

Financial Results Overview for the 3rd Quarter Ended December 31, 2018

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

Announcement: February 14, 2019

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

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1. Summary

- ✓ Results for 3Q FY March 2019 (Previous accounting standard)
 - Revenues decreased by 61.5% year on year; final deficit ended at 0.19 billion yen.
 - The decrease in revenues was a result of the sale of a large project in the same period last year.
- ✓ Result forecast FY Mar 2019 (Previous accounting standard)
 - On Dec. 25, 2018 we made a downward revision to the forecast at the start of the term.
Operating revenue forecast: reduced by 33.3%; final profit forecast: maintained forecast at start of term
 - Going forward, we plan to achieve the revised forecast by increasing gains on sale of mega solar projects even if downward risk arises in the gain on sale of shares in 4Q.
- ✓ Business report
 - IPO: VALUENEX Japan Inc. achieved IPO on Oct. 30, 2018.
 - 3 Billion Yen of a total fund amount of the business succession-type buyout fund was achieved on Oct. 31, 2018
 - 6 projects worth 12.5MW commenced electricity sales from Apr. to Dec.
 - Invested in JAIC's 1st vegetable plant project

2. Results for 3Q FY March 2019 (Previous accounting standard)

Business Result

Outline of results	P5
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Break down of operating revenue & operating cost	P8
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2. Results for 3Q FY March 2019 – Outline of results (Previous accounting standard)

	FY 2018 3Q (Actual)		FY 2019 3Q (Actual)			Result forecast FY2019 (Revised on Dec 25, 2018)	
	Amount (million yen)	Composition ratio	Amount (million yen)	Composition ratio	Change	Amount (million yen)	Progression ratio
Operating revenue	3,154	100.0%	1,214	100.0%	(61.5%)	2,300	52.8%
Operating cost	1,773	56.2%	857	70.6%	(51.6%)	1,100	78.0%
Operating gross profit	1,381	43.8%	356	29.4%	(74.2%)	1,200	29.7%
SG&A expenses	922	29.2%	816	67.2%	(11.5%)	1,100	74.2%
Operating income	458	14.5%	(459)	-	-	100	-
Ordinary Income	334	10.6%	(512)	-	-	0	-
Profit attributable to owners of parent	240	7.6%	(197)	-	-	470	-
Stable revenues (*)	290	-	304	-	4.7%	330	92.2%
Percentage of stable revenues to SG&A	31.5%	-	37.3%	-	-	30.0%	-

- ✓ Year on year: 61.5% drop in revenues; final deficit of ¥197 million; the drop was a result of the sale of 4 projects worth 36.0 MW, including a large project, in the same period last year.
- ✓ Versus full-year forecast: Operating revenue 52.8%; ¥670 million difference in final profit; we plan to achieve result forecast by increasing gains on sale of mega solar projects
- ✓ Stable revenues: Increased from the same period last year as proceeds from mega solar projects compensated for the cost of projects under construction.

(*) Stable revenues: Management fees + project oriented revenues except project oriented investment capital gain and subsidy income + PE investment income gain.

2. Results for 3Q FY March 2019 – Outline of results (Previous accounting standard)

	FY Mar 2018 (Actual)		FY 2019 3Q (Actual)		
	Amount (million yen)	Composition ratio	Amount (million yen)	Composition ratio	Change
Total assets	19,220	100.0%	16,646	100.0%	(13.4%)
(a) Cash and deposits	7,308	38.0%	4,931	29.6%	(32.5%)
(b) Operational investment securities (Project oriented investment)	3,582	18.6%	4,836	29.1%	35.0%
Operational investment securities after deducting Allowance for possible investment loss (Private equity)	6,030	31.4%	5,212	31.3%	(13.6%)
(c) Loans payable	11,954	62.2%	9,784	58.8%	(18.2%)
Total shareholders' equity	6,545	34.1%	6,255	37.6%	(4.4%)
(a) + (b) - (c)	(1,063)	-	(16)	-	-

- ✓ Project oriented investment assets increased due to progress of investment execution and control of the sale
- ✓ Outstanding loans payable were ¥9.7 bn. 79% was reduced from the peak (incl. bonds).
- ✓ The balance between the total amount of cash & deposits and renewable energy projects and outstanding borrowings improved from ¥(1,063) million on March 31, 2018 to ¥(16) million on December 31, 2018.

2. Results for 3Q FY March 2019 – Cash Flows (Previous accounting standard)

(JPY million)	18/3	18/3(3Q)	19/3(3Q)
Operating CF	1,870	(180)	994
Investing CF	238	197	703
Financing CF	(2,173)	(2,173)	(2,173)
Change in Net CF	(57)	(2,155)	(491)
Cash & Cash Equivalents at End of Period	4,757	2,659	4,265

- ✓ Operating CF: Net cash provided was ¥994 million due to the receipt of distributions from funds and tax refunds, despite the booking of losses
- ✓ Financing CF: Net cash used was ¥2,173 million due to repayment of borrowings

2. Results for 3Q FY March 2019 –

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



(JPY million)	Total		Private equity investment		Project oriented investment	
	FY 2018(3Q) (Actual)	FY 2019(3Q) (Actual)	FY 2018(3Q) (Actual)	FY 2019(3Q) (Actual)	FY 2018(3Q) (Actual)	FY 2019(3Q) (Actual)
Operating revenue	3,154	1,214	954	1,055	2,199	158
Fund management fees and others	208	187	206	186	2	1
Success Fees	86	-	86	-	-	-
Proceeds of sales of securities	1,457	602	627	579	830	23
Fund interests income etc.	1,339	381	13	267	1,325	113
Income gains	34	10	11	9	23	1
Other operating reveue	27	32	9	13	18	19
Operating Cost	1,773	857	951	841	821	16
Cost of securities sold	1,219	272	400	255	818	16
Investment write-offs and Provision for allowance for possible investment losses	534	540	534	540	-	-
Fund interests losses etc.	15	40	12	40	2	-
Other operating costs	4	4	4	4	-	-
Operating Gross Profit	1,381	356	2	213	1,378	142

- ✓ In private equity investment, both revenue and profit increased year on year due to interest income from funds operated by other companies
- ✓ In project oriented investment, both revenue and profit decreased year on year as a result of the sale of 4 projects, including a large project, of 36.0 MW in total and subsidy income in the same period last year.

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

Previous accounting standard	A	B	C	
	Result forecast FY2019 at the start of FY2019	Result forecast FY2019 revised on 25 Dec. 2018	Actual 2019/3(3Q)	
	Amount (million yen)	Amount (million yen)	Amount (million yen)	Progression ratio (C/B)
Operating revenue	3,450	2,300	1,214	52.8%
Operating cost	1,650	1,100	857	78.0%
Operating gross profit	1,800	1,200	356	29.7%
SG&A expenses	1,100	1,100	816	74.2%
Operating income	700	100	(459)	-
Ordinary Income	550	0	(512)	-
Profit attributable to owners of parent	470	470	(197)	-

- ✓ On Dec. 25, 2018 we made a downward revision to the result forecast at the start of term. Due to the decrease in proceeds on sale of shares, the operating revenue forecast decreased by 33.3%, while the final profit forecast was unchanged from the start of term due to the generation of extraordinary profit.
- ✓ We plan to achieve the revised forecast by increasing gain on sale of projects even if downward risk arises in the gain on sale of shares in 4Q.

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.

Private equity investment	P11
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Project oriented investment	P15
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Business succession fund reached a total of ¥3 bn. as of the final closing

~Established with the aim of contributing to regional revitalization and providing solutions to the business succession challenges facing SMEs in Japan~

Name	Succession Investment Limited Partnership, I
Fund management company	AJ Capital Co., Ltd. * A 50:50 joint venture by JAIC and Aozora Bank, Ltd.
Investors	AJ Capital, Aozora Bank, Ehime Bank, Financial Products Group, Kirayaka Bank, Towa Bank, Tottori Bank, Bank of Toyama, Hokuto Bank, Miyazaki Taiyo Bank, Japan Post Bank, JAIC, as well as other financial institutions
Total commitment amount	¥ 3 billion (as of Oct 2018)
Main investment target	SMEs in Japan with business succession challenges
Date of establishment	June 26, 2017

VALUENEX Japan Inc.

Listed on TSE Mothers on Oct. 30, 2018

Business :

Providing ASP licensing services for big data analytics of patents (TechRadar) and documents (DocRadar), and offering consulting services utilizing these tools and unique methodologies

First price Multiple: 10.8 times



Investment execution : 4 companies, ¥0.13 bn.



LIGUA, Inc.

Top-class share in solution services for orthopedic and osteopathic clinics



Patient information management system "LigooPOS&CRM"



Electric treatment device "EMS-indepth"



中元宜和

**瀋陽中元宜和
生物科技有限公司**

Start-up firm that develops and manufactures artificial insemination medical device for medical institutions



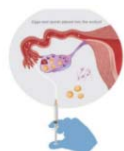
Egg cell collector



Artificial fertilization tube



Embryo transplant conduit



Last One Mile Co., Ltd.

Last one mile businesses that provide a one-stop service for lifelines, IT services, IoT and infrastructure.

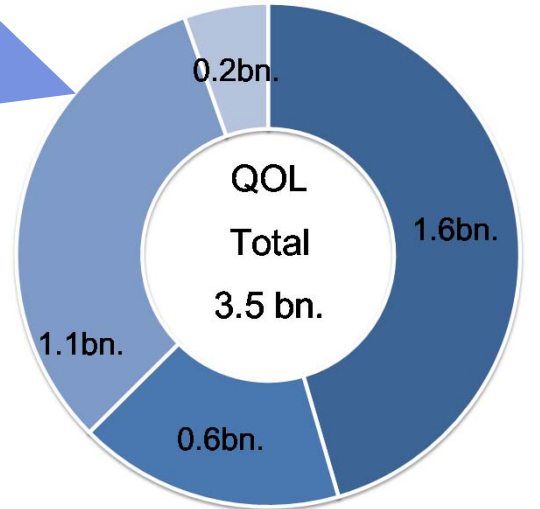
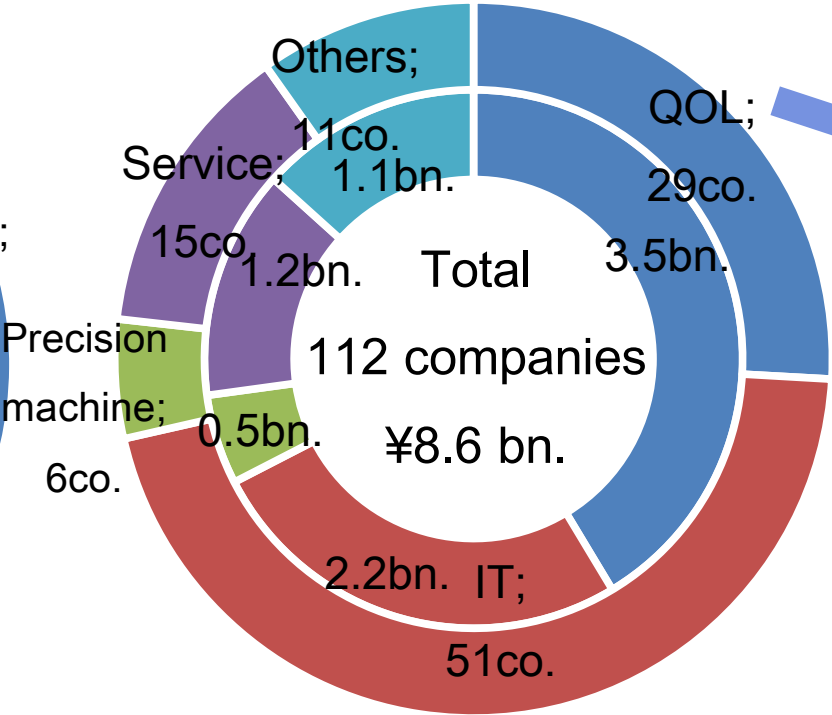
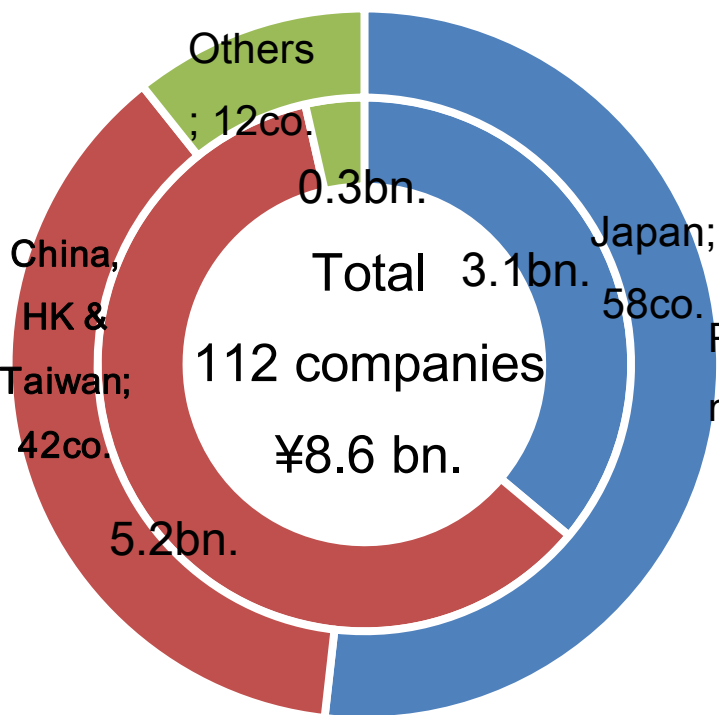


1 IoT-related company

Investment balance : 112 companies, ¥8.6 bn.

【Breakdown by area】

【Breakdown by industry】



- Medical device & service
- Environmental equipment & service
- Biotech, drug discovery & medicine
- Others

Average investment amount per company (unit: ¥ million) :
 Japan 53, China, HK & Taiwan 122 / QOL 122, IT 43

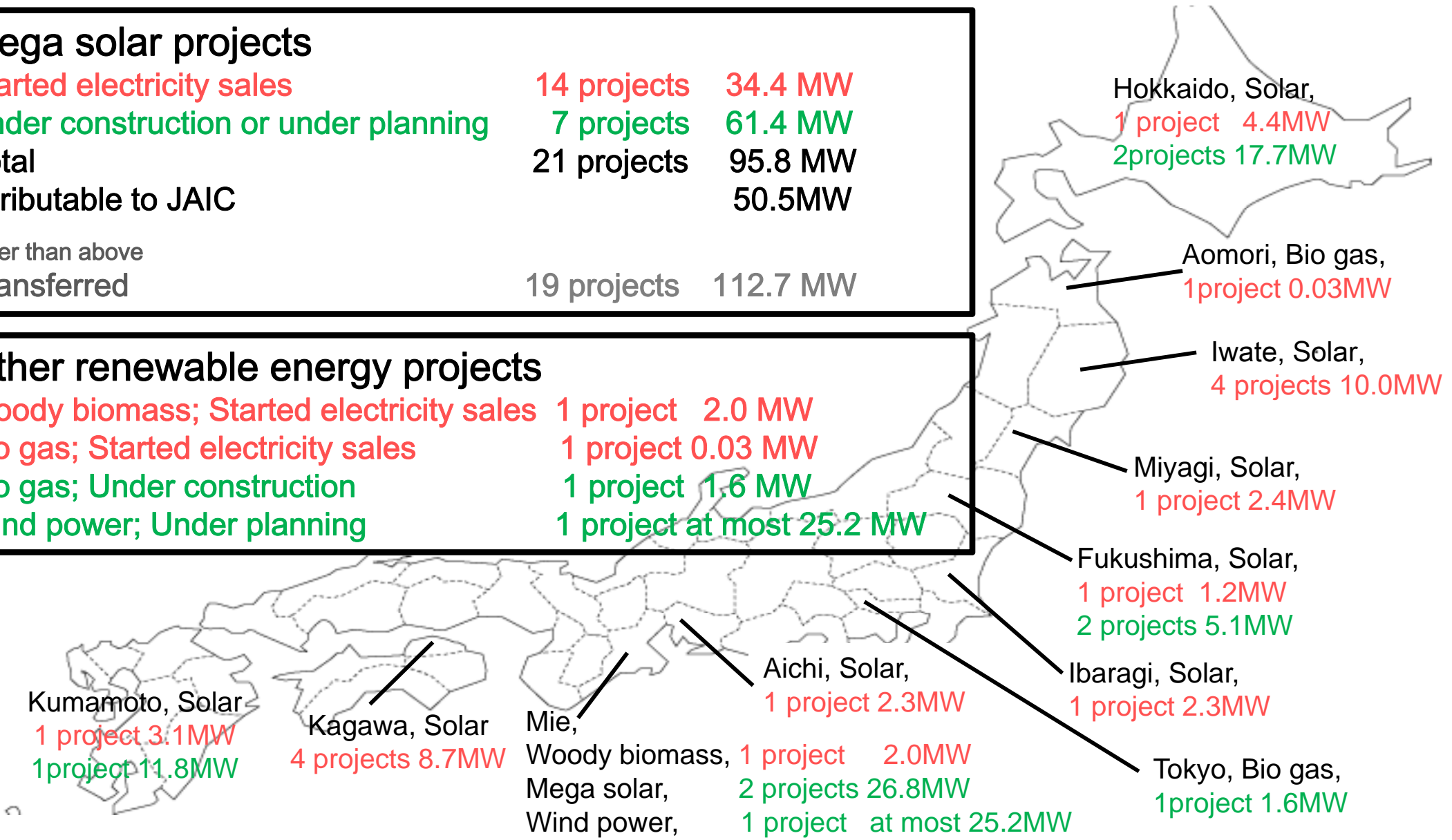
Investment execution : 8 projects, ¥2.68 bn.

No.	Location	Project type	Generation capacity	Notes
1	Mie	Wind power	At most 25.2MW	Existing project
2	Hokkaido	Solar power	2.0MW	New project
3	Gifu	Solar power	20.0MW	Short-term recovery planned project (Already recovered during the term)
4	Aomori	Bio gas power	0.03MW	New project
5	Iwate	Solar power	2.7MW	Existing project
6	Hyogo	Plant factory	-	1 st project for JAIC
7	Kumamoto	Solar power	11.8MW	New project
8	Fukushima	Solar power	2.7MW	New project

4. Business report - Project oriented investment - Renewable energy projects as of Dec. 31, 2018

Mega solar projects			
Started electricity sales	14 projects	34.4 MW	
Under construction or under planning	7 projects	61.4 MW	
Total attributable to JAIC	21 projects	95.8 MW	50.5MW
other than above			
Transferred	19 projects	112.7 MW	

Other renewable energy projects			
Woody biomass; Started electricity sales	1 project	2.0 MW	
Bio gas; Started electricity sales	1 project	0.03 MW	
Bio gas; Under construction	1 project	1.6 MW	
Wind power; Under planning	1 project	at most 25.2 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.

4. Business report – Project oriented investment

- Renewable energy projects – case study 1

Aquatic power plant in Nakaoudaike and Higashioudaike, Sanuki, Kagawa Prefecture started electricity sales



Nakaoudaike solar power plant

Started electricity sales in Apr. 2018

Maximum output : approx. 2.4MW

*Solar cell panel system capacity basis

Feed-in tariff : 36/kWh [ex. Tax]



Higashioudaike solar power plant

Started electricity sales in July. 2018

Maximum output : approx. 2.4MW

*Solar cell panel system capacity basis

Feed-in tariff : 36/kWh [ex. Tax]

- ✓ By constructing the power plant on water, costs for reclamation work to flatten the ground for panel installation will become unnecessary
- ✓ Solar radiation conditions are good since there are no obstacles around
- ✓ The temperature of the panels are kept low due to the cooling effect of the water's surface, enabling the power plant to maintain power generation efficiency

4. Business report – Project oriented investment

- Renewable energy projects – case study 2

Mega solar sharing power plant



Ichinoseki-shi Yoshitaka solar power plant

Started electricity sales in June 2018

Maximum output: approx. 2.6MW

*Solar cell panel system capacity basis



Ichinoseki-shi Suzugasawa solar power plant

Started electricity sales in October 2018

Maximum output: approx. 2.7MW

*Solar cell panel system capacity basis

- ✓ Joint investment with Renewable Japan Co., Ltd. and TOKYU LAND CORPORATION
- ✓ Project finance from The Tohoku Bank, Ltd. and EPC by Mitsubishi Electric System & Service Co., Ltd.
- ✓ Sharing sunlight between power generation and agriculture
- ✓ Posts are planted on farmland and panels are installed at certain intervals, under the panels barley is grown using large agricultural machines
- ✓ Part of the income of the power generation business will be paid as farming support costs over twenty years to contribute to regional re-creation

4. Business report – Project oriented investment

- Renewable energy projects – case study 3



Kami Solar Park
(Kami-cho, Miyagi)

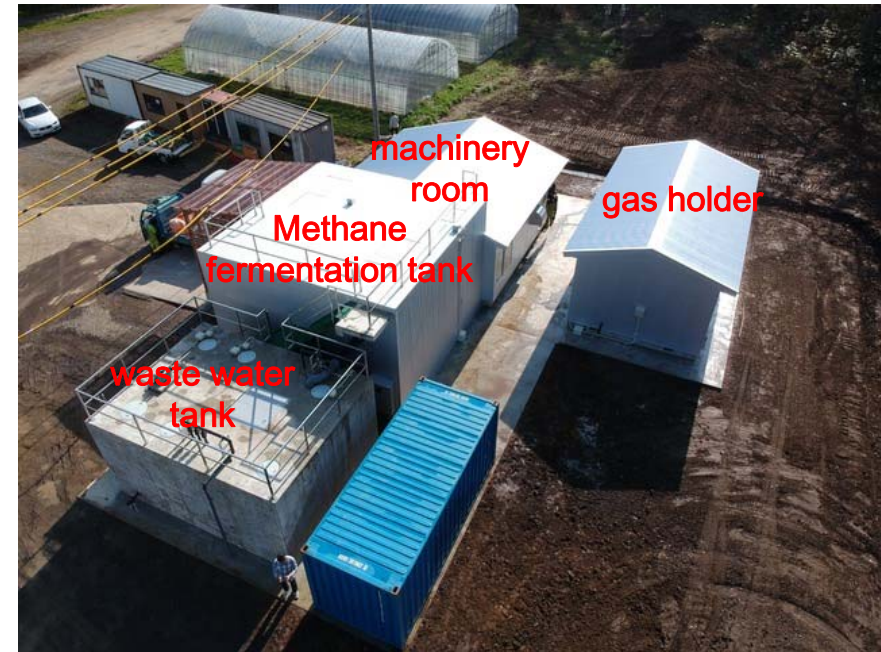
Started electricity sales in Oct. 2018

Maximum output : approx. 2.4MW

*Solar cell panel system capacity basis

Feed-in tariff : 36/kWh [ex. Tax]

Increased power generation by 20% by installing many solar power panels at a mountain fold shape facing east and west instead of the usual south.



Aomori Touhokumachi Solar Power Plant
(Touhoku-machi, Kamikita-gun, Aomori)

Started electricity sales in Nov. 2018

Maximum output : approx. 30KW

Feed-in tariff : 39/kWh [ex. Tax]

A power generation plant driven by biogas, which is generated by methane fermentation of the discarded sections (residue) of 'nagaimo' yam.

4. Business report - Project oriented investment

-Investment in a vegetable plant

October 2018 Invested in JAIC's first vegetable plant project



Note: The photo is a simulated image.

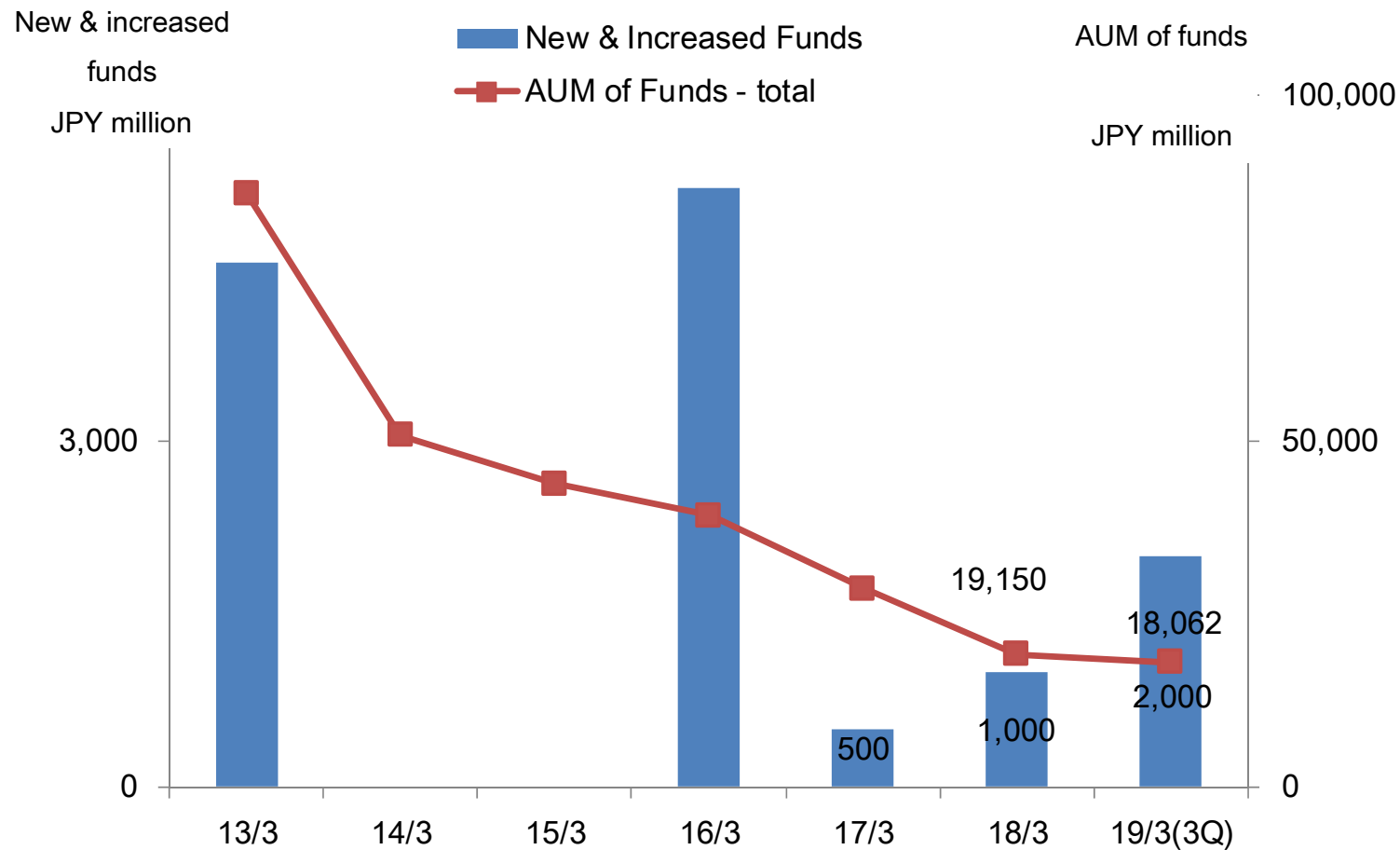
Construction site	Hyogo prefecture
Site area	Approx. 820 m ²
Plant type	Completely closed
Planned crops	Frilled lettuce, etc.
Start of construction	October 2018
Scheduled completion	In mid-February 2019
Scheduled full operation	After April 2019

- ✓ In cooperation with a venture firm with experience in the construction and operation of vegetable plants.
- ✓ The venture firm will be in charge of the operation while JAIC will invest part of the construction and operation costs.

5. Appendix

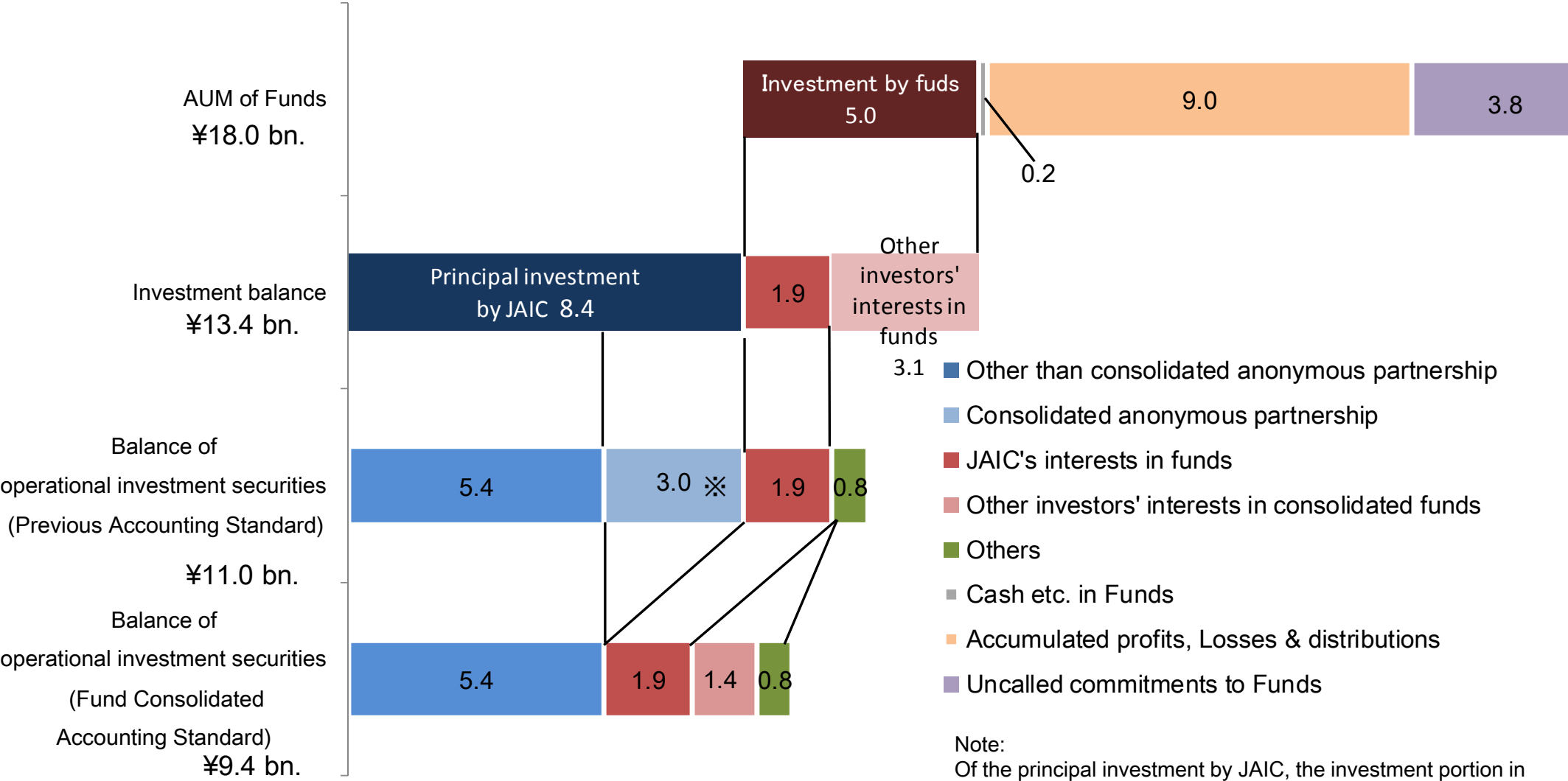
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5. Appendix – AUM of Funds



- ✓ Obtained investment of ¥2 billion through additional solicitation for subscription to business succession-type buyout fund
- ✓ AUM decreased, affected by funds that decreased its AUM and handed over management to another firm

5. Appendix – AUM of Funds, Investment balance & balance of operational investment securities



Note:
 Of the principal investment by JAIC, the investment portion in anonymous partnership, which is subject to consolidation, is deemed investment in a subsidiary under the fund consolidated accounting standards, and investment is offset by capital.
 On the other hand, renewable energy power generation facilities held by anonymous partnerships are booked as property, plant and equipment under the fund consolidated accounting standard.

5. Appendix - Funds & investment activities

(JPY million)	13/3	14/3	15/3	16/3	17/3	18/3	19/3(3Q)
New & Increased Funds	4,548	-	-	5,201	500	1,000	2,000
AUM of Funds - total	85,873	50,888	43,897	39,335	28,753	19,150	18,062
AUM of Funds - JAIC				14,004	9,427	5,867	5,377
New Investnemts	4,746	4,189	2,728	4,093	4,315	3,887	2,819
Balance of Investments	33,886	25,862	19,722	18,783	16,558	13,981	13,394

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

(JPY million)	13/3	14/3	15/3	16/3	17/3	18/3	19/3(3Q)
Business Results							
Operating Revenues	3,784	6,155	4,532	4,043	3,926	5,403	1,214
Operating Gross Profit	176	2,474	882	1,554	2,176	2,328	356
SG&A Expenses	2,000	1,621	1,433	1,472	1,339	1,311	816
Operating Income	(1,823)	852	(550)	82	836	1,017	(459)
Ordinary Income	(2,612)	374	(610)	612	726	954	(512)
Net Income	(2,575)	462	(850)	597	553	874	(197)
Financial Position							
Cash and deposits	8,550	10,428	9,437	8,202	6,213	7,308	4,931
Operational investment securities of project related investment	-	608	1,337	3,722	4,081	3,582	4,836
Operational investment securities after deducting allowance for possible investment loss (Private equity)	15,452	12,380	10,364	8,226	7,356	6,030	5,212
Loans payable, bonds & bonds with subscription rights to shares	25,433	24,010	20,193	16,910	14,128	11,954	9,784
Total shareholders' equity	1,565	2,573	3,373	4,976	5,686	6,545	6,255
Total assets	28,272	27,302	24,396	22,680	20,305	19,220	16,646

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

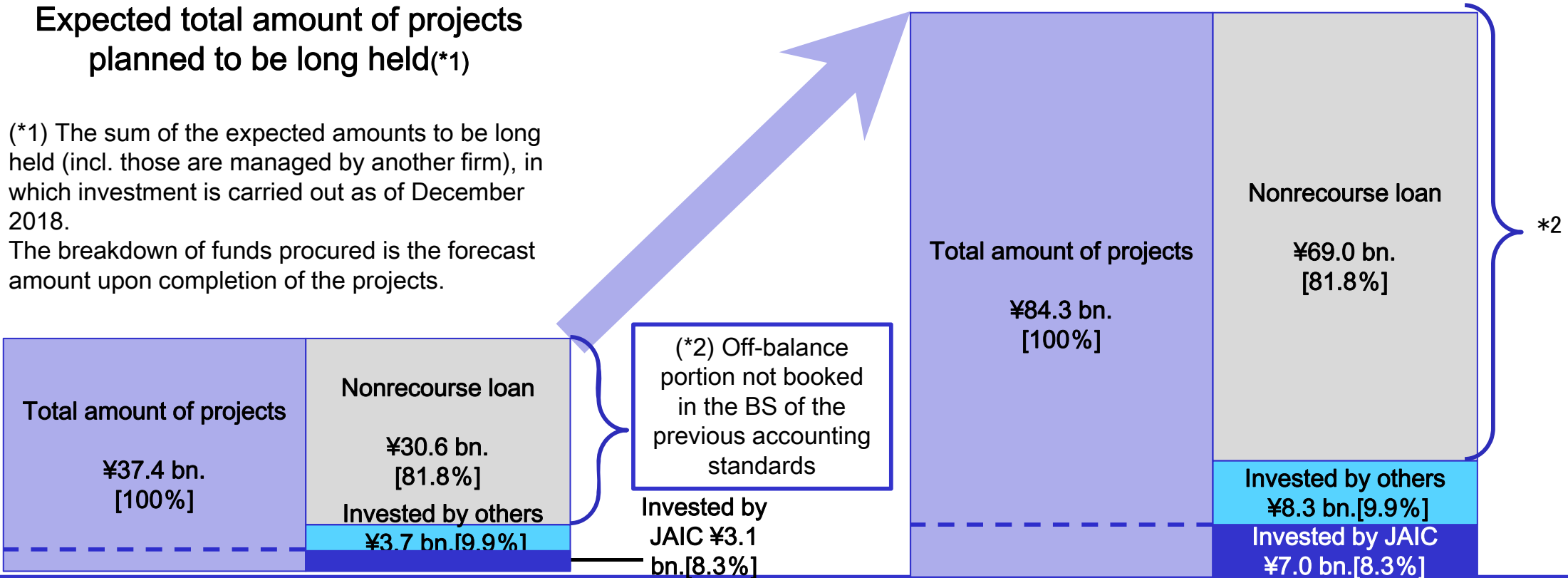


(JPY:million)		13/3	14/3	15/3	16/3	17/3	18/3	18/3(3Q)	19/3(3Q)	Change (%)
1 . Fund management operation										
	<i>Fund management fees and others</i>	815	733	571	441	364	277	208	187	(10.2%)
	<i>Success Fees</i>	37	132	63	288	101	86	86	-	-
	Operating Revenue	852	865	634	729	466	364	294	187	(36.5%)
	Operating Cost	-	-	-	-	-	-	-	-	-
	Operating Gross Profit	852	865	634	729	466	364	294	187	(36.5%)
2 . Investment operation										
	<i>Proceeds of sales of securities (A)</i>	2,411	4,656	3,651	2,954	2,275	3,219	1,457	602	(58.7%)
	<i>Fund interests income etc.</i>	194	357	100	295	1,128	1,612	1,339	381	(71.5%)
	<i>Income gains</i>	95	121	93	49	30	64	34	10	(70.2%)
	Operating Revenue	2,701	5,134	3,844	3,300	3,434	4,897	2,831	994	(64.9%)
	<i>Cost of securities sold (B)</i>	1,385	2,133	1,767	1,863	1,423	2,469	1,219	272	(77.7%)
	<i>Investment write-offs and Provision for allowance for possible investment losses (C)</i>	2,038	1,480	1,704	569	274	562	534	540	1.1%
	<i>Fund interests losses etc.</i>	158	52	168	47	46	36	15	40	162.2%
	Operating Cost	3,582	3,666	3,640	2,481	1,744	3,069	1,768	852	(51.8%)
	Operating Gross Profit	(880)	1,468	203	818	1,690	1,827	1,062	141	(86.7%)
3 . Others										
	Operating Revenue	229	154	53	13	25	142	27	32	18.1%
	Operating Cost	25	15	9	7	6	5	4	4	17.4%
	Operating Gross Profit	204	139	44	5	19	136	23	27	18.3%
Total										
	Operating Revenues	3,784	6,155	4,532	4,043	3,926	5,403	3,154	1,214	(61.5%)
	Operating Cost	3,607	3,681	3,650	2,488	1,750	3,074	1,773	857	(51.6%)
	Operating Gross Profit	176	2,474	882	1,554	2,176	2,328	1,381	356	(74.2%)

5. Appendix – Project oriented investment - total project amount

Expected total amount of projects planned to be long held(*1)

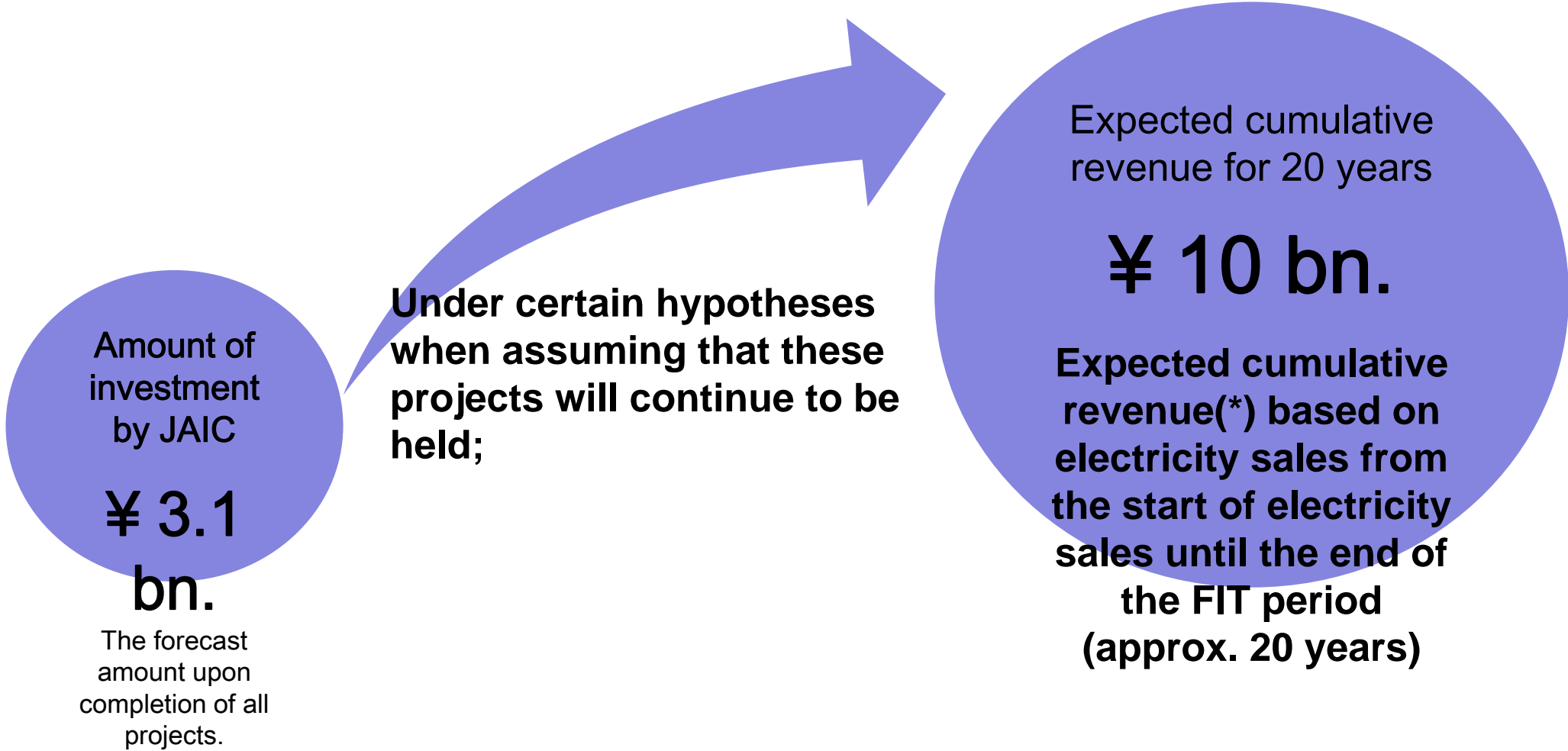
(*1) The sum of the expected amounts to be long held (incl. those are managed by another firm), in which investment is carried out as of December 2018.
The breakdown of funds procured is the forecast amount upon completion of the projects.



- ✓ The expected total amount of project to be long held as of December 2018 is ¥37.4 billion.
- ✓ Based on the previous accounting standards, other than ¥3.1 billion “invested by JAIC” (8.3%) of the total amount of projects are off-balance^{*2}.
- ✓ In the medium-term management plan,^{*3} JAIC aims to increase investment by JAIC to ¥7 billion by end of March 2021. Assuming that the same percentage of funding will be carried out in projects invested in the future as in existing projects to be long held, the total amount of projects that correspond to JAIC’s investment of ¥7 billion will increase to ¥84.3 billion.

(*3) Medium-term business plan for March 2019 through March 2021. The medium-term business plan and the contents of this document are based on materials available at the time of its compilation and no guarantee can be made as to the continued accuracy and reliability of the material. Various factors could cause actual results to differ materially.

Estimation of cumulative revenue from electricity sales from projects to be long held as of December 2018



* Revenues from electricity sales minus depreciation, interest expenses, etc.

5. Appendix – List of renewable energy projects as of December 31, 2018

Energy Source	No.	Name of power plant or Location	Generation Capacity [MW]	Current status	FIT [tax excluded, ¥]	Total amount of project [¥ bn.]
Solar	1	Nishiki-cho, Kuma-gun, Kumamoto	3.1	Started electricity sales in Dec. 2015	40	approx. 1.05
	2	Aichi Tokoname A solar park	2.3	Started electricity sales in Aug. 2016	36	approx. 0.78
	3	Ichinosekishi Fujisawacho solar power plant	2.3	Started electricity sales in Sep. 2016	36	approx. 0.73
	4	Solar park Tsukubamirai	2.3	Started electricity sales in Mar. 2017	36	approx. 0.85
	5	Nomaie solar power plant	2.4	Started electricity sales in May. 2017	36	approx. 0.8
	6	Fukushima Inawashiro solar power plant	1.2	Started electricity sales in Sep. 2017	36	approx. 0.34
	7	Mitakabeike solar power plant	1.5	Started electricity sales in Sep. 2017	32	approx. 0.5
	8	Iwate Ichinoseki solar park	2.4	Started electricity sales in Jan. 2018	36	approx. 0.8
	9	Obihiro solar park	4.4	Started electricity sales in Mar. 2018	40	approx. 2.2
	10	Nakaoudaie solar power plant	2.4	Started electricity sales in Apr. 2018	36	approx. 0.86
	11	Ichinoseki-shi Yoshitaka solar power plant	2.6	Started electricity sales in Jun. 2018	36	—
	12	Higashioudaie solar power plant	2.4	Started electricity sales in Jul. 2018	36	approx. 0.86
	13	Ichinosekishi Suzugasawa solar power plant	2.7	Started electricity sales in Oct.. 2018	36	—
	14	Kami solar park	2.4	Started electricity sales in Oct. 2018	36	approx. 0.96
	15	Mie	2.4	Under construction or Under planning	32	—
	16	Mombetsu-shi Kodo solar power plant	15.7	Under construction or Under planning	40	approx. 6.6
	17	Hokkaido	2.0	Under construction or Under planning	36	—
	18	Mie	24.4	Under construction or Under planning	24	—
	19	Fukushima	2.4	Under construction or Under planning	32	—
	20	Fukushima	2.7	Under construction or Under planning	40	—
	21	Kumamoto	11.8	Under construction or Under planning	38	—
Total 95.8MW [attributable to JAIC 50.5MW]						

5. Appendix - List of renewable energy projects as of December 31, 2018

Energy Source	No.	Location	Generation Capacity [MW]	Current status	FIT [tax excluded, ¥]	Total amount of project [¥ bn.]
Woody biomass		Matsusaka-shi, Mie	2.0	Started electricity sales in Jan. 2018	—	—
Bio gas		Hamura-shi, Tokyo	1.6	Under construction or Under planning	39	—
		Aomori Touhokumachi solar power plant	0.03	Started electricity sales in Nov. 2018	39	—
Wind power		Mie	At most 25.2	Under construction or Under planning	22	—

5. Appendix – Core competence

Capability to capture up-to-date business information

Through the activity of exploring promising companies and investment opportunities, JAIC has capability to capture highly professional and cutting-edge information on various corporates.

Historical background in Asian region

Since its establishment in 1981 by the Japan Association of Corporate Executives (Keizai Doyukai), JAIC has contributed to economic exchange between Japan and Asian countries over 35 years which led to high name recognition.



Wide range of network with venture companies

JAIC has track record of leading more than 300 invested venture companies to “Going Public”. Through the long time investment activities, JAIC enjoys close relationship with wide range of venture companies. Based on this intangible asset, JAIC is utilizing the network to create value for invested companies through business matching and cultivating new business theme for JAIC’s own.

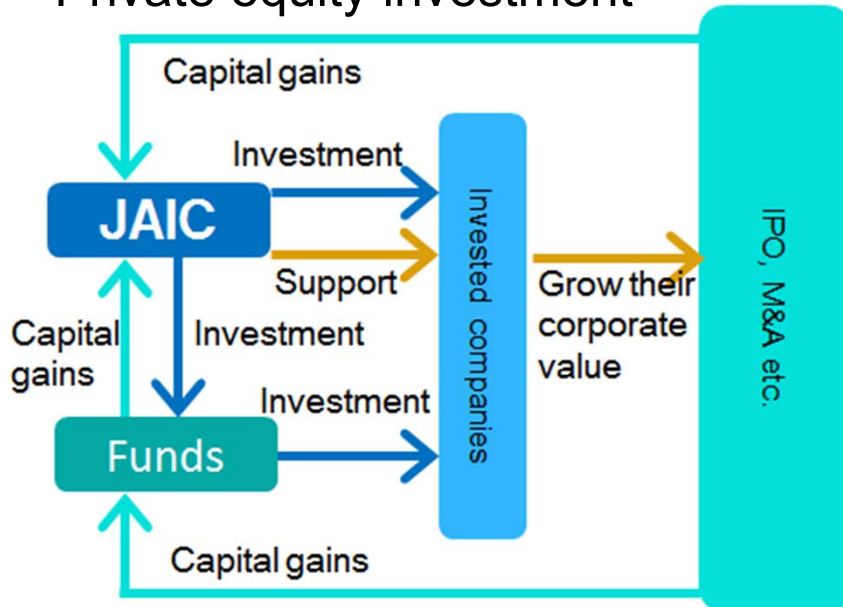
Expertise to structure sophisticated finance scheme

JAIC’s accumulated invested volume inside and outside of Japan is Japanese Yen 330 billion.

For the project oriented investment, in addition to providing direct equity investment, JAIC has been arranging various financing scheme utilizing project-finance approach and leverage financing together with financial institutions.

5. Appendix – Profit structure

• Private equity investment

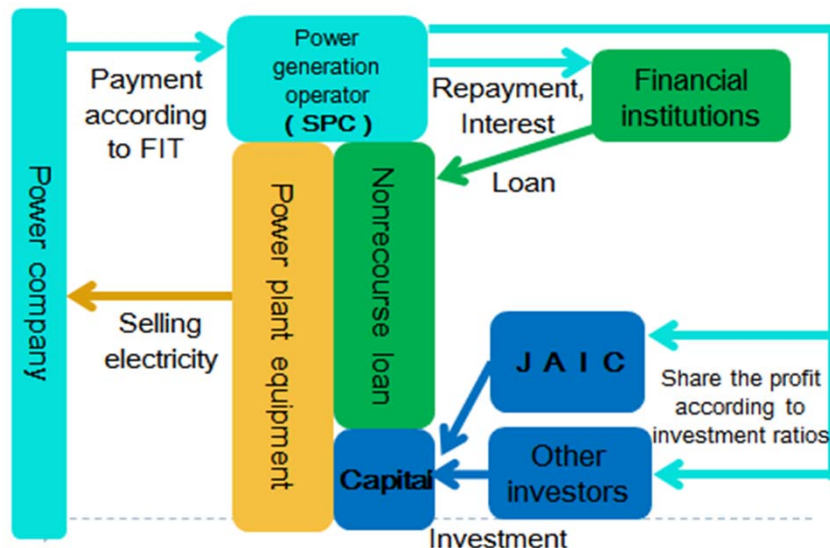


There are the following two types of investment capital:

- Contribution from JAIC's cash reserves
- Capital that is entrusted for investment by fund investors in Japan and abroad through the fund

JAIC also invests in the fund and acquires capital gains according to its investment ratio.

• Renewable energy project investment



The power generation operator procures funds for the construction of power plants by the following two ways and owns the power plants:

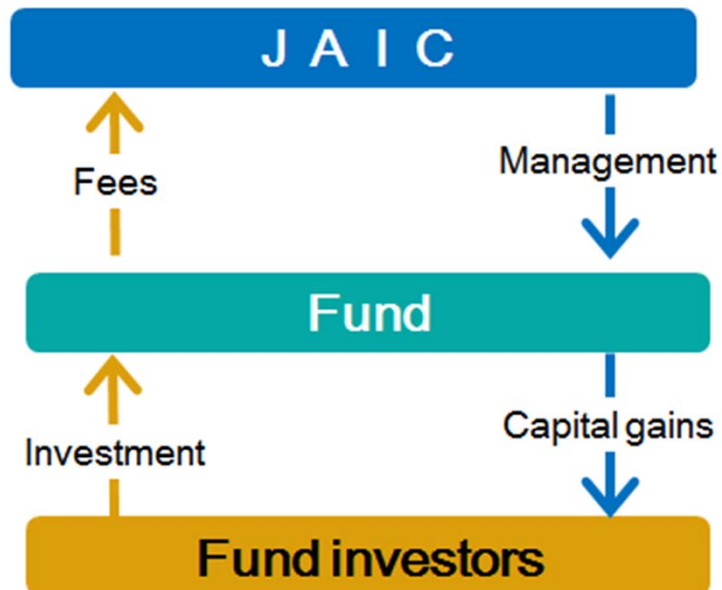
- Investment by JAIC and other investors
- Loans from financial institutions

The generated power is purchased by power companies at FIT.

JAIC and other investors obtain stable revenue from electricity sales according to their investment ratios.

5. Appendix – Profit structure

- Fund management



In fund management, there are the following two types of fees:

- Management fee received as compensation for recurring management and operation
- Success fees received according to the fund's performance

5. Appendix - Company data (as of December 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	41 (Consolidated) /24 (Non-consolidated)
Main business	Private equity investment / Project oriented investment
Directors	Chairman :Yoshiaki Kawamata [Outside/Independent] ; Chairman of the Board President & CEO :Tetsuro Shimomura Managing Director :Kazunori Omori ; Chairman of Audit & Supervisory Committee Director :Hitoshi Yasukawa [Outside/Independent] ; Member of Audit & Supervisory Committee Director :Tadashi Nunami [Outside/Independent] ; Member of Audit & Supervisory Committee

JAIC

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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.