LIFULL Co., Ltd.

Second Quarter Results

FY 2025/9 Q2 (October 2024 - March 2025)

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.



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Main Points

Steady growth in revenue and profit for the HOME'S Services segment

2. Strategic Transformation of Overseas Segment and Revisions to Full-Year Results Forecast

- Significantly reduced risk to balance sheet
- Reclassified loss-making Overseas segment to discontinued operations
- Upward revisions to net profit in the Full-Year Forecast

3. Enhancements to Shareholder Returns

- Increasing dividend payout ratio to 30% (+5 pp.)
- Commemorative dividend for the 30th anniversary of our founding



FY 2025/9 Q2 Earnings Digest



Consolidated Summary of FY 2025/9 Q2 Revenue

Positive results (+7.6% YoY) primarily from growth initiatives in the HOME'S Services segment (More details from page 13 onward)



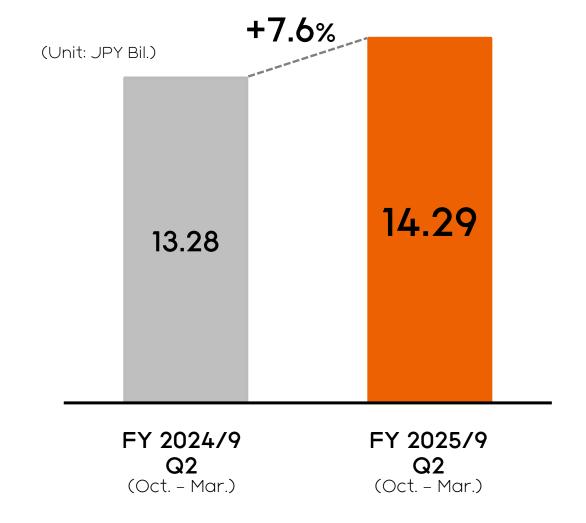
(Six-Month Period Ended March 31, 2025)

Results

YoY

¥14.2 Bil.

+7.6%





Consolidated Summary of FY 2025/9 Q2 Operating Profit

Increased profit (+6.2% YoY) primarily due to revenue growth and improved profitability of HOME'S Services (More details from page 13 onward)

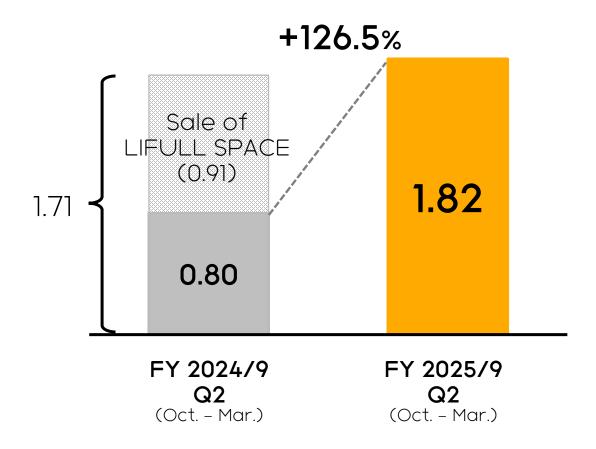
• Operating profit increased 2.2-fold after removing one-time gains from the sale of LIFULL SPACE in the previous FY.

Consolidated Operating Profit
(Six-Month Period Ended March 31, 2025)

Results
YoY

+6.2%

(Unit: JPY Bil.)





Consolidated Summary of FY 2025/9 Q2 Segment Summary

Significant improvement in profitability of the Group

- Overseas reclassified to discontinued operations. HOME'S Services only remaining reportable segment
- Improved profitability of HOME'S Services with reduced losses in Other Businesses

Other Businesses **HOME'S Services** Point Improved Profitability Closing gap on losses Segment ¥13,031 Mil. ¥1,260 Mil. Revenue Accelerated YoY +7.7% **YoY** +7.0% Growth Segment $\pm 2,175$ Mil. -¥185Mil. **Profit** YoY +98.6% Significant Improvement Continued YoY $+ \pm 67$ Mil.

Overseas

Reclassified to discontinued operations

(Significant improvement to operating profit)

(Ref.)
Results before reclassification

¥4,079 Mil. → Deconsolidated

(Ref.) Results before reclassification

▲¥732 Mil. → Deconsolidated





Strategic Transformation of Overseas Segment



Main Points of the Strategic Transformation

1. Exit from loss-making businesses

2. Results of the strategic transformation

- Significantly reduced risk to balance sheet
 (Reduced risk of goodwill impairment and payments of long-term financial liabilities (future payments))
- Improved profitability after reclassification of loss-making Overseas segment to discontinued operations
- Possibility of a future increase in the value of our shares in CONNECT NEXT

3. Focusing management resources on growth in domestic businesses in Japan



Strategic Transformation of Overseas Background

- Originally targeted international expansion of services similar to HOME'S with acquisitions of multinational aggregation services, but rapid changes in external factors led to declines in profitability
- Resolved to exit overseas operations to focus completely on domestic growth

Original Plans

Leverage experience and data of domestic and overseas businesses for international growth

Original Concept



Timeline

- 2014: Acquisition of Trovit (Spain)
- 2018: Acquisition of Mitula Group (Australia)
- 2019: Establishment of LIFULL CONNECT

Results



Growth in Direct Businesses (Portals, Brokerage)

 Although somewhat behind schedule, progress made in providing services closer to the markets



Decline in Profitability of Aggregation Services

 External factors accelerated decline in profitability of primary business

Nov. 2024: Resolved to exit Overseas

Jan. 2025: Share transfer completed

Focusing management resources on growth in Japanese businesses



Results of the Strategic Transformation Balance Sheet

Significant reduced risk to our balance sheet

- Transferred goodwill to investment securities (¥5.9 bil.) reducing percentage of total assets
- As there is no remaining goodwill, there is no longer any risk of impairment on the balance sheet.
- Long-term financial liabilities reduced to zero, eliminating future cash payments

Balance Sheet Image (Overseas)

As of Dec. 31, 2024

As of Mar. 31, 2025

(JPY Mil.)

(Assets)	(Liabilities)
Goodwill	Long-term Financial Liabilities (Earn-out)
9,911	4,215
,	(Equity)

(JPY Mil.)

(31 1 1 111.)	
(Assets)	(Liabilities)
Goodwill	Long-term Financial Liabilities (Earn-out)
Investment Securities	(Equity)
5,931	

Assets

Goodwill reclassified to investment securities

POINT Reduced risk of impairment

(Valuation gains and losses recognized on balance sheet)

Liabilities

Reduced long-term financial liabilities

(Elimination of earn-out payments)

POINT Eliminated future cash payments

Investment Securities

 Possibility of a future increase in the value of our shares in CONNECT NEXT

See page 43 for an overview of the structure for the share transfer



Results of the Strategic Transformation Statement of Profit and Loss

Loss-making Overseas segment deconsolidated and reclassified to discontinued operations

• Improved profitability and accelerated growth of domestic businesses directly impact consolidated earnings

Image of Profit and Loss Statement

		FY 2024/9	FY 2025/9	Chango	Chango %	
	(JPY Mil.)	Q2 (Oct Mar.)	Q2 (Oct Mar.)	Change	Change %	
Segme	nt Profit	117	1,995	+1,878	+1,605.1%	
	HOME'S Services	1,095	2,175	+ 1,079	+98.6%	
	Overseas	(732)	-	(732)	-	
	Other Businesses	(252)	(185)	+ 67	-	

FY 2024/9 Q2 segment profit represents the disclosed results before reclassification of Overseas into discontinued operations.

Segment Profit and Loss

Overseas segment reclassified to discontinued operations



Reduction of losses





Next Step:

Re-focusing our Resources on our Businesses in Japan

Stepping back from international expansion and prioritizing continued growth in HOME'S Services

Created with Mapchart





HOME'S Services



FY 2025/9 Second Quarter Results

HOME'S Services: Growing according to plan

Segment Results (FY 2025/9 Q2)

Revenue

Profit

¥13,031 Mil. YoY

¥2,175 Mil. YoY +98.6%



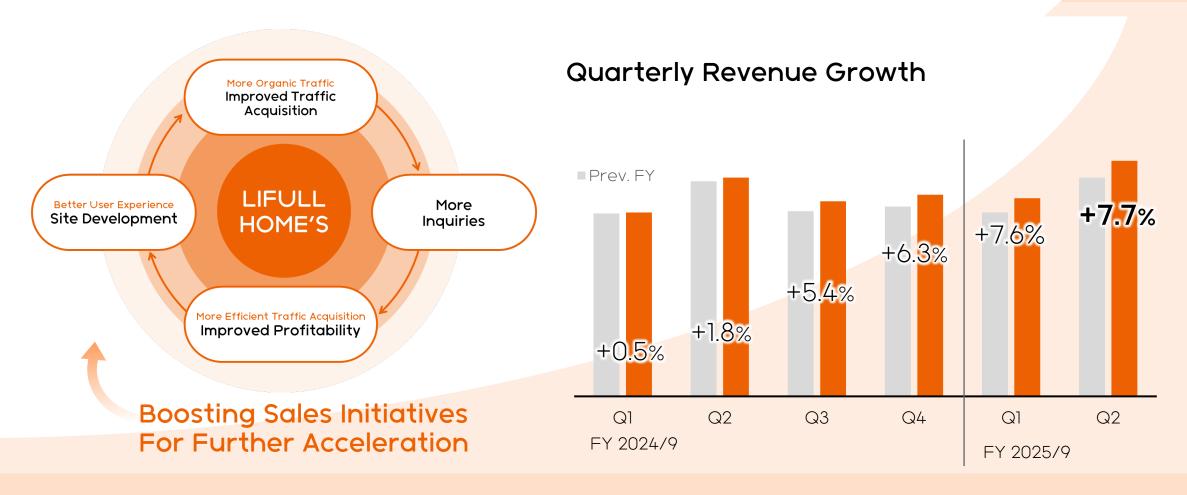
- Driving revenue through site and sales enhancements
- 2. Boosting profitability via investment optimization
- 3. Accelerating growth with generative Al





HOME'S Services Revenue Growth

- Improvements in traffic and inquiries resulting from continued site developments and sales initiatives
- Accelerated revenue growth over the last six quarters





Key Growth Levers of LIFULL HOME'S

- Growth from strengthened product development and sales initiatives
- Proactive implementation of AI also accelerating growth

=0CUS

PRODUCT

Site Improvements

- User interface & experience
- Design updates
- New features

Listing Details & Quality

- Richer listings with more relevant details for home-seekers
- Automatic removal of low-quality and unavailable



Pricing Optimization

- Different pricing models by market and region
- Adjustments for better performance



Streamlining & accelerating operations with Al

More Effective Advertising

- Constant monitoring to ensure best performance
- · Adjustments to marketing mix
- Effective use of affiliate and partner sites

PROMOTION



Stronger Client Relationships

- Stronger product proposals
- More offerings for business efficiency

Growing our Client Network

Digital Transformation (DX) Support

• DX partnerships for AI initiatives

SALES

IMPACT

- Increased brand recognition
- Traffic growth
- Better conversion rates
- More in-coming inquiries for our clients
- More satisfied clients
- Optimal pricing for value provided



Revenue Growth Improved Profit Margins



Improved Profitability in HOME'S Services

- Enhanced sales team and AI technology boosting revenue growth
- Constant monitoring and optimization of advertising and sales costs raising profitability of the segment

Revenue

YoY

+7.7% Accelerated Growth

Advertising & Sales Costs -5% More Efficiency

More effective advertising **Initiatives**

- Optimization of branding investments
- More effective breakdown of marketing
- Improved productivity through implementation of AI tools

Peak Moving Season Promotion (Jan. - Mar.)







Promotion launch event

Result

Significant Improvement in Profit

YoY

+98.6%

Proactive use of Al Technology

Improved Productivit

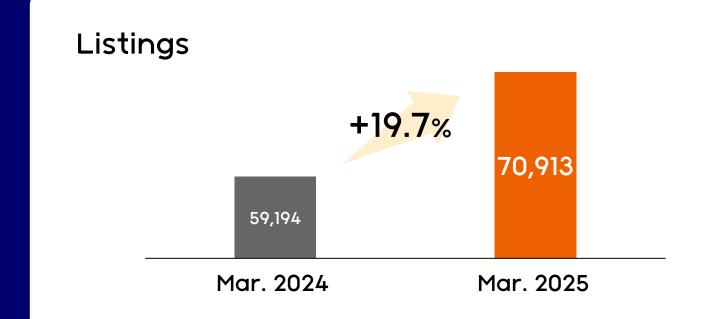


Growth in Kenbiya

- Enhanced sales initiatives contributing to growth in clients and listings after consolidation of property database with LIFULL HOME'S
- Pushing toward becoming the leading investment real estate platform in Japan

Investment Real Estate Platform
Kenbiya
健美家。





Making progress toward becoming the leading platform for investment real estate in Japan



Proactive Application of Generative Al

- Leveraging our development team to fully utilize AI both internally and externally
- Applying expertise to clients' operations to advance the digital transformation of the real estate industry

Internal

More Efficiency in the Workplace

Examples

AI-First Workplace Environment

- Specialized AI tools for our businesses
- Trainings for proactive use of Al
- Internal recognition for creative uses of AI

Improving Efficiency

- Streamlined marketing research
- Sales proposals better tailored to clients
- Automatic generation and improvement of email communications
- Reviewing and improving development projects
- Reviewing and improving marketing initiatives

External

Revolutionizing the Real Estate Industry with AI Technologies

Examples

Government-certified DX Enterprise

Proprietary Products

- Al chatbot (Al Homes-kun Beta)
- Automated enrichment of property listings
- Image editing features for listings

DX Partnerships

Joint development of a home search-focused chatbot, Al-powered internal information search system and other joint real estate projects

(Ref.) Press Releases (in Japanese)

Real Estate DX Partnership with Nomura Real Estate Solutions Co., Ltd. Real Estate DX Partnership with Housecom Co., Ltd.

Real Estate DX Partnership with TSUKURUBA Inc. to Revolutionize the Real Estate Industry

External presentations and lectures by LIFULL employees



FY 2025/9 Q2 Financial Results

Reclassification of the Overseas segment has been reflected in the figures for the previous fiscal year.



Condensed Statements of Income and Loss IFRS

- HOME'S Services in-line with targets and driving overall growth.

 Revenue: +7.6% YoY, Operating Profit: +6.2% YoY (2.2-fold increase after removing effects of one-off gains in the previous FY)
- Significant improvement to net profit primarily due to gains from the loss of control of a subsidiary and adjustments to tax expenses after strategic transformation of Overseas

Continuing Operations					
Continuing Operations & Discontinued Operations	FY2024 Q2	FY2025 Q2	Change	Change %	
Unit: JPY mil.	(JanMar.)	(JanMar.)	Change	Cridinge 78	
Revenue	13,280	14,291	+1,010	+7.6%	*
Cost of revenue	693	712	+19	+2.8%	
SG&A	11,737	11,582	-154	-1.3%	
Personnel-Related	4,411	4,689	+278	+6.3%	*
Sales & Advertising	5,061	4,646	-415	-8.2%	*;
Depreciation and Amortization	565	577	+11	+2.1%	
Other	1,698	1,668	-29	-1.8%	
Other income and expenses	867	-171	-1,039	-	*
Operating income	1,717	1,824	+106	+6.2%	
Operating income margin	12.9%	12.8%	-0.1pt	-	
Net profit*	119	3,723	+3,604	+3,027.4%	*

^{*} Net profit attributable to owners of the parent



^{*} Change % have been excluded for results that were negative in the previous fiscal year.

^{*1} Primarily due to increased revenue in HOME'S Services

^{*2} Primarily increases in bonus accruals due to increased profit

^{*3} Primarily from optimization of advertising spend for LIFULL HOME'S

^{*4} One-off gains from sale of LIFULL SPACE in prev. FY (¥0.91 bil.) and impairment from changes to plans for IT systems (¥2.0 bil.)

^{*5} Primarily due to application of accounting treatment of transfer of the Overseas segment (See page 28)

Revenue / Income and Loss by Segment IFRS

- Revenue (+7.7% yoy) and profit (98.6% yoy) growth from initiatives in HOME'S Services (See page 12 onward for details)
- Reduced losses in Other Businesses due to growth in LIFULL senior and Regional Revitalization as well as the addition of revenue from Rakuten STAY properties acquired in Dec. 2024 (Acquired for knowledge-sharing purposes)

	FY2024 Q2	FY2025 Q2	Change	Change	Main items	
Unit: JPY mil.	(JanMar.)	(JanMar.)		%		
Revenue	13,280	14,291	+1,010	+7.6%		
HOME'S Services	12,102	13,031	+928	+7.7%	Driven by increases in site traffic and inquiries	
Other	1,177	1,260	+82	+7.0%	One-off gains from sale of LIFULL SPACE in prev. FY and addition of revenue Rakuten STAY accomodations in Dec. 2024 (for knowledge sharing on vacation rentals)	

Unit: JPY mil.	FY2024 Q2 (JanMar.)	FY2025 Q2 (JanMar.)	Change	Change %	Main items
Segment income and loss	850	1,995	+1,145	+134.8%	
HOME'S Services	1,095	2,175	+1,079	+98.6%	Increase due to revenue growth and optimization of advertising efforts
Other	-252	-185	+67	-	Reduction of losses primarily due to improved profitability of LIFULL senior, selective focus within the Regional Revitalization business and gains from Rakuten STAY accomodations acquired in Dec. 2024 (for knowledge sharing on vacation rentals)
Inter-segment transactions	7	6	-1	-14.6%	

Intersegment transactions have been eliminated.

Primary businesses in each segment are listed on Page 45.

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



Condensed Statement of Financial Position and Goodwill IFRS

- Goodwill reclassified to investment securities as part of strategic transformation of Overseas segment
- Significantly lower risk of goodwill impairment and long-term financial liabilities (future cash payments)

Unit: JPY mil.	As of Sep 30, 2024	As of Mar 31, 2025	Change	Change %		Main	items
Assets	41,191	37,436	-3,755	-9.1%			
Current assets	21,589	16,527	-5,061	-23.4%	Cash Accounts Receivable - Trade	-6,101 -243	Refer to "Condensed Statement of Cash Flows"
					Deconsolidation of Overseas	-2,757	
Non-current assets Primary Items Goodwill Investment	19,602 9,954 555	20,908 389 6,524	+1,306	+6.7%	Right-of-Use Assets Goodwill Investment Securities Deferred Tax Assets	-590 -9,565 +5,968 +1.151	¥9.9 bil. from Overseas Prim. for acq. of preferred shares of CONNECT NEXT
					Investment Property	+5,587	Primarily from acquisition of Rakuten Stay properties
-					Deconsolidation of Overseas	-6,236	Primarily from acquisition of Rakuten Stay properties
Liabilities	16,989	12,806	-4,182	-24.6%			
Current liabilities	10,295	5,308	-4,986	-48.4%	Accounts Payable - Trade Short-Term Loans Payable	-612 -2,954	
					Deconsolidation of Overseas	-1,922	
	6,693 ong-Term al Liabilities 4,266	7,497 266	+803	+12.0%	Long-Term Loans Long-Term Lease Obligations Deferred Tax Liabilities Other Long-Term Fin. Liabilities	+5,869 -490 -461 -3,999	Primarily from acquisition of Rakuten Stay properties Elimination of earnout payment
					Deconsolidation of Overseas	-4.879	
					Capital Surplus	+3,630	
Total Equity	24,202	24,629	+427	+1.8%	For. Currency Translation Adjustm.	-3,187	Primarily from deconsolidation of Overseas
					Deconsolidation of Overseas	-2,192	
Equity per share attributable to owners of the parent (JPY)	188.33	191.45	+3.12				Primary Remaining Goodwill (in JPY)



^{2.} Depreciable assets (PPA) for Kenbiya: ¥397 mil.



Condensed Statement of Cash Flow IFRS

- Increase in operating cashflow due to profit in continuing operations
- Fluctuations in investing and financing cash flows due to acquisition of Rakuten STAY properties, transformation of Overseas and repayment of loans
- Cash and cash equivalents decreased to ¥8.5 bil.

FY2024 Q2 FY2025 Q2		Change	Main items			
Unit: JPY mil.	(JanMar.)	(JanMar.)	_	Items	FY2024 Q2	FY2025 Q2
				Profit for the period before tax	+1,631	+1,801
				Profit for the period before tax from discont. operations	-817	+619
				Depreciation and amortization	+1,010	+798
				Impairment loss	-	+200
Operating cash flow	-12	1,369	+1,381	Decr. (incr.) in accounts receivable-trade and other curr. receivables	-145	-483
Operating cash now	-12	1,309	T 1,30 I	Incr. (decr.) in accounts payable-trade and other curr. payables	-38	-278
				Gains or losses on loss of control of subsidiaries	-	-1,224
				Loss on derecognition of financial assets	-	+349
				Other	-1,232	-38
				Income taxes paid or reimbursed (paid)	-491	-395
				Purchase of property, plant or equipment	-51	-6,488
				Loss of control of subsidiaries	-	-2,722
Investing cash flow	74	-9,370	-9,445	Proceeds from sale of subsidiaries	+939	-
				Payments of loans receivable	-1,567	-1,523
				Proceeds from collection of loans receivable	+997	+1,455
				Proceeds from short-term loans	+300	+300
Elizabeth a samely discou	4 500	0.704	. 4 040	Proceeds from long-term loans	+100	+6,216
Financing cash flow	-1,593	2,724	+4,318	Repayment of loans Dividends paid	-1,114	-3,366
				Repayment of lease liabilities	-544 -367	-93 -339
				Repayment of lease liabilities	-307	-339
Change in cash and cash equivalents	-1,362	-6,101	-			
Balance of cash and cash equivalents	15,148	8,532	-6,615	_		



Revisions to the Full-Year Forecast



Main Factors of the Revisions

- Upward revision to net profit resulting from the strategic transformation of the Overseas segment
- 2. No revisions to HOME'S Services (Continued Growth)
- 3. Revisions for delays in Other Businesses

(Other Changes): Changes to breakdown of General, Selling and Administration Expenses

See page 48 for more details



Revised Full-Year Forecast for FY 2025/9

Overview of Revisions

- Retroactively reclassified Q1 Overseas results to discontinued operations and accounting treatment applied
- Adjusted results of Other Businesses to reflect delays in business plans
- No adjustments made to HOME'S Services in-line with full-year targets

Condensed Statemants of Income and Loss

Linith Millians of con-	FY 2025/9 (OctSep.) [Prev.	FY2025/9 (OctSep.) [Curr.	Change	Change %
Unit: Millions of yen	Forecast]	Forecast]	0.450	7.00/
Revenue	30,659	28,500	-2,159	-7.0%
Cost of revenue	2,304	1,889	-415	-18.0%
SG&A (excl. depreciation)	25,151	23,131	-2,020	-8.0%
Personnel	10,482	9,814	-668	-6.4%
Advertising & Sales	9,013	8,682	-331	-3.7%
Other	5,655	4,635	-1,020	-18.0%
Other revenues and expenses	96	-178	-274	-
Operating income	3,300	3,300	+0	-
Operating income margin	10.8%	11.6%	+0.8pt	-
Net profit*	1,900	4,200	+2,300	+121.1%

Revenue by	Segment

Unit: Millions of yen	FY 2025/9 (OctSep.) [Prev. Forecast]	FY2025/9 (OctSep.) [Curr. Forecast]	Change	Change %
Revenue	30,659	28,500	-2,159	-7.0%
HOME'S Services	25,100	25,100	-	-
Overseas	1,909	_	-1,909	-
Others	3,650	3,400	-250	-6.8%

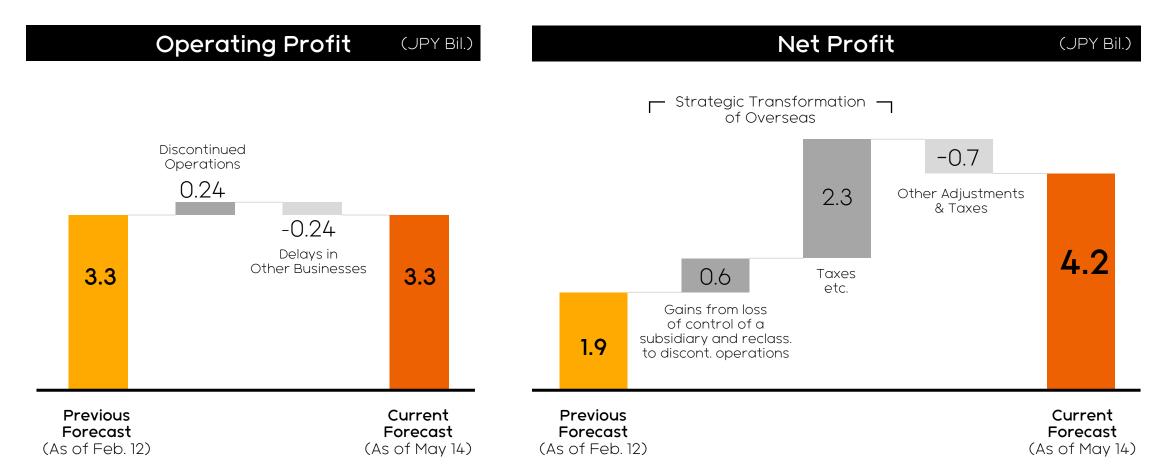
^{*} Change % have been excluded for results that were negative in the previous fiscal year.



^{*} Net profit attributable to owners of the parent

Revised Forecast: Profits at Each Stage

- Although the reclassification of the Overseas segment to discontinued operations and delays in Other Businesses impacted operating profit, the overall total remains unchanged
- Gains from the loss of control of a subsidiary and tax adjustments associated with the accounting treatment of Overseas applied to net profit





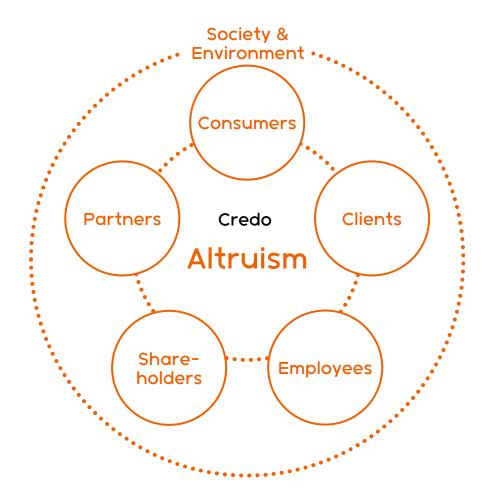
Enhancements to Shareholder Returns

(Increases to Dividend Payout Ratio & Issuance of a Commemorative Dividend)



LIFULL Group Management Policy

Will-Centric Public Interest Capitalism



Consumers	Services to enhance peoples' lives (i.e. LIFULL HOME'S)
Clients	Services to improve the efficiency of our clients' businesses
Employees	Creating the best team Employee stock options and ownership plans
Partners	Open innovation initiatives (i.e. creation of the Real Estate Consortium)
Shareholders	Management mindful of the cost of capital
Society	Services and initiatives around social issues (i.e. Regional Revitalization and One P's)
Environment	Investments in environmentally-minded start-ups and TCFD-relate disclosures



Increase to the Dividend Payout Ratio

The strategic transformation of the Overseas segment has stabilized our financial base, and we in a position to completely focus on growing our profitable businesses in Japan.

Therefore, we have resolved to increase shareholder returns.

Dividend Policy Concept

We distribute our profits four ways to give back to our stakeholders:

Society (Government): Taxes

Employees: Bonuses

Shareholders: Dividends

Retained Profits: Growth investments

Pursuing further enhancement building on the foundation of business growth

--- (Ref.) Past Revisions ----

FY 2018/9: Raised dividend payout ratio from 20% to 25% FY 2013/3: Raised dividend payout ratio from 15% to 20%

From FY 2025/9

Raise dividend payout ratio

from 25% to 30%

(Ref.) Projected Dividend per Share for FY 2025/9

¥6.33 (+¥5.60 YoY)

Figure provided for reference purpose only and calculated based on the net profit of the revised full-year results forecast for FY 2025/9 and average number of shares as of the end of Mar. 2025.

For more details, refer to the <u>Notice of Revisions to the Dividend Policy</u> announced on May 14, 2025.



Calculation of Regular Dividends

 Distributable earnings are calculated in-line with our dividend policy by excluding certain non-recurring, non-cash factors from the current profit.

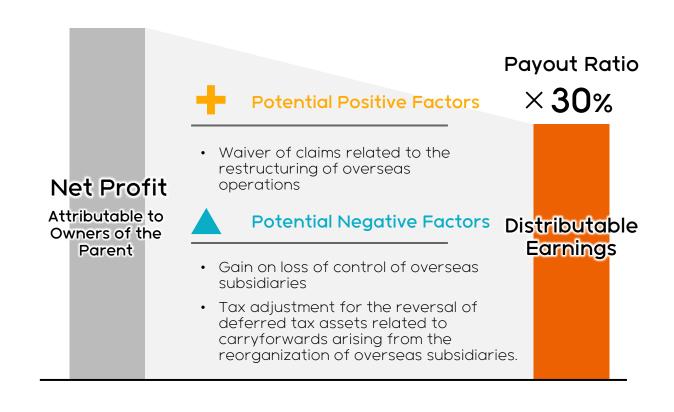
Dividend Policy

No changes have been applied to the dividend policy apart from the increase in the payout ratio

If net profit attributable to owners of the parent fluctuates significantly due to extraordinary or non-recurring factors, we may take these factors into consideration in calculating the dividend amount.

In the event that the Group records a net loss for the fiscal year, the dividend amount may be set at zero.

More information regarding dividends and other shareholder returns is available on our Investor Relation website.

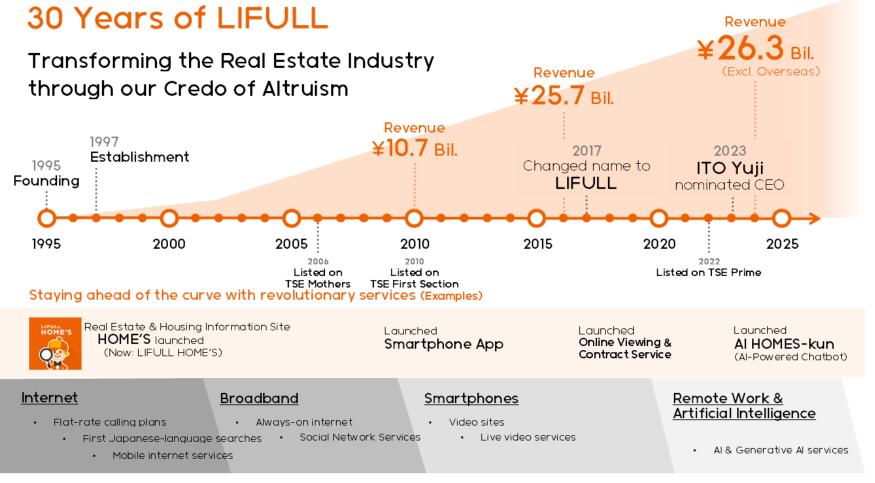




Commemorative Dividend

As we will celebrate the 30th anniversary of the founding of the company on July 1, 2025, we will issue a commemorative dividend of ¥1.0 per share in appreciation of the support of our shareholders.

Record date: Sep. 30, 2025 (Subject to approval at the Annual General Meeting of Shareholders scheduled for December 2025.)



July 1, 2025

30th Anniversary of our Founding

Record Date:

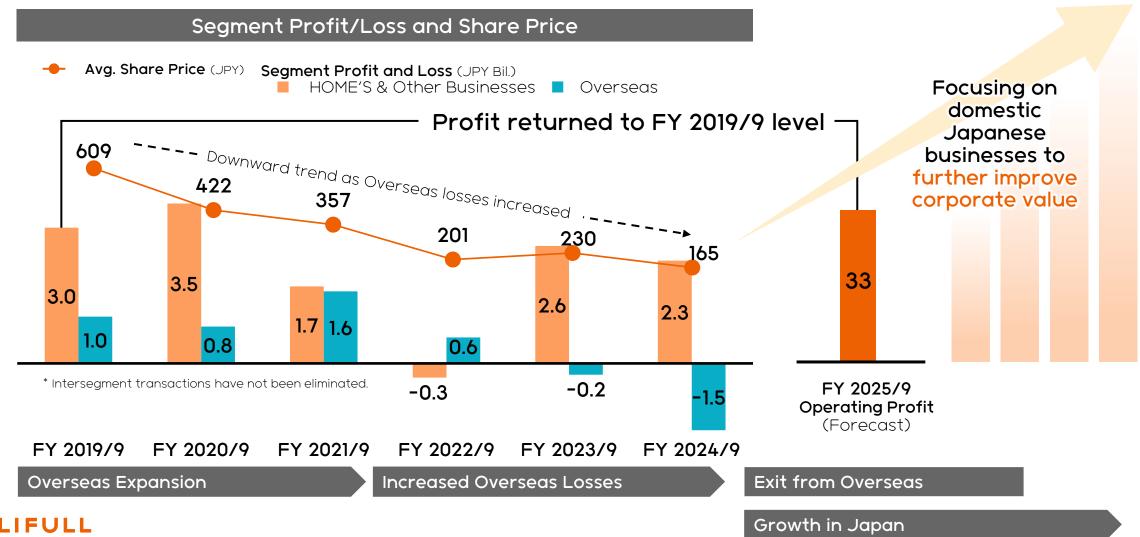
September 30, 2025

Planned Commemorative Dividend of

¥1.0

Share Price vs. Segment Profit and Loss

- Share price has continued to decline with declining performance of the Overseas segment
- Targeting increased corporate value as domestic businesses continue to become more profitable





Enhancing shareholder returns as our domestic businesses grow

— Businesses

Strategic Transformation of Overseas

- Significantly reduced risk to the balance sheet
- Improved profitability of the LIFULL Group

Focusing management resources on domestic businesses in Japan

Growth in HOME'S Services



Shareholder Returns -

- Increased dividend payout ratio by 5 pp.
- Issuing a commemorative dividend for the founding of the company

(Ref.) Sample Calculation of Dividends

Regular Commemorative Total/Share $\pm 6.33^1 + \pm 1.0 = \pm 7.33$

Dividend Yield: 4.85%²



Share Acquisition by Representative Director, ITO Yuji

ITO will be acquiring approx. ¥300 mil. worth of shares of the Company from the market from May 15, 2025



Overview

Acquisition Period: For a certain period beginning May 15

Acquisition Amount: ¥300 mil. (Including trading fees) (Max. 1.37 mil. shares)

Purpose: Deepen commitment to management, foster value sharing with shareholders and striving for further enhancement of corporate value.

(Ref.) Shareholding ratio before acquisition

156,518 shares (Ratio of Outstanding Shares: 0.11%) Actual number of shares held as of May 8, 2025

Refer to the <u>Notice Regarding the Purchase of Shares by Representative Director, ITO Yuji</u> released on May 14, 2025.



Appendices



Corporate Information (as of March 31, 2025)

Company LIFULL Co., Ltd.

Stock code 2120 (TSE Prime)

Representative INOUE Takashi, 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 9,719 mil.

Stock issues 134,380,704 shares (incl. 6,245,320 shares of treasury stock)

Consol. number of 1,016 (incl. 123 temporary and 106 overseas)

employees

Major shareholder LIFULL Directors, Rakuten Group, Inc. (18.59%)

Main subsidiaries LIFULL senior Co., Ltd.

Kenbiya Co., Ltd.









LIFULL HOME'S



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.







Real Estate
Agents/ Brokers

Property Information



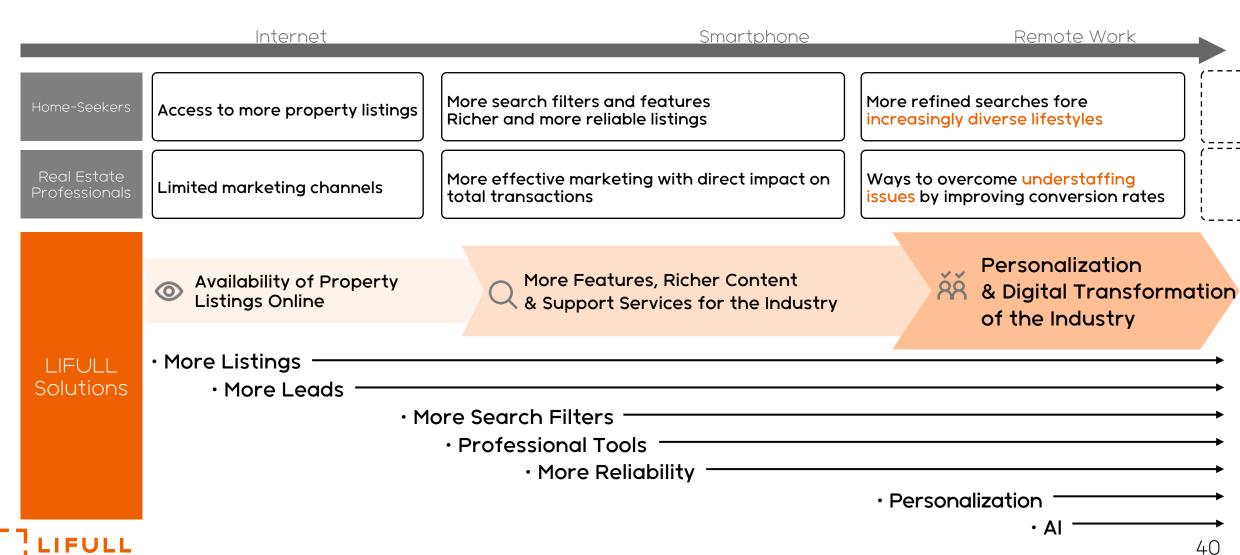
- Search by city, train line, station or time to destination
- Filters including "No Deposit," "Pets Allowed"
- Select and compare multiple properties
- To-do lists, new property notifications and other extensive support services





Market Needs Over Time (End Users and Real Estate Professionals)

The housing market is evolving. With robust internet access and diverse lifestyles are shifting demand from simply more units to higher quality living. This presents a prime opportunity for innovation.



LIFULL HOME'S Worldview (Reference)



INQUIRY VIEWING



Inquiries more likely to convert are the value we provide to our clients



More Inquiries

- Better UX & UI
- Promotion
- SEO
- More clients and property data

Better Conversion Rates



Sumai No Madoguchi (In-person consultation service)



Utilization of AI More accurate listing data



Richer Lead Data



DX Support for real estate professionals



More Inquiries



Better Conversion Rate

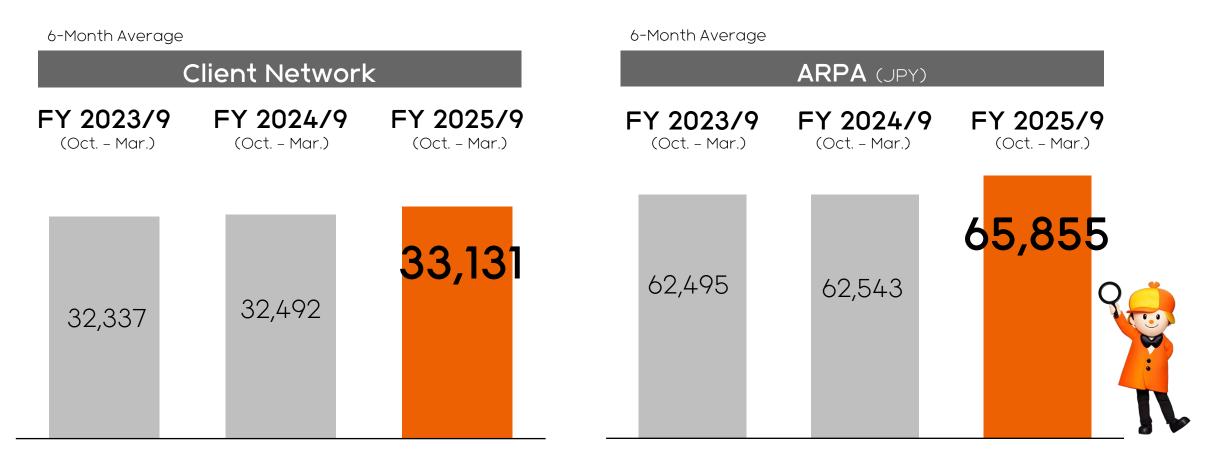


More high-quality leads for our clients



HOME'S Services Key Performance Indicators Client Network and ARPA

Continued growth in the client network due to sales initiatives ARPA increased due to increased traffic and in-coming inquiries.



Beginning from this fiscal year, we have changed the number of clients to reflect the number of invoiced clients to client contracts. Past figures have also been adjusted accordingly.



ARPA: Average Revenue Per Agent Calculation: HOME'S Services Revenue / Client Network

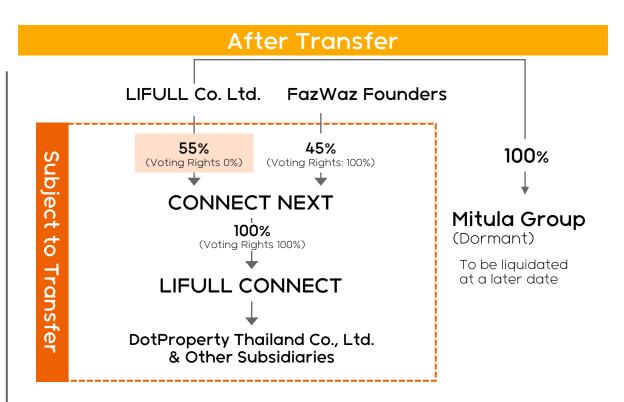
Share Transfer Structure

Shares of LIFULL CONNECT have been contributed in-kind in exchange for 55% non-voting, preferred shares of CONNECT NEXT. (LIFULL CONNECT and CONNECT NEXT will be excluded from consolidation.)

Refer to the Jan. 17, 2025, release for more details: (Update) Notice Regarding the Transfer of a Specified Subsidiary

Before Transfer LIFULL Co. Ltd. 100% 100% Subject (Voting Rights 100%) FazWaz Mitula Group LIFULL CONNECT **Founders** ð (Dormant) To be liquidated Transfer at a later date 65% 35% DotProperty Thailand Co., Ltd.

- Direct management of LIFULL CONNECT
- Payment for remaining 35% of DotProperty Thailand (earnout)



- LIFULL CONNECT removed from consolidation (pure investment)
- Expiration of earnout payment requirement



Primary Group Companies

	(Listed according to date of founding / acquisition)
LIFULL senior Co., Ltd.	 Operation of one of the largest search engines for nursing homes and senior housing in Japan, LIFULL Nursing Care Operation of the search site "Minna no ihinseri" for companies which organize the possessions of the deceased
LIFULL FaM Partners Co., Ltd. (Name changed from LIFULL bizas on Apr. 1, 2025)	 Contractor for clerical work and other back-office operations Contractor for call center operations
LIFULL Investment Co., Ltd.	Operation of the LIFULL Regional Revitalization Fund and real estate financing business
LIFULL Tech Vietnam Co., Ltd.	Offshore, lab-type, software and application development as well as creative production
LIFULL ArchiTech Co., Ltd.	Research and development on construction and living environments; management of patents
Kenbiya Co., Ltd.	Operation of the real estate investment site Kenbiya and LIFULL HOME'S Investment Real Estate (Japanese: LIFULL HOME'S不動産投資)
LIFULL Leadership Co., Ltd.	Employee training consultant: Designing and providing training courses for leadership development and management skills
LIFULL Tech Malaysia SDN. BHD.	Offshore, lab-type, software and application development as well as creative production
LIFULL Financial	Planning, operation and sales of accommodation service LIFULL STAY
LIFULL Agri Loop	Research, production and sales of KET technology

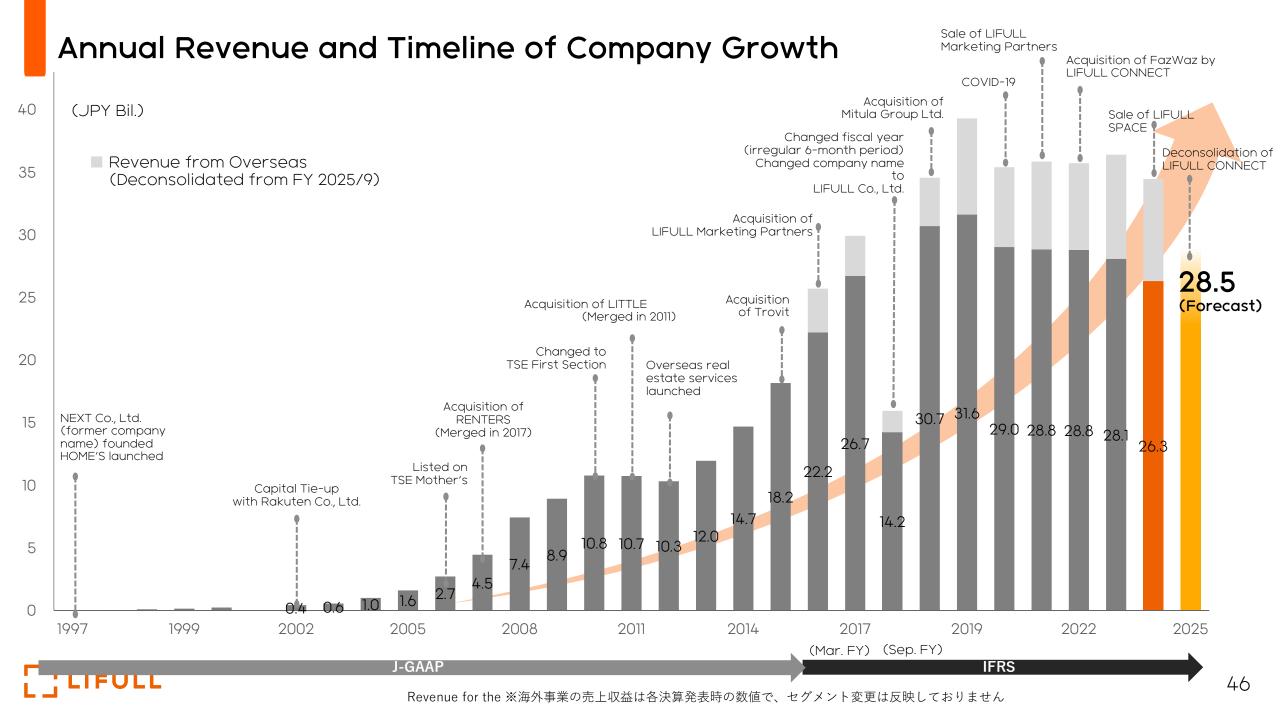


Segments and Primary Services

Segments	Main services					
HOME'S Services	LIFULL HOME'S AD Master (former Renter's Net) NabiSTAR					
	Kenbiya (Kenbiya Co., Ltd.) Offshore Development (LIFULL Tech Vietnam, LIFULL Tech Malaysia)					
	LIFULL <i>Kaigo</i> (Nursing Care) (LIFULL senior Co., Ltd.)					
	Regional Revitalization Business Real Estate Financing Business (LIFULL Investment Co., Ltd.)					
Other Businesses	Regional Revitalization Fund (LIFULL Investment Co., Ltd.) Real Estate NFT (LIFULL Financial Co., Ltd.)					
	Dance (Professional D.LEAGUE Dance Team: LIFULL ALT-RHYTHM) Other LIFULL subsidiaries and new services					

^{*}Overseas segment deconsolidated and reclassified as a discontinued operation (Share transfer completed on January 21, 2025) HOME'S Services only remaining reportable segment





Consolidated Statements of Profit and Loss Quarterly

			FY2	FY2025				
	Unit : JPY mil	Q1	Q2	Q3	Q4	Q1	Q2	
Revenue		6,096	7,183	6,374	6,657	6,458	7,833	
	HOME'S Services	5,527	6,575	5,860	6,060	5,951	7,079	
	Other Businesses	569	608	513	596	506	753	
Cost of revenue		344	344 348 335		336	340	371	
SG	SG&A		153 6,584 5,289		5,654	5,369	6,213	
	Personnel-related Exp.	2,211	2,199	2,241	2,299	2,342	2,347	
	Sales & Advertising Exp.	1,828	3,233	1,929	2,210	1,840	2,806	
	Depreciation/Amortization Exp.	284	281	281	260	270	306	
	Other SG&A	829	869	836	884	915	753	
Other revenues and expenses		-25	893	-33	-74	81	-252	
Operating income		573	1,144	717	592	828	995	
(Operating income margin	9.4%	15.9%	11.2%	8.9%	12.8%	12.7%	
Net profit*		-400	519	-175	-8,407	383	3,339	

Net income = Net income attributable to owners of the parent

Changes from FY 2025/9 Q2

- The Overseas segment has been reclassified as discontinued operations. Refer to the FY 2025/9 Q1 Earnings Presentation (page 32) for prior results.
- The breakdown of SG&As has been revised as of FY 2025/9 Q2.
 See page 48 for more details.



²⁾ Inter-segment transactions have been emitted

Adjustments to Breakdown of SG&As

From the second quarter, we have revised the breakdown of our selling, general and administrative expenses. These changes will better align our perspective with investors.

Selling, General and Administrative Expenses





https://lifull.com/en/sustainability/people/

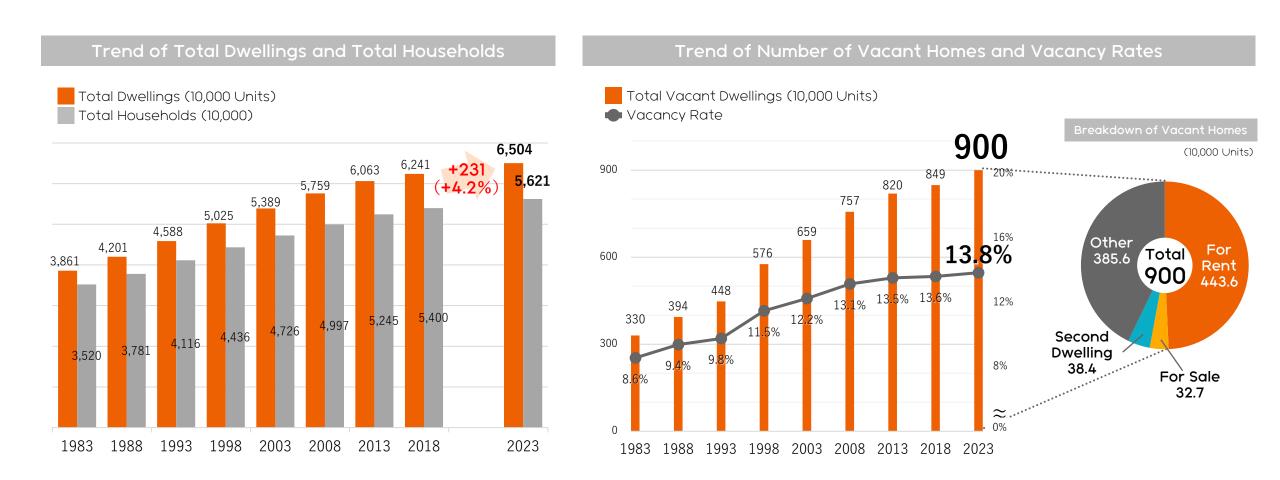
(Ref.) External Market Data Monthly

		Annual			2023			2024												2025		
		2022 (Jan-Dec)	2023 (Jan-Dec)	2024 (Jan-Dec)	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
(1) Number of	Capital Region	29,569	26,886	23,003	1,486	2,743	5,975	1,112	1,319	2,451	972	1,550	1,662	1,496	728	1,830	1,883	2,231	5,819	620	1,288	2,210
Apartments	YoY	-12.1%	-9.1%	-3.5%	-46.3%	-4.3%	3.8%	56.6%	-27.6%	0.5%	-42.5%	-19.9%	-12.8%	-42.3%	-50.4%	-13.7%	23.4%	-18.7%	-2.4%	-44.2%	-2.4%	-9.8%
for Sale	Kinki	18,952	18,953	18,953	1,293	1,021	3,888	727	1,059	1,448	1,095	1,051	1,030	1,524	632	1,280	1,157	1,730	2,404	769	1,450	1,589
101 3410	YoY	124.7%	224.7%	224.7%	-39.0%	-43.2%	31.7%	26.7%	27.1%	1.7%	31.0%	2.6%	-25.6%	82.1%	-28.0%	-8.1%	-10.5%	69.4%	-38.2%	5.8%	36.9%	9.7%
(0)	Capital Region	6,261	6,262	6,262	6,567	8,250	6,970	7,956	7,122	7,623	7,662	7,486	8,199	7,847	9,532	7,739	9,239	7,988	7,335	7,343	7,943	10,485
(2) Apartment	YoY	102.9%	202.9%	202.9%	-3.2%	36.7%	25.4%	22.2%	5.1%	-43.2%	-1.1%	-7.2%	25.2%	-21.1%	32.5%	15.0%	40.7%	-3.2%	5.3%	-7.7%		37.5%
Price Trend		4,563	4,564	4,564	3,851	5,282	4,615	6,390	7,398	5,037	5,157	5,750	5,629	4,975	4,926	5,841	3,789	5,225	5,090	4,032	4,424	5,500
	YoY	109.1%	209.1%	209.1%	-28.3%	1.2%	15.2%	34.6%	46.4%	7.1%	-0.7%	14.8%	32.1%	-4.1%	13.4%	29.0%	-1.6%	-1.1%	10.3%	-36.9%	-40.2%	9.2%
		2022	2022	2024																		
		2022 (Jan-Dec)	2023 (Jan-Dec)	2024 (Jan-Dec)	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
	House for Rent	345,080	343,894	342,044	31,671	28,275	25,869	24,681	24,934	28,204	34,598	27,194	28,233	31,546	28,939	31,033	29,541	26,729	26,424	24,387	25,744	42,525
	YoY	7.4%	-0.3%	-0.5%	-1.0%	-5.3%	-3.6%	2.7%	1.0%	-13.3%	20.6%	-5.2%	-6.2%	4.6%	-1.4%	4.4%	-6.7%	-5.5%	2.1%	-1.2%	3.2%	50.6%
(3) New Build	Apartment	108,198	107,879	102,427	10,174	7,671	9,722	9,020	7,483	8,977	12,226	10,976	8,241	6,070	7,501	7,651	8,837	7,895	7,550	9,051	8,422	10,807
Starts	YoY	6.8%	-0.3%	-5.1%	9.4%	-5.2%	19.8%	-24.8%	-23.3%	-21.1%	69.0%	13.2%	-2.1%	4.7%	-5.0%	-7.0%	-13.1%	2.9%	-22.3%	0.3%	12.5%	20.4%
(Units)	House	145,992	137,286	121,191	11,368	11,835	11,470	9,867	9,710	10,113	10,579	10,106	10,007	9,975	9,578	10,111	10,511	10,124	10,513	8,715	9,628	12,472
(OIIIts)	YoY	3.5%	-6.0%	-11.7%	-8.8%	-4.3%	-4.2%	-6.7%	-13.3%	-12.7%	-14.4%	-13.0%	-13.8%	-9.9%	-17.4%	-8.2%	-7.5%	-14.5%	-8.3%	-11.7%	-0.8%	23.3%
	Owned house	253,287	224,352	218,132	18,078	17,789	17,031	14,805	16,307	16,644	17,877	17,238	19,183	19,863	19,601	19,355	19,706	19,771	17,821	13,525	16,272	22,867
	YoY	-11.3%	-11.4%	-2.8%	-17.2%	-17.3%	-13.8%	-11.0%	-11.2%	-4.8%	-3.9%	-8.6%	-5.6%	-4.0%	-6.6%	-0.9%	9.0%	11.1%	4.6%	-8.6%	-0.2%	37.4%
		2022 (Jan-Dec)	2023 (Jan-Dec)	2024 (Jan-Dec)	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
	Total	5,310,972	5,263,249	5,207,746	386,943	345,144	352,989	330,304	364,133	878,487	727,671	399,588	337,904	404,788	355,918	351,525	378,202	329,414	349,812	327,312	357,056	905,179
(4) Internal Migrants	YoY	1.2%	-0.9%	-1.1%	4.7%	-1.0%	1.4%	1.6%	0.0%	-6.5%	7.8%	-2.4%	-7.9%	8.2%	-6.2%	2.1%	-2.3%	-4.6%	-0.9%	-0.9%	-1.9%	3.0%
	Only Japanese	4,775,207	4,696,572	4,603,155	335,921	298,636	308,506	286,971	321,983	799,913	655,278	350,367	294,894	355,804	313,909	305,877	326,783	284,962	306,414	286,595	314,397	821,146
	YoY	-0.9%	-1.6%	-2.0%	2.8%	-2.3%	0.2%	2.2%	-0.9%	-7.8%	5.9%	-3.5%	-8.7%	7.2%	-5.6%	1.8%	-2.7%	-4.6%	-0.7%	-0.1%	-2.4%	2.7%
(5) Japan Population	Unit : Thousand	Oct. 1, 2022	Oct. 1, 2023	Oct. 1, 2024	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
	Total	124,947	124,352	123,790	124,352	124,342	124,299	124,143	124,105	124,003	124,002	123,941	123,979	123,975	123,887	123,779	123,802	123,784	123,740	123,590	123,540	123,440



(Ref.) 2023 Housing and Land Survey Results (Statistics Bureau of Japan)

The Statistics Bureau of Japan released the results of the Housing and on Sep. 30, 2024. The number of dwellings has continued to increase by 23.1 mil. from 2018 totaling 65.04 mil. as of Oct. 1, 2023.





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