



Sapporo City Finances





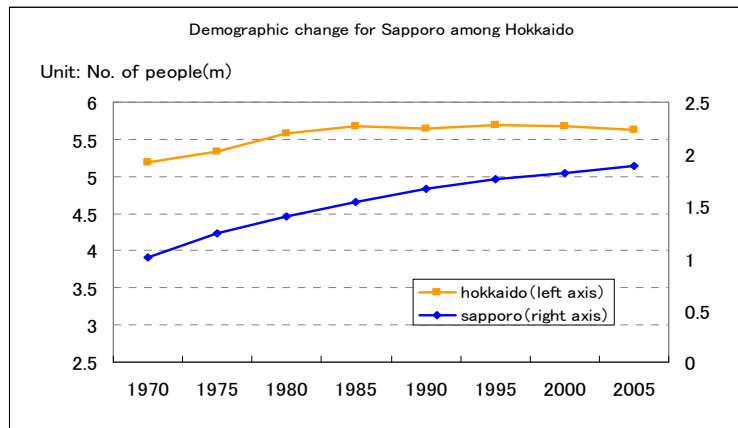
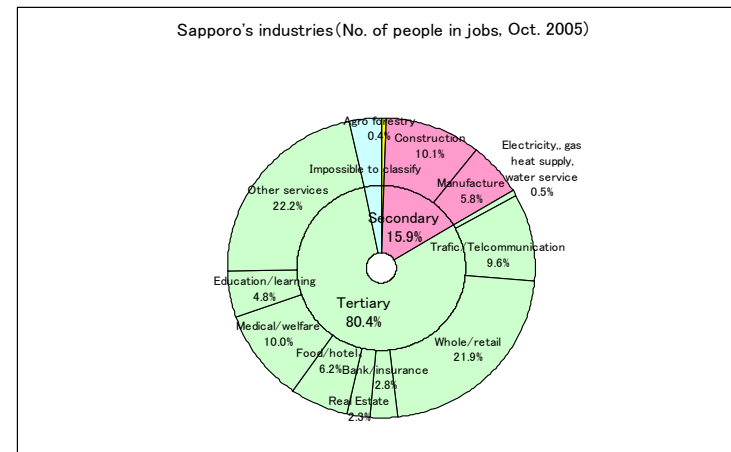
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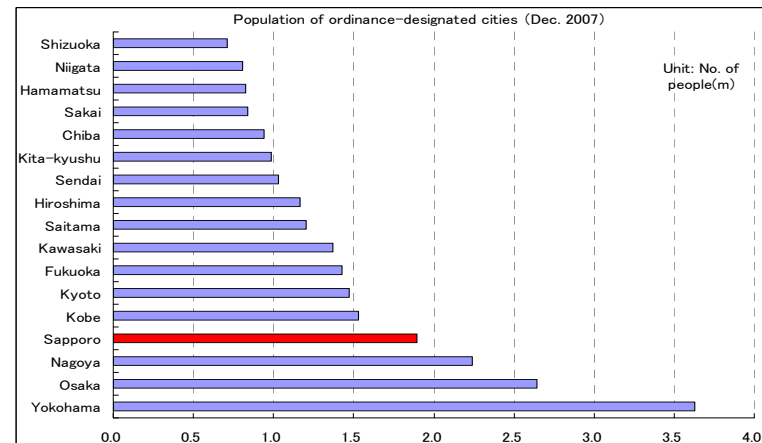


I City of Sapporo

- Population: 1,895,069 (As of November 1, 2007, according to census figures) Ordinance-designated city (4th after the cities of Yokohama, Osaka, and Nagoya), One-third of the entire Hokkaido is populated in Sapporo.
- Area: 1,121.12km² The city has an area ranked in the 14th in Japan for its width. (As of April 1, 2007)
- Industries: Primary 0.4%; Secondary 15.9%; and, Tertiary 80.4% (No. of people in jobs as of October 2005) They tend to integrate into economically central function, or are slanted to the tertiary industry.
- The city's total production: 6.9788 trillion yen (Nominal terms in 2004)
About 35% of 19.6799 trillion yen in the Hokkaido's gross production
- Tourism: No. of actual tourists: 14,104 (Unit: thousand) in 2006



Source: Census by Bureau of Statistics at MCA





II Ordinary Account Settlement for Fiscal Year 2006

(1) Main Financial Indicators

Main Financial Indicators for Sapporo (Ordinary Account)

(Unit: ¥1,000)

		Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2008
1 Balance of Payments	Total amount of revenue	819,967,920	806,611,148	777,746,531
	Total amount of expenditures	816,046,897	802,834,574	773,343,073
	Pro forma balance of payments	3,921,023	3,776,574	4,403,458
	Real balance of payments	705,089	1,251,034	2,567,267
	Real single year balance of payments	△ 3,822,720	677,663	1,316,336
2 Main Financial Indicators	Standard amount of public finance	404,542,068	403,994,034	408,717,046
	Financial Capability Index (Three-year average)	0.659	0.666	0.671
	Ordinary Balance Ratio	96.7%	96.5%	94.3%
	Real Balance Ratio	0.2%	0.3%	0.6%
	Real Debt Expenditure Ratio (Three-year average)	—	14.0%	14.5%
	New Bond Issuance Ceiling Ratio	13.6%	14.8%	13.8%
	Mandatory Expenditures Ratio	46.8%	47.6%	48.4%
3 Stock Data	Present fund balance	53,180,460	51,971,984	51,296,975
	Outstanding balance of municipal bonds	1,064,956,786	1,042,754,206	1,008,701,504

※ Source: Settlement of Accounts (Settlement of Accounts Card),
Local Government Financial Condition Survey (Settlement of Accounts Statistics).



II Ordinary Account Settlement for Fiscal Year 2006

(2) Comparison of Financial Indicators of Ordinance-Designated Cities

Comparison of Main Financial Indicators of Ordinance-Designated Cities
(Fiscal Year 2006 Ordinary Account Settlement)

Financial Capability Index (three year average)		Ordinary Balance Ratio		Real Debt Expenditure Ratio (three year average)		Mandatory Expenditures Ratio	
1 Kawasaki	1.041	1 Shizuoka	83.5	1 Saitama	12.1	1 Kitakyushu	43.1
2 Saitama	0.995	2 Saitama	84.2	2 Kitakyushu	12.1	2 Saitama	43.9
3 Nagoya	0.994	3 Kawasaki	85.5	3 Sakai	12.6	3 Fukuoka	44.8
4 Chiba	0.987	4 Fukuoka	89.0	4 Sapporo	14.5	4 Sendai	45.2
5 Yokohama	0.950	5 Yokohama	91.4	5 Shizuoka	15.7	5 Shizuoka	45.5
6 Osaka	0.893	6 Sakai	93.1	6 Osaka	17.5	6 Yokohama	47.0
7 Shizuoka	0.885	7 Sendai	93.2	7 Sendai	17.7	7 Sapporo	48.4
8 Sendai	0.822	8 Chiba	93.2	8 Kyoto	19.3	8 Nagoya	48.5
9 Fukuoka	0.809	9 Kitakyushu	94.2	9 Nagoya	20.9	9 Chiba	49.2
10 Sakai	0.784	10 Sapporo	94.3	10 Hiroshima	20.9	10 Hiroshima	50.1
11 Hiroshima	0.784	11 Nagoya	94.7	11 Kawasaki	21.1	11 Kyoto	51.3
12 Kyoto	0.695	12 Kyoto	95.2	12 Kobe	22.3	12 Kawasaki	53.1
13 Sapporo	0.671	13 Hiroshima	95.8	13 Fukuoka	23.0	13 Sakai	53.2
14 Kitakyushu	0.660	14 Kobe	96.6	14 Chiba	24.8	14 Osaka	53.5
15 Kobe	0.656	15 Osaka	99.7	15 Yokohama	26.2	15 Kobe	55.6

※ Source: Created by Sapporo based on various publicly released materials.

※ This excludes Niigata-shi and Hamamatsu-shi, which became ordinance-designated cities in April 2007.



II Ordinary Account Settlement for Fiscal Year 2006

(3) Revenue

Amounts and Change of Revenues Settled in Ordinary Accounts

Figures in parenthesis are the share of total.

(Unit: ¥1,000/%)

Category	2004	Growth	2005	Growth	2006	Growth
Local taxes	258,255,224	▲ 0.0 (31.5)	261,122,979	1.1 (32.4)	265,979,943	1.9 (34.2)
Local transfer tax	10,403,800	51.3 (1.3)	13,552,339	30.3 (1.7)	19,092,745	40.9 (2.5)
Transfer of tax on bank deposit interest	1,872,889	0.5 (0.2)	1,188,983	▲ 36.5 (0.1)	834,955	▲ 29.8 (0.1)
Transfer of tax on dividends	153,749	Newly added 0.0	292,458	90.2 0.0	458,937	56.9 (0.1)
Transfer of tax on capital gains	153,966	Newly added 0.0	384,158	149.5 0.0	342,170	▲ 10.9 0.0
Transfer of local government consumption tax	20,178,049	10.0 (2.5)	18,800,965	▲ 6.8 (2.3)	20,163,173	7.2 (2.6)
Transfer of golf course utilization tax	159,888	▲ 6.8 0.0	152,411	▲ 4.7 0.0	146,365	▲ 4.0 0.0
Transfer of special local government consumption tax	0	Eliminated 0.0	0	0.0	0	0.0
Transfer of kerosene delivery tax and auto acquisition tax	12,466,385	▲ 1.3 (1.5)	11,966,528	▲ 4.0 (1.5)	10,696,052	▲ 10.6 (1.4)
Special grants to local governments	9,181,467	▲ 1.7 (1.1)	9,015,101	▲ 1.8 (1.1)	7,132,848	▲ 20.9 (0.9)
Local grant tax	112,462,527	▲ 2.8 (13.7)	112,836,765	0.3 (14.0)	113,087,111	0.2 (14.5)
Ordinary grant tax	110,139,062	▲ 2.6 (13.4)	110,416,417	0.3 (13.7)	111,018,926	0.5 (14.3)
Special grant tax	2,323,465	▲ 11.4 (0.3)	2,420,348	4.2 (0.3)	2,068,185	▲ 14.6 (0.3)
Sub-total	425,287,944	0.5 (51.9)	429,312,687	0.9 (53.2)	437,934,299	2.0 (56.3)
Special grants to countermeasures for traffic safety	991,574	▲ 2.9 (0.1)	993,419	0.2 (0.1)	1,053,983	6.1 (0.1)
Allocations	3,196,828	▲ 11.9 (0.4)	3,463,540	8.3 (0.4)	3,631,645	4.9 (0.5)
Usage fee	12,553,782	7.7 (1.5)	12,801,088	2.0 (1.6)	13,173,893	2.9 (1.7)
Charges	6,457,544	▲ 5.9 (0.8)	6,737,407	4.3 (0.8)	6,819,033	1.2 (0.9)
National Treasury disbursements	133,228,875	4.2 (18.2)	126,390,060	▲ 5.1 (15.7)	115,737,190	▲ 8.4 (14.9)
Grants to cities, towns and villages with national properties used by the US forces	101,233	1.5 0.0	104,937	3.7 0.0	100,253	▲ 4.5 0.0
Prefecture expenditures	12,017,940	▲ 7.6 (1.5)	15,085,567	25.5 (1.9)	18,071,863	19.8 (2.3)
Property income	5,895,715	36.1 (0.7)	5,407,101	▲ 8.3 (0.7)	8,150,817	50.7 (1.0)
Donations	396,260	3.6 (0.1)	815,478	105.8 (0.1)	617,172	▲ 24.3 (0.1)
Transfers	31,751,215	▲ 3.6 (3.9)	30,088,195	▲ 5.2 (3.7)	21,859,842	▲ 27.3 (2.8)
Balance carried forward	5,879,900	▲ 13.4 (0.7)	3,256,607	▲ 44.6 (0.4)	3,004,657	▲ 7.7 (0.4)
Miscellaneous revenue	109,282,110	6.4 (13.3)	109,904,062	0.6 (13.6)	104,095,884	▲ 5.3 (13.4)
Municipal bonds	72,927,000	▲ 21.0 (8.9)	62,251,000	▲ 14.6 (7.7)	43,496,000	▲ 30.1 (5.6)
Total	819,967,920	▲ 0.8	806,611,148	▲ 1.6	777,746,531	▲ 3.6

※Source: Local Government Financial Condition Survey (Settlement of Accounts Statistics).

※Share calculated based on figures in this table.



II Ordinary Account Settlement for Fiscal Year 2006

(4) Expenditure

Amounts and Change of Expenditures Settled in Ordinary Accounts

Figures in parentheses are shares of the total.

(Units: ¥1,000 and %)

Category	2004		2005		2006	
		Growth		Growth		Growth
Personnel expenditures	114,546,736	▲ 3.1 (14.0)	114,131,396	▲ 0.4 (14.2)	112,000,193	▲ 1.9 (14.5)
Of which employee salaries	85,033,344	▲ 1.0 (10.4)	84,332,469	▲ 0.8 (10.5)	82,057,436	▲ 2.7 (10.6)
Social assistance expenditures	155,140,666	6.6 (19.0)	160,136,812	3.2 (19.9)	162,580,076	1.5 (21.0)
Bond expenditures	112,157,503	0.4 (13.7)	107,594,003	▲ 4.1 (13.4)	99,400,038	▲ 7.6 (12.9)
Principal and Interest expenditures	112,156,681	0.4 (13.7)	107,592,201	▲ 4.1 (13.4)	99,311,506	▲ 7.7 (12.8)
Interest on short-term borrowings	822	▲ 67.1 0.0	1,802	119.2 0.0	88,532	4,813.0 0.0
Sub-total	381,844,905	1.7 (46.8)	381,862,211	0.0 (47.6)	373,980,307	▲ 2.1 (48.4)
Non-personnel expenditures	73,292,203	7.3 (9.0)	70,994,789	▲ 3.1 (8.8)	67,845,369	▲ 4.4 (8.8)
Maintenance and repair expenditures	25,916,774	▲ 3.4 (3.2)	24,958,462	▲ 3.7 (3.1)	20,543,207	▲ 17.7 (2.7)
Subsidies	73,765,022	1.7 (9.0)	72,965,545	▲ 1.1 (9.1)	76,371,199	4.7 (9.9)
Funds	1,653,306	▲ 60.2 (0.2)	1,924,967	16.4 (0.2)	1,859,340	▲ 3.4 (0.2)
Investments and loans	96,316,760	1.1 (11.8)	97,883,539	1.6 (12.2)	100,324,922	2.5 (13.0)
Funds from bond revenues	56,928,511	0.2 (7.0)	61,522,984	8.1 (7.7)	61,758,465	0.4 (8.0)
Appropriation brought forward from previous fiscal year	0	-	0	-	0	-
Investment expenditures	106,329,416	▲ 11.7 (13.0)	90,722,077	▲ 14.7 (11.3)	70,660,264	▲ 22.1 (9.1)
Of which personnel expenditures	3,105,955	▲ 9.9 (0.4)	2,451,825	▲ 21.1 (0.3)	2,109,266	▲ 14.0 (0.3)
General construction expenditures	106,095,230	▲ 11.9 (13.0)	90,514,077	▲ 14.7 (11.3)	70,639,102	▲ 22.0 (9.1)
Of which subsidies	50,141,708	▲ 7.8 (6.1)	47,093,894	▲ 6.1 (5.9)	43,237,904	▲ 8.2 (5.6)
Of which independent	52,507,627	▲ 16.0 (6.4)	43,420,183	▲ 17.3 (5.4)	27,401,198	▲ 36.9 (3.5)
Natural disaster relief expenditures	234,186	12,389.9 0.0	208,000	▲ 11.2 0.0	21,162	▲ 89.8 0.0
Unemployment countermeasure expenditures	0	-	0	-	0	-
Total	816,046,897	▲ 0.4	802,834,574	▲ 1.6	773,343,073	▲ 3.7

※Source: Local Government Financial Condition Survey (Settle of Accounts Statistics).

※“Share” is calculated based on figures in this table.



III General/Special Account Settlement

(1) Balance of Payments for Fiscal Year 2006

General Account and Special Account Balance of Payments for Fiscal Year 2006 (Compared to expected balance of payments)

(Unit: ¥1,000)

		Revenue	Expenditure	Pro forma balance of payments (real balance)
General Accounts	Budget amount	793,865,447	793,865,447	
	Actual	768,433,282	764,356,439	4,076,843
	Difference	△ 25,432,165	△ 29,509,008	(2,322,753)
Land Readjustment Account	Budget amount	7,525,342	7,525,342	
	Actual	6,612,662	6,612,662	0
	Difference	△ 912,680	△ 912,680	(0)
Housing Project Development Account	Budget amount	132,000	132,000	
	Actual	121,855	121,855	0
	Difference	△ 10,145	△ 10,145	(0)
Parking Facility Account	Budget amount	331,000	331,000	
	Actual	338,976	328,385	10,591
	Difference	7,976	△ 2,615	(10,591)
Welfare Loans to Single-Parent Families and Widows Account	Budget amount	260,000	260,000	
	Actual	279,681	189,392	90,288
	Difference	19,681	△ 70,608	(90,288)

※The budget amount is the final budget amount which includes revisions and carry forwards

※Due to rounding, pro forma balance of payments and actual balance of payments may not equal the difference between revenue and expenditures

(Unit: ¥1,000)

		Revenue	Expenditure	Pro forma balance of payments (real balance)
National Health Insurance Account	Budget amount	203,532,084	203,532,084	
	Actual	189,312,500	197,085,858	△ 7,773,358
	Difference	△ 14,219,584	△ 6,446,226	(△ 7,773,358)
Elderly Care Account	Budget amount	183,910,000	183,910,000	
	Actual	171,536,523	173,164,162	△ 1,627,639
	Difference	△ 12,373,477	△ 10,745,838	(△ 1,627,639)
Nursing Insurance Account	Budget amount	86,352,820	86,352,820	
	Actual	82,815,935	81,141,492	1,674,443
	Difference	△ 3,536,885	△ 5,211,328	(1,674,443)
Fund Account	Budget amount	968,000	968,000	
	Actual	1,234,805	965,493	269,312
	Difference	266,805	△ 2,507	(269,312)
Advance Purchase of Land to Prevent Erosion Account	Budget amount	103,000	103,000	
	Actual	133,988	101,411	32,576
	Difference	30,988	△ 1,589	(32,576)
Government Bond Account	Budget amount	458,960,658	458,960,658	
	Actual	419,836,819	419,836,819	0
	Difference	△ 39,123,839	△ 39,123,839	(0)



Ⅲ General/Special Account Settlement

(2) General account revenue

Amounts and Shares of Revenues by General Account Item

	(Unit: ¥1,000)		(Unit: ¥1,000)		(Unit: ¥1,000)		(Unit: ¥1,000)		(Unit: ¥1,000)	
	2004		2005		2006		Change		% change	
	Actual	Share	Actual	Share	Actual	Share	2004→2005	2005→2006	2004→2005	2005→2006
1 City Tax	258,255,224	32.0%	261,122,979	33.0%	265,979,943	34.6%	2,867,755	4,856,964	1.1%	1.9%
2 Local transfer tax	10,403,800	1.3%	13,552,339	1.7%	19,092,745	2.5%	3,148,539	5,540,406	30.3%	40.9%
3 Transfer of tax on bank deposit interest	1,872,889	0.2%	1,188,983	0.2%	834,955	0.1%	△ 683,906	△ 354,028	-36.5%	-29.8%
4 Transfer of tax on dividends	153,749	0.0%	292,458	0.0%	458,937	0.1%	138,709	166,479	90.2%	56.9%
5 Transfer of tax on capital gains	153,966	0.0%	384,158	0.0%	342,170	0.0%	230,192	△ 41,988	149.5%	-10.9%
6 Transfer of local government consumption tax	20,178,049	2.5%	18,800,965	2.4%	20,163,173	2.6%	△ 1,377,084	1,362,208	-6.8%	7.2%
7 Transfer of golf course utilization tax	159,888	0.0%	152,411	0.0%	146,365	0.0%	△ 7,477	△ 6,046	-4.7%	-4.0%
8 Transfer of special local government consumption tax	0	0.0%	0	0.0%	0	0.0%	0	0	—	—
9 Transfer of auto acquisition tax	2,102,431	0.3%	2,132,928	0.3%	2,037,009	0.3%	30,497	△ 95,919	1.5%	-4.5%
10 Transfer of kerosene delivery tax	10,363,954	1.3%	9,833,600	1.2%	8,659,044	1.1%	△ 530,354	△ 1,174,556	-5.1%	-11.9%
11 Grants to cities, towns and villages with national properties used by the US forces	101,233	0.0%	104,937	0.0%	100,253	0.0%	3,704	△ 4,684	3.7%	-4.5%
12 Special grants to local governments	9,181,467	1.1%	9,015,101	1.1%	7,132,848	0.9%	△ 166,366	△ 1,882,253	-1.8%	-20.9%
13 Local grant tax	112,462,527	13.9%	112,836,765	14.2%	113,087,111	14.7%	374,238	250,346	0.3%	0.2%
14 Special grants to countermeasures for traffic safety	991,574	0.1%	993,419	0.1%	1,053,983	0.1%	1,845	60,564	0.2%	6.1%
15 Shares and charges	3,537,127	0.4%	3,764,943	0.5%	3,860,454	0.5%	227,816	95,511	6.4%	2.5%
16 Usage fee and commission	18,686,647	2.3%	19,155,494	2.4%	19,642,146	2.6%	468,847	486,652	2.5%	2.5%
17 National Treasury disbursements	134,801,727	16.7%	126,460,901	16.0%	114,651,887	14.9%	△ 8,340,826	△ 11,809,014	-6.2%	-9.3%
18 Road expenditures	12,017,941	1.5%	15,085,567	1.9%	18,071,863	2.4%	3,067,626	2,986,296	25.5%	19.8%
19 Property income	3,528,851	0.4%	3,670,359	0.5%	6,924,516	0.9%	141,508	3,254,157	4.0%	88.7%
20 Donations	64,679	0.0%	517,557	0.1%	323,662	0.0%	452,878	△ 193,895	700.2%	-37.5%
21 Transfers	6,519,462	0.8%	3,076,137	0.4%	2,765,938	0.4%	△ 3,443,325	△ 310,199	-52.8%	-10.1%
22 Balance carried forward	5,661,585	0.7%	3,205,750	0.4%	2,966,595	0.4%	△ 2,455,835	△ 239,155	-43.4%	-7.5%
23 Miscellaneous revenue	122,531,419	15.2%	124,249,222	15.7%	116,641,686	15.2%	1,717,803	△ 7,607,536	1.4%	-6.1%
24 Municipal Bonds	72,927,000	9.0%	62,251,000	7.9%	43,496,000	5.7%	△ 10,676,000	△ 18,755,000	-14.6%	-30.1%
Total	806,657,188	100.0%	791,847,973	100.0%	768,433,282	100.0%	△ 14,809,215	△ 23,414,691	-1.8%	-3.0%

※ Source: Sapporo City's Statement of Revenues and Expenditures.

※ Balances may not equal the total of individual items due to rounding.

※ Share, change, and percent change were calculated using figures in this table.



III General/Special Account Settlement

(3) General account expenditures

Amounts and Shares of Expenditures by General Account Item

(Unit: ¥1,000)

	2004		2005		2006	
	Actual	Share	Actual	Share	Actual	Share
1 City council expenditures	1,557,223	0.2%	1,536,618	0.2%	1,484,249	0.2%
2 General office expenditures	30,679,713	3.8%	34,279,314	4.3%	30,271,420	4.0%
3 Insurance and welfare expenditures	193,376,974	24.1%	198,897,157	25.2%	198,596,840	26.0%
4 Environmental expenditures	16,182,055	2.0%	14,434,320	1.8%	13,642,690	1.8%
5 Labor expenditures	2,187,424	0.3%	2,091,785	0.3%	1,844,775	0.2%
6 Economic expenditures	79,719,343	9.9%	82,193,823	10.4%	85,905,958	11.2%
7 Public workers expenditures	106,400,271	13.3%	93,618,187	11.9%	76,308,340	10.0%
8 Fire fighting expenditures	5,859,273	0.7%	4,877,190	0.6%	5,005,307	0.7%
9 Education expenditures	37,609,750	4.7%	30,585,899	3.9%	30,355,736	4.0%
10 Bond Expenditure	99,983,831	12.5%	95,926,093	12.2%	94,957,046	12.4%
11 Miscellaneous expenditures	123,946,945	15.4%	125,991,362	16.0%	123,030,422	16.1%
12 Employee expenditures	105,448,636	13.1%	103,806,799	13.2%	102,953,656	13.5%
13 Reserve Fund	0	0.0%	0	0.0%	0	0.0%
Total	802,951,438	100.0%	788,238,545	100.0%	764,356,439	100.0%

(Unit: ¥1,000)

Change		% change	
2004→2005	2005→2006	2004→2005	2005→2006
△ 20,605	△ 52,369	-1.3%	-3.4%
3,599,601	△ 4,007,894	11.7%	-11.7%
5,520,183	△ 300,317	2.9%	-0.2%
△ 1,747,735	△ 791,630	-10.8%	-5.5%
△ 95,639	△ 247,010	-4.4%	-11.8%
2,474,480	3,712,135	3.1%	4.5%
△ 12,782,084	△ 17,309,847	-12.0%	-18.5%
△ 982,083	128,117	-16.8%	2.6%
△ 7,023,851	△ 230,163	-18.7%	-0.8%
△ 4,057,738	△ 969,047	-4.1%	-1.0%
2,044,417	△ 2,960,940	1.6%	-2.4%
△ 1,641,837	△ 853,143	-1.6%	-0.8%
0	0	—	—
△ 14,712,893	△ 23,882,106	-1.8%	-3.0%

※ Source: Sapporo City's Statement of Revenues and Expenditures.

※ Balances may not equal the total of individual items due to rounding.

※ Share, change, and percent change were calculated using figures in this table.



IV Status of Funds for Fiscal Year 2006

(1) Creation and Closing Balance of Funds in Fiscal Year 2006

Fund name	Balance as of the end of Fiscal Year 2006	Date established	Purpose
Financial Adjustment Fund	¥16.2billion	March 1964	The fund contributes to sound management of municipal finances by accumulating necessary funds based on Articles 4.3.1 and 7.1 of the Local Finance Law.
Sinking Fund	¥115.0billion	Sept. 1978	The fund contributes to securing the necessary financial resources to redeem Sapporo's municipal bonds.
Land Development Fund	¥71.5billion	Sept. 1969	The fund contributes to securing land for public use and land necessary for public benefit.
Urban Development Promotion Fund	¥18.4billion	March 1989	The fund contributes to building municipal facilities such as parks and schools, to smoothly conducting housing project development, and to the revitalization of the city.
Other (15 funds)	¥16.6billion	—	—
Total (19 funds)	¥237.7billion	—	—



IV Status of Funds for Fiscal Year 2006

(2) Change of the Balance of Financial Adjustment Fund and the Sinking Fund

Financial Adjustment Account Balance Amount

(Unit: ¥100 million)

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Financial Adjustment Fund	102	75	82	93	99	112	157	142	150	162

※ This is the balance after transfers to the balance of payment surplus, and this may differ from both the balance as of March 31 and the balance in financial statements.

Sinking Fund Balance

(Unit: ¥100 million)

		1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Sinking Fund	Bullet Bond Fund	49	104	214	382	590	774	969	1,169	1,153	1,095
	Other:	288	250	213	190	160	149	105	67	60	55
	Total	337	354	427	572	750	923	1,074	1,236	1,213	1,150

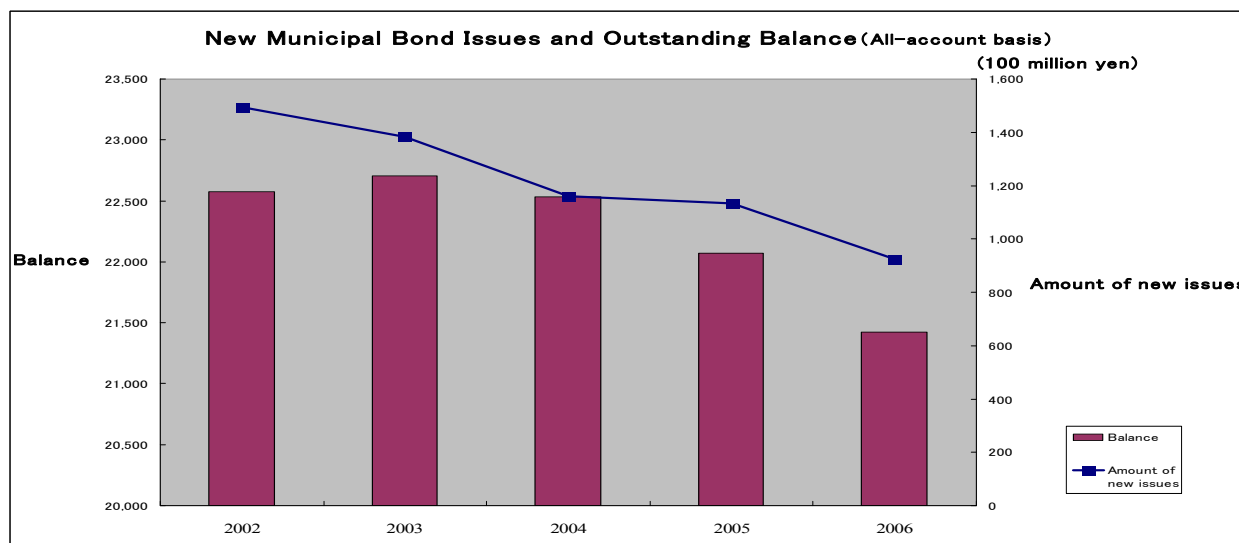
※ This is the balance after transfers to the balance of payment surplus, and this may differ from the balance as of March 31.

※ The balance in the settlement of account statistics may be substantially different since the bullet bond fund is not included in the fund balance given in the settlement of account statistics.



V Sapporo Municipal Bonds (Liabilities)

New Municipal Bond Issues and Outstanding Balance



New Issues of Municipal Bonds and Outstanding Balances		(¥ million)				
		2002	2003	2004	2005	2006
Amount of new issues	General Accounts	94,030	91,894	72,927	62,251	43,496
	Special Accounts	2,199	1,373	10	40	23
	Corporate Accounts	53,276	44,959	43,165	50,987	48,987
	Total	149,505	138,226	116,102	113,278	92,506
Balance	General Accounts	1,145,710	1,175,230	1,181,189	1,157,807	1,118,175
	Special Accounts	7,589	8,307	7,258	6,591	6,272
	Corporate Accounts	1,104,036	1,086,852	1,064,878	1,042,747	1,017,866
	Total	2,257,334	2,270,390	2,253,324	2,207,145	2,142,313

Balance 2003→ 2006
▲ 57,055
▲ 2,035
▲ 68,986
▲ 128,077

※ Actual balance basis.

※ Totals may not equal the sum of individual items due to rounding.



VI Settlement of Accounts of Enterprises

(1) Hospital Business Accounts

(1) Profit-loss Statement

(¥ million)

	2004	2005	2006
1 Operating revenue	17,106	17,473	17,032
2 Operating expenses	19,705	20,025	19,724
Operating income/loss	△ 2,598	△ 2,552	△ 2,692
3 Non-Operating revenue	3,324	3,378	3,253
4 Non-Operating expenses	1,441	1,377	1,379
Ordinary income/loss	△ 716	△ 551	△ 818
5 Extraordinary income	0	0	77
6 Extraordinary losses	91	112	66
Net income/loss	△ 807	△ 663	△ 806
Deficit carried forward from previous fiscal year (-)	△ 13,807	△ 14,613	△ 15,276
Unappropriated deficit (-)	△ 14,613	△ 15,276	△ 16,082

(2) Balance Sheet

(¥ million)

	2004	2005	2006
Assets	1 Fixed assets		
	(1) Tangible fixed assets	31,868	30,651
	(2) Intangible fixed assets	28	19
	(3) Investments	131	131
	Total fixed assets	32,027	30,801
	2 Current assets	3,934	4,834
Liabilities	3 Deferred account	497	445
	Total assets	36,458	36,081
	4 Fixed liabilities	1,548	1,548
Capital	5 Current liabilities	1,614	2,023
	Total liabilities	3,162	3,571
	6 Capital	37,593	36,318
Capital	7 Surplus		
	(1) Capital surplus	10,316	11,468
	(2) Deficit (-)	△ 14,613	△ 15,276
	Total earned surplus	△ 4,297	△ 3,808
Total capital		33,296	32,510
Total liabilities and shareholders' equity		36,458	36,081



VI Settlement of Accounts of Enterprises

(2) Central Wholesale Market Business Account

(1) Profit-loss Statement

(¥ million)

	2004	2005	2006
1 Operating revenue	1,434	1,444	1,469
2 Operating expenses	3,129	2,075	3,935
Operating income/loss	△ 1,695	△ 631	△ 2,466
3 Non-Operating revenue	468	300	303
4 Non-Operating expenses	329	321	429
Ordinary income/loss	△ 1,556	△ 651	△ 2,592
5 Extraordinary income	0	0	0
6 Extraordinary losses	0	0	0
Net income/loss	△ 1,556	△ 651	△ 2,592
Surplus at the beginning of the year	2,471	915	264
Unappropriated earned surplus at year-end	915	264	△ 2,328

(2) Balance Sheet

(¥ million)

	2004	2005	2006
Assets	1 Fixed assets		
	(1) Tangible fixed assets	28,013	33,854
	(2) Intangible fixed assets	1	1
	(3) Investments	60	60
	Total fixed assets	28,074	33,915
Current assets	2 Current assets	5,643	4,852
	3 Deferred account	0	0
	Total assets	33,716	38,767
Liabilities	4 Fixed liabilities	0	0
	5 Current liabilities	216	232
	Total liabilities	216	232
Capital	6 Capital	22,671	27,034
	7 Surplus		
	(1) Capital surplus	8,741	10,634
	(2) Earned surplus/deficit (-)	2,088	868
	Total earned surplus	10,829	11,502
Total liabilities and shareholders' equity	Total capital	33,500	38,535
	Total liabilities and shareholders' equity	33,716	38,767



VI Settlement of Accounts of Enterprises

(3) Rail Track Business Account

(1) Profit-loss Statement

(¥ million)

	2004	2005	2006
1 Operating revenue	1,121	1,087	1,070
2 Operating expenses	1,353	1,332	1,256
Operating income/loss	△ 232	△ 245	△ 186
3 Non-Operating revenue	289	211	196
4 Non-Operating expenses	21	16	14
Ordinary income/loss	36	△ 50	△ 5
5 Extraordinary income	1,354	0	0
6 Extraordinary losses	1,281	0	0
Net income/loss	109	△ 50	△ 5
Deficit carried forward from previous fiscal year (-)	118	221	171
Unappropriated deficit (-)	227	171	167

(2) Balance Sheet

(¥ million)

	2004	2005	2006
Assets	1 Fixed assets		
	(1) Tangible fixed assets	2,653	2,572
	(2) Intangible fixed assets	0	1
	(3) Investments	0	88
	Total fixed assets	2,653	2,661
	2 Current assets	615	535
Liabilities	3 Deferred account	0	0
	Total assets	3,268	3,196
	4 Fixed liabilities	0	0
Capital	5 Current liabilities	142	103
	Total liabilities	142	103
	6 Capital	1,588	1,533
Capital	7 Surplus		
	(1) Capital surplus	1,311	1,388
	(2) Earned surplus	227	171
	Total earned surplus	1,537	1,560
Total capital		3,126	3,093
Total liabilities and shareholders' equity		3,268	3,196



VI Settlement of Accounts of Enterprises

(4) Rapid Rail Transit Business Account

(1) Profit-loss Statement

(¥ million)

	2004	2005	2006
1 Operating revenue	39,588	39,339	39,494
2 Operating expenses	35,444	32,912	32,254
Operating income/loss	4,144	6,427	7,240
3 Non-Operating revenue	6,734	8,941	8,733
4 Non-Operating expenses	17,990	16,704	15,634
Ordinary income/loss	△ 7,111	△ 1,337	339
5 Extraordinary income	0	0	3
6 Extraordinary losses	2	0	0
Net income/loss	△ 7,114	△ 1,337	342
Surplus at the beginning of the year	△ 333,114	△ 340,228	△ 341,565
Unappropriated earned surplus at year-end	△ 340,228	△ 341,565	△ 341,223

(2) Balance Sheet

(¥ million)

	2004	2005	2006
Assets	1 Fixed assets		
	(1) Tangible fixed assets	417,913	413,810
	(2) Intangible fixed assets	27	26
	(3) Construction in progress account	1,479	894
	(4) Investments	30	809
	Total fixed assets	419,449	415,539
Total assets	2 Current assets	3,215	3,153
	3 Deferred account	209	239
	Total assets	422,873	418,931
Liabilities	4 Fixed liabilities	169,847	176,356
	5 Current liabilities	5,827	5,462
	Total liabilities	175,674	181,819
Capital	6 Capital	425,518	409,326
	7 Surplus		
	(1) Capital surplus	161,910	169,352
	(2) Deficit (-)	△ 340,228	△ 341,565
	Total earned surplus	△ 178,319	△ 172,213
	Total capital	247,199	237,113
Total liabilities and shareholders' equity		422,873	418,931



VI Settlement of Accounts of Enterprises

(5) Water Supply Business Account

(1) Profit-loss Statement

	(¥ million)		
	2004	2005	2006
1 Operating revenue	43,017	42,972	42,313
2 Operating expenses	32,405	32,753	33,213
Operating income/loss	10,611	10,219	9,101
3 Non-Operating revenue	536	513	511
4 Non-Operating expenses	9,994	9,198	8,382
Ordinary income/loss	1,153	1,534	1,229
5 Extraordinary income	12	16	164
6 Extraordinary losses	40	133	60
Net income/loss	1,125	1,418	1,333
Surplus at the beginning of the year	427	551	0
Unappropriated earned surplus at year-end	1,551	1,970	1,333

(2) Balance Sheet

	(¥ million)		
	2004	2005	2006
Assets	1 Fixed assets		
	(1) Tangible fixed assets	273,311	272,491
	(2) Intangible fixed assets	34,371	33,440
	(3) Investments	4,915	7,229
	Total fixed assets	312,597	313,159
	2 Current assets	14,343	13,546
Liabilities	3 Deferred account	0	0
	Total assets	326,941	326,705
	4 Fixed liabilities	963	2,838
Capital	5 Current liabilities	5,510	5,363
	Total liabilities	6,473	8,201
	6 Capital	222,769	218,764
Capital	7 Surplus		
	(1) Capital surplus	92,771	95,557
	(2) Earned surplus	4,928	4,183
	Total earned surplus	97,699	99,740
Total capital		320,467	318,504
Total liabilities and shareholders' equity		326,941	326,705



VI Settlement of Accounts of Enterprises

(6) Sewerage Business Accounts

(1) Profit-loss Statement

(¥ million)

	2004	2005	2006
1 Operating revenue	45,422	43,418	43,068
2 Operating expenses	32,023	32,061	32,424
Operating income/loss	13,399	11,358	10,643
3 Non-Operating revenue	174	142	192
4 Non-Operating expenses	13,434	12,529	11,712
Ordinary income/loss	140	△ 1,029	△ 877
5 Extraordinary income	8	97	5
6 Extraordinary losses	184	62	61
Net income/loss	△ 36	△ 994	△ 933
Deficit carried forward from previous fiscal year (-)	△ 24,081	△ 24,117	△ 25,111
Unappropriated deficit (-)	△ 24,117	△ 25,111	△ 26,045

(2) Balance Sheet

(¥ million)

		2004	2005	2006
Assets	1 Fixed assets			
	(1)Tangible fixed assets	824,531	832,409	825,492
	(2)Intangible fixed assets	299	299	299
	(3)Construction in progress account	14,610	10,854	18,546
	(3)Investments	25	27	27
	Total fixed assets	839,465	843,590	844,365
	2 Current assets	11,168	12,239	17,070
3 Deferred account	0	0	0	
Total assets		850,633	855,829	861,435
Liabilities	4 Fixed liabilities	5	3,571	6,124
	5 Current liabilities	5,096	4,944	8,736
	Total liabilities	5,101	8,516	14,860
Capital	6 Capital	380,413	373,300	363,999
	7 Surplus			
	(1)Capital surplus	489,237	499,124	508,620
	(2)Deficit (-)	△ 24,117	△ 25,111	△ 26,045
	Total earned surplus	465,119	474,013	482,576
	Total capital	845,532	847,313	846,575
Total liabilities and shareholders' equity		850,633	855,829	861,435



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This document is for the purpose of explaining the financial status of Sapporo City to investors considering the purchase of Sapporo Municipal Bonds and does not intend any sale or offer of specific bonds.
