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May 9, 2011

Company name: Japan Asia Investment Co., Ltd. (JAIC)
Listed on: Tokyo Stock Exchange Section 1 (Stock code: 8518)
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Notice of Posting Extraordinary Losses for the Fiscal Year Ended March 31, 2011

Japan Asia Investment Co., Ltd. announces a resolution by the Board of Directors on May 9, 2011 to post losses on business restructuring as extraordinary losses in consolidated and non-consolidated financial statements for the fiscal year ended March 31, 2011 (April 1, 2010 to March 31, 2011). Details are as follows:

1. Changes in the handling of some operational investment assets

The Japan Asia Investment Group (“the Group”) has been undertaking a number of structural reforms in response to changes in the operating environment in Japan and overseas over the past two years, by adopting specific measures to significantly reduce business expenses and rationalize management, including structural changes.

In the process of undertaking the reforms, the Group has decided to change the way it treats certain assets in which the Group is unlikely to be proactively involved, from among its interests in investment funds and so on mainly managed and operated by other companies. Specifically, the Group seeks to improve management efficiency by managing these assets in the management division in an integrated fashion, as they are no longer defined as “operational investment assets” by which the Group strives to earn income from its own efforts.

2. Impact on financial results

Associated with the changes in the handling of the assets and their future management method, the account title for the book value for the said assets will be changed from “operational investment securities” in current assets to “investment securities” and so on in noncurrent assets. The difference between the book value and the expected collectable amount of the assets will be posted as “losses on business restructuring” under extraordinary losses in the consolidated and non-consolidated financial statements for the fiscal year ended March 31, 2011.

Effects on the consolidated and non-consolidated financial statements are as follows.

	consolidated financial statements	non-consolidated financial statements
decrease of operational investment securities	3,554 million yen	3,478 million yen
losses on business restructuring	1,203 million yen	1,201 million yen

As part of the difference above of 904 million yen has already been posted in “valuation difference on available-for-sale securities” and so on in the consolidated and non-consolidated balance sheets, the impact on net assets in the consolidated and non-consolidated balance sheets will be almost -300 million yen.