

Listed Company: LIFULL Co., Ltd.
Representative: INOUE Takashi, President and CEO
(Stock Code: 2120 TSE Prime)
Inquiries: FUKUZAWA Hidekazu, Managing Officer
Head of Group Company Business
Development Dept.
(TEL +81-3-6774-1603)
(URL <https://ir.lifull.com/en/>)

Notice of a Difference Between the Consolidated Result Forecast and Actual Results for the Fiscal Year

LIFULL Co., Ltd. hereby announces the following differences between the result forecast announced on November 9, 2022, for the fiscal year ended September 30, 2023, and actual results released today. In addition, we will also inform you about the difference in non-consolidated results for the previous fiscal year.

Notes

1. Consolidated Forecast and Actual Results for FY 2023/9 (IFRS)

Consolidated Results (Oct. 1, 2022 to Sep. 30, 2023)

(Unit: JPY Mil.)

	Revenue	Operating Profit	Profit for the Period Attributable to Owners of the Parent	Basic Earnings per Share
Forecast (A)	37,000	3,300	2,500	18.97
Actual Results (B)	36,405	1,959	1,031	8.03
Change (B-A)	(595)	(1,341)	(1,469)	(10.94)
Change (%)	(1.6)	(40.6)	(58.7)	(57.7)
Ref) Prev. Results (FY 2022/9)	35,730	1,672	1,180	8.96

Reasons for the Difference

During the fiscal year ended September 30, 2023, we focused our efforts on growth in our core businesses. To achieve this, we focused our resources on these businesses by making active investments and stepping back from or exiting other auxiliary services. As a result, revenue for the HOME'S Services segment grew by 2.7% after removing the effects of a subsidiary we sold at the end of the previous fiscal year while also considerably increasing profitability.

In the Overseas segment, we acquired FazWaz Thailand Co. Ltd. (FazWaz) and Medios de Clasificados, S. De R. L. de CV. Although these acquisitions helped us grow the businesses, the unstable situations caused by international events had a negative impact on our aggregation sites resulting in a downturn in revenue.

In terms of profit, was negatively affected by the downturn in revenue in the Overseas segment and losses for equity method investments aimed at developing new financial products for real estate exceeded expectations. Additionally, FazWaz, consolidated since January 2023, over-performed on the original business plan. However, costs have increased due to the additional recording of a conditional consideration (earn-out) due to revisions to the medium-term business plan as well as other effects such as impairment loss accounting. As a result, net income was lower than expected.

Currently, we are focusing on returning the Overseas segment to its former profitability by re-organizing the management structure and plans in order to reach the goals of the Mid-Term Management Plan for FY 2025/9. Refer to the Earnings Presentation for FY 2023/9 for more details.