

The 7nd finance year

Financial Statement

September 1st 2013 - August 31th 2014

iWave Japan, Inc.

President : Osamu Kanno

Profit and Loss Statement

(Unit : JPY)

I Sale		
Sale		47,936,363
II Cost of Sales		
The beginning of a Term Base Stock	8,724,665	
Outsourcing Cost	29,992,951	
The Part Stocking Amount	16,851,535	
Total	44,807,162	
The end of a Term Base Stock	15,076,798	40,492,353
Sales Net Profit		7,444,010
III Selling and General Administrative Expenses		
Selling and General Administrative Expenses	28,855,109	28,855,109
Operating Profit		-21,411,099
IV Non-operating Income		
Interest Received	20,073	
Miscellaneous Income	1,579,923	1,599,996
V Non-operating Expenses		
Interest Paid	2,326,577	
Miscellaneous loss	624	2,327,201
Ordinary Profit		-22,138,304
VI Extraordinary Profit		
Allowance for bad debt return	13,690	13,690
VII Extraordinary Loss		
Extraordinary Loss	0	0
Net Profit Before Tax		-22,124,614
Corporate Tax/Inhabitant Tax	180,000	180,000
Net Profit		-22,304,614

Balance Sheet

(Unit : JPY)

【Assets】

I	Current Assets	(105,280,587)
	Cash and Deposit		80,991,795	
	Account Receivable		7,910,891	
	Inventory Asset		15,076,798	
	Prepaid Expenses		320,832	
	Accrued Corporate Income Taxes		4,064	
	Accrued Return Consumption Taxes		1,023,207	
	Allowance for Doubtful Accounts		-47,000	

II	Fixed Assets	(2,033,119)
	Tangible Fixed Assets	(2)
	Tools / Equipment and others		2	

	Intangible Fixed Assets	(0)
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	Investments and other Assets	(2,033,117)
	Deposit as Key Money		391,200	
	Long term Prepaid Expenses		1,641,917	

III	Deferred Assets	(2,656,245)
	Development costs		2,656,245	

Total Assets	<u>109,969,951</u>
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【Liabilities】

I	Current Liabilities	(62,097,605)
	Account Payable		77,499	
	Short Term Debt		42,114,673	
	Refund of Long Term Debt		18,804,000	
	Unsettled Cost		733,608	
	Accrued Corporate Income Taxes		180,000	
	Accrued Excise Tax and Others		0	
	Money in Custody		187,825	

II	Fixed Liabilities	(56,876,000)
	Long-Term Debt		56,876,000	

Total Liabilities	<u>(118,973,605)</u>
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【Net Assets】

I	Share Holder Assets	(-9,003,654)
	(1) Capital		30,000,000	
	(2) Capital Surplus	(0)

(3) Earned Surplus	(△	39,003,654)
Other Surplus	(-39,003,654)
① Deferred Profit Surplus		△	39,003,654	

II	Valuation and Translation adjustments	(0)
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III	New Stock Acquisition Right	(0)
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Net Asset Sub Total	<u>-9,003,654</u>
Liabilities and New Assets	<u>109,969,951</u>