

Consolidated Financial Results for 1st Half of Fiscal 2005, Ended June 30, 2005 (Translation of Japanese Flash Report, Released on August 11, 2005)

Company Name: RISA Partners, Inc.

Stock Listing: Tokyo Stock Exchange (Mothers)

Code Number: 8924

URL: <http://www.risa-p.com>

Address: 7F, Kojimachi Crystal City, 4-8, Kojimachi, Chiyoda-ku, Tokyo 102-0083, Japan

Representative: Atsushi Imuta, President

Inquiry: Hirokazu Okamoto, Executive Director, Corporate Office

(Phone: +81-3-3511-5201)

Date of Directors' Meeting for Interim Financial Results: August 11, 2005

1. Performance in 1st Half of Fiscal 2005 (from January 1, 2005 - June 30, 2005)

(1) Results

(Millions of Yen, except for per share figures)

	Net Sales	Operating Income	Ordinary Income
1st Half of Fiscal 2005	¥2,605 (53.7%)	¥960 (94.7%)	¥835 (98.0%)
1st Half of Fiscal 2004	¥1,695 (84.7%)	¥493 (103.6%)	¥421 (82.5%)
Fiscal 2004	¥4,526 (66.7%)	¥1,278 (125.7%)	¥1,113 (91.0%)

	Net Income	Net Income per Share (Yen)	Fully Diluted Net Income per Share (Yen)
1st Half of Fiscal 2005	¥483 (97.5%)	¥4,603.71	¥3,876.83
1st Half of Fiscal 2004	¥244 (85.4%)	¥11,502.61	¥9,904.39
Fiscal 2004	¥628 (68.4%)	¥6,923.54	¥6,020.48

Notes: 1. Income (Loss) on investments based on equity method:

1st half of fiscal 2005: ¥34 million

1st half of fiscal 2004: ¥15 million

Fiscal 2004: ¥15 million

2. Weighted average number of shares outstanding

1st half of fiscal 2005: 105,038 shares

1st half of fiscal 2004: 21,281 shares

Fiscal 2004: 90,761 shares

3. Changes in accounting methods: Not Applicable

4. Percentage figures shown in the net sales, operating income, ordinary income, and net income columns indicate year-on-year changes for those items.

(2) Financial Position

(Millions of Yen, except for per share figures)

	Total Assets	Shareholders' Equity	Equity Ratio (%)	Shareholders' Equity per Share (Yen)
1st Half of Fiscal 2005	¥23,523	¥6,512	27.7%	¥61,637.56
1st Half of Fiscal 2004	¥5,072	¥1,908	37.6%	¥84,629.06
Fiscal 2004	¥12,018	¥5,994	49.9%	¥57,103.74

Notes: Number of shares issued and outstanding at end of the year

1st half of fiscal 2005: 105,652 shares

1st half of fiscal 2004: 22,550 shares

Fiscal 2004: 104,968 shares

(3) Cash Flows

(Millions of Yen)

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at Year-End
1st Half of Fiscal 2005	¥(5,109)	¥(2,624)	¥10,709	¥7,702
1st Half of Fiscal 2004	¥(465)	¥(71)	¥1,004	¥1,081
Fiscal 2004	¥(1,527)	¥(1,531)	¥7,173	¥4,727

(4) Description of Consolidation and Scope of Application for Equity Method

Number of consolidated subsidiaries: 5

Number of non-consolidated subsidiaries to which equity method applies:—

Number of affiliates to which equity method applies: 4

(5) Changes in Consolidation and Scope of Application for Equity Method

Newly consolidated companies: 2

Excluded consolidated companies:

Newly included under equity method:

Excluded under equity method: —

2. Projections for Fiscal 2005 (from January 1, 2005 – December 31, 2005)

(Millions of Yen)

	Net Sales	Ordinary Income	Net Income
Fiscal 2005	¥9,083	¥1,956	¥1,105

Reference: Projected net income per share (full year): ¥10,458.86

Note: The forecasts above are based on information available as of the date of publication and assumptions relating to uncertain factors that will affect future business performance as of the date of publication of this material. Actual performance may differ substantially due to a variety of factors. Please refer to page 6 of the accompanying materials for matters related to the above forecasts.

3. Business Performance and Financial Position

(1) Business Performance

During the current consolidated interim period (January 1 – June 30, 2005), the Japanese economy overall experienced a tone of recovery due to the continued improvement in corporate earnings with an accompanying expansion in capital expenditure as well as a moderate upturn in private consumption.

Given this tone of recovery, the financial and real estate industries, which comprise RISA Partners (“RISA”)’s business territory, saw brisk progress in the sales of non-performing loans (NPLs) by financial institutions. At the same time, regional financial institutions in particular put in place full-scale measures aimed at corporate restructuring. On March 29, 2005, the Financial Services Agency unveiled its new Action Program concerning Enhancement of Relationship Banking Functions, calling even more strongly for measures aimed at business restructuring. It is expected that corporate restructuring measures by regional financial institutions will continue to move ahead briskly. Moreover, the business environment in the real estate market was also positive for RISA because of the persistently strong trend of real estate disposal aimed at improving balance sheet soundness and restructuring of business operations. Business opportunities are also expanding to cater to the needs of investors who have a strong interest in real estate-related products, considering the persistence of low interest rates.

In this business environment, we at RISA actively pursued business opportunities in all our business segments, chiefly in the trading of loan receivables, real estate and corporate restructuring, and we have been successful in steadily improving our overall performance.

As a result, consolidated financial results for the current consolidated interim period recorded sales of ¥2,605,811 thousand, up 53.7% compared to the same period last year, ordinary income of ¥835,021 thousand, up 98.0%, and interim net income of ¥483,565 thousand, up 97.5%.

Our performance by business segment was as below.

Due Diligence

The due diligence business segment is involved in operations to appraise fair values for real estate, loan receivables and corporations with an emphasis on cash flow balances.

The current consolidated interim period saw disposal of NPLs by financial institutions as well as brisk moves toward corporate restructuring, so demand in this business segment was also robust. However, the clients’ order trends in the segment fluctuate significantly, and, in particular, order volume for the interim period in the previous year experienced an unusually large expansion. In addition, we strategically directed some of the segment’s capacity to in-house orders in order to accommodate an expansion in the volume of work related to corporate restructuring and principal investment in loan receivables and real estate. As a result, sales from external orders were ¥219,276 thousand, down 20.6% compared to the previous period and operating income was ¥100,691 thousand, down 29.0%.

Asset Management

RISA’s asset management business segment manages loan portfolios in which clients and the RISA group have invested, engaging in operations to maximize investment returns. We have hitherto been developing our operations in loan servicing in cooperation with IR Loan Servicing, an affiliated company, and we acquired Yashio Servicer from Ashigin Financial Group on April 11, 2005 in order to further boost our corporate restructuring functions. Yashio Servicer is promoting the creation of a structure to enable delivery of comprehensive servicing functions by the group overall by collaborating with IR Loan Servicing, which has strengths in personal and unsecured receivables, as well as establishing a loan management and servicing system with regional specialization that is focused on corporate restructuring.

During the current consolidated interim period, consignment and purchasing operations as well as servicing at IR Loan Servicing were robust. At the same time, purchased loan receivables acquired on RISA’s own account also recorded steady gains on collection, and gains on collection on large-scale projects in particular were also recorded. As a result, the segment recorded growth in revenue and profit with sales of ¥422,857

thousand, up 64.5% compared to the previous period and operating income of ¥303, 520 thousand, up 26.9%.

Real Estate Investment

In the real estate investment business segment, RISA engages in proprietary real estate investment at its own discretion as well as taking part in cooperative real estate investment in collaboration with Soros Real Estate Investors and its successor fund Cypress Grove International. In particular, since the inauguration of the cooperative investment project in September 2004, we have steadily built up the balance of investment assets, and the scale of investment had grown to more than ¥65 billion (on a commitment basis) as of July 31.

During the current consolidated interim period, RISA moved ahead with the acquisition of properties for its proprietary real estate investment, securing gains on sale in line with projections as well as rent income from properties. Furthermore, in cooperative real estate investment, in which we were not involved during the interim period of the previous year, we achieved prompt disposals of some properties in addition to securing income from dividends funded from rent revenues. On the other hand, we have been planning the sale of many of our proprietary investment properties in the second half of the year from the outset. As a result, sales in the real estate investment segment stood at ¥1,002,212 thousand, down 4.5% compared to the previous period, and operating income stood at ¥254,304 thousand, down 5.3%.

Real Estate Advisory

The real estate advisory business segment includes real estate fund management, asset management, property management, real estate brokerage, and consulting. In particular, RISA manages an investment portfolio of cooperative investments with Soros Real Estate Investors and Cypress Grove International.

During the current consolidated interim period, asset management earnings from cooperative investments in which RISA was not involved during the previous interim period, began to make a full-scale contribution to profits. Furthermore, our traditional services, such as brokerage commissions, were also steady. At the same time, we were also involved in the arrangement of large-scale real estate securitization by corporate clients with a view to responding to impairment accounting. The segment recorded sales of ¥461,536 thousand, up 518.8% compared to the previous period, and operating income of ¥312,374 thousand, up 488.6%.

Corporate Advisory

The corporate advisory business segment is primarily involved in investment banking services, which mainly consist of corporate restructuring advisory/arrangement and the management and operation of special purpose companies (SPCs). In particular, our operations related to corporate restructuring funds have grown considerably with the growth of corporate restructuring needs at regional financial institutions. In addition to business partnerships with 19 financial institutions, RISA had established nine corporate restructuring funds as of August 11, 2005. In particular, we are in charge of the establishment and operation of the Ehime Small and Medium-Sized Enterprise Restructuring Fund, a joint public/private fund, in Ehime Prefecture. Moreover, in May 2005, we entered into a business partnership and capital participation with Musashino Kogyo Co., Ltd., which is listed on the 2nd Section of the Tokyo Stock Exchange. We will aggressively undertake similar strategic principal investments in the future with due diligence of the risks and returns.

During the current consolidated interim period, our investment banking franchise relating to corporate restructuring has been fully established. In addition to steady fee income and investment dividends from corporate restructuring funds, gains on collection of loan receivables acquired for the purpose of corporate restructuring also made a significant contribution. As a result, the corporate advisory segment recorded substantial growth with sales of ¥499,928 thousand, up 1206.8% compared to the previous period, and operating income of ¥293,700 thousand, up 5990.8%.

(2) Financial Position

1) Cash Flows in the Current Consolidated Interim Period

Consolidated cash and cash equivalents during the current consolidated interim period (“Funds” below) rose ¥2,974,889 thousand compared to the end of the previous fiscal year, standing at ¥7,702,831 thousand at the end of the current consolidated interim period. This was a result of pre-tax net income of ¥821,999 thousand and fund procurement through borrowing from financial institutions and bond issuance despite expenditure due to an increase in inventory with the acquisition of real estate for sale and the increase in the acquisition of purchased loan receivables.

Cash flows and their main components during the current consolidated interim period were as follows.

Cash flows from operating activities

Funds used in operating activities stood at ¥5,109,891 thousand, up 998.7% compared to the previous period.

Despite recording ¥821,999 thousand in pre-tax net income, this resulted from major expenditure due to an increase in inventory with the acquisition of real estate for sale and an increase in purchased loan receivables acquired either directly or through corporate restructuring funds.

Cash flows from investing activities

Funds used in investment activities stood at ¥2,624,984 thousand, up 3552.5% compared to the previous period.

This was mainly due to investments in silent partnerships for the real estate investment and corporate restructuring funds established during the current period, the expenditure for the acquisition of Yashio Servicer, which became a new consolidated subsidiary, and expenditure for the acquisition of tangible fixed assets and investment securities.

Cash flows from financial activities

Funds generated by financial activities stood at ¥10,709,765 thousand, up 965.8% compared to the previous period.

This was the result of fund procurement using syndicated loans and private placement notes in addition to the issuance of yen-denominated convertible bond type notes with stock subscription rights to provide funds for real estate investment, investment in loan receivables, and investments in silent partnerships for real estate investment and corporate restructuring funds.

2) Cash Flow Indicator Trends

	First Half of Fiscal 2004 (January 1– June 30, 2004)	First Half of Fiscal 2005 (January 1– June 30, 2005)	Fiscal 2004 (January 1– December 31, 2004)
Equity ratio	37.6%	27.7%	49.9%
Shareholders' equity ratio based on market price	1084.8%	160.8%	230.6%
Number of years to repay obligations	-	-	-
Interest coverage ratio	-	-	-

Notes:

1) Indicators are calculated using the formulas below using consolidated figures.

Equity ratio: Shareholders' equity / total assets

Shareholders' equity ratio based on market price: capitalization at market price / total assets

Number of years to repay obligations: interest bearing debt / operating cash flow

Interest coverage ratio: operating cash flow/interest payments

2) Operating cash flow used for cash flow. Interest bearing debt covers all interest bearing debt out of the liabilities recorded on the consolidated balance sheets.

3) Operating cash flows were negative in each of the periods ended June 2004, December 2004 and June 2005, so the number of years to repay obligations and the interest coverage ratio are not recorded.

(3) Outlook for the Current Year

The positive business environment for the financial and real estate markets, which comprise RISA's business territory, has persisted during the current consolidated fiscal year, and business opportunities have also expanded significantly. Moreover, RISA has secured substantial funds for investments through its efforts directed at long term stable fund procurement based on syndicated loans (¥2.0 billion) and private placement notes in addition to the issuance of ¥5.0 billion in yen-denominated convertible bond type notes with stock subscription rights. Thus, our investment activities and investment banking operations have moved into a phase of full-scale growth. The Japanese economy is expected to maintain its tone of recovery in the second half of the year, and business opportunities in each of our business segments related to the securitization of loan receivables and real estate and corporate restructuring are expected to increase further.

Particularly in the real estate investment segment and real estate advisory segment, RISA is expected to continue to secure steady earnings in its proprietary investment. In addition, further expanding cooperative investment is expected to result in increasing dividends on investments and asset management income. Moreover, the opportunities for profitable investments are increasing considerably in the corporate advisory segment and the asset management segment, which includes investment in loan receivables thanks to the compound effect of the expansion of RISA's network of financial institutions, an improvement in name recognition, and the increase in our investment fund raising capabilities. RISA will make the most effective use of its in-house expertise (such as due diligence), functions and personnel while steadfastly doing its utmost to seize opportunities for investment in real estate, loan receivables and corporations.

As a result of the foregoing, on August 2, 2005, RISA Partners upgraded its financial results forecasts for the full year to sales of ¥9,083 million, ordinary income of ¥1,956 million and net income of ¥1,105 million.

Consolidated Financial Results Forecasts for the Year Ending December 2005 (January 1, 2005 – December 31, 2005)

	Net Sales	Ordinary Income	Net Income
Full year	¥9,083 million	¥1,956 million	¥1,105 million

Reference: Forecast net income per share (full year): ¥10,458.86

Consolidated Interim Balance Sheets

(¥ thousand)

Items	Period	First Half of Fiscal 2004 (at June 30, 2004)		First Half of Fiscal 2005 (at June 30, 2005)		Fiscal 2004 (at December 31, 2004)	
		Amount	Share of Total (%)	Amount	Share of Total (%)	Amount	Share of Total (%)
ASSETS							
Current Assets							
Cash and bank deposits		1,100,733		7,722,431		4,747,542	
Notes and accounts receivable, trade		134,221		465,417		206,375	
Inventories		1,564,912		4,114,098		1,931,730	
Purchased non-performing loans		293,703		4,393,971		1,669,190	
Deferred tax assets		31,757		77,953		36,901	
Other current assets		41,881		619,387		270,858	
Allowance for doubtful accounts		(4,214)		(6,335)		(7,363)	
Total Current Assets		3,162,996	62.4	17,386,924	73.9	8,855,237	73.7
Fixed Assets							
Property and Equipment							
Building and structures		304,137		326,051		321,236	
Land		1,261,884		1,261,884		1,261,884	
Other		18,804		360,508		44,871	
Total Property and Equipment		1,584,826	31.2	1,948,444	8.3	1,627,992	13.5
Intangible Fixed Assets							
Software		875		31,754		2,906	
Consolidation adjustment accounts		-		364,576		-	
Other		-		200		-	
Total Intangible Fixed assets		875	0.0	396,531	1.7	2,906	0.0
Investments and Other Assets							
Investments in securities		123,123		3,487,536		1,347,908	
Other assets		200,359		304,205		184,934	
Total Investments and Other Assets		323,482	6.4	3,791,742	16.1	1,532,843	12.8
Total Fixed Assets		1,909,184	37.6	6,136,718	26.1	3,163,742	26.3
Total Assets		<u>5,072,181</u>	<u>100.0</u>	<u>23,523,642</u>	<u>100.0</u>	<u>12,018,979</u>	<u>100.0</u>

(¥ thousand)

Items	Period		First Half of Fiscal 2005 (at June 30, 2005)		Fiscal 2004 (at December 31, 2004)	
	First Half of Fiscal 2004 (at June 30, 2004)		Amount	Share of Total (%)	Amount	Share of Total (%)
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current Liabilities						
Notes and accounts payable, trade	17,745		2,005		20,828	
Short-term borrowings	1,202,641		5,633,640		3,136,793	
Income taxes payable	198,735		399,688		421,493	
Accrued bonuses	30,082		76,590		-	
Accrued cost of withdrawing from welfare pension fund	-		30,242		-	
Other current liabilities	103,325		755,384		372,069	
Total Current Liabilities	1,552,529	30.6	6,897,551	29.3	3,951,183	32.8
Long-term Liabilities						
Corporate bond	-		5,715,000		130,000	
Long-term debts	1,507,880		4,255,740		1,831,941	
Reserve for employees' retirement benefits	-		10,276		-	
Deferred tax liabilities	-		10,536		-	
Other	103,386		103,386		103,386	
Total Long-term Liabilities	1,611,266	31.8	10,094,939	42.9	2,065,328	17.2
Total Liabilities	3,163,795	62.4	16,992,490	72.2	6,016,511	50.0
Minority Interests						
Minority Interests	-	-	19,019	0.1	8,401	0.1
Shareholders' Equity						
Common stock	488,750	9.6	2,346,629	10.0	2,339,789	19.5
Capital surplus	626,000	12.3	2,483,879	10.6	2,477,039	20.6
Retained earnings	793,635	15.7	1,660,801	7.1	1,177,236	9.8
Net unrealized gain on other securities	-	-	20,821	0.1	-	-
Total Shareholders' Equity	1,908,385	37.6	6,512,132	27.7	5,994,065	49.9
Total Liabilities, Minority Interests and Shareholders' Equity	<u>5,072,181</u>	<u>100.0</u>	<u>23,523,642</u>	<u>100.0</u>	<u>12,018,979</u>	<u>100.0</u>

Consolidated Interim Statements of Income

(¥ thousand)

Period Items	First Half of Fiscal 2004 (January 1– June 30, 2004)		First Half of Fiscal 2005 (January 1– June 30, 2005)		Fiscal 2004 (January 1– December 31, 2004)	
	Amount	Share of Total (%)	Amount	Share of Total (%)	Amount	Share of Total (%)
Net Sales	1,695,687	100.0	2,605,811	100.0	4,526,565	100.0
Cost of Sales	829,870	48.9	901,297	34.6	2,359,362	52.1
Gross Profit	865,817	51.1	1,704,513	65.4	2,167,202	47.9
Selling, General and Administrative Expenses	372,283	22.0	743,518	28.5	888,280	19.6
Operating Income	493,534	29.1	960,994	36.9	1,278,922	28.3
Other Income	27,956	1.7	53,147	2.0	42,978	0.9
Interest income	1		4,446		2,552	
Dividend receivable	-		-		50	
Equity in earnings of affiliated companies	15,367		34,658		15,285	
Rental income	12,360		12,360		24,720	
Other	227		1,681		369	
Other Expenses	99,709	5.9	179,120	6.9	208,664	4.6
Interest Expense	32,927		84,149		77,754	
Loan commissions	-		37,461		11,583	
Rental expense	9,934		9,572		19,868	
Initial public offering expenses	40,522		-		40,522	
New share issue expenses	14,987		-		48,762	
Bond issue expenses	-		39,585		-	
Other	1,338		8,351		10,172	
Ordinary Income	421,780	24.9	835,021	32.0	1,113,236	24.6
Extraordinary Gains	7,125	0.4	-	-	7,125	0.2
Adjusted earnings and losses for previous years	7,125		-		7,125	
Extraordinary Losses	-		13,022	0.5	-	-
Loss on withdrawing from welfare pension fund	-		13,022		-	
Income before Income Taxes	428,906	25.3	821,998	31.5	1,120,362	24.8
Income taxes	192,498		376,326		505,496	
Income taxes-deferred	(8,379)		(37,984)		(13,523)	
Minority interests	-	-	91	0.0	1	0.0
Net Income	<u>244,787</u>	<u>14.4</u>	<u>483,565</u>	<u>18.6</u>	<u>628,387</u>	<u>13.9</u>

Consolidated Interim Statements of Retained Earnings

(¥ thousand)

Period	First Half of Fiscal 2004 (January 1– June 30, 2004)	First Half of Fiscal 2005 (January 1– June 30, 2005)	Fiscal 2004 (January 1– December 31, 2004)
Items	Amount	Amount	Amount
Capital Surplus			
Opening Balance	140,000	2,477,039	140,000
Increase in Capital Surplus	486,000	6,840	2,337,039
Capital increase upon issuance of new shares	486,000	-	2,329,559
New share issue due to execution of stock acquisition rights	-	6,840	7,480
Closing Balance	<u>626,000</u>	<u>2,483,879</u>	<u>2,477,039</u>
Retained Earnings			
Opening Balance	548,848	1,177,236	548,848
Increase in Retained Earnings	244,787	483,565	628,387
Net income	244,787	483,565	628,387
Closing Balance	<u>793,635</u>	<u>1,660,801</u>	<u>1,177,236</u>

Consolidated Interim Statements of Cash Flows

(¥ thousand)

Period Items	First Half of Fiscal 2004 (January 1– June 30, 2004)	First Half of Fiscal 2005 (January 1– June 30, 2005)	Fiscal 2004 (January 1– December 31, 2004)
	Amount	Amount	Amount
Cash Flows from Operating Activities			
Income before income taxes	428,906	821,999	1,120,362
Depreciation and amortization	13,259	22,543	30,921
Amortization of long-term prepayment expenses	345	225	610
Amortization of deferred assets		4,308	-
Amortization of consolidation adjustment accounts	-	19,188	-
Equity in earnings of affiliated companies	(15,367)	(34,658)	(15,285)
Increase (decrease) in allowance for doubtful accounts	1,853	(1,103)	5,002
Increase in accrued bonuses	30,082	76,590	-
Increase in reserve for employees' retirement benefits	-	13,362	-
Interest income and dividend receivable	(1)	(4,446)	(2,602)
Interest expense	32,927	84,149	77,754
Increase in notes and accounts receivable	(70,133)	(187,205)	(142,287)
Increase in inventory	(697,868)	(2,182,367)	(1,064,686)
Increase in non-performing loans	(58,948)	(2,724,780)	(1,434,436)
(Increase) decrease in notes and accounts payable	8,651	(18,822)	11,733
Increase in guaranteed deposit received	22,140	-	-
Others	13,277	(498,828)	189,585
Sub total	(290,876)	(4,609,846)	(1,223,328)
Interest and dividend received	1	4,542	2,507
Interest paid	(34,533)	(94,727)	(76,578)
Income tax paid	(139,673)	(409,860)	(229,912)
Net Cash Used in Operating Activities	(465,081)	(5,109,891)	(1,527,312)
Cash Flows from Investing Activities			
Payments for purchase of tangible fixed assets	(1,955)	(332,086)	(67,905)
Payments for purchase of investment in securities	-	(343,224)	-
Payments for acquisition of consolidated subsidiary	-	(340,623)	-
Payments for purchase of affiliated company's share	(10,000)	-	(20,000)
Payments for investments in affiliated companies	-	-	(3,000)
Payments for investments in companies	(10,000)	(69,930)	(39,500)
Payments for investments in silent partnerships	(60,610)	(2,397,540)	(1,149,410)
Proceeds from dividend of silent partnerships	-	710,932	-
Payments for loans	-	-	(227,941)
Proceeds from loan collections	-	197,941	-
Others	10,697	(50,453)	(23,764)
Net Cash Used in Investing Activities	(71,868)	(2,624,984)	(1,531,521)
Cash Flows from Financing Activities			
Increase in short-term debt	495,001	1,791,847	879,153
Proceed from long-term debt	250,000	3,950,000	2,471,519
Repayment of long-term debt	(544,940)	(821,201)	(892,397)
Proceeds from bonds issuance	-	5,800,000	200,000
Payments for bonds redeemable	-	(35,000)	-
Proceeds from issuance of common stock	804,750	13,680	4,506,829
Proceeds from minority interests	-	10,440	8,400
Net Cash Provided by Financing Activities	1,004,811	10,709,765	7,173,504
Increase in Cash and Cash Equivalents	467,861	2,974,889	4,114,670
Cash and Cash Equivalents at Beginning of Term	613,272	4,727,942	613,272
Cash and Cash Equivalents at End of Term	<u>1,081,133</u>	<u>7,702,831</u>	<u>4,727,942</u>