

Extract from the SHOKUIN ROKU
re The GIJUTSU IN

The second division handles the following matters:

1. Aircraft fuselage.
2. Take-off and landing equipment.

The third division handles the following affairs:

1. Engines and accessories thereof.
2. Fuel oils and lubricants.

The fourth division handles the following matters:

1. Propellers.
2. Calculating instruments.
3. Equipment, fittings, part and other instruments.

Article 7.

The third sub-section handles the following affairs:

1. Establishment and implementation of plans necessary to promote technical skill concerning materials, machinery, and electric power in aeronautics.
2. Encouragement of scientific knowledge in aeronautics.

Article 8.

The third sub-section consists of our divisions.

The first division handles the following matters:

1. Materials (iron and steel).
2. Materials (non-ferrous metals).
3. Regulating and correlating affairs with other divisions of the third sub-section.
4. Matters which do not belong to other divisions of the third sub-section.

The second division handles the following matters:

1. Organic materials.
2. Inorganic materials (except metals).

The third division handles the following matters:

1. Precision instruments.
2. Chemical instruments.
3. Other instruments.

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The fourth division handles the following matters:

1. Electrical instruments.
2. Communication instruments.

Article 9.

The fourth sub-section handles the following matters:

1. Research in scientific techniques at home and abroad.
2. Research in materials relating to scientific techniques at home and abroad.

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Article 10.

The fourth sub-section consists of two divisions.

The first division handles the following matters:

1. Compilation of the results of various investigations on scientific techniques at home and abroad.
2. Research on actual condition of scientific techniques at home and abroad.
3. Production of statistics and materials on scientific techniques at home and abroad.
4. Collection, adjustment, editing, and maintenance of materials concerning scientific techniques at home and abroad.
5. Regulating and correlating affairs with other divisions of the fourth sub-section.
6. Matters which do not belong to other divisions of the fourth sub-section.

The second division handles the following matters:

1. Survey of resources in the manufacturing and mining industries.
2. Survey of resources in the agriculture, forestry, fishery, and stock-breeding industries.
3. Survey of the living conditions of the people.

Extract from the minutes of the
General Meeting of Stockholders of Manshu Jukogyo K. K.
17 February 1942

Extract from the Minutes of the General Meeting of the Manchu Jukogyo
K. K., 17 February 1942.
Speech by AIKAWA Yoshisuke

Prior to the founding of the Manchuria Heavy Industries Company Limited I was ordered by the Japanese and Manchurian governments to convert the ¥480,000,000 stock of the Japan Industrial Company Limited into cash as quickly as possible and to reinvest it in Manchuria. As everyone knows it would be well nigh impossible to liquidate such a large bloc of stock without affecting the market. Extraordinary planning and a period of many months was necessary for the carrying out of those instructions. From that time forward I endeavored to effect the conversion as advantageously as possible but could **make** no satisfactory progress. Hence, I conceived a new scheme whereby in July last year I enlisted the cooperation of prominent insurance companies in Japan to establish the Manchurian Investment Security Company Limited capitalized at ¥400,000,000. As funds were realized we carried out the transfer of the Japan Industrial Company Limited securities. Transfers amounted to ¥120,000,000 last year. I continued to try to clear the remaining amount, some ¥193,000,000, but due to a drop in the market last fall I was at a loss to prevent a decrease in the value of the security account. Due to the glorious victories achieved on the various war fronts by the Imperial Army since the outbreak of the Great East Asia War on 8 December, however, the situation changed and our securities regained their value. After considering the respective positions of the government, the Manchuria Heavy Industries Company Limited and the Manchurian Investment Security Company Limited and after thoroughly investigating the situation, I obtained governmental approval to sell all remaining stock in hand to the Manchurian Investment Security Company Limited at ¥263,000,000. I calculate the profit on this transaction at more than ¥70,000,000. Of course this was an extraordinary transaction, the like of which is rarely seen in company accounting. It had taken more than two years to accomplish it but at any rate I was thus able to fulfill one phase of my important mission, that of transferring the assets of the former Nissan Company to Manchuria. Therefore, I share the satisfaction of the shareholders in the result.

Needless to say the meritorious achievements on the part of the Imperial Forces under the leadership of the Emperor indirectly caused this good fortune. Therefore, we must express our gratitude toward the Imperial Forces. Additionally we are grateful to the Manchurian Government for its understanding of the Manchuria Heavy Industries Company Limited, for guaranteeing a 6% dividend from the time of establishment and for special exemption from taxation of business profits.

On the basis of this transaction I believe that the Manchuria Heavy Industries Company Limited should liquidate its investments in industries in Japan in entirety and should sponsor the development of public utilities

Speech by AIKAWA Yoshisuke

after its investments have been concentrated solely in Manchuria. It should show its great gratitude to the various elements from which it has received special favors during its infancy. With this in mind I should like to withdraw ¥35,000,000 from the Japan accounts, amounting to one-half of the profit on the stock sales. If the company had continued as the Nissan firm we should have had to pay a surprisingly high figure in taxes and the effect upon the shareholders would have been considerable. Each shareholder should keep this fact in mind in considering my proposition, for it would have been awkward if we had not been able to pay the 8% dividend announced at the time of our capital increase. Fortunately we were able to convert every domestic share into investment securities, thus obviating the fear that civilian shareholders' accounts might be effected by a reduction of the margin of profit on the domestic shares. Even if the large sum of ¥35,000,000 is deducted, the 8% per annum dividend on old and new shares will, we are assured, not be reduced over a period of some six years, even after all capital represented by new shares is paid up. Under the circumstances there is no reason why shareholders should object to my plan, and I am convinced that the proposal will be wholeheartedly approved. I have obtained the unofficial understanding of the government as to the disposition of the profit and loss account. Let this disposition be entrusted to my hands in order that I may (formally) consult the proper authorities. I hope the plan will be approved by a unanimous vote.

(NOTE: The plan was unanimously approved by all shareholders who rose and applauded.)

GUNJI ENGO KAI (Soldiers' Relief Society)

GUNJI ENGO KAI
(Soldiers Relief Society)

This institution was established on 1 December 1938 by an Imperial edict dated 7 October 1938, whereby the SHIMBU IKUEI KAI (Imperial Soldiers Education Society), the TEIKOKU GUNJIN KOEN KAI (Imperial Soldiers Aid Society) and the NIHON GUNJIN ENGO KAI (Japanese Soldiers Aid Society), old institutions, were amalgamated under the new title. Financial support was granted in the form of an Imperial gift of ¥3,000,000. The purpose of the society was to give medical and educational assistance to the families of servicemen who had been in the army in Manchuria. Officers of the society were:

The president: ASAKA NO MIYA Prince HATOHICO

Acting President: NARA Taketsugi

Vice-Presidents: USHIO Keinosuke
FURUKAWA Shosaburo
KAMATA Yahiko

Chief Director: DATE Tetsuji

SPANDING Directors: NIBORI Denzo
ENDO Goro
NAGAOKA Jukichi

Permanent Superintendent: HIRAMATSU Hideo

Charter of the GISEI KAI (Sacrifice Society)

CHARTER OF THE GISEI KAI (Sacrifice Society)

The Memorandum of
Foundational Juridical Person "Gisei-kai"

Chapter 1 - Name

Article 1. The Foundation shall be called Gisei-Kai.

Chapter 2 - Office

Article 2. The office of the Foundation shall be in the Nissan Building, No. 2, Tamuracho 1-chome, Shiba-ku, Tokyo.

Chapter 3 - Object and Undertaking

Article 3. The objectives and purpose of the Foundation is to carry out special research in economics and finance also relevant matters of the Co-prosperity Zone in the Greater East Asia with Japan as its center and thereby to contribute toward the development of the country.

Article 4. The Foundation, in order to achieve said object, shall carry out the following undertakings:-

1. To establish a special research organization for the purpose of making research, experiments and investigations in economics, finance, and matters closely related thereto; to furnish necessary equipment and funds; and to guide and lead the management of the organization.
2. To set up the necessary establishment, to be run on lines described above, so that pertinent and effective work may be carried out in connection with the aforesaid undertaking.
3. To assist such juridical persons or associations as may be called upon to cooperate with the Foundation in carrying out its undertakings.
4. Undertakings other than those specified above which the Foundation deems necessary to achieve its objectives.

Chapter 4 -

Article 5. The assets of the Foundation shall consist of the under-mentioned.

1. Donation made by Mr. Yoshisuke Aikawa, President of Manchuria Industrial Development Corporation.
2. Donations other than referred to above.
3. Income accruing from investment of assets.
4. Other incomes.

Article 6. Donations specially designated for foundation fund or assets resolved by a Meeting of Trustees to be set aside as such shall constitute foundation fund. Capital of Foundation shall not be disposed of without a resolution of a Meeting of Trustees.

Article 7. The expenditures of the Foundation shall be paid with the assets.

Article 8. The fiscal term of the Foundation shall be from January 1st to December 31st.

Article 9. The Estimate of the Foundation shall be decided every year by a resolution of the Board of Directors, and the Estimate and Settlement of Accounts shall be submitted to Meetings of Trustees for acknowledgement.

Article 10. The Foundation shall have the undermentioned officers:-

President	one
Vice-President	one
Directors	a certain number
Auditors	two
Trustees	a certain number

Article 11. The President shall be Yoshisuke Aikawa or his designee. The Vice-President, Directors, and Auditors shall be appointed by the President.

The President and Vice-President shall be Directors at the same time.

Article 12. The President shall represent the Foundation and superintend the business affairs thereof.

Article 13. The Vice-President shall assist the President and in case the President is prevented from performing his duties shall perform the duties of the President.

Article 14. The President may appoint out of the Directors one General Director and a certain number of Managing Directors.

The General Directors shall under the direction of the President conduct the business affairs of the Foundation.

The Managing Directors shall assist the General Directors and manage the business affairs of the Foundation.

The President may allot the business for the Directors.

Article 15. The Auditors shall audit the accounts of the Foundation.

Article 16. The President, Vice-President, Directors, and Auditors may be Trustees at the same time.

Article 17. The term of office of the officers shall be three years, but the President may if he deems necessary discharge officers prior to the termination of office.

The term of office of a substitute shall be the remaining terms of his predecessor.

The Officers shall continue to perform duties of their office after the expiration of their term of office until their successors assume office.

Chapter 6 - Board of Directors and Meetings of Trustees

Article 18. The Board of Directors shall consist of the President, Vice-President and Directors and discuss the undermentioned matters:-

1. Matters to be referred to Meetings of Trustees.
2. Matters that require resolution by Meetings of Trustees but which in the judgement of the President cannot be called because of urgency.
3. Matters relating to making rules and regulations.
4. Other important matters.

Article 19. The Auditors may attend Meetings of the Board of Directors and express opinions.

Article 20. The Meeting of Trustees shall consist of the President, Vice-President and Trustees and shall discuss the undermentioned matters:-

1. Matters relating to acknowledgement of the estimate and settlement of accounts.
2. Matters relating to alteration in the Memorandum of the Foundation.

3. Matters relating to the establishment and disposal of foundation fund.
4. Matters that the President consider it necessary to refer to the Meeting.

Article 21. Meetings of the Board of Directors and Trustees shall be called by the President.

The President shall act as Chairman of said Meetings.

Article 22. The Meetings shall be constituted by attendance of over one third of the total number of the Directors or Trustees. An absentee who shall send in proper proxy shall be counted as an attendance.

Article 23. Decisions at the Meetings shall be made by the President.

Article 24. In the case where Meetings should be called the President may, if he thinks fit, collect opinions in writing and dispense with Meetings.

Supplementary Provisions

Article 25. This Memorandum of the Foundation may only be altered subject to the consent of the two thirds or more of the Directors and Trustees respectively and furthermore subject to the approval of the Supervising Department of the Government.

Article 26. If the Foundation shall become unable to continue to exist or become unnecessary, it may be dissolved subject to the consent of three fourths or more of the Directors and Trustees respectively and furthermore subject to the sanction of the Supervising Department of the Government.

Article 27. In the case of dissolution the President may dispose of the residual assets for public benefit undertakings after the Meeting of Trustees shall have passed a resolution.

Expenditures of the GISEI KAI (Sacrifice Society)

EXPENDITURES OF GISEI KAI (Sacrifice Society)

Donations received from Manchurian Industrial Development Corporation when the GISEI KAI was inaugurated.

Cash		¥ 5,740,854.04
Government Bonds:		
Mark "Ko" 5 % Loan bonds, face value ¥ 300,000.00 at ¥ 106.85		320,550.00
Debentures:		
The 20th Savings Hypothec Bonds (face value ¥ 15) Issuing value ¥ 200,000.00 at ¥ 9,299 odd		185,995.60
Manchuria Industrial Development Corporation:		
9th Debentures. Face value ¥ 623,000.00 at ¥ 99.75		621,442.50
the 10th Debentures. Face value ¥ 377,000.00 at ¥ 99.75		376,057.50
Class "C" shares (¥ 12.50) paid up. 90,000 shares at ¥ 17.00		1,530,000.00
Nissan Automobile Co Ltd. shares (¥ 50.00 paid up) 45,000 shares at ¥ 75.00		3,375,000.00
Nissan Automobile Co. Ltd. shares (¥ 12.50 paid up) 45,000 shares at ¥ 27.50		1,237,500.00
Interest accrued:		
Bonds	4,400.67	
Manchurian Industrial Develop. Corporation's debentures	4,261.09	
Transfer tax on Manch. Indus- trial Dev. Corp.'s the 9th debenture	248.60	
Transfer tax on Nissan Auto. Co.'s the 9th debenture	3,690.00	12,600.36
		<u>¥ 13,400,000.00</u>

Donations made from the MANCHURIAN HEAVY INDUSTRIES DEVELOPMENT CORPORATION:

GISEI KAI 13,500,000 YEN
(as requested by Mr. AIKAWA,
reference to speech made 7 Jan. 1943)

GUNJI IZOKU (War Relief)
(see report on GUNJI IZOKU, listed
in this project) 5,000,000 YEN

MANCHUKUO (Public Grant) 10,000,000 YEN
(given to Manchukuo government to
Premier Cho Kei Kin)

MANCHURIAN HEAVY INDUSTRIES
DEVELOPMENT CORP. WORKERS 6,500,000 YEN

Total 35,000,000 YEN

Note: The above figures were obtained from Mr. Kantaro
KISHIMOTO (Nissan Co. president, former vice-president
of GISEI KAI) and from the books of the GISEI KAI.

Donations received from Manchurian Industrial Development Corporation
when the GISEI KAI was inaugurated.

Cash		¥5,740,854.04
Government Bonds:		
Mark "Ko" 5% Loan bonds, face value ¥300,000.00 at ¥106.85		320,550.00
Debentures:		
The 20th Savings Hypothec Bonds (face value ¥15) Issuing value ¥200,000.00 at ¥9.299 odd		185,995.60
Manchuria Industrial Development Corporations:		
the 9th Debentures. Face value ¥623,000.00 at ¥99.75		621,442.50
the 10th Debentures. Face value ¥377,000.00 at ¥99.75		376,057.50
Class "C" shares (¥12.50) paid up 90,000 shares at ¥17.00		1,530,000.00
Nissan Automobile Co's shares (¥50.00 paid up) 45,000 shares at ¥75.00		3,375,000.00
Nissan Automobile shares (¥12.50 paid up) 45,000 shares at ¥27.50		1,237,500.00
Interest accrued:		
Bonds	4,400.67	
Manchurian Industrial Develop. Corporation's debentures	4,261.09	
Transfer tax on Manchurian Industrial Develop. Corporation's 9th debenture	248.60	
Transfer tax on Nissan Automobile Co's the 9th debenture	3,690.00	12,600.36
		<u>¥13,400,000.00</u>

Residual Assets of GISEI KAI to be donated to Foundational Juridical Person NOSON KOGYO SHINKO KAI (Local Industries in Agricultural Villages Promotion Association)

1. Negotiable Bonds:		
<u>Government Loan Bonds.</u>		
(Mark "Ko" 5% Bonds, face value ¥315,500.)	¥	337,305.50
(Mark "Ih" War Bonds, face value 1,800.)		1,769.31
(Mark "Ha" War Bonds, face value 1,500.)		1,500.00
<u>Debentures:</u>		
The 20th Savings Hypothec Bonds face value 394,865		182,192.10
Manchuria Industrial Develop. Corp.'s 10th debenture face value 377,000		376,057.50
<u>Shares:</u>		
Manchuria Industrial Develop. Corp. Class "C" shares 30,000 shares		510,000.00
Nissan Heavy Industries Co.'s 90,000 shares		6,300,000.00**
Manchurian Investment Securities Corp.'s 5,000 shares		5,000,000.00**
K. K. Shirokiya's 15,700 shares		789,000.00
2. Guarantee money:		
Guarantee money for office premises (rent paid in advance)		14,501.49
3. Bank deposits:		247,196.47
4. Cash		<u>3,501.99</u>
		<u>¥13,763,024.36</u>

Marked** these securities are held in custody of the Teikoku Bank, Hibiya Branch Office, pending the approval of transfer under the SCAP directive.