

# **Semi-Annual Report**

## **Fiscal Year Ending Dec. 31, 2019**

### **【English Summary】**

Disclaimer: This English summary is only for reference purpose.  
When there are any discrepancies between original Japanese version and English version, the original Japanese version always prevails.



 **B-lot** Co.,Ltd.

3452 TSE, First Section

Aug.9,2019

# *I . Performance Review*

<i>I. Performance Review</i>	<i>P.02-06</i>
<i>II. Business Summary</i>	<i>P.07-17</i>
<i>III. Company Profile</i>	<i>P.18-29</i>

1. *36.2% progress toward the annual target of consolidated net income.  
It surged 285.8% year on year.*
2. *The total balance of the properties for sale is 18.2B JPY.  
The tight relationship with partner companies and overseas investors  
have contributed to recurring deals.*
3. *Invested in “Yokohama Shoen”, which provides funeral ceremony  
service and columbarium operation.  
New business model to contribute Japan’s aging society.*
4. *Diverse team-building, including global members and gender equality.*

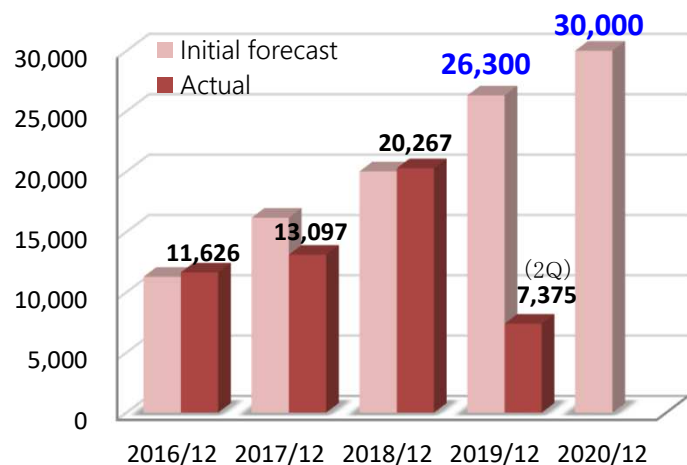
## ◆ Medium-term management plan targets (FY12/19–FY12/20)

(Millions of yen)

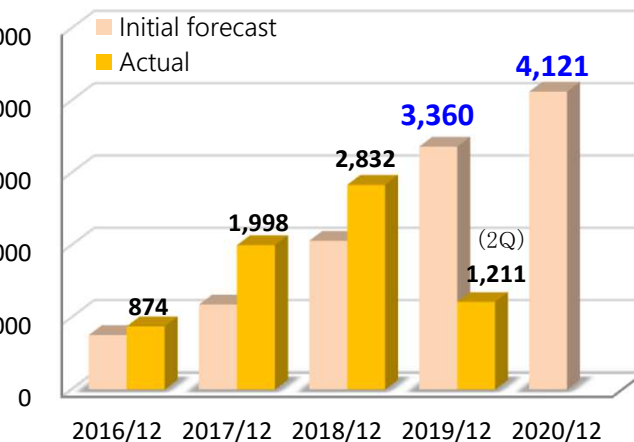
	Previous year's results	Forecast period			
	FY 12/18	FY 12/19	YoY change (%)	FY 12/20	YoY change (%)
Consolidated revenue	20,267	26,300	29.8	30,000	14.1
Consolidated operating profit	3,307	3,738	13.0	4,552	21.8
Consolidated ordinary income	2,832	3,360	18.6	4,121	22.7
Consolidated net profit	1,960	2,357	20.2	2,843	20.6

*Net profit has surpassed initial forecast for the 4 consecutive years since IPO.*

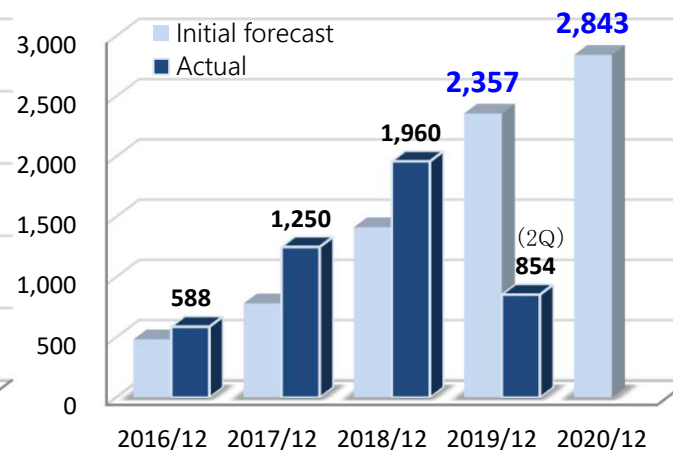
Revenue (Millions of yen)



Ordinary income (Millions of yen)



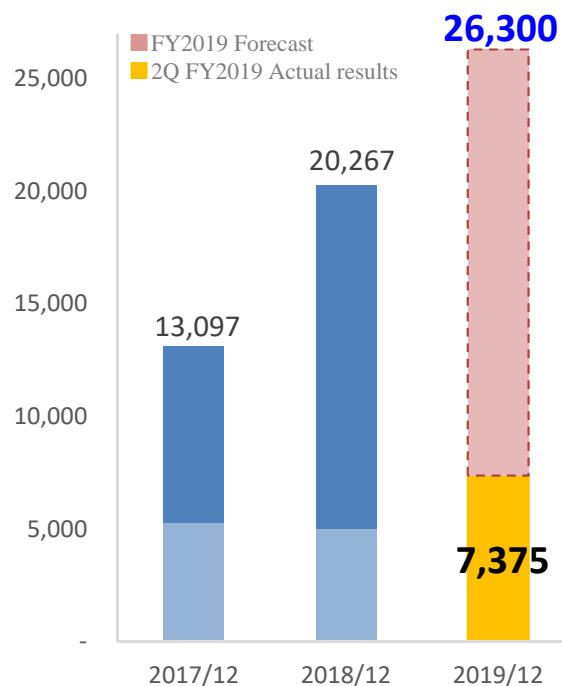
Net profit (Millions of yen)



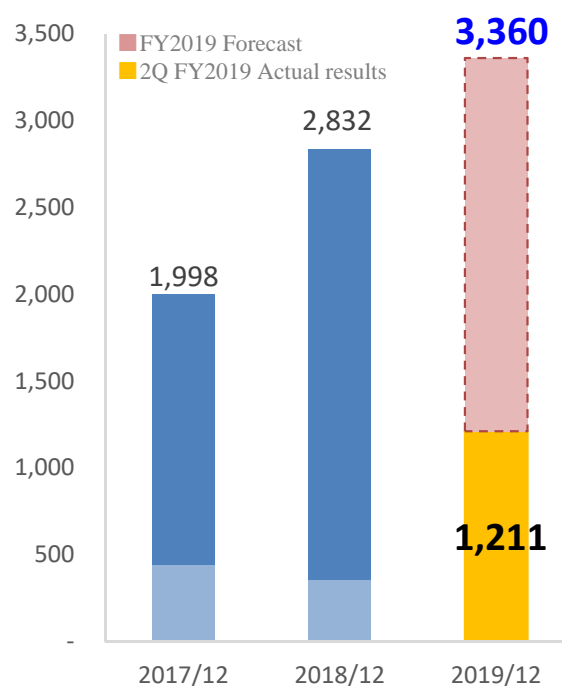
## Net profit and other KPI shows a sound growth



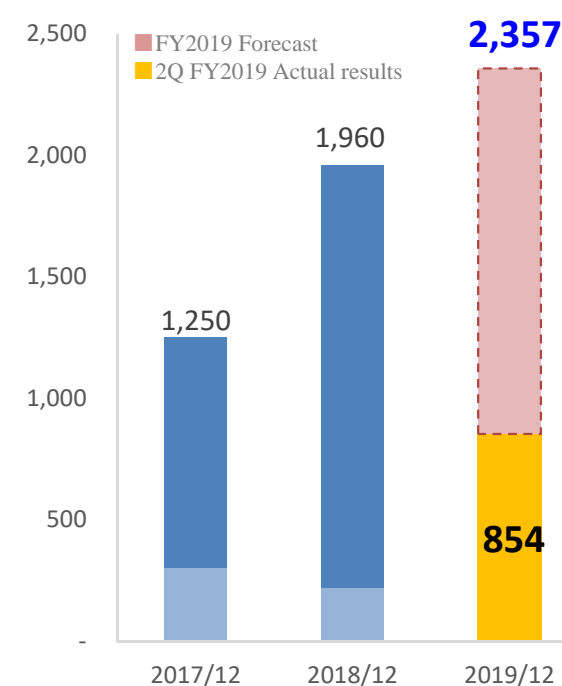
(Millions of yen)



(Millions of yen)



(Millions of yen)



Note: In this presentation, net profit attributable to shareholders of parent is shown as net profit.

1. Expanding profits in all 3 businesses
2. Making progress as planned to the annual target

Consolidated P&L Summary			
	2018/6	2019/6	YoY change
<b>Revenue</b>	4,999	<b>7,375</b>	<b>47.5%</b>
(1) Real Estate Investment and Development business	3,957	5,253	32.7%
(2) Real Estate Consulting business	633	691	9.1%
(3) Real Estate Management business	407	1,430	250.7%
<b>Gross profit</b>	1,668	<b>2,794</b>	<b>67.5%</b>
SG&A	1,094	1,408	28.7%
<b>Operating income</b>	573	<b>1,386</b>	<b>141.6%</b>
(1) Real Estate Investment and Development business	542	992	82.9%
(2) Real Estate Consulting business	194	476	145.7%
(3) Real Estate Management business	274	466	70.1%
Other (company-wide expenses)	△437	△550	25.7%
<b>Ordinary income</b>	354	<b>1,211</b>	<b>242.1%</b>
<b>Net profit for the period</b>	221	<b>854</b>	<b>285.8%</b>

Consolidated BS Summary			
	2018/12	2019/6	YoY change
<b>Assets</b>	24,268	<b>30,281</b>	<b>24.8%</b>
Current assets	21,659	26,725	23.4%
Fixed assets	2,573	3,514	36.5%
Deferred assets	34	41	18.0%
<b>Liabilities</b>	18,242	<b>23,714</b>	<b>30.0%</b>
Current liabilities	6,057	8,087	33.5%
Fixed liabilities	12,185	15,626	28.2%
<b>Net assets</b>	6,025	<b>6,566</b>	<b>9.0%</b>
<b>Total liabilities and net assets</b>	24,268	<b>30,281</b>	<b>24.8%</b>

The above revenue does not include internal transactions between segments.  
 Notes: Consolidated BS, P&L: B-lot Capital Link Co.,Ltd. is included in the BS, P&L from FY2019.

## *II. Business Summary*

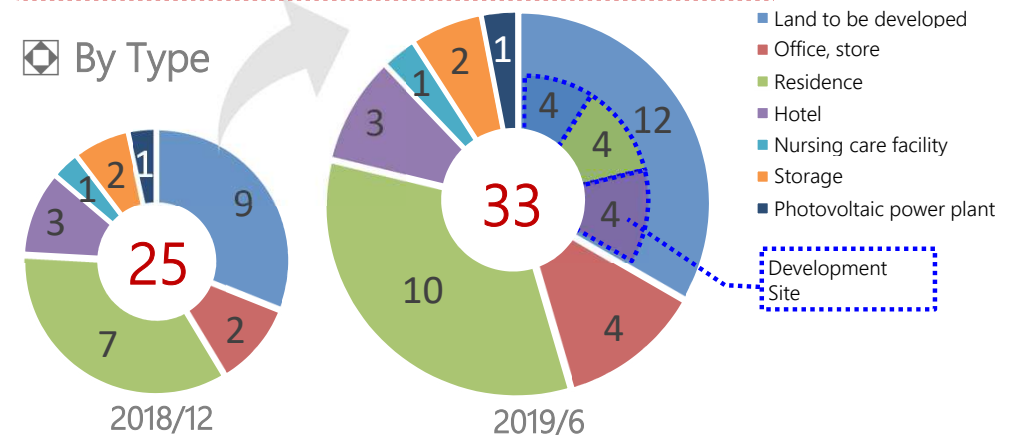
<i>I. Performance Review</i>	<i>P.02-06</i>
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YoY Business profit increased 82.9%

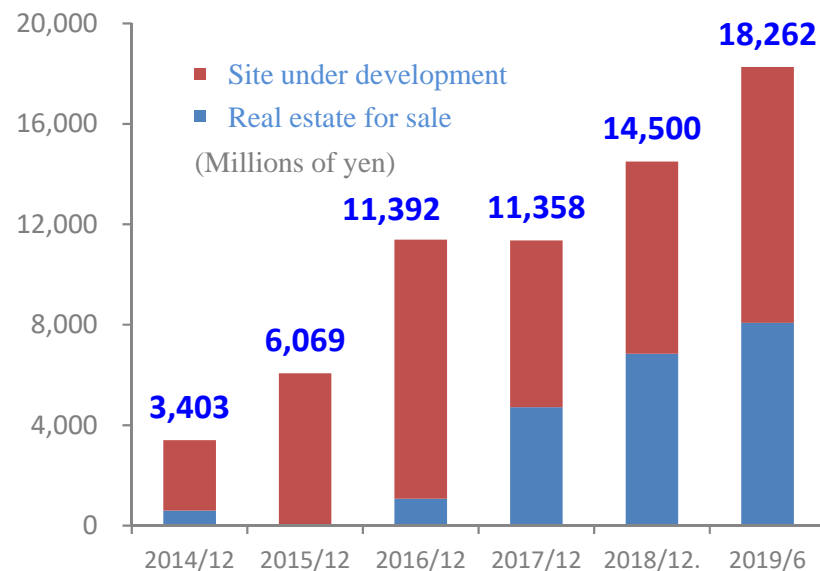
(Millions of yen)

	2018/6	2019/6	YoY change
Revenue	3,957	5,253	32.7%
Operating profit	542	992	82.9%

Breakdown of properties for sale



The outstanding balance of real estate for sale is record high



Acquired a large-scale rental apartment





# Otaru Project, Sold out!

High  
Profitability

FY2019



Hotel Torifito Otaru Canal

2019/2

Sold to an investment company

 **B-lot & AB accommo**

Provide long-term asset management

SG

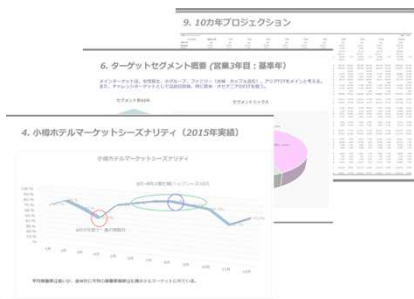
AM

PM

One  
Stop  
Service

2016/3

Business planning



2016/10

Acquisition of land



2017/4

Construction ~



2018/4

Completed & Opened



# Make good use of the strength of "B-Lot group" & "AB accommo" in expanding the business field

## B-lot & AB accommo

6th  
Coming  
Soon!  
July 2020

Fukuoka  
Hakata



Tentative name) HOTEL TORIFITO HAKATA REISENMACHI  
130rooms

7th  
Coming  
Soon!  
June 2021

Kanazawa



Tentative name) HOTEL TORIFITO KANAZAWA  
161rooms

1st  
2015

Tokyo  
Shinjuku



AM/PM

2nd  
2017

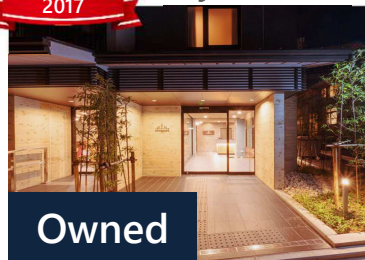
Tokyo  
Ginza



AM/PM

3rd  
2017

Kyoto  
Kiyomizu



Owned

4th  
2018

Hokkaido  
Otaru



AM/PM

5th  
2019

Osaka  
Shinsaibashi



Owned

※ Tentative name) PJ is a plan and a completion forecast at the present time, and there is a possibility that it may change in the future.

Map Source:「空中写真データ」(国土地理院)(<https://mapps.gsi.go.jp/maplibSearch.do#1>) Created by our company based on.

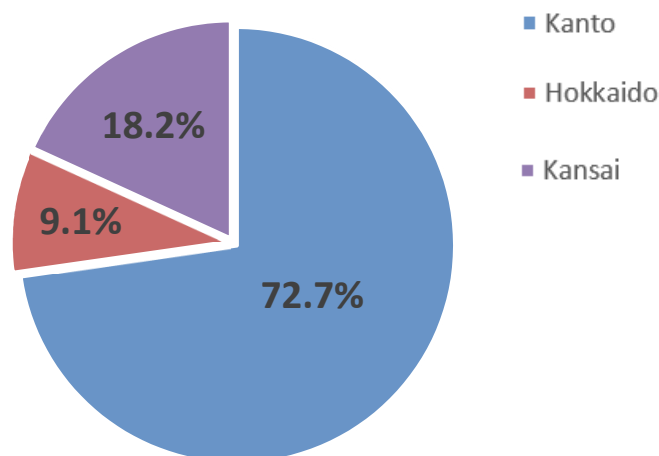


YoY Business profit increased 145.7%

(Millions of yen)

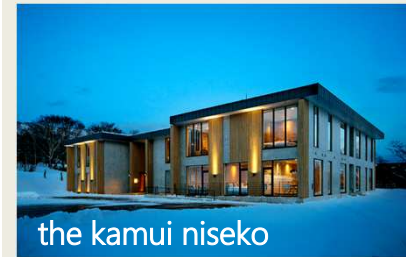
	2018/6	2019/6	YoY change
Revenue	633	691	9.1%
Operating profit	194	476	145.7%

Percentage of deals by area



\*The above figures are closed brokerage and consultation figures in B-Lot (non-consolidated).

Comprehensive consulting to fulfill clients' needs



### Overseas repeat client

High-net-worth individual who purchased our developed condo in Niseko became a repeat customer.

### B-Lot Global Team

Provide solutions for various needs from overseas clients



Large-scale villa in Karuizawa

### brokerage

Providing closed market information through broad network.

### project management

Maximizing the clients asset value by B-Lot's development expertise.

YoY Business profit increased 70.1%

(Millions of yen)

	2018/6	2019/6	YoY change
Revenue	407	1,430	250.7%
Operating profit	274	466	70.1%

2<sup>nd</sup> Master lease PJ

"Nine Hours Nakasu Kawabata Station"

Opened a capsule hotel in a large commercial building in Fukuoka



Price

Stay ¥4,900~

Nap ¥1,000~

Shower ¥700~

Steady increase in Property management by repeat customers

Asset management for large-scale development in Niseko

Developed by Singapore's leading developer,

"SC Global Developments Pte Ltd"

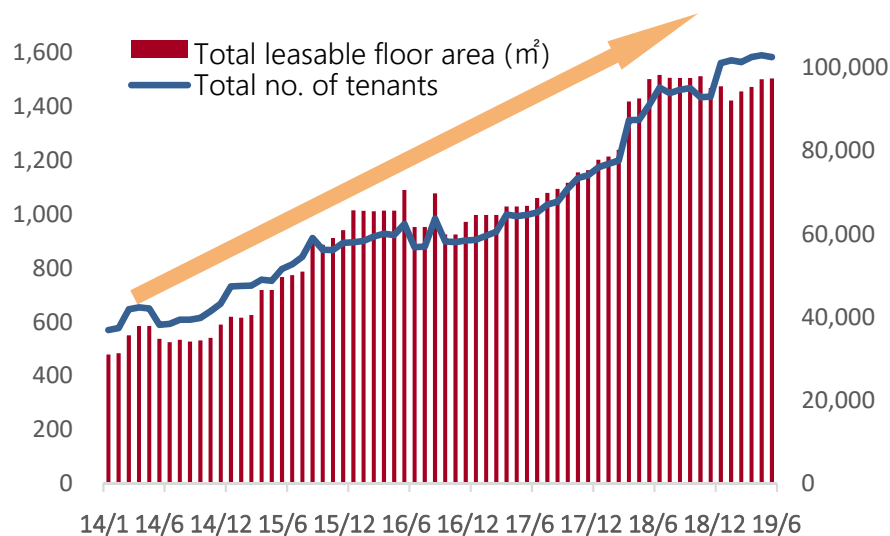


One of the largest PJ in the Area



Dec. 2021 Completion (planned)

Name	Setsu Niseko
Uses	Luxury Condominium
Rooms	All 190 rooms (planned)
Site area	10,292m <sup>2</sup>



# Close up!

Aiming to expand our business portfolio and create new businesses that have social significance





Acquired a 50% stake in an operator of columbarium adding the columbarium “property revitalization business” to our portfolio



横濱聖苑  
YOKOHAMA SHOEN

© KENGO KUMA & ASSOCIATES

Rendering images

 **B-lot** Co.,Ltd.

**DELIS**  
design life-style

<http://www.yokohama-shoen.co.jp/>



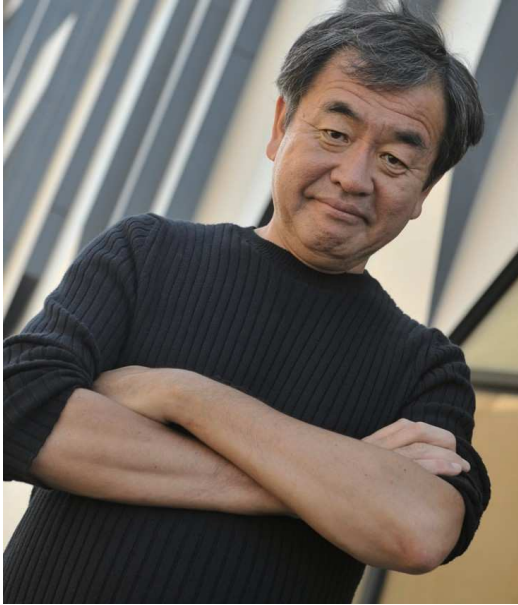


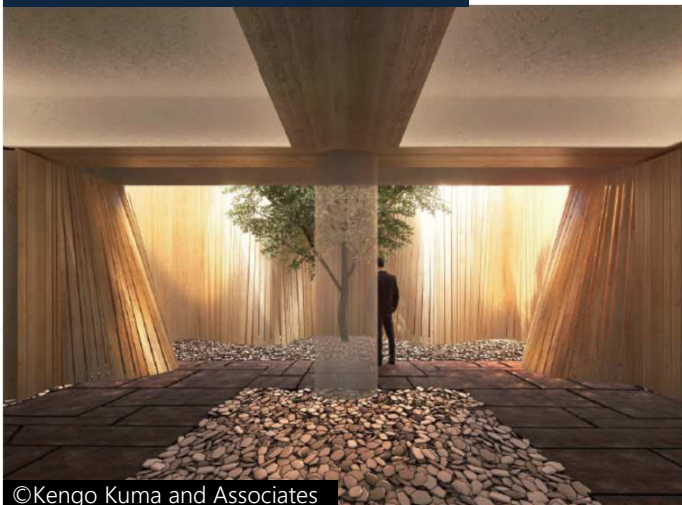
Photo © J.C. Carbonne

### Mr. Kengo Kuma

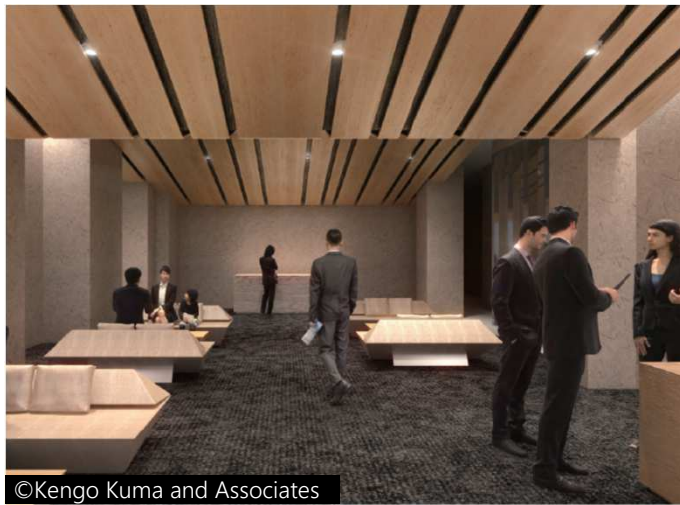
Before establishing Kengo Kuma & Associates in 1990, he received his Master's Degree in Architecture from the University of Tokyo, where he is currently a Professor of Architecture.

Kengo Kuma & Associates has designed architectural works in over twenty countries and received prestigious awards, including the Architectural Institute of Japan Award, the Spirit of Nature Wood Architecture Award (Finland), and the International Stone Architecture Award (Italy), among others. Kengo Kuma & Associates aims to design architecture which naturally merges with its cultural and environmental surroundings, proposing gentle, human scaled buildings.

### Rendering images



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©Kengo Kuma and Associates



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# Columbarium featuring superior design, affordable prices, and proximity to central Tokyo

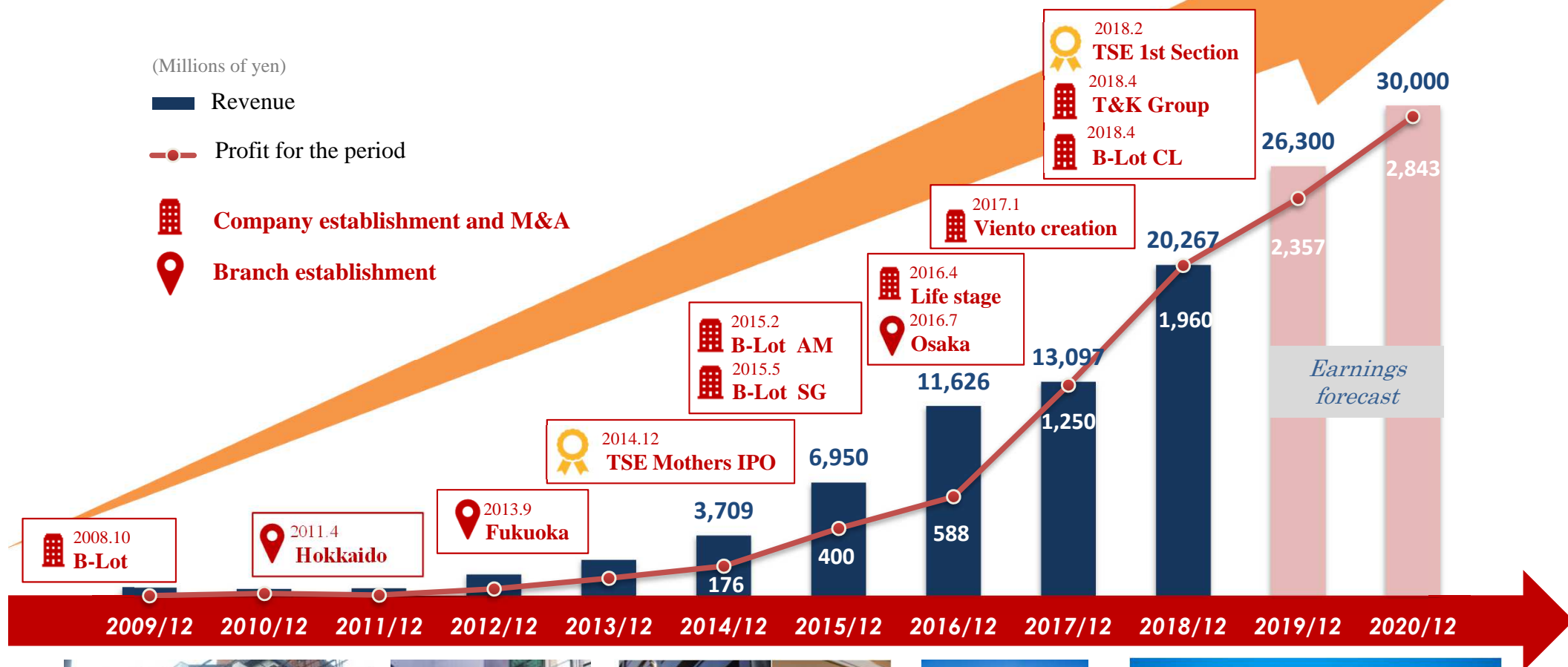
Name of company	Yokohama Shoen Co.,Ltd.
Access	<p>【Yokohama Municipal Subway】 5-minute walk from Kishine Koen Station on the Blue Line. Kishine-Koen Station is 2 minutes from Shin-Yokohama Station and 9 minutes from Yokohama Station.</p> <p>【Directions by car】 Immediately from Daisan Keihin Road "Kohoku Interchange" , "Higashi-Kanagawa Interchange" and "Misawa Interchange".</p>
Business content	Columbarium / funeral hall
Land area	2,894.70m <sup>2</sup> (875.64 tsubo)
Building area (total of 3 buildings)	3,665.67m <sup>2</sup> (1,108.86 tsubo)
Number of altars	Existing 3,258 units (We plan to expand to 10,000 units in the future)
Acquisition of Management Permit	March 28, 1972 Religious Corporation "Nenbutsu-ji"



As Japan's population is aging, the development of indoor-type columbarium in urban locations could meet changing social needs and provide stable and long-term revenue.



# Revenue and Profit Trends



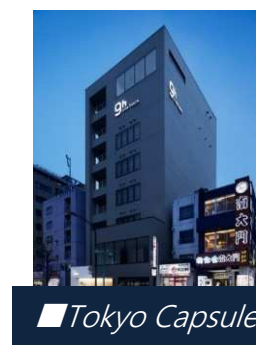
*Started renovation business.*



*Started brand-new business line.*



*First conversion of office building into a compact hotel.*



*Condominium sold to high-net-worth foreign individuals.*

# *III. Company Profile*

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Company Name	B-Lot Company Limited
Head Office	1-11-17, Shimbashi, Minato-ku, Tokyo, 105-0041 Japan
Establishment	October 10, 2008
Capital	JPY 1,024,266,533
President	Makoto Miyauchi
Number of Employee	59 employees (203 as Consolidated)
Listed Date	December 11, 2014 (TSE Mothers Section : 3452) February 02, 2018 (TSE, 1st Section : 3452)
Offices	Hokkaido, Fukuoka, Osaka
Subsidiaries	B-Lot Asset Management Co., Ltd (100% Subsidiary) B-Lot Singapore Pte., Ltd. (100% Subsidiary) LIFE STAGE CO.,LTD. (100% Subsidiary) Viento Creation Co.,Ltd. (100% Subsidiary) T&K Co.,Ltd. B-Lot Capital Link Co.,Ltd (100% Subsidiary)





**Makoto Miyauchi** Representative Director and President (Born in February 1969)

Acquired BA in Political Science at Keio University, Tokyo and MBA at University of Washington, Seattle.  
A former banker (at Sanwa Bank - currently MUFG) with expertise in project financing, property loans, and securitization.  
Established B-Lot to start new real estate and financial businesses in 2008.  
A well-known, influential business executive in Japan.



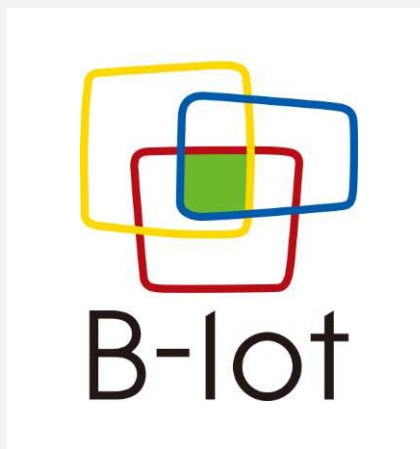
**Shinichi Hasegawa** Director and Deputy President (Born in July 1972)

Acquired BA in Commercial Science at Sapporo Gakuin University.  
Has been responsible mainly for purchase and sales real estate brokerage business .  
Made tremendous contribution for Sun Frontier Fudousan Co., Ltd.(TSE first section 8934) to be listed in the JASDAQ Stock Exchange in 5 years and in the Tokyo Stock Exchange in 8 years since its incorporation. Assumed the Deputy President of B-Lot in 2008.  
Set up new branches in Singapore & Hokkaido by himself and creates new investment networks.



**Masahiro Mochizuki** Director and Deputy President (Born in October 1972)

Acquired BA in Real Estate at Meikai University.  
Established a new business field in real estate value-up called "Re-planning" in 2001, responsible for purchasing, improving value, selling, and securitizing properties.  
Specialized in 'revitalization and conversion' business on real estate'.  
Has dealt more than 150 transactions, becoming a most recognized authority in the field of real estate value-up.  
Held a number of seminars mainly about revitalization.



The logo is ...  
a symbol of our foundation.



The rounded corners of the squares express flexibility and balance.

The company was established in October 2008, and all three founders had different areas of expertise and networks.

President Makoto Miyauchi has a strong background in finance, Deputy President Shinichi Hasegawa's has extensive expertise in consulting and customer development and Deputy President Masahiro Mochizuki is skilled in property revitalization (acquisition and sales). Previously, they managed a real estate company listed on the TSE 1st Section.

In December 2014, B-Lot listed on the TSE Mothers market with 27 employees, just six years and two months after its founding, which was faster than any other real estate company following the global financial crisis.

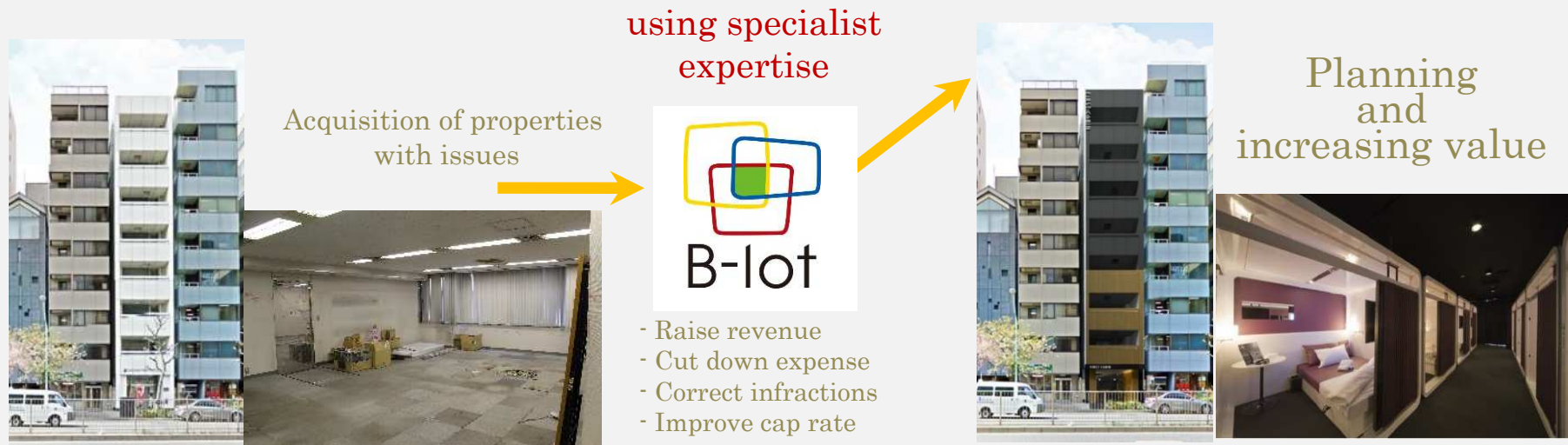
In February 2018, the company transferred its listing to the TSE 1st Section.

**With 3 core businesses, B-Lot build close relationships with high-net-worth clients**





**Acquire properties with profitability and regulatory issues  
→solve these issues, thereby increasing property value**



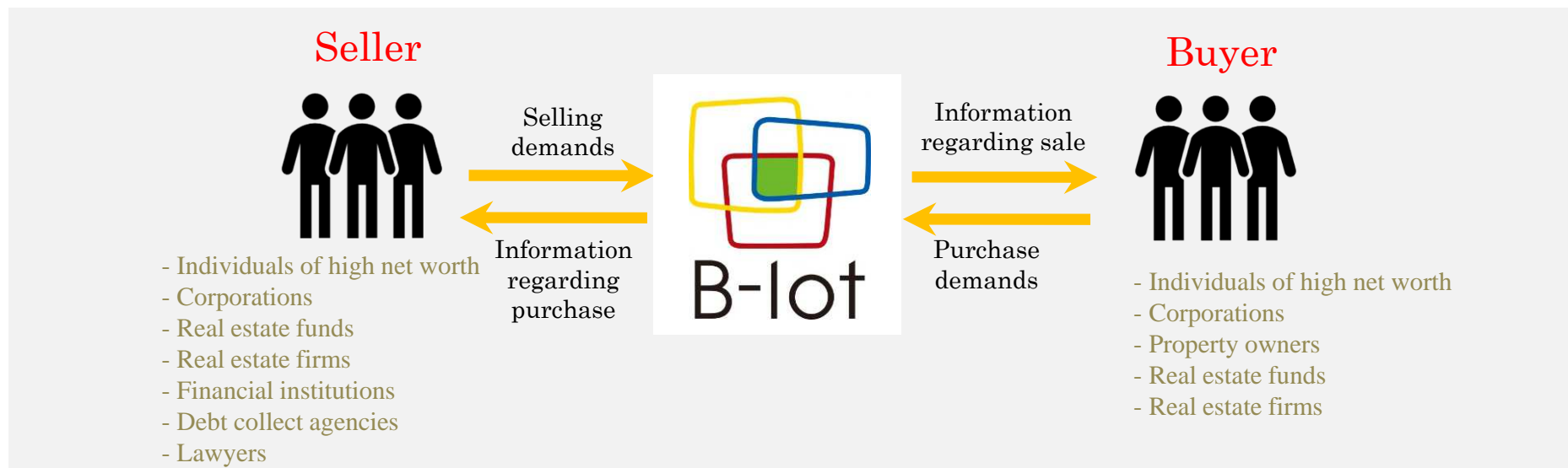
## Revitalization

B-Lot sees potential in buildings that are highly costly, have low value or have been used illegally or maintained poorly. Our investment team will make those buildings shine again with creative planning based on deep knowledge of and specialized expertise in real estate.

## Development

B-Lot catches the latest trends in real estate and implements creative plans in developing products. Even in a tough market, we develop sites with reasonable prices through our strong and solid networks.

**Build close and long-term relationships with individuals of high net worth and corporations, potential buyers in a competitive real estate market**



Brokerage

Consulting

B-Lot offers comprehensive consulting services such as trust beneficiary interest transactions, brokerage of property sales, leasing, proposals for property exchanges and effective utilization of unused land and rent negotiation services. Our consulting team always carefully listens to clients needs and concerns in order to provide optimal and unique solutions tailored to them. This enables us to build life-long relationships with our clients.



**From property management to structured projects, B-Lot offers services tailored to each client**

#### Asset management



##### Real estate securitization

B-Lot arranges and proposes structure for clients who want to set up an SPC for real estate purchase.

##### Asset management

B-Lot uses its experience in brokerage and evaluating and managing properties, as well as its specialized knowledge in asset finance and networks, to provide asset management services.

#### Property management

##### Leasing management

Account services

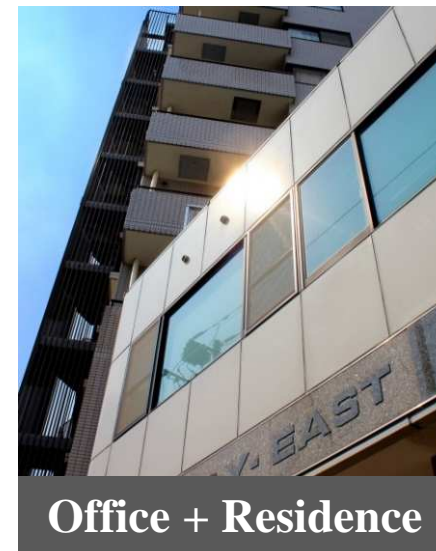


Building maintenance  
Construction management

#### Owned properties



Retail



Office + Residence

#### **Steady rent income for cash flow**

Rent income from our own properties is a core revenue for the Property Management Business. All rent, including rent acquired by the Investment Business is booked in the Property Management Business.

# B-LOT SINGAPORE PTE. LTD.

B-Lot Singapore Pte. Ltd. was established to provide a variety of investment solutions for Asian investors.

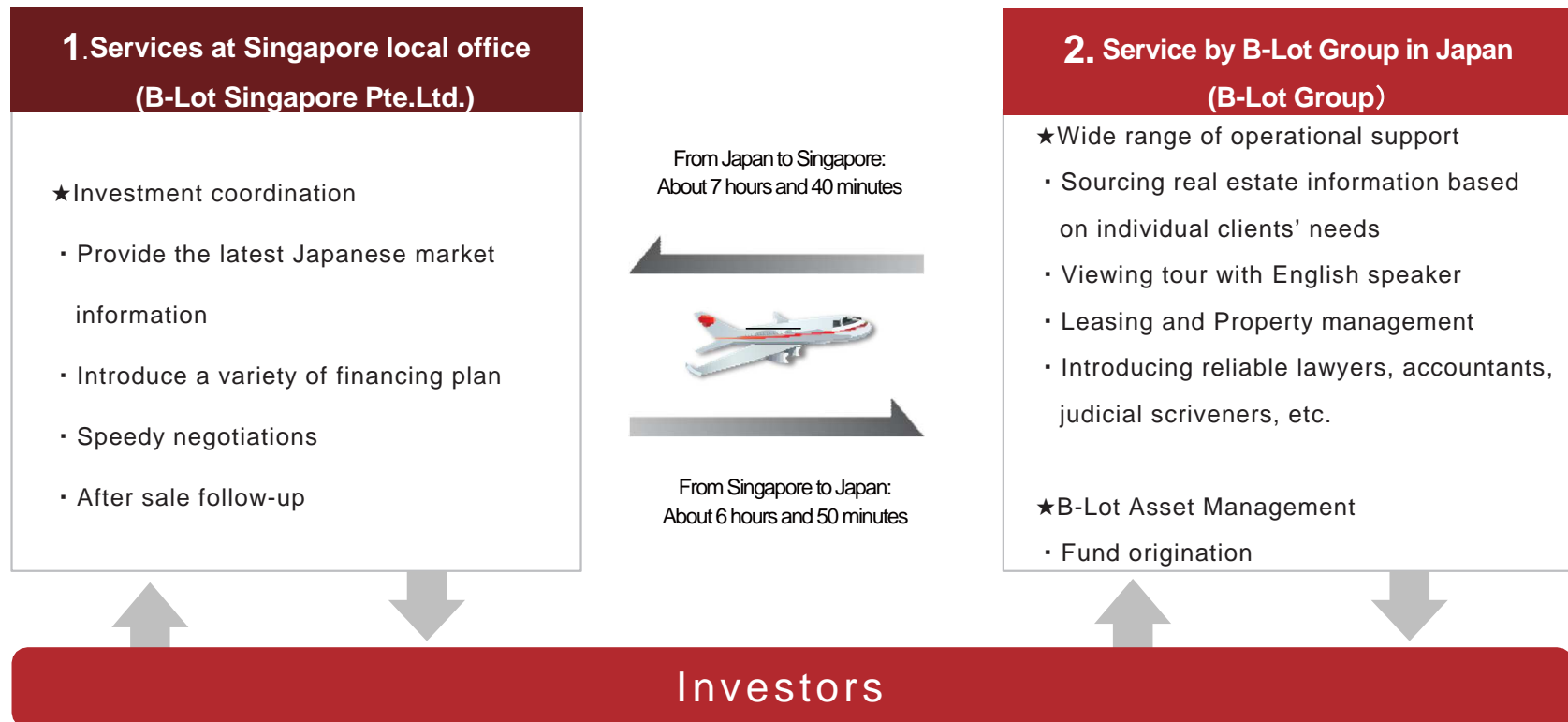
We are a one-stop service provider for real estate purchases, sales, property management and asset management in the part of the B-Lot Group that specializes in sourcing and consulting with real estate.

B-lot Singapore aims to meet the expectations of smooth asset operations for Asian investors regarding inbound investment needs in Japan.



President Shinichi Hasegawa

## — Business Model —



# B-Lot Asset Management Company Limited

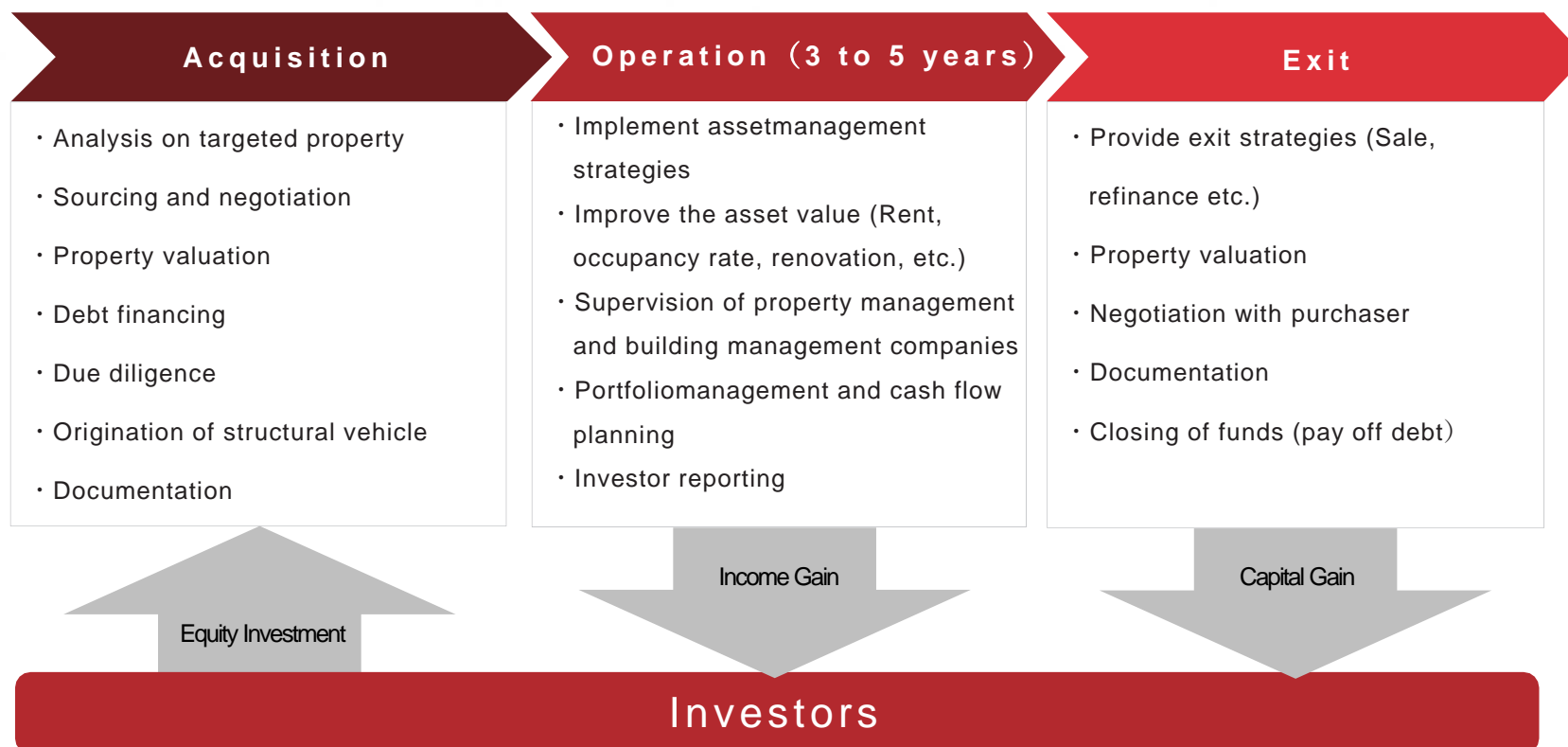
B-Lot Asset Management Co., Ltd. provides comprehensive real estate operational services such as asset management with financial schemes

We originate a wide variety of real estate funds to meet the investors' individual needs. As an asset manager with deep knowledge, B-Lot provides quality services and has cultivated sales/purchases, brokerage, valuation, and property management of investment properties along with experience, expertise, and our own network in asset finance.



President Shinji Okajima

## — Business Model —





# LIFE STAGE CO., LTD.

LIFE STAGE provides real estate brokerage services, leveraging its core expertise in product planning and sales planning. The goal is to serve as a “bridge” between developers and customers.

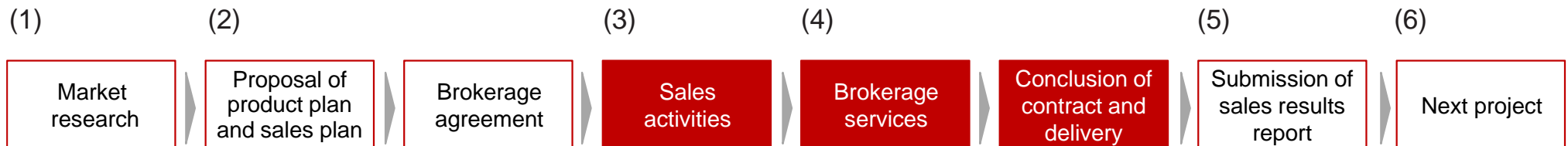
The company sells newly-built condominiums for residential use (mainly targeting families) built by major real estate developers.

The company's strength is its unique business model of reflecting customers' voices into product and sales planning.



President Katsunori Yori

## — Business Model —



- (1) The company receives a request from the developer to conduct market research of a scheduled development site.
- (2) The company analyzes various data points, prepares a sales plan, and submits a proposal to the developer.
- (3) The company assigns an employee to be stationed at the condominium showroom and conduct sales activities.

- (4) The company helps sell condominiums while also providing services to meet the relocation needs of customers.
- (5) After completion of sales, the company reports the sales results to the developer.
- (6) By showcasing its high contract rate, the company acquires the next broker deal.

# T&K Co., Ltd.

T&K provides a range of services including outsourced golf course management, design and repair planning, and golf tournament plan proposal by harnessing its abundant experience and broad expertise related to golf.

T&K provides superior services with a focus on hospitality, and improves course maintenance to provide high-quality course conditions. By doing so, the company enhances player satisfaction and boosts course performance. The company leverages its strength in reflecting customers' voices into product planning and management, with the aim to increase the asset value of golf courses.



President Taizo Kawata

## — Business Model —

### Outsourced management

Outsourced management of golf courses

### Planning

Golf course design, renovation design, and supervision

### Plan proposal

Proposing plans for golf tournaments and events

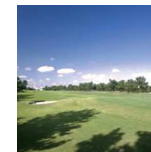
### Consulting services

The management of a total of three courses, including contract as a designated course manager  
Comprehensive consulting services related to golf, including renovation and course maintenance

### Adviser services

Strategic planning and practical training to enhance the asset value of golf courses as profit-earning real estate  
Adviser services related to the purchase or sale of golf course assets

### Golf courses the company manages on an outsourced basis



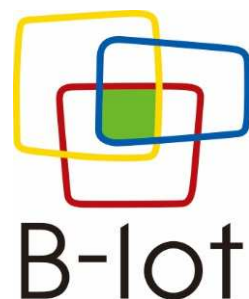
Wakasu Golf Links  
(Management business designated by the Tokyo Metropolitan Government)



North Shore Country Club



Tsuruga Kokusai Golf Club



**..... Contact us .....**  
**Corporate Planning Department**  
**Tel : +81 3-6891-2525**  
**Fax : +81 3-6891-2522**  
**E-mail [ir@b-lot.co.jp](mailto:ir@b-lot.co.jp)**  
**URL : <https://en.b-lot.co.jp/>**

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