

FINANCIAL RESULT

for the Fiscal year

Period:September 1st,2007 ~ August 31th,2008

iWave Japan,inc.

Profit and Loss Statement

Company name ; iWave Japan,Inc.

from:2007/09/03

to:2008/08/31

(unit:Jpy)

Sales			
Sales	49,726,549	49,726,549	49,726,549
Cost of Sales			
Outsourcing cost	22,541,181	22,541,181	22,541,181
Sales Net Profit			27,185,368
Sales・General and Admi Expenses			
Sales・General and Admi Expense		37,008,642	37,008,642
Oparatin Loss			9,823,274
Non-Operating Profit			
Interst and Dividend Income		37,174	
Other Income		197,000	234,174
Non-Operating Expense			
Non-Operating Expense		31,191	31,191
Total Non-Operating Loss			9,620,291
Extra-Ordinary-Profit			
Extra-Ordinary-Profit		0	0
Extra-Ordinary-Loss			
Extra-ordinary-Loss		0	0
Loss Before Tax			9,620,291
Corporate Tax・Inhabitant Tax		172,331	172,331
Net Loss			9,792,622

Sales/General and Admi Expenses Break up

From: September 3rd 2007
To: August 31th 2008
(unit:Jpy)

Engineers' Salary	10,633,365
Travel	2,274,158
Advertising	3,234,000
Packing·courie	637,639
Meeting	135,077
Directors' remuneration	3,600,000
Other Salary	3,385,192
Bonus	175,000
Legal welfare	1,422,182
Employee benefits	187,711
Office rent	3,276,361
Repair and maintenance	17,705
Office supplies	206,901
Correspondense	875,439
Utilities	392,827
Sundry taxas	1,116,600
Entertainment	122,705
Equipment not capitalized	751,414
Management fee	3,255,700
Books and subscription	46,795
Miscellaneous expenses	1,261,871
Total	37,008,642

Balance Sheet

Company name: iWave Japan, inc.

(unit: Jpy)

August 31th, 2008

Assets		Liabilities	
Current Assets		Current Liabilities	
Cash・Deposit	[478,543,54]	Short-term Debt	[15,521,977]
Accounts Receivables	33,689,812	Accrued Income Taxes	14,123,687
Advance Payments	12,012,822	Accrued Consumption Tax	164,900
Prepaid Expense : September	1,784,800	Withholding Taxes	1,031,500
Short-term Loans	236,920		201,890
	160,000		
Fixed Assets		Fixed Liabilities	
Tangible Fixed Assets	[1,559,205]	Long-term Debt	[15,000,000]
Tools, Furniture & Fixtures	[838,005]		[15,000,000]
	838,005		
		Total Liabilities	[30,521,977]
Intangible Fixed Assets	[0]	Net Assets	
		Share Holder Assets	[20,207,378]
		1 Capital	30,000,000
		2 Surplus	[0]
Investments	[721,200]	3 Earning Surplus	[-9,792,622]
Long-term Prepaid Expenses	330,000	(1) Other Surplus	[-9,792,622]
Rental deposits	391,200	Earning Surplus Brought Forward	-9,792,622
Deferrable Assets	[1,285,796]		
Inaugural Expenses	1,285,796	Appraised Value	[0]
		New Stock Acquisition Rights	[0]
Total Assets	50,729,355	Net Asset Sub Total	20,207,378
		Liabilities・Net Asset Total	50,729,355