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Company name: Japan Asia Investment Co., Ltd. (JAIC)  
Listed on: Tokyo Stock Exchange Standard Market (Securities code: 8518)  
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## **Notice of Revision on “Result Forecast Consolidated under the Previous Accounting Standard”**

Japan Asia Investment Co., Ltd. (JAIC) hereby announces that, based on the recent business performance etc., JAIC has revised its “result forecast consolidated under the Previous Accounting Standard” for the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023), previously announced on November 14, 2022.

The “result forecast consolidated under the Previous Accounting Standard” is based upon the information currently available to JAIC and certain assumptions. In the process of settlement procedure, numerous factors could cause actual results to differ from this result forecasts.

**1. Revision on the “result forecast consolidated under the Previous Accounting Standard” for the fiscal year ended March 31, 2023 (from April 1, 2022 to March 31, 2023)**

	Consolidated operating revenue (Millions of yen)	Consolidated operating income (Millions of yen)	Consolidated ordinary income (Millions of yen)	Profit attributable to owners of parent (Millions of yen)	Consolidated net income per share (*Note) (Yen)
Previous forecast(A)	3,150	320	280	160	9.04
<b>Revised forecast(B)</b>	<b>2,970</b>	<b>(180)</b>	<b>(230)</b>	<b>(260)</b>	<b>(14.69)</b>
Change(B-A)	(180)	(500)	(510)	(420)	
Percentage Change(%)	(5.7)	—	—	—	
(Reference) Consolidated financial results under the Previous Accounting Standards for the fiscal year ended March 31, 2022	2,409	86	61	49	2.78

\*Note: Consolidated net income per share in the table above is calculated based on the number of shares issued excluding the number of treasury stock as of March 31, 2023.

**2. Reasons for revision**

In the fourth quarter of the term, expected sale of unlisted shares were postponed to the next fiscal year. As a result, operating revenue is expected to be 5.7% less than the previous forecast.

As for profits, in the third quarter, JAIC posted provisions for investee companies which were relatively large investment amounts. Losses were incurred from project oriented investments in the third quarter. In the fourth quarter, JAIC posted provisions for other investee companies and loss from the private equity fund operated by the third party was incurred outside the forecast. JAIC had planned to increase sales of unlisted shares in Japan and overseas in the fourth quarter to achieve the previous forecast. JAIC strived to conclude negotiations on the sale of unlisted shares. However, negotiations on the terms of the sale took longer than expected, and JAIC could not increase capital gains.

As a result, operating income, ordinary income and net income attributable to owners of parent are expected to decrease from the previous forecast and be in the red.

Please be noticed that the “result forecast consolidated under the Previous Accounting Standard” is based upon the information currently available to JAIC and certain assumptions. In the process of settlement procedure, numerous factors could cause actual results to differ from this result forecasts.

### **3. Consolidated result forecast and significant difference from “Result Forecast Consolidated Under the Previous Accounting Standard”**

#### 3-1. Result forecast

The private equity investment business conducted by the JAIC 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 in recent years. Therefore JAIC does not disclose the results forecast. For the convenience of investors and shareholders, however, JAIC discloses “result forecast consolidated under the Previous Accounting Standard” even though it doesn’t have enough rationality.

#### 3-2. “Result forecast consolidated under the Previous Accounting Standard”

There is a difference between current accounting standards and those applied to the “Result forecast consolidated under the Previous Accounting Standard”. 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 JAIC Group.

On the other hand, the operational investment funds managed by the JAIC Group are excluded from the scope of consolidations in the financial statements etc., prepared in accordance with the previous accounting standards. Assets, liabilities, revenues and expenses for investment funds are reported based on the investment portion by JAIC and its subsidiaries and by excluding the portion held by external investors. In addition, company-type funds are excluded from the scope of consolidations.

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

(End)