The original disclosure in Japanese was released on October 25, 2018 at 12:00 (GMT+9).
This is a summary translation of a press release made in Japanese for convenience only.

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October 25, 2018

Financial Results for the Six Months Ended September 30, 2018

[Japanese GAAP]

(Summary of Japanese announcement)

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

1. Consolidated Performance for the Six Months Ended September 30, 2018 (April 1, 2018 – September 30, 2018)

(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 six months ended September 30, 2018	15,755	(11.3)	6,799	(25.7)	7,388	(26.3)	5,861	(70.3)
For six months ended September 30, 2017	17,763	49.8	9,147	86.2	10,020	90.0	19,754	293.9

Note: 1. Comprehensive income Six months ended September 30, 2018: ¥13,490 million [5.0%]
Six months ended September 30, 2017: ¥12,851 million [-%]
2. Figures for the six months ended September 30, 2018 reflect the exclusion of the US subsidiary from the scope of consolidation based on the new revenue recognition standard.

	Profit per share [¥]	Fully diluted profit per share [¥]
For six months ended September 30, 2018	189.51	-
For six months ended September 30, 2017	498.92	-

(2) Consolidated Financial Position

	Total assets [¥ million]	Net assets [¥ million]	Equity ratio [%]	Net assets per share [¥]
As of September 30, 2018	194,496	168,889	86.8	5,460.22
As of March 31, 2018	191,550	160,299	83.7	5,182.49

(Reference) Shareholders' equity As of September 30, 2018: ¥168,889 million
As of March 31, 2018: ¥160,299 million

Note: Figures as of September 30, 2018 reflect the exclusion of the US subsidiary from the scope of consolidation based on the new revenue recognition standard.

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, 2018	-	-	-	107.00	107.00
For the year ending March 31, 2019	-	-			
For the year ending March 31, 2019 (Forecast)			-	-	-

Notes: The forecast of dividend amount is unfixed.

3. Business Forecasts (April 1, 2018 – March 31, 2019)

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: None
② Changes in accounting principles other than ①: Yes
③ Changes in accounting estimates: None
④ Correction of prior period errors: None

Note: For details, please refer to P.12, (4) Notes for Consolidated Financial Statements (Change in accounting principles) of 2. Consolidated Financial Statements.

(4) Number of issued shares (common stock)

① Number of issued shares (including treasury stock)
As of September 30, 2018: 32,550,000 As of March 31, 2018: 32,550,000

② Number of treasury stock
As of September 30, 2018: 1,619,155 As of March 31, 2018: 1,619,075

③ Average number of shares
For six months ended September 30, 2018: 30,930,892
For six months ended September 30, 2017: 39,594,991

***These quarterly financial results are not subject to quarterly review procedures**.

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

(Access to the financial supplement materials)
The presentation material for the six months ended September 30, 2018 will be released on JAFCO's website on October 25, 2018.

***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 consolidated fiscal six months ended September 30, 2018, the JAFCO Group posted net sales of ¥15,755 million, ordinary income of ¥7,388 million, and profit attributable to JAFCO Co., Ltd. stockholders of ¥5,861 million. This compares with net sales of ¥29,470 million, ordinary income of ¥15,554 million, and profit attributable to JAFCO Co., Ltd. stockholders of ¥24,235 million for the previous full year ended March 31, 2018 (the "previous full year").

(Outline of Investments)
The JAFCO Group and its funds made investments totaling ¥14,618 million (29 companies) in the six months ended September 30, 2018, compared with ¥30,222 million (67 companies) in the previous full year.

(Outline of Capital Gains and IPOs)
JAFCO posted ¥14,383 million in revenues from operational investment securities (previous full year: ¥23,470 million). Capital gains came to ¥7,756 million (previous full year: ¥13,621 million), out of which capital gains on listed shares were ¥3,860 million (previous full year: ¥11,281 million) and capital gains on unlisted shares were ¥3,896 million (previous full year: ¥2,340 million). This ¥3,896 million consisted of ¥5,456 million (previous full year: ¥6,750 million) in gains on sale and ¥1,559 million (previous full year: ¥4,410 million) in losses on sale.

There was one IPO in Japan and none overseas by portfolio companies of the JAFCO Group and its funds (previous full year: seven IPOs in Japan and one overseas).

(Millions of Yen)

	For the year ended March 31, 2018 (A)	For six months ended September 30, 2017	For six months ended September 30, 2018 (B)	Annualized comparison [(B)×2]/(A) (%)
Revenues from operational investment securities (1)	23,470	13,976	14,383	122.6
Proceeds from sale of securities	23,322	13,889	14,331	122.9
Dividend and interest income	147	86	51	69.9
Cost of operational investment securities (2)	9,848	5,711	6,626	134.6
Cost of securities sold	9,848	5,711	6,626	134.6
Impairment	-	-	-	-
Capital gains (1) – (2)	13,621	8,264	7,756	113.9
Multiple (1) / (2)	2.38	2.45	2.17	-
Capital gains on listed shares	11,281	5,233	3,860	68.4
Capital gains on unlisted shares	2,340	3,031	3,896	333.0
Gains on sale	6,750	5,406	5,456	161.7
Losses on sale	4,410	2,375	1,559	70.7

(Outline of Investment Loss Reserves)

JAFCO makes investment loss reserves for operational investment securities after taking portfolio companies' business performance into consideration. Company-by-company reserves are made if the estimated recovery amount falls below 70% of acquisition cost.

General reserves had been made to cover all other unlisted portfolio companies based on our accumulated expertise in private equity. However, investments made in and after January 2017 are no longer subject to general reserves as the quality of investments has enhanced and more accurate valuation has become possible as a result of the highly selective, intensive investment strategy and deeper involvement in the management of portfolio companies.

Additions to investment loss reserves for the six months ended September 30, 2018 totaled ¥1,316 million, consisting of ¥1,605 million in company-by-company reserves and a reversal of ¥289 million in general reserves, compared with ¥2,283 million, ¥3,817 million and a reversal of ¥1,534 million respectively in the previous full year.

Company-by-company reserves were reversed by ¥1,461 million following the sale and impairment of securities in the six months ended September 30, 2018, compared with ¥3,148 million reversed in the previous full year. As a result, net additions to investment loss reserves were negative ¥114 million, compared with negative ¥865 million in the previous full year.

Balance of investment loss reserves came to ¥10,075 million (20.0% of the balance of unlisted operational investment securities) as of September 30, 2018, compared with ¥10,351 million (20.9% 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, 2018 (A)	For six months ended September 30, 2017	For six months ended September 30, 2018 (B)	Annualized comparison [(B)×2]/(A) (%)
Additions to investment loss reserves (1)	2,283	1,344	1,316	115.4
Company-by-company reserves	3,817	1,897	1,605	84.1
(Reversal of) General reserves	(1,534)	(553)	(289)	-
Reversal of investment loss reserves (2)	3,148	1,929	1,461	92.8
Net additions = (1)-(2) (minus figures are reversals)	(865)	(584)	(144)	-

(Millions of Yen)

	As of March 31, 2018	As of September 30, 2018
Balance of investment loss reserves	10,351	10,075
Company-by-company reserves	8,644	8,660
General reserves	1,707	1,415
Ratio for all unlisted operational investment securities	20.9%	20.0%

(Outline of Balance of Operational Investment Securities)

Difference in acquisition cost and market value of listed operational investment securities was ¥10,129 million as of September 30, 2018 (compared with ¥9,633 million at the end of the previous full year). This consisted of ¥10,302 million in unrealized gains on operational investment securities whose market value exceeds acquisition cost and ¥172 million in unrealized losses on operational investment securities whose market value falls below acquisition cost (compared with ¥9,850 million and ¥216 million respectively at the end of previous full year).

Unrealized losses on operational investment securities were a reversal of ¥43 million for the six months ended September 30, 2018 (compared with a reversal of ¥105 million for the previous full year).

As a result, the balance of operational investment securities stood at ¥62,202 million as of September 30, 2018, compared with ¥61,287 million at the end of previous full year.

(Millions of Yen)

	As of March 31, 2018	As of September 30, 2018
Difference between acquisition cost and market value of listed operational investment securities	9,633	10,129
Securities whose market value exceeds acquisition cost	9,850	10,302
Securities whose market value falls below acquisition cost	(216)	(172)

(Millions of Yen)

	For the year ended March 31, 2018	For six months ended September 30, 2017	For six months ended September 30, 2018
(Reversal of) Unrealized losses on operational investment securities	(105)	62	(43)

Balance of Operational Investment Securities (Millions of Yen)

	As of March 31, 2018		As of September 30, 2018	
	Acquisition cost	Figures on the consolidated B/S	Acquisition cost	Figures on the quarterly consolidated B/S
Listed	2,035	11,669	1,690	11,820
Unlisted	46,528	47,743	47,337	48,554
Subtotal	48,564	59,412	49,027	60,374
Investments in other funds	1,807	1,874	1,734	1,827
Total	50,371	61,287	50,761	62,202

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 six months ended September 30, 2018 totaled ¥1,371 million (previous full year: ¥5,987 million) as shown below.

(Millions of Yen)

	For the year ended March 31, 2018 (A)	For six months ended September 30, 2017	For six months ended September 30, 2018 (B)	Annualized comparison [(B)×2]/(A) (%)
Income from partnership management	5,987	3,782	1,371	45.8
Fund management fees	3,551	2,011	899	50.7
Success fees	2,435	1,770	472	38.8

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 ¥194,496 million, comprising current assets of ¥116,173 million and non-current assets of ¥78,322 million as of September 30, 2018, compared with ¥191,550 million, ¥121,839 million and ¥69,710 million respectively at the end of previous full year.

Total liabilities came to ¥25,606 million, comprising current liabilities of ¥3,004 million and non-current liabilities of ¥22,602 million as of September 30, 2018, compared with ¥31,251 million, ¥11,625 million and ¥19,625 million respectively at the end of previous full year.

Net assets as of September 30, 2018 came to ¥168,889 million, compared with ¥160,299 million at the end of previous full year.

(Outline of Cash Flows)

Cash flows from operating activities for the six months ended September 30, 2018 resulted in a cash outflow of ¥2,907 million, compared with a cash inflow of ¥7,425 million in the previous full year. This is mainly due to the payment of income taxes, etc.

Cash flows from investing activities for the six months ended September 30, 2018 resulted in a cash outflow of ¥6 million, compared with a cash inflow of ¥24,732 million in the previous full year. This is mainly due to the acquisition of intangible assets.

Cash flows from financing activities for the six months ended September 30, 2018 resulted in a cash outflow of ¥3,907 million, compared with a cash outflow of ¥69,046 million in the previous full year. This is mainly due to dividend payments.

As a result of the above, cash and cash equivalents decreased by ¥6,796 million. Also, cash and cash equivalents decreased by ¥930 million due to the exclusion of JAFCO America Ventures Inc. from the scope of consolidation. The balance of cash and cash equivalents as of September 30, 2018 totaled ¥62,359 million, compared with ¥70,086 million at the end of the previous full year. This ¥62,359 million includes ¥7,080 million invested in funds, compared with ¥8,144 million at the end of the previous full year. JAFCO's uncalled commitments to JAFCO-managed funds as of September 30, 2018 were ¥21,667 million, compared with ¥21,518 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. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2018	As of September 30, 2018
Assets		
Current assets		
Cash and deposits	67,586	59,859
Operational investment securities	61,287	62,202
Investment loss reserves	(10,351)	(10,075)
Securities	2,500	2,500
Other	816	1,686
Total current assets	121,839	116,173
Non-current assets		
Property, plant and equipment	296	311
Intangible assets	74	185
Investments and other assets		
Investment securities	68,281	77,350
Investments in capital	32	16
Long-term loans receivable	139	6
Deferred tax assets	245	49
Other	640	400
Total investments and other assets	69,339	77,824
Total non-current assets	69,710	78,322
Total assets	191,550	194,496

(Millions of yen)

	As of March 31, 2018	As of September 30, 2018
Liabilities		
Current liabilities		
Current portion of long-term loans payable	795	191
Income taxes payable	9,350	1,622
Provision for bonuses	309	244
Allowance for extraordinary compensation for directors	127	—
Other	1,044	946
Total current liabilities	11,625	3,004
Non-current liabilities		
Long-term loans payable	182	186
Net defined benefit liability	616	623
Deferred tax liabilities	18,809	21,775
Other	17	17
Total non-current liabilities	19,625	22,602
Total liabilities	31,251	25,606
Net assets		
Shareholders' equity		
Capital stock	33,251	33,251
Capital surplus	32,806	32,806
Retained earnings	54,005	54,967
Treasury shares	(7,585)	(7,586)
Total shareholders' equity	112,477	113,438
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	47,961	54,467
Foreign currency translation adjustment	(132)	986
Remeasurements of defined benefit plans	(6)	(3)
Total accumulated other comprehensive income	47,821	55,450
Total net assets	160,299	168,889
Total liabilities and net assets	191,550	194,496

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

(Consolidated Statements of Income)

(Millions of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
Net sales		
Revenue from operational investment securities	13,976	14,383
Income from partnership management	3,782	1,371
Other sales	4	—
Total net sales	17,763	15,755
Cost of sales		
Cost of operational investment securities	5,711	6,626
Other cost	267	443
Total cost of sales	5,979	7,069
Gross profit	11,783	8,685
(Reversal of) Additions to investment loss reserves	(584)	(144)
(Reversal of) Unrealized losses on operational investment securities	62	(43)
Gross profit - net	12,305	8,873
Selling, general and administrative expenses	3,157	2,073
Operating profit	9,147	6,799
Non-operating income		
Interest income	38	36
Dividend income	771	659
Foreign exchange gains	64	—
Miscellaneous income	23	12
Total non-operating income	898	709
Non-operating expenses		
Interest expenses	19	2
Foreign exchange losses	—	102
Miscellaneous loss	5	15
Total non-operating expenses	25	120
Ordinary profit	10,020	7,388
Extraordinary income		
Gain on sales of investment securities	18,348	57
Total extraordinary income	18,348	57
Extraordinary losses		
Total extraordinary losses	—	—
Profit before income taxes	28,369	7,445
Income taxes - current	8,717	1,604
Income taxes - deferred	(103)	(19)
Total income taxes	8,614	1,584
Profit	19,754	5,861
Profit attributable to non-controlling interests	—	—
Profit attributable to JAFCO Co., Ltd. stockholders	19,754	5,861

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
Profit	19,754	5,861
Other comprehensive income		
Valuation difference on available-for-sale securities	(6,927)	6,506
Foreign currency translation adjustment	23	1,119
Remeasurements of defined benefit plans, net of tax	0	3
Total other comprehensive income	(6,903)	7,629
Comprehensive income	12,851	13,490
(Breakdown)		
Comprehensive income attributable to JAFCO Co., Ltd. stockholders	12,851	13,490
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Six months ended September 30, 2017	Six months ended September 30, 2018
Cash flows from operating activities		
Profit before income taxes	28,369	7,445
Depreciation	102	76
Increase (decrease) in allowance for investment loss	(584)	(144)
Increase (decrease) in provision for bonuses	(26)	(64)
Increase (decrease) in allowance for extraordinary compensation for directors	(156)	(127)
Increase (decrease) in net defined benefit liability	19	6
(Reversal of) unrealized losses on operational investment securities	62	(43)
Loss (gain) on valuation of investment securities	—	1
Interest and dividend income	(810)	(696)
Interest expenses	19	2
Foreign exchange losses (gains)	21	222
Loss (gain) on sales of investment securities	(18,348)	(57)
Decrease (increase) in operational investment securities for sale	(1,385)	(694)
Decrease (increase) in consumption taxes refund receivable	74	(73)
Increase (decrease) in accrued consumption taxes	186	(207)
Decrease (increase) in other current assets	(1,604)	(769)
Increase (decrease) in other current liabilities	43	628
Other, net	(9)	(10)
Subtotal	5,972	5,494
Interest and dividend income received	810	696
Interest expenses paid	(20)	(2)
Income taxes paid	(1,492)	(9,096)
Net cash provided by (used in) operating activities	5,270	(2,907)
Cash flows from investing activities		
Purchase of property, plant and equipment	(23)	(96)
Purchase of intangible assets	(2)	(149)
Proceeds from sale of investment securities	23,166	78
Payments of long-term loans receivable	(9)	—
Collection of long-term loans receivable	22	1
Increase in other investments and assets	(151)	(10)
Decrease in other investments and assets	28	169
Net cash provided by (used in) investing activities	23,029	(6)
Cash flows from financing activities		
Proceeds from long-term loans payable	—	100
Repayments of long-term loans payable	(1,028)	(700)
Cash dividends paid	(4,429)	(3,306)
Purchase of treasury shares	(61,269)	(0)
Net cash provided by (used in) financing activities	(66,727)	(3,907)
Effect of exchange rate change on cash and cash equivalents	(61)	25

Net increase (decrease) in cash and cash equivalents		(38,488)		(6,796)
Cash and cash equivalents at beginning of period		107,179		70,086
Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation		—		(930)
Cash and cash equivalents at end of period	(i) (ii) on p.13	68,691	(i) (ii) on p.13	62,359

(4) Notes for Consolidated Financial Statements

(Notes on premise of going concern)

None

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

None

(Change in accounting principles)

From the first quarter of the fiscal year ending March 31, 2019 onward, JAFCO changed the method for recording revenue from management fees that JAFCO America Ventures Inc. (a wholly owned subsidiary; "JAV") receives, and excluded JAV from the scope of consolidation accordingly.

As the fund management style whereby a parent company controls overseas investment activity does not fit with the highly localized nature of the venture capital ("VC") business, our investment activity in the US has been conducted by a team of local venture capitalists, which operates its own funds and makes its own investment decisions.

Previously, fundraising for these funds was entirely dependent on capital contributions from JAFCO and its domestic funds, but in 2013, the US team started raising funds by themselves in response to a trend in larger fund sizes in the US VC industry. As a result, the ratio of funds raised from external investors is increasing. Also, to strengthen its brand presence in the US, the team changed its name to Icon Ventures. Under such circumstances, JAFCO adopted the new Corporate Accounting Standard No. 29 Accounting Standard for Revenue Recognition and decided to offset JAV's expenses with JAV's revenues. Due to the resultant decrease in JAV's materiality in consolidated financial statements, JAFCO decided to exclude JAV from the scope of consolidation.

(Adoption of accounting standard for revenue recognition)

As the "Accounting Standard for Revenue Recognition" (Corporate Accounting Standard No. 29 issued on March 30, 2018; "Revenue Recognition Standard") and the "Application Guidance for Accounting Standard for Revenue Recognition" (Corporate Accounting Standard Application Guideline No. 30 issued on March 30, 2018) became applicable from the beginning of the consolidated fiscal year starting on or after April 1, 2018, JAFCO adopted the Revenue Recognition Standard at the beginning of the three months ended June 30, 2018 and made the following changes:

① Change in the method for recording management fees received by JAV
JAFCO changed the method for recording management fees received by JAV, and now records management fees, net of JAV's selling, general and administrative expenses. As a result, net sales decreased by ¥862 million, cost of sales increased by ¥260 million, and selling, general and administrative expenses decreased by ¥1,123 million for the six months ended September 30, 2018.

② Change in the method for recognizing revenue from success fees
With regard to success fees that JAFCO receives from its funds, JAFCO now records the amount that is deemed unlikely to drop significantly as of the fiscal year end as accrued income. As a result, net sales, operating income, ordinary income and quarterly profit before income taxes each decreased by ¥69 million, and the opening balance of retained earnings increased by ¥87 million.

(Change in the scope of consolidation)

The net amount presentation of management fees as shown above diminished JAV's materiality in JAFCO's consolidated financial statements. Also considering JAV's qualitative materiality, JAFCO excluded JAV from its scope of consolidation. As a result, net sales decreased by ¥112 million, cost of sales increased by ¥102 million, and operating income decreased by ¥214 million respectively. The opening balance of retained earnings decreased by ¥1,678 million.

(Additional information)
(Adoption of "Partial Amendments to Accounting Standard for Tax Effect Accounting")
JAFCO adopted "Partial Amendments to Accounting Standard for Tax Effect Accounting" (Corporate Accounting Standard No. 28, February 16, 2018), from the first three months ended June 30, 2018. Accordingly, deferred tax assets are now shown under investments and other assets, and deferred tax liabilities are shown under non-current liabilities.

(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 quarterly consolidated balance sheets

(Millions of Yen)

	For six months ended September 30, 2017	For six months ended September 30, 2018
Cash and time deposits	66,691	59,859
Securities	2,000	2,500
Cash and cash equivalents	68,691	62,359

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

(Millions of Yen)

	For six months ended September 30, 2017	For six months ended September 30, 2018
Cash and time deposits	9,787	7,080
Securities	-	-
Cash and cash equivalents	9,787	7,080

(iii) JAFCO's uncalled commitment to JAFCO-managed funds as of September 30, 2018 was ¥21,667 million, compared with ¥28,150 million as of September 30, 2017 and ¥21,518 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, 2018			As of September 30, 2018		
		Acquisition cost	Figures on the consolidated B/S	Difference	Acquisition cost	Figures on the quarterly consolidated B/S	Difference
Securities whose B/S amount exceeds acquisition cost	Operational investment securities						
	(1) Stock	1,662	11,512	9,850	1,231	11,534	10,302
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	1,662	11,512	9,850	1,231	11,534	10,302
	Investment securities						
	(1) Stock	9,380	67,389	58,008	9,348	76,273	66,925
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	9,380	67,389	58,008	9,348	76,273	66,925
	Marketable securities						
	(1) Stock	-	-	-	-	-	-
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-
	Total	11,042	78,901	67,859	10,579	87,807	77,228
Securities whose B/S amount falls below acquisition cost	Operational investment securities						
	(1) Stock	373	156	(216)	458	285	(172)
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	373	156	(216)	458	285	(172)
	Investment securities						
	(1) Stock	29	23	(6)	61	53	(7)
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	29	23	(6)	61	53	(7)
	Marketable securities						
	(1) Stock	-	-	-	-	-	-
	(2) Bond	-	-	-	-	-	-
	(3) Others	2,500	2,500	-	2,500	2,500	-
	Subtotal	2,500	2,500	-	2,500	2,500	-
	Total	2,902	2,679	(222)	3,020	2,839	(180)
Grand total		13,945	81,581	67,636	13,600	90,647	77,047

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, 2018	As of September 30, 2018
	Figures on the consolidated B/S	Figures on the quarterly consolidated B/S
Available-for-sale securities		
Operational investment securities		
Unlisted stock	46,908	47,782
Unlisted domestic and foreign bonds	829	767
Others	1,879	1,832
Investment securities		
Unlisted stock	868	1,023

2. During the six months ended September 30, 2018, no impairment losses were recorded against available-for-sale securities (including those for which it is difficult to determine the fair value). Impairment losses of ¥403 million were recorded against investment securities in the previous full year.

3. Other Information

(1) Investments and IPOs

(i) Investments

(Millions of Yen)

	For the year ended March 31, 2018 (A)		For six months ended September 30, 2017		For six months ended September 30, 2018 (B)		Annualized comparison [(B)×2]/(A) (%)
	Amount (A)	No. of co's.	Amount	No. of co's.	Amount (B)	No. of co's.	
Equity							
(Japan)	18,057	37	7,313	16	5,482	10	60.7
(USA)	7,101	19	4,423	13	7,107	12	200.2
(Asia)	5,063	11	2,784	6	2,028	7	80.1
Total	30,222	67	14,522	35	14,618	29	96.7

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. Overseas life science investments (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, 2018	For six months ended September 30, 2017	For six months ended September 30, 2018
Number of IPOs	7	5	1
Investment cost (1)	2,025	1,946	750
Market value at IPOs (2)	23,343	20,927	6,768
Multiple (2)/(1)	11.5	10.8	9.0

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, 2018	For six months ended September 30, 2017	For six months ended September 30, 2018
Number of IPOs	1	-	-
Investment cost (1)	380	-	-
Market value at IPOs (2)	538	-	-
Multiple (2)/(1)	1.4	-	-

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.

(2) Establishment of Funds

Six months ended September 30, 2018 (April 1, 2018 – September 30, 2018)

(i) Newly established funds:

None

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

(Millions of US$)

Fund name	Total commitments as of September 30, 2018	Total commitments as of March 31, 2018	Increase in commitments
JAFCO Asia Technology Fund VII L.P.	140	128	12

Fund name	Total commitments as of September 30, 2018	Total commitments as of March 31, 2018	Increase in commitments
Icon Ventures VI, L.P.	375	262	112

Fiscal year ended March 31, 2018 (April 1, 2017 - March 31, 2018)

(i) Newly established funds:

(Millions of US$)

Fund name	Total commitments as of March 31, 2018
JAFCO Asia Technology Fund Ⅶ L.P.	128

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

(Millions of yen)

Fund name	Total commitments as of March 31, 2018	Total commitments as of March 31, 2017	Increase in commitments
JAFCO SV5 Series	75,000	65,000	10,000

The above increase in commitments is entirely attributable to JAFCO's additional commitments.

(Millions of US$)

Fund name	Total commitments as of March 31, 2018	Total commitments as of March 31, 2017	Increase in commitments
Icon Ventures VI, L.P.	262	225	37

(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 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 six months ended September 30, 2018 (April 1, 2018 – September 30, 2018)

(i) Consolidated operating results

	For the year ended March 31, 2018 (A)	For six months ended September 30, 2018 (B)	Annualized comparison [(B)×2]/(A)
	[¥ million]	[¥ million]	[%]
Net sales	29,470	15,755	106.9
Operating income	14,252	6,799	95.4
Ordinary income	15,554	7,388	95.0
Profit attributable to JAFCO Co., Ltd. stockholders	24,235	5,861	48.4

	For the year ended March 31, 2018	For six months ended September 30, 2018
Profit per share [¥]	687.04	189.51
Fully diluted profit per share [¥]	-	-

(ii) Consolidated financial position

	As of March 31, 2018	As of September 30, 2018
Total assets [¥ million]	191,550	194,496
Net assets [¥ million]	160,299	168,889
Equity ratio [%]	83.7	86.8
Net assets per share [¥]	5,182.49	5,460.22