

Financial Condition of City of Nagoya

October 2024
Finance Bureau, City of Nagoya

Contact

Funds Division, Finance Department,
Finance Bureau, City of Nagoya
TEL: 052-972-2309 Fax: 052-972-4107
E-mail: a2309@zaisei.city.nagoya.lg.jp



Nagoya Castle (photo by NAGOYA convention & visitors bureau)



Table of Contents

I. FY2024 Bond Issuance Plan

FY2024 City of Nagoya's Bond Issuance Plan	1
FY2024 Plan for Public Bond Offerings	2
Highlights of FY2024 Bond Issuance Plan	3
Issuance Amount of Public Bond Offerings in FY2022/2023	4
Actual Issuance of Public Bonds	5
History of The City's Public Bond Offerings	6
Nagoya SDGs Bond	7
Credit Rating	8

II. Budget for FY2024

Overview of General Account for FY2024	9
General Account for FY2024: Key Priority Strategies	10
General Account for FY2024: Operations covered by municipal bonds	12
General Account	13

III. Nagoya's Fiscal Conditions

Settlement of General Account for FY 2023	14
Municipal Tax Revenue	15
Residential Tax Cut	16
Future Fiscal Management	17
Outstanding Municipal Bonds	18
Primary Balance of General Account	19
Financial Soundness Ratios	20
Comparison of Fiscal Condition between Ordinance-Designated Cities	21
Nagoya's Position Among Municipal Bond Issuers	23

IV. The City of Nagoya

Profile of Nagoya	24
Population Dynamics of Nagoya	25
Nagoya's Transportation Network	26
Aiming to Realize Super Terminal Nagoya	27
Redevelopment of the Area around Nagoya Station	29
Redevelopment of the Sakae Area	30
Port of Nagoya: A Hub of Logistics and Exchange	31
The 20th Asian Games and the 5th Asian Para Games	32
Restoration of Nagoya Castle Tower and Hommaru Palace	33
Arimatsu District, a Distinct Flavor of the Edo Period Tokaido Route	34
Higashiyama Zoo and Botanical Gardens, Bridging People and Nature	35
Characteristics of Nagoya Economic Zone	36
Economic Size of Nagoya	37
Gross Product for Nagoya	38

V. Appendix

Reminder	Back cover
-----------------------	-------------------

I . FY2024 BOND ISSUANCE PLAN

FY2024 City of Nagoya's Bond Issuance Plan

- Size of the bond will increase by c. ¥69.4bn y/y , amounting to ¥282.5bn
- Size of public bond offerings will increase by ¥30bn, amounting to ¥147.0bn

(Billion Yen)

Category	FY2024 A	FY2023 B	YOY Change A-B
Government Funds <small>(Fiscal Loan Fund, loans from Japan Finance Organization for Municipalities, National Budget, etc.)</small>	38.9	31.9	7.0
Private Funds	243.6	181.2	62.4
Public Bond Offerings	147.0	117.0	30.0
(Flex quota)	(65.0)	(45.0)	(20.0)
Bonds underwritten by banks	96.6	64.2	32.4
Total	282.5	213.1	69.4

* Estimate at the beginning of FY2024

FY2024 Plan for Public Bond Offerings

(Million yen)

Maturities	Issue Amount	Monthly Plan											
		Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
5-year bonds	10,000							10,000					
10-year bonds	60,000			10,000			15,000			15,000			20,000
Ultra-long-term bonds	10,000		10,000										
City resident bonds	2,000							2,000					
Flexible quota	65,300		15,000 3,000 Upsize for 20yr	5,000 Upsize for 10yr			11,300 20yr fixed redemption	20,000 Upsize for 5yr			11,000		
Total	147,300		28,000	15,000			26,300	32,000		15,000			20,000

* The figures from April to October indicate actual results and figures in or after November indicate plans as of October 2024

* The total amount scheduled to be issued each month does not include flex slots

* The flexible quota has been increased by ¥0.3bn from the original plan

Highlights of FY2024 Bond Issuance Plan

Bond management focusing on market situations

(1) Implementation of negotiated style deals

- The city continues to emphasize the importance of communication with the market, utilizing negotiated style deals
- The city will use negotiated style deals for 5-year, 10-year (planned in June and December) and ultra-long-term bonds

(2) Securing of flexible quota: 65.3 billion yen

- The city promotes flexible and agile bond issuances in response to the market environment

(3) Proactive investor relation management

- Communication with investors through bond issue, etc.
- Seminars, meetings, etc.

Issuance Amount of Public Bond Offerings in FY2022/2023

Issuance Amount for FY2023

(Million yen)

Category	Amount	Monthly Plan											
		Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
5-year bonds	10,000										10,000		
10-year bonds	50,000			10,000			15,000				10,000		15,000
Ultra-long-term bonds	10,000		10,000	20yr									
City resident bonds	2,000		Upsize for 20yr					2,000	20yr fixed redemption				
Flexible quota	45,000		3,000						30yr	10,400	11,600	Upsize for 5yr	
										10,000	10,000	20yr	
Total	117,000		13,000	10,000			15,000	2,000	20,400	41,600			15,000

Issuance Amount for FY2022

(Million yen)

Category	Amount	Monthly Plan											
		Apr.	May.	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
5-year bonds	10,000									10,000			
10-year bonds	50,000			10,000			15,000				10,000		15,000
Ultra-long-term bonds	10,000		10,000	20yr									
City resident bonds	2,000			Upsize for 10yr			Upsize for 10yr	2,000	Upsize for 5yr				
Flexible quota	*61,000			5,000			1,000		30yr	27,000	5,000	Upsize for 10yr	
										13,000	10,000	20yr	
Total	133,000		10,000	15,000			16,000	2,000	50,000	25,000			15,000

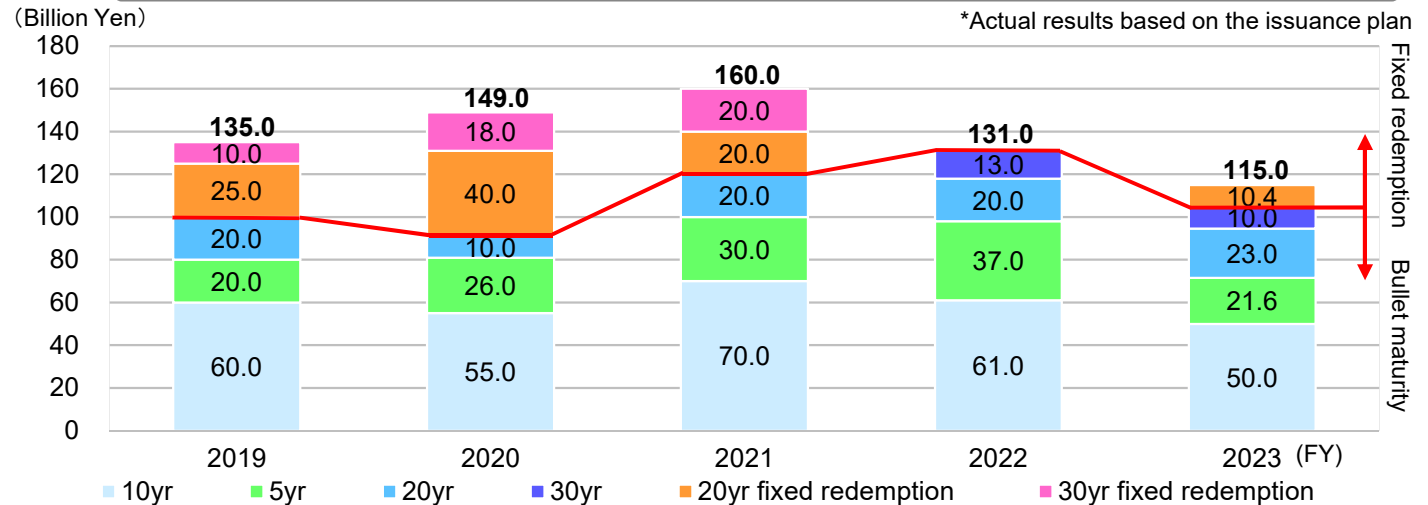
* The flexible quota has been increased by ¥1bn from the original plan

Actual Issuance of Public Bonds

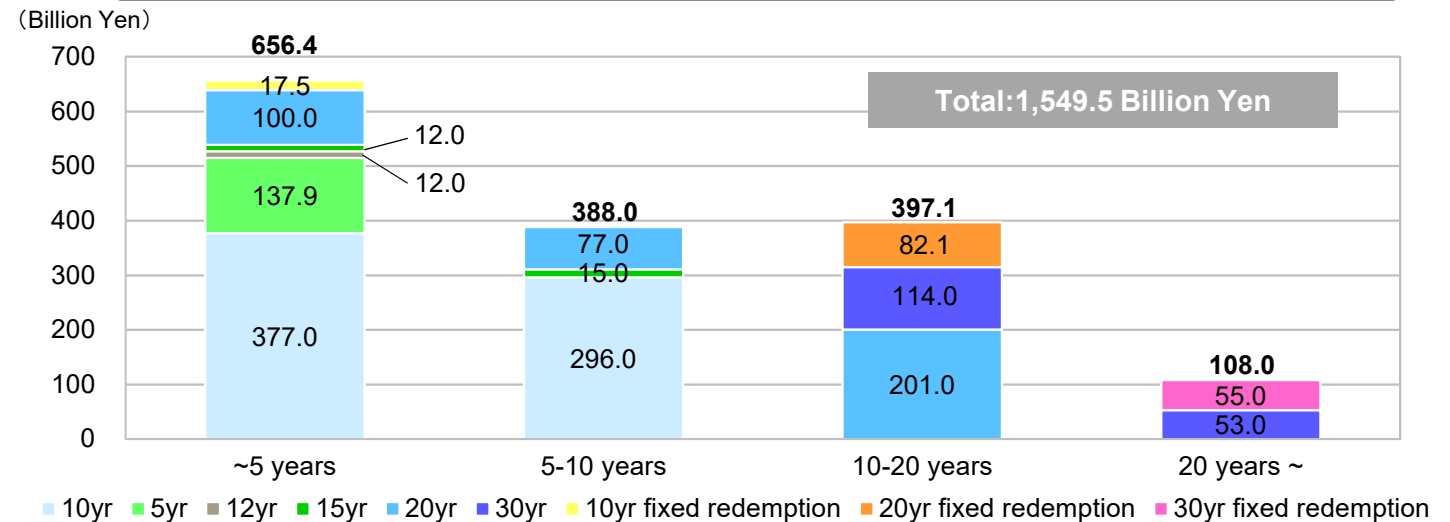
■ The city has selected the tenor and redemption method and has introduced the flex quota to enable flexible responses to changing financial situations while issuing mainly 10-year bonds

■ The city maintains a certain issue size while considering tenor every fiscal year, with trading volume of the bonds exceeding JPY1,500bn

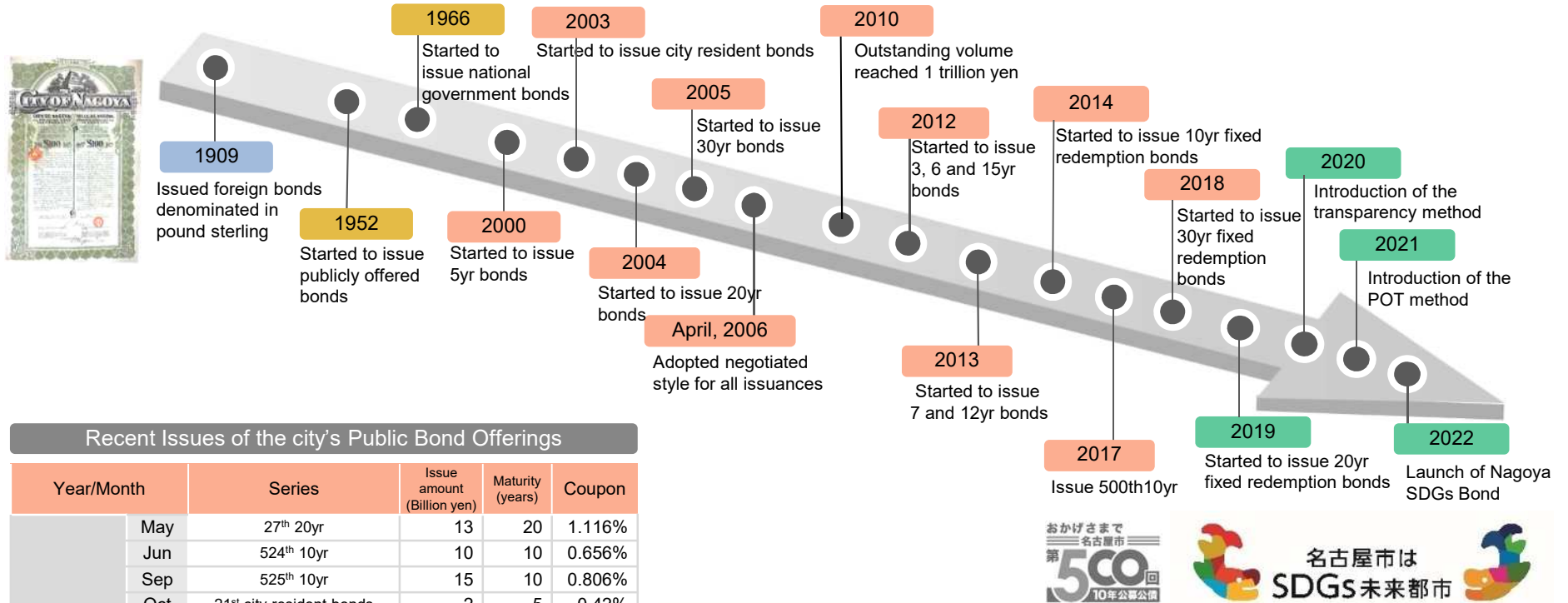
Amount of Publicly Offered Bonds



Outstanding Amount by Maturity as of the End of FY2023



History of The City's Public Bond Offerings



Recent Issues of the city's Public Bond Offerings

Year/Month	Series	Issue amount (Billion yen)	Maturity (years)	Coupon
FY2023	May 27 th 20yr	13	20	1.116%
	Jun 524 th 10yr	10	10	0.656%
	Sep 525 th 10yr	15	10	0.806%
	Oct 21 st city resident bonds	2	5	0.42%
	Nov 6 th 20yr fixed redemption	10.4	20	1.101%
	Nov 15 th 30yr	10	30	1.887%
	Nov 32 nd 5yr	21.6	5	0.334%
	Dec 526 th 10yr	10	10	0.734%
FY2024	Mar 28 th 20yr	10	20	1.450%
	Mar 527 th 10yr	15	10	0.879%
	May 33 rd 5yr	15	5	0.580%
	May 29 th 20yr	13	20	1.719%
	Jun 528 th 10yr	15	10	1.081%
	Sep 7 th 20yr fixed redemption	11.3	20	1.234%
	Oct 529 th 10yr	15	10	0.998%
Oct 34 th 5yr	30	5	0.590%	

- Nagoya started public bond offerings in 1952. The city's bonds have a longer postwar history than Japanese government bonds
- Before the war, in 1909, Nagoya issued foreign bonds denominated in pound sterling
- Nagoya is proactively diversifying maturities and redemption methods in line with the market environment
- Nagoya began the issuance of Nagoya SDGs Bond (26th 20yr bonds) in December 2022

Nagoya SDGs Bond

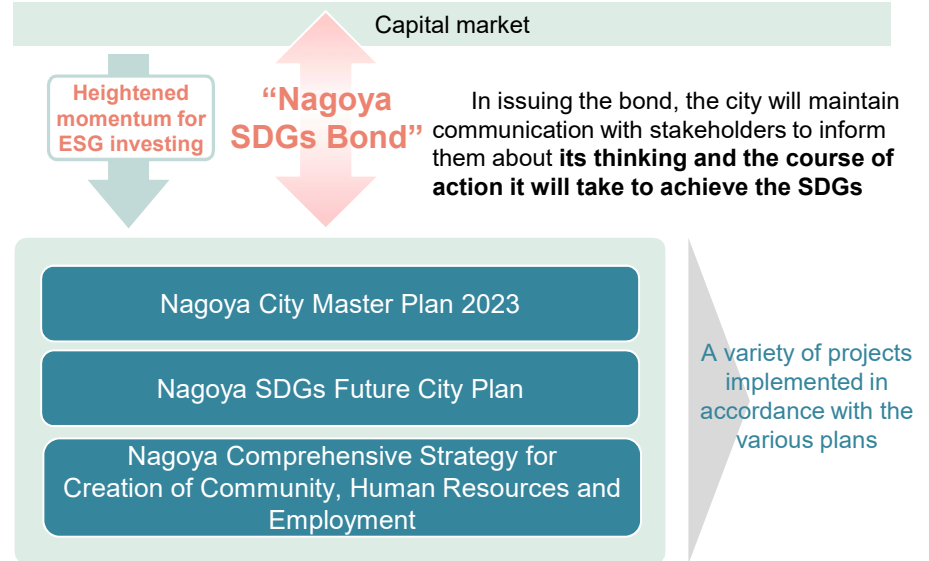
Third-Party Assessment of SDG Initiatives

- 1. Plans assessed** Nagoya City Master Plan 2023
Nagoya SDGs Future City Plan
Nagoya Comprehensive Strategy for Creation of Community, Human Resources and Employment
- 2. References** UN “2030 Agenda for Sustainable Development”
“SDG Impact Standards for Enterprises, version 1.0”
- 3. Rating entity** Rating and Investment Information, Inc. (R&I)
- 4. Assessment** Based on the concepts and approaches articulated in the materials listed in 2. above, the city’s plans were assessed as contributing to the attainment of SDGs from the standpoint of strategy, approaches (execution and management), transparency, and governance
- 5. Timing of assessment** August 2022

Aspect	Evaluation
Strategy	Nagoya City Master Plan 2023 incorporates the vision of the SDGs and sets priority strategies through collaboration with a broad slate of stakeholders, focusing on the areas with the greatest desired impact
Approach (execution/management)	Employs multiple performance measures, including qualitative indicators such as satisfaction and awareness among citizens and quantitative measures of work performed, and conducts progress assessments each fiscal year. The results are systematically recorded and monitored; the information is actively used to report to the city’s legislative assembly and in disclosures, as well as for ongoing management such as assigning priorities in each fiscal year’s budget
Transparency	Achievements in terms of performance indicators and progress on projects are shared with the public each fiscal year through the city’s website. Policies for shaping the Master Plan, drafts of plans, and summaries of public comments, etc., are also available for public viewing
Governance	The Office for Promotion of SDGs and the Creation of Community, Human Resources and Employment is headed by the Mayor and supported by the Deputy Mayor; the heads of each bureau, ward, and city hall office are also members of this office, ensuring that the entire municipal government is involved in this effort. External experts are also selected to be members, chosen from representatives of industry, public administration, academia, finance, labor groups, media, and citizens, with consideration for achieving a balance among the diverse stakeholders in the municipal area

The Interrelationships Between the Three Policies Assessed by Third-Party Assessors

The Nagoya Municipal Government’s Undertakings



Features of the bond		
	Typical SDGs bond	Nagoya SDGs Bond
Conformity with ICMA Principles	Yes	No
Third-party assessment	Assessment of the framework	Assessment of project management policy
Restrictions on use of proceeds	Projects contributing to the SDGs	
Reporting	Reports on the use of proceeds (for each designated project)	Reports on each project that the issuer presents
Objective	Attainment of the SDGs	

Credit Rating

- Nagoya has obtained a rating from Moody's Investors Service Inc.(currently Moody's Japan K.K.) since November 7, 2007.

Rating by Moody's

A1

(Stable) = Same as Japanese Government Bonds

BIS Risk Weight	
Government bonds	0%
City bonds (Nagoya city bonds)	0%
Government-guaranteed bonds	0%
FILP agency bonds	10%
Bank debentures	20%

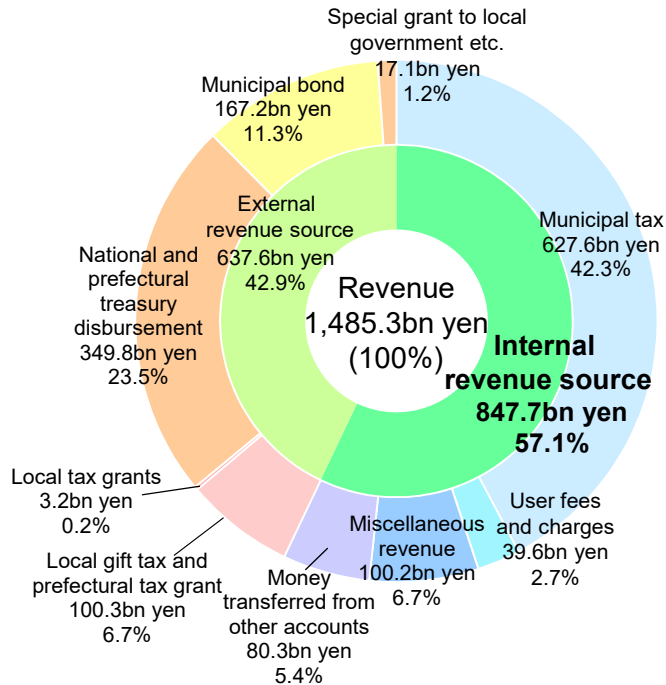
Basis of rating

- Economic hub city in the Tokai region with a strong economic base
- Strong tax revenue base
- The central government's robust involvement in local fiscal management and solid intuition frameworks including the fiscal coordination system

II. BUDGET FOR FY2024

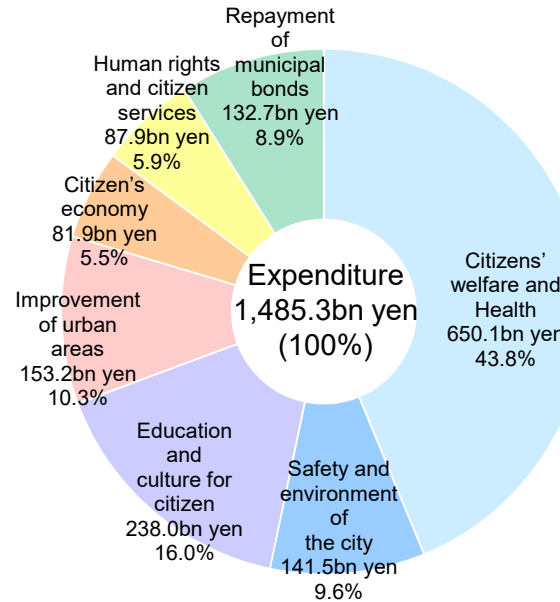
Overview of General Account for FY2024

Budget Revenue

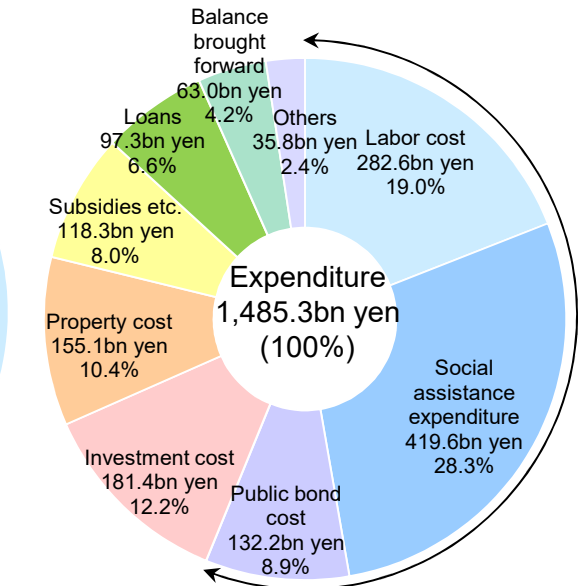


Budget Expenditure

By Usage



By Type



Ratio of obligatory expenses: 56.2%
(Labor + social assistance + public bonds)

- The initial general account budget was 1,485.3bn yen (+5.2% (+73.3bn yen) year on year)
- Revenue: Municipal tax 627.6bn yen (+2.2% (+13.4bn yen) year on year)
 ---Due to increase in corporate municipal tax resulting from the improvement of enterprise performance, despite decrease in municipal tax payments resulting from the government-led flat-amount tax cut
- Municipal bond 167.2bn yen (+44.4% (+51.4bn yen) year on year) --- Due to increased volume of construction bonds , etc.
- Expenditure: Obligatory expenses 834.4bn yen (+7.6% (+59.1bn yen) year on year)

General Account for FY2024 : Key Priority Strategies (1)

1 Community-wide support to help young people start families and plan for a bright future

Support for those seeking to meet and marry prospective partners

Organizing of matchmaking events and life planning seminars

Association for the Healthy Development of Children Left Unattended After School

Subsidies issued to the Association for the Healthy Development of Children Left Unattended After School

The Nagoya Children Smile project

Various housing support initiatives for child-rearing households based on their stage in life

Gifting of picture books for infants at libraries

Free picture books for infants under the age of 1 who live in Nagoya

Private high school tuition subsidies

Increased tuition subsidies and removal of the income ceiling for subsidy payments to guardians of third (and later) children

2 Support the hopes and dreams of children and young people at the community-wide level, ensuring that no one gets left behind

“Career Time” (a career education program)

An in-school outreach program that lets children explore who they want to be and how they want to live

Career support

Placing of nationally accredited career consultants at schools

Launch of an evening junior high school

Classes scheduled to start in April 2025

Changes to income ceilings for recipients of school expense subsidies

Income ceilings to be raised

3 Compassionate welfare initiatives meeting individual needs, in order to build a community where everyone can support each other and thrive

Abdominal ultrasound screenings tests

Citizens aged 50 or older may receive abdominal ultrasound screening tests for an out-of-pocket fee of ¥500

Subsidies to help businesses make reasonable accommodations for the disabled

Helping businesses make reasonable accommodations for the disabled by subsidizing the purchase of equipment and other necessary expenses

Discussions and studies in preparation for the launch of barrier-free guidance services

Discussions on how to involve access-challenged people into the decision-making process when making barrier-free improvements

Establishment of a juvenile/youth suicide crisis response team

Collection and analysis of information on juvenile/youth suicides, engaging of outside experts and discussion of policies to help at-risk children/youths, provision of training for schools and other relevant organizations

General Account for FY2024 : Key Priority Strategies (2)

4 Protect lives and businesses from disasters and infections and provide safety and security

An examination of the city's earthquake preparedness in light of the lessons learned from the 2024 Noto Peninsula earthquake

Reexamination of Nagoya's preparedness against large-scale earthquakes and survey of other cities' initial response plans for extending support to earthquake-stricken areas

Facilitation of the installing of seismic circuit breakers

Subsidies to cover some of the costs of installing circuit breakers that activate when they sense an earthquake

Support the building of a scheme to ensure delivery of medications during disasters

Subsidies to cover some of the costs of building a scheme that ensures the delivery of medications to hospitals and other key locations in the event of a disaster

Assistance to nurses who wish to become certified nurses in infection control (CNIC)

Issuing of subsidies to hospitals to defray some of their costs of having nurses obtain CNIC qualification

5 Build a uniquely attractive city that draws diverse people from around the globe, where the environment and the economy create a positive cycle to generate growth

A community design that will synergize with the upcoming maglev Chuo Shinkansen

- Improvement of Nagoya Station's ability to serve as a terminal
- Redevelopment of the area surrounding Nagoya Station

Bringing more energy to areas surrounding innovation hubs and other key locations

Support relevant private-sector programs and provide spaces where innovators can perform tests, collaborate, and communicate with each other; design a more walkable community

The 70th Nagoya Festival

The city will organize the festival along with projects that celebrate its 70th anniversary

Facilitating barrier-free improvements to hotels and other lodging facilities

Implement a subsidy system to help lodging facilities become more barrier-free in preparation for the 20th Asian Games and the 5th Asian Para Games

Subsidies to facilitate the growth of FCEV buses

Issuing of subsidies to private businesses that implement FCEV buses that produce no greenhouse gases or pollutants during use

Renewal/upgrade of Nagoya City Museum

Upgrade the main building and exterior; create digital archives of museum documents; produce digital content

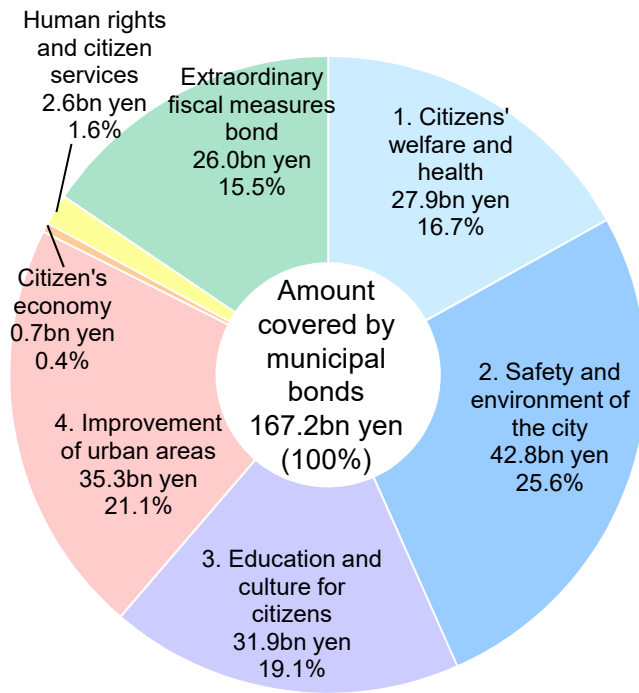
Upgrades to Exhibition Hall 2 of Nagoya International Exhibition Hall

- Renovation work will be performed on the building
- The city will engage an outside organization to assist in the work of monitoring the project

Upgrades to facilities that will host the Asian Games and the Asian Para Games

Improvements to facilities such as the Rainbow Pool and the Nagoya Mizuho Rugby Stadium

General Account for FY2024: Operations covered by municipal bonds



1. Citizens' welfare and health
 Construction of emergency medical care and disaster response center for Nagoya City University Hospital

4. Improvement of urban areas
 Promoting redevelopment in preparation for the launch of the Linear Chuo Shinkansen service

2. Safety and environment of the city

Updates to command and control system

Upgrade of Nanyo Factory

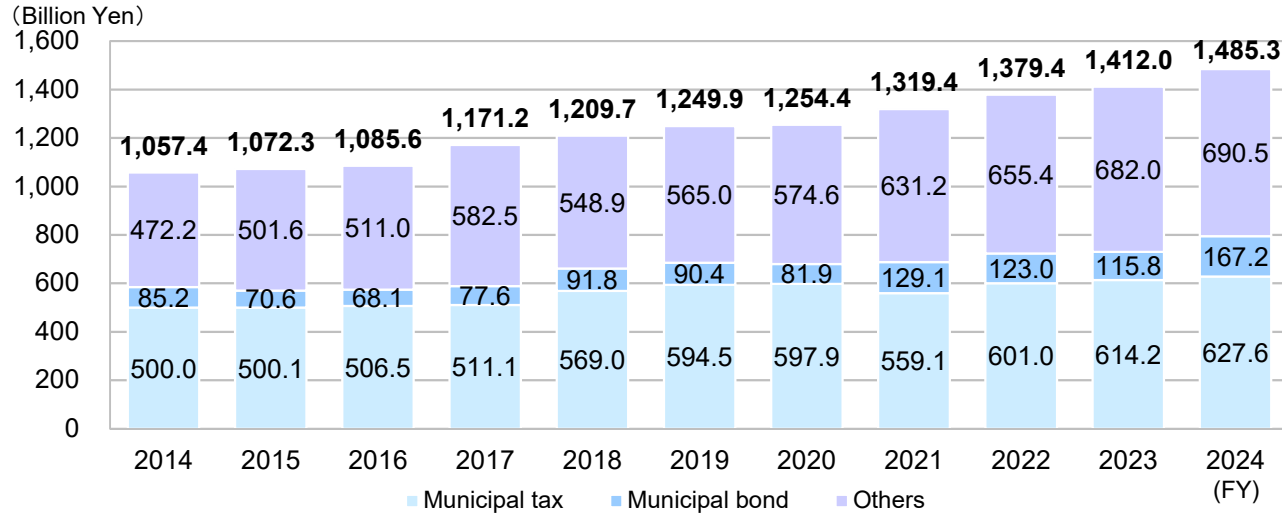
3. Education and culture for citizens

Making school facilities barrier-free

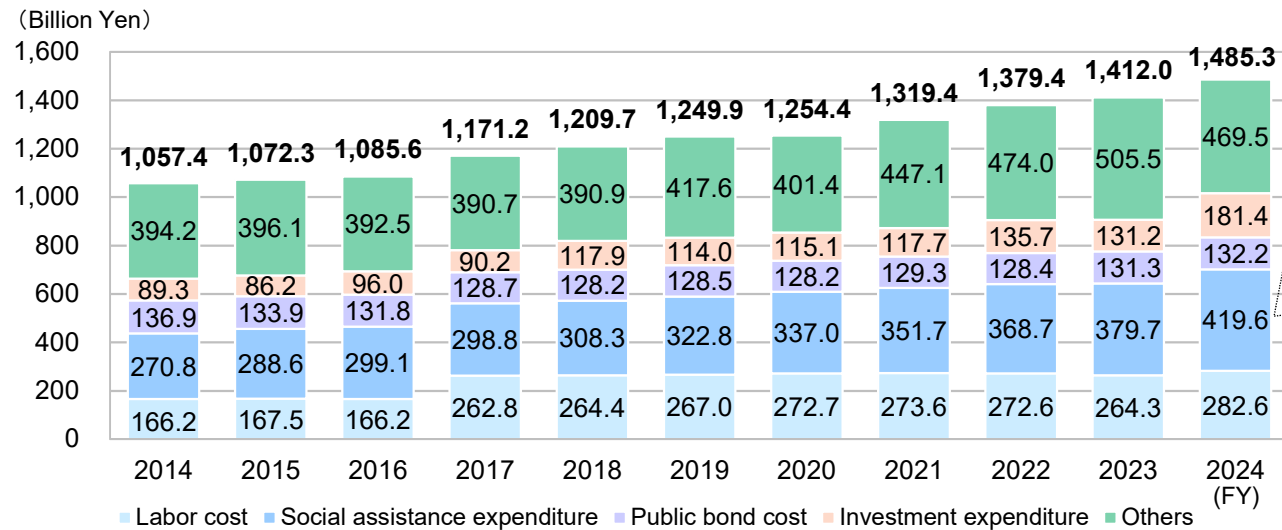
Refurbishing/rebuilding venues for the 20th Asian Games and the 5th Asian Para Games, and reconstruction of the track and field stadium in Mizuho Park

General Account

Budget revenue

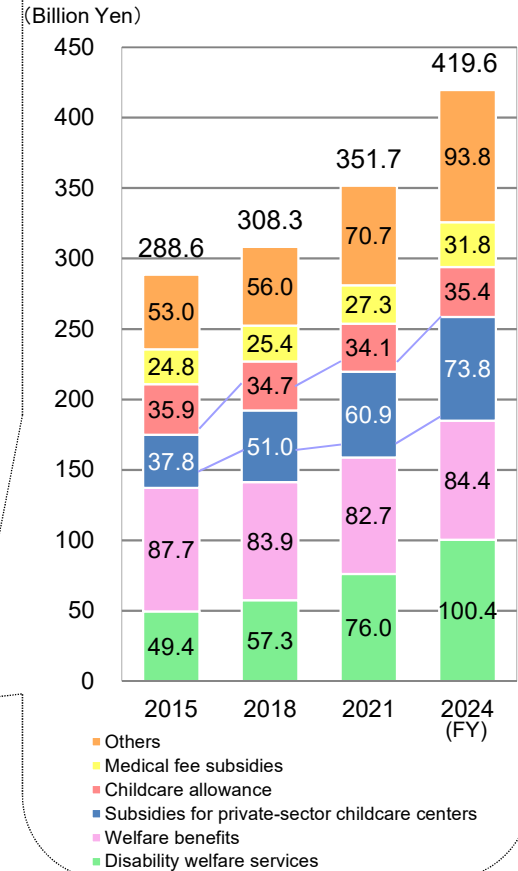


Budget expenditure



Social assistance expenditure

Due to an increase in the number of recipients and other factors, expenses relating to welfare services for the disabled and for operation of private-sector childcare centers, etc. have increased



III. NAGOYA'S FISCAL CONDITIONS

Settlement of General Account for FY 2023

(Million Yen)

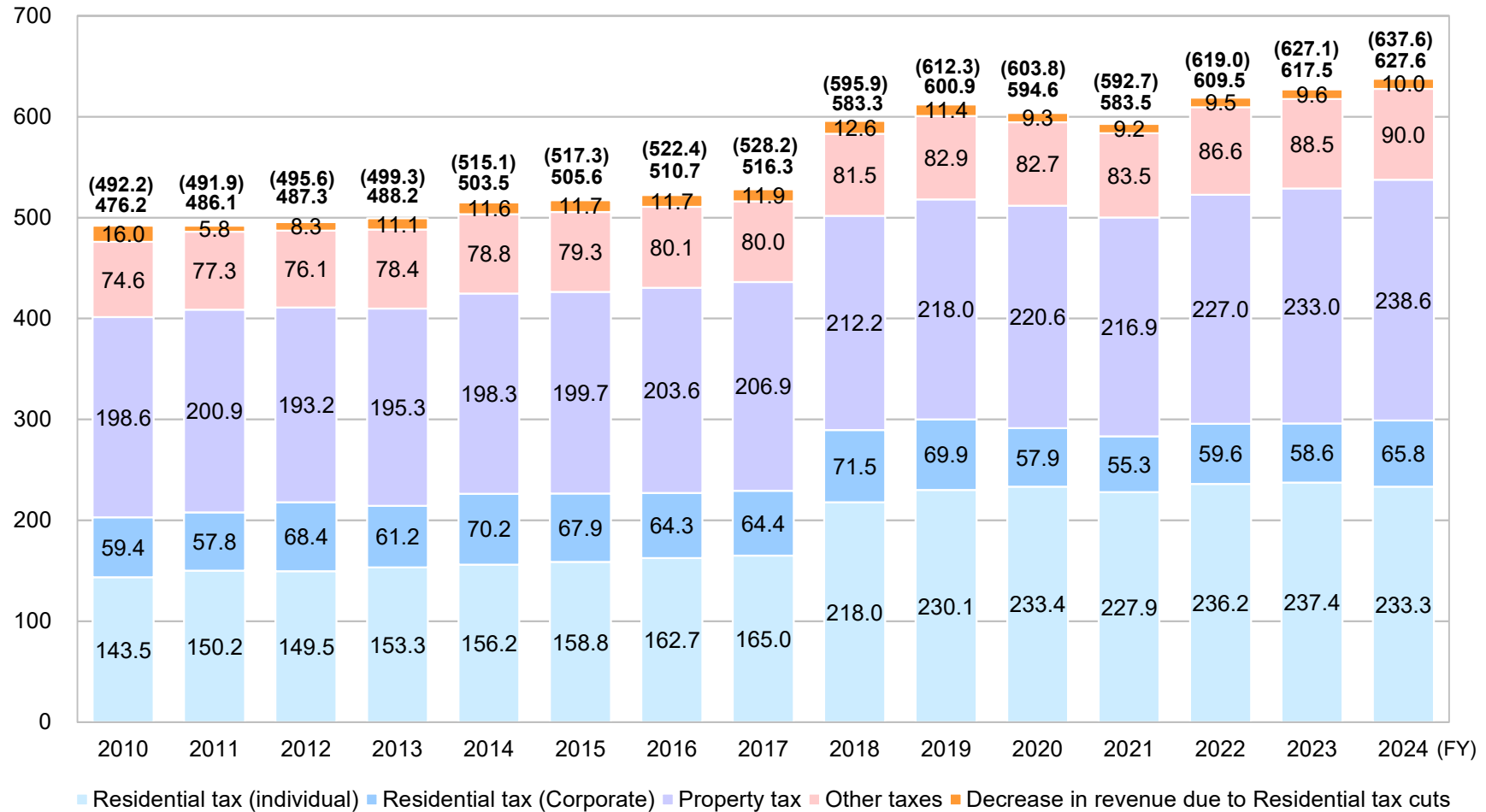
- General account includes expenses required for operations which are basis of the administrative operations of local government and excludes extraordinary account
- The account is funded by city tax and used for citizen-related services such as welfare and education as well as management of basic infrastructure such as roads and parks

	FY2023	FY2022	Annual increase
Revenue settlement: A	1,428,243	1,450,915	-22,671
Expenditure settlement: B	1,411,781	1,435,947	-24,165
Current account balance: C = A - B	16,462	14,968	1,494
Financial resources carried forward: D	6,783	6,597	186
Real balance: E = C - D	9,679	8,371	1,308

* Numbers may not add up precisely to the totals due to rounding

Municipal Tax Revenue

(Billion Yen)



* All figures are of settled accounts except those for FY2024 (initial budget). Figures in () include tax reduction
 * Decrease in revenue due to municipal tax cuts in FY2024 excludes decrease in revenue due to the government-led flat-amount tax cut
 * Numbers may not add up precisely to the totals due to rounding

Residential Tax Cut

Residential tax has been reduced from FY2010

Purpose of the Tax Cut

To support the lives of citizens and revitalize the local economy as well as its future potential with respect to current economic conditions, while contributing to future regional economic development

Tax Rate After the FY2024 Tax Cut

Residential tax cut (individual)

(Per capita) Before tax cut 3,000 yen → 2,800 yen

(By income) Before tax cut 8 % → 7.7 %

The tax rate is calculated by adding 5.7% of the tax rate after the previous tax cut (6% standard tax rate x 0.95) and 2% from the transfer of tax revenue sources in FY2018

Changes in the impact of tax cut (Billion Yen)

FY2010 – FY2023 results

Category		Per capita basis	Per income/corporate tax
Tax cut	149.6	8.3	141.3
Residential tax (individual)	118.7	3.0	115.7
Residential tax (corporate)	30.9	5.3	25.6

*Total settlement amounts for FY 2010 – FY 2023

*Corporate tax cuts included in the corporate donation promotion tax incentive system from FY2019

FY2024 Budget

Category		Per capita basis	Per income
Residential tax (individual)	10.0	0.3	9.7

*Initial Budget for FY2024

Future Fiscal Management

Policy

- While giving consideration to fair burdens among generations, systematic fiscal management will be conducted so that no excessive burden is handed down to the future generations.

Setting of rules

- Municipal bonds' roles include securing fairness of burdens among generations for construction of facilities etc. that provide benefits over time, leveling of fiscal expenditure, temporary fiscal supplement for shortage in tax revenue. On the other hand, given repayment for municipal bonds is a public bond cost and places a financial burden, certain rules were formulated regarding outstanding municipal bond amounts.
- Furthermore, a targeted amount to be accumulated for a financial adjustment fund was set, from the perspective of securing fiscal elasticity between fiscal years. (Formulated in Sep. 2010)

Details of the rules

Details of the rules(1)	FY2023 Results	FY2024 Budget
Current outstanding amount of general account municipal bonds shall not exceed the peak amount in the past (1,908.9bn yen/end of FY2004*) - Refer to page 18	1,650.6bn yen	1,742.7bn yen (1,733.0bn yen after supplementary budget in September)

*Includes amounts transferred to the general account following the abolition of the city university and hospital operation accounts

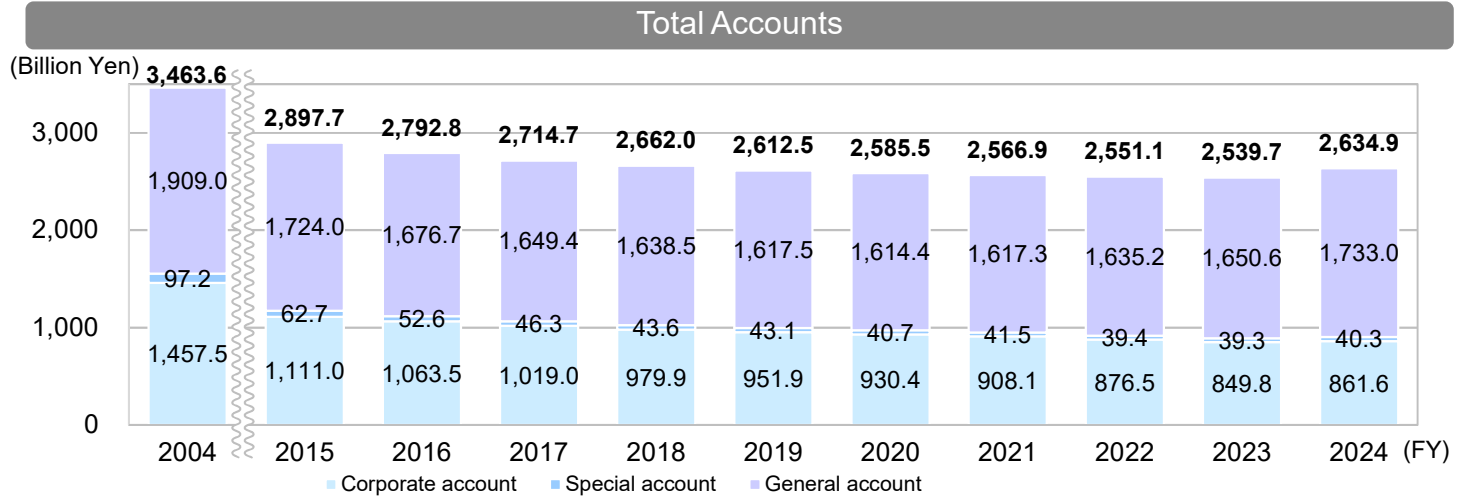
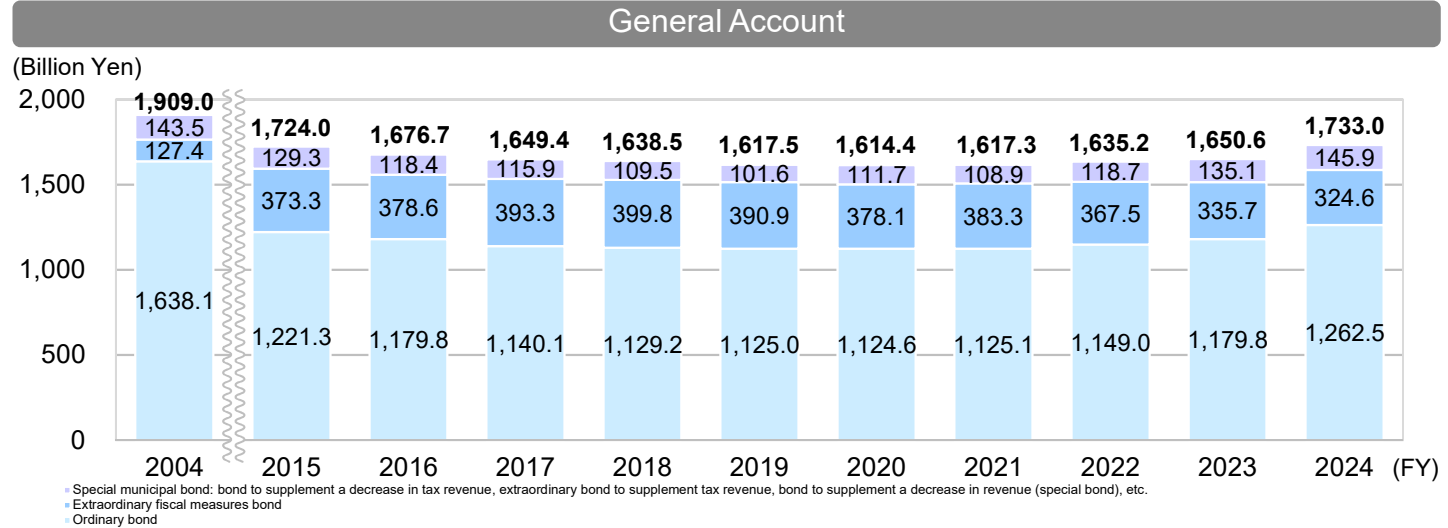
Rule	FY2023 Results	FY2024 Budget
A surplus of each fiscal year's primary balance shall be maintained - Refer to page 19	A surplus of 34.0bn yen	A deficit of 35.0bn yen
Future burden ratio shall not exceed 250% - Refer to page 20	83.0%	(FY2023 results 83.0%)
Real public bond cost ratio shall not exceed 18% - Refer to page 20	6.4%	(FY2023 results 6.4%)

Details of the rules(2)	FY2023 Results	FY2024 Budget
Balance of the financial adjustment fund shall aim to achieve 10 billion yen	24.1bn yen	6.7bn yen (11.5bn yen)

* Parentheses contain figures incorporating surplus in relation to account settlement in FY2023

Outstanding Municipal Bonds

- Outstanding general account municipal bonds reached a peak in FY2004
- Although outstanding bonds that fall under the general account had been decreasing since FY2015, they started rising again after bottoming out in FY2020, growing year-over-year again in FY2023 due to larger volume of construction bonds issued that year
- In FY2024, outstanding bonds in total accounts are expected to exceed the levels of the prior year



*Settlement amounts until FY2023 and estimated amount in FY2024. * Numbers may not add up precisely to the totals due to rounding

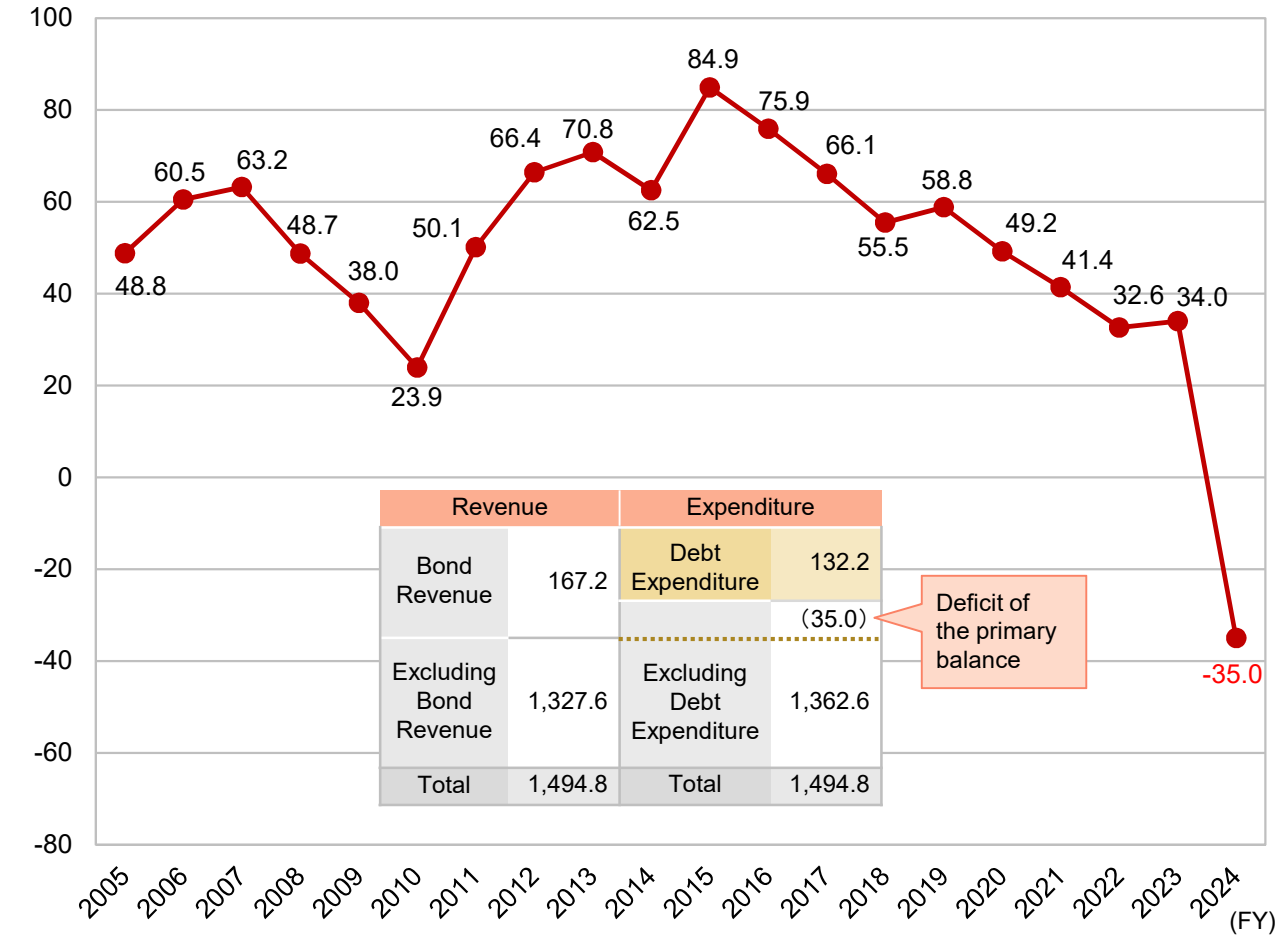
*Expenditure for the City University has been settled in general account since FY2006 based on its transformation into an independent administrative institution. For a comparison purpose, the balance includes the expenditure for the city university in and before FY2004 in general account expenditure

* With the hospital operations account being abolished at the end of FY2022, outstanding bonds that previously fell under that account were transferred to the general account, which has been reflected in these graphs

Primary Balance of General Account

- The primary balance indicates the relationship between benefits and burdens among generations
- It is calculated by the formula (Revenue- Bond revenue) - (Expenditure-Debt Expenditure)
- The primary balance is adequate when expenditure (excluding debt expenditure) is covered by revenue (excluding bond revenue), and benefits and burdens of the current generation are balanced
- The primary balance for FY2024 is running a temporary deficit due to increase in bonds resulting from the ramp-up of large-scale projects such as preparation of competition venues for the Asian Games / Asian Para Games in FY2026

(Billion Yen)



*Actual amounts until FY2023 and estimated amount in FY2024

*Numbers are rounded off

Financial Soundness Ratios

- Nagoya is financially sound to a certain extent, with all the soundness ratios meeting the required standards in FY2023
- The city will systematically manage fiscal operation so that no excessive burden is handed down to the future generations while giving consideration to fairness in burdens among generations

Category	Overview	Nagoya City's ratios			Early rehabilitation Standard	Fiscal reconstruction standard
		FY2021	FY2022	FY2023		
Actual deficit ratio	Ratio of actual deficit of general account to standard fiscal scale	-	-	-	11.25%	20%
Consolidated actual deficit ratio	Ratio of actual deficit of all accounts to standard fiscal scale	-	-	-	16.25%	30%
Actual debt expenditure ratio	Ratio of redemption money for principal and interest and expenditure equivalent to such money paid from general account to standard fiscal scale	7.2%	6.8%	6.4%	25%	35%
Future burden ratio	Ratio of actual debt to be borne by general account (e.g. Outstanding municipal bonds, planned expenditure based on debt burden) to standard fiscal scale	94.2%	88.6%	83.0%	400%	

Comparison of Fiscal Condition between Ordinance-Designated Cities (1)

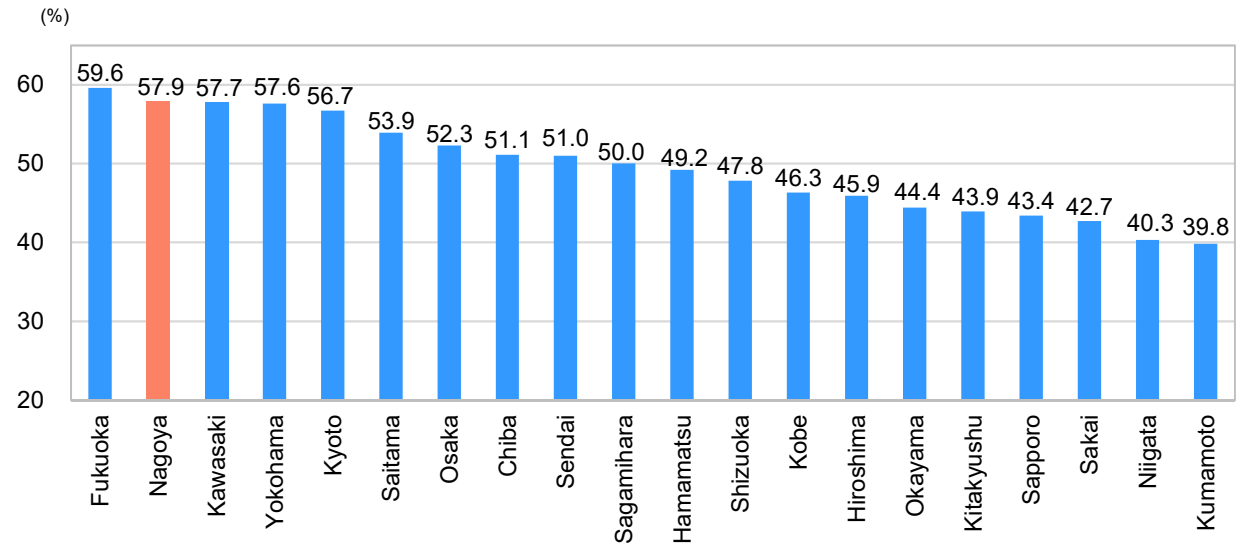
■ The city of Nagoya's independent revenue ratio was 57.9% in FY2023, the **second highest among ordinance-designated cities**

• Independent revenue ratio:
The ratio of revenue sources that a municipality is able to raise independently (such as city tax, fees and charges) to the total revenue. Generally speaking, the higher the ratio of independent revenue sources, the more stable the fiscal structure is and the more solid the fiscal base is

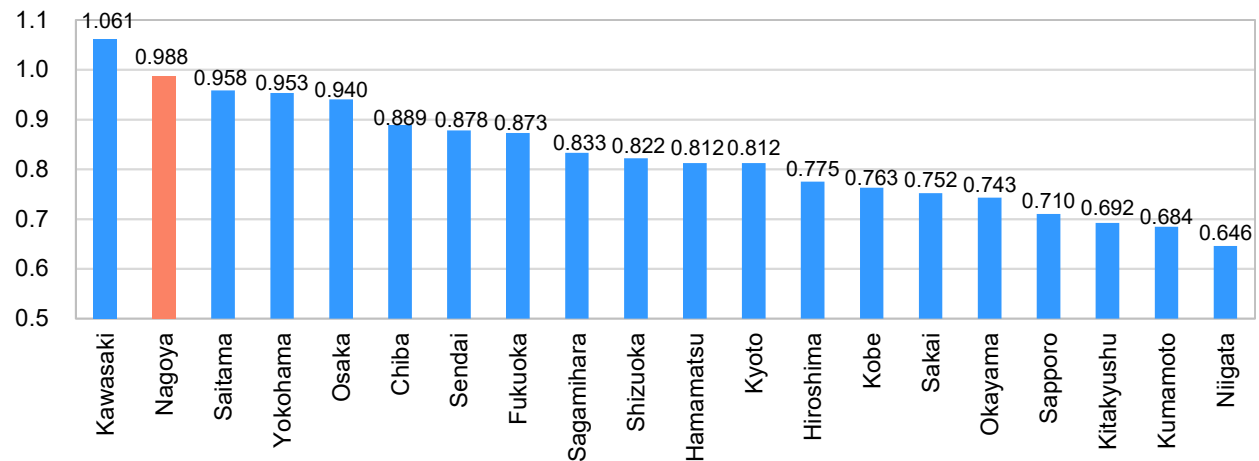
■ The city's financial capability index (3-year average) was 0.988, the **second highest among ordinance-designated cities**

• Financial capability index:
The value obtained by dividing standard revenue by standard expenditures that is used to calculate the ordinary tax revenue allocated to a municipality. A value exceeding 1 in a single year would indicate that the municipality is financially capable to conduct standard fiscal management, and no ordinary tax revenue is allocated to the municipality. The values represent three-year averages

FY2023 Independent Revenue Ratios of Ordinance-Designated Cities

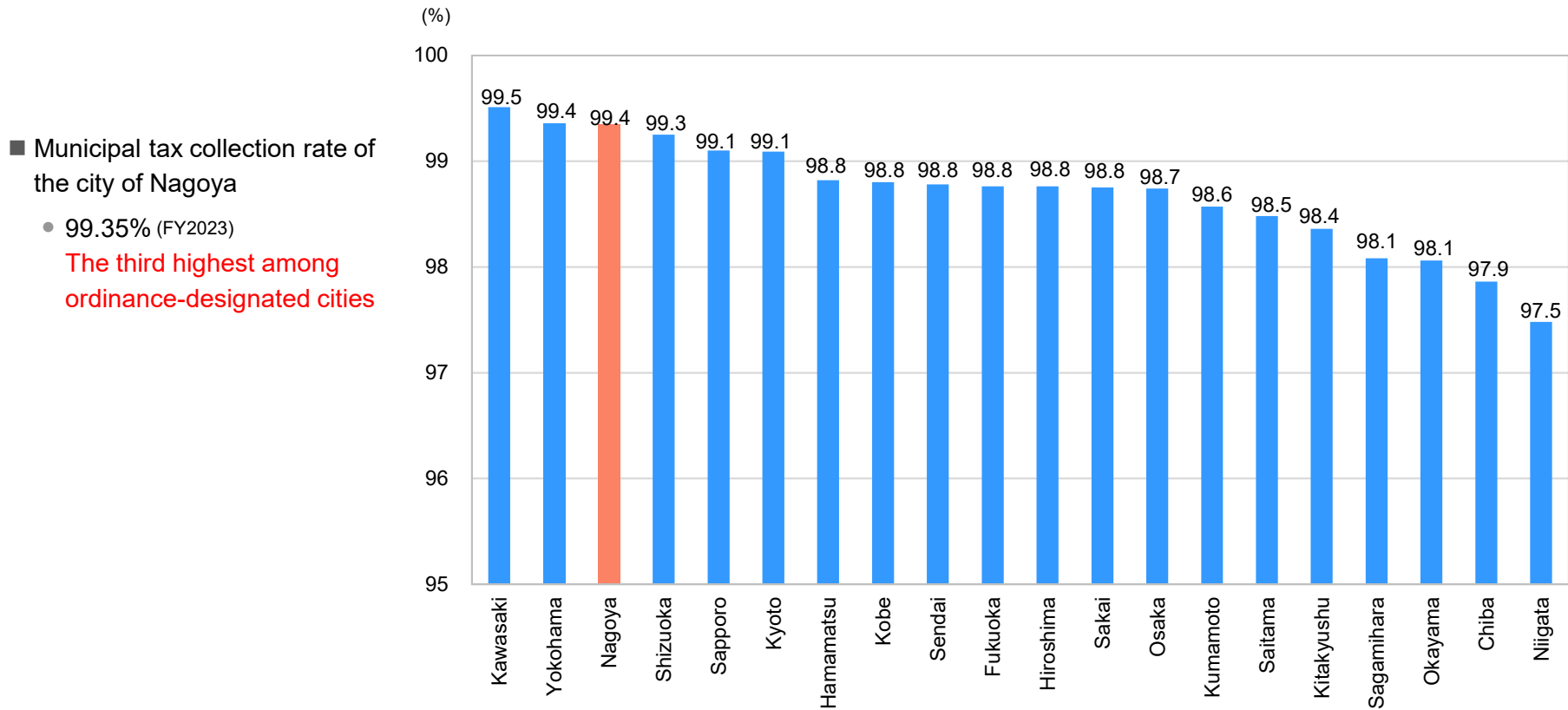


FY2024 Financial Capability Indices (3-Year Average) of Ordinance-Designated Cities



Comparison of Fiscal Condition between Ordinance-Designated Cities (2)

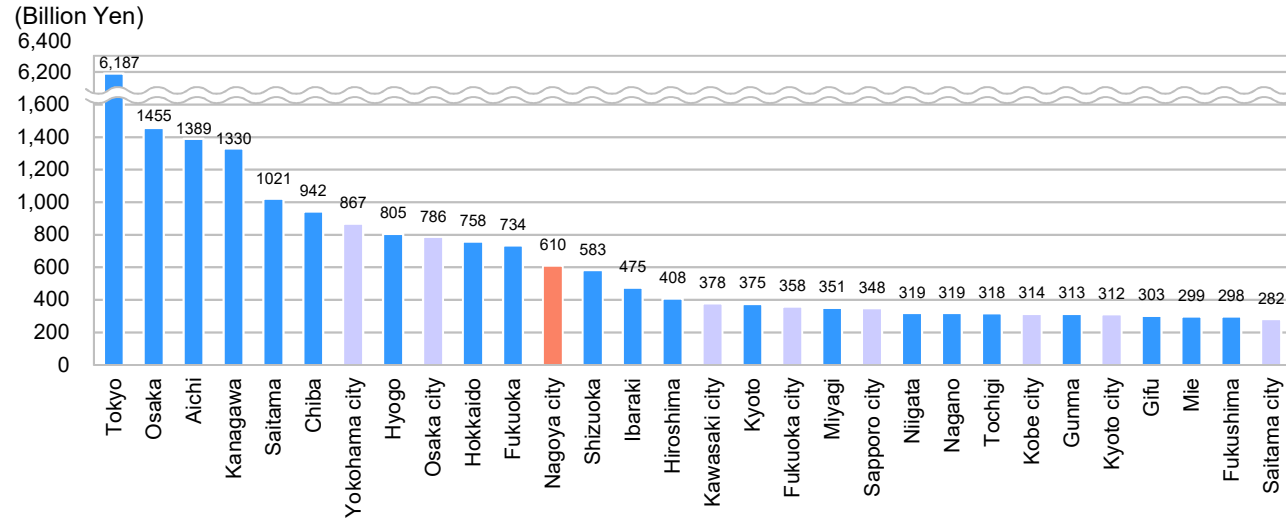
FY2023 Municipal Tax Collection Rates of Ordinance-Designated Cities



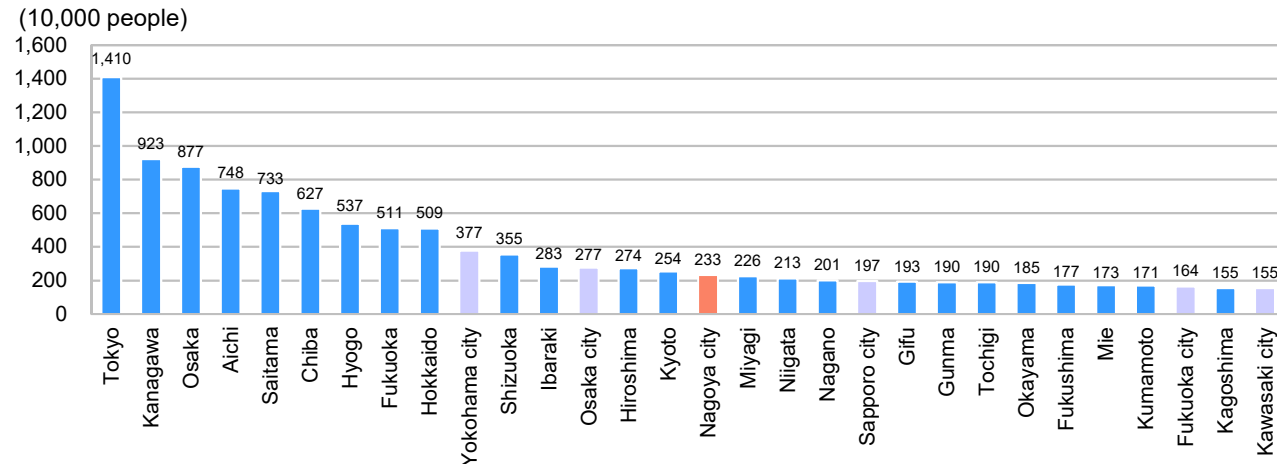
Nagoya's Position Among Municipal Bond Issuers

- There are 61 issuing organizations of public municipal bonds (nationwide) in Japan. Of those, 41 are prefectures and 20 are ordinance-designated cities as of FY2024
- Among those, Nagoya ranks 12th in municipal tax revenue and 16th in population. Among ordinance designated cities, Nagoya ranks third after Yokohama and Osaka cities
- Only 9 prefectures exceed Nagoya in municipal tax revenue, and only 13 prefectures exceed Nagoya in population
- 9 of the top 30 organizations in terms of municipal tax revenue and 6 of the top organizations in terms of census population are ordinance-designated cities. Nagoya's financial capability and population compare favorably with those of prefectural governments

Comparison of Municipal Tax Revenue of Issuing Organizations in FY2022

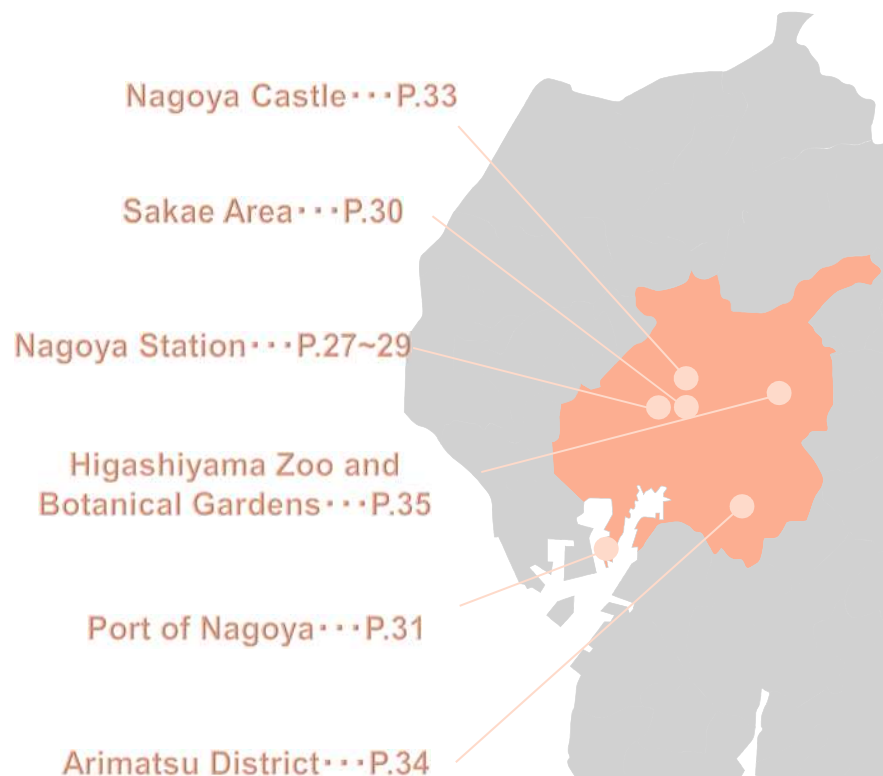


Comparison of Census Population of Issuing Organizations in FY2023 (October 1)



IV. THE CITY OF NAGOYA

Profile of Nagoya



Nagoya Overview		
Area	326.50km ² (Oct 1, 2023)	#15
Population	2,326,683 (Oct 1, 2023)	#3
Households	1,156,744 (Oct 1, 2023)	#3
Daytime population	2,609,745 (Oct 1, 2020)	#3
Day/Night population ratio	111.9% (Oct 1, 2020)	#2
Business establishments	117,344 (Jun 1, 2021)	#2
Employed individuals	1,450,337 (Jun 1, 2021)	#3
Gross City Product	JPY13,936.3bn (FY2021)	#3

Ordinance designated city

*Nagoya's position in the gross city product ranking is from FY2020

Do you know the mark?

The above symbol, showing the Chinese character for the numeral 8 in a circle, was designated as the City of Nagoya's city emblem in 1907. This symbol, the circled-eight mark, is believed to have originally been a distinguishing mark used by the Tokugawa Family's Owari Branch.

A distinguishing mark generally refers to a mark that distinguishes a family or a group from others. The circled-eight mark was Owari Branch's unofficial crest used on its servants' lanterns, as rank-and-file members' family crests, by logistics corps, etc. (The Branch's official family crest was styled after the leaves of asarum caulescens, a kind of wild ginger.)

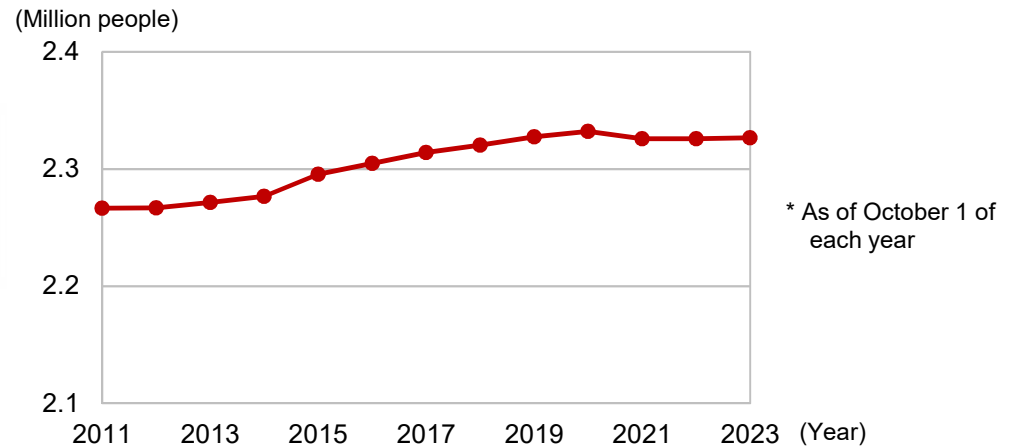


Population Dynamics of Nagoya

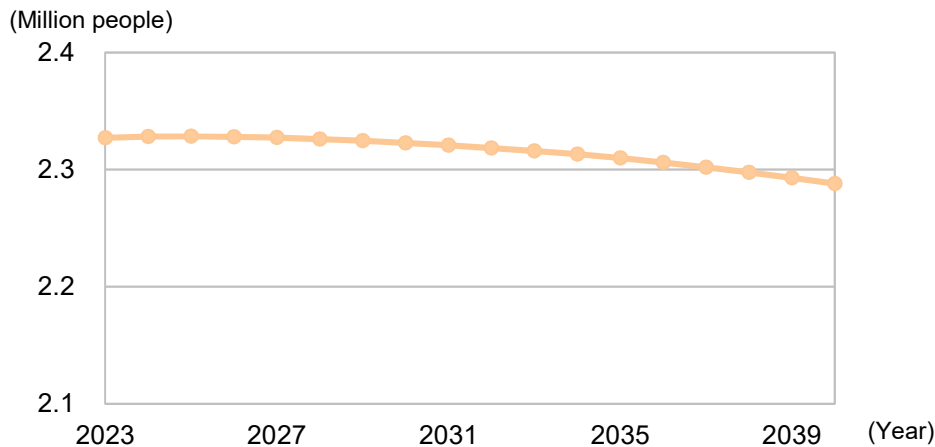
Population Shift for Nagoya

Population of Nagoya
2,326,683
 (Based on national census reports as of October 1, 2023)

■ Ranked 3rd among ordinance-designated cities



Projected Population

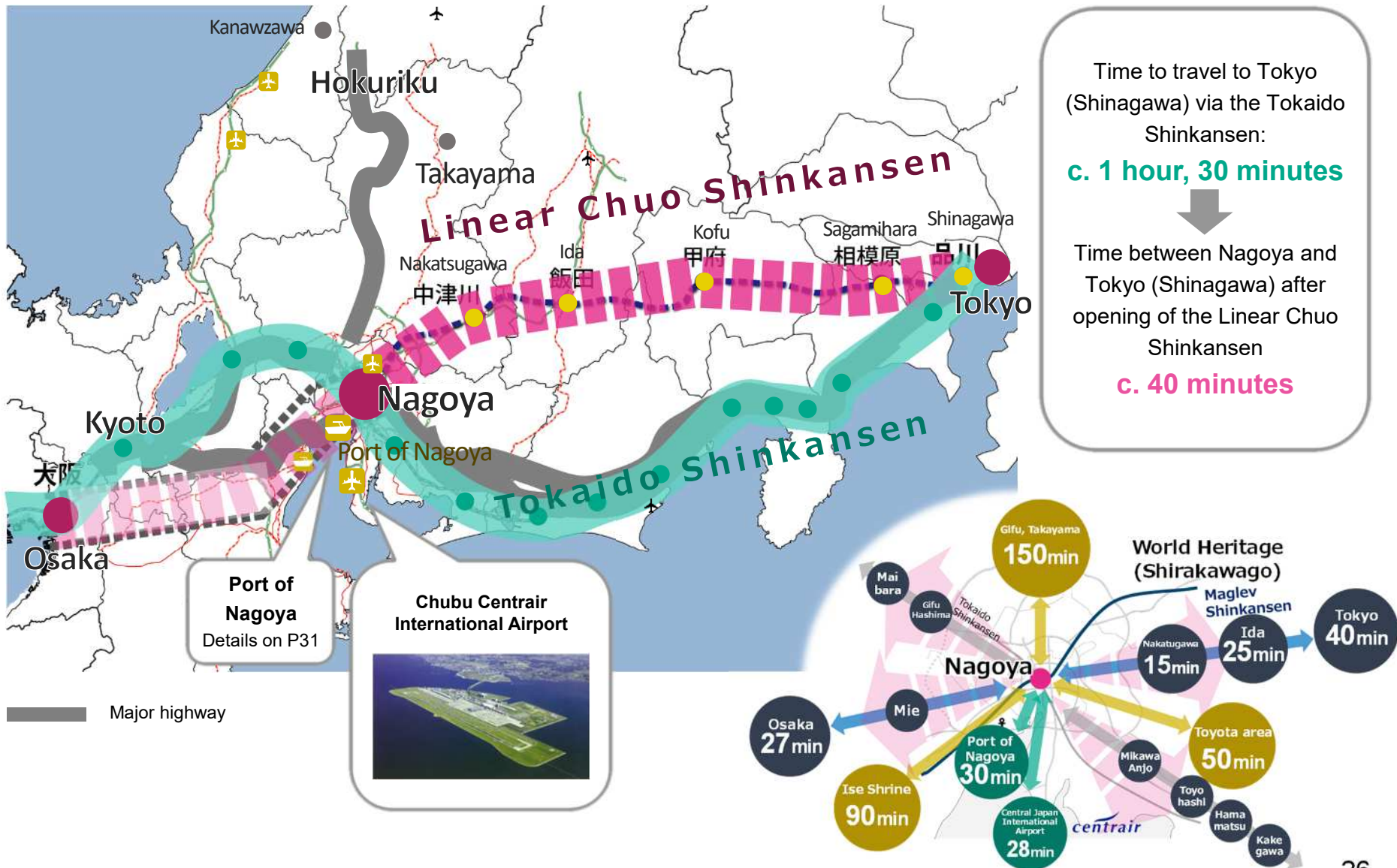


Nagoya's population fell after reaching a peak of 2,332,176 in 2020, and is expected to continue on a downward trend.

Nagoya City Master Plan 2028 aims to achieve a society that allows its citizens to realize their hopes to live, study, work, get married, and raise children in Nagoya, while taking measures to curb its population decline.

*Figures are based on estimates presented in Nagoya City Master Plan 2028

Nagoya's Transportation Network



Aiming to Realize Super Terminal Nagoya (1)

Redevelopment around the Nagoya stationfront square

Basic concept

High functionality as a super terminal station and **new landmark as a global tourism destination**

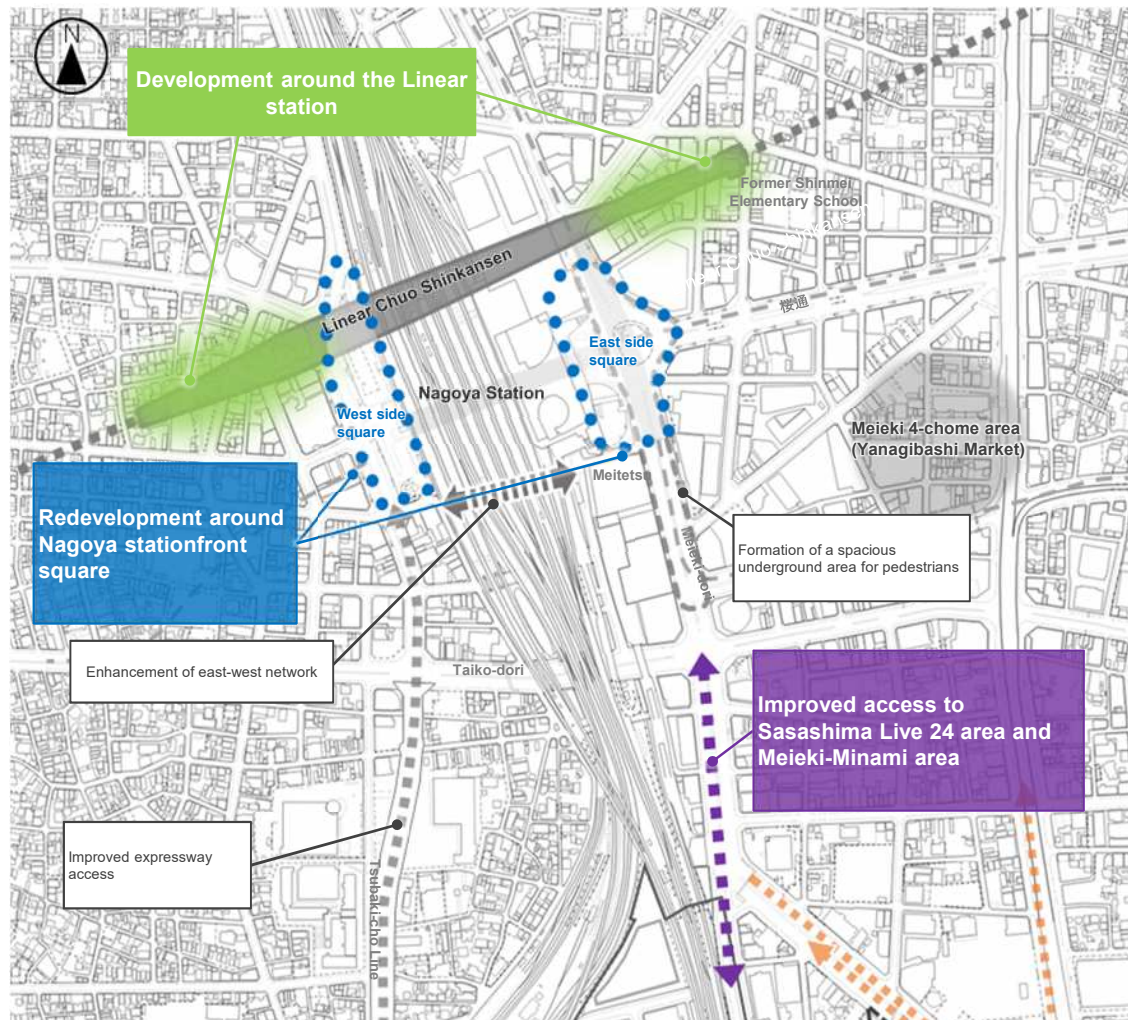
Major FY2024 budget items

Improvement of Nagoya Station's ability to serve as a terminal

¥2,135m

Redevelopment of the area surrounding Nagoya Station

¥23m



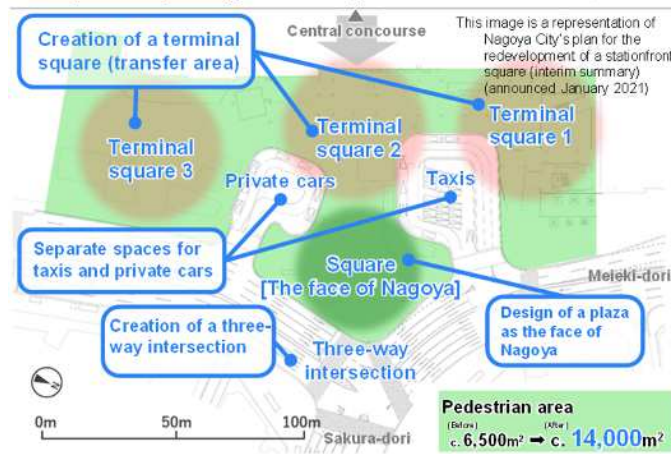
Aiming to Realize Super Terminal Nagoya (2)

Upgrades to the station plaza on the east side

East

<Description>

Upgrade the traffic circle, expand the plaza to where the Hisho monument was, increase walkable sections in the roads leading to the city, create more space for passengers switching to/from/between buses, etc.



*Detailed road plans, layout and size of facilities, etc. are subject to change based on talks with stakeholders
 *Layout of pick-up, drop-off, and waiting areas is being considered in conjunction with Smart Roadway Transit (SRT) plans
 *Terminal square 3 must fit with Meitetsu Nagoya Station redevelopment plans, etc.



Upgrades to the station plaza on the west side

West

<The plaza upon the launch of the maglev Chuo Shinkansen line>

Have the proper transportation and spatial infrastructure in place so that arriving passengers will have a pleasant experience when the maglev Chuo Shinkansen line is inaugurated, and make sure that the plaza will be able to handle the Asian Games and the Asian Para Games



- Develop a space that is worthy of serving as a gateway to the maglev line
- Expand walkable space in the roads leading out from the plaza to ensure that they can function as key thoroughfares
- Make sure that bus stops, taxi stands, etc., are placed in accessible locations so that they adhere to universal design principles

<What the city envisions for the west area>

Depending on the construction progress of the Linear Chuo Shinkansen Line, initiatives will be implemented in partnership with private businesses to create an attractive location worthy of the "super terminal" moniker, including:

- developing the plaza into a multi-story traffic hub that can serve various transportation systems such as highway/sightseeing buses
- establishing an information desk to help direct visitors to where they want to go

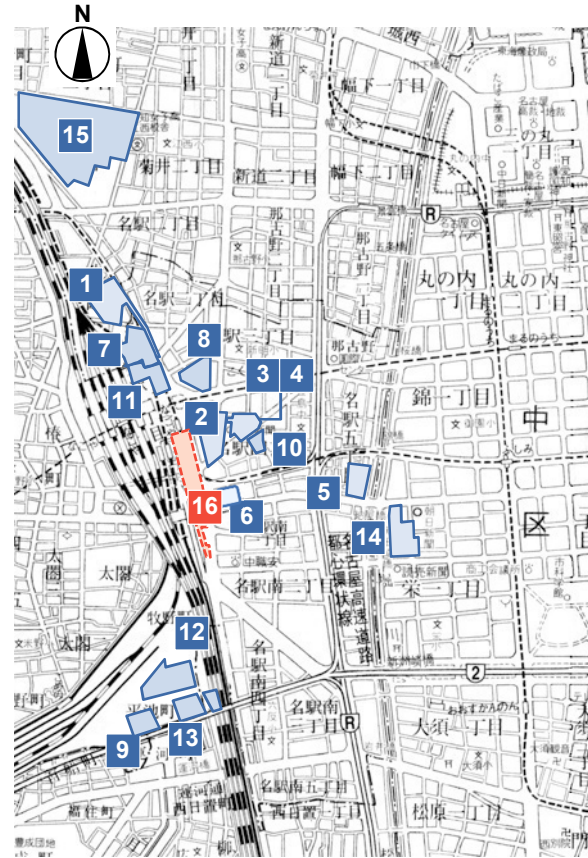
Redevelopment of the Area around Nagoya Station

Overview

The area surrounding Nagoya Station, which will be the terminal for the Linear Chuo Shinkansen upon its opening, along with the Sakae area, have been designated as an urgent urban renewal area to promote the creation of bases for reinforcing the city's international competitiveness.

Against this backdrop, major private sector-led redevelopment projects such as JR Gate Tower and JP Tower Nagoya are underway, bringing a lively atmosphere to the area. In addition, redevelopment plans by Nagoya Railway are scheduled for the future.

Nagoya is stepping up efforts to promote investment from the private sector, including induction of urban functions through relaxation of floor area ratio and review of regulations related to development, in order to create a city center suitable for the core of the Nagoya metropolitan area



16 Nagoya Railroad Nagoya Station Area Redevelopment (In Planning)

15

Noritake Forest (AEON Mall Nagoya Noritake Garden)

A multi-use facility composed of offices and an urban shopping mall located next to Noritake Forest, c. 1km north of Nagoya Station, opened on October 27, 2021



13

Sasashima Live 24 (Aichi University's Nagoya campus)



14

Nayabashi East district (Terrace Nayabashi)



11

Meieki 1-1 project South district (JR Gate Tower)

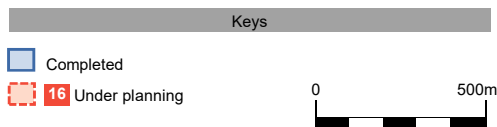


12

Sasashima Live 24 (Global Gate)



- | | |
|---|--|
| 1 Ushijima Minami district (Nagoya Lucent Tower) | 6 Meieki 4-27 district (Mode Gakuen Spiral Towers) |
| 2 Meieki 4-7 district (Midland Square) | 7 Meieki 1-1 project North district (JP Tower Nagoya) |
| 3 Aichi Industry & Labor Center (WINC AICHI) | 8 Meieki 3-27 project (Grand Nagoya Building) |
| 4 Meieki 4-4 South district (Nagoya Cross Court Tower) | 9 Sasashima Live 24 (Chukyo TV New Company Premise) |
| 5 Nayabashi West district (Aquatown Nayabashi) | 10 Meieki-4-10 district (Symphony Toyota Building) |



Redevelopment of the Sakae Area

Supported by launch of "Linear Chuo Shinkansen", the city will be redeveloped into more attractive city, making the most of the individuality of the Sakae Area, in order to enhance the attractiveness of the heart of Nagoya.

Redevelopment of Hisaya-Odori street (North area/TV tower area)

Project structure/term	Park-PFI・20 years
Project area	Hisaya-Odori Street to Nishiki-Dori Street (around 5.45ha)
Main project	Maintenance/management of specific park facilities Maintenance/management of targeted park facilities
Open timing	September 2020

North area

Learning forest zone

・Versatile zone, where you can enjoy relaxation, recreation and the four seasons, including Japan's largest grass square

Urban resort forest zone

・Providing fun of strolling, together with seasonal art, setting up unique restaurants such as cafes and restaurants with terraces



TV tower area

Communication zone

・Grass zone, where you can use routinely and casually for activities, gatherings and relaxation, setting up shops with the theme of sports community

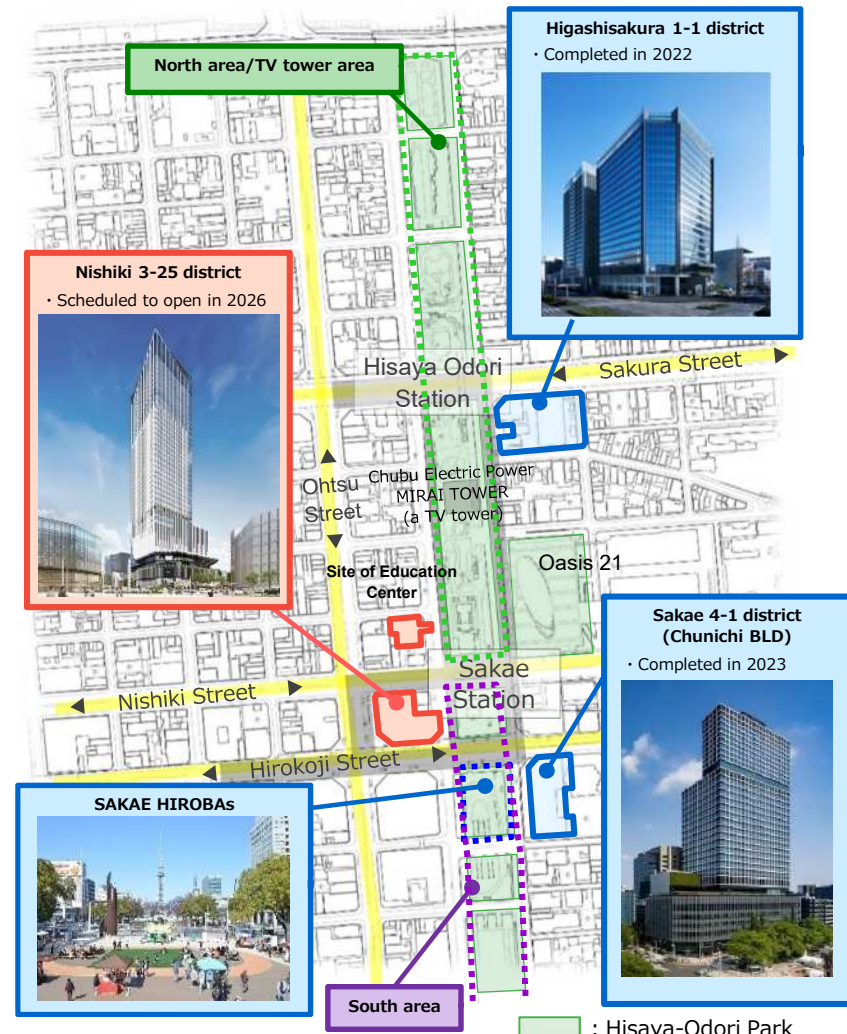
Symbol zone

・Vital zone of culture dissemination capabilities, which promote visits from within and outside of Japan, setting up shops where you can enjoy meals, together with a view of water basin providing mist performance



Redevelopment of Hisaya-Odori street (South area)

- Redevelopment of Hisaya-Odori street (south area) is under consideration, based on "Plan for Hisaya-Odori street", proposed by advisory panel in March 2020. Through this redevelopment, further liveliness in the area is expected
- Build a non-permanent project on the former site of the Sakae Bus Terminal (Funsui Minami), currently known as SAKAE HIROBAS, to give the space a lively atmosphere, before commencing a full-scale redevelopment of the area



Port of Nagoya: A Hub of Logistics and Exchange

Port of Nagoya

- Opened in 1907
- Supports the manufacturing industry and people's livelihood in the Chubu Region
- The Port has developed into an international port equipped with comprehensive functions, connected with 170 countries and territories, and handling Japan's largest cargo volume etc.



(Photo by Nagoya Port Authority)

Port of Nagoya is Japan's largest port in the following categories

Category	Port of Nagoya	2 nd largest	3 rd largest
Cargo volume	157.84m tons (22 nd consecutive year)	Chiba	Tomakomai
Export value	15,187.7bn yen (25 th consecutive year)	Yokohama	Kobe
Trade surplus value	7,863.2bn yen (26 th consecutive year)	Kobe	Hakata
No. of automobiles exported	1.45m vehicles (45 th consecutive year)	Mikawa	Yokohama
Waterfront area (land)	4,301 hectares	Kitakyushu	Yokohama

(From 2023 port and trade statistics)



(Photo by Nagoya Port Authority)

Center for manufacturing and cultural exchanges

- The city of Nagoya has formulated a plan to develop a center for manufacturing and cultural exchanges at Port of Nagoya's Kinjo Pier where people will conduct various exchanges with a focus on manufacturing and industrial technologies
- So far, the plan has led to the development of facilities such as the Manufacturing and Cultural Exchange Plaza, and opening of theme parks based on proposals from the private sector
- Nagoya International Exhibition Hall(Port Messe Nagoya) Exhibition Hall 1, which has an exhibition area of 20,000m2 contained within a single building, opened in October 2022

The 20th Asian Games and the 5th Asian Para Games

Overview of the Games

The 20th Asian Games (Nagoya, Aichi 2026)

- Period
Sept. 19 (Sat) to Oct. 4 (Sun), 2026
- Number of participants
Delegation
(athletes and team officials)
Up to 15,000
- Sports
41 sports : includes sports specific to Asia, in addition to the sports events of the 2024 Paris Olympics
- Will bring together 45 countries and regions

IMAGINE ONE ASIA
ここで、ひとつに。



[Games slogan and emblem]



The 5th Asian Para Games

- Period
Oct. 18 (Sun) to Oct. 24 (Sat), 2026
- Number of participants
Delegation
(athletes and team officials)
3,600 to 4,000
- Sports
18 sports
- Will bring together 45 countries and regions

IMAGINE ONE HEART
こころを、ひとつに。



[Games slogan and emblem]



Nagoya Municipal Mizuho Park Athletics Stadium

The Nagoya Municipal Mizuho Park Athletics Stadium will be rebuilt to serve as the main venue of the Asian Games and Asian Para Games and remain a legacy of these events, utilized for further promotion of sports

©2021 Mizuho LOOP-PFI, INC.
*Artist's rendering



SDGs related Initiatives

As part of a PR campaign to promote the Asian Games and the Asian Para Games, boccia balls that have the 17 SDGs targets printed on them were produced in order to promote disability sports and SDGs.



Restoration of Nagoya Castle Tower and Hommaru Palace

Nagoya Castle was constructed in 1612 on the orders of Ieyasu Tokugawa as residence of the Owari lineage of the Tokugawa family and was a masterpiece of castles that was designated as national treasure for the first time as a castle, which were burned down in 1945 due to the Second World War. The restoration of the Hommaru Palace has been completed already and open to the public. Nagoya city is currently proceeding with the restoration of wooden structures of the castle towers.

Reconstruction of the original wooden castle tower

Current castle tower, which has been restored to reinforced concrete construction by contributions from citizens after the World War II, has problems in terms of aging of facilities and earthquake resistance. In order to solve such problems and to promote further understanding of the essential value of the castle, the wooden reconstruction is underway based on existing historical materials including "Kinjo Onkoroku", "Showa Jissokuzu" and "Glass plate negatives"



Main and smaller castle tower (original)
Owned by Nagoya Castle General Office



Image of restored wooden castle tower

Restoration of Hommaru Palace representing technological prowess and spirit of Japan's manufacturing practices and Tree planting by Nagoya citizens

Nagoya Castle's Hommaru Palace was a masterpiece of Japanese early-modern castle palace and one of Japan's representative buildings along with Ninomaru Palace of Kyoto's Nijo-jo Castle, which was designated as National treasure. The Hommaru Palace was once designated as a national treasure along with the castle tower, but it was burned down in 1945 due to the Second World War.

Nagoya city has restored the Hommaru Palace since 2009, as a historic and cultural symbol of Nagoya with an aim to hand down "the importance of skills and philosophy in manufacturing and the natural environment" to the succeeding generations. The restoration of the Hommaru Palace was completed in 2018.

The city has promoted the project "Tree Planting by Nagoya citizens" since 2008, making up for mass wood consumption for the restoration. In Kiso town and Nakatsugawa city, more than 10 thousand Japanese cypresses have been planted in these 10 years. The city continues to grow future forest supported by locals in Kiso area.



Hommaru Palace
Genkan Kurumayose



Hommaru Palace
Jorakuden Jodan-no-ma

Arimatsu District, a Distinct Flavor of the Edo Period Tokaido Route

Arimatsu in Midori ward district was founded by 8 people including Shokuro Takeda after the Tokaido route was developed into a major road by the Edo Shogunate in 1608. The Arimatsu-Narumi *shibori* dyeing method was devised based on the tie-dye garments worn by artisans from Bungo Province in Kyushu who traveled here to help build Nagoya Castle, and the district has been developed with the the dyeing technique. Unique townscapes has remained for more than 400 years to convey the beauty of Japan with the culture of fabric dyeing.

Selected as Important Historical District and Heritage Site of Japan

Arimatsu district was designated as important historical district and heritage site of Japan in July 2016. It is the first district along the road in major city to be selected as the heritage site.

※Important Historical District and Heritage Site of Japan

Townscapes with particularly high value are designated cultural properties by the government. A total of 129 districts have been selected.

Cultural buildings



The Oka house
(Designated a Tangible Cultural Property by the city)



The Takeda house
(Designated a Tangible Cultural Property by the city)

Designated as a Japan Heritage

Arimatsu's story was designated as a Japan Heritage in May 2019

※Japan Heritage

Stories telling Japanese culture and traditions throughout historical attractions or regional features are designated as Japan Heritage by the government. A total of 104 items was selected by FY2020



■ Title of the story

Arimatsu, home of Shibori that touches atmosphere of the Edo period, where indigo dyeing swings in the wind

■ Overview of the story

Under endless skies of indigo blue, an old merchant's house exudes a serene atmosphere as its *shibori*-dyed indigo *noren* curtains sway with the breeze. The calm townscape of Arimatsu, home of the *shibori* dyeing method, still looks as if it were plucked straight out of an Edo-period *ukiyo-e* print.

"What I want is Arimatsu Dyeing. I am even dying for the dyeing"

In "Tokaidochu Hizakurige" story, Yaji, the main character, composed the poem and purchased Shibori towel. How about world's famous Arimatsu shibori as a souvenir?

Arimatsu's Edo culture with 400 years of history still attracts people.



Dashi (floats) and Arimatsu Shibori (tie-dyeing)

In addition to the historical district, Arimatsu has inherited cultural industry of fabric dyeing and 3 floats, cultural properties designated by the city.

Arimatsu Shibori began 400 years ago when cotton ties with thread was dyed with indigo or other plants. There are 100 different dyeing techniques. The Arimatsu Shibori Matsuri is held on the 1st Saturday and Sunday in June every year with crowd of people in Tokaido area.

The three floats left in Arimatsu was produced in Edo to Meiji period. The Arimatsu Dashi Matsuri is held on 1st Sunday in October every year.

■ Makiage Shibori



■ Karamatsu Nui Sibori



Higashiyama Zoo and Botanical Gardens, Bridging People and Nature

First opened in March 1937, the Higashiyama Zoo and Botanical Gardens currently occupies an expansive space that measures some 60 hectares in size. It has a diverse range of attractions, include a zoo, a botanical garden, an amusement park, and the Higashiyama Sky Tower, making it impossible for visitors to take in everything it offers in a single day. With around 440 different animal species featured, the zoo's collection is the most diverse in Japan, while the botanical garden's collection encompasses some 7,000 species. The park is currently in the midst of a revitalization plan. Some parts of it (including certain animal enclosures) have already been renovated, creating a more fun, pleasant experience for visitors. It also has plenty of educational exhibits and environmental education features, providing fun learning opportunities for a broad range of visitors.



40th anniversary of the koala's first arrival



Komodo dragons (the only zoo in Japan to feature this reptile)



The Front-Greenhouse (a nationally designated Important Cultural Property)

The Higashiyama Zoo and Botanical Gardens Revitalization Plan

Since it first opened in 1937, the Higashiyama Zoo and Botanical Gardens has been a beloved staple of the community. Plans are now underway to revitalize the park and transform it into a place that connects people with nature. The work is set to be completed by fiscal 2036, when it will celebrate its centennial anniversary. Animal and plants are being reorganized into various zones that represent different habitat regions, and efforts are being made to create a more lively and pleasant environment for visitors. The park is also implementing initiatives on environmental education and preservation of species, as well as various research projects.

*The park's basic guiding principle:

Connecting life -Passing down a sustainable environment for future generations-

Work completed so far

-Upgrades to animal/plant display facilities

Asian elephant enclosure, ape enclosure, jaguar enclosure, cherry blossom corridor, restoration of the Front-Greenhouse (a nationally designated Important Cultural Property)

-The creation of a more lively and pleasant environment

Addition of private-run restaurants and stores, upgrades to rest areas and lavatories



The jaguar enclosure (the Americas zone)
Opened in October 2023



[Undergoing work] The snow leopard / manul cat enclosure (Asia zone)
(Illustration)

Characteristics of Nagoya Economic Zone

- The Nagoya metro area is notable for its high concentration of manufacturing. The region's shipment of manufactured goods is the highest among the three major metro areas

Category	Nationwide	Nagoya area		Tokyo area		Osaka area	
			% nationwide		% nationwide		% nationwide
Population (CY2023) (1,000 people)	124,352	11,135	9.0%	36,903	29.7%	17,964	14.4%
Area GDP (FY2020) (Billion Yen)	558,778	55,595	10.0%	187,205	33.5%	75,310	13.5%
Private establishments (CY2021) (Establishments)	5,156,063	463,703	9.0%	1,326,531	25.7%	743,592	14.4%
Employees (CY2021) (1,000 people)	57,950	5,501	9.5%	17,871	30.8%	8,344	14.4%
Value of shipments of manufactured goods etc. (CY2021) (Billion Yen)	302,003	60,095	19.9%	47,705	15.8%	39,212	13.0%
Wholesaler of yearly sales (CY2021) (Billion Yen)	401,634	36,487	9.1%	192,142	47.8%	61,731	15.4%
Retailing of yearly industry (CY2021) (Billion Yen)	138,180	12,177	8.8%	41,992	30.4%	18,588	13.5%
Annual income service industry (CY2021) (Billion Yen)	195,158	14,049	7.2%	97,494	50.0%	26,036	13.3%
The export value (CY2023) (Billion Yen)	100,874	21,295	21.1%	34,393	34.1%	20,389	20.2%
The import value (CY2023) (Billion Yen)	110,196	12,444	11.3%	51,145	46.4%	18,433	16.7%

Economic Size of Nagoya

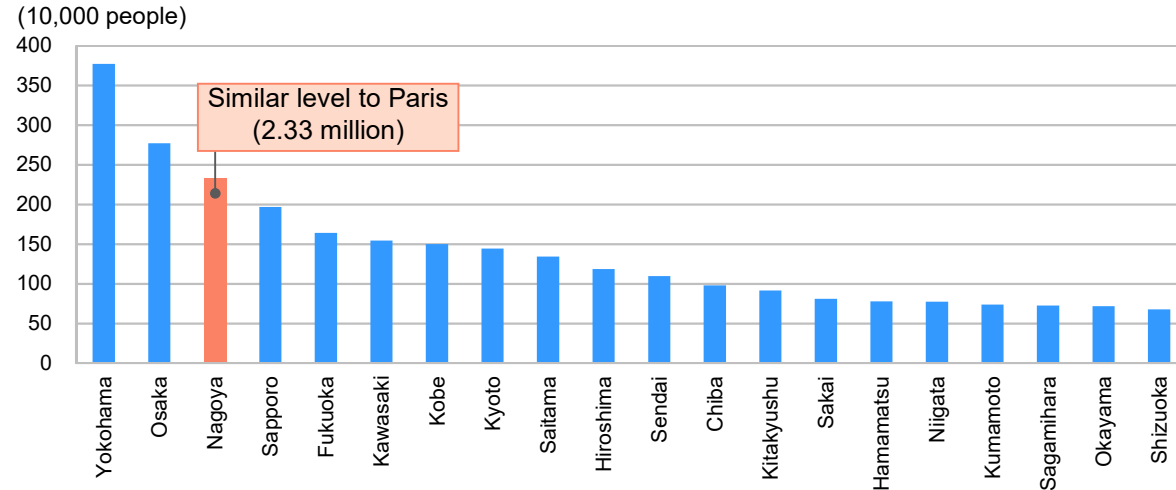
Population

- c. 2,330,000 (as of Oct 2023), up 0.04% year on year

Daytime population

- Slightly below 2.61 million (National Census for FY2020)
The ratio of daytime to nighttime population is 111.9%
- A central city with significant population inflow from surrounding areas

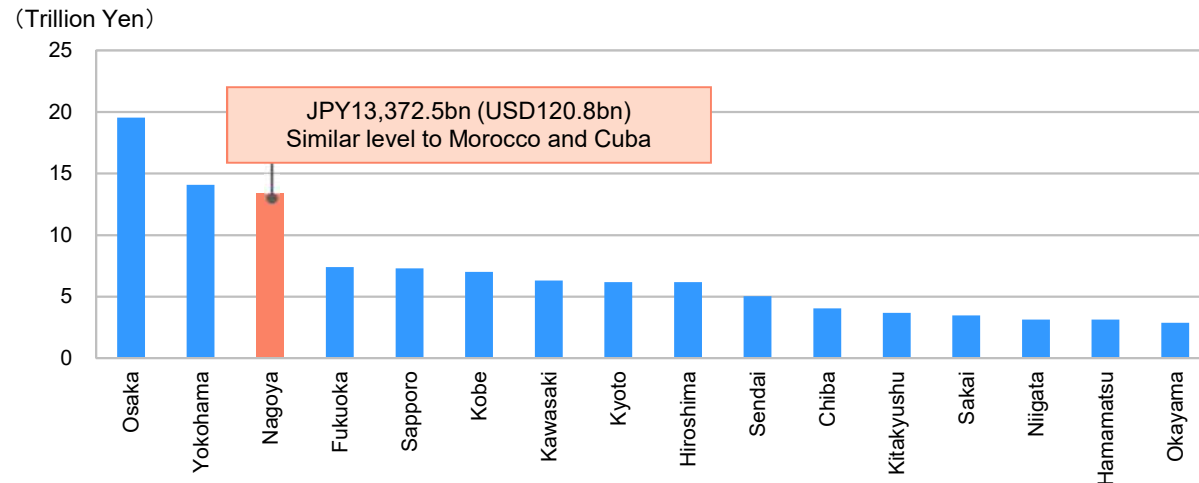
Population of Major Cities (Oct 2023)



Gross product

- Nagoya's gross product is third among ordinance-designated cities, after Osaka and Yokohama
- The gross product of Nagoya accounts for approximately 2.4% of Japan's GDP

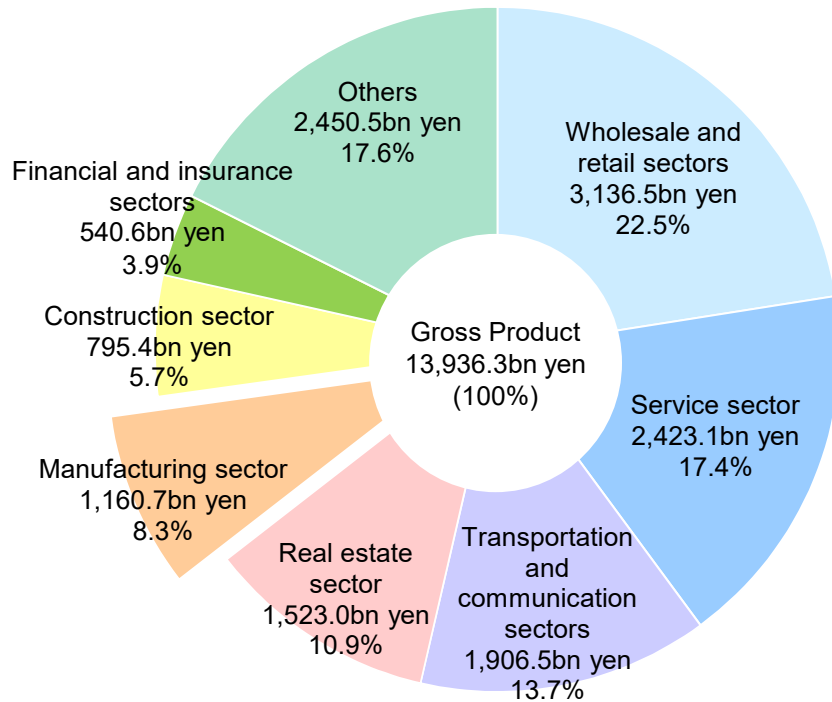
Gross Product of Major Cities (FY2020)



*Government-designated cities not shown on the graph have not reported their figures for FY2020

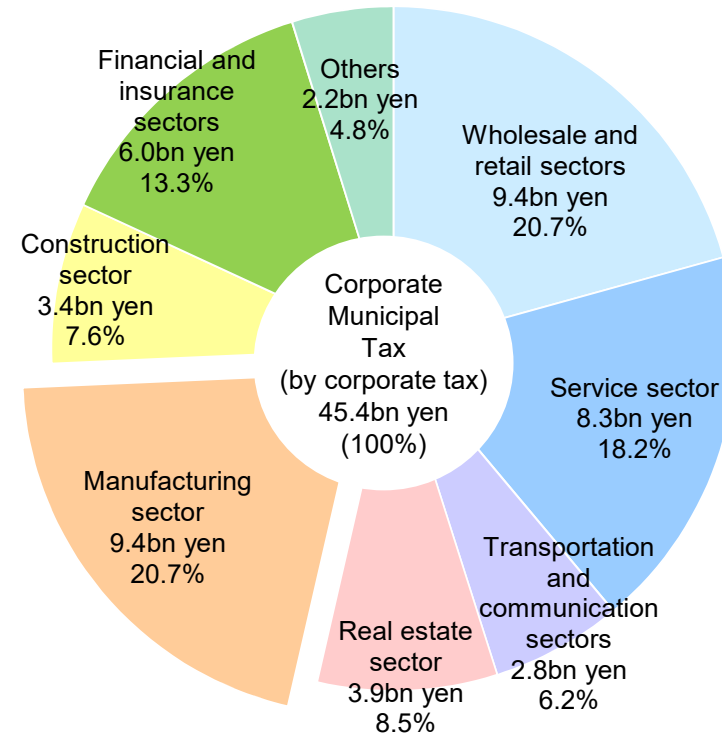
Gross Product for Nagoya

Gross Product for Nagoya (FY2021)



- Nominal gross production in Nagoya is largely commerce-driven, focused on wholesale, retail, and service sectors. Manufacturing industries including the automotive sector comprise 8.3%

Corporate Municipal Tax by Sector (FY2023)



- Manufacturing industries comprise 20.7% of the corporate municipal tax (assessed in the relevant year, by corporate tax), indicating a higher percentage than that of the city's gross production

【Appendix】



This *fusuma* painting is on display at Nagoya Castle Hommaru Palace
(Owned by Nagoya Castel General Office)

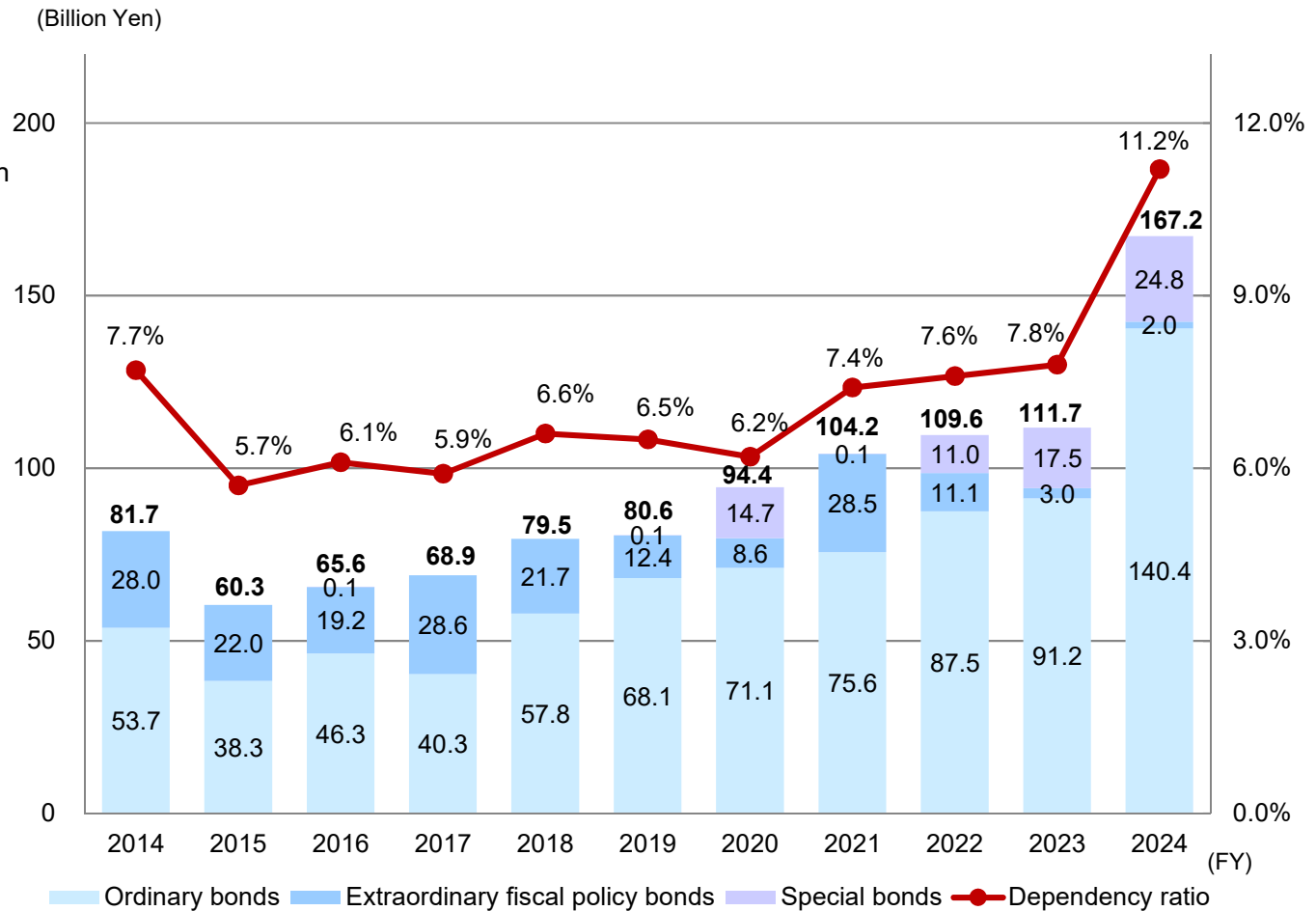
【Appendix】 Table of Contents

V. Appendix

Municipal Bond Issuance of General Account and Dependence on Public Bonds	40	Financial Statements for FY2022 (General Account, etc.)	46
Public Bond Redemption Reserve (Bullet Bonds)	41	Financial Statements for FY2022 (All Accounts)	49
Settlement of Special Account for FY 2023	42	Consolidated Financial Statements for FY2022	50
Settlement of Public Enterprise Account for FY 2023	43	Fiscal-related Data	52
Management Status of Public Enterprises in FY 2023	44	Support Programs for Female Municipal Employees and Those Caring for Children	53
Management Status of Extra-governmental Organizations.....	45		

Municipal Bond Issuance of General Account and Dependence on Public Bonds

- Dependency ratio is the rate of dependence of total revenue on bond issues
- Despite an increase in construction project bond issuance, the dependency ratio stayed flat from FY2016 to FY2020 due to an increase in total revenue
- The bond dependency ratio increased in FY2022 and FY2023 due to larger issues of municipal bonds and lower revenues
- Due to an increase in issuance of special bonds such as adjustment bonds, in addition to construction municipal bonds, the dependency ratio is expected to rise in FY2024 as well

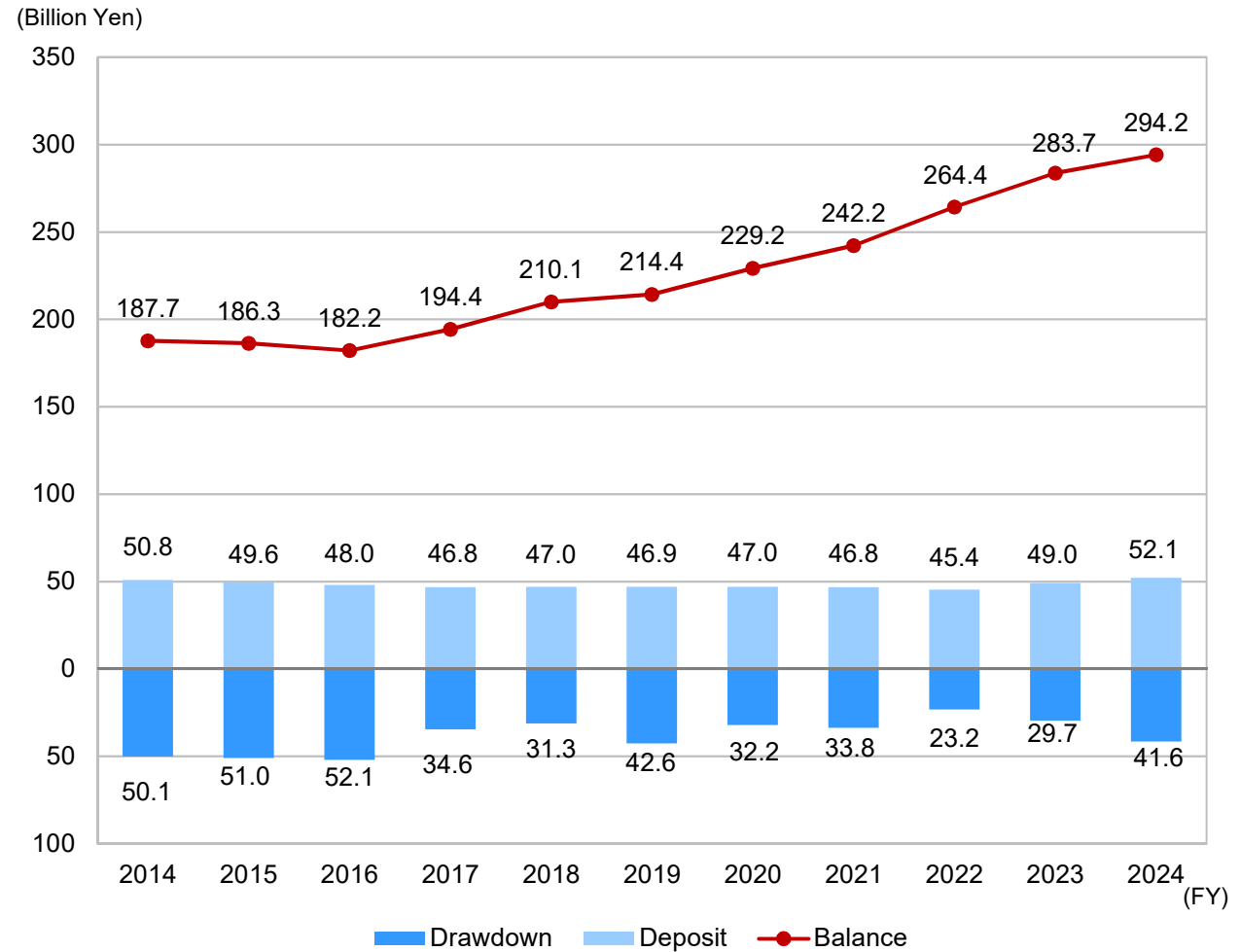


*Special Bonds: Revenue compensation bonds, adjustment bonds, etc.

*Actual amounts until FY2023 and estimated amount in FY2024

Public Bonds Redemption Reserve (Bullet Bonds)

- In order to secure funds for future redemption of bullet bonds, the city government systematically deposits funds in a public bonds redemption reserve account
- However, the balance has been increasing since FY2017, reflecting tenor diversification and longer maturities. The city issued 20-year bonds in FY2003 and 30-year bonds in FY2005



*General account figures

*Actual amounts until FY2023 and estimated amount in FY2024

Settlement of Special Account for FY 2023

(Million Yen)

- A special account and public enterprise account were created in addition to the general account
- A special account is established in accordance with the city ordinance when it is necessary to separate accounting of revenue and expenditure from the general account, such as a special operation funded by special revenue

Account	Revenue	Expenditure	Difference	Description of operation
National health insurance	207,379	206,486	892	Management of national health insurance operation
Medical care for people aged 75 and over	64,004	62,422	1,582	Provision of medical care for people aged 75 and over
Nursing care insurance	219,536	213,386	6,151	Management of nursing care insurance operation
Loans to single parents and widows	1,744	604	1,140	Lending to single mothers and widows
Market and slaughterhouse	8,432	8,431	1	Management of Main market, Hokubu market, Nambu market and Nambu slaughterhouses
Nagoya castle tower	385	375	10	Implementation of Nagoya Castle Tower operation
Urban area redevelopment	99	99	-	Implementation of urban area redevelopment operation
Graveyard and park development	1,214	1,138	77	Implementation of graveyard and park development operation
Pre-acquisition of land	20,331	20,329	2	Implementation of pre-acquisition of public land
Public bond	434,107	434,083	24	Consolidated management of issuance and redemption of public bonds
Total	957,230	947,353	9,877	

*Numbers may not add up precisely to the totals due to rounding

Settlement of Public Enterprise Account for FY 2023

(Million Yen)

- The public enterprise account is a special account to which the Local Public Enterprise Act is applied.

Account	Revenue	Expenditure	Difference	Description of operations
Water service	46,265	46,678	-412	Management of water service operations and improvement of related facilities
Industrial water	945	889	56	Management of industrial water operations and improvement of related facilities
Sewerage	73,648	74,138	-490	Management of sewerage operations and improvement of related facilities
Bus	25,014	25,614	-600	Management of city bus operations and improvement of related facilities
Subway	85,306	74,280	11,026	Management of subway operations and improvement of related facilities
Total	231,178	221,599	9,579	

*Numbers may not add up precisely to the totals due to rounding

Management Status of Public Enterprises in FY 2023

(Million Yen)

Category		Water service	Industrial water	Sewerage	Bus	Subway	
Balance sheet	Assets	Total assets	408,276	17,768	1,073,424	18,924	620,549
		Fixed assets	361,840	15,042	1,030,828	14,256	609,063
		Current assets	46,436	2,725	42,596	4,669	11,485
	Liabilities	Total liabilities	136,378	9,819	608,677	20,317	506,671
		Noncurrent liabilities	83,949	5,783	398,151	14,577	334,894
		Current liabilities	28,555	263	44,802	5,277	67,904
		Deferred income	23,874	3,773	165,724	463	103,872
	Equity	Total equity	271,898	7,949	464,747	-1,393	113,878
		Capital	271,663	7,677	457,983	34,029	305,838
		Surplus	236	272	6,764	-35,422	-191,960
Total liabilities and equity		408,276	17,768	1,073,424	18,924	620,549	
Income statement	Revenue	46,265	945	73,648	25,014	85,306	
	Expenses	46,678	889	74,138	25,614	74,280	
	Net income	-412	56	-490	-600	11,026	
	Reversal of reserves for construction and improvement	617	69	1,591	-	-	
	Retained earnings carried over from previous year	-	100	-	-35,173	-207,980	
	Unappropriated retained earnings	204	225	1,101	-35,774	-196,954	

* Each amount is rounded off, so the total numbers may not agree with the sum of items shown.

Management Status of Extra-governmental Organizations

(Million Yen)

Category	Capital	Municipal investment	Financial situation					Loan by Nagoya	Loss compensation and loan guarantee
			Total assets	Total debts	Net assets	Ordinary profit/loss *1	Net profit/loss *2		
Nagoya Meat Market Co., Ltd.	480	236	3,482	3,852	-370	236	169		2,800
(Public utility foundation) Nagoya City Smaller Business Mutual	120	120	28,574	28,410	164	3	3		
International Design Center NAGOYA, IdcN	12,147	4,005	6,700	604	6,096	-86	-87		
(Public utility foundation) Nagoya Meat Corporation	105	90	484	144	340	34	26		
(Public utility foundation) Nagoya Industries Promotion	215	120	2,263	1,161	1,102	-11	-11	703	
(Public utility foundation) Nagoya International Center	345	321	1,346	145	1,202	39	39		
(Public utility foundation) Nagoya Citizens Recreation Village	10	10	54	83	-29	-45	-45		
(Public utility foundation) Nagoya Philharmonic Orchestra	10	10	684	231	453	-82	-82		
(Public utility foundation) Nagoya City Cultural Promotion Agency	60	30	1,900	649	1,251	61	60		
(Public utility foundation) Nagoya Convention & Visitors Bureau	1,055	500	1,464	75	1,389	18	18		
(Social welfare corporation) Nagoya City Rehabilitation Agency	30	30	2,938	1,640	1,298	248	255		
(Public utility foundation) Nagoya Urban Development Public Corporation	1,010	1,010	17,122	4,408	12,714	293	257	756	
Nagoya City Housing Supply Corporation	50	50	22,280	18,103	4,178	62	51	12,425	
Nagoya Expressway Public Corporation	326,639	163,320	1,709,976	1,388,308	321,668	-	-	21,077	247,215
Wakamiya Park	1,063	602	2,807	2,006	801	-3	-3		
Nagoya Guideway-Bus Co., Ltd.	3,000	1,900	1,022	2,262	-1,241	-121	-85	1,787	
Sakae Park Promotion Co., Ltd.	1,500	788	2,740	669	2,071	113	76		
Nagoya Rinkai Express Railway Co., Ltd.	100	77	7,481	2,718	4,763	240	235	200	
(Public utility foundation) Nagoya Construction Services Foundation	30	30	485	38	447	15	11		
MEISEI SOIL RECYCLING SYSTEM Co., Ltd.	200	82	1,656	78	1,578	100	78		
(Public utility foundation) Nagoya-city Education and Sports Association	120	60	3,364	2,325	1,039	119	119		
Nagoya Water and Sewage General Service Co., Ltd.	630	600	2,651	673	1,978	290	203		
Nagoya Transportation Development Organization	100	100	17,091	12,143	4,948	330	215		

*Capital and municipal investment figures are as of July 1, 2024. Other figures are as of FY2023.

*Numbers may not add up precisely to the totals due to rounding.

*1: Numbers for public utility foundations, companies and three local public corporations, and social welfare corporations are, respectively, changes in current ordinary revenue/expenditure, ordinary profit (loss), and current revenue/expenditure.

*2: Numbers for public utility foundations, companies and three local public corporations, and social welfare corporations are, respectively, changes in current general net assets, current profit (loss), and current activities revenue/expenditure difference.

Financial Statements for FY 2022 (General Account, etc.) (1)

In response to the request from the central government in January 2015, Nagoya City's financial statements in and after FY2016 are prepared based on the unified standard based on double-entry bookkeeping, accrual accounting and creation of fixed asset register.

Balance Sheet (General Account, etc.) (As of March 31, 2023)

(Billion Yen)

[Assets]		[Liabilities]	
Fixed assets	3,727.2	Noncurrent liabilities	1,732.3
Tangible fixed assets	2,988.4	Municipal bonds	1,526.4
Business assets	1,215.9	Long-term accrued liabilities	24.8
Infrastructures	1,751.5	Reserve for retirement benefits	179.2
Goods	21.0	Reserve for compensation for loss	-
Intangible assets	8.2	Others	1.9
Software	3.8	Current liabilities	160.8
Other	4.4	Current portion of municipal bonds	125.6
Investments and other assets	730.6	Accrued liabilities	1.8
Investments and capital investments	689.7	Accrued expenses	-
Reserve for investment loss	-350.7	Advance received	-
Long-term delinquent receivables	4.8	Deferred revenue	-
Long-term loans	78.7	Reserve for bonuses, etc.	19.9
Funds	298.2	Deposits received	12.8
Others	10.4	Others	0.7
Reserve for uncollectible account	-0.6	Total liabilities	1,893.1
Current assets	128.1	[Net worth]	
Cash and deposits	28.7	Fixed asset formation	3,822.5
Accounts receivable	4.4	Surplus (shortfall)	-1,860.2
Short-term loans	25.1		
Funds	70.2		
Financial adjustment fund	37.7		
Sinking fund	32.5		
Inventories	-		
Others	0		
Reserve for uncollectible account	-0.2	Total net worth	1,962.3
Total assets	3,855.4	Total liabilities and net worth	3,855.4

* Each amount is rounded off, so the total numbers may not agree with the sum of items shown.

■ The financial statements indicate the status of assets, liabilities, and net worth as of the base date for the balance sheet

Financial Statements for FY 2022 (General Account, etc.) (2)

Statement of Administrative Costs (General Account, etc.) (From April 1, 2022 to March 31, 2023)			
Item	Amount (Billion Yen)	Composition ratio (%)	Cost per citizen (1,000 yen)
Ordinary expenses	1,221.1	100.0	533.4
Operating expenses	608.0	49.8	265.6
Personnel expenses	273.7	22.4	119.6
Staff salary	217.9	17.9	95.2
Provision for reserve for bonuses	19.9	1.6	8.7
Provision for reserve for retirement benefits	16.1	1.3	7.0
Others	19.8	1.6	8.7
Property expenses, etc.	312.3	25.6	136.4
Property expenses	193.7	15.9	84.6
Maintenance and repair expenses	59.2	4.8	25.9
Depreciation expenses	59.3	4.9	25.9
Others	-	-	-
Other operating expenses	22.1	1.8	9.6
Interest expenses	13.6	1.1	6.0
Provision for reserve for uncollectible account	0.4	0.0	0.2
Others	8.0	0.7	3.5
Transfer payment	613.1	50.2	267.8
Subsidies	160.5	13.1	70.1
Social security benefits	347.8	28.5	151.9
Payment to other account	101.9	8.4	44.5
Others	2.9	0.2	1.3
Ordinary revenue	81.4		
Usage fee and service charge	39.5		
Others	42.0		
Net ordinary administrative costs	1,139.7		
Temporary loss	8.4		
Disaster recovery operation cost	-		
Loss from disposal/sale of property	6.6		
Provision of reserve for loss on investment	1.7		
Provision of reserve for compensation for loss	-		
Others	0		
Temporary income	29.7		
Gain from sale of assets	27.5		
Others	2.3		
Net administrative costs	1,118.4		

* Cost per capita is based on the population as of the end of FY2022 (2,289,324)

*Numbers may not add up precisely to the totals due to rounding

- The statement of administrative costs shows expenses, etc. incurred in ordinary administrative services during the fiscal period
- Net worth matrix indicates detail of changes in net worth during a fiscal period

Net worth matrix (General Account, etc.) (From April 1, 2022 to March 31, 2023)			
Item	Total	(Billion Yen)	
		Fixed asset formation	Surplus (shortfall)
FY2021 Ending balance of net worth	1,910.7	3,747.7	-1,837.0
Net administrative costs	-1,118.4		-1,118.4
Revenue	1,136.6		1,136.6
Tax, etc.	753.7		753.7
Subsidy from central/prefectural governments	382.9		382.9
FY2022 Difference	18.2		18.2
Change in fixed assets, etc. (internal)		41.4	-41.4
Increase in tangible fixed assets, etc.		45.0	-45.0
Decrease in tangible fixed assets, etc.		-55.5	55.5
Increase in loans and funds		173.3	-173.3
Decrease in loans and funds		-121.3	121.3
Valuation difference on assets	-0	-0	
Cost-free transfer of jurisdiction, etc.	33.4	33.4	
Others	-	-	-
FY2022 change in net worth	51.6	74.8	-23.2
FY2022 Ending balance of net worth	1,962.3	3,822.5	-1,860.2

* Each amount is rounded off, so the total numbers may not agree with the sum of items shown.

Financial Statements for FY 2022 (All Accounts)

Balance Sheet (All Accounts) (As of March 31, 2023)

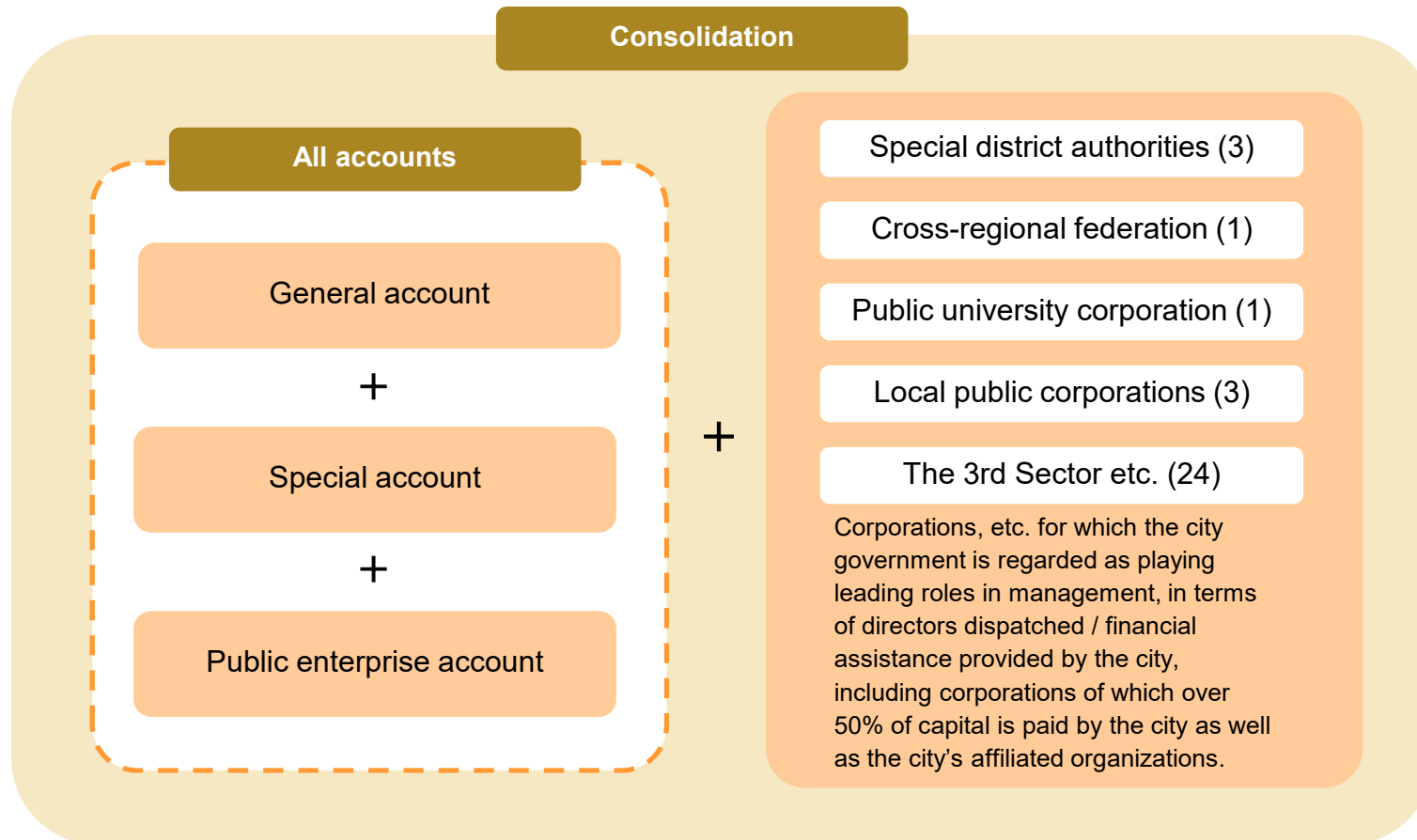
(Billion Yen)

[Assets]		[Liabilities]	
Fixed assets	5,647.4	Noncurrent liabilities	2,851.1
Tangible fixed assets	4,977.5	Municipal bonds, etc.	2,363.4
Business assets	1,821.1	Long-term accrued liabilities	24.8
Infrastructures	2,943.7	Reserve for retirement benefits	224.5
Goods	212.7	Reserve for compensation for loss	1.3
Intangible assets	72.5	Others	237.1
Software	5.0	Current liabilities	307.4
Others	67.5	Current portion of municipal bonds, etc.	205.6
Investments and other assets	597.4	Accrued liabilities	36.0
Investments and capital investments	540.8	Accrued expenses	-
Reserve for investment loss	-351.0	Advance received	6.2
Long-term delinquent receivables	7.2	Deferred revenue	-
Long-term loans	84.6	Reserve for bonuses, etc.	24.5
Funds	306.3	Deposits received	19.6
Others	10.6	Others	15.5
Reserve for uncollectible accounts	-1.1	Total liabilities	3,158.6
Current assets	146.8	[Net worth]	
Cash and deposits	22.5	Fixed asset formation	5,748.0
Accounts receivable	20.2	Surplus (shortfall)	-3,110.2
Short-term loans	30.2		
Funds	70.4		
Financial adjustment fund	37.7		
Sinking fund	32.7		
Inventories	0.4		
Others	4.2		
Reserve for uncollectible account	-1.2		
Deferred assets	2.2	Total net worth	2,637.8
Total assets	5,796.4	Total liabilities and net worth	5,796.4

* Each amount is rounded off, so the total numbers may not agree with the sum of items shown.

FY2022 Consolidated Financial Statements

- The financial statements are also prepared on a “consolidated” basis, adding affiliated organizations’ accounts to the city’s accounts
- The scope of the consolidation is as follows:



Balance Sheet (Consolidated) (As of March 31, 2023)

(Billion Yen)

[Assets]		[Liabilities]	
Fixed assets	6,728.1	Noncurrent liabilities	3,327.1
Tangible fixed assets	6,049.1	Municipal bonds, etc.	2,660.1
Business assets	1,973.4	Long-term accrued liabilities	25.5
Infrastructures	3,861.4	Reserve for retirement benefits	232.1
Goods	214.3	Reserve for compensation for loss	1.3
Intangible assets	75.3	Others	408.1
Software	5.4	Current liabilities	380.7
Others	70.0	Current portion of municipal bonds, etc.	239.6
Investments and other assets	603.6	Accrued liabilities	51.0
Investments and capital investments	151.6	Accrued expenses	0.7
Reserve for investment loss	-	Advance received	7.1
Long-term delinquent receivables	7.8	Deferred revenue	0.1
Long-term loans	80.3	Reserve for bonuses, etc.	25.8
Funds	351.0	Deposits received	29.0
Others	14.2	Others	27.4
Reserve for uncollectible account	-1.3	Total liabilities	3,707.8
Current assets	339.1	[Net worth]	
Cash and deposits	168.0	Fixed asset formation	6,825.3
Accounts receivable	31.5	Surplus (shortfall)	-3,463.7
Short-term loans	24.6		
Funds	72.7		
Financial adjustment fund	40.0		
Sinking fund	32.7		
Inventories	36.8		
Others	7.5		
Reserve for uncollectible account	-1.9		
Deferred assets	2.2	Total net worth	3,361.6
Total assets	7,069.4	Total liabilities and net worth	7,069.4

* Each amount is rounded off, so the total numbers may not agree with the sum of items shown.

Fiscal-related Data

Category	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Population	2,276,590	2,295,638	2,304,794	2,314,125	2,320,361	2,327,557	2,332,176	2,325,916	2,325,778	2,326,683
Nominal municipal gross production(¥B)	13,404.0	13,763.9	13,651.3	13,977.4	14,189.8	14,132.6	13,382.4	13,936.3	-	-
Municipal tax revenue(¥B)	503.5	505.6	510.7	516.3	583.3	600.9	594.6	583.5	609.5	617.5
Internal revenue ratio (%)	65.9	65.9	65.4	60.4	64.6	64.8	50.6	56.0	57.3	57.9
Financial capability index	0.984	0.985	0.987	0.985	0.985	0.985	0.989	0.980	0.976	0.974
Real public bond ratio (%)	13.0	12.7	11.8	10.5	9.4	8.2	7.9	7.2	6.8	6.4
Future burden ratio (%)	153.9	147.4	138.8	125.0	118.2	104.8	104.4	94.2	88.6	83.0
Outstanding municipal bond balance (general account) (¥B)	1,777.1	1,724.0	1,676.7	1,649.4	1,638.5	1,617.5	1,614.4	1,617.3	1,635.2	1,650.6
Outstanding municipal bond balance (all accounts) (¥B)	3,003.6	2,897.7	2,792.8	2,714.7	2,662.0	2,612.5	2,585.5	2,566.9	2,551.1	2,539.7
Municipal bond issue amount (general account/new issue) (¥B)	81.7	60.3	65.6	68.9	79.5	80.6	94.4	104.2	109.6	111.7
Municipal bond issue amount (all accounts/new issue) (¥B)	139.0	107.0	107.7	111.0	124.5	135.7	148.7	156.8	148.3	153.8
Municipal bond issue amount (total amount including refinancing bonds) (¥B)	263.3	206.6	208.4	181.7	201.1	216.4	219.7	222.7	195.8	196.7
Ordinary revenue/expenditure ratio (%)	99.3	97.5	99.8	99.2	98.0	99.6	99.7	95.1	97.8	99.9

■ Population values are as of October 1 of each year

■ For municipal tax revenue and outstanding municipal bond balance, please refer to p.15 and p.18 of the main document, respectively

Support Programs for Female Municipal Employees and Those Caring for Children

The birthrate in Japan is declining and our population is aging rapidly. In order to ease the future social ramifications, which will include a labor shortage, we need to create a society in which all individuals can exercise their abilities and talents, regardless of their gender, and nurture the generations to come as a whole-of-society effort. The city of Nagoya is working to encourage the participation and promotion of women among municipal employees and support childbirth and childcare

1 Initiatives to promote participation by women in municipal work and their promotion (2025/4/1 targets and status as of 2024/4/1)

- Women working at city hall (all jobs) **(30%; currently 31.1%)**
- Women in management (all jobs) **(15%; currently 14.6%)**

○ Planned initiatives

- Expansion of programs to increase motivation and support
- Expand eligible job classifications, promote advancement

2 Initiatives to support childcare (FY2024 targets and status as of FY2023)

- Males taking childcare leave (20 days or more) **(50%; currently 59.3%)**
- Male employees taking leave to attend childbirth
- Male employees taking time off for childcare } **(100%; currently 89.8%)**

○ Planned initiatives

- Provide childcare support programs and encourage their use
- Support for childbirth and childcare, etc.

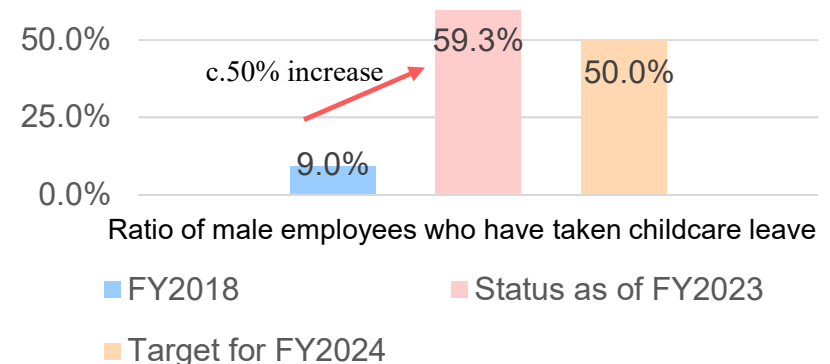


Women attend a leadership seminar FY2023 program for municipal employees



Handbook of childcare support programs

CHANGE IN PARTICIPATION



Reminder

- This material explaining the fiscal condition of the City of Nagoya is intended for investors considering purchasing Nagoya City municipal bonds. It is not related to the sale or offer of any particular bond.
 - The contents of this material are as of October 2024, based on the settlement of accounts for FY 2023, and are subject to change in the event of future developments in the local fiscal system and/or economic conditions.
-