

Note: This Notice of Convocation of the Ordinary General Meeting of the Shareholders is a translation of a document originally made in the Japanese language. In addition, this translation omits some items included in such original document. In case of any inconsistency, the original document in Japanese shall prevail. In no case shall the Company be responsible for the accuracy or reliability of the material provided in this translation, or for any consequence resulting from use of the information in this translation.

Securities Code: 3751
June 9, 2015

To the Shareholders:

Tetsuo Yamashita
Chairman and Chief Executive Officer
Japan Asia Group Limited
2 Rokubancho, Chiyoda-ku, Tokyo

Notice of Convocation of the 28th Ordinary General Meeting of the Shareholders

You are cordially invited to attend the 28th ordinary general meeting of the shareholders that will be held as described below.

If you are unable to attend the meeting in person, you can exercise your voting rights in writing; please carefully review and consider the “REFERENCE MATERIALS FOR THE GENERAL MEETING OF THE SHAREHOLDERS” enclosed herein, and exercise your voting rights by returning to us by mail the enclosed form for the exercise of voting rights, indicating your votes cast “For” or “Against” each agenda, which we should receive no later than 5:30 p.m. on Wednesday, June 24, 2015.

1. **Date and time:** 10:00 a.m., Thursday, June 25, 2015
2. **Place of Meeting:** “Houoh-no-ma”
Meiji Kinenkan (Meiji Memorial Hall) 2F
2-2-23 Moto-Akasaka, Minato-ku, Tokyo, Japan

3. Objectives of Meeting:

Reporting:

1. Business Report, Consolidated Financial Statements and Audit Report by Independent Accounting Auditor and Audit & Supervisory Board for the 28th Fiscal Term (from April 1, 2014 to March 31, 2015)
2. Financial Statements for the 28th Fiscal Term (from April 1, 2014 to March 31, 2015)

Matters to be resolved:

- Agendum No.1:** Reduction of capital reserve and appropriation of surplus
- Agendum No.2:** Partial Amendments to the Articles of Incorporation
- Agendum No.3:** Election of Two (2) Directors
- Agendum No.4:** Election of One (1) Substitute Corporate Auditor

- (Note 1) For those attending the meeting, please present the enclosed “Form for the Exercise of Voting Rights” at the reception desk at the meeting.
- (Note 2) If any changes need to be made to the Document attached to the Notice of Convocation and REFERENCE MATERIALS FOR THE GENERAL MEETING OF THE SHAREHOLDERS, those changes will be reported on our website. (<http://www.japanasiagroup.jp>)

(Document attached to the Notice of Convocation of the Ordinary General Meeting of the Shareholders)

Business Report

(For the Period of April 1, 2014 through March 31, 2015)

1. Current Situation of the Corporate Group

(1) Current Situation of the Business for this Fiscal Year

A. Progress and Results of Business

During this consolidated fiscal year (from April 1, 2014 to March 31, 2015), the Japanese economy continued to perform steadily due to the ongoing monetary easing on a large scale. Consumer sentiment started to improve due to overall wage increases and low crude oil prices while corporate earnings have also been recovering steadily. In the U.S., although the employment rate was high, some of the economic indicators began to fall short of market expectations. For this reason, the FRB's interest rate increase, which are drawing much attention, are likely to be postponed. In China, it is generally believed that the real economic growth rate of the country will drop to 7% and economic growth in Southeast Asia as a whole has also been slowing down. With regard to the European economy, although a moderate recovery trend was seen with the ongoing monetary easing and euro declining against other currencies, it continues to face difficult challenges going forward due to the issues in some of the South European countries.

In light of such conditions, the Group has worked as one to contribute to the creation of a sustainable society with particular focus on renewable energy under a newly adopted mission statement "Save the Earth, Make Communities Green." The Group also aimed at early improvement of its financial conditions paying closer attention than ever to earnings and growth potential in addition to "globalization particularly in Asia." At the same time, the Group pushed ahead with structural reform and promoted human resource and technological developments in order to further enhance the efforts mentioned above.

As a result of such activities, our Group's performance for the fiscal year under review resulted in 75,903 million yen of net sales, 2.1% increase year-on-year (compared with net sales of 74,346 million Yen in the previous year), and a 5,352 million Yen operating income, 19.5% increase year-on-year (compared with an operating income of 4,478 million Yen in the previous year).

As for non-operating income (loss), the foreign exchange losses of 148 million Yen (compared with foreign exchange gains of 632 million Yen in the previous fiscal year) affected significantly, and as a result, ordinary income decreased from the previous year by 1.0% to 3,737 million Yen (compared with an ordinary income of 3,777 million Yen in the previous year).

The Group recognized a gain on sale of investment securities of 936 million Yen as extraordinary income and extraordinary losses of 1,111 million Yen including a loss on sales of shares of subsidiaries and associates of 737 million Yen. As a result, net income increased from the previous fiscal year by 49.1% to 3,739 million Yen (compared with 2,507 million Yen in the previous fiscal year).

The performance of each business segment is as follows:

Segment	Net sales	Operating income
Geospatial Information Consulting Business	40,946 <small>million Yen</small>	1,281 <small>million Yen</small>
Green Property Business	21,599	1,170
Green Energy Business	2,571	604
Financial Service Business	10,755	2,608

1. Geospatial Information Consulting Business

In the geospatial information consulting business, Kokusai Kogyo Co., Ltd. (“Kokusai Kogyo”) plays a central role in providing services related to “environment/resources/energy,” “disaster prevention/risk reduction,” “asset management” and “government management” utilizing geospatial information targeted at private and public sectors at home and abroad.

This segment benefited from solid performance of orders received from the private sector such as infrastructure-related companies although orders received from the public sector was on a declining trend compared with the previous fiscal year as reconstruction activities following the Great East Japan Earthquake had run its course. As there were many outstanding orders that were received in the previous year for large projects whose term extends over several years, a large amount of balance was carried forward, and as such, capacity utilization was high since the beginning of the fiscal year under review.

As a result, during the fiscal year under review, orders received by the geospatial information consulting business decreased 3.3% year-on-year to 40,589 million Yen (compared with 41,955 million Yen in the previous year), net sales increased 1.5% to 40,946 million Yen (compared with net sales of 40,348 million Yen in the previous year), and segment income increased 9.3% year-on-year to 1,281 million Yen (compared with a segment income of 1,171 million Yen in the previous year).

2. Green Property Business

In the green property business, Kokusai Land & Development Co., Ltd. (“KLD”), KHC Ltd. (“KHC”) and Kokusai Environmental Solutions, Co., Ltd. are engaged in such conventional real estate service businesses as real-estate rental, asset management & property management, development business, detached housing business, and consulting services for soil and groundwater protection. In addition, they provide energy-generation/energy-saving solutions, including the supply of environmentally friendly housing and design and construction of solar power generation facilities.

KLD firmly maintained high occupancy rate in its real estate rental business, and aggressively received orders for design and construction of solar power generation facilities, steadily completing their construction. KHC’s detached housing business suffered from the backlash to the increase in the consumption tax rate that dampened demand and orders received, and growth was therefore limited in the first half of the fiscal year under review, but recovered in the second half.

As a result, orders received by the green property business increased 28.5% year-on-year to 25,188 million Yen (compared with 19,601 million Yen in the previous year), net sales increased 1.6% year-on-year to 21,599 million Yen (compared with net sales of 21,269 million Yen in the previous year). On the profit front, segment income increased 38.1% year-on-year to 1,170 million Yen (compared with a segment income of 847 million Yen in the previous year).

3. Green Energy Business

The green energy business is led by JAG Energy Co., Ltd. in Japan and by KOKUSAI EUROPE TWO GmbH (Germany) in Europe. The latter is our European business entity after reorganization.

In Japan, our Group continued to focus on aggressively developing solar power plant-related projects that are likely to generate profits in the medium- to long-term following the launch of the feed-in tariff system for renewable energy in the previous year. Solar power plants that commenced operation in and before the previous fiscal year contributed to profits from the beginning of the year. In addition, new solar power plants have commenced operation in Nakasatsunaimura, Kasai-gun, Hokkaido (2.4MW), Higashiomi-shi, Shiga Prefecture (2.4MW), Gyoda-shi, Saitama Prefecture (2.4MW), and other nine locations. As a result, the number of solar power plants in operation exceeded 20 and their total capacity exceeded 50MW.

The Group streamlined its business in Europe and has specialized in the electricity selling business through the holding of power plants beginning the fiscal year under review.

In addition, the Group acquired an equity stake in SEABELL INTERNATIONAL Co., Ltd., a company dealing with ultra-low head micro hydro turbine systems, for the purpose of developing it as the “second pillar” of the renewable energy business of the Group.

As a result, net sales generated by the green energy business increased 93.8% year-on-year to 2,571 million Yen, (compared with net sales of 1,326 million Yen in the previous year). On the profit front, the segment reported an income for the first time. The segment income of 604 million Yen was an improvement of 812 million Yen from the previous fiscal year (compared with a segment loss of 208 million Yen).

4. Financial Service Business

The financial service business is conducted mainly through the securities service businesses of Japan Asia Securities Co., Ltd. (“Japan Asia Securities”) and Okinawa Securities Ltd. (“Okinawa Securities”), and the management of investment trust management and investment advisory business, etc. of Japan Asia Asset Management Co., Ltd. (“Japan Asia Asset Management”).

The stock market in the fiscal year under review was generally solid on the back of improving corporate earnings. Although the Nikkei Stock Average temporarily fell below 15,000 yen in the middle of the year as concerns about the outlook of the U.S economy started to surface and the decline of the yen appeared to have run its course, it rallied in the second half of the year and is gaining momentum toward the 20,000 yen level as strong appetite of pension funds and foreign buyers provide confidence in the whole market. As an increasing number of companies are willing to pay more dividends to shareholders on the back of strong financial performance, the appetite of market participants appears to be increasing further.

In such an environment, Japan Asia Securities continued to expand its sales of Japanese and foreign stocks, foreign bonds, mutual funds, and other products. Okinawa Securities also continued to expand its sales of offered products such as mutual funds and Japanese stocks in addition to its handling of foreign stocks, aiming to diversify and stabilize its sources of income. Japan Asia Asset Management aimed to increase its asset under management and improve profits through publicly-offered mutual funds consisting mainly of a number of notable funds. It will continue to focus its efforts on increasing its assets under management.

As a result, net sales generated by the financial service business decreased 5.4% year-on-year to 10,755 million Yen (compared with net sales of 11,371 million Yen in the previous year). On the profit front, segment income decreased 16.1% year-on-year to 2,608 million Yen (compared with a segment income of 3,107 million Yen in the previous year).

B. Capital Investment

During this consolidated fiscal year, we made a capital investment of 12,200 million Yen. The principal targets included the development of solar power plants in the Green Energy Business and software development for more efficient production in the Geospatial Information Consulting Business.

C. Financing

The necessary funds for our operations were raised by borrowings from financial institutions and by the issuance of bonds, etc.

D. Other Significant Matters Concerning the Current Status of the Corporate Group

The Company passed a resolution at the Board of Directors' meeting held on May 14, 2015 to carry out a reorganization within the Group effective July 1, 2015 (hereinafter "Reorganization").

The outline of the Reorganization is as follows:

1. Abolition of intermediate holding companies

The subsidiaries management business of Japan Asia Holdings (Japan) Limited, a consolidated subsidiary of the Company, will be transferred to Japan Asia Securities Co., Ltd., and the management business concerning the geospatial information segment of Kokusai Kogyo Holdings Co., Ltd., a consolidated subsidiary of the Company, will be transferred to Kokusai Kogyo Co., Ltd., respectively. With respect to the remaining businesses, the Company will conduct an absorption-type merger, whereby the Company is the surviving company, and thereby abolish the intermediate holding company structure.

2. Integration of business of subsidiaries engaging in the solar power generation business

Through a merger between Kokusai Land & Development Co., Ltd. (surviving company) and JAG Energy Co., Ltd. (absorbed company), the former will become a core company that is in charge of the energy business as a whole in the Group. It will be engaged in various businesses concerning energy, including a series of business from cultivating business opportunities, construction, power generation to maintenance and preservation.

3. Improvement of organizational structure in the financial service sector

All the subsidiaries in the financial service sector will be consolidated under Japan Asia Securities Co., Ltd., and the financial service business will be strengthened under the initiative thereof.

[Items (2) to (9) in this Section are omitted.]

2. Current Situation of Shares of the Company

- | | |
|-----------------------------------|------------|
| (i) Number of shares authorized | 67,853,480 |
| (ii) Number of shares outstanding | 27,648,880 |
| (iii) Number of shareholders | 10,210 |
| (iv) The 10 largest shareholders | |

Name of Shareholder	Number of Shares	Percentage of Total
Aizawa Securities Co., Ltd.	3,448,760	12.47%
JAPAN ASIA HOLDINGS LIMITED	2,624,800	9.49%
Mizuho Bank, Ltd.	825,070	2.98%
JA PARTNERS LTD	673,600	2.43%
Kokusai Kogyo Holdings Co., Ltd.	547,350	1.98%
Nomura Singapore Limited Customer Segregated A/C FJ-1309	530,050	1.91%
SBI SECURITIES Co., Ltd.	523,700	1.89%
State Street Bank and Trust Company 505086	507,700	1.83%
Japan Asia Holdings (Japan) Limited	495,030	1.79%
Sompo Japan Nipponkoa Insurance Inc.	438,810	1.58%

- (Note)
- The percentage of shares held has been calculated excluding treasury stock (10,935 shares)
 - Among the above, shares held by Japan Asia Holdings (Japan) Limited and Kokusai Kogyo Holdings Co., Ltd. do not entail voting rights under the provisions of paragraph 1, Article 308 of the Companies Act and Article 67 of the Ordinance for Enforcement of the Companies Act.

3. Current Situation of Stock Acquisition Rights

(1) Current situation of stock acquisition rights held by the Corporate Officers of the Company as of the end of this fiscal year

Stock acquisition rights by resolution of the Board of Directors' meeting held on June 13, 2013 (First Issue of Stock Acquisition Rights)

- (i) Total number of stock acquisition rights held:
2,230 units
- (ii) Class and number of shares subject to stock acquisition rights:
223,000 common shares (100 shares per 1 unit of stock acquisition right)
(Note)
In conjunction with the resolution at the board of Directors' meeting held on May 23, 2013, to split the Company's common shares on a basis of 10 for 1 effective October 1, 2013, the number of shares subject to the stock acquisition rights changed from 25,900 shares to 259,000 shares.
- (iii) Current situation of stock acquisition rights held by the Corporate Officers of the Company

Recipient's position	Name	Exercise period	Issue price	Number of stock acquisition rights	Number of stock acquisition rights holders
			Exercise price		
Directors (excluding Outside Directors)	First Issue of Stock Acquisition Rights	From July 12, 2013 to July 11, 2018	1,300 yen	2,100 units	4
			5,100 yen		
Corporate Auditors	First Issue of Stock Acquisition Rights	From July 12, 2013 to July 11, 2018	1,300 yen	130 units	3
			5,100 yen		

(Note) Conditions on exercise of the First Issue of Stock Acquisition Rights are as follows:

- (i) When operating income (hereinafter, operating income shall refer to the operating income recorded on Consolidated P/L Statement (or P/L Statement, if a Consolidated P/L Statement has not been prepared) included in the Company's securities report) for the fiscal year ended March 31, 2014 exceeds the amounts noted in either (a) or (b) below, a holder of stock acquisition rights ("stock acquisition rights holder") may execute the number of stock acquisition rights corresponding to the ratios noted in either (a) or (b) below (hereinafter, "Exercisable Ratio") among the stock acquisition rights that have been allotted, at any time during the period beginning from July 1, 2014 until the final day of the exercise period. If the number of exercisable stock acquisition rights includes fractional amounts, this number shall be rounded down. If the application of International Financial Reporting Standards or other rules results in a major change to our concept of the reference criteria, the Board of Directors shall, to a reasonable extent, indicate appropriate guidelines to be referenced.
- (a) When operating income exceeds 2,000 million yen
Exercisable Ratio: 50%
- (b) When operating income exceeds 2,500 million yen
Exercisable Ratio: 100%
- (ii) If, during the period from the allotment date to June 30, 2014, the monthly average (average of the latest 21 business days in Japan including the current date; any amounts of less than one yen shall be rounded down) of the closing price of the Company's common shares on any financial instruments exchange even once falls below 60% of the exercise price on any one day, the stock acquisition rights holder may not exercise this stock acquisition rights from the following day.
- (iii) At the time of the exercise of stock acquisition rights, the stock acquisition rights holder must be a Director, Corporate Auditor, or employee of the Company or an affiliate of the Company.

However, this shall not apply when there is deemed by the Board of Directors to be justifiable reason. Said reasons may include retirement upon the expiration of one's term, mandatory retirement, etc.

- (iv) The exercise of this stock acquisition rights by an heir of a stock acquisition rights holder shall not be allowed.
- (v) In the event the exercise of this stock acquisition rights shall result in the total number of shares outstanding by the Company exceeding the number of authorized shares, the exercise of such stock acquisition rights shall be prohibited.
- (vi) The execution of the fractional stock acquisition rights shall not be allowed.

Stock acquisition rights by resolution of the Board of Directors' meeting held on June 16, 2014 (Seventh Issue of Stock Acquisition Rights)

- (i) Total number of stock acquisition rights held:
2,400 units
- (ii) Class and number of shares subject to stock acquisition rights:
240,000 common shares (100 shares per 1 unit of stock acquisition right)
- (iii) Current situation of stock acquisition rights held by the Corporate Officers of the Company

Recipient's position	Name	Exercise period	Issue price	Number of stock acquisition rights	Number of stock acquisition rights holders
			Exercise price		
Directors (excluding Outside Directors)	Seventh Issue of Stock Acquisition Rights	From July 1, 2015 to June 25, 2019	900 yen	2,160 units	4
			567 yen		
Outside Directors	Seventh Issue of Stock Acquisition Rights	From July 1, 2015 to June 25, 2019	900 yen	80 units	1
			567 yen		
Corporate Auditors	Seventh Issue of Stock Acquisition Rights	From July 1, 2015 to June 25, 2019	900 yen	160 units	3
			567 yen		

(Note) Conditions on exercise of the Seventh Issue of Stock Acquisition Rights are as follows:

- (i) When operating income for any of the fiscal years ended March 31, 2015, March 31, 2016, and March 31, 2017 exceeds the amounts noted in either (a) or (b) below (hereinafter "Target Operating Income Amounts"), a holder of stock acquisition rights (hereinafter "stock acquisition rights holder") may execute the number of stock acquisition rights corresponding to the ratios noted in either (a) or (b) below (hereinafter "Exercisable Ratio") among the stock acquisition rights that have been allotted, at any time during the period beginning from the first day of the month immediately following the submission date of the annual securities report for the fiscal year in which operating income has met said target for the first time until the final day of the exercise period.
- (a) When operating income exceeds 5,700 million yen
Exercisable Ratio: 25%
- (b) When operating income exceeds 7,300 million yen:
Exercisable Ratio: 100%
- (ii) Notwithstanding (i) above, if net income of any of the fiscal years ended March 31, 2015, March 31, 2016, and March 31, 2017 has fallen short of 2,500 million yen before either of the conditions listed in (a) or (b) prescribed in (i) above is met, a stock acquisition rights holder may not exercise these stock acquisition rights on or after the submission date of the annual securities report for said period. However, this does not apply to stock acquisition rights that had become exercisable before said submission date.
- (iii) The determination of whether the conditions referred to in (i) and (ii) have been met shall be made in reference to operating income and net income stated in the consolidated statement of income (or non-consolidated statement of income if consolidated statement of income are not prepared) included in annual securities reports of the Company. If there is a significant change in the concept of operating income to be referenced due to a change in the applicable accounting standards or if the Board of Directors of the Company determines that it is reasonably necessary to change the Target Operating Income Amounts due to a merger, share exchange, share transfer, demerger, business transfer or other acts of reorganization, or a significant change in the business plan carried out by the Company after the issuance of these stock acquisition rights, the Company shall, pursuant to the resolution of the Board of Directors of the Company, prescribe to a reasonable extent other appropriate indexes that should be referenced and their numerical threshold to be used as a condition for the exercise of stock acquisition rights.

- (iv) Notwithstanding (i) and (ii) above, if, during the period from the allotment date to June 30, 2015, the monthly average (average of the latest 21 business days in Japan including the current date; any amounts of less than one yen shall be rounded down) of the closing price of the Company's common shares on any financial instruments exchange even once falls below 60% of the exercise price on any one day, the stock acquisition rights holder may not exercise these stock acquisition rights from the following day.
- (v) At the time of the exercise of stock acquisition rights, the stock acquisition rights holder must be a Director, Corporate Auditor, or employee of the Company or a subsidiary of the Company. However, this shall not apply when there is deemed by the Board of Directors to be justifiable reason. Said reasons may include retirement upon the expiration of one's term, mandatory retirement, etc.
- (vi) The exercise of this stock acquisition rights by an heir of a stock acquisition rights holder shall not be allowed.
- (vii) In the event the exercise of this stock acquisition rights shall result in the total number of shares outstanding by the Company exceeding the number of authorized shares, the exercise of such stock acquisition rights shall be prohibited.
- (viii) The execution of the fractional stock acquisition rights shall not be allowed.

(2) Current situation of stock acquisition rights granted to the Corporate Officers, etc. of the subsidiaries of the Company during this fiscal year

Stock acquisition rights by resolution of the Board of Directors' meeting held on June 16, 2014 (Seventh Issue of Stock Acquisition Rights)

- (i) Total number of stock acquisition rights held:
5,780 units
- (ii) Class and number of shares subject to stock acquisition rights:
578,000 common shares (100 shares per 1 unit of stock acquisition right)
- (iii) Current situation of stock acquisition rights held by the Corporate Officers, etc. of the subsidiaries of the Company

Recipient's position	Name	Exercise period	Issue price	Number of stock acquisition rights	Number of stock acquisition rights holders
			Exercise price		
Corporate Officers and employees of the subsidiaries	Seventh Issue of Stock Acquisition Rights	From July 1, 2015 to June 25, 2019	900 yen	5,780 units	137
			567 yen		

(Note) Conditions on exercise of the Seventh Issue of Stock Acquisition Rights are as follows:

- (i) When operating income for any of the fiscal years ended March 31, 2015, March 31, 2016, and March 31, 2017 exceeds the amounts noted in either (a) or (b) below (hereinafter "Target Operating Income Amounts"), a holder of stock acquisition rights (hereinafter "stock acquisition rights holder") may execute the number of stock acquisition rights corresponding to the ratios noted in either (a) or (b) below (hereinafter "Exercisable Ratio") among the stock acquisition rights that have been allotted, at any time during the period beginning from the first day of the month immediately following the submission date of the annual securities report for the fiscal year in which operating income has met said target for the first time until the final day of the exercise period.
 - (a) When operating income exceeds 5,700 million yen
Exercisable Ratio: 25%
 - (b) When operating income exceeds 7,300 million yen
Exercisable Ratio: 100%
- (ii) Notwithstanding (i) above, if net income of any of the fiscal years ended March 31, 2015, March 31, 2016, and March 31, 2017 has fallen short of 2,500 million yen before either of the

conditions listed in (a) or (b) prescribed in (i) above is met, a stock acquisition rights holder may not exercise these stock acquisition rights on or after the submission date of the annual securities report for said period. However, this does not apply to stock acquisition rights that had become exercisable before said submission date.

- (iii) The determination of whether the conditions referred to in (i) and (ii) have been met shall be made in reference to operating income and net income stated in the consolidated statement of income (or non-consolidated statement of income if consolidated statement of income are not prepared) included in annual securities reports of the Company. If there is a significant change in the concept of operating income to be referenced due to a change in the applicable accounting standards or if the Board of Directors of the Company determines that it is reasonably necessary to change the Target Operating Income Amounts due to a merger, share exchange, share transfer, demerger, business transfer or other acts of reorganization, or a significant change in the business plan carried out by the Company after the issuance of these stock acquisition rights, the Company shall, pursuant to the resolution of the Board of Directors of the Company, prescribe to a reasonable extent other appropriate indexes that should be referenced and their numerical threshold to be used as a condition for the exercise of stock acquisition rights.
- (iv) Notwithstanding (i) and (ii) above, if, during the period from the allotment date to June 30, 2015, the monthly average (average of the latest 21 business days in Japan including the current date; any amounts of less than one yen shall be rounded down) of the closing price of the Company's common shares on any financial instruments exchange even once falls below 60% of the exercise price on any one day, the stock acquisition rights holder may not exercise these stock acquisition rights from the following day.
- (v) At the time of the exercise of stock acquisition rights, the stock acquisition rights holder must be a Director, Corporate Auditor, or employee of the Company or a subsidiary of the Company. However, this shall not apply when there is deemed by the Board of Directors to be justifiable reason. Said reasons may include retirement upon the expiration of one's term, mandatory retirement, etc.
- (vi) The exercise of this stock acquisition rights by an heir of a stock acquisition rights holder shall not be allowed.
- (vii) In the event the exercise of this stock acquisition rights shall result in the total number of shares outstanding by the Company exceeding the number of authorized shares, the exercise of such stock acquisition rights shall be prohibited.
- (viii) The execution of the fractional stock acquisition rights shall not be allowed.

[Sections 4 to 6 are omitted.]

CONSOLIDATED BALANCE SHEET

(As of March 31, 2015)

<u>ASSETS</u>	(thousands of yen)
Current Assets	84,901,431
Cash and deposits	27,739,244
Cash segregated as deposits	6,265,377
Notes and accounts receivable - trade	27,919,098
Trading assets related to securities business	461,923
Work in process	276,243
Raw materials and supplies	189,098
Real estate for sale	8,211,489
Margin transaction assets related to securities business	7,573,706
Short-term loans receivable	14,768
Account receivable - other	1,585,012
Deferred tax assets	1,498,450
Other	3,244,645
Allowance for doubtful accounts	(77,628)
Non-current Assets	36,612,015
Property, Plant and Equipment	26,988,447
Buildings and structures	3,181,362
Machinery, equipment and vehicles	13,274,886
Land	7,213,825
Leased assets	2,814,194
Construction in progress	283,597
Other	220,581
Intangible Assets	951,579
Goodwill	161,397
Other	790,182
Investment and Other Assets	8,671,987
Investment securities	5,145,283
Investments in other securities of subsidiaries and associates	304,243
Long-term loans receivable	177,428
Lease and guarantee deposits	1,410,764
Deferred tax assets	132,960
Other	2,603,926
Allowance for doubtful accounts	(1,102,618)
Deferred assets	384,852
Deferred organization expenses	2,110
Business commencement expenses	382,741
TOTAL ASSETS	121,898,298

(continued)

<u>LIABILITIES</u>	(thousands of yen)
Current Liabilities	70,568,967
Accounts payable - trade	8,690,174
Short-term loans payable	13,738,400
Deposits received related to securities business	3,505,518
Current portion of bonds	17,255,000
Current portion of long-term loans payable	4,181,416
Lease obligations	342,628
Accounts payable - other	4,612,356
Income taxes payable	859,968
Margin transaction liabilities related to securities business	6,149,460
Provision for employees' bonuses	2,162,676
Provision for directors' bonuses	44,000
Provision for loss on order received	674,138
Other	8,353,231
Non-current Liabilities	23,923,850
Bonds	2,293,000
Long-term loans payable	13,107,659
Lease obligations	2,663,668
Deferred tax liabilities	1,298,282
Net defined benefit liability	2,466,957
Other	2,094,282
Reserves pursuant to Special Law	57,215
Reserve for financial products transaction liabilities	57,215
<u>TOTAL LIABILITIES</u>	<u>94,550,034</u>

(Translation)

(continued)

<u>NET ASSETS</u>	(thousands of yen)
Shareholders' Equity	25,132,034
Capital stock	3,994,373
Capital surplus	7,524,079
Retained earnings	14,251,337
Treasury stock	(637,755)
Accumulated Other Comprehensive Income	1,311,889
Valuation difference on available-for-sale securities	1,514,595
Deferred gains or losses on hedges	(33,707)
Foreign currency translation adjustments	17,768
Remeasurements of defined benefit plans	(186,766)
Subscription rights to shares	16,287
<u>Minority Interests</u>	888,052
<u>TOTAL NET ASSETS</u>	27,348,264
<u>TOTAL LIABILITIES AND NET ASSETS</u>	121,898,298

(Translation)

CONSOLIDATED STATEMENT OF INCOME

(From April 1, 2014 to March 31, 2015)

	(thousands of yen)
Net Sales	75,903,839
Cost of Sales	50,437,264
Gross profit	25,466,574
Selling, General and Administrative Expenses	20,114,569
Operating income	5,352,004
Non-operating Income	230,121
Interest income	15,841
Dividends income	65,125
Equity in earnings of affiliates	4,435
Reversal of allowance for doubtful accounts	29,328
Other	115,390
Non-operating Expenses	1,844,148
Interest expenses	1,383,455
Foreign exchange losses	148,438
Other	312,254
Ordinary income	3,737,977
Extraordinary Gains	961,207
Gain on sale of investment securities	936,234
Gain on sales of investments in other securities of subsidiaries and affiliates	24,972

(Translation)

(continued)

	(thousands of yen)
Extraordinary Losses	1,111,016
Impairment loss	360,810
Loss on valuation of investment securities	1,163
Loss on sales of stocks of subsidiaries and affiliates	737,382
Provision of reserve for financial products transaction liabilities	11,660
Income before Income Taxes and Minority Interests	3,588,168
Income taxes - current	1,143,469
Income taxes - deferred	(1,195,722)
Income before Minority Interests Adjustments	3,640,422
Minority interests in loss	98,966
NET Income	3,739,389

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

(From April 1, 2014 to March 31, 2015)

(thousands of yen)

	Shareholders' equity				
	Capital Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance as of April 1, 2013	3,892,792	7,422,498	10,511,948	(636,010)	21,191,229
Changes of items during the period					
Issuance of new shares - exercise of subscription rights to shares	101,581	101,581			203,162
Net income			3,739,389		3,739,389
Purchase of treasury shares				(1,745)	(1,745)
Net changes of items other than shareholders' equity					—
Total changes of items during the period	101,581	101,581	3,739,389	(1,745)	3,940,805
Balance as of March 31, 2014	3,994,373	7,524,079	14,251,337	(637,755)	25,132,034

	Accumulated Other Comprehensive Income				
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance as of April 1, 2013	1,444,967	(15,324)	(827,290)	(242,906)	359,446
Changes of items during the period					
Issuance of new shares - exercise of subscription rights to shares					—
Net income					—
Purchase of treasury shares					—
Net changes of items other than shareholders' equity	69,627	(18,382)	845,058	56,139	952,443
Total changes of items during the period	69,627	(18,382)	845,058	56,139	952,443
Balance as of March 31, 2014	1,514,595	(33,707)	17,768	(186,766)	1,311,889

(continued)

	Subscription rights to shares	Minority interests	Total Net Assets
Balance as of April 1, 2013	34,783	910,986	22,496,445
Changes of items during the period			
Increase by share exchanges			203,162
Net income			3,739,389
Purchase of treasury shares			(1,745)
Net changes of items other than shareholders' equity	(18,495)	(22,933)	911,013
Total changes of items during the period	(18,495)	(22,933)	4,851,818
Balance as of March 31, 2014	16,287	888,052	27,348,264

(Note) Parent stock held by consolidated subsidiaries such as Japan Asia Holdings (Japan) Limited, etc. prior to the merger of former Japan Asia Group Limited, former Moss Institute Co., Ltd. and present Japan Asia Group Limited on February 20, 2009, which corresponds with treasury stock, are eliminated on the consolidated financial statements.

[Notes to Consolidated Financial Statements, Non-consolidated Financial Statements, and Audit Reports by Independent Accounting Auditor and Audit & Supervisory Board are Omitted.]

REFERENCE MATERIALS FOR THE GENERAL MEETING OF THE SHAREHOLDERS

Agendum No.1 Reduction of capital reserve and appropriation of surplus

1. Purpose of reduction of capital reserve and appropriation of surplus

In view of our financial performance on a consolidated basis, the Company proposes to reduce the amount of capital reserve on a non-consolidated basis, thereby compensating for the deficit for the purpose of enabling the Company to manage its operations in a flexible and efficient manner and implement the shareholder return policy.

The proposed reduction would not cause any change in the number of shares outstanding and only reduce the amount of capital reserve. As such, neither the amount of net assets of the Company nor net assets per share would change.

2. Outline of reduction of capital reserve surplus and appropriation of surplus

(1) Reduction of capital reserve

Pursuant to the provisions of Article 448 of the Companies Act, the Company will reduce capital reserve by 8,629,923,900 yen and reclassify the amount as other capital surplus.

(i) Amount of reduction of capital reserve

The current balance of capital reserve of 8,629,923,900 yen will be reduced to 0 yen.

(ii) Effective date of the reduction of capital reserve

June 30, 2015

(2) Matters concerning appropriation of surplus

On the condition that the reduction of capital reserve has taken effect, the Company will, pursuant to the provisions of Article 452 of the Companies Act, compensate for the deficit by reducing other capital surplus of 11,367,787,828 yen in full and reclassify the amount as retained earnings brought forward. As a result, the balance of other capital surplus will be reduced to 0 yen and the balance of retained earnings brought forward will be -1,595,342,996 yen.

(i) Item of surplus to be reduced and the amount of reduction

Other capital surplus: 11,367,787,828 yen

(ii) Item of surplus to be increased and the amount of increase

Retained earnings brought forward: 11,367,787,828 yen

(iii) Effective date of appropriation of surplus

June 30, 2015

Agendum No.2 Partial Amendments to the Articles of Incorporation

1. Reasons for the Amendments:

Pursuant to the provisions of Article 427 of the Companies Act, the Company proposes to partially amend the provisions of Article 30 (Exemption from Liability of Directors) and Article 41 (Exemption from Liability of Audit & Supervisory Board Members) of the articles of incorporation so as to put in place an environment in which the Company can hire individuals who are most suitable for the position of director and audit & supervisory board member, and so that they can adequately perform their expected roles as directors and audit & supervisory board member.

The proposed change of Article 30 of the articles of incorporation has been approved by each audit & supervisory board member.

2. Details of the Amendments:

The details of the proposed amendments are set out below:

(Underlined parts are to be amended.)

Current Articles of Incorporation	Proposed Amendment
<p>Articles 1 to 29 (Text omitted) (Exemption from Liability of Directors)</p> <p>Article 30 (Text omitted)</p> <p>2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with an <u>outside</u> director that limits his/her liability prescribed in Article 423, Paragraph 1 of the same act; provided, however, that the maximum amount of liability for damages to be specified in such agreements shall be the minimum liability amount prescribed in Article 425, Paragraph 1 of the Companies Act.</p> <p>Article 31 to Article 40 (Text omitted)</p> <p>(Exemption from Liability of Audit & Supervisory Board Members)</p> <p>Article 41 (Text omitted)</p> <p>2. The Company may enter into an agreement with an <u>outside audit & supervisory board member</u> that limits <u>his/her liability prescribed in Article 423, Paragraph 1 of the Companies Act if certain requirements prescribed in laws and regulations are satisfied</u>; provided, however, that the maximum amount of liability for damages to be specified in such agreements</p>	<p>Articles 1 to 29 (Unchanged) (Exemption from Liability of Directors)</p> <p>Article 30 (Unchanged)</p> <p>2. Pursuant to the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into an agreement with an director (<u>excluding directors who are executive directors, etc.</u>) that limits his/her liability prescribed in Article 423, Paragraph 1 of the same act; provided, however, that the maximum amount of liability for damages to be specified in such agreements shall be the minimum liability amount prescribed in Article 425, Paragraph 1 of the Companies Act.</p> <p>Article 31 to Article 40 (Unchanged)</p> <p>(Exemption from Liability of Audit & Supervisory Board Members)</p> <p>Article 41 (Unchanged)</p> <p>2. Pursuant to the provisions of <u>Article 427, Paragraph 1 of the Companies Act</u>, the Company may enter into an agreement with an <u>audit & supervisory board member</u> that limits <u>his/her liability prescribed in Article 423, Paragraph 1 of the same act</u>; provided, however, that the maximum amount of liability for damages to be specified in such</p>

Current Articles of Incorporation	Proposed Amendment
shall be the minimum liability amount prescribed in <u>the applicable laws and regulations</u> . Article 42 to Article 50 (Text omitted)	agreements shall be the minimum liability amount prescribed in <u>Article 425, Paragraph 1 of the Companies Act</u> . Article 42 to Article 50 (Unchanged)

Agendum No.3 Election of Two (2) Directors

The Company proposes the election of two (2) new directors including an outside director as it intends to further strengthen its management structure and corporate governance.

Pursuant to the provisions of Article 21 of the articles of incorporation of the Company, the term of office of the newly elected directors will be until the expiration of the term of office of other incumbent directors.

The candidates for directors are as follows:

Candidate's No.	Name (Date of Birth)	Brief Personal History, Position and Areas of Responsibility and Significant Concurrent Positions	Number of the Company's Shares Held	
1.	Satoshi Yasugi (April 22, 1947)	<p>April 1970 December 1993 June 1999 August 1999 April 2000 April 2005 June 2005 January 2006 January 2009 April 2011 April 2012</p> <p>(Significant Concurrent Positions) Professor, Graduate School of Japan University of Economics</p>	<p>Joined Nomura Securities Co., Ltd. Chief Executive Officer and Director, Nomura-CITIC International Economic Consultants Co., Ltd. General Manager of Business Development Department, Nomura Securities Co., Ltd. Visiting Professor, Guanghua School of Management Peking University Professor, Department of Economics and Business Administration, Kagoshima Prefectural College Professor, The Graduate School for the Creation of New Photonics Industries Audit & Supervisory Board Member, Japan Asia Holdings (Japan) Limited Audit & Supervisory Board Member, Japan Asia Securities Co., Ltd. Audit & Supervisory Board Member, Japan Asia Financial Service Co., Ltd. (current position) Audit & Supervisory Board Member, Japan Asia Group Limited Professor, Faculty of Economics, Japan University of Economics Professor, Graduate School of Japan University of Economics (current position)</p>	0

Candidate's No.	Name (Date of Birth)	Brief Personal History, Position and Areas of Responsibility and Significant Concurrent Positions	Number of the Company's Shares Held
2.	Yoshiaki Kiyomi (April 17, 1963)	<p>April 1986 Joined The Mitsubishi Bank, Ltd. (currently The Bank of Tokyo-Mitsubishi UFJ, Ltd.)</p> <p>April 2001 Joined American International Group K.K.</p> <p>March 2002 Joined The Manufacturers Life Insurance Company</p> <p>March 2005 Joined Japan Asia Holdings (Japan) Limited</p> <p>April 2008 Director, Japan Asia Group Limited</p> <p>March 2011 Director, NFK HOLDINGS CO., LTD. Representative Director, Japan Asia FAS Limited (current position)</p> <p>March 2013 LTD. Representative Director, Japan Asia FAS Limited (current position)</p> <p>May 2014 Joined Japan Asia Group Limited (current position)</p> <p>(Significant Concurrent Positions) Representative Director, Japan Asia FAS Limited</p>	0

- (Notes) 1. There are no special interests between the candidates for director and the Company.
2. The term of office of the candidates for directors will be the period from the conclusion of the ordinary general meeting of shareholders held on June 26, 2014 until the conclusion of the ordinary general meeting of shareholders that falls during the last fiscal year within two (2) years after their election, which is the same as the term of office of incumbent directors.
3. Satoshi Yasugi is a candidate for outside director.
4. Reasons for selecting Satoshi Yasugi as a candidate for outside director of the Company: Satoshi Yasugi has been chosen as a candidate for outside director based on the judgment that he will be able to provide appropriate advice in the decision-making process of the Board of Directors, given his expertise backed by his experience in a securities company and as a professor at a university, and having already given appropriate advice on the management of Group companies as an outside corporate auditor of the Company.
5. Upon election as a director, Satoshi Yasugi will be registered as an independent officer who is not exposed to risks of conflict of interest with ordinary investors as prescribed in the listing rules of the Tokyo Stock Exchange.
6. Limited liability agreement with outside directors
The Company has established a provision on the limitation of liability of outside directors in its Articles of Incorporation. The outline of the provision is as follows. The Company plans to conclude said limited liability agreement with the candidates for outside directors.
- <Outline of terms of agreement>
An outside director shall be liable for damages with respect to the Company up to the limit of the liability for damages set forth in Article 423, Paragraph 1 of the Companies Act, which shall be the minimum liability amount prescribed in Article 425, Paragraph 1 thereof, provided that he/she has performed duties in good faith, with no gross negligence involved.

Agendum No. 4 Election of One (1) Substitute Audit & Supervisory Board Member

To prepare for cases in which the number of audit & supervisory board members falls short of the requirement set forth in laws and regulations, it is proposed that one (1) substitute audit & supervisory board members be elected in advance.

This proposal has been pre-approved by the Audit & Supervisory Board.

The candidate for substitute audit & supervisory board members is as follows:

Name (Date of Birth)	Brief Personal History and Significant Concurrent Positions	Number of the Company's Shares Held
Ryuji Uwatoko (December 3, 1967)	April 1994 Registered as an attorney, Asahi Law Offices April 2000 Appointed to Partner of Asahi Law Offices (present)	0

- (Notes)
1. There are no special interests between the candidate for substitute audit & supervisory board member.
 2. Ryuji Uwatoko meets the criteria for outside audit & supervisory board member set forth in Item 16, Article 2 of the Companies Act.
 3. Ryuji Uwatoko is deemed to be suitable as substitute audit & supervisory board member due to his high level of expertise in legal practice as legal counsel and his superior ability and insight in performing audits based on his business experience.
 4. The Company has established a provision on the limitation of liability of outside audit & supervisory board member in its Articles of Incorporation. The outline of the provision is as follows. The Company plans to conclude said limited liability agreement with Ryuji Uwatoko if he is elected and appointed.

<Outline of terms of agreement>

An outside audit & supervisory board member shall be liable for damages with respect to the Company up to the limit of the liability for damages set forth in Article 423, Paragraph 1 of the Companies Act, which shall be the minimum liability amount prescribed in Article 425, Paragraph 1 thereof, provided that he/she has performed duties in good faith, with no gross negligence involved.