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Consolidated Financial Report for the Six-month Period Ended March 31, 2024

May 14, 2024

Company name: LIFULL Co., Ltd. Stock code: 2120 Representative: ITO Yuji Contact: FUKUZAWA Hidekazu	Listed exchange: Tokyo Stock Exchange URL: https://ir.lifull.com/en/ (Position) President and CEO (Position) Managing Officer, General Manager of Group Company Business Development Department (TEL) +81-3-6774-1603
Scheduled quarterly securities report submission date: May 14, 2024 Scheduled date of start of dividend payments: - Preparation of supporting documentation for earnings: Yes Earnings presentations: Yes (For institutional investors and analysts)	

(Millions of yen; amounts have been rounded down to the nearest million yen)

1. Consolidated Financial Results for the Six-month Period Ended March 31, 2024 (October 1, 2023 to March 31, 2024)

(1) Consolidated Operating Results

(Percentages indicate year-over-year change)

	Revenue		Operating income		Profit before income taxes		Net profit		Profit attributable to owners of the parent		Total comprehensive income	
	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%	million yen	%
Six months Ended March 31, 2024	17,360	(9.4)	971	(43.2)	813	(48.0)	115	(90.0)	119	(89.4)	672	(51.9)
Six months Ended March 31, 2023	19,168	6.3	1,711	227.3	1,564	265.3	1,164	586.6	1,124	505.1	1,398	30.5

	Basic earnings per share (yen)	Diluted earnings per share (yen)
Six months Ended March 31, 2024	0.93	0.93
Six months Ended March 31, 2023	8.72	8.70

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to the owners of the parent	Equity attributable to the owners of the parent ratio
	million yen	million yen	million yen	%
As of March 31, 2024	50,619	32,607	32,514	64.2
As of September 30, 2023	51,166	32,554	32,456	63.4

2. Dividends

	Annual dividend				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
FY 2022/9	yen -	yen 0.00	yen -	yen 4.26	Yen 4.26
FY 2023/9	-	0.00			
FY 2023/9 (Forecast)			-	-	-

Note 1: There have been no changes to the dividend forecast.

Note 2: Dividends for FY 2023/9 are expected to be calculated based on a payout ratio of 25%.

3. Forecasts on the Consolidated Results for Fiscal 2024 (October 1, 2023 to September 30, 2024)

	Revenue		Operating income		Profit attributable to owners of the parent		Basic earnings per share
	million yen	(%)	million yen	(%)	million yen	(%)	yen
Fiscal 2024	35,500	(2.5)	1,900	3.1	300	(68.1)	2.34

Note 1: There have been changes to the most recently announced forecast.

Note 2: Refer to the FY 2024/9 Second Quarter Results Presentation for more details.

*** Notes**

(1) There have been no changes in material subsidiaries during the term.

(2) Changes in accounting policies and changes or restatement of accounting estimates

[1] Changes in accounting policies required by IFRS : No

[2] Changes in accounting policies other than [1] : No

[3] Changes in accounting estimates : No

(3) Number of shares issued (common stock)

[1] Number of shares issued at the end of the period (including treasury stock)

[2] Treasury shares at the end of the period

[3] Average shares during the period

As of March 31, 2024	134,239,870	As of September 30, 2023	134,239,870
As of March 31, 2024	6,245,175	As of September 30, 2023	6,245,073
As of March 31, 2024	127,994,729	As of March 31, 2023	128,929,338

*** This consolidated financial report is not subject to quarterly CPA or External Auditor reviews.**

*** Regarding appropriate use of result forecasts and other notes**

- The Company plans to hold an earnings briefing for institutional investors and analysts. Scenes from the briefing and presentation content (video recordings) will be made available on the Company's website as soon as possible thereafter. (<https://ir.lifull.com/en/>)
- May 15, 2024 (Wednesday): Online-offline hybrid earnings presentation for institutional investors and analysts.
- In addition, the Company holds briefings as appropriate for individual investors. Please refer to the LIFULL IR website for more details.

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(Appendix)

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1. Condensed Consolidated Financial Statements and Significant Notes

(1) Condensed Consolidated Statements of Financial Position

(Millions of yen)

	As of September 30, 2023	As of March 31, 2024
Assets		
Current assets		
Cash and cash equivalents	16,510	15,148
Accounts receivable-trade and other current receivables	4,630	4,901
Other short-term financial assets	1,183	1,443
Other current assets	739	1,050
Total current assets	23,064	22,544
Non-current assets		
Property, plant and equipment	1,045	968
Right-of-use assets	2,100	1,842
Goodwill	16,349	16,843
Intangible assets	3,285	2,888
Investments accounted for using the equity method	536	584
Other long-term financial assets	2,040	2,450
Deferred tax assets	2,735	2,467
Other non-current assets	9	28
Total non-current assets	28,102	28,074
Total assets	51,166	50,619

	As of September 30, 2023	As of March 31, 2024
Liabilities and equity		
Liabilities		
Current liabilities		
Accounts payable and other current payables	3,259	3,571
Loans	5,329	4,551
Lease liabilities	698	702
Accrued corporate income taxes	598	552
Other current liabilities	2,241	2,473
Total current liabilities	12,127	11,851
Non-current liabilities		
Loans	297	299
Lease obligations	1,464	1,207
Provisions	511	511
Other long-term financial liabilities	3,585	3,516
Deferred tax liabilities	571	538
Other non-current liabilities	54	84
Total non-current liabilities	6,485	6,159
Total liabilities	18,612	18,011
Equity		
Attributable to the owners of the parent		
Capital stock	9,716	9,716
Capital surplus	10,035	9,962
Retained earnings	11,662	11,236
Treasury shares	(2,009)	(2,009)
Other components of equity	3,051	3,608
Attributable to the owners of the parent	32,456	32,514
Attributable to non-controlling interests	97	93
Total equity	32,554	32,607
Total liabilities and equity	51,166	50,619

(2) Condensed Consolidated Profit and Loss Statement and Condensed Consolidated Statements of Comprehensive Income

Condensed Consolidated Statements of Profit or Loss
For the Six-month Period Ended March 31

(Millions of yen)

	Six-month Period Ended March 31, 2023 (October 1, 2022 to March 31, 2023)	Six-month Period Ended March 31, 2024 (October 1, 2023 to March 31, 2024)
Revenue	19,168	17,360
Cost of revenue	2,569	1,071
Gross profit	16,599	16,288
Selling, general and administrative expenses	15,429	16,171
Other revenue	702	1,048
Other expenses	160	194
Operating income	1,711	971
Financial revenue	4	68
Financial expenses	38	151
Share of profit (loss) of investments accounted for using the equity method	(112)	(75)
Profit before taxes	1,564	813
Income tax expenses	400	698
Profit for the period	1,164	115
Profit (loss) for the period attributable to:		
Owners of the parent	1,124	119
Non-controlling interests	39	(3)
Total	1,164	115
	(yen)	(yen)
Profit for the period per share attributable to owners of the parent		
Basic profit for the period per share	8.72	0.93
Diluted profit for the period per share	8.70	0.93

Condensed Consolidated Statements of Profit or Loss
For the Three-month Period Ended March 31

(Millions of yen)

	Three-month period Ended March 31, 2023 (January 1, 2023 to March 31, 2023)	Three-month period Ended March 31, 2024 (January 1, 2024 to March 31, 2024)
Revenue	11,585	9,169
Cost of revenue	2,240	543
Gross profit	9,344	8,626
Selling, general and administrative expenses	8,457	8,498
Other revenue	18	938
Other expenses	16	38
Operating income	888	1,027
Financial revenue	0	39
Financial expenses	19	78
Share of profit (loss) of investments accounted for using the equity method	(42)	(39)
Profit before taxes	827	949
Income tax expenses	231	433
Profit for the period	596	515
Profit (loss) for the period attributable to:		
Owners of the parent	560	519
Non-controlling interests	36	(3)
Total	596	515
	(yen)	(yen)
Profit for the period per share attributable to owners of the parent		
Basic profit for the period per share	4.38	4.06
Diluted profit for the period per share	4.36	4.05

Condensed Consolidated Statements of Comprehensive Income
For the Six-month Period Ended March 31

(Millions of yen)

	Six-month period Ended March 31, 2023 (October 1, 2022 to March 31, 2023)	Six-month period Ended March 31, 2024 (October 1, 2023 to March 31, 2024)
Profit for the period	1,164	115
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Equity instruments measured at FVTOCI	(15)	(0)
Total of items that will not be reclassified to profit or loss	(15)	(0)
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	434	557
Share of other comprehensive income of investments accounted for using the equity method	(184)	-
Total of items that may be reclassified subsequently to profit or loss	250	557
Other comprehensive income, net of tax	234	557
Total comprehensive income for the period	1,398	672
Comprehensive income for the period attributable to:		
Owners of the parent	1,358	676
Non-controlling interests	39	(3)
Total	1,398	672

Condensed Consolidated Statements of Comprehensive Income
For the Three-month Period Ended March 31

(Millions of yen)

	Three-month period Ended March 31, 2023 (January 1, 2023 to March 31, 2023)	Three-month period Ended March 31, 2024 (January 1, 2024 to March 31, 2024)
Profit for the period	596	515
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Equity instruments measured at FVTOCI	(11)	4
Total of items that will not be reclassified to profit or loss	(11)	4
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	633	727
Total of items that may be reclassified subsequently to profit or loss	633	727
Other comprehensive income, net of tax	622	731
Total comprehensive income for the period	1,218	1,247
Comprehensive income for the period attributable to:		
Owners of the parent	1,182	1,251
Non-controlling interests	36	(3)
Total	1,218	1,247

(3) Condensed Consolidated Statements of Changes in Equity

For the Six-month Period Ended March 31, 2023 (October 1, 2022 to March 31, 2023)

(Millions of yen)

	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total shareholders' equity
Balance as of October 1, 2022	9,716	10,033	11,018	(1,009)	1,233	30,991	131	31,123
Profit for the period	-	-	1,124	-	-	1,124	39	1,164
Other comprehensive income	-	-	-	-	234	234	-	234
Total comprehensive income for the period	-	-	1,124	-	234	1,358	39	1,398
Dividends of surplus	-	-	(296)	-	-	(296)	(59)	(356)
Share-based payment transactions	-	52	-	-	6	58	-	58
Transfer to retained earnings	-	-	(44)	-	44	-	-	-
Purchase of treasury shares	-	-	-	(1,000)	-	(1,000)	-	(1,000)
Total transactions with owners	-	52	(341)	(1,000)	50	(1,238)	(59)	(1,297)
Balance as of March 31, 2023	9,716	10,085	11,801	(2,009)	1,518	31,112	111	31,224

For the Six-month Period Ended March 31, 2024 (October 1, 2023 to March 31, 2024)

(Millions of yen)

	Capital stock	Capital surplus	Retained earnings	Treasury shares	Other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total shareholders' equity
Balance as of October 1, 2023	9,716	10,035	11,662	(2,009)	3,051	32,456	97	32,554
Profit for the period	-	-	119	-	-	119	(3)	115
Other comprehensive income	-	-	-	-	557	557	-	557
Total comprehensive income for the period	-	-	119	-	557	676	(3)	672
Dividends of surplus	-	-	(545)	-	-	(545)	(1)	(547)
Share-based payment transactions	-	(21)	-	-	0	(21)	-	(21)
Equity transactions with noncontrolling interest shareholders	-	(51)	-	-	-	(51)	0	(51)
Purchase of treasury shares	-	-	-	(0)	-	(0)	-	(0)
Total transactions with owners	-	(73)	(545)	(0)	0	(618)	(1)	(619)
Balance as of March 31, 2024	9,716	9,962	11,236	(2,009)	3,608	32,514	93	32,607

(4) Condensed Consolidated Statements of Cash Flows

(Millions of yen)

	Six-month Period Ended March 31, 2023 (October 1, 2022 to March 31, 2023)	Six-month Period Ended March 31, 2024 (October 1, 2023 to March 31, 2024)
Net cash provided by (used in) operating activities		
Profit for the period before tax	1,564	813
Depreciation and amortization	1,018	1,010
Financial revenue	(4)	(68)
Financial expenses	38	151
Decrease (increase) in accounts receivable-trade and other current receivables	(758)	(145)
Increase (decrease) in accounts payable-trade and other current payables	(7)	(38)
Other	1,291	(1,232)
Subtotal	3,142	489
Interest and dividends received	4	18
Interest paid	(74)	(29)
Income taxes paid	(417)	(491)
Net cash from operating activities	2,655	(12)
Net cash provided by (used in) investing activities		
Purchase of capital financial assets	-	(98)
Purchase of property, plant and equipment	(84)	(51)
Proceeds from sale of property, plant and equipment	-	1
Purchase of intangible assets	(321)	(57)
Purchase of subsidiaries	(1,096)	-
Proceeds from sale of shares of subsidiaries	-	939
Purchase of shares of affiliates	-	(124)
Proceeds from the sale of affiliates	858	-
Payments of loans receivable	(1,302)	(1,567)
Collection of loans receivable	918	997
Other	36	34
Net cash from investing activities	(990)	74
Net cash provided by (used in) financing activities		
Proceeds from short-term loans	100	300
Repayment of short-term loans	(1,500)	(914)
Proceeds from long-term loans	-	100
Repayment of long-term loans	(1,377)	(200)
Dividends paid	(296)	(544)
Repayment of lease obligations	(372)	(367)
Dividends paid to non-controlling interests	(56)	(1)
Payments for interests in subsidiaries of non-controlling interests	-	(65)
Proceeds from payments from non-controlling interests	-	100
Purchase of treasury shares	(1,000)	(0)
Other	6	0
Net cash from financing activities	(4,497)	(1,593)
Effect of exchange rate changes on cash and cash equivalents	102	169
Net decrease in cash and cash equivalents	(2,729)	(1,362)
Cash and cash equivalents at beginning of period	16,521	16,510
Cash and cash equivalents at end of period	13,791	15,148

(5) Notes on the Consolidated Financial Statements

1. Note Regarding Going Concern Assumptions

Not applicable.

2. Subsequent Events

Not applicable.