



June 29, 2009

Company name: Japan Asia Investment Co., Ltd. (JAIC)
Listed on: Tokyo Stock Exchange Section 1 (Stock code: 8518)
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Notice of Deletion of Going Concern Assumption Note

Japan Asia Investment Co., Ltd. (JAIC) is proud to announce, as set out below, that it recently deleted a note regarding the going concern assumption from its securities report for the year ended March 31, 2009, which is scheduled to be filed on June 30, 2009.

The Group posted ¥31,382 million in operating loss in the fiscal year under review due to a decrease in capital gains as a result of the deteriorated stock market conditions and the economic environment in Japan and abroad, and valuation losses of operational investment assets and provisions for allowance for investment losses. Incidentally, the Group posted ¥32,696 million in recurring loss, and in addition, due to the valuation losses relating to investment securities for other than operational purposes, and a reversal of deferred tax assets, recorded net loss of ¥34,899 million. Moreover, cash flows from operating activities also declined by ¥10,810 million.

Under the current stock market conditions and economic environment in Japan and abroad, it is difficult to ensure abundant cash generation through the sales of operational investment assets, the Group was in a situation where the agreed repayment of borrowings and corporate bonds (private placement bonds) would be difficult to perform. Therefore, the Group requested changes in agreement conditions, principally the repayment schedule of the respective financial institutions which the Group engages with.

Therefor, as the Group requested changes in agreement conditions, principally the schedule for repayment to the respective financial institutions, and at that stage a material uncertainty was recognized concerning the assumption of going concern.

However, as announced in the release issued by JAIC on June 24, 2009, entitled "Agreement Reached on ADR Process for Corporate Recovery," all of the above-mentioned financial institutions consented to JAIC's Business Turnaround Plan, which includes a repayment plan incorporating a modified payment schedule. In consequence, it was determined that material uncertainties regarding the going concern assumption is not deemed to exist at this time, and consequently the posting of the aforesaid note was deleted.

It is our intent to make every effort to improve the business by steadily executing "JAIC Turnaround Plan". We ask our stockholders, partners and stakeholders for their continued support of the JAIC group.