

# Financial Results Overview for the Year Ended March 31, 2018

Japan Asia Investment Co., Ltd. (JAIC)  
( TSE 8518 )

*Announcement: May 14, 2018*

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The information in this document is for presentational purposes only and is not an inducement to invest in securities issued by JAIC.

The figures in this document is based on consolidated financial statements.

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## 1. Summary

- ✓ Results for FY March 2018 (Previous accounting standard)
  - Revenues increased by 37.6% and final profit increased by 57.8%
  - Achieved positive net income for the third consecutive year
  - 1.83 billion yen gain on sale of project oriented investments contributed to results
  
- ✓ Medium-term Business Plan for March 2019 through March 2021
  - Carry out further replacement of portfolio, secure stable revenues, improve financial soundness
  - Promote replacement of private equity (PE)'s existing portfolio with new strategic investment assets
  - Increase long-held project oriented investments to secure stable revenues
  - Leverage accumulated know-how and apply to other renewable energies sector as well as to smart agriculture.
  
- ✓ Result forecast FY Mar 2019 (Previous accounting standard)
  - Aim to achieve a positive net income for the fourth consecutive year through sale for private equity investment assets

## 2. Results for FY March 2018 (Previous accounting standard)

### Business Result

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## 2. Results for FY March 2018 – Outline of results (Previous accounting standard)



	FY Mar 2017 (Actual)		FY Mar 2018 (Actual)		
	Amount (million yen)	Composition ratio	Amount (million yen)	Composition ratio	Change
Operating revenue	3,926	100.0%	<b>5,403</b>	<b>100.0%</b>	<b>37.6%</b>
Operating cost	1,750	44.6%	<b>3,074</b>	<b>56.9%</b>	<b>75.7%</b>
Operating gross profit	2,176	55.4%	<b>2,328</b>	<b>43.1%</b>	<b>7.0%</b>
SG&A expenses	1,339	34.1%	<b>1,311</b>	<b>24.3%</b>	<b>(2.1%)</b>
Operating income	836	21.3%	<b>1,017</b>	<b>18.8%</b>	<b>21.5%</b>
Ordinary Income	726	18.5%	<b>954</b>	<b>17.7%</b>	<b>31.3%</b>
Profit attributable to owners of parent	553	14.1%	<b>874</b>	<b>16.2%</b>	<b>57.8%</b>

- ✓ 37.6% rise in revenues due to sale of renewable energy projects compensated for increase in operating cost owing to write-offs and allowance
- ✓ SG&A maintained flat growth, interest expenses decreased due to reduction of borrowings
- ✓ Extraordinary losses also decreased, resulting in net income to increase by 57.8%

## 2. Results for FY March 2018 – Outline of results (Previous accounting standard)

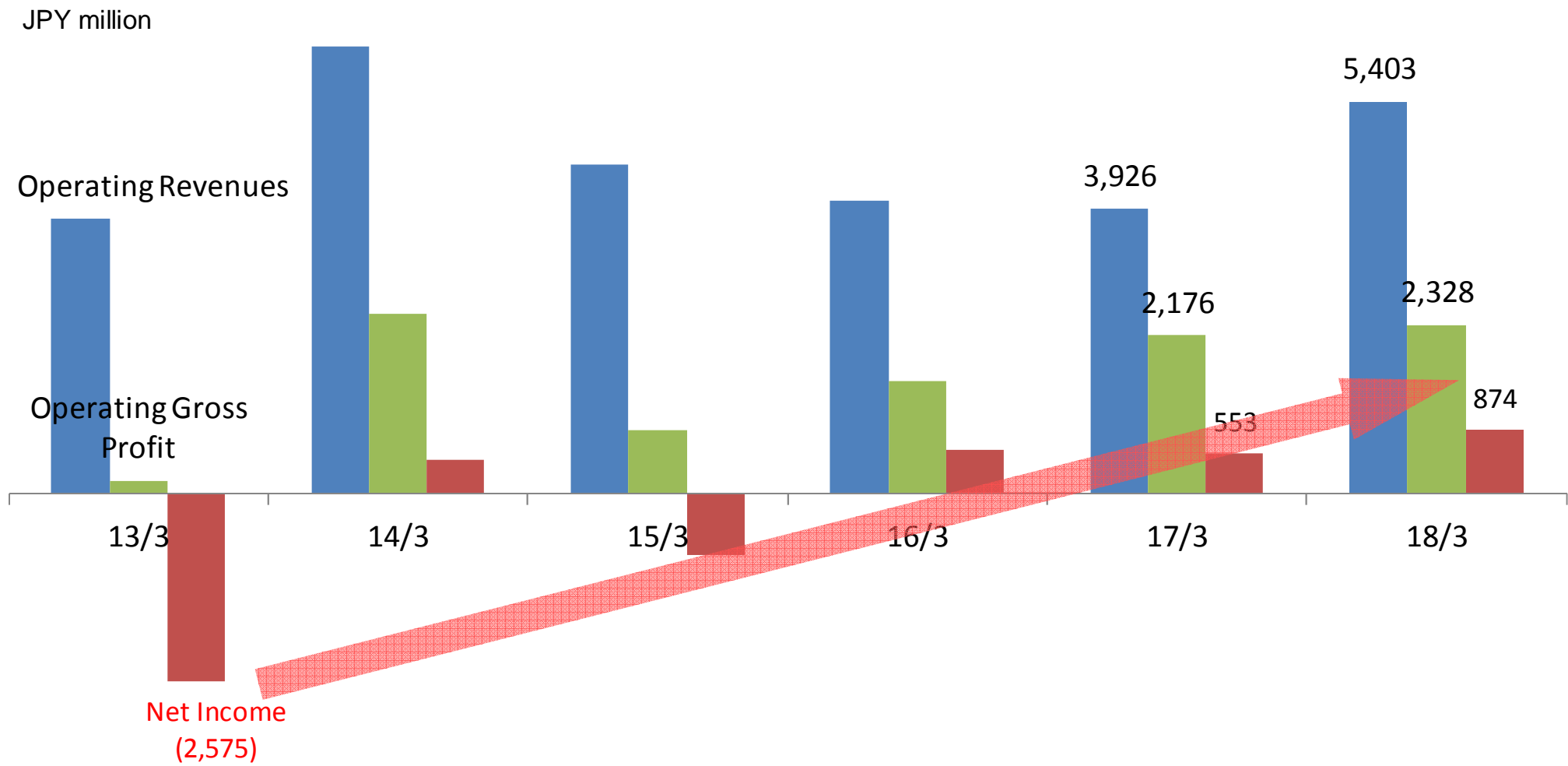


	FY Mar 2017 (Actual)		FY Mar 2018 (Actual)		
	Amount (million yen)	Composition ratio	Amount (million yen)	Composition ratio	Change
<b>Total assets</b>	20,305	100.0%	<b>19,220</b>	<b>100.0%</b>	<b>(5.3%)</b>
<b>Cash and deposits</b>	6,213	30.6%	<b>7,308</b>	<b>38.0%</b>	<b>17.6%</b>
<b>Operational investment securities (Renewable energy projects) etc.</b>	4,081	20.1%	<b>3,582</b>	<b>18.6%</b>	<b>(12.2%)</b>
<b>Operational investment securities after deducting Allowance for possible</b>	7,356	36.2%	<b>6,030</b>	<b>31.4%</b>	<b>(18.0%)</b>

<b>Loans payable</b>	14,128	69.6%	<b>11,954</b>	<b>62.2%</b>	<b>(15.4%)</b>
<b>Total shareholders' equity</b>	5,686	28.0%	<b>6,545</b>	<b>34.1%</b>	<b>15.1%</b>

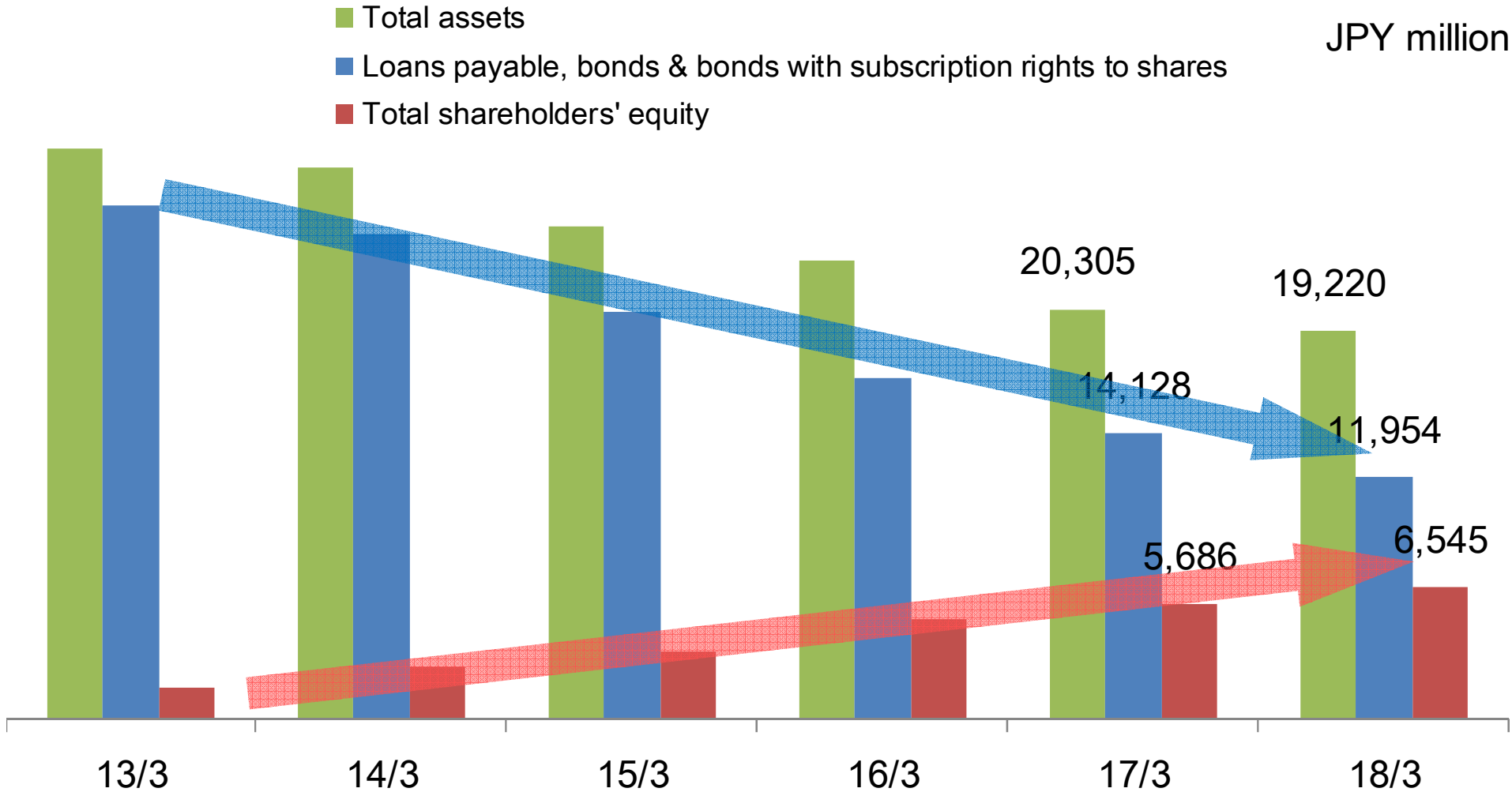
- ✓ Project oriented investment assets decreased due to sale
- ✓ Outstanding loans payable were 11.9 billion yen. The balance after additional repayment in April 2018 was 10.4 billion yen. A 77.2% reduction was achieved.
- ✓ Shareholders' equity increased due to increased profits

## 2. Results for FY March 2018 – Results (Previous accounting standard)



Performance recovered, profitability has taken root

## 2. Results for FY March 2018 – Balance Sheet (Previous accounting standard)



- ✓ Acceleration of reduction of borrowings and strengthening of equity capital led to improved financial health
- ✓ The declining trend of total assets is an issue



## 2. Results for FY March 2018 – Cash Flows – (Fund consolidated accounting standard)

(JPY million)	13/3	14/3	15/3	16/3	17/3	18/3
Operating CF	1,196	3,624	511	974	1,406	1,870
Investing CF	277	437	213	470	(5)	238
Financing CF	(2,838)	(1,424)	(3,224)	(1,404)	(2,469)	(2,173)
Change in Net CF	(1,259)	2,758	(2,371)	(26)	(1,100)	(57)
Cash & Cash Equivalents at End of Period	5,554	8,313	5,942	5,915	4,815	4,757

- ✓ Operating CF: Net cash provided was 1.87 billion yen due to booking of profits and dividends from funds
- ✓ Financing CF: Net cash used was ¥2.17 billion due to repayment of borrowings
- ✓ Investment assets were reduced to generate repayment sources that exceeded profits

## 2. Results for FY March 2018 –

### Break down of operating revenue & operating cost (Previous accounting standard)

( JPY million )	Total		Private equity investment		Project oriented investment	
	FY Mar 2017 (Actual)	FY Mar 2018 (Actual)	FY Mar 2017 (Actual)	FY Mar 2018 (Actual)	FY Mar 2017 (Actual)	FY Mar 2018 (Actual)
<b>Operating revenue</b>	3,926	<b>5,403</b>	2,652	<b>1,875</b>	1,273	<b>3,528</b>
Fund management fees and others	364	<b>277</b>	361	<b>275</b>	2	<b>2</b>
Success Fees	101	<b>86</b>	101	<b>86</b>	-	<b>-</b>
Proceeds of sales of securities	2,275	<b>3,219</b>	2,000	<b>1,436</b>	275	<b>1,783</b>
Fund interests income etc.	1,128	<b>1,612</b>	147	<b>20</b>	980	<b>1,592</b>
Income gains	30	<b>64</b>	28	<b>40</b>	2	<b>24</b>
Other operating reveue	25	<b>142</b>	12	<b>16</b>	12	<b>126</b>
<b>Operating Cost</b>	1,750	<b>3,074</b>	1,474	<b>1,607</b>	275	<b>1,467</b>
Cost of securities sold	1,423	<b>2,469</b>	1,153	<b>1,004</b>	270	<b>1,465</b>
Investment write-offs and Provision for allowance for possible investment losses	274	<b>562</b>	274	<b>562</b>	-	<b>-</b>
Fund interests losses etc.	46	<b>36</b>	40	<b>34</b>	5	<b>2</b>
Other operating costs	6	<b>5</b>	6	<b>5</b>	-	<b>-</b>
<b>Operating Gross Profit</b>	2,176	<b>2,328</b>	1,177	<b>267</b>	998	<b>2,060</b>

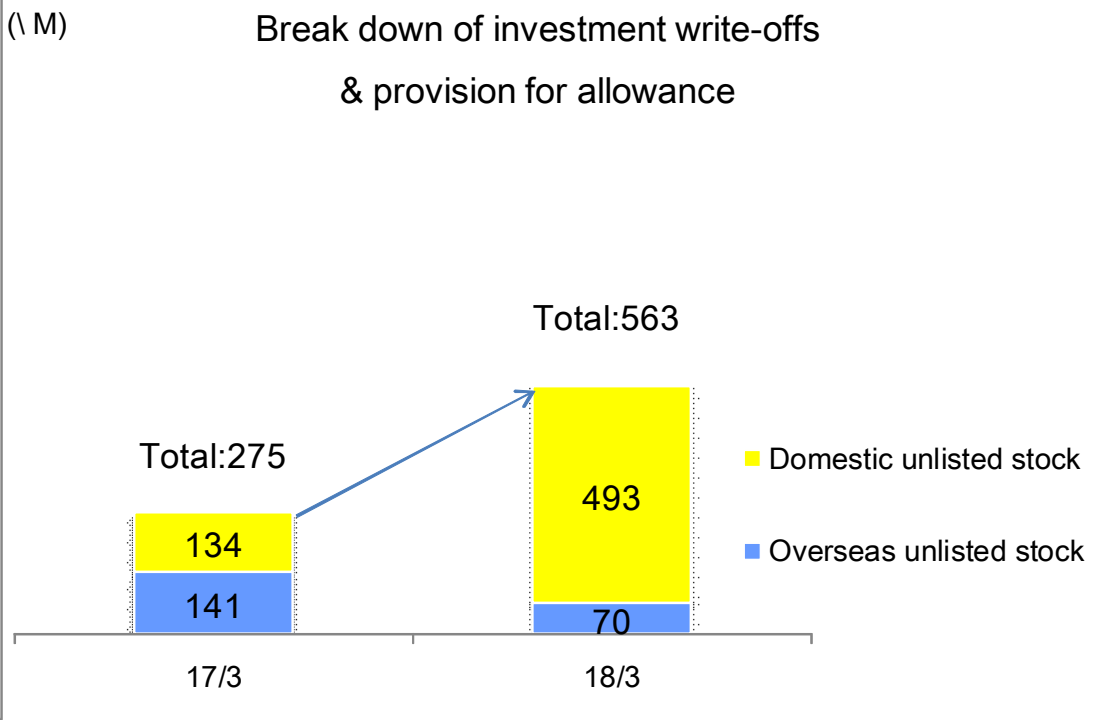
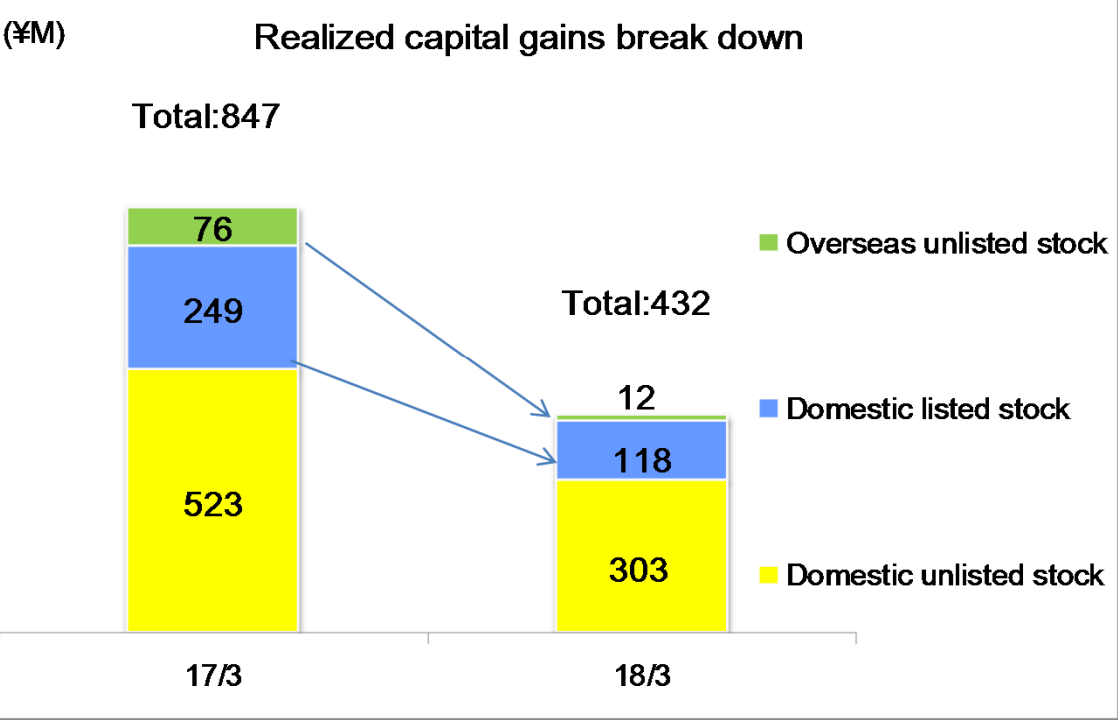
- ✓ The project oriented investment (renewable energy projects and healthcare project) supported the drop in the highly fluctuating private equity investment
- ✓ Of project oriented investments' operating gross profit of 2.06 billion yen for FY Mar 2018, contribution by sales was 1.83 billion yen and contribution by stable revenues from mega solar projects and others was 0.23 billion yen

## 2. Results for FY March 2018 – List of projects sold

Renewable energy project	Place of power plant	Maximum output	Feed-in tariff (ex. tax)
	Yoshino-cho, Nara	31.7MW	¥36/kWh
	Toba-shi, Mie	16.5MW	¥32/kWh
	Hachinohe-shi, Aomori	14.0MW	¥36/kWh
	Izunokuni-shi, Shizuoka	11.3MW	¥36/kWh
	Izunokuni-shi, Shizuoka	2.9MW	¥32/kWh
	Ise-shi, Mie	2.1MW	¥32/kWh
	Kameyamashiraki-cho, Mie	1.3MW	¥36/kWh
	Taki-cho, Mie	1.2MW	¥36kWh
	Ise-shi, Mie	0.9MW	¥32/kWh
	Total	81.8MW (attribute to JAIC 51.9MW)	
Health care	AIP Kachidoki Ekimae Complex Building	The first large-scale elderly care facility in central Tokyo	

- ✓ Renewable energy: Sold nine projects including large-scale projects; average investment multiple is 1.7
- ✓ Healthcare: Sold JAIC's first elderly care facility project

## 2. Results for FY March 2018 – Break down of investment income of private equity



- ✓ Realized capital gains decreased due to postponed IPO of investees in Japan and failure to achieve target for trade sale in Japan
- ✓ Investment write-offs and provision for allowance to investees increased for some investees in Japan that went bankrupt or saw a decline in business

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# Investment execution : 13 companies, 1.2billion yen

**JAIC Venture Capital Investment L. P.**  
( Secondary investment fund for venture companies )

**REGiMMUNE Corporation**  
Drug development in immunosuppressants

**jena co. ltd.**  
IoT position information management, AI chat bot

**株式会社 翔栄**  
**SHOEI CO., LTD.**  
In-vehicle touch panel

**Shenyang Wanrun-JAIC Venture Capital Enterprise**  
( Targeting promising companies in Shenyang City )

**瀋陽貝爾猫教育信息諮詢有限公司**  
Scientific experiment class for children based on STEM education philosophy

**瀋陽安新自動化控制有限公司**  
IoT air-conditioning control system

**瀋陽邁思醫療科技有限公司**  
Development, manufacture and marketing of medical devices (breathing device, oxygenator)

**Habataku Mirai Investment Limited Partnership**  
( Targeting reconstruction companies in Japan )

1 service industry -related company

Principal investment

**Smart Solar Corporation**  
Mega solar power generation related business, smart city related business for public facilities and industrial facilities, residential solar power generation related business

**NIPPON SOUKEN LTD.**  
Insurance broker

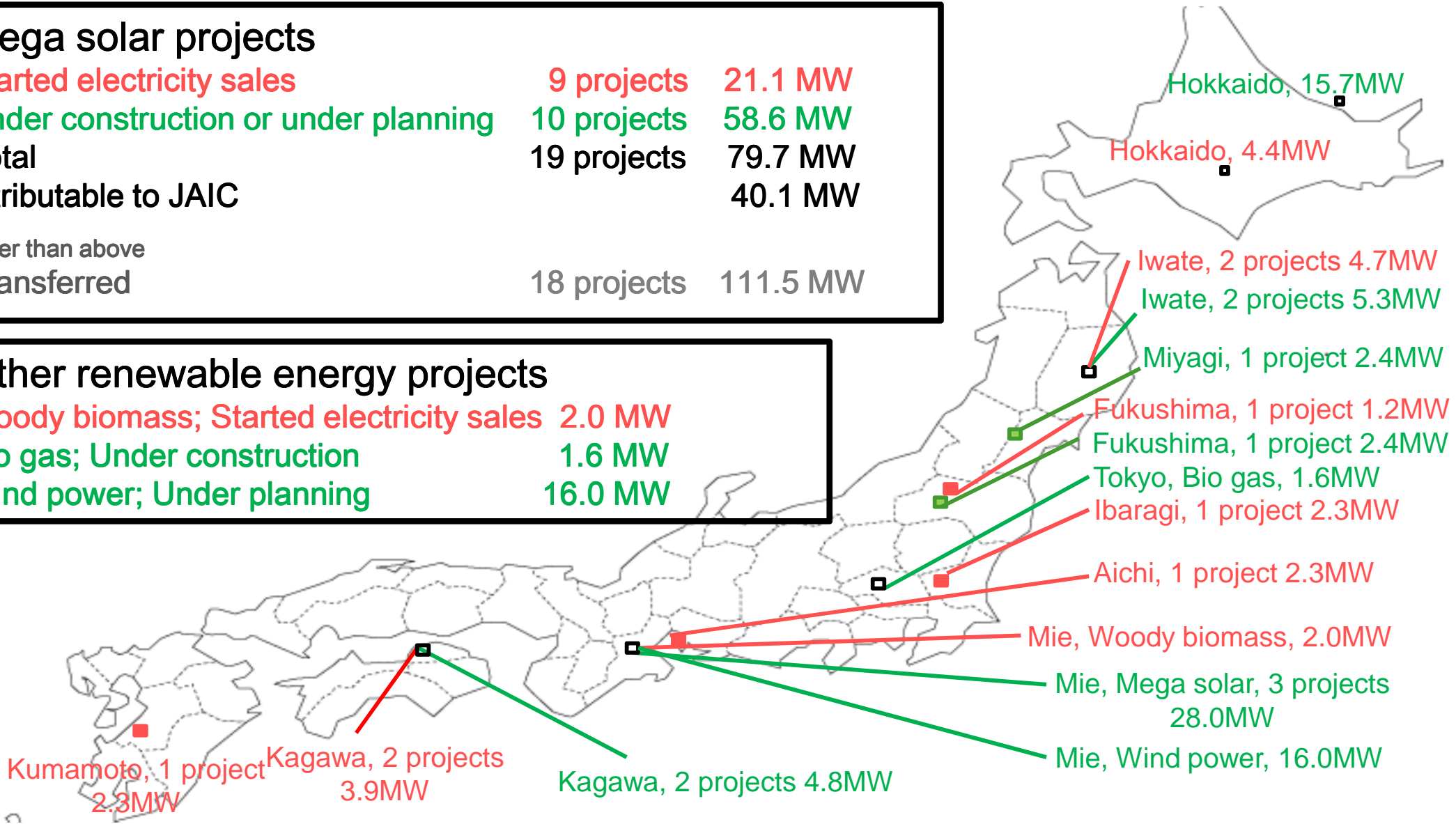
**CROCO CORPORATION**  
Crowd sourcing service specializing in article writing

**CellAxia Inc.**  
New drugs, regenerative medicine products etc.

1 IoT-related company and 1 environment-related company

<b>Mega solar projects</b>		
<b>Started electricity sales</b>	9 projects	21.1 MW
<b>Under construction or under planning</b>	10 projects	58.6 MW
<b>Total attributable to JAIC</b>	19 projects	79.7 MW
<b>other than above</b>		40.1 MW
<b>Transferred</b>	18 projects	111.5 MW

<b>Other renewable energy projects</b>	
<b>Woody biomass; Started electricity sales</b>	2.0 MW
<b>Bio gas; Under construction</b>	1.6 MW
<b>Wind power; Under planning</b>	16.0 MW



\* Since our investment ratio differs in each project, the amount of JAIC's investment or revenues from mega solar projects that are attributable to JAIC are not necessarily linked to the MW figure of the project.

## 2. Results for FY March 2018 – Business report – Progress report on initial plan at year's start

### Private equity investment

- Establish funds
  - Established business succession-type buyout fund and continue to solicit the Fund aiming to achieve additional contribution
  - Venture fund could not be established due to failure to obtain major investors
  - Developed internal structure and continue discussions for the joint fund with First Eastern
- Acquire gains from sales
  - Gains from sales of stocks decreased due to postponed IPOs and failure to carry out large-scale trade sales
  - Established a new post for recovery supervision and strengthen progress management of recovery negotiations

### Project oriented investment

- Promote implementation of investments
  - Made investments in 5 new mega solar projects
  - Carried out initiatives in renewable energy projects other than solar power  
Started electricity sales by biomass power plant; made investment in biogas
- Acquire gains from sales
  - Gained 1.8 billion yen from sales of project oriented investments



### 3. Medium-term Business Plan for March 2019 through March 2021

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# Corporate Mission

**As an investment company that links Japan with the rest of Asian region, we are committed to contribute to the creation of more safe, stable and efficient future society under the circumstance of structural problem derived from declining birthrate and increasing aging population.**

**President and CEO Tetsuro Shimomura**

## Issues to be considered going forward

Lack of stable revenues  
and financial soundness

- Unstable revenue structure that depends on capital gain of venture investments
- Procuring investment capital for unlisted shares with high uncertainty of recovery with borrowings
- Financial measures that place priority on repayment

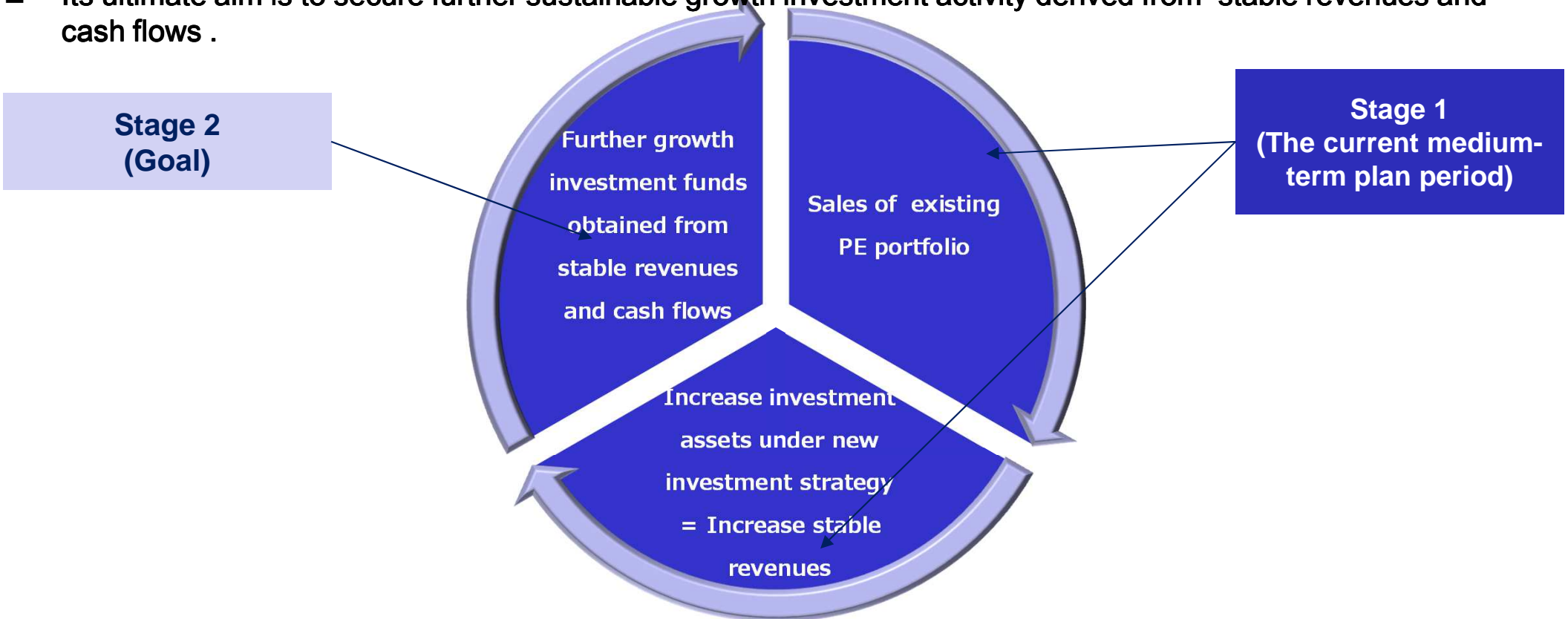
Past initiatives and  
results

- Establish large funds and increase fund management operation fees, a stable source of revenue
  - ⇒ Not achieved due to failure to develop a clear investment strategy
- Secure stable revenue based on revenues from mega solar projects and increase assets with higher liquidity than private equity
  - ⇒ The speed of asset accumulation has dropped due to sale of some projects
- Continue repayments in excess of revenue reimbursement ability
  - ⇒ Currently negotiating a review of repayment amounts with financial institutions in order to secure funds to carry out more aggressive investment activities

### 3. Medium-term Business Plan for March 2019 through March 2021

#### Future Business Strategy

- JAIC aims to secure profit and funds for further investment activities through the sale of private equity (PE)'s existing portfolio.
- JAIC aims to increase stable revenues by replacing private equity (PE)'s existing portfolio to more lucrative assets based on a new investment policy.
- Reduce contractual repayments and vitalize investment activities by increasing borrowings on a fund consolidated basis
- Its ultimate aim is to secure further sustainable growth investment activity derived from stable revenues and cash flows .



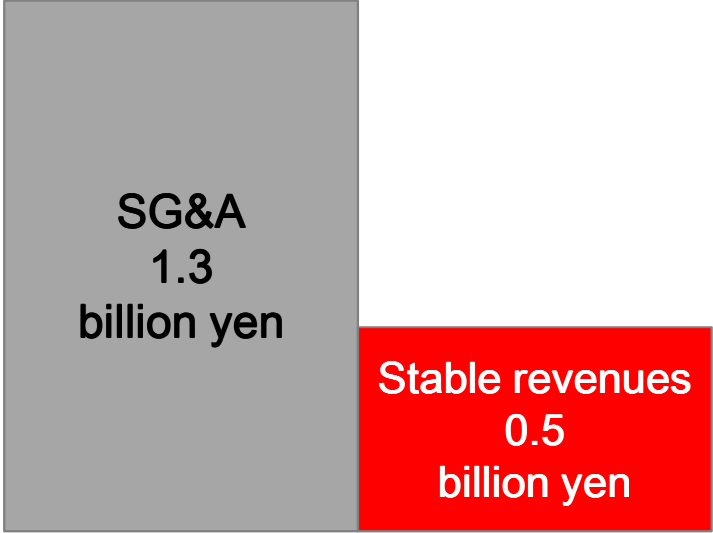
### 3. Medium-term Business Plan for March 2019 through March 2021

#### Revenue structure

JAIC will seek to secure stable revenue by weighting more investment to renewable energy sector, primarily in mega solar projects.

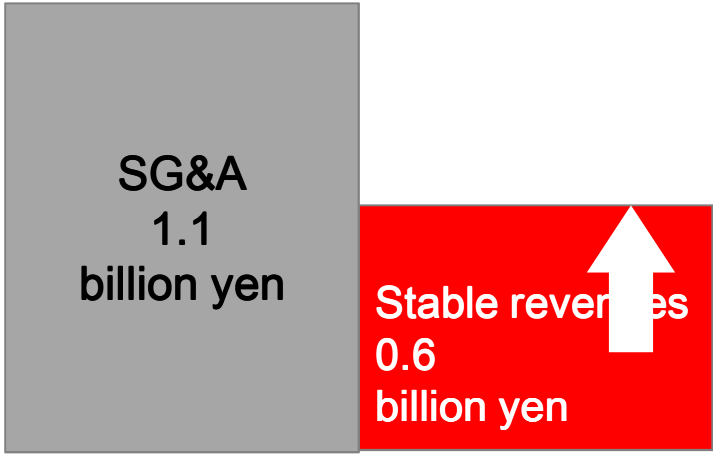
##### Current situation

SG&A are not covered by stable revenues. It is sustained by capital gains obtained from the sale of renewable energy investments (Which means divesting future source of revenue).



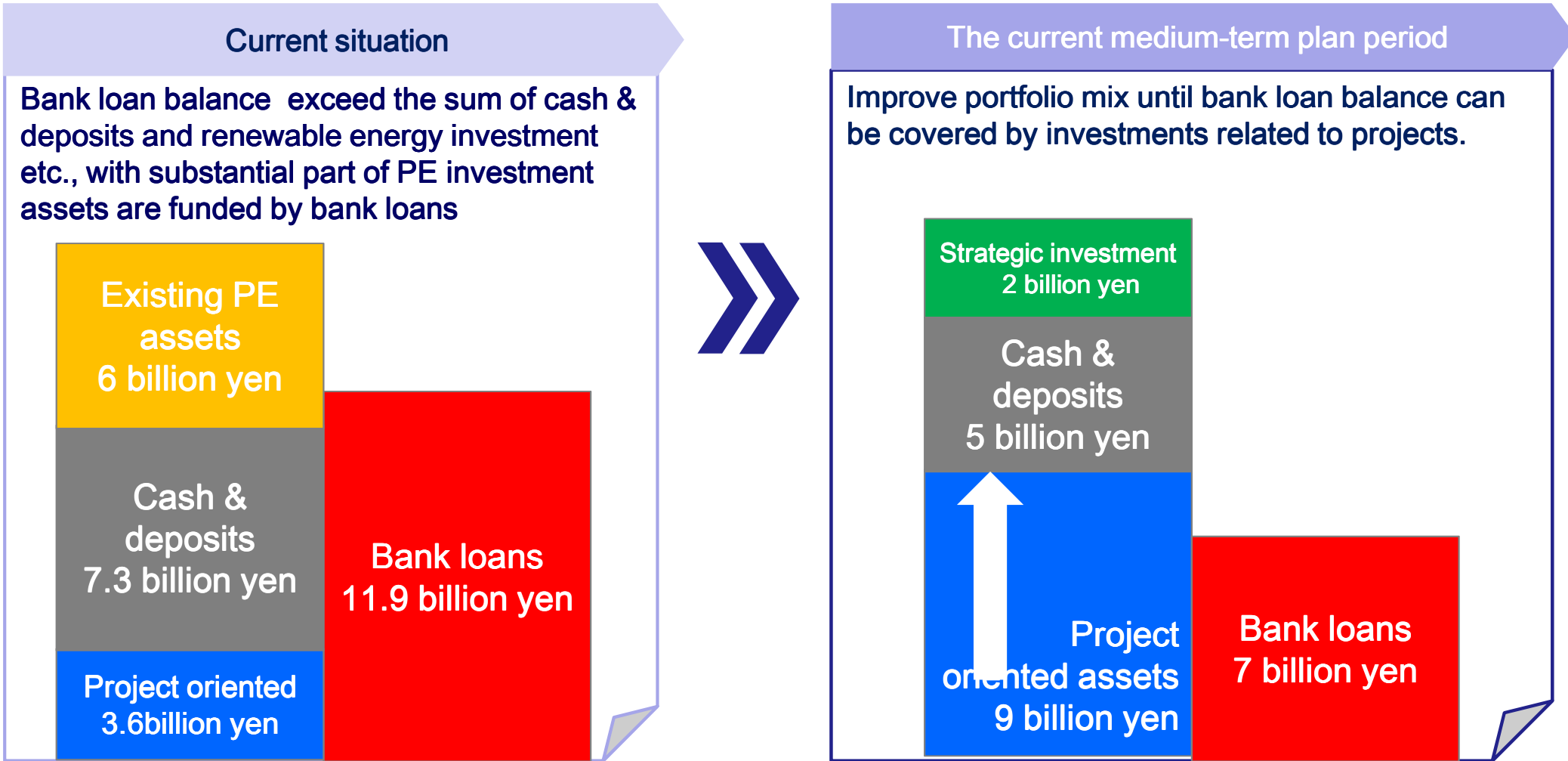
##### The current medium-term plan period

Aim to cover a large portion of SG&A by stable revenues.



## Financial position

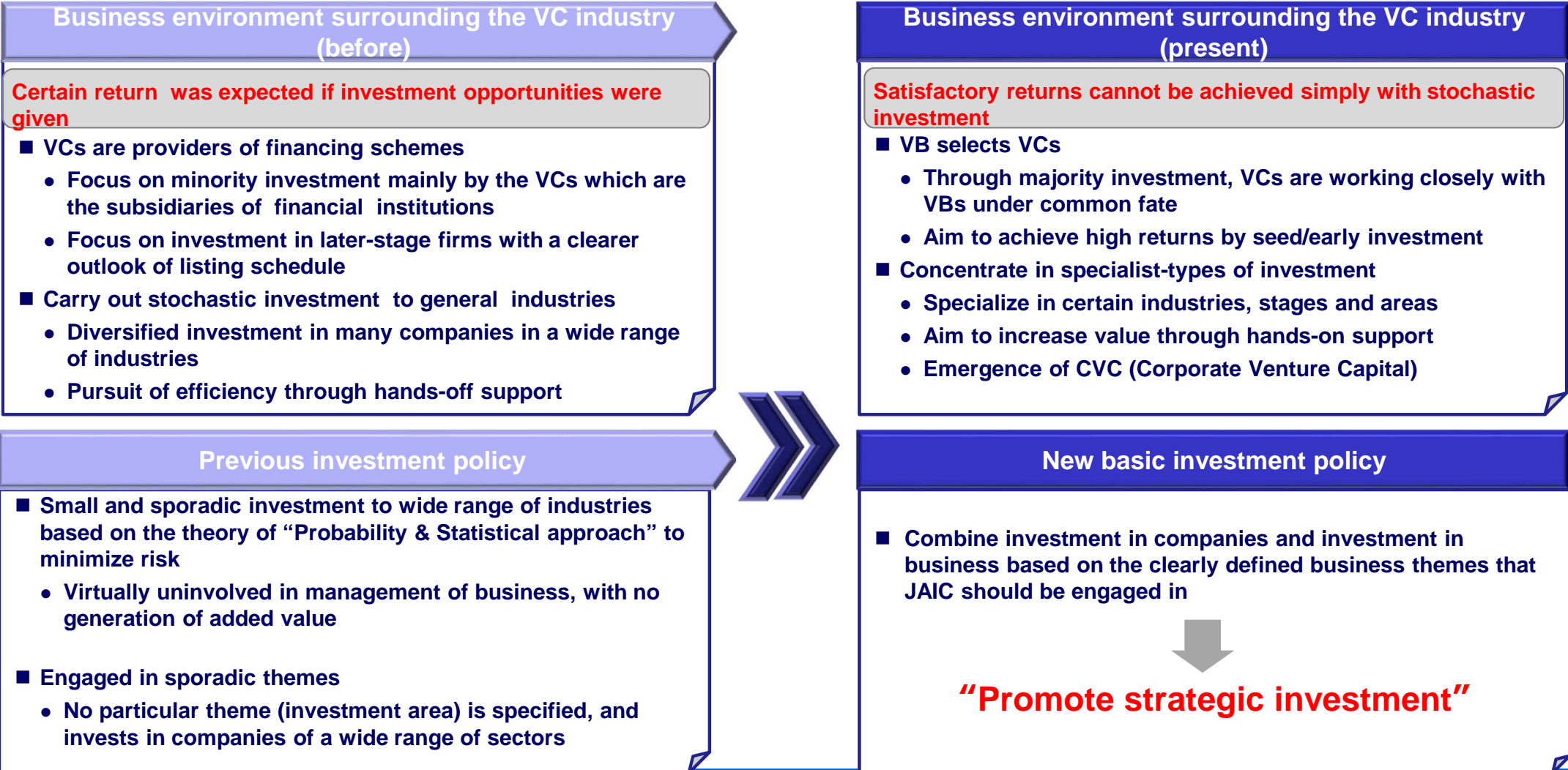
JAIC will strive to improve portfolio mix which will enable to cover bank loans balance by investments related to projects which are relatively low-risk with high liquidity.



### 3. Medium-term Business Plan for March 2019 through March 2021

## Private equity investment

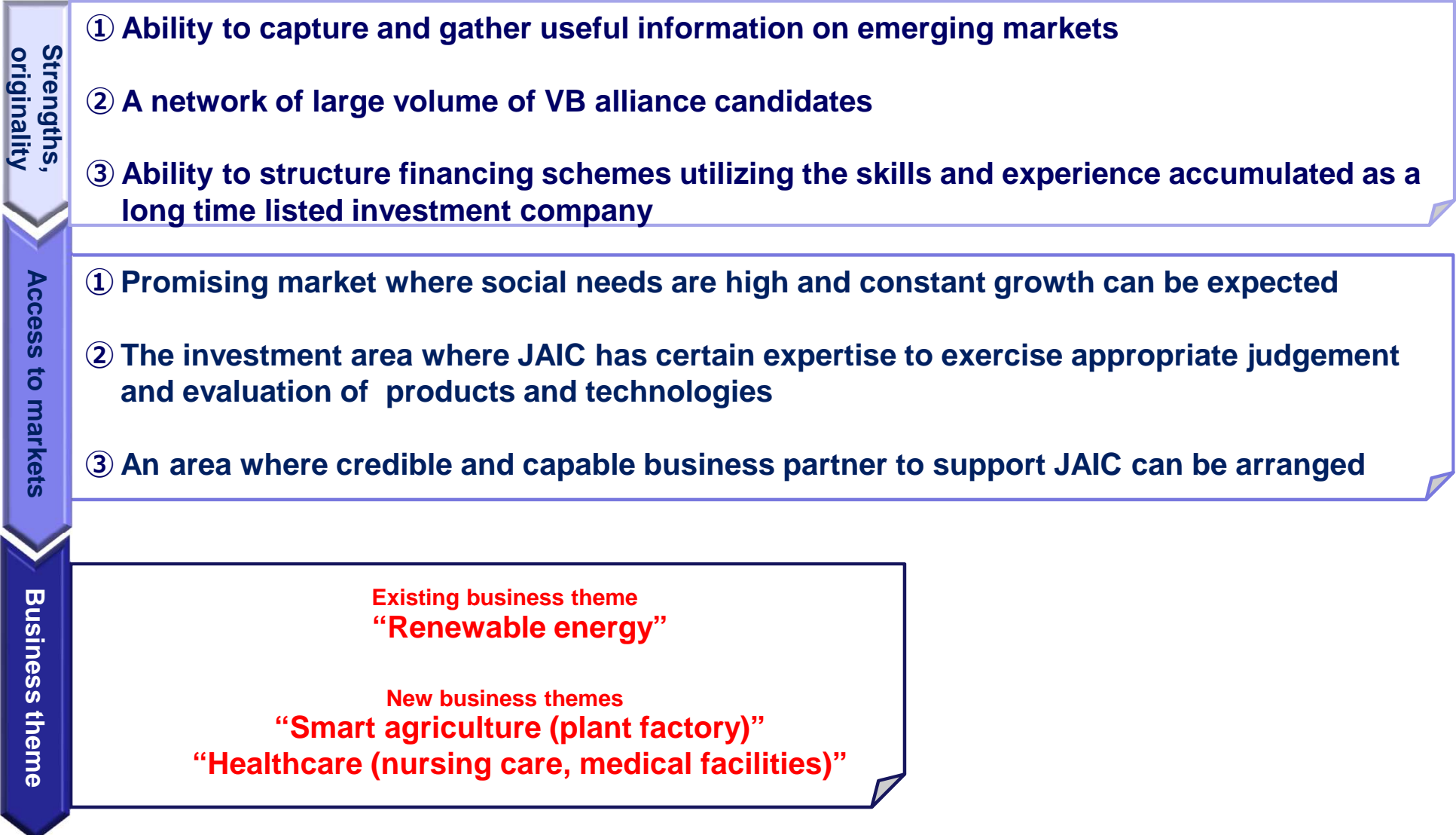
- JAIC continues current investment policy for investments by funds under management.
- JAIC will shift its investment policy for its principal investment in view of changes in its corporate mission, business objective and the business environment surrounding the VC industry.



### 3. Medium-term Business Plan for March 2019 through March 2021

#### Focus on Specific Business Themes

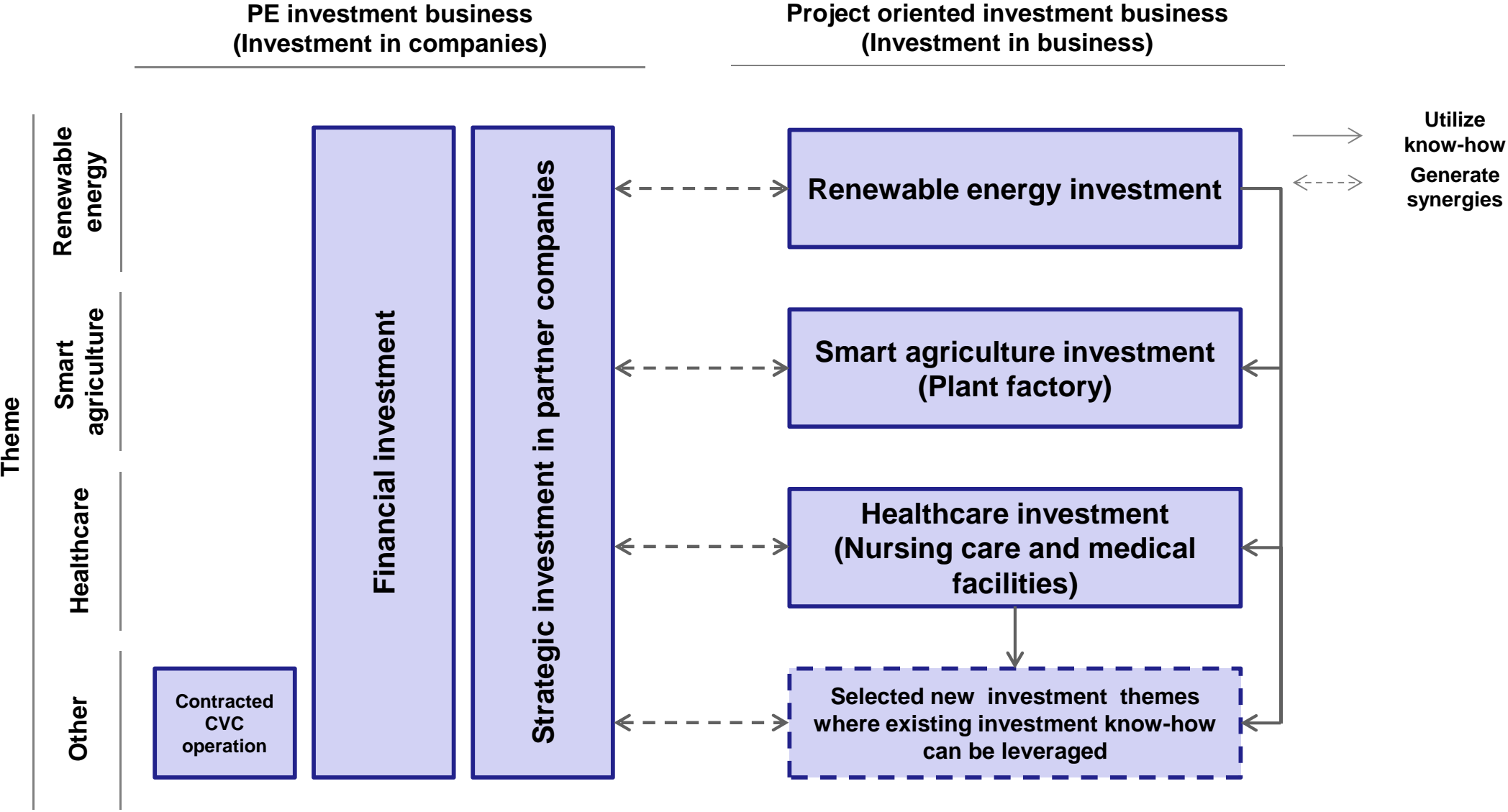
Business themes are selected in accordance with JAIC’s business objective and in view of JAIC’s strengths, originality, size of the markets and capability to access the markets.





### 3. Medium-term Business Plan for March 2019 through March 2021

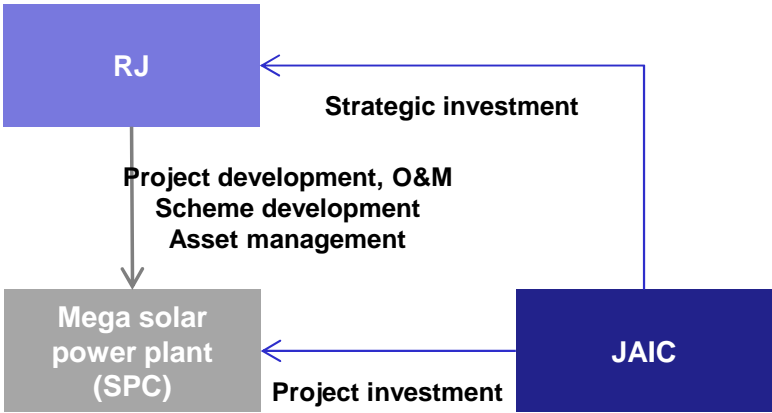
- Principal investments will be made strategically according to the selected business theme. Themes will continue to be set flexibly according to the situation.
- Investments by funds under management will be made according to investors' needs, without being limited to a business theme.



### 3. Medium-term Business Plan for March 2019 through March 2021

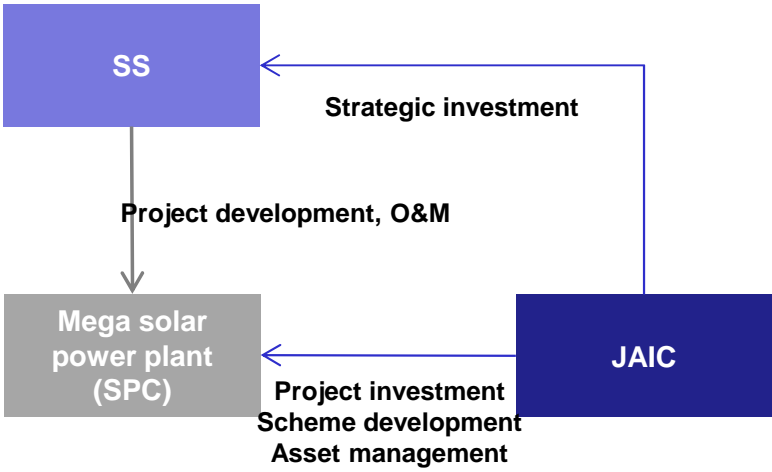
#### ■ Examples of collaboration and outlook of strategic investment with “partner companies”

##### ① Renewable Japan Co., Ltd. (RJ)



19 cases of collaboration in the past and will continue to cooperate in future projects.

##### ② Smart Solar Corporation (SS)

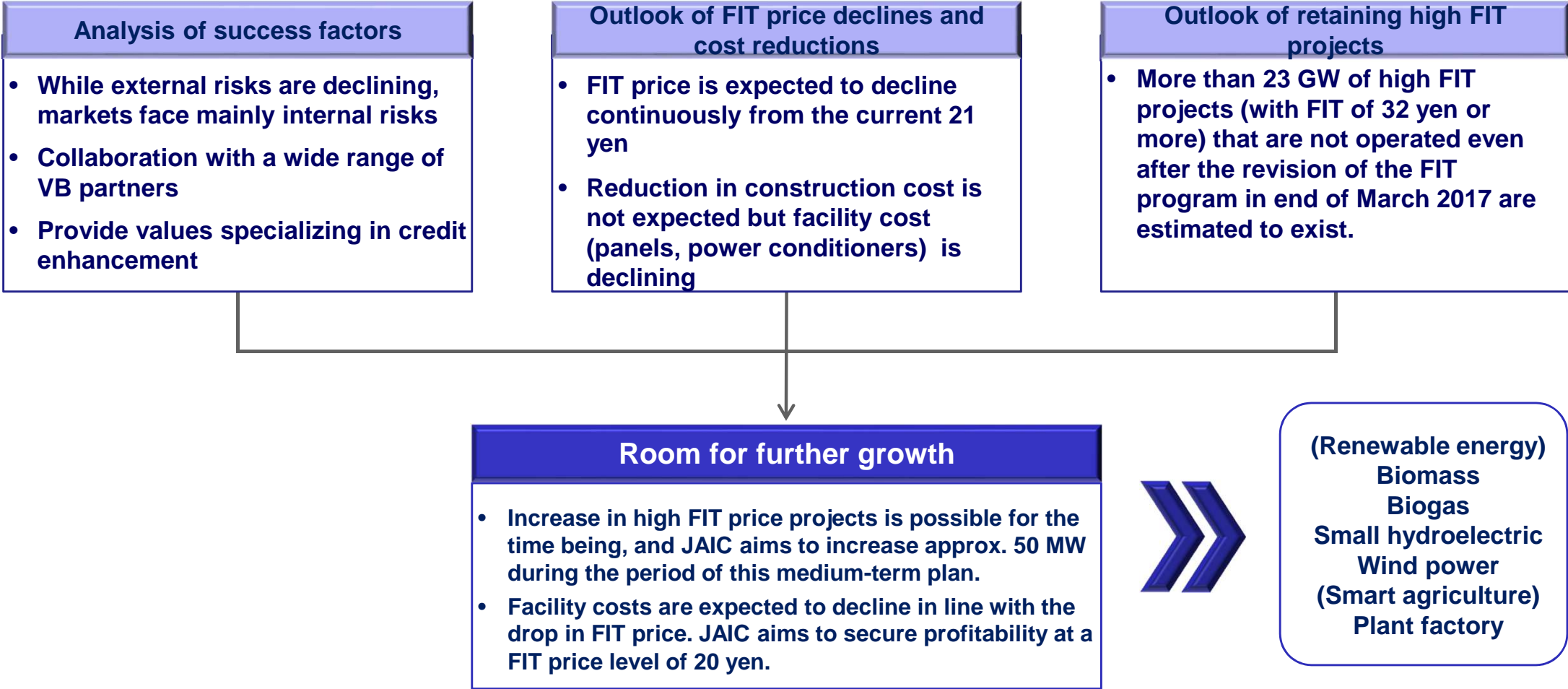


6 cases of collaboration in the past. Will continue to cooperate in projects.

### 3. Medium-term Business Plan for March 2019 through March 2021

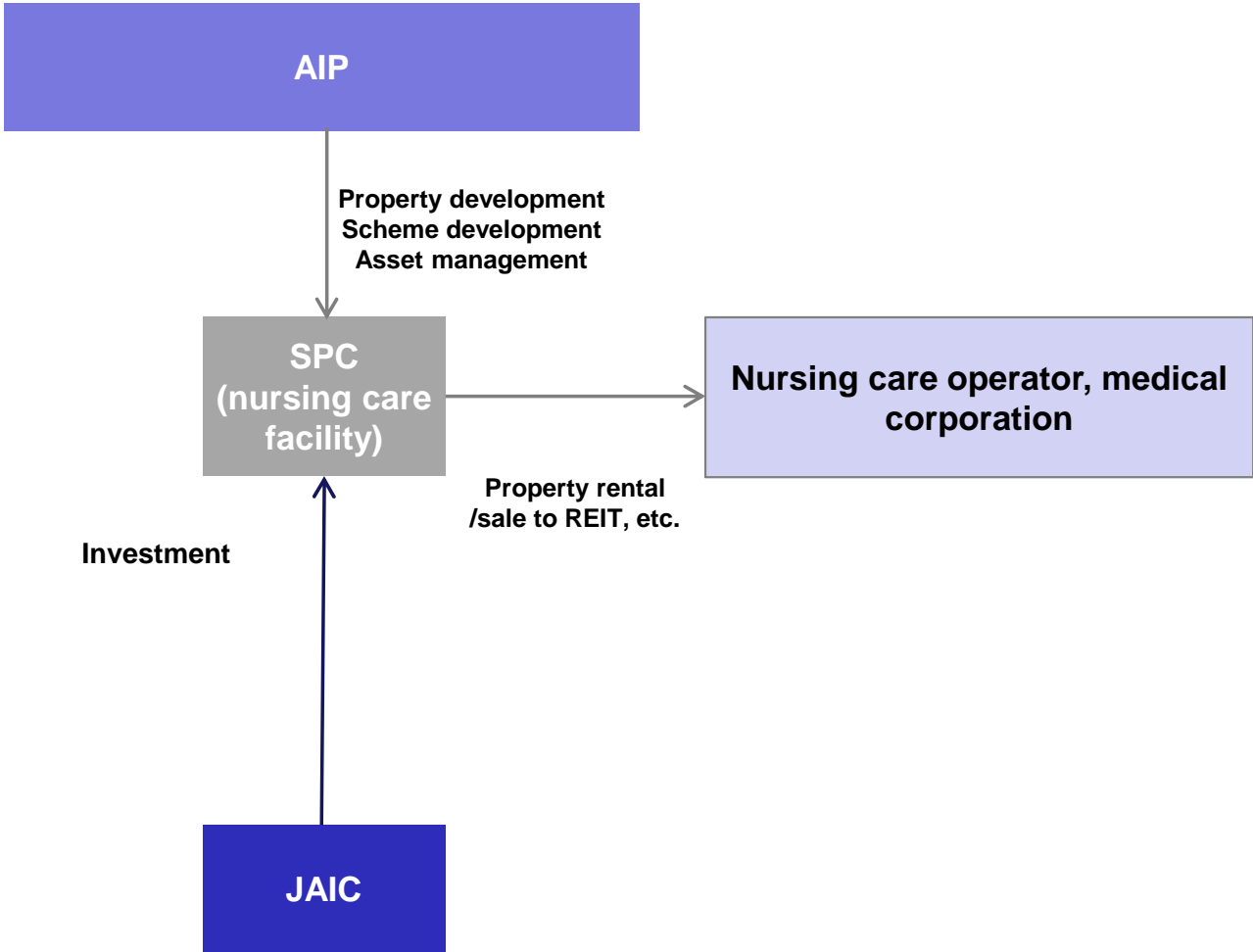
■ **Project oriented investment**

- Continue to invest in mega solar projects to increase outstanding balance and secure stable revenues.
- Leverage accumulated know-how of success and apply to other renewable energies sector as well as to smart agriculture.
- Consider partial divestiture of mega solar portfolio depending on the level of profits for the period and the situation of funds.



### 3. Medium-term Business Plan for March 2019 through March 2021

- Project oriented investment
- Healthcare (medical and nursing care facilities) investment
  - Continue investment in AIP’s acclaimed nursing care facility development projects.



#### 4. Result forecast for FY Mar 2019 (Previous accounting standard)



Result forecast for FY Mar 2019

P30

## 4. Result forecast for FY Mar 2019 (Previous accounting standard)

Previous accounting standard	Actual FY 2018		Result forecast FY2019		
	Amount (million yen)	Composition ratio	Amount (million yen)	Composition ratio	Change
Operating revenue	5,403	100.0%	3,450	100.0%	(36.2%)
Fund management operation	364	6.8%	240	7.0%	(34.1%)
Proceeds of sales of securities (private equity)	1,436	26.6%	2,800	81.2%	94.9%
Proceeds of sales of securities (project)	1,783	33.0%	-	-	(100.0%)
Fund interests income etc.	1,612	29.8%	400	11.6%	(75.2%)
Others	207	3.8%	10	0.2%	(95.2%)
Operating cost	3,074	56.9%	1,650	47.8%	(46.3%)
Cost of securities sold (private equity)	1,004	18.6%	1,300	37.7%	29.4%
Cost of securities sold (project)	1,465	27.1%	-	-	(100.0%)
Investment write-offs & provision for allowance for possible investment losses	562	10.4%	350	10.1%	(37.8%)
Others	42	0.8%	-	-	(100.0%)
Operating gross profit	2,328	43.1%	1,800	52.2%	(22.7%)
SG&A expenses	1,311	24.3%	1,100	31.9%	(16.1%)
Operating income	1,017	18.8%	700	20.3%	(31.2%)
Ordinary Income	954	17.7%	550	15.9%	(42.4%)
Profit attributable to owners of parent	874	16.2%	470	13.6%	(46.2%)

### Assumptions for the result forecast

- Fund management operation fees are for existing portions only. No success fees are expected.
- Proceeds and cost of private equity securities sold consist mainly of IPOs in Japan and sales of unlisted shares in Greater China
- Fund interests income etc. of operating revenue includes the proceeds of sales of renewable energy projects and revenues from mega solar projects
- Non-operating income includes foreign exchange gains, and non-operating expenses include interest expenses. Extraordinary loss/income is not expected.
- Tax burden due to taxable income is expected.

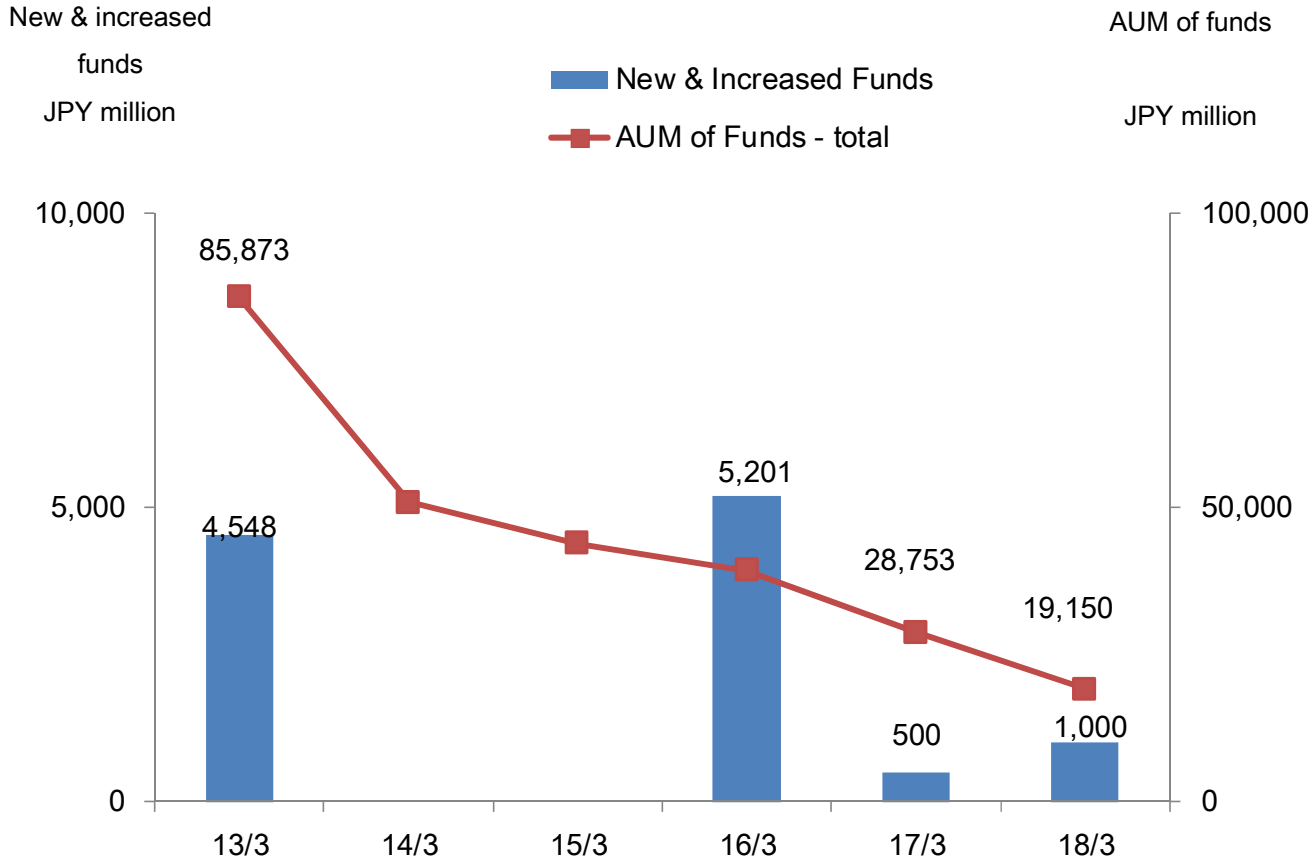
- ✓ Aim for positive net income for the fourth consecutive year through sale of PE portfolio assets
- ✓ Project oriented investments is expected to decrease in both revenues and income due to priority on accumulation and sale on a restricted basis

The result forecast are based upon the information currently available to JAIC at the time of writing and certain assumptions. The achievement is not promised.

Various factors could cause actual results to differ materially from these result forecasts.

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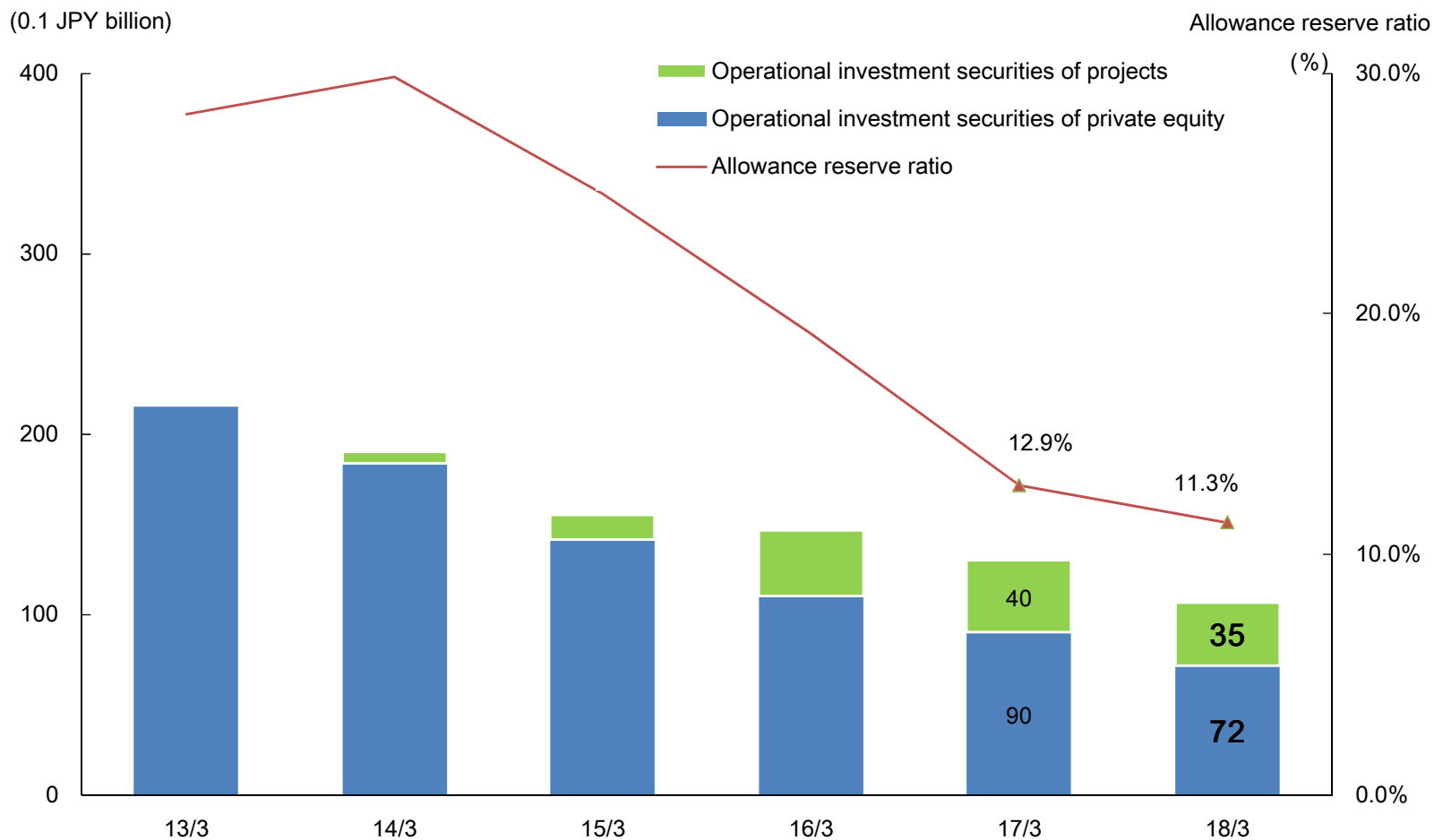
# 5. Appendix – AUM of Funds



- ✓ Established a business succession-type buyout fund of ¥1 billion
- ✓ AUM of funds decreased due to maturity and decrement of funds



# 5. Appendix – Allowance reserve ratio (Previous accounting standard )



Progress of replacement of assets led to a decrease in the allowance reserve ratio

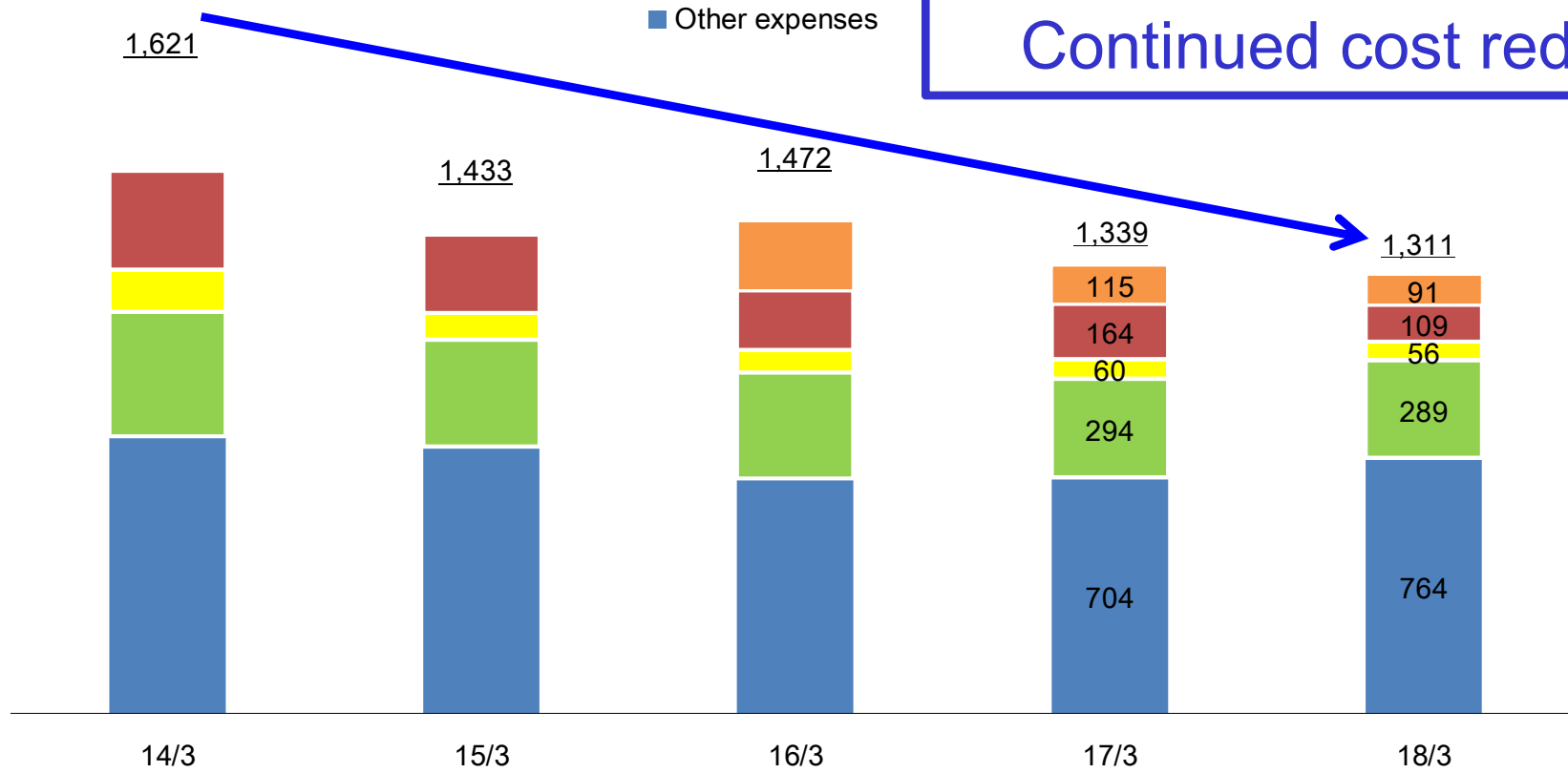
# 5. Appendix - SG&A (Previous accounting standard)



(JPY million)

- Expenses in operational investment funds - success fees paid
- Expenses in operational investment funds - others
- Office rent
- Salaries, others
- Other expenses

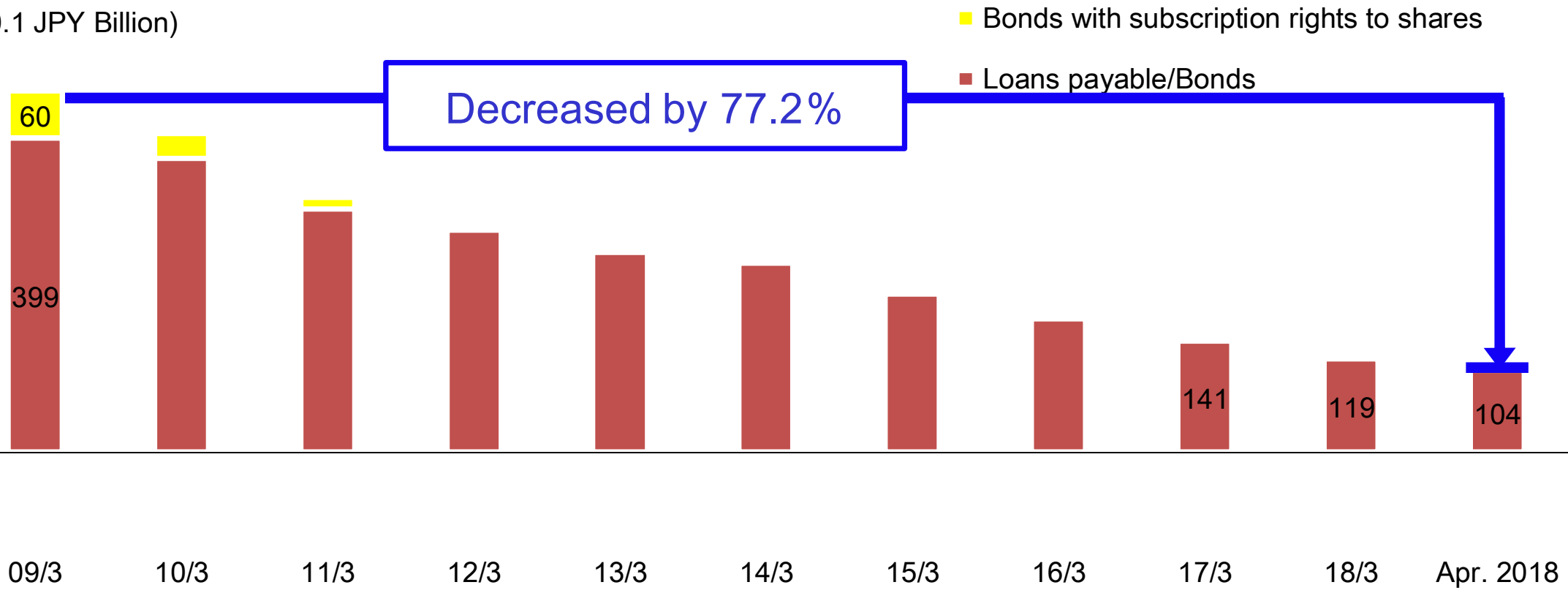
Continued cost reduction



		14/3	15/3	16/3	17/3	18/3
NO.of employee	Consol	46	45	43	44	42
	Non-consol	23	25	23	23	23

# 5. Appendix - Debt outstanding (Previous accounting standard)

(0.1 JPY Billion)



# 5. Appendix - Funds & investment activities

(JPY million)	13/3	14/3	15/3	16/3	17/3	18/3
New & Increased Funds	4,548	-	-	5,201	500	<b>1,000</b>
AUM of Funds - total	85,873	50,888	43,897	39,335	28,753	<b>19,150</b>
AUM of Funds - JAIC				14,004	9,427	<b>5,867</b>
New Investnems	4,746	4,189	2,728	4,093	4,315	<b>3,887</b>
Balance of Investments	33,886	25,862	19,722	18,783	16,558	<b>13,981</b>

## 5. Appendix - Business results & financial position (Previous accounting standards)



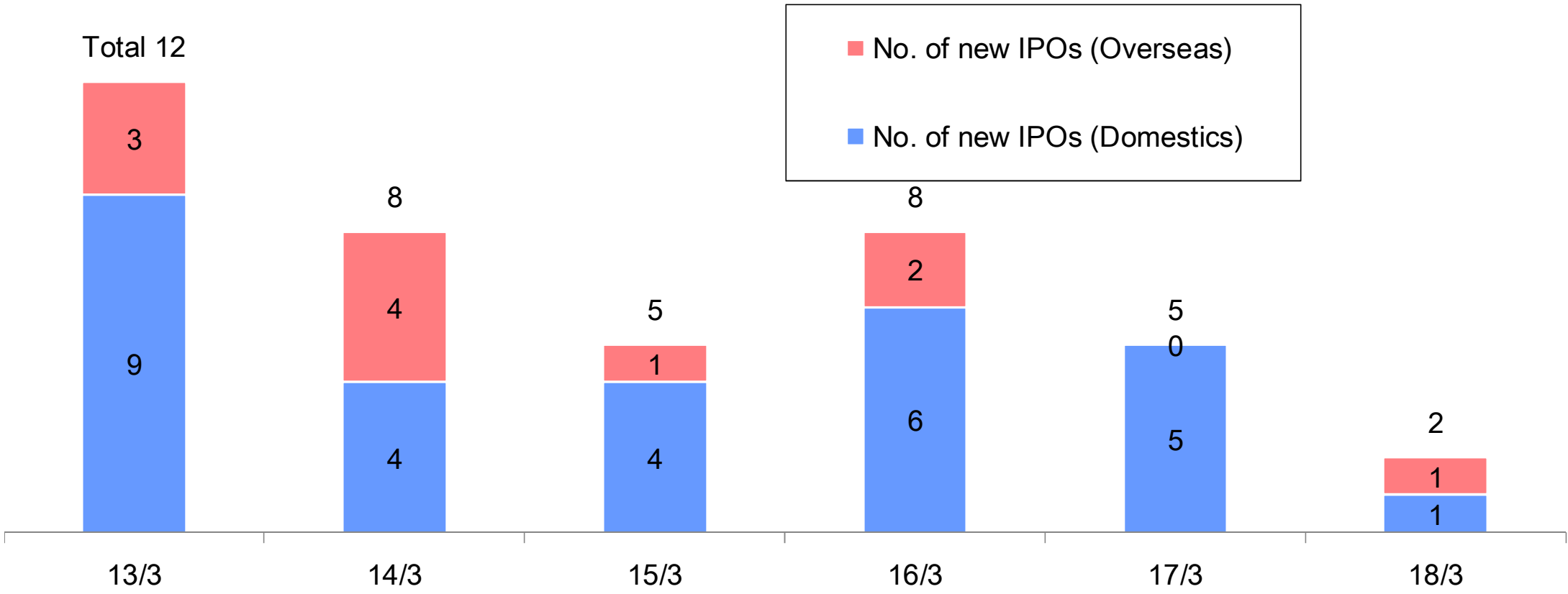
(JPY million)	13/3	14/3	15/3	16/3	17/3	18/3
<b>Business Results</b>						
Operating Revenues	3,784	6,155	4,532	4,043	3,926	<b>5,403</b>
Operating Gross Profit	176	2,474	882	1,554	2,176	<b>2,328</b>
SG&A Expenses	2,000	1,621	1,433	1,472	1,339	<b>1,311</b>
Operating Income	(1,823)	852	(550)	82	836	<b>1,017</b>
Ordinary Income	(2,612)	374	(610)	612	726	<b>954</b>
Net Income	(2,575)	462	(850)	597	553	<b>874</b>
<b>Financial Position</b>						
Cash and deposits	8,550	10,428	9,437	8,202	6,213	<b>7,308</b>
Operational investment securities of project related investment	-	608	1,337	3,722	4,081	<b>3,582</b>
Operational investment securities of private equity	21,551	17,906	14,263	11,067	9,048	<b>7,261</b>
Provisions for investment losses	(6,098)	(5,526)	(3,898)	(2,840)	(1,691)	<b>(1,230)</b>
Operational investment securities after deducting allowance for possible investment loss (Private equity)	15,452	12,380	10,364	8,226	7,356	<b>6,030</b>
Loans payable, bonds & bonds with subscription rights to shares	25,433	24,010	20,193	16,910	14,128	<b>11,954</b>
Total shareholders' equity	1,565	2,573	3,373	4,976	5,686	<b>6,545</b>
Total assets	28,272	27,302	24,396	22,680	20,305	<b>19,220</b>

## 5. Appendix - Statement of Income - break down (Previous accounting standard)



(JPY:million)	13/3	14/3	15/3	16/3	17/3	18/3	Change (%)
<b>1 . Fund management operation</b>							
<i>Fund management fees and others</i>	815	733	571	441	364	277	(24%)
<i>Success Fees</i>	37	132	63	288	101	86	(15%)
Operating Revenue	852	865	634	729	466	364	(22%)
Operating Cost	-	-	-	-	-	-	-
Operating Gross Profit	852	865	634	729	466	364	(22%)
<b>2 . Investment operation</b>							
<i>Proceeds of sales of securities (A)</i>	2,411	4,656	3,651	2,954	2,275	3,219	41%
<i>Fund interests income etc.</i>	194	357	100	295	1,128	1,612	43%
<i>Income gains</i>	95	121	93	49	30	64	110%
Operating Revenue	2,701	5,134	3,844	3,300	3,434	4,897	43%
<i>Cost of securities sold (B)</i>	1,385	2,133	1,767	1,863	1,423	2,469	74%
<i>Investment write-offs and Provision for allowance for possible investment losses (C)</i>	2,038	1,480	1,704	569	274	562	105%
<i>Fund interests losses etc.</i>	158	52	168	47	46	36	(21%)
Operating Cost	3,582	3,666	3,640	2,481	1,744	3,069	76%
Operating Gross Profit	(880)	1,468	203	818	1,690	1,827	8%
<b>3 . Others</b>							
Operating Revenue	229	154	53	13	25	142	453%
Operating Cost	25	15	9	7	6	5	(10%)
Operating Gross Profit	204	139	44	5	19	136	599%
<b>Total</b>							
Operating Revenues	3,784	6,155	4,532	4,043	3,926	5,403	38%
Operating Cost	3,607	3,681	3,650	2,488	1,750	3,074	76%
Operating Gross Profit	176	2,474	882	1,554	2,176	2,328	7%

# 5. Appendix - JAIC-Backed IPOs



Investment multiple by Initial price (First price multiple)

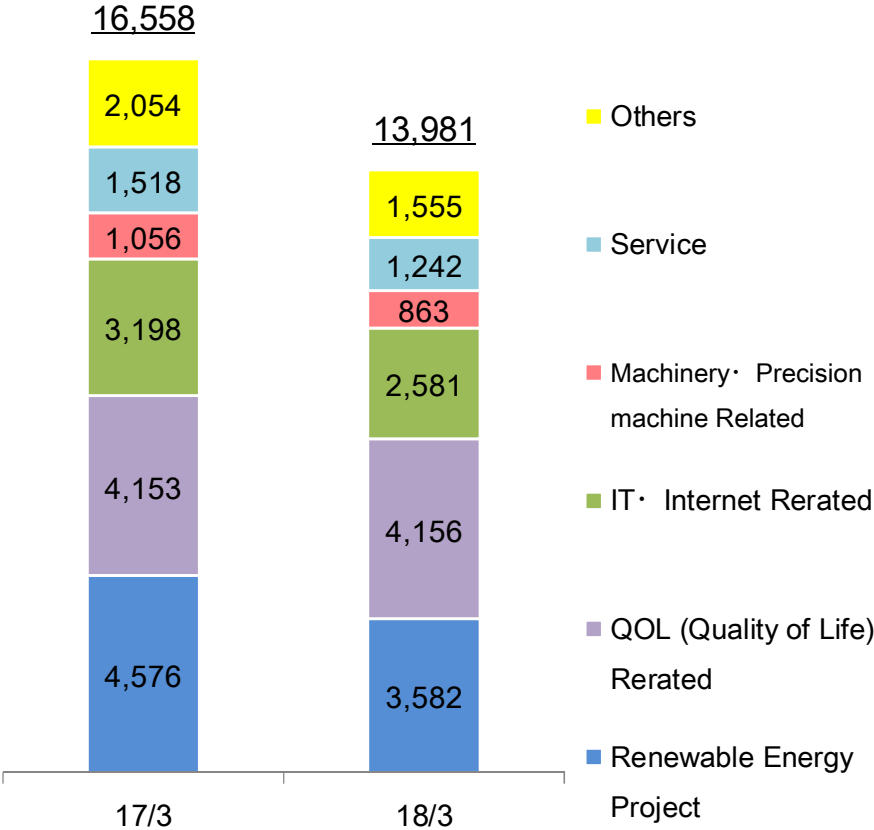
	13/3	14/3	15/3	16/3	17/3	18/3
Domestics	1.5	15.2	4.9	1.7	5.6	3.1
Overseas	3.4	2.2	1.8	-	-	3.2

Note  
 1: IPOs include acquisition by listed company as a result of equity swap etc. (2 in 2014/3, 2 in 2015/3, 2 in 16/3 and 1 in 17/3).  
 2: First price multiple = Gross market capitalization at first price/Total our acquisition cost. However, the calculation of the first price multiple does not include the companies whose shares are acquired by listed companies as a result of equity swaps etc.

# 5. Appendix - Investment portfolio breakdown

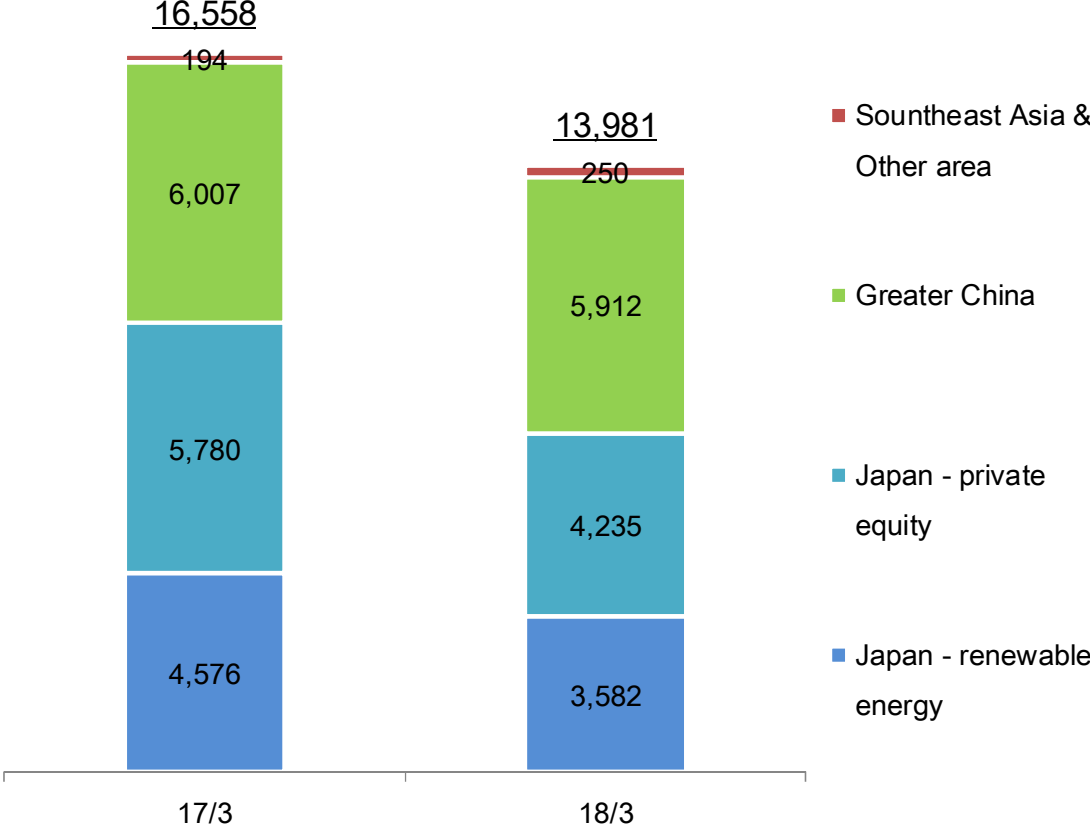
## ◆ By Industry

JPY million



## ◆ By Area

JPY million



Note : Investments in funds managed by third parties and in which the JAIC Group is not involved in the management, are not included.



## Large (15.7 MW) mega solar in Monbetsu, Hokkaido

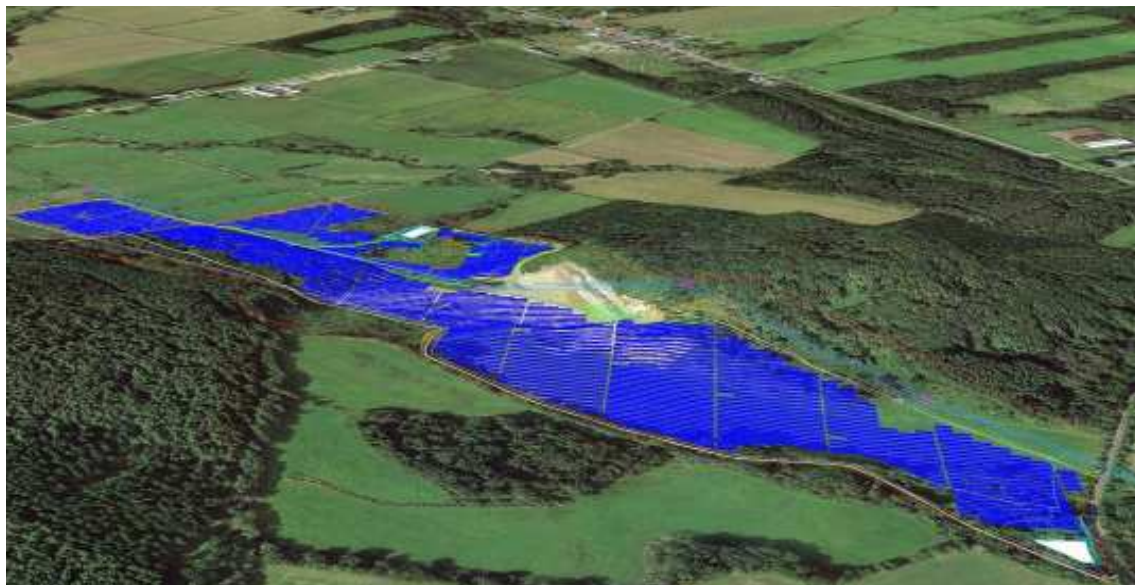


Image of completed plant

Data source: Smart Solar Corporation

Name of power plant:

Monbetsu-shi Kodo solar power plant

Maximum output: 15.7 MW

(\*Solar cell panel system capacity basis)

Expected annual power generation:

16.50 million kWh

(\*Equivalent to annual power consumption of approx. 5,000 average households)

Total project cost: 6.6 billion yen

(\*Procured from invested funds by JAIC and Smart Solar, and project finance from financial institutions)

Feed-in tariff: 40 yen/kWh (ex. tax)

- Introduced an output control system that uses 8.3 MWh high-capacity lithium storage battery
- Joint investment with Smart Solar Corporation
- Project finance from financial institutions

# “Solar Sharing”

## Sharing solar power between power generation and agriculture



Name of power plant: Ichinoseki-shi Yoshitaka solar power plant,  
Ichinoseki-shi Suzugasawa solar power plant

Location: Fujisawacho, Ichinoseki, Iwate

Maximum output: 5.3 MW (\*Total of the two plants. Same applies hereinafter. Solar cell panel system capacity basis)

Expected annual power generation: 6.08 million kWh  
(\*Equivalent to annual power consumption of approx. 1,268 average households)

- Grows wheat and barley under panels installed on pillars in farmland
- Joint investment with Renewable Japan Co., Ltd. and TOKYU LAND CORPORATION
- Project finance from The Tohoku Bank, Ltd.; EPC\* by Mitsubishi Electric System & Service Co., Ltd.

\*EPC: Engineering, Procurement and Construction  
\*Image of completed plant      Data source: Renewable Japan Co., Ltd.

# January 2018 Our first biomass power plant started electricity sales

~ Promoting various initiatives in renewable energy ~



Data source: Biomass Power Technologies Inc.

Name of power plant:  
Biomass Power Technologies  
Matsusaka woody biomass power plant

Operating company:  
Biomass Power Technologies Inc.

Location: Okatanocho, Matsusaka, Mie

Power generation size: 1.99 MW  
\*Generating-end output basis

Expected annual power generation: 13.94 million kWh  
\*Equivalent to annual power consumption of approx. 4,000 average households

Fuel used: Woodchips of 30,000 t/year

Total operating expenses: 1.8 billion yen  
\*Procured from invested funds and business loans from financial institutions

- Invests in operating company Biomass Power Technologies Inc., together with major business firms
  - Uses waste from nearby existing biomass power plants such as tree barks
  - Partnered with “Woodpia Woody Biomass Utilization Cooperative,” which is run by a wood complex in Matsusaka city
- Receives stable supply of fuel, mainly consisting of local thinning

## 5. Appendix - Company data (as of March 31, 2018)

Company name	Japan Asia Investment Co., Ltd.    Abbreviation; JAIC
Head office	3-11 Kandnishiki-cho, Chiyoda-ku, Tokyo 101-8570, Japan
Established	July 10, 1981
Paid-in capital	5,426 million yen
Listed market	Tokyo Stock Exchange, 1st Section (Securities code 8518)
Number of employees	42 (Consolidated) /23 (Non-consolidated)
Main business	<ul style="list-style-type: none"><li>▪ Private equity investment</li><li>▪ Project oriented investment</li></ul>

# JAIC

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The figures in this document is based on consolidated financial statements.