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Securities  
Code

3300



A M B I T I O N

**Supplementary  
Financial Materials**  
2Q Fiscal Year Ending June 2019

February 14, 2019



**Ambition seeks to develop the “future of housing.”**

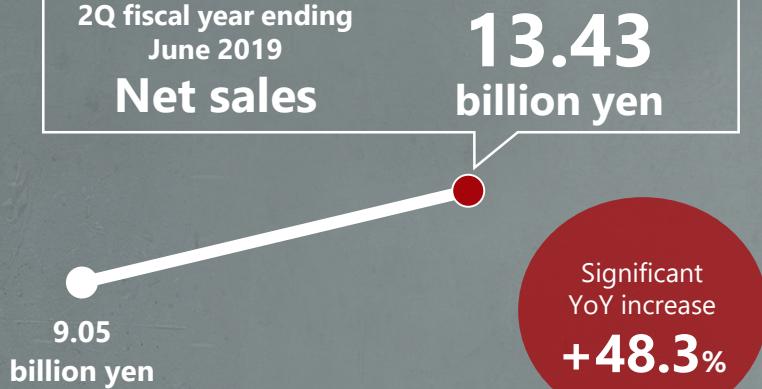


As a real estate community developer that provides comfortable spaces on a stable basis mainly in the Tokyo metropolitan area, Ambition aims for the early realization of social infrastructure with ease of living.



2Q fiscal year ending  
June 2019

## Net sales



## Revision to consolidated forecasts

(First two quarters of fiscal year ending June 2019)

### Consolidated net sales

12.22  
billion yen

Announced on  
August 14, 2018

**+10.0%**

**13.44  
billion yen**

Revised on  
February 4, 2019

**Highest-ever increase in profit for the first half  
since its establishment of the company**

2Q fiscal year ending  
June 2019

## Operating profit



### Consolidated operating profit

0.31  
billion yen

Announced on  
August 14, 2018

**+82.5%**

**0.56  
billion yen**

Revised on  
February 4, 2019



Number of sublease management units increased by 8.6% year-on-year to 9,776 units

Within Ambition's property management business which is at the company's core, the number of managed units and the move-in ratio are considered to be important indices. The number of managed units in sub-leased properties centering in Tokyo and its surrounding areas saw a year-on-year increased of 744 units.

Number of sublease management units in 2Q fiscal year ending June 2019:

**9,776**  
units

9,002  
units

Significant  
YoY increase  
**+8.6%**

# Revision to Consolidated Forecasts (Full Year)

Consolidated forecasts for the fiscal year ending June 2019 (July 1, 2018 to June 30, 2019) announced on August 14, 2018, were revised on February 14, 2019.

	Fiscal year ended June 2018 (actual)	Fiscal year ending June 2019 (forecast)	YoY comparison	(million yen)
	Amount	Amount	YoY change	YoY comparison (increase/decrease rate)
Net sales	23,278	29,268	5,990	+25.7%
Operating profit	1,141	1,536	395	+34.6%
Ordinary profit	1,017	1,346	329	+32.3%
Profit attributable to owners of parent	611	846	235	+38.4%
Profit per share	90.27 yen	124.42 yen	34.15 yen	+37.8%

## 01

## Financial Summary

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## 02

## Growth Strategy

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## 03

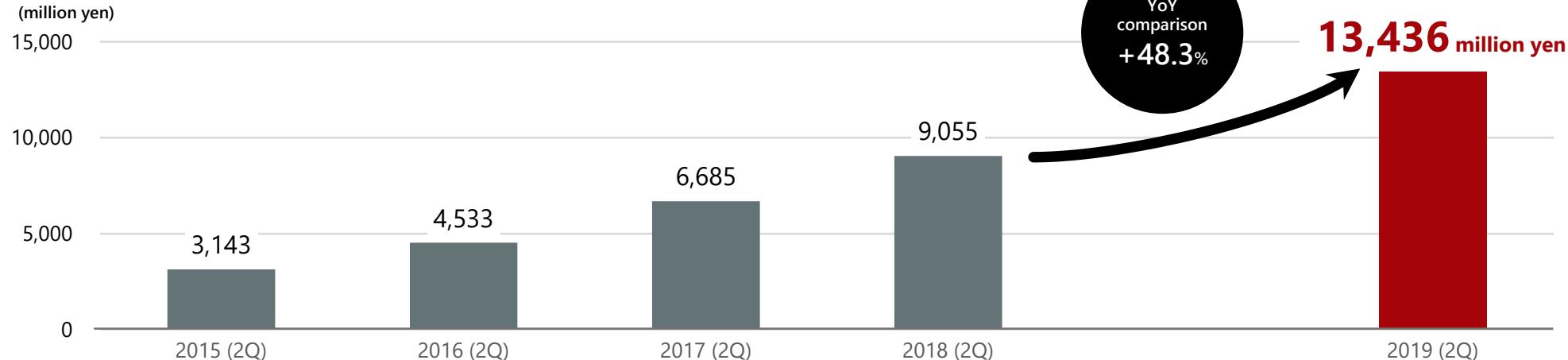
## Profile

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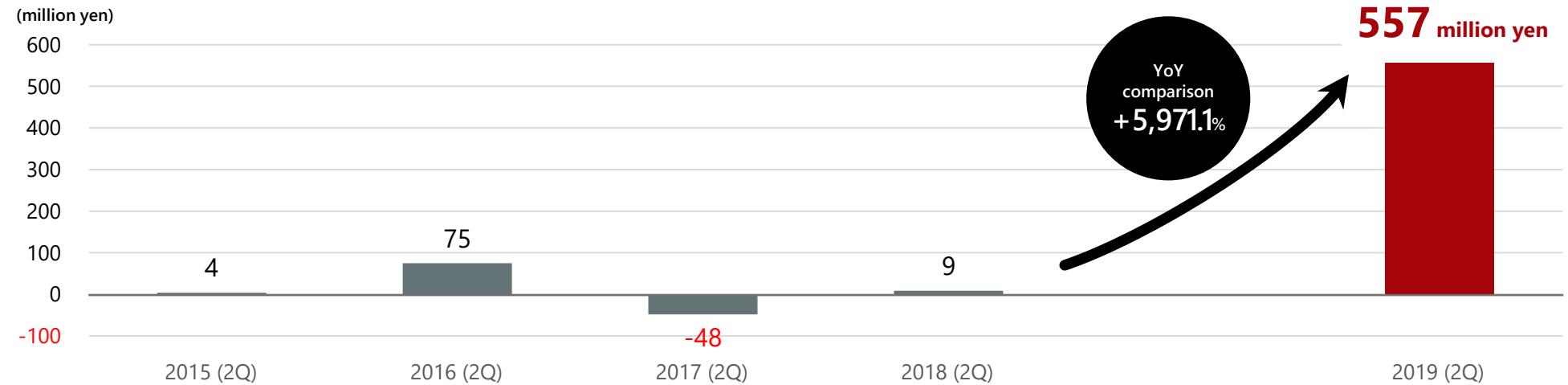
# 01 Financial Summary

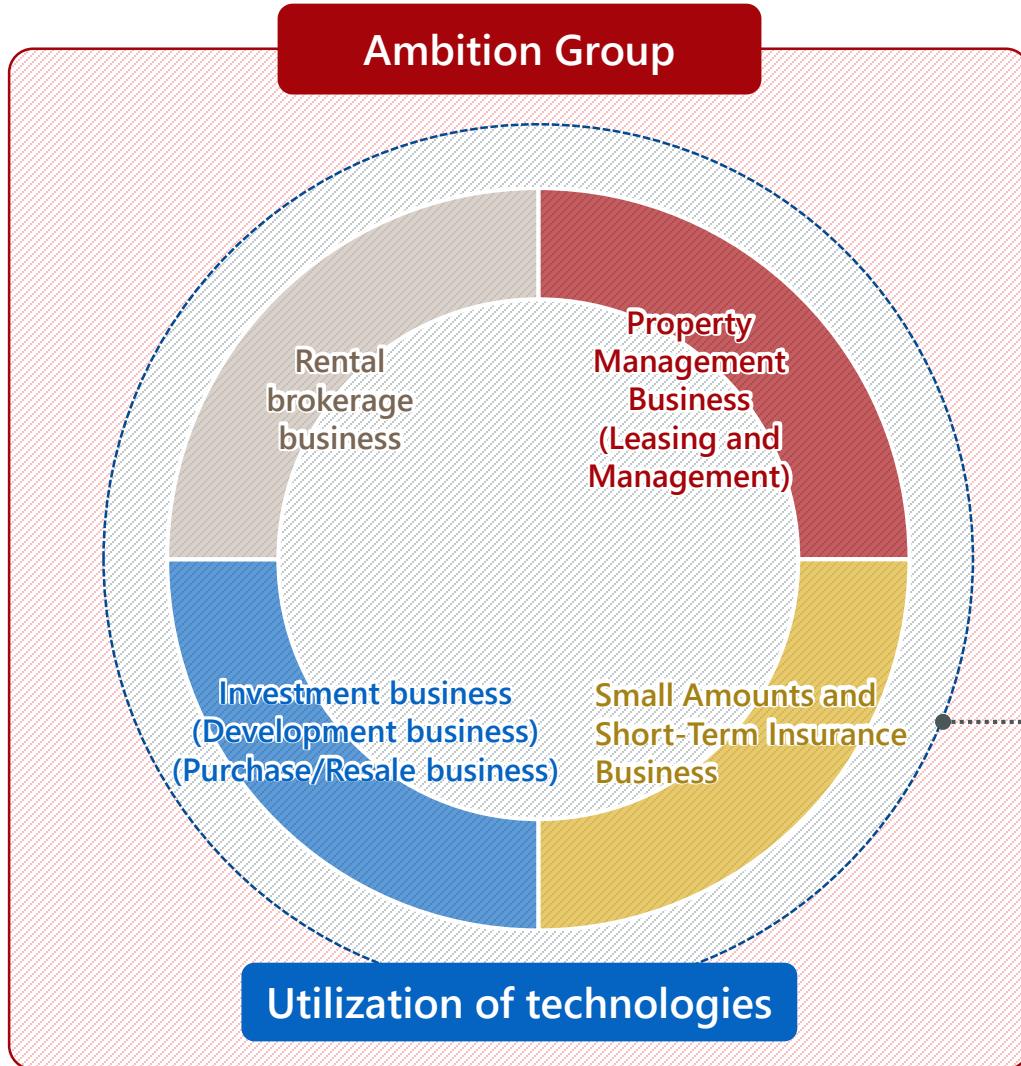
## Sales Expansion and Operating Profit Increase over Past Five Years (Comparison with Previous 2Qs)

### Consolidated net sales



### Operating profit





Development and sale of  
**RPA**  
(Robotic Process Automation)

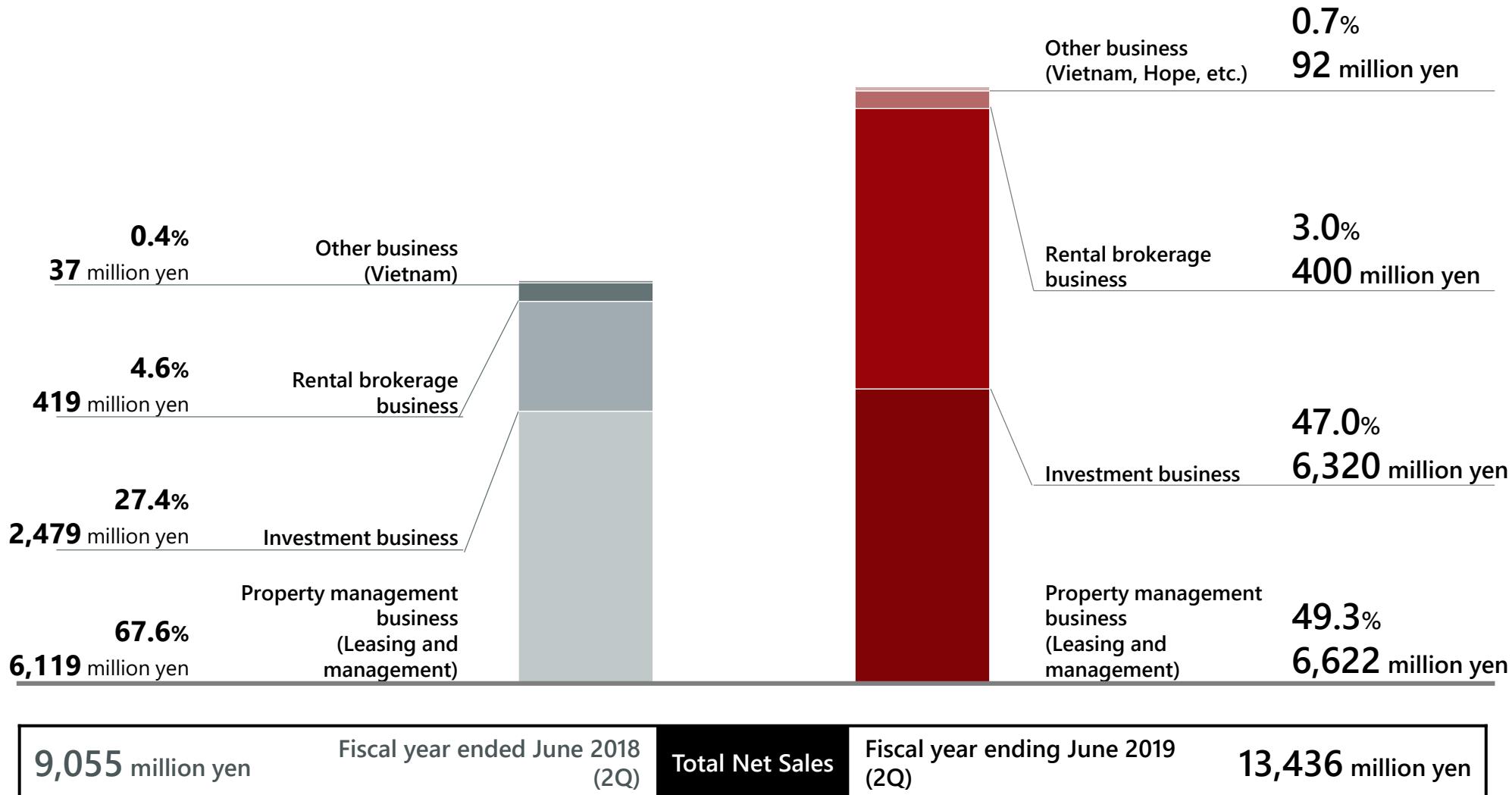


Introduction of IoT

Enhancement of customer satisfaction



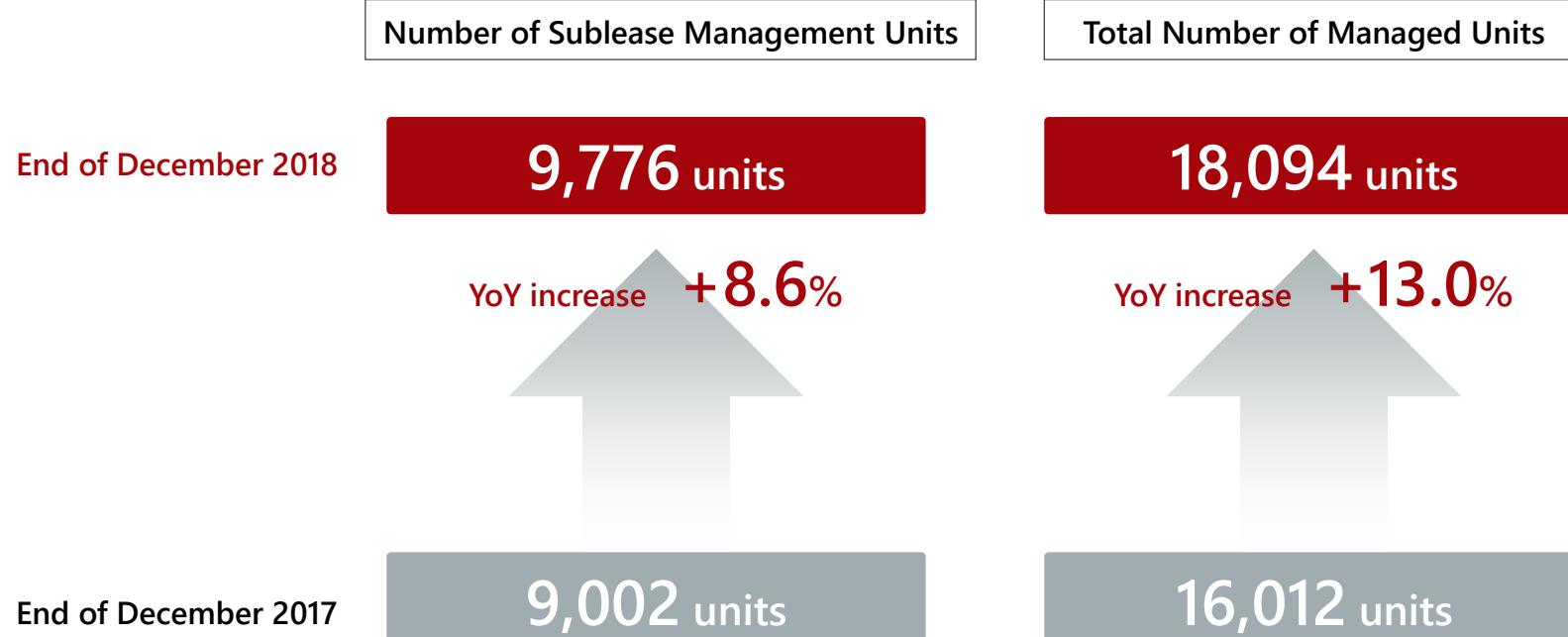
# Ratio of Net Sales (Comparison with Previous 2Q)



# Growth of Property Management (1) (Comparison with Previous 2Q)

## Stable increase of managed units contributing to sales and profit

The number of sublease management units, which was 9,002 units as of the end of December 2017, grew to **9,776 units**, an increase by **8.6%** year-on-year, as of the end of December 2018. We will continue to grow actively in the future while assessing the proper value of properties.

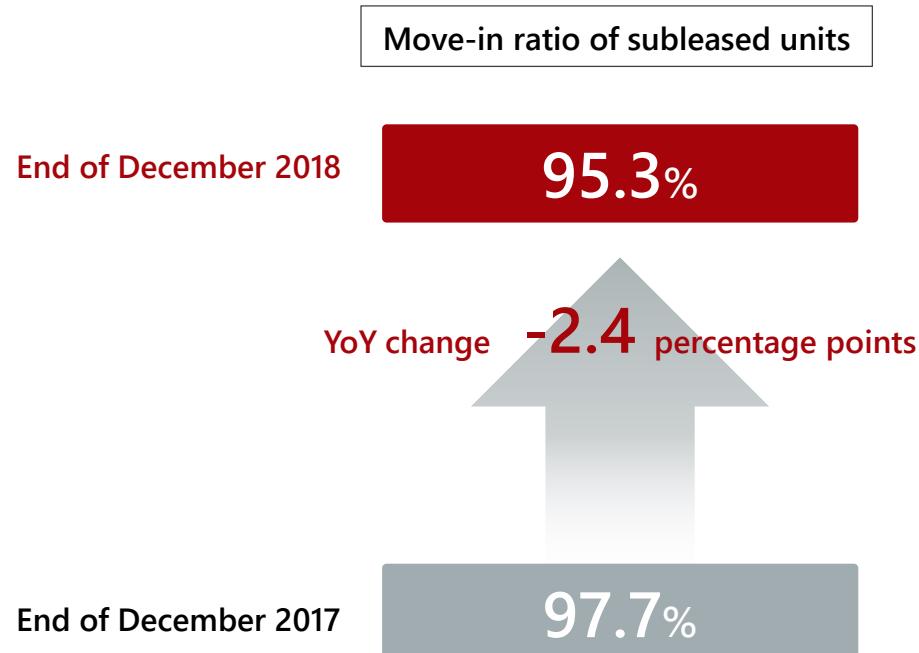


Mostly located in Tokyo, Kanagawa, Chiba and Saitama Prefectures.

## Growth of Property Management (2) (Comparison with Previous 2Q)

### Maintaining a high move-in ratio by enhancing the management structure

Move-in ratio of subleased units was at **95.3%** as of December 2018, down **2.4 percentage points** from 97.7% for the same period of the previous fiscal year. This is attributable to a number of acquisitions of properties that were available for move-ins during the peak season (January to March every year).



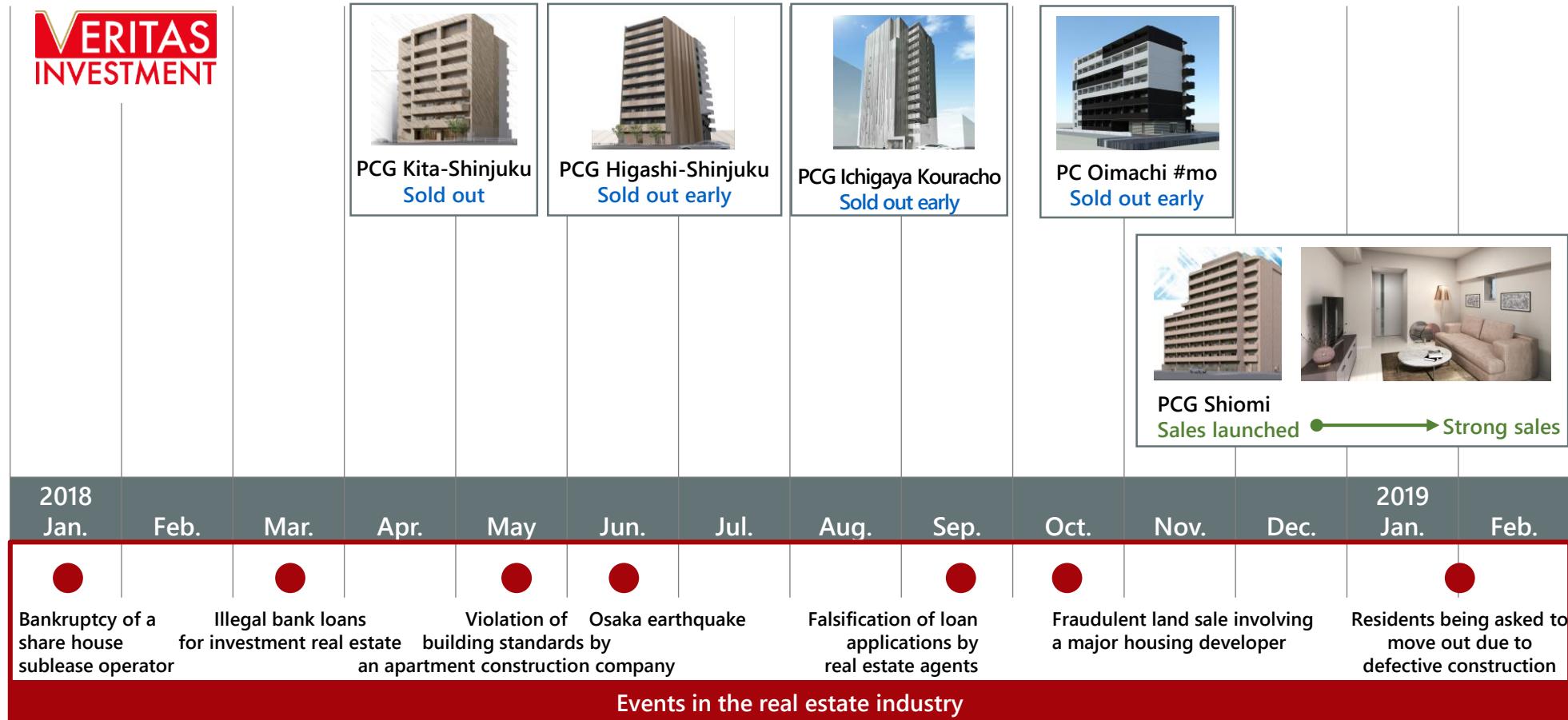
# Contribution of Lease Brokerage



# Progress in the Investment Business

# Favorable Condominium Sales by Veritas

The favorable sales of new designer condominiums for investment, situated mainly in the Tokyo Premium Area (Meguro, Shibuya, Shinjuku, Minato, Shinagawa and Chuo wards) and supervised by a famous designer, have contributed to progress in the investment business.



# Consolidated P/L (Comparison with Previous 2Q)

- Sales continued to grow and increased by **48.3%** year-on-year.
- Continued growth of property management business and contribution of Veritas Investment had major roles in increasing profits.

## Consolidated P/L Summary

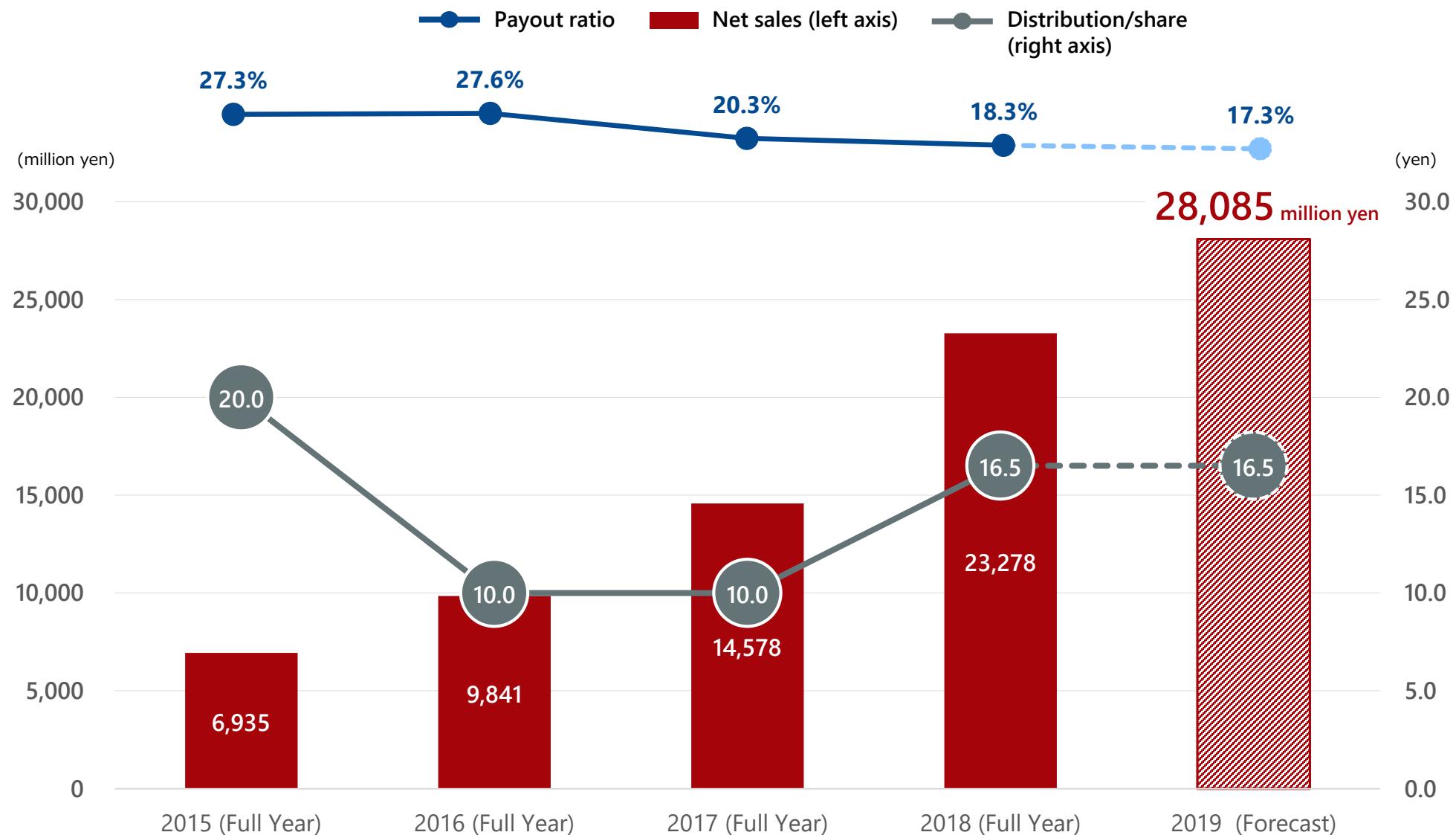
(million yen)

	2Q fiscal year ended June 2018	2Q fiscal year ending June 2019	YoY comparison	
			Amount	YoY change
Net sales	9,055	<b>13,436</b>	4,380	<b>+48.3%</b>
Profit on sales	1,481	<b>2,671</b>	1,190	<b>+80.9%</b>
Selling, general and administrative expenses	1,472	<b>2,113</b>	641	<b>+43.6%</b>
Operating profit	9	<b>557</b>	548	<b>+5,971.1%</b>
Ordinary profit	-35	<b>483</b>	519	—
Profit attributable to owners of parent	-48	<b>262</b>	310	—

## Consolidated B/S Summary

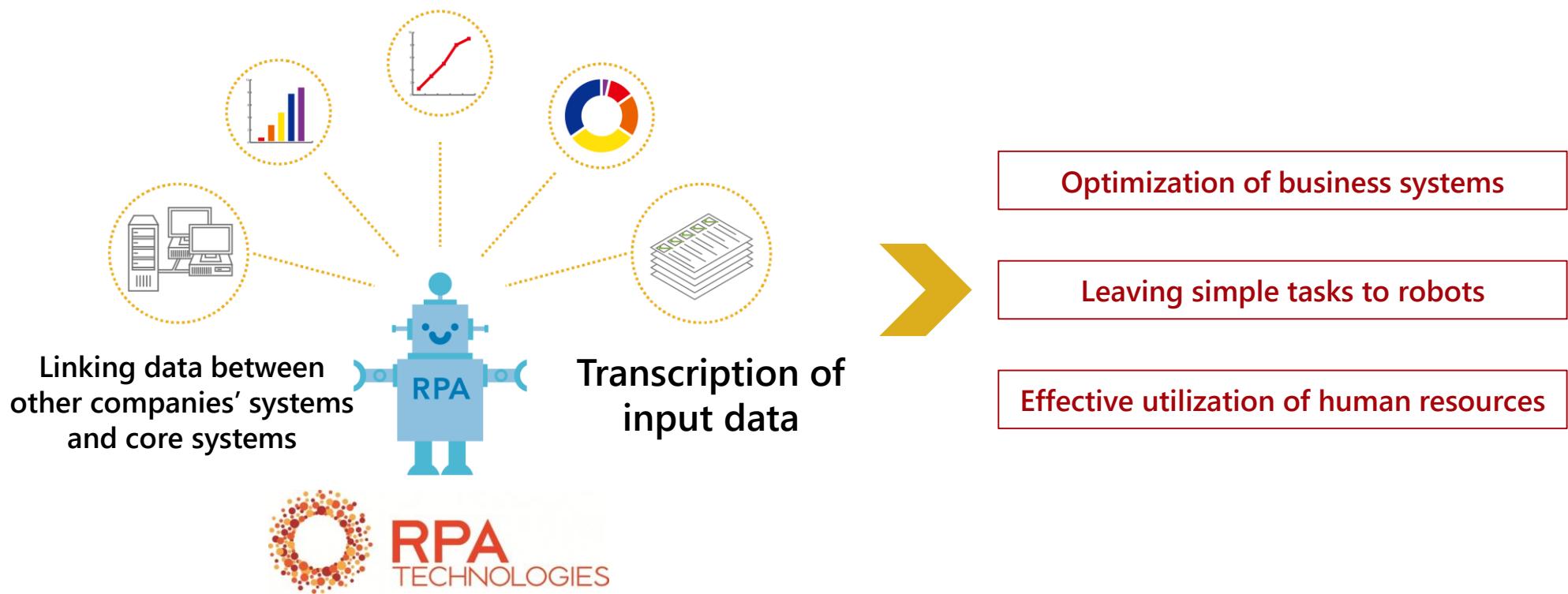
	End of fiscal year ended June 2018	2Q fiscal year ending June 2019	(million yen) YoY change
Current assets	11,132	10,264	-868
Non-current assets	3,446	3,347	-98
Total assets	14,590	13,622	-968
Liabilities	12,688	11,573	-1,115
Net assets	1,902	2,049	147
Total of liabilities and net assets	14,590	13,622	-968

# Change in Payout Ratio



## 02 Growth Strategy

# Entry into the RPA Business



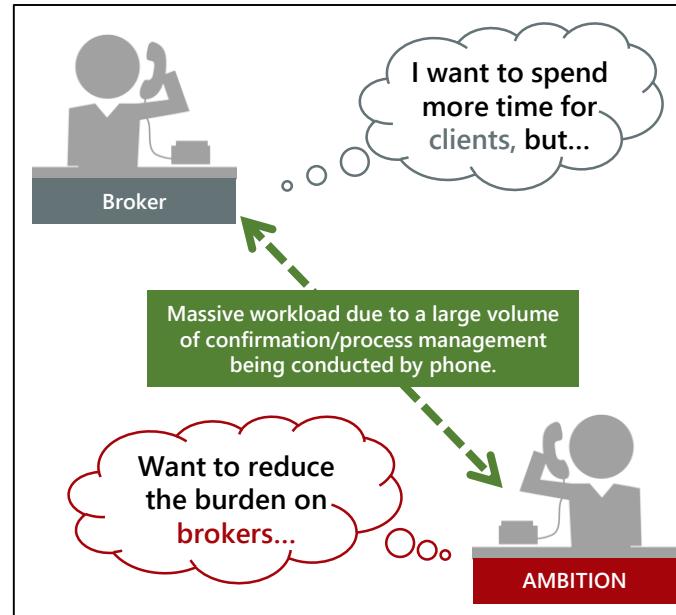
RPA is a system that automatically operates PCs for humans. For instance, it can be mainly used to synchronize various business systems with core systems or reflect payment data from financial institutions in core systems.

Advantage of using RPA is that it can continue to perform the same tasks even if the core systems or reference data change due to version upgrade and such.

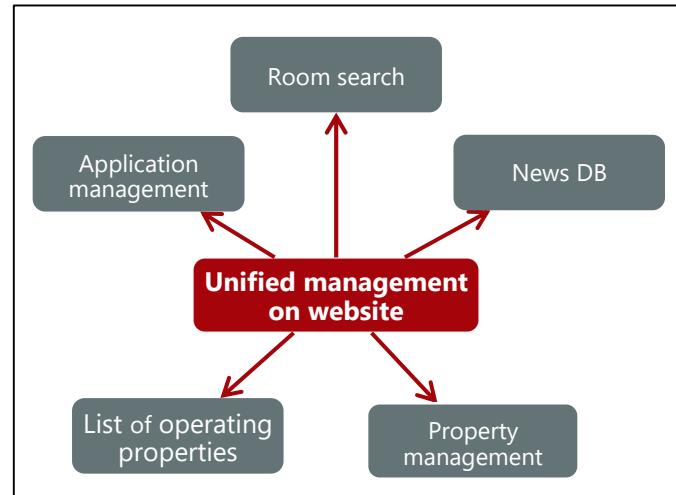
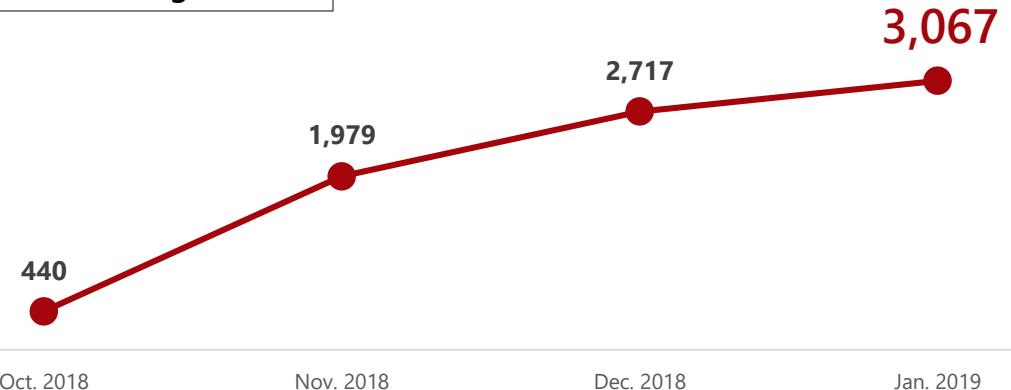
## Improve efficiency and results of brokerage business with "CPMA"

Ambition has launched Contract Process Management Automation (CPMA), a system on the exclusive website for brokers to automate contract process management, as a solution to streamline the massive brokerage-related workload arising daily between brokers and Ambition.

- Unified management of vacancy confirmation, previews and contract process management on the website
- "Enhancement of customer satisfaction" by spending more time for clients
- Realization of work-style reforms



Number of CPMA registrations



## Promoting Business with & AND HOSTEL

& AND HOSTEL ASAOKUSA (Note) developed by Ambition is the second in the & AND HOSTEL business promotion matching with Ambition's strategy of looking to create the future of housing with keywords like "private lodging" and "IoT." We have completed its delivery upon sale and concluded a sublease agreement.

& AND HOSTEL KANDA, which has already opened, is being used beyond the borders of culture, nationality, values and such as a smart hotel connecting to the world.

**&AND HOSTEL ASAOKUSA**



**&AND HOSTEL KANDA**



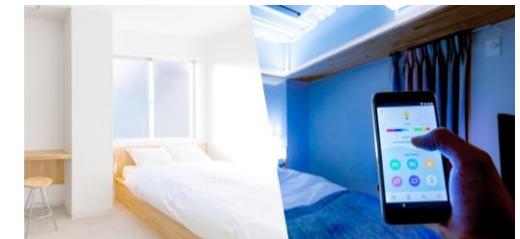
Note: Delivery upon sale and conclusion of a sublease agreement of & AND HOSTEL ASAOKUSA are subsequent events.

## & AND HOSTEL



About the & AND HOSTEL Smart Hostel Brand

& AND HOSTEL produced by 'and factory' is an experiential lodging facility consolidating cutting-edge IoT devices in one place and providing an enjoyable near-future IoT space. It is a smart hostel connecting to the world, providing not only IoT experiences but also a place for encounters and the gathering of lodgers with vibrant communication only possible at hostels.

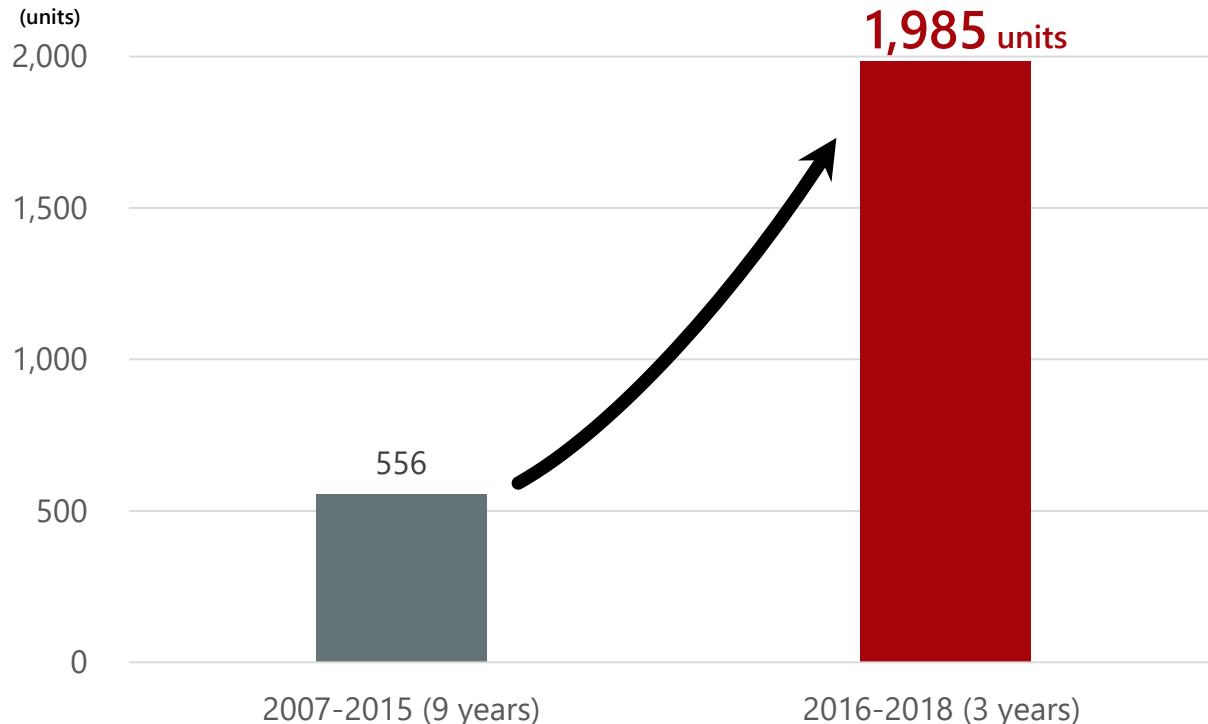


# Rapid Increase in the Number of Contracts by Foreign Nationals

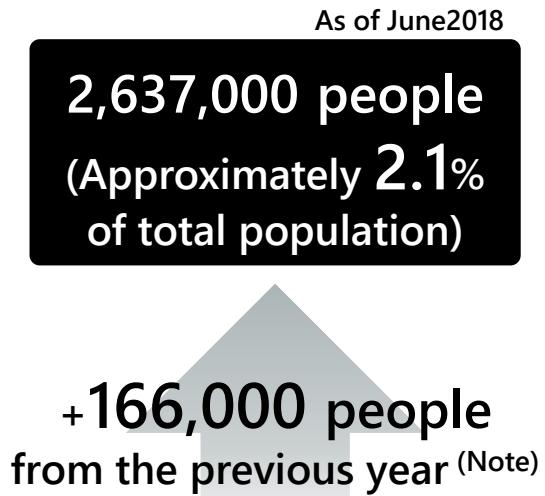
**Speeding up preparation of living environment for foreign workers eyeing the new visa system to be effective in April 2019**

- Foreign residents account for as much as 7% in the approximately 18,000 units managed by Ambition.
- The most recent number of contracts by foreign nationals exceeded 1,900, a sharp increase of more than threefold from 2015.

Number of contracts by foreign nationals among units managed by AMBITION



Foreign population in Japan

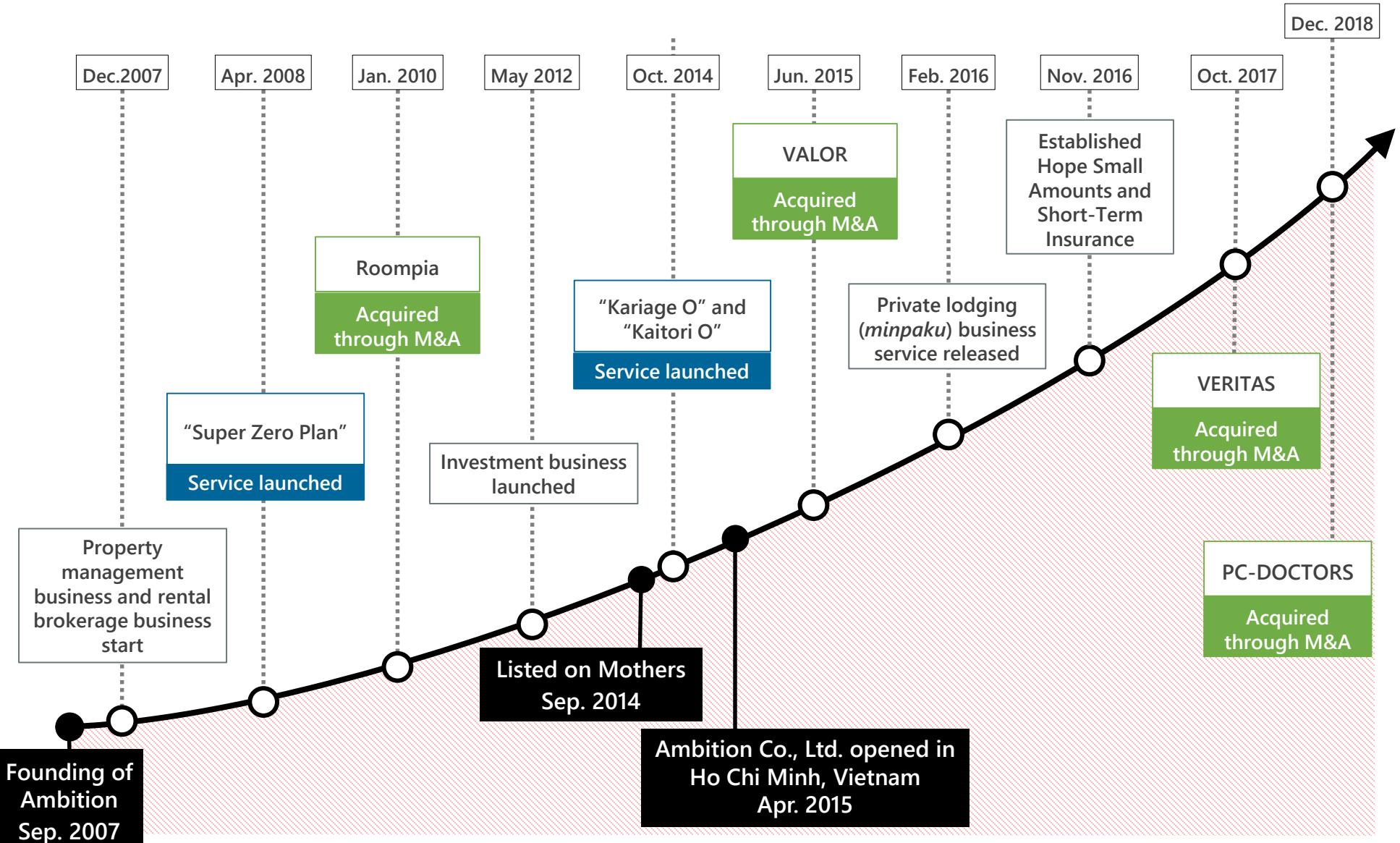


(Note) Survey by the Ministry of Justice

## 03 Profile

<b>Company name</b>	<b>Ambition Corporation</b>	<b>Company name</b>	<b>Ambition ROOMPIA Co., Ltd.</b>
<b>Representative</b>	Takeshi Shimizu	<b>Representative</b>	Takeshi Shimizu
<b>Established</b>	September 14, 2007	<b>Directors</b>	Toru Oishi, Director; Takumi Suzuki, Director; Fumiyoishi Ozeki, Auditor
<b>Listed exchange</b>	Tokyo Stock Exchange (Mothers)	<b>License number</b>	Minister of Land, Infrastructure, Transport and Tourism (3) No. 7560
<b>Listing date</b>	September 19, 2014	<b>Head office location</b>	Sumitomo Fudosan Harajuku Building 18F, 2-34-17, Jingumae, Shibuya-ku, Tokyo
<b>Capital</b>	379,780,200 yen	<b>Branches</b>	Ikebukuro Branch, Takananobaba Branch, Waseda Branch, Shinjuku Branch, Shibuya Branch, Naka-Meguro Branch, Ginza Branch, Akihabara Branch, Kinshicho Branch, Ueno Branch, Yokohama Branch, Sagami-Ono Branch, Higashi-Omiya Branch, Motoyawata Branch, WEB Division, Student Division, Corporate Division
<b>Settlement period</b>	End of June each year	<b>Company name</b>	<b>VALOR Co., Ltd.</b>
<b>Directors</b>	Takumi Suzuki, Executive Managing Director; Masaaki Yamaguchi, Director Fumio Nagase, Director (Supervisory Auditor, etc.); Miki Hayashi, Director (Supervisory Auditor, etc.); Hiroto Kawano, Director (Supervisory Auditor, etc.); Shuichi Takenaga, Director (Supervisory Auditor, etc.)	<b>Representative</b>	Takeshi Shimizu
<b>License number</b>	Minister of Land, Infrastructure, Transport and Tourism (2) No. 8023	<b>Directors</b>	Naoto Tamura, Director; Takumi Suzuki, Director; Fumiyoishi Ozeki, Auditor
<b>Head office location</b>	Sumitomo Fudosan Harajuku Building 18F, 2-34-17, Jingumae, Shibuya-ku, Tokyo	<b>License number</b>	Kanagawa Prefectural Governor (4) No. 24651
<b>Department</b>	Property Management Department: Office of operations / Lease System Management Division Business Administration Department: General Affairs Division / Accounting Division / Personnel Division / Information Strategy Division Investment Department: Investment Division / Transaction and Brokerage Division	<b>Head office location</b>	Nagaoka Building 3F, 2-1-22 Kitasaiwai, Nishi-ku, Yokohama, Kanagawa
<b>Consolidated subsidiaries</b>	Ambition ROOMPIA Co., Ltd. VALOR Co., Ltd. Veritas Investment Co., Ltd. Hope Small Amounts and Short-Term Insurance Co., Ltd. Not Found Co., Ltd. Vision Inc. AMBITION VIETNAM CO., LTD.	<b>Branches</b>	Yokohama Branch, Hiyoshi Branch, Kamiooka Branch, Futamatagawa Branch, Tsurumi Branch
<b>Non-consolidated subsidiaries</b>	Room Guarantee Co., Ltd.	<b>Company name</b>	<b>VERITAS Investment Co., Ltd.</b>
<b>Partner banks</b>	MUFG Bank, Resona Bank, Mizuho Bank, Sumitomo Mitsui Banking Corporation, ORIX Bank Corporation, Chiba Bank, etc.	<b>Representative</b>	Hideki Kawada
		<b>Directors</b>	Tomohiko Maeda, Director; Yoshio Maruyama, Director; Takeshi Shimizu, Director; Takumi Suzuki, Director; Masaaki Yamaguchi, Director; Fumiyoishi Ozeki, Auditor
		<b>License number</b>	Building Lots and Building Transaction Business, Governor of Tokyo (3) No. 89191 Condominium Management Business, Minister of Land, Infrastructure, Transport and Tourism (2) No. 033520 First-class architect office, registered with the Governor of Tokyo, No. 55840
		<b>Head office location</b>	Shibuya Mark City West 19F, 1-12-1 Dogenzaka, Shibuya-ku, Tokyo
		<b>Company name</b>	<b>Hope Small Amounts and Short-Term Insurance Co., Ltd.</b>
		<b>Representative</b>	Ryohei Fukumoto
		<b>Directors</b>	Takeshi Shimizu, Director; Takumi Suzuki, Director; Fumiyoishi Ozeki, Auditor
		<b>Registered number</b>	Director-General of the Kanto Finance Bureau (small amounts and short-term insurance) No. 80
		<b>Head office location</b>	Sumitomo Fudosan Harajuku Building 18F, 2-34-17, Jingumae, Shibuya-ku, Tokyo

# Trajectory of Expansion of Business and Services



# Realization of Real Estate SPA

## Real Estate SPA of Ambition

Ambition's real estate SPA singlehandedly handles development, purchase, sales, brokerage of transactions and leasing, private lodging (*minpaku*) and insurance, centering on real estate leasing and management to address the diverse needs of customers.

	Target	Strengths
<b>Property Management Business (Leasing and Management)</b>		
 <b>Private Lodging (Minpaku)</b> <small>物件貸すなら かんぽけ</small>	Individual customers and corporate customers such as real estate companies who wish to lease owned real estate as well as customers who want to use private lodging (minpaku) facilities.	<ul style="list-style-type: none"> <li>Guaranteed rents that make owners who manage their assets feel at ease can be posted since leasing with value-adding measures and firm leasing brokerage is possible.</li> <li>Vacant properties can be used alternatively as private lodging (minpaku) facilities as leasing and management is conducted.</li> </ul>
<b>Development (Investment business)</b>		
 <b>VERITAS INVESTMENT</b>	Real estate companies and other corporate customers and individual customers who wish to own, invest in or manage real estate.	<ul style="list-style-type: none"> <li>Development and sale of condominiums for investment are conducted centering on the region called the Premium Area of Tokyo's 23 wards. Veritas is one of the leading companies in this area.</li> </ul>
<b>Purchase/Resale business (Investment business)</b>		
 <small>不動産売るなら かんぺき</small>	Real estate companies and other corporate customers and individual customers who wish to sell or purchase real estate.	<ul style="list-style-type: none"> <li>Transactions at a competitive prices is possible since leasing with value-adding measures and firm leasing brokerage is possible.</li> </ul>
<b>Small Amounts and Short-Term Insurance Business</b>		
 <small>日本ホープ少額短期保険</small>	Rental office and restaurant occupants	<ul style="list-style-type: none"> <li>Reasonably-priced simple insurance policy</li> <li>A wide range of product lineup</li> <li>Stable number of policy holders</li> </ul>
<b>Rental brokerage business</b>		
  <b>ROOMPIA</b> <b>VALOR</b> <small>HOME ADVISE</small>	Clients wishing to move into properties for rent, mainly university students, young workers and other people in their late 10s to 30s.	<ul style="list-style-type: none"> <li>The shop is easily accessible being close to a metropolitan terminal station.</li> <li>High competitiveness with a variety of properties.</li> <li>Of managed properties, 60% are contracted at Roompia and VALOR shops.</li> </ul>



END

Opinions, forecasts, etc. in this document are Ambition's judgements as of the point of preparation of this document, and the accuracy of such information is not guaranteed.

Please note that actual performance and results may differ significantly due to changes in various factors.