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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January 25, 2019

Financial Results for the Nine Months Ended December 31, 2018

[Japanese GAAP]

(Summary of Japanese announcement)

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

1. Consolidated Performance for the Nine Months Ended December 31, 2018 (April 1, 2018 – December 31, 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 nine months ended December 31, 2018	21,987	(5.7)	10,073	(9.2)	11,208	(10.3)	8,737	(59.8)
For nine months ended December 31, 2017	23,317	11.1	11,091	15.9	12,497	13.3	21,720	135.0

Note: 1. Comprehensive income Nine months ended December 31, 2018: (¥1,733 million) [- %]
Nine months ended December 31, 2017: ¥20,872 million [39.7%]

2. Figures for the nine months ended December 31, 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 nine months ended December 31, 2018	282.49	-
For nine months ended December 31, 2017	591.89	-

(2) Consolidated Financial Position

	Total assets [¥ million]	Net assets [¥ million]	Equity ratio [%]	Net assets per share [¥]
As of December 31, 2018	169,216	153,665	90.8	4,968.03
As of March 31, 2018	191,550	160,299	83.7	5,182.49

(Reference) Shareholders' equity As of December 31, 2018: ¥153,665 million
As of March 31, 2018: ¥160,299 million

Note: Figures as of December 31, 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 December 31, 2018: 32,550,000 As of March 31, 2018: 32,550,000

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

③ Average number of shares
For nine months ended December 31, 2018: 30,930,876
For nine months ended December 31, 2017: 36,696,532

***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 nine months ended December 31, 2018 will be released on JAFCO's website on January 25, 2019.

*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 nine months ended December 31, 2018, the JAFCO Group posted net sales of ¥21,987 million, ordinary income of ¥11,208 million, and profit attributable to JAFCO Co., Ltd. stockholders of ¥8,737 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 Capital Gains)

Although the number of portfolio IPOs was low, M&A and trade sales of unlisted portfolio companies in Japan and overseas contributed to capital gains.

(Millions of Yen)

	For the year ended March 31, 2018 (A)	For nine months ended December 31, 2017	For nine months ended December 31, 2018 (B)	Annualized comparison [(B)/3×4]/(A) (%)
Revenues from operational investment securities (1)	23,470	18,281	20,033	113.8
Proceeds from sale of securities	23,322	18,178	19,957	114.1
Dividend and interest income	147	103	75	67.8
Cost of operational investment securities (2)	9,848	8,195	8,600	116.4
Cost of securities sold	9,848	8,195	8,600	116.4
Impairment	-	-	-	-
Capital gains (1) – (2)	13,621	10,086	11,432	111.9
Multiple (1) / (2)	2.38	2.23	2.33	-
Capital gains on listed shares	11,281	7,811	5,209	61.6
Capital gains on unlisted shares	2,340	2,275	6,223	354.5
Gains on sale	6,750	6,149	8,478	167.5
Losses on sale	4,410	3,873	2,255	68.2

(Outline of Investment Loss Reserves)

The ratio of reserves to the balance of unlisted operational investment securities improved on sales of marked-down securities particularly in the US and Asia and steady investment.

(Millions of Yen)

	For the year ended March 31, 2018 (A)	For nine months ended December 31, 2017	For nine months ended December 31, 2018 (B)	Annualized comparison [(B)/3×4]/(A) (%)
Additions to investment loss reserves (1)	2,283	2,320	1,766	103.2
Company-by-company reserves	3,817	3,118	2,103	73.5
(Reversal of) General reserves	(1,534)	(798)	(337)	-
Reversal of investment loss reserves (2)	3,148	3,031	2,201	93.3
Net additions = (1)-(2) (minus figures are reversals)	(865)	(710)	(435)	-

(Millions of Yen)

		As of March 31, 2018	As of December 31, 2018
Balance of investment loss reserves		10,351	9,778
	Company-by-company reserves	8,644	8,411
	General reserves	1,707	1,367
Ratio to all unlisted operational investment securities		20.9%	19.3%

(Outline of Balance of Operational Investment Securities)

Unrealized gains on listed operational investment securities fell due to sluggish portfolio IPOs and declines in sales and market values. The balance of unlisted operational investment securities, the source of future capital gains, rose as a result of steady investment alongside ongoing sales.

(Millions of Yen)

		As of March 31, 2018	As of December 31, 2018
Difference between acquisition cost and market value of listed operational investment securities		9,633	6,919
	Securities whose market value exceeds acquisition cost	9,850	7,150
	Securities whose market value falls below acquisition cost	(216)	(230)

(Millions of Yen)

	For the year ended March 31, 2018	For nine months ended December 31, 2017	For nine months ended December 31, 2018
(Reversal of) Unrealized losses on operational investment securities	(105)	(83)	14

Balance of Operational Investment Securities

(Millions of Yen)

	As of March 31, 2018		As of December 31, 2018	
	Acquisition cost	Figures on the consolidated B/S	Acquisition cost	Figures on the quarterly consolidated B/S
Listed	2,035	11,669	1,618	8,538
Unlisted	46,528	47,743	48,168	48,932
Subtotal	48,564	59,412	49,786	57,470
Investments in other funds	1,807	1,874	1,643	1,739
Total	50,371	61,287	51,429	59,209

Note: 1. "Investments in other funds" is investment in funds managed by third parties.

2. The differences in "Acquisition cost" and "Figures on the consolidated balance sheets" for "Unlisted" securities and "Investments in other funds" only reflect foreign exchange translation difference.

(Outline of Fund Operations)

Fund management fees fell year-on-year as JAFCO SV3 Investment Limited Partnership, a large flagship fund, entered the extension period in January 2018. Success fees also fell due to a decrease in distributions from the above fund that allow success fee payments.

(Millions of Yen)

	For the year ended March 31, 2018 (A)	For nine months ended December 31, 2017	For nine months ended December 31, 2018 (B)	Annualized comparison [(B)/3×4]/(A) (%)
Income from partnership management	5,987	5,025	1,954	43.5
Fund management fees	3,551	2,980	1,311	49.2
Success fees	2,435	2,044	643	35.2

Note: 1. Fund management fees and success fees are based on commitment amount excluding the JAFCO Group's commitment.
2. From the first quarter of the fiscal year ending March 31, 2019, 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 a result, fund management fees decreased.

(2) Qualitative Analysis of Consolidated Financial Condition

(Outline of Assets, Liabilities, and Net Assets)

Total assets, liabilities and net assets all decreased due to market value fluctuations of listed securities and tax payments, etc.

(Millions of Yen)

	As of March 31, 2018	As of December 31, 2018
Total assets	191,550	169,216
Current assets	121,839	112,990
Non-current assets	69,710	56,225
Total liabilities	31,251	15,550
Current liabilities	11,625	867
Non-current liabilities	19,625	14,682
Net assets	160,299	153,665

(Outline of Cash Flows)

(Millions of Yen)

	For the year ended March 31, 2018	For nine months ended December 31, 2018	
	Amount	Amount	Main factor
Cash flows from operating activities	7,425	(2,025)	Income tax payment, etc.
Cash flows from investing activities	24,732	(59)	Intangible asset acquisition, etc.
Cash flows from financing activities	(69,046)	(3,955)	Dividend payment, etc.
Other	(204)	(1,228)	Exclusion of JAV from consolidation, etc.
Term-end balance of cash and cash equivalents [Of which, interests in funds]	70,086 [8,144]	62,817 [6,939]	

Note: JAFCO's uncalled commitments to JAFCO-managed funds as of December 31, 2018 were ¥19,964 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 December 31, 2018
Assets		
Current assets		
Cash and deposits	67,586	60,317
Operational investment securities	61,287	59,209
Investment loss reserves	(10,351)	(9,778)
Securities	2,500	2,500
Other	816	740
Total current assets	121,839	112,990
Non-current assets		
Property, plant and equipment	296	322
Intangible assets	74	195
Investments and other assets		
Investment securities	68,281	55,278
Investments in capital	32	16
Long-term loans receivable	139	4
Deferred tax assets	245	8
Other	640	398
Total investments and other assets	69,339	55,706
Total non-current assets	69,710	56,225
Total assets	191,550	169,216

(Millions of yen)

	As of March 31, 2018	As of December 31, 2018
Liabilities		
Current liabilities		
Current portion of long-term loans payable	795	149
Income taxes payable	9,350	32
Provision for bonuses	309	277
Allowance for extraordinary compensation for directors	127	—
Other	1,044	408
Total current liabilities	11,625	867
Non-current liabilities		
Long-term loans payable	182	181
Net defined benefit liability	616	633
Deferred tax liabilities	18,809	13,851
Other	17	17
Total non-current liabilities	19,625	14,682
Total liabilities	31,251	15,550
Net assets		
Shareholders' equity		
Capital stock	33,251	33,251
Capital surplus	32,806	32,806
Retained earnings	54,005	57,844
Treasury shares	(7,585)	(7,586)
Total shareholders' equity	112,477	116,315
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	47,961	36,668
Foreign currency translation adjustment	(132)	683
Remeasurements of defined benefit plans	(6)	(1)
Total accumulated other comprehensive income	47,821	37,349
Total net assets	160,299	153,665
Total liabilities and net assets	191,550	169,216

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

(Consolidated Statements of Income)

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Net sales		
Revenue from operational investment securities	18,281	20,033
Income from partnership management	5,025	1,954
Other sales	10	0
Total net sales	23,317	21,987
Cost of sales		
Cost of operational investment securities	8,195	8,600
Other cost	383	637
Total cost of sales	8,578	9,237
Gross profit	14,739	12,749
(Reversal of) Additions to investment loss reserves	(710)	(435)
(Reversal of) unrealized losses on operational investment securities	(83)	14
(Reversal of) Additions to reserve for success fee refunds	(6)	—
Gross profit - net	15,540	13,170
Selling, general and administrative expenses	4,449	3,097
Operating profit	11,091	10,073
Non-operating income		
Interest income	56	126
Dividend income	1,383	1,258
Miscellaneous income	25	14
Total non-operating income	1,466	1,399
Non-operating expenses		
Interest expenses	22	2
Foreign exchange losses	31	231
Miscellaneous loss	6	29
Total non-operating expenses	59	263
Ordinary profit	12,497	11,208
Extraordinary income		
Gain on sales of investment securities	18,404	57
Total extraordinary income	18,404	57
Extraordinary losses		
Moving expenses	68	—
Total extraordinary losses	68	—
Profit before income taxes	30,834	11,266
Income taxes - current	9,063	2,570
Income taxes - deferred	50	(41)
Total income taxes	9,114	2,528
Profit	21,720	8,737
Profit attributable to non-controlling interests	—	—
Profit attributable to JAFCO Co., Ltd. stockholders	21,720	8,737

(Consolidated Statements of Comprehensive Income)

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Profit	21,720	8,737
Other comprehensive income		
Valuation difference on available-for-sale securities	(889)	(11,292)
Foreign currency translation adjustment	40	816
Remeasurements of defined benefit plans, net of tax	1	4
Total other comprehensive income	(847)	(10,471)
Comprehensive income	20,872	(1,733)
(Breakdown)		
Profit attributable to JAFCO Co., Ltd. stockholders	20,872	(1,733)
Comprehensive income attributable to non-controlling interests	—	—

(3) Consolidated Statements of Cash Flows

(Millions of yen)

	Nine months ended December 31, 2017	Nine months ended December 31, 2018
Cash flows from operating activities		
Profit before income taxes	30,834	11,266
Depreciation	161	96
Increase (decrease) in allowance for investment loss	(710)	(435)
Increase (decrease) in provision for bonuses	(138)	(31)
Increase (decrease) in allowance for extraordinary compensation for directors and corporate auditors	(156)	(127)
Increase (decrease) in reserve for success fee refunds	(6)	—
Increase (decrease) in net defined benefit liability	20	16
(Reversal of) unrealized losses on operational investment securities	(83)	14
Moving expenses	68	—
Interest and dividend income	(1,440)	(1,384)
Interest expenses	22	2
Foreign exchange losses (gains)	180	459
Loss (gain) on sales of investment securities	(18,404)	(57)
Decrease (increase) in investment securities for sale	(3,175)	(1,404)
Decrease (increase) in consumption taxes refund receivable	57	(133)
Increase (decrease) in accrued consumption taxes	211	(207)
Decrease (increase) in other current assets	(236)	234
Increase (decrease) in other current liabilities	(726)	(75)
Other, net	(63)	(245)
Subtotal	6,414	7,989
Interest and dividend income received	1,440	1,384
Interest expenses paid	(33)	(3)
Income taxes paid	(2,766)	(11,396)
Net cash provided by (used in) operating activities	5,054	(2,025)
Cash flows from investing activities		
Purchase of property, plant and equipment	(24)	(119)
Purchase of intangible assets	(53)	(168)
Proceeds from sale of investment securities	23,247	78
Payments of long-term loans receivable	(9)	—
Collection of long-term loans receivable	23	3
Increase in other investments and assets	(148)	(39)
Decrease in other investments and assets	37	185
Net cash provided by (used in) investing activities	23,071	(59)
Cash flows from financing activities		
Proceeds from long-term loans payable	—	100
Repayments of long-term loans payable	(1,092)	(747)
Redemption of bonds	(2,000)	—
Cash dividends paid	(4,430)	(3,308)
Purchase of treasury shares	(61,269)	(0)
Net cash provided by (used in) financing activities	(68,792)	(3,955)
Effect of exchange rate change on cash and cash equivalents	(109)	(297)
Net increase (decrease) in cash and cash	(40,776)	(6,338)

equivalents				
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	66,403	(i) (ii) on p.13	62,817

(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 first quarter of the fiscal year ending March 31, 2019 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 ¥1,087 million, cost of sales increased by ¥410 million, and selling, general and administrative expenses decreased by ¥1,497 million for the nine months ended December 31, 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 profit before income taxes for the nine months ended December 31, 2018 each decreased by ¥68 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 ¥116 million, cost of sales increased by ¥139 million, and operating income decreased by ¥255 million respectively for the nine months ended December 31, 2018. 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 quarter of the fiscal year ending March 31, 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 nine months ended December 31, 2017	For nine months ended December 31, 2018
Cash and time deposits	64,403	60,317
Securities	2,000	2,500
Cash and cash equivalents	66,403	62,817

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

(Millions of Yen)

	For nine months ended December 31, 2017	For nine months ended December 31, 2018
Cash and time deposits	8,783	6,939
Securities	-	-
Cash and cash equivalents	8,783	6,939

(iii) JAFCO's uncalled commitment to JAFCO-managed funds as of December 31, 2018 was ¥19,964 million, compared with ¥23,507 million as of December 31, 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 December 31, 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	1,159	8,310	7,150
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	1,662	11,512	9,850	1,159	8,310	7,150
	Investment securities						
	(1) Stock	9,380	67,389	58,008	9,348	54,213	44,865
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	9,380	67,389	58,008	9,348	54,213	44,865
	Marketable securities						
	(1) Stock	-	-	-	-	-	-
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	-	-	-	-	-	-
	Total	11,042	78,901	67,859	10,507	62,523	52,015
Securities whose B/S amount falls below acquisition cost	Operational investment securities						
	(1) Stock	373	156	(216)	458	227	(230)
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	373	156	(216)	458	227	(230)
	Investment securities						
	(1) Stock	29	23	(6)	61	40	(21)
	(2) Bond	-	-	-	-	-	-
	(3) Others	-	-	-	-	-	-
	Subtotal	29	23	(6)	61	40	(21)
	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	2,768	(252)
Grand total		13,945	81,581	67,636	13,528	65,291	51,763

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 December 31, 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	48,235
Unlisted domestic and foreign bonds	829	692
Others	1,879	1,744
Investment securities		
Unlisted stock	868	1,025

2. During the nine months ended December 31, 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 nine months ended December 31, 2017		For nine months ended December 31, 2018 (B)		Annualized comparison [(B)/3×4]/(A) (%)
	Amount (A)	No. of co's.	Amount	No. of co's.	Amount (B)	No. of co's.	
Equity							
(Japan)	18,057	37	15,476	30	8,922	19	65.9
(USA)	7,101	19	5,410	18	8,883	14	166.8
(Asia)	5,063	11	3,575	8	2,894	10	76.2
Total	30,222	67	24,462	56	20,700	43	91.3

Notes: 1. Investment amount is a total of investments by the JAFCO Group and funds.
2. Investments denominated in foreign currencies are translated into yen on a quarterly basis using the exchange rate at the end of each quarter.
3. 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 nine months ended December 31, 2017	For nine months ended December 31, 2018
Number of IPOs	7	7	2
Investment cost (1)	2,025	2,025	900
Market value at IPOs (2)	23,343	23,343	7,128
Multiple (2)/(1)	11.5	11.5	7.9

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, 2018	For nine months ended December 31, 2017	For nine months ended December 31, 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

Nine months ended December 31, 2018 (April 1, 2018 – December 31, 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 December 31, 2018	Total commitments as of March 31, 2018	Increase in commitments
JAFCO Asia Technology Fund VII L.P.	140	128	12

(Millions of US$)

Fund name	Total commitments as of December 31, 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 nine months ended December 31, 2018 (April 1, 2018 – December 31, 2018)

(i) Consolidated operating results

	For the year ended March 31, 2018 (A)	For nine months ended December 31, 2018 (B)	Annualized comparison [(B)/3×4]/(A)
	[¥ million]	[¥ million]	[%]
Net sales	29,470	21,987	99.5
Operating income	14,252	10,073	94.2
Ordinary income	15,554	11,208	96.1
Profit attributable to JAFCO Co., Ltd. stockholders	24,235	8,737	48.1

	For the year ended March 31, 2018	For nine months ended December 31, 2018
Profit per share [¥]	687.04	282.49
Fully diluted profit per share [¥]	-	-

(ii) Consolidated financial position

	As of March 31, 2018	As of December 31, 2018
Total assets [¥ million]	191,550	169,216
Net assets [¥ million]	160,299	153,665
Equity ratio [%]	83.7	90.8
Net assets per share [¥]	5,182.49	4,968.03