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Consolidated Financial Results
for the Third Quarter Ended December 31, 2017
[Japanese Standards]
(Summary of Japanese announcement)

February 13, 2018

Company name: Japan Asia Investment Co., Ltd.
Listed on: First Section of the Tokyo Stock Exchange (Stock code: 8518) URL: <http://www.jaic-vc.co.jp/>
Head office: Tokyo
Representative: Tetsuro Shimomura, President and CEO
Contact: Kenji Kishimoto, Executive Officer
Tel: +81-3-3259-8518 (main)
Scheduled date for submission of quarterly report: February 14, 2018
Scheduled date for start of payment of dividends: —
The additional materials of the Financial Results: Yes
The briefing session of the Financial Results: No

(Throughout this report, fractional amounts have been rounded down to the nearest one million yen.)

1. Consolidated business results for the third quarter ended December 31, 2017 (April 1, 2017 to December 31, 2017)

(1) Consolidated results of operations (cumulative total)

(Percentages indicate year-on-year increase or decrease)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change
For nine months ended December 31, 2017	5,916	58.3	320	(32.5)	98	(61.6)	306	741.9
For nine months ended December 31, 2016	3,736	15.4	474	—	256	—	36	—

(Note) Comprehensive Income

For nine months ended December 31, 2017: 22 millions of yen —%

For nine months ended December 31, 2016: (23) millions of yen —%

	Net income per share	Diluted net income per share
	Yen	Yen
For nine months ended December 31, 2017	17.32	17.28
For nine months ended December 31, 2016	2.10	2.10

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2017	27,404	7,459	20.1	310.69
As of March 31, 2017	25,945	6,851	20.4	299.44

(Reference) Total shareholders' equity;

As of December 31, 2017: 5,498 millions of yen As of March 31, 2017: 5,293 millions of yen

2. Dividends

(Base date)	Dividends per share				
	End of first quarter	End of second quarter	End of third quarter	End of year	Year
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2017	—	0.00	—	0.00	0.00
Year ending March 31, 2018	—	0.00	—		
Year ending March 31, 2018 (forecast)				0.00	0.00

(Note) Revision of dividends forecast during the current quarterly period: None

3. Outlook for the fiscal year ending March 31, 2018 (April 1, 2017 to March 31, 2018)

The overall investment business conducted by the Group (including investment partnerships) is significantly affected by changing factors such as stock markets, given the characteristics of the business. In addition, it has been difficult to forecast results reasonably in the rapidly changing environment. Therefore we do not disclose the results forecast. For the convenience of investors and shareholders, however, we disclose “result forecast consolidated under the Previous Accounting Standard” even though it doesn't have enough rationality. For details, please refer to “2. Outlook for the fiscal year ending March 31, 2018 (April 1, 2017 to March 31, 2018)” on page 13.

The “result forecast consolidated under the Previous Accounting Standard” and any other forward-looking statements in this document 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.

4. Other matters

(1) Changes among significant subsidiaries (Changes among specific subsidiaries resulting in changes in the scope of consolidation): Yes

[New 2 companies (company name: 2 investment funds) Excluded - company (company name: -)]

(2) Adoption of specific accounting methods for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting principles, accounting estimates and correction of prior period errors

(i) Changes in accounting principles due to revisions to accounting standards: None

(ii) Changes other than shown in (i) above: None

(iii) Changes in accounting estimates: None

(iv) Correction of prior period errors: None

(4) No. of shares issued and outstanding (common stock)

(i) Shares issued and outstanding at the end of each period (including treasury stock)	Nine months ended December 31, 2017:	17,884,392 shares	Year ended March 31, 2017:	17,884,392 shares
(ii) Shares of treasury stock at the end of each period	Nine months ended December 31, 2017:	187,309 shares	Year ended March 31, 2017:	204,909 shares
(ii) Average number of shares during the period (cumulative quarterly consolidated period)	Nine months ended December 31, 2017:	17,691,451 shares	Nine months ended December 31, 2016	17,288,823 shares

*The above quarterly financial results are not subject to a quarterly review required under the Financial Instruments and Exchange Act.

*Cautionary Statements with Respect to Forward-looking Statements and Other Notes

The additional materials of the financial results for the third quarter ended December 31, 2017 will be released on our website by February 28, 2018.

The “result forecast consolidated under the Previous Accounting Standard” and any other forward-looking statements in this document are based upon the information currently available to the Group 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.

1. Business Performance and Financial Condition

(1) Breakdown of operating revenue and operating cost

(Millions of yen)

	For nine months ended December 31, 2016 (April 1, 2016 to December 31, 2016)	For nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)	For the year ended March 31, 2017 (April 1, 2016 to March 31, 2017)
Total operating revenue (A)	3,736	5,916	4,681
Management fees	162	131	232
Contingency fees	46	55	46
Proceeds of sales of operational investment securities (B)	2,948	4,937	3,184
Income gains	41	37	45
Fund interests income etc.	525	734	1,153
Other operating revenue	12	19	20
Total operating cost (C)	2,243	4,588	2,645
Cost of securities sold (D)	2,020	3,831	2,126
Investment write-offs & Provision for allowance for possible investment losses (E)	117	599	351
Fund interests losses etc.	99	153	160
Other operating cost	4	4	6
Operating gross profit (A) - (C)	1,493	1,327	2,036
Realized capital gains (B) - (D)	927	1,105	1,057
Investment income (B) - (D) - (E)	809	506	705

(2) Breakdown of Loans payable and Lease obligations

(Millions of yen)

	As of December 31, 2016	As of December 31, 2017	As of March 31, 2017
Total of loans payable and lease obligations	17,484	18,846	18,334
Non-consolidated base loans payable	14,128	11,954	14,128
Loans payable and lease obligations of SPC etc.	3,355	6,892	4,205

(3) Cash flows

	(Millions of yen)		
	For nine months ended December 31, 2016 (April 1, 2016 to December 31, 2016)	For nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)	For the year ended March 31, 2017 (April 1, 2016 to March 31, 2017)
Cash flow from operating activities	(627)	(180)	1,406
Cash flow from investing activities	10	197	(5)
Cash flow from financing activities	(2,469)	(2,173)	(2,469)
Cash and cash equivalents at the end of period	2,744	2,659	4,815

2. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Assets		
Current assets		
Cash and deposits	7,396	6,250
Operational investment securities	14,413	13,354
Allowance for possible investment losse	(2,415)	(2,163)
Operating loans	205	204
Other	442	623
Allowance for doubtful accounts	(29)	(44)
Total current assets	20,012	18,225
Non-current assets		
Property, plant and equipment		
Buildings and structures	29	29
Accumulated depreciation	(14)	(14)
Buildings and structures, net	15	14
Machinery and equipment	1,376	3,518
Accumulated depreciation	(85)	(205)
Machinery and equipment, net	1,290	3,312
Vehicles, tools, furniture and fixtures	57	70
Accumulated depreciation	(50)	(53)
Vehicles, tools, furniture and fixtures, net	7	16
Land	24	22
Construction in progress	2,441	3,157
Total property, plant and equipment	3,780	6,523
Intangible assets		
Other	38	586
Total intangible assets	38	586
Investments and other assets		
Investment securities	1,849	1,583
Claims provable in bankruptcy, claims provable in rehabilitation and other	119	95
Other	172	408
Allowance for doubtful accounts	(27)	(18)
Total investments and other assets	2,113	2,069
Total non-current assets	5,933	9,179
Total assets	25,945	27,404

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Liabilities		
Current liabilities		
Short-term loans payable	2,247	2,433
Accrued expenses	416	466
Income taxes payable	68	32
Deferred tax liabilities	22	25
Provision for bonuses	33	19
Other	36	272
Total current liabilities	2,823	3,249
Non-current liabilities		
Long-term loans payable	16,086	16,413
Deferred tax liabilities	11	12
Net defined benefit liability	113	120
Other	58	149
Total non-current liabilities	16,270	16,695
Total liabilities	19,094	19,945
Net assets		
Shareholders' equity		
Capital stock	5,426	5,426
Capital surplus	3,443	3,423
Retained earnings	(3,811)	(3,504)
Treasury shares	(400)	(366)
Total shareholders' equity	4,657	4,978
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	253	176
Deferred gains or losses on hedges	(100)	(250)
Foreign currency translation adjustment	483	593
Total accumulated other comprehensive income	635	519
Subscription rights to shares	28	18
Non-controlling interests	1,529	1,943
Total net assets	6,851	7,459
Total liabilities and net assets	25,945	27,404

(2) Consolidated Statements of Income

	(Millions of yen)	
	For nine months ended December 31, 2016 (April 1, 2016 to December 31, 2016)	For nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)
Operating revenue	3,736	5,916
Operating cost	2,243	4,588
Operating gross profit	1,493	1,327
Selling, general and administrative expenses	1,018	1,007
Operating profit	474	320
Non-operating income		
Interest income	16	17
Dividend income	29	25
Foreign exchange gains	11	—
Miscellaneous income	7	7
Total non-operating income	64	49
Non-operating expenses		
Interest expenses	273	268
Foreign exchange losses	—	1
Miscellaneous loss	9	2
Total non-operating expenses	282	272
Ordinary profit	256	98
Extraordinary income		
Gain on sales of non-current assets	—	0
Gain on sales of investment securities	1	—
Gain on sales of shares of subsidiaries and associates	9	—
Subsidy income	—	217
Other	3	0
Total extraordinary income	15	217
Extraordinary losses		
Impairment loss	130	—
Loss on redemption of investment securities	—	80
Loss from exemption from imputed tax payable attributable to the consolidation tax system	33	—
Other	1	0
Total extraordinary losses	165	81
Profit before income taxes	106	234
Income taxes - current	5	13
Total income taxes	5	13
Profit	101	221
Profit (loss) attributable to non-controlling interests	65	(84)
Profit attributable to owners of parent	36	306

(3) Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	For nine month ended December 31, 2016 (April 1, 2016 to December 31, 2016)	For nine month ended December 31, 2017 (April 1, 2017 to December 31, 2017)
Profit	101	221
Other comprehensive income		
Valuation difference on available-for-sale securities	(28)	(190)
Deferred gains or losses on hedges	—	8
Foreign currency translation adjustment	(83)	117
Share of other comprehensive income of entities accounted for using equity method	(13)	(134)
Total other comprehensive income	(125)	(198)
Comprehensive income	(23)	22
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(86)	189
Comprehensive income attributable to non-controlling interests	62	(167)

(4) Consolidated Statements of Cash Flows

	(Millions of yen)	
	For nine month ended December 31, 2016 (April 1, 2016 to December 31, 2016)	For nine month ended December 31, 2017 (April 1, 2017 to December 31, 2017)
Cash flows from operating activities		
Profit before income taxes	106	234
Depreciation	5	6
Impairment loss	130	—
Increase (decrease) in allowance for investment loss	(648)	(24)
Increase (decrease) in allowance for doubtful accounts	(3)	6
Increase (decrease) in provision for bonuses	(12)	(13)
Increase (decrease) in net defined benefit liability	9	6
Interest and dividend income	(31)	(28)
Interest expenses	198	168
Loss (gain) on sales of investment securities	(1)	—
Loss (gain) on redemption of investment securities	—	80
Loss (gain) on sales of shares of subsidiaries and associates	(13)	—
Loss on valuation of operational investment securities	75	293
Decrease (increase) in investment securities for sale	187	(851)
Decrease (increase) in claims provable in bankruptcy, claims provable in rehabilitation	28	24
Payment for purchase of investment funds	(2,485)	(1,900)
Dividends from investment funds	2,155	1,718
Increase (decrease) in investment funds of minority interest	(24)	19
Other, net	(37)	81
Subtotal	(360)	(179)
Interest and dividend income received	31	28
Interest expenses paid	(259)	(211)
Income taxes paid	(38)	(20)
Income taxes refund	—	201
Net cash provided by (used in) operating activities	(627)	(180)
Cash flows from investing activities		
Purchase of investment securities	(0)	(7)
Proceeds from sales of investment securities	6	—
Proceeds from redemption of investment securities	—	219
Proceeds from sales of shares of subsidiaries resulting in change in scope of consolidation	14	—
Other, net	(10)	(15)
Net cash provided by (used in) investing activities	10	197
Cash flows from financing activities		
Repayments of long-term loans payable	(2,781)	(2,173)
Proceeds from issuance of shares resulting from exercise of subscription rights to shares	311	—

	For nine month ended December 31, 2016 (April 1, 2016 to December 31, 2016)	For nine month ended December 31, 2017 (April 1, 2017 to December 31, 2017)
Other, net	0	0
Net cash provided by (used in) financing activities	(2,469)	(2,173)
Effect of exchange rate change on cash and cash equivalents	(84)	2
Net increase (decrease) in cash and cash equivalents	(3,170)	(2,155)
Cash and cash equivalents at beginning of period	5,915	4,815
Cash and cash equivalents at end of period	2,744	2,659

(5) Notice Concerning Notes on Matters Regarding the Assumption of Going Concern
No applicable items

(6) Notice Concerning Notes on Significant Changes in Shareholder's Equity
No applicable items

Information for Reference Purposes:

Consolidated Financial Results for the Third Quarter Ended December 31, 2017

February 13, 2018

Consolidated Financial Statements, etc., under the Previous Accounting Standards for the Third Quarter Ended December 31, 2017 (As of December 31, 2017)

Disclosure of consolidated financial statements, etc., under the Previous accounting standards

As of Fiscal year ended March 31, 2007 the JAIC Group has adopted “Practical Solution on Application of Control Criteria and Influence Criteria to Investment Associations” (Accounting Standards Board of Japan Practical Issues Task Force No. 20 issued on September 8, 2006), and consolidated financial statements, etc., are being prepared with the inclusion in the consolidation of some of the operational investment funds managed by the Group.

Nevertheless, to enable investors and shareholders to have an accurate understanding of the JAIC Group’s business results and financial position, we consider it essential also to disclose financial statements, etc., prepared in accordance with the previous accounting standards. Therefore, for reference purposes, the Group will continue to disclose financial statements, etc., in accordance with the previous accounting standards.

(Throughout this report, fractional amounts have been rounded down to the nearest one million yen.)

1. Consolidated business results for the third quarter ended December 31, 2017 (April 1, 2017 to December 31, 2017)

(1) Consolidated results of operations (cumulative total)

(Percentages indicate year-on-year increase or decrease)

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change
For nine months ended December 31, 2017	3,154	11.4	458	34.4	334	71.8	240	229.1
For nine months ended December 31, 2016	2,831	18.9	341	—	194	—	73	—

	Net income per share	Diluted net income per share
	Yen	Yen
For nine months ended December 31, 2017	13.62	13.59
For nine months ended December 31, 2016	4.23	4.22

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2017	18,612	5,864	31.4	329.96
As of March 31, 2017	20,305	5,722	28.0	321.65

(Reference) Total shareholders' equity As of December 31, 2017: 5,839 millions of yen As of March 31, 2017: 5,686 millions of yen

2. Outlook for the fiscal year ending March 31, 2018 (April 1, 2017 to March 31, 2018)

The overall investment business conducted by the Group is significantly affected by changing factors such as stock markets, given the characteristics of the business. In addition, it has been difficult to forecast results reasonably in the rapidly changing environment. Therefore we do not disclose the results forecast. For the convenience of investors and shareholders, however, we disclose “result forecast consolidated under the Previous Accounting Standard” even though it doesn’t have enough rationality.

	Operating revenues		Operating income		Ordinary income		Profit attributable to owners of parent	
	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change	Millions of yen	% change
For the year ending March 31, 2018	4,700	19.7	750	(10.4)	550	(24.3)	470	(15.1)

	Net income per share
	Yen
For the year ending March 31, 2018	26.57

(Note) Revision of dividends forecast during the current quarterly period: None

The “result forecast consolidated under the Previous Accounting Standard” and any other forward-looking statements in this document are based upon the information currently available to the Group 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.

Net income per share in above chart is calculated based on average number of shares during nine months ended December 31, 2017.

3. Business Performance and Financial Condition

(1) Breakdown of operating revenue and operating cost

(Millions of yen)

	For nine months ended December 31, 2016 (April 1, 2016 to December 31, 2016)	For nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)	For the year ended March 31, 2017 (April 1, 2016 to March 31, 2017)
Total operating revenue (A)	2,831	3,154	3,926
Management fees	263	208	364
Contingency fees	46	86	101
Proceeds of sales of operational investment securities (B)	2,135	1,457	2,275
Income gains	26	34	30
Fund interests income etc.	343	1,339	1,128
Other operating revenue	16	27	25
Total operating cost (C)	1,455	1,773	1,750
Cost of securities sold (D)	1,363	1,219	1,423
Investment write-offs & Provision for allowance for possible investment losses (E)	73	534	274
Fund interests losses etc.	13	15	46
Other operating cost	4	4	6
Operating gross profit (A) - (C)	1,375	1,381	2,176
Realized capital gains (B) - (D)	772	238	852
Investment income (B)-(D)-(E)	698	(295)	577

(2) Asset, Liability and Net asset

(Millions of yen)

	As of December 31, 2016	As of December 31, 2017	As of March 31, 2017
Total asset	19,859	18,612	20,305
Total liabilities	14,585	12,748	14,583
Loans payable	14,128	11,954	14,128
Total net asset	5,273	5,864	5,722
Total shareholders' equity	5,238	5,839	5,686

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Assets		
Current assets		
Cash and deposits	6,213	4,559
Operational investment securities	13,129	13,155
Allowance for possible investment loss	(1,691)	(1,576)
Operating loans	205	204
Other	373	439
Allowance for doubtful accounts	(29)	(44)
Total current assets	18,201	16,737
Non-current assets		
Property, plant and equipment		
Buildings and structures	29	29
Accumulated depreciation	(14)	(14)
Buildings and structures, net	15	14
Vehicles, tools, furniture and fixtures	57	70
Accumulated depreciation	(50)	(53)
Vehicles, tools, furniture and fixtures, net	7	16
Land	24	22
Total property, plant and equipment	47	53
Intangible assets		
Other	8	55
Total intangible assets	8	55
Investments and other assets		
Investment securities	1,849	1,583
Claims provable in bankruptcy, claims provable in rehabilitation and other	119	95
Other	106	105
Allowance for doubtful accounts	(27)	(18)
Total investments and other assets	2,047	1,766
Total non-current assets	2,103	1,875
Total assets	20,305	18,612

(Millions of yen)

	As of March 31, 2017	As of December 31, 2017
Liabilities		
Current liabilities		
Short-term loans payable	1,453	514
Accrued expenses	90	110
Income taxes payable	68	32
Deferred tax liabilities	22	25
Provision for bonuses	33	19
Other	115	473
Total current liabilities	1,782	1,175
Non-current liabilities		
Long-term loans payable	12,675	11,440
Deferred tax liabilities	11	12
Net defined benefit liability	113	120
Total non-current liabilities	12,800	11,572
Total liabilities	14,583	12,748
Net assets		
Shareholders' equity		
Capital stock	5,426	5,426
Capital surplus	3,536	3,515
Retained earnings	(3,458)	(3,218)
Treasury shares	(400)	(366)
Total shareholders' equity	5,102	5,357
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	489	524
Deferred gains or losses on hedges	(100)	(250)
Foreign currency translation adjustment	194	207
Total accumulated other comprehensive income	583	481
Subscription rights to shares	28	18
Non-controlling interests	7	6
Total net assets	5,722	5,864
Total liabilities and net assets	20,305	18,612

	(Millions of yen)	
	For nine months ended December 31, 2016 (April 1, 2016 to December 31, 2016)	For nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)
Operating revenue	2,831	3,154
Operating cost	1,455	1,773
Operating gross profit	1,375	1,381
Total selling, general and administrative expenses	1,034	922
Operating profit	341	458
Non-operating income		
Interest income	13	15
Dividend income	29	25
Foreign exchange gains	11	—
Miscellaneous income	6	7
Total non-operating income	61	47
Non-operating expenses		
Interest expenses	198	168
Foreign exchange losses	—	1
Miscellaneous loss	9	2
Total non-operating expenses	207	171
Ordinary profit	194	334
Extraordinary income		
Gain on sales of non-current assets	—	0
Gain on sales of investment securities	1	—
Gain on sales of shares of subsidiaries and associates	13	—
Other	3	0
Total extraordinary income	19	0
Extraordinary losses		
Impairment loss	130	—
Loss on redemption of investment securities	—	80
Other	1	0
Total extraordinary losses	131	81
Profit before income taxes	82	253
Income taxes - current	9	12
Total income taxes	9	12
Profit	72	240
Loss attributable to non-controlling interests	(0)	—
Profit attributable to owners of parent	73	240

Business Position

① Investment activities (JAIC+Funds)

i) Breakdown of new investment

	For nine months ended December 31, 2016 (from April 1, 2016 to December 31, 2016)		For nine months ended December 31, 2017 (from April 1, 2017 to December 31, 2017)		For the year ended March 31, 2017 (from April 1, 2016 to March 31, 2017)	
	Number of companies	Amount (Millions of yen)	Number of companies	Amount (Millions of yen)	Number of companies	Amount (Millions of yen)
Area						
Japan	22	2,942	20	3,184	29	3,731
China, Hong Kong, Taiwan	3	583	2	139	4	584
Southeast Asia	-	-	-	-	-	-
Others	-	-	1	56	-	-
Industry						
QOL(Quality of Life)	3	175	4	640	4	176
Renewable Energy Project	13	2,487	11	2,226	17	3,184
IT/Internet	6	429	4	231	7	459
Machinery/ Precision machine	-	-	1	146	1	20
Service	3	432	2	84	3	432
Others	-	-	1	50	1	42
Total	25	3,525	23	3,379	33	4,315

ii) Balance of investment

	As of December 31, 2016		As of December 31, 2017		As of March 31, 2017	
	Number of companies	Amount (Millions of yen)	Number of companies	Amount (Millions of yen)	Number of companies	Amount (Millions of yen)
Area						
Japan	141	11,499	112	10,355	139	10,356
China, Hong Kong, Taiwan	46	6,291	46	5,862	45	6,007
Southeast Asia	5	189	5	189	5	189
Others	7	4	7	61	7	4
Industry						
QOL(Quality of Life)	40	4,238	30	4,374	37	4,153
Renewable Energy Project	28	5,696	28	5,207	29	4,576
IT/Internet	67	3,219	63	2,641	67	3,198
Machinery/ Precision machine	10	1,121	10	963	11	1,056
Service	22	1,523	17	1,492	21	1,518
Others	32	2,186	22	1,790	31	2,054
Total	199	17,985	170	16,468	196	16,558

Note:

1. QOL (Quality of Life); Biotechnology, Medical Service, Welfare Service, Medical Device, Drug Medicine, etc.
2. Investments in funds managed by third parties other than JAIC Group in which the JAIC Group is not involved in the management, are not included.

② JAIC-Backed IPOs (JAIC+Funds)

i) Number of IPOs

	For nine months ended December 31, 2016 (from April 1, 2016 to December 31, 2016)	For nine months ended December 31, 2017 (from April 1, 2017 to December 31, 2017)	For the year ended March 31, 2017 (from April 1, 2016 to March 31, 2017)
Japan	4 companies	1 company	5 companies
Overseas	-	1 company	- companies
Total	4 companies	2 companies	5 companies

Note: The above numbers include companies whose listed shares the group acquired as a result of equity swaps between its invested companies and previously listed companies: 1 domestic company for the year ended March 31, 2017, 1 domestic company for nine months ended December 31, 2016.

ii) First price multiple

	For nine months ended December 31, 2016 (April 1, 2016 to December 31, 2016)	For nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)	For the year ended March 31, 2017 (April 1, 2016 to March 31, 2017)
Japan	5.1 times	3.1 times	5.6 times
Overseas	- times	3.2 times	- times

Note: 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 number of companies whose listed shares the group acquired as a result of equity swaps.

iii) JAIC-Backed IPOs

For nine months ended December 31, 2017 (From April 1, 2017 to December 31, 2017)

Company Name	Date of IPO	Market	Business	Head quarters
Suzhou Institute of Building Science Group	5-Sep-17	SSE A-shares	Construction survey, new building materials, professional construction	China
MIDAC CO., LTD.	22-Dec-17	NSE 2nd Sec.	- Collection, transport, intermediate treatment and permanent disposal of industrial waste - Collection, transport and intermediate treatment of general waste	Japan

Fiscal year ended March 31, 2017 (From April 1, 2016 to March 31, 2017)

Company Name	Date of IPO	Market	Business	Head quarters
REFINVERSE, Inc.	28-Jul-16	TSE Mothers	Recycled plastic manufacturing from industrial waste. Collection, transportation, intermediate treatment and recycling of industrial waste	Japan
WASHHOUSE CO., LTD.	22-Nov-16	TSE Mothers FSE-Q	Provision of franchise system as a chain headquarter of the coin-operated laundry "WASH House"	Japan
Eltes Co., Ltd.	29-Nov-16	TSE Mothers	Internal and external risk detection and risk consulting services through big data analysis	Japan
Net Marketing. Co. Ltd.	31-Mar-17	JASDAQ Standard	Advertising agency business: Affiliate marketing strategy planning and execution services to support customers' marketing operations Media business: Operates a safe and secure online matchmaking service "Omiiai", and related services	Japan

Note: For year ended March 31, 2017, there was 1 domestic company whose listed shares the group acquired as a result of equity swaps between its invested companies and previous listed companies. The above table doesn't include these companies.

③ Management of Investment Funds (Funds for which JAIC and its Group are responsible for management and provision of essential information)

i) Balance of funds under management

	As of December 31, 2016	As of December 31, 2017	As of March 31, 2017
Total commitment amount in investment funds (Millions of yen) (Total commitment amount of JAIC group)	38,372 (13,533)	23,481 (7,356)	28,753 (9,427)
No. of funds	17	15	15

Note: Funds being wound up after their maturity are not included in the data above.

ii) Funds newly established or whose assets were increased

For nine months ended December 31, 2016 (April 1, 2016 to December 31, 2016)			
Newly established		Assets increased	
Total commitment amount in investment funds (Millions of yen)	-	Increase in fund value (Millions of yen)	-
No. of funds	-	No. of funds	-

For nine months ended December 31, 2017 (April 1, 2017 to December 31, 2017)			
Newly established		Assets increased	
Total commitment amount in investment funds (Millions of yen)	1,000	Increase in fund value (Millions of yen)	-
No. of funds	1	No. of funds	-

For the year ended March 31, 2017 (April 1, 2016 to March 31, 2017)			
Newly established		Assets increased	
Total commitment amount in investment funds (Millions of yen)	500	Increase in fund value (Millions of yen)	-
No. of funds	1	No. of funds	-

iii) Details of funds newly established

Name of fund	Date of establishment	Total commitment amount (Millions of yen)	Main investment targets
Succession Investment Limited Partnership, I	Jun 2017	1,000	SMEs in Japan which has successor problem

iv) Funds to reach maturity within three years of the fiscal year-end

	For the year ending March 31, 2018 (April 1, 2017 to March 31, 2018)	For the year ending March 31, 2019 (April 1, 2018 to March 31, 2019)	For the year ending March 31, 2020 (April 1, 2019 to March 31, 2020)
Total commitment amount in investment funds (Millions of yen)	5,584	4,619	6,101
No. of funds	4	3	3

Notes to tables i) to iv) above:

1. The amounts stated for funds denominated in foreign currencies are calculated on the basis of the exchange rate prevailing on the final day of the fiscal year-end. Therefore, changes in assets under management include the amount affected by exchange rates.
2. The total amount of fund is listed as the amount of commitment base.