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January 20, 2017

Financial Results for the Nine Months Ended December 31, 2016

[Japanese GAAP]

(Summary of Japanese announcement)

(Japanese yen figures less than one million yen are rounded down)

1. Consolidated Performance for the Nine Months Ended December 31, 2016 (April 1, 2016 – December 31, 2016)

(1) Consolidated Operating Results

(figures with % indicate the rate of change from the same period of the previous fiscal year)

	Net sales [¥ million] [%]	Operating income [¥ million] [%]	Ordinary income [¥ million] [%]	Profit attributable to JAFCO Co., Ltd. stockholders [¥ million] [%]
For nine months ended December 31, 2016	20,983 (38.8)	9,566 (48.6)	11,033 (43.3)	9,243 (40.7)
For nine months ended December 31, 2015	34,304 (25.0)	18,613 (39.6)	19,446 (40.0)	15,581 (36.6)

Note: Comprehensive income
 Nine months ended December 31, 2016: ¥14,942 million (negative 10.2%)
 Nine months ended December 31, 2015: ¥16,646 million (negative 10.4%)

	Profit per share [¥]	Fully diluted net income per share [¥]
For nine months ended December 31, 2016	208.33	-
For nine months ended December 31, 2015	351.19	-

(2) Consolidated Financial Position

	Total assets [¥ million]	Net assets [¥ million]	Equity ratio [%]	Net assets per share [¥]
As of December 31, 2016	226,488	200,005	88.3	4,507.94
As of March 31, 2016	214,245	189,501	88.5	4,271.15

(Reference) Shareholders' equity
 As of December 31, 2016: ¥200,005 million
 As of March 31, 2016: ¥189,501 million

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, 2016	-	-	-	100.00	100.00
For the year ending March 31, 2017	-	-	-		
For the year ending March 31, 2017 (Forecast)				-	-

Notes: The forecast of dividend amount is unfixed.

3. Business Forecasts (April 1, 2016 – March 31, 2017)

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, JAFCO 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

Notes: For details, please refer to P7, (3) Changes in accounting principles, accounting estimates and correction of prior period errors (Changes in accounting principle).

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

As of December 31, 2016:	48,294,336	As of March 31, 2016:	48,294,336
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 - ② Number of treasury stock

As of December 31, 2016:	3,926,884	As of March 31, 2016:	3,926,600
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 - ③ Average number of shares

For nine months ended December 31, 2016:	44,367,602
For nine months ended December 31, 2015:	44,367,922

*Disclosure regarding the implementation of audit procedures

This financial summary is not subject to the audit procedures required under the Financial Instruments and Exchange Act. At the time of the disclosure of this report, the audit of consolidated financial statements pursuant to the Act had not been completed.

*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, 2016 was released on JAFCO's website on January 20, 2017.

***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. Qualitative Analysis and Financial Statements**(1) Qualitative Analysis of Consolidated Operating Results**

JAFCO posted net sales of ¥20,983 million, ordinary income of ¥11,033 million, and profit attributable to JAFCO Co., Ltd. stockholders of ¥9,243 million in the consolidated fiscal nine months ended December 31, 2016. This compares with net sales of ¥41,155 million, ordinary income of ¥19,808 million, and profit attributable to JAFCO Co., Ltd. stockholders of ¥17,018 million for the previous full year ended March 31, 2016 (the “previous full year”).

(Outline of Investments)

The JAFCO Group and its funds made investments totaling ¥15,320 million (40 companies) in the nine months ended December 31, 2016, compared with ¥21,441 million (62 companies) in the previous full year. The details are shown on page 16.

(Outline of Capital Gains and IPOs)

JAFCO posted ¥15,891 million in revenues from operational investment securities (previous full year: ¥32,376 million). Capital gains came to ¥6,919 million (previous full year: ¥15,689 million), out of which capital gains on listed shares were ¥4,800 million (previous full year: ¥9,989 million) and capital gains on unlisted shares were ¥2,118 million (previous full year: ¥5,699 million). This ¥2,118 million consisted of ¥4,987 million (previous full year: ¥10,586 million) in gains on sale and ¥2,869 million (previous full year: ¥4,887 million) in losses on sale. Capital gains include dividends and interest income and are net of impairment.

There were three IPOs in Japan and three overseas by portfolio companies of the JAFCO Group and its funds (previous full year: eight IPOs in Japan and six overseas). The details are shown on page 17-19.

(Millions of Yen)

	For the year ended March 31, 2016 (A)	For nine months ended December 31, 2015	For nine months ended December 31, 2016 (B)	Annualized comparison [(B)/3×4]/(A) (%)
Revenues from operational investment securities (1)	32,376	26,668	15,891	65.4
Proceeds from sale of securities	30,824	25,427	15,740	68.1
Dividend and interest income	1,551	1,241	150	12.9
Cost of operational investment securities (2)	16,687	12,185	8,971	71.7
Cost of securities sold	16,687	12,185	8,971	71.7
Impairment	-	-	-	-
Capital gains (1) – (2)	15,689	14,483	6,919	58.8
Multiple (1) / (2)	1.94	2.19	1.77	-
Capital gains on listed shares	9,989	9,416	4,800	64.1
Capital gains on unlisted shares	5,699	5,066	2,118	49.6
Gains on sale	10,586	8,275	4,987	62.8
Losses on sale	4,887	3,208	2,869	78.3

(Outline of Investment Loss Reserves)

JAFCO makes investment loss reserves for operational investment securities after taking investees' business performance into consideration. Company-by-company reserves are made if the estimated recovery amount falls below 70% of acquisition cost. General reserves are made to cover all other unlisted portfolio companies based on our accumulated expertise in private equity.

Additions to investment loss reserves for the nine months ended December 31, 2016 totaled ¥1,632 million, consisting of ¥1,465 million in company-by-company reserves and of ¥167 million in general reserves, compared with ¥3,098 million, ¥3,370 million and a reversal of ¥272 million respectively in the previous full year.

Company-by-company reserves were reversed by ¥3,920 million following the sale and impairment of securities in the nine months ended December 31, 2016, compared with ¥3,673 million reversed in the previous full year. As a result, net additions to investment loss reserves were negative ¥2,287 million, compared with negative ¥574 million in the previous full year.

Balance of investment loss reserves came to ¥12,891 million (26.6% of the balance of unlisted operational investment securities) as of December 31, 2016, compared with ¥15,176 million (29.8% of the balance of unlisted operational investment securities) at the end of the previous full year.

(Millions of Yen)

	For the year ended March 31, 2016 (A)	For nine months ended December 31, 2015	For nine months ended December 31, 2016 (B)	Annualized comparison [(B)/3×4]/(A) (%)
Additions to investment loss reserves (1)	3,098	2,207	1,632	70.3
Company-by-company reserves	3,370	2,286	1,465	58.0
(Reversal of) General reserves	(272)	(79)	167	-
Reversal of investment loss reserves (2)	3,673	2,735	3,920	142.3
Net additions = (1)-(2) (minus figures are reversals)	(574)	(528)	(2,287)	-

(Millions of Yen)

	As of March 31, 2016	As of December 31, 2016
Balance of investment loss reserves	15,176	12,891
Company-by-company reserves	11,834	9,382
General reserves	3,342	3,509
Ratio for all unlisted operational investment securities	29.8%	26.6%

(Outline of Balance of Operational Investment Securities)

Difference in acquisition cost and market value of listed operational investment securities was ¥11,148 million as of December 31, 2016 (compared with ¥6,017 million at the end of the previous full year). This consisted of ¥11,472 million in unrealized gains on operational investment securities whose market value exceeds acquisition cost and ¥323 million in unrealized losses on operational investment securities whose market value falls below acquisition cost (compared with ¥6,499 million and ¥482 million respectively at the end of previous full year).

Unrealized losses on operational investment securities were reversal of ¥155 million for the nine months ended December 31, 2016 (compared with reversal of ¥15 million for the previous full year).

As a result, the balance of operational investment securities stood at ¥63,671 million as of December 31, 2016, compared with ¥60,644 million at the end of previous full year.

(Millions of Yen)

	As of March 31, 2016	As of December 31, 2016
Difference between acquisition cost and market value of listed operational investment securities	6,017	11,148
Securities whose market value exceeds acquisition cost	6,499	11,472
Securities whose market value falls below acquisition cost	(482)	(323)

(Millions of Yen)

	For the year ended March 31, 2016	For nine months ended December 31, 2015	For nine months ended December 31, 2016
(Reversal of) Unrealized losses on operational investment securities	(15)	(222)	(155)

Balance of Operational Investment Securities

(Millions of Yen)

	As of March 31, 2016		As of December 31, 2016	
	Acquisition cost	Figures on the consolidated B/S	Acquisition cost	Figures on the consolidated quarterly B/S
Listed	3,763	9,780	3,992	15,141
Unlisted	45,300	48,215	43,082	46,284
Subtotal	49,064	57,996	47,075	61,426
Investments in other funds	2,257	2,648	1,843	2,245
Total	51,322	60,644	48,918	63,671

- Note: 1. "Investments in other funds" is investment in funds managed by third parties.
2. The difference in "Acquisition cost" and "Figures on the consolidated balance sheets" for unlisted securities and investments in other funds only reflects foreign exchange translation difference.

(Outline of Fund Operations)

Fees from fund operations for the nine months ended December 31, 2016 totaled ¥5,073 million (previous full year: ¥8,688 million) as shown below.

(Millions of Yen)

	For the year ended March 31, 2016 (A)	For nine months ended December 31, 2015	For nine months ended December 31, 2016 (B)	Annualized comparison [(B)/3×4]/(A) (%)
Income from partnership management	8,688	7,580	5,073	77.9
Fund management fees	3,812	3,049	2,501	87.5
Success fees	4,875	4,531	2,572	70.3

Note: Fund management fees and success fees are based on commitment amount excluding the JAFCO Group's commitment.

(2) Qualitative Analysis of Consolidated Financial Condition

(Outline of Assets, Liabilities, and Net Assets)

Total assets came to ¥226,488 million, comprising current assets of ¥156,777 million and non-current assets of ¥69,710 million as of December 31, 2016, compared with ¥214,245 million, ¥148,370 million and ¥65,875 million respectively at the end of previous full year.

Total liabilities came to ¥26,482 million, comprising current liabilities of ¥8,600 million and non-current liabilities of ¥17,882 million as of December 31, 2016, compared with ¥24,744 million, ¥4,850 million and ¥19,893 million respectively at the end of previous full year.

Net assets as of December 31, 2016 came to ¥200,005 million, compared with ¥189,501 million at the end of previous full year.

(Outline of Cash Flows)

Cash flows from operating activities for the nine months ended December 31, 2016 resulted in a cash inflow of ¥11,392 million, compared with a cash inflow of ¥12,788 million in the previous full year. This is mainly due to the sale of operational investment securities.

Cash flows from investing activities for the nine months ended December 31, 2016 resulted in a cash outflow of ¥1,553 million, compared with a cash inflow of ¥11,768 million in the previous full year. This is mainly due to the purchase of investment securities.

Cash flows from financing activities for the nine months ended December 31, 2016 resulted in a cash outflow of ¥5,426 million, compared with a cash outflow of ¥14,092 million in the previous full year. This is mainly due to the payment of dividends.

As a result of the above, cash and cash equivalents increased by ¥4,811 million, and the balance as of December 31, 2016 totaled ¥104,113 million, compared with ¥99,302 million at the end of the previous full year. This ¥104,113 million includes ¥7,607 million invested in funds, compared with ¥6,987 million at the end of the previous full year. JAFCO's uncalled commitments to funds as of December 31, 2016 was ¥23,895 million, compared with ¥18,220 million at the end of previous full year.

(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, JAFCO makes timely disclosure of quarterly financial results.

2. Notes Regarding Other Information

(1) Changes in significant subsidiaries during this period

None

(2) Specific accounting methods for preparing quarterly consolidated financial statements

None

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

(Changes in accounting principles)

Adoption of the “Practical Solution on a change in depreciation method due to Tax Reform 2016”

Following the revision of the Corporation Tax Act, JAFCO adopted the “Practical Solution on a change in depreciation method due to Tax Reform 2016” (ASBJ Practical Issue Task Force (PITF) No. 32, issued on June 17, 2016) from the first quarter ended June 30, 2016, and changed the method for the depreciation of facilities attached buildings and structures acquired on or after April 1, 2016 from the declining-balance method to the straight-line method. There is no effect of this change on the quarterly consolidated financial statements for the nine months ended December 31, 2016.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2016	As of December 31, 2016
Assets		
Current assets		
Cash and deposits	18,431	87,613
Operational investment securities	60,644	63,671
Investment loss reserves	(15,176)	(12,891)
Securities	80,870	16,500
Deferred tax assets	42	53
Other	3,556	1,830
Total current assets	148,370	156,777
Non-current assets		
Property, plant and equipment	342	291
Intangible assets	103	92
Investments and other assets		
Investment securities	64,536	68,466
Investments in capital	34	33
Long-term loans receivable	166	144
Deferred tax assets	133	136
Other	559	544
Total investments and other assets	65,430	69,325
Total non-current assets	65,875	69,710
Total assets	214,245	226,488

(Millions of yen)

	As of March 31, 2016	As of December 31, 2016
Liabilities		
Current liabilities		
Current portion of bonds	-	2,000
Current portion of long-term loans payable	1,724	1,556
Income taxes payable	200	1,165
Deferred tax liabilities	564	2,198
Provision for bonuses	346	182
Allowance for extraordinary compensation for directors	165	-
Reserve for success fee refunds	146	6
Other	1,703	1,491
Total current liabilities	4,850	8,600
Non-current liabilities		
Bonds payable	2,000	-
Long-term loans payable	1,978	1,153
Net defined benefit liability	582	577
Deferred tax liabilities	15,290	16,109
Other	42	42
Total non-current liabilities	19,893	17,882
Total liabilities	24,744	26,482
Net assets		
Shareholders' equity		
Capital stock	33,251	33,251
Capital surplus	32,806	32,806
Retained earnings	101,336	106,142
Treasury shares	(20,080)	(20,081)
Total shareholders' equity	147,313	152,119
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	41,989	47,405
Foreign currency translation adjustment	193	479
Remeasurements of defined benefit plans	4	1
Total accumulated other comprehensive income	42,187	47,886
Total net assets	189,501	200,005
Total liabilities and net assets	214,245	226,488

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

(Millions of yen)

	For Nine months ended December 31, 2015	For Nine months ended December 31, 2016
Net sales		
Revenue from operational investment securities	26,668	15,891
Income from partnership management	7,580	5,073
Other sales	55	18
Total net sales	34,304	20,983
Cost of sales		
Cost of operational investment securities	12,185	8,971
Other cost	103	1,153
Total cost of sales	12,289	10,125
Gross profit	22,015	10,858
(Reversal of) Additions to investment loss reserves	(528)	(2,287)
(Reversal of) unrealized losses on operational investment securities	(222)	(155)
(Reversal of) Additions to reserve for success fee refunds	(10)	(140)
Gross profit - net	22,776	13,441
Selling, general and administrative expenses	4,162	3,874
Operating income	18,613	9,566
Non-operating income		
Interest income	64	20
Dividend income	1,285	1,373
Foreign exchange gains	—	138
Miscellaneous income	18	37
Total non-operating income	1,368	1,569
Non-operating expenses		
Interest expenses	99	37
Loss on valuation of investment securities	—	38
Foreign exchange losses	419	—
Miscellaneous loss	17	25
Total non-operating expenses	536	101
Ordinary income	19,446	11,033
Extraordinary income		
Gain on bad debts recovered	—	513
Total extraordinary income	—	513
Extraordinary losses		
Total extraordinary losses	—	—
Profit before income taxes	19,446	11,547
Income taxes - current	3,523	2,188
Income taxes - deferred	340	115
Total income taxes	3,864	2,304
Profit	15,581	9,243
Profit attributable to non-controlling interests	—	—
Profit attributable to JAFCO Co., Ltd. stockholders	15,581	9,243

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	For Nine months ended December 31, 2015	For Nine months ended December 31, 2016
Profit	15,581	9,243
Other comprehensive income		
Valuation difference on available-for-sale securities	1,054	5,415
Foreign currency translation adjustment	(14)	286
Remeasurements of defined benefit plans, net of tax	24	(3)
Total other comprehensive income	1,064	5,698
Comprehensive income	16,646	14,942
Comprehensive income attributable to		
Comprehensive income attributable to JAFCO Co., Ltd. stockholders	16,646	14,942
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	For Nine months ended December 31, 2015	For Nine months ended December 31, 2016
Cash flows from operating activities		
Profit before income taxes	19,446	11,547
Depreciation	99	120
Increase (decrease) in allowance for investment loss	(528)	(2,287)
Increase (decrease) in allowance for doubtful accounts	(11)	—
Increase (decrease) in provision for bonuses	(219)	(163)
Increase (decrease) in allowance for extraordinary compensation for directors	(192)	(165)
Increase (decrease) in reserve for success fee refunds	(10)	(140)
Increase (decrease) in net defined benefit liability	12	(9)
(Reversal of) unrealized losses on operational investment securities	(222)	(155)
Interest and dividend income	(1,350)	(1,393)
Interest expenses	99	37
Foreign exchange losses (gains)	776	(326)
Loss (gain) on valuation of investment securities	—	38
Decrease (increase) in investment securities for sale	3,934	2,502
Decrease (increase) in consumption taxes refund receivable	53	301
Increase (decrease) in accrued consumption taxes	(304)	(45)
Decrease (increase) in other current assets	73	501
Increase (decrease) in other current liabilities	(247)	(210)
Other, net	(753)	459
Subtotal	20,656	10,613
Interest and dividend income received	1,370	1,393
Interest expenses paid	(143)	(43)
Income taxes paid	(12,064)	(1,549)
Income taxes refund	—	978
Net cash provided by (used in) operating activities	9,818	11,392
Cash flows from investing activities		
Purchase of securities	—	(15,000)
Proceeds from redemption of securities	12,000	15,000
Purchase of property, plant and equipment	(21)	(29)
Purchase of intangible assets	(1)	(26)
Purchase of investment securities	—	(1,500)
Payments of long-term loans receivable	(27)	(11)
Collection of long-term loans receivable	27	36
Increase in other investments and assets	(48)	(30)
Decrease in other investments and assets	21	8
Net cash provided by (used in) investing activities	11,949	(1,553)

(Millions of yen)

	For Nine months ended December 31, 2015	For Nine months ended December 31, 2016
Cash flows from financing activities		
Proceeds from long-term loans payable	1,500	300
Repayments of long-term loans payable	(2,550)	(1,293)
Redemption of bonds	(8,000)	—
Cash dividends paid	(4,430)	(4,432)
Proceeds from disposal of treasury shares	0	—
Purchase of treasury shares	(1)	(0)
Net cash provided by (used in) financing activities	(13,481)	(5,426)
Effect of exchange rate change on cash and cash equivalents	(352)	399
Net increase (decrease) in cash and cash equivalents	7,934	4,811
Cash and cash equivalents at beginning of period	89,895	99,302
Cash and cash equivalents at end of period	(i)(ii) 97,829	(i)(ii) 104,113

(4) Notes for Consolidated Financial Statements

(Notes on premise of going concern)

None

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

None

(Related to consolidated statements of cash flows)

- (i) Relationship between the balance of cash and cash equivalents as of the end of the quarter and the items stated in the consolidated balance sheets

	(Millions of Yen)	
	For nine months ended December 31, 2015	For nine months ended December 31, 2016
Cash and time deposits	29,584	87,613
Securities	68,245	16,500
Cash and cash equivalents	97,829	104,113

- (ii) Breakdown of JAFCO's interest of cash and cash equivalents in funds

	(Millions of Yen)	
	For nine months ended December 31, 2015	For nine months ended December 31, 2016
Cash and time deposits	6,173	7,607
Securities	2,575	-
Cash and cash equivalents	8,749	7,607

- (iii) JAFCO's uncalled commitment to funds as of December 31, 2016 was ¥23,895 million, compared with ¥20,515 million as of December 31, 2015 and ¥18,220 million at the end of previous full year.

(Notes on marketable securities)

- (i) Held-to-maturity bonds

None

(ii) Available-for-sale securities

(Millions of Yen)

	Type	As of March 31, 2016			As of December 31, 2016		
		Acquisition cost	Figures on the consolidated B/S	Difference	Acquisition cost	Figures on the consolidated quarterly B/S	Difference
Securities whose B/S amount exceeds acquisition cost	Operational investment securities						
	(1) Stock	2,484	8,984	6,499	2,322	13,794	11,472
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	2,484	8,984	6,499	2,322	13,794	11,472
	Investment securities						
	(1) Stock	12,755	63,545	50,790	12,785	66,040	53,255
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	12,755	63,545	50,790	12,785	66,040	53,255
Securities whose B/S amount falls below acquisition cost	Marketable securities						
	(1) Stock	-	-	-	-	-	-
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-
	Total	15,240	72,530	57,289	15,107	79,835	64,727
	Operational investment securities						
(1) Stock	1,278	796	(482)	1,670	1,346	(323)	
(2) Bond	-	-	-	-	-	-	
(3) Others	-	-	-	-	-	-	
Subtotal	1,278	796	(482)	1,670	1,346	(323)	
Investment securities							
(1) Stock	29	23	(5)	-	-	-	
(2) Bond	-	-	-	-	-	-	
(3) Others	-	-	-	1,500	1,455	(44)	
Subtotal	29	23	(5)	1,500	1,455	(44)	
Marketable securities							
(1) Stock	-	-	-	-	-	-	
(2) Bond	-	-	-	-	-	-	
(3) Others	80,870	80,870	-	16,500	16,500	-	
Subtotal	80,870	80,870	-	16,500	16,500	-	
Total	82,179	81,690	(488)	19,670	19,302	(367)	
Grand total		97,419	154,221	56,801	34,778	99,137	64,359

Notes: 1. The following items are not included in the above table because they have no market value, making it difficult to determine fair value.

(Millions of Yen)

	As of March 31, 2016	As of December 31, 2016
	Figures on the consolidated B/S	Figures on the consolidated quarterly B/S
Available-for-sale securities		
Operational investment securities		
Unlisted stock	46,164	45,508
Unlisted domestic and foreign bonds	662	770
Others	4,036	2,249
Investment securities		
Unlisted stock	966	970

2. During the nine months ended December 31, 2016, no impairment losses were recorded against available-for-sale securities (including those for which it is difficult to determine the fair value). No impairment losses were recorded for the previous full year.

4. Other Information

(1) Investments and IPOs

(i) Investments

(Millions of Yen)

	For the year ended March 31, 2016		For nine months ended December 31, 2015		For nine months ended December 31, 2016		Annualized comparison [(B)/3×4]/(A) (%)
	Amount (A)	No. of co's.	Amount	No. of co's.	Amount (B)	No. of co's.	
Equity							
(Japan)	12,195	36	8,931	28	10,670	23	116.7
(USA)	5,008	10	5,008	10	3,413	10	90.9
(Asia)	4,236	16	4,013	14	1,237	7	38.9
Total	21,441	62	17,954	52	15,320	40	95.3

Notes: 1. Investment amount is a total of investments by the JAFCO 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. Life science investments in the U.S. (carried out by the venture investment division in Japan) are included in Japan on the above chart.

(ii) IPOs

(Japan)

(Millions of Yen)

	For the year ended March 31, 2016	For nine months ended December 31, 2015	For nine months ended December 31, 2016
Number of IPOs	8	7	3
Investment cost (1)	2,610	2,490	4,540
Market value at IPOs (2)	8,273	8,086	16,883
Multiple (2)/(1)	3.2	3.2	3.7

Notes: 1. "Investment cost" and "Market value at IPO" are total amounts by the JAFCO 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, 2016	For nine months ended December 31, 2015	For nine months ended December 31, 2016
Number of IPOs	6	5	3
Investment cost (1)	4,395	3,920	874
Market value at IPOs (2)	10,784	9,849	3,407
Multiple (2)/(1)	2.5	2.5	3.9

Notes: 1. "Investment cost" and "Market value at IPO" are total amounts by the JAFCO 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.

(iii) JAFCO-backed IPOs

Nine months ended December 31, 2016 (April 1, 2016 – December 31, 2016)

	Company name	Date of IPO	Market	Business	Head-quarters
Japan: 3 companies	Vega corporation Co., Ltd.	June 28, 2016	Mothers	Online sales of furniture and interior design goods. Management of cross-border e-commerce	Fukuoka
	KH Neochem Co., Ltd.	Oct. 12, 2016	TSE1	Production and sales of various chemical products including solvents, plasticizer alcohols, and raw materials for refrigeration lubricants	Tokyo
	WASHHOUSE CO., LTD.	Nov. 22, 2016	Mothers/ FUKQ	Provision of franchise system as a chain headquarter of the coin-operated laundry "WASH House"	Miyazaki

	Company name	Date of IPO	Market	Business	Head-quarters
Overseas: 3 companies	OptoPAC Inc.	July 20, 2016	KOSDAQ	CSP (Chip Scale Package) solution for image sensors	Korea
	Concraft Holding Co., Ltd.	Nov. 11, 2016	Taiwan	Leading connector and precision parts maker specializing in insert molding/precision tooling process	Taiwan
	Suzhou MedicalSystem Technology Co., Ltd.	Dec. 8, 2016	Shanghai	Medical IT company specializing in Clinical Information System (CIS)	China

Note: For overseas companies, headquarters can either refer to the main region of business or the location of actual headquarters.

Fiscal year ended March 31, 2016 (April 1, 2015 – March 31, 2016)

	Company name	Date of IPO	Market	Business	Head-quarters
Japan: 8 companies	Rentracks CO., LTD.	Apr. 24, 2015	Mothers	Affiliate/ listing advertising services	Tokyo
	Gunosy Inc.	Apr. 28, 2015	Mothers	Operation of news curation app Gunosy	Tokyo
	ECONOS Co., Ltd.	June 24, 2015	Ambitious	Operation of reuse shops and e-commerce of second-hand goods; carbon offset provider/ environmental consulting services	Hokkaido
	NAKAMURA CHOUKOU CO., LTD.	June 24, 2015	Mothers	Electronic material slicing; special precision equipment; chemical fiber spinning nozzles	Osaka
	Aqualine Ltd.	Aug. 31, 2015	Mothers	Emergency plumbing services	Hiroshima
	Brangista. Inc	Sep. 17, 2015	Mothers	Online magazine publishing	Tokyo
	AppBank Inc.	Oct. 15, 2015	Mothers	Operation of “AppBank.net”, a smartphone app review site; proprietary application and video contents provider service; operation of e-commerce sites and stores offering smartphone-/ game-related accessories, etc.	Tokyo
	Yoshimura Food Holdings K.K.	Mar. 4, 2016	Mothers	Management of companies that manufacture and sell foodstuff, and business pertaining to such activities	Tokyo
Overseas: 6 companies	Teladoc, Inc.	July 1, 2015	NYSE	Telehealth service/platform provider	USA
	WAPS Co., Ltd.	Aug. 24, 2015	KOSDAQ	Manufacture of thermos-plastic elastomer (TPE) for halogen-free flame retardant	Korea
	Savior Lifetec Corporation	Sep. 8, 2015	Taiwan OTC	Development and manufacture of active pharmaceutical ingredients (API), specializing in sterile carbapenem antibiotics	Taiwan
	Park Systems Corp.	Dec. 17, 2015	KOSDAQ	Development of industrial-use AFM (Atomic-force Microscopy) systems	Korea
	Egis Technology Inc.	Dec. 23, 2015	Taiwan OTC	A leading finger print authentication solution provider	Taiwan
	China Crystal New Material Holdings Co., Ltd.	Jan. 28, 2016	KOSDAQ	Manufacture of mica powder products	China

- Note: 1. For overseas companies, headquarters can either refer to the main region of business or the location of actual headquarters.
 2. In addition to the above, JAFCO acquired shares in a listed company as a result of the acquisition of the following portfolio company by the listed company through a stock swap/ merger during the fiscal year ended March 31, 2016: aratana inc.

(2) Establishment of Funds

Nine months ended December 31, 2016 (April 1, 2016 – December 31, 2016)

(i) Newly established funds:

(Millions of Yen)

Fund name	Total commitments as of December 31, 2016
JAFCO SV5 Series	65,000

(ii) Funds established in the previous fiscal year whose total commitments increased in this period (under fundraising):

(Millions of US\$)

Fund name	Total commitments as of December 31, 2016	Total commitments as of March 31, 2016	Increase in commitments
Icon Ventures VI, L.P.	225	158	66

Fiscal year ended March 31, 2016 (April 1, 2015 - March 31, 2016)

Newly established funds:

(Millions of US\$)

Fund name	Total commitments as of March 31, 2016
Icon Ventures VI, L.P.	158

(3) Others

Due to the nature of its business, JAFCO's earnings may fluctuate sharply for each three-month period. Therefore when comparing current performance with the previous year's results, we use annualized figures (the nine months results /3x4) against the previous full year's results instead of comparing current performance against that from the same period a year earlier. Annualized comparisons of "Consolidated operating results" and "Consolidated financial position" are as shown below.

Consolidated performance for the nine months ended December 31, 2016 (April 1, 2016 – December 31, 2016)

(i) Consolidated operating results

	For the year ended March 31, 2016 (A)	For nine months ended December 31, 2016 (B)	Annualized comparison [(B)/3x4]/(A)
	[¥ million]	[¥ million]	[%]
Net sales	41,155	20,983	68.0
Operating income	19,226	9,566	66.3
Ordinary income	19,808	11,033	74.3
Profit attributable to JAFCO Co., Ltd. stockholders	17,018	9,243	72.4

	For the year ended March 31, 2016	For nine months ended December 31, 2016
Profit per share [¥]	383.57	208.33
Fully diluted profit per share [¥]	-	-

(ii) Consolidated financial position

	As of March 31, 2016	As of December 31, 2016
Total assets [¥ million]	214,245	226,488
Net assets [¥ million]	189,501	200,005
Equity ratio [%]	88.5	88.3
Net assets per share [¥]	4,271.15	4,507.94