

Japan Student Services Organization (Incorporated Administrative Agency)

<https://www.jasso.go.jp/>

1. Summary of operations implemented using FILP funds

For the purpose of fostering young people of high caliber who will become future leaders of society, and for the purpose of contributing to the maintenance of the principle of equal opportunity in education, Japan Student Services Organization (JASSO) provides non-interest-bearing loans (utilizing FILP) and interest-bearing educational loans for school fees to promising students who have difficulty in continuing their studies for economic reasons.

Note: In operations that are outside of FILP, JASSO provides non-interest-bearing loans and grants for school fees to especially superior students who have serious difficulty in continuing their studies for economic reasons under the Scholarship Programs for Japanese Students. Also, it implements the Support Programs for International Students and the Student Support Programs

2. Amount of lending under FY2020 FILP

(Unit: billion yen)

FY2020 FILP	Estimated outstanding amount of FILP lending at the end of FY2019
658.5	6,404.8

3. Estimated policy cost analysis of the project

(1) Policy cost (Unit: billion yen)

Category	FY2019	FY2020	Fluctuation
1. Government expenditure (subsidies, etc.)	112.0	112.7	+0.7
2. Government revenue (payments to the government, etc.) ^{*1}	-	-	-
3. Opportunity cost of capital investments, etc.	0.9	0.9	-0.1
Total (1+2+3=policy cost(A))	112.9	113.6	+0.7
Analysis period (years)	26 years	26 years	-

(2) Breakdown of policy cost by the time of the provision of funds (Unit: billion yen)

Category	FY2019	FY2020	Fluctuation
(A) Policy cost (previously cited)	112.9	113.6	+0.7
1) Opportunity cost of capital investments, etc. provided before the beginning of the analysis period	0.0	0.0	-0.0
2) Policy cost expected to be newly accrued during the analysis period	112.9	113.6	+0.7
Government expenditure (subsidies, etc.)	112.0	112.7	+0.7
Government revenue (payments to the government, etc.) ^{*1}	-	-	-
Opportunity cost of surplus, etc.	0.9	0.9	-0.1
Opportunity cost of capital investments, etc.	-	-	-

(5) Sensitivity analysis (cases where assumptions change) (Unit: billion yen)

(A) Policy cost (previously cited)	Case before the negative interest rate policy ^{*2}	Fluctuation	1. Government expenditure (subsidies, etc.)			2. Government revenue (payments to the government, etc.) ^{*1}			3. Opportunity cost of capital investments, etc.		
113.6	100.0	-13.6	-16.7	-	-	-	-	-	-	+3.1	

(Note) Components in each column may not add up to the total because of rounding.

^{*1} Government revenue (payments to the government, etc.) is booked as a negative amount Example: -10 b. yen for 10 b. yen in payments to government, etc.

^{*2} Assumed interest rates (discount factor and future interest rate) are based on the market yield on Japanese government bonds on January 28, 2016, before the introduction of the negative interest rate policy.

(3) Year-to-Year comparison analysis

(Computing any fluctuation from previous year)

(Unit: billion yen)

Policy cost		FY2019	FY2020	Simple fluctuation
		Simple comparison (before adjustment)	112.9	113.6
Past year comparison (after adjustment)	1) Adjusting initial years (Analysis results after adjusting initial year to that for FY2020 analysis)	103.0	107.9	+4.9
	2) Adjusting assumed interest rates (Analysis results of re-estimation using assumed interest rate for FY2019)			Real fluctuation (2-1)

[Real fluctuation factor analysis]

○Factors behind policy cost increase

- Increase in cost due to new loans provided in FY2020 (+8.4 billion yen)
- Increase in cost due to increase in loan losses (+2.3 billion yen)
- Increase in cost due to effects of prepayments (+0.4 billion yen)

○Factors behind policy cost decrease

- Decrease in cost settled results in FY2018 and expected revision in FY2019 (-0.9 billion yen)
- Decrease in cost due to actualization of applied interest rates (-0.8 billion yen)
- Others (decrease in cost due to increase in revenue, etc.) (-4.5 billion yen)

(4) Breakdown of policy cost by causative factor (Unit: billion yen)

(A) Policy cost in FY2020 (previously cited)	113.6
1) Prepayments	-5.3
2) Loan losses	50.9
3) Others (including profit spread)	68.0

4. Outline of estimation and project prospect employed in the analysis

- 1) Non-interest-bearing loans (using FILP) and interest-bearing loans provided under the scholarship programs by Japan Student Services Organization (JASSO) are included in calculation.
- 2) Estimation was made for a case in which 743.2 billion yen in project cost decided on in FY2020 and loans for relevant grades are implemented in addition to the outstanding loan balance of 6,727.0 billion yen at the end of FY2019.
- 3) The analysis period continues for a period of 26 years including the initial period in which loans are provided as described in the above item 2) (the longest period is 6 years for the students studying in medical departments) in addition to the loans already provided and the ensuing period (the longest period is 20 years) in which these loans are recovered in full.
- 4) Interest rates on interest-bearing loans are capped at 3% and no interest accrues when recipient students are in school. No interest accrues on non-interest-bearing loans over full terms.
- 5) With regard to management expenses, expenses pertaining to administration of scholarship programs are extracted from the general management expenses of JASSO and classified into expenses for new loans and those for loan management. Expenses for new loans are calculated based on the amount of scholarship loans provided and those for loan management are calculated based on the ratio of the balance of scholarship loans.
- 6) Prepayments are calculated based on the prepayment ratio in the FY2020.
- 7) The loan charge-off is calculated based upon the GAAP for the Incorporated Administrative Agencies. As for the method for estimating the charge-off, future cash flow is first estimated, with the total amount of loans to borrowers that are bankrupt and in the process of revitalization and rehabilitation, etc. (the total installment amount that is in arrears for 10 years or more and the amount based on the charge-off ratio for FY2018) as of the end of each year assumed to be 51.1 billion yen. This amount will be charged off in FY2020 and the remaining years of the analysis period.

Prepayment and loan charge-off ratios for the non-interest-bearing loan program (using FILP)

FY	Result		Estimated	Planned	Assumptions for calculation
	2017	2018	2019	2020	2021 and on
Prepayment ratio	3.573%	3.929%	1.628%	1.628%	2021 and on: 1.628%
Loan charge-off ratio	-	-	0.006%	0.006%	Cumulative total in and after 2021: 2.063%

Prepayment and loan charge-off ratios for the interest-bearing loan program

FY	Result				Estimated	Planned	Assumptions for calculation
	2015	2016	2017	2018	2019	2020	2021 and on
Prepayment ratio	2.985%	3.007%	2.832%	2.752%	2.625%	2.625%	2021 and on: 2.625%
Loan charge-off ratio	0.005%	0.004%	0.006%	0.008%	0.006%	0.008%	Cumulative total in and after 2021: 3.572%

5. Reasons for granting of subsidies, mechanism and underlying laws

In order to accomplish the purpose of scholarship programs, the Government, for the purpose of achieving its goals, provides financial assistance for administrative expenses, compensation for repayment exemption, and compensation for bad loan charge offs, as well as subsidies from the national treasury to reduce the burden on borrowers.

[Underlying laws and regulations]

- Subsidies and the Government's grants-in-aid are provided under the following law:

Article 23 of the Act on the Japan Student Services Organization

“The Government can subsidize part of the funds required for the scholarship programs operated by Japan Student Services Organization (JASSO) as provided for in Item 1, Paragraph 1, Article 13 of the Act within the limits of the budget.”

- Grants for operating expenses are provided under the following law:

Article 46(1) of the Act on General Rules for Incorporated Administrative Agencies

“The Government can grant subsidies to cover part or whole of the funds required for the operation of incorporated administrative agencies within the limits of the budget.”

- Government investment is provided under the following law:

Article 5, Paragraph 2 of the Act on the Japan Student Services Organization

“The Government can provide JASSO with additional capital investment within the limits of the amount specified in the budget, if recognized as necessary.”

(Underlying law for payments to the national treasury)

Act on General Rules for Incorporated Administrative Agencies

Article 46-2: An Incorporated Administrative Agency is to make payment to the national treasury in relation to any Unnecessary Property pertaining to contribution or expenditure from the government (excluding any property which is in the form of contribution of money) (hereinafter referred to as "Unnecessary Property Pertaining to Government Contribution, etc." in this paragraph) with an authorization of the competent minister, without delay; provided, however, that the Incorporated Administrative Agency is not required to obtain an authorization of the competent minister if it specifies the plan referred to in Article 30, paragraph (2), item (v) for a Medium-term Plan of an Agency Managed under the Medium-term Objectives, the plan referred to in Article 35-5, paragraph (2), item (v) for a Medium to Long-term Plan of a National Research and Development Agency, or the plan referred to in Article 35-10, paragraph (3), item (v) for a Business Plan of an Agency Engaged in Administrative Execution, and it makes payment to the national treasury in relation to the Unnecessary Property Pertaining to Government Contribution, etc. in accordance with the relevant plan.

Supplementary Provisions (Act No.37 of May 28, 2010) (excerpt)

(Transitional measure)

Article 3 Transfer of assets that is conducted by an incorporated administrative agency before the date on which the Act comes into effect and that is defined by the competent minister as equivalent to transfer of unnecessary assets involving government investment, etc. stipulated in Article 46-2, Paragraph 1 of the new Act on the date on which the Act comes into effect shall be defined as transfer of unnecessary assets involving government investment, etc. stipulated in Paragraph 2 of the said Article conducted on the date on which the Act comes into effect, and the provisions from Paragraph 1 to Paragraph 2 of the said Article apply. In this case, “may make a payment” in Paragraph 2 of the said Article shall be replaced with “shall make a payment.”

Act on the Japan Student Services Organization

Article 18 (1) When the Organization has the reserves stipulated in Article 44(1) of the Act on the General Rules for Incorporated Administrative Agencies after the adjustments stipulated in Article 44(1) or 44(2) of the Act for the last fiscal year of the period for a medium-term target period (hereinafter referred to as the “medium-term target period” in this paragraph) stipulated by Article 29(2)(i) of the Act, the Organization may use the portion approved by the Minister of Education, Culture, Sports, Science and Technology out of the equivalent to the reserve amount for operations stipulated in Article 13 of the Act for the next medium-term plan period, under the medium-term plan approved pursuant to Article 30(1) of the Act with regard to the next medium-term target period after the relevant medium-term target period.

(2) When the Organization has a surplus after deducting the amount approved in paragraph (1) from the reserve amount stipulated in the same clause, it shall pay the surplus to the national treasury.

(3) In addition to the matters stipulated in the above two paragraphs, any other necessary matters regarding procedures for payment to the national treasury and other measures for disposal of reserves shall be stipulated by government ordinance.

6. Special remarks

- 1) The policy costs of Japan Student Services Organization (JASSO)'s non-interest-bearing loan program (using FILP) and interest-bearing loan program are incurred because JASSO provides long-term funds with low interest rates for school fees to superior students who have difficulty in continuing their studies for economic reasons. As a result, these students can be self-supported and study without worry, developing capable and creative human resources that will make significant contribution to society in the future.
- 2) This analysis is for the accounting division of the "administration pertaining to the Category 1 Loans" (using FILP) and the "administration pertaining to the Category 2 Loans" under Article 17 Paragraph 1 Items 2 and 3 of the Ministerial Order Pertaining to JASSO (Incorporated Administrative Agency.)
- 3) The following systematic revisions apply for the newly qualified borrower students as of FY2007 in order to contribute to the reduction of the interest subsidies in the future and to the convenience of the students.
 - (A) Since the funds for the student loan within the period spent at school are interest-free (No interest on non-interest-bearing loans over full terms), such funds shall be short-term private borrowing, etc. in order to reduce the procurement cost of JASSO and the borrowers shall refinance such loans to long-term FILP funds upon the completion of financing depending on the selected interest rate.
 - (B) Provide students with options to select from a fixed interest rate or a variable interest rate for their repayment to eliminate the mismatching interest rates by borrowing the Fiscal Loan Fund in accordance with the selections.
- 4) The institution guarantee system by Japan Education Exchanges and Services has been introduced for recruits as well as the conventional personnel guarantee since FY2004.

The percentage of recruits in FY2018 using the institution guarantee is 47.7%.

Trend of institution guarantee members over the last three years, etc. are as follows:

<Trend of institution guarantee members (with and no interest)>

Category	FY2016	FY2017	FY2018
Number of members	185,849	194,071	207,411
Percentage	41.3%	44.0%	47.7%

(Note) Figures in the above table represent the number of institution guarantee users and their percentage share of the total number of scholarship recruits.

<Trend of payment under guarantee (with and no interest)>

Category	FY2016	FY2017	FY2018
Number of payment under guarantee	7,910	9,889	11,220
Amount of payment under guarantee	17.165 billion yen	21.252 billion yen	23.728 billion yen

(Note) The amount of payment under guarantee covers principal, interest and delinquency charges.

(Reference) Outcome and social and economic benefits of operations

- (i) Interest-bearing loans (FY2018)

743,895 persons	649.7 billion yen
Non-interest-bearing loan program (using FILP)	15,917 persons 9.6 billion yen
Interest-bearing loan program	727,978 persons 640.0 billion yen
 - (ii) Interest-bearing loans (FY1984~2018)

5,181,615 persons	11,951.1 billion yen
Non-interest-bearing loan program (using FILP)	16,951 persons 14.8 billion yen
Interest-bearing loan program	5,164,664 persons 11,936.3 billion yen
 - (iii) Outstanding balance of loans (at the end of FY2018)

3,704,778 persons	6,692.3 billion yen
Non-interest-bearing loan program (using FILP)	16,873 persons 14.7 billion yen
Interest-bearing loan program	3,687,905 persons 6,677.6 billion yen
 - (iv) Projected lending (FY2019 planned)

798,648 persons	698.4 billion yen
Non-interest-bearing loan program (using FILP)	33,678 persons 22.1 billion yen
Interest-bearing loan program	764,970 persons 676.2 billion yen
 - (v) Projected lending (FY2020 planned)

850,790 persons	743.2 billion yen
Non-interest-bearing loan program (using FILP)	17,364 persons 10.5 billion yen
Interest-bearing loan program	833,426 persons 732.7 billion yen
- (Note) The number of borrowers in (iii) include those who were repaying loans and those in school.

2) Main policy purposes and social/economic benefits

- (i) Under the Scholarship Loan Program, loans for school fees are provided to students at universities, junior colleges, graduate schools, technical colleges, and special training colleges (professional courses) on the assumption that they will use their income after their graduation from these institutions for repaying the loans.

A part of the non-interest-bearing loan program is a transitional, limited measure to use fiscal loans from FY2017 only for students eligible for non-interest-bearing scholarship loans who have received interest-bearing loans and those who have become eligible for them as a result of the relaxation of academic results requirements for children of low-income households.

Since FY1999, the interest-bearing loan project has been drastically expanded to meet the needs of students through a significant increase in the number of borrowers, the introduction of an option system where students can select monthly loan amounts, the relaxation of lending terms, and other changes.

- Change in the number of borrowers

Non-interest-bearing loan program (using FILP)	Interest-bearing loan program
(FY2017 planned) (FY2020 planned)	(FY1999) (FY2020 planned)
36,000 persons → 17,000 persons	208,000 persons → 833,000 persons

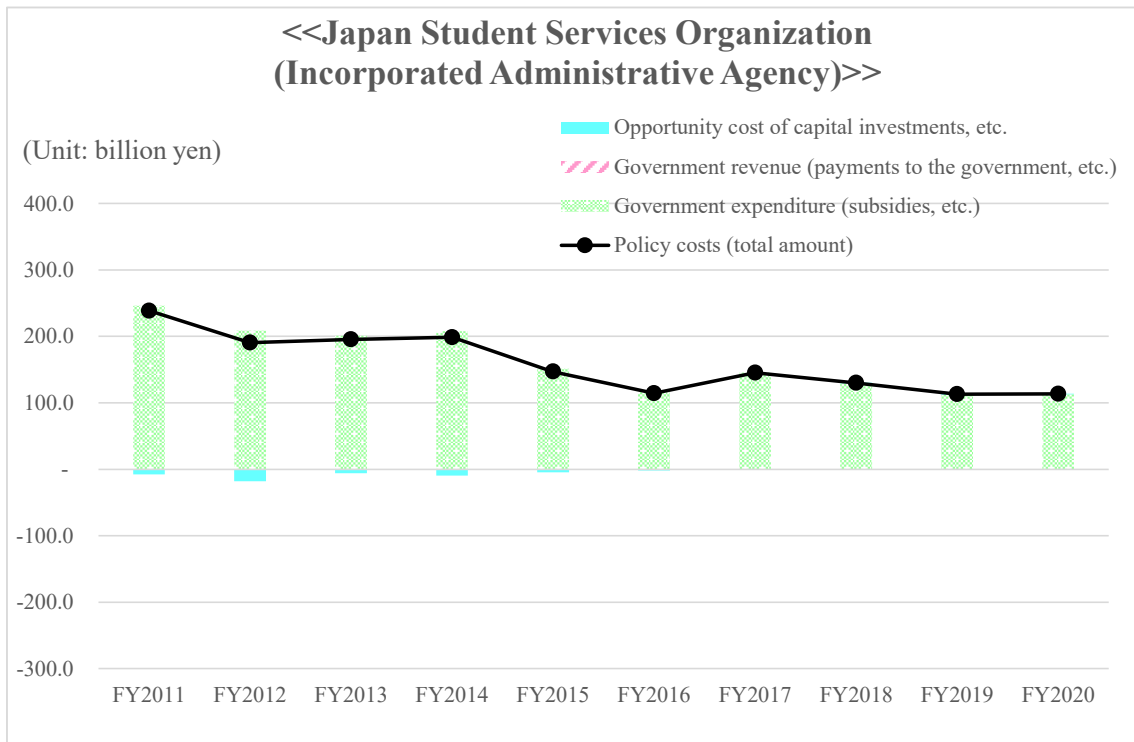
- Change in percentage of borrowers among college students

(FY1999) (FY2020 planned)
6.1% → 23.8%
(3.9 times)

- (ii) Scholarship loan programs pave the way for students and others to gain independence and study with peace of mind, contribute to developing creative human resources having rich human capacities needed to shoulder the responsibilities of future generations and also to promoting mutual international understanding.

Overview of policy cost analysis results

[Changes in policy costs]



Note: Policy costs for each fiscal year differ in assumptions including interest rates applied to estimates.

(Unit: billion yen)

FY	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Policy costs (total amount)	238.7	190.5	195.3	198.7	146.9	114.2	145.4	130.1	112.9	113.6
Government expenditure (subsidies, etc.)	246.3	208.6	201.3	208.0	151.4	116.2	145.4	129.3	112.0	112.7
Government revenue (payments to the government, etc.)	-	-	-	-	-	-	-	-	-	-
Opportunity cost of capital investments, etc.	-7.6	-18.1	-6.0	-9.3	-4.5	-1.9	-0.1	0.8	0.9	0.9

【Explanation of policy cost trends】

The Scholarship Loan Program has been enhanced and expanded through the relaxation of qualifications for scholarship loans to meet students' needs for loans to cover school expenses. However, JASSO's policy cost has followed a downtrend due mainly to the implementation of loan repayment recovery promotion measures and a decline in assumed interest rates.

As scholarship demand is likely to increase in line with a rise in the number of higher education students from tax-free households, JASSO expects to see growth in the number of students hoping to get both scholarship grants and interest-bearing loans and plans to raise the number of interest-bearing loan borrowers that has been falling since FY2013.

【FILP agency's self-assessment of policy cost analysis results (FY2020)】

Under the interest-bearing loan program that accounts for most of JASSO's FILP-financed project, the interest rate on JASSO's borrowings from the Fiscal Loan Fund at the end of a scholarship period for a borrower is adjusted to match a repayment rate for the borrower to make the program insusceptible to interest rate fluctuations. To reduce repayment burdens on borrowers, however, loans are exempted from interest during a scholarship or school attendance period for a borrower. Interest accruing on JASSO's borrowings from the Fiscal Loan Fund during the period are subsidized by the Government, leading the size of new loans to affect the policy cost.

The policy cost in the FY2020 analysis slightly increased from the FY2019 analysis. This may be because while cost decreased due to a fall in assumed interest rates and other factors as seen in earlier years, an increase in the number of interest-bearing loan borrowers accompanied the substantial expansion of scholarship grants and worked to raise cost for new loans in FY2020. Although the expansion of the scholarship loan program boosts the policy cost, its impact on JASSO's financial soundness is viewed as minor.

In the sensitivity analysis, the policy cost decreased from the basic case as interest rate differences accruing from a restriction on borrowings from the Fiscal Loan Fund expanded in line with an increase in the assumed interest rates and return on investment of surplus funds increased. The analysis thus indicates no impact on JASSO's financial soundness. JASSO will continue trying to hold down the policy cost by improving loan repayment indicators through repayment recovery promotion measures, while providing long-term, low-interest loans to students who have difficulties in paying school expenses for economic reasons.

(Reference) Financial Statements

Balance Sheet

(Unit: million yen)

Item	End of FY2018 (Result)	End of FY2019 (Estimated)	End of FY2020 (Planned)	Item	End of FY2018 (Result)	End of FY2019 (Estimated)	End of FY2020 (Planned)
(Assets)				(Liabilities and equity)			
Current assets	9,564,634	9,688,232	9,798,410	Current liabilities	970,852	982,509	1,039,075
Cash and bank deposits	221,775	242,010	221,157	Debt from grants for operation cost	-	-	-
Loans	9,337,853	9,441,120	9,575,491	Deposited subsidies	924	-	-
First Category Scholarships	2,787,741	2,878,550	2,908,034	Deposited donations	2,025	2,665	900
Second Category Scholarships	6,606,645	6,611,808	6,711,175	Japan Student Services Organization bonds to be redeemed within a year	120,000	120,000	120,000
Loan loss provisions	- 56,533	- 49,239	- 43,718	Long-term debts payable to be repaid within a year	836,607	850,109	906,346
Securities	2,499	3,598	-	Accrued payments	4,257	2,271	2,271
Advance payments	11	11	11	Unpaid consumption tax, etc.	20	23	25
Prepaid expenses	11	11	11	Lease liabilities	465	468	472
Accrued income	735	726	719	Accrued expenses	5,712	5,882	7,681
Reserve for possible loan loss	- 6	- 5	- 5	Advances received	306	306	306
Accounts receivable	1,756	400	670	Deposit payable	369	369	664
Return for provision for bonuses	-	363	356	Temporary receipts	52	52	52
Fixed assets	171,191	173,299	187,265	Provisions	113	363	356
Tangible fixed assets	33,641	33,671	33,306	Provision for bonuses	-	363	356
Buildings	21,125	20,670	20,205	Provision for environmental measures	113	-	-
Structures	25	23	21	Fixed liabilities	8,684,578	8,798,435	8,863,848
Vehicles and transportation equipment	1	1	1	Asset collateral liabilities	7,214	6,575	5,831
Tools and equipment	1,818	2,305	2,406	Grants for asset collateral operation cost	3,610	3,890	4,066
Land	10,673	10,673	10,673	Asset collateral facilities expenses	1	1	1
Intangible fixed assets	11,509	10,784	9,965	Asset collateral subsidies	3,595	2,677	1,758
Land lease rights	5,451	5,451	5,451	Asset collateral contributions	8	7	6
Software	6,057	5,333	4,514	Long-term deposited donations	2,867	2,226	3,991
Telephone subscription right	1	1	1	Japan Student Services Organization bonds	120,000	120,000	120,000
Investment and other assets	126,041	128,843	143,994	Discount on bond	2	2	0
Investment securities	23,993	20,400	20,400	Long-term loans payable	8,553,919	8,663,078	8,727,008
Bankruptcy credit, revitalization credit, rehabilitation credit and the like	112,353	126,131	141,731	Long-term deposits	70	70	70
Loan loss provisions	- 110,824	- 124,430	- 139,793	Long-term lease liabilities	506	1,084	1,283
Expected value of outstanding financing measures	100,474	101,297	115,946	Provisions	-	5,400	5,665
Return for provision for retirement benefits	-	5,400	5,665	Provision for retirement benefits	-	5,400	5,665
Guarantee deposits	45	45	45	(Total liabilities)	9,655,430	9,780,944	9,902,923
				Capital	100	100	100
				Government's equity	100	100	100
				Capital surplus	32,432	31,940	31,441
				Capital surplus	- 601	- 601	- 601
				Other administrative costs accumulated	- 25,712	- 26,204	- 26,703
				Amount equivalent to accumulated depreciation cost (-)	- 14,940	- 15,417	- 15,899
				Amount equivalent to accumulated net gains or losses on sale or disposal	- 10,772	- 10,788	- 10,803
				Private-sector contributions	58,745	58,745	58,745
				Retained earnings	47,863	48,548	51,211
				Reserve carried forward during former medium-term target period	18,030	45,781	45,635
				Reserve fund	25,009	-	2,767
				Unappropriated income for the current year	4,823	2,767	2,809
				(Of this, gross profit)	4,823	2,767	2,809
				(Total equity)	80,395	80,588	82,752
Total assets	9,735,825	9,861,532	9,985,675	Total liabilities and equity	9,735,825	9,861,532	9,985,675

Note: Components may not add up to the total because of rounding.

Income Statement

(Unit: million yen)

Item	End of FY2018 (Result)	End of FY2019 (Estimated)	End of FY2020 (Planned)
Ordinary expenses	92,130	93,731	340,420
Administrative expenses for scholarships	72,922	74,150	84,126
Administrative expenses for scholarship grants	-	-	22
Administrative expenses for scholarship grants to support learning	-	-	237,330
Administrative expenses for assistance to foreign students	16,437	16,843	16,325
Administrative expenses for assistance to students	339	353	299
General and administrative expenses	2,432	2,385	2,318
Ordinary income	96,953	96,353	343,083
Income from grants for operating expenses	15,037	10,857	13,419
Facility expense	-	36,489	-
Interest on student loans	32,564	29,637	26,315
Interest on delinquent accounts	3,887	3,383	2,687
Income from foreign student dormitories	631	597	597
Income from Japanese schools	319	325	325
Income from fees for the Examination for Japanese University Admission for International Students	689	331	426
Other operating income	268	177	177
Trustee income	5	33	-
Income from subsidies, etc.	26,075	29,908	268,197
Expected value of financing measures	14,067	14,404	25,007
Income from donations	2,028	2,601	2,666
Income regarding return for provision for bonuses	-	363	356
Income regarding return for provision for retirement benefits	-	1,325	510
Reversal of asset collateral liabilities	1,225	2,262	2,367
(Reversal of grants for asset collateral operation cost)	729	1,342	1,447
(Reversal of asset collateral subsidies)	495	919	919
(Reversal of asset collateral contributions)	1	1	1
Financial income	157	112	33
Ordinary profit	4,823	2,622	2,663
Temporary losses	2	4,727	2
Loss on sale of fixed assets	0	-	-
Loss on retirement of fixed assets	2	2	2
Transfer of provision for bonuses accompanying accounting standard revision	-	328	-
Retirement allowance cost accompanying accounting standard revision	-	4,397	-
Temporary profits	2	4,727	2
Reversal of grants for asset collateral operation cost	2	2	2
Reversal of asset collateral subsidies	0	0	0
Reversal of asset collateral contributions	0	0	0
Income regarding return for provision for bonuses	-	328	-
Income regarding return for provision for retirement benefits	-	4,397	-
Net profit	4,823	2,622	2,663
Reversal of reserve carried forward during former medium-term target period	-	146	146
Gross profit	4,823	2,767	2,809

Note: Components may not add up to the total because of rounding.