

Sapporo City Investor's Guide

December 2011



City of Sapporo

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マスタタイトルの書式設定

1. Overview of Sapporo and Major Policies



Sapporo's Position of Being among the Largest Major Cities in Japan in Terms of Area, Population, and Economy

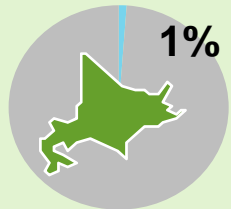
- Sapporo City is Hokkaido's economic hub and it also covers the largest population in Hokkaido
- It is the fourth largest city in Japan; statistically, its levels are comparable to those of mid-size prefectures
- The population and the city size continues to grow

Levels are comparable to those of mid-size prefectures

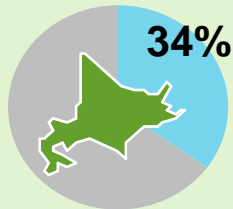
Sapporo's Position in Hokkaido

- Sapporo City comprises only one percent of land mass of Hokkaido
- Sapporo has one-third of Hokkaido's population and GDP

Land Area

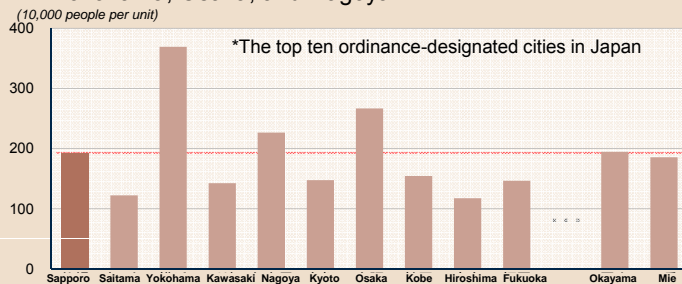


Population/GDP



Population Size

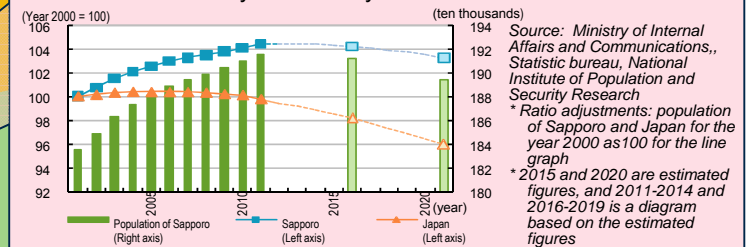
- 4th largest among ordinance-designated cities after Yokohama, Osaka, and Nagoya



Source: according to results of national consensus taken in 2010 (As of October 1, 2010)

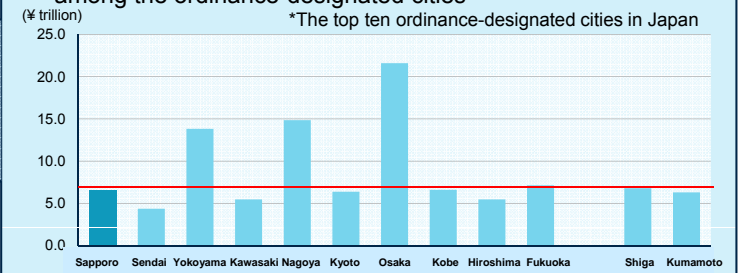
Potentials

- Population exceeded 1,900,000 in May 2009 (1,920,000 as of September 2011)
- The population growth continues to increase and is expected to slow down only moderately in the future



Economy

- Economic trend shows movements between approx 6 trillion to 7 trillion yen (Total GNP of Sapporo City) Ranked 6th among the ordinance-designated cities



Source: SNA (System of National Accounts) Prefecture level; net amount in FY2008

Full of Attractions and One of the Most Popular Tourist Destinations in Japan

- Sapporo is one of the most visited cities in Japan, with approximately 13 million tourist visits per year
- The economic effect of the tourism industry is being heightened by the addition of new attractive features to traditional tourism resources



Facilities		Events		Art & Music		Gourmet	
	Hitsujigaoka Observation Hill						

*Photo source: YOSAKOI Soran Festival Organization Committee, PMF Organization Committee

Rank	City	Score
1	Sapporo	57.0
2	Hakodate	56.7
3	Kyoto	54.9
4	Yokohama	51.7
5	Kobe	50.1

Source: Regional Brand Survey 2010

Economic Ripple Effects

- Production effect 427.4bn yen
- Income accumulation effect 245.9bn yen
- Employment effect 35,000 people
- Tax revenue effect 10.2bn yen

Source: Economic Effect Research of Tourism Industry by the City of Sapporo

Rank	City	Visiting Rate
1	Sapporo	58.7%
2	Asahikawa	27.2%
3	Otaru	25.9%
4	Furano	23.0%
5	Abashiri	22.5%

Source: Economic Effect Research of Tourism Industry by the City of Sapporo

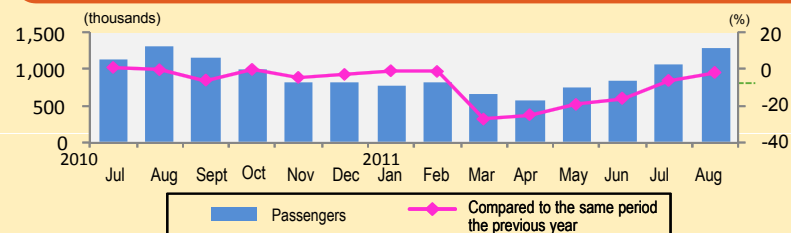
Economic Situation after the Great East Japan Earthquake on March 11, 2011

- Consumer spending and new housing construction are trending within the normal range this year; industrial production and employment rates are showing signs of recovery
- Tourists are starting to come back reviving the tourism industry after the earthquake

Tourism

- Visitors mainly from overseas decreased significantly after the earthquake.
- The industry had a good effect from the Chinese tourists and achieved top sales for the month of June 2011. Also, a promotional discussion with local tourism companies in Taiwan came up in Sapporo's August 2011 schedule.
- The tourist count in Hokkaido is climbing showing signs of recovery.

Visitors to Hokkaido

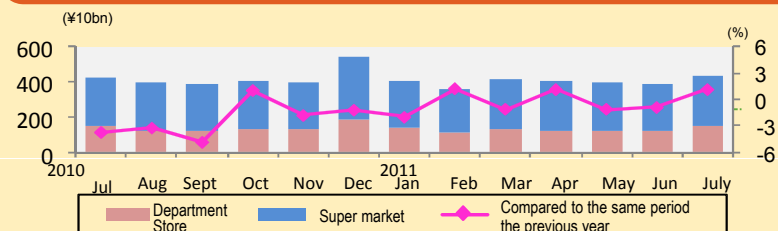


Source: Hokkaido Tourism Organization

Consumer Spending

- Large-scale retail stores located in Sapporo City maintained their sales level despite the disturbance from the earthquake.
- On year-to-year basis, the rate of new cars being registered at Sapporo Transportation Bureau in April and May 2011 were lower this year, but by June it bounced back to the same level.

Sales Performance: Large-scale Retailers in Sapporo

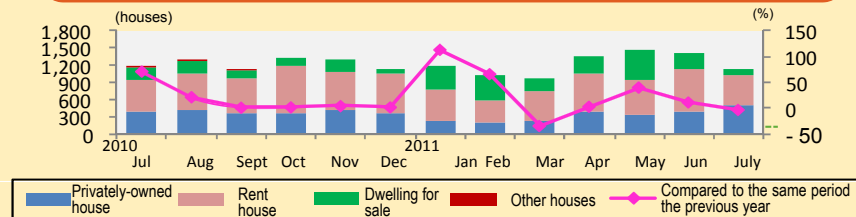


Source: Hokkaido Bureau of Economy, Trade and Industry

Housing and Industrial Productions

- The rate of new housing construction projects in Sapporo City since the earthquake is starting to increase and will be almost reaching to the same level as that of last year.
- On year-to-year basis, the Industrial Production Index in Hokkaido recorded a deficit in May 2011, but by the June and July 2011, it increased to the same levels as last year.

Construction Statistics: New Housings in Sapporo

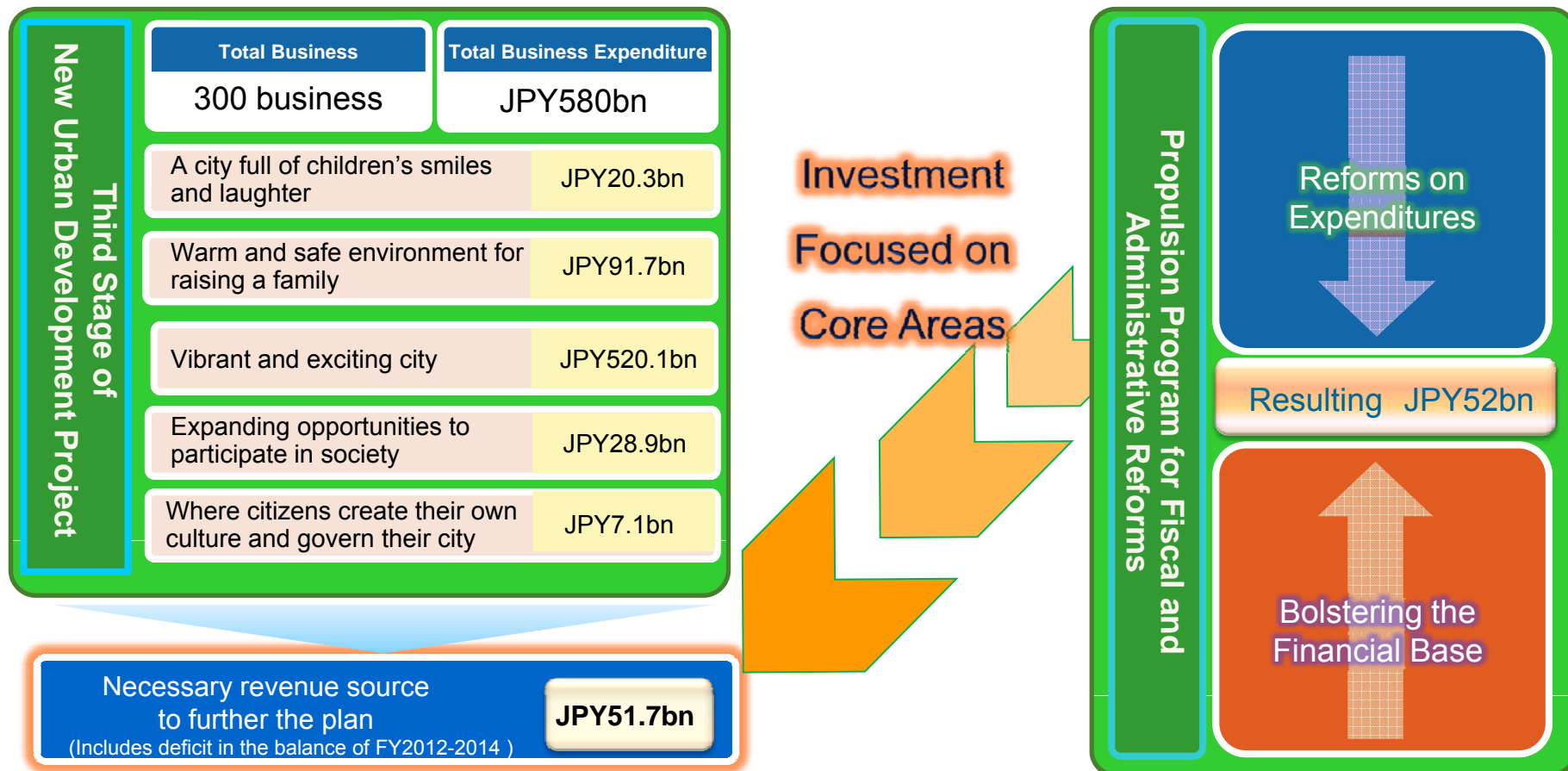


Source: Ministry of Land, Infrastructure, Transport and Tourism

Initiatives Aimed at Creating an Inspirational Northern City

- Formulated two plans in order to carry out the new municipal policy, the Third Stage of Sapporo “Genki” Vision
- Calculations to cover the expense for 300 businesses over the course of FY2011-2014 under the “The Third Stage of New Urban Development Project” is estimated to be JPY580bn
- “Propulsion Program for Fiscal and Administrative Reforms” is set and is expected to raise JPY52bn to fund the policy

The Third Stage of Sapporo “Genki” Vision



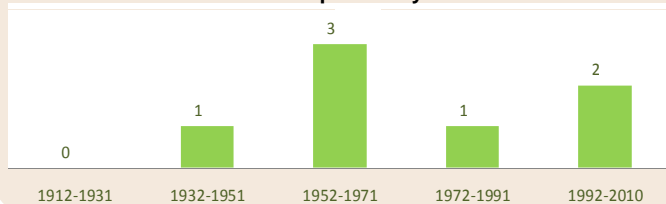
Creating a Disaster Resistant City

- To be ready for larger-than-expected earthquakes, the current disaster prevention plan is being reviewed to add measures against tsunami disasters and nuclear hazards
- Accelerate on adding quake-resistant functions and disaster preventions for public facilities and schools

Past Disasters and Prevention Measures

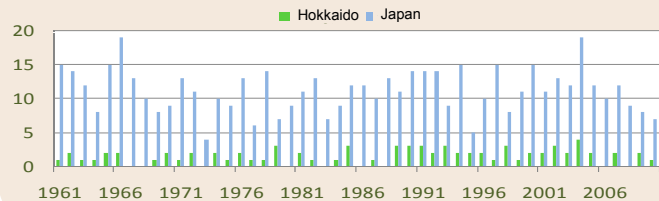
Earthquakes

of earthquake above level 4 on the Japanese scale in the past 100 years



Wind and Flood Damage

of annual approaching typhoon in the past 50 years



Countermeasures Against Disasters

- Disaster prevention plan designed for magnitude 8 earthquake
- Emergency supplies such as food for 47,000 people

March 11
Great East
Japan
Earthquake
and
Tsunami

The Third Stage of New Urban Development

Review the Local Disaster Prevention Plan

- Deal with issues that surfaced from past disasters
- Deal with unexpected disasters such as tsunami and nuclear hazards



Upgrade Quake-Resistant Standards for Public Facilities

- Budget for quake-resistant standard project JPY65.3bn
- 96% of the civic facilities have finished meeting standards
- Promote quake-resistant infrastructure on water supply and sewerage systems



Maintain and Enhance Functions of Evacuation Centers

- Support evacuation centers and add quake-resistant functions for citizens
- Enlarge emergency supplies such as foods (for evacuees of 110,000 at maximum)

A Dynamic City

- Formulated the “Sapporo City Industry Vision in 2010” to further stimulate industry
- Reflected the 4 focus areas (foods, sightseeing, environment, and health and welfare) on “the third stage of New Urban Development” to promote a industrial-wide recovery

Needs for Further Initiatives Aimed at Industry Stimulation

Clarification of the Role of Sapporo City

All-Hokkaido Framework

4 Focus Areas

Foods

Sales channel expansion to other prefectures and overseas

Sightseeing

Attracting MICE, etc.

Environment

Promotion of green IT, etc.

Health and Welfare

Stimulation of health-related sectors, etc.

“The Third Stage of New Urban Development”

Promoting the Hokkaido Food Complex International Strategic Comprehensive Special Zone Framework

Over the course of five years (FY2012-2016) import and export substitution in relation to the Special Zone is to increase by **JPY130bn**



Cultivate Content Industry

Economic effect from attracting film makers to shoot on location at Sapporo (FY2010) JPY1.06bn → (FY2015) **JPY14.4bn**



Attracting MICE

Since economic effect from this industry is considered to be greater than that of the tourism industry, it aims to expand **20%** of the market share in five years

47bn (FY2010)

57bn (FY2015)

Attracting Companies

Attract companies and aim to accumulate growth industries at Douou-ken, this in turn will create jobs and stimulate the economic activities

Job Creation 3,240people (FY2011-2014)



Projects to Create a City Full of Attractions

- The Underground walkway opened in March 2011 between Sapporo Station to the Odori area. The underground walkway connecting Sapporo to the Susukino area brings new integration of the underground city network
- The walkways have doubled the number of pedestrians and have contributed more sales to nearby stores
- Increase city's attractiveness by extending the tramway for streetcars and upgrading the Odori cross area

Development of Sapporo Sousei 1-1-1 District

This complex facility will be built to function as a civic center and will have a hall inside for creative activities and arts, seating 2,300. The construction is scheduled to start in FY2014.



*Image provided by the vendors and the design is yet to-be-decided at this point.

Maintenance of Soseigawa Park



Building an Underground Pedestrian Area

The construction of underground pedestrian space connecting Sapporo Station and Odori Area and redevelopments made by the private sector have stimulated economic activities and brought new attractions for the city overall.

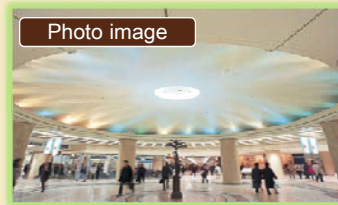
Economic Ripple Effect: JPY160bn-170bn

Streetcar Extension

Research and design for streetcar extension project: introduce new type of streetcars designed with low-floors, and connect the ends of existing tramway to form a loop. Completion date scheduled to be met by end of FY2014.
※Illustration of the image below.

Odori City Center "Sapporo Hiroba"

Sapporo will cooperate with numerous above-ground private sector facilities to rebuild the cross section of Sapporo Station Road and Odori Road.



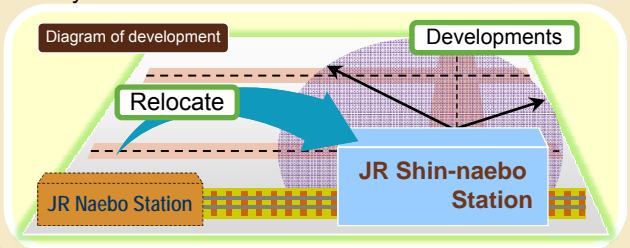
JR Naebo Station

JR Sapporo Station

New Walkway Near Sapporo Station

Developments Near Naebo Station

Relocate JR Naebo Station and rebuild the public facilities such as the opening in front of the station and roads. Provide support for redevelopments made by the private sector and guide and encourage urban developments of nearby areas.

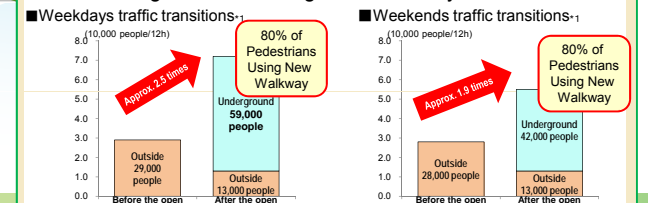


Sousei Tunnel Opens



Open of Underground Pedestrian Space Station Road Near Sapporo Station

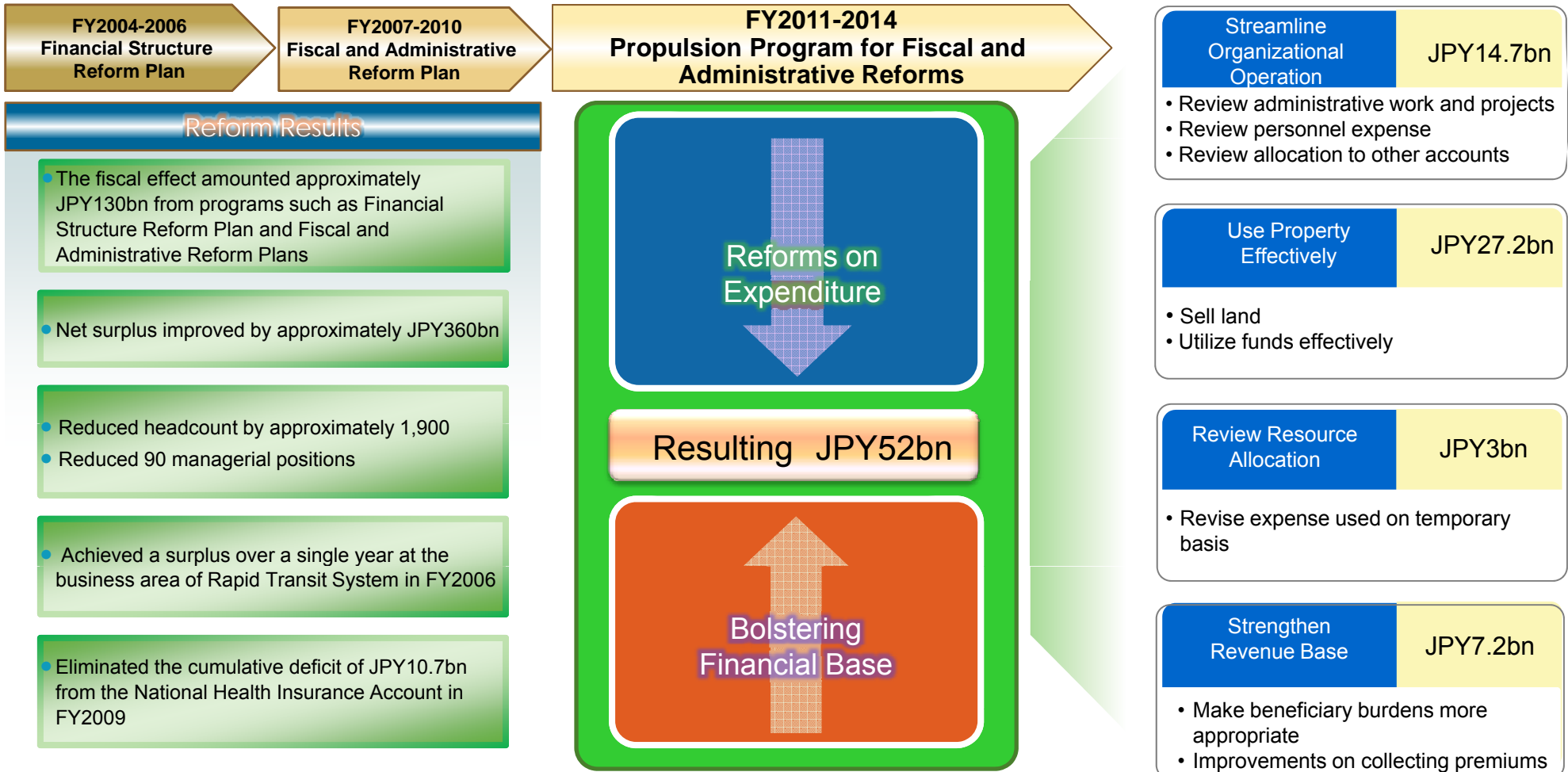
Since the open, the traffic volume has doubled on both outside and underground walkways, and 80% of the total pedestrians are now using the new underground walkway.



*1 Currently in mid-process of research since the outside walkway is yet under construction.

Administrative and Fiscal Reforms

- Achieved economic effect of approximately JPY130 from “Financial Structure Reform Plan (FY2004-2006)” and “Fiscal and Administrative Reform Plan (FY2007-2010)”
- Formulated “Propulsion Program for Fiscal and Administrative Reforms (FY2011-2014)” for the purpose to form a sustainable and reliable fiscal system and to review the resource allocations to priority areas



Setting the Benchmark

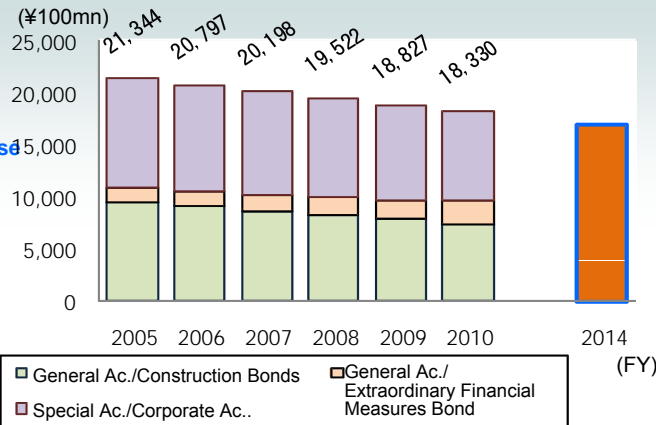
- The benchmark, which serves to sustain fiscal discipline, is helpful when the administration is going to conduct a comprehensive reform or is willing to make efforts to meet the obligations to reduce the burden of future generations
- To add more independence and stability to the fiscal administration, in FY2010, Sapporo set a benchmark to the earnings of its own administration so that it would enable itself to maintain a certain level of revenue

I. City Debt Balance in All Accounts

City debt balance in all accounts as of end of FY2010

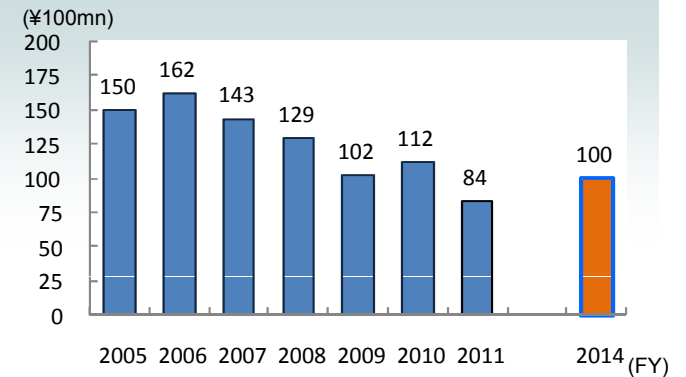
Decreased

City debt balance in all accounts as of end of FY2014



II. Fiscal Adjustment Fund Balance

As a vital financial source to secure future fiscal operations, Sapporo continues to maintain approximately 10bn

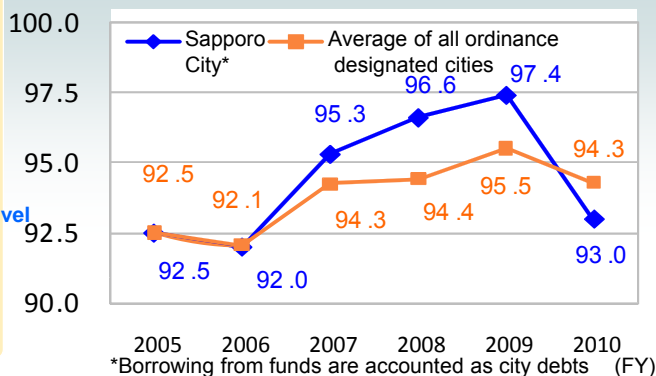


III. Ordinary Balance Ratio

Average of ordinance designated cities ordinary balance ratio

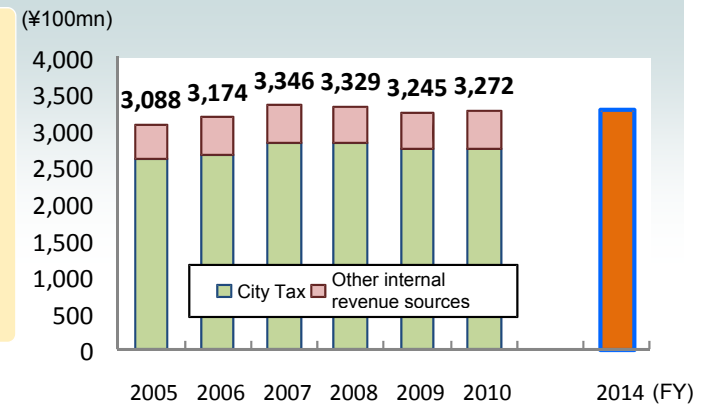
Low level

Sapporo City ordinary balance ratio



IV. Amount of Internal Revenue Sources

Continues to maintain the same level as FY2010 results



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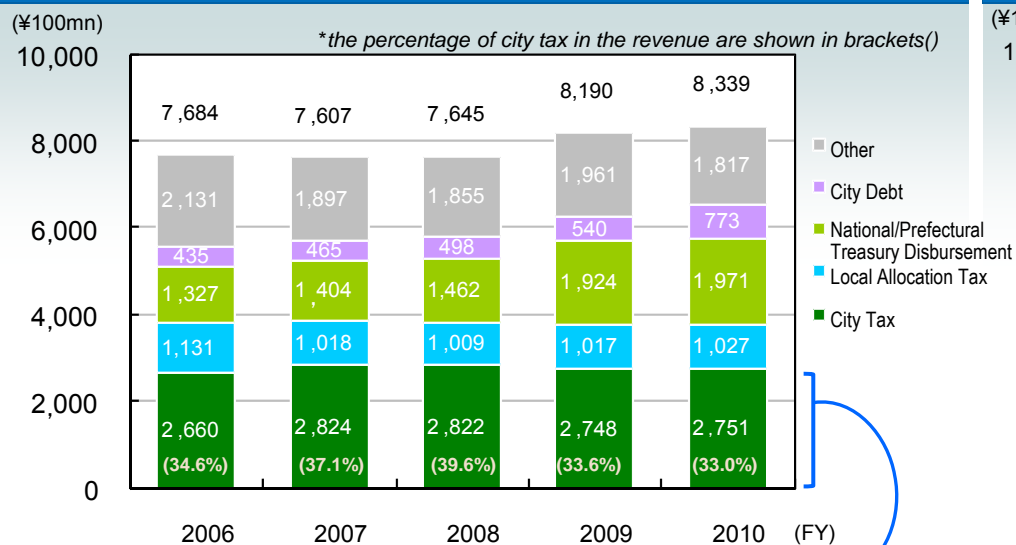
2. Financial Profile



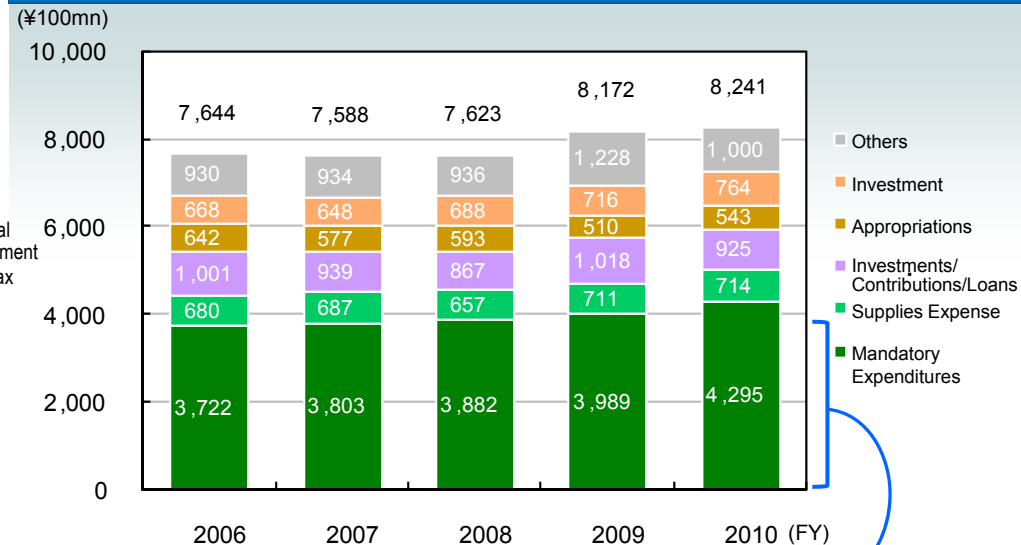
General Accounts Results FY2010

- General account surplus (net balance of settled account) of JPY2.55bn (increase of JPY2.14bn on year-to-year basis) for FY 2010
- The tax revenue structure is stable as corporate resident tax had increased; however, personal resident tax had decreased as a result of decrease in personal income
- The increased expenditure in children's welfare and livelihood relief have driven the increase in social assistance expenditure resulting JPY800bn two years in a row

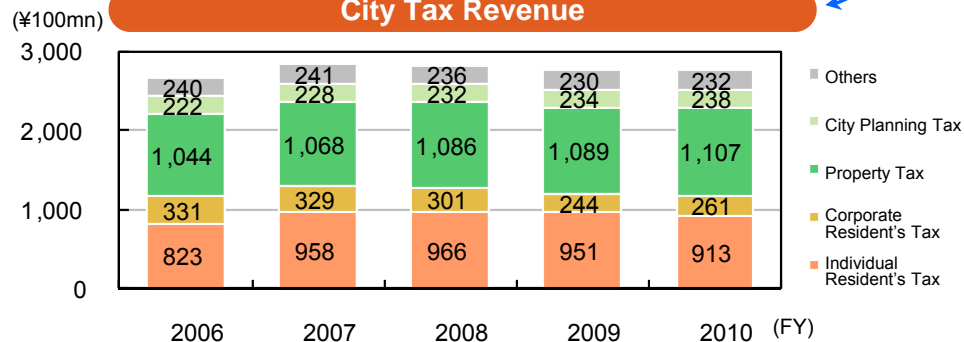
Major Sources of Revenue



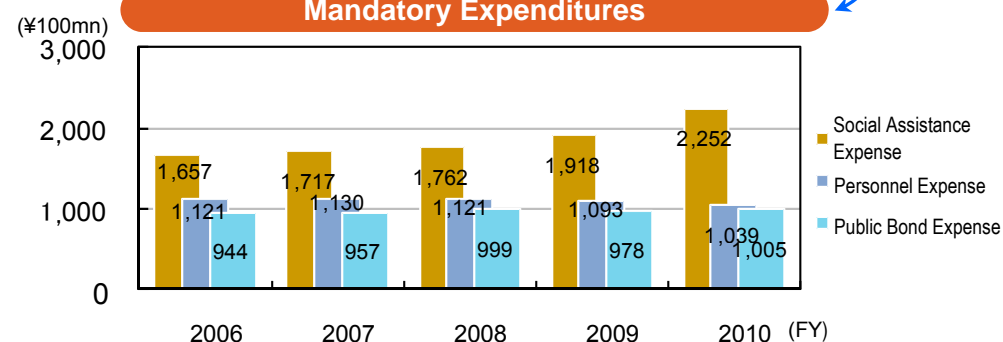
Breakdown of General Account Expenditure



City Tax Revenue



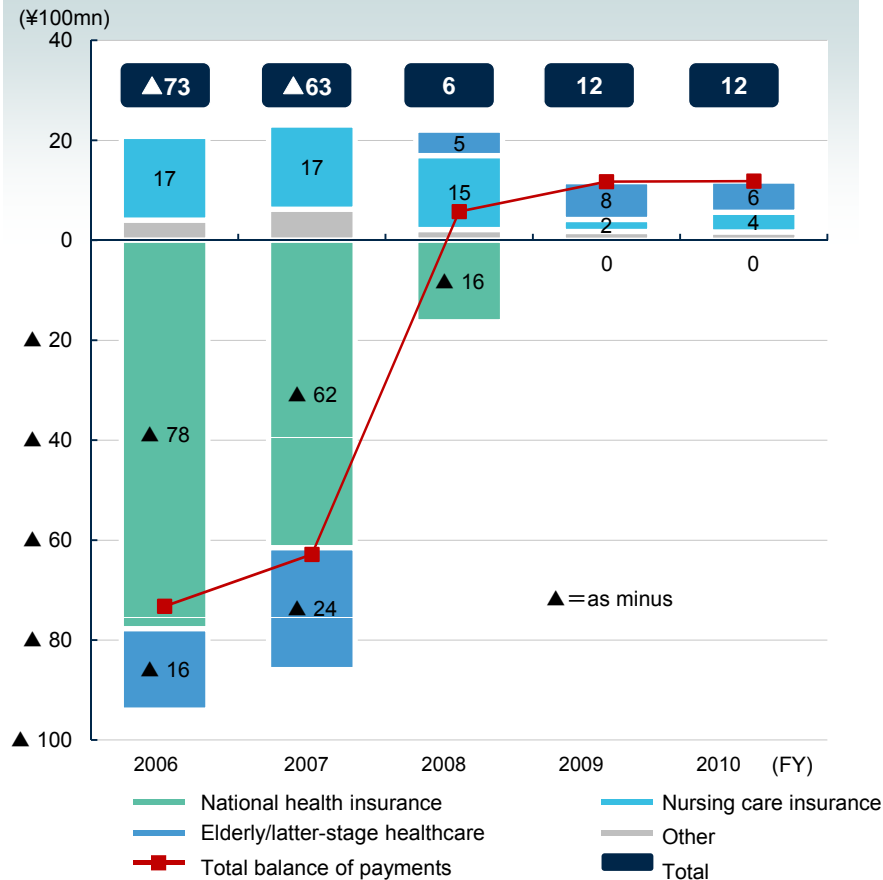
Mandatory Expenditures



Special Accounts

- 9 types of special accounts as of FY2010
- Cumulative losses in the national health insurance account eliminated in FY2009 through efforts to enhance payment of premiums

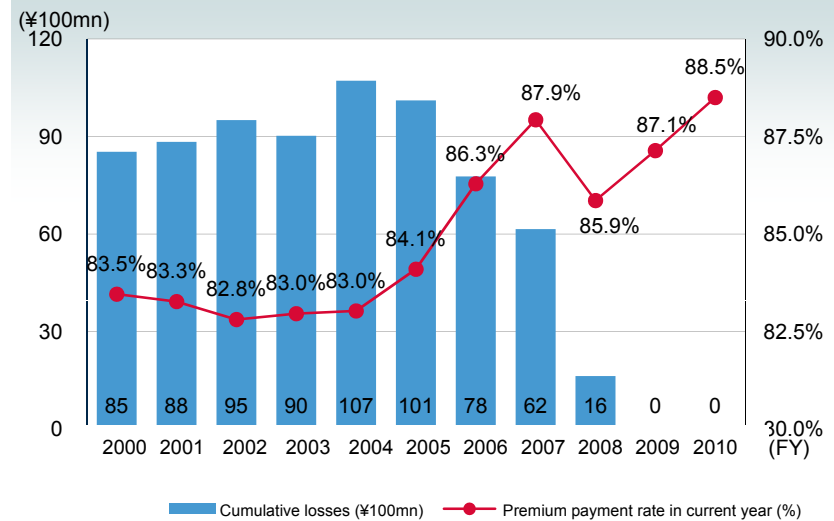
Balance of Payments in Special Accounts



Forecast of the National Health Insurance Account

- With improvements in premium collections, the deficits were eliminated in FY2009 results
- With dedicated efforts to eliminate premium payment delinquencies, the premium payment level increased 5.7 points compared to the lowest-ever record in FY2002

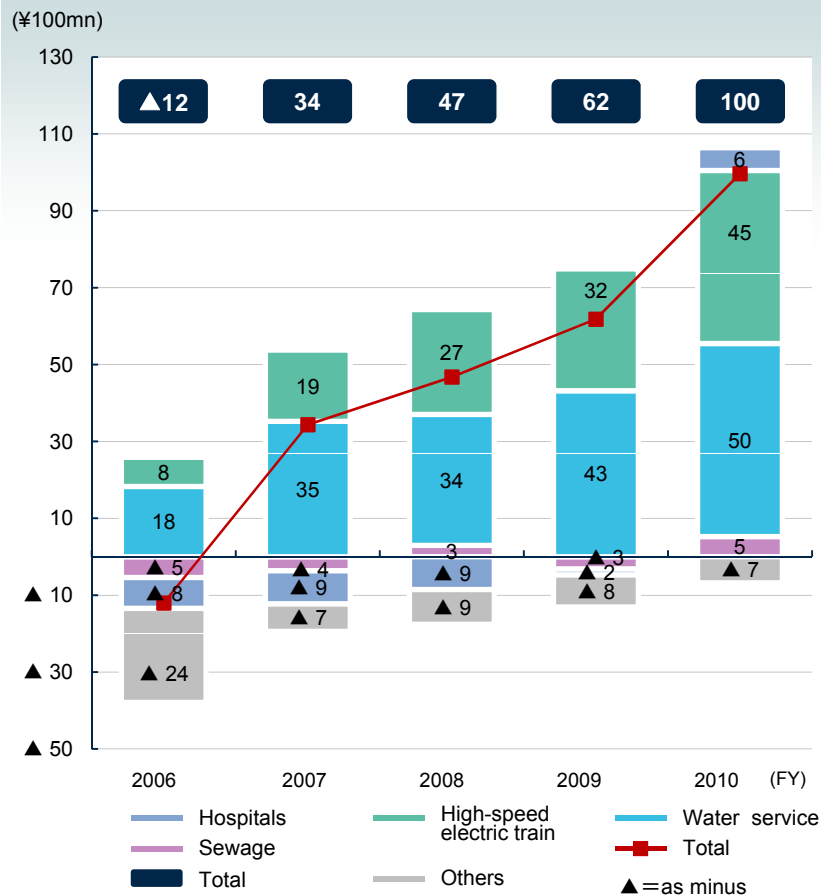
National Health Insurance Account: Cumulative Losses and Premium Payment Rates



Public Enterprises Account

- 6 types of public enterprises accounts. Net surplus maintained in the waterworks and rapid railway operations, and surplus itself is also trending upward
- Implementing operational improvement efforts in each operation based on operational plans in order to enhance efficiency

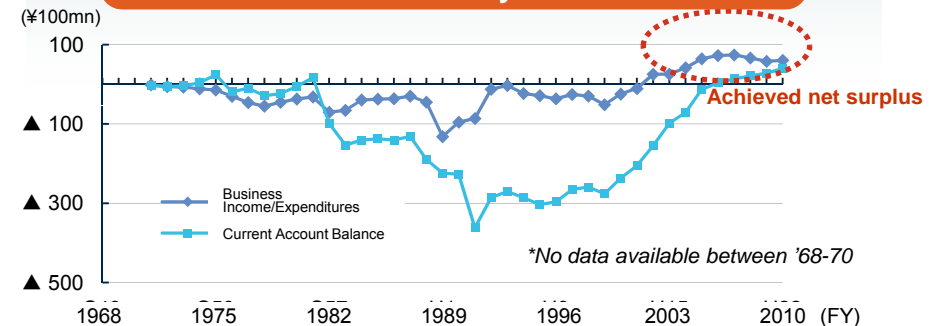
Balance of Payments in Public Enterprises Account



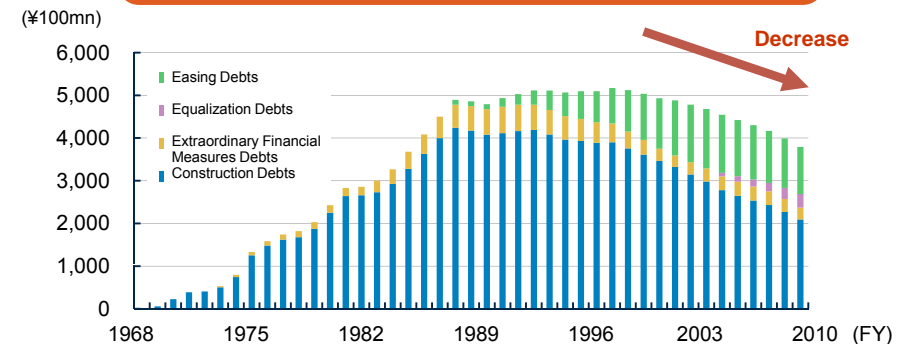
Operational Improvement Initiatives in the Rapid Railway Operations

- Complete outsourcing of train station operations and the shift to one-person steering are expected to lead to a cumulative surplus improvement of JPY 27.5 billion in 2004-2013
- Corporate debt balance trend downward due to the completion of major construction projects

Balance of Payments



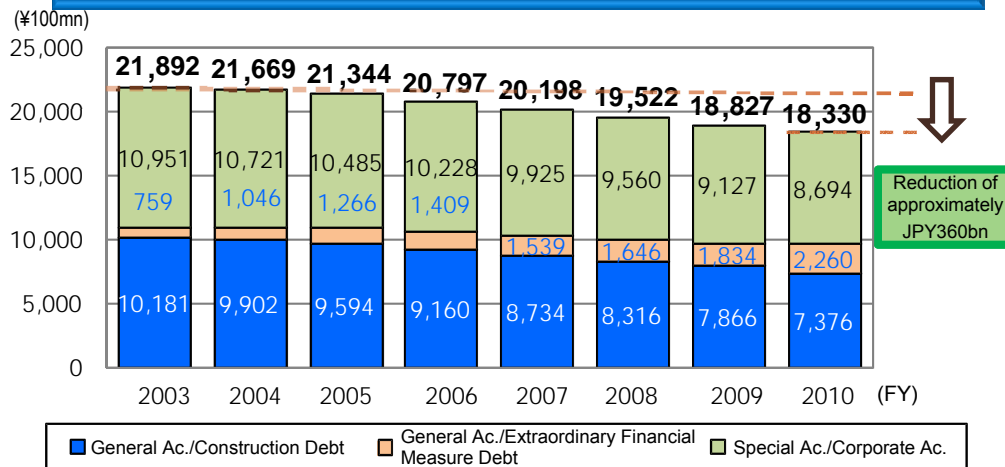
FY end City Debt Balance for Public Enterprises Account



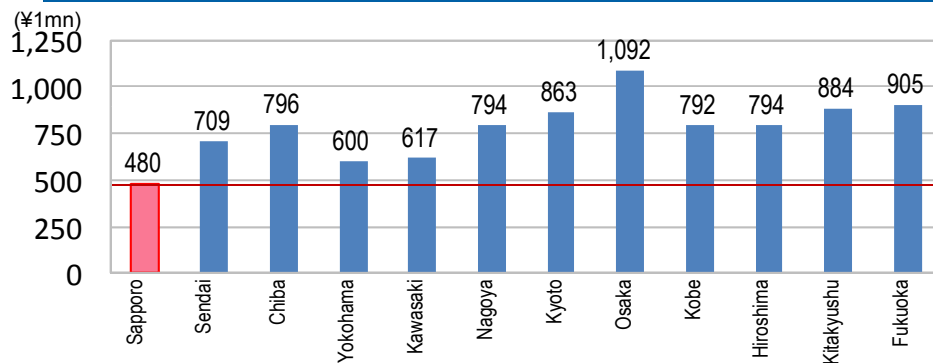
Sound Fiscal Indicators for City Debt Balance

- As a result of debt reduction efforts to date, real debt service ratio and future burden ratio are low relative to major public issuers
- Aiming to maintain healthy levels through efforts to maintain discipline

FY End City Debt Balance for All Accounts

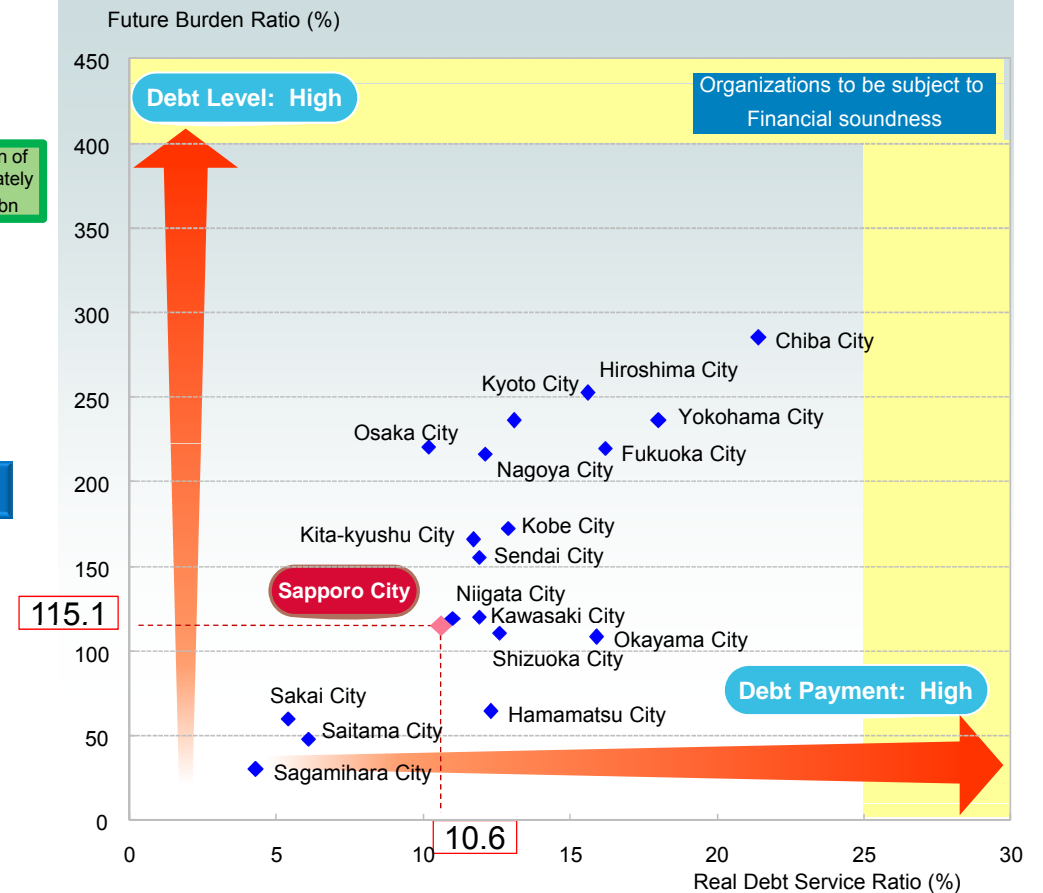


Indicating Outstanding Debt in Ordinary Account per Fixed Number of Residents as of FY2010 in Each Top Twelve Ordinance Designated Cities



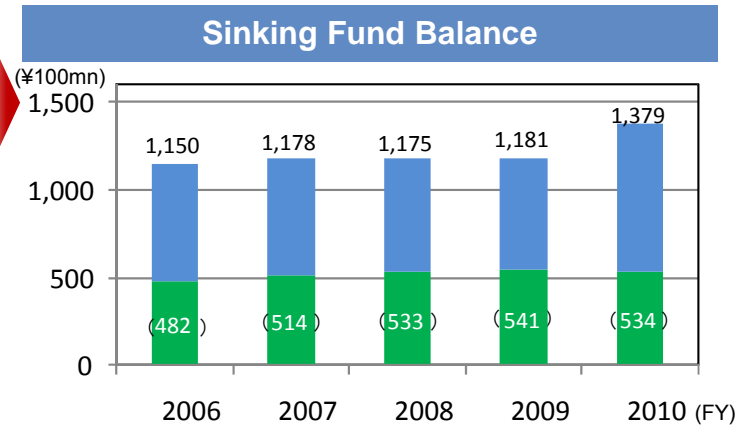
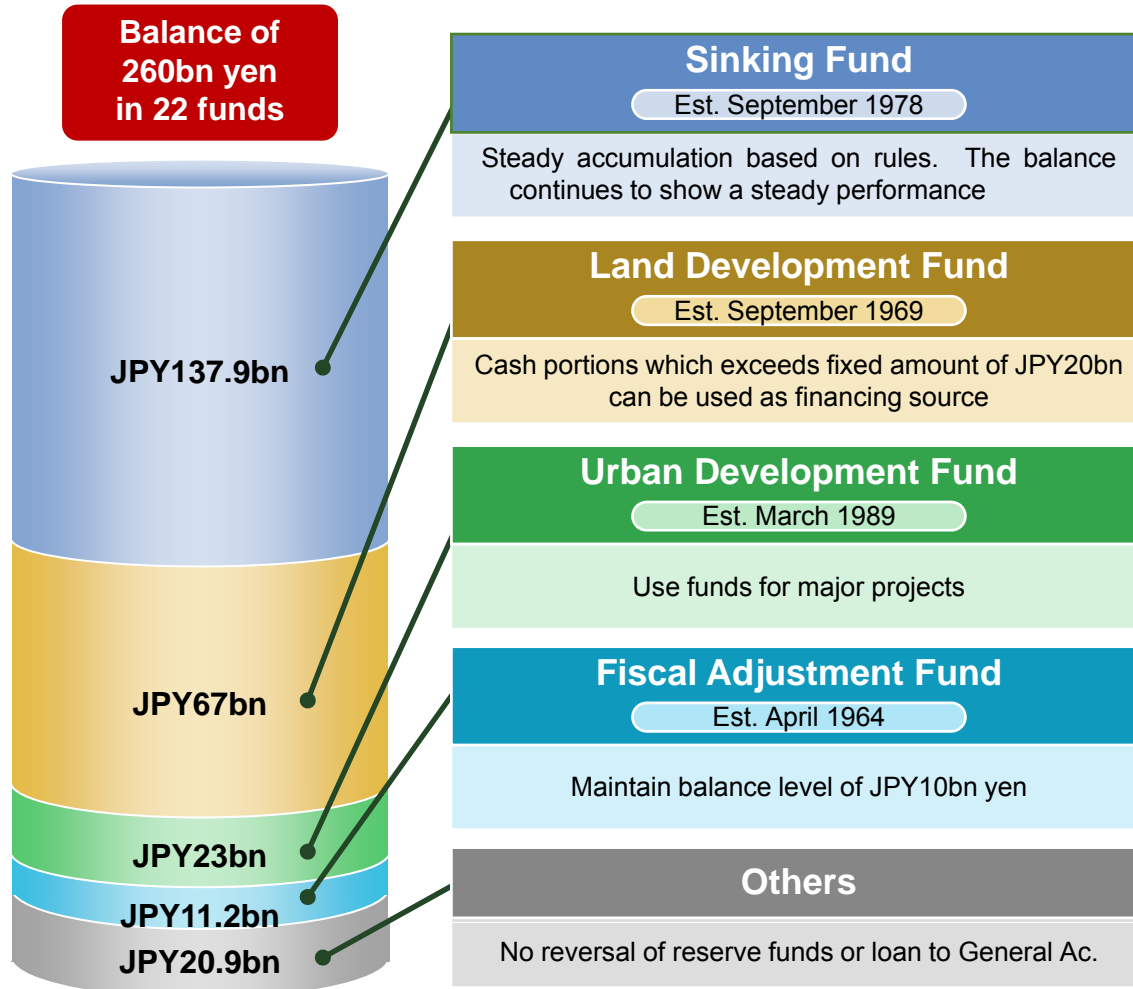
Source: FY2010 survey on Local Public Finance by MIC

Ratio for Determining Soundness (FY2010)

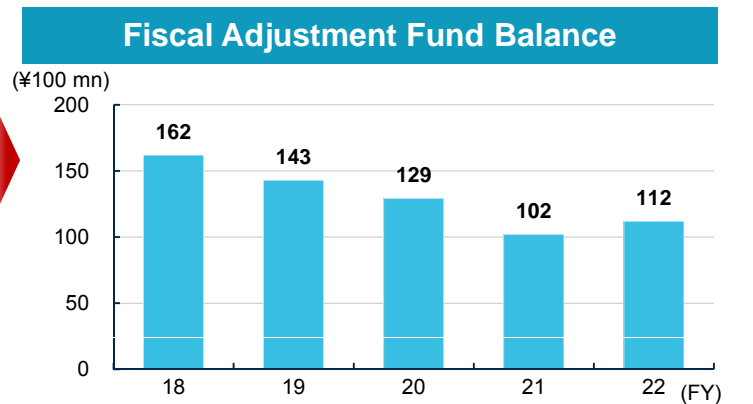


Financial Conditions

- Established 22 funds; the balance is approximately JPY260bn as of FY2010
- Funds are to used solely for their installation purpose only

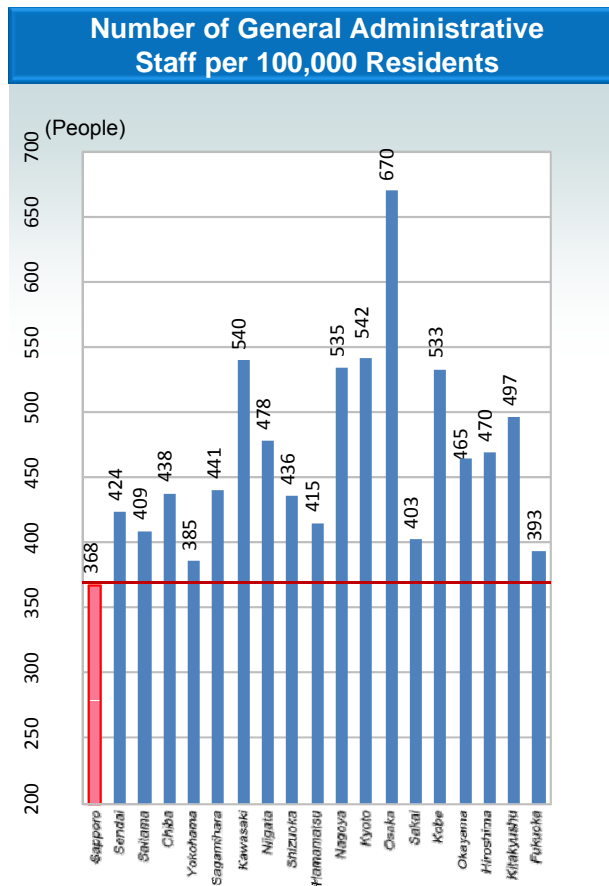
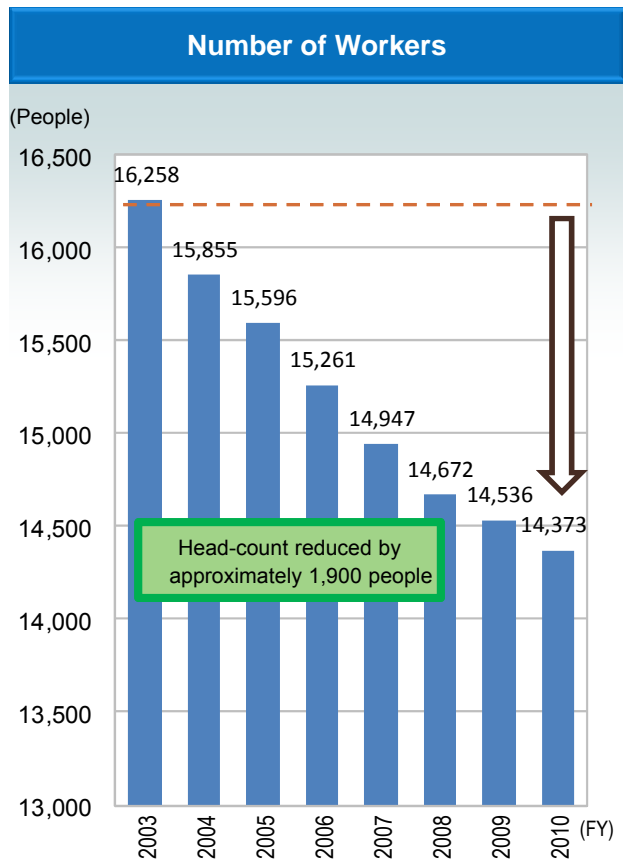


* Outstanding borrowings from the fund are shown in brackets ().
 * In order to meet the two targets for FY2003, "Reduction on payments for issuing commissions by suppressing the pace and size of refunding bonds issuance" and "fund management", the Bond Account is borrowing money from the funds

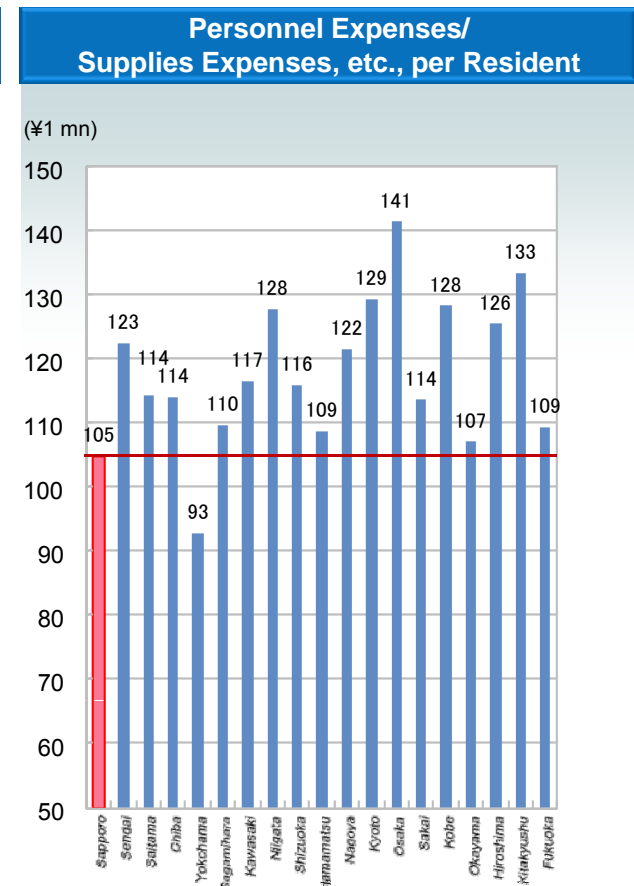


Expenditure Reduction Initiatives

- Achieved a head-count reduction of approximately 1,900 over seven years through committed outsourcing efforts. As a result, the number of general administrative staff per 100,000 citizens is the lowest among the ordinance-designated cities
- Per capita personnel and non-personnel expenses were the second lowest among the ordinance-designated cities, indicating efficiency in administrative operations



Source: MIC Municipality Capacity Management Survey (2010)



Source: 2010 Public Finance Comparative Analysis Chart

Financial Status of Affiliated Organizations

- When comparing the consolidated balance sheet that includes all affiliated organizations with the balance sheet for all accounts (general, special, corporate), the impact calculated in percentage is only about 1.6 - 4.3%. This means that fiscal conditions of affiliated organizations have little impact on Sapporo's overall fiscal standing
- Of the 35 organizations Sapporo is prominently involved with, only one has excessive debt which is currently being reviewed to be eliminated by FY2016

Balance Sheet

(¥100mn)

	Total of all accounts	Consolidated	Impact
Assets	53,782	55,226	2.7%
Liabilities	21,819	22,755	4.3%
Net Assets	31,963	32,471	1.6%

*Extracted from FY2009 results

*The consolidated companies are 31 affiliated organizations and one independent administrative institution and four partial-affairs-associations

Impact on Other General Accounts

Items	Impact
Disbursements such as subsidies/Expenditure of general account	0.2%
General Ac. lending amount/ General Ac. revenue	0.1%
General Ac. Guarantee Obligation	None

*Extracted from FY2009 results

Reforms on Affiliated Organizations: Updates and Foreseeing Future Efforts

Plan of Fiscal Structure Reform on Affiliated Organizations FY2005 - 2008

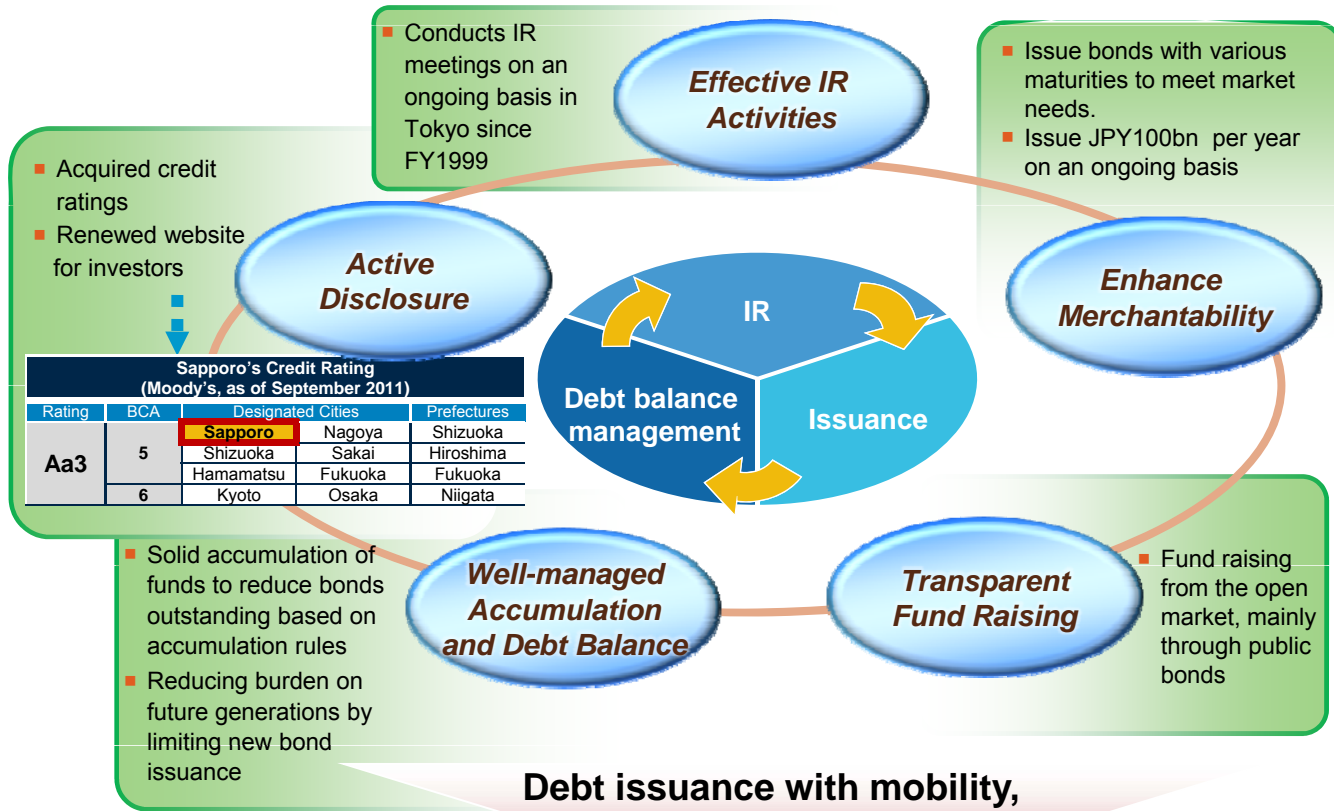
Fiscal Structure Reform Policy on Affiliated Organizations FY2009 -

	Merger and Abolishment of Entities	Financial Policies	Human Resources
Local Public Corporation (Land Development Corporation)	<ul style="list-style-type: none"> ■ The Land Development Corporation is expected to be dissolved in FY2014. ■ Repaid all borrowings (no guarantee obligation). ■ The lending amount from Sapporo will be fully repaid by FY2014. 	<ul style="list-style-type: none"> ■ Achieve fiscal reduction of JPY23bn to affiliated organizations by FY2010.* ■ For FY2011, Sapporo is anticipating further reduction of JPY2.2bn. ■ Gain efficiency by streamlining and restructuring the fiscal policy in order to downsize the unused portions allocated by Sapporo worth JPY9bn by FY2014. ■ Withdraw a portion of the capital to eight organizations during FY2010. 	<ul style="list-style-type: none"> ■ By FY2010, reduced head-count of 118 registered temporary workers dispatched by the city.* ■ Additional eight reduction in headcount in FY2011.
Other affiliated organizations (25 corporations and 12 joint-stock corporations)*	<ul style="list-style-type: none"> ■ Four entities have been merged or abolished from 37 down to 33, with plans to merge or abolish three more. The future of three other entities are currently being reviewed. 		

*The number of organizations extracted from the record dated as of end of FY2004 and expenditure cuts and reduced head-counts of temporary workers are shown as FY2004 vs. FY2011.

Innovation in Bond Issuance Operation

- Stable fundraising through a meticulous dialogue with the marketplace to cover all aspects of the bond issuance operations including areas such as IR, bond offering, and bond management
- 82.7% of all outstanding debts across all accounts (99.9% in general account) will be refinanced by 5-year and 10-year bonds

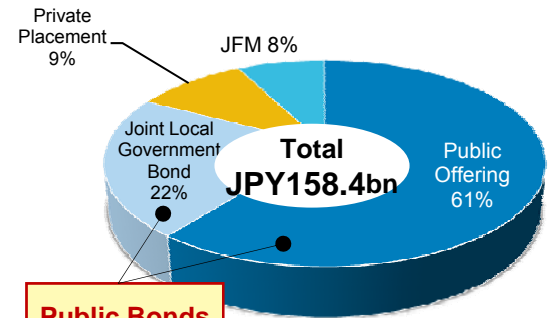


Sapporo's Credit Rating (Moody's, as of September 2011)

Rating	BCA	Designated Cities	Prefectures
Aa3	5	Sapporo	Shizuoka
		Nagoya	Sakai
		Shizuoka	Hiroshima
6	6	Hamamatsu	Fukuoka
		Fukuoka	Fukuoka
		Kyoto	Niigata

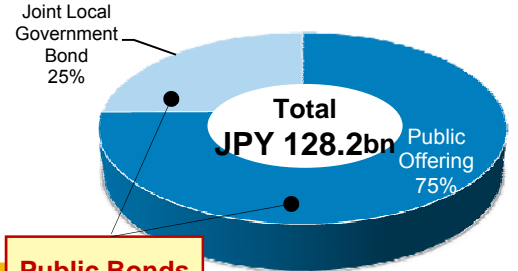
Breakdown of Sapporo City Debt FY2010

All Accounts



Public Bonds 82.7%

General Accounts



Public Bonds 99.9%

Debt issuance with mobility, flexibility, and consistency

Stable fundraising through meticulous dialogue with the capital market

Issuance Plan

- Continue public issuances of 5-year, 10-year, and 20-year bonds
- This year again Sapporo has established a flexible issuance limit of JPY30bn and in July and November Sapporo has issued the 20-year and 30-year, respectively. Also, in the forth quarter Sapporo plans to issue bonds - tenor yet to be decided, offering size amounting between JPY10bn to JPY15bn

FY2011 Public Bond Issuance Plan

			FY2011														
			1Q			2Q			3Q			4Q					
			Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar			
(¥100mn)																	
Sapporo City Bond	5-year	300		100				100								100	
	10-year	300					100			100				100			
	20-year	100				100											
	Flex	20-year	50				50										
		30-year	100								100						
	TBD	150	TBD														
Joint Local Government Bond		300	100	100												100	
Citizen Participatory-type Bond		60				30								30			
Total (*Includes Spot Issuance)		1,360*	100	200		180	100	100		200				130	200		

Stability of the Municipal Bond System

- **BIS risk weight is 0%, which is equivalent to Japanese Government Bonds**

1. Local allocation tax grants

- The national government forecasts income and necessary expenditures for the entire region during the annual budgeting process and provides funds to cover shortfalls.
- In this framework, the national government also supports funding to repay interest and principal on municipal bonds, thereby enhancing municipalities' ability to perform on their obligations.

2. Bond issuance permission system as an early corrective measure

- Municipalities must hold discussions with the national government before issuing bonds. This ensures in advance that each municipality has the ability to repay interest and principal on newly issued bonds.

3. Rapid warning and corrective measures to ensure sound public finance

- Introduced in FY2008 to prevent a serious deterioration of municipal finance. Includes 1) disclosure of fiscal status using 5 indicators of fiscal soundness and 2) corrective measures for municipalities facing deterioration in financial status.
- Specific corrective measures: in the event that fiscal indicators exceed a certain threshold, a municipality must formulate and implement a fiscal improvement plan. If fiscal conditions deteriorate further, the national government and other parties may intervene to ensure recovery. (%)

	Effective Deficit Ratio	Effective Consolidate	Effective Bond Expense Ratio	Future Burden Ratio
Early Financial Soundness Standard	3.75	8.75	25.0	400.0
Financial Rebuilding Standard	5.00	15.00	35.0	

A sudden financial disaster (i.e. exceeding fiscal rehabilitation standards) can now be avoided as a result of establishing rapid improvement standards

Contacts

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Administrative Information



Finance / City Bonds / IR



Note: the purpose of this material is to explain the fiscal situation, etc. of the City of Sapporo to investors who are considering the purchase of Sapporo municipal bonds, and not to offer the sale or solicit the purchase of any specified bonds

Appendix

Sapporo's Public Finances



Trends in Ordinary Account (1)

Revenue and Expenditure

(¥ in thousands,
△ as minus)

FY	Revenue (A)	Expenditure (B)	Balance (A) - (B) = (C)	Carry Forwards (D)	Real Balance (C) - (D)	Revenue Expenditure per Year (E)	Reserves (F)	Advanced Redemption (G)	Reversal of Reserves (H)	Real Balance per Year (E) + (F) + (G) - (H)
FY2001	838,069,751	830,657,406	7,412,345	6,342,203	1,070,142	△ 838,191	68,892	1,400,000	0	630,701
FY2002	824,559,394	816,376,505	8,182,889	6,233,956	1,948,933	878,791	1,520	960,000	0	1,840,311
FY2003	826,901,084	819,699,343	7,201,741	4,673,481	2,528,260	579,327	3,343,517	44,202	0	3,967,046
FY2004	819,967,920	816,046,897	3,921,023	3,215,934	705,089	△ 1,823,171	451	0	2,000,000	△ 3,822,720
FY2005	806,611,148	802,834,574	3,776,574	2,525,540	1,251,034	677,474	189	0	0	677,663
FY2006	777,746,531	773,343,073	4,403,458	1,836,191	2,567,267	1,316,233	103	0	0	1,316,336
FY2007	770,954,966	768,436,581	2,518,385	1,167,440	1,350,945	△ 1,216,322	70,555	1,942	2,400,000	△ 3,543,825
FY2008	773,706,487	771,293,898	2,412,589	1,359,361	1,053,228	△ 297,717	69,018	392,892	2,000,000	△ 1,835,807
FY2009	828,617,450	826,666,999	1,950,451	1,470,445	480,006	△ 573,222	18,498	0	3,000,000	△ 3,554,724
FY2010	843,071,137	833,197,919	9,873,218	7,218,711	2,654,507	2,174,501	11,979	0	300,000	1,886,480

Trends in Ordinary Account (2)

Financial Indicators, etc.

(¥ in thousands, %)

Classification	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Standard Fiscal Demand	366,159,482	349,659,722	332,942,929	332,973,182	334,252,772	339,518,221	334,293,725	332,723,607	324,306,855	311,442,280
Standard Fiscal Revenue	234,059,894	227,494,346	219,240,814	222,834,120	223,836,355	228,499,295	233,929,997	233,352,446	224,986,013	213,529,261
Standard Fiscal Size	441,415,422	422,781,183	402,755,143	404,542,068	403,994,034	408,717,046	404,732,525	402,060,553	391,020,032	428,217,854
Financial Capability Index (3-year avg.)	0.634	0.637	0.649	0.659	0.666	0.671	0.681	0.692	0.699	0.694
Financial Capability Index (Annual)	0.639	0.651	0.658	0.669	0.670	0.673	0.700	0.702	0.694	0.686
Recurring Balance Ratio	85.0 (87.6)	87.0 (92.7)	89.2 (99.5)	92.8 (100.8)	92.5 (98.3)	92.0 (95.5)	95.3 (99.5)	96.6 (100.7)	97.4 (104.0)	93.0 (105.1)
Recurring Ordinary Funding Ratio	98.9	98.5	99.3	99.4	100.6	101.8	100.5	100.3	100.9	91.5
Public Bond Dependence	10.4	11.6	11.2	8.9	7.7	5.6	6.0	6.4	6.5	9.2
General Funding as a % of Total Revenues	60.0	59.9	62.2	62.5	62.3	63.5	62.2	61.9	58.1	59.8
Self-Funding as a % of Total Revenues	51.5	51.6	51.7	52.9	53.8	54.9	56.9	56.3	53.1	50.6
City Tax as a % of Total Revenues	32.1	32.5	31.3	31.5	32.4	34.2	36.6	36.5	33.2	32.6
Local Allocation Tax as a % of Total Revenues	16.1	15.1	14.0	13.7	14.0	14.5	13.2	13.0	12.3	12.2
Mandatory Expense as a % of Total Expenditures	40.5	41.9	45.8	46.8	47.6	48.4	49.6	50.3	48.0	51.2
Consumption Expenditure as a % of Total Expenditures	50.2	50.8	52.6	54.2	55.2	56.8	58.4	58.4	60.5	59.1
Investment Expense as a % of Total Expenditures	20.8	19.4	14.7	13.0	11.3	9.1	8.9	9.3	8.8	9.3
Current Funds Outstanding (*excl. Land Development Fund)	61,960,378	61,074,053	57,345,387	53,180,460	51,971,984	51,296,975	47,745,396	45,136,474	43,472,292	52,747,274
Land Development Funds Outstanding	69,213,859	69,841,427	70,237,035	70,956,735	71,122,591	71,466,489	71,748,156	69,440,562	66,504,044	67,027,626
Municipal Bonds Outstanding	1,036,961,817	1,072,304,123	1,079,715,297	1,064,956,786	1,042,754,206	1,008,701,503	975,853,947	943,003,263	915,999,138	910,348,029
Revenue from Profit-earning Operations (lottery revenue: excl. investment profit)	6,706,794	6,604,178	6,446,824	6,261,064	6,412,110	6,632,270	6,454,292	6,489,272	6,079,679	5,609,969
Liabilities Borne (expenditures expected during and after next year)	24,691,670	17,205,363	36,002,092	36,362,727	86,566,299	94,081,283	73,713,347	58,491,832	86,858,108	99,539,000
Laspeyres Index	103.8	103.5	102.8	100.6	99.7	98.6	99.5	100.1	101.0	100.6
Real Deficit Ratio							-	-	-	-
Consolidated Real Deficit Ratio							-	-	-	-
Real Debt Service Ratio							10.7 (14.0)	10.8	10.8	11.3 10.6
Future Burden Ratio							156.0 (14.5)	156.9	147.2	137.1 115.1

* Figures in parentheses under Recurring Balance Ratio represent recurring ordinary funding revenue excluding bonds to supplement a tax cut and extraordinary financial measure bonds.

* "Real Deficit Ratio", "Consolidated Real Deficit Ratio", "Real Debt Service Ratio (upper line)", and "Future Burden Ratio" for FY2006 are trial calculation figures. The calculation method for the Real Debt Service Ratio has changed due to the act on Assurance of Sound Financial Status of Local Governments, which allows for the inclusion for city planning tax. The lower line shows pre-enactment figures.

* "—" under "Real Deficit Ratio" and "Consolidated Real Deficit Ratio" implies that no real deficit or consolidated real deficit exists.

* Standard Fiscal Size does not include the full issuance capacity of extraordinary financial measure debts.

Designated Cities: Financial Structure Comparison Chart (1)

(Financial Status for Ordinary Accounts FY2010)

(¥ in thousands except per citizen data, ▲ as minus)

Classification	Sapporo	Sendai	Saitama	Chiba	Yoko-hama	Sagami-hara	Kawasaki	Niigata	Shizuoka	Hama-matsu	Nagoya	Kyoto	Osaka	Sakai	Kobe	Okayama	Hiro-shima	Kita-kyushu	Fukuoka	Ave. of Designated Cities
Overview																				
Population (March 31, 2011 register)	1,897,333	1,011,592	1,216,892	939,809	3,700,245	699,756	1,381,706	803,072	715,637	792,173	2,180,800	1,382,685	2,537,920	837,977	1,511,855	689,538	1,159,388	976,711	1,409,297	1,360,073
Households (March 31, 2011 register)	966,903	463,624	517,437	421,476	1,586,986	304,014	664,488	312,793	293,282	317,904	1,023,179	683,504	1,321,141	346,308	685,639	296,389	518,658	421,235	712,915	624,099
Total Workers (October 1, 2005 consensus)	813,313	454,185	559,129	416,032	1,687,055	339,253	647,466	394,160	367,132	417,393	1,067,085	688,268	1,137,145	355,825	648,313	321,893	551,377	427,816	628,936	627,462
Financial Capability Indicator (3-year avg.)	⑨ 0.694	⑩ 0.858	④ 1.015	⑥ 0.999	⑤ 1.000	③ 1.025	① 1.076	⑩ 0.696	⑧ 0.910	⑨ 0.880	② 1.040	⑭ 0.759	⑦ 0.936	⑫ 0.825	⑯ 0.731	⑮ 0.754	⑬ 0.805	⑰ 0.695	⑪ 0.838	0.870
Recurring Balance Ratio %	⑨ 95.3	⑩ 95.4	⑤ 90.2	⑮ 97.7	⑦ 94.1	⑭ 97.2	⑬ 96.8	④ 88.1	③ 88.0	② 87.9	⑯ 99.4	⑰ 98.2	⑮ 99.4	⑧ 95.1	⑫ 96.4	① 86.1	⑪ 96.3	⑮ 97.7	⑥ 93.1	94.3
Excluding Tax Bonds to Supplement a Tax Cut and Extraordinary Financial Measure Debts %	⑬ 107.7	⑭ 107.8	⑤ 100.2	⑰ 110.6	⑦ 103.1	⑩ 106.2	⑧ 103.3	③ 97.6	④ 99.8	② 95.7	⑮ 108.6	⑱ 110.8	⑰ 112.5	⑨ 104.7	⑪ 107.6	① 95.1	⑪ 107.6	⑱ 110.3	⑥ 103.0	104.9
Public Bond Ratio %	⑥ 17.0	⑫ 19.2	② 10.6	⑮ 24.1	—	① 10.3	⑧ 17.4	—	⑦ 17.1	—	⑤ 16.8	④ 16.5	—	③ 12.4	⑬ 20.7	⑩ 18.6	⑨ 17.5	⑪ 19.0	⑭ 23.8	17.4
Bond Issuance Restriction Ratio (3-year avg.) %	⑤ 13.1	⑪ 15.9	① 9.3	⑮ 20.5	—	② 9.7	⑫ 16.6	—	⑧ 14.5	—	⑦ 14.0	④ 12.1	—	③ 9.9	⑬ 17.6	⑩ 15.3	⑥ 13.8	⑧ 14.5	⑭ 18.6	14.4
Public Bond Expense Ratio %	⑦ 18.9	⑬ 21.2	③ 14.9	⑰ 25.8	⑥ 17.9	① 12.8	⑪ 19.8	④ 15.6	⑦ 18.9	⑤ 17.5	⑩ 19.5	⑨ 19.0	⑮ 22.0	② 14.4	⑱ 25.7	⑪ 19.8	⑭ 21.6	⑱ 22.2	⑰ 24.9	19.6
Real Balance of Payments ¥ in thousands	2,654,507	1,247,461	4,909,725	312,472	9,198,419	7,958,245	1,354,267	1,594,508	4,138,833	5,926,619	2,442,922	827,441	408,358	975,055	77,542	9,081,616	2,240,319	2,118,998	4,064,680	3,238,526
Real Annual Balance of Payments ¥ in thousands	1,886,480	1,025,860	▲ 329,115	514,266	5,719,804	▲ 4,308,691	608,281	▲ 798,018	2,224,980	31,729	▲ 2,630,935	1,886,913	19,139	785,051	▲ 893,979	4,780,256	4,071,921	876,835	2,336,544	937,227
Real Deficit Ratio %	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Consolidated Real Deficit Ratio %	—	—	—	2.87	—	—	—	—	—	—	—	0.16	—	—	—	—	—	—	—	—
Real Debt Service Ratio (3-year avg.) %	⑤ 10.6	⑧ 11.9	③ 6.1	⑰ 21.4	⑱ 18.0	① 4.3	⑧ 11.9	⑥ 11.0	⑫ 12.7	⑪ 12.2	⑩ 12.1	⑭ 13.1	④ 10.2	② 5.4	⑬ 12.9	⑯ 16.0	⑮ 15.6	⑦ 11.7	⑰ 16.4	12.3
Future Burden Ratio %	⑦ 115.1	⑩ 155.2	② 47.7	⑰ 285.3	⑱ 236.5	① 30.1	⑨ 120.0	⑧ 119.0	④ 109.9	④ 64.5	⑬ 216.4	⑯ 236.3	⑮ 220.6	③ 59.8	⑫ 172.4	⑤ 108.5	⑱ 251.3	⑪ 166.0	⑭ 219.8	154.4
Reserve Outstanding ¥ in thousands	52,747,274	85,392,967	34,953,536	8,535,269	31,849,279	16,090,569	37,373,238	29,177,308	32,821,870	23,917,986	29,426,718	38,720,895	125,562,340	37,499,773	47,605,355	18,542,789	18,381,028	39,763,212	28,892,505	38,697,575
Per Citizen ¥	27,801	84,414	28,724	9,111	8,607	23,995	27,049	36,332	43,069	30,193	13,494	28,004	49,475	44,750	31,488	26,892	15,854	40,711	20,501	31,024
Municipal Bonds Outstanding ¥ in thousands	910,348,029	717,197,141	399,885,675	748,320,698	2,221,136,632	205,269,281	852,950,997	408,112,779	384,993,952	280,865,951	1,732,635,189	1,193,389,125	2,770,467,936	298,161,319	1,182,038,055	279,233,329	921,013,238	862,090,202	1,275,865,987	928,630,290
Per Citizen ¥	479,804	708,979	328,612	798,798	600,267	293,344	617,317	508,190	537,974	354,551	794,495	863,095	1,091,629	355,811	781,846	404,957	794,396	882,646	905,321	636,949
General Administrative Employees per 100,000 People (as of April 1, 2011)	① 367.8	⑦ 424.2	⑤ 409.4	⑨ 438.1	② 385.4	⑩ 440.6	⑰ 539.6	⑱ 478.4	⑧ 436.0	⑥ 415.2	⑱ 534.7	⑱ 542.1	⑰ 669.8	④ 402.6	⑮ 533.3	⑪ 464.9	⑱ 469.5	⑱ 496.5	③ 392.9	465.3
Total Staff per 100,000 people	⑦ 753.6	⑬ 953.4	④ 738.9	⑧ 782.0	⑥ 751.1	① 645.9	⑭ 986.2	⑫ 927.7	⑪ 888.7	③ 726.4	⑱ 1,173.9	⑱ 1,025.4	⑱ 1,505.1	⑤ 746.6	⑰ 1,038.0	⑨ 844.6	⑱ 998.8	⑱ 877.5	② 680.6	897.1
Laspeyres Index (as of April 1, 2010)	⑭ 100.6	⑥ 102.4	⑨ 101.6	⑩ 101.2	① 105.1	⑱ 100.9	⑱ 103.9	③ 98.8	③ 103.8	③ 98.4	③ 103.8	⑮ 100.0	⑮ 99.3	⑱ 98.4	⑧ 101.7	⑱ 101.1	⑱ 101.1	⑤ 103.4	⑦ 102.3	101.5

* Four items included in FY2010 Ordinary Account: General Account, Land Readjustment Account (excluding Higashikariki Readjustment portion), Single Parent Family Welfare Loans Account, and Fund Account (excluding National Health Insurance Payment Provident Fund and Nursing-care Benefits Expense Provident Fund).

* Figures in ○ rank indicators and ratios from the most desirable to the least desirable. Laspeyres Index ranked from high to low.

Designated Cities: Financial Structure Comparison Chart (2)

(Financial Status for Ordinary Accounts FY2010)

(¥ in thousands except per citizen data)

Classification		Sapporo	Sendai	Saitama	Chiba	Yokohama	Sagami-hara	Kawasaki	Niigata	Shizuoka	Hama-matsu	Nagoya	Kyoto	Osaka	Sakai	Kobe	Okayama	Hiroshima	Kita-kyushu	Fukuoka	Average of Designated Cities	
Revenue	Total Revenue	843,071,137	410,826,649	438,284,523	371,566,327	1,399,135,284	235,975,414	607,607,195	354,109,452	277,309,293	286,068,339	1,034,736,237	781,733,178	1,642,643,212	326,924,809	794,583,566	261,038,893	589,240,458	537,938,768	769,395,542	629,588,857	
	General Source of Funds, etc.	504,192,945	269,618,648	292,520,898	232,771,868	909,363,717	153,727,900	355,509,090	221,521,301	197,961,282	202,246,578	632,391,613	410,093,140	893,313,776	206,317,991	470,932,918	187,896,287	317,623,044	293,916,225	407,793,559	376,826,988	
	% of Revenue (General Sources Ratio)	⑫ 59.8	⑤ 65.6	④ 66.7	⑨ 62.6	⑦ 65.0	⑥ 65.1	⑭ 58.5	⑩ 62.6	② 71.4	③ 70.7	⑪ 61.1	⑲ 52.5	⑯ 54.4	⑧ 63.1	⑬ 59.3	① 72.0	⑰ 53.9	⑮ 54.6	⑱ 53.0	① 61.7	
	City Tax Revenue	275,076,554	172,525,235	216,550,570	169,515,444	700,675,193	106,912,685	281,990,525	117,664,185	125,007,849	123,762,054	476,220,402	245,234,616	626,017,510	131,589,447	267,134,578	108,777,349	201,141,625	157,588,382	265,394,105	250,988,332	
	Per Citizen	144,981	170,548	177,954	180,950	189,359	152,786	204,089	146,518	174,681	156,231	218,370	177,361	246,666	157,032	176,693	157,754	173,489	161,346	188,317	176,585	
	% of Revenue	⑰ 32.6	⑨ 42.0	② 49.4	⑤ 45.6	① 50.1	⑥ 45.3	③ 46.4	⑯ 33.2	⑦ 45.1	⑧ 43.3	④ 46.0	⑱ 31.4	⑫ 38.1	⑪ 40.3	⑮ 33.6	⑩ 41.7	⑭ 34.1	⑲ 29.3	⑬ 34.5	① 40.1	
	City Tax Collection Rate	⑫ 94.3	⑯ 93.7	⑭ 93.8	⑱ 92.6	① 97.5	⑬ 94.2	④ 96.1	⑪ 94.4	⑯ 93.3	⑯ 93.7	② 97.3	③ 97.0	⑧ 95.3	⑩ 94.9	⑨ 95.1	⑭ 93.8	⑦ 95.5	⑤ 95.9	⑥ 95.8	⑤ 95.0	
	Local Allocation Tax	102,726,632	24,608,542	5,251,721	5,025,823	16,032,385	3,971,757	649,857	47,665,293	14,976,089	23,231,687	4,648,383	65,396,882	47,969,639	24,431,853	78,646,538	34,989,755	42,344,831	59,056,569	43,353,232	33,946,183	
	% of Revenue	⑰ 12.2	⑩ 6.0	④ 1.2	⑤ 1.4	③ 1.1	⑥ 1.7	① 0.1	⑱ 13.5	⑧ 5.4	⑬ 8.1	② 0.4	⑭ 8.4	⑦ 2.9	⑫ 7.5	⑮ 9.9	⑯ 13.4	⑪ 7.2	⑱ 11.0	⑨ 5.6	⑥ 6.2	
	Provisional Financial Measure Bonds	51,127,000	26,097,200	25,342,214	22,540,653	70,000,000	11,000,000	19,348,000	19,035,600	19,955,200	14,200,000	46,060,000	39,379,000	91,085,000	16,800,000	42,309,000	15,879,010	29,784,300	29,060,000	34,154,000	32,797,694	
General Recurring Sources of Funds	391,799,948	206,520,282	229,102,966	183,708,263	735,604,611	118,441,600	286,687,135	175,525,132	148,145,269	160,685,124	502,801,673	317,386,846	695,750,407	166,090,588	363,834,529	152,757,637	252,676,345	224,439,696	320,885,956	296,465,474		
Per Citizen	206,500	204,154	188,269	196,100	198,799	169,261	207,488	218,567	207,012	202,841	230,558	229,544	274,142	198,204	240,654	221,536	217,939	229,791	227,692	214,161		
Expenditure	Total Expenditure	833,197,919	399,388,057	427,555,739	370,573,485	1,377,851,232	226,601,995	599,464,716	349,918,053	268,709,786	278,014,484	1,029,429,874	777,381,661	1,641,234,863	323,655,186	785,183,841	250,364,039	583,364,675	532,064,029	761,512,215	621,866,624	
	Per Citizen	439,142	394,811	351,351	395,570	372,368	323,830	433,858	435,724	375,483	350,952	472,042	562,226	646,685	386,234	519,351	363,090	503,166	544,751	540,349	442,683	
	Composition by Expense Type	Mandatory Expense Ratio	⑩ 51.2	⑫ 51.4	⑤ 48.6	⑬ 52.2	⑨ 50.7	⑭ 52.5	⑧ 50.4	① 43.1	⑦ 49.5	⑥ 48.9	⑭ 52.5	④ 48.4	⑱ 57.5	⑰ 56.7	⑯ 54.0	⑲ 57.9	⑩ 51.2	③ 47.7	② 46.3	51.1
		Investment Expense Ratio	⑰ 9.3	⑯ 10.8	④ 16.7	⑮ 9.9	⑩ 11.9	⑥ 15.2	⑤ 15.3	③ 18.3	② 19.1	① 21.0	⑯ 8.6	⑫ 11.2	⑲ 5.8	⑩ 11.9	⑨ 12.8	⑧ 13.5	⑱ 9.6	⑦ 14.2	⑫ 11.2	13.0
		Other Expense Ratio	39.5	37.8	34.7	37.9	37.4	32.3	34.3	38.6	31.4	30.1	38.9	40.4	36.7	31.4	33.2	28.6	39.2	38.1	42.5	35.9
	Appropriations to Major Accounts	Sewer System	21,068,334	9,460,459	8,196,092	8,936,689	58,861,598	3,800,000	16,662,742	13,788,214	9,000,769	6,608,529	39,046,882	23,776,971	32,168,410	9,241,855	7,436,401	10,962,551	20,668,688	7,489,108	22,665,564	17,359,992
		Per Citizen	11,104	9,352	6,735	9,539	15,907	5,430	12,060	17,169	12,577	8,342	17,905	17,196	12,675	11,029	4,919	15,898	17,827	7,668	16,083	12,075
		Transportation Operation	15,291,911	12,373,559	0	0	21,004,897	0	1,399,764	0	0	0	33,804,552	19,105,851	17,678,796	0	10,160,526	0	0	174,078	15,817,434	7,726,914
		Per Citizen	8,060	12,232	0	0	5,677	0	1,013	0	0	0	15,501	13,818	6,966	0	6,721	0	0	178	11,224	4,284
		Hospital Operation	6,090,838	2,258,693	1,638,405	4,156,945	6,722,921	0	8,898,332	2,359,618	4,298,132	2,570,042	13,047,228	2,450,202	10,790,049	2,270,000	0	1,361,212	5,712,794	4,352,654	0	4,156,740
Per Citizen		3,210	2,233	1,346	4,437	1,817	0	6,440	2,938	6,006	3,244	5,983	1,772	4,252	2,709	0	1,974	4,927	4,456	0	3,039	
National Health Insurance		18,609,546	9,893,263	11,081,915	4,467,705	31,457,594	7,128,000	13,400,000	7,023,668	4,878,925	5,335,957	23,066,779	14,459,205	43,193,599	8,061,146	14,709,762	6,017,246	8,245,561	10,424,000	17,398,766	13,623,823	
Per Citizen	9,808	9,780	9,107	4,769	8,501	10,186	9,698	8,746	6,818	6,736	10,577	10,457	17,019	9,620	9,730	8,726	7,112	10,673	12,346	9,495		

*Figures in ○ rank indicators and ratios from the most desirable to the least desirable.

*Breakdown of expenses included in each expense type is as follows.

- Mandatory expense: personnel, social assistance, public bond expenses
- Investment expense: general construction operations expenses, disaster recovery operations expenses, unemployment countermeasure operations expenses
- Other expenses: property expenses, repairs and maintenance expenses, subsidies, reserves, investment and contributions, loans, appropriations.

Special Accounts Results

FY2009

(¥ in thousands)

Classification	Revenue	Expenditure	Balance	Fund to Be Reserved for the Following Fiscal Year	Net Balance of Settled Accounts	Breakdown of the Net Balance	
	A	B	A - B = C	D	C - D	Reserve in Adjustment Fund	Amount to Be Reserved for the Following Year
Land Readjustment Project Ac.	3,873,842	3,873,842	0	0	0	0	0
National Health Insurance Ac.	181,155,646	181,155,646	0	0	0	0	0
Health and Medical Care for the Elderly Ac.	460,895	167,072	293,824	0	293,824	0	293,824
Health and Medical Care for the Latter-stage Elderly Ac.	17,756,699	17,291,957	464,743	0	464,743	0	464,743
Elderly Care Insurance Ac.	94,136,688	93,897,308	239,380	0	239,380	239,380	0

FY2010

(¥ in thousands)

Classification	Revenue	Expenditure	Balance	Fund to Be Reserved for the Following Fiscal Year	Net Balance of Settled Accounts	Breakdown of the Net Balance	
	A	B	A - B = C	D	C - D	Reserve in Adjustment Fund	Amount to Be Reserved for the Following Year
Land Readjustment Project Ac.	2,664,900	2,664,900	0	0	0	0	0
National Health Insurance Ac.	184,767,579	184,767,579	0	0	0	0	0
Health and Medical Care for the Elderly Ac.	333,875	253,243	80,632	0	80,632	0	80,632
Health and Medical Care for the Latter-stage Elderly Ac.	19,126,277	18,584,471	541,806	0	541,806	0	541,806
Elderly Care Insurance Ac.	98,955,420	98,561,638	393,782	0	393,782	393,782	0

Public Enterprise Accounts Results

FY2009

(¥ in thousands)

Classification	Profit/Loss			Capital			Unappropriated Income/loss	Accumulated Capital Balance
	Revenue	Expenditure	Balance	Revenue	Expenditure	Balance		
Hospitals	21,508,799	21,662,052	△ 153,253	1,950,522	2,940,389	△ 989,867	△ 17,953,080	3,660,776
Central Wholesale Market	1,763,646	2,528,629	△ 764,983	0	1,194,215	△ 1,194,215	△ 4,673,666	1,170,809
Light Rail System	1,226,952	1,296,800	△ 69,848	265,649	347,040	△ 81,391	27,552	528,395
Rapid Transit System	46,646,311	43,476,696	3,169,615	23,681,843	40,952,728	△ 17,270,884	△ 334,804,438	△ 1,084,283
Waterworks	42,423,197	38,104,050	4,319,147	4,858,567	20,749,172	△ 15,890,605	3,970,669	5,804,560
Sewerage	41,417,411	41,737,594	△ 320,183	19,797,796	39,189,249	△ 19,391,453	△ 27,434,857	6,303,667

FY2010

(¥ in thousands)

Classification	Profit/Loss			Capital			Unappropriated Income/loss	Accumulated Capital Balance
	Revenue	Expenditure	Balance	Revenue	Expenditure	Balance		
Hospitals	22,683,577	22,088,947	594,629	2,025,037	3,028,635	△ 1,003,599	△ 17,359,237	5,016,544
Central Wholesale Market	1,811,824	2,426,007	△ 614,183	890,692	1,032,010	△ 141,318	△ 5,287,983	1,413,042
Light Rail System	1,267,110	1,330,582	△ 63,471	141,000	224,818	△ 83,818	△ 42,628	544,167
Rapid Transit System	47,014,626	42,513,803	4,500,823	21,232,135	39,443,899	△ 18,211,764	△ 330,582,777	△ 757,556
Waterworks	42,642,864	37,622,722	5,020,141	5,174,658	21,983,702	△ 16,809,045	4,593,152	4,286,450
Sewerage	41,568,311	41,041,608	△ 526,703	16,389,560	34,975,829	△ 18,586,269	△ 27,279,157	5,957,054

Financials at Major Third Sector Entities, etc. (FY2010 Settlement of Accounts)

(¥ in thousands , ▲ as minus)

Entity		Budget from Sapporo	Net Income (Loss)	Net Wealth/ Assets	Basic Wealth/ Capital	Stake Ownership (%)	Entity		Budget from Sapporo	Net Income (Loss)	Net Wealth/ Assets	Basic Wealth/ Capital	Stake Ownership (%)		
Local Public Corporations	Sapporo Land Development Public Corporation	20,000	26,004	3,441,388	20,000	100.0%	>50% Ownership	Foundation	Sapporo Disaster Prevention Association	15,000	▲ 32,087	74,912	30,000	50.0%	
	Sapporo International Communication Plaza Foundation	400,000	▲ 63,366	1,765,637	520,750	76.8%			Sapporo Lifetime Learning Cultivation Foundation	25,000	▲ 9,873	266,535	50,000	50.0%	
	Sapporo Home Welfare Service Association	17,000	33,913	610,706	30,000	56.7%		Corporation	Sapporo Flower Wholesale Market Co., LTD.	236,000	5,381	549,268	470,000	50.2%	
	Sapporo Youth & Woman's Activity Association	5,000	97,399	595,800	10,000	50.0%			Sapporo Development Corporation Inc.	391,752	▲ 35,845	3,496,551	476,752	82.2%	
	Sapporo Environment Project Corporation	30,000	▲ 32,386	1,331,808	40,000	75.0%			SAPPORO DOME Co., Ltd.	550,000	40,043	2,499,933	1,000,000	55.0%	
	Sapporo Park Greenery Association	20,000	▲ 13,820	609,004	40,000	50.0%		Social Welfare Corporation	Sapporoshi Fukushi Jigyoudan	10,000	▲ 21,030	168,786	10,000	100.0%	
	Sapporo SME Mutual Aid Center	30,000	5,733	784,638	50,000	60.0%			Unions	Sapporo Forestry Union	3,031	860	32,567	8,608	35.2%
	Sapporo Electronics and Industries Cultivation Foundation	16,000	▲ 12,745	185,071	30,000	53.3%		24%—49% Ownership	Foundation	Hokkaido Juvenile Welfare Association	1,000	▲ 1,848	16,126	3,000	33.3%
	Sapporo Industries and Retail Cultivation Foundation	772,012	▲ 877,823	1,418,726	792,012	97.5%				Corporations	Sapporo Okadama Airport BLD Co., Ltd.	130,000	▲ 22,971	685,922	498,000
	Sapporo Worker's Occupational Welfare Center	15,000	40,218	▲ 189,237	20,000	75.0%			Sapporo Energy Supply Co., Ltd.		540,000	168,381	665,720	1,500,000	36.0%
	Pacific Music Festival Organizing Committee	100,000	43,094	404,387	136,760	73.1%	Sapporo Sub-center Development Public Corporation		300,000		53,949	10,579,712	870,000	34.5%	
	Sapporo Cultural Arts Foundation	40,606	4,888	1,378,064	81,212	50.0%	<25% Ownership		Foundations	Sapporo Employee Welfare Association	15,000	65,605	505,188	191,840	7.8%
	Sapporo Health Sports Foundation	60,000	▲ 515	108,249	101,706	59.0%				Sapporo School Lunch Association	10,000	1,971	284,695	125,000	8.0%
	Sapporo Sewerage Resource Corporation	10,000	▲ 3,732	1,138,000	20,000	50.0%			Corporations	Sapporo Information Network Co., Ltd.	253,400	29,354	1,365,757	1,070,500	23.7%
	Sapporo Housing Management Corporation	10,000	2,231	244,294	20,000	50.0%				Hoku Netsu Corporation	600,000	67,200	5,610,415	3,025,250	19.8%
	Sapporo Housing Management Corporation	5,000	▲ 92,414	675,798	10,000	50.0%				Sapporo Toshikaihatsu Kousha	123,000	84,078	3,323,608	520,000	23.7%
	Sapporo Transportation Service Promotion Corporation	15,000	82,944	212,659	30,000	50.0%				Sapporo Resort Development Co., Ltd.	200,000	▲ 1,600	1,448,804	1,020,000	19.6%
	Sapporo Waterworks Service Association	5,000	32,264	586,529	10,000	50.0%									

Ordinary Accounts FY2009 Balance Sheet

(As of March 31, 2010
¥ in thousands, Δ=minus)

Debit		Credit	
Assets		Debt	
1. Public Asset		1 Fixed Liabilities	
(1) Tangible Fixed Assets		(1) Municipal Bonds	930,602,183
① Civil Engineering	2,377,887,553	(2) Long Term Accounts Payable	
② Education	775,766,501	① Purchase of Supplies and Services	7,779,353
③ Social Welfare	23,313,649	② Debt Guarantee or Indemnity	0
④ Sanitation	178,923,413	③ Others	46,546,379
⑤ Commerce	24,929,821	Long Term Accounts Payable Total	54,325,732
⑥ Fire Prevention	13,744,102	(3) Retirement Allowance	90,171,726
⑦ General Affairs	76,449,991	(4) Reserve for Compensation for the Loss	2,775,983
Tangible Fixed Assets Total	3,471,015,030	Total Fixed Liabilities	1,077,875,624
(2) Salable Assets	12,904,403		
Total Public Assets	3,483,919,433		
2. Investments, etc.		2. Current Liabilities	
(1) Investments and Contributions		(1) Municipal Bonds Due Next Year	98,660,933
① Investments and Contributions	200,517,069	(2) Short Term Debt (Advanced Appropriation for Next Year's Expenditure)	0
② Allowance for Investment Loss	Δ 375,958	(3) Accounts Payable	17,907,257
Investment and Contributions Total	200,141,111	(4) Retirement Payment Due Next Year	15,266,000
(2) Loans	8,148,989	(5) Allowance for Bonus	5,438,259
(3) Funds		Current Liabilities	137,272,449
① Union reserves: Retirement Benefit	0	Total Current Liabilities	1,215,148,073
② Other Special Funds	30,138,619		
③ Land Development Fund	66,517,945		
④ Reserve Funds of a Fixed Amount	0		
⑤ Funds for Retirement Allowance Associations	0		
Fund Total	96,656,564		
(4) Delinquent Receivables	12,447,568		
(5) Uncollectible Amount	Δ 3,773,534		
Total Investments	313,620,698		
3. Current Assets		Net Assets	
(1) Cash Deposits		1. National or Prefectural Treasury Disbursement for Public Asset Development	663,304,860
① Financial Adjustment Fund	9,928,986	2. General Revenue Sources for Public Asset Development	1,970,369,756
② Debt Service Fund	62,949,624	3. General Funding	Δ 365,886,097
③ Annual Cash	1,950,451	4. Asset Evaluation Balance	399,015,045
Cash Total	74,829,061	Total Net Assets	2,666,803,564
(2) Accounts Receivable			
① Local Tax	6,181,879		
② Others	5,586,041		
③ Uncollectible Amount	Δ 2,185,475		
Amounts Receivable Total	9,582,445		
Total Current Assets	84,411,506		
Total Assets	3,881,951,637	Fixed Liabilities & Net Assets Total	3,881,951,637

FY2009 Cash Flow Statement of Ordinary Accounts

April 1, 2009 - March 31, 2010

(¥ in thousands,
△= minus)

1 Ordinary Balance	
Personnel Expenses	111,161,320
Supplies and Service Expenses	71,288,746
Social Security Benefit Payments	189,493,259
Subsidies	68,285,774
Interest Cost	17,620,079
Accounting to Transfer Unfinished Projects to the Accounting of Other Activities	65,868,182
Other Expenses	22,044,122
Expense Total	545,761,482
Local Tax	274,794,187
Local Allocation Tax	101,734,268
National and Prefectural Subsidies	176,793,914
Rents/fees	17,002,021
Charges/allotments/donations	3,887,990
Miscellaneous Revenues	13,891,517
Municipal Bonds Issue Amount	24,453,000
Reversal of Funds	18,490,546
Other Revenues	36,489,396
Revenue Total	667,536,839
Ordinary Balance Total	121,775,357

2. Public Property Maintenance Balance	
Public Property Maintenance Expenses	63,953,061
Public Property Maintenance Subsidies	6,861,826
Accounting to Transfer Accounts Brought Forward to be Appropriated for Construction to the Accounting of Other Activities	5,299,355
Expense Total	76,114,242
National and Prefectural Subsidies	15,319,301
Municipal Bonds Issue Amount	27,030,000
Reversal of Reserve for Funds	12,624
Other Revenue	4,009,593
Revenue Total	46,371,518
Public Property Maintenance Expense Revenue Total	△ 29,742,724

3. Investment and Financial Balance	
Investment and Capital	300
Loans	94,933,469
Fund Requirements	3,298,305
Transfer to Other Account - the Fixed Amount for Funds Management	375,709
Accounting to Transfer Debt Service to the Accounting of Other Activities	25,683,440
Redemption of Municipal Bonds	81,031,125
Payment for Long-term Accrued Liability	
Expense Total	205,322,348
National and Prefectural Subsidies	699,833
Collection Loans	98,651,064
Reversal of Reserve for Funds	313,779
Municipal Bonds Issue Amount	2,544,000
Sell-off of Public Property	5,050,557
Other	5,568,344
Revenue Total	112,827,577
Investment and Financial Balance Total	△ 92,494,771

Increase (Decrease) of Advance Appropriation for Next Year's Expenditure	0
Increase (Decrease) in Cash Amount	△ 462,138
Beginning of the Year Cash Balance	2,412,589
End of the Year Cash Balance	1,950,451

*1 Information pertaining to the interest on temporary borrowing

- ①The rise and fall of the interest on temporary borrowing is not included in statement of cash flow
- ②Maximum temporary borrowing limit for FY2009 is JPY219,246,315,000
- ③The interest expense includes the JPY60,159,000

*2 Information pertaining to the primary balance

Total revenue		826,735,934
Municipal bonds issue amount	△	54,027,000
Reversal of amounts reserved in financial adjustment funds	△	3,553,148
Expenditure total	△	826,666,999
Redemption of Municipal Bonds		98,591,045
The amounts reserved in financial adjustment funds		791,031
Fiscal revenue and expenditure		41,870,863