

LIFULL Co., Ltd.

# First Quarter Results

IFRS

FY2022/9 Q1  
(October 2021 – December 2021)

**Disclaimer**

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

# Index

1. Main Points for FY 2022/9 First Quarter P 2
2. FY 2022/9 First Quarter Financial Results P 5
3. Transformation of LIFULL HOME'S P 12
4. Overseas Strategy P 17
5. Acquisition of Properati P 21
6. Appendices P 28
7. IR Team Contact Information P 43



# Main Points for FY 2022/9 First Quarter

## FY 2022/9 First Quarter Earnings

Revenue

¥8.5 Billion

YoY +2.9%

+24.1% YoY growth Overseas driving overall growth

Profit

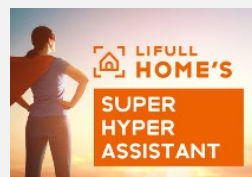
¥0.5 Billion

YoY -24.1%

Due to increased SG&A expenses from proactive growth investments in LIFULL HOME'S

## TOPICS

### Transformation of LIFULL HOME'S



New parts of LIFULL HOME'S service transformation released

(Details on Page 13)

### Expansion in South American Market



Acquisition of Latin American portal network, Properati. Expected consolidation from Jan. 2022

(Details on Page 21)



FY 2022/9

# PERIOD OF INVESTMENT



# Areas of Investment During FY 2022/9

Making growth investments focused around LIFULL HOME'S

## GROWTH INVESTMENTS

### PEOPLE

#### Hiring

Personnel (YoY)

Approx. **+13%**<sup>1,2</sup>

Focusing hiring on **engineers** to help develop the services for our transformation

### SERVICE

#### Service Development

System-Related Costs (YoY)

Approx. **+17%**<sup>1</sup>

Increases primarily in **system fees** and **outsourcing costs**

### PROMOTION

#### Brand Awareness

Advertising Spending (YoY)

Approx. **+14%**<sup>1</sup>

Proactive promotion of new services and features **to raise brand recognition**



FY 2022/9



# First Quarter Financial Results



(October 1, 2021 – December 31, 2021)



# Condensed Statements of Income and Loss IFRS

Growth in Overseas subsidiary, LIFULL CONNECT, revenue driving overall growth (+2.9%.)

Lower operating income YoY due to proactive growth investments in LIFULL HOME'S.

Unit: JPY mil.	FY2021 Q1 (Oct.-Dec.)	FY2022 Q1 (Oct.-Dec.)	Change	Change %	
<b>Revenue</b>	<b>8,271</b>	<b>8,510</b>	<b>+239</b>	<b>+2.9%</b>	*1
<b>Cost of revenue</b>	<b>945</b>	<b>947</b>	<b>+1</b>	<b>+0.2%</b>	
<b>SG&amp;A</b>	<b>6,467</b>	<b>7,010</b>	<b>+543</b>	<b>+8.4%</b>	
<b>Personnel expenses</b>	2,345	2,203	-142	-6.1%	*2
<b>Advertising expenses</b>	2,155	2,731	+576	+26.7%	*3
<b>Operating expenses</b>	96	121	+25	+26.7%	
<b>Depreciation and amortization</b>	524	459	-65	-12.4%	*4
<b>Other</b>	1,345	1,494	+148	+11.0%	*5
<b>Other income and expenses</b>	<b>-83</b>	<b>36</b>	<b>+119</b>	<b>-</b>	*6
<b>Operating income</b>	<b>775</b>	<b>588</b>	<b>-186</b>	<b>-24.1%</b>	
<b>Operating income margin</b>	<b>9.4%</b>	<b>6.9%</b>	<b>-2.5pt</b>	<b>-</b>	
<b>Net profit*</b>	<b>387</b>	<b>365</b>	<b>-22</b>	<b>-5.8%</b>	

\* Net profit attributable to owners of the parent

\*1 Refer to segment revenue (Page 7)

\*2 The number of employees increased YoY by 15 as of Dec. 31, 2021. However, the negative profit forecast has led to a decrease in bonus provisions

\*3 Primarily for active investments in domestic business

\*4 Due to termination of office leases for subsidiaries and completion of depreciation on some customer-related assets

\*5 Primarily due to increased spending for subcontracting, system usage and development

\*6 Primarily due to fluctuations in foreign currency exchange rates

## Revenue / Income and Loss by Segment IFRS

Reduced revenue in HOME'S Services due to sluggish recovery in new build market and adjustments after change in pricing scheme and reduced profit due to growth investments. However, Overseas markets returning to pre-COVID levels with increased revenue and profit primarily from aggregation services.

Unit: JPY mil.	FY2021 Q1 (Oct.-Dec.)	FY2022 Q1 (Oct.-Dec.)	Change	Change %	Main items
<b>Revenue</b>	<b>8,271</b>	<b>8,510</b>	<b>+239</b>	<b>+2.9%</b>	
<b>HOME'S Services</b>	6,346	6,139	-207	-3.3%	Due to adjustments for changes in the pricing scheme and lower listings of new-build properties
<b>Overseas</b>	1,440	1,787	+347	+24.1%	Revenue growth in aggregation and portal sites (Approx. 4.8% cheaper JPY)
<b>Other</b>	484	583	+99	+20.5%	Primarily increases in from LIFULL senior, LIFULL Investment, other subsidiaries and Regional Revitalization

Unit: JPY mil.	FY2021 Q1 (Oct.-Dec.)	FY2022 Q1 (Oct.-Dec.)	Change	Change %	Main items
<b>Segment income and loss</b>	<b>858</b>	<b>552</b>	<b>-305</b>	<b>-35.6%</b>	
<b>HOME'S Services</b>	869	318	-551	-63.4%	Due to proactive promotion investments to stimulate growth
<b>Overseas</b>	172	401	+229	+133.2%	Due to increased revenue
<b>Other</b>	-190	-180	+10	-	
<b>Inter-segment transactions</b>	7	12	-	+76.8%	

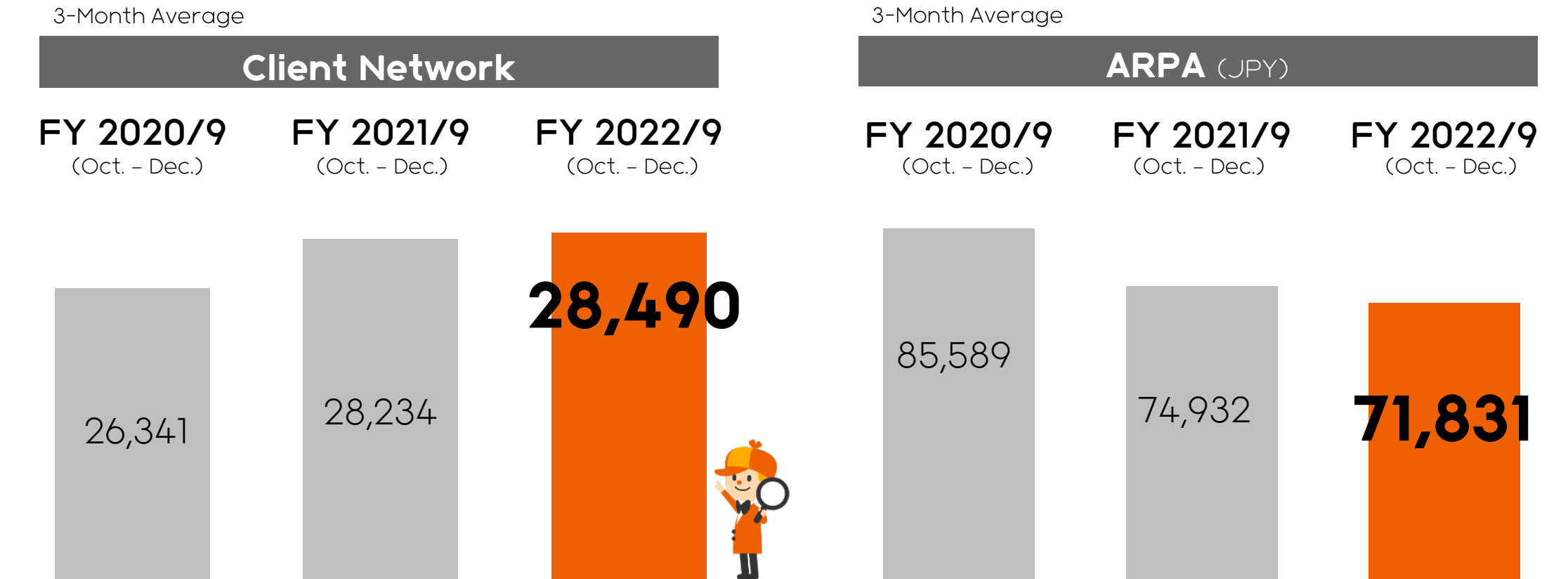
Primary businesses in each segment are listed on [Page 32](#)

The % Change values for negative results in the current previous periods have been left blank



# Key Performance Indicators Client Network and ARPA

Our client network continues to progress smoothly in the custom-built, re-sale and investment markets, but the increase in clients and decrease in revenue have had a negative impact on ARPA.



As of this report, we have begun including effects of the acquisition of Kenbiya Co., Ltd. which occurred in August 2020 and have updated figures for previous years to reflect the change.

# Condensed Statement of Financial Position and Goodwill IFRS

Unit: JPY mil.	As of Sep 30, 2021	As of Dec 31, 2021	Change	Change %	Main items	
<b>Current assets</b>	21,544	21,001	-543	-2.5%	Cash	-962 Refer to "Condensed Statement of Cash Flows"
					Accounts Receivable - Trade	-478
					Inventory Assets	+292 Primarily Regional Revitalization efforts
					Short-Term Loans Receivable	+222 Primarily Regional Revitalization efforts
					Prepaid Expenses	+223 Annual system usage fees
					Income Taxes Receivable	+180
<b>Non-current assets</b>	24,342	23,745	-597	-2.5%	Right-of-Use Assets	-186
					Long-Term Loans Receivable	-308 Primarily Regional Revitalization efforts
					Deferred Tax Liabilities	-53
<b>Assets</b>	<b>45,887</b>	<b>44,746</b>	<b>-1,140</b>	<b>-2.5%</b>		
<b>Current liabilities</b>	12,139	11,076	-1,063	-8.8%	Accounts Payable - Trade	-380
					Short-Term Loans Payable	-353
					Accounts Payable	-182
					Deposits Received	+104
					Provisions for Bonuses	-282 Decrease in employee bonuses due to negative profit forecast
<b>Non-current liabilities</b>	5,209	5,163	-46	-0.9%	Long-Term Loans Payable	+134 Primarily Regional Revitalization efforts
					Long-Term Lease Obligations	-185
<b>Liabilities</b>	<b>17,349</b>	<b>16,239</b>	<b>-1,109</b>	<b>-6.4%</b>		
<b>Total Equity</b>	<b>28,538</b>	<b>28,507</b>	<b>-31</b>	<b>-0.1%</b>	Capital Surplus	-111
					Foreign Currency Translation Adjustm.	+88 Due to fluctuations in foreign currency exchange rates
<b>Equity per share attributable to owners of the parent (JPY)</b>	<b>215.61</b>	<b>215.47</b>	<b>-0.14</b>			

Primary Remaining Goodwill (in JPY): Littel 86 mil., LIFULL CONNECT 10,356 mil., LIFULL Marketing Partners 251 mil., Kenbiya 271 mil., LIFULL Tech Vietnam 96 mil., Trovit, Mitula, LIFULL Marketing Partners and Kenbiya PPA 1,523 mil.

# Condensed Statement of Cash Flow IFRS

Cash and cash equivalents decreased by ¥0.9 billion to ¥12.1 billion due to decreases in inventory assets, bonus payments and repayment of loans.

Unit: JPY mil.	FY2021 Q1	FY2022 Q1	Change	Main items		
	(Oct.-Dec.)	(Oct.-Dec.)		Items	FY2021 Q1	FY2022 Q1
<b>Operating cash flow</b>	-1,087	-8	+1,079	Profit for the period before tax	+723	+573
				Depreciation and amortization	+529	+464
				Decr. (incr.) in accounts receivable-trade and other current receivables	+204	+496
				Incr. (decr.) in accounts payable-trade and other current payables	-293	-604
				Other	-1,041	-517 *
				Tax payments	-1,208	-399
<b>Investing cash flow</b>	-185	-66	+119	Purchase of intangible assets	-85	-136
				Business acquisition expenditures	-385	-
				Payments of loans receivable	-161	-209
				Proceeds from collection of loans receivable	+464	+296
<b>Financing cash flow</b>	-931	-882	+48	Proceeds from loans payable	+234	+205
				Repayment of loans payable	-251	-424
				Dividends paid	-689	-470
				Repayment of lease obligations	-232	-187
				Proceeds from share issuance to non-controlling interests	+11	-
<b>Change in cash and cash equivalents</b>	<b>-2,049</b>	<b>-962</b>	<b>-</b>			
<b>Balance of cash and cash equivalents</b>	<b>13,912</b>	<b>12,183</b>	<b>-1,729</b>			

\* Primarily bonus provisions and inventory assets

# FY 2022 /9 Forecast and Progress IFRS

## Condensed Statements of Income and Loss

	FY2022 Oct.-Sep. [Full-Year Forecast]	FY2022 Q1 Oct.-Dec. [Actual]	Progress
Unit: JPY mil.			
<b>Revenue</b>	<b>39,000</b>	<b>8,510</b>	<b>21.8%</b>
<b>Cost of revenue</b>	<b>4,512</b>	<b>947</b>	<b>21.0%</b>
<b>SG&amp;A</b>	<b>32,797</b>	<b>7,010</b>	<b>21.4%</b>
Personnel expenses	9,844	2,203	22.4%
Advertising expenses	13,863	2,731	19.7%
Operating expenses	702	121	17.2%
Other	8,387	1,954	23.3%
Other revenues and expenses	9	36	-
<b>Operating income</b>	<b>1,700</b>	<b>588</b>	<b>34.6%</b>
Operating income margin	4.4%	6.9%	-
<b>Net profit*</b>	<b>700</b>	<b>365</b>	<b>52.1%</b>

## Revenue by Service

	FY2022 Oct.-Sep. [Full-year forecast]	FY2022 Q1 Oct.-Dec. [Actual]	Progress
Unit: JPY mil.			
<b>Revenue</b>	<b>39,000</b>	<b>8,510</b>	<b>21.8%</b>
<b>HOME'S Services</b>	27,832	6,139	22.1%
<b>Overseas</b>	8,192	1,787	21.8%
<b>Others</b>	2,974	583	19.6%

Exchange rate Estimation: EUR 1 = JPY 128

\* Net Profit: Profit attributable to owners of the parent



# Transformation of LIFULL HOME'S

– Becoming a Super Hyper Assistant –

# SUPER HYPER ASSISTANT Expanding Capabilities and Features

We are adding new features to give users a new way to search for properties and find the right new home. These new search experiences are translating into higher user satisfaction and more traffic.



**SUPER  
HYPER  
ASSISTANT**  
For finding  
the right home

人気のこだわり条件

バス・トイレ別	<input type="checkbox"/> できれば <input type="checkbox"/> 必須
2階以上	<input type="checkbox"/> できれば <input type="checkbox"/> 必須
室内洗濯機置場	<input type="checkbox"/> できれば <input type="checkbox"/> 必須
エアコン	<input type="checkbox"/> できれば <input type="checkbox"/> 必須
駐車場あり	<input type="checkbox"/> できれば <input type="checkbox"/> 必須
南向き	<input type="checkbox"/> できれば <input type="checkbox"/> 必須
オートロック	<input type="checkbox"/> できれば <input type="checkbox"/> 必須
追焚機能	<input type="checkbox"/> できれば <input type="checkbox"/> 必須

Choose Filters

7/8個の条件を満たしています

	あなたの希望条件	この物件
資料（管理費等）	7.0万円～14万円	10.5万円(5,000円)
所要時間	半蔵門駅まで60分以内（乗換 指定なし）	半蔵門駅まで30分（乗換1回）
物件種別	アパートマンション一戸建て	賃貸マンション
バス・トイレ別	欲しい	<input type="radio"/>
室内洗濯機置場	欲しい	<input type="radio"/>
エアコン	欲しい	<input type="radio"/>
2階以上	できれば欲しい	2階(4階建)
南向き	できれば欲しい	×

See Overview on Each Property

## Nice-To-Have Searches

Users can set search filters as “must” or “nice to have” for more flexible searches



Available from Jan. 2022<sup>1</sup>

Resulting in more user inquiries



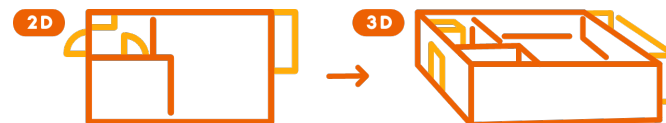
Increase in percentage of property viewing appointments by users looking at 3D Floor Plans

Available on Smartphone from Feb. 2022

Expecting convenience to lead to more users



LIFULL HOME'S  
**3D間取り**  
3D Floor Plans



# Progress in Omnichannel Support Expansion of *Sumai No Madoguchi* Locations

New LIFULL HOME'S *Sumai No Madoguchi* Locations opened with considerable increase in local consultations.

## 2 New Locations OPEN

1

Osaka Sakai  
Kita-Hanada  
Satellite Office

Nov. 13, 2021

New location to boost  
service in Osaka Area

2



Nov. 20, 2021

Converted satellite  
office to official office

**200%**

Increase in local consultations

# 29

Nationwide Locations  
(As of Dec. 31, 2021)

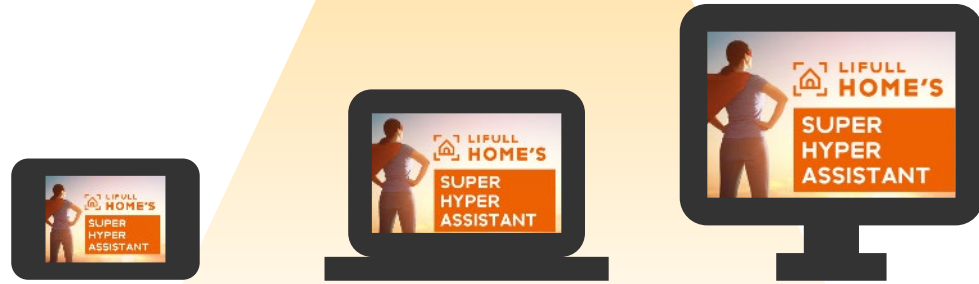
## Continuing to Expand Network

Around 10  
New Locations  
by Sep. 2022

# Actions to Increase Brand Recognition

We are measuring the impact of our promotions to further improve brand recognition as we increase advertising investments.

## Active Promotion to Raise Awareness of our Transformation



Videos

Online

TV



### On-Going Commercials



#### Timing

FY 2021/9

Started in Nov.

FY 2022/9

Started in Aug.

#### Area

FY 2021/9

Kanto, Kansai, Chukyo,  
Fukuoka, Hokkaido,  
Miyagi, Hiroshima

FY 2022/9

+ Okayama  
Kumamoto

### More YouTube Videos



Videos introducing the most helpful features of LIFULL HOME'S for users

#### Timing

Since 2020/12

FY 2021/12 Onward

**Increased Volume**

## Key Points for Future Promotion



Gomez Rental Real Estate Information  
Smartphone Site Ranking No.1  
(In 3 categories of usability)

<https://lifull.com/news/22800/>



Nielsen Annual Real Estate Information  
Site PC Users No. 1



# Promotion for the Peak Moving Season in Japan

New commercials across different advertising channels for the peak moving season

## Heaps of Homes-kuns

6 Different Versions of commercials and online videos

On-air since January 14, 2022

Focus on Search Features and Convenience of LIFULL HOME'S

TVC



"Moving Somewhere Quiet"



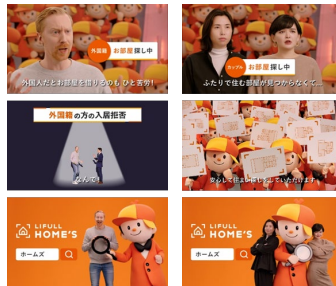
"Live Close to the Office"



"Not Enough Storage After Marriage"

VIDEOS

LIFULL HOME'S  
**ACTION FOR ALL**  
したい暮らしを、あらゆる人に。



Non-Japanese

LGBTQ Friendly

"Everyone is Different, Different Searches for Everyone" Series

## Broader Reach

Expansion to:

Niigata, Ehime, Nagasaki  
Kagoshima and Okinawa



Goal

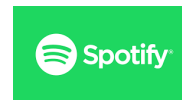
Increasing recognition outside of metropolitan areas

## PROMOTIONS ACROSS MEDIA

Videos



Audio Promotion



SNS Campaign



# Overseas Growth Strategy

# LIFULL CONNECT Growth Strategy Services Tailored to Each Market

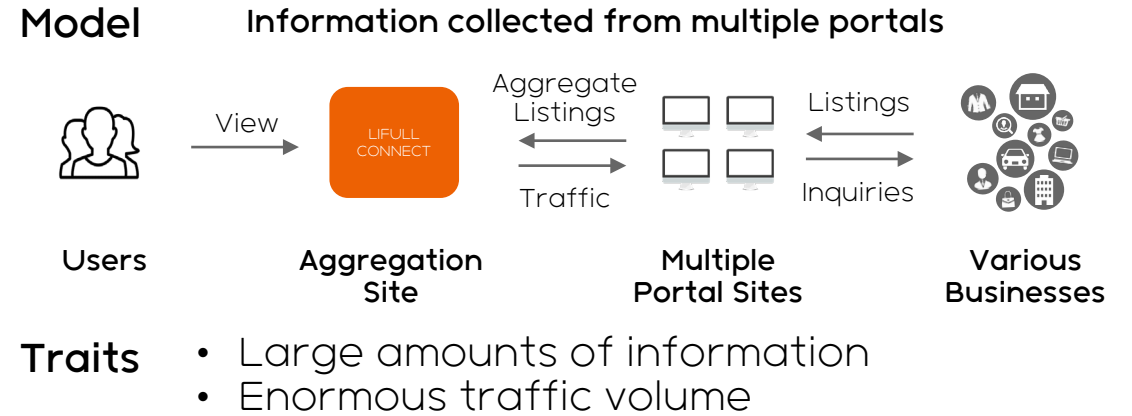
We adapt services across our regions based on the needs and potential of local markets.

## Service Regions of LIFULL CONNECT

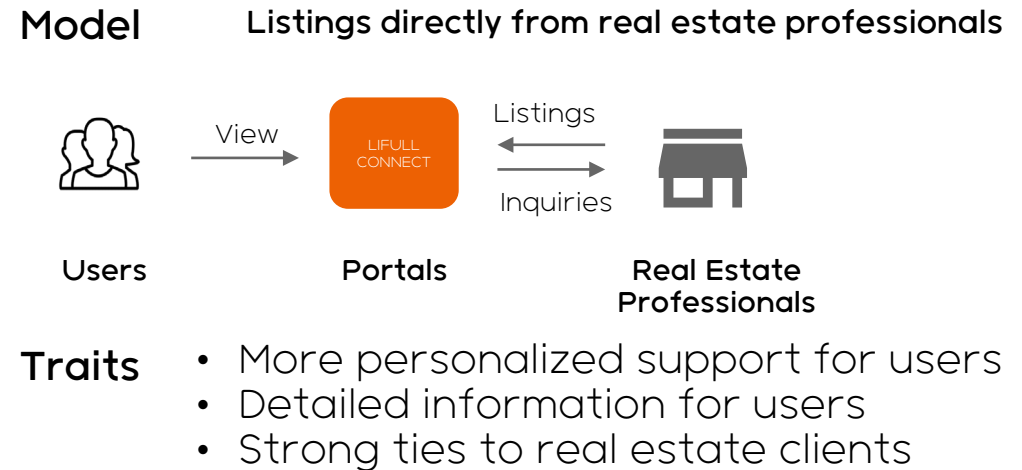


Tailoring our services to local markets

### Aggregation



### Real Estate Portal



# Areas for Real Estate Portals Moving To Direct

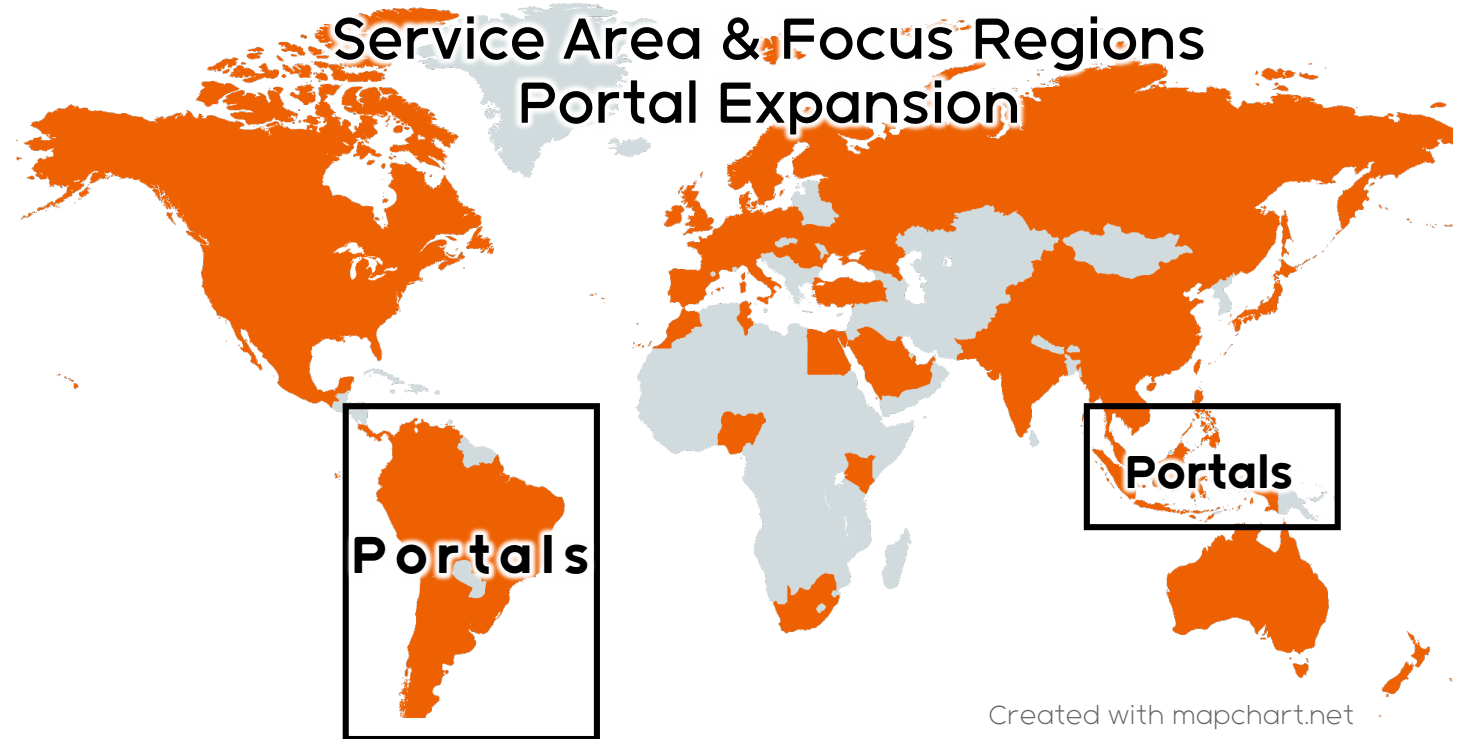
Strengthening our real estate portals in regions where more people are beginning to search for new homes online.

## Criteria for Portal Regions

- 1 More people searching for real estate online
- 2 Existing traffic on aggregation sites in the region
- 3 No dominant real estate portals

# LIFULL CONNECT

Service Area & Focus Regions  
Portal Expansion



# Growth Strategy for Overseas Portals

We are leveraging the advantages of both aggregation sites and local real estate portals to provide more value to users and clients for overall growth.

## Aggregation Sites

## Real Estate Portals

Sales Team  
Client Network

Traffic  
Technology



Leveraging our Resources of  
Traffic, Client Network and Professional Staff



# Acquisition of Properati

– Growth in South America –

# Growing our Network Acquisition of Properati

In January 2022, we completed the acquisition of Properati, a network of real estate portals across South America.



## OVERVIEW

**Est.** 2012

**HQ** Argentina

Local sales teams in  
Colombia, Ecuador and Peru

## Business Areas

Operation of Real Estate Portals with multiple services and business models for real estate agencies and developers

**Employees** 100+

**Sales Staff**  
50+

**Tech Staff**  
30+

## STRENGTHS

High Brand Recognition  
in Home Markets

Local Sales  
& Tech Teams

Expansive  
Client Network

## BUSINESS RESULTS

FY 2020

**Revenue** US\$3.6 million

Consolidation from Jan. 2022



**CEO** Andres Vega

Assumed position in  
Aug. 2021

# Acquisition of Properati Active Markets and Synergy

Since LIFULL CONNECT offers services in many of the regions where Properati is active, we are creating synergies between the client network of Properati and team members for better overall efficiency.



## PROPERATI

Tu próxima casa, hoy

### Active Markets



Optimizing Operations and Growing with Multiple Services in Each Country



Created with Mapchart.net

## Properati's Active Markets & LIFULL CONNECT Services

### Aggregation Sites



Argentina

trovit

Mitula

nurra

nestoria



Colombia

trovit

Mitula

nurra



Peru

trovit

Mitula

nurra

nestoria



Ecuador

trovit

Mitula

nurra



Uruguay

trovit

### Real Estate Portals

icasas

puntopropiedad

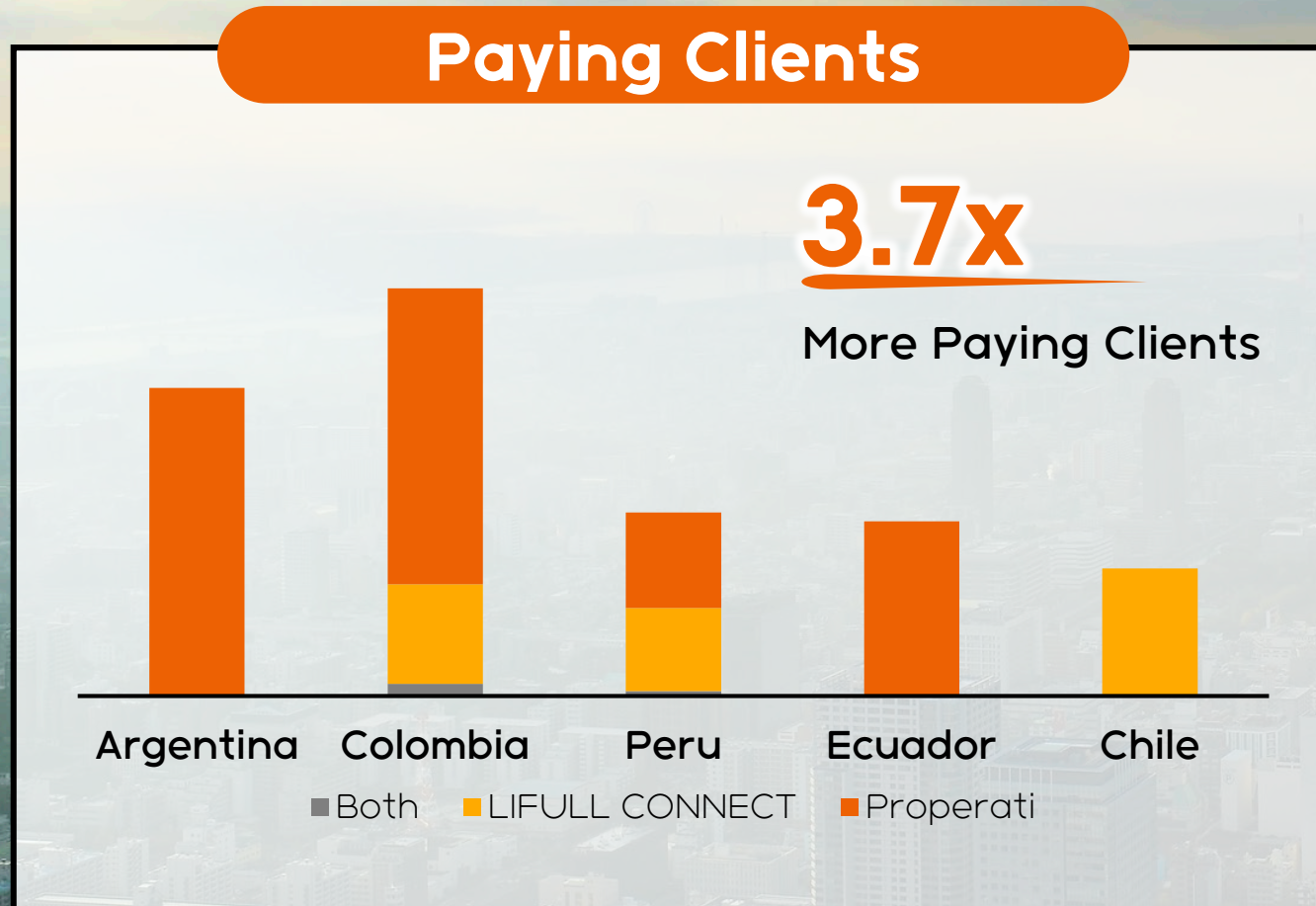
LaEncontré  
TU CASA EN UN CLICK

icasas



## Client Base Comparison to LIFULL CONNECT Real Estate Portals

We have effectively expanded our client network, as there is almost no overlap between paying clients in LIFULL CONNECT and Properati.



Only **6%** Overlap

Very little overlap with the RESEM portal network operated by LIFULL CONNECT

### Listings



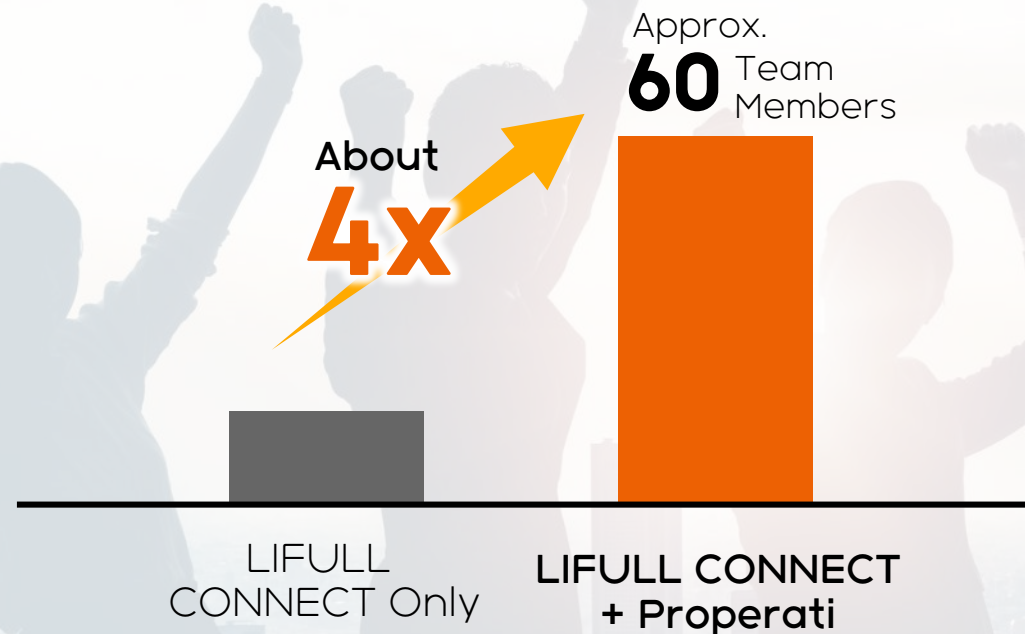
**PROPERATI**  
Tu próxima casa, hoy

**+1 Mil.**  
**LISTINGS**

# Strengthening the Sales Team

By bringing the sales staff of Properati into LIFULL CONNECT, we have strengthened our local sales teams to continue to efficiently grow our client network.

## Sales Staff in South America



Sales Team Members

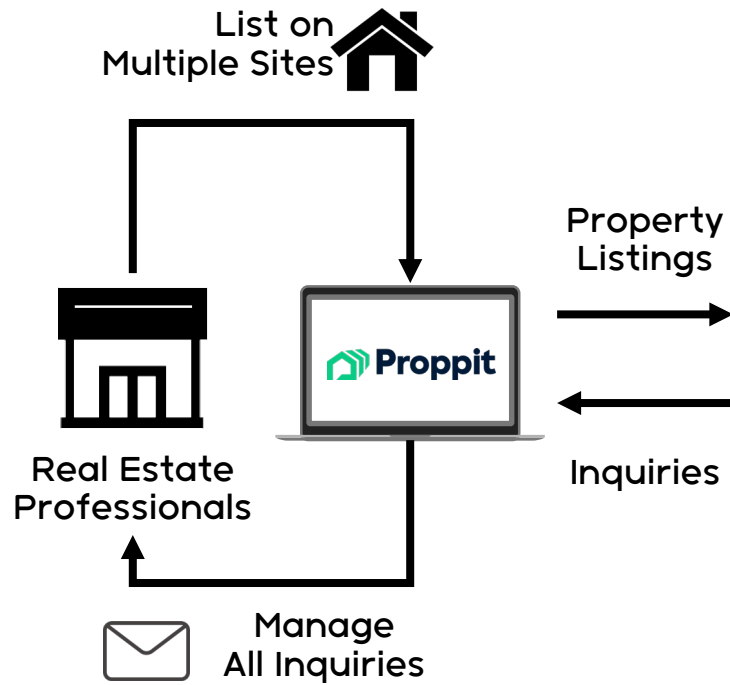
More Local Offices

Strong Local Connections

Using the strengths of Properati, we will continue to increase our client network.

# Connection to Proppit Advantages for Real Estate Professionals

We are integrating Properati clients into Proppit, our marketing solution for real estate professionals, to give them access to the enormous traffic of the LIFULL CONNECT Network and increase the overall listings available for users.



**LIFULL CONNECT NETWORK**

The LIFULL CONNECT NETWORK includes the following portals:

- PROPERATI** (Tu próxima casa, hoy)
- trovit**
- Mitula**
- puntopropiedad**
- icasas**
- nestoria**
- NURCa**
- LaEncontré**

**LIFULL CONNECT NETWORK**

## More Listings

**PROPERATI**  
Tu próxima casa, hoy

Client Network

<b>Visibility</b>	<b>Inquiries</b>
<b>6x</b>	<b>3.5x</b>

(Results as of March 2021)



 **LIFULL**

Make Every LIFE FULL

# Appendices

# Corporate Information (as of December 31, 2021)

**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 9,716 mil.

**Stock issues** 134,239,870 shares (incl. 2,458,270 shares of treasury stock)

**Consol. number of employees** 1,492 (incl. 191 temporary and 343 overseas)

**Major shareholder** LIFULL Directors, Rakuten Group, Inc. (18.1%)

**Main subsidiaries (stake)** LIFULL CONNECT, S.L.U. (100%)  
LIFULL Marketing Partners (100%)



President and CEO **Takashi Inoue**



**Head Office**  
Chiyoda-ku, Tokyo, Japan

## LIFULL HOME'S Real Estate and Housing Information Site

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

- One of the largest real estate listing sites in Japan.
- Apart from property listings, LIFULL HOME'S also features an in-house Quality Screening Team to ensure the reliability of listing information.
- Constantly evolving, the site has been optimized for smart devices to provide the best possible search experience for users.



- Search by city, train line, station or time to destination
- Filters including "No Deposit," "Pets Allowed"
- Select and compare multiple properties
- To-do lists, new property notifications and other extensive support services



LIFULL HOME'S  
iOS · Android Apps



# Primary Group Companies

(Listed according to date of founding / acquisition)

LIFULL Marketing Partners Co., Ltd.	<ul style="list-style-type: none"><li>• Internet marketing for real estate and related business operators</li></ul>
LIFULL senior Co., Ltd.	<ul style="list-style-type: none"><li>• Operation of one of the largest search engines for nursing homes and senior housing in Japan, LIFULL Nursing Care</li><li>• Operation of the search site "Minna no ihinsei" for companies which organize the possessions of the deceased</li></ul>
LIFULL SPACE Co., Ltd.	<ul style="list-style-type: none"><li>• Operation of one of the largest search engines for storage space in Japan, LIFULL Trunk Room</li><li>• Operation of a search site for rental meeting rooms and other spaces, LIFULL Rental Space</li></ul>
LIFULL bizas Co., Ltd.	<ul style="list-style-type: none"><li>• Contractor for clerical work and other back-office operations</li><li>• Contractor for call center operations</li></ul>
LIFULL Investment Co., Ltd.	<ul style="list-style-type: none"><li>• Operation of the crowdfunding platforms, LIFULL Investment</li><li>• Operation of the LIFULL Regional Revitalization Fund</li></ul>
LIFULL Tech Vietnam Co., Ltd.	<ul style="list-style-type: none"><li>• Offshore, lab-type, software and application development as well as creative production</li></ul>
Rakuten LIFULL STAY, Inc. <sup>1,2</sup>	<ul style="list-style-type: none"><li>• Operation of vacation rental platforms</li></ul>
LIFULL CONNECT, S.L.U.	<ul style="list-style-type: none"><li>• Operation of aggregation sites for real estate, job listings, used vehicles and fashion aggregation sites as well as portals</li></ul>
LIFULL ArchiTech Co., Ltd.	<ul style="list-style-type: none"><li>• Research and development on construction and living environments; management of patents</li></ul>
Kenbiya Co., Ltd.	<ul style="list-style-type: none"><li>• Operation of the real estate investment site Kenbiya</li></ul>
LIFULL Leadership Co., Ltd.	<ul style="list-style-type: none"><li>• Employee training consultant: Designing and providing training courses for leadership development and management skills</li></ul>

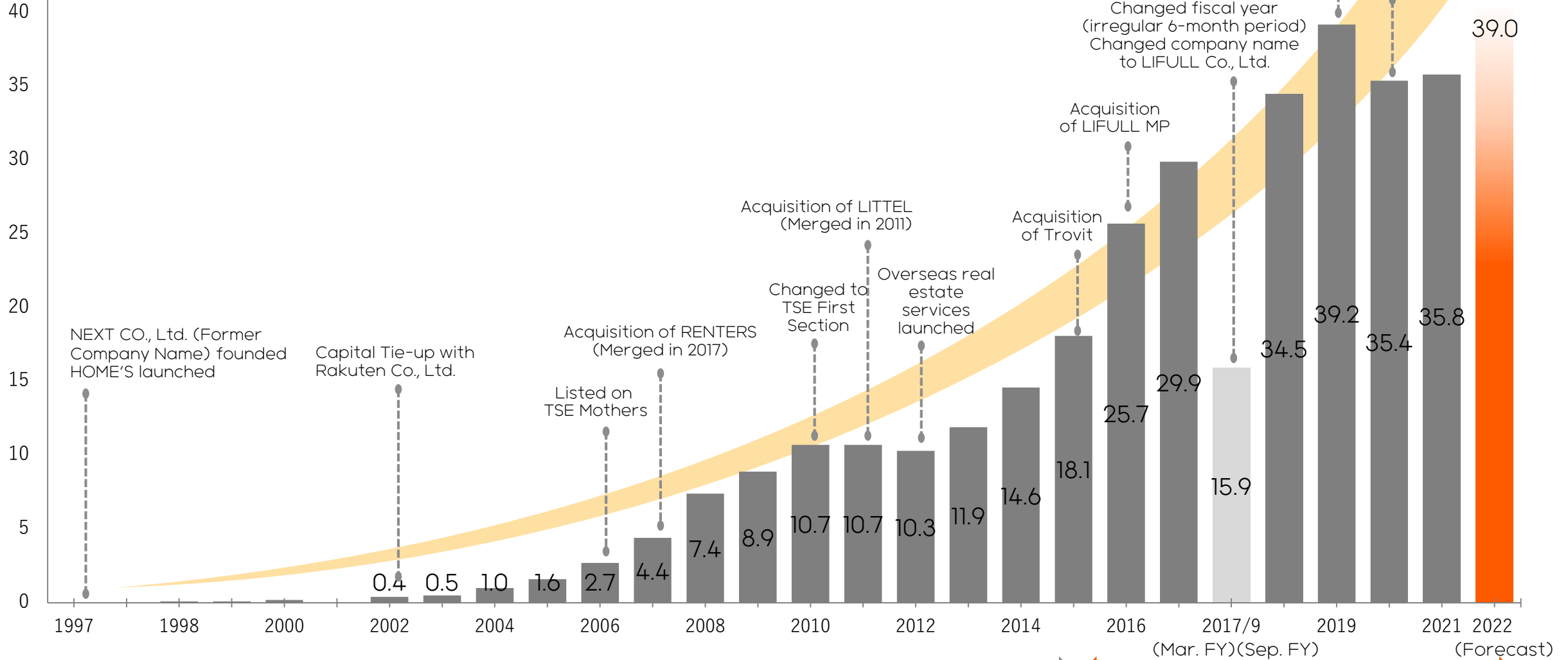


# Segments and Primary Services

Segments	Main services
<p><b>HOME'S Services</b></p>	<p>LIFULL HOME'S            AD Master (former Renter's Net)            NabiSTAR            Advertising &amp; Consulting Agency (LIFULL Marketing Partners Co., Ltd.)            Kenbiya (Kenbiya Co., Ltd.)</p>
<p><b>Overseas</b></p>	<p>Trovit (LIFULL CONNECT)            Mitula (LIFULL CONNECT)            Nestoria (LIFULL CONNECT)            RESEM (LIFULL CONNECT)            Dot Property (LIFULL CONNECT)            App Development (LIFULL Tech Vietnam)            Other subsidiary services of LIFULL CONNECT</p>
<p><b>Other Businesses</b></p>	<p>LIFULL <i>Kaigo</i> (Nursing Care) (LIFULL senior Co., Ltd.)            LIFULL Trunk Room (LIFULL SPACE Co., Ltd.)            Regional Revitalization Business            Financing Business (LIFULL Investment Co., Ltd.)            Regional Revitalization Fund (LIFULL Investment Co., Ltd.)            Other LIFULL subsidiaries and new services</p>

# Annual Revenue and Timeline of Company Growth

(Unit: JPY Billion)



# Consolidated Statements of Profit and Loss Quarterly

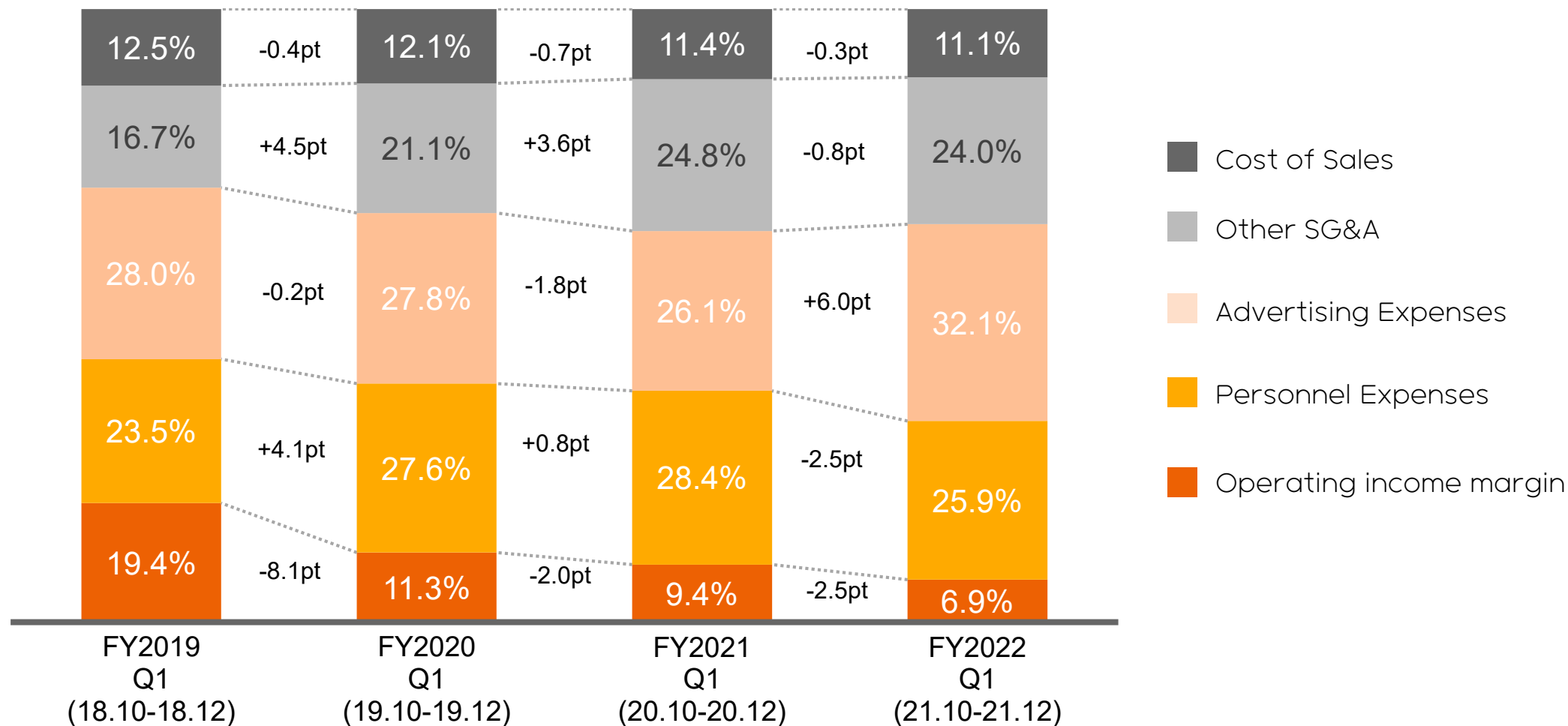
Unit : JPY mil	FY2018				FY2019				FY2020				FY2021				FY2022
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Revenue	8,128	9,541	8,345	8,549	8,391	11,208	9,753	9,944	9,202	9,983	7,706	8,510	8,271	9,581	9,072	8,931	8,510
HOME'S Services	6,742	8,062	6,833	6,963	6,860	8,404	7,060	7,330	6,763	7,543	6,176	6,652	6,346	7,260	6,550	6,535	6,139
Overseas	883	935	983	1,058	986	2,315	2,213	2,165	2,006	1,892	1,101	1,378	1,440	1,766	1,974	1,837	1,787
Other Businesses	502	542	528	527	544	488	479	448	432	547	429	479	484	554	547	558	583
Cost of revenue	928	946	996	1,006	1,048	1,258	1,035	1,217	1,116	1,157	869	953	945	1,056	890	1,058	947
SG&A	6,136	7,253	6,212	6,818	6,139	9,526	7,062	7,985	7,031	7,390	5,651	6,940	6,467	7,426	7,464	7,240	7,010
Personnel expenses	1,962	1,783	1,963	2,082	1,969	2,087	2,217	2,428	2,535	1,590	2,048	2,785	2,345	2,001	2,315	2,242	2,203
Advertising expenses	2,426	3,657	2,431	2,869	2,347	4,882	2,790	3,252	2,559	3,882	1,884	2,160	2,155	3,585	3,170	2,940	2,731
Operating expenses	236	267	209	229	190	204	240	290	170	123	64	106	96	87	100	116	121
Depreciation/amortization cost	274	266	263	263	259	304	308	303	490	515	486	525	524	487	474	474	459
Other SG&A	1,236	1,279	1,344	1,374	1,372	2,047	1,505	1,710	1,274	1,278	1,167	1,363	1,345	1,263	1,403	1,466	1,494
Other revenues and expenses	71	18	6	-44	425	-332	9	59	-9	-41	62	-1,817	-83	-85	-28	-9,752	36
Operating income	1,134	1,358	1,142	679	1,629	90	1,664	800	1,044	1,393	1,248	-1,201	775	1,011	688	-9,120	588
Operating income margin	14.0%	14.2%	13.7%	7.9%	19.4%	0.8%	17.1%	8.1%	11.3%	14.0%	16.2%	-14.1%	9.4%	10.6%	7.6%	-102.1%	6.9%
Net profit*	591	980	702	585	1,003	-41	1,073	370	527	949	846	-1,161	387	639	449	-7,378	365

1) Net income = Net income attributable to owners of the parent

2) As the provisional accounting measures for corporate mergers have been defined for FY 2020/9, these provisional accounting measures have been applied to all related values.

## Expense-to-Revenue Ratio IFRS

Growth investments primarily for the transformation of LIFULL HOME'S resulting in increase in advertising. Despite hiring of new employees, personnel expenses decreased due to link between employee bonus provisions and operating profit.

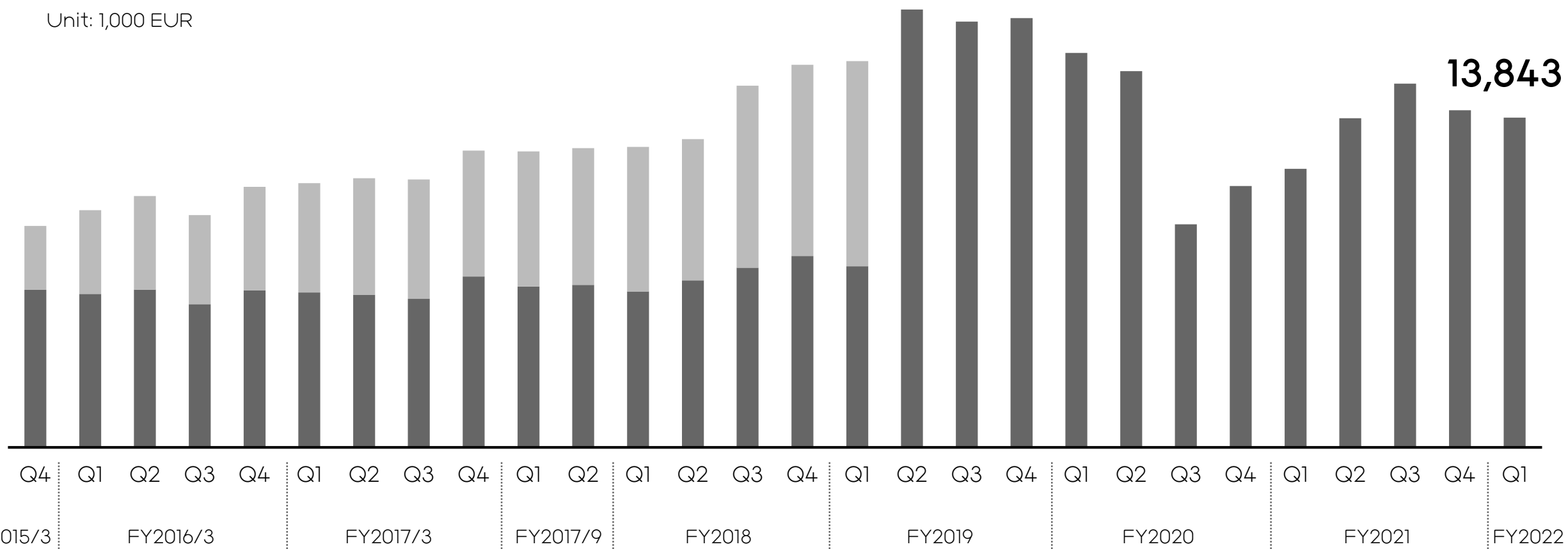


# Quarterly Results LIFULL CONNECT

Continued recovery of aggregation revenue driving overall recovery.

Results from LIFULL CONNECT\* in EUR (■ Pre-consolidation results of Mitula Group)

Unit: 1,000 EUR



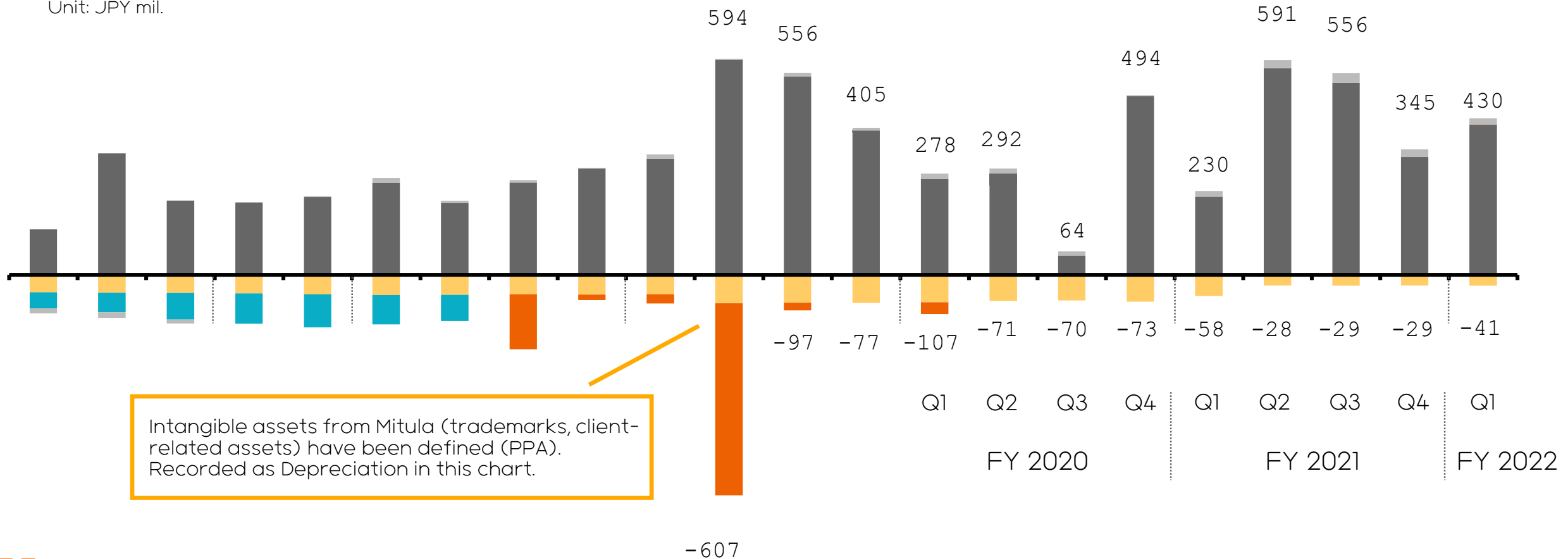
# Overseas Segment Results Segment Profit and Loss (Quarterly Trend)

Despite the ever-changing situation due to the on-going pandemic, we continuing to secure profits while making investments to make ourselves even more competitive.

## Quarterly Segment P&L

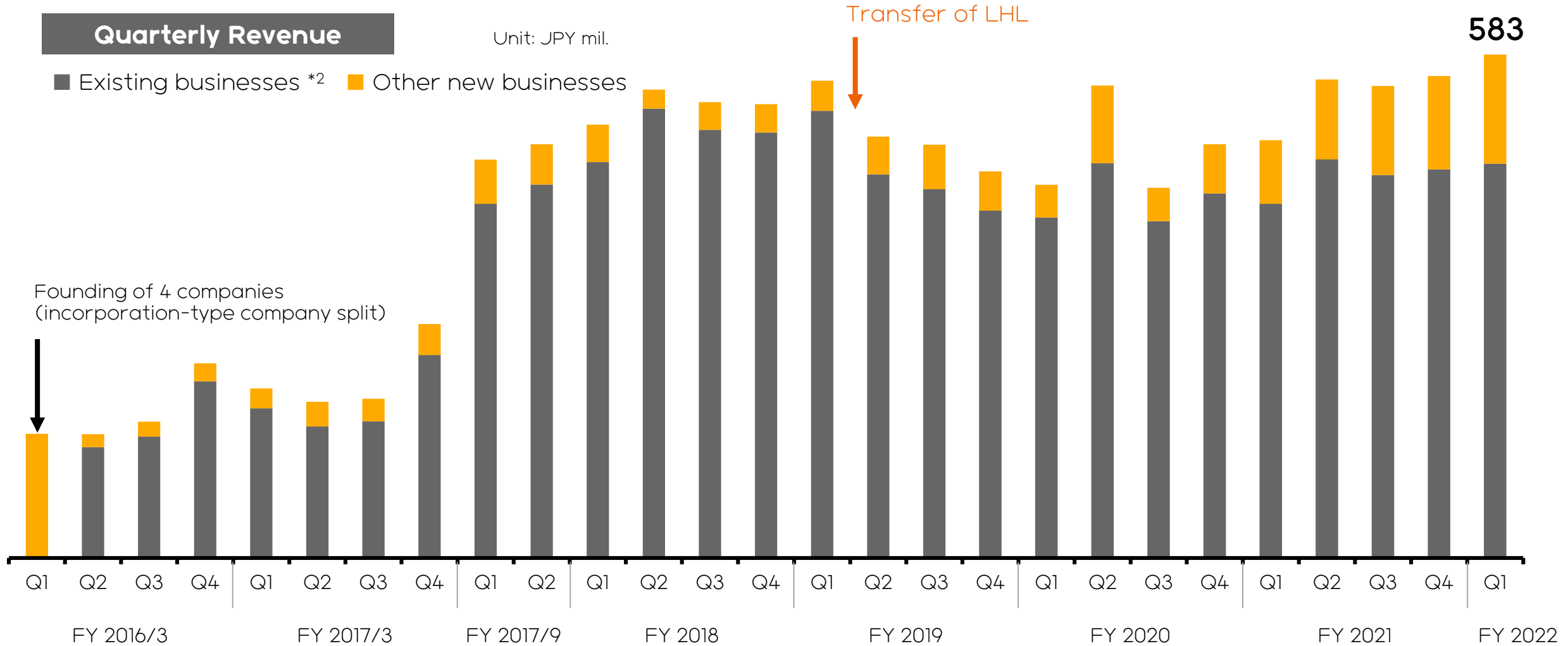
■ LIFULL CONNECT ■ International Division ■ Depreciation ■ M&A Costs ■ Other

Unit: JPY mil.



# Other Businesses Segment Sales Revenue (Quarterly)

Existing businesses driving revenue growth.

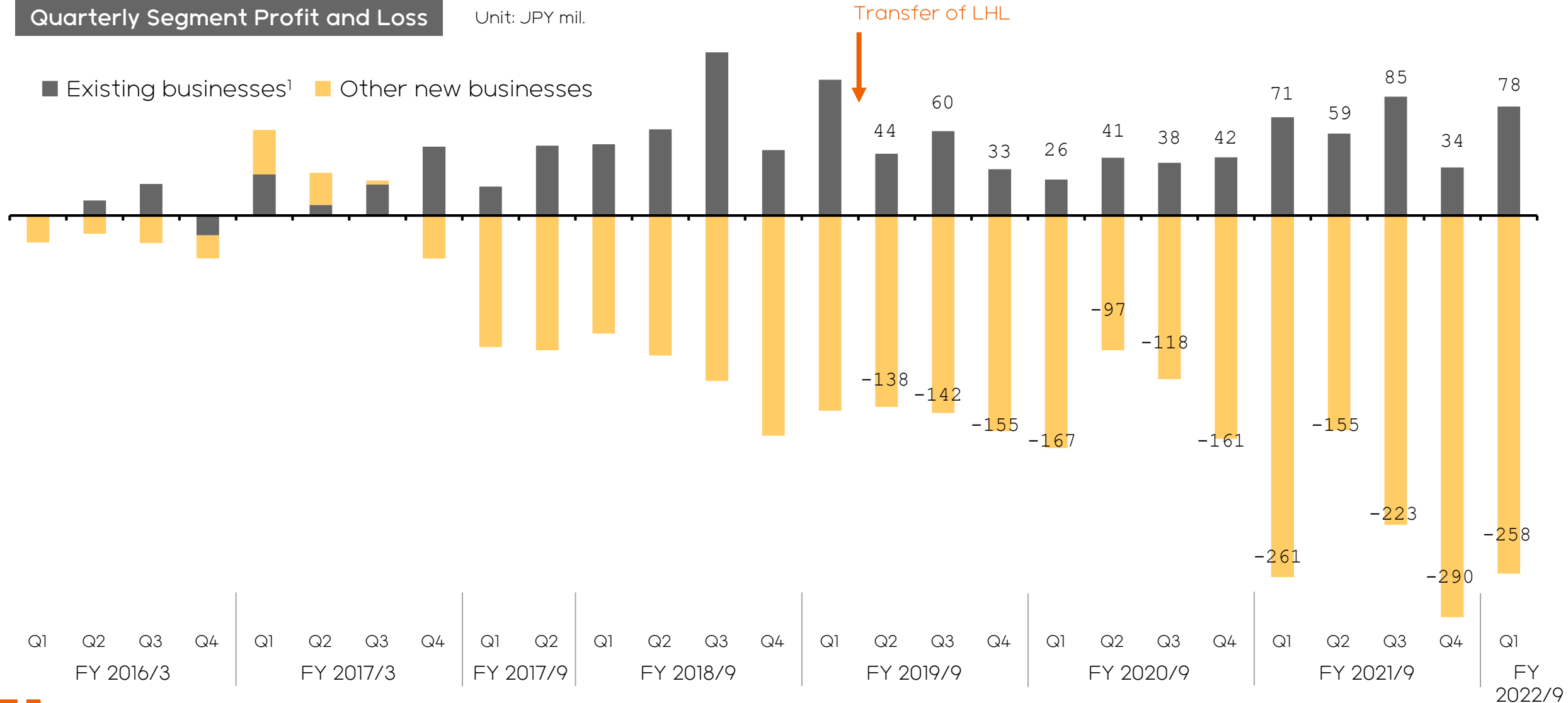


# Other Businesses Segment Profit and Loss (Quarterly)

## Quarterly Segment Profit and Loss

Unit: JPY mil.

Existing businesses<sup>1</sup> Other new businesses

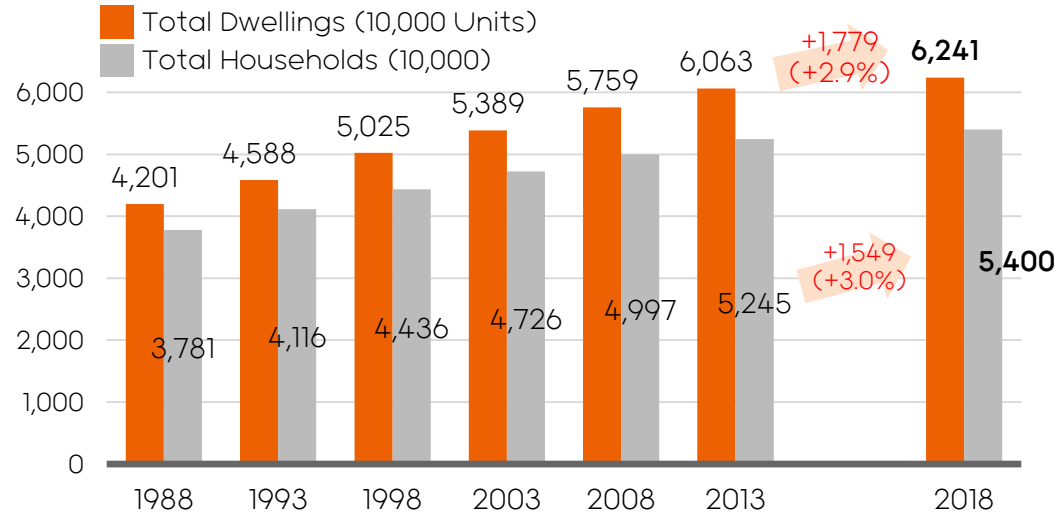


Transfer of LHL

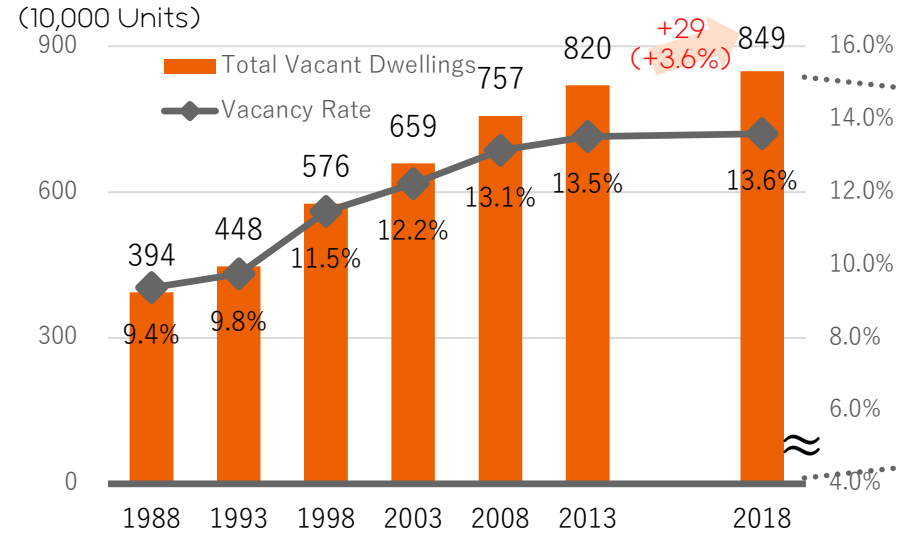


# (Ref.) Base Results of the 2018 Housing and Land Survey (Statistics Bureau of Japan)

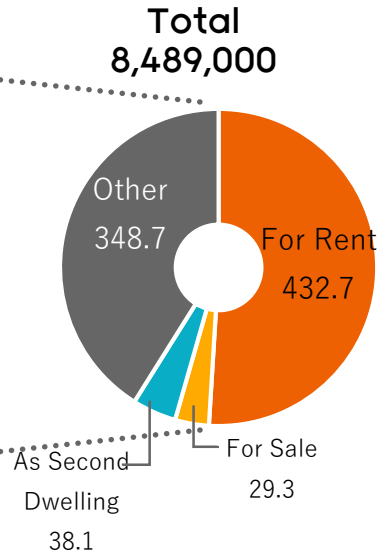
### Trend of Total Dwellings and Total Households



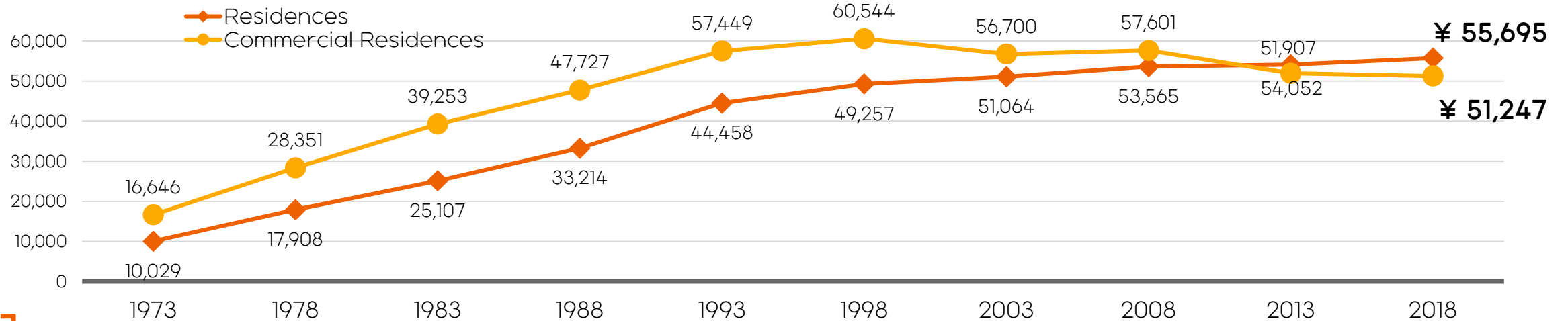
### Trend of Number of Vacant Homes and Vacancy Rates



### Breakdown of Vacant Homes



### National Trend in Monthly Rent

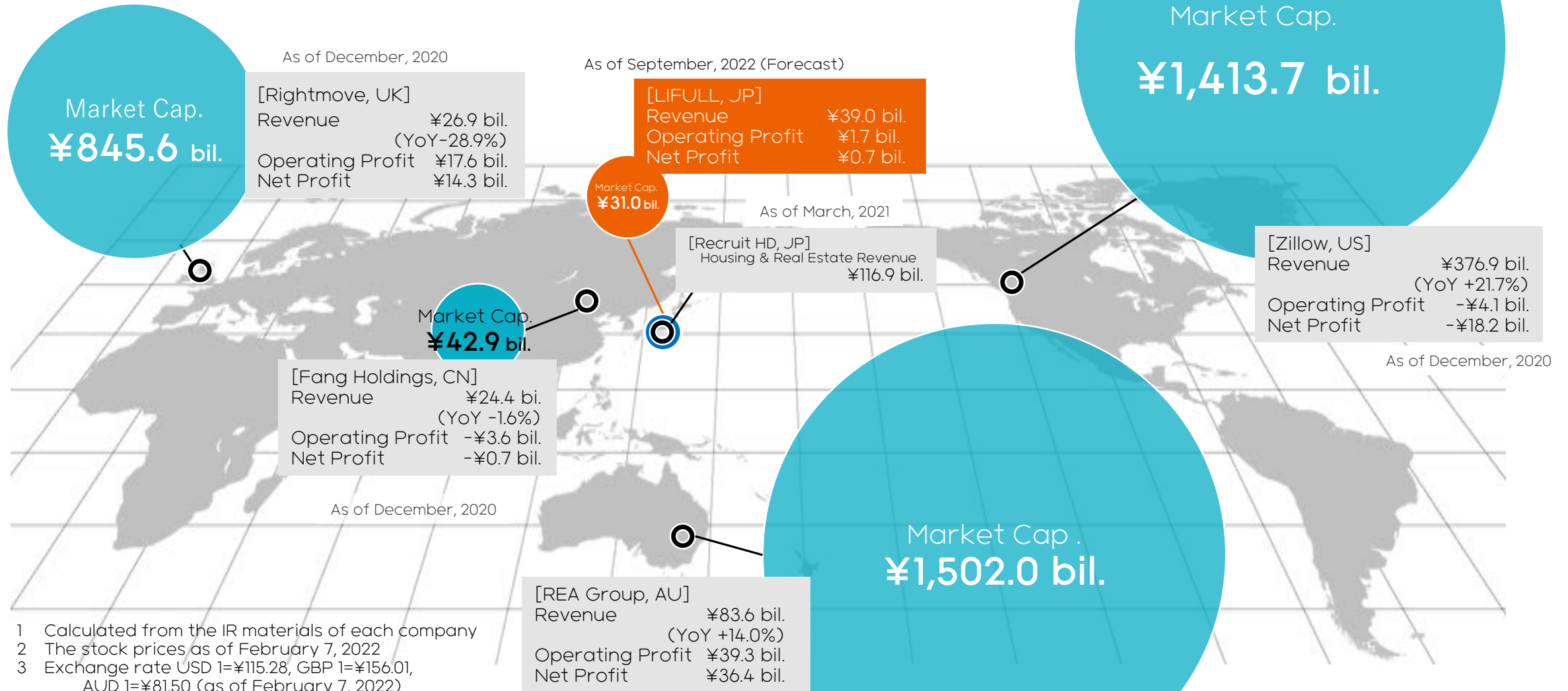


# (Ref.) External Market Data Monthly

		Annual			2020									2021											
		2019 (Jan-Dec)	2020 (Jan-Dec)	2021 (Jan-Dec)	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
(1) Number of Apartments for Sale	Capital Region	31,238	27,228	33,636	686	393	1,543	2,083	1,669	2,477	3,358	2,790	7,362	1,325	2,243	3,103	2,089	2,578	1,939	1,952	1,940	2,311	2,055	5,452	6,649
	YoY	-15.9%	-12.8%	23.5%	-51.7%	-82.2%	-31.7%	7.8%	-8.2%	5.0%	67.3%	-15.3%	15.2%	7.1%	50.7%	44.9%	204.5%	556.0%	25.7%	-6.3%	16.2%	6.7%	-38.8%	95.4%	-9.7%
	Kinki	18,042	15,195	18,951	494	214	1,407	921	1,617	1,228	1,415	1,610	3,105	695	1,718	1,815	1,093	1,321	1,731	1,950	1,050	1,210	1,457	2,099	2,812
	YoY	-13.9%	-15.8%	24.7%	-42.0%	-84.6%	-6.2%	-48.5%	20.6%	-12.7%	11.3%	7.9%	-3.9%	11.9%	66.0%	18.8%	121.3%	517.3%	23.0%	111.7%	-35.1%	1.5%	3.0%	30.4%	-9.4%
(2) Apartment Price Trend	Capital Region	6,083	6,083	6,260	6,216	6,485	6,389	6,124	6,011	5,812	6,130	5,922	5,620	5,824	6,380	6,330	7,764	5,908	6,211	6,498	7,452	6,584	6,750	6,123	5,384
	YoY	1.7%	1.7%	2.9%	5.4%	6.4%	7.1%	7.9%	-6.2%	-3.0%	2.3%	8.3%	-4.4%	-30.6%	-2.4%	2.8%	24.9%	-8.9%	-2.8%	6.1%	24.0%	13.3%	10.1%	3.4%	-4.2%
	Kinki	4,181	4,181	4,562	3,434	4,286	3,608	4,971	3,492	4,693	4,901	4,449	3,913	4,629	3,954	4,226	5,356	3,828	4,572	4,463	4,413	4,757	4,222	6,041	4,274
	YoY	8.1%	8.1%	9.1%	2.3%	3.2%	7.3%	4.3%	14.3%	36.1%	41.0%	26.0%	-8.0%	7.8%	17.3%	-13.8%	56.0%	-10.7%	26.7%	-9.2%	26.4%	1.4%	-13.9%	35.8%	9.2%
(3) New Build Starts (Units)	House for Rent	306,753	306,753	321,376	25,379	24,041	26,666	27,696	27,671	25,053	26,043	26,451	24,423	19,794	22,556	27,245	28,825	25,074	29,802	29,230	28,733	28,254	29,822	26,819	25,222
	YoY	-10.4%	-10.4%	4.8%	-14.0%	-8.1%	-13.0%	-8.8%	-5.4%	-14.8%	-11.5%	-8.1%	-11.5%	-18.0%	-0.4%	2.6%	13.6%	4.3%	11.8%	5.5%	3.8%	12.8%	14.5%	1.4%	3.3%
	Apartment	107,884	107,884	101,292	10,723	9,292	8,422	8,352	9,377	11,970	9,908	8,049	6,149	8,775	6,779	10,392	10,776	9,444	7,024	9,117	7,968	7,251	8,436	8,239	7,091
	YoY	-8.4%	-8.4%	-6.1%	2.3%	1.4%	-2.0%	-2.9%	-7.7%	-0.4%	-0.9%	0.7%	-31.3%	29.3%	-27.5%	9.4%	0.5%	1.6%	-16.6%	9.2%	-15.0%	-39.4%	-14.9%	2.4%	15.3%
	House	130,753	130,753	141,094	11,665	10,381	11,658	10,820	9,455	10,036	10,647	11,372	11,315	10,213	10,470	11,319	11,595	11,797	12,654	12,242	11,783	11,505	12,284	12,509	12,723
	YoY	-11.4%	-11.4%	7.9%	-8.1%	-12.8%	-11.0%	-17.2%	-22.7%	-15.6%	-16.3%	-10.5%	-8.9%	-6.1%	-4.0%	-2.6%	-0.6%	13.6%	8.5%	13.1%	24.6%	14.6%	15.4%	10.0%	12.4%
Owned house	261,088	261,088	285,575	21,018	19,697	23,650	22,708	21,915	22,337	23,013	24,010	22,819	19,200	20,390	22,340	22,877	22,887	26,151	26,071	25,100	25,659	26,840	25,329	22,731	
YoY	-9.6%	-9.6%	9.4%	-17.4%	-20.7%	-16.7%	-13.6%	-8.8%	-7.0%	-6.1%	1.5%	2.4%	6.4%	4.3%	0.1%	8.8%	16.2%	10.6%	14.8%	14.5%	14.9%	16.6%	5.5%	-0.4%	
(4) Internal Migrants	Total	5,403,465	5,255,721	5,247,744	764,186	300,861	352,719	379,492	369,596	358,658	370,201	342,467	358,031	320,671	376,039	975,925	709,863	357,793	365,883	363,284	370,565	346,666	356,889	359,777	344,389
	YoY	0.8%	-2.7%	-0.2%	-0.4%	-28.1%	0.4%	-9.3%	-2.4%	-3.7%	-5.7%	1.7%	2.0%	-3.5%	3.9%	1.1%	-7.1%	18.9%	3.7%	-4.3%	0.3%	-3.3%	-3.6%	5.1%	-3.8%
	Only Japanese	4,889,191	4,840,852	4,818,721	703,617	279,480	328,543	353,481	344,022	331,449	341,034	312,989	322,494	281,919	332,330	915,925	662,701	328,587	334,602	334,781	340,850	316,482	326,739	328,179	315,626
	YoY	0.0%	-1.0%	-0.5%	-0.2%	-26.0%	4.4%	-6.0%	0.8%	0.4%	-1.7%	4.9%	3.4%	-5.6%	1.7%	1.9%	-5.8%	17.6%	1.8%	-5.3%	-0.9%	-4.5%	-4.2%	4.9%	-2.1%
(5) Japan Population	Unit : Thousand	Oct. 1, 2019	Oct. 1, 2020	Oct. 1, 2021	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
	Total	126,167	125,708	125,120	125,930	125,895	125,858	125,836	125,809	125,754	125,708	125,669	125,651	125,630	125,552	125,480	125,417	125,339	125,285	125,682	125,633	125,210	125,120	125,070	125,470

# (Ref.) Overseas competitors

Competitors have high market capitalization due to their user shares in each country.



1 Calculated from the IR materials of each company  
 2 The stock prices as of February 7, 2022  
 3 Exchange rate USD 1=¥115.28, GBP 1=¥156.01, AUD 1=¥81.50 (as of February 7, 2022)

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## Annual Report 2020



Japanese <https://ir.lifull.com/ir/ir-data/report/>

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