Offering Circular

The Metropolis of Tokyo
EUR300,000,000 2.625 per cent. Bonds due 2030
Issue Price 99.769 per cent.

The above Bonds (the "Bonds") will mature on 28th October, 2030 and may be redeemed earlier at the option of The Metropolis of Tokyo (the "Metropolis" or "Tokyo") only in the event that certain Japanese taxes are imposed on payments in respect of the Bonds, as set out in Condition 5 of the terms and conditions of the Bonds (the "Conditions", and each condition set out in the Conditions being a "Condition"). Interest on the Bonds will accrue at the rate of 2.625 per cent. per annum from and including 28th October, 2025 and be payable annually in arrear on 28th October in each year commencing on 28th October, 2026.

The Metropolis intends to use the amount equal to the net proceeds from the issuance of the Bonds for existing or future Eligible Projects as defined under the Metropolis' Resilience Bond Framework (as defined in "TOKYO Resilience Bond Framework" below). See "Use of Proceeds".

Application has been made to the Financial Conduct Authority (the "FCA") under the Financial Services and Markets Act 2000 (the "FSMA") for the Bonds to be admitted to the official list of the FCA (the "Official List") and to the London Stock Exchange plc (the "London Stock Exchange") for such Bonds to be admitted to trading on the London Stock Exchange's Main Market (the "Main Market") and Sustainable Bond Market (the "SBM"). References in this Offering Circular to securities being "listed" (and all related references) shall mean that such securities have been admitted to trading on the Main Market and have been admitted to the Official List. For the purposes of such application, the Metropolis is an exempt issuer pursuant to Article 1(2) of Regulation (EU) 2017/1129 as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 ("EUWA") (as amended, the "UK Prospectus Regulation"). Accordingly, this Offering Circular has not been reviewed or approved by the FCA and has not been approved as a prospectus by any other competent authority under the UK Prospectus Regulation. Application is also being made to Tokyo Stock Exchange, Inc. (the "Tokyo Stock Exchange") for the Bonds to be listed on the TOKYO PRO-BOND Market of the Tokyo Stock Exchange (the "TOKYO PRO-BOND Market") and displayed on the TOKYO PRO-BOND Market Green and Social Bonds Platform.

It is expected that the Bonds will be assigned a credit rating of A+ by S&P Global Ratings Japan Inc. ("S&P"). A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. The Metropolis has been assigned (i) A+ foreign currency long-term issuer rating and (ii) A+ local currency long-term issuer rating by S&P. The security rating applicable to the Bonds will not necessarily always reflect that applicable to the Metropolis. The credit rating referred to above will be and the issuer ratings referred to above have been issued by S&P, which is not established in the European Union or in the United Kingdom and is not registered under Regulation (EU) No 1060/2009, as amended (the "CRA Regulation") or Regulation (EU) No 1060/2009 on credit rating agencies as it forms part of the domestic law of the United Kingdom by virtue of the EUWA (the "UK CRA Regulation") but such credit rating will be and such issuer ratings have been endorsed by S&P Global Ratings Europe Limited ("S&P Europe"), which is an entity established in the European Union and registered under the CRA Regulation, and S&P Global Ratings UK Limited ("S&P UK"), which is an entity established in the United Kingdom and registered under the UK CRA Regulation.

The Bonds have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state or other jurisdiction of the United States. The Bonds are being offered or sold outside the United States to non-U.S. persons by the Joint Lead Managers (as defined in "Subscription and Sale") in offshore transactions in reliance on Regulation S under the Securities Act ("Regulation S"), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Bonds will be in registered form in the denomination of EUR100,000 and integral multiples of EUR1,000 in excess thereof. The Bonds will be evidenced by a global certificate (the "Global Certificate") in registered form, which will be deposited with, and registered in the name of, or a nominee for, a common depositary for Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream, Luxembourg") on or about 28th October, 2025 (the "Closing Date"). Definitive certificates evidencing holdings of the Bonds (the "Definitive Certificates") will only be available in certain limited circumstances. See "Summary of Provisions relating to the Bonds while in Global Form".

Prospective investors should have regard to the factors described under the section headed "Risk Factors" starting on page 12. This Offering Circular does not describe all of the risks of an investment in the Bonds.

Barclays	**BofA Securities**	**Crédit Agricole CIB**	**Citigroup**

The date of this Offering Circular is 16th October, 2025.

The Metropolis accepts responsibility for the information contained in this Offering Circular. To the best of the knowledge of the Metropolis, the information contained in this Offering Circular is in accordance with the facts and this Offering Circular makes no omission likely to affect its import.

To the fullest extent permitted by law, none of the Joint Lead Managers (as defined under "Subscription and Sale") accepts any responsibility for: (i) the contents of this Offering Circular or for any other statement, made or purported to be made by the Joint Lead Managers or on their behalf in connection with the Metropolis or the issue and offering of the Bonds, or (ii) the acts or omissions of the Metropolis or any other person (other than the relevant Joint Lead Manager) in connection with the issue and offering of the Bonds. The Joint Lead Managers accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which they might otherwise have in respect of this Offering Circular or any such statement.

The Metropolis confirms that any information from third party sources has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by such third party source, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Other than the application for the admission of the Bonds to the Official List together with admission of the Bonds to trading on the Main Market, and the application to list the Bonds on the TOKYO PRO-BOND Market, no action is being taken to permit a public offering of the Bonds or the distribution of this Offering Circular (in proof or final form) in any jurisdiction where action would be required for such purposes.

This Offering Circular may not be used for the purposes of an offer of the Bonds to, or a solicitation for the purchase of Bonds by, anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised or lawful. The distribution of this Offering Circular and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Metropolis and the Joint Lead Managers to inform themselves about, and to observe, any such restrictions. For a description of certain restrictions on offers and sales of the Bonds and the distribution of this Offering Circular, see "Subscription and Sale".

The Bonds are exempt from the requirement for registration under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) (the "Financial Instruments and Exchange Act") and are subject to the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957, as amended) (the "Act on Special Measures Concerning Taxation"). The Bonds are not, as part of the primary distribution (*boshu*) by the Joint Lead Managers at any time, to be offered or sold to, or for the benefit of, any person other than a beneficial owner that is, (i) for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a person (a "Specially-Related Party of the Metropolis") having a "special relationship" with the Metropolis (that is, currently, in general terms, a party who is directly or indirectly controlled by the Metropolis) as described in Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation or (ii) a Japanese financial institution, designated in Article 6, paragraph (11) of the Act on Special Measures Concerning Taxation. **BY SUBSCRIBING FOR THE BONDS, AN INVESTOR WILL BE DEEMED TO HAVE REPRESENTED IT IS A PERSON WHO FALLS INTO THE CATEGORY OF (i) OR (ii) ABOVE.**

In addition, interest payments on the Bonds will generally be subject to Japanese withholding tax unless it is established that the Bonds are held by or for the account of a beneficial owner that is (i) for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a Specially-Related Party of the Metropolis, (ii) a Japanese designated financial institution described in Article 6, paragraph (11) of the Act on Special Measures Concerning Taxation which complies with the requirement for tax exemption under that paragraph, or (iii) a Japanese public corporation, a Japanese financial institution or a Japanese financial instruments business operator described in Article 3-3, paragraph (6) of the Act on Special Measures Concerning Taxation which complies with the requirement for tax exemption under that paragraph. See "Taxation — Japan".

The Bonds do not constitute "taxable linked securities" as prescribed by Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation (being securities for which the amount of interest is to be calculated by reference to certain indexes (as prescribed by Article 3-2-2, paragraph (8) of the Cabinet Order No. 43 of 1957, as amended relating to the Act on Special Measures Concerning Taxation) relating to the Metropolis or a Specially-Related Party of the Metropolis).

In connection with the issue or sale of the Bonds, no person has been authorised to give any information or to make any representation other than as contained in this Offering Circular and, if given or made, such information or representation must not be relied upon as having been authorised by the Metropolis or the Joint Lead Managers.

Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that the information contained herein is correct as at any time subsequent to its date.

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this Offering Circular and any applicable supplement to this Offering Circular;

(ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;

(iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets; and

(v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

In connection with this issue, Crédit Agricole Corporate and Investment Bank (the "Stabilisation Manager") (or person(s) acting on behalf of the Stabilisation Manager) may over-allot Bonds or effect transactions with a view to supporting the price of the Bonds at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Bonds is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the Bonds and 60 days after the date of the allotment of the Bonds. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager (or person(s) acting on behalf of the Stabilisation Manager) in accordance with all applicable laws and rules.

EU MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "EU MiFID II"); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

UK MiFIR product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

References herein to "EUR" and "U.S. dollars" are to the currency of the United States of America, those to "€" are to the currency introduced at the start of the third stage of the European economic and monetary union, and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3rd May, 1998 on the introduction of the euro, as amended, and those to "¥" and "yen" are to Japanese yen.

References herein to "fiscal years" and to "FY" are to fiscal year(s) of the Metropolis commencing on 1st April of the year indicated and ending on 31st March of the following year. References herein to years not specified as fiscal years or FY are to calendar years.

In this Offering Circular, where information is presented in millions and billions, amounts of less than one million or one billion have been rounded up or down (in certain cases, to the nearest one-tenth of a million or billion), as the case may be. In this Offering Circular, where information is presented as percentages, amounts less than one-tenth of one per cent. or one-hundredth of one per cent. have been rounded up or down, as the case may be. Accordingly, the total of each column of figures may not be equal to the total of the individual items.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Bonds are legal investments for it, (2) the Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules. None of the Joint Lead Managers accepts any responsibility for any social, environmental and sustainability assessment of the Bonds or makes any representation or warranty or assurance whether the Bonds will meet any investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels (including in relation to, but not limited to, any market standards or guidance, including green bond principles or other similar principles or guidance published by the International Capital Markets Association ("ICMA") (the "ICMA Principles")) or any requirements of such labels or market standards as they may evolve from time to time. None of the Joint Lead Managers are responsible for (i) the use or allocation of proceeds for the Bonds, (ii) the impact, monitoring or reporting in respect of such use of proceeds, or (iii) ensuring that there are sufficient Eligible Projects (as defined in "Use of Proceeds" below) to allow for allocation of a sum equal to the net proceeds of the issue of the Bonds in full.

In addition, none of the Joint Lead Managers is responsible for the assessment of the Resilience Bond Framework (as defined in "TOKYO Resilience Bond Framework" below) including the assessment of the applicable eligibility criteria in relation to the Bonds set out in therein. Moody's Japan K.K. has issued an independent opinion, dated 10th October, 2025, on the TOKYO Resilience Bond Framework (the "Second Party Opinion"). Additionally, the Metropolis has obtained a verification report dated 6th October, 2025 from Rating and Investment Information, Inc., an approved external review provider accredited by the Climate Bonds Initiative, regarding the alignment of bonds issued under the TOKYO Resilience Bond Framework with the Climate Bonds Standard version 4.3, the Criteria for Certification under the Climate Bonds Resilience Taxonomy (August 2025), the Water Infrastructure Criteria and the Electrical Grids and Storage Criteria (the "Verification Report"). The Metropolis has also obtained a certification dated 10th October, 2025 from the Climate Bonds Initiative designating the Resilience Bonds (as defined below) as a climate resilience investment (the "Certification"). The Second Party Opinion, Verification Report and the Certification each provides an opinion on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in the Bonds, including without limitation market price, marketability, investor preference or suitability of any security. The Second Party Opinion, the Verification Report and the Certification is each a statement of opinion, not a statement of fact. No representation or assurance is given by the Joint Lead Managers as to the suitability or reliability of the Second Party Opinion, the Verification Report, the Certification, or any opinion, review, certification or report of any third party (including any post-issuance reports prepared by an external reviewer) made available in connection with the Bonds. As at the date of this Offering Circular, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. The Second Party Opinion, the Verification Report, the Certification, and any other such opinion, review, certification or post-issuance report is not, nor should be deemed to be, a recommendation by the Joint Lead Managers, or any other person to buy, sell or hold the Bonds and is current only as of the date it is issued. The criteria and/or considerations that formed the basis of the Second Party Opinion, the Verification Report, the Certification, or any such other opinion, review, certification or post-issuance report may change at any time and the Second Party Opinion, the Verification Report, the Certification may be amended, updated, supplemented, replaced and/or withdrawn. Prospective investors must determine for themselves the relevance of any such opinion, review, certification, or post-issuance report and/or the information contained therein. The Resilience Bond Framework may also be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Offering Circular. The Resilience Bond Framework, the Second

Party Opinion, the Verification Report, the Certification, and any other such opinion, review, certification, or post-issuance report does not form part of, nor is incorporated by reference in, this Offering Circular.

In the event the Bonds are, or are intended to be listed and, or are to be admitted to trading on the London Stock Exchange's SBM and displayed on the TOKYO PRO-BOND Market Green and Social Bonds Platform, no representation or assurance is given by the Joint Lead Managers that such listing, admission or display will be obtained or maintained for the lifetime of the Bonds.

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OVERVIEW

The following is an overview of certain information contained elsewhere in this Offering Circular. It does not purport to be complete and is qualified in its entirety by the more detailed information appearing elsewhere in this Offering Circular. Prospective investors should also carefully consider the information set forth in "Risk Factors" below prior to making an investment decision. Capitalised terms not otherwise defined in this overview have the same meaning as elsewhere in this Offering Circular. See "The Metropolis of Tokyo", amongst others, for a more detailed description of the Metropolis.

Overview of the Metropolis of Tokyo

Tokyo, located in the south of the Kanto Plain, roughly in the middle of the Japanese archipelago and with an area of 2,200 square kilometres as at 1st April, 2025, had a population of 14,186 thousand as at 1st March, 2025. Tokyo is the only governmental unit in Japan designated as a metropolis. Its administrative area consists of three sub-areas, each with different characteristics, comprising 23 special wards, the Tama district and a number of islands in the Pacific Ocean. The address of the Metropolis is 8-1, Nishishinjuku 2-chome, Shinjuku-ku, Tokyo 163-8001, telephone number +81-3-5321-1111.

The major urban area consists of the 23 special wards that extend around Tokyo Bay and which spread into the southern part of the Kanto Plain. Together they form one city, which is often regarded as the City of Tokyo, though each ward is administratively independent. The number of people living in this combined area is 9,875,090, or 69.6 per cent. of Tokyo's population as at 1st March, 2025. Tokyo is not only the largest Japanese city but it is also one of the largest cities in the world. The Tama district lies to the west of the 23 special wards and comprises 26 cities, three towns and one village. The islands in the Pacific Ocean that form part of Tokyo are the Izu Islands and the Ogasawara Islands. These islands have a total of two towns and seven villages.

Tokyo has been the political capital of Japan since 1603, when the Tokugawa Shogunate was established. It became the official capital in 1869, shortly after the Meiji Restoration, which ushered in the modern history of Japan. The Metropolis was created in July 1943 when the administrative authority of the City of Tokyo and that of the Prefecture of Tokyo were amalgamated.

As the capital, Tokyo is the site of the Diet and is the seat of the administrative and judicial branches of the Japanese Government. Tokyo is also the national centre of finance and commerce and has a prominent position in the intellectual and cultural life of Japan.

The growth of the population of Tokyo and the expansion of its economy, which were especially remarkable in the 1960s, have brought about an increase in the influence of the Metropolis beyond its administrative boundaries with the result that the Metropolis and three adjoining prefectures are now together referred to as the Tokyo Metropolitan Region. The population of this region amounts to 36.8 million and accounted for 29.5 per cent. of the entire population of the nation as at 1st January, 2024. About 3.4 million people travel daily into the Metropolis for occupational and educational reasons. The Metropolis and seven surrounding prefectures are together referred to as the National Capital Region.

Selected Economic and Financial Information

Economy

	Tokyo	Tokyo's Share of Japan Total
	(billions of yen)	*(%)*
Gross product[(a)]	¥113,685.9	20.7%
Industrial shipments[(b)]	8,283.8	2.3

Sources:
(a) For fiscal year 2021. "Annual Report on Prefectural Accounts of Tokyo: FY2021" published by the Metropolis.
(b) For calendar year 2022. "Survey of actual economic structure, 2023" published by the Ministry of Economy, Trade and Industry ("METI").

Revenue and Expenditure (General Account)

The following table shows for the fiscal years indicated the Metropolis' actual or estimated revenue (being receipts (including proceeds from new borrowings) by the Metropolis), expenditure (including debt repayments) and balance for its General Account. For a more detailed breakdown of Metropolis' revenues and expenditures, see "The Metropolis of Tokyo — Revenue and Expenditure — General Account".

	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Actual
		(millions of yen)		
Revenue	¥9,747,377	¥9,332,949	¥8,483,136	¥8,962,755
Expenditure	9,461,704	9,047,840	8,212,897	8,724,585
Balance	285,672	285,109	270,239	238,170

Outstanding Debt

The following table shows the Metropolis' outstanding long-term and short-term debt for its General Account, Special Accounts and Public Enterprise Accounts on a combined basis as of the dates indicated. For more detailed information regarding the Metropolis' outstanding debt, see "The Metropolis of Tokyo — Indebtedness — Summary of Outstanding Debt".

	31st March, 2023	2024	2025
		(millions of yen)	
Long-term debt	¥7,547,804	¥7,329,690	¥6,885,416
Short-term debt (excluding current portion of long-term debt)	0	0	0

Overview of the Terms and Conditions of the Bonds

This overview does not purport to be complete and must be read as an introduction to this Offering Circular and any decision to invest in the Bonds should be based on a consideration of this Offering Circular as a whole. Words and expressions defined in "Terms and Conditions of the Bonds" shall have the same meanings in this overview.

Issuer	The Metropolis of Tokyo.
Securities Offered	EUR300,000,000 2.625 per cent. Bonds due 2030.
Issue Price	99.769 per cent.
Closing Date	On or about 28th October, 2025.
Delivery	It is expected that the Global Certificate will be deposited with and registered in the name of, or a nominee for, a common depositary for Euroclear and Clearstream, Luxembourg on or about the Closing Date.
Form and Denomination	The Bonds are issued in registered form in the denomination of EUR100,000 and integral multiples of EUR1,000 in excess thereof, and evidenced by a Global Certificate. Definitive Certificates will only be available in certain limited circumstances. See "Summary of Provisions Relating to the Bonds While in Global Form".
Interest...	2.625 per cent. per annum, payable annually in arrear on 28th October in each year commencing on 28th October, 2026.
Status	The Bonds are direct, unconditional and unsecured obligations of the Metropolis and rank *pari passu* and rateably without any preference among themselves and (with certain statutory exceptions) at least equally with all other unsecured obligations of the Metropolis from time to time outstanding.
Redemption at Maturity	Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 28th October, 2030.
Redemption for Taxation Reasons	If the Metropolis would on the occasion of the next payment due in respect of the Bonds be required as a result of any change in, or amendment to, the laws or regulations of Japan, or any political subdivision or any authority thereof or therein having power to tax (other than, in each case, the Metropolis), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 16th October, 2025, and for reasons outside its control, to pay any Additional Amounts (as defined in Condition 8) pursuant to Condition 8, then the Metropolis may, at its option, upon giving not less than 30 nor more than 60 days' prior notice to the Bondholders (which notice shall be irrevocable and shall specify the date fixed for redemption) in accordance with Condition 14, redeem all (but not some only) of the Bonds at their principal amount, together with interest accrued to (but excluding) the date fixed for redemption.
Withholding Tax.............................	All payments of principal and interest in respect of the Bonds will be made free and clear of Japanese withholding taxes, unless such withholding is required by law. In that event, the Metropolis will (subject to the exceptions provided in Condition 8) pay such Additional Amounts as will result in the Bondholders receiving such amounts as they would have received in respect of such Bonds had no such withholding been required.

Cross Acceleration	The Bonds are subject to a cross acceleration in respect of indebtedness for borrowed moneys or guarantee of indebtedness for borrowed moneys exceeding in the aggregate U.S.$10,000,000 (or its equivalent in any other currency or currencies). See Condition 9(iii).
Meetings of Bondholders	The terms and conditions of the Bonds and the fiscal agency agreement referred to therein contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally (including changes to the principal amount, interest rate and payment dates). These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority. Bondholders may be bound by decisions made by a defined majority that are against their interests.
Governing Law	English law.
Jurisdiction......................................	English courts.
Listings and Admissions to Trading	Application has been made to the FCA for the Bonds to be admitted to the Official List and to the London Stock Exchange for such Bonds to be admitted to trading on the Main Market and the SBM. Application has been made to Tokyo Stock Exchange for the Bonds to be listed on the TOKYO PRO-BOND Market. Application has also been made for the Bonds to be displayed on the TOKYO PRO-BOND Market Green and Social Bonds Platform.
Credit Rating for the Bonds	It is expected that the Bonds will be assigned a credit rating of A+ by S&P. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency. The credit rating referred to above will be and the issuer ratings referred to above have been issued by S&P, which is not established in the European Union or in the United Kingdom and is not registered under the CRA Regulation or the UK CRA Regulation but such credit rating will be and such issuer ratings have been endorsed by S&P Europe, which is an entity established in the European Union and registered under the CRA Regulation, and S&P UK, which is an entity established in the United Kingdom and registered under the UK CRA Regulation.
Selling Restrictions	The Bonds have not been, and will not be, registered under the Securities Act, or with any securities regulatory authority of any state or other jurisdiction of the United States. The Bonds are being offered or sold outside the United States to non-U.S. persons by the Joint Lead Managers in offshore transactions in reliance on Regulation S, and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. See "Subscription and Sale"
Use of Proceeds	The net proceeds of the issue of the Bonds, amounting to approximately EUR298 million, will be used to fund existing and future Eligible Projects. See "Use of Proceeds".
Fiscal Agent, Paying Agent, Registrar and Transfer Agent......	Mizuho Trust & Banking (Luxembourg) S.A.

Securities Codes for the Bonds	ISIN: XS3211770428 Common Code: 321177042
Legal Entity Identifier (LEI)	353800FABE4GGB1BMO18

RISK FACTORS

Any investment in the Bonds is subject to a number of risks, including the risk that the Metropolis is unable to fulfil its obligations under the Bonds and certain market risks associated with the Bonds. Prior to investing in the Bonds, investors should consider carefully whether an investment in the Bonds is suitable for them in light of all of the information in this Offering Circular, including the risk factors below, and their personal circumstances.

The Metropolis believes that the following risks are the material risks that may affect its ability to fulfil its obligations under the Bonds. However, the following does not address all of the risks investors may face in investing in the Bonds. Additional risks and uncertainties relating to the Metropolis that are not currently known to the Metropolis or that the Metropolis currently deems immaterial, may individually or cumulatively have a material adverse effect on the ability of the Metropolis to fulfil its obligations under the Bonds and, if any such risks or uncertainties should be realised, the value of the Bonds may decline and investors could lose all or part of their investment.

1. Factors Related to the Metropolis

A. Factors affecting the Metropolis' revenues and expenditures could have adverse effects on its ability to fulfil its payment obligations under the Bonds.

The Metropolis relies on revenues, mostly in the form of tax revenues, to support its budgeted expenditures, which include payments of interest and principal on its outstanding bonds. Events, trends or other circumstances, especially those that are outside the control of the Metropolis or other factors that impact global economic conditions, such as geopolitical factors, including conflicts such as those between Russia and Ukraine and related sanctions targeting Russia imposed by the international community, concerns over North Korea's nuclear weapons program, continued instability and conflict in the Middle East, and material changes to trade relations between the United States, China and other economic powers, including the imposition of new and higher tariffs and other policies adopted by the U.S. presidential administration, economic slowdowns experienced by one or more significant economies, including China, the U.S. or other developing economies, loss of confidence in the currencies of certain countries, or recessions resulting from factors including disruption to global supply chains and trade as a result of the imposition of import tariffs, persistent inflation, increases in interest rates, financial market volatility, particularly in Japan or in other developed economies, that result (directly or indirectly) in a larger decrease in revenues or an increase in expenditures, relative to each other, could impair the Metropolis' ability to maintain a balanced budget. Further, recent political developments in Japan, including the announcement of the Japanese Prime Minister's intention to resign, and the election of a new leader of Japan's ruling Liberal Democratic Party, could create policy uncertainty or changes and have unforeseen consequences for financial markets or government fiscal policies, which in turn may adversely affect the Metropolis' revenues and expenditures.

The implementation of the Metropolis' budget may be affected by political, economic, social or other factors, including macroeconomic changes (such as fluctuations in interest rates, import tariffs, commodity prices, currency exchange and external payment balances), unforeseen or larger than anticipated public spending needs due to acts of nature and large-scale disasters causing social turmoil (including large earthquakes, tsunami, typhoon and floods), increase in the frequency and intensity of natural disasters and extreme weather patterns as a result of climate change, pandemics and other public health crises, chaos and anarchy due to terrorism, war or other acts, changes in social structures or population demographics (for example, changes in industrial structures or the workforce, such as larger-than-expected population shifts, declining birthrates or the impact of an ageing population) as well as changes in policies of the Japanese Government, including with respect to the structure of national, prefectural and local taxes as well as policies relating to energy and sustainability, tourism and immigration. These and other factors could contribute to a decrease in revenues or increase in expenditure and accordingly may influence the Metropolis' implementation of the budget.

In addition, while revenues of the Metropolis are generally affected by macroeconomic conditions, expenditure in the Metropolis' budget does not come under automatic review in case of any revenue decreases. Accordingly, if the Metropolis' actual revenues are lower than the budgeted amount, due to recession or downtrend in the macro economy, for example, the Metropolis' expenditure may remain in accordance with the original budgeted amount (or could increase for unrelated reasons) and consequently may cause a budget deficit of the Metropolis.

The Metropolis also operates public enterprises in compliance with market principles and accordingly takes business risks comparable to that of private enterprises. These public enterprises are required to achieve their intended objectives of enhancing and promoting public welfare and thus may serve as a complementary provider of public services in accordance with instructions from the Metropolis due to policy reasons of the Metropolis. While these public enterprises are viewed separately from the Metropolis' general and special accounts for budget purposes, the Metropolis may be obliged to bear the costs incurred by any public enterprise as a result of such business risks or the provision of public services which may exceed the budgeted operating revenue of such public enterprise.

B. If Japanese economic conditions do not improve or if they worsen, the Metropolis' revenues and financial condition may be negatively affected.

Prospective investors in the Bonds should be aware of the challenges faced by the Japanese economy in general.

In March 2024, in a significant policy shift, the Bank of Japan (the "BOJ") announced the cessation of its eight-year negative interest rate policy, raising its benchmark uncollateralised overnight call rate to fluctuate in a range of 0 per cent. to 0.1 per cent., and concluded its yield curve control policy for 10-year Japanese government bonds. In April and June 2024, the BOJ reaffirmed this target and in July 2024, the BOJ further announced that it would raise the target for the uncollateralised call rate to around 0.25 per cent., as well as its plan to reduce the amount of monthly purchases of Japanese government bonds to ¥3 trillion by the first quarter of 2026. The target uncollateralised call rate was raised again to 0.5% in January 2025, which has been reaffirmed since. In June 2025, the BOJ announced a plan to reduce the amount of monthly purchases of Japanese government bonds to ¥2 trillion by the first quarter of 2027. Such monetary policy tightening had resulted in a gradual strengthening of the yen, in particular against the U.S. dollar, though following the election of a new leader of Japan's ruling Liberal Democratic Party, the yen weakened significantly as markets recognised the potential for a return to more accommodative monetary policy in the future. Such changes in the BOJ and government policies could cause disruptions to financial markets and have adverse effects on economic conditions in Japan. Given these various developments, the outlook of the Japanese economy remains uncertain and economic conditions in Japan may not improve or could worsen.

Furthermore, a variety of macroeconomic and geopolitical factors could adversely affect economic conditions in Japan. Continued uncertainty in geopolitical conditions could contribute to economic instability and weakness adversely affecting economic conditions in Japan. Sources of geopolitical uncertainty include the ongoing military conflict between Russia and Ukraine and related sanctions targeting Russia imposed by the international community, concerns over North Korea's nuclear weapons program, continued instability and conflict in the Middle East, and material changes to trade relations between the United States, China and other economic powers, including the imposition of new and higher tariffs and other policies adopted by the U.S. presidential administration. In particular, the conflict in Ukraine and related sanctions targeting Russia have exacerbated supply chain constraints and driven sharp increases in prices of commodities, including oil and natural gas, further contributing to inflationary pressure. The armed conflict between Israel and Iran has also caused oil and gas prices to rise and may affect inflation rates, particularly if hostilities escalate. Additionally, the recent imposition of tariffs by the United States and retaliatory measures taken in response have introduced significant uncertainty and financial instability globally. Domestically, political uncertainty following the Prime Minister's resignation announcement and the election of a new leader of Japan's ruling Liberal Democratic Party, may delay or complicate policy implementation, and contribute to volatility in Japanese financial markets, which could negatively impact the Metropolis' financial position.

In addition, climate change has been increasingly recognised as a threat which poses risks to the financial system and global economy as a whole. Governments around the world, including Japan, have made commitments intended to mitigate the effects of climate change by limiting the increase in global average temperature and encouraging the transition to a lower carbon economy, in alignment with international agreements such as the Paris Climate Agreement and UN Climate Change Conference. As a major international city, the Metropolis also has established plans of action and a strategy to mitigate the effects of climate change on the Metropolis and on Japan and to contribute to the global response to the climate crisis, namely its "Zero Emission Tokyo Strategy", which includes a "Carbon Half" initiative to reduce greenhouse gas emissions in Tokyo by 50 per cent. by 2030 compared to 2000 levels, as well as other climate-related and other environmental targets. Progressing towards these climate-related and other environmental commitments is subject to a variety of uncertain factors. For example, achievement of the "Carbon Half" initiative requires the Metropolis to promote an increase in energy efficiency and shift to the use of decarbonised energy, which depends on the plans of the Japanese government, the laws or regulations of Japan, external technological and economic factors such as availability and cost of non-carbon-based energy sources, and the actions and behaviours of individuals and companies residing and working within Tokyo, among other uncertain factors. Achievement of its climate-related and other environmental commitments entails significant investment of resources over a long time horizon, and the impact of pursuing these commitments on the Metropolis' budget and financial condition is impossible to predict, especially in light of the uncertain factors listed above.

In addition, Japan continues to contend with certain long-term structural challenges, such as an ageing workforce and population decrease, as well as high levels of public debt and associated debt servicing payments. Over the longer term, the impact of a rising interest rate environment combined with such demographic and fiscal challenges remains uncertain.

Any such factors affecting the Japanese economy as a whole may also adversely affect the Metropolis' revenues and financial position.

C. The Metropolis' credit rating is linked to Japan's sovereign debt rating, which means a downgrading of Japan would likely result in a downgrading of the Metropolis.

Due to the Metropolis' status as a local government body in Japan, any rating action taken with respect to Japan can be expected to impact the Metropolis' ratings, including the rating applicable to the Bonds. Historically, reductions in Japan's S&P credit rating and the outlook thereon have been followed by equivalent reductions in the equivalent credit ratings and outlook of the Metropolis.

For example on 9th June, 2020, S&P revised down the outlook on Japan's long-term sovereign credit rating from A+ (Positive Outlook) to A+ (Stable Outlook), and again the following day (10th June, 2020) downgraded the outlook on the Metropolis' long-term issuer credit and debt ratings from A+ (Positive Outlook) to A+ (Stable Outlook), noting that it does not believe that the ratings on the Metropolis will exceed the sovereign credit rating on Japan. This is due to the belief that the creditworthiness of Japanese local and regional governments would be strongly affected under a stress scenario which would see sovereign defaults on its debt (source: S&P RatingsDirect® "Outlooks On Three Japanese Local And Regional Governments Revised Down To Stable Following Similar Action On Sovereign").

While the Metropolis has not experienced any significant negative effects as a result of those rating actions, such as increased costs or difficulty in raising funds, any further adverse rating actions may adversely affect the Metropolis, and there can be no assurance that Japan's sovereign rating will not be downgraded further in the future (including as a result of any disruption of Japanese international trade and the Japanese economy, resulting from the imposition of import tariffs by the United States). Investors should also note that notwithstanding the close linkage between Japan's sovereign rating and the Metropolis' issuer credit and debt rating, the Metropolis' debts (including the Bonds) are not direct or indirect obligations of Japan or guaranteed in any way by Japan.

2. Factors Related to the Bonds

A. Risks related to the Bonds generally

Set out below is a brief description of certain risks relating to the Bonds generally:

The terms and conditions of the Bonds are subject to modification and waivers that could adversely affect the rights of certain Bondholders.

The terms and conditions of the Bonds and the fiscal agency agreement referred to therein contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally (including changes to the principal amount, interest rate and payment dates). These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority. Bondholders may be bound by decisions made by a defined majority that are against their interests.

Changes in law after the issuance of the Bonds could have an adverse effect on the Bondholders.

The terms and conditions of the Bonds are based on English law in effect as at the date of issue of the Bonds. No assurance can be given as to the impact of any possible judicial decision or change to English law, administrative practice or mandatory provisions of Japanese law after the date of issue of the Bonds which may have an adverse effect on the Bondholders. Certain changes to Japanese tax law may give the Metropolis the option to redeem the Bonds before their maturity, which redemption could reduce the return on investment as compared to what could have been achieved had the Bonds been redeemed at maturity.

The Bonds will be issued with a minimum denomination of EUR100,000.

As the Bonds have a minimum denomination of EUR100,000 plus a higher integral multiple of EUR1,000, it is possible that the Bonds may be traded in amounts in excess of EUR100,000 that are not integral multiples of EUR100,000. In such a case, a Bondholder who, as a result of trading such amounts, holds a principal amount of Bonds of less than EUR100,000 will not receive a Definitive Certificate in respect of such holding (should Definitive Certificates be printed) and would need to purchase a principal amount of Bonds such that it holds an amount equal to at least EUR100,000. A Bondholder who, as a result of trading such amounts, holds a principal amount of Bonds other than a multiple of EUR100,000 will receive Definitive Certificates in respect of such holding (provided that the aggregate amount of Bonds it holds is in excess of EUR100,000); however, any such Definitive Certificates that have a denomination that is not an integral multiple of EUR100,000 may be illiquid or difficult to trade.

The Bonds may be redeemed prior to maturity.

In the event that the Metropolis would be obliged to increase the amounts payable to the Bonds due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Japan or any political subdivision thereof or any authority therein or thereof having power to tax, the Metropolis may redeem all outstanding Bonds in accordance with the Conditions.

In relation to instruments issued in global form, investors will have to rely on the procedures of the applicable clearing system for transfer, payment and communication with the Metropolis.

The Bonds initially will be evidenced by the Global Certificate, registered in the name of or a nominee for, and deposited with a common depositary for, Euroclear and Clearstream, Luxembourg (as further described in "Summary of Provisions relating to the Bonds while in Global Form").

While the Bonds are evidenced by the Global Certificate, the Metropolis will discharge its payment obligations under the Bonds by making payments through the applicable clearing system for distribution to their respective account holders. Accordingly, a holder of a beneficial interest in Bonds evidenced by the Global Certificate must rely on the procedures of the applicable clearing system to receive payments under the Bonds. The Metropolis has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

Holders of beneficial interests in Bonds evidenced by the Global Certificate will not have a direct right to vote in respect of the Bonds. Instead, such holders will be permitted to act only to the extent that they are enabled by the applicable clearing system to appoint appropriate proxies under and in accordance with the rules of such clearing system.

Bonds may not meet investor expectations or requirements.

It is the Metropolis' intention to apply an amount equal to the proceeds of the Bonds in accordance with the Resilience Bond Framework as defined in the section "TOKYO Resilience Bond Framework" below. A prospective investor should have regard to the information set out in the section "Use of Proceeds" and elsewhere in this Offering Circular regarding the Resilience Bond Framework and determine for itself the relevance of such information for the purpose of an investment in the Bonds together with any other investigation it deems necessary.

No assurance is given by that such use of proceeds will satisfy any present or future investment criteria or guidelines with which an investor is required, or intends, to comply, in particular with regard to any direct or indirect environmental or sustainability impact of any Eligible Projects.

No assurance can be given that Eligible Projects will meet investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels (including in relation to, but not limited to, the ICMA Principles) or any requirements of such labels or market standards as they may evolve from time to time. The Bonds will not be compliant with Regulation (EU) 2023/2631 (the "EU Green Bond Regulation") and are only intended to comply with the requirements and processes in the Metropolis' Resilience Bond Framework. It is not clear if the establishment of the EuGB label and the optional disclosures regime for bonds issued as "environmentally sustainable" under the EU Green Bond Regulation could have an impact on investor demand for, and pricing of, green use of proceeds bonds that do not comply with the requirements of the EuGB label or the optional disclosures regime, such as the Bonds. It could result in reduced liquidity or lower demand or could otherwise affect the market price of the Bonds.

While it is the intention of the Metropolis to apply the net proceeds, or an amount equal to the net proceeds of the Bonds for Eligible Projects and to report on the use of proceeds or Eligible Projects as described in "Use of Proceeds", there is no contractual obligation on the Metropolis to do so. There can be no assurance that any such Eligible Projects will be available or capable of being implemented in the manner and timeframe anticipated and, accordingly, that the Metropolis will be able to use the proceeds for such Eligible Projects as intended. In addition, there can be no assurance that Eligible Projects will be completed as expected or achieve the impacts or outcomes (environmental, social or otherwise) originally expected or anticipated. None of a failure by the Metropolis to allocate the proceeds of the Bonds or to report on the use of proceeds or Eligible Projects as anticipated or a failure of a third party to issue (or to withdraw) an opinion or certification in connection with the Bonds or the failure of the Bonds to meet investors' expectations requirements regarding any "green", "sustainable", "social" or similar labels will constitute an event of default or breach of contract with respect to the Bonds.

The net proceeds of the issue of the Bonds which, from time to time, are not allocated as funding for Eligible Projects are intended by the Metropolis to be held pending allocation for purposes set out in "Use of Proceeds".

The Metropolis does not undertake to ensure that there are at any time sufficient Eligible Projects to allow for allocation of a sum equal to the net proceeds of the issue of the Bonds in full.

Each prospective investor should have regard to the factors described in this Offering Circular regarding the Resilience Bond Framework and the relevant financial information contained in this Offering Circular and seek advice from their independent financial adviser or other professional adviser regarding its purchase of the Bonds before deciding to invest. The Resilience Bond Framework may be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Offering Circular. The Resilience Bond Framework does not form part of, nor is incorporated by reference, in this Offering Circular.

No assurance of suitability or reliability of any Second Party Opinion or the Verification Report or any other opinion or certification of any third party relating to the Bonds.

Moody's Japan K.K. has issued the Second Party Opinion, dated 10th October, 2025, on the TOKYO Resilience Bond Framework. Additionally, the Metropolis has obtained the Verification Report dated 6th October, 2025 from Rating and Investment Information, Inc., an approved external review provider accredited by the Climate Bonds Initiative. The Metropolis has also obtained a Certification dated 10th October, 2025 from the Climate Bonds Initiative designating the Resilience Bonds (as defined below) as a climate resilience investment. The Second Party Opinion, the Verification Report and the Certification each provides an opinion on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in the Bonds, including without limitation market price, marketability, investor preference or suitability of any security. The Second Party Opinion, the Verification Report and the Certification is each a statement of opinion, not a statement of fact. No representation or assurance is given by the Joint Lead Managers as to the suitability or reliability of the Second Party Opinion, the Verification Report, the Certification, or any opinion, review, certification or report of any third party (including any post-issuance reports prepared by an external reviewer) made available in connection with the issue of the Bonds. The Second Party Opinion, the Verification Report, the Certification and any other such opinions, reviews, certifications or post-issuance reports are not intended to address any credit, market or other aspects of any investment in the Bonds, including without limitation market price, marketability, investor preference or suitability of any security or any other factors that may affect the value of the Bonds. The Second Party Opinion, the Verification Report, the Certification, and any other opinions, reviews, certifications or post-issuance reports are not, nor should be deemed to be recommendations to buy, sell or hold the Bonds and is current only as of the date they are issued.

The criteria and/or considerations that formed the basis of the Second Party Opinion, the Verification Report, the Certification or any other opinions, reviews, certifications or post-issuance reports may change at any time and the Second Party Opinion, the Verification Report, the Certification and any other opinions, reviews, certifications or post-issuance reports may be amended, updated, supplemented, replaced and/or withdrawn at any time. Any withdrawal of the Second Party Opinion, the Verification Report, the Certification or any other opinions, reviews, certifications or post-issuance reports may have a material adverse effect on the value of the Bonds and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose. As at the date of this Offering Circular, the providers of such opinions, reviews, certifications and post-issuance reports are not subject to any specific regulatory or other regime or oversight. Prospective investors must determine for themselves the relevance of any such opinions, reviews, certifications, post-issuance reports and/or the information contained therein. The Second Party Opinion, the Verification Report, the

Certification and any other opinions, reviews, certifications or post-issuance reports do not form part of, nor are incorporated by reference, in this Offering Circular.

No assurance that the Bonds will be admitted to trading on any dedicated "green", "sustainable", "social" (or similar) segment of any stock exchange or market or that any admission obtained will be maintained.

In the event the Bonds are, or are intended to be listed and, or are to be admitted to trading on a "green", "sustainable", "social" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given that such listing or admission satisfies any present or future investment criteria or guidelines with which such investor is required, or intends, to comply. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. No representation or assurance is given or made by that any such listing or admission to trading will be obtained in respect of the Bonds or that any such listing or admission to trading will be maintained during the life of the Bonds.

If any of the risks outlined in this risk factor materialise this may have a material adverse effect on the value of the Bonds and/or may have consequences for certain investors with portfolio mandates to invest in green assets (which consequences may include the need to sell the Bonds as a result of the Bonds not falling within the investor's investment criteria or mandate).

The Bonds are not linked to the performance of the Eligible Projects, do not benefit from any arrangements to enhance the performance of the Bonds or any contractual rights derived solely from the intended use of proceeds of the Bonds.

The performance of the Bonds is not linked to the performance of the relevant Eligible Projects or the performance of the Metropolis in respect of any environmental or similar targets. There will be no segregation of assets and liabilities in respect of the Bonds and the Eligible Projects. Consequently, neither payments of principal and/or interest on the Bonds nor any rights of Bondholders shall depend on the performance of the relevant Eligible Projects or the performance of the Metropolis in respect of any such environmental or similar targets. Holders of the Bonds shall have no preferential rights or priority against the assets of any Eligible Project nor benefit from any arrangements to enhance the performance of the Bonds.

B. Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk and credit risk:

Any adverse change in an applicable credit rating could adversely affect the trading price for the Bonds, and a credit rating may not reflect all risks.

The Bonds are expected to be assigned a credit rating of A+ by S&P. The credit rating referred to above will be and the issuer ratings referred to above have been issued by S&P, which is not established in the European Union or in the United Kingdom and is not registered under the CRA Regulation or the UK CRA Regulation but such credit rating will be and such issuer ratings have been endorsed by S&P Europe, which is an entity established in the European Union and registered under the CRA Regulation, and S&P UK, which is an entity established in the United Kingdom and registered under the UK CRA Regulation. The rating may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this section, and other factors that may affect the value of the Bonds. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Any adverse change in an applicable credit rating could adversely affect the trading price for the Bonds. Under the CRA Regulation and the UK CRA Regulation, certain investors may generally only use a credit rating for regulatory purposes in the European Union or in the United Kingdom (as applicable) if the credit rating is issued by a credit rating agency established in the European Union or in the United Kingdom (as applicable) and registered in accordance with the CRA Regulation or the UK CRA Regulation (as applicable) (or is endorsed and published or distributed by subscription by such a credit rating agency in accordance with the CRA Regulation or the UK CRA Regulation (as applicable)). Investors who wish to use a credit rating for regulatory purposes in the European Union or in the United Kingdom should consider whether a credit rating assigned to an issue of Bonds may be used for this purpose.

There is no active trading market for the Bonds.

The Bonds will be new securities for which there is no established trading market, and one may never develop. If a market does develop, it may not be sustained throughout the life of the Bonds or it may not be liquid. Although applications are being made for the Bonds to be admitted to the Official List, and to the London Stock Exchange for the Bonds to be admitted to trading on the Main Market, and an application is also being made to the Tokyo Stock Exchange for the Bonds to be listed and traded on the TOKYO PRO-BOND Market, there is no assurance that such applications will be accepted or that an active trading market will develop or, if developed, that it will continue, even if such applications are accepted. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of the Bonds. If the Bonds are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Metropolis.

Bondholders will be subject to interest rate related risks.

Investment in fixed rate bonds (such as the Bonds) involves the risk that subsequent changes in market interest rates may adversely affect the value of such bonds.

If an investor holds Bonds which are not denominated in the investor's home currency, it will be exposed to movements in exchange rates adversely affecting the value of its holding. In addition, the imposition of exchange controls in relation to any Bonds could result in an investor not receiving payments on those Bonds.

The Metropolis will pay principal of and interest on the Bonds in Euro (the "Specified Currency"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency-equivalent value of the principal payable on the Bonds and (3) the Investor's Currency-equivalent market value of the Bonds. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Metropolis to make payments in respect of the Bonds. As a result, investors may receive less interest or principal than expected, or no interest or principal.

FORWARD-LOOKING STATEMENTS

This Offering Circular contains certain forward-looking statements. The words "anticipate", "believe", "expect", "plan", "intend", "targets", "aims", "estimate", "project", "will", "would", "may", "could", "continue" and similar expressions are intended to identify forward-looking statements. All statements other than statements of historical fact included in this Offering Circular, including, without limitation, those regarding the financial position, vision, strategy, plans and objectives for future operation and administration of the Metropolis (including its climate-related goals and initiatives) are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements, to be materially different from those expressed or implied by these forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the present and future plans and the environment in which the Metropolis expects to operate in the future. Important factors that could cause the Metropolis' revenues, expenditures or financial condition to differ materially from those in the forward-looking statements include, among other factors described in this Offering Circular, changes in the policies, visions or plans of the Metropolis or Japan, changes in social structures, population demographics and other assumptions, and changes in the economic, political or social climate in Tokyo, Japan or elsewhere.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "Risk Factors". Any forward-looking statements made by or on behalf of the Metropolis speak only as at the date they are made. The Metropolis does not undertake to update forward-looking statements to reflect any changes in its expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

ENFORCEABILITY OF CIVIL LIABILITIES

As a matter of English law, the Metropolis is not immune from the jurisdiction of the English courts in connection with the Bonds as it has submitted to the jurisdiction of such courts in connection therewith. However, in view of the absence of a specific consent to relief or enforcement, the Metropolis may be immune from any relief by way of an injunction or order for specific performance or for the recovery of land or other property and its property may be immune from any process for the enforcement of a judgment or arbitration award or, in an action *in rem*, for its arrest, detention or sale (except, in cases where Section 13(4) of the U.K. State Immunity Act 1978 (the "State Immunity Act") applies, for property which is in use or intended for use for commercial purposes) to the extent that it is held by the courts not to have consented to such process or relief (within the meaning of Section 13 of the State Immunity Act).

Under Japanese law, the Metropolis may be sued in the courts of competent jurisdiction of Japan in respect of its obligations under the Bonds and is not entitled to immunity (whether on the grounds of sovereignty or otherwise) from any suit which may be brought before such courts in respect of such obligations. Certain properties and assets of the Metropolis located in Japan may not be subject to attachment to enforce final, conclusive and enforceable judgments against the Metropolis in respect of its obligations under the Bonds to protect public usage of such properties and assets.

USE OF PROCEEDS

The net proceeds of the issue of the Bonds, amounting to approximately EUR298 million, will be used to fund existing and future Eligible Projects (as defined below) in accordance with the Metropolis' Resilience Bond Framework (as defined below in "TOKYO Resilience Bond Framework").

"Eligible Projects" mean projects under the following categories:

Category 1: Flood Prevention Projects

Projects aimed at minimising the risk of flooding caused by heavy rainfall, storm surges and other related hazards, including:

- Upgrading small- and medium-sized rivers to enhance flood resilience;
- Development and upgrading coastal protection facilities for the Port of Tokyo and remote islands; and
- Reinforcing river infrastructure to strengthen water management and seismic resilience.

Category 2: Typhoon Resilience Projects

Projects aimed at preventing damage from strong winds and heavy rainfall caused by typhoons and any other severe storms, including:

- Undergrounding utility poles to prevent collapse in the event of a disaster;
- Developing and upgrading sediment disaster prevention and coastal protection facilities; and
- Renovating port facilities to protect remote islands vulnerable to typhoons and coastal hazards.

TOKYO RESILIENCE BOND FRAMEWORK

TOKYO Resilience Bond Framework Overview

The Metropolis has defined a formal concept for its resilience bonds ("Resilience Bonds") regarding use of proceeds, processes for project evaluation and selection, management of proceeds and reporting in its resilience bond framework (the "Resilience Bond Framework").

The Metropolis has obtained a Second Party Opinion from Moody's Japan K.K. on 10th October, 2025, on the Resilience Bond Framework's conformity with the ICMA Green Bond Principles 2025, the ICMA Social Bond Principles 2025 and the ICMA Sustainability Bond Guidelines 2021.

In addition, the Metropolis has obtained a Verification Report from Rating and Investment Information, Inc., an approved external review provider accredited by Climate Bonds, on 10th October 2025, regarding the alignment of bonds issued under this framework with the Climate Bonds Standard version 4.3, the Criteria for Certification under the Climate Bonds Resilience Taxonomy (August 2025), the Water Infrastructure Criteria and the Electrical Grids and Storage Criteria of the Climate Bonds Initiative.

The Metropolis has also obtained a Certification dated 10th October, 2025 from Climate Bonds Initiative designating the Resilience Bonds as a climate resilience investment.

Use of Proceeds

For a description of the use of the proceeds of the issue of the Bonds, see "Use of Proceeds".

Process for Project Evaluation and Selection

In general, in order to create local debt, prefectural governments are required to either consult the Ministry of Internal Affairs and Communications (the "MIC") and obtain its consent or report in advance to the MIC. Furthermore, in line with the formal concept described above, the project selection for the inclusion in the use of proceeds of the Resilience Bonds is carried out by the Metropolis.

The projects that are eligible for the proceeds of the issue of the Resilience Bonds in a fiscal year will be selected based on an evaluation using the Environmental (E), Social (S) and Governance (G) eligibility criteria in the table below. For Green Projects, the environmental aspects in section E-1 and E-2 are given priority. For Social Projects, the social aspects in S-1 and S-2 are given priority.

No.	Evaluation Aspects	Evaluation Items	Perspective
E-1	Environmental	Clarity of positive impact	Positive environmental outcomes of the projects are clear, and/or can be quantitatively measured.
E-2	Environmental	Reduction of negative impact	Measures are in place to mitigate negative impacts of the project.
S-1	Social	Clarity of positive impact	Positive social outcomes of the projects are clear, and/or can be quantitatively measured.
S-2	Social	Reduction of negative impact	Measures are in place to mitigate negative impacts of the project.
G-1	Governance	Policy & regulatory compliance	Project plans comply with laws and guidelines such as the Tokyo 2050 strategy, and Japan's Local Government Finance Act.
G-2	Governance	Feasibility / urgency	Special consideration regarding significant feasibility or urgency of projects.
G-3	Governance	Effect sustainability	The positive environmental / social outcomes of the project will be sustainable.

The process for selecting projects to be financed by the Resilience Bonds is described below.

Evaluation and Selection Procedures and Division of Roles

- The Bureau of Finance of the Metropolis (the "Bureau of Finance") requests the relevant bureaus involved to identify any projects that could be eligible for the proceeds of the issue of the Resilience Bonds.

- The relevant bureaus confirm projects that meet the requirements of Resilience Bond funding and submit information on these potential projects to the Bureau of Finance.

- The Bureau of Finance examines the content of the projects and narrows down the list of potential eligible projects.

- The Bureau of Finance evaluates the projects. In the evaluation, it is confirmed that each project is within the scope of the Metropolis' environmental categories and social categories, and the projects are evaluated using the ESG eligibility criteria, etc., based on the information submitted by the bureaus involved. The Bureau of Finance confirms the measures to mitigate environmental and social risks associated with the implementation of projects.

- The Bureau of Finance selects candidate projects.

- The Bureau of Environment of the Metropolis examines the candidate projects from an environmental perspective.

- The Bureau of Finance selects projects to be allocated the proceeds of the issue of the Resilience Bonds (and notifies the relevant bureaus of its decision).

Monitoring

At least once during the following fiscal year, the Bureau of Finance, in collaboration with other relevant parties, will confirm that the projects are being properly implemented. Should any issues arise, they will be promptly discussed with the relevant bureau, and appropriate action will be taken to address the situation.

Management of Proceeds

Under the Local Autonomy Act of Japan (Act No. 67 of 1947, as amended), local governments must be able to cover their expenditures in each fiscal year with their revenues of the same fiscal year. Therefore, in principle, all proceeds from the Metropolis' Resilience Bonds are allocated to eligible projects within the same fiscal year. Prior to the bond issuance, the Bureau of Finance will determine the projects intended for allocation and the respective allocation amounts after confirming relevant details, including their implementation status, with the responsible bureau. This information will then be publicly disclosed.

The Bureau of Finance manages allocation of proceeds to appropriate projects and monitors the progress of such projects. In the following fiscal year, the Bureau of Finance confirms that the full amount of the proceeds has been allocated to eligible projects and discloses this information in accordance with the procedures set out in the "Reporting" sub-section below.

After the Resilience Bonds are issued, the proceeds will be managed by classifying the funds into accounting categories based on the budget rules of the Metropolis. Until the proceeds are allocated, they will be managed in accordance with the Tokyo Metropolitan Public Money Management Policy, which sets out the principles and methods for the management of public funds. Under this policy, the safekeeping and investment of such funds must ensure safety, liquidity and efficiency. For safekeeping and investment purposes, funds are managed in two categories: (i) those to be held, in principle, as deposits and similar instruments within a single fiscal year, and (ii) those to be invested for periods of up to ten years.

At the end of each fiscal year, for all revenue and expenditures, including those related to projects funded by the proceeds of the issue of the Resilience Bonds, the result of execution and settlement-related documents will be prepared and submitted to the Audit and Inspection Commissioners of the Metropolis for inspection. The documents, together with the commissioners' opinion, will be submitted to the Tokyo Metropolitan Assembly for certification.

Reporting

The allocation of the proceeds of the issue of the Resilience Bonds will be disclosed at the first fiscal-year-end following the fiscal year of the issuance. The process below will be used by the Metropolis to compile and prepare the information for disclosure on the Metropolis' website (https://www.english.metro.tokyo.lg.jp/w/006-101-000968):

(a) The Bureau of Finance confirms the project expenditures status with the bureaus responsible for each project.

(b) The Bureau of Finance determines the breakdown of the appropriated proceeds of the issue of the Resilience Bonds.

(c) The results of the appropriation are compiled and the impact report is prepared.

(d) The report referred to in (c) is disclosed on the Metropolis' website.

(e) If the proceeds of the issue of the Resilience Bonds are to be appropriated to a single project over multiple years, related information will be disclosed.

Information contained in or accessible from the website set out above does not form part of and is not incorporated by reference into this Offering Circular.

For the avoidance of doubt, the Resilience Bond Framework, the Second Party Opinion, the Verification Report and the Certification are not incorporated by reference into, and do not form part of, the Offering Circular.

PRESENTATION OF FINANCIAL INFORMATION

This Offering Circular includes financial information for the Metropolis based on several types of accounts and accounting procedures that are either required by law to be prepared by the Metropolis or which are prepared by the Metropolis to supplement the statutorily required primary accounts. The financial information in this Offering Circular includes: (i) information derived from account settlement information for the Metropolis' General Account, Special Accounts and Public Enterprise Accounts based on local government accounting procedures, (ii) selected portions of the Metropolis' financial statements prepared in accordance with Tokyo Metropolitan Government Accounting Standards and (iii) account settlement information for the Metropolis' Ordinary Account reported to the MIC. As a result of the different preparation methodologies and accounts covered, information presented for a given fiscal period may not be directly comparable across these three categories of financial information.

Account Settlement Information based on Local Government Accounting Standards ("Local Government Accounting Standards")

Each local public body in Japan, including the Metropolis, is required pursuant to the Local Autonomy Act of Japan (Act No. 67 of 1947) (the "Local Autonomy Act") to prepare an annual statement of revenues and expenditures for budgetary purposes. This account settlement information is prepared on a cash basis in accordance with Local Governmental Accounting Standards and must be approved by the Tokyo Metropolitan Assembly (the "Assembly"). Japanese local government account settlements contrast actual revenues earned and expenses incurred during the local government's fiscal year (1st April to 31st March) against budgets prepared using the estimated revenues and expenses for the same fiscal year. Account settlement information allows the Metropolis, taxpayers and investors to assess the efficiency and accuracy of the budget, and also provides a basis and framework for the budget for the following fiscal year. Account settlement information prepared on the basis of Local Government Accounting Standards presented herein covers the Metropolis' General Account, Special Accounts and Public Enterprise Accounts.

Financial Statements Prepared in Accordance with Tokyo Metropolitan Government Accounting Standards (the "Metropolis Accounting Standard Financial Statements")

Since April 2006, the Metropolis has prepared annual financial statements for its General Account and Special Accounts based on accrual basis accounting and double-entry bookkeeping procedures in addition to the above-mentioned account settlement information prepared using Local Government Accounting Standards. These financial statements are prepared in accordance with the Tokyo Metropolitan Government Accounting Standards, an accounting standard developed by the Metropolis and adopted in 2006. The Metropolis Accounting Standard Financial Statements are published annually as reference material for the account settlement information prepared using Local Government Accounting Standards. The Metropolis Accounting Standard Financial Statements comprise (1) a balance sheet; (2) a statement of operating cost; (3) a cash flow statement; and (4) a statement of changes in net assets and are audited each year by the Audit and Inspection Commission of the Metropolis to determine whether the financial statements have been prepared in accordance with the Tokyo Metropolitan Government Accounting Standards. The Metropolis believes these financial statements provide useful supplemental information regarding the Metropolis' financial status and condition when read together with the account settlement information prepared using Local Government Accounting Standards. Certain portions of the Metropolis Accounting Standard Financial Statements for the fiscal years 2021, 2022 and 2023 have been included in Annex A to this Offering Circular.

Account Settlement Information based on Ordinary Accounts in Accordance with Criteria Established by the MIC (the "Metropolis Ordinary Accounts")

Each Japanese local public body is also required to prepare and submit a report to the Japanese Government each year on its revenues and expenditures attributable to its Ordinary Accounts. Ordinary Accounts is a standardised classification established by the MIC for compiling local government accounting statistics that allow the MIC to clarify the financial condition of local public bodies and to make a statistical comparison between local public bodies since the scope of each local public body's General and Special Accounts may vary. Revenues, expenditures and other information presented herein for the Metropolis' Ordinary Accounts refers to this information prepared and reported by the Metropolis to the MIC on the basis described above. Information in this Offering Circular that has been prepared on this basis is referred to as "Ordinary Account Presentation (MIC basis)".

Revenues and Expenditures

References to the revenues of the Metropolis in this Offering Circular comprise receipts of the Metropolis including proceeds from new borrowings incurred by the Metropolis in the relevant period. References to expenditures of the Metropolis in this Offering Circular include debt repayments made by the Metropolis in the relevant period.

THE METROPOLIS OF TOKYO

Introduction

Tokyo, located in the south of the Kanto Plain, roughly in the middle of the Japanese archipelago and with an area of 2,200 square kilometres as at 1st April, 2025, had a population of 14,186 thousand as at 1st March, 2025. Tokyo is the only governmental unit in Japan designated as a metropolis. Its administrative area consists of three sub-areas, each with different characteristics, comprising 23 special wards, the Tama district and a number of islands in the Pacific Ocean. The address of the Metropolis is 8-1, Nishishinjuku 2-chome, Shinjuku-ku, Tokyo 163-8001, telephone number +81-3-5321-1111.

The website of the Metropolis is at https://www.english.metro.tokyo.lg.jp Information contained in or accessible from the website in this paragraph does not form part of this Offering Circular unless that information is incorporated by reference into this Offering Circular.

The major urban area consists of the 23 special wards that extend around Tokyo Bay and which spread into the southern part of the Kanto Plain. Together they form one city, which is often regarded as the City of Tokyo, though each ward is administratively independent. The number of people living in this combined area is 9,875,090, or 69.6 per cent. of Tokyo's population as at 1st March, 2025. Tokyo is not only the largest Japanese city but it is also one of the largest cities in the world. The Tama district lies to the west of the 23 special wards and comprises 26 cities, three towns and one village. The islands in the Pacific Ocean that form part of Tokyo are the Izu Islands and the Ogasawara Islands. These islands have a total of two towns and seven villages.

Tokyo has been the political capital of Japan since 1603, when the Tokugawa Shogunate was established. It became the official capital in 1869, shortly after the Meiji Restoration, which ushered in the modern history of Japan. The Metropolis was created in July 1943 when the administrative authority of the City of Tokyo and that of the Prefecture of Tokyo were amalgamated.

As the capital, Tokyo is the site of the Diet and is the seat of the administrative and judicial branches of the Japanese Government. Tokyo is also the national centre of finance and commerce and has a prominent position in the intellectual and cultural life of Japan.

The growth of the population of Tokyo and the expansion of its economy, which were especially remarkable in the 1960s, have brought about an increase in the influence of the Metropolis beyond its administrative boundaries with the result that the Metropolis and three adjoining prefectures are now together referred to as the Tokyo Metropolitan Region. The population of this region amounts to 36.8 million and accounted for 29.5 per cent. of the entire population of the nation as at 1st January, 2024. About 3.4 million people travel daily into the Metropolis for occupational and educational reasons. The Metropolis and seven surrounding prefectures are together referred to as the National Capital Region.

Tokyo's Long-Term Strategy

In March 2021, after a comprehensive process of agenda-setting and a public consultation period beginning in 2019, the Metropolis formulated and released a strategy for Tokyo's future named "Future Tokyo: Tokyo's Long-Term Strategy". In light of the societal changes brought into relief by the COVID-19 pandemic, the Metropolis' new long-term strategy aims to leverage this opportunity for structural change to build upon and enhance the strategic vision for Tokyo's future laid out in December 2019 and to define a path for bringing that vision to reality.

The strategy for Tokyo's future is based on four basic pillars:

- Use backcasting as a method for planning for the future;
- Implement policy through collaborations with a variety of entities, including the private sector;
- Become a "Smart Tokyo" through digital transformation ("DX"); and
- Be agile in response to generational changes and changes in social conditions.

Through the implementation of these four pillars, the Metropolis seeks to realise its long-term vision for Tokyo as "a city where people can shine". Under its new strategic framework, the Metropolis sets forth a rearticulated version of its long-term vision for Tokyo, which consists of:

- 20 "visions" to achieve by the 2040s in areas such as childcare, education, gender equality and welfare;
- 20 + 1 strategic plans for 2030 to help realise the strategic vision, with the focus on three areas: community, children and the ageing population. The "+1" represents plan number zero – namely, to address the COVID-19 pandemic, which is essential to leading the way to a new Tokyo; and
- 122 specific projects and initiatives to enable and accelerate progress towards the achievement of the strategic plans.

Through the implementation of its long-term strategy, the Metropolis seeks to promote the realisation of Tokyo as a "Safe City", "Diverse City", and "Smart City", and also to secure the foundation for Tokyo's future as a city that balances growth and maturity.

In February 2022, the Metropolis set out certain new initiatives to add to its long-term strategy. These initiatives consist of:

- "Safety and security" – implementing crisis management plans to increase the safety and security of the residents of the Metropolis;
- "Inclusive society" – building a barrier-free society;
- "Green & digital" – creating a sustainable city in harmony with nature;
- "Global" – working towards becoming the world's global leading financial, economic and cultural city;
- "Children-first" – formulating policies to promote the wellbeing of children; and
- "Digital reformation of the Metropolitan government" – implementing structural improvements to better serve the needs of Tokyo's populace through DX.

In January 2023, the Metropolis set out additional initiatives to further update its long-term strategy in order to respond proactively to the emergence of global issues where conventional practices are no longer applicable, and the rapid decline in birthrates in Japan. These initiatives consist of:

- "'People' as a source of growth" – empowering "People" and drawing out the power of "People" to make it an indispensable driving force for the city's development;
- "The world's choice and world leading city" – refining Tokyo's attractiveness, nurturing new seeds for the city's growth and becoming the world's 'city of choice';
- "Safe, secure and sustainable Tokyo" – ensuring "safety and security" as the foundation for all urban activities and realizing a sustainable future; and
- "Initiatives beyond the conventional frameworks" – reforming social structures and rules that are barriers to growth.

In January 2024, the Metropolis further updated its long-term strategy in light of recovery from the impact of COVID-19, to make the most of Tokyo's potential and to take on issues that Japan has not yet addressed, such as population ageing and decline, decline in global competitiveness, and the escalating climate crisis. With priority placed on interdisciplinary engagement, the Metropolis has outlined the following four perspectives from which it aims to take steps to contribute to the realisation of a future Tokyo where each individual is able to maximise their potential:

- "People Shine" – cultivating people who will forge the future and realise a truly mature society where everyone shines;
- "Strengthen Global Competitiveness" – maximising Tokyo's potential to attract people and investment from around the world;
- "Safety and Security" – building a sustainable city that serves as a foundation for people to thrive; and
- "Structural Reforms for Japan's Future".

In January 2025, the Metropolis published its next long-term strategy, titled "Tokyo 2050 Strategy: Unlocking a Better Future". This new strategy builds upon and further develops "Future Tokyo: Tokyo's Long-Term Strategy". It is positioned as the Metropolis' comprehensive long-term plan that takes into account the national "Comprehensive Strategy for the Digital Garden City Nation", as set out under Article 9 of the Act on Overcoming Population Decline and Vitalizing Local Economy in Japan (Act No. 136 of 2014, as amended).

Administration

General

The Metropolis of Tokyo is one of the ordinary local public bodies provided for by the Local Autonomy Act. It is unique among local public bodies in Japan in that it exercises powers of prefectural administration over its 23 special wards (each of which is a special local public body) and over its cities, towns and villages (each of which is an ordinary local public body) and also exercises certain powers of municipal administration within the special ward areas, particularly in relation to matters requiring uniform treatment.

The Metropolis has also had certain functions of the Japanese Government delegated to it as set out in certain laws or regulations.

The Japanese Constitution grants each local public body, including the Metropolis, the right to manage its own property, affairs and administration, subject to certain laws concerning organisation and operations established by the Diet.

The administrative system of the Metropolis is divided into the legislative (the Assembly) and the executive (the Governor and a number of administrative commissions and commissioners). Whilst the Governor is the principal administrative officer of the Metropolis and exercises overall control of its administration, the Bureaux of Public Enterprises (Waterworks, Transportation and Sewerage Works), the Fire Department and the administrative commissions and commissioners are accorded a certain degree of autonomy.

The legislative and executive organs are outlined in the following table:

Legislative — Tokyo Metropolitan Assembly — Secretariat

Executive — Governor — Vice-Governor — Governor's Bureau / Bureaux of Public Enterprises / Tokyo Fire Department

Executive — Administrative Commissions and Commissioners

- Board of Education — Office of Education
- Election Administration Commission
- Personnel Commission
- Public Safety Commission — Metropolitan Police Department
- Labour Relations Commission
- Expropriation Commission
- Maritime District Fishery Coordination Commission
- Internal Fishing Ground Administration Commission
- Audit and Inspection Commissioners
- Fixed Property Assessment Re-examination Commission

The Tokyo Metropolitan Assembly

The legislative body of the Metropolis is the Assembly, which is composed of 127 members elected for terms of four years by the citizens of 42 constituencies. All Metropolitan residents who are Japanese nationals and at least 18 years old are eligible to vote after continuous residence for three months. The most recent general election was held on 22nd June, 2025.

The Assembly functions basically as the decision-making organ of the Metropolis and has the legislative power to enact, amend and repeal by-laws and to approve or reject the budget submitted by the Governor. The Governor must obtain the consent of the Assembly before they appoint the Vice-Governors, the Audit and Inspection Commissioners and certain other senior executive officials. The Assembly, as the representative of the residents, can also examine, investigate and ask for explanations about the administration and fiscal activities of the Metropolis.

Ordinary legislation may be introduced by any member of the Assembly, with the consent of one twelfth part of the Assembly, and by the Governor, but the right to introduce budgetary legislation is exclusively vested in the Governor. The Assembly has the power to increase or decrease funds for particular budget proposals. The Governor can require the Assembly to reconsider action taken but the Assembly may confirm its position by a vote of two-thirds of the members present. In the event that the Assembly fails to appropriate funds for expenses which the Metropolis is obliged to meet, the Governor may appropriate and disburse the necessary funds without Assembly approval. If the Governor loses a vote of confidence in the Assembly, they must resign unless they dissolve the Assembly within ten days.

Regular sessions of the Assembly are convened by the Governor four times a year and usually last for approximately two weeks, although the initial session each year, which deals with the budget, normally extends for 30 days. The Governor may also convene a short extraordinary session whenever they deem necessary.

The Executive Body

The executive body consists of the Governor and a number of administrative commissions and commissioners.

The Governor is elected by direct popular vote for a four-year term. The most recent election for Governor was held on 7th July, 2024. The Governor represents the Metropolis, is its principal administrative officer and is responsible for executing the decisions of the Assembly. Some of the Governor's duties are carried out on her behalf by the Vice-Governors and other officials.

The Bureaux of Waterworks, Transportation and Sewerage Works have managers, appointed by the Governor, who have authority to represent the Metropolis in all matters related to the public enterprises under their control except for certain functions reserved to the Governor.

Firefighting is usually the responsibility of the individual municipality (city, town or village) but the special wards are considered a single municipality for this purpose and it is the Governor's task to supervise the Tokyo Fire Department and fire stations. The head of the Tokyo Fire Department, appointed by the Governor, is the Superintendent-General who has the authority to appoint and supervise officers and firefighters.

In order to prevent an undue concentration of power in one individual, certain executive powers are vested in independent administrative commissions and commissioners. These commissioners are in most cases appointed by the Governor, with the consent of the Assembly to the appointment generally also being required.

The maximum numbers of employees, including short-time employees who were reappointed after retiring from full-time positions, and excluding employees who are temporarily retired, temporary employees, part-time employees and similar such staff, of the Metropolis in the fiscal years 2024, which are stipulated in the by-laws of the Metropolis, are 166,665, respectively.

Dissolution, Dismissal and Inspection

The Assembly may be dissolved, or the Governor may be dismissed, by the vote of a majority of voters following a demand for dissolution or dismissal, as the case may be, signed by at least one-third of all eligible voters. A demand for dissolution may not be made within one year following a general election or the vote on a previous demand for dissolution. A demand for dismissal may not be made within one year after the incumbent Governor assumes office or the vote on a previous demand for dismissal.

Eligible voters may demand the enactment, amendment or repeal of Metropolitan by-laws, except those relating to local taxes, charges or fees, and may request the Audit and Inspection Commissioners to investigate any aspect of the affairs of the Metropolis. In each case the signatures of one-fiftieth of all eligible voters are required. A demand relating to by-laws is submitted to the Assembly but is not binding upon it, although the Audit and Inspection Commissioners must carry out any investigation that is requested. The five Audit and Inspection Commissioners, two of whom are members of the Assembly, are responsible for making periodic examinations of the accounts of the Metropolis and may, on their own initiative, investigate other financial matters of the Metropolis as well.

Economic Position

General Tokyo

Tokyo is the business centre of Japan and makes a greater contribution to the national economy than any other city. Particularly significant is the concentration in the capital of public and private sector administration. In addition to being the location of the legislative, administrative and judicial branches of the Japanese Government, Tokyo is the administrative seat of more than half (according to statistics available at the website of the National Tax Agency of Japan, 62.5 per cent. in fiscal year 2023) of all Japanese privately-owned enterprises with a paid-in capital of more than ¥5 billion.

Gross Product

The gross product of Tokyo in the fiscal year 2022 was ¥109,157 billion, which accounted for 21.2 per cent. of the gross domestic product of Japan. Per capita income in Tokyo in the fiscal year 2022 was ¥6,040 thousand, about 1.8 times higher than the national average.

The following table sets forth a breakdown of the gross product of Tokyo for the fiscal years 2021 and 2022 by category of business:

	FY2021 Actual		**FY2022 Actual**	
	(billions of yen)	***(%)***	***(billions of yen)***	***(%)***
Services[b]	¥20,213.2	17.7%	¥21,463.6	17.8%
Wholesale and Retail Trade	24,438.3	21.4	25,913.4	21.6
Finance and Insurance	8,842.0	7.7	9,629.0	8.0
Manufacturing	8,243.3	8.5	8,812.2	6.9
Public Administration	4,337.9	3.8	4,348.9	3.6
Transport and Postal Services	3,449.4	3.0	4,119.7	3.4
Information and Communications	13,476.8	11.8	13,962.4	11.6
Construction	4,633.8	4.0	4,642.3	3.9
Others	27,098.9	22.1	27,648.6	23.2
Total	114,733.6	100.0%	120,540.1	100.0%

Notes:
(a) Amounts calculated based on current prices.
(b) Services includes (a) accommodation and restaurant services, (b) professional, technical and supporting services and (c) other services.
Source: "Annual Report on Prefectural Accounts of Tokyo: FY2022" published by the Metropolis.

Wholesale and Retail Trade

Tokyo's functionality as a commercial city is increasing as its industrial importance decreases. According to the Economic Census for Business Activity, 2021, the numbers of stores, persons engaged in retail and wholesale trade, and annual sales volume for retail and wholesale combined in Tokyo were the highest in the nation, accounting for 11.5 per cent., 17.0 per cent. and 33.5 per cent., respectively, of the national totals. Particularly noteworthy is Tokyo's large share in the total wholesale business of the nation.

Manufacturing

Though gradually losing their relative importance over a period of years, reflecting the relocation of large factories in the surrounding prefectures as a result of the restrictions imposed on them in highly urbanised areas, manufacturing industries still play a vital role in the Tokyo economy.

The value of industrial shipments from Tokyo in 2022 amounted to ¥ 8,283.8 billion, accounting for 2.3 per cent. of the national total and ranking 16th among the 47 prefectures. In terms of both numbers of factories and persons engaged in manufacturing industries, Tokyo ranked third and eighth, providing 6.9 per cent. and 3.4 per cent., respectively, of the totals.

Transportation and Communication

Tokyo is the hub of the Japanese transportation industry. It is served by all major Japanese railways and Tokyo International Airport (Haneda) is one of the nation's major air terminals. The Port of Tokyo offers harbour facilities for a wide range of vessels in international and domestic trade.

Finance and Insurance

Tokyo is the financial centre of Japan and the location of the Bank of Japan. A large number of major banks, insurance companies and securities houses have their head offices in Tokyo. As at 31st March, 2024, 37.1 per cent. of total Japanese bank deposits were held by banks located in Tokyo and 44.4 per cent. of total bank loans were advanced in Tokyo, according to statistics published by the Bank of Japan.

Revenue and Expenditure

The Metropolis prepares annual statements of revenues (being receipts by the Metropolis) and expenditures, as required by the Local Autonomy Act. This account settlement information is prepared on a cash basis in accordance with Local Governmental Accounting Standards and covers the Metropolis' General Account and Special Accounts. Account settlement information for each of the Metropolis' Public Enterprise Accounts is prepared on a separate basis. As described below and in "Presentation of Financial Information", the Metropolis also prepares financial statements based on accrual basis accounting.

The Metropolis is also required to prepare and submit a report to the Japanese Government each year on its revenues and expenditures based on its Ordinary Accounts. See "Financial Status – Revenues and Expenditures in the Ordinary Account of the Metropolis" for more information on the Metropolis' Ordinary Accounts.

The Metropolis also prepares annual financial statements for its General Account and Special Accounts in accordance with Tokyo Metropolitan Government Accounting Standards and publishes such financial statements as a supplement to its account settlement information based on Local Government Accounting Standards. Certain portions of the Metropolis' Tokyo Accounting Standard Financial Statements for the fiscal years 2021, 2022 and 2023 have been included in Annex A to this Offering Circular.

For more information regarding the several types of accounts and accounting procedures prepared by the Metropolis, see "Presentation of Financial Information".

Unless otherwise stated, the following discussion relates to the Metropolis' account settlement information prepared on a cash basis in accordance with Local Governmental Accounting Standards.

Budgetary System

The Governor is charged with the responsibility of preparing the annual Metropolitan budget, submitting it to the Assembly, generally in February each year, and obtaining the approval of the Assembly before the beginning of each fiscal year on 1st April. The Metropolis, like all other ordinary local public bodies, is required to use a fiscal year commencing on 1st April and ending on 31st March of the following year. From time to time the original budget may be supplemented by resolutions of the Assembly initiated by the Governor. The MIC must be advised of the adoption of the budget, and a summary of it is published in the Official Gazette of the Metropolis.

The revenues and expenditures of the Metropolis are audited at least once each fiscal year by the Audit and Inspection Commissioners, who are required to deliver reports of their audits to the Assembly and the Governor, and such reports are published in the Official Gazette of the Metropolis.

Accounts

The accounts of the Metropolis consist of (i) the General Account, (ii) a number of Special Accounts and (iii) Public Enterprise Accounts. The General Account and the Special Accounts of the Metropolis for each fiscal year are closed on 31st May of the following fiscal year. Therefore, the figures for revenue and expenditure for the fiscal year, and the outstanding amounts as at the end of the fiscal year (i.e., 31st March of the following calendar year) in these accounts reflect the cash flows until 31st May of the following fiscal year and are attributable to the receivables and payables accrued in the relevant fiscal year. The Chief Director of Accounting of the Metropolis must submit a final statement of those accounts to the Governor within three months thereafter. The Public Enterprise Accounts are closed at the end of the fiscal year on 31st March and the manager of each public enterprise must submit a final statement of its accounts to the Governor within two months thereafter. The

Governor must refer all final statements to the Audit and Inspection Commissioners for their opinion and the statements and opinions are then submitted to the Assembly for a vote on the final statements. After consideration by the Assembly, the final statements are reported to the MIC and summaries are published in the Official Gazette of the Metropolis.

The General Account provides for all general expenditures of the Metropolis such as those for education, police and firefighting, public works, social welfare and public housing. The Special Accounts are established for the execution of specific projects or in cases where there is a necessity for treating specific revenues and expenditures separately from the general ones. As at 1st April, 2024 there were 18 Special Accounts. The Public Enterprise Accounts are for the public enterprises run by the Metropolis such as the waterworks, sewerage works and underground railways. 9 Public Enterprise Accounts were being maintained as at 1st April, 2024. The General Account and the Special Accounts are managed on a cash basis and the Public Enterprise Accounts are managed on an accrual basis.

General Account

The following table shows actual revenues and expenditures for the fiscal years 2021, 2022, 2023 and 2024 for the Metropolis' General Account:

	FY2021 Actual	**FY2022 Actual**	**FY2023 Actual**	**FY2024 Actual**
		(millions of yen)		
Revenues				
Metropolitan Taxes	¥5,847,910	¥6,164,368	¥6,344,300	¥6,742,302
Local Transfer Taxes	53,343	63,788	64,088	72,711
Special Local Government Grants	28,097	7,791	7,079	49,139
Special Grants	2,897	2,700	2,540	2,498
Rents and Fees	76,913	78,645	78,895	76,625
National Treasury Disbursement	2,491,560	1,236,193	638,206	540,401
Transferred from Other Accounts	289,541	776,361	214,738	377,125
Metropolitan Debt[(a)]	224,279	209,652	199,344	100,292
Carried Over from Preceding Fiscal year	201,661	285,672	285,109	270,239
Others	531,175	507,778	648,836	731,422
Total	¥9,747,377	¥9,332,949	¥8,483,136	¥8,962,755
Expenditures[(b)]				
Metropolitan Assembly	5,149	5,011	4,684	4,803
General Administration	240,007	263,763	482,160	525,048
Tax Collection	70,636	74,210	73,428	82,839
Citizens, Cultural and Sports Affairs	—	51,330	52,667	83,265
Citizens and Cultural Affairs	26,747	—	—	—
Sports Promotion	300,380	—	—	—
Urban Development	87,929	101,235	90,361	187,001
Environmental Protection	56,687	370,918	246,299	163,883
Social Welfare and Public Health	1,781,243	1,993,633	1,559,800	—
Social Welfare	—	—	—	1,066,496
Public Health	—	—	—	474,450
Industrial and Labour Affairs	2,157,808	830,904	609,856	628,636
Public Works	412,747	430,272	434,254	498,866
Port and Harbour	73,333	74,164	77,310	98,216
Education	816,299	834,521	837,916	973,445
Police	623,294	633,300	638,265	654,783
Firefighting and Prevention	244,016	249,924	257,245	278,456
Debt Service[(c)]	327,142	343,534	342,076	406,655
Others	2,238,287	2,791,120	2,506,577	2,597,745
Total	¥9,461,704	¥9,047,840	¥8,212,897	¥8,724,585
Balance	¥285,672	¥285,109	¥270,239	¥238,170

Notes:

(a) Includes proceeds from new borrowings incurred by the Metropolis.

(b) The total unaudited amounts of costs incurred by public enterprises which the Metropolis paid to public enterprises were ¥208.0 billion, ¥193.7 billion, ¥196.3 billion and ¥227.4 billion in the fiscal years 2021, 2022, 2023 and 2024, respectively. Such costs are included mainly in the total amount of the relevant actual expenditures in the above table.

(c) Substantially all of the amounts comprise amounts contributed to the sinking fund reserve and repayments on principal and payments of interest.

Special Accounts

The following table shows actual revenues and expenditures for the fiscal years 2021, 2022, 2023 and 2024 for each of the Metropolis' Special Accounts:

	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Actual
		(millions of yen)		
Special Wards Fiscal Adjustment				
Revenues	¥1,091,571	¥1,160,370	¥1,209,549	¥1,259,932
Expenditures	1,091,571	1,160,370	1,209,549	1,259,932
Balance	0	0	0	0
Local Consumption Tax Adjustment[(a)]				
Revenues	2,707,641	2,702,591	2,628,031	2,967,486
Expenditures	2,441,688	2,419,008	2,348,392	2,550,518
Balance	265,953	283,583	279,639	416,968
Ogasawara Islands Livelihood Rehabilitation Fund				
Revenues	768	775	782	787
Expenditures	0	0	0	0
Balance	768	775	782	787
National Health Insurance				
Revenues	1,148,993	1,110,232	1,113,044	1,100,093
Expenditures	1,128,756	1,099,789	1,089,542	1,059,439
Balance	20,236	10,443	23,502	40,655
Single Parent Welfare Loan Fund				
Revenues	9,109	11,038	11,723	9,808
Expenditures	1,642	2,720	5,244	6,691
Balance	7,467	8,318	6,479	3,117
Physically or Mentally Disabled Persons Annuity Fund				
Revenues	3,553	3,267	3,016	2,867
Expenditures	3,553	3,267	3,016	2,867
Balance	0	0	0	0
Tokyo Metropolitan Hospital Organisation Loan and Other Services				
Revenues	—	17,608	15,218	28,176
Expenditures	—	17,608	15,218	28,176
Balance	—	0	0	0
Small and Medium Enterprise Facility Installation Fund				
Revenues	2,112	2,009	1,899	1,874
Expenditures	398	296	187	163
Balance	1,714	1,713	1,712	1,711
Forestry and Lumber Industry Improvement Subsidy				
Revenues	115	112	114	114
Expenditures	4	0	0	56
Balance	111	112	114	58
Coastal Fishery Improvement Subsidy				
Revenues	181	183	189	198
Expenditures	4	0	0	0
Balance	177	183	189	198
Slaughter House				
Revenues	5,733	5,739	5,857	6,424
Expenditures	5,733	5,738	5,857	6,424
Balance	0	1	0	0
Metropolitan Public Housing				
Revenues	150,148	149,081	147,885	162,529
Expenditures	148,053	146,688	145,497	161,510
Balance	2,095	2,393	2,389	1,018
Metropolitan Public Housing Tenants Security Deposit				
Revenues	10,949	10,921	10,328	10,379
Expenditures	2,552	2,851	1,990	2,553
Balance	8,398	8,070	8,339	7,826
Urban Development Fund				
Revenues	27	82	3,532	5,990
Expenditures	27	82	3,532	5,990
Balance	0	0	0	0

	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Actual
	(millions of yen)			
Land Acquisition				
Revenues	12,982	11,380	10,388	10,689
Expenditures	6,641	5,039	4,047	4,772
Balance	6,342	6,342	6,342	5,917
Debt Service[(b)]				
Revenues	1,166,291	1,088,399	1,101,695	1,228,851
Expenditures	1,166,291	1,088,399	1,101,695	1,228,851
Balance	0	0	0	0
Waterfront Urban Infrastructure Development Project				
Revenues	3,133	2,978	2,492	2,212
Expenditures	409	636	442	406
Balance	2,724	2,342	2,050	1,806
Industrial Water Supply Business Liquidation				
Revenues	—	—	18,497	8,241
Expenditures	—	—	10,454	3,644
Balance	—	—	8,043	4,597

Notes:

(a) Local consumption tax adjustments represent inter-regional adjustments between the locations where such tax was collected and the location where such tax was due.

(b) Amounts necessary for debt service in each fiscal year are transferred from the General Account, Special Accounts (other than the Debt Service Account) and the Public Enterprise Accounts to the Debt Service Account to be paid out in respect of redemptions and interest payments.

Public Enterprise Accounts

The following table shows the actual revenues and expenditures for the fiscal years 2021, 2022, 2023 and 2024 for each of the Metropolis' Public Enterprise Accounts:

	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Actual
	(millions of yen)			
Hospitals				
Profit/Loss Account[(b)]				
Revenues	¥188,682	¥49,400	—	—
Expenditures	176,374	43,719	—	—
Current Balance[(a)]	12,308	5,681	—	—
Capital Account[(c)]				
Revenues	14,059	82	—	—
Expenditures	27,605	2,200	—	—
Current Balance[(a)]	(13,546)	(2,119)	—	—
Central Wholesale Market				
Profit/Loss Account[(b)]				
Revenues	20,583	20,968	¥22,266	¥22,544
Expenditures	31,982	39,823	37,108	41,343
Current Balance[(a)]	(11,399)	(18,856)	(14,842)	(18,800)
Capital Account[(c)]				
Revenues	0	0	6	0
Expenditures	2,797	8,762	44,077	39,941
Current Balance[(a)]	(2,797)	(8,762)	(44,071)	(39,941)
Urban Redevelopment Project				
Profit/Loss Account[(b)]				
Revenues	155	164	161	32
Expenditures	0	0	0	0
Current Balance[(a)]	155	164	161	32
Capital Account[(c)]				
Revenues	2,910	5,344	2,201	3,736
Expenditures	2,744	5,630	2,028	3,759
Current Balance[(a)]	166	(286)	174	(24)
Waterfront Area Development Project				
Profit/Loss Account[(b)]				
Revenues	54,256	40,138	15,207	23,759
Expenditures	29,323	25,831	11,356	33,101
Current Balance[(a)]	24,932	14,308	3,851	(9,342)

	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Actual
		(millions of yen)		
Capital Account[c]				
Revenues	200	19	167	2
Expenditures	5,544	7,198	8,526	107,389
Current Balance[a]	(5,345)	(7,179)	(8,359)	(107,387)
Port and Harbour Project				
Profit/Loss Account[b]				
Revenues	4,802	4,905	4,851	4,872
Expenditures	3,744	3,563	3,447	5,459
Current Balance[a]	1,058	1,342	1,405	(587)
Capital Account[c]				
Revenues	0	0	1	2
Expenditures	475	1,586	2,192	1,710
Current Balance[a]	(474)	(1,586)	(2,191)	(1,709)
Transportation				
Profit/Loss Account[b]				
Revenues	53,129	58,431	57,697	61,032
Expenditures	58,938	59,658	55,353	58,199
Current Balance[a]	(5,809)	(1,226)	2,344	(2,833)
Capital Account[c]				
Revenues	7,320	9,512	8,785	4,438
Expenditures	9,618	12,992	12,506	11,402
Current Balance[a]	(2,298)	(3,479)	(3,721)	(6,963)
Urban Rapid Transit Railway				
Profit/Loss Account[b]				
Revenues	134,744	149,701	170,293	183,004
Expenditures	137,183	147,165	149,247	153,878
Current Balance[a]	(2,439)	2,535	21,046	29,126
Capital Account[c]				
Revenues	65,669	44,580	38,080	32,843
Expenditures	104,758	74,994	78,434	77,492
Current Balance[a]	(39,089)	(30,414)	(40,355)	(44,649)
Electric Power				
Profit/Loss Account[b]				
Revenues	1,360	1,120	1,122	2,380
Expenditures	1,020	936	1,143	1,154
Current Balance[a]	339	184	(21)	1,225
Capital Account[c]				
Revenues	0	0	0	0
Expenditures	113	87	198	613
Current Balance[a]	(113)	(87)	(198)	(613)
Waterworks				
Profit/Loss Account[b]				
Revenues	352,227	361,324	371,277	371,065
Expenditures	319,087	332,279	358,812	358,093
Current Balance[a]	33,140	29,045	12,465	12,972
Capital Account[c]				
Revenues	26,867	34,183	37,985	54,919
Expenditures	135,406	160,219	139,275	144,765
Current Balance[a]	(108,539)	(126,036)	(101,290)	(89,845)
Industrial Waterworks				
Profit/Loss Account[b]				
Revenues	1,816	20,225	—	—
Expenditures	6,061	26,596	—	—
Current Balance[a]	(4,245)	(6,371)	—	—
Capital Account[c]				
Revenues	1	2,375	—	—
Expenditures	7	1,188	—	—
Current Balance[a]	(6)	1,187	—	—
Sewerage				
Profit/Loss Account[b]				
Revenues	383,441	394,679	395,409	407,958
Expenditures	357,345	373,424	376,123	386,161
Current Balance[a]	26,096	21,255	19,286	21,797

	FY2021 Actual	FY2022 Actual	FY2023 Actual	FY2024 Actual
	(millions of yen)			
Capital Account[c]				
Revenues	166,229	150,132	178,406	215,189
Expenditures	341,765	338,129	337,911	382,323
Current Balance[a]	(175,536)	(187,997)	(159,505)	(167,134)

Notes:

(a) The "Current Balance" figures in the above table do not take into account any balances transferred between fiscal years or any transfers from reserves to eliminate negative current balance.

(b) The profit/loss account is an account that records current revenues and expenditures relating to the operation of the business, such as fee revenues, payroll expenses, rent, operating costs, interest expenses and depreciation expenses.

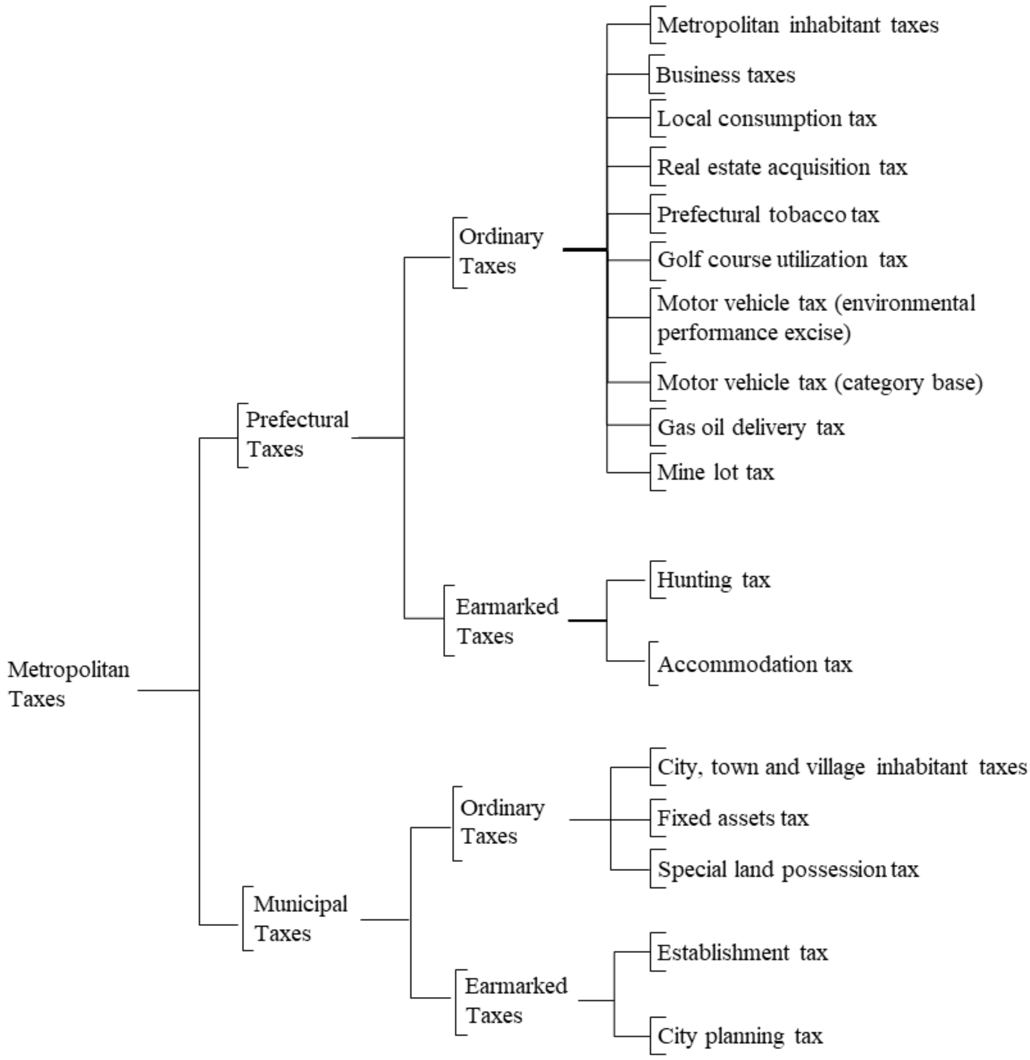
(c) The capital account is an account that records capital revenues and expenditures, such as revenue from borrowings, revenue from the sale of properties, expenditures for construction and improvement and expenditures for repayment of borrowings.

Taxation

Structure of Taxation

Metropolitan taxes constitute the major part of the Metropolis' revenue, with their contribution to the General Account revenue in the fiscal year 2024 being 75.2 per cent. Metropolitan taxes are, as in the case of taxes collected by other local public bodies, assessed in accordance with the Local Tax Act (Act No. 226 of 1950, as amended) (the "Local Tax Act"). Since the Metropolis functions in the special wards partly as a municipal government as well as a prefectural government, Metropolitan taxes include certain municipal taxes in addition to prefectural taxes.

The following table shows the classification of the Metropolitan taxes currently in force:



Tax Revenues

The following tables show the Metropolis' actual tax revenues for the fiscal years 2021, 2022, 2023 and 2024, together with the relative contributions made by the principal categories of tax:

	FY2021 Actual		**FY2022 Actual**		**FY2023 Actual**	
	(millions of yen)	***(%)***	***(millions of yen)***	***(%)***	***(millions of yen)***	***(%)***
Residents Tax	¥1,822,996	31.2%	¥1,841,331	29.9%	¥1,901,845	30.0%
Enterprise Tax	1,381,520	23.6	1,544,976	25.1	1,590,412	25.1
Fixed Property Tax	1,319,011	22.6	1,383,125	22.4	1,436,124	22.6
Local Consumption Tax	705,893	12.1	748,287	12.1	743,487	11.7
Others	618,491	10.6	646,649	10.5	672,433	10.6
Total	¥5,847,910	100.0%	¥6,164,368	100.0%	¥6,344,300	100.0%
Two Corporate Taxes[(a)]	¥2,119,224	36.2%	¥2,269,041	36.8%	¥2,329,860	36.7%

Note:
(a) Two Corporate Taxes refer to the corporate enterprise tax (being a part of enterprise tax) and the corporate inhabitant tax (being a part of residents tax).

	FY2024 Actual (millions of yen)	(%)
Residents Tax	¥2,078,314	30.8%
Enterprise Tax	1,701,038	25.2
Fixed Property Tax	1,493,255	22.1
Local Consumption Tax	779,783	11.6
Others	689,912	10.2
Total	¥6,742,302	100.0%
Two Corporate Taxes[(a)]	¥2,536,385	37.6%

Notes:

(a) Two Corporate Taxes refer to the corporate enterprise tax (being a part of enterprise tax) and the corporate inhabitant tax (being a part of residents tax).

Under tax reform legislation adopted for the fiscal year 2019, a special corporate enterprise tax (*tokubetsu houjin jigyouzei*) was established from 1st October, 2019, through which a part of the corporate enterprise tax is put into national taxes and redistributed to prefectural authorities in the form of a special corporate enterprise transfer tax (*tokubetsu houjin jigyoujouyozei*).

A brief description of the four principal taxes is set forth below.

Residents Tax

The residents tax is divided into (i) individual residents tax, (ii) corporate residents tax and (iii) residents tax on interest, dividends and capital gains.

The individual residents tax is levied on individuals maintaining a residence, office or business establishment in Tokyo determined on the basis of the individual taxable income in previous year, and a fixed element, subject to certain deductions and exemptions.

The corporate residents tax is imposed on joint-stock companies and other corporations, as well as educational, charitable and similar organisations and certain associations carrying on profitable business activities (collectively, "corporations") that maintain offices or other business establishments in Tokyo. This tax consists of a fixed element and a variable element which is equivalent to a percentage of the corporation's national corporation income tax.

The residents tax on interest is imposed on individuals in respect of the payment of interest on certain "general bonds" or deposits or certain other payments made to them. This tax is levied on the basis of the amount of such payments and is paid by way of withholding by the financial institutions located in Tokyo making such payments. The residents tax on interest for corporations was repealed on 1st January, 2016. The residents tax on dividends is imposed on individuals in respect of the payment of dividends on listed shares, profit distributions from publicly offered investment trusts, interest on certain "specified bonds" or certain other payments made to them. This tax is levied on the basis of the amount of such payments and is paid by way of withholding by the payers or payment handling agents located in Tokyo making such payments. The residents tax on capital gains is imposed on individuals in respect of the final capital gains in a given year arising from sale of listed shares or certain "specified bonds" that are held in "specified accounts" having withholding services functions. This tax is levied on the basis of the amount of such capital gains and is paid by way of withholding by the securities houses located in Tokyo maintaining such accounts.

Enterprise Tax

Substantially all of the tax revenue from the enterprise tax is derived from the corporate enterprise tax. The corporate enterprise tax is imposed on business activities conducted by corporations. In general, the net income of a corporation is used as the basis for taxation. In the case of gas and electric utility companies and insurance companies, however, the enterprise tax is calculated on the basis of gross revenues. The corporate enterprise tax varies with the size of the corporation, the amount of the net taxable income and the type of the corporation. Furthermore, for corporations subject to the business scale-based enterprise taxation regime, the corporate enterprise tax is calculated as the sum of the amount on the basis of the net income, the added value and the paid-in capital.

Fixed Property Tax

The fixed property tax is imposed on the assessed value of land, buildings and certain depreciable assets located within the 23 special wards area and is payable by the owners of such assets as of 1st January of each year.

Consumption Tax

The consumption tax consists of national and local consumption taxes, and is generally imposed on sale of goods and provision of services, which is payable by sellers of goods and service providers.

Indebtedness

General

The Metropolis may incur short-term debt to meet expenses included in the budget, provided that such debt is repaid during the fiscal year in which it is incurred. Short-term debt raised on the Public Enterprise Accounts may be re-financed provided that it is repaid within one year of the refinancing.

The Metropolis may also, by provision in its budget, incur long-term debt, i.e. debt with a maturity date after the current fiscal year in which the debt is incurred in order to (i) finance public enterprises undertaken by the Metropolis, (ii) make investments and loans, (iii) refinance existing long-term debt, (iv) finance disaster emergency measures, disaster relief measures and disaster recovery measures and (v) construct public or official facilities and purchase real estate for public or official use. Under relevant Japanese law, such long-term debt incurred by local public entities is referred to as "local debt".

As described below, under the consulting system for creation of local debt, generally the Metropolis is required to consult with the MIC when it incurs local debt, but such consultation is not required for short-term debt. The authorisation to incur long-term debt is given by the budget, which is approved by the Assembly.

National Governmental System Concerning Local Debt

Consulting System for Creation of Local Debt

The consulting system for creation of local debt was adopted in replacement of the former permission system for creation of local debt as at the fiscal year 2006 pursuant to the comprehensive legislation enacted in 1999 for the purpose of enhancing the independence of local public bodies in the management of their affairs.

Under the consulting system for creation of local debt by local public bodies, generally the creation of local debt is not subject to the permission of the MIC but prefectural governments are required to consult with the MIC when they incur local debt. A local public body may create local debt other than by loans from the Japanese Government or entities related to the Japanese Government without obtaining the consent of the MIC, if a report thereon is given to the assembly of such local public body in advance. However, a local public body continues to be required to obtain permission from the MIC in cases specified by law where creation of local debt by a local public body should be controlled by the MIC for securing the financial resources for the payment of the principal of and interest on local debt ("Bond Expenses"). A local public body may incur local debt by loans from the Japanese Government or entities related to the Japanese Government only if the consent of the MIC is obtained for creation of such local debt.

In order to promote the autonomy and independence of local public entities, this system was partially amended as of 1st February, 2012 by introducing a notification system with respect to the incurrence of local debt. Under the notification system, those local public entities looking to create local debt from sources other than the Japanese Government or entities related to the Japanese Government will not, in principle, be required to consult in advance with the MIC, provided that the local public entity satisfies certain conditions, such as having a Real Deficit Ratio of less than 18 per cent. Local public entities, that do not meet such criteria but are looking to incur local debt, continue to be required to consult in advance with the MIC.

Local Debt Plan

The MIC prepares a local debt plan annually after consultation with the Ministry of Finance. The local debt plan is prepared based on the Local Financial Plan described below. The consent under the consulting system will be given based on the applicable local debt plan.

Local Financial Plan

The Local Financial Plan is a national governmental plan which is prepared by the Cabinet, submitted to the Diet and disclosed to the public every fiscal year. The Local Financial Plan contains estimates of the aggregate amount of revenues and expenditures to be included in the Ordinary Accounts of all local public bodies in Japan for the immediately following fiscal year.

In this Local Financial Plan, the main revenue items are local taxes, local allocation tax and local debt, and the main expenditure items are general administration expenses, investment expenses and Bond Expenses. Local allocation tax is a certain portion of taxes collected by the Japanese Government which is allocated by the Japanese Government to local public bodies pursuant to a certain standard for the purpose of securing all local public bodies a minimum percentage of financial resources to smooth out imbalances in financial resources among local public bodies. The Metropolis has never been allocated local allocation tax since the local allocation tax system was adopted in 1954.

The aggregate amount of the principal of newly incurred local debt and the aggregate amount of Bond Expenses are stated in the revenues and the expenditures of the Local Financial Plan, respectively. Therefore, the financial resources for Bond Expenses are planned to be secured at national level by balancing the expenditures, including Bond Expenses, against the revenues.

Summary of Outstanding Debt

Long-term debt

The following table shows the outstanding balance of long-term debt as at 31st March, 2023, 2024 and 2025 for the Metropolis' General Account, Special Accounts and Public Enterprise Accounts:

	31st March,		
	2023	**2024**	**2025**
		(millions of yen)	
General Account	¥4,813,964	¥4,697,262	¥4,398,592
Special Accounts	615,010	569,199	587,210
Public Enterprise Accounts	2,118,829	2,063,230	1,889,614
Total long-term debt	¥7,547,804	¥7,329,690	¥6,885,416

Short-Term Debt

The Metropolis had no short-term debt (excluding the current portion of long-term debt) as at 31st March, 2023, 2024 and 2025.

Payment Schedule

The following table shows the unaudited payment schedule for the periods through fiscal year 2034 of the principal and interest on long-term debt outstanding as at 31st March, 2025:

Payment schedule of the principal and interest on long-term debt outstanding as at 31st March, 2025

Fiscal Year	**Principal**	**Interest**	**Total**
		(millions of yen)	
2025	¥938,415	¥52,254	¥990,669
2026	748,631	48,681	797,312
2027	617,880	45,924	663,804
2028	546,222	42,442	588,664
2029	622,680	37,578	660,258
2030	547,413	34,219	581,632
2031	476,404	31,835	508,239
2032	419,898	29,487	449,386
2033	407,598	24,942	432,540
2034	329,816	19,369	349,186

Notes:

(a) Principal and interest payable in foreign currency are shown at the actual rate at the time of conversion of the proceeds into yen, unless a currency exchange contract is in effect, in which case it is shown at the contract rate.

(b) All debt is fixed-rate debt.

Debt Payment Record

The Metropolis has not defaulted on payment of principal or interest on any indebtedness within a period of twenty years prior to the date of this Offering Circular.

Outstanding Balance of Long-Term Debt of the Metropolis Classified by Source of Funds

The long-term debt of the Metropolis can be classified into two categories; (i) debt incurred by loans from the Japanese Government or entities related to the Japanese Government and (ii) debt incurred by loans from financial institutions and the issue of bonds.

Of the total outstanding balance of long-term debt of the Metropolis as at 31st March, 2024, which amounted to ¥7,329,690 million, 12.4 per cent. represented debt incurred by loans from the Japanese Government or entities related to the Japanese Government (such as loans from the Japanese Government's Fiscal Loan Fund and loans extended by Japan Post Co., Ltd. ("Japan Post") and Japan Finance Organization for Municipalities) and 87.6 per cent. represented debt incurred by loans from financial institutions and the issue of bonds.

Of the total outstanding balance of long-term debt of the Metropolis as at 31st March, 2023, which amounted to ¥7,547,804 million, 12.5 per cent. represented debt incurred by loans from the Japanese Government or entities related to the Japanese Government (such as loans from the Japanese Government's Fiscal Loan Fund and loans extended by Japan Post and Japan Finance Organization for Municipalities) and 87.5 per cent. represented debt incurred by loans from financial institutions and the issue of bonds.

Of the total outstanding balance of long-term debt of the Metropolis as at 31st March, 2022, which amounted to ¥7,694,366 million, 12.7 per cent. represented debt incurred by loans from the Japanese Government or entities related to the Japanese Government (such as loans from the Japanese Government's Fiscal Loan Fund and loans extended by Japan Post and Japan Finance Organization for Municipalities) and 87.3 per cent. represented debt incurred by loans from financial institutions and the issue of bonds.

For the fiscal year 2025, the Metropolis plans to raise approximately ¥560 billion in the aggregate through bond offerings consisting of approximately ¥240 billion of 10-year bonds, approximately ¥800 billion of foreign debt, approximately ¥130 billion of green bonds, the proceeds of which it expects to use for certain "green" projects, social bonds, the proceeds of which it expects to use for certain "social" projects, and sustainability bonds, the proceeds of which it expects to use for certain "green" or "social" projects, and approximately ¥110 billion of bonds that may be issued at various times during the fiscal year and with various maturities. This issuance plan may be amended from time to time in accordance with funding needs, market conditions and other circumstances.

Foreign debt remaining outstanding as at 30th September, 2025[(a)]

	Outstanding Amount *(millions)*
$5\frac{7}{100}$% Bonds due 2034	€160
$4\frac{26}{100}$% Bonds due 2032	€294
$4\frac{27}{100}$% Bonds due 2035	€150
$4\frac{7}{10}$% Bonds due 2033	€344
$4\frac{9}{10}$% Bonds due 2035	€318
$1\frac{1}{8}$% Bonds due 2026	U.S.$1,000
$4\frac{5}{8}$% Bonds due 2026	U.S.$500
$4\frac{3}{4}$% Bonds due 2029	U.S.$500
$2\frac{5}{8}$% Bonds due 2029	€300
$4\frac{1}{4}$% Bonds due 2030	U.S.$500

Note:

(a) All foreign debt mentioned above is bullet maturity debt (with no amortisation features).

Reserve Fund

Article 4-2 of the Local Finance Law directs that any local public body shall, in order to preserve its sound management, consider its financial situation not only in relation to the current fiscal year, but also with a view to subsequent fiscal years, when it undertakes budget preparation or implementation or any action that will result in an increase in expenditures or a decrease in revenues. The Metropolis has established various reserve funds for this purpose.

Reserve funds of the Metropolis include (i) general purpose funds, including an adjusting fund for finance reserved for the purpose of adjusting revenue sources between fiscal years and contributing to sound future finance management, (ii) special purpose funds for future special financial demands of the Metropolis, such as the resilience promotion fund, which was established in March 2023 to protect the livelihoods of Tokyo residents from natural disasters and other crises, and the fund to promote the installation of renewable energy equipment in new buildings, and (iii) a sinking fund reserve for the purpose of ensuring the financial sources for the Bond Expenses of the Metropolis and averaging the financial burden for such expenses over a long period of time. Some of these reserve funds are also available for general purposes.

The following table shows the outstanding balance of the Metropolis' reserve fund as at 31st March, 2023, 2024 and 2025:

	31st March,		
	2023	**2024**	**2025**
		(millions of yen)	
Funds for General Purposes	¥649,764	¥632,241	¥715,774
Adjusting Fund for Finance	649,764	632,241	715,774
Funds for Special Purposes	1,722,685	1,971,003	1,827,737
Social Infrastructure Improvement Fund	502,132	505,981	401,450
Tokyo Resilience Promotion Fund	300,000	450,015	531,231
Zero Emission Tokyo Promotion Fund	29,550	102,875	102,877
Fund for Realizing a Welfare-Advanced City	294,853	294,972	192,811
Others	596,150	617,160	599,368
Sinking Fund	1,542,645	1,493,614	1,460,084
Total	¥3,915,095	¥4,096,858	¥4,003,595

Status of Investments and Loans

The Metropolis makes investments in and extends loans to certain entities.

Certain information is given below as to investments and loans made from the Metropolis' General Account and the Special Accounts. The following tables show the five largest entities and item (in terms of the outstanding balance of investments and loans as at 31st March, 2025) and the outstanding balance of investments in and loans to such five entities and item as at 31st March, 2023, 2024 and 2025, together with the total outstanding balance of investments and loans as at the same dates:

Investments (including stocks and other contributions)

	31st March,		
	2023	**2024**	**2025**
		(millions of yen)	
Total outstanding balance	¥1,398,623	¥1,508,317	¥1,583,840
Of which:			
Japan Expressway Holding and Debt Repayment Agency	302,925	302,930	302,938
Tokyo Metropolitan University	147,931	147,931	147,931
Tokyo Waterfront Area Rapid Transit Inc.	43,521	43,521	43,521
Tokyo Kiraboshi Financial Group, Inc.	43,047	43,047	43,047
Tokyo Tama Intercity Monorail Co., Ltd.	40,285	40,285	40,285

Loans

	31st March,		
	2023	**2024**	**2025**
		(millions of yen)	
Total outstanding balance	¥1,507,079	¥1,476,106	¥1,522,552

	31st March,		
	2023	2024	2025
		(millions of yen)	
Of which:			
Loans under Institutionalised Financing Structure[(a)]	727,642	748,861	819,628
Tokyo Metropolitan Housing Supply Corporation	304,071	295,852	288,006
Tokyo Metropolitan Subway Construction Co., Ltd.	160,000	140,000	120,000
Loans for Haneda Airport Re-expansion Project	105,160	100,651	94,875
Tokyo Metropolitan Hospital Loan	51,966	51,478	61,027

Note:

(a) Loans under Institutionalised Financing Structure is an item of loans in a final statement which consists of loans to Credit Guarantee Corporation of Tokyo and two other entities.

Indemnities

In addition to outstanding debt, the Metropolis gives certain indemnities to third parties against losses caused by the non-payment of obligations by others, when authorised by the budget. The Metropolis has outstanding indemnities in the aggregate maximum amount of approximately ¥315 billion, of which ¥11 billion is the maximum amount which can become payable in the fiscal year 2025.

Financial Status

In addition to account settlement information prepared for budgetary purposes pursuant to the Local Autonomy Act, the Metropolis also prepares certain account settlement and other information on the basis of its Ordinary Accounts in accordance with criteria established by the MIC. The following is a summary of certain financial information prepared by the Metropolis on the basis of its Ordinary Accounts for the fiscal years 2021, 2022 and 2023.

TERMS AND CONDITIONS OF THE BONDS

The following (except for paragraphs in italics) are the terms and conditions of the Bonds substantially in the form in which they will appear in the Fiscal Agency Agreement referred to below:

1. **General**

The EUR300,000,000 2.625 per cent. Bonds due 2030 (the "Bonds", which expression includes any further bonds issued pursuant to Condition 13 and forming a single series therewith) of The Metropolis of Tokyo (the "Metropolis") are constituted by a deed of covenant dated 28th October, 2025 (as amended or supplemented from time to time, the "Deed of Covenant") entered into by the Metropolis and are the subject of a fiscal agency agreement dated 28th October, 2025 (as amended or supplemented from time to time, the "Fiscal Agency Agreement") between the Metropolis and Mizuho Trust & Banking (Luxembourg) S.A. as fiscal agent (in such capacity, the "Fiscal Agent", which expression includes any successor fiscal agent appointed from time to time in connection with the Bonds), as paying agent (in such capacity, the "Paying Agent", which expression includes any successor or additional paying agents appointed from time to time in connection with the Bonds), as registrar (in such capacity, the "Registrar", which expression includes any successor or additional registrars appointed from time to time in connection with the Bonds) and as transfer agent (in such capacity, the "Transfer Agent", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Bonds). References herein to the "Agents" are to the Fiscal Agent, the Registrar, the Transfer Agent and the Paying Agent and any reference to an "Agent" is to any one of them. Certain provisions of these Conditions are summaries of the Fiscal Agency Agreement and the Deed of Covenant and subject to their detailed provisions. The Bondholders (as defined below) are bound by, and are deemed to have notice of, all the provisions of the Fiscal Agency Agreement and the Deed of Covenant applicable to them. Copies of the Fiscal Agency Agreement and the Deed of Covenant are available for inspection by Bondholders during normal business hours at the specified office of the Fiscal Agent, presently being at 1B, Rue Gabriel Lippmann, L-5365 Munsbach, Grand Duchy of Luxembourg.

2. **Form and Status**

(a) *Form:* The Bonds are in registered form, in the denomination of EUR100,000 and integral multiples of EUR1,000 in excess thereof, and are not exchangeable for bonds in bearer form.

(b) *Status:* The Bonds are direct, unconditional and unsecured obligations of the Metropolis and rank *pari passu* and rateably without any preference among themselves and (with certain statutory exceptions) at least equally with all other unsecured obligations of the Metropolis from time to time outstanding.

3. **Registers, Title and Transfers**

(a) *Registers*: The Registrar will maintain a register (the "Register") in respect of the Bonds in accordance with the provisions of the Fiscal Agency Agreement. In these Conditions, the "Holder" of a Bond means the person in whose name such Bond is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "Bondholder" shall be construed accordingly. A certificate (each, a "Certificate") will be issued to each Bondholder in respect of its registered holding. Each Certificate will be numbered serially with an identifying number which will be recorded in the Register.

(b) *Title*: The Holder of each Bond shall (except as otherwise required by law) be treated as the absolute owner of such Bond for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Certificate) and no person shall be liable for so treating such Holder.

(c) *Transfers*: Subject to Conditions 3(f) and 3(g) below, a Bond may be transferred upon surrender of the relevant Certificate, with the endorsed form of transfer duly completed, at the specified office of the Registrar or Transfer Agent, together with such evidence as the Registrar or Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; *provided, however, that* no transfer may be made which would result in the principal amount of Bonds held by a holder and in respect of which a Certificate is to be issued being less than EUR100,000. Where not all the Bonds evidenced by the surrendered Certificate are the subject of the transfer, a new Certificate in respect of the balance of the Bonds will be issued to the transferor.

Transfers of interests in the Bonds represented by the Global Certificate will be effected in accordance with the rules of the relevant clearing systems, as described in "Summary of provisions relating to the Bonds while in Global Form".

(d) *Registration and delivery of Certificates*: Within five business days of the surrender of a Certificate in accordance with Condition 3(c) above, the Registrar will register the transfer in question and deliver a new Certificate of a like principal amount to the Bonds transferred to each relevant Holder at its specified office or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, "business day" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar has its specified office.

(e) *No charge*: The transfer of a Bond will be effected without charge by or on behalf of the Metropolis or the Registrar but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(f) *Closed periods*: Bondholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Bonds.

(g) *Regulations concerning transfers and registration*: All transfers of Bonds and entries on the Register are subject to the detailed regulations concerning the transfer of Bonds scheduled to the Fiscal Agency Agreement. The regulations may be changed by the Metropolis with the prior written approval of the Registrar. A copy of the current regulations will be made available (free of charge) by the Registrar to any Bondholder who requests in writing a copy of such regulations.

4. **Interest**

(a) *Rate of Interest:* The Bonds bear interest from and including 28th October, 2025 (the "Issue Date") at the rate of 2.625 per cent. per annum (the "Rate of Interest"), payable in arrear on 28th October in each year (each, an "Interest Payment Date"), commencing on 28th October, 2026, subject as provided in Condition 7. Interest in respect of any Bond shall be calculated per EUR1,000 in principal amount of the Bond (the "Calculation Amount"). Each Bond will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which case it will continue to bear interest at such rate (both before and after judgment) until (and including) whichever is the earlier of (a) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder and (b) the day which is seven days after the Fiscal Agent has notified the Bondholders that it has received all sums due in respect of the Bonds up to such seventh day (except to the extent that there is any subsequent default in payment).

(b) *Amount of Interest and calculations:* The amount of interest payable on each Interest Payment Date shall be EUR26.25 in respect of each Calculation Amount. If interest payable in respect of the Calculation Amount is required to be paid in respect of a Bond on any other date, it shall be calculated by applying the Rate of Interest to such Calculation Amount, multiplying the product by the relevant Day Count Fraction, and rounding the resulting figure to the nearest cent (half a cent being rounded upwards), where:

"Calculation Period" means the relevant period for which interest is to be calculated from (and including) the first day in such period to (but excluding) the last day in such period; and

"Day Count Fraction" means, in respect of any period, the number of days in the relevant period, from (and including) the first day in such period to (but excluding) the last day in such period, divided by the number of days in the Regular Period in which the relevant period falls; and

"Regular Period" means each period from (and including) the Issue Date or any Interest Payment Date to (but excluding) the next Interest Payment Date.

5. **Redemption and Purchase**

(a) *Final Redemption:* Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 28th October, 2030.

(b) *Redemption for Taxation Reasons:* If the Metropolis would on the occasion of the next payment due in respect of the Bonds be required as a result of any change in, or amendment to, the laws or regulations of Japan, or any political subdivision or any authority thereof or therein having power to tax (other than, in each case, the Metropolis), or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 16th October, 2025, and for reasons outside its control, to pay any Additional Amounts (as defined in Condition 8) pursuant to Condition 8, then the Metropolis may, at its option, upon giving not less than 30 nor more than 60 days' prior notice to the Bondholders (which notice shall be irrevocable and shall specify the date fixed for redemption) in accordance with Condition 14, redeem all (but not some only) of the Bonds at their principal amount, together with interest accrued to (but excluding) the date fixed for redemption.

(c) *Purchase*: The Metropolis may at any time purchase or otherwise acquire Bonds in the open market or otherwise. Bonds purchased by the Metropolis may be held or resold or, at the discretion of the Metropolis, may be surrendered to a Registrar for cancellation.

(d) *Cancellation*: All Bonds redeemed or purchased and surrendered by the Metropolis as aforesaid shall be cancelled forthwith and may not be reissued or resold.

6. **Prescription**

Claims for principal and interest on redemption shall become void unless the relevant Certificates are surrendered for payment within ten years of the appropriate Relevant Date (as defined below).

7. **Payments**

(a) *Principal:* Payments of principal shall be made by Euro cheque drawn on, or, upon application by a Holder of a Bond to the specified office of the Fiscal Agent not later than the fifteenth day before the due date for any such payment by transfer to a Euro account (or other account to which Euro may be credited or transferred) maintained by the payee with, a bank in which banks have access to the TARGET System and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Certificates at the specified office of the Paying Agent.

(b) *Interest:* Payments of interest shall be made by Euro cheque drawn on, or upon application by a Holder of a Bond to the specified office of the Fiscal Agent not later than the fifteenth day before the due date for any such payment, by transfer to a Euro account (or other account to which Euro may be credited or transferred) maintained by such Holder with, a bank in which banks have access to the TARGET System and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Certificates at the specified office of the Paying Agent.

(c) *Payments subject to fiscal laws:* All payments in respect of the Bonds are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 8. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

(d) *Payments on business days:* Where payment is to be made by transfer to a Euro account (or other account to which Euro may be credited or transferred), payment instructions (for value the due date, or, if the due date is not a business day, for value the next succeeding business day) will be initiated and, where payment is to be made by Euro cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Certificate is surrendered (or, in the case of part payment only, endorsed) at the specified office of the Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Bond shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a business day or (B) a cheque mailed in accordance with this Condition 7 arriving after the due date for payment or being lost in the mail. In this paragraph, "business day" means any day on which banks are open for general business (including dealings in foreign currencies) in London and Tokyo which is a TARGET Settlement Day and, in the case of surrender (or, in the case of part payment only, endorsement) of a Certificate, in the place in which the Certificate is surrendered (or, as the case may be, endorsed).

"**T2**" means the real time gross settlement system operated by the Eurosystem or any successor system;

"**TARGET Settlement Day**" means any day on which T2 is open for the settlement of payments in Euro.

(e) *Partial payments:* If the Paying Agent makes a partial payment in respect of any Bond, the Metropolis shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Certificate.

(f) *Record date:* Each payment in respect of a Bond will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's specified office on the fifteenth day before the due date for such payment (the "Record Date"). Where payment in respect of a Bond is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

(g) *Agents:* The initial Fiscal Agent, the initial Paying Agent, the initial Registrar and the initial Transfer Agent and their specified offices are set out at the end of these terms and conditions. The Metropolis reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, Paying Agent, Registrar or Transfer Agent and to appoint additional or other Paying Agents, Registrars or Transfer Agents or another Fiscal Agent, provided that it will at all times maintain a Fiscal Agent and a Registrar. Notice of any such termination or appointment and of any changes in the specified offices of the Fiscal Agent, the Paying Agent, the Registrar or the Transfer Agent will be given to the Bondholders in accordance with Condition 14.

8. **Taxation**

(a) *Taxation:* All payments of principal and interest by or on behalf of the Metropolis in respect of the Bonds will be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Japan, or any authority therein or thereof having power to tax ("Taxes"), unless the withholding or deduction of such Taxes is required by law. In that event, the Metropolis will pay such additional amounts ("Additional Amounts") as may be necessary in order that the net amounts received by the Holder after such withholding or deduction shall equal the respective amounts of principal and interest which would have been receivable in respect of the Bonds in the absence of such withholding or deduction; except that no Additional Amounts shall be payable:

(i) to, or to a third party on behalf of a Holder or beneficial owner of a Bond that is an individual non-resident of Japan or a non-Japanese corporation and is liable for such Taxes in respect of such Bond by reason of:

(A) its having some connection with Japan other than the mere holding of, receipt of interest on, or the enforcement of its rights under, such Bond; or

(B) its being a party having a special relationship with the Metropolis as described in Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957, as amended) (the "Act on Special Measures Concerning Taxation") (a "Specially-Related Party of the Metropolis");

(ii) to, or to a third party on behalf of a Holder or beneficial owner of a Bond that would otherwise be exempt from any such withholding or deduction but that fails to comply with any applicable requirement to provide Interest Recipient Information (as defined in paragraph (b) below) or to submit a Written Application for Tax Exemption (as defined in paragraph (b) below) to the Paying Agent, or whose Interest Recipient Information is not duly communicated through the Participant (as defined in paragraph (b) below) and the relevant international clearing organisation to the Paying Agent;

(iii) to, or to a third party on behalf of a Holder or beneficial owner of Bond that is for Japanese tax purposes treated as an individual resident of Japan or a Japanese corporation (except for (A) a Designated Financial Institution (as defined in paragraph (b) below) that complies with the requirement to provide Interest Recipient Information or to submit a Written Application for Tax Exemption and (B) an individual resident of Japan or a Japanese corporation that duly notifies the Paying Agent of its status as not being subject to Taxes to be withheld or deducted by the Metropolis by reason of such individual resident of Japan or Japanese corporation receiving interest on the relevant Bond through a payment handling agent in Japan appointed by it);

(iv) where the Bonds are presented for payment (where such presentation is required) more than 30 days after the Relevant Date except to the extent that the relevant Bondholder would have been entitled to such Additional Amounts on presenting the same for payment at the expiry of such 30-day period;

(v) to a Holder that is a fiduciary, partnership or person other than the sole beneficial owner of any payment to the extent that such payment would be treated as income, for Japanese tax purposes, of a beneficiary or settlor with respect to such fiduciary or a partner of such partnership or other beneficial owner, in each case, who would not have been entitled to such Additional Amounts had that beneficiary, settlor, partner or other beneficial owner been the Holder of such Bond; or

(vi) in any case that is a combination of any of paragraphs (i) to (v) above.

As used herein, the "Relevant Date" means the date on which such payment first becomes due, except that, if the amount of the moneys payable has not been received by the Fiscal Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect shall have been duly given to the Bondholders in accordance with Condition 14.

(b) *Definitions:* For the purposes of Conditions 8(a)(ii) and 8(a)(iii) above:

(i) where a Bond is held through a certain participant of an international clearing organisation or a certain financial intermediary (each, a "Participant"), in order to receive payments free of withholding or deduction by the Metropolis for, or on account of, Taxes, if the beneficial owner of the relevant Bond is:

(A) an individual non-resident of Japan or a non-Japanese corporation (other than a Specially-Related Party of the Metropolis); or

(B) a Japanese financial institution falling under certain categories prescribed by the Act on Special Measures Concerning Taxation, and the cabinet order

(Cabinet Order No. 43 of 31st March, 1957, as amended) thereunder (together with ministerial ordinances and other regulations thereunder, the "Law") (a "Designated Financial Institution"),

all in accordance with the Law, such beneficial owner shall, at the time of entrusting a Participant with the custody of the relevant Bond, provide certain information prescribed by the Law to enable the Participant to establish that such beneficial owner is exempted from the requirement for Taxes to be withheld or deducted (the "Interest Recipient Information") and advise the Participant if such beneficial owner ceases to be so exempted (including the case where the beneficial owner who is an individual non-resident of Japan or a non-Japanese corporation becomes a Specially-Related Party of the Metropolis); and

(ii) where a Bond is not held through a Participant, in order to receive payments free of withholding or deduction by the Metropolis for, or on account of, Taxes, if the beneficial owner of the relevant Bond is:

(A) an individual non-resident of Japan or a non-Japanese corporation (other than a Specially-Related Party of the Metropolis); or

(B) a Designated Financial Institution,

all in accordance with the Law, such beneficial owner shall, prior to each time on which it receives interest, submit to the Paying Agent a written application for tax exemption (*Hikazei Tekiyo Shinkokusho*) (a "Written Application for Tax Exemption") in the form obtainable from such Paying Agent stating, *inter alia*, the name and address (and, if applicable, the Japanese individual or corporation identification number) of such beneficial owner, the title of the Bonds, the relevant interest payment date, the amount of interest and the fact that such beneficial owner is qualified to submit the Written Application for Tax Exemption, together with the documentary evidence regarding its identity and residence.

Any reference in these terms and conditions to principal or interest shall be deemed also to refer to any Additional Amounts payable under this Condition 8.

9. **Events of Default**

If any one or more of the following events shall have occurred and be continuing:

(i) *Non-payment:* A default is made in the payment of any interest in respect of any of the Bonds when and as the same ought to be paid in accordance therewith and for 30 days thereafter; or

(ii) *Breach of other obligations:* A default is made in the performance or observance by the Metropolis of any other obligation under the Bonds or the Deed of Covenant and (except where such failure is not capable of remedy, when no such notice shall be required) such default shall continue for 60 days after written notice requiring such default to be remedied shall have been given to the Metropolis by the holders of not less than 10 per cent. in aggregate principal amount of the Bonds for the time being outstanding; or

(iii) *Cross-acceleration:* (a) Any indebtedness of the Metropolis for borrowed moneys exceeding in the aggregate EUR10,000,000 (or its equivalent in any other currency or currencies) is accelerated as a result of a default by any person or any event treated in effect as a default or (b) the Metropolis defaults in the repayment or discharge of any such indebtedness when due or at the expiration of any grace period originally applicable thereto or (c) the Metropolis fails to pay when properly called upon to do so any guarantee of indebtedness for borrowed moneys exceeding in the aggregate EUR10,000,000 (or its equivalent in any other currency or currencies) given by it, and such acceleration is not rescinded or annulled or such default or failure is not remedied within 60 days after written notice thereof shall have been given to the Metropolis by the holders of not less than 10 per cent. in aggregate principal amount of the Bonds for the time being outstanding; or

(iv) *Moratorium:* A moratorium is declared in respect of all or any part of the indebtedness of the Metropolis; or

(v) *Abolishment:* The Metropolis is abolished except in the case where another entity effectively assumes the entire obligations of the Metropolis under the Bonds,

then any Bondholder may give notice to the Metropolis that such Bond is immediately repayable whereupon such Bond shall become immediately repayable at its principal amount together with interest accrued to (but excluding) the date of actual repayment unless prior to the time when the Metropolis receives such notice all events of default provided for herein in respect of the Bonds shall have been cured.

10. **Fiscal Agent, Paying Agent, Registrar and Transfer Agent**

In acting under the Fiscal Agency Agreement, the Fiscal Agent, Paying Agent, Registrar and Transfer Agent are acting solely as agents of the Metropolis and do not assume any obligation or duty to, or any relationship of agency or trust for or with, the Bondholders, except that (without affecting the obligations of the Metropolis to the Bondholders to repay the Bonds in accordance with their terms) any funds received by the Fiscal Agent for the payment of the principal or interest on the Bonds shall, to the extent permitted by law, be held by it in trust for the Bondholders, as the case may be, until the expiration of the periods of prescription in Condition 6.

The Fiscal Agency Agreement may be amended by the parties thereto, without the consent of any Bondholder, if in the reasonable opinion of the Metropolis and the Fiscal Agent the amendment will not adversely affect the interests of the Bondholders.

11. **Replacement of Certificates**

Should any Certificate be lost, stolen, destroyed, mutilated or defaced, it may be replaced with a new Certificate at the specified office of the Registrar, subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Metropolis may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

12. **Meetings of Bondholders**

The Fiscal Agency Agreement contains provisions for convening meetings of the Bondholders to consider any matter affecting their interests, including modification by extraordinary resolution (being a resolution passed at a meeting of the Bondholders duly convened and held in accordance with the provisions contained in the Fiscal Agency Agreement by a majority consisting of not less than 75 per cent. of the principal amount represented at the meeting) of the Bonds (including their terms and conditions) and the Deed of Covenant. An extraordinary resolution duly passed at any such meeting shall be binding on all the Bondholders, whether present or not. Any modification, *inter alia*, postponing the date of maturity of the Bonds or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Bonds, altering the currency of account or the currency of payment of the Bonds will only be binding if passed at a meeting of Bondholders (or at any adjournment thereof) at which a special quorum (provided for in the Fiscal Agency Agreement, being two or more persons holding or representing not less than 75 per cent. or, at any adjourned meeting, 50 per cent. of the aggregate principal amount, of the outstanding Bonds) is present.

13. **Further Issues**

The Metropolis may from time to time without the consent of the Bondholders create and issue further securities either having the same terms and conditions as the Bonds in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) or upon such terms as the Metropolis may determine at the time of their issue. References in these terms and conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Bonds.

14. **Notices**

Notices to the Bondholders will be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register. Any such notice shall be deemed to have been given on the seventh day after the date of mailing.

So long as the Bonds are evidenced by the Global Certificate and such Bonds are held on behalf of a clearing system, notices to Bondholders shall be given by delivery of the relevant notice to the relevant clearing system for communication by it to entitled accountholders in substitution for mailing required by these Conditions.

15. **Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

16. **Governing Law**

The Bonds, and any non-contractual obligations arising out of or in connection with the Bonds, are governed by, and shall be construed in accordance with, English law.

The Metropolis hereby irrevocably and unconditionally submits to the jurisdiction of the English courts for all purposes in connection with this Bond appertaining hereto (including any non-contractual obligation arising out of or in connection with the Bonds) and in relation thereto the Metropolis hereby irrevocably appoints Mizuho Bank, Ltd., London Branch at its specified office for the time being in London (presently being at 30 Old Bailey, London EC4M 7AU, United Kingdom (marked for the attention of the Head of Legal Department)) as its authorised agent upon whom process may be served in any action or proceedings of or in the courts of England arising out of or relating to this Bond (including any non-contractual obligation arising out of or in connection with the Bonds).

SUMMARY OF PROVISIONS RELATING TO THE BONDS WHILE IN GLOBAL FORM

Transfers of interests in the Bonds in respect of which the Global Certificate is issued shall be effected through the records of the relevant clearing system and their respective participants in accordance with the rules and procedures of the relevant clearing system and their respective direct and indirect participants.

Upon issue, the Bonds will be evidenced by the Global Certificate which will be deposited with, and registered in the name of the nominee for, the common depositary for Euroclear and Clearstream, Luxembourg.

References in the Terms and Conditions of the Bonds to the "Holder" or the "Bondholder" are references to the person in whose name such Global Certificate is for the time being registered in the Register which, for so long as the Global Certificate is held by or on behalf of a common depositary for Euroclear and/or Clearstream, Luxembourg, will be that common depositary or a nominee for that common depositary.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in the Global Certificate (each an "Accountholder") must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the Metropolis to the Holder of such Global Certificate and in relation to all other rights arising under such Global Certificate. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Certificate will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the Bonds are evidenced by the Global Certificate, Accountholders shall have no claim directly against the Metropolis in respect of payments due under the Bonds and such obligations of the Metropolis will be discharged by payment to the Holder of the Global Certificate.

Conditions Applicable to Bonds Evidenced by the Global Certificate

The Global Certificate will contain provisions which modify the effect of the terms and conditions of the Bonds set out in this Offering Circular. The following is a summary of those provisions:

1. **Exchange**

The Global Certificate will become exchangeable in whole, but not in part, for Definitive Certificates if (a) Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 9 occurs.

Whenever the Global Certificate is to be exchanged for Definitive Certificates, such Definitive Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Certificate within five business days of the delivery, by or on behalf of the registered Holder of the Global Certificate, Euroclear and/or Clearstream, Luxembourg, to the Registrar of such information as is required to complete and deliver such Definitive Certificates (including, without limitation, the names and addresses of the persons in whose names the Definitive Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Certificate at the specified office of the Registrar. Such exchange will be effected in accordance with the provisions of the Fiscal Agency Agreement and the regulations concerning the transfer and registration of Bonds scheduled thereto and, in particular, shall be effected without charge to any Bondholder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange. In the event that Definitive Certificates for the Bonds are issued, a Bondholder who holds a principal amount of less than EUR100,000 will not receive a Definitive Certificate in respect of such holding and would need to purchase a principal amount of Bonds such that it holds an amount of EUR100,000 or above in integral multiples of EUR1,000 thereof.

If:

(a) Definitive Certificates have not been issued and delivered by 5.00 p.m. (Luxembourg time) on the thirtieth day after the date on which the same are due to be issued and delivered in accordance with the terms of the Global Certificate; or

(b) any of the Bonds evidenced by the Global Certificate has become due and payable in accordance with the Conditions or the date for final redemption of the Bonds has occurred and, in either case, payment in full of the amount of principal falling due with all accrued interest thereon has not been made to the Holder of the Global Certificate on the due date for payment in accordance with the terms of the Global Certificate,

then, at 5.00 p.m. (Luxembourg time) on such thirtieth day (in the case of (a) above) or at 5.00 p.m. (Luxembourg time) on such due date (in the case of (b) above) each person shown in the records of Euroclear and/or Clearstream, Luxembourg (or any other relevant clearing system) as being entitled to interest in the Bonds (each an "Accountholder") shall acquire under the Deed of Covenant rights of enforcement against the Metropolis ("Direct Rights") to compel the Metropolis to perform its obligations to the Holder of the Global Certificate in respect of the Bonds evidenced by the Global Certificate, including the obligation of the Metropolis to make all payments when due at any time in respect of such in accordance with the Conditions as if such Bonds had (where required by the Conditions) been duly presented and surrendered on the due date in accordance with the Conditions.

The Direct Rights shall be without prejudice to the rights which the Holder of the Global Certificate may have under the Global Certificate or otherwise. Payment to the Holder of the Global Certificate in respect of any Bonds evidenced by the Global Certificate shall constitute a discharge of the Metropolis' obligations under the Bonds and the Deed of Covenant to the extent of any such payment and nothing in the Deed of Covenant shall oblige the Metropolis to make any payment under the Bonds to or to the order of any person other than the Holder of the Global Certificate.

As a condition of any exercise of Direct Rights by an Accountholder, such Accountholder shall, as soon as practicable, give notice of such exercise to the Bondholders in the manner provided for in the Conditions or the Global Certificate for notices to be given by the Metropolis to Bondholders.

2. **Payments**

In the case of all payments made in respect of the Global Certificate, "business day" means any day which is a day on which dealings in foreign currencies may be carried on in London and Tokyo which is a TARGET Settlement Day.

Each payment in respect of the Bonds evidenced by the Global Certificate will be made to the person shown as the Holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (for the purposes of the Bonds evidenced by such Global Certificate, such date being the "Record Date") where "Clearing System Business Day" means a day on which each clearing system for which the Global Certificate is being held is open for business.

3. **Notices**

So long as the Bonds are evidenced by the Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to holders of Bonds evidenced by the Global Certificate may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for mailing required by the terms and conditions of the Bonds. Such notices shall be deemed to have been given in accordance with the Conditions on the date of delivery to the relevant clearing system.

4. **Meetings**

The Holder of the Bonds in respect of which the Global Certificate is issued shall be treated as being two persons for the purposes of any quorum requirements of a meeting of Bondholders and, at any such meeting, as having one vote in respect of each EUR1,000 of Bonds in respect of which a Global Certificate is issued.

5. **Electronic Consent and Written Resolution**

While any Global Certificate is held on behalf of a clearing system, then:

a. approval of a resolution proposed by the Metropolis given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Bonds outstanding (an "Electronic Consent" as defined in the Fiscal Agency Agreement) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which a special quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held, and shall be binding on all Bondholders whether or not they participated in such Electronic Consent; and

b. where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Fiscal Agency Agreement) has been validly passed, the Metropolis shall be entitled to rely on consent or instructions given in writing directly to the Metropolis by (a) accountholders in the clearing system with entitlements to such Global Certificate and/or, where (b) the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Metropolis shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the "relevant clearing system") and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Bondholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or EasyWay or Clearstream, Luxembourg's CreationOnline or Xact Web Portal system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Bonds is clearly identified together with the amount of such holding. Neither the Metropolis nor the Fiscal Agent shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

6. **Redemption at the Option of the Metropolis**

The option of the Metropolis to redeem the Bonds prior to maturity provided for in Condition 5(b) shall be exercised or performed by the Metropolis giving notice to the Bondholders within the time limits relating thereto set out in and containing the information required of the Metropolis in accordance with such Condition.

7. **Purchase and Cancellation**

Cancellation of any Bonds evidenced by the Global Certificate required by the terms and conditions of the Bonds to be cancelled following its purchase will be effected by a reduction in the principal amount of the Bonds evidenced by the Global Certificate. A record of such reduction will be endorsed in the appropriate schedule of the Global Certificate.

TAXATION

The tax laws of the investor's state and of the Metropolis' state of incorporation might have an impact on the income received from the securities. Prospective purchasers of Bonds should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Bonds and receiving payments of interest, principal and/or other amounts under the Bonds and the consequences of such actions under the tax laws of those countries.

Japan

The following is a general description of certain Japanese tax aspects of the Bonds and does not purport to be a comprehensive description of the tax aspects of the Bonds. Prospective purchasers should note that, although the general tax information on Japanese taxation is described hereunder for convenience, the statements below are general in nature and not exhaustive.

Prospective purchasers are advised to consult their own legal, tax, accountancy or other professional advisers in order to ascertain their particular circumstances regarding taxation. The statements below are based on current tax laws and regulations in Japan and current income tax treaties executed by Japan all as in effect on the date hereof, all of which are subject to change or differing interpretations (possibly with retroactive effect). Neither such statements nor any other statements in this Offering Circular are to be regarded as advice on the tax position of any Bondholder or any person purchasing, selling or otherwise dealing in the Bonds or any tax implication arising from the purchase, sale or other dealings in respect of the Bonds.

Representation by Investors upon Primary Distribution (Boshu)

BY SUBSCRIBING FOR THE BONDS, AN INVESTOR WILL BE DEEMED TO HAVE REPRESENTED IT IS A PERSON WHO FALLS INTO THE CATEGORY OF (i) OR (ii) BELOW:

(i) A beneficial owner that is, for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a person (a "Specially-Related Party of the Metropolis") having a "special relationship" with the Metropolis (that is, currently, in general terms, a party who is directly or indirectly controlled by the Metropolis) as described in Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation of Japan (Act No. 26 of 1957, as amended) (the "Act on Special Measures Concerning Taxation"); or

(ii) A beneficial owner that is a Japanese financial institution, designated in Article 6, paragraph (11) of the Act on Special Measures Concerning Taxation.

The Bonds are Not "Taxable-Linked Securities"

The Bonds do not constitute "taxable linked securities" as prescribed by Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation (being securities for which the amount of interest is to be calculated by reference to certain indexes (as prescribed by Article 3-2-2, paragraph (8) of the Cabinet Order No. 43 of 1957, as amended (the "Cabinet Order") relating to the Act on Special Measures Concerning Taxation) relating to the Metropolis or a Specially-Related Party of the Metropolis).

Capital Gains, Stamp Tax and Other Similar Taxes, Inheritance Tax and Gift Tax

Gains derived from the sale of Bonds outside Japan by an individual non-resident of Japan or a non-Japanese corporation having no permanent establishment within Japan are, in general, not subject to Japanese income tax or corporate tax.

No stamp, issue, registration or similar taxes or duties will, under current Japanese law, be payable in Japan by Bondholders in connection with the issue of the Bonds, nor will such taxes be payable by Bondholders in connection with their transfer if such transfer takes place outside Japan.

Japanese inheritance tax or gift tax at progressive rates may be payable by an individual, wherever resident, who has acquired Bonds from another individual as legatee, heir or donee.

Interest Payments on Bonds and Redemption Gain

The following description of Japanese taxation (limited to national taxes) (subject to the relevant tax treaty between Japan and the relevant country) applies exclusively to interest on the Bonds and the redemption gain, meaning any positive difference between the acquisition price of the interest-bearing Bonds of the holder and the amount which the holder receives upon redemption of such interest-bearing Bonds (the "Redemption Gain"), where such Bonds are issued by the Metropolis outside Japan and payable outside Japan. In addition, the following description assumes that the Bonds will only be evidenced by the Global Certificate, and no Bonds evidenced by Definitive Certificates that are independently traded are issued, in which case different tax consequences may apply. It is not intended to be exhaustive and prospective purchasers are recommended to consult their tax advisers as to their exact tax position.

1. Non-Japanese-resident Investors

If the recipient of interest on the Bonds or of the Redemption Gain is an individual non-resident of Japan or a non-Japanese corporation for Japanese tax purposes, as described below, the Japanese tax consequences on such individual non-resident of Japan or non-Japanese corporation are significantly different depending upon whether such individual non-resident of Japan or non-Japanese corporation is a Specially-Related Party of the Metropolis (as defined below). Most importantly, if such individual non-resident of Japan or non-Japanese corporation is a Specially-Related Party of the Metropolis, income tax at the rate of 15.315 per cent. of the amount of such interest will be withheld by the Metropolis under Japanese tax law.

1.1 Interest

(1) If the recipient of interest on the Bonds is an individual non-resident of Japan or a non-Japanese corporation having no permanent establishment within Japan or having a permanent establishment within Japan but where the receipt of the interest on the Bonds is not attributable to the business of such individual non-resident of Japan or non-Japanese corporation carried on within Japan through such permanent establishment, no Japanese income tax or corporate tax is payable with respect to such interest whether by way of withholding or otherwise, if certain requirements are complied with, *inter alia*:

(i) if the relevant Bonds are held through a certain participant in an international clearing organisation such as Euroclear or Clearstream, Luxembourg or a certain financial intermediary prescribed by the Act on Special Measures Concerning Taxation and the relevant Cabinet Order (together with the Act on Special Measures Concerning Taxation and the ministerial ordinance and other regulations thereunder, the "Law") (each, a "Participant"), the requirement that such recipient provide, at the time of entrusting a Participant with the custody of the relevant Bonds, certain information prescribed by the Law to enable the Participant to establish that the recipient is exempt from the requirement for Japanese tax to be withheld or deducted (the "Interest Recipient Information"), and advise the Participant if such individual non-resident of Japan or non-Japanese corporation ceases to be so exempted (including the case where it becomes a Specially-Related Party of the Metropolis), and that the Metropolis prepare and file a certain confirmation prescribed by the Law ("Interest Recipient Confirmation") with the competent local tax office in a timely manner based upon the Interest Recipient Information communicated through the Participant and the relevant clearing organisation; and

(ii) if the relevant Bonds are not held by a Participant, the requirement that such recipient submit to the Fiscal Agent or the Paying Agent (as the case may be) a written application for tax exemption (*Hikazei Tekiyo Shinkokusho*) (the "Written Application for Tax Exemption"), together with certain documentary evidence, and that the Metropolis file the Written Application for Tax Exemption so received with the competent local tax office in a timely manner.

Failure to comply with such requirements described above (including the case where the Interest Recipient Information is not duly communicated as required under the Law) will result in the withholding by the Metropolis of income tax at the rate of 15.315 per cent. of the amount of such interest.

(2) If the recipient of interest on the Bonds is an individual non-resident of Japan or a non-Japanese corporation having a permanent establishment within Japan and the receipt of interest is attributable to the business of such individual non-resident of Japan or non-Japanese corporation carried on within Japan through such permanent establishment, such interest will not be subject to a 15.315 per cent. withholding tax by the Metropolis, if the requirements concerning the Interest Recipient Information and the Interest Recipient Confirmation or the Written Application for Tax Exemption as set out in paragraph 1.1(1) above are complied with. Failure to do so will result in the withholding by the Metropolis of income tax at the rate of 15.315 per cent. of the amount of such interest. The amount of such interest will be subject to regular income tax or corporate tax, as appropriate.

(3) Notwithstanding paragraphs 1.1(1) and (2) above, if an individual non-resident of Japan or a non-Japanese corporation mentioned above is a person who has a special relationship with the Metropolis (that is, currently, in general terms, a party who is directly or indirectly controlled by the Metropolis) within the meaning prescribed by the Cabinet Order under Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation (such person is referred to as a "Specially-Related Party of the Metropolis") as at the beginning of the fiscal year of the Metropolis in which the relevant Interest Payment Date falls, the exemption from Japanese withholding tax on interest mentioned above will not apply, and income tax at the rate of 15.315 per cent. of the amount of such interest will be withheld by the Metropolis. If such individual non-resident of Japan or non-Japanese corporation has a permanent establishment within Japan, regular income tax or corporate tax, as appropriate, collected otherwise than by way of withholding, could apply to such interest under Japanese tax law.

(4) If an individual non-resident of Japan or a non-Japanese corporation (regardless of whether it is a Specially-Related Party of the Metropolis) is subject to Japanese withholding tax with respect to interest on the Bonds under Japanese tax law, a reduced rate of withholding tax or exemption from such withholding tax may be available under the relevant income tax treaty between Japan and the country of tax residence of such individual non-resident of Japan or non-Japanese corporation. As of the date of this Offering Circular, Japan has income tax treaties, conventions or agreements whereby the above-mentioned withholding tax rate is reduced, generally to 10 per cent. with, *inter alia*, Australia, Canada, Finland, France, Hong Kong, Ireland, Italy, Luxembourg, the Netherlands, New Zealand, Norway, Portugal and Singapore. Under the income tax treaties between Japan and Austria, Belgium, Denmark, Germany, Spain, Sweden, Switzerland, the United Kingdom or the United States of America, interest paid to qualified Austrian, Belgian, Danish, German, Spanish, Swedish, Swiss, United Kingdom or United States residents is generally exempt from Japanese withholding tax (for Belgium, only for a Belgian enterprise). Under the current income tax treaties between Japan and Australia, France, the Netherlands or New Zealand, certain limited categories of qualified Australian, French, Dutch or New Zealand residents receiving interest on the Bonds may, subject to compliance with certain procedural requirements under Japanese law, be fully exempt from Japanese withholding tax for interest on the Bonds (provided that no exemption will apply to pension funds in the case of Australia and New Zealand). In order to avail themselves of such reduced rate of, or exemption from, Japanese withholding tax under any applicable income tax treaty, individual non-residents of Japan or non-Japanese corporations which are entitled, under any applicable income tax treaty, to a reduced rate of, or exemption from, Japanese withholding tax on payment of interest by the Metropolis are required to submit an Application Form for Income Tax Convention regarding Relief from Japanese Income Tax and Special Income Tax for Reconstruction on Interest (as well as any other required forms and documents) in advance through the Metropolis to the relevant tax authority before payment of interest.

(5) Under the Law, (a) if an individual non-resident of Japan or a non-Japanese corporation that is a beneficial owner of the Bonds becomes a Specially-Related Party of the Metropolis, or an individual non-resident of Japan or a non-Japanese corporation that is a Specially-Related Party of the Metropolis becomes a beneficial owner of the Bonds, and (b) if such Bonds are held through a Participant, then such individual non-resident of Japan or non-Japanese corporation would be obligated to notify the Participant of such change in status by the immediately following Interest Payment Date of the Bonds. As described in paragraph 1.1(3) above, as the status of such individual non-resident of Japan or non-Japanese corporation as a Specially-Related Party of the Metropolis for Japanese withholding tax purposes is determined based on the status as at the beginning of the fiscal year of the Metropolis in which the relevant Interest

Payment Date falls, such individual non-resident of Japan or non-Japanese corporation should, by such notification, identify and advise the Participant of the specific Interest Payment Date on which Japanese withholding tax starts to apply with respect to such individual non-resident of Japan or non-Japanese corporation as being a Specially-Related Party of the Metropolis.

1.2 Redemption Gain

(1) If the recipient of the Redemption Gain is an individual non-resident of Japan or a non-Japanese corporation having no permanent establishment within Japan or having a permanent establishment within Japan but where the receipt of such Redemption Gain is not attributable to the business of such individual non-resident of Japan or non-Japanese corporation carried on within Japan through such permanent establishment, no income tax or corporate tax is payable with respect to such Redemption Gain.

(2) If the recipient of the Redemption Gain with respect to the Bonds is an individual non-resident of Japan or a non-Japanese corporation having a permanent establishment within Japan and the receipt of such Redemption Gain is attributable to the business of such individual non-resident of Japan or non-Japanese corporation carried on within Japan through such permanent establishment, such Redemption Gain will not be subject to any withholding tax but will be subject to regular income tax or corporate tax, as appropriate.

(3) Notwithstanding paragraphs 1.2(1) and (2) above, if an individual non-resident of Japan or a non-Japanese corporation mentioned above is a Specially-Related Party of the Metropolis as at the beginning of the fiscal year of the Metropolis in which such individual non-resident of Japan or non-Japanese corporation acquired such Bonds, the Redemption Gain will not be subject to withholding tax but will be subject to regular income tax or corporate tax, as appropriate, under Japanese tax law, regardless of whether such individual non-resident of Japan or non-Japanese corporation has a permanent establishment within Japan; provided that exemption may be available under the relevant income tax treaty.

2. Japanese Resident Investors

If the recipient of interest on the Bonds is an individual resident of Japan or a Japanese corporation for Japanese tax purposes, as described below, regardless of whether such recipient is a Specially-Related Party of the Metropolis, in addition to any applicable local tax, income tax will be withheld at the rate of 15.315 per cent. of the amount of such interest, if such interest is paid to an individual resident of Japan or a Japanese corporation (except for (i) a Designated Financial Institution (as defined below) which complies with the requirement for tax exemption under Article 6, paragraph (11) of the Act on Special Measures Concerning Taxation or (ii) a Public Corporation (as defined below) or a Specified Financial Institution (as defined below), to which such interest is paid through the Japanese Custodian (as defined below) in compliance with the requirement for tax exemption under Article 3-3, paragraph (6) of the Act on Special Measures Concerning Taxation).

In addition to the withholding tax consequences upon resident investors as explained in this section, resident investors should consult their own tax advisors regarding regular income tax or corporate tax consequences otherwise than by way of withholding, bearing in mind, especially for individual residents of Japan, the change to the taxation regime of bonds which took effect on 1st January, 2016.

2.1 Interest

(1) If an individual resident of Japan or a Japanese corporation (other than a Specified Financial Institution (as defined below) or a Public Corporation (as defined below), who complies with the requirement as referred to in paragraph 2.1(2) below) receives payments of interest on the Bonds through certain Japanese payment handling agents (each a "Japanese Payment Handling Agent"), income tax at the rate of 15.315 per cent. of the amount of such interest will be withheld by the Japanese Payment Handling Agent rather than by the Metropolis. As the Metropolis is not in a position to know in advance the recipient's status, the recipient of interest falling within this category should inform the Metropolis through the Paying Agent of its status in a timely manner. Failure to so inform may result in double withholding.

(2) If the recipient of interest on the Bonds is a Japanese public corporation or a Japanese public-interest corporation designated by the relevant law (*koukyohojin tou*) (each, a "Public Corporation") or a Japanese bank, a Japanese insurance company, a Japanese financial instruments business operator or other Japanese financial institution falling under certain categories prescribed by the relevant Cabinet Order under Article 3-3, paragraph (6) of the Act on Special Measures Concerning Taxation (each, a "Specified Financial Institution") that keeps its Bonds deposited with, and receives the interest through, a Japanese Payment Handling Agent with custody of the Bonds (the "Japanese Custodian") and such recipient submits through such Japanese Custodian to the competent tax authority the report prescribed by the Law, no withholding tax is levied on such interest. However, since the Metropolis is not in a position to know in advance the recipient's such tax exemption status, the recipient of interest falling within this category should inform the Metropolis through the Paying Agent of its status in a timely manner. Failure to so notify the Metropolis may result in the withholding by the Metropolis of a 15.315 per cent. income tax.

(3) If an individual resident of Japan or a Japanese corporation (except for a Designated Financial Institution which complies with the requirements described in paragraph 2.1(4) below) receives interest on the Bonds not through a Japanese Payment Handling Agent, income tax at the rate of 15.315 per cent. of the amount of such interest will be withheld by the Metropolis.

(4) If a Japanese bank, a Japanese insurance company, a Japanese financial instruments business operator or other Japanese financial institution falling under certain categories prescribed by the Cabinet Order under Article 6, paragraph (11) of the Act on Special Measures Concerning Taxation (each, a "Designated Financial Institution") receives interest on the Bonds not through a Japanese Payment Handling Agent and the requirements concerning the Interest Recipient Information and the Interest Recipient Confirmation or the Written Application for Tax Exemption as referred to in paragraph 1.1(1) above are complied with, no withholding tax will be imposed.

2.2 Redemption Gain

If the recipient of the Redemption Gain is an individual resident of Japan or a Japanese corporation, such Redemption Gain will not be subject to any withholding tax.

3. Special Additional Tax for Reconstruction from the Great East Japan Earthquake

Due to the imposition of a special additional withholding tax of 0.315 per cent. (or 2.1 per cent. of 15 per cent.) to secure funds for reconstruction from the Great East Japan Earthquake, the withholding tax rate has been effectively increased to 15.315 per cent. during the period beginning on 1st January, 2013 and ending on 31st December, 2037. On or after 1st January, 2038, the withholding tax rate will be 15 per cent., where the foregoing references to the withholding tax rate of 15.315 per cent. shall read 15 per cent. There is also special additional tax imposed upon regular income tax, as referred to in the foregoing descriptions, for the period mentioned above.

CLEARANCE AND SETTLEMENT

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the "Clearing Systems") currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Metropolis believes to be reliable, but neither the Metropolis nor the Joint Lead Managers takes any responsibility for the accuracy of this section. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Metropolis and any other party to the Fiscal Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Bonds held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Clearing Systems

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Registration and Form

Book entry interests in the Bonds held through Euroclear and Clearstream, Luxembourg will be evidenced by the Global Certificate registered in the name of a nominee of, and held by, a common depositary for Euroclear and Clearstream, Luxembourg. As necessary, the Registrar will adjust the amounts of Bonds on the Register for the accounts of Euroclear and Clearstream, Luxembourg to reflect the amounts of Bonds held through Euroclear and Clearstream, Luxembourg. Beneficial ownership of book entry interests in Bonds will be held through financial institutions as direct and indirect participants in Euroclear and Clearstream, Luxembourg.

The aggregate holdings of book entry interests in the Bonds in Euroclear and Clearstream, Luxembourg will be reflected in the book entry accounts of each such institution. Euroclear or Clearstream, Luxembourg, as the case may be, and every other intermediate holder in the chain to the beneficial owner of book entry interests in the Bonds will be responsible for establishing and maintaining accounts for their participants and customers having interests in the book entry interests in the Bonds. The Registrar will be responsible for maintaining a record of the aggregate holdings of Bonds registered in the name of a common nominee for Euroclear and Clearstream, Luxembourg and/or, if individual Certificates are issued in the limited circumstances described in the Global Certificate, holders of Bonds evidenced by those Definitive Certificates. The Fiscal Agent will be responsible for ensuring that payments received by it from the Metropolis for holders of book entry interests in the Bonds holding through Euroclear and Clearstream, Luxembourg are credited to Euroclear or Clearstream, Luxembourg, as the case may be.

The Metropolis will not impose any fees in respect of holding the Bonds; however, holders of book-entry interests in the Bonds may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear or Clearstream, Luxembourg.

Clearing and Settlement Procedures

Initial Settlement

Upon their original issue, the Bonds will be in global form represented by the Global Certificate. Interests in the Bonds will be in uncertified book entry form. Purchasers holding book entry interests in the Bonds through Euroclear and Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional Eurobonds. Book entry interests in the Bonds will be credited to Euroclear and Clearstream, Luxembourg participants' securities clearance accounts on the business day following the Closing Date against payment (value the Closing Date).

Secondary Market Trading

Secondary market trades in the Bonds will be settled by transfer of title to book entry interests in the Clearing Systems. Title to such book entry interests will pass by registration of the transfer within the records of Euroclear or Clearstream, Luxembourg, as the case may be, in accordance with their respective procedures. Book entry interests in the Bonds may be transferred within Euroclear and within Clearstream, Luxembourg and between Euroclear and Clearstream, Luxembourg in accordance with procedures established for these purposes by Euroclear and Clearstream, Luxembourg.

General

Neither Euroclear nor Clearstream, Luxembourg is under any obligation to perform or continue to perform the procedures referred to above, and such procedures may be discontinued at any time.

None of the Metropolis or any of their agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their respective participants of their respective obligations under the rules and procedures governing their operations or the arrangements referred to above.

SUBSCRIPTION AND SALE

Barclays Bank PLC, Merrill Lynch International, Crédit Agricole Corporate and Investment Bank and Citigroup Global Markets Limited (together, the "Joint Lead Managers") have, pursuant to a subscription agreement dated 16th October, 2025 (the "Subscription Agreement"), agreed with the Metropolis, subject to the satisfaction of certain conditions, severally but not jointly, to purchase the aggregate principal amount of the Bonds as indicated in the table below at the issue price of 99.769 per cent. of their principal amount (the "Issue Price"):

Joint Lead Managers	Aggregate Principal Amount of the Bonds
Barclays Bank PLC	EUR84,000,000
Merrill Lynch International	EUR72,000,000
Crédit Agricole Corporate and Investment Bank	EUR72,000,000
Citigroup Global Markets Limited	EUR72,000,000
Total	EUR300,000,000

The Metropolis has agreed to pay to the Joint Lead Managers a total combined management and underwriting commission and selling concession of 0.125 per cent. of the principal amount of the Bonds. In addition, the Metropolis has agreed to reimburse the Joint Lead Managers for certain expenses in connection with the issue of the Bonds. The Subscription Agreement entitles the Joint Lead Managers to terminate it in certain circumstances prior to payment being made to the Metropolis.

Save as discussed above, so far as the Metropolis is aware, no person involved in the offer of the Bonds has an interest material to the Bonds.

Selling Restrictions

United States of America

The Bonds have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. The Bonds are being offered or sold outside the United States to non-U.S. persons in offshore transactions in reliance on Regulation S, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Each Joint Lead Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver Bonds, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Bonds, within the United States or to, or for the account or benefit of, U.S. persons, and such Joint Lead Manager will have sent to each dealer to which it sells Bonds during the distribution compliance period relating thereto, a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of Bonds, any offer or sale of Bonds within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom

Each Joint Lead Manager has agreed that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Metropolis; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Japan

The Bonds are exempt from the requirement for registration under the Financial Instruments and Exchange Act and are subject to the Act on Special Measures Concerning Taxation. Each Joint Lead Manager has represented and agreed that it has not offered or sold, and will not offer or sell as part of its primary distribution (*boshu*) at any time, any Bonds to, or for the benefit of, any person other than:

(i) a beneficial owner that is, for Japanese tax purposes, neither:

(x) an individual resident of Japan or a Japanese corporation; nor

(y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a Specially-Related Party of the Metropolis (that is, currently, in general terms, a party who is directly or indirectly controlled by the Metropolis) as described in Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation; or

(ii) a beneficial owner that is a Japanese financial institution, designated in Article 6, paragraph (11) of the Act on Special Measures Concerning Taxation.

Hong Kong

Each Joint Lead Manager has represented and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO") and any rules made under the SFO, or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "C(WUMP)O") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

Each Joint Lead Manager has acknowledged that this Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Joint Lead Manager has represented, warranted and agreed that it has not offered or sold the Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Bonds or cause the Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

General

Some of the Joint Lead Managers and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with the Metropolis. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Joint Lead Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Metropolis. Certain of the Joint Lead Managers and their affiliates that have a lending relationship with the Metropolis routinely hedge their credit exposure to the Metropolis consistent with their customary risk management policies. Typically, such Joint Lead Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Metropolis' securities, including potentially the Bonds. Any such short positions could adversely affect future trading prices of the Bonds. The Joint Lead Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

OFFICIAL STATEMENTS

The Metropolis has included the information in this Offering Circular (including but not limited to the financial statements in pages A-3 to A-54 (both inclusive)), whose source is identified as a publication of the Metropolis, Japan or one of their respective agencies or instrumentalities in reliance on the authority of the publication as a public official document. All other information that the Metropolis has provided in this Offering Circular under the captions "Presentation of Financial Information", "Risk Factors", "The Metropolis of Tokyo" and "General Information" have been supplied by the Metropolis on the authority of public officials of the Metropolis.

GENERAL INFORMATION

1. The issue of the Bonds was duly authorised by the Governor on 10th September, 2025.

2. The Bonds have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium. The address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg. The ISIN for the Bonds is XS3211770428 and the Common Code for the Bonds is 321177042.

3. The listing of the Bonds on the Official List will be expressed in Euro as a percentage of their principal amount (excluding accrued interest). It is expected that the admission of the Bonds to the Official List and admission of the Bonds to trading on the Main Market and the SBM will be granted on 27th October, 2025 (to take effect on 29th October, 2025). Prior to its official listing, dealings will be permitted by the London Stock Exchange in accordance with its rules. The total expenses related to the admission of trading are estimated to be EUR10,000. If, despite the reasonable endeavours of the Metropolis once listing has been obtained, maintaining a listing of the Bonds on the Official List is impossible, impracticable or unduly onerous, the Metropolis may apply for a de-listing of the Bonds from the Official List and will use its reasonable endeavours to obtain and maintain a listing of the Bonds on another leading stock exchange for the listing of equivalent securities.

4. It is expected that the listing of the Bonds on the TOKYO PRO-BOND Market will take effect on 29th October, 2025. The listing of the Bonds on the TOKYO PRO-BOND Market is expected to take effect as an issue under a bond issuance programme of the Metropolis listed on such market. There are no expenses related to the listing of such programme on the TOKYO PRO-BOND Market. If maintaining a listing of the Bonds on the TOKYO PRO-BOND Market is impossible, impracticable or unduly onerous, the Metropolis may stop making efforts to continue the listing of the Bonds on the TOKYO PRO-BOND Market.

   TOKYO PRO-BOND Market is a market principally for professional investors and bonds listed on the market ("TOKYO PRO-BOND Market Listed Bonds") may involve high investment risk. Investors should act with responsibility and be aware of the listing qualification, timely disclosure requirements that apply to issuers of TOKYO PRO-BOND Market Listed Bonds and associated risks such as the fluctuation in market prices. Prospective investors should make an investment judgment only after having carefully considered the contents of this Offering Circular.

   The Tokyo Stock Exchange does not make any representations or warranties with regard to any part of this Offering Circular (including, but not limited to, whether this Offering Circular (a) contains a false statement on important matters or (b) lacks a statement on: (i) important matters that should be stated or (ii) a material fact that is necessary for avoiding misunderstanding) and will not be liable to any damages for any other liabilities.

5. So long as any of the Bonds remain outstanding copies of the Fiscal Agency Agreement, incorporating the forms of the Certificates and the Deed of Covenant will be available for inspection during usual business hours (except Saturdays, Sundays and legal holidays) at the specified office of the Fiscal Agent.

6. There are no, and have not been, any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Metropolis is aware) during the 12 months preceding the date of this Offering Circular which may have or have had in the recent past significant effects on the financial position of the Metropolis.

7. The yield on the Bonds is 2.675 per cent. per annum. The yield is calculated at the issue date of the Bonds on the basis of the Issue Price. It is not an indication of future yield.

8. The Global Certificate and any Definitive Certificates will bear the following legend:

   "Interest payments on this security will generally be subject to Japanese withholding tax unless it is established that the security is held by or for the account of a beneficial owner that is (i) for Japanese tax purposes, neither (x) an individual resident of Japan or a Japanese corporation, nor (y) an individual non-resident of Japan or a non-Japanese corporation that in either case is a person having a special relationship with the Metropolis as described in Article 6, paragraph (4) of the Act on Special Measures Concerning Taxation of Japan (a "Specially-Related Party of the Metropolis"), (ii) a Japanese designated financial institution described in Article 6, paragraph (11) of the Act on Special Measures Concerning Taxation of

Japan which complies with the requirement for tax exemption under that paragraph, or (iii) a Japanese public corporation, a Japanese financial institution or a Japanese financial instruments business operator described in Article 3-3, paragraph (6) of the Act on Special Measures Concerning Taxation of Japan which complies with the requirement for tax exemption under that paragraph.

Interest payments on this security to an individual resident of Japan, to a Japanese corporation (except as described in the preceding paragraph), or to an individual non-resident of Japan or a non-Japanese corporation that in either case is a Specially-Related Party of the Metropolis will be subject to deduction in respect of Japanese income tax at a rate of currently 15.315 per cent. of the amount of such interest."

9. Where information has been sourced from the publication of a party other than the Metropolis, the source of such information has been identified at their respective occurrences within this Offering Circular, and such information has been accurately reproduced and, as far as the Metropolis is aware and is able to ascertain from the information published by that party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

10. The Legal Entity Identifier (LEI) code of the Metropolis is 353800FABE4GGB1BMO18.

ANNEX A – METROPOLIS ACCOUNTING STANDARD FINANCIAL STATEMENTS

Fiscal Year 2023

Ⅱ. COMBINED FINANCIAL STATEMENTS (for General and All Special Accounts)

1. Combined Balance Sheet

(As of March 31, 2024)

Description of accounts	Amount (yen)	Description of accounts	Amount (yen)
ASSETS		LIABILITIES	
I Current Assets	1,825,947,983,555	I Current Liabilities	489,161,288,698
Cash and deposits	609,818,477,830	Accounts refundable	7,407,890,615
Unpaid overdue accounts	95,883,608,214	Metropolitan debt	358,390,962,408
Allowance for loss on unpaid receivables	△ 3,602,335,105	Short-term borrowings	1,500,000
Funds and financial reserves	936,452,641,747	Borrowings from other accounts	0
Adjusted fund for public finance	632,240,775,747	Borrowings from funds	0
Sinking fund	304,211,866,000	Other short-term borrowings	1,500,000
Short-term loans	188,126,485,445	Lease liabilities	0
Allowance for loss on bad loans	△ 730,894,576	Accounts payable	0
Other current assets	0	Deferred payments	0
II Fixed Assets	34,957,371,876,416	Unpaid guarantee obligations	0
1 Administrative property	8,087,836,795,971	Other accounts payable	0
1 Tangible fixed assets	8,082,347,440,506	Allowance for bonuses	123,360,935,675
Buildings	2,323,685,916,766	Other current liabilities	0
Structures	284,451,568,202	II Fixed Liabilities	5,924,120,241,203
Trees and forests	791,513,417	Metropolitan debt	4,908,069,461,787
Ships	3,739,623,685	Long-term borrowings	371,446,970
Aircraft	2,050,508,387	Borrowings from other accounts	0
Floating piers, etc.	2,420,819,999	Borrowing from funds	0
Land	5,465,207,490,050	Other long-term borrowings	371,446,970
2 Intangible fixed assets	5,489,355,465	Lease liabilities	0
Land-use rights	5,489,355,465	Allowance for retirement benefits	978,697,647,511
Other intangible fixed assets	0	Other allowances	0
2 Ordinary property	1,434,272,855,636	Other fixed liabilities	36,981,684,935
1 Tangible fixed assets	1,421,471,090,605	Security deposits	16,981,684,935
Buildings	299,398,006,145	Other fixed liabilities	20,000,000,000
Structures	39,430,092,907		
Trees and forests	93,184,453		
Ships	4		
Aircraft	0		
Floating piers, etc	3,827,043		
Land	1,082,545,980,053		
2 Intangible fixed assets	12,801,765,031		
Land-use rights	396,980,787		
Other intangible fixed assets	12,404,784,244		
3 Movable properties	74,664,800,778		
4 Infrastructure assets	15,113,816,349,524		
1 Tangible fixed assets	15,098,900,095,291		
Buildings	47,609,166,055		
Structures	2,032,584,883,619		
Floating piers, etc.	1,109,329,140		
Land	13,017,596,716,477	TOTAL LIABILITIES	6,413,281,529,901
2 Intangible fixed assets	14,916,254,233		
Land-use rights	14,916,254,233	NET ASSETS	
Other intangible fixed assets	0	Net assets,	30,370,038,330,070
5 Software	9,036,047,109	including net increase(or decrease) for the period	564,646,602,984
6 Lease assets	0		
7 Construction in progress	1,489,644,225,435		
8 Software in progress	26,056,762,715		
9 Investments and other assets	8,722,044,039,248		
Securities	238,991,822,967		
Investments in capital	1,253,685,840,044		
Allowance for investment loss	0		
Investments in public enterprise accounts	2,241,550,711,478		
Long-term loans	1,302,586,352,508		
Allowance for loss on bad loans	△ 1,214,943,484		
Other long-term debts	8,042,934,459		
Funds and financial reserves	3,478,609,510,136		
Sinking fund	1,189,402,530,160		
Special purpose fund	1,971,002,896,121		
Managed fixed amount financial reserve	318,204,083,855	TOTAL NET ASSETS	30,370,038,330,070
Other investments	199,791,811,140		
TOTAL ASSETS	36,783,319,859,971	TOTAL LIABILITIES AND NET ASSETS	36,783,319,859,971

2. Combined Statement of Operating Costs

From April 1, 2023
To March 31, 2024

Description of accounts	Amount (yen)
ORDINARY REVENUE AND EXPENSES	
I Operating Revenue and Expenses	531,577,738,136
1 Operating revenue	10,157,642,571,854
Metropolitan taxes	5,594,428,480,905
Local consumption tax (before settlement)	2,344,448,337,740
Local transfer taxes	64,088,254,889
Special local government grants	7,079,378,000
Subsidy for municipalities which locate national facilities	43,162,000
Revenue from other tax sources	8,177,657
National treasury disbursements	916,857,842,106
Traffic safety special grants	2,540,471,000
Receipt from operations (Special Accounts)	520,410,256
Charges and contributions	473,688,089,004
Rents and fees	145,533,941,614
Revenue from property	24,302,398,166
Revenue from commissioned projects	55,249,026,734
Revenue from other business and sales	507,383,955,611
Donations	191,888,461
Transfer from other accounts	7,475,831,593
Other operating revenue	13,802,926,118
2 Operating expenses	9,626,064,833,718
Tax-related subsidies	1,703,264,786,679
Salary and wages	1,411,730,828,391
Service and supplies	458,807,792,941
Maintenance and repairs	112,821,003,490
Social welfare	274,921,127,708
Local consumption tax settlement	1,600,243,194,041
Financial assistance for non-capital investment	2,922,699,614,223
Portion of subsidies (with state aids) granted for capital investment but used for non-capital expenses	76,065,844,620
Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	334,186,862,937
Financial assistance for capital investment (initiated/owned by the national government)	33,975,212,680
Non-capital investment	110,793,083,074
Subsidies to other accounts	153,323,898,267
Depreciation and amortization	226,270,627,081
Provision for guaranteed obligations	0
Provision for allowance for loss on unpaid receivables	3,221,344,399
Provision for allowance for loss on bad loans	0
Provision for allowance for bonuses	123,360,935,675
Provision for allowance for retirement benefits	80,026,790,071
Provision for other allowances	0
Other operating expenses	351,887,441
II Financial Revenue and Expenses	△ 28,903,373,995
1 Financial revenue	14,530,401,926
Interest and dividend	14,530,401,926
2 Financial expenses	43,433,775,921
Interest on Metropolitan debt	41,850,590,806
Debt issuing expenses	1,388,637,776
Discount on debt issuance	186,594,852
Interest on borrowing from other accounts, etc.	7,952,487
Surplus from ordinary activities	502,674,364,141
EXTRAORDINARY GAINS AND LOSSES	△ 14,297,766,086
1 Extraordinary gains	29,707,009,043
Gain on sales of fixed assets	5,858,273,485
Other extraordinary gains	23,848,735,558
2 Extraordinary losses	44,004,775,129
Loss on sales of fixed assets	702,032,987
Loss on disposal of fixed assets	8,912,358,113
Disaster restoration	1,376,442,092
Loss on unpaid receivables	1,370,748,756
Loss on bad loans	18,983,464
Other extraordinary losses	31,624,209,717
Net surplus for the period	488,376,598,055

3. Combined Cash Flow Statement

From April 1, 2023
To March 31, 2024

Description of accounts	Amount (yen)
I Cash Flows from Operating Activities (administration services)	
Tax and dues	8,016,480,371,239
Metropolitan taxes	5,600,813,060,953
Local consumption tax (before settlement)	2,344,448,337,740
Local transfer taxes	64,088,254,889
Special local government grants	7,079,378,000
Subsidy for municipalities which locate national facilities	43,162,000
Revenue from other tax sources	8,177,657
National treasury disbursements	900,852,888,567
National treasury disbursements	898,312,417,567
Traffic safety special grants	2,540,471,000
Other proceeds from operating activities	1,220,998,969,208
Receipts from operations (Special Accounts)	522,929,581
Charges and contributions	473,594,487,823
Rents and fees	145,315,364,664
Revenue from property	24,304,969,867
Revenue from commissioned projects	55,249,035,060
Revenue from other business and sales	497,033,793,278
Donations	191,888,461
Transfer from other accounts	24,786,500,474
Financial revenue	14,530,401,926
Interest and dividend	14,530,401,926
Tax-related subsidies	1,703,264,786,679
Tax-related subsidies	1,703,264,786,679
Payments for operating activities	7,545,240,644,353
Salary and wages	1,574,748,736,863
Service and supplies	458,924,151,261
Maintenance and repairs	112,821,003,490
Social welfare	274,921,127,708
Local consumption tax settlement	1,600,243,194,041
Financial assistance for non-capital investment	2,926,191,895,530
Portion of subsidies (with state aids) granted for capital investment but used for non-capital expenses	76,065,844,620
Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	334,025,579,893
Financial assistance for capital investment (initiated/owned by the national government)	33,975,212,680
Subsidies to other accounts	153,323,898,267
Financial expenses	60,557,849,950
Interest and commission on Metropolitan debt	60,549,897,463
Interest on borrowing from other accounts, etc.	7,952,487
Extraordinary payments	1,376,442,092
Disaster restoration	1,376,442,092
Net cash flows provided by operating activities	842,422,907,866

Description of accounts	Amount (yen)
II Cash Flows from Investing Activities (i.e. Infrastructure Development)	
National treasury disbursements	55,341,521,390
National treasury disbursements	52,272,314,040
Charges and contributions	2,633,962,196
Transfer from other accounts, etc.	435,245,154
Proceeds from property	14,824,846,309
Proceeds from sales of property	14,824,846,309
Transfer from funds and financial reserves	544,820,464,395
Adjusted fund for public finance	66,276,794,000
Sinking fund	333,485,683,000
Special purpose fund	145,057,987,395
Managed fixed amount financial reserve	0
Collection of loans, etc.	328,431,967,413
Proceeds from security deposits	894,769,437
Payments for development of infrastructure	331,892,345,436
Service and supplies	25,546,846,596
Financial assistance for non-capital investment	125,644,205
Portion of subsidies (with state aids) granted for capital investment but used for non-capital expenses	94,742,645,495
Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	211,477,209,140
Transfer to funds and financial reserves	726,836,929,698
Adjusted fund for public finance	48,753,100,796
Sinking fund	284,454,877,000
Special purpose fund	392,418,639,311
Managed fixed amount financial reserve	1,210,312,591
Loans and capital investments, etc.	563,877,370,618
Investments in capital	239,384,243,177
Subsidies to other accounts	38,739,504,184
Loans	285,753,623,257
Payments for security deposits	823,011,411
Net cash flows used in investing activities	△ 679,116,088,219
Net cash flows provided by operating and investing activities	163,306,819,647
III Cash Flows from Financing Activities	
Proceeds from financing activities	593,989,201,189
Metropolitan debt	384,774,917,149
Borrowing from other accounts, etc.	0
Borrowings from funds	0
Transfer from other accounts	209,214,284,040
Payments for financing activities	756,861,965,700
Redemption of Metropolitan debt (debt principal)	756,690,205,951
Repayment of borrowing to other accounts	171,759,749
Repayment of borrowing to funds	0
Net cash flows used in financing activities	△ 162,872,764,511
Net increase in cash for the period	434,055,136
Cash at the beginning of period	609,384,422,694
Cash at the end of period	609,818,477,830

4. Combined Statement of Changes in Net Assets

From April 1, 2023
To March 31, 2024

(yen)

	Opening balance	National treasury disbursements	Contributions, transfer from other accounts, etc. for capital investment	Assessed value of donated property	Transfer to other municipalities	Inter-account transactions	Other surplus	TOTAL
Balance at the beginning of period	19,023,423,532,668	1,686,897,789,196	115,713,622,622	726,588,097,871	△ 170,542,426,345	0	8,423,311,111,074	29,805,391,727,086
Net change for the period		52,146,669,835	3,169,054,717	28,011,547,879	△ 7,057,267,502	0	488,376,598,055	564,646,602,984
Increase (decrease) of fixed assets, etc.		52,146,669,835	3,169,054,717	28,011,547,879	△ 7,057,267,502	△ 12,760,813,823		63,509,191,106
Increase (decrease) of Metropolitan debt						△ 4,989,825,935		△ 4,989,825,935
Other inter-account transactions						17,750,639,758		17,750,639,758
Net surplus for the period							488,376,598,055	488,376,598,055
Balance at the end of period	19,023,423,532,668	1,739,044,459,031	118,882,677,339	754,599,645,750	△ 177,599,693,847	0	8,911,687,709,129	30,370,038,330,070

5. Supporting Schedule

(1) Tangible and Intangible Fixed Assets

(yen)

Asset Description	Balance at the beginning of period	Net increase (decrease) for the period	Balance at the end of period	Accumulated depreciation at the end of period	Depreciation and amortization for the period	Net book value at the end of period
TANGIBLE FIXED ASSETS	31,559,608,018,790	308,145,214,588	31,867,753,233,378	5,700,725,580,763	224,154,997,760	26,167,027,652,615
Administrative Property(used solely for public administration purposes)	11,540,905,481,022	106,889,843,783	11,647,795,324,805	3,565,447,884,299	137,619,237,186	8,082,347,440,506
Buildings	5,327,109,508,115	57,991,935,096	5,385,101,443,211	3,061,415,526,445	116,783,237,802	2,323,685,916,766
Structures	734,293,983,401	16,405,783,677	750,699,767,078	466,248,198,876	18,488,798,972	284,451,568,202
Trees and forests	792,212,875	△ 699,458	791,513,417	0	0	791,513,417
Ships	17,053,949,201	0	17,053,949,201	13,314,325,516	702,029,142	3,739,623,685
Aircraft	24,838,371,369	0	24,838,371,369	22,787,862,982	1,473,056,252	2,050,508,387
Floating piers, etc.	4,683,796,037	△ 581,005,558	4,102,790,479	1,681,970,480	172,115,018	2,420,819,999
Land	5,432,133,660,024	33,073,830,026	5,465,207,490,050	0	0	5,465,207,490,050
Ordinary Property	1,928,352,777,592	23,506,765,361	1,951,859,542,953	530,388,452,348	22,140,462,020	1,421,471,090,605
Buildings	712,045,475,458	5,831,343,307	717,876,818,765	418,478,812,620	19,844,753,289	299,398,006,145
Structures	125,744,243,056	22,503,439,030	148,247,682,086	108,817,589,179	2,294,948,228	39,430,092,907
Trees and forests	984,801	92,199,652	93,184,453	0	0	93,184,453
Ships	894,700,000	0	894,700,000	894,699,996	0	4
Aircraft	0	0	0	0	0	0
Floating piers, etc.	2,201,177,596	0	2,201,177,596	2,197,350,553	760,503	3,827,043
Land	1,087,466,196,681	△ 4,920,216,628	1,082,545,980,053	0	0	1,082,545,980,053
Movable Properties (valued at 1,000,000 or greater)	231,426,441,868	3,697,571,141	235,124,013,009	160,459,212,231	12,638,333,075	74,664,800,778
Infrastructure Assets	16,427,835,922,328	115,494,204,848	16,543,330,127,176	1,444,430,031,885	51,700,881,664	15,098,900,095,291
Buildings	124,345,208,096	5,015,408,380	129,360,616,476	81,751,450,421	3,819,806,962	47,609,166,055
Structures	3,332,169,592,720	60,153,268,954	3,392,322,861,674	1,359,737,978,055	47,798,971,027	2,032,584,883,619
Floating piers, etc.	3,306,421,775	743,510,774	4,049,932,549	2,940,603,409	82,103,675	1,109,329,140
Land	12,968,014,699,737	49,582,016,740	13,017,596,716,477	0	0	13,017,596,716,477
Lease assets	2,131,185,000	△ 2,131,185,000	0	0	56,083,815	0
Construction in progress	1,428,956,210,980	60,688,014,455	1,489,644,225,435	0	0	1,489,644,225,435
INTANGIBLE FIXED ASSETS	51,834,571,762	23,048,035,377	74,882,607,139	6,582,422,586	2,115,629,321	68,300,184,553
Administrative Property(used solely for public administration purposes)	5,489,355,465	0	5,489,355,465	0	0	5,489,355,465
Land-use rights	5,489,355,465	0	5,489,355,465	0	0	5,489,355,465
Other intangible fixed assets	0	0	0	0	0	0
Ordinary Property	12,592,574,627	209,190,404	12,801,765,031	0	0	12,801,765,031
Land-use rights	372,941,000	24,039,787	396,980,787	0	0	396,980,787
Other intangible fixed assets	12,219,633,627	185,150,617	12,404,784,244	0	0	12,404,784,244
Infrastructure Assets	14,878,885,886	37,368,347	14,916,254,233	0	0	14,916,254,233
Land-use rights	14,878,885,886	37,368,347	14,916,254,233	0	0	14,916,254,233
Other intangible fixed assets	0	0	0	0	0	0
Software	10,468,146,605	5,150,323,090	15,618,469,695	6,582,422,586	2,115,629,321	9,036,047,109
Software in progress	8,405,609,179	17,651,153,536	26,056,762,715	0	0	26,056,762,715
TOTAL	31,611,442,590,552	331,193,249,965	31,942,635,840,517	5,707,308,003,349	226,270,627,081	26,235,327,837,168

(2) Allowance

(yen)

Category	Balance at the beginning of period	Increase for the period	Decrease for the period		Balance at the end of period
			Application of allowance	Others	
Allowance for loss on unpaid receivables	3,810,955,813	3,294,664,415	3,429,965,107	73,320,016	3,602,335,105
Allowance for loss on bad loans	2,224,593,634	120,274,609	157,742,334	241,287,849	1,945,838,060
Allowance for investment loss	13,673,615,031	0	0	13,673,615,031	0
Allowance for bonuses	115,471,770,812	123,360,935,675	115,471,770,812	0	123,360,935,675
Allowance for retirement benefits	946,151,918,000	80,026,790,071	47,481,060,560	0	978,697,647,511
TOTAL	1,081,332,853,290	206,802,664,770	166,540,538,813	13,988,222,896	1,107,606,756,351

6. Notes to the Financial Statements

Fiscal Year 2022 From April 1, 2022 To March 31, 2023	Fiscal Year 2023 From April 1, 2023 To March 31, 2024
1. Significant Accounting Policies (1) Method of Depreciation for Tangible Fixed Assets a) Administrative property, ordinary property, lease assets and infrastructure assets For tangible fixed assets listed under administrative properties, ordinary properties, and lease assets, depreciation is based on the straight-line depreciation method in accordance with the useful life criteria set forth in the "Administrative Guidelines for the Registry of Public Property owned by the Tokyo Metropolitan Government." For tangible fixed assets listed under infrastructure assets, depreciation is based on the straight-line depreciation method in accordance with the useful life criteria set forth in the "Administrative Guidelines for the Registry of Public Property owned by the Tokyo Metropolitan Government" and the "Bureau of Construction Standards for Infrastructure Asset Management." However, in the case of road pavement, for example, the replacement cost method is adopted, and the cost for partial replacement, i.e. the paving cost, is solely expensed. b) Movable properties (valued at ¥1,000,000 or greater) Movable properties are depreciated based on the straight-line depreciation method in accordance with the useful life criteria set forth in the "Useful Life Standards for Movable Properties".	**1. Significant Accounting Policies** (1) Method of Depreciation for Tangible Fixed Assets a) Administrative property, ordinary property, lease assets and infrastructure assets See left b) Movable properties (valued at ¥1,000,000 or greater) See left
(2) Method of Amortization for Intangible Fixed Assets a) Superficies, easement, patents, copyrights, etc. are not amortized. b) Software is amortized through the straight-line method, with a useful life of 5 years and residual value of zero.	(2) Method of Amortization for Intangible Fixed Assets a) Superficies, easement, patents, copyrights, etc. See left b) Software See left
(3) Method and Criterion for Evaluating Securities and Investments in Capital Securities and investments in capital are the	(3) Method and Criterion for Evaluating Securities and Investments in Capital

Fiscal Year 2022 From April 1, 2022 To March 31, 2023	Fiscal Year 2023 From April 1, 2023 To March 31, 2024
capital and shares of Policy Collaboration Organizations, etc. held by the Tokyo Metropolitan Government and are booked according to their acquisition costs. When the market or real value of the investment has declined significantly, the devalued price shall replace the carrying book value.	See left
(4) Criterion for Booking Allowance Provisions a) Allowance for loss on unpaid receivables A portion of unpaid overdue accounts attributable to nonpayment of metropolitan taxes, rents, and such, might become irrecoverable due to the expiration of the prescription period or other causes. Thus, an allowance for losses on unpaid receivables is provided for by multiplying the percentage of credit loss - a percentage derived by the recent collection status of said accounts, the financial condition of the debtor(s), the actual amount of credit loss during the past 3 years, and such - by the balance of the said receivables at the end of the fiscal year. If a more practical method of calculation exists for individual credit situations, that method is used to book allowance for losses. b) Allowance for loss on bad loans A portion of existing loans might become irrecoverable if a reduction or exemption of repayment is granted. Thus, an allowance for losses on bad loans is provided for by multiplying the percentage of credit loss - a percentage derived by the recent collection status of said loans, the financial condition of the borrower(s), the actual amount of write-down during the past 3 years, and such - by the balance of loans outstanding at the end of the fiscal year. If a more practical method of calculation exists for individual credit situations, that method is used to book allowance for losses. c) Allowance for investment loss Of securities and investments in capital of organizations that provide administrative services, when the market or real value has	(4) Criterion for Booking Allowance Provisions a) Allowance for loss on unpaid receivables See left b) Allowance for loss on bad loans See left c) Allowance for investment loss See left

Fiscal Year 2022 From April 1, 2022 To March 31, 2023	Fiscal Year 2023 From April 1, 2023 To March 31, 2024
declined to a certain extent from the acquisition value, the difference is booked as allowance for investment loss. If the market or real value recovers, the allowance is reversed. d) Allowance for retirement benefits The allowance for retirement benefits is equivalent to the lump-sum payment due to the employees if all of them voluntarily left their posts at the end of the fiscal year. e) Allowance for bonuses Of bonuses and subsequent statutory welfare expenses to be paid to employees in the following fiscal year, the amount that should be included in this fiscal year is booked as allowance for bonuses.	d) Allowance for retirement benefits See left e) Allowance for bonuses See left
(5) Conversion of assets and liabilities denominated in foreign currency into Japanese yen The Tokyo Metropolitan Government has raised foreign debts in the U.S. and Europe, both of which are covered by swap contracts between the said foreign currency and Japanese yen. Consequently, the debts are booked in their original yen amounts at time of issuance since the principal and debt interest is considered to assume no risk due to currency rate fluctuations.	(5) Conversion of assets and liabilities denominated in foreign currency into Japanese yen See left
(6) Other important matters fundamental to the preparation of financial statements a) Valuation of fixed assets The valuation of public properties, movable properties, infrastructure assets, software and lease assets is based on their acquisition costs. b) Presentation of gross and net amounts in the financial statements In the Combined Accounts, the transfer between accounts, as well as debts and credits are offset and the monetary value is presented on a net basis. In the statement of operating costs, if an allowance is provided and reversed in the same year, the amount of provision for the said allowance (to be posted to operating expenses), and the amount of reversal thereof (to be posted	(6) Other important matters fundamental to the preparation of financial statements a) Valuation of fixed assets The valuation of public properties, movable properties, infrastructure assets and software is based on their acquisition costs. b) Presentation of gross and net amounts in the financial statements See left

Fiscal Year 2022 From April 1, 2022 To March 31, 2023	Fiscal Year 2023 From April 1, 2023 To March 31, 2024
to other operating revenue) are offset and presented on a net basis.	
2. Change of Significant Accounting Policies ————————	**2. Change of Significant Accounting Policies** ————————
3. Significant Subsequent Events ————————	**3. Significant Subsequent Events** ————————

4. Contingent Liabilities

(1) Total amount of commitments by contract authorization involving debt guarantee and compensation for loss, of which the liability is contingent

Category	As of March 31, 2024
	(Yen)
To public corporations, institutions, etc.	41,311,416,000
General Account	41,311,416,000
To others	265,300,021,000
General Account	265,300,021,000
TOTAL	306,611,437,000
General Account	306,611,437,000

5. Additional Information

(1) Two month account adjustment period

Although the financial statements are prepared based upon information as of March 31, 2024, an adjustment period is adopted by the Metropolitan Government in closing its books. This adjustment period is from the end of the fiscal year until the “account closure date” of May 31 as stipulated in Article 235-5 of the Local Autonomy Act. Figures reflecting cash receipts and disbursement and the subsequent fluctuations of assets and liabilities during this period constitute the final fiscal year end figures. (i.e. The accounting period is extended by two months to absorb cash transactions involving debt or credit defined at the end of the fiscal year.)

(2) Cash other than annual revenue and expenditures

Cash other than annual revenue and expenditures (cash in custody that does not fall under the possession of the Tokyo Metropolitan Government as stipulated in Paragraph 3, Article 235-4 of the Local Autonomy Act) is not booked in the financial statements. As of March 31, 2024, cash other than annual revenue and expenditures was 52,481,311,620 yen.

(3) Amounts committed to subsidize interest payments and such in following years

Category		As of March 31, 2024
		(Yen)
Interest subsidies		12,035,990,000
	General Account	12,035,990,000
Others		1,520,866,799,000
	General Account	1,367,156,662,000
	National Health Insurance Account	62,810,000
	Tokyo Metropolitan Hospital Organization Loans and Other Services Account	7,218,874,000
	Metropolitan Public Housing Account	146,428,453,000
TOTAL		1,532,902,789,000
	General Account	1,379,192,652,000
	National Health Insurance Account	62,810,000
	Tokyo Metropolitan Hospital Organization Loans and Other Services Account	7,218,874,000
	Metropolitan Public Housing Account	146,428,453,000

(4) Planned payments for projects brought forward

Category		As of March 31, 2024
		(Yen)
Budget carried over		178,177,179,000
	General Account	169,583,960,000
	Tokyo Metropolitan Hospital Organization Loans and Other Services Account	148,059,000
	Metropolitan Public Housing Account	8,333,985,000
	Land Acquisition Account	83,187,000
	Waterfront Urban Infrastructure Development Project Account	27,988,000
Budget carried over due to unforeseeable events		3,449,690,000
	General Account	3,449,690,000
TOTAL		181,626,869,000
	General Account	173,033,650,000
	Tokyo Metropolitan Hospital Organization Loans and Other Services Account	148,059,000
	Metropolitan Public Housing Account	8,333,985,000
	Land Acquisition Account	83,187,000
	Waterfront Urban Infrastructure Development Project Account	27,988,000

(5) Temporary Borrowing

For a temporary accommodation of funds, 100 billion yen was transferred from the Adjusting Fund for Public Finance on May 31, 2023, and refunded thereto by June 6, 2023. The total amount of interest of these financings was 32,876 yen, and was borne by the General Account.

(6) Other items which are helpful for better understanding the financial statements

a) Provision for allowances and other operating revenue arising from reversal of relevant allowances

In combining accounts, the balance arising from the provision and reversal of an allowance is aggregated and presented on a net basis.

Financial Statement	Account Title (Debit)	Amount	Account Title (Credit)	Amount
		(Yen)		(Yen)
Statement of Operating Costs	Provision for allowance for loss on unpaid receivables	3,008,339	Other operating revenue	6,716,261
	Provision for allowance for loss on bad loans	3,707,922		

b) Transfer between accounts to be offset when combining accounts

Transactions between accounts are summarized as follows.

(The amounts below are offset and balanced out in the combined financial statements.)

Financial Statement	Account Title (Debit)	Amount	Account Title (Credit)	Amount
Balance Sheet		(Yen)	Net assets (Transfer from General Account)	(Yen) 6,202,334,051
Statement of Operating Costs	Transfer to General Account	748,715,088,842	Transfer from General Account	1,318,615,314,303
	Operating expenses - Tax-related subsidies	1,209,548,963,000	Operating revenue - Metropolitan taxes	743,487,363,969
	Operating expenses - Financial assistance for non-capital investment	35,869	Operating revenue - Transfer from other accounts	5,299,353,102
	Operating expenses - Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	69,935,800		
	Operating expenses - Subsidies to other accounts	115,270,341,914		
Balance Sheet/ Statement of Operating Costs TOTAL		2,073,604,365,425		2,073,604,365,425

Financial Statement	Account Title (Payments)	Amount	Account Title (Receipts or Proceeds)	Amount
Cash Flow Statement	Transfer to General Account - Operating Activities	(Yen) 748,716,253,457	Transfer from General Account - Operating Activities	(Yen) 1,359,439,195,498
	Payments for Operating Activities - Tax-related subsidies	1,209,548,963,000	Transfer from General Account - Investing Activities	258,887,966,567
	Payments for Operating Activities - Financial assistance for non-capital investment	35,869	Transfer from General Account - Financing Activities	48,567,815,363
	Payments for Operating Activities - Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	69,935,800	Proceeds from Operating Activities - Metropolitan taxes	743,487,363,969
	Payments for Operating Activities - Subsidies to other accounts	115,356,466,827	Proceeds from Operating Activities - Transfer from other accounts	7,715,845,425
	Payments for Operating Activities - Interest and commission on Metropolitan debt	43,154,684,325	Proceeds from Investing Activities - Transfer from other accounts, etc.	29,576,160,801
	Payments for Investing Activities - Sinking fund	282,260,192,982	Proceeds from financing activities - Transfer from other accounts	11,834,986,748
	Payments for Financing Activities - Redemption of Metropolitan debt (debt principal)	60,402,802,111		
Cash Flow Statement TOTAL		2,459,509,334,371		2,459,509,334,371

c) Inter-Account debts and credits

Inter-Account debts and credits are summarized as follows.

(The amounts below are offset and balanced out in the combined financial statements.)

Account	Asset	Amount	Liability	Amount
Metropolitan Public Housing Account		(Yen)	Current liabilities - Borrowings from other accounts	(Yen) 1,451,400,000
Metropolitan Public Housing Tenants Security Deposit Account	Current Assets - Short-term loans	1,451,400,000		
Metropolitan Public Housing Account			Fixed liabilities - Borrowings from other accounts	7,282,800,000
Metropolitan Public Housing Tenants Security Deposit Account	Fixed Assets - Long-term loans	7,282,800,000		
TOTAL		8,734,200,000		8,734,200,000

6. Other References

(1) Balance Sheet

a) Details of securities, investments and loans

Category	To Tokyo Metropolitan Government Policy Collaboration Organizations	To other organizations	Total
Securities	(Yen) 111,121,408,858	(Yen) 127,870,414,109	(Yen) 238,991,822,967
Investments in capital	475,601,703,908	778,084,136,136	1,253,685,840,044
Loans	309,530,588,229	1,181,182,249,724	1,490,712,837,953

b) Planned redemption of Metropolitan debt and borrowings

Category	Redemption In FY2024	Redemption in and after FY2025	Total
Metropolitan debt	(Yen) 358,390,962,408	(Yen) 4,908,069,461,787	(Yen) 5,266,460,424,195
General Account	319,989,997,998	4,390,072,725,302	4,710,062,723,300
Single Parent Welfare Loan Fund Account	3,695,741,215	21,542,328,903	25,238,070,118
Tokyo Metropolitan Hospital Organization Loans and Other Services Account	4,951,460,066	46,526,983,352	51,478,443,418
Small and Medium Enterprise Facility Installation Fund Account	1,649,047,813	289,445,000	1,938,492,813
Slaughter House Account	15,608,662	4,919,000,000	4,934,608,662
Metropolitan Public Housing Account	28,089,106,654	444,718,979,230	472,808,085,884
Other borrowings	1,500,000	371,446,970	372,946,970
Small and Medium Enterprise Facility Installation Fund Account	1,500,000	371,446,970	372,946,970
TOTAL	358,392,462,408	4,908,440,908,757	5,266,833,371,165
General Account	319,989,997,998	4,390,072,725,302	4,710,062,723,300
Single Parent Welfare Loan Fund Account	3,695,741,215	21,542,328,903	25,238,070,118
Tokyo Metropolitan Hospital Organization Loans and Other Services Account	4,951,460,066	46,526,983,352	51,478,443,418
Small and Medium Enterprise Facility Installation Fund Account	1,650,547,813	660,891,970	2,311,439,783
Slaughter House Account	15,608,662	4,919,000,000	4,934,608,662
Metropolitan Public Housing Account	28,089,106,654	444,718,979,230	472,808,085,884

(2) Statement of Operating Costs

a) Details of revenues and their accounting basis

Account	Description and Accounting Basis
Operating revenue	
Metropolitan taxes	Ordinary taxes (excluding local consumption tax) as defined in the current Local Tax Act, taxes provided for in the former law, special purpose taxes and a special-purpose discretionary tax (namely, accommodation tax provided for in the Tokyo Metropolitan Accommodation Tax Ordinance) are recognized as revenue when they are received and booked accordingly.
Local consumption tax (before settlement)	Local consumption tax is booked upon receipt before its final adjustment among prefectures.
Local transfer taxes	Petroleum gas transfer tax, special tonnage transfer tax, aviation fuel transfer tax, local gasoline transfer tax, forest environment transfer tax, motor vehicle tonnage transfer tax and special corporate enterprise transfer tax are booked as revenue upon receipt.
Special local government grants	(a) Grants provided to compensate for reduced individual inhabitant tax revenue of local governments resulting from special tax deductions such as that for housing loan balances are booked as revenue. (b) Grants provided to compensate for reduced revenue of local governments due to the lowering of an expansion of exceptional measures of fixed assets tax to realize the productivity revolution.
Subsidy for municipalities which locate national facilities	The national government offers a subsidy to municipalities which locate national facilities as alternative financial resource for fixed assets tax. The subsidy is booked as revenue upon receipt.
Revenue from other tax sources	Metropolitan inhabitant tax on interest income after settlement among prefectures and revenues from the collection of delinquent taxes are booked upon receipt.
National treasury disbursements	Disbursements from the national government are booked as revenue when allotted to operating activities.
Traffic safety special grants	Based on the Road Traffic Act, the national government allocates revenues from fines, etc. to local governments as grants to establish road traffic safety facilities and their management. The grants are booked as revenue.
Receipts from operations (Special Accounts)	When the special accounts receive loan interest, premiums or damages for contract breaches, they are booked as revenue.
Charges and Contributions	Incoming public charges and contributions are booked as revenue when they are applied to the operating activities.
Rents and fees	Rents and fees are booked as revenue upon receipt.
Revenue from property	Rents, sales and other revenue from properties are booked as revenue upon receipt.
Revenue from commissioned projects	Revenue from commissioned projects is booked as revenue upon receipt.
Revenue from other business and sales	Revenue from profit-making businesses, proceeds from the sale of movable assets, etc. are booked as revenue upon receipt.

Donations	Donations are booked as revenue upon receipt.
Transfer from other accounts	Money transferred from other accounts is booked as revenue when it is applied to operating activities.
Other operating revenue	Other revenue from operating activities is booked under this title.
Financial revenue	
Interest and dividends	Interest on bank deposits, dividends from stocks and other financial instruments are booked upon receipt.
Extraordinary gains	
Gain on sales of fixed assets	Proceeds (or receivables) from sales of fixed assets (other than securities and investments) are offset with the book value of said assets, and recognized as a gain if the proceeds exceed the book value.
Other extraordinary gains	Gains from the sales of securities and investments, reversal of allowances, prior-year adjustments, etc. are booked under this title.

b) Local consumption tax and local consumption tax settlement

In order to clarify revenue and expenditures related to local consumption tax, in the operating revenue, local taxes are classified as metropolitan taxes and local consumption tax (before settlement), and similarly, in the operating expenses, financial assistance for non-capital investment is described separately as local consumption tax settlement and financial assistance for non-capital investment.

c) Expenses relevant to capital investment

"Expenses for capital investment, with national subsidies", "Expenses for capital investment with no national subsidies," and "Expenses relevant to the nation's government's capital investment" are all accounted for as operating expenses since these costs are not added to the acquisition cost of the fixed assets of the Tokyo Metropolitan Government on account of their nature.

d) Major items under other extraordinary gains and losses

Of the other extraordinary gains, special income from the reestablishment of ownership of land for public facilities associated with the implementation of the land readjustment project revealed a gain of 11,258,029,514 yen and prior-period adjustments revealed a gain of 10,199,379,645 yen. Of the other extraordinary losses, prior-period adjustments revealed a loss of 31,618,675,206 yen.

(3) Cash Flow Statement

The following is a breakdown of the difference between the "net surplus for the period" in the statement of operating costs and "net cash flows provided by operating activities" in the cash flow statement.

	(Yen)
Net surplus for the period in the Statement of Operating Costs	488,376,598,055
Changes in fixed assets	230,026,744,696
Depreciation and amortization	226,270,627,081
Loss (or Gain) on sales of fixed assets	△ 5,156,240,498
Loss on disposals of fixed assets	8,912,358,113
Changes in current assets/liabilities relating to operating activities	△ 21,732,468,855
Decrease (or Increase) of unpaid overdue accounts	△ 24,216,105,798
Increase (or Decrease) of unpaid refunds	2,483,636,943
Other non-cash items	137,976,559,811
Provision for allowance for loss on unpaid receivables	3,221,344,399
Loss on unpaid receivables	1,370,748,756
Loss on bad loans	18,983,464
Provision for allowance for retirement benefits	80,026,790,071
Payments for retirement benefits	△ 5,932,209,408
Other non-cash revenue/expense items	59,270,902,529
Other items	7,775,474,159
Other extraordinary gains	△ 23,848,735,558
Other extraordinary losses	31,624,209,717
Net cash flows provided by operating activities in the Cash Flow Statement	842,422,907,866

(4) Statement of Changes in Net Assets

Transfer of property that had a significant effect on the change in net assets, etc.

Item	Amount
	(Yen)
Transfer due to the abolishment of Industrial Water Supply Business Account	17,690,509,285

Fiscal Year 2022

Ⅱ. COMBINED FINANCIAL STATEMENTS (for General and All Special Accounts)

1. Combined Balance Sheet

(As of March 31, 2023)

Description of accounts	Amount (yen)	Description of accounts	Amount (yen)
ASSETS		LIABILITIES	
I Current Assets	1,891,107,159,195	I Current Liabilities	514,850,186,256
Cash and deposits	609,384,422,694	Accounts refundable	4,924,253,672
Unpaid overdue accounts	71,667,502,416	Metropolitan debt	394,282,198,521
Allowance for loss on unpaid receivables	△ 3,810,955,813	Short-term borrowings	1,500,000
Funds and financial reserves	983,250,151,951	Borrowings from other accounts	0
Adjusted fund for public finance	649,764,468,951	Borrowings from funds	0
Sinking fund	333,485,683,000	Other short-term borrowings	1,500,000
Short-term loans	231,387,868,148	Lease liabilities	170,463,251
Allowance for loss on bad loans	△ 771,830,201	Accounts payable	0
Other current assets	0	Deferred payments	0
II Fixed Assets	34,447,118,491,248	Unpaid guarantee obligations	0
1 Administrative property	8,106,087,559,837	Other accounts payable	0
1 Tangible fixed assets	8,100,598,204,372	Allowance for bonuses	115,471,770,812
Buildings	2,370,237,746,456	Other current liabilities	0
Structures	286,728,883,418	II Fixed Liabilities	6,017,983,737,101
Trees and forests	792,212,875	Metropolitan debt	5,034,692,635,584
Ships	4,441,652,827	Long-term borrowings	372,743,468
Aircraft	3,523,564,639	Borrowings from other accounts	0
Floating piers, etc.	2,740,484,133	Borrowing from funds	0
Land	5,432,133,660,024	Other long-term borrowings	372,743,468
2 Intangible fixed assets	5,489,355,465	Lease liabilities	0
Land-use rights	5,489,355,465	Allowance for retirement benefits	946,151,918,000
Other intangible fixed assets	0	Other allowances	0
2 Ordinary property	1,455,113,370,907	Other fixed liabilities	36,766,440,049
1 Tangible fixed assets	1,442,520,796,280	Security deposits	16,766,440,049
Buildings	313,079,789,920	Other fixed liabilities	20,000,000,000
Structures	41,969,237,328		
Trees and forests	984,801		
Ships	4		
Aircraft	0		
Floating piers, etc	4,587,546		
Land	1,087,466,196,681		
2 Intangible fixed assets	12,592,574,627		
Land-use rights	372,941,000		
Other intangible fixed assets	12,219,633,627		
3 Movable properties	75,988,972,578		
4 Infrastructure assets	15,053,378,731,318		
1 Tangible fixed assets	15,038,499,845,432		
Buildings	47,828,021,487		
Structures	2,022,144,235,857		
Floating piers, etc.	512,888,351		
Land	12,968,014,699,737	TOTAL LIABILITIES	6,532,833,923,357
2 Intangible fixed assets	14,878,885,886		
Land-use rights	14,878,885,886	NET ASSETS	
Other intangible fixed assets	0	Net assets,	29,805,391,727,086
5 Software	6,001,353,340	including net increase(or decrease) for	806,048,334,961
6 Lease assets	1,065,592,515	the period	
7 Construction in progress	1,428,956,210,980		
8 Software in progress	8,405,609,179		
9 Investments and other assets	8,312,121,090,594		
Securities	238,991,822,967		
Investments in capital	1,140,667,441,928		
Allowance for investment loss	△ 13,673,615,031		
Investments in public enterprise accounts	2,202,875,817,757		
Long-term loans	1,286,507,944,019		
Allowance for loss on bad loans	△ 1,452,763,433		
Other long-term debts	8,330,292,844		
Funds and financial reserves	3,250,082,338,403		
Sinking fund	1,209,159,519,160		
Special purpose fund	1,722,685,322,979		
Managed fixed amount financial reserve	318,237,496,264	TOTAL NET ASSETS	29,805,391,727,086
Other investments	199,791,811,140		
TOTAL ASSETS	36,338,225,650,443	TOTAL LIABILITIES AND NET ASSETS	36,338,225,650,443

2. Combined Statement of Operating Costs

From April 1, 2022
To March 31, 2023

Description of accounts	Amount (yen)
ORDINARY REVENUE AND EXPENSES	
I Operating Revenue and Expenses	594,029,807,231
1 Operating revenue	10,497,967,460,821
Metropolitan taxes	5,414,126,584,177
Local consumption tax (before settlement)	2,436,638,115,783
Local transfer taxes	63,788,243,890
Special local government grants	7,790,732,000
Subsidy for municipalities which locate national facilities	43,292,000
Revenue from other tax sources	2,664,400
National treasury disbursements	1,493,585,323,247
Traffic safety special grants	2,700,289,000
Receipt from operations (Special Accounts)	632,212,225
Charges and contributions	451,173,460,610
Rents and fees	145,051,518,836
Revenue from property	18,208,201,929
Revenue from commissioned projects	55,090,032,148
Revenue from other business and sales	404,743,564,633
Donations	155,564,233
Transfer from other accounts	4,065,340,382
Other operating revenue	172,321,328
2 Operating expenses	9,903,937,653,590
Tax-related subsidies	1,633,966,252,844
Salary and wages	1,392,925,693,650
Service and supplies	625,015,597,845
Maintenance and repairs	108,544,631,484
Social welfare	184,816,052,320
Local consumption tax settlement	1,665,921,609,488
Financial assistance for non-capital investment	3,162,094,513,899
Portion of subsidies (with state aids) granted for capital investment but used for non-capital expenses	84,899,280,302
Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	325,359,834,711
Financial assistance for capital investment (initiated/owned by the national government)	29,934,909,616
Non-capital investment	99,927,240,663
Subsidies to other accounts	158,777,217,617
Depreciation and amortization	221,546,336,400
Provision for guaranteed obligations	0
Provision for allowance for loss on unpaid receivables	3,366,685,630
Provision for allowance for loss on bad loans	0
Provision for allowance for bonuses	115,471,770,812
Provision for allowance for retirement benefits	90,175,452,209
Provision for other allowances	0
Other operating expenses	1,194,574,100
II Financial Revenue and Expenses	△ 32,732,655,357
1 Financial revenue	12,566,186,106
Interest and dividend	12,566,186,106
2 Financial expenses	45,298,841,463
Interest on Metropolitan debt	43,558,806,636
Debt issuing expenses	1,676,944,419
Discount on debt issuance	47,964,495
Interest on borrowing from other accounts, etc.	15,125,913
Surplus from ordinary activities	561,297,151,874
EXTRAORDINARY GAINS AND LOSSES	△ 64,219,099,517
1 Extraordinary gains	49,529,325,980
Gain on sales of fixed assets	5,692,661,548
Other extraordinary gains	43,836,664,432
2 Extraordinary losses	113,748,425,497
Loss on sales of fixed assets	67,185,126
Loss on disposal of fixed assets	4,017,511,155
Disaster restoration	1,948,200,872
Loss on unpaid receivables	724,938,919
Loss on bad loans	0
Other extraordinary losses	106,990,589,425
Net surplus for the period	497,078,052,357

3. Combined Cash Flow Statement

From April 1, 2022
To March 31, 2023

Description of accounts	Amount (yen)
I Cash Flows from Operating Activities (administration services)	
Tax and dues	7,924,344,447,603
Metropolitan taxes	5,416,081,399,530
Local consumption tax (before settlement)	2,436,638,115,783
Local transfer taxes	63,788,243,890
Special local government grants	7,790,732,000
Subsidy for municipalities which locate national facilities	43,292,000
Revenue from other tax sources	2,664,400
National treasury disbursements	1,496,321,400,247
National treasury disbursements	1,493,621,111,247
Traffic safety special grants	2,700,289,000
Other proceeds from operating activities	1,095,003,691,077
Receipts from operations (Special Accounts)	634,819,146
Charges and contributions	451,086,910,219
Rents and fees	144,958,760,100
Revenue from property	18,226,707,193
Revenue from commissioned projects	55,090,032,148
Revenue from other business and sales	402,081,658,487
Donations	155,564,233
Transfer from other accounts	22,769,239,551
Financial revenue	12,566,186,206
Interest and dividend	12,566,186,206
Tax-related subsidies	1,633,966,252,844
Tax-related subsidies	1,633,966,252,844
Payments for operating activities	7,944,352,589,123
Salary and wages	1,598,495,065,796
Service and supplies	625,131,050,016
Maintenance and repairs	108,544,631,484
Social welfare	184,816,052,320
Local consumption tax settlement	1,665,921,609,488
Financial assistance for non-capital investment	3,162,372,874,582
Portion of subsidies (with state aids) granted for capital investment but used for non-capital expenses	84,899,280,302
Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	325,359,897,902
Financial assistance for capital investment (initiated/owned by the national government)	29,934,909,616
Subsidies to other accounts	158,877,217,617
Financial expenses	63,954,776,237
Interest and commission on Metropolitan debt	63,939,650,324
Interest on borrowing from other accounts, etc.	15,125,913
Extraordinary payments	1,948,200,872
Disaster restoration	1,948,200,872
Net cash flows provided by operating activities	884,013,906,057

Description of accounts	Amount (yen)
II Cash Flows from Investing Activities (i.e. Infrastructure Development)	
National treasury disbursements	75,478,075,958
National treasury disbursements	70,625,835,519
Charges and contributions	4,321,515,895
Transfer from other accounts, etc.	530,724,544
Proceeds from property	21,955,656,634
Proceeds from sales of property	21,955,656,634
Transfer from funds and financial reserves	1,084,671,679,615
Adjusted fund for public finance	281,700,000,000
Sinking fund	298,076,609,000
Special purpose fund	504,895,070,615
Managed fixed amount financial reserve	0
Collection of loans, etc.	252,870,236,560
Proceeds from security deposits	678,742,993
Payments for development of infrastructure	303,616,625,040
Service and supplies	12,580,927,358
Financial assistance for non-capital investment	0
Portion of subsidies (with state aids) granted for capital investment but used for non-capital expenses	103,175,929,164
Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	187,859,768,518
Transfer to funds and financial reserves	1,248,882,991,986
Adjusted fund for public finance	204,228,788,339
Sinking fund	296,982,626,000
Special purpose fund	746,434,067,468
Managed fixed amount financial reserve	1,237,510,179
Loans and capital investments, etc.	652,113,689,748
Investments in capital	338,501,450,188
Subsidies to other accounts	32,063,735,541
Loans	281,548,504,019
Payments for security deposits	577,116,096
Net cash flows used in investing activities	△ 769,536,031,110
Net cash flows provided by operating and investing activities	114,477,874,947
III Cash Flows from Financing Activities	
Proceeds from financing activities	620,888,865,550
Metropolitan debt	453,113,565,505
Borrowing from other accounts, etc.	0
Borrowings from funds	0
Transfer from other accounts	167,775,300,045
Payments for financing activities	727,639,427,757
Redemption of Metropolitan debt (debt principal)	727,476,617,931
Repayment of borrowing to other accounts	162,809,826
Repayment of borrowing to funds	0
Net cash flows used in financing activities	△ 106,750,562,207
Net increase in cash for the period	7,727,312,740
Cash at the beginning of period	601,657,109,954
Cash at the end of period	609,384,422,694

4. Combined Statement of Changes in Net Assets

From April 1, 2022
To March 31, 2023

(yen)

	Opening balance	National treasury disbursements	Contributions, transfer from other accounts, etc. for capital investment	Assessed value of donated property	Transfer to other municipalities	Inter-account transactions	Other surplus	TOTAL
Balance at the beginning of period	19,023,423,532,668	1,616,271,953,677	110,962,041,893	489,044,408,931	△ 166,591,603,761	0	7,926,233,058,717	28,999,343,392,125
Net change for the period		70,625,835,519	4,751,580,729	237,543,688,940	△ 3,950,822,584	0	497,078,052,357	806,048,334,961
Increase (decrease) of fixed assets, etc.		70,625,835,519	4,751,580,729	237,543,688,940	△ 3,950,822,584	115,649,296,361		424,619,578,965
Increase (decrease) of Metropolitan debt						△ 15,091,527,072		△ 15,091,527,072
Other inter-account transactions						△ 100,557,769,289		△ 100,557,769,289
Net surplus for the period							497,078,052,357	497,078,052,357
Balance at the end of period	19,023,423,532,668	1,686,897,789,196	115,713,622,622	726,588,097,871	△ 170,542,426,345	0	8,423,311,111,074	29,805,391,727,086

5. Supporting Schedule

(1) Tangible and Intangible Fixed Assets

(yen)

Asset Description	Balance at the beginning of period	Net increase (decrease) for the period	Balance at the end of period	Accumulated depreciation at the end of period	Depreciation and amortization for the period	Net book value at the end of period
TANGIBLE FIXED ASSETS	31,339,671,115,358	219,936,903,432	31,559,608,018,790	5,471,978,396,633	219,580,067,719	26,087,629,622,157
Administrative Property(used solely for public administration purposes)	11,401,517,311,719	139,388,169,303	11,540,905,481,022	3,440,307,276,650	133,294,585,636	8,100,598,204,372
Buildings	5,249,515,365,024	77,594,143,091	5,327,109,508,115	2,956,871,761,659	114,890,353,917	2,370,237,746,456
Structures	725,074,283,109	9,219,700,292	734,293,983,401	447,565,099,983	15,853,398,629	286,728,883,418
Trees and forests	789,725,630	2,487,245	792,212,875	0	0	792,212,875
Ships	16,886,703,271	167,245,930	17,053,949,201	12,612,296,374	834,447,195	4,441,652,827
Aircraft	24,838,371,369	0	24,838,371,369	21,314,806,730	1,473,056,249	3,523,564,639
Floating piers, etc.	4,683,796,037	0	4,683,796,037	1,943,311,904	243,329,646	2,740,484,133
Land	5,379,729,067,279	52,404,592,745	5,432,133,660,024	0	0	5,432,133,660,024
Ordinary Property	1,994,850,839,858	△ 66,498,062,266	1,928,352,777,592	485,831,981,312	22,146,760,093	1,442,520,796,280
Buildings	755,748,335,233	△ 43,702,859,775	712,045,475,458	398,965,685,538	19,831,896,856	313,079,789,920
Structures	124,859,389,401	884,853,655	125,744,243,056	83,775,005,728	2,314,102,734	41,969,237,328
Trees and forests	984,801	0	984,801	0	0	984,801
Ships	728,700,000	166,000,000	894,700,000	894,699,996	0	4
Aircraft	0	0	0	0	0	0
Floating piers, etc.	2,201,177,596	0	2,201,177,596	2,196,590,050	760,503	4,587,546
Land	1,111,312,252,827	△ 23,846,056,146	1,087,466,196,681	0	0	1,087,466,196,681
Movable Properties (valued at 1,000,000 or greater)	221,074,080,781	10,352,361,087	231,426,441,868	155,437,469,290	13,260,379,121	75,988,972,578
Infrastructure Assets	16,356,612,095,047	71,223,827,281	16,427,835,922,328	1,389,336,076,896	50,822,259,054	15,038,499,845,432
Buildings	132,145,512,432	△ 7,800,304,336	124,345,208,096	76,517,186,609	3,660,915,931	47,828,021,487
Structures	3,296,586,043,383	35,583,549,337	3,332,169,592,720	1,310,025,356,863	47,109,510,733	2,022,144,235,857
Floating piers, etc.	3,306,421,775	0	3,306,421,775	2,793,533,424	51,832,390	512,888,351
Land	12,924,574,117,457	43,440,582,280	12,968,014,699,737	0	0	12,968,014,699,737
Lease assets	2,131,185,000	0	2,131,185,000	1,065,592,485	56,083,815	1,065,592,515
Construction in progress	1,363,485,602,953	65,470,608,027	1,428,956,210,980	0	0	1,428,956,210,980
INTANGIBLE FIXED ASSETS	43,127,981,085	8,706,590,677	51,834,571,762	4,466,793,265	1,966,268,681	47,367,778,497
Administrative Property(used solely for public administration purposes)	5,489,355,465	0	5,489,355,465	0	0	5,489,355,465
Land-use rights	5,489,355,465	0	5,489,355,465	0	0	5,489,355,465
Other intangible fixed assets	0	0	0	0	0	0
Ordinary Property	12,213,842,840	378,731,787	12,592,574,627	0	0	12,592,574,627
Land-use rights	372,941,000	0	372,941,000	0	0	372,941,000
Other intangible fixed assets	11,840,901,840	378,731,787	12,219,633,627	0	0	12,219,633,627
Infrastructure Assets	14,873,790,995	5,094,891	14,878,885,886	0	0	14,878,885,886
Land-use rights	14,873,790,995	5,094,891	14,878,885,886	0	0	14,878,885,886
Other intangible fixed assets	0	0	0	0	0	0
Software	9,831,343,405	636,803,200	10,468,146,605	4,466,793,265	1,966,268,681	6,001,353,340
Software in progress	719,648,380	7,685,960,799	8,405,609,179	0	0	8,405,609,179
TOTAL	31,382,799,096,443	228,643,494,109	31,611,442,590,552	5,476,445,189,898	221,546,336,400	26,134,997,400,654

(2) Allowance

(yen)

Category	Balance at the beginning of period	Increase for the period	Decrease for the period		Balance at the end of period
			Application of allowance	Others	
Allowance for loss on unpaid receivables	4,428,153,725	3,435,120,891	3,983,883,542	68,435,261	3,810,955,813
Allowance for loss on bad loans	2,538,130,609	103,611,063	158,592,230	258,555,808	2,224,593,634
Allowance for investment loss	13,684,563,702	266,982,311	0	277,930,982	13,673,615,031
Allowance for bonuses	112,008,864,507	115,471,770,812	112,008,864,507	0	115,471,770,812
Allowance for retirement benefits	949,123,807,000	90,175,452,209	93,147,341,209	0	946,151,918,000
TOTAL	1,081,783,519,543	209,452,937,286	209,298,681,488	604,922,051	1,081,332,853,290

6. Notes to the Financial Statements

Fiscal Year 2021 From April 1, 2021 To March 31, 2022	Fiscal Year 2022 From April 1, 2022 To March 31, 2023
1. Significant Accounting Policies (1) Method of Depreciation for Tangible Fixed Assets a) Administrative property, ordinary property, lease assets and infrastructure assets For tangible fixed assets listed under administrative properties, ordinary properties, and lease assets, depreciation is based on the straight-line depreciation method in accordance with the useful life criteria set forth in the "Administrative Guidelines for the Registry of Public Property owned by the Tokyo Metropolitan Government." For tangible fixed assets listed under infrastructure assets, depreciation is based on the straight-line depreciation method in accordance with the useful life criteria set forth in the "Administrative Guidelines for the Registry of Public Property owned by the Tokyo Metropolitan Government" and the "Bureau of Construction Standards for Infrastructure Asset Management." However, in the case of road pavement, for example, the replacement cost method is adopted, and the cost for partial replacement, i.e. the paving cost, is solely expensed. b) Movable properties (valued at ¥1,000,000 or greater) Movable properties are depreciated based on the straight-line depreciation method in accordance with the useful life criteria set forth in the "Useful Life Standards for Movable Properties".	**1. Significant Accounting Policies** (1) Method of Depreciation for Tangible Fixed Assets a) Administrative property, ordinary property, lease assets and infrastructure assets See left b) Movable properties (valued at ¥1,000,000 or greater) See left
(2) Method of Amortization for Intangible Fixed Assets a) Superficies, easement, patents, copyrights, etc. are not amortized. b) Software is amortized through the straight-line method, with a useful life of 5 years and residual value of zero.	(2) Method of Amortization for Intangible Fixed Assets a) Superficies, easement, patents, copyrights, etc. See left b) Software See left
(3) Method and Criterion for Evaluating Securities and Investments in Capital Securities and investments in capital are the	(3) Method and Criterion for Evaluating Securities and Investments in Capital

Fiscal Year 2021 From April 1, 2021 To March 31, 2022	Fiscal Year 2022 From April 1, 2022 To March 31, 2023
capital and shares of Policy Collaboration Organizations, etc. held by the Tokyo Metropolitan Government and are booked according to their acquisition costs. When the market or real value of the investment has declined significantly, the devalued price shall replace the carrying book value.	See left
(4) Criterion for Booking Allowance Provisions a) Allowance for loss on unpaid receivables A portion of unpaid overdue accounts attributable to nonpayment of metropolitan taxes, rents, and such, might become irrecoverable due to the expiration of the prescription period or other causes. Thus, an allowance for losses on unpaid receivables is provided for by multiplying the percentage of credit loss - a percentage derived by the recent collection status of said accounts, the financial condition of the debtor(s), the actual amount of credit loss during the past 3 years, and such - by the balance of the said receivables at the end of the fiscal year. If a more practical method of calculation exists for individual credit situations, that method is used to book allowance for losses. b) Allowance for loss on bad loans A portion of existing loans might become irrecoverable if a reduction or exemption of repayment is granted. Thus, an allowance for losses on bad loans is provided for by multiplying the percentage of credit loss - a percentage derived by the recent collection status of said loans, the financial condition of the borrower(s), the actual amount of write-down during the past 3 years, and such - by the balance of loans outstanding at the end of the fiscal year. If a more practical method of calculation exists for individual credit situations, that method is used to book allowance for losses. c) Allowance for investment loss Of securities and investments in capital of organizations that provide administrative services, when the market or real value has	(4) Criterion for Booking Allowance Provisions a) Allowance for loss on unpaid receivables See left b) Allowance for loss on bad loans See left c) Allowance for investment loss See left

Fiscal Year 2021 From April 1, 2021 To March 31, 2022	Fiscal Year 2022 From April 1, 2022 To March 31, 2023
declined to a certain extent from the acquisition value, the difference is booked as allowance for investment loss. If the market or real value recovers, the allowance is reversed. d) Allowance for retirement benefits The allowance for retirement benefits is equivalent to the lump-sum payment due to the employees if all of them voluntarily left their posts at the end of the fiscal year. e) Allowance for bonuses Of bonuses and subsequent statutory welfare expenses to be paid to employees in the following fiscal year, the amount that should be included in this fiscal year is booked as allowance for bonuses.	d) Allowance for retirement benefits See left e) Allowance for bonuses See left
(5) Conversion of assets and liabilities denominated in foreign currency into Japanese yen The Tokyo Metropolitan Government has raised foreign debts in the U.S. and Europe, both of which are covered by swap contracts between the said foreign currency and Japanese yen. Consequently, the debts are booked in their original yen amounts at time of issuance since the principal and debt interest is considered to assume no risk due to currency rate fluctuations.	(5) Conversion of assets and liabilities denominated in foreign currency into Japanese yen See left
(6) Other important matters fundamental to the preparation of financial statements a) Valuation of fixed assets The valuation of public properties, movable properties, infrastructure assets, software and lease assets is based on their acquisition costs. b) Presentation of gross and net amounts in the financial statements In the Combined Accounts, the transfer between accounts, as well as debts and credits are offset and the monetary value is presented on a net basis. In the statement of operating costs, if an allowance is provided and reversed in the same year, the amount of provision for the said allowance (to be posted to operating expenses), and the amount of reversal thereof (to be posted	(6) Other important matters fundamental to the preparation of financial statements a) Valuation of fixed assets See left b) Presentation of gross and net amounts in the financial statements See left

Fiscal Year 2021 From April 1, 2021 To March 31, 2022	Fiscal Year 2022 From April 1, 2022 To March 31, 2023
to other operating revenue) are offset and presented on a net basis.	
2. Change of Significant Accounting Policies ―――――――――	**2. Change of Significant Accounting Policies** ―――――――――
3. Significant Subsequent Events ―――――――――	**3. Significant Subsequent Events** ―――――――――

4. Contingent Liabilities

(1) Total amount of commitments by contract authorization involving debt guarantee and compensation for loss, of which the liability is contingent

Category	As of March 31, 2023
To public corporations, institutions, etc.	(Yen) 40,501,706,000
General Account	40,501,706,000
To others	231,734,354,000
General Account	231,734,354,000
TOTAL	272,236,060,000
General Account	272,236,060,000

5. Additional Information

(1) Two month account adjustment period

Although the financial statements are prepared based upon information as of March 31, 2023, an adjustment period is adopted by the Metropolitan Government in closing its books. This adjustment period is from the end of the fiscal year until the “account closure date” of May 31 as stipulated in Article 235-5 of the Local Autonomy Act. Figures reflecting cash receipts and disbursement and the subsequent fluctuations of assets and liabilities during this period constitute the final fiscal year end figures. (i.e. The accounting period is extended by two months to absorb cash transactions involving debt or credit defined at the end of the fiscal year.)

(2) Cash other than annual revenue and expenditures

Cash other than annual revenue and expenditures (cash in custody that does not fall under the possession of the Tokyo Metropolitan Government as stipulated in Paragraph 3, Article 235-4 of the Local Autonomy Act) is not booked in the financial statements. As of March 31, 2023, cash other than annual revenue and expenditures was 53,350,797,889 yen.

(3) Amounts committed to subsidize interest payments and such in following years

Category		As of March 31, 2023
Interest subsidies		(Yen) 79,421,590,000
	General Account	79,421,590,000
Others		1,289,460,275,000
	General Account	1,148,489,664,000
	National Health Insurance Account	62,810,000
	Tokyo Metropolitan Hospital Organization Loans and Other Services Account	7,218,874,000
	Metropolitan Public Housing Account	133,359,509,000
	Waterfront Urban Infrastructure Development Project Account	329,418,000
TOTAL		1,368,881,865,000
	General Account	1,227,911,254,000
	National Health Insurance Account	62,810,000
	Tokyo Metropolitan Hospital Organization Loans and Other Services Account	7,218,874,000
	Metropolitan Public Housing Account	133,359,509,000
	Waterfront Urban Infrastructure Development Project Account	329,418,000

(4) Planned payments for projects brought forward

		(Yen)
Budget carried over		80,344,448,000
	General Account	69,727,714,000
	Tokyo Metropolitan Hospital Organization Loans and Other Services Account	482,517,000
	Metropolitan Public Housing Account	9,969,192,000
	Land Acquisition Account	158,037,000
	Waterfront Urban Infrastructure Development Project Account	6,988,000
Budget carried over due to unforeseeable events		1,767,788,000
	General Account	1,593,649,000
	Slaughter House Account	69,749,000
	Metropolitan Public Housing Account	104,390,000
TOTAL		82,112,236,000
	General Account	71,321,363,000
	Tokyo Metropolitan Hospital Organization Loans and Other Services Account	482,517,000
	Slaughter House Account	69,749,000
	Metropolitan Public Housing Account	10,073,582,000
	Land Acquisition Account	158,037,000
	Waterfront Urban Infrastructure Development Project Account	6,988,000

(5) Temporary Borrowing

For a temporary accommodation of funds, 300 billion yen was transferred from the Adjusting Fund for Public Finance on May 27, 2022, and refunded thereto by June 6, 2022. The total amount of interest of these financings was 164,383 yen, and was borne by the General Account.

(6) Other items which are helpful for better understanding the financial statements

a) Provision for allowances and other operating revenue arising from reversal of relevant allowances

In combining accounts, the balance arising from the provision and reversal of an allowance is aggregated and presented on a net basis.

Financial Statement	Account Title (Debit)	Amount	Account Title (Credit)	Amount
Statement of Operating Costs	Provision for allowance for loss on unpaid receivables	(Yen) 2,124,052	Other operating revenue	(Yen) 5,805,534
	Provision for allowance for loss on bad loans	3,681,482		

b) Transfer between accounts to be offset when combining accounts

Transactions between accounts are summarized as follows.

(The amounts below are offset and balanced out in the combined financial statements.)

Financial Statement	Account Title (Debit)	Amount	Account Title (Credit)	Amount
Balance Sheet		(Yen)	Net assets (Transfer from General Account)	(Yen) 7,895,183,387
			Net assets (Contributions, transfer from other accounts, etc. for capital investment)	100,000,000
Statement of Operating Costs	Transfer to General Account	749,032,283,576	Transfer from General Account	1,270,961,386,705
	Operating expenses - Tax-related subsidies	1,160,370,493,000	Operating revenue - Metropolitan taxes	748,286,895,002
	Operating expenses - Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	7,051,208	Operating revenue - Revenue from other business and sales	140,000
	Operating expenses - Subsidies to other accounts	118,590,271,192	Operating revenue - Transfer from other accounts	749,442,674
			Extraordinary gains - Gain on sales of fixed assets	7,051,208
Balance Sheet/ Statement of Operating Costs TOTAL		2,028,000,098,976		2,028,000,098,976

Financial Statement	Account Title (Payments)	Amount	Account Title (Receipts or Proceeds)	Amount
Cash Flow Statement	Transfer to General Account - Operating Activities	(Yen) 749,032,283,576	Transfer from General Account - Operating Activities	(Yen) 1,313,205,787,138
	Payments for Operating Activities - Tax-related subsidies	1,160,370,493,000	Transfer from General Account - Investing Activities	271,027,071,788
	Payments for Operating Activities - Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	7,051,208	Transfer from General Account - Financing Activities	38,197,432,260
	Payments for Operating Activities - Subsidies to other accounts	118,581,016,045	Proceeds from Operating Activities - Metropolitan taxes	748,286,895,002
	Payments for Operating Activities - Interest and commission on Metropolitan debt	45,146,590,306	Proceeds from Operating Activities - Revenue from other business and sales	140,000
	Payments for Investing Activities - Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	2,048,940,003	Proceeds from Operating Activities - Transfer from other accounts	3,740,772,115
	Payments for Investing Activities - Sinking fund	294,894,563,062	Proceeds from Investing Activities - Transfer from other accounts, etc.	31,796,783,371
	Payments for Investing Activities - Subsidies to other accounts	2,237,926,425	Proceeds from Investing Activities - Proceeds from sales of property	2,055,991,211
	Payments for Financing Activities - Redemption of Metropolitan debt (debt principal)	49,084,664,736	Proceeds from Investing Activities - Revenue from collection of loans	1,875,600,000
	Payments for Financing Activities - Repayment of borrowing to other accounts	1,875,600,000	Proceeds from financing activities - Borrowing from other accounts, etc.	2,200,000,000
			Proceeds from financing activities - Transfer from other accounts	10,892,655,476
Cash Flow Statement TOTAL		2,423,279,128,361		2,423,279,128,361

c) Inter-Account debts and credits

Inter-Account debts and credits are summarized as follows.

(The amounts below are offset and balanced out in the combined financial statements.)

Account	Asset	Amount	Liability	Amount
Metropolitan Public Housing Account		(Yen)	Current liabilities - Borrowings from other accounts	(Yen) 1,551,400,000
Metropolitan Public Housing Tenants Security Deposit Account	Current Assets - Short-term loans	1,551,400,000		
Metropolitan Public Housing Account			Fixed liabilities - Borrowings from other accounts	7,234,200,000
Metropolitan Public Housing Tenants Security Deposit Account	Fixed Assets - Long-term loans	7,234,200,000		
TOTAL		8,785,600,000		8,785,600,000

6. Other References

(1) Balance Sheet

a) Details of securities, investments and loans

Category	To Tokyo Metropolitan Government Policy Collaboration Organizations	To other organizations	Total
Securities	(Yen) 111,121,408,858	(Yen) 127,870,414,109	(Yen) 238,991,822,967
Investments in capital	387,384,157,525	753,283,284,403	1,140,667,441,928
Loans	319,054,410,671	1,198,841,401,496	1,517,895,812,167

b) Planned redemption of Metropolitan debt and borrowings

Category		Redemption In FY2023	Redemption in and after FY2024	Total
Metropolitan debt		(Yen) 394,282,198,521	(Yen) 5,034,692,635,584	(Yen) 5,428,974,834,105
	General Account	327,162,997,773	4,508,765,446,689	4,835,928,444,462
	Single Parent Welfare Loan Fund Account	2,686,612,520	25,238,070,118	27,924,682,638
	Tokyo Metropolitan Hospital Organization Loans and Other Services Account	5,987,600,777	45,978,443,418	51,966,044,195
	Small and Medium Enterprise Facility Installation Fund Account	1,640,196,000	422,980,813	2,063,176,813
	Slaughter House Account	31,675,404	3,938,608,662	3,970,284,066
	Metropolitan Public Housing Account	56,773,116,047	450,349,085,884	507,122,201,931
Other borrowings		1,500,000	372,743,468	374,243,468
	Small and Medium Enterprise Facility Installation Fund Account	1,500,000	372,743,468	374,243,468
TOTAL		394,283,698,521	5,035,065,379,052	5,429,349,077,573
	General Account	327,162,997,773	4,508,765,446,689	4,835,928,444,462
	Single Parent Welfare Loan Fund Account	2,686,612,520	25,238,070,118	27,924,682,638
	Tokyo Metropolitan Hospital Organization Loans and Other Services Account	5,987,600,777	45,978,443,418	51,966,044,195
	Small and Medium Enterprise Facility Installation Fund Account	1,641,696,000	795,724,281	2,437,420,281
	Slaughter House Account	31,675,404	3,938,608,662	3,970,284,066
	Metropolitan Public Housing Account	56,773,116,047	450,349,085,884	507,122,201,931

(2) Statement of Operating Costs

a) Details of revenues and their accounting basis

Account		Description and Accounting Basis
Operating revenue		
	Metropolitan taxes	Ordinary taxes (excluding local consumption tax) as defined in the current Local Tax Act, taxes provided for in the former law, special purpose taxes and a special-purpose discretionary tax (namely, accommodation tax provided for in the Tokyo Metropolitan Accommodation Tax Ordinance) are recognized as revenue when they are received and booked accordingly.
	Local consumption tax (before settlement)	Local consumption tax is booked upon receipt before its final adjustment among prefectures.
	Local transfer taxes	Local road transfer tax, petroleum gas transfer tax, special tonnage transfer tax, aviation fuel transfer tax, local gasoline transfer tax, forest environment transfer tax, motor vehicle tonnage transfer tax and special corporate enterprise transfer tax are booked as revenue upon receipt.
	Special local government grants	(a) Grants provided to compensate for reduced individual inhabitant tax revenue of local governments resulting from special tax deductions such as that for housing loan balances are booked as revenue. (b) Grants provided to compensate for reduced revenue of local governments due to the lowering of an expansion of exceptional measures of fixed assets tax to realize the productivity revolution.
	Subsidy for municipalities which locate national facilities	The national government offers a subsidy to municipalities which locate national facilities as alternative financial resource for fixed assets tax. The subsidy is booked as revenue upon receipt.
	Revenue from other tax sources	Metropolitan inhabitant tax on interest income after settlement among prefectures and revenues from the collection of delinquent taxes are booked upon receipt.
	National treasury disbursements	Disbursements from the national government are booked as revenue when allotted to operating activities.
	Traffic safety special grants	Based on the Road Traffic Act, the national government allocates revenues from fines, etc. to local governments as grants to establish road traffic safety facilities and their management. The grants are booked as revenue.
	Receipts from operations (Special Accounts)	When the special accounts receive loan interest, premiums or damages for contract breaches, they are booked as revenue.
	Charges and Contributions	Incoming public charges and contributions are booked as revenue when they are applied to the operating activities.
	Rents and fees	Rents and fees are booked as revenue upon receipt.
	Revenue from property	Rents, sales and other revenue from properties are booked as revenue upon receipt.
	Revenue from commissioned projects	Revenue from commissioned projects is booked as revenue upon receipt.
	Revenue from other business and sales	Revenue from profit-making businesses, proceeds from the sale of movable assets, etc. are booked as revenue upon receipt.
	Donations	Donations are booked as revenue upon receipt.

	Transfer from other accounts	Money transferred from other accounts is booked as revenue when it is applied to operating activities.
	Other operating revenue	Other revenue from operating activities is booked under this title.
Financial revenue		
	Interest and dividends	Interest on bank deposits, dividends from stocks and other financial instruments are booked upon receipt.
Extraordinary gains		
	Gain on sales of fixed assets	Proceeds (or receivables) from sales of fixed assets (other than securities and investments) are offset with the book value of said assets, and recognized as a gain if the proceeds exceed the book value.
	Other extraordinary gains	Gains from the sales of securities and investments, reversal of allowances, prior-year adjustments, etc. are booked under this title.

b) Local consumption tax and local consumption tax settlement

In order to clarify revenue and expenditures related to local consumption tax, in the operating revenue, local taxes are classified as metropolitan taxes and local consumption tax (before settlement), and similarly, in the operating expenses, financial assistance for non-capital investment is described separately as local consumption tax settlement and financial assistance for non-capital investment.

c) Expenses relevant to capital investment

“Expenses for capital investment, with national subsidies”, “Expenses for capital investment with no national subsidies,” and “Expenses relevant to the nation’s government’s capital investment” are all accounted for as operating expenses since these costs are not added to the acquisition cost of the fixed assets of the Tokyo Metropolitan Government on account of their nature.

d) Major items under other extraordinary gains and losses

Of the other extraordinary gains, investment-in-kind due to the establishment of Tokyo Metropolitan Hospital Organization revealed a gain of 21,467,632,762 yen and prior-period adjustments revealed a gain of 11,380,602,502 yen. Of the other extraordinary losses, extinguishment of investments in public enterprise accounts due to the abolition of Hospital Account and Industrial Water Supply Business Account revealed a loss of 86,315,298,000 yen and prior-period adjustments revealed a loss of 12,943,155,610 yen.

(3) Cash Flow Statement

The following is a breakdown of the difference between the "net surplus for the period" in the statement of operating costs and "net cash flows provided by operating activities" in the cash flow statement.

	(Yen)
Net surplus for the period in the Statement of Operating Costs	497,078,052,357
Changes in fixed assets	219,938,371,133
Depreciation and amortization	221,546,336,400
Loss (or Gain) on sales of fixed assets	△ 5,625,476,422
Loss on disposals of fixed assets	4,017,511,155
Changes in current assets/liabilities relating to operating activities	3,445,721,933
Decrease (or Increase) of unpaid overdue accounts	664,150,816
Increase (or Decrease) of unpaid refunds	2,781,571,117
Other non-cash items	100,397,835,641
Provision for allowance for loss on unpaid receivables	3,366,685,630
Loss on unpaid receivables	724,938,919
Provision for allowance for retirement benefits	90,175,452,209
Payments for retirement benefits	△ 13,005,673,696
Other non-cash revenue/expense items	19,136,432,579
Other items	63,153,924,993
Other extraordinary gains	△ 43,836,664,432
Other extraordinary losses	106,990,589,425
Net cash flows provided by operating activities in the Cash Flow Statement	884,013,906,057

(4) Statement of Changes in Net Assets

Transfer of property that had a significant effect on the change in net assets, etc.

Item	Amount
	(Yen)
Transfer due to the establishment of Tokyo Metropolitan Hospital Organization	222,126,124,183

Fiscal Year 2021

Ⅱ. COMBINED FINANCIAL STATEMENTS (for General and All Special Accounts)

1. Combined Balance Sheet

(As of March 31, 2022)

Description of accounts	Amount (yen)	Description of accounts	Amount (yen)
ASSETS		LIABILITIES	
I Current Assets	1,826,584,448,551	I Current Liabilities	457,160,888,999
Cash and deposits	601,657,109,954	Accounts refundable	2,142,682,555
Unpaid overdue accounts	72,331,653,232	Metropolitan debt	342,846,440,609
Allowance for loss on unpaid receivables	△ 4,428,153,725	Short-term borrowings	1,500,000
Funds and financial reserves	1,025,312,289,612	Borrowings from other accounts	0
Adjusted fund for public finance	727,235,680,612	Borrowings from funds	0
Sinking fund	298,076,609,000	Other short-term borrowings	1,500,000
Short-term loans	132,522,975,507	Lease liabilities	161,401,328
Allowance for loss on bad loans	△ 811,426,029	Accounts payable	0
Other current assets	0	Deferred payments	0
II Fixed Assets	33,768,842,846,734	Unpaid guarantee obligations	0
1 Administrative property	8,085,426,420,195	Other accounts payable	0
1 Tangible fixed assets	8,079,937,064,730	Allowance for bonuses	112,008,864,507
Buildings	2,396,325,090,092	Other current liabilities	0
Structures	290,169,892,969	II Fixed Liabilities	6,138,923,014,161
Trees and forests	789,725,630	Metropolitan debt	5,152,580,464,239
Ships	4,942,854,093	Long-term borrowings	374,151,966
Aircraft	4,996,620,888	Borrowings from other accounts	0
Floating piers, etc.	2,983,813,779	Borrowing from funds	0
Land	5,379,729,067,279	Other long-term borrowings	374,151,966
2 Intangible fixed assets	5,489,355,465	Lease liabilities	170,463,251
Land-use rights	5,489,355,465	Allowance for retirement benefits	949,123,807,000
Other intangible fixed assets	0	Other allowances	0
2 Ordinary property	1,512,726,446,677	Other fixed liabilities	36,674,127,705
1 Tangible fixed assets	1,500,512,603,837	Security deposits	16,674,127,705
Buildings	344,463,042,102	Other fixed liabilities	20,000,000,000
Structures	44,730,976,055		
Trees and forests	984,801		
Ships	3		
Aircraft	0		
Floating piers, etc	5,348,049		
Land	1,111,312,252,827		
2 Intangible fixed assets	12,213,842,840		
Land-use rights	372,941,000		
Other intangible fixed assets	11,840,901,840		
3 Movable properties	74,873,122,960		
4 Infrastructure assets	15,024,569,838,221		
1 Tangible fixed assets	15,009,696,047,226		
Buildings	52,068,275,004		
Structures	2,032,488,934,024		
Floating piers, etc.	564,720,741		
Land	12,924,574,117,457	TOTAL LIABILITIES	6,596,083,903,160
2 Intangible fixed assets	14,873,790,995		
Land-use rights	14,873,790,995	NET ASSETS	
Other intangible fixed assets	0	Net assets,	28,999,343,392,125
5 Software	7,330,818,821	including net increase(or decrease) for the period	168,554,734,727
6 Lease assets	1,121,676,330		
7 Construction in progress	1,363,485,602,953		
8 Software in progress	719,648,380		
9 Investments and other assets	7,698,589,272,197		
Securities	238,991,822,967		
Investments in capital	696,163,008,234		
Allowance for investment loss	△ 13,684,563,702		
Investments in public enterprise accounts	2,257,127,380,216		
Long-term loans	1,304,334,569,460		
Allowance for loss on bad loans	△ 1,726,704,580		
Other long-term debts	8,919,121,716		
Funds and financial reserves	3,044,590,251,041		
Sinking fund	1,245,662,576,160		
Special purpose fund	1,481,927,688,796		
Managed fixed amount financial reserve	316,999,986,085	TOTAL NET ASSETS	28,999,343,392,125
Other investments	163,874,386,845		
TOTAL ASSETS	35,595,427,295,285	TOTAL LIABILITIES AND NET ASSETS	35,595,427,295,285

2. Combined Statement of Operating Costs

From April 1, 2021
To March 31, 2022

Description of accounts	Amount (yen)
ORDINARY REVENUE AND EXPENSES	
I Operating Revenue and Expenses	128,341,801,974
1 Operating revenue	11,499,552,723,634
Metropolitan taxes	5,104,978,150,704
Local consumption tax (before settlement)	2,460,210,891,866
Local transfer taxes	53,342,590,620
Special local government grants	28,096,821,000
Subsidy for municipalities which locate national facilities	35,278,000
Revenue from other tax sources	6,804,300
National treasury disbursements	2,781,025,945,902
Traffic safety special grants	2,897,311,000
Receipt from operations (Special Accounts)	4,209,662
Charges and contributions	429,501,518,166
Rents and fees	144,039,283,226
Revenue from property	12,940,798,174
Revenue from commissioned projects	54,936,856,851
Revenue from other business and sales	414,638,622,030
Donations	723,052,730
Transfer from other accounts	8,513,919,980
Other operating revenue	3,660,669,423
2 Operating expenses	11,371,210,921,660
Tax-related subsidies	1,549,567,642,191
Salary and wages	1,382,595,910,172
Service and supplies	548,761,582,888
Maintenance and repairs	105,520,962,348
Social welfare	161,154,529,464
Local consumption tax settlement	1,730,684,460,894
Financial assistance for non-capital investment	4,811,891,784,066
Portion of subsidies (with state aids) granted for capital investment but used for non-capital expenses	78,199,495,128
Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	319,647,789,250
Financial assistance for capital investment (initiated/owned by the national government)	25,748,039,225
Non-capital investment	57,292,547,399
Subsidies to other accounts	178,763,303,028
Depreciation and amortization	219,773,675,624
Provision for guaranteed obligations	26,747,300
Provision for allowance for loss on unpaid receivables	0
Provision for allowance for loss on bad loans	0
Provision for allowance for bonuses	112,008,864,507
Provision for allowance for retirement benefits	84,961,733,420
Provision for other allowances	0
Other operating expenses	4,611,854,756
II Financial Revenue and Expenses	△ 38,589,449,362
1 Financial revenue	10,575,203,967
Interest and dividend	10,575,203,967
2 Financial expenses	49,164,653,329
Interest on Metropolitan debt	46,879,131,380
Debt issuing expenses	2,211,074,226
Discount on debt issuance	48,939,922
Interest on borrowing from other accounts, etc.	25,507,801
Surplus from ordinary activities	89,752,352,612
EXTRAORDINARY GAINS AND LOSSES	△ 14,933,360,488
1 Extraordinary gains	17,223,306,448
Gain on sales of fixed assets	6,001,826,618
Other extraordinary gains	11,221,479,830
2 Extraordinary losses	32,156,666,936
Loss on sales of fixed assets	2,651,528,446
Loss on disposal of fixed assets	2,005,140,367
Disaster restoration	2,268,324,673
Loss on unpaid receivables	393,097,471
Loss on bad loans	0
Other extraordinary losses	24,838,575,979
Net surplus for the period	74,818,992,124

3. Combined Cash Flow Statement

From April 1, 2021
To March 31, 2022

Description of accounts	Amount (yen)
I Cash Flows from Operating Activities (administration services)	
Tax and dues	7,683,710,102,706
Metropolitan taxes	5,142,017,329,760
Local consumption tax (before settlement)	2,460,210,891,866
Local transfer taxes	53,342,590,620
Special local government grants	28,096,821,000
Subsidy for municipalities which locate national facilities	35,278,000
Revenue from other tax sources	7,191,460
National treasury disbursements	2,784,864,218,612
National treasury disbursements	2,781,966,907,612
Traffic safety special grants	2,897,311,000
Other proceeds from operating activities	1,086,328,852,415
Receipts from operations (Special Accounts)	7,008,395
Charges and contributions	429,423,685,143
Rents and fees	144,002,697,496
Revenue from property	12,939,295,275
Revenue from commissioned projects	54,936,856,851
Revenue from other business and sales	413,902,999,265
Donations	723,052,730
Transfer from other accounts	30,393,257,260
Financial revenue	10,575,203,967
Interest and dividend	10,575,203,967
Tax-related subsidies	1,549,567,642,191
Tax-related subsidies	1,549,567,642,191
Payments for operating activities	9,551,341,167,119
Salary and wages	1,590,196,656,727
Service and supplies	548,761,181,185
Maintenance and repairs	105,520,962,348
Social welfare	161,154,529,464
Local consumption tax settlement	1,730,684,460,894
Financial assistance for non-capital investment	4,812,876,664,151
Portion of subsidies (with state aids) granted for capital investment but used for non-capital expenses	78,199,495,128
Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	319,435,874,969
Financial assistance for capital investment (initiated/owned by the national government)	25,748,039,225
Subsidies to other accounts	178,763,303,028
Financial expenses	70,995,050,687
Interest and commission on Metropolitan debt	70,969,542,886
Interest on borrowing from other accounts, etc.	25,507,801
Extraordinary payments	2,268,324,673
Disaster restoration	2,268,324,673
Net cash flows provided by operating activities	391,306,193,030

Description of accounts	Amount (yen)
II Cash Flows from Investing Activities (i.e. Infrastructure Development)	
National treasury disbursements	68,296,704,684
National treasury disbursements	63,521,430,744
Charges and contributions	4,445,493,939
Transfer from other accounts, etc.	329,780,001
Proceeds from property	51,925,968,319
Proceeds from sales of property	51,925,968,319
Transfer from funds and financial reserves	577,679,175,542
Adjusted fund for public finance	0
Sinking fund	289,868,243,000
Special purpose fund	287,810,932,542
Managed fixed amount financial reserve	0
Collection of loans, etc.	247,323,171,432
Proceeds from security deposits	852,877,630
Payments for development of infrastructure	299,137,294,703
Service and supplies	5,046,729,262
Financial assistance for non-capital investment	3,987,000
Portion of subsidies (with state aids) granted for capital investment but used for non-capital expenses	94,526,188,772
Portion of subsidies (without state aids) granted for capital investment but used for non-capital expenses	199,560,389,669
Transfer to funds and financial reserves	500,930,497,286
Adjusted fund for public finance	194,527,961,704
Sinking fund	271,175,320,000
Special purpose fund	33,885,429,561
Managed fixed amount financial reserve	1,341,786,021
Loans and capital investments, etc.	367,493,579,479
Investments in capital	107,916,840,046
Subsidies to other accounts	26,482,537,205
Loans	233,094,202,228
Payments for security deposits	824,008,428
Net cash flows used in investing activities	△ 222,307,482,289
Net cash flows provided by operating and investing activities	168,998,710,741
III Cash Flows from Financing Activities	
Proceeds from financing activities	736,562,485,449
Metropolitan debt	542,304,272,079
Borrowing from other accounts, etc.	0
Borrowings from funds	0
Transfer from other accounts	194,258,213,370
Payments for financing activities	824,299,969,123
Redemption of Metropolitan debt (debt principal)	824,145,937,915
Repayment of borrowing to other accounts	154,031,208
Repayment of borrowing to funds	0
Net cash flows used in financing activities	△ 87,737,483,674
Net increase in cash for the period	81,261,227,067
Cash at the beginning of period	520,395,882,887
Cash at the end of period	601,657,109,954

4. Combined Statement of Changes in Net Assets

From April 1, 2021
To March 31, 2022

(yen)

	Opening balance	National treasury disbursements	Contributions, transfer from other accounts, etc. for capital investment	Assessed value of donated property	Transfer to other municipalities	Inter-account transactions	Other surplus	TOTAL
Balance at the beginning of period	19,023,423,532,668	1,552,751,858,933	106,190,016,075	460,858,563,681	△ 163,849,380,552	0	7,851,414,066,593	28,830,788,657,398
Net change for the period		63,520,094,744	4,772,025,818	28,185,845,250	△ 2,742,223,209	0	74,818,992,124	168,554,734,727
Increase (decrease) of fixed assets, etc.		63,520,094,744	4,772,025,818	28,185,845,250	△ 2,742,223,209	△ 30,761,072,123		62,974,670,480
Increase (decrease) of Metropolitan debt						△ 46,919,807,872		△ 46,919,807,872
Other inter-account transactions						77,680,879,995		77,680,879,995
Net surplus for the period							74,818,992,124	74,818,992,124
Balance at the end of period	19,023,423,532,668	1,616,271,953,677	110,962,041,893	489,044,408,931	△ 166,591,603,761	0	7,926,233,058,717	28,999,343,392,125

5. Supporting Schedule

(1) Tangible and Intangible Fixed Assets

(yen)

Asset Description	Balance at the beginning of period	Net increase (decrease) for the period	Balance at the end of period	Accumulated depreciation at the end of period	Depreciation and amortization for the period	Net book value at the end of period
TANGIBLE FIXED ASSETS	31,049,261,917,349	290,409,198,009	31,339,671,115,358	5,310,044,997,322	218,108,396,023	26,029,626,118,036
Administrative Property(used solely for public administration purposes)	11,281,524,506,240	119,992,805,479	11,401,517,311,719	3,321,580,246,989	133,236,407,976	8,079,937,064,730
Buildings	5,165,014,007,324	84,501,357,700	5,249,515,365,024	2,853,190,274,932	112,949,723,207	2,396,325,090,092
Structures	712,597,051,059	12,477,232,050	725,074,283,109	434,904,390,140	16,781,522,709	290,169,892,969
Trees and forests	696,243,138	93,482,492	789,725,630	0	0	789,725,630
Ships	17,298,303,271	△ 411,600,000	16,886,703,271	11,943,849,178	1,482,235,244	4,942,854,093
Aircraft	24,838,371,369	0	24,838,371,369	19,841,750,481	1,781,420,970	4,996,620,888
Floating piers, etc.	4,665,558,037	18,238,000	4,683,796,037	1,699,982,258	241,505,846	2,983,813,779
Land	5,356,414,972,042	23,314,095,237	5,379,729,067,279	0	0	5,379,729,067,279
Ordinary Property	1,987,181,216,035	7,669,623,823	1,994,850,839,858	494,338,236,021	22,110,756,018	1,500,512,603,837
Buildings	737,750,594,508	17,997,740,725	755,748,335,233	411,285,293,131	19,941,438,162	344,463,042,102
Structures	124,533,938,059	325,451,342	124,859,389,401	80,128,413,346	2,168,557,353	44,730,976,055
Trees and forests	94,000,333	△ 93,015,532	984,801	0	0	984,801
Ships	728,700,000	0	728,700,000	728,699,997	0	3
Aircraft	0	0	0	0	0	0
Floating piers, etc.	2,201,177,596	0	2,201,177,596	2,195,829,547	760,503	5,348,049
Land	1,121,872,805,539	△ 10,560,552,712	1,111,312,252,827	0	0	1,111,312,252,827
Movable Properties (valued at 1,000,000 or greater)	219,115,243,868	1,958,836,913	221,074,080,781	146,200,957,821	11,604,877,639	74,873,122,960
Infrastructure Assets	16,253,289,864,346	103,322,230,701	16,356,612,095,047	1,346,916,047,821	51,100,270,575	15,009,696,047,226
Buildings	130,373,492,873	1,772,019,559	132,145,512,432	80,077,237,428	3,886,971,657	52,068,275,004
Structures	3,261,096,762,034	35,489,281,349	3,296,586,043,383	1,264,097,109,359	47,140,190,209	2,032,488,934,024
Floating piers, etc.	3,306,421,775	0	3,306,421,775	2,741,701,034	73,108,709	564,720,741
Land	12,858,513,187,664	66,060,929,793	12,924,574,117,457	0	0	12,924,574,117,457
Lease assets	2,131,185,000	0	2,131,185,000	1,009,508,670	56,083,815	1,121,676,330
Construction in progress	1,306,019,901,860	57,465,701,093	1,363,485,602,953	0	0	1,363,485,602,953
INTANGIBLE FIXED ASSETS	40,995,711,856	2,132,269,229	43,127,981,085	2,500,524,584	1,665,279,601	40,627,456,501
Administrative Property(used solely for public administration purposes)	5,480,627,546	8,727,919	5,489,355,465	0	0	5,489,355,465
Land-use rights	5,480,627,546	8,727,919	5,489,355,465	0	0	5,489,355,465
Other intangible fixed assets	0	0	0	0	0	0
Ordinary Property	11,556,114,769	657,728,071	12,213,842,840	0	0	12,213,842,840
Land-use rights	372,941,000	0	372,941,000	0	0	372,941,000
Other intangible fixed assets	11,183,173,769	657,728,071	11,840,901,840	0	0	11,840,901,840
Infrastructure Assets	14,867,468,976	6,322,019	14,873,790,995	0	0	14,873,790,995
Land-use rights	14,867,468,976	6,322,019	14,873,790,995	0	0	14,873,790,995
Other intangible fixed assets	0	0	0	0	0	0
Software	8,326,398,005	1,504,945,400	9,831,343,405	2,500,524,584	1,665,279,601	7,330,818,821
Software in progress	765,102,560	△ 45,454,180	719,648,380	0	0	719,648,380
TOTAL	31,090,257,629,205	292,541,467,238	31,382,799,096,443	5,312,545,521,906	219,773,675,624	26,070,253,574,537

(2) Allowance

(yen)

Category	Balance at the beginning of period	Increase for the period	Decrease for the period		Balance at the end of period
			Application of allowance	Others	
Allowance for loss on unpaid receivables	11,864,683,592	589,446,410	3,930,140,917	4,095,835,360	4,428,153,725
Allowance for loss on bad loans	2,866,448,732	195,987,771	196,706,318	327,599,576	2,538,130,609
Allowance for investment loss	0	13,684,563,702	0	0	13,684,563,702
Allowance for bonuses	113,614,964,114	112,008,864,507	113,614,964,114	0	112,008,864,507
Allowance for retirement benefits	954,085,174,000	84,961,733,420	89,923,100,420	0	949,123,807,000
TOTAL	1,082,431,270,438	211,440,595,810	207,664,911,769	4,423,434,936	1,081,783,519,543

6. Notes to the Financial Statements

Fiscal Year 2020 From April 1, 2020 To March 31, 2021	Fiscal Year 2021 From April 1, 2021 To March 31, 2022
1. Significant Accounting Policies (1) Method of Depreciation for Tangible Fixed Assets a) Administrative property, ordinary property, lease assets and infrastructure assets For tangible fixed assets listed under administrative properties, ordinary properties, and lease assets, depreciation is based on the straight-line depreciation method in accordance with the useful life criteria set forth in the "Administrative Guidelines for the Registry of Public Property owned by the Tokyo Metropolitan Government." For tangible fixed assets listed under infrastructure assets, depreciation is based on the straight-line depreciation method in accordance with the useful life criteria set forth in the "Administrative Guidelines for the Registry of Public Property owned by the Tokyo Metropolitan Government" and the "Bureau of Construction Standards for Infrastructure Asset Management." However, in the case of road pavement, for example, the replacement cost method is adopted, and the cost for partial replacement, i.e. the paving cost, is solely expensed. b) Movable properties (valued at ¥1,000,000 or greater) Movable properties are depreciated based on the straight-line depreciation method in accordance with the useful life criteria set forth in the "Useful Life Standards for Movable Properties".	**1. Significant Accounting Policies** (1) Method of Depreciation for Tangible Fixed Assets a) Administrative property, ordinary property, lease assets and infrastructure assets See left b) Movable properties (valued at ¥1,000,000 or greater) See left
(2) Method of Amortization for Intangible Fixed Assets a) Superficies, easement, patents, copyrights, etc. are not amortized. b) Software is amortized through the straight-line method, with a useful life of 5 years and residual value of zero.	(2) Method of Amortization for Intangible Fixed Assets a) Superficies, easement, patents, copyrights, etc. See left b) Software See left
(3) Method and Criterion for Evaluating Securities and Investments in Capital Securities and investments in capital are the	(3) Method and Criterion for Evaluating Securities and Investments in Capital

Fiscal Year 2020 From April 1, 2020 To March 31, 2021	Fiscal Year 2021 From April 1, 2021 To March 31, 2022
capital and shares of Policy Collaboration Organizations, etc. held by the Tokyo Metropolitan Government and are booked according to their acquisition costs. When the market or real value of the investment has declined significantly, the devalued price shall replace the carrying book value.	See left
(4) Criterion for Booking Allowance Provisions a) Allowance for loss on unpaid receivables A portion of unpaid overdue accounts attributable to nonpayment of metropolitan taxes, rents, and such, might become irrecoverable due to the expiration of the prescription period or other causes. Thus, an allowance for losses on unpaid receivables is provided for by multiplying the percentage of credit loss - a percentage derived by the recent collection status of said accounts, the financial condition of the debtor(s), the actual amount of credit loss during the past 3 years, and such - by the balance of the said receivables at the end of the fiscal year. If a more practical method of calculation exists for individual credit situations, that method is used to book allowance for losses. b) Allowance for loss on bad loans A portion of existing loans might become irrecoverable if a reduction or exemption of repayment is granted. Thus, an allowance for losses on bad loans is provided for by multiplying the percentage of credit loss - a percentage derived by the recent collection status of said loans, the financial condition of the borrower(s), the actual amount of write-down during the past 3 years, and such - by the balance of loans outstanding at the end of the fiscal year. If a more practical method of calculation exists for individual credit situations, that method is used to book allowance for losses. c) Allowance for investment loss Of securities and investments in capital of organizations that provide administrative services, when the market or real value has	(4) Criterion for Booking Allowance Provisions a) Allowance for loss on unpaid receivables See left b) Allowance for loss on bad loans See left c) Allowance for investment loss See left

Fiscal Year 2020 From April 1, 2020 To March 31, 2021	Fiscal Year 2021 From April 1, 2021 To March 31, 2022
declined to a certain extent from the acquisition value, the difference is booked as allowance for investment loss. If the market or real value recovers, the allowance is reversed. d) Allowance for retirement benefits The allowance for retirement benefits is equivalent to the lump-sum payment due to the employees if all of them voluntarily left their posts at the end of the fiscal year. e) Allowance for bonuses Of bonuses and subsequent statutory welfare expenses to be paid to employees in the following fiscal year, the amount that should be included in this fiscal year is booked as allowance for bonuses.	d) Allowance for retirement benefits See left e) Allowance for bonuses See left
(5) Conversion of assets and liabilities denominated in foreign currency into Japanese yen The Tokyo Metropolitan Government has raised foreign debts in the U.S. and Europe, both of which are covered by swap contracts between the said foreign currency and Japanese yen. Consequently, the debts are booked in their original yen amounts at time of issuance since the principal and debt interest is considered to assume no risk due to currency rate fluctuations.	(5) Conversion of assets and liabilities denominated in foreign currency into Japanese yen See left
(6) Other important matters fundamental to the preparation of financial statements a) Valuation of fixed assets The valuation of public properties, movable properties, infrastructure assets, software and lease assets is based on their acquisition costs. b) Presentation of gross and net amounts in the financial statements In the Combined Accounts, the transfer between accounts, as well as debts and credits are offset and the monetary value is presented on a net basis. In the statement of operating costs, if an allowance is provided and reversed in the same year, the amount of provision for the said allowance (to be posted to operating expenses), and the amount of reversal thereof (to be posted	(6) Other important matters fundamental to the preparation of financial statements a) Valuation of fixed assets See left b) Presentation of gross and net amounts in the financial statements See left

Fiscal Year 2020 From April 1, 2020 To March 31, 2021	Fiscal Year 2021 From April 1, 2021 To March 31, 2022
to other operating revenue) are offset and presented on a net basis.	
2. Change of Significant Accounting Policies ―――――――――――――	**2. Change of Significant Accounting Policies** ―――――――――――――
3. Significant Subsequent Events ―――――――――――――	**3. Significant Subsequent Events** ―――――――――――――

4. Contingent Liabilities

(1) Total amount of commitments by contract authorization involving debt guarantee and compensation for loss, of which the liability is contingent

Category	As of March 31, 2022
To public corporations, institutions, etc.	(Yen) 46,187,193,000
General Account	46,187,193,000
To others	211,867,828,000
General Account	211,867,828,000
TOTAL	258,055,021,000
General Account	258,055,021,000

5. Additional Information

(1) Two month account adjustment period

Although the financial statements are prepared based upon information as of March 31, 2022, an adjustment period is adopted by the Metropolitan Government in closing its books. This adjustment period is from the end of the fiscal year until the "account closure date" of May 31 as stipulated in Article 235-5 of the Local Autonomy Act. Figures reflecting cash receipts and disbursement and the subsequent fluctuations of assets and liabilities during this period constitute the final fiscal year end figures. (i.e. The accounting period is extended by two months to absorb cash transactions involving debt or credit defined at the end of the fiscal year.)

(2) Cash other than annual revenue and expenditures

Cash other than annual revenue and expenditures (cash in custody that does not fall under the possession of the Tokyo Metropolitan Government as stipulated in Paragraph 3, Article 235-4 of the Local Autonomy Act) is not booked in the financial statements. As of March 31, 2022, cash other than annual revenue and expenditures was 48,744,263,240 yen.

(3) Amounts committed to subsidize interest payments and such in following years

Category		As of March 31, 2022
Interest subsidies		(Yen) 147,170,809,000
	General Account	147,170,809,000
Others		1,149,639,444,645
	General Account	1,032,032,750,645
	Metropolitan Housing Account	117,606,694,000
TOTAL		1,296,810,253,645
	General Account	1,179,203,559,645
	Metropolitan Housing Account	117,606,694,000

(4) Planned payments for projects brought forward

Category		As of March 31, 2022
Budget carried over		(Yen) 387,053,366,000
	General Account	377,722,497,000
	Land Acquisition Account	55,141,000
	Metropolitan Housing Account	9,168,000,000
	Waterfront Urban Infrastructure Development Project Account	107,728,000
Budget carried over due to unforeseeable events		3,670,644,000
	General Account	3,231,387,000
	Metropolitan Housing Account	439,257,000
TOTAL		390,724,010,000
	General Account	380,953,884,000
	Land Acquisition Account	55,141,000
	Metropolitan Housing Account	9,607,257,000
	Waterfront Urban Infrastructure Development Project Account	107,728,000

(5) Temporary Borrowing

For a temporary accommodation of funds, 500 billion yen was transferred from the Adjusting Fund for Public Finance on April 12, 2021, and refunded thereto by April 28, 2021, 500 billion yen was transferred from the Adjusting Fund for Public Finance on April 28, 2021, and refunded thereto by May 14, 2021, and 800 billion yen was transferred from the Adjusting Fund for Public Finance on May 14, 2021, and refunded thereto by May 31, 2021. The total amount of interest of these financings was 1,621,917 yen, and was borne by the General Account.

(6) Other items which are helpful for better understanding the financial statements

a) Provision for allowances and other operating revenue arising from reversal of relevant allowances

In combining accounts, the balance arising from the provision and reversal of an allowance is aggregated and presented on a net basis.

Financial Statement	Account Title (Debit)	Amount	Account Title (Credit)	Amount
		(Yen)		(Yen)
Statement of Operating Costs	Provision for allowance for loss on unpaid receivables	255,565,431	Other operating revenue	273,120,747
	Provision for allowance for loss on bad loans	2,718,716		
	Provision for allowance for retirement benefits	14,836,600		

b) Transfer between accounts to be offset when combining accounts

Transactions between accounts are summarized as follows.

(The amounts below are offset and balanced out in the combined financial statements.)

Financial Statement	Account Title (Debit)	Amount	Account Title (Credit)	Amount
Balance Sheet		(Yen)	Net assets (Transfer from General Account)	(Yen) 5,184,103,502
Statement of Operating Costs	Transfer to General Account	706,366,925,059	Transfer from General Account	1,201,749,950,459
	Operating expenses - Tax-related subsidies	1,091,570,668,000	Operating revenue - Metropolitan taxes	705,893,152,484
	Operating expenses - Subsidies to other accounts	117,701,782,695	Operating revenue - Transfer from other accounts	2,812,169,309
Balance Sheet/ Statement of Operating Costs TOTAL		1,915,639,375,754		1,915,639,375,754

Financial Statement	Account Title (Payments)	Amount	Account Title (Receipts or Proceeds)	Amount
Cash Flow Statement	Transfer to General Account - Operating Activities	(Yen) 706,366,925,059	Transfer from General Account - Operating Activities	(Yen) 1,248,077,213,307
	Transfer to General Account - Investing Activities	2,328,230,234	Transfer from General Account - Investing Activities	244,495,771,458
	Payments for Operating Activities - Tax-related subsidies	1,091,570,668,000	Transfer from General Account - Financing Activities	44,071,150,008
	Payments for Operating Activities - Subsidies to other accounts	117,787,347,238	Proceeds from Operating Activities - Metropolitan taxes	705,893,152,484
	Payments for Operating Activities - Interest and commission on Metropolitan debt	49,008,235,061	Proceeds from Operating Activities - Transfer from other accounts	5,575,106,095
	Payments for Investing Activities - Sinking fund	268,996,863,966	Proceeds from Investing Activities - Transfer from other accounts, etc.	32,254,902,967
	Payments for Investing Activities - Subsidies to other accounts	2,237,876,753	Proceeds from Investing Activities - Revenue from collection of loans	2,201,800,000
	Payments for Financing Activities - Redemption of Metropolitan debt (debt principal)	46,928,410,745	Proceeds from financing activities - Borrowing from other accounts, etc.	2,000,000,000
	Payments for Financing Activities - Repayment of borrowing to other accounts	2,201,800,000	Proceeds from financing activities - Transfer from other accounts	2,857,260,737
Cash Flow Statement TOTAL		2,287,426,357,056		2,287,426,357,056

c) Inter-Account debts and credits

Inter-Account debts and credits are summarized as follows.

(The amounts below are offset and balanced out in the combined financial statements.)

Account	Asset	Amount	Liability	Amount
Metropolitan Housing Account		(Yen)	Current liabilities - Borrowings from other accounts	(Yen) 1,875,600,000
Metropolitan Housing Tenants Security Deposit Account	Current Assets - Short-term loans	1,875,600,000		
Metropolitan Housing Account			Fixed liabilities - Borrowings from other accounts	6,585,600,000
Metropolitan Housing Tenants Security Deposit Account	Fixed Assets - Long-term loans	6,585,600,000		
TOTAL		8,461,200,000		8,461,200,000

6. Other References

(1) Balance Sheet

a) Details of securities and investments, and loans

Category	To Tokyo Metropolitan Government Policy Collaboration Organizations	To other organizations	Total
Securities	(Yen) 111,121,408,858	(Yen) 127,870,414,109	(Yen) 238,991,822,967
Investments in capital	159,930,347,348	536,232,660,886	696,163,008,234
Loans	328,614,180,731	1,108,243,364,236	1,436,857,544,967

b) Planned servicing of Metropolitan debt and borrowings

Category		Redemption In FY2022	Redemption in and after FY2023	Total
Metropolitan debt		(Yen) 342,846,440,609	(Yen) 5,152,580,464,239	(Yen) 5,495,426,904,848
	General Account	295,730,446,726	4,633,214,504,094	4,928,944,950,820
	Single Parent Welfare Loan Fund Account	0	28,794,770,028	28,794,770,028
	Small and Medium Enterprise Facility Installation Fund Account	1,525,927,693	618,704,120	2,144,631,813
	Slaughter House Account	67,325,070	3,378,284,066	3,445,609,136
	Metropolitan Housing Account	45,522,741,120	486,574,201,931	532,096,943,051
Other borrowings		1,500,000	374,151,966	375,651,966
	Small and Medium Enterprise Facility Installation Fund Account	1,500,000	374,151,966	375,651,966
TOTAL		342,847,940,609	5,152,954,616,205	5,495,802,556,814
	General Account	295,730,446,726	4,633,214,504,094	4,928,944,950,820
	Single Parent Welfare Loan Fund Account	0	28,794,770,028	28,794,770,028
	Small and Medium Enterprise Facility Installation Fund Account	1,527,427,693	992,856,086	2,520,283,779
	Slaughter House Account	67,325,070	3,378,284,066	3,445,609,136
	Metropolitan Housing Account	45,522,741,120	486,574,201,931	532,096,943,051

(2) Statement of Operating Costs

a) Details of revenues and their accounting basis

Account	Description and Accounting Basis
Operating revenue	
Metropolitan taxes	Ordinary taxes (excluding local consumption tax) as defined in the current Local Tax Act, taxes provided for in the former law, special purpose taxes and a special-purpose discretionary tax (namely, accommodation tax provided for in the Tokyo Metropolitan Accommodation Tax Ordinance) are recognized as revenue when they are received and booked accordingly.
Local consumption tax (before settlement)	Local consumption tax is booked upon receipt before its final adjustment among prefectures.
Local transfer taxes	Local road transfer tax, petroleum gas transfer tax, special tonnage transfer tax, aviation fuel transfer tax, local gasoline transfer tax, forest environment transfer tax, motor vehicle tonnage transfer tax and special corporate enterprise transfer tax are booked as revenue upon receipt.
Special local government grants	(a) Grants provided to supplement reduced individual inhabitant tax revenue of local governments resulting from special tax deductions such as that for housing loan balances are booked as revenue. (b) Grants provided to supplement reduced revenue of local governments due to the temporary lowering of the automotive environmental performance-based tax in order to level out demand resulting from the consumption tax rate increase, are booked as revenue. (c) Grants provided to supplement reduced revenue of local governments due to the lowering of fixed assets tax and city planning tax for depreciable assets owned by Small and Medium-sized enterprises, and the house for business use, and of an expansion of exceptional measures of fixed assets tax to realize the productivity revolution.
Subsidy for municipalities which locate national facilities	The national government offers a subsidy to municipalities which locate national facilities as alternative financial resource for fixed assets tax. The subsidy is booked as revenue upon receipt.
Revenue from other tax sources	Metropolitan inhabitant tax on interest income after settlement among prefectures and revenues from the collection of delinquent taxes are booked upon receipt.
National treasury disbursements	Disbursements from the national government are booked as revenue when allotted to operating activities.
Traffic safety special grants	Based on the Road Traffic Act, the national government allocates revenues from fines, etc. to local governments as grants to establish road traffic safety facilities and their management. The grants are booked as revenue.
Receipts from operations (Special Accounts)	When the special accounts receive loan interest, premiums or damages for contract breaches, they are booked as revenue.
Charges and Contributions	Incoming public charges and contributions are booked as revenue when they are applied to the operating activities.
Rents and fees	Rents and fees are booked as revenue upon receipt.
Revenue from property	Rents, sales and other revenue from properties are booked as revenue upon

		receipt.
	Revenue from commissioned projects	Revenue from commissioned projects is booked as revenue upon receipt.
	Revenue from other business and sales	Revenue from profit-making businesses, proceeds from the sale of movable assets, etc. are booked as revenue upon receipt.
	Donations	Donations are booked as revenue upon receipt.
	Transfer from other accounts	Money transferred from other accounts is booked as revenue when it is applied to operating activities.
	Other operating revenue	Other revenue from operating activities is booked under this title.
Financial revenue		
	Interest and dividends	Interest on bank deposits, dividends from stocks and other financial instruments are booked upon receipt.
Extraordinary gains		
	Gain on sales of fixed assets	Proceeds (or receivables) from sales of fixed assets (other than securities and investments) are offset with the book value of said assets, and recognized as a gain if the proceeds exceed the book value.
	Other extraordinary gains	Gains from the sales of securities and investments, reversal of allowances, prior-year adjustments, etc. are booked under this title.

b) Local consumption tax and local consumption tax settlement

In order to clarify revenue and expenditures related to local consumption tax, in the operating revenue, local taxes are classified as metropolitan taxes and local consumption tax (before settlement), and similarly, in the operating expenses, financial assistance for non-capital investment is described separately as local consumption tax settlement and financial assistance for non-capital investment.

c) Expenses relevant to capital investment

“Expenses for capital investment, with national subsidies”, “Expenses for capital investment with no national subsidies,” and “Expenses relevant to the nation’s government’s capital investment” are all accounted for as operating expenses since these costs are not added to the acquisition cost of the fixed assets of the Tokyo Metropolitan Government on account of their nature.

d) Major items under other extraordinary gains and losses

Of the other extraordinary gains, prior-period adjustments revealed a gain of 9,103,318,801 yen. Of the other extraordinary losses, provision for allowance for investment loss, based on a real value of shares issued by Policy Collaboration Organizations has declined, revealed a loss of 13,684,563,702 yen and prior-period adjustments revealed a loss of 11,112,931,643 yen.

(3) Cash Flow Statement

The following is a breakdown of the difference between the “net surplus for the period” in the statement of operating costs and “net cash flows provided by operating activities” in the cash flow statement.

	(Yen)
Net surplus for the period in the Statement of Operating Costs	74,818,992,124
Changes in fixed assets	218,428,517,819
Depreciation and amortization	219,773,675,624
Loss (or Gain) on sales of fixed assets	△ 3,350,298,172
Loss on disposals of fixed assets	2,005,140,367
Changes in current assets/liabilities relating to operating activities	39,550,394,185
Decrease (or Increase) of unpaid overdue accounts	39,630,508,034
Increase (or Decrease) of unpaid refunds	△ 80,113,849
Other non-cash items	44,891,192,753
Provision for allowance for loss on unpaid receivables	△ 3,506,388,950
Loss on unpaid receivables	393,097,471
Provision for allowance for retirement benefits	84,961,733,420
Payments for retirement benefits	△ 11,448,325,256
Other non-cash revenue/expense items	△ 25,508,923,932
Other items	13,617,096,149
Other extraordinary gains	△ 11,221,479,830
Other extraordinary losses	24,838,575,979
Net cash flows provided by operating activities in the Cash Flow Statement	391,306,193,030

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