

Earnings Presentation IFRS

Fiscal Year Ended September 30, 2018 (October 2017 to September 2018)

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.

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Key Points

1. FY2018/9 Revenue: JPY 34.5 billion, **+7.6%** YoY
Achieved record high revenue for seven consecutive years
EBITDA: JPY 5.3 billion, **+37.8%** YoY
2. Acceleration of Trovit growth: 2018 July-Sep. actual result was +17.8% YoY
3. Aim to further grow the business by working on initiatives to increase ARPA in FY2019/9
4. Delay in the process to acquire Mitula Group Limited. (“Mitula”)
5. Overseas Business is expected to grow significantly following the Mitula
6. Change in dividend policy



Consolidated Results for FY2018/9

Condensed Statements of Income and Loss IFRS

Revenue was up 7.6% YoY, EBITDA was up 37.8%, quarterly net profit grew sharply by 81.3%.

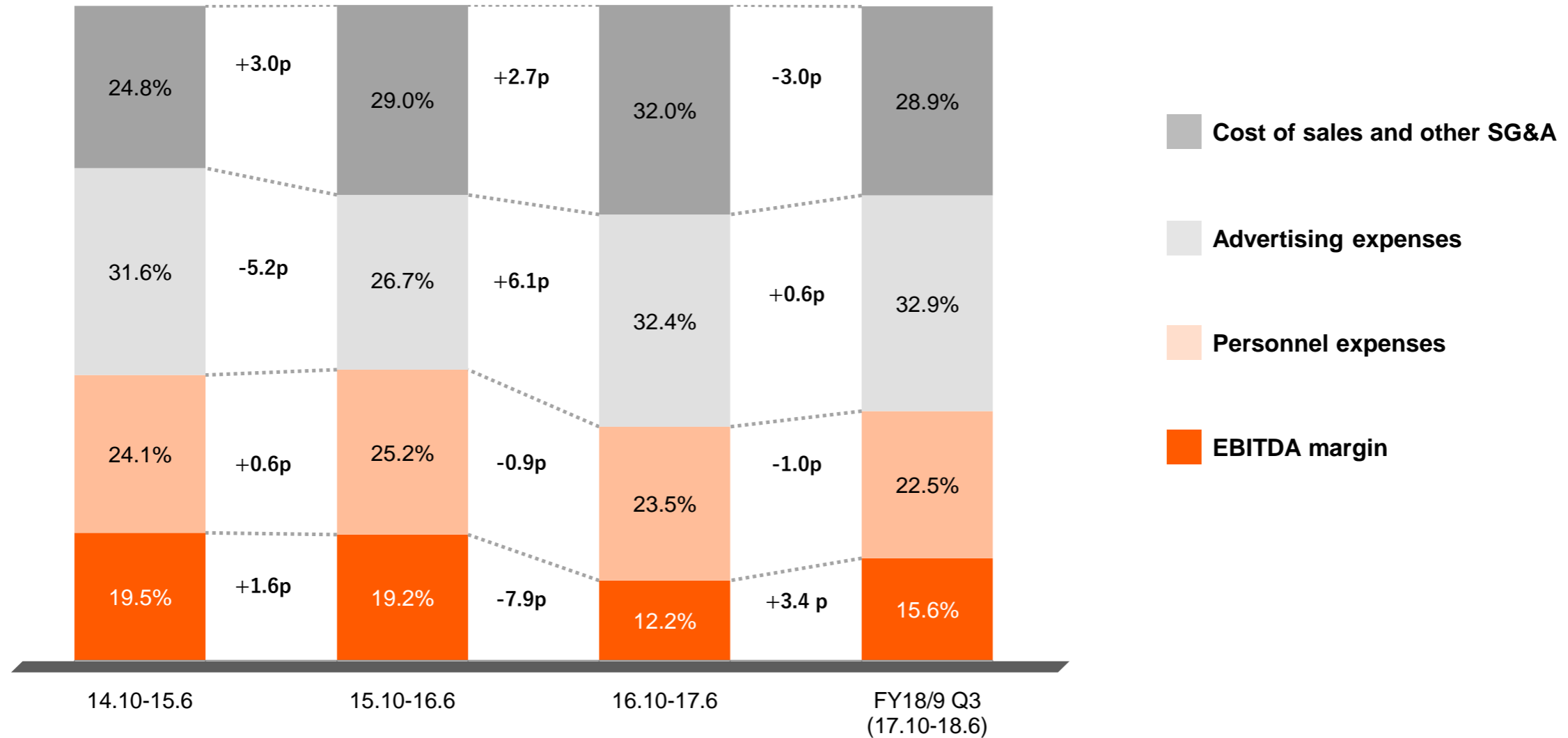
Unit: JPY mil	Oct. 2016 - Sep. 2017	FY18/9 Oct.-Sep.	Change	Change %	Main items
Revenue	32,111	34,564	+2,453	+7.6%	Revenue increased across all segments.
Cost of sales	3,534	3,879	+344	+9.8%	Increased mainly due to LIFULL Marketing Partners business growth.
SG&A (excl. depreciation and amortization)	24,497	25,354	+856	+3.5%	
Personnel expenses	7,544	7,791	+246	+3.3%	The average number of employees in the Group as a whole increased by 93 persons YoY.
Advertising expenses	10,394	11,384	+989	+9.5%	Advertising expenses increased due to enhanced SEO and enhanced alliances.
Operating expenses	983	943	-39	-4.0%	Decreased due to reduced use of sales agents.
Other	5,574	5,235	-339	-6.1%	Head office relocation related expenses increased temporarily during the previous year.
Other income and expenses	-172	51	+224	-	
EBITDA	3,906	5,382	+1,475	+37.8%	
EBITDA margin	12.2%	15.6%	+3.4p	-	
Net profit*	1,577	2,859	+1,282	+81.3%	
Depreciation and amortization	1,327	1,067	-259	-19.6%	Increased due to head office relocation in the previous period.

*Net profit attributable to owners of the parent

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

Expense-to-Revenue Ratio IFRS

Despite an increase in the ratio of advertising expenses, the EBITDA margin improved thanks to lower ratios of cost of sales and other SG&A and personnel expenses



Sales by Segment IFRS

Continued increase in revenue in all segments

Unit: JPY mil	Oct. 2016 - Sep. 2017	FY18/3 Oct.-Sep.	Change	Change %	Main items
Revenue	32,111	34,564	+2,453	+7.6%	
HOME'S Services Business	26,906	28,602	+1,695	+6.3%	Revenue increased following the successful initiatives to increase the number of customers. Although still under way to improve ARPA, increased 2.7% YoY
Overseas Business	3,337	3,861	+523	+15.7%	Increased due to Trovit business growth, the effects of fluctuations in EUR/JPY exchange rates and the addition of LIFULL Tech Vietnam to the scope of consolidation.
Others Business	1,867	2,101	+233	+12.5%	Sales were strong mainly for LIFULL senior and LIFULL FinTech.

*See page 46 for the definition of ARPA.

*Performance in FY17/3 Q3 reflects changes in segments effective from the fiscal year Ended 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 49 for details of specific businesses in each segment.

Segment Income and Loss IFRS

HOME'S Services Business: Significant increase in profit due to the decrease in temporary expenses and by successfully controlling the expenses.

Overseas Business: Significant increase in profit due to the cost decrease following the dissolution of the overseas business division.

Unit: JPY mil	Oct. 2016 - Sep. 2017	FY18/9 Oct.-Sep.	Change	Change %	Main items
Segment income and loss	2,752	4,263	+1,511	+54.9%	
HOME'S Services Business	2,522	3,864	+1,342	+53.2%	Profit increased from the previous year when temporary costs associated with the head office relocation were posted and by controlling SG&A expenses during this year.
Overseas Business	211	490	+278	+131.3%	Profit significantly increased due to dissolve an overseas business division.
Others Business	-76	-186	-109	-	Costs Increased due mainly to rising personnel expenses and indirect costs, both associated with business development.
Inter-segment transactions	94	95	+0	+0.5%	

*Performance in FY17/3 Q3 reflects changes in segments effective from the fiscal year Ended 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

Increase in current assets following the revenue growth. Completed repayment of short-term borrowing at the end of July.

Unit: JPY mil	As of Sep 30, 2017	As of Sep 30, 2018	Change	Change	Main items	
Assets	26,363	29,181	+2,818	+10.7%	Increase in cash and deposits	+2,061 Increase in cash and deposits due to sales growth
Current assets	10,193	12,900	+2,706	+26.6%	Increase in accounts receivable - trade	+314
Non-current assets	16,170	16,281	+111	+0.7%	Increase in short-term loans receivable	+230 Due to LIFULL SF money-lending operations
					Decrease in tangible fixed assets	-115
					Decrease in goodwill	-50 Decrease mainly due to fluctuations in foreign-currency exchange rates
					Decrease in software	-154
					Decrease in intangible fixed assets	-224
					Increase in investment securities	+77 Increase mainly due to investments in BitOfProperty
					Increase in shares of associates	+506 Mainly due to investments in KAMARQ and LIFULL STAY
					Increase in lease and guarantee deposit	+55 Increase due to new satellite office contract in Hanzomon, Tokyo
Liabilities	7,069	7,185	+115	+1.6%	Decrease in accounts payable - trade	+21
Current liabilities	6,115	6,181	+65	+1.1%	Decrease in short-term debts	-970 Decrease due to repayment
Non-current liabilities	954	1,004	+49	+5.2%	Decrease in accounts payable - other	-166 Decrease due to completion of payment for TV commercial
					Decrease in expenses payable	-68 Decrease due to time difference in social insurance payment date last year
					Decrease in deposits received	-94 Decrease due to time difference in social insurance payment date last year
					Increase in allowance for bonuses	+62
					Increase in accrued corporate income taxes	+1,078
					Increase in accrued consumption taxes	+204
					Increase in deferred tax liabilities	+47
Total Equity	19,293	21,996	+2,702	+14.0%	Increase in retained earnings	+2,780
					Increase in foreign currency translation adjustment	-62 Decrease due to fluctuations in foreign currency exchange rates
Equity per share attributable to owners of the parent (JPY)	161.96	184.32	+22.36			

*Outstanding goodwill balance: Littel JPY 86 million, Trovit JPY 9,119 million, LIFULL MP JPY 251 million, LIFULL Social Funding JPY 255 million, LIFULL Tech Vietnam JPY 93 million, and Trovit and LIFULL MP depreciable assets (PPA) JPY 652 million.

Condensed Statements of Cash Flows IFRS

Cash and cash equivalents increased by JPY2 billion to JPY 7.5 billion

Unit: JPY mil	Oct. 2016 - Sep. 2017	FY18/9 Q4 Oct.-Sep.	Change	Main items		
				Items	YoY	FY18/9 Q4
Operating cash flow	3,225	4,671	+1,446	Profit for the period before tax	+2,521	+4,156
				Depreciation and amortization	+1,336	+1,091
				Increase/decrease in accounts receivable - trade and other current receivables	-612	-346
				Increase/decrease in accounts payable - trade and other current payables	+1,043	-157
				Tax payments	-1,353	-441
Investing cash flow	-2,180	-1,533	+646	Purchase of available-for-sale financial assets	-75	-75
				Purchase of property, plant and equipment	-1,553	-209
				Outlays for the acquisition of intangible fixed assets	-484	-405
				Outlays for acquisition of shares of associates	-239	-717
				Proceeds from repayment of lease and guarantee deposit	+444	+2
				Outlays for acquisition of shares of subsidiaries	-240	-
				Proceeds from sale of shares of associates	-	+135
				Payents for loans receivalbe	-	-260
Financing cash flow	-2,067	-1,072	+994	Repayment of long-term loans	-1,001	-1,000
				Purchase of shares in subsidiaries	-391	-11
				Dividends paid	-671	-98
Change in cash and cash equivalents	-803	2,061				
Balance of cash and cash equivalents	5,509	7,571	+2,061			

Progress of Business Forecast for the FY2019/9

IFRS

Condensed Statements of Income and Loss

Unit: JPY mil	FY18/9 Oct.-Sep. [Full-year forecast]	FY18/9 Q4 Oct.-Sep. [Actual]	Progress
Revenue	34,000	34,564	101.7%
cost of sales	3,700	3,879	104.8%
SG&A (excl. depreciation)	25,200	25,354	100.6%
Personnel expenses	7,700	7,791	101.2%
Advertising expenses	11,200	11,384	101.6%
Operating expenses	1,000	943	94.3%
Other	5,300	5,235	98.8%
Other revenues and expenses	+90	51	56.7%
EBITDA	5,190	5,382	103.7%
EBITDA margin	15.3%	15.6%	-
Net profit*	2,800	2,859	102.1%

Revenue by Service

Unit: JPY mil	FY18/9 Oct.-Sep. [Full-year forecast]	FY18/9 Q4 Oct.-Sep. [Actual]	Progress
Revenue	34,000	34,564	101.7%
HOME'S Services	28,100	28,602	101.8%
Overseas	3,800	3,861	101.6%
Others	2,100	2,101	100.0%

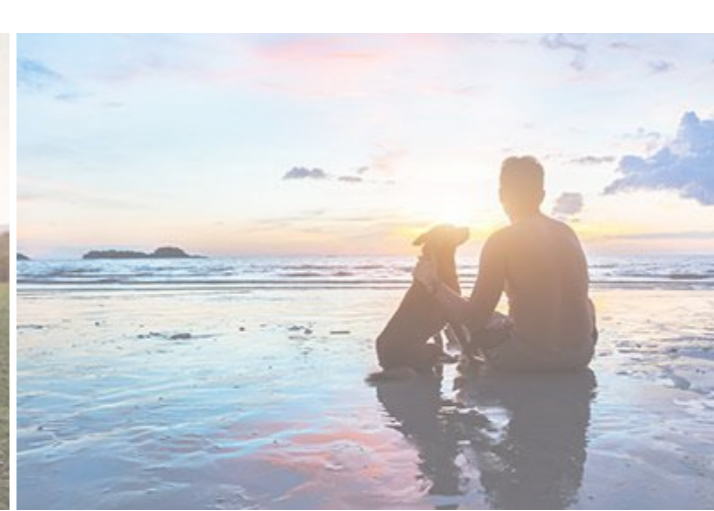
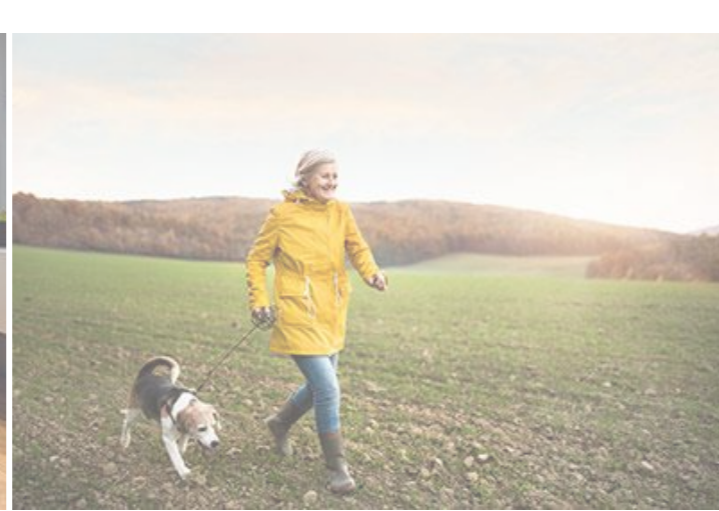
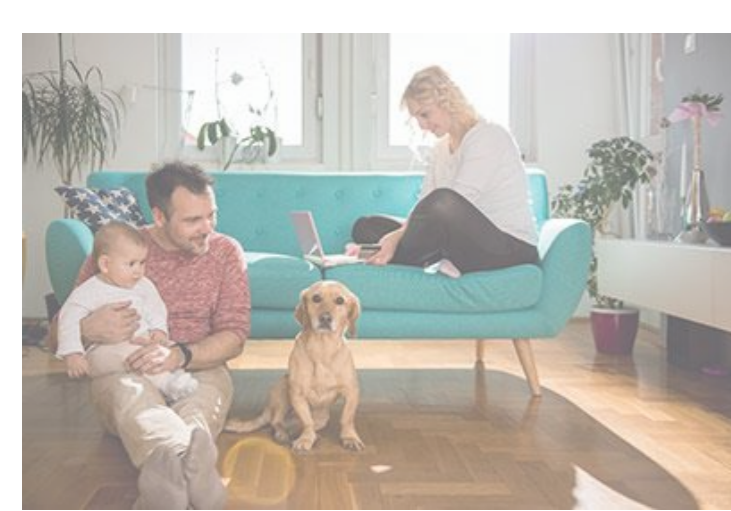
*Net profit attributable to owners of the parent

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

*We changed the forecasts for the fiscal year Ended September 30, 2018 on July 26, 2018

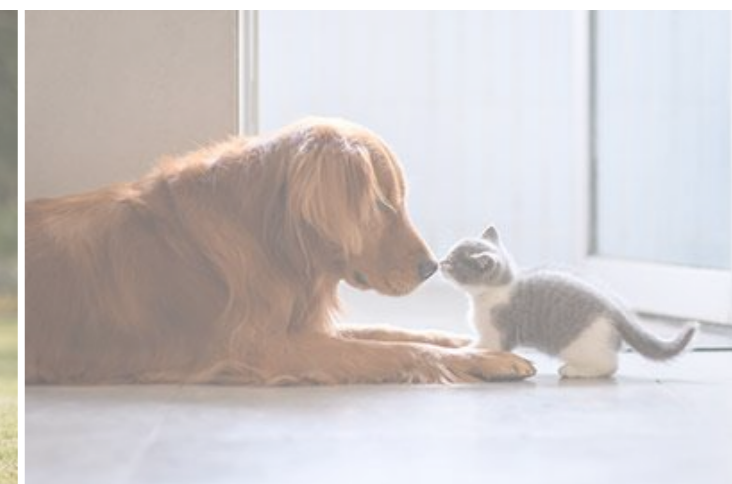
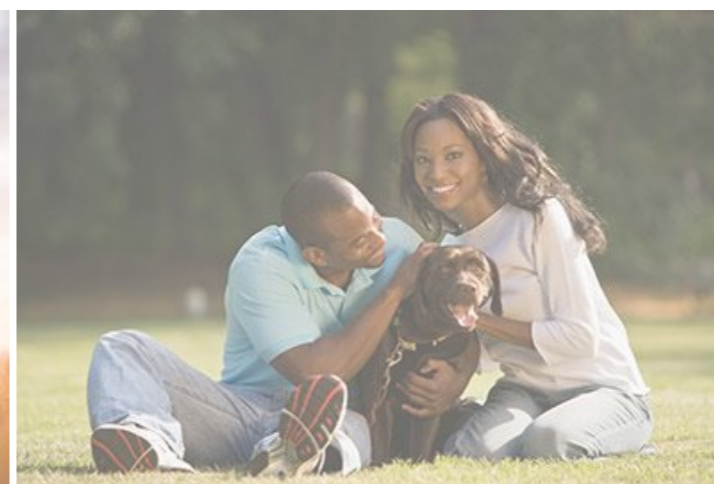
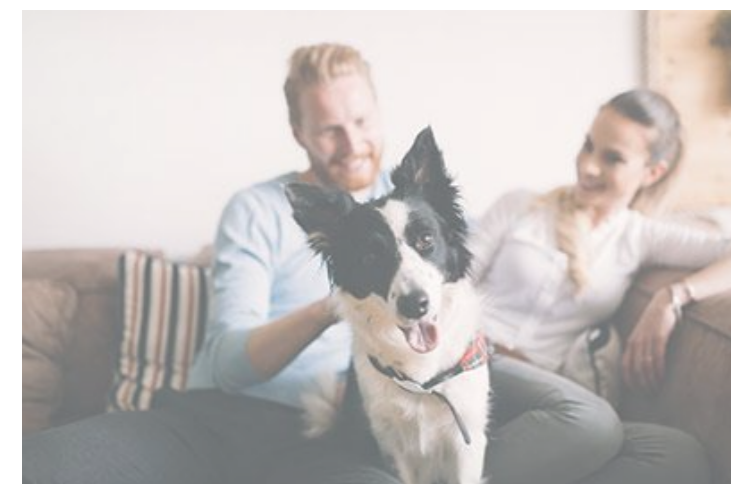


Growth Strategy



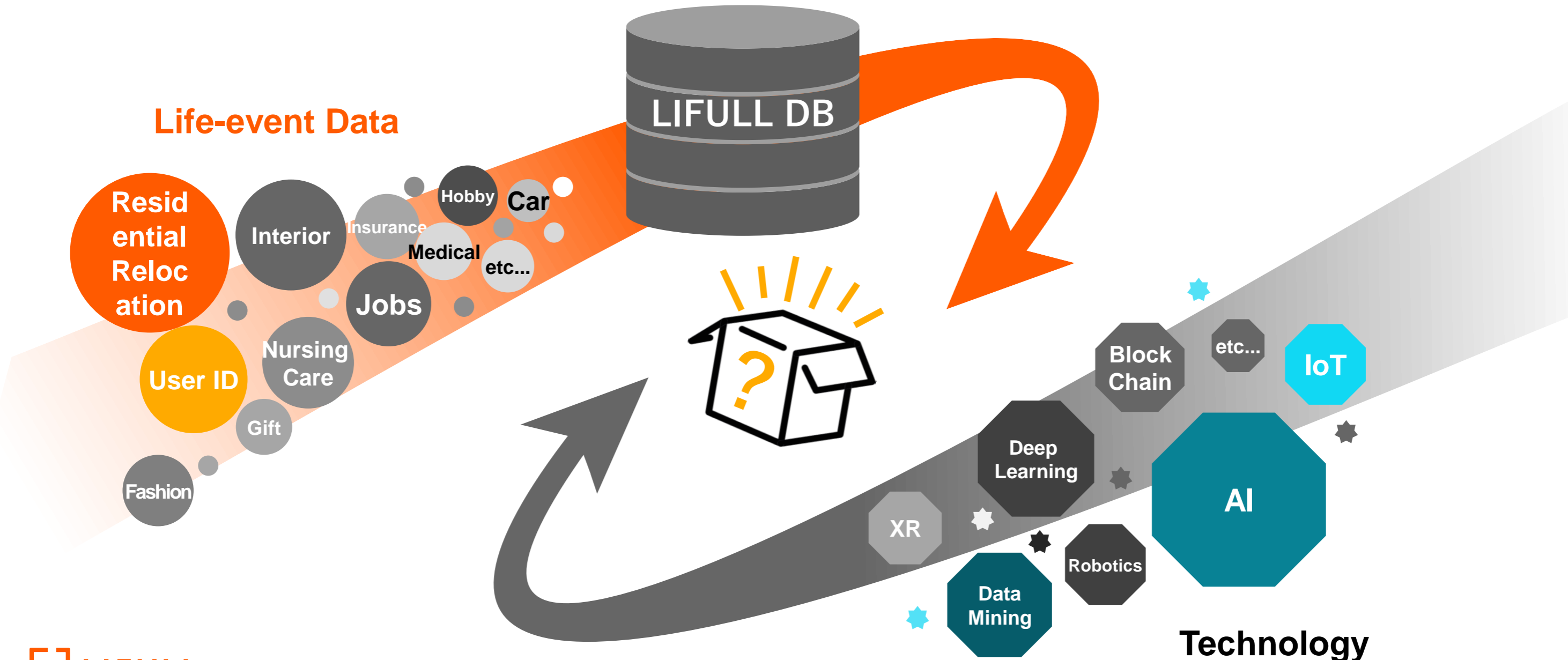
Company Slogan

“Becoming the best life-event database and solution company in the world.”

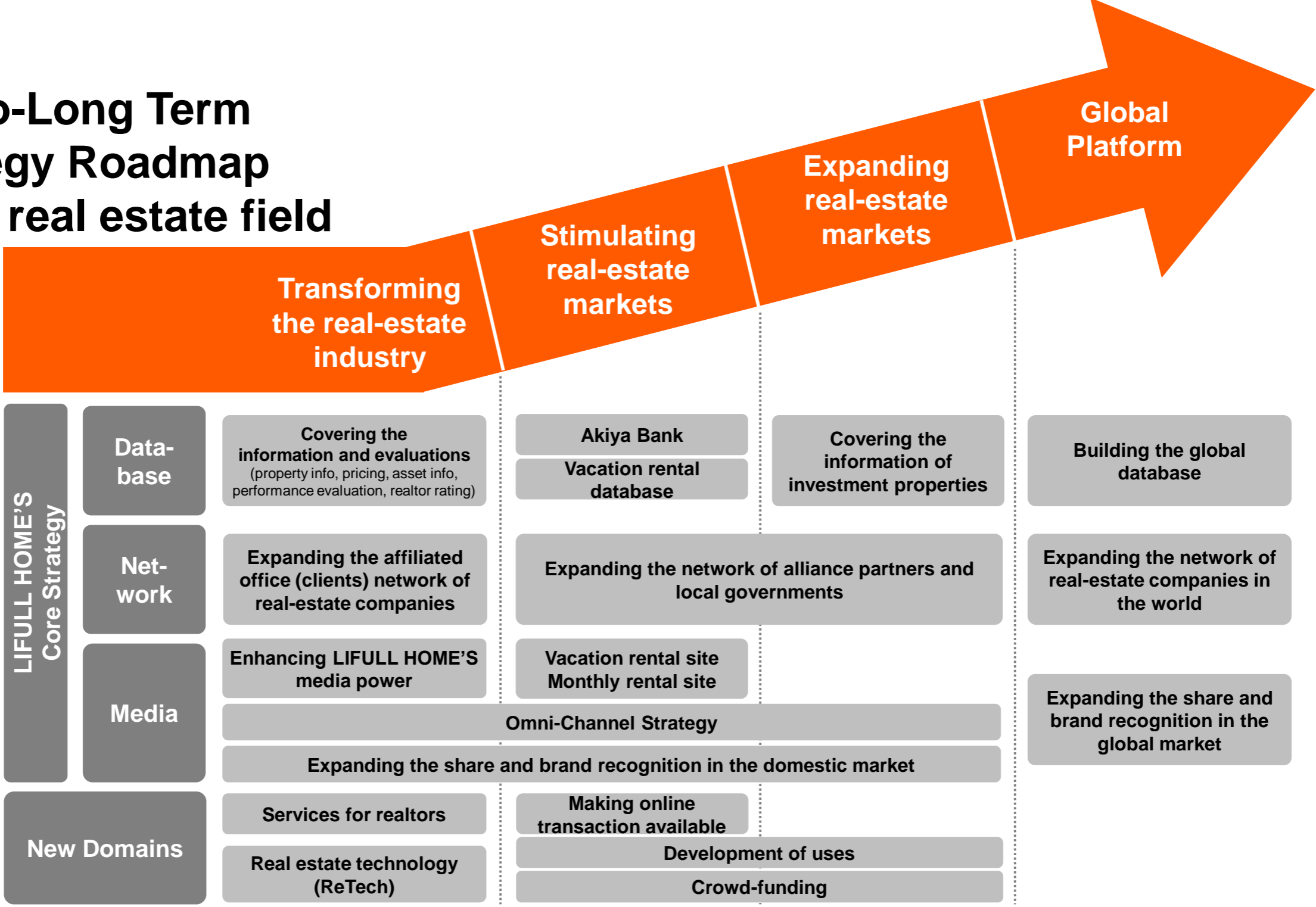


DB + Technology

Integrating every kind of data, and creating new value through use of vanguard technology



Mid-to-Long Term Strategy Roadmap in the real estate field



Mid-Term Management Plan Quantitative Target

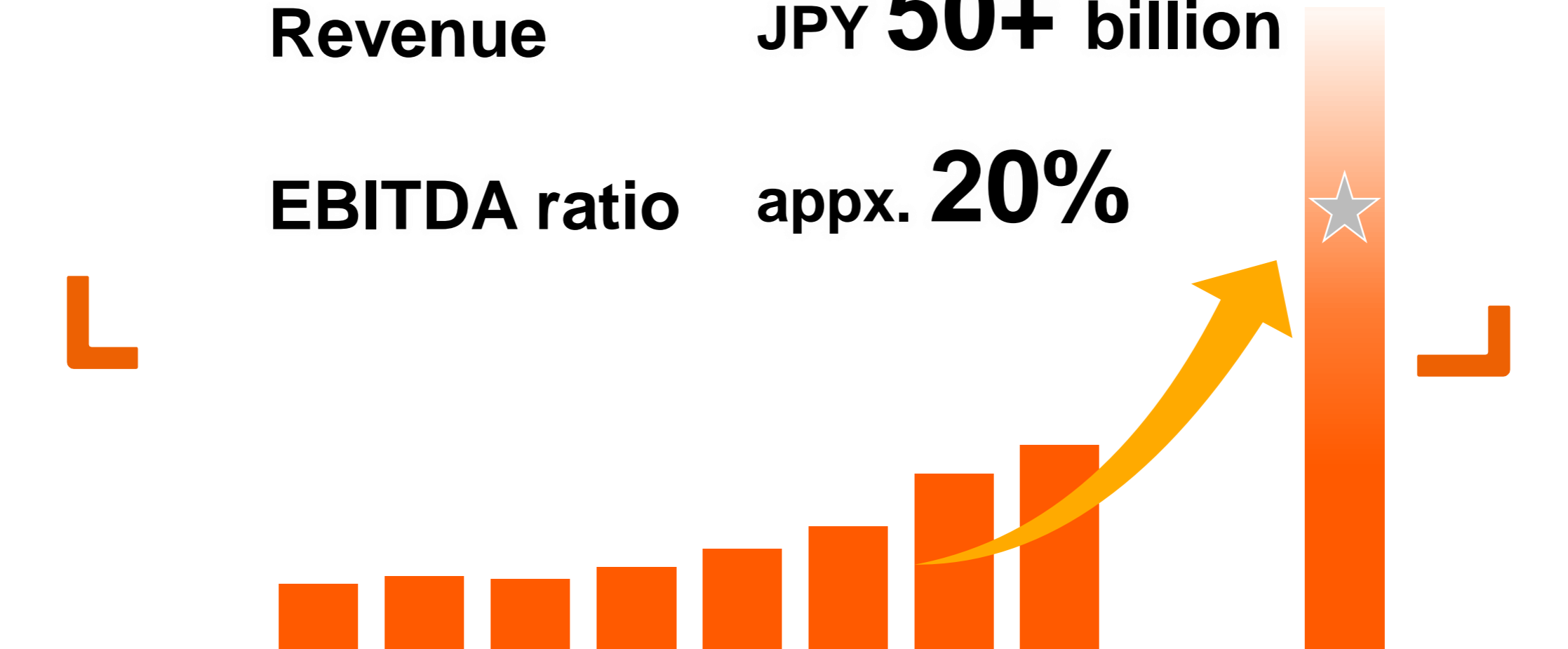
FY2020/9

Revenue

JPY 50+ billion

EBITDA ratio

appx. 20%



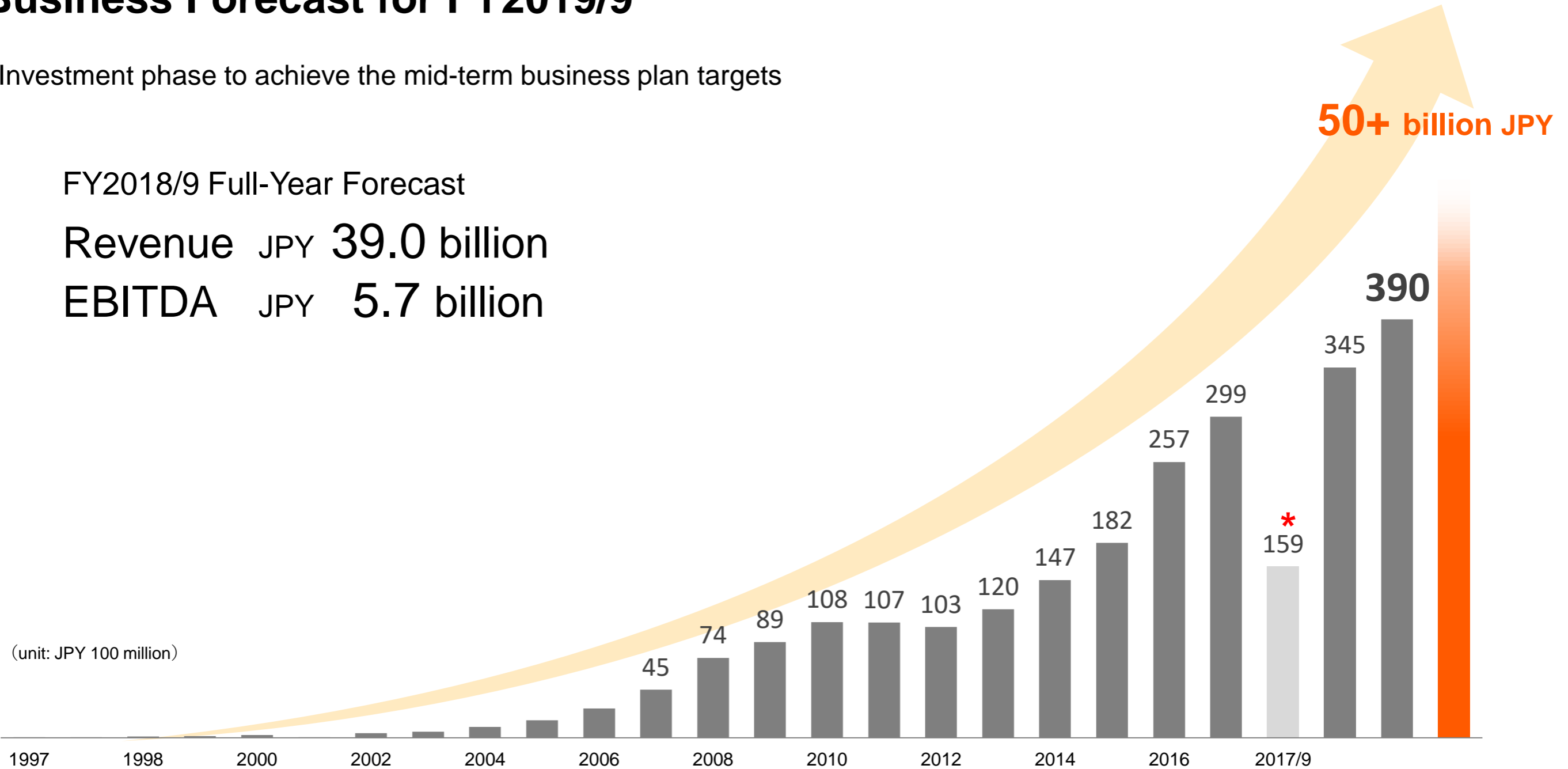
Business Forecast for FY2019/9

Investment phase to achieve the mid-term business plan targets

FY2018/9 Full-Year Forecast

Revenue JPY 39.0 billion

EBITDA JPY 5.7 billion



* Fiscal year ended Sep 2017 was a six-month transition period (from April 2017 to September 2017) due to the change in fiscal-year end.

Business Forecast for FY2019/9

Contribution of Mitula acquisition is not included in FY 2019/9 Forecast

Statements of Profit and Loss

Unit: JPY mil	FY18/9 Oct.-Sep. [Actual]	FY19/9 Oct.-Sep. [Full-year forecast]	Change	Change %
Revenue	34,564	39,022	+4,458	12.9%
cost of sales	3,879	5,176	+1,297	33.4%
SG&A (excl. depreciation)	25,354	28,447	+3,093	12.2%
Personnel expenses	7,791	8,598	+807	10.4%
Advertising expenses	11,384	11,897	+513	4.5%
Operating expenses	943	1,271	+328	34.7%
Other	5,235	6,679	+1,444	27.6%
Other revenues and expenses	51	391	+340	660.8%
EBITDA	5,382	5,791	+409	7.6%
EBITDA margin	15.6%	14.8%	-0.7pt	-
Net profit*	2,859	3,132	+272	9.5%

Sales by Segment

Unit: JPY mil	FY18/9 Oct.-Sep. [Actual]	FY19/9 Oct.-Sep. [Full-year forecast]	Change	Change %
Revenue	34,564	39,022	+4,458	12.9%
HOME'S Services	28,602	31,939	+3,337	11.7%
Overseas	3,861	4,713	+851	22.1%
Others	2,101	2,370	+269	12.8%

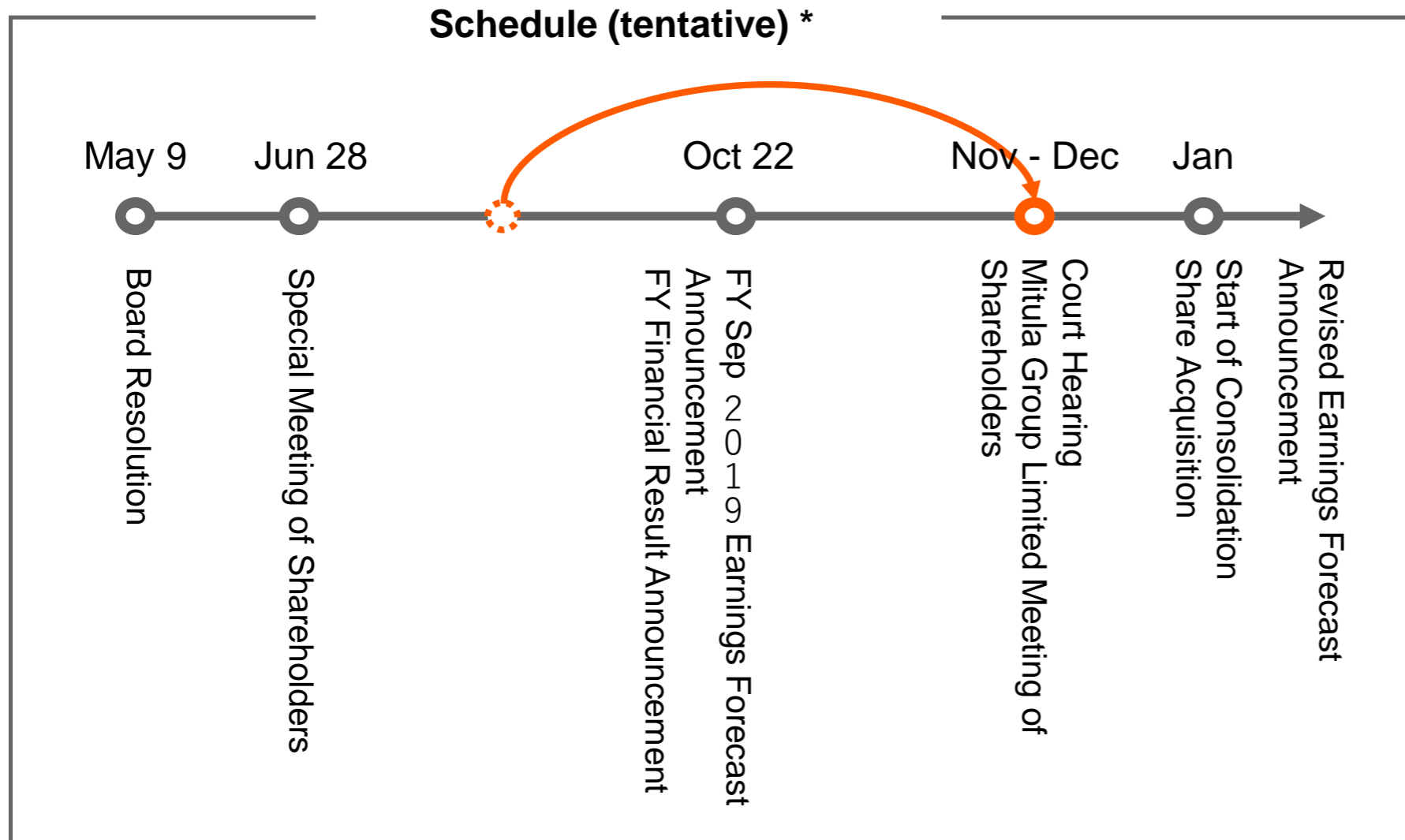
*The forecast is based on the assumption of currency exchange rate of Euro 1.00 = 129 yen for the portion yet to be fixed.

*Net profit attributable to owners of the parent

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

Mitula Group Limited Acquisition Schedule

Significant delay in part of the process. To be disclosed as soon as figures being finalized.

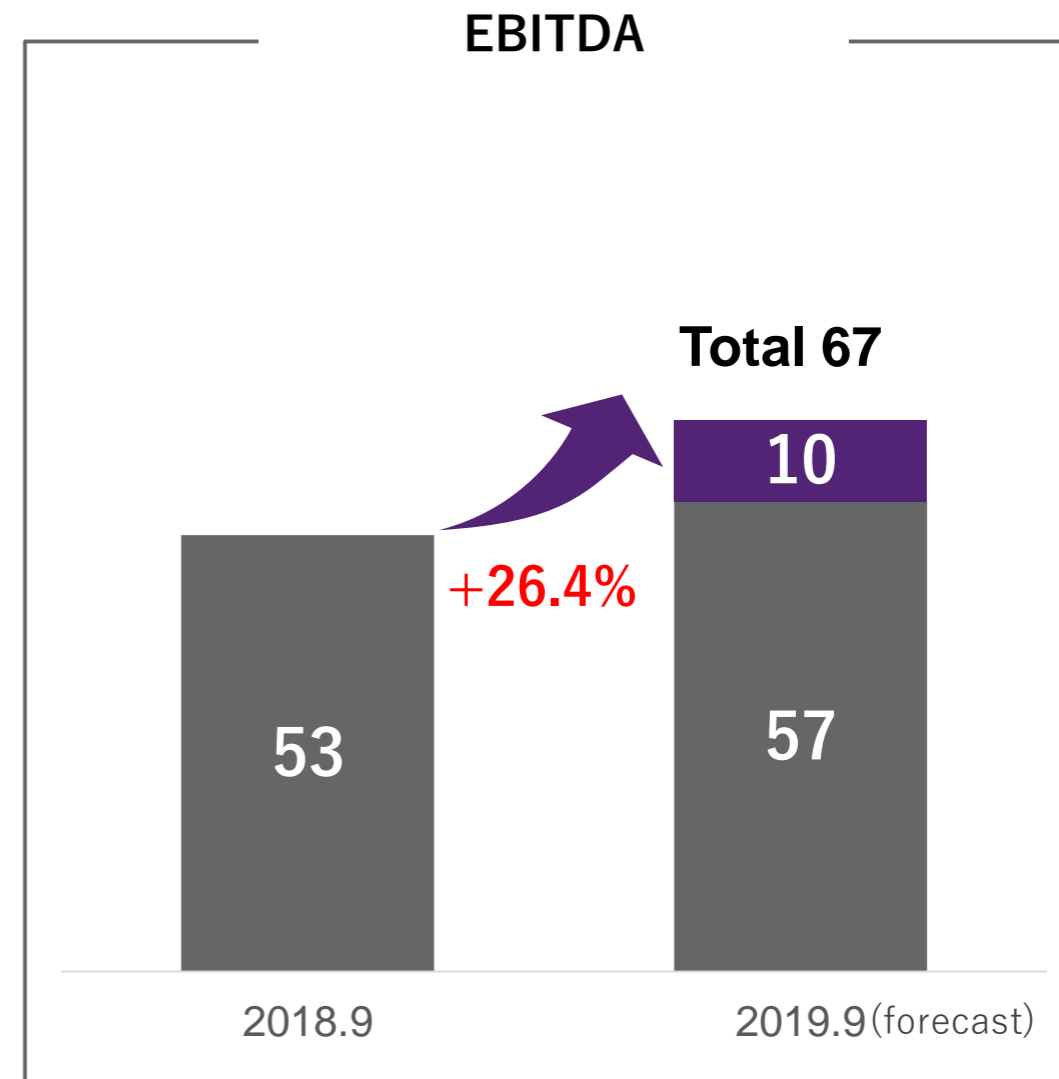
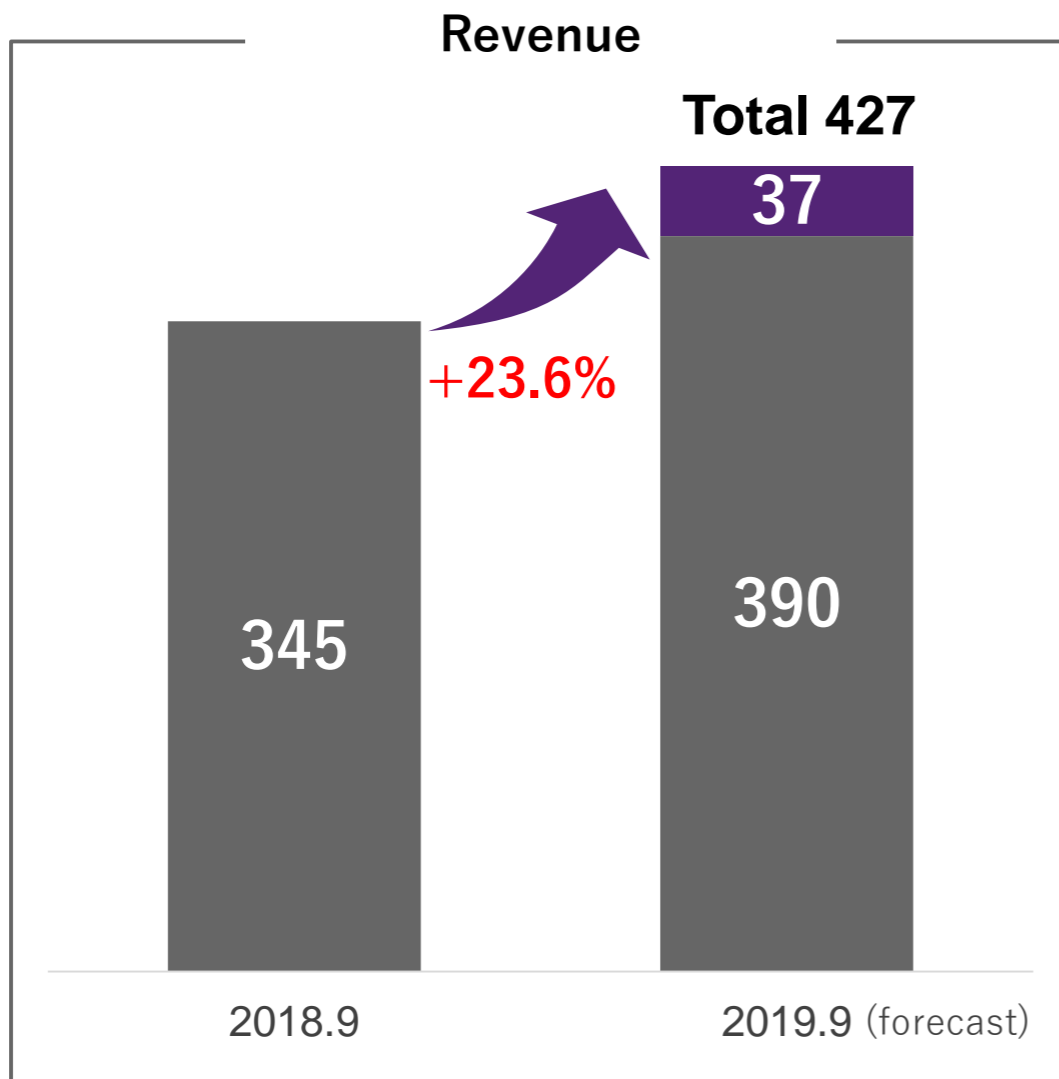


Contribution of Mitula acquisition is not included in FY 2019/9 Forecast

* Schedule is subject to changes depending on a mix of factors.

(ref.) Business Forecast - by simply adding Mitula Group Limited actual results

Revenue will increase by 23.8% YoY, EBITDA by 26.4% YoY

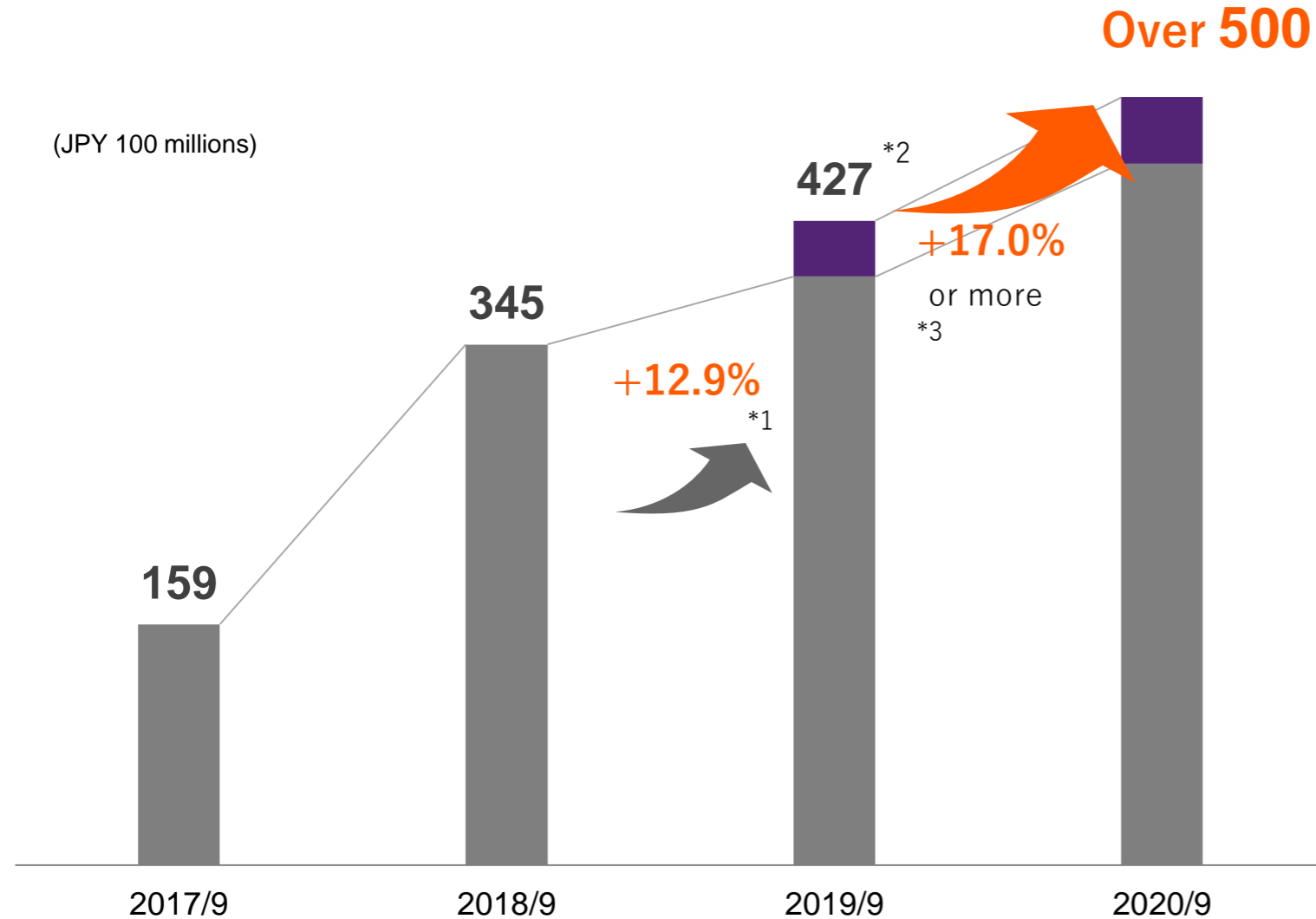


Note 1: Calculated based on 1H and Q3 results announced by Mitula
(Simply doubled the Q3 results without taking the potential growth into consideration)

Note 2: Expenses and PPA, etc... related to the acquisition are not reflected.

Roadmap to Achieve the Mid-term Plan 2020

Achieve the mid-term target by making organic growth and by carrying out M&As.



Target of FY2020/9:

Grow by more than
approximately **17.0%**
including M&As

*1 organic growth rate

*2 2019/9 forecast + Mitula FY2018 revenue forecast (internal forecast)

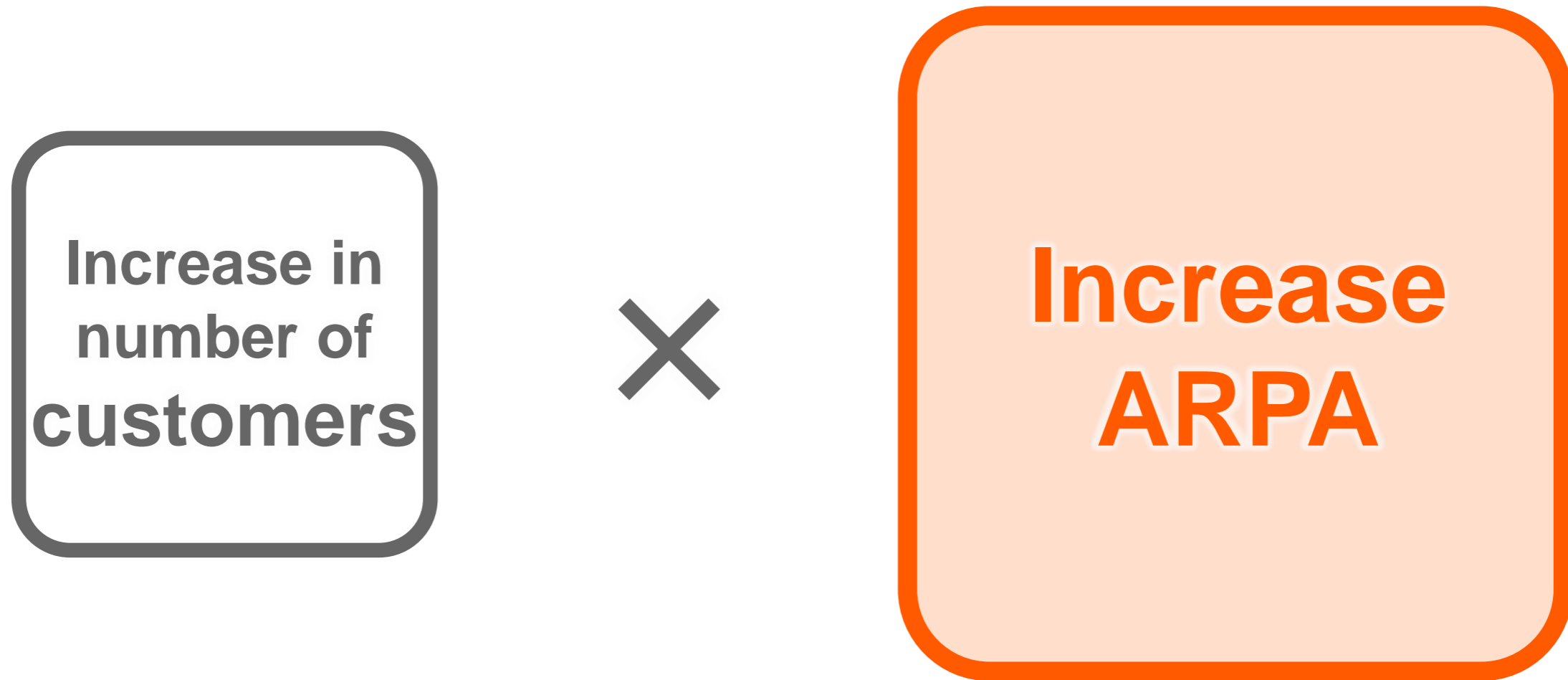
*3 growth rate combining the organic growth and M&A growth



HOME'S Services Business

Expansion of HOME'S Services Business - Key of the business growth

Aim to grow Home's Services Business in FY2019/9 by working especially on initiatives to increase ARPA

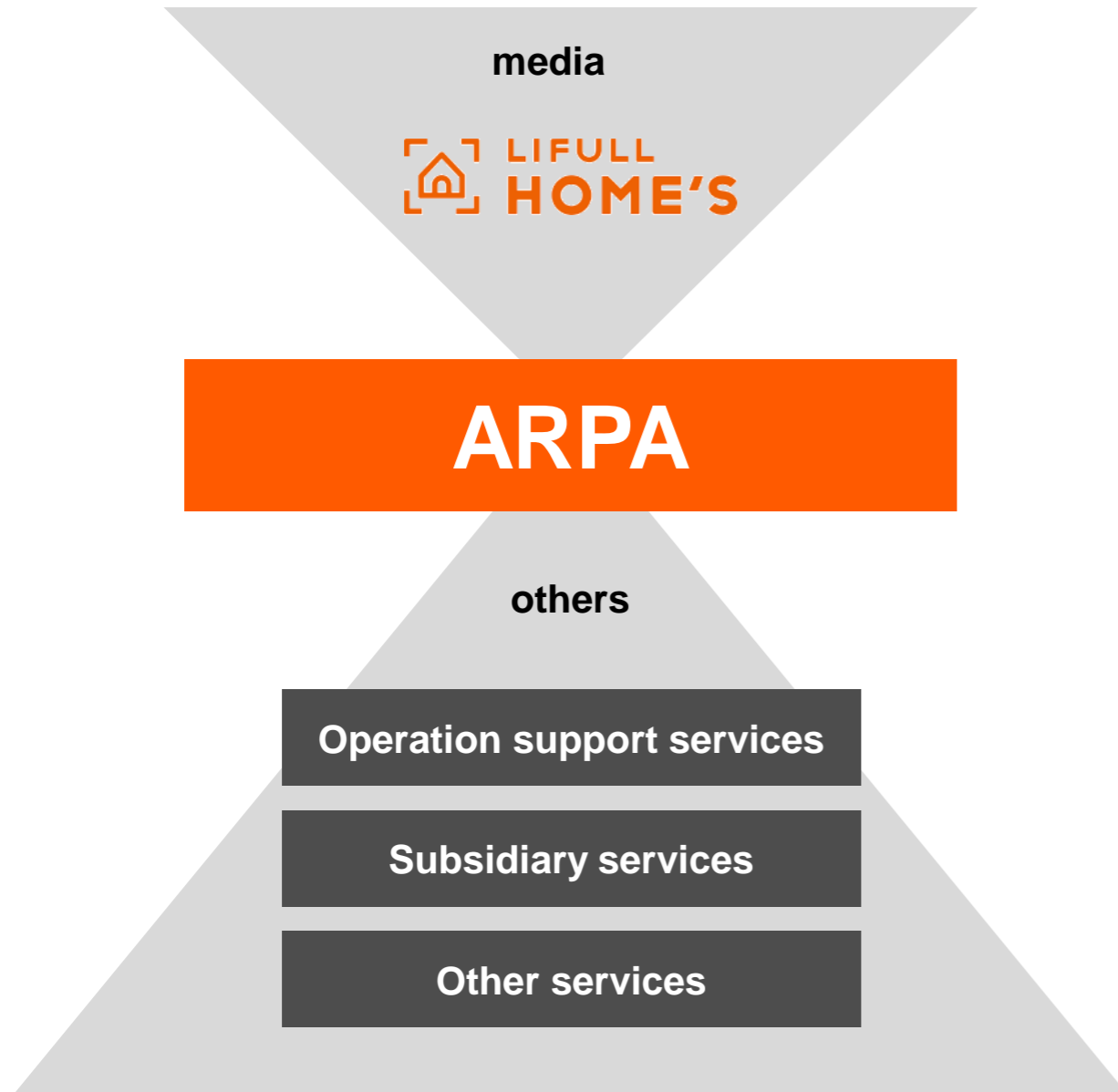


*ARPA : Revenue per customer (Average Revenue Per Agent)

*number of customers: Number of affiliated stores for rental and real estate sales

Comprehensive services to increase ARPA

Aim to increase ARPA by making comprehensive proposals covering both media and other services.



To increase ARPA

Strengthen:

Media capability

Operation support services

Products

Sales capability

Enhancement of HOME'S Services Business

- Organizational Structure

Restructure the organization to accelerate the growth of HOME'S Services Business

1) For quicker decision making

President & CEO Takashi Inoue doubles as Head of HOME'S Business Division to accelerate the speed of business execution

2) To enhance media capability

Consolidate functions at each service to improve media capability in a speedy manner

3) To strengthen sales of operational support services

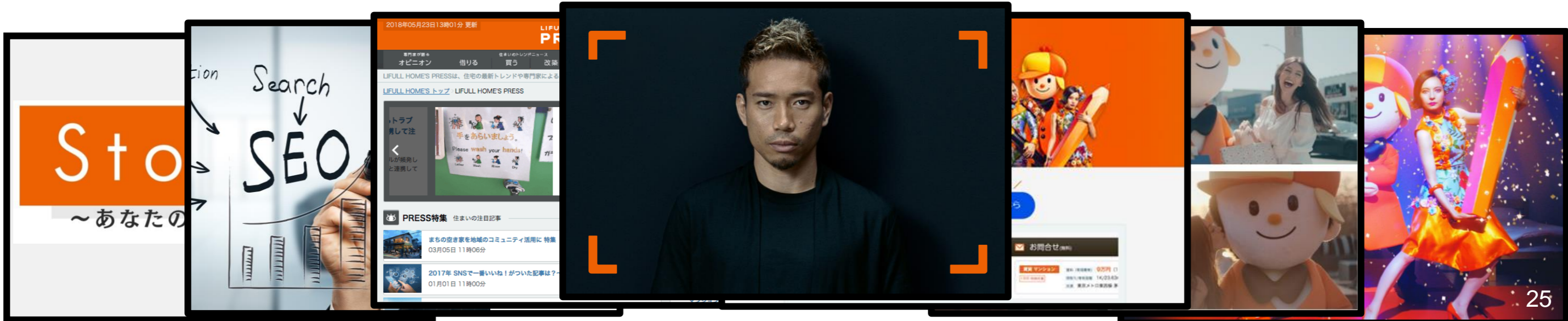
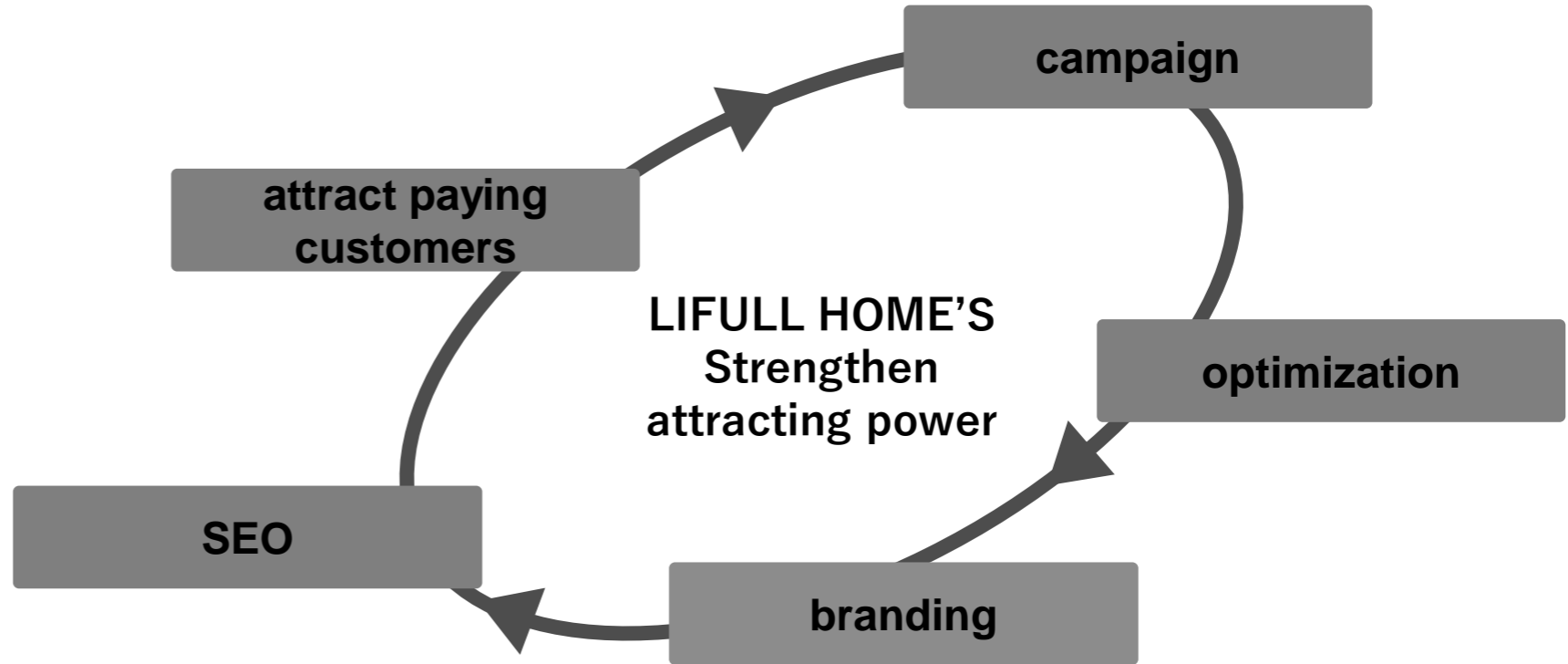
Consolidate Rental Business Division and BS Division (former Renter's) to further sophisticate the operation and improve the efficiency in order to increase ARPA in the rental area

*BS=Business Solution



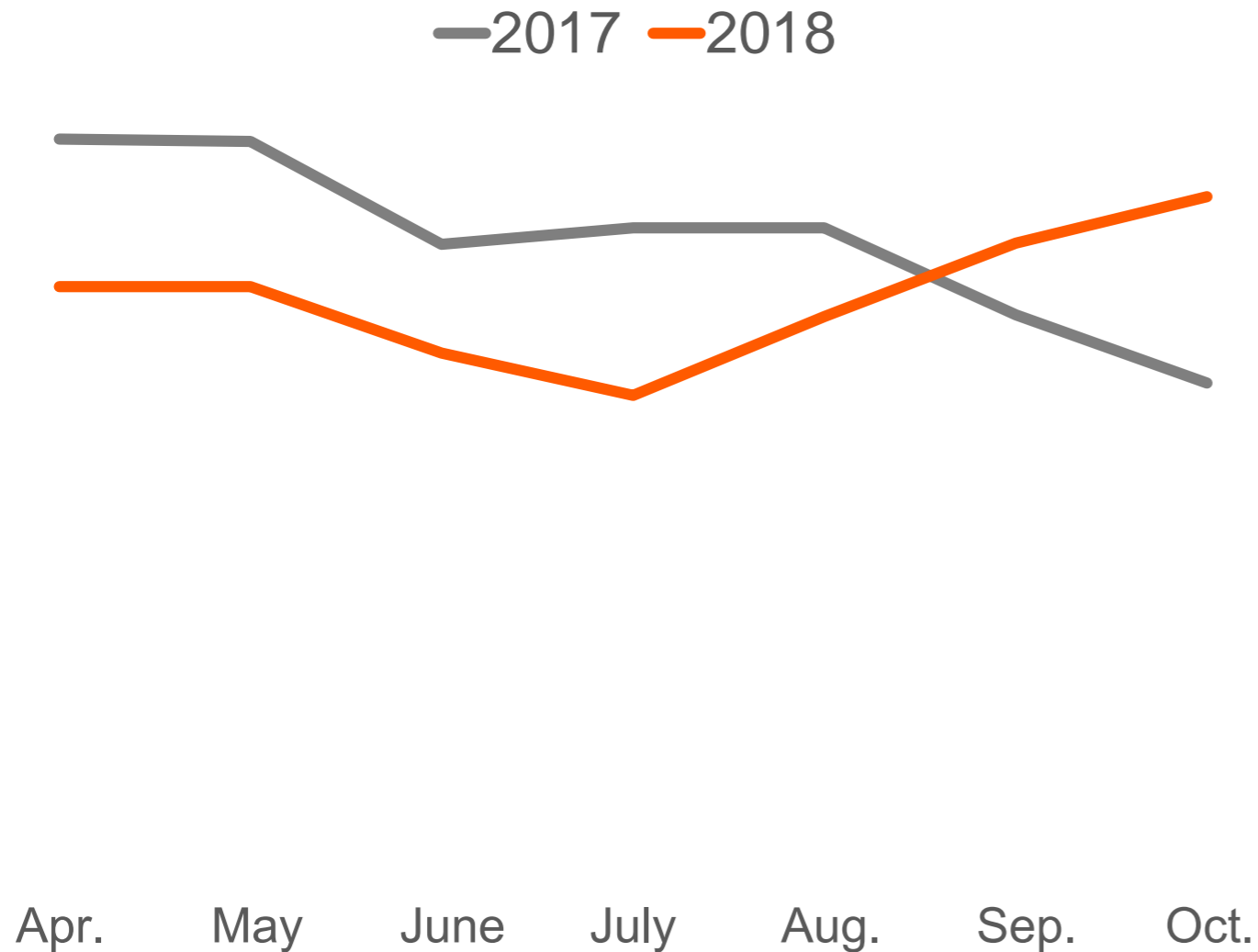
Multi-dimensional initiative to strengthen media capability

Aim to be absolutely the number one in the market by strengthening the media capability to maximize the value proposition



(ref.) LIFULL HOME'S Ability to Attract Customers

Traffic has been increasing

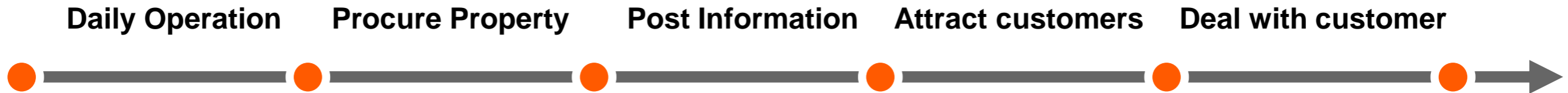


**Traffic is now
back on track
to grow**

Enhance Sales in Operation Support Services - change in organizational structure

Consolidate Rental Media Division and Business Solution Division to provide end-to-end services and raise ARPA

[Realtor's operational flow]



< Expand sales of One-stop support service >

Media

LIFULL HOME'S B2B
(property distribution)

LIFULL HOME'S

Special ad

College

App (for C)

LIFULL HOME'S LIVE
(Online contact)

"My Room" insurance

Credit

Administrative support

Create and Manage HP

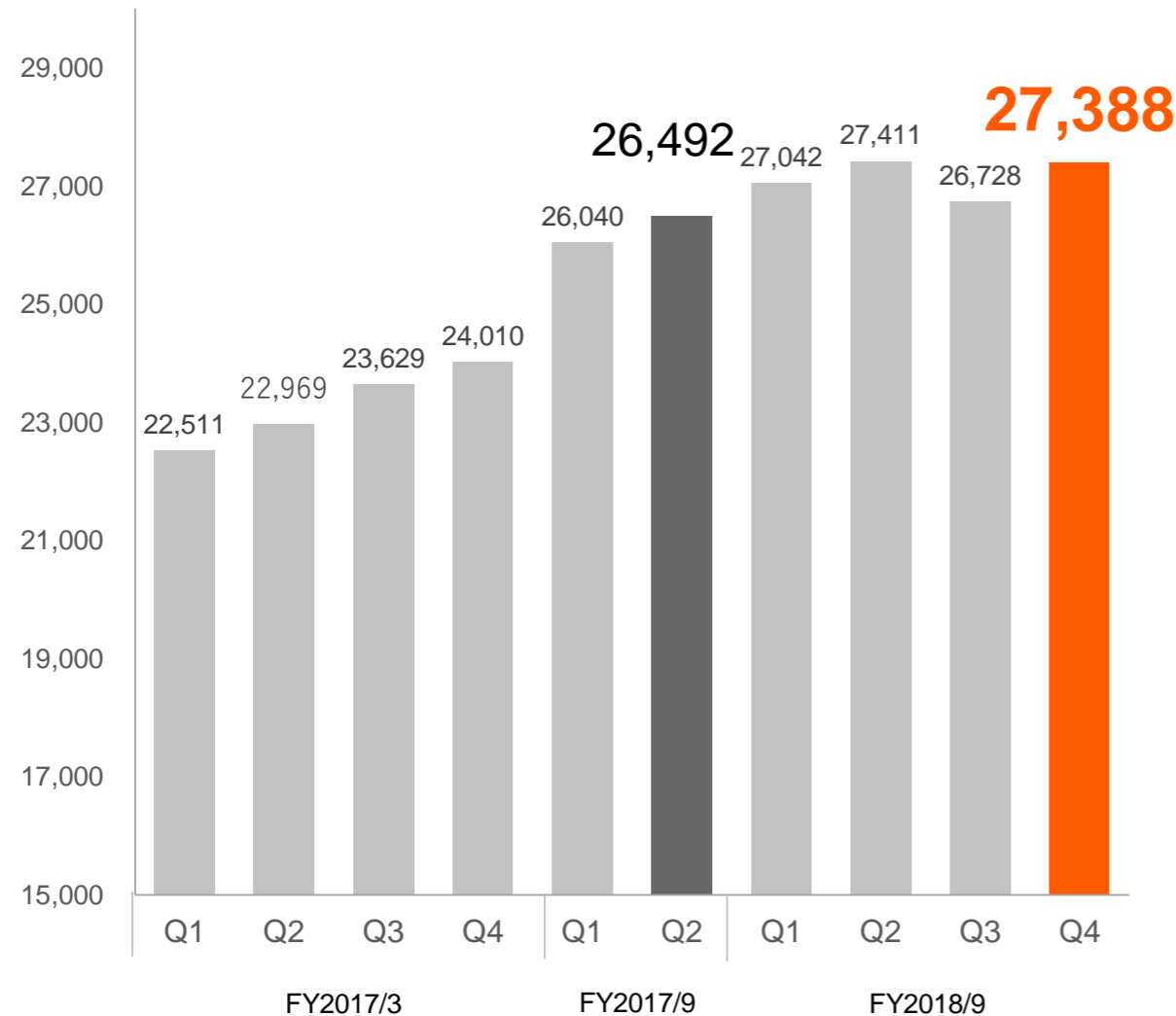
Owner CRM

Converter
(Register and manage
property info with multiple
portals at once)

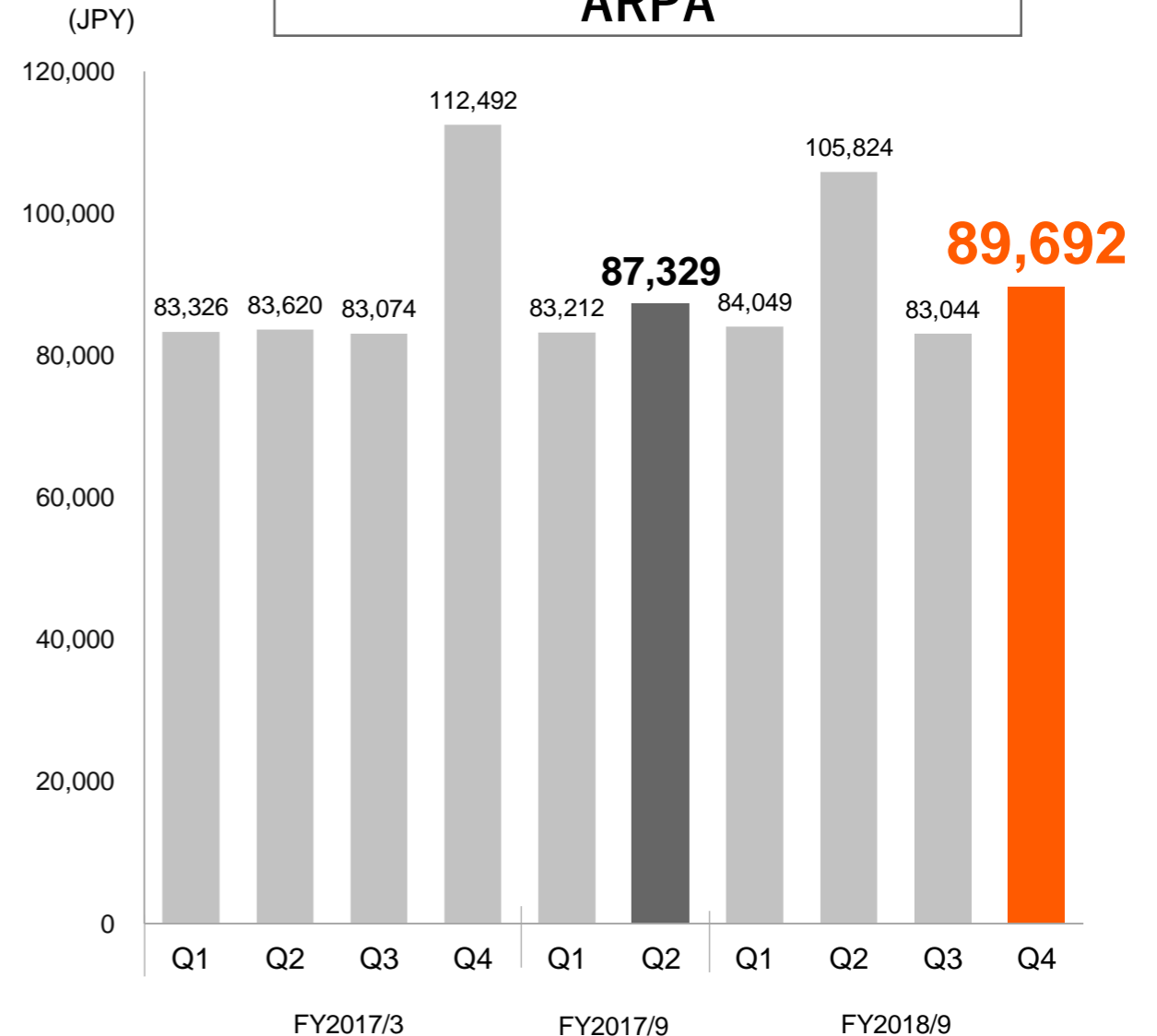
CRM
(Manage customer e-mails
and visits)

Number of customers started to grow gradually since shifting gear to focus more on initiatives to increase ARPA

No. of Clients



ARPA





Overseas Business



Became LIFULL Group member in Nov. 2014

Trovit growth - KPIs

Size of the business increased dramatically compared to the time of acquisition.



Right after the acquisition (Nov 2014)



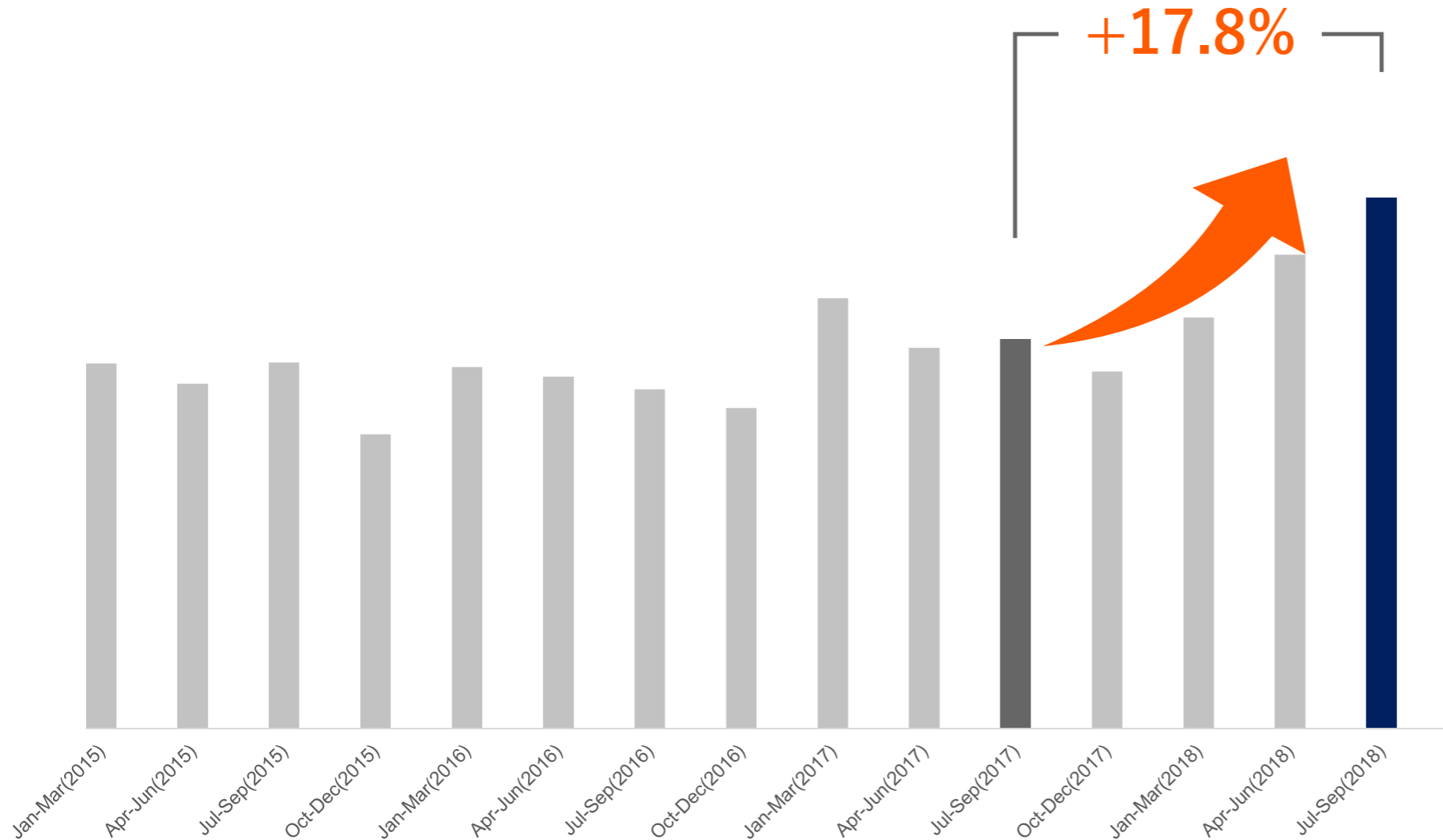
Today (Sep 2018)



Trovit growth - Revenue trend



Revenue has kept increasing and grew by 29.3% since the acquisition *1
The growth further accelerated more recently and has achieved +17.8% YoY *2



Growth has accelerated

*1 Compared FY2014 and FY2018/9

*2 Trovit euro-based actual result

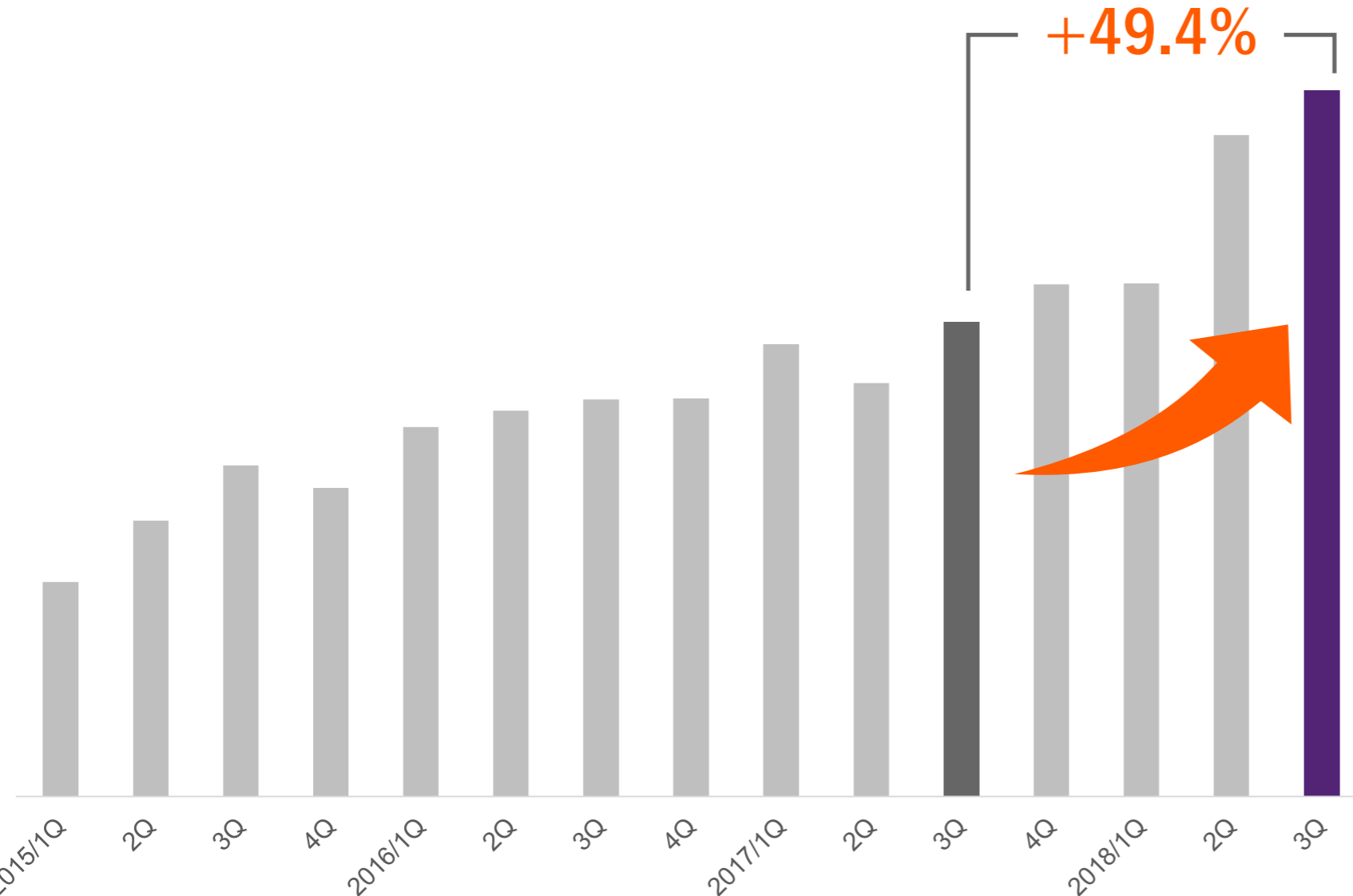
A photograph of two business professionals in suits shaking hands. In the lower-left corner, a document titled "CONTRACT" is visible. The background is a bright, out-of-focus window with blinds. The text "Under a process to acquire Mitula Group" is overlaid in large, bold, black font.

Under a process to acquire Mitula Group

About Mitula - Revenue trend

Revenue has kept growing steadily

Most recently, has grown significantly by 49.4% YoY

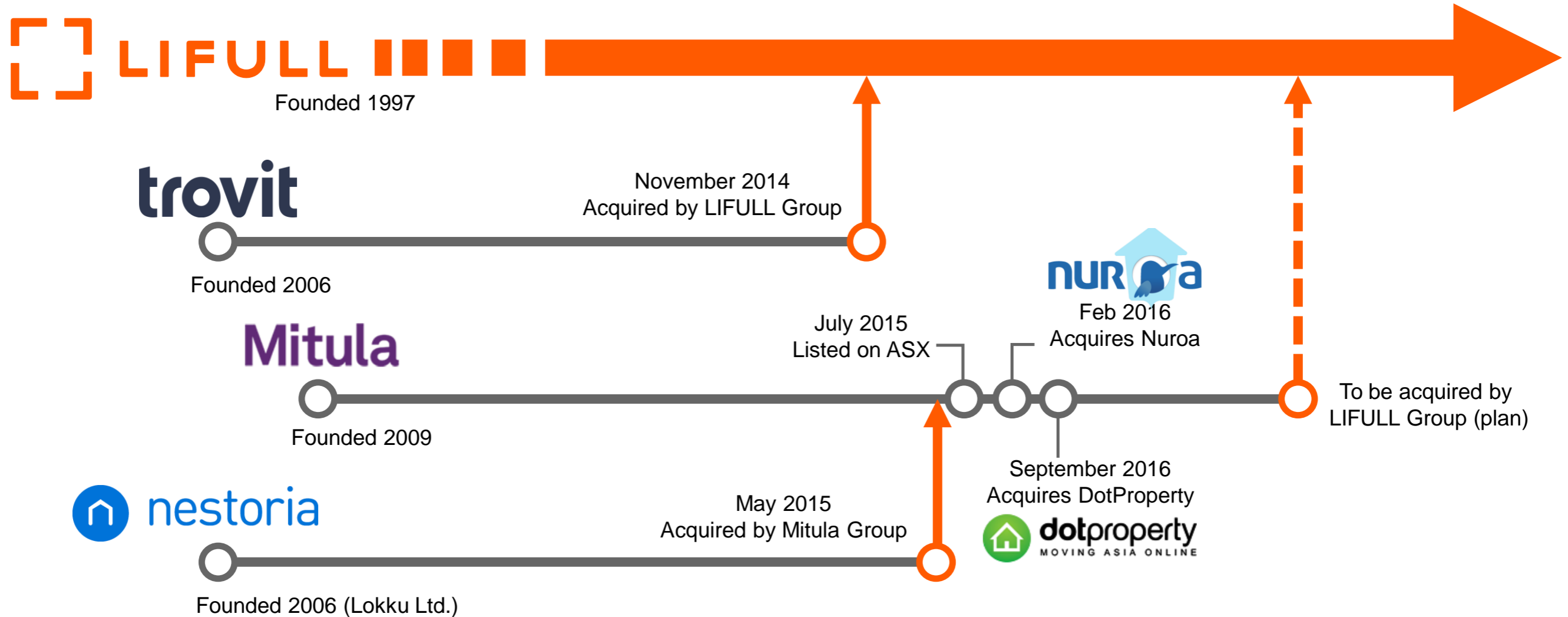


3Q result
49.4% growth

*calculated by LIFULL based on date disclosed by Mitula

Corporate History (includes plans)

Top 3 Real Estate Aggregator Websites to become part of LIFULL Group



Trovit × Mitula

Accelerate the development of a global platform with Trovit and Mitula at its center

Site Visitors
(Monthly UV)

90M ->

over **170M**

Global Footprint

57 -> **63** countries

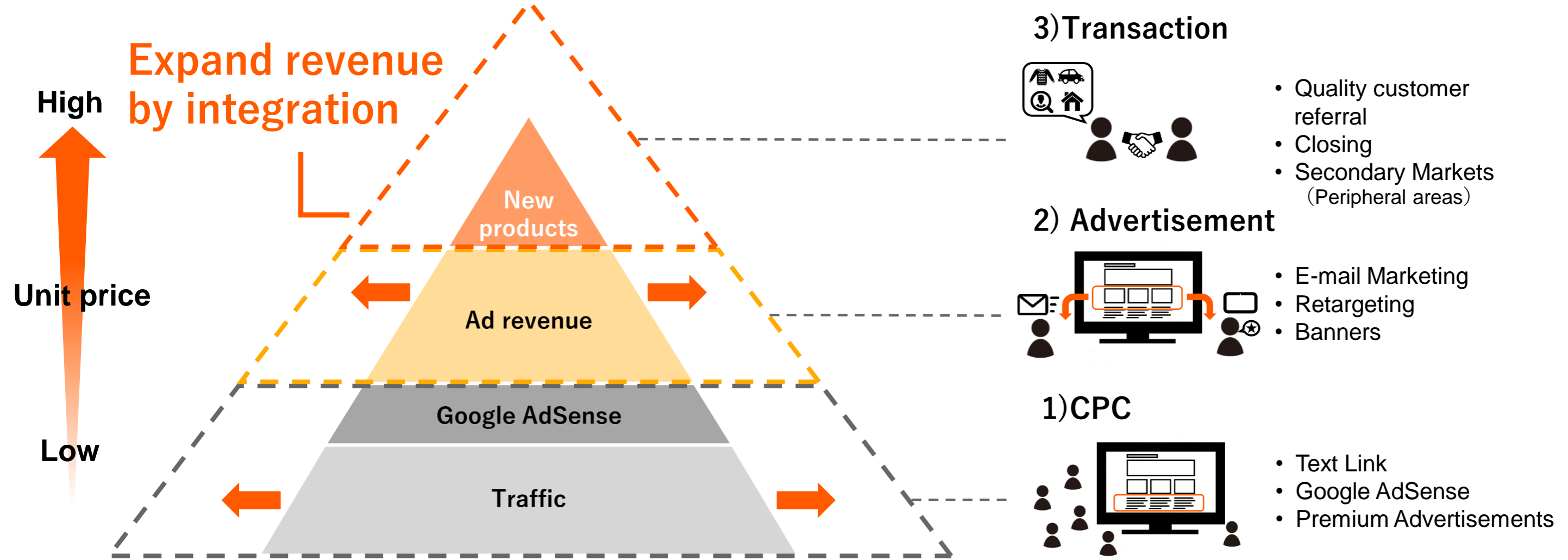
Listings

200m->

over **400M**

Trovit × Mitula - Trovit Growth Strategy

Trovit and Mitula will be consolidated to share the strength with each other and increase the revenue



(ref.) Overseas Competitor

The overseas competitors in the world have high amount of market capitalization with background

*Zoopla acquired Silver Lake Partners (US) in July 2018 for £ 2.2bn

[Zoopla, UK]
Revenue 36.0B.JPY
EBITDA 14.2B.JPY
Net profit 7.9B.JPY

ended December, 2017

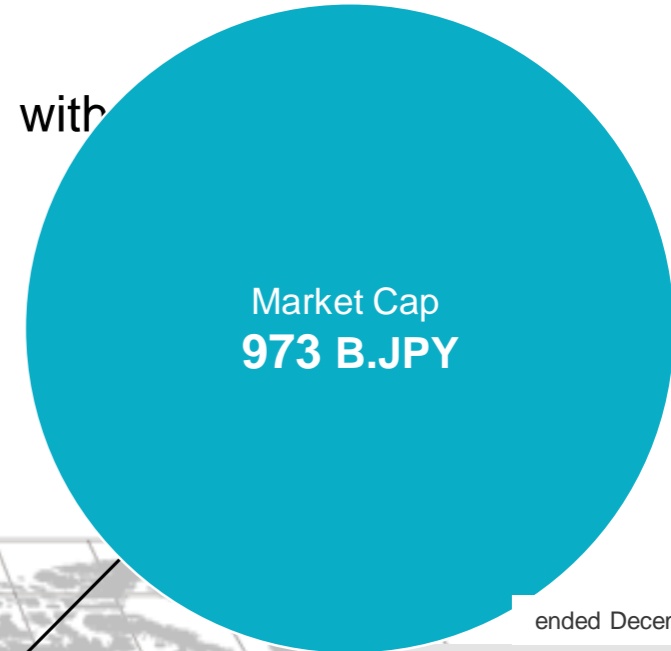


[Rightmove, UK]
Revenue 32.2B.JPY
EBITDA 23.8B.JPY
Net profit 19.0B.JPY

ended December, 2017

[LIFULL, JP]
Revenue 34.0B.JPY
EBITDA 5.2B.JPY
Net profit 2.8B.JPY

ended September, 2018 (forecast)



ended December, 2017

[Zillow, US]
Revenue 122.6B.JPY
EBITDA 14.0B.JPY
Net profit -10.8B.JPY



[Mitula, SP]
Revenue 2.8B.JPY
EBITDA 1.0B.JPY
Net profit 0.4B.JPY

ended December, 2017

[Trovit, SP]
Revenue 3.6B.JPY
EBITDA 0.99B.JPY

ended December, 2017



[Soufun, CN]
Revenue 50.6B.JPY
EBITDA 8.0B.JPY
Net profit 2.5B.JPY

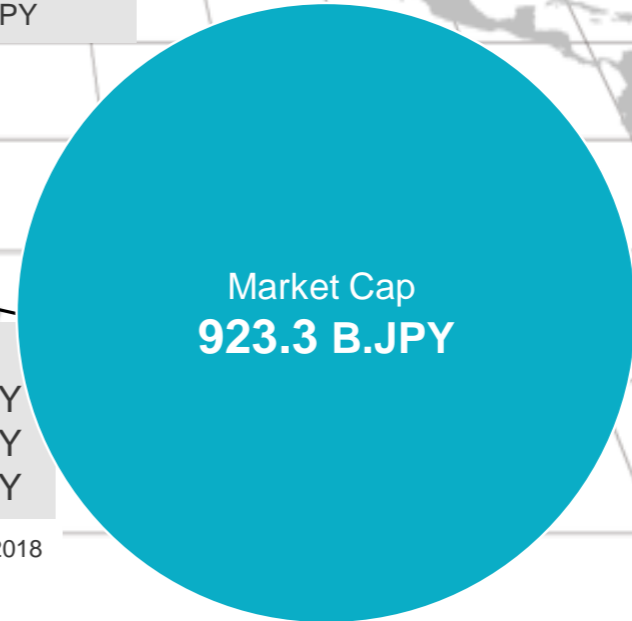
ended December, 2017

[Recruit Sumai Company, JP]
Revenue 981B.JPY

ended March, 2018

[REA group, AUS]
Revenue 71.3B.JPY
EBITDA 38.1B.JPY
Net profit 28.8B.JPY

ended June, 2018



note1 Calculated from the IR materials of each company presentation

note2 The stock of October 1, 2018

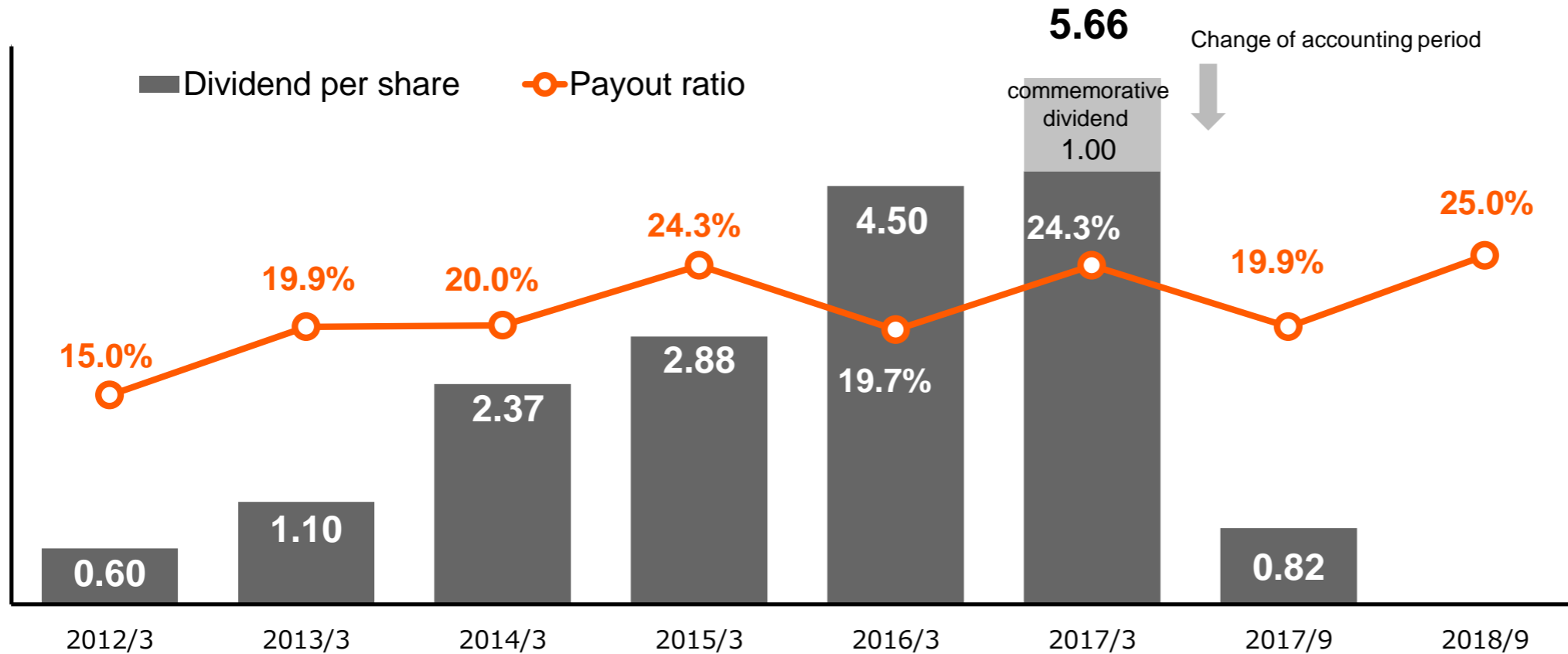
note3 Exchange rate \$1=113.86 JPY, GBP=132.15 JPY, AUD1= 82.22JPY(as October 1, 2018)



About Shareholder return

Partial change in the shareholder return policy

To demonstrate the attitude of proactive shareholder return and to expand the customer base, raise the payout ratio target from the current 20% to 25% from FY2018/9. Basic policy is to distribute the fruits in a flexible manner based on the business results.



**Dividend
payout ratio
Change to 25%**

*The Company conducted a three-to-one share split for its common stock in January 1, 2014.
 *The Company conducted a two-to-one share split for its common stock in June 1, 2015.
 *In connection with this share split, the dividend figures calculated for past years account for the impact of the split.

- > Since FY2013, dividend per share is calculated based on 20% of payout ratio and rounded down to the third decimal place.
- > Dividends are changing with the net income attributable to owners of the parent, but the payout ratio is remained 20%.
- > Due to the transition period to IFRS, the dividend payout ratio for the FY03/2015 was computed on the basis of net profit that excluded the “effects of NEXT’s acquisition of Trovit.” Thus, the resultant payout ratio was 24.3%.
- > For FY2015, the Company expects to pay dividends by making calculations on the basis of net income attributable to owner of the parent under IFRS standards.
- > The Company intends to raise the dividend payout ratio in the future in consideration of total capital, investment forecasts, and growth rates, among other factors.

A woman with long brown hair, wearing a light grey sweater, is smiling and looking towards a baby. She is holding a small, fluffy dog. The baby, wearing a light purple shirt and dark pants, is standing and looking out a window. The window has a white frame and a metal railing. The scene is brightly lit by natural light coming from the window, creating a warm and happy atmosphere.

LIFULL

あらゆる **LIFE** を、**FULL** に。

Appendix

Corporate Info (as of September 30, 2018)

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	1,274 people (incl. 210 temporary and 117 overseas)
Major shareholder	LIFULL directors, Rakuten, Inc. (20%)
Main subsidiaries () stake	Trovit Search, S.L. (100%) LIFULL Marketing Partners (100%)



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)
- LIFULL has an internal team specialized in improving information accuracy and quality to be the best not only in terms of quantity but also in terms of quality.
- Continued to step up the efforts to meet smart device-related needs, catering for a variety of needs.



#1 in Real Estate Listings
LIFULL HOME'S
iOS and Android apps

Various Search Options



Address



Train



Commute
time



Travel time
by car



Map



Agency

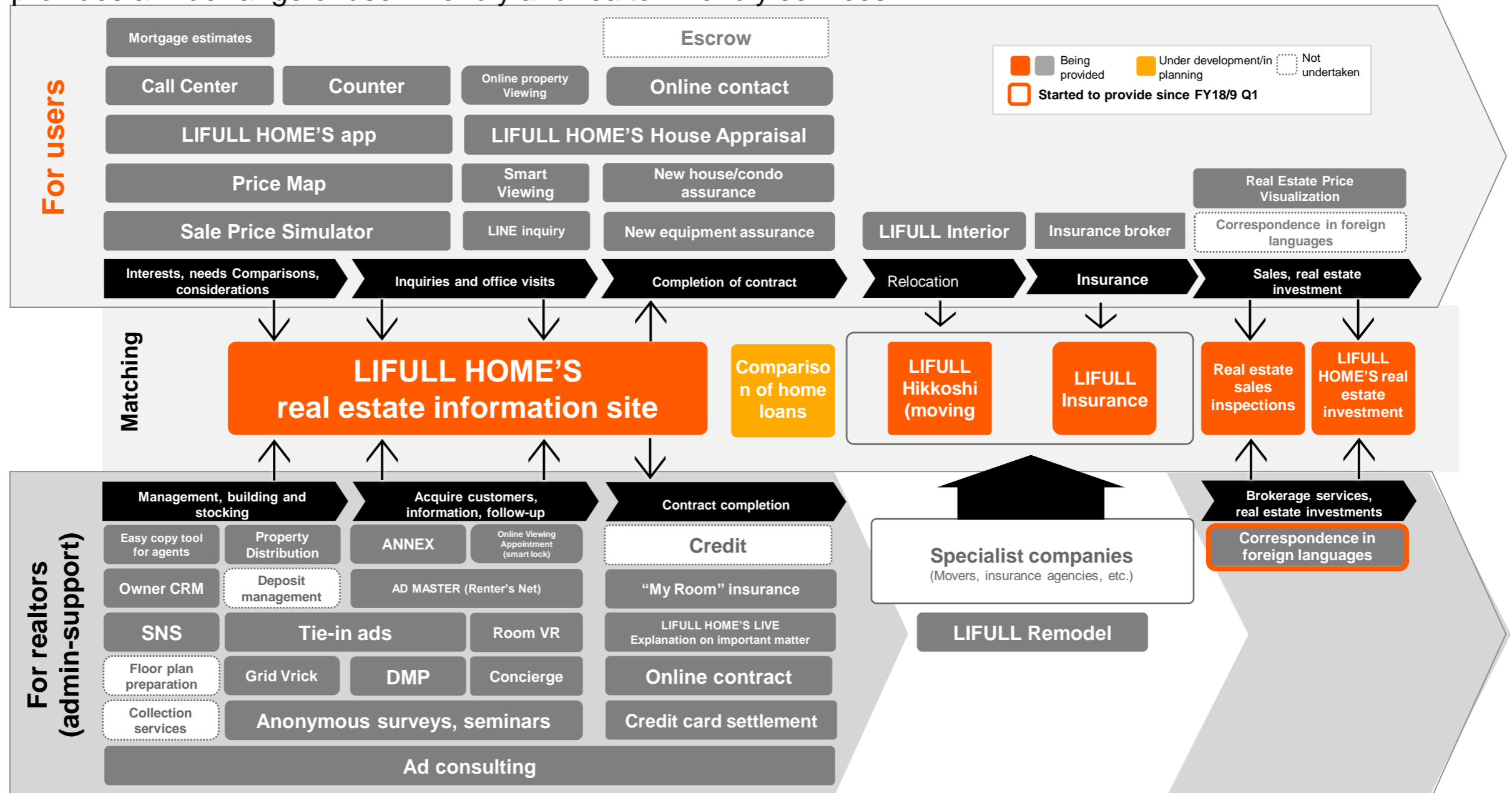


By phone

- Various search options available including searching by cities, train station, commute time, etc.
- Conditional search options available including “no deposit” and “pet friendly.”
- Users can choose 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” available.

LIFULL Service List

LIFULL provides a wide range of user-friendly and realtor-friendly services



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

Definition	<p>Number of clients: Number of total paid clients of LIFULL HOME'S and LIFULL Marketing Partners (including the clients who use DMP and CRM)</p> <p>ARPA: Average Revenue Per Agent, revenue per clients HOME'S Services Business revenue / number of clients</p> <p>*Excluding LIFULL Remodel</p>
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Expand the business by increasing the “no. of clients” and “ARPA”

LIFULL Group Services

LIFULL Kaigo (nursing care)



Website to search 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)



Website to make an inquiry and reservation with movers
Operated by **LIFULL MOVE**

LIFULL Storage



A website to search rental storage room/unit
Operated by **LIFULL SPACE**

other LIFULL Services



- “LIFULL Flower”: regular monthly delivery of seasonal flowers
 - “Ouchi 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 Social Funding (Crowd-funding)

LIFULL Group Companies

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

PT. LIFULL MEDIA INDONESIA *1	<ul style="list-style-type: none">• Planning and operation of “LIFULL Rumah” a real estate and housing information website 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.	<ul style="list-style-type: none">• One of the world’s largest aggregation websites
LIFULL Marketing Partners	<ul style="list-style-type: none">• Internet and marketing businesses for realtors and property-related businesses• Internet connection service (ISP) business
LIFULL senior	<ul style="list-style-type: none">• Operating “LIFULL Kaigo (nursing care)”, among the largest websites in Japan to find nursing care homes or elderly housing• Operating “Mina no Ihinseiri”, a website to search for companies specialized in cleaning up the belongings of the deceased
LIFULL MOVE	<ul style="list-style-type: none">• Operating “LIFULL Hikkoshi (moving)”, a one-stop website to search and make inquiries with multiple movers and then make on-line reservation
LIFULL SPACE	<ul style="list-style-type: none">• Operate “LIFULL Trunk Room (luggage storage)”, a website offering among the most voluminous rental storage room/unit information in Japan• Operating “LIFULL Rental Space”, a website to search for rental spaces and meeting rooms
LIFULL FinTech	<ul style="list-style-type: none">• Operate “LIFULL Insurance Consultation”, a website to make insurance consultation appointments• Operate “LIFULL Insurance”, a website to compare insurance products• Life and non-life insurance agency business
LIFULL bizas	<ul style="list-style-type: none">• Administration and other back office operation outsourcee• Call center operation outsourcee
LIFULL Social Funding *2	<ul style="list-style-type: none">• Operating “Japan Giving” and “Shooting Star” crowd-funding platforms
LIFULL Tech Vietnam Co., Ltd. *3	<ul style="list-style-type: none">• Offshore development, Lab development, software development, application development and creative development
LIFULL Interior	<ul style="list-style-type: none">• Operate an interior and furniture EC site, “LIFULL Interior”
RAKUTEN LIFULL STAY *1 *4	<ul style="list-style-type: none">• Operate a vacation rental and accommodation platform

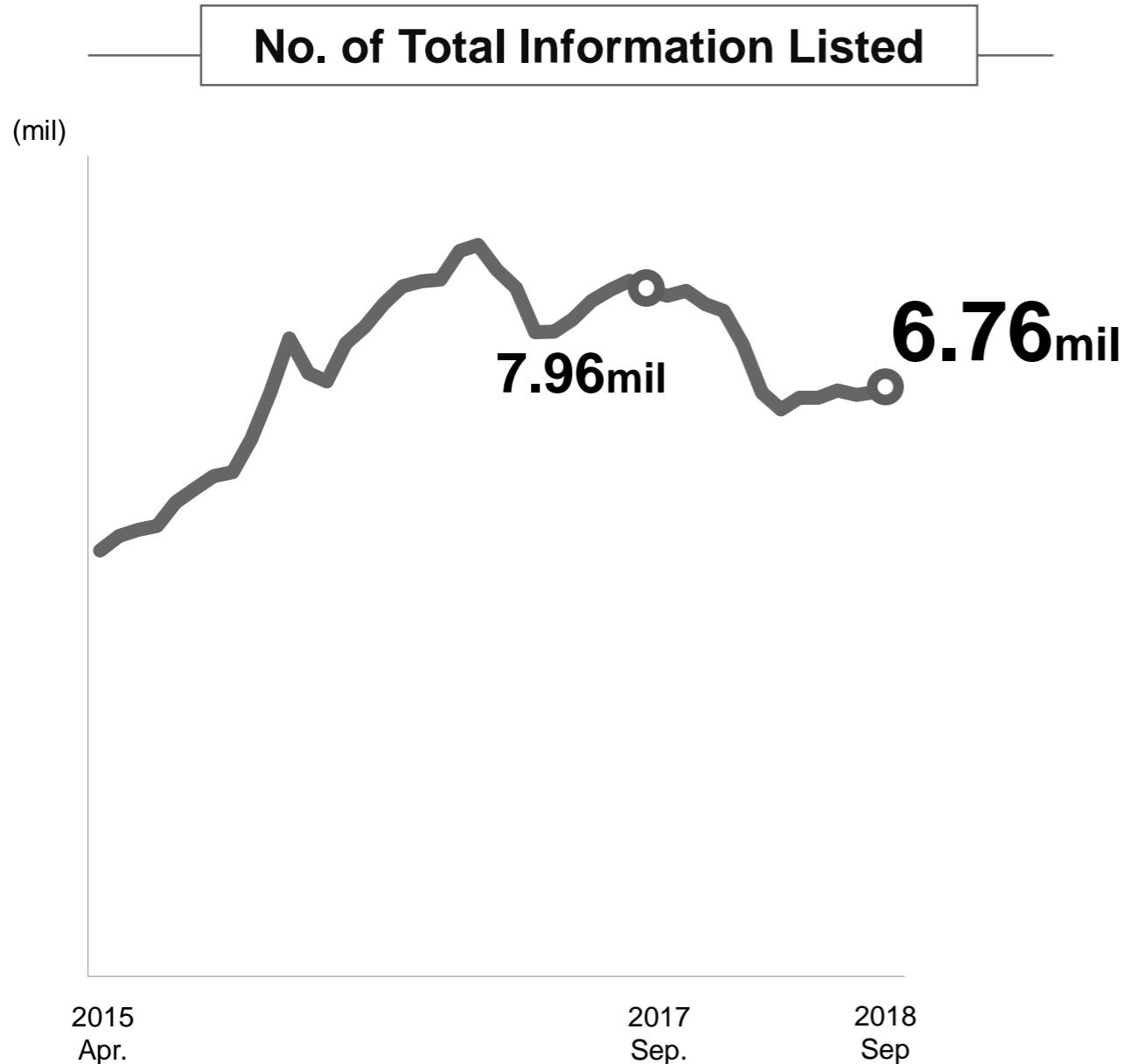
Segments and Major Services

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 Tech Vietnam Co., Ltd.
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. Other LIFULL subsidiaries and new services



Topics for 2018/9

KPI -Number of Total Information Listed



Has been able to maintain the undisputed number of information while improving the accuracy of information

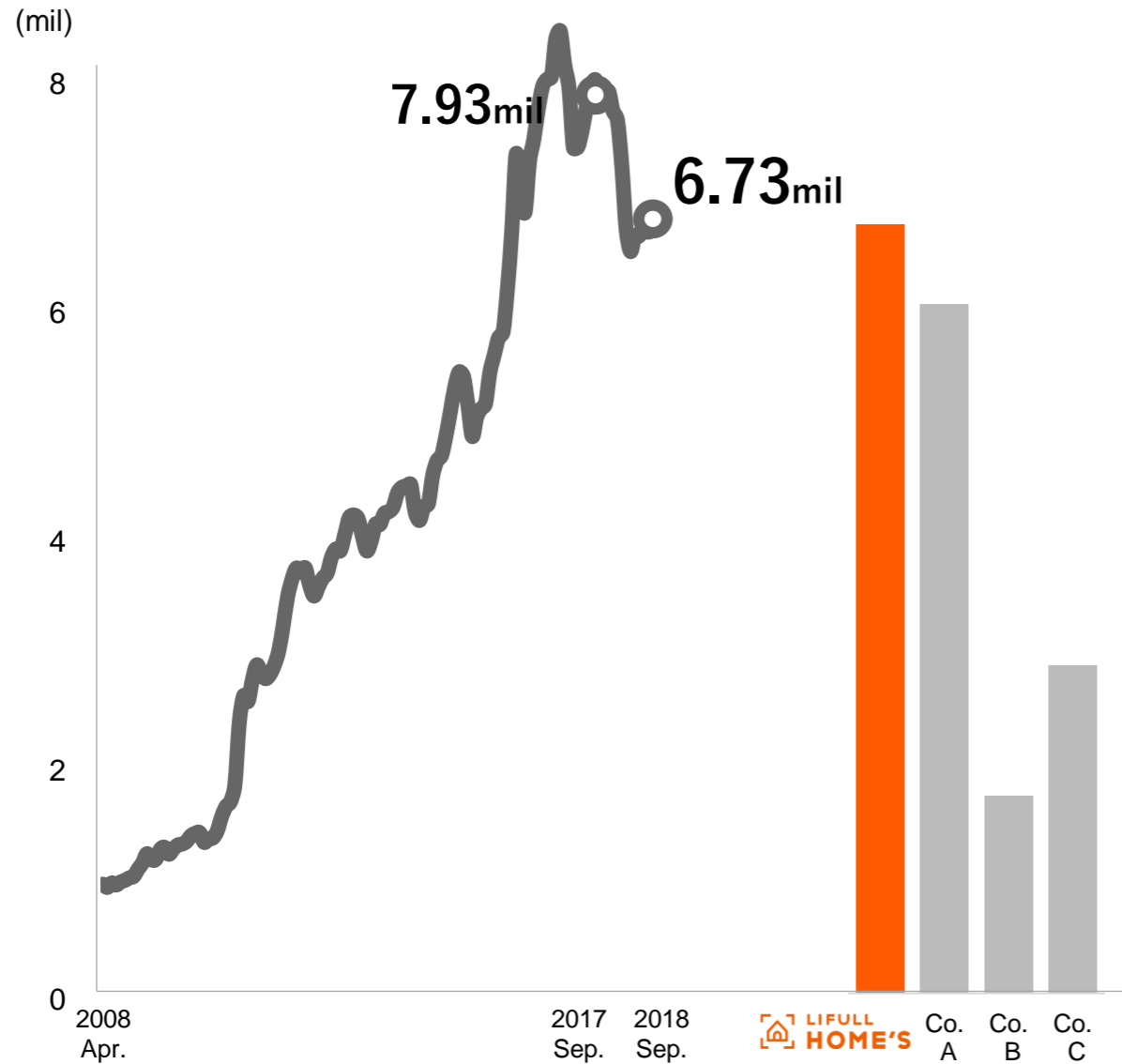


*Total information: properties for rental, real estate sales, investment, and new houses and condos. and number of construction company of custom-built.

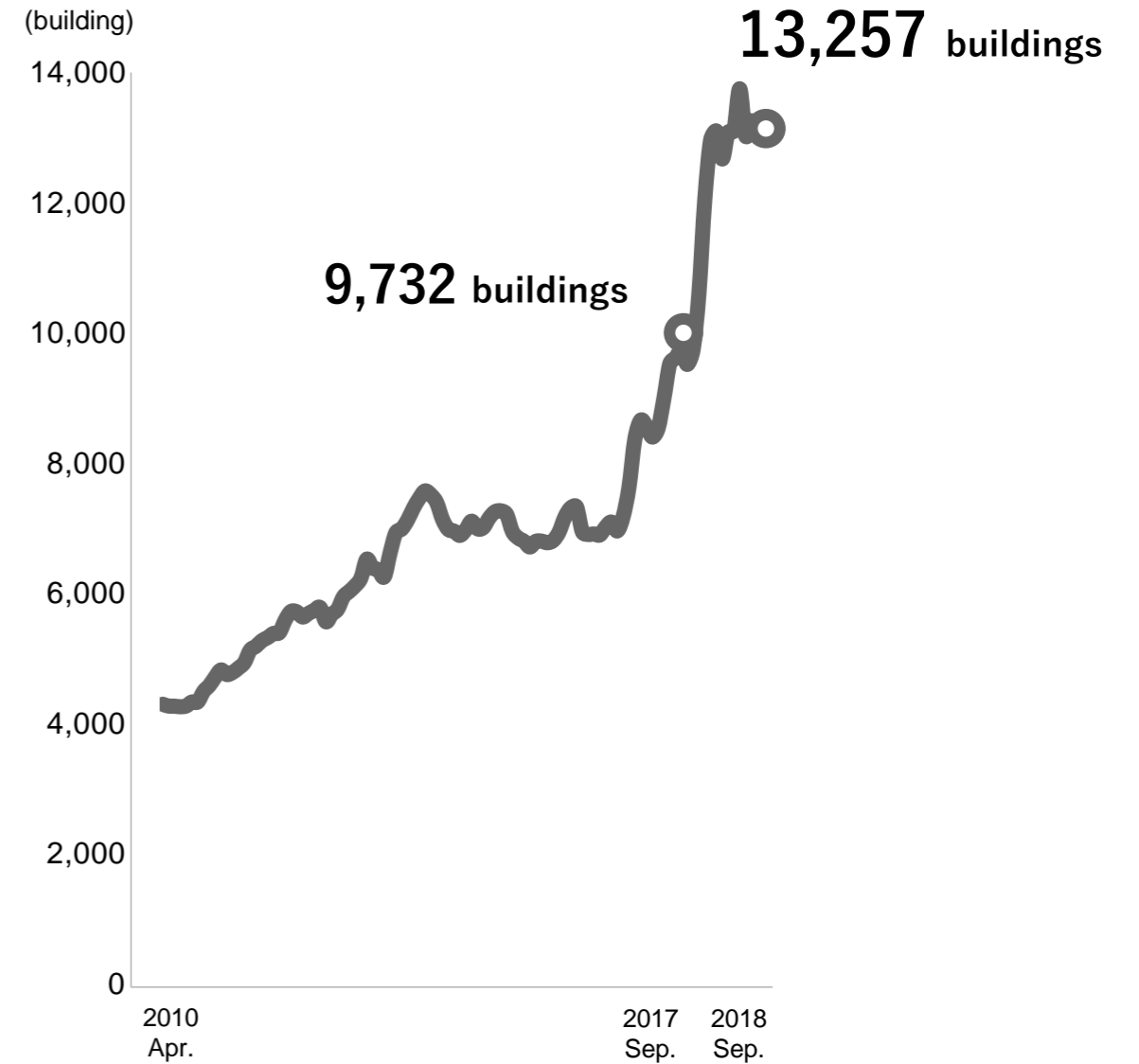
*Withdrew from renovation business in April 2018

Number of Properties Listed - Rentals, Real Estate Sales, New Houses and Condos

Rentals and Real Estate Sales



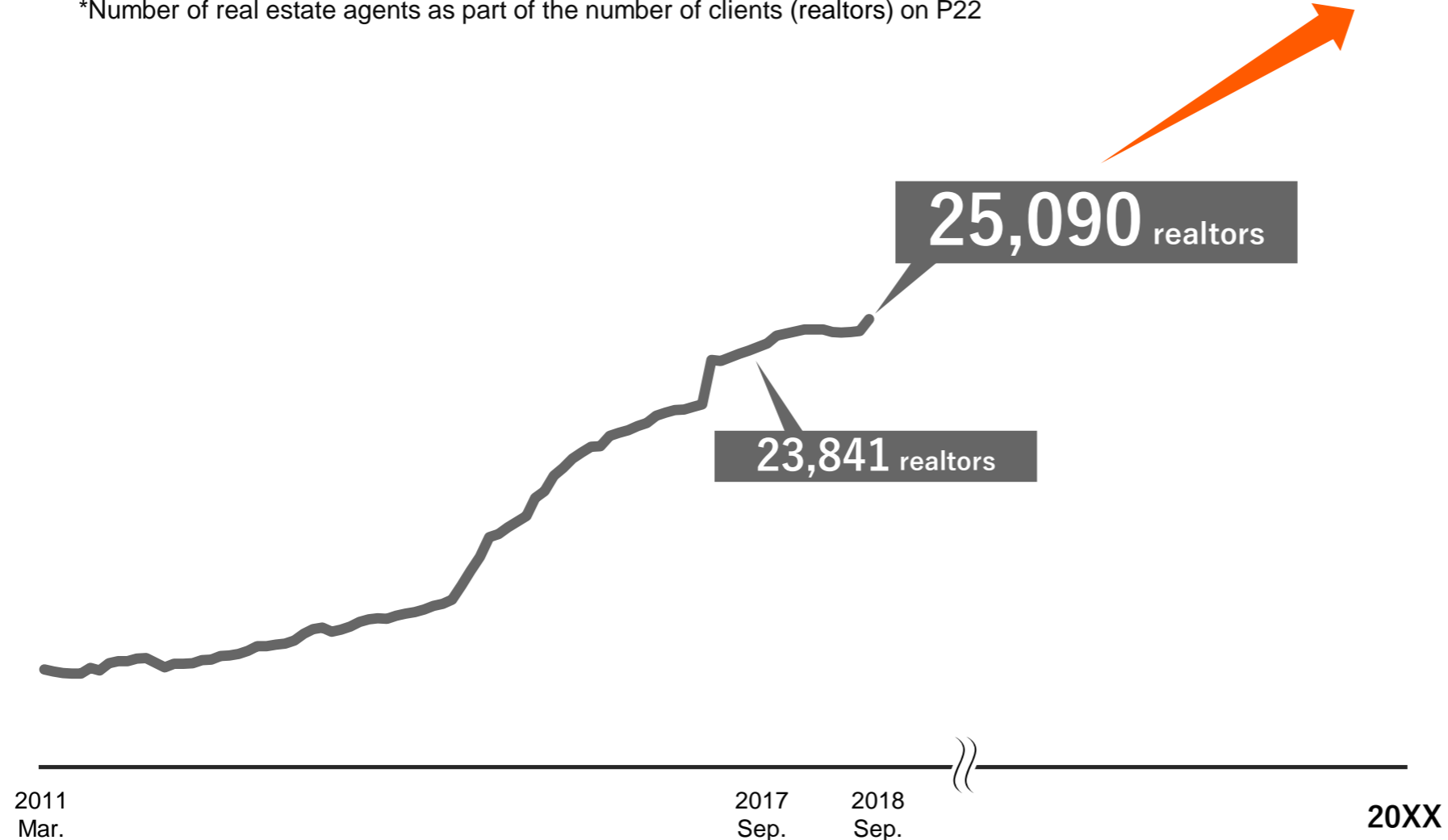
New Houses and Condos



Number of Affiliated Realtors

Affiliated realtors^{*} network has been expanding steadily

*Number of real estate agents as part of the number of clients (realtors) on P22



Mid to Long-Term Target
○ **40,000** realtors

Steady Growth



Media Capability Enhancement - visualization of price information

Add “sell and rent” simulator to “Visible! Real Estate Value” (a website to calculate property value)

Visualize profit and loss of “sell” and “rent” respectively using LIFULL’s internal data and enable property owners to make decisions by themselves on how to utilize their properties in the future.

Input basic property data

「売る or 貸す」シミュレータ
部屋情報や物件取得時の情報を入力すると、現時点で売った場合と貸した場合の50年間の収支が試算できます。

お金について	購入金額	3000	万円	頭金	0	万円
	金利	1.2	%	ローン期間	35	年
	残ローン期間	27	年	0	ヶ月	
物件について	建物階数	10	階	所在階	8	階
	専有面積	60	m ²	物件取得年月	2010	年 10
支出について	管理委託費 ※	5	%	修繕積立金	2	万円
	所得税	20	%	住民税	10	%



Simulation result of profit and loss the property will generate



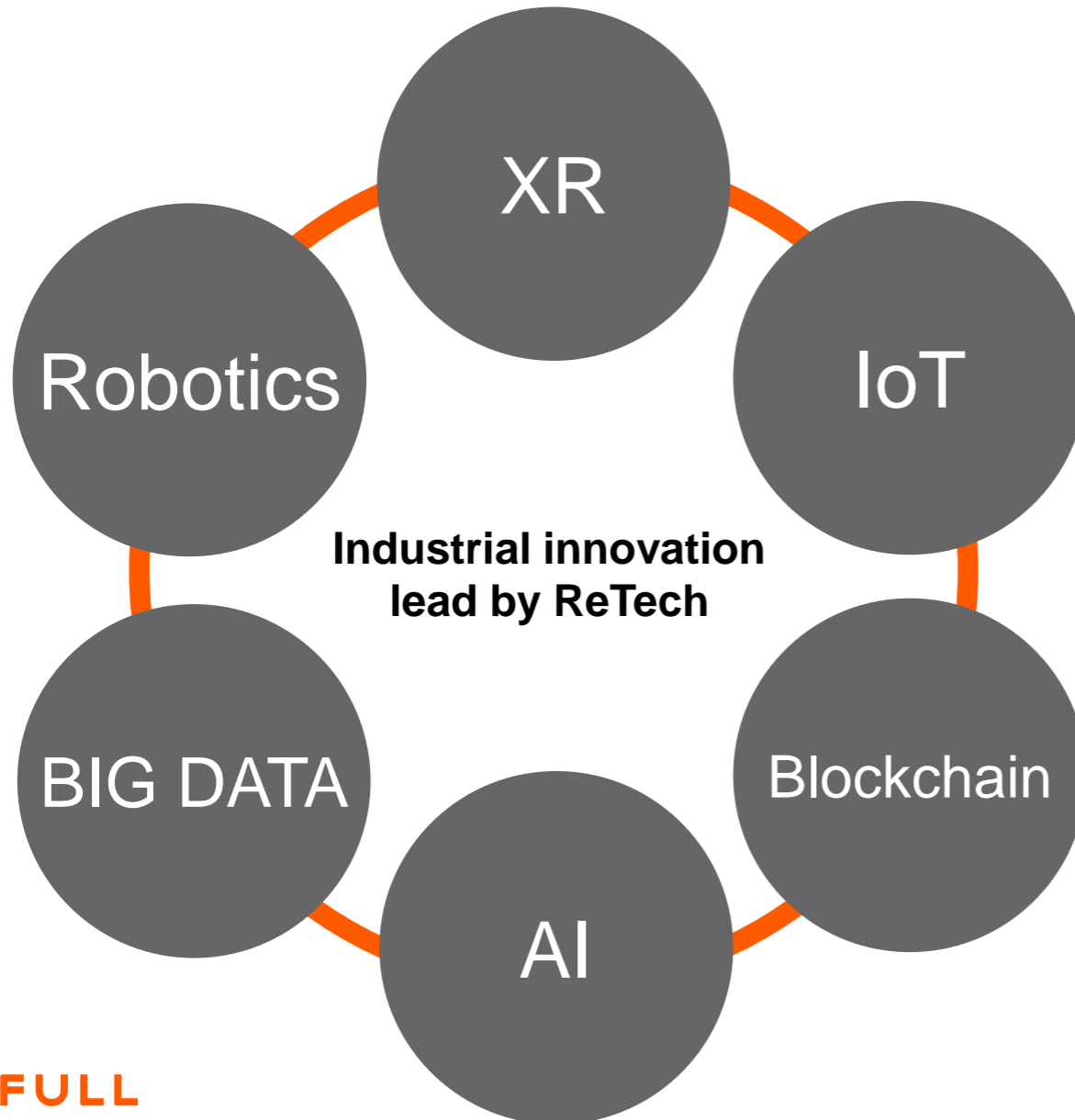
見える！不動産価値

検索

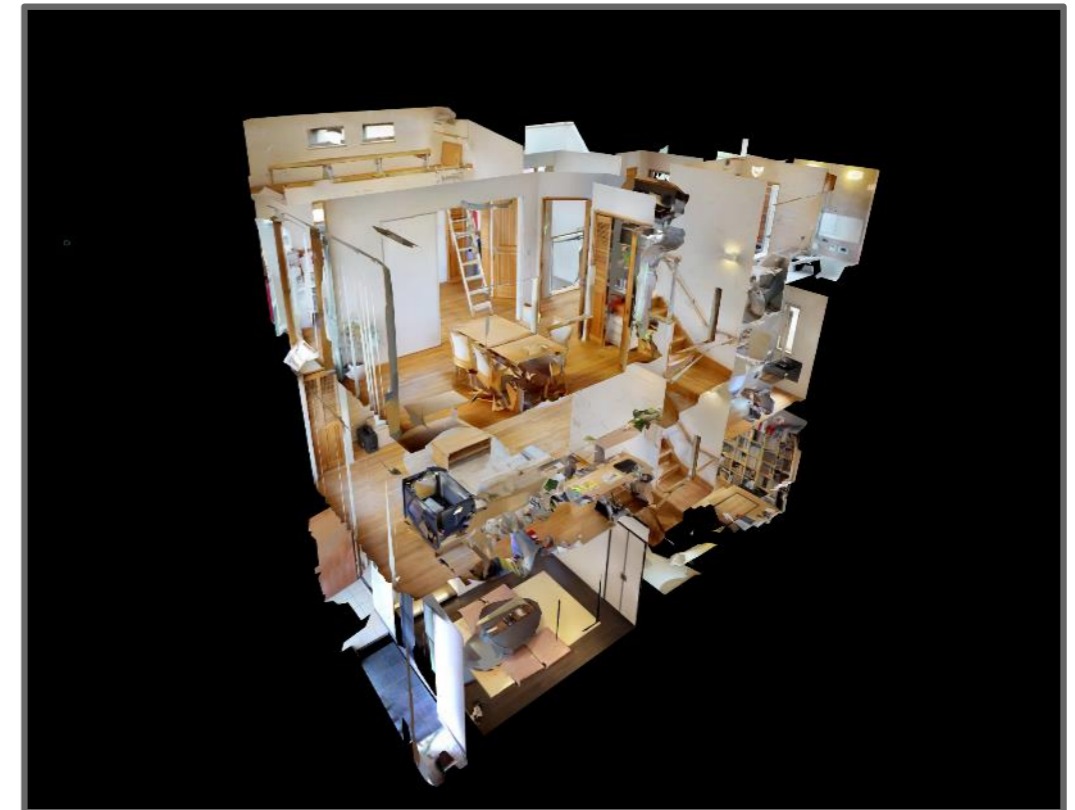
<https://www.homes.co.jp/owner/>

Real Estate Tech (ReTech)

Provide support to both users and realtors by utilizing advanced technologies to enable the users to find their ideal home more easily and enjoyably



— < example: 3D model house *image > —



3D Model House

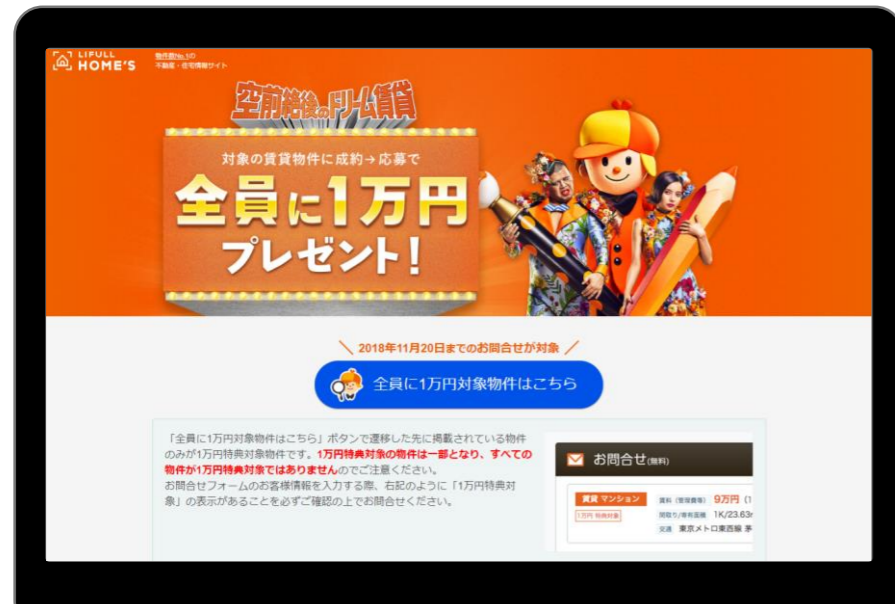
search

<https://www.homes.co.jp/iezukuri/contents/3dmodelhouse/>

*Above service uses the "Matterport 3D Reality Capture Solution" developed by Matterport, Inc.(US)

Air TV commercial linked with the campaign to strengthen LIFULL HOME'S brand power

JPY10,000 cash back campaign



Hold a campaign where everyone who applies for the campaign after signing up a contract with one of the designated properties can get JPY10,000.

Purpose of the campaign is to raise the media value by referring highly potential customers to realtors.

Unprecedented dream rental campaign



Projection mapping designed by Ms. Becky or Mr. Kukki will be aired at the house of the campaign winner. A projector with which part of the projection mapping can be enjoyed will be presented to the winner as well.
※The campaign has been ended



TVCM

Started to air “unprecedented dream rental campaign” TV commercial from August 24.

Aim to strengthen LIFULL HOME'S brand power and raise the campaign effect by airing a TV commercial linked with the campaign.

Investment to penetrate LIFULL brand - promotion



Started to air new TV commercial to raise awareness on LIFULL

<https://media.lifull.com/>

Investment to utilize advanced technologies

Make investment to utilize AI, big data, block-chain and other advanced technologies.

Established AI Strategy Office directly reporting to the CEO



Established a division within the company specialized in promoting AI technology utilization. Service quality and operational efficiency to be improved by proactively utilizing the technology.

Established a consortium to share real estate information utilizing block-chain



Utilize block-chain technology to share real estate information among different industries and to consider a way to improve information accuracy and to use information for new services.

Has participated Seven & i Data Lab to utilize big data



Solve life and social related issues by sharing insights generated by statistical data owned by participating companies.

* image source: A news release issued by Seven & I Holdings
https://www.7andi.com/dbps_data/_material/_files/000/000/003/005/2018060101.pdf

(ref.) Condensed Statements of Profit and Loss (quarterly) IFRS

HOME'S Services Business: Initiatives to increase ARPA on the way to accelerate the business growth

Overseas Business: Increase in revenue backed by Trovit growth. Significant increase in profit due to the decrease in cost following the dissolution of the overseas business division.

Unit: JPY mil	FY17/9 Q2 July-Sep.	FY18/9 Q4 July-Sep.	Change	Change %
Revenue	8,154	8,549	+394	+4.8%
HOME'S Services	6,816	6,963	+147	+2.2%
Overseas	858	1,058	+199	+23.2%
Others	479	527	+48	+10.0%
Cost of sales	946	1,006	+60	+6.4%
SG&A (excl. depreciation)	6,100	6,555	+455	+7.5%
Personnel expenses	1,816	2,082	+265	+14.6%
Advertising expenses	2,695	2,869	+174	+6.5%
Operating expenses	215	229	+13	+6.4%
Other	1,373	1,374	+1	+0.1%
Other revenues and expenses	-30	-44	-14	-
EBITDA	1,077	942	-134	-12.5%
EBITDA ratio	13.2%	11.0%	-2.2p	-
Net profit*	467	585	+118	+25.3%
Depreciation and amortization	266	263	-3	-1.1%

Unit JPY mil	FY17/9 Q2 July-Sep.	FY18 Q4 July-Sep.	Change	Change %
Segment income and loss	841	724	-117	-13.9%
HOME'S Services	802	580	-221	-27.6%
Overseas	66	225	+159	+239.0%
Others	-46	-111	-65	-
Inter-segment transaction	18	29	+10	+54.9%

*Net profit attributable to owners of the parent

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



Others Data



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	2Q	3Q	4Q
Revenue	5,457	6,441	6,280	7,527	6,846	6,910	7,107	9,056	7,793	8,154	8,128	9,541	8,345	8,549
HOME'S Services Business	4,280	5,210	5,167	6,263	5,616	5,782	5,955	7,662	6,472	6,816	6,742	8,062	6,833	6,963
Overseas Business	904	940	796	865	823	750	750	867	859	858	883	935	983	1,058
Others Business	273	290	317	397	406	377	400	525	461	479	502	542	528	527
Cost of sales	141	737	597	651	670	737	774	897	915	946	928	946	996	1,006
SG&A	4,036	4,640	4,343	5,605	4,776	4,581	5,422	6,627	6,346	6,100	5,862	6,987	5,948	6,555
Personal expenses	1,366	1,479	1,535	1,888	1,773	1,531	1,811	1,923	1,993	1,816	1,962	1,783	1,963	2,082
Advertising expenses	1,524	2,002	1,527	2,291	1,689	1,730	2,145	2,834	2,719	2,695	2,426	3,657	2,431	2,869
Operating expenses	208	245	305	257	246	236	282	244	240	215	236	267	209	229
Other SG&A	937	912	975	1,168	1,066	1,082	1,183	1,624	1,393	1,373	1,236	1,279	1,344	1,374
Other revenues and expenses	▲ 13	▲ 41	▲ 33	▲ 33	▲ 6	▲ 42	▲ 30	▲ 39	▲ 72	▲ 30	71	18	6	▲ 44
EBITDA	1,267	1,022	1,306	1,237	1,392	1,549	879	1,491	458	1,077	1,408	1,624	1,406	942
Depreciation/amortization cost	214	214	230	205	221	217	338	468	253	266	274	266	263	263
Operating profit	1,052	808	1,076	1,031	1,171	1,331	540	1,022	205	811	1,134	1,358	1,142	679
Net income *	682	552	693	742	734	942	331	756	22	467	591	980	702	585
EBITDA margin	23.2%	15.9%	20.8%	16.4%	20.3%	22.4%	12.4%	16.5%	5.9%	13.2%	17.3%	17.0%	16.9%	11.0%

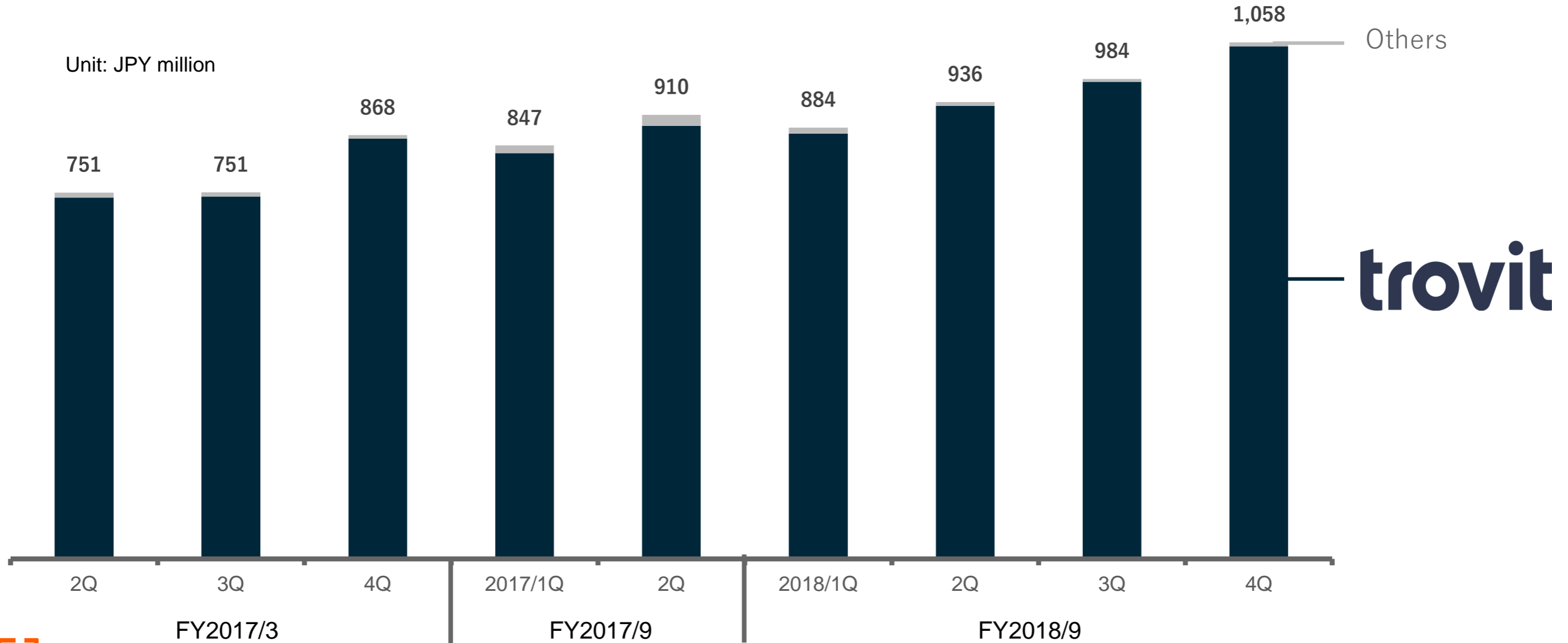
*Net income = Net income attributable to owners of the parent

*We made modification to disclosure segments since FY2017/09. Sales of prior periods has been described in conjunction with the change of segment.

Overseas Business Actual Results - Revenue (by quarter)

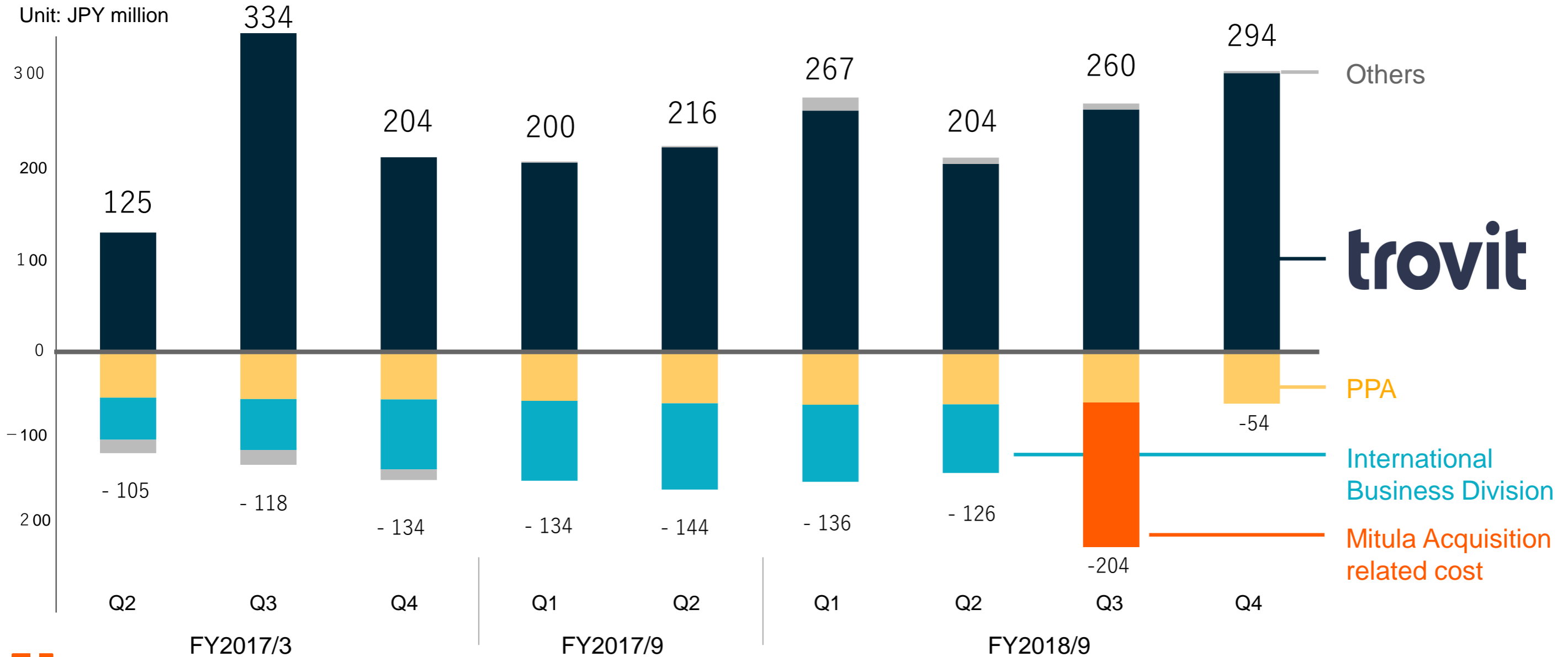
Overseas Business has been growing lead especially by Trovit

Unit: JPY million



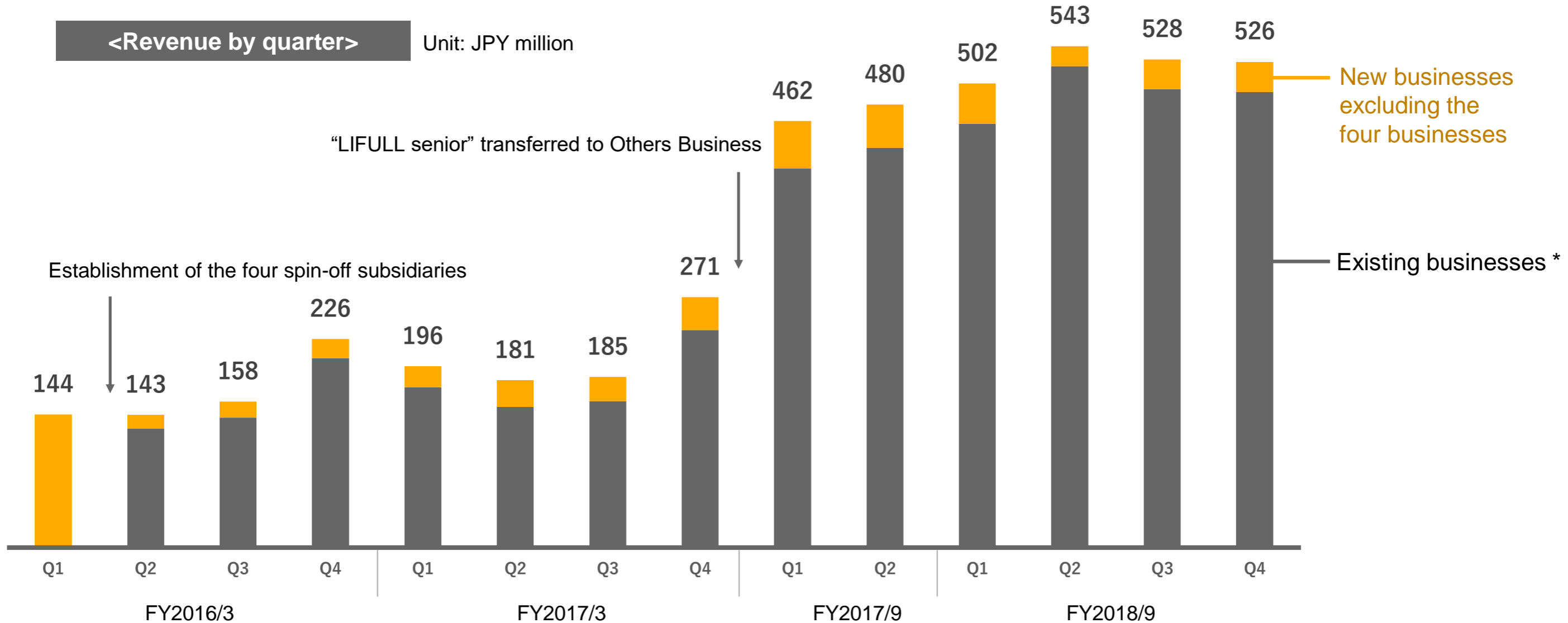
Overseas Business Actual Results - Operating Profit (by quarter)

Overseas Business has been growing lead especially by Trovit



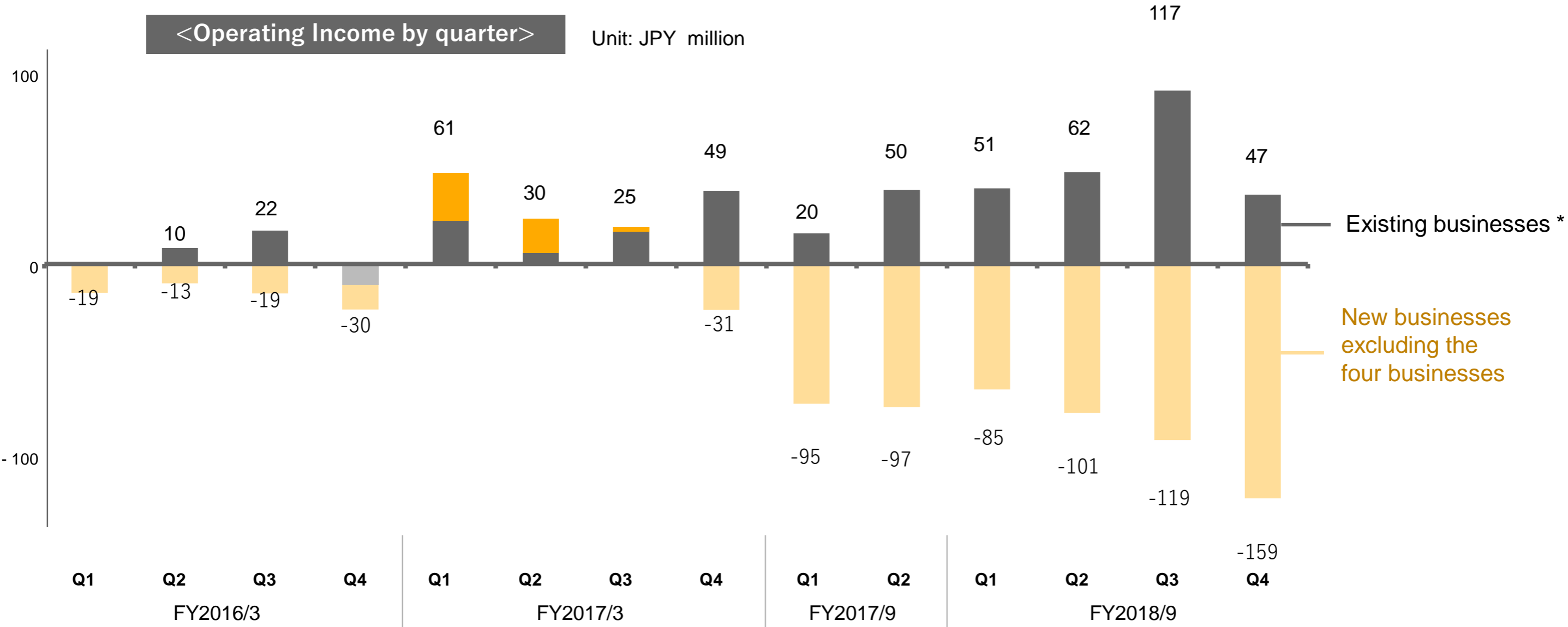
Others Business Actual Results - Revenue

The Business has been growing lead especially by the four spin-off subsidiaries



Others Business Actual Results - Operating Income (quarterly)

Existing business increased steadily. Other business is investment stage, but plan to further grow further



External Market Data

	2015 (Jan-Dec)	2016 (Jan-Dec)	2017 (Jan-Dec)	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	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Capital Region	40,449	35,772	35,898	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	1,934	2,490	3,617	2,342	2,462	2,659
YoY	-9.9%	-11.6%	0.4%	-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%	39.7%	7.8%	6.1%	-14.6%	-5.4%	16.4%
Kinki	18,930	18,676	19,560	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	1,091	1,818	1,745	1,742	1,480	1,211
YoY	0.6%	-1.3%	4.7%	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%	-21.8%	30.4%	10.8%	25.2%	-14.8%	-8.3%
Capital Region	5,518	5,490	5,908	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	5,293	6,128	6,220	5,548	6,030	6,244
YoY	9.1%	-0.5%	7.6%	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%	-23.4%	5.8%	11.3%	-6.3%	0.8%	10.7%
Kinki	3,788	3,919	3,836	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	4,017	3,655	3,695	3,825	3,868	3,578
YoY	3.9%	3.5%	-2.1%	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%	20.2%	-2.5%	-7.3%	-0.2%	8.3%	-5.2%

	2015 (Jan-Dec)	2016 (Jan-Dec)	2017 (Jan-Dec)	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	Jan-18	Feb-18	Mar-18	Apr-18	May-18
House for Rent	378,718	418,543	419,397	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	28,251	29,420	29,750	35,447	31,083
YoY	4.6%	10.5%	0.2%	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%	-10.8%	-4.6%	-12.3%	-2.1%	-5.6%
Apartment	115,652	114,570	114,830	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	6,525	8,267	7,865	12,350	11,861
YoY	4.7%	-0.9%	0.2%	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%	-50.2%	9.3%	-8.0%	2.1%	20.7%
House	123,624	133,739	138,189	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	10,743	10,560	10,957	12,324	11,944
YoY	-1.4%	8.2%	3.3%	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%	-1.1%	-1.3%	-0.8%	7.1%	5.8%
Owned house	283,366	292,287	284,283	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	20,257	20,013	20,576	23,289	23,321
YoY	-0.7%	3.1%	-2.7%	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%	0.1%	-6.1%	-4.2%	-1.9%	-2.2%

	2015 (Jan-Dec)	2016 (Jan-Dec)	2017 (Jan-Dec)	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	Jan-18	Feb-18	Mar-18	Apr-18	May-18	
Total	5,384,553	5,251,717	5,318,617	367,684	339,023	334,441	321,162	355,467	958,776	749,778	405,155	353,114	375,493	383,375	344,877	388,250	341,825	341,345	328,372	360,501	913,555	761,821	420,739	
YoY	3.4%	-2.5%	1.3%	-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%	2.2%	1.4%	-4.7%	1.6%	3.8%	
Only Japanese	5,041,483	4,880,967	4,893,581	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	296,517	327,575	860,107	712,159	384,355	
YoY	2.7%	-3.2%	0.3%	-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%	0.6%	-0.2%	-5.0%	1.4%	3.6%	
Unit : Thousand	Oct. 1, 2014	Oct. 1, 2015	Oct. 1, 2016	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	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Total	127,237	127,095	126,933	126,933	126,937	126,918	126,822	126,790	126,755	126,761	126,724	126,766	126,786	126,755	126,678	126,706	126,714	126,995	126,592	126,609	126,520	126,530	126,490	126,520

[Source] (1)(2)Real Estate Economic Institute Co., Ltd. (3)Source : Ministry of Land, Infrastructure, Transport and Tourism (4)(5)Source : Ministry of Internal Affairs and Communications

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