

The 4nd finance year

Financial Statement

September 1st 2010 – August 31th 2011

iWave Japan, Inc.

Balance Sheet

iWave Japan, Inc.

President: Osamu Kanno

(Unit: JPY)

【Assets】

I	Current Assets	55,433,882)
	Cash and Deposit	47,144,674
	Account Receivable	8,199,660
	Inventory Asset	0
	Prepaid Expenses	136,920
	Accrued Corporate Income Taxes	1,825
	Allowance for Doubtful Accounts	49,197

II	Fixed Assets	(1,066,485)
	Tangible Fixed Assets	(95,722)
	Tools / Equipment and others	95,722

Intangible Fixed Assets (0)

Investments and other Assets (970,763)

Deposit as Key Money	391,200
Long term Prepaid Expenses	579,563

III **Deferred Assets** (0)

The Starting expenses	0
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Total Assets 56,500,367

【Liabilities】

I	Current Liabilities	(33,548,911)
	Short Term Debt	27,530,152
	Refund of Long Term Debt	4,500,000
	Unsettled Cost	337,510
	Accrued Corporate Income Taxes	180,000
	Accrued Excise Tax and Others	897,300
	Money in Custody	103,949

II **Fixed Liabilities** (12,875,000)

Long-Term Debt	12,875,000
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Total Liabilities (46,423,911)

【Net Assets】

I **Share Holder Assets** (10,076,456)

(1) Capital	30,000,000
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(2) Capital Surplus (0)

(3) **Earned Surplus** (△ 19,923,544)

Other Surplus	(-19,923,544)
① Deferred Profit surplus	△ 19,923,544

II **Valuation and translation adjustments** (0)

III **New Stock Acquisition** (0)

Net Asset Sub Total 10,076,456

Liabilities and New Assets 56,500,367

Profit and Loss Statement

iWave Japan, Inc.

From : September 1st 2010
 To : August 31th 2011
 (unit: jpy)

I	Sale	76,035,237	76,035,237	76,035,237
II	Cost of Sales			
	The beginning of a term base stock		252,529	
	Outsourcing cost	42,947,735		
	The Part Stocking Amount	111,287	43,059,022	
	Total		43,311,551	
	The end of a term base stock		0	43,311,551
	Sales Net Profit			32,723,686
III	Selling and General Administrative Expenses			
	Selling and General Administrative Expenses Ordinary Profit		29,476,711	29,476,711
				3,246,975
IV	Non-operating Income			
	Interest Received		9,146	
	Miscellaneous Income		1,543,636	1,552,782
V	Non-operating Expenses			
	Interest Paid		397,966	397,966
	Ordinary Profit			3,373,154
VI	Extraordinary Profit			
	Extraordinary Profit		0	0
VII	Extraordinary Loss			
	Extraordinary Loss		0	0
	Net Profit Before Tax			3,373,154
	Corporate Tax/Inhabitant Tax		180,000	180,000
	Net Profit			3,193,154

Sales/General and Admi Expenses Break up

From : September. 1st 2010
 To : August 31th 2011

	(JPY)
Engineers' Salary	9,846,134
Engineers' Travel	2,831,593
Advertisement	360,000
Courie	609,673
Meeting Charge	52,915
Directors' remuneration	2,400,000
Administrative staff salary	3,563,926
Legal welfare	2,355,702
Public welfare	31,217
Depreciation	100,114
Office Rent	2,446,580
Stationary	74,335
Communications	446,391
Water / Electricity	304,357
Sundry taxas	929,700
Entertainment cost	87,074
Insurance	0
Equipment not capitalized	368,811
Management fee	2,441,500
Membership fees	10,500
News paper / periodicals	2,940
Allowance for doubtful accounts	10,038
Miscellaneous	203,211
Total	29,476,711