

Japan Tennis Association Business Report for FY2018
(April 1, 2018 ~ March 31, 2019)

1. Organizational Management

The management of the association in fiscal year 2018 was led by President Nobuo Kuroyanagi, who was re-elected in the previous year, assisted by 19 Executive Directors, and using a structure of 4 Departments. Due to having an extraordinary board meeting in December, which had become customary for the last several years, we were again able to hold 3 board meetings in fiscal year 2018 and were thus able to confirm the status of the business as well as of the execution of the budget for fiscal year 2018 and get an early start on preparations for human resources for the next fiscal year as well.

Furthermore, the Board of Executive Directors, consisting of the President and Executive Directors, met 11 times (every month with the exception of August). Business was conducted by the Board of Executive Directors, with the support of 35 specialized committees largely made up of volunteers assisted by our administrative staff. 69 member-Board of Councilors consisting of member organizations, supporting organizations, and this association, served as the association's highest voting body by approving the fiscal year 2018 financial statement and business report, in addition to the fiscal year 2019 business plan and budget.

At the onset, the operation of our association in fiscal year 2018 faced some uncertainty, prompting us to approach the new year with caution. Our inability to use the Ariake Tennis Forest Park due to ongoing renovations in preparation for the Tokyo Olympic and Paralympic Games led us to seek other venues to host our tournaments. We were able to successfully find alternate locations thanks to Musashino Forest Sport Plaza of Tokyo for Japan Open, Hiroshima for Women's Open, Osaka for All Japan Championships and Kita-Kyushu for Fed Cup.

Our association's activities were propelled forward in thanks to Kei Nishikori, who has had a tremendous influence on tennis in Japan and has returned to top form following a recent injury. In addition to Nishikori, Naomi Osaka's incredible performance, which led her to become world #1, has had a significant positive impact on our activities.

As the sports world witnessed a number of incidents of misconduct, there has been an urgent need for preventive measures. With "fair play, teamwork, and globalization" as our operating principles, we continued to manage our association with emphasis on governance and compliance. Furthermore, we have placed additional focus on improving fair play during matches and conducted a review of our management, working towards "securing integrity in tennis" since the end of the last fiscal year. As a result, we were able to conclude fiscal year 2018 without any major incidents.

Amidst all this, at the beginning of fiscal year 2018, it was announced that Kishi Memorial Hall, which housed our association, would be demolished. Therefore, our association established a project team to handle the move in July of the fiscal year and preparations were begun.

We positioned this project team to be charged with dealing with various issues the JTA as a whole faced and viewed it as a stepping stone to achieve a "reformed and

more efficient way of working” that will live up to the mission in society charged to the JTA in the next 50 years. At the end of June, 2019, our association relocated to a new building, “Japan Sport Olympic Square,” newly built by the public interest foundations, Japan Sport Association and Japan Olympic Committee. This move promises to afford not only the administrative staff but also all other stakeholders of tennis including part time directors and members of specific committees a highly collaborative work space. Furthermore, a JTA player award presentation dinner was held at the end of November concluding the season and we celebrated the year 2018 with all related to the sport of tennis, sponsors, JTA officials, national team members, staff and committee chairs.

As for rule enactment and amendments decided by the board of directors in 2018, there were altogether 8 including a change in the ethics requirement and an enactment of a regulation regarding document management. Furthermore, changes were made in the Articles of Incorporation by the Board of Councilors regarding the address of our office and the names of honorary positions in light of the expected office relocation and the election of directors. Fiscal year 2018 saw us deal with an emergency budget due to the changes of venues for our tournaments, frequent reports of misconduct in the world of sports, as well as some challenges caused by the reforms made to international event formats. Yet, on the other hand, in fiscal year 2018, the historic feat by Naomi Osaka of winning two consecutive Grand Slam titles and attaining the world number 1 ranking brought fresh energy to the advancement of the world of tennis and, at the same time, Japan tennis saw everyone come together to cooperate and the JTA has been able to focus on our operations and activities for the future.

2. Business Operations

The scope of business for fiscal year 2018 was 2.28 billion yen, 54 million yen less than that of the previous year. We were forced to work with a smaller budget due to the renovation work at Ariake Tennis Forest Park, utilizing the carry-over funds from the previous year at the budgeting stage and tapping into donations in order to break even under a very strict budget. The result, however, was much better than anticipated in the initial budget. As a result, we opted for special fund accumulation in order to fulfil the principle of balanced payments in the public-purpose business account, one of the public interest authorized financial standards, and managed to achieve balance in the general account as planned. Our improvement in the profits for FY2018 is because we were able to raise our profit by making various adjustments at Musashino-no-Mori, the venue for our main event, the Japan Open. and because we were able to procure the title sponsor for the Japan Women’s Open.

As for the key measures taken, we continued to promote the tennis development, junior development and development of tennis. For tennis development, we continued our Tennis P&S efforts at the city, ward, town and village level in order to broaden the base of the tennis population and to create an environment in which people can enjoy tennis readily in their everyday lives. We also incorporated as a new measure effort to introduce tennis at the elementary school level nationwide based on the changes made in the teaching criteria. We have also realized our long sought after plans to join hands with the Japan Junior High School Athletic Foundation through the joining of the Kanto and Chugoku areas’ regional athletic foundations to be realized in fiscal year 2021.

For junior development, we began activities to realize our mid- to-long term strategic plan for Japan's tennis. The basic policies of the mid-to-long term strategic plan were announced by the strategy office in December, especially in order to clarify the role of instructors for every level of the pathway of tennis development > junior development > high performance, and to create and promote a network of domestic coaches. Furthermore, a test of the Junior JPIN system was conducted in order to implement the All Japan Junior Ranking System so that the system can be implemented in its entirety in fiscal year 2019. This is a clear step forward for junior development, for which progress has been somewhat slower than that of the other two pillars of tennis development and development.

For high performance, we have implemented player development programs such as a JSC-sponsored project and a JOC-assisted project consisting mostly of national team members aiming for medals at the 2020 Tokyo Olympic Games. On top of the individual performances by players such as Kei Nishikori and Naomi Osaka, the Davis Cup team got into the finals and the Fed Cup successfully remained in the World Group II. Furthermore, the Special Junior Development programs aiming at 2024 and beyond were successfully implemented in its 4th year of the 5-year plan. As for compliance and fair play during matches we have designated "securing of integrity in tennis" as our goal and, based on the resolution of the September, 2017, board meeting, promoted preventive measures of illegal activities and anti-ethical behaviors and, with the 5 rules of self-judging, fair play. Also various measures for safety and reassurance to address such issues as heat stroke during the summer were strengthened.

For globalization, we have signed a MOU with the French Federation of Tennis (FFT) and have conducted training sessions at the FFT, Tennis P&S lectures by a FFT coach as well as seminars by French instructors. We have worked to strengthen JTA's position in the region and signed a MOU with Tennis Australia, a host to the only Grand Slam in the Southern hemisphere, in January this year, hoping to address the potential for the development of Japan's tennis. We have shared information about the rule changes of international tournaments scheduled for 2019 and about the new Davis Cup format with them. We have begun communicating with organizers of international tournaments in Japan and have also begun discussing the distribution of Davis Cup prize money with our mid-to-long term plans in mind.

In fiscal year 2018, as a part of a project assisted by the sports promotion lottery, we published a report on the results of our survey addressing the environment of tennis, safety and security at tournaments as well as fair play at matches, questionnaires directed to junior high schools' extra curricular activity instructors, and a study of seniors' tennis. We also published our association's activities via our official website, annual report, and email magazine, and did so in English in the form of summary as well.

The collaboration between member organizations and supporting organizations is vital to our association's business operations. In FY2018, we committed ourselves to have dialogues with our members such as regional, metropolitan and prefectural tennis associations, the Japan Professional Tennis Association, the Japan Tennis Industry Association, the Japan Ladies Tennis Federation, and the Association of Japan Tennis Equipment in order to ensure periodical exchanges of ideas as well as cooperation with other supporting organizations such as All Japan Inter-Collegiate Tennis Federation.

Furthermore, we have strengthened our cooperation with the Japan Sports Agency, the Japan Olympic Committee, the Japan Sport Council, the Japan Sporting Association and the Japan Anti-doping Agency, and with the Tokyo Olympic and Paralympic Games next year. We have also fostered close cooperation with the ITF, the Olympic Committee as well as the Tokyo Metropolitan Government regarding the renovation of Ariake Forest Tennis Park, the venue for the tennis event. Thus, it is fair to say that 2018 has been a year in which we have been able to produce results from the business perspective.

Prior to the start of FY2019, JTA's executive office was rejuvenated, more women were selected, as board members while more thought and attention were directed towards sports integrity-related governance, which is being demanded of sports organizations. In this way, new executive lineups were set up so as to match the the beginning of a new phase of the Japan Tennis Association.