



LIFULL Co., Ltd.

Earnings Presentation IFRS

**First Quarter of the Fiscal Year Ending September 30, 2018
(October to December 2017)**

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.



Index

- **Key Points** P2
- **Consolidated Results for FY2018/9 Q1** P3
- **Forecast for FY2018/9** P10
- **Mid-Term Business Plan** P12
- **Business Strategies** P13
 - Overseas Business P32
 - New Businesses P36
- **Appendix.** P40
- **IR Office Information** P55



Key Points

1. FY2018/9 Q1 **revenue was 8.1 billion yen (up 14.4% YoY)**.
 2. EBITDA improved (up 60.3% YoY) due to lower SG&A.
-
3. **Number of clients grew 14.9% YoY**. APRA decreased 1.9% YoY due to expanding the clients network in local regions and small-to-mid sized real estate companies.
 4. **Launched provision of information on condominium price ranges and prices over time, sorted by nearest railway station**, in the “Real Estate Price Visualization” service intended to improve the transparency of the real-estate industry.
 5. Promoted use of **online property viewing, online inquiries, and online explanation of important matters on the LIFULL HOME’S search criteria and property details pages**.
 6. **Entered into a business alliance with Homelink, one of China’s largest real-estate brokerages**.

Consolidated Results for FY2018/9 Q1

Condensed Statements of Income and Loss IFRS

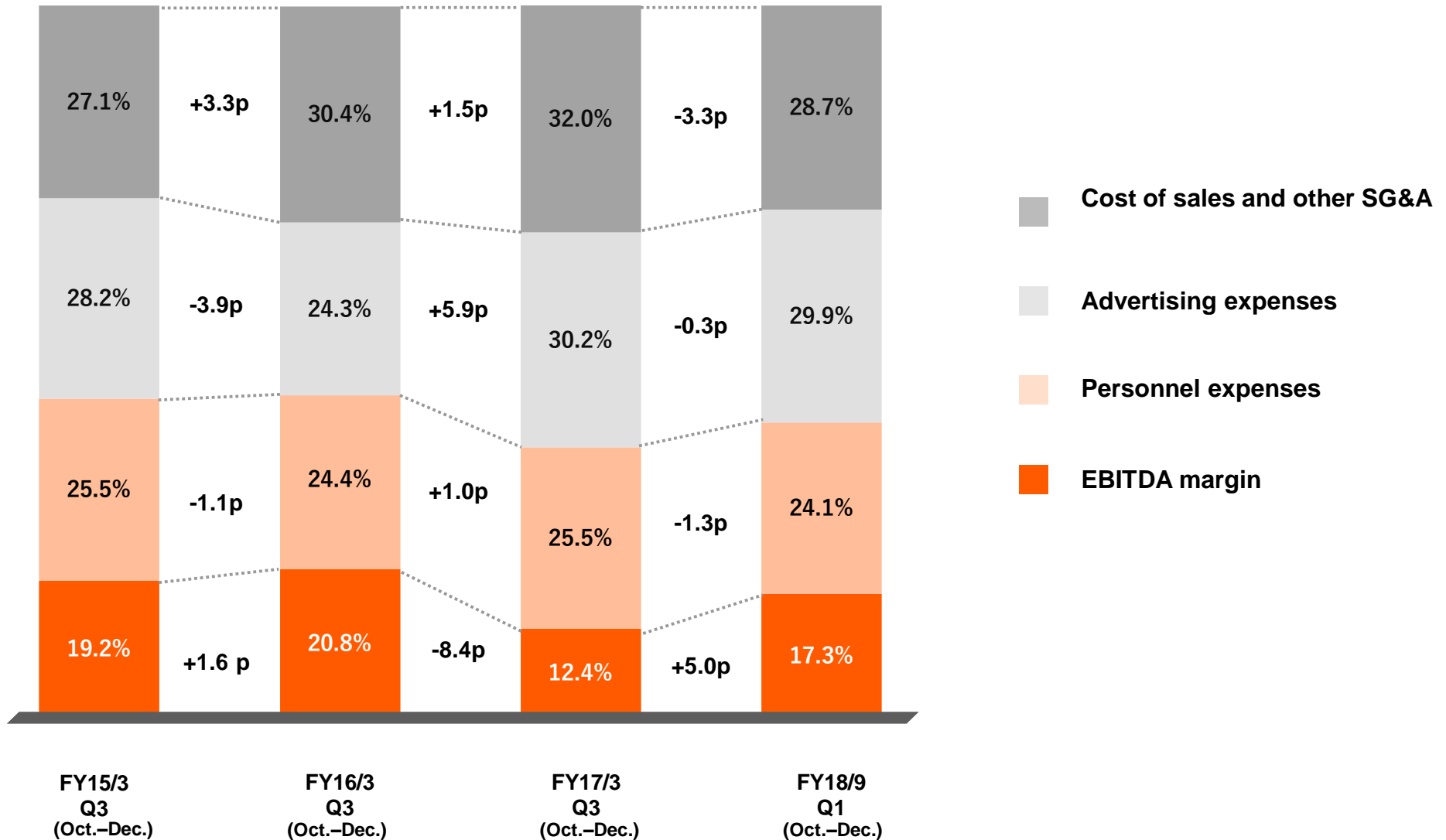
Revenue was up 14.4% YoY. EBITDA was up 60.3%. Quarterly net profit was up sharply by 78.4%.

Unit: JPY mil	FY17/3 Q3 Oct.-Dec.	FY18/9 Q1 Oct.-Dec.	Change	Change %	Main items
Revenue	7,107	8,128	+1,021	+14.4%	Revenue increased across all segments.
Cost of sales	774	928	+154	+19.9%	Increased mainly due to LIFULL MP business growth.
SG&A (excl. depreciation and amortization)	5,422	5,862	+439	+8.1%	
Personnel expenses	1,811	1,962	+151	+8.3%	The average number of employees in the Group as a whole increased by 113 persons YoY.
Advertising expenses	2,145	2,426	+280	+13.1%	Advertising expenses increased due to enhanced SEO.
Operating expenses	282	236	-45	-16.3%	Decreased due to reduced use of sales agents.
Other	1,183	1,236	+53	+4.5%	
Other income and expenses	-30	71	+101	-	
EBITDA	879	1,408	+529	+60.3%	
EBITDA margin	12.4%	17.3%	+5.0p	-	
Net profit*	331	591	+260	+78.4%	
Depreciation and amortization	338	274	-64	-18.9%	

*Net profit attributable to owners of the parent

Expense-to-Revenue Ratio IFRS

The EBITDA margin improved due to decrease in other SG&A and advertising expenses.



Sales by Segment IFRS

Revenue for the Overseas Business increased due mainly to exchange-rate effects.

Unit: JPY mil	FY17/3 Q3 Oct.-Dec.	FY18/9 Q1 Oct.-Dec.	Change	Change %	Main items
Revenue	7,107	8,128	+1,021	+14.4%	
HOME'S Services Business	5,955	6,742	+787	+13.2%	Achieved steady growth due to growing numbers of clients.
Overseas Business	750	883	+132	+17.7%	Increased due to the effects of fluctuations in EUR/JPY exchange rates and the addition of LIFULL Tech Vietnam to the scope of consolidation.
Others Business	400	502	+101	+25.3%	Increased due to strong performance by LIFULL Kaigo and the effects of adding LIFULL Social Funding to the scope of consolidation.

*See page 17 for the definition of ARPA.

*Performance in FY17/3 Q3 reflects changes in segments effective from the fiscal year ending September 2017.

*As a result of the change in segments, sales of LIFULL senior (which operates LIFULL *Kaigo*), formerly recorded under the HOME'S Services Business, are now recorded under Others Business.

*See page 52 for details of specific businesses in each segment.

Segment Income and Loss IFRS

Income in the HOME'S Services Business significantly increased mainly due to lower advertising expenses-to-revenue ratio. Income in the Overseas Business significantly increased mainly due to improvements in personnel expenses at Trovit.

Unit: JPY mil	FY17/3 Q3 Oct.-Dec.	FY18/9 Q1 Oct.-Dec.	Change	Change %	Main items
Segment income and loss	570	1,062	+491	+86.2%	
HOME'S Services Business	509	943	+433	+85.0%	Increased due mainly to increase in revenue and lower advertising expenses-to-revenue ratio.
Overseas Business	9	130	+121	+1238.2%	Increased due mainly to improvements in personnel expenses at Trovit.
Others Business	31	-33	-65	-	
Inter-segment transactions	19	22	+2	+11.1%	

*Performance in FY17/3 Q3 reflects changes in segments effective from the fiscal year ending September 2017.

*As a result of the change in segments, sales of LIFULL senior (which operates LIFULL *Kaigo*), formerly recorded under the HOME'S Services Business, are now recorded under Others Business.

*Change percentage columns are left blank for the items posted negative figure in either previous or current fiscal year.

Condensed Statements of Financial Position and Goodwill IFRS

Unit: JPY mil	As of Sep 30, 2017	As of Dec 31, 2017	Change	Change	Main items		
Assets	26,363	26,366	+2	+0.0%	Decrease in cash and deposits	-234	Increase due to payment of annual amount paid for computer systems Increase mainly due to fluctuations in foreign-currency exchange rates Mainly due to investments in KAMARQ
					Decrease in accounts receivable - trade	-197	
					Increase in prepaid expenses	+121	
					Increase in goodwill	+144	
Current assets	10,193	9,953	-239	-2.3%	Decrease in intangible fixed assets	-119	
					Increase in investment securities	+401	
Non-current assets	16,170	16,412	+242	+1.5%	Decrease in shares of associates	-89	
					Decrease in deferred tax assets	-112	
Liabilities	7,069	6,375	-694	-9.8%	Decrease in accounts payable - trade	-24	Decrease due to payment of TV commercial production costs
					Decrease in accounts payable - other	-531	
					Increase in deposits received	+29	
					Decrease in allowance for bonuses	-301	
Current liabilities	6,115	5,413	-702	-11.5%	Increase in accrued corporate income taxes	+76	
					Increase in accrued consumption taxes	+94	
Non-current liabilities	954	962	+7	+0.8%	Increase in deferred tax liabilities	+8	
Total Equity	19,293	19,990	+696	+3.6%	Increase in retained earnings	+494	Increase due to fluctuations in foreign currency exchange rates
					Increase in foreign currency translation adjustment	+182	
Equity per share attributable to owners of the parent (yen)	161.96	167.69	+5.73				

*Outstanding goodwill balance: Littel JPY 86 million, Trovit JPY 9,312 million, LIFULL MP JPY 251 million, LIFULL Social Funding JPY 255 million, LIFULL Tech Vietnam 94 million, and Trovit and LIFULL MP depreciable assets (PPA) JPY 849 million.

Condensed Statements of Cash Flows IFRS

Cash and cash equivalents decreased by approx. JPY 200 million to JPY 5.2 billion.

Unit: JPY mil	FY17/3 Q3	FY18/9 Q1	Change	Main items		
	Oct.-Dec.	Oct.-Dec.		Items	FY17/3 Q3 Oct.-Dec.	FY18/9 Q1 Oct.-Dec.
Operating cash flow	208	236	+28	Income before income taxes	541	1,080
				Depreciation and amortization	338	280
				Increase/decrease in accounts receivable - trade and other short-term claims	54	147
				Increase/decrease in accounts payable - trade and other short-term debts	130	-509
				Tax payments	-797	-273
Investing cash flow	-380	-425	-45	Purchase of available-for-sale financial assets	-30	-399
				Outlays for the acquisition of tangible fixed assets	-125	-56
				Outlays for the acquisition of intangible fixed assets	-219	-74
				Payment of leasehold deposits and guarantee deposits	-8	-30
				Proceeds from sale of shares of associates	-	135
Financing cash flow	33	-69	-102	Proceeds from payment from noncontrolling interests	33	28
				Dividend payments	-	-97
Change in cash and cash equivalents	-49	-234				
Balance of cash and cash equivalents	6,263	5,275	-988			

Forecast for FY2018/9

FY2018/9 Forecast and Progress IFRS

Statements of Income and Loss

Unit: JPY mil	FY18/9 Oct.-Sep. [Full-year forecast]	FY18/9 Q1 Oct.-Dec. [Actual]	Progress %
Revenue	41,000	8,128	19.8%
Cost of sales	4,848	928	19.2%
SG&A (excl. depreciation and amortization)	30,106	5,862	19.5%
Personnel expenses	9,253	1,962	21.2%
Advertising expenses	12,962	2,426	18.7%
Operating expenses	1,361	236	17.4%
Other	6,528	1,236	18.9%
Other revenues and expenses	-28	71	-
EBITDA	6,016	1,408	23.4%
EBITDA margin	14.7%	17.3%	-
Net profit*	3,478	591	17.0%

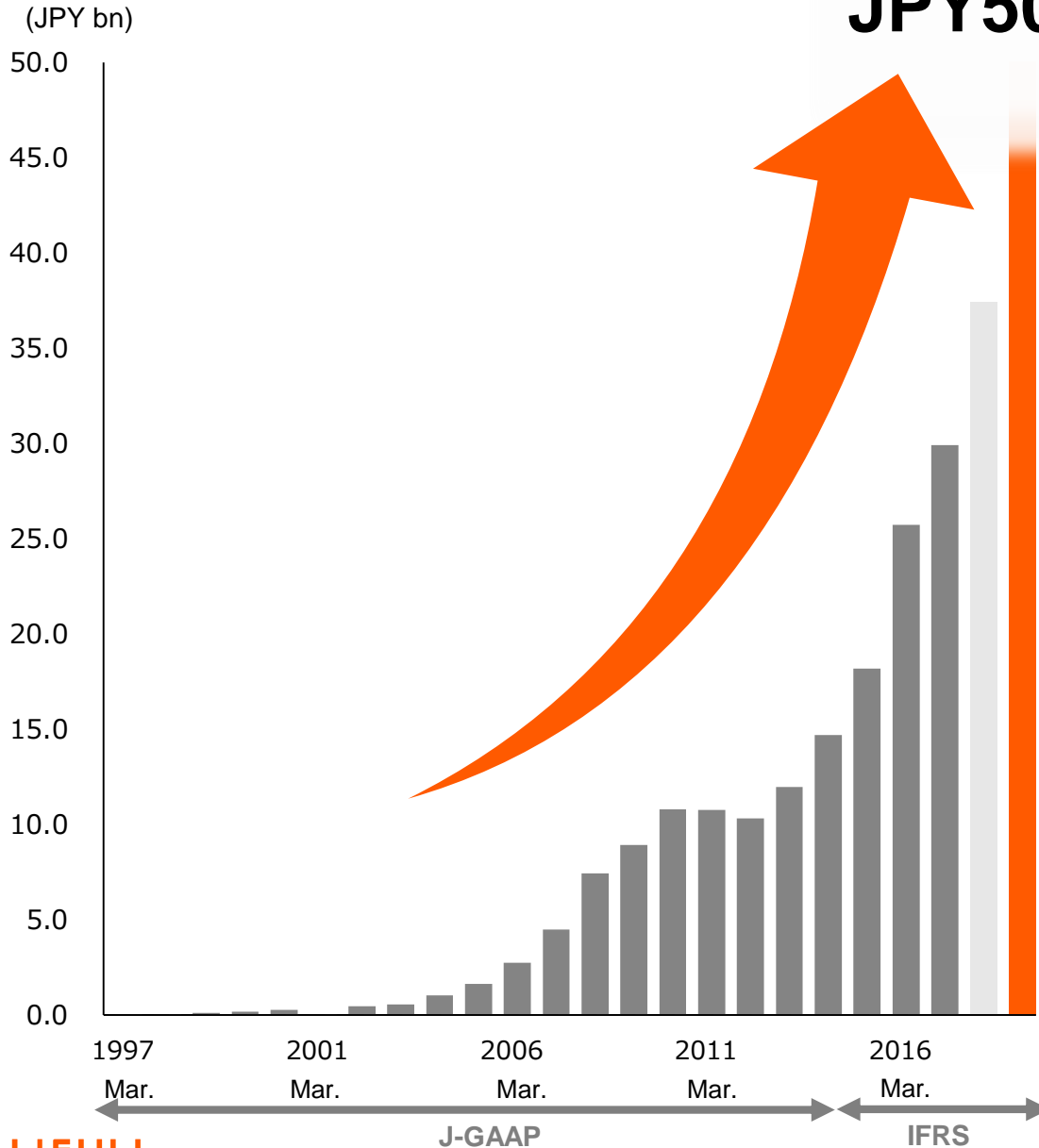
*Net profit attributable to owners of the parent.

Sales by Segment

Unit: JPY mil	FY18/9 Oct.-Sep. [Full-year forecast]	FY18/9 Q1 Oct.-Dec. [Actual]	Progress %
Revenue	41,000	8,128	19.8%
HOME'S Services	33,441	6,742	20.2%
Overseas	4,834	883	18.3%
Others	2,723	502	18.4%

Mid-Term Business Plan

Revenue

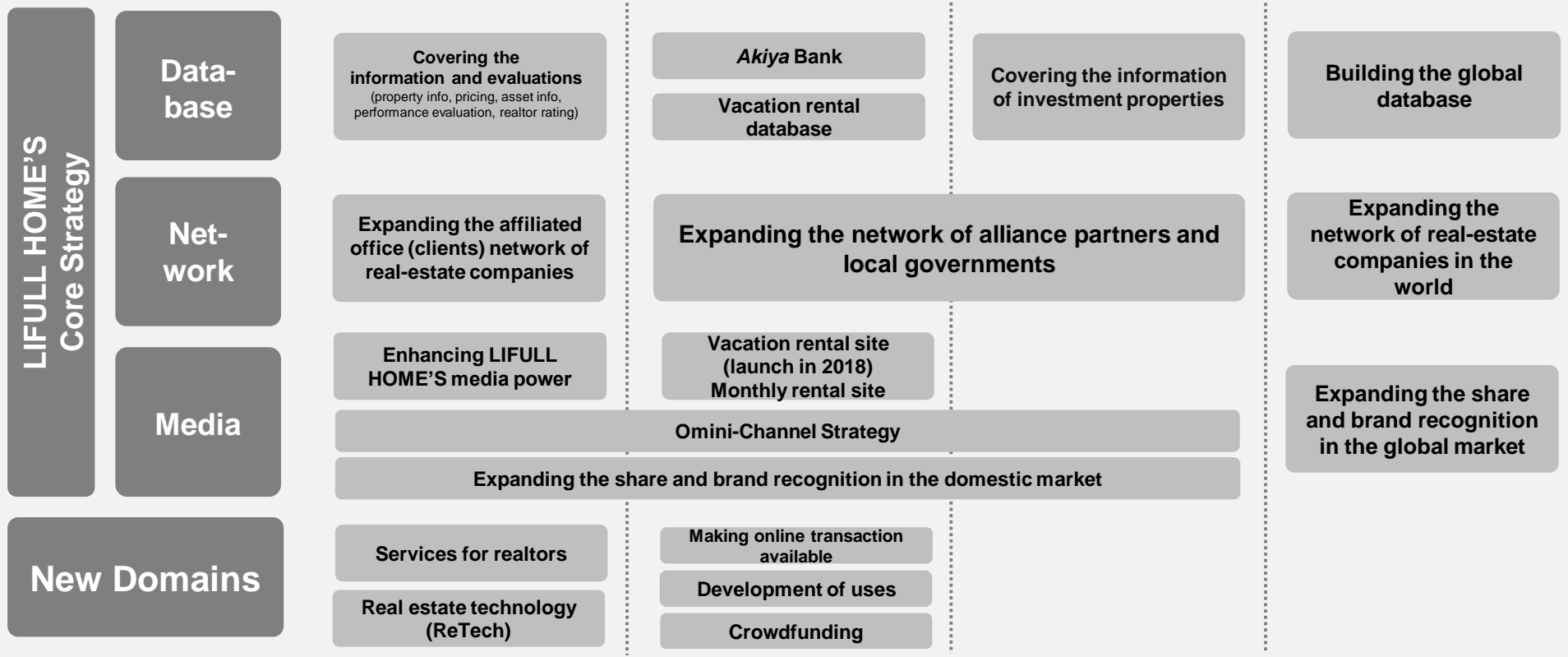


JPY50.0bn

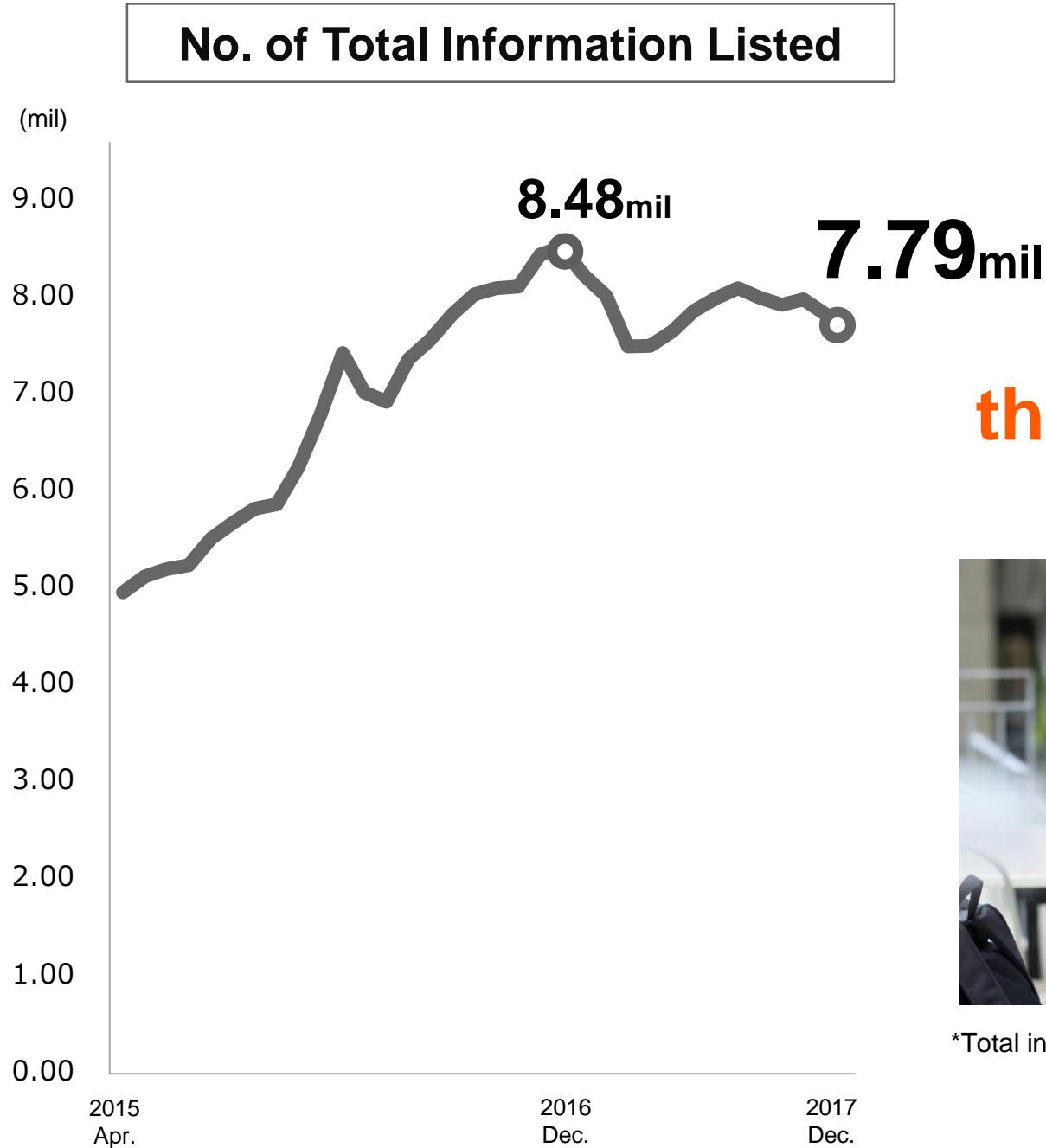
**Toward
50.0 bn yen level
revenue and
EBITDA margin
around 20%
by Mar. 2020**

Business Strategies

Mid-to-Long Term Strategy Roadmap



Expanding the Number of Total Information Listed



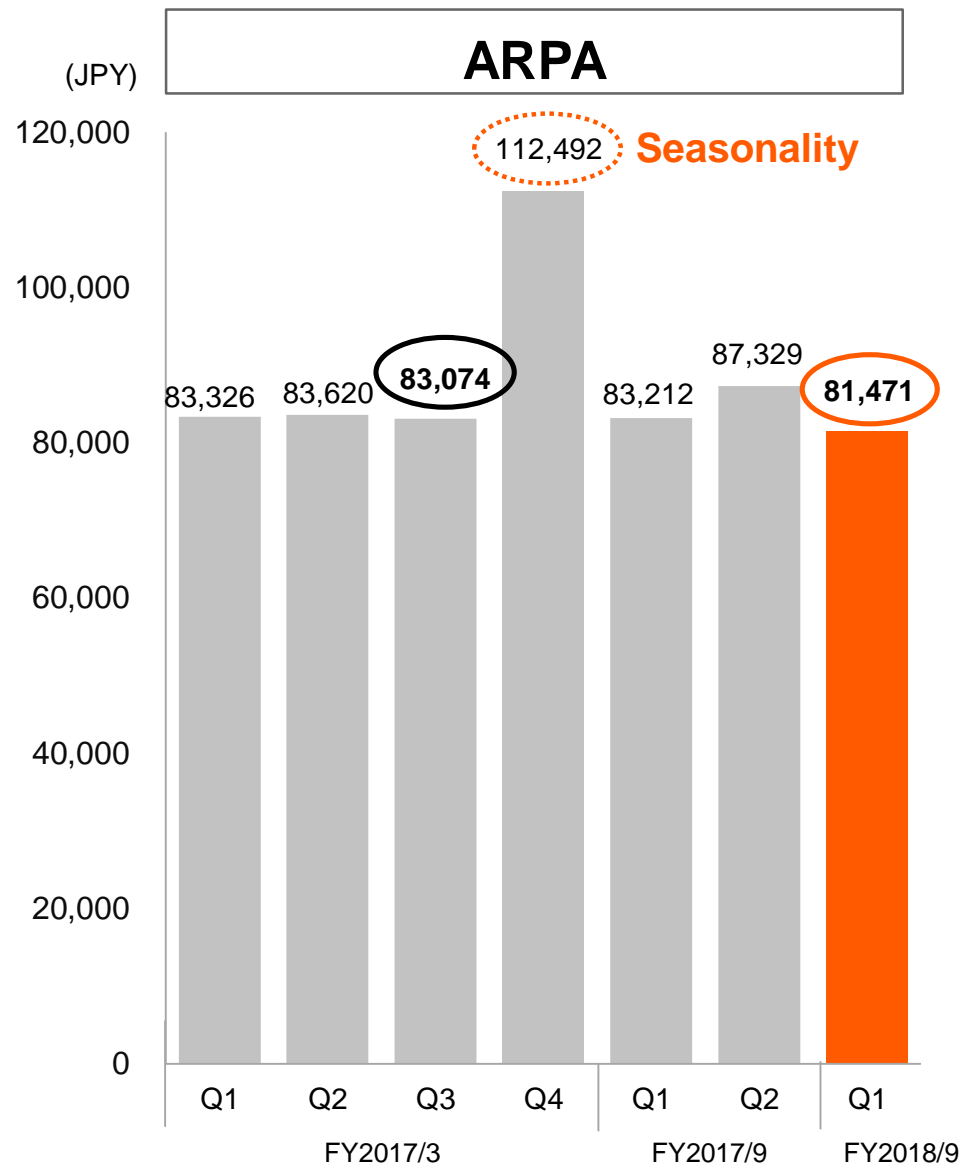
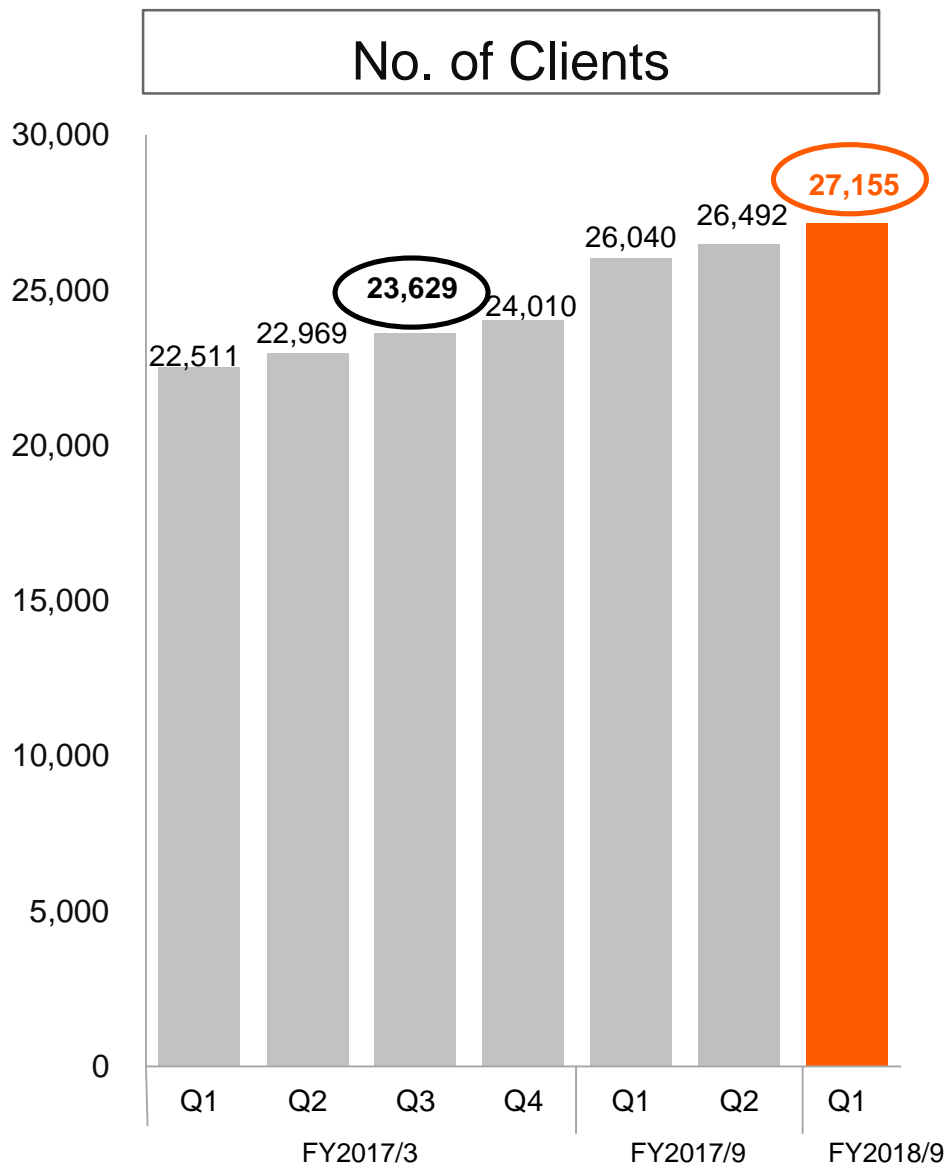
**Maintain
the volume of listed
information**



*Total information: properties for rental, real estate sales, investment, and new houses and condos. Custom-build home and renovation are number of construction company.

Expanding the Client Network

Number of clients grew steadily. ARPA decreased YoY due to expanding the clients network in local regions and small-to-mid sized real estate companies.



*FY2018/9 Q1 is preliminary figure. The final figure will be released in the earnings presentation of FY2018/9 Q2.

(Ref.) Definition of No. of Clients and ARPA

Definition

Number of clients: The total paid clients of LIFULLHOME'S and LIFULL Marketing Partners (including the clients who uses only DMP and CRM)

ARPA: Average Revenue Per Agent
HOME'S Services Business revenue / number of clients

*Excluding LIFULL Remodel

**No. of
clients**

×

ARPA

=

**HOME'S Services
Business scale
(revenue)**

**Expand the business by
increasing the no. of clients and ARPA**

Visualizing the Price Information - “Real Estate Price Visualization”

We began providing information on existing condominium price ranges and changes in prices over the past five years, sorted by nearest railway station, in the “Real Estate Price Visualization”. The goal is to stimulate the market by making it possible to visualize the various types of information needed when selling real estate.

Reference prices and lead simulator

この部屋の参考査定価格
4,025万円 ~ 5,628万円

LIFULL HOME'S掲載シミュレータ

この物件をLIFULL HOME'Sに掲載した場合のシミュレーションをして、どのくらいの確率で問合せ(内見申し込み等)があるか、どのくらいの価格設定でニーズがあるかを可視化してみましょう

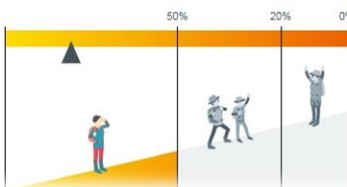
売出し価格: 万円

掲載期間と問合せ確率



LIFULL BUILDING 101は1年間のLIFULL HOME'Sへの掲載で約37.2%程度の確率で問合せ(内見申し込み等)が見込める物件です。
 (一般的な物件の掲載期間は100~150日程度です)

問合せのされやすさの目安



LIFULL BUILDING 101はLIFULL HOME'Sに過去に掲載された千代田区のファミリータイプの物件の中では197件中、160位の問合せされやすさです。
 下位19%に属しており、需要が低い物件といえるでしょう。

Real estate price trends

千代田区の不動産価格の推移

この価格指標は都市の住宅市場の動向を世界規模で透明化するために、既存住宅の市場価格の推移を指数化したPRICE INDEXのデータを元に作られています



直近3年間の推移
 千代田区の標準的な物件の価格は直近の3年間で**28.6%**程度高騰しています。
 これは千代田区のある東京都の変動の26.1%に比べて**やや高め**の水準です。
 この3年間の価格上昇率を内訳で見ると、初年度が**19.83%**、2年目が**4.51%**、3年目が**4.28%**となっています。

Condominium price ranges and changes in prices over past years

各駅の価格帯と価格の経年変動率マップ

この物件のある渋谷駅周辺を中心として東京都の各駅の価格帯と近年5年間で価格の経年変動率を可視化しました。価格帯の高い駅・低い駅、価格が上昇している駅・下落している駅が一目でわかります。



渋谷駅について
 渋谷駅は東京都の価格推計を行った駅の中で一般的なファミリー向けの中古マンション(※1)の物件価格が**上位5%**に属している高級物件エリアです。
 このエリアの第10年の間タイプ物件の価格の推移は、2012年から2013年で+7.05%、その後の4年間で+8.87% → +7.6% → +2.82% → +3.84%と推移し、2017年(第15年時)には2012年比で**+33.53%**程度変動しています。
 この5年間で価格上昇率は東京都の価格推計対象駅の中で**上位5%以内**に属しています。この駅の価格変動の傾向としては**需要拡大が著しいエリア**と考えられます。
 渋谷駅の価格変動率と価格帯の両側面から傾向が伺える駅は六本木一丁目、広尾、恵比寿、六本木、原宿などがあげられます。
 ※1 物件の定義: 築5年/60平米/駅徒歩10分/10階建ての標準的SPC



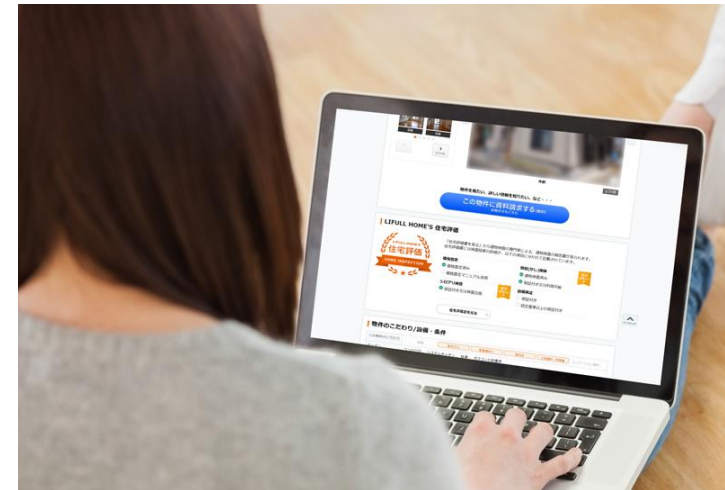
Visualizing Building Performance Evaluation – “LIFULL HOME’S House Appraisal”

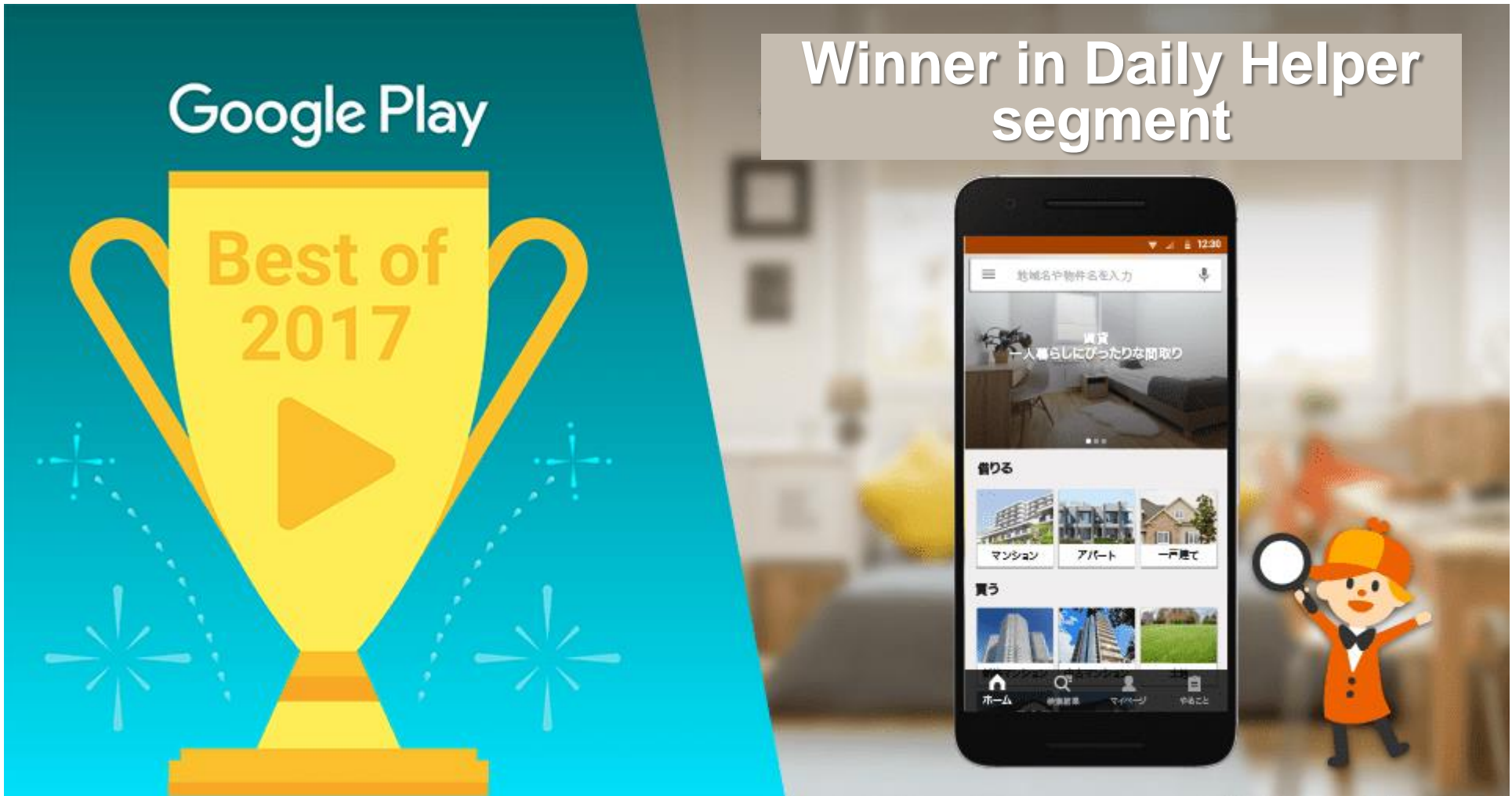
The LIFULL HOME’S website presents house appraisal documents to help visualize property values, with the goal of removing uncertainties facing potential buyers of existing homes and revitalizing the existing home market.

**Promoting user understanding
of house appraisals
jointly with regional real-estate brokers
associations across Japan**

Please visit the special sites where you can search homes with appraisal document easily.

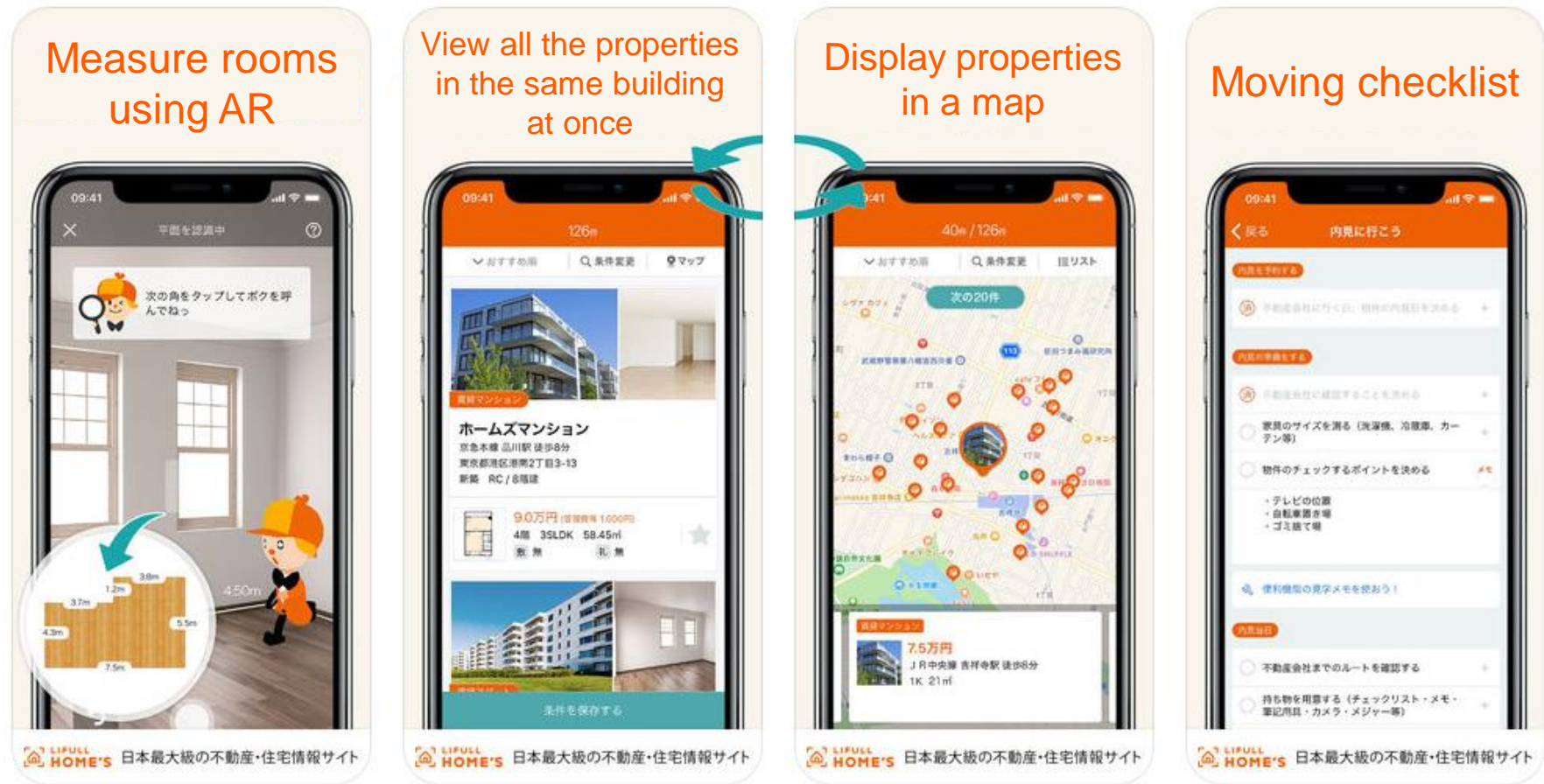
**Reliable and satisfied home buying.
Find inspected homes at
LIFULL HOME'S House Appraisal
<https://www.homes.co.jp/inspection/>**





Winner for second year in a row

Cumulative total downloads surpass 5 million. (May 2017)



*The image is iOS app

Enhancing Media Power - Major iOS app upgrade

We implemented a major upgrade of the iOS app to further improve its search performance. Our goal is to continue delivering services that allow users to find the properties that perfectly fit them, both enjoyably and effectively.

Saved search criteria made easier to understand



Lets users name or color-code their saved search criteria to make them easier to understand at a glance.

Seamless access to market rates of rents



Now allows users to view market price conditions on the rail line and station search criteria screen.

Find a home with HOME'S-kun



HOME'S-kun appears frequently in the user's guide.

Making Real-Estate Transactions Available Online

We added new features to “LIFULL HOME’S LIVE,” a service incorporated as part of a social experiment by the Ministry of Land, Infrastructure, Transport and Tourism.

LIFULL HOME’S LIVE

This service allows users to search for and view properties, ask questions, and receive explanations of important matters, all online.



Property search Property page Inquiry form Online property viewing, inquiries, and explanations of important matters

Online Contract Platform (Launched Oct. 2017)

Through a business alliance with Bengo4.com, we offer an online contract platform designed specifically for real-estate companies.



Searching for properties, asking questions, viewing properties, and obtaining explanations of important matters

Contract

System completed to offer all of the above services online

Making Real-Estate Transactions Available Online - LIFULL HOME'S LIVE

The LIFULL HOME'S search criteria and property details pages also encourage use of online property viewing, online inquiries, and online explanations of important matters.

Search criteria added

築年数
指定なし

建物構造
 鉄筋系
 木造系
 鉄骨系
 ブロック・その他

オンライン対応
 オンライン内見可
 オンライン相談可
 IT重説可

人気のこだわり条件
 バス・トイレ別
 2階以上
 室内洗濯機置場
 エアコン
 駐車場あり

すべてのこだわり条件を見る

Now allows users to find properties for which online viewing, online inquiries, and online explanations of important matters are available.

Inquiry buttons added

/303

2ヶ月 / 1ヶ月 保証金/敷引/償却金 - / -

駅 徒歩16分

空室状況をお問合せ (無料)
オンライン内見・相談を予約 (無料)

お気に入り追加

電話でお問合せ (通話無料) 詳しくはこちら
0037-123-4567

Lets users make appointments to view properties and ask questions on the property details page.

Special pages added

全国の賃貸物件
オンライン内見 (物件見学) ができる物件特集
スマホや自宅PCからOK! ビデオ通話で見学 (内見) が可能
現地にいる不動産会社スタッフとリアルタイムに会話しながら物件内部を見学! 現地に行くことなく、仕事の休中や営業の空閑など都合の良い時間・好きな場所から内見できます。詳細やご予約は遠方に行っても大丈夫。急な転勤や帰国などで時間のない方はチェックしてみてください!

駅・路線から探す

駅・路線から探す 山梨 北摩西

お気に入り物件 10

全国の賃貸物件
オンライン相談ができる物件特集
自宅にいながら、ビデオ通話で現地に行くのと同じように相談ができる!
スマホやPCを使って、不動産会社スタッフに相談できます。物件について詳しく聞いたり、希望条件に合う物件を探求してもらったりと、不動産会社へ行くことなく自宅からサービスを受けられます。時間が取れず、遠隔へ足を運ぶのが辛い方はぜひチェックしてください!

駅・路線から探す

駅・路線から探す 山梨 北摩西

お気に入り物件 10

Special pages were added to make it easier for users to search for properties for which online viewing and inquiries are available.

The total number of properties for which these services are available exceeds 1.4 million.

LIFULL HOME'S Live - Promotions

We use a diverse media mix to communicate the benefits of using LIFULL HOME'S LIVE to users.



TV commercial

Broadcasts of the LIFULL HOME'S TV commercial "Searching for a home from far away" began on January 4.

An earthbound HOME'S-kun helps Yui Okada search for a home from outer space, stressing the benefits of LIFULL HOME'S LIVE in the clearest possible way.

Transportation advertising

We deploy hanging advertisements and advertisements posted around door areas on public transportation. We also advertise through the Tokyo Metro's Concourse Vision.



Web/social media



We advertise on the web and various social-media platforms. In addition to commercial video, based on promotions linked to transportation advertising, we stream videos on the theme of viewing properties.

Initiatives to stimulate the market for existing homes

Resolving the issue of vacant homes through promoting use of vacant homes, fundraising, vacation rental to stimulate the tour industry.



Details
P27

Akiya Bank

Developing a comprehensive database of information on vacant homes nationwide



Details
P28

Crowdfunding

Responding to funding needs of those seeking to put vacant lots and vacant homes to use



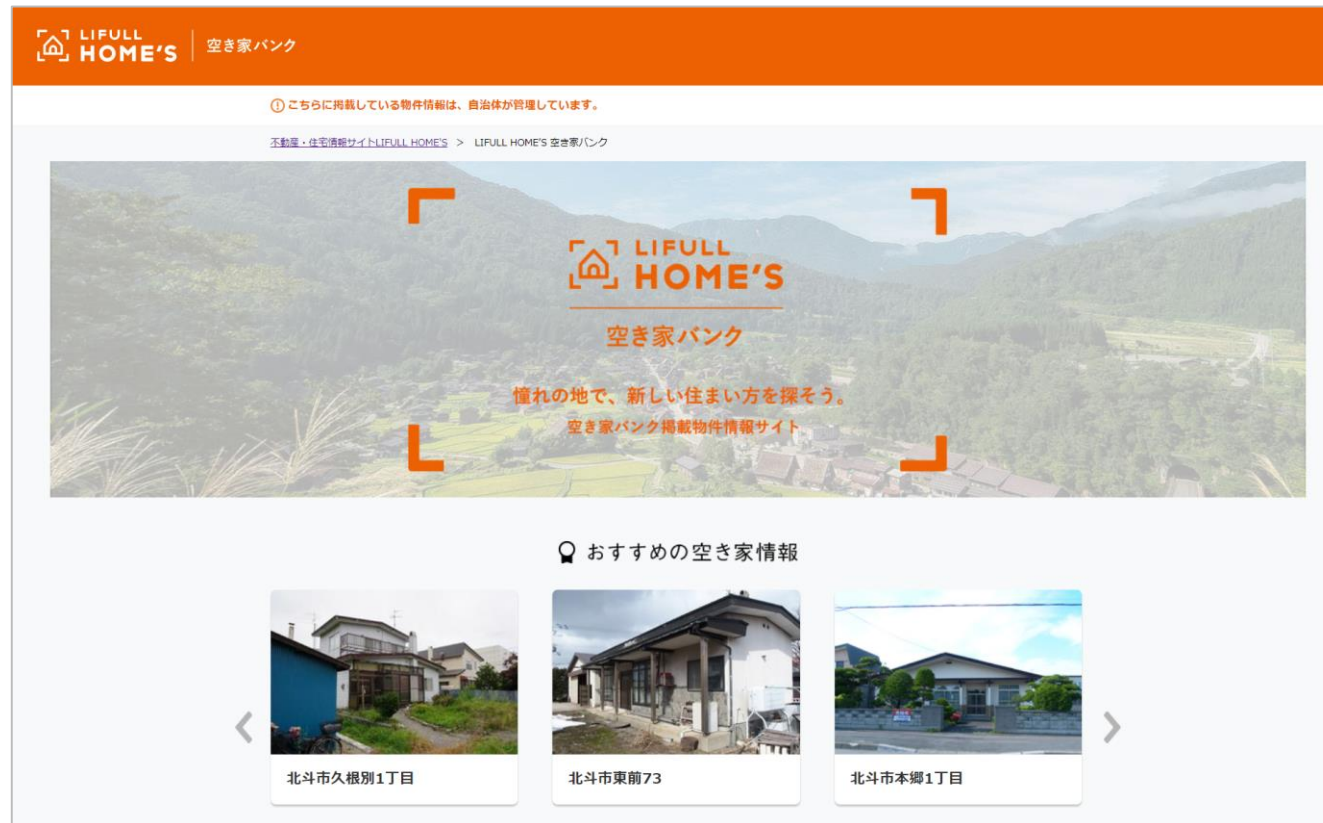
Details
P29

Rakuten LIFULL STAY

Supporting new ways to put real estate to use

LIFULL HOME'S *Akiya Bank*

A model program for building and operating a nationwide *Akiya* (vacant properties and homes) *Bank* as proposed by the Ministry of Land, Infrastructure, Transport and Tourism. Acceptance of participation by local governments began July 19, 2017, with the (beta) website released in September 28.



Applying our expertise to develop a platform for a nationwide *Akiya* (vacant home) *Bank*

Investment-type Crowdfunding

Accelerating the crowdfunding business with the January 2017 purchase of stock in JG MARKETING (currently LIFULL Social Funding).

Property use development



Dormant asset



Remodeling
Renovation
Interior design
Attracting customers

Revenue generation



Lodging facilities, cafes, etc.



Funding needs

Crowdfunding



→
Landing

←
Returns

Investment platform

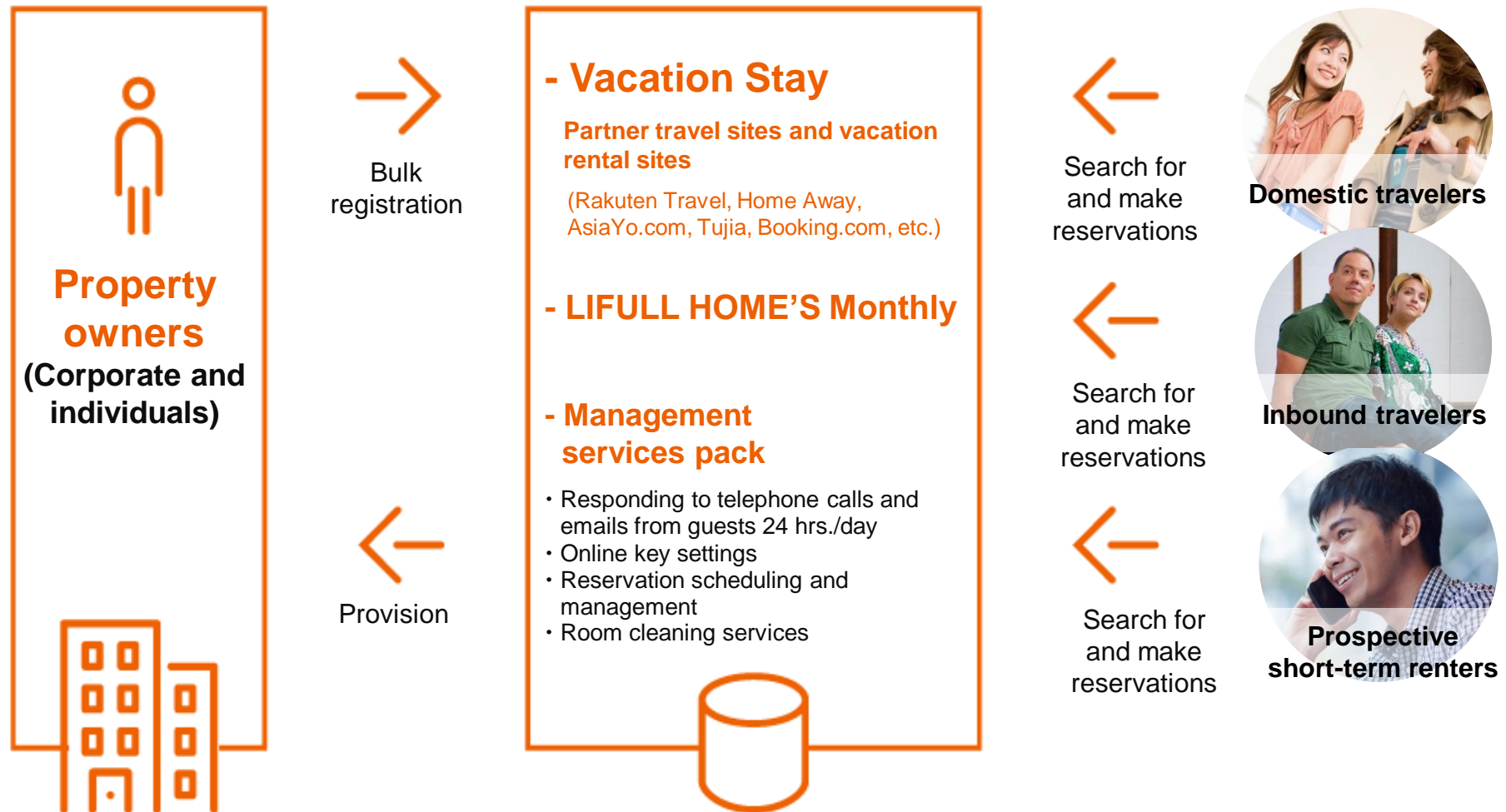
←
Investment

→
Returns



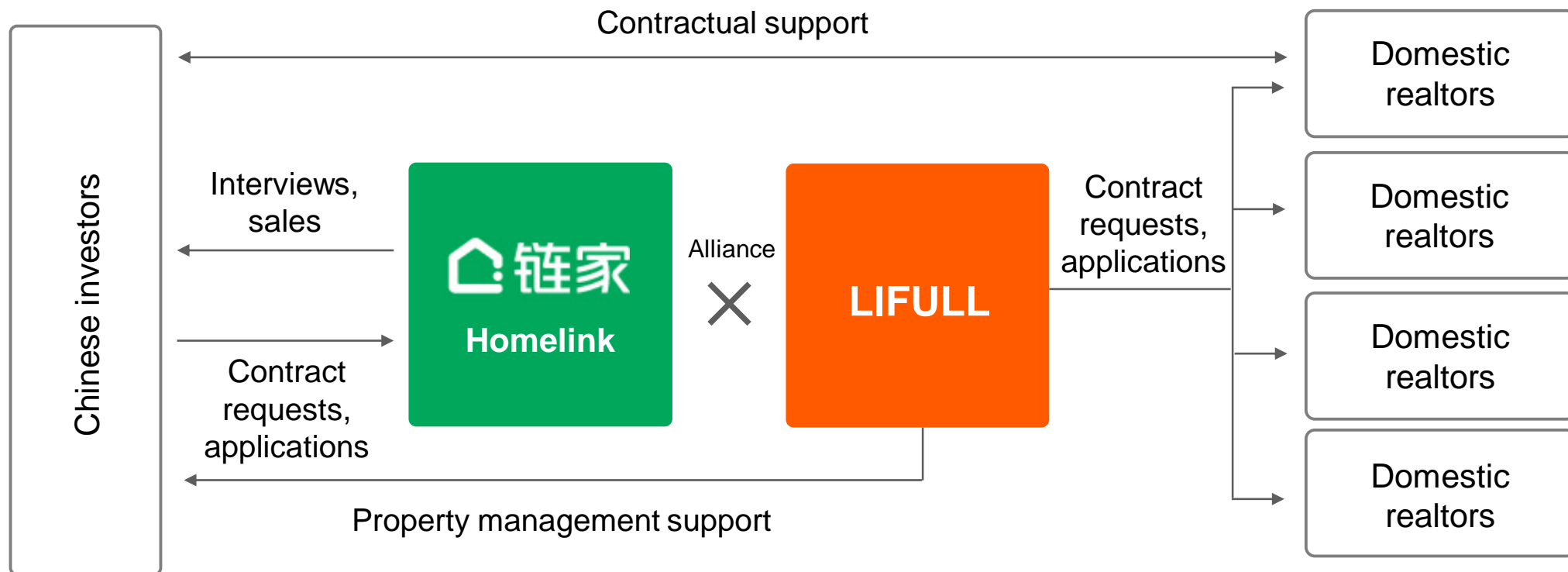
Rakuten LIFULL STAY

The enforcement date of the new law have announced as June 15, 2018.
Registration for hosts will be start on March 15.



Expanding the Real-Estate Market

We've entered into a business alliance with Homelink (链家), among China's largest real-estate brokerages. The goal is to expand the real-estate market by stimulating inbound investment by Chinese investors.

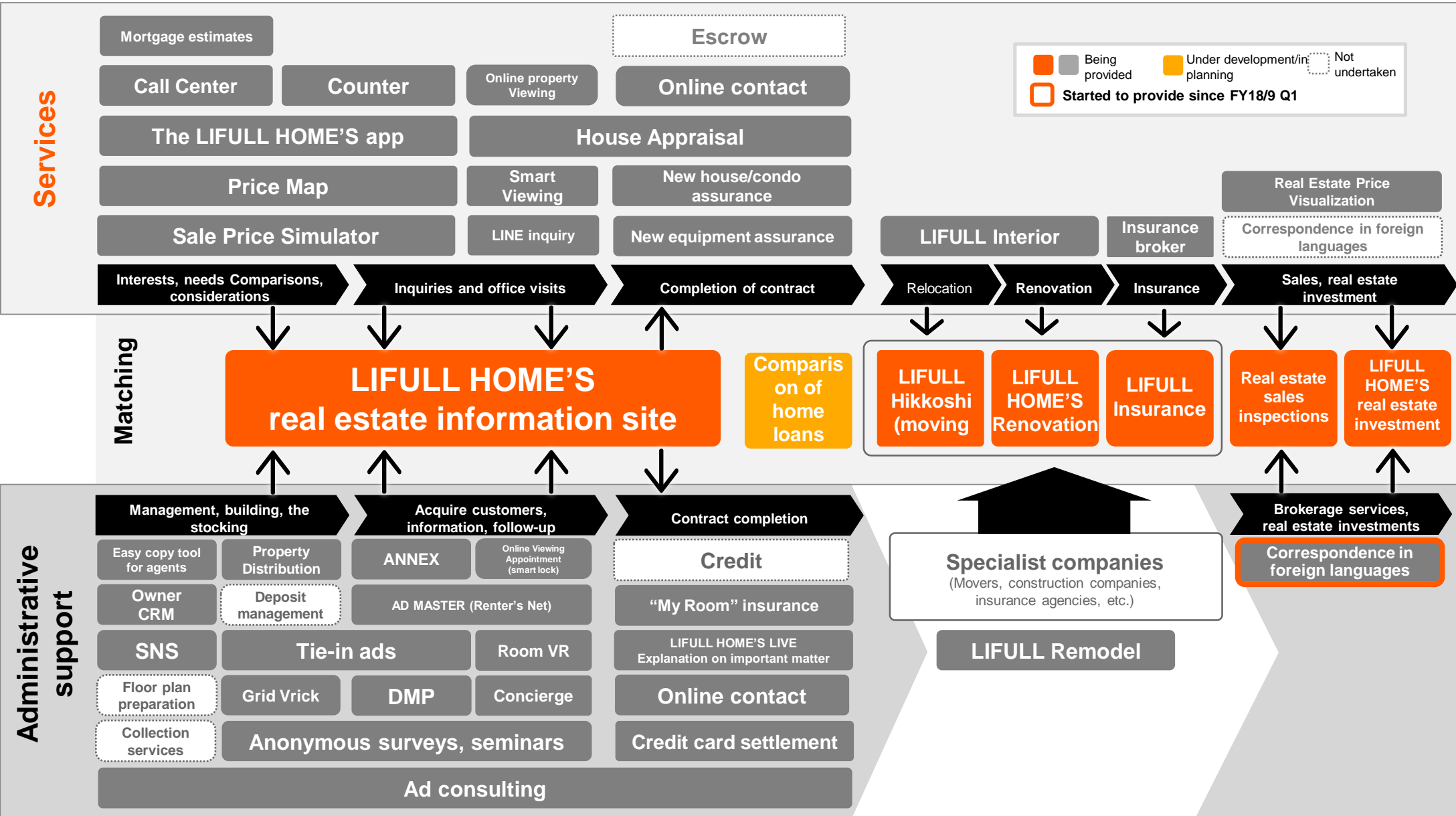


About Homelink

Established in 2001, Homelink is a comprehensive real-estate service platform matching investors to existing homes, new homes, rentals, resorts, and overseas properties. The vast Homelink network includes more than 8,000 directly operated offices in 32 cities and regions across China and more than 150,000 real-estate agents. Homelink opened its international business division in March 2015 and its Japanese branch in June 2017 to provide brokerage services related to real-estate transactions in Japan for clients in China's major cities.

LIFULL Service List

Now providing a wide range of services for both users and realtors



Overseas Business

Accelerating the LIFULL Group's Global Expansion

 LIFULL HOME'S × 4 countries **trovit** × 57 countries



**We operate in
57 different countries**

Overseas Businesses' Planned 2018 Initiatives

LIFULL Immofinder

1. Increasing number of properties
2. Paid product development

LIFULL Australia

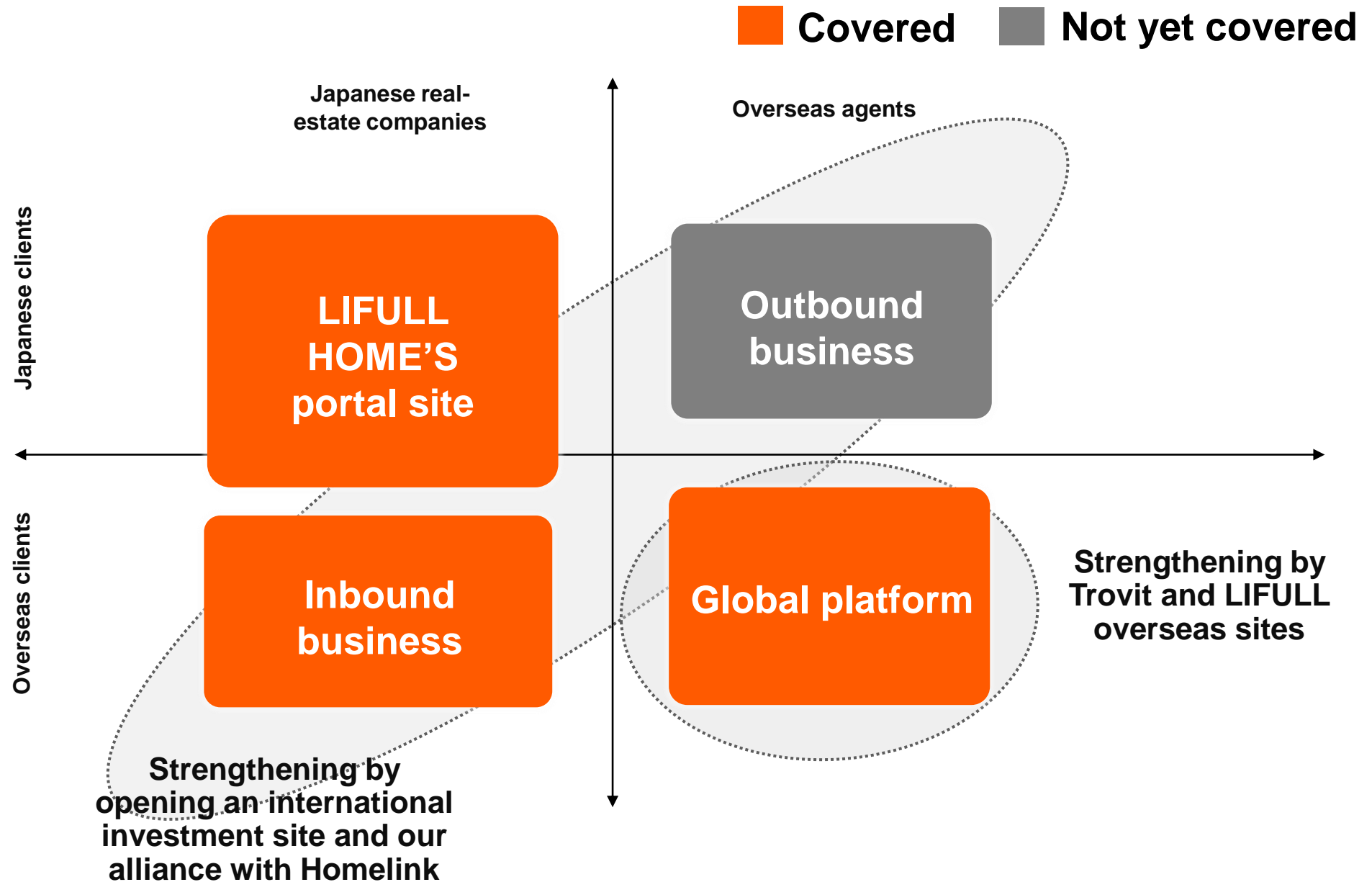
1. New product development
2. Enhancing sales (increasing unit prices and numbers of paying clients)
3. Developing new function (improving usability)

Trovit

1. UX improvements (increasing unit prices and numbers of paying clients)
2. AI (adopting improving solutions)
3. Enhancing sales (new product development)

Promoting Deployment in Overseas Business Domains

Our goal is to build a global real-estate database by addressing demand for and investment in real estate both in Japan and overseas.

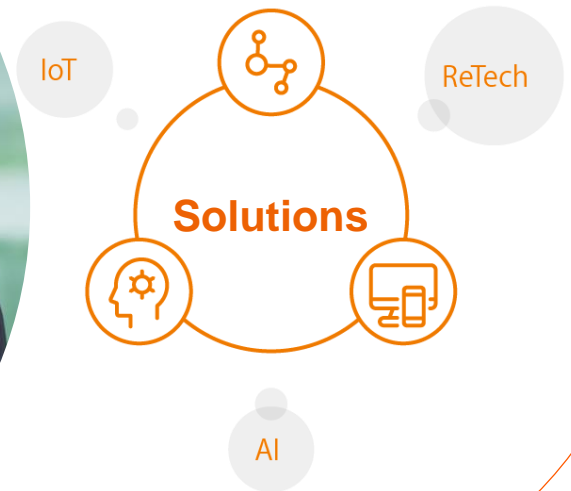


New Businesses



Objectives of New Businesses

Realizing the corporate vision by generating new businesses to train managers and expand business domains.



**Realizing
a vision**

**Training
managers**

**Expanding
business domains**

LIFULL Fab Opens

Opened on February 1, LIFULL Fab is a comprehensive studio, based on a wide range of the latest technologies, including laser cutters and 3D printers, whose purpose is to create new businesses by bringing together creative talents from inside and outside the Company.



Opening hours Mon - Fri 10am - 7pm

Closed on weekends, holidays, year-end, and new year

Phone number +81-3-6774-1690

Service

Unlimited usage of Shopbot, laser cutter, and 3D printer with 20,000 yen monthly membership fee.



Workshop

Several workshops, including "3D modeling course" and "How to build furniture with Shopbot," will be held.



[] LIFULL

Make every LIFE FULL.

Appendix.

Corporate Info (as of December 31, 2017)

Company	LIFULL Co., Ltd.
Stock code	2120 (TSE 1st Section)
Representative	Takashi Inoue, President and CEO
History	Mar. 12, 1997 Established Oct. 2006 Listed in TSE, Mother's Section Mar. 2010 Listed on TSE 1st Section
Capital	JPY 3,999 million
Stock issues	118,789,100 shares (incl. 73,736 shares of treasury stock)
Consolidated number of employee	1,245 people (incl. 212 temporary and 133 overseas)
Major	LIFULL directors, Rakuten, Inc. (20%)
Main subsidiaries () stake	Trovit Search, S.L. (100%) LIFULL Marketing Partners (100%)



Change in Company Name

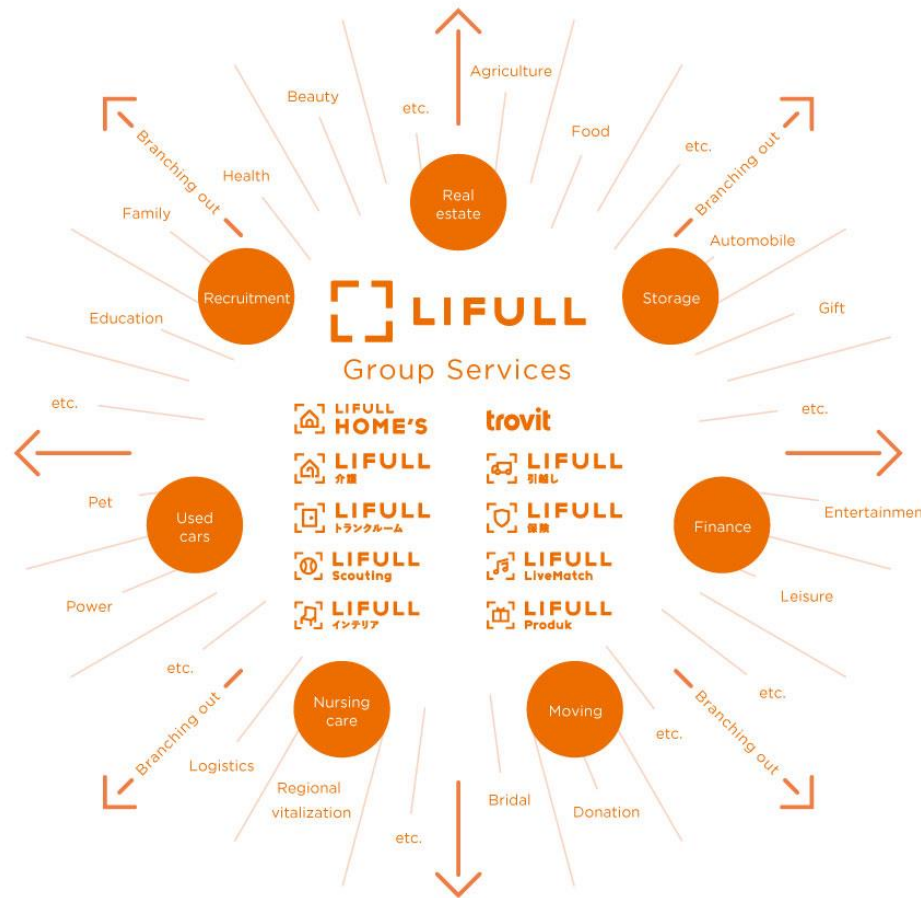


Make every LIFE FULL

**NEXT Co., Ltd. changed its name to
“LIFULL Co., Ltd.” on April 1, 2017**

“LIFULL” combines the words “LIFE” and “FULL” and expresses our determination to provide services that lead to more fulfilling lives and lifestyles.

LIFULL Master Brand Strategy



Objectives of Master Brand Strategy

- Integrating the brands of all services offered by the LIFULL Group under a master brand strategy to build a brand users will trust to deliver fulfilling lives and peace of mind
- Increase the efficiency of advertising expenses and recognitions of the services in the LIFULL Group



Change in Accounting Period

Details

- Change in accounting period from the current March 31 to **September 30 fiscal year.**
- This fiscal year will be April 1, 2017 to September 30, 2017 (six months).
- The next fiscal year will be October 1, 2017 to September 30, 2018.

Reason for change

Due to the nature of its business, the Company's peak business period is from January to March of every year. The change follows from the decision to **avoid closing the accounting period (fiscal year end) immediately after the peak business period to improve efficiency of growing revenue without cost containment pressures.**

Issued “Annual Report 2017”

Issued the first annual report of LIFULL

- We defined the strength of LIFULL as an intellectual capital composed of “brands”, “human resources”, and “technology”
- The background and concept of change in company and brand in April 2017, and new business policy
- Mid-term Business Plan

Download URL:

<https://lifull.com/news/10305/>



External Market Data

Number of Apartments for sales

Source : Real Estate Economic Institute Co., Ltd.

	2015 (Jan-Dec)	2016 (Jan-Dec)	2017 (Jan-Dec)	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
Capital Region	40,449	35,772	35,898	1,978	3,002	3,050	3,317	1,966	3,424	2,903	2,701	7,007	1,384	2,310	3,408	2,741	2,603	2,284	3,426	2,101	2,978	2,817	3,366	6,480
YoY	-9.9%	-11.6%	0.4%	-13.5%	-14.1%	-12.9%	-30.7%	-24.7%	40.9%	-0.6%	-19.6%	13.2%	-7.4%	3.3%	26.6%	38.6%	-13.3%	-25.1%	3.3%	6.9%	-13.0%	-3.0%	24.6%	-7.5%
Kinki	18,930	18,676	19,560	1,320	1,422	1,517	1,414	1,238	1,870	1,263	1,975	1,975	1,396	1,394	1,575	1,391	1,738	1,321	1,832	1,215	2,392	1,465	1,582	2,259
YoY	0.6%	-1.3%	4.7%	11.0%	-25.9%	-13.6%	12.4%	27.8%	4.0%	3.3%	16.5%	4.8%	55.3%	-15.0%	-26.5%	5.4%	22.2%	-12.9%	29.6%	-1.9%	27.9%	16.0%	-19.9%	14.4%

Trend of Price for Apartments

Source : Real Estate Economic Institute Co., Ltd.

Unit : M.JPY	2015 (Jan-Dec)	2016 (Jan-Dec)	2017 (Jan-Dec)	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
Capital Region	5,518	5,490	5,908	5,750	5,692	5,672	5,656	5,662	5,578	5,406	5,161	5,078	6,911	5,793	5,588	5,918	5,981	5,642	6,562	5,794	5,823	5,586	5,551	6,019
YoY	9.1%	-0.5%	7.6%	8.4%	18.3%	-2.5%	-5.0%	-3.6%	3.4%	0.8%	-18.4%	-6.9%	24.1%	0.3%	-0.9%	2.9%	5.1%	-0.5%	16.0%	2.3%	4.4%	3.3%	7.6%	18.5%
Kinki	3,788	3,919	3,836	3,811	3,327	4,034	3,841	3,913	4,159	3,989	3,803	4,321	3,341	3,747	3,987	3,833	3,570	3,776	4,264	3,549	4,186	3,863	3,609	3,913
YoY	3.9%	3.5%	-2.1%	7.0%	-16.1%	10.1%	7.4%	7.5%	12.2%	15.3%	-14.6%	-4.5%	-12.0%	0.8%	-1.5%	0.6%	7.3%	-6.4%	11.0%	-9.3%	0.6%	-3.2%	-5.1%	-9.4%

New build properties

Source : Ministry of Land, Infrastructure, Transport and Tourism d Tourism d Tourism d Tourism

	2015 (Jan-Dec)	2016 (Jan-Dec)	2017 (Jan-Dec)	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
House for Rent	378,718	418,543	419,397	35,504	32,427	36,910	37,745	36,784	38,400	39,950	38,617	34,475	31,684	30,842	33,937	36,194	32,956	35,967	36,365	34,968	37,521	38,017	37,508	33,438
YoY	4.6%	10.5%	0.2%	16.0%	15.0%	3.7%	11.1%	9.9%	12.6%	22.0%	15.3%	2.2%	12.0%	6.8%	11.0%	1.9%	1.6%	-2.6%	-3.7%	-4.9%	-2.3%	-4.8%	-2.9%	-3.0%
Apartment house	115,652	114,570	114,830	11,936	11,236	10,185	7,863	6,815	9,502	9,476	8,263	8,337	13,098	7,262	8,549	12,097	9,823	12,942	9,059	9,109	8,628	7,489	9,052	7,422
YoY	4.7%	-0.9%	0.2%	7.8%	-0.8%	-28.1%	5.9%	-33.1%	23.0%	9.0%	-6.9%	10.7%	56.2%	-35.7%	-24.3%	1.3%	-12.6%	27.1%	15.2%	33.7%	-9.2%	-16.9%	9.5%	-11.0%
House	123,624	133,739	138,189	10,933	10,796	11,279	11,863	11,401	11,600	11,294	11,683	11,251	10,863	10,696	11,041	11,504	11,287	11,817	11,708	11,493	11,347	11,861	12,580	11,992
YoY	-1.4%	8.2%	3.3%	10.5%	18.0%	1.1%	12.1%	5.9%	12.1%	12.6%	1.8%	0.6%	4.9%	0.9%	3.4%	5.2%	4.5%	4.8%	-1.3%	0.8%	-2.2%	5.0%	7.7%	6.6%
Owned house	283,366	292,287	284,283	23,567	23,501	26,944	26,910	26,341	25,573	26,046	25,993	23,890	20,228	21,322	21,468	23,751	23,846	26,037	25,370	24,379	24,883	24,807	24,904	23,288
YoY	-0.7%	3.1%	-2.7%	1.2%	4.3%	1.1%	6.0%	4.3%	1.4%	4.9%	2.7%	6.5%	-0.2%	1.6%	-3.6%	0.8%	1.5%	-3.4%	-5.7%	-7.4%	-2.7%	-4.8%	-4.2%	-2.5%

Internal migrants

Source : Ministry of Internal Affairs and Communications unifications unifications unifications unifications

	2015 (Jan-Dec)	2016 (Jan-Dec)	2017 (Jan-Dec)	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
Total	5,384,553	5,251,717	5,318,617	731,587	390,754	350,188	359,735	396,626	345,064	367,684	339,023	334,441	321,162	374,679	958,776	749,778	405,155	353,114	375,493	383,375	344,877	388,250	341,825	341,345
YoY	3.4%	-2.5%	1.3%	-4.3%	8.5%	-5.6%	-6.5%	5.1%	-12.6%	-9.5%	0.5%	-4.8%	1.6%	-5.1%	1.4%	2.5%	3.7%	0.8%	4.4%	-3.3%	-0.1%	5.6%	0.8%	2.1%
Only Japanese	5,041,483	4,880,967	4,893,581	689,155	360,675	322,696	331,762	366,123	314,849	335,112	310,720	307,527	294,816	328,147	905,589	702,058	370,835	321,153	343,419	350,068	310,347	350,369	307,861	308,919
YoY	2.7%	-3.2%	0.3%	-4.9%	7.9%	-6.1%	-7.2%	4.0%	-14.1%	-10.5%	-0.4%	-5.5%	0.8%	-6.1%	0.5%	1.9%	2.8%	-0.5%	3.5%	-4.4%	-1.4%	4.6%	0.9%	0.5%

Japan Population

Source : Ministry of Internal Affairs and Communications unifications unifications unifications unifications

Unit : Thousand	Oct. 1, 2014	Oct. 1, 2015	Oct. 1, 2016	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
Total	127,273	127,095	126,933	126,991	126,940	126,985	126,995	126,976	126,903	126,933	126,937	126,918	126,822	126,790	126,755	126,761	126,724	126,766	126,786	126,755	126,670	126,720	126,720	126,720

Consolidated Statements of Profit and Loss (quarterly)

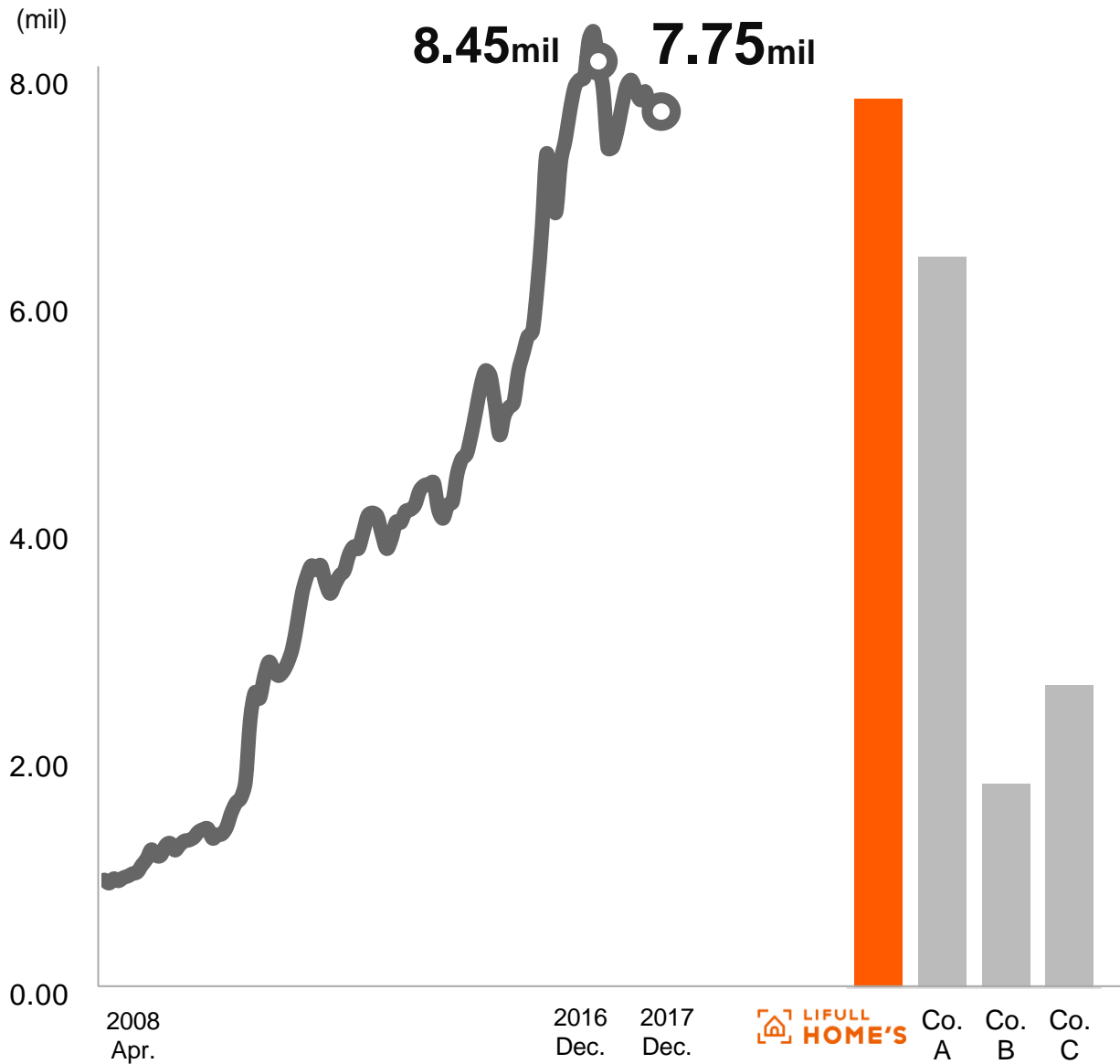
Unit : JPY mil	FY2016/03				FY2017/03				FY2017/09		FY2018/09
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	1Q
Revenue	5,457	6,441	6,280	7,527	6,846	6,910	7,107	9,056	7,793	8,154	8,128
HOME'S Services Business	4,280	5,210	5,167	6,263	5,616	5,782	5,955	7,663	6,472	6,816	6,742
Overseas Business	904	940	796	865	823	750	750	867	859	858	883
Others Business	273	290	317	397	406	377	400	524	461	479	502
Cost of sales	141	737	597	651	670	737	774	897	915	946	928
SG&A	4,036	4,640	4,343	5,605	4,776	4,581	5,422	6,627	6,346	6,100	5,862
Personal expenses	1,366	1,479	1,535	1,888	1,773	1,531	1,811	1,923	1,993	1,816	1,962
Advertising expenses	1,524	2,002	1,527	2,291	1,689	1,730	2,145	2,834	2,719	2,695	2,426
Operating expenses	208	245	305	257	246	236	282	244	240	215	236
Other SG&A	937	912	975	1,168	1,066	1,082	1,183	1,624	1,393	1,373	1,236
Other revenues and expenses	-13	-41	-33	-33	-6	-42	-30	-39	-72	-30	71
EBITDA	1,267	1,022	1,306	1,237	1,392	1,549	879	1,491	458	1,077	1,408
Depreciation/amortization cost	214	214	230	205	221	217	338	468	253	266	274
Operating profit	1,052	808	1,076	1,031	1,171	1,331	540	1,022	205	811	1,134
Net income *	682	552	693	742	734	942	331	756	22	467	591
EBITDA margin	23.2%	15.9%	20.8%	16.4%	20.3%	22.4%	12.4%	16.5%	5.9%	13.2%	17.3%

*Net profit attributable to owners of the parent

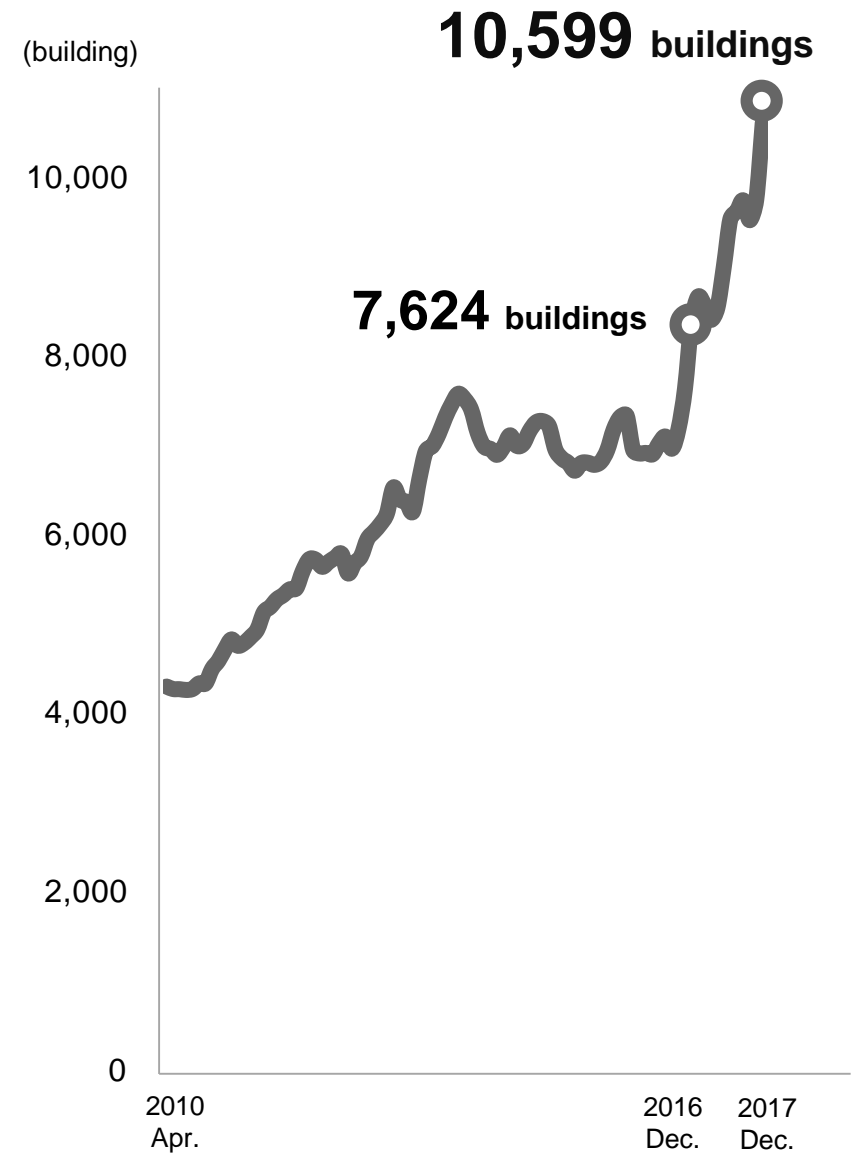
*Performance past fiscal years reflects changes in segments effective from the fiscal year ending September 2017.

(ref.) Number of Properties Listed

Rentals and Real Estate Sales



New Houses and Condos



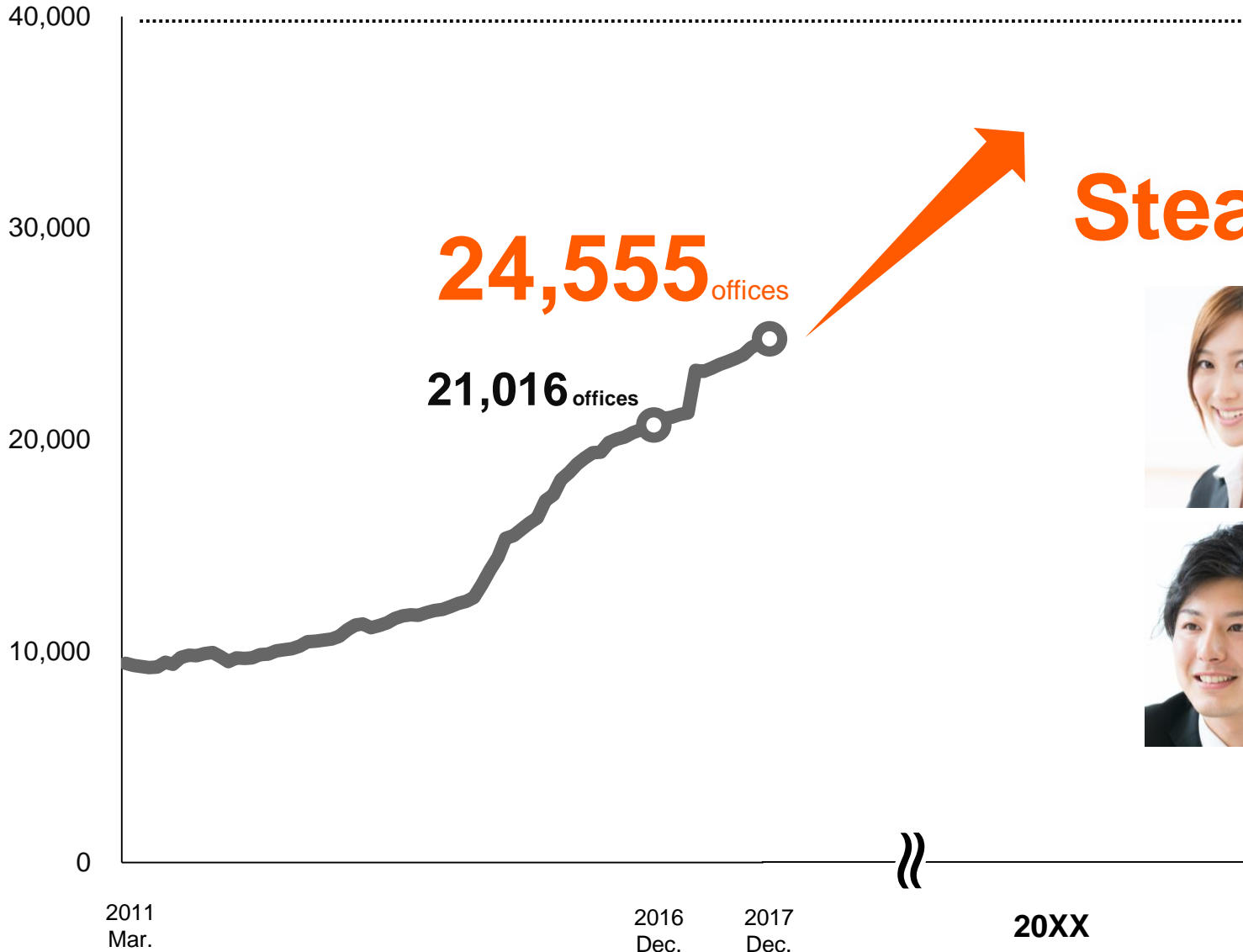
Expanding the Client Network

No. of Affiliated Offices*

(offices)

*Number of real estate agents in the number of clients on P16

Mid-to-long term target
40,000 offices



Steady growth



LIFULL HOME'S, a real estate and housing information listing site

<https://www.homes.co.jp/>

“LIFULL HOME'S” is the No.1 real estate and housing information listing site in Japan.

*Sankei Medix (2018.1.30)

Besides the quantity of information, LIFULL HOME'S established screening team to improve information accuracy.

Continued to step up the efforts to meet smart device-related needs, catering for a variety of needs.

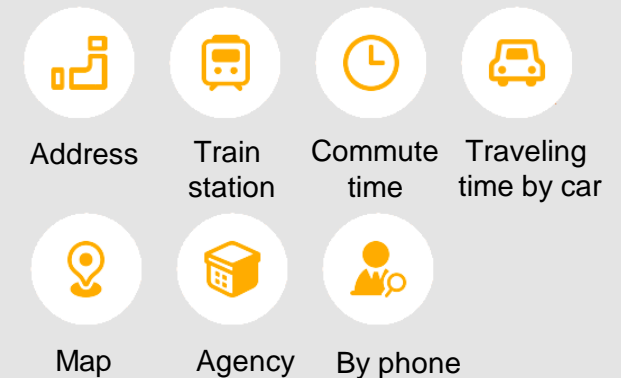


- Available various searching options including searching by cities, train station, commute time, etc.
- Conditional search options are available including “no deposit” and “pet friendly.”
- Users are able to chose multiple properties and compare among rental properties and purchasing properties at the same time.
- Various functions including “Moving To-do List” and “new arrival properties notification” are available.



The iOS and Android applications
by LIFULL HOME'S

Various searching options



LIFULL Group Services

LIFULL Kaigo (nurse care)



Website used to find nursing care homes or elderly housing
Operated by LIFULL senior

LIFULL Hoken Sodan (insurance consultation)



Insurance agency search and appointment website
Operated by LIFULL FinTech

LIFULL Interior



Furniture / interior EC website
“LIFULL Interior”
Operated by LIFULL Interior

LIFULL Hikkoshi (moving)



Operated by LIFULL MOVE

LIFULL Storage



A website offering among the most voluminous rental storage room/unit information
Operated by LIFULL SPACE

Other LIFULL Services



“LIFULL Flower”, regular monthly delivery of seasonal flowers

“Ouch de shika”, visiting dentist and information search service

“Mina no ihinseiri”, search service for finding companies specializing in cleaning up the belongings of the deceased

Operated by LIFULL senior

Overseas subsidiaries

Trovit Search, S.L. (Spain)

LIFULL Tech Vietnam (Vietnam)

Others

LIFULL Marketing Partners (Consulting)

LIFULL bizas (Back office)

LIFULL Remodel (Reconstruction work)

LIFULL Social Funding (Crowdfunding)

Segments and Major Services

Segments	Main services
HOME'S Services Business	LIFULL HOME'S AD Master (former Renter's Net) NabiSTAR LIFULL Marketing Partners Co., Ltd.
Overseas Business	Trovit (Trovit Search, S.L.) LIFULL Australia LIFULL Immofinder
Others Business	LIFULL <i>Kaigo</i> (nursing care) (LIFULL senior Co., Ltd.) LIFULL <i>Hikkoshi</i> (moving) (LIFULL MOVE Co., Ltd.) LIFULL Trunk Room (LIFULL SPACE Co., Ltd.) LIFULL <i>Hoken Sodan</i> (insurance consulting) (LIFULL FinTech Co., Ltd.) LIFULL Interior (LIFULL Interior Co., Ltd.) LIFULL Social Funding Co. Ltd. LIFULL Tech Vietnam Co.,Ltd. Other LIFULL subsidiaries

*Segments have changed from the fiscal year ending September 30, 2017.

*See page 53 and 54 for details of specific services.

LIFULL Group Companies (1)

(in chronological order by effective date of establishment or addition to the scope of consolidation)

PT. LIFULL MEDIA INDONESIA

- Planning and operation of LIFULL Rumah, a website
- Real estate and housing information in Indonesia
- Home hunting proxy service in Jakarta for Japanese business people planning to relocate to the city
- Product samples and information websites

Trovit Search, S.L.

- One of the world's largest aggregation websites

LIFULL Marketing Partners

- Internet and marketing businesses for realtors and property-related businesses
- Internet connection service (ISP) business

LIFULL senior

- LIFULL *Kaigo* (nursing care), among the largest websites in Japan used to find nursing care homes or elderly housing

LIFULL MOVE

- LIFULL *Hikkoshi* (moving), a website offering quotes from various moving companies on request and for making on-line reservations

LIFULL SPACE

- LIFULL Trunk Room (luggage storage), a website offering among the most voluminous rental storage room/unit information in Japan

LIFULL FinTech

- LIFULL Insurance Consultation, a website used to make insurance consultation appointments
- LIFULL Insurance, a website used to compare insurance products
- Life and non-life insurance agency business

LIFULL Group Companies (2)

(in chronological order by effective date of establishment or addition to the scope of consolidation)

LIFULL bizas

- Administration and other back office operation outsourcee
- Call center operation outsourcee

LIFULL Remodel

- Online home building mediation service
- Reconstruction work mediation service
- Contract work for interior decoration

LIFULL Social Funding (formerly JG MARKETING)

- Operating the “Japan Giving” and “Shooting Star” crowd-funding platforms

LIFUL Tech Vietnam (formerly Vietnam Creative Consulting)

- Offshore development, Lab development, software development, application development, and creative development

LIFULL Interior

(a joint venture with FLYMEe Inc.,
established in Nov. 6, 2017)

- Operate an interior and furniture EC site, “LIFULL Interior”

IR Office Information

Contact us

LIFULL Co., Ltd IR Desk

TEL +81-3-6774-1603
(Monday to Friday 10:00AM-6:00PM)

FAX +81-3-6774-1737

E-mail ir@LIFULL.com

Website <http://www.LIFULL.com/> (Japanese)
<http://www.LIFULL.com/en/> (English)

Guide to IR News

We provide timely disclosure data in good time!
Please send a blank e-mail to the following e-mail address.

Blank e-mail: touroku@LIFULL.com

Official account on Twitter



https://twitter.com/LIFULL_Corp

Official Facebook page



<https://www.facebook.com/LIFULL.corp/>