

Financial Cooperation from the Private Sector

The Japan Foundation is able to engage in international cultural exchange programs thanks to generous financial contributions from the private sector, including private companies, organizations, and individuals. The following outlines the system for donations to the Japan Foundation. Also shown are lists of the corporations and individuals who provided financial contributions through this system and programs implemented with donated funds as of fiscal 2011.

1. Categories of Donation

[1] General Donations

These donations are allocated to expenses for the Foundation's international cultural exchange programs.

A. General Donations System

These donations are received from corporations and individuals, and their timing and amount are at the donor's discretion. Donors (corporations and individuals) and examples of programs implemented with donations in fiscal 2011 are shown on the following page under "Donors for Program Expenses," "Private Endowment Providers," and "Program Support by Private Endowments."

(a) Donations for program expenses

These donations are allocated to expenses for the Foundation's programs during the same fiscal year in which the donation was received. According to the donor's wishes, the donation can be allocated to expenses for a particular project during the fiscal year.

(b) Donations to operational funds (private endowments)

These donations are deposited in the Foundation's funds, and the accrued interest is allocated in perpetuity for program expenses.

B. Membership System

Fixed donations are received from private companies and organizations in the form of membership dues and are allocated to a variety of programs implemented during the fiscal year in which the donation was made. The members comprise General Members, whose donation is at least 100,000 yen, and Special Members, whose donation is at least 500,000 yen annually, and they can enjoy privileges including invitation to various events of the Foundation. The members for fiscal 2011 are shown on the following page.

[2] Designated Donations

Under this program, donations from domestic individuals and corporations to support international cultural exchange programs at home and abroad are received by the Foundation, which is a designated public benefit organization, with the understanding that they will be used to subsidize organizations that implement specific cultural exchange projects. By utilizing this system, such donations to support the programs are treated as donations to the Foundation, and the donors are eligible to receive taxation benefits for their donations.

Eligible programs include personnel exchanges, overseas Japanese studies and Japanese language education programs, and performances, exhibitions, seminars, etc., related to international cultural exchange. Receipt of designated donations is subject to decision by a deliberative council of external experts. See the following page for a list of designated donations programs for fiscal 2011.

2. Taxation Benefits

The Japan Foundation is a "Designated Public Benefit Organization" in accordance with Article 77 of the Corporate Tax Enforcement Order and Article 217 of the Income Tax Enforcement Order. Therefore, donations to the Foundation are subject to the following taxation benefits.

(1) Corporations

Either the total amount of donation to Designated Public Benefit Organizations or the maximum deductible amount of donation to Designated Public Benefit Organizations, whichever is smaller, is treated as a loss.

Note 1: If the total amount of donation to Designated Public Benefit Organizations is larger, the amount not treated as a loss (the amount exceeding the maximum deductible amount of donation to Designated Public Benefit Organizations) will be included in the amount of normal donations. The maximum deductible amount of donation is calculated as follows.

(Please note that the following formulas are effective from the fiscal year 2012.)

● Normal donations

(Amount of capital x Number of months for the period/12 x 0.25% + Amount of income x 2.5%) x 1/4

● Donation to Designated Public Benefit Organizations

(Amount of capital x Number of months for the period/12 x 0.375% + Amount of income x 6.25%) x 1/2

(2) Individuals

An amount equal to the donation minus 2,000 yen (up to 40% of the gross income) is tax deductible. Donations of inherited assets are also eligible for beneficial taxation treatment.

3. Donations Received in Fiscal 2011

	Number of Donations	Amount (yen)
General Donations	47	15,380,000
Corporate membership	40	7,750,000
Donations for Program Expenses	4	7,600,000
Private Endowment	3	30,000 (Note 2)
Designated Donations	37	258,692,568

Note 2: From the designated donations received, 225,952,568 yen and the amount 23,004,000 yen brought forward from fiscal 2010 were granted as subsidies to 21 programs (see "Designated Donations Programs" on the following page). The remaining 32,740,000 yen of the designated donations will be provided as subsidies to four programs in fiscal 2012.

Note 3: On an accumulated basis from the establishment of the Foundation in 1972 up to the end of fiscal 2011, general donations and designated donations received by the fund amounted to 2,476.32 million yen and 65,968.12 million yen, respectively.

List of Donors and Programs Implemented with Donations in Fiscal 2011

Corporate Members (As of the end of fiscal 2011; listed in Japanese alphabetical order)

[1] Special Members

Shochiku Co., Ltd. / Electric Power Development Co., Ltd. / Mizuho Bank, Ltd. / Bank of Tokyo-Mitsubishi UFJ, Ltd.

[2] General Members

Asuka International Foundation / Ikenobo / Idemitsu Kosan Co., Ltd. / Insho-sha / Ushio Inc. / SMBC Nikko Securities Inc. / NHK International Inc. / Katolec Corp. / Kansai Urban Banking Corp. / Kodansha Ltd. / Kodokan Judo Institute / Kokusai Service Agency / Komazawa University / Urasenke Foundation / Sakura Motion Picture Co., Ltd. / Shiseido Co., Ltd. / Japan Echo Foundation / Shorinji Kempo Organization / Starlanes Travel Service Corp. / All Japan Kendo Federation / Daiichi Seiwa Jimusho Co., Ltd. / Daikin Industries, Ltd. / Daiwa Securities Capital Markets Co., Ltd. / Dentsu Inc. / Tokyo Business Service Co., Ltd. / Motion Picture Producers Association of Japan, Inc. / Nippon Origami Association / Japan International Cooperation Center / Hitachi Ltd. / Fuji Xerox Co., Ltd. / Bonjinsha Inc. / Mizuho Securities Co., Ltd. / Sumitomo Mitsui Banking Corp. / Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. / Meiji Shoin Holdings / Mori Building Co., Ltd.

Donors for Program Expenses (Listed in order of donations received)

Donations for the 54th International Art Exhibition, Venice Biennale program	Sumiko Ito / One individual
Donations for Japanese-language education programs at the Japan-Hungary Cooperation Forum	Sumitomo Chemical Co., Ltd.
Donations for Exchanging Packaging Design of Japanese-Korean Students Project	Lotte Co., Ltd.

Private Endowment Providers (Listed in order of donations received)

Matsuo Doi / Hiroaki Mitsuhashi / One individual

Program Support by Private Endowments ("Special Benefaction," under which a benefactor who so desires may establish a special program with a name of the benefactor's choosing)

Name of Special Benefaction Program	Donor and Content of the Program
Uchida Fellowship	The benefactor is the late Mr. Genko Uchida. Young musicians are invited to Japan from the United States, Europe, and other regions, and given the chance to interact and work with Japanese musicians and others active in the field of music, including participation in joint performances or collaboration on joint works. One Fellow was invited from the United States in fiscal 2011.
Japanese Studies Fellowship Program offered by Takasago Thermal Engineering Co., Ltd.	The benefactor is Takasago Thermal Engineering Co., Ltd. In order to promote Japanese studies in Southeast Asia, this scholarship provides funds to allow young Southeast Asian researchers in the field of Japanese studies to visit Japan for research purposes. One fellow was invited from Vietnam in fiscal 2011.
Ken Watanabe Memorial Fund: Contribution of Books	The benefactor is Mr. Yukinobu Watanabe (father of Mr. Ken Watanabe, a Ministry of Foreign Affairs official who died in a traffic accident during training in the United States). Donation of Japanese studies books to the Tianjin Academy of Social Sciences, China. In fiscal 2011, a total of 230 books were donated.

Designated Donations Programs (Countries in parentheses represent the locations of the program implemented)

US-Japan Bridging Foundation Scholarship Program (U.S.)	New International Edition <i>Madama Butterfly</i> World Premiere (Italy)
US-Japan Research Institute (U.S.)	16th World Congress of the International Society for Criminology (Japan)
Intellectual Exchange between Columbia Law School and the Japanese Legal Profession (U.S.)	Public Events and Conferences Commemorating the 20th Anniversary of the JACE (Japan Association for Cultural Economics) (Japan)
Fund Raising Project for Helping to Establish the "Ishikawa Memorial Fund for Comparative Japanese Law" (U.S.)	The Chamber Orchestra of Balkan's Performance in Vienna (Austria)
Nagashima Ohno and Tsunematsu Scholarship Fund, Columbia Law School (U.S.)	The World Festival of Children's Performing Arts in Toyama, 2012 (Japan)
Nagashima Ohno and Tsunematsu Program for Japanese Law and Culture at Duke Law School (U.S.)	Japan-Korea Exchange Festival Matsuri 2011 (Japan)
LSH Asia Scholarship (Japan)	Music from Japan Festival 2012 (U.S.)
Publication of JaH journal: Japanese as a Foreign Language in German-speaking Countries (Germany)	Shitennoji Wasso (Japan)
Japan Return Programme Nihongo Summit 2011 (Japan)	150th Anniversary of Friendship between Japan and Germany: German-Japanese Friendship Award (Germany)
Project-Fund for Sprachzentrum für Japanisch e.V. (Germany)	Restoration of the Japanese Garden at Japan-British Exhibition 1910 (U.K.)
	Asian University for Women (Bangladesh)