



**2. Dividends**

(Record date)	Dividend per share [¥]				
	End of 1Q	End of 2Q	End of 3Q	End of the year	Total
For the year ended March 31, 2021	-	-	-	138.00	138.00
For the year ending March 31, 2022	-	-	-	/	/
For the year ending March 31, 2022 (Forecast)	/	/	/	-	-

Notes: The forecast of dividend amount is unfixed.

**3. Business Forecasts for the Year ending March 31, 2022 (April 1, 2021 – March 31, 2022)**

Volatility in stock markets and the IPO environment in Japan and overseas causes performance to fluctuate, as a result of which it is difficult to make meaningful forecasts in earnings. Therefore, instead of announcing projections, the Company makes timely disclosure of quarterly financial results.

**\*Other Information**

- (1) Changes in significant subsidiaries during this period: None
- (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
  - ① Changes in accounting principles due to revisions to accounting standards: Yes
  - ② Changes in accounting principles other than ①: None
  - ③ Changes in accounting estimates: None
  - ④ Correction of prior period errors: None

Note: Please refer to (3) Notes for Consolidated Financial Statements under the section “2. Consolidated Financial Statements and Main Notes” on page 11.

- (4) Number of issued shares (common stock)
  - ① Number of issued shares (including treasury shares)
 

As of December 31, 2021:	26,970,000	As of March 31, 2021:	32,550,000
--------------------------	------------	-----------------------	------------
  - ② Number of treasury shares
 

As of December 31, 2021:	1,563,855	As of March 31, 2021:	3,130,406
--------------------------	-----------	-----------------------	-----------
  - ③ Average number of shares
 

Nine months ended December 31, 2021:	26,617,000
Nine months ended December 31, 2020:	30,930,444

**\*Quarterly financial results are not subject to audit procedures.**

**\*Cautionary statements with respect to forward-looking statements and other notes**

(Access to the financial supplement materials)

The presentation material for the nine months ended December 31, 2021 will be released on the Company’s website on January 26, 2022.

(Other notes)

At the Board of Directors meeting held on December 8, 2021, the Company passed a resolution to implement a 3-for-1 stock split of common shares effective February 1, 2022, with the aim of enhancing liquidity in the stock market and making its shares more accessible to a wider range of investors.

**\*Note to XBRL**

Please note that the names of the English accounts contained in XBRL data, which are available through EDINET and TDNet, may be different from those of the English accounts in our financial statements.

## 1. Outline of Operating Results

### (1) Outline of Operating Results

In the consolidated fiscal nine months ended December 31, 2021, the Company and its consolidated subsidiaries (collectively the “Company Group”) posted net sales of ¥23,682 million, (up 103.0% year-on-year from ¥11,668 million), operating income of ¥15,265 million (up 348.9% year-on-year from ¥3,400 million), ordinary income of ¥16,564 million (up 176.5% year-on-year from ¥5,990 million), and profit attributable to JAFCO Group Co., Ltd. stockholders of ¥13,491 million (up 252.3% year-on-year from 3,829 million).

There were six IPOs by the Company Group’s portfolio companies (four in Japan and two overseas) during the consolidated fiscal nine months ended December 31 2021, and capital gains and success fees surged year-on-year as a result of the sale of shares in a major IPO.

Because the Company’s earnings may fluctuate sharply for each three-month period due to the nature of its business, we provide annualized comparison as well as year-on-year comparison for the period under review.

#### (Outline of Capital Gains)

There were six IPOs by the Company Group’s portfolio companies (four in Japan and two overseas) during the consolidated fiscal nine months ended December 31, 2021. Capital gains surged year-on-year as a result of the sale of shares in a major IPO.

(Millions of Yen)

	For the year ended March 31, 2021 (A)	For the nine months ended December 31, 2020	For the nine months ended December 31, 2021 (B)	Annualized comparison [(B)/3x4]/(A) (%)
Revenues from operational investment securities (1)	16,164	8,285	17,505	144.4
Proceeds from sale of securities	16,074	8,208	17,411	144.4
Dividend and interest income	90	77	93	138.5
Cost of operational investment securities (2)	4,903	2,614	5,550	150.9
Cost of securities sold	4,903	2,614	5,123	139.3
Impairment	-	-	427	-
Capital gains (1) – (2)	11,260	5,670	11,955	141.6
Multiple (1) / (2)	3.30	3.17	3.15	-
Capital gains on listed shares	7,567	5,128	12,344	217.5
Capital gains on unlisted shares	3,693	542	(389)	-
Gains on sale	4,435	1,023	1,362	40.9
Losses on sale	742	481	1,751	314.6

(Outline of Investment Loss Reserves)

In the consolidated fiscal nine months ended December 31, 2021, additions to investment loss reserves fell as the impact of COVID-19 was limited. The ratio of reserves to the balance of unlisted operational investment securities also decreased.

(Millions of Yen)

	For the year ended March 31, 2021 (A)	For the nine months ended December 31, 2020	For the nine months ended December 31, 2021 (B)	Annualized comparison [(B)/3x4]/(A) (%)
Additions to investment loss reserves (1)	3,483	3,083	1,572	60.2
Company-by-company reserves	3,541	3,128	1,598	60.2
(Reversal of general reserves)	(58)	(45)	(26)	-
Reversal of investment loss reserves (2)	803	384	2,372	393.5
Net additions = (1)-(2) (minus figures are reversals)	2,679	2,698	(800)	-

(Millions of Yen)

	As of March 31, 2021	As of December 31, 2021
Balance of investment loss reserves	10,917	10,133
Company-by-company reserves	10,772	10,014
General reserves	145	119
Ratio to all unlisted operational investment securities	17.3%	14.0%

(Outline of Balance of Operational Investment Securities)

The balance of operational investment securities rose because of steady investment activity mainly in startup companies.

(Millions of Yen)

	As of March 31, 2021	As of December 31, 2021
Difference between acquisition cost and market value of listed operational investment securities	14,850	14,213
Securities whose market value exceeds acquisition cost	14,850	14,213
Securities whose market value falls below acquisition cost	-	-

(Millions of Yen)

	For the year ended March 31, 2021	For the nine months ended December 31, 2020	For the nine months ended December 31, 2021
(Reversal of) Unrealized losses on operational investment securities	(150)	(148)	-

Balance of Operational Investment Securities (Millions of Yen)

	As of March 31, 2021		As of December 31, 2021	
	Acquisition cost	Figures on the consolidated B/S	Acquisition cost	Figures on the quarterly consolidated B/S
Listed	1,594	16,444	1,943	16,157
Unlisted	62,511	63,102	70,301	72,219
Total	64,105	79,547	72,245	88,377

**(Outline of Fund Operations)**

In the consolidated fiscal nine months ended December 31, 2021, success fees surged year-on-year as a result of the sale of shares in a major IPO, etc. Management fees remained at the same level as a year earlier.

(Millions of Yen)

	For the year ended March 31, 2021 (A)	For the nine months ended December 31, 2020	For the nine months ended December 31, 2021 (B)	Annualized comparison [(B)/3x4]/(A) (%)
Income from partnership management	5,340	3,379	6,169	154.0
Management fees	2,871	2,146	2,256	104.8
Success fees	2,469	1,232	3,912	211.3

Note: Management fees and success fees are based on commitment amount excluding the Company Group's interests.

**(2) Outline of Financial Condition****(Outline of Assets, Liabilities, and Net Assets)**

Total assets decreased mainly due to the acquisition of treasury shares and the payment of corporate income tax, etc., and total liabilities decreased mainly due to the payment of corporate income tax, etc. Net assets increased mainly due to changes in the market valuation of investment securities holdings.

The share buyback based on the resolution of the Board of Directors meeting held on February 10, 2021 has been completed, with the acquisition of 4,766,600 shares for ¥34,999 million by June 15, 2021. The Company cancelled 2,250,000 shares as of May 7, 2021 based on the resolution of the Board of Directors meeting held on April 21, 2021, and a further 3,330,000 shares as of June 29, 2021 based on the resolution of the Board of Directors meeting held on June 16, 2021, as a result of which retained earnings and treasury shares decreased by ¥36,938 million. Additionally, based on the resolution of the Board of Directors meeting held on October 22, 2021, 757,100 shares were bought back for ¥5,411 million by December 31, 2021.

As a result of the above, as of the end of the consolidated nine months ended December 31, 2021, retained earnings fell ¥27,506 million and treasury shares fell ¥6,677 million from the end of the previous fiscal year.

(Millions of Yen)

	As of March 31, 2021	As of December 31, 2021
Total assets	262,383	261,302
Current assets	177,455	141,170
Non-current assets	84,928	120,131
Total liabilities	47,145	41,585
Current liabilities	20,351	3,717
Non-current liabilities	26,794	37,867
Net assets	215,237	219,717

**(3) Qualitative Analysis of Consolidated Business Forecasts**

Volatility in stock markets and the IPO environment in Japan and overseas causes performance to fluctuate, as a result of which it is difficult to make meaningful forecasts in earnings. Therefore, instead of announcing projections, the Company makes timely disclosure of quarterly financial results.

## 2. Consolidated Financial Statements and Main Notes

### (1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
<b>Assets</b>		
Current assets		
Cash and deposits	*(i) on P.11 107,517	*(i) on P.11 60,573
Operational investment securities	79,547	88,377
Investment loss reserves	(10,917)	(10,133)
Other	1,307	2,353
Total current assets	177,455	141,170
Non-current assets		
Property, plant and equipment		
Buildings, net	295	261
Furniture and fixture	75	58
Total property, plant and equipment	370	319
Intangible assets		
Software	228	184
Total intangible assets	228	184
Investments and other assets		
Investment securities	83,578	118,792
Long-term loans receivable	162	211
Deferred tax assets	193	238
Other	394	384
Total investments and other assets	84,329	119,627
Total non-current assets	84,928	120,131
Total assets	262,383	261,302

(Millions of yen)

	As of March 31, 2021	As of December 31, 2021
<b>Liabilities</b>		
Current liabilities		
Current portion of long-term borrowings	15	34
Income taxes payable	17,124	223
Provision for bonuses	257	462
Allowance for extraordinary compensation for directors	86	—
Other	2,867	2,997
Total current liabilities	20,351	3,717
Non-current liabilities		
Long-term borrowings	100	166
Retirement benefit liability	427	429
Deferred tax liabilities	26,148	37,183
Other	119	89
Total non-current liabilities	26,794	37,867
Total liabilities	47,145	41,585
Net assets		
Shareholders' equity		
Share capital	33,251	33,251
Capital surplus	32,806	32,806
Retained earnings	102,497	74,991
Treasury shares	(17,741)	(11,064)
Total shareholders' equity	150,813	129,984
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	63,688	88,756
Foreign currency translation adjustment	735	976
Total accumulated other comprehensive income	64,424	89,733
Total net assets	215,237	219,717
Total liabilities and net assets	262,383	261,302



**(2) Consolidated Statements of Income and Consolidated Statement of Comprehensive Income**  
**(Consolidated Statements of Income)**

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
<b>Net sales</b>		
Revenue from operational investment securities	8,285	17,505
Income from partnership management	3,379	6,169
Other sales	3	7
<b>Total net sales</b>	<b>11,668</b>	<b>23,682</b>
<b>Cost of sales</b>		
Cost of operational investment securities	2,614	5,550
Other costs	430	833
<b>Total cost of sales</b>	<b>3,044</b>	<b>6,384</b>
<b>Gross profit</b>	<b>8,623</b>	<b>17,298</b>
(Reversal of) Additions to investment loss reserves	2,698	(800)
(Reversal of) unrealized losses on operational investment securities	(148)	—
<b>Gross profit - net</b>	<b>6,073</b>	<b>18,098</b>
Selling, general and administrative expenses	2,672	2,833
<b>Operating profit</b>	<b>3,400</b>	<b>15,265</b>
<b>Non-operating income</b>		
Interest income	69	38
Dividend income	1,406	984
Foreign exchange gains	134	44
Gain on investment in other funds	974	235
Miscellaneous income	13	16
<b>Total non-operating income</b>	<b>2,597</b>	<b>1,319</b>
<b>Non-operating expenses</b>		
Interest expenses	0	0
Contribution to an investee	7	7
Commission for purchase of treasury shares	—	10
Miscellaneous losses	0	2
<b>Total non-operating expenses</b>	<b>8</b>	<b>20</b>
<b>Ordinary profit</b>	<b>5,990</b>	<b>16,564</b>
<b>Extraordinary income</b>		
Gain on sale of investment securities	—	186
<b>Total extraordinary income</b>	<b>—</b>	<b>186</b>
<b>Extraordinary losses</b>		
<b>Total extraordinary losses</b>	<b>—</b>	<b>—</b>
<b>Profit before income taxes</b>	<b>5,990</b>	<b>16,750</b>
Income taxes - current	2,165	3,364
Income taxes - deferred	(4)	(105)
<b>Total income taxes</b>	<b>2,161</b>	<b>3,259</b>
<b>Profit</b>	<b>3,829</b>	<b>13,491</b>
Profit attributable to non-controlling interests	—	—
<b>Profit attributable to JAFCO Group Co., Ltd. stockholders</b>	<b>3,829</b>	<b>13,491</b>

**(Consolidated Statements of Comprehensive Income)**

(Millions of yen)

	Nine months ended December 31, 2020	Nine months ended December 31, 2021
Profit	3,829	13,491
Other comprehensive income		
Valuation difference on available-for-sale securities	39,761	25,068
Foreign currency translation adjustment	(260)	240
Total other comprehensive income	39,501	25,309
Comprehensive income	43,330	38,800
[Breakdown]		
Comprehensive income attributable to JAFCO Group Co., Ltd. stockholders	43,330	38,800
Comprehensive income attributable to non-controlling interests	—	—

### (3) Notes for Consolidated Financial Statements

(Notes on premise of going concern)

None

(Notes on significant changes in the shareholder's equity)

Based on the resolution of the Board of Directors meeting held on February 10, 2021, the Company bought back 3,255,900 shares between April 1, 2021 and June 15, 2021, as a result of which treasury shares increased by ¥24,846 million (the Company bought back a total of 4,766,600 shares for ¥34,999 million between February 12 and June 15, 2021, including 1,510,700 shares bought back for ¥10,153 million between February 12 and March 31, 2021). Moreover, based on the resolution of the Board of Directors meeting held on April 21, 2021, 2,250,000 treasury shares were cancelled as of May 7, 2021, and a further 3,330,000 treasury shares were cancelled as of June 29, 2021 based on the resolution of the Board of Directors meeting held on June 16, 2021, due to which retained earnings and treasury shares decreased by ¥36,938 million. Additionally, based on the resolution of the Board of Directors meeting held on October 22, 2021, the Company bought back 757,100 shares between October 25, 2021 and December 31, 2021, as a result of which treasury shares increased by ¥5,411 million.

As a result of the above, as of the end of the consolidated nine months ended December 31, 2021, retained earnings fell ¥27,506 million to ¥74,991 million and treasury shares fell ¥6,677 million to ¥11,064 million from the end of the previous fiscal year.

(Change in accounting principles)

(Adoption of accounting standards for fair value measurement)

The Company Group has adopted the "Accounting Standards for Fair Value Measurement" (Corporate Accounting Standard No. 30 issued on July 4, 2019; hereinafter "Fair Value Measurement Standards") since the beginning of the three months ended June 30, 2021, with the aim of applying new accounting principles set out in the Fair Value Measurement Standards, etc. in accordance with the transitional treatment provided in Article 19 of the Fair Value Measurement Standards and Article 44-2 of the Accounting Standards for Financial Instruments (Corporate Accounting Standards No. 10 issued on July 4, 2019).

As a result, of available-for-sale securities, the figures on the consolidated B/S for non-equity investments, etc., including in warrants and convertible bonds, refer to market value, instead of acquisition cost up to the end of the previous year, and valuation difference is booked directly in net assets from the beginning of three months ended June 30, 2021.

(Additional information)

(Adoption of accounting standards for revenue recognition)

The Company Group has adopted the "Accounting Standards for Revenue Recognition" (Corporate Accounting Standard No. 29 issued on March 31, 2020; hereinafter "Revenue Recognition Standards") since the beginning of the three months ended June 30, 2021. Please note that the "Accounting Standards for Revenue Recognition" issued on March 30, 2018 has been applied since the beginning of the fiscal year ended March 31, 2019.

As a result, the breakdown of revenue from contracts with customers for the nine months ended December 31, 2021 is given under (3) Note for Consolidated Financial Statements, (Revenue recognition related) in 2. Consolidated Financial Statement and Main Notes. Please note that the breakdown of revenue from contracts with customers for the nine months ended December 31, 2020 is not given, in accordance with the transitional treatment provided in Article 28-15 of the "Accounting Standards for Quarterly Financial Statements" (Corporate Accounting Standard No. 12 issued on March 31, 2020).

(Related to Consolidated Balance Sheet)

\*(i) Breakdown of the Company's interests in funds out of cash and cash equivalents

	(Millions of yen)	
	As of March 31, 2021	As of December 31, 2021
Cash and deposits	7,843	9,474

(ii) The Company's uncalled commitment to JAFCO-managed funds as of December 31, 2021 was ¥29,152 million, compared with ¥31,624 million as of the end of previous full year and ¥23,367 million as of December 31, 2020.

(Note on marketable securities)

(i) Held-to-maturity bonds

None

(ii) Available-for-sale securities

(Millions of Yen)

	Type	As of March 31, 2021			As of December 31, 2021		
		Figures on the consolidated B/S	Acquisition cost	Difference	Figures on the quarterly consolidated B/S	Acquisition cost	Difference
Securities whose B/S amount exceeds acquisition cost	Operational investment securities						
	(1) Stock						
	Listed securities	16,444	1,594	14,850	16,157	1,943	14,213
	Other listed securities	-	-	-	169	160	8
	(2) Bond	-	-	-	1,682	1,101	581
	(3) Others	-	-	-	252	240	11
	Subtotal	16,444	1,594	14,850	18,261	3,445	14,815
	Investment securities						
	(1) Stock	82,156	5,851	76,305	117,628	5,851	111,777
	(2) Bond	-	-	-	-	-	-
(3) Others	-	-	-	-	-	-	
Subtotal	82,156	5,851	76,305	117,628	5,851	111,777	
Total	98,601	7,445	91,156	135,890	9,296	126,593	
Securities whose B/S amount falls below acquisition cost	Operational investment securities						
	(1) Stock						
	Listed securities	-	-	-	-	-	-
	Other listed securities	-	-	-	665	665	(0)
	(2) Bond	-	-	-	19	86	(66)
	(3) Others	-	-	-	742	770	(28)
	Subtotal	-	-	-	1,426	1,522	(95)
	Investment securities						
	(1) Stock	21	32	(10)	25	32	(6)
	(2) Bond	-	-	-	-	-	-
(3) Others	-	-	-	-	-	-	
Subtotal	21	32	(10)	25	32	(6)	
Total	21	32	(10)	1,452	1,554	(102)	
Grand total		98,622	7,477	91,145	137,342	10,851	126,490

Note: 1. In accordance with the adoption of the Fair Value Measurement Accounting Standards, securities listed on the TOKYO PRO Market and on Emerging Stock Board of the Taipei Exchange (TPEX) have been classified as “Other listed securities” since the beginning of the three months ended June 30, 2021. Please note that, taking into account the liquidity of these markets, these securities are classified under “unlisted shares” in disclosure information other than the information related to this note.

2. The following items are not included in the above table because they had no market value as of the end of the previous fiscal year, making it difficult to determine fair value, or there are extremely few cases of actual trading on the stock exchange/ over the counter. Unlisted stock, etc. are not included in the above table as of the end of the consolidated nine months ended December 31, 2021.

(Millions of Yen)

	As of March 31, 2021	As of December 31, 2021
	Figures on the consolidated B/S	Figures on quarterly consolidated B/S
Available-for-sale securities		
Operational investment securities		
Unlisted stock	61,060	68,688
Unlisted domestic and foreign bonds	1,271	-
Others	770	-
Investment securities		
Unlisted stock	794	596
Other	412	348

3. Impairment (write down) of ¥427 million was recorded on available-for-sale securities in the nine months ended December 31, 2021 (previous fiscal year: none).

(Revenue recognition related)

## Breakdown of revenue from contracts with customers

The Company Group operates in a single segment of the fund management business. Of net sales, income from partnership management consisting of management fees and success fees is derived from contracts with customers. The breakdown of the said revenue from contracts with customers by fund series is given below.

(Millions of Yen)

Fund name	Nine months ended December 31, 2021 (from April 1 to December 31, 2021)		
	Income from partnership management		
	Management fees	Success fees	Total
JAFCO SV3 Series	-	2,870	2,870
JAFCO SV4 Series	225	785	1,010
JAFCO SV5 Series	557	—	557
JAFCO SV6 Series	937	—	937
JAFCO Asia Technology Fund VI L.P.	100	247	347
JAFCO Asia Technology Fund VII L.P.	146	—	146
Others	289	9	298
Total	2,256	3,912	6,169

### 3. Other Information

#### (1) Investments and IPOs

##### (i) Investments

(Millions of Yen)

	For the year ended March 31, 2021 (A)		For the nine months ended December 31, 2020		For the nine months ended December 31, 2021 (B)		Annualized comparison [(B)/3x4]/(A) (%)
	Amount (A)	No. of co's.	Amount	No. of co's.	Amount (B)	No. of co's.	
Equity							
(Japan)	21,491	35	14,345	22	20,885	44	129.6
(USA)	7,637	18	6,148	13	7,434	14	129.8
(Asia)	3,684	13	2,779	9	4,077	15	147.6
Total	32,813	66	23,273	44	32,397	73	131.6

- Notes: 1. Investment amount is a total of investments by the Company Group and funds.  
2. Investments denominated in foreign currencies are translated into yen on a quarterly basis using the exchange rate at the end of each quarter.  
3. Overseas investments made in the venture investment division in Japan are included in Japan.

##### (ii) IPOs

##### (Japan)

(Millions of Yen)

	For the year ended March 31, 2021	For the nine months ended December 31, 2020	For the nine months ended December 31, 2021
Number of IPOs	5	2	4
Investment cost (1)	2,388	740	3,074
Market value at IPOs (2)	35,210	11,262	41,515
Multiple (2)/(1)	14.7	15.2	13.5

- Notes: 1. "Investment cost" and "Market value at IPO" are total amounts by the Company Group and funds.  
2. "Market value at IPO" is calculated by multiplying the number of shares held prior to the IPO by first price.

##### (Overseas)

(Millions of Yen)

	For the year ended March 31, 2021	For the nine months ended December 31, 2020	For the nine months ended December 31, 2021
Number of IPOs	1	1	2
Investment cost (1)	302	302	1,942
Market value at IPOs (2)	2,315	2,315	5,291
Multiple (2)/(1)	7.7	7.7	2.7

- Notes: 1. "Investment cost" and "Market value at IPO" are total amounts by the Company Group and funds.  
Exchange rate at the time of IPO is used for conversion.  
2. "Market value at IPO" is calculated by multiplying the number of shares held prior to the IPO by first price.

**(2) Establishment of Funds**

Nine months ended December 31, 2021 (April 1, 2021 – December 31, 2021)

(i) Newly established funds:

(Millions of USD)

Fund name	Total commitments as of December 31, 2021
JAFCO Asia S-8 Fund Limited Partnership JAFCO Asia S-8(A) Fund Limited Partnership	130

Note: Final closing took place in December 2021

(ii) Funds established in previous years whose total commitments increased in this period

(Millions of USD)

Fund name	Total commitments as of December 31, 2021	Total commitments as of March 31, 2021	Increase amount
Icon Ventures VII, L.P.	227	178	48

Note: Fundraising still underway

Previous full year (April 1, 2020 - March 31, 2021)

(i) Newly established funds:

(Millions of USD)

Fund name	Total commitments as of March 31, 2021
Icon Ventures VII, L.P.	178

Note: Fundraising still underway

(ii) Funds established in previous years whose total commitments increased

(Millions of TWD)

Fund name	Total commitments as of March 31, 2021	Total commitments as of March 31, 2020	Increase amount
JAFCO Taiwan I Venture Capital Limited Partnership	2,006*	1,037	969

\*Yen equivalent based on the exchange rate as of March 31, 2021: ¥7,803 million