Overview of the Indemnification Standards for the Major Categories of Damages in Corporations and Sole Proprietors

	Damage Items	Persons Eligible for Indemnification	Standard for Indemnification	Example for Necessary Documents				
Damage caused by evacuation order, etc. by the Government		r, etc. by the Government						
		Corporations and sole proprietors except agriculture and fishery Corporations and sole proprietors who have (or had) started the business prior to the evacuation order by the Government	Decrease of revenues caused by evacuation orders (losses of profits) + Additional costs Decrease of revenues caused by evacuation orders (losses of profit) 'Profit Losses = (gross profit + fixed sales costs - variable costs of expenses - salaries · rents) × ratio of decrease of revenues *1 Only Business offices located in "Evacuation Areas" are eligible for indemnification *2 In the case of salaries or rent paid out in the claimed period, the actual costs will be added to the indemnification *3 Ratio of decrease of revenues = (Sales amount from the same period in the previous fiscal year - Actual sales amount in the claimed period) ÷Sales amount from the same period in the previous fiscal year Additional costs -Actual costs will be reimbursed. Costs of radiation inspection or costs due to business interruptions	 (1) Identification Corporations: certified copy of company and commercial registration Sole proprietors: certificate of residence (2) Document which attests to the running of a business with a business license (3) Document which attests to past income Corporations: financial statement Sole proprietors: tax return (4) Document which attests to actual expense receipts etc. 				
	Business damage (Agriculture)	Corporations and sole proprietors running agriculture within the areas covered by the evacuation order, etc on March 11, 2011 and suffered damages due to the evacuation	Decrease of revenues caused by evacuation orders (losses of profit) + additional costs Decrease of revenues due to evacuation orders (losses of profit) -Profit Losses = Areas not cultivated due to the accident × Expected income per area + Subsidy Amount + the waste quantity × planned transaction unit cost - shipping costs -Additional costs -Actual costs will be reimbursed. Costs of radiation inspection or costs due to business interruptions * Continued provisional compensation (In the case of the livestock industry) Decrease of revenues caused by evacuation orders (losses of profit) -Losses of profits = the number of the livestock × expected income per animal + the number of the livestock × valuation -Additional costs -Additional costs -Losses of profits = the number of the livestock × expected income per animal + the number of the livestock × valuation -Additional costs -Actual costs will be reimbursed.	 (1) Identification Corporations: certified copy of company and commercial registration Sole proprietors: certificate of residence (2) Document which attests to running a farming business Certificate of farmland number (3) Document which attests to running a livestock breeding business Identification number (4) Document which attests to actual expense receipts etc. 				
	Business damage (Fishery) Loss or diminishment of property value	Corporations and sole proprietors running fishery within the areas of evacuation order, etc on March 11, 2011 and suffered damages because of evacuation Operators who own property in areas covered by the evacuation order, etc. and experienced losses or diminishment of property value due to the accident	Decrease of revenues caused by evacuation orders (losses of profits) + additional costs Decrease of revenues caused by evacuation orders (losses of profit) -Losses of profit = Average fishery yield in the past - Average expenditures in the past + Actual costs Additional costs -Actual costs will be reimbursed * In principle we accept applications only through producer groups. As the release date of the designation of "Evacuation areas" and the method of decontamination have not been determined, we will verify and annouce this matter later in consideration of restoration progress.	 (1) Identification Corporations: certified copy of company and commercial registration Sole proprietors: certificate of residence (2) Document which attests to running a fishing business Fisherman license (3) Document which attests to past income Slip of landing of fish (4) Document which attests to actual expense receipts etc. 				
	nage due to the designation of th Business damage		e government Decrease of revenues due to the designation of navigation danger areas, etc. (losses of profits) + Additional costs Decrease of revenues due to the designation of navigation danger areas, etc. (losses of profits) -Losses of profits = Decrease of sales amount - Decrease of costs * The claimed amount has to be determined per actual incurred damages. Additional costs -Actual costs will be reimbursed.	 (1) Identification Corporations: certified copy of company and commercial registration Sole proprietors: certificate of residence (2)Document which attests to past income Corporations: financial statement Sole proprietors: tax return (3) Document which attests to actual expense receipts etc. 				

Damage Items	Persons Eligible for Indemnification	Standard for Indemnification	Example for Necessary Documents
Damages for incapacity to work	Employees who can no longer work because employers are operators suffering loss of income due to the designation of the navigational hazard zone and the no-fly zone that makes it impossible for those operators to run the business resulting in deteriorated financial conditions	*In principle, we will idemnify the above eligible businesses for the negative impact to sales revenue However, if claimed by an employee of eligible businessess , we will consider such claims individually.	 (1) Document which attests to the fact and type of work Certificate of work status (2) Document which attests to past income Payment statement etc.
mage caused by shipping restrict	caused by shipping restriction order for agricultural, forestry and fishery products etc. by the Government, etc.		
	Corporations and sole proprietors who produce agricultural products designated by the shipment restriction order by the Government, etc. within the restricted area and outside of the evacuation order area. Regarding operators who produce tea products and animal products, in principle, an application will be submitted through each producers group.	Decrease of revenues caused by shipping restriction orders (losses of profits) + Additional costs Decrease of revenues caused by shipping restriction orders (losses of profits) 1) The products were returned in spite of shipping after harvest: Sales amount that would have been earned if there had been no return Losses of profits = Number of actually shipped products × Actual unit price of the products 2) Unable to ship the products after the harvest: Sales amount on the assumption that all the products were shipped Losses of profits = Planned number of shipping × Planned transaction unit price 3) Forced to dispose the products before the harvest: Sales amount that would have been earned if all the products were shipped (shipping costs to be deducted) Losses of profits = Actual number of disposed products × Planned transaction unit price - Shipping costs 4) Unable to plant due to shipping restriction orders, etc.: Incomes that would have been earned if there had been no such orders Losses of profits = Planned number of products × Planned transaction unit price - Shipping costs 4) Unable to plant due to shipping restriction orders, etc.: Incomes that would have been earned if there had been no such orders Losses of profits = Planned number of products × Planned transaction unit price * Expected earning ratio *1 Planned transaction unit price is the recent division unit price *2 Shipping costs are the sum of the planned sales amount multiplied by 30% of the standard ratio based on statistics *3 Expected income ratio = (Expected sales	
Business damage (Fishery)	Corporations and sole proprietors who are fishermen that suffered damages because of the request to refrain from fishing	Decrease of revenues due to operation restraint + Additional costs Decrease of revenues due to operation restraint -Losses of profits = Fishery yield in the past - Average expenditures in the past + Actual expenditures Additional costs -Actual costs will be reimbursed * In principle we accept applications only through producer groups.	 Identification Corporations: certified copy of company and commercial registration Sole proprietors: certificate of residence Document which attests to running a fishing business Fisherman license Document which attests to past income Slip of landing of fish Document which attests to actual expense receipts etc.
	Corporations and sole proprietors who are processors or traders that suffered damages because they already purchased or processed items subject to the shipment restriction order by the Government, etc.	Decrease of revenues caused by shipping restriction orders, etc. (losses of profits) + additional costs Decrease of revenues caused by shipping restriction orders, etc. (losses of profits) -Losses of profits = the number of the eligible disposal products × Planned sales unit price - shipping costs *1 Planned sales unit price is (i) in case that orders had been already made, the price provided in the orders, or (ii) in case that the orders were not made yet , the most previous actual sales unit price. *2 Shipping costs are the sum of the planned sales amount multiplied by 5% of standard rate based on statistics (or the amount proved in individual documents) Additional costs -Actual costs will be reimbursed Disposal costs of products or goods, radiation inspection costs and costs caused by shipping restriction orders, etc.	
Damages for incapacity to work	Employees who can no longer work because employers are operators suffering loss of income due to shipment restrictions resulting in deteriorated financial conditions.	*In principle, we will idemnify the eligible businesses in the above for damages to sales amount However, if claimed by an employee of eligible businessess , we will consider each of such claims individually.	
Examination expenses for property	Corporations and sole proprietors that examined properties due to the shipment restriction order.	Costs of inspection per shipping restriction orders, etc. -Actual costs will be reimbursed	(1) Document which attests to actual expense receipts etc.

Damage Items	Persons Eligible for Indemnification	Standard for Indemnification	Example for Necessary Documents
Damage due to other governmental	instructions		
Business damage	Corporations and sole proprietors that suffered damages due to government instructions regarding the accident		 (1)Identification Corporations: certified copy of company and commercial registration Sole proprietors: certificate of residence (2)Document which attests to running a business Tax payment certificate (3)Document which attests to past income Corporations: financial statement Sole proprietors: tax return (4) Document which attests to actual expense receipts etc.
Damages for incapacity to work	Employees who can no longer work because employers are operators suffering loss of income due to government instructions resulting in deteriorated financial conditions.	*In principle, we will idemnify the above eligible businesses for the negative impact to sales revenue However, if claimed by an employee of eligible businessess, we will consider such claims individually.	 (1) Document which attests to the fact and type of work Certificate of work status (2) Document which attests to past income Payment statement etc.
Examination expenses for property	Corporations and sole proprietors that examined properties due to the shipment restriction order	Costs of inspection per the instructions of the government in relation to the accident -Actual costs will be reimbursed.	(1) Document which attests to actual expense receipts etc.
Reputation damage			
Reputation damage (Agriculture)	Out of the following agricultural business operators, corporations and sole proprietors who suffered real reputation damages after the accident Agricultural food products (except for tea products and animal products) : Farmers who produce within Fukushima, Ibaragi, Tochigi, Gunma, Chiba and Saitama Prefecture Flower: Flower farmers who produce within Fukushima, Ibaragi and Tochigi Prefecture Regarding operators who produce tea products and beef products, in principle an application will be submitted through each producers group.	Damages due to harmful rumors (losses of profits) + Additional costs	 (1) Identification Corporations: certified copy of company and commercial registration Sole proprietors: certificate of residence (2) Document which attests to running a farming business Certificate of farmland number (3) Document which attests to past income Corporations: financial statement Sole proprietors: tax return (4) Document which attests to actual expense receipts etc.
Reputation damage (Processors of agriculture, forestry and fishery, processores of foods, and traders)		 <u>Decrease of revenues due to harmful rumors (losses of profits) + Additional costs</u> <u>Decrease of revenues due to harmful rumors (losses of profits)</u> -Losses of profits = Decrease of sales amount × Contribution margin ratio * Contribution margin: Sales amount minus variable costs that vary with sales (such as material costs and direct labor costs) Contribution margin ratio = (Gross profits + Fixed costs in sales costs - Variable costs in expenditures) / Sales amount <u>Additional costs</u> -Actual costs will be reimbursed Costs of radiation inspection 	 (1) Identification Corporations: certified copy of company and commercial registration Sole proprietors: certificate of residence (2) Document which attests to running a business Tax payment certificate (3) Document which attests to past income Corporations: financial statement Sole proprietors: tax return (4) Document which attests to sales during compensation priod Monthly trial balance (5) Documents which attests to actual expense receipts etc.

Damage Items	Persons Eligible for Indemnification	Standard for Indemnification	Example for Necessary Documents
Reputation damage (Tourist agents within 4 prefectures)	Operators who meet all the following conditions Corporations and sole proprietors who have business offices in Fukushima (outside of the evacuation order area, etc.), Ibaragi, Tochigi, and Gunma Prefecture Corporations and sole proprietors who mainly operate tourism businesses	Decrease of revenues due to harmful rumors (losses of profits) + Additional costs Decrease of revenues due to harmful rumors (losses of profits) -Losses of profits = Sales amount as the standard × Contribution margin ratio × (Ratio of decrease of sales - Ratio of decrease of sales caused by the factors other than "this accident") *1 Payment is made for the eligible offices *2 Contribution margin: Sales amount minus variable costs that vary with sales (such as costs of buying in product or agency fees) Contribution margin ratio = (Gross profits + Fixed costs in sales costs - Variable costs in expenditures) / Sales amount Contribution margin ratio can be calculated in 2 ways: (i) Based on actual margin ratio (calculated based on final tax return) (ii) Based on average margin ratio of the manufacturing industry calculated based on Small-and-Medium sized enterprises current status research (2009) *3 Ratio of decrease of sales = (Sales amount as the standard - Sales amount in the claimed period) / Sales amount as the standard) *4 Ratio of decrease of sales caused by the factors other than "this accident" is set as the reasonable standard (20%, 1 Additional costs -Actual costs will be reimbursed Costs of radiation inspection	 (1) Identification Corporations: certified copy of company and commercial registration Sole proprietors: certificate of residence (2) Document which attests to running a business Tax payment certificate (3) Document which attests to past income Corporations: financial statement Sole proprietors: tax return (4) Document which attests to actual expenses receipts etc.
Reputation damage (cancellation by foreigner's tourists)	business offices in Tokyo, Hokkaido, Osaka, Kyoto and other prefectures (except for Fukushima, Ibaragi, Tochigi and Gunma Prefecture) Operators who had reservation from foreign tourists as of March 11, 2011	Decrease of revenues due to reservation cancellations of foreign tourists (losses of profits) + Additional costs Decrease of revenues due to reservation cancellation of foreign tourists -Losses of profits = The number of reserved foreign tourists as of March 11, 2011 の予約人数 × Ratio of cancellation due to "this accident" × losses of profits per tourist *1 Ratio of ordinary cancellation has to be deducted from the ratio of cancellation due to "this Accident". *2 Losses of profits per tourist can be calculated in 2 ways: (i) Average sales unit price per tourist multiplied by average margin ratio (ii) Losses of profits per tourist based on final tax return of the standard fiscal year. Additional costs -Actual costs will be reimbursed	 (1) Identification Corporations: certified copy of company and commercial registration Sole proprietors: certificate of residence (2) Document which attests to running a business Tax payment certificate (3) Document which attests to past income Corporations: financial statement Sole proprietors: tax return (4) Document which attests to the increase of the cancel rat Accommodation book (5) Document which attests to the actual expense receipts etc.
Reputation damage (Manufacturers)	reputation damage by real loss of sales, etc. after the accident Operators who produce products in Fukushima Prefecture (outside of the evacuation order area) (), and suffered reputation damage by real loss of sales, interuption of trading, etc. for the products after the accident Operators who suffered damage which sub- products produced by water and drainage treatment have been rejected to be taken based on the instructions of the Government regarding treatment of sub-products which radioactive materials are detected	Decrease of revenues due to harmful rumors (losses of profits) + Additional costs Decrease of revenues due to harmful rumors (losses of profits) -Losses of profits = Sales amount as the standard × Contribution Margin Ratio ×Ratio of decrease of sales *1 Payment is made for the eligible offices *2 Contribution margin: Sales amount minus variable costs that vary with sales (such as material costs and direct labor costs) Contribution margin ratio = (Gross profits + Fixed costs in sales costs - Variable costs in expenditures) / Sales amount Contribution margin ratio can be calculated in 2 ways: (i) Based on actual margin ratio (calculated based on final tax return) (ii) Based on average margin ratio of the manufacturing industry calculated based on Small-and-Medium sized enterprises current status research (2009) *3 Ratio of decrease of sales = (Sales amount as standard - Sales amount in the claimed period) / Sales amount as standard) Additional costs -Actual costs will be reimbursed -Actual costs will be reimbursed	 (1) Identification Corporations: certified copy of company and commercial registration Sole proprietors: certificate of residence (2) Document which attests to running a business Tax payment certificate (3) Document which attests to past income Corporations: financial statement Sole proprietors: tax return (4) Document which attests to actual expense receipts etc.

Damage Items	Persons Eligible for Indemnification	Standard for Indemnification	Example for Necessary Documents
	Out of the following service business operators, etc., operators who suffered real damage of loss of sales of products and services and halt of trading by	Decrease of revenues due to harmful rumors (losses of profits) + Additional costs Decrease of revenues due to harmful rumors (losses of profits)	 (1) Identification Corporations: certified copy of company and commercial registration
	consumers or customers who worried about contamination risk by radioactive materials after the accident	 1) For the damages due to harmful rumors (losses of profits) 1) For the damages due to harmful rumors concerning products or services Losses of profits = Sales amount as the standard × Contribution margin ratio × (Ratio of decrease of sales - Ratio of decrease of sales caused by factors other than "this accident") *1 Payment is made for the eligible offices 	Sole proprietors: certificate of residence
	Operators who suffered damage due to reduced sales of products or services,etc. in Fukushima Prefecture (outside of the evacuation order area)	 *2 Contribution margin: Sales amount minus variable costs that vary with sales (such as material costs and direct labor costs) Contribution margin ratio = (Gross profits + Fixed costs in sales costs - Variable costs in expenditures) / Sales amount *3 Ratio of decrease of sales = (Sales amount as standard - Sales amount in the claimed period) / Sales amount as standard *4 Ratio of decrease of sales caused by the factors other than "this accident" is set as the reasonable standard (3%, from March to August in 2011) considering the results of the statistical analyses of the ratio of decrease in service consumption after the earthquake in areas that are assumed to be influenced by the the Great Hanshin-Awaji Earthquae 	Corporations: financial statement Sole proprietors: tax return (4) Document which attests to the actual expense receipts etc.
Reputation damage (Service business, etc.)		Additional costs -Actual costs will be reimbursed. Costs due to radiation inspections or business interruptions.	
	Operators who are stationed in and provide services, etc. in Fukushima Prefecture (outside of the evacuation order area) and suffered damage by cancellation of visits of customers who had placed concrete orders Operators who suffered reduced sales (including being rejected for port call or marine navigation) by cancellation of contracts (which had been contracted before the accident) by the end of May, 2011 in damages (including damage to Japanese operators who suffered by being rejected for port call or marine navigation in Fukushima Prefecture by foreign ships) occured in business offices in Japan regarding services, etc. providing or provided by foreigners living overseas	Decrease of revenues due to harmful rumors (losses of profits) 2) For the damages due to denial of the visits of service providers -Losses of profits = Decrease of sales amount - Decrease of costs - (Received amount of penalty charges, etc Payment amount of penalty charges) Additional costs -Actual costs will be reimbursed. Costs of radiation inspection	
Reputation damage (Export)	the conditions shown below. Operators who had to bear examination expense by	Inspection Costs -Actual costs will be reimbursed. Radiation inspection costs (costs of inspections that were conducted per requests from export destinations or business partners)	 (1) Identification Corporations: certified copy of company and commercial registration Sole proprietors: certificate of residence (2) Document which attests to running a business Tax payment certificate (3) Document which attests to actual expense receipts (4) Document which attests to rejected import orders Press release on rejected import orders etc.

Damage Items	Persons Eligible for Indemnification	Standard for Indemnification		Examp	ble for Ne	ecessar	y Docum	nents		
Indirect damage										
	Corporations and sole proprietors who suffered indirect damage due to a certain economical connection with the accident	Decrease of profits caused by indirect damages (losses of profits) + Additonal costs Decrease of profits caused by indirect damage (losses of profits) -Losses of profits = Decrease of sales amount - Decrease of sales cost		copy of o	certifica	te of re	sidence	-	ration	
Business damage	1 Indirect damage refers to damage that occured to third parties having an essential economic relationship with the primary damaged parties with no other economic relationship alternatives (trading, etc.)	 * The claimed amount has to be determined per actual incurred damages. <u>Additional Costs</u> -Actual costs will be reimbursed. Costs of inspection for radiation, etc. 	 (a) Document which attests to the relationship between the actual victim (b) Contract document (c) Document which attests to past income 				een the			
	2 Primary damage refers to damage which can be objects of indemnification caused by the evacuation order, shipment restriction order, reputation damage mentioned in articles 3 and 7 in the interim guideline of the the Committee for Adjustment of Compensation for Nuclear Damage Disputes. Persons who suffered primary damage means the "primary damaged party".	e of			Corporations: financial statement Sole proprietors: tax return (5) Document which attests to actual expense receipt etc.					
Damages for incapacity to work	Out of employees of operators suffering indirect damage, persons who can no longer work due to deteriorated financial conditions by indirect damage	*In principle, we will idemnify the above eligible businesses the negative impact to sales revenue However, if claimed by an employee of eligible businessess, we will consider such claims individually.	 (1) Document which attests to the fact and type of Certificate of the work status (2) Document which attests to past income Payment statement etc. 					ype of v	′ork	
Damage by radiation exposure										
Damage by radiation exposure	Persons specified in the interim guideline, had acute or late-onset radiation injury by radiation exposure due to the Accident, with deteriorated health that required treatment, got illness or passed away.	*If claimed, we will consider the claims individually.								
Others										
Property damage of local governments		As the release date of the designation of "Evacuation areas" and the how-to of the decontamination have not been determined, we will verify and annouce this matter later in consideration of the restoration progress.								