



JF JAPAN OTC
FUND INC.

Statement of Operations (unaudited)

For the period ended 30 June		2001	2000
	Note	JPY	JPY
Income			
Dividends from available-for-sale securities		18,631,905	14,552,300
Interest on deposits		757,869	132,294
Other income		173,197	—
		19,562,971	14,684,594
Less: Withholding tax		(3,726,381)	(2,910,460)
		15,836,590	11,774,134
Expenses			
Management fee	3	55,367,822	126,058,171
Depository fee on share subdivision		19,550,841	—
Net interest payable on swap		9,890,044	12,544,099
Directors' fees	4	5,682,013	3,851,359
Interest expenses on long-term bank loan		5,300,937	10,412,763
Advertising and publication expenses		4,240,077	6,607,150
Legal and professional expenses		1,859,838	1,673,107
Custodian fee		1,223,401	2,565,565
Audit fee		738,384	594,238
Registrar's fee		368,560	391,938
Interest expense on short-term bank loans and overdrafts		61,921	—
Other operating expenses		3,737,715	6,300,187
		108,021,553	170,998,577
		(92,184,963)	(159,224,443)
Realised and unrealised gain/(loss) on available-for-sale securities			
Net realised (loss)/gain on sale of available-for-sale securities		(837,612,327)	2,433,517,739
Net change in unrealised gain/loss on available-for-sale securities		1,397,595,015	(14,448,313,100)
Net foreign currency translation loss		(373,966)	(1,490,004)
		559,608,722	(12,016,285,365)
Net income/(loss) for the period		467,423,759	(12,175,509,808)
Net income/(loss) per share	5	22	(545)

The notes on pages 18 to 23 form part of these financial statements.