

**LIFULL Co., Ltd.**

# **Mid-term Business Plan**

**April 2017 to March 2020**

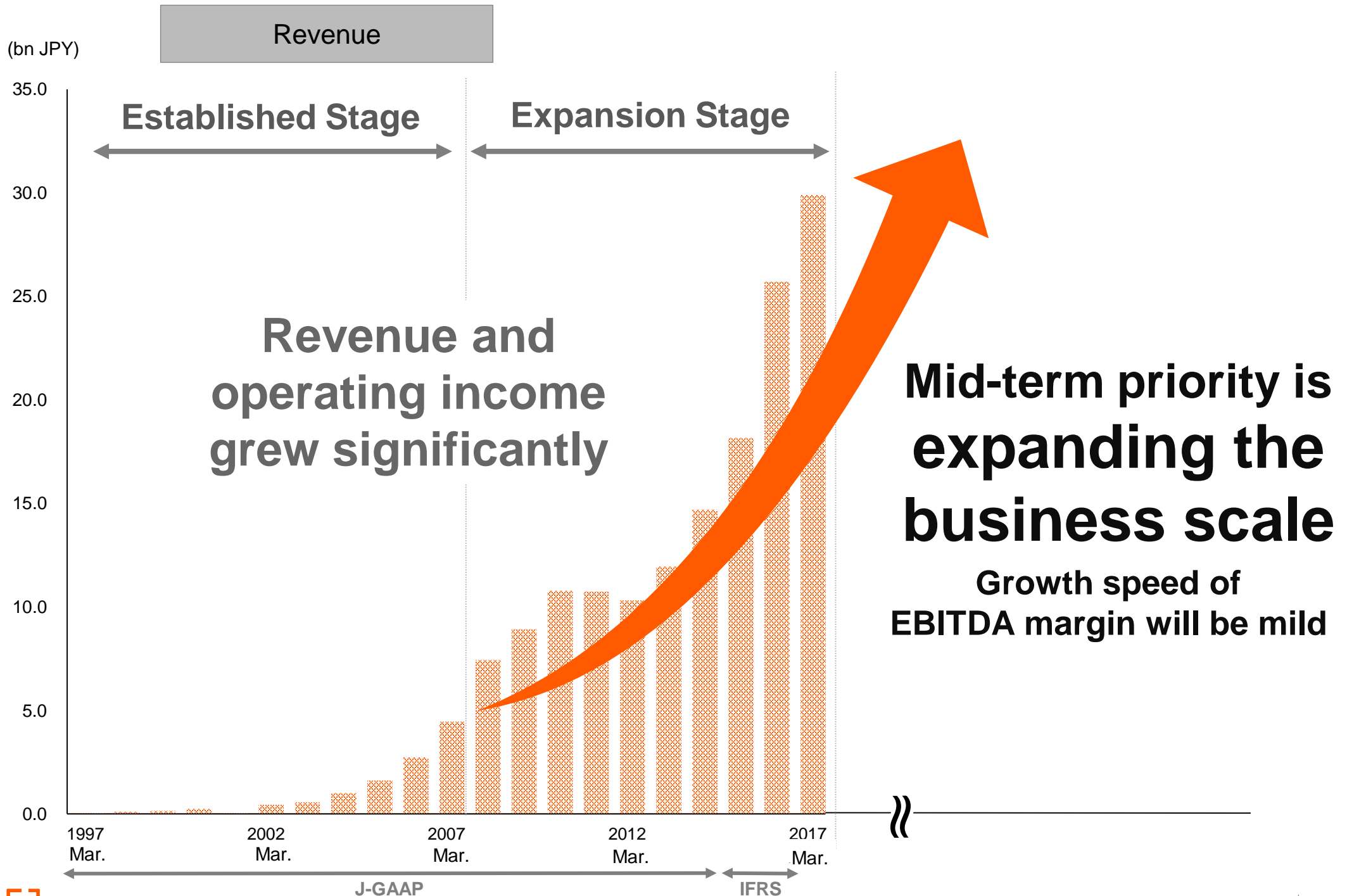
## **Disclaimer**

The opinions and projections, etc. contained herein represent the judgment of LIFULL Co., Ltd. at the time this document was prepared. We provide no guarantees regarding the accuracy of the information. Please keep in mind that actual performance and results may vary significantly due to fluctuations in various factors.

2017

**20th Anniversary**

# Background

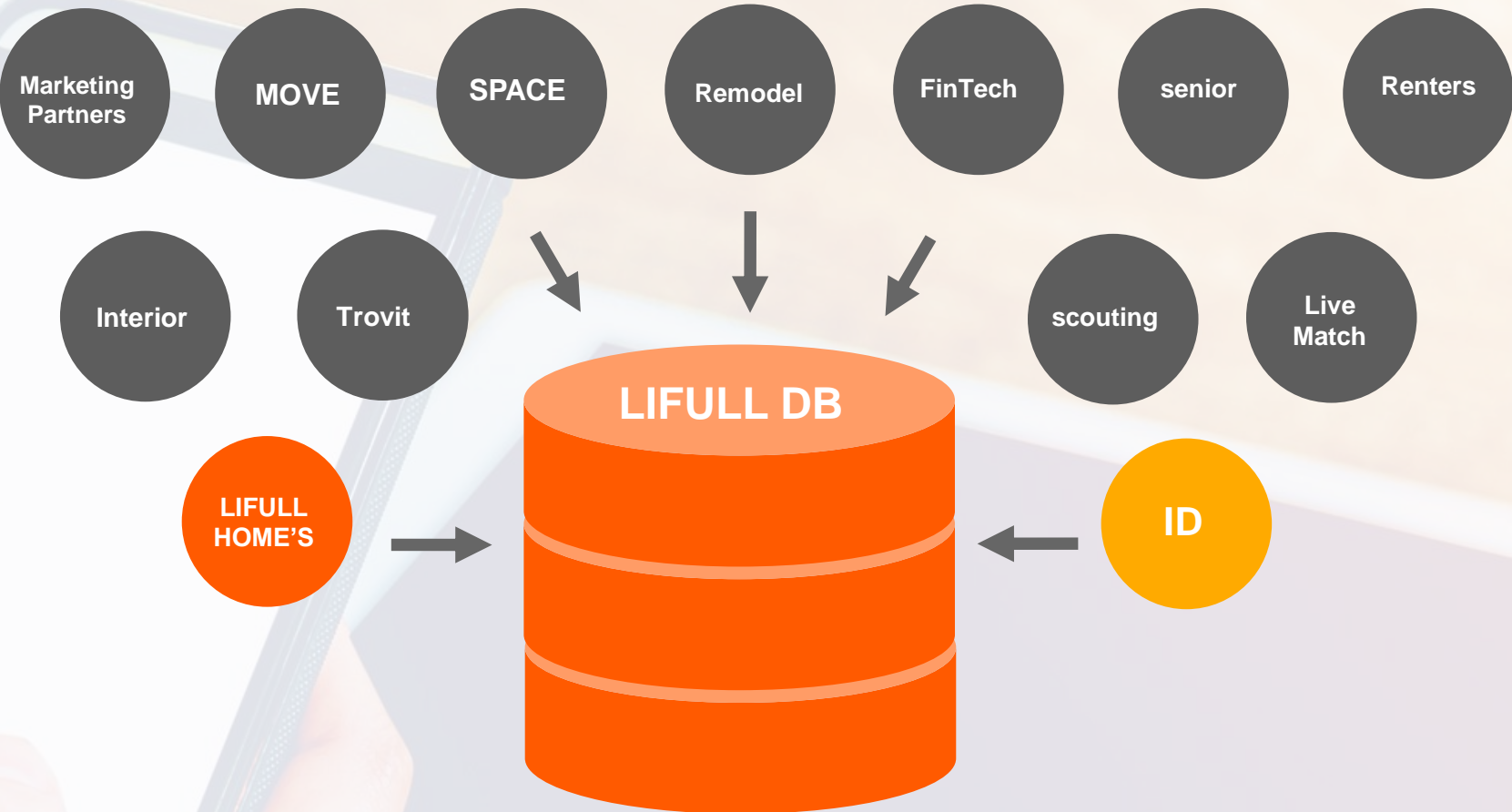


Business Policy

# The best life-event database and solution company in the world



# The Life Database Concept



**Develop a life database best in the world  
by integrating ID**

# Provide the Best Solution for Each and Everyone



Provide the best solution for each and everyone  
by utilizing the life database

**For making all kinds of LIFE FULL**



Fiscal Year Ending March 31, 2020

**Revenue**            **50 billion yen level**

**EBITDA ratio**    **Around 20%**



## **(1) Further expansion of HOME'S Services business**

- a. **“Increase the no. of customers” and “Increase ARPA”**
- b. **Provide the best customer experience**
- a. **Capture the growth markets**

## **(2) Building a foundation to have 100 group companies**

- a. **Establish a system to generate 100 companies**
- b. **Strengthen the back-office**
- c. **Create CxO titles**



### **(1) Further expansion of HOME'S Services business**

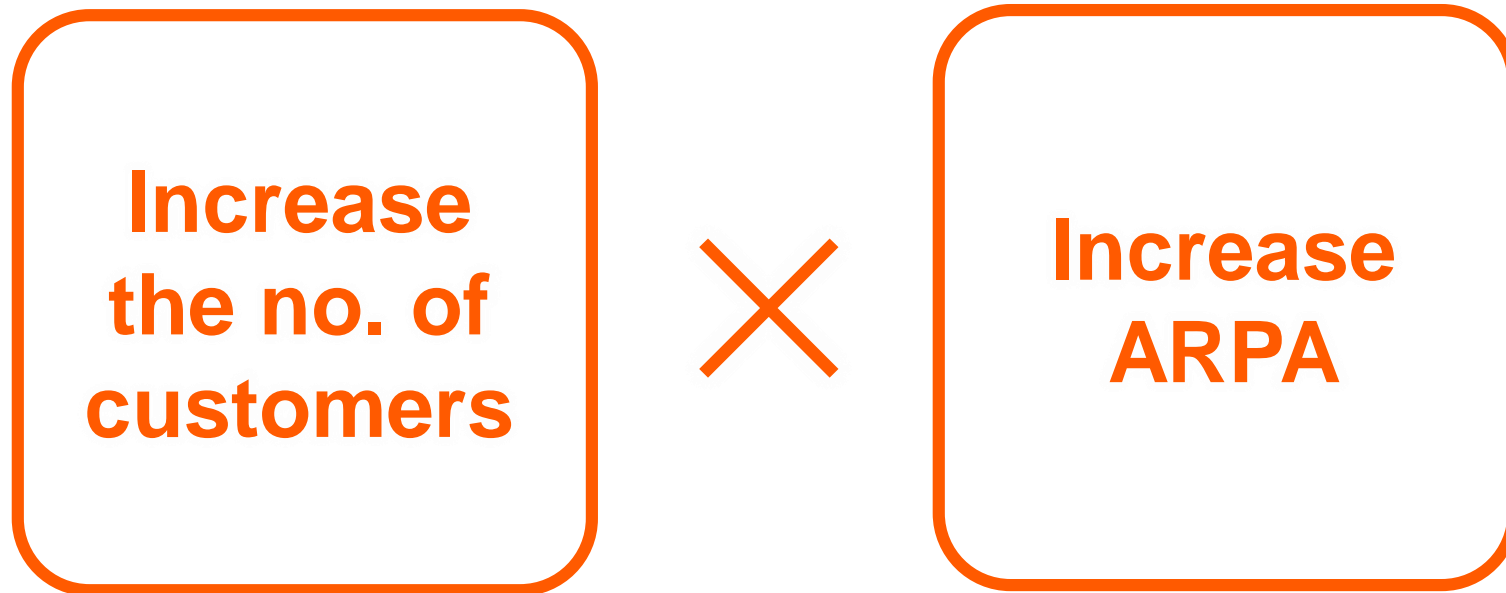
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## (1) Further Expansion of HOME'S Services Business

### Key to expand HOME'S Services business

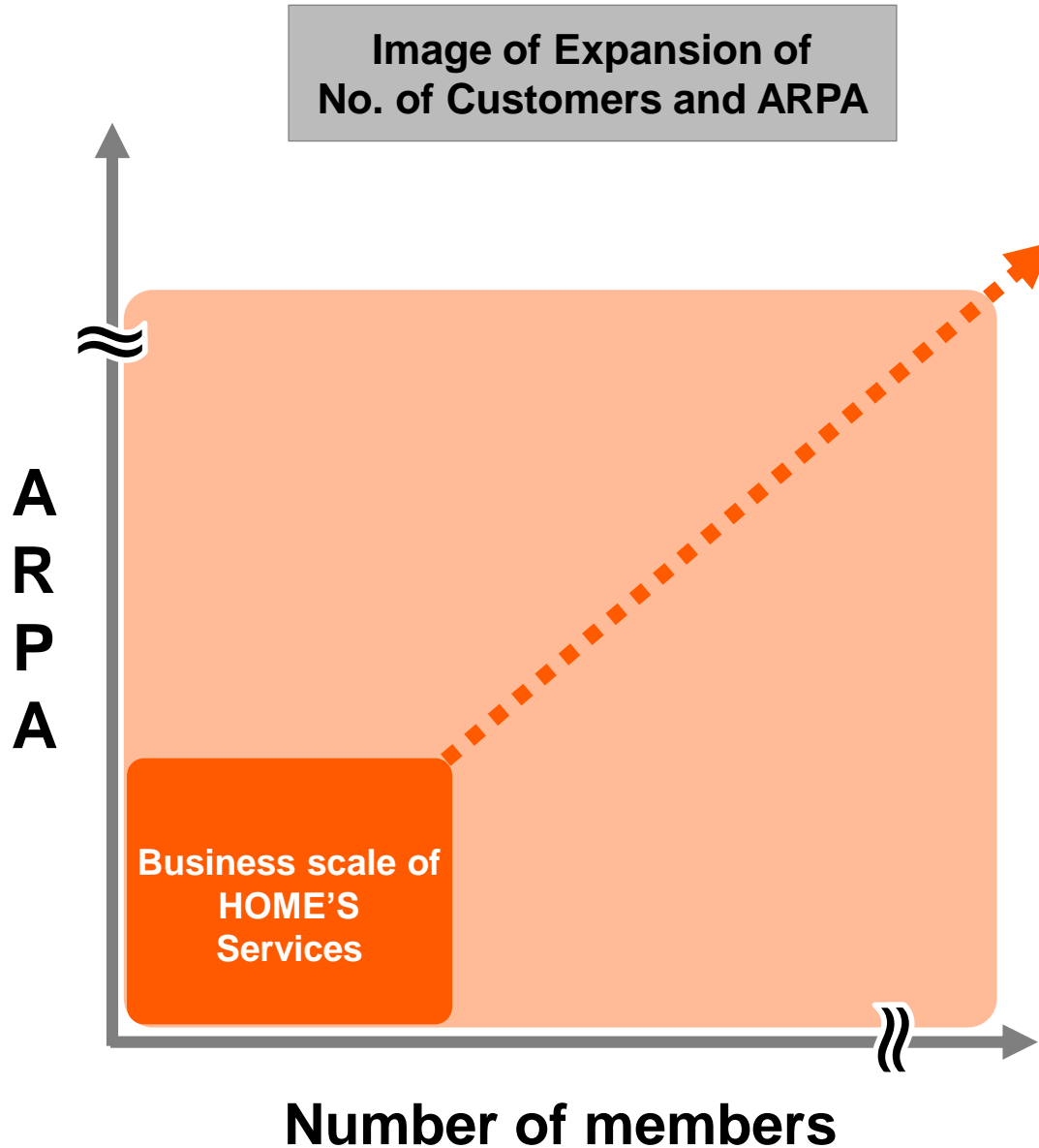


**No. of customers and ARPA will started to be disclosed  
from FY2017/Q1**

\*Customers of rentals and real estate sales are affiliated stores

\*APRA: Average Revenue Per Agent

“Increase the No. of Customers” and “Increase ARPA”



**Increase the no. of customers and ARPA**  
**Expand the business**



# Provide the Best Customer Experience

Focus on the three points

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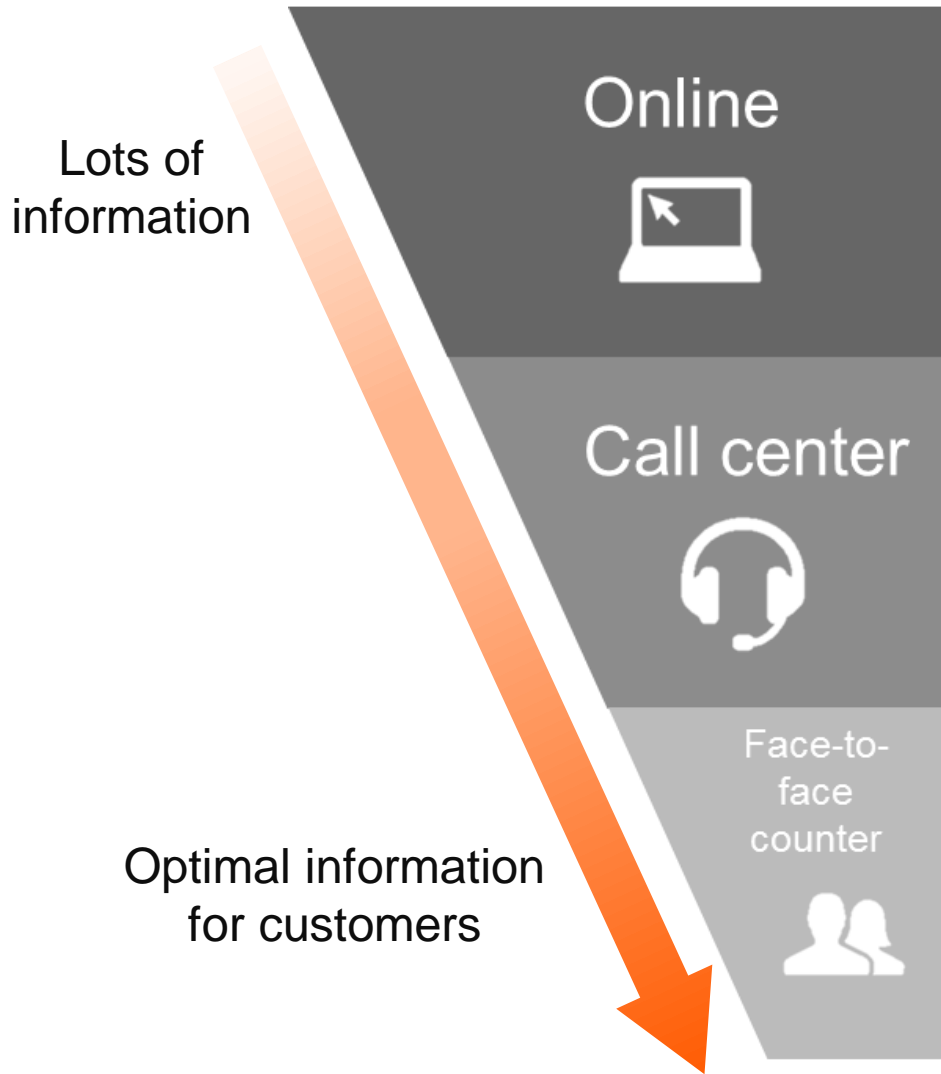
**Info accuracy  
and coverage**

**Omni-  
channel**

**ReTech  
and AI**

# Provide the Best Customer Experience – Omni-channel Strategy

Omni-channel Strategy

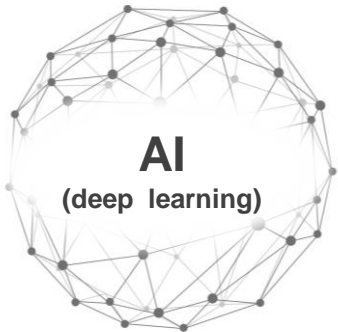


LIFULL HOME'S  
Sumainomadoguchi (counter)

## Expanding at the current pace



AI



Database  
Concierge  
⋮  
etc.

Connect all the services with AI to  
**provide best matching  
experience**

ReTech

VR



Grid Vrick



LIFULL HOME'S  
LIVE



**Aim at overseas expansion,  
create a system where all  
the steps of real estate  
transaction can be completed  
online**

## HOME'S Services Growth Strategy

	3 to 5 years mid-term market outlook (estimated by LIFULL)	Strategy
Rentals	<b>Stable</b> →	Expand the market share to become the absolute No.1
Real estate sales	<b>Expand</b> ↗	Enhance the market by promoting home renovation
Custom-built homes	<b>Shrink</b> ↘	Increase the added value by providing optimal information with the omni-channel strategy
Renovations	<b>Expand</b> ↗	Expand LIFULL Remodel (renovation contractor)
New houses & condos	<b>Stable</b> →	Expand the market share by providing an end-to-end service from consulting to media

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## (2) Build a Foundation to Have 100 Group Companies

### LIFULL Group Companies

(in chronological order with effective dates of establishment)

LIFULL

Renter's

P.T LIFULL Media Indonesia

Trovit Search, S.L.

LIFULL Scouting

LIFULL LiveMatch

Lifull Marketing Partners

LIFULL senior

LIFULL MOVE

LIFULL SPACE

LIFULL FinTech

LIFULL bizas

LIFULL Remodel

JG Marketing

Aim for  
**100 companies**  
in a mid-to-long-term  
perspective

## (2) Build a Foundation to Have 100 Group Companies

### How to develop 100 companies and 100 managers

New business proposal system

## Switch

The system allows employees and students to make proposals on a new business idea.

New services generated by the system are now provided by 5 group companies

Number of applications to Switch system

**130**/year (7 ideas are now under development for commercialization)



## CVC

Started this year aiming for more agile investment activities

LIFULL Investment Committee

President and CEO: Takashi Inoue

Director: Takashi Yamada

Executive Officer: Keizo Tsutsui

Head of Group Strategy : Yoshihisa Onuma  
and CSO



# Strengthen the back-office to support the growth of 100 companies

## System

Group fund  
management  
Management  
accounting

## Governance

Subsidiary  
management  
Budget control  
Develop the  
right structure

## Personnel development

Support for upskilling  
Support for career  
development

## (2) Build a Foundation to Have 100 Group Companies

Newly establish “CxO” positions to improve the Group’s competitiveness through functional enhancement

CxO	Responsibility	Name	Profile
<b>Chief Technology Officer (CTO)</b>	The Group’s technology improvement	<b>Tsubasa Nagasawa</b> (age: 31)	Joined in 2008 as a new grad. Responsible to the wide range of technology areas of HOME’S business including iOS to the platform.
<b>Chief Data Officer (CDO)</b>	Develop and utilize life database best in the world	<b>Masashi Noguchi</b> (age: 35)	Joined in 2004 as a new grad. Responsible to the division where utilizing big data since the launch.
<b>Chief Strategy Officer (CSO)</b>	Develop and promote growth strategy	<b>Yoshihisa Onuma</b> (age: 40)	Formerly worked at a major management strategic consulting firm. Has a great deal of experience of M&As and start-up ventures.
<b>Chief Financial Officer (CFO)</b>	Develop and promote financial strategy	<b>Kazuhiko Abe</b> (age: 53)	Formerly worked at a major bank. Joined LIFULL in 2016 after holding several positions including CFO, the overseas business director, etc. Managing Officer.
<b>Chief Human Resource Officer (CHRO)</b>	Foster the corporate culture and develop optimal organization	<b>Yukihiro Hada</b> (age: 53)	Formerly worked at an employment agency. After Joined LIFULL in 2005, created the foundation of HR division of the company. Managing Officer.
<b>Chief Creative Officer (CCO)</b>	Create designs to improve the brand value in a comprehensive manner	<b>Kohei Kawasaki</b> (age: 35)	Formerly worked at a major ad agency. Awarded several different prizes in Japan and the world as a creative director.

\*CxOs are not official title and may differ from the actual job classification.

## Overseas Business Focus Areas

- 1. Enter into more markets/areas**
- 2. Strengthen SEO**
- 3. Increase the information volume**



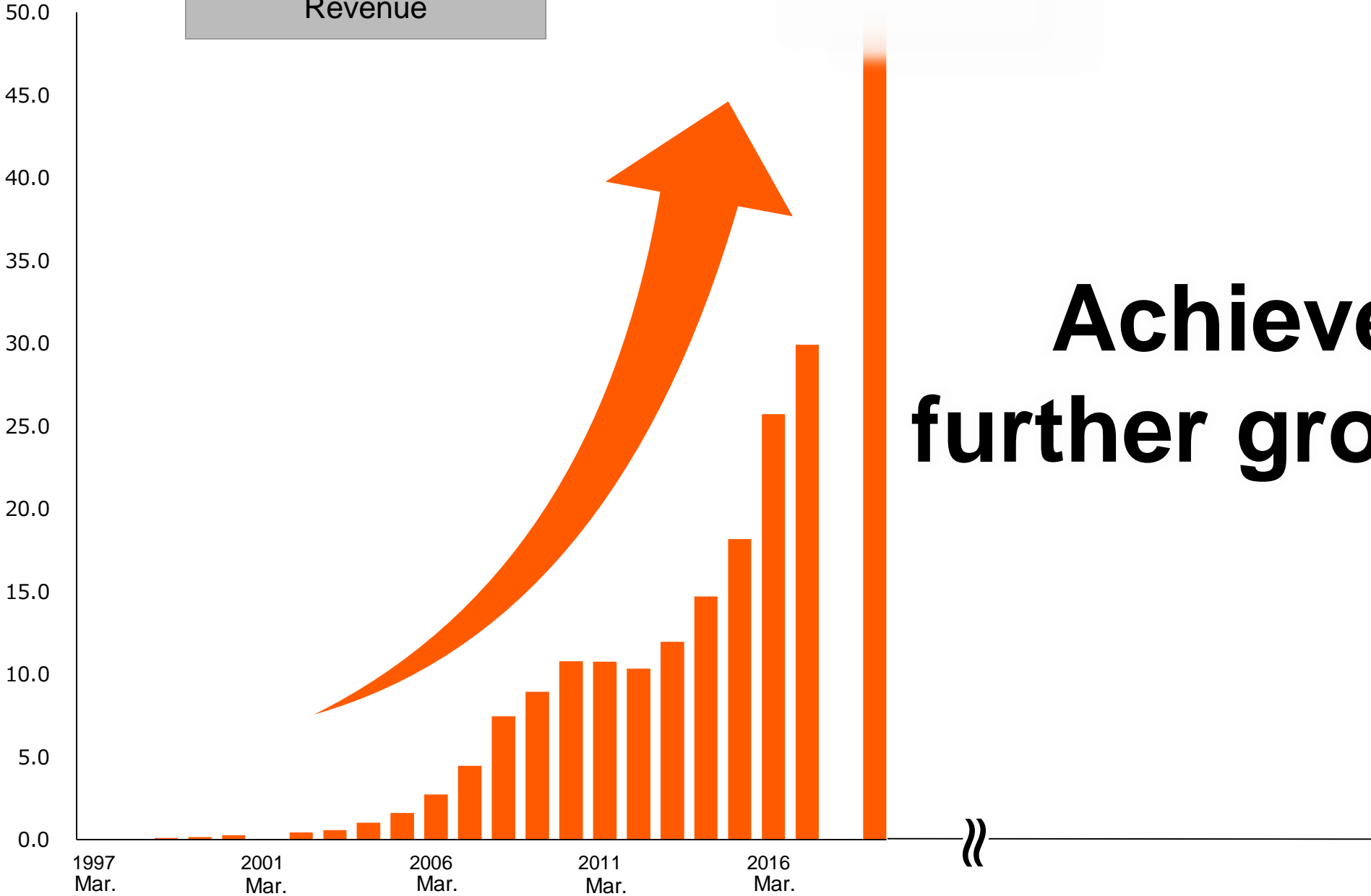
# Mid-term Business Plan

(bn JPY)

Revenue

## JPY50.0bn

# Achieve further growth



**[ ] LIFE FULL**

**Make every LIFE FULL.**