

## Notes on Financial Statements

### 1. Significant accounting policies

#### (1) Fiscal year

This foundation was shifted to a public interest incorporated foundation as of September 1st, 2010. To differentiate the accounting period before and after the shift, we determined the accounting date of the fiscal year as August 31st, 2010.

Therefore, the fiscal year starting on April 1st, 2010 ended on August 31st, 2010 (5 months).

#### (2) Principle and method of valuation of securities

##### 1) Debentures held for maturity

Amortized cost method (Fixed amount method) is applied.

##### 2) Other securities

Those with market value

Market value method based on market values, etc. on the closing date is adopted.

(Appraisal difference is treated as net assets increase-decrease and cost of products sold is calculated by the moving-average method.)

#### (3) Method of fixed assets depreciation

##### 1) Tangible fixed assets

Declining-balance method is adopted. However, tangible fixed assets with acquired value of ¥ 100,000 or more but less than ¥ 200,000 are depreciated by equal monthly amounts in 3 years.

##### 2) Intangible fixed assets

Fixed amount method is applied. However, intangible fixed assets with acquired value of ¥ 100,000 or more but less than ¥ 200,000 are depreciated by equal monthly amounts in 3 years.

#### (4) Accounting standards for reserves

##### Bonus payment reserves

To prepare for payment of bonus to personnel, an amount to be borne during the current fiscal year for the estimated bonus payment is accounted.

#### (5) Accounting process of consumption tax, etc.

Accounting process of consumption tax, etc. is made by the tax inclusive method.

### 2. Increase-decrease of basic assets and specified assets and their balance

The total increase-decrease in basic assets and specified assets and their balance are as follow

(Unit: yen)

Account title	Balance at the end of fiscal 2009	Increase during fiscal year starting on April 1, 2010, ended on August 31, 2010	Decrease during fiscal year starting on April 1, 2010, ended on August 31, 2010	Balance at the fiscal year ended August 31, 2010
<b>Basic assets</b>				
Bank deposits	348,265	805,424,261	805,105,821	666,705
Investments in securities	59,378,600,420	399,820,489	15,586,312,365	44,192,108,544
Total basic assets (A)	59,378,948,685	1,205,244,750	16,391,418,186	44,192,775,249
<b>Specified assets</b>				
<b>Financial support fund deposits</b>				
Bank deposits	3,339,549	300,065,904	219,967,114	83,438,339
Investments in securities	746,876,098	119,872,785	298,886,348	567,862,535
Total financial support fund deposits (B)	750,215,647	419,938,689	518,853,462	651,300,874
<b>Reserve for the foundation's anniversary event</b>				
Bank deposits	2,776,283	1,276,399,122	1,270,003,970	9,171,435
Investments in securities	2,078,823,630	1,039,148,145	1,273,410,598	1,844,561,177
Total reserves for the foundation's anniversary events (C)	2,081,599,913	2,315,547,267	2,543,414,568	1,853,732,612
Total specified assets(D)=(B)+(C)	2,831,815,560	2,735,485,956	3,062,268,030	2,505,033,486
Total (A) + (D)	62,210,764,245	3,940,730,706	19,453,686,216	46,697,808,735

### 3. Contents of financial resources of basic assets and specified assets

The contents of financial resources of basic assets and specified assets are as follows:

(Unit: yen)

Account title	Balance at the fiscal year ended August 31, 2010	(Appropriated amount out of the designated net	(Appropriated amount out of the general net assets)	(Amount corresponding to liabilities)
<b>Basic assets</b>				
Bank deposits	666,705	(515,155)	(151,550)	(0)
Investments in securities	44,192,108,544	(43,952,948,215)	(239,160,329)	(0)
Total basic assets (A)	44,192,775,249	(43,953,463,370)	(239,311,879)	(0)
<b>Specified assets</b>				
<b>Financial support fund deposits</b>				
Bank deposits	83,438,339	(0)	(83,438,339)	(0)
Investments in securities	567,862,535	(0)	(567,862,535)	(0)
Total financial support fund deposits (B)	651,300,874	(0)	(651,300,874)	(0)
<b>Reserve for the foundation's anniversary event</b>				
Bank deposits	9,171,435	(0)	(9,171,435)	(0)
Investments in securities	1,844,561,177	(0)	(1,844,561,177)	(0)
Total reserves for the foundation's anniversary events (C)	1,853,732,612	(0)	(1,853,732,612)	(0)
Total specified assets(D)=(B)+(C)	2,505,033,486	(0)	(2,505,033,486)	(0)
Total (A) + (D)	46,697,808,735	(43,953,463,370)	(2,744,345,365)	(0)

4. Contents of debentures held for maturity and their book value, market value, and appraisal profit and loss

The contents of debentures held for maturity and their book value, market value and appraisal profit and loss are as follows:

(Unit: yen)

Account title	Book value	Market value	Appraisal profit and loss
Public and corporate bonds			
Basic assets (A)	3,632,108,544	3,645,824,635	13,716,091
Specified assets			
Financial support fund deposits(B)	567,862,535	567,818,875	-43,660
Reserve for the foundation's anniversary event (C)	1,844,561,177	1,844,600,015	38,838
Total specified assets (D) = (B) +(C)	2,412,423,712	2,412,418,890	-4,822
Total (A) + (D)	6,044,532,256	6,058,243,525	13,711,269

5. Contents of transfer amounts from designated net assets to general net assets

The contents of transfer amounts from designated net assets to general net assets are as follows:

(Unit: yen)

Contents	Amount
Transfer amount to current income	
Basic assets dividend earned	520,000,000
Basic assets interest earned	11,497,656
Income from sponsorship	2,000,000
Total	533,497,656