

LIFULL Co., Ltd.

Second Quarter Results

IFRS

FY 2024/9 Q2
(October 2023 – March 2024)

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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LIFULL HOME'S progressing according to plan

Profit of ¥0.91 bil. from the sale of LIFULL SPACE

Downward revisions to forecast due to gap in actual results Overseas



Earnings Digest

FY 2024/9 Q2 Consolidated Summary Revenue

Increase of ¥0.3 bil. after removing one-off gains in the previous fiscal year

Consolidated Revenue

(Oct. – Mar.)

Results

YoY

¥ 17.3 bil.

-9.4%

(JPY Bil.)

Revenue from sale of investments by the Regional Revitalization Fund

19.1

+0.3 17.3

FY 2023/9
(Oct. – Mar.)

FY 2024/9
(Oct. – Mar.)

Increased Revenue in Core Businesses



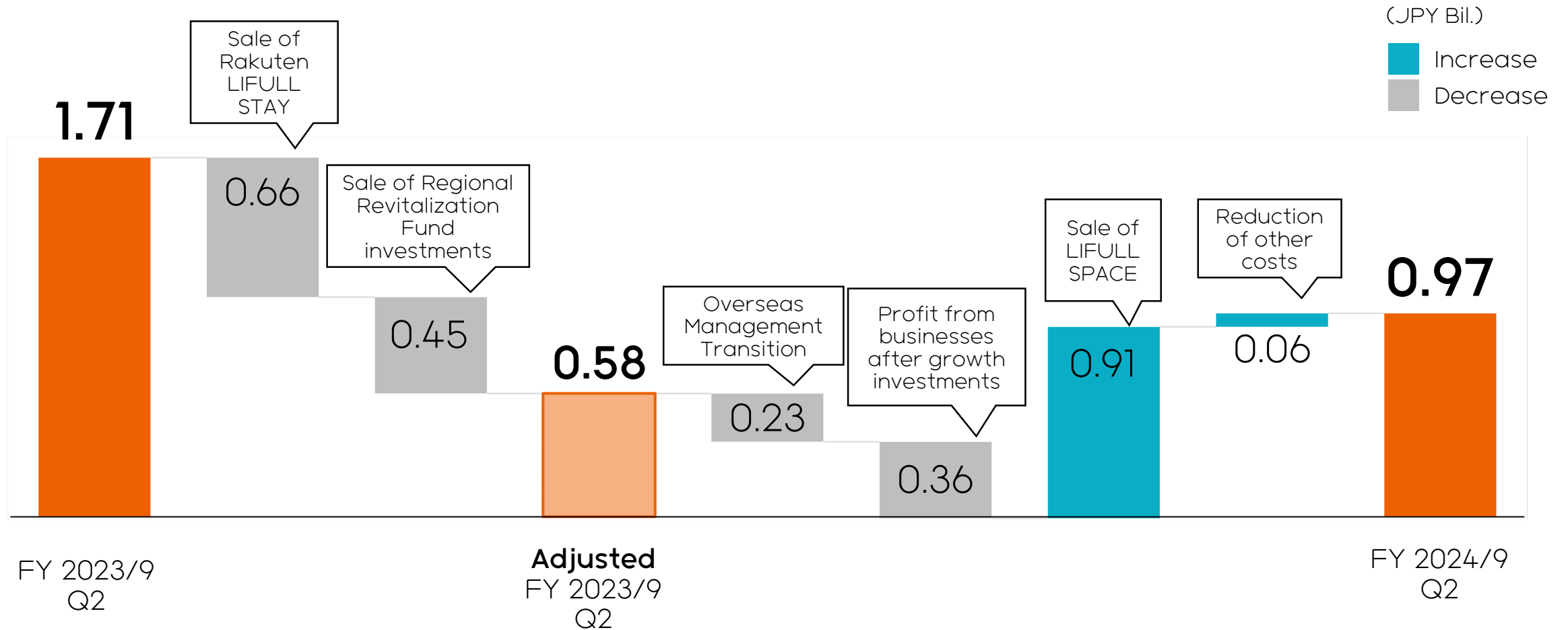
HOME'S Services (Page 6)



Overseas Businesses (Page 7)

FY 2024/9 Q2 Consolidated Summary Operating Profit

Despite one-off costs in the previous and current fiscal years, profit has decreased YoY due to growth investments and partial delays in achievement of business plans.

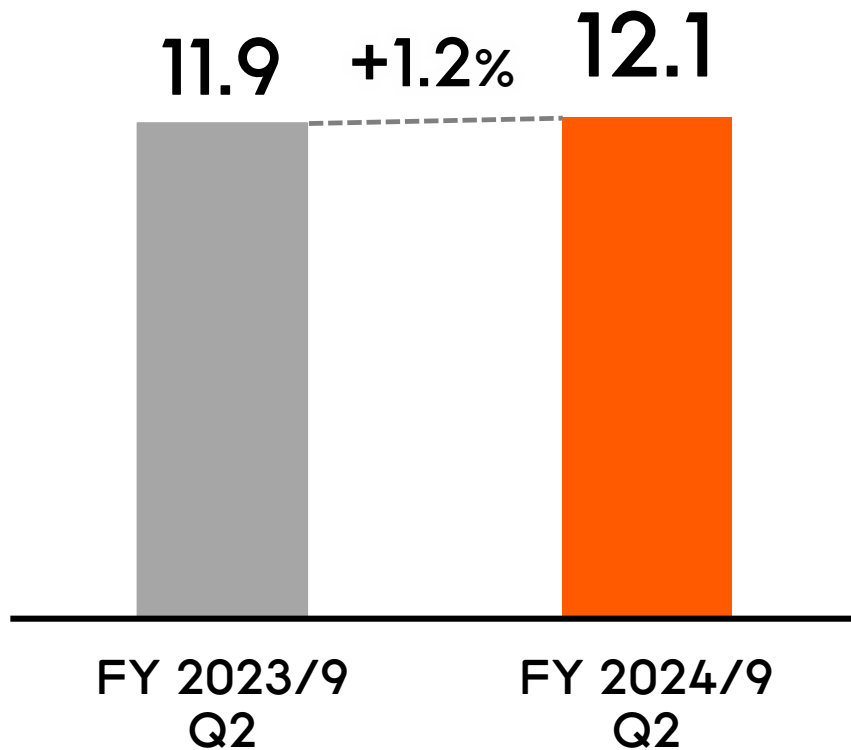


HOME'S Services Results for FY 2024/9 Q2

Currently making smooth progress towards targets

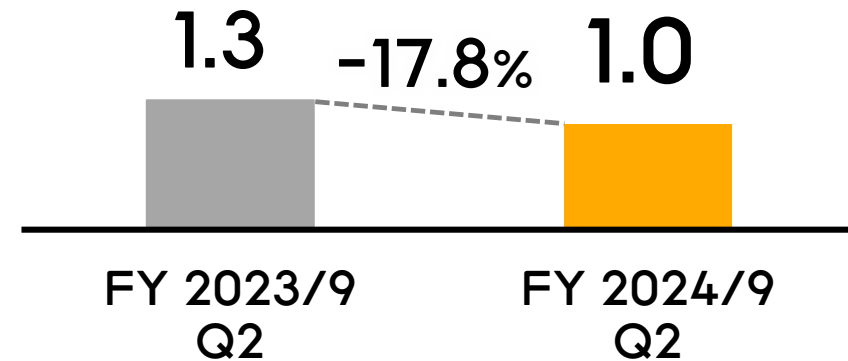
Revenue

(JPY Bil.)



Segment Profit

(JPY Bil.)

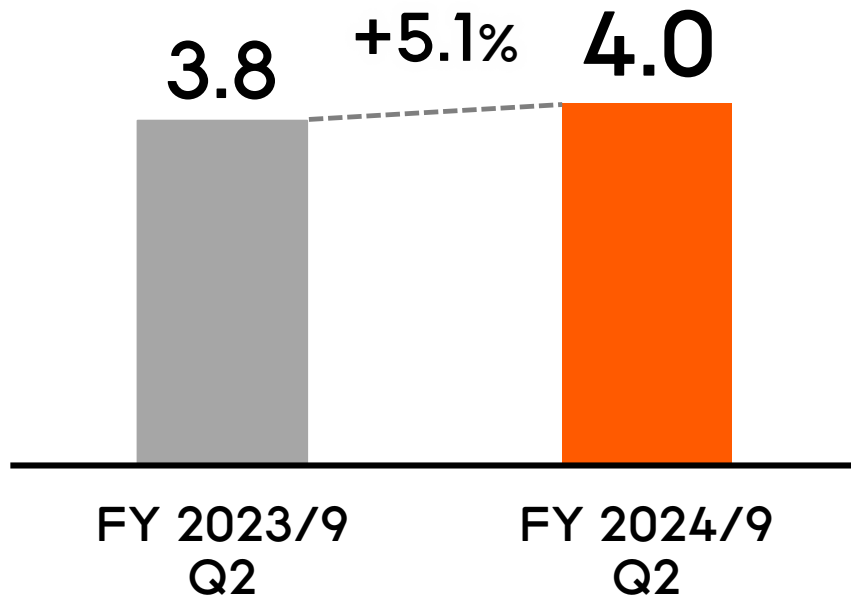


Overseas Results for FY 2024/9 Q2

Increased revenue due to new consolidations, but revenue is expected to fall short of full-year forecasts. One-off costs for the transition to the new management team have also reduced segment profit.

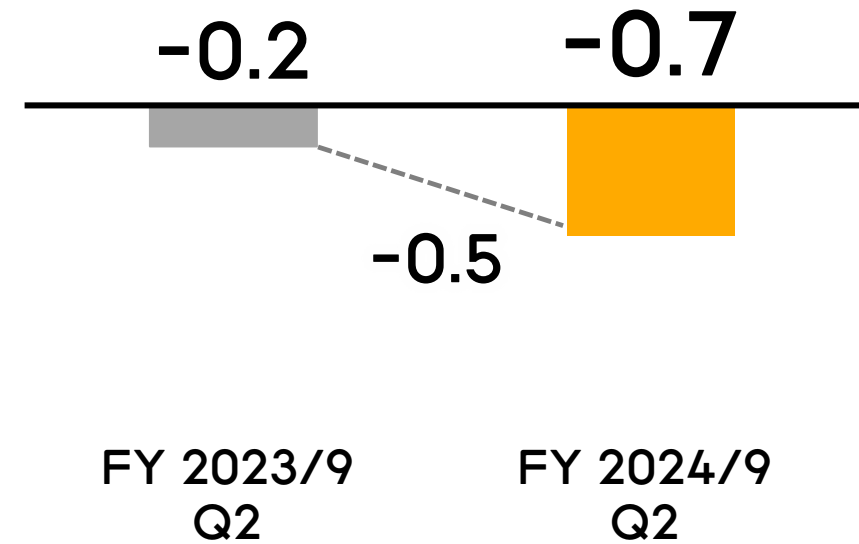
Revenue

(JPY Bil.)



Segment Profit

(JPY Bil.)





Revisions to the Earnings Forecast

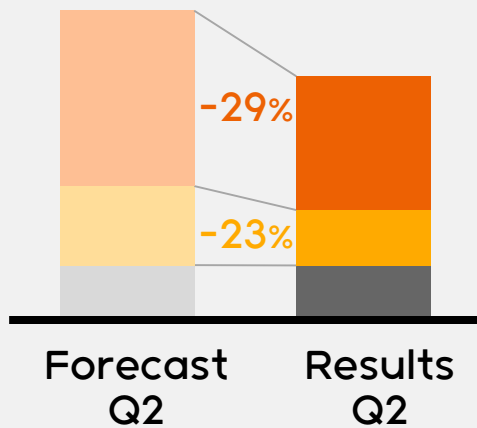
Overseas Business Gaps to the Forecast

Revenues for aggregation and tech-enabled agency services have fallen behind original forecasts. As a result, we have revised our full-year forecast for portions of the Overseas segment (LIFULL CONNECT.)

Comparison of Forecast to Current Results (Oct. – Mar.)

- Aggregation
- Tech-Enabled Agency
- Real Estate Portals

Overseas Revenue (EUR)



Reasons

Aggregation

Continued lower traffic due to changes in the business environment

Details on Page 15

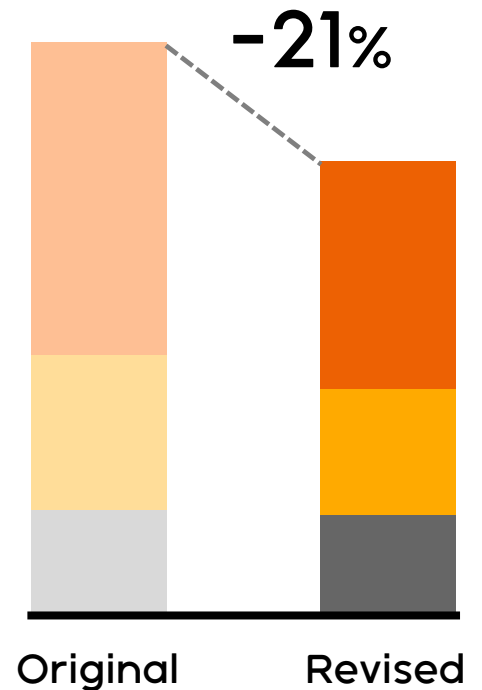
Tech-Enabled Agency

Lower numbers of agents during parts of Q1 resulting in less transactions than originally predicted

Details on Page 14

Revisions to Forecast (Local Currency)

See Page 10 for revisions in JPY



Revisions to the FY 2024/9 Full-Year Forecast

We have revised our full-year forecast in light of partial delays in achievement of business plans and one-time increases in expenses related to changes in the management structure of our Overseas Businesses. No revisions have been made to revenue or expenses of other segments.

Condensed Statements of Income and Loss

Unit: Millions of yen	FY 2024 Oct.-Sep. [Original Full-Year Forecast]	FY 2024 Oct.-Sep. [Revised Full-Year Forecast]	Change	Change %
Revenue	37,000	35,500	-1,500	-4.1%
Cost of revenue	2,245	2,408	163	+7.3%
SG&A (excl. depreciation)	32,586	31,919	-667	-2.0%
Personnel expenses	11,293	10,714	-579	-5.1%
Advertising expenses	11,507	10,962	-545	-4.7%
Operating expenses	1,103	1,042	-61	-5.5%
Other	8,336	9,199	863	+10.4%
Other revenues and expenses	832	843	11	+1.3%
Operating income	3,000	1,900	-1,100	-36.7%
Operating income margin	+8.1%	+5.4%	-2.7pt	-33.3%
Net profit*	1,350	300	-1,050	-77.8%

* Net profit: Net profit attributable to owners of the parent

Revenue by Segment

Unit: Millions of yen	FY 2024 Oct.-Sep. [Actual]	FY 2024 Oct.-Sep. [Full-year forecast]	Change	Change %
Revenue	37,000	35,500	-1,500	-4.1%
HOME'S Services	24,200	24,200	-	-
Overseas	10,300	8,800	-1,500	-14.6%
Others	2,500	2,500	-	-

Exchange Rates:

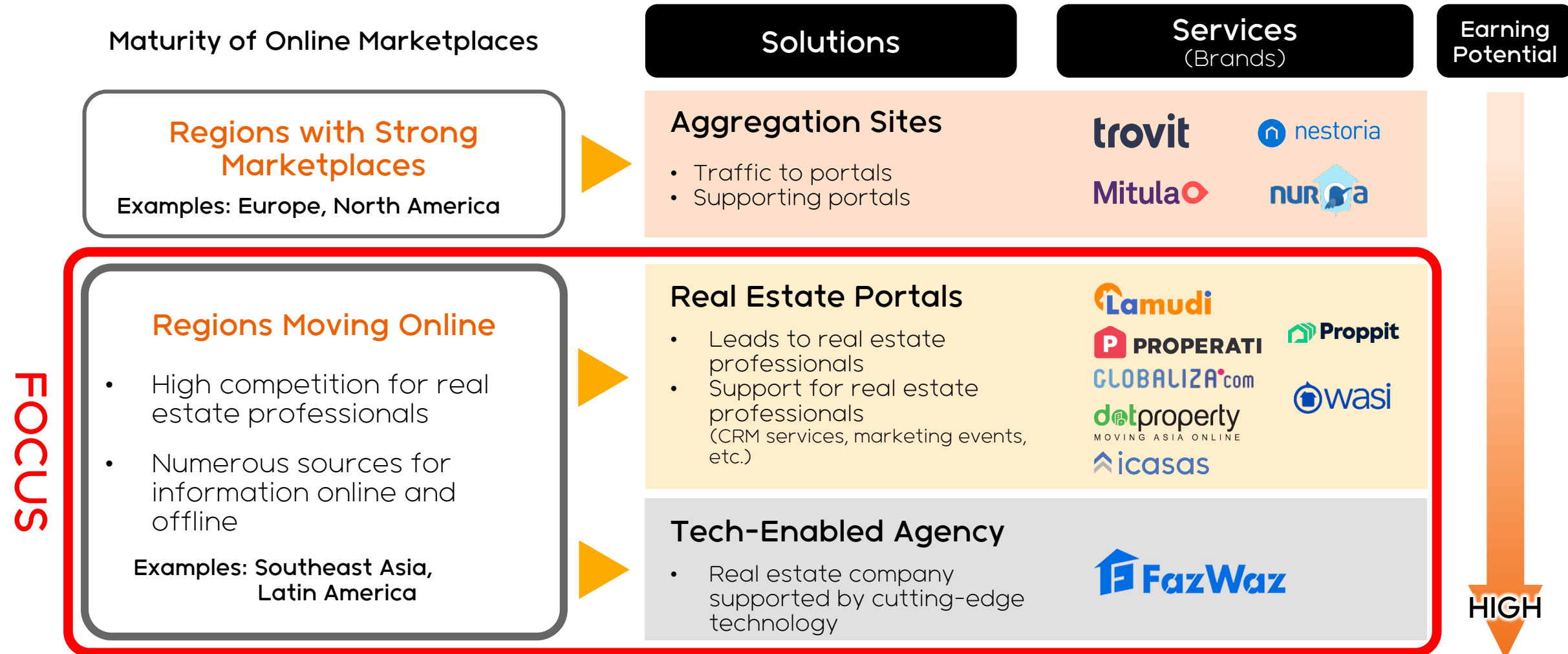
Actuals and Revised Forecast: €1 = ¥160.25
(Original Forecast: €1 = ¥149)



Creating a Stronger Business Overseas

Overseas Strategy (Moving to Direct) No Change

We provide different services tailored to the characteristics of each market and are continuing to make progress with solutions that have higher earning potential directly from the market to accelerate growth.

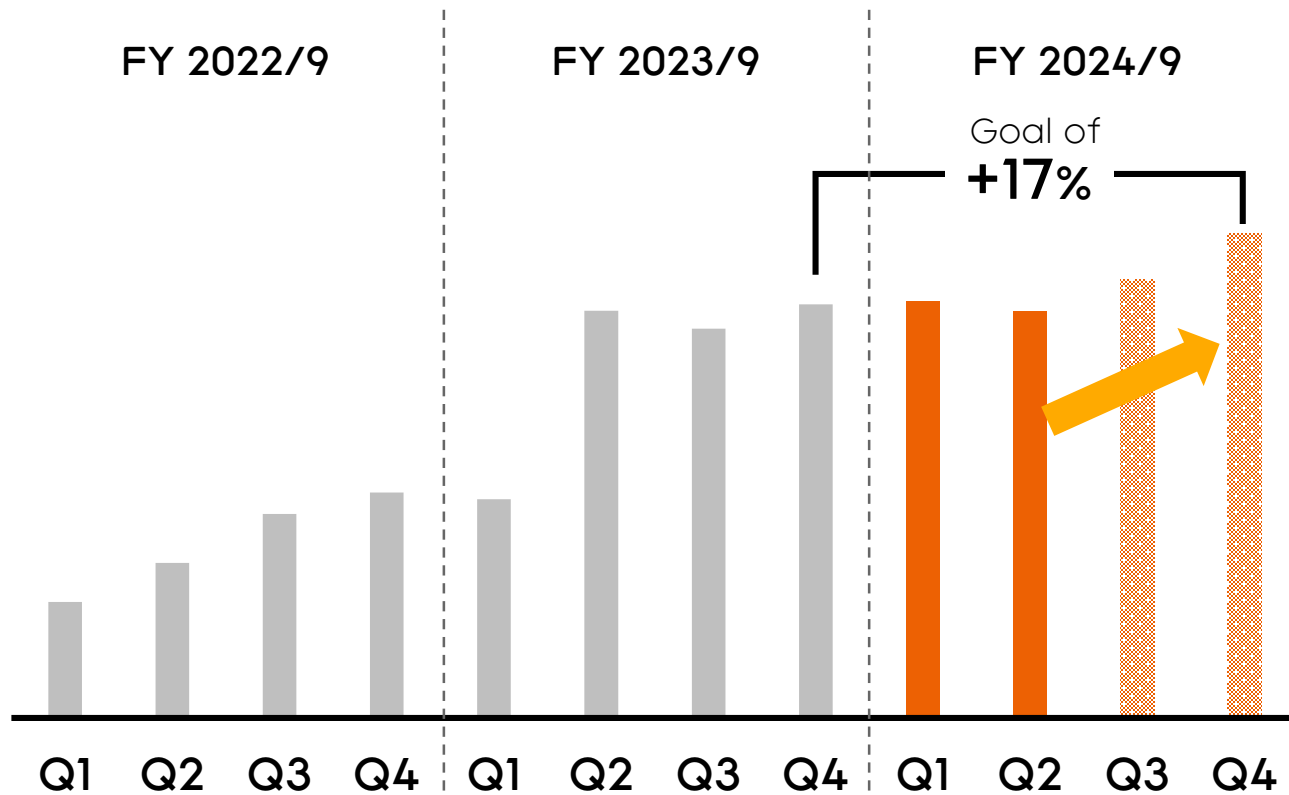


FOCUS

Real Estate Portals Update & Initiatives

Steady growth in Annual Recurring Revenue primarily due to improved ARPA

Annual Recurring Revenue (ARR)



Annual Recurring Revenue for each quarter has been calculated by multiplying the monthly recurring revenue of the final month of each quarter by 12.

Initiatives Moving Forward

Continued Efforts to Grow our Client Network & Increase ARPA

Improving Our Services

- Better features
- Adjusting our algorithms for better distribution of leads to our clients

Improved Sales Initiatives

- Further strengthening our sales and management teams
- Creation of a team to bring back previous clients etc.

Tech-Enabled Agency Update & Initiatives

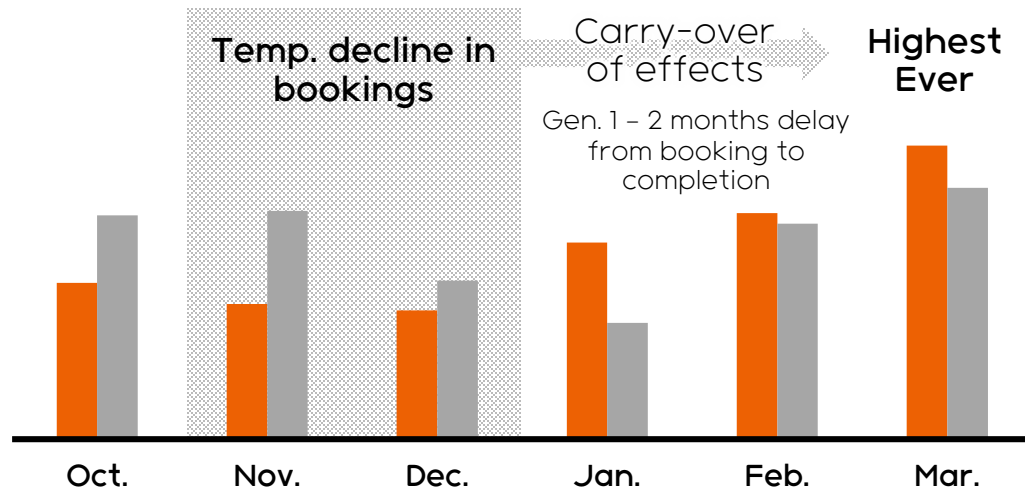
The number of completed transactions experienced a temporary decline. However, due to current expansion of the agent headcount and improved training, bookings have reached an all-time high with good momentum moving forward.

Update

Bookings & Completed Transactions

(Sales transactions only)

- Bookings
- Completed Transactions



Initiatives

Strategy

Increase sales per agent while also driving the total number of agents

Example Measures

Hiring & Training

- Participation in hiring events
- Further development of agent training programs

Productivity & Quality

- Ensuring better matches between leads and agents

Other indicators showing positive trends

Total Agents
+43%

Listings
+13%

Inquiries
+26%

End Dec. 2023 vs End Mar. 2024

Aggregation Sites Update & Initiatives

The decline in revenue primarily due to the reduction in organic traffic. As a result, we are continuing to take steps to stimulate traffic growth while also seeing improvements in the average cost per click.

Status of Elements of Revenue

Organic Traffic

Decreased due to changes in the market

YoY
-33%
Visits (Oct. - Mar.)

Conversion Rate

Continued improvement through UI and UX developments

YoY
+3.3 pts
Paid Clicks / Visit (Oct. - Mar.)

Average Cost Per Click

Prices were historically lower, but **currently increasing** with introduction of new products

YoY
+9%
Oct. - Mar. Average

Initiatives for the Rest of the Year (Examples)



Continued Sales of New Products

- Increase the scope of clients eligible for new products



Efforts to Improve Conversion Rates & Site Traffic

- Further development of UI &UX
- Implementation of AI-powered solutions
- Providing richer listings to users

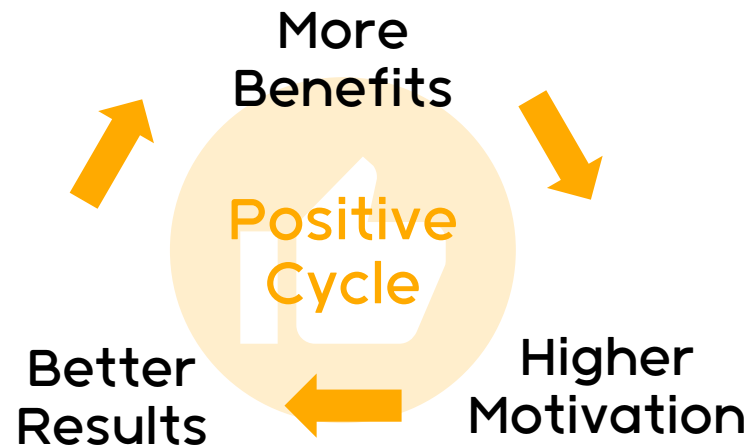
Overseas Working Environment Fostering More Engagement

We are implementing measures that have been successful in other parts of our businesses to further raise employee engagement and accelerate future growth.

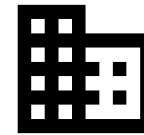
GOOD PLACE TO WORK PROJECT

Goal of the Project

Drive employee engagement and foster continued commitment to growing the business



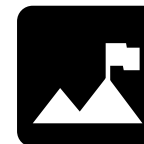
Example Initiatives



More effective working environments
(i.e. moving into new offices)



More support for team building



Revisions to incentive plans for key personnel

Rebuilding Process for the Overseas Business

After transitioning to a new management structure in December 2023, we have begun re-planning and initiating changes for future growth.

- Increased communication between Japan and overseas subsidiaries
- Identifying issues and discussing solutions

Transition



Change over to new management team of LIFULL CONNECT

Dec. 2023

Re-Planning



Revise and create new business plans

From Jan. 2024

Action



Implement plans

Growth



Recovery & Growth

NEXT STEP
From Apr. 2024



HOME'S Services Segment



DISCOVERY
CONSIDERATION

INQUIRY
VIEWING

CONVERSION



Inquiries more likely to convert are the value we provide to our clients



More Inquiries

- Better UX & UI
- Promotion
- SEO
- More clients and property data

Better Conversion Rates



Sumai No Madoguchi
(In-person consultation service)



Utilization of AI
More accurate listing data



Richer Lead Data



DX Support
for real estate professionals



POINT

More Inquiries



Better Conversion Rate

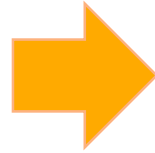
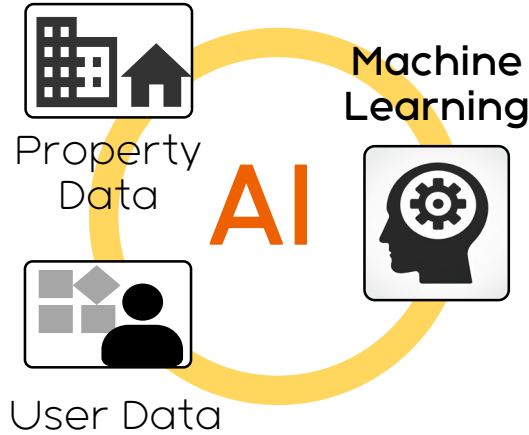


More high-quality leads for our clients

Increasing Inquiries with Even Better UI & UX

We are continuously pushing the limits of the LIFULL HOME'S site and app with new technology for more personalization and an even better UI to drive growth in total inquiries.

More Effective Searches with AI



Improved matching with the recommended property list



Helping users find the right home for their lifestyle and driving growth in inquiries

App

LIFULL HOME'S App

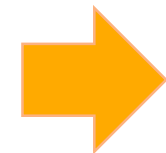


Better UI &UX with Improved and Additional Features

7.5+ Mil. Downloads

iOS	Android
Rating: 4.5★	Rating: 4.3★

(As of April 3, 2024)



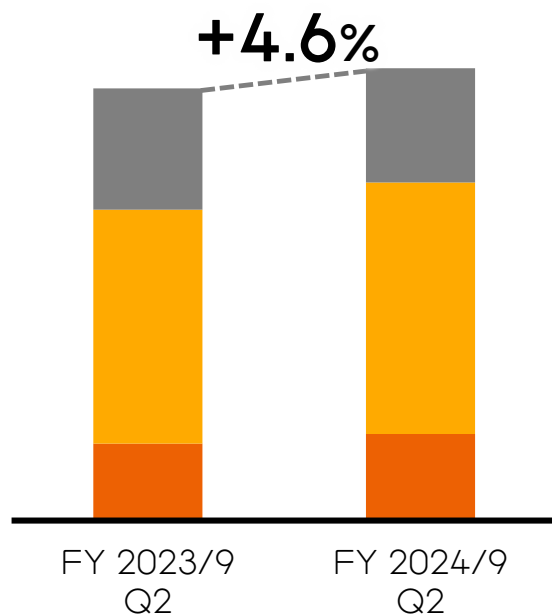
14% More Inquiries via App (YoY)

Investments in Promotion and Traffic Acquisition

We have focused our advertising on TV commercials and online advertising to increase traffic during the peak moving season in Japan resulting in a decline in segment profit, but also an increase in direct searches.

Advertising Expenses (HOME'S Services)

■ Branding ■ Online ■ Other



Increased spending for the peak moving season according to schedule

TV Commercials (Broadcast from Jan. 2024)

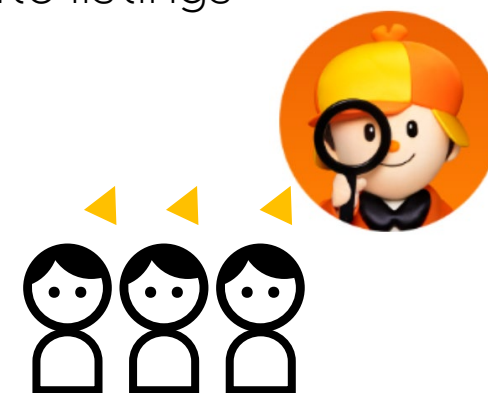


Message

- Encourage people to use LIFULL HOME'S
- Accurate and up-to-date listings

More Direct Searches

YoY **+7%**



Improving the Quality of Our Leads

Through our services for users and real estate professionals, we are providing leads that are more likely to convert into transactions for our clients.

Accuracy of Listings

Automatic De-Listing of Unavailable Properties

Making our service more reliable to improve quality of our leads



Patented Technology

Press Release (Feb. 2024)
<https://lifull.com/news/30929/>
(in Japanese)

Personal Support

LIFULL HOME'S *Sumai No Madoguchi*

Providing highly qualified leads to clients

More Site Links



More Locations



Consultations, Referrals, Transactions and Revenue

have all increased over last year

Transactional Support

DX Support for Clients

Utilizing AI technology from LIFULL to give clients a boost in efficiency and lead-to-transaction conversion rates



Real Estate Digital Transformation (DX) Partnerships

- Housecom (Mar. 14)
- Nomura Real Estate Solutions (Apr. 23)

Sample Action: AI Chatbot



Growth of Investment Property Site Kenbiya

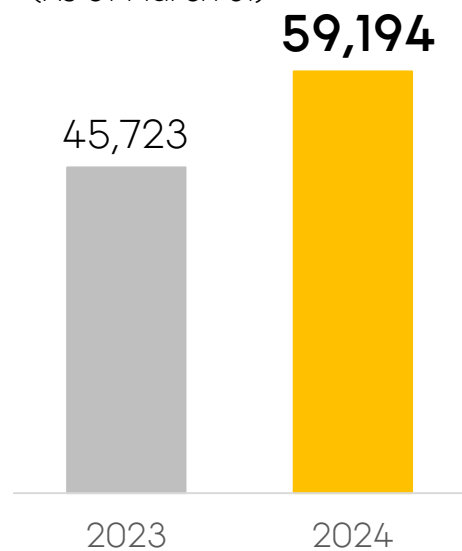
We are seeing growth in the numbers of clients, listings and users of Kenbiya and are well on our way to becoming the leading website for investment properties in Japan



Japanese Investment Property Site

- Jul. 2020 Acquisition
- Apr. 2023 Database Integration
- Sales Phase

Listings (As of March 31)



+29.5%


More properties due to increased sales initiatives
More registered users

Working together to become the
Number 1 Site for Investment Properties in Japan



Other Topics in our Japanese Services

Initiatives at Finding Solutions to Social Issues in Japan



令和6年能登半島地震に伴う
住まいに関する支援情報


Residential Support Site for Victims of the Noto Peninsula Earthquake

Earthquake on Jan. 1, 2024

Launched support site on Jan. 19, 2024

Updated weekly until the end of March

Planning to continue monthly updates until the end of May



建築物省エネ性能表示制度開始に伴い
LIFULL HOME'Sの物件情報に
「省エネ性能ラベル」
表示を開始

Providing an Option on LIFULL HOME'S to Promote Carbon Neutrality in the Real Estate Industry

Now including indicators for the energy efficiency of property listings

Background

- Changes to the Property Energy Efficiency Act
- Apr. 2024: Energy efficiency labels launched for real estate

New Subsidiary* LIFULL Agri Loop Founded (Jan. 2024)

*Wholly-owned subsidiary of LIFULL Co., Ltd.

Making Agriculture More Sustainable with Fertilizer Catalysts

Mar. 2024
Collaboration with ITOCHU Techno-Solutions



New Layer of Leadership Created by Newly Nominated CEO

We have appointed a Chief Legal Officer (CLO) and other leaders to further empower our management team to drive further growth after the nomination of our new CEO.

CLO

(Chief Legal Officer)

HIRASHIMA Arisa

Joined LIFULL in 2017 and served as Head of the Legal Department helping to maintain and improve compliance governance systems



Operational Leaders



KAWASAKI Kohei

- LIFULL HOME'S Business Department Chief Marketing Officer (CMO)



NAGASAWA Tsubasa

- LIFULL HOME'S Business Department Chief Technology Officer (CTO)



OKUBO Shin

- LIFULL HOME'S Business Department Chief Product Officer (CPO)
- Head of New Build Condominium Market (LIFULL HOME'S Business Department)



FUCHIGAMI Atsuhiko

- LIFULL HOME'S Business Department Chief Sales Officer (CSO)
- Head of Rental Market (LIFULL HOME'S Business Department)



FURUTANI Keiichiro

- Head of Resale and Appraisal Markets (LIFULL HOME'S Business Division)



MASUO Keigo

- Head of Detached and Custom-Built House Markets (LIFULL HOME'S Business Division)
- Head of Sufu



GONG Yiqun

- Leader of Friendly Door (LIFULL HOME'S Business Department)



MIYASAKO Yuko

- Leader of Listing Quality (LIFULL HOME'S Business Department)



OKABAYASHI Yuta

- Head of LIFULL Regional Revitalization



AKIBA Mai

- Head of LIFULL FaM



KUNIMATSU Keisuke

- Head of LIFULL HOME'S Fudosan Tenshoku



MIYAUCHI Yasumitsu

- Leader of LIFULL ALT-RHYTHM

Goals and Aims

Improved Team Management

Promotion of Diversity

New Opportunities for Development of Middle Management

[Press Release](#) (Apr. 1, 2024)
(in Japanese)



FY 2024/9

Second Quarter Financial Results

(October 1, 2023 – March 31, 2024)

Condensed Statements of Income and Loss IFRS

Increase of ¥0.3 bil. in revenue after removing one-off revenue from the sale of investments by the Regional Revitalization Fund in the previous FY. Profit down YoY due to lower performance in parts of the Overseas segment despite ¥0.91 bil. boost from the sale of shares of affiliates

Unit: JPY mil.	FY2023 Q2 (Oct.-Mar.)	FY2024 Q2 (Oct.-Mar.)	Change	Change %	
Revenue	19,168	17,360	-1,808	-9.4%	*1
Cost of revenue	2,569	1,071	-1,497	-58.3%	*2
SG&A	15,429	16,171	+741	+4.8%	
Personnel expenses	4,709	5,310	+601	+12.8%	*3
Advertising expenses	6,220	6,123	-96	-1.6%	*4
Operating expenses	281	416	+135	+48.0%	
Depreciation and amortization	1,011	1,002	-8	-0.9%	
Other	3,206	3,317	+111	+3.5%	
Other income and expenses	541	853	+312	+57.7%	*5
Operating income	1,711	971	-739	-43.2%	
Operating income margin	8.9%	5.6%	-3.3pt	-	
Net profit*	1,124	119	-1,005	-89.4%	

* Net profit attributable to owners of the parent

*1 Increased by ¥0.3 bil after removing revenue in prev. FY for sale of hotel investments (¥2.1 bil.) Refer to page 29 for revenue by segment.

*2 Primarily due to sale of hotel investments by the Regional Revitalization Fund in Q2 of prev. FY (Rev.: ¥2.1 bil., COS: ¥1.62 bil., OP: ¥0.45 bil.)

*3 Primarily due to Overseas acquisitions made during FY 2023/9 Q2 and temporary one-off costs for transition to new management structure

*4 Due to reductions in cost Overseas

*5 Due to sale of Rakuten LIFULL STAY during prev. FY (¥0.66 bil. in profit) in Q1 of prev. FY and sale of LIFULL SPACE (¥0.91 bil.) in curr. FY.

Revenue / Income and Loss by Segment IFRS

HOME'S Services: Segment revenue and profit in-line with forecasts

Overseas: Increased revenue from new acquisitions, but decrease in profit due to one-off costs

Other: Drop in revenue and profit due to one-off sales in the prev. FY

Unit: JPY mil.	FY2023 Q2 (Oct.-Mar.)	FY2024 Q2 (Oct.-Mar.)	Change	Change %	Main items
Revenue	19,168	17,360	-1,808	-9.4%	
HOME'S Services	11,959	12,102	+143	+1.2%	
Overseas	3,883	4,079	+196	+5.1%	Increase from consolidation of acquisitions during FY 2023/9 (Jan. 2023: FazWaz, Mar. 2023: Lamudi)
Other	3,326	1,177	-2,148	-64.6%	Decrease due to the sale of Regional Revitalization projects during FY 2023/9 (Sale completed during first half of prev. FY)

Unit: JPY mil.	FY2023 Q2 (Oct.-Mar.)	FY2024 Q2 (Oct.-Mar.)	Change	Change %	Main items
Segment income and loss	1,170	117	-1,052	-89.9%	
HOME'S Services	1,333	1,095	-237	-17.8%	Decrease due to the strategic increase in advertising spend for the peak moving season in Japan
Overseas	-223	-732	-508	-	Decrease due to gap in revenue to the forecast and one-off expenses related to the transition to new management team of subsidiaries
Other	55	-252	-308	-	Primarily due to decreased revenue (Ref. to comments on revenue above)
Inter-segment transactions	5	7	+2	+38.7%	

Primary businesses in each segment are listed on Page 37

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

Condensed Statement of Financial Position and Goodwill IFRS

Unit: JPY mil.	As of Sep 30, 2023	As of Mar 31, 2024	Change	Change %	Main items		
Current assets	23,064	22,544	-519	-2.3%	Cash	-1,362	Refer to "Condensed Statement of Cash Flows"
					Accounts Receivable - Trade	+130	
					Short-Term Loans Receivable	+260	Primarily Regional Revitalization efforts
					Prepaid Expenses	+408	Annual system usage fees
					Accounts receivable	+94	
Non-current assets	28,102	28,074	-28	-0.1%	Right-of-Use Assets	-257	
					Property, plant and equipment	-77	
					Goodwill	+494	Due to fluctuations in currency
					Software	-245	
					Investment securities	+97	Primarily for dance-related services
					Long-Term Loans Receivable	+335	Primarily for real estate financial services
					Tax Assets	-267	
Assets	51,166	50,619	-547	-1.1%			
Current liabilities	12,127	11,851	-275	-2.3%	Short-Term Loans Payable	-611	
					Accounts Payable	+347	
					Loans	-166	
					Taxes Payable	-241	
					Deposits Received	+115	
					Provisions for Bonuses	+103	
Non-current liabilities	6,485	6,159	-325	-5.0%	Long-Term Lease Obligations	-257	
Liabilities	18,612	18,011	-601	-3.2%			
Total Equity	32,554	32,607	+53	+0.2%	Capital Surplus	-426	
					Foreign Currency Translation Adjustm.	+557	Due to fluctuations in foreign currency exchange rates
Equity per share attributable to owners of the parent (JPY)	253.58	254.03	+0.45				

1. Primary Remaining Goodwill (in JPY): LIFULL CONNECT ¥16,499 mil., Kenbiya ¥271 mil.
2. Depreciable assets (PPA) for Mitula, RESEM, Kenbiya, Wasi, FazWaz: ¥1,939 mil.

Condensed Statement of Cash Flow IFRS

After making payments on loans, cash and cash equivalents were reduced by ¥1.3 bil. to a total of ¥15.1 bil.

Unit: JPY mil.	FY2023 Q2	FY2024 Q2	Change	Main items		
	(Oct.-Mar.)	(Oct.-Mar.)		Items	FY2023 Q2	FY2024 Q2
Operating cash flow	2,655	-12	-2,668	Profit for the period before tax	+1,564	+813
				Depreciation and amortization	+1,018	+1,010
				Financial revenue and expenses	+33	+82
				Decr. (incr.) in accounts receivable-trade and other current receivables	-758	-145
				Incr. (decr.) in accounts payable-trade and other current payables	-7	-38
				Other	+1,291	-1,232 *
				Income taxes paid or reimbursed (paid)	-417	-491
Investing cash flow	-990	74	+1,065	Purchase of financial instrument assets	-	-98
				Purchase of intangible assets	-321	-57
				Purchase of shares of subsidiaries	-1,096	-
				Proceeds from sale of shares of subsidiaries	-	+939
				Purchase of shares of affiliates	-	-124
				Proceeds from sale of shares of affiliates	+858	-
				Payments of loans receivable	-1,302	-1,567
Financing cash flow	-4,497	-1,593	+2,903	Proceeds from collection of loans receivable	+918	+997
				Proceeds from short-term loans payable	+100	+300
				Proceeds from long-term loans	-	+100
				Repayment of loans	-2,877	-1,114
				Dividends paid	-296	-544
				Repayment of lease obligations	-372	-367
				Proceeds from payments from non-controlling interests	-	+100
Purchase of treasury shares	-1,000	-0				
Change in cash and cash equivalents	-2,729	-1,362	-			
Balance of cash and cash equivalents	13,791	15,148	+1,356			

*Other:
Primarily from transfer to sale of shares of affiliates.

FY 2024/9 Forecast & Progress IFRS

See Pages 8 – 10 for details on revisions to the forecast for the Overseas segment.

Condensed Statements of Income and Loss

Unit: JPY mil.	FY2024 Oct.-Sep. [Full-Year Forecast]	FY2024 Q2 Oct.-Mar. [Actual]	Progress
Revenue	35,500	17,360	48.9%
Cost of revenue	2,408	1,071	44.5%
SG&A	31,919	16,171	50.7%
Personnel expenses	10,714	5,310	49.6%
Advertising expenses	10,962	6,123	55.9%
Operating expenses	1,042	416	39.9%
Other	9,199	4,320	47.0%
Other revenues and expenses	843	853	101.2%
Operating income	1,900	971	51.1%
Operating income margin	5.4%	5.6%	+0.2pt
Net profit*	300	119	39.7%

Revenue by Service

Unit: JPY mil.	FY2024 Oct.-Sep. [Full-year forecast]	FY2024 Q2 Oct.-Mar. [Actual]	Progress
Revenue	35,500	17,360	48.9%
HOME'S Services	24,200	12,102	50.0%
Overseas	8,800	4,079	46.4%
Others	2,500	1,177	47.1%

Exchange Rates: €1 = ¥160.25

* Net profit: Net profit attributable to owners of the parent

Appendices

Corporate Information (as of March 31, 2024)

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. 6,245,175 shares of treasury stock)

Consol. number of employees 1,753 (incl. 121 temporary and 842 overseas)

Major shareholder LIFULL Directors, Rakuten Group, Inc. (18.59%)

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



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 senior Co., Ltd.

- 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.

- 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.

- Contractor for clerical work and other back-office operations
- Contractor for call center operations

LIFULL Investment Co., Ltd.

- Operation of the crowdfunding platforms, LIFULL Investment
- Operation of the LIFULL Regional Revitalization Fund

LIFULL Tech Vietnam Co., Ltd.

- Offshore, lab-type, software and application development as well as creative production

LIFULL CONNECT, S.L.U.

- Operation of aggregation sites for real estate, job listings, used vehicles and fashion aggregation sites as well as portals

LIFULL ArchiTech Co., Ltd.

- Research and development on construction and living environments; management of patents

Kenbiya Co., Ltd.

- Operation of the real estate investment site Kenbiya

LIFULL Leadership Co., Ltd.

- Employee training consultant: Designing and providing training courses for leadership development and management skills

LIFULL Tech Malaysia SDN. BHD.

- Offshore, lab-type, software and application development as well as creative production

LIFULL Financial

- Real Estate NFT

LIFULL Agri Loop

- Research, production and sales of KET technology

- All shares of LIFULL SPACE Co., Ltd. were transferred in Feb. 2024.

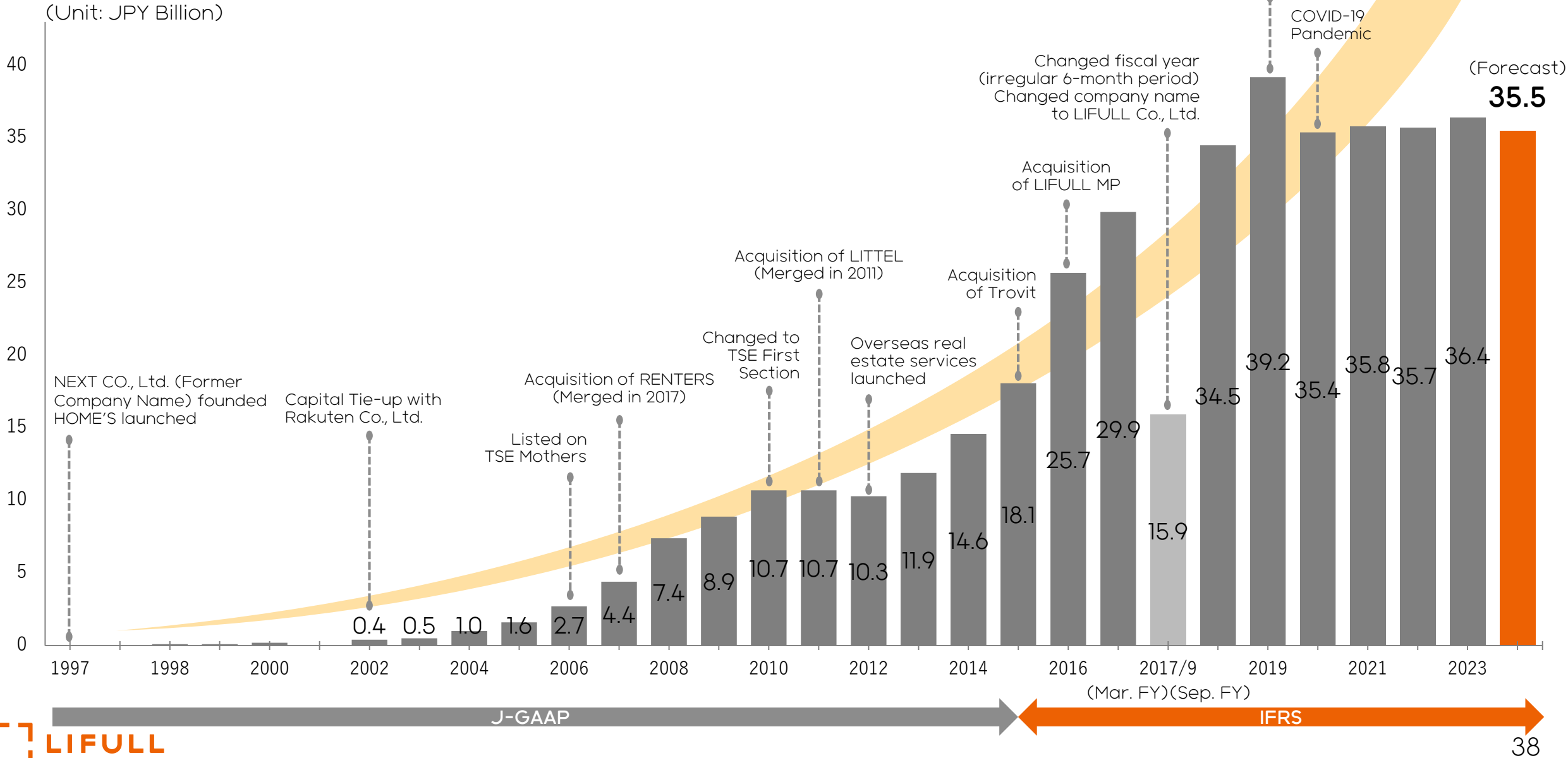
Segments and Primary Services

Segments	Main services
HOME'S Services	<p>LIFULL HOME'S</p> <p>AD Master (former Renter's Net)</p> <p>NabiSTAR</p> <p>Kenbiya (Kenbiya Co., Ltd.)</p> <p>Offshore Development (LIFULL Tech Vietnam, LIFULL Tech Malaysia) ¹</p>
Overseas	<p>LIFULL CONNECT S.L.U.</p> <p>Aggregation Services: Trovit, Mitula, Nestoria, Nuroa</p> <p>Real Estate Portals: Dot Property, Properati, Lamudi, iCasas</p> <p>Tech-Empowered Real Estate Agents: FazWaz, Dot Property</p> <p>Support Services: Proppit, Thribee, Wasi</p> <p>Other subsidiary services of LIFULL CONNECT</p>
Other Businesses	<p>LIFULL <i>Kaigo</i> (Nursing Care) (LIFULL senior Co., Ltd.)</p> <p>LIFULL Trunk Room (LIFULL SPACE Co., Ltd.)</p> <p>Regional Revitalization Business</p> <p>Financing Business (LIFULL Investment Co., Ltd.)</p> <p>Regional Revitalization Fund (LIFULL Investment Co., Ltd.)</p> <p>Dance (Professional D.LEAGUE Dance Team: LIFULL ALT-RHYTHM)</p> <p>Other LIFULL subsidiaries and new services</p>

¹ LIFULL Tech Vietnam and LIFULL Tech Malaysia have been transferred to the HOME'S Services segment as of FY 2024/9

² All shares of LIFULL SPACE were transferred on Feb. 29, 2024.

Annual Revenue and Timeline of Company Growth



Consolidated Statements of Profit and Loss Quarterly

Unit : JPY mil	FY2021				FY2022				FY2023				FY2024	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Revenue	8,271	9,581	9,072	8,931	8,510	9,530	8,645	9,044	7,583	11,585	8,825	8,410	8,190	9,169
HOME'S Services	6,346	7,260	6,550	6,535	6,139	7,085	6,263	6,579	5,497	6,462	5,563	5,702	5,527	6,575
Overseas	1,440	1,766	1,974	1,837	1,787	1,762	1,660	1,727	1,463	2,419	2,305	2,063	2,093	1,986
Other Businesses	484	554	547	558	583	682	721	737	622	2,704	956	643	569	608
Cost of revenue	945	1,056	890	1,058	947	1,066	957	1,084	328	2,240	843	444	527	543
SG&A	6,467	7,426	7,464	7,240	7,010	8,580	7,857	7,923	6,972	8,457	7,309	7,469	7,672	8,498
Personnel expenses	2,345	2,001	2,315	2,242	2,203	2,485	2,436	2,558	2,334	2,374	2,503	2,449	2,916	2,394
Advertising expenses	2,155	3,585	3,170	2,940	2,731	3,916	3,160	3,015	2,482	3,737	2,608	2,667	2,336	3,786
Operating expenses	96	87	100	116	121	120	144	150	135	146	173	199	224	192
Depreciation/amortization cost	524	487	474	474	459	468	482	493	488	523	532	537	498	503
Other SG&A	1,345	1,263	1,403	1,466	1,494	1,589	1,634	1,704	1,531	1,675	1,491	1,616	1,697	1,620
Other revenues and expenses	-83	-85	-28	-9,752	36	50	274	1,008	539	1	32	-1,071	-46	899
Operating income	775	1,011	688	-9,120	588	-66	105	1,044	822	888	705	-573	-55	1,027
Operating income margin	9.4%	10.6%	7.6%	—	6.9%	-0.7%	1.2%	11.5%	10.8%	7.7%	8.0%	-6.8%	-0.7%	11.2%
Net profit*	387	639	449	-7,378	365	-179	161	833	564	560	319	-504	-400	519

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 2021/9, FY 2023/9 and FY 2024/9, these provisional accounting measures have been applied to all related values.

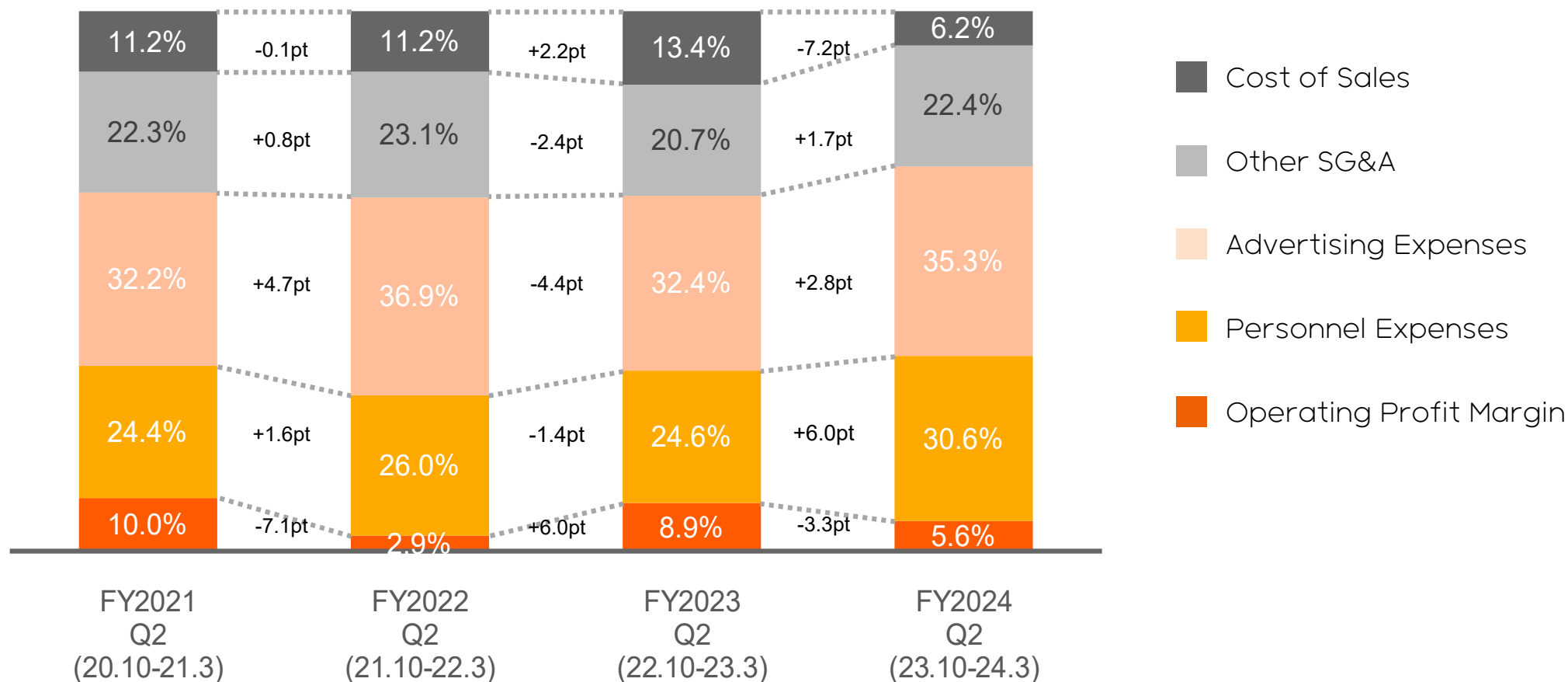
3) LIFULL Tech Vietnam and LIFULL Tech Malaysia have been moved to the HOME'S Services segment as of FY 2024/9. In this document, revenue by segment from FY 2023/9 Q1 is stated based on the revised segments.

4) Inter-segment transactions have been emitted.

Expense-to-Revenue Ratio IFRS

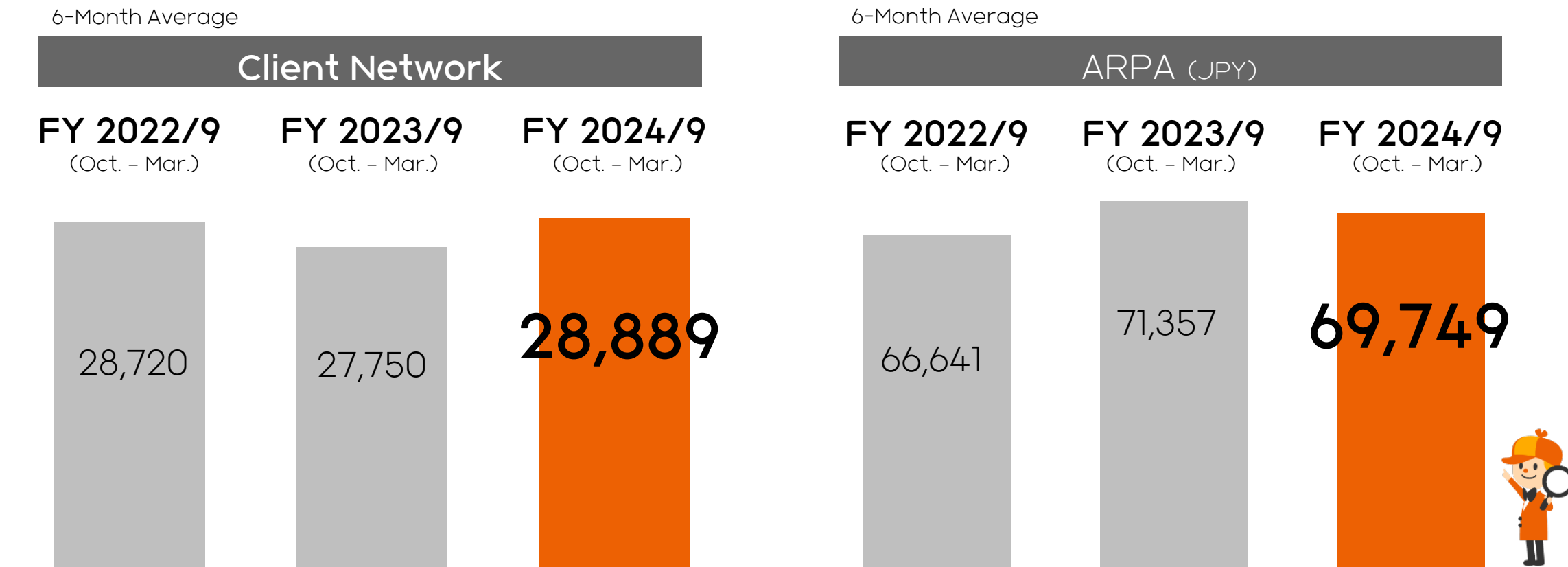
The total profit margin has been affected by the lower profitability of the Overseas segment as well as a temporary increase in advertising costs for the domestic businesses.

We are currently focusing on revitalizing our Overseas businesses. See Pages 11 - 17 for more details.



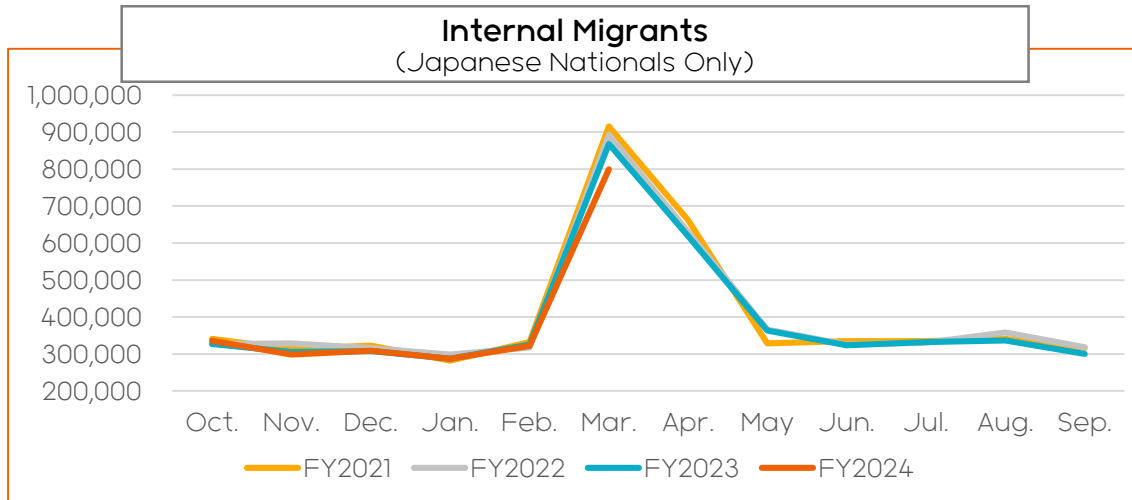
LIFULL HOME'S Key Performance Indicators Client Network and ARPA

Increased sales initiatives and satisfaction with our services have driven growth in the client numbers. The client network declined in the prev. FY due to removal of professional networks with primarily small-scale, non-active clients.

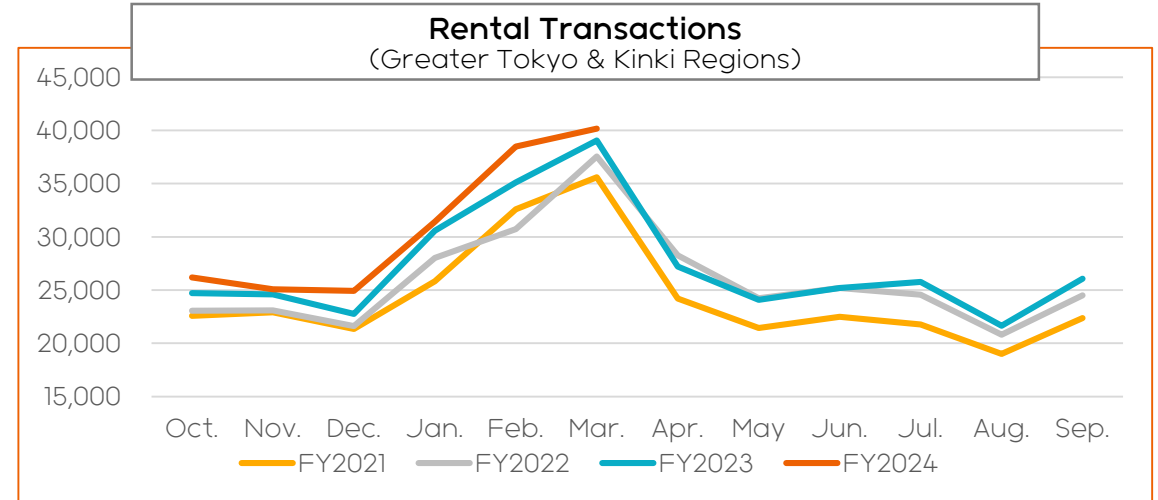


Figures for the current and previous fiscal years have been adjusted to reflect the absorption of LIFULL MOVE into LIFULL HOME'S.

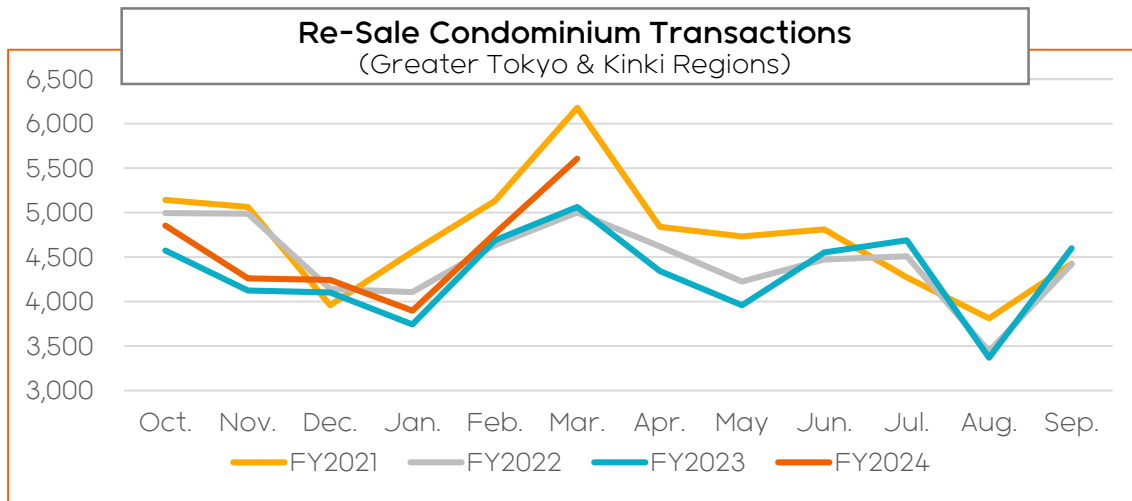
(Ref.) Data on the Japanese Real Estate Market



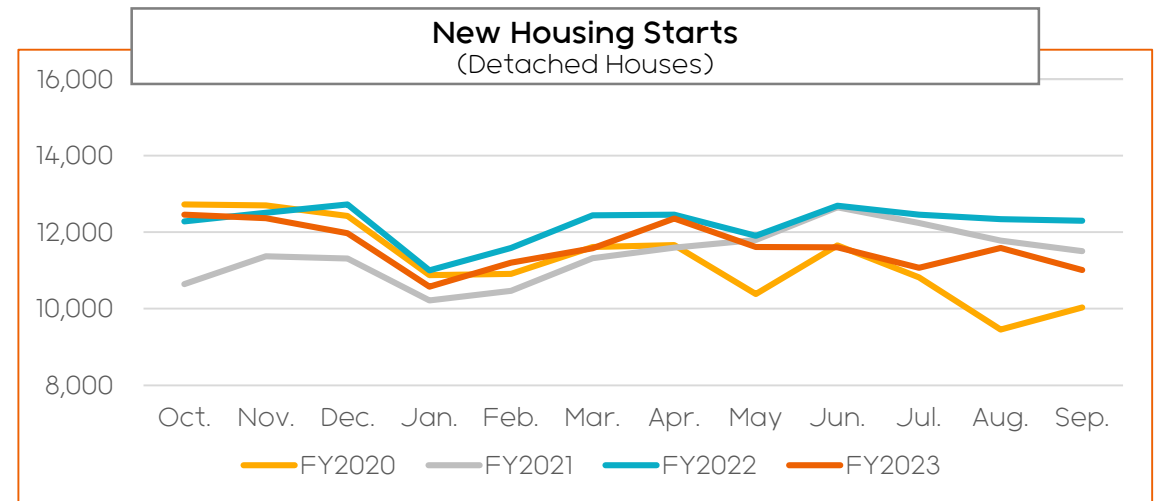
Source: Statistics Bureau of Japan (Report on Internal Migration in Japan Derived from the Basic Resident Registration)



Source: Real Estate Information Network for East Japan (Monthly Market Watch)



Source: Real Estate Information Network for East Japan (Monthly Market Watch)



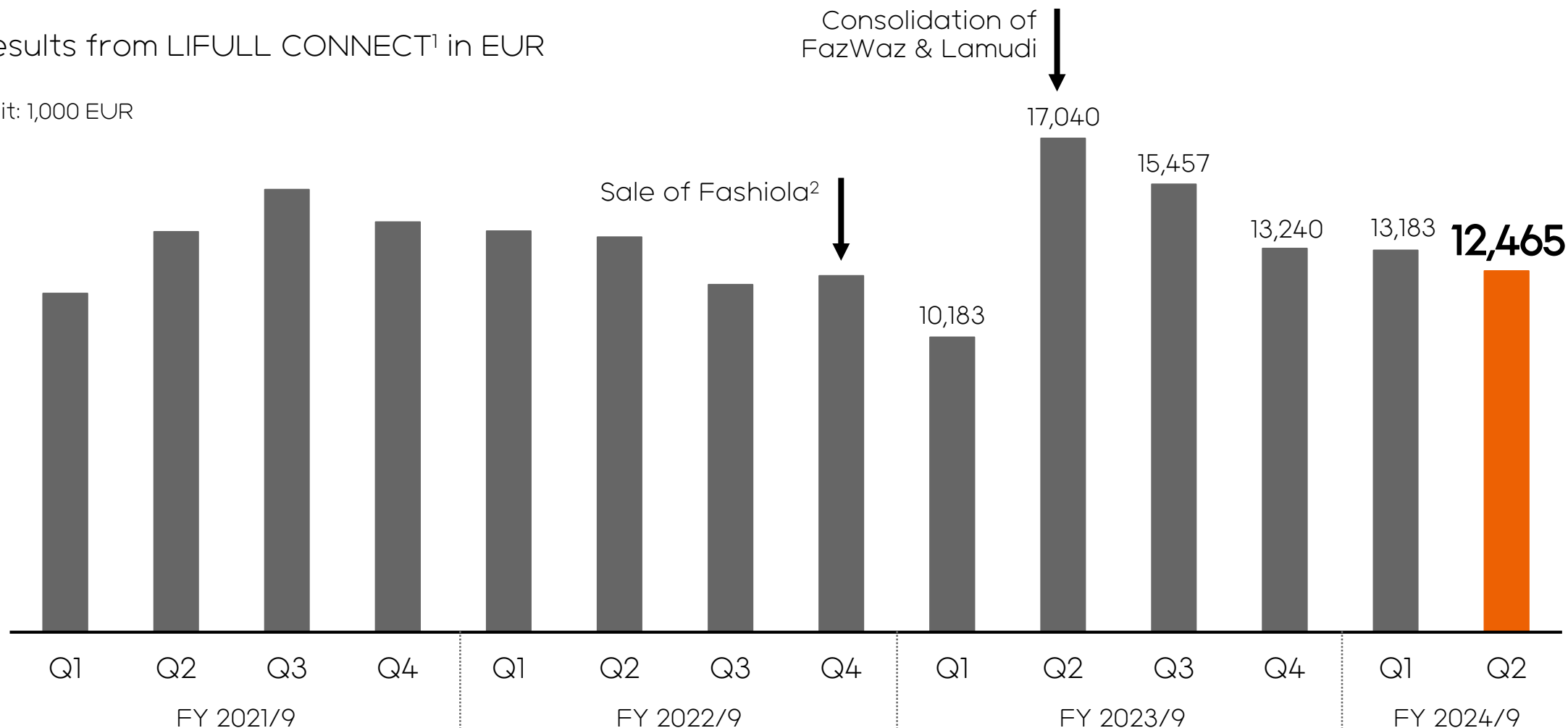
Source: Ministry of Land, Infrastructure, Transport and Tourism (Report on Statistical Survey of Construction Starts)

Quarterly Results LIFULL CONNECT Revenue

Decrease in revenue for aggregation and DX-Enabled Agency businesses. (See details on Page 9)

Results from LIFULL CONNECT¹ in EUR

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](#)

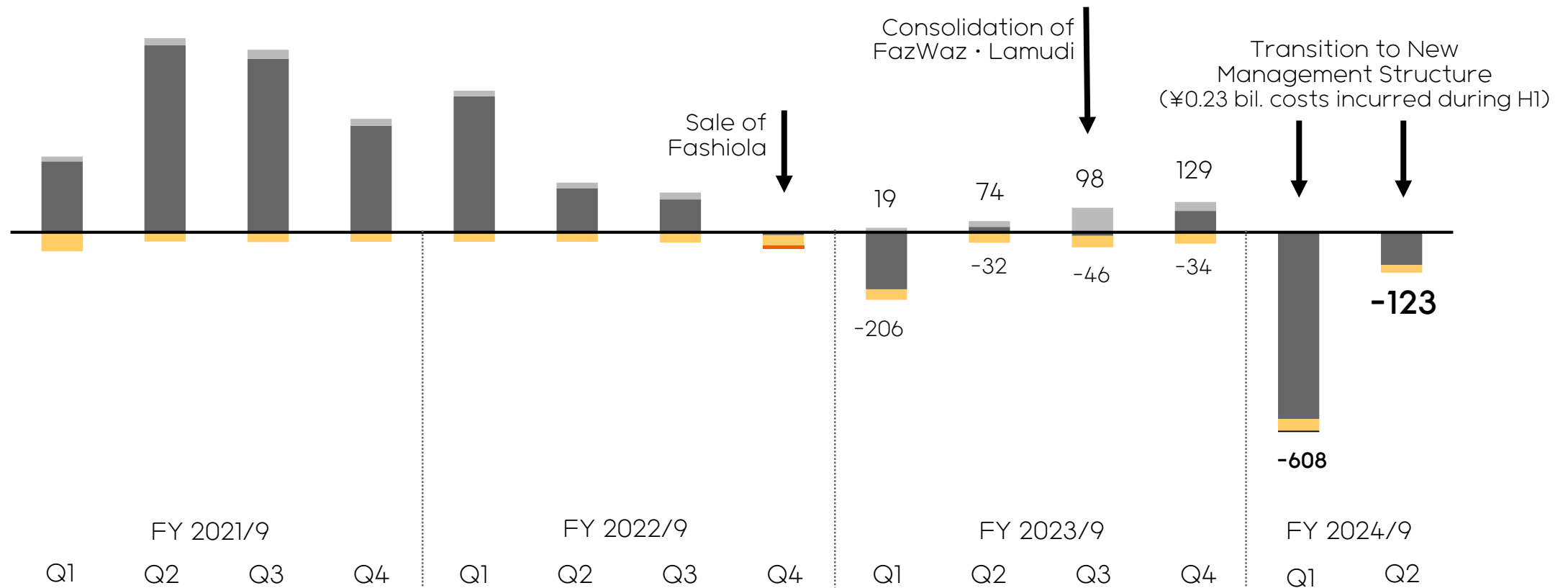
Overseas Segment Results Segment Profit and Loss (Quarterly Trend)

Loss in the Overseas segment due to delays in achievement of full-year forecasts and one-off costs.

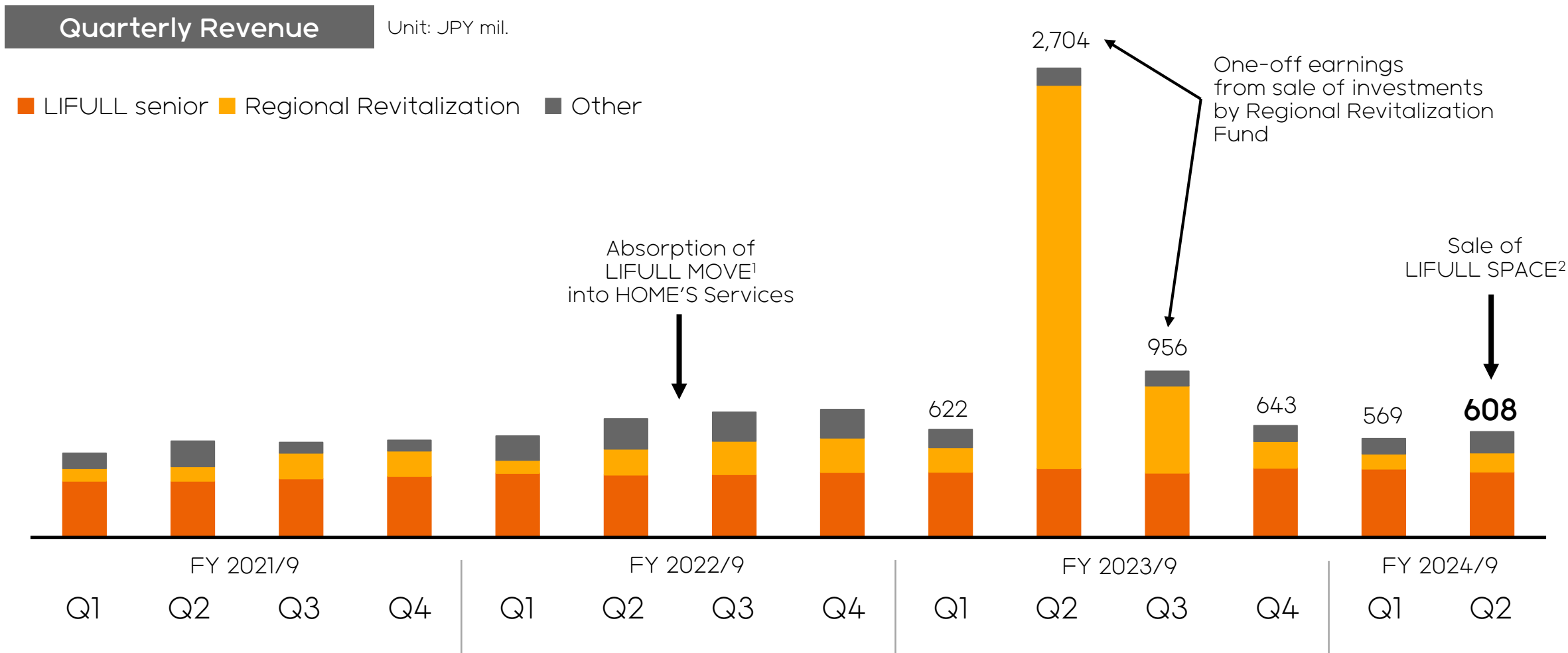
Quarterly Segment P&L

■ LIFULL CONNECT ■ Depreciation ■ M&A ■ Other

Unit: JPY mil.



Other Businesses Segment Sales Revenue (Quarterly)



Other Businesses Segment Profit and Loss (Quarterly)

In line with our position of selective focus and largely on-track toward current budget.

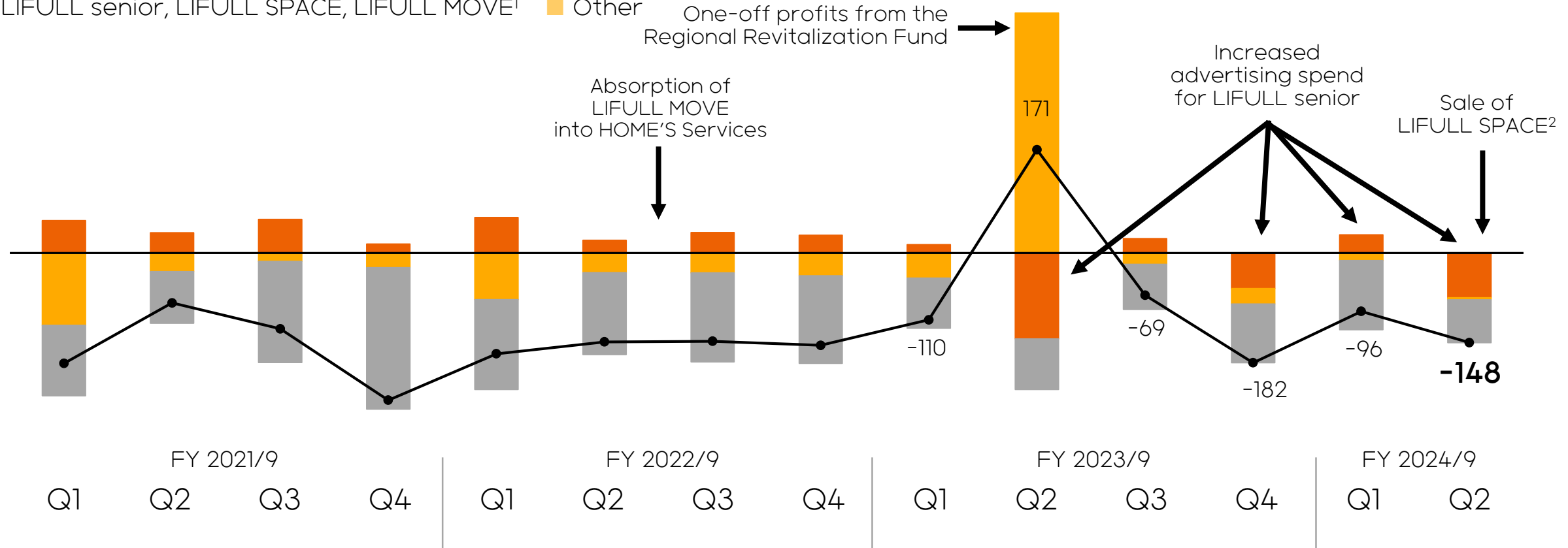
Quarterly Segment Profit and Loss

Unit: JPY mil.

■ LIFULL senior, LIFULL SPACE, LIFULL MOVE¹

■ Other

One-off profits from the Regional Revitalization Fund



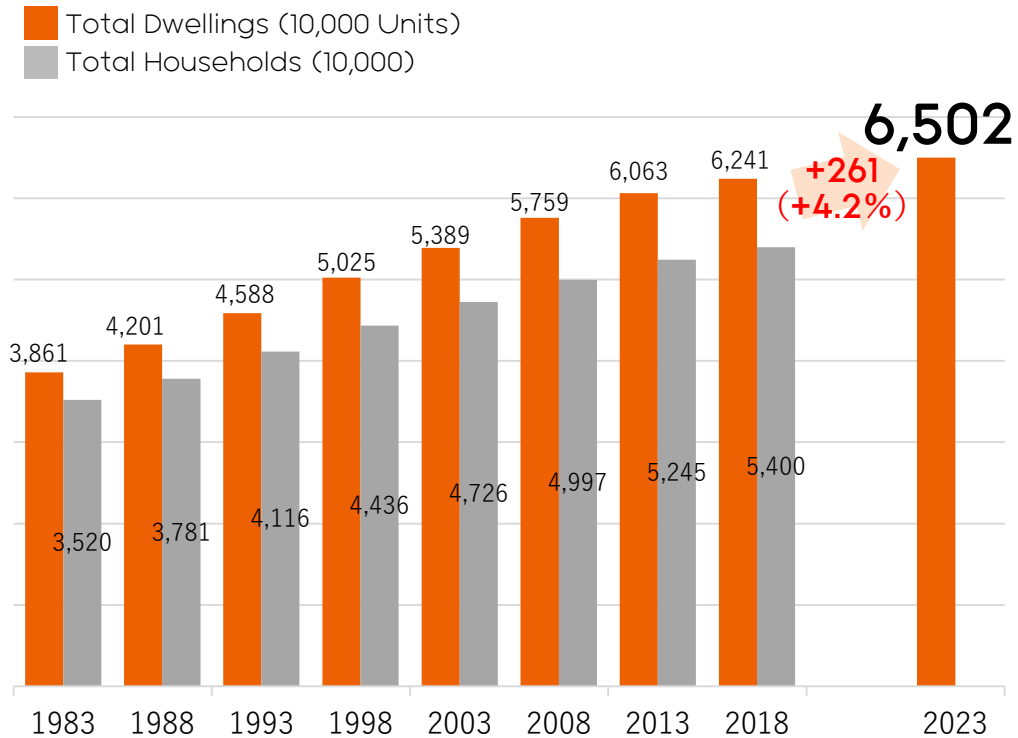
(Ref.) External Market Data Monthly

		Annual	2022			2023												2024				
		2021 (Jan-Dec)	2022 (Jan-Dec)	2023 (Jan-Dec)	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
(1) Number of Apartments for Sale	Capital Region	33,636	29,569	26,886	2,768	2,866	5,757	710	1,821	2,439	1,690	1,936	1,906	2,591	1,469	2,120	1,486	2,743	5,975	1,112	1,319	2,451
	YoY	23.5%	-12.1%	-9.1%	34.7%	-47.4%	-13.4%	-37.1%	-20.4%	-2.1%	-30.3%	-21.5%	-0.4%	14.2%	26.4%	4.1%	-46.3%	-4.3%	3.8%	56.6%	-27.6%	0.5%
	Kinki	18,951	18,952	18,953	2,120	1,796	2,952	574	833	1,424	836	1,024	1,384	837	878	1,393	1,293	1,021	3,888	727	1,059	1,448
	YoY	24.7%	124.7%	224.7%	45.5%	-14.4%	5.0%	-27.5%	-39.6%	12.4%	-27.2%	-25.7%	9.8%	-39.1%	4.9%	4.6%	-39.0%	-43.2%	31.7%	26.7%	27.1%	1.7%
(2) Apartment Price Trend	Capital Region	6,260	6,261	6,262	6,787	6,035	5,556	6,510	6,776	14,360	7,747	8,068	6,550	9,940	7,195	6,727	6,567	8,250	6,970	7,956	7,122	7,623
	YoY	2.9%	102.9%	202.9%	0.5%	-1.4%	3.2%	5.7%	-8.7%	120.3%	23.1%	32.5%	1.6%	55.8%	17.9%	1.1%	-3.2%	36.7%	25.4%	22.2%	5.1%	-43.2%
	Kinki	4,562	4,563	4,564	5,374	5,220	4,006	4,747	5,055	4,704	5,193	5,009	4,260	5,188	4,345	4,527	3,851	5,282	4,615	6,390	7,398	5,037
	YoY	9.1%	109.1%	209.1%	27.3%	-13.6%	-6.3%	18.9%	14.0%	-7.2%	30.4%	3.2%	-3.7%	4.1%	1.2%	-3.6%	-28.3%	1.2%	15.2%	34.6%	46.4%	7.1%
(3) New Build Starts (Units)	House for Rent	321,376	345,080	343,894	31,996	29,873	26,845	24,041	24,692	32,585	28,685	28,695	30,112	30,170	29,364	29,735	31,671	28,275	25,869	24,681	24,934	28,204
	YoY	4.8%	7.4%	-0.3%	7.3%	11.4%	6.4%	4.2%	4.7%	0.9%	-2.8%	10.5%	-0.6%	1.6%	-6.2%	-2.9%	-1.0%	-5.3%	-3.6%	2.7%	1.0%	-13.4%
	Apartment	101,292	108,198	107,879	9,298	8,092	8,117	11,990	9,750	11,378	7,233	9,700	8,422	5,797	7,894	8,148	10,174	7,671	9,722	9,020	7,483	8,977
	YoY	-6.1%	6.8%	-0.3%	10.2%	-1.8%	14.5%	69.6%	0.2%	7.2%	-43.0%	28.2%	7.2%	-28.0%	-26.4%	-2.8%	9.4%	-5.2%	19.8%	-24.8%	-23.3%	-21.1%
	House	141,094	145,992	137,286	12,462	12,370	11,977	10,576	11,202	11,583	12,362	11,615	11,606	11,066	11,589	11,014	11,368	11,835	11,470	9,867	9,710	10,113
	YoY	7.9%	3.5%	-6.0%	1.4%	-1.1%	-5.9%	-3.9%	-3.3%	-6.9%	-0.8%	-2.5%	-8.5%	-11.2%	-6.1%	-10.4%	-8.8%	-4.3%	-4.2%	-6.7%	-13.3%	-12.7%
	Owned house	285,575	253,287	224,352	21,834	21,511	19,768	16,627	18,368	17,484	18,597	18,853	20,325	20,689	20,984	19,527	18,078	17,789	17,031	14,805	16,307	16,637
	YoY	9.4%	-11.3%	-11.4%	-18.7%	-15.1%	-13.0%	-8.3%	-4.6%	-13.6%	-11.6%	-11.5%	-12.4%	-7.8%	-5.9%	-12.3%	-17.2%	-17.3%	-13.8%	-11.0%	-11.2%	-4.8%
(4) Internal Migrants	Total	5,247,744	5,310,972	5,263,249	369,589	348,586	348,190	324,958	364,174	939,978	675,093	409,235	366,759	374,208	379,493	344,275	386,943	345,144	352,989	330,304	364,133	878,487
	YoY	-0.2%	1.2%	-0.9%	3.6%	-3.1%	1.1%	-0.4%	5.4%	-0.7%	-0.5%	-3.4%	-4.6%	-0.9%	-5.6%	-4.1%	4.7%	-1.0%	1.4%	1.6%	0.0%	-6.5%
	Only Japanese	4,818,721	4,775,207	4,696,572	326,640	305,512	307,961	286,639	324,933	867,927	619,057	362,950	323,018	332,030	336,601	300,354	335,921	298,636	308,506	286,971	321,983	799,913
	YoY	-0.5%	-0.9%	-1.6%	0.0%	-6.9%	-2.4%	-3.9%	2.4%	-2.8%	-1.8%	-0.7%	-0.5%	0.6%	-5.9%	-5.6%	2.8%	-2.3%	0.2%	2.2%	-0.9%	-7.8%
(5) Japan Population	Unit : Thousand	Oct. 1, 2021	Oct. 1, 2022	Oct. 1, 2023	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
	Total	125,502	124,947	124,352	124,947	124,913	124,861	124,752	124,631	124,567	124,554	124,477	124,511	124,517	124,439	124,348	124,352	124,342	124,240	124,090	123,990	123,970

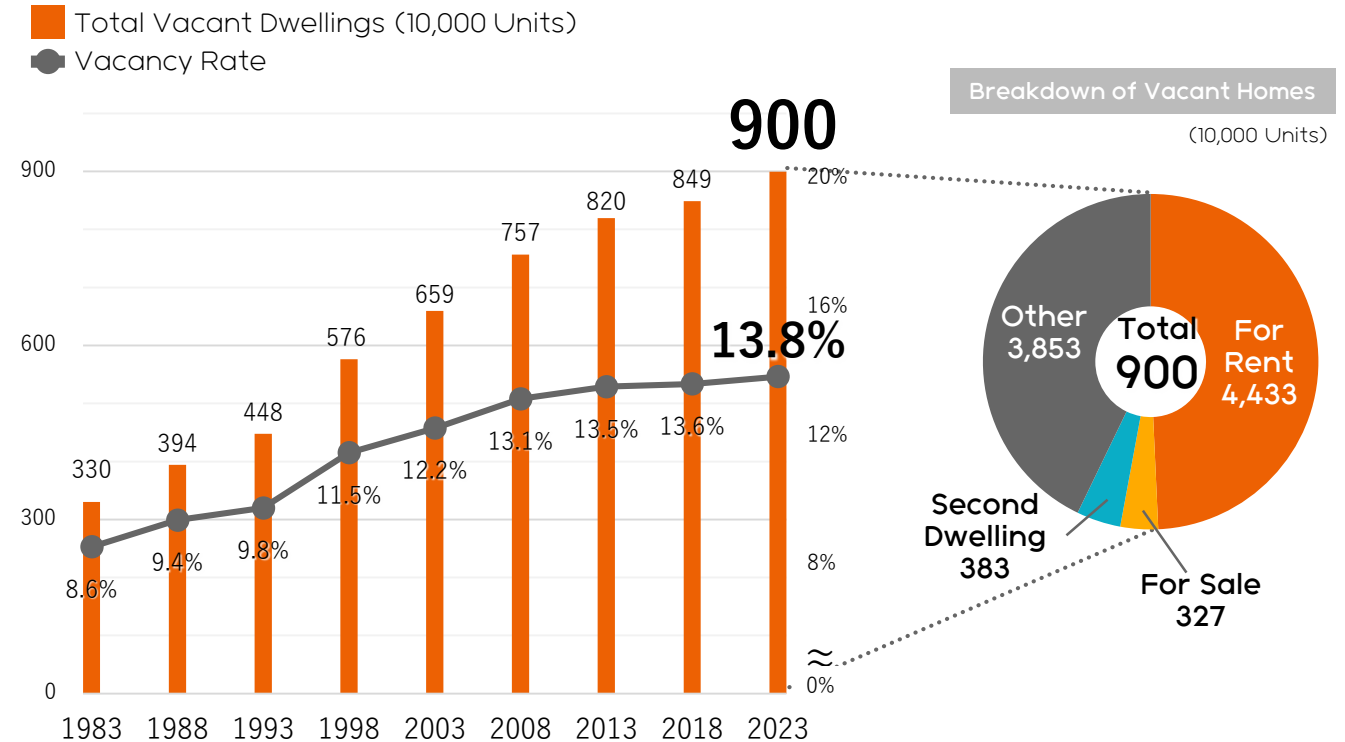
(Ref.) 2023 Housing and Land Survey Interim Results (Statistics Bureau of Japan)

The Statistics Bureau of Japan released the interim results of the Housing and on April 30, 2024 (the official results will be released at the end of September.) The number of dwellings has continued to increase by 2.61 mil. from 2018 totaling 65.02 mil. as of Oct. 1, 2023.

Trend of Total Dwellings and Total Households



Trend of Number of Vacant Homes and Vacancy Rates





Sustainability Initiatives

Sustainability Initiatives of the LIFULL Group

Mar. 2024

Launched Updates to our Investor Information Site
Now including more details on our Sustainability Initiatives

Sustainability

Sustainability Management of LIFULL

- Sustainability Management of LIFULL
- Sustainability Issues and Goals
- Stakeholder Engagement
- Our Value Creation

Initiatives of the LIFULL Group

- Environmental Issues
- Developing Talent
- Our Corporate Philosophy and Culture
- Investing in Individuals
- Corporate Governance
- Compliance
- Actions for Local Communities

ESG Data

Materiality

Sustainability Issues and Goals

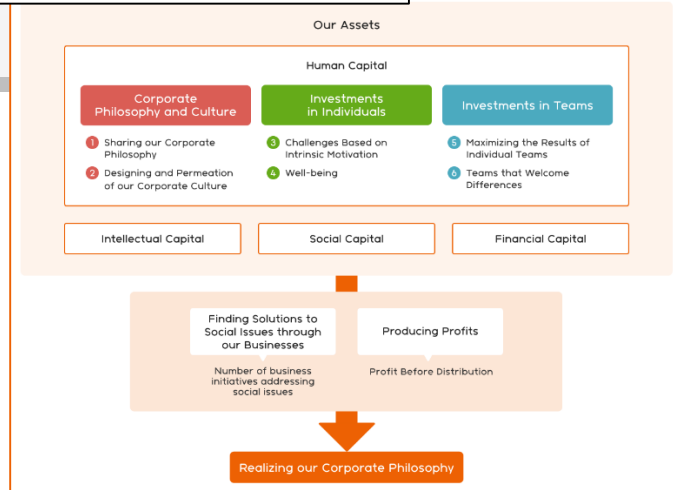
Focal Points and Sustainability Issues (Materiality)

We have selected the following eight primary topics (materiality) from a number of different issues based on the sustainability policy of the LIFULL Group. By working towards these goals, we will continue to sustainably improve our corporate value.

notes: Completion dates for mid-term targets are the end of September 2025 unless otherwise specified.

- Find Solutions to Social Issues Through Our Businesses
- Residential Life
- Revitalization of rural Japan
- Rapidly-aging society

Human Capital Strategy



Stakeholder Engagement

Stakeholder Engagement

Communications with Shareholders and Investors

Through constructive dialogue with our stakeholders, we ensure that we appropriately understand their requests and expectations and reflect these expectations in our decision-making.

<p>Consumers (Users of our sites, such as LIFULL HOME'S)</p>	<p>Topics & Targets</p> <ul style="list-style-type: none"> Further improving quality of services Personalized recommendations 	<p>Opportunities</p> <ul style="list-style-type: none"> Contact forms, call centers and other contact methods Face-to-face service through Sumai No Madoguchi Consumer surveys Contents of our websites and social networks Events
<p>Clients (Businesses who)</p>	<p>Topics & Targets</p> <ul style="list-style-type: none"> Further improving quality of services Finding solutions to 	<p>Opportunities</p> <ul style="list-style-type: none"> Sales activities Professional sites, newsletters and social networking Satisfaction surveys



<https://ir.lifull.com/en/sustainability/>

IR Team Contact Information



IR Site

Japanese

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

English

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



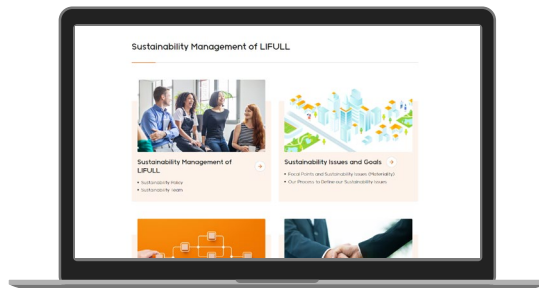
E-mail

ir@LIFULL.com

TEL +81-3-6774-1603

(Weekdays 10:00 - 18:00 JST)

LIFULL Sustainability Data (IR Site)



LIFULL Sustainability

Search

English <https://ir.lifull.com/en/sustainability/>

Other Information about LIFULL

X (Prev. Twitter)



Username : @LIFULL_Corp

https://twitter.com/LIFULL_Corp

Facebook Page



<https://www.facebook.com/LIFULL.corp/>