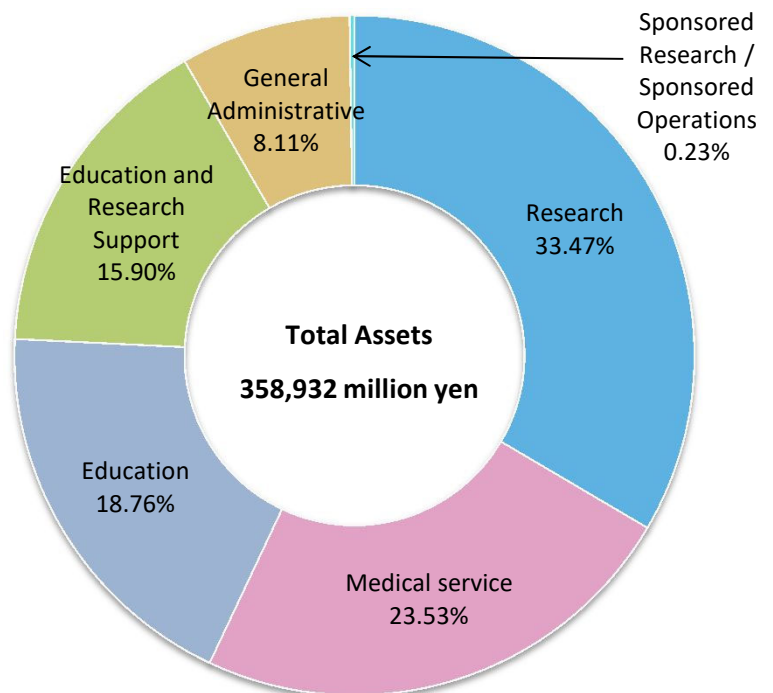
Share of Assets by Usages

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 2017.

Assets which mainly increased are following: Education assets due to repair works of the student lodgings.

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

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





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