

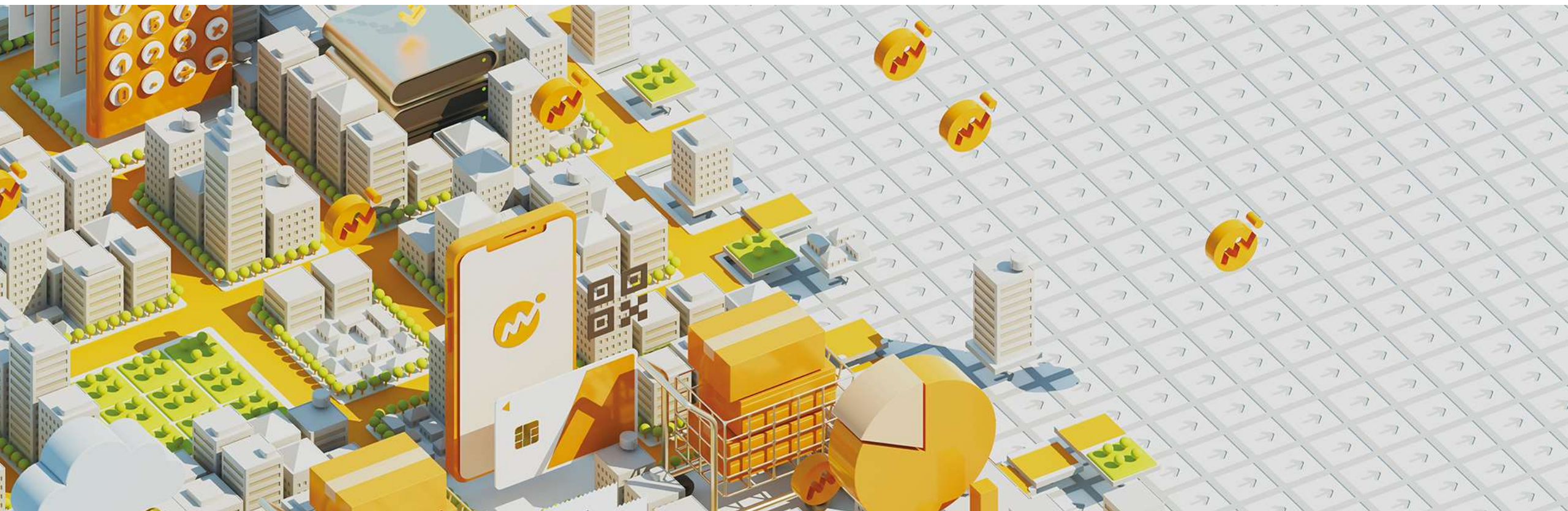
Financial Results for the
2nd Quarter of Fiscal Year
Ending November 30, 2023



July 18, 2023

Our Business	P.2
Highlights in FY11/23 Q2	P.9
Financial Performance of Each Business Domain in FY11/23 Q2	P.22
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Our Business



Updated Values and Culture in Light of Organizational Expansion and Diversification



MISSION

Money Forward. Move your life forward.

VISION

Becoming the financial platform for all

Updated

Updated

New

VALUES **User Focus** | **Tech & Design** | **Fairness** CULTURE **Speed** | **Professional** | **Teamwork** | **Respect** | **Evolution** | **Fun**

* Renamed "Technology Driven" to "Tech & Design" under "Values." Renamed "Pride" to "Professional" and added "Evolution" under "Culture."

Create a Sustainable Society Through Realizing Our Mission/Vision

We have set 3 priorities to achieve the SDGs targets.

We contribute to resolving financial issues for all and create society that drives challenge.

User Forward

- Provide services that solve financial issues for a diverse range of users (corporates, sole proprietors, and individuals)
- Solve users' problems with technology and design
- Promote investment in security to ensure the safety

Society Forward

- Contribute to DX of society with diverse partners
- Promoting activities to realize a better social system
- Practice environmentally friendly management

Talent Forward

- Create diverse growth opportunities to draw out the potential of employees
- Management's commitment to member development
- Create an environment that accepts diverse viewpoints regardless of gender, nationality, age, and educational background

SDGs Target

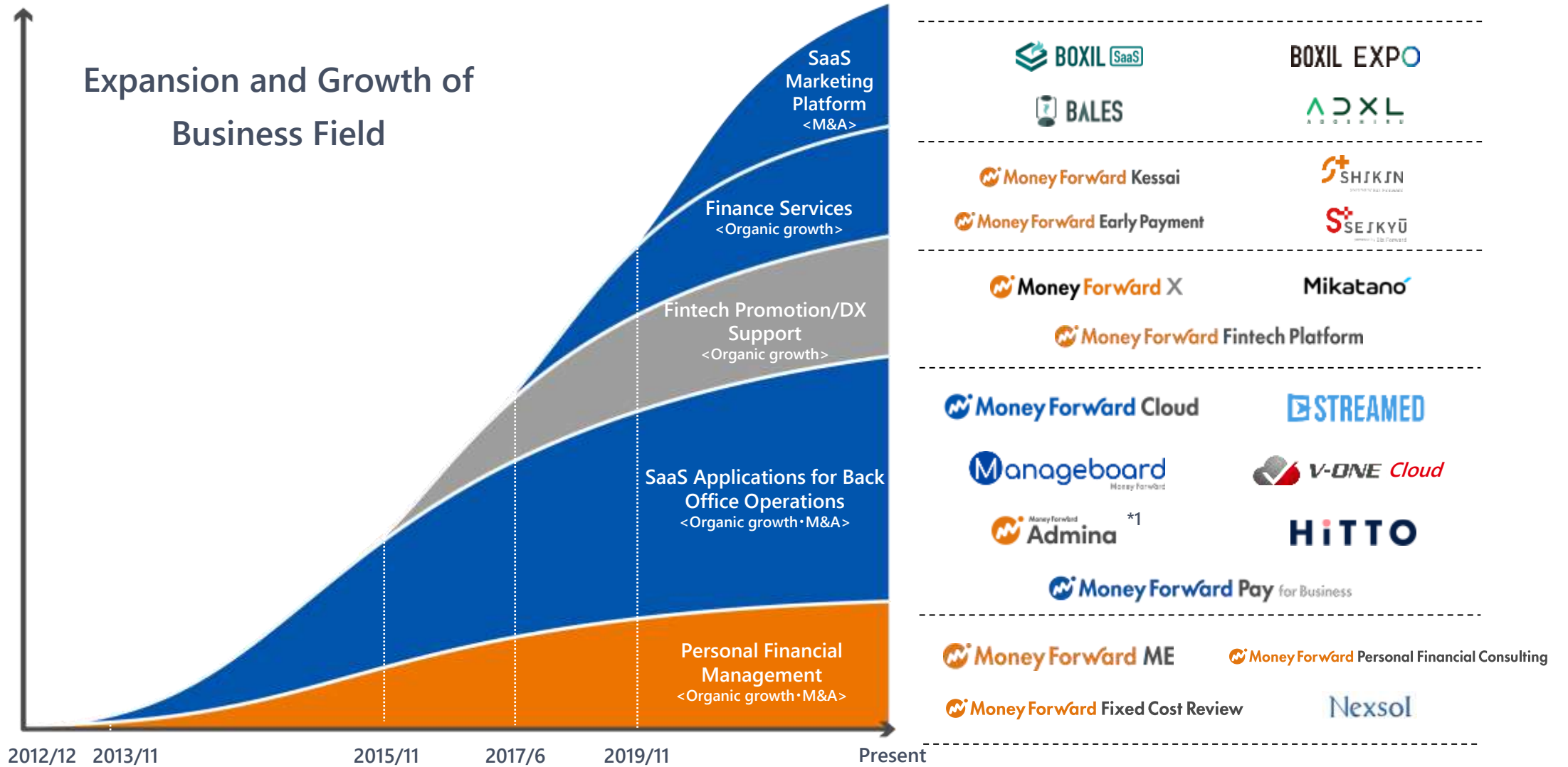


Foundations Supporting 3 Priority Themes

Penetration of Money Forward's Mission/Vision/Values/Culture

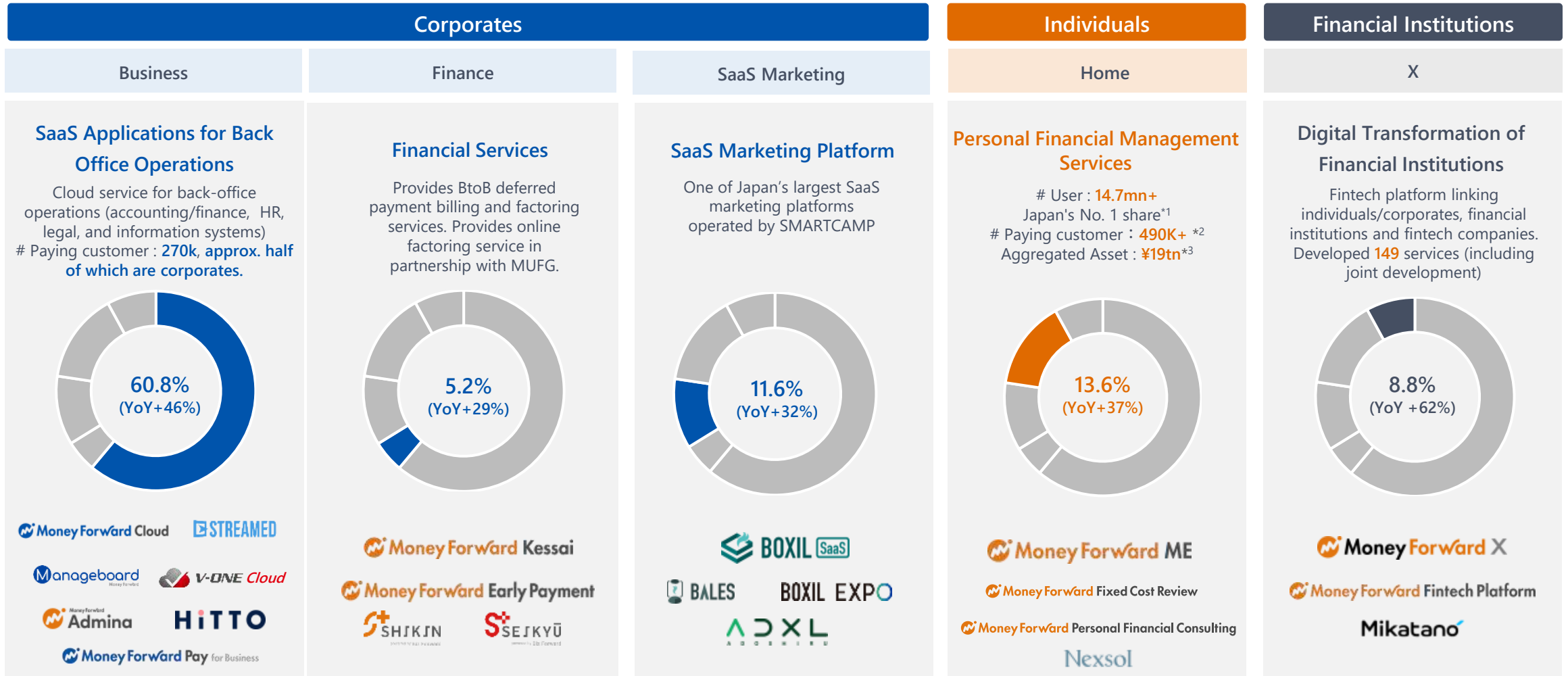
Governance that Balances Offense and Defense

Expanding Business Field Through New Business Development and M&A



*1 Renamed Money Forward IT Management(SaaS management system) Cloud to Money Forward Admina.

Providing One of Japan's Largest User Base and Product Lineup in SaaS / Fintech Field



* Pie chart shows the cumulative proportion of FY11/23 Q2 revenue. *1 Accumulated number of users of *Money Forward ME* provided in the Home domain. It is the total number of *Money Forward ME* app downloads and web registrations. The number of users of services for financial institutions provided in the X domain, which were included in the past, are not included. For details, see p.109. *2 Number of paying users of Money Forward ME provided in the Home domain as of May 31, 2023.

*3 As of May 31, 2023. Total amount of financial assets that is aggregated in *Money Forward ME* and white-label services for individuals provided by Money Forward X.

Rapidly Expanding Business Opportunities Due to Changes in External Environment

Revision of Electronic Books
Maintenance Act/
Introduction of invoice



Spread of Remote Work/
Side Jobs;
Workstyle reform



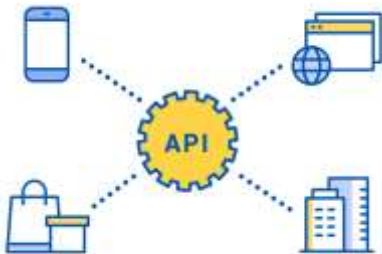
Government's Promotion
of Digitalization



Expansion of
Start-Up Support



Greater use
Of open API



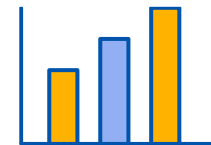
Upgrades of Payment
Infrastructure



Digitalization
of Salary Payment



Efforts toward Doubling
Asset-Based Income



Developing Variety of Products Based on Common Core Technologies



*1 Based on research by Money Forward, Inc. as of May 31, 2023.

Highlights in FY11/23 Q2



Highlights in FY11/23 Q2

Full-year sales and SaaS ARR forecast range has been revised **upwards** on account of strong business growth in the first half of the year.

See p.78 and p.80 for details.

Q2 consolidated net sales

+43% YoY

¥**7.3** bn

(FY11/23 Q1 net sales: ¥6.79 bn)

Achieved forecast^{*2}.

SaaS ARR^{*3}

+42% YoY

¥**19.86** bn

(FY11/23 Q1 SaaS ARR: ¥18.28 bn)

Exceeded the upper end of forecast^{*2}.

Business domain
Corporate ARR

+48% YoY

¥**14.02** bn

Organic growth rate (no impact of M&As)

EBITDA^{*4}/Gross profit

¥**(0.62)** bn/¥**4.56** bn

EBITDA and EBITDA margin continued to improve QoQ, from ¥(0.70) bn to ¥ (0.62) bn and (10)% to (8)%, respectively. EBITDA excluding advertising expenses was ¥0.70 billion.

Revenue from Fintech business^{*5}
increased by
3.4 times in 2 years

Return (marginal profit)^{*6}
on assets
exceeds 20%

*1 Forecasts disclosed on January 16, 2023. Full-year forecasts are ¥27.49 to 29.64 bn (+28 to +38% YoY) for consolidated net sales and ¥21.19 to 22.82 bn (+30 to +40% YoY) for SaaS ARR at FY11/23-end.

*2 Forecasts disclosed on April 14, 2023. Q2 forecasts are ¥7.07 to 7.37bn (+39 to +45% YoY) for net sales, ¥19.29 to 19.85 bn (+38 to +42% YoY) for SaaS ARR at Q2-end, and (1.10) to (0.60) bn for EBITDA.

*3 See p.95 for the definition of SaaS ARR.

*4 EBITDA = Operating profit/loss + Depreciation and amortization + Tax expenses included in operating expenses + Share-based remuneration expenses

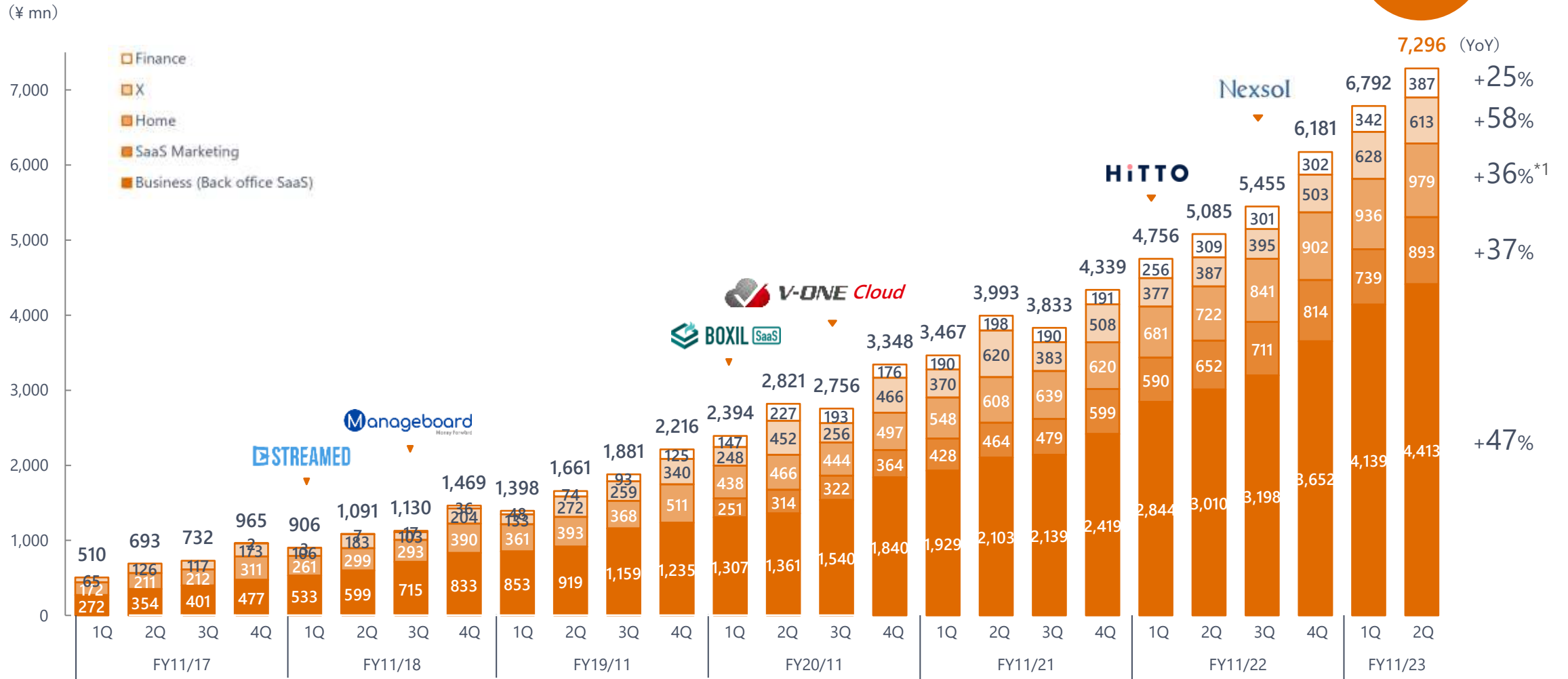
*5 Revenue from Fintech business includes "Money Forward Kessai," "Money Forward Early Payment," "SEIKYU+," "SHINKIN+," "Money Forward Invoice Card Pay for Startups" and "Money Forward Pay for Business." See p.66 for details.

*6 Fintech service sales minus variable costs linked to sales. See p.66 for details.

Q2 Consolidated Net Sales Continued to Rise at Accelerated Pace, Up 43% YoY.

Business domain, with a large sales volume, drove growth, rising 47% YoY.

YoY
+43%



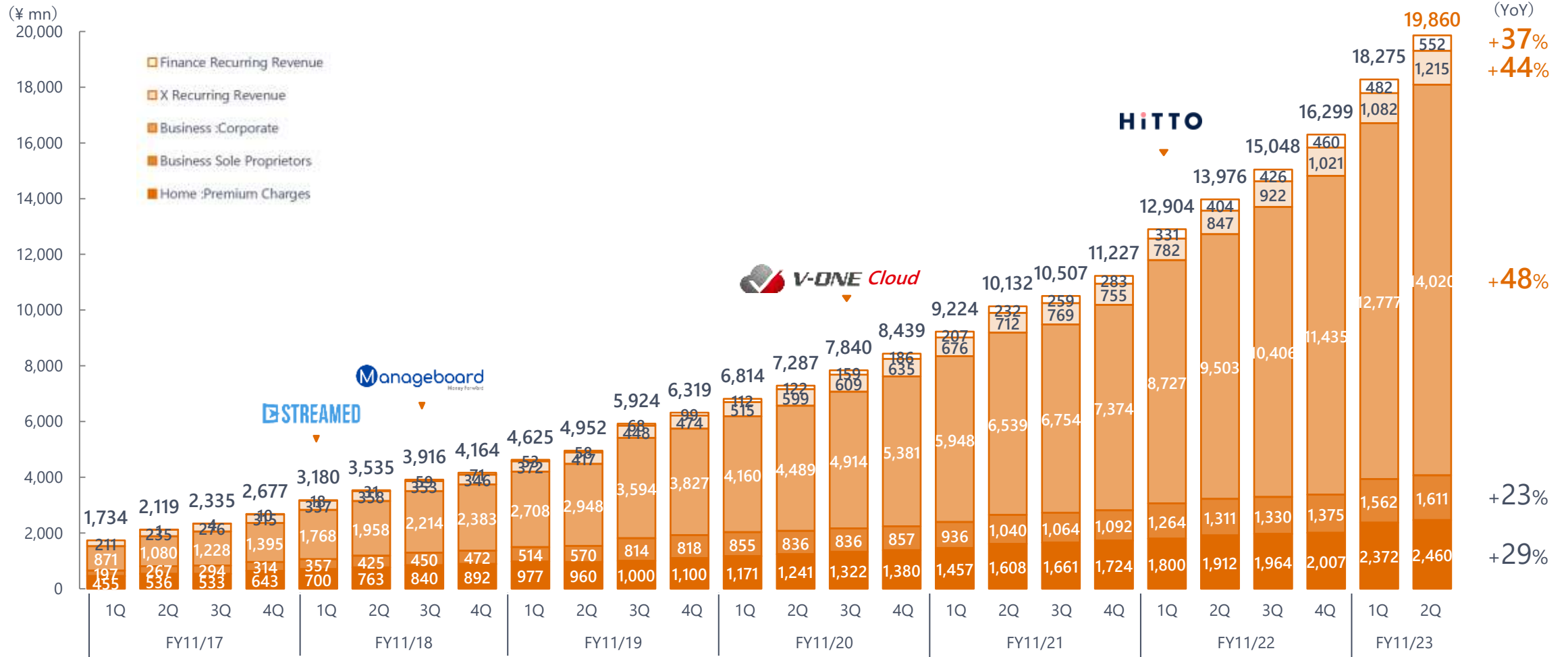
* The aggregate of net sales of each domain do not necessarily correspond to consolidated net sales as net sales of "Other" are omitted from the graph.

*1 The net sales growth rate of Home domain excluding the impact of the acquisition of Nexsol CO., LTD was 21% YoY. Net sales of Nexsol CO., LTD. are consolidated starting from June 2022 (Q3).

SaaS ARR*1 Maintained Robust Growth, Up 42% YoY

Corporate ARR in Business domain **rose 48% YoY**, accelerating from +46% in Q1. The X and Finance domains also achieved strong growth of +44% and +37% YoY, respectively.

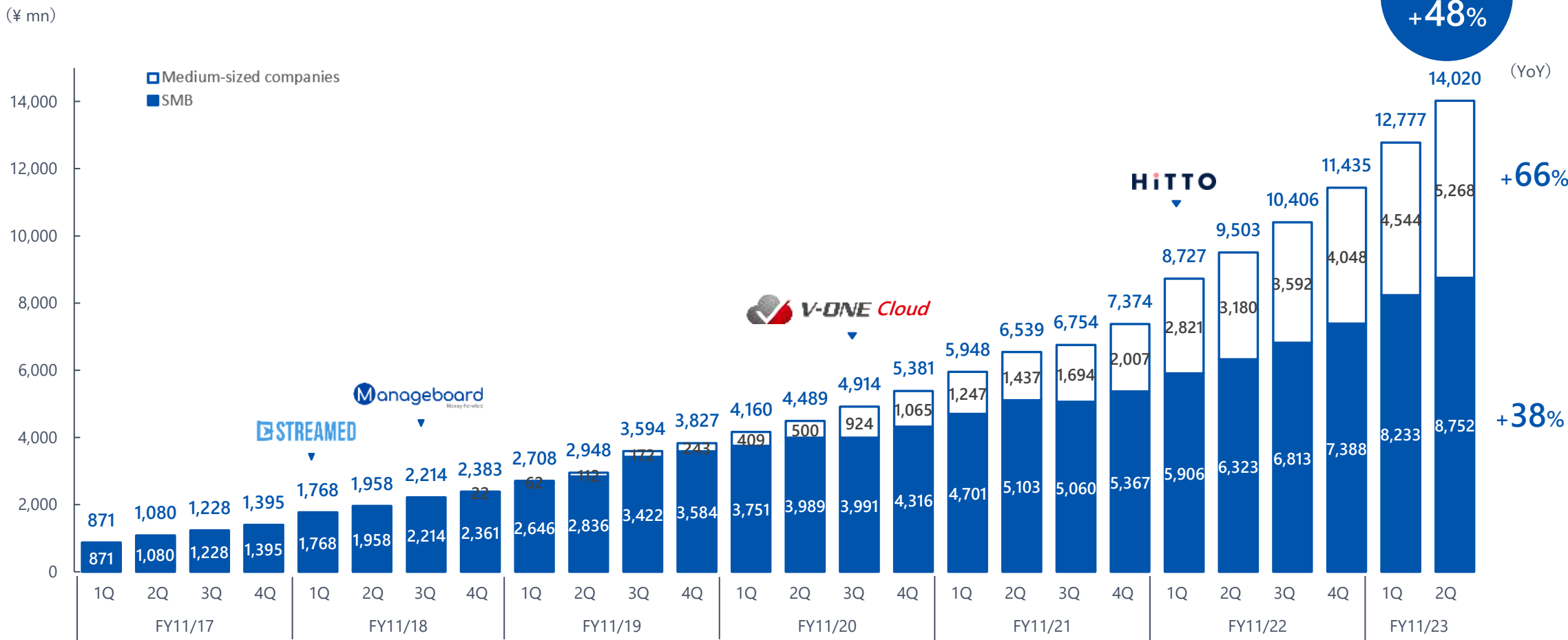
YoY
+42%



*1 "Business: Sole Proprietors" is revenue from services for sole proprietors in Money Forward Cloud. "Business: Corporates" is revenue from services for corporate customers, including Money Forward Cloud, STREAMED, Manageboard, V-ONE Cloud, Money Forward Certified Member System, HITTO, and Money Forward Admina. In order to adjust for seasonal factors of STREAMED, its MRR is calculated as one-third of the revenue from STREAMED in Q1 and Q2 of each fiscal year. Non-recurring revenue of each business and net sales of SMARTCAMP Co., Ltd. are not included. Figures for Finance domain include monthly fixed fees, and settlement and associated fees of Money Forward Kessai and SEIKYU+. See p.95 for the definitions of ARR, MRR, etc.

Corporate ARR in Business Domain Rose 48% YoY on Robust Growth in SMB/Midmarket Space

Net increase in ARR of Medium-sized companies*1 expanded from +61% YoY in Q1 to +66% YoY, driven by the acquisition of large customers and rise in cross-selling. Growth in ARR of SMBs*1 also climbed steadily, up 38% YoY, owing to the net increase in users and rise in ARPA.

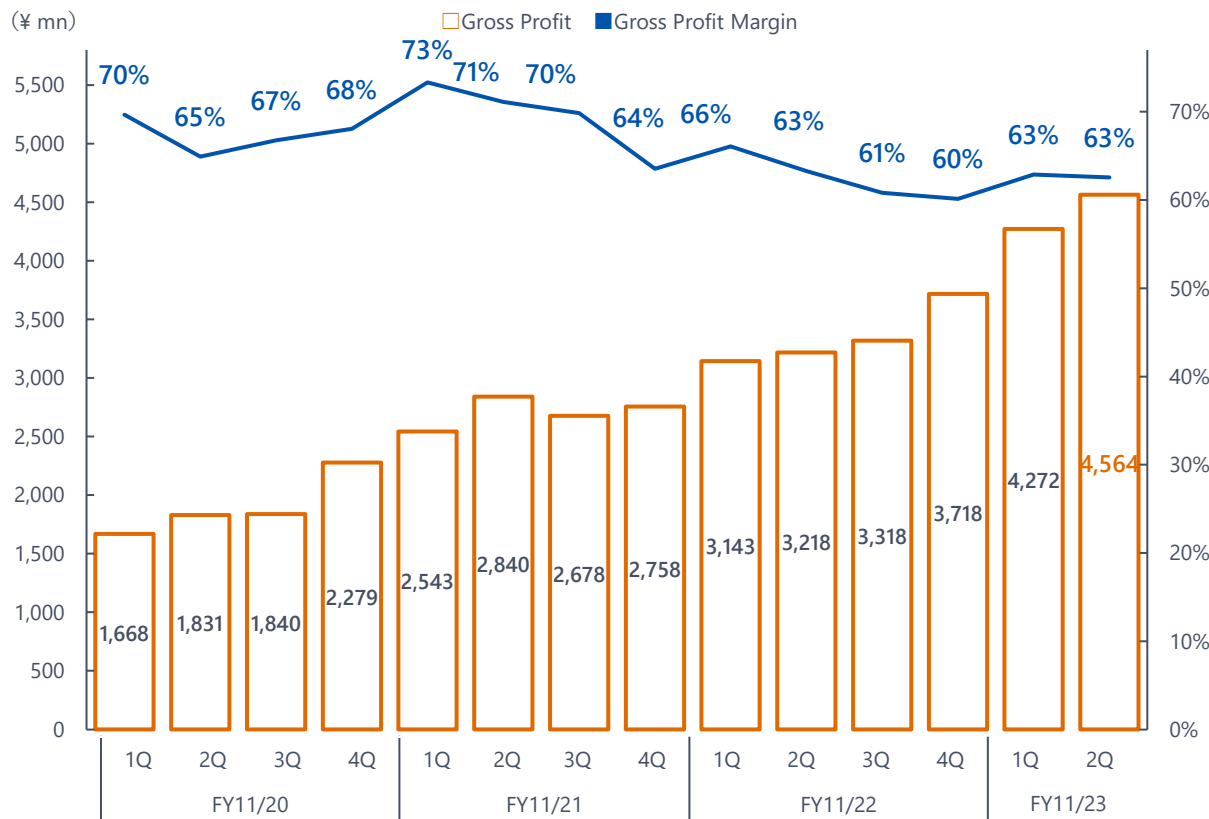


*1 "SMB" is revenue from services for corporate customers, including Money Forward Cloud, STREAMED, Manageboard, and Money Forward Certified Membership System, as well as from professional service firms and their clients. Revenue of "Medium-sized company" includes general corporate users (excluding professional service firms) that have adopted such services as Money Forward Cloud, Manageboard, V-ONE Cloud, HITTO, and Money Forward Admina via field or partner sales, with the majority of companies having 50 or more employees. Flow revenue of each business and net sales of SMARTCAMP Co., Ltd. are not included. See p.95 for the definitions of ARR, MRR, etc.

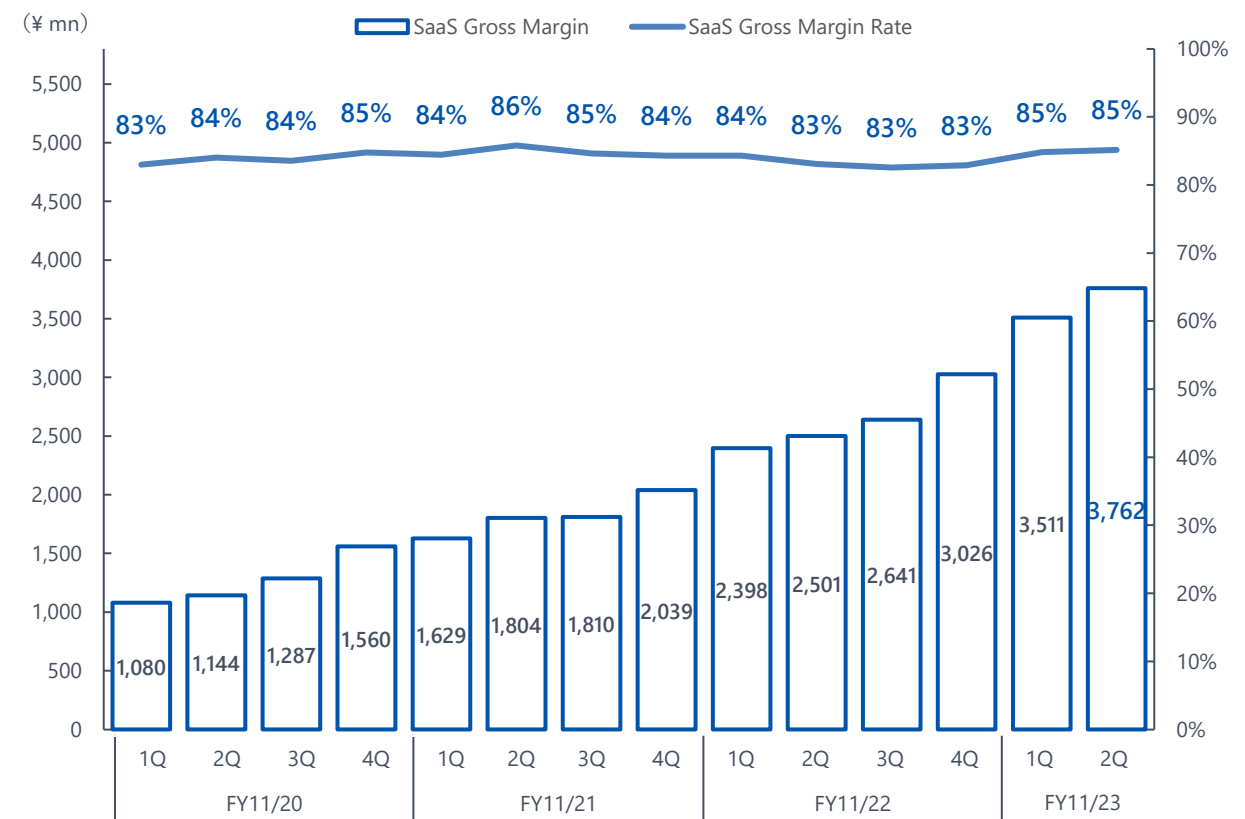
Consolidated Gross Profit and Gross Margin of SaaS Applications for Back-Office Operations

Gross profit and SaaS gross margin reached record highs. Consolidated gross profit margin stood at 63% (65% after adjustment*¹), while the gross margin rate of SaaS applications for back-office operations, as commonly defined by global SaaS companies, came in at 85%.

Consolidated Gross Profit
(Financial Accounting Basis)



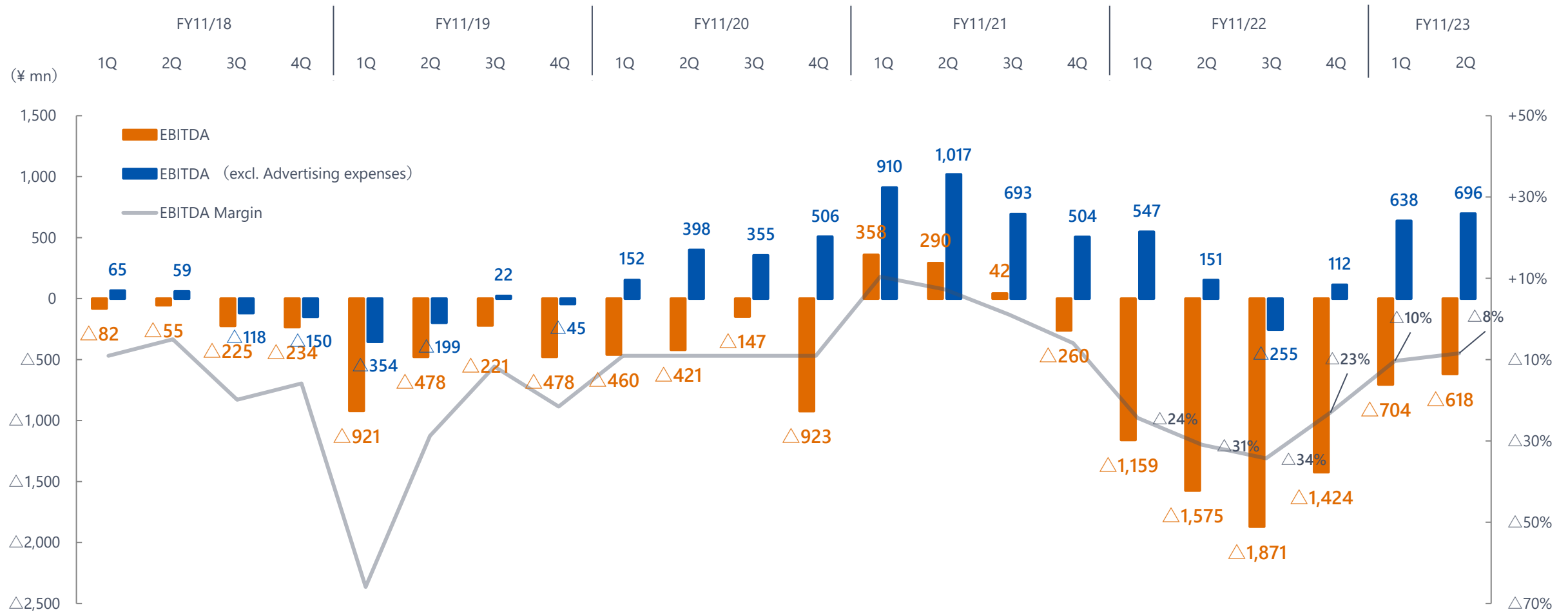
Gross Margin Rate for Back-office SaaS Business*²
(Management Accounting Basis)



*1 Net sales and fees related to IT introduction subsidies are excluded both from net sales and cost of sales because it has seasonality. Additionally, when ADXL executes the advertising operations of the Group, the costs are recorded as cost of sales, that expense is adjusted (For example, net sales of the advertising service at ADXL and the outsourcing costs to ADXL at Group companies are offset in the consolidation process, while ADXL's purchase costs for advertising media are recorded as cost of sales in consolidated PL). *2 Total of the Business domain (Back office SaaS). Calculated based on definitions commonly used by global SaaS companies. The cost portion includes communication expenses and system subscription fees related to product development, server fees including for AWS, API connection fees, as well as personnel expenses related to customer support, service infrastructure, and operators of *STREAMED*. Personnel expenses for engineers and designers involved in product development are included in cost of sales in the Japanese accounting standards and the Company's statement of income.

EBITDA*1 (Quarterly Trend)

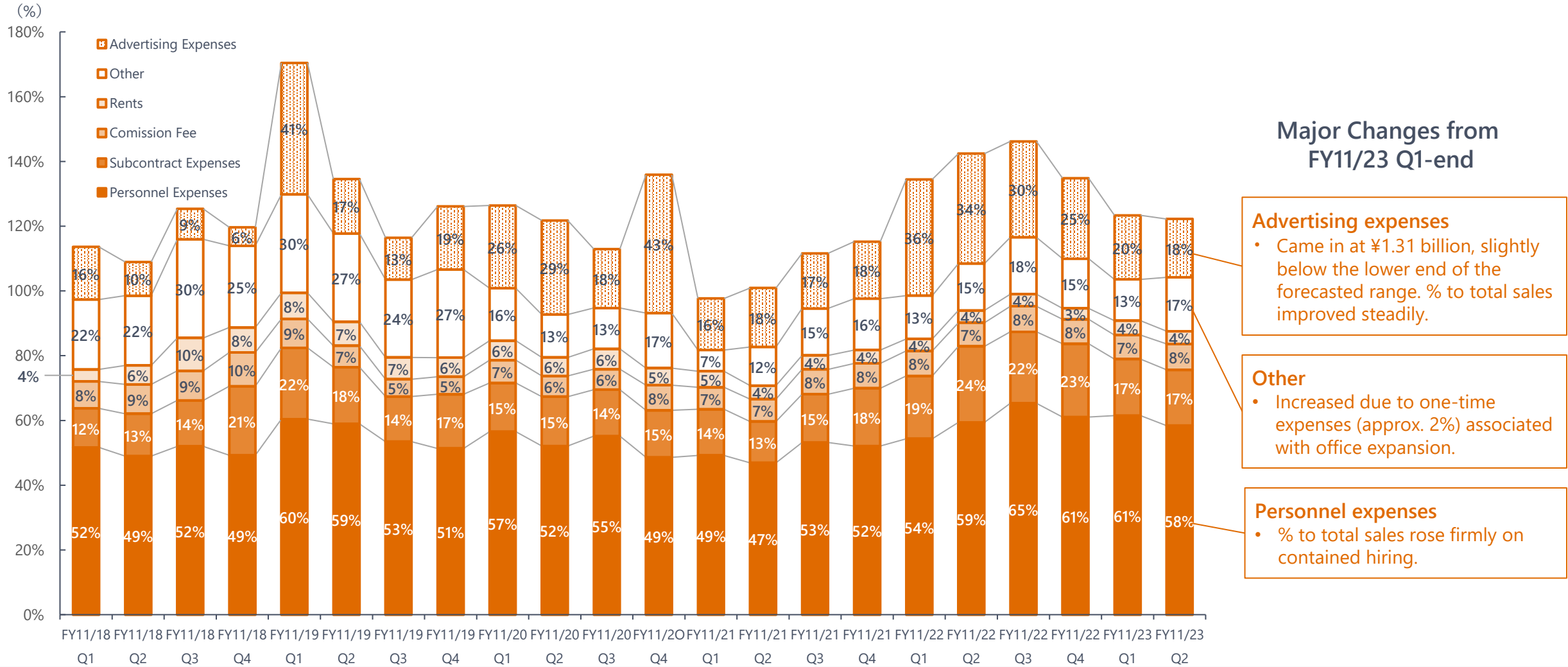
Both EBITDA and EBITDA margin improved steadily, from ¥(0.70) billion to ¥(0.62) billion and (10)% to (8)%, respectively. EBITDA excluding advertising expenses stood at ¥0.70 billion.



*1 EBITDA = Operating profit/loss + Depreciation and amortization + Tax expenses included in operating expenses + Share-based remuneration expenses.

Breakdown of Cost of Sales and SGA (% to Net Sales)

Advertising expenses stood at ¥1.31 billion, slightly falling below the lower end of the forecasted range*¹, while personnel expenses were contained due to a slowdown in hiring (see P.17) and improved in terms of ratio to net sales.

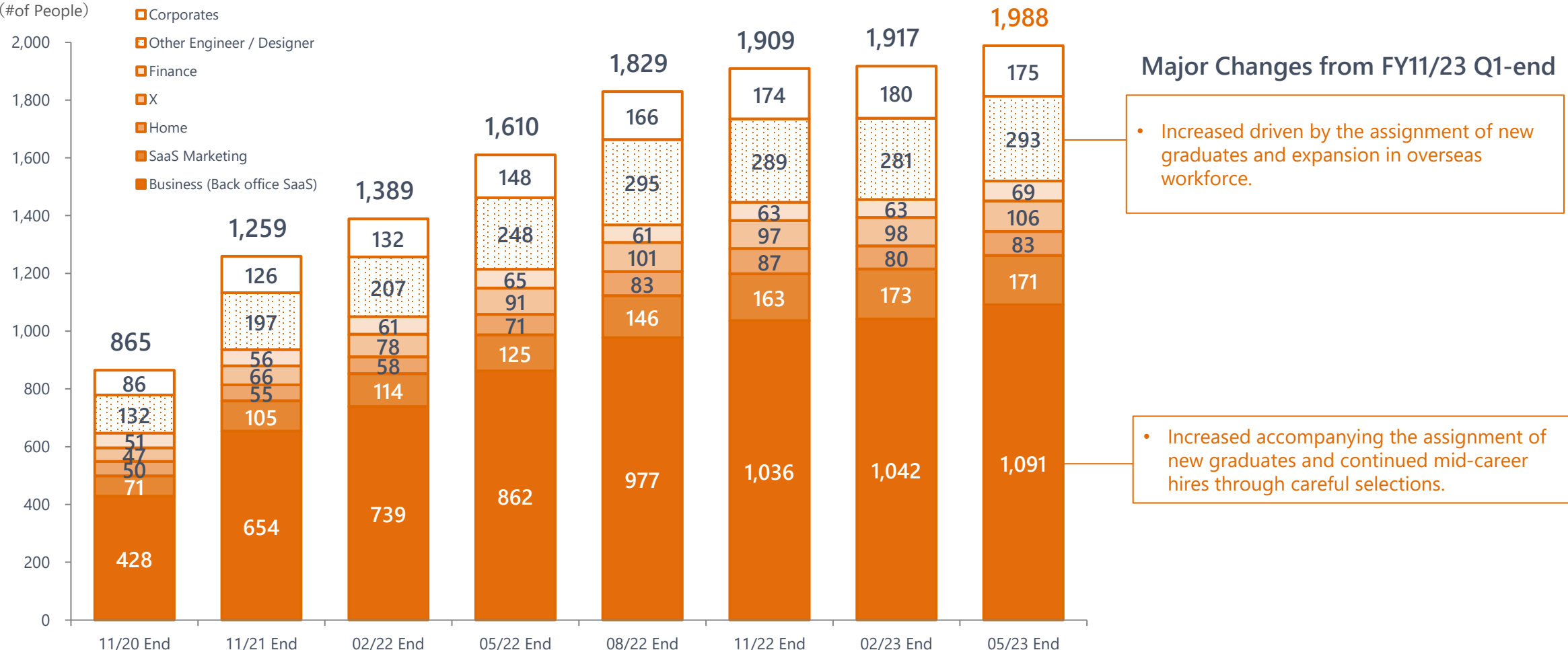


*1 Forecasts disclosed on April 14, 2023. Q2 advertising expenses were projected at ¥1.35-1.55 billion.

* "Other" includes IT introduction subsidy fees, taxes and dues, communication expenses, recruiting/training expenses, amortization of goodwill, depreciation, and fee expenses.

Employees*1

The number of employees increased by 71 from Q1, among which 70 were new graduates.



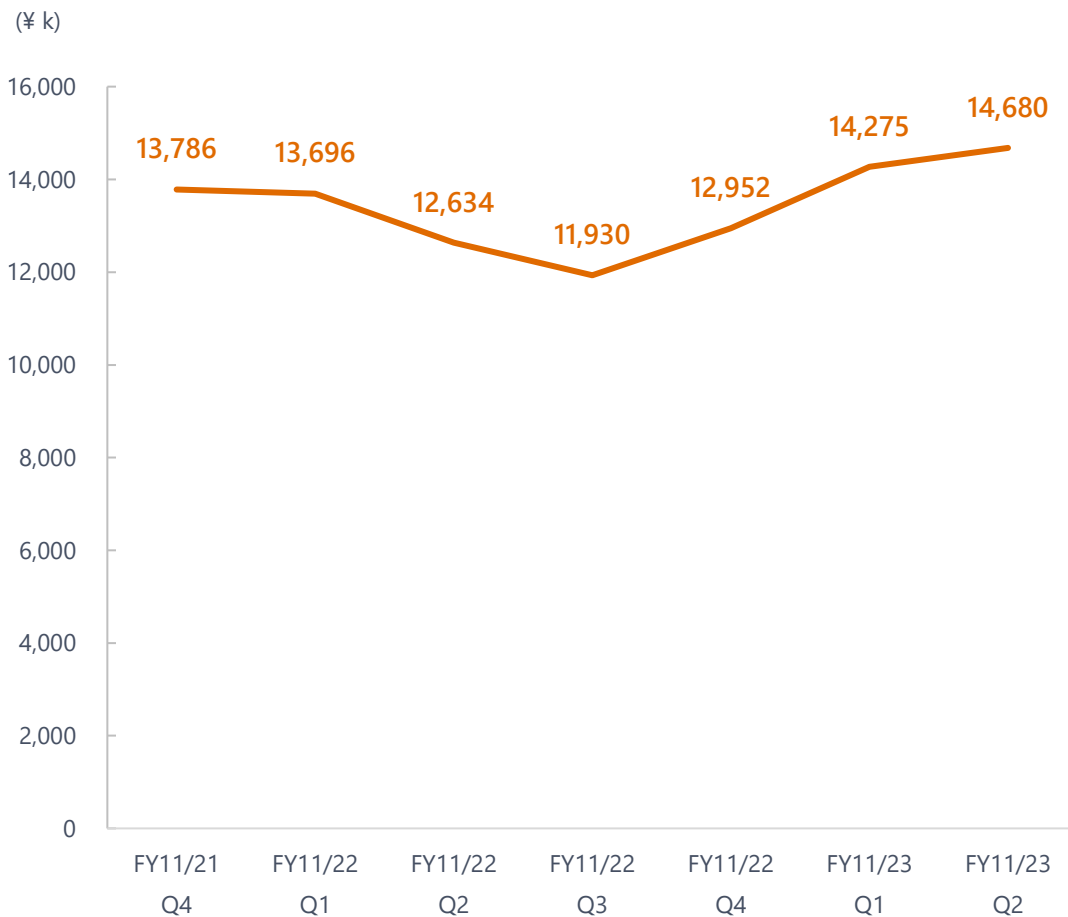
* "Other Engineers/Designers" include the CISO Office, CIO Office, CTO Office, Account Aggregation Dept., and Money Forward Vietnam, Co., Ltd. "Corporate" includes CEO Office, Corporate Planning Dept., Accounting Dept., Legal and IP Dept., People Forward Dept., and Public Affairs Office.

*1 Includes executive officers who do not serve as directors.

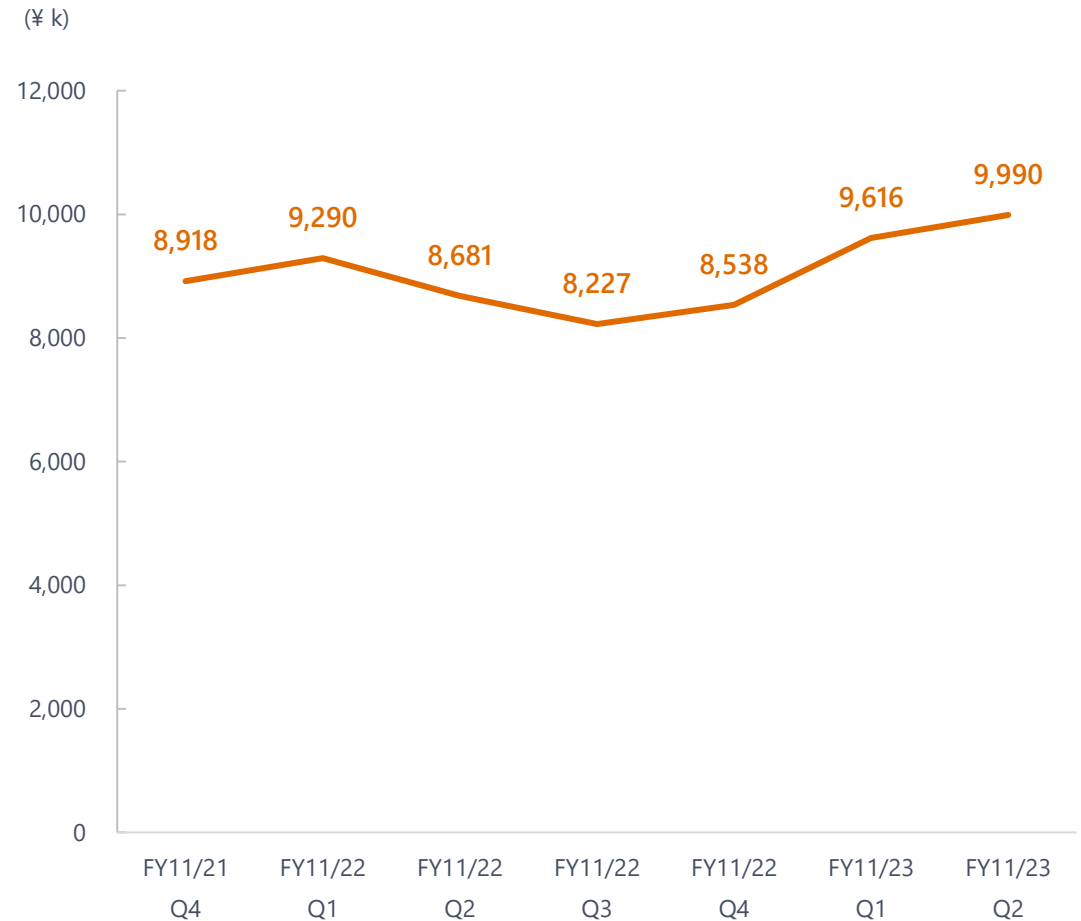
Annual Sales*¹ and ARR*² per Employee Rose due to Expanded Sales and Scale-down in Hiring

Annual sales and ARR per employee have been trending favorably after bottoming out in FY11/22 Q3.

Annual sales per employee*¹



ARR per employee*²



* The number of employee includes executive officers who do not serve as directors.

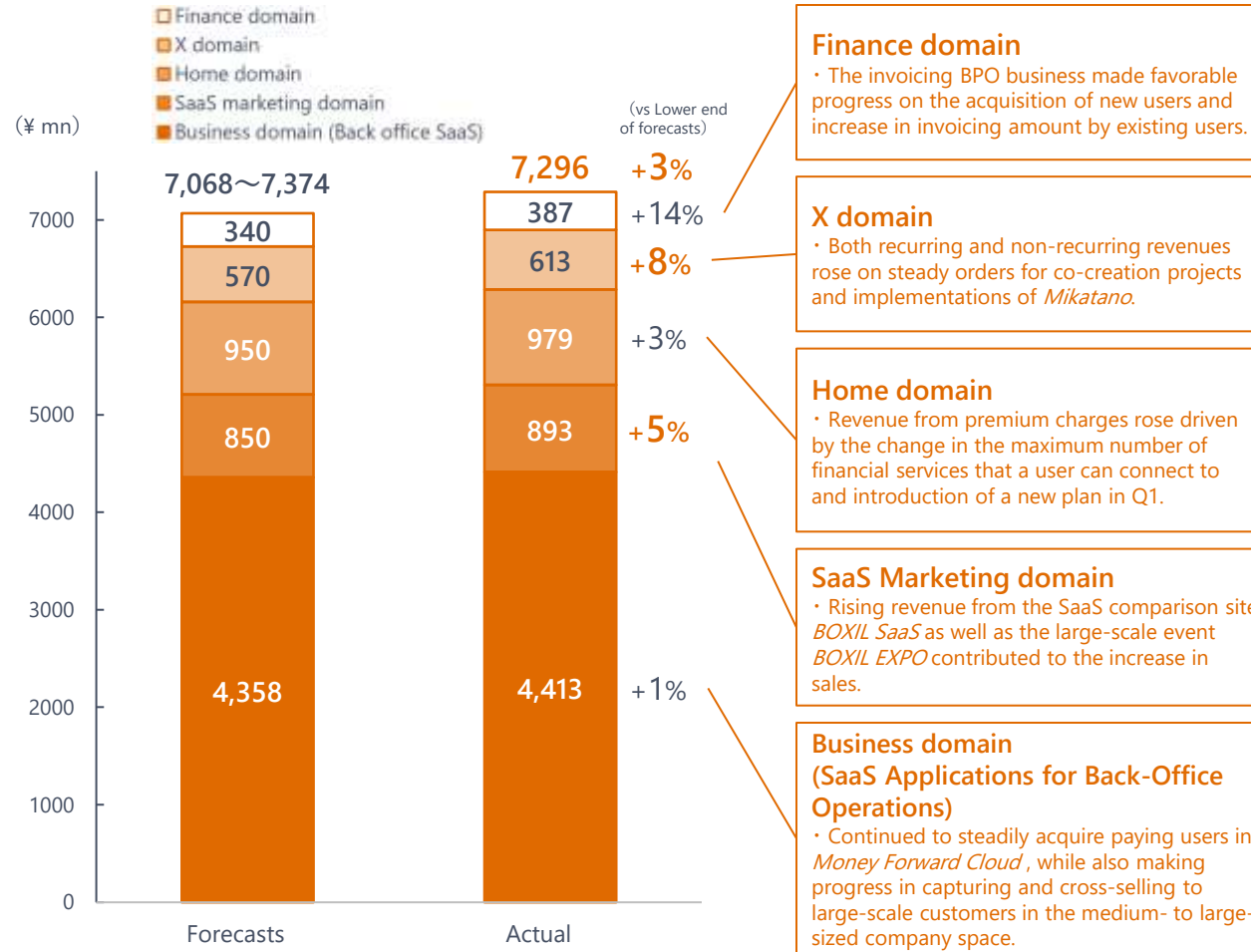
*1 Calculated by dividing four-fold of net sales for each quarter by the number of employees at the end of each quarter.

*2 Calculated by dividing ARR at the end of each quarter by the number of employees at the end of each quarter.

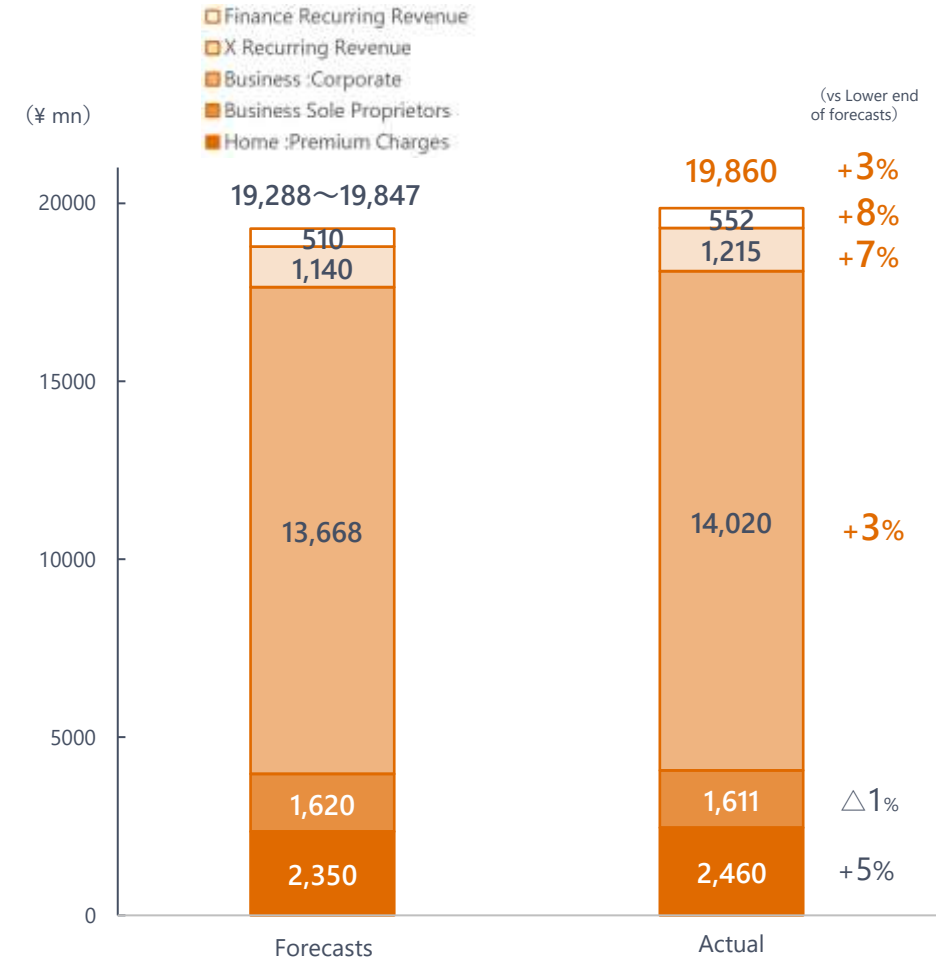
Q2 Results vs. Initial Forecasts (Net Sales and SaaS ARR)

Achieved forecasts in all domains, with net sales standing near the upper end of the forecasted range. SaaS ARR exceeded the upper end of the consolidated forecast.

Net sales (by domain)



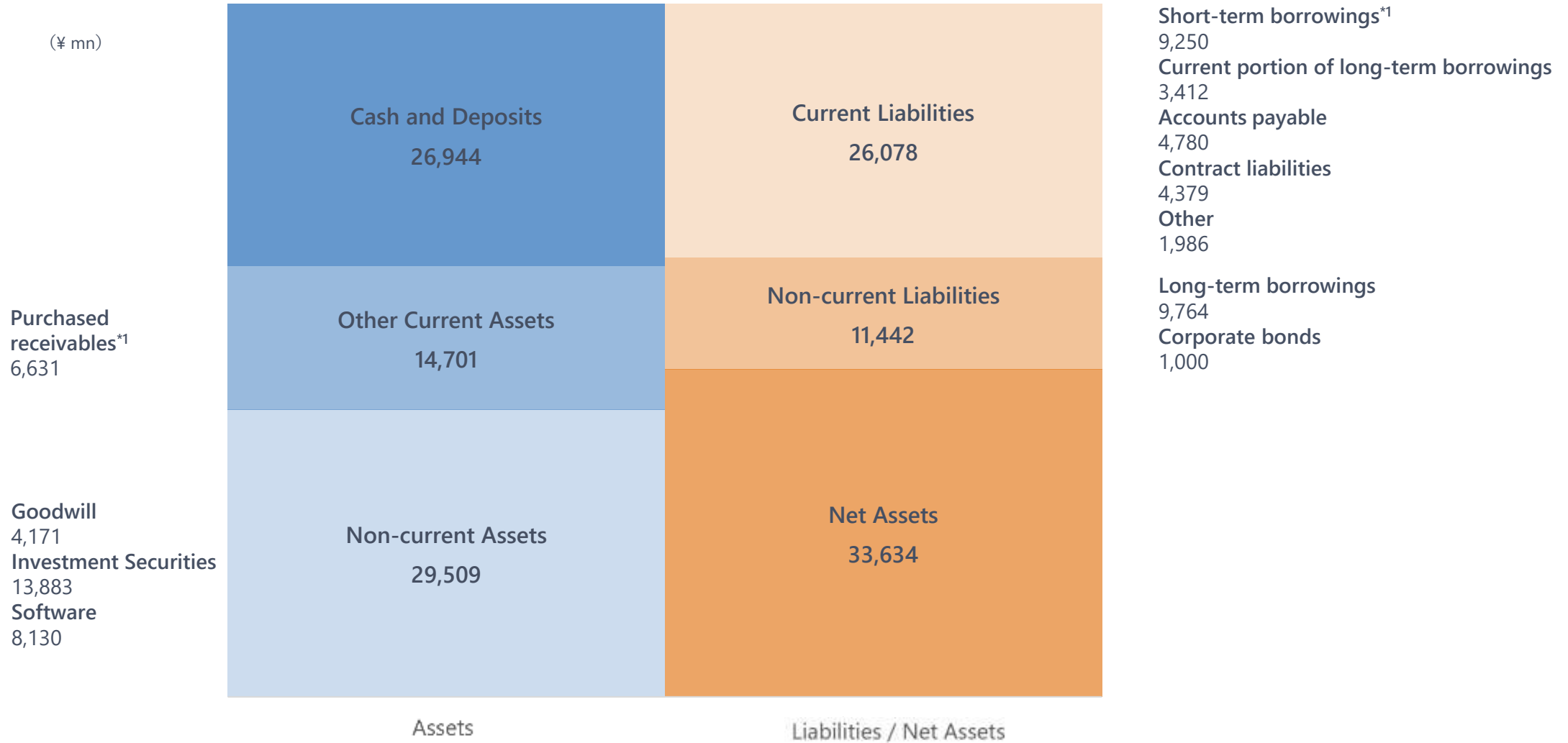
SaaS ARR



* Net sales and SaaS ARR by each domain are based on lower end forecasts.

Balance Sheet Items

Maintains a high level of financial soundness.

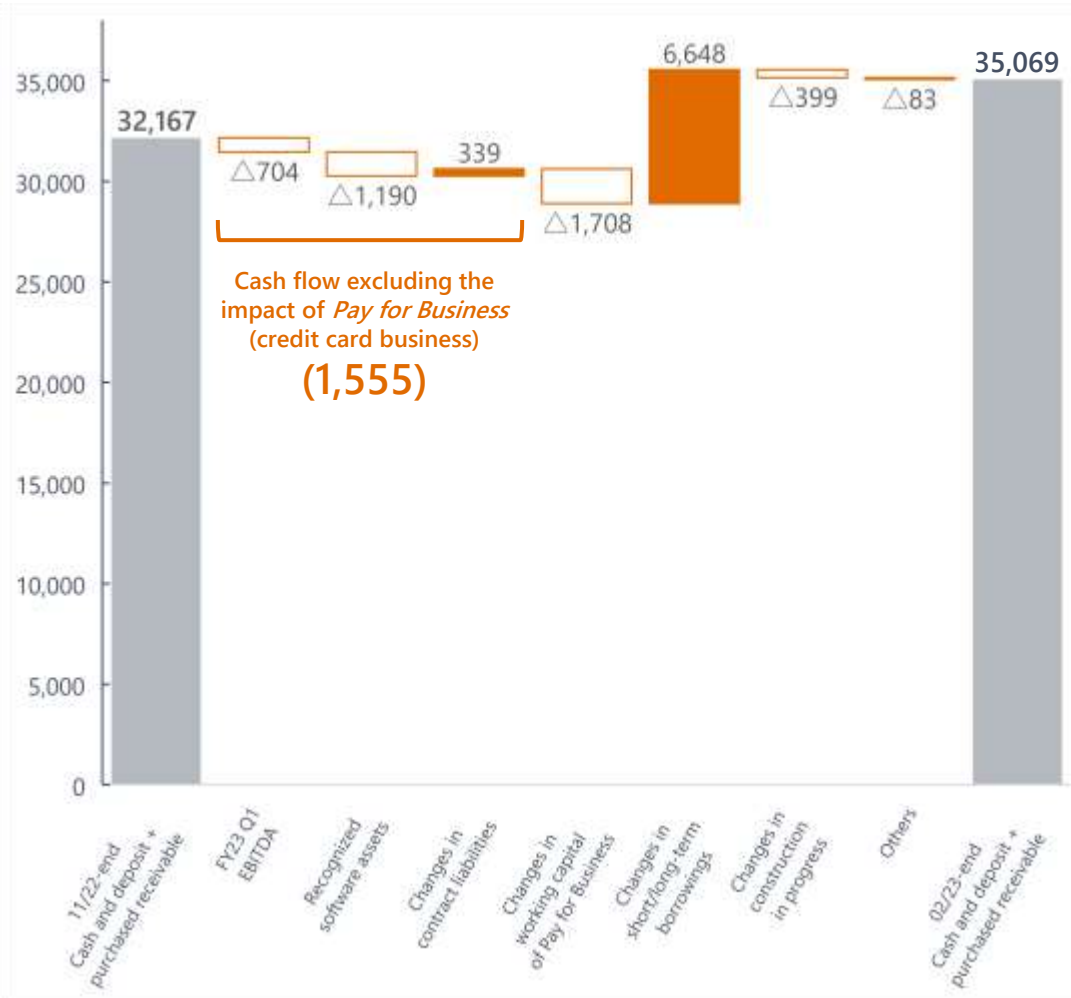


*1 Related to mainly Money Forward Kessai, Inc. and Biz Forward, Inc.

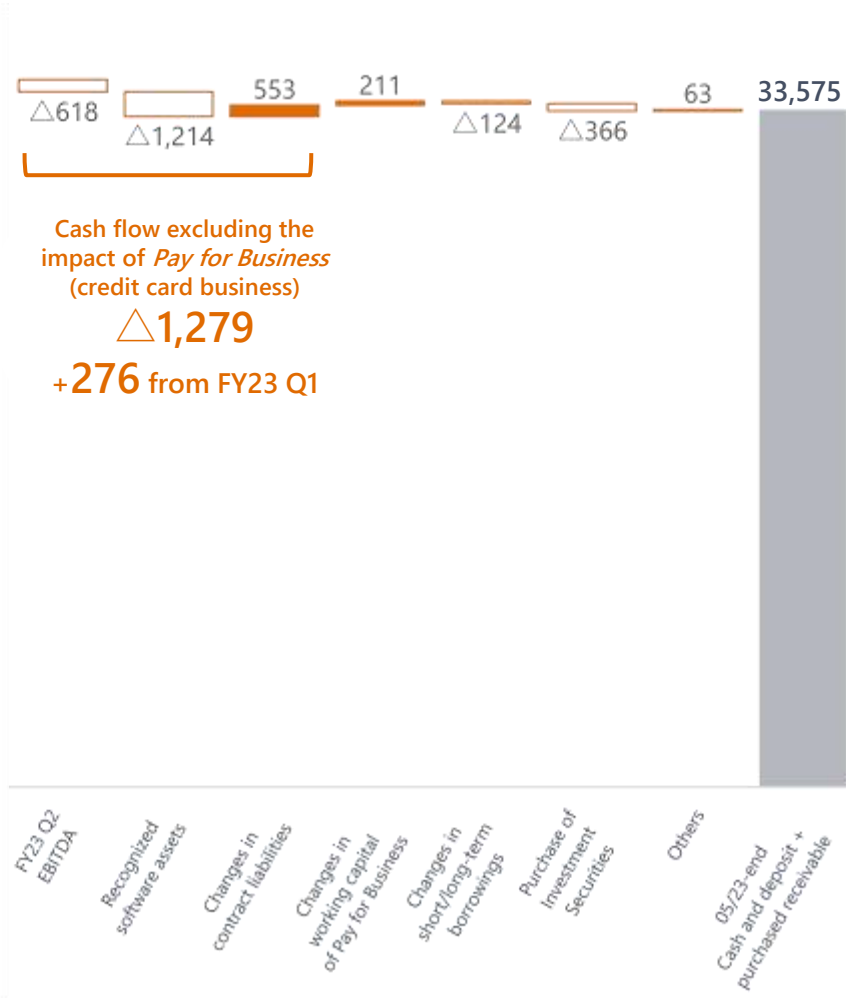
Analysis of Changes in Cash and Deposits Balance

Continuing from Q1, cash flow from operating activities excluding the impact of Pay business (B2B card business) continued to improve.

(¥ mn)



FY11/23 Q1 Consolidated cash flow



FY11/23 Q2 Consolidated cash flow

Breakdown of cash flow

Cash and deposits + purchased receivable

Since the Company's purchased receivable is highly equivalent to cash, the amount is aggregated with the amount of cash. Funds for purchasing receivable are procured via short-term borrowings.

Recognized software assets

Amount newly recorded as software assets in each quarter. No impact on EBITDA, but decreased cash balance.

Changes in contract liabilities

Mainly attributable to unearned revenue from users paying an annual subscription fee. Cash and deposits increase in line with contract liabilities.

Changes in (long-term and short-term) borrowing

Includes ¥1 billion worth of bonds issued in Q2.

Changes relating to Pay for Business

The Pay business provides Pay for Business, a corporate prepaid card. Changes in working capital include changes in deposits received from users and accounts payable receivable pertaining to the Pay business. Cash and deposits increase when deposits or accounts payable increase, and decrease when accounts receivable increases.

Others

Cash flow items that are not reflected in EBITDA, such as tax payments, and cash flow items from changes in BS, such as increase/decrease in accounts receivable.

Money Forward
Business



Business Domain: Highlights in FY11/23 Q2

Q2 net sales
¥4.41 bn

YoY

+47%

Paying customers (total/corporate)
276,770/144,915

YoY

+29.5% / +33.7%
(+30.3%*1) (+31.3%*1)

ARPA (total/corporate)
¥56,479/¥106,331

YoY

+11.6% / +10.4%
(+10.1%*1) (+11.5%*1)

ARR (total/corporate)
¥15.63 bn/¥14.02 bn

+45% / +48%

ARR of medium-sized
companies*2
¥5.27 bn

YoY

+66%

Corporate customer churn rate*3
(Avg. of last 12 months/3 months)

0.8% / 0.9%

The 12- and 3-month churn rate average among sole proprietors was 1.9% and 4.1%, respectively. There were more cancellation in Q2 compared to FY11/22, due to the lack of extension of tax return filling and thus the churn rate worsened slightly (1.8%/3.7%), but remained at the same level.

*1 Figures in parentheses indicate YoY growth rates in FY11/23 Q1.

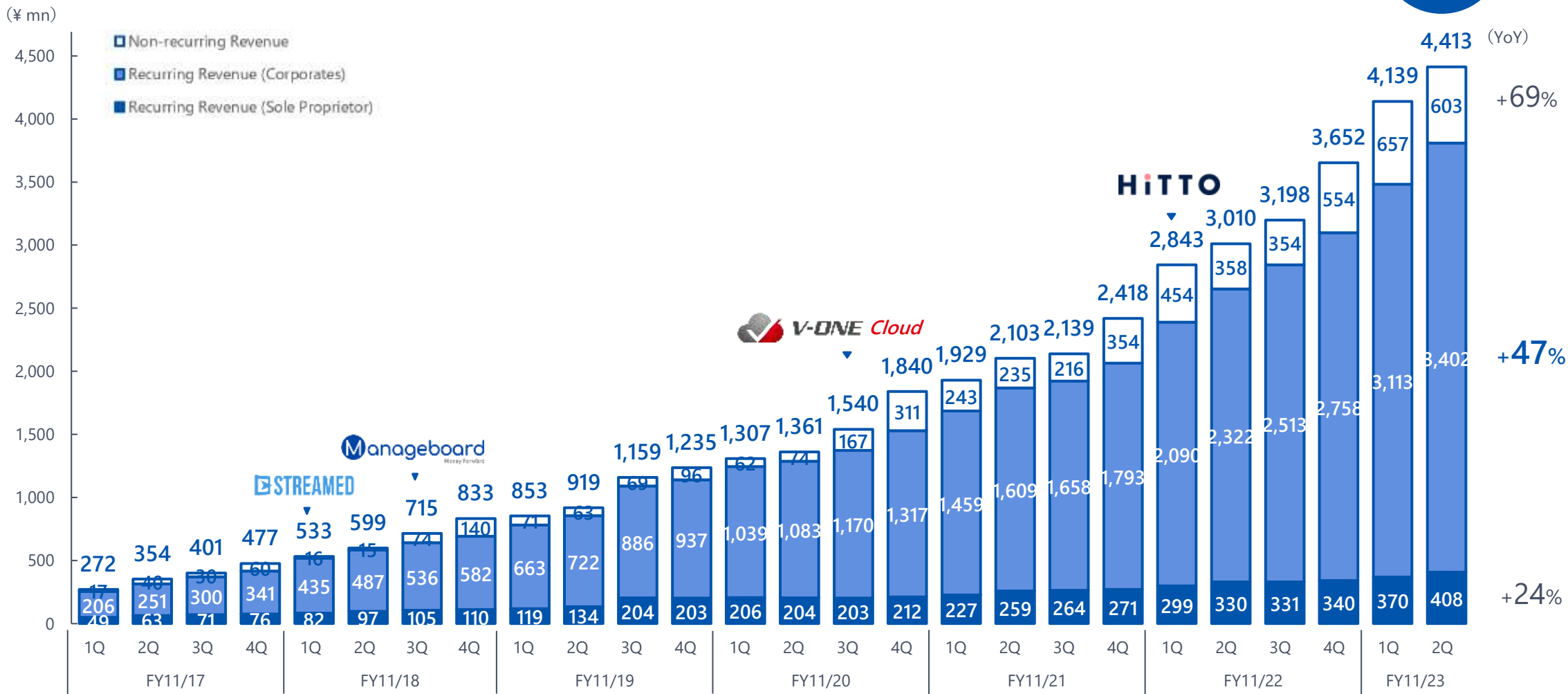
*2 Medium-sized companies refer to corporate users (excluding professional service firms) mostly with 50 or more employees that have deployed our services via field sales.

*3 Averages of the 12 months and 3 months up to May 2023.

Quarterly Net Sales of Business Domain

Net sales **surged 47% YoY**. In particular, corporate recurring revenue continued to see marked growth, **up 47% YoY**.

YoY
+47%

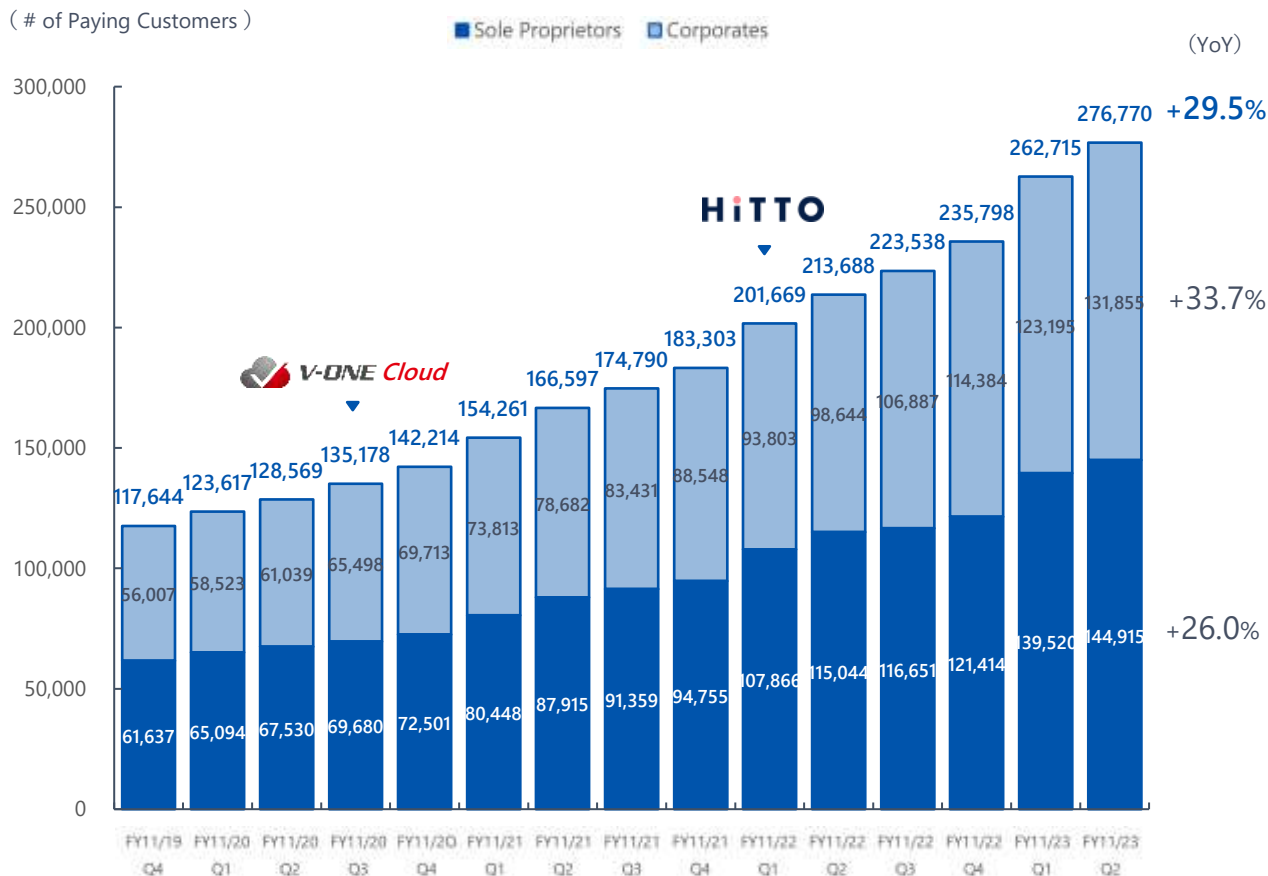


* "Recurring Revenue (Sole Proprietors)" is the revenue from services for sole proprietors in Money Forward Cloud. "Recurring Revenue (Corporates)" is the revenue from services for corporate customers, including *Money Forward Cloud*, *STREAMED*, *Manageboard*, *V-ONE Cloud*, *Money Forward Certified Member System*, *HITTO* and *Money Forward Admina*. Non-recurring revenue primarily consists of sales from IT introduction subsidies, sales from initial implementations of *Money Forward Cloud* and *V-ONE Cloud* mainly by medium-sized companies, sales from consulting by Knowledge Labo, Inc., and sales from card payment fees in *Money Forward Pay for Business*.

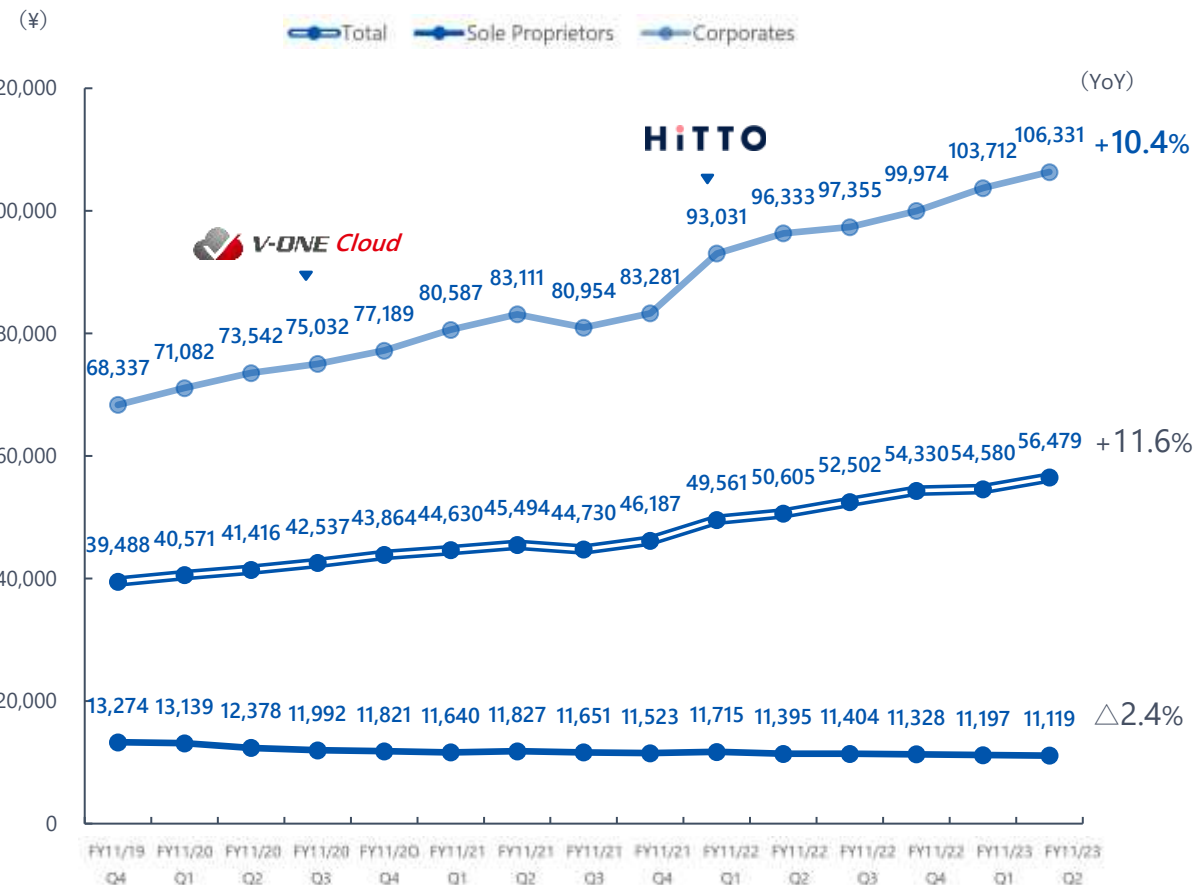
Paying Corporate Customers*1 and Corporate ARPA*2 Continued to Rise

The number of paying customers **increased by 29.5% YoY**. Continued to firmly capture paying corporate customers. Corporate ARPA climbed steadily, **up 10.4% YoY** on the expansion in the mid-market user base and rise in ARPA.

Paying Customers*1



ARPA*2



* 1 The number of paying customers who are sole proprietors is the number of those who pay for *Money Forward Cloud* services catering to individuals. The number of corporate paying customers include business corporations, and professional service firms and their clients that pay for services catering to corporations, including *Money Forward Cloud*, *STREAMED*, *Manageboard*, *V-ONE Cloud*, *HiTTO* and *Money Forward Admina*, as well as professional service firms that pay for Money Forward Cloud Certified Member System. SMARTCAMP Co., Ltd. is not included in the figures above.

*2 ARPA: 12 times the monthly recurring revenue of Business domain in the last month of each term (ARR), divided by the number of paying customers. See p.95 for detailed definitions.

Announced Repricing of Web Plan for Sole Proprietors

The basic fee^{*1} for sole proprietors will be revised in December 2023 taking into account the enhanced value of products, including through addressing the Invoice System and the revised Electronic Book Preservation Act, increase in development costs.

Plan		Before revision	After revision
Personal Mini (app)	Monthly plan	¥980/month	¥1,500/month
Personal Mini	Monthly plan	¥980/month	¥1,280/month
	Annual plan	¥9,600/year (Equivalent to ¥800/month)	¥10,800/year (Equivalent to ¥900/month)
Personal	Monthly plan	¥1,280/month	¥1,680/month
	Annual plan	¥11,760/year (Equivalent to ¥980/month)	¥15,360/year (¥1,280/month)

*1 The fees indicated above do not include tax. However, that of the Personal Mini (app) plan includes tax as app stores display fees including tax for all apps.

Our Customers (1/2)

Money Forward Cloud Accounting Plus users increased steadily.

Corporates using Money Forward Cloud Accounting Plus (Examples)



Our Customers (2/2)

Expanding the client base that includes listed companies, medium-sized companies, and companies preparing for IPO.

Corporates using cloud payroll, attendance, expense, social insurance, *V-ONE Cloud*, *HiTTO* etc. (Examples)

Listed Company	Prime/Standard										
	Growth										
Medium-sized and above/Pre IPO											

Strong Partnerships with Accounting Firms

Focusing on helping accounting firms and their clients succeed, working through branches across Japan. **80%*** of Japan's top 100 accounting firms as of 2022 have already introduced our cloud accounting modules.



* As of May 31, 2023. Calculated by Money Forward, Inc. based on "Top 500 Accounting Firms" in 2022 by Monthly ProPartner.

Wider Use among Larger Firms across the country as well

Axis



Based in Tokushima, accelerating cloud shifts as advanced efforts

A tax accountant corporation based in Tokushima Prefecture that promotes cloud adoption. To improve operational efficiency and provide services with high value, Axis shifted from on-premise to cloud software in 2015. It promoted automated bookkeeping by adopting *STREAMED* and later introduced *Money Forward Cloud* to 2,000 clients (as of June 30, 2023) to streamline overall operations.

Kojima Kaikei



Supports agriculture in Hokkaido via accounting/taxation solutions

A tax accountant corporation that provides various consulting and DX support services in agriculture and other local industries in Hokkaido. It has been promoting the adoption of *Money Forward Cloud* and other services among clients. After registering to the *Money Forward Cloud Certified Member System* in 2021, it has introduced *Money Forward* to over 300 companies (as of June 30, 2023).

Across

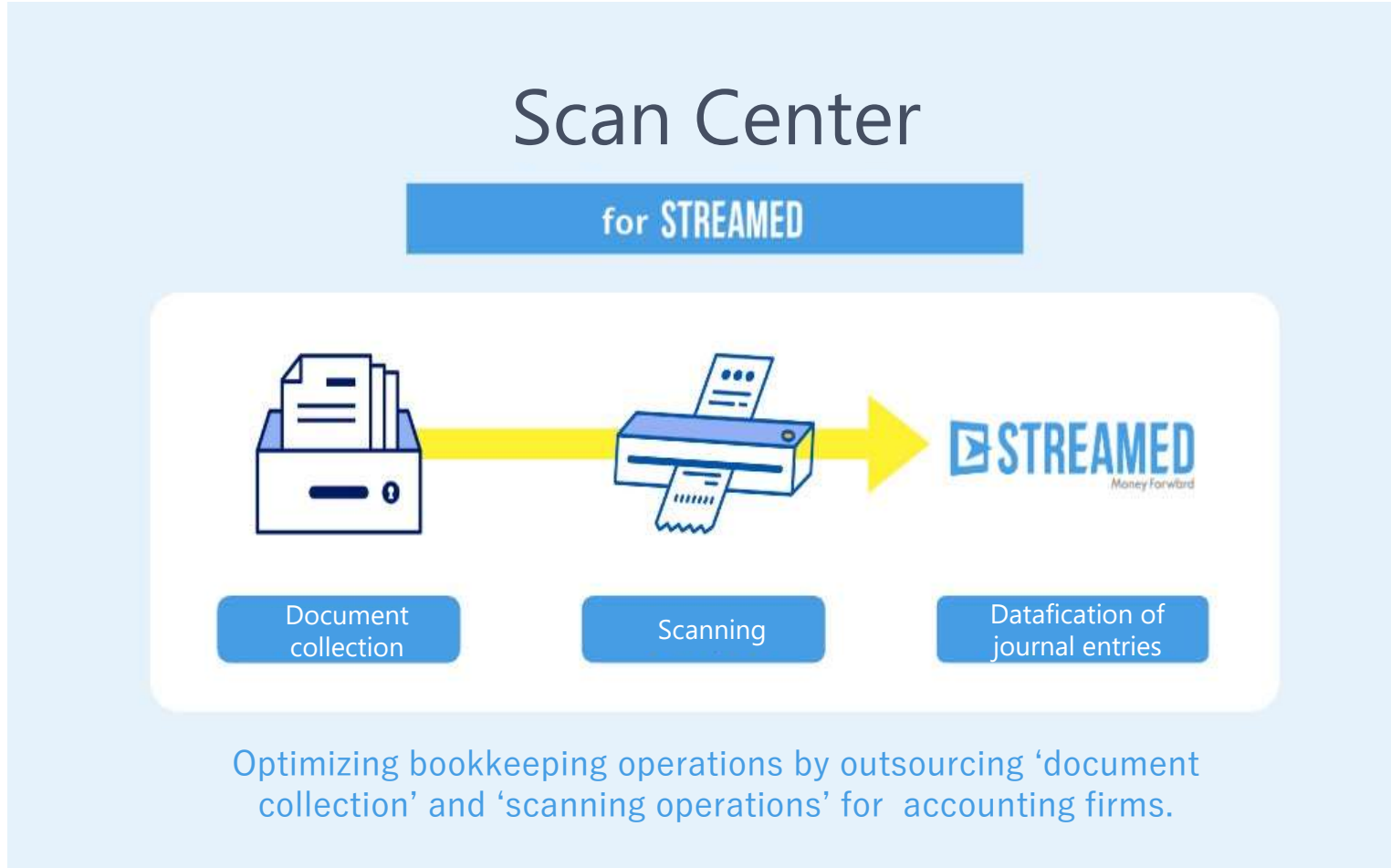


Based in Aichi, promote DX of own office and clients at the same time

The corporation has been using on-premise software, but from December 2022, it decided to shift its organization entirely to adopt cloud smoothly. It is promoting DX at its own office as well as among clients primarily in the Aichi Prefecture and has deployed *Money Forward Cloud* among over 200 companies (as of June 30, 2023) in a short period of time.

Launched *Scan Center* to optimize the bookkeeping operations of Accounting firms

By enhancing the convenience of *STREAMED* which is currently used by 5,400 firms, we aim to encourage its adoption in a greater number of firms.

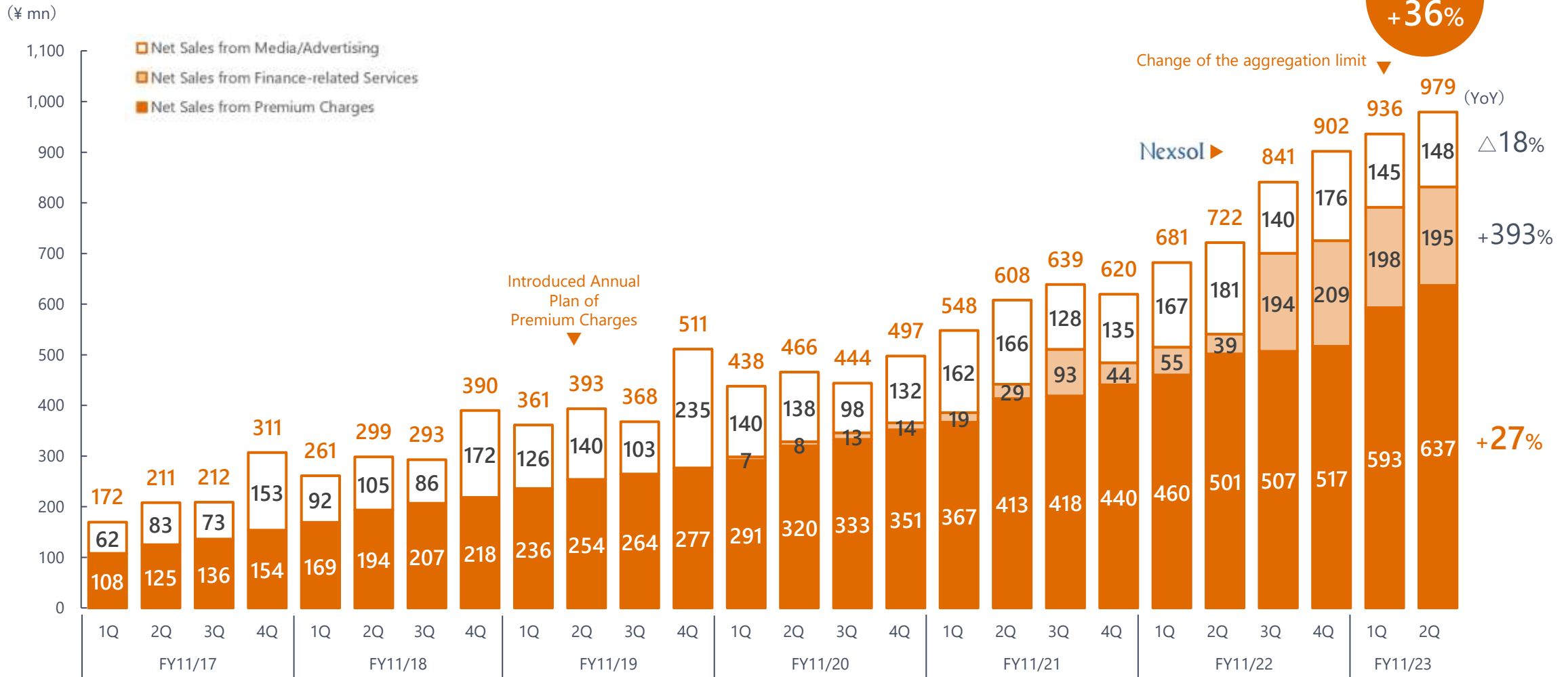


Money Forward
Home



Quarterly Net Sales of Home Domain

Increased by 36% YoY (21% excluding the impact of the M&A of Nexsol). Recurring revenue continued to expand triggered by the change in the number of financial services a user can connect to in Q1 and the launch of the *Wealth Formation Advanced Course*.

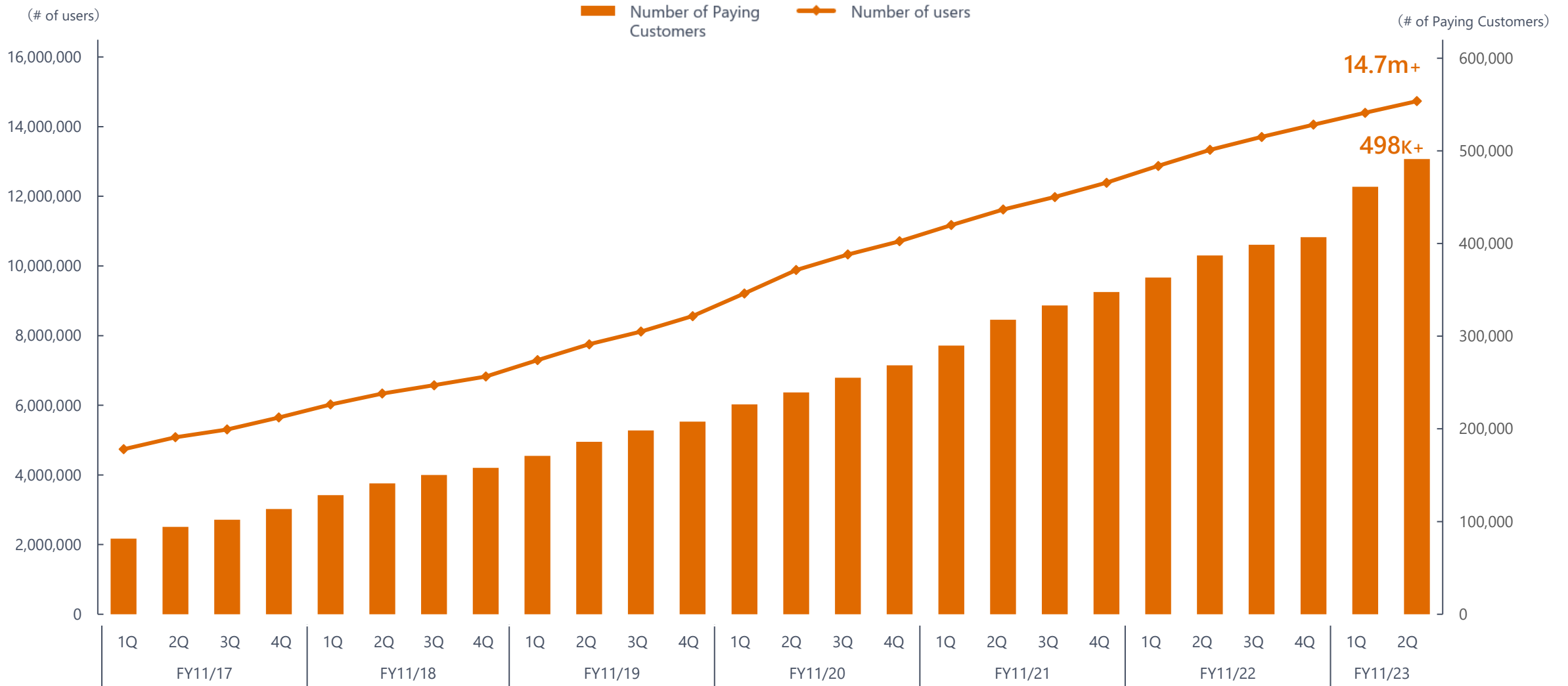


* Net sales from financial services include revenues from *Money Forward Personal Financial Consulting*, *Money Forward Fixed Cost Review* and *Nexsol*.

* Net sales from premium charges of *Money Forward for XX*, which targets financial institutions, have been revised retroactively since charges are recognized in X domain from FY11/22.

Total and Paying Users of *Money Forward ME*

The number of total and paying users rose steadily, topping 14.7 million^{*1} and 490,000, respectively.



*1 Accumulated number of users of *Money Forward ME* in Home domain, which is the total number of app downloads and web registrations of *Money Forward ME*. The number of users of services for financial institutions provided in X domain, which was included in the past, is not included.

Updated Dividend Forecasting*1 in *Money Forward ME's Wealth Formation Advanced Course**2

Features of *Wealth Formation Advanced Course**2

1



Tagging asset freely

Personalized portfolio functionality with free tagging of holdings such as "long-term investments," "Growth stocks," etc.

2



Create your own portfolio

Creates portfolios freely, such as "percentage of risk assets," "domestic and foreign investments," and so on.

3



Automatically visualizes dividend info

Visualize dividend history and breakdown by month and year. Enables to confirm breakdown by dividend yield for stocks and mutual funds.

Updated Dividend Forecasting Function*1



Projects dividends based on past performance even for stocks that do not disclose forecasts

*1 Figures shown in this function are forecasts and may thus differ from the actual dividend amount.

*2 Accompanying the launch of the new plan, the original Premium Service was renamed to the Standard Course. The new Premium Service now consists of two courses: the Standard Course and Wealth Formation Advanced Course.

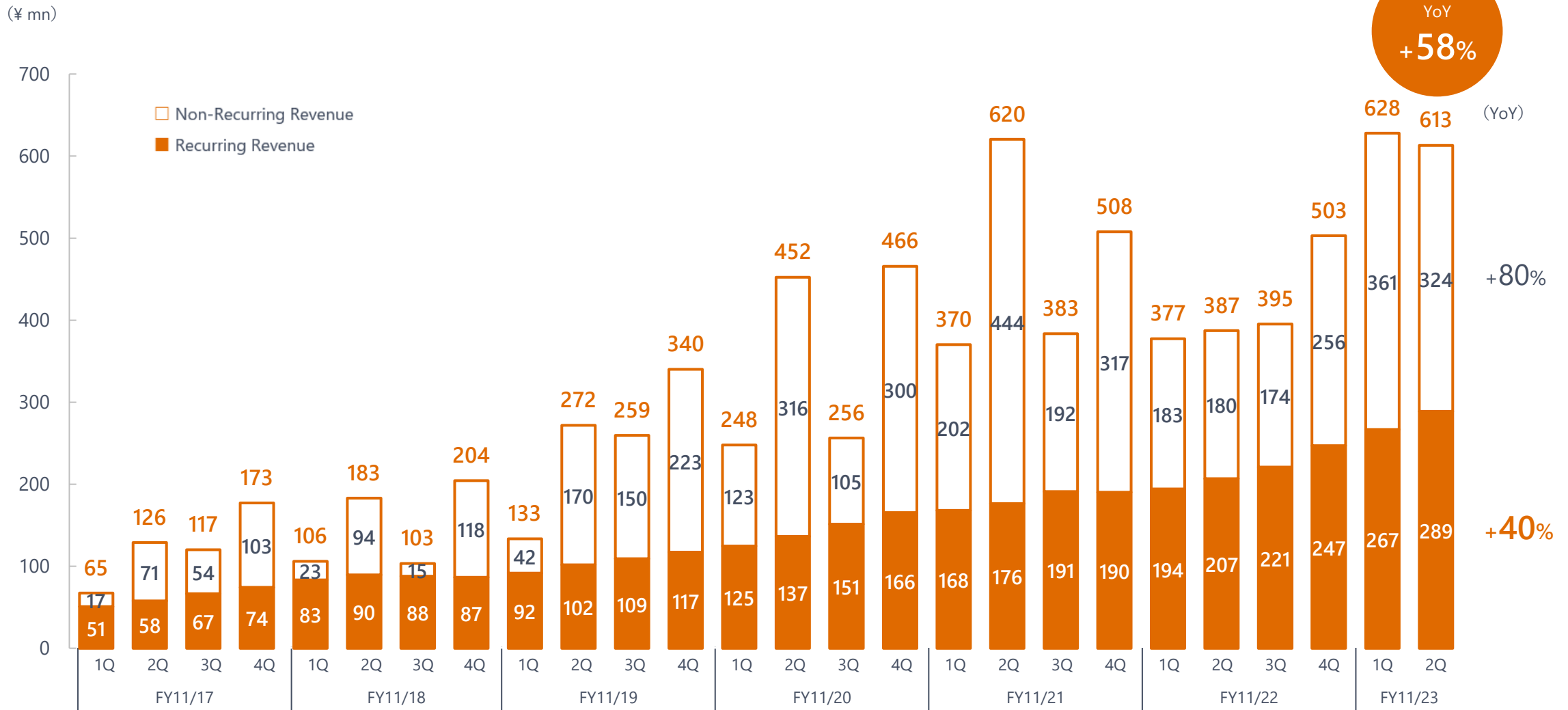
Money Forward

X



Quarterly Net Sales of X Domain

Recurring revenue continued to rise at an accelerated pace of **40% YoY** driven by sales growth of *Mikatano series*. Non-recurring revenue surged 80% on sustained income from co-creation projects.

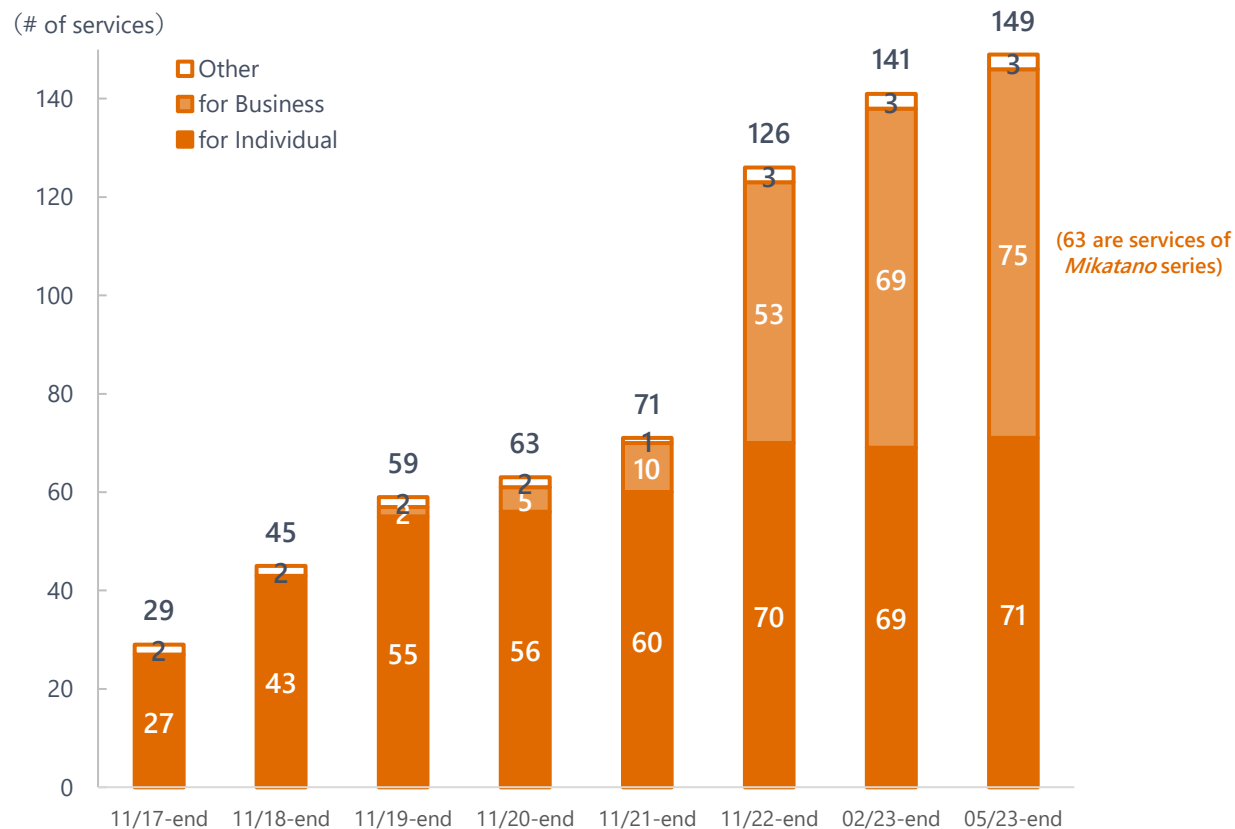


* Net sales from premium charges of *Money Forward for XX*, which targets financial institutions, have been revised retroactively since charges are recognized in X domain from FY11/22.

Continued to Expand Services Offered to Financial Institutions*1

Implementations of services such as *Mikatano* series among corporate clients of financial institutions increased. Number of service offerings rose to 149.

Number of services*1



Major co-creation projects for individual customers



Enables users to check their bank account balance on *MyJCB*, in addition to credit card usage and point balance.

Smart Life Designer

Smartphone app that collects and delivers useful information on life planning and wealth formulation.



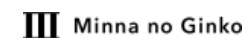
Co-developed PFM app that links to various NTT DOCOMO services.

OneStock

Asset management app that supports users' future wealth formulation through the visualization of asset lifespan, central asset management, and an asset diagnosis function

Minna no Ginko

Offers an account aggregation function to the bank's official app. Supports UI/UX designs to address customers' needs.



*1 Number of services provided by X domain; X domain customers include non-financial institutions such as NTT DoCoMo and KDDI.

Raise Recurring Revenue to 60% of Total Sales via DX Solutions for Banks' Corporate Customers

To sustain robust growth, we aim to raise the ratio of services for corporations to total net sales to **30% or more** (vs. actual results of 10% in FY11/21 and 23% in FY11/22), and the ratio of recurring revenue to **60% or more** (vs. actual results of 36% in FY11/21 and 52% in FY11/22) in FY11/24.

Mikatano series

Functions provided

Asset, invoice, and workflow management

Provides proprietary tools for corporate back-office operations, including for the management of funds and invoices, as well as communication, workflow, and attendance.

Loan portal

Enables users to apply for a loan and check application and screening status online.

Account aggregation and analytics platform

Provides an account aggregation platform that integrates data of corporate accounts of multiple banks and a marketing platform that leverages data.

“電子帳簿保存法・インボイス制度”の対応準備なら



Okazaki Shinkin Bank, Kyoto Shinkin Bank, Tama Shinkin Bank, Bank of Fukuoka, Kumamoto Bank, Juhachi-Shinwa Bank, Tokushima Taisho Bank, Chiba Kogyo Bank, Chugoku Bank, Hachijuni Bank, Bank of Kyoto, Shikoku Bank, Nagano Bank, Joyo Bank, Tochigi Bank, Yokohama Shinkin Bank, Hirogin Holdings, Nishi-Nippon City Bank, Gunma Bank, Bank of Okinawa, Nanto Bank, Iyo Bank, Yamagata Bank, Miyazaki Bank, Bank of The Ryukyus, Shizuoka Bank, **Daishi Hokuetsu Bank(NEW!)**, and **Akita Bank(NEW!)**: Total of 28 financial institutions

Hachijuni Bank

- Bank of Fukuoka <Findy>
- Bank of Yokohama <Hamagin Business Connect>
- Iyo Bank <IYOGIN Business Portal>
- Biz Forward <SHIKIN+>
- Nishi-Nippon City Bank <NCB Business Station>
- Hiroshima Bank <Hirogin Business Portal>

Held First *Mikatano Meetup*

Majority of 28 financial institutions that have adopted the *Mikatano* series participated. Each bank shared their best practices and initiatives to create opportunities for generating new ideas and strategies.

Comments from participating financial institutions



Joyo Bank

- Achieved the ability to opportunity to share the knowledge and concerns with each other and exchange useful information.
- We would like to collaborate on the utilisation of data collected through *Mikatano* series.

Kyoto Shinkin Bank

- There was much to learn because participants attended from all over Japan rather than a specific region.
- We will continue to deliver contents that allow both our customers and employees to feel the benefits of digitalization.

Launched *XIM-Contents*, Which Connects Individuals' Needs for Financial Products to Contracts

Started providing regional financial institutions with contents that enable proposing financial products to individual customers via a simple UI. Tochigi Bank has decided to deploy the service.

個人向け金融商品へのニーズを
契約につなげるWEBコンテンツ
『XIM-Contents』
を栃木銀行に提供開始！

TOCHIGI 栃木銀行
×
MoneyForward X

これからNISAをはじめ
あなたに。
一般NISA
つみたてNISA
かんたん診断 &
シミュレーション
NISAをはじめるとき気になる
2つの疑問
あなたが気になるのは
どっち？

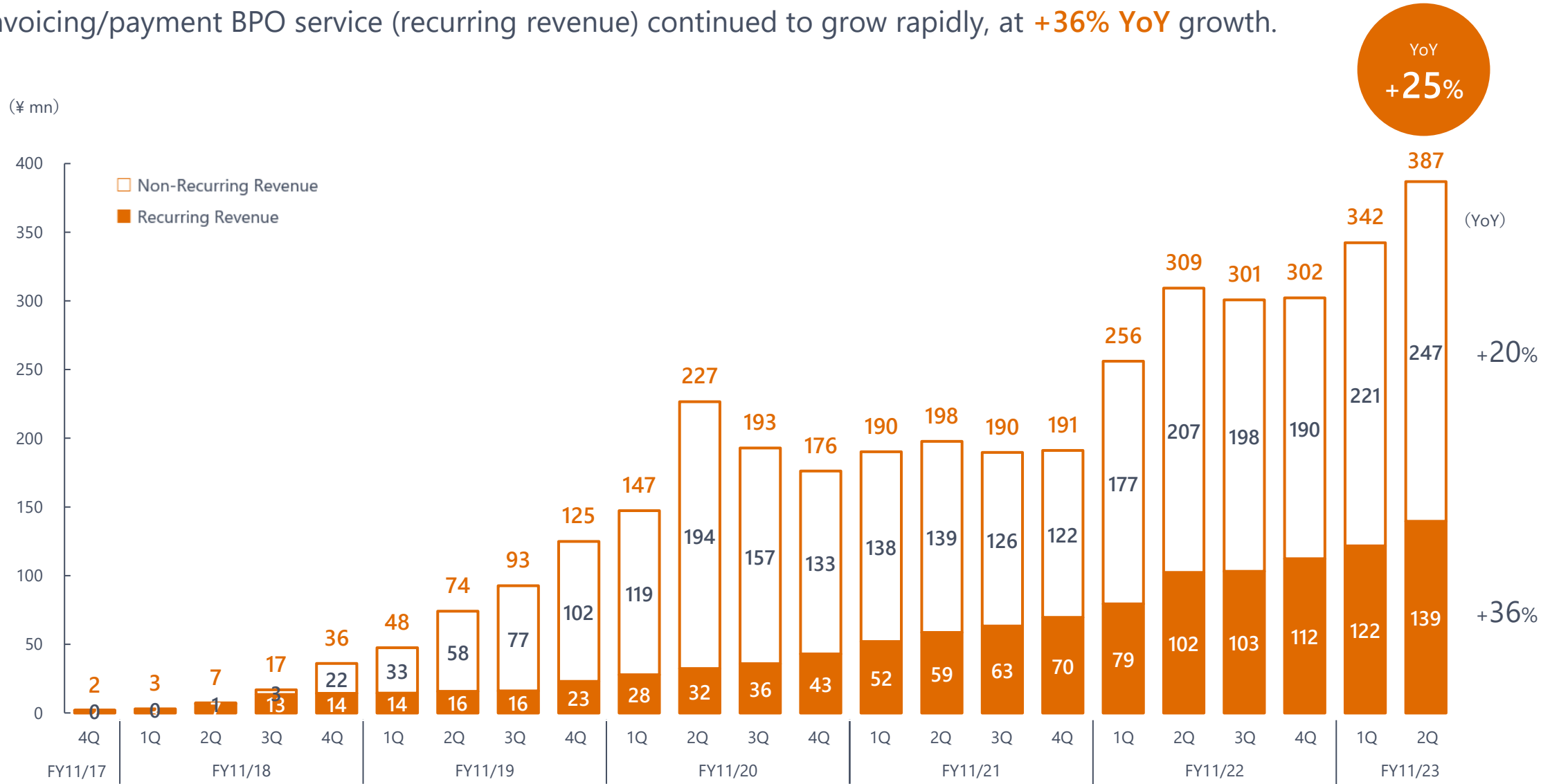
はじめての資産運用って
得からしめたいの？
おすすめ資産運用診断
さっそく診断
どんな診断ができるの？
資産運用を始めたいけど
難しそう
NISA IDeCo
つみたてNISA
IDeCoやNISAなど
いろんな種類があって
得からしめたいの？
さっそく診断
01
あなたは確定拠出年金（企業型確定拠出年金、個人型確定拠出年金 IDeCo）を利用
していますか？

Money Forward
Finance



Quarterly Net Sales of Finance Domain

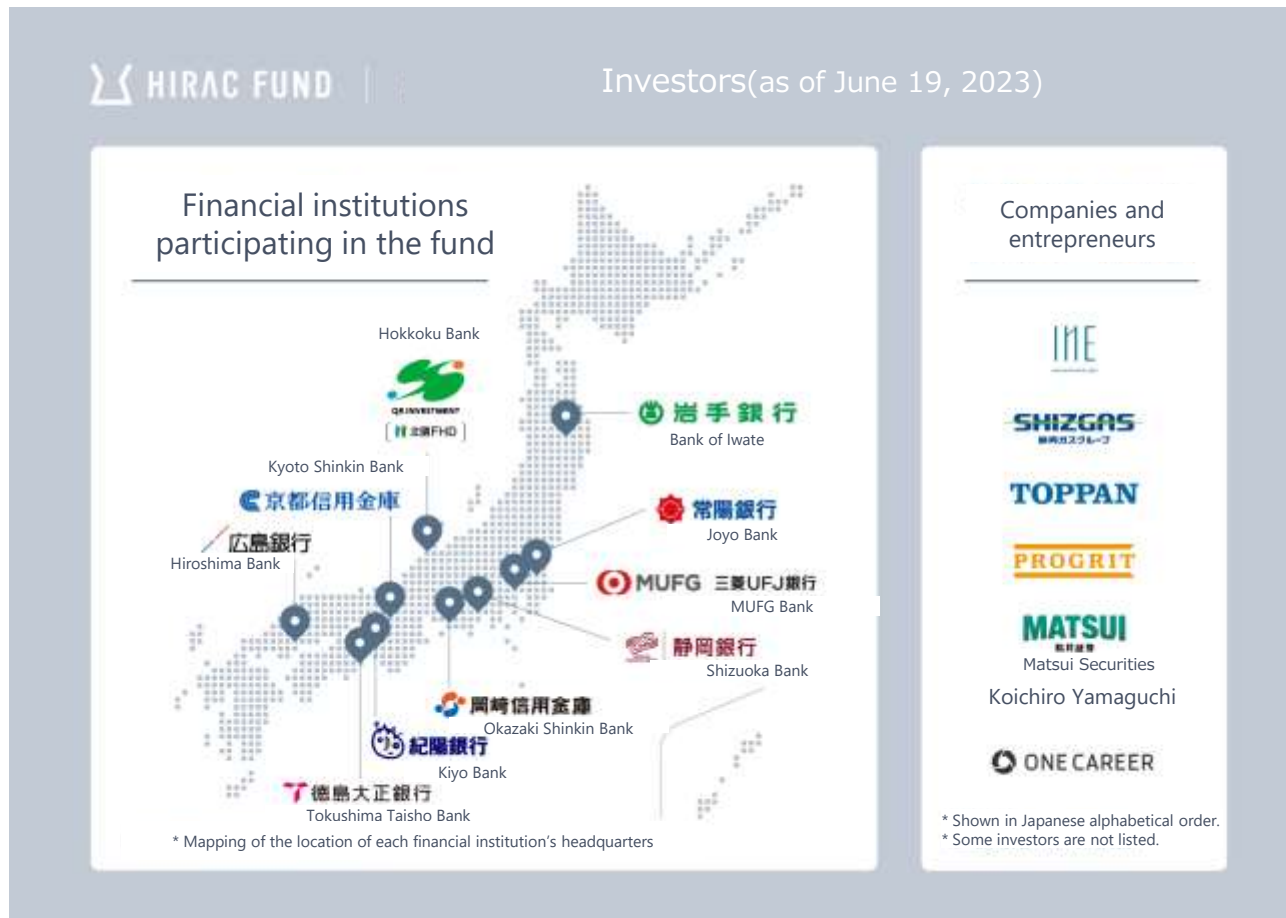
The invoicing/payment BPO service (recurring revenue) continued to grow rapidly, at **+36% YoY** growth.



* Recurring revenue includes monthly fixed fees, and settlement and associated fees of *Money Forward Kessai* and *SEIKYU+*. Non-recurring revenue includes net sales of *Money Forward Early Payment* and *SHIKIN+*, as well as postage fees of *Money Forward Kessai* and *SEIKYU+*.

HIRAC FUND II Held Semi-final Close, Raising ¥6.15 bn in Total

Fund II attracted financial institutions and companies across Japan as limited partners, becoming double the size of Fund I*1. Aiming to invest in growth areas while contributing to regional revitalization.



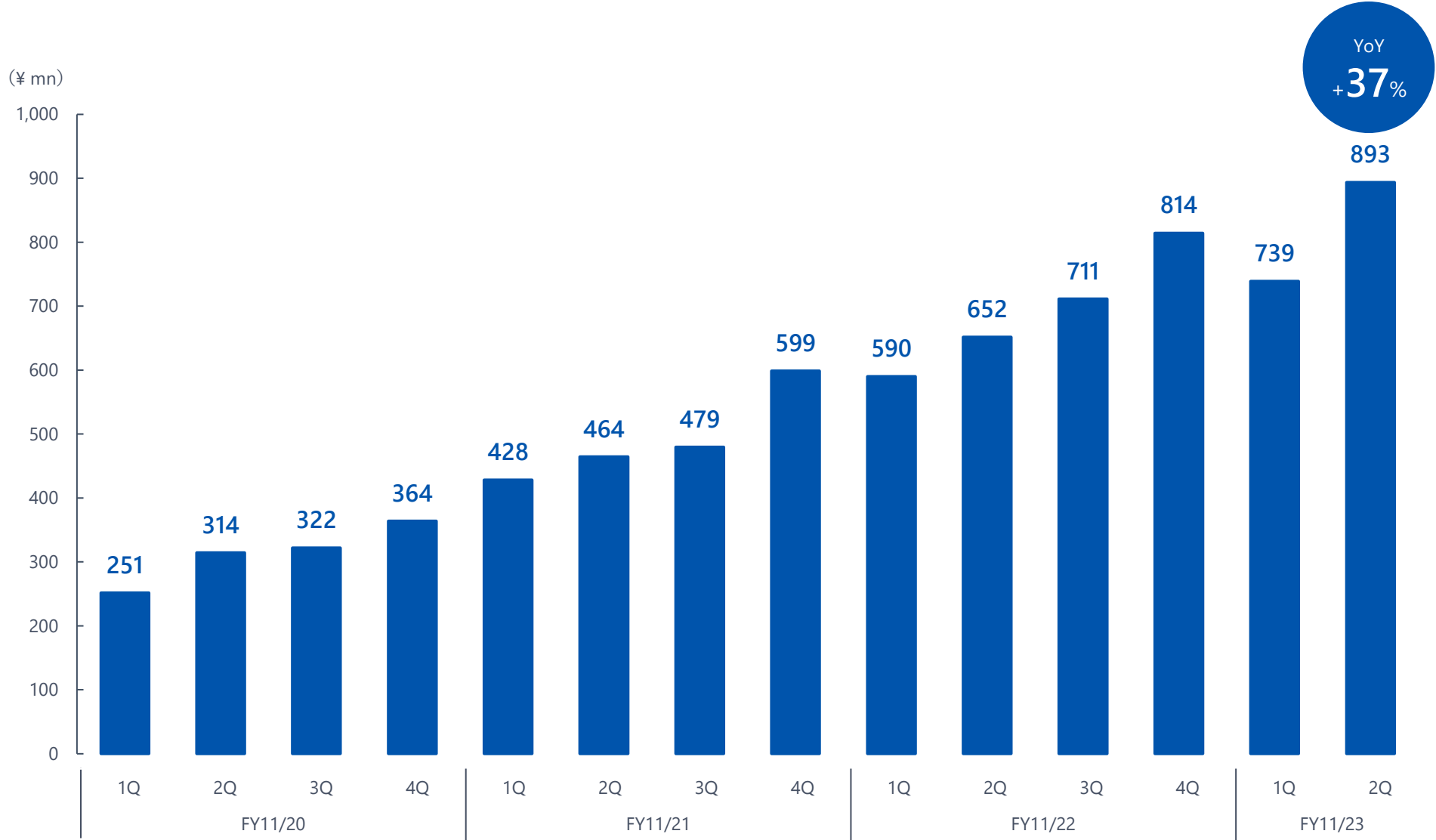
*1 Fund I raised approximately ¥3 billion. The fund invested in 25 companies, among which one is a listed company and another has been approved for listing.

Money Forward
SaaS Marketing



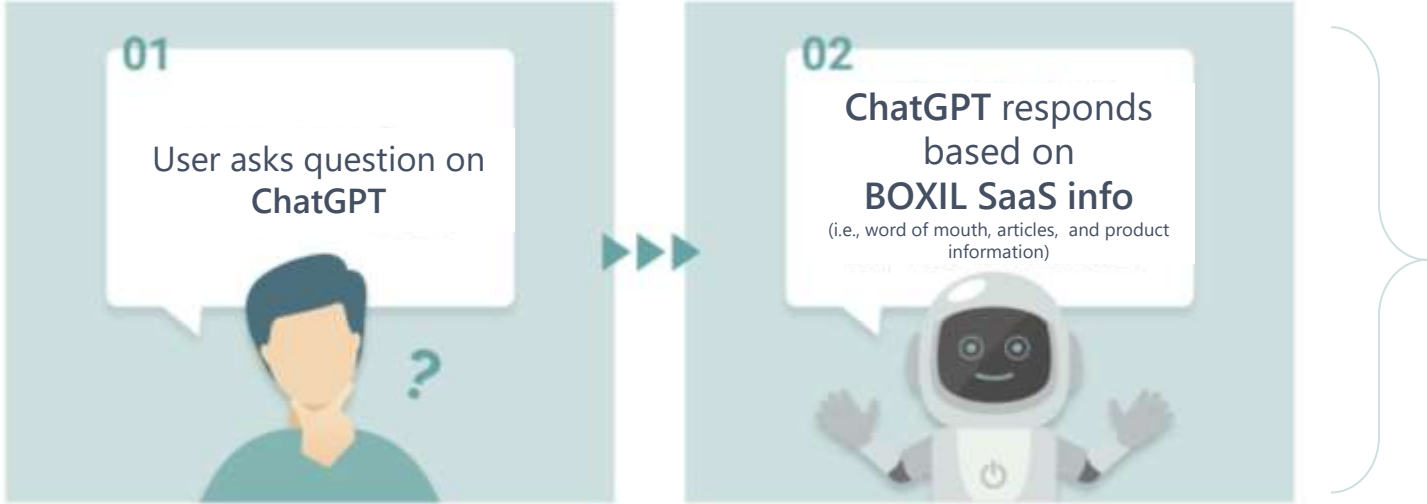
Quarterly Net Sales of SaaS Marketing Domain

Continued to rise rapidly, at **+37% YoY** driven by the high growth of *BOXIL SaaS* and the hosting of *BOXIL EXPO*.



Became Japan's first SaaS and IT Service Comparison Site to Release *ChatGPT Plugin*

Over 30,000 reviews*1, service comparison articles, and product information posted on *BOXIL SaaS* are linked to *ChatGPT*, making it possible to provide end-to-end support ranging from comparison, deliberation, to requests for materials.







(Example of using *ChatGPT* plugin)

*1 Period covered in aggregation: In and after June 2020 to May 2023

Progress on Growth Strategy



Major initiatives in the 4 new growth strategies

-  1 Enhance value of back-office SaaS platform with Go-To-Market strategy based on disciplined investment
-  2 Maximize synergies between domains and improve company-wide productivity
-  3 Create new user value through integrating SaaS and Fintech
-  4 Continue disciplined M&A (group join) and optimize group capital strategy

1 Released Sending Function in *Money Forward Cloud Invoice System* in June 2023

Enables reducing costs and work hours through automated sending of documents related to business transactions. Also support complying with the Invoice System and Electronic Book Preservation Act.



- Centrally manages invoice sending by supporting all means (online/email/postal/fax).
- Enables maintaining existing formats with flexible layout functions

Selected Cases

GENDA GiGO Entertainment Inc.



Business

Planning and operating amusement facilities and restaurants, renting out toy and game devices

Employees

Approx. 810

Founded

2004

Meiko Embedded Products, Ltd.



Business

Development and manufacturing of embedded devices and printer business

Employees

Approx. 320 (consolidated)

Founded

2011

1 New Special Landing Page for Invoice-related Products

Provide information about how our products can support the digitalization of invoicing operations to prepare for the implementation of the invoice system. Present solutions in line with specific business issues.

Money Forward クラウド 料金 ▼ 特長 事例 ▼ サポート 資料請求 ▼ セミナー ▼ サービス一覧 ▼ ログイン 無料で資料請求

インボイス制度対応 による 請求書業務 のお悩みを
マネーフォワード クラウド が解決します！

例えばこんなお悩みはありませんか？

- 業務課題 1
請求書発行・送付の
コストを削減したい
- 業務課題 2
受け取った請求書をミス
なく効率的に処理したい
- 業務課題 3
電子帳簿保存法に対応し
請求業務を電子化したい
- 業務課題 4
デジタル化と共に
内部統制を強化したい

Special Landing page: <https://biz.moneyforward.com/invoice-about/solution-erp/>

1 Money Forward Cloud Fixed Assets Significantly Reduces the Hours Required for Fixed Asset Operations

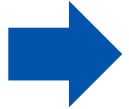
SMS Co., Ltd.



Business	Provision of information infrastructure for medical care, nursing care, healthcare, and life for seniors	Group companies	10
Employees (Consolidated)	Approx. 3,700	Listing market	TSE Prime Market

Before implementing service
(Used fixed asset function of foreign ERP package)

- Daily operations were complicated due to lack of functions and complex UI.
- Manual work was required for paperwork and submissions since the system did not fulfill Japanese tax standards.



After implementing service
(Links Money Forward Fixed Assets to ERP system)

- Work hours and costs associated with fixed asset operations were significantly reduced through **digitized submissions and enhanced operability and visibility.**
- **The fact that the system is cloud-based and can be used in combination with existing systems** was also a decisive factor for deployment.



Money Forward
Cloud Fixed Assets

1 Improving User Experience by Updating Existing Products (1/3)

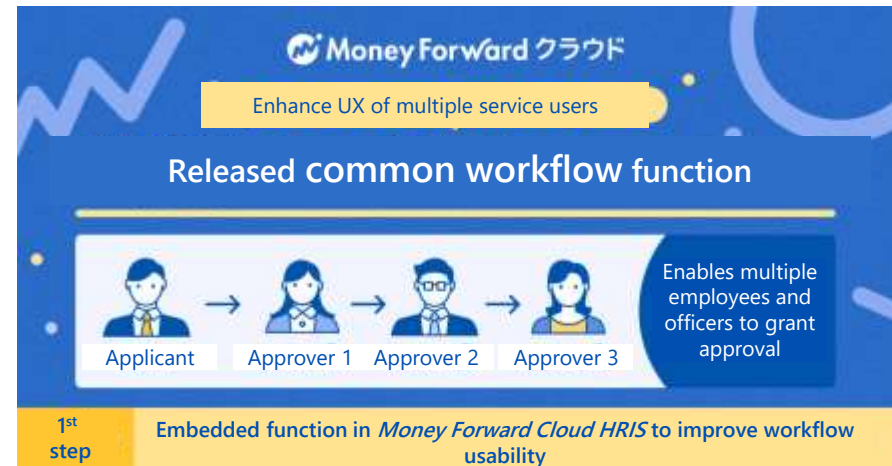
By providing a common platform and functions across multiple products, it further improves the convenience of using our products together.

My page function



- Money Forward クラウド人事管理
- Money Forward クラウド勤怠
- Money Forward クラウド給与
- Money Forward クラウド年末調整
- Money Forward クラウド経費

Built-in common workflow function



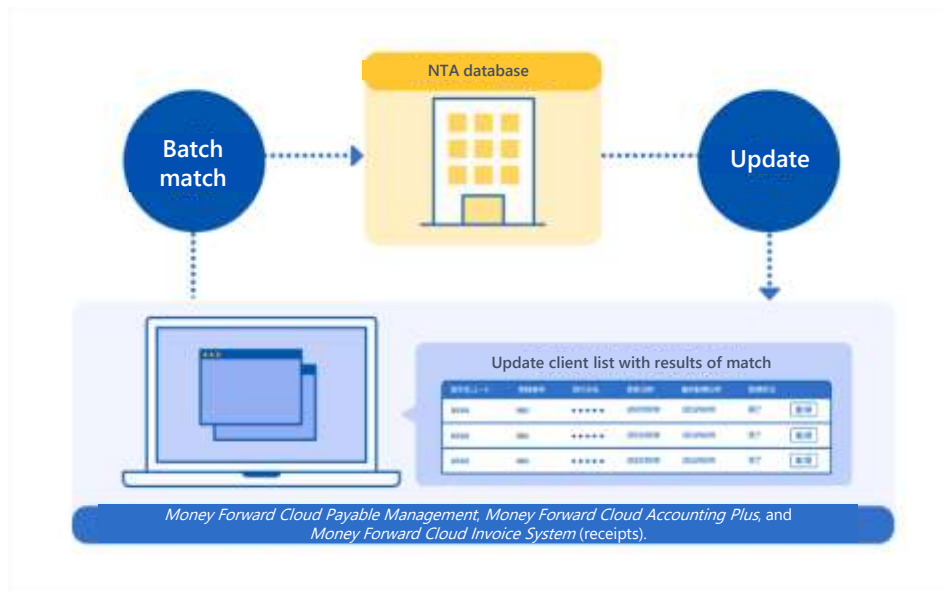
Without logging into each different services, in services such as Money Forward Cloud Attendance and Money Forward Cloud Expense, managers can approve or return requests for paid leave and expense reimbursement submitted by employees.

- Developed a common platform for workflow functions for Money Forward Cloud products. As the first stage, the function was embedded into Money Forward Cloud HR Database.
- Double maintenance of workflows is no longer necessary, significantly reducing the workload on system administrators.

1 Improving User Experience by Updating Existing Products (2/3)

New functions enable delivering value to a broader user base.

Bulk Verification Function for registration numbers



By providing a function that allows for bulk verification of the invoice registration numbers of the counterparts against National Tax Agency's database in the Invoice System-compliant product ^{*1}, **confirmation tasks with trading partners is eliminated, resulting in a significant reduction in working hours.**

Log in without email address



- Enables logging without an email registration, using a *Login ID* function.
- **Employees who do not have a business email address (i.e., part-time or temp workers) can also use *Cloud Tax Adjustment*.**

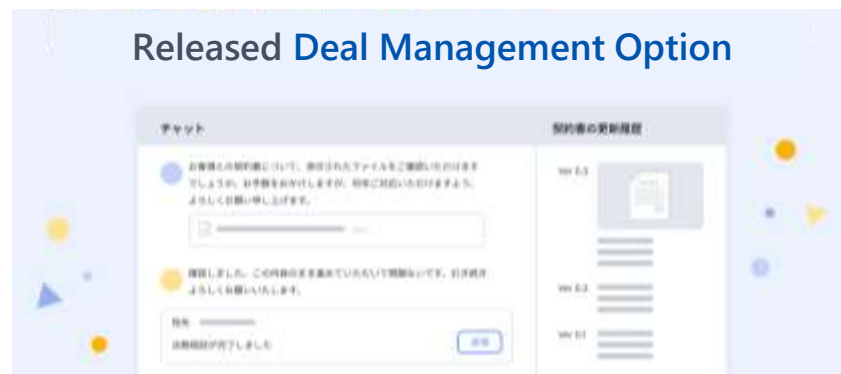
^{*1} Refers to Money Forward Cloud Payable Management, Money Forward Cloud Accounting Plus, and Money Forward Cloud Invoice System (receipt).

1 Improving User Experience by Updating Existing Products (3/3)

New functions enable delivering value to a broader user base.

One-stop contract management

Money Forward Cloud Contract



Adding categories to expense settlement statements

Money Forward Cloud Expense



Create a generic master

- Centralize internal communication in *Money Forward Cloud Contract* for contract reviews.
- Manage contract documents alongside the contract review process to visualize the end-to-end flow of how contract terms were agreed upon, including who approved them and when they were finalized.

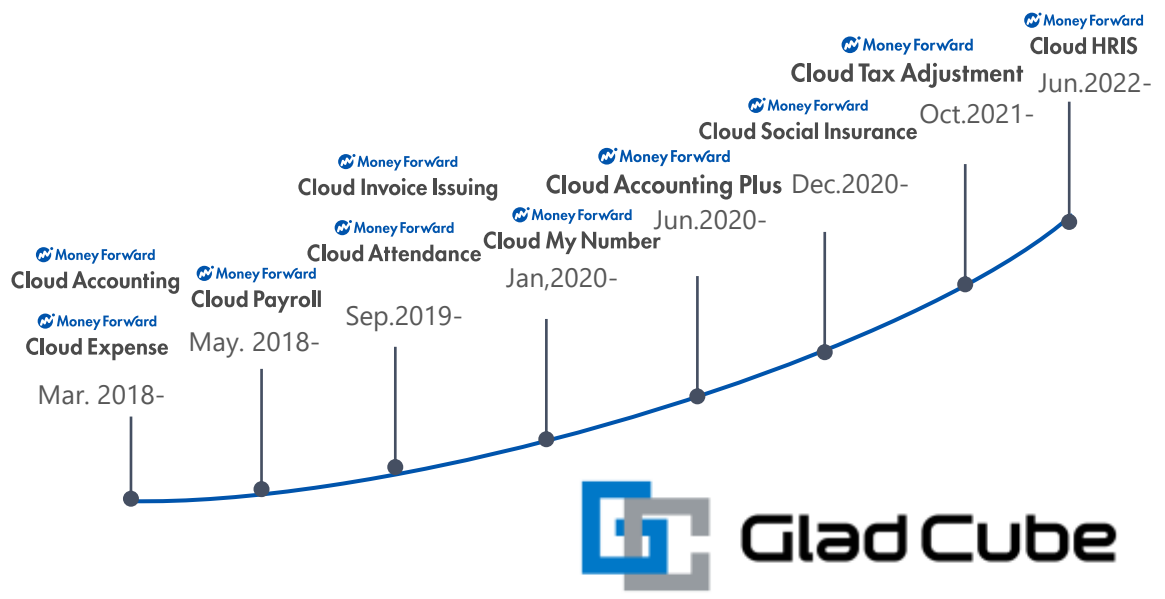
- Enable customized management accounting and analysis for corporate entities, including enterprise companies, through flexible settings for master data and input fields.
- Enable seamless integration with existing accounting systems and software through the provision of an external public API for *General Master*.

1 Cases of Cross-selling among Startups and listed companies

Cases where companies started from *Cloud Accounting* or *Cloud Expense* deployed other services along with the growth of business and organisational expansion.

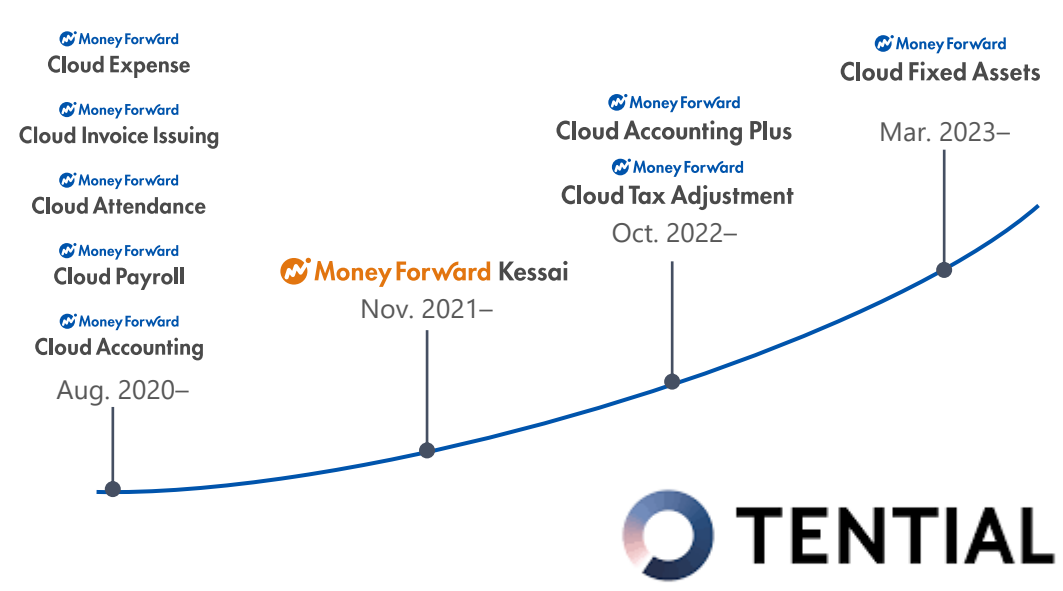
GLAD CUBE Inc.

Business	SaaS, marketing solutions, and SPAIA businesses
Employees	Approx. 100
Founded	2007 (listed on TSE Growth Market*1)



TENTIAL Inc.

Business	Management of wellness brand <i>TENTIAL</i>
Employees	Approx. 60
Founded	2018



*1 Listed on the TSE Growth Market in September 2022.

1 Cases of Cross-selling and Group Deployment among Medium-sized Companies


Cases where companies implemented additional services that met their needs without drastically changing their existing systems.

Pony Canyon Inc.

Business	Audio, visual software, digital contents, book planning, production and sales, movie distribution, planning and production of concerts and events, and regional promotion projects
Employees	Approx. 450
Founded	1966

A timeline showing the implementation of Money Forward services for Pony Canyon Inc. from December 2018 to April 2023. The services include Cloud Expense, Cloud Accounting, Cloud Payroll, Cloud Social Insurance, Cloud Tax Adjustment, Cloud My Number, Cloud Invoice Issuing, and Cloud Payable Management (implemented by subsidiary).

- Dec. 2018–: Money Forward Cloud Expense
- Feb. 2021–: Money Forward Cloud Accounting (Implemented by subsidiary)
- Apr. 2023–: Money Forward Cloud Payable Management (Implemented by subsidiary)
- Money Forward Cloud Invoice Issuing
- Money Forward Cloud My Number
- Money Forward Cloud Tax Adjustment
- Money Forward Cloud Social Insurance
- Money Forward Cloud Payroll




Sourcier











Business	Management of nursing care facilities, day care facilities, and other welfare businesses
Employees	Approx. 400
Founded	2004

A timeline showing the implementation of Money Forward and Pay for Business services for Sourcier from August 2019 to January 2023. The services include Cloud Accounting, Cloud Payroll, Cloud Social Insurance, Cloud Tax Adjustment, Cloud HRIS, and Cloud Attendance.

- Aug. 2019–: Money Forward Cloud Accounting
- Mar. 2022–: Pay for Business Cloud Payroll
- Sep. 2022–: Money Forward Cloud Social Insurance
- Jan. 2023–: Money Forward Cloud Tax Adjustment, Money Forward Cloud HRIS, Money Forward Cloud Attendance

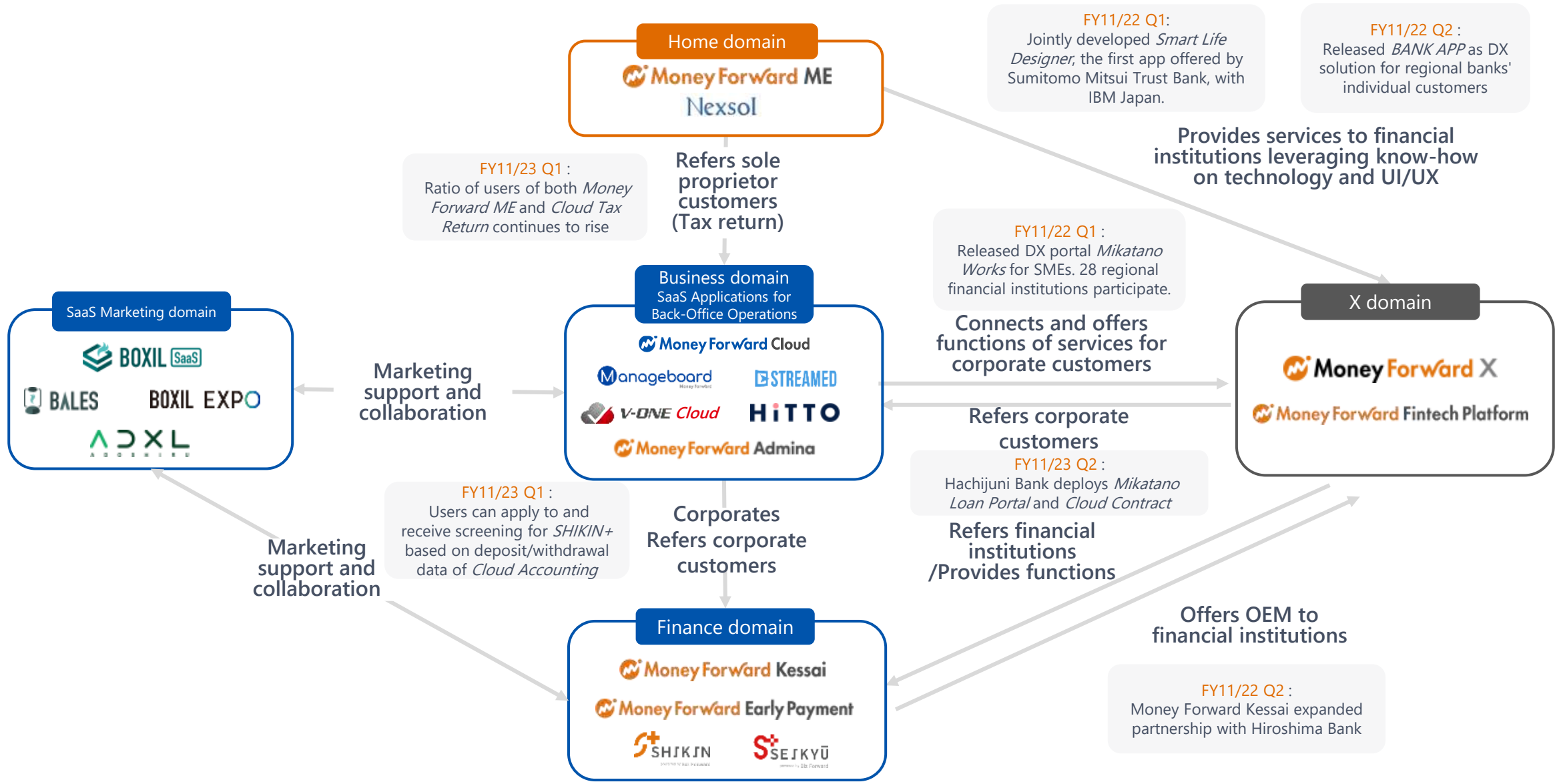


1 Effective Market Strategy Depending on the Customer Segment

	Customer Segment			
	Professional Service Firms & Their Clients	SMEs	Medium to large-sized Companies	Sole Proprietors
Key Products	 Accounting / Invoice / HR etc.   Cloud-based Bookkeeping Service Managerial accounting	 Accounting / Invoice / HR etc.	 Accounting Plus / Invoice Issuing / Payroll / Expense / Contract / Invoice System   Cash Reconciliation and Receivable Management AI Chatbot for Employees   Managerial accounting SaaS management	 Tax Return etc.
Go-to-market	Direct Sales	Online Subscription	Direct Sales / Partner Sales	Online Subscription
Key Users	Accountants Labor and Social Security Attorney	CEO / CFO / Accountants	Accounting Dept / HR Dept / Admin Dept / Sales Dept	Sole Proprietors / Accountants
KPI*1	ARR : ¥ 14,020 million, YoY+48% < SMB : ¥ 8,752 million, YoY+38% / Mid : ¥ 5,268 million, YoY+66% > # of Customers : 131,855, YoY+34% / ARPA : ¥ 106,331, YoY+10%			ARR : ¥1,611 million, YoY+23% # of Customers: 144,915, YoY+26% ARPA : ¥11,119 YoY, △2.4%

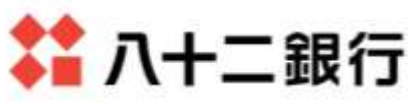
*1 As of May 31 2023.

2 Create Synergies by Referring Users between Domains and Sharing Know-how among Products



2 Hachijuni Bank Implemented *Mikatano Loan Portal* and *Money Forward Cloud Contract*

The entire process from applying for a loan to concluding a contract can be completed seamlessly online through linking the two services.



Mikatano Loan Portal



Submit the required documents and set the loan terms, then apply for a loan online with a financial institution.



Link necessary info via API once approved

Money Forward Cloud Contract



Based on the information received, all processes of concluding and storing the loan contract can be completed on the system.

2 Groupwide R&D Initiatives

E-mail aggregation



-  **Cloud Payable Management**
-  **Cloud Accounting Plus**
-  **Cloud Expense**

Evidence aggregation



-  **Cloud Expense**
-  **Cloud Box**

Aggregation frequency control



-  **Money Forward ME**
-  **Cloud Accounting**

Credit control



-  **Cloud Expense**
-  **Pay for Business**

Automated data entry



-  **Cloud Expense**
- 
- 
- 

Calculation of factoring fee



- 
- 
- 
- 

2 Adding Value Through Continuous Product Enhancements

Provided new product value to users by leveraging generative AI.

Automatic generation of customized payroll formulas









Formulas are automatically generated by proposing a calculation in the form of a prompt.

Operations are completed by simply entering prompt



Based on the massive SaaS data accumulated in *Money Forward Admina*, users can instruct the data they want to obtain or operation they want to perform using sentences, eliminating the need to operate on multiple screens.

3 Developing our business in SaaS and Fintech

Area	Payment	Invoicing and accounts receivable	Improvement of cash flow	
Service	<p data-bbox="428 354 746 382">Business card payment</p>  <p data-bbox="512 632 647 661">(2021/9~)</p>	<p data-bbox="894 354 1302 382">Invoicing and Payment collection*1</p>  <p data-bbox="1003 532 1138 561">(2017/6~)</p>  <p data-bbox="1003 672 1149 701">(2021/12~)</p>	<p data-bbox="1403 354 1811 382">Accounts receivable financing service*1</p>  <p data-bbox="1549 532 1684 561">(2019/8~)</p>  <p data-bbox="1549 672 1694 701">(2021/12~)</p>	<p data-bbox="1972 354 2277 382">Invoice card payment</p>  <p data-bbox="2058 639 2193 668">(2023/4~)</p>
Value	<ul style="list-style-type: none"> Issues instantly as prepaid cards without Credit screenings. Support large payments as well. Enables real-time integration with <i>Money Forward Cloud Accounting</i> and <i>Money Forward Cloud Expense</i>. 	<ul style="list-style-type: none"> Outsourcing the series of tasks reduces back-office burden for companies with heavy billing workloads. Guaranteed payment of accounts receivable eliminates the seller's concerns about the risk of debt collection. 	<ul style="list-style-type: none"> Improves cashflow by accounts receivable financing. Unique screening process enables funds of up to several hundred million yen to be raised in as little as two working days. 	<ul style="list-style-type: none"> Enables card payments for invoices from suppliers that do not accept card payments. Improve cashflow by extending the timing of payments.
Domain (Revenue Structure)	Business Non-recurring revenue (Transaction)	Finance Recurring revenue	Finance Non-recurring revenue (Transaction)	Finance Non-recurring revenue (Transaction)

*1 See page 113 for details on our invoicing and cash collection business and accounts receivable financing business.

*2 SEIKYU+ and SHIKIN+ are operated by Biz Forward, a joint venture with MUFG Bank, Ltd

3 Strategies in SaaS and Fintech

1. Expand customer base of fintech services by leveraging that of SaaS



- As of FY11/23 1H, transaction revenue grew 3.4 times in two years. Business model with efficient use of balance sheet, contributing to improving customer retention and ARPA increase. ▶ P.66
- Transaction volume reaches over ¥200 billion (*Money Forward Kessai Early Payment*). ▶ P.67
- Issued 290,000+ cards with minimal PR costs leveraging our SaaS user base and partnerships with accounting firms. ▶ P.68

2. Expand fintech services and gain advantage



- 8 competitive advantages owing to continued development and product enhancement (*Money Forward Pay for Business*). ▶ P.68
- Released new *Document and Memo Attachment Function* for attaching evidence and adding notes to card statements (*Money Forward Pay for Business*). ▶ P.69

3. Improve service level and UX by integrating SaaS and fintech data

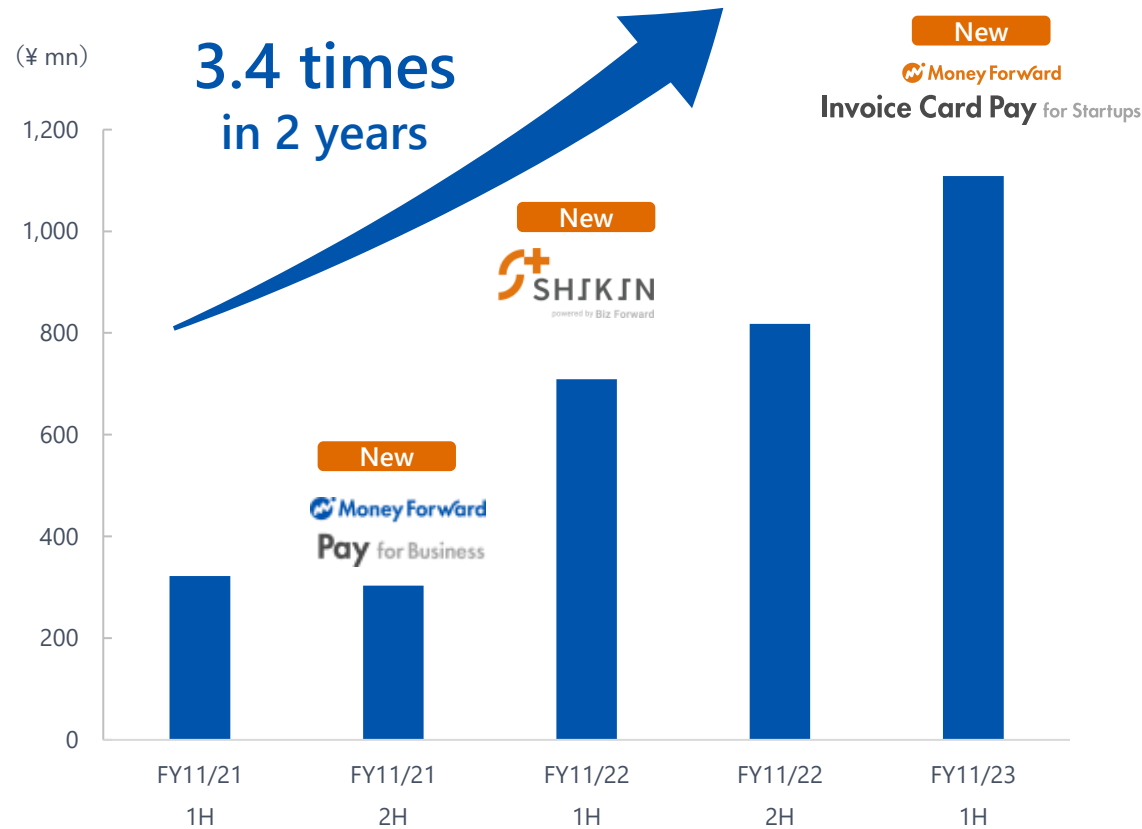


- Started collaborating with Infomart Corporation, the largest B2B ordering system provider in Japan's food service industry with an annual merchandise value of ¥30 trillion (*Money Forward Kessai*). ▶ P. 70
- Provides online factoring by integrating services. Planning to accelerate integration with *Money Forward Cloud Invoice Issuing (SHIKIN +)*. ▶ P. 71

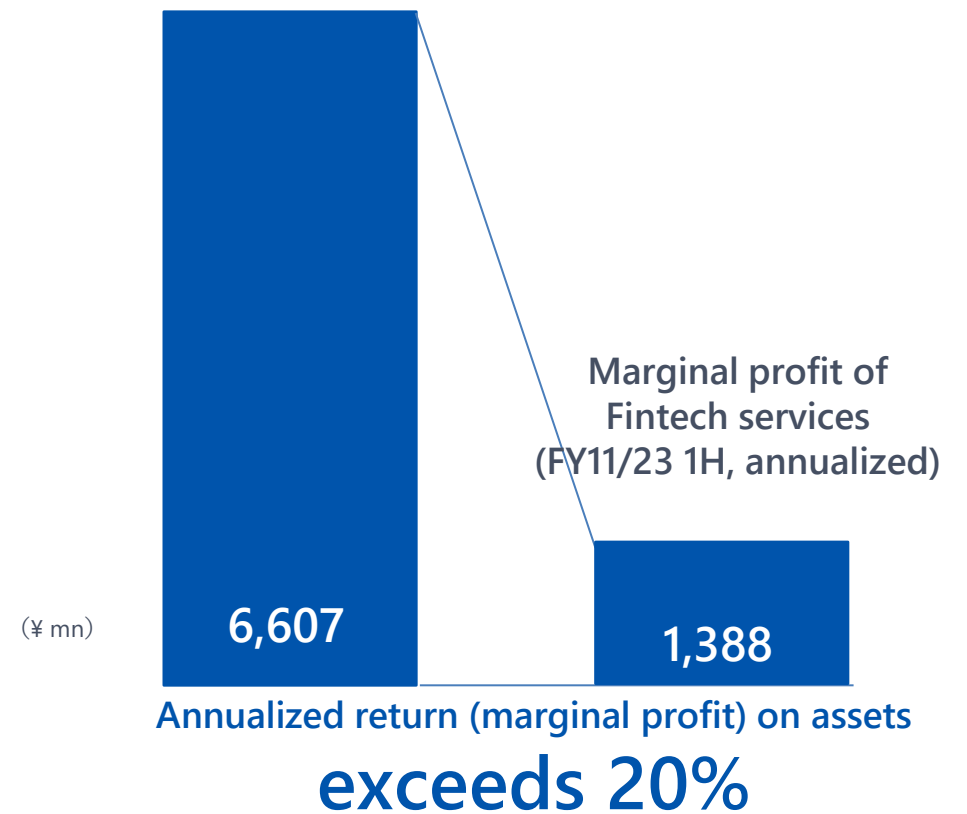
3 Fintech Service Revenue Grows 3.4x in 2 Years with Customer Expansion and Product Enhancements

Improved customer retention and increased ARPA through adding Fintech service to SaaS. Fintech business exhibits high profitability even on standalone basis, generating over 20% ^{*1} return (marginal profit) on assets.

Fintech service Revenue



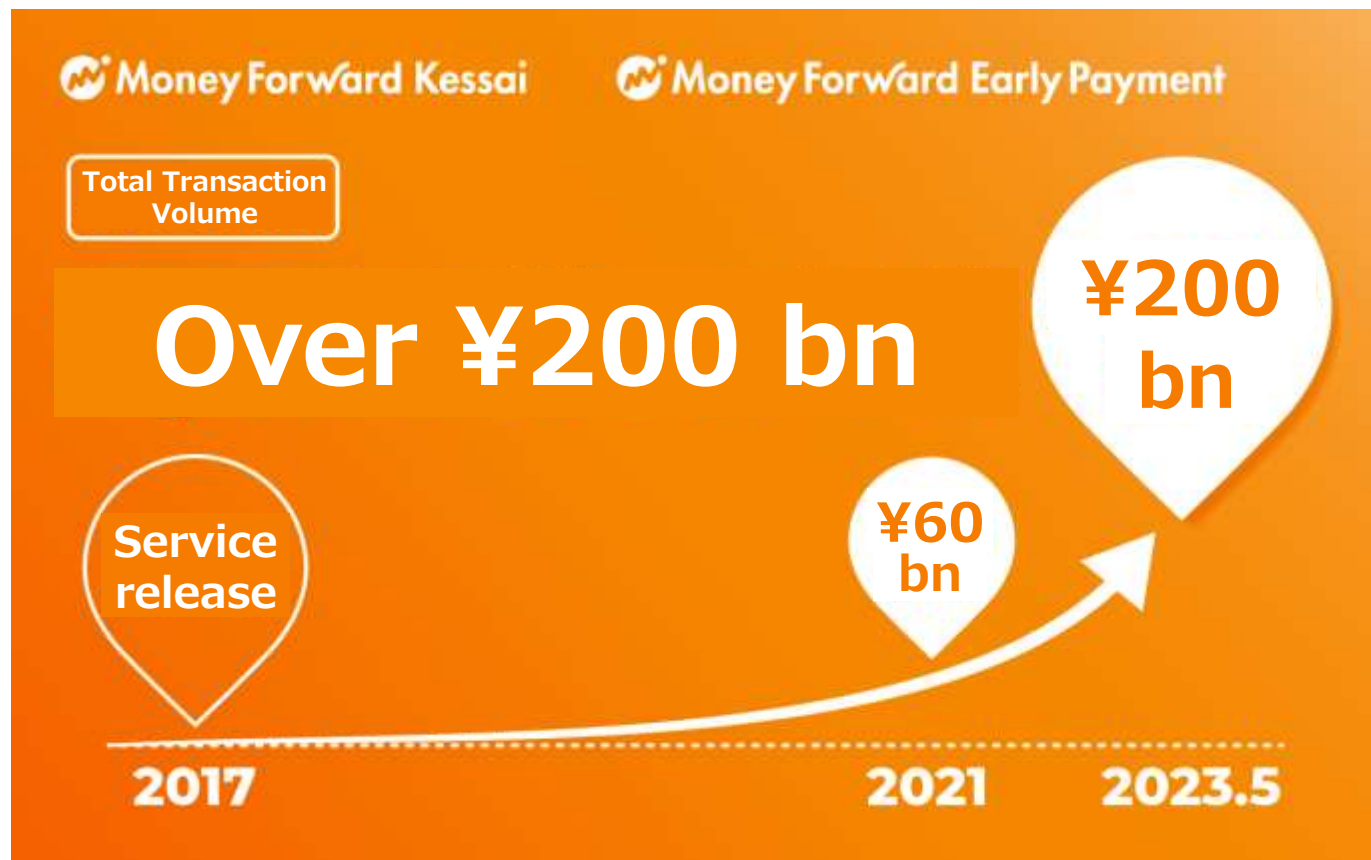
Balance sheet for Fintech services (FY11/23 1H) ^{*1}



¹ Fintech service sales minus variable costs linked to sales. Variable costs linked to net sales in *Money Forward Kessai*, *Money Forward Early Payment*, *SEIKYU+*, *SHIKIN+*, and *Money Forward Invoice Card Pay for Startups* include interest expenses, provision of allowance for doubtful accounts, and underwriting expenses. Variable expenses linked to net sales in *Money Forward Business Card* include interest expenses, provision of allowance for doubtful accounts, point expenses, provision of point allowance, commission expenses paid to each partner company and financial institution and outsourcing expenses. ² The balance sheet required for *Money Forward Kessai*, *Money Forward Early Payment*, *SEIKYU+*, *SHIKIN+*, and *Money Forward Invoice Card Pay for Startups* is the month-end average balance of purchased receivables in the first half of the fiscal year ending November 2023. The balance sheet required for *SHIKIN+* and *Money Forward Invoice Card Pay for Startups* is the average balance of purchased receivables at the end of each month in the first half of FY11/2023. The balance sheet required for *Money Forward Business Card* is calculated based on the monthly average of deferred payment transaction volume in 1H FY11/2023. ³ Fintech service sales in 1H FY23 were 1,108 million yen (annualized: 2,216 million yen), and marginal profit was 1,388 million yen since the marginal profit margin for Fintech services is 63%.

3 Transaction volume Reaches Over ¥200 Bn in *Money Forward Kessai* and *Early Payment*

Transaction volume was also boosted by cross-selling to *Money Forward Cloud* users.



Collection rate^{*2}
Over **99.5%**

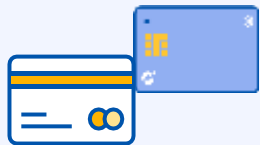
*1 Cumulative amount of transactions through *Money Forward Kessai* and *Money Forward Early Payment* as of May 31, 2023.

*2 The percentage of the amount collected to the amount of purchased receivables from the start of business to FY11/23 Q2.

3 Thanks to our partnerships with accounting firms and a customer base of 280,000, issued 290,000 cards with minimal promotional expenses.

Money Forward Business Card has established 8 service advantages by continuously expanding its functions. Achieved the No. 1*¹ cumulative number of business entities using the card as a prepaid card for business use.

1. No credit check required. Issued in as little as 2 business days



No credit check is required since they are prepaid cards. Immediate issuance is possible even for corporations just after establishment.

2. No usage limit



No spending limit. Allow up to 50 million yen*² per transaction. Thus, no need to create multiple cards due to insufficient maximum amount.

3. 1% point return

1%

1% of the transaction amount is returned as points. Points can be charged to a wallet (balance) for settlement.

4. Benefit Programs



Provides services that support users' business growth with benefits in conjunction with services that solve business efficiency, marketing, and other issues.

5. Issuance of additional cards for different purposes



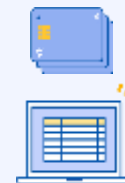
Any number of real/virtual cards can be issued. Cards can be issued for each department or supplier. Owner of the card can be managed. Can consolidate business expense payments.

6. Supports card control



Maximum spending limits can be set for each card. In the event of theft or loss, use of the card can be immediately suspended via the Web or application.

7. Real-time reflection of usage statements



Reflects usage details in real time. Appropriate cost accounting and early monthly closing of accounts.

8. Post-payment function



Post-payment is possible without the need for recharging. Provides a line of credit based on bank balance inquiries and usage history of *Money Forward Cloud*.

*1 Market research on "business prepaid cards" (March 2023, Future Trends Research Organization survey).

*2 Up to 50 million yen per transaction can be settled only at specific merchants registered based on pre-screening (e.g., cloud system usage fees, etc.). The default setting is 1 million yen, and can be changed to 5 million yen by the user.

3 New *Document and Memo Attachment Function* on *Money Forward Business Card*

By entering receipts and notes directly on the app or browser version, the workload for checking payment details and collecting receipts can be reduced.

The screenshot displays the Money Forward Business Card interface. On the left, a card summary shows a balance of 1,234,560 円. Below this, transaction details are listed: Card (TARO YAMADA3456), Transaction Date (2023/03/24 14:56), Confirmation Date (2023/03/26 15:06), and Estimated Settlement (12,345 P). A receipt attachment section is visible with a thumbnail of a receipt and a close button.

On the right, the 'Card Usage Details' (カード 利用明細) screen shows a list of transactions:

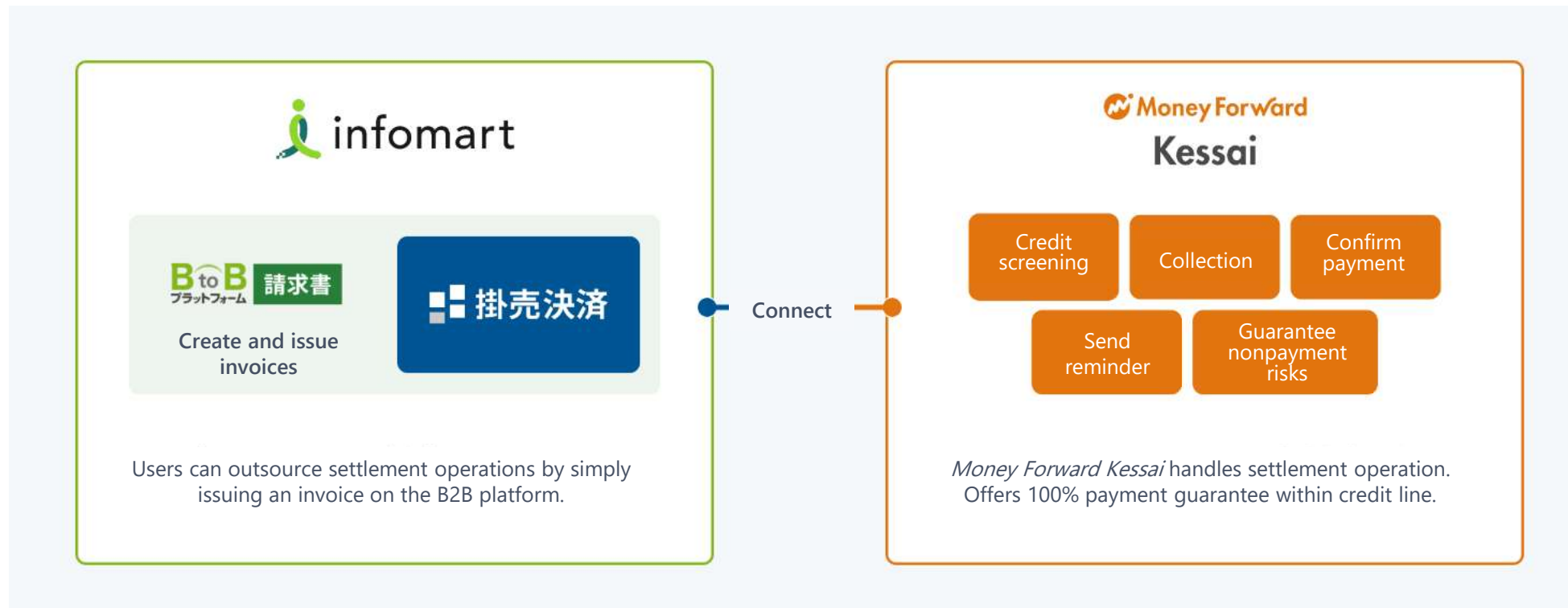
	取引日時	支払先
速報	2021/10/19 19:03	マネフォブックセンター 田町店
確定	2021/10/19 16:33	JR東日本モバイルSuica
速報	2021/10/19 12:06	POST OFFICE
確定	2021/10/18 12:50	スターバックスジャパン
確定	2021/10/18 21:45	AMAZON.CO.JP
確定	2021/10/16 10:24	青山ブックセンター

An overlay window shows a detailed view of the Amazon transaction, including a receipt image and a memo field. The receipt image shows a total amount of 1,234,560 円. Below the receipt, there are options for receipt type: 紙で受領 and 電子 (PDF, JPEG, PNG) で受領. A memo field is also present with the placeholder text '目的・用途等 (50文字以内)'. A '保存' (Save) button is located at the bottom of the overlay.

3 Providing *Money Forward Kessai's Credit, Guarantee, and Reminder* functions to Infomart Corporation's Credit Account Settlement Service

Promoting further expansion of customer base by enhancing user experience through offering a one-stop service.

Aiming to raise the share of settlements in accounts receivable among *Infomart's* annual merchandise value of ¥30 tn^{*1} to 1 – 2%^{*2} within five years.



*1 The annual gross merchandise value of Infomart's B2B platform, its core service for digitalizing B2B ordering and invoicing operations.

*2 The sum of the transaction value of this initiative and transaction value of services provided by Infomart in partnership with other financing companies.

3 Released Online Factoring Function by Integrating Services

Users can apply to and receive screening for online factoring based on deposit/withdrawal data of *Money Forward Cloud Accounting*, allowing for rapid fundraising. Planning to accelerate integrations with *Money Forward Cloud Invoice Issuing*.

 Money Forward Cloud Accounting



Credit
decision

 **Biz Forward**
A member of  MUFG



 **SHIKIN**
powered by Biz Forward

Period till deposit
(after submitting required documents)

Min. 2 business days

Amount

Tens of thousands to hundreds of millions of yen

Interview

Not necessary

Deposit/withdrawal data, journal data, trial balance data, etc.

Credit decisions are made based on various data to support corporate financing

4 Our M&A Strategy and Investment Track Record

Business Area	Strategy	Track Records
<p>Business / Back-office SaaS</p> <p>+</p> <p>Home</p>	<p>1 Expansion of Product Line-up</p> <ul style="list-style-type: none"> Business Upsell products to existing customers (professional service firms and corporates) for ARR expansion Business Expand range of best-in-class solutions to further enhance line-up to medium to large-sized/pre-IPO companies and listed companies Home Expand financial services and enhance value proposition 	<p>STREAMED (November 2017)</p> <p>Manageboard Money Forward (July 2018)</p> <p>V-ONE Cloud (October 2020)</p> <p>HITTO (December 2021)</p> <p>Nexsol (May 2022)</p> <p>SUSTEN (March 2022)</p> <p>*Susten Capital Management Inc. is an equity method affiliate</p>
<p>Business / SaaS Marketing</p>	<p>2 Expansion of TAM(Geographical Expansion)</p> <ul style="list-style-type: none"> ● Access to cloud back-office SaaS market in SEA <p>3 Expansion of TAM(Business Area Expansion)</p> <ul style="list-style-type: none"> ● Enter SaaS marketing business which has large market potential 	<p>mekari Multiple follow-on investments since January 2018.</p> <p>FLOWACCOUNT.COM (June 2021)</p> <p>Bizzi (September 2021)</p> <p>* We hold minority stakes in Mekari, FlowAccount, and Bizzi.</p> <p>BOXIL SaaS (February 2020)</p>

Other Initiatives



Appointed 5 New Executive Officers to Reinforce Group Management Team



Chiaki Ishihara

Group Executive Officer

CHO (Chief Human Officer) in charge of DEI (Diversity, Equity & Inclusion)

Joined Deloitte Touche Tohmatsu LLC in 2012 and registered as a Japanese CPA in 2015. Joined Money Forward, Inc. in 2016, where she was involved in IPO preparation. After the IPO, she was engaged in international public offerings, the sector transfer from Mothers to First Section of the TSE, and the launch of the sustainability project as division manager of the Corporate Planning Division and head of IR. In 2021, she moved to HR and has led the project to revise the HR policies as general manager of the People Forward Department.



Nana Nagai

Group Executive Officer

Money Forward Vietnam Co., Ltd. CEO

Started her career at Recruit Co., Ltd. in 2005, and later became a member of the startup team at Randstad Japan. In 2014, she relocated to Southeast Asia and served as an executive officer in charge of marketing at Evolvable Asia Vietnam (currently Hybrid Technologies). After moving to Rakuten Singapore, she launched a new business for app service providers. She joined Money Forward Vietnam as COO in 2021 and was appointed as CEO in 2022. She holds a master's of business administration from Nanyang Technological University.



Masayuki Matsuhisa

Group Executive Officer

CISO (Chief Information Security Officer)

Joined Hewlett-Packard Japan in 1997 and oversaw the system development business mainly for major banks. In 2011, he was transferred to the Hewlett Packard Singapore as project director responsible for IT projects in Asian countries. In 2016, he returned to Japan and joined Amazon Web Services Japan. As general manager of the Financial Solutions Division, he focused on cloud adoption in the financial services industry. Joined Money Forward, Inc. in 2023.



Seiichiro Shimamura

Company Executive Officer

Money Forward Business Company CRO (Chief Revenue Officer)

Joined AIG in 1990. After gaining experience in marketing planning and operations, he was promoted to assistant vice president in 2010 and vice president in 2012. In 2013, he joined Asurion and was appointed as vice president of the Japanese Division. During his time at Asurion, he held various positions in leading negotiations with clients and corporate strategies. He joined Money Forward, Inc. in 2023.



Shinji Kimura

Group Executive Officer

Head of Global Strategy and Money Forward America CEO

Joined Sony Corp in 2001 and started his career in the accounting function. Later, he started his own web development agency High Velocity, and then joined Rakuten in 2011, where he engaged in investments and PMI operations. In 2012, he was dispatched to Rakuten Germany to manage the EU e-commerce operations, and then in 2016 moved to the US to become the chief strategy officer at Rakuten Americas to lead their M&A, partnerships, and strategy planning. He joined Money Forward America in 2022.

Received "AA" MSCI ESG Rating, Up from Previous "A" Rating

Received appraisal for efforts in Talent Forward, the Company's materiality.



Disclosed employee engagement survey results

- We conduct *MF Group Survey* twice a year to evaluate employee engagement.
- From April 2023, we disclosed the results for categories related to Talent Forward as *Sustainability Indices*.

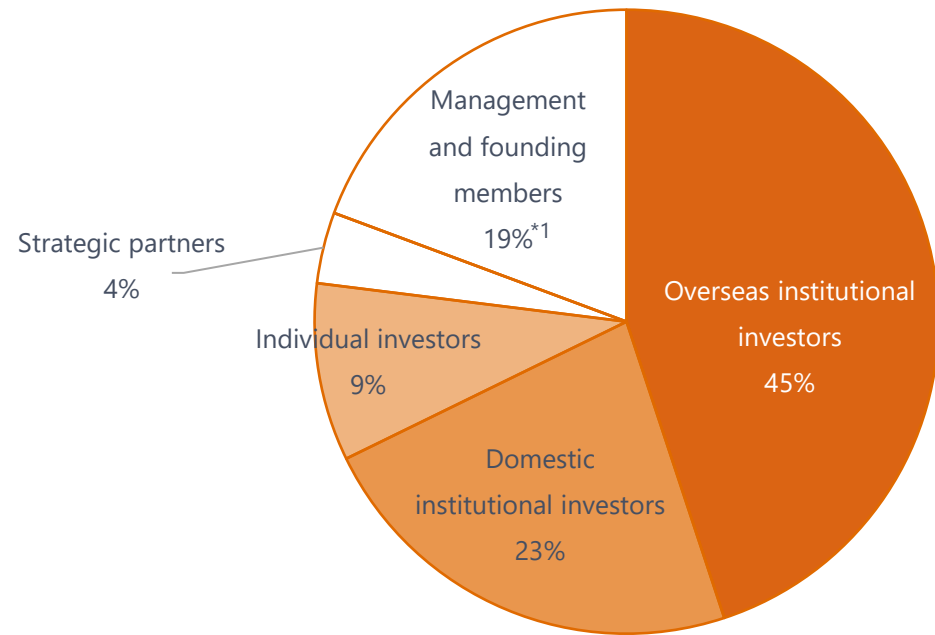
System for Creating Motivating Work Environment

- Established a high performance bonus system to reward employees who are acclaimed for their contributions.
- Also adopted a peer bonus system called *Emotip* to promote communications among employees.

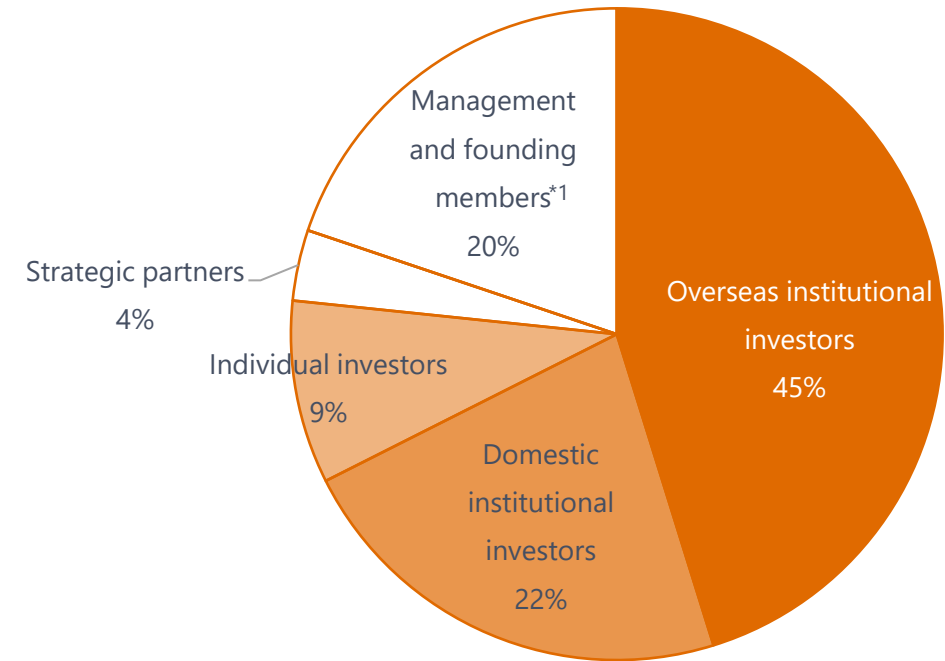
Shareholder Composition

The ratio of foreign institutional investors remained high at 45%.

November 30, 2022



May 31, 2023



*1 From this term, "Management and founding members" include internal directors Naoya Kanesaka, Takuya Nakade, and Masanobu Takeda, in addition to the originally included founding members Yosuke Tsuji, Takashi Ichikawa, Toshio Taki, and Takayuki Tsuzuki.

Forecasts for FY11/23 and onwards

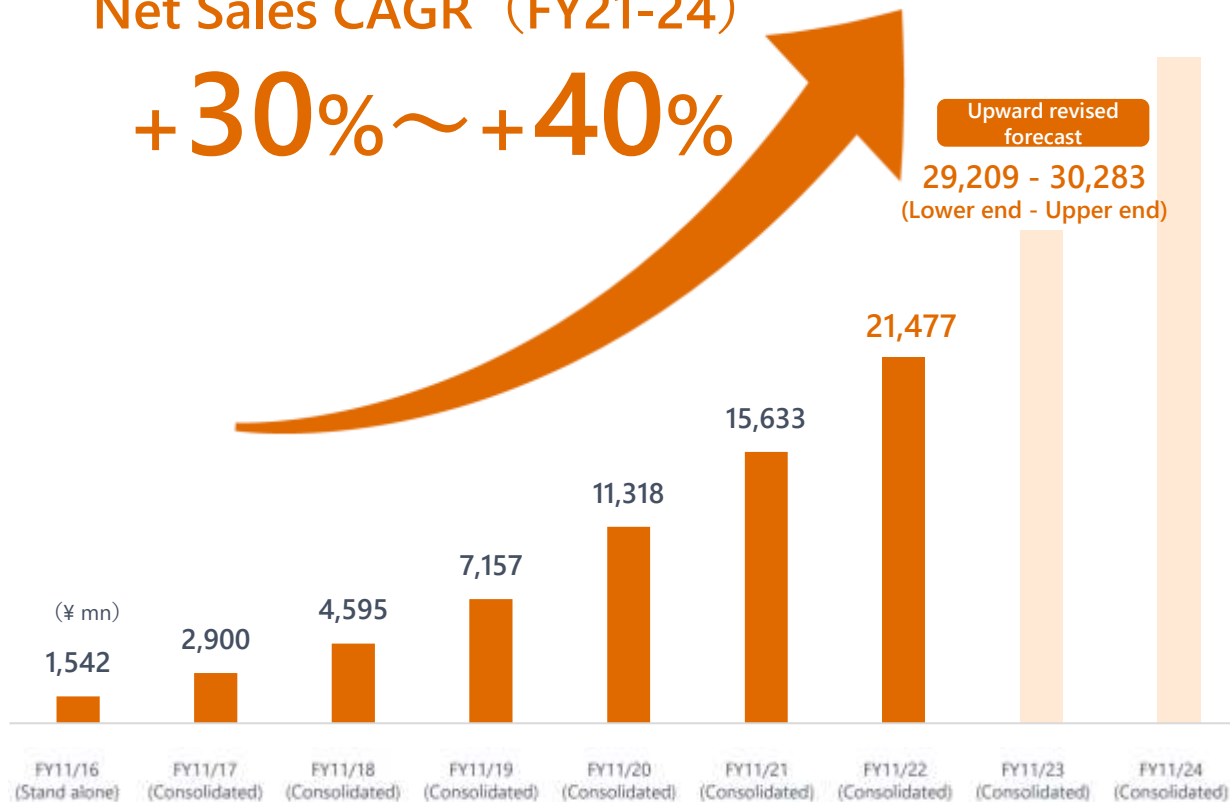


Forecasts for FY11/23 and onwards

No changes from the previous forecasts; the company aims to **achieve a net sales growth rate of 30-40% over FY21-24**. At the same time, **improve margins to achieve EBITDA profitability in FY24 and** continue to improve profitability beyond FY25.

Net Sales CAGR (FY21-24)

+30% ~ +40%



Forecasts for FY11/23 and after

- Based on the progress in the first half of the year exceeding the upper range of the initial forecast, FY23/11 consolidated net sales are expected to be **¥29.21-30.28 billion (YoY+36 to 41%)**, up from the initial forecast of ¥27.49-29.64 billion (YoY+28-38%), and year-end SaaS ARR is expected to be **¥22.33-23.14 billion (YoY+37-42%)**, up from the initial forecast of ¥21.19-22.82 billion (YoY+30-40%). Full-year EBITDA is also expected to improve from FY22.
- FY23 Q3 net sales is expected to be **¥7.31-7.64 billion (YoY+34%-40%)**, Q3-end SaaS ARR at **¥20.77-21.37 (YoY+38-42%)** and EBITDA within **¥(0.8)-(0.3) billion**. Advertising and promotion spend is expected to be between ¥1.3-1.5 billion. The impact of the sales increase of Nexol*1, which began to be consolidated from the FY22 Q3, was eliminated, affecting the sales growth rate by about (2)% compared to the 2Q.
- Excluding the **SaaS Marketing domain, which recorded large *BOXIL EXPO* sales in the same period last year*2** FY23 Q3 sales are expected to be **¥6.58-6.91 billion (+39-46% YoY)**.

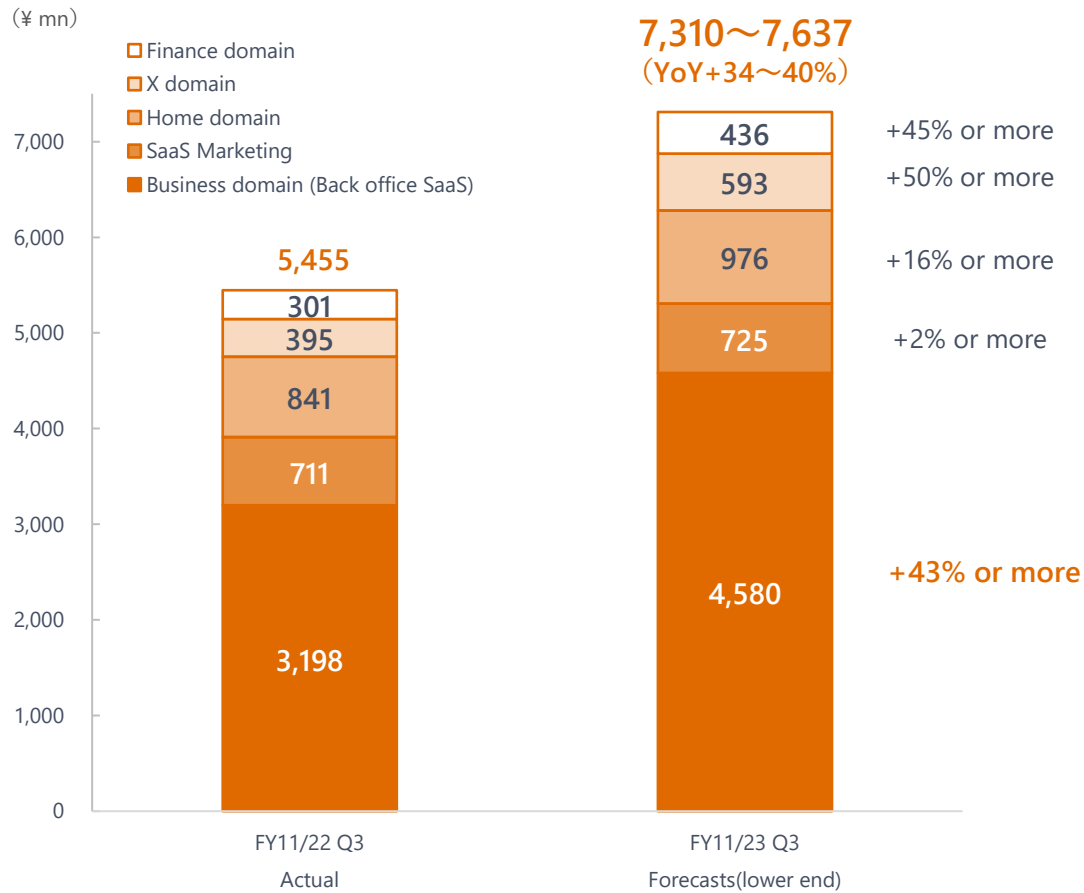
* The bars of FY11/23 and FY11/24 in the chart above are created by projecting annual growth rate of net sales at +35%.

*1 Excluding the M&A impact of Next Solution, which started to be consolidated in FY22 Q3 (June 2022), FY23 Q2 net sales is +41% YoY, contributing to the growth rate by +2% until FY23 Q2.

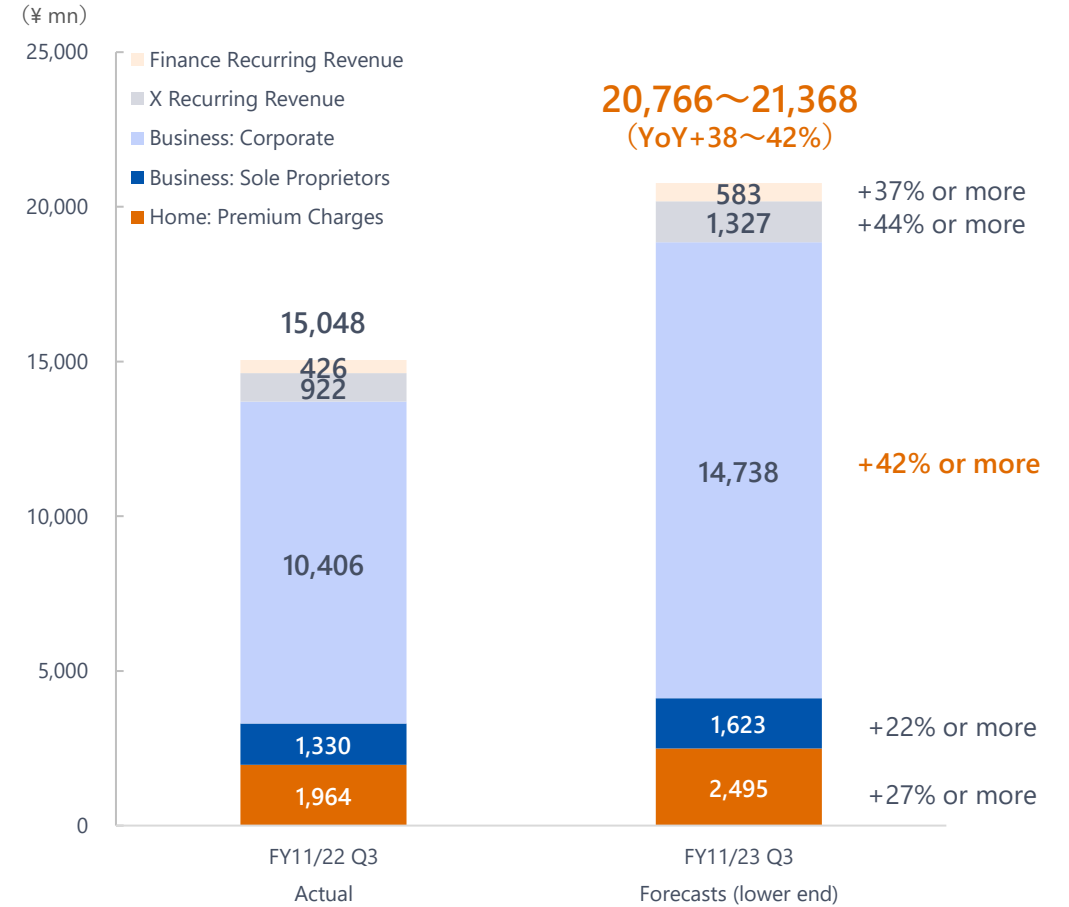
*2 Calculated based on the lower end of SaaS Marketing domain's Q3 sales forecast.

Q3 Net Sales / Q3-end SaaS ARR Forecasts (Each Domain)

Net Sales*1 (lower end) Forecasts



SaaS ARR (lower end) Forecasts

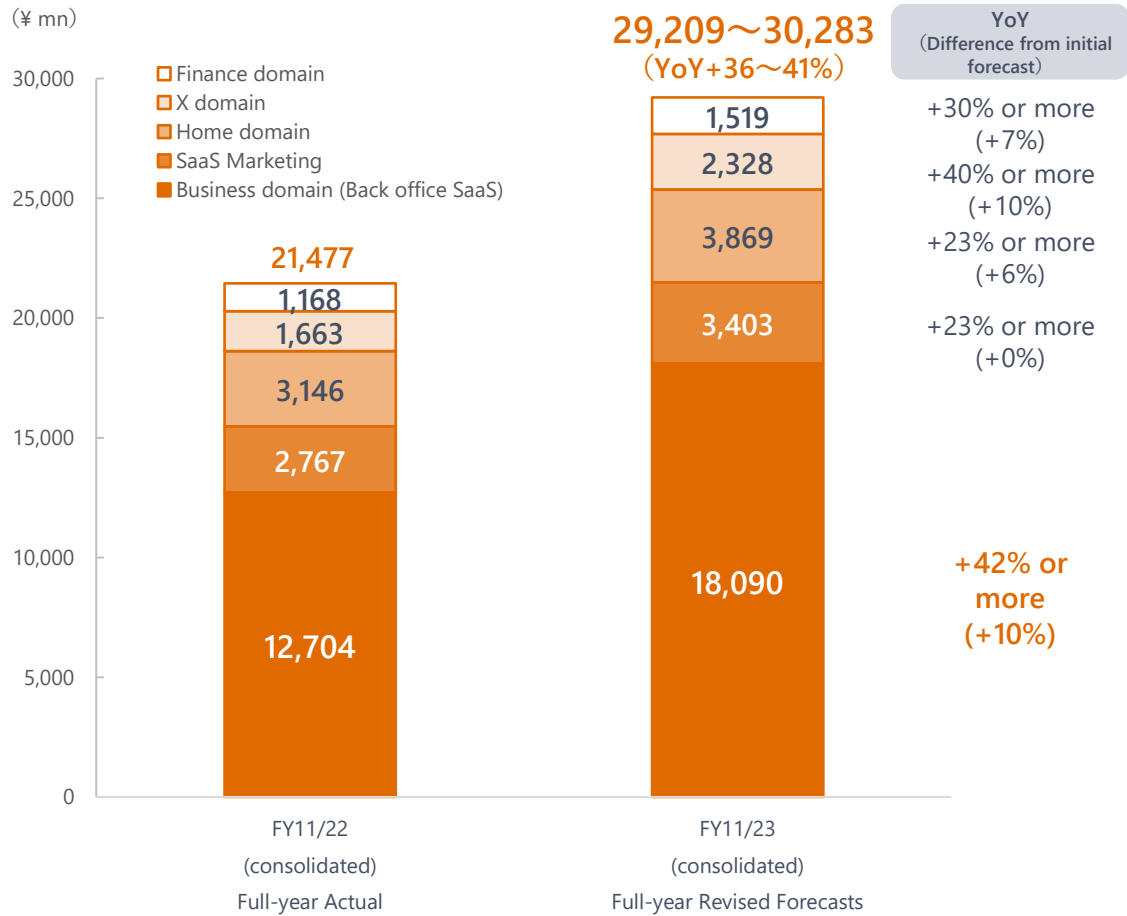


*1 Includes other net sales.

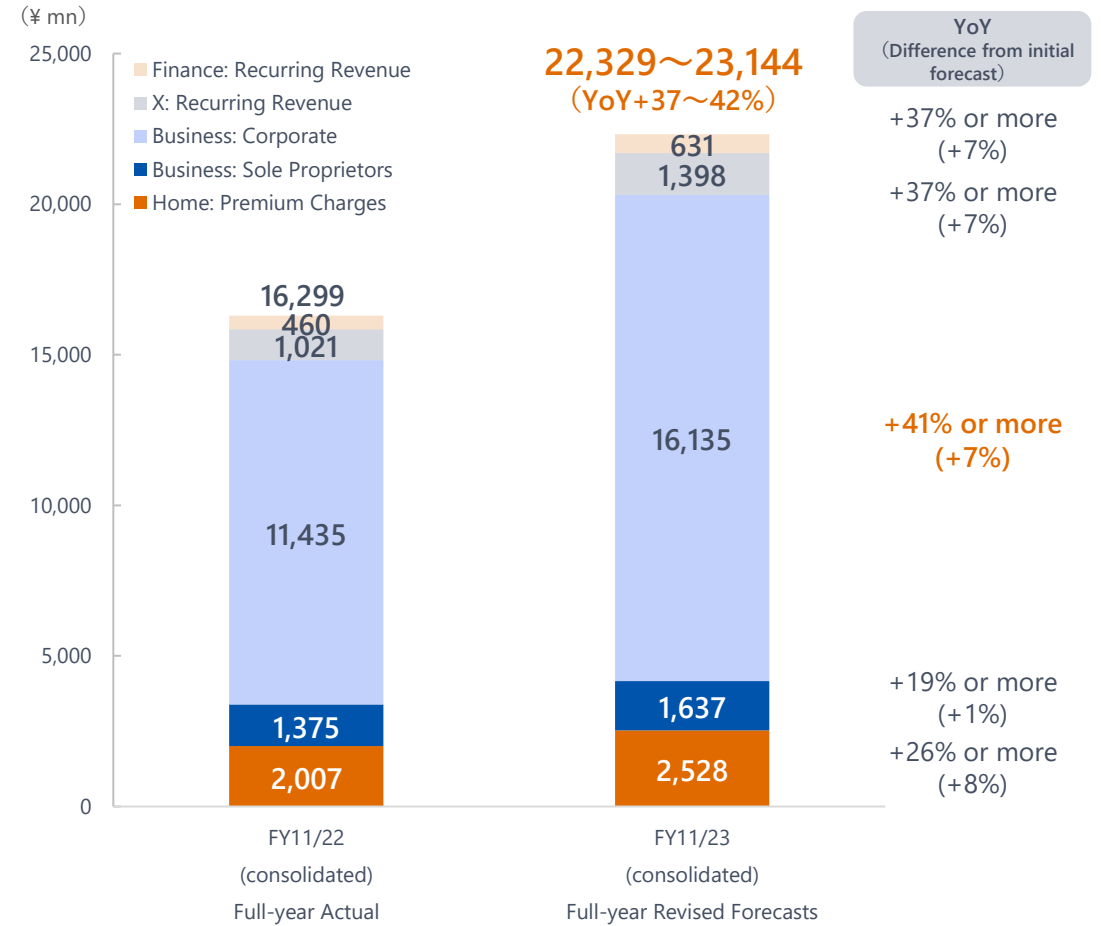
* Net sales and SaaS ARR by each domain are based on each lower end forecasts.

FY23 Full-Year Net Sales / SaaS ARR Forecasts (Each Domain)

Net Sales*¹ (lower end) Forecasts



SaaS ARR (lower end) Forecasts



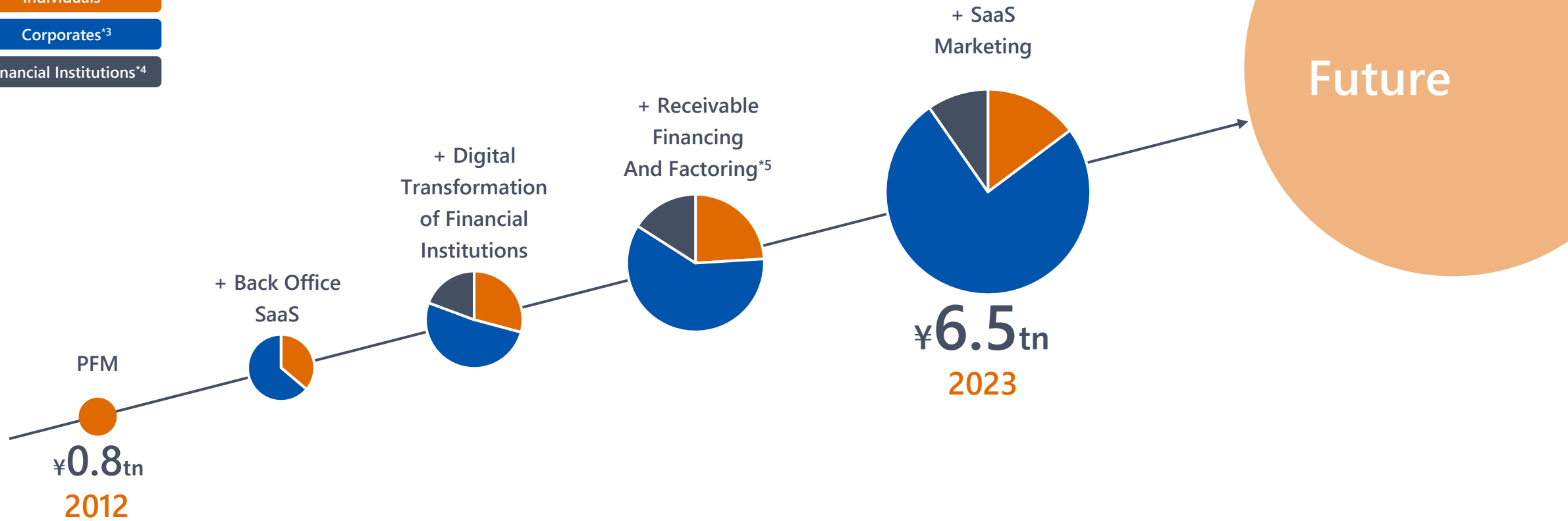
*1 Includes other net sales.

* Net sales and SaaS ARR by each domain are based on lower end forecasts.

TAM*1 Continued to Expand, Driven by Expansion of Business Areas and Services

Continue to develop our business in this huge potential market, which totals 6.5 trillion yen, and aim for further growth.

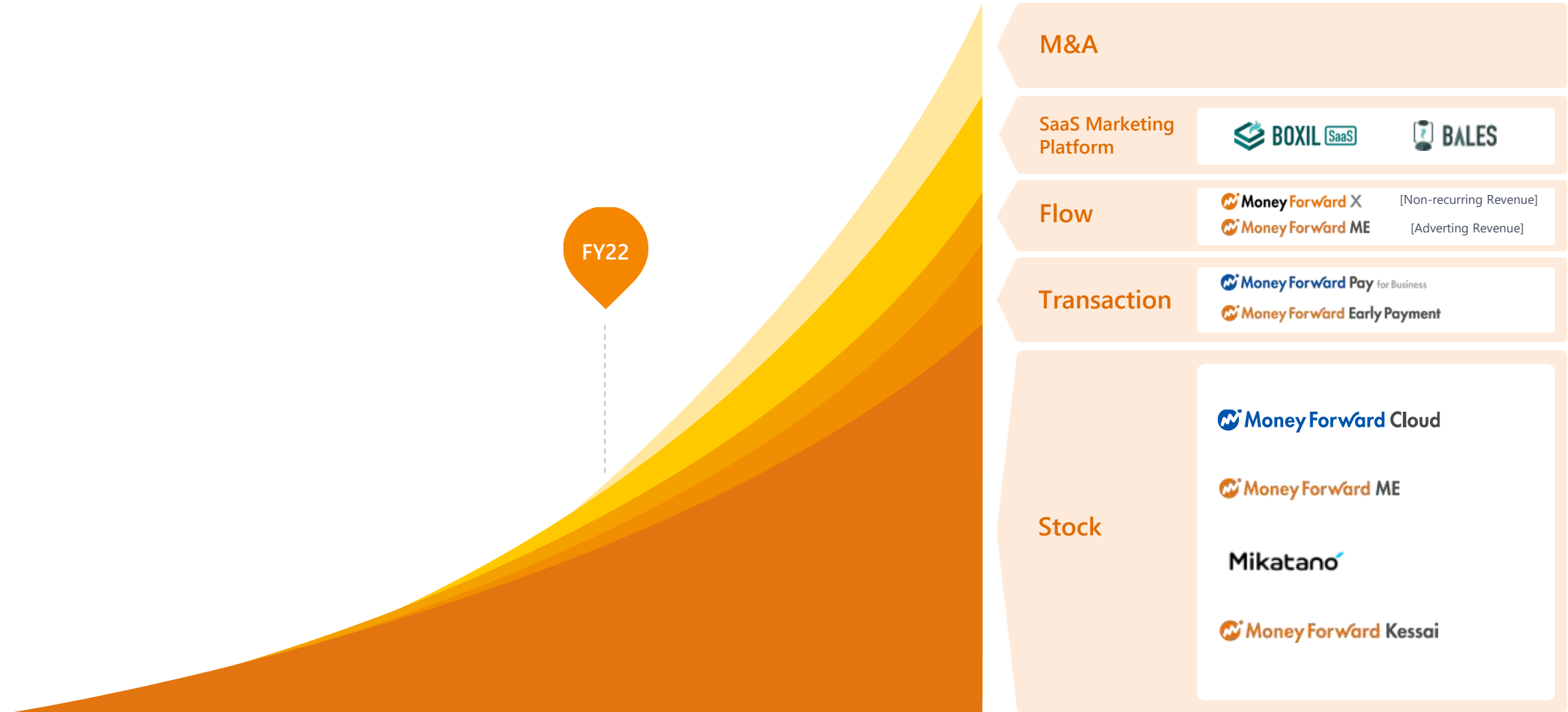
- Individuals*2
- Corporates*3
- Financial Institutions*4



*1 Total Addressable Market. Potential market size for five domains of Money Forward is estimated, by using certain assumptions, based on third party research, publication as well as Money Forward historical data.
 *2 See page 111 for the calculation of Individuals TAM. *3 See pages 107 and 115 for the calculation of Corporates TAM, including back-office SaaS, SaaS marketing. See *5 for receivable financing and factoring markets.
 *4 Calculated based on the market size for the Japanese contract software development market size and for *Mikatao* according to the Ministry of Internal Affairs and Communications/Ministry of Economy, Trade and Industry's 2021 Basic Survey on Information and Communications Industry multiplied by an estimated market share. *5 Calculated based on an annual required working capital for Japanese companies with revenues of under ¥500 million according to the Small and Medium Enterprise Agency of Japan's Report on Basic Survey on SMEs in 2021 multiplied by an estimated usage rate for accounts receivables financing services multiplied by a rate based on Money Forward Kessai's past fees received.
 *These figures are not intended as an objective indicator of the size of the market for our businesses as of July 2023. Actual market size may differ from this estimate due to the limitations peculiar to such third-party research and publications in terms of their accuracy.

Future growth image:

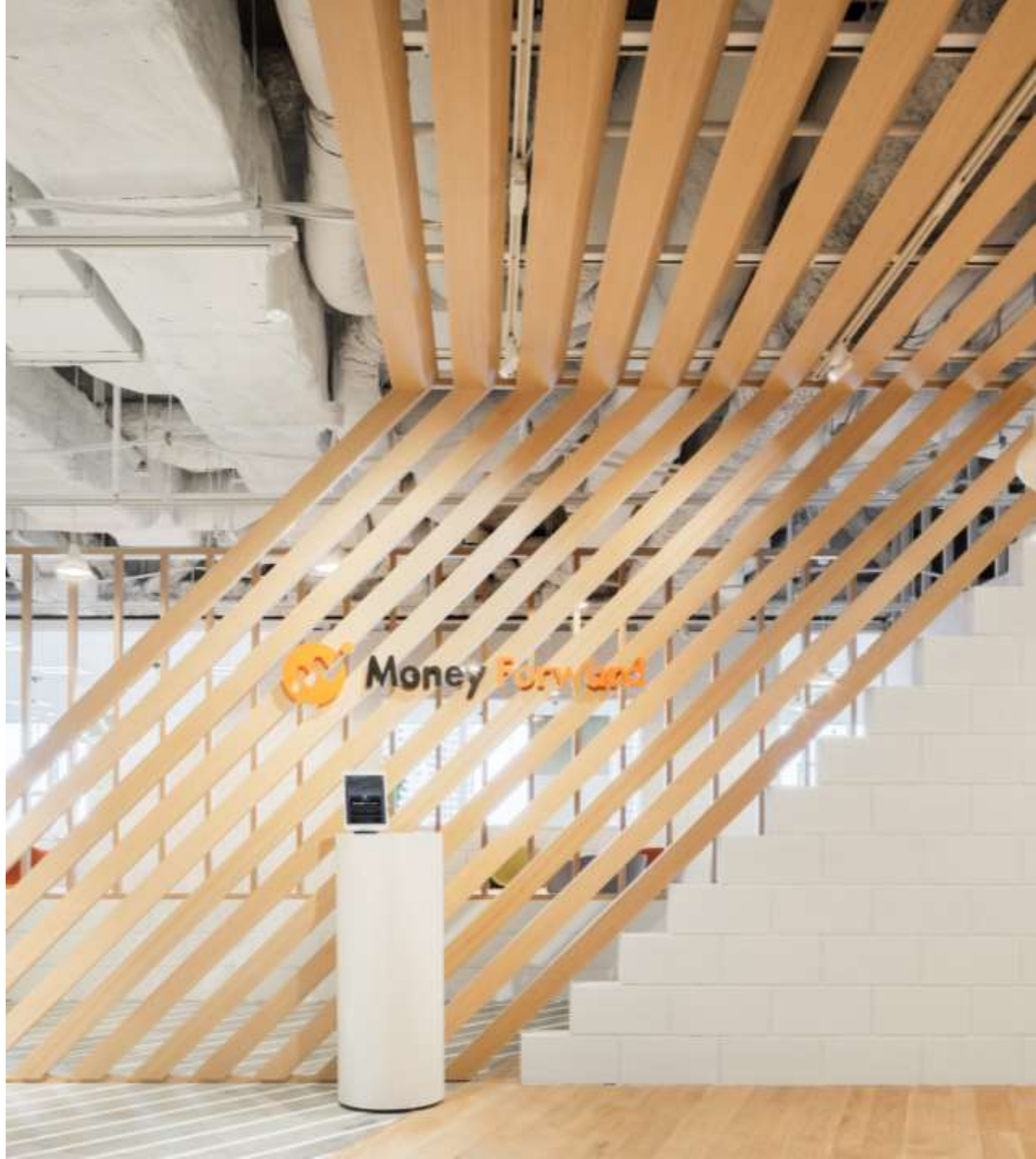
In addition to maximizing stock revenue from SaaS business, focus on generating transaction revenue by leveraging the SaaS customer base



Appendix



About Us



Members of Board of Directors (CEO)



Yosuke Tsuji

Representative Director, President and CEO

Yosuke Tsuji worked at Sony Corporation and Monex Securities before establishing Money Forward, Inc. in 2012. He currently serves as an Executive Officer of the Japan Association of New Economy (JANE) and an executive committee member of Silicon Valley Japan Platform.

Kyoto University Faculty of Agriculture (BS), Wharton School, University of Pennsylvania(MBA).

Awards (including awards to Money Forward)

- Jan. 2014 US Embassy's Award at the Entrepreneur Awards Japan (TEAJ) 2014
- Feb. 2014 JVA Chief Judge's Award at the Japan Venture Awards (JVA) 2014
- Mar. 2014 Grand Prize at the Financial Innovation Business Conference (FIBC) 2014
- Dec. 2016 Selected by *Nikkei Business* magazine as one of "The 100 Most Influential People for Japan 2017"
- Dec. 2017 Ranked in Forbes Japan's "Japan's Top 10 Entrepreneurs"
- Feb. 2018 Judges Association's Special Award at the Japan Venture Awards 2018

Internal Directors

Management team has in-depth expertise in finance and technology.



Naoya Kanesaka

Director, Group Executive Officer and CFO
 Representative Director of Money Forward Synca, Inc.
 Representative Director of Money Forward Venture Partners, Inc.

- 2007-2014: Goldman Sachs (Tokyo and San Francisco offices). Engaged in advisory services for cross-border M&As and fund procurement mainly in the technology and financial industries, and in enhancing value of investee companies.
- Joined Money Forward, Inc. in 2014. As CFO, led IPO, domestic and global financing, M&A and alliance.



Takuya Nakade

Director, Group Executive Officer and CTO

- Joined Money Forward, Inc. in 2015. Developed financial systems, and was appointed as CTO in 2016 and director in 2018.
- 2007-2014: Simplex Inc. Developed stock trading systems catered to securities companies.
- 2001-2007: Jupiter Shop Channel Co., Ltd. Led CRM system development as IT manager.



Masanobu Takeda

Director, Group Executive Officer and COO of Money Forward Business Company

- Served as Director at Macromill Group, in charge of corporate planning and led the company's corporate and HR strategic planning, M&As, and new business development.
- Served as Director and Head of Corporate Planning at eole Inc.
- Joined Money Forward, Inc. in 2017 by M&A of Klavis Inc., where he served as Director and CFO since 2016.

External Directors

Highly experienced leaders in the Japanese economy are appointed as external directors.



Masaaki Tanaka

External Director
Vice Chair, Board of Councilors, US-Japan Counsel
Former Chairman, President & CEO,
Nippon Paint Holdings Co., Ltd.
 Former Director and Deputy President at Mitsubishi UFJ Financial Group. Appointed as Executive Chairman of the Board of Nippon Paint Holdings Co., Ltd. in March 2019. Serving as Vice Chair of the Board of Councilors of US-Japan Counsel from 2013.



Etsuko Okajima

External Director
CEO, ProNova Inc.
 Founded ProNova Inc in 2007, and currently serves as CEO of the company. Worked at Mitsubishi Corporation, McKinsey & Company, and Globis Group, where she served as President of Globis Management Bank Inc. Holds an MBA from Harvard University.



Akira Kurabayashi

External Director
Managing Director & Head of Japan, DNX Ventures
 Joined DNX Ventures (former Draper Nexus Venture Partners) in 2015 where he currently serves as Managing Director. Engaged in venture capital businesses targeting Japan and the U.S. at Fujitsu Limited and Mitsui & Co., Ltd. Oversaw investments in Japan at Globespan Capital Partners and Salesforce Ventures.



Gen Miyazawa

External Director
Director EVP, Managing Corporate Officer, Yahoo Japan
 Founded Cirius Technologies, Inc. in 2004, which was acquired by Yahoo Japan Corporation in 2010. Appointed as Corporate Officer in 2014 (youngest in Yahoo's history at that time). Appointed as Managing Corporate Officer and President of Media Company in 2018 and supervised divisions such as sales, media, search, development and new businesses. Appointed as Director in 2019 and supervises the entire corporate administration.



Hiroaki Yasutake

External Director
Junify Co-founder & CSO
 Joined Rakuten in 1998 as one of its earliest employees and created various services as a software engineer as well as building the tech team from scratch and leading the entire Rakuten group tech team as Managing Executive Officer until January 2016. After Rakuten, moved to the US and founded Junify Corporation. Supports many Japanese companies as an advisor. Serves as a board member of Techmatrix, and director of Japan CTO Association.

Executive Officers

Management members who have key roles in the growing group.



Toshio Taki

**Group Executive Officer, CoPA(Chief of Public Affairs)
Sustainability Head
Head of Money Forward Fintech Institute**

- Appointed as director of Money Forward, Inc. in 2012.
- Member of FSA panel of experts on FinTech start-ups.
- 2004-2012: Nomura Securities Co., Ltd./Nomura Institute of Capital Markets Research. Engaged in research on household behaviour, the pension system, and financial institution business models etc.
- Graduated Keio University (Faculty of Economics) in 2004 and Stanford University (MBA) in 2011.



Hirokazu Ban

Group Executive Officer and CCO (Chief Compliance Officer)

- Joined Money Forward, Inc. in 2016. Appointed as director in 2018.
- 2009-2015: SBI Securities Co., Ltd. Served in the Legal and Corporate Planning Departments. Launched SBI Money Plaza Co., Ltd. in 2012 and became director.
- Graduated Waseda University (Sociology) in 2001. After graduating Aoyama Gakuin University Law School, registered as an attorney in 2008.



Masakazu Sekita

Group Executive Officer and CLO (Chief Legal Officer)

- Registered as a lawyer in 2004.
- Worked at Mitsui, Yasuda & Wani, Gaikokuho Kyodo-Jigyo Horitsu Jimusho Linklaters (Linklaters Tokyo), and T&K Partners for more than 16 years before joining the Company in January 2021.
- Appointed as Director of Biz Forward Inc. in August 2021 as well as the Company's Executive Officer and CLO in December 2021.



Daisuke Sergio Ito

Group Executive Officer and CDO (Chief Design Officer)

- Joined FreeBit Co., Ltd. in 2003 and engaged in PR, corporate branding and business strategy in CEO Office.
- Moved to the US to learn art in 2006 and became a freelance designer and came back to Japan in 2010.
- Has been representing AN INC.
- Appointed as CDO in 2020.



Masayuki Matsuhisa

**Group Executive Officer
CISO (Chief Information Security Officer)**

Joined Hewlett-Packard Japan in 1997 and oversaw the system development business mainly for major banks.
In 2011, he was transferred to the Hewlett Packard Singapore as project director responsible for IT projects in Asian countries. In 2016, he returned to Japan and joined Amazon Web Services Japan. As general manager of the Financial Solutions Division, he focused on cloud adoption in the financial services industry. Joined Money Forward, Inc. in 2023.



Chiaki Ishihara

**Group Executive Officer
CHO (Chief Human Officer) in charge of DEI (Diversity, Equity & Inclusion)**

Joined Deloitte Touche Tohmatsu LLC in 2012 and registered as a Japanese CPA in 2015. Joined Money Forward, Inc. in 2016, where she was involved in IPO preparation. After the IPO, she was engaged in international public offerings, the sector transfer from Mothers to First Section of the TSE, and the launch of the sustainability project as division manager of the Corporate Planning Division and head of IR. In 2021, she moved to HR and has led the project to revise the HR policies as general manager of the People Forward Department.

Other Key Management Members (1/3)

Management members who have key roles in the growing group.



Kazuya Yamada

Group Executive Officer, Money Forward Business Company CSO

- Passed Japanese CPA examination and joined Deloitte Touche Tohmatsu LLC, in 2016.
- Served as Executive Officer and CFO in a startup.
- Joined Money Forward, Inc. in 2014 and served as Head of CEO office, Head of MF Cloud development before being appointed as Money Forward Business Company CSO.



Kiminobu Tahira

Group Executive Officer, Head of CEO Office

- Involved in business development of systems for the distribution industry at NEC Corporation.
- At Rakuten, Inc., experienced setting up marketing division of Rakuten Ichiba, constructing reward program and facilitated business alliance.
- Joined Money Forward, Inc. as Head of marketing department after leading retail marketing at Monex, Inc.



Naoki Kuroda

Group Executive Officer, Fukuoka Office Head and General Manager of Pay Business

- Joined Monex, Inc. in 2008,
- From 2012, developed bulletin board system and other web services and offered marketing consulting.
- Joined Money Forward, Inc. in 2013 soon after its foundation.
- After engaged in the development of *Money Forward ME* and *Money Forward Cloud*, serves as PO of *Money Forward Cloud Expense* and *Money Forward Pay for Business*.



Daisuke Motokawa

Group Executive Officer, Alliance Strategy Head, Money Forward X Company CSO

- Joined NTT DOCOMO, INC. in 2003 and engaged in solution sales for large corporations.
- Transferred to FeliCa Networks, Inc. and in charge of business planning of mobile wallet and newly set up big data business.
- Returned to NTT DOCOMO, INC. and experienced NFC/Fintech.
- Joined Money Forward, Inc. in 2016.



Ryo Shibuya

Group Executive Officer and Money Forward Business Company VPoE

- Joined Adways Inc. in 2007 and was in charge of developing advertising system.
- Joined GREE, Inc. and experienced the development of advertising system and new business.
- Joined Money Forward, Inc. in 2014 and was involved in development of invoice and accounting / tax return modules.
- Experienced the launch of payroll and MyNumber modules.
- Currently serves as VPoE and Head of Development of B2B services.



Shun Matsuoka

Group Executive Officer and Accounting Department Manager

- Joined Sony Corporation in 1998 and engaged in accounting and tax operations, including projects for early closing of accounts and adoption of new system and new accounting standards.
- Passed Small and Medium Business Consultant, Certified Public Tax Accountant, and Certified Public Accountant examinations while in Sony. Registered as a CPA in 2020.
- Joined Money Forward, Inc. in April 2019 as Co-Accounting Department Manager.

Other Key Management Members (2/3)

Management members who have key roles in the growing group.



Satoshi Furuhashi

**Group Executive Officer. Money Forward, Inc.
Representative Director of Money Forward Venture Partners, Inc.**

- Engaged in institutional sales at Mizuho Bank, Ltd.
- Experienced business development and customer acquisition at Speee, Inc.
- Founded Smartcamp Co.,Ltd, which offers several services including BOXIL and was appointed as Representative Director.
- Joined Money Forward group by M&A in 2019.
- Engaged in the foundation of HIRAC FUND and was appointed as Representative Partner.



Naomichi Tomiyama

**Group Executive Officer. Money Forward, Inc.
Representative Director, Money Forward Kessai, Inc.
Representative Director, Biz Forward, Inc.**

- Joined KPMG AZUSA LLC and engaged in financial and internal control audit.
- Involved in many voluntary and legal liquidation projects in a consulting company.
- Joined Money Forward, Inc. in 2014 and was involved in strategy planning and new business development.
- Appointed as Representative Director in Money Forward Kessai, Inc. in 2017.
- Appointed as Representative Director in Biz Forward, Inc. in 2021.



Shinji Kimura

**Group Executive Officer
Head of Global Strategy and Money Forward America CEO**

Joined Sony Corp in 2001 and started his career in the accounting function. Later, he started his own web development agency High Velocity, and then joined Rakuten in 2011, where he engaged in investments and PMI operations. In 2012, he was dispatched to Rakuten Germany to manage the EU e-commerce operations, and then in 2016 moved to the US to become the chief strategy officer at Rakuten Americas to lead their M&A, partnerships, and strategy planning. He joined Money Forward America in 2022.



Nana Nagai

**Group Executive Officer
Money Forward Vietnam Co., Ltd. CEO**

Started her career at Recruit Co., Ltd. in 2005, and later became a member of the startup team at Randstad Japan. In 2014, she relocated to Southeast Asia and served as an executive officer in charge of marketing at Evolvable Asia Vietnam (currently Hybrid Technologies). After moving to Rakuten Singapore, she launched a new business for app service providers. She joined Money Forward Vietnam as COO in 2021 and was appointed as CEO in 2022. She holds a master's of business administration from Nanyang Technological University.



Seiko Harada

**Group Executive Officer, Cross-functional Business Head
Representative Director and CEO, ADXL, Inc.**

- After graduating from university, engaged in marketing and PR in an entertainment industry.
- Joined GREE, Inc. in 2011 as PR. After engaged in setting up an industry group, was transferred to business development and creative department of social game. After 2016, engaged in setting up social media marketing business.
- Joined Money Forward, Inc. in 2018. In March 2021, she was appointed President and CEO of ADXL, Inc, which is a subsidiary of SMARTCAMP CO, Ltd.



Tetsuya Komaguchi

Money Forward Business Company CMO (Chief Marketing Officer)

- Engaged in product strategy planning and brand management for the North American, Asian, and European markets at P&G Japan and Singapore.
- Joined Money Forward, Inc. in Sep 2018 and served as product marketing manager of Money Forward ME and head of accounting business in Money Forward Cloud.
- Currently oversees marketing of Money Forward Business Company as CMO.

Other Key Management Members (3/3)

Management members who have key roles in the growing group.



Shion Hayashi

SMARTCAMP Co, Ltd Representative Director and CEO

- Launched new businesses for small and medium-sized companies at Works Applications Co, Ltd. after joining as a new graduate.
- In charge of "BOXIL SaaS" at SMARTCAMP since 2015, where he led the business growth as PM. Appointed as the Director and CMO.
- Serving as the President of BOXIL Company of SMARTCAMP, and has been the President of SMARTCAMP since February 2021.
- Appointed as the director of ADXL, Inc. since March 2021.



Shinpei Abe

SMARTCAMP Co, Ltd Director, Executive Officer and COO

- Joined Deloitte Tohmatsu Consulting LLC after Graduating Waseda University. Worked on multiple strategy and new business projects for major IT and manufacturing companies.
- Joined SMARTCAMP in March 2017. As a Director and COO, responsible for formulating business and organizational strategies and publishing the "BOXIL SaaS Industry Report".
- Involved in the launch of a new business, the inside sales management system "BALES CLOUD" and the online exhibition "BOXIL EXPO".
- Chairman of 2019 of the Inside Sales Subcommittee of the Salesforce User Group.



Hidetsugu Kunimi

Representative Director, Knowledge Labo, Inc.

- After engaged in financial audit and consulting at Deloitte Touche Tohmatsu LLC, experienced many M&As and turnarounds at Deloitte Touche Tohmatsu Financial Advisory LLC.
- Founded Knowledge Labo, Inc. in 2013 and serves as Representative Director.
- Joined Money Forward group in 2018 by M&A.

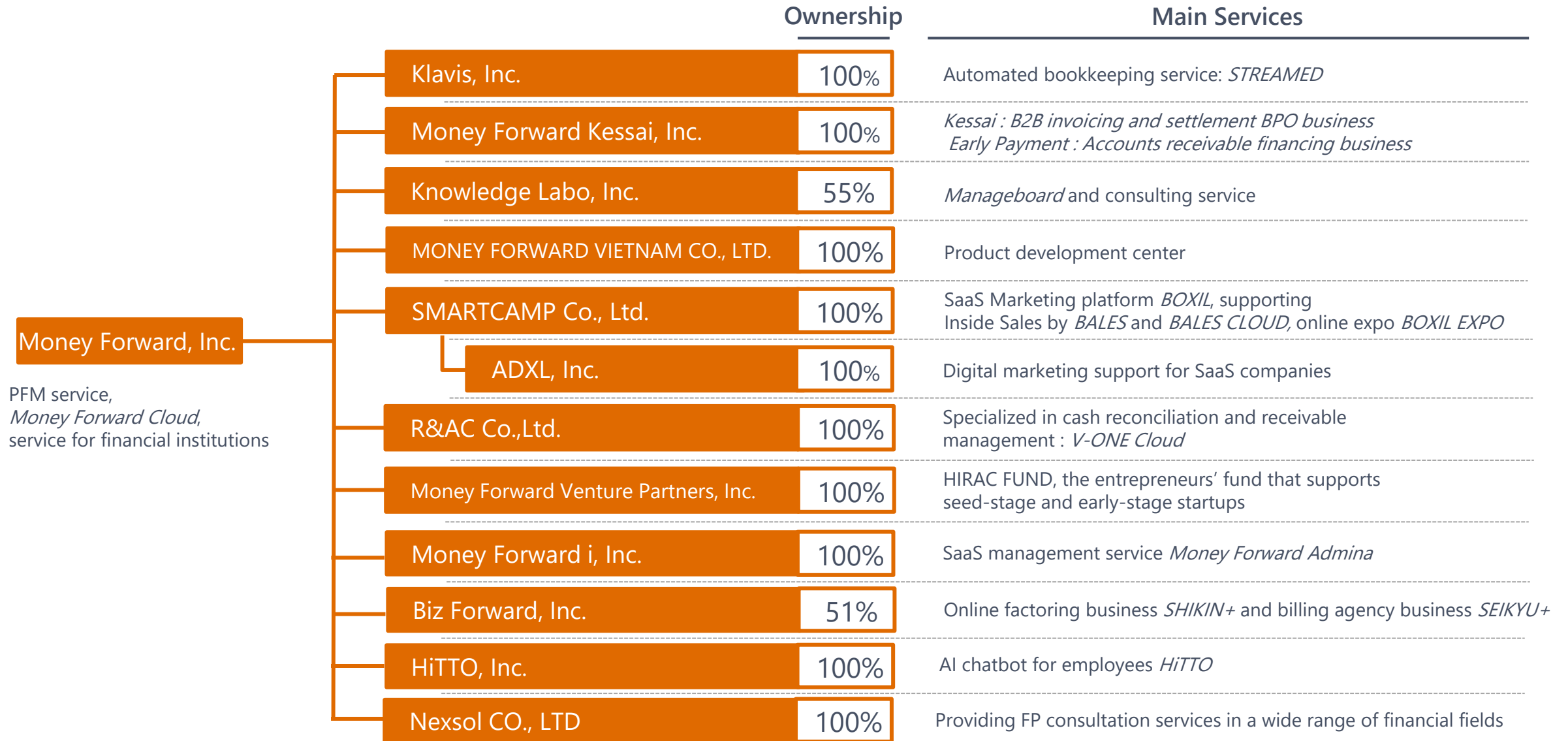


Youkou Takano

CIO (Chief Infrastructure Officer)

- Joined Yahoo Japan Corporation in 2006 and engaged in development and maintenance of internal systems and infrastructures.
- Led engineering team and executed cyberattack countermeasures and information system strategy.
- Joined Money Forward, Inc in 2019.

Money Forward Group Structure



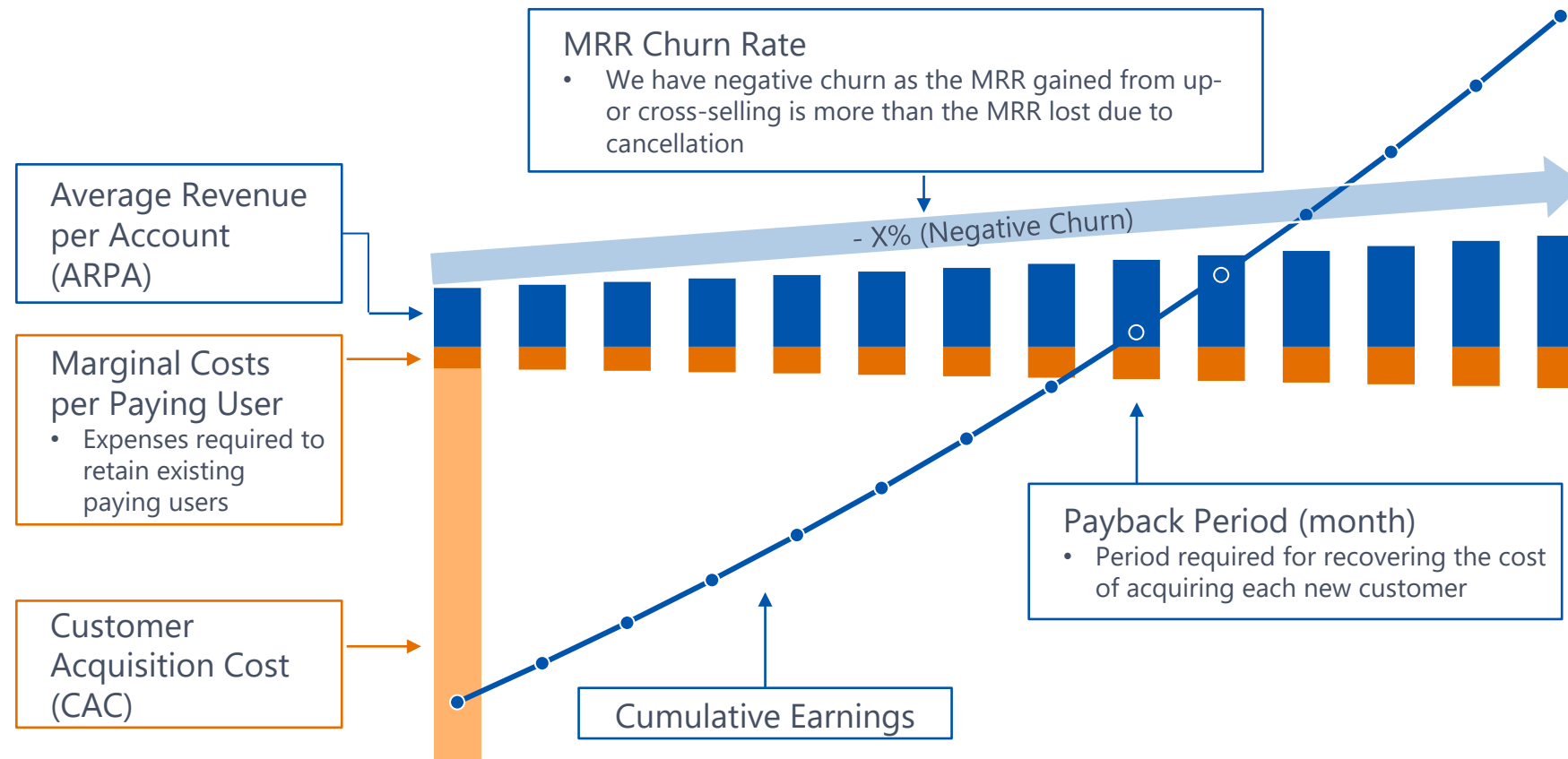
Share Price and Trading Volume Since IPO (Adjusted Stock Split *1)



**As of July 11, 2023. *1 Conducted a 2-for-1 split for each common share held by shareholders written or recorded in the closing shareholder registry on the record date, November 30, 2020

Unit Economics-Driven Investment

Unit economics per product and per customer channel are taken into account when making investment decisions, metrics which are commonly used by global SaaS companies.



Definition of KPIs

MRR	Monthly Recurring Revenue Total recurring revenue as of the end of a particular month
ARR	Annual Recurring Revenue Calculated by multiplying the MRR as of the end of a particular period by 12
SaaS ARR	Calculated by multiplying SaaS MRR of a particular period by 12. SaaS MRR includes: 1) net sales from premium charges in Home domain, 2) recurring revenue from sales of <i>Money Forward Cloud</i> and other cloud services such as <i>STREAMED</i> , <i>Manageboard</i> , <i>V-ONE Cloud</i> , <i>Money Forward Certified Membership</i> , <i>HITTO</i> , and <i>Money Forward Admina</i> in Business domain, 3) recurring revenue in X domain. In order to adjust for seasonal factors of <i>STREAMED</i> , its MRR is calculated as one-third of the revenue from <i>STREAMED</i> in Q1 and Q2 of each fiscal year. Non-recurring revenue of each business and net sales of SMARTCAMP Co., Ltd. are not included.
Paying Customer	Paid subscribers in the Business domain, which is a total of (1) accounting firms and their clients, and (2) sole-proprietors and direct-sales corporates subscribed via the web channel etc. Services of SMARTCAMP Co., Ltd. are not included.
ARPA	Average Revenue per Account. Calculated by dividing ARR as of the end of a particular period by the number of Customers.
Customer Churn Rate	Average monthly churn rate of a particular period. Calculated as: [number of customers churn during (N) month] / [number of customers as of the end of (N-1) month]
MRR Churn Rate	Average monthly churn rate based on MRR of a particular period. Calculated as: $1 - \frac{\text{MRR as of the end of (N) month from customers as of the end of (N-1) month}}{\text{MRR as of the end (N-1) month}}$. Negative amount (Negative Churn) refers to the status when the revenue increase for existing customers by upselling/cross-selling exceeds the revenue decrease due to customer churn.
CAC Payback Period	Customer Acquisition Cost Payback Period Previously, it was calculated by $(\text{Customer Acquisition Cost} \div \text{The number of acquired customers}) \div (\text{ARPA} \times \text{gross margin})$. The customer acquisition cost per customer includes the total costs associated with sales and marketing for corporate services such as <i>Money Forward Cloud</i> , <i>STREAMED</i> , <i>Manageboard</i> , <i>V-ONE Cloud</i> , <i>HITTO</i> , <i>Money Forward Admina</i> , including advertising and promotion expenses, as well as personnel costs for sales and marketing departments. The gross margin is calculated by subtracting costs such as personnel expenses for service operation and customer support departments, and commission expenses from revenue. From now on, the CAC Payback Period will be calculated as $(\text{Customer Acquisition Cost for new customers} \div \text{Number of New Customers}) \div (\text{New ARPA} \times \text{Gross Margin} \times \text{NRR})$. The previous definition of the CAC Payback Period was based on the existing customer's ARPA, but it has been revised to appropriately reflect the expected revenue from new acquired customers by considering the improvement in the New and the increase in ARPA after acquisition through cross-selling (NRR).
New ARPA	The value obtained by dividing the Monthly Recurring Revenue (MRR) associated with existing paying customers by the number of new paying customers.
NRR	Net Revenue Retention. This is a metric that indicates the percentage change in MRR of the cohort of paying customers from the same month of the previous year. It is calculated as $(\text{MRR of the cohort in the current month}) \div (\text{MRR of the cohort in the same month of the previous year})$.

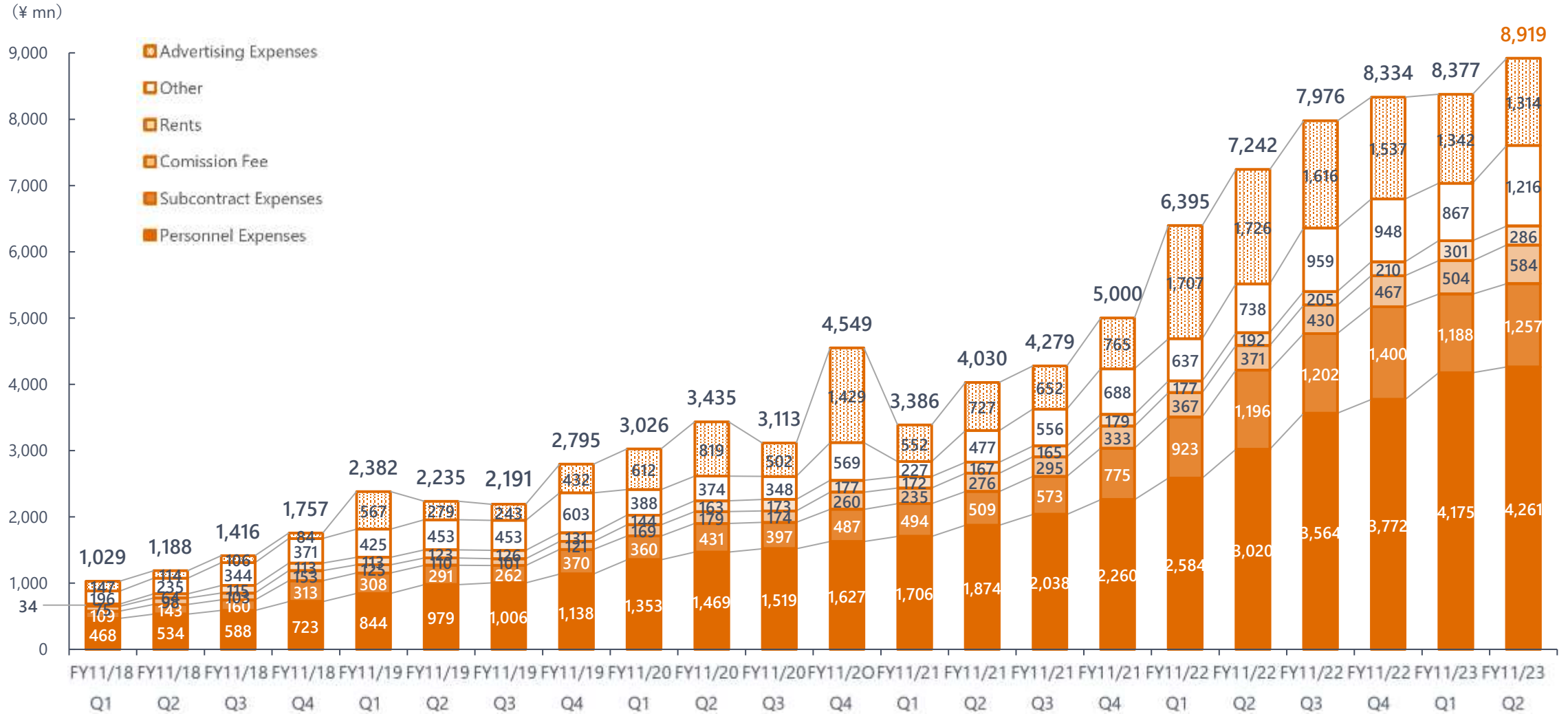
(Reference) Historical Revenue by Each Business Domain (Quarterly Trend)

	FY19				FY20				FY21				FY22				FY23	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Business domain	853	919	1,159	1,235	1,307	1,361	1,540	1,840	1,929	2,103	2,139	2,419	2,844	3,010	3,198	3,652	4,139	4,413
Recurring Revenue (Sole Proprietors)	119	134	204	203	206	204	203	212	227	259	264	271	299	330	331	340	370	408
Recurring Revenue (Corporates)	663	722	886	937	1,039	1,083	1,170	1,317	1,459	1,609	1,658	1,793	2,090	2,322	2,513	2,775	3,113	3,402
Non-recurring Revenue	71	63	69	96	62	74	167	311	243	235	216	354	454	358	354	554	657	603
SaaS Marketing domain	#N/A	#N/A	#N/A	#N/A	251	314	322	364	428	464	479	599	590	652	711	814	739	893
Net Sales from SMARTCAMP*1	#N/A	#N/A	#N/A	#N/A	251	314	322	364	428	464	479	599	590	652	711	814	739	893
Home domain	361	393	368	511	438	466	444	497	548	608	639	620	681	722	841	902	936	979
Recurring Revenue	236	254	264	277	291	320	333	351	367	413	418	440	460	501	507	517	593	637
Non-recurring Revenue	126	140	103	235	147	146	112	146	181	195	221	179	221	221	334	385	343	343
X domain	133	272	259	340	248	452	256	466	370	620	383	508	377	387	395	503	628	613
Recurring Revenue	92	102	109	111	125	137	151	166	168	176	191	190	194	207	246	247	267	289
Non-recurring Revenue	42	170	150	223	123	316	105	300	202	444	192	317	183	180	174	256	361	324
Finance domain	48	74	93	125	147	227	193	176	190	198	190	191	256	309	301	302	342	387
Recurring Revenue	14	16	16	23	28	32	36	43	52	59	63	70	79	102	103	112	130	139
Non-recurring Revenue	33	58	77	102	119	194	157	133	138	139	126	122	177	207	198	190	212	247
Recurring Revenue in total	1,124	1,228	1,480	1,556	1,689	1,776	1,893	2,089	2,272	2,516	2,595	2,764	3,123	3,463	3,675	3,975	4,472	4,875
Non-recurring Revenue in total *2	274	434	402	660	453	731	541	895	766	1,013	758	976	1,042	971	1,069	1,392	1,580	1,517
Total Revenue (excl. SMARTCAMP)	1,398	1,661	1,881	2,216	2,142	2,506	2,435	2,984	3,039	3,529	3,354	3,741	4,166	4,434	4,744	5,367	6,053	6,392
% of Recurring Revenue to Total Revenue (excl. SMARTCAMP)	80%	74%	79%	70%	79%	71%	78%	70%	75%	71%	77%	74%	75%	78%	77%	75%	74%	76%

* Net sales from premium charges of *Money Forward for XX*, which targets financial institutions, have been revised retroactively since charges are recognized in X domain from FY11/22. There is no impact for consolidated net sale.

*1 Net sales of SMARTCAMP are included from FY11/20 1Q. *2 Net sales of SMARTCAMP are not included. Includes other net sales.

Breakdown of Expenses (Cost of Sales & SGA)

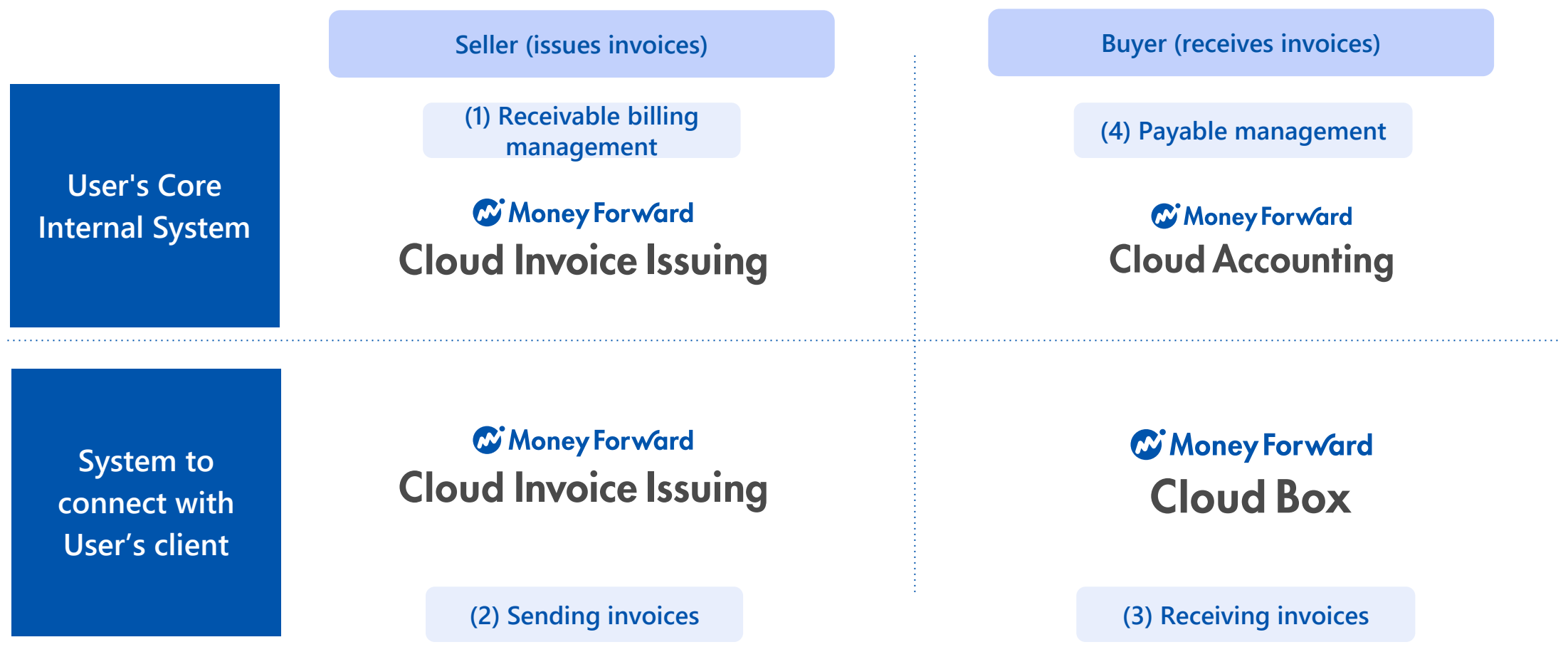


“ Other” includes IT introduction subsidy fees, taxes and dues, communication expenses, recruiting/training expenses, amortization of goodwill, depreciation, and fee expenses.

Invoice system and Money Forward



For Sole Proprietors and SMB | Product Lineup



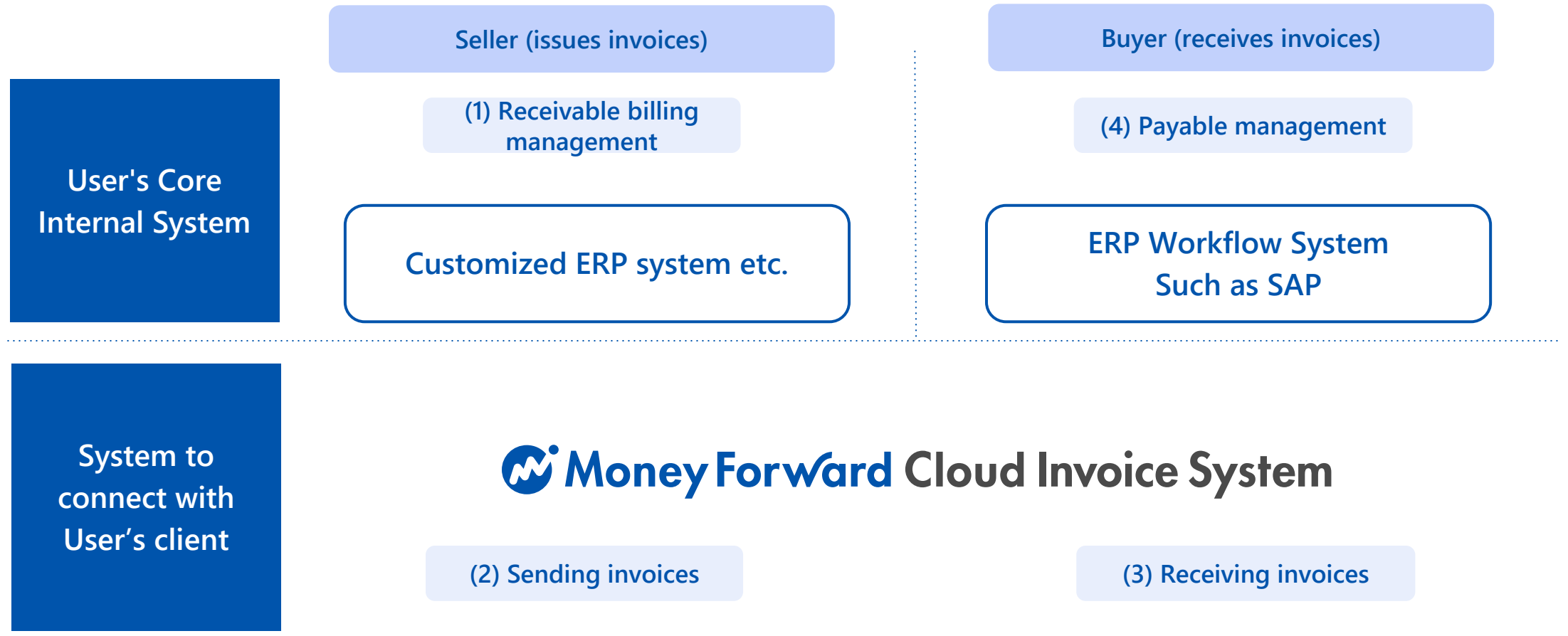
For Medium-Sized Companies | Product Lineup



* Sending function of the *Money Forward Cloud Invoice System* is also released.

For Enterprise Companies : Service Usage

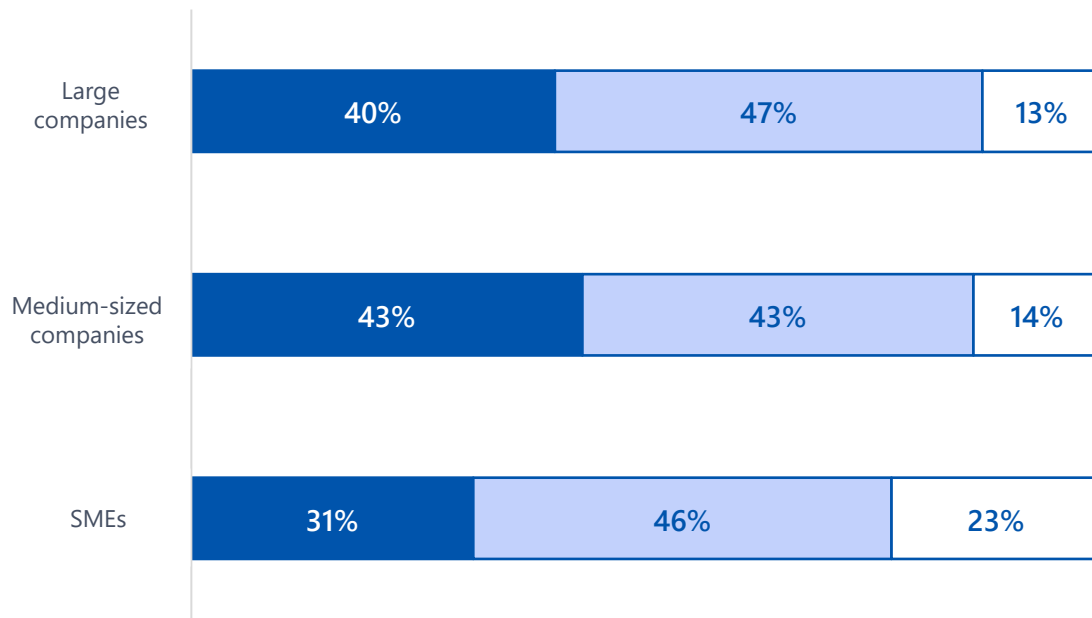
SaaS can be provided to enterprises that already have a core system in place, as well as to peripheral areas.



* Sending function of the *Money Forward Cloud Invoice System* is also released.

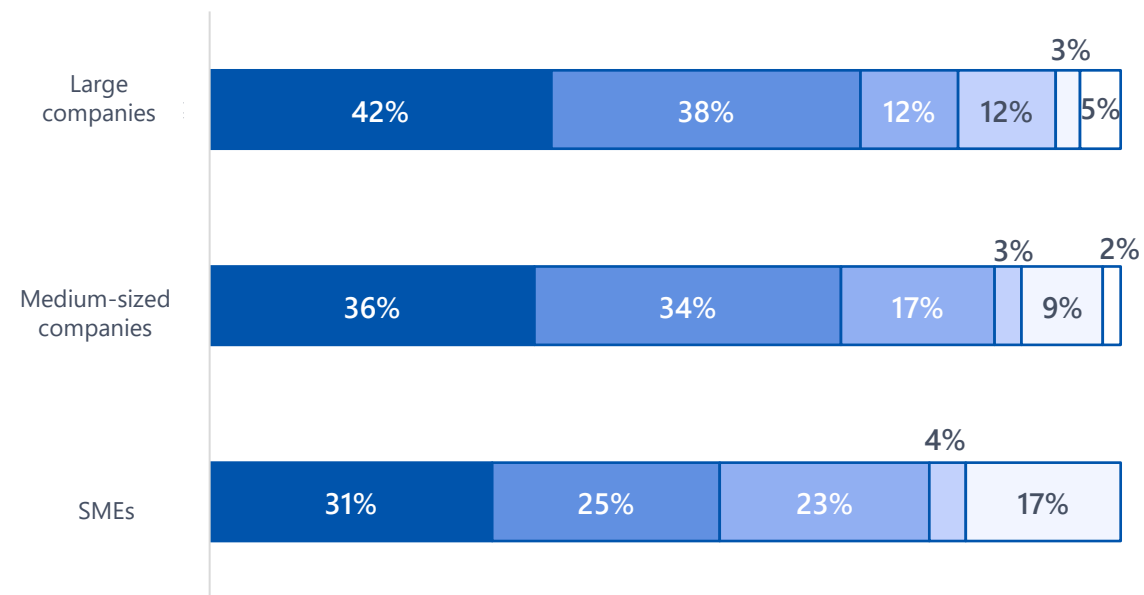
Awareness of the Invoice System is low, with only 30% of SMEs aware of the new regulation. Compliance status is low for even companies that are aware of the regulation, thus demand for cloud services is expected to accelerate.

Awareness of Invoice System*1 (by company size)



- Aware of the details
- Heard of it but not sure the details
- Don't know it at all

Status of compliance with the Invoice System*2 (Within those who responded "Aware of the details" in the left chart)



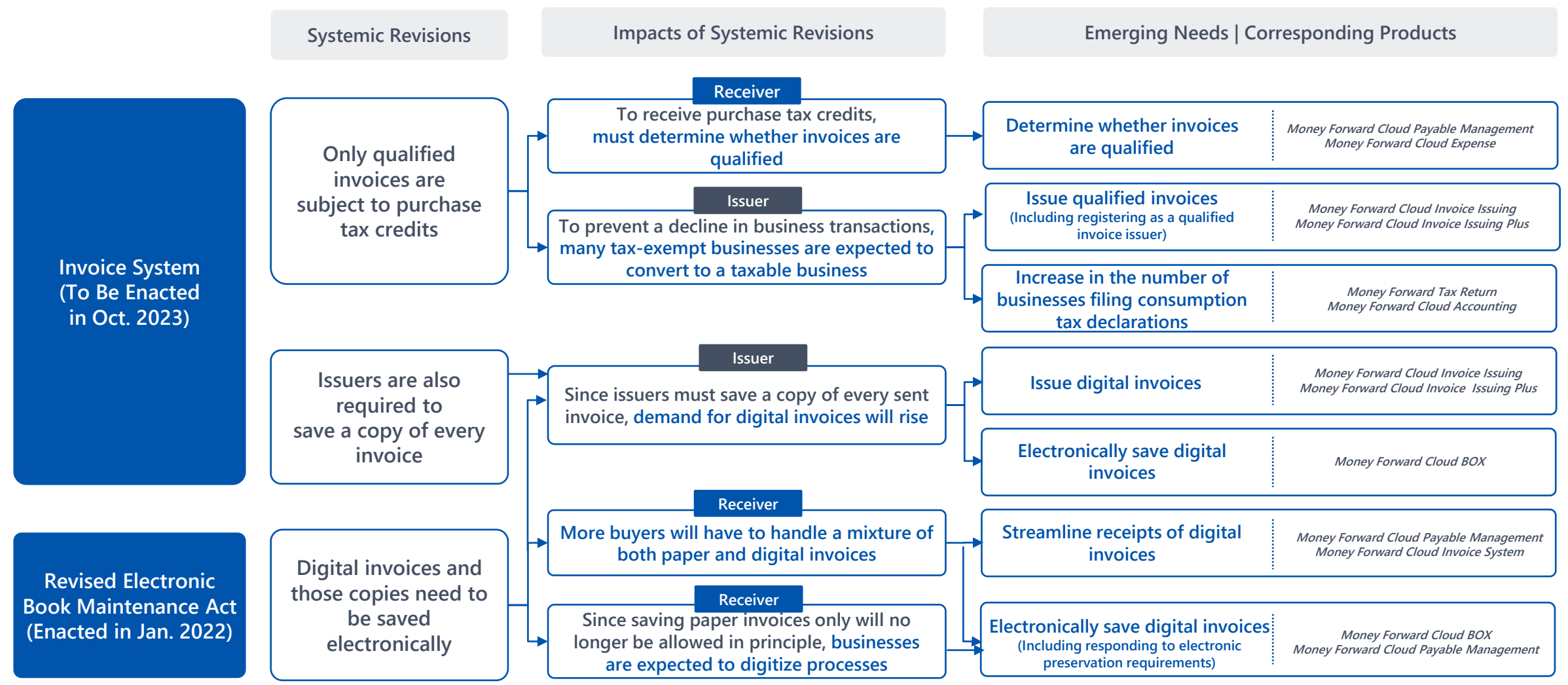
- Conducting system replacements or updates for billing, accounting, ordering process, etc.
- Considering to introduce cloud system.
- Gathering information but not making specific preparations.
- Not sure what kind of preparation is needed.
- Doing nothing.
- Other

*1 MM Research Institute, March 4, 2022, "Data 14: Awareness of Invoice System by Company Size," in "Survey on Digitalization of SMEs," an analysis of issues in promoting DX among SMEs.

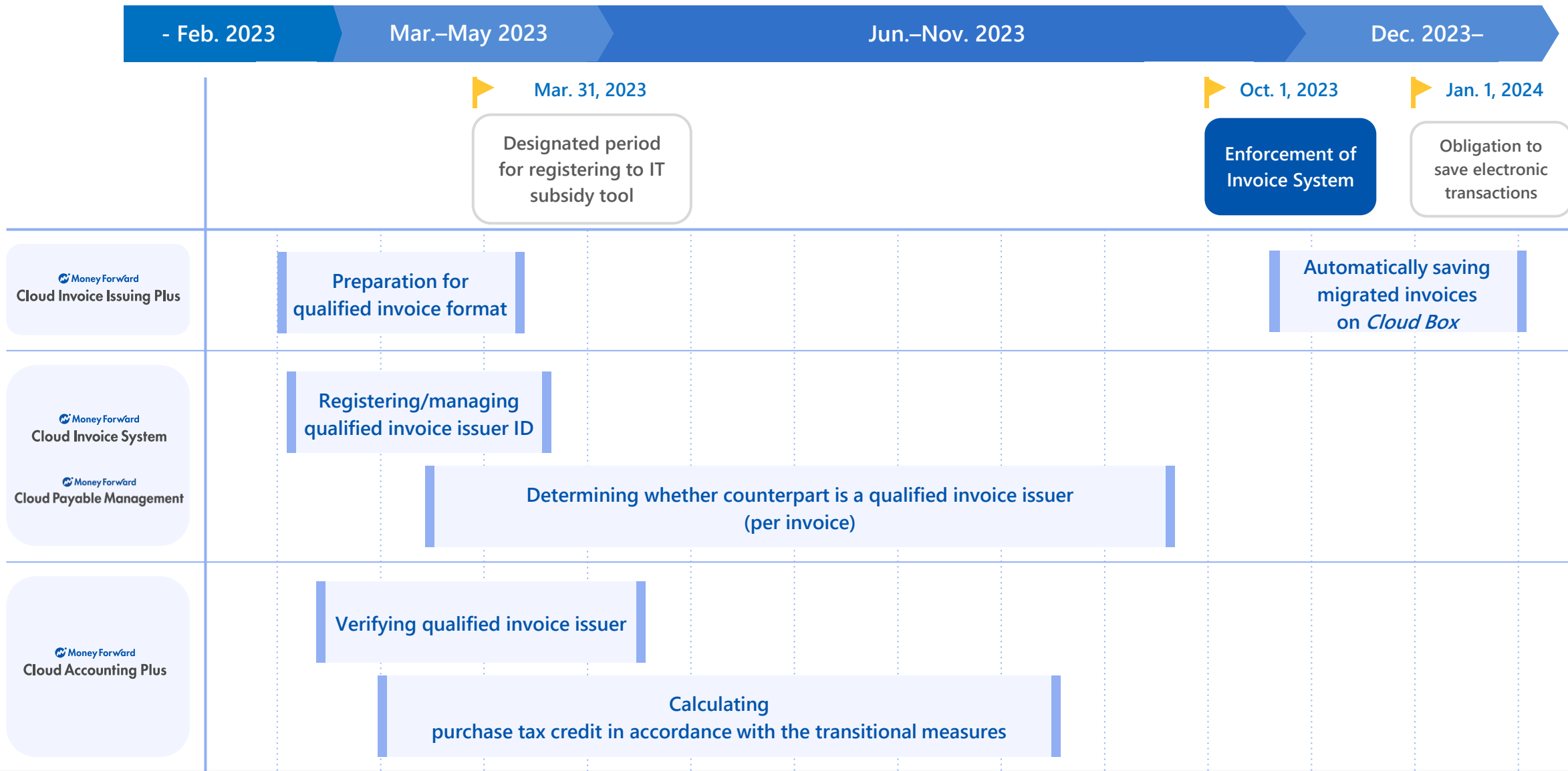
*2 In the same report as *1, "Data 15. Security Issues by Company Size (for respondents who indicated in Data 14 that they were "Aware of the details" of the invoice system).

(Reference) Impact of Launch of Invoice System; New Demands/Corresponding Products

Major systemic changes accompanying the revision of the Electronic Book Preservation Act and the enactment of the Invoice System are expected to promote electronic sending and receiving of invoices.



Disclosed Roadmap for Compliance with Invoice System



Products and Services



Business Domain – Price Table

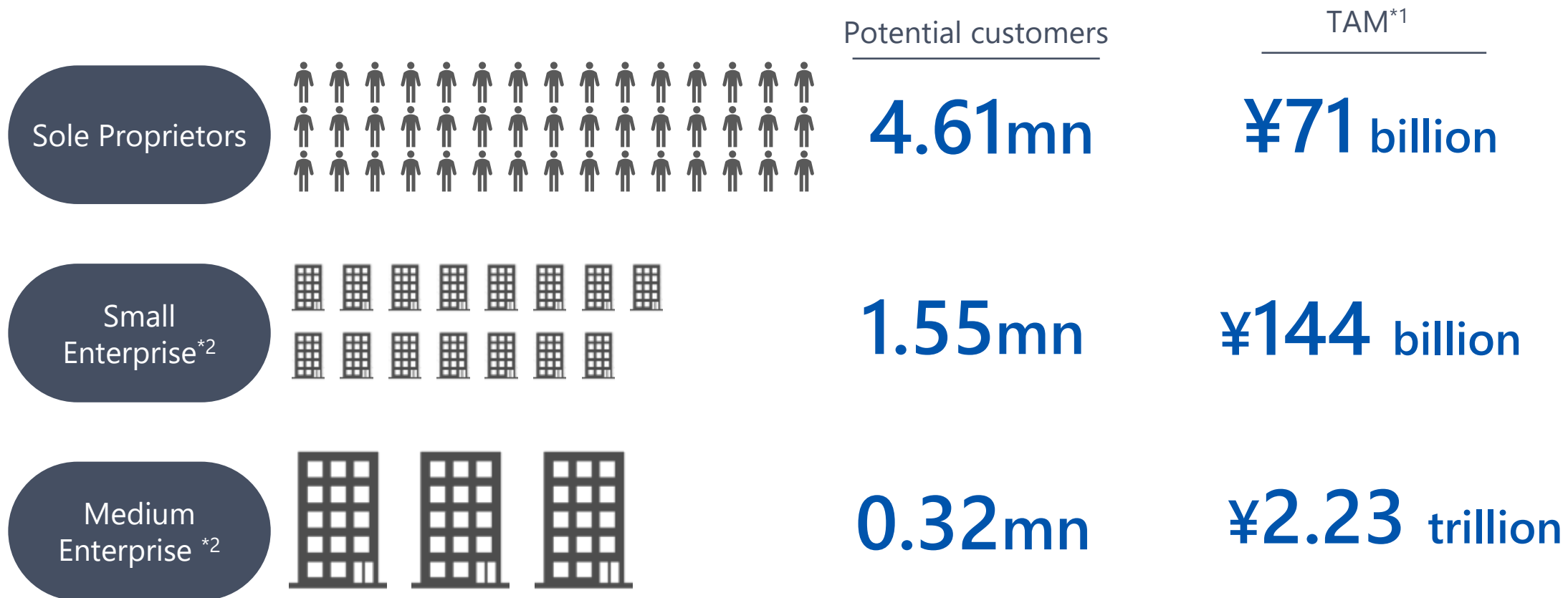
	Accountants & their clients	Sole Proprietors SMEs	Corporates
Distribution	Field sales	WEB marketing	Field sales/ Inside sales
Price (Example)	<p>Small Business Monthly: ¥3,980 Annual: ¥35,760 (¥2,980/month)</p> <p>Business Monthly: ¥5,980 Annual: ¥59,760 (¥4,980/month)</p> <p>STREAMED min ¥10,000 Manageboard min ¥49,800</p>	<p>Personal Mini *1 Monthly: ¥980 Annual: ¥9,600 (¥800/month)</p> <p>Personal *1 Monthly: ¥1,280 Annual: ¥11,760 (¥980/month)</p> <p>Personal Plus Annual: ¥35,760 (¥2,980/month)</p> <p>Small Business Monthly: ¥3,980 Annual: ¥35,760 (¥2,980/month)</p> <p>Business Monthly: ¥5,980 Annual: ¥59,760 (¥4,980/month)</p>	<p>Accounting Plus Inquiry Price V-ONE Cloud Min ¥33,000 Contract Inquiry Price Invoice Plus Inquiry Price HR Database Inquiry Price Expense ¥500/employee Payroll ¥300/employee Attendance ¥300/employee Social Insurance ¥100/employee My Number ¥100/employee Tax Adjustment ¥100 /employee Payable Management ¥300/transaction</p>

* All listed prices are excluding tax.

*1 Revising prices planned from Dec 2023. See P.26 for details.

Back Office SaaS Potential Market Size

Potential market size of back-office SaaS, Group's current area of focus, is estimated to be about **¥2.44 trillion**^{*1}.



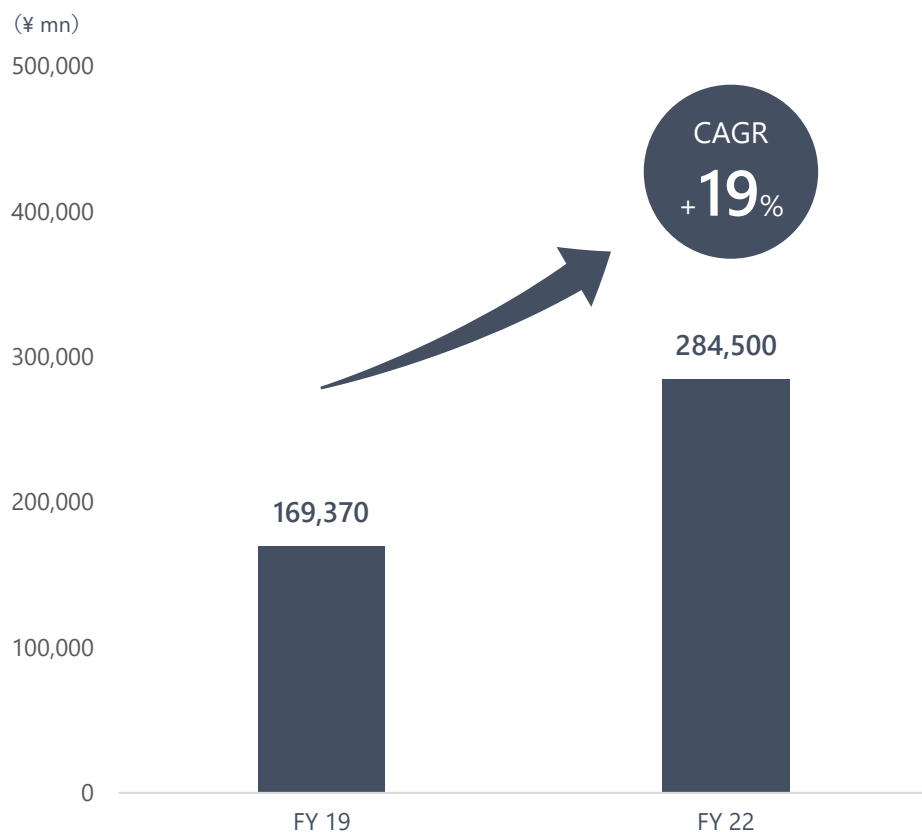
^{*1} Created by Money Forward, Inc. based on National Tax Agency 2021 Survey, MIAC June 2016 Economic Census Activity Survey, TEIKOKU DATABANK, Ltd, and Final tabulation report of the "Survey on the Actual Conditions Concerning the Administrative Workload of Settlement Affairs, etc.", October 26, 2016. Total annual expenditure when the Group's all potential customers introduced Money Forward Cloud in Japan. The total number of potential customers is the sum of sole proprietors and corporates with less than 1,000 employees.

^{*2} Defined as "Small enterprise" for a corporate with less than 20 employees, "Medium enterprise" for a corporate with between 20 and 999 employees.

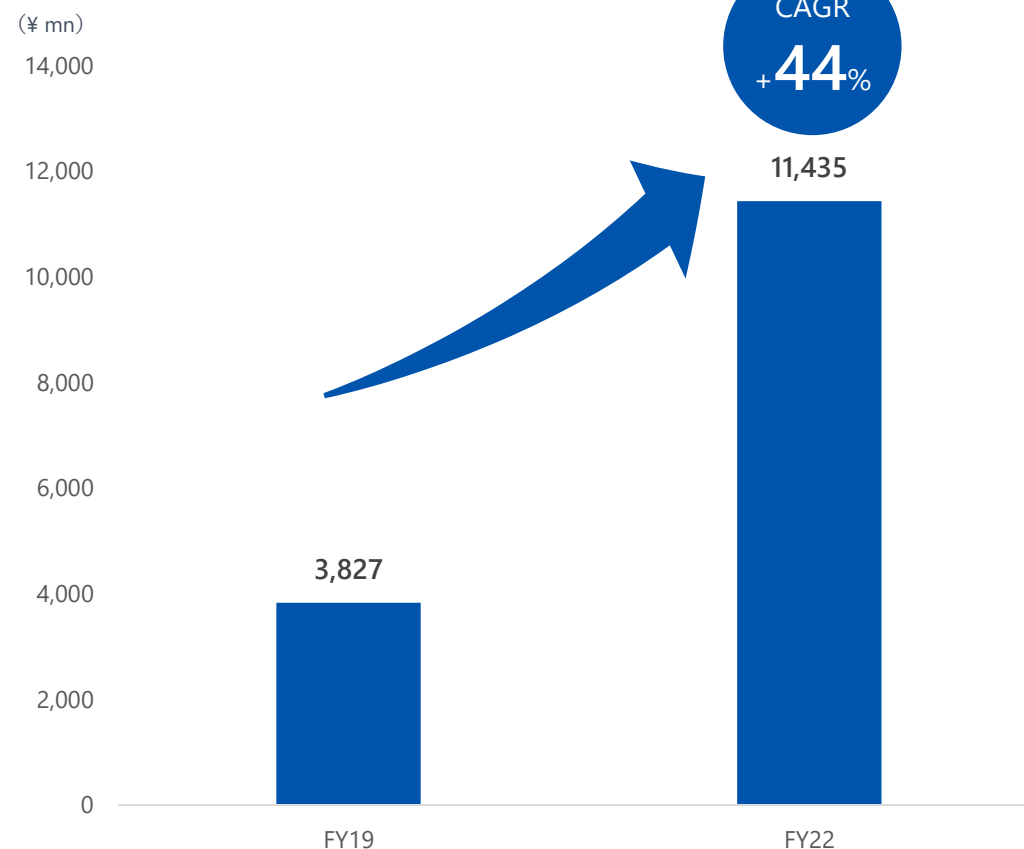
Comparison with Market Growth

The ARR growth rate for corporate customers from FY19 to FY22 is **more than double the market size growth rate of +19%^{*1}** of the industry we serve in.

Market size growth rate of Money Forward's
business offering area ^{*1}



Growth rate of Money Forward's corporate ARR



* Source: Fuji Chimera Research Institute, "Software Business New Market 2022" (published July 22, 2022) and "Software Business New Market 2019" (published August 5, 2019).

*1 Market size limited to products handled by the Company within the "business systems" category in the research. (In 2019, it will be "ERP for mid-size companies," "financial and accounting management software," "personnel and salary management software," "attendance management software," and "expense reimbursement software," and in 2022, "labor management software" and "electronic contract tools" in addition to the above) The CAGR for the "business systems" category as a whole over the same period is 11%; both 2019 and 2022 figures are forecasts at the time of publication. The definition of the market and items included are not necessary the same.

Money Forward ME - Automated PFM Service

Reached 14.7 million users^{*1}. *Money Forward ME* is the No.1^{*2} PFM and asset management app in Japan. Number of financial services that can be connected is also No.1^{*3}.

Integrates 2,540+^{*3} financial services and automatically creates household accounting books



Manage all your cards and points at once

Manage your financial services easily by aggregating your financial data and visualize your expenditure, you can find unnecessary costs.

No. 1^{*2} in terms of usage and recognition as a PFM app and asset management app




*1 As of May 31, 2023, accumulated number of users of *Money Forward ME* in Home domain, which is the total number of app downloads and web registrations of *Money Forward ME*. The number of users of services for financial institutions provided in X domain, which was included in the past, is not included.

*2 Survey by Macromill, Respondents: 1,035 PFM app users in their 20s-60s / 1,035 asset management app users in their 20s-60s; Survey period: October 3, 2022 - October 4, 2022; Survey method: Internet survey. PFM apps refer to apps that allow users to manage their household budget using a smartphone or tablet, while asset management apps refer to apps that allow users to centrally manage multiple assets using a smartphone or tablet.

*3 Based on research by Money Forward, Inc. as of May 31, 2023.

Expanded Alliances, Including M&As, at an Accelerated Pace

With the aim of resolving financial issues of users, various service developments and alliances progressed steadily in a business realm where the total addressable market (TAM) is **over ¥850 billion***1.

FP  株式会社FPパートナー Nexsol

IFA  FINANCIAL STANDARD

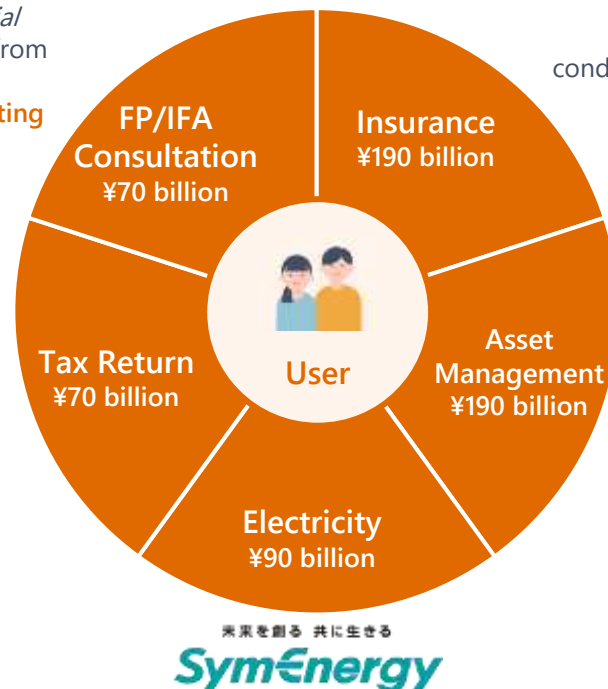
Connected IFAs (i.e., asset management advisers) in addition to FPs to *Money Forward Financial Planning* to provide free consultation ranging from life planning to asset management.

Nexsol Co., Ltd., which provides an FP consulting service, decided to join the Group.

 Money Forward

Cloud Tax Return

Enables tax return via smartphone app
Seamless data integration with *Money Forward ME*.



In the *Fixed Cost Review* the company has developed and offered an electricity company transfer plan that includes a fee-based course of *Money Forward ME*.



Online provider of life insurance, with over 570,000 contracts.
The number of assessments conducted for reviewing insurance has exceeded 67,000.

 **SUSTEN**

Provides Japan's first fully pay-for-performance automated asset management service *SUSTEN*.
Additionally invested to convert it into an equity method affiliate to further accelerate business alliance.

*1 Including TAM of PFM services (¥310 billion). TAM of tax return service is not included as it's included in that of Business domain

TAM of Home Domain

Approaching to ¥850 billion TAM related to personal financial services through business development and business alliances.

PFM	51 million people ^{*1}	×	¥6,000 ^{*2}	=	¥310 billion
Asset management	¥19 trillion ^{*3}	×	1% ^{*4}	=	¥190 billion
Electricity	¥5 trillion ^{*5}	×	2% ^{*4}	=	¥90 billion
Insurance	¥4 trillion ^{*6}	×	5% ^{*4}	=	¥190 billion
FP consultation	3.4 million people ^{*7}	×	¥20,000 ^{*4}	=	¥70 billion
Total					¥850 billion

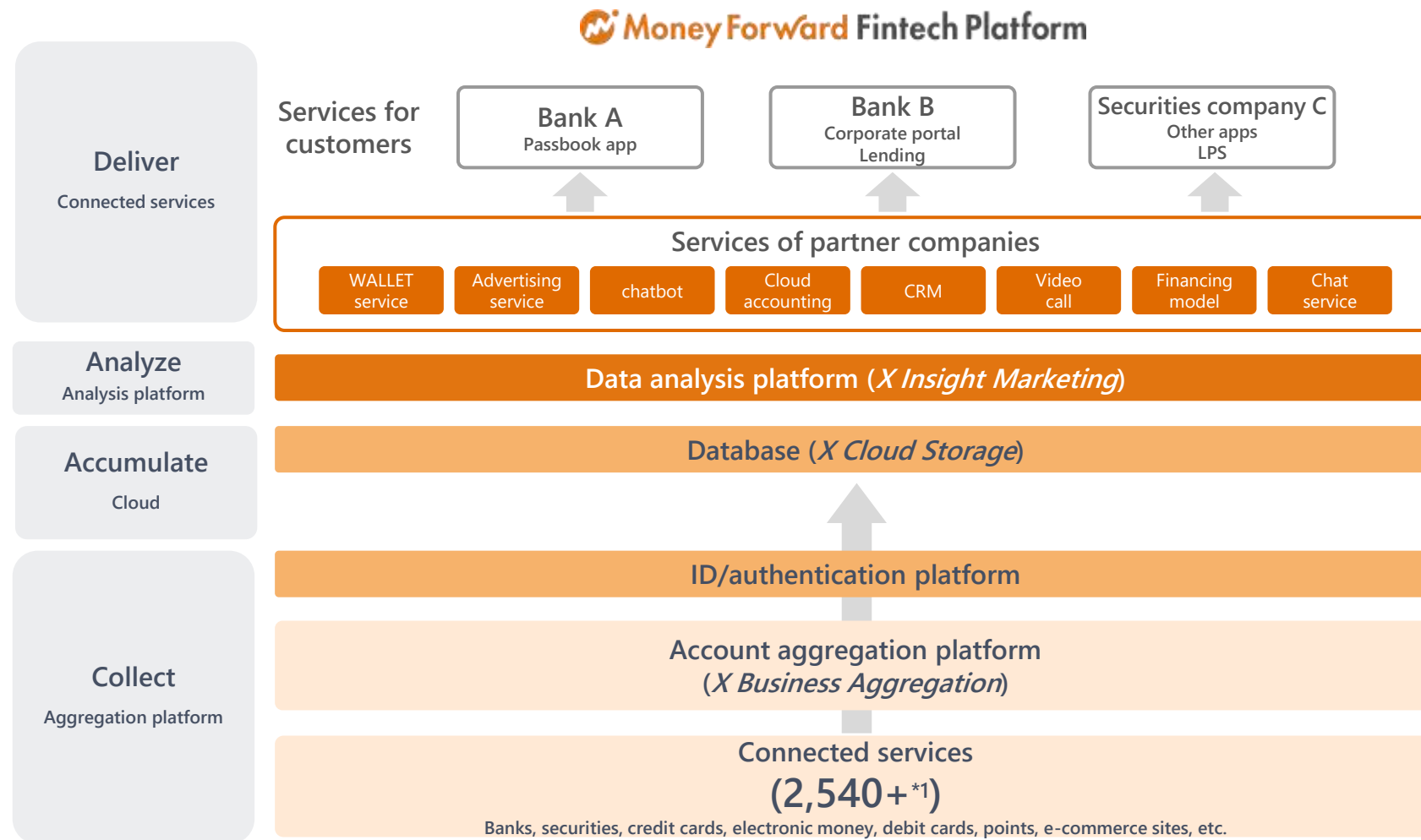
^{*1} Net banking users. Calculated by the Company by estimating the total number of Internet banking users in Japan based on the number of Internet banking accounts at 5 metropolitan banks, and the "White Paper on Financial Information Systems 2023".

^{*2} Annualized premium charge of standard course for *Money Forward ME*. ^{*3} The total amount of financial assets in the accounts linked to the personal services provided by *Money Forward ME* and *Money Forward X* as of May 31, 2023.

^{*4} Commission rate the Company receives, estimated based on other companies' services. ^{*5} Market size of new electric power companies. Estimated by Money Forward, Inc. based on "Population, Demographics and Households Based on the Basic Resident Ledger" by the Ministry of Internal Affairs and Communications, "Progress in Total Liberalization of Electricity and Gas Retailing" by the Ministry of Economy, Trade and Industry, "General Contact Points for Government Statistics (e-Stat)," and "Household Income and Expenditure" by the Ministry of Internal Affairs and Communications. ^{*6} New subscription fee for individual insurance contracts. Calculated by the Company based on The Life Insurance Association of Japan's 2022 "Trends in Life Insurance" and the FY2021 Survey on "Life Insurance Coverage (preliminary version)". ^{*7} Of the number of new individual insurance contracts purchased, annual premiums paid by those who purchased through insurance agents. Based on the Life Insurance Association of Japan's 2022 "Trends in Life Insurance" and the Life Insurance Culture Foundation's "National Survey on Life Insurance (Preliminary Version)" for FY 2021.



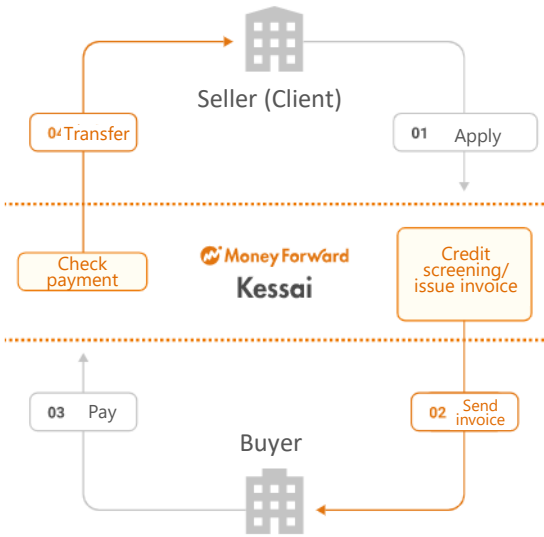
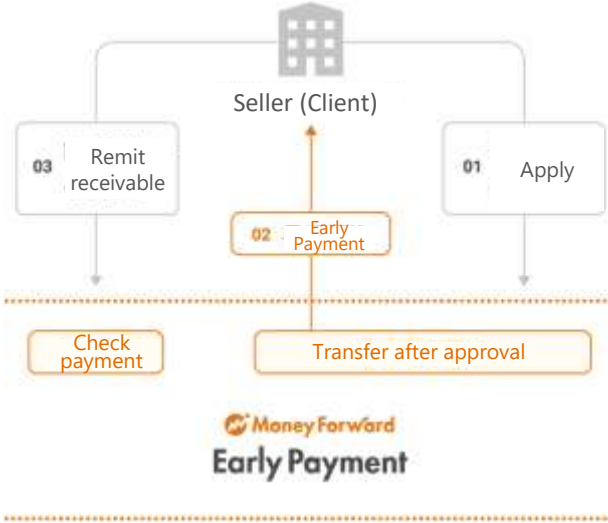
Driving Digital Transformation of Banks and Their Customers via *Money Forward Fintech Platform*

Platform that can accumulate and analyze asset data and settlement data for corporate financial services and link them to third parties.



Business Outline of *Money Forward Kessai* and *Money Forward Early Payment*

Money Forward Kessai is a B2B invoicing and settlement BPO business, and *Money Forward Early Payment* is an accounts receivable financing business. Both services are also offered to corporate customers of MUFG Bank by Biz Forward, a joint venture established with MUFJ Bank, Ltd *1.

	 Money Forward Kessai	 Money Forward Early Payment
Scheme	 <p>The diagram for Money Forward Kessai shows a Seller (Client) and a Buyer. The Seller sends an invoice to the Buyer (02 Send invoice). The Buyer pays the Seller (03 Pay). The Seller then transfers the payment to Money Forward Kessai (04 Transfer). Money Forward Kessai checks the payment and handles credit screening/invoice issue. The Seller also applies for the service (01 Apply).</p>	 <p>The diagram for Money Forward Early Payment shows a Seller (Client) and a Buyer. The Seller sends remittance to the Buyer (03 Remit receivable). The Buyer pays the Seller (03 Remit receivable). The Seller then transfers the payment to Money Forward Early Payment (02 Early Payment). Money Forward Early Payment checks the payment and handles transfer after approval. The Seller also applies for the service (01 Apply).</p>
Service	B2B invoicing and settlement BPO service	Accounts receivable financing service
Value Proposition	Streamlines credit screening/invoicing/collection and offers payment guarantee	Enables early financing
Business Model	Recurring revenue	Non-recurring revenue

*1 Biz Forward provides B2B invoicing and settlement BPO service as *SEIKYU+*, and accounts receivable financing service as *SHIKIN+*.

BOXIL SaaS- SaaS Comparison Platform which helps SaaS Companies with their Marketing

The No.1 SaaS comparison website * chosen by SaaS users and potential customers. It connects potential SaaS customers with 1,000+ SaaS products, receiving fees from the SaaS vendors for every document request made by the potential customers.



* Based on the results of "image survey of SaaS Comparison Media" in September 2020 by Cross Marketing Inc.

Domestic SaaS Marketing Potential Market Size

Domestic SaaS marketing potential market size is estimated to expand to about ¥1.86 trillion, along with the expansion of SaaS market in Japan.

$$\begin{array}{c} \text{SaaS potential market size}^{*1} \\ \hline \end{array} \times \begin{array}{c} \text{Advertising costs} \\ \text{to net sales ratio}^{*2} \\ \hline \end{array} = \text{¥1.86 tn}$$

¥9.8 tn × 19.0% = ¥1.86 tn



Disclaimer

The forward-looking statements and other contents included in this material are determined based on information currently available and may be subject to change due to macro economic trends, changes in the market environment or industry in which the Group operates, or for other internal/external factors. Money Forward, Inc. shall not represent or warrant the accuracy or completeness of the information contained in this material.

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FY11/23 Q3 Financial results are scheduled to be released at 16:00 or later on Oct 13, 2023.