### Increase of Buildings

Buildings increased as a result of the recovery projects which have commenced, and the preparation of research facilities by Government funding for operations carried over from previous term.

#### Increase in Shares of subsidiaries and associates

We established a 100% owned venture capital, Tohoku University Venture Partners Corporation, which supplies funds to ventures originating from the university

### **Increase of Personnel expenses**

Personnel expenses increased as a result of stopping salary cuts to government officials as part of aiding recovery from the earthquake disaster, and the increase of retirement benefits cost.



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### Institute for Disaster Reconstruction and Regeneration Research

As an university located at the center of the disaster-affected area, Tohoku University will continue to play a leading role in reconstructing Tohoku and in revitalizing Japan.



Eight Projects 🚬 🦳	Reconstruction Action 100+
Project 1 International Research Projects on Disaster Science	Relief activities for affected people
Project 2 Project for the Reconstruction of Community Health Care	Survey and understanding extent
Project 3 Project for Environmental Energy	of damage Recovery and reconstruction activitie
Project 4 ICT Reconstruction Project	
Project 5 Tohoku Marine Science Project	Disaster prevention and mitigation measures
Project 6 Radioactive Decontamination Project	Improvement of infrastructure and other facilities
Project 7 Regional Industries Restoration	ouler lacilities

Project 8 Industry-University Collaboration

Industrial reconstruction and research and development

TOHOKU UNIVERSITY **Financial Report** 



# TOHOKU UNIVERSITY Financial Report -Digest-





### **Tohoku University** Financial Report (Digest)

Contact us Account Settlement office.Finance Department.Tohoku University

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# TOHOKU UNIVERSITY **Financial Report**

# Financial Highlights for FY2014

- •We prepared many education and research facilities in FY2014. Fixed Assets largely increased due to completion of the reconstruction of the research facilities which had been damaged by the Great East Japan Earthquake, and the completion of new buildings.
- ●In February 2015, we established a 100% owned venture capital, Tohoku University Venture Partners Corporation, which supplies funds to ventures originating from the university.
- With progress in our recovery and completion of the Tohoku Medical Megabank Organization, the budget scale reduced from FY2013. However, ordinary expenses and revenue scale expanded due to stopping salary cuts, implementing recovery projects by carry-over of management expenses grants from the government, and increases in the expense for depreciation of the assets which were obtained by subsidies in the previous year.

			(In mill	ions of Yen)
Financial Statements	Items	FY2012	FY2013	FY2014
Balance Sheet	Assets	424,497	471,664	449,932
	Liabilities	204,333	246,734	198,060
	Net assets	220,164	224,930	251,871
Income Statement	Expenses	134,045	139,697	145,757
	Ordinary expenses	(126,434)	(137,978)	(142,499)
	Extraordinary loss	(7,610)	(1,718)	(3,258)
	Revenue	136,198	142,635	149,347
	Ordinary revenue	(128,479)	(140,974)	(146,274)
	Extraordinary profit	(7,718)	(1,660)	(3,072)
	Reversal of reserve for specific purposes	122	17	21
	Income for the period	2,275	2,955	3,611
	Provision of reserve for specific purposes	-	28	388
Cash Flow	Operating activities	22,930	36,787	17,318
Statement	Investing activities	▲ 4,326	▲ 8,878	▲ 39,906
	Financing activities	3,771	▲ 7,663	▲ 7,183
	Cash at beginning of period	27,795	50,170	70,416
	Cash at end of period	50,170	70,416	40,644
Operation Cost Statement	Operation cost	73,974	78,294	81,723
Statement of Comparison	Receipts	186,767	180,576	161,923
of Budget and Actual Amounts	Payments	168,921	176,407	156,082
	Net receipts (Receipts - Payments)	17,847	4,170	5,841

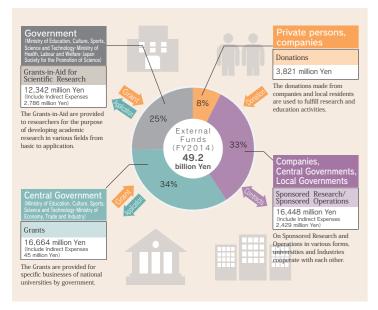
\*Amounts less than one unit are omitted.

### Cash Flow Statement(summary)

			(In m	illions of Yen)
		Items	FY 2014	FY 2013
This section presents cash flows through business activities of education and research, etc.	•	I Cash flows from operating activities Payments for raw materials, goods and service Payments for personnel expenses Proceeds from grants for operations Proceeds from student fees	17,318	36,787
This section presents cash flows through "the investment for establishment of management foundation".	•	II Cash flows from investing activities Payments for time deposits Purchase of property, plant and equipment and intangible assets Proceeds from grants for facilities	▲39,906	▲8,878
This section presents cash flows about		III Cash flows from financing activities Repayment of long-term borrowings Repayment of finance lease liabilities	▲7,183	▲7,663
borrowings,etc.		IV Effect of exchange rate change on cash	—	—
		V Net increase in cash	▲ 29,772	20,246
		VI Cash at beginning of period	70,416	50,170
		VII Cash at end of period	40,644	70,416

The Cash flow statements is a cash basis report and presents each cash inflow and cash outflow of "operating, investing, and financing activities".

### External Funds



				(In milli	ons of
Items	FY 2014	FY 2013	Items	FY 2014	FY 2
Assets			Liabilities		
(Non-current assets)			(Non-current liabilities)		
Land	133,801	133,780	Deferred inflow of assets	98,902	119,
Buildings	157,346	129,156	Long-term borrowings	33,574	36,
Machinery and equipment	60,921	59,133	Other	11,140	5,
Books/Work of art	25,404	25,285	(Current liabilities)		
Construction in progress	11,398	30,947	Deferred inflow of grants for operations	4,361	12,
Investment securities	1,652	1,654	Deferred inflow of donations/Deferred inflow of Sponsored Research	18,735	18,
Shares of subsidiaries and associates	48	-	Current portion of long-term borrowings	3,712	3,
Other	1,504	1,727	Accounts payable	23,792	47,
(Current assets)			Other	3,842	3,
Cash and deposits	40,944	70,416	Total (Liabilities)	198,060	246,
Accounts receivable	14,169	15,845	Net assets		
(Accounts receivable - student fees	151	160)	Capital	192,720	192,
(Accounts receivable - university hospital	7,328	6,773)	Capital surplus	39,993	16,
(Other accounts receivable	6,688	8,911)	Earned surplus	19,156	15,
Securities	2,000	3,300	(Reserve funds carried forward from previous mid-term plan period	5,488	5,
Other current assets	740	416	(Reserve for specific purposes	2,093	2,
			(Reserve	7,963	5,
			(Unappropriated retained earnings	3,611	2,
			Total (Net assets)	251,871	224,
Total (Assets)	449,932	471,664	Total (Liabilities ,Net assets)	449,932	471,

Balance sheet presents information about the financial position on the reporting date by presenting all

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			Income Sta
	(In millio	ons of Yen)	
	FY 2014	FY 2013	Items
oilities)			Ordinary exper
of assets	98,902	119,226	oruniary exper
owings	33,574	36,634	Education
	11,140	5,219	Research
ies)			Research
nts for	4,361	12,353	Medical serv
ions/Deferred arch	18,735	18,425	Support for e
g-term	3,712	3,773	and research
ble	23,792	47,121	Sponsored r
	3,842	3,980	
s )	198,060	246,734	Personnel ex
			General admir
	192,720	192,720	Finance cost
	39,993	16,642	Finance cost
	19,156	15,567	Other
forward from n period	5,488	5,488)	Ordinary expension
c purposes	2,093	2,086)	ordinary expens
	7,963	5,036)	Extraordinary

57,854 449,932

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Current liabilities

Capital

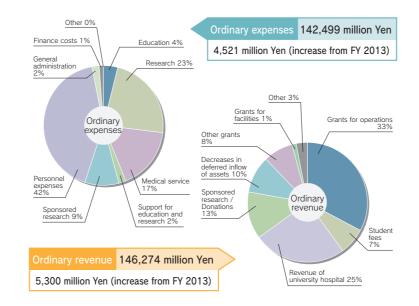
300.000 million Yen

Capital surplus

Earned surplu

Income Statement (summary)					
			(In millions of Yen		
Items	FY 2014	FY 2013	Items FY 2014 FY 2013		
Ordinary expenses			Ordinary revenue		
Education	5,737	5,479	Grants for operations 47,752 41,970		
Research	33,052	32,627	Student fees 10,838 10,834		
Medical service	23,828	23,325	Revenue of university 36,598 35,335 hospital		
Support for education and research	3,063	3,081	Sponsored research / 19,485 19,009 Donations		
Sponsored research	12,951	12,927	Decreases in deferred 14,633 12,435 inflow of assets		
Personnel expenses	59,868	55,909	Other grants 12,137 16,606		
General administration	3,331	3,799	Grants for facilities 1,040 532		
Finance costs	663	818	Other 3,788 4,250		
Other	2	9			
Ordinary expenses Total	142,499	137,978	Ordinary revenue Total 146,274 140,974		
Extraordinary loss	3,258	1,718	Extraordinary profit 3,072 1,660		
Income for the period	3,611	2,955	Reversal of reserve for 21 17 specific purposes		

Income statement presents information about the financial performance during a reporting period by presenting all revenue and expenses.



### Balance Sheet (summary)

assets, liabilities and net assets.

Assets

449,932 million Yen

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(increase from FY 201

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## Operation Cost Statement (summary)

(In millions of Yen)

			(	,
		Items	FY 2014	FY 2013
This section presents the burden on citizens in income statement by deducting non- subsidy revenue.	•	I Operating expenses Expenses in income statement Operating expenses General and administrative expenses (Deduction) Non-subsidy revenue,etc Student fees Revenue of university hospital Sponsored research	73,934	69,985
This section presents the increase of burden on citizens that is not included in income statement.	•	<ul> <li>II Depreciation expense not included in income statement</li> <li>III Impairment loss amount not included in income statement</li> <li>IV Profit or loss on sale of securities not included in income statement</li> <li>V Profit or loss on valuation of securities not included in income statement</li> <li>VI Interest expense amount not included in income statement</li> <li>VI Interest expense amount not included in income statement</li> <li>VI Sales or disposal amount not included in income statement</li> <li>VI Interest expense amount not included in income statement</li> <li>VI Interest expense amount not included in income statement</li> <li>VI Interest extrement</li> <li>Increase of estimated bonuses not included in income statement</li> <li>Increase of estimated retirement benefit not</li> </ul>	- 11 10 210 148	6,189 38 - 14 ▲ 370 ▲ 344 540
This section presents opportunity costs that are favorable in comparison with the private sector when	•	included in income statement X Opportunity cost Opportunity cost of transactions of decreased or free-of- charge usage fees of the central or local governments Opportunity cost of contributions from the government of Japan	1,958	2,241
using the assets of		$\boldsymbol{X}\boldsymbol{I}$ (Deduction) Amount paid to the national treasury	_	-
government, etc.		XII Operation cost	81,723	78,294
O		at approach the burgles of strengt to second		

Operation cost statement presents the burden on citizens to operate national universities. Item VII indicates the burden on citizens by our university.

### Statement of Appropriation of Earned Surplus (draft)

	1 .	(In millions of Yen)
	FY 2014	FY 2013
I Unappropriated retained earnings Income for the period	3,611	2,955
II Appropriated amount Reserve Reserve for specific purposes	3,222 388	2,927 28

This statement presents information about the appropriation of unappropriated retained earnings.

#### Reversal of reserve for specific purposes in FY 2014

In FY 2014, Tohoku University spent 21 million yen from reserves for the specific purpose of preparing the welfare guidance institution which includes improvement of the quality of education research.

