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## Consolidated Financial Report for the Six-month Period Ended March 31, 2023 (IFRS)

May 11, 2023

<b>Company name:</b> LIFULL Co., Ltd. <b>Stock code:</b> 2120 <b>Representative:</b> INOUE Takashi <b>Contact:</b> FUKUZAWA Hidekazu	<b>Listed exchange:</b> Tokyo Stock Exchange <b>URL:</b> <a href="https://ir.lifull.com/en/">https://ir.lifull.com/en/</a> (Position) President and CEO (Position) Managing Officer, General Manager of Group Company Business Development Department (TEL) +81-3-6774-1603
<b>Scheduled quarterly securities report submission date:</b> May 15, 2023 <b>Scheduled date of start of dividend payments:</b> - <b>Preparation of supporting documentation for earnings:</b> Yes <b>Earnings presentations:</b> Yes (For institutional investors and analysts)	

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

### 1. Consolidated Financial Results for the Six-month Period Ended March 31, 2023 (October 1, 2022 to March 31, 2023)

#### (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>Six-months Ended March 31, 2023</b>	19,168	6.3	1,759	236.6	1,612	276.6	1,201	608.9	1,162	525.5	1,437	34.1
Six-months Ended March 31, 2022	18,040	1.1	522	(70.8)	428	(74.2)	169	(83.6)	185	(81.9)	1,071	(54.9)

	Basic earnings per share (yen)	Diluted earnings per share (yen)
<b>Six-months Ended March 31, 2023</b>	9.01	8.99
Six-months Ended March 31, 2022	1.41	1.41

#### (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 March 31, 2023</b>	49,637	31,270	31,158	62.8
As of September 30, 2022	48,706	31,130	30,999	63.6

### 2. Dividends

	Annual dividend				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
FY 2022/9	yen -	yen 0.00	yen -	yen 2.25	Yen 2.25
<b>FY 2023/9</b>	-	0.00			
<b>FY 2023/9 (Forecast)</b>			-	-	-

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

Note 2: Dividends for FY 2023/9 are expected to be calculated based on a payout ratio of 25%.

### 3. Forecasts on the Consolidated Results for Fiscal 2023 (October 1, 2022 to September 30, 2023)

	Revenue		Operating income		Profit attributable to owners of the parent		Basic earnings per share
	million yen	(%)	million yen	(%)	million yen	(%)	yen
<b>Fiscal 2023</b>	37,000	3.6	3,300	96.2	2,500	110.5	18.97

Note 1: There have been no changes to the most recently announced 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 March 31, 2023	<b>134,239,870</b>	As of September 30, 2022	<b>134,239,870</b>
As of March 31, 2023	<b>6,224,996</b>	As of September 30, 2022	<b>2,458,270</b>
As of March 31, 2023	<b>128,929,338</b>	As of March 31, 2022	<b>131,781,600</b>

**\* This consolidated financial report is not subject to quarterly CPA or External Auditor reviews.**

**\* Regarding appropriate use of result forecasts and other notes**

- The Company plans to hold an earnings briefing for institutional investors and analysts. Scenes from the briefing and presentation content (video recordings) will be made available on the Company's website as soon as possible thereafter. (<https://ir.lifull.com/en/>)
- May 12, 2023 (Friday): Online-offline hybrid earnings presentation for institutional investors and analysts.
- In addition, the Company holds briefings as appropriate for individual investors. Please refer to the LIFULL IR website for more details.

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(Appendix)

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## 1. Condensed Consolidated Financial Statements and Significant Notes

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

(Millions of yen)

	As of September 30, 2022	As of March 31, 2023
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	16,521	13,791
Accounts receivable-trade and other current receivables	4,461	5,652
Other short-term financial assets	1,068	891
Other current assets	2,960	2,033
Total current assets	<u>25,011</u>	<u>22,369</u>
<b>Non-current assets</b>		
Property, plant and equipment	1,191	1,146
Right-of-use assets	2,656	2,453
Goodwill	11,590	15,658
Intangible assets	2,850	2,742
Investments accounted for using the equity method	1,112	621
Other long-term financial assets	1,528	1,998
Deferred tax assets	2,716	2,630
Other non-current assets	49	15
Total non-current assets	<u>23,695</u>	<u>27,267</u>
<b>Total assets</b>	<u>48,706</u>	<u>49,637</u>

	As of September 30, 2022	As of March 31, 2023
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and other current payables	3,036	3,844
Loans	8,092	5,529
Lease liabilities	693	709
Accrued corporate income taxes	250	396
Other current liabilities	1,316	1,948
Total current liabilities	13,389	12,428
<b>Non-current liabilities</b>		
Loans	462	404
Lease obligations	2,036	1,810
Provisions	511	511
Other long-term financial liabilities	200	2,254
Deferred tax liabilities	451	430
Other non-current liabilities	523	527
Total non-current liabilities	4,186	5,938
<b>Total liabilities</b>	17,575	18,366
<b>Equity</b>		
<b>Attributable to the owners of the parent</b>		
Capital stock	9,716	9,716
Capital surplus	10,033	10,085
Retained earnings	11,025	11,846
Treasury shares	(1,009)	(2,009)
Stock acquisition rights	-	6
Other components of equity	1,233	1,513
Attributable to the owners of the parent	30,999	31,158
Attributable to non-controlling interests	131	111
<b>Total equity</b>	31,130	31,270
<b>Total liabilities and equity</b>	48,706	49,637

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

Condensed Consolidated Statements of Profit or Loss  
For the Six-month Period Ended March 31

(Millions of yen)

	Six-month Period Ended March 31, 2022 (October 1, 2021 to March 31, 2022)	Six-month Period Ended March 31, 2023 (October 1, 2022 to March 31, 2023)
<b>Revenue</b>	18,040	19,168
Cost of revenue	2,013	2,569
<b>Gross profit</b>	16,026	16,599
Selling, general and administrative expenses	15,591	15,381
Other revenue	122	702
Other expenses	34	160
<b>Operating income</b>	522	1,759
Financial revenue	21	4
Financial expenses	44	38
Share of profit (loss) of investments accounted for using the equity method	(71)	(112)
<b>Profit before taxes</b>	428	1,612
Income tax expenses	258	410
<b>Profit for the period</b>	169	1,201
Profit (loss) for the period attributable to:		
Owners of the parent	185	1,162
Non-controlling interests	(16)	39
Total	169	1,201
	(yen)	(yen)
<b>Profit for the period per share attributable to owners of the parent</b>		
Basic profit for the period per share	1.41	9.01
Diluted profit for the period per share	1.41	8.99

Condensed Consolidated Statements of Profit or Loss  
For the Three-month Period Ended March 31

(Millions of yen)

	Three-month period Ended March 31, 2022 (January 1, 2022 to March 31, 2022)	Three-month period Ended March 31, 2023 (January 1, 2023 to March 31, 2023)
<b>Revenue</b>	9,530	11,585
Cost of revenue	1,066	2,240
<b>Gross profit</b>	8,463	9,344
Selling, general and administrative expenses	8,580	8,415
Other revenue	69	18
Other expenses	18	16
<b>Operating income</b>	(66)	930
Financial revenue	0	0
Financial expenses	23	19
Share of profit (loss) of investments accounted for using the equity method	(57)	(42)
<b>Profit before taxes</b>	(145)	869
Income tax expenses	43	239
<b>Profit for the period</b>	(189)	629
Profit (loss) for the period attributable to:		
Owners of the parent	(179)	593
Non-controlling interests	(9)	36
Total	(189)	629
	(yen)	(yen)
<b>Profit for the period per share attributable to owners of the parent</b>		
Basic profit for the period per share	(1.36)	4.64
Diluted profit for the period per share	(1.36)	4.62

Condensed Consolidated Statements of Comprehensive Income  
For the Six-month Period Ended March 31

(Millions of yen)

	Six-month period Ended March 31, 2022 (October 1, 2021 to March 31, 2022)	Six-month period Ended March 31, 2023 (October 1, 2022 to March 31, 2023)
<b>Profit for the period</b>	169	1,201
<b>Other comprehensive income</b>		
Items that will not be reclassified to profit or loss:		
Equity instruments measured at FVTOCI	(6)	(15)
<b>Total of items that will not be reclassified to profit or loss</b>	(6)	(15)
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	885	435
Share of other comprehensive income of investments accounted for using the equity method	23	(184)
<b>Total of items that may be reclassified subsequently to profit or loss</b>	909	250
<b>Other comprehensive income, net of tax</b>	902	235
<b>Total comprehensive income for the period</b>	1,071	1,437
<b>Comprehensive income for the period attributable to:</b>		
Owners of the parent	1,088	1,397
Non-controlling interests	(16)	39
Total	1,071	1,437



Condensed Consolidated Statements of Comprehensive Income  
For the Three-month Period Ended March 31

(Millions of yen)

	Three-month period Ended March 31, 2022 (January 1, 2022 to March 31, 2022)	Three-month period Ended March 31, 2023 (January 1, 2023 to March 31, 2023)
<b>Profit for the period</b>	(189)	629
<b>Other comprehensive income</b>		
Items that will not be reclassified to profit or loss:		
Equity instruments measured at FVTOCI	0	(11)
<b>Total of items that will not be reclassified to profit or loss</b>	0	(11)
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	816	634
Share of other comprehensive income of investments accounted for using the equity method	4	-
<b>Total of items that may be reclassified subsequently to profit or loss</b>	820	634
<b>Other comprehensive income, net of tax</b>	820	622
<b>Total comprehensive income for the period</b>	631	1,252
<b>Comprehensive income for the period attributable to:</b>		
Owners of the parent	641	1,216
Non-controlling interests	(9)	36
Total	631	1,252

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

For the Six-month Period Ended March 31, 2022 (October 1, 2021 to March 31, 2022)

(Millions of yen)

	Capital stock	Capital surplus	Retained earnings	Treasury shares	Stock acquisition rights	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	9,982	10,296	(1,009)	-	(572)	28,413	124	28,538
Profit for the period	-	-	185	-	-	-	185	(16)	169
Other comprehensive income	-	-	-	-	-	902	902	-	902
Total comprehensive income for the period	-	-	185	-	-	902	1,088	(16)	1,071
Dividends of surplus	-	-	(477)	-	-	-	(477)	(5)	(482)
Share-based payment transactions	-	24	-	-	-	-	24	-	24
Purchase of treasury shares	-	-	-	(0)	-	-	(0)	-	(0)
Total transactions with owners	-	24	(477)	(0)	-	-	(452)	(5)	(457)
Balance as of March 31, 2022	9,716	10,006	10,005	(1,009)	-	330	29,049	103	29,152

For the Six-month Period Ended March 31, 2023 (October 1, 2022 to March 31, 2023)

(Millions of yen)

	Capital stock	Capital surplus	Retained earnings	Treasury shares	Stock acquisition rights	Other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total shareholders' equity
Balance as of October 1, 2022	9,716	10,033	11,025	(1,009)	-	1,233	30,999	131	31,130
Profit for the period	-	-	1,162	-	-	-	1,162	39	1,201
Other comprehensive income	-	-	-	-	-	235	235	-	235
Total comprehensive income for the period	-	-	1,162	-	-	235	1,397	39	1,437
Dividends of surplus	-	-	(296)	-	-	-	(296)	(59)	(356)
Share-based payment transactions	-	52	-	-	6	-	58	-	58
Transfer to retained earnings	-	-	(44)	-	-	44	-	-	-
Purchase of treasury shares	-	-	-	(1,000)	-	-	(1,000)	-	(1,000)
Total transactions with owners	-	52	(341)	(1,000)	6	44	(1,238)	(59)	(1,297)
Balance as of March 31, 2023	9,716	10,085	11,846	(2,009)	6	1,513	31,158	111	31,270

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

(Millions of yen)

	Six-month Period Ended March 31, 2022 (October 1, 2021 to March 31, 2022)	Six-month Period Ended March 31, 2023 (October 1, 2022 to March 31, 2023)
<b>Net cash from operating activities</b>		
Profit for the period before tax	428	1,612
Depreciation and amortization	936	970
Financial revenue	(21)	(4)
Financial expenses	44	38
Decrease (increase) in accounts receivable-trade and other current receivables	(46)	(758)
Increase (decrease) in accounts payable-trade and other current payables	310	(7)
Other	(863)	1,291
Subtotal	788	3,142
Interest and dividends received	1	4
Interest paid	(46)	(74)
Income taxes paid or refunded (paid)	299	(417)
Net cash from operating activities	1,042	2,655
<b>Net cash used in investing activities</b>		
Proceeds from sale of capital financial assets	20	-
Purchase of property, plant and equipment	(60)	(84)
Proceeds from sale of property, plant and equipment	0	-
Purchase of intangible assets	(276)	(321)
Payments for transfer of business	(350)	-
Purchase of subsidiaries	-	(1,096)
Purchase of shares of affiliates	(800)	-
Proceeds from the sale of affiliates	-	858
Payments of loans receivable	(445)	(1,302)
Collection of loans receivable	956	918
Other	(8)	36
Net cash from investing activities	(964)	(990)
<b>Net cash provided by (used in) financing activities</b>		
Proceeds from short-term loans	-	100
Repayment of short-term loans	(250)	(1,500)
Proceeds from long-term loans	1,012	-
Repayment of long-term loans	(182)	(1,377)
Dividends paid	(476)	(296)
Repayment of lease obligations	(374)	(372)
Dividends paid to non-controlling interests	(5)	(56)
Purchase of treasury shares	(0)	(1,000)
Other	-	6
Net cash from financing activities	(277)	(4,497)
<b>Effect of exchange rate changes on cash and cash equivalents</b>	201	102
<b>Net increase (decrease) in cash and cash equivalents</b>	2	(2,729)
<b>Cash and cash equivalents at beginning of period</b>	13,145	16,521
<b>Cash and cash equivalents at end of period</b>	13,147	13,791

**(5) Notes on the Consolidated Financial Statements**

**1. Note Regarding Going Concern Assumptions**

Not applicable.

**2. Subsequent Events**

Not applicable.