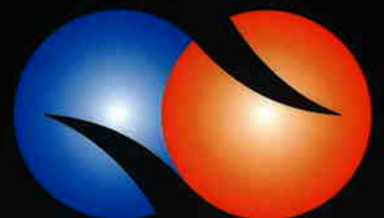
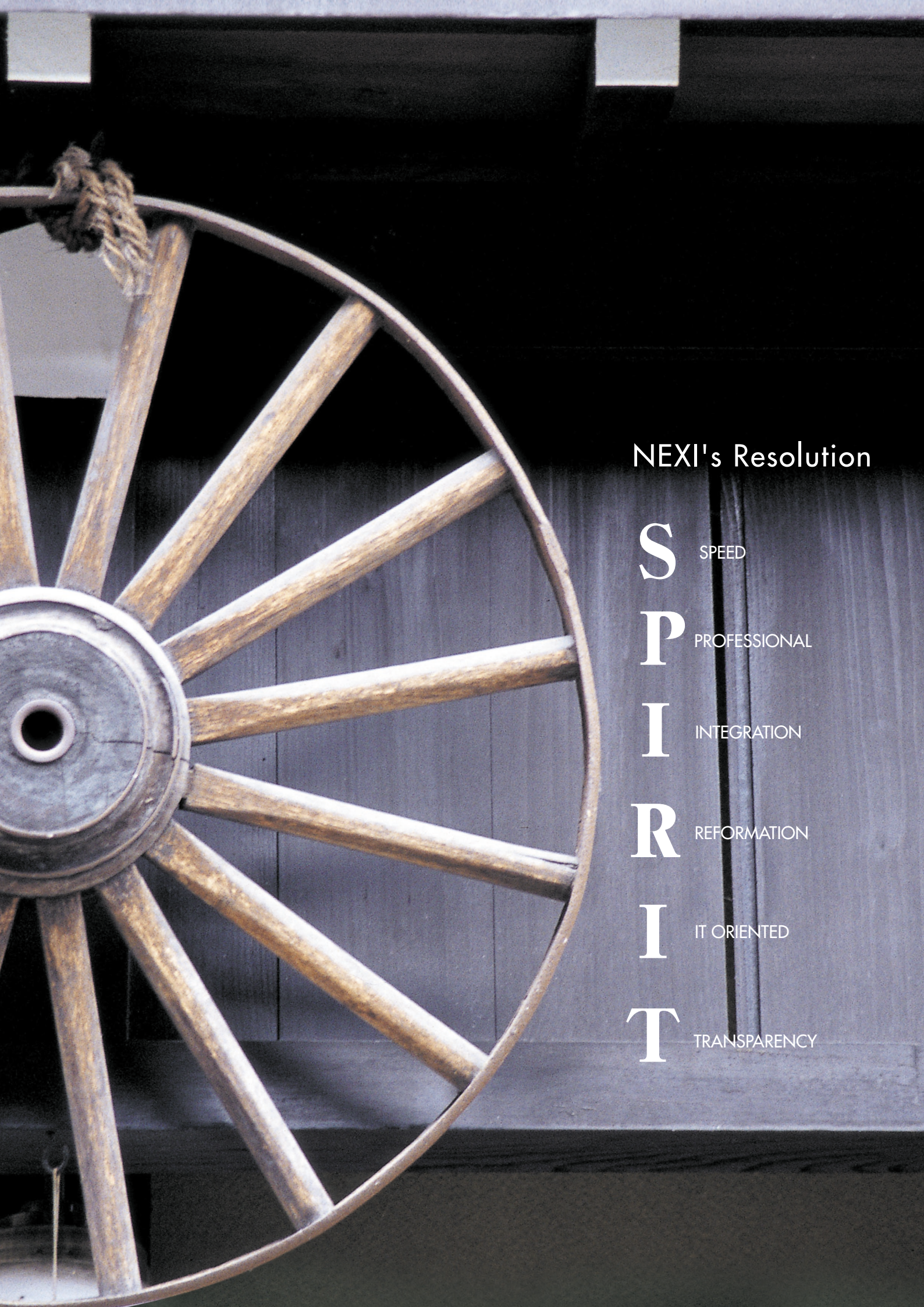


Annual Report 2004



NEXI

Nippon Export and Investment Insurance



NEXI's Resolution

S SPEED
P PROFESSIONAL
I INTEGRATION
R REFORMATION
I IT ORIENTED
T TRANSPARENCY



I NEXI Mission

NEXI is committed to:

1. Providing insurance products that will make customers feel secure and protected in overseas transactions
2. Providing advice to customers from the preliminary stage of planning transactions
3. Responding promptly to the inquiries and interests of customers
4. Meeting the demands and business needs of customers
5. Promptly completing the assessment of insurance claims and making insurance claim payment
6. Speedily allocating the recovery

Management Principle

Nippon Export and Investment Insurance (NEXI) is committed to contributing to the economy and society of Japan through efficient and effective insurance business operations. It does this by responding precisely to customers' needs with a rapid perception of market changes and by underwriting the risks inherent in international transactions that cannot be adequately protected by conventional commercial insurance.

Management Policy

1. NEXI, as an independent administrative institution servicing the public through its operations, aims to contribute to the stability of people's lives and to the sound growth of the economy.
2. NEXI will always give first priority to the interests of its customers, respond promptly and precisely to customers' individual needs, provide customer services of superior quality, and achieve the highest level of operating efficiency and effectiveness.
3. NEXI fully utilizes the talents of its entire management and human resources to accommodate anticipated changes in the market. Its objectives are to undertake more risk, develop new products and to be creative in applying flexible risk underwriting schemes. The company further aims to increase profitability through prudent risk control and by applying suitable criteria, to ensure long-term growth and prosperity.
4. NEXI encourages and fosters the development of knowledge and the skills of its employees through training and makes the best use of the staff's diverse professional backgrounds to create an ideal workplace that corresponds to current changes in society.



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II

Message from the Chairman

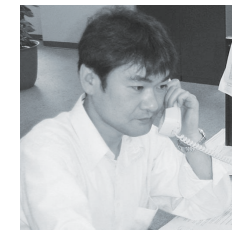


Hidehiro Konno, Chairman and CEO

Since our establishment in April 2001, we at Nippon Export and Investment Insurance (NEXI), an independent administrative institution, have been endeavoring to improve the level of our services and to enhance the efficiency and transparency of our business operations. Based on the commitments outlined in the Customer Service Charter, which was announced in 2003, we have instituted a series of innovative programs in order to respond to business needs. These include: simplifying and accelerating our procedures, expanding our range of indemnified risks, developing new products to meet the changing environment, and providing customers with enhanced assistance in preserving their credit.

Reflecting these changes and owing to a strong support by our customers, the total underwritten amount of insurance, which had been on the decrease, has turned around since NEXI's establishment and has continued to increase. In fiscal 2004, the total reached 11.6 trillion yen, which was an increase of 4.0% over the previous year. We have been underwriting long-term non-L/G commercial risk transactions, starting out with six transactions in the first year and increasing to eighteen in 2004.

In this time when the world situation is undergoing hourly changes, risk control surrounding foreign trade is becoming increasingly important. Furthermore the regulatory environment of Japan's trade and investment insurance has undergone a fundamental change with the opening up of the market for entry by the private insurers. As we enter the fifth year of operation, we are determined to take up these challenges. We will further strengthen the relationships with our customers and will deliver trade and investment insurance services that are of further benefit to them. We would greatly appreciate your continuing support and encouragement.



Meeting Customers Demands and Raising the Quality of Services Still Higher in FY2004

Spirit of Customer Service Charter Reflected in NEXI Services

Based on the spirit of the Customer Service Charter, various procedures have been simplified and efforts have been made to lighten the burden on our customers and accelerate the speed of service delivery.

The following procedures have been simplified:

- When making insurance claims or receiving authorization for completing the obligation of recovery, the number of materials to be submitted has been reduced.
- The procedure for renewing the claims payment limit at the beginning of the fiscal year has been simplified with the use of electronic media.

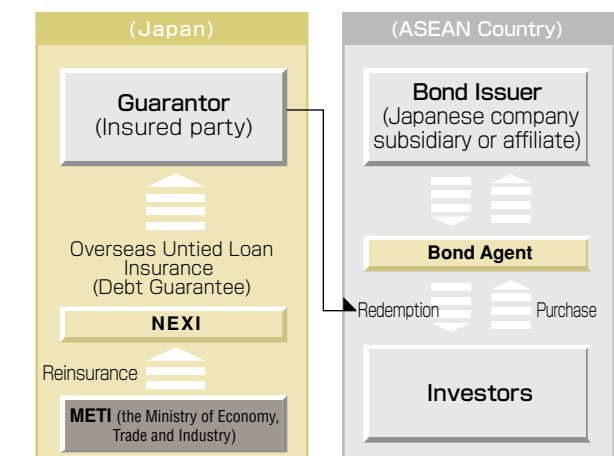
Introduction of Export Credit Insurance for SMEs

NEXI introduced a new insurance product specifically designed to support SMEs in their advance into the overseas market. The main features of this insurance are as follows:

- 95% of the damage incurred from the inability to collect receivables is indemnified for direct export transactions from Japan with a maximum repayment term of 180 days.
- This insurance is sold in alliance with banks in order to promote bank loans for SMEs that are engaged in export business, making it possible to apply for this insurance at the service window of the alliance banks.
- The level of convenience has been increased with a complete revision of services that became far simpler and faster. These include a simplified procedure for establishing the right of pledge for insurance claim rights.

Extension of Applicable term of Insurance for Guarantee for Local Currency Issue Bonds (Asian Bonds) and Expansion of System Content

Regarding the insurance for guarantees for local currency issue bonds (Asian bonds) that started in FY2004, the applicable term has been extended till the end of FY2005. Now this insurance is available also in several countries where Japan has concluded economic partnership agreements (EPAs) or where negotiations for the conclusion of EPAs are underway. In addition, the discount rate for the political risk premium rate has been expanded.



Conclusion of Reinsurance Agreements with Overseas Export Credit Agencies for Implementation of One-Stop-Shops

NEXI has concluded reinsurance agreements with USEXIM (US), Finnvera (Finland), EFIC (Australia), and CESCE (Spain). Through these agreements, for projects where procurement is made from a number of countries, it has become possible to use a single window service for each country's export credit agency (ECA). This has led to a reduction in the total cost of transactions for customers and for the flexible formation of finances. In December 2004, as the first transaction based on the reinsurance agreement with USEXIM, NEXI underwrote reinsurance for the export of Boeing 767 aircraft to Uzbekistan Airways.



Expansion of Risks to be Indemnified

NEXI has revised what is called, Supplemental Agreement on Full Turnkey Contract, which covers losses incurred when plants under construction abroad suffer damage due to war, etc. It is now clearly stated that Act of terrorism is one of the reasons for indemnity.

Started Underwriting MLT Transactions for Prepayment Import Insurance

Until now, NEXI had limited the underwriting of transactions with a maximum repayment term of less than two years but in order to support the stable import of raw materials to Japan, since October 2004, transactions have been underwritten with a maximum repayment term of two years or more for political risks. Prepayment Import Insurance covers losses incurred by Japanese importers who are unable to recover a prepayment due to political and commercial risk, despite their demand for reimbursement when the cargo did not arrive on the due date, under circumstances in which the cargo was purchased from abroad by advance payment.

New and Simplified Insurance Premium System for Export Credit Insurance, etc.

In order to simplify application procedures, for transactions of Export Credit Insurance of less than two years or of two or more years, in October 1, 2004, a unified and greatly simplified method of calculating the insurance premium was introduced and underwriting using the new insurance premium system was started.

Following are the types of insurance which the new insurance premium system applies to:

- Export Credit Insurance (Specific Insurance) (Export Contracts and Technical Cooperation Contracts)
- Export Credit Insurance (Comprehensive Insurance)
 - Comprehensive Insurance for Specified Capital Goods (Machinery and Equipment, Cable, Railroad Vehicles, Ships and Vessels, and Automobiles)
 - Comprehensive Insurance for Technical Cooperation Contract
 - Comprehensive Insurance for Specified Consumable Goods (Chemicals, Textiles, and Steel Materials)
 - Enterprise Comprehensive Insurance
- Buyer's Credit Insurance

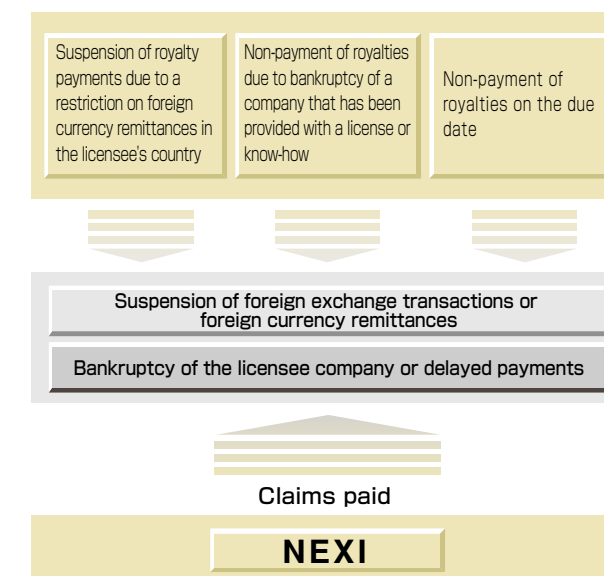
Reduction of Premium Rate for Category A Countries

In order to lighten the burden of insurance premium payments made by customers who are involved in export transactions to developed countries, the premium rate for category A countries (mainly, developed countries) was reduced for transactions of Export Credit Insurance with a repayment term of less than two years and also transactions of Trade Insurance for Manufacturers.

Sales of License Insurance Increasing Steadily

Intellectual Property License Insurance (commonly known as License Insurance) is being used more and more by NEXI's customers. This insurance package was developed in October 2003 to respond to the needs of clients who are handling patent rights or copyright. NEXI is often consulted by people from a variety of industries, including manufacturing corporations, communication companies, content creators, such as makers of animated movies and game software, and pharmaceutical companies. Applications are now being made by customers who had never before used trade and investment insurance.

Number of Insured Transactions for FY2004: 28 (8 transactions for the preceding fiscal year)



Sales of Trade Insurance for Manufacturers Steadily Increasing

Since its introduction in April 2003 in response to customer needs, there has been a steady increase in sales of Trade Insurance for Manufacturers.

Number of Insured Transactions for FY2004: 40 (15 transactions for the preceding fiscal year)

Further Usable Overseas Investment Insurance

■ In response to customer needs, the requisite conditions for the acknowledgement of insured risks for Overseas Investment Insurance were relaxed starting October 2004. The period for the suspension of business activities for covering losses incurred from suspension of business activities due to occurrence of a political risk event had been longer than six months but now, this has been shortened to over three months. As a result, NEXI is now able to broadly cover not only those cases of full withdrawal from business but also cases of temporary occurrence of insured risk.

■ Starting April 2005, dividends and profit gained after resuming business has been excluded from the object of the refund of recovery for the obligation of recovery that arises upon receiving insurance claims.

■ When customers increase their capital for business that is already under an insurance contract and apply for insurance for the increased capital, NEXI makes it possible to unify the new insurance contract with the existing contract in order to simplify the necessary customer procedures.

Additional Alternative Documents for Credit Inquiry Reports

The following have been added as alternative documents for credit information reports: Rating Credit Opinion by Cofanet (provided by Coface Service Japan) in case of new registration as E-rating buyer (subject to satisfaction of certain conditions); and the report described in the BANKSCOPE (published by Bureau Van Dijk) in case of new registration as S-rating buyer.

Introduction of Transfer Scheme of Uncovered Part of Paris Club Claims for HIPC's to NEXI

In order to meet customer demand, it was introduced in October 2004 that the uncovered part of Paris Club claims for HIPC's (Heavily Indebted Poor Country) is taken over by NEXI.

NEXI's firm policy is to immediately act upon its customers' needs at all times. For further details of any revisions to the system, please visit our website.

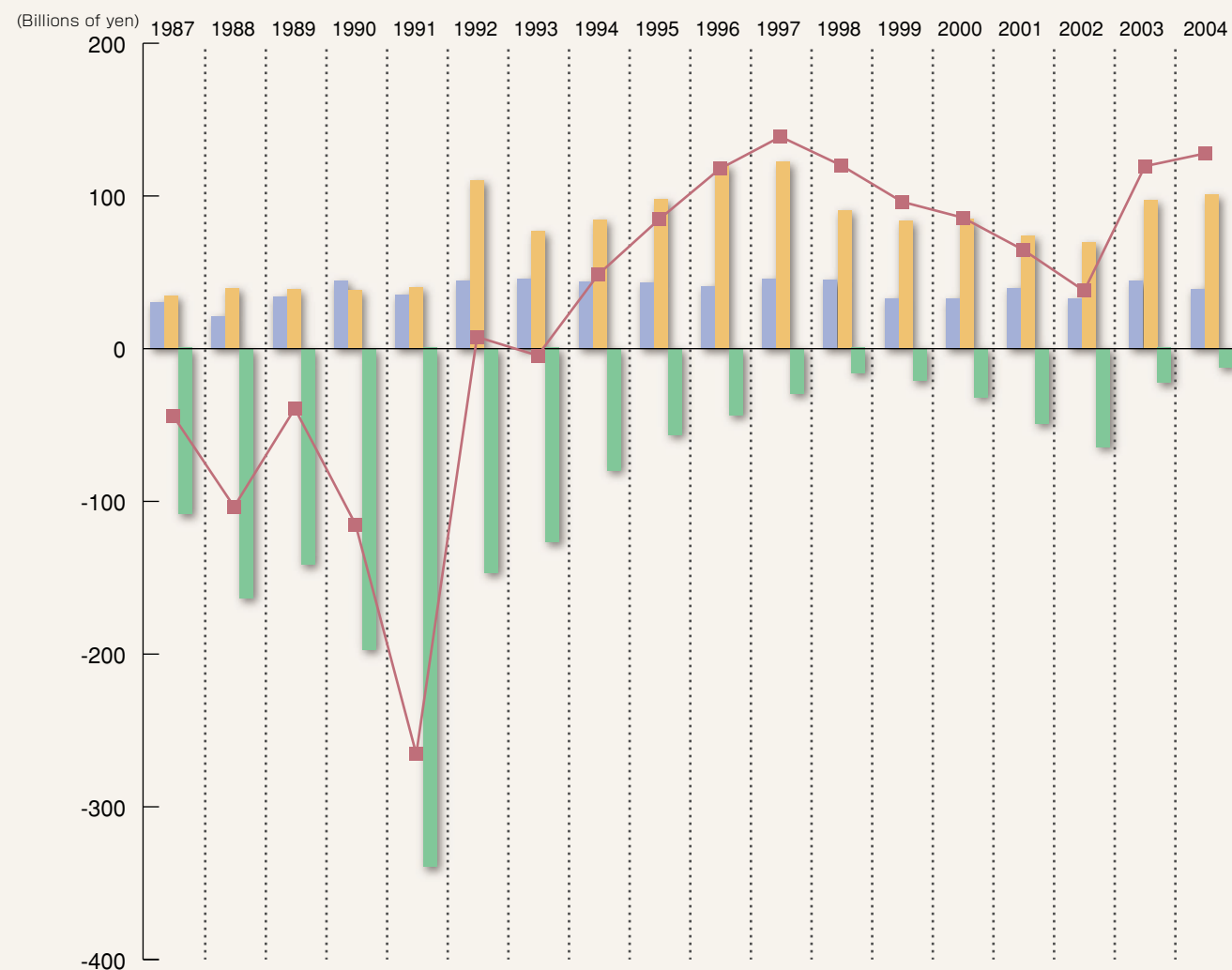
URL <http://www.nexi.go.jp>





Main Data for Fiscal Year 2004

1. Result of Trade and Investment Insurance Activities (from FY1987 to FY2004)

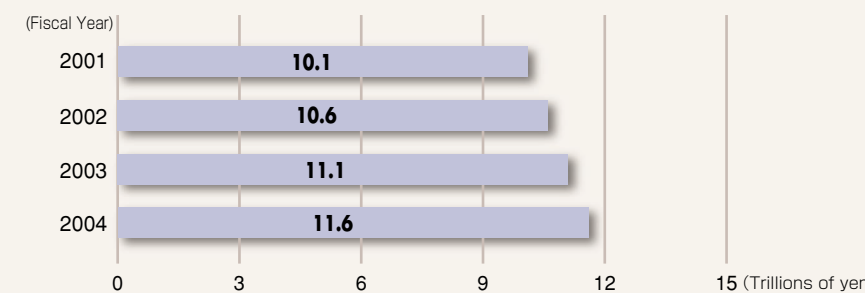


*The amount is based on cash.

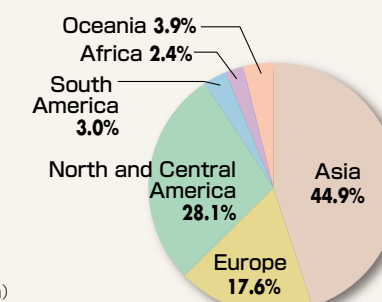
2. Underwritten Amount

The total underwritten amount in FY 2004 was · 11.6 trillion, up 4.0% from the previous year.

Underwritten Amount



Underwritten Amount by Region



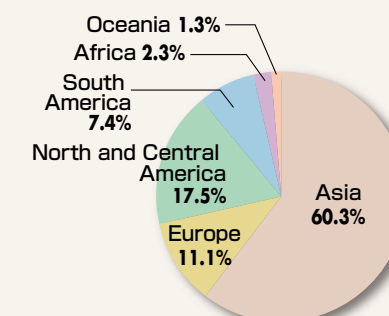
3. Outstanding Commitment

Total outstanding commitment in FY 2004 was · 9.3 trillion, up 8.3% from the previous year.

Outstanding Commitment

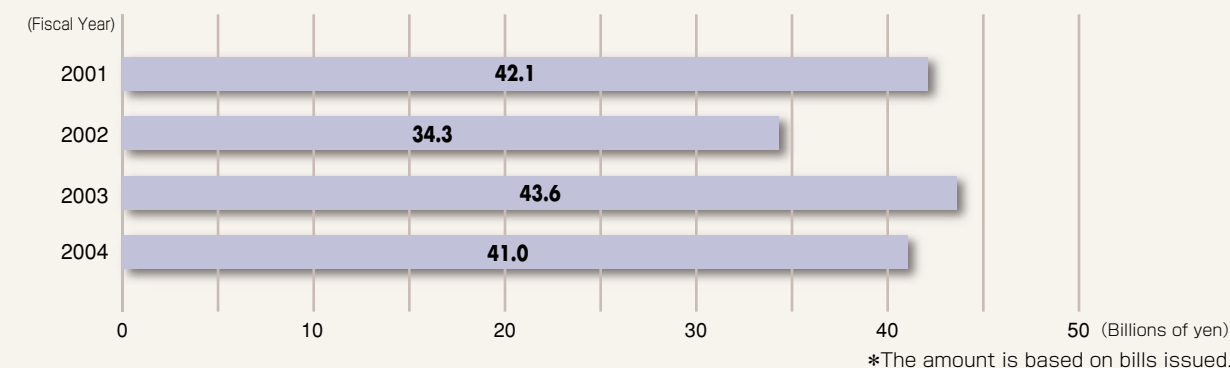


Outstanding Commitment by Region

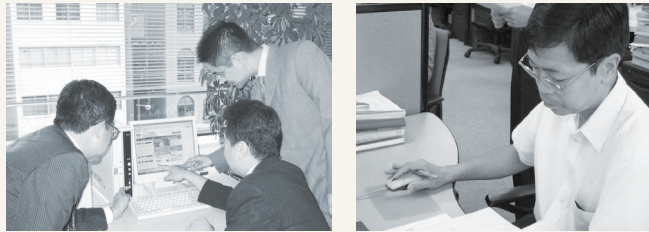


4. Premium Income

The total amounts of premium income in FY 2004 was · 41.0 billion, down 8.0% from the previous year.



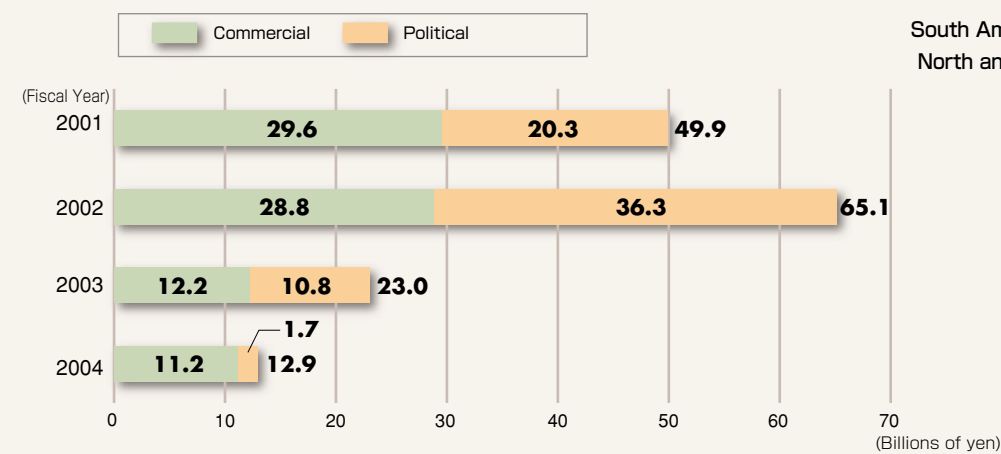
*The amount is based on bills issued.



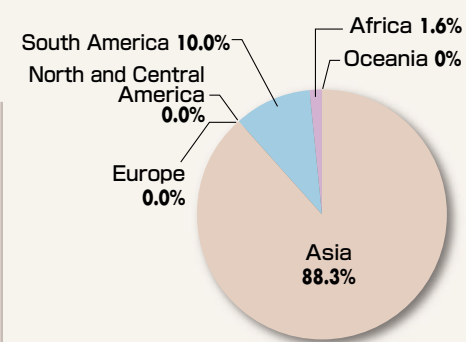
5. Claims Paid

The total amount of claims paid in FY 2004 decreased by 44.0% from the previous year to 12.9 billion.

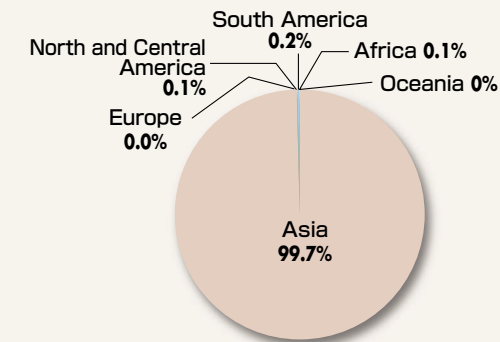
Claims Paid by Risk (Commercial/Political)



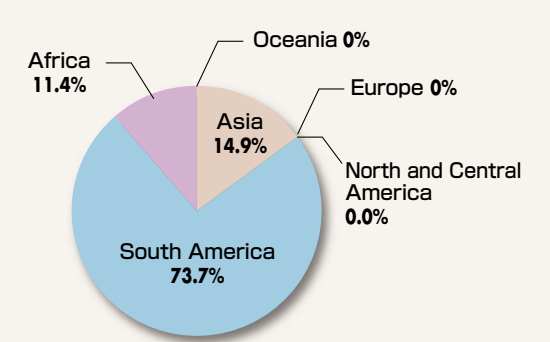
Claims Paid by Region



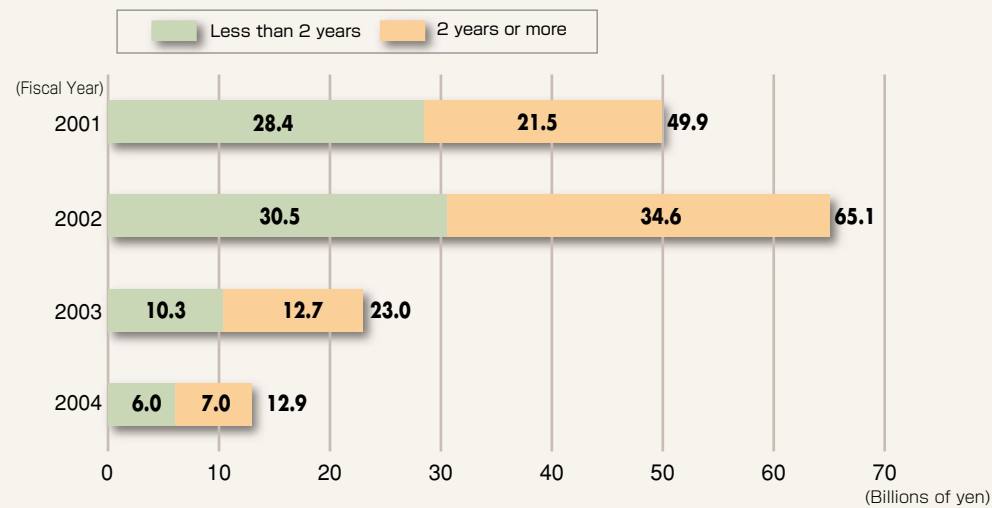
Claims Paid by Region (Commercial)



Claims Paid by Region (Political)



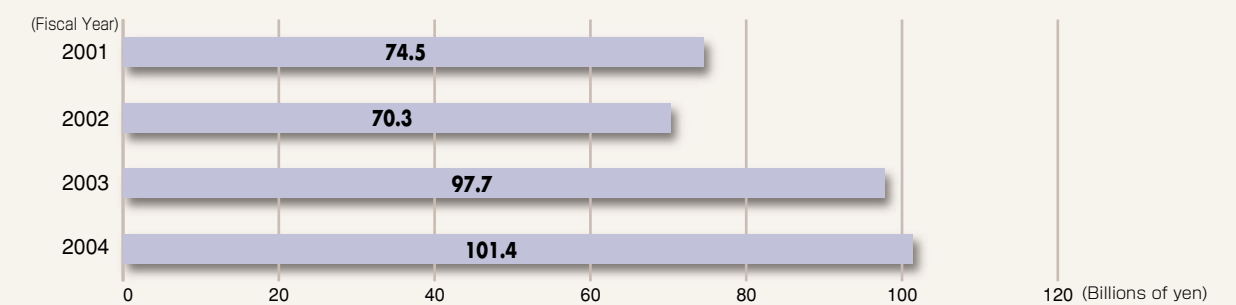
Claims Paid by Policy Term



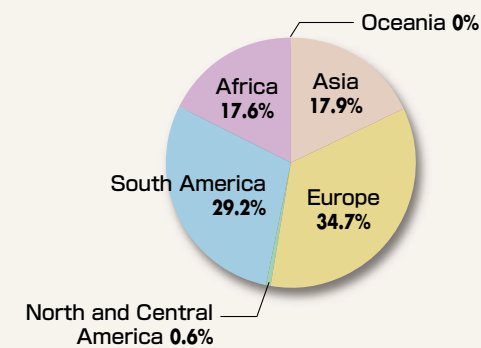
6. Recoveries

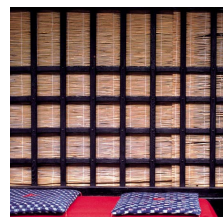
Recoveries for FY 2004 was 101.4 billion, with an increase by 3.8% from the previous year.

Recoveries



Recoveries by Region





IV Main Projects Recently Underwritten

ASIA

Indonesia

Cilegon 740 MW Combined Cycle Power Project

This is a project to construct a new 740MW natural gas fired combined-cycle power plant at Cilegon in the Banten Province of Java, Indonesia. NEXI has underwritten the Buyer's Credit Insurance for the financing of approximately ¥12.1 billion provided by a syndicate of private Japanese financial institutions (agent bank: Bank of Tokyo-Mitsubishi, Ltd.) for the supply of power generation machinery and equipment exported by the Mitsubishi Heavy Industries, Ltd. and the Mitsubishi Electric Corporation through the Mitsubishi Corporation.

(The insurance contract was concluded in March 2005.)



Philippines

Leyte-Cebu Interconnection Upgrading Project

This project concerns the laying of submarine cables between Leyte Island and Cebu Island in the Philippines, implemented by the National Transmission Corporation (Transco). NEXI has underwritten the Buyer's Credit Insurance for the financing of approximately ¥2.7 billion provided by a syndicate of private Japanese financial institutions (agent bank: UFJ Bank Limited) for the supply of submarine cables and substation equipment exported by the Kanematsu Corporation and the J-Power Systems Corporation.

(The insurance contract was concluded in May 2004.)

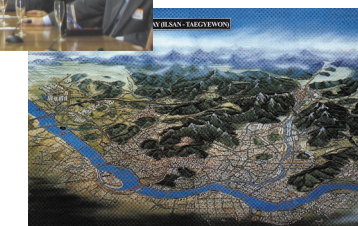


Korea

Seoul Beltway Project

This is a project to construct and operate the 36.3km unopened northern section of the circular toll expressway, commonly known as the Seoul Beltway, with a total length of 127.5km. Under the Korean Law and Regulation of Private Participation in Infrastructure, the project is being conducted under a concession contract between a consortium of major general contractors as the main constituents and the Korean government for the purpose of relieving traffic congestion in Seoul Metropolitan City and the vicinity. The Seoul Beltway is planned to be partially opened in 2006 and fully opened in 2008. NEXI has underwritten the Overseas Untied Loan Insurance for an offshore loan of \$100 million provided by a syndicate of private Japanese financial institutions including the UFJ Bank, Ltd.

(The insurance contract was concluded in October 2004.)

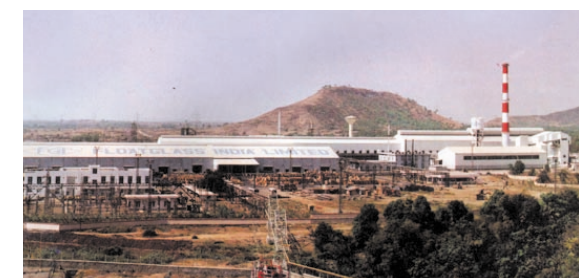


India

Construction of Second Float Glass Plant Project by Asahi India, Ltd.

This is a project to construct a second float glass plant (with the capacity of producing 700MT/day) in northern India by Asahi India Glass, Ltd., which is a joint Indian company of the Asahi Glass Co. Ltd. The third largest comprehensive glass manufacturer in India, Asahi India Glass holds more than 85% of the Indian glass market share for high quality glass used in automobiles. The float glass manufactured in the new factory will be used not only in construction but also as automotive glass material. The automotive glass material made in Asahi India Ltd. will be distributed mainly to Japanese automobile manufacturing subsidiaries in India. NEXI decided to underwrite the Overseas Untied Loan Insurance for the financing of \$65 million provided by the Citi Group. This is the first time for NEXI to cover a non-L/G (letter of guarantee) commercial risk of a private company in India using Overseas Untied Loan Insurance.

(The insurance contract was approved preliminarily in June 2005.)





Saudi Arabia

Construction of NGL Recovery Plant Project by Saudi Aramco

JGC Corporation has accepted an order for the design, procurement of machinery and materials, and construction work of a petrochemical plant to be constructed by the Saudi Oil Company (Saudi Aramco). This plant will be the largest natural gas (NGL) recovery plant in the world and is anticipated to recover 310 thousand barrels of NGL per day. A portion of the separated and refined gas will be used as material for a petrifaction plant planned to be constructed in Saudi Arabia. NEXI has underwritten the Export Credit Insurance for the technical cooperation contracts (for approximately ¥86.6 billion) for Saudi Aramco.

(The insurance contract was concluded in May 2005.)

Iran

HDPE Project by Ilam Petrochemical Co., Ltd.

The Ilam Petrochemical Co., a subsidiary of the National Petrochemical Company (NPC: state-owned petrochemical company in Iran), is constructing production facilities for high-density polyethylene (HDPE). NEXI has underwritten the Buyer's Credit Insurance for the export of related facilities for the construction project by the Mitsui Engineering & Shipbuilding Co., Ltd. This project is extremely important for Iran because, through the construction of an HDPE plant with an annual output of 300 thousand tons, the country will be able to make effective utilization of its abundant natural gas resources.

(The insurance contract was concluded in March 2005.)

Bahrain

Low Sulphur Diesel Production Plant Project of BAPCO

This is a project to extend desulphurization equipment implemented by the Bahrain Petroleum Company (BAPCO). NEXI has underwritten the Buyer's Credit Insurance for the financing of approximately \$156 million provided by the syndicate of Japanese financial institutions (agent bank: Hongkong and Shanghai Banking Corporation Limited (HSBC) Tokyo Branch, global agent: BNP PARIBAS Tokyo Branch, and Mizuho Corporate Bank, Ltd.) for the export of project related equipment by the JGC Corporation. The project is a core operation for the modernization of the Sitra Refinery, which is the only refinery in Bahrain. Furthermore this project is the first transaction where Japanese export credit agencies (ECAs) and Islamic Lease Finance have co-financed a loan.

(The insurance contract was concluded in February 2005.)



EUROPE

Bulgaria

Rehabilitation Project of Maritsa East 2 Thermal Power Plant

This is a project to replace the steam turbines and install a flue gas desulphurization duct for renovation of Thermal Power Plant Maritsa East, a national power company of Bulgaria. NEXI has underwritten the Export Credit Insurance for the financing of approximately ¥10 billion provided by ABN AMRO Bank N.V. Tokyo Branch.

(The insurance contract was concluded in October 2004.)

NEXI has also underwritten the Export Credit Insurance for the supply of machines and tools (approximately ¥25 million) by Mitsui & Co., Ltd. for this project.

(The insurance contract was concluded in November 2004.)



Turkmenistan

Construction Machinery Export Project for State Concern Turkmenneftegasstroj

ITOCHU Corporation has supplied construction machinery (approximately ¥4 billion) to State Concern Turkmenneftegasstroj; Turkmenistan's national oil and gas company. The machinery is used for construction and restoration of the oil and gas pipelines, which are the main industries of the country. NEXI has underwritten the Export Credit Insurance for this contract.

(The insurance contract was concluded in May 2004.)

Uzbekistan

Export of Boeing 767 Aircraft to Uzbekistan Airways

Based on the Reinsurance Agreement concluded in August 2004, with the US Ex-Im Bank an export credit agency in the US, NEXI underwrote reinsurance for the export of Boeing 767 aircraft to Uzbekistan Airways. Japanese companies are prominently involved in manufacturing the Boeing 767 aircraft by participating in the international joint development, and production of the airframe and engine for the aircraft. This is the first transaction under the Reinsurance Agreement and it has the significance of supporting such international joint project between Japan and the US through export credit insurance.

(The reinsurance contract was concluded in December 2004.)



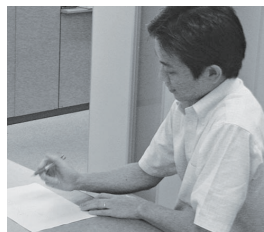
Turkey

Export of Construction Machinery to ENKA Marketing Inc. Project

This is a transaction in which NEXI, in cooperation with Atradius, a Dutch export credit agency, underwrote insurance for non-L/G (letter of guarantee) financing for a project to export of some 150 construction machines from the European local subsidiary of the Hitachi Construction Machinery Co., Ltd. to ENKA Marketing Inc., the subsidiary of a major construction company in Turkey. This is the first transaction to be insured based on the Reinsurance Agreement between Atradius and NEXI. NEXI has reinsured 7.38 million Euros (approximately ¥1 billion), which is 50% of the total amount underwritten by Atradius for the original insurance contract.

(The reinsurance contract was concluded in November 2004.)





Mexico

Development of Ku-Maloob-Zaap Oil Field Project by PEMEX

This is an oil field development project for the Ku-Maloob-Zaap (KMZ) oil field located offshore Gulf of Mexico by a Mexican state-owned oil company, Petroleos Mexicanos (PEMEX). The goal of the project is to increase the production of crude oil and gas. NEXI has underwritten the Overseas Untied Loan Insurance for the financing of \$300 million provided by a syndicate of Japanese financial institutions (agent bank: Bank of Tokyo-Mitsubishi, Ltd.) This transaction is the first for Mexico since the conclusion of the Japan-Mexico Free Trade Agreement and is very significant because of its contribution to the further strengthening of economical relationships between the two countries.

(The insurance contract was concluded in December 2004.)



Brazil

Project to Upgrade Steel Plant Facility of Gerdau Aominas S.A.

NEXI provided Overseas Untied Loan Insurance for the US\$240 million loan extended by Japanese financial institutions (agent bank: ABN AMRO Bank N.V. Tokyo Branch) to Gerdau Aominas S.A., a major Brazilian steel company, to upgrade and modernize their production facility. Gerdau Aominas S.A. has strong ties with Japanese steel companies through receiving technical support etc. This project is significant as it would improve their production efficiency, and lead to an increase in production of crude steel whose market is heating worldwide. This is the first transaction for NEXI to provide political and commercial risks cover on non-L/G basis for the company.

(The insurance contract was concluded in December 2004.)



Brazil

Petrochemical Plant Expansion Project by Braskem S.A.

This is a project to expand and improve a number of existing petrochemical plants belonging to Braskem S.A. with the purpose of upgrading productivity and reducing production costs. NEXI has underwritten the Overseas Untied Loan Insurance for the finance in yen equivalent of \$50 million by the Citibank, N.A. and the Bank of Tokyo-Mitsubishi, Ltd. Braskem S.A. is the largest petrochemical company in Latin America that has an integrated production system of basic petrochemical products (ethylene, etc.) and commodity synthetic resin (polyethylene, vinyl chloride, etc.). It is also a major supplier of ethylene dichloride (EDC) to Japan.

(The insurance contract was concluded in March 2005.)

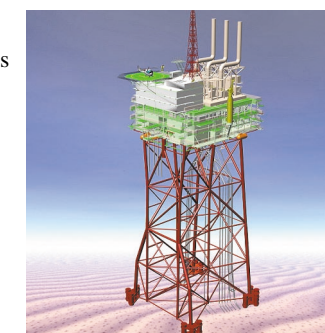


Brazil

Campos Basin Oil Transportation (PDET) Project by PETROBRAS

This is a project to construct an offshore platform and related facilities to increase the transportation capacity of crude oil in the Campos Basin. The project is being run by Petroleo Brasileiro S.A. (PETROBRAS), a state oil company in Brazil. NEXI has underwritten Overseas Untied Loan Insurance for the financing of \$328 million provided by a syndicate of Japanese financial institutions (agent bank: Mizuho Corporate Bank) as a portion of the total amount of \$910 million used for the project. Mitsubishi Corporation and Marubeni Corporation are both participating in this project as investors. This is an extremely significant project from the perspective of developing the overseas operations by Japanese companies.

(The insurance contract was concluded in March 2005.)





V Review of Performance in Fiscal Year 2004

1 Economic Trends

The Japanese economy continued to recover steadily in FY2004. This was seen not only in an improvement in the corporate sector, including earnings and capital investment, but also in the form of a gradual improvement in consumer spending. The overall world economy was also stable, due to high growth in Asia as well as in the United States, in spite of the negative impact of high oil prices.

Amid such circumstances, Japan's exports in FY2004 increased 10.1% over the previous year to ¥61.7 trillion. Japan's exports to other Asian countries and to the United States showed a significant increase of 13.6% and 3.6% respectively. Major export items that contributed to the growth were steel, scientific/optical instruments and automobiles. Japan's current account (preliminary) also increased 5.8% over the previous year, aided by the direct investment surplus.

Japan's export (for reference) (Billions of yen)

Fiscal year	1999	2000	2001	2002	2003	2004
Total exports	48,547.6	52,045.2	48,592.8	52,727.1	56,060.9	61,720.8
Year-to-year change (%)	(1.8)	7.2	(6.6)	8.5	6.3	10.1

(Source: Trade Statistics, Ministry of Finance)

2 Summary of Trade and Investment Insurance Business

Underwritten Amount (1999 to 2004)

(Billions of yen)

Fiscal year	1999	2000	2001	2002	2003	2004	Year-to-year change
Underwritten amount	12,024.7	10,811.6	10,136.6	10,618.0	11,119.3	11,558.8	4.0%

(Note 1) The above total shows only the insurance amount originally underwritten by NEXI.

Outstanding Commitment (1999 to 2004)

(Billions of yen)

Fiscal year	1999	2000	2001	2002	2003	2004	Year-to-year change
Outstanding commitment	7,315.6	7,523.0	7,549.1	7,874.2	8,593.9	9,306.5	8.3%

(Note 2) The above total shows only the insurance amount originally underwritten by NEXI.

Operating Income (1999 to 2004)

(Billions of yen)

Fiscal year	1999	2000	2001	2002	2003	2004	Year-to-year change
Premium income	33.2	32.9	42.1	34.3	43.6	41.0	(5.9%)
Recoveries	84.6	85.3	74.5	70.3	97.7	101.4	3.8%
Total	117.7	118.2	116.6	104.6	141.3	142.4	0.8%

(Note 3) The amount of premium income includes refunded insurance premiums. The premium income after FY2001 is on an issued bill basis. On the other hand, the premium income prior to FY2001 is on a Special Account actual payment receipt basis.

(Note 4) The amount of recoveries after FY2001 is on a payment notice receipt basis. On the other hand, the amount of recoveries prior to FY2001 is on an actual payment receipt basis.

Claims Paid (1999 to 2004)

(Billions of yen)

Fiscal year	1999	2000	2001	2002	2003	2004	Year-to-year change
Claims paid	21.6	32.4	49.9	65.1	23.0	12.9	(44.0%)

3 Summary of Underwriting

Underwritten Amount by Insurance Type

The total underwritten amount in FY2004 was ¥11,558.8 billion, up 4.0% from the previous year. In terms of type of insurance, Export Credit Insurance was the largest at ¥10,807.3 billion, an increase of 0.1% over the previous year. This was followed by Overseas Untied Loan Insurance of ¥650.3 billion, a sharp increase of 202.7%.

The total amount underwritten for the past four years is also worthy of note. It showed a steady increase every year in spite of the Japanese export slowdown in FY2001 and 2002. Since FY2002, the amount has been over ¥10 trillion.

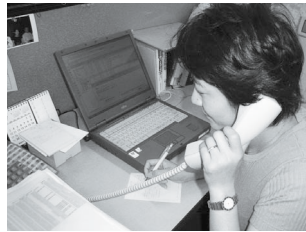
Export Credit Insurance (two years or more) and Overseas Untied Loan Insurance showed a substantial increase, while Export Bill Insurance and Export Bond Insurance have decreased.

(Billions of yen/Millions of U.S. dollars)

Fiscal Year	2001	2002	2003	2004		Composition (%)	Year-to-year change(%)
Export Credit Insurance	9,737.9	10,182.9	10,796.9	10,807.3	\$101,956	93.5	0.1
less than 2 years	9,647.1	9,918.2	10,219.5	10,542.1	\$99,454	91.2	3.2
2 years or more	90.8	264.7	577.5	265.2	\$2,502	2.3	(54.1)
Export Bill Insurance	60.6	53.5	41.9	41.6	\$392	0.4	(0.6)
Export Bond Insurance	50.2	0	0	0	0	—	—
Prepayment Import Insurance	1.8	0.6	0.8	1.8	\$17	0.0	132.3
Overseas Investment Insurance	55.6	41.8	63.8	55.1	\$520	0.5	(13.6)
Overseas Untied Loan Insurance	230.6	339.3	214.8	650.3	\$6,135	5.6	202.7
Short-Term Trade Insurance for Manufacturers	—	—	1.2	2.7	\$25	0.0	130.1
Total	10,136.6	10,618.0	11,119.3	11,558.8	\$109,045	100.0	4.0

(Note 5) Because of the rounding up or down of the fractions, the sum of the items in the columns does not necessarily coincide with the total amount. (the same applies hereafter)





In terms of a regional breakdown based on original insurance, the largest share of ¥5,758.3 billion was Asian transactions, and this was followed by North and Central American transactions of ¥3,602.1 billion. South America showed the sharpest increase at 63.6% over the previous fiscal year. Over the past four years, the amounts underwritten for Asia, Europe and Oceania showed steady growth.

(Billions of yen/Millions of U.S. dollars)							
Region	FY2001	FY2002	FY2003	FY2004		Composition (%)	Year-to-year change (%)
Asia	4,334.6	4,943.6	5,633.4	5,758.3	\$54,324	44.9	2.2
Europe	1,708.3	1,799.9	2,373.6	2,259.9	\$21,320	17.6	(4.8)
North and Central America	4,074.3	4,036.4	3,370.4	3,602.1	\$33,982	28.1	6.9
South America	379.0	226.8	238.3	390.0	\$3,679	3.0	63.6
Africa	273.8	402.6	293.5	306.8	\$2,894	2.4	4.5
Oceania	276.2	341.2	433.8	497.1	\$4,690	3.9	14.5

(Note 6) Classification used to compute the above amount
Pre-shipment – country of the shipment consignee
Post-shipment – country of the payer (or country of the guarantor when guaranteed)

(Note 7) The amount includes some transactions that are doubly computed, i.e. for both pre-shipment (country of the consignee) and post-shipment (country of the payer).

(Note 8) The above amount shows only the insurance amount originally underwritten by NEXI.

(Note 9) Middle East and Central Asia are included in Asia (the same applies hereafter).

(Note 10) Central and Eastern Europe and Russia are included in Europe (the same applies hereafter).

Top Ten Countries and Regions of Underwritten Amount in FY2004

(Billions of yen/Millions of U.S. dollars)			
Order	Country	Underwritten Amount	
1	U.S.A	2,344.9	\$22,112
2	People's Republic of China	1,304.8	\$12,309
3	Panama (flag of convenience vessel)	605.3	\$5,710
4	Thailand	525.7	\$4,959
5	South Korea	488.6	\$4,609
6	Taiwan	488.2	\$4,606
7	Belgium	447.7	\$4,224
8	Australia	422.5	\$3,986
9	Singapore	402.0	\$3,792
10	U.K.	369.7	\$3,488

4 Outstanding Commitment

Outstanding Commitment by Type of Insurance

The total outstanding commitment in FY2004 was ¥9,306.5 billion, up 8.3% from the previous year. Export Credit Insurance produced the largest amount of ¥7,424.6 billion, followed by Overseas Unsecured Loan Insurance of ¥1,403.3 billion. These figures have been increasing for the past four years while Export Bill Insurance, Export Bond Insurance and Overseas Investment Insurance have been on a downward trend.

(Billions of yen/Millions of U.S. dollars)							
Fiscal Year	2001	2002	2003	2004		Composition(%)	Year-to-year change(%)
Export Credit Insurance	5,938.9	6,144.4	6,995.4	7,424.6	\$70,043	79.8	6.1
less than 2 years	4,465.8	4,723.3	5,327.2	5,811.0	\$54,821	62.5	9.1
2 years or more	1,473.1	1,421.1	1,668.2	1,613.6	\$15,223	17.3	(3.3)
Export Bill Insurance	15.4	10.5	9.4	9.4	\$89	0.1	(0.1)
Export Bond Insurance	9.9	8.3	6.8	5.6	\$53	0.1	(17.4)
Prepayment Import Insurance	0.8	0.3	0.5	1.5	\$14	0.0	220.9
Overseas Investment Insurance	747.0	630.3	533.2	458.2	\$4,323	4.9	(14.1)
Overseas Untied Loan Insurance	837.2	1,080.4	1,047.3	1,403.3	\$13,239	15.1	34.0
Short-Term Trade Insurance for Manufacturers	—	—	1.2	3.8	\$36	0.0	230.1
Total	7,549.1	7,874.2	8,593.9	9,306.5	\$87,797	100.0	8.3

Outstanding Commitment Balance by Region

In terms of region, Asia accounted for the largest amount of ¥5,700.1 billion, up by 9.0% from the previous fiscal year. South America increased by 18.5%, while Africa decreased by 43.8%. For the past four years, most of the regions have shown an increase, and Asia and Europe showed the strongest growth.

(Billions of yen/Millions of U.S. dollars)							
Region	FY2001	FY2002	FY2003	FY2004		Composition(%)	Year-to-year change(%)
Asia	4,396.0	4,719.8	5,234.9	5,700.1	\$53,775	60.3	9.0
Europe	684.7	693.8	993.0	1,053.3	\$9,937	11.1	6.4
North and Central America	1,476.0	1,427.7	1,461.5	1,659.5	\$15,656	17.5	13.6
South America	658.0	607.6	591.7	701.4	\$6,617	7.4	18.5
Africa	349.9	517.7	393.2	220.9	\$2,084	2.3	(43.8)
Oceania	86.4	72.2	108.0	122.9	\$1,159	1.3	13.7

(Note 11) Classification used to compute the above amount
Pre-shipment – country of the shipment consignee
Post-shipment – country of the payer (or country of the guarantor when guaranteed)

(Note 12) The amount includes some transactions that are doubly computed, i.e. for both pre-shipment (country of the consignee) and post-shipment (country of the payer).

(Note 13) The above amount shows only the insurance amount originally underwritten by NEXI.



5 Insurance Claims Paid

Insurance Claims Paid by Insurance Type and by Risk

The total amount of claims paid in FY 2004 decreased 44.0% over the previous year to ¥12.9 billion. This is due to a stable world economy contributing to a decrease in political risk. Claims paid by NEXI during its first medium-term objective period from 2001 to 2004 amounted to ¥150.9 billion. The total premium received during the same period was ¥152.41 billion, which indicates that the loss ratio by simple comparison is 99%. NEXI's income and payment during these four years has been well balanced, even excluding its recovered claims.

In FY 2001 and 2002, large claims payments occurred due to the currency crisis in Argentina and some commercial risk events. Claims paid since 2003 have substantially decreased thanks to the upturn of the world economy. Today, the claims paid due to political events have decreased compared with the commercial risk due to a decrease in war and economic crises in the consignee's countries.

(Billions of yen/Millions of U.S. dollars)

Type of Insurance	FY2001			FY2002			FY2003			FY2004						Composition (%)
	Total	Commercial Risk	Political Risk	Total	Commercial Risk	Political Risk	Total	Commercial Risk	Political Risk	Total	Commercial Risk	Political Risk	Commercial Risk	Political Risk	Political Risk	
Export Credit Insurance	49.5	29.4	20.1	49.6	13.9	35.7	20.1	10.0	10.1	7.3	\$69	5.9	\$56	1.4	\$13	56.6
Export Bill Insurance	0.2	0.2	0	0.3	0.3	0	0.2	0.2	0	0.0	\$0.0	0.0	\$0.0	0	\$0	0.3
Export Bond Insurance	0	0	0	0	0	0	0	0	0	0	\$0	0	\$0	0	\$0	—
Prepayment Import Insurance	0.0	0.0	0	0	0	0	0	0	0	0	\$0	0	\$0	0	\$0	—
Overseas Investment Insurance	0	0	0	0	0	0	0.5	0	0.5	0.2	\$2	0	\$0	0.2	\$2	1.7
Overseas Untied Loan Insurance	0.2	0	0.2	15.2	14.6	0.6	2.1	2.0	0.1	5.3	\$50	5.2	\$49	0.1	\$1	41.3
Short-Term Trade Insurance for Manufacturers	—	—	—	—	—	—	0	0	0	0	\$0	0	\$0	0	\$0	—
Total	49.9	29.6	20.3	65.1	28.8	36.3	23.0	12.2	10.8	12.9	\$122	11.2	\$106	1.7	\$16	100.0

Insurance Claims Paid by Region

(Billions of yen/Millions of U.S. dollars)

Region	FY2001			FY2002			FY2003			FY2004						Year-to-year change(%)
	Total	Commercial Risk	Political Risk	Total	Commercial Risk	Political Risk	Total	Commercial Risk	Political Risk	Total	Commercial Risk	Political Risk	Commercial Risk	Political Risk	Political Risk	
Asia	46.0	27.2	18.8	47.6	28.4	19.2	19.3	11.4	7.9	11.4	\$108	11.1	\$105	0.3	\$3	(40.9)
Europe	1.5	0.9	0.7	0.1	0.1	0	0.1	0.1	0	0.0	\$0	0.0	\$0	0	\$0	(93.3)
North and Central America	1.0	1.0	0	0.1	0.1	0	0.1	0.1	0.0	0.0	\$0	0.0	\$0	0	\$0	(92.4)
South America	0.2	0.2	0	17.0	0.3	16.6	3.3	0.7	2.6	1.3	\$12	0.0	\$0	1.3	\$12	(61.2)
Africa	1.1	0.3	0.9	0.5	0	0.5	0.3	0	0.3	0.2	\$2	0.0	\$0	0.2	\$2	(22.1)
Oceania	0.0	0.0	0	0	0	0	0.0	0.0	0	0	\$0	0	\$0	0	\$0	(100.0)
Total	49.9	29.6	20.3	65.1	28.8	36.3	23.0	12.2	10.8	12.9	\$122	11.2	\$106	1.7	\$16	(43.9)

(Note 14) Because of the rounding up or down of the fractions, the sum of the items in the column does not coincide with the total amount. (the same applies hereafter)

Top Five Countries in terms of Insurance Claims Paid

(Billions of yen/Millions of U.S. dollars)

Order	Country	Total claims paid		Commercial Risk		Political Risk	
1	Thailand	5.2	\$49	5.2	\$49	0	\$0
2	Singapore	3.7	\$35	3.7	\$35	0	\$0
3	South Korea	2.2	\$21	2.2	\$21	0	\$0
4	Argentina	1.3	\$12	0	\$0	1.3	\$12
5	Zimbabwe	0.2	\$2	0	\$0	0.2	\$2

6 Recoveries

Recoveries for FY2004 totaled ¥101.4 billion, an increase of ¥3.7 billion (by 3.9%) over the previous year. The result is attributed to recoveries of commercial risk events in Asia. However, commercial risk events recoveries accounted for only 7.0% (¥7.1 billion) of the total recoveries. The remaining 93.0%, or about ¥94.3 billion, is in connection with political risk events. The top five countries in terms of NEXI recoveries in FY2004 were: Brazil (¥27.2 billion), Poland (¥23.0 billion), Russia (¥10.7 billion), Nigeria (¥9.7 billion) and the Philippines (¥6.9 billion), which account for 76% of the total recoveries.

Recoveries by Risk

(Billions of yen)

	FY2001	FY2002	FY2003	FY2004
Political risk	73.6	67.3	94.3	94.3
Commercial risk	1.0	3.0	3.5	7.1
Total recoveries	74.5	70.3	97.7	101.4

(Note 15) Because of the rounding up or down of the fractions, the sum of the items in the column does not coincide with the total amount. (the same applies hereafter)

Recoveries by Region

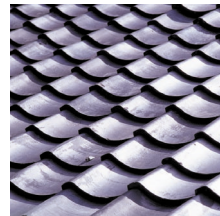
In terms of breakdown of recoveries by region about ¥18.1 billion were from Asia, showing an increase of 33.8% over the previous year. About 71% of the total Asian recoveries are from three countries: the Philippines with ¥6.9 billion (¥7.0 billion for the previous year), Thailand with ¥3.8 billion (no recovery for the previous year) and Indonesia with ¥2.2 billion (¥1.4 billion for the previous year). Recoveries from Europe were ¥35.2 billion, 80% up from the previous year. Most of these were from Poland and Russia, with ¥23 billion (¥8.1 billion for the previous year) and ¥10.7 billion (¥9.9 billion for the previous year) respectively, accounting for 96% of the recoveries from Europe.

Recoveries from North and Central America were ¥0.6 billion, 41.9% down from the previous year, of which ¥0.3 billion (¥0.2 billion for the previous year) from Cuba and ¥0.2 billion (¥0.2 billion for the previous year) from Antigua and Barbuda, accounting for 96%. ¥29.6 billion was recovered from South America, with an increase of 12.2% over the previous year. Three countries, Brazil, Ecuador and Peru, occupied 98% of the South American recoveries, with ¥27.2 billion (¥24.6 billion for the previous year), ¥1 billion (¥1 billion for the previous year) and ¥0.7 billion (¥7 billion for the previous year) respectively.

Recoveries from Africa decreased 51.9% to ¥17.8 billion. Recoveries from Nigeria, Egypt and Algeria were ¥9.7 billion (¥27.5 billion for the previous year), ¥3.9 billion (¥3.6 billion for the previous year) and ¥3.8 billion (¥3.3 billion for the previous year) respectively. The recoveries from those three countries occupied 97% of the total recoveries from Africa.

(Billions of yen/Millions of U.S. dollars)

Region	FY2001	FY2002	FY2003	FY2004		Composition (%)	Year-to-year change(%)
Asia	10.4	13.1	13.5	18.1	\$171	17.9	33.8
Europe	28.1	23.2	19.6	35.2	\$332	34.7	80.0
North and Central America	1.7	1.5	1.1	0.6	\$6	0.6	(41.9)
South America	28.3	25.6	26.4	29.6	\$279	29.2	12.2
Africa	6.0	6.9	37.1	17.9	\$169	17.6	(51.9)
Oceania	0	0.0	0	0	\$0	—	—
Total	74.5	70.3	97.7	101.4	\$957	100.0	3.8



VI Financial Results for Fiscal Year 2004

1 Fiscal Year 2004 in Review

Nippon Export and Investment Insurance (NEXI), an independent administrative institution, submitted a financial statement for its fourth year of operations (fiscal year 2004, ending March 31st, 2005) to the Minister of Economy, Trade and Industry on June 22nd 2005 and Ministry approval was obtained as of June 29th.

Overview of Financial Statement

Financial highlights for NEXI business

End of year: March 31st

	(Millions of yen)			
	FY2001	FY2002	FY2003	FY2004
Ordinary Income	7,418	6,317	9,436	9,346
Net premium written	7,390	5,875	9,253	8,571
Interest on securities	—	—	9	567
Ordinary Expenses	9,156	5,492	8,505	7,027
Net claims paid	2	78	402	75
Operating and administrative expenses	4,087	647	3,327	1,980
Provision for outstanding commitments reserve	4,835	4,543	4,705	4,897
Ordinary profit (loss)	(1,738)	825	931	2,319
Extraordinary profit	20,140	6,408	17,112	3,173
Total profit	18,402	7,233	18,043	5,492
Total assets	150,084	166,125	217,309	241,292
Net assets	122,754	134,815	183,712	198,908

(Note) The profits and losses of receivables invested by the government have been entered as extraordinary profit and loss.

Profits and Losses

Net premium written for fiscal 2004 decreased ·0.7 billion from the previous year to ·8.6 billion. Ordinary profit, however, stepped up ·1.4 billion to ·2.3 billion, due to an increase in earned premium, a decrease in net claims paid and an increase in income from interest.

In accordance with the ordinance of the Ministry of Economy, Trade and Industry, profits derived from the recovery of receivables contributed in kind by the government have been entered as extraordinary profit. (Due to contribution in-kind by the government, NEXI was granted the right to receive recoveries relating to insurance claims payments made as a result of rescheduling agreements between governments.) Extraordinary profit in fiscal 2004 is relatively small compared with the previous year, when NEXI received large amounts of recoveries from the Nigerian government as a result of a rescheduling agreement.

Payment to the National Treasury (Trade Insurance Special Account)

As of the end of the first medium-term objective period (four years), half amount of the reserve after appropriation of profit was transferred to the national treasury in accordance with the provision of the Trade and Investment Insurance Law. The actual payment was made in July, 2005.

Unappropriated retained earnings of the fourth year of operations (·5,492 million) have been fully transferred to the reserve.

2 Financial Statements

Balance Sheet (As of March 31st)

(Millions of yen)

Titles	Amount	Titles	Amount
(Assets)		(Liabilities)	
Cash and cash items	48,086	Outstanding claims reserve	174
Securities	75,411	Reserve for outstanding commitments	10,041
Receivables subrogated by paying claims	331,573	Amount due to the reinsurer	11,681
Accrued income	135,859	Deposits received	8,912
Accrued premium	8,875	Prepaid insurance premium	5,937
Reinsurance credit	721	Accrued amount payable	4,762
Buildings (Note 2)	133	Suspense receipts	98
Vehicles	5	Reserve for bonus payment	125
Equipment and fixtures (Note 4)	668	Reserve for retirement allowance	63
Deposits	390	Other liabilities	591
Suspense payment	2,937	Total liabilities	42,384
Other assets	582	(Funds and surplus)	
Allowance for uncollectible receivables	(363,947)	Capital	
		Government investment	104,352
		Capital surplus (Note 5)	45,386
		Retained earnings	
		Surplus reserve	43,677
		Unappropriated retained earnings	5,492
		(of which: net profit of the current year)	5,492
		Total retained earnings	49,169
		Total funds and surplus	198,908
Total Assets	241,292	Total liabilities, funds and surplus	241,292

(Notes) 1. Amounts between one million yen and 500 thousand yen have been rounded up to one million yen. Amounts less than 500 thousand yen have been omitted.

2. The accumulated depreciation of buildings is ¥69 million.

3. The accumulated depreciation of vehicles is ¥2 million.

4. The accumulated depreciation of equipment and fixtures is ¥1,263 million.

5. The breakdown of capital surplus is as follows:

Appraisal difference of receivables subrogated by paying claims		(Millions of yen)
Recognized rescheduled receivables		113,392
Foreign exchange difference of rescheduled receivables		(13,013)
Evaluation difference of commercial risk subrogated receivables		(3,838)
Difference of allowance for uncollectible receivables		(51,154)
Total		45,386



Statement of Income (From April 1st 2004 to March 31st 2005)

(Millions of yen)

	Titles	Amount
Ordinary profit and loss	Ordinary income	9,346
	Net premium written (Note 2)	8,571
	Reversal of outstanding claims reserve	2
	Interest income	40
	Interest on securities	567
	Foreign exchange gain	6
	Other ordinary income	159
	Ordinary expenses	7,027
	Net claims paid (Note 3)	75
	Estimated amount of insurance claims recovery (Note 4)	62
	Provision for outstanding commitments reserve	1,980
	Operating and administrative expenses	4,897
	Interest paid	12
	Other ordinary expenses	1
	Ordinary profit	2,319
Extraordinary profit and loss	Extraordinary profit	16,375
	Profit relating to in-kind contribution of receivables subrogated by the government (Note 5)	16,375
	Extraordinary loss	13,202
	Losses relating to in-kind contribution of receivables subrogated by the government (Note 6)	1,988
	Provision for uncollectible receivables subrogated by the government	11,214
	Total profit of the current year	5,492

(Notes) 1. Amounts between one million yen and 500 thousand yen have been rounded up to one million yen. Amounts less than 500 thousand yen have been omitted.

2. The breakdown of net premium written is as follows:

(Millions of yen)

Premium of original insurance written	41,187
Refund of premium paid for reinsurance	1,044
Premium received for reinsurance	90
Premium paid for reinsurance	(33,750)
Total	8,571

3. The breakdown of net claims paid is as follows:

(Millions of yen)

Insurance claims paid	12,103
Reinsurance claims recovered	(12,028)
Total	75

4. The breakdown of the estimated amount of insurance claims recovery is as follows:

(1) Difference of booking value between the current year end and the previous year end concerning estimated recovery of commercial event receivables subrogated by paying claims	(70)
(2) Recovery of commercial event receivables subrogated by paying claims	8
(3) Recovery of non-ledger-asset political-event receivables subrogated by paying claims	0
Total	(62)

5. The profits and losses of receivables contributed in-kind by the government have been entered as extraordinary profit and loss.

(1) The breakdown of profit concerning receivables contributed in-kind by the government

(Millions of yen)

Recoveries of write-offs	64
Interest income from receivables contributed in-kind by the government	15,889
Recovery of non-rescheduled receivables contributed in-kind by the government	333
Other extraordinary profit	90
Total	16,375

(2) The breakdown of loss concerning receivables contributed in-kind by the government

(Millions of yen)

Elimination loss of receivables subrogated by paying claims	460
Recognized amount of receivables contributed in kind by the government	1,155
Other extraordinary loss	373
Total	1,988

(Millions of yen)

Statement of Cash Flows (From April 1st 2004 to March 31st 2005)

(Millions of yen)

I Cash flows from operating activities	
Premium received	38,050
Reinsurance premium paid	(30,525)
Insurance claims paid	(12,103)
Reinsurance claims received	12,339
Income from recovery of receivables subrogated by paying claims	24,942
Payment of recovered receivables subrogated by paying claims	(3,573)
Income from recovery of receivables subrogated by the government	90,148
Payment of recovered receivables subrogated by the government	(81,392)
Personnel expenses	(1,552)
Other operating expenses	(2,487)
Others	2
Subtotal	33,848
Interests and dividends received	6,137
Interests and dividends paid	(13)
Net cash provided by operating activities	39,972
II Cash flows from investing activities	
(Increase) in time deposits	(43,000)
Decrease in time deposits	65,000
Purchase of securities	(50,506)
Redemption of securities	0
Purchase of fixed assets	(2,182)
(Increase) in deposits	0
Net cash (used in) provided by investing activities	(30,688)
III Cash flows from financing activities	
Finance lease payment	(385)
Net cash (used in) provided by financing activities	(385)
IV Foreign exchange difference related to cash and cash equivalents	83
V Net increase(decrease) in cash and cash equivalents	8,982
VI Cash and cash equivalents at the beginning of the current year	16,104
VII Cash and cash equivalents at the end of the current year	25,086

(Note 1) Amounts between one million yen and 500 thousand yen have been rounded up to one million yen. Amounts less than 500 thousand yen have been omitted.

(Note 2) The breakdown of cash at the end of the current year by title of balance sheet is as follows:

(Millions of yen)

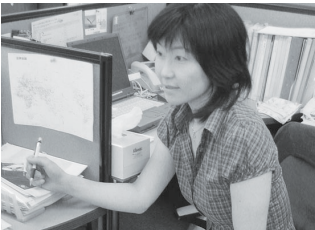
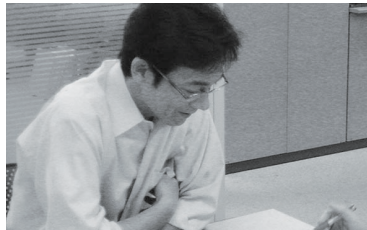
Cash and cash items	48,086
Time deposits	(23,000)
Balance of cash at the end of current year	25,086

(Note 3) Important noncash transactions

Acquisition of assets by financial lease (Millions of yen)

Vehicles	7
Total	7





Notes

I. Important Accounting Principles

1. Accounting procedures of depreciation

(1) Depreciation of tangible fixed assets
Depreciation of tangible fixed assets purchased with a value exceeding ¥200,000, either singly or by set, has been calculated by adopting a straight-line depreciation method. This is in accordance with estimated serviceable life stipulated in the Corporate Tax Law defining residual value as 10% of the purchase value. However, the depreciation of buildings (limited to incidental facilities), has been calculated by a straight-line depreciation method that sets its residual value at ¥1 as the memorandum value.

(2) Amortization of intangible fixed assets
Amortization of the trademark right has been calculated by a straight-line depreciation method which fixes its residual value at ¥0 in accordance with the estimated serviceable life stipulated in the Corporate Tax Law.
Amortization of computer software with a four year-availability period being used in-house has been calculated by a straight-line depreciation method that sets its residual value at ¥0 by applying the relative availability period to the estimated serviceable life.
However, part of the computer software will be replaced by the new system from April, 2006 notwithstanding the remaining period of its availability. Therefore, amortization of the software which will be disused has been calculated by applying March 2006 to the termination date of the estimated serviceable life.

2. Calculation basis of the reserve for retirement allowances and its estimate

In order to prepare for retirement allowances payments for board members and employees, a reserve is provided based on 100% of the amount of retirement allowances that are required by the rules of payment of retirement allowances for board members and also by those that apply to employees respectively.

3. Calculation method of reserve for outstanding commitments, outstanding claims reserve, receivables subrogated by paying claims and allowance for uncollectible receivables

Reserve for outstanding commitments, outstanding claims reserve, receivables subrogated by paying claims and allowance for uncollectible receivables have been booked with the respective amount which has been calculated in accordance with the following ordinance. "Concerning the calculation methods ordained by the Minister of Economy, Trade and Industry, pursuant to the articles of the ministerial ordinance with regard to the finance and accounting of the Independent Administrative Institution Nippon Export Investment Insurance" (Heisei 13-03-27 Trade No.2 dated March 29th, 2001).

4. Calculation basis of reserve for bonus payments and its estimate

In order to prepare for payment of bonuses for board members and employees, a reserve is provided based on the amount that remains in the current year according to the rules of remuneration of board members and employees respectively.

5. Appreciation basis and method for securities

(1) Appreciation of bonds that are owned for the purpose of being held until maturity has been carried out by adopting an amortized cost method (straight-line method).

(2) Appreciation of rest of the bonds which does not have a market price has been carried out by adopting a moving average cost method.

6. Appreciation method of money claims and debts in foreign currencies

Money claims and debts in foreign currencies have been translated into Japanese yen at the exchange rates prevailing at the end of the fiscal year.

7. Accounting and depreciation methods applied to lease transactions

Financial lease transactions have been booked in accordance with the accounting procedures of typical sales transactions. Depreciation has been booked by a straight-line method, which sets its residual value at ¥0 by applying the relative contract period as its estimated serviceable life.

II. Important Debt Assumption Undertaken

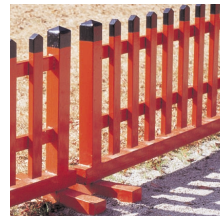
Not applicable.

III. Important Subsequent Events

Not applicable.

IV .Translation of accounting titles distinctive to NEXI

Titles	Translation
Receivables subrogated by paying claims	Total of assets of receivables subrogated by NEXI s paying claims and estimated amount of potential subrogated receivables with regard to the outstanding claims reserve.
Accrued premium	Accrued insurance premiums due from policyholders arising from insurance contracted.
Reinsurance credit	Receivables arising from reinsurance provided by the government <ul style="list-style-type: none"> ○ Accrued premiums on reinsurance to be refunded by the government ○ Accrued reinsurance claims to be paid by the government
Outstanding claims reserve	Amount considered to be necessary in order to cover incurred losses under an insurance contract or losses recognized as having been incurred at the end of the fiscal year.
Reserve for outstanding commitments	Amount reserved in order to prepare for possible future claim payments under insurance and reinsurance contracts.
Amount due to the reinsurer	Amount to be paid by NEXI to the government under reinsurance contracts.
Prepaid insurance premium	Insurance premiums received with NEXI s obligation starting from the next fiscal year or later.
Net premium written	Amount calculated by deducting reinsurance premium paid from premium written. Premium written is the total amount of premium of original insurance written and premium received for reinsurance.
Net claims paid	Amount calculated by deducting reinsurance claims recovered from insurance claims paid. Insurance claims paid are the total amount of original insurance claims paid and reinsurance claims paid.
Estimated amount of insurance claims recovery	The total of the following amounts: <ul style="list-style-type: none"> ○ Amount of receivables subrogated at the time of claim payment ○ Recovery of commercial event receivables subrogated by paying claims ○ Recovery of non-ledger-asset political-event receivables subrogated by paying claims ○ Difference of the booking value between the current year end and the previous year end, of the estimated amount of potential subrogated receivables capitalized with regard to the outstanding claims reserve ○ Difference of the booking value between the current year end and the previous year end, of estimated recovery of commercial event receivables subrogated by paying claims that have been capitalized.
Provision for outstanding claims reserve	Provision for outstanding claims reserves for the current fiscal year.
Provision for outstanding commitments reserve	Provision for outstanding commitments reserves for the current fiscal year.
Capital surplus Appraisal difference of receivables subrogated by paying claims	Appraisal difference of in-kind contribution of receivables subrogated by the government except for those related to accrued income.
•Recognized amount of rescheduled receivables	Receivables rescheduled on or after April 1st 2002 of the political event receivables subrogated and contributed in kind by the government.
•Foreign exchange difference of rescheduled receivables	Foreign exchange difference in the foreign currency denominated receivables entered at the end of the fiscal year concerning the rescheduled political-event receivables that were subrogated and contributed in kind by the government.
•Evaluation difference of commercial risk subrogated receivables	Evaluation difference entered at the end of the fiscal year concerning the commercial-event receivables subrogated and contributed in-kind by the government.
•Difference of allowance for uncollectible receivables	Difference of allowance for uncollectible receivables for the fiscal year concerning the rescheduled political-event receivables that were subrogated and contributed in kind by the government.



VII Achievement of First Medium-Term Objectives

Nippon Export and Investment Insurance set medium-term objectives for the first term of FY2001 to FY2004 and enforced various measures and policies based on these objectives. The following outlines the main achievements of these medium-term objectives.

1 Improvement in quality of services and other operations offered

(1) Objective: Improvement of services

- Based on the spirit of the Customers Services Charter, NEXI simplified various procedures in order to lighten the burden on its customers and accelerate its speed of service delivery.
- NEXI's Trade and Investment Insurance Business Manual is thoroughly followed and maintained by the staff in each business operation. A database has been constructed and is maintained so that staff can share information efficiently and rapidly.
- The period used for the assessment of claims of insured risks for each fiscal year was much less than the number of days mentioned in the medium-term objectives (150 days). (FY2001 - 92 days, FY2002 - 113 days, FY2003 - 66 days, FY2004 - 72 days)

(2) Objective: Qualitative and quantitative expansion of insured risks corresponding to changes in needs

- NEXI introduced methods used by private banks and external rating agencies to analyze the creditworthiness of buyers and borrower banks.
- For medium to long term non-L/G (letter of guarantee) commercial risk transactions (where the insurer's period of obligation is two years or more, without government guarantee, and covering commercial risk in addition), where intense risk assessment is required, NEXI took the measure of increasing the percentage of indemnity that has led to the favorable expansion of underwriting.
- Taking customers' demands into account, NEXI improved various systems and developed new products.
- The premium income for each fiscal year has reached FY2000 levels, which is the standard of the medium-term objectives. NEXI has also achieved the expansion of the total amount of insured risks on a premium income basis.

(3) Objective: Reinforcement of recovery system

- NEXI improved the infrastructure of debt recovery management for each buyer/transaction.
- In order to strengthen the system and improve the efficiency of recovery, NEXI realigned its organization by separating the Claims Service & Recovery Group and launching an Asset Management Department. (FY2004)
- A Servicer Recovery System was introduced. (FY2002)
- The recovery rate of insured commercial risks for each fiscal year has exceeded FY2000 levels, which is the basis of the medium-term objectives. Moreover, the range of increase for the results of the recovery rate from the beginning to the end of the term, one of the criteria for the extent of recovery efforts of the fiscal year, has been increasing year by year.



2 Promotion of efficiency of business operations

(1) Objective: Promoting efficiency of business operations

- NEXI, Nagoya (Nagoya branch office) has closed and its business operations have been integrated with NEXI, Osaka (Osaka branch office). (FY2004)
- NEXI's organizational structures have been reorganized, including the underwriting section, the recovery section, and the systems section.
- Reinsurance agreements have been concluded with overseas export credit agencies and reinsurance has been underwritten (inward reinsurance) instead of directly underwriting insurance.
- The objective that the rate of personnel expenses should not increase has been achieved through appropriate personnel placement as well as through the use of temporary employees and consigning the sales of products to private non-life insurance companies.
- Operating expenses for each fiscal year has achieved the target of less than 18% through a reduction in operating expenses and premium income growth.

(2) Objective: Efficient development of next computer system

- Based on the Next Generation Information System Plan, NEXI is efficiently developing its next computer system.
- The size of software used was greatly reduced from that estimated from the conversion of the current computer system. This has been brought about by standardization and the simplification of functions.
- NEXI has carried out competitive bidding based on government procurement regulations and promoted efficiency from the stage of system design, making it possible to greatly reduce development expenses in comparison with the current system.

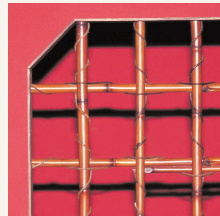
3 Improvement of financial affairs

(1) Objective: Financial break-even principle in relation to business operation

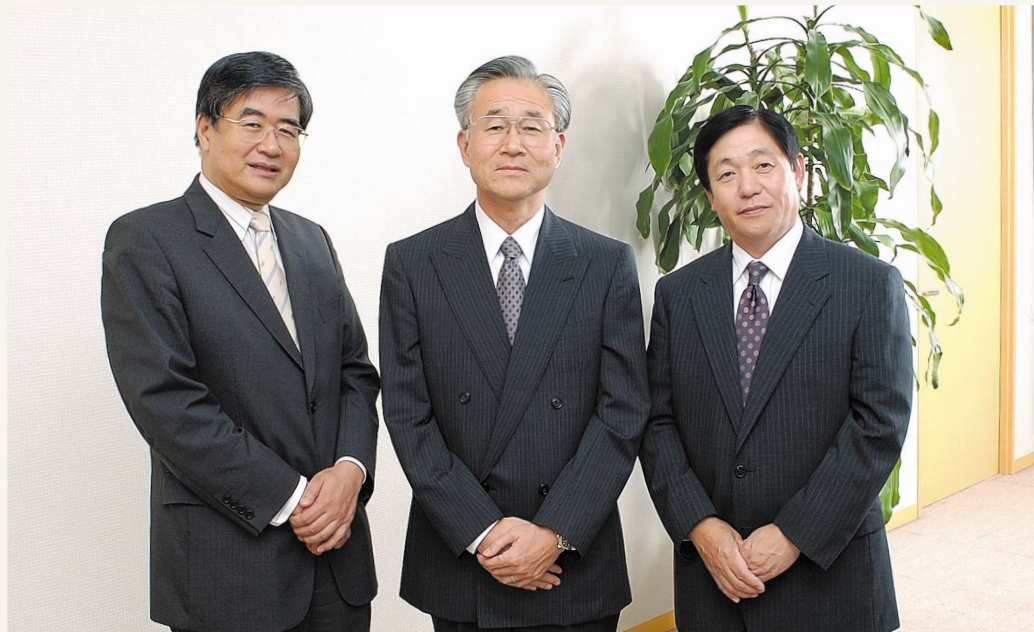
- Except for the first fiscal year, ordinary profit and loss has turned a profit every year due to the increase in insurance income acquired from favorable underwriting of insurances and also due to the decrease in net claims paid through favorable business environment and improvement in risk management. The interest income acquired from investing the surplus in securities (government bonds) started in FY2003 also helped in turning a profit.
- Extraordinary profit and loss has posted high earnings each fiscal year due to the large sum of income acquired from rescheduled interest that resulted from the progress of recovery negotiations of receivables contributed in kind by the government.

(2) Objective: Reinforcement of financial ground

- The balance of financial assets (total of cash equivalents and securities) at the end of the term for the first medium-term objectives was ¥123.5 billion. This was due to the full start of fund management using government bonds and the favorable results of subrogated debt recovery (encashment). Starting from FY2005 the percentage of indemnity of government reinsurance has been reduced to 90% taking into account the fact that the balance of financial assets out of the amount of total assets is maintaining sufficient liquidity.



VIII Profile of NEXI



From the left, Yukio Kitazume (Vice Chairman), Hidehiro Konno (Chairman and CEO), and Naoki Obayashi (Vice Chairman)



Katsuo Oki
(Corporate Auditor)



Takashi Imai
(Corporate Auditor)

Members of the Board and the Audit Board

Chairman and CEO	Hidehiro Konno
Vice Chairman	Naoki Obayashi
Vice Chairman	Yukio Kitazume
Corporate Auditor (Full Time)	Katsuo Oki
Corporate Auditor (Part Time)	Takashi Imai



Date of Establishment	April 1st, 2001
Governing Law	The Law concerning the general rules of independent administrative institutions The Trade and Investment Insurance Law
Business Aim	To perform insurance business efficiently and effectively by underwriting those risks occurring through international business activities that cannot be covered by ordinary insurances.
Competent Minister	The Minister of Economy, Trade and Industry
Capital	¥104,352,324,369 (Fully contributed by the Japanese Government) (Unchanged from the previous year)
Number of Employees	149 (As of April 1st, 2005)
Scope of Business	<ol style="list-style-type: none"> 1. To perform trade and investment insurance business according to Chapter 3 of the Trade and Investment Insurance Law. 2. To perform any business accompanied by the above. 3. To accept reinsurance of the insurance commitment of international institutions, foreign governments and foreign corporations that perform insurance business, including reinsurance of undertaking losses covered by trade and investment insurance and corresponding losses. 4. To cede NEXI's insurance commitment under the Trade and Investment Insurance Law, to the Japanese government as the other party of the reinsurance contract according to Chapter 4 of the Trade and Investment Insurance Law. In addition, to cede NEXI's insurance commitments to contracted parties such as international institutions, foreign governments and foreign corporations, including the reinsurance of undertaking losses covered by trade and investment insurance.
Brief History	<p>July, 1999 The Law concerning the general rules of Independent Administrative Institutions was approved.</p> <p>December, 1999 The Law to partly amend the Trade and Investment Insurance Law was approved.</p> <p>April, 2001 The independent administrative institution, Nippon Export and Investment Insurance was established.</p> <p>(For reference) March, 1950 The Trade and Investment Insurance Law was approved Thereafter, trade and investment insurance has been managed by the Ministry of Economy, Trade and Industry (formerly the Ministry of International Trade and Industry).</p>
Offices	<p>Head Office Chiyoda First Building, East Wing 3F, 3-8-1, Nishi-Kanda, Chiyoda-ku, Tokyo 101-8359 Tel. 81-(0)3-3512-7650 Fax. 81-(0)3-3512-7660</p> <p>NEXI, Osaka 3-1-22, Kitahama, Chuo-ku, Osaka City, Osaka 541-0041 Tel. 81-(0)6-6233-4017 Fax. 81-(0)6-6233-4001</p>
URL	http://www.nexi.go.jp
Main Insurance Products	<ul style="list-style-type: none"> ● Export Credit Insurance ● Buyer's Credit Insurance ● Trade Insurance for Manufacturers ● Export Credit Insurance for SMEs ● Export Credit Insurance for Licenses ● Overseas Untied Loan Insurance ● Overseas Investment Insurance ● Export Bill Insurance ● Prepayment Import Insurance





IX NEXI Customer Service Charter

(April 1, 2005)

NEXI Spirit

- (1) Our mission is to assist customers to conduct international business with a sense of security by reducing incidental business risks.
To this end, we take time to grasp the customer's viewpoint, so that we can meet our customer's needs precisely and we can provide efficient and high-quality services, thereby enhancing customer satisfaction and establishing mutual trust.
- (2) By implementing our customer-focused policy, we will continue to:
 1. Improve the quality of services,
 2. Broaden the range of risk coverage,
 3. Promote the efficiency of operations, and
 4. Increase the transparency of management.

NEXI Pledges to the Customer

We are committed to:

- (1) Providing insurance products that will make customers feel secure and protected in overseas transactions
- (2) Readily providing information and advice to customers on their transactions from a preliminary stage
- (3) Responding promptly to the inquiries and concerns of customers
- (4) Meeting the demands of customers and business needs
- (5) Speedily completing claim assessments and promptly making claim payments
- (6) Speedily allocating recovered money

- (1) Providing insurance products that will make customers feel secure and protected in overseas transactions
 - 1) If you suspect that your international transactions, including exports, foreign investment and overseas lending may incur any risk, please visit our website (<http://www.nexi.go.jp>) and find the insurance product section, or contact the following offices.

● Customer Relations Office (Head Office):
Tel: 81-(0)3-3512-7712

● Customer Relations Office (NEXI, Osaka):
Tel: 81-(0)6-6233-4018

- 2) To provide customers with further information on our insurance products that are beneficial to international business, we are always pleased to dispatch our staff to your office at your request. Please feel free to contact us.
- (2) Readily providing information and advice to customers on transactions from the preliminary stage. If you plan to initiate international transactions, such as exports and overseas investment, there is a NEXI service available for you.
We will be pleased to consult with you at an early stage of project formation and propose the most appropriate insurance product to minimize any risk involved.

※ For enquiries, please see the NEXI directory as below, in order to find out where to contact us.

- Customer Relations Office (Head Office):
Tel: 81-(0)3-3512-7712
Fax: 81-(0)3-3512-7687
E-mail: okyakusama@nexi.go.jp
- Customer Relations Office (NEXI, Osaka):
Tel: 81-(0)6-6233-4018
Fax: 81-(0)6-6233-4001

- (3) Responding promptly to the inquiries and concerns of customers

- 1) If you have any questions about insurance products, please call or e-mail the Customer Relations Office or any relevant group. We will respond quickly.

- 2) To estimate an insurance premium, please use the premium calculation simulator on our website. If you give us information on your planned transaction, the group in charge will estimate a premium on the same day of the inquiry, in principle, or on the following business day at the latest. (For medium or long-term non-L/G transactions, however, we will answer within five business days.) If the group in charge finds it difficult to answer your inquiry within these time limits, the group will promptly notify you to that effect and give the reason for the delay and the expected date of answer.

- 3) Should the group in charge find any inadequacy in the forms submitted, such as the pre-application form and the insurance application form (other than environment-related forms), we will notify you within five business days of our receipt at the latest.

- 4) If you have any questions about trade insurance system for a specific project, please consult the group in charge or the Customer Relations Office. We will answer within five business days at the latest. Should we find it difficult to answer within the stated period, you will be promptly notified to that effect and be given the reason for the delay and the expected date of answer.

- (4) Meeting the demands of customers and business needs

- 1) It would be appreciated if you could give us sufficient lead time when consulting with us as our assessment may take longer than expected.

- 2) If it becomes necessary to accelerate procedures for such a reason as an export contract proceeding more rapidly than anticipated, please consult with us. Your business needs are always important to us and we will do our utmost to meet accelerated deadlines. If we find it difficult to meet an accelerated deadline, we will immediately alert you of this and let you know how long it will take to complete the necessary procedures.

- (5) Speedily completing the assessment of a claim and promptly making a claim payment



- 1) As soon as we receive an insurance claim from a customer, we will assess the details in light of the insurance policy provisions to determine the amount of the claim to be paid. We will then make a payment within a stipulated time. This is generally within two months of receipt of the claim, however, in a situation where more time is required for a survey, this rule does not apply. For an application for insurance claims, customers are requested to steadily execute the duty of notification and the duty of loss prevention and reduction stipulated in such documents as insurance policy provisions. In addition, customers are also requested to submit all necessary documents stipulated in the insurance policy provisions and other regulations within a specified time.

- 2) In the event of any inadequacy being found in a submitted claim or in other documents in light of insurance policy provisions or other regulations, we will give you notification no later than three business days after receiving the documents.

- 3) In order to pay claims within the period stipulated in the insurance policy provisions, and other regulations, we appreciate your understanding and cooperation, including the early submission of documents necessary for the assessment.

- (6) Speedily allocating recovered money

- 1) When money is recovered from a debt for which we have been entrusted with the exercise of recovery rights, we will promptly distribute the recovered money in accordance with insurance policy provisions, etc.

- 2) To allocate money recovered according to Paris Club debt rescheduling or other programs, in principle, we will complete remittance procedures to the relevant customer accounts by the business day following confirmation of the receipt of the full amount in a NEXI account

Information

Various kinds of information can be found on our website (<http://www.nexi.go.jp>) and in our annual report.

- (1) Please visit our website for comprehensive information on trade insurance, which we hope will be helpful.

NEXI website features:

- 1) Recent developments (including changes in systems and underwriting policies and business results for the last half-year period)
- 2) Description of our insurance products
- 3) Rules concerning trade insurance (including insurance policy provisions for all of our insurance products)
- 4) Underwriting policies
- 5) Country categories

- 6) Simulation of premium calculations

- 7) Application procedures

- 8) Procedures to be adopted after occurrence of an insured event

- 9) Examples of insurance claim payments cases

- 10) Brochures on our insurance products

- 11) Downloadable insurance policy provisions, detailed rules concerning procedures, various application forms

- (2) Our annual report (in Japanese and English) offers the results of our trade insurance business and our financial statements.
Other publications are also available, including NEXI corporate brochures and leaflets on our insurance products. Please feel free to call the Public Relations Group or the Customer Relations Office of the Head Office.

- (3) For inquiries regarding our website, annual report or any other public relations material, please contact the Public Relations Group of the Head Office.

Your Comments and Complaints

Enhancing customer satisfaction is our constant aim. If you experience difficulty with any procedure or have a complaint about our services, do not hesitate to tell us, then the problem will be rapidly addressed.

- (1) If you let us know about any trouble you may be having, we can do whatever is necessary to solve the problem. In such a case, for example in insurance-related procedures, please give us the details of the problem and what you wish to be done. We will immediately analyze the situation to discover the source of the problem and suggest a solution.

- (2) If you have any complaint about our services or the handling of a specific project, please inform the Customer Relations Office.

- 1) For any complaint about our services, please provide the details to the Customer Relations Office in writing or via e-mail. After examining your problem, the Customer Relations Office will let you know how it will be dealt with. In a situation where it is difficult for us to take immediate action, we will let you know the reason for the difficulty and how we intend to proceed with it.

- 2) If there is any complaint about the handling of a specific project, please provide the details to the Customer Relations Office in writing or via e-mail. After re-examining the details, the Customer Relations Officer will inform you of the results of our investigation without delay.
If action cannot be taken immediately, the Customer Relations Officer will inform you of the reason and the projected schedule for completion.



Customer Relations Office

(1) We have established a "Customer Relations Office" to provide more efficient services for our customers in accordance with our customer-oriented policy.

- Customer Relations Office (Head Office):
Tel: 81-(0)3-3512-7712
Fax: 81-(0)3-3512-7687
E-mail: okyakusama@nexi.go.jp
- Customer Relations Office (NEXI, Osaka):
Tel: 81-(0)6-6233-4018
Fax: 81-(0)6-6233-4001

(2) The Customer Relations Office offers customer support by viewing the situation from the customer's viewpoint. Any question or inquiry is welcome, including questions about trade finance, the appropriate group to handle a planned project, and the handling of a specific project. We will take prompt action in these matters.

About This Customer Service Charter

It is our policy that NEXI staff members act quickly at all times, and the Charter will be constantly reviewed. Please do not hesitate to make any comments about this Charter or NEXI in general.

NEXI Directory

■ For general inquiries, including questions about the outline of trade insurance, please contact:

- Customer Relations Office (Head Office):
Tel: 81-(0)3-3512-7712
Fax: 81-(0)3-3512-7687
E-mail: okyakusama@nexi.go.jp
- Head Office - Underwriting Group No.1
Tel: 81-(0)3-3512-7667
- NEXI, Osaka - Customer Relations Office
Tel: 81-(0)6-6233-4018
Fax: 81-(0)6-6233-4001

■ For inquiries about matters ranging from consultation on trade insurance underwriting to assessment associated with specific transactions, including terms of cover, country categories, international agreements and insurance application procedures, such as buyer registration, please contact:

Short-Term Transactions (Terms of Less Than Two Years)

- Head Office - Underwriting Group No.2
(Tel: 81-(0)3-3512-7668)
- Consultation, individual assessment and issuance of informal approval of transactions for Export Credit Insurance, Export Bond Insurance and Prepayment Import Insurance that do not fulfill the insurance requirements by country such as for amount limits

- Head Office - Business Administration Group
(Tel: 81-(0)3-3512-7664)
- Consultation and individual assessment of transactions for all kinds of insurance fulfilling the insurance requirements by country such as for amount limits
- Consultation and individual assessment of insurance claims for Export Bill Insurance

- NEXI, Osaka - Administration Group
(Tel: 81-(0)6-6233-4017)
- Consultation, individual assessment, and issuance of informal approval of transactions for Export Credit Insurance (for transactions less than billions of yen)

- NEXI, Osaka - Underwriting Group
(Tel: 81-(0)6-6233-4018)
- Consultation and individual assessment of transactions for Export Credit Insurance (Specific Insurance, Comprehensive Insurance with Exporters' Association, Comprehensive Insurance) fulfilling the insurance requirements by country such as for amount limits
- Consultation and individual assessment of transactions for Trade Insurance for Manufacturers
- Consultation and individual assessment of Export Credit Insurance for SMEs
- Consultation and individual assessment of insurance claims for Export Bill Insurance

Medium & Long-Term Transactions (Terms of Two Years or Over)

- Head Office - Underwriting Group No.2
(Tel: 81-(0)3-3512-7668)
- Consultation, individual assessment and issuance of informal approval of transactions for Export Credit Insurance, Buyer's Credit Insurance, Export Bond Insurance and Prepayment Import Insurance
- Consultation on underwriting and assessment regarding transactions with direct government loans or government guarantees, or a transaction without government guarantees for which insurance cover is requested only for political risks.
- Consultation, individual assessment and issuance of informal approval of transactions for Overseas Investment Insurance

- Head Office - Structured and Trade Finance Insurance Department
For inquiries about Export Credit Insurance without L/G and Overseas Untied Loan Insurance

Project Team No.1 (Tel: 81-(0)3-3512-7673)

- Consultation on underwriting and assessment with regard to transactions concerning power generation and mining (Europe, Middle East, Africa and Latin America)

Project Group No.2 (Tel: 81-(0)3-3512-7675)

- Consultation on underwriting and assessment with regard to transactions concerning power generation, mining and aircraft (Asia and Russia)

Project Team No.3 (Tel: 81-(0)3-3512-7672)

- Consultation on underwriting and assessment with regard to oil and gas transactions (Europe, Russia and Latin America)

Project Team No.4 (Tel: 81-(0)3-3512-7601)

- Consultation on underwriting and assessment with regard to oil and gas transactions (Asia, Africa and Middle East)

Project Team No.5 (Tel: 81-(0)3-3512-7674)

- Consultation on underwriting and assessment with regard to transactions concerning infrastructure and manufacturing (including steel industry)

For inquiries about the following, please contact the appropriate office.

■ Ratings for, and credit management of, non-Japanese trading companies and banks:

- Head Office - Credit Administration Group
(Tel: 81-(0)3-3512-7684)
- NEXI, Osaka - Administration Group
(Tel: 81-(0)6-6233-4017)

■ Insurance application forms:

- Head Office - Business Administration Group
(Tel: 81-(0)3-3512-7664)
- NEXI, Osaka - Underwriting Group
(Tel: 81-(0)6-6233-4018)

■ Issue of insurance policies

- Head Office - Business Administration Group
(Tel: 81-(0)3-3512-7664)
- NEXI, Osaka - Underwriting Group
(Tel: 81-(0)6-6233-4018)

■ Collection or refund of insurance premiums

- Head Office - Business Administration Group
(Tel: 81-(0)3-3512-7664)
- NEXI, Osaka - Underwriting Group
(Tel: 81-(0)6-6233-4018)

■ Acceptance and handling of applications for alteration

- Head Office - Business Administration Group
(Tel: 81-(0)3-3512-7664)
- NEXI, Osaka - Underwriting Group
(Tel: 81-(0)6-6233-4018)

■ Various application procedures, including approval of pledge

- Head Office - Business Administration Group
(Tel: 81-(0)3-3512-7664)
- NEXI, Osaka - Underwriting Group
(Tel: 81-(0)6-6233-4018)

■ Various types of notification, such as notification of redemption date

- Head Office - Business Administration Group
(Tel: 81-(0)3-3512-7664)
- NEXI, Osaka - Underwriting Group
(Tel: 81-(0)6-6233-4018)

■ Notice of occurrence of risks, notification of losses and credit advice

- Head Office - Claims Service & Recovery Group
(Tel: 81-(0)3-3512-7663)
- NEXI, Osaka - Underwriting Group
(Tel: 81-(0)6-6233-4018)

■ Claims and assessment of insured events

- Head Office - Claims Service & Recovery Group
(Tel: 81-(0)3-3512-7663)
- NEXI, Osaka - Underwriting Group
(Tel: 81-(0)6-6233-4018)

■ For inquiries about Paris Club rescheduling, allocation of recoveries and so forth

- Head Office - Recovery Services Group
(Tel: 81-(0)3-3512-7725)

■ For inquiries about assessments of recoverable assets other than the above and recovery business in general

- Head Office - Asset Planning Group
(Tel: 81-(0)3-3512-7658)
- NEXI, Osaka - Underwriting Group
(Tel: 81-(0)6-6233-4018)

■ "Guidelines on Environmental and Social Considerations in Trade Insurance"

- Head Office - Environment Group
(Tel: 81-(0)3-3512-7685)

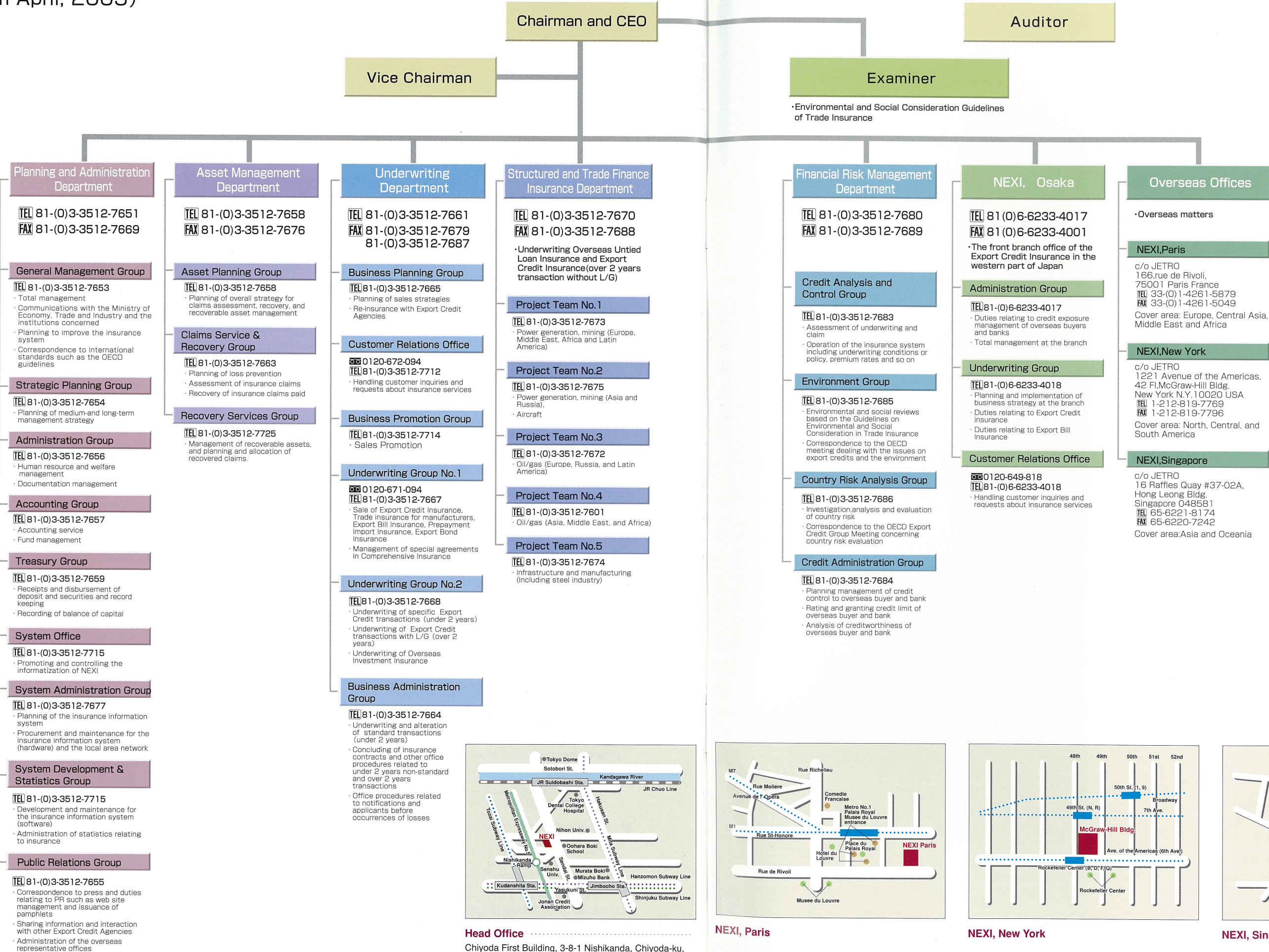
■ Information

- Head Office - Administration Group
(Tel: 81-(0)3-3512-7656)

■ Public relations, including the NEXI website and annual report

- Head Office - Public Relations Group
(Tel: 81-(0)3-3512-7655)

Nippon Export and Investment Insurance Organization Chart
(from April, 2005)





NEXI

Nippon Export and Investment Insurance

Nippon Export and Investment Insurance

Chiyoda First Building, East Wing 3rd Floor, 3-8-1, Nishi-Kanda,
Chiyoda-Ku, Tokyo 101-8539, Japan

Tel: 81-(0)3-3512-7650 Fax: 81-(0)3-3512-7660

<http://www.nexi.go.jp>

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