

Earnings Presentation IFRS

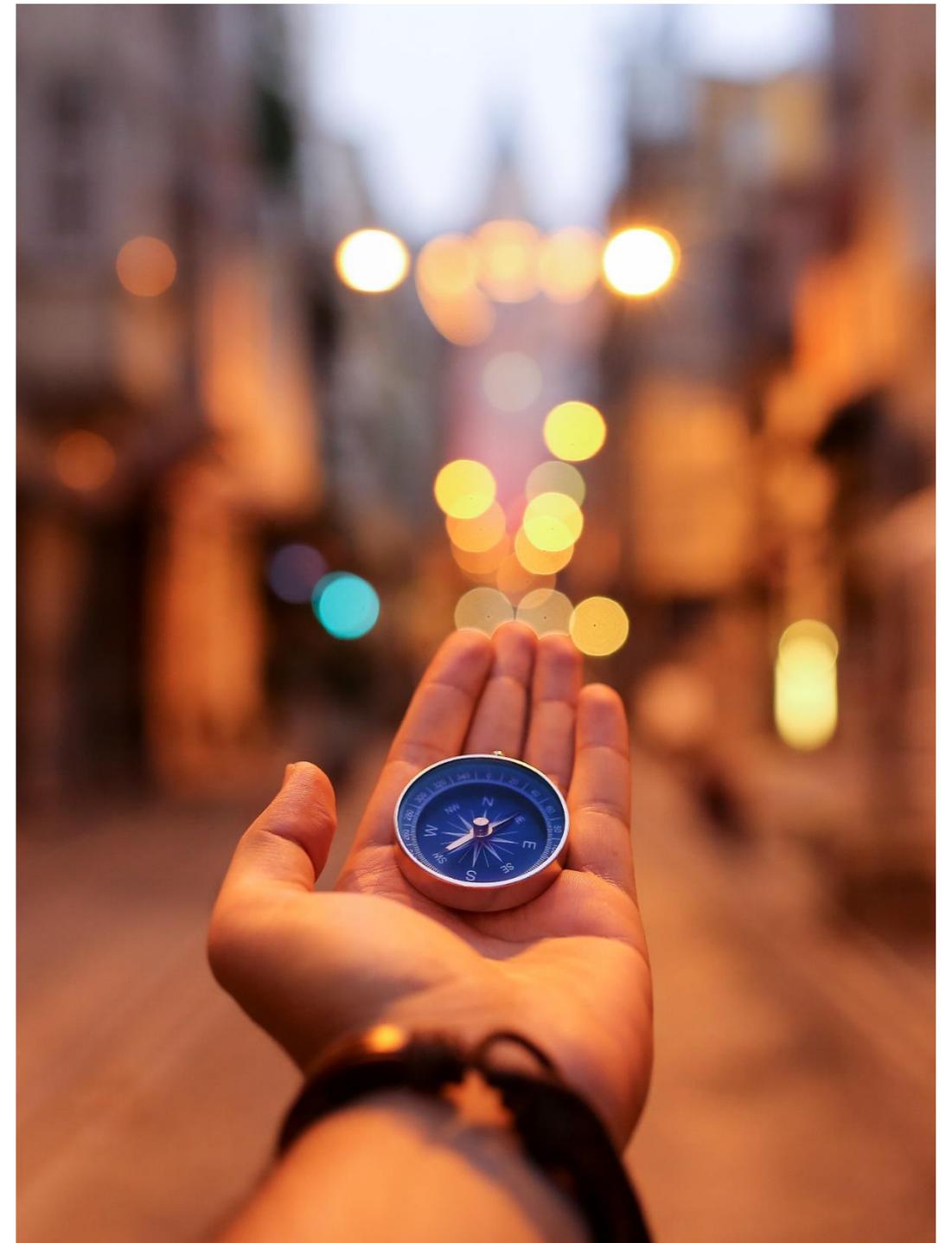
**Third Quarter of the Fiscal Year Ending September 30, 2019
(October 2018 to June 2019)**

Disclaimer

The opinions and projections, etc. contained herein represent the judgment of LIFULL Co., Ltd. at the time this document was prepared. We provide no guarantees regarding the accuracy of the information. Please keep in mind that actual performance and results may vary significantly due to fluctuations in various factors.

Index

1. Key Points	P02
2. Highlights	P03
3. Growth Strategy	P04
4. Q3 Financial Results	P07
5. Appendices	P41
6. IR Office Information	P52



Key Points

1. FY 2019/9 Q3 : Revenue: JPY 29.3 billion, accelerated growth of **+12.8%** YoY
(Total Results for Oct. to Jun.) EBITDA: JPY 4.2 billion, steadily progressing toward the FY targets at **-4.1%** YoY
2. Proactive investments for future growth
 - Investment to strengthen LIFULL HOME'S media presence
 - LIFULL HOME'S Basic Membership Fees and prices for listings in rental and sale properties **will be raised from October 2019**
 - Acquisition of Mitula
 - Anticipatory investment in Rural Revitalization Business
3. Acceleration in Overseas Business
 - Consolidation of **Mitula from January, 2019**
 - Smooth progress in integration of management of Trovit and Mitula

Highlights

Revenue

+12.8%

JPY 29.3 bil.
(FY 2018 Q3 : JPY 26.0 bil.)

EBITDA

-4.1%

JPY 4.2 bil.
(FY 2018 Q3 : JPY 4.4 bil.)

EBITDA Margin

-2.6pt

14.5%
(FY 2018 Q3 : 17.1%)

Net Profit

-11.3%

JPY 2.0 bil.
(FY2018 Q3 : JPY 2.2 bil.)

HOME'S Services Business

Revenue

+3.2%

JPY 22.3 bil.
(FY 2018 Q3 : JPY 21.6 bil.)

Client Network

27,111

(FY2018 Q3 : 26,853)

ARPA

91,474 JPY

(FY 2018 Q3 : JPY 88,800)

Overseas Business

Revenue

+96.7%

JPY 5.5 bil.
(FY 2018 Q3 : JPY 2.8 bil.)

EBITDA

+145.6%

JPY 0.6 bil.
(FY 2018 Q3 : JPY 0.2 bil.)



Growth Strategy

(Overview)

Mid-Term Management Plan Quantitative target

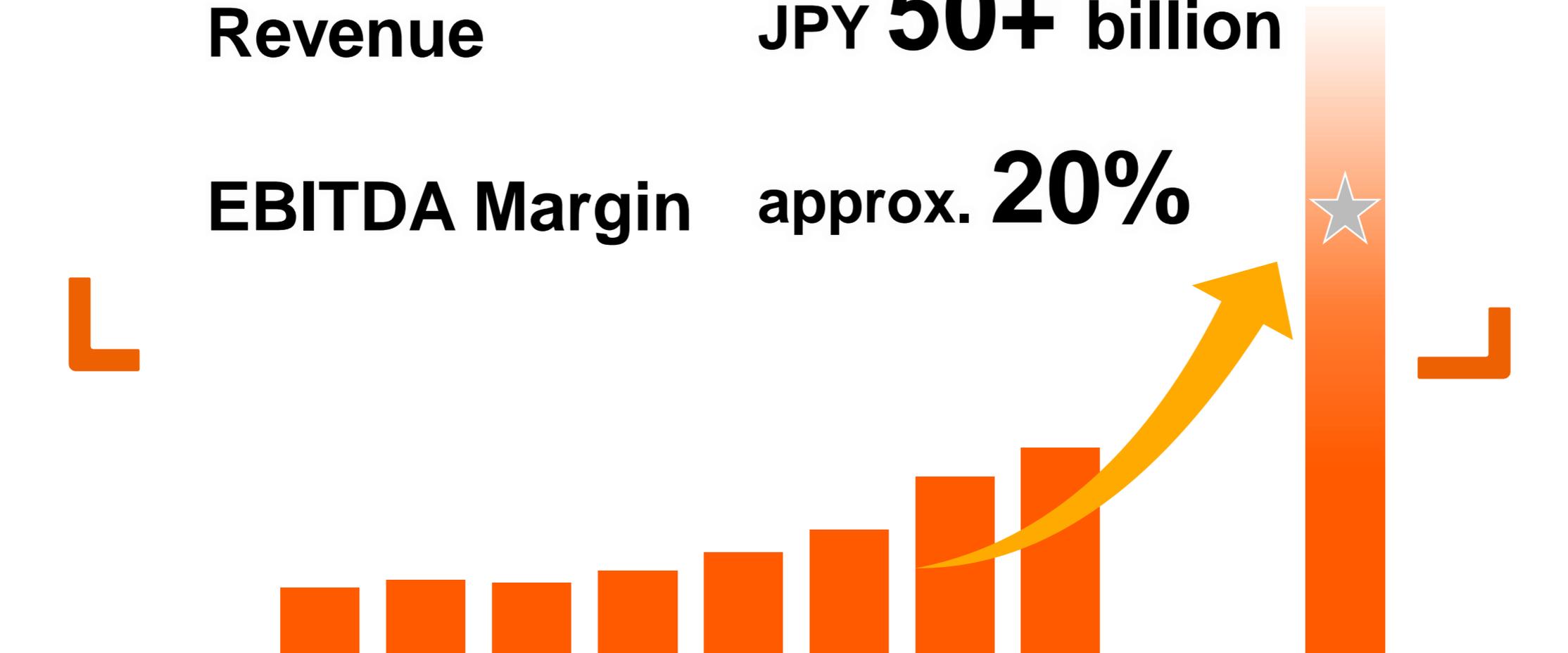
FY2020/9

Revenue

JPY **50+** billion

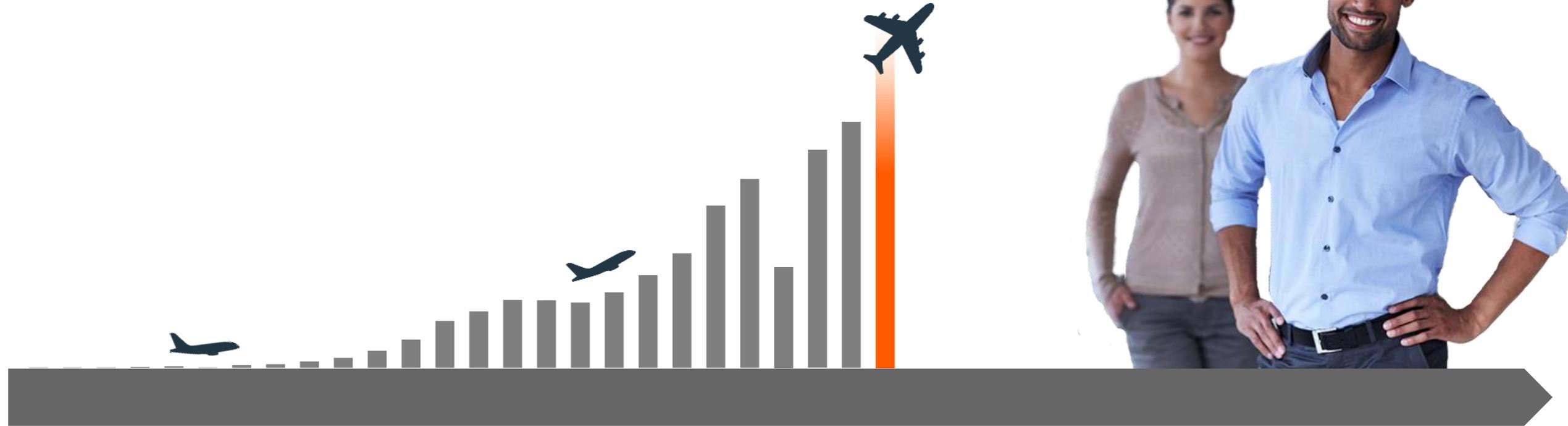
EBITDA Margin

approx. **20%**



To Achieve “Mid-term Plan 2020”

Investing in FY2019/9 to achieve the targets of the “Mid-term Plan 2020”



01 Growth of HOME'S Services Business

- ARPA*1 x Client network*2
 - ↳ Improve ARPA through growth
 - ↳ Strengthen media presence

02 Growth of Overseas Business

- Strengthen Trovit business
- Make Mitula a subsidiary
- Integrated management of Trovit & Mitula to improve competitiveness



Consolidated Financial Results for FY2019/9 Q3

Condensed statements of income and loss IFRS

Sales Revenue grew by +12.8% over FY2018 Q3. EBITDA was down -4.1% due to proactive growth investments

Unit: JPY mil	FY2018 Q3(Oct.-Jun.)	FY2019 Q3(Oct.-Jun.)	Change	Change %	
Revenue	26,015	29,352	+3,337	+12.8%	*1
Cost of revenue	2,872	3,342	+469	+16.3%	*2
SG&A (excl. depreciation and amortization)	18,798	21,855	+3,056	+16.3%	
Personnel expenses	5,709	6,273	+564	+9.9%	
Advertising expenses	8,515	10,020	+1,505	+17.7%	*3
Operating expenses	713	634	-78	-11.1%	
Other	3,860	4,925	+1,065	+27.6%	*4
Other income and expenses	95	101	+5	+5.9%	*5
EBITDA	4,439	4,256	-182	-4.1%	
EBITDA margin	17.1%	14.5%	-2.6pt	-	
Net profit*	2,274	2,018	-255	-11.3%	
Depreciation and amortization	803	924	+120	+15.0%	

*Net profit attributable to owners of the parent

*1 Increases mainly from Overseas Businesses

*2 Business support services for realtors (Increased expenses to provide services)

*3 Increase in branding costs including TV commercials to raise the brand awareness and web-marketing costs associated with Mitula consolidation

*4 Temporary increase mainly due to the acquisition of Mitula

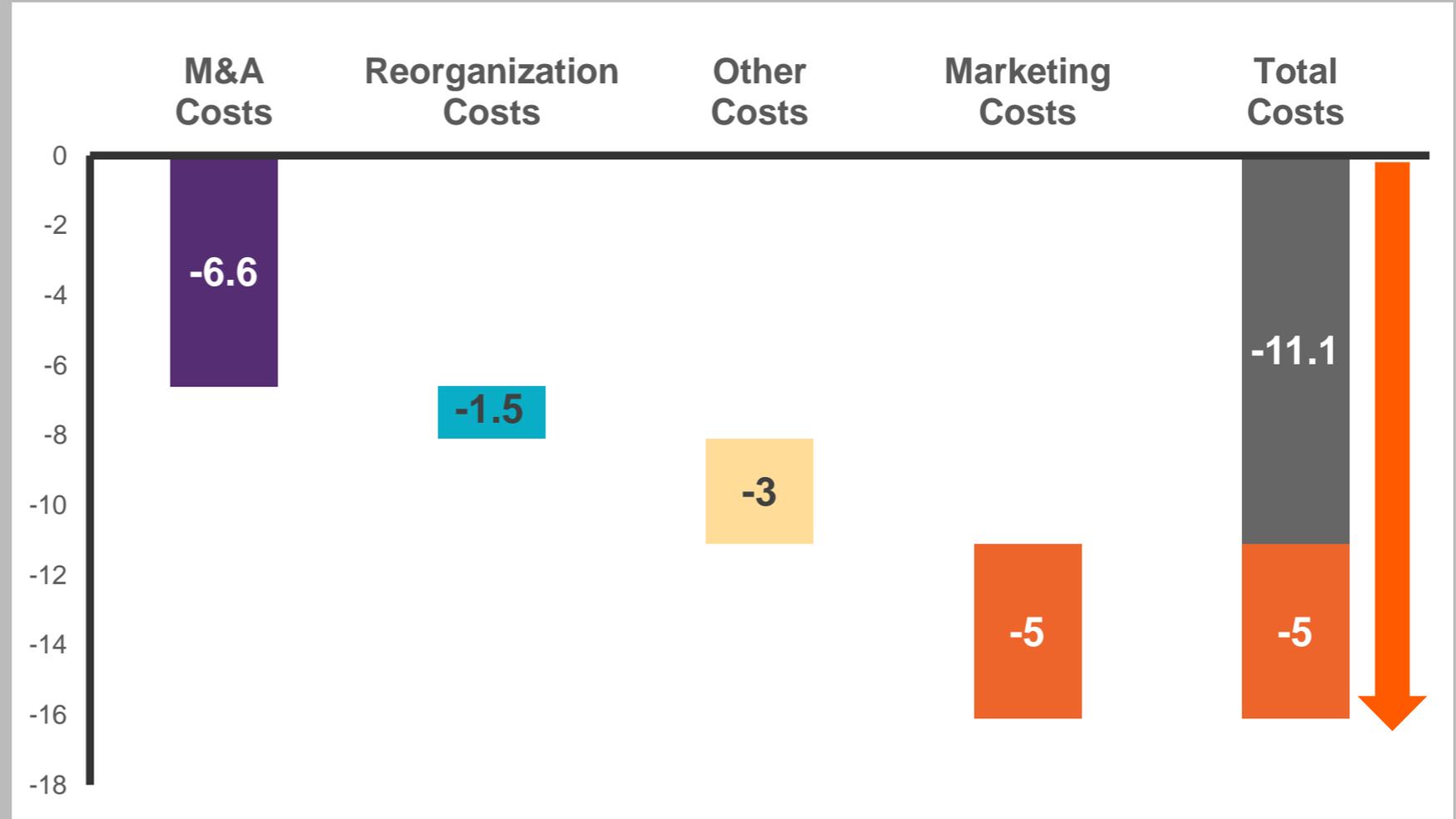
*5 Proceeds generated by sale of shares in insurance business and advertising agency LHL. On the other hand, incurred impairment loss due to the delay in financial business license acquisition by LSF (consolidated subsidiary).

Temporary impact of growth investments – YoY analysis–

Proactively investing in growth to increase business scope

(Unit: JPY hundred million)

Growth Invest. of approx.
JPY 1.1 - 1.6 Billion



Progress of business forecast for the FY2019/9 IFRS

Condensed Statements of Income and Loss

Unit: JPY mil	FY2019/9 Oct.-Sep. [Full-year forecast]	FY2019/9 Oct.-Jun. [Actual]	Progress %
Revenue	42,306	29,352	69.4%
Cost of revenue	5,228	3,342	63.9%
SG&A (excl. depreciation)	31,493	21,855	69.4%
Personnel expenses	9,348	6,273	67.1%
Advertising expenses	13,139	10,020	76.3%
Operating expenses	1,355	634	46.8%
Other	7,649	4,925	64.4%
Other revenues and expenses	391	101	25.8%
EBITDA	5,975	4,256	71.2%
EBITDA margin	14.1%	14.5%	-
Net profit*	2,962	2,018	68.1%

*Net profit attributable to owners of the parent

Revenue by Service

Unit: JPY mil	FY2019/9 Oct.-Sep. [Full-year forecast]	FY2019/9 Oct.-Jun. [Actual]	Change %
Revenue	42,306	29,352	69.4%
HOME'S Services	31,939	22,325	69.9%
Overseas	7,996	5,514	69.0%
Others	2,370	1,512	63.8%

Sales by segment, segment income and loss IFRS

Despite the M&A costs in Overseas Business, the acquisition of Mitula has resulted in large revenue gains in addition to growth in Trovit. As planned, HOME'S Services have seen reductions in revenue due to investments in advertising.

Unit: JPY mil	FY2018/9 Q3 Oct.-Jun.	FY2019/9 Q3 Oct.-Jun.	Change	Change %	Main items
Revenue	26,015	29,352	+3,337	+12.8%	
HOME'S Services	21,638	22,325	+687	+3.2%	The increased volume of revenue generated by the higher number of inquiries following the SEO initiatives was greater than the negative impact caused by the withdrawal from the non-profitable Reform & Remodel business. Progressing well to get ready for the next fiscal year including the pricing revision.
Overseas	2,802	5,514	+2,711	+96.7%	Although JPY was approximately 4% higher than the same period in the previous year, positive growth achieved thanks to growth in Trovit and the acquisition of Mitula
Others	1,573	1,512	-61	-3.9%	Result of the transfer of the insurance agency business (LHL)

Unit: JPY mil	FY2018/9 Q3 Oct.-Jun.	FY2019/9 Q3 Oct.-Jun.	Change	Change %	Main items
Segment income and loss	3,539	3,230	-308	-8.7%	
HOME'S Services	3,284	2,779	-504	-15.4%	Proactively conducted promotional activities during the peak season.
Overseas	264	648	+384	+145.6%	Increase in profit even after including M&A-related expenses and other on-off expenses (approximately 570 million yen)
Others	-74	-218	-143		- Increase in expenses related to Rural Revitalization Business
Inter-segment transactions	66	20	-45	-68.6%	

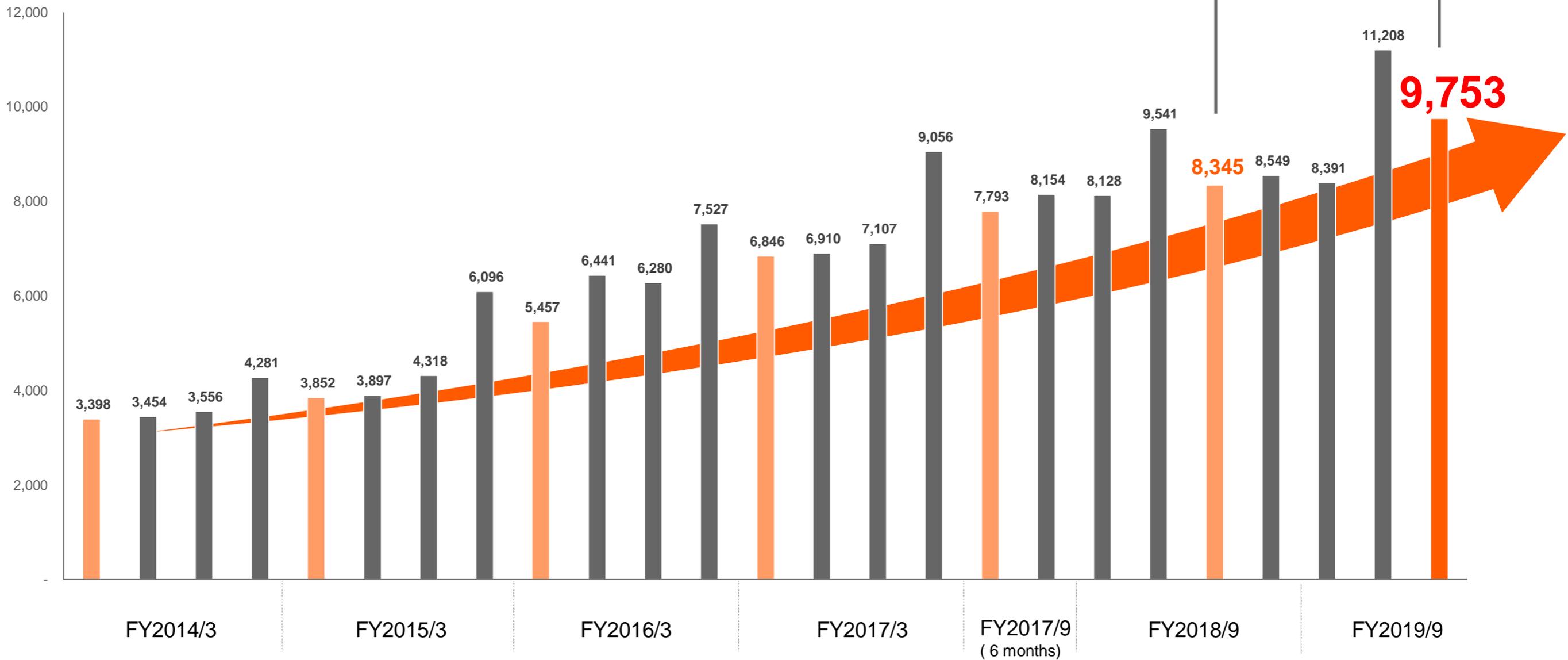
* See page 44 for details of specific businesses in each segment.

* Change % columns have been left blank for the items posted negative in either the previous or current FY.

Quarterly performance history – Consolidated revenue –

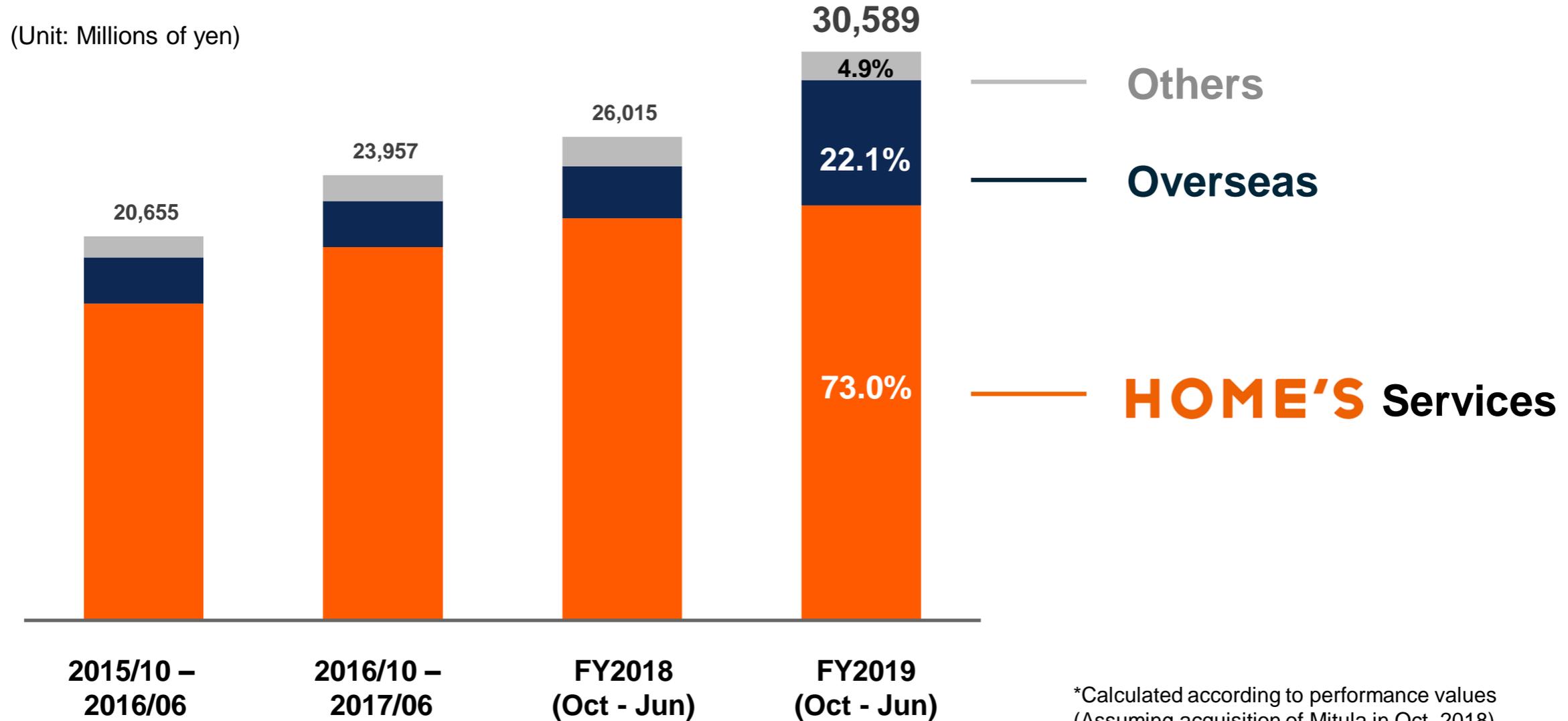
Large gains in revenue during Q3 (Apr. - Jun.) up **+16.9%** YoY

(Unit: Millions of yen)



Business growth and breakdown – Consolidated revenue –

In addition to steady growth in HOME'S Services, increased speed in the growth of Overseas Businesses



*Calculated according to performance values
(Assuming acquisition of Mitula in Oct. 2018)

Condensed statements of financial position and goodwill IFRS

JPY 3.2 bil. in short-term loans used for the acquisition of Mitula

Unit: JPY mil	As of Sep 30, 2018	As of Jun 30, 2019	Change	Change %	Main items
Current assets	12,900	15,330	+2,430	+18.8%	Increase in cash and deposits +1,341 Refer to "Consolidated Statement of Cash Flows"
Non-current assets	16,281	28,220	+11,938	+73.3%	Increase in accounts receivable - trade +831 Increase in short-term loans receivable +158 Increase mainly due to marketing costs in subsidiaries and Increase in goodwill +11,181 Mainly due to Mitula acquisition Decrease in software -146 Increase in intangible fixed assets +160 Mainly due to Mitula acquisition Decrease in shares of associates -152 Decrease mainly due to losses incurred by equity-method Increase in long-term loans receivable +401 Increase mainly due to the Rural Revitalization Fund Increase in lease and guarantee deposit +335
Assets	29,181	43,550	+14,368	+49.2%	
Current liabilities	6,181	9,139	+2,958	+47.9%	Increase in accounts payable-trade +71 Increase in short-term debts +3,400 Increase due to the new borrowing for Mitula acquisition Increase in accounts payable - other +92 Increase due to advertising expense payment and Mitula Decrease in accrued corporate income taxes -589 Decrease in accrued consumption taxes -242 Decrease in allowance for bonuses +89
Non-current liabilities	1,004	1,167	+163	+16.3%	
Liabilities	7,185	10,307	+3,121	+43.4%	
Total Equity	21,996	33,243	+11,247	+51.1%	Increase in capital stock +5,716 Increase following the issuance of new shares to acquire Mitula Increase in capital surplus +5,690 Increase following the issuance of new shares to acquire Mitula Decrease in foreign currency translation adjustment -1,409 Decrease due to fluctuations in foreign currency exchange rates
Equity per share attributable to owners of the parent (JPY)	184.32	247.21	+62.90		

* Outstanding goodwill balance : Littel JPY 86 mil., Trovit JPY 8,453 mil., Mitula JPY 10,893 mil., LIFULL Marketing Partners JPY 251 mil., LIFULL Tech Vietnam JPY 87 mil., RESEM JPY 1,215 mil., and Trovit and LIFULL Marketing Partners depreciable assets (PPA) JPY 448 mil.

Condensed statements of cash flow IFRS

Cash and cash equivalents increased by JPY 1.3 bil. to 8.9 bil. from FY2018 Q3

Unit: JPY mil	FY2018/9 Q3	FY2019/9 Q3	Change	Main items		
	Oct.-Jun.	Oct.-Jun.		Items	FY2018/9 Q3	FY2019/9 Q3
Operating cash flow	3,589	1,299	-2,289	Profit for the period before tax	+3,552	+3,098
				Depreciation and amortization	+822	+943
				Impairment loss	-	+298
				Increase/decrease in accounts receivable - trade and other current receivables	-71	-201
				Increase/decrease in accounts payable - trade and other current payables	-484	-315
				Other	+242	-429
				Tax payments	-438	-2,104
Investing cash flow	-1,311	-2,332	-1,020	Purchase of available-for-sale financial assets	-454	-93
				Purchase of property, plant and equipment	-189	-141
				Outlays for the acquisition of intangible fixed assets	-317	-254
				Outlays for acquisition of shares of associates	-317	-70
				Outlays for acquisition of shares of subsidiaries	-	-1,645
				Proceeds from sale of shares of subsidiaries	-	+473
				Proceeds from sale of shares of associates	+135	-
				Payments for loans receivable	-150	-773
Financing cash flow	-579	2,638	+3,217	Collection of loans receivable	-	+258
				Proceeds from loans payable	-	+3,600
				Repayments of loans payable	-499	-200
				Dividends paid	-97	-714
Change in cash and cash equivalents	1,626	1,341	-			
Balance of cash and cash equivalents	7,136	8,912	+1,776			

HOME'S **Services**

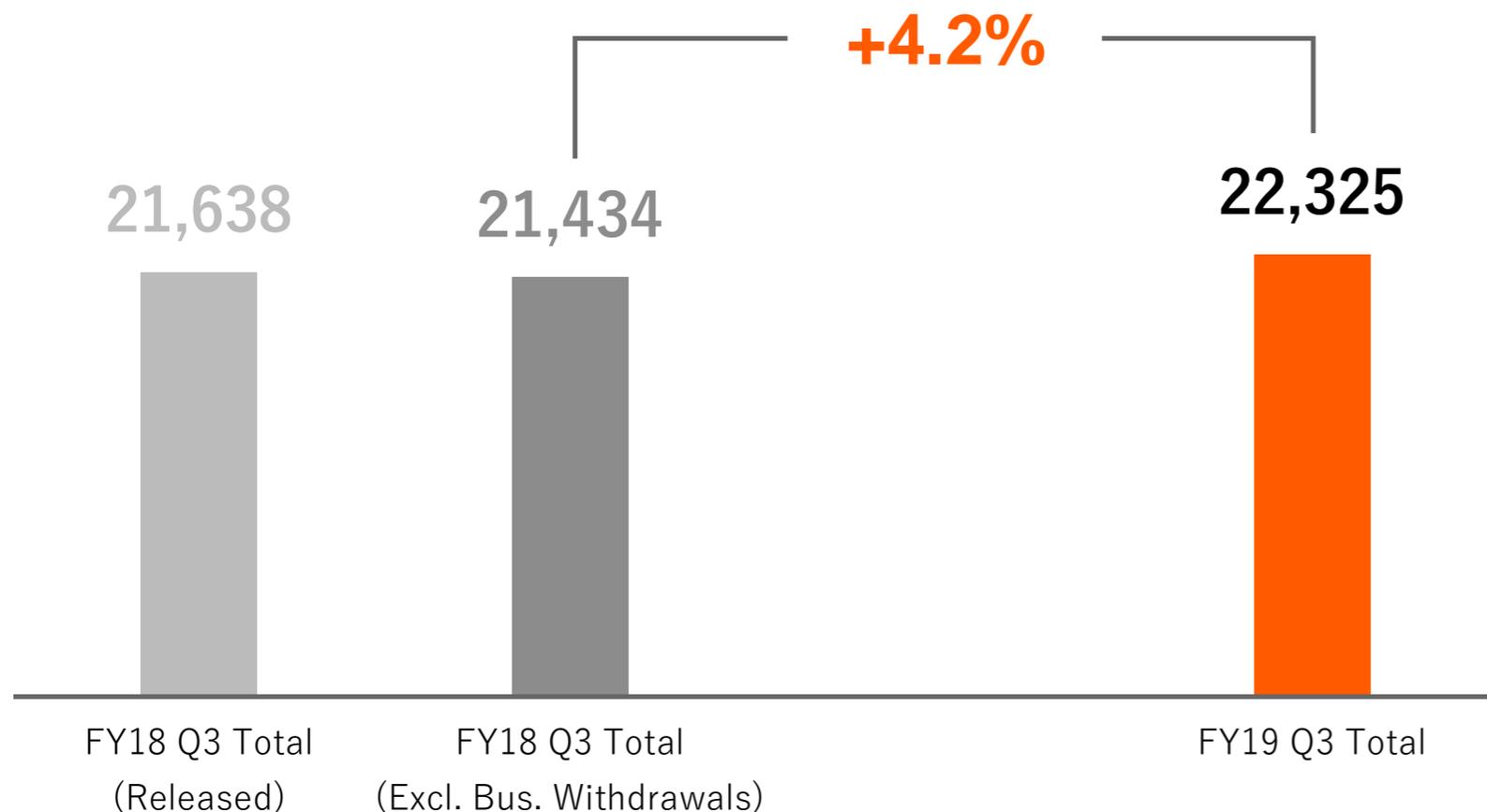


Comparison with same period in previous year – Effects of operation withdrawals –

Sales revenue up +4.2% excluding effects from withdrawal of the Reform Business

Revenue

(Unit: Millions of yen)



Withdrawal from Reform Business

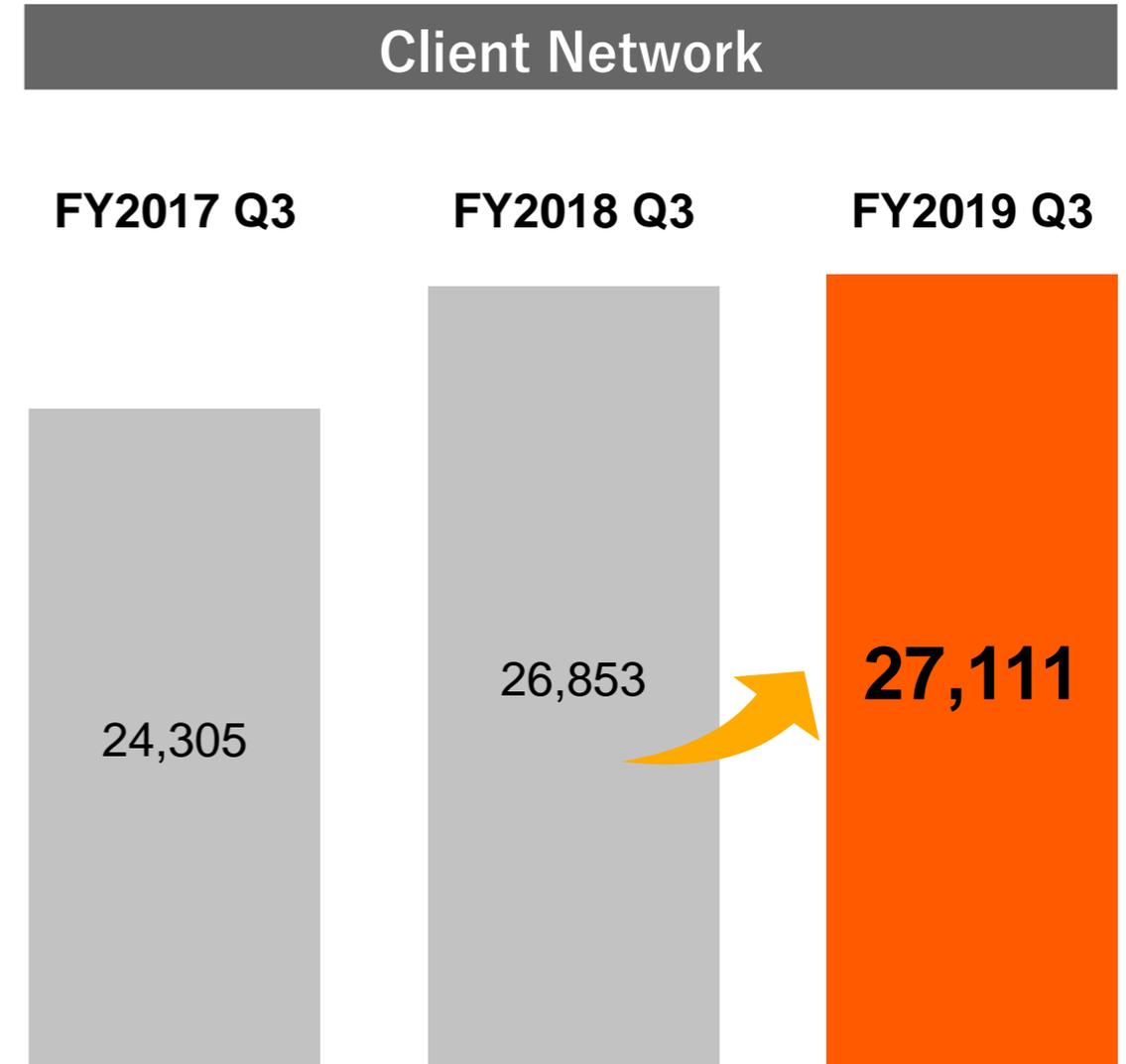
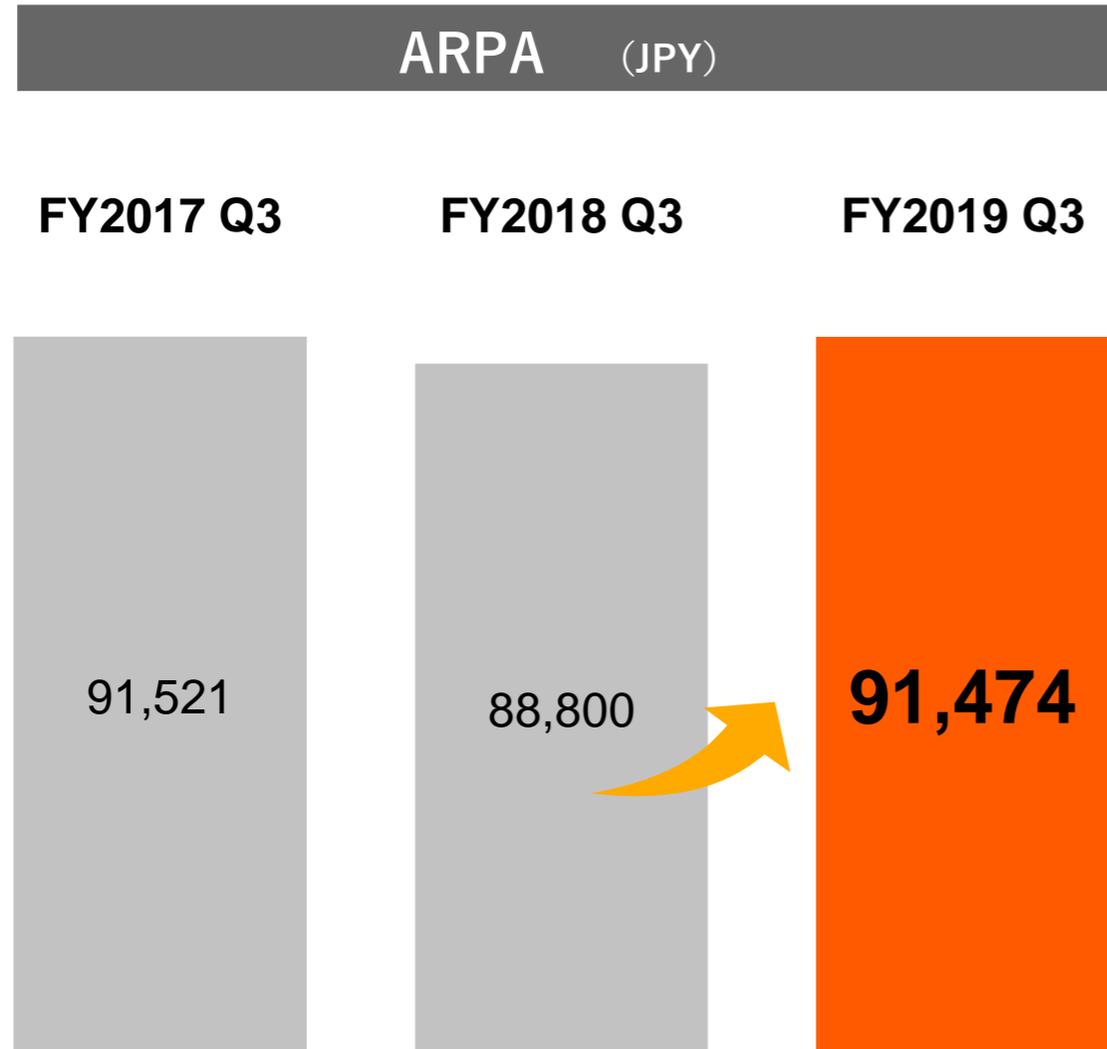
- LIFULL HOME'S Reform
→ Discontinued in Sept. 2018
- LIFULL Remodel
→ Discontinued in Sept. 2018

Ref.: Earnings Presentation Q2 FY2019/09 P14
https://lifull.com/wp-content/uploads/2018/05/LIFULL_EarningsPresentation_FY2018-9-2Q.pdf



KPIs - Client network - ARPA -

Increased numbers of clients and marginal change in ARPA



*ARPA figures are the average of each nine-month period.
*Above figures are preliminary ones and will be revised once finalized.
*ARPA will be recalculated if client numbers are adjusted.

Measures to improve ARPA – Strengthening media presence –

Continue investments in strengthening media presence

Strive to become market leader by maximizing provided value



LIFULL HOME'S Investments in Media Presence



Content



Campaigns



Branding



UI & UX



SEO

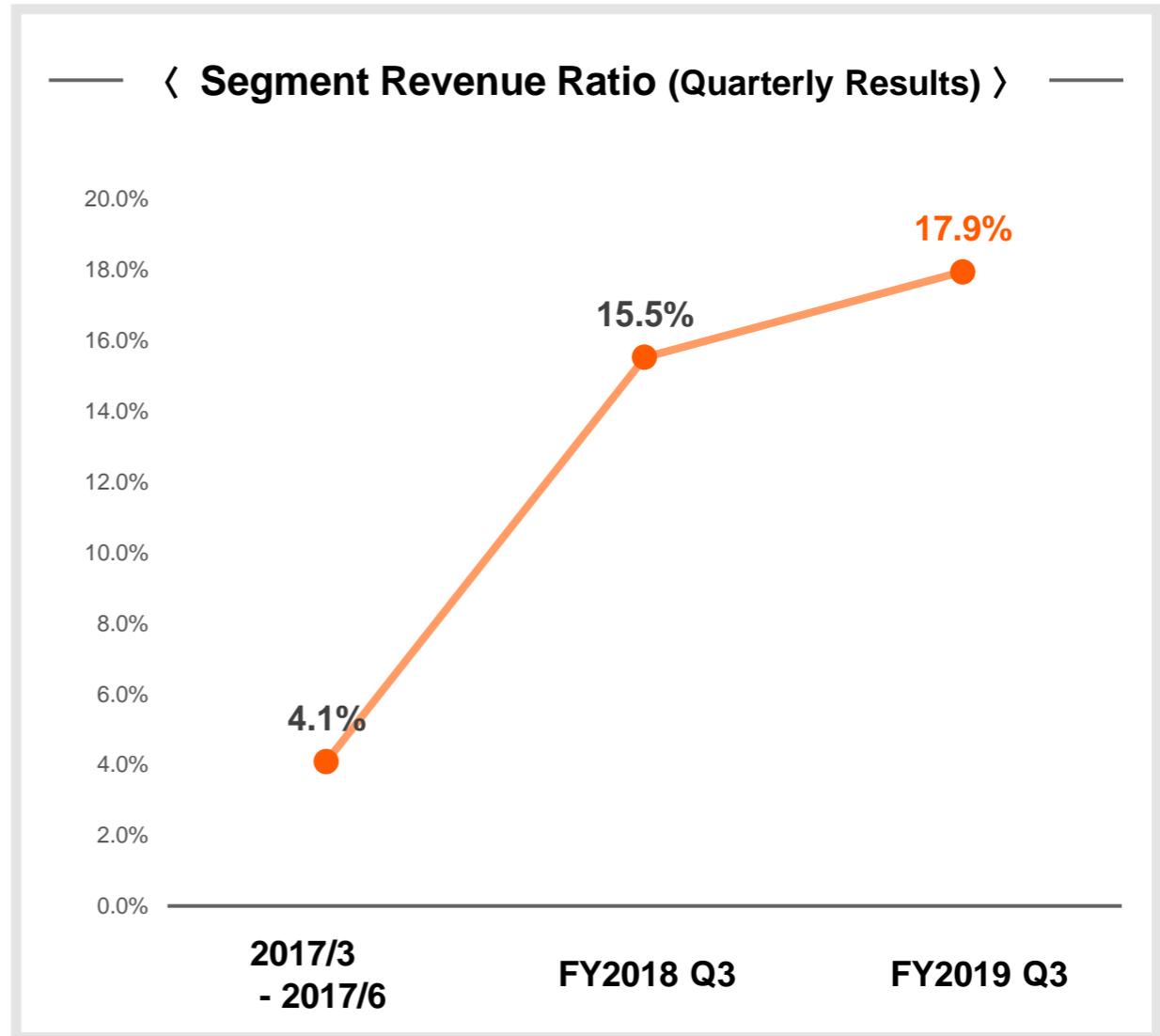
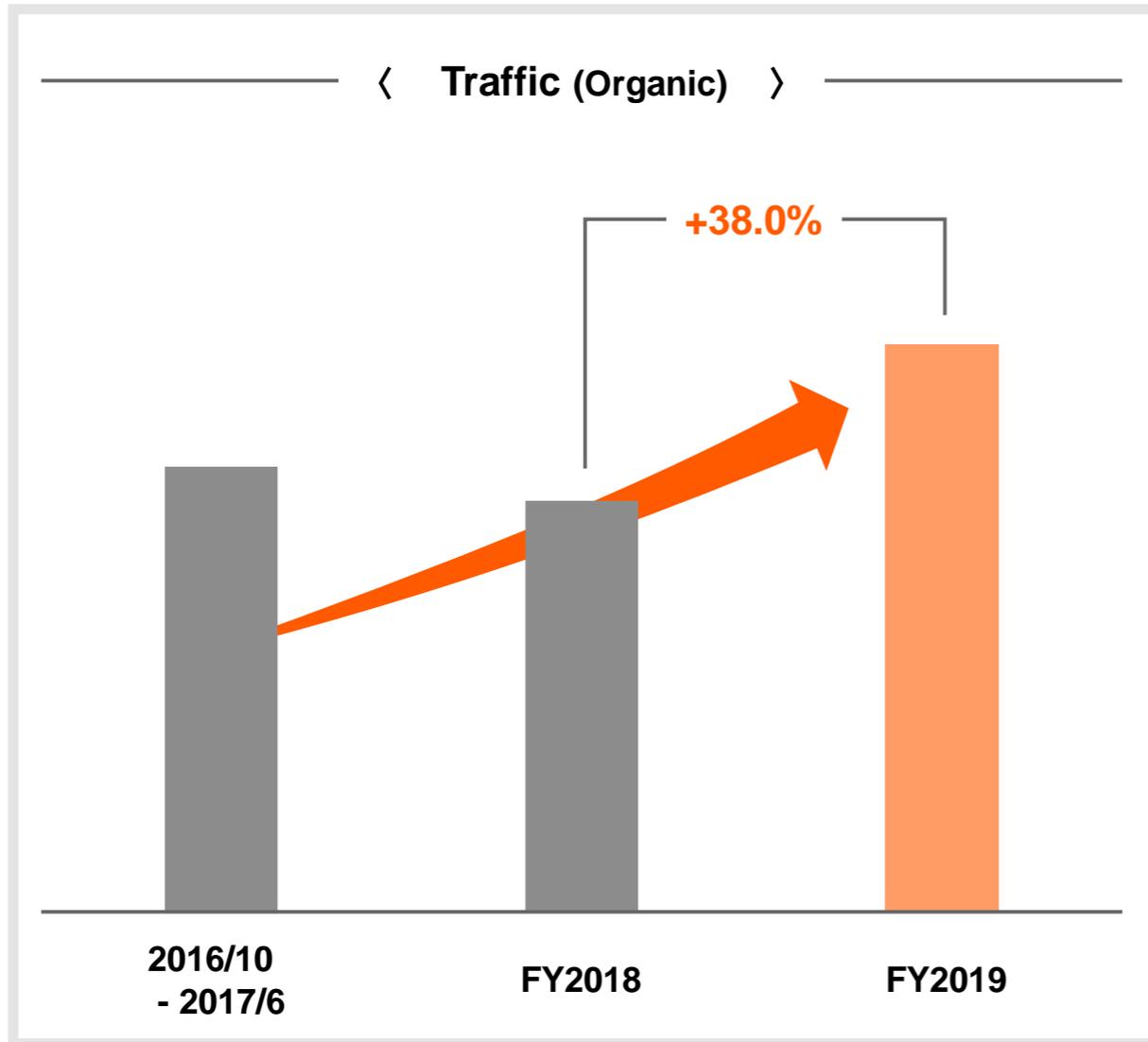


Paid Online Marketing

(Ref) Growth of LIFULL HOME'S

Site traffic back on track with smooth growth

Profitability improved to reach the EBITDA target of approx. 20% in the Mid-Term Plan



*Result totals from October to June

Pricing structure revisions – Rental & sale properties –

Revisions to the LIFULL HOME'S pricing structure will be implemented from October 2019

Improve value for users and clients by removing additional costs on main optional services.

Clients

- 1) Reduce the effort of selecting optional services
- 2) Appeal to users with listing with richer information

Option Service

website link
Sales inspections
Inquiries at LINE
Panorama Listings
Agent Information EX
Sales Staff Comments
etc...

Users

- 1) By providing richer information, such as panorama photos and introductions of sales staff, users will gain a clearer understanding of each listing and find just the right property.

Good For Everyone

LIFULL

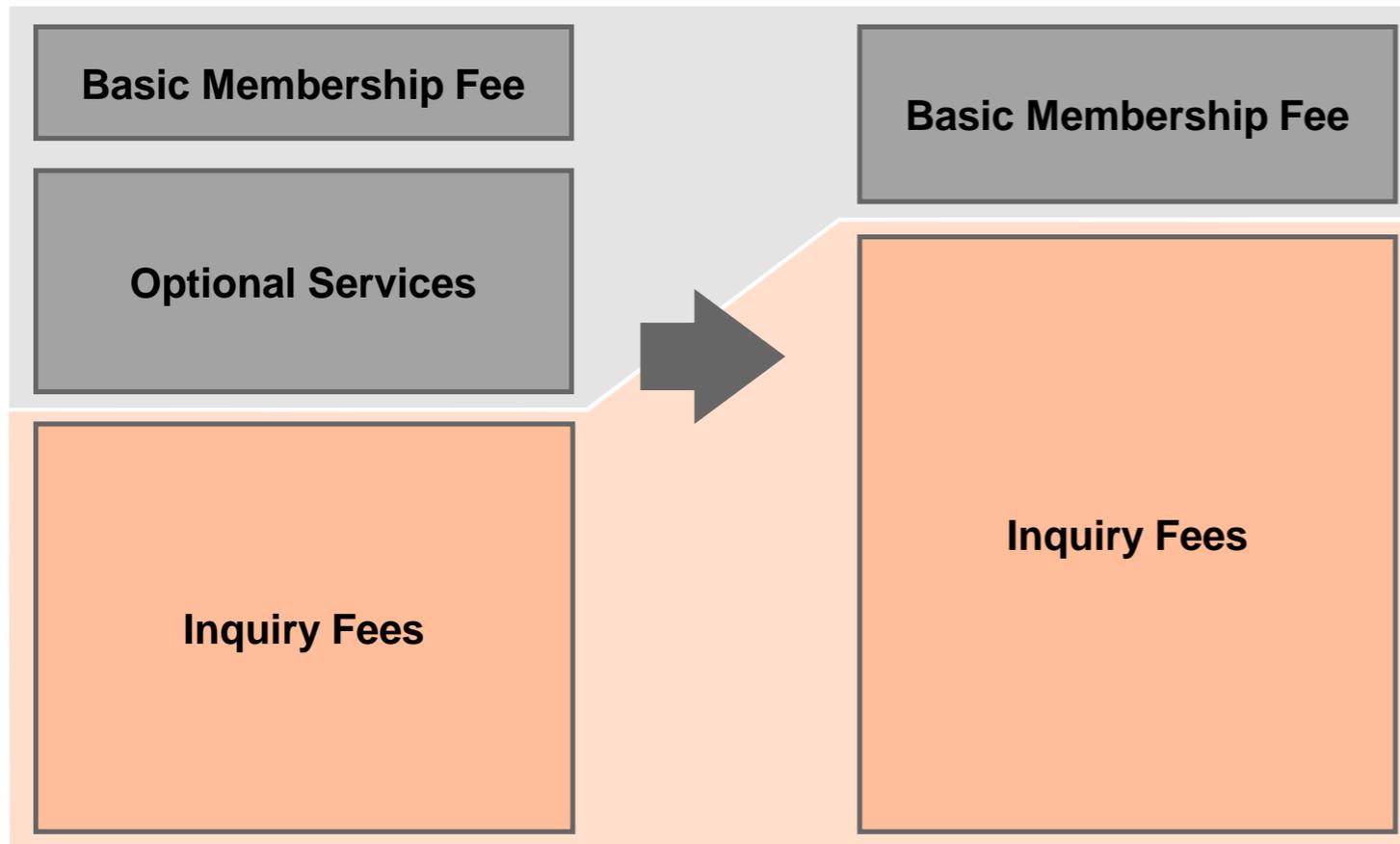
- 1) Lighten the workload of sales staff and free up resources to create new value
- 2) Increase the attractiveness of listings with more diverse information

Pricing structure revisions – Rental & sale properties –

Raise Basic Membership and inquiry fees and include optional services in the membership package.

Original Pricing Structure (Until Sept. 2019)

New Pricing Structure (From Oct. 2019)



Membership Fees (Monthly)

¥ 10,000 →

¥15,000

Pay by Inquiry (Rate)

Rental 4.0 – 5.5%

→ **9.5%**

Sales 0.03 – 0.05%

→ **0.05%**

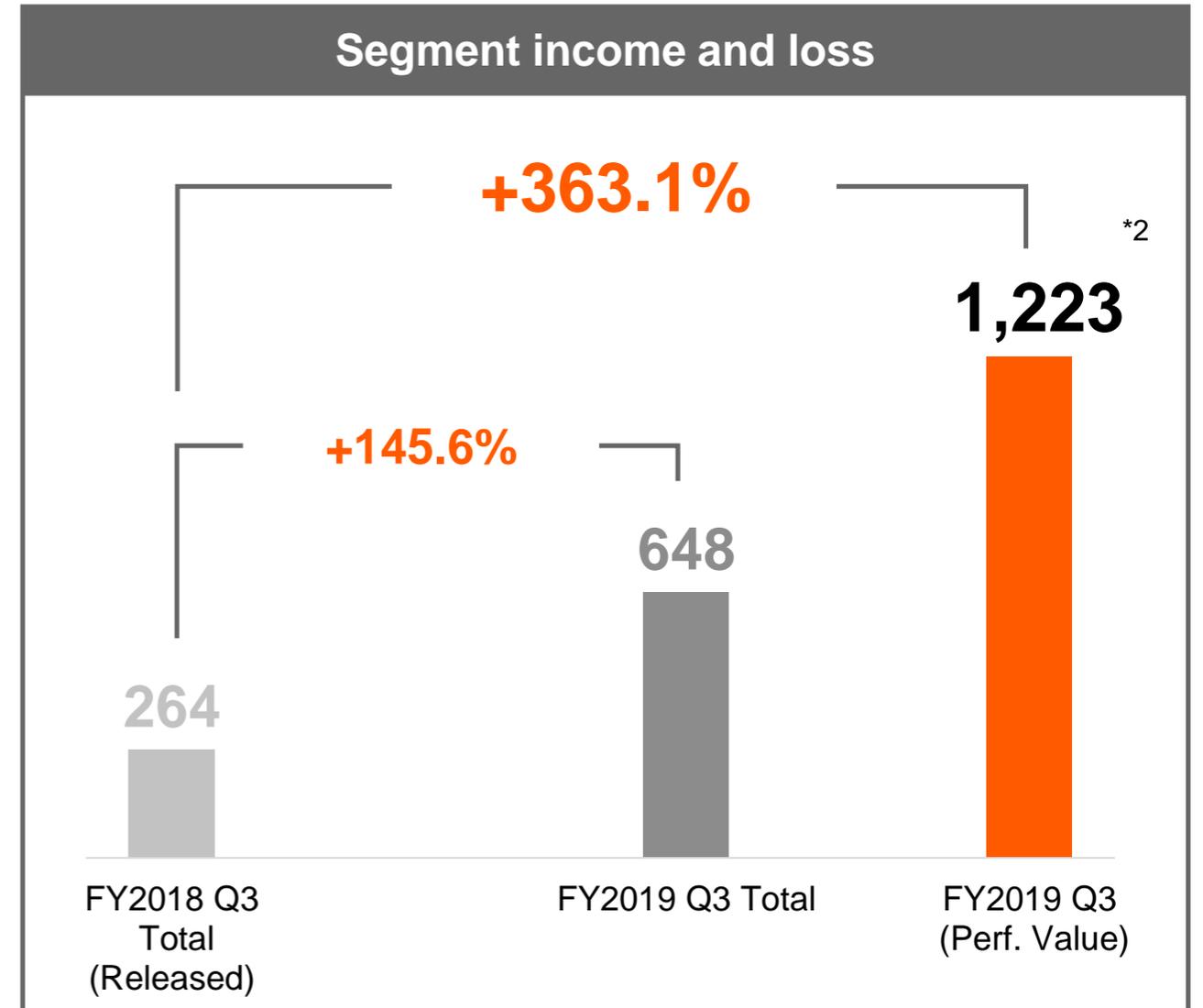
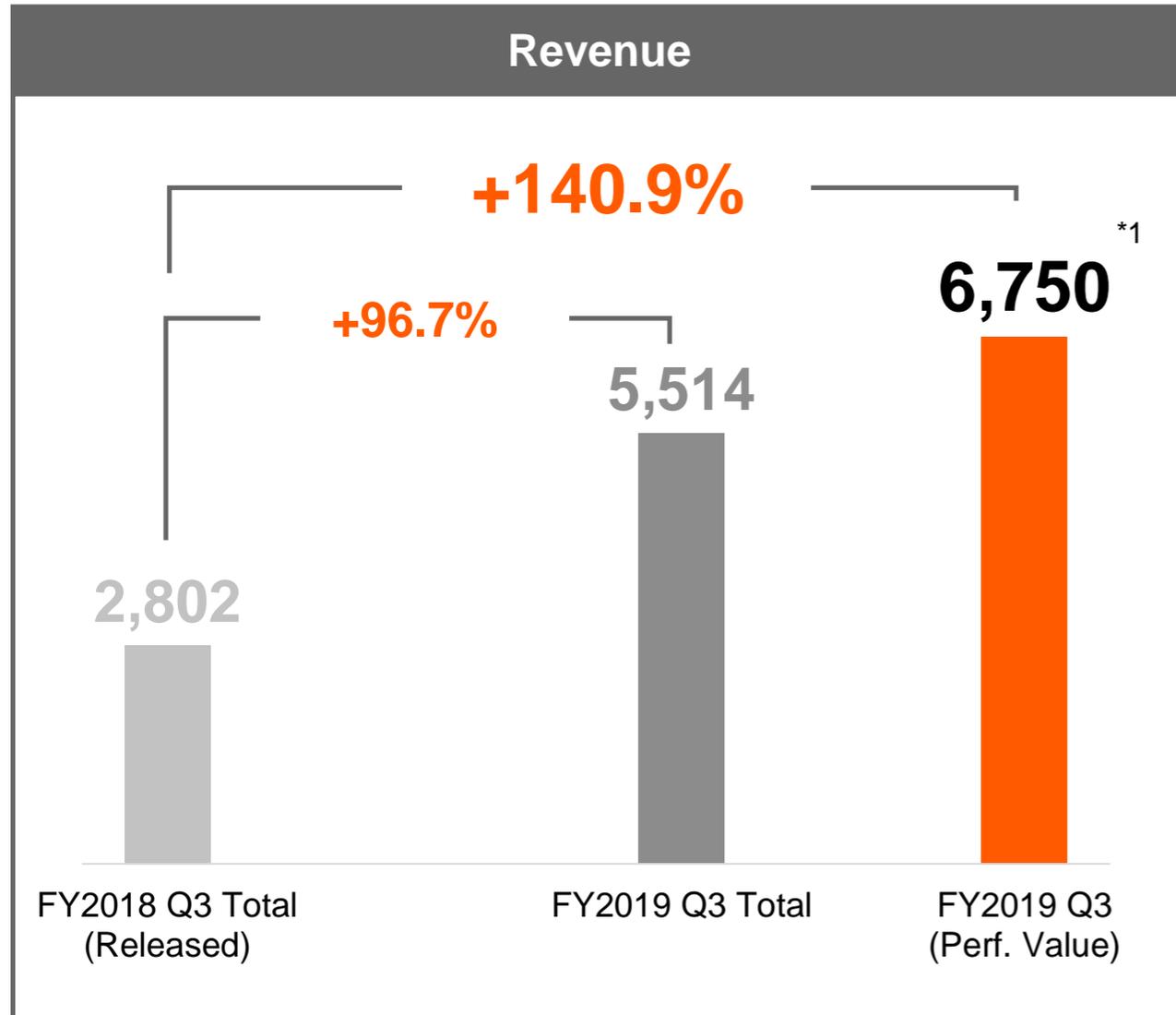


Overseas Businesses

Overseas businesses - Q3 performance -

Large gains from the acquisition of Mitula in January 2019

Unit: JPY mil.

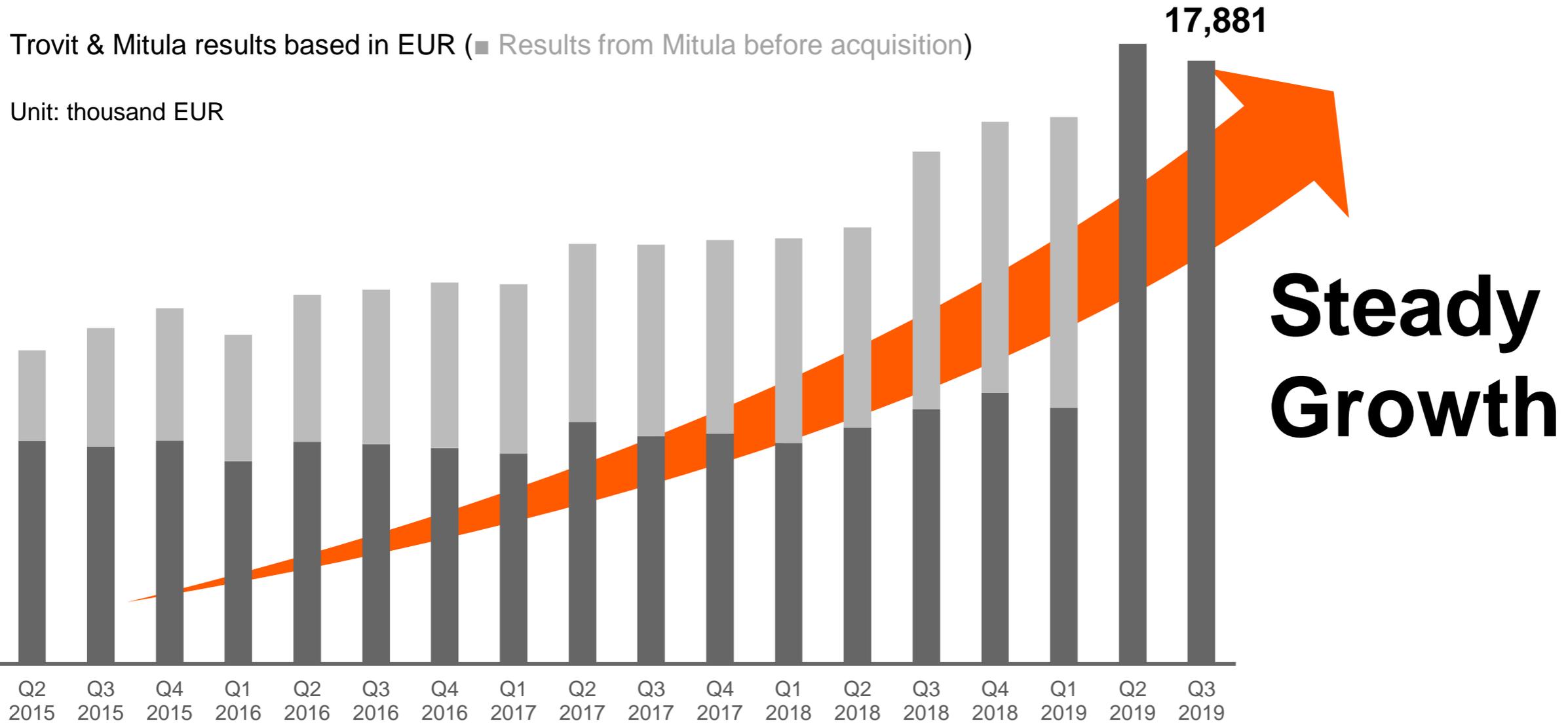


*1 If Mitula and RESEM has been consolidated from the beginning of the period.

*2 Excluding M&A costs

Trovit x Mitula – Q4 result trend –

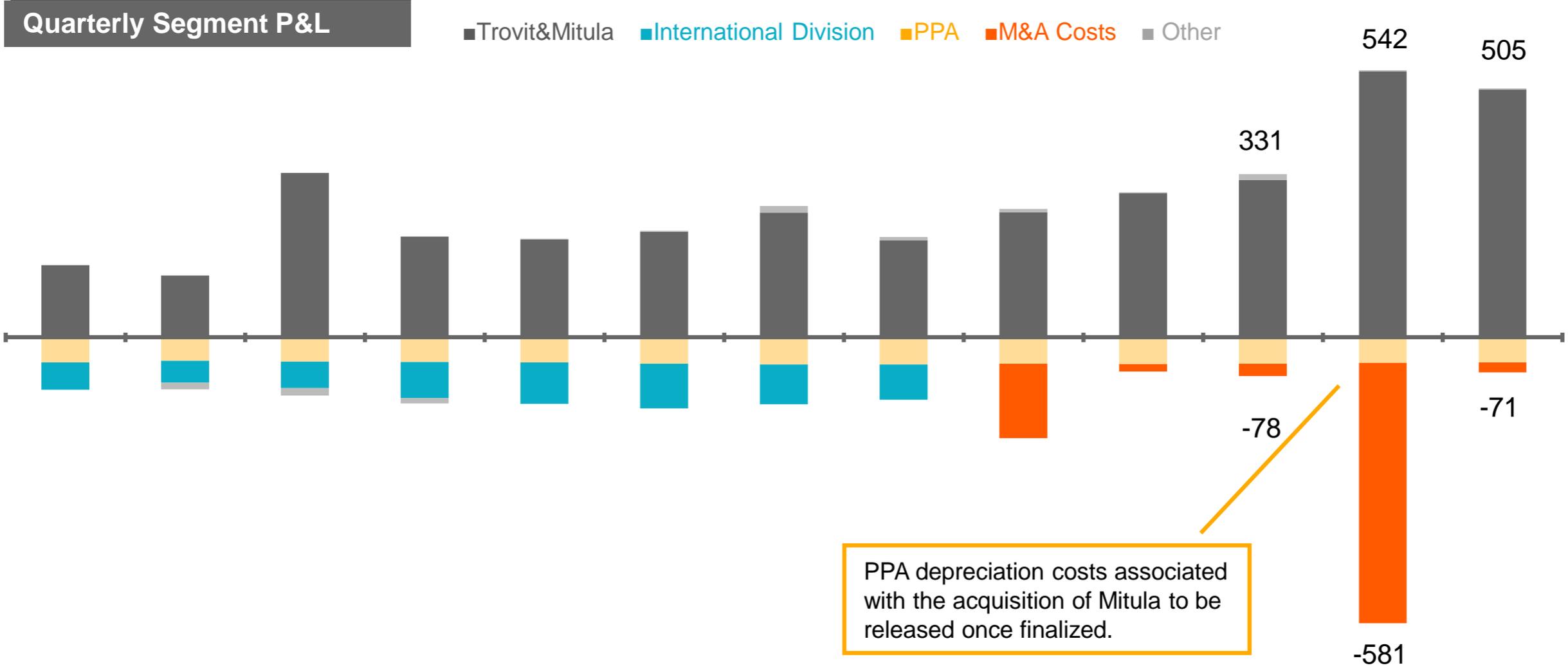
Steady growth in the second pillar of LIFULL Group sales volume



Overseas businesses – Segment P&L (Quarterly Trend) –

Maintained profitability despite high temporary M&A costs

Unit: JPY mil.



Q3
FY2019/9

Growth strategy – Review –

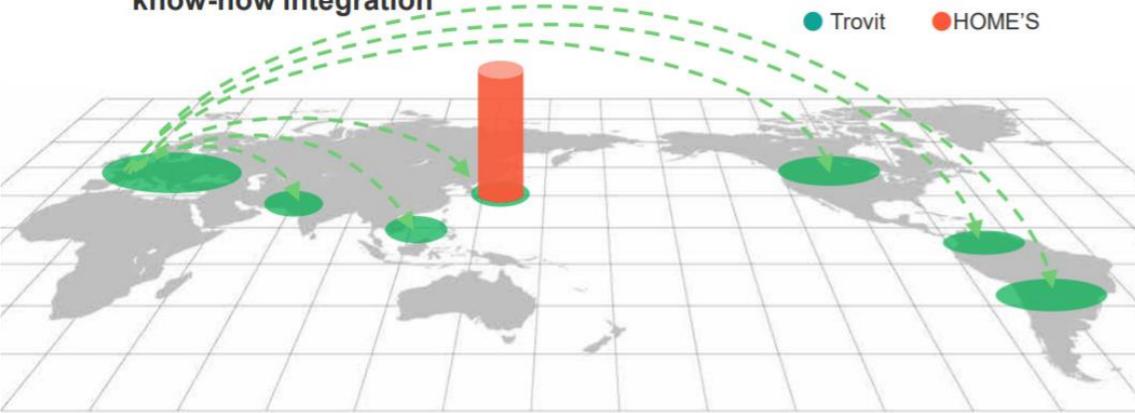
Plan to increase service area and accelerate monetization of each region

From FY2015/03 Q2 Earnings Presentation (https://lifull.com/wp-content/uploads/2015/09/presentation_20141113.pdf)

Overseas Growth Strategy Business strategy: NEXT x Trovit (Vision)

POINT Begin generating profits at an accelerated pace through an area and know-how integration

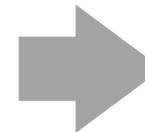
● Trovit ● HOME'S



> Have Trovit's service areas expand further (Trovit JAPAN is scheduled to be launched in the spring of 2015)

> Leverage the know-how accumulated in Japan for overseas operations (marketing capability enhancement and new service development)

> Begin generating profits at an accelerated pace on a group-wide basis



Overseas Growth Strategy Business strategy: NEXT x Trovit (Vision)

POINT Begin generating profits at an accelerated pace through an area and know-how integration

● Trovit ● HOME'S



> Have Trovit's service areas expand further (Trovit JAPAN is scheduled to be launched in the spring of 2015)

> Leverage the know-how accumulated in Japan for overseas operations (marketing capability enhancement and new service development)

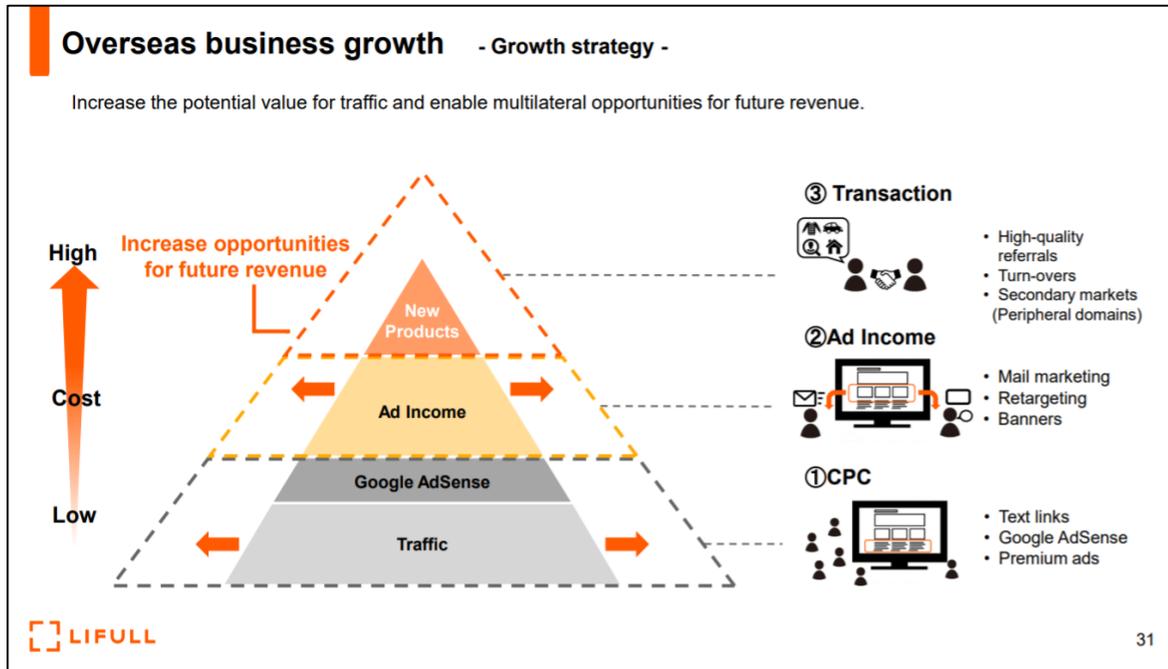
> Begin generating profits at an accelerated pace on a group-wide basis

Growth strategy – Review –

Increase traffic and link to multidimensional revenue opportunities

Accelerate monetization by consolidating management of Trovit and Mitula

From FY2019/09 Q2 Earnings Presentation (https://lifull.com/wp-content/uploads/2019/05/190513_en_presentation_FY2019_2Q.pdf)



Growth strategy – Service regions –

Increase service regions from 39 to 63 countries worldwide

Focus on business expansion in existing service areas



Growth strategy – Monetization of each region –

Accelerate monetization with growth strategies based on the characteristics of each region

Focus on growth developed and developing markets for the present

Focus on Developed and Developing Markets

01 Developed Markets

- Have strong real estate portals and/or classified sites
- Active marketing investments
- Half of overseas sales

02 Developing Markets

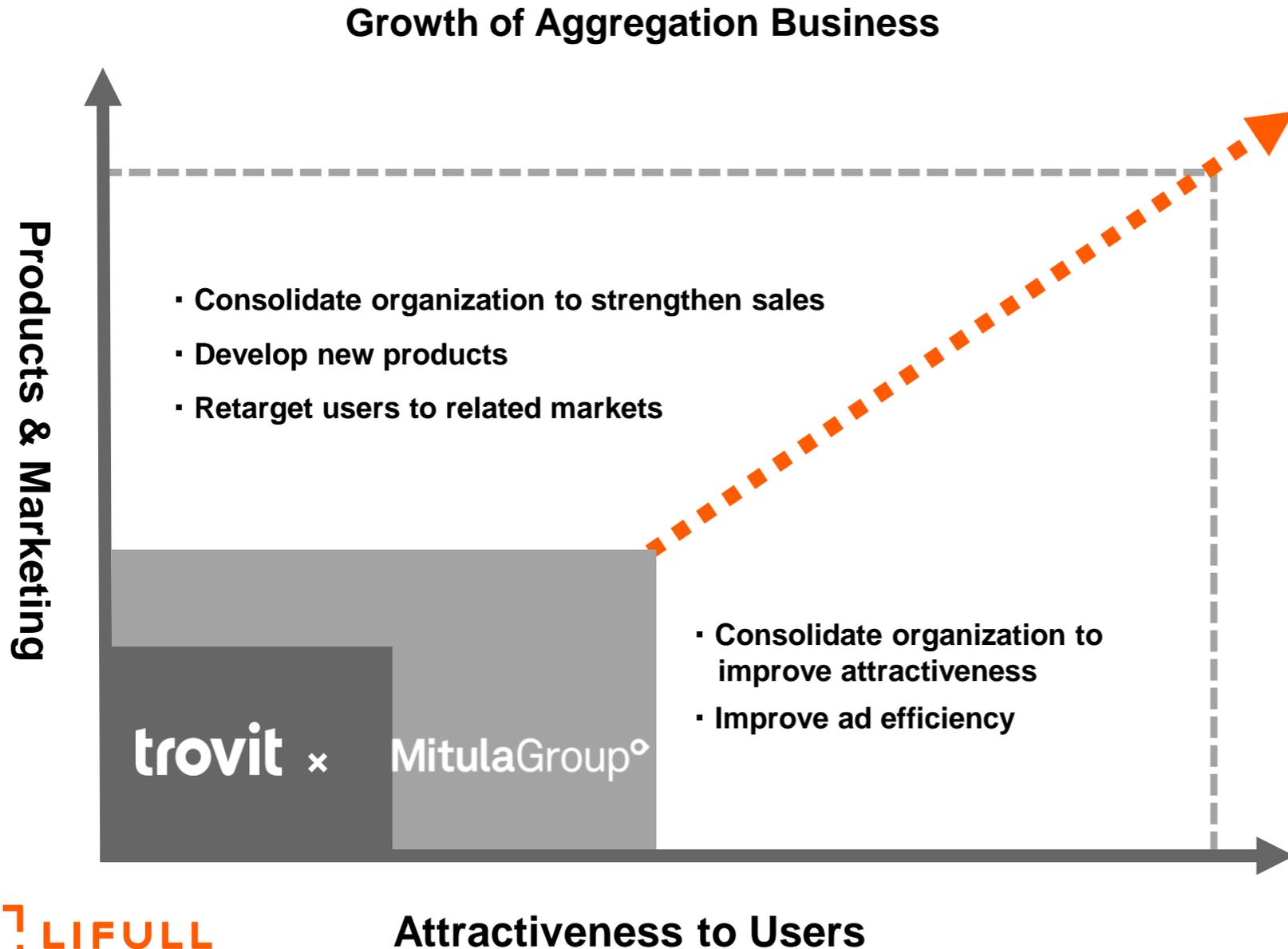
- No viable real estate portals or classified sites
- Growing market for online advertising

03 Potential Markets

- No market for online advertising
- High potential for long-term growth

Growth strategy – Growth strategy in growth markets –

Increase aggregation business around Trovit and Mitula



trovit

Mitula

nestoria

nurca

Kleding.nl

FASHIOLA.

Growth strategy – Growth strategy for developing markets –

Actively consider portal businesses to directly assist users' property searches



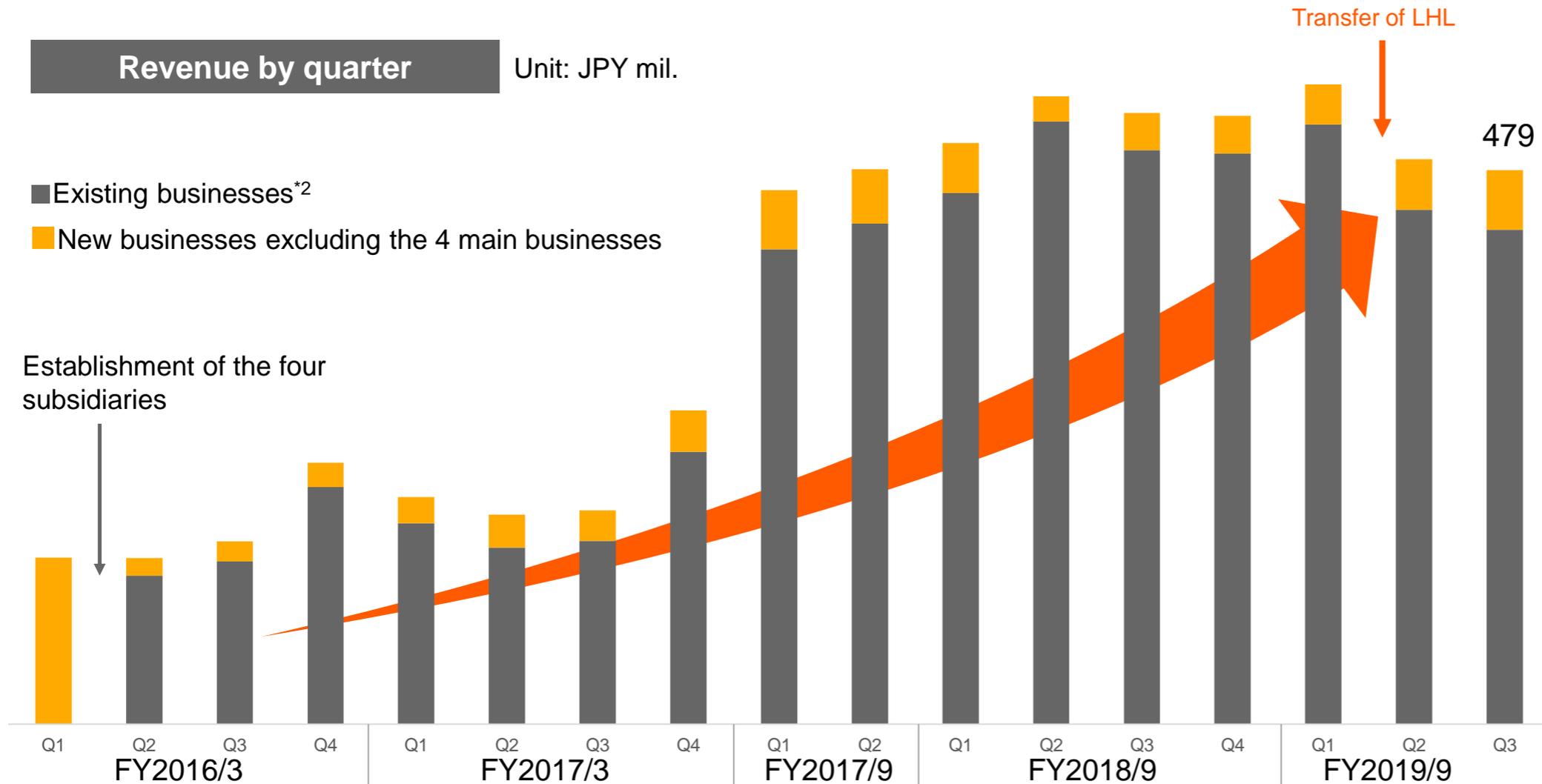
- **Combine the domestic and international portal knowhow of LIFULL and Mitula**
- **Strive to reach the number one position in crucial markets**
- **Consider the market environment to provide the right services to users**



Other Businesses

Other businesses – Segment sales revenue (quarterly) –

Maintain similar level of revenue when excluding effects of transfer of LHL*1



Maintain Business Scale

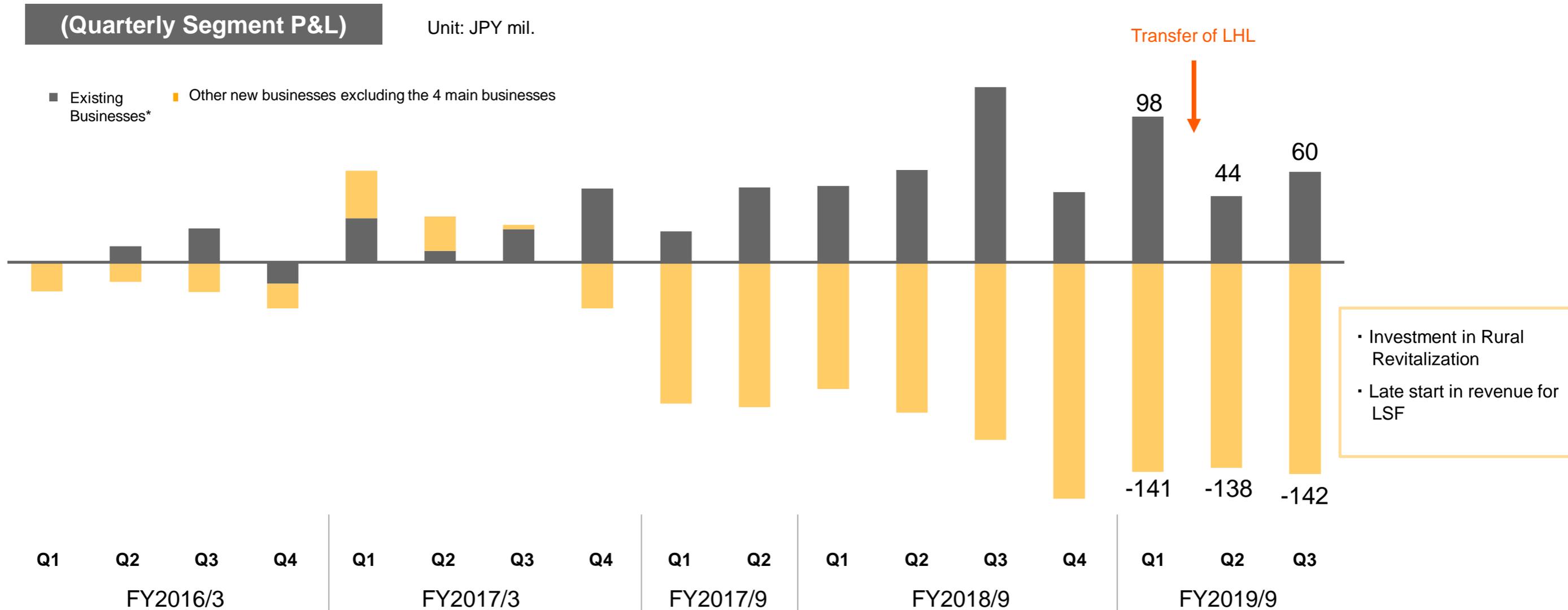
*1 FinTech was founded as a subsidiary and [transferred to Nippon Life Insurance Company in Dec. 2018](#)

*2 Existing businesses: FinTech, MOVE, senior, and SPACE

Other businesses – Segment P&L (quarterly) –

Other established businesses are continuing smoothly without regard to the transfer of LHL.

Additional investments are also being made into Rural Revitalization



Other businesses – Rural revitalization –

Proactive investment in Rural Revitalization to promote the compilation of vacant houses for repurposing into a database

01 
Compilation of database for vacant properties

Akiya Bank



Provide a platform for vacant properties to local governments for free.

Make it possible to search through the vacant properties managed by all local governments.

02 
Recruitment / Training

Training program

- Seminars for vacant property support staff
- Practical training

Program Content

- Advisor for vacant property owners
- Inspection and evaluation of vacant properties
- Registration on Akiya Bank
- Coordination of viewings
- Introduction to professional agents
- Management of vacant properties

03 
Repurposing vacant properties

Use as offices or vacation rentals

Examples



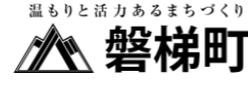
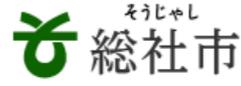
Funds and Financing



Provide financial support through LIFULL Social Funding.

Public Private Partnerships

Est. of Regional Revitalization Agreements



Case Studies

[Kamaishi, Iwate]

Turned vacant houses into share houses and guests houses to create more places for people to stay



[Sabae, Fukui]

Renovated traditional home into a satellite office



Living Anywhere Commons

Utilization of Recreational Facilities



Aizu-Bandai

Izu Shimoda



- Workspaces outfitted with WI-FI and electricity
- Residential spaces with kitchens, showers, and bedrooms for long-term stays

Creating multipurpose facilities across Japan to allow people to work where and how they want

(Ref) Vacation rental market

Steady growth in vacation rentals since new laws came into effect one year ago

Licensed facilities

2,210

15 June 2018



17,143

July 2019



Gross numbers of lodgers

223,113

June – July 2018



933,194

April – May 2019



Source: Portal Site for Private Lodging (<http://www.mlit.go.jp/kankocho/minpakul>)



Over 12,000 registered facilities
8,200 released on site
(As of 19 June 2019)

Automatic listing on international reservation websites

HomeAway® By Expedia trivago
Booking.com Rakuten Travel
tujia 途家 AsiaYo yanolja
agoda LUXSTAY



バケーションステイ

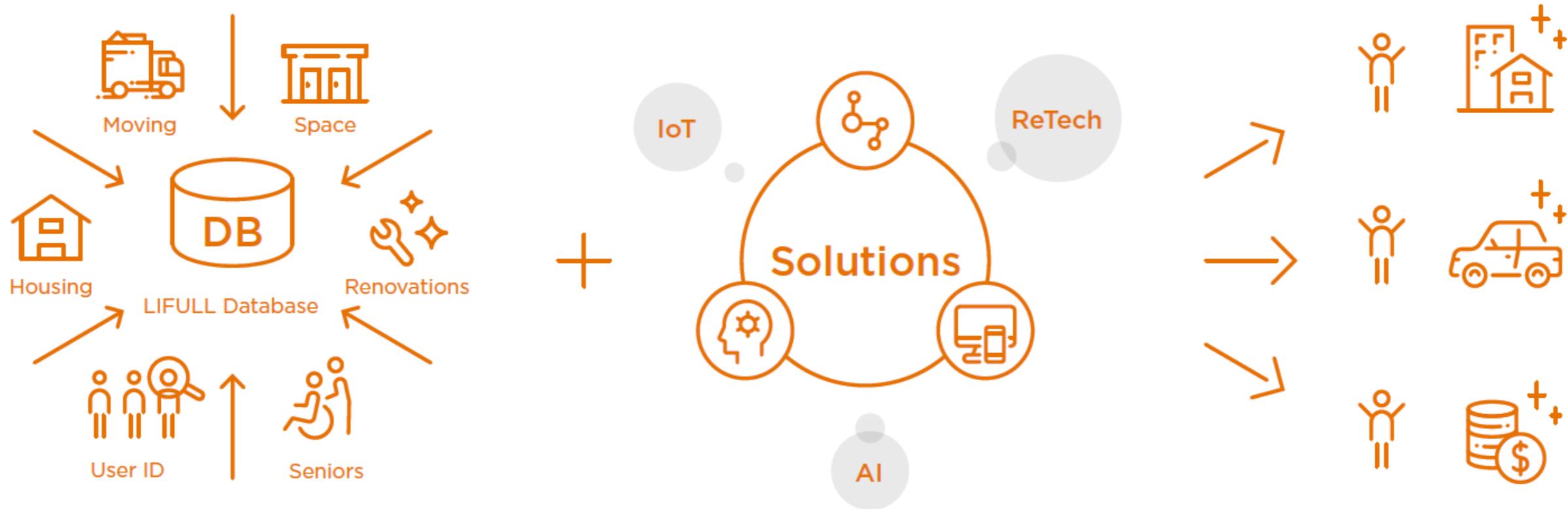
検索

<https://vacation-stay.jp/>

LIFULL Worldview – LIFULL Group –

Create a society where everyone can attain "comfort" and "happiness" through continuous social innovations

Become the best life-event database and solution company in the world.



Build the biggest life-event database in the world to offer the best solutions for each and every customer.



 **LIFULL**

あらゆる **LIFE** を、**FULL** に。

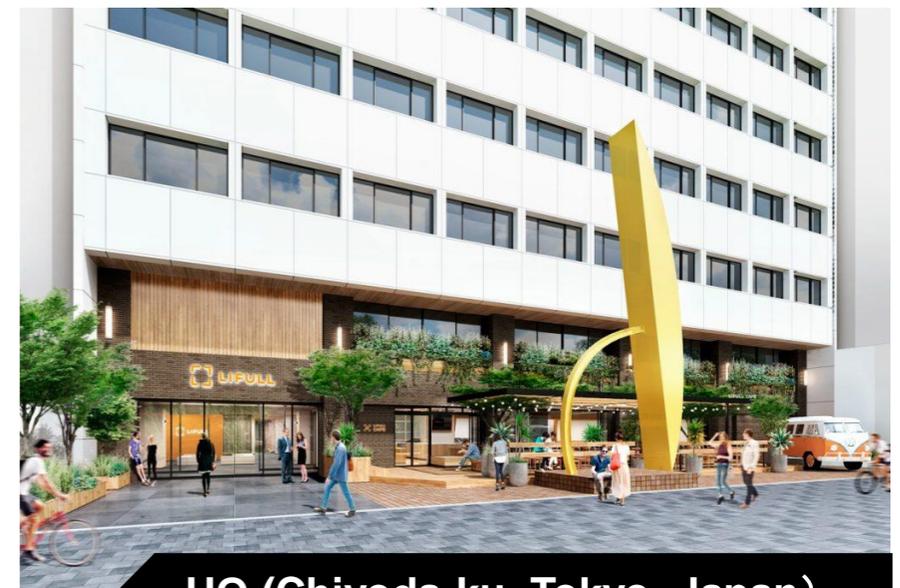
Appendices

Corporate info (as of March 31, 2019)

Company	LIFULL Co., Ltd.
Stock code	2120 (TSE 1st Section)
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
Capital	JPY 9,716 million
Stock issues	134,239,870 shares (incl. 74,393 shares of treasury stock)
Consol. number of employees	1,547 people (incl. 217 temporary and 369 overseas)
Major shareholder	LIFULL directors, Rakuten, Inc. (17.7%)
Main subsidiaries (stake)	Trovit Search, S.L. (100%) Mitula Group Limited (100%) LIFULL Marketing Partners (100%)



President and CEO Takashi Inoue



HO (Chiyoda-ku, Tokyo, Japan)

LIFULL Group Companies

(in chronological order by effective date of establishment or addition to the scope of consolidation)

PT. LIFULL MEDIA INDONESIA *1	<ul style="list-style-type: none">• Planning and operation of “LIFULL Rumah” a real estate and housing information website in Indonesia• Home hunting proxy service in Jakarta for Japanese business people planning to relocate to the city
Trovit Search, S.L.	<ul style="list-style-type: none">• Operating aggregation sites for real estate, job listings, and used vehicles
LIFULL Marketing Partners	<ul style="list-style-type: none">• Internet and marketing businesses for realtors and property-related businesses
LIFULL senior	<ul style="list-style-type: none">• Operating “LIFULL Kaigo (nursing care)”, among the largest websites in Japan to find nursing care homes or elderly housing• Operating “Mina no Ihinseiri”, a website to search for companies specialized in cleaning up the belongings of the deceased
LIFULL MOVE	<ul style="list-style-type: none">• Operating “LIFULL Hikkoshi (moving)”, a one-stop website to search and make inquiries with multiple movers and then make on-line reservation
LIFULL SPACE	<ul style="list-style-type: none">• Operating “LIFULL Trunk Room (storage)”, a website offering among the most voluminous rental storage room/unit information in Japan• Operating “LIFULL Rental Space”, a website to search for rental spaces and meeting rooms
LIFULL bizas	<ul style="list-style-type: none">• Administration and other back office operation outsourcing• Call center operation outsourcing
LIFULL Social Funding	<ul style="list-style-type: none">• Operating “Japan Giving” and “Shooting Star” crowdfunding platforms• Operating of Rural Revitalization Fund
LIFULL Tech Vietnam Co., Ltd.	<ul style="list-style-type: none">• Offshore development, Lab development, software development, application development and creative development
RAKUTEN LIFULL STAY *1 *2	<ul style="list-style-type: none">• Operating a vacation rental and accommodation platform
Mitula Group Limited	<ul style="list-style-type: none">• Operating aggregation sites for real estate, job listings, used vehicles, and fashion• Operating real estate portals

*1 Equity method

*2 Joint venture with Rakuten, Inc. Established “RAKUTEN LIFULL STAY PTE. LTD.” as 100% subsidiary in March 2017.

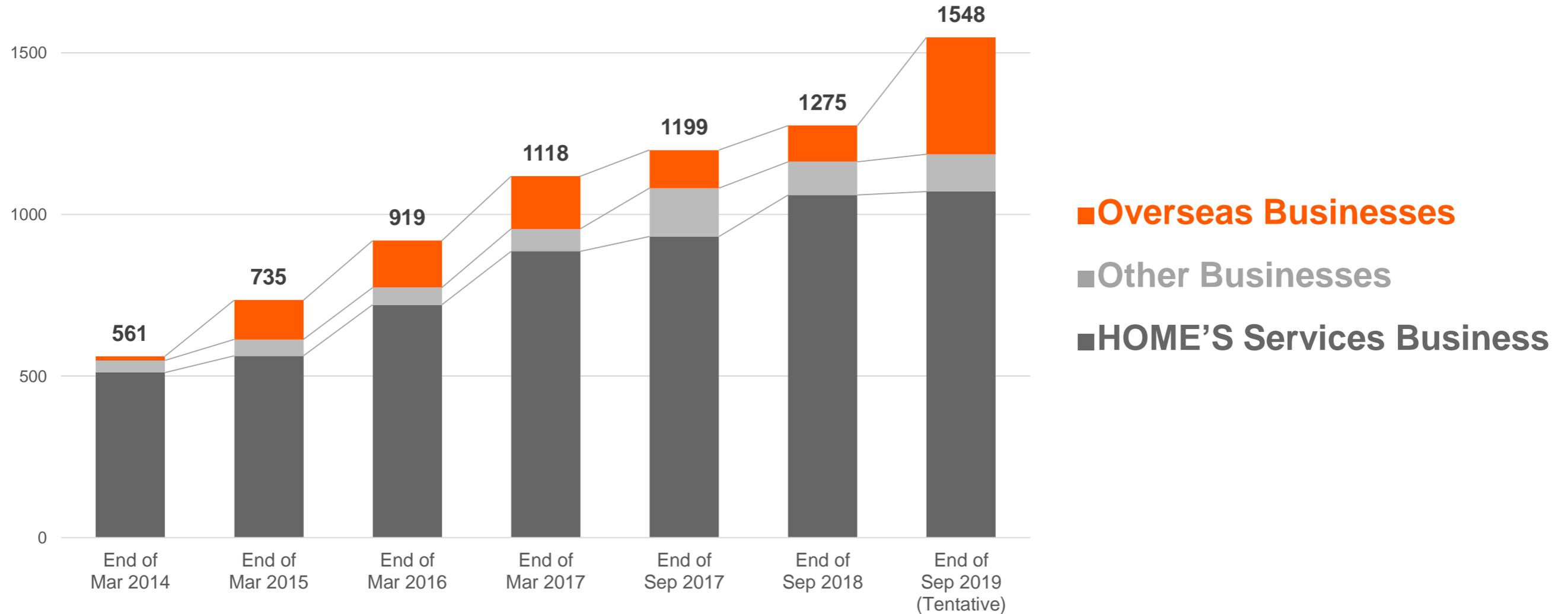
Segments and Major Services

Segments	Main services
HOME'S Services Business	LIFULL HOME'S AD Master (former Renter's Net) NabiSTAR LIFULL Marketing Partners Co., Ltd.
Overseas Businesses	Trovit (Trovit Search, S.L.) Mitula (Mitula Group Limited) LIFULL Tech Vietnam Co., Ltd.
Other Businesses	LIFULL <i>Kaigo</i> (nursing care) (LIFULL senior Co., Ltd.) LIFULL <i>Hikkoshi</i> (moving) (LIFULL MOVE Co., Ltd.) LIFULL Trunk Room (LIFULL SPACE Co., Ltd.) LIFULL Interior (LIFULL Interior Co., Ltd.) LIFULL Social Funding Co. Ltd. Other LIFULL subsidiaries and new services

Number of employees – Across All Businesses –

Number of overseas employees has increased due to the expansion of Overseas Businesses

(Number of employees)



Consolidated statements of profit and loss (quarterly)

Unit : JPY mil	FY2017/03				FY2017/09		FY2018/09				FY2019/09		
	1Q	2Q	3Q	4Q	1Q	2Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q
Revenue	6,846	6,910	7,107	9,056	7,793	8,154	8,128	9,541	8,345	8,549	8,391	11,208	9,753
HOME'S Services Business	5,616	5,782	5,955	7,662	6,472	6,816	6,742	8,062	6,833	6,963	6,860	8,404	7,060
Overseas Businesses	823	750	750	867	859	858	883	935	983	1,058	986	2,315	2,213
Other Businesses	406	377	400	525	461	479	502	542	528	527	544	488	479
Cost of revenue	670	737	774	897	915	946	928	946	996	1,006	1,048	1,258	1,035
SG&A	4,776	4,581	5,422	6,627	6,346	6,100	5,862	6,987	5,948	6,555	5,879	9,222	6,754
Personnel expenses	1,773	1,531	1,811	1,923	1,993	1,816	1,962	1,783	1,963	2,082	1,969	2,087	2,217
Advertising expenses	1,689	1,730	2,145	2,834	2,719	2,695	2,426	3,657	2,431	2,869	2,347	4,882	2,790
Operating expenses	246	236	282	244	240	215	236	267	209	229	190	204	240
Other SG&A	1,066	1,082	1,183	1,624	1,393	1,373	1,236	1,279	1,344	1,374	1,372	2,047	1,505
Other revenues and expenses	-6	-42	-30	-39	-72	-30	71	18	6	-44	425	-332	9
EBITDA	1,392	1,549	879	1,491	458	1,077	1,408	1,624	1,406	942	1,889	394	1,972
Depreciation/amortization cost	221	217	338	468	253	266	274	266	263	263	259	331	333
Operating profit	1,171	1,331	540	1,022	205	811	1,134	1,358	1,142	679	1,629	63	1,639
Net income *	734	942	331	756	22	467	591	980	702	585	1,003	-58	1,073
EBITDA margin	20.3%	22.4%	12.4%	16.5%	5.9%	13.2%	17.3%	17.0%	16.9%	11.0%	22.5%	3.5%	20.2%

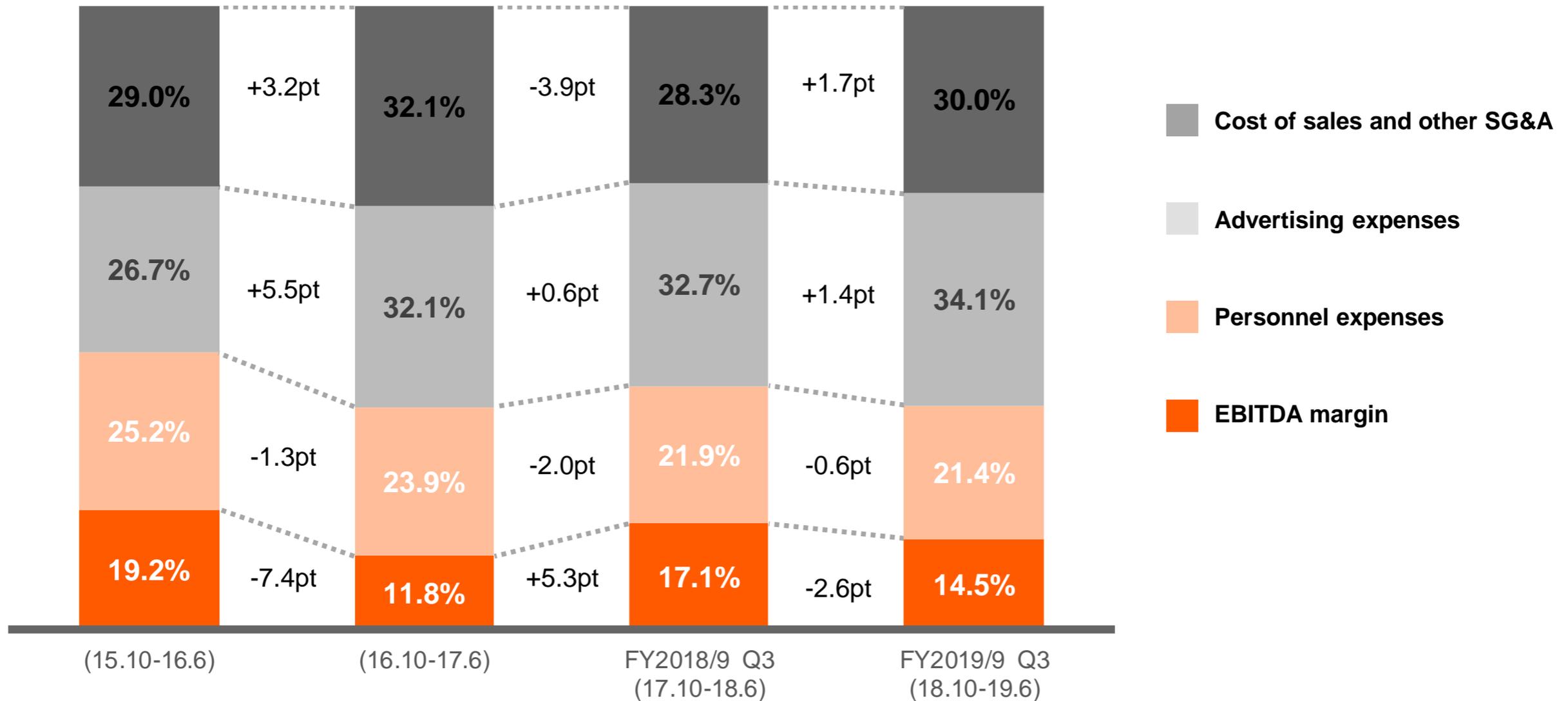
*Net income = Net income attributable to owners of the parent

*Disclosure segments modified since FY2017/09. Sales of prior periods has been described in conjunction with the segment change.

Expense-to-revenue ratio IFRS

Increase in Cost of Sales and Other SG&A due to M&A costs

Higher percentage of advertising costs due to highest expenditure in marketing ever



(Ref.) Pricing structure revisions – Rental & Sales –

New Pricing Structure

	Basic Membership Fee (monthly)	Inquiry	Fee by Inquiry
Rental	¥15,000	Property Inquiry (e-mail / Tel.)	Inquired Property Rent (Mon.) x 9.5%
		Company Inquiry	Number of Inquiries x ¥5,000
Sale	¥15,000	Property Inquiry (e-mail / Tel.)	Inquired Property Sale Price x 0.05%
		Company Inquiry	Number of Inquiries x ¥10,000

Original Rental Structure

	Mon. Basic Membership Fee	Inquiries	Fee by Inquiry
Rental	¥10,000	1 to 15	Inquired Property Rent (Mon.) x 5.5%
		Over 16	Inquired Property Rent (Mon.) x 4.0%
Sale	¥10,000	1 to 5	Inquired Property Sale Price x 0.05%
		Over 6	Inquired Property Sale Price x 0.03%

External market data

		2015 (Jan-Dec)	2016 (Jan-Dec)	2017 (Jan-Dec)	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
(1) Number of Apartments for sales	Capital Region	40,449	35,772	37,132	2,978	2,817	3,366	6,480	1,934	2,490	3,617	2,342	2,462	2,659	2,986	1,502	3,372	2,845	3,461	7,462	1,900	2,313	3,337	1,421	2,206	2,259
	YoY	-9.9%	-11.6%	3.4%	-13.0%	-3.0%	24.6%	-7.5%	39.7%	7.8%	6.1%	-14.6%	-5.4%	16.4%	-12.8%	-28.5%	13.2%	1.0%	2.8%	15.2%	-1.8%	-7.1%	-7.7%	-39.3%	-10.4%	-15.0%
	Kinki	18,930	18,676	20,958	2,392	1,465	1,582	2,259	1,091	1,818	1,745	1,742	1,480	1,211	1,514	1,378	1,859	1,775	2,585	2,760	1,044	1,281	1,449	852	1,388	1,500
	YoY	0.6%	-1.3%	7.1%	27.9%	16.0%	-19.9%	14.4%	-21.8%	30.4%	10.8%	25.2%	-14.8%	-8.3%	-17.4%	13.4%	-22.3%	21.2%	63.4%	22.2%	-4.3%	-29.5%	-17.0%	-51.1%	-6.2%	23.9%
(2) Trend of Price for Apartments	Capital Region	5,518	5,490	5,871	5,823	5,586	5,551	6,019	5,293	6,128	6,220	5,548	6,030	6,244	6,191	5,360	5,136	5,934	6,017	5,896	5,653	6,292	6,552	5,895	6,093	5,964
	YoY	9.1%	-0.5%	-0.6%	4.4%	3.3%	7.6%	18.5%	-23.4%	5.8%	11.3%	-6.3%	0.8%	10.7%	-5.7%	-7.5%	-11.8%	6.2%	8.4%	-2.0%	6.8%	2.7%	44.3%	6.3%	1.0%	-4.5%
	Kinki	3,788	3,919	3,844	4,186	3,863	3,609	3,913	4,017	3,655	3,695	3,825	3,868	3,578	4,568	3,585	4,043	3,657	3,485	4,167	3,756	3,884	4,404	3,358	4,152	3,364
	YoY	3.9%	3.5%	0.2%	0.6%	-3.2%	-5.1%	-9.4%	20.2%	-2.5%	-7.3%	-0.2%	8.3%	-5.2%	7.1%	1.0%	-3.4%	-5.3%	-3.4%	6.5%	-6.5%	6.3%	19.2%	-12.2%	7.3%	-6.0%

		2015 (Jan-Dec)	2016 (Jan-Dec)	2017 (Jan-Dec)	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
(3) New build properties	House for Rent	378,718	418,543	396,404	37,521	38,017	37,508	33,438	28,251	29,420	29,750	35,447	31,083	34,884	35,847	35,457	35,350	35,225	34,902	30,788	24,776	27,921	28,413	29,511	26,164	30,645
	YoY	4.6%	10.5%	-5.5%	-2.3%	-4.8%	-2.9%	-3.0%	-10.8%	-4.6%	-12.3%	-2.1%	-5.6%	-3.0%	-1.4%	1.4%	-5.8%	-7.3%	-6.9%	-7.9%	-12.3%	-5.1%	-4.5%	-16.7%	-15.8%	-12.2%
	Apartment	115,652	114,570	110,510	8,628	7,489	9,052	7,422	6,525	8,267	7,865	12,350	11,861	8,253	8,699	9,146	8,934	8,604	10,460	9,546	9,368	9,132	13,330	10,480	9,165	8,597
	YoY	4.7%	-0.9%	-3.8%	-9.2%	-16.9%	9.5%	-11.0%	-50.2%	9.3%	-8.0%	2.1%	20.7%	-36.2%	-4.0%	0.4%	3.5%	14.9%	15.6%	28.6%	43.6%	10.5%	69.5%	-15.1%	-22.7%	4.2%
	House	123,624	133,739	142,393	11,347	11,861	12,580	11,992	10,743	10,560	10,957	12,324	11,944	11,903	12,004	11,953	11,882	12,556	12,561	13,006	11,190	11,844	11,738	12,698	11,899	13,096
	YoY	-1.4%	8.2%	3.0%	-2.2%	5.0%	7.7%	6.6%	-1.1%	-1.3%	-0.8%	7.1%	5.8%	0.7%	2.5%	4.0%	4.7%	5.9%	-0.2%	8.5%	4.2%	12.2%	7.1%	3.0%	-0.4%	10.0%
Owned house	283,366	292,287	283,235	24,883	24,807	24,904	23,288	20,257	20,013	20,576	23,289	23,321	25,148	25,447	24,420	24,873	25,949	25,527	24,415	20,925	21,992	22,404	25,436	24,826	28,394	
YoY	-0.7%	3.1%	-0.4%	-2.7%	-4.8%	-4.2%	-2.5%	0.1%	-6.1%	-4.2%	-1.9%	-2.2%	-3.4%	0.3%	0.2%	Δ0.0%	4.6%	2.5%	4.8%	3.3%	9.9%	8.9%	9.2%	6.5%	12.9%	

		2015 (Jan-Dec)	2016 (Jan-Dec)	2017 (Jan-Dec)	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
(4) Internal migrants	Total	5,384,553	5,251,717	5,359,174	344,877	388,250	341,825	341,345	328,372	360,501	913,555	761,821	420,739	343,513	393,037	391,505	331,718	414,928	351,216	348,269	336,203	369,900	910,007	767,021	418,489	351,394
	YoY	3.4%	-2.5%	0.8%	-0.1%	5.6%	0.8%	2.1%	2.2%	1.4%	-4.7%	1.6%	3.8%	-2.7%	4.7%	2.1%	-3.8%	6.9%	2.7%	2.0%	2.4%	2.6%	-0.4%	0.7%	-0.5%	2.3%
	Only Japanese	5,041,483	4,880,967	4,889,713	310,347	350,369	307,861	308,919	296,517	327,575	860,107	712,159	384,355	311,005	355,425	352,992	295,016	368,708	313,252	312,602	302,485	334,916	849,869	705,182	377,454	314,638
	YoY	2.7%	-3.2%	-0.1%	-1.4%	4.6%	0.9%	0.5%	0.6%	-0.2%	-5.0%	1.4%	3.6%	-3.2%	3.5%	0.8%	-4.9%	5.2%	1.8%	1.2%	2.0%	2.2%	-1.2%	-1.1%	-1.8%	1.2%
(5) Japan Population	Unit : Thousand	Oct. 1, 2014	Oct. 1, 2015	Oct. 1, 2016	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
	Total	127,237	127,095	126,933	126,678	126,706	126,714	126,995	126,592	126,609	126,493	126,502	126,466	126,509	126,529	126,496	126,417	126,443	126,453	126,435	126,317	126,310	126,220	126,230	126,200	126,230

[Source] (1)(2)Real Estate Economic Institute Co., Ltd. (3)Source : Ministry of Land, Infrastructure, Transport and Tourism (4)(5)Source : Ministry of Internal Affairs and Communications

(Ref.) Domestic market environment



01

Number of Real Estate Companies

328,553

(Based on 2017 values from the Japanese Ministry of Finance "Corporate Statistics Monthly Report")

*April 1, 2017 - March 31, 2018

02

Number of Licensed Real Estate Agencies

123,782 (105,015 Corporates)

(Based on 2017 values from the Ministry of Land, Infrastructure, Transport and Tourism "Number of Licensed Real Estate Agencies 2017")

03

Number of Offices

352,733

(Based on Ministry of Internal Affairs and Communications "Financial Census" 2015 Values)

04

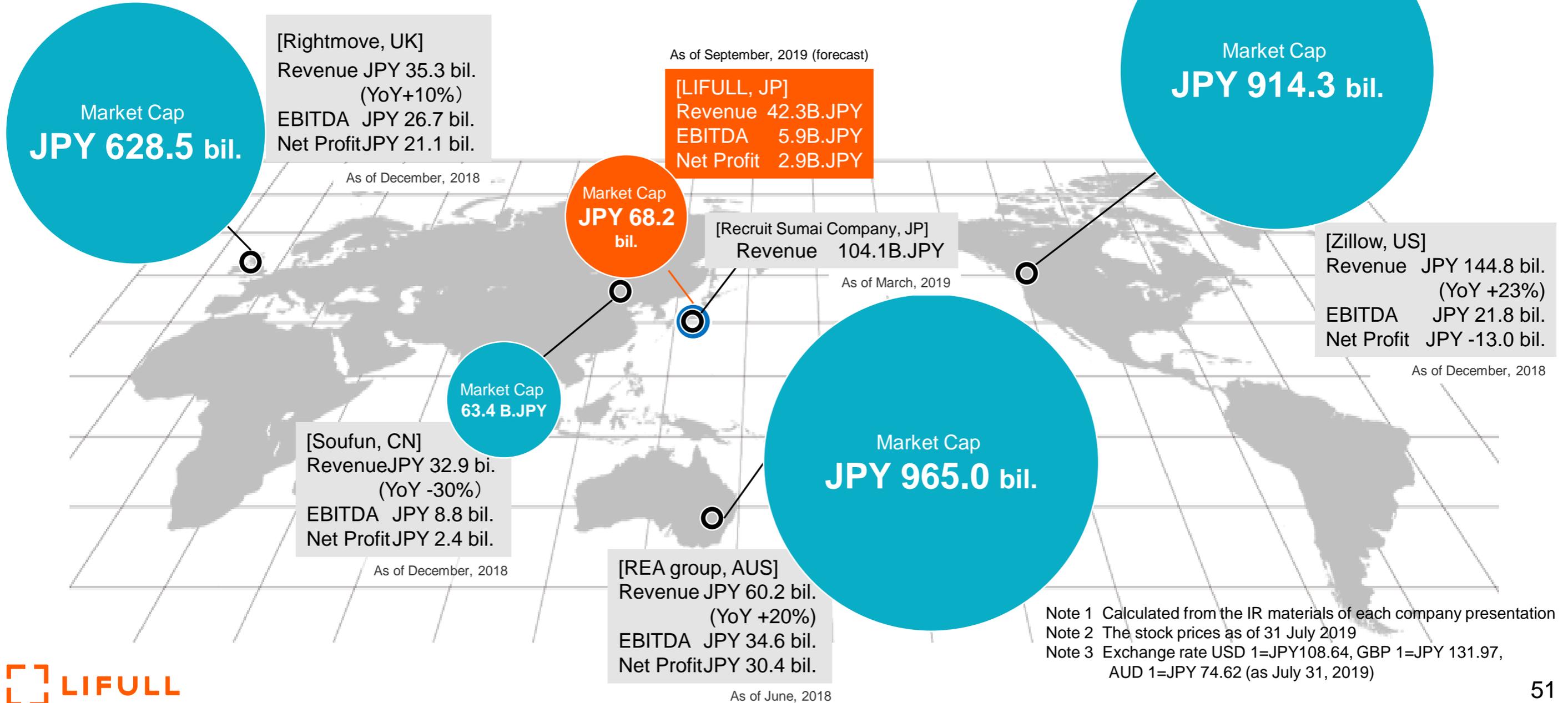
Size of Real Estate Listing Market

Approx. **900+** billion yen

(Based on LIFULL Internal Data)

(Ref.) Overseas competitors

Competitors have high market capitalization due to their user shares in each country.



IR Office Information



IR Website English <https://LIFULL.com/en/ir/>

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



E-mail ir@LIFULL.com

TEL 03-6774-1603 (Monday to Friday 10:00AM-6:00PM)

FAX 03-6774-1737

Annual Report 2017



Japanese

<https://lifull.com/news/10305/>

English

https://lifull.com/wp-content/uploads/2017/10/LIFULL_AnnualReport2017_en.pdf

Other Information



Twitter



https://twitter.com/LIFULL_Corp



Facebook Page



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

