Reference Material

March 23, 2012
Securities and Exchange Surveillance Commission
Overview

* Note: this material is simplified for ease of understanding, with partial omissions and alterations.
Flow of Investments

Customer (pension fund)

Domestic trust bank

ITM Securities

Fund trustee bank (agent) (Hong Kong)

Overseas fund

Financial broker (Singapore)

ITM Securities

* Derivative transactions on Market (Nikkei 225 futures/options, JGB futures/options)

Venture Investment Alpha Investment Partnership

Venture Investment Alpha II Investment Partnership

* Note: this material is simplified for ease of understanding, with partial omissions and alterations.
## Changes in Profits/Losses on Derivative Transactions and Net Assets of AIM Global Fund

<table>
<thead>
<tr>
<th></th>
<th>Term ending March 2003</th>
<th>Term ending March 2004</th>
<th>Term ending March 2005</th>
<th>Term ending March 2006</th>
<th>Term ending March 2007</th>
<th>Term ending March 2008</th>
<th>Term ending March 2009</th>
<th>Term ending March 2010</th>
<th>Term ending March 2011</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gains/losses on derivative transactions</td>
<td>0</td>
<td>-16</td>
<td>-34</td>
<td>-270</td>
<td>-40</td>
<td>-186</td>
<td>-37</td>
<td>-501</td>
<td>-7</td>
<td>-1,092</td>
</tr>
<tr>
<td>AIJ-reported net assets (*) false values)</td>
<td>63</td>
<td>129</td>
<td>301</td>
<td>704</td>
<td>957</td>
<td>1,140</td>
<td>1,786</td>
<td>1,932</td>
<td>2,090</td>
<td></td>
</tr>
<tr>
<td>Fund trustee bank-reported net assets</td>
<td>63</td>
<td>102</td>
<td>204</td>
<td>250</td>
<td>389</td>
<td>295</td>
<td>780</td>
<td>266</td>
<td>251</td>
<td></td>
</tr>
</tbody>
</table>

1. Gains/losses on derivative transactions from the term ending March 2003 through the term ending March 2011 are values from audit reports of AIM Global Fund.
2. “AIJ-reported net assets” are values derived by multiplying the net assets values of each fund reported by AIJ Investment Advisors to customers by the number of units remaining at the end of each accounting period.
3. “Fund trustee bank-reported net assets” are the net assets reported by the fund trustee bank to the fund management company.

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Calculation/Provision of the Fund’s Net Asset Values

- **Overseas fund** reports the fund’s market values.
- **Financial broker** submits the statement of derivative transactions.
- **ITM Securities** reports the values of equity interest in investment partnerships (book values).

**Fund trustee bank** provides the NAV (subject to audit by an external audit firm).

**AIJ Investment Advisors** = **AIA (fund management company)**

* Preparation of false NAV

**Customer (pension fund)** delivers false NAV.

**ITM Securities** delivers false NAV.

**Trust bank**

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Preparation/Delivery of an Audit Report

Fund trustee bank

Audit firm

AIA (fund management company)

AIJ Investment Advisors

ITM Securities (nominal beneficiary of the fund)

Customer (pension fund)

Trust bank

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Flow of Funds upon Cancellation (Secondary Distribution Scheme)

AIM Global Fund

ITM Securities

Cancelling customer

New customer

Cancelling customer

New customer

Venture Investment Alpha
Investment Partnership
Venture Investment Alpha II
Investment Partnership
(AIM Global Fund’s Investments)

* Traded at a false value

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### Cash Flow Summary of the AIM Global Fund (*)

**Unit: 100 million yen**

<table>
<thead>
<tr>
<th>Income</th>
<th>Expenditure/Investment, etc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds received from beneficiary owners (pension funds, etc.)</td>
<td>Investment losses 1,092</td>
</tr>
<tr>
<td>Capital gains, etc.</td>
<td>Payment to beneficiary owners (pension funds, etc.) related to cancellation, etc. 17</td>
</tr>
<tr>
<td></td>
<td>Brokerage fee 61</td>
</tr>
<tr>
<td></td>
<td>Administration fee, etc. 45</td>
</tr>
<tr>
<td></td>
<td>Audit fee, etc. 6</td>
</tr>
<tr>
<td></td>
<td>Capital investment in investment partnerships 181</td>
</tr>
<tr>
<td></td>
<td>- Cash and deposits 32(*)2</td>
</tr>
<tr>
<td></td>
<td>- Other equity investment in the AIM Global Fund, etc.</td>
</tr>
<tr>
<td></td>
<td>Equity interest in overseas funds 21</td>
</tr>
<tr>
<td></td>
<td>Cash and deposits 49(*)3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income total</th>
<th>Expenditure/Investment total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,472</td>
<td>1,472</td>
</tr>
</tbody>
</table>

*1. Aggregate of the figures contained in the audit reports of the AIM Global Fund for the fiscal year ending March 2003 through the fiscal year ending March 2011 (excluding the breakdown of “Capital investment in investment partnerships”).

*2. “Cash and deposits” indicates the most recent balance (as of March 2012).

*3. “Cash and deposits” also indicates the most recent balance (as of March 2012).

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