

LIFULL Co., Ltd.

# Second Quarter Results

IFRS

FY2022/9 Q2  
(October 2021 – March 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.

# Index

1. Main Points for FY 2022/9 Second Quarter P 2
2. FY 2022/9 Second Quarter Financial Results P 5
3. Revisions to the Full-Year Forecast P 9
4. LIFULL HOME'S Becoming a Super Hyper Assistant P 16
4. LIFULL CONNECT P 23
5. Other LIFULL Group Initiatives P 29
6. Appendices P 33
7. IR Team Contact Information P 49

# Main Points for FY 2022/9 Second Quarter

## FY 2022/9 Second Quarter Earnings

Revenue

¥18.0 Billion

YoY +1.1%

Revenue **growth in the Overseas and Other Businesses Segments** while recovery of LIFULL HOME'S remains **sluggish around the same level** as the previous year

Operating Profit

¥0.5 Billion

YoY -70.8%

Primarily due to increased SG&As from **promotion activities for LIFULL HOME'S during the peak moving season in Japan (Jan. - Mar.)**

### TOPICS

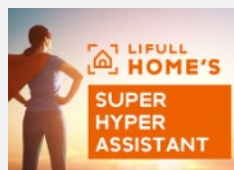
#### Revisions to the Full-Year Forecast



We have revised our earnings forecast due to market-related and internal reasons, but **will continue with investments in LIFULL HOME'S**

(Details from Page 9)

#### Transformation of LIFULL HOME'S



**Continuing the transformation of LIFULL HOME'S** to help everyone find the right place to live

(Details from Page 14)

#### Boosting our Presence in Latin American Markets



Smooth progression on the integration of Properati since Jan. **Acquisition of Latin American real estate CRM, Wasi.**

(Consolidation from May 2022)

(Details from Page 23)



FY 2022/9

# Second Quarter Financial Results

(October 1, 2021 – March 31, 2022)

# Condensed Statements of Income and Loss IFRS

Revenue growth (1.1%) due to increases in LIFULL CONNECT, LIFULL senior and the Regional Revitalization Business. Operating profit decrease primarily due to promotion of LIFULL HOME'S during the peak moving season in Japan (Jan. - Mar.)

Unit: JPY mil.	FY2021 Q2 (Oct.-Mar.)	FY2022 Q2 (Oct.-Mar.)	Change	Change %	
<b>Revenue</b>	<b>17,852</b>	<b>18,040</b>	<b>+187</b>	<b>+1.1%</b>	*1
<b>Cost of revenue</b>	<b>2,002</b>	<b>2,013</b>	<b>+11</b>	<b>+0.6%</b>	
<b>SG&amp;A</b>	<b>13,893</b>	<b>15,591</b>	<b>+1,697</b>	<b>+12.2%</b>	
<b>Personnel expenses</b>	4,347	4,688	+341	+7.9%	*2
<b>Advertising expenses</b>	5,740	6,648	+907	+15.8%	*3
<b>Operating expenses</b>	183	242	+59	+32.1%	
<b>Depreciation and amortization</b>	1,012	928	-84	-8.4%	
<b>Other</b>	2,609	3,083	+474	+18.2%	*4
<b>Other income and expenses</b>	<b>-169</b>	<b>87</b>	<b>+256</b>	<b>-</b>	*5
<b>Operating income</b>	<b>1,787</b>	<b>522</b>	<b>-1,264</b>	<b>-70.8%</b>	
<b>Operating income margin</b>	<b>10.0%</b>	<b>2.9%</b>	<b>-7.1pt</b>	<b>-</b>	
<b>Net profit*</b>	<b>1,027</b>	<b>185</b>	<b>-841</b>	<b>-81.9%</b>	

\* Net profit attributable to owners of the parent

\*1 Refer to segment revenue (Page 7)

\*2 Despite the capitalization of assets in the previous FY, employees of LIFULL CONNECT increased by 79 from the acquisition of Properati

\*3 Primarily for active investments in domestic and overseas businesses

\*4 Primarily due to increases in outsourcing and system-usage expenses

\*5 Primarily due to fluctuations in foreign currency exchange rates

## Revenue / Income and Loss by Segment IFRS

Revenue for HOME'S Services has decreased due to adjustments after the pricing changes with reduced profit due to growth investments. Increased revenue Overseas due to positive performance of premium advertisements and the acquisition of Properati.

Unit: JPY mil.	FY2021 Q2 (Oct.-Mar.)	FY2022 Q2 (Oct.-Mar.)	Change	Change %	Main items
<b>Revenue</b>	<b>17,852</b>	<b>18,040</b>	<b>+187</b>	<b>+1.1%</b>	
<b>HOME'S Services</b>	13,607	<b>13,224</b>	-382	-2.8%	Due to adjustments for changes in the pricing scheme and lower listings of sale properties resulting from market conditions
<b>Overseas</b>	3,206	<b>3,550</b>	+343	+10.7%	Revenue growth in aggregation sites and acquisition of Properati (Approx. 3.7% cheaper JPY)
<b>Other</b>	1,038	<b>1,266</b>	+227	+21.9%	Primarily increases in from LIFULL senior, LIFULL Investment, other subsidiaries and Regional Revitalization

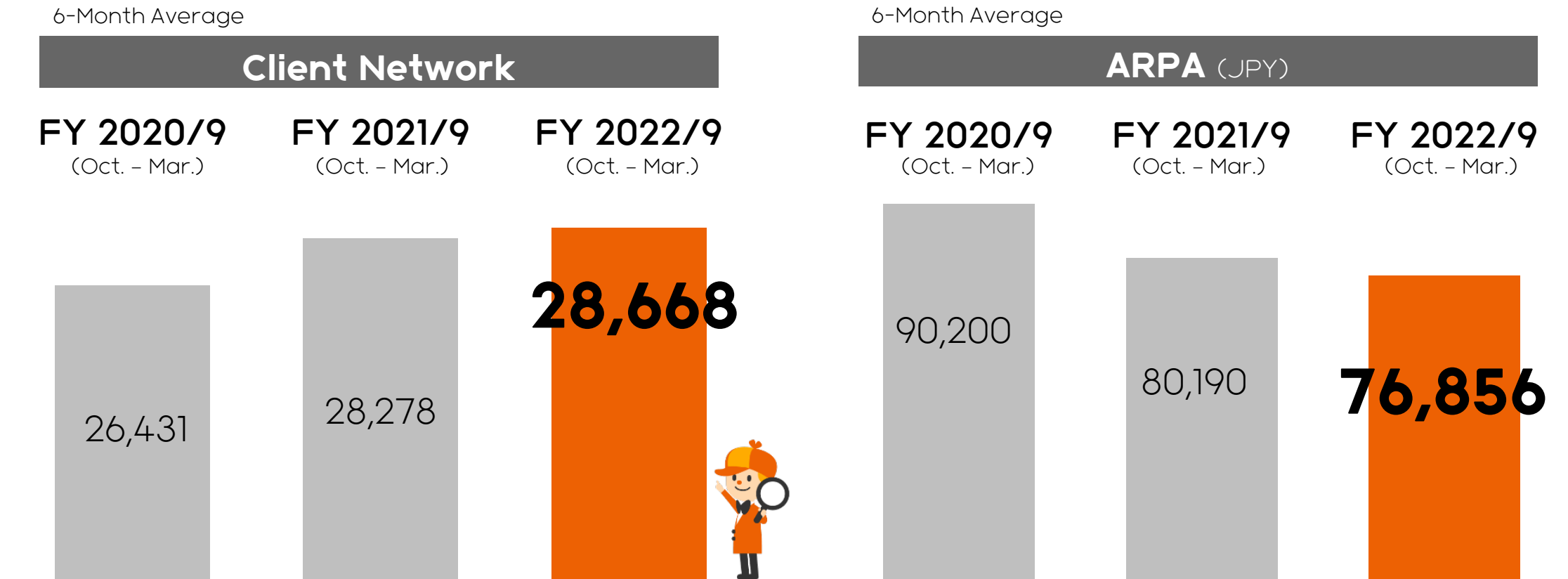
Unit: JPY mil.	FY2021 Q2 (Oct.-Mar.)	FY2022 Q2 (Oct.-Mar.)	Change	Change %	Main items
<b>Segment income and loss</b>	<b>1,956</b>	<b>435</b>	<b>-1,520</b>	<b>-77.7%</b>	
<b>HOME'S Services</b>	1,487	<b>227</b>	-1,260	-84.7%	Due to decreased revenue and proactive growth investments, for example in promotion during the peak moving season in Japan
<b>Overseas</b>	734	<b>523</b>	-211	-28.8%	Due to the acquisition of Properati and increased advertising expenses from the recovery of international markets
<b>Other</b>	-286	<b>-339</b>	-52	-	
<b>Inter-segment transactions</b>	20	<b>24</b>	-	+18.8%	

Primary businesses in each segment are listed on Page 37

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

# Key Performance Indicators Client Network and ARPA

Our client network continues to progress smoothly in the custom-built, re-sale and investment markets, but the increase in clients and decrease in revenue for HOME'S Services have had a negative impact on ARPA.



As of this report, we have begun including effects of the acquisition of Kenbiya Co., Ltd. which occurred in August 2020 and have updated figures for previous years to reflect the change.

# Condensed Statement of Financial Position and Goodwill IFRS

Investment in Hash Dash Holdings for the development of a blockchain small-lot real estate investment platform. Goodwill for LIFULL CONNECT has increased ¥0.92 bil. due to the weaker yen.

Unit: JPY mil.	As of Sep 30, 2021	As of Mar 31, 2022	Change	Change %	Main items		
<b>Current assets</b>	21,544	22,293	+748	+3.5%	Cash	+2	Refer to "Condensed Statement of Cash Flows"
					Accounts Receivable - Trade	+260	
					Inventory Assets	+677	Primarily Regional Revitalization efforts
					Short-Term Loans Receivable	-199	Primarily Regional Revitalization efforts
					Prepaid Expenses	+345	Annual system usage fees
					Accounts Receivable - Other	+123	
					Income Taxes Receivable	-473	
<b>Non-current assets</b>	24,342	25,092	+749	+3.1%	Buildings, Tools, Furniture and Fixtures	-109	Primarily depreciation and amortization
					Right-of-Use Assets	-392	Primarily depreciation and amortization
					Goodwill	+936	Primarily from the acquisition of Properati and currency fluctuations
					Stocks - Associated Parts	+752	Primarily for the acquisition of shares of Hash Dash
					Long-Term Loans Receivable	-308	Primarily for regional revitalization efforts
					Deferred Tax Assets - Non-Current	-86	
<b>Assets</b>	<b>45,887</b>	<b>47,385</b>	<b>+1,498</b>	<b>+3.3%</b>			
<b>Current liabilities</b>	12,139	12,811	+672	+5.5%	Accounts Payable - Other	+650	
					Short-Term Loans Payable	+48	
<b>Non-current liabilities</b>	5,209	5,421	+211	+4.1%	Long-Term Loans Payable	+531	Primarily for the acquisition of shares of Hash Dash
					Long-Term Lease Obligations	-377	
<b>Liabilities</b>	<b>17,349</b>	<b>18,232</b>	<b>+883</b>	<b>+5.1%</b>			
<b>Total Equity</b>	<b>28,538</b>	<b>29,152</b>	<b>+614</b>	<b>+2.2%</b>	Capital Surplus	-291	
					Foreign Currency Translation Adjustm.	+909	Due to fluctuations in foreign currency exchange rates
<b>Equity per share attributable to owners of the parent (JPY)</b>	<b>215.61</b>	<b>220.44</b>	<b>+4.83</b>				

Primary Remaining Goodwill (in JPY): Littel 86 mil., LIFULL CONNECT 11,221 mil., LIFULL Marketing Partners 251 mil., Kenbiya 271 mil., LIFULL Tech Vietnam 102 mil. Trovit, Mitula, LIFULL Marketing Partners and Kenbiya PPA 1,503 mil.



# Condensed Statement of Cash Flow IFRS

¥1 bil. increase in operating cash due to tax credits received in the current fiscal year for the restructuring of Mitula in the previous year. ¥0.8 bil. in new borrowings for the acquisition of shares of Hash Dash Holdings.

Unit: JPY mil.	FY2021 Q2	FY2022 Q2	Change	Main items		
	(Oct.-Mar.)	(Oct.-Mar.)		Items	FY2021 Q2	FY2022 Q2
<b>Operating cash flow</b>	2	1,042	+1,040	Profit for the period before tax	+1,660	+428
				Depreciation and amortization	+1,021	+936
				Decr. (incr.) in accounts receivable-trade and other current receivables	-666	-46
				Incr. (decr.) in accounts payable-trade and other current payables	+507	+310
				Other	-1,519	-863
				Tax payments	-990	+299
<b>Investing cash flow</b>	-576	-964	-388	Purchase of intangible assets	-156	-276
				Business acquisition expenditures	-411	-350
				Payments for the acquisition of shares of subsidiaries and affiliates	-	-800
				Payment of loans receivable	-618	-445
				Proceeds from collection loans receivable	+626	+956
<b>Financing cash flow</b>	-1,477	-277	+1,200	Proceeds from loans payable	+234	+1,012
				Repayment of loans payable	-552	-432
				Dividends paid	-697	-476
				Repayment of lease obligations	-438	-374
<b>Change in cash and cash equivalents</b>	-1,828	2	-			
<b>Balance of cash and cash equivalents</b>	14,134	13,147	-986			



# Revisions to the Full-Year Forecast

# (Ref.) Mid to Long-Term Strategy (No Change)

We are focusing on growth in our real estate information services both in Japan and internationally.

## LIFULL HOME'S

Transform our service for **greater satisfaction** of both users and real estate clients

**Transforming our Service**  
Transforming the moving experience from the bottom up with more information available online. Increasing our profitability by better satisfying the needs of our users and clients.

**Our Vision for the Future**

**Transforming Our Service**

**Increase Profitability**

**Enhanced User Experience**  
Useful Tools  
Rich Information  
Find the right home more easily for a smoother moving experience

**Improved Efficiency For Brokers**  
Professional Support  
High-Quality Inquiries  
Less work for brokers with more efficiency.

LIFULL

23

(Ref) FY 2021/9 Full Year Results Presentation (Nov. 11, 2021) Page 23

## LIFULL CONNECT

Create the best marketplace based on the characteristics of each region

**LIFULL CONNECT**  
Vision

Combining advantages to create a multi-brand **Marketplace with more Value for Users and Clients**

**Aggregation Sites**  
• Providing a wide variety of information to enormous audiences

**DIRECT Real Estate Portals**  
• Provide more personalized support  
• Detailed information for users  
• Client network

LIFULL

30

(Ref) FY 2021/9 Full Year Results Presentation (Nov. 11, 2021) Page 30

# Strategy for FY 2022/9 (No Change)

We are focusing our investments to accelerate the transformation of LIFULL HOME'S.

## Focus Growth Investments in LIFULL HOME'S

### SERVICE

System-Related Costs (YoY)

Approx. **+17%**

### Service Development

Increases primarily in **system fees** and **outsourcing costs**

### PROMOTION

Advertising Spending YoY

Approx. **+14%**

### Brand Awareness

Proactive promotion of new services and features to **raise brand recognition**

### PEOPLE

Personnel (YoY)

Approx. **+13%**

### Hiring

Focusing hiring on **engineers to develop the services** for our transformation

## Focus on LIFULL HOME'S

Making finding the right home even easier for everyone



Purpose



Improve User Trust & Satisfaction



Improve Lead Quality

Based on the results of the previous fiscal year and forecast.  
Personnel costs exclude employee bonuses

# LIFULL HOME'S Business Environment in Japan

Originally we expected a positive turn in real estate advertising as the economy gradually recovered. However, we have made conservative revisions to our Earnings Forecast due to sluggish recovery of the market and revisions to our partnerships.

## Rental

### Market-Based

Less people moving in Japan due to less work-related relocation and more students attending university classes online

### Changes in the Market

(Jan. - Mar. YoY)

Internal Migrants	Rental Leases
<b>-3.2%</b>	<b>-14.5%</b>

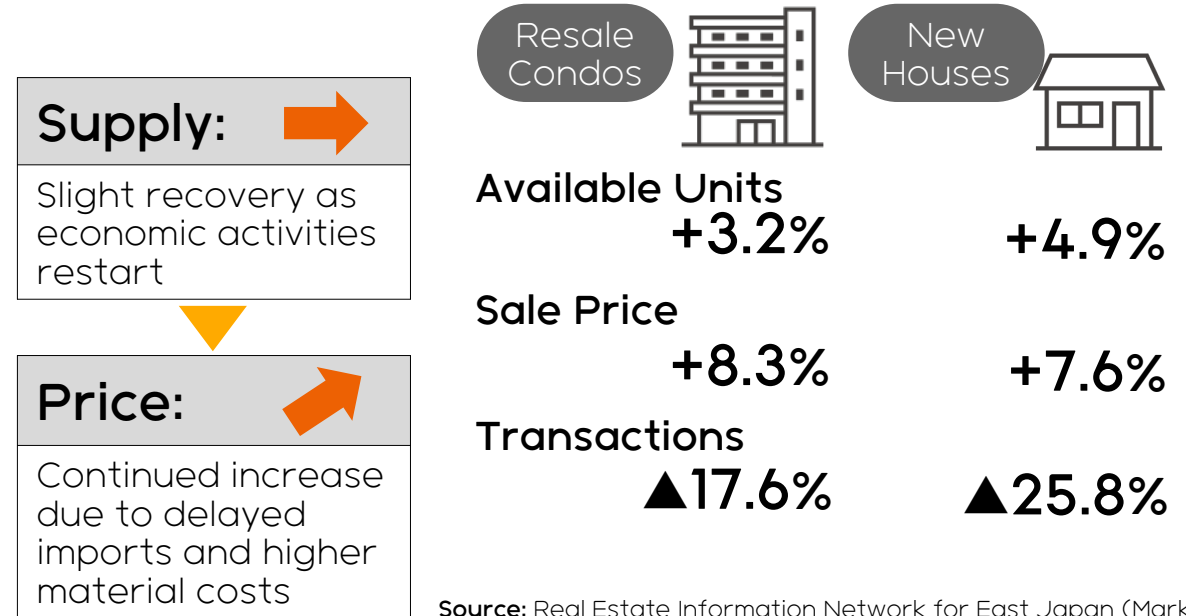
### Internal

Reviewing and adjusting partner sites of LIFULL HOME'S

Sources: Statistics Bureau of Japan (*Report on Internal Migration in Japan Derived from the Basic Resident Registration*)  
Real Estate Information Network for East Japan

## Sale

### Jan - Mar. (Greater Tokyo Area, YoY)



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

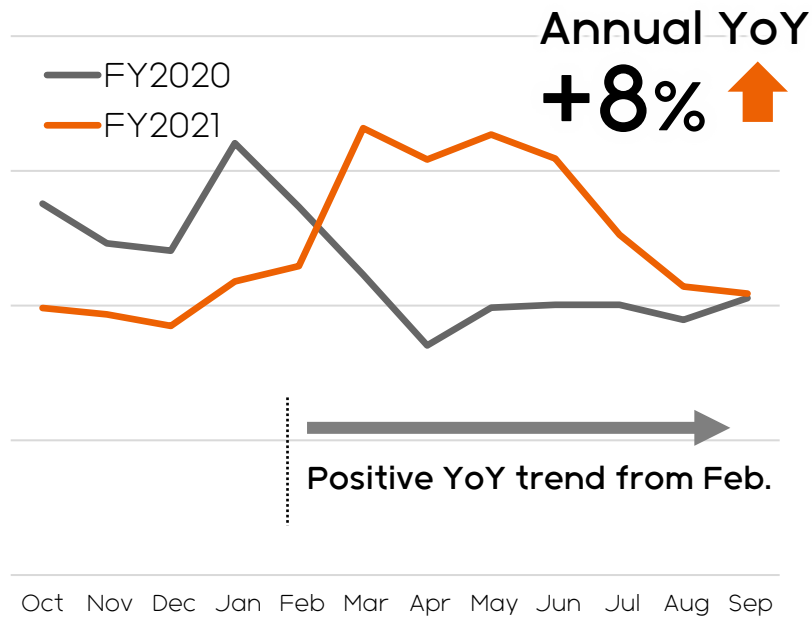
**Less inquiries due to delayed market recovery**  
**Conservative revisions made to the Earnings Forecast**

# LIFULL CONNECT International Business Environment

AdSense revenue has continued in a downward trend from the beginning of the fiscal year and the conflict in the Ukraine and other factors are affecting the real estate advertising market. The current situation has become increasingly unpredictable, so we have made conservative revisions to our forecast.

## Reasoning for Reduction of Revenue

### Recovery of AdSense Revenue Up to the Previous Fiscal Year (Image of trend in local currency)



Our original forecast was based on the assumption of **similar growth to the previous fiscal year**

AdSense Revenue Up to FY 2022/9 2Q

YoY **-33%** ↓

Maintaining focus on revenue from Premium Advertisements

Unpredictability of the Current Situation

- Delayed global economic recovery from COVID-19
- Effects of the conflict in the Ukraine on the real estate advertising market in Europe

**Conservative revisions to the Earnings Forecast**

# Revised Forecast for FY 2022/9 IFRS

We have made conservative revisions to our full-year forecast due to delayed recovery of the real estate market. However, we will continue with our growth investments while monitoring the current situation.

## Condensed Statements of Income and Loss

Unit: Millions of yen	FY2022 Oct.-Sep. [Original Full-Year Forecast]	FY2022 Oct.-Sep. [Revised Full-Year Forecast]	Change	Change %
<b>Revenue</b>	39,000	36,000	-3,000	-7.7%
<b>Cost of revenue</b>	4,512	4,569	+57	+1.3%
<b>SG&amp;A (excl. depreciation)</b>	32,797	31,280	-1,517	-4.6%
<b>Personnel expenses</b>	9,844	9,775	-69	-0.7%
<b>Advertising expenses</b>	13,863	12,794	-1,069	-7.7%
<b>Operating expenses</b>	702	588	-114	-16.2%
<b>Other</b>	8,387	8,123	-264	-3.1%
<b>Other revenues and expenses</b>	9	250	+241	+2677.8%
<b>Operating income</b>	1,700	400	-1,300	-76.5%
<b>Operating income margin</b>	4.4%	1.1%	-3.3pt	-
<b>Net profit*</b>	700	-100	-800	-114.3%

## Revenue by Segment

Unit: Millions of yen	FY2022 Oct.-Sep. [Actual]	FY2022 Oct.-Sep. [Full-year forecast]	Change	Change %
<b>Revenue</b>	39,000	36,000	-3,000	-7.7%
<b>HOME'S Service</b>	27,832	25,938	-1,894	-6.8%
<b>Overseas</b>	8,192	7,192	-1,000	-12.2%
<b>Others</b>	2,974	2,869	-105	-3.5%

Exchange Rate Estimation: EUR 1 = JPY 130

\* Net Profit: Profit attributable to owners of the parent

## Considerations for Growth Investments

We will continue to move forward with our investment plans despite our conservative revisions to the Earnings Forecast. In the coming fiscal year, we will review the results and make decisions for future progress.

FY 2022/9

Despite revisions to the Earnings Forecast, we have been making progress on our focused, long-term investment plans, and

**we will move forward with our investment strategy**

After FY 2023/9

Holistic monitoring of

Results of Investments



Business Environment, etc.

**Make decisions for future progress**





# LIFULL HOME'S

– Becoming a Super Hyper Assistant –

# SUPER HYPER ASSISTANT Overview and Progress on our New Services

Focusing around the three pillars of Richer Listings, Search Assistance and Personal Support, we are working to improve user satisfaction and lead quality.

Creating new, more powerful services and features to help everyone find the right home

## SUPER HYPER ASSISTANT

(Sample Features)

### Richer Listings



Property Data

Detailed Area Information



Oct., 2021  
3D Floor Plans

### Search Assistance



Feb., 2021  
New Property Notifications via LINE



Jan., 2022  
Nice-to-Have Searches

Mar., 2021  
Search by "Would-Like" Criteria or based on your current home

### Personal Support



Online Viewing and Paperwork Tool  
**LIFULL HOME'S LIVE**



Strengthening  
*Sumai No Madoguchi*  
Consultation Services

Feb., 2022 **NEW**  
**AI Homes-kun Beta**  
More Details on P 19

### Foundation

**NEW**  
Feb., 2022

Enhanced Log-In Page  
More Details on P 18

# SUPER HYPER ASSISTANT Features Updated Log-In

We have updated the way users can register on LIFULL HOME'S and increased user accounts.

## Updated Log-In Screen

Paving the way for a more personalized experience

### Purpose

Simplify registration from the user perspective and increase registered users

### Point 1

#### More Ways to Register

Users can now register with their Google, LINE or Rakuten ID or e-mail address

### Point 2

#### More Intuitive Design

Re-organized log-in options without focus on Rakuten IDs

**Considerable increase  
in new registrations**

### BEFORE

0 0 0 ログイン  
最近見た物件 お気に入り 保存した条件

ログイン / 新規作成 (無料)

ログインすると、「最近見た物件」「お気に入り物件」「保存した条件」を他のパソコンやスマートフォンサイト、アプリでも確認できます※。

楽天会員IDでログイン

**Rakuten**

ログイン/新規作成 (無料)

※アプリでは「最近見た物件」「お気に入り物件」をご利用できます  
※IDをお持ちでない方は、新規作成 (無料) をお願いいたします

その他のIDでログインする

以下の外部サービスIDもご利用になれます。  
[Yahoo ID](#) [Google ID](#) [Facebook ID](#) [Twitter ID](#)

< 元のページに戻る

↑ ページトップへ

サービス・種別から探す

### AFTER

ログイン

ログイン

アカウントをお持ちでない方は[新規登録](#)

✉ メールアドレス

🔑 パスワード

8文字以上の数字、英字（大文字と小文字）を含む。  
全角や記号は使用できません。

ログイン

[パスワードを忘れた方はこちら](#)

または

LINEでログイン

Yahoo! JAPANでログイン

Googleでログイン

楽天でログイン

Facebookでログイン

# SUPER HYPER ASSISTANT Features Cutting-Edge AI Technology

Our internal AI Strategy Department has utilized the latest technology for personal support for users to help them organize their preferences and find the right place to live 24/7.



AI Home Recommendation System

## AI Homes-kun BETA

Released Feb 10, 2022



(In Japanese)

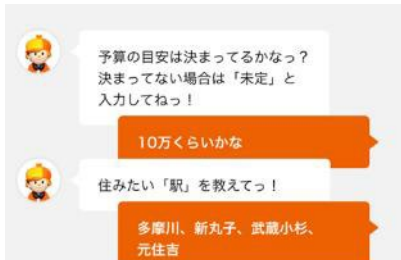
AI Homes-kun BETA

Search

<https://www.homes.co.jp/ai-homeskun>

Currently only available for smartphones with plans to extend service to desktops soon

## How does it work?



### 1 Answer 9 simple questions via chat

Organize search criteria



### 2 Automatically create your home-seeker profile

User preferences are displayed from 5 different perspectives



### 3 Properties displayed based on your answers

Contact a real estate agent after finding the right home

## Planned Upgrades

More natural chat experience

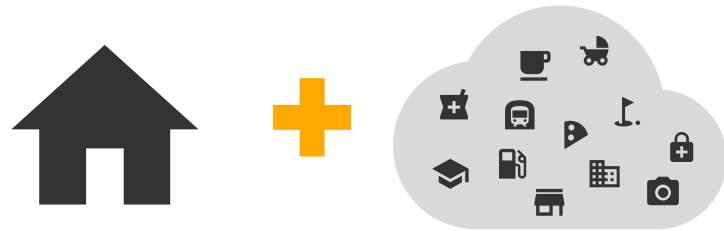
More precise area recommendations

Desktop support

# SUPER HYPER ASSISTANT Support Through Detailed Property-Related Contents

We also expanding detailed property-related content to help everyone find the right home for their lifestyle online.

## Data for Each Individual User



Property  
Details

Related  
Reference Information

Offering richer details  
to give a clearer idea of  
properties

## Helpful Information When Searching for a New Home

UPDATE



### Enhanced Flood Maps

Check areas you are considering for your new home for flood risks while you search

UPDATE



### 2022 Ranking of Popular Cities to Live

Tokyo Area

[https://www.homes.co.jp/cont/s\\_ranking/shutoken/](https://www.homes.co.jp/cont/s_ranking/shutoken/)

1 Honatsugi 2 Omiya 3 Kashiwa

Osaka Area

[https://www.homes.co.jp/cont/s\\_ranking/kinki/](https://www.homes.co.jp/cont/s_ranking/kinki/)

NEW



### Stations with Large Apartments for Lower Rent

We are also creating new content according to developing needs for the new normal

[https://www.homes.co.jp/cont/press/report/report\\_00243/](https://www.homes.co.jp/cont/press/report/report_00243/)

# Promotion New Creative for Commercials and Expansion of Broadcast Area

Part of our strategy of becoming a Super Hyper Assistant is the individuality in searches on LIFULL HOME'S. To reach more users, we have extended the broadcast period and area of our commercials and created more online videos and audio content.

## TV Commercials

Broadcasting our **New Commercials** from Jan. 14, 2022

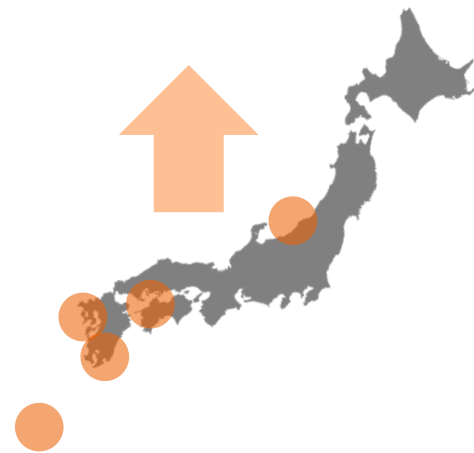


### CONCEPT

## Heaps of Homes-kuns

A studio full of Homes-kuns, image character of LIFULL, help each individual user find the right home

Continuing broadcasts to drive brand recognition after April



## Regional Expansion

NEW

Niigata, Ehime, Nagasaki, Kumamoto, Kagoshima, Okinawa

RESULT

More inquiries from newly added areas

## Promotions in Other Media

YouTube  
Online Videos



International-Friendly Ver.

LGBTQ-Friendly Ver.

Different searches for different people video series

Audio Ads



# External Recognition of our Efforts to Boost User Satisfaction

The updates to our features and services to improve user satisfaction are gaining attention, and LIFULL HOME'S has been named number one in four different rankings.

## Rental Properties



PC

Smartphone

  
 **No. 1**

## Sale Properties



Smartphone

 **No. 1**

## Home Appraisals



Overall Quality

 **No. 1**

Categories

Usability  
Information & Content  
Useful Features & Services

Information & Content  
Useful Features & Services

Most On-site Appraisals  
Lowest Cancellation Rate

Gomez Rental Property Site Ranking  
<https://lifull.com/news/23130/>

Gomez Sale Property Smartphone Site Ranking  
<https://lifull.com/news/22870/>

One-Stop Appraisal Site On-Site Appraisal Ranking 2021  
<https://lifull.com/news/22910/>

Gomez Rental Property Smartphone Site Ranking  
<https://lifull.com/news/22800/>

(Articles in Japanese)

## Always working to make finding a new home even easier



# LIFULL CONNECT



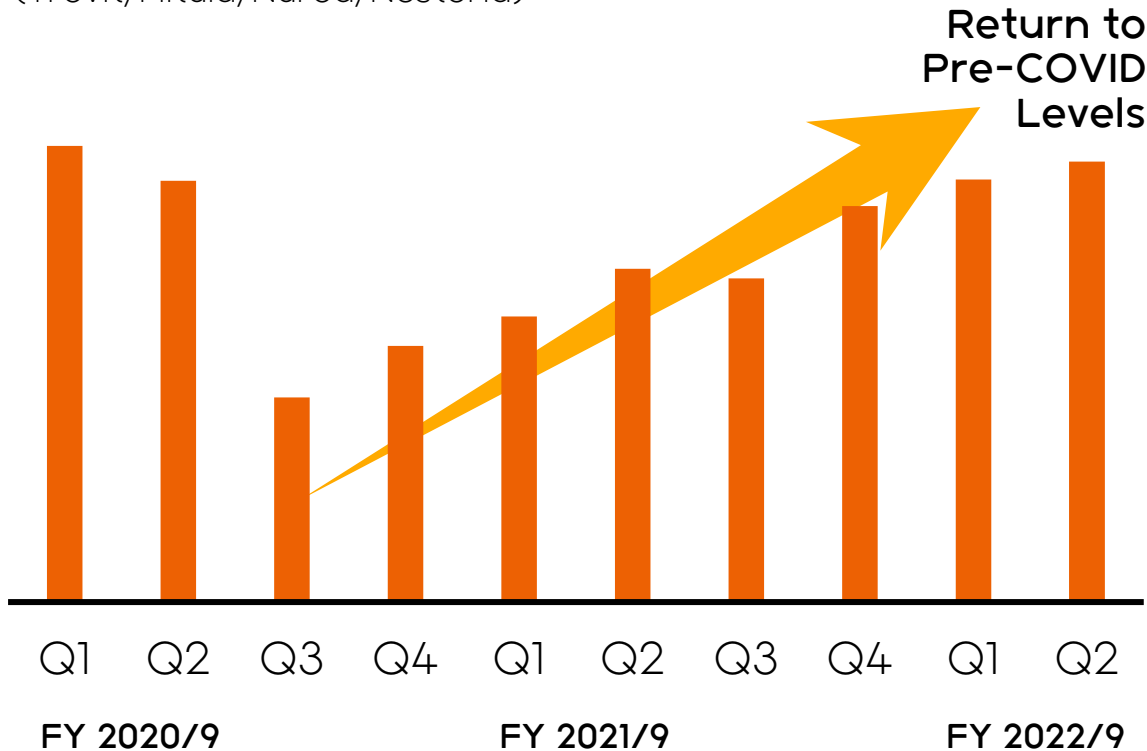
# Market Recovery in the Overseas Segment

Steady recovery in revenue and clients from the aggregation business.

New revenue gains in Latin America from the acquisition of the portal network Properati.

## Aggregation Sites

Revenue Trend for Premium Advertisements  
(Trovit, Mitula, Nuroq, Nestoria)



## Real Estate Unit

Approx.

**40%**  
**Revenue Growth**

in real estate portals in Latin America and Southeast Asia

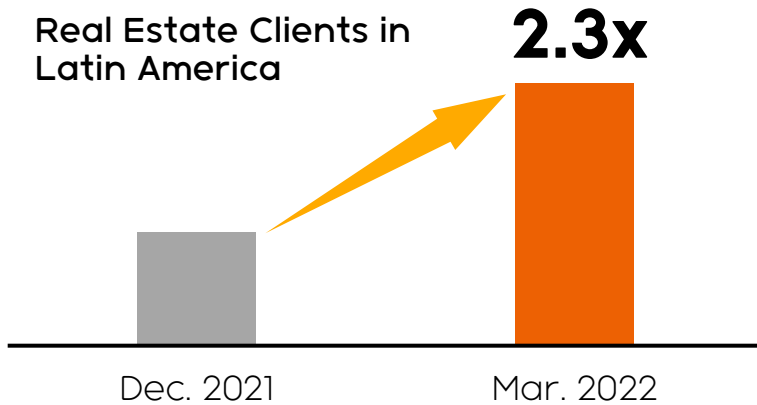
(Jan. - Mar. YoY)



# Accelerated Growth in Latin America

Significant growth in clients in the region, and value added by the migration of our full client base to Proppit.

## More Clients



**Growth in the number of clients in Latin America** primarily driven by the acquisition of Properati

## More Value for our Clients

Integration of  
**Proppit**  
Complete

(See the next page for more details on Proppit)

Properati clients are all able to **list across the LIFULL CONNECT Network** (Paid Listings)

## Reference



Network of Real Estate Portals in Central and South America

Consolidated from Jan. 2022

## Regions Serviced



Argentina



Colombia



Peru



Ecuador



Uruguay



Details on the Acquisition of Properati

FY 2022/9 Quarter 1 Earnings Presentation  
Pages 22 - 26

# Improvement and Expansion of Proppit

We have improved the performance, reach and convenience of Proppit for our clients with updates to the system and apps for iPhone and Android.

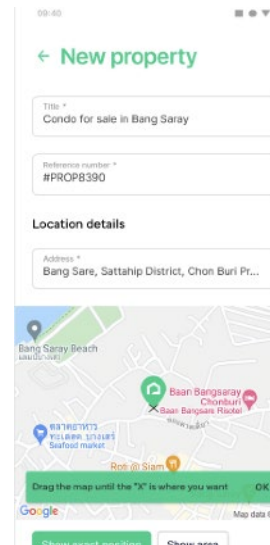
## UPDATE

- 1 Improved information displayed for properties**  
Increasing leads per visit by **+41%**  
FY 2022/9 Q2 vs. Q1
- 2 Launched new tools for real estate developers**  
Possible to list projects and extending developers' impact across the network
- 3 Released iPhone and Android Apps**  
1/3 of clients downloaded within days of release  
**Released Feb. 2022**

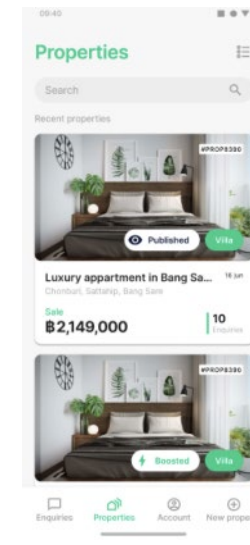
Management Tool for  
Real Estate Professionals



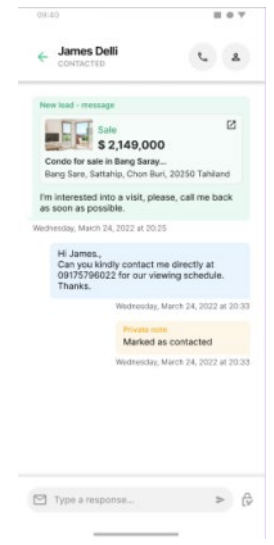
Images of the Smartphone Apps



Adding New Properties



Listed Properties



User Contact Management

(See Page 42 for more information on Proppit.)

## Expanding Our Real Estate Product Offering Acquisition of Wasi

At the start of May, we acquired the Colombian CRM, Wasi, as part of our strategy to invest directly in companies adding value to real estate professionals.

### Expansion of the **LIFULL CONNECT** Network

Acquisition of  
Latin American CRM for  
Real Estate Professionals



### Company Overview

<https://wasi.co/>

Service Launch	2012 (Company founded in 2016)
Headquarters	Colombia
Service	Development and operation of real estate CRM software
Employees	27 (Tech, Sales, Marketing)
Sales Revenue	US\$0.8 mil. (JPY 92 mil.) (FY 2021/12) YoY +39.4%

Founding entrepreneurs to remain at the helm  
to drive further growth

# Expanding Our Real Estate Product Offering

Acquisition of Wasi

With the acquisition of Wasi, which offers a full-service CRM with in-house development and support, LIFULL CONNECT has expanding its support services for real estate professionals.

## Technology

Integration with  
**50+** Portals &  
SNS Platforms

Including LIFULL CONNECT Services



## Technological Support for Real Estate Professionals

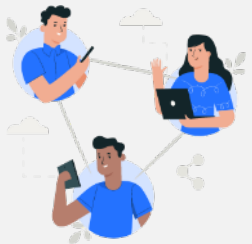
### Example Features

Property Listing Management

Website Tool

Deal Management

Communication Tools



Largest  
**B2B Multi-Listing Service**  
in Latin America

## Client Network

Active in  
**20+** Countries

Focused in Latin America  
(Spanish-speaking countries)



Created with mapchart.net

Clients  
**4,500+**

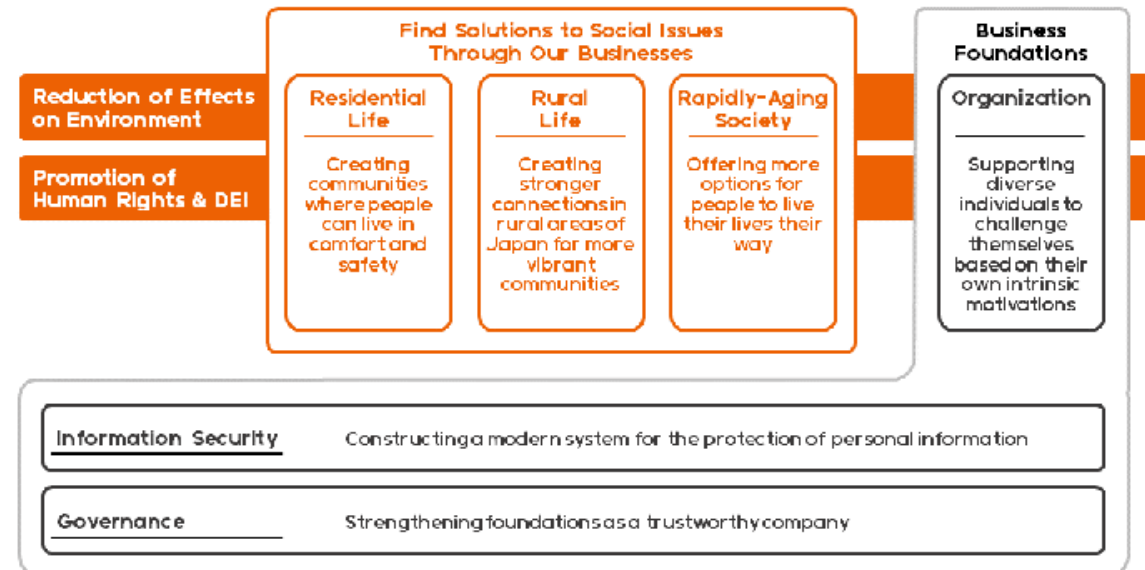
Specialized  
Customer Service Team for  
**High Retention Rates**



# Other LIFULL GROUP Initiatives

# Strengthening our Sustainability Management

Based on our Sustainability Policy, we have set eight sustainability goals and selected a number of focus issues from potential topics.



We are working toward  
**more sustainable corporate value**  
through our Sustainability Goals

Refer to our **Investor Information Site** for more details

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

## Other Initiatives External Recognition

We were recognized for our branding initiatives after changing our name to LIFULL in 2017. We were also recognized for our employee engagement thanks to our efforts to motivate employees since our founding.

### BRANDING

### ENGAGEMENT



## Highest Recognition Best of the Best Award



## Link and Motivation Group Best Motivation Company Award 2022

Mid-Sized / Growth Company Category

## 5th Place

— Previous Awards —

2021  
2018  
2017

Press Release

<https://lifull.com/news/22430/>

(in Japanese)

[https://www.motivation-cloud.com/lp/bmcaaward?\\_bdlid=3Se7sA.o025c32](https://www.motivation-cloud.com/lp/bmcaaward?_bdlid=3Se7sA.o025c32)

(in Japanese)





 **LIFULL**

Make Every LIFE FULL

# Appendices

# Corporate Information (as of March 31, 2022)

**Company** LIFULL Co., Ltd.

**Stock code** 2120 (TSE Prime)

**Representative** Takashi Inoue, 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. 2,458,270 shares of treasury stock)

**Consol. number of employees** 1,548 (incl. 178 temporary and 436 overseas)

**Major shareholder** LIFULL Directors, Rakuten Group, Inc. (18.1%)

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

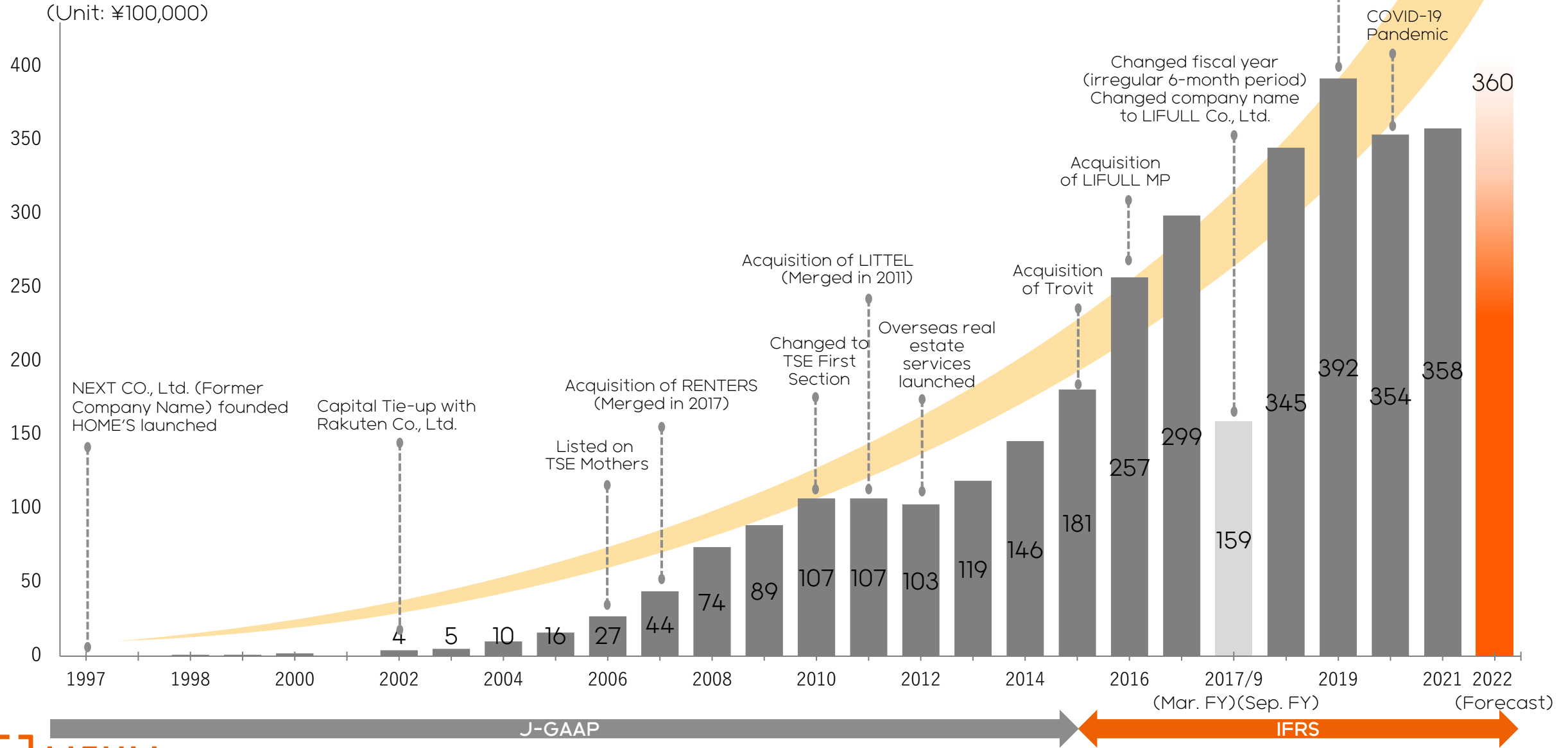
(Listed according to date of founding / acquisition)

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

# Segments and Primary Services

Segments	Main services
<p><b>HOME'S Services</b></p>	<p>LIFULL HOME'S            AD Master (former Renter's Net)            NabiSTAR            Advertising &amp; Consulting Agency (LIFULL Marketing Partners Co., Ltd.)            Kenbiya (Kenbiya Co., Ltd.)</p>
<p><b>Overseas</b></p>	<p>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</p>
<p><b>Other Businesses</b></p>	<p>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</p>

# Annual Revenue and Timeline of Company Growth



# FY 2022 /9 Forecast and Progress IFRS

Progress toward the forecast revised on May 11, 2020 (Details on Page 14)

## Condensed Statements of Income and Loss

	FY2022 Oct.-Sep. [Full-Year Forecast]	FY2022 Q2 Oct.-Mar. [Actual]	Progress
Unit: JPY mil.			
<b>Revenue</b>	<b>36,000</b>	<b>18,040</b>	<b>50.1%</b>
<b>Cost of revenue</b>	<b>4,569</b>	<b>2,013</b>	<b>44.1%</b>
<b>SG&amp;A</b>	<b>31,280</b>	<b>15,591</b>	<b>49.8%</b>
Personnel expenses	9,775	4,688	48.0%
Advertising expenses	12,794	6,648	52.0%
Operating expenses	588	242	41.2%
Other	8,123	4,011	49.4%
<b>Other revenues and expenses</b>	<b>250</b>	<b>87</b>	<b>34.8%</b>
<b>Operating income</b>	<b>400</b>	<b>522</b>	<b>130.5%</b>
Operating income margin	1.1%	2.9%	-
<b>Net profit*</b>	<b>▲ 100</b>	<b>185</b>	-

## Revenue by Service

	FY2022 Oct.-Sep. [Full-year forecast]	FY2022 Q2 Oct.-Mar. [Actual]	Progress
Unit: JPY mil.			
<b>Revenue</b>	<b>36,000</b>	<b>18,040</b>	<b>50.1%</b>
<b>HOME'S Services</b>	25,938	13,224	51.0%
<b>Overseas</b>	7,192	3,550	49.4%
<b>Others</b>	2,869	1,266	44.1%

Exchange Rate Estimation: EUR 1 = JPY 130 (Beginning of the FY: EUR 1 = JPY 128)

\* Net Profit: Profit attributable to owners of the parent



# Consolidated Statements of Profit and Loss Quarterly

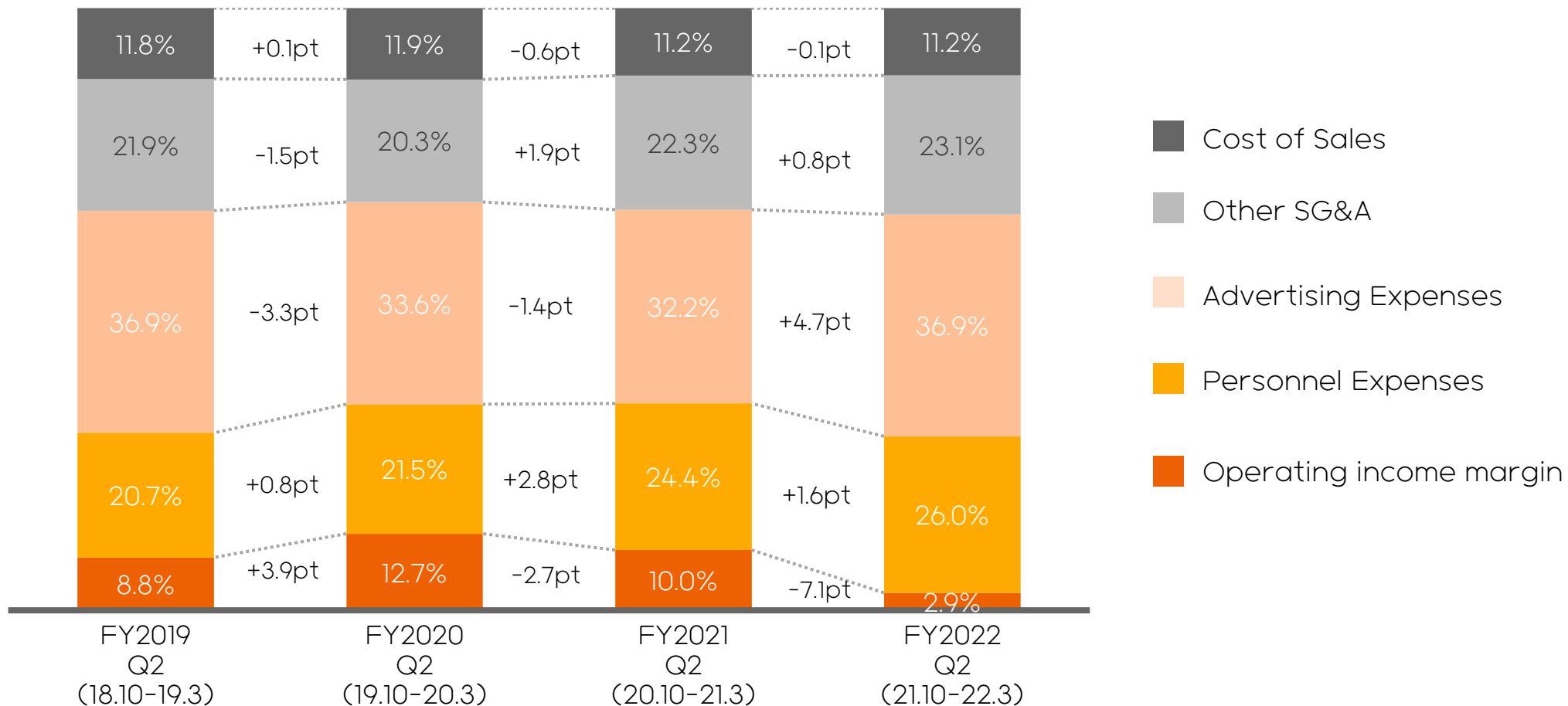
Unit : JPY mil	FY2018				FY2019				FY2020				FY2021				FY2022	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Revenue	8,128	9,541	8,345	8,549	8,391	11,208	9,753	9,944	9,202	9,983	7,706	8,510	8,271	9,581	9,072	8,931	8,510	9,530
HOME'S Services	6,742	8,062	6,833	6,963	6,860	8,404	7,060	7,330	6,763	7,543	6,176	6,652	6,346	7,260	6,550	6,535	6,139	7,085
Overseas	883	935	983	1,058	986	2,315	2,213	2,165	2,006	1,892	1,101	1,378	1,440	1,766	1,974	1,837	1,787	1,762
Other Businesses	502	542	528	527	544	488	479	448	432	547	429	479	484	554	547	558	583	682
Cost of revenue	928	946	996	1,006	1,048	1,258	1,035	1,217	1,116	1,157	869	953	945	1,056	890	1,058	947	1,066
SG&A	6,136	7,253	6,212	6,818	6,139	9,526	7,062	7,985	7,031	7,390	5,651	6,940	6,467	7,426	7,464	7,240	7,010	8,580
Personnel expenses	1,962	1,783	1,963	2,082	1,969	2,087	2,217	2,428	2,535	1,590	2,048	2,785	2,345	2,001	2,315	2,242	2,203	2,485
Advertising expenses	2,426	3,657	2,431	2,869	2,347	4,882	2,790	3,252	2,559	3,882	1,884	2,160	2,155	3,585	3,170	2,940	2,731	3,916
Operating expenses	236	267	209	229	190	204	240	290	170	123	64	106	96	87	100	116	121	120
Depreciation/amortization cost	274	266	263	263	259	304	308	303	490	515	486	525	524	487	474	474	459	468
Other SG&A	1,236	1,279	1,344	1,374	1,372	2,047	1,505	1,710	1,274	1,278	1,167	1,363	1,345	1,263	1,403	1,466	1,494	1,589
Other revenues and expenses	71	18	6	-44	425	-332	9	59	-9	-41	62	-1,817	-83	-85	-28	-9,752	36	50
Operating income	1,134	1,358	1,142	679	1,629	90	1,664	800	1,044	1,393	1,248	-1,201	775	1,011	688	-9,120	588	-66
Operating income margin	14.0%	14.2%	13.7%	7.9%	19.4%	0.8%	17.1%	8.1%	11.3%	14.0%	16.2%	-14.1%	9.4%	10.6%	7.6%	-102.1%	6.9%	-0.7%
Net profit*	591	980	702	585	1,003	-41	1,073	370	527	949	846	-1,161	387	639	449	-7,378	365	-179

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, these provisional accounting measures have been applied to all related values.

## Expense-to-Revenue Ratio IFRS

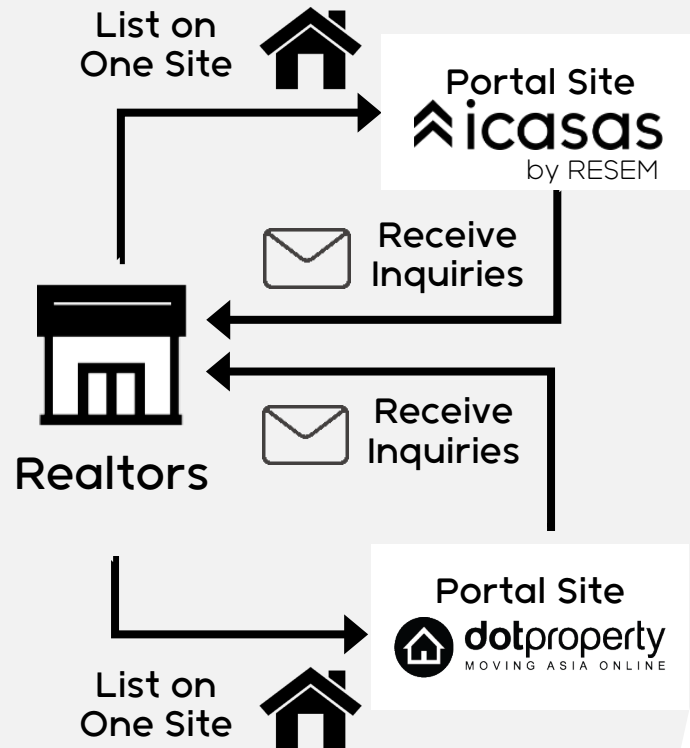
Growth investments primarily for the transformation of LIFULL HOME'S resulting in increase in advertising. Increase in personnel expenses primarily due to capitalization of software development costs in the previous fiscal year (LIFULL CONNECT) and increased headcount from the acquisition of Properati.



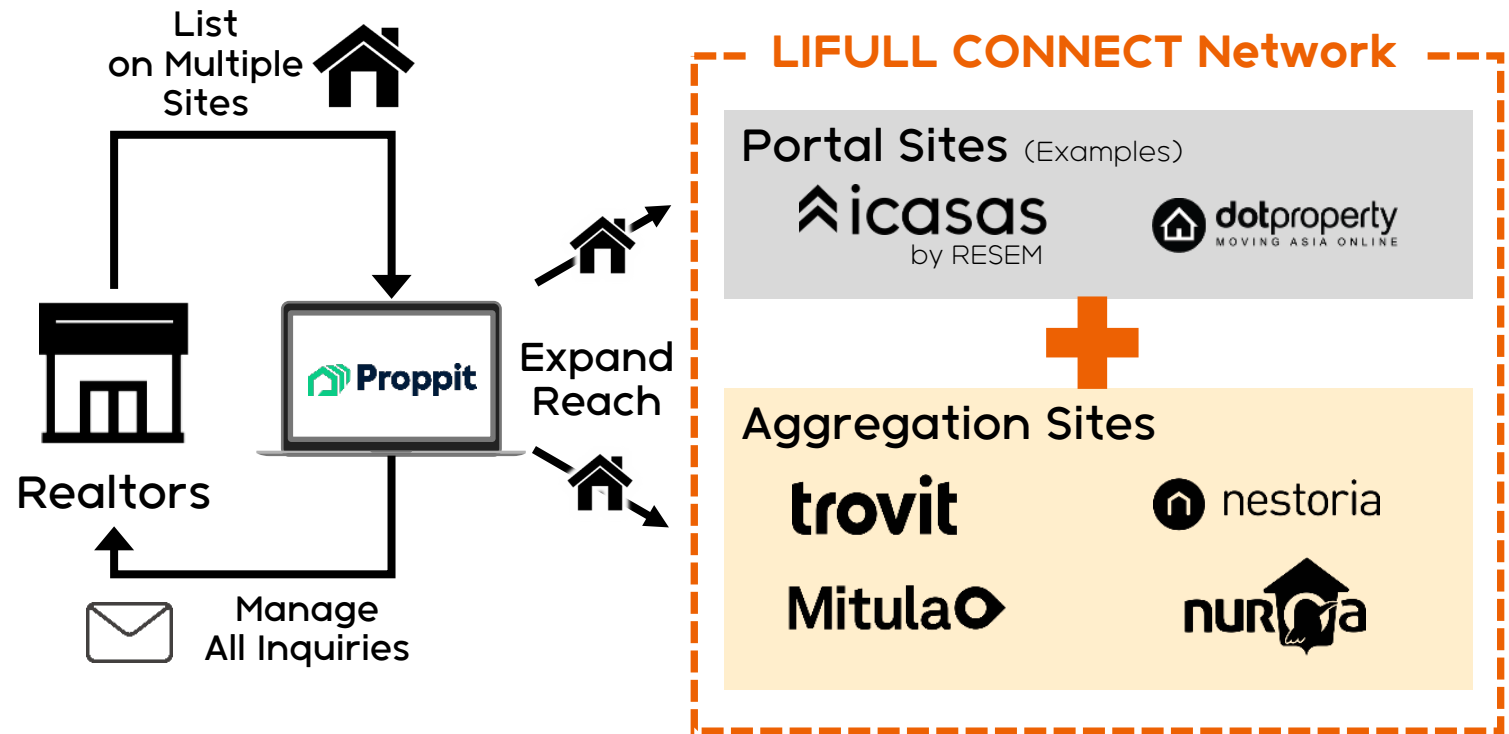
# (Ref.) About "Proppit" One Tool with the Reach of Multiple Sites

Using Proppit, a management tool for realtors in our key regions of Latin America and Southeast Asia, realtors are able to list across LIFULL CONNECT's exclusive and highly-qualified audience and manage inquiries in one place.

## Traditional Listings



## Listing via Proppit

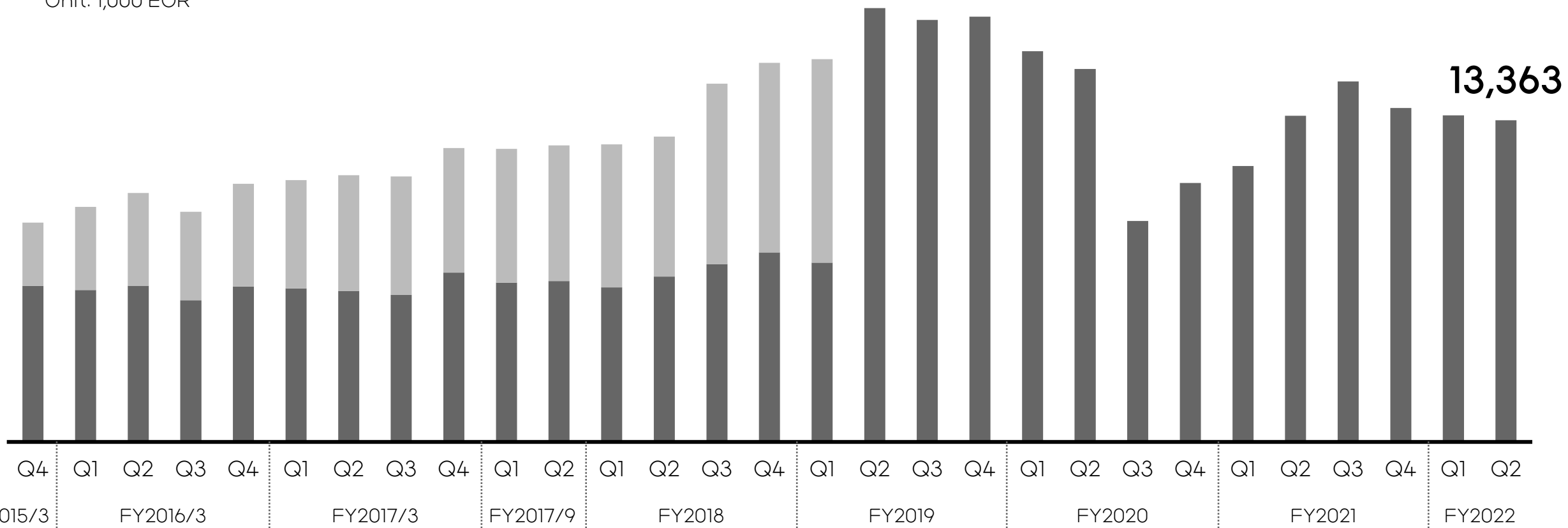


# Quarterly Results LIFULL CONNECT

Revenue growth primarily due to recovery of premium advertisements on aggregation sites and the acquisition of Properati

Results from LIFULL CONNECT\* in EUR (■ Pre-consolidation results of Mitula Group)

Unit: 1,000 EUR



13,363

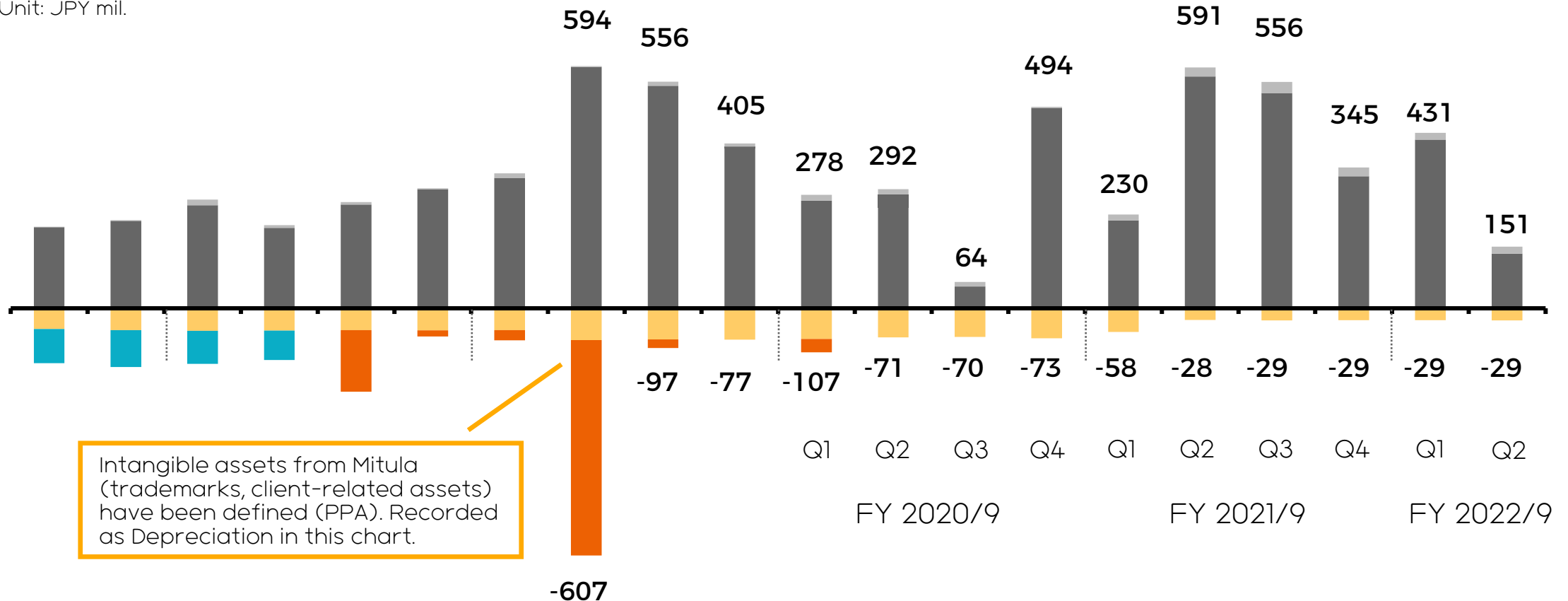
# Overseas Segment Results Segment Profit and Loss (Quarterly Trend)

Despite the ever-changing situation due to the on-going pandemic, we continuing to secure profits while making investments to make ourselves even more competitive.

## Quarterly Segment P&L

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

Unit: JPY mil.



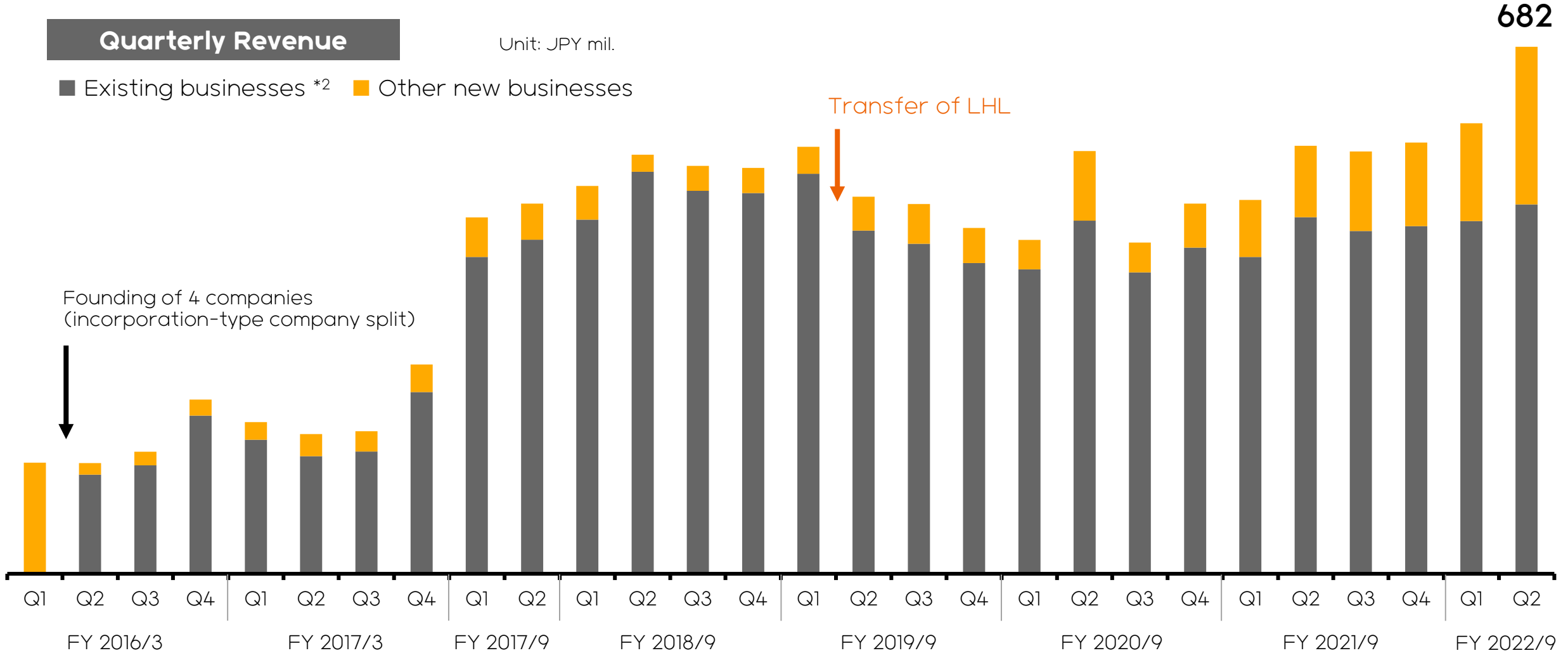
# Other Businesses Segment Sales Revenue (Quarterly)

Existing businesses driving revenue growth.

## Quarterly Revenue

Unit: JPY mil.

■ Existing businesses \*2   ■ Other new businesses



Founding of 4 companies  
(incorporation-type company split)

Transfer of LHL

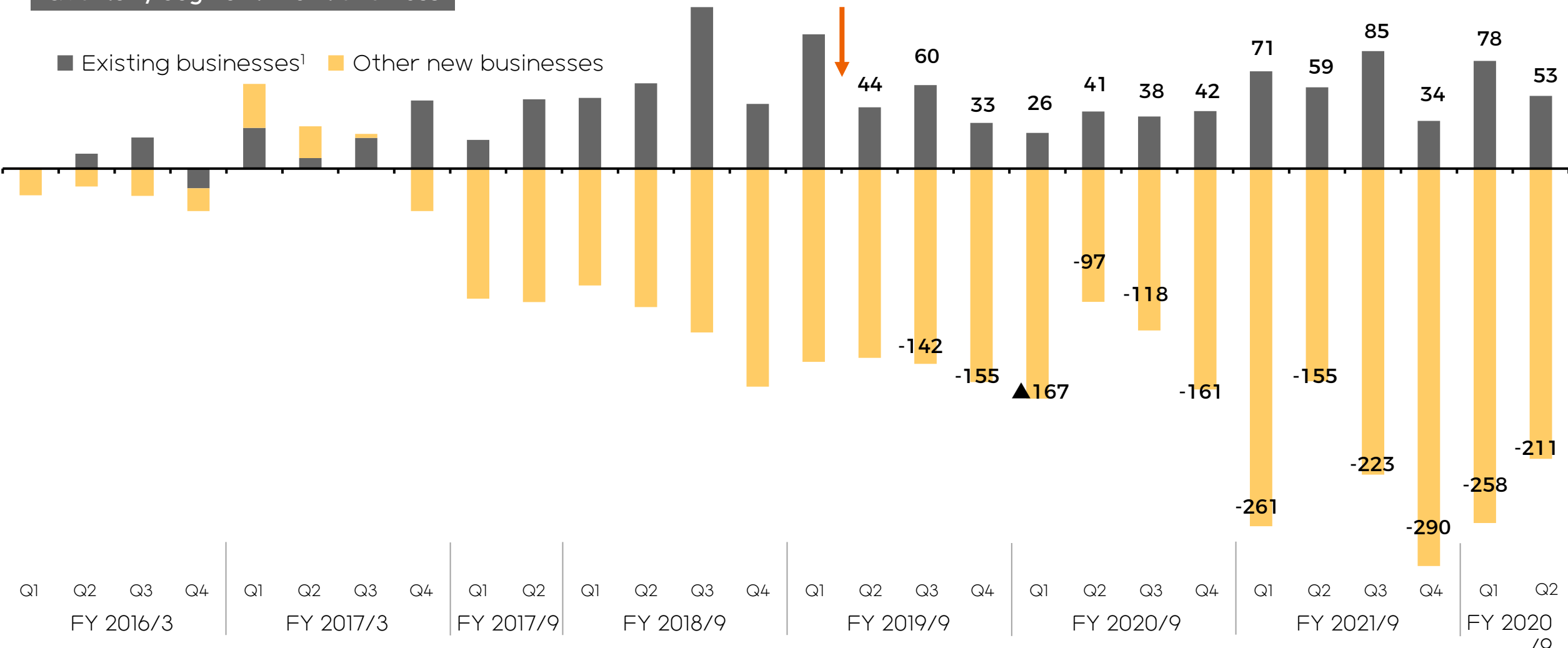
# Other Businesses Segment Profit and Loss (Quarterly)

Quarterly Segment Profit and Loss

Unit: JPY mil.

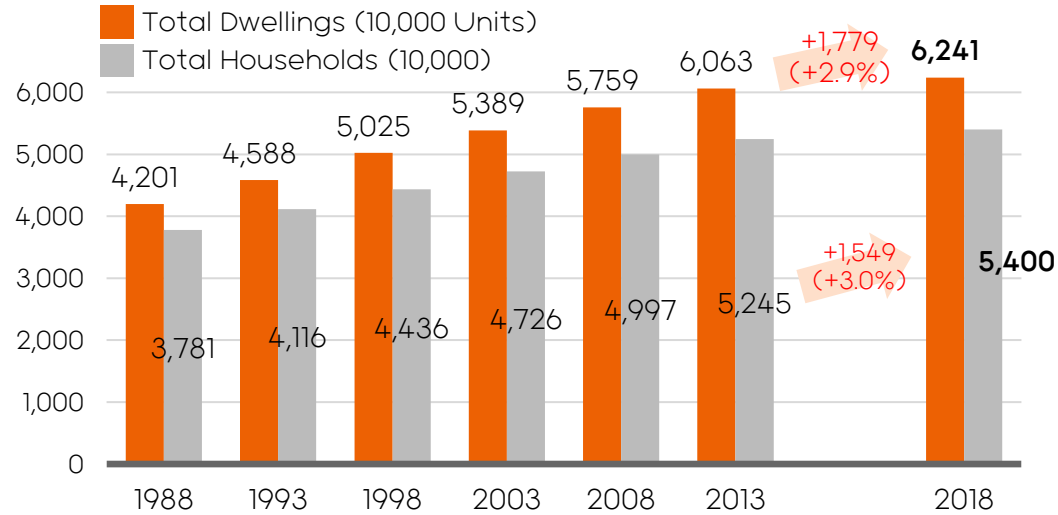
Existing businesses<sup>1</sup> Other new businesses

Transfer of LHL

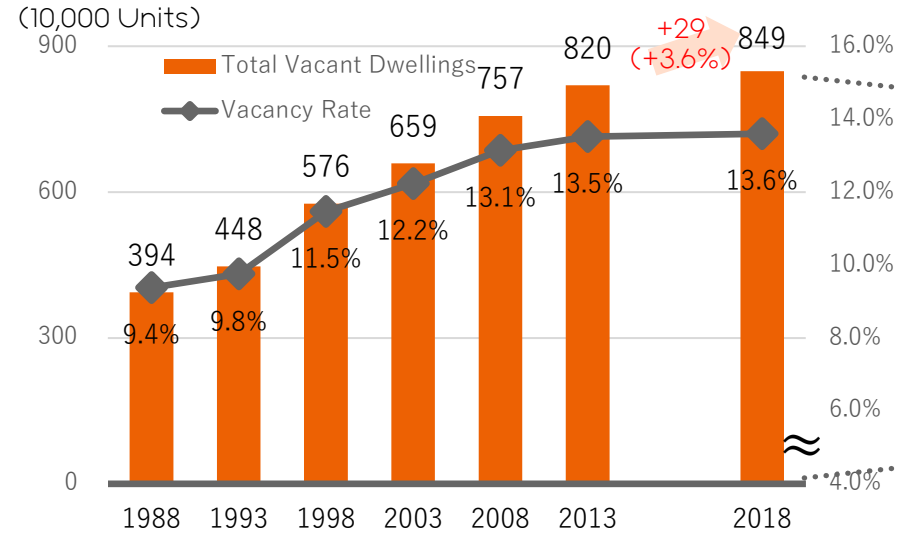


# (Ref.) Base Results of the 2018 Housing and Land Survey (Statistics Bureau of Japan)

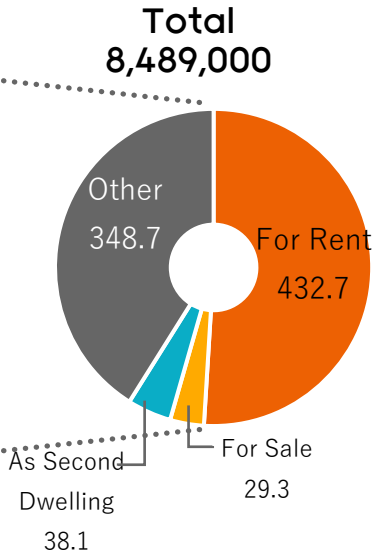
### Trend of Total Dwellings and Total Households



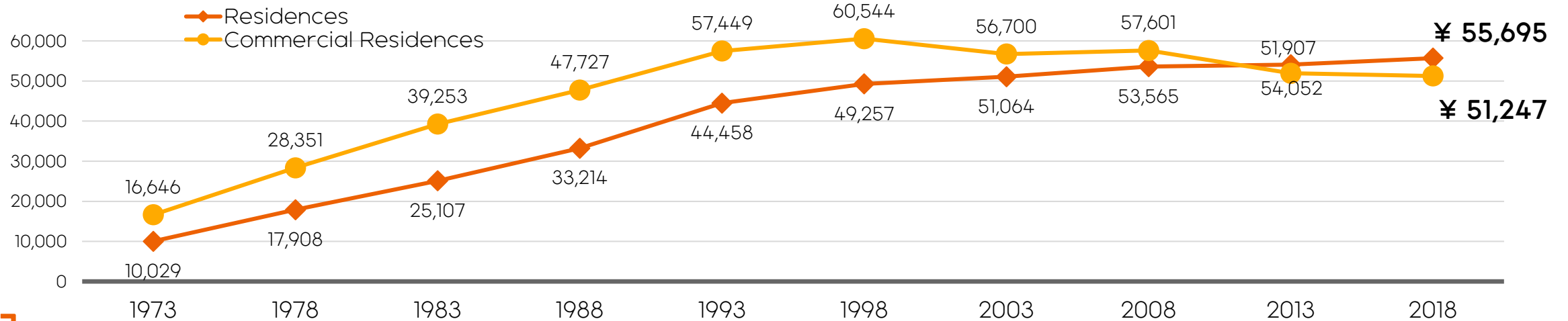
### Trend of Number of Vacant Homes and Vacancy Rates



### Breakdown of Vacant Homes



### National Trend in Monthly Rent





# (Ref.) External Market Data Monthly

		Annual			2020												2021												2022		
		2019 (Jan-Dec)	2020 (Jan-Dec)	2021 (Jan-Dec)	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22			
(1) Number of Apartments for Sale	Capital Region	31,238	27,228	33,636	686	393	1,543	2,083	1,669	2,477	3,358	2,790	7,362	1,325	2,243	3,103	2,089	2,578	1,939	1,952	1,940	△2,311	2,055	5,452	6,649	1,128	2,287	2,492			
	YoY	-15.9%	-12.8%	23.5%	-51.7%	-82.2%	-31.7%	7.8%	-8.2%	5.0%	67.3%	-15.3%	15.2%	7.1%	50.7%	44.9%	204.5%	556.0%	25.7%	-6.3%	16.2%	6.7%	-38.8%	95.4%	-9.7%	-14.9%	2.0%	-19.7%			
	Kinki	18,042	15,195	18,951	494	214	1,407	921	1,617	1,228	1,415	1,610	3,105	695	1,718	1,815	1,093	1,321	1,731	1,950	1,050	△1,210	1,457	2,099	2,812	792	1,378	1,267			
	YoY	-13.9%	-15.8%	24.7%	-42.0%	-84.6%	-6.2%	-48.5%	20.6%	-12.7%	11.3%	7.9%	-3.9%	11.9%	66.0%	18.8%	121.3%	517.3%	23.0%	111.7%	-35.1%	1.5%	3.0%	30.4%	-9.4%	14.0%	-19.8%	-30.2%			
(2) Apartment Price Trend	Capital Region	6,083	6,083	6,260	6,216	6,485	6,389	6,124	6,011	5,812	6,130	5,922	5,620	5,824	6,380	6,330	7,764	5,908	6,211	6,498	7,452	6,584	6,750	6,123	5,384	6,157	7,418	6,518			
	YoY	1.7%	1.7%	2.9%	5.4%	6.4%	7.1%	7.9%	-6.2%	-3.0%	2.3%	8.3%	-4.4%	-30.6%	-2.4%	2.8%	24.9%	-8.9%	-2.8%	6.1%	24.0%	13.3%	10.1%	3.4%	-4.2%	5.7%	16.3%	3.0%			
	Kinki	4,181	4,181	4,562	3,434	4,286	3,608	4,971	3,492	4,693	4,901	4,449	3,913	4,629	3,954	4,226	5,356	3,828	4,572	4,463	4,413	4,757	4,222	6,041	4,274	3,992	4,433	5,067			
	YoY	8.1%	8.1%	9.1%	2.3%	3.2%	7.3%	4.3%	14.3%	36.1%	41.0%	26.0%	-8.0%	7.8%	17.3%	-13.8%	56.0%	-10.7%	26.7%	-9.2%	26.4%	1.4%	-13.9%	35.8%	9.2%	-13.8%	12.1%	19.9%			
(3) New Build Starts (Units)	House for Rent	306,753	306,753	321,376	25,379	24,041	26,666	27,696	27,671	25,053	26,043	26,451	24,423	19,794	22,556	27,245	28,825	25,074	29,802	29,230	28,733	28,254	29,822	26,819	25,222	23,083	23,583	23,583			
	YoY	-10.4%	-10.4%	4.8%	-14.0%	-8.1%	-13.0%	-8.8%	-5.4%	-14.8%	-11.5%	-8.1%	-11.5%	-18.0%	-0.4%	2.6%	13.6%	4.3%	11.8%	5.5%	3.8%	12.8%	14.5%	1.4%	3.3%	16.6%	4.6%	4.6%			
	Apartment	107,884	107,884	101,292	10,723	9,292	8,422	8,352	9,377	11,970	9,908	8,049	6,149	8,775	6,779	10,392	10,776	9,444	7,024	9,117	7,968	7,251	8,436	8,239	7,091	7,071	9,727	10,618			
	YoY	-8.4%	-8.4%	-6.1%	2.3%	1.4%	-2.0%	-2.9%	-7.7%	-0.4%	-0.9%	0.7%	-31.3%	29.3%	-27.5%	9.4%	0.5%	1.6%	-16.6%	9.2%	-15.0%	-39.4%	-14.9%	2.4%	15.3%	-19.4%	43.5%	2.2%			
	House	130,753	130,753	141,094	11,665	10,381	11,658	10,820	9,455	10,036	10,647	11,372	11,315	10,213	10,470	11,319	11,595	11,797	12,654	12,242	11,783	11,505	12,284	12,509	12,723	11,003	11,590	12,439			
	YoY	-11.4%	-11.4%	7.9%	-8.1%	-12.8%	-11.0%	-17.2%	-22.7%	-15.6%	-16.3%	-10.5%	-8.9%	-6.1%	-4.0%	-2.6%	-0.6%	13.6%	8.5%	13.1%	24.6%	14.6%	15.4%	10.0%	12.4%	7.7%	10.7%	9.9%			
	Owned house	261,088	261,088	285,575	21,018	19,697	23,650	22,708	21,915	22,337	23,013	24,010	22,819	19,200	20,390	22,340	22,877	22,887	26,151	26,071	25,100	25,659	26,840	25,329	22,731	18,130	19,258	20,246			
	YoY	-9.6%	-9.6%	9.4%	-17.4%	-20.7%	-16.7%	-13.6%	-8.8%	-7.0%	-6.1%	1.5%	2.4%	6.4%	4.3%	0.1%	8.8%	16.2%	10.6%	14.8%	14.5%	14.9%	16.6%	5.5%	-0.4%	-5.6%	-5.6%	-9.4%			
(4) Internal Migrants	Total	5,403,465	5,255,721	5,247,744	764,186	300,861	352,719	379,492	369,596	358,658	370,201	342,467	358,031	320,671	376,039	975,925	709,863	357,793	365,883	363,284	370,565	346,666	356,889	359,777	344,389	326,360	345,584	947,081			
	YoY	0.8%	-2.7%	-0.2%	-0.4%	-28.1%	0.4%	-9.3%	-2.4%	-3.7%	-5.7%	1.7%	2.0%	-3.5%	3.9%	1.1%	-7.1%	18.9%	3.7%	-4.3%	0.3%	-3.3%	-3.6%	5.1%	-3.8%	1.8%	-8.1%	-3.0%			
	Only Japanese	4,889,191	4,840,852	4,818,721	703,617	279,480	328,543	353,481	344,022	331,449	341,034	312,989	322,494	281,919	332,330	915,925	662,701	328,587	334,602	334,781	340,850	316,482	326,739	328,179	315,626	298,411	317,470	892,728			
	YoY	0.0%	-1.0%	-0.5%	-0.2%	-26.0%	4.4%	-6.0%	0.8%	0.4%	-1.7%	4.9%	3.4%	-5.6%	1.7%	1.9%	-5.8%	17.6%	1.8%	-5.3%	-0.9%	-4.5%	-4.2%	4.9%	-2.1%	5.8%	-4.5%	-2.5%			
(5) Japan Population	Unit : Thousand	Oct. 1, 2019	Oct. 1, 2020	Oct. 1, 2021	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22			
	Total	126,167	125,708	125,120	125,930	125,895	125,858	125,836	125,809	125,754	125,708	125,669	125,651	125,630	125,552	125,480	125,417	125,339	125,285	125,682	125,633	125,559	125,502	125,443	125,470	125,440	125,340	125,260			

# IR Team Contact Information



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## Annual Report 2020



Japanese <https://ir.lifull.com/ir/ir-data/report/>

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## Other Information about LIFULL



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