

This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. JAIC assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from the translation.

**Consolidated Financial Results**  
**for the Third Quarter Ended December 31, 2022**  
**[Japanese Standards]**  
(Summary of Japanese announcement)

February 14, 2023

Company name: Japan Asia Investment Co., Ltd.  
Listed on: Tokyo Stock Exchange, Standard Market (Stock code: 8518) URL: <https://www.jaic-vc.co.jp/>  
Head office: Tokyo  
Representative: Tetsuro Shimomura, President and CEO  
Contact: Kenji Kishimoto, Executive Officer  
Tel: +81-3-3221-8518 (main)  
Scheduled date for submission of quarterly report: February 14, 2023  
Scheduled date for start of payment of dividends: —  
The additional materials of the Financial Results: Yes  
The briefing session of the Financial Results: None

(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, 2022 (April 1, 2022 to December 31, 2022)**

(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, 2022	3,377	22.0	233	275.3	127	—	(103)	—
For nine months ended December 31, 2021	2,769	(6.7)	62	—	(49)	—	(227)	—

(Note) Comprehensive Income

For nine months ended December 31, 2022: 1,003 millions of yen [521.2%]

For nine months ended December 31, 2021: 161 millions of yen [—%]

	Net income per share	Diluted net income per share
	Yen	Yen
For nine months ended December 31, 2022	(5.82)	—
For nine months ended December 31, 2021	(12.83)	—

(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, 2022	19,393	9,614	40.4	443.08
As of March 31, 2022	20,231	9,443	38.4	438.69

(Reference) Total shareholders' equity As of December 31, 2022: 7,843 millions of yen/As of March 31, 2022: 7,766 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, 2022	—	0.00	—	0.00	0.00
Year ending March 31, 2023	—	0.00	—		
Year ending March 31, 2023(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, 2023 (from April 1, 2022 to March 31, 2023)

The overall private equity 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, 2023 (April 1, 2022 to March 31, 2023)” on page 18 in this report.

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. For details, please refer to “3. Business Performance and Financial Condition (4) Cautionary Statements with Respect to Forward-looking Statements such as Consolidated Earnings Forecast under the Previous Accounting Standard” on page 20 in this report, “3. Business Performance and Financial Condition (4) Result forecast consolidated under the Previous Accounting Standard” on page 26 in “Consolidated Financial Results for the Year Ended March 31, 2022 [Japanese Standards]” disclosed on May 13, 2022 and “Differences between the “Result Forecast Consolidated under the Previous Accounting Standard” and the Results for First Half of Fiscal Year ending March 2023 and Notice of Revision on “Result Forecast Consolidated under the Previous Accounting Standard” for Full Year of Fiscal Year ending March 2023” disclosed on November 14, 2022.

## 4. Other matters

(1) Changes among significant subsidiaries (Changes among specific subsidiaries resulting in changes in the scope of consolidation): None

[New - company (company name: -) 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 31,2022:	17,884,392 shares	Year ended March 31, 2022:	17,884,392 shares
(ii) Shares of treasury stock at the end of each period	Nine months ended December 31,2022:	181,009 shares	Year ended March 31, 2022:	181,009 shares
(ii) Average number of shares during the period (cumulative quarterly consolidated period)	Nine months ended December 31,2022:	17,703,383 shares	Nine months ended December 31,2021:	17,703,383 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, 2022 will be released on our website on February 14, 2023.

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. For details, please refer to “3. Business Performance and Financial Condition (4) Cautionary Statements with Respect to Forward-looking Statements such as Consolidated Earnings Forecast under the Previous Accounting Standard” on page 20 in this report, “3. Business Performance and Financial Condition (4) Result forecast consolidated under the Previous Accounting Standard” on page 26 in “Consolidated Financial Results for the Year Ended March 31, 2022 [Japanese Standards]” disclosed on May 13, 2022 and “Differences between the “Result Forecast Consolidated under the Previous Accounting Standard” and the Results for First Half of Fiscal Year ending March 2023 and Notice of Revision on “Result Forecast Consolidated under the Previous Accounting Standard” for Full Year of Fiscal Year ending March 2023” disclosed on November 14, 2022.

## 1. Business Performance and Financial Condition

### (1) Breakdown of operating revenue and operating cost

(Millions of yen)

	For nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)	For nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)	For the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)
Total operating revenue	2,769	3,377	3,204
Management fees	89	87	117
Proceeds of sales of operational investment securities	1,661	1,996	1,732
Fund interests income and Income gains etc.	1,000	1,278	1,330
Other operating revenue	19	15	24
Total operating cost	1,639	2,053	1,971
Cost of securities sold	853	1,024	887
Investment write-offs & Provision for allowance for possible investment losses	167	463	160
Fund interests losses etc.	611	555	914
Other operating cost	7	9	10
Operating gross profit	1,130	1,324	1,232

### (2) Investment income

(Millions of yen)

	For nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)			For nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)			For the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)		
	Project investment	Private equity investment	total	Project investment	Private equity investment	total	Project investment	Private equity investment	total
Proceeds of sales of operational investment securities (A)	669	991	1,661	149	1,847	1,996	669	1,062	1,732
Cost of securities sold (B)	521	331	853	90	934	1,024	521	365	887
Realized capital gains (A)-(B)	147	660	807	59	912	972	147	697	845
Investment write-offs & Provision for allowance for possible investment losses (C)	—	167	167	—	463	463	—	160	160
Investment income (A)-(B)-(C)	147	492	640	59	449	508	147	537	685

(3) Cash flows

(Millions of yen)

	For nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)	For nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)	For the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)
Cash flow from operating activities	(542)	517	(145)
Cash flow from investing activities	117	(2)	212
Cash flow from financing activities	(1,007)	(806)	(1,007)
Cash and cash equivalents at the end of period	1,891	2,134	2,397

(4) Breakdown of total assets

(Millions of yen)

	As of December 31, 2021		As of December 31, 2022		As of March 31, 2022	
	Amount	(B)/(A) (%)	Amount	(B)/(A) (%)	Amount	(B)/(A) (%)
Total assets	23,830	—	19,393	—	20,231	—
Cash and deposits	4,479	—	4,044	—	5,666	—
Property, plant and equipment	8,807	—	4,974	—	4,148	—
Operational Investment Securities (A)	9,099	—	9,732	—	9,538	—
Allowance for Possible Investment Loss (B)	(1,475)	16.2	(1,743)	17.9	(1,492)	15.6

(5) Breakdown of Loans payable and bonds

(Millions of yen)

	As of December 31, 2021	As of December 31, 2022	As of March 31, 2022
Total of loans payable and bonds	13,910	9,048	9,521
Loans payable; Non-consolidated base	5,943	5,137	5,943
Loans payable by project finance and bonds; Consolidated projects	7,967	3,911	3,578

## 2. Business Position

### (1) Investment activities (JAIC+Funds)

#### i) Execution of investment and loan

	For nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)		For nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)		For the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)	
	Number of companies	Amount (Millions of yen)	Number of companies	Amount (Millions of yen)	Number of companies	Amount (Millions of yen)
1) Area						
Project investment	14	1,427	15	1,132	19	1,938
Japan	14	1,427	14	1,120	19	1,938
Southeast Asia	-	-	1	12	-	-
Private equity investment subtotal	8	1,482	8	1,198	8	1,482
Japan	8	1,482	8	1,198	8	1,482
China, Hong Kong, Taiwan etc.	-	-	-	-	-	-
2) Investment program						
Project oriented investment subtotal	14	1,427	15	1,132	19	1,938
Renewable energy	4	382	6	668	4	497
Healthcare	6	159	2	58	8	219
Smart agriculture	1	415	1	105	1	415
Distribution center	2	365	1	130	4	632
Other	1	105	5	170	2	174
Private equity investment subtotal	8	1,482	8	1,198	8	1,482
Strategic investment	3	359	2	170	3	359
Financial investment	5	1,122	6	1,028	5	1,122
Total	22	2,909	23	2,330	27	3,420

Note: Strategic investment is investment in partner companies in the projects for which the JAIC Group makes investment or provides loans. Financial investment is investment in companies other than strategic investment.

ii) Balance of investment and loan

	As of December 31, 2021		As of December 31, 2022		As of March 31, 2022	
	Number of companies	Amount (Millions of yen)	Number of companies	Amount (Millions of yen)	Number of companies	Amount (Millions of yen)
1) Area						
Project investment	40	6,787	50	6,584	43	6,344
Japan	40	6,787	49	6,572	43	6,344
Southeast Asia	-	-	1	12	-	-
Private equity investment sub total	87	7,836	82	7,113	86	7,440
Japan	48	4,906	50	5,018	47	4,510
China, Hong Kong, Taiwan etc.	39	2,929	32	2,094	39	2,929
2) Investment program						
Project oriented investment s ubtotal	40	6,787	50	6,584	43	6,344
Renewable energy	20	3,994	22	3,775	19	3,286
Healthcare	12	893	15	709	14	952
Smart agriculture	1	879	1	762	1	879
Distribution center	5	665	5	810	6	801
Other	2	354	7	526	3	424
Private equity investment sub total	87	7,836	82	7,113	86	7,440
Strategic investment	7	1,432	8	1,140	7	1,432
Financial investment	80	6,403	74	5,972	79	6,007
Total	127	14,623	132	13,697	129	13,784

Note: Strategic investment is investment in partner companies in the projects for which the JAIC Group makes investment or provides loans. Financial investment is investment in companies other than strategic investment.

**(2) JAIC-Backed IPOs (JAIC+Funds)**

i) Number of IPOs

	For nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)	For nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)	For the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)
Number of IPOs (total of Japan & overseas)	3 companies	1 company	4 companies
First price multiple (average of Japan & overseas)	5.6 times	30.0 times	3.7 times

Note: First price multiple = Market value of shares held by the Group calculated at first price/Total our acquisition cost.  
We do not include listed shares those we acquired by equity swaps when we calculate the first price multiple.

ii) JAIC-Backed IPOs

For nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)

Company Name	Date of IPO	Market	Business	Head quarters
TMS Co., Ltd.	22-Nov-22	TSE Growth	Research and development of drug products, quasi-drugs, (an official drug classification approved by Japanese MHLW for compounds with mild pharmacological activity), drug substances, medical devices, and medical commodities	Japan

Fiscal year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)

Company Name	Date of IPO	Market*	Business	Head quarters
WonderPlanet Inc.	10-Jun-21	TSE Mothers	Entertainment Services Business	Japan
Last One Mile Co., Ltd.	24-Nov-21	TSE Mothers	Selling new electronic power, new gas and internet connections etc. as a sales agency utilizing inside sales etc., and providing our original service "Marutto Series"	Japan
Renewable Japan Co., Ltd.	22-Dec-21	TSE Mothers	Development and operation of renewable energy power plants	Japan
TORICO Co., Ltd.	23-Mar-22	TSE Mothers	Operation of Comic EC "MANGAZENKAN.COM" and planning, development, marketing, sales of Manga/Japanese animation goods and various Manga based services	Japan

\*Note: Listed markets indicate the markets as of the date of IPO.



**(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, 2021			As of December 31, 2022			As of March 31, 2022		
	Number of funds	Commitment amount of investment funds (Millions of yen)	Net asset value of investment funds (Millions of yen)	Number of funds	Commitment amount of investment funds (Millions of yen)	Net asset value of investment funds (Millions of yen)	Number of funds	Commitment amount of investment funds (Millions of yen)	Net asset value of investment funds (Millions of yen)
During operation period	5	7,511	4,024	6	10,212	3,812	5	7,511	3,349
Extending maturity	3	5,943	864	-	-	-	2	4,328	818
During liquidation procedure	2	2,636	1,130	3	4,601	2,602	3	4,624	1,237
Total [Total commitment amount of JAIC group]	10	16,091 [4,805]	6,019	9	14,813 [3,378]	6,414	10	16,463 [4,953]	5,404

ii) Funds during operation period (as of December 31, 2022)

Name of fund	Inception	Maturity	Total commitment amount (Millions of yen)	Features
JAIC Venture Capital Investment L.P.	Feb. 2016	Feb. 2026	2,000	Secondary investment fund targeting mainly venture companies in Japan. Domestic leading financial institution invested in this fund.
Succession Investment Limited Partnership, I	Jun. 2017	Jun. 2027	3,000	General partner of the Fund is a joint venture between JAIC and Aozora Bank, Ltd. an affiliated company not covered by the equity method. Supporting the business succession needs of SMEs in Japan.
JAIC-Solar Fund, L.P., II	Mar. 2020	Dec. 2039	1,359	Investment target of the Fund is mega solar projects in operation.
Hokkaido SME Global Fund, L.P.	Apr. 2020	Dec. 2026	151	JAIC and Asian Market Planning Co., Ltd. jointly manage the Fund as Co-GP. Investing in SMEs in Hokkaido that operate or aim to operate in overseas market and that promote business to meet inbound demand

Name of fund	Inception	Maturity	Total commitment amount (Millions of yen)	Features
AJC Venture Capital Investment Limited Partnership	Jun. 2021	Jun. 2031	1,001	Secondary investment fund targeting mainly venture companies in Japan. General partner of the Fund is a joint venture between JAIC and Aozora Bank, Ltd. an affiliated company not covered by the equity method.
Succession Investment Limited Partnership, II	Aug. 2022	Aug. 2032	2,701	General partner of the Fund is a joint venture between JAIC and Aozora Bank, Ltd. an affiliated company not covered by the equity method. Supporting the business succession needs of SMEs in Japan.

Notes:

1. The amounts stated for funds denominated in foreign currencies are calculated based on 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.

### 3. Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2022	As of December 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	5,666	4,044
Operational investment securities	9,538	9,732
Allowance for possible investment loss	(1,492)	(1,743)
Operating loans	204	204
Other	411	549
Allowance for doubtful accounts	(51)	(154)
Total current assets	<u>14,277</u>	<u>12,632</u>
Non-current assets		
Property, plant and equipment		
Buildings and structures	394	979
Accumulated depreciation	(24)	(59)
Buildings and structures, net	<u>370</u>	<u>920</u>
Machinery and equipment	3,181	3,198
Accumulated depreciation	(327)	(468)
Machinery and equipment, net	<u>2,854</u>	<u>2,730</u>
Vehicles, tools, furniture and fixtures	150	167
Accumulated depreciation	(50)	(63)
Vehicles, tools, furniture and fixtures, net	<u>100</u>	<u>103</u>
Land	172	203
Construction in progress	651	1,017
Total property, plant and equipment	<u>4,148</u>	<u>4,974</u>
Intangible assets		
Power production facilities concessions	1,112	1,091
Other	215	179
Total intangible assets	<u>1,327</u>	<u>1,270</u>
Investments and other assets		
Investment securities	59	63
Distressed receivables	7	1
Other	418	451
Allowance for doubtful accounts	(7)	(1)
Total investments and other assets	<u>477</u>	<u>515</u>
Total non-current assets	<u>5,954</u>	<u>6,760</u>
Total assets	<u>20,231</u>	<u>19,393</u>

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities</b>		
Current liabilities		
Short-term borrowings	654	542
Current portion of bonds payable	7	7
Accrued expenses	662	95
Income taxes payable	61	55
Provision for bonuses	75	41
Other	38	66
Total current liabilities	1,500	809
Non-current liabilities		
Bonds payable	177	174
Long-term borrowings	8,681	8,324
Deferred tax liabilities	53	84
Retirement benefit liability	143	155
Asset retirement obligations	230	230
Total non-current liabilities	9,287	8,968
Total liabilities	10,787	9,778
Net assets		
Shareholders' equity		
Share capital	5,426	5,426
Capital surplus	3,515	3,631
Retained earnings	(1,571)	(1,675)
Treasury shares	(353)	(353)
Total shareholders' equity	7,017	7,028
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	470	521
Foreign currency translation adjustment	278	294
Total accumulated other comprehensive income	749	815
Share acquisition rights	31	32
Non-controlling interests	1,646	1,737
Total net assets	9,443	9,614
Total liabilities and net assets	20,231	19,393

(2) Consolidated Statements of Income

	(Millions of yen)	
	For nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)	For nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)
Operating revenue	2,769	3,377
Operating costs	1,639	2,053
Operating gross profit	1,130	1,324
Selling, general and administrative expenses	1,068	1,091
Operating profit	62	233
Non-operating income		
Interest income	7	3
Dividend income	1	1
Foreign exchange gains	67	28
Gain on investments in investment partnerships	1	—
Rental income from facilities	2	2
Miscellaneous income	0	0
Total non-operating income	82	36
Non-operating expenses		
Interest expenses	192	142
Miscellaneous losses	0	0
Total non-operating expenses	193	142
Ordinary profit (loss)	(49)	127
Extraordinary income		
Gain on sale of investment securities	19	—
Gain on reversal of share acquisition rights	—	0
Insurance claim income	0	0
Total extraordinary income	19	1
Extraordinary losses		
Loss on sale of investment securities	107	—
Loss on valuation of investment securities	—	9
Other	0	0
Total extraordinary losses	107	9
Profit (loss) before income taxes	(137)	119
Income taxes - current	3	90
Total income taxes	3	90
Profit (loss)	(140)	29
Profit attributable to non-controlling interests	86	132
Loss attributable to owners of parent	(227)	(103)

(3) Consolidated Statements of Comprehensive Income

	(Millions of yen)	
	For nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)	For nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)
Profit (loss)	(140)	29
Other comprehensive income		
Valuation difference on available-for-sale securities	372	996
Foreign currency translation adjustment	(42)	(3)
Share of other comprehensive income of entities accounted for using equity method	(28)	(18)
Total other comprehensive income	301	973
Comprehensive income	161	1,003
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	130	(36)
Comprehensive income attributable to non-controlling interests	31	1,040

(4) Consolidated Statements of Cash Flows

	(Millions of yen)	
	For nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)	For nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	(137)	119
Depreciation	23	42
Increase (decrease) in allowance for investment loss	38	435
Increase (decrease) in allowance for doubtful accounts	(4)	(0)
Increase (decrease) in provision for bonuses	(22)	(34)
Increase (decrease) in retirement benefit liability	10	11
Interest and dividend income	(6)	(2)
Interest expenses	81	68
Loss (gain) on investments in investment partnerships	(1)	—
Loss (gain) on sale of investment securities	87	—
Loss (gain) on valuation of investment securities	—	9
Loss on valuation of operational investment securities	29	—
Decrease (increase) in investment securities for sale	(744)	52
Decrease (increase) in operating loans receivable	(157)	(57)
Decrease (increase) in distressed receivables	41	0
Payment for purchase of investment funds	(1,636)	(1,387)
Dividends from investment funds	1,882	1,435
Increase (decrease) in investment funds of minority interest	(67)	(110)
Other, net	166	(14)
<b>Subtotal</b>	<b>(414)</b>	<b>567</b>
Interest and dividends received	6	2
Interest paid	(103)	(86)
Income taxes paid	(40)	(27)
Income taxes refund	8	61
<b>Net cash provided by (used in) operating activities</b>	<b>(542)</b>	<b>517</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of investment securities	117	—
Other, net	0	(2)
<b>Net cash provided by (used in) investing activities</b>	<b>117</b>	<b>(2)</b>
<b>Cash flows from financing activities</b>		
Repayments of long-term borrowings	(1,007)	(806)
Other, net	(0)	—
<b>Net cash provided by (used in) financing activities</b>	<b>(1,007)</b>	<b>(806)</b>
Effect of exchange rate change on cash and cash equivalents	23	27
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,409)</b>	<b>(263)</b>
Cash and cash equivalents at beginning of period	3,301	2,397
Cash and cash equivalents at end of period	1,891	2,134

(5) Notes on Quarterly Consolidated Financial Statements

(Notice Concerning Notes on Matters Regarding the Assumption of Going Concern)

No applicable items

(Notice Concerning Notes on Significant Changes in Shareholder's Equity)

No applicable items

(Additional Information)

The assumptions regarding the impact of COVID-19 on the Group have not changed significantly since the end of the previous consolidated fiscal year.



## Information for Reference Purposes:

### Consolidated Financial Results for the Third Quarter December 31, 2022

February 14, 2023

#### Consolidated Financial Statements, etc., under the Previous Accounting Standards for Third Quarter Ended December 31, 2022 (As of December 31, 2022)

#### 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, 2022 (April 1, 2022 to December 31, 2022)

##### (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, 2022	2,688	53.4	49	—	17	—	(80)	—
For nine months ended December 31, 2021	1,752	(11.4)	(116)	—	(116)	—	(207)	—

	Net income per share		Diluted net income per share	
	Yen		Yen	
For nine months ended December 31, 2022	(4.54)		—	
For nine months ended December 31, 2021	(11.70)		—	

##### (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, 2022	13,517	7,805	57.5	439.05
As of March 31, 2022	14,972	7,810	52.0	439.41

(Reference) Total shareholders' equity As of December 31, 2022: 7,772 millions of yen/As of March 31, 2022: 7,779 millions of yen

**2. Outlook for the fiscal year ending March 31, 2023 (from April 1, 2022 to March 31, 2023)**

The private equity investment business conducted by the Group will be 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. 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.

(Percentages indicate changes from the corresponding period of the previous fiscal year)

	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 the year ending March 31, 2023	3,150	30.7	320	270.6	280	354.4	160	225.0

	Net income per share
	Yen
For the year ending March 31, 2023	9.04

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

Net income per share in above chart is calculated by the number of shares issued and outstanding excluding the number of shares of treasury stock as of December 31, 2022.

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.

For details, please refer to “3. Business Performance and Financial Condition (4) Cautionary Statements with Respect to Forward-looking Statements such as Consolidated Earnings Forecast under the Previous Accounting Standard” on page 20 in this report, and “3. Business Performance and Financial Condition (4) Result forecast consolidated under the Previous Accounting Standard” on page 26 in “Consolidated Financial Results for the Year Ended March 31, 2022 [Japanese Standards]” disclosed on May 13, 2022 and “Differences between the “Result Forecast Consolidated under the Previous Accounting Standard” and the Results for First Half of Fiscal Year ending March 2023 and Notice of Revision on “Result Forecast Consolidated under the Previous Accounting Standard” for Full Year of Fiscal Year ending March 2023” disclosed on November 14, 2022.

### 3. Business Performance and Financial Condition

#### (1) Breakdown of operating revenue and operating cost

(Millions of yen)

	For nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)	For nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)	For the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)
Total operating revenue	1,752	2,688	2,409
Management fees	119	103	154
Proceeds of sales of operational investment securities	1,501	1,983	1,573
Fund interests income and Income gains etc.	91	568	631
Other operating revenue	39	34	50
Total operating cost	1,030	1,774	1,133
Cost of securities sold	776	1,019	810
Investment write-offs & Provision for allowance for possible investment losses	139	450	145
Fund interests losses etc.	107	293	167
Other operating cost	7	9	10
Operating gross profit	722	914	1,276

#### (2) Investment income

(Millions of yen)

	For nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)			For nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)			For the year ended March 31, 2022 (from April 1, 2021 to March 31, 2022)		
	Project investment	Private equity investment	total	Project investment	Private equity investment	total	Project investment	Private equity investment	total
Proceeds of sales of operational investment securities (A)	657	844	1,501	149	1,833	1,983	657	915	1,573
Cost of securities sold (B)	509	266	776	90	929	1,019	509	300	810
Realized capital gains (A)-(B)	147	577	725	59	904	963	147	615	762
Investment write-offs & Provision for allowance for possible investment losses (C)	—	139	139	—	450	450	—	145	145
Investment income (A)-(B)-(C)	147	438	586	59	453	512	147	469	617

(3) Asset, Liability and Net asset

(Millions of yen)

	As of December 31, 2021	As of December 31, 2022	As of March 31, 2022
Total asset	14,124	13,517	14,972
Total liabilities	6,644	5,711	7,161
Loans payable	5,943	5,137	5,943
Total net asset	7,480	7,805	7,810
Total shareholders' equity	7,449	7,772	7,779

(4) Cautionary Statements with Respect to Forward-looking Statements such as Consolidated Earnings Forecast under the Previous Accounting Standard

There are no revisions on “result forecast consolidated under the Previous Accounting Standard” for the year ending March 1, 2023 disclosed on November 14, 2022 in “ Consolidated Financial Results for the Second Quarter Ended September 30, 2022 [Japanese Standards] (Summary of Japanese announcement)”.

Results for the third quarter ended December 31, 2022 were lower than expected at the time of the announcement of the result forecast. JAIC posted provisions for investee companies which were relatively large investment amounts. Losses increased from project oriented investments. JAIC plans to increase sales of unlisted shares in Japan and overseas in the fourth quarter to achieve the result forecast.

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. Consolidated Financial Statements

##### (1) Consolidated Balance Sheets

	(Millions of yen)	
	As of March 31, 2022	As of December 31, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	2,740	2,841
Operational investment securities	12,238	10,852
Allowance for investment loss	(1,099)	(1,409)
Operating loans	660	717
Other	150	269
Allowance for doubtful accounts	(51)	(51)
Total current assets	14,639	13,220
Non-current assets		
Property, plant and equipment		
Buildings and structures	36	38
Accumulated depreciation	(5)	(6)
Buildings and structures, net	31	31
Vehicles, tools, furniture and fixtures	55	58
Accumulated depreciation	(44)	(48)
Vehicles, tools, furniture and fixtures, net	10	10
Land	0	0
Total property, plant and equipment	42	41
Intangible assets		
Other	199	161
Total intangible assets	199	161
Investments and other assets		
Investment securities	59	63
Distressed receivables	7	1
Other	31	30
Allowance for doubtful accounts	(7)	(1)
Total investments and other assets	90	94
Total non-current assets	332	296
Total assets	14,972	13,517

(Millions of yen)

	As of March 31, 2022	As of December 31, 2022
<b>Liabilities</b>		
Current liabilities		
Short-term borrowings	309	311
Suspense receipt	750	36
Accrued expenses	87	54
Income taxes payable	61	55
Provision for bonuses	75	41
Other	45	147
Total current liabilities	1,330	646
Non-current liabilities		
Long-term borrowings	5,633	4,825
Deferred tax liabilities	53	84
Retirement benefit liability	143	155
Total non-current liabilities	5,831	5,064
<b>Total liabilities</b>	<b>7,161</b>	<b>5,711</b>
<b>Net assets</b>		
Shareholders' equity		
Share capital	5,426	5,426
Capital surplus	3,505	3,505
Retained earnings	(1,509)	(1,590)
Treasury shares	(353)	(353)
Total shareholders' equity	7,068	6,988
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	656	690
Foreign currency translation adjustment	54	94
Total accumulated other comprehensive income	710	784
Share acquisition rights	31	32
<b>Total net assets</b>	<b>7,810</b>	<b>7,805</b>
<b>Total liabilities and net assets</b>	<b>14,972</b>	<b>13,517</b>

(2) Consolidated Statements of Income

	(Millions of yen)	
	For nine months ended December 31, 2021 (from April 1, 2021 to December 31, 2021)	For nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022)
Operating revenue	1,752	2,688
Operating costs	1,030	1,774
Operating gross profit	722	914
Selling, general and administrative expenses	838	864
Operating profit (loss)	(116)	49
Non-operating income		
Interest income	7	3
Dividend income	1	1
Foreign exchange gains	67	28
Gain on investments in investment partnerships	1	—
Rental income from facilities	2	2
Miscellaneous income	0	0
Total non-operating income	81	36
Non-operating expenses		
Interest expenses	81	68
Miscellaneous losses	0	0
Total non-operating expenses	82	68
Ordinary profit (loss)	(116)	17
Extraordinary income		
Gain on sale of investment securities	19	—
Gain on reversal of share acquisition rights	—	0
Total extraordinary income	19	0
Extraordinary losses		
Loss on sale of investment securities	107	—
Loss on valuation of investment securities	—	9
Other	0	0
Total extraordinary losses	107	9
Profit (loss) before income taxes	(204)	9
Income taxes - current	2	89
Total income taxes	2	89
Loss	(207)	(80)
Loss attributable to owners of parent	(207)	(80)