

Profile

Establishment

On February 24, 1995 the Japanese government set a policy to merge the Mutual Aid association of Private School Personnel and the Japan Private School Promotion Foundation in order to solidify the foundation for promoting private schools in Japan, while giving consideration to their roles in the public social insurance system. (Cabinet decision on the Consolidation of Special Administrative Corporations) With the promulgation of the Promotion and Mutual Aid Corporation for Private Schools of Japan Act (Act 48) on May 9, 1997, the two organizations were dissolved and the Promotion and Mutual Aid Corporation for Private Schools of Japan (PMAC) was established on January 1, 1998.

Since the programs carried out by the two former organizations have played important roles in promoting private schools, the PMAC decided to continue implementing all their programs and added new ones to accommodate the needs of people involved in private schools in order to assume the role of promoting private schools with a stronger foundation.

As part of Special Administrative Corporation reforms, the PMAC was later categorized as a mutual aid association-type corporation, and adopted the management methods of incorporated administrative agency to operate its financial support programs, starting October 2003. PMAC has to ensure the independence, autonomy, efficiency, and transparency under objectives (medium-term) designated by the Minister of Education, Culture, Sports, Science and Technology, and must also meet the obligations for accountability to the public. Accordingly, tasks performed in order to comply with those objectives are assessed by the Minister. Based on the outcome of that assessment, discussions are then held around such factors as the state of the PMAC and the necessity of continuing those tasks.

(Reference)

(Japan Private School Promotion Foundation)

The predecessor of the Japan Private School Promotion Foundation, the Association for the Advancement of Private Schools, was established on March 28, 1952 with the primary purpose of providing loans for the development of private school facilities and grants for faculty training. Based on the Japan Private School Promotion Foundation Act, the Japan Private School Promotion Foundation was established on July 1, 1970 as an organization to subsidize the operating costs of private schools, such as personnel expenses, comprehensively and efficiently as well as to provide surveys, consultation and advice regarding private school management.

(Mutual Aid Association of Private School Personnel)

The Mutual Aid Association of Private School Personnel was established on January 1, 1954 based on the Private School Personnel Mutual Aid System Act. At that time there were four types of voluntary welfare and benefit programs for faculty and staff of private schools, namely the Private School Pension Foundation, Employees' Pension Insurance, the Mutual Aid Association for Private School Personnel, and Health Insurance. However, because of limitations on the ability of these programs in terms of benefits and financial sources, there was a strong demand for setting up a mutual aid program that could maintain the equilibrium between the employees of national /public schools and those of private schools.

Mission

The PMAC contributes to the advancement of education and research in Japan by taking a leading role in activities to support private educational institutions comprehensively and efficiently in order to stabilize the management of these institutions and provide welfare and benefits to faculty and staff.

Programs

Financial Support Programs

Subsidies

Loans

Grants

Donations

(Donations to Designated Organizations, Young Researcher/Female Researcher Grants, Academic Research Promotion Fund)

Management Support and Information Provision

Mutual-Aid Programs (<http://www.shigakukyosai.jp/en/index.html>)

Short-Term Benefits

Pension payments

Welfare Services

Healthcare Services, Medical Services, Accommodation Services

Installment Savings Account, Accumulated Fund Mutual Aid Annuity

Mutual Aid Term Insurance

Life Design Assistance Services

Loans

Other

Capital

The PMAC has received all its capital from the government in order to enhance financial support programs. Its capital as of March 31, 2018 totals 108,677,863,000 yen.

Financial Support Programs

Subsidies

Subsidies for Private Universities (Budget 316,479,470 thousand yen)

The PMAC receives subsidies for operating costs incurred by private universities and other institutions from the government and distribute them to school corporations that own universities in order to maintain and improve education and research conditions and reduce schooling-related financial burdens on students as well as to improve the soundness of management of private universities.

Subsidies provided from fiscal 1970 to fiscal 2017 total 12,076 billion yen.

These subsidies are provided in the form of general subsidies for personnel expenses, education and research expenses and other expenditures, and special subsidies to promote education and research in specific fields.

The *Comprehensive Reform Support Program* (2013), enacted jointly with the Ministry of Education, Culture, Sports, Science and Technology, the *Concentrated Support Program for Enhancing Private University Management* (2015), and also the *Private University Research Branding Support Program*, enacted in 2016, are intended to add another layer of support for private universities undergoing reforms by providing comprehensive evaluations of the status of initiatives.

Budget for Operating Costs Subsidies for Private Universities, etc.
(amount allocated to the Comprehensive Reform Support Program)

Unit: thousand yen

Category	FY2017 Budget	FY2018 Budget
General subsidies	268,873,000	269,677,000
Special subsidies	48,263,588	46,802,476
Total	317,136,588	316,479,476
Comprehensive Reform Support Program	17,600,000	13,100,000
Concentrated Support Program for Enhancing Private University Management	4,000,000	1,800,000
Private University Research Branding Support Program	5,500,000	5,600,000

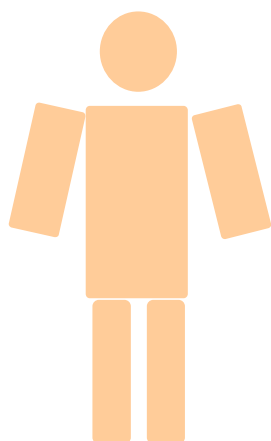
Notes: 1. The special subsidies budget for fiscal 2017 includes a special account budget for reconstruction from the Great East Japan Earthquake (1,752,428 thousand yen) and supplementary budget (134,160 thousand yen).

2. The special subsidies budget for fiscal 2018 includes a special account budget for reconstruction from the Great East Japan Earthquake (1,179,476 thousand yen).

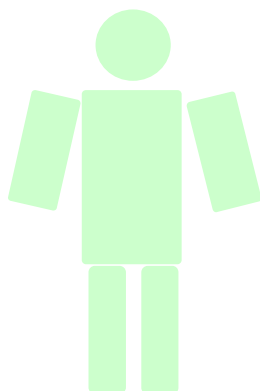
Operating Costs Subsidies per Student

Universities

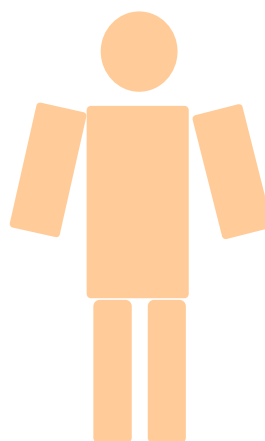
Junior Colleges /Colleges of Technology



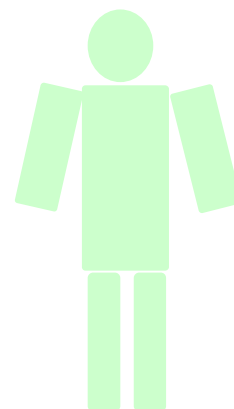
160 thousand yen
FY2012



155 thousand yen
FY2017



174 thousand yen
FY2012



183 thousand yen
FY2017

Operating Costs Subsidies for Private Universities, etc. (FY2017)

Category		Universities	Junior Colleges /Colleges of Tech	Total
Number of personnel subject to subsidies	Teachers	86,915	6,810	93,725
	Students	1,897,006	122,886	2,019,892
	Staff	53,021	3,756	56,777
Amounts (thousand yen)	Teachers	160,857,582	10,353,890	171,211,472
	Students	36,370,395	2,838,718	39,209,113
	Staff	49,306,320	3,742,141	53,048,461
	Part-time teachers	4,597,726	493,220	5,090,946
	Accreditation expenses	271,332	41,676	313,008
	Special subsidies	42,953,412	5,014,163	47,967,575
	Total	294,356,767	22,483,808	316,840,575
Number of recipients	Educational corporations	535	103	638
	Number of schools	573	300	873
	Faculties (depts)	1,764	568	2,332

Note: Correspondence courses are included in the category for “Number of personnel subject to subsidies” and “Number of Recipients (Faculties)”

Special Subsidies

Special subsidies are provided to facilitate qualitative improvement of private universities by promoting academics and education in specific fields, courses, etc. at private universities.

In fiscal 2017, special subsidies totaling 47,968 million yen were distributed to 853 schools as shown in the table below.

The budget for fiscal 2018 is 46,802 million yen (including a special account budget for reconstruction from the Great East Japan Earthquake of 1,179 million yen), a year-on-year increase of 1,327 million yen against last year's budget.

Special Operating Costs Subsidies for Private Universities, etc.

(Unit: thousand yen)

Category	FY2017	FY2018
I Development of human resources for employment in growth fields	6,293,701	7,021,829
II Organizational acceptance of working adults	5,440,125	5,262,799
III Foundational development of international exchange at universities, etc.	6,117,528	5,636,302
IV Advancement of the functions at graduate schools, etc.	15,689,042	17,794,039
V Support for management enhancement etc.	3,825,818	1,769,308
VI Enhancement of programs offering tuition reduction/exemption and financial support	7,747,786	8,892,723
VII Restoration support related to the Great East Japan Earthquake	1,494,398	1,529,752
VIII Restoration support related to the Kumamoto Earthquake ※2	4,418,939	60,823
Total	51,027,337	47,967,575

Note: Category VIII was newly added as Restoration support related to the Kumamoto Earthquake in 2016.

Recipients of Special Operating Costs Subsidies for Private Universities, etc.

Category	FY2016		FY2017	
	Number of educational Corp.	Number of schools	Number of educational Corp.	Number of schools
Universities	524	557	526	560
Jr. Colleges /Colleges of Tech	100	300	99	293
Total	624	857	625	853

Increase through the Comprehensive Reform Support Program(FY2017)

Category	Number of chosen schools	Increase through general subsidies※	Increase through special subsidies※	Total increase※
Universities	334	7,804,300	6,611,207	14,415,507
Junior Colleges	138	359,831	2,047,139	2,406,970
Colleges of Tech	1	5,407	6,519	11,926
Total	473	8,169,538	8,664,865	16,834,403

※Unit: thousand yen

**Number of chosen Organizations of Concentrated Support Program for Enhancing Private
University Management(FY2017)**

Category	Type A (Management Enhancement)	Type B (Management Improvement)	Total
Universities	36	28	64
Junior Colleges • Colleges of Tech	27	15	42
Total	63	43	106

Loans

Loans to Educational Corporations (Planned Loans 64 billion yen)

The PMAC provides loans to educational corporations, quasi-educational corporations, and organizations that conduct programs deemed necessary for the promotion of private school education, when such loans are necessary for the development of private school grounds, buildings and other facilities and for other management purposes.

Loans are provided for the following types of expenditures.

Costs for General Facility

(1) Construction of school buildings, gymnasiums, auditoriums, etc.

***Program for Promoting Private School Facility Advancement (Interest Subsidy Program)**

There is an interest subsidy program by the Ministry of Education, Culture, Sports, Science and Technology for financing related to rebuilding and development projects for school facilities constructed before 1981 under previous earthquake-resistance standards that are considered to be dangerous buildings.

(2) Purchase and development of school grounds, etc.

(3) Program for Promoting Advancement of Education and Research Environment

New construction and extension or repair of facilities related to the following six programs, which are selected as government subsidized projects

- ① ICT Utilization Promotion Program
- ② Development of Facilities for High Functionalization (development of school LAN or information rooms)
- ③ Development of Facilities to Reinforce Disaster Prevention Function (facility construction for crime prevention)
- ④ Eco-campus Promotion Program
- ⑤ Private University Research Branding Program
- ⑥ Comprehensive Support Program for Private University Reform.

(4) Renovations to reinforce disaster prevention measures (i.e. earthquake-resistance)

* The Ministry of Education, Culture, Sports, Science and Technology has an interest subsidy program for financing renovation work that is eligible for subsidiary aid for reinforce disaster (earthquake) prevention measures.

Costs for Developing Educational Environments

- (1) Purchase of desks, chairs, library books, and other school furniture and supplies
- (2) Purchase of experiment/lab supplies and equipment, school buses and other vehicles.
- (3) Necessary funds for management, such as enhancing the educational environment

Costs for Disaster Recovery

Disaster recovery costs associated with storm and flood damage, earthquakes, etc.

*In fiscal 2018, financing will be provided for costs associated with restoration of facilities at educational corporations, etc. damaged in the Great East Japan Earthquake and the Kumamoto Earthquake.

Costs for Anti-Pollution Measures

Development of facilities and equipment to prevent pollution (noise, asbestos, etc.)

Costs for Special Facilities

- ① Projects involving land acquisition and construction for dormitories, international exchange facilities, private school affiliated hospitals, etc.

*The interest subsidy program is applied to financing related to reconstruction and development of affiliate hospitals of private universities.

- ② Renovations of school buildings, etc. to adopt barrier-free designs

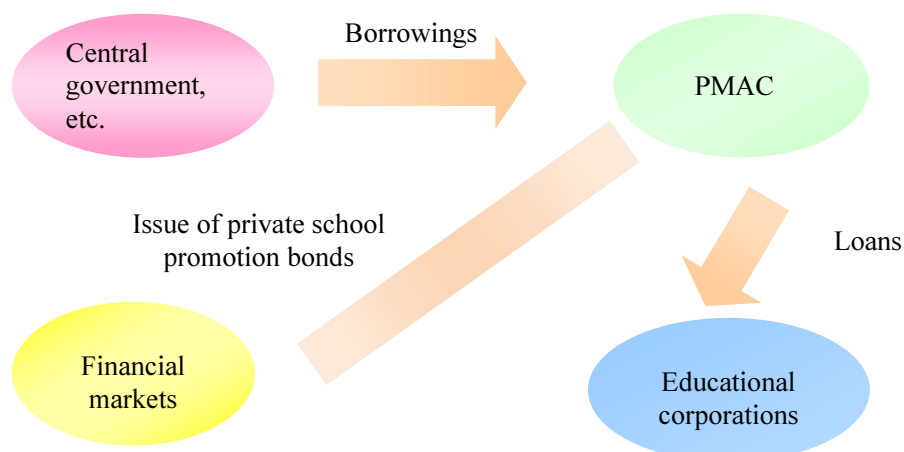
Planned Loan Amounts and Loan Terms (FY2018)

(As of July 1, 2018)

Category	Planned amount	Interest rate	Period	Percentage financed	Notes
Costs for general facility	Million yen 50,700	%(Annual interest)		Less than 80%	
Graduate schools, universities, junior colleges, colleges of technology (of which, facilities related to research advancement)	34,000 (100)	0.60	Less than 20 years (incl. 2 years of deferment)	Program for Promoting Advancement of Education and Research Environment The amount given by subtracting subsidies from the program cost for subsidizing measures	Facilities related research advancement: interest rate of 0.40%
High schools and below	7,900				
Kindergartens	4,400		For Okinawa, less than 22 years (incl. 2 years of deferment)		Okinawa: interest rate of 0.30%
Specialized Training schools and Miscellaneous Schools	700				
Program for Promoting Advancement of Education and Research Environment	400	0.40			
Disaster prevention (earthquake -resistance) measures	3,300	0.60		Up to 100% of the school's portion of expenses qualifying for subsidies for disaster prevention (earthquake -resistance) measures	
Costs for developing educational environments	1,400	0.31	5 years, 6 months (incl. 6 months of deferment)	Less than 80%	
School furniture and supplies, etc.	100				
Educational environment enhancement fund	1,000				
Large facilities and IT development, etc.	300	0.31	10 years (incl. 2 years of deferment)		
Costs for disaster recovery	100	0.30	25 years (incl. 2 years of deferment)	Within amount of subsidy	Major disasters
			20 years (incl. 2 years of deferment)	Less than 80%	General disasters
Costs for anti-pollution measures	100	0.30	21 years (incl. 3 years of deferment)	Less than 80%	
Costs for special facilities	9,600	0.70	20 years (incl. 2 years of deferment)	Less than 80%	Dorms, international exchange facilities, affiliated hospitals, etc.
		0.30			Facilities for use by people with disabilities
Total	61,900				
Disaster recovery financing related to the Great East Japan Earthquake Disaster recovery costs	2,100	Y1-5: Interest free	25 years (incl. 5 years of deferment)	Within amount of subsidy	Major disasters
		Y6-7: 0.01%		Less than 80%	General disasters
Total	2,100	Y8-25: 0.01%			
Total	64,000				

Notes: 1. General facility costs include 9,100 million yen in planned loans (interest rate of 0.31%) with terms less than 10 years (deferment period less than 2 years).
2. The amount in Note 1 includes 100 million yen in planned loans (interest rate of 0.41%) with terms less than 6 years (deferment period less than 1 year).

Funding for these loans is provided by borrowing from the government and private school pension reserves. Funds have been procured from the financial markets by issuing private school promotion bonds (FILP agency bonds). The total amount of loans issued from fiscal 1952 to fiscal 2017 comes to 3,199 billion yen.



Loan Applications and Loans over the Past 5 Years

(Unit: thousand yen)

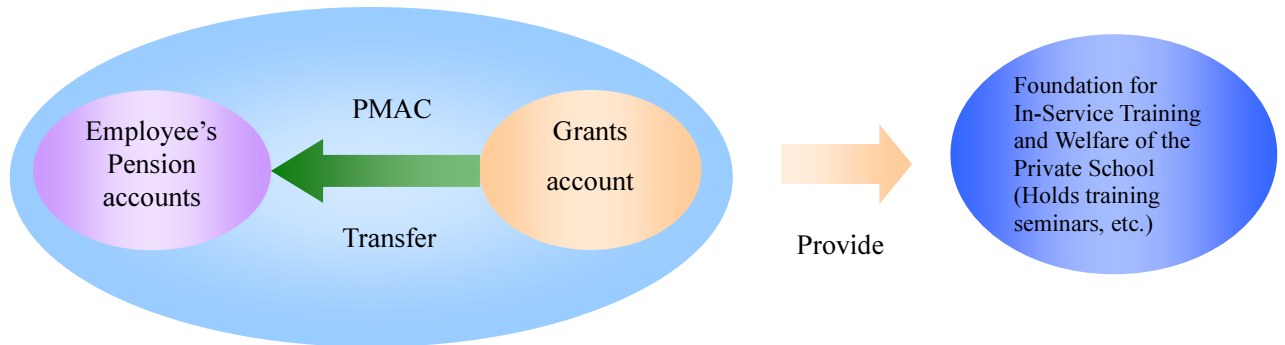
Category		FY2013	FY2014	FY2015	FY2016	FY2017
Costs for general facility	Loan applications	56,635,300	87,491,500	97,384,000	35,816,600	44,981,800
	Loans	50,224,000	70,620,100	97,044,000	33,072,600	29,662,800
	Amount for earthquake-proofing (included)	43,117,000	58,106,400	83,890,900	16,099,000	7,662,400
Costs for developing educational environments	Loan applications	1,710,600	2,028,300	55,600	1,791,600	803,600
	Loans	1,710,600	2,028,300	55,600	1,791,600	803,600
Costs for disaster recovery	Loan applications	229,000	0	0	850,000	4,044,300
	Loans	229,000	0	0	850,000	4,038,300
Costs for anti-pollution measures	Loan applications	0	32,700	21,900	58,800	0
	Loans	0	32,700	21,900	58,800	0
Costs for special facilities	Loan applications	6,891,800	9,848,500	15,086,000	10,946,000	14,000,000
	Loans	2,091,800	7,648,500	7,586,000	7,440,000	12,500,000
Total	Loan applications	65,466,700	99,401,000	112,547,500	49,465,000	63,829,700
	Loans	54,255,400	80,329,600	104,707,500	43,213,000	47,004,700
	(Planned total)	(63,000,000)	(80,000,000)	(106,100,000)	(70,000,000)	(65,000,000)

Grants

Grants for Educators (Provision of Grants and Transfers to Employees' Pension Account)

Grants are provided to training programs run by the General Incorporated Foundation for In-Service Training and Welfare of the Private School, which are designed to improve the quality of faculty and staff of private schools.

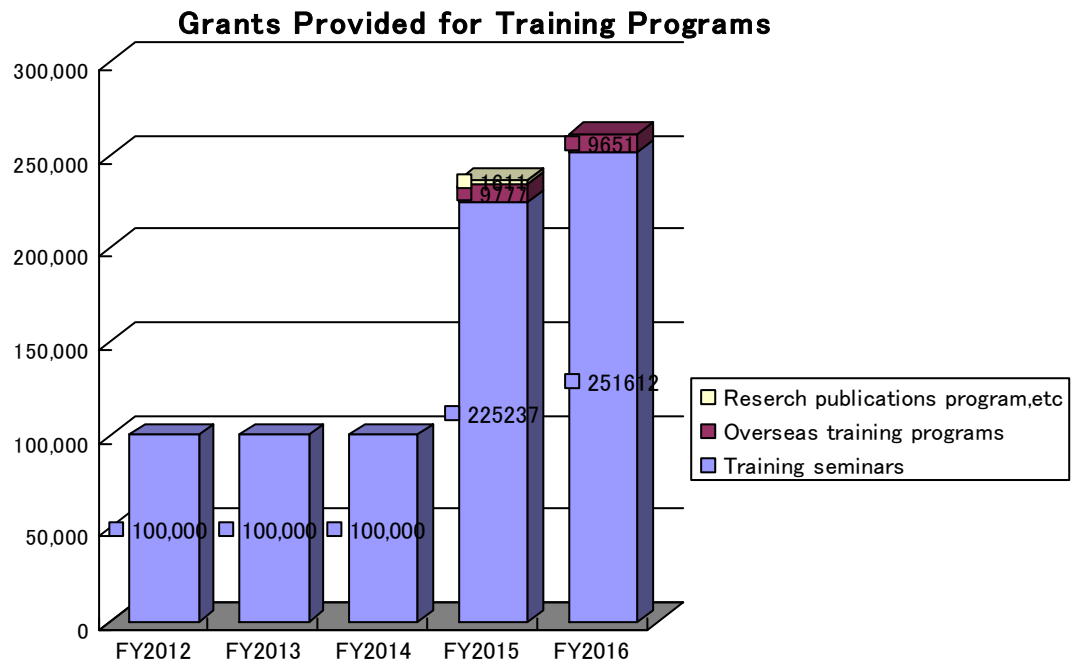
Transfers are also made to the PMAC's Employees' pension account of the Mutual Aid Programs for the Pension Benefits (to increase pensions for existing pension recipients and serve as a resource for liquidating Pension Benefits) in order to enhance welfare and benefits for faculty and staff of private schools.



Funding for these grants is sourced from profits generated through the Grants Account of the PMAC in the previous fiscal year with the amount of grants provided between 1953 through 2016 reaching 23,645,820,000 yen.

Further, as no profits were posted for FY 2016, no grants were provided for FY 2017.

unit: thousand yen



Donation

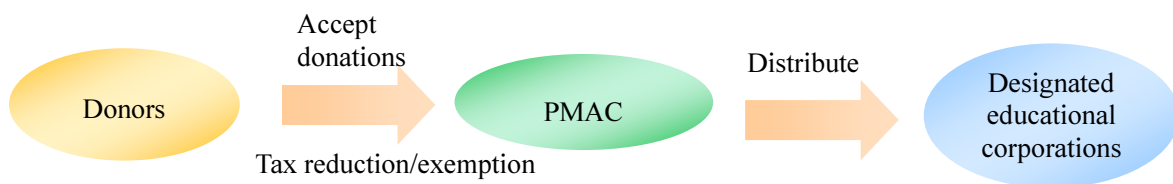
Donations to Designated Organizations

Planned acceptance amount 22 billion yen

Planned donation amount 22 billion yen

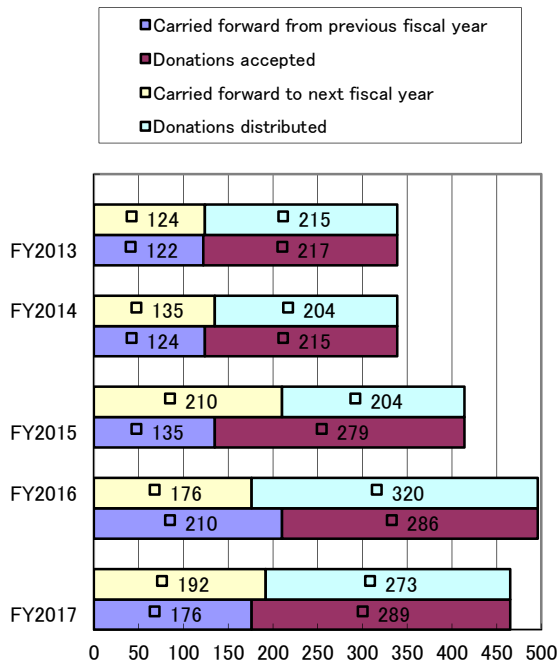
The PMAC welcomes donations for the advancement of education and research at private schools from corporations and individuals. Donations will be distributed to educational corporations that have been designated by the donors.

Donations enable the donor to receive preferential tax treatment on corporate taxes and income taxes (Ministry of Finance Notice No. 154, 1965), and when the donor is a corporation the entire amount of the donation may be accounted for as an expense, when the donation is offered to cover expenditures at private schools necessary for education or research, or to add to the school's endowment.

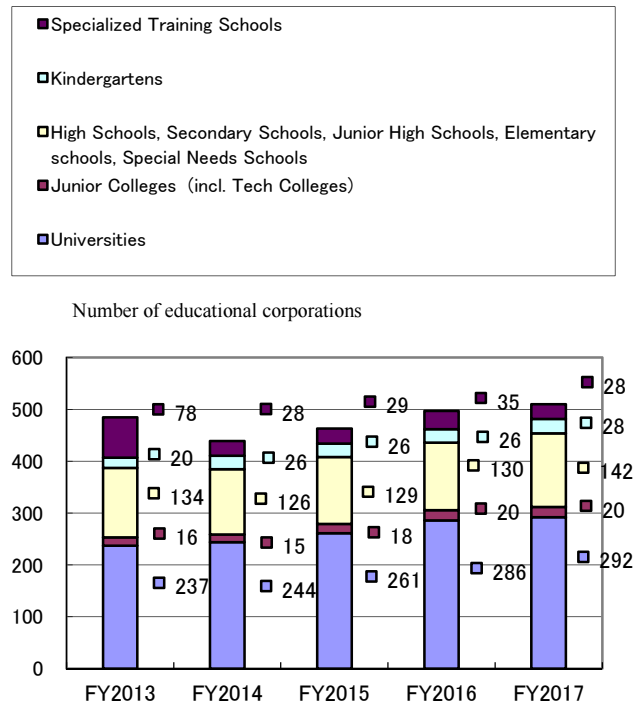


Donations accepted from fiscal 1967 through the end of fiscal 2017 total 627 billion yen, and the amount distributed comes to 608 billion yen.

Donations Handled Over the Past 5 Years



Educational Corporations Accepting Donations Over the Past 5 Years



Note: Amounts carried forward are donations carried forward to the next fiscal year because of the lack of an application for distribution from educational corporations

Fundraising for and Provision of the Young Researcher/Female Researcher Grants

Fundraising Target: 25 million yen

Planned Grants: 25 million yen

The Young Researcher/Female Researcher Grants Scholarships are research scholarships provided for the purpose of nurturing human resources to lead the next generation in diverse and innovative education and research programs initiated by private universities, etc.

By nurturing diverse human resources, private universities, etc. are contributing to the further development of our nation and the role these universities play in the future will become increasingly important in the years to come.

By providing more opportunities to conduct unique research proposed by both young researchers and female researchers, these scholarships aim to further drive ambition to conduct research in new fields and contribute to the development of a diverse human resources pool and are comprised of a scholarship for young researchers and female researchers.

These scholarships will grant 400,000 yen to each researcher with those eligible to receive the scholarship including researchers conducting individual research who hold the position of assistant professor or postdoctoral researchers at private universities, etc. While the Young Researcher Scholarship is limited to researchers aged 39 or under, in consideration of a variety of factors, such as childbirth and child raising, etc. that can prevent female researchers reaching their full potential before a certain age, there are no age restrictions for the Female Researcher Scholarship.

The funds for these scholarships are raised by the PMAC through donations.

As part of efforts to collect donations for these scholarships, the PMAC is seeking cooperation from educational institutions in the form of installing vending machines that allow for donations to be made towards the Young Researcher/Female Researcher Grants

Further, these donations are subject to preferential tax treatment, including exemption and reduction on income and corporate taxes.

In FY 2018, 31 young researchers and 31 female researchers received these scholarships to the total of 24,800,000 yen.

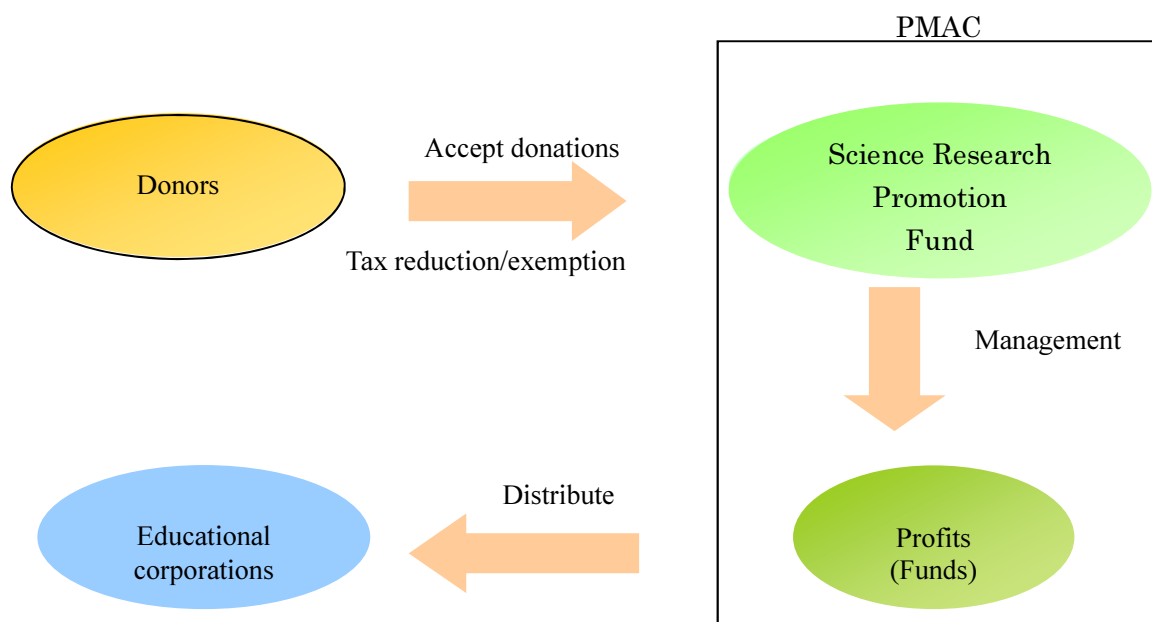


The Science Research Promotion Fund (Fundraising)

Fund holdings 5,414 million yen (as of May 31, 2018)

The Science Research Promotion Fund manages general donations accepted by PMAC from a wide range of sources. Investment profits are used to directly subsidize costs associated with academic research at private schools and other institutions.

Donating to the Fund makes the donor eligible to receive preferential tax treatment on income taxes and corporate taxes in the form of reductions or exemptions.



As a result of fundraising activities primarily by PMAC for the Science Research Promotion Fund, the Fund holds 5,414 million yen as of May 31, 2018.

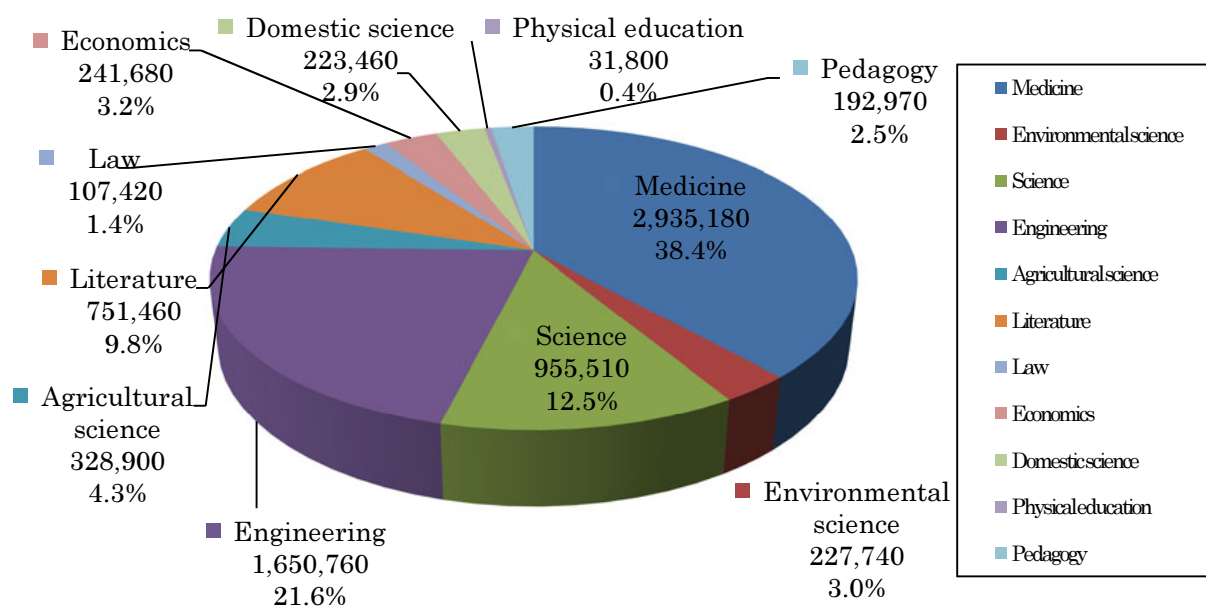
The Science Research Promotion Fund (Distributing Funds)

Planned Distribution 80 million yen

Funds from investment profits made by the Science Research Promotion Fund are distributed to subsidize acquisition costs and maintenance costs for academic research facilities at private universities and other institutions as well as other expenditures associated with academic research.

The PMAC has distributed 7,647 million yen in funds for a total of 2,984 research projects during the period from fiscal 1976 to May 31, 2018.

**Science Research Promotion Fund Distributions by Research Field
(FY1976~FY2018)**



(unit: yen)

Management Support and Information Provision

Management Consultation Services for Private Schools and Analysis and Provision of Information Related to Education and Management

FY2018: Services Provided by the Private School Management Information Center

The Private School Management Information Center provides management consultations, financial analysis, collects and provides information on educational condition and management as supports for managements improvement and efforts toward educational reform

(Sample Requests from Educational Corporations)

Questions about accounting
What accounting procedures should be used?

Questions about Basic Survey, etc.
Regarding entries and operations for Basic Survey Form e-manager

View rules, etc.
Want to refer to examples of other schools' rules, etc.

Financial analysis
Analyze school financials

Using and publishing educational information
Search various characteristic and initiatives of educational institutions

Training and development for managers and staff
Want to take short-term trainings for private school management.

Support for training seminars
Help conduct training seminars for school officials, teachers, and personnel

Cases of reform
Provide specific examples of educational improvement

Solutions for management problems
Make proposals tailored to the school's current situation regarding management issues like student recruitment and cutting personnel expenses

Help create Management Improvement Plan

Plan to create management improvement Policies with clear goals and deadlines as proposed in the Final Report of Educational Corporation Revitalization Study Group and strive to improve management, and would like assistance developing the policies

“Final Report of Educational Corporation Revitalization Study Group” (Japanese Only)
http://www.shigaku.go.jp/s_center_saisei.pdf
Refer to pages 16-18, 31

“Reference Document for Formulating and Implementing Management Improvement Plan” (Japanese Only)
http://www.shigaku.go.jp/s_kaizen_keikaku.htm

(Services Provided by Private School Management Information Center)

(Answering Questions about accounting, etc. Basic Survey, e-managers)

- Questions about accounting, etc.

(Private School Information Office)

- View rules, etc. of educational corporations.
(Private School Promotion Division[Kudan Office 1F])

(Provision of data)

The Private School Data Creation System is provided to allow schools to directly output and read the following data and analysis documents using the Internet.

- ◇Number of students ◇Financial data
- ◇Financial ratio tables ◇Current Private school Finances
- ◇Revitalization analysis, etc.

(Documents Provided on Request)

For analytical data requiring special processing that cannot be created with the Private School Data Creation System, submits the Information Provision Form to the Corporation and the data will be created and provided. (May take several days, depending on the content)

(Japanese college and University Portraits [Private School Version])

Our website provides information on characteristics of private universities, junior colleges, and technical colleges, as well as their educational research initiatives.

(Seminars)

Leaders Seminars are held for chairpersons and presidents, as well as Staff Seminars for young staff members.

(Instructor Dispatch)

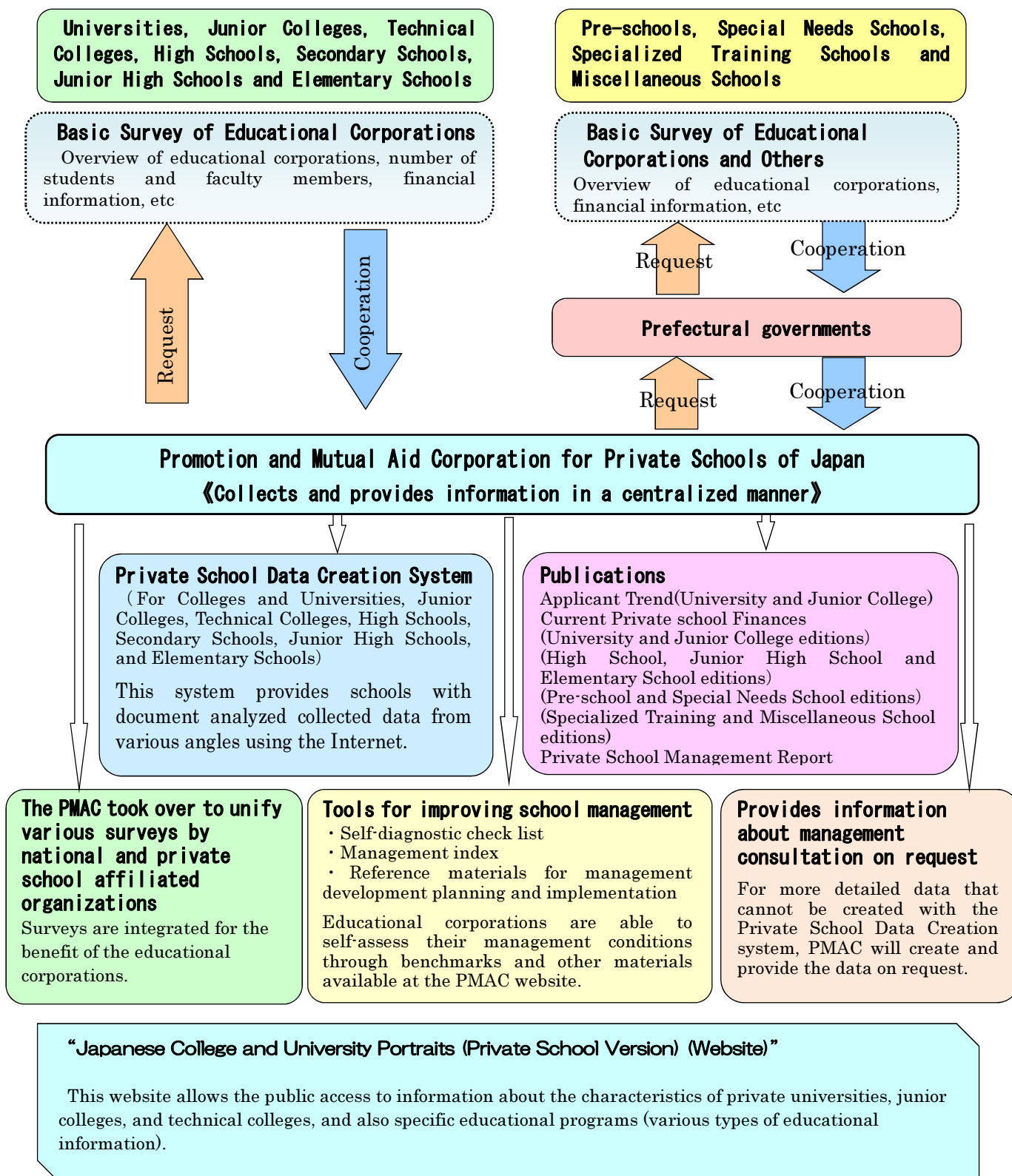
- Center personnel are dispatched as instructors.
- Necessary to cover transportation costs and provide a lecture fee when instructors are dispatched.
Basic lecture fees (1 day)
2 hours or less: 30,000 yen
2 to 4 hours: 50,000 yen
More than 4 hours: 80,000 yen

(Management Consultations)

- Representatives visit the school and talk with officials, faculty and staff - the key people in management reforms - and search for solutions.
- Analysis of problems currently facing management is conducted, the problems are specifically identified, possible response measures are compiled, and advice is provided on this basis.
- The process is jointly conducted by specialists registered in the PMAC's personnel databank (CPAs, attorneys, certified social insurance specialists, education specialists, etc.) as necessary.
- Timely and appropriate advice, etc. is provided based on the progress of a management improvement plan

Overview of “Information Collection and Provision”

In the Private School Management Information Center, the “Basic Survey of Educational Corporations” has been used since 1971 to collect information on private schools, from Elementary to Universities, and the “Basic Survey of Educational Corporations and Others” has been used since 1999 to collect information on Pre-schools, Special Needs Schools, Specialized Training Schools, and Miscellaneous Schools. Information on educational condition and management of private schools are promptly collected and provided in the following ways.

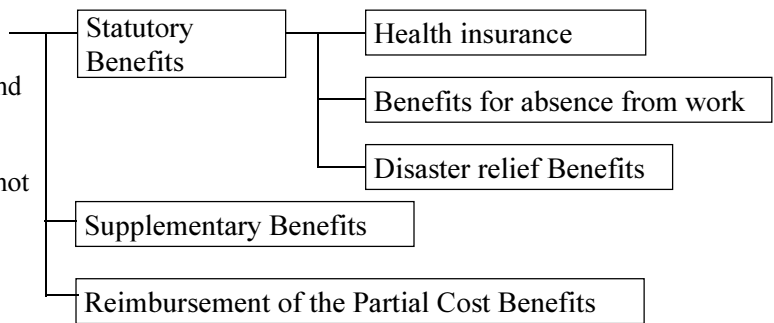


Mutual Aid Programs
Services Overview

The Private School Mutual Aid System of The Promotion and Mutual Aid Corporation for Private Schools of Japan (PMAC) has been established, based on the objectives of the Basic Act on Education, in order to maintain parity with the welfare and benefit system for national and public school faculty members. PMAC is engaged in short- and pension benefits services, as well as welfare services, to improve the welfare and benefits of private school faculty members through this mutual aid system, and to contribute to the promotion and development of private schools and its education.

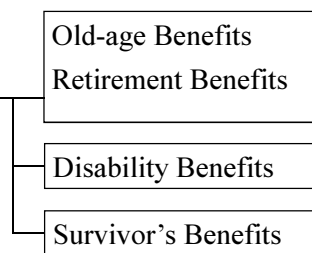
Short-Term Benefits

To provide benefit to members and their dependents in the event of illness, injury, childbirth, death, absence from work (dependents not included), and disasters.



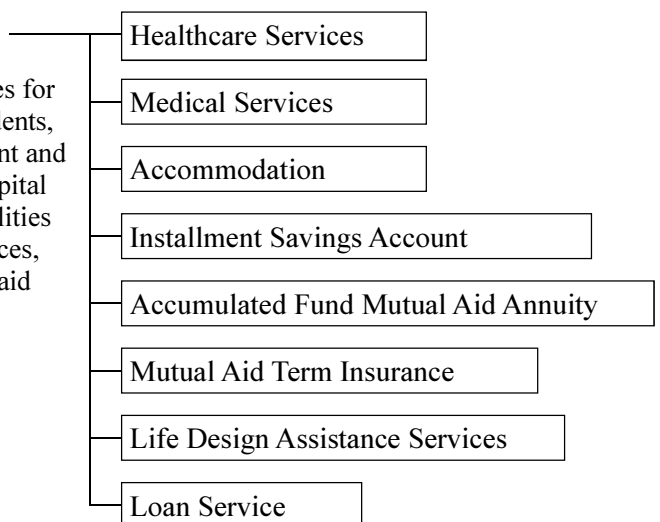
Pension Benefits

To provide pension and lump-sum payment to members and their survivors when the member reaches a specific age, becomes disabled, or dies.



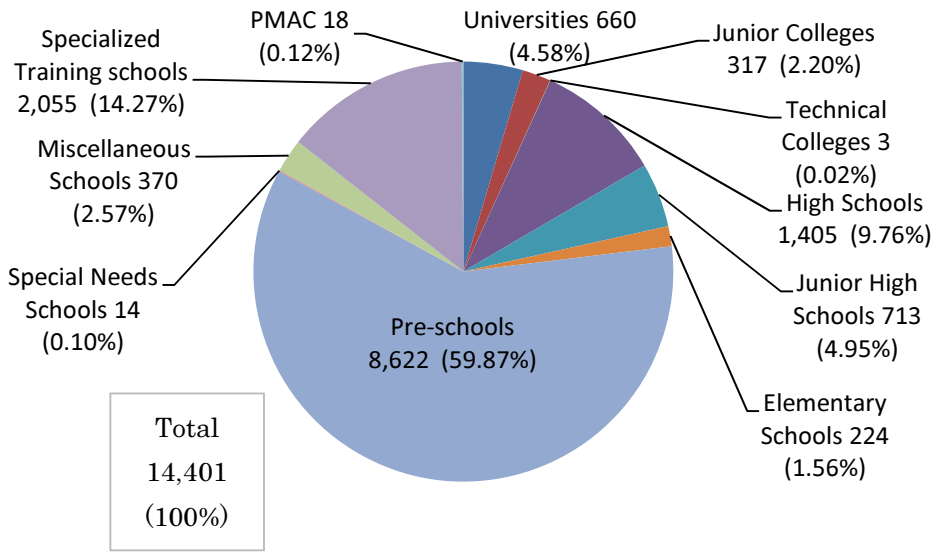
Welfare Services

To provide welfare services for members and their dependents, such as health improvement and maintenance services, hospital management, lodging facilities management, saving services, accumulated fund mutual aid annuity, mutual aid term insurance as well as loan service.



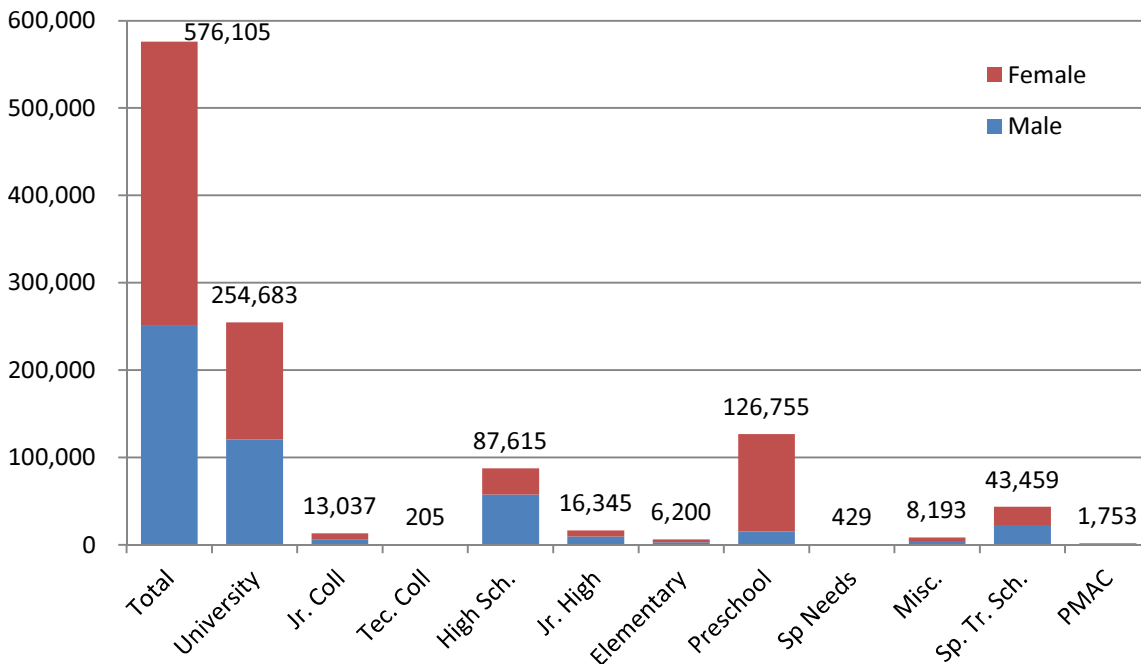
◇ Group Composition (end of March,2018) ◇

(1) Number of schools per school category



Note: There are cases where the sum may not match with the total number as the results are rounded

(2) Number of members per school category



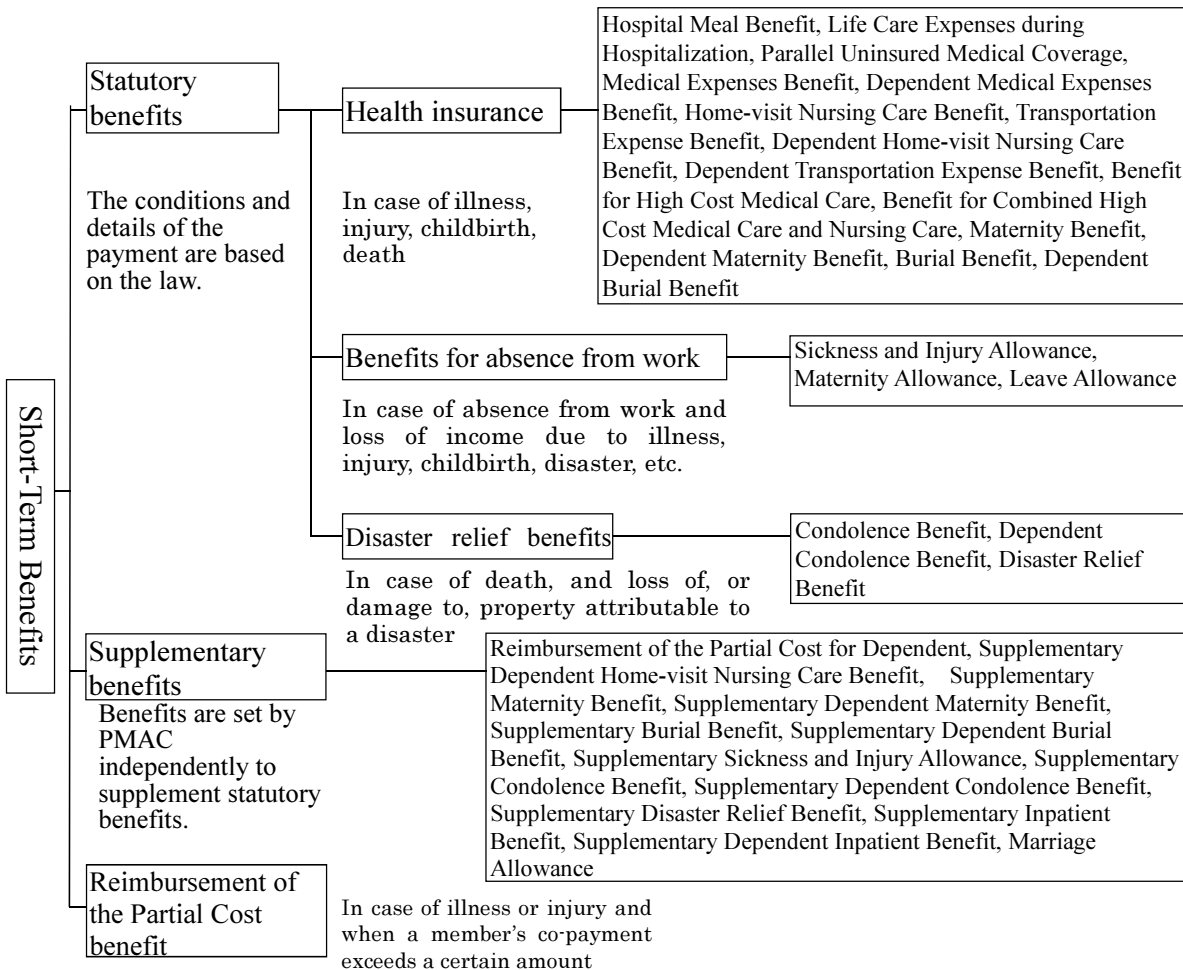
Note: 1. The total number includes Voluntarily Continued Insurance members (17,431 members)
 2. Secondary education schools are included in high school category.

(3) Number of dependents

347,535 (Breakdown) M122,315 F 225,220

Short-Term Benefits

- The program is equivalent to the “health insurance” provided to employees of private businesses.
- Benefits are given to members in the event of illness, injury, childbirth, death, absence from work, and disasters, or to their dependents in the event of illness, injury, childbirth, death, and disasters.
- Short-term benefits include the statutory benefits (established through Private School Mutual Aid Act and Health Insurance Act, the payment eligibility and other details are specified by the law) and supplementary benefits (a benefit that supplements the statutory benefits can be set by the insurer in accordance to the regulations regarding the title and contents of the benefit based on their financial condition). In addition, the reimbursement plan of the partial cost benefit for the members is provided.
- In order to maintain a balanced budget for the next few years, the short-term benefits are operated by the premium and the operational income.



The PMAC covers the following expenses.

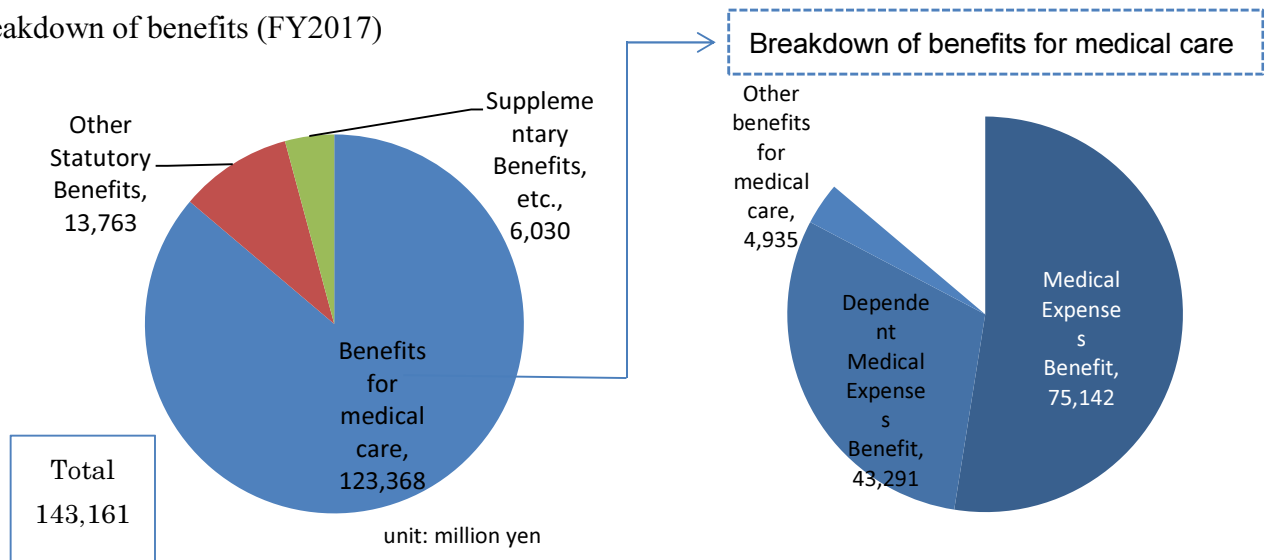
◎ Support fund for the old elderly

Elderly people over the age of 75 receive medical services from the Medical System for the Old Elderly, which was founded in 2008. The PMAC has supported approximately ¥67.7 billion in fiscal 2017 as a means to support financial resources for the medical expenses of the old elderly.

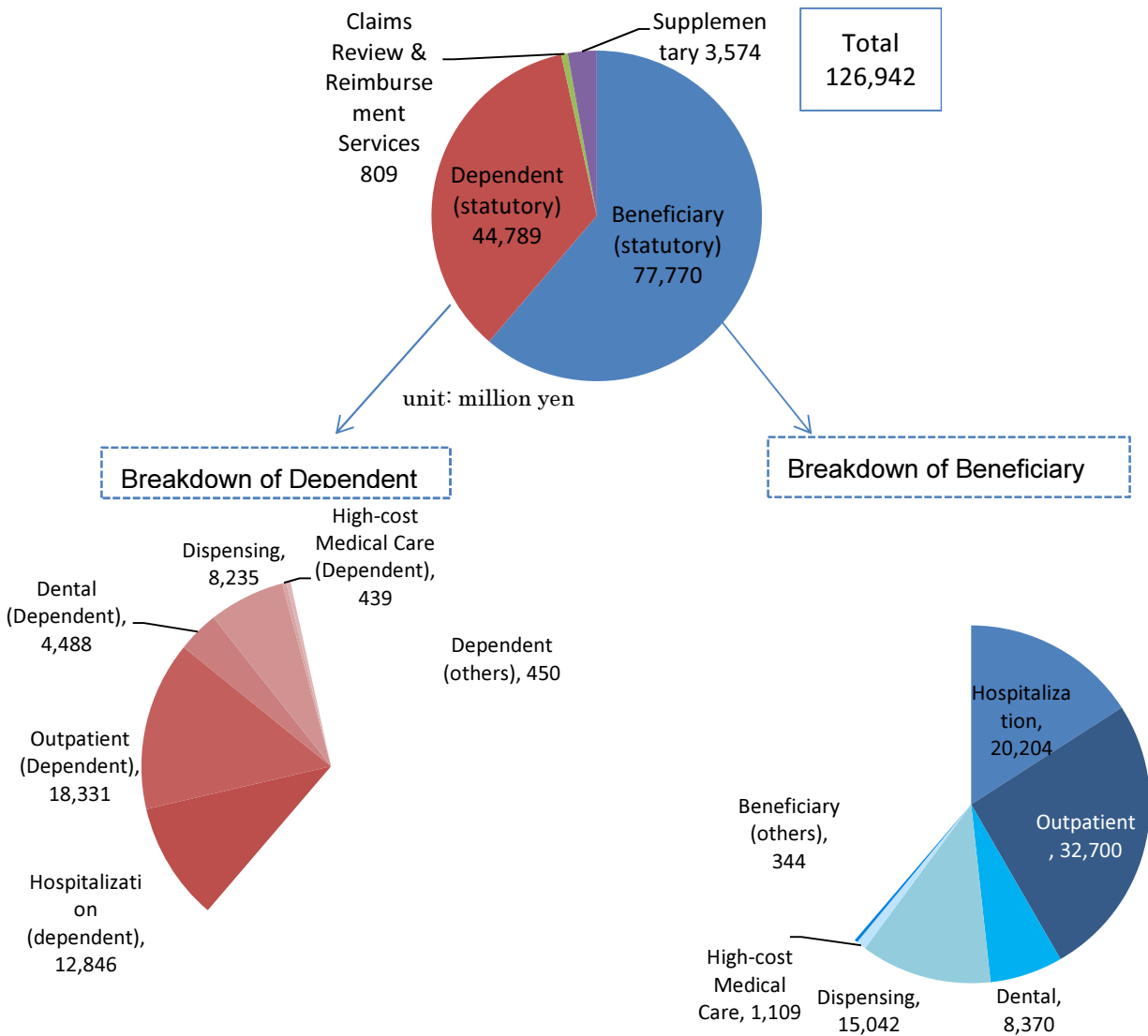
◎ Payments for the young elderly

A system was established in 2008 to adjust the imbalance in the charging of health insurance plans for the benefit expenses of young elderly members (ages 65-74). The PMAC was issued approximately ¥44.5 billion for the young elderly. In addition, the Medical Care System for the Retired will continue until all persons who have joined this system reach the age of 65, and PMAC will also continue, in transition, to contribute to the system.

(1) Breakdown of benefits (FY2017)



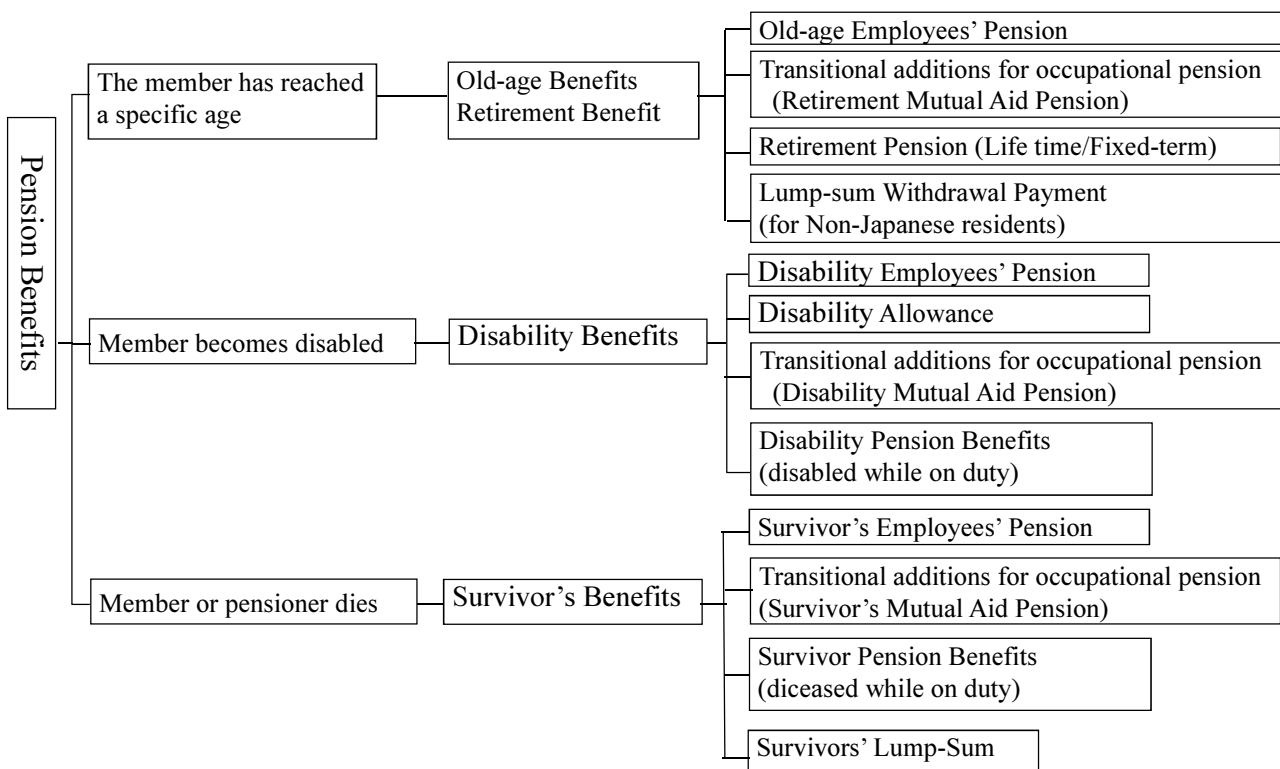
(2) Breakdown of benefits for medical care (including supplementary benefits) (FY2017)



Note: There are cases where the sum may not match with the total number as the results are rounded

Pension Benefits

- The PMAC pays the Employees' Pension acts as an implementing institution for Employees' Pension Insurance, as well as decides and pays out retirement or other pension benefits to PMAC members and their families to enable them to live securely
- Pension payments can include Employees' Pension, Transitional additions for occupational pension (mutual aid pension), and Retirement Pensions; this is a general term for Pension benefits or Lump-sum payments paid to enable members and their families to live securely in the event that the member reaches a certain age or retires, suffers an impairing injury or dies.
- The required cost of pension payments is covered by premiums as well as government and prefectural subsidies and investment earnings from reserve funds. Employees' pension, transitional occupational additional payouts (mutual aid pension), and retirement pensions are each calculated and managed separately.



The PMAC covers the following expenses.

◎ Basic Pension Contributions

To manage the Basic Pension of the National Pension Plan, the contributions that cover the expenses are proportional to the total number of members and their dependent spouses aged 20-59 years old, the contribution reached approximately ¥239.4 billion in fiscal 2017.

However, half of the contribution amount, equivalent to approximately ¥120.5 billion, is subsidized by government.

◎ Employees' pension contributions

With the consolidation of employee pension schemes in October 2015, 1st tier and 2nd tier premium payments, as well as reserve funds now form a common funding source for all employees, with payment and responsibility for all schemes now accounted for at national level.

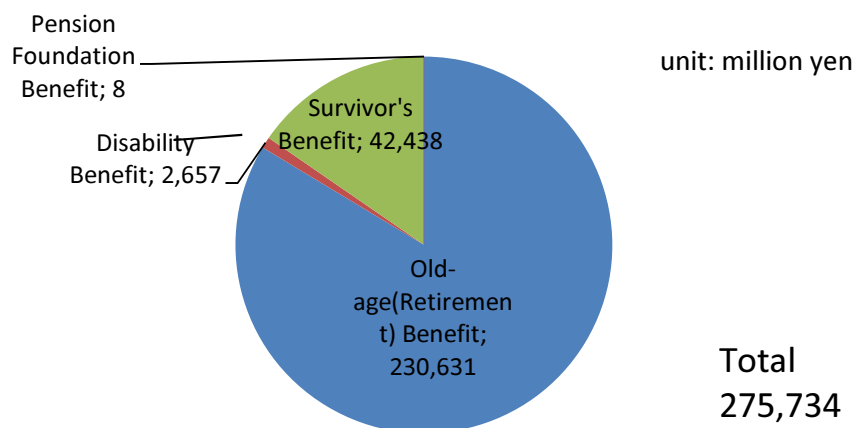
1st and 2nd tier premiums collected by the government (Japan Pension Service) are deposited directly into special employees' pension accounts, while PMAC and mutual aid associations for national/local government employees use the collected and accounted premiums as a source of

funds and pay the necessary contributions into employees' pension accounts each year.

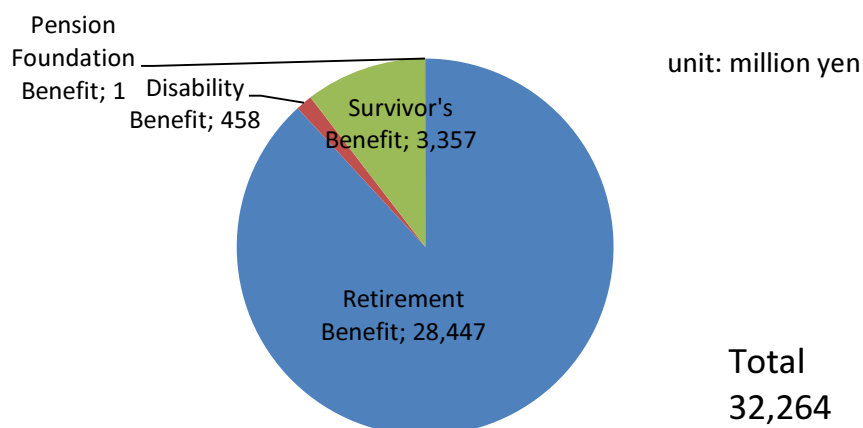
The government (Japan Pension Service) portion is paid directly from the employees' pension accounts to the beneficiaries, while the portion paid annually to mutual aid associations is paid out as subsidies to each association to be paid to the beneficiaries.

(1) Breakdown of benefits (FY2017)

① Employee's pension benefits



② Occupational pension benefits

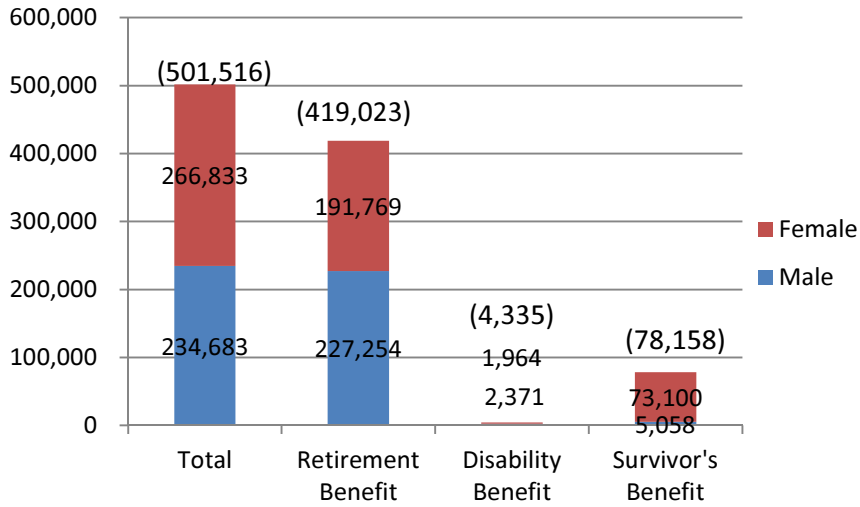


③ Retirement pension benefits

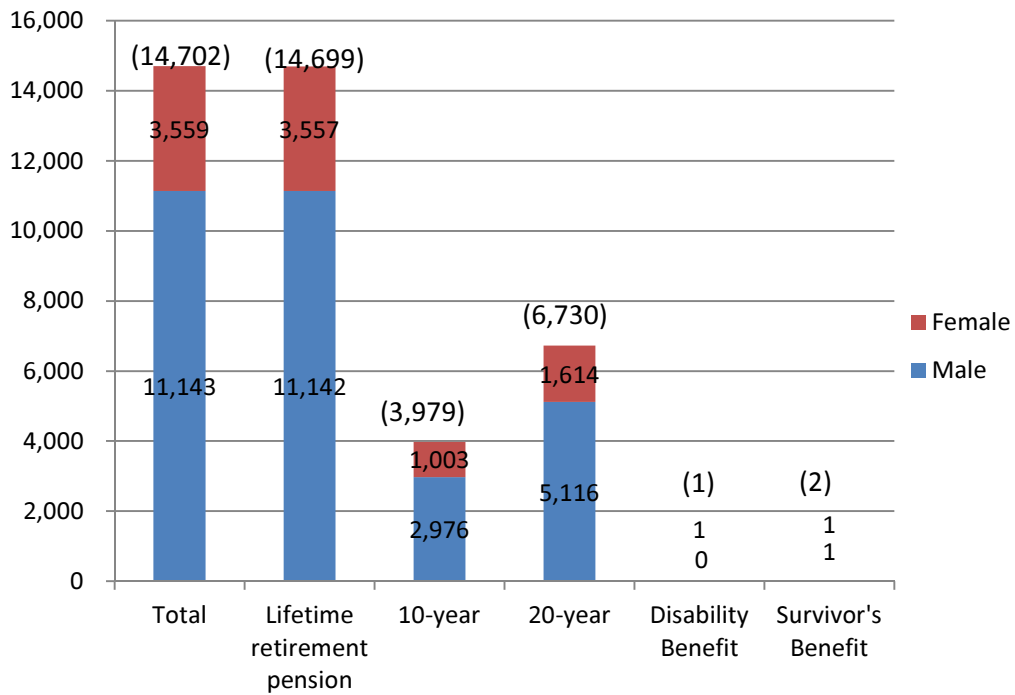
	Unit: yen
Total	279,633,654
Retirement Benefit	278,981,497
Lifetime retirement pension	25,723,424
20-year fixed-term retirement pension	11,112,330
10-year fixed-term retirement pension	17,828,343
Lump-sum fixed-term retirement pension	200,125,500
Lump-sum payment	0
Settlement payment	24,191,900
Disability Benefit	0
Survivor's Benefit	652,157

(2) Number of pensioners by pension type (end of March, 2018)

① Employee's pension benefits, Mutual Aid Pension benefits, Occupational pension benefits

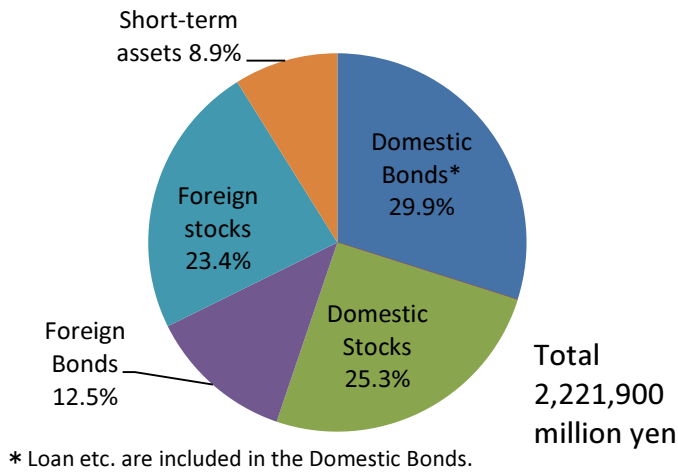


② Retirement pension benefits

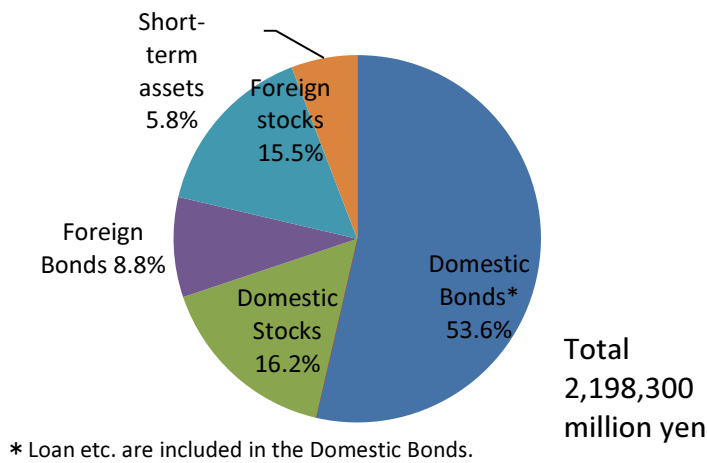


(3) Assets for Employee's pension account and Retirement pension benefits account

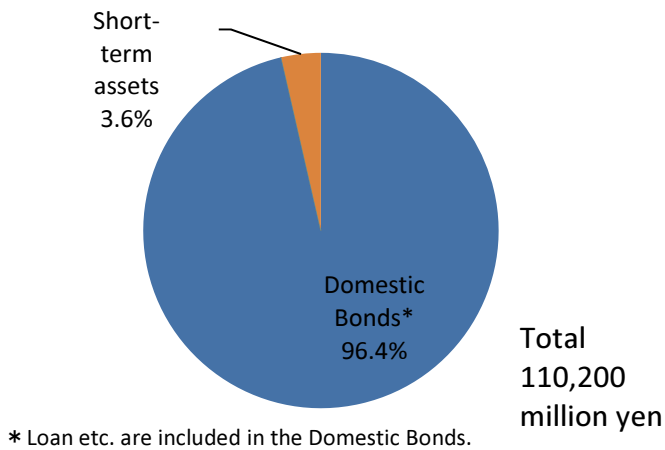
① Employees' pension accounting asset (end of March, 2018) [market value]



② Occupational pension accounting asset (end of March, 2018) [market value]



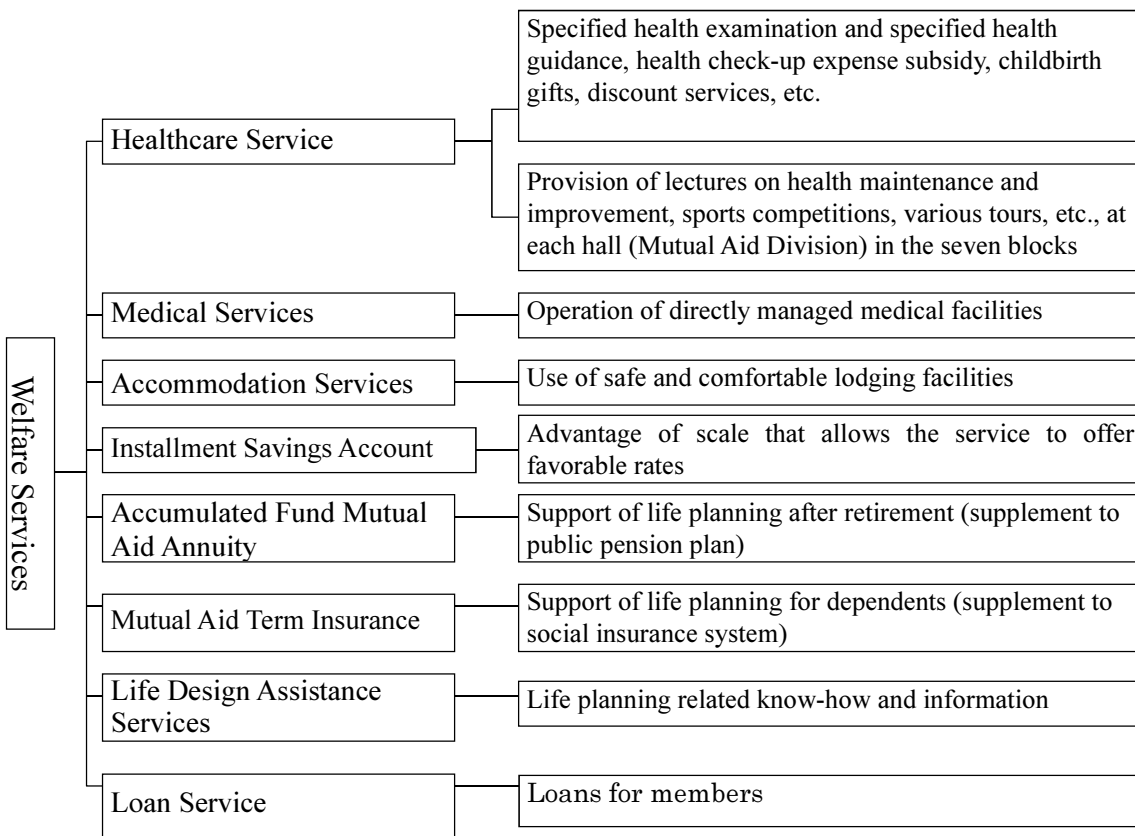
③ Retirement pension benefits account asset (end of March, 2018) [book value]



Welfare Services

- With the purpose of maintaining and improving the health of members and their dependents, and assisting their daily living, the following welfare-related services are provided with the theme “Enriched daily living and better health.”
 - ① Specified health examination check-up and specified health guidance through medical care-related laws for the elderly
 - ② Health education, health consultations, health check-ups, support for self-help efforts related to health management and disease prevention, and other necessary services to maintain and improve the health of members and their dependents.
 - ③ Management of recreational accommodation and educational facilities for members
 - ④ Property acquisition, management and rental services for members
 - ⑤ Management of members’ savings
 - ⑥ Provision of daily necessities based on members’ needs
 - ⑦ Other services that contribute to the promotion of the members’ welfare and are defined by the provisions of the mutual aid
 - Accumulated Fund Mutual Aid Annuity
 - Mutual Aid Term Insurance
 - ⑧ Member loans for temporary expenditures

- The cost of welfare services is covered by the revenue associated with management of the above-mentioned services, as well as from premiums for welfare services.



◇Welfare and Well-being ◇

■Services available to all members and dependents■

Assisting in health management

- Specified health check-up and specified health guidance
- Healthcare point program
- Health check-up expense subsidy
- Medical check-up by mail
- Health and nursing care counseling program
- Mental healthcare counseling program
- Athletic Complex

Gifts

- Childbirth gifts
- Disaster relief items
- Gifts to long-term recuperated members
- Premium tickets to long-term members

Facilities that can be used as a corporate member

- Sport facilities

Discounts and discount coupons

- Department stores
- Specialty stores (glasses, furniture, etc.)
- Funeral services
- Package tours
- JR Railway tickets (Vacation Coupon)
- Long-distance ferry tickets
- Rent-a-car
- Admission tickets to performances
- Correspondence courses

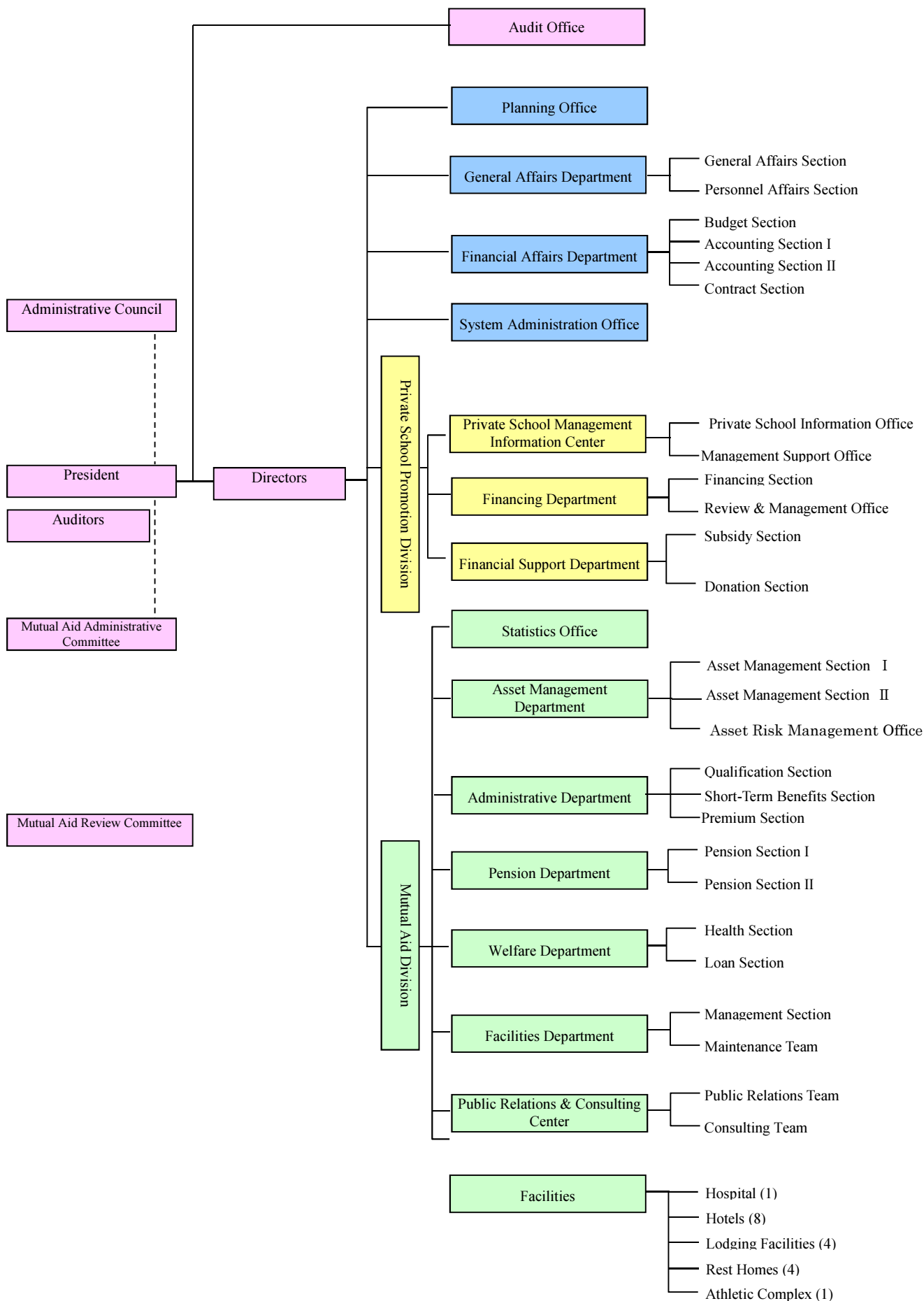
Subsidizing facility fees

- Lodging facilities
- Recreational facilities

Healthcare services in each block

- Facilities designated for health check-up
- Health promotion seminars
- Seminars and sport events
- Organizing various tours
- Nursing care DVD,etc. rental, Caregiving seminar
- Publication of information magazines for each block
- Other discount services for members at designated stores (department stores, etc.)
- Support center for job hunting students

Organization chart



Note : Numbers in parenthesis represents numbers of offices.