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**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

2012

Department of the Treasury
Internal Revenue Service

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year **2012**, or tax year beginning , **2012**, and ending

THE WATANABE FOUNDATION
52 DISCOVERY
IRVINE, CA 92618

A Employer identification number
26-3057058

B Telephone number (see the instructions)
(949) 789-2000

C If exemption application is pending, check here

D 1 Foreign organizations, check here
2 Foreign organizations meeting the 85% test, check here and attach computation

E If private foundation status was terminated under section 507(b)(1)(A), check here

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

G Check all that apply

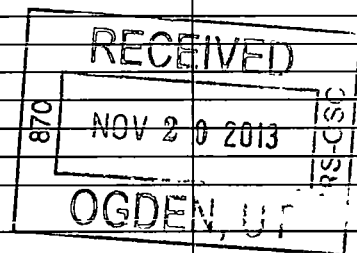
<input type="checkbox"/> Initial return	<input type="checkbox"/> Initial return of a former public charity
<input type="checkbox"/> Final return	<input type="checkbox"/> Amended return
<input type="checkbox"/> Address change	<input type="checkbox"/> Name change

H Check type of organization. Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, column (c), line 16)
\$ 10,661,344.

J Accounting method Cash Accrual
(Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
REVENUE	1 Contributions, gifts, grants, etc. (attach sch)	3,000,000.			
	2 <input type="checkbox"/> if the foundn is not req to att Sch B				
	3 Interest on savings and temporary cash investments	205,550.	205,550.	205,550.	
	4 Dividends and interest from securities	139,199.	139,199.	139,199.	
	5a Gross rents				
	b Net rental income or (loss)				
	6a Net gain/(loss) from sale of assets not on line 10	75,215.			
	b Gross sales price for all assets on line 6a.	4,880,405.			
	7 Capital gain net income (from Part IV, line 2)		75,215.		
	8 Net short-term capital gain			84,480.	
	9 Income modifications				
	10a Gross sales less returns and allowances				
b Less Cost of goods sold					
c Gross profit/(loss) (attach sch)					
11 Other income (attach schedule)	SEE STATEMENT 1	2,600.	2,600.		
12 Total. Add lines 1 through 11		3,422,564.	422,564.	429,229.	
ADMINISTRATIVE AND OPERATING EXPENSES	13 Compensation of officers, directors, trustees, etc	0.			
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)	SEE ST 2	1,450.		
	b Accounting fees (attach sch)	SEE ST. 3	2,074.		
	c Other prof fees (attach sch)				
	17 Interest				
	18 Taxes (attach schedule)(see instrs)	SEE STM 4	8,721.	305.	
	19 Depreciation (attach sch) and depletion				
	20 Occupancy				
21 Travel, conferences, and meetings		18,543.			
22 Printing and publications					
23 Other expenses (attach schedule)	SEE STATEMENT 5	2,101.	1,951.		
24 Total operating and administrative expenses. Add lines 13 through 23		32,889.	2,256.		
25 Contributions, gifts, grants paid		50,000.			
26 Total expenses and disbursements. Add lines 24 and 25		82,889.	2,256.	0.	
27 Subtract line 26 from line 12					
a Excess of revenue over expenses and disbursements.		3,339,675.			
b Net investment income (if negative, enter -0-)			420,308.		
c Adjusted net income (if negative, enter -0-)			429,229.		



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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year	End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value
ASSETS	1	Cash – non-interest-bearing			
	2	Savings and temporary cash investments	7,063,330.	10,661,344.	10,661,344.
	3	Accounts receivable			
		Less: allowance for doubtful accounts			
	4	Pledges receivable			
		Less: allowance for doubtful accounts			
	5	Grants receivable			
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)			
	7	Other notes and loans receivable (attach sch)			
		Less: allowance for doubtful accounts			
	8	Inventories for sale or use			
	9	Prepaid expenses and deferred charges		4,152.	
	10a	Investments – U.S. and state government obligations (attach schedule)			
		b Investments – corporate stock (attach schedule)			
		c Investments – corporate bonds (attach schedule)			
	11	Investments – land, buildings, and equipment: basis			
	Less: accumulated depreciation (attach schedule)				
12	Investments – mortgage loans				
13	Investments – other (attach schedule)				
14	Land, buildings, and equipment: basis				
	Less: accumulated depreciation (attach schedule)				
15	Other assets (describe)				
16	Total assets (to be completed by all filers – see the instructions. Also, see page 1, item I)	7,063,330.	10,665,496.	10,661,344.	
LIABILITIES	17	Accounts payable and accrued expenses			
	18	Grants payable			
	19	Deferred revenue			
	20	Loans from officers, directors, trustees, & other disqualified persons			
	21	Mortgages and other notes payable (attach schedule)			
	22	Other liabilities (describe SEE STATEMENT 6)	902.	10,460.	
	23	Total liabilities (add lines 17 through 22)	902.	10,460.	
NET ASSETS OR FUND BALANCES	Foundations that follow SFAS 117, check here and complete lines 24 through 26 and lines 30 and 31.				
	24	Unrestricted			
	25	Temporarily restricted			
	26	Permanently restricted			
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input checked="" type="checkbox"/>				
	27	Capital stock, trust principal, or current funds			
	28	Paid-in or capital surplus, or land, building and equipment fund			
	29	Retained earnings, accumulated income, endowment, or other funds	7,062,428.	10,655,036.	
	30	Total net assets or fund balances (see instructions)	7,062,428.	10,655,036.	
	31	Total liabilities and net assets/fund balances (see instructions)	7,063,330.	10,665,496.	

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year – Part II, column a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	7,062,428.
2	Enter amount from Part I, line 27a	2	3,339,675.
3	Other increases not included in line 2 (itemize) SEE STATEMENT 7	3	252,933.
4	Add lines 1, 2, and 3	4	10,655,036.
5	Decreases not included in line 2 (itemize)	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) – Part II, column b), line 30	6	10,655,036.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shares MLC Company)	(b) How acquired P — Purchase D — Donation	(c) Date acquired (month, day, year)	(d) Date sold (month, day, year)
1 a SEE STATEMENT 8			
b			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a			
b			
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Column (h) gain minus column (k), but not less than -0-) or Losses (from column (h))
(i) Fair Market Value as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of column (i) over column (j), if any	
a			
b			
c			
d			
e			

2 Capital gain net income or (net capital loss). [If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7]	2	75,215.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions). If (loss), enter -0- in Part I, line 8]	3	84,480.

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No

If 'Yes,' the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (column (b) divided by column (c))
2011		2,406,805.	
2010		1,981,105.	
2009			
2008			
2007			

2 Total of line 1, column (d)	2	
3 Average distribution ratio for the 5-year base period — divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5	4	8,082,563.
5 Multiply line 4 by line 3	5	
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,203.
7 Add lines 5 and 6	7	4,203.
8 Enter qualifying distributions from Part XII, line 4	8	

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948— see instructions)

Table with 11 rows and 2 columns. Row 1: Exempt operating foundations... 8,406. Row 2: Tax under section 511... 0. Row 3: Add lines 1 and 2... 8,406. Row 4: Subtitle A (income) tax... 0. Row 5: Tax based on investment income... 8,406. Row 6: Credits/Payments... 12,558. Row 7: Total credits and payments... 12,558. Row 8: Enter any penalty... 0. Row 9: Tax due... 0. Row 10: Overpayment... 4,152. Row 11: Enter the amount of line 10 to be... 4,152.

Part VII-A Statements Regarding Activities

Table with 11 rows and 3 columns (Yes, No, N/A). Row 1a: During the tax year, did the foundation attempt to influence any national, state, or local legislation... X. Row 1b: Did it spend more than \$100 during the year... X. Row 1c: Did the foundation file Form 1120-POL for this year? X. Row 1d: Enter the amount of tax on political expenditures... 0. Row 1e: Enter the reimbursement... 0. Row 2: Has the foundation engaged in any activities that have not previously been reported to the IRS? X. Row 3: Has the foundation made any changes, not previously reported to the IRS... X. Row 4a: Did the foundation have unrelated business gross income of \$1,000 or more during the year? X. Row 4b: If 'Yes,' has it filed a tax return on Form 990-T for this year? N/A. Row 5: Was there a liquidation, termination, dissolution, or substantial contraction during the year? X. Row 6: Are the requirements of section 508(e) relating to sections 4941 through 4945 satisfied either... X. Row 7: Did the foundation have at least \$5,000 in assets at any time during the year? X. Row 8a: Enter the states to which the foundation reports or with which it is registered... CA. Row 8b: If the answer is 'Yes' to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General... X. Row 9: Is the foundation claiming status as a private operating foundation... X. Row 10: Did any persons become substantial contributors during the tax year? X.

Part VIIA Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If 'Yes,' attach schedule (see instructions)
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If 'Yes,' attach statement (see instructions)
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ... N/A
14 The books are in care of THE WATANABE FOUNDATION Telephone no. (949) 789-2000 Located at 52 DISCOVERY IRVINE CA ZIP + 4 92618
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here... N/A
16 At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for Form TD F 90-22.1. If 'Yes,' enter the name of the foreign country

Part VII B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the 'Yes' column, unless an exception applies.

1 a During the year did the foundation (either directly or indirectly).
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official? Exception. Check 'No' if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.
b If any answer is 'Yes' to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here...
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012?
2 Taxes on failure to distribute income (section 4942) does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)
a At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? If 'Yes,' list the years 20 __, 20 __, 20 __, 20 __
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer 'No' and attach statement - see instructions.)
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here 20 __, 20 __, 20 __, 20 __
3 a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If 'Yes,' did it have excess business holdings in 2012 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012)
4 a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012?

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

- 5 a** During the year did the foundation pay or incur any amount to
- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No
 - (2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? Yes No
 - (3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No
 - (4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) Yes No
 - (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is 'Yes' to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is 'Yes' to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No

If 'Yes,' attach the statement required by Regulations section 53.4945-5(d).

6 a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If 'Yes' to 6b, file Form 8870

7 a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If 'Yes,' did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
TOSHIZO WATANABE 52 DISCOVERY IRVINE, CA 92618	PRESIDENT 0	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1- see instructions). If none, enter 'NONE.'

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter 'NONE.'

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE ----- -----		
----- -----		
----- -----		
----- -----		
----- -----		
Total number of others receiving over \$50,000 for professional services		0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 N/A ----- -----	
2 ----- -----	
3 ----- -----	
4 ----- -----	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A ----- -----	
2 ----- -----	
All other program-related investments. See instructions. 3 ----- -----	
Total. Add lines 1 through 3	0.

BAA

Part X **Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:			
a Average monthly fair market value of securities		1 a	
b Average of monthly cash balances		1 b	8,205,648.
c Fair market value of all other assets (see instructions)		1 c	
d Total (add lines 1a, b, and c)		1 d	8,205,648.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1 e		0.
2 Acquisition indebtedness applicable to line 1 assets		2	0.
3 Subtract line 2 from line 1d		3	8,205,648.
4 Cash deemed held for charitable activities. Enter 1-1/2% of line 3 (for greater amount, see instructions)		4	123,085.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4		5	8,082,563.
6 Minimum investment return. Enter 5% of line 5		6	404,128.

Part XI **Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1 Minimum investment return from Part X, line 6		1	404,128.
2 a Tax on investment income for 2012 from Part VI, line 5	2 a		8,406.
b Income tax for 2012. (This does not include the tax from Part VI.)	2 b		
c Add lines 2a and 2b		2 c	8,406.
3 Distributable amount before adjustments. Subtract line 2c from line 1		3	395,722.
4 Recoveries of amounts treated as qualifying distributions		4	
5 Add lines 3 and 4		5	395,722.
6 Deduction from distributable amount (see instructions)		6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1		7	395,722.

Part XII **Qualifying Distributions** (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:			
a Expenses, contributions, gifts, etc. — total from Part I, column (d), line 26		1 a	
b Program-related investments — total from Part IX-B.		1 b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes		2	
3 Amounts set aside for specific charitable projects that satisfy the:			
a Suitability test (prior IRS approval required)		3 a	
b Cash distribution test (attach the required schedule)		3 b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4		4	0.
5 Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)		5	
6 Adjusted qualifying distributions. Subtract line 5 from line 4		6	0.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				395,722.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			0.	
b Total for prior years 20__, 20__, 20__		0.		
3 Excess distributions carryover, if any, to 2012:				
a From 2007				
b From 2008				
c From 2009	2,609,589.			
d From 2010				
e From 2011				
f Total of lines 3a through e	2,609,589.			
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$				
a Applied to 2011, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required – see instructions)		0.		
c Treated as distributions out of corpus (Election required – see instructions)	0.			
d Applied to 2012 distributable amount				0.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a))	395,722.			395,722.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e. Subtract line 5.	2,213,867.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount – see instructions		0.		
e Undistributed income for 2011. Subtract line 4a from line 2a. Taxable amount – see instructions			0.	
f Undistributed income for 2012. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2013				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions).	0.			
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)	0.			
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a	2,213,867.			
10 Analysis of line 9:				
a Excess from 2008				
b Excess from 2009	2,213,867.			
c Excess from 2010				
d Excess from 2011				
e Excess from 2012				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year	Prior 3 years			(e) Total
	(a) 2012	(b) 2011	(c) 2010	(d) 2009	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a 'Assets' alternative test — enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b 'Endowment' alternative test — enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c 'Support' alternative test — enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year — see instructions.)

1 Information Regarding Foundation Managers:
a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000.) (See section 507(d)(2).)
 TOSHIZO WATANABE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.
 NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc, Programs:
 Check here if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number or e-mail of the person to whom applications should be addressed

b The form in which applications should be submitted and information and materials they should include

c Any submission deadlines

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<i>a Paid during the year</i>				
Total				▶ 3 a
<i>b Approved for future payment</i>				
Total				▶ 3 b

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF**

OMB No 1545-0047

2012

Name of the organization

THE WATANABE FOUNDATION

Employer identification number

26-3057058

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

501(c)) _____) (enter number) organization

4947(a))1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c))3) exempt private foundation

4947(a))1) nonexempt charitable trust treated as a private foundation

501(c))3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**

Note. Only a section 501(c))7),)8), or)10) organization can check boxes for both the General Rule and a Special Rule. See instructions

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II)

Special Rules

For a section 501(c))3) organization filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a))1) and 170(b))1))A))vi) and received from any one contributor, during the year, a contribution of the greater of)1) \$5,000 or)2) 2% of the amount on)i) Form 990, Part VIII, line 1h or)ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c))7),)8), or)10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c))7),)8), or)10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not total to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc, purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year ▶ \$ _____

Caution: An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF) but it **must** answer 'No' on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ,

Schedule B (Form 990, 990-EZ, or 990-PF) (2012)

or 990-PF.

Name of organization

Employer identification number

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Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	TOSHIZO WATANABE ----- 52 DISCOVERY ----- IRVINE, CA 92618 -----	\$ 3,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>)Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>)Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>)Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>)Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>)Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/>)Complete Part II if there is a noncash contribution.)

Name of organization

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Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
	N/A		
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

BAA

Name of organization

Employer identification number

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Part III

Exclusively religious, charitable, etc., individual contributions to section 501(c)(7), (8) or (10) organizations that total more than \$1,000 for the year. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. Enter this information once. See instructions.)

▶ \$ N/A

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

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**STATEMENT 1
FORM 990-PF, PART I, LINE 11
OTHER INCOME**

	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
OTHER INVESTMENT INCOME			
TOTAL	\$ 2,600.	\$ 2,600.	\$ 0.

**STATEMENT 2
FORM 990-PF, PART I, LINE 16A
LEGAL FEES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
TOTAL	\$ 1,450.	\$ 0.	\$ 0.	\$ 0.

**STATEMENT 3
FORM 990-PF, PART I, LINE 16B
ACCOUNTING FEES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES				
TOTAL	\$ 2,074.	\$ 0.	\$ 0.	\$ 0.

**STATEMENT 4
FORM 990-PF, PART I, LINE 18
TAXES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FOREIGN TAX PAID	\$ 305.	\$ 305.		
PROVISION FOR FEDERAL TAX.	8,406.			
PROVISION FOR STATE TAX.	10.			
TOTAL	\$ 8,721.	\$ 305.	\$ 0.	\$ 0.

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**STATEMENT 5
FORM 990-PF, PART I, LINE 23
OTHER EXPENSES**

	(A) EXPENSES PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
AGENCY FEES	\$ 1,951.	\$ 1,951.		
LICENSES AND PERMITS	150.			
TOTAL	\$ 2,101.	\$ 1,951.	\$ 0.	\$ 0.

**STATEMENT 6
FORM 990-PF, PART II, LINE 22
OTHER LIABILITIES**

TAX PAYABLE			\$ 10.
ACCRUED EXPENCES...			10,300.
LICENSE FEE PAYABLE			150.
TOTAL			\$ 10,460.

**STATEMENT 7
FORM 990-PF, PART III, LINE 3
OTHER INCREASES**

NET UNREALIZED GAINS OR LOSSES ON INVESTMENTS			\$ 252,933.
TOTAL			\$ 252,933.

**STATEMENT 8
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
1	QUANTITY DESCRIPTION	PURCHASED		
2	100000 ANHEUSER BUSCH INBEV 2.500%	PURCHASED	4/19/2011	1/13/2012
3	8734.2 FHLM CORP MULTICLA 5.50043%	PURCHASED	5/04/2011	1/15/2012
4	8566.57 FHLMC REMIC SER 27 4.99998%	PURCHASED	11/15/2011	1/15/2012
5	13398.81 FHLMC REMIC SER 30 5.50025%	PURCHASED	3/30/2011	1/15/2012
6	7291.79 FNMA REM TR 2005-1 5.9999%	PURCHASED	5/05/2011	1/25/2012
7	11085.52 FHLM CORP MULTICLA 5.50043%	PURCHASED	5/04/2011	2/15/2012
8	7066.66 FHLMC REMIC SER 27 4.99998%	PURCHASED	11/15/2011	2/15/2012
9	10300.1 FHLMC REMIC SER 30 5.50025%	PURCHASED	3/30/2011	2/15/2012
10	5939.4 FHLMC REM SER 3114 4.99992%	PURCHASED	9/27/2011	2/15/2012
11	7581.35 FNMA REM TR 2005-1 5.9999%	PURCHASED	5/05/2011	2/25/2012
12	4891.14 FHLM CORP MULTICLA 5.50043%	PURCHASED	5/04/2011	3/15/2012
13	8859.7 FHLMC REMIC SER 27 4.99998%	PURCHASED	11/15/2011	3/15/2012
14	9832.28 FHLMC REMIC SER 30 5.50025%	PURCHASED	3/30/2011	3/15/2012
15	10093.96 FHLMC REM SER 3114 4.99992%	PURCHASED	9/27/2011	3/15/2012
16	100000 FHLMC 0.800%	PURCHASED	9/07/2011	3/29/2012
17	40000 CATERPILLAR FINL 1.375%	PURCHASED	5/17/2011	4/05/2012
18	50000 COMMONWEALTH EDISON 1.625%	PURCHASED	6/13/2011	4/05/2012

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STATEMENT 8 (CONTINUED)
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
19	8801.27 FHLMC REMIC SER 27 4.99998%	PURCHASED	11/15/2011	4/15/2012
20	12289.22 FHLMC REM SER 3114 4.99992%	PURCHASED	9/27/2011	4/15/2012
21	100000 FEDL HOME LN MTG 0.800%	PURCHASED	10/17/2011	4/24/2012
22	8647.21 FHLMC REMIC SER 27 4.99998%	PURCHASED	11/15/2011	5/15/2012
23	16037.54 FHLMC REM SER 3114 4.99992%	PURCHASED	9/27/2011	5/15/2012
24	125000 AT&T INC 3.875%	PURCHASED	12/13/2011	6/07/2012
25	60000 BP CAPITAL MARKETS 3.245%	PURCHASED	5/03/2012	6/07/2012
26	50000 HEWLETT PACKARD CO 1.250%	PURCHASED	9/12/2011	6/07/2012
27	125000 JPMORGAN CHASE & CO 6.125%	PURCHASED	12/13/2011	6/07/2012
28	100000 PRUDENTIAL FINL INC 7.375%	PURCHASED	12/14/2011	6/07/2012
29	100000 TOYOTA MTR CRD CORP 3.300%	PURCHASED	1/10/2012	6/07/2012
30	100000 RABOBANK NEDERLAND 3.375%	PURCHASED	5/17/2012	6/08/2012
31	40306.56 FHLMC REMIC SER 27 4.99998%	PURCHASED	11/15/2011	6/08/2012
32	25024.85 FHLMC REM SER 3114 4.99992%	PURCHASED	9/27/2011	6/08/2012
33	80000 FHLMC REMIC SERIES 5.500%	PURCHASED	5/17/2012	6/08/2012
34	60000 ILLINOIS ST 4.071%	PURCHASED	3/08/2012	6/08/2012
35	100000 U.S. TSY INFL IDX NT 2.625%	PURCHASED	4/05/2012	6/08/2012
36	300000 U.S. TSY INFL IDX NT 0.125%	PURCHASED	1/01/2012	6/08/2012
37	8790.65 FHLMC REMIC SER 27 4.99998%	PURCHASED	11/15/2011	6/15/2012
38	20615.03 FHLMC REM SER 3114 4.99992%	PURCHASED	9/27/2011	6/15/2012
39	100000 DELL INC 2.100%	PURCHASED	3/28/2011	4/05/2012
40	6354.87 FHLMC REMIC SER 30 5.50025%	PURCHASED	3/30/2011	4/15/2012
41	100000 SATOILHYDRO ASA 3.875%	PURCHASED	5/02/2011	5/18/2012
42	100000 GOLDMAN SACHS GROUP 4.750%	PURCHASED	3/30/2011	6/07/2012
43	100000 MORGAN STANLEY 3.006%	PURCHASED	4/06/2011	6/07/2012
44	100000 VERIZON COMMUN 1.950%	PURCHASED	3/24/2011	6/07/2012
45	100000 VERIZON VA INC 4.625%	PURCHASED	3/30/2011	6/07/2012
46	100000 BP CAPITAL MARKETS 3.750%	PURCHASED	3/22/2011	6/12/2012
47	10 COVIDIEN PLC SHS NEW ISIN#IE00B68SQD29	PURCHASED	6/21/2012	9/17/2012
48	30 COVIDIEN PLC SHS NEW ISIN#IE00B68SQD29	PURCHASED	6/21/2012	11/07/2012
49	0.994 PENTAIR LTD SHS ISIN #CH0193880173	PURCHASED	6/21/2012	10/04/2012
50	10 TYCO INTL LTD SHS IS IN #CH0100383485	PURCHASED	6/21/2012	9/17/2012
51	78.762 INVESCO DEVELOPING MARKETS FUND CLASS Y	PURCHASED	6/21/2012	9/17/2012
52	318.012 ARTISAN INTERNATIONAL L VALUE FUND	PURCHASED	6/21/2012	9/17/2012
53	432.011 ARTISAN INTERNATIONAL L VALUE FUND	PURCHASED	6/21/2012	12/19/2012
54	40 CSX CORPORATION	PURCHASED	6/21/2012	7/16/2012
55	70 CSX CORPORATION	PURCHASED	6/21/2012	11/19/2012
56	100 CSX CORPORATION	PURCHASED	10/17/2012	11/19/2012
57	10 CVS CAREMARK CORP	PURCHASED	6/21/2012	9/17/2012
58	20 CALPINE CORP COM NEW	PURCHASED	6/21/2012	9/17/2012
59	10 CAMERON INTL CORP CO M	PURCHASED	6/21/2012	9/17/2012
60	40 CAMERON INTL CORP CO M	PURCHASED	6/21/2012	12/07/2012
61	10 CHURCH & DWIGHT CO INC	PURCHASED	6/21/2012	9/17/2012
62	10 COMCAST CORP NEW CL A SPL	PURCHASED	6/21/2012	9/17/2012
63	20 COMCAST CORP NEW CL A SPL	PURCHASED	6/21/2012	12/10/2012
64	10 DEVON ENERGY CORP NEW COM	PURCHASED	6/21/2012	7/02/2012
65	20 DEVON ENERGY CORP NEW COM	PURCHASED	6/21/2012	7/27/2012
66	20 DEVON ENERGY CORP NEW COM	PURCHASED	6/21/2012	12/11/2012
67	40 DEVON ENERGY CORP NEW COM	PURCHASED	10/17/2012	12/11/2012
68	10 EXPRESS SCRIPTS HLDG CO COM	PURCHASED	6/21/2012	9/17/2012
69	10 HALLIBURTON CO COM	PURCHASED	6/21/2012	9/17/2012
70	50 ISHARES TR RUSSELL 2000 INDEX FD	PURCHASED	6/21/2012	9/17/2012
71	20 KINDER MORGAN INC DEL COM	PURCHASED	6/21/2012	9/17/2012
72	240.402 WESTERN ASSET GLOBAL HIGH YIELD BOND	FD CL A PURCHASED	6/21/2012	9/17/2012

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STATEMENT 8 (CONTINUED)
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(A) DESCRIPTION	(B) HOW ACQUIRED	(C) DATE ACQUIRED	(D) DATE SOLD
73	14449.375 WESTERN ASSET GLOBAL HIGH YIELD BOND FD CL A	PURCHASED	6/21/2012	12/10/2012
74	10 LOWES COS INC COM	PURCHASED	6/21/2012	9/17/2012
75	60 LOWES COS INC COM	PURCHASED	6/21/2012	11/06/2012
76	531.237 MFS INTERNATIONAL EQUITY FUND CLASS I	PURCHASED	6/21/2012	9/17/2012
77	321.571 MFS INTERNATIONAL EQUITY FUND CLASS I	PURCHASED	6/21/2012	12/19/2012
78	10 METLIFE INC COM	PURCHASED	6/21/2012	9/17/2012
79	149.4 T ROWE PRICE BLUE CHIP GROWTH	PURCHASED	6/21/2012	9/17/2012
80	10 THERMO FISHER SCIENTIFIC INC	PURCHASED	6/21/2012	9/17/2012
81	20 THERMO FISHER SCIENTIFIC INC	PURCHASED	6/21/2012	11/07/2012
82	10 UNITED PARCEL SVC INC C CL B	PURCHASED	6/21/2012	7/24/2012
83	10 UNITED TECHNOLOGIES CORP COM	PURCHASED	6/21/2012	9/17/2012
84	10 UNITEDHEALTH GROUP INC COM	PURCHASED	6/21/2012	9/17/2012
85	166.857 VIRTUS EMERGING MKTS OPPORTUNITIES FUND CLASS I	PURCHASED	6/21/2012	9/17/2012
86	801.296 WELLS FARGO ADVANTAGE ENDEAVOR SELECT FUND CLASS I	PURCHASED	6/21/2012	9/17/2012
87	11591.459 WELLS FARGO ADVANTAGE ENDEAVOR SELECT FUND CLASS I	PURCHASED	6/21/2012	12/31/2012
88	17176.259 WELLS FARGO ADVANTAGE ENDEAVOR SELECT FUND CLASS I	PURCHASED	10/19/2012	12/31/2012
89	10 WYNDHAM WORLDWIDE CO RP COM	PURCHASED	6/21/2012	9/17/2012
90	5000 FEDERAL HOME LN MTG CORP NTS 4.375%	PURCHASED	6/25/2012	11/16/2012
91	5000 FEDERAL NATL MTG ASS N BENCHMARK NTS 5.2 50%	PURCHASED	6/25/2012	11/16/2012
92	2000 GOLDMAN SACHS GROUP INC BD 6.150%	PURCHASED	6/27/2012	8/22/2012
93	3673.701 HENDERSON INTL. OPPORTUNITIES FUND CLASS I	PURCHASED	6/21/2012	8/01/2012
94	2000 MERRILL LYNCH & CO INC MEDIUM TERM NTS M TN SER C 6.400%	PURCHASED	6/27/2012	8/22/2012
95	1000 ROYAL BK OF SCOTLAND PLC 3.950%	PURCHASED	6/27/2012	8/22/2012
96	29000 ROYAL BK OF SCOTLAND PLC 3.950%	PURCHASED	6/27/2012	9/07/2012
97	4000 UNITED STATES TREAS NTS 4.250%	PURCHASED	6/25/2012	11/16/2012
98	26000 UNITED STATES TREAS NTS 2.625%	PURCHASED	6/25/2012	10/25/2012
99	28000 UNITED STATES TREAS NTS 2.625%	PURCHASED	7/26/2012	10/25/2012
100	23000 UNITED STATES TREAS NTS 2.625%	PURCHASED	8/16/2012	10/25/2012
101	17000 UNITED STATES TREAS NTS 2.625%	PURCHASED	10/18/2012	10/25/2012
102	100000 CINCINNATI BELL INC 7% FEB 15 2015 DTD 08/15/2005	PURCHASED	12/16/2011	12/19/2012
103	100000 CIT GROUP INC 7% MAY 01 2015 DTD 11/04/2009	PURCHASED	12/13/2011	1/23/2012
104	6600 CSX CORP	PURCHASED	1/26/2012	7/31/2012
105	3200 DARDEN RESTAURANTS INC	PURCHASED	1/19/2012	2/16/2012
106	5700 INTEL CORP	PURCHASED	12/08/2011	1/26/2012
107	1500 MC DONALDS CORP	PURCHASED	12/14/2011	1/19/2012
108	1010 PHILLIPS 66	PURCHASED	12/08/2011	7/05/2012
109	100000 STEEL DYNAMICS INC 7.75% APR 15 2016 DTD 04/03/2008	PURCHASED	12/09/2011	8/31/2012
110	100000 SUNGARD DATA SYSTEMS INC 10 5/8% MAY 15 2015 DTD 10/01/2009	PURCHASED	12/13/2011	4/02/2012
111	4800 WALGREEN CO	PURCHASED	2/16/2012	4/18/2012
112	1800 WALMART STORES INC	PURCHASED	2/24/2012	4/23/2012
113	100000 WENDY'S CO 10% JUL 15 2016 DTD 06/23/2009 ELECTED BONDS - EXP	PURCHASED	12/13/2011	5/14/2012
				5/15/2012

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STATEMENT 8 (CONTINUED)
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
1	0.		0.	0.				\$ 0.
2	102,084.		102,449.	-365.				-365.
3	8,734.		8,887.	-153.				-153.
4	8,567.		8,775.	-208.				-208.
5	13,399.		13,776.	-377.				-377.
6	7,292.		7,442.	-150.				-150.
7	11,086.		11,280.	-194.				-194.
8	7,067.		7,239.	-172.				-172.
9	10,300.		10,590.	-290.				-290.
10	5,939.		6,131.	-192.				-192.
11	7,581.		7,738.	-157.				-157.
12	4,891.		4,977.	-86.				-86.
13	8,860.		9,076.	-216.				-216.
14	9,832.		10,109.	-277.				-277.
15	10,094.		10,419.	-325.				-325.
16	100,000.		100,000.	0.				0.
17	40,544.		39,979.	565.				565.
18	50,780.		50,487.	293.				293.
19	8,801.		9,016.	-215.				-215.
20	12,289.		12,685.	-396.				-396.
21	100,000.		100,000.	0.				0.
22	8,647.		8,858.	-211.				-211.
23	16,038.		16,554.	-516.				-516.
24	135,961.		130,670.	5,291.				5,291.
25	61,162.		60,000.	1,162.				1,162.
26	49,899.		50,020.	-121.				-121.
27	138,750.		137,508.	1,242.				1,242.
28	120,457.		117,856.	2,601.				2,601.
29	104,313.		99,747.	4,566.				4,566.
30	102,668.		102,325.	343.				343.
31	40,458.		41,289.	-831.				-831.
32	24,978.		25,830.	-852.				-852.
33	83,200.		84,625.	-1,425.				-1,425.
34	61,230.		62,201.	-971.				-971.
35	132,513.		131,409.	1,104.				1,104.
36	324,391.		306,381.	18,010.				18,010.
37	8,791.		9,005.	-214.				-214.
38	20,615.		21,279.	-664.				-664.
39	102,397.		99,968.	2,429.				2,429.
40	6,355.		6,534.	-179.				-179.
41	105,812.		107,123.	-1,311.				-1,311.
42	102,819.		106,086.	-3,267.				-3,267.
43	99,321.		103,314.	-3,993.				-3,993.
44	102,185.		100,273.	1,912.				1,912.
45	102,963.		105,580.	-2,617.				-2,617.
46	102,750.		104,656.	-1,906.				-1,906.
47	592.		532.	60.				60.
48	1,645.		1,597.	48.				48.
49	44.		42.	2.				2.
50	555.		533.	22.				22.
51	2,587.		2,340.	247.				247.
52	9,178.		8,176.	1,002.				1,002.
53	13,176.		11,107.	2,069.				2,069.

CLIENT WATANABE

THE WATANABE FOUNDATION

26-3057058

11/08/13

02 26PM

STATEMENT 8 (CONTINUED)
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I)-(J)	(L) GAIN (LOSS)
54	900.		895.	5.				\$ 5.
55	1,351.		1,567.	-216.				-216.
56	1,930.		2,092.	-162.				-162.
57	469.		460.	9.				9.
58	353.		325.	28.				28.
59	586.		435.	151.				151.
60	2,188.		1,741.	447.				447.
61	532.		532.	0.				0.
62	342.		307.	35.				35.
63	726.		614.	112.				112.
64	572.		561.	11.				11.
65	1,163.		1,122.	41.				41.
66	1,048.		1,122.	-74.				-74.
67	2,096.		2,496.	-400.				-400.
68	623.		538.	85.				85.
69	377.		288.	89.				89.
70	4,295.		3,894.	401.				401.
71	726.		645.	81.				81.
72	1,736.		1,649.	87.				87.
73	105,480.		99,123.	6,357.				6,357.
74	295.		280.	15.				15.
75	1,999.		1,680.	319.				319.
76	9,886.		8,702.	1,184.				1,184.
77	6,174.		5,267.	907.				907.
78	359.		308.	51.				51.
79	7,017.		6,361.	656.				656.
80	605.		515.	90.				90.
81	1,224.		1,030.	194.				194.
82	742.		778.	-36.				-36.
83	820.		761.	59.				59.
84	597.		597.	0.				0.
85	1,634.		1,513.	121.				121.
86	9,279.		8,406.	873.				873.
87	130,983.		121,594.	9,389.				9,389.
88	194,092.		191,000.	3,092.				3,092.
89	536.		520.	16.				16.
90	5,531.		5,506.	25.				25.
91	5,891.		5,832.	59.				59.
92	2,256.		2,149.	107.				107.
93	70,388.		68,000.	2,388.				2,388.
94	2,263.		2,171.	92.				92.
95	1,038.		1,010.	28.				28.
96	30,816.		29,297.	1,519.				1,519.
97	4,120.		4,118.	2.				2.
98	28,332.		28,555.	-223.				-223.
99	30,511.		31,184.	-673.				-673.
100	25,063.		24,963.	100.				100.
101	18,525.		18,542.	-17.				-17.
102	101,167.		101,500.	-333.				-333.
103	100,000.		100,500.	-500.				-500.
104	152,326.		152,394.	-68.				-68.
105	163,610.		148,942.	14,668.				14,668.
106	152,702.		145,007.	7,695.				7,695.

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THE WATANABE FOUNDATION

26-3057058

11/08/13

02 26PM

STATEMENT 8 (CONTINUED)
FORM 990-PF, PART IV, LINE 1
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME

ITEM	(E) GROSS SALES	(F) DEPREC. ALLOWED	(G) COST BASIS	(H) GAIN (LOSS)	(I) FMV 12/31/69	(J) ADJ. BAS. 12/31/69	(K) EXCESS (I) - (J)	(L) GAIN (LOSS)
107	151,107.		146,331.	4,776.			\$ 4,776.	
108	34,208.		33,265.	943.			943.	
109	103,875.		104,750.	-875.			-875.	
110	105,313.		106,750.	-1,437.			-1,437.	
111	169,964.		163,767.	6,197.			6,197.	
112	106,949.		105,966.	983.			983.	
113	106,125.		110,500.	-4,375.			-4,375.	
							TOTAL \$ <u>75,215.</u>	

Form **990-W**

FOR FORM 990-PF PURPOSES
**Estimated Tax on Unrelated Business Taxable
 Income for Tax-Exempt Organizations**
 (and on Investment Income for Private Foundations)

2013

(Worksheet)

Department of the Treasury
 Internal Revenue Service

(Keep for your records. Do not send to the Internal Revenue Service.)

1	Unrelated business taxable income expected in the tax year.	1	
2	Tax on the amount on line 1. See instructions for tax computation	2	
3	Alternative minimum tax (see instructions)	3	
4	Total. Add lines 2 and 3	4	
5	Estimated tax credits (see instructions)	5	
6	Subtract line 5 from line 4.	6	
7	Other taxes (see instructions)	7	
8	Total. Add lines 6 and 7.	8	
9	Credit for federal tax paid on fuels (see instructions)	9	
10a	Subtract line 9 from line 8. Note. If less than \$500, the organization is not required to make estimated tax payments. Private foundations, see instructions	10a	8,400.
b	Enter the tax shown on the 2012 return (see instructions). Caution. If zero or the tax year was for less than 12 months, skip this line and enter the amount from line 10a on line 10c	10b	
c	2013 Estimated Tax. Enter the smaller of line 10a or line 10b. If the organization is required to skip line 10b, enter the amount from line 10a on line 10c	10c	8,400.

	(a)	(b)	(c)	(d)
11 Installment due dates (see instructions)	11 5/15/13	6/17/13	9/16/13	12/16/13
12 Required installments. Enter 25% of line 10c in columns (a) through (d) unless the organization uses the annualized income installment method, the adjusted seasonal installment method, or is a 'large organization.' (see instructions)	12 2,100.	2,100.	4,200.	0.
13 2012 Overpayment. (see instructions)	13 0.	0.	0.	0.
14 Payment due. (Subtract line 13 from line 12.)	14 2,100.	2,100.	4,200.	0.

BAA For Paperwork Reduction Act Notice, see instructions.

Form 990-W (2013)

PAID PAID PAID

CLIENT WATANABE

THE WATANABE FOUNDATION

26-3057058

11/08/13

02:26PM

AVERAGE MONTHLY CASH BALANCES
FORM 990-PF, PART X, LINE 1B

CASH BAL.	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
	7,120,625	7,228,955	7,284,879	7,352,742	7,284,640	7,443,493	7,589,314	7,605,413	7,678,293	10,596,634	10,621,439	10,661,344
AVERAGES	<u>7,120,625</u>	<u>7,228,955</u>	<u>7,284,879</u>	<u>7,352,742</u>	<u>7,284,640</u>	<u>7,443,493</u>	<u>7,589,314</u>	<u>7,605,413</u>	<u>7,678,293</u>	<u>10,596,634</u>	<u>10,621,439</u>	<u>10,661,344</u>

TOTALS 98,467,771 NUMBER OF MONTHS 12

AVERAGE MONTHLY CASH BALANCES 8,205,648

Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Electronic filing (e-file). You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*.

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension — check this box and complete Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns

Enter filer's identifying number, see instructions

Type or print	Name of exempt organization or other filer, see instructions	Employer identification number (EIN) or
	THE WATANABE FOUNDATION	26-3057058
	Number, street, and room or suite number. If a P.O. box, see instructions	Social security number (SSN)
	52 DISCOVERY	
File by the due date for filing your return. See instructions	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	IRVINE, CA 92618	

Enter the Return code for the return that this application is for (file a separate application for each return) **04**

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (section 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

● The books are in the care of ▶ THE WATANABE FOUNDATION -----

Telephone No. ▶ (949) 789-2000 ----- FAX No. ▶ -----

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 8/15, 2013, to file the exempt organization return for the organization named above. The extension is for the organization's return for

- ▶ calendar year 20 12 or
- ▶ tax year beginning _____, 20____, and ending _____, 20____.

2 If the tax year entered in line 1 is for less than 12 months, check reason Initial return Final return Change in accounting period

3 a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3 a	\$	12,558.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit	3 b	\$	12,558.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3 c	\$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box **X**
- Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Enter filer's identifying number, see instructions

Type or print <small>File by the extended due date for filing your return. See instructions</small>	Name of exempt organization or other filer, see instructions THE WATANABE FOUNDATION	Employer identification number (EIN) or 26-3057058
	Number, street, and room or suite number. If a P.O. box, see instructions OISHI AND COMPANY 707 WILSHIRE BLVD STE 4360	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions LOS ANGELES, CA 90017-3615	

Enter the Return code for the return that this application is for (file a separate application for each return) **04**

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01		
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (section 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in care of **THE WATANABE FOUNDATION**
Telephone No **(949) 789-2000** FAX No
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for

- 4 I request an additional 3-month extension of time until 11/15, 2013
- 5 For calendar year 2012, or other tax year beginning _____, 20____, and ending _____, 20____
- 6 If the tax year entered in line 5 is for less than 12 months, check reason Initial return Final return Change in accounting period
- 7 State in detail why you need the extension TAXPAYER RESPECTFULLY REQUESTS ADDITIONAL TIME TO GATHER INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE TAX RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	8a \$ 8,406.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b \$ 10,300.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	8c \$ 0.

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature Title Date
BAA FIFZ0502L 01/21/13 Form **8868** (Rev 1-2013)