

LIFULL Co., Ltd.

First Quarter Results

IFRS

FY 2023/9 Q1
(October 2022 – December 2022)

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.

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Main Points I

Smooth Progress in LIFULL HOME'S



Results for FY 2023/9 Q1

Revenue (YoY)

+3.9%¹

¹ Excluding revenue from LIFULL Marketing Partners (sold Sep. 2022)

Ref.

Forecast for FY 2023/9

Revenue +2.9%

FY 2023/9 Results Forecast IFRS				Revenue Breakdown					
Revenue	OP	Net Profit ¹		Revenue by Segment					
¥37.0 bil.	¥3.3 bil.	¥2.5 bil.		HOME'S Services	Others	Other Businesses			
				62.7%	24.0%	12.7%			
Condensed Statements of Income and Loss									
Unit: Millions of yen	FY2022 Q4-Res. (Actual)	FY2023 Q4-Res. (Full-year forecast)	Change	Change %	Unit: Millions of yen	FY2022 Q4-Res. (Actual)	FY2023 Q4-Res. (Full-year forecast)	Change	Change %
Revenue	35,739	37,000	+1,269	+3.6%	Revenue	35,739	37,000	+1,270	+3.6%
Cost of revenue	4,055	3,866	-189	-4.7%	HOME'S Service	26,967	27,000	2,997	+11.1%
SG&A (incl. depreciation)	31,362	30,547	-815	-2.6%	Others	6,900	6,100	-2,161	-31.3%
Personnel expenses	9,054	9,970	+916	+10.1%	Other Businesses	2,772	2,900	+1,024	+37.0%
Advertising expenses	12,034	12,100	+67	+0.5%	Revenue by Segment				
Operating expenses	537	595	+57	+10.7%	HOME'S Services	26,967	27,000	2,997	+11.1%
Other	5,195	5,365	+170	+3.3%	Others	6,900	6,100	-2,161	-31.3%
Other revenues and expenses	1,369	487	-1,112	-80.5%	Other Businesses	2,772	2,900	+1,024	+37.0%
Operating income	1,081	3,240	+2,159	+199.7%	Revenue by Segment				
Operating income margin	4.7%	8.8%	+4.2%	+	HOME'S Services	26,967	27,000	2,997	+11.1%
Net profit ¹	1,187	2,598	+1,411	+119.2%	Others	6,900	6,100	-2,161	-31.3%

FY 2022/9 Full-Year Earnings Presentation Page 37

Main Points II

FY 2023/9 First Quarter

Sales Revenue

¥7.5 bil.

YoY -10.9%

Progressing in-line with forecasts.
+1.5% YoY growth after removing
effects of sale of subsidiaries in the
previous FY

(Details on Pages 9, 11 & 13)

Operating Profit

¥0.8 bil.

YoY +40.8%

In addition to revenue growth in
LIFULL HOME'S, reducing costs in
non-core businesses and **sale of
shares of Rakuten LIFULL STAY**

(Details on Pages 8 & 12)

Other Topics



Growth Initiatives in Real Estate Services in Thailand

Acquiring Thai real estate
brokerage, FazWaz, to
boost growth in Southeast
Asia

(Details on Pages 16 - 23)



FY 2023/9



First Quarter Financial Results



(October 1, 2022 – December 31, 2022)



Condensed Statements of Income and Loss IFRS

Largely progressing in-line with forecasts (Page 9.)

Removing effects of sale of LIFULL Marketing Partners and Fashiola in the previous FY, revenue increased 1.5% YoY.

Increase of ¥0.66 bil. in other income is primarily from sale of shares of Rakuten LIFULL STAY.

Unit: JPY mil.	FY2022 Q1 (Oct.-Dec.)	FY2023 Q1 (Oct.-Dec.)	Change	Change %	
Revenue	8,510	7,583	-927	-10.9%	*1
Cost of revenue	947	328	-618	-65.3%	*2
SG&A	7,010	6,965	-44	-0.6%	
Personnel expenses	2,203	2,334	+131	+6.0%	*3
Advertising expenses	2,731	2,482	-248	-9.1%	*4
Operating expenses	121	135	+13	+11.1%	
Depreciation and amortization	459	481	+22	+4.8%	
Other	1,494	1,531	+37	+2.5%	
Other income and expenses	36	539	+503	+1,393.0%	*5
Operating income	588	828	+239	+40.8%	
Operating income margin	6.9%	10.9%	+4.0pt	-	
Net profit*	365	568	+203	+55.8%	

* Net profit attributable to owners of the parent

*1 After removing effects of sales of subsidiaries in previous FY, +1.5%. Refer to segment revenue (Page 6)

*2 Reduction primarily from sale of LIFULL Marketing Partners

*3 Primarily due to increase in provisions for bonuses

*4 Primarily due to decreased promotion spending in LIFULL HOME'S

*5 Primarily due to sale of shares in Rakuten LIFULL STAY

Revenue / Income and Loss by Segment IFRS

Revenue for the HOME'S Services segment increased 3.9% YoY without regard to the sale of LMP in the previous FY with an increase in segment profit due to reducing advertising spending to around the same level as FY 2021/9.

Overseas revenue decreased 17.5% due to the sale of Fashiola and reduced revenue from aggregation sites (Details on Next Page.)

Unit: JPY mil.	FY2022 Q1 (Oct.-Dec.)	FY2023 Q1 (Oct.-Dec.)	Change	Change %	Main items
Revenue	8,510	7,583	-927	-10.9%	
HOME'S Services	6,139	5,482	-656	-10.7%	Sale of LIFULL Marketing Partners (Like-for-like comparison: +3.9% YoY)
Overseas	1,787	1,478	-309	-17.3%	Decrease in revenue from aggregation sites and sale of Fashiola (Like-for-like comparison: -7.5% YoY)
Other	583	622	+38	+6.6%	Growth primarily from subsidiaries

Unit: JPY mil.	FY2022 Q1 (Oct.-Dec.)	FY2023 Q1 (Oct.-Dec.)	Change	Change %	Main items
Segment income and loss	552	289	-263	-47.7%	
HOME'S Services	318	586	+267	+84.2%	Due to increased revenue and lower spending on TV commercials and branding
Overseas	401	-186	-588	-	Reduced revenue, increased headcount from Properati and Wasi acquisitions and temporary increase in personnel costs from optimization
Other	-180	-113	+66	-	
Inter-segment transactions	12	2	-10	-78.8%	

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

Status of LIFULL CONNECT

Revenue from Premium Advertisements on aggregation sites was lower than expected due to market conditions in several countries primarily in southern Europe. Other areas are mostly in-line with forecasts.

	Status vs. Budget	Details
Aggregation	Premium Advertisements	Partially Behind By unifying CPC across aggregation brands, CPC increased by 3.5% . However, delays from clients altering budgets due to changing market conditions
	Third-Party Advertising Products (Google AdSense etc.)	On-Schedule Recovery actions showing progress
Portals	Proppit (Listing Subscription Service for Real Estate Professionals)	On-Schedule Increases in ARPA due to more efficiency in sales teams and optimizing client relations according to size
	CRM	On-Schedule Consolidating products Moving Properati CRM clients to Wasi

Results of Selective Focus Profitability of Other Businesses

We have reduced losses in the Other Businesses segment while focusing on growth in our core businesses, LIFULL HOME'S and LIFULL CONNECT.

Investments up to FY 2022/9

Regional Revitalization

- Reducing Teams
- Reworking Strategies
- Lowering Costs

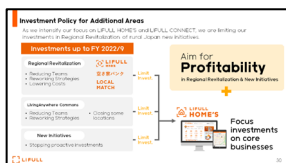


LivingAnywhere Commons

- Reducing Teams
- Reworking Strategies
- Closing some locations

New Initiatives

- Refraining from proactive investments

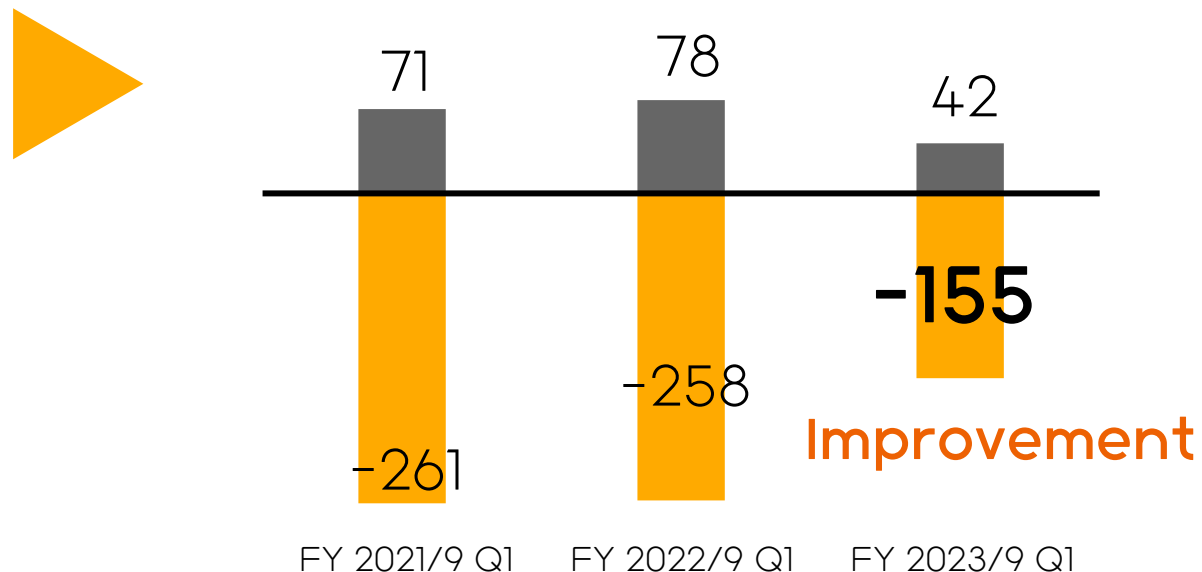


Ref.

FY 2022/9 Full-Year Earnings Presentation Page 30

Improvement of Profitability in Other Businesses

Losses in Other Businesses (Unit: JPY Mil.)



Refer to Page 40 in the Appendices for past revenue and profit trends by quarter

FY 2023/9 Forecast and Progress IFRS

Earnings for the first quarter were mostly on-track.

Continuing improvements in HOME'S Services for the peak moving season in Japan (Jan. - March)

Condensed Statements of Income and Loss

	FY2023 Oct.-Sep. [Full-Year Forecast]	FY2023 Q1 Oct.-Dec. [Actual]	Progress
Unit: JPY mil.			
Revenue	37,000	7,583	20.5%
Cost of revenue	3,650	328	9.0%
SG&A	30,507	6,965	22.8%
Personnel expenses	9,815	2,334	23.8%
Advertising expenses	12,150	2,482	20.4%
Operating expenses	565	135	23.9%
Other	7,975	2,013	25.2%
Other revenues and expenses	457	539	117.9%
Operating income	3,300	828	25.1%
Operating income margin	8.9%	10.9%	+2.0pt
Net profit*	2,500	568	22.7%

Revenue by Service

	FY2023 Oct.-Sep. [Full-year forecast]	FY2023 Q1 Oct.-Dec. [Actual]	Progress
Unit: JPY mil.			
Revenue	37,000	7,583	20.5%
HOME'S Services	23,200	5,482	23.6%
Overseas	9,100	1,478	16.2%
Others	4,700	622	13.2%

Estimated Exchange Rate for Forecast: EUR 1 = JPY 134,
Actual Rate: EUR 1 = JPY 141

* Net Profit: Profit attributable to owners of the parent



Recovery & Growth Strategy of LIFULL HOME'S

First Quarter Results for HOME'S Services

For the first quarter, revenue is above original forecasts, and initiatives for the peak moving season of January to March are progressing according to plan.

Sales Revenue

YoY

+3.9%

(After excluding LIFULL Marketing Partners from previous FY results)

Reasons

Mostly due to increased revenue generated through **growing inquiries**

- Improvements as part of the transformation to a Super Hyper Assistant (Details on Page 13)
- Recovery of the rental market
+7.6% more leases signed YoY
In the Greater Tokyo Area (Oct. - Dec.)

Segment Profit

YoY

+57.7%

(After excluding LIFULL Marketing Partners from previous FY results)

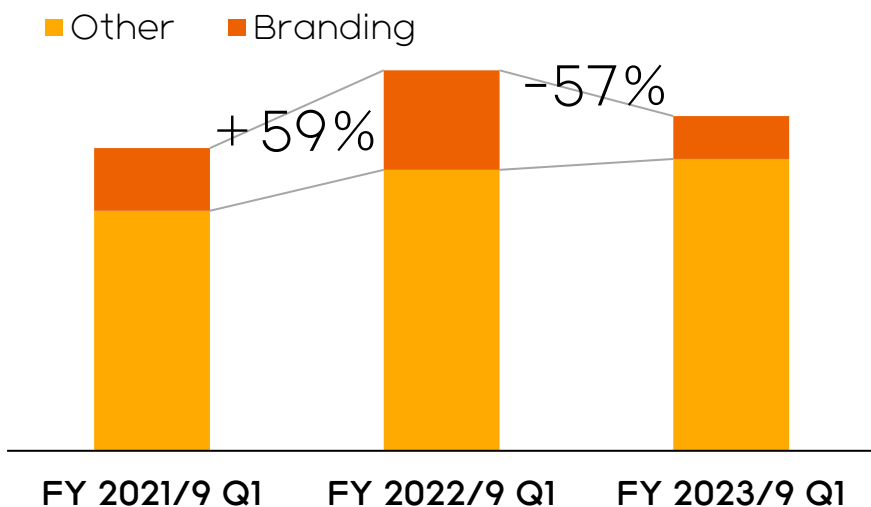
Reasons

- Increases from revenue growth
- Changes to promotion strategy returning investment levels to the same level as FY 2021/9 (Details on Page 12)

Changes to the Advertising Strategy

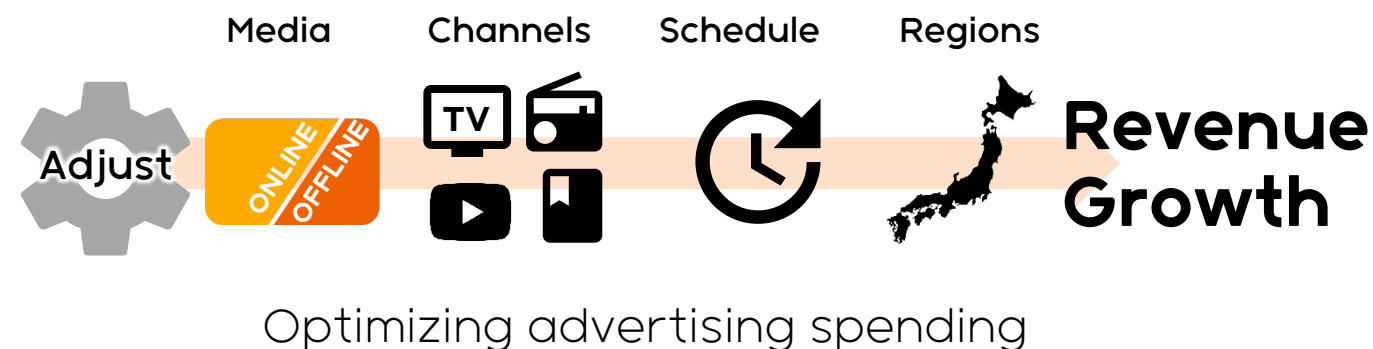
We reduced spending on branding that had risen in the previous year and are focusing on optimizing the effectiveness of advertising resulting in increased revenue YoY.

Breakdown of Advertising Spend



The **ratio of advertising spending to revenue** improved by **5.3 points**, as we ran TV commercials in Q1 of the previous year

Considerations for Advertising



Setting the foundations for continued growth after the second quarter through optimization



SUPER HYPER ASSISTANT Progress and Results

More inquiries from users after further optimizing the pages and features of LIFULL HOME'S

Growth Strategy of LIFULL HOME'S (No Changes)



Transforming LIFULL HOME'S into a

SUPER HYPER ASSISTANT

for users and real estate professionals

Feature Development

Adjustments to Site Pages



More Satisfied Users



Improved Quality of Inquiries



More Satisfied Real Estate Professionals

Examples from Oct. – Dec. 2022

Improved Search Logic



Improved UI



Improved Recommendation Features



Inquiries

Oct. – Dec.

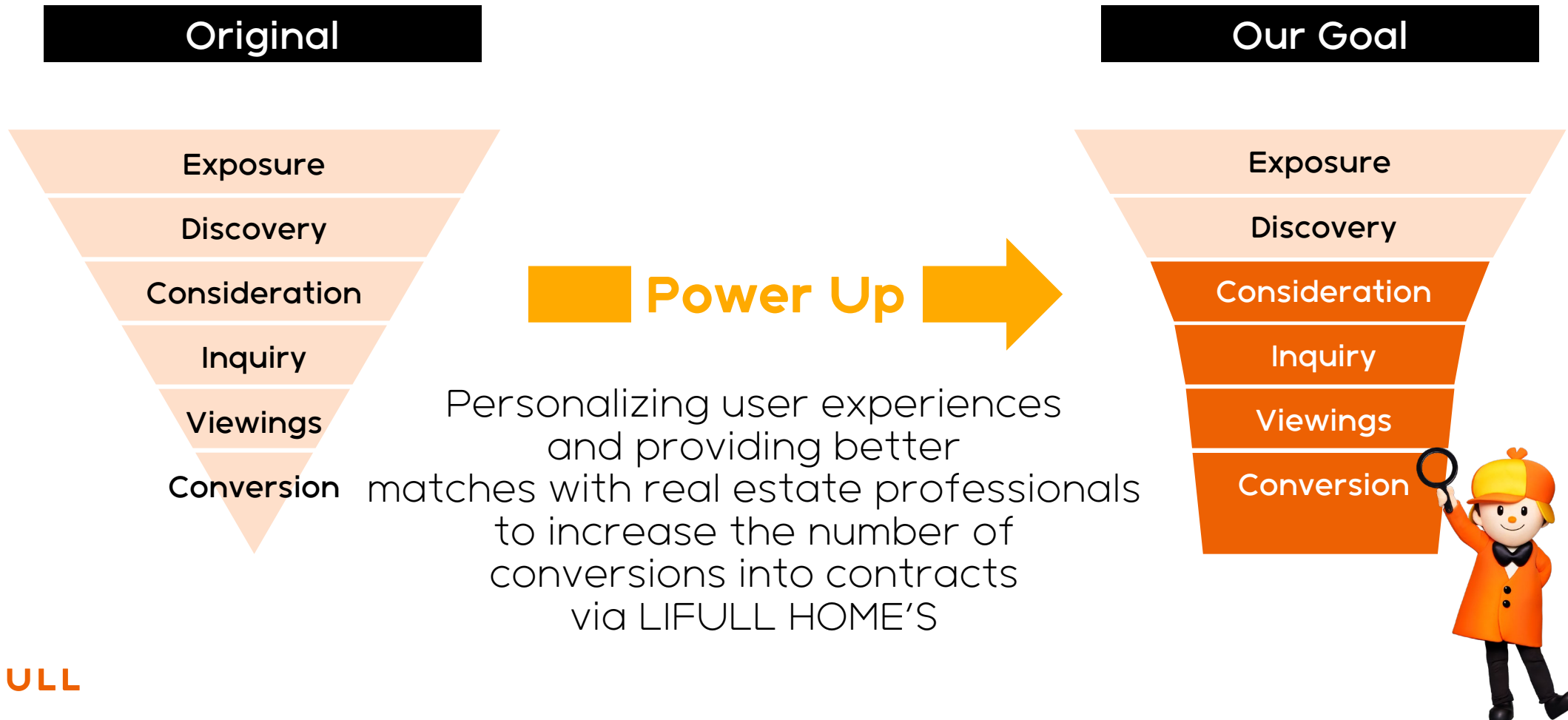
+5.8%^{YoY}

in the rental & re-sale markets

Not including inquiries from alliance partners

LIFULL HOME'S Growth Strategy (Ref., No Changes)

We are driving the value (transactions) we provide to clients to become a more efficient platform for finding a new home





Steady progress toward our transformation into a **SUPER HYPER ASSISTANT**

Initiatives After Q2 (Examples)

Improvement of AI Features



- Accuracy of recommendations
 - Improved user experience
- And more...

Additional Support for Users & Clients



Users

Real Estate
Professionals

More complete details in inquiries
to increase the ease of
completing a transaction
And more...



Acquisition of FazWaz (Thailand)

Point 1

Growth Strategy of
LIFULL CONNECT
(Page 17)

Point 2

- Existing Services in Thailand
- Overview of FazWaz (Page 18)

Point 3

Potential for FazWaz
System
(Page 21)

LIFULL CONNECT Growth Strategy (No Changes)

We are providing the best platforms for each region where we are active

Development of
Online Real
Estate
Information

Highly-Developed Regions

One or a few dominant real estate portals

Examples: Europe, North America

Developing Regions Moving Online

Multiple competing services
Information only partially available online

Examples: Southeast Asia, Latin America

Solution

Services Provided (Brands)

Aggregation Sites

- Providing traffic to portals
- Support services for portals

trovit
Mitula

nestoria
NUR

Real Estate Portals & Support Services

- Sending leads to real estate professionals
- Support services
- Other services specific to each region (brokerage support, investment events, etc.)

icasas

PROPERATI

Listing
Management Tool

LaEncontré
TU CASA EN UN CLICK

Proppit

puntopropiedad

GLOBALIZA.com

dotproperty
MOVING ASIA ONLINE

CRM Tool

thailand-property
MOVING THAILAND ONLINE

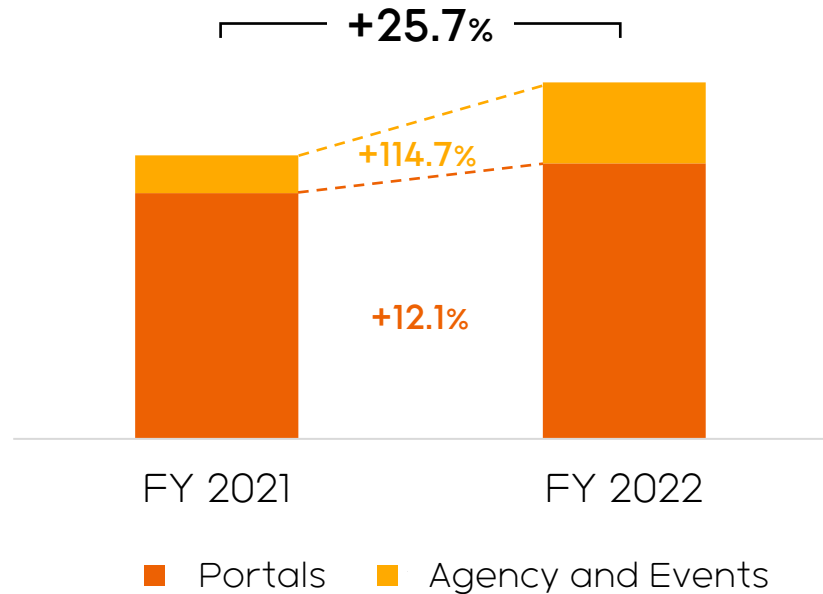
wasi

hipflat

Existing LIFULL CONNECT Services in Thailand

In Thailand, LIFULL CONNECT operates multiple real estate portals under its subsidiary Dot Property alongside a real estate agency business and real estate-related events.

Dot Property Thailand Revenue



Growth Potential in Both Areas

PORTAL

Largest Network of Real Estate Portals in Thailand



Visits
2,000,000+
/month

Real Estate Clients
1,000+
No. 1 in Thailand

Listings
700,000+
No. 1 in Thailand

EVENTS & AGENCY



Dot Property Thailand Awards
Dot Property Southeast Asia Awards



Unique

Support for Overseas Investors
Buying Real Estate in Thailand

Agreement to Acquire FazWaz (Thai Real Estate Brokerage)

With similar operations as Dot Property, we have entered into an agreement to acquire FazWaz, a growing real estate brokerage in the region. With access to its network of users, clients and management, we will continue to grow in Southeast Asia.

Company Overview



FazWaz Group

Est.: Apr. 24, 2015
HQ: Bangkok, Thailand
Employees: 191

Results of FY 2021/12

Revenue: Approx. JPY 300 mil.
EBITDA : Approx. JPY 10 mil.

Management (Founders)

Founded and run by a motivated team with deep experience in the **real estate and finance sectors**



Brennan Campbell



Michael Kenner



Paul Trayman

Business

Primary: Real Estate Brokerage

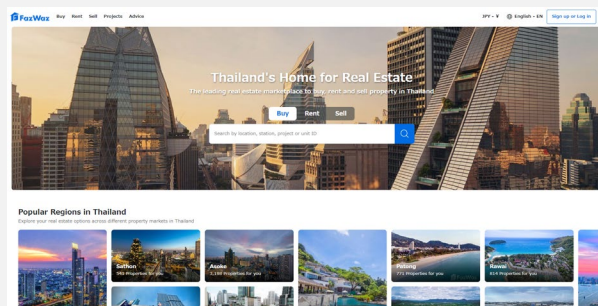
Property

Offering both properties for sale and rent around Thailand with a **focus on sale properties in internationally popular areas.**

Clients

Catering to both local and international buyers with a historical **focus on the international community.**

Official Website



<https://www.fazwaz.com/>

Listings **40,000+**

Features

Tools for automatic price estimate, online negotiations and contracts

Scope of FazWaz

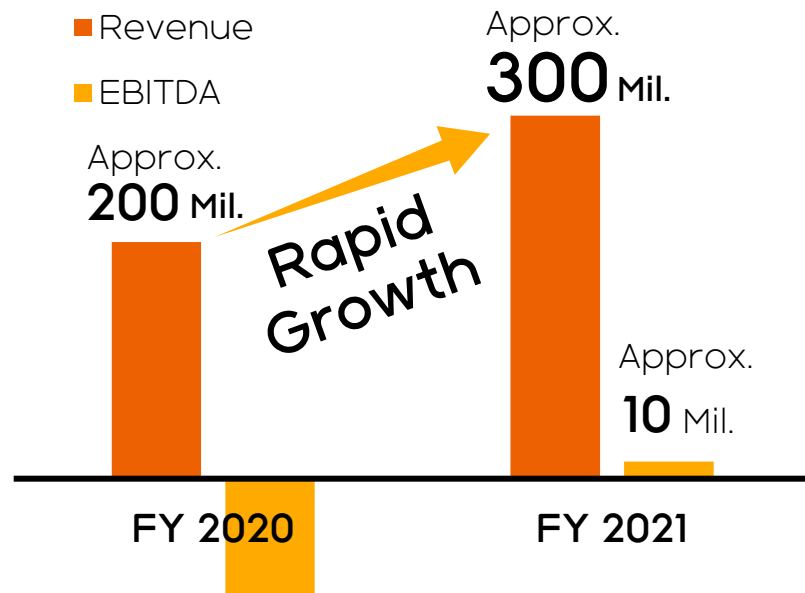
Continued growth in revenue and EBITDA
Effects from the consolidation included in FY 2023/9 Results Forecast



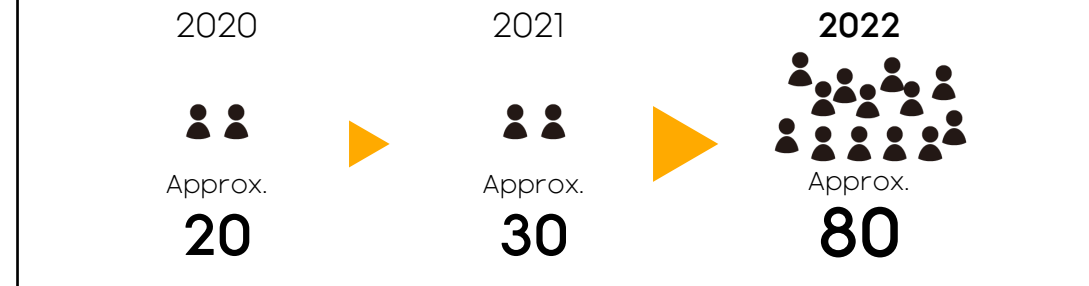
Ref. Earnings Trend

Un-audited earnings (Unit: JPY)

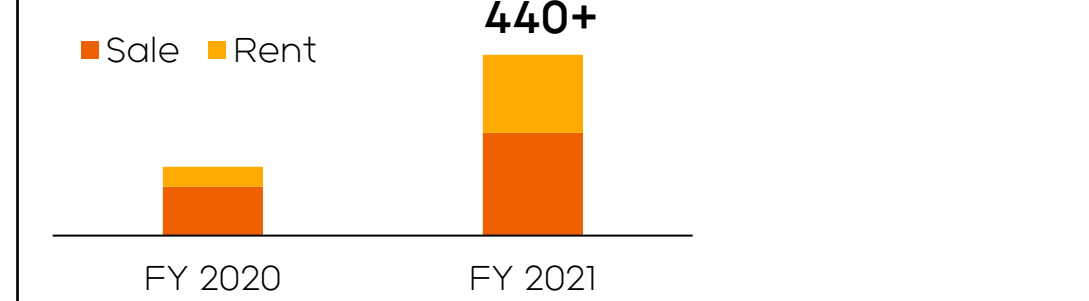
- Revenue
- EBITDA



In-House Agents



Transactions

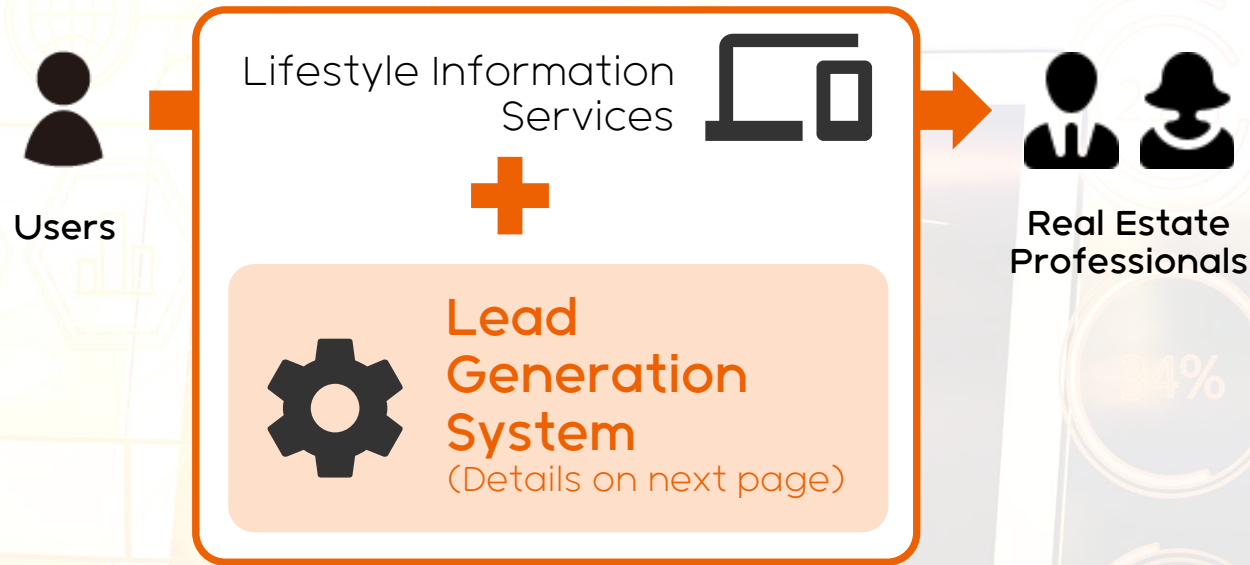




Potential for FazWaz Lead Qualification

FazWaz X LIFULL Group Potential for Lead Generation System

We have also gained insight into lead generation through a system that FazWaz has developed. We will consider future synergies and explore opportunities to provide more value through the services offered through LIFULL CONNECT and the LIFULL Group

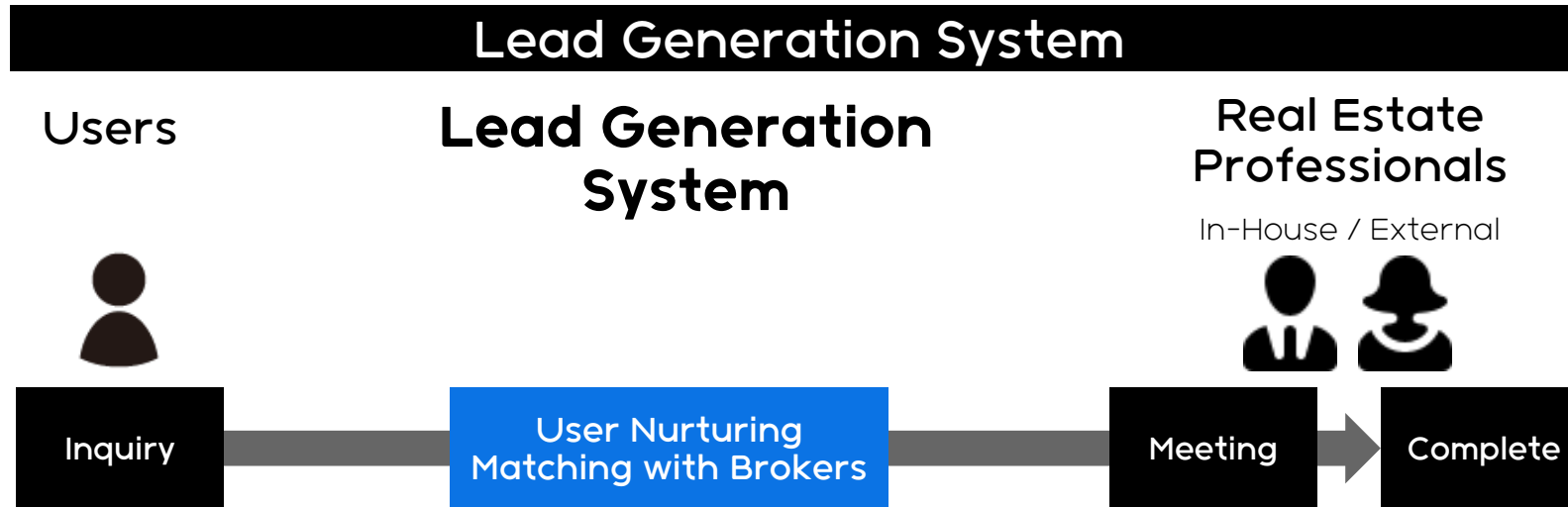


Potential to Become a Catalyst for Business Growth

- 1 Opportunity to improve the number of transactions for FazWaz in Southeast Asia
- 2 Opportunity to further improve the quality of leads

Lead Generation System

Understanding user needs and nurturing them until they are ready to move on to the next step to improve overall conversion rates for real estate professionals.



Some of the Features of the Lead Generation System Developed by FazWaz

First Contact (Phone/Online)



Home-seekers are contacted in real time after providing their contact details

Agent Ranking



Original ranking system for agents in which high-scoring agents given a higher priority on leads



Additional Earnings Information

Condensed Statement of Financial Position and Goodwill IFRS

Reduction in total equity due to share buy-back of about ¥1.0 billion.

Unit: JPY mil.	As of Sep 30, 2022	As of Dec 31, 2022	Change	Change %	Main items		
Current assets	25,011	23,460	-1,550	-6.2%	Cash	-1,954	Refer to "Condensed Statement of Cash Flows"
					Accounts Receivable - Trade	-292	
					Short-Term Loans Receivable	+248	Primarily Regional Revitalization efforts
					Prepaid Expenses	+364	Annual system usage fees
Non-current assets	23,695	22,674	-1,020	-4.3%	Installations	-50	
					Right-of-Use Assets	-183	
					Goodwill	-76	Due to fluctuations in currency
					Software	-52	
					Shares of Affiliates	-448	Primarily from sale of Rakuten LIFULL STAY
					Long-Term Loans Receivable	-56	Primarily Regional Revitalization efforts
					Tax Assets	-77	
Assets	48,706	46,135	-2,571	-5.3%			
Current liabilities	13,389	12,194	-1,195	-8.9%	Accounts Payable - Trade	-119	
					Short-Term Loans Payable	-463	Primarily Regional Revitalization efforts
					Accounts Payable	-493	
					Deposits Received	+105	
					Provisions for Bonuses	-225	Payment of Dec. bonuses
Non-current liabilities	4,186	3,900	-285	-6.8%	Long-Term Loans Payable	-114	Primarily Regional Revitalization efforts
					Long-Term Lease Obligations	-157	
Liabilities	17,575	16,094	-1,481	-8.4%			
Total Equity	31,130	30,041	-1,089	-3.5%	Capital Surplus	+262	
					Purchase of Treasury Shares	-999	Due to share buyback
					Foreign Currency Translation Adjustm.	-383	Due to fluctuations in foreign currency exchange rates
Equity per share attributable to owners of the parent (JPY)	235.23	226.99	-8.24				

Primary Remaining Goodwill (in JPY): Littel 86 mil., LIFULL CONNECT 11,098 mil., Kenbiya 271 mil., LIFULL Tech Vietnam 116 mil. Mitula, LIFULL Marketing Partners and Kenbiya PPA 1,323 mil.

Condensed Statement of Cash Flow IFRS

Despite proceeds from the sale of shares of Rakuten LIFULL STAY, cash and cash equivalents decreased by ¥1.9 billion due to repurchase of shares, payment of dividends and repayment of loans.

Unit: JPY mil.	FY2022 Q1	FY2023 Q1	Change	Main items		
	(Oct.-Dec.)	(Oct.-Dec.)		Items	FY2022 Q1	FY2023 Q1
Operating cash flow	-8	-293	-284	Profit for the period before tax	+573	+743
				Decr. (incr.) in accounts receivable-trade and other current receivables	+496	+306
				Incr. (decr.) in accounts payable-trade and other current payables	-604	-651
				Other	-517	-726 *
Investing cash flow	-66	540	+606	Proceeds from the sale of shares of affiliates	-	+858
				Payments of loans receivable	-209	-306
				Proceeds from collection of loans receivable	+296	+117
Financing cash flow	-882	-2,056	-1,174	Proceeds from short-term loans	-	+100
				Proceeds from long-term loans	+205	-
				Repayment of loans	-424	-677
				Dividends paid	-470	-290
				Purchase of treasury shares	-0	-999
Change in cash and cash equivalents	-962	-1,954	-			
Balance of cash and cash equivalents	12,183	14,566	+2,383			

***Other (Sales):**
Primarily from sales of shares of affiliates, advance payments and employee bonuses

Completion of Repurchase of Treasury Shares

The repurchase of treasury shares announced after the Board of Directors meeting on Nov. 9, 2022, was completed on Nov. 18 (execution basis) resulting in improved ROE and capital efficiency.

Overview of Repurchase of Treasury Shares (Execution Basis)

Items in parentheses mark items resolved at the Board of Directors meeting on Nov. 9, 2022

- Purpose**
- Enhancing shareholder returns
 - Flexible use of capital
 - Ensuring appropriate shareholder value

Period Nov. 10 – 18, 2022

Repurchased Shares **3,786,700**
(Max.: 5,000,000)

Total Price **¥999,998,800**
(Max.: ¥1.0 bil.)

Improved Capital Efficiency

Treasury Shares

As of End of Sep. 2022	After Repurchase
------------------------	------------------

2,458,270	6,244,970
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1.83% of issued shares	4.65% of issued shares
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Return on Equity

As of End of Sep. 2022	A of End of Dec. 2022
------------------------	-----------------------

63.6%	64.8%
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Appendices

Corporate Information (as of December 31, 2022)

Company LIFULL Co., Ltd.

Stock code 2120 (TSE Prime)

Representative INOUE Takashi, President and CEO

History

Mar. 12, 1997	Established
Oct. 2006	Listed in TSE, Mother's Section
Mar. 2010	Listed on TSE 1st Section
Apr. 2022	Transition to TSE Prime

Capital JPY 9,716 mil.

Stock issues 134,239,870 shares (incl. 6,244,970 shares of treasury stock)

Consol. number of employees 1,450 (incl. 198 temporary and 443 overseas)

Major shareholder LIFULL Directors, Rakuten Group, Inc. (18.6%)

Main subsidiaries (stake) LIFULL CONNECT, S.L.U. (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.



LIFULL HOME'S
iOS · Android Apps



- 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

Primary Group Companies

(Listed according to date of founding / acquisition)

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

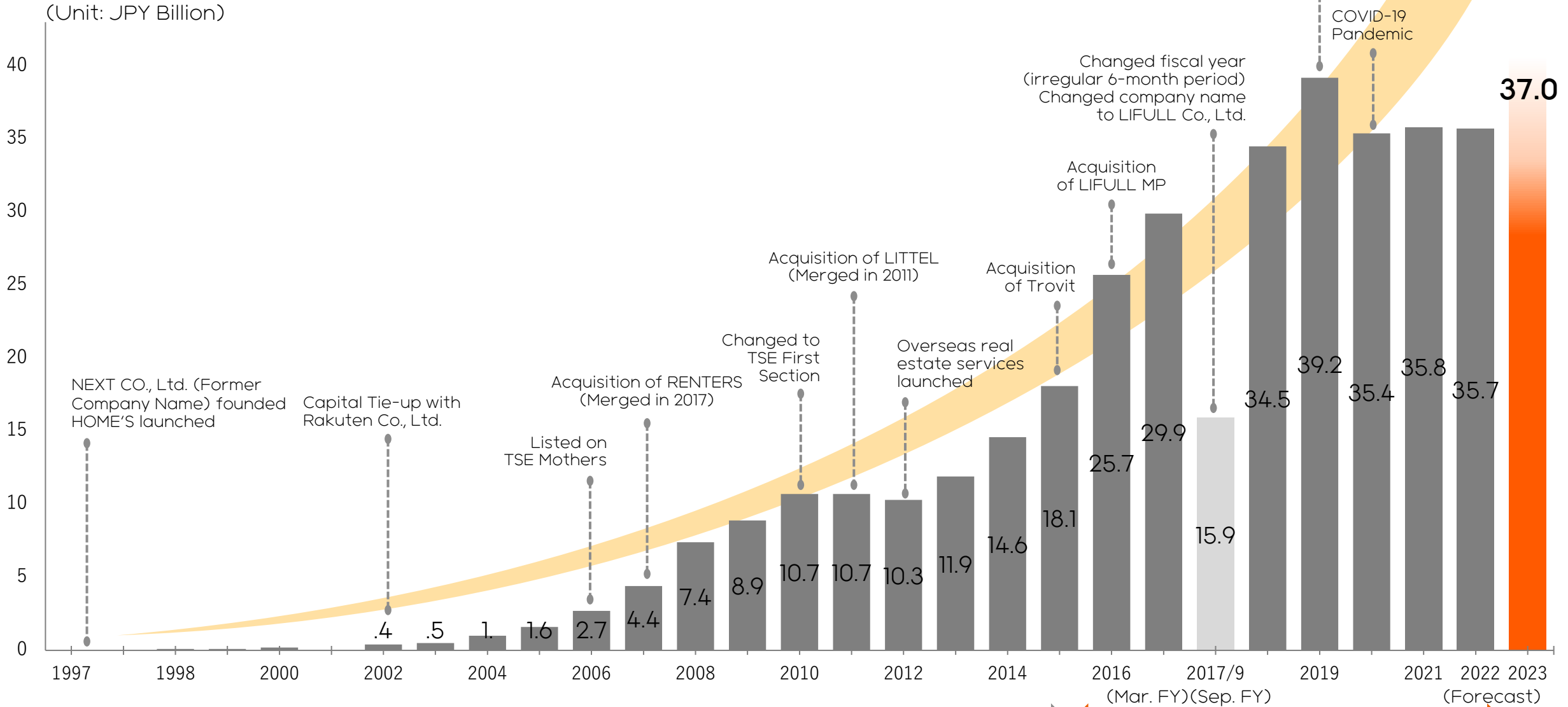
¹ All shares transferred on September 30, 2022, removed from consolidation

² All shares transferred and removed from consolidation on October 31, 2022

Segments and Primary Services

Segments	Main services
HOME'S Services	LIFULL HOME'S AD Master (former Renter's Net) NabiSTAR Advertising & Consulting Agency (LIFULL Marketing Partners Co., Ltd.) ¹ Kenbiya (Kenbiya Co., Ltd.)
Overseas	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
Other Businesses	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

Annual Revenue and Timeline of Company Growth



Consolidated Statements of Profit and Loss Quarterly

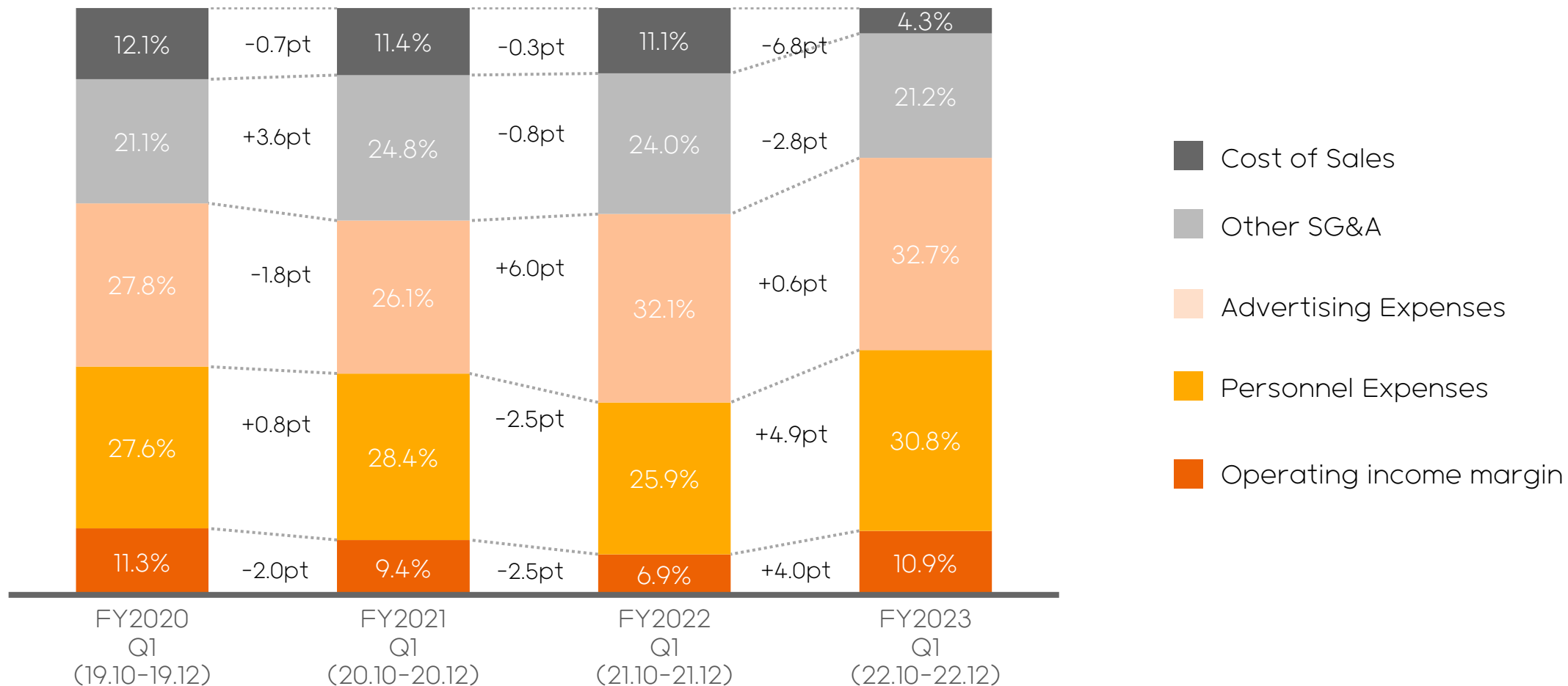
Unit : JPY mil	FY2020				FY2021				FY2022				FY2023
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Revenue	9,202	9,983	7,706	8,510	8,271	9,581	9,072	8,931	8,510	9,530	8,645	9,044	7,583
HOME'S Services	6,763	7,543	6,176	6,652	6,346	7,260	6,550	6,535	6,139	7,085	6,263	6,579	5,482
Overseas	2,006	1,892	1,101	1,378	1,440	1,766	1,974	1,837	1,787	1,762	1,660	1,727	1,478
Other Businesses	432	547	429	479	484	554	547	558	583	682	721	737	622
Cost of revenue	1,116	1,157	869	953	945	1,056	890	1,058	947	1,066	957	1,084	328
SG&A	7,031	7,390	5,651	6,940	6,467	7,426	7,464	7,240	7,010	8,580	7,853	7,917	6,965
Personnel expenses	2,535	1,590	2,048	2,785	2,345	2,001	2,315	2,242	2,203	2,485	2,436	2,558	2,334
Advertising expenses	2,559	3,882	1,884	2,160	2,155	3,585	3,170	2,940	2,731	3,916	3,160	3,015	2,482
Operating expenses	170	123	64	106	96	87	100	116	121	120	144	150	135
Depreciation/amortization cost	490	515	486	525	524	487	474	474	459	468	478	487	481
Other SG&A	1,274	1,278	1,167	1,363	1,345	1,263	1,403	1,466	1,494	1,589	1,634	1,704	1,531
Other revenues and expenses	-9	-41	62	-1,817	-83	-85	-28	-9,752	36	50	274	1,008	539
Operating income	1,044	1,393	1,248	-1,201	775	1,011	688	-9,120	588	-66	108	1,050	828
Operating income margin	11.3%	14.0%	16.2%	-14.1%	9.4%	10.6%	7.6%	-102.1%	6.9%	-0.7%	1.3%	11.6%	10.9%
Net profit*	527	949	846	-1,161	387	639	449	-7,378	365	-179	163	837	568

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 and FY 2021/9, these provisional accounting measures have been applied to all related values.

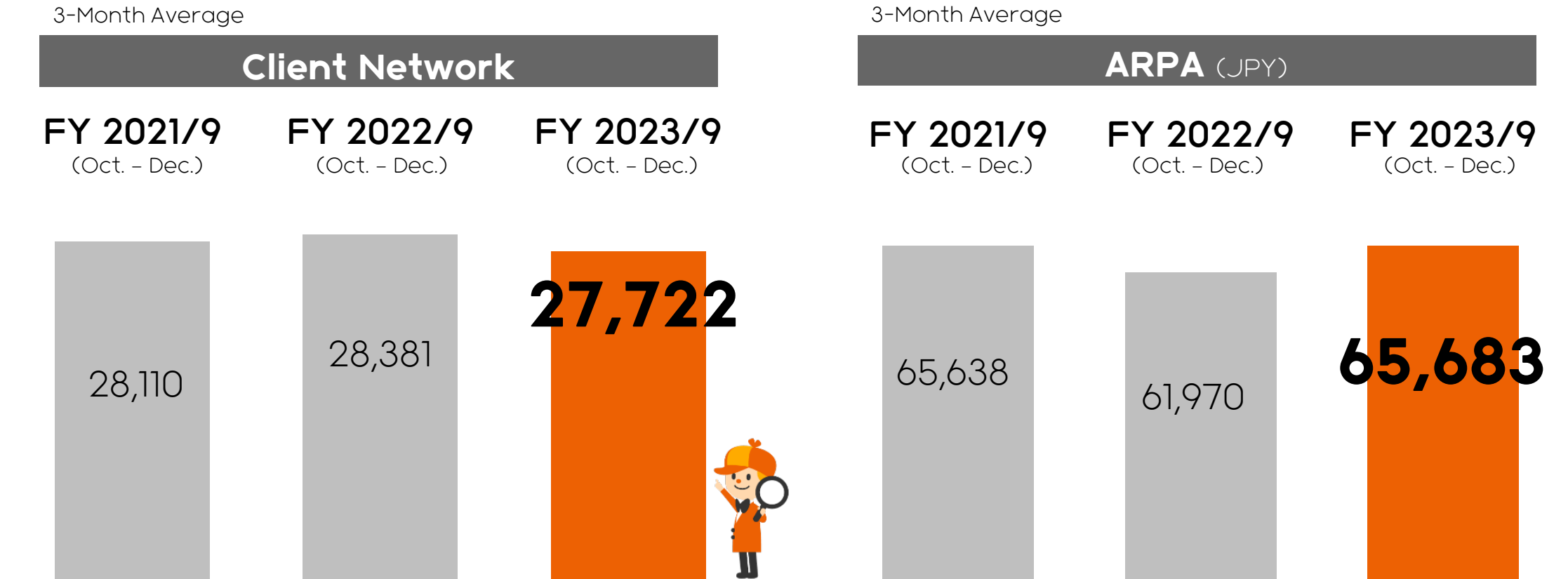
Expense-to-Revenue Ratio IFRS

Reduction in cost of sales from the sale of LIFULL Marketing Partners



LIFULL HOME'S Key Performance Indicators Client Network and ARPA

Although the total number of clients declined due to the removal of professional networks which included small-scale, non-active clients. Increased ARPA due to improved revenue.



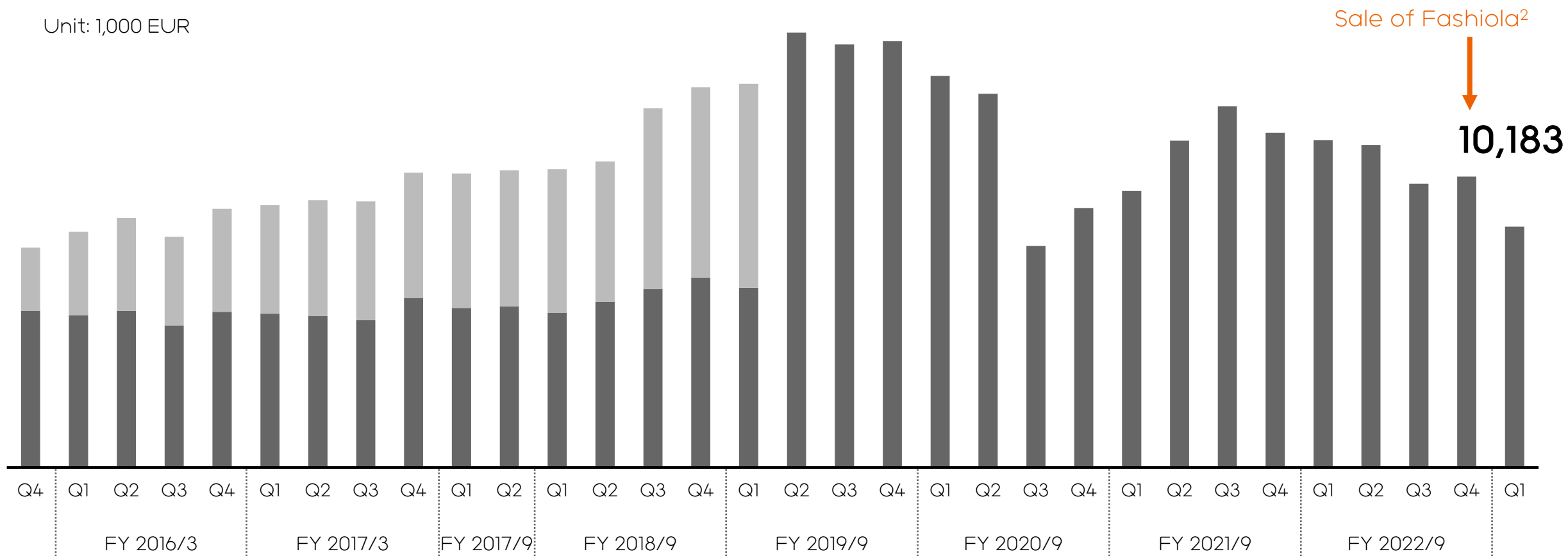
Beginning from this fiscal year, we had adjusted the figures for the current and previous fiscal years to reflect the sale of LIFULL Marketing Partners.

Quarterly Results LIFULL CONNECT

Reduced revenue primarily due to sale of fashion aggregation site in FY 2022/9 and delay in revenue from Premium Advertisements.

Results from LIFULL CONNECT¹ in EUR (■ Pre-consolidation results of Mitula Group)

Unit: 1,000 EUR



※1 Total for LIFULL CONNECT

※2 Sale of Fashiola (fashion aggregation service operated by Kleding B.V.) to Waterland Private Equity GmbH in July 2022

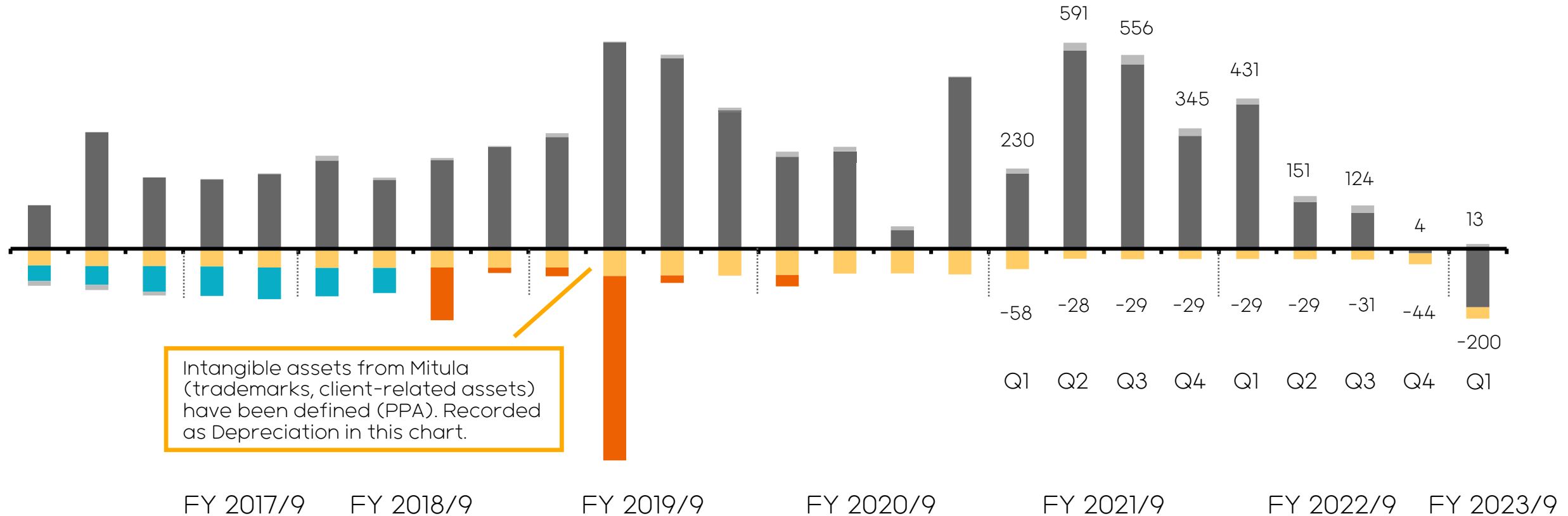
Overseas Segment Results Segment Profit and Loss (Quarterly Trend)

Current trend primarily due a decline revenue from aggregation sites and a temporary increase in personnel costs.

Quarterly Segment P&L

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

Unit: JPY mil.



Intangible assets from Mitula (trademarks, client-related assets) have been defined (PPA). Recorded as Depreciation in this chart.

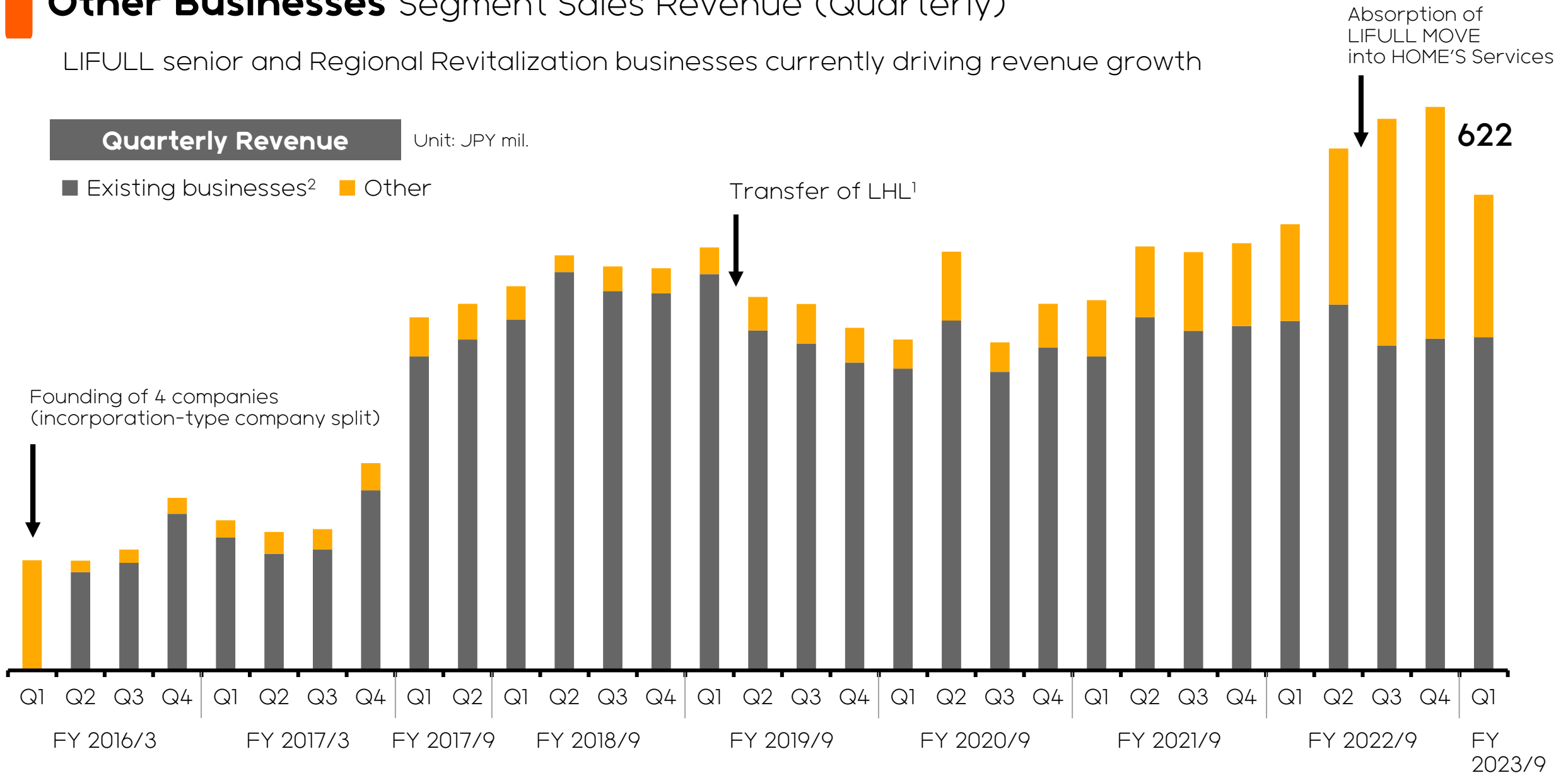
Other Businesses Segment Sales Revenue (Quarterly)

LIFULL senior and Regional Revitalization businesses currently driving revenue growth

Quarterly Revenue

Unit: JPY mil.

■ Existing businesses² ■ Other



Founding of 4 companies
(incorporation-type company split)

Transfer of LHL¹

Absorption of
LIFULL MOVE
into HOME'S Services

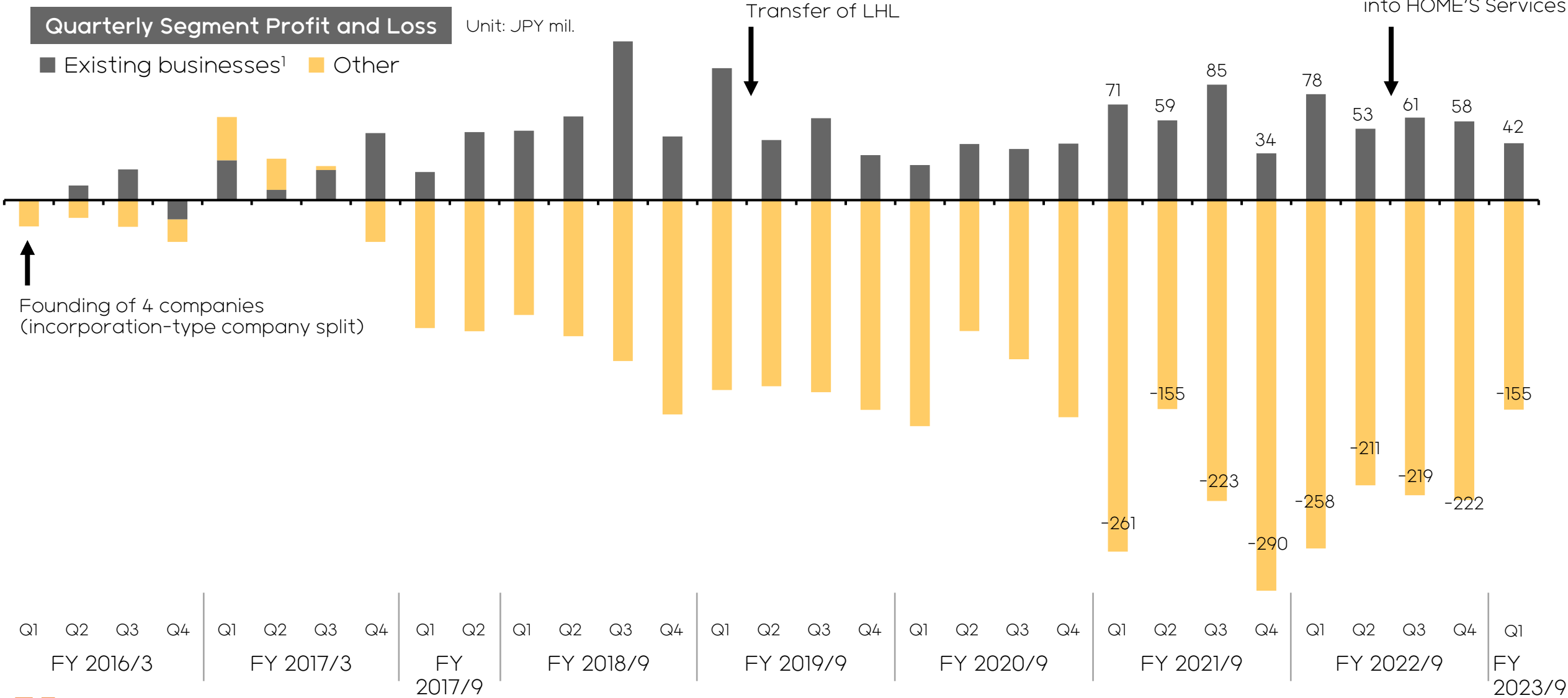
622

Other Businesses Segment Profit and Loss (Quarterly)

Quarterly Segment Profit and Loss

Unit: JPY mil.

Existing businesses¹ Other



¹ Comprised of senior, SPACE, FinTech (sold in 2018) and MOVE (absorbed into HOME'S Segment in 2022/3)

(Ref.) External Market Data Monthly

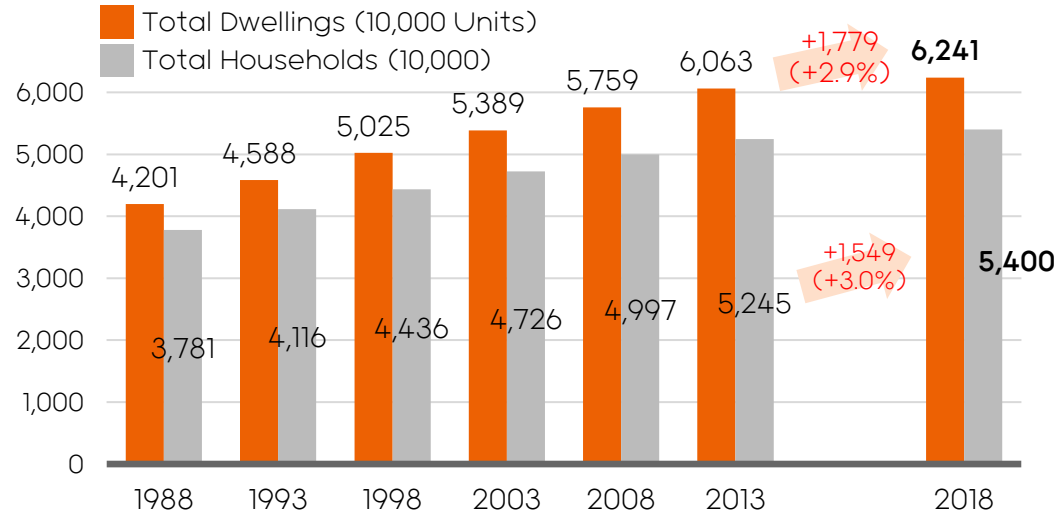
		Annual			2021			2022											
		2020 (Jan-Dec)	2021 (Jan-Dec)	2022 (Jan-Dec)	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
(1) Number of Apartments for Sale	Capital Region	27,228	33,636	29,569	2,055	5,452	6,649	1,128	2,287	2,492	2,426	2,466	1,913	2,268	1,162	2,036	2,768	2,866	5,757
	YoY	-12.8%	23.5%	-12.1%	-38.8%	95.4%	-9.7%	-14.9%	2.0%	-19.7%	16.1%	-4.3%	-1.3%	16.2%	-40.1%	-11.9%	34.7%	-47.4%	-13.4%
	Kinki	15,195	18,951	18,952	1,457	2,099	2,812	792	1,378	1,267	1,148	1,379	1,261	1,374	1,059	1,332	2,120	1,796	2,952
	YoY	-15.8%	24.7%	124.7%	3.0%	30.4%	-9.4%	14.0%	-19.8%	-30.2%	5.0%	4.4%	-27.2%	-29.5%	0.9%	10.1%	45.5%	-14.4%	5.0%
(2) Apartment Price Trend	Capital Region	6,083	6,260	6,261	6,750	6,123	5,384	6,157	7,418	6,518	6,291	6,088	6,447	6,379	6,102	6,653	6,787	6,035	5,556
	YoY	1.7%	2.9%	102.9%	10.1%	3.4%	-4.2%	5.7%	16.3%	3.0%	-19.0%	3.0%	3.8%	-1.8%	-18.1%	1.0%	0.5%	-1.4%	3.2%
	Kinki	4,181	4,562	4,563	4,222	6,041	4,274	3,992	4,433	5,067	3,983	4,853	4,422	4,984	4,295	4,698	5,374	5,220	4,006
	YoY	8.1%	9.1%	109.1%	-13.9%	35.8%	9.2%	-13.8%	12.1%	19.9%	-25.6%	26.8%	-3.3%	11.7%	-2.7%	-1.2%	27.3%	-13.6%	-6.3%

		Annual			2021			2022											
		2020 (Jan-Dec)	2021 (Jan-Dec)	2022 (Jan-Dec)	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
(3) New Build Starts (Units)	House for Rent	306,753	321,376	345,080	29,822	26,819	25,222	23,083	23,583	32,305	29,526	25,963	30,294	29,686	31,303	30,623	31,996	29,873	26,845
	YoY	-10.4%	4.8%	7.4%	14.5%	1.4%	3.3%	16.6%	4.6%	18.6%	2.4%	3.5%	1.7%	1.6%	8.9%	8.4%	7.3%	11.4%	6.4%
	Apartment	107,884	101,292	108,198	8,436	8,239	7,091	7,071	9,727	10,618	12,685	7,569	7,855	8,053	10,727	8,386	9,298	8,092	8,117
	YoY	-8.4%	-6.1%	6.8%	-14.9%	2.4%	15.3%	-19.4%	43.5%	2.2%	17.7%	-19.9%	11.8%	-11.7%	34.6%	15.7%	10.2%	-1.8%	14.5%
	House	130,753	141,094	145,992	12,284	12,509	12,723	11,003	11,590	12,439	12,456	11,907	12,689	12,462	12,341	12,296	12,462	12,370	11,977
	YoY	-11.4%	7.9%	3.5%	15.4%	10.0%	12.4%	7.7%	10.7%	9.9%	7.4%	0.9%	0.3%	1.8%	4.7%	6.9%	1.4%	-1.1%	-5.9%
	Owned house	261,088	285,575	253,287	26,840	25,329	22,731	18,130	19,258	20,246	21,040	21,314	23,196	22,430	22,302	22,258	21,834	21,511	19,768
	YoY	-9.6%	9.4%	-11.3%	16.6%	5.5%	-0.4%	-5.6%	-5.6%	-9.4%	-8.0%	-6.9%	-11.3%	-14.0%	-11.1%	-13.3%	-18.7%	-15.1%	-13.0%

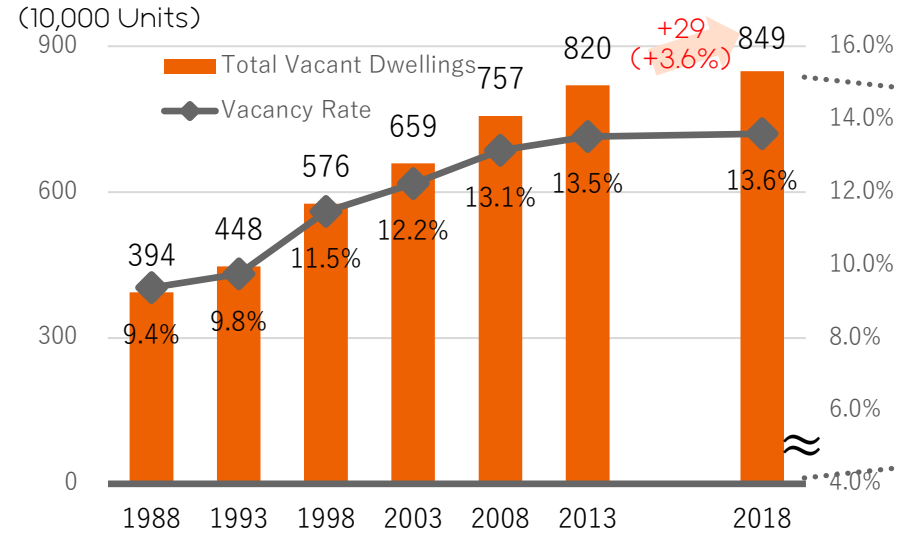
		Annual			2021			2022											
		2020 (Jan-Dec)	2021 (Jan-Dec)	2022 (Jan-Dec)	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
(4) Internal Migrants	Total	5,255,721	5,247,744	5,310,972	356,889	359,777	344,389	326,360	345,584	947,081	678,630	423,842	384,633	377,542	401,973	358,962	369,589	348,586	348,190
	YoY	-2.7%	-0.2%	1.2%	-3.6%	5.1%	-3.8%	1.8%	-8.1%	-3.0%	-4.4%	18.5%	5.1%	3.9%	8.5%	3.5%	3.6%	-3.1%	1.1%
	Only Japanese	4,840,852	4,818,721	4,775,207	326,739	328,179	315,626	298,411	317,470	892,728	630,331	365,625	324,725	330,113	357,644	318,047	326,640	305,512	307,961
	YoY	-1.0%	-0.5%	-0.9%	-4.2%	4.9%	-2.1%	5.8%	-4.5%	-2.5%	-4.9%	11.3%	-3.0%	-1.4%	4.9%	0.5%	0.0%	-6.9%	-2.4%
(5) Japan Population	Unit : Thousand	Oct. 1, 2020	Oct. 1, 2021	Oct. 1, 2022	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
	Total	126,146	125,502	-	125,502	125,443	125,380	125,309	125,194	125,103	125,071	125,072	125,104	125,125	125,082	124,750	124,830	124,850	124,840

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

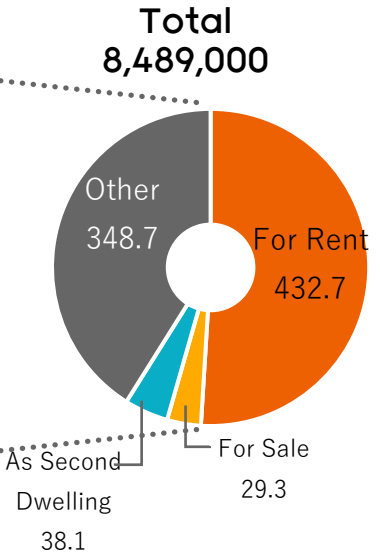
Trend of Total Dwellings and Total Households



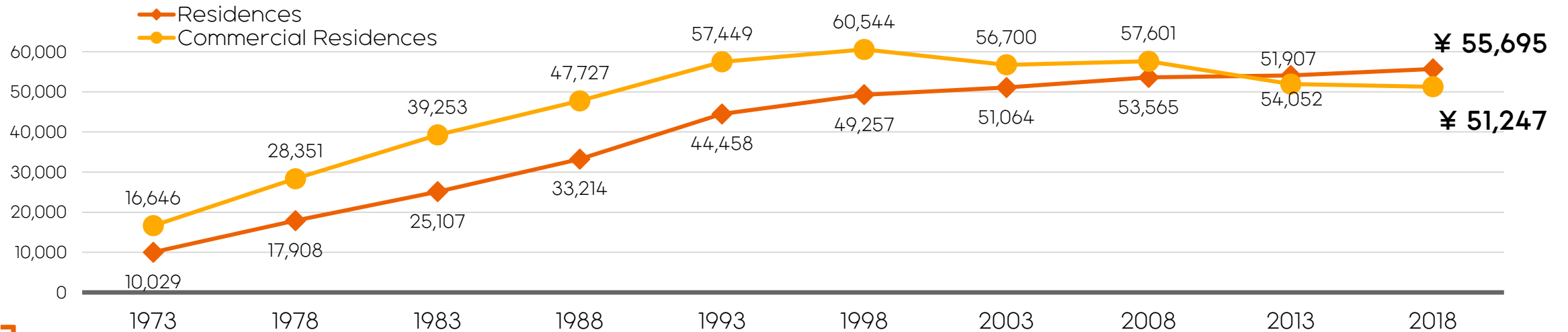
Trend of Number of Vacant Homes and Vacancy Rates



Breakdown of Vacant Homes



National Trend in Monthly Rent



IR Team Contact Information



IR Site

Japanese <https://ir.LIFULL.com/>

English <https://ir.LIFULL.com/en/>



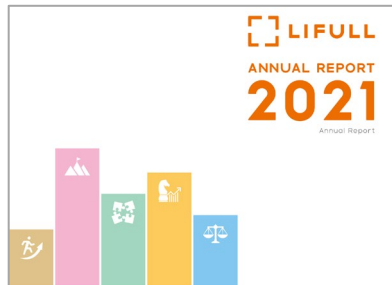
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