



JF JAPAN OTC
FUND INC.

Cash Flow Statement (unaudited)

For the period ended 30 June	Note	2001	2000
		JPY	JPY
Operating Activities			
Dividend received		14,033,313	9,147,420
Interest received on deposits		862,744	131,992
Management fee paid		(55,937,172)	(140,696,654)
Net interest paid on swap		(10,843,301)	(12,580,379)
Withholding tax paid		(3,726,381)	(2,910,460)
Interest paid on long-term bank loan		(5,884,687)	(4,894,235)
Interest paid on short-term bank loans and overdrafts		(55,506)	(6,195,156)
Directors' fees paid		(5,595,795)	(3,869,860)
Custodian fee paid		(1,223,401)	(2,565,565)
Registrar fee paid		(368,560)	(391,938)
Depository fee on share subdivision		(19,550,841)	–
Others		(10,981,657)	(19,125,385)
Net Cash Outflow from Operating Activities	a	(99,271,244)	(183,950,220)
Investing Activities			
Purchase of available-for-sale securities		(3,856,948,353)	(6,530,456,496)
Sale of available-for-sale securities		2,909,513,534	11,463,306,888
Net Cash (Outflow)/Inflow from Investing Activities		(947,434,819)	4,932,850,392
Financing Activities			
Payments in respect of shares repurchased		(17,067,881)	(660,574,999)
Long-term loan repayment		(1,000,000,000)	–
Net Cash Outflow from Financing Activities		(1,017,067,881)	(660,574,999)
(Decrease)/Increase in cash and cash equivalents		(2,063,773,944)	4,088,325,173
Cash and cash equivalents at 1 January		1,861,899,595	(1,867,098,449)
Effect of exchange rate changes		(373,966)	(1,490,004)
Cash and cash equivalents at 30 June	b	(202,248,315)	2,219,736,720

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



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Cash Flow Statement (continued) (unaudited)

For the period ended 30 June	2001	2000
	JPY	JPY

Notes to the Cash Flow Statement

a Reconciliation of net income/(loss)
for the period to Net Cash Outflow
from Operating Activities

Net income/(loss) for the period	467,423,759	(12,175,509,808)
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
Increase in accounts receivable and prepayments	(4,390,744)	(3,495,943)
Decrease in accounts payable	(2,695,537)	(21,229,834)
Net Cash Outflow from Operating Activities	(99,271,244)	(183,950,220)

b Cash and cash equivalents

Short-term deposits	-	2,209,017,563
Cash at bank	40,860,378	10,820,792
Short-term bank loans and overdrafts - unsecured	(243,108,693)	(101,635)
	(202,248,315)	2,219,736,720

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