

This is an English translation of the official announcement in Japanese that was released on February 12, 2016. The translation is prepared for the readers' convenience only. All readers are strongly encouraged to refer to the original Japanese version for more complete and accurate information. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.



Consolidated Financial Results for the Fiscal Year Ended December 31, 2015

Company name: B-Lot Company Limited Stock listing: TSE Mothers Section
 Ticker code: 3452 URL: <http://www.b-lot.co.jp/>
 Representative: Makoto Miyauchi, President
 Contact: Yoshimi Endo, Corporate Officer Phone: +81-3-6891-2525
 Ordinary general shareholders' meeting: March 25, 2016
 Submission of Securities Report: March 28, 2016
 Commencement of dividend payments:
 Preparation of supplementary materials for financial results: Yes
 Holding of financial results meeting: Yes (for analysts)

(Note: All amounts have been rounded down to the nearest million yen)

1. Consolidated Financial Results for the Fiscal Year Ended December 31, 2015. (January 1, 2015 to December 31, 2015)

1) Consolidated Operating Results (cumulative)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Ordinary income		Profit for the year	
	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
The fiscal year ended December 31, 2015	6,950	—	800	—	655	—	400	—
The fiscal year ended December 31, 2014	—	—	—	—	—	—	—	—

(Note: Comprehensive income was 398 million yen for the fiscal year ended December 31, 2015)

	Basic earnings per share	Net income per share after adjustment for residual equity	Equity ratio for the year	Ratio of ordinary income to total assets	Diluted earnings per share
	(¥)	(¥)	(%)	(%)	(%)
The fiscal year ended December 31, 2015	112.60	105.61	16.5	6.6	11.5
The fiscal year ended December 31, 2014	—	—	—	—	—

Note 1: Consolidated financial statement was made from the fiscal year ended December 31, 2015. For this reason, the rate of increase from the previous year is not stated.

Note 2: Although the Company conducted a three-for-one share split for its common stock on April 16, 2015, the basic earnings per share is calculated on the assumption that the share split was conducted at the beginning of the fiscal year under review.

2) Consolidated Financial Position

	Total assets	Total equity	Equity ratio	Net assets per share
	(¥ million)	(¥ million)	(%)	(¥)
As of December 31, 2015	9,984	2,431	24.4	626.51
As of December 31, 2014	—	—	—	—

Note 1: Equity ratio was 2,430 million yen for the fiscal year ended December 31, 2015

Note 2: Consolidated financial statement was made from the fiscal year ended December 31, 2015. For this reason, the rate of increase from the previous year is not stated.

Note 3: Although the Company conducted a three-for-one share split for its common stock on April 16, 2015, the basic earnings per share is calculated on the assumption that the share split was conducted at the beginning of the fiscal year under review.

2) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of year
As of December 31, 2015	(¥ million) -1,680	(¥ million) -1,241	(¥ million) 4,019	(¥ million) 2,102
As of December 31, 2014	—	—	—	—

2. Dividends

	Annual dividends per share					Dividend per share (Total)	Dividend payout ratio (Consolidated)	Dividend to net asset ratio (Consolidated)
	1Q-end	2Q-end	3Q-end	Year-end	Total			
Fiscal year ended December 31, 2014	(¥) —	(¥) 0.00	(¥) —	(¥) 0.00	(¥) 0.00	(¥million) —	% —	% —
Fiscal year ended December 31, 2015	—	0.00	—	0.00	0.00	—	—	—
Fiscal year ending December 31, 2016 (Forecast)	—	—	—	—	—	—	—	—

Note: Revision to the most recently released earnings forecasts is not fixed at this period.

3. Consolidated Earnings Forecasts for the Fiscal Year Ending December 31, 2016 (January 1, 2016 to December 31, 2016)

(Percentages indicate year-on-year changes.)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of the parent		Basic earnings per share
	(¥million)	%	(¥million)	%	(¥million)	%	(¥million)	%	(¥)
Fiscal year ending December 31, 2016	11,263	62.1	974	21.8	735	13.2	482	20.4	124.33

Note: Revision to the most recently released earnings forecasts: No

*Notes

1. Changes in significant subsidiaries during the period (changes in specified subsidiaries that resulted in changes in the scope of consolidation): No

Newly added: — Excluded: —

Note. Although this does not fall under a change in specified subsidiaries, we have included B-Lot Asset Management Co. Ltd. in the range of consolidation from the first three months of the fiscal year under review, reflecting the fact that it was established during that same period. We also have included B-Lot Singapore. Ltd. in the range of consolidation from the second quarter of the fiscal year.

2. Accounting treatment and special accounting treatments for quarterly consolidated financial statements: No

3. Changes in accounting policies and changes in accounting estimates

(a) Changes in accounting policies: No

(b) Changes in accounting policies due to other reasons: No

(c) Changes in accounting estimates: No

(d) Changes or restatement of accounting estimates: No

4) Number of issued shares (ordinary shares)

(a) Number of issued shares at the end of the period (including treasury shares)

Fiscal year ended December 31, 2015	3,879,600 shares
Fiscal year ended December 31, 2014	3,283,500 shares

(b) Number of treasury shares at the end of the period

Fiscal year ended December 31, 2015	—
Fiscal year ended December 31, 2014	—

(c) Average number of outstanding shares during the period (cumulative)

Fiscal year ended December 31, 2015	3,551,292 shares
Fiscal year ended December 31, 2014	2,175,891 shares

Note: Although the Company conducted a three-for-one share split for its common stock on April 16, 2015, the number of shares (common stock) is calculated on the assumption that the share split was conducted at the beginning of the previous fiscal year under review.

(Reference) Summary of Non-consolidated Results

1. Non-consolidated Financial Results for the Fiscal Year Ended December 31, 2015

	Revenue		Operating profit		Profit before tax		Profit for the year	
	(¥million)	%	(¥million)	%	(¥million)	%	(¥million)	%
Year ended Dec. 31, 2015	6,896	85.9	802	112.2	657	122.9	390	121.3
Year ended Dec. 31, 2014	3,709	66.3	378	73.8	295	61.7	176	69.4

	Net income per share	
	(¥million)	Net income per share (diluted)
Year ended Dec. 31, 2015	109.88	(¥million)
Year ended Dec. 31, 2014	81.18	103.05
		80.48

Note: Although the Company conducted a three-for-one share split for its common stock on April 16, 2015, the number of shares (common stock) is calculated on the assumption that the share split was conducted at the beginning of the previous fiscal year under review.

	Total assets	Total equity	Equity ratio	Net assets per share
	(¥ million)	(¥ million)	(%)	(¥)
Year ended Dec. 31, 2015	9,958	2,423	24.3	624.58
Year ended Dec. 31, 2014	5,268	997	18.6	297.74

Note 1: Equity as of December 31, 2015: 2,423million yen / Equity as of December 31, 2014: 977million yen

Note 2: Although the Company conducted a three-for-one share split for its common stock on April 16, 2015, the number of shares (common stock) is calculated on the assumption that the share split was conducted at the beginning of the previous fiscal year under review.

*Information on implementation of audit procedures

This financial results report is excluded from the audit procedures stipulated in the Financial Instruments and Exchange Act. At the time this financial results report was disclosed, the review procedures for the financial statements stipulated in the Financial Instruments and Exchange Act had not been completed.

*Proper use of earnings forecasts and other notes

The forward-looking statements contained in these materials, including outlook of future performance, are based on information currently available to the Company and on certain assumptions deemed to be reasonable by the Company. Actual performance and other results may differ from these statements due to various factors. For the assumptions on which the earnings forecasts are based and cautions concerning their use, please refer to "Qualitative Information on Quarterly Consolidated Financial Performance (1) Qualitative Information Regarding Operating Results" on page 2 of the attached materials.

Attached Materials

1. Analysis of Business Results and Financial Positions	2
(1) Qualitative Information Regarding Operating Results	
(2) Qualitative Information Regarding Financial Positions	
(3) Fundamental Earnings Distribution Policy Dividends for Fiscal 2015 and Fiscal 2016	
(4) Overview of Important Information on Going Concern Assumption	
2. Conditions of Corporate Group	4
3. Management Policies (Notes) 0	5
(1) Fundamental Management Policy	
(2) Performance Target	
(3) Medium to Long-term Management Strategies	
(4) Issued to Be Addressed	
(5) Other Important Matters for Corporate Management	
4. Basic Concept Regarding Selection of Accounting Standards	7
5. Consolidated Financial Statements	8
(1) Consolidated Balance Sheets.....	8
(2) Consolidated Profit and Loss Statement and Consolidated Statements of Comprehensive Income.....	10
Quarterly Consolidated Profit and Loss Statement	10
Consolidated Statements of Comprehensive Income.....	11
(3) Consolidated Statement of Shareholders' Equity and Others.....	12
(4) Consolidated Statement of Cash Flows	13
(5) Notes on Consolidated Financial Statements	14
(Notes on Going Concern Assumptions).....	14
(Segment Information, etc.)	15
(Earnings per Share Information)	17
(Notes on Important Subsequent Events)	18

1. Analysis of Business Results and Financial Positions

(1) Qualitative Information Regarding Operating Results

A.) Operating results for the year

During the fiscal year ended December 31, 2015, the Japanese economic recovery was spurred by improvements in corporate performance and the employment environment, backed by the government's economic measures and the Bank of Japan's monetary easing policy. On the other hand, the Chinese economy remains unstable and general economic outlook is uncertain given the downside risks of overseas economies.

In the real estate industry, in which B-Lot operates, real estate prices are on an upward trend. Land prices rose in Tokyo 23-ku from 2014 and have continued to rise in 2015, leading to intensifying competition for the acquisition of land in Tokyo. J-REITs and overseas investors have been actively making investments against a backdrop of yen depreciation and improved financial environments, and demand for real estate investment has remained strong.

As a result, revenue was ¥6,950,909 thousand, operating profit was ¥800,131 thousand, and ordinary profit was ¥655,414 thousand. Net profit for the year was ¥400,560 thousand.

The performance by business segment is as follows:

Real Estate Investment and Development Business

The segment sold thirteen properties. The thirteen properties sold were eight in the Kanto (west) area, three in Hokkaido, one in the Kyushu area, and one in the Kansai (east) area, consisting of seven housing-related real estate properties, four retail and office floors one land lot, and one hotel.

The hotel sold was the first hotel conversion project, which converted an office building into a compact hotel, First Cabin Tsukiji, and the segment made significant progress.

The segment acquired nineteen properties, which consisted of nine housing-related real estate properties, four retail and office floors, one nursing home, one land lot for residence, and four land lots for development (eleven in the Kanto (west) area, five in Hokkaido, one in the Kyushu area, and two in the Kansai (east) area).

There were nineteen properties in inventory for the consolidated accounting period of the fiscal year. These properties included property for a hotel revitalizing project that is currently underway, which is targeting foreign tourists for inbound expectations.

One of the acquired buildings was part of the second hotel conversion project, and the hotel, IMANO TOKYO was opened in November 2016. Another hotel project is currently underway, and the number of development projects is increasing.

As a result, consolidated revenue for the fiscal year ended December 31, 2015 was ¥ 6,137,303 thousand, and segment profit was ¥839,826 thousand.

Real Estate Consulting Business

In the Real Estate Consulting Business, contracts were concluded for a series of investment properties in the Kanto (west) area. There were a total of twenty-nine contracts, with fifteen in Kanto, eight in Hokkaido, four in the Kyushu area, and two in other areas of Japan.

As a result, consolidated revenue for the fiscal year ended December 31, 2015 was ¥171,338 thousand, and segment profit was ¥57,951 thousand.

Real Estate Management Business

In the Real Estate Management Business, the number of buildings under management in the real estate owned by clients increased to 40.

The breakdown of the areas where buildings were under management is as follows: 17 buildings in Kanto, 14 buildings in Hokkaido, and 9 buildings in Kyushu.

The segment acquired two new leasing properties to improve the profit of the segment.

As a result, consolidated revenue for the fiscal year ended December 31, 2015 was ¥642,267 thousand, and segment profit was ¥283,613 thousand.

B.) Forecast

As for the outlook for the fiscal year ending December 31, 2016, the domestic economy is expected to continue to recover against the background of the economic policies of the government and the monetary easing policy of the Bank of Japan, despite the fear of a downturn in the overseas economy. The real estate industry to which the Company belongs is also expected to remain on a recovery track backed by the government's policies to buoy up the economy. Under these circumstances, the Company will engage in business toward medium- and long-term growth. With respect to the existing businesses, measures to increase the earning power will be promoted and best efforts will be made to secure profits. At the same time, the business will be diversified by finding new ways of making the most of overseas inbound demand.

(2) Qualitative Information Regarding Financial Positions

1. Conditions of assets and liabilities

(Assets) Total assets for the fiscal year ended December 31, 2015 were ¥9,984,559 thousand.

(Liabilities) Total liabilities amounted to ¥7,553,154 thousand for the fiscal year ended December 31, 2015.

(Net assets) Consolidated net assets for the fiscal year ended December 31, 2015 were ¥2,431,450 thousand.

2. Conditions of cash flows

Cash flows from operating activities decreased by ¥1,680,908 thousand, investment activities decreased by ¥1,241,452 thousand, and net cash used in financing activities amounted to ¥4,019,354 thousand.

The cash flow conditions for the fiscal year ended December 31, 2015 under review and factors contributing to those amounts are as follows:

(Cash flows from operating activities)

The cash flow from operating activities was down ¥1,608,908 thousand compared to the previous year, due to inventory assets in the Investment and Development Business increasing by ¥2,662,100 thousand.

(Cash flows from investing activities)

Cash flows from investing activities were down ¥1,241,354 thousand, due to the purchase of fixed assets in the Real Estate Management Business.

(Cash flows from financing activities)

Cash flows from financing activities totaled ¥4,019,354 thousand, due to an increase in liabilities of ¥2,974,329 thousand, as a result of purchasing selling properties, inventory properties, and fixed assets. It also reflected the situation of totaled ¥1,054,618 thousand increase as a result of issuing new shares.

(3) Fundamental Earnings Distribution Policy Dividends for Fiscal 2015 and Fiscal 2016

Although the Company considers profit distribution to shareholders to be one of the most important management issues, the financial strength and internal reserves to achieve business expansion are also important for future business.

Accordingly, dividends will be determined based on ongoing comprehensive consideration of trends for operating results.

The Company has decided not to pay a year-end dividend for the fiscal year under review, as it has decided that it is essential in the Company to strengthen its financial base.

Based on the fundamental earnings distribution policy above, the Company will determine the profits to be returned profits to the stockholders by considering the business results in the future.

(4) Overview of Important Information on Going Concern Assumptions:

No items to report.

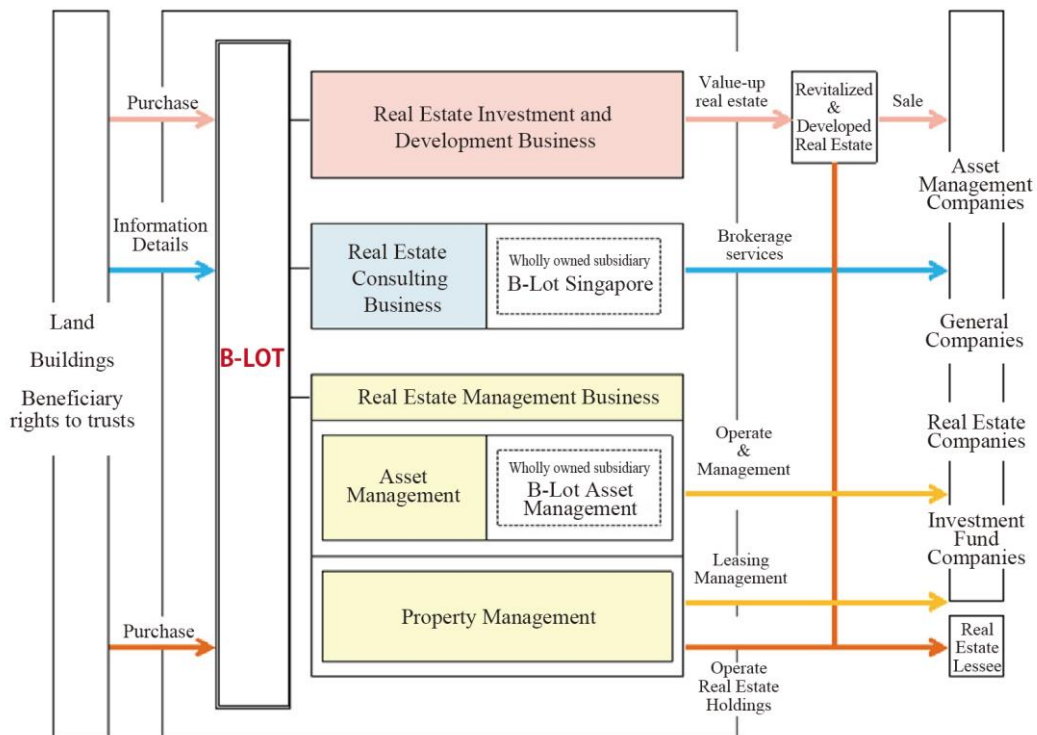
2. Conditions of Corporate Group

The B-Lot Group is composed of B-Lot Corporation (“B-Lot” or the “Company”) and two subsidiaries. B-Lot Asset Management Co., Ltd. was in the range of consolidation from the first three months of the fiscal year, and B-Lot Singapore Pte. Ltd. from the second quarter of the fiscal year.

The Company operates the Real Estate Investment and Development business, the Real Estate Consulting business and the Real Estate Management business.

The Company realizes the intrinsic value of real estate through the Real Estate Investment and Development Business, and provides the means to realize the potential value of real estate as much as possible and the real estate information obtained through the market to customers through the Real Estate Consulting Business. In real estate investment undertaken by the Company and customers, the Company endeavors to maintain and increase the asset value through the Real Estate Management Business.

The following diagram depicts the businesses of the B-Lot Group



3. Management Policies (Notes)

(1) Fundamental Management Policy

Under the management philosophy of “pursuit of profits and long-term continual growth according to social norms,” the Company Group creates business that provides value to society and engages in business as a company that is needed in society in the real estate and real estate finance fields. Its specific objectives are investment according to its investment standards in the Real Estate Investment and Development Business, continual asset management for customers in the Real Estate Consulting Business, and stable securement of operating profit in the Real Estate Management Business.

Under the management policy in accordance with this philosophy, the pursuit of the enhancement of its social recognition shall be continued.

(2) Performance Target

Under the recognition of business expansion and increased shareholder value as key business challenges, the Company Group emphasizes short-term growth and medium- and long-term growth. In addition, more efficient business management in the process of growth shall be ensured, and a sound financial standing shall also be secured and improved.

(3) Medium to Long term Management Strategies

The Company Group realizes the potential of real estate and improves the value and profitability of assets, and then sells them as investment properties under its core business, the Real Estate Investment and Development Business.

The growth of the Real Estate Investment and Development Business shall be continued in future. Concurrently, efforts will be made to secure stable revenue in the medium and long term by responding flexibly to any changes in the market conditions.

(4) Issued to Be Addressed

1. Expanding Business

The Company Group currently engages in business centered on the Real Estate Investment and Development Business. With the growth of the Company, the business scale has also expanded; on the other hand, excessive dependence on this Business in terms of revenue may be risky.

Meanwhile, the Real Estate Consulting Business has steadily increased its sales since its foundation, and in recent years it has secured stable results in terms of quantity and revenue. In addition, the Real Estate Management Business contributes to stable revenue with an increase in the managed properties for each fiscal period. These two Businesses shall be grown further to increase stable revenue and avoid a lack of balance in sales sources.

As for the area of business, the ratio of the Tokyo metropolitan area (Tokyo, Kanagawa, Saitama and Chiba Prefectures) is high. The leveling of sales in terms of area shall be ensured by business expansion into Hokkaido and Fukuoka, where branches were established. Subsequently, efforts will be made to further expand the business area in addition to the Tokyo metropolitan area, Hokkaido and Fukuoka.

2. Expansions of investment in long-term holdings leasing business

The Real Estate Investment and Development Business, the main source of sales of the Company Group, tends to be significantly affected by the real estate market conditions. Accordingly, investment in rental property for the purpose of long-term holding shall be promoted and stable revenue from rent shall be increased to ensure overall business stability.

3. Selling Routes

One of the Company Group’s strengths is the stable stocking of real estate information. However, to aim for future business expansion, additional information routes are essential. Among the real estate agencies and other real estate businesses that are the main source of information, credit shall be secured by accumulating the results of the Company Group toward the establishment of the relationship of mutual trust, and additional initiatives shall be taken for the further development of the business.

4. Improvement of real estate management service

In the Real Estate Investment and Development Business and the Real Estate Consulting Business, good-quality property management is essential. To expand the two businesses described above, the quality of property management shall be further enhanced

5. Improving selling and inventory property's turnover

The funds for the purchase of real estate for sale under the Real Estate Investment and Development Business are mainly covered by loans from financial institutions. In addition to compliance with the due dates for repayment, the further acceleration of the repayment cycle will lead to loans of the funds for additional purchases. In addition, the long-term holding of real estate for sale will increase the interest-bearing debts. To improve the financial standing, prompt sales of real estate for sale shall be ensured.

6. Exploring new business

The Company Group has been engaged in three businesses since its foundation: the Real Estate Investment and Development Business, the Real Estate Consulting Business and the Real Estate Management Business. It considers that the development of new businesses is essential for the Company's growth and business expansion. To establish the fourth business in addition to the three businesses described above, the development of newly constructed properties as part of the Real Estate Investment and Development Business has been launched since the 6th period. Further growth of the new construction business shall be realized in future. In addition, with the foundation of the subsidiary engaging in the asset management business as part of the Real Estate Management Business, further business expansion shall be ensured.

7. Strengthen corporate governance

The Company Group has been engaged in three businesses since its foundation: the Real Estate Investment and Development Business, the Real Estate Consulting Business and the Real Estate Management Business. It considers that the development of new businesses is essential for the Company's growth and business expansion. To establish the fourth business in addition to the three businesses described above, the development of newly constructed properties as part of the Real Estate Investment and Development Business has been launched since the 6th period. Further growth of the new construction business shall be realized in future. In addition, with the foundation of the subsidiary engaging in the asset management business as part of the Real Estate Management Business, further business expansion shall be ensured.

8. Secure and cultivate talented human resources

One of the greatest strengths of the Company Group is human resources with a thorough understanding of its corporate philosophy and the necessary expertise and know-how. This also serves as the source of corporate value. Considering the retention and employment of such human resources as one of the key management issues, the Company Group will employ capable people and improve its education and training programs as well as promote management to increase employees' motivation and enhance their quality.

(5) Other Important Matters for corporate management

No items to report.

4. Basic Concept Regarding Selection of Accounting Standards

To allow organizations to compare themselves against industry peers, the accounting standards announced by the Group are based on the Japanese standard.

5. Consolidated Financial Statements

(1) Consolidated Balance Sheets

(¥thousand)

As of December 30, 2015	
Assets	
Current assets	
Cash and deposits	2,106,980
Accounts receivable	22,906
Real estate for sale	-
Real estate for sale in progress	6,069,688
Deferred tax assets	17,854
Others	125,857
Total current assets	8,343,286
Fixed assets	
Tangible fixed assets	
Properties (Net amount)	644,235
Plot of land	167,240
Others	10,392
Total tangible fixed assets	821,867
Intangible fixed assets	
Lease hold	659,133
Others	82
Total intangible fixed assets	659,215
Investment properties and others	
Deferred tax assets	1,099
Others	149,905
Total investment properties and others	151,005
Total fixed assets	1,632,089
Deferred assets	
Bond issuance cost	9,183
Total deferred assets	9,183
Total assets	9,984,559

Liabilities	
Current liabilities	
Short term borrowings	930,500
Current portion of long term borrowings	305,936
Current payable corporate bonds	60,000
Unpaid income tax and other	219,053
Provision for after costs	2,484
	Others
	318,356
Total current liabilities	1,836,329
Fixed liabilities	
Long term borrowings	5,096,662
Corporate bonds	510,000
Others	110,162
Total fixed liabilities	5,716,824
Total liabilities	7,553,154
Net assets	
Shareholders' equity	
Share capital	932,082
Capital reserves	853,097
Retained earnings	647,637
Total equity	2,432,817
Total of other comprehensive income	
Currency translation adjustment	-2,210
Other comprehensive income	-2,210
Share options	798
Total net assets	2,431,405
Total liabilities and equity	9,984,559

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

Consolidated Profit and Loss Statement

	(¥thousand)
Fiscal year ended December 31, 2015	
Revenue	6,950,909
Cost of revenue	5,394,634
Gross profit	1,556,275
Selling, general and administrative expenses	756,144
Operating profit	800,131
Non-operating profit	
Interest income	6,634
Dividends income	5
Commission income	29
Others	15
Total of non-operating income	6,684
Non-operating expenses	
Interest expense	128,479
Others	22,922
Total of non-operating expenses	151,401
Operating income	665,414
Income before income tax	665,414
Corporate income, inhabitant and enterprise taxes	265,265
Deferred income taxes	-10,411
Total of corporate tax	254,854
Income before minority interests	400,560
Profit for the period	400,560

Consolidated Statements of Comprehensive Income

(¥thousand)

Fiscal year ended December 31, 2015	
Income before minority interests	400,560
Other comprehensive income	
Currency translation adjustment	-2,210
Total comprehensive income for the period	-2,210
Comprehensive income for the period	398,349
(Breakdown)	
Comprehensive income attributable to owners of the parent	398,349

(3) Consolidated Statement of Changes in Shareholder's Equity and Others
Fiscal year ended December 31, 2015

(¥thousand)

	Share Capital				Other comprehensive income		Share options	Total net assets
	Capital stock	Capital reserves	Retained earnings	Total share capital	Foreign currency translation adjustment	Total of other comprehensive income		
Balance at the beginning of the year	404,773	325,788	247,077	977,639	-	-	-	977,639
Change in assets for the year								
Issuance of new shares	508,274	508,274		1,016,548				1,016,548
Issuance of new shares (exercising stock acquisition rights)	19,035	19,035		38,070				38,070
Profit for the year			400,560	400,560				400,560
Change in assets for the year besides equity					-2,210	-2,210	798	-1,412
Total changes in assets for the year	527,309	527,309	400,560	1,455,178	-2,210	-2,210	798	1,453,765
Balance for the year	932,082	853,097	647,637	2,432,817	-2,210	-2,210	798	2,431,405

(4) Consolidated Statement of Cash Flows

(¥thousand)

As of December 31, 2015	
Cash flows from operating activities	
Income before income tax	655,414
Depreciation expense	67,917
Increase (-decrease) in provision for after costs	-1,818
Interest and dividend income	-6,661
Interest expenses and corporate bonds	136,857
Other non-operating income	14,287
Decrease (-increase) in trade receivables	-19,080
Decrease (-increase) in inventory assets	-2,662,100
Decrease (-increase) in other current assets	266,483
Decrease (-increase) in fixed assets	-12,900
Increase (-decrease) in other current liabilities	69,702
Increase (-decrease) in other fixed liabilities	72,710
Others	1,625
Subtotal	-1,417,560
Interest and dividend income received	6,661
Interest expense	-137,577
Income tax paid	-132,432
Cash flows from operating activities	-1,680,908
Cash flows from investing activities	
Payments into time deposits	-21,854
Proceeds from withdrawal of time deposits	4,200
Purchase of tangible assets	-842,511
Purchase of intangible assets	-502,013
Purchase of insurance funds	-1,440
Payments of loans receivable	-90,000
Collection of loans receivable	290,000
Decrease (-increase) in investing and other assets	-77,833
Cash flows from investing activities	-1,241,452
Cash flows from financing activities	
Proceeds from short-term borrowings	2,632,564
Repayments of short-term borrowings	-4,387,765
Proceeds from non-current borrowings	5,649,000
Repayments of non-current borrowings	-1,476,569
Proceeds from issuance of corporate bonds	587,100
Redemption of corporate bonds	-30,000
Proceeds from issuance of shares	1,044,227
Proceeds from issuance of new shares	798
Cash flows from financing activities	4,019,354
Effect of exchange rate change on cash and cash equivalents	-2,210
Net increase (-decrease) in cash and cash equivalents	1,094,782
Cash and cash equivalents at the beginning of the year	1,007,747
Cash and cash equivalents at the end of the year	2,102,530

(5) Notes on Consolidated Financial Statements

(Notes on Going Concern Assumptions)

No items to report.

(Segment Information, etc.)

[Segment Information]

1. Reportable Segments

The Group's reportable segments are components of the Company for which separate financial information is available, and it is periodically reviewed for the purpose of making decisions on the allocation of business resources and evaluating the performance of the Board of Directors.

The Group is divided into the three following reportable segments, the Real Estate Investment and Development Business, the Real Estate Consulting Business and the Real Estate Management Business.

The Real Estate Management Business was newly added to the segment by establishing a new subsidiary, B-Lot Asset Management Co., Ltd., in the consolidated fiscal year under review.

The Company also added the Real Estate Consulting Business to the segment by establishing a subsidiary in Singapore, B-Lot Singapore Pte. Ltd., in the consolidated fiscal year under review.

The major operations of each segment are as follows:

(Real Estate Investment and Development Business)

This segment consists of investing, revitalizing, and developing business for real estate.

(Real Estate Consulting Business)

This segment consists of property trading and brokerage services.

(Real Estate Management Business)

This segment consists of property management and asset management services.

2. The calculation methods of revenue, income or loss, assets, liabilities and other items in each reported segments are generally the same as those for statements in "Basic information for consolidated financial statements preparation."

Income by business segments reported is calculated based on operating income.

(3) Information regarding net sales and income or loss by reporting segment
Fiscal year ended December 31, 2015

	Reporting Segment				Adjustment (Note 1)	Amount stated in consolidated statements of income (Note 2)
	Real estate investment business	Real estate consulting business	Real estate management business	Total		
Revenue						
Revenue from external customers	6,137,303	171,338	642,267	6,950,909	—	6,950,909
Internal sales between individual segments or amount transfer						
Total	6,137,303	171,338	642,267	6,950,909	—	6,950,909
Segment profit	839,826	57,951	283,613	1,181,391	-381,260	400,560
Segment assets	6,141,049	9,746	1,537,378	7,688,174	2,296,385	9,984,559
Other items						
Cost of sales	—	—	61,678	61,678	6,239	67,917
Increase in tangible and intangible assets	—	—	1,327,241	1,327,241	17,283	1,344,524

Note 1: Adjustments are as follows:

- (1)The adjustment of minus 381,260 thousand yen posted in segment profit (loss) includes corporate expenses that are not distributed to each reportable segment, and are primarily selling, general and administrative expenses.
- (2)The adjustment of 2,296,385 thousand yen posted in segment assets includes corporate expenses that are not distributed to each reportable segment, and are primarily selling, general surplus funds and office facility expenses.
- (3)The adjustment of 6,239 thousand yen posted in cost of sales consists of depreciation and amortization of corporate assets.
- (4)The adjustment of 17,283 thousand yen posted in increase in tangible and intangible assets mainly includes corporate expenses such as office facility expenses that are not distributed to each reportable segment.

Note 2: The segment profits are adjusted to the operating income reported in the quarterly consolidated statement of income.

(Earnings Per Share Information)

	As of the fiscal year ended December 31, 2015
Net assets per share	626.51 JPY
Current net assets per share	112.60 JPY
Diluted net income per share	105.61 JPY

Note 1: Although the Company conducted a three-for-one share split for its common stock on April 16, 2015, the number of shares is calculated on the assumption that the share split was conducted at the beginning of the fiscal year under review.

Note 2: Transaction amounts listed above are amounts paid upon the exercise of stock option rights in the current fiscal year by the number of shares granted.

	As of the fiscal year ended December 31, 2015
Current net assets per share	
Current net assets (¥thousand)	400,560
Profit not attributable to ordinary shareholders (¥thousand)	-
Net profit relating to common stock (¥thousand)	400,560
Average number of shares (shares)	3,557,292
Diluted net income per share	
Adjustment of current net profit (¥thousand)	-
Number of common stock (shares)	235,624
(Subscription warrant)	(235,624)
Descriptions of potentially dilutive common shares that were not included in the computation of diluted net income per share	Board meeting held on Dec. 1, 2015 Stock option resolved Subscription warrant: 1,140 shares (114,000 ordinary shares)

(Notes on Important Subsequent Events)

No items to report.