

MINUTES
OF
THE ANNUAL BOARD MEETING OF THE JAPANESE EDUCATIONAL
INSTITUTE OF NEW YORK

WEDNESDAY March 24, 2004

The annual meeting of the Board of Trustees of the Japanese Educational Institute of New York for the year 2003/2004 was held on the 24th day of March, 2004 in the conference room of Marubeni America Corp. in Manhattan, New York from 4:00 to 5:30 p.m.

The meeting was called to order by President Kazuhiko Sakamoto, who acted as chairman .

Present were

(Honorary President)

Ando Hiroyasu

(Officers)

Sakamoto Kazuhiko

Kitamura Hiroshi

Narimatsu Hiroshi

Senoo Kanji

Matsumura Shigehiko

(Trustees)

Hashimoto Tadaaki

Kanazawa Yasuhito

Murase Jiro

Nagato Masatsugu

Saji Makoto

Sato Hiroshi

Taguchi Toshiaki

Yamamoto Kenzo

Yamamoto Yuichi

Yonemochi Kenshin

(Others)

Furutachi Takato (Consul of CGJ)

Kato Takahiro (Chairman of CEO)

Sano Tadashi (Chairman of ACOE)

Fujihira Masutaka (Principal of New York Weekend School)
Hirata Shinobu (Principal of New Jersey Weekend School)
Kimishima Kenji (Principal of New Jersey Japanese School)
Toki Ryuichiro (Principal of Greenwich Japanese School)
Kurihara Yuji (DCR)
Inoue Keiji (Consul of CGJ)
Kashima Koji (Marubeni America Corp)

Agenda 1 Opening of Meeting and Roll Call

President Sakamoto recognized that a Quorum was constituted since 13 trustees were present.

Agenda 2 Resignation of Trustees and Election of Successors

Pursuant to Article III-1 of JEI Bylaws, the following persons were elected to succeed persons who had recently resigned because of their return to Japan, with unanimous approval of trustees present.

New trustees' term is same as present trustees, namely until July, 2004 when the next Annual Board Meeting will be held.

Mr. Saji Makoto of UFJ Bank, Ltd., as successor to Mr. Akiyama,
Mr. Sato Hiroshi of Consulate General of Japan, as successor to Mr. Fukukawa,
Mr. Negami Toshio of Shiseido Cosmetics(America), Ltd.,
Mr. Ishikawa Takeshi of Aromat Corporation, as successor to Mr. Teraoka and
Mr. Yamamoto Yuichi of Kawasaki Heavy Industries (USA), Inc., as successor
to Mr. Kosato.

Agenda 3 Budget for the year 2004/2005

Mr. Senoo, Assistant Treasurer, made the report of discussion and result at ACOE and CEO basing on the handout # 3-1.

Generally he commented that the number of student affect financial status of each school and described each segment budget.

Greenwich Japanese School

Sharp decrease number of students from 239 to 205 will make deficit from \$379K to \$569K. In addition to such decrease two English teachers' status is changed from part-time to full-time employment temporally for this year.

New Jersey Japanese School

This number of students around 70 is inevitable to produce deficit increase around \$70K. The teacher of music who was sick was replaced last year by part-time teacher but eventually the former teacher comes back to full-time employment this year.

New York Weekend School

Although number of students decreased from 873 to 782, mainly due to the decrease number of teachers because of T-W School unification, the deficit will be minimized to \$22K.

New Jersey Weekend School

Being recognized as high quality school, there will be no problem financially since the number of students is kept in good level of 500.

JEI Office

Because of inevitable announce for two buses operation instead of one, although number of users for bus is decreased, New Jersey Japanese School will have to operate two buses with resulting deficit. The partial cost of \$15K shall be borne by JEI for this school.

Mr. Sakamoto summarized that two Weekend Schools are as in financially good condition. As stated later Greenwich School will need some drastic measure and Unification of New Jersey School will be postponed and we require their effort to minimize the deficit.

The board unanimously approved the proposed budget for the year 2004/2005 stated in handout #3.

Agenda 4 Introduction of new members

Introduced to the board were the following persons who attended the meeting for the first time. These persons made a short self-introductory speech.

Mr. Sato Hiroshi of CGJ

Mr. Yamamoto Yuichi of Kawasaki Heavy Industries

Mr. Saji Makoto of UFJ Bank

Mr. Toki Ryuichiro of Greenwich Japanese School

Mr. Fujihira Masataka of New York Weekend School

Agenda 5 Report from ACOE (Administrative Committee of Education), CEO (Committee on Education and Operations) and JEI Office

Special Report

Mr. Sakamoto

Requesting all 38 trustees' for hard study on voluminous materials prepared by us, we come to the conclusion the postponement of Unification for 3~5 years and start of negotiation for Sales & Lease Back of Greenwich Japanese School.

Voting result is as follows:

YES	36
NO	0
ABSTAIN	2

Task Force will be established in JEI and the result of voting will be announced soon to the parties concerned.

Mr. Sato

As he abstained, he described his position as follows.

"We have consulted with the Japanese Government who advised CGJ should not participate in voting in the management decision of JEI."

On the other hand, we have four requests from the point of Japanese Government.

- 1) Postponement of Unification shall be properly and thoroughly explained to the parents, firms etc.
- 2) From the financial point of view, the decision is reasonable, however, from educational point of view, there might be somewhat questionable. To execute this decision teachers' opinion shall be reflected.
- 3) Since economical figure may change from time to time, the continuous check shall be required.
- 4) Subsidies from the Japanese Government shall be reviewed because this is not a case that we have experienced before.

Mr. Sakamoto

Duly noted and I will try my best to meet your requirements. I hope to have continued support of Japanese Government.

Mr. Kurihara

Four principals were not informed before at all.

Educational discussion was not made at all.

I had expected some discussion would be made at the board meeting.

Towards the unification, NJ two teachers' term was already extended.

The trustees who do not attend commencement ceremony etc cannot judge the important issue as such. This decision is made without considering educational point of view.

As I proposed at the time of Mr. Kodama's president, I request you again to consider that principals should become members of the board.

Mr. Sakamoto

We may reflect some points but the process to the decision is made under my responsibility.

The execution onwards shall taken into consideration the teachers' opinion as much as possible. Your proposal shall be studied.

Mr. Kimishima

If this situation continues, children and parents may feel uneasiness. JEI should explain properly and hold meeting with the parties concerned.

Teachers' personal movement was set up for basing on the Unification.

Mr. Sakamoto

In order to meet your requirements, I will try my best.

Mr. Taguchi

It is regrettable that the proposal was not informed to the principals. However the idea of Sale and Lease-back is very supportive.

Mr. Nagato

With regard to criticizing the President as above,

- 1) No consulting to the principals: This is a matter of president responsibilities.
- 2) Negligence of educational point and 3) Trustees' decision is based on lack of knowledge on school without attending school event such as Commencement, Entrance Ceremonies Etc :

As an example, a store with sales amount of \$5mil is producing \$1mil deficit. No

alternative has not been proposed by any person so far, although this kind of seriousness has been realized long time ago. This subject should have been handed over by previous principal. It is a right decision by trustees that Sale and Lease-back is the most slight effect to the current situation.

Mr. Sakamoto

Without saying, we, JEI, have decided taking into consideration of the children's needs. If our program is inconvenient for children in future, we are prepared to review the situation at any time. As stated repeatedly, there is a question if we could leave this school as it is going.

NEW YORK

Mr. Sano reported on the issues contained in the handout #5-1

In Greenwich School due to the existence of high quality of local schools, widen allowance of acceptance in Japan on students from overseas, decrease of children in general etc, the increase of student is difficult to foresee.

As to Weekend School, the increase of families or students of permanent stay makes difficult to harmonize at classrooms. Some students prefer private Japanese preparatory school to Weekend School.

NEW JERSEY.

Mr. Kato reported on the issue contained in the handout #5-1.

The news of postponement of Unification is a good one for the parents and children in New Jersey. The target of increase of student might be around 10.

JEI OFFICE

Mr. Matsumura reported on the issue contained in the handout #5-2.

As to the donation by the firms last year, in spite of the decrease number of students, the target has been achieved. Although total sum might slightly down, we hope all the firms could cooperate as before.

Mr. Kimishima

Basing on the postponement of Unification announce, the revision of curriculum shall be done.

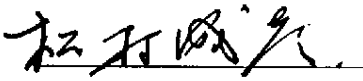
Mr. Hirata

In the long aspect we have to manage to face locally hired advanced aged teachers.

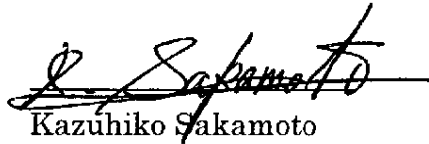
Agenda 6 Adjournment

Mr. Sakamoto announced that the next regular board meeting would be held at 4:00 p.m. on Wednesday May 26, 2004 at the conference room of Marubeni America Corp.

The meeting was adjourned at 5:30 p.m.



Shigehiko Matsumura
Executive Secretary



Kazuhiko Sakamoto
President