

August 22, 2022

Listed Company: LIFULL Co., Ltd.
Representative: INOUE Takashi, President and CEO
(Stock Code: 2120 TSE Prime)
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Notice of Transfer of Specified Subsidiary (Share Transfer)

LIFULL Co., Ltd. (the "Company") hereby announces that a meeting of its Board of Directors held today has resolved to transfer all shares of its wholly-owned, specified subsidiary LIFULL Marketing Partners Co., Ltd. ("LMP") to Digital Identity Inc., a subsidiary of Orchestra Holdings Inc.

With the transfer of shares, LMP will be removed as a consolidated subsidiary.

Notes

1. Reasoning for the Share Transfer

Under our corporate message of "Make Every LIFE FULL," the LIFULL Group provides a multitude of online services focused around real estate tailored to lives of individual users both in Japan and abroad. During the current fiscal year, we are making concentrated growth investments to strengthen our media capacity and the services we provide through LIFULL HOME'S, one of the leading real estate information sites in Japan, and LIFULL CONNECT S.L.U. which provides real estate-related and other life-related services in over 60 countries around the world.

As part of our initiatives to provide more supplemental support services for real estate professionals and increase our client network, we acquired LMP in May 2015. Through this acquisition, we were began offering all-inclusive solutions including media and internet marketing options to our clients. However, due changes in our current business environment, we have altered our growth strategy and decided to focus our resources on our growth investments in LIFULL HOME'S.

The transfer of LMP will allow Digital Identity Inc. to combine their knowledge and experience in digital marketing and integrate the client base to produce to provide more added value to clients. For LIFULL, we will be able to focus our management resources on the above-mentioned purposes. Therefore, we believe that this transfer will result in an improvement in our corporate value and value provided to shareholders.

2. Subsidiary to be Transferred

(1) Company Name	LIFULL Marketing Partners Co., Ltd.		
(2) Location	1-4-4 Kojimachi, Chiyoda-ku, Tokyo 102-0083, Japan		
(3) Representative (Title)	TAKAHASHI Naoyuki (Representative Director, President)		
(4) Business	Internet Marketing <ul style="list-style-type: none"> • Planning, design, operation and consulting for internet-based advertising • Planning, development, operation and consulting for websites • Planning and sales of web-based promotions and tools • Planning, development, operation and consulting on e-mail services • Integration support and consulting for internet connection services • Planning, development and operation of condominium websites 		
(5) Capital	JPY 3,250 mil.		
(6) Establishment	Oct. 2005		
(7) Shareholders and Ownership	LIFULL Co., Ltd. (100%)		
(8) Relationships to the Group	Capital Relationships	The Company owns 100% of shares of the subsidiary	
	Personnel Relationships	2 directors and 1 auditor have been assigned by the Company	
	Trade Relationships	Orders, placement of directors, lending of funds	
	FY 2019/9	FY 2020/9	FY 2021/9
Net Assets (JPY mil.)	380	287	219
Total Assets (JPY mil.)	1,284	1,122	1,095
Net Asset Worth Per Share (JPY)	117,072	88,574	67,460
Sales Revenue (JPY mil.)	4,579	3,880	3,935
Operating Profit (JPY mil.)	(105)	(138)	(81)
Ordinary Income (JPY mil.)	(93)	(157)	(83)
Profit for the Period (JPY mil.)	(63)	(92)	(68)
Earnings Per Share (JPY)	(19,560)	(28,499)	(21,113)
Dividends Per Share (JPY)	-	-	-

3. About the Recipient (As of December 2021)

(1) Company Name	Digital Identity Inc.	
(2) Location	Yebisu Garden Place Tower 5F, 4-20-3, Ebisu, Shibuya-ku, Tokyo 150-6005, Japan	
(3) Representative	SUZUKI Kenji	
(4) Business	Digital marketing	
(5) Capital	JPY 110 mil.	
(6) Establishment	July 2017	
(7) Net Assets	JPY 1,731 mil.	
(8) Total Assets	JPY 4,002 mil.	
(9) Shareholders and Ownership	Orchestra Holdings Inc. (100%)	
(10) Relationship to the Group	Capital Relationship	Not applicable
	Personnel Relationship	Not applicable
	Trade Relationship	Orders for services of the Company
	Related Party Relationship	Not applicable

4. Shares of Subsidiary to be Transferred, Transfer Price, Share Ownership Before/After Transfer

(1) Shares Held Before Transfer	3,250 (Voting rights ratio: 100%)
(2) Shares to be Transferred	3,250
(3) Transfer Price	JPY 670 mil.
(4) Shares Held After Transfer	0 (LIFULL holding ratio: 0%)

5. Schedule

(1) Board of Directors Resolution	August 22, 2022
(2) Closing Date	August 22, 2022
(3) Transfer of Shares	September 30, 2022 (Planned)

6. Effects on Financial Performance

The Company expects the effects of this transfer on earnings results for to be negligible. However, should there be any significant effects from the transfer, we will report in a timely manner.