

Activity Report for the 6th Term

From: April 1, 2016
To: March 31, 2017

Renewable Energy Institute

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1. The Institute

1. Date of Incorporation

August 12, 2011

2. The Purpose of the Institute Set Forth in the Articles of Incorporation

The purpose of Renewable Energy Institute is to contribute to creating safe and secure living environments which co-exist with nature and a sustainable, recycling-oriented society by promoting the establishment of a society based on renewable energy.

3. The Activities of the Institute Set Forth in the Articles of Incorporation

- (1) Promoting wide deployment of renewable energy use
- (2) Research on and recommendation and promotion of policies for the establishment of a society based on renewable energy
- (3) Building, recommendation and promotion of systems and financial/business models that utilize the power of renewable energy-based markets and societies
- (4) Promoting cooperation with those domestic and international organizations acting for the wide deployment of renewable energy use
- (5) Support for the promotion and expansion of renewable energy use
- (6) Developing public relations to enhance the recognition level of renewable energy
- (7) Operations associated with each activity stated above
- (8) Other activities necessary to accomplish the purpose of the Institute

4. Matters Related to Administrative Agencies

The Prime Minister of Japan

5. The Primary Office

DLX Building 8F, 1-13-1 Nishi-shinbashi, Minato-ku, Tokyo 105-0003

Tel: 03-6866-1020

Fax: 03-6866-1021

6. Matters Related to the Executive Members, etc.

Executive Board: Tomas Kåberger, Chair of the Executive Board

Takejiro Sueyoshi, Vice-Chair of the Executive Board

Teruyuki Ohno, Executive Director

Dörte Fouquet, Board Member

Takeshi Kobayashi, Board Member

Amory B. Lovins, Board Member

Shigeki Miwa, Board Member

Takamitsu Sawa, Board Member

David Suzuki, Board Member

Auditor: Kiyoshi Matsuo

Council members: Ryuichi Sakamoto

Naohiko Jinnō

Kiyoshi Kurokawa

7. Matters Related to the Employees

Number of the employees: 21

(As of March 31, 2017)

2. Activities

1. The Status of Activities

Events

1. Asia Super Grid Workshop

25 May 2016 at JW Marriot Hotel Seoul (Gangnam, Seoul, Korea)

This Workshop was attended by speakers from the State Grid Corporation of China (SGCC), Korea Electric Power (KEP), and the Government of Mongolia, along with energy experts from China, South Korea, Mongolia, the Philippines, and Japan, who reported the state of renewable energy deployment in their countries and efforts to develop international grid networks, before conducting discussions. Presentations were also made about the experience of Europe. This meeting proved especially valuable as an opportunity to resume discussions between Japan and South Korea about the Asia Super Grid (about 80 participants).

2. International Workshop

Global Energy Interconnections: Status and Perspectives Realizing the Asia Super Grid

8 September 2016 at Tokyo International Forum

For this Workshop, electric power system experts and representatives of businesses and international financial institutions, among others, were invited mainly from Europe, China, South Korea, and Japan to discuss the current state of international grid networks and the prospects of the Asia Super Grid. Participants came from many energy-related companies and other organizations (about 200 participants).

3. International Symposium on the Occasion of the 5th Anniversary

Bringing Vast Renewables to Global Interconnection

9 September 2016 at Tokyo International Forum

This Symposium was held to celebrate the 5th anniversary of the founding of REI with many guests invited, including leaders from the power sector in China, South Korea, and Russia, and energy experts from around the world. It was composed of three parts: “Energy transition towards de-carbonization of Asia”, “Energy transition with the initiative of business for 100 years”, and “Energy transition with the initiatives of communities”. Lecturers provided updates before the panelists engaged in active discussions. At the beginning of the Symposium, Mr. Masayoshi Son, Chairperson of REI, delivered a lecture.

Attended by as many as 1,400 people, it was a memorable event which demonstrated what great strides REI has made over these last five years.

4. Public Briefing

Environmental Front-Runner Metropolis: Environmental Initiatives for the Tokyo 2020 Games

4 December 2016 at the International House of Japan

In front of Tokyo Governor Yuriko Koike, governor of Tokyo, environmental policy experts held public briefings on the problems they have identified with environmental initiatives for the Games and improvements that should be made in order to make the Olympics & Paralympics more successful from a sustainability point of view. REI offered several recommendations mainly on ways to make the facilities for the Games more energy-efficient and deploying more renewable energy for them (about 90 participants).

5. Seminar

Energy Business Towards a Decarbonized Society The Role of Financial Institutions and Corporates

14 February 2017 at Bloomberg L.P, Japan

Co-sponsored with Bloomberg New Energy Finance, this symposium on the guidelines being prepared by the Financial Stability Board (FSB) on carbon disclosures was held mainly for financial institutions and energy companies. A member of the Norwegian Parliament reported how their state pension fund, one of the largest in the world, had divested from the coal industry, one of the examples that clearly indicates the investment shift from fossil fuels to renewables (about 110 participants).

6. Symposium

SDGs: What Specific Actions Should We Take to Realize “Sustainable Consumption and Production”, Procurement for the Games being an Opportunity

23 February 2017 at the Prefectural Assembly Hall

Efforts to achieve the 2030 Agenda for Sustainable Development (SDGs), an international community agreement, are becoming increasingly important. This symposium, referring to specific examples of procurement for some of the previous Games and ongoing initiatives for Tokyo 2020, examined what must be done now regarding procurement for the Tokyo Games and identified challenges which need to be addressed in order to achieve sustainability in procurement. We invited the Governor of Tokyo, Ms. Yuriko Koike as a keynote speaker. Cosponsored with Sustainable Business Women and the Sustainable Sport NGO and NPO Network (about 230 participants).

7. International Symposium

REvision2017 Future that Renewables Make Possible

8 March 2017 at the Iino Hall

This symposium introduced movements led by businesses to deploy more renewable energy, including “100% Renewables”, an initiative which many leading global companies are engaged in with the aim of turning completely to renewables for the power they consume. Invited from the front line of renewable energy policy, world-renowned experts gave updates on the expansion of solar and wind power generation in China, Saudi Arabia, and other countries. At REvision this year, many speakers came from Apple, NISSAN, IKEA, Engie, and other private-sector companies to take the stage (about 560 participants).

The previous day, on March 7, experts, mainly those who came from overseas to attend the symposium, also met at the Iino Hall for more in-depth discussions in a smaller group (about 60 participants).

8. Special Seminars for Local Governments

Cities and Communities as Pioneers of the De-carbonized Society

9 March 2017 at TKP Shinbashi Conference Center

Encouraged by the conclusion of the Paris Agreement, cities and communities around the world are working to establish de-carbonized societies. At this seminar, Mr. Stefan Schurig, Director Climate Energy at the World Future Council, reported what was going on around the world, before local government officials from Kanagawa Prefecture and Hamamatsu City, which lead the deployment of renewables in Japan, presented their own initiatives. This seminar was cosponsored with ICLEI Japan for local government officials. During the panel discussion, the audience also participated in the active discussion (about 60 participants).

9. “RE100” Business Workshop

Learn from Leading Companies in Europe and the United States: Their Initiatives for 100% Renewables

March 10, 2017 at the Iino Hall

Cosponsored with Japan Climate Leaders’Partnership (Japan-CLP), this workshop was held as an opportunity to learn about the increasing application of renewables by companies in Europe and the United States. Speakers from the Business Renewables Center, Rocky Mountain Institute, based in the US, and the Climate Group, based in the UK, introduced specific actions taken by businesses for “RE100.” While having conversations with the audience, they discussed what should be done in Japan for this initiative (about 70 participants).

Policy Recommendations and Research Activities

Publication of Recommendation Reports

1. Recommendations for Reform of the Electricity System

For Establishing an Electricity System with a significant share of Renewable Energy

12 April 2016

A competitive and fair market, the purpose of reforming the electricity system, can only be established with neutrality in the operation of grids and a market design that ensures liquidity. European countries and the United States have reformed their systems to adopt inter-regional transmission operation and/or priority dispatching, a mechanism to supply power in order of marginal cost, and have developed a “decentralized energy system” which is more suited to deploying more renewable energy. From the viewpoint of the greater use of renewables, Japan should also reform its electricity system in an appropriate manner and at an accelerated pace. For that purpose, this report presents some specific recommendations.

2. REPORT:

Coal Business and Policy Trends

-What Japanese investors should know after the Paris Agreement-

18 October, 2016

After the conclusion of the Paris Agreement, rapid withdrawal from the coal-related business is now underway worldwide. This report reveals that many major coal mining companies have failed due to the decline in coal consumption even in major coal consuming countries such as the United States and China. It also describes other movements involving withdrawal from the coal business, such as the succession of European utilities that have closed coal-fired power plants, and the rapid growth of divestment. Ringing alarm bells for Japanese businesses, this report will help them avoid poor decision-making when making any investments or loans as we head toward the age of de-carbonization.

3. PROPOSAL:

Recommendations for Woody Biomass Power Generation under FiT

-for the realization of a sustainable use of bioenergy

25 November 2016

For these recommendations, the current state of Japan was reviewed and compared with those countries in Europe which are ahead of us in order to identify the challenges we must address. Specifically, the report offered some policy recommendations for reforming the FIT scheme and implementing relevant policy programs, including establishment of a large-scale plant category as a way to reduce purchase prices in order to make the deployment of bio-energy more sustainable, and actions to be taken to adopt mixed combustion on the assumption that coal-fired power plants will be shut down.

4. Comment

Paris Agreement Comes into Force —Renewable Energy Makes Carbon-free Society Possible—

2 November 2016

A statement was made on the Paris Climate Change Agreement, a binding international agreement that aims to reduce greenhouse emissions, as it entered into force on 4 November 2016, demanding that the Japanese government not only promptly ratify the Paris Agreement but also indicate a vision and strategy to end Japan’s reliance on fossil fuels and nuclear energy as quickly as possible, transform society into one centered on renewable energy, and create a virtuous economic cycle.

5. Comment

Develop Market Environments That Enable Cost Reductions: REI's Comments on the First Proposed Procurement Prices under the Revised FIT Act

January 20, 2017

“Opinions of the Committee on Procurement Prices from FY 2017 and Other Issues”, released by the Procurement Price Calculation Committee in December 2016, contains the conclusions of their study on a range of issues under the revised FIT Act, such as procurement prices and periods, price targets, and the bidding scheme. From the viewpoint of medium-term and long-term development of renewable energy and industrial promotion, REI published comments on these conclusions.

6. TRANSLATION:

Reinventing Fire: China

A Roadmap for China’s Revolution in Energy Consumption and Production to 2050, Executive Summary

31 January 2017

This Summary, based on a roadmap developed through a three-year study by Rocky Mountain Institute, Energy Research Institute of the National Development and Reform Commission, and Lawrence Berkley National Laboratory for greatly reducing the negative impact on the environment while achieving growth in the Chinese economy until 2050, contains the most significant parts of their survey. This report clearly demonstrates that with higher energy-efficiency and greater deployment of renewables, China should be able to keep its economy growing, and at the same time, pursue solutions for both climate change and air pollution. REI released a Japanese version of this report, translated under our supervision.

7. REPORT:

10 Q&A on the German Energiewende — A contribution to the Japanese energy debate

1 March 2017

Co-written with Agora Energiewende, a German think tank, this report answers the ten most frequently asked questions by Japanese people about Germany’s energy policy. It is expected to help readers better understand the realities of Energiewende, and to stimulate discussion around establishing a de-carbonized society in Japan.

<Research Activities>

1. International Grid Network in Asia Research Group

This Research Group was set up in July 2016, with electricity experts, related businesses, and utilities as participants. They conduct research on international grid networks in Europe, and electricity markets and international transmission in Northeast Asia while studying the legal issues that should be addressed to develop international transmission in Japan. Between late January and early February, they visited Europe on an inspection tour.

2. System Design Study Group for Promoting the Deployment of Wind Power Generation

This Study Group, set up in July 2016 with researchers and power producers as participants, conducts research into the problems involved in environmental assessments and land use regulations concerning the location of wind power plants, and possible solutions that could be proposed. Based on what they discussed at meetings, the institute is working to prepare a report that suggests some improvements to the regulations on the location of wind power plants.

Jointly with the Japan Wind Power Association, we are also collecting data on projects for wind power development in Japan in order to analyze their costs.

3. Renewable Energy Statistics

In Japan, renewable energy statistics are published for each energy type by different agencies and organizations, making it difficult to systematically understand the deployment of renewable energy in Japan. Under such circumstances, the Institute is providing information in real time domestically and internationally by preparing and continuously posting statistical data such as the percentage of renewable energy in total energy supply and consumption and the progress of its introduction under the Feed-in Tariff system. The Institute is now working on the preparation of statistical data for each type of renewable energy in an effort to further upgrade its statistics website.

Cooperation, Public Relations and Promotional Activities

1. Cooperation with Organizations Working to Combat Climate Change

In FY2016, REI co-sponsored several events with Japan-CLP, ICLEI Japan, Bloomberg New Energy Finance, and other organizations and businesses, working to forge closer cooperation with them.

(Co-sponsored events)

- “Environmental Front-Runner Metropolis: Environmental Initiatives for the Tokyo 2020 Games”, December 4, 2016
- “Energy Business for the De-carbonized Society: What Roles Do Financial Institutions and Companies Have to Play?”, February 14, 2017
- “SDGs: What Specific Action Should We Take to Realize ‘Sustainable Consumption and Production’, Procurement for the Games being an Opportunity”, February 23, 2017
- “Cities and Communities as Pioneers of the De-carbonized Society”, March 9, 2017
- “Learn from Leading Companies in Europe and the United States: Their Initiatives for 100% Renewables”, March 10, 2017

2. Collaboration with Local Governments

The Institute worked with the Renewable Energy Governors’ Alliance and the Renewable Energy Governors’ Alliance for Designated Cities in their policy recommendation activities and dispatched lecturers to their events.

3. Study Meetings with Diet Members and Media Conferences

For the purpose of activating policy debates in the Diet and disseminating its views among the public, the Institute held study meetings and gatherings with Diet members, media persons, and officials from government agencies and energy-related organizations to provide them with the latest trends in foreign countries and knowledge at home and abroad.

4. Information Provision on the Institute's Website

REI tries to offer useful information on our website. In FY2016, for instance, “Renewables Update,” a column that delivers the latest information on energy policy and presents points to be discussed, was introduced as a regular series.

2. Matters Related to Board Meetings, etc.

The Institute held the following meetings during this term:

Board meetings:

The 34th Board meeting, held on May 19, 2016

Agenda: decision-making on the submission of draft resolutions to the Council; deemed resolution (adoption of resolutions by holding a Council meeting in writing); entrustment of the preparation of a list of candidates for the Executive Board; approval of closing statements for the 5th term; submission of documents for activities reporting to the Cabinet Office; partial revision of the Institution's rules and regulations

The 35th Board meeting, held on June 3, 2016

Agenda: selection of the Representative Director; selection of the Chair of the Executive Board and the Vice-Chair of the Executive Board; selection of the Managing and Executive Directors; the ranking of Directors; individual compensation for Directors

The 36th Board meeting, held on September 7, 2016

(Reportable items only)

The 37th Board meeting, held on November 30, 2016

Relocation of the primary office

The 38th Board meeting, held on March 2, 2017

Preparation of the FY2016 supplementary budget; preparation of the FY2017 activity plan and budget; determination of the board meeting schedule for FY2017

Council meetings:

The 9th Council meeting, held on June 3, 2016

Agenda: Amendment to the Articles of Incorporation; selection of Council members; selection of Directors, compensation for Directors; approval of closing statements for the 5th term

Balance Sheet

At 31 March, 2017

(Unit:Yen)

Items	FY2016	FY2015	Changes
I Assets			
1. Current assets			
Account Receivable	1,503,990	0	1,503,990
Advance payments	417,123	0	417,123
Advances paid	0	8,110	△ 8,110
Inventory	5,460	5,460	0
Prepaid expense	3,198,279	1,010,880	2,187,399
Total current assets	5,124,852	1,024,450	4,100,402
2. Other fixed assets			
(1) Specified Asset			
Fund for Public interest Business	202,438,454	152,223,096	50,215,358
Fund for Administrarion	63,374,556	74,242,661	△ 10,868,105
Total Specified Asset	265,813,010	226,465,757	39,347,253
(2) Other fixed assets			
Leasehold improvement	18,365,997	4,146,617	14,219,380
Equipment and fixtures	12,937,696	1,624,066	11,313,630
Security deposit	30,606,800	7,488,000	23,118,800
Software	1,559,608	2,591,864	△ 1,032,256
Total other fixed assets	63,470,101	15,850,547	47,619,554
Total fixed assets	329,283,111	242,316,304	86,966,807
Total assets	334,407,963	243,340,754	91,067,209
II Liabilities			
1. Current liabilities			
Account payables	17,684,767	17,042,283	642,484
Account payables-Labor Insurance	1,586,252	772,644	813,608
Deposit received	553,133	236,400	316,733
Income tax deposit received	996,178	517,034	479,144
Tax Payable etc	70,000	70,000	0
Total current liabilities	20,890,330	18,638,361	2,251,969
Total liabilities	20,890,330	18,638,361	2,251,969
III Net assets			
1. Designated net assets			
Private grant	6,644,275	5,029,025	1,615,250
Donation	306,873,358	219,673,368	87,199,990
Total designated net assets	313,517,633	224,702,393	88,815,240
(Amount allocated to specified assets)	244,922,680	207,827,396	37,095,284
2. General net assets	0	0	0
Total net assets	313,517,633	224,702,393	88,815,240
Total liabilities and net assets	334,407,963	243,340,754	91,067,209

Itemized List for the Balance Sheet

31 March, 2017

(Unit : yen)

Items	Public interest Business Accounting	Profitable Business Accounting	Administrative Accounting	Deleting Internal Transaction	Total
I Assets					
1. Current assets					
Account Receivable	1,503,990	0	0		1,503,990
Advance payments	417,123	0	0		417,123
Inventory	0	5,460	0		5,460
Short-term loans receivable	0	71,710	77,170	△ 148,880	0
Prepaid expense	2,242,035	0	956,244		3,198,279
Total current assets	4,163,148	77,170	1,033,414	△ 148,880	5,124,852
2. Other fixed assets					
(1) Specified Asset					
Fund for Public interest Business	181,356,925	0	21,081,529		202,438,454
Fund for Administration	0	0	63,374,556		63,374,556
Total Specified Asset	181,356,925	0	84,456,085		265,813,010
(2) Other fixed assets					
Leasehold improvement	12,856,197	0	5,509,800		18,365,997
Equipment and fixtures	9,056,387	0	3,881,309		12,937,696
Security deposit	28,158,800	0	2,448,000		30,606,800
Software	1,091,724	0	467,884		1,559,608
Total other fixed assets	51,163,108	0	12,306,993		63,470,101
Total fixed assets	232,520,033	0	96,763,078		329,283,111
Total assets	236,683,181	77,170	97,796,492	△ 148,880	334,407,963
II Liabilities					
1. Current liabilities					
Short-term loans payable	71,710	77,170	0	△ 148,880	0
Account payables	16,658,265	0	1,026,502		17,684,767
Account payables-Labor Insurance	1,264,429	0	321,823		1,586,252
Deposit received	458,067	0	95,066		553,133
Income tax deposit received	848,264	0	147,914		996,178
Tax Payable etc	0	0	70,000		70,000
Total current liabilities	19,300,735	77,170	1,661,305	△ 148,880	20,890,330
Total liabilities	19,300,735	77,170	1,661,305	△ 148,880	20,890,330
III Net assets					
1. Designated net assets					
Private grant	6,644,275	0	0		6,644,275
Donation	210,738,171	0	96,135,187		306,873,358
Total designated net assets	217,382,446	0	96,135,187		313,517,633
2. General net assets	0	0	0		0
Total net assets	217,382,446	0	96,135,187	0	313,517,633
Total liabilities and net assets	236,683,181	77,170	97,796,492	△ 148,880	334,407,963

Changes of Net Assets

From April 1st, 2016 to March 31st, 2017

(Unit: yen)

Items	FY2016	FY2015	Changes
I Change in general net assets			
I Change in ordinary profit			
(1) Ordinary profit			
Business Profit	6,569	18,909	△ 12,340
Publication	6,569	18,909	△ 12,340
Subsidy etc. received	16,778,800	1,865,000	14,913,800
Subsidy received	866,275	0	866,275
Transfer from subsidy etc. received	13,466,525	0	13,466,525
Japan Fund for Global Environment	1,481,000	1,865,000	△ 384,000
Grant-in-Aid for Scientific Research	975,000	0	975,000
Donation	308,575,938	164,222,801	144,353,137
Contribution received	120,000	60,500	59,500
Transfer from designated net assets	308,455,938	164,162,301	144,293,637
Miscellaneous Income	4,004,626	511,600	3,493,026
Received Interest	21,340	167,050	△ 145,710
Miscellaneous Income	3,983,286	344,550	3,638,736
Total ordinary profit	329,365,933	166,618,310	162,747,623
(2) Ordinary Expense			
Operating expenses	271,988,535	136,992,287	134,996,248
Executive remuneration	12,380,104	10,052,543	2,327,561
Wage and allowance	96,122,310	55,875,570	40,246,740
Temporary staff wages	28,500	0	28,500
Legal welfare	12,666,615	7,783,897	4,882,718
Meeting expenses	5,599,997	1,160,771	4,439,226
Social Expense	101,499	277,764	△ 176,265
Travel and transportation expenses	35,734,494	21,467,755	14,266,739
Cost for Publication	3,401,890	2,447,872	954,018
Communication and Transportation Expense	3,004,650	1,634,548	1,370,102
Depreciation expense	380,860	86,172	294,688
Consumables and fixtures expenses	6,366,757	1,060,751	5,306,006
Books and subscription	590,259	0	590,259
Print expense	3,532,836	1,533,743	1,999,093
Utility expenses	747,026	576,130	170,896
Leasing Expense	16,493,233	8,531,667	7,961,566
Insurance	33,940	6,710	27,230
Remuneration paid	20,000	0	20,000
Commission Paid	14,657,636	10,551,560	4,106,076
Donations expense	237,423	774,886	△ 537,463
Outsourcing and commission	0	50,000	△ 50,000
Miscellaneous expenses	59,888,506	13,119,948	46,768,558
Administration expenses	57,307,398	29,556,023	27,751,375
Executive remuneration	1,375,568	1,116,949	258,619
Wage and allowance	23,131,510	9,997,850	13,133,660
Legal welfare	3,347,505	1,641,008	1,706,497
Education and training expenses	807,840	0	807,840
Welfare expense	1,032,419	156,064	876,355
Temporary staff costs	1,339,790	3,422,466	△ 2,082,676
Meeting expenses	15,052	11,231	3,821
Social Expense	180,941	54,246	126,695
Travel and transportation expenses	1,133,773	707,693	426,080
Communication and Transportation Expense	2,267,590	1,275,200	992,390
Depreciation expense	1,295,108	700,525	594,583
Consumables and fixtures expenses	879,424	494,268	385,156
Books and subscription	4,838	16,956	△ 12,118
Repair and maintenance	3,650,400	0	3,650,400
Membership fee	1,782	0	1,782
Print expense	946,249	506,958	439,291
Utility expenses	508,658	381,698	126,960
Leasing Expense	7,611,482	3,971,945	3,639,537
Insurance	18,090	17,350	740
Taxes and dues	112,850	117,500	△ 4,650
Remuneration paid	2,542,936	1,998,686	544,250
Commission Paid	523,170	424,866	98,304
Outsourcing commission	4,507,445	2,481,748	2,025,697
Miscellaneous expenses	72,978	60,816	12,162
Total ordinary expenses	329,295,933	166,548,310	162,747,623
Current Change in Ordinary profit before	70,000	70,000	0
Total Appraised loss and profit	0	0	0
Current Change in Ordinary profit	70,000	70,000	0
2. Extraordinary profit			
(1) Extraordinary profit			
Contribution received	4,344,072	0	4,344,072
Transfer from designated net assets	4,344,072	0	4,344,072
Total Extraordinary profit	4,344,072	0	4,344,072
(2) Extraordinary expenses			
Loss on retirement of noncurrent assets	4,344,072	0	4,344,072
Loss on retirement of buildings and accompanying facilities	3,778,667	0	3,778,667
Loss on retirement of tools, furniture & fixtures	136,429	0	136,429
Loss on retirement of software	428,976	0	428,976
Total Extraordinary expense	4,344,072	0	4,344,072
Current change in extraordinary profit	0	0	0
Current change in general net assets	70,000	70,000	0
Corporate and Residents tax	70,000	70,000	0
Current change in general net assets	0	0	0
Beginning balance of general net assets	0	0	0
Ending balance of general net assets	0	0	0
II Change in designated net assets			
Subsidy etc. received	15,081,775	5,029,025	10,052,750
Subsidy received	15,081,775	5,029,025	10,052,750
Donation	400,000,000	0	400,000,000
Contribution received	400,000,000	0	400,000,000
Transfer to general net assets	△ 326,266,535	△ 164,162,301	△ 162,104,234
Transfer to general net assets	△ 326,266,535	△ 164,162,301	△ 162,104,234
Current change in designated net assets	88,815,240	△ 159,133,276	247,948,516
Beginning balance of designated net assets	224,702,393	383,835,669	△ 159,133,276
Ending balance of designated net assets	313,517,633	224,702,393	88,815,240
III Ending total net assets	313,517,633	224,702,393	88,815,240

Itemized List for the Changes of Net Assets

From April 1st, 2016 to March 31st, 2017

(Unit : yen)

Items	Public interest Business Accounting	Profitable Business Accounting	Administrative Accounting	Total
I Change in general net assets				
I Change in ordinary profit				
(1) Ordinary profit				
Business Profit	0	6,569	0	6,569
Publication	0	6,569	0	6,569
Subsidy etc. received	16,778,800	0	0	16,778,800
Subsidy received	856,275	0	0	856,275
Transfer from subsidy etc. received	13,466,525	0	0	13,466,525
Japan Fund for Global Environment	1,481,000	0	0	1,481,000
Grant-in-Aid for Scientific Research	975,000	0	0	975,000
Donation	251,198,540	0	57,377,398	308,575,938
Contribution received	120,000	0	0	120,000
Transfer from designated net assets	251,078,540	0	57,377,398	308,455,938
Miscellaneous Income	4,004,626	0	0	4,004,626
Received Interest	21,340	0	0	21,340
Miscellaneous Income	3,983,286	0	0	3,983,286
Total ordinary profit	271,981,966	6,569	57,377,398	329,365,933
(2) Ordinary Expense				
Operating expenses	271,988,535	0		271,988,535
Executive remuneration	12,380,104			12,380,104
Wage and allowance	96,122,310			96,122,310
Temporary staff wages	28,500			28,500
Legal welfare	12,666,615			12,666,615
Meeting expenses	5,599,997			5,599,997
Social Expense	101,499			101,499
Travel and transportation expenses	35,734,494			35,734,494
Cost for Publication	3,401,890			3,401,890
Communication and Transportation Expense	3,004,650			3,004,650
Depreciation expense	380,860			380,860
Consumables and fixtures expenses	6,366,757			6,366,757
Books and subscription	590,259			590,259
Print expense	3,532,836			3,532,836
Utility expenses	747,026			747,026
Leasing Expense	16,493,233			16,493,233
Insurance	33,940			33,940
Remuneration paid	20,000			20,000
Commission Paid	14,657,636			14,657,636
Donations expense	237,423			237,423
Outsourcing and commission	59,888,506			59,888,506
Administration expenses			57,307,398	57,307,398
Executive remuneration			1,375,568	1,375,568
Wage and allowance			23,131,510	23,131,510
Legal welfare			3,347,505	3,347,505
Education and training expenses			807,840	807,840
Welfare expense			1,032,419	1,032,419
Temporary staff costs			1,339,790	1,339,790
Meeting expenses			15,052	15,052
Social Expense			180,941	180,941
Travel and transportation expenses			1,133,773	1,133,773
Communication and Transportation Expense			2,267,590	2,267,590
Depreciation expense			1,295,108	1,295,108
Consumables and fixtures expenses			879,424	879,424
Books and subscription			4,838	4,838
Repair and maintenance			3,650,400	3,650,400
Membership fee			1,782	1,782
Print expense			946,249	946,249
Utility expenses			508,658	508,658
Leasing Expense			7,611,482	7,611,482
Insurance			18,090	18,090
Taxes and dues			112,850	112,850
Remuneration paid			2,542,936	2,542,936
Commission Paid			523,170	523,170
Outsourcing commission			4,507,445	4,507,445
Miscellaneous expenses			72,978	72,978
Total ordinary expenses	271,988,535	0	57,307,398	329,295,933
Current Change in Ordinary profit before	△ 6,569	6,569	70,000	70,000
Total Appraised loss and profit	0	0	0	0
Current Change in Ordinary profit	△ 6,569	6,569	70,000	70,000
2. Extraordinary profit				
(1) Extraordinary profit				
Contribution received	3,040,850	0	1,303,222	4,344,072
Transfer from designated net asset	3,040,850	0	1,303,222	4,344,072
Total Extraordinary profit	3,040,850	0	1,303,222	4,344,072
(2) Extraordinary expenses				
Loss on retirement of noncurrent assets	3,040,850	0	1,303,222	4,344,072
Loss on retirement of buildings and accompanying facilities	2,645,067	0	1,133,600	3,778,667
Loss on retirement of tools, furniture & fixtures	95,500	0	40,929	136,429
Loss on retirement of software	300,283	0	128,693	428,976
Total Extraordinary expense	3,040,850	0	1,303,222	4,344,072
Current change in extraordinary profit	0	0	0	0
Transfer amount to another account	6,569	△ 6,569	0	0
Current change in general net assets	0	0	70,000	70,000
Corporate and Residents tax	0	0	70,000	70,000
Current change in general net assets	0	0	0	0
Beginning balance of general net assets	0	0	0	0
Ending balance of general net assets	0	0	0	0
II Change in designated net assets				
Subsidy etc. received	15,081,775	0	0	15,081,775
Subsidy received	15,081,775	0	0	15,081,775
Donation	280,000,000	0	120,000,000	400,000,000
Contribution received	280,000,000	0	120,000,000	400,000,000
Transfer to general net assets	△ 267,585,915	0	△ 58,680,620	△ 326,266,535
Transfer to general net assets	△ 267,585,915	0	△ 58,680,620	△ 326,266,535
Current change in designated net assets	27,495,860	0	61,319,380	88,815,240
Beginning balance of designated net assets	189,886,586	0	34,815,807	224,702,393
Ending balance of designated net assets	217,382,446	0	96,135,187	313,517,633
III Ending total net assets	217,382,446	0	96,135,187	313,517,633

List of Property

At Mar. 31st, 2017

(Unit:Yen)

Balance sheet items	Place · Quantity etc.	Purpose of Possession etc.	Amount
(Current Asset)			
Account Receivable		2016 Japan-Germany initiative	1,503,990
Advance payments	Lenovo Japan Corporation	Thinkpad E, Thinkpad T460s	417,123
Inventry		Books for publication	5,460
Prepaid expense			3,198,279
	K. K. Shokuseikatsukenkyu sho	Office rent Aptil, 2017	10,800
	Mitsubishi Real Estate Services Co., Ltd.	Office rent Aptil, 2017	3,187,479
Total Current Assets			5,124,852
(Fixed Asset)			
Specified Asset			
Fund for Public interest		As for Operating fund	202,438,454
	Mizuho Bank		771,756
	3514672		858,317
	3514877		200,000,000
	Rakuten Bank		
	7107035		808,381
Fund for Profitable Business		As for Operating fund	
	Mizuho Bank		63,374,556
	5320321		
Other Fixed Asset			
Leasehold improvement	Interior construction cost of Office	Used for office	18,365,997
Equipment and fixtures	construction costs of office	Used for office	12,937,696
Security deposit	DOWA LINE CO.,LTD. DLX building 8F	Security deposit for office	30,606,800
Software		Security software	1,559,608
Total Fixed Assets			329,283,111
Total Assets			334,407,963
(Current Liability)			
Account Payable		Payable for Prblic interest and administration in March	17,684,767
Account Payable		Social Insurance	1,586,252
Deposit received		Will be paid in Apr,2017 (Residents tax etc.)	553,133
Income tax deposit received		Will be paid in Apr,2017	996,178
Tax Payable etc.			70,000
Total Current Liabilities			20,890,330
Total Long-term Liabilities			0
Total Liabilities			20,890,330
Net Assets			313,517,633

Detailed statement

1. Details of Basic Assets and Specified Assets

(Unit : yen)

Category	Asset type	Beginning balance	Increased in FY2016	Decreased in FY2016	Ending balance
Basic Asset					
	Total Basic Assets	0	0	0	0
Specified Asset	Fund for Public interest	152,223,096	205,637,685	155,422,327	202,438,454
	Fund for Administrarion	74,242,661	579,492,441	590,360,546	63,374,556
	Total Specified Assets	226,465,757	785,130,126	745,782,873	265,813,010

2. Details of Reserve fund

None

Notes for Financial Statements

1. Accounting Policy

(1) Depreciation method for fixed asset

Leasehold improvement (Acquired before March 31, 2016) :Declining balance method

Equipment and fixtures (Acquired before March 31, 2016) :Declining balance method

Leasehold improvement (Acquired after April 1, 2016) :Straight line method

Software (Acquired after April 1, 2016) : Straight line method

(2) Lease transaction

lease claims in ownership-transfer finance lease transactions

• • • • Treated as ordinary lease transaction

(3) Consumption tax

Tax-included method

2. Change and Ending balance of Basic assets and Specified assets are as follows.

(Unit :
Yen)

Item	Ending balance FY2015	Increased in FY2016	Decreased in FY2016	Ending balance FY2016
Basic assets				
Total	0			0
Specified assets				
Fund for Public interest	152,223,096	205,637,685	155,422,327	202,438,454
Fund for Administration	74,242,661	579,492,441	590,360,546	63,374,556
Total	226,465,757	785,130,126	745,782,873	265,813,010
Grand total	226,465,757	785,130,126	745,782,873	265,813,010

3. Financial resources for Basic assets and Specified assets are as follows.

(Unit : Yen)

Items	Ending balance FY2016	(Transferred from Designated net assets)	(Transferred from General net assets)	(Amount correspond to liabilities)
Basic assets				
Total	0	0	0	0
Specified assets				
Fund for Public interest	202,438,454	183,209,429		19,229,025
Fund for Administration	63,374,556	61,713,251	0	1,661,305
Total	265,813,010	244,922,680	0	20,890,330
Grand total	265,813,010	244,922,680	0	20,890,330

4. Acquisition price, Accumulated depreciation, and ending balance of Fixed Assets are as follows.

(Unit : Yen)

Item	Acquisition price	Accumulated depreciation	Ending balance
Leasehold improvement	19,111,289	745,292	18,365,997
Equipment and fixtures	17,279,057	4,341,361	12,937,696
Software	2,599,344	1,039,736	1,559,608
Total	38,989,690	6,126,389	32,863,301

5. Breakdown of grants, and the subsidizers, increases and decreases during the current term, and the balance are shown below:

(Unit : Yen)

Name of Grant	Subsidizer	Ending balance FY2015	Increased in FY2016	Decreased in FY2016	Ending balance FY2016	Classification on Balance Sheet
Grant received from Japan Fund for Global Environment	Environmental Restoration and Conservation Agency	0	1,481,000	1,481,000	0	
Grant received from a private institution	European Climate Foundation (ECF)	5,029,025	5,813,050	5,885,300	4,956,775	Designated Net Asset Specified Asset
	Growald Family Fund		10,125,000	8,437,500	1,687,500	Designated Net Asset Specified Asset
Grant-in-Aid for Scientific Research	Ritsumeikan University		975,000	975,000	0	
Total		5,029,025	18,934,050	16,778,800	6,644,275	

6. Details of transfer from Specified net asset to General net asset are as follows.

(Unit : Yen)

Detail	Amount
Transfer to Ordinary profit	
Transfer donation received to General net asset	326,266,535
Total	326,266,535