

Listed company: LIFULL Co., Ltd.
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(Stock code: 2120 TSE First Section)
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Notice of Dividend of Surplus

LIFULL Co., Ltd. (the “Company”) hereby announces that a meeting of its Board of Directors held today resolved to distribute dividends from the retained earnings for the base date of September 30, 2021. This matter will be placed in the agenda of the 27th Ordinary General Meeting of Shareholders to be held on December 23, 2021, as follows:

1. Details of dividends

	Amount Determined to be Distributed (Fiscal Year Ended September 30, 2021)	Most Recent Dividend Forecast	Dividend Paid for Previous Term (Fiscal Year Ended September 30, 2020)
Reference date	September 30, 2021	-	September 30, 2020
Dividend per share	3.62 yen	-	5.29 yen
Total amount of dividend	477 million yen	-	697 million yen
Effect date	December 24, 2021	-	December 24, 2020
Source of Dividends	Retained Earnings	-	Retained Earnings

2. Background of the Decision

In addition to placing emphasis on investments for future growth in order to ensure continued expansion of profitability through our proactive business endeavors as well as retaining a portion of earnings to strengthen our financial position, one of our priorities is to realize sizable returns for our shareholders. Therefore, we have set a target of 25% of net profit attributable to owners of the parent for dividends to be paid at the end of the current fiscal year.

As detailed in the “Notice of an Impairment Loss and a Difference Between the Consolidated Result Forecast and Actual Results for the Fiscal Year” released on November 11, 2021, a goodwill impairment loss of ¥9,749 million yen was posted for the Overseas segment for the previous fiscal year. However, considering that this impairment was a one-time loss due to outstanding circumstances, we have decided to exclude the impact for calculation of dividends. In addition, corporate income tax expenses for the current fiscal year decreased by ¥1,940 million due to the posting of deferred tax assets due to the reorganization of overseas subsidiaries. This will reduce future corporate tax payments resulting in increased cash during the current fiscal year. However, since it is a transaction that does not involve in-coming cash, we have excluded the effects from our calculations.

From the next fiscal year, dividends will be calculated by adding the decrease in tax expenses due to the reversal of the loss carried forward caused by the reorganization of the overseas subsidiary to the dividend resources.

In accordance with the above policy, it is planned that the dividend per share will be ¥3.62. This agenda item will be submitted for approval at the 27th Ordinary General Meeting of Shareholders to be held on December 23, 2021.