



JF JAPAN OTC
FUND INC.



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Statement of Movements in Net Assets (unaudited)

For the period ended 30 June 2002

	Share Capital JPY	+Share Premium JPY	*Revenue Reserve JPY	** Capital Reserve JPY	Total JPY
Balance at 1 January 2002	656,613,168	4,582,798,066	(1,769,491,042)	2,653,193,084	6,123,113,276
Net income for the period	—	—	338,254,002	—	338,254,002
Transfer to Capital Reserve					
- Net realised loss on sale of available-for-sale securities	—	—	216,234,887	(216,234,887)	—
- Net change in unrealised gain/loss on available-for-sale securities	—	—	(594,452,700)	594,452,700	—
- Foreign exchange loss	—	—	291,141	(291,141)	—
Repurchase of shares	—	—	—	—	—
Balance at 30 June 2002	656,613,168	4,582,798,066	(1,809,163,712)	3,031,119,756	6,461,367,278
Balance at 1 January 2001	663,885,851	4,592,593,264	(1,628,727,293)	3,304,632,495	6,932,384,317
Net income for the period	—	—	467,423,759	—	467,423,759
Transfer to Capital Reserve					
- Net realised loss on sale of available-for-sale securities	—	—	837,612,327	(837,612,327)	—
- Net change in unrealised gain/loss on available-for-sale securities	—	—	(1,397,595,015)	1,397,595,015	—
- Foreign exchange loss	—	—	373,966	(373,966)	—
Repurchase of shares	(1,818,171)	(15,249,710)	—	—	(17,067,881)
Balance at 30 June 2001	662,067,680	4,577,343,554	(1,720,912,256)	3,864,241,217	7,382,740,195

* Distributable reserve

** Non-distributable reserve

+ Distributable reserve under the Companies Law Chapter 22 of the Cayman Islands, provided that the Company is able to pay its debts as they fall due in the ordinary course of business

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