JAFCO Co., Ltd.

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

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July 22, 2016

Financial Results for the Three Months Ended June 30, 2016

[Japanese GAAP]

(Summary of Japanese announcement)

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

1. Consolidated Performance for the Three Months Ended June 30, 2016 (April 1, 2016 – June 30, 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 three months ended June 30, 2016	5,159	(74.3)	2,381	(82.6)	2,817	(79.8)	2,102	(79.9)
For three months ended June 30, 2015	20,068	90.2	13,664	89.8	13,963	84.1	10,483	96.0

Note: Comprehensive income Three months ended June 30, 2016: negative ¥793 million (-%)
Three months ended June 30, 2015: ¥11,841 million (-%)

	Profit per share [¥]	Fully diluted net income per share [¥]
For three months ended June 30, 2016	47.39	-
For three months ended June 30, 2015	236.28	-

(2) Consolidated Financial Position

	Total assets [¥ million]	Net assets [¥ million]	Equity ratio [%]	Net assets per share [¥]
As of June 30, 2016	208,059	184,271	88.6	4,153.28
As of March 31, 2016	214,245	189,501	88.5	4,271.15

(Reference) Shareholders' equity As of June 30, 2016: ¥184,271 million
As of March 31, 2016: ¥189,501 million

2. Dividends

	Dividend per share [¥]				
(Record date)	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 June 30, 2016: 48,294,336 As of March 31, 2016: 48,294,336

② Number of treasury stock
As of June 30, 2016: 3,926,694 As of March 31, 2016: 3,926,600

③ Average number of shares
For three months ended June 30, 2016: 44,367,663
For three months ended June 30, 2015: 44,368,008

*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 three months ended June 30, 2016 was released on JAFCO's website on July 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

JAFCO posted net sales of ¥5,159 million, ordinary income of ¥2,817 million, and profit attributable to JAFCO Co., Ltd. stockholders of ¥2,102 million in the consolidated fiscal three months ended June 30, 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 ¥4,322 million (15 companies) in the three months ended June 30, 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 ¥4,313 million in revenues from operational investment securities (previous full year: ¥32,376 million). Capital gains came to ¥2,894 million (previous full year: ¥15,689 million), out of which capital gains on listed shares were ¥691 million (previous full year: ¥9,989 million) and capital gains on unlisted shares were ¥2,202 million (previous full year: ¥5,699 million). This ¥2,202 million consisted of ¥2,701 million (previous full year: ¥10,586 million) in gains on sale and ¥498 million (previous full year: ¥4,887 million) in losses on sale. Capital gains have been calculated including the dividend and interest income as well as impairment.

There were one IPO in Japan and zero overseas by investees of the JAFCO Group and its funds (previous full year: eight IPOs in Japan and six overseas). The details are shown on page 17-18.

(Millions of Yen)

	For the year ended March 31, 2016 (A)	For three months ended June 30, 2015	For three months ended June 30, 2016 (B)	Annualized comparison [(B)×4]/(A) (%)
Revenues from operational investment securities (1)	32,376	15,945	4,313	53.3
Proceeds from sale of securities	30,824	15,837	4,246	55.1
Dividend and interest income	1,551	108	66	17.1
Cost of operational investment securities (2)	16,687	4,625	1,418	34.0
Cost of securities sold	16,687	4,625	1,418	34.0
Impairment	-	-	-	-
Capital gains (1) – (2)	15,689	11,320	2,894	73.8
Multiple (1) / (2)	1.94	3.45	3.04	-
Capital gains on listed shares	9,989	7,558	691	27.7
Capital gains on unlisted shares	5,699	3,761	2,202	154.6
Gains on sale	10,586	4,350	2,701	102.1
Losses on sale	4,887	589	498	40.8

(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 three months ended June 30, 2016 totaled ¥496 million, consisting of ¥538 million in company-by-company reserves and a reversal of ¥42 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 ¥595 million following the sale and impairment of securities in the three months ended June 30, 2016, compared with ¥3,673 million reversed in the previous full year. As a result, net additions to investment loss reserves were negative ¥98 million, compared with negative ¥574 million in the previous full year.

Balance of investment loss reserves came to ¥15,050 million (30.4% of the balance of unlisted operational investment securities) as of June 30, 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 three months ended June 30, 2015	For three months ended June 30, 2016 (B)	Annualized comparison [(B)×4]/(A) (%)
Additions to investment loss reserves (1)	3,098	663	496	64.2
Company-by-company reserves	3,370	756	538	64.0
(Reversal of) General reserves	(272)	(93)	(42)	-
Reversal of investment loss reserves (2)	3,673	491	595	64.8
Net additions = (1)-(2) (minus figures are reversals)	(574)	172	(98)	-

(Millions of Yen)

	As of March 31, 2016	As of June 30, 2016
Balance of investment loss reserves	15,176	15,050
Company-by-company reserves	11,834	11,750
General reserves	3,342	3,300
Ratio for all unlisted operational investment securities	29.8%	30.4%

(Outline of Balance of Operational Investment Securities)

Difference in acquisition cost and market value of listed operational investment securities was ¥5,396 million as of June 30, 2016 (compared with ¥6,017 million at the end of the previous full year). This consisted of ¥6,078 million in unrealized gains on operational investment securities whose market value exceeds acquisition cost and ¥682 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 ¥203 million for the three months ended June 30, 2016 (compared with reversal of ¥15 million for the previous full year).

As a result, the balance of operational investment securities stood at ¥58,538 million as of June 30, 2016, compared with ¥60,644 million at the end of previous full year.

(Millions of Yen)

	As of March 31, 2016	As of June 30, 2016
Difference between acquisition cost and market value of listed operational investment securities	6,017	5,396
Securities whose market value exceeds acquisition cost	6,499	6,078
Securities whose market value falls below acquisition cost	(482)	(682)

(Millions of Yen)

	For the year ended March 31, 2016	For three months ended June 30, 2015	For three months ended June 30, 2016
(Reversal of) Unrealized losses on operational investment securities	(15)	101	203

Balance of Operational Investment Securities (Millions of Yen)

	As of March 31, 2016		As of June 30, 2016	
	Acquisition cost	Figures on the consolidated B/S	Acquisition cost	Figures on the consolidated quarterly B/S
Listed	3,763	9,780	3,638	9,035
Unlisted	45,300	48,215	46,045	47,383
Subtotal	49,064	57,996	49,684	56,418
Investments in other funds	2,257	2,648	1,784	2,119
Total	51,322	60,644	51,468	58,538

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 three months ended June 30, 2016 totaled ¥830 million (previous full year: ¥8,688 million) as shown below.

(Millions of Yen)

	For the year ended March 31, 2016 (A)	For three months ended June 30, 2015	For three months ended June 30, 2016 (B)	Annualized comparison [(B)×4]/(A) (%)
Income from partnership management	8,688	4,101	830	38.3
Fund management fees	3,812	1,015	723	75.9
Success fees	4,875	3,085	107	8.8

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 ¥208,059 million, comprising current assets of ¥143,391 million and non-current assets of ¥64,668 million as of June 30, 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 ¥23,788 million, comprising current liabilities of ¥4,527 million and non-current liabilities of ¥19,260 million as of June 30, 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 June 30, 2016 came to ¥184,271 million, compared with ¥189,501 million at the end of previous full year.

(Outline of Cash Flows)

Cash flows from operating activities for the three months ended June 30, 2016 resulted in a cash inflow of ¥3,010 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 three months ended June 30, 2016 resulted in a cash outflow of ¥49 million, compared with a cash inflow of ¥11,768 million in the previous full year. This is mainly due to the purchase of non-current assets.

Cash flows from financing activities for the three months ended June 30, 2016 resulted in a cash outflow of ¥4,608 million, compared with a cash outflow of ¥14,092 million in the previous full year. This is mainly due to the payment of dividend.

As a result of the above, cash and cash equivalents decreased by ¥2,400 million, and the balance as of June 30, 2016 totaled ¥96,901 million, compared with ¥99,302 million at the end of the 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 practical solution on a change in depreciation method due to Tax Reform 2016

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 three months ended June 30, 2016.

3. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of Yen)

	As of March 31, 2016	As of June 30, 2016
Assets		
Current assets		
Cash and deposits	18,431	21,281
Operational investment securities	60,644	58,538
Investment loss reserves	(15,176)	(15,050)
Securities	80,870	75,620
Deferred tax assets	42	219
Other	3,556	2,780
Total current assets	148,370	143,391
Non-current assets		
Property, plant and equipment	342	321
Intangible assets	103	109
Investments and other assets		
Investment securities	64,536	63,368
Investments in capital	34	31
Long-term loans receivable	166	161
Deferred tax assets	133	122
Other	559	553
Total investments and other assets	65,430	64,237
Total non-current assets	65,875	64,668
Total assets	214,245	208,059

(Millions of Yen)

	As of March 31, 2016	As of June 30, 2016
Liabilities		
Current liabilities		
Current portion of long-term loans payable	1,724	1,827
Income taxes payable	200	745
Deferred tax liabilities	564	44
Provision for bonuses	346	179
Allowance for extraordinary compensation for directors	165	—
Reserve for success fee refunds	146	146
Other	1,703	1,585
Total current liabilities	4,850	4,527
Non-current liabilities		
Bonds payable	2,000	2,000
Long-term loans payable	1,978	1,706
Net defined benefit liability	582	577
Deferred tax liabilities	15,290	14,934
Other	42	42
Total non-current liabilities	19,893	19,260
Total liabilities	24,744	23,788
Net assets		
Shareholders' equity		
Capital stock	33,251	33,251
Capital surplus	32,806	32,806
Retained earnings	101,336	99,002
Treasury shares	(20,080)	(20,080)
Total shareholders' equity	147,313	144,979
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	41,989	39,767
Foreign currency translation adjustment	193	(478)
Remeasurements of defined benefit plans	4	3
Total accumulated other comprehensive income	42,187	39,291
Total net assets	189,501	184,271
Total liabilities and net assets	214,245	208,059

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

(Consolidated Statements of Income) (Millions of Yen)

	For three months ended June 30, 2015	For three months ended June 30, 2016
Net sales		
Revenue from operational investment securities	15,945	4,313
Income from partnership management	4,101	830
Other sales	20	15
Total net sales	20,068	5,159
Cost of sales		
Cost of operational investment securities	4,625	1,418
Other cost	44	14
Total cost of sales	4,669	1,433
Gross profit	15,398	3,726
(Reversal of) Additions to investment loss reserves	172	(98)
(Reversal of) unrealized losses on operational investment securities	101	203
(Reversal of) Additions to reserve for success fee refunds	(2)	—
Gross profit - net	15,127	3,620
Selling, general and administrative expenses	1,463	1,239
Operating income	13,664	2,381
Non-operating income		
Interest income	23	5
Dividend income	660	694
Miscellaneous income	7	12
Total non-operating income	691	711
Non-operating expenses		
Interest expenses	39	13
Foreign exchange losses	351	251
Miscellaneous loss	0	9
Total non-operating expenses	391	275
Ordinary income	13,963	2,817
Extraordinary income		
Total extraordinary income	—	—
Extraordinary losses		
Total extraordinary losses	—	—
Profit before income taxes	13,963	2,817
Income taxes - current	3,326	786
Income taxes - deferred	153	(71)
Total income taxes	3,480	715
Profit	10,483	2,102
Profit attributable to non-controlling interests	—	—
Profit attributable to JAFCO Co., Ltd. stockholders	10,483	2,102

(Consolidated Statements of Comprehensive Income)

(Millions of Yen)

	For three months ended June 30, 2015	For three months ended June 30, 2016
Profit	10,483	2,102
Other comprehensive income		
Valuation difference on available-for-sale securities	1,238	(2,222)
Foreign currency translation adjustment	112	(672)
Remeasurements of defined benefit plans, net of tax	8	(1)
Total other comprehensive income	1,358	(2,895)
Comprehensive income	11,841	(793)
Comprehensive income attributable to		
Comprehensive income attributable to JAFCO Co., Ltd. stockholders	11,841	(793)
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Cash Flows

(Millions of Yen)

	For three months ended June 30, 2015	For three months ended June 30, 2016
Cash flows from operating activities		
Profit before income taxes	13,963	2,817
Depreciation	33	38
Increase (decrease) in allowance for investment loss	172	(98)
Increase (decrease) in allowance for doubtful accounts	0	-
Increase (decrease) in provision for bonuses	(202)	(167)
Increase (decrease) in allowance for extraordinary compensation for directors	(192)	(165)
Increase (decrease) in reserve for success fee refunds	(2)	-
Increase (decrease) in net defined benefit liability	7	(6)
(Reversal of) unrealized losses on operational investment securities	101	203
Interest and dividend income	(683)	(699)
Interest expenses	39	13
Foreign exchange losses (gains)	613	446
Decrease (increase) in investment securities for sale	2,450	(413)
Decrease (increase) in consumption taxes refund receivable	47	250
Increase (decrease) in accrued consumption taxes	(108)	18
Decrease (increase) in other current assets	(3,226)	497
Increase (decrease) in other current liabilities	(279)	40
Other, net	67	(229)
Subtotal	12,801	2,547
Interest and dividend income received	686	699
Interest expenses paid	(66)	(18)
Income taxes paid	(8,030)	(218)
Net cash provided by (used in) operating activities	5,390	3,010
Cash flows from investing activities		
Proceeds from redemption of securities	4,000	-
Purchase of property, plant and equipment	(16)	(10)
Purchase of intangible assets	(0)	(20)
Payments of long-term loans receivable	—	(5)
Collection of long-term loans receivable	18	2
Increase in other investments and assets	(2)	(15)
Decrease in other investments and assets	12	0
Net cash provided by (used in) investing activities	4,010	(49)
Cash flows from financing activities		
Proceeds from long-term loans payable	—	300
Repayments of long-term loans payable	(512)	(469)

(Millions of Yen)

	For three months ended June 30, 2015	For three months ended June 30, 2016
Cash dividends paid	(4,439)	(4,438)
Purchase of treasury shares	(0)	(0)
Net cash provided by (used in) financing activities	(4,951)	(4,608)
Effect of exchange rate change on cash and cash equivalents	(98)	(753)
Net increase (decrease) in cash and cash equivalents	4,350	(2,400)
Cash and cash equivalents at beginning of period	89,895	99,302
Cash and cash equivalents at end of period	(i), (ii) 94,246	(i), (ii) 96,901

(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 three months ended June 30, 2015	For three months ended June 30, 2016
Cash and time deposits	25,260	21,281
Securities	68,986	75,620
Cash and cash equivalents	94,246	96,901

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

(Millions of Yen)

	For three months ended June 30, 2015	For three months ended June 30, 2016
Cash and time deposits	6,952	4,830
Securities	9,007	608
Cash and cash equivalents	15,959	5,438

(iii) The uncalled portion of JAFCO's commitment to funds as of June 30, 2016 was ¥16,424 million, compared with ¥12,886 million at the end of June 30, 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 June 30, 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	1,873	7,952	6,078
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	2,484	8,984	6,499	1,873	7,952	6,078
	Investment securities						
	(1) Stock	12,755	63,545	50,790	12,736	62,376	49,640
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	12,755	63,545	50,790	12,736	62,376	49,640
	Marketable securities						
	(1) Stock	-	-	-	-	-	-
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-
	Total	15,240	72,530	57,289	14,609	70,328	55,719
Securities whose B/S amount falls below acquisition cost	Operational investment securities						
	(1) Stock	1,278	796	(482)	1,765	1,083	(682)
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	1,278	796	(482)	1,765	1,083	(682)
	Investment securities						
	(1) Stock	29	23	(5)	49	37	(11)
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	29	23	(5)	49	37	(11)
	Marketable securities						
	(1) Stock	-	-	-	-	-	-
	(2) Bond	-	-	-	-	-	-
	(3) Others	80,870	80,870	-	75,620	75,620	-
	Subtotal	80,870	80,870	-	75,620	75,620	-
	Total	82,179	81,690	(488)	77,435	76,741	(694)
Grand total		97,419	154,221	56,801	92,044	147,069	55,025

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 June 30, 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	45,405
Unlisted domestic and foreign bonds	662	589
Others	4,036	3,508
Investment securities		
Unlisted stock	966	954

2. During the three months ended June 30, 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 three months ended June 30, 2015		For three months ended June 30, 2016		Annualized comparison [(B)×4]/(A)(%)
	Amount (A)	No. of co's.	Amount	No. of co's.	Amount (B)	No. of co's.	
Equity							
(Japan)	12,195	36	2,109	10	2,931	10	96.1
(USA)	5,008	10	87	1	1,097	3	87.6
(Asia)	4,236	16	1,294	3	293	2	27.8
Total	21,441	62	3,492	14	4,322	15	80.6

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 three months ended June 30, 2015	For three months ended June 30, 2016
Number of IPOs	8	4	1
Investment cost (1)	2,610	1,770	1,003
Market value at IPOs (2)	8,273	5,591	1,890
Multiple (2)/(1)	3.2	3.2	1.9

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 three months ended June 30, 2015	For three months ended June 30, 2016
Number of IPOs	6	-	-
Investment cost (1)	4,395	-	-
Market value at IPOs (2)	10,784	-	-
Multiple (2)/(1)	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

Three months ended June 30, 2016 (April 1, 2016 – June 30, 2016)

	Investee companies	Date of IPO	Market	Business	Head-quarters
Japan: 1 company	Vega corporation Co., Ltd.	June 28, 2016	Mothers	Online sales of furniture and interior design goods. Management of cross-border e-commerce	Fukuoka

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 fiscal year ended March 31, 2016:

aratana inc.

(2) Establishment of Funds

Three months ended June 30, 2016 (April 1, 2016 – June 30, 2016)

(i)Newly established funds: None

(ii) Funds which increased total commitments in the three months ended June 30, 2016 (under fundraising):

(Millions of US$)

Fund name	Total commitments as of June 30, 2016	Total commitments as of March 31, 2016	Increase in commitments
Icon Ventures VI, L.P.	188	158	30

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 three months results x4) 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 three months ended June 30, 2016 (April 1, 2016 – June 30, 2016)

(i) Consolidated operating results

	For the year ended March 31, 2016 (A)	For three months ended June 30, 2016 (B)	Annualized comparison [(B)×4]/(A)
	[¥ million]	[¥ million]	[%]
Net sales	41,155	5,159	50.1
Operating income	19,226	2,381	49.5
Ordinary income	19,808	2,817	56.9
Profit attributable to JAFCO Co., Ltd. stockholders	17,018	2,102	49.4

	For the year ended March 31, 2016	For three months ended June 30, 2016
Profit per share [¥]	383.57	47.39
Fully diluted profit per share [¥]	-	-

(ii) Consolidated financial position

	As of March 31, 2016	As of June 30, 2016
Total assets [¥ million]	214,245	208,059
Net assets [¥ million]	189,501	184,271
Equity ratio [%]	88.5	88.6
Net assets per share [¥]	4,271.15	4,153.28