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This is a summary translation of a press release made in Japanese for convenience only.

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April 22, 2016

Financial Results for the Year Ended March 31, 2016

[Japanese GAAP]

(Summary of Japanese announcement)

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

1. Consolidated Performance for the Year Ended March 31, 2016 (April 1, 2015 – March 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 the year ended March 31, 2016	41,155	(33.6)	19,226	(50.0)	19,808	(50.6)	17,018	(38.6)
For the year ended March 31, 2015	61,945	38.0	38,419	40.7	40,132	41.3	27,707	60.2

Note: Comprehensive income Year ended March 31, 2016: ¥5,814 million (negative 80.5%)
Year ended March 31, 2015: ¥29,888 million (negative 37.6%)

	Profit per share [¥]	Fully diluted net income per share [¥]	Return on equity [%]	Ordinary income/ total assets [%]	Operating income/net sales [%]
For the year ended March 31, 2016	383.57	-	9.0	8.7	46.7
For the year ended March 31, 2015	624.50	-	15.9	17.5	62.0

(2) Consolidated Financial Position

	Total assets [¥ million]	Net assets [¥ million]	Equity ratio [%]	Net assets per share [¥]
As of March 31, 2016	214,245	189,501	88.5	4,271.15
As of March 31, 2015	239,035	188,125	78.7	4,240.11

(Reference) Shareholders' equity As of March 31, 2016: ¥189,501 million
As of March 31, 2015: ¥188,125 million

(3) Consolidated Cash Flows

	Net cash provided by (used in) operating activities [¥ million]	Net cash provided by (used in) investing activities [¥ million]	Net cash provided by (used in) financing activities [¥ million]	Cash and cash equivalents as of fiscal year end [¥ million]
For the year ended March 31, 2016	12,788	11,768	(14,092)	99,302
For the year ended March 31, 2015	28,822	(5,744)	(3,970)	89,895

2. Dividends

	Dividend per share [¥]					Cash dividends paid [¥ million]	Consolidated payout ratio [%]	Dividend/ net assets [%]
(Record date)	End of 1Q	End of 2Q	End of 3Q	End of the year	Total			
For the year ended March 31, 2015	-	-	-	100.00	100.00	4,436	16.0	2.6
For the year ended March 31, 2016	-	-	-	100.00	100.00	4,436	26.1	2.3
For the year ending March 31, 2017 (Forecast)	-	-	-	-	-		-	

Notes: 1. The amount of dividend for the year ended March 31, 2016 is tentative.
2. The forecast of dividend amount for the year ending March 31, 2017 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) 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 P19, (5) Notes for Consolidated Financial Statements (Notes on changes in accounting principle).

(3) Number of issued shares (common stock)

① Number of issued shares (including treasury stock)
As of March 31, 2016: 48,294,336 As of March 31, 2015: 48,294,336
② Number of treasury stock
As of March 31, 2016: 3,926,600 As of March 31, 2015: 3,926,328
③ Average number of shares
For the year ended March 31, 2016: 44,367,885
For the year ended March 31, 2015: 44,368,188

***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 year ended March 31, 2016 was released on JAFCO's website on April 22, 2016.

***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

In the year ended March 31, 2016, high volatility in the financial markets led to growing uncertainty in Japan and overseas. The IPO market, which greatly affects JAFCO's profits, also lost steam.

Amid this operating environment, IPOs in the previous year and M&A exits contributed to higher performance in the first quarter, but performance remained sluggish from the second quarter onward.

Regarding investment activities, which are directly connected to future profits**,** we invested a total of ¥21,441 million (0.9% lower than the previous full year) on a global basis.

JAFCO posted net sales of ¥41,155 million, ordinary income of ¥19,808 million, and profit attributable to JAFCO Co., Ltd. stockholders of ¥17,018 million in the consolidated fiscal year ended March 31, 2016. This compares with net sales of ¥61,945 million, ordinary income of ¥40,132 million, and profit attributable to JAFCO Co., Ltd. stockholders of ¥27,707 million for the previous full year ended March 31, 2015 (the "previous full year"). Net assets were ¥189,501 million, total assets were ¥214,245 million and the equity ratio was 88.5% as of the end of the year, compared with ¥188,125 million, ¥239,035 million and 78.7% respectively at the end of the previous full year.

(Outline of Investments)

The JAFCO Group and its funds made investments totaling ¥21,441 million (62 companies) in the year ended March 31, 2016, compared with ¥21,644 million (71 companies) in the previous full year. In Japan, we focused further on highly selective investment in promising companies. In the US, we made initial investments in three IT service providers totaling $33 million. In Asia, we made initial investments totaling $23 million in 10 companies in China, Taiwan, South Korea, and India. The details are shown on page 24.

(Outline of Capital Gains and IPOs)

Of ¥32,376 million in revenues from operational investment securities (previous full year: ¥56,471 million), proceeds from the sale of securities excluding dividend and interest income on bonds totaled ¥30,824 million (previous full year: ¥55,862 million). Capital gains came to ¥14,137 million (previous full year: ¥33,957 million), out of which capital gains on listed shares were ¥9,989 million (previous full year: ¥31,747 million) and capital gains on unlisted shares were ¥4,147 million (previous full year: ¥2,210 million). This ¥4,147 million consisted of ¥9,034 million (previous full year: ¥9,695 million) in gains on sale and ¥4,887 million (previous full year: ¥7,485 million) in losses on sale.

There were eight IPOs in Japan and six overseas by investees of the JAFCO Group and its funds (previous full year: 21 IPOs in Japan and three overseas). The details are shown on page 24-27.

(Millions of Yen)

	For the year ended March 31, 2015	For the year ended March 31, 2016
Revenues from operational investment securities	56,471	32,376
Proceeds from sale of securities (1)	55,862	30,824
Dividend and interest income	608	1,551
Cost of operational investment securities	21,904	16,687
Cost of securities sold (2)	21,904	16,687
Impairment	-	-

Capital gains (1) – (2)	33,957	14,137

Capital gains on listed shares	31,747	9,989
Capital gains on unlisted shares	2,210	4,147
Gains on sale	9,695	9,034
Losses on sale	7,485	4,887

(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 year ended March 31, 2016 totaled ¥3,098 million, consisting of ¥3,370 million in company-by-company reserves and a reversal of ¥272 million in general reserves, compared with ¥3,443 million, ¥4,129 million and a reversal of ¥686 million respectively in the previous full year.

Company-by-company reserves were reversed by ¥3,673 million following the sale and impairment of securities in the year ended March 31, 2016, compared with ¥6,531 million reversed in the previous full year. As a result, net additions to investment loss reserves were negative ¥574 million, compared with negative ¥3,087 million in the previous full year.

Balance of investment loss reserves came to ¥15,176 million (29.8% of the balance of unlisted operational investment securities) as of March 31, 2016, compared with ¥15,757 million (27.5% 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, 2015	For the year ended March 31, 2016
Additions to investment loss reserves (1)	3,443	3,098
Company-by-company reserves	4,129	3,370
(Reversal of) General reserves	(686)	(272)
Reversal of investment loss reserves (2)	6,531	3,673
Net additions = (1)-(2) (minus figures are reversals)	(3,087)	(574)

(Millions of Yen)

	As of March 31, 2015	As of March 31, 2016
Balance of investment loss reserves	15,757	15,176
Company-by-company reserves	12,143	11,834
General reserves	3,614	3,342
Ratio for all unlisted operational investment securities	27.5%	29.8%

(Outline of Balance of Operational Investment Securities)

Difference in acquisition cost and market value of listed operational investment securities was ¥6,017 million as of March 31, 2016 (compared with ¥14,654 million at the end of the previous full year). This consisted of ¥6,499 million in unrealized gains on operational investment securities whose market value exceeds acquisition cost and ¥482 million in unrealized losses on operational investment securities whose market value falls below acquisition cost (compared with ¥15,151 million and ¥496 million respectively at the end of previous full year).

Unrealized losses on operational investment securities were reversed by ¥15 million for the year ended March 31, 2016 (compared with reversal of ¥607 million for the previous full year).
As a result, the balance of operational investment securities stood at ¥60,644 million as of March 31, 2016, compared with ¥78,785 million at the end of previous full year.

(Millions of Yen)

	As of March 31, 2015	As of March 31, 2016
Difference between acquisition cost and market value of listed operational investment securities	14,654	6,017
Securities whose market value exceeds acquisition cost	15,151	6,499
Securities whose market value falls below acquisition cost	(496)	(482)

(Millions of Yen)

	For the year ended March 31, 2015	For the year ended March 31, 2016
(Reversal of) Unrealized losses on operational investment securities	(607)	(15)

Balance of Operational Investment Securities (Millions of Yen)

	As of March 31, 2015		As of March 31, 2016	
	Acquisition cost	Figures on the consolidated B/S	Acquisition cost	Figures on the consolidated B/S
Listed	6,864	21,519	3,763	9,780
Unlisted	47,957	53,767	45,300	48,215
Subtotal	54,822	75,287	49,064	57,996
Investments in other funds	2,857	3,498	2,257	2,648
Total	57,679	78,785	51,322	60,644

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 year ended March 31, 2016 totaled ¥8,688 million (previous full year: ¥5,218 million) as shown below.

(Millions of Yen)

	For the year ended March 31, 2015	For the year ended March 31, 2016
Income from partnership management	5,218	8,688
Fund management fees	4,598	3,812
Success fees	619	4,875

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 ¥214,245 million, comprising current assets of ¥148,370 million and noncurrent assets of ¥65,875 million as of March 31, 2016, compared with ¥239,035 million, ¥167,369 million and ¥71,666 million respectively at the end of previous full year.

Total liabilities came to ¥24,744 million, comprising current liabilities of ¥4,850 million and noncurrent liabilities of ¥19,893 million as of March 31, 2016, compared with ¥50,910 million, ¥27,962 million and ¥22,948 million respectively at the end of previous full year.

Net assets as of March 31, 2016 came to ¥189,501 million, compared with ¥188,125 million at the end of previous full year.

(Outline of Cash Flows)

Cash flows from operating activities for the year ended March 31, 2016 resulted in a cash inflow of ¥12,788 million, compared with a cash inflow of ¥28,822 million in the previous full year. This is mainly due to the sale of operational investment securities.

Cash flows from investing activities for the year ended March 31, 2016 resulted in a cash inflow of ¥11,768 million, compared with a cash outflow of ¥5,744 million in the previous full year. This is mainly due to the redemption of securities.

Cash flows from financing activities for the year ended March 31, 2016 resulted in a cash outflow of ¥14,092 million, compared with a cash outflow of ¥3,970 million in the previous full year. This is mainly due to the redemption of bonds.

As a result of the above, cash and cash equivalents increased by ¥9,406 million, and the balance as of March 31, 2016 totaled ¥99,302 million, compared with ¥89,895 million at the end of the previous full year.

(Reference) Cash flow indices

Fiscal Year ended	March 2012	March 2013	March 2014	March 2015	March 2016
Equity ratio (%)	72.3	68.6	72.4	78.7	88.5
Market price-based equity ratio (%)	65.6	88.4	93.3	83.0	71.7
Cash flow/ Interest-bearing debt ratio (year)	4.0	4.2	0.6	0.5	0.4
Interest coverage ratio (times)	15.1	21.9	94.0	162.8	82.4

Equity ratio: Shareholders' equity / total assets
Market price-based equity ratio: Market capitalization/ total assets
Cash flow/Interest-bearing debt ratio: Interest-bearing debt/ cash flow
Interest coverage ratio: Cash flow/ interest expense

Notes: 1. The above figures are calculated using consolidated financial data based on interest consolidation method (reflecting only JAFCO Group's interests in funds).
2. Market capitalization is based on the number of issued shares excluding treasury stock.
3. Operating cash flows are used as cash flow.
4. The interest-bearing debts include all the liabilities on the balance sheets, whose interest is being paid.

(3) Policy on Distribution of Profits and Dividends for the Year Ended March 31, 2016 / Next Fiscal Year

JAFCO, which primarily focuses on private equity investment, plans to provide continuous shareholder returns in more flexible manner. We also work to maintain a solid financial base and an investment structure that allow us to adapt to any operating environment. We aim to ensure a good balance between the levels of shareholders' equity and return to shareholders.

Regarding the dividend for the year ended March 31, 2016, we plan to pay ¥100 per share based on this policy.

2. Management Policies

(1) Key Management Policies

The JAFCO Group's biggest management focus is to sustain improvement in fund performance.

The JAFCO Group carries out investment activity by using capital committed to investment limited partnerships ("funds") that it operates. It also invests its own capital in funds and benefits from performance of its funds. Continuous fundraising, steady investment activity, value adding support, and consistent capital gains regardless of stock market downturns based on investees' growth potential are the factors that allow acquisition of new investors and contribute to the Group's own profits.

Specifically, the JAFCO Group aims to maximize fund performance and achieve sustainable growth by implementing a four-stage "private equity value chain".

[Private equity value chain]

1. Creation of risk money (Fund establishment)

   We secure a large pool of investment capital to provide risk money for the private equity market and capture high-potential investment deals.

2. Highly selective, intensive investment

   We build portfolios through selective investment in high-potential companies of various sizes and growth stages, including incubation investment, investments in venture and midsize companies, and buyout deals.

3. Business development support

   We provide support for building a business base and improving corporate value by taking initiative role in the management of investees.

4. Promotion of suitable exits

   We aim to increase capital gains through IPO, M&A and other optimum exit strategy for each investee company.

(2) Issues to be Addressed

The JAFCO Group's management priorities are as follows:

1. Sustain improvement in fund performance

   Because we make investments through funds, it is important to raise capital from outside investors and secure investment funds in a continuous and stable manner. To this end, it is essential to achieve

sustainable improvement in fund performance, which is our biggest management focus.

2. Remain focused on highly selective, intensive investment and deep involvement in portfolios

   To generate large capital gains through investment in illiquid unlisted shares, it is necessary to narrow down investment targets and make bold investments in companies with high growth potential. We acquire influential stakes in our portfolios and take initiative role in the management and exits of portfolios with the aim of controlling risks and achieving higher performance.

3. Build up stronger portfolios

   As a result of our strategy in recent years to reduce the number of domestic portfolios to improve fund performance, assets under management have decreased. While further downsizing our portfolio and enhancing its quality, we will also build up stronger portfolios.

4. Develop key personnel who lead next-generation investment operations

   Since establishment, we have placed importance on training young, talented personnel with challenging / pioneering spirit that inspires them to work out strategies and execute businesses with entrepreneurs. We are convinced that building up our success experience and passing on our organizational expertise will allow us to achieve lasting and sustainable improvement in fund performance.

5. Ensure a good balance between shareholders' equity and return to shareholders

   In respect to unlisted shares in which we invest, there are risks of high volatility and extremely limited liquidity, and they are also vulnerable to downturns in the stock and IPO markets. In order for us to continue investment activity, we must maintain a strong financial footing. While working to secure a strong financial base, we aim to provide continuous shareholder returns by maintaining a good balance between the two.

6. Enhance governance through dialogue with stakeholders

   We will strengthen our corporate governance structure and boost our corporate value through constructive dialogue with shareholders, investors of our funds, portfolios, and other stakeholders.

3. Basic Rationale for Selection of Accounting Standards

Valuation of unlisted securities and the scope of consolidation for funds, which are essential for the proper representation of the JAFCO Group's financial conditions and operating performance, differ between Japanese Accounting Standards and IFRS. At present, we consider Japanese Accounting Standards reasonable and have no immediate plans to convert to IFRS for the preparation of consolidated financial statements.

4. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2015	As of March 31, 2016
Assets		
Current assets		
Cash and deposits	28,711	18,431
Operational investment securities	78,785	60,644
Investment loss reserves	(15,757)	(15,176)
Securities	73,184	80,870
Deferred tax assets	—	42
Other	2,456	3,556
Allowance for doubtful accounts	(11)	—
Total current assets	167,369	148,370
Non-current assets		
Property, plant and equipment		
Buildings, net	153	122
Vehicles, net	0	—
Furniture and fixture	92	219
Total property, plant and equipment	245	342
Intangible assets		
Software	137	99
Telephone subscription right	4	4
Total intangible assets	141	103
Investments and other assets		
Investment securities	70,345	64,536
Investments in capital	36	34
Long-term loans receivable	173	166
Deferred tax assets	167	133
Other	555	559
Total investments and other assets	71,279	65,430
Total non-current assets	71,666	65,875
Total assets	239,035	214,245

(Millions of Yen)

	As of March 31, 2015	As of March 31, 2016
Liabilities		
Current liabilities		
Current portion of bonds	8,000	—
Current portion of long-term loans payable	3,060	1,724
Income taxes payable	8,371	200
Deferred tax liabilities	5,438	564
Provision for bonuses	425	346
Allowance for extraordinary compensation for directors and corporate auditors	192	165
Reserve for success fee refunds	156	146
Other	2,317	1,703
Total current liabilities	27,962	4,850
Non-current liabilities		
Bonds payable	2,000	2,000
Long-term loans payable	2,301	1,978
Net defined benefit liability	580	582
Deferred tax liabilities	18,023	15,290
Other	42	42
Total non-current liabilities	22,948	19,893
Total liabilities	50,910	24,744
Net assets		
Shareholders' equity		
Capital stock	33,251	33,251
Capital surplus	32,806	32,806
Retained earnings	88,755	101,336
Treasury shares	(20,078)	(20,080)
Total shareholders' equity	134,734	147,313
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	52,672	41,989
Foreign currency translation adjustment	751	193
Remeasurements of defined benefit plans	(32)	4
Total accumulated other comprehensive income	53,391	42,187
Total net assets	188,125	189,501
Total liabilities and net assets	239,035	214,245

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

(Consolidated Statements of Income) (Millions of Yen)

	For the year ended March 31, 2015	For the year ended March 31, 2016
Net sales		
Revenue from operational investment securities	56,471	32,376
Income from partnership management	5,218	8,688
Other sales	256	90
Total net sales	61,945	41,155
Cost of sales		
Cost of operational investment securities	21,904	16,687
Other cost	1,873	151
Total cost of sales	23,778	16,839
Gross profit	38,167	24,316
(Reversal of) Additions to investment loss reserves	(3,087)	(574)
(Reversal of) unrealized losses on operational investment securities	(607)	(15)
(Reversal of) Additions to reserve for success fee refunds	(2,267)	(10)
Gross profit - net	44,129	24,916
Selling, general and administrative expenses	5,710	5,689
Operating income	38,419	19,226
Non-operating income		
Interest income	100	75
Dividend income	991	1,285
Foreign exchange gains	709	—
Miscellaneous income	94	21
Total non-operating income	1,895	1,382
Non-operating expenses		
Interest expenses	170	114
Foreign exchange losses	—	659
Miscellaneous loss	11	26
Total non-operating expenses	182	800
Ordinary income	40,132	19,808
Extraordinary income		
Gain on dividends in liquidation of subsidiaries and associates	24	—
Gain on sales of investment securities	2,098	—
Total extraordinary income	2,122	—
Extraordinary losses		
Loss on valuation of investment securities	3	—
Total extraordinary losses	3	—
Profit before income taxes	42,252	19,808
Income taxes - current	13,454	3,539
Income taxes - deferred	1,090	(748)
Total income taxes	14,544	2,790
Profit	27,707	17,018
Profit attributable to non-controlling interests	—	—
Profit attributable to JAFCO Co., Ltd. stockholders	27,707	17,018

(Consolidated Statements of Comprehensive Income)

(Millions of Yen)

	For the year ended March 31, 2015	For the year ended March 31, 2016
Profit	27,707	17,018
Other comprehensive income		
Valuation difference on available-for-sale securities	573	(10,682)
Foreign currency translation adjustment	1,631	(558)
Remeasurements of defined benefit plans, net of tax	(24)	37
Total other comprehensive income	2,180	(11,203)
Comprehensive income	29,888	5,814
Comprehensive income attributable to		
Comprehensive income attributable to JAFCO Co., Ltd. stockholders	29,888	5,814
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Changes in Net Assets

Previous Consolidated Fiscal Year (April 1, 2014 － March 31, 2015)

(Millions of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	33,251	32,806	62,156	(20,077)	108,136
Changes of items during period					
Dividends of surplus			(1,109)		(1,109)
Profit attributable to JAFCO Co., Ltd. stockholders			27,707		27,707
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares			(0)	0	0
Net changes of items other than shareholders' equity					
Total changes of items during period	－	－	26,598	(1)	26,597
Balance at end of current period	33,251	32,806	88,755	(20,078)	134,734

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	52,098	(879)	(8)	51,210	159,347
Changes of items during period					
Dividends of surplus					(1,109)
Profit attributable to JAFCO Co., Ltd. stockholders					27,707
Purchase of treasury shares					(1)
Disposal of treasury shares					0
Net changes of items other than shareholders' equity	573	1,631	(24)	2,180	2,180
Total changes of items during period	573	1,631	(24)	2,180	28,777
Balance at end of current period	52,672	751	(32)	53,391	188,125

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

(Millions of Yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	33,251	32,806	88,755	(20,078)	134,734
Changes of items during period					
Dividends of surplus			(4,436)		(4,436)
Profit attributable to JAFCO Co., Ltd. stockholders			17,018		17,018
Purchase of treasury shares				(1)	(1)
Disposal of treasury shares			(0)	0	0
Net changes of items other than shareholders' equity					
Total changes of items during period	－	－	12,581	(1)	12,579
Balance at end of current period	33,251	32,806	101,336	(20,080)	147,313

	Accumulated other comprehensive income				Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
Balance at beginning of current period	52,672	751	(32)	53,391	188,125
Changes of items during period					
Dividends of surplus					(4,436)
Profit attributable to JAFCO Co., Ltd. stockholders					17,018
Purchase of treasury shares					(1)
Disposal of treasury shares					0
Net changes of items other than shareholders' equity	(10,682)	(558)	37	(11,203)	(11,203)
Total changes of items during period	(10,682)	(558)	37	(11,203)	1,376
Balance at end of current period	41,989	193	4	42,187	189,501

(4) Consolidated Statements of Cash Flows

(Millions of Yen)

	For the year ended March 31, 2015	For the year ended March 31, 2016
Cash flows from operating activities		
Profit before income taxes	42,252	19,808
Depreciation	136	136
Increase (decrease) in allowance for investment loss	(3,087)	(574)
Increase (decrease) in allowance for doubtful accounts	(23)	(11)
Increase (decrease) in provision for bonuses	41	(79)
Increase (decrease) in allowance for extraordinary compensation for directors and corporate auditors	23	(26)
Increase (decrease) in reserve for success fee refunds	(2,267)	(10)
Increase (decrease) in net defined benefit liability	35	56
(Reversal of) unrealized losses on operational investment securities	(607)	(15)
Unrealized losses on investment securities (extraordinary loss)	3	—
Interest and dividend income	(1,091)	(1,361)
Interest expenses	170	114
Foreign exchange losses (gains)	(1,299)	1,346
Gain on dividends in liquidation of subsidiaries and associates	(24)	—
Loss (gain) on sales of investment securities	(2,098)	—
Decrease (increase) in investment securities for sale	11,892	6,124
Decrease (increase) in consumption taxes refund receivable	(407)	(107)
Increase (decrease) in accrued consumption taxes	122	(259)
Decrease (increase) in other current assets	(192)	(293)
Increase (decrease) in other current liabilities	(1,029)	(875)
Other, net	343	(308)
Subtotal	42,892	23,663
Interest and dividend income received	1,087	1,380
Interest expenses paid	(177)	(155)
Income taxes paid	(14,980)	(12,101)
Net cash provided by (used in) operating activities	28,822	12,788
Cash flows from investing activities		
Purchase of securities	(15,000)	—
Proceeds from redemption of securities	7,000	12,000
Purchase of property, plant and equipment	(16)	(175)
Purchase of intangible assets	(39)	(25)
Proceeds from sale of investment securities	2,267	—
Proceeds from sales of shares of subsidiaries and associates	20	—

(Millions of Yen)

	For the year ended March 31, 2015	For the year ended March 31, 2016
Proceeds from dividends in liquidation of subsidiaries and associates	32	—
Payments of long-term loans receivable	(27)	(26)
Collection of long-term loans receivable	46	27
Increase in other investments and assets	(114)	(70)
Decrease in other investments and assets	87	39
Net cash provided by (used in) investing activities	(5,744)	11,768
Cash flows from financing activities		
Proceeds from long-term loans payable	1,300	1,500
Repayments of long-term loans payable	(4,159)	(3,159)
Redemption of bonds	—	(8,000)
Cash dividends paid	(1,109)	(4,432)
Proceeds from disposal of treasury shares	0	0
Purchase of treasury shares	(1)	(1)
Net cash provided by (used in) financing activities	(3,970)	(14,092)
Effect of exchange rate change on cash and cash equivalents	2,497	(1,057)
Net increase (decrease) in cash and cash equivalents	21,605	9,406
Cash and cash equivalents at beginning of period	68,290	89,895
Cash and cash equivalents at end of period	89,895	99,302

(5) Notes for Consolidated Financial Statements

(Notes on premise of going concern)

None

(Notes on changes in accounting principle)

Adoption of Accounting Standards for Business Combinations

JAFCO adopted the "Accounting Standards for Business Combinations" (ASBJ Statement No. 21 of September 13, 2013), the "Accounting Standards for Consolidated Financial Statements" (ASBJ Statement No. 22 of September 13, 2013) and "Accounting Standards for Business Divestitures" (ASBJ Statement No. 7 of September 13, 2013) in the year ended March 31, 2016, and changed the presentation of "Net income" to "Profit attributable to JAFCO Co., Ltd. stockholders" and "Minority interests" to "Profit attributable to non-controlling interests." The above changes are also reflected in the financial statements as of March 31, 2015.

(Related to consolidated statements of income)

Selling, general and administrative expenses (major items)

(Millions of Yen)

	For the year ended March 31, 2015	For the year ended March 31, 2016
Directors and corporate auditors' compensation	240	272
Allowance for extraordinary compensation for directors and corporate auditors	192	165
Salaries expenses	2,060	2,120
Bonuses to employees	660	555
Retirement benefit expenses	99	166
Rental expenses	458	470

(Related to consolidated statements of cash flows)

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

(Millions of Yen)

	For the year ended March 31, 2015	For the year ended March 31, 2016
Cash and time deposits	28,711	18,431
Securities	61,184	80,870
Cash and cash equivalents	89,895	99,302

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

(Millions of Yen)

	For the year ended March 31, 2015	For the year ended March 31, 2016
Cash and time deposits	7,854	6,129
Securities	7,958	858
Cash and cash equivalents	15,813	6,987

(Segment information)

Previous Consolidated Fiscal Year (April 1, 2014 –March 31, 2015) and Consolidated Fiscal Year ended March 31, 2016 (April 1, 2015 –March 31, 2016)

Since the JAFCO Group carries out investment and managements of funds as a single business segment, business segment information is not presented.

(Notes on marketable securities)

(i) Held-to-maturity bonds

(Millions of Yen)

	Type	As of March 31, 2015			As of March 31, 2016		
		Figures on the consolidated B/S	Market value	Difference	Figures on the consolidated B/S	Market value	Difference
Bonds whose market value exceeds B/S amount	Marketable Securities						
	(1) National/ local bonds	-	-	-	-	-	-
	(2) Corporate bonds	1,000	1,000	0	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	1,000	1,000	0	-	-	-
Bonds whose market value falls below B/S amount	Marketable Securities						
	(1) National/ local bonds	-	-	-	-	-	-
	(2) Corporate bonds	10,000	9,998	(1)	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	10,000	9,998	(1)	-	-	-
Total		11,000	10,998	(1)	-	-	-

(ii) Available-for-sale securities

(Millions of Yen)

	Type	As of March 31, 2015			As of March 31, 2016		
		Figures on the consolidated B/S	Acquisition cost	Difference	Figures on the consolidated B/S	Acquisition cost	Difference
Securities whose B/S amount exceeds acquisition cost	Operational investment securities						
	(1) Stock	20,822	5,670	15,151	8,984	2,484	6,499
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	20,822	5,670	15,151	8,984	2,484	6,499
	Investment securities						
	(1) Stock	69,359	12,780	56,579	63,545	12,755	50,790
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	69,359	12,780	56,579	63,545	12,755	50,790
	Marketable securities						
	(1) Stock	-	-	-	-	-	-
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-
	Total	90,181	18,450	71,730	72,530	15,240	57,289
Securities whose B/S amount falls below acquisition cost	Operational investment securities						
	(1) Stock	697	1,194	(496)	796	1,278	(482)
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	697	1,194	(496)	796	1,278	(482)
	Investment securities						
	(1) Stock	5	5	(0)	23	29	(5)
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	5	5	(0)	23	29	(5)
	Marketable securities						
	(1) Stock	-	-	-	-	-	-
	(2) Bond	-	-	-	-	-	-
	(3) Others	62,184	62,184	-	80,870	80,870	-
	Subtotal	62,184	62,184	-	80,870	80,870	-
	Total	62,887	63,384	(496)	81,690	82,179	(488)
Grand total		153,069	81,835	71,234	154,221	97,419	56,801

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, 2015	As of March 31, 2016
	Figures on the consolidated B/S	Figures on the consolidated B/S
Available-for-sale securities		
Operational investment securities		
Unlisted stock	50,930	46,164
Unlisted domestic and foreign bonds	810	662
Others	5,525	4,036
Investment securities		
Unlisted stock	980	966

(iii) Available-for-sale securities which were sold

(Millions of Yen)

	For the year ended March 31, 2015			For the year ended March 31, 2016		
	Proceeds from sale	Total gain on sale	Total loss on sale	Proceeds from sale	Total gain on sale	Total loss on sale
Operational investment securities	55,862	41,765	(7,807)	30,824	19,810	(5,673)
Investment securities	2,287	2,098	-	-	-	-
Total	58,150	43,864	(7,807)	30,824	19,810	(5,673)

(iv) Impairment of securities

During the year ended March 31, 2016, no impairment losses were recorded against available-for-sale securities (including those for which it is difficult to determine the fair value). This compares to losses of ¥3 million for the previous full year, all of which was classified as investment securities.

(Per share information)

(Yen)

For the year ended March 31, 2015		For the year ended March 31, 2016	
Net assets per share	4,240.11	Net assets per share	4,271.15
Net income per share	624.50	Net income per share	383.57

Notes: 1. Fully diluted net income per share is not shown because there are no dilutive potential shares.
2. Net income per share is calculated based on the following data.

	For the year ended March 31, 2015	For the year ended March 31, 2016
Net income per share		
Net income (¥ million)	27,707	17,018
Amount not appertaining to common stock shareholders(¥ million)	-	-
Net income related to common shares (¥ million)	27,707	17,018
Weighted average number of common shares during the period (thousand shares)	44,368	44,367

(Significant subsequent events)

None

5. Other Information

(1) Investments and IPOs

(i) Investments

(Millions of Yen)

	For the year ended March 31, 2015		For the year ended March 31, 2016	
	Amount	No. of co's	Amount	No. of co's
Equity				
(Japan)	9,019	34	12,195	36
(USA)	8,677	18	5,008	10
(Asia)	3,947	19	4,236	16
Total	21,644	71	21,441	62

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, 2015	For the year ended March 31, 2016
Number of IPOs	21	8
Investment cost (1)	9,361	2,610
Market value at IPOs (2)	49,492	8,273
Multiple (2)/(1)	5.3	3.2

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, 2015	For the year ended March 31, 2016
Number of IPOs	3	6
Investment cost (1)	2,609	4,395
Market value at IPOs (2)	9,562	10,784
Multiple (2)/(1)	3.7	2.5

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

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

	Investee companies	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 and bottled water 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 accompanying or 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 investee by the listed company through a stock swap/ merger during the year ended March 31, 2016:

aratana inc.

Fiscal Year ended March 31, 2015 (April 1, 2014 – March 31, 2015)

	Investee companies	Date of IPO	Market	Business	Head-quarters
Japan: 21 companies	Fixstars Corporation	Apr. 23, 2014	Mothers	Multi-core processor-related solution provider	Tokyo
	Shirohato Co., Ltd.	Apr. 23, 2014	JASDAQ	Online lingerie sales	Kyoto
	FreakOut, inc	June 24, 2014	Mothers	Provider of DSP (Demand Side Platform) for real-time bidding in online advertising and DMP (Data Management Platform) for big data analysis	Tokyo
	MedPeer, Inc.	June 27, 2014	Mothers	Operation of an online information service for doctors	Tokyo
	LOCKON CO., LTD.	Sep. 17, 2014	Mothers	Provider of marketing automation platform supporting the operation of internet advertising and e-commerce (AD EBiS and EC-CUBE, etc.)	Osaka
	RIBOMIC Inc.	Sep. 25, 2014	Mothers	R&D of molecularly targeted drugs using RNA aptamars based on proprietary drug discovery platform RiboART System	Tokyo
	FFRI, Inc.	Sep. 30, 2014	Mothers	R&D and sale of cyber security protection products	Tokyo
	YAMASHIN-FILTER CORP.	Oct. 8, 2014	TSE 2	Development, manufacture and sale of filter products	Kanagawa
	Recruit Holdings Co., Ltd.	Oct. 16, 2014	TSE 1	Management of subsidiaries providing sales promotion/ HR media services and staffing services	Tokyo
	Japan PC Service Co., Ltd.	Nov. 26, 2014	Centrex	Provider of on-site/ remote IT support and maintenance services for PCs, tablets and digital appliances	Osaka
	MarkLines Co., Ltd.	Dec. 16, 2014	JASDAQ	Operation of an online information service specializing in the auto industry	Tokyo
	FRUTA FRUTA INC.	Dec. 17, 2014	Mothers	Import and sale of tropical fruit acai	Tokyo
	gumi Inc.	Dec. 18, 2014	TSE 1	Development, operation and distribution of online mobile games	Tokyo
	Datasection Inc.	Dec. 24, 2014	Mothers	Provider of social big data-related services, including a big data analysis tool (SaaS), semi-custom system development (text mining), and big data analysis research/ consulting	Tokyo
	EXTREME CO., LTD.	Dec. 25, 2014	Mothers	Developer of game and other entertainment software for corporate clients and provider of PC online/ smartphone games for individuals	Tokyo
	ALBERT Inc.	Feb. 19, 2015	Mothers	Consulting of integrated management and analysis of big data; supply of big data-driven marketing solutions	Tokyo
	SLD Entertainment Inc.	Mar. 19, 2015	JASDAQ	Operation of restaurants under the "kawara CAFE & DINING" brand, etc	Tokyo

	Investee companies	Date of IPO	Market	Business	Head-quarters
Japan: 21 companies	Aiming Inc.	Mar. 25, 2015	Mothers	Planning, development, and operation of online games	Tokyo
	SHINDEN HIGHTEX CORPORATION	Mar. 25, 2015	JASDAQ	Purchase and sale of LCDs, semiconductors and electronic equipment	Tokyo
	PLATZ Co.,Ltd.	Mar. 26, 2015	Mothers/ FUKQ	Manufacture and sale of nursing-care beds	Fukuoka
	sMedio, Inc.	Mar. 27, 2015	Mothers	Development and sale of software featuring multimedia-/ network-related technology	Tokyo
Overseas: 3 companies	Tarena International, Inc.	Apr. 3, 2014	NASDAQ	Provider of professional education services	China
	eHi Car Services Limited	Nov. 18, 2014	NYSE	Car rental services	China
	TRACON Pharmaceuticals, Inc.	Jan. 30, 2015	NASDAQ	Development of an anti-tumor antibody targeting a new pathway of angiogenesis suppression in tumor tissue	USA

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

(2) Establishment of Funds

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

Newly established funds (under fundraising):

(Millions of US$)

Fund name	Total commitment as of Mar. 31, 2016
Icon Ventures VI, L.P.	158

Fiscal Year ended March 31, 2015 (April 1, 2014 - March 31, 2015)

Newly established funds: None