

FINANCIAL REPORT 2015'

FISCAL YEAR

APRIL 1, 2015 - MARCH 31, 2016



THE UNIVERSITY OF TOKYO

Strengthening the University's financial base and creating new value through industry-university collaboration



The rapid unification of the physical world through high speed communications and transport, the fruits of academic endeavor, has contributed massively to human progress and made possible a new global society—but also brought with it an ever-increasing number of destabilizing and intractable problems. The University of Tokyo has contributed greatly this progress as a central hub of Asian academia and a crossroads between east and west, often merging the best of both to create new and unique ideas. It is more important than ever that we work together with global society to ensure our academic achievements contribute directly to the creation of a fair and stable future for all.

Japan's challenging financial situation greatly affects the University of Tokyo, a national university corporation. Management expenses grants, a state subsidy and the financial foundation of the national university corporations, have been reduced year-on-year since the last major reforms in 2004, requiring universities to find efficiencies and alternative sources of funding as we seek to maintain our autonomy and independence and secure our own future.

The University of Tokyo is working to diversify and strengthen our financial footing by ensuring support from society as a whole, not just from government. Core to this effort is a new conception of the university-industry partnership that involves industry in developing a shared vision and research agenda, while maintaining the academic independence of the University. Partnership with industry and with domestic and global society is essential as we work towards a new social system where progress is driven by the creation of value from the fruits of academic endeavor.

This Financial Report 2015' is one step in the process of creating a university that is open to and partners with global society. I hope that this report will give you a deeper understanding of the University of Tokyo's financial situation, and nothing would give me greater pleasure as university president than discovering new partners with whom we can work together as we progress towards shared goals.

Makoto Gonokami
President, The University of Tokyo 

Major topics in fiscal year 2015

Professor Takaaki Kajita Awarded the Nobel Prize in Physics

On 6 October 2015, Professor Takaaki Kajita, Director of the Institute for Cosmic Ray Research, was awarded the Nobel Prize in Physics for the discovery of neutrino oscillations, which shows that neutrinos have mass.

What are "Neutrino Oscillations"?

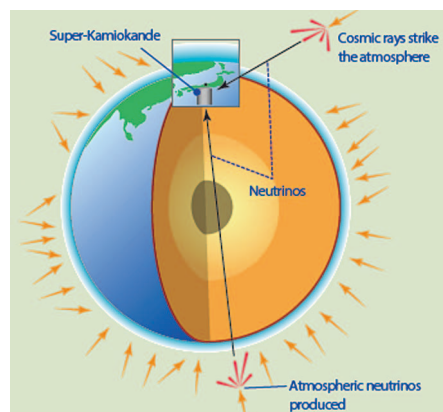
Neutrinos are a type of elementary particle of which there are three flavors. All of the neutrinos are so extremely light that they were thought to have no mass for many years.

In 1998 Professor Kajita and collaborators discovered that the number of neutrinos created on the opposite side of the earth and that had traveled up through it was only half that of neutrinos raining down from the skies above.

This was a result of "neutrino oscillation", a phenomenon in which neutrinos change their type while in flight. Since muon neutrinos created on the other side of the earth had converted into tau neutrinos while travelling through it, some of the muon neutrinos appeared to be missing.

Neutrino oscillations can only occur if the neutrinos have mass. For this reason the observation of neutrino oscillations became conclusive evidence that the neutrino's mass is nonzero.

The discovery of atmospheric neutrino oscillations turned the then-accepted theory of elementary particles upside down and opened the door to new physics. Ultimately, the significance of this discovery resulted in the 2015 Nobel Prize in Physics.



Major topics in fiscal year 2015

Makoto Gonokami appointed President

On April 1, 2015, Professor Makoto Gonokami was appointed the University of Tokyo's 30th President. The new President, in his policy speech, declared 10 general policies for what needs to be done to make our University stronger and what improvements need to be made to achieve those operating and management things.

- Take the lead in collaborative efforts driven by diversity through global viewpoints.
- Create the world-class learning environment which stimulates students' individuality.
- Cultivate three basic abilities within students and develop within them the open-mindedness to understand others and examine themselves objectively.
- Establish the Graduate School of International Excellence Program to develop knowledge professionals.
- Build a global base for knowledge collaboration.
- Implement operational reforms focusing on close dialog with those in the workplace, including the clarification of responsibilities and jurisdictions.

- Demonstrate the comprehensive strength of the University of Tokyo while increasing its diversity.
- Introduce a personnel management system that ensures both stability and flexibility for exceptional young researchers.
- Achieve effective cooperation between academic and administrative staff while training administrative staff into professionals who support knowledge collaboration.
- Fortify the network between the three core campuses in Komaba, Hongo, and Kashiwa.

Furthermore, he published "The University of Tokyo: Vision 2020" in October 2015, which is an action guideline for President Makoto Gonokami's tenure as President.



KAGRA (Kamioka Gravitational wave detector, Large-scale Cryogenic Gravitational wave Telescope)

In this project, two straight tunnels (3 km in length) running perpendicular to each other were excavated 200 m deep beneath the former Kamioka Mine in the city of Hida, Gifu. Gravitational wave detectors were then set up in the tunnels.

Gravitational waves are a wave phenomenon described as "space-time waves" based on Albert Einstein's general theory of relativity. The waves are generated in outer space by the forces of gravity.

As a member of the global network of gravitational-wave observation, the Institute for Cosmic Ray Research, through the KAGRA project and through cooperation with over 60 universities and research institutes in Japan as well as overseas, aspires to establish the field of gravitational-wave astronomy by carrying out activities such as detecting gravitational

waves generated by binary neutron star mergers at least once a year. We have begun cooling a part of the detectors (suspension pendulums made with mirrors) to an absolute temperature of around 20 degrees in an effort to reach our desired level of sensitivity and are planning to begin full-scale operation of the detectors in FY2017.



Adoption of a four-term system and the start of new educational programs such as the First-Year Seminars

In FY2015, the University of Tokyo adopted a four-term system in an effort to improve our international mobility for education as well as to facilitate proactive learning. One benefit of the four-term system for students is that it enables them to take summer and other programs conducted by overseas universities, which had been difficult to do under the semester system. Students can now go on such programs by not taking classes at our university during the term in which the program will be conducted. The four-term system also presents advantages for faculty members, as they will be able to have their lectures intensively in a particular term and devote their time to research in the following term.

We have also introduced a new educational program to the Junior Division of the undergraduate program: the First-Year Seminars. The First Year

Seminar is a tutorial-oriented course with small classes (about 20 students per class) aimed at making the transition from passive to active learning. By requiring students to take the First-Year Seminars immediately after enrollment, we have attempted to make the transition from an approach to learning that involves the acquisition of knowledge (which is the approach that is used through high school) to engaging in active learning at our University that involves creating knowledge.



Our new budget allocation system

Twelve years have passed since the University of Tokyo transitioned to the national university corporation system, and the proportion of mandatory expenses has increased significantly due to the university reform enhancement factors and increases in personnel and building maintenance expenses causing the school budgeting structure to become more rigid. As a result, the effective use of government grants, which are valuable stable financial resources, and the implementation of streamlining measures that take advantage of our university's economy of scale have become urgent issues that need to be addressed. Furthermore, plans such as the National University Reform Plan and the National University Management Strategy stipulate the need for top management in national universities and the requirement to reallocate their resources based on IR (institutional research). It was under these circumstances that we began to reassess our system.

Under our new system, resources will be allocated in three phases and all our budget allocations and requests to the government must be

discussed by a budget committee. Specifically, in the first phase, roughly 70% of the FY2015's initial budget is to be allocated during the third period of the midterm plan. This requirement has been put in place to help pay for educational and research activities. The second and third phases will be for the new President's discretionary expenses and the budget is to be allocated with an emphasis on activities that will contribute to realizing "The University of Tokyo: Vision 2020". All proposed projects will be evaluated in a hearing at which members of the board will be present. All our budget allocations and budget requests to the government, including what is described above, must be discussed by a budget committee comprised of the President, members of the board, and all heads of graduate schools/faculties and institutions. This new system will enable us to reach decisions in a more transparent and fair manner compared to the old system. The new system will be implemented starting with the budget for FY2016.

Report for the 2nd Mid-Term Planning Period

My name is Ichiko!
I'm the official mascot for the Athletics Foundation of The University of Tokyo!
I'm a big eater and my favorite food is yakitori. (Have you had yakitori before?)
Today I want to tell you about the University of Tokyo's activities. Woof!



This report provides information on activities carried out by the University of Tokyo from FY2010 to FY2015.

Education

Fiscal year 2012

Undergraduate Programs taught in English Started

PEAK (Programs in English at Komaba) was launched by the College of Arts and Sciences in October 2012 to create a global campus where people from all over the globe gather. Students who received the majority of their elementary and secondary education in a language other than Japanese are eligible to apply for the program. As a general rule, all courses are taught in English until the students earn their degrees. Since its launch in FY2012, 100 students from more than 20 different countries have enrolled into the program over a span of four years. In the first two years of the program, students take courses in the International General Education Program, which is part of the Junior Division of the College of Arts and Sciences. They then continue on to either the International Program on Japan in East Asia or the International Program on Environmental Sciences, in the Senior Division of the College of Arts and Sciences. This format enables students to engage in their studies and research taking

full advantage of the distinct features of our internationally diverse and interdisciplinary university.

Students who enroll in our university in April are also able to take majority of PEAK's Junior Division courses.

Through FY2015, about 250 students who enrolled in April have taken courses in a total of 55 subjects. The program has a nice mix of students who enrolled in April and PEAK students, since as of April 2016, 10 students who enrolled in April have continued on to the two courses in the Senior Division. PEAK provides students with an opportunity to broaden their global perspective by experiencing different cultures and values.



Fiscal year 2013

Trilingual Program Launched

In our rapidly globalizing modern world, it is often the case that for people to be successful internationally, they must be highly proficient in not only English but at least one other foreign language. The Trilingual Program



(TLP), in an effort to foster such people, is designed to provide intensive training for a language other than Japanese or English to interested students. The program is open to interested students, all of whom are recognized as having a certain level of

proficiency in English (approximately top 10% of students with the highest English proficiency) at the time of enrollment. It was started by the College of Arts and Sciences in FY2013, with the program being a year and a half long, and the students take it during their Junior Division course. Those who meet the criteria for completion will receive a certificate of completion. While courses were only offered for Chinese when the program first began, German, French, and Russian were added in FY2016. In March 2016, a public symposium for the TLP program entitled "Opening New Horizons in Three Languages" was held to commemorate the achievements of the TLP in Chinese up through FY2015 as well as the addition of the three new languages in FY2016. The event was a huge success.

Research

Fiscal year 2010

The University of Tokyo Institutes for Advanced Study

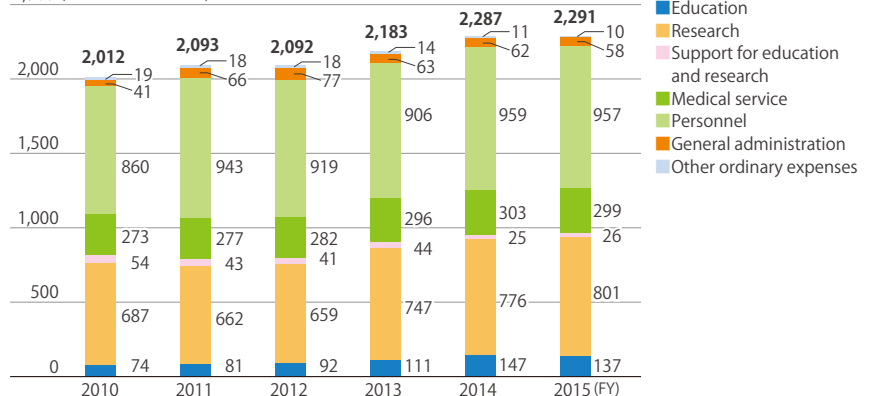
The University of Tokyo Institutes for Advanced Study (UTIAS) was founded in January 2011 as a schoolwide organization that promotes the enhancement of academic excellence as well as the internationalization of research environments and is comprised of the world's leading research bodies. The Institute for the Physics and Mathematics of the Universe (IPMU), which is a part of MEXT's (Ministry of Education, Culture, Sports, Science and Technology) World Premier International Research Center Initiative (WPI), was the first institute to be approved as a member. IPMU (the name was later changed to Kavli Institute for the Physics and Mathematics of the Universe (Kavli IPMU) in April 2012) aims to unravel the origins and evolution of the universe by combining mathematics, physics, and astronomy. In April 2013, the Integrated Research System for Sustainability Science (IR3S), which has continued in its efforts to become the first in

the world to establish the field of sustainability science and develop its global base, became the second research body to be approved.

In April 2014, we added a research division and an administrative division to UTIAS in an effort to dramatically accelerate the globalization of our university as well as further enhance the institute as a knowledge base where human resource from across the globe gather. We have invited the world's leading researchers to join the Advanced Studies in Cosmological Physics, which we set up as part of the research division, to promote international joint research on advanced cosmological physics by collaborating with researchers who are members of research bodies such as the Kavli IPMU.



Ordinary expenses
2,500 (Hundred million Yen)



All of the University of Tokyo's educational programs look like fun!
The costs for these activities are shown in the graph for ordinary expenses.



Fiscal year 2011

UTokyo Research: Promoting research findings

In October 2011, the Public Relations Office (now the Division for Strategic Public Relations) launched a Japanese and English bilingual website (Japanese: <http://www.u-tokyo.ac.jp/ja/utokyo-research/>; English: <http://www.u-tokyo.ac.jp/en/utokyo-research/>), to promote the University's research findings to audiences in both Japan and abroad, as part of a project called UTokyo Research.



The website delivers the news through three types of articles: Research News, Editor's Choice, and Feature Stories. Research News articles cover specific outcomes that have been published in academic papers, and also feature book reviews. Editor's Choice and Feature Stories highlight research with a long history at the University. As of March 2016, about 120 articles have been

published on the website yearly, and the audience has grown to 380,000 annual viewers from all over the world (about 107 different countries).

UTokyo Research started out with just a website, but now sends out a weekly newsletter to over 1,200 people, produces print publications, organizes events such as lab tours for international media in Japan and science attachés from embassies in the country, and collaborates with the UTokyo Repository.

UTokyo Research has seen tangible results over the past few years, which include coverage of the University's research by international media outlets such as *The New York Times*, *Forbes*, and the BBC.

The University of Tokyo has an excellent research environment!



Fiscal year 2014

Facility constructed at base of TAO in Atacama, Chile

The Institute of Astronomy in the School of Science at the University of Tokyo promotes the University of Tokyo Atacama Observatory (TAO) Project, which involves the construction of a large infrared telescope with a diameter of 6.5 m (one of the largest in the world) on the summit of Mt. Chajnantor in the Atacama Desert (5,640 m above sea level). The desert is located in the Republic of Chile which is practically on the other side of the globe from Japan. The aim of the project is to unravel the origins of the universe and galaxies as well as planetary materials.

In March 2009, as part of the TAO Project, we constructed the mini-TAO telescope (diameter: 1 m), before the completion of the large telescope (diameter: 6.5 m). Even though the mini-TAO telescope has been used to construct research, finding a base for conducting research in Chile had

always been a struggle, as researchers, for instance, would conduct their research in a hotel room.

For this part of the project, we constructed a research building with lodging facilities that is conveniently located within walking distance of downtown San Pedro de Atacama, located at the base of Mt. Chajnantor. In constructing the building, we were able provide a project base for those using the mini-TAO telescope in preparation for the construction of the large telescope.

Constructing a large telescope 5,640 m above sea level involves a host of challenges we have never experienced before, but we will overcome each obstacle one at a time in an effort to complete the project.



Culture

Fiscal year 2014

Statue of Hachiko and Dr. Hidesaburo Ueno erected

On March 8, 2015, an unveiling ceremony for the Statue of Hachiko and Dr. Hidesaburo Ueno was held on the Faculty of Agriculture Campus (Yayoi Campus). Beginning in January 2014, we engaged in fundraising through the University of Tokyo Foundation. The title of our fundraiser was "Fundraising to construct a statue of Hachiko and Dr. Hidesaburo Ueno at the University of Tokyo." As of the end of November, donations amounted to about 4.2 million yen, and we were successful in



making contributions to the "Association for the construction a statue of Hachiko and Dr. Hidesaburo Ueno at the University of Tokyo" as well as complete the construction of the statue.

About 500 people, including donors and the general public, were on hand for the unveiling, despite a light drizzle. In addition to the unveiling, the event also included remarks by Professor Ken Furuya (the head of the Graduate School of Agricultural and Life Sciences at the time), the sculptor, and a commemorative speech by Professor Emeritus Yoshihiro Hayashi. Books and stickers of Hachiko and Dr. Ueno were on sale at the event which was a complete success.

You can see the statue of Hachiko and Dr. Ueno on your left immediately after entering the main entrance to the Faculty of Agriculture, so please be sure to pay a visit if you are on Yayoi Campus. We would like to express our gratitude to all who cooperated with the fundraising.

My motif is Hachiko, the pet dog of Professor Hidesaburo Ueno of the Faculty of Agriculture, Tokyo Imperial University.

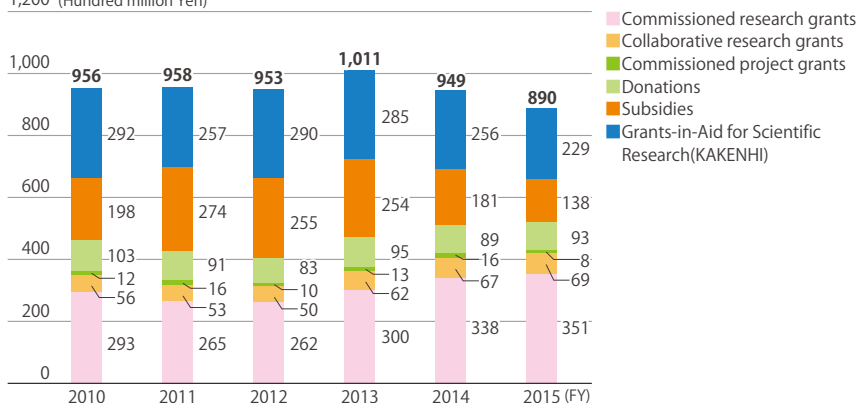


Development of our financial resources for research activities

As government taxes account for 80% of the financial resources for our research activities, therefore, we can expect extremely dire situation when we consider our country's future. In an effort to continue enhancing the quality of our research activities to realize our aim of a better society despite such dire circumstances, we, the University of Tokyo are now engaged in "industry-university collaboration" together with industry.

Financial resources for research activities

1,200 (Hundred million Yen)



Summary of Financial Statements

Balance Sheet

Assets	FY2015	Changes	FY2015	Changes
	Yen	Yen	US\$	US\$
	million Yen		thousand dollars	
I. Noncurrent assets	1,259,710	8,031	11,179,538	71,275
Land	888,538	- 153	7,885,503	- 1,365
Impairment loss	- 3,065	0	- 27,206	0
Buildings	349,208	14,119	3,099,119	125,303
Accumulated depreciation	- 147,613	- 12,194	- 1,310,025	- 108,218
Impairment loss	- 264	-	- 2,345	-
Structures	32,114	6,545	285,008	58,086
Accumulated depreciation	- 13,610	- 962	- 120,790	- 8,537
Impairment loss	- 2	-	- 25	-
Equipment	219,138	12,829	1,944,786	113,856
Accumulated depreciation	- 167,851	- 18,588	- 1,489,627	- 164,971
Books	43,692	283	387,760	2,518
Art works and collections	3,103	0	27,541	4
Construction in progress	23,975	5,979	212,772	53,069
Patent rights	683	- 69	6,066	- 612
Leasehold rights	491	-	4,361	-
Software	541	204	4,807	1,812
Investment securities	29,527	35	262,046	312
Other noncurrent assets	1,102	1	9,785	16
II. Current assets	136,464	- 5,717	1,211,079	- 50,739
Cash and deposits	111,062	17,152	985,646	152,223
Accounts receivable - student tuition fees	195	11	1,738	104
Accounts receivable - university hospital	8,941	110	79,355	981
Allowance for doubtful accounts	- 538	- 5	- 4,779	- 47
Accounts receivable	6,496	- 2,576	57,654	- 22,867
Money held in trust and securities	8,975	- 20,090	79,652	- 178,296
Medicines and medical examination materials	827	- 262	7,342	- 2,329
Other current assets	503	- 57	4,469	- 508
Total assets	1,396,174	2,314	12,390,618	20,536

Liabilities	FY2015	Changes	FY2015	Changes
	Yen	Yen	US\$	US\$
	million Yen		thousand dollars	
I. Noncurrent liabilities	167,873	6,384	1,489,825	56,658
Deferred inflow of assets	122,295	254	1,085,334	2,262
Long-term loans payable	29,077	- 23	258,055	- 207
Long-term accounts payable	15,187	6,413	134,786	56,919
Other noncurrent liabilities	1,312	- 260	11,649	- 2,315
II. Current liabilities	103,948	- 16,640	922,508	- 147,676
Deferred inflow of government grants	-	- 16,527	-	- 146,672
Deferred inflow of donations	44,966	1,971	399,059	17,492
Deferred inflow of commissioned research	6,511	- 661	57,786	- 5,868
Current portion of long-term loans payable	4,212	- 208	37,381	- 1,850
Accounts payable	44,351	135	393,602	1,204
Other current liabilities	3,907	- 1,350	34,677	- 11,982
Total liabilities	271,821	- 10,255	2,412,333	- 91,017

Net assets	FY2015	Changes	FY2015	Changes
	Yen	Yen	US\$	US\$
	million Yen		thousand dollars	
I. Capital stock	1,045,247	0	9,276,245	0
Government investment	1,045,247	0	9,276,245	0
II. Capital surplus	15,903	- 3,302	141,135	- 29,312
Capital surplus	137,763	6,371	1,222,605	56,547
Accumulated depreciation not in SOA (-)	- 132,480	- 9,651	- 1,175,723	- 85,651
Accumulated impairment loss not in SOA (-)	- 3,342	0	- 29,664	0
Other capital surplus	13,963	- 23	123,918	- 209
III. Retained earnings	62,188	15,381	551,905	136,507
Reserve funds from previous mid-term plan period	21,630	-	191,964	-
Reserve for specific purposes	526	- 508	4,672	- 4,515
Reserves	24,141	3,550	214,244	31,505
Unappropriated retained earnings	15,890	12,340	141,023	109,518
IV. Other differences in securities valuation	1,013	491	8,998	4,359
Total net assets	1,124,353	12,569	9,978,285	111,553
Total liabilities and net assets	1,396,174	2,314	12,390,618	20,536

The Balance Sheet (BS) represents the financial position on the reporting date (March 31) by showing assets, liabilities, and net assets.

Main Increases and Decreases

- Decreased due to the sales of Chiba Experiment Station, Institute of Industrial Science, and a section of the University of Tokyo Hokkaido Forest, despite acquiring land on the northeast side of Kashiwa Campus
- Increased due to the completion of construction of Building A, Clinical Research Center and the Molecular & Life Innovation Building, as well as the renovation of the College of Arts and Sciences Bldg. 6, among other projects
- Increased due to the completion of construction of KAGRA (Kamioka Gravitational wave detector, Large-scale Cryogenic Gravitational wave Telescope) and attached facilities
- Increased due to purchases of research equipment
- Increased due to the start of construction of facilities such as the University of Tokyo Hospital Medical Ward (2nd term) and the Academic Commons, despite the completion of KAGRA and Building A, Clinical Research Center



Molecular & Life Innovation Building
Prof. Nakamura laboratory

- Increased and decreased due to change in investment management from negotiable deposits (money held in trust and securities) to fixed-term deposits (cash & deposits)
- Decreased due to the repayment of loans from the Center for the National University Finance and Management exceeded the total for new loans
- Increase in long-term PFI liabilities due to the start of Building A, Clinical Research Center renovation project, and increase in long-term lease liabilities due to the start of the lease for our supercomputing system (The Institute for Solid State Physics)
- Decreased due to withdrawal for settlements at end of program and the 2nd mid-term planning period
- Increased due to carry over of donations to the following period
- Increased due to purchase of noncurrent assets with grants for facilities and reserves for specific purposes as financial resources



Clinical Research Building A
Prof. Azuma laboratory

• Construction of Building A, Clinical Research Center

Statement of Activities

	FY2015	Changes	FY2015	Changes
	Yen	Yen	US\$	US\$
	million Yen		thousand dollars	
Ordinary expenses				
Operating expenses	222,251	961	1,972,415	8,531
Education	13,701	-1,051	121,594	-9,330
Research	44,347	2,159	393,571	19,166 ⁽¹²⁾
Medical service	29,933	-430	265,654	-3,821 ⁽¹³⁾
Supports for education and research	2,647	84	23,491	749
Commissioned research	35,849	355	318,154	3,156
Personnel expenses	95,772	-156	849,948	-1,388 ⁽¹⁴⁾
General administration	5,849	-444	51,915	-3,945
Financing expenses	735	-148	6,526	-1,318
Interest expenses	735	-135	6,526	-1,205
Foreign exchange losses	-	-12	-	-112
Miscellaneous loss	287	11	2,553	100
Total ordinary expenses	229,124	379	2,033,411	3,367
Ordinary revenue				
Government grants	78,264	-2,540	694,574	-22,545 ⁽¹⁵⁾
Student tuition fees	16,269	3,340	144,387	29,643 ⁽¹⁵⁾
Revenue of university hospital	46,978	566	416,922	5,024 ⁽¹⁶⁾
Research grants	43,567	21	386,649	194
Research-related revenue	5,143	-404	45,645	-3,586
Donations	7,917	406	70,262	3,606
Subsidies	13,022	-568	115,574	-5,047
Other ordinary revenue	24,623	1,482	218,529	13,155
Total ordinary revenue	235,788	2,303	2,092,547	20,445
Ordinary income	6,663	1,924	59,135	17,077
Extraordinary loss	370	-1,558	3,284	-13,834
Extraordinary income	9,279	8,566	82,348	76,025⁽¹⁷⁾
Net Income	15,572	12,049	138,200	106,937
Withdrawal of reserves for specific purposes	318	290	2,823	2,580
Total Income	15,890	12,340	141,023	109,518

The Statement of Activities (SOA) indicates revenue and expenses and represents the financial performance for each fiscal year (April 1 to March 31 of the next calendar year).

- Construction of KAGRA
- Renovation of the College of Arts and Sciences Bldg. 6
- Renovation of the Faculty of Agriculture Bldg. 6

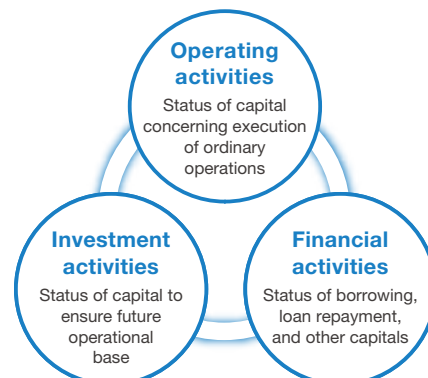
- ⁽¹²⁾ Increases due to the rise in depreciation expenses resulting from start of operation of KAGRA, and rise in equipment expenses resulting from the adoption of subsidy for the Medical Research Promotion Program
- ⁽¹³⁾ Decreased due to the efforts to reduced utility costs resulting from energy conservation measures implemented by the University Hospital
- ⁽¹⁴⁾ Decreased due to the reduction in retirement benefits for faculty members exceeded salary increases
- ⁽¹⁵⁾ Decrease in government grants and increase in student tuition fees resulting from the reassessment of our university's regulations on the use of revenues from government grants and student tuition fees (resources for purchasing property)
- ⁽¹⁶⁾ Increased due to measures for increasing revenue implemented by the University Hospital
- ⁽¹⁷⁾ Increased due to account processing for settlements at end of the 2nd mid-term planning period

Cash Flow Statement

	FY2015	Changes	FY2015	Changes
	Yen	Yen	US\$	US\$
	million Yen		thousand dollars	
I. Cash flow from operating activities				
Payments for raw materials, goods and services	-88,922	-609	-789,156	-5,410
Payments for personnel expenses	-103,083	-2,193	-914,836	-19,466
Payments for other operating activities	-5,533	-888	-49,105	-7,882
Proceeds from government grants	81,507	-505	723,349	-4,489
Proceeds from student tuition fees	14,784	0	131,206	0
Proceeds from university hospital	46,851	572	415,795	5,082
Proceeds from research grants	44,384	40	393,895	362
Proceeds from subsidies	15,533	-1,791	137,852	-15,899
Proceeds from donations	9,383	441	83,273	3,914
Proceeds from other operating activities	9,905	293	87,909	2,603
Net cash flow from operating activities	24,810	-4,640	220,184	-41,185
II. Cash flow from investment activities				
Purchase of investment securities	-72,504	-20,388	-643,451	-180,944
Proceeds from sale of investment securities	93,189	62,765	827,026	557,023
Purchase of property, plant, equipment and intangible assets	-32,070	-1,461	-284,617	-12,970
Proceeds from sale of property, plant, equipment and intangible assets	448	-1,950	3,978	-17,308
Payments into fixed-term deposits	-219,900	5,100	-1,951,544	45,260
Proceeds from withdrawal of fixed-term deposits	197,900	-45,100	1,756,301	-400,248
Proceeds from grants for facilities	8,488	-6,690	75,333	-59,378
Payments for refund of grants for facilities	-56	-56	-501	-501
Payments on other investment activities	-90	-90	-798	-798
Subtotal	-24,595	-7,872	-218,276	-69,868
Interest and dividends received	535	-109	4,749	-968
Net cash flow from investment activities	-24,060	-7,981	-213,527	-70,837
III. Cash flow from financial activities				
Proceeds from long-term loans payable	4,188	3,401	37,173	30,185
Repayment of long-term loans payable	-844	50	-7,496	451
Repayment of lease liabilities	-3,688	656	-32,734	5,824
Payments on other financial activities	-942	-14	-8,363	-131
Repayment of burden charges from CNUFM*1	-3,575	73	-31,735	648
Subtotal	-4,862	4,166	-43,156	36,977
Interest paid	-734	151	-6,519	1,344
Net cash flow from financial activities	-5,597	4,318	-49,676	38,322
IV. Increase (decrease) in cash and cash equivalents	-4,847	-8,304	-43,019	-73,700
V. Cash and cash equivalents at beginning of period	70,910	3,457	629,304	30,681
VI. Cash and cash equivalents at end of period	66,062	-4,847	586,285	-43,019

*1 Center for National University Finance and Management

The Cash Flow Statement (CF) represents cash inflow and outflow in operating, investment, and financial activities for each fiscal year (April 1 to March 31 of the next calendar year).



The University of Tokyo uses capital obtained from operating activities to fund investments in facilities and equipments and repayment of loans in addition to operating activities.

The University of Tokyo Foundation

What is the University of Tokyo Foundation?

The University of Tokyo Foundation, comprised of donations from individuals and corporations, is an important asset of the University. It has the following objective and management method.

- 1: General-use donations to be funded, managed, and used (Unrestricted funds)
- 2: Specific donations to be used for specific objectives (Restricted funds)

In the midst of severe fiscal conditions in Japan, national university corporations are required to diversify their financial resources. We find it increasingly important to enlarge the University of Tokyo Foundation.

Development of the Foundation

The University of Tokyo Foundation was founded in FY2004, when the national universities were incorporated as "national university corporations," with the aim of enabling long-term support of the university's financial bases.

Since its inception, approximately 35 billion yen (314 million dollars*) has been donated to the Foundation. The balance at the end of FY2015 stood at around 11 billion yen (98 million dollars): approximately 9.3 billion yen (82 million dollars) in general-use donations and approximately 1.7 billion yen (15 million dollars) in specific donations. Each year, profits of about 100 million yen (887 thousand dollars) is used for educational and research activities.

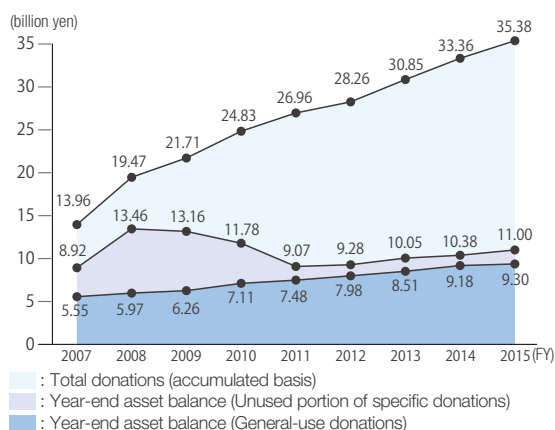
Government grants for the ten years since FY2004, when the National Universities were incorporated, decreased by approximately 67 billion yen (594 million dollars) in total. Therefore, the donations of 35 billion yen (314 million dollars) to the Foundation during the same period have played a significant role to offset the decline in grants.

Foundation size comparison with prominent overseas universities

With overseas universities, investment management income from their trust funds, which are composed of donations, is an important financial resource, and ensuring a stable financial resource leads to strong competitiveness. In comparison, the size of the University of Tokyo Foundation is still small relative to that of prominent overseas universities.

Asset balance
¥11,043,102,820 / us\$98,004,107
Total donations since inception
¥35,383,156,585 / us\$314,014,524
Total number of donations
88,489

(As of March 31, 2016)
*Conversion rate : USD 1 = JPY 112.68 (TTM rate on March 31, 2016)



University name	Asset size of foundation	
	(billion yen)	(million dollars)
Harvard University	4,009	36,448 ¹
Yale University	2,812	25,572 ¹
Princeton University	2,499	22,723 ¹
Cambridge University	942	8,567 ²
Oxford University	679	6,175 ²
University of Tokyo	11	100 ³

USD 1 = JPY 110, GBP 1 = JPY 160
*1 FY2015 survey *2 FY2014 survey *3 As of the end of FY2015
(Research by Fundraising and Endowment Group)

Activities of the Foundations

In FY2015, approximately 2 billion yen (17 million dollars) was donated by individuals and corporations.

Breakdown | Approximately 0.3 billion yen (3 million dollars) was allocated to the Foundation. Specific-use donations were received and used as follows:

Support for education and research	Student support and scholarships	Campus maintenance	Others (Sports promotion foundation, etc.)
¥10 / us\$8.9	¥4.6 / us\$4.1	¥0.6 / us\$0.5	¥1.2 / us\$1.1

(Approximate amounts in hundred million yen, million dollars)




Graduate Ceremony on March 25, 2016. The renovation of Yasuda Auditorium was completed by the donors' extensive support, and the fundraising activity for this was terminated in March of 2016.

Asking for your support

The University of Tokyo Foundation aims mainly at (1) enriching scholarship programs; (2) supporting education and research; and (3) promoting maintenance of the campus environment. We also engage in fundraising for the educational and research projects which require imminent action and in building reserves. Through fundraising activities, we deepen our interaction with society and promote the university's social contribution initiatives. We sincerely ask for your continued understanding and support for the University of Tokyo Foundation. Details are available on our websites below.

 **The University of Tokyo Foundation**
<http://utf.u-tokyo.ac.jp/english/index.html>

 **The University of Tokyo Foundation; Annual Report 2015 (only in Japanese)**
http://utf.u-tokyo.ac.jp/result/pdf/result_2015.pdf