

The English translation of this financial report was prepared for reference purposes only. The financial information contained in this report is delivered from our unaudited financial statements.

## Consolidated Financial Report for the Three-month Period Ended December 31, 2021 (IFRS)

February 9, 2022

Company name: LIFULL Co., Ltd.	Listed exchange: Tokyo Stock Exchange
Stock code: 2120	URL: <a href="https://ir.lifull.com/en/">https://ir.lifull.com/en/</a>
Representative: INOUE, Takashi	(Position) President and CEO
Contact: FUKUZAWA, Hidekazu	(Position) Managing Officer, General Manager of Group Company Business Development Department
Scheduled quarterly securities report submission date: February 9, 2022	
Scheduled date of start of dividend payments: -	
Preparation of supporting documentation for earnings: Yes	
Earnings presentations: None	

(Millions of yen; amounts have been rounded down to the nearest million yen)

### 1. Consolidated Financial Results for the Three-month Period Ended December 31, 2021 (October 1, 2021 to December 31, 2021)

#### (1) Consolidated Operating Results

(Percentages indicate year-over-year change)

	Revenue		Operating income		Profit before income taxes		Net profit		Profit attributable to owners of the parent		Total comprehensive income	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
<b>Three-month ended December 31, 2021</b>	8,510	2.9	588	(24.1)	573	(20.8)	358	(7.6)	365	(5.8)	440	(59.7)
Three-month ended December 31, 2020	8,271	(10.1)	775	(25.7)	723	(24.5)	387	(26.4)	387	(26.5)	1,091	(27.3)

	Basic earnings per share (yen)	Diluted earnings per share (yen)
<b>Three months ended December 31, 2021</b>	2.77	2.77
Three months ended December 31, 2020	2.94	2.94

Note 1: As provisional accounting methods for corporate mergers were determined during the third quarter of the fiscal year ended on September 30, 2021 the same provisional accounting methods have been applied for values in the first quarter of the fiscal year ended on September 30, 2021.

#### (2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to the owners of the parent	Equity attributable to the owners of the parent ratio
	million yen	million yen	million yen	%
<b>As of December 31, 2021</b>	44,746	28,507	28,394	63.5
As of September 30, 2020	45,887	28,538	28,413	61.9

### 2. Dividends

	Annual dividend				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	yen	yen	yen	yen	yen
Fiscal 2021	-	0.00	-	3.62	3.62
<b>Fiscal 2022</b>	-	-	-	-	-
<b>Fiscal 2022(Forecast)</b>	-	-	-	-	-

Note 1: There have been no changes to the dividend forecast.

Note 2: Dividends for FY 2022/9 are expected to be calculated based on a payout ratio of 25%.

### 3. Forecasts on the Consolidated Results for Fiscal 2022 (October 1, 2021 to September 30, 2022)

(Percentages indicate year-over-year change)

	Revenue		Operating income		Profit attributable to owners of the parent		Basic earnings per share
	million yen	(%)	million yen	(%)	million yen	(%)	yen
Fiscal 2022	39,000	8.8	1,700	-	700	-	5.31

Note 1: There have been no changes in dividend forecast.

**\* Notes**

(1) There have been no changes in material subsidiaries during the term.

(2) Changes in accounting policies and changes or restatement of accounting estimates

[1] Changes in accounting policies required by IFRS : No

[2] Changes in accounting policies other than [1] : No

[3] Changes in accounting estimates : No

(3) Number of shares issued (common stock)

[1] Number of shares issued at the end of the period (including treasury stock)

[2] Treasury shares at the end of the period

[3] Average shares during the period

As of December 31, 2021	134,239,870	As of September 30, 2021	134,239,870
As of December 31, 2021	2,458,270	As of September 30, 2021	2,458,256
As of December 31, 2021	131,781,600	As of December 31, 2020	131,781,614

\* This consolidated financial report is not subject to quarterly review procedures.

\* Regarding appropriate use of result forecasts and other notes

- In addition, the Company holds briefings as appropriate for individual investors. Please refer to the LIFULL's IR website for more details. (<https://ir.lifull.com/en/ir/>)

(Appendix)

## Contents

<b>1. Condensed Consolidated Financial Statements and Significant Notes</b> .....	4
<b>(1) Condensed Consolidated Statements of Financial Position</b> .....	4
<b>(2) Condensed Consolidated Statements of Profit or Loss and         Condensed Consolidated Statements of Comprehensive Income</b> .....	6
<b>(3) Condensed Consolidated Statements of Changes in Equity</b> .....	8
<b>(4) Condensed Consolidated Statements of Cash Flows</b> .....	9
<b>(5) Notes on the Consolidated Financial Statements</b> .....	10

## 1. Condensed Consolidated Financial Statements and Significant Notes

### (1) Condensed Consolidated Statements of Financial Position

(Thousands of yen)

	As of September 30, 2021	As of December 31, 2021
<b>Assets</b>		
Current assets		
Cash and cash equivalents	13,145,308	12,183,228
Accounts receivable-trade and other current receivables	5,000,620	4,522,269
Other short-term financial assets	589,366	812,249
Other current assets	2,809,658	3,483,919
Total current assets	<u>21,544,954</u>	<u>21,001,668</u>
Non-current assets		
Property, plant and equipment	1,441,114	1,379,546
Right-of-use assets	3,429,723	3,243,475
Goodwill	11,026,612	11,092,891
Intangible assets	3,083,910	3,026,108
Investments accounted for using the equity method	339,161	338,928
Other long-term financial assets	2,101,373	1,787,926
Deferred tax assets	2,849,230	2,796,007
Other non-current assets	71,516	80,391
Total non-current assets	<u>24,342,642</u>	<u>23,745,276</u>
Total assets	<u>45,887,597</u>	<u>44,746,944</u>

	As of September 30, 2021	As of December 31, 2021
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and other current payables	3,178,334	2,615,788
Short-term loans	6,628,630	6,274,880
Lease liabilities	738,168	736,887
Accrued corporate income taxes	296,043	288,744
Other current liabilities	1,298,117	1,159,825
<b>Total current liabilities</b>	<b>12,139,294</b>	<b>11,076,126</b>
<b>Non-current liabilities</b>		
Short-term loans	998,980	1,133,879
Lease obligations	2,762,701	2,577,127
Provisions	511,000	511,085
Other long-term financial liabilities	109,579	125,364
Deferred tax liabilities	483,326	471,567
Other non-current liabilities	344,326	344,428
<b>Total non-current liabilities</b>	<b>5,209,913</b>	<b>5,163,453</b>
<b>Total liabilities</b>	<b>17,349,208</b>	<b>16,239,580</b>
<b>Equity</b>		
<b>Attributable to the owners of the parent</b>		
Capital stock	9,716,363	9,716,363
Capital surplus	9,982,062	9,993,187
Retained earnings	10,296,601	10,184,762
Treasury shares	(1,009,262)	(1,009,267)
Other components of equity	(572,117)	(490,442)
<b>Attributable to the owners of the parent</b>	<b>28,413,647</b>	<b>28,394,603</b>
Attributable to non-controlling interests	124,741	112,761
<b>Total equity</b>	<b>28,538,388</b>	<b>28,507,364</b>
<b>Total liabilities and equity</b>	<b>45,887,597</b>	<b>44,746,944</b>

**(2) Condensed Consolidated Statements of Profit or Loss and Condensed Consolidated Statements of Comprehensive Income**

Condensed Consolidated Statements of Profit or Loss  
For the Three-month Period Ended December 31, 2021

(Thousands of yen)

	Three-month period ended December 31, 2020	Three-month period ended December 31, 2021
Revenue	8,271,675	8,510,725
Cost of revenue	945,730	947,506
Gross profit	7,325,944	7,563,218
Selling, general and administrative expenses	6,467,225	7,010,487
Other revenue	20,125	52,394
Other expenses	103,175	16,233
Operating income	775,668	588,892
Financial revenue	4,319	20,554
Financial expenses	27,948	21,379
Share of profit (loss) of investments accounted for using the equity method	(28,072)	(14,559)
Profit before taxes	723,967	573,506
Income tax expenses	336,118	214,945
Profit for the period	387,849	358,561
Profit (loss) for the period attributable to:		
Owners of the parent	387,848	365,210
Non-controlling interests	0	(6,648)
Total	387,849	358,561
	(yen)	(yen)
Profit for the period per share attributable to owners of the parent		
Basic profit for the period per share	2.94	2.77
Diluted profit for the period per share	2.94	2.77

Condensed Consolidated Statements of Comprehensive Income  
For the Three-month Period Ended December 31, 2021

(Thousands of yen)

	Three-month period ended December 31, 2020	Three-month period ended December 31, 2021
Profit for the period	387,849	358,561
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Equity instruments measured at FVTOCI	193	(6,824)
Total of items that will not be reclassified to profit or loss	193	(6,824)
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	713,375	69,234
Share of other comprehensive income of investments accounted for using the equity method	(9,478)	19,265
Total of items that may be reclassified subsequently to profit or loss	703,897	88,500
Other comprehensive income, net of tax	704,091	81,675
Total comprehensive income for the period	1,091,940	440,237
Comprehensive income for the period attributable to:		
Owners of the parent	1,092,057	446,885
Non-controlling interests	(116)	(6,648)
Total	1,091,940	440,237

### (3) Condensed Consolidated Statements of Changes in Equity

For the three-month period ended December 31, 2020 (October 1, 2020 to December 31, 2020)

(Thousands of yen)

	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total shareholders' equity
Balance as of October 1, 2020	9,716,363	9,922,957	16,834,306	(1,009,262)	(1,976,672)	33,487,692	151,443	33,639,135
Profit for the period	-	-	387,848	-	-	387,848	0	387,849
Other comprehensive income	-	-	-	-	704,208	704,208	(117)	704,091
Total comprehensive income for the period	-	-	387,848	-	704,208	1,092,057	(116)	1,091,940
Dividends of surplus	-	-	(697,124)	-	-	(697,124)	(3,375)	(700,499)
Equity transactions with non-controlling interest shareholders	-	-	-	-	-	-	13,028	13,028
Total transactions with owners	-	-	(697,124)	-	-	(697,124)	9,653	(687,471)
Balance as of December 31, 2020	9,716,363	9,922,957	16,525,030	(1,009,262)	(1,272,463)	33,882,624	160,979	34,043,604

For the three-month period ended December 31, 2021 (October 1, 2021 to December 31, 2021)

(Thousands of yen)

	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total shareholders' equity
Balance as of October 1, 2021	9,716,363	9,982,062	10,296,601	(1,009,262)	(572,117)	28,413,647	124,741	28,538,388
Profit for the period	-	-	365,210	-	-	365,210	(6,648)	358,561
Other comprehensive income	-	-	-	-	81,675	81,675	-	81,675
Total comprehensive income for the period	-	-	365,210	-	81,675	446,885	(6,648)	440,237
Dividends of surplus	-	-	(477,049)	-	-	(477,049)	(5,331)	(482,381)
Share-based payment transactions	-	11,124	-	-	-	11,124	-	11,124
Purchase of treasury shares	-	-	-	(4)	-	(4)	-	(4)
Total transactions with owners	-	11,124	(477,049)	(4)	-	(465,929)	(5,331)	(471,261)
Balance as of December 31, 2021	9,716,363	9,993,187	10,184,762	(1,009,267)	(490,442)	28,394,603	112,761	28,507,364



#### (4) Condensed Consolidated Statements of Cash Flows

(Thousands of yen)

	Three-month period ended December 31, 2020	Three-month period ended December 31, 2021
Net cash from operating activities		
Profit for the period before tax	723,967	573,506
Depreciation and amortization	529,118	464,054
Financial revenue	(4,319)	(20,554)
Financial expenses	27,948	21,379
Decrease (increase) in accounts receivable-trade and other current receivables	204,012	496,084
Increase (decrease) in accounts payable-trade and other current payables	(293,522)	(604,652)
Other	(1,041,803)	(517,809)
Subtotal	145,402	412,009
Interest and dividends received	3,531	586
Interest paid	(28,285)	(21,804)
Income taxes paid	(1,208,301)	(399,328)
Net cash from operating activities	(1,087,653)	(8,536)
Net cash used in investing activities		
Proceeds from sale of financial instrument assets	-	20,000
Purchase of property, plant and equipment	(18,292)	(30,775)
Proceeds from sale of property, plant and equipment	1,572	-
Purchase of intangible assets	(85,231)	(136,578)
Payments for transfer of business	(385,010)	-
Payments of loans receivable	(161,000)	(209,300)
Collection of loans receivable	464,976	296,416
Others	(2,987)	(6,262)
Net cash from investing activities	(185,973)	(66,498)
Net cash provided by (used in) financing activities		
Repayment of short-term loans	(549)	(250,000)
Proceeds from long-term loans payable	234,000	205,500
Repayment of long-term loans	(250,673)	(174,350)
Dividends paid	(689,425)	(470,387)
Repayment of lease obligations	(232,710)	(187,597)
Dividends paid to non-controlling interests	(3,375)	(5,331)
Proceeds from share issuance to non-controlling interests	11,700	-
Purchase of treasury shares	-	(4)
Net cash from financing activities	(931,033)	(882,171)
Effect of exchange rate changes on cash and cash equivalents	154,759	(4,872)
Net increase (decrease) in cash and cash equivalents	(2,049,901)	(962,079)
Cash and cash equivalents at beginning of period	15,962,746	13,145,308
Cash and cash equivalents at end of period	13,912,845	12,183,228

**(5) Notes on the Consolidated Financial Statements****1. Note Regarding Going Concern Assumption**

Not applicable.

**2. Note Regarding Going Concern Assumption**

Not applicable.