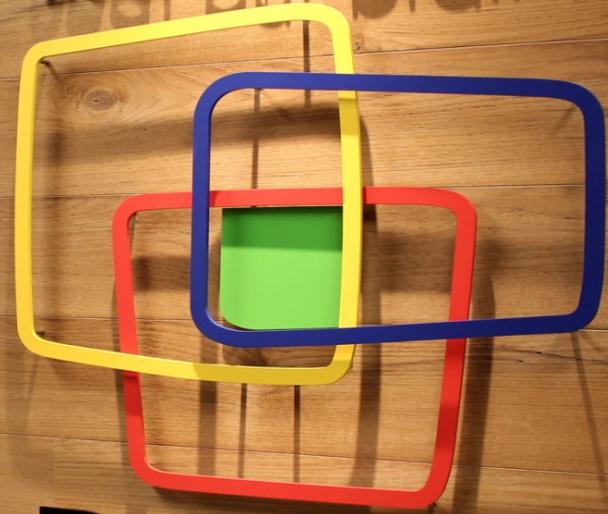


Beat our brains!



Annual Report
Fiscal Year Ended
December, 2016

B-lot

B-Lot Co., Ltd.

Tokyo Stock Exchange, Mothers Section
(Ticker Code. 3452)

February 21, 2017



Message from the President

~ Looking Toward Our 10th Anniversary ~

This fiscal year, B-lot will celebrate its 10th anniversary.

In December 2014, B-Lot listed on the Tokyo Stock Exchange Mothers market.

In December 2016, we achieved a sixth consecutive year of revenue and profit growth thanks to the support of our stakeholders. I would like to take this opportunity to express my sincere gratitude.

The environment that surrounds us changes dramatically from day to day.

However, the founding resolution behind the B-lot name

“to think hard and utilize our experience to create businesses that provide value to society” remains unchanged.

Moving forward, we will continue to value “teamwork” and “partnership” in our dealings both inside and outside the company. We will adapt flexibly to the changing times and expand our business with a sense of urgency.

I hope that we can continue to count on your support and guidance.



Makoto Miyauchi,
President and Representative Director,
B-lot Co., Ltd.



Performance Trend

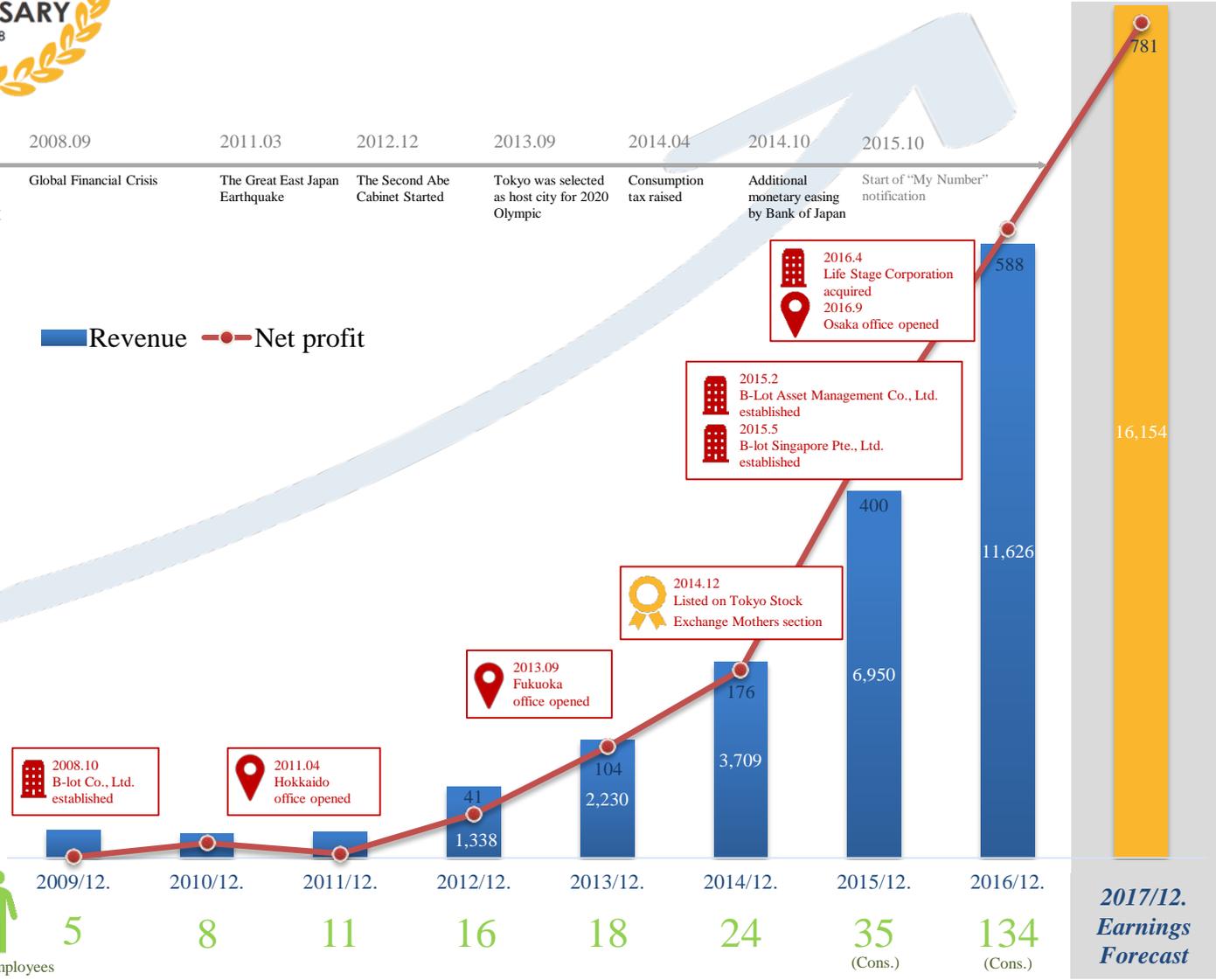


2008.09 Global Financial Crisis
 2011.03 The Great East Japan Earthquake
 2012.12 The Second Abe Cabinet Started
 2013.09 Tokyo was selected as host city for 2020 Olympic
 2014.04 Consumption tax raised
 2014.10 Additional monetary easing by Bank of Japan
 2015.10 Start of "My Number" notification

■ Revenue ● Net profit



Number of Employees



2008.10 B-lot Co., Ltd. established

2011.04 Hokkaido office opened

2013.09 Fukuoka office opened

2014.12 Listed on Tokyo Stock Exchange Mothers section

2015.2 B-Lot Asset Management Co., Ltd. established
 2015.5 B-lot Singapore Pte., Ltd. established

2016.4 Life Stage Corporation acquired
 2016.9 Osaka office opened



To Our Shareholders



Declare pay first dividends!

B-Lot considers the return of profits to shareholders as an important management issue.

Our basic policy is to make shareholder returns that reflect our business performance, and we intend to pursue a comprehensive shareholder return policy that also takes into account our future business development and strengthening of our financial position.

This fiscal year, in accordance with the above policy, we plan to pay our first dividend, to meet expectations for stable and continuous returns from shareholders who invest in our company in the medium and long term.

Year-end dividend 17 yen per share

* This proposal will be put to the Ordinary General Meeting of Shareholders to be held in March 2017.





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I. Performance Review



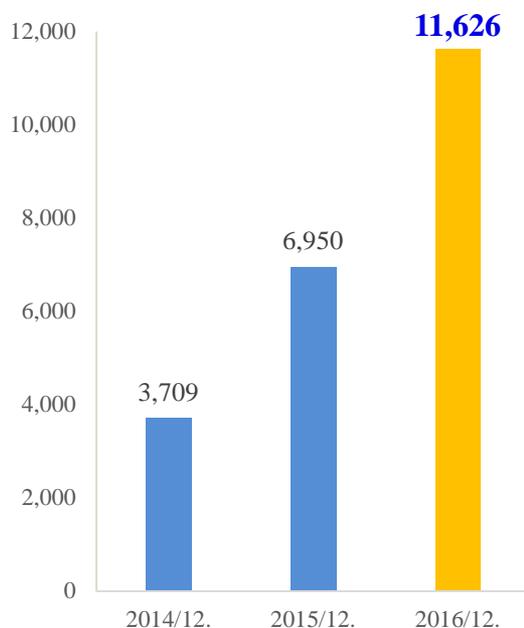
1. Achieved revenue and profit growth for the sixth consecutive year. Consolidated net profit continued growing, up 47% year on year!!!
2. The balance of properties for sale reached 11,392 million yen!
Expecting to complete five development projects and start receiving rental income from them in FY Dec. 2017.
3. Successful inbound strategy led to expansion in direct transactions with the wealthy in Asia.
Singapore business and asset management initiatives contributed to performance.
4. Number of B-lot Group consolidated subsidiaries increased to three.
Expanding in size, with total number of consolidated employees now exceeding 130.

I-2. Performance Highlights

...FY Dec. 2016

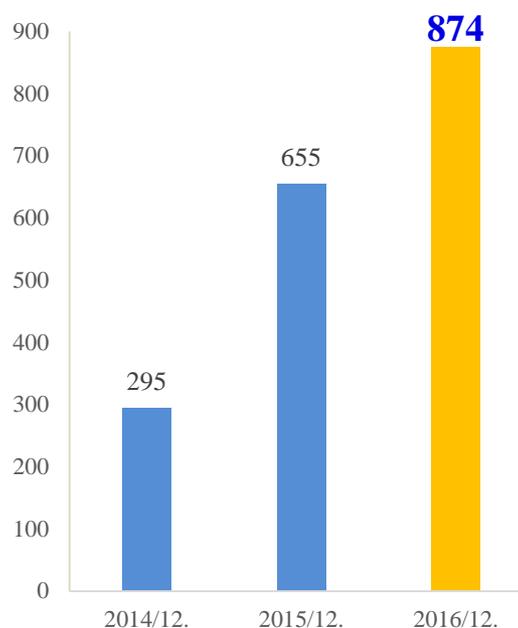
Achieved significant growth in revenue and profit for the sixth consecutive year!

Revenue (¥: Million)



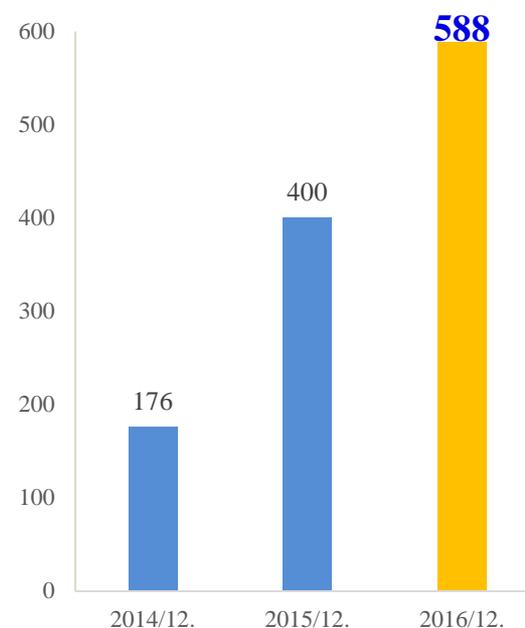
Up **67.3%** YoY
Revenue 11,626 Million

Ordinary Income (¥: Million)



Up **33.4%** YoY
Ordinary Income 874 Million

Net Profit for the Year (¥: Million)



Up **46.9%** YoY
Net Profit 588 Million

* Consolidated financial statements were created from FY ending Dec. 31, 2015. The figures for FY2014 are unconsolidated.

* In this presentation, net profit attributable to owners of the parent is shown as net profit.

I-3. Consolidated P&L/BS Summary

...FY Dec. 2016

Made upfront investments mainly in development projects.
Acquired 159,000 shares of treasury stock.

Consolidated P&L Summary

(¥: Million)

	2015/12.	2016/12.	YoY
Revenue	6,950	11,626	67.3%
(1) Investment Business	6,137	9,977	62.6%
(2) Consulting Business	171	767	348.1%
(3) Management Business	642	881	37.3%
Gross Profit	1,556	2,620	68.4%
SG&A expenses	756	1,445	91.2%
Operating Profit	800	1,175	46.9%
(1) Investment Business	839	989	17.8%
(2) Consulting Business	57	345	496.9%
(3) Management Business	283	458	61.6%
Other Expenses	-381	-618	62.3%
Ordinary Profit	655	874	33.4%
Net Profit for the Period	400	588	46.9%

Consolidated BS Summary

(¥: Million)

	2015/12.	2016/12.	YoY
Assets	9,984	16,625	66.5%
Current Assets	8,343	14,105	69.1%
Fixed Assets	1,632	2,479	51.9%
Deferred Assets	9	41	347.3%
Liabilities	7,553	13,806	82.8%
Current Liabilities	1,836	4,978	171.1%
Fixed Liabilities	5,716	8,827	54.4%
Net Assets	2,431	2,819	16.0%
Total Liabilities and Equity	9,984	16,625	66.5%

* Consolidated PL: Reflects contribution of Life Stage Corporation from the third quarter.

* Revenue figures do not include intersegment transactions.

II. Business Summary



II-1. Real Estate Investment and Development

...FY Dec. 2016

Segment revenue increased 62.6% year on year.

(¥: Million)

	2015/12.	2016/12.	YoY
Revenue	6,137	9,977	62.6%
Segment Profit	839	989	17.8%

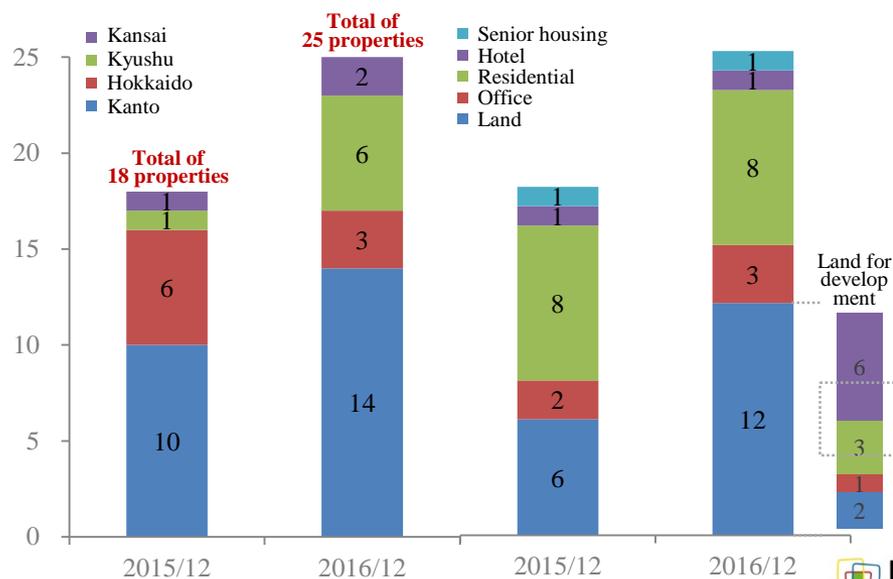
Sales: 3 J-REIT properties,
3 overseas investor properties

(¥: Million)

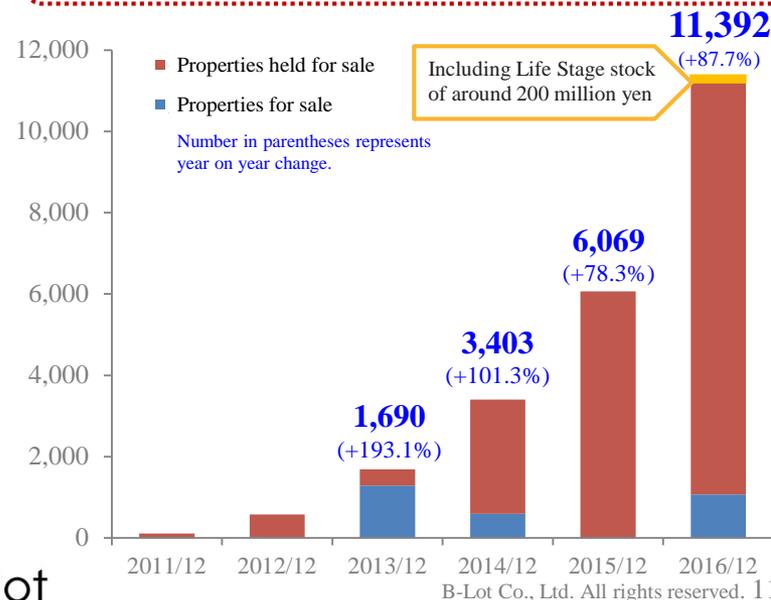
	2015/12.	2016/12.	YoY
Number of properties sold	13	16	—
Average selling price (per property)	471	612	30.1%

* The above figures are actual results of B-lot (unconsolidated).

Breakdown of properties for sale (stock) by type



Balance of Properties for Sale



* The above figures are actual results of B-lot (unconsolidated).

II-1. Real Estate Investment and Development

...FY Dec. 2016

Expecting to complete five development projects and start receiving rental income from them in FY Dec. 2017.



★Hotel Condominium★

2016.12
NISEKO



★Residence★

2017.1
SAPPORO



(Plan) 2017.3
SHINJUKU



(Plan) 2017.7
SHINTOMI



(Plan) 2017.9
KYOTO GOJO



(Plan) 2018.3
NAHA

Video transmission of development project



Coming
Soon

(Plan) 2018.2
OTARU

II-2. Real Estate Consulting

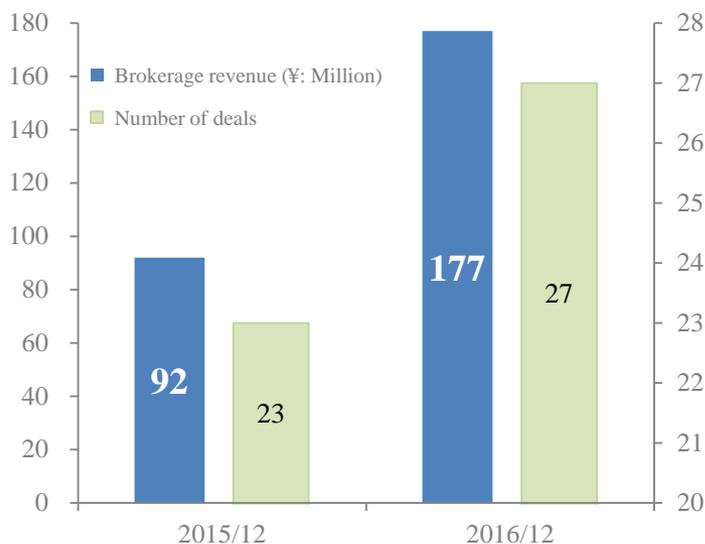
...FY Dec. 2016

Segment profit increased significantly!

(¥: Million)

	2015/12.	2016/12.	YoY
Revenue	171	767	348.1%
Segment Profit	57	345	496.9%

B-lot brokerage service revenue increased 92.7%



Actively conducted seminars and PR activities.

Seminar for investors
Japanese real estate
investment fair in Taiwan, 2016
 (Sponsored by Nikkei BP)



Industry seminar
Business strategy in response to
sudden increase in inbound tourism
in Japan
 (Sponsored by SOGO UNICOM Co., Ltd.
 At Future Creation Business Meeting)



Newspaper advertising in Singapore
Laurel Court Shinjuku Natsumezaka
 (Owned by Kintetsu Real Estate Co., Ltd.)

Viewings for visitors to Japan
 Showed wealthy visitors from
 Indonesia around model rooms.



* The above figures are the actual results of B-lot (unconsolidated) and exclude consulting fee, etc.

Overseas Strategy

Implemented sales scheme utilizing Group synergy!



B-LOT (from 2015 .1 to 2015.11)

- Acquired vacant building itself
- Carried out renovation work utilizing property characteristics ⇨ Hostel

B-LOT SINGAPORE (Consulting)

- Introduction of prime property to overseas investors
- FACE to FACE relationship

B-LOT (From 2015 .11 until sale)

- Operation: Outsourced to partner enterprise
- Working to ensure stable returns in the long term

B-LOT Asset Management (from 2016.12)

- Arrangement of finance + support for fund creation
- Performance of operation and management during period, including returns, as AM
- Long-term continuous follow-up of investors

IMANOTOKYO video transmission



Strengthening trust through business



【Buyer】
SiS International Holdings Limited
Vice-Chairman
Mr. Lim Kiah Meng

II-3. Real Estate Management

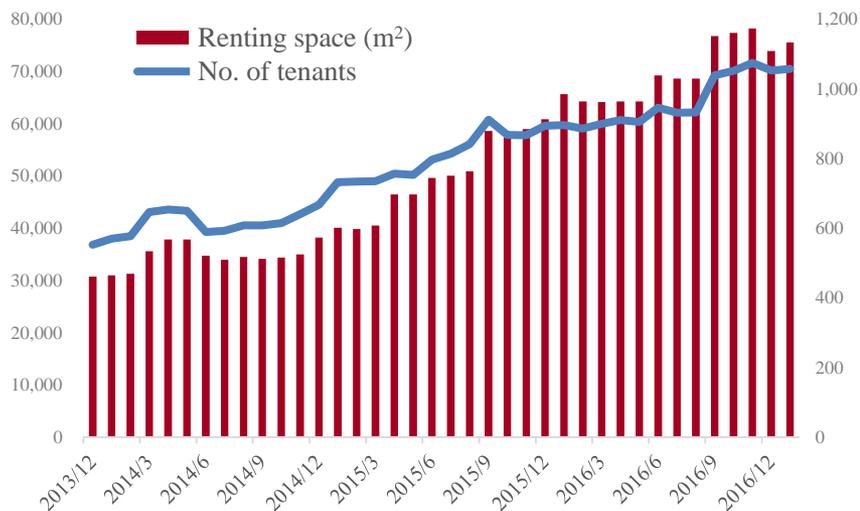
...FY Dec. 2016

Segment profit increased 61.6%.

(¥: Million)

	2015/12.	2016/12.	YoY
Revenue	642	881	37.3%
Segment profit	283	458	61.6%

PM: Growing steadily; also starting to meet overseas PM needs.



PM fee income is increasing



Due to the increase in the number of managed properties from 39 to 43, PM fee income rose 34%.

Made a major contribution to increase in the company's income stability.

* Above figures are actual results excluding SL, ML and BM service fees.

Diversified client type, increase in size of managed properties



Residential building in Shinagawa-ku, Tokyo



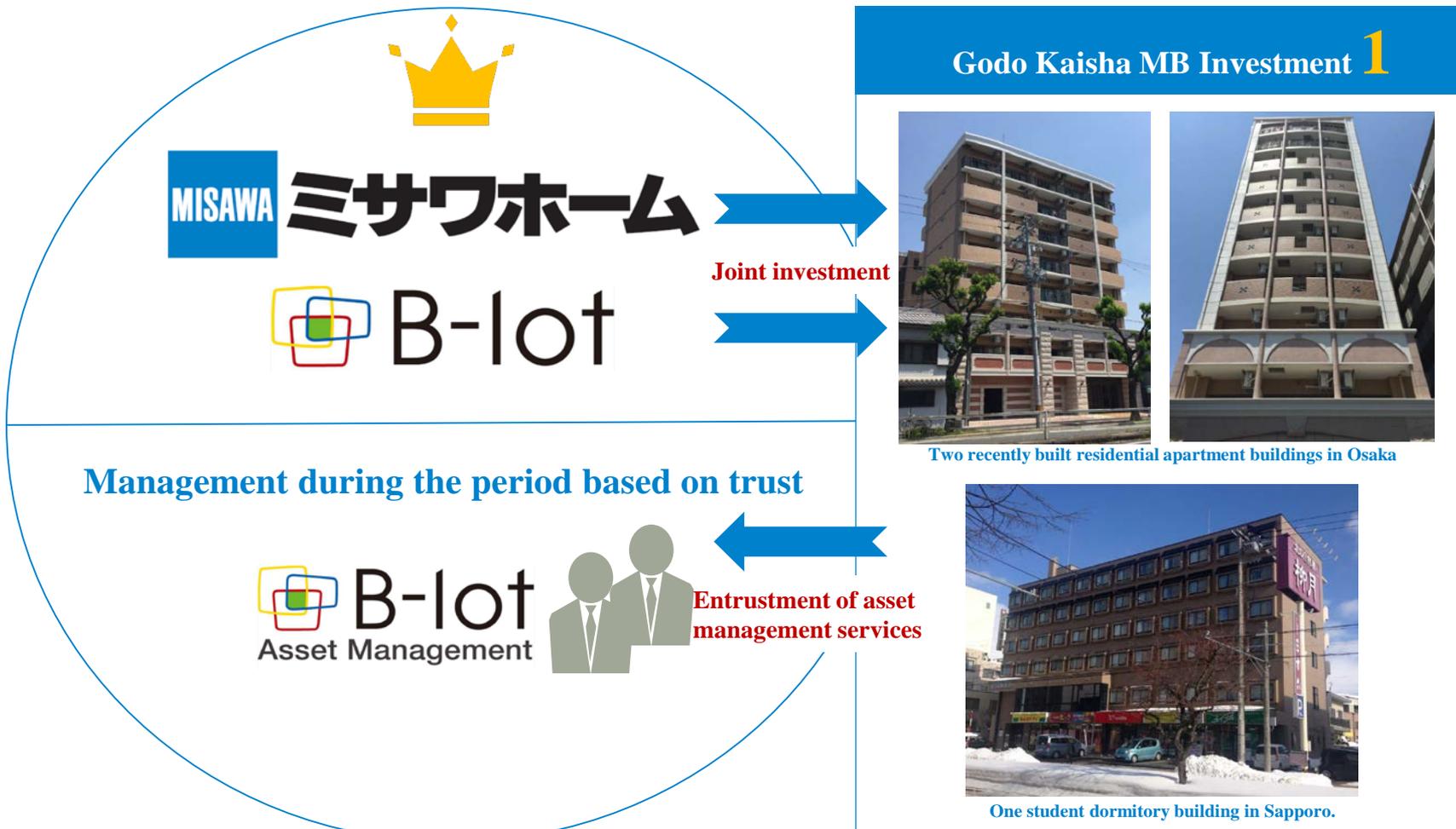
Residential building in Fukuoka City, Fukuoka Prefecture



Residential building in Sapporo, Hokkaido

**Fund
Creation**

**Created real estate fund through joint investment
and provided asset management services!**



Godo Kaisha MB Investment 1



Two recently built residential apartment buildings in Osaka



One student dormitory building in Sapporo.

III. Earnings Forecasts and Priority Measures



III-1. Full-Year Earnings Forecasts

- i. The B-lot Group will enter a stage of further growth.
- ii. We aim to increase the company's value through proactive business development and sustainable growth.

Consolidated Earnings Forecasts

(¥: Million)

	Result of previous year	Plan Period	
	FY Dec. 2016	FY ending Dec. 2017	Compared to FY Dec. 2016
Consolidated Revenue	11,626	16,154	38.9%
Consolidated Operating Profit	1,175	1,492	27.0%
Consolidated Ordinary Income	874	1,175	34.4%
Consolidated Net Profit for the Year	588	781	32.8%

* The above earnings forecasts are based on information available to the company as of the date of this announcement. The actual results for 2017 may differ from the projection due to a variety of factors.

III-2. Priority Measures



Wealthy individuals and corporations

Link product line-up of accommodation facilities that are nearing completion to the coordination of investment among wealthy individuals overseas and realize return generated by synergies.



Increase cooperation with external networks.

Form business partnerships with promising enterprises to facilitate the development of areas of operation and create new business models and work to strengthen cooperation with partner companies.



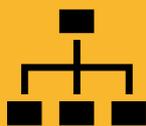
Building a sound financial base

Focus on establishing a sound financial base while at the same time actively seeking business development as a venture enterprise.



Implementing diversity management

Accept diverse human resources including IT human resources and workers from overseas, and implement management that allows individuals to perform to their full potential.



Establishing a structure for organizational growth

Establish an organizational structure for the sound operation of the corporate governance structure and internal control system and for speedy and accurate management decision-making.

IV. Company Profile



IV-1. Company Profile =as of June 30, 2016=

Company Name	B-Lot Company Limited
Head Office	2-19-10, Shimbashi, Minato-ku, Tokyo, 105-0041 Japan
Establishment	October 10, 2008
Capital	JPY 943,672,368
President	Makoto Miyauchi
Number of Employee	36 employees (133 as Consolidated)
Listed Date	December 11, 2014 (Japan Stock Exchange Mothers Section Ticker code:3452)
Offices and Subsidiaries	Hokkaido, Fukuoka, Osaka B-Lot Asset Management Co., Ltd(100% Subsidiary) B-Lot Singapore Pte., Ltd.(100% Subsidiary) Life Stage Corporation(100% Subsidiary)
Licenses	Building Transaction License, Registered Financial Instrument Business (Type 2 Financial Instrument Business, Advisor and Agency)



IV-2. Board of Directors



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.

IV-3. Management Policies

Mission

We at B-Lot shall contribute to society by creating businesses that provide value to society in the fields of real estate and finance. In these activities, while following social norms, we shall pursue profit and realize long-term sustainable growth for all stakeholders as a “company needed by society.”

Core Values

Be professional

We shall always make decisions rapidly with sound judgment based on insight and expert knowledge. To ensure this professionalism, we shall give ample attention to gaining expert knowledge, collecting market information, and devoting ourselves to the study of our field.

Enjoy

We shall make the uninteresting fascinating.

We shall genuinely enjoy work and proactively conduct business with creativity and flexibility. To ensure this spirit of enjoyment, every member of the B-Lot shall place emphasis on partnership and teamwork in our relationships with each other and with everyone else.

Vision

Beat our brains

“Think hard” and “utilize our experience”

Our resolution is “to think hard and utilize our experience to bring joy to customers and contribute to the betterment of society.”

Beat our brains!



B-lot

The logo is a symbol of our foundation. The red symbolizes “passion and a fighting spirit,” the yellow symbolizes “brightness and a smile,” the blue symbolizes “sincerity and a spirit of fairness,” and the green symbolizes “total harmonization and originality.” The rounded corners of the squares express flexibility and balance and the way they interlink with each other expresses the person-to-person bonds that make up the partnerships and teamwork that the B-Lot cherishes more than anything.

IV-4. Business Outline

Our businesses are grouped into three main segments.



We have built intensive relationships with high-quality investors.

=Business Area=

Expanding Business Area to all over Japan,
especially focusing on Kansai Area



*The buildings above include invested properties, managed properties and rental buildings as of February 10, 2016

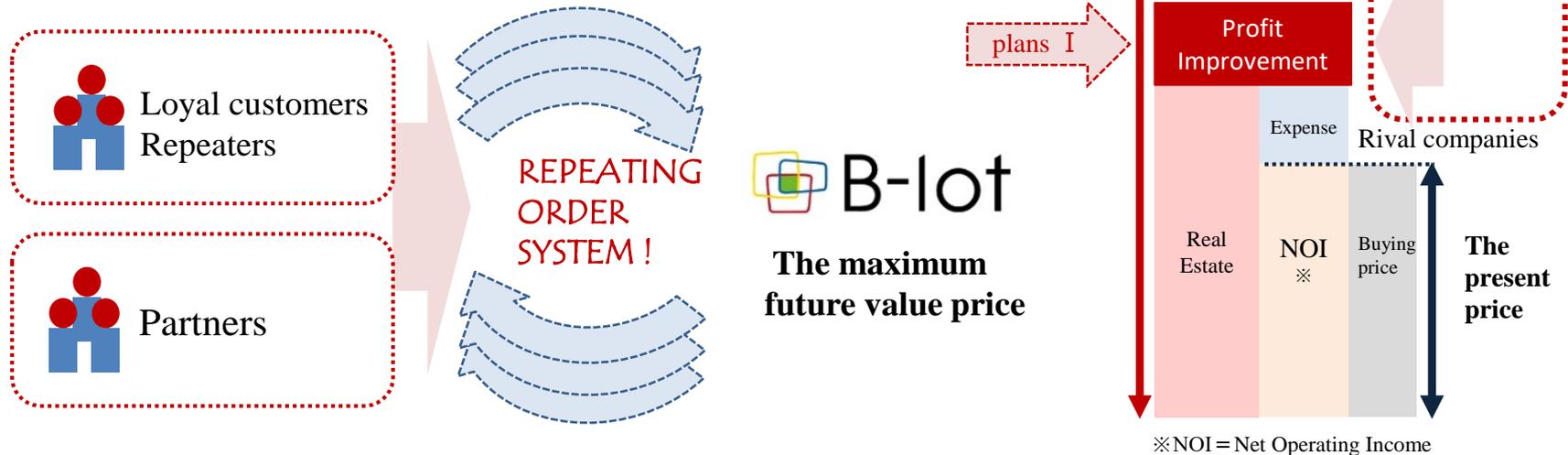
IV-5. Our Strengths

We have various 'revitalization plans' in many property types.

- ① Search for and find undervalued properties
- ② Provide the 'maximum value plan'
- ③ Fulfill its process as planned

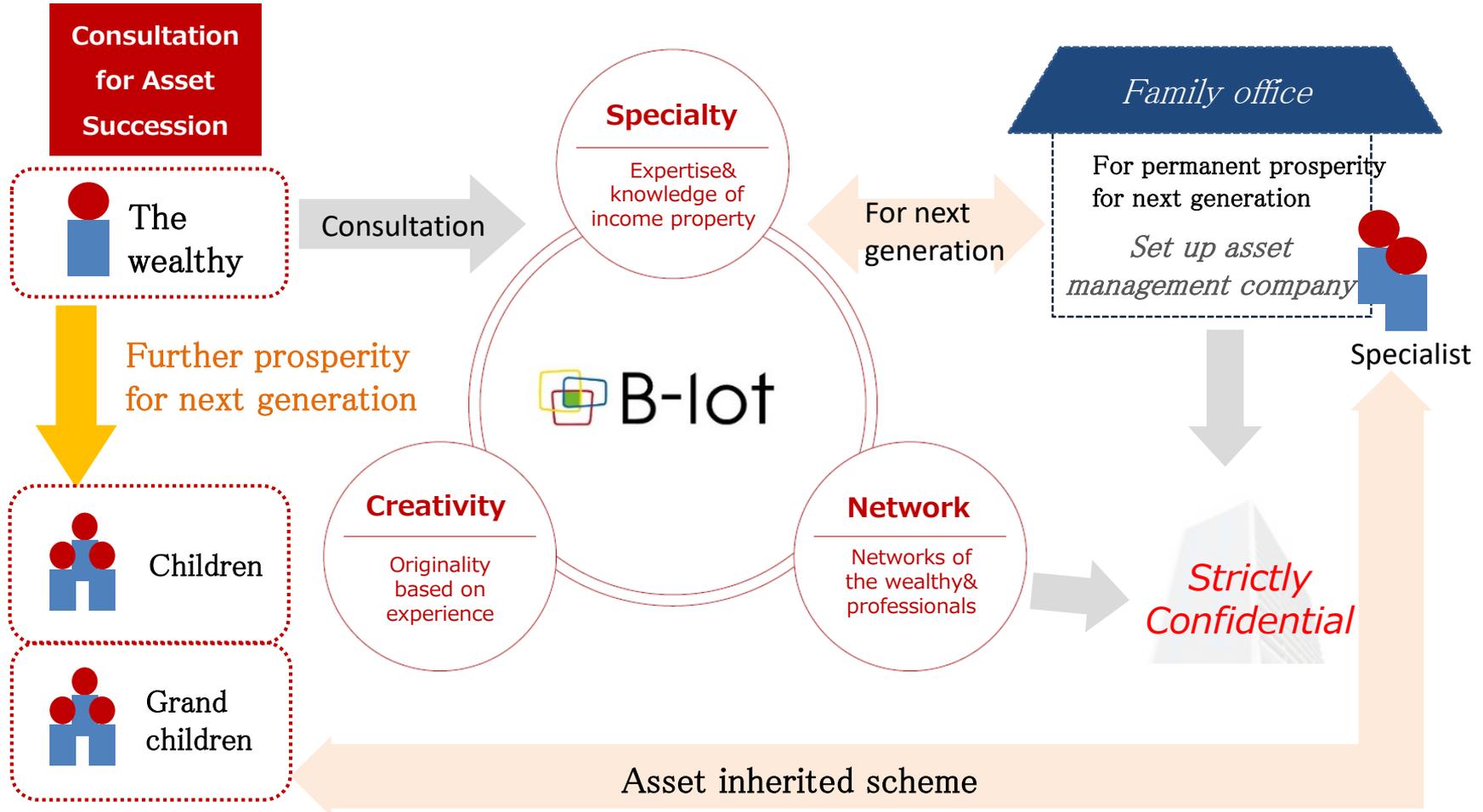
Note!

We are able to buy properties at higher prices because of our more various and sophisticated revitalization plans.



IV-7. Our strengths

We provide multiple solutions to succeed assets to next generation





Thank you for reading this to the end.

• • • **For more information** • • •

Beat our brains!



B-lot

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EMAIL: ir@b-lot.co.jp

<http://www.b-lot.co.jp/>

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