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## THE DAILY YOMIURI

### Commentator reaped 3 billion yen in investments

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**Toshio** Masuda, a self-styled current affairs commentator alleged to have bogus investment funds in a Pacific island bank, has over the past eight years collected about 3 billion yen from investors for an insolvent Canadian information technology firm he had billed as "going public soon," but which has yet to be listed, according to sources.

Masuda, who has allegedly failed to refund most of the 1.6 billion yen that investors plowed into a bank he established in Palau, is thought to have enticed investors to put their money into the firm he dubbed "the next Microsoft." The company, however, booked revenue of just 3.6 million yen in fiscal 2007.

Some investors filed a lawsuit for damages against Masuda and other associates with the Tokyo District Court at the end of March over the fact he promoted Ontario-based **Arius3D** Inc. as a good investment, but did not disclose its financial situation.

According to the investors' lawyer and other sources, Masuda began in 2000 to tell subscribers of his members-only investment club that: "**Arius3D** will become the next Microsoft. You can expect its share price to increase 40-fold."

About 1,000 people invested by nominally purchasing unlisted shares in **Arius3D**.

However, the listing of the company was postponed many times, and it emerged last year that the company was to merge with another investment company listed on the Canadian Venture Exchange.

That investment firm revealed some of **Arius3D**'s account statements for fiscal 2007 last month.

The statements showed that **Arius3D**'s revenue, which Masuda claimed was "more than 20 billion yen in 2005," was actually as little as 3.6 million yen.

It also has been learned that the firm booked a deficit of about 400 million yen, and that an auditing company found it only had about 100 million yen in assets.

Masuda, 69, not only failed to give investors this information, but he held parties for them at hotels in Tokyo and Osaka in October to celebrate the company's "listing being decided." He also told them the share price would "increase more than tenfold," and called on them to make additional investments of hundreds of millions of yen.

"It's extremely unclear as to where this huge amount of money went," the investors' lawyer said. "

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