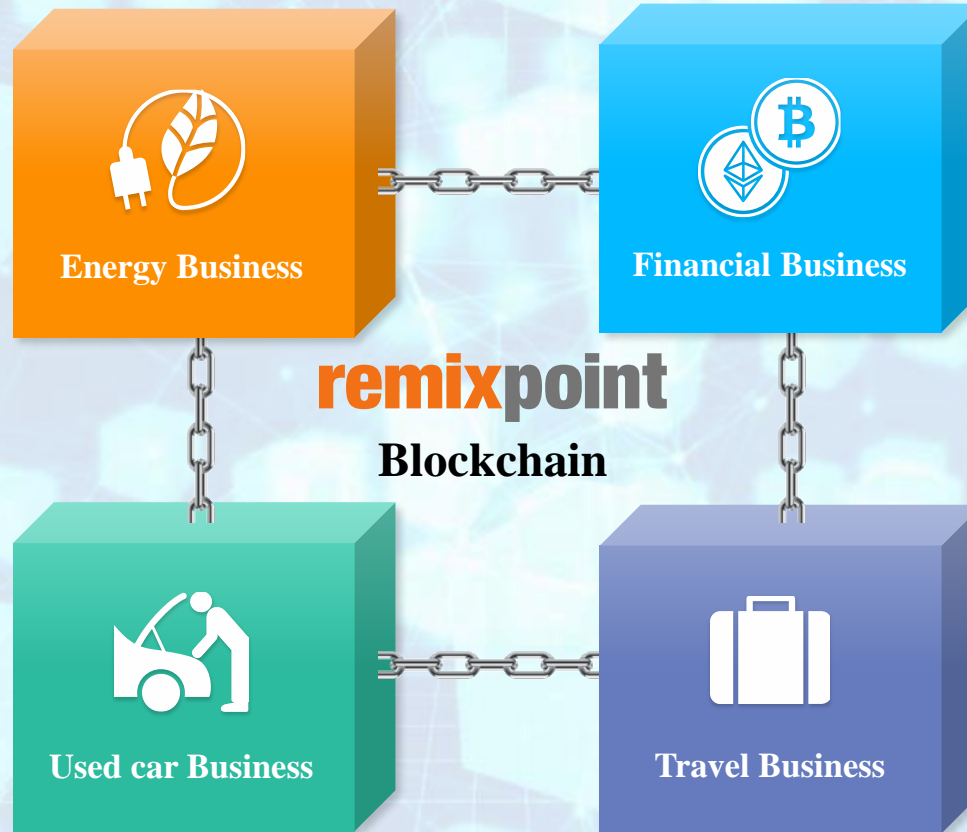


# 3rd Quarter of FY03/2020 Financial Highlights

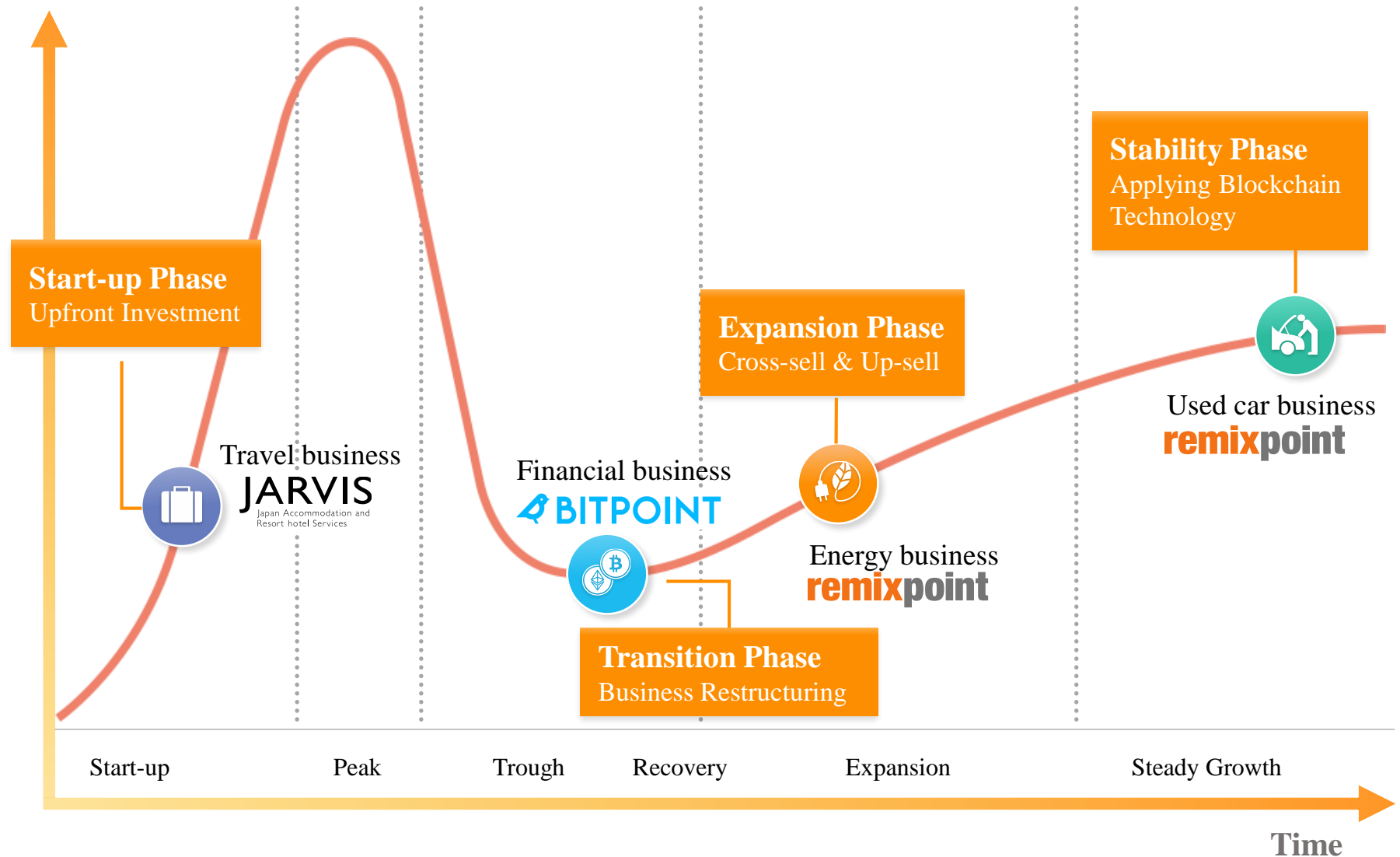
February 14, 2020

**Invest in business domains related to “Deregulation” and “Legislative Change”**  
**Utilize blockchain technology to generate synergies among our four business domains**



# Phases of Business Cycles and Management

Expectations



# Q3 FY 03/2020 Results

## Summary of Financial Results for the Nine Months of the Fiscal Year Ended March 31, 2020



- In the energy-saving consulting business, we began marketing emergency generators and storage batteries to local governments, medical institutions, and transportation facilities.
- In the electric power trading business, we succeeded to reduce the cost of electricity, and we offer competitive electricity prices to customers by the unique fuel adjustment cost system. As a result, the number of our customers and the volume of contracted power are steadily increasing.



- The used car sales business is a B2B model where used cars are bought from used car dealers and sold to used car selling dealers, thereby securing stable sales volumes.



- BITPoint Japan (BPJ) enhanced its security through holding customer deposit virtual currency (crypto asset) with 100% cold wallet, etc after virtual currency hacking attack in July 2019. In December 2019, BPJ resumed all services.
- BPJ will continue to provide virtual currency trading platform services, including spot/leveraged transactions after the amended Payment Services Act and Financial Instruments and Exchange Act.



- In the travel Business, we shifted to a business model in which we acquire, develop, and operate hotel condominiums through selection and concentration.
- We acquire and develop small-scale real estate properties (several hundred millions yen) in the central part of Tokyo, acquire license for inn business for each property, and make profit from property sale to investors and service management and operation income.

# Financial Results for the Nine Months ended December 31, 2019

(Millions of yen)

		Nine months ended December 31, 2018	Nine months ended December 31, 2019
Net sales	<b>Total</b>	<b>9,867</b>	<b>8,635</b>
	Energy Business	5,159	4,455
	Used Car Business	2,641	2,940
	Financial Business	2,007	744
	Travel Business	44	499
	Others	67	31
	Segment Adjustments	▲53	▲35
Operating Profit	<b>Total</b>	<b>▲309</b>	<b>▲720</b>
	Energy Business	187	368
	Used Car Business	1	21
	Financial Business	59	▲632
	Travel Business	▲44	▲3
	Others	12	31
	Segment Adjustments	▲525	▲506
Ordinary Profit		▲312	▲729
Profit attributable to owners of the parent		▲262	▲4,432

- More than 50% of sales were from stable energy-related businesses
- Sales decreased year-on-year relative to the decline in electricity procurement prices

- Increased profit margin by reducing and standardizing procurement cost while diversifying power suppliers
- Losses due to the impact of virtual currency hacking attack

- An extraordinary loss of ¥3.7 billion mainly due to the virtual currency hacking attack

# Quarterly Statement of Income

**In the Energy Business, both profit and profit margins increased in 3Q FY 03/2020 due to reduction in electricity procurement cost**

(Millions of yen)

		FY 03/2019 Apr.-Jun. (1Q)	FY 03/2019 Jul.-Sep. (2Q)	FY 03/2019 Oct.-Dec. (3Q)	FY 03/2019 Jan-Mar (4Q)	FY 03/2020 Apr.-Jun. (1Q)	FY 03/2020 Jul.-Sep. (2Q)	FY 03/2020 Oct.-Dec. (3Q)
Net sales	<b>Total</b>	<b>3,464</b>	<b>4,068</b>	<b>2,334</b>	<b>1,912</b>	<b>3,009</b>	<b>3,190</b>	<b>2,435</b>
	Energy business	<b>1,606</b>	<b>1,930</b>	<b>1,623</b>	<b>1,556</b>	<b>1,234</b>	<b>1,704</b>	<b>1,516</b>
	Used car business	<b>934</b>	<b>886</b>	<b>820</b>	<b>998</b>	<b>1,100</b>	<b>972</b>	<b>868</b>
	Finance business	<b>906</b>	<b>1,234</b>	<b>▲133</b>	<b>▲653</b>	<b>206</b>	<b>497</b>	<b>41</b>
	Travel business	<b>9</b>	<b>12</b>	<b>22</b>	<b>11</b>	<b>492</b>	<b>6</b>	<b>0</b>
	Others	<b>8</b>	<b>26</b>	<b>33</b>	<b>12</b>	<b>11</b>	<b>10</b>	<b>10</b>
	Segment adjustments	<b>—</b>	<b>▲21</b>	<b>▲31</b>	<b>▲12</b>	<b>▲35</b>	<b>—</b>	<b>0</b>
Operating Income	<b>Total</b>	<b>557</b>	<b>152</b>	<b>▲1,019</b>	<b>▲1,400</b>	<b>▲408</b>	<b>42</b>	<b>▲354</b>
	Energy business	<b>199</b>	<b>▲138</b>	<b>126</b>	<b>78</b>	<b>79</b>	<b>139</b>	<b>148</b>
	Used car business	<b>▲0</b>	<b>0</b>	<b>1</b>	<b>11</b>	<b>6</b>	<b>10</b>	<b>4</b>
	Finance business	<b>530</b>	<b>485</b>	<b>▲956</b>	<b>▲1,296</b>	<b>▲321</b>	<b>43</b>	<b>▲354</b>
	Travel business	<b>▲12</b>	<b>▲9</b>	<b>▲22</b>	<b>▲28</b>	<b>9</b>	<b>▲2</b>	<b>▲10</b>
	Others	<b>3</b>	<b>▲4</b>	<b>14</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>10</b>
	Segment adjustments	<b>▲162</b>	<b>▲180</b>	<b>▲182</b>	<b>▲177</b>	<b>▲193</b>	<b>▲159</b>	<b>▲153</b>
Ordinary profit		<b>556</b>	<b>150</b>	<b>▲1,019</b>	<b>▲1,399</b>	<b>▲421</b>	<b>42</b>	<b>▲350</b>
Extraordinary income		<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>84</b>	<b>0</b>
Extraordinary losses		<b>—</b>	<b>4</b>	<b>1</b>	<b>75</b>	<b>2</b>	<b>3,711</b>	<b>33</b>
Profit attributable to owners of parent		<b>393</b>	<b>▲2</b>	<b>▲654</b>	<b>▲1,549</b>	<b>▲436</b>	<b>▲3,596</b>	<b>▲399</b>

## Quickly and appropriately manage to the virtual currency leakage at BPJ Minimize the decrease in deposits from customer and deposits from virtual currency

(Millions of yen)		Before netting of customer assets and liabilities				After netting customer assets and liabilities*			
		End of March 2019	End of June 2019(1Q)	End of Sep 2019(2Q)	End of Dec. 2019(3Q)	End of March 2019	End of June 2019(1Q)	End of Sep 2019(2Q)	End of Dec. 2019(3Q)
Assets	Cash and deposits	6,457	9,198	3,857	2,685	4,387	4,829	2,151	1,116
	Deposits paid	1,370	770	235	212	1,370	770	235	212
	Virtual currencies	10,327	19,978	12,330	9,067	2,141	2,963	2,042	857
	Accounts receivable	745	837	1,048	1,111	745	837	1,081	1,111
	Others	1,243	971	512	849	1,243	971	478	849
	Current assets	20,144	31,757	17,982	13,926	9,888	10,372	5,989	4,147
	Non-current assets	1,652	1,717	1,635	1,733	1,652	1,717	1,635	1,733
	Total assets	21,797	33,474	19,618	15,660	11,540	12,090	7,624	5,881
Liabilities	Borrowings	50	25	0	—	50	25	0	—
	Deposits received	2,303	4,521	1,930	1,724	234	151	224	155
	Deposits received for virtual currency	8,186	17,014	10,287	8,209	—	—	—	—
	Loans payable-virtual currencies	2,006	2,045	1,944	733	2,006	2,045	1,944	733
	Others	1,028	1,564	738	674	1,028	1,564	738	674
	Total liabilities	13,576	25,171	14,901	11,342	3,319	3,787	2,908	1,564
Total net assets		8,221	8,303	4,716	4,317	8,221	8,303	4,716	4,317
Liabilities and Net assets		21,797	33,474	19,618	15,660	11,540	12,090	7,624	5,881



### Equity finance totaled 4 billion yen in February 2020

#### 12th Equity Warrant through Third Party Allotment (with an Exercise Price Adjustment Clause)

- Securities Offered : Remixpoint Co., Ltd. 12th Equity Warrant (Provision for Exercise Price Adjustment)
- Offering Format: Third-party allotment
- Announcement Date: January 21, 2020
- Issue Date: February 6, 2020
- Exercise Period : 2 years (from February 6, 2020 to February 28, 2022)
- Number of shares issued: 23,952,000 shares of common stock\*1
- Funding Size: Approx. ¥4.0 billion \*2
- Use of Proceeds:
  - 2.5 billion yen in Financial-related business
  - 0.7 billion yen in Energy-related business
  - 0.8 billion yen in other businesses
- Note: The allottee (the Revive Investment Partnership) sells shares obtained from the exercise of the equity warrant to institutional investors and in the market. The allottee announced their intention to hold about 3 million shares over the medium to long term.

※1 The number of shares of our common stock for the purpose of the equity warrant.

※2 Assuming all equity warrant will be exercised at the initial exercise price

# Management Policies for the FY 03/2020



## Energy Business

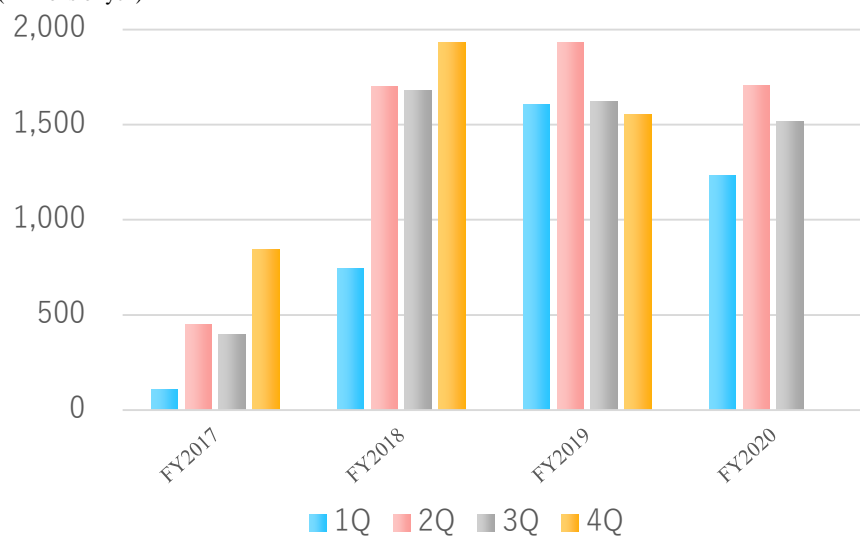




**Although sales declined due to a fall in electricity prices, profit increased due to an increase in profit margin.  
We will continue to expand our product lineup while expanding customers in existing businesses.**

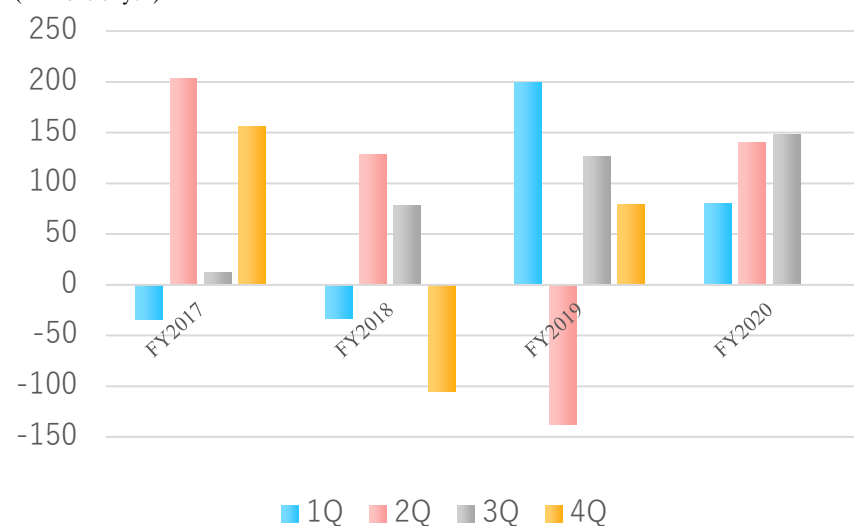
## ■ Quarterly Sales Trends

(Millions of yen)



## ■ Quarterly Operating Income (Loss)

(Millions of yen)



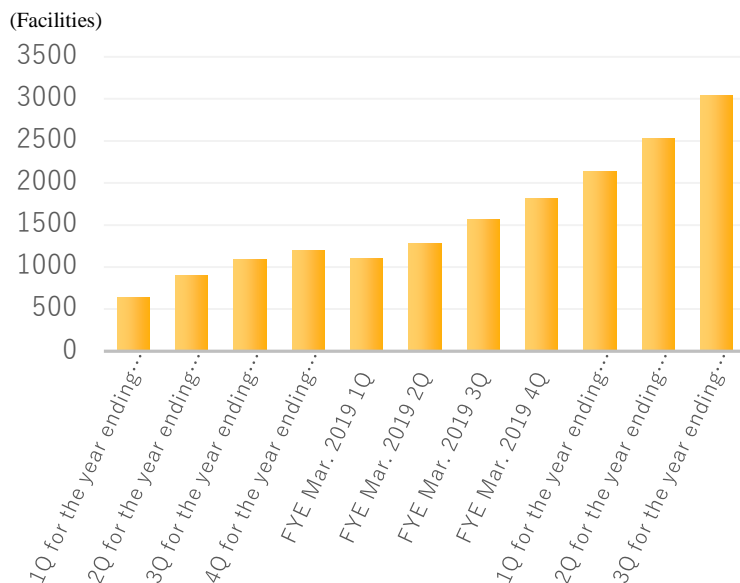
- In February 2019, we changed our calculation method of fuel adjustment prices and successively revised contracts to level out revenue.
  - Full contribution in the fiscal year ended March 31, 2020
- The energy conservation consulting business also maintained a favorable adoption rate based on case studies.



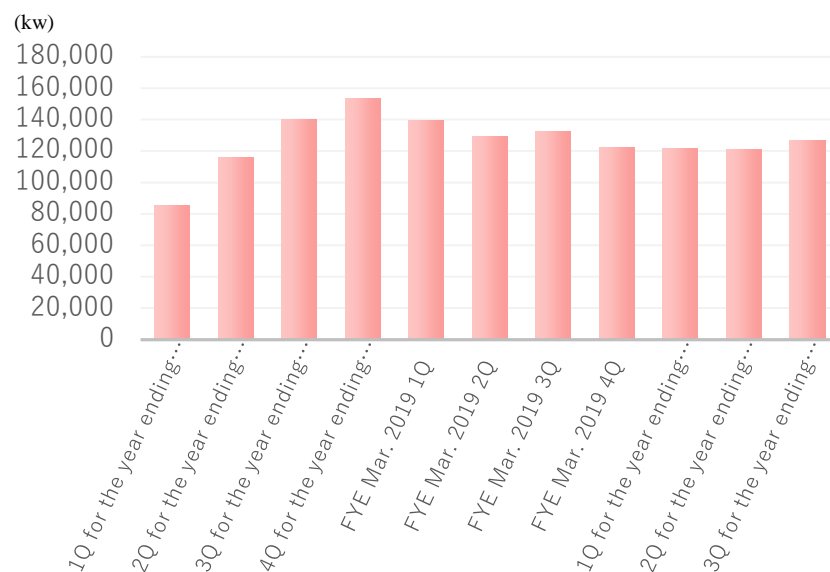
## Promoted standardization of electricity procurement prices and sales prices to customers Steady increase in number of supply facilities and contracted power

### Customer Acquisition Trends

#### ■ Number of Supply Facilities



#### ■ Contracted power



	FY2018				FY2019				FY2020		
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Number of Customers	638	900	1,094	1,203	1,098	1,278	1,565	1,810	2,140	2,533	3,041
Contracted Power (kW)	85,716	115,906	140,169	153,711	139,328	129,533	132,220	122,604	121,691	121,027	127,046
Volume of used electricity (kW/h)	20,480,069	29,820,863	35,002,047	35,546,724	29,994,208	28,217,822	28,945,040	26,222,277	23,792,501	29,155,174	29,530,852
Number of Agent	106	159	195	252	387	496	608	694	754	819	751



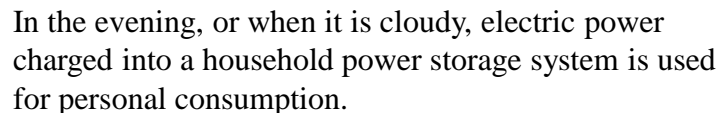
### Full-fledged entry into the low-voltage market and promotion of growth in the Electric Power Sales business

- “Remix Denki” brand for the low-voltage market  
Awareness Expansion through BtoC Marketing
  - Exhibition at the Rental Housing Fair
  - Website renewal (July 2019)
- Significant recruitment of sales and administrative personnel
- Tie-ups with Credit Saison and Netmile



**Website renewal in July 2019**  
**Promote services and cost effectiveness in an easy-to-understand manner**

■ Added product lineup of storage systems in preparation to after FIT



- Capacity: 9kWh, 26kWh, 32kWh
- Self-consumption of renewable energy
- Applicable to solar power generation systems, etc.
- Reduction in electricity costs through peak-cut functions
- Demand control function
- Visualization system standardized
- Share storage batteries and photovoltaic power



15



## Proposing appropriate energy-saving investments and promoting energy-related support Maintain high adoption rate for subsidy application support

### ■ Record of support for energy saving

Number of facilities: Around 1,200

### ■ Subsidy support

**The number of applications adopted in FY 2019: 61, applications: 67, Adoption Rate: 91%**

Total number of applications: 374, Applications: 475, Adoption Rate: 79% since FY 2013

### ■ Registration, etc.

- Energy management companies (registered in FY 2019\*Registered for six consecutive years from FY 2014)
- ZEB Planner (ZEB30P-00019-C)
- CO2 Reduction Potential Diagnostic Institution (Certified in FY2019)

### ■ Subsidy for support performance

- METI's Support for businesses, such as the rationalization of energy use by industry and industry
- METI's Subsidization of projects to promote investment in energy conservation and productivity revolution
- METI's Subsidies for the introduction of energy-saving equipment for regional factories and small-and medium-sized enterprises
- Ministry of the Environment's Private Sector Buildings Support Project for CO2 Improvement
- Ministry of the Environment's CO2 renovation support project for tenant buildings
- Ministry of the Environment's Facility Efficiency Improvement Support Program
- Ministry of the Environment's operation to accelerate the introduction of energy-saving natural refrigerants for the early realization of a low-carbon society with non-fluorocarbons
- Ministry of the Environment's project to promote the independent diffusion of renewable energy electricity and heat
- Ministry of the Environment's Project to promote the introduction of self-reliant, distributed energy facilities that simultaneously realize disaster prevention and reduction and low
- Ministry of the Environment Potential Diagnostic Project for CO2 Reductions
- Ministry of Land, Infrastructure, Transport and Tourism's Promotion of energy conservation in existing buildings







**Do not generate lightning! Innovative lightning rod "dinnteco※"**  
**Prevent electrical and electronic damage in the building and electric shocks.**

**Best solutions for lightning damage, chosen by 37 countries around the world  
including NATO facilities and U.S. airports.**

### Conventional lightning



Induce lightning by guiding the lightning rod  
Reducing Building Damage through a Mechanism to  
Discharge Received Voltage to the Ground  
The exterior of the building is protected, but the  
electrical and electronic damage caused by the  
overvoltage cannot be prevented.

### Dinnteco



By constantly gathering positive charges from the  
installation surface and negative charges from the  
atmosphere and keeping them slowly neutralized,  
lightning does not occur.  
It is possible to prevent not only the exterior of the  
building, but also the inside of the building from causing  
electrical and electronic damage.

※ DINNTECO""dinnteco-100plus is a trademark or registered trademark of DINNTECO INTERNATIONAL, S.L.



**Since 2012, we have been promoting SDGs, such as energy conservation, centered on retail facilities.**  
**By bringing together the know-how we have cultivated to many companies and municipalities**  
**Supporting Efforts to Achieve Continuous Business Growth and Energy Conservation**



- It is estimated that, by 2030, business opportunities will be up to \$12 trillion (about ¥1,300 trillion) per year (\*2)
- Provision of energy-saving products and solutions utilizing leases, installments, and subsidies that offer management benefits not only for the environment but also for energy conservation
- Through the introduction of EMS (\*3) and synergies with the Electricity Sales business, the supply and demand of electricity can be managed on the demand side and supply side, thereby eliminating excess power supply and reducing customers' energy costs.



- The budget for disaster prevention and mitigation has been increasing due to the occurrence of severe disasters.
- In particular, demand for emergency generators and storage batteries increased in hospitals, municipalities, data centers, and port facilities.
- By combining our strengths, we will support the formulation of comprehensive BCP plans, including the provision of disaster prevention and mitigation products using subsidies and the establishment of a system for WEB/ server environments in the event of a disaster.

※ 1:SDGs(Sustainable Development Goals)

※ 2: Deloitte Tohmatsu Consulting, "Possibilities and Rules for SDGs Businesses" (December 2017)

※ 3: Energy Management System



Financial Business



 BITPOINT

**BITPoint (BPJ) resumed all services in December 2019**

- On July 11, 2019, an illegal outflow of virtual currencies exceeding ¥3.0 billion occurred.
- It was found that external hacking attack stole the hotwallet's secret key and decrypted the cryptography, resulting in the leakage of virtual currency.
- Focus on implementing security measures, such as suspending operation of servers that may have become unauthorized intrusion routes and completely revamping the wallet system
- With the cooperation of outside experts, investigate the cause and implement measures to prevent recurrence

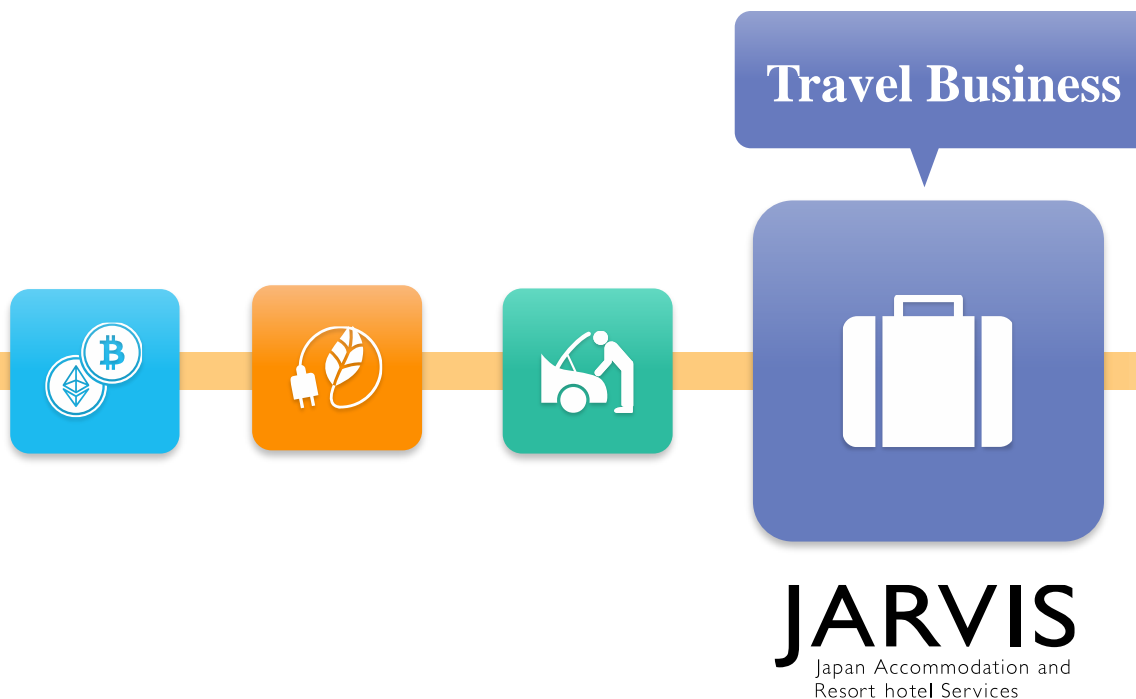
Services to be resumed	Timing of resumption
• <b>Deposit and withdrawal of fiat currencies</b>	<b>August 6, 2019</b>
• <b>Margin trading (Leveraged Transactions and MT4 Transactions)</b>	<b>August 9, 2019</b>
• <b>Spot Trading</b>	<b>August 13, 2019</b>
• <b>Withdrawal of virtual currencies</b>	<b>September 30, 2019</b>
• <b>Deposit of virtual currencies</b>	<b>December 10, 2019</b>
• <b>Opening new accounts</b>	<b>December 25, 2019</b>

For more information, please refer to the “Current status report on virtual currency outflows and future policies August 5, 2019”.



あしたを、もっと、あたらしく。

- Plans to renew UI/UX including renewal of 2-way trading apps and renewal of exchange platform toward the spring of 2020
- By utilizing virtual currencies (cryptocurrency assets) and blockchain, BITPoint will make the lives of many people more affordable and more convenient, make tomorrow even more fresh.



## Promoting the planning, development, sales, and operation of Hotel Condominium in the central area of Tokyo - Project in Kagurazaka, which combines both tourism and residential demands-

Revised Japanese Inn business law compliant IoT to enhance low-cost hotel operations.  
The first project started in December 2019 and is scheduled to be completed in June 2020.  
Maintain administrator fees through operation and management services after completion of the property sales



※ Scheduled plan of the Kagurazaka project

### Suspension of Earnings forecasts

- We have not disclosed our earnings forecasts because the financial services business accounts for a large proportion of the Group's earnings, and the virtual currency market, including positive and negative factors, is highly susceptible to market fluctuations.
- For the same reasons, many financial institutions, such as securities companies and banks, have not disclosed their forecasts, and we have determined that it is inappropriate for the financial group to disclose their forecasts in a market environment where uncertainty exceeds a certain level.
- In the future, the Group's policy is to disclose financial forecasts when the ratio of financial revenues to net revenues decreases or when it determines that the factors causing fluctuations in financial markets, especially virtual currencies, are smaller.
- Instead of disclosing earnings forecasts, we will actively disclose information and investor relations (IR) activities.



- ① Forward-looking statements contained in this presentation are based on management's assumptions and beliefs in light of the information currently available to it.  
Actual results may differ materially from forecasts due to uncertainties and uncertainties inherent in such judgments, assessments and assumptions, as well as changes in the business operations and internal and external conditions. Our group does not guarantee the certainty of any forward-looking statements.
- ② The purpose of this document is to provide information and not to solicit any action by our group.
- ③ Any unauthorized quotation or reproduction of the report is prohibited.