



Financial Results for FY2023

(Our Business Plans and Growth Opportunities)

WealthNavi Inc.
February 14, 2024

Mission

To build a world-class wealth management platform for working families using cutting-edge technology



Top Japanese robo-advisor with recurring revenues

Service launch

July 2016

of employees¹

170

Engineer & designer %
of all employees¹

51%

Users^{1, 2}

387k

% of 20s-50s users¹

83%

Average monthly churn rate³

<1%

Intention to use
for over 10 years⁴

59%

AuM¹

JPY983Bn

YoY AuM growth⁵

+37%

ARR⁶

JPY9.27Bn

Net AuM retention⁷

120%+

¹ As of December 31, 2023. AuM reached 1 trillion yen on January 11, 2024 and 1.05 trillion yen on February 8, 2024

² "Users" refers to a customer who has AuM of 1 yen or more

³ % of users who go from a positive ETF balance to no ETF balance (monthly, total average from July 2016 to December 2023)

⁴ From the results of the questionnaire survey conducted by WealthNavi in January 2024

⁵ Growth rate of AuM from December 31, 2022 to December 31, 2023

⁶ Annual Recurring Revenue. Calculated by multiplying monthly recurring revenue (Monthly Recurring Revenue, "MRR") before deducting revenue sharing in December 2023 by 12

⁷ An index that shows the % of AuM retained over 1 year (Book value basis, excluding market price fluctuations. All averages from July 2016 to December 2023)

(Initial AuM + Automated deposits for 1 year + Additional manual deposits for 1 year – Withdrawal for 1 year) / Initial AuM

Agenda

FY2023 business highlights

FY2023 financial highlights

FY2024 business strategy

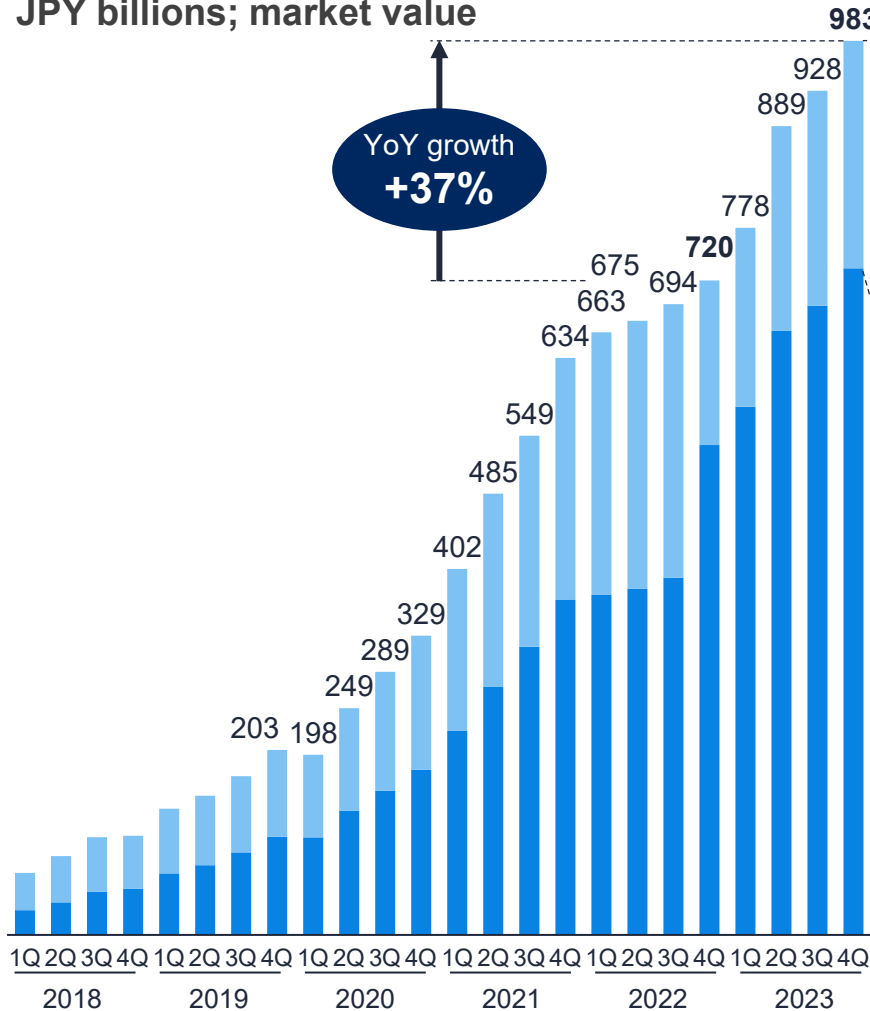
Capital and business alliance with MUFG Bank

Appendices

Both direct and alliance channels drive growth

AuM trend

JPY billions; market value



Service	Partner	Launch
WealthNavi for 東邦銀行	Toho Bank	Apr. 2023
WealthNavi for オリックス銀行	ORIX Bank	Feb.
WealthNavi for 十六銀行	Juroku Bank	Nov. 2022
WealthNavi for 千葉銀行	Chiba Bank	Oct.
WealthNavi for AEON CARD	AEON Credit Service	Jul.
Alliances^{1,2}		
たいこうNavi ³	TAIKO Bank	Oct. 2021
〈中京〉おまかせNavi ^{1,3}	Chukyo Bank	Aug.
夢おいNavi ³	Hamamatsu Iwata Shinkin Bank	Nov. 2020
WealthNavi for 三菱UFJ銀行	MUFG Bank	Nov.
岡三Navi ハイブリッド ³	Okasan Securities	Sep.
WealthNavi for 東京スター銀行	Tokyo Star Bank	Apr.
WealthNavi for ODAKYU	Odakyu	Nov. 2019
北國おまかせNavi ³	Hokkoku Bank	Oct.
WealthNavi for 東京海上日動	Tokio Marine Nichido	Aug.
WealthNavi for auじぶん銀行	au Jibun Bank	Jan.
WealthNavi for TOKYU POINT	Tokyu	Nov. 2018
WealthNavi for JAL	JAL	May
WealthNavi for 横浜銀行	Yokohama Bank	Apr.
WealthNavi for イオン銀行	AEON Bank	Mar.
Direct²		
WealthNavi for ソニー銀行	Sony Bank	Dec. 2017
WealthNavi for ANA	ANA	Sep.
WealthNavi for 住信SBIネット銀行	SBI Sumishin Net Bank	Feb.
WealthNavi		Jul. 2016

1 Channels available as of December 31, 2023. "Chukyo Omakase Navi" is to be terminated on June 15, 2024 due to the merger of the Chukyo Bank and Aichi Bank, and the AuM is to be transferred to the direct channel. Reached a basic agreement on business alliance with Rakuten Securities and Rakuten Investment Management on September 25, 2023

2 AuM through SBI Securities and SBI Neomobile securities are included in alliance channel until the termination date of the business alliances on November 4, 2022 and included in direct channel afterwards

3 Managed account service with a hybrid of online and face-to-face support

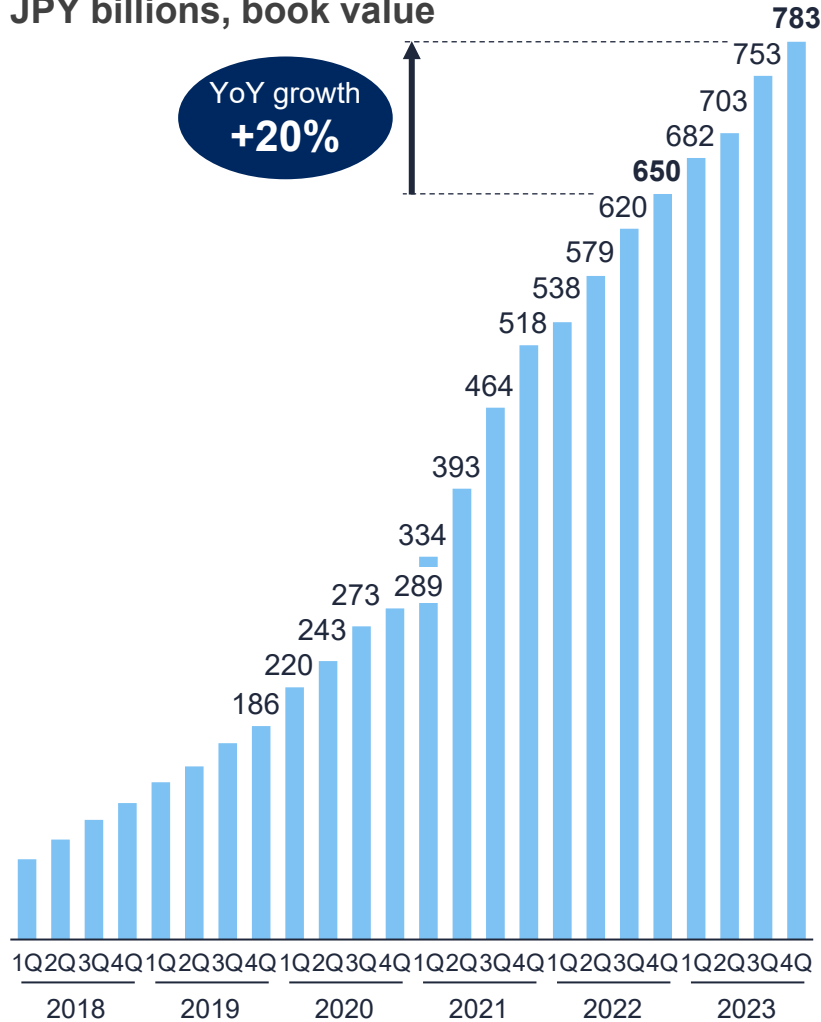
4 AuM reached 1 trillion yen on January 11, 2024 and 1.05 trillion yen on February 8, 2024

Slower user growth mainly due to technical factors

Book-value AuM

JPY billions, book value

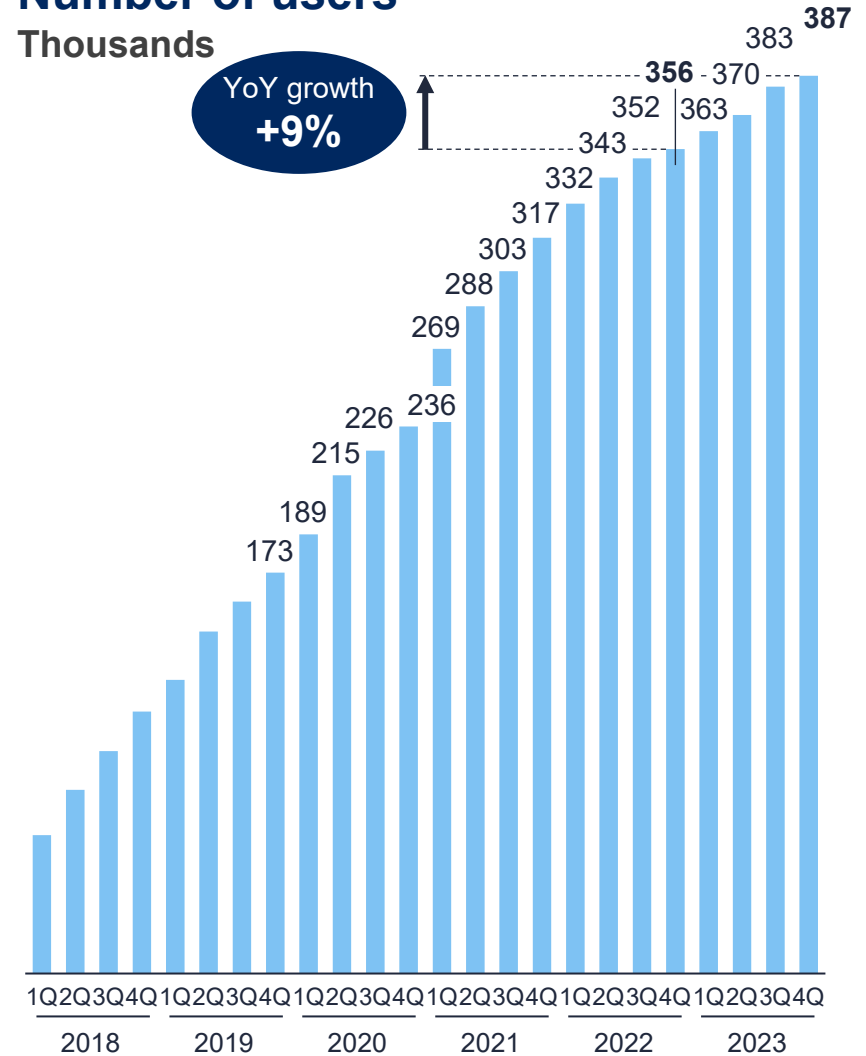
YoY growth
+20%



Number of users

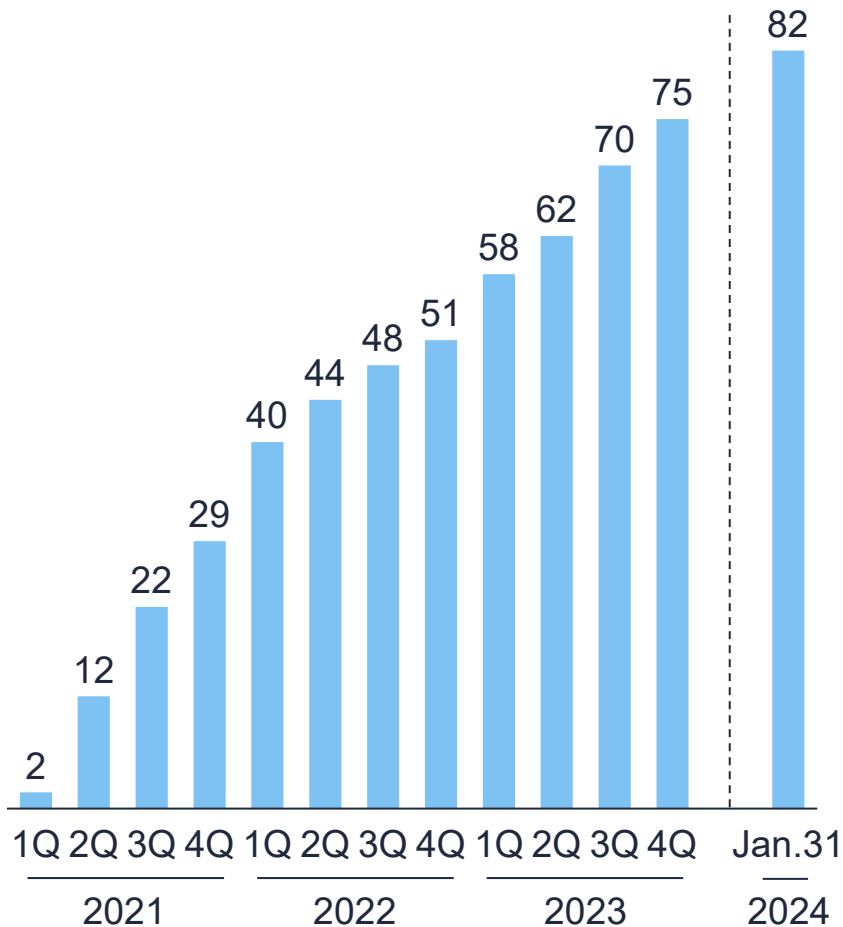
Thousands

YoY growth
+9%

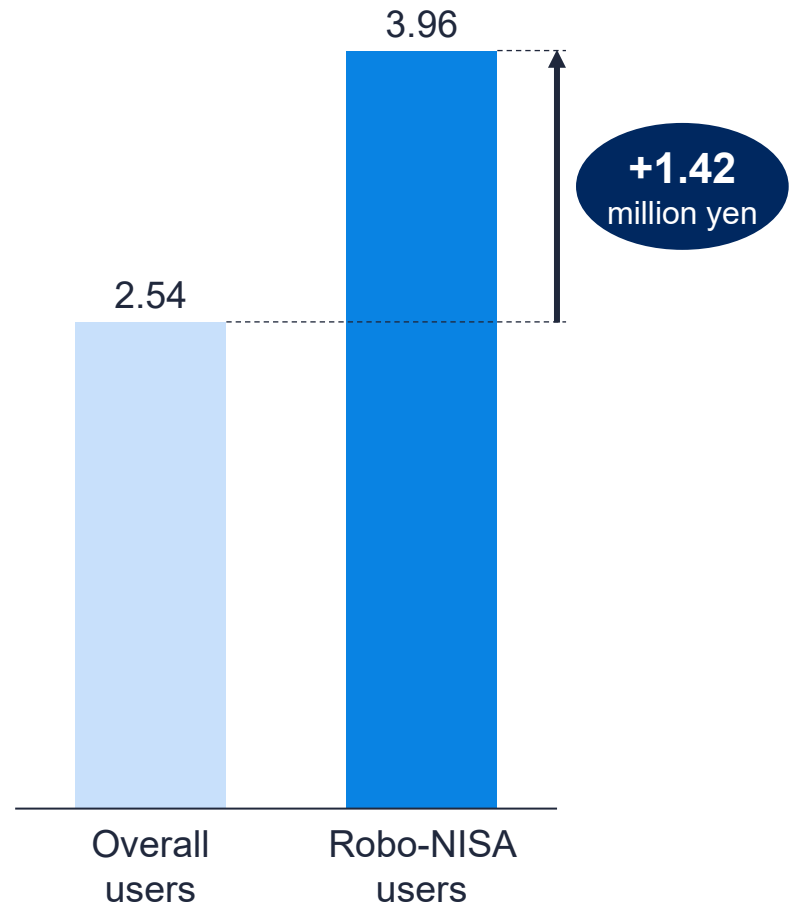


Robo-NISA contributes to AuM growth

Number of “Robo-NISA” users
Quarterly; thousands



AuM per user^{1,2}
JPY million; Dec. 2023



¹ AuM per user is calculated as follows. For overall average, dividing total AuM by the number of users. For average of Robo-NISA users, dividing total AuM of Robo-NISA users, a sum of regular account and NISA account, by the number of “Robo-NISA” users

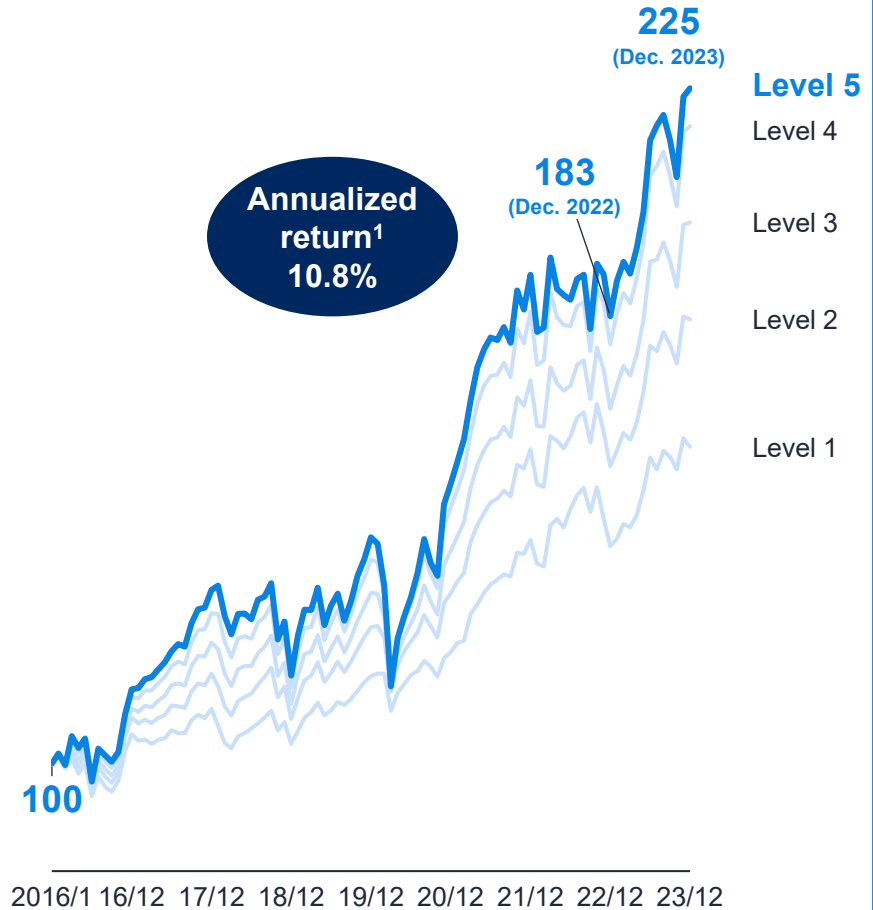
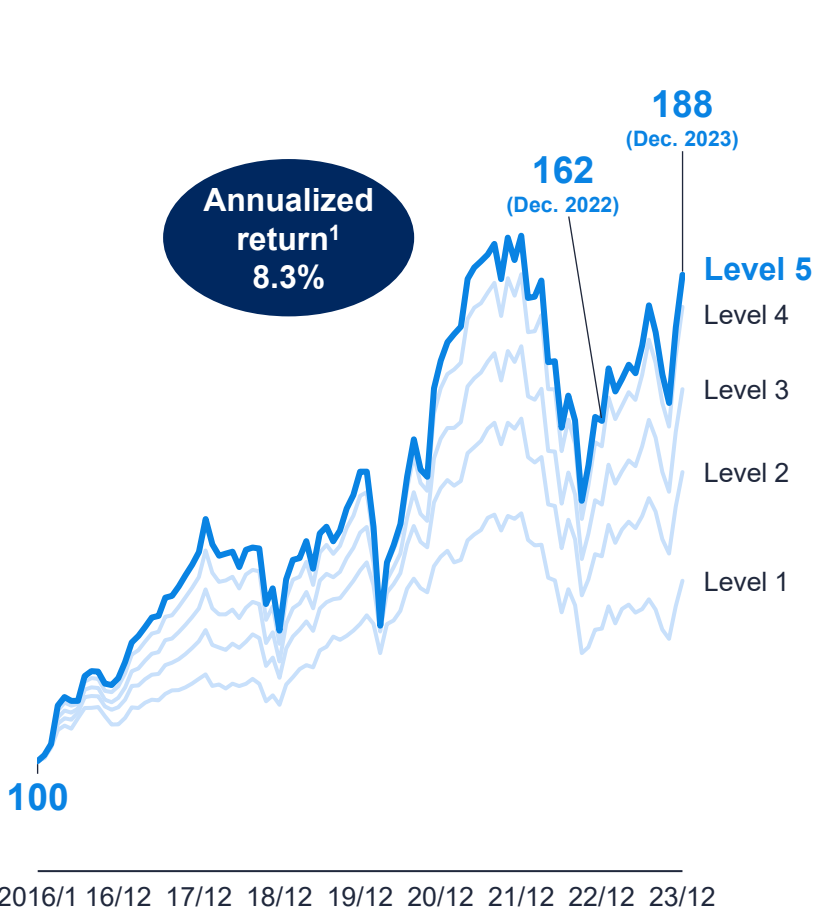
² Excluding users with AuM of 1 billion yen and above

Favorable performance – positive to AuM growth

Portfolio performance by risk tolerance level

USD-denominated; after fee

JPY-denominated; after fee



¹ Shows the annualized return of level 5, which 43% of users choose as of December 31, 2023

Notes: The investment performance is calculated by normalizing investment return of each wealth management plan setting the service launch date (January 19, 2016) to 100. In the performance calculation, the annual fee of 1% (1.1% including tax) of asset under management excluding cash is deducted from the daily return. Note that cash ratio is assumed to be 2%. No additional investment is assumed. Dividends are assumed to be reinvested on the ex-dividend date. Rebalancing is assumed to be carried out every six months. No consideration for taxes on dividends and capital gains from rebalancing.

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Steady growth continued for full-year 2023

- A temporary loss in 4Q, as planned, with accelerated marketing activities for New NISA
- Exceeded our original earnings forecast announced on May 12, 2023, with a steady growth in book-value AuM and a good growth in market-value AuM

Financial results

JPY millions

	4Q FY2023			FY2023			vs. forecast ¹	
	Actuals	4Q FY2022		Actuals	FY2022		Difference ²	% ²
		Actuals	YoY		Actuals	YoY		
Operating revenue	2,274	1,766	+28.8%	8,167	6,573	+24.3%	+450	105.8%
-) Revenue sharing	245	238	+2.9%	884	1,091	-19.0%	—	—
-) Transaction-linked expenses	228	198	+15.3%	902	789	+14.3%	—	—
-) Personnel expenses	525	400	+31.1%	1,904	1,466	+29.9%	—	—
-) Real estate related expenses, etc.	310	248	+24.9%	1,132	874	+29.5%	—	—
Operating profit excluding advertising expenses	964	680	+41.8%	3,344	2,352	+42.2%	—	—
-) Advertising expenses	970	606	+60.1%	2,820	2,142	+31.7%	—	—
Operating profit	-5	74	—	523	209	+149.6%	+307	242.4%
Net profit³	13	151	-91.1%	375	289	+29.5%	—	—

¹ Actual AuM vs. forecast AuM as of May12, 2023 are as follows; Market-value AuM: JPY 891.2 billion vs. JPY 983.3 billion, Book-value AuM: JPY 777.0 billion vs. JPY 782.9 billion

² Difference between the actuals and the forecast announced on December 31, 2023

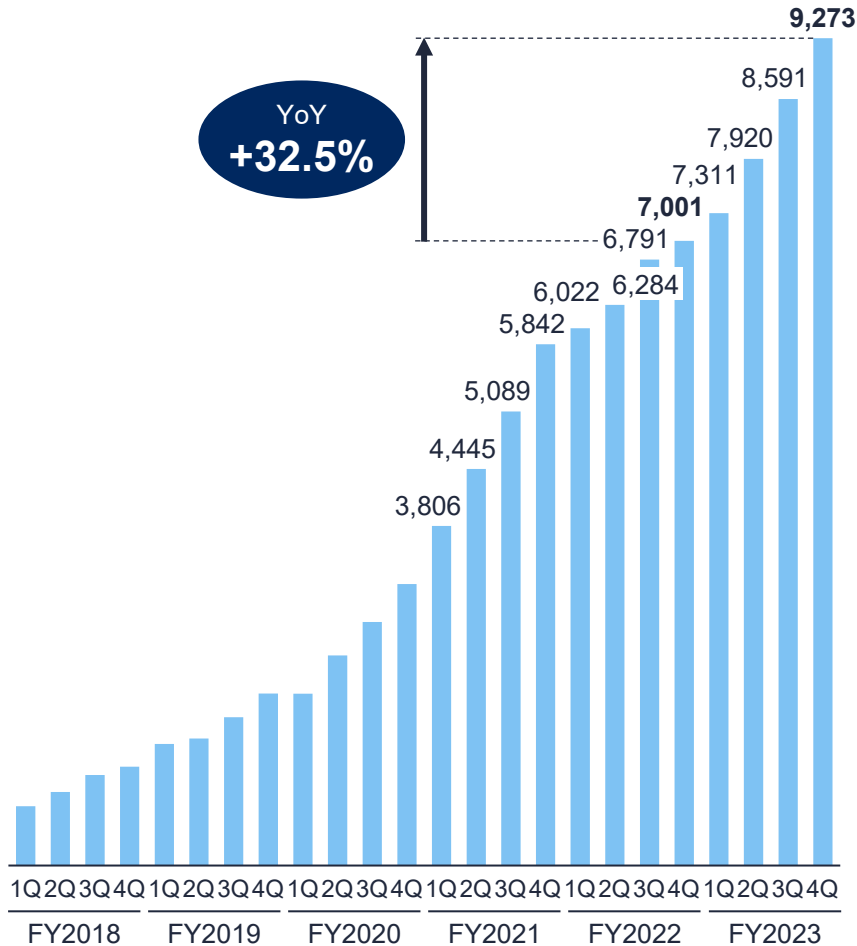
³ (200) million yen of the corporate tax adjustment (negative denotes profit) is recorded in accordance with the recording of deferred tax assets

Note: Fractions of one million yen are rounded down

Continued growth in ARR

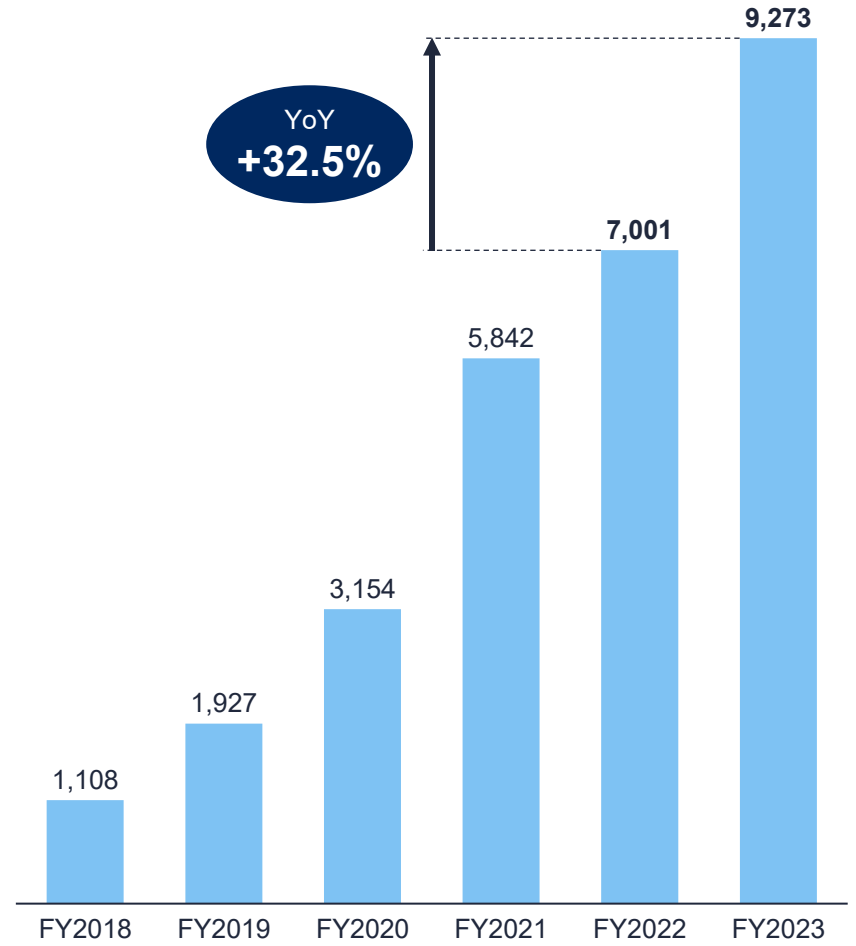
ARR

Quarterly; JPY millions



ARR

Annual; JPY millions

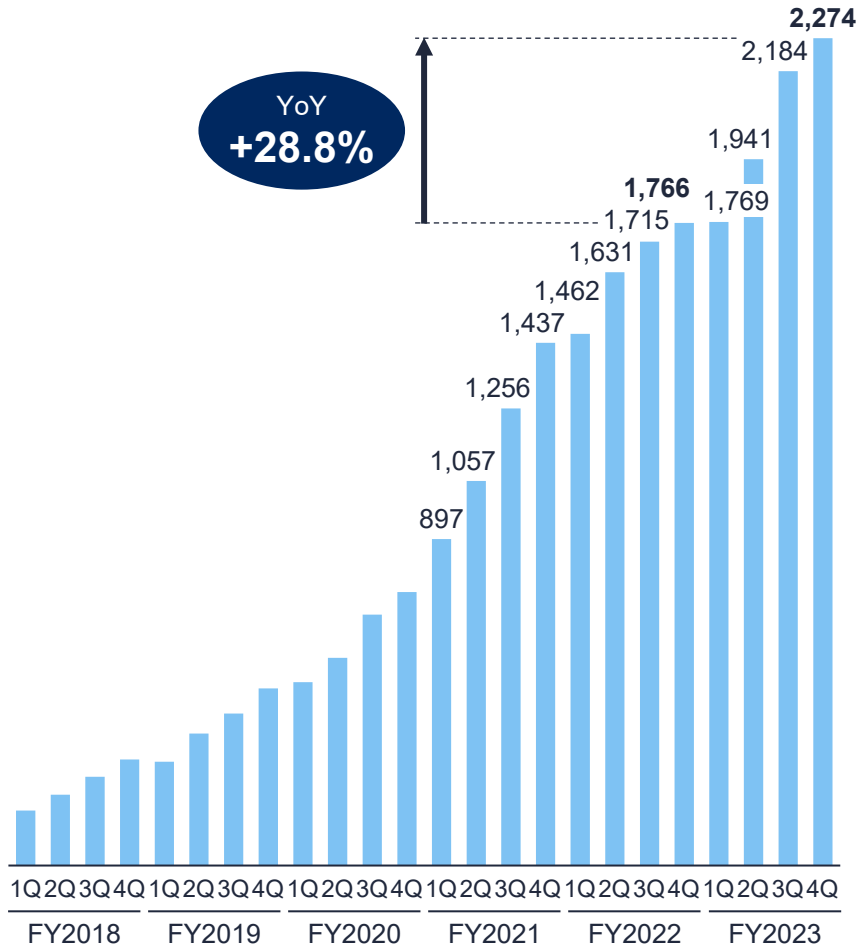


Note: Annual Recurring Revenue. Calculated by multiplying monthly recurring revenue (Monthly Recurring Revenue, "MRR") before deducting revenue sharing in December 2023 by 12

Continued growth in operating revenue

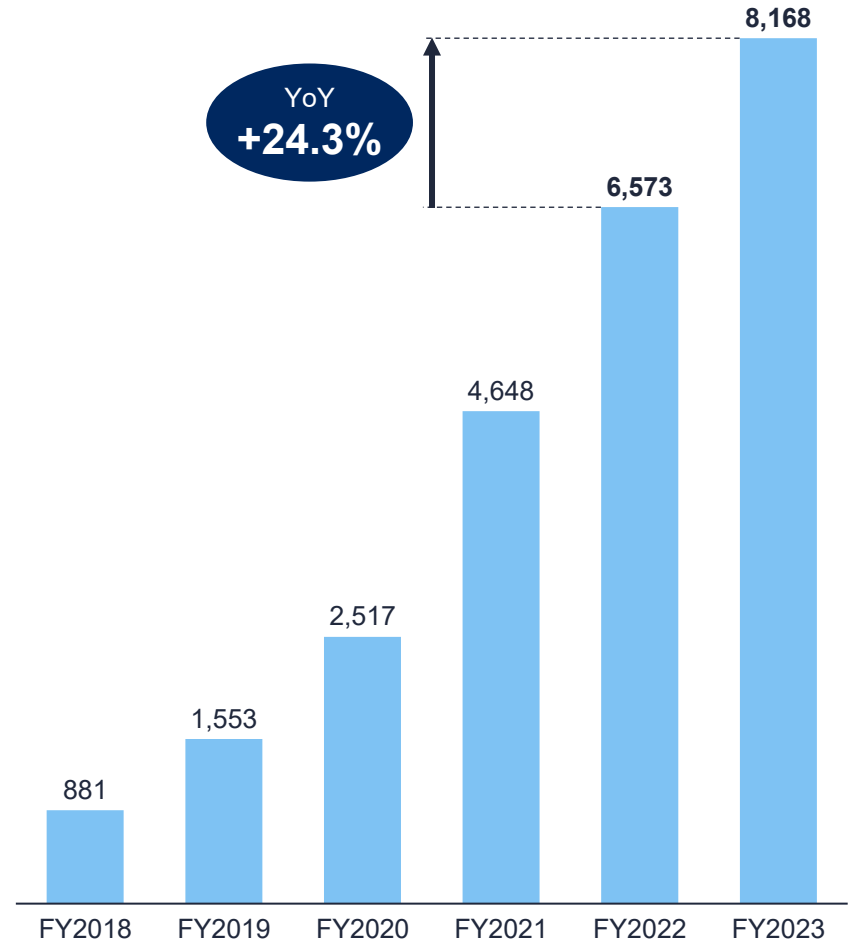
Operating revenue

Quarterly; JPY millions



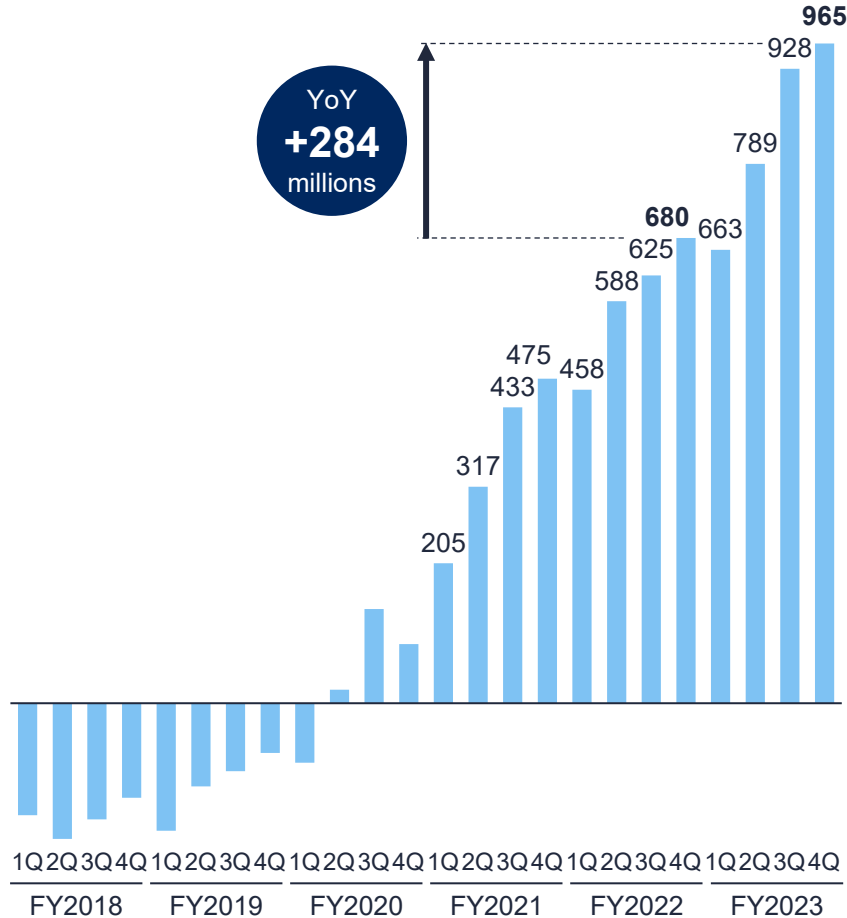
Operating revenue

Annual; JPY millions

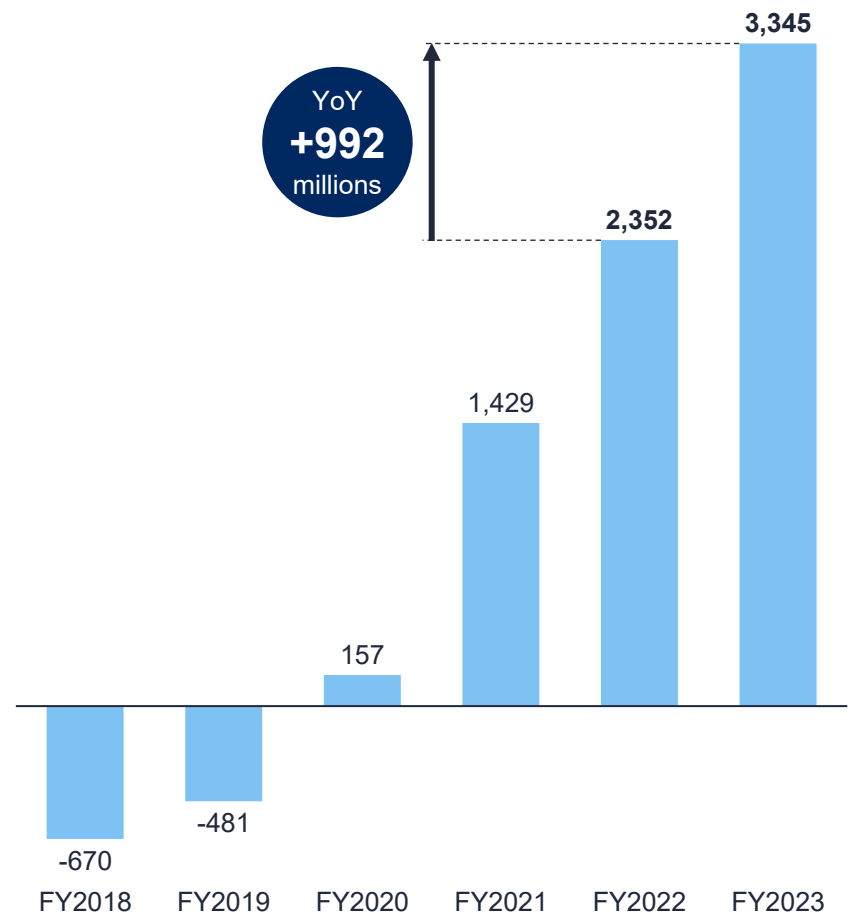


Operating profit excluding advertising expenses has been growing steadily

Operating profit excluding advertising expenses
Quarterly; JPY millions

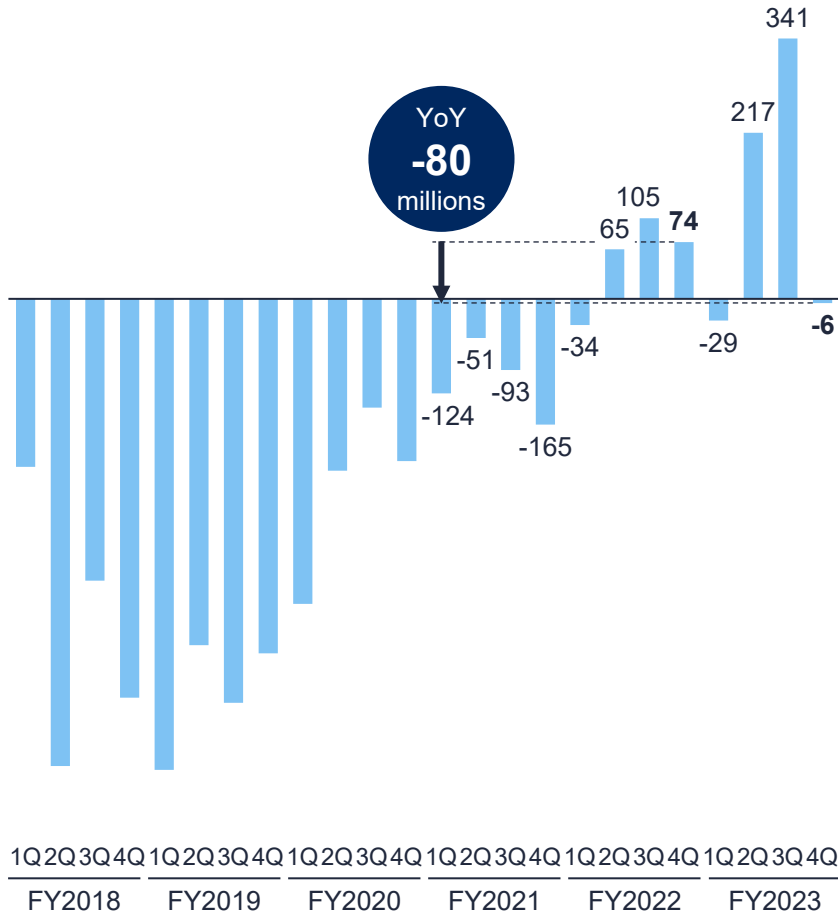


Operating profit excluding advertising expenses
Annual; JPY millions

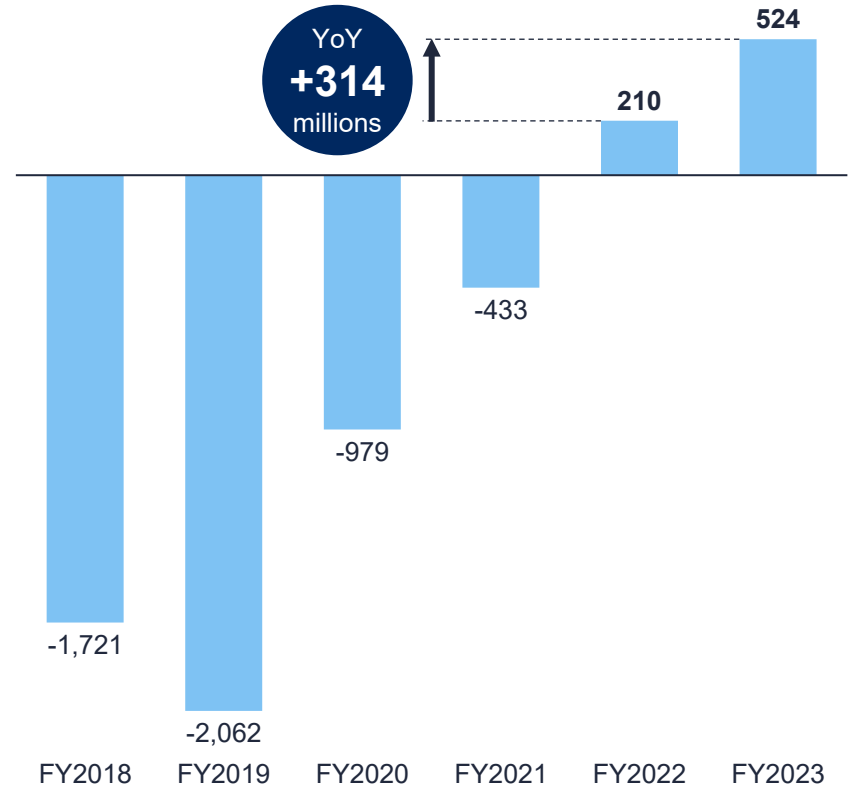


Continued to increase in full-year operating profit

Operating profit
Quarterly; JPY millions



Operating profit
Annual; JPY millions

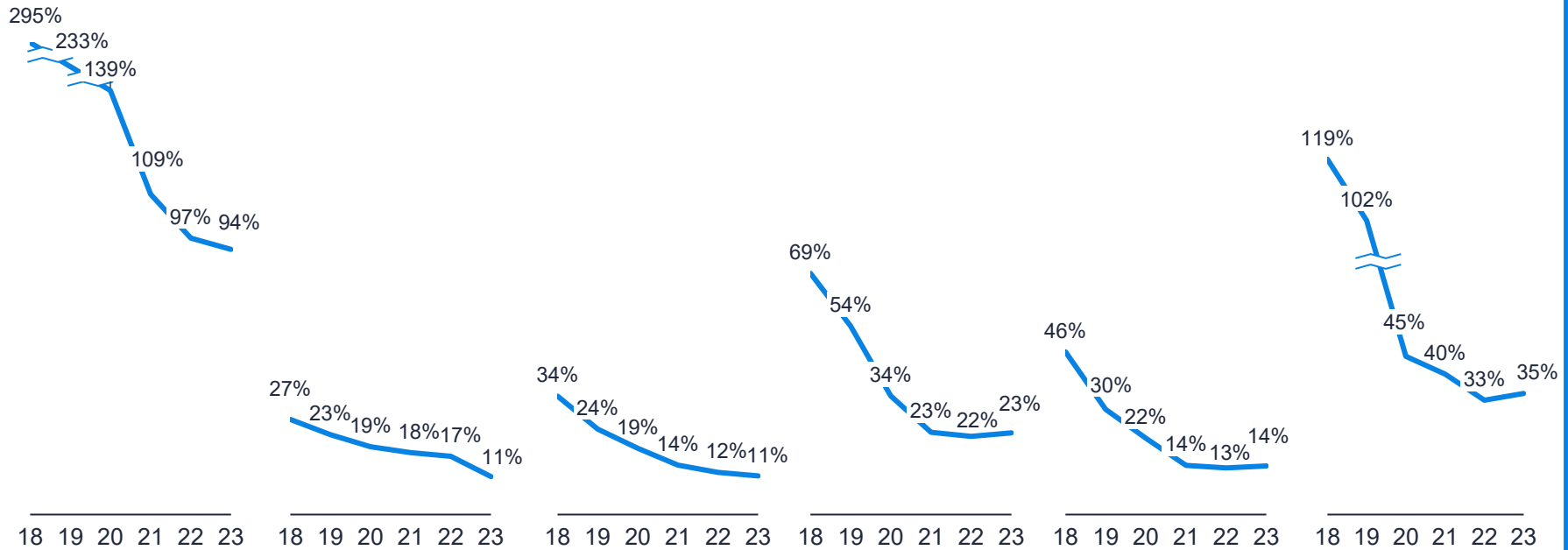


Cost structure improved while investing for growth

- Revenue sharing: improved due to the end of business alliances with two SBI companies
- Transaction-linked expenses: continued to improve
- Personnel expenses: increased with new hires for business expansion
- Real estate related expenses: increased primarily because of recruitment expenses
- Advertising expenses: accelerated marketing activities especially in 4Q for New NISA

Operating revenue ratio

$$\text{Total expenses} = \text{Revenue sharing} + \text{Transaction-linked expenses}^1 + \text{Personnel expenses} + \text{Real estate related expenses, etc.}^2 + \text{Advertising expenses}$$



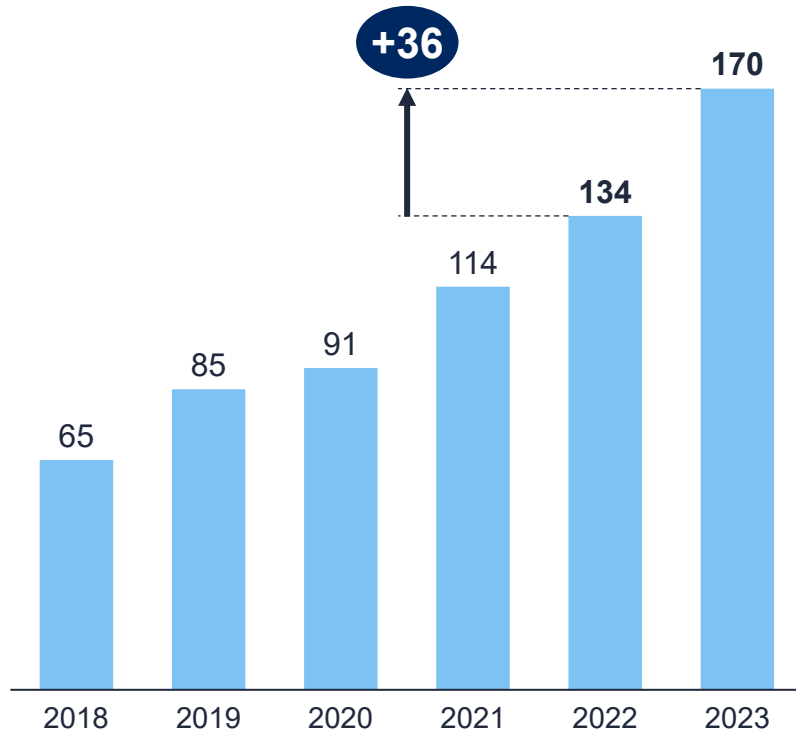
1 "Transaction-related expenses" include account opening expenses, deposit/recurring/withdrawal fees, etc.

2 "Real estate related expenses, etc." includes real estate related expenses, server expenses, other sales and administration expenses, etc.

Recruiting across functions to accelerate growth

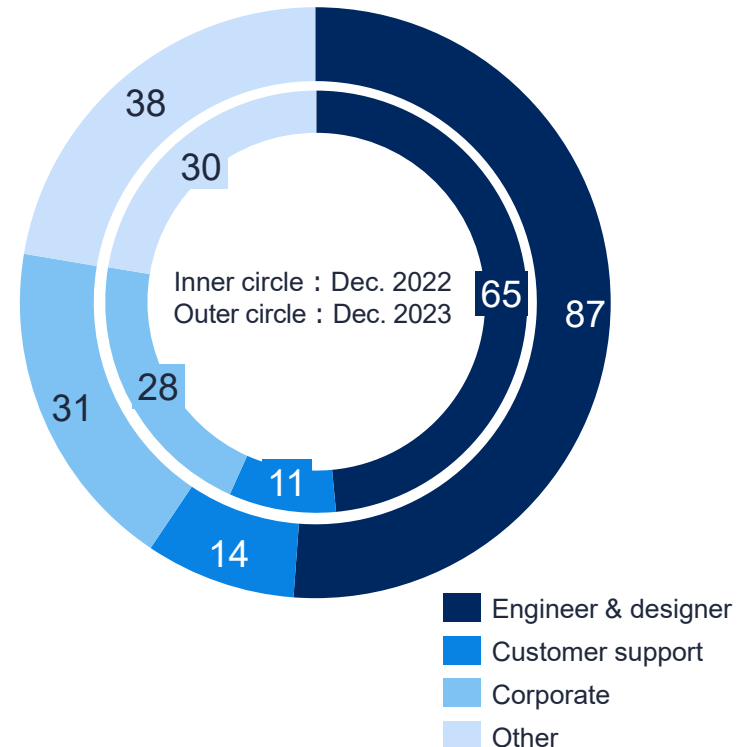
- Succeeded in recruiting excellent talent and exceeded our original plan to increase FTEs by 30
- Continued to strengthen the recruitment of engineers & designers to accelerate robo-advisor business as well as to develop new businesses

Number of employees



Breakdown of full-time staff by function

As of Dec. 2022 and Dec. 2023



Financial statements (1)

Income statements

Annual; JPY millions

	FY2020	FY2021	FY2022	FY2023
Operating revenue	2,516	4,647	6,573	8,167
-) Revenue sharing	486	821	1,091	884
-) Transaction-linked expenses	475	655	789	902
-) Personnel expenses	850	1,090	1,466	1,904
-) Real estate related expenses, etc.	548	651	874	1,132
Operating profit excluding advertising expenses	156	1,428	2,352	3,344
-) Advertising expenses	1,135	1,861	2,142	2,820
Operating profit	-978	-432	209	523

Operating revenue ratio

-) Revenue sharing	19%	18%	17%	11%
-) Transaction-linked expenses	19%	14%	12%	11%
-) Personnel expenses	34%	23%	22%	23%
-) Real estate related expenses, etc.	22%	14%	13%	14%
Operating profit excluding advertising expenses	6%	31%	36%	41%
-) Advertising expenses	45%	40%	33%	35%
Operating profit	-39%	-9%	3%	6%

Note: Fractions of one million yen are rounded down

Financial statements (2)

Income statements

Quarterly; JPY millions

	2020				2021				2022				FY2023			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Operating revenue	504	571	689	751	897	1,056	1,256	1,436	1,461	1,630	1,714	1,766	1,768	1,941	2,183	2,274
-) Revenue sharing	109	114	122	139	158	192	222	248	258	283	311	238	192	211	234	245
-) Transaction-linked expenses	125	108	118	122	153	163	165	173	201	193	196	198	213	221	238	228
-) Personnel expenses	224	209	186	228	238	248	277	325	350	342	372	400	441	451	485	525
-) Real estate related expenses, etc.	131	118	123	175	143	135	158	214	192	223	209	248	257	267	296	310
Operating profit excluding advertising expenses	(87)	19	137	86	204	316	432	474	458	587	625	680	662	788	927	964
-) Advertising expenses	312	244	280	298	328	367	525	639	492	523	520	606	691	571	587	970
Operating profit	(399)	(224)	(142)	(212)	(123)	(51)	(93)	(164)	(34)	64	105	74	(28)	217	340	(5)

Operating revenue ratio

-) Revenue sharing	22%	20%	18%	18%	18%	18%	18%	17%	18%	17%	18%	13%	11%	11%	11%	11%
-) Transaction-linked expenses	25%	19%	17%	16%	17%	15%	13%	12%	14%	12%	11%	11%	12%	11%	11%	10%
-) Personnel expenses	45%	37%	27%	30%	27%	24%	22%	23%	24%	21%	22%	23%	25%	23%	22%	23%
-) Real estate related expenses, etc.	26%	21%	18%	23%	16%	13%	13%	15%	13%	14%	12%	14%	15%	14%	14%	14%
Operating profit excluding advertising expenses	-17%	3%	20%	11%	23%	30%	34%	33%	31%	36%	36%	39%	37%	41%	42%	42%
-) Advertising expenses	62%	43%	41%	40%	37%	35%	42%	44%	34%	32%	30%	34%	39%	29%	27%	43%
Operating profit	-79%	-39%	-21%	-28%	-14%	-5%	-7%	-11%	-2%	4%	6%	4%	-2%	11%	16%	-0%

Note: Fractions of one million yen are rounded down

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Strategic focus for 2024

Following the successful launch of our upgraded “Robo-NISA” to fully align with New NISA starting in January 2024, we will reallocate resources back to the development of the Money Advisory Platform (MAP)

	Original initiatives	+ Additional initiatives with MUFG ¹	Priority
Robo-advisor / New NISA²	<ul style="list-style-type: none"> Enhances marketing activities Develops functions to improve user experience and convenience³ 	<ul style="list-style-type: none"> Collaborates on marketing to promote the robo-advisor service including “Robo-NISA” 	Very high
Money Advisory Platform	<ul style="list-style-type: none"> Develops and launches at least one new service Prepares to build MAP which provides tailored financial advice by combining our robo-advisor and new services 	<ul style="list-style-type: none"> Plans and develops MAP to prepare for the service launch in 2025, followed by expanding the scope of services Collaborates to accelerate product launch and to promote the service 	Very high
Capability building	<ul style="list-style-type: none"> Enhances our capability through active hiring and M&A Improves our product and system development processes to accelerate our business 	<ul style="list-style-type: none"> Utilizes the proceeds from the financing in order to enhance our capability through active hiring and M&A 	High

¹ Please refer to the section “Capital and business alliance with MUFG Bank” for details

² “NISA” stands for the “Nippon Individual Savings Account,” a tax exemption program for small investments

³ The new functions include “Sale & Repurchase,” which enables to shift assets from taxable account to NISA account, and “Auto Deposit Preset,” which enables to sign up for automated deposit during the account opening process

Earnings forecast for FY2024

We will release FY2024 earnings guidance as soon as we can project it with reasonable certainty – upon the 1Q earnings at the earliest

The earnings guidance will take the following factors into consideration;

- The increase in new users and AuM after the launch of New NISA in January 2024
- Capital and business alliance with MUFG Bank

Basic guideline

- Our commitment to proactive growth investment aiming to maximize mid/long-term free cashflow remains unchanged

KPIs set to achieve our mission “Helping working families build wealth”

“Helping working families build wealth”



Support as many working families as possible



Resolve the “20 million yen problem” for each

Increase AuM



Increase number of users



Increase AuM per user

AuM

JPY720Bn (Dec. 31, 2022) **▶** JPY983Bn (Dec. 31, 2023)

+37%

Number of users

356K (Dec. 31, 2022) **▶** 387K (Dec. 31, 2023)

+9%

Net AuM Retention¹

120%+ (Dec. 31, 2022) **▶** 120%+ (Dec. 31, 2023)

Maintained

¹ An index that shows the % of AuM retained over 1 year (Book value basis, excluding market price fluctuations. All averages from July 2016 to December 2023) (Initial AuM + Automated deposits for 1 year + Additional manual deposits for 1 year – Withdrawal for 1 year) / Initial AuM

WealthNavi aims to help working families resolve their “20 million yen problem”

Resolve the “20 million yen problem” for each user

Increase AuM per user

Automated deposits

+

Additional manual deposits

–

Withdrawals

% of users signed up for automated deposit plan²

68%



66%

(Dec. 31, 2022)

(Dec. 31, 2023)

Average monthly automated deposit³

JPY44K



JPY47K

(Dec. 31, 2022)

(Dec. 31, 2023)

Average monthly churn rate⁴

<1%



<1%

(Dec. 31, 2022)

(Dec. 31, 2023)

Net AuM Retention¹ : 120%+

¹ An index that shows the % of AuM retained over 1 year (Book value basis, excluding market price fluctuations. All averages from July 2016 to December 2023)

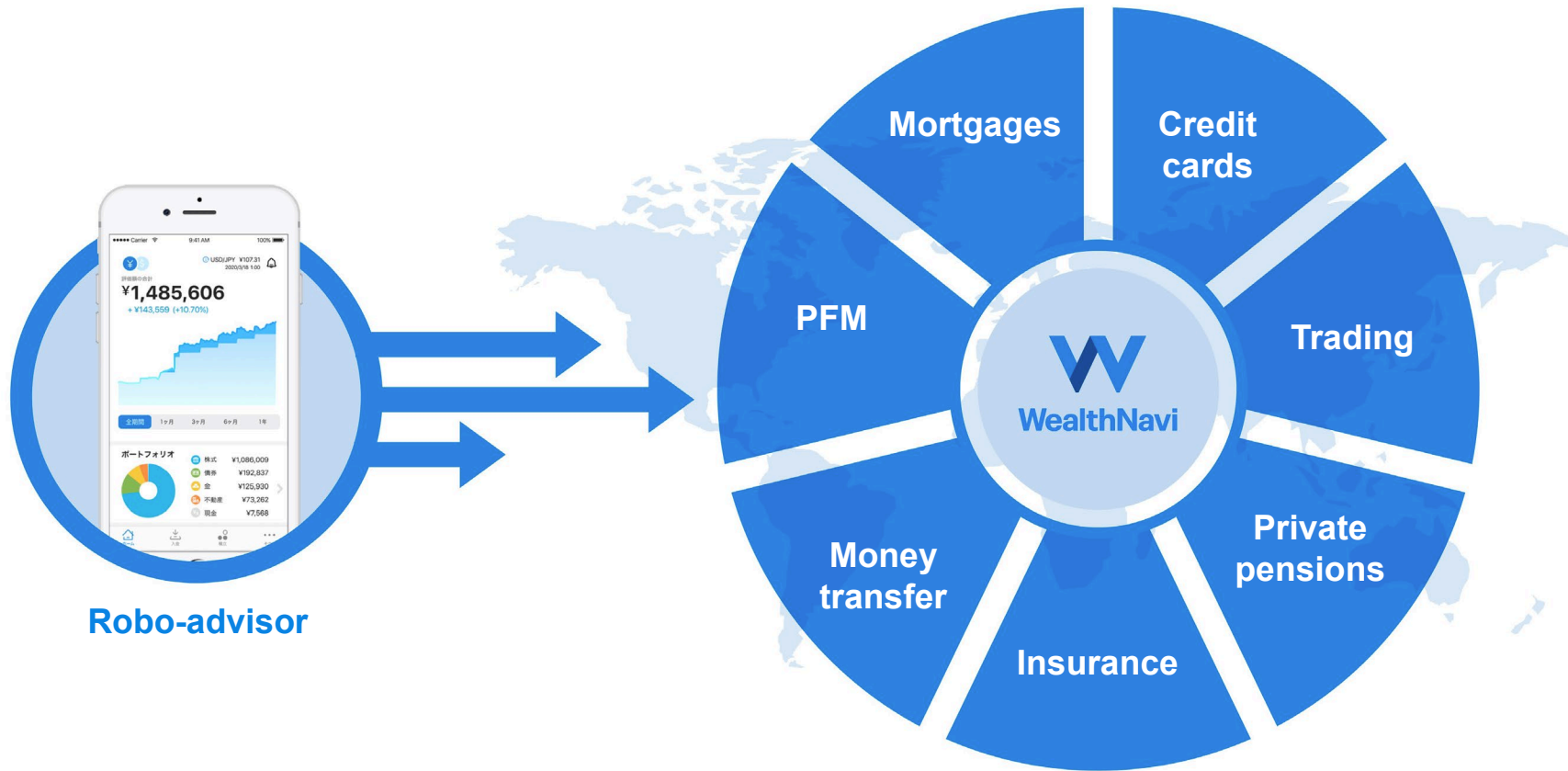
(Initial AuM + Automated deposits for 1 year + Additional manual deposits for 1 year – Withdrawal for 1 year) / Initial AuM

² % of WealthNavi accounts with the recurring deposits among % of WealthNavi accounts with a positive ETF balance

³ Average monthly automated deposit through WealthNavi’s automated deposit plan

⁴ % of users who go from a positive ETF balance to no ETF balance (monthly, total average from July 2016 to December 2023)

Aspiration to become a personal finance platform



Robo-advisor

- Provide tailored advice on the full range of financial services to meet customer needs
- Digitize and automate advisory and execution

Note: Concept only and not released yet. Indicate potential service domain to be provided in the future. The picture is an image

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Purposes of the capital and business alliance

WealthNavi and MUFG are committed to helping individuals and families build wealth and thereby enhancing our corporate value.

On February 14, 2024, WealthNavi and MUFG Bank executed an agreement on capital and business alliance. Under this agreement, we will combine WealthNavi's outstanding product development capabilities and MUFG's large customer base and product lineup in order to:

- Promote WealthNavi's robo-advisor service including "Robo-NISA"
- Develop the Money Advisory Platform to provide holistic financial advice and solutions for each customer



Executive summary

Business alliance	Robo-advisor business <ul style="list-style-type: none">● Promotes WealthNavi's robo-advisor service including "Robo-NISA" in 2024 Money Advisory Platform (MAP) <ul style="list-style-type: none">● Collaborates to plan and develop the MAP in 2024● Launches the MAP in 2025, followed by the gradual extension of the service scope
Capital alliance	To issue 9,110,000 shares (18.41%) by the TPA to MUFG Bank, resulting in MUFG Bank becoming the second largest shareholder with 15.55% of outstanding shares <ul style="list-style-type: none">● Estimated amount of net proceeds: JPY 15,431 million To nominate one candidate designated by MUFG Bank as an outside director at the Annual General Meeting of Shareholders scheduled for March 26, 2024 To become an equity method affiliate of MUFG Bank upon the TPA and the approval of the nomination at the AGM
Use of proceeds	The proceeds of JPY 15,431 millions is to be used for robo-advisor and the MAP <ul style="list-style-type: none">● Marketing of the robo-advisor: JPY 3,000 million● Planning, development and operation of the MAP as well as system and data infrastructure enhancement: JPY 4,000 million● Marketing of the MAP: JPY 3,000 million● M&A and capital and business alliances: JPY 5,431 million

Details of the business alliance

Robo-advisor

Promotes WealthNavi's robo-advisor service including "Robo-NISA"

- Enhances collaboration for referral of customers who need fully automated asset management services to "WealthNavi for MUFG Bank," leveraging MUFG Bank's customer base
- Accelerates customer acquisition through such actions as guiding users of MUFG Bank Direct to "WealthNavi for MUFG Bank" and including "WealthNavi for MUFG Bank" in MUFG's loyalty program
- Potential collaboration with other MUFG group companies

Money Advisory Platform

Intends to provide customers with holistic financial advice and solutions based on various customer data, aiming to offer the best customer experience.

- Collaborates to develop and launch the Money Advisory Platform; plans to launch the service in 2025, followed by the extension of the service scope in a phased manner
- Provides independent and holistic financial advice throughout customers' lifetime considering their life events
- Provides the Money Advisory Platform services to "MUFG Bank Direct" users and, potentially, users who visit MUFG Bank branches
- Enhances collaboration with MUFG group companies through such action as including the Money Advisory Platform in MUFG's loyalty program

Concept of the Money Advisory Platform (1)

Supports individuals and families, including 9.6 million MUFG web and app users



診断する

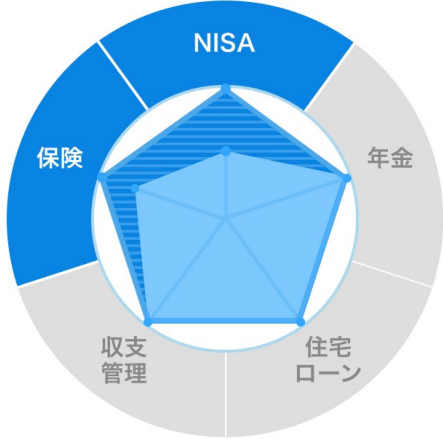

Risk assessment based on various customer data



総合評価 **B+** 老後の資産に関する備えと、もしものときのご家族のための備えが不足しているようです

アドバイスをみる

Independent, holistic and tailored financial advice with regular review of products and services



ライフプランアドバイス

おまかせNISA

NISAをリスク許容度5で毎月〇万円以上積立しましょう。

Concept of the Money Advisory Platform (2)



- Risk assessment based on various customer data
- Independent and holistic financial advice tailored to each customer
 - Sample advice: Combination of investment in NISA account for own retirement and insurance to support family in case of contingencies
- Regular review of portfolio of financial products and services

Details of the capital alliance

WealthNavi's common shares will be issued through the Third-Party Allotment of 9,110,000 shares to MUFG Bank, which is equivalent to 18.41%.

As a result, MUFG Bank is to hold 15.55% of the outstanding shares, making it the second largest shareholder.

- Number of shares to be newly issued: 9,110,000 shares (dilution: 18.41%)
- Issue price: JPY 1,718 / share (average closing price during the 1-month period)
- Estimated amount of net proceeds: JPY 15,431 million
- Payment period: From March 4, 2024 to March 25, 2024 (scheduled)

We intend to nominate one candidate designated by MUFG Bank as an outside director at the Annual General Meeting of Shareholders scheduled for March 26, 2024.

WealthNavi will become an equity method affiliate of MUFG Bank upon the completion of the TPA and an approval of the nomination above.

Use of proceeds

The proceeds of JPY 15,431 million is to be used for robo-advisor and the MAP businesses between April 2024 and December 2026.

Outline	Amount (JPY M)	Specific use
Marketing of the robo-advisor	3,000	<ul style="list-style-type: none">● Marketing activities to improve brand and service awareness in order to accelerate customer acquisition
Planning, development and operation of the MAP as well as system and data infrastructure enhancement	4,000	<ul style="list-style-type: none">● Enhancement of capability to provide the MAP, including hiring talents to plan and develop the service as well as strengthening customer support to provide a wider range of advice● Enhancement of a system and data infrastructure to ensure smooth operation of the entire business
Marketing of the MAP	3,000	<ul style="list-style-type: none">● Flexible and intensive marketing activities to acquire new customer for the MAP service
M&A and capital and business alliances to enhance the MAP	5,431	<ul style="list-style-type: none">● Investment to expand business portfolio and the scope of advice as well as to enhance product development capabilities

(Reference) Change in major shareholders

Name	Shareholding ratio	
	Before TPA ¹	After TPA ²
Kazuhisa Shibayama (CEO of WealthNavi)	21.45%	18.11%
MUFG Bank	– %	15.55%
MORGAN STANLEY SMITH BARNEY LLC CLIENTS FULLY PAID SEG ACCOUNT	6.38%	5.39%
Custody Bank of Japan, Ltd. (Trust account)	3.18%	2.69%
NORTHERN TRUST CO.(AVFC) RE UKUC UCITS CLIENTS NON LENDING 10PCT TREATY ACCOUNT	2.54%	2.14%
THE BANK OF NEW YORK 133652	2.24%	1.89%
STATE STREET BANK AND TRUST COMPANY 505303	2.08%	1.75%
STATE STREET BANK AND TRUST COMPANY 505019	1.79%	1.51%
The Master Trust Bank of Japan, Ltd. (Trust account)	1.79%	1.51%
SBI SECURITIES Co., Ltd	1.62%	1.37%

1. Calculated based on the total number of shares as of December 31, 2023, excluding treasury shares

2. Calculated adding together the total number of shares as of December 31, 2023, excluding treasury shares, and the total number of new shares to be issued through the Third-Party Allotment.

Agenda

FY2023 business highlights

FY2023 financial highlights

FY2024 business strategy

Capital and business alliance with MUFG Bank

Appendices

New “Robo-NISA” will be launched in January 2024 in full alignment with New NISA

全自動で全面対応

新 NISA

2024年1月スタート

W WealthNavi



※画面はイメージです。

New NISA started in January 2024

New NISA, which integrates the existing two NISA programs and has enhanced tax benefits, started in January 2024

 Robo-NISA's coverage

	General NISA	or	Installment NISA	New NISA (starting in 2024)		
				“Growth allowance”	and/or	“Installment allowance”
Eligible products	<ul style="list-style-type: none"> Stocks, mutual funds and ETFs 		<ul style="list-style-type: none"> Registered mutual funds and ETFs 	<ul style="list-style-type: none"> Stocks, mutual funds and ETFs 		<ul style="list-style-type: none"> Registered mutual funds and ETFs
Annual investment allowance	<ul style="list-style-type: none"> JPY 1.2M 		<ul style="list-style-type: none"> JPY 0.4M 	<ul style="list-style-type: none"> JPY 2.4M 		<ul style="list-style-type: none"> JPY 1.2M
Total investment allowance	<ul style="list-style-type: none"> JPY 6M 		<ul style="list-style-type: none"> JPY 8M 	<ul style="list-style-type: none"> JPY 12M 		<ul style="list-style-type: none"> JPY 18M
	[JPY 18M in total]					
Maximum period of tax exemption	<ul style="list-style-type: none"> 10 years 		<ul style="list-style-type: none"> 20 years 	[Permanent]		

Note: “NISA” stands for the “Nippon Individual Savings Account,” a tax exemption program for small investments

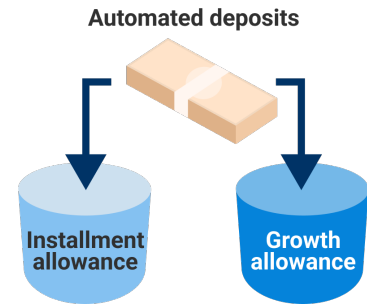
New “Robo-NISA” provides enhanced benefits

Key benefits of New “Robo-NISA”

1

Full alignment with New NISA

Manage both “installment allowance” and “growth allowance” within a New NISA account automatically¹



2

Reduce risk with optimal asset allocation

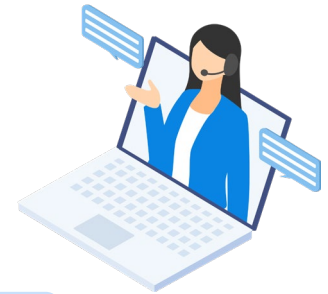
Build a globally diversified portfolio with NISA and taxable accounts managed holistically and automatically



3

Help users engage in long-term investment

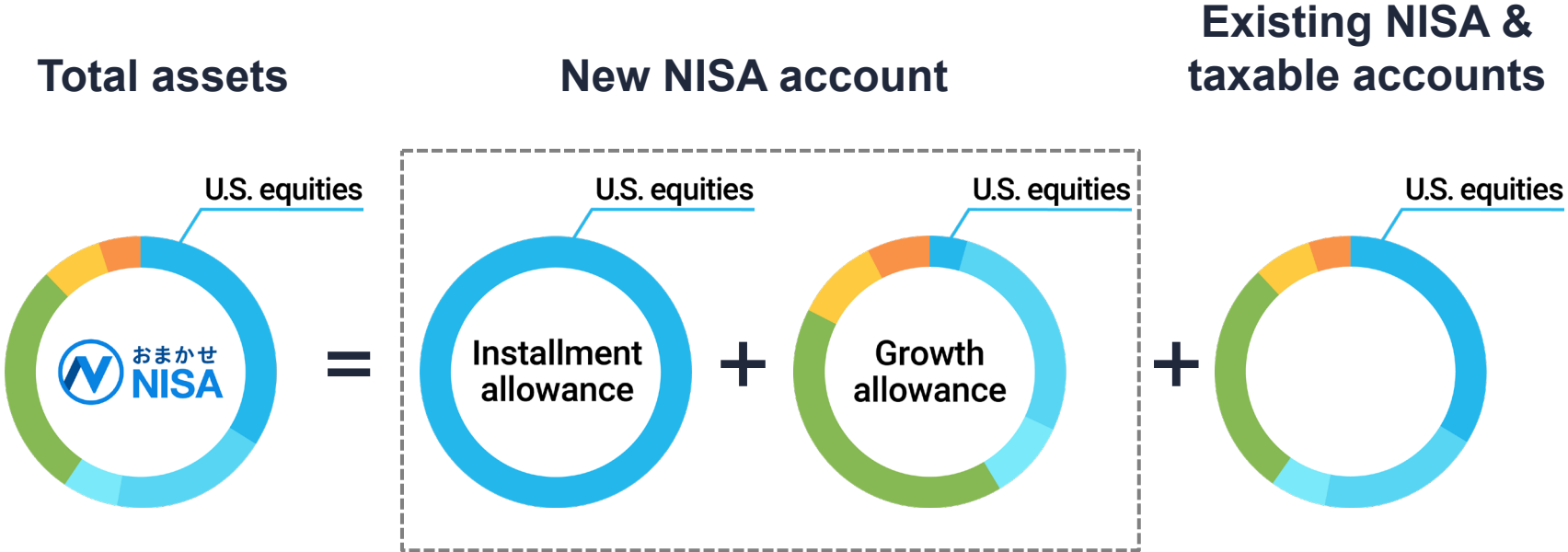
Support long-term investment leveraging NISA’s benefits through seminars and regular columns. Also provide 1-on-1 online support



New Robo-NISA will be launched in January 2024

¹ Users need to sign up for automated deposit plan to invest in “installment allowance,” or all investment is to be allocated in “growth allowance”

Build a globally diversified portfolio with NISA and taxable accounts managed holistically



Manage a globally diversified portfolio holistically

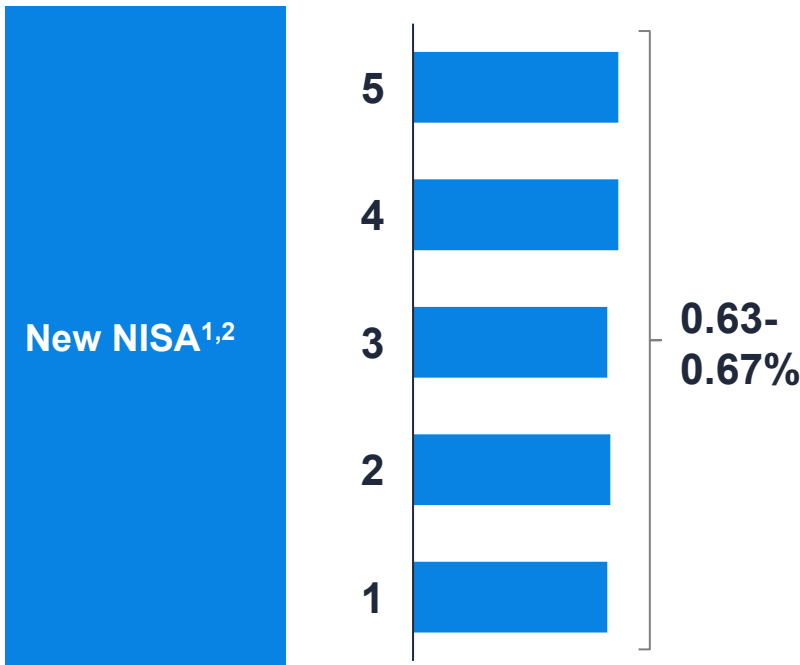
Lower fee level to promote New “Robo-NISA”

Management fee of New NISA with automated deposits

By risk tolerance level; annual; excludes consumption tax

xx% Management fees

Management fees



Allocation of automated deposits

Installment allowance

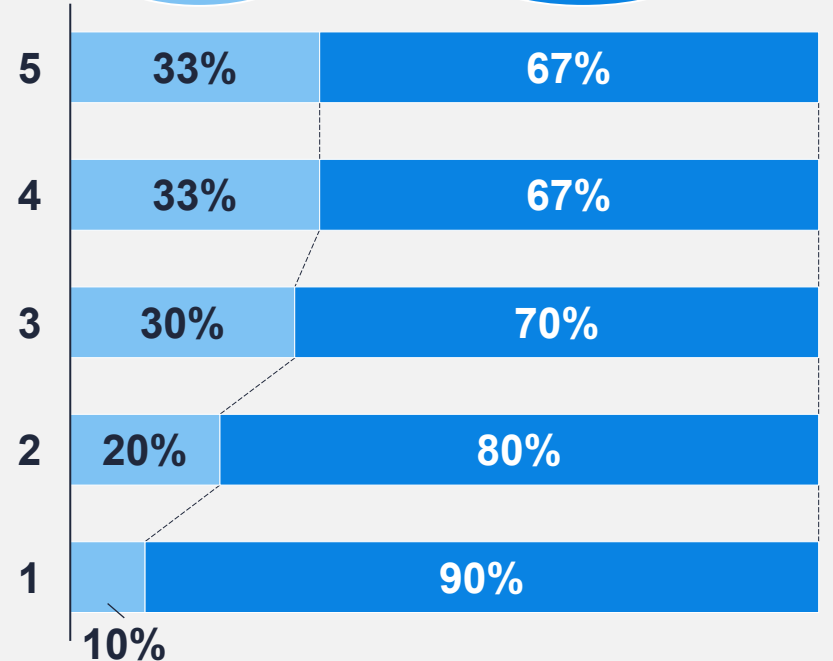
U.S. equities

0%

Growth allowance

All asset classes including U.S. equities

0.7-1%



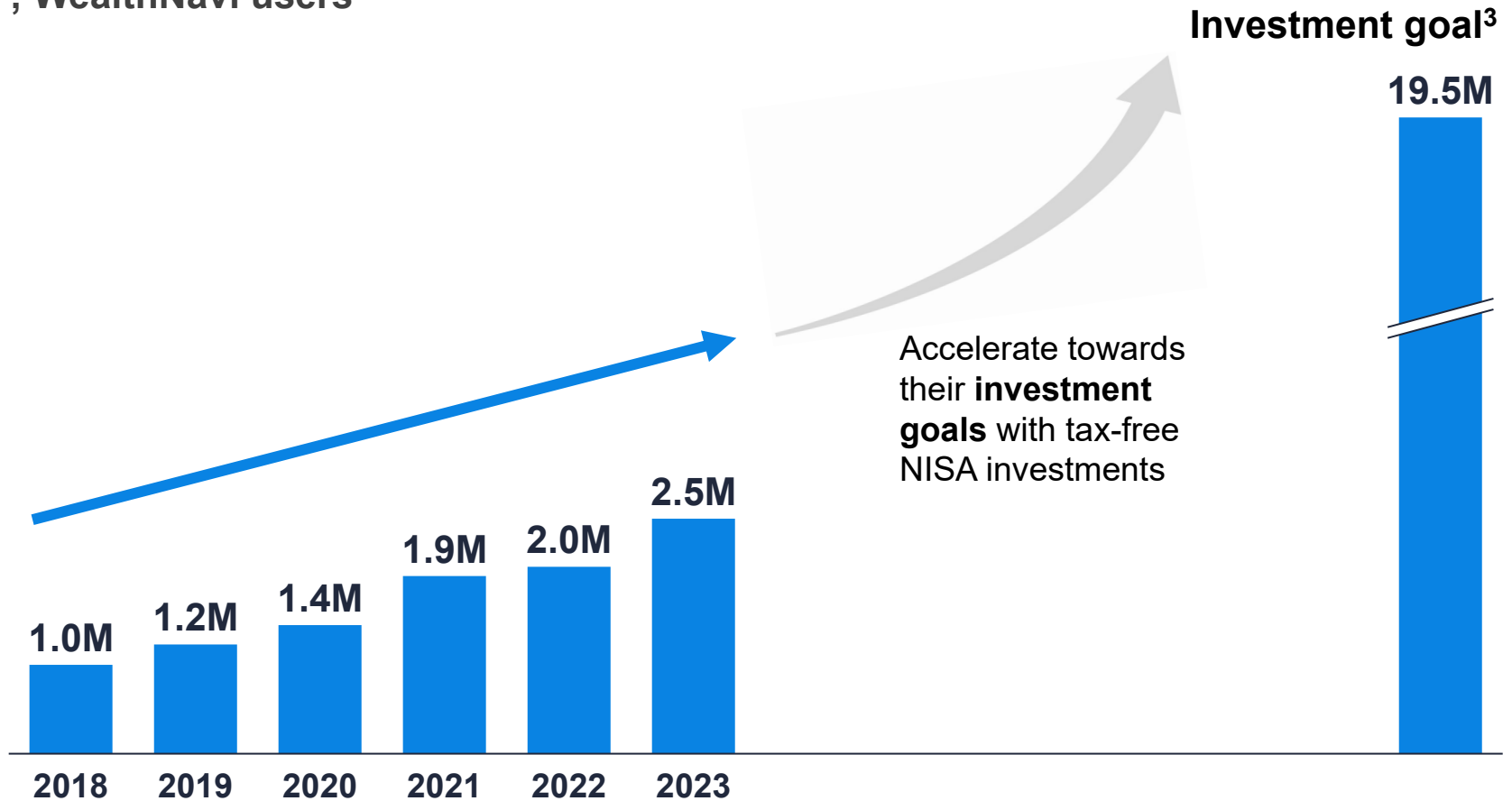
Note: Management fees of “Growth allowance” for risk tolerance level 3, 2, and 1 will be lowered to 0.9%, 0.8% and 0.7% respectively

1 The annual fee of the portion exceeding JPY 30 million is 0.5%

2 Assumes that investment will be made only through automated deposits and that the AuM weights of “installment allowance” and “growth allowance” remain unchanged

By leveraging a tax-free account, WealthNavi users can accelerate their wealth building

Average AuM and investment goal^{1,2}
JPY; WealthNavi users



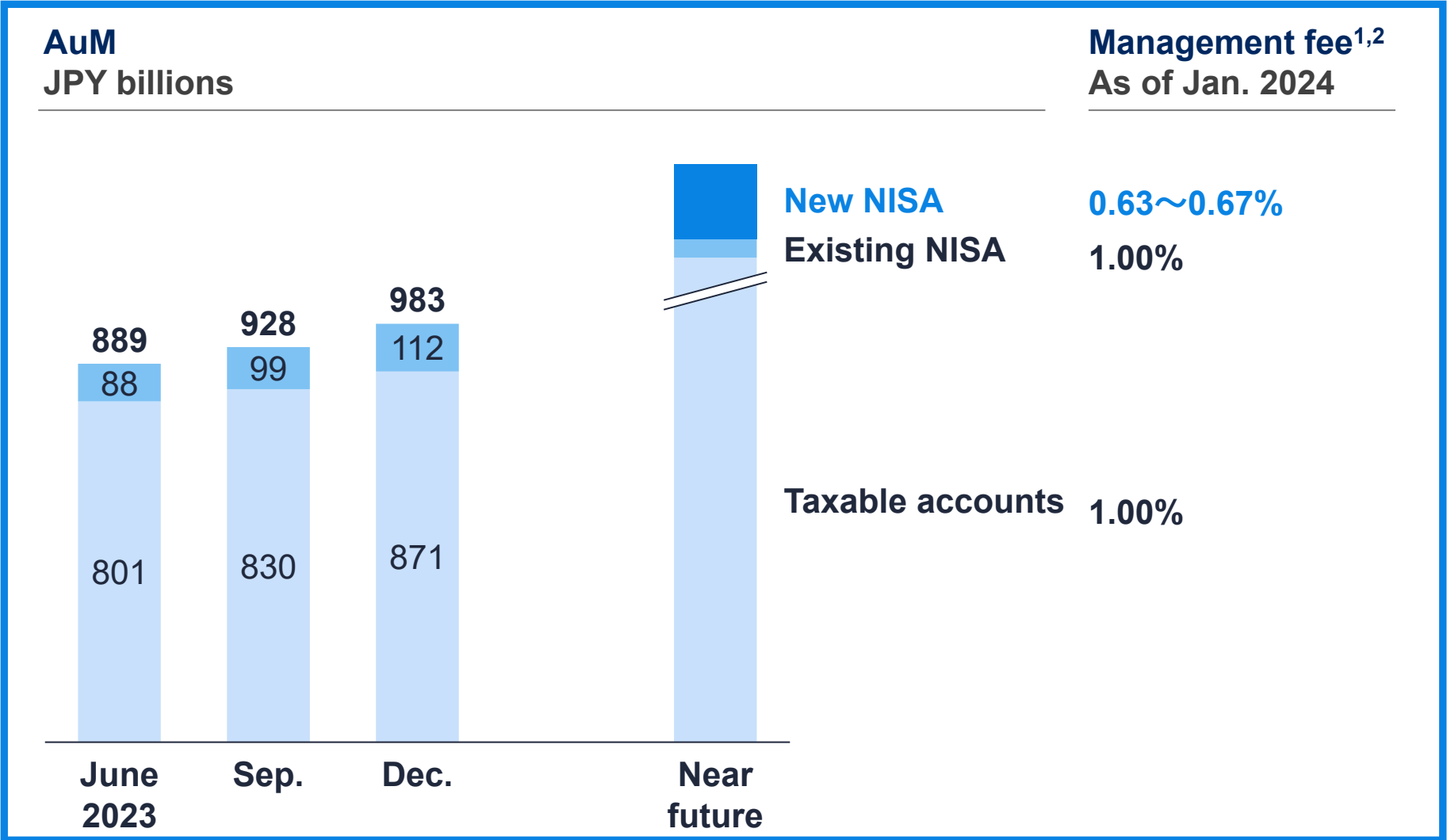
Accelerate towards their **investment goals** with tax-free NISA investments

1 As of end of each year

2 Excluding users with AuM of 1 billion yen and above

3 Average of investment goals set by WealthNavi's life-planning tool as of December 31, 2023

AuM growth in New NISA and taxable accounts is expected to accelerate our topline growth



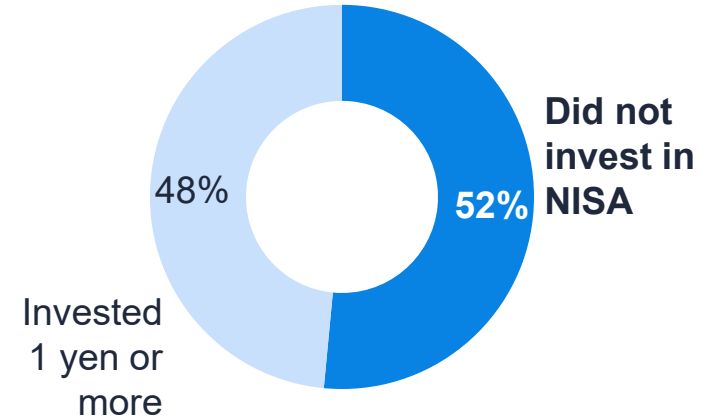
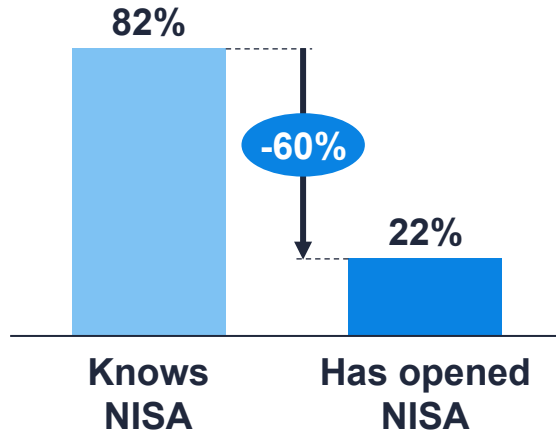
1 Assumes that investment will be made only through automated deposits and that the AuM weights of "installment allowance" and "growth allowance" remain unchanged
 2 Annual management fee excluding consumption tax of the direct channel. The annual fee of the portion exceeding JPY 30 million is 0.5% (0.55% including tax)

NISA isn't widely used despite its wide recognition

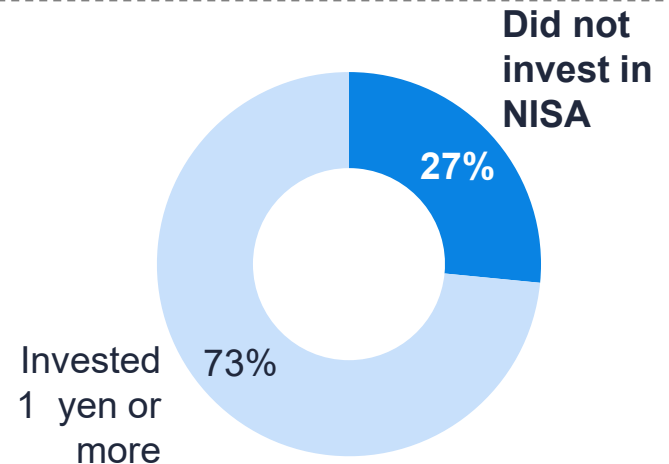
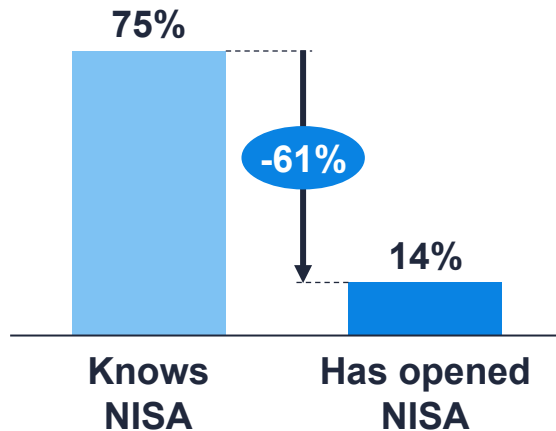
Most people know about NISA, but most have not opened NISA accounts¹

Nearly half of NISA accounts were dormant in 2021²

General NISA



Installment NISA

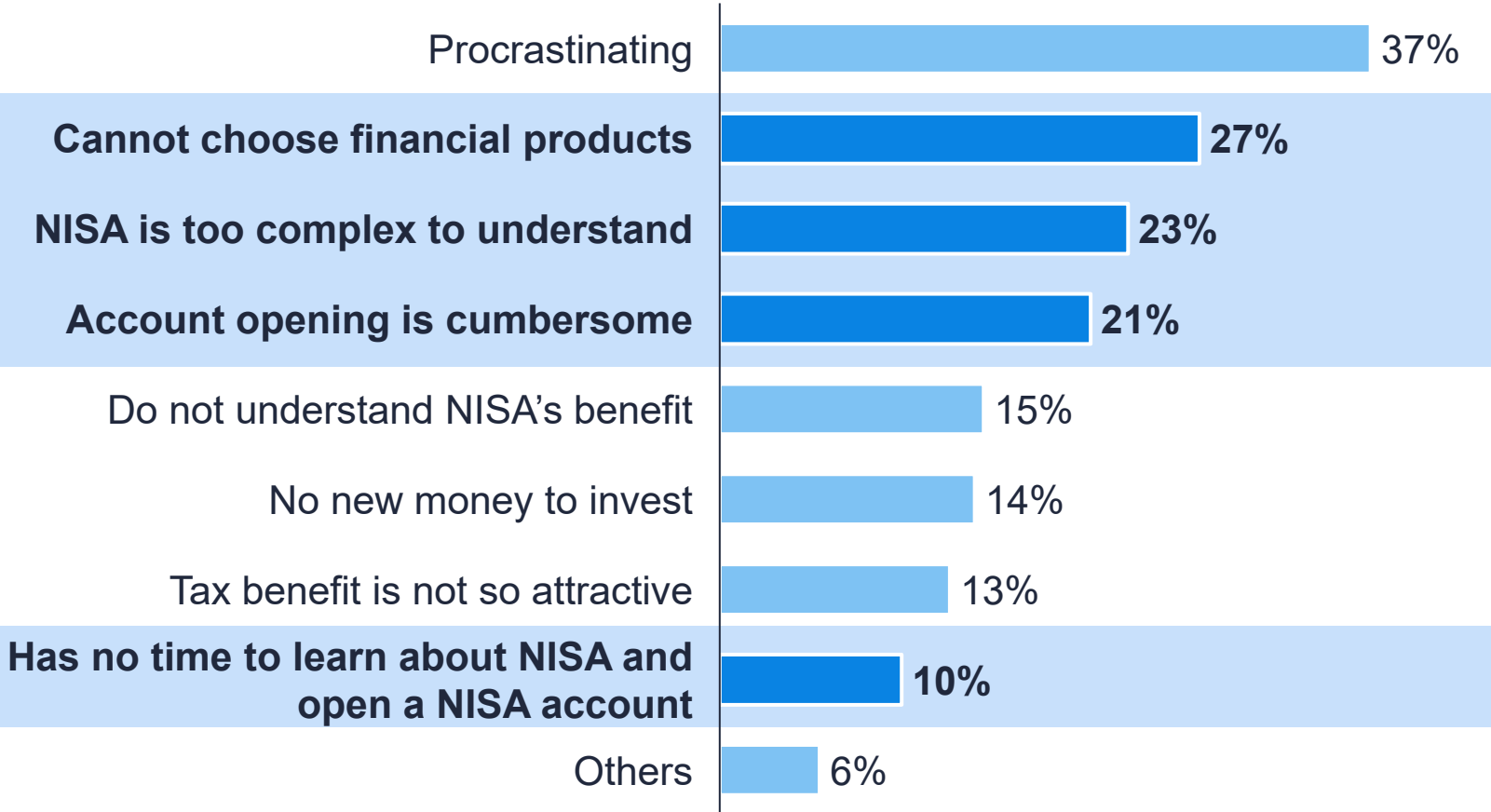


¹ WealthNavi analysis based on the Investment Trusts Association, "Report of survey on mutual funds in 2022 – NISA, iDeCo, etc."

² WealthNavi analysis based on FSA, "Research of activities in NISA accounts as of the end of 2022"

Many people do not use NISA because of its complicated rules and procedures

Reasons for not using NISA



1 WealthNavi analysis based on the result of a questionnaire of 949 users conducted by WealthNavi in February 2021

Management team

Directors



Name

Founder and CEO
**Kazuhisa
Shibayama**

Background

After working at the Ministry of Finance and McKinsey & Company Inc., Kazuhisa established WealthNavi Inc. in April 2015. He received an LL.B. from the University of Tokyo, LL.M. from Harvard Law School, and an M.B.A. with distinction from INSEAD, and is a member of the New York Bar.



Director, CFO
**Gaku
Hirose**

Gaku joined WealthNavi in 2019 after engaging in financing and M&A advisory at Deutsche Securities, Social App Trifort as Director and CFO, and Credit Suisse Securities. He received M.B.A. from Waseda University.



**Sumito
Togo**

After working at McKinsey & Company Inc. Japan and Google, Sumito joined free Co., Ltd. in 2013, where he served as Director and COO, Director and CFO, and then as Director and CPO since October 2022. He graduated from the Graduate School of Engineering, the University of Tokyo.



**Maki
Ogawa**

Maki is a Chief Analyst, Executive Officer and General Manager at the Financial Market Research Department of Sony Financial Holdings (currently Sony Financial Group), after working at First National Bank of Chicago, J.P. Morgan, and Citibank (currently SMBC Trust Bank).



**Akira
Enomoto¹**

Akira worked in various positions including ALM Director Tokai Bank (currently MUFG Bank). Since 2002, served as Executive Officer and Head of Market Sales Department, and then Deputy Company Manager of International & Market Department. He then served as a full-time auditor of the Bank from 2006 to 2010. He graduated from the Faculty of Economics, Kyoto University.



**Eriko
Matsuno²**

After working at Morgan Stanley Japan Securities, she became a member of the Japanese Bar in 2000 and joined Nagashima Ohno & Tsunematsu Law Offices. She has been an independent practitioner since 2010. Currently, Eriko also serves as an ADR mediator at FINMAC. She graduated from the Faculty of Law, the University of Tokyo.



**Sachihiko
Fujimoto²**

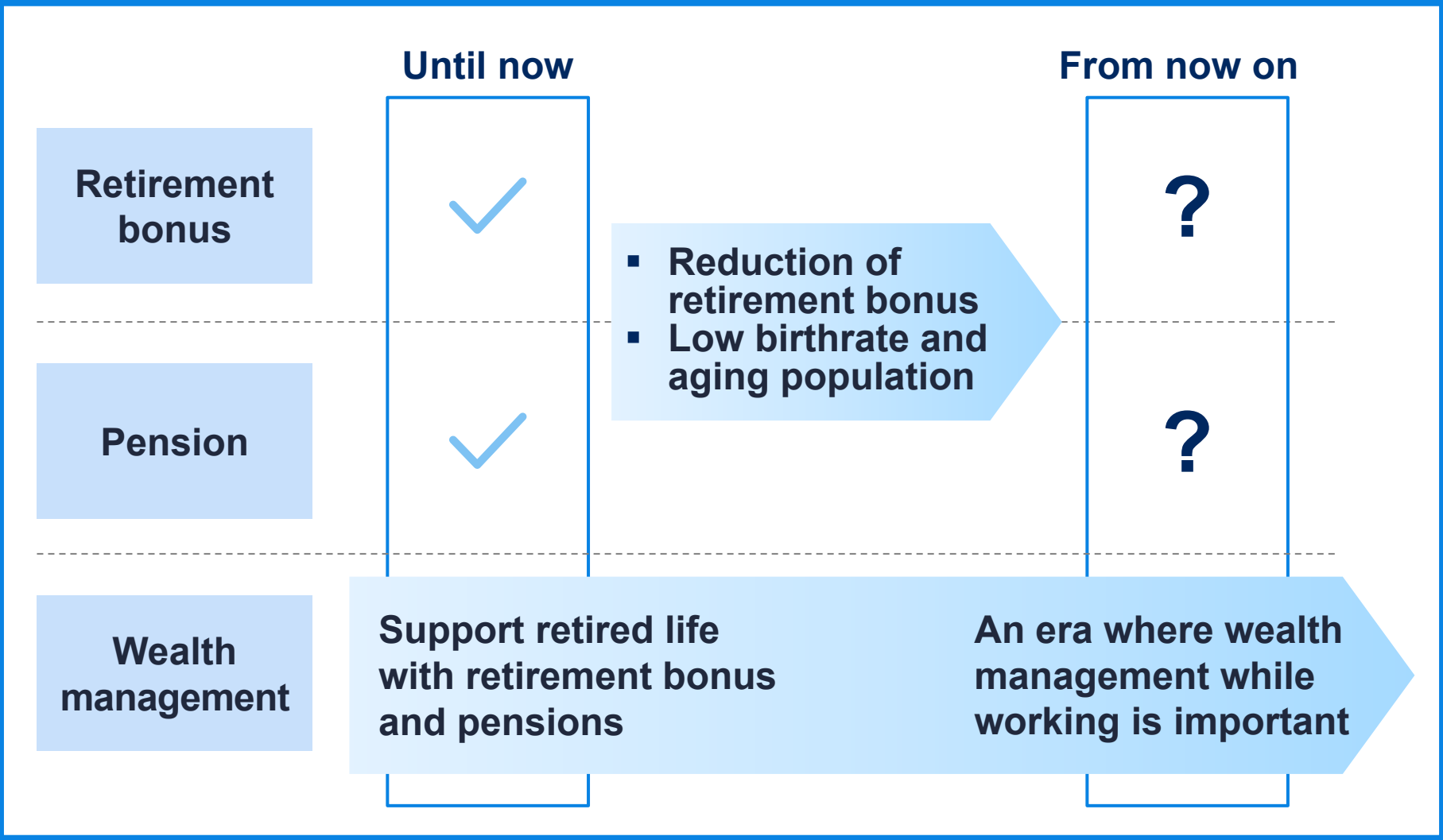
After working for the Tokai Bank (currently MUFG Bank), he joined Chuo Shinko Audit Corporation and Chuo Coopers & Lybrand International Tax Office (currently PwC Tax Japan) where he served as Partner and Director of the Finance Department. He is a CPA and Tax Accountant and holds a Master's degree in International Business Administration. He graduated from the Faculty of Law, Kyoto University.

Independent Outside Directors

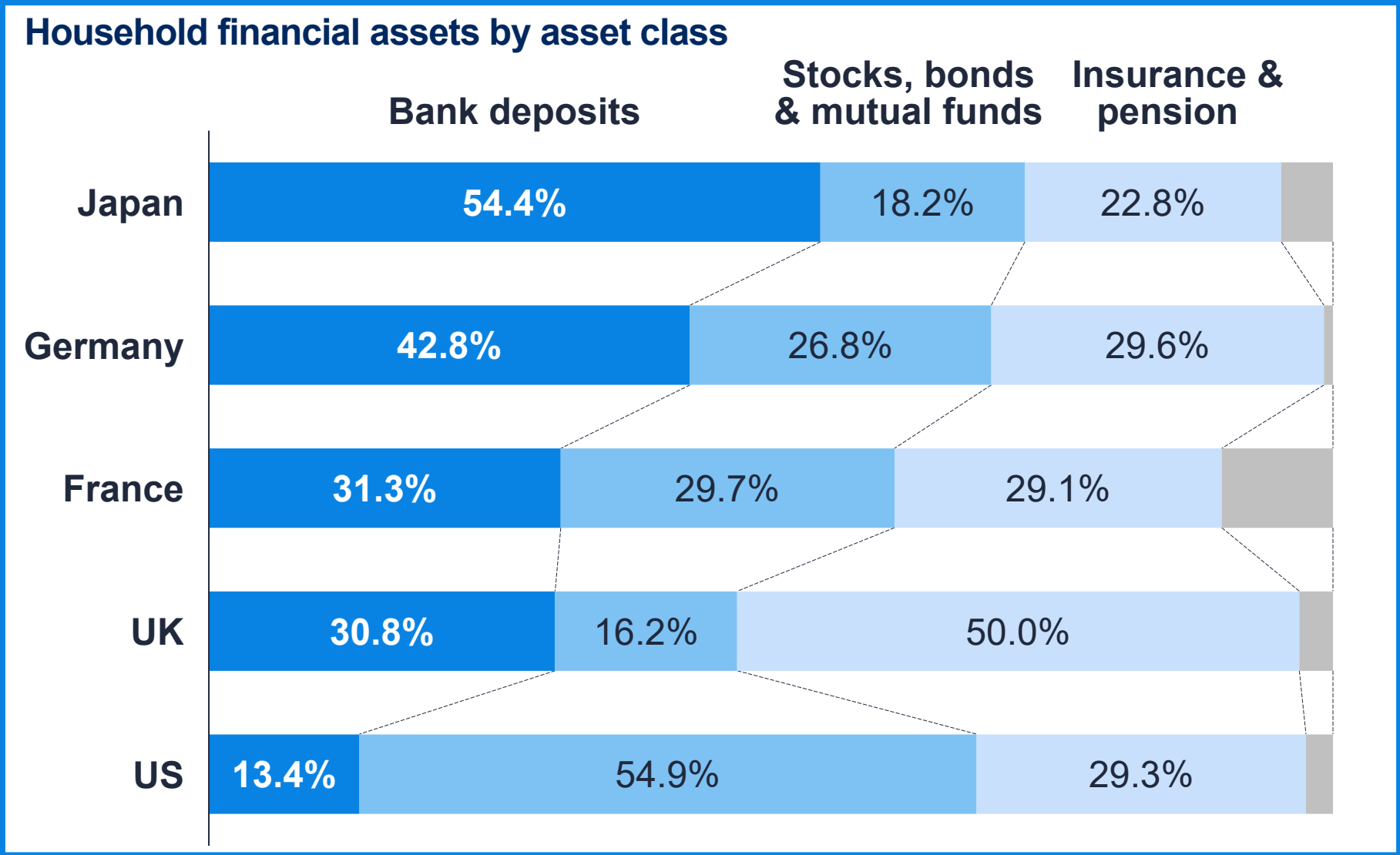
¹ Full-time Audit & Supervisory Committee Member

² Audit & Supervisory Committee Member

Emerging needs for wealth management services driven by the structural changes in the Japanese economy



On the other hand, 54.4% of Japanese household financial assets are concentrated in bank deposits



Source: WealthNavi analysis based on OECD's "Household financial assets" as of the end of 2022 (January 2024)

WealthNavi, completed online, helps busy working families build wealth for a comfortable retirement

Risk tolerance assessment through **5 questions** and proposed **wealth management plan**



Roadmap to your **goal** and visualized **risk**



Portfolio built, at the shortest, the day after planning



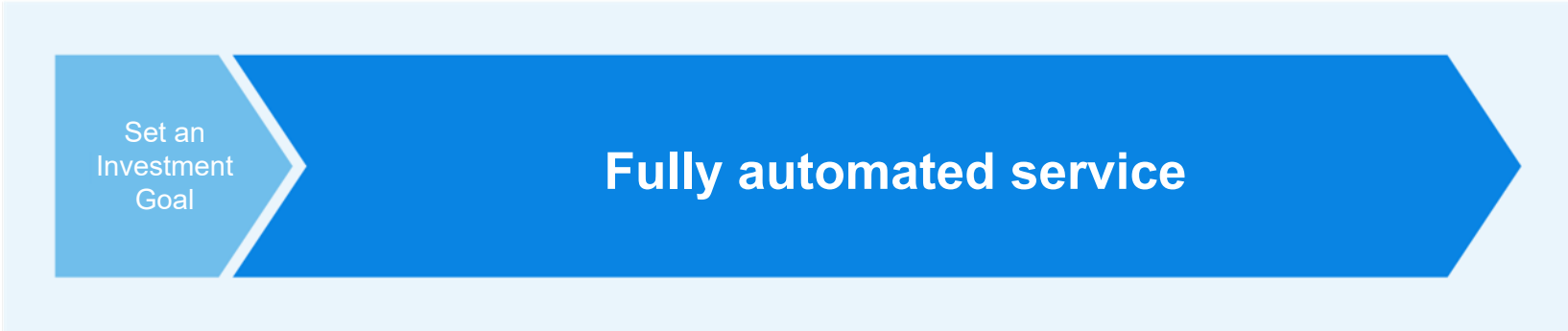
Daily performance tracking in JPY/USD



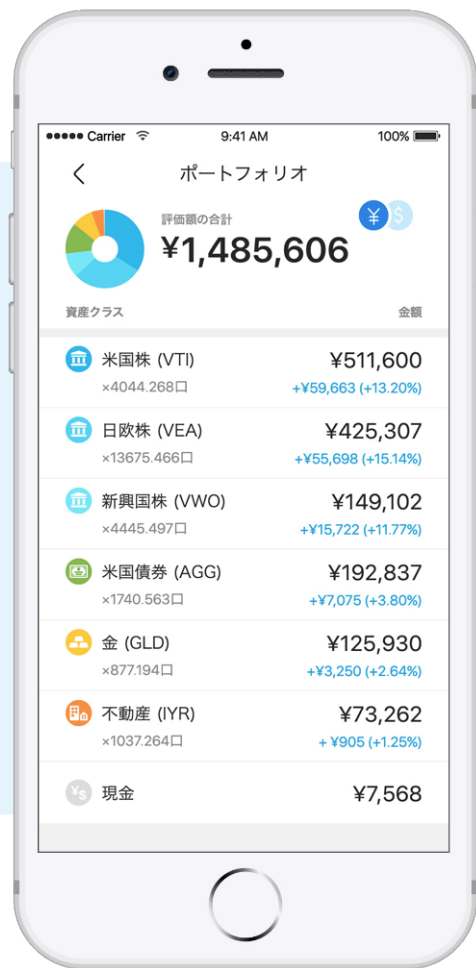
Note: The picture is an image

WealthNavi provides automated, end-to-end services

Traditional investment advice



WealthNavi allows customers to make diversified investments in more than 12,000 securities in about 50 countries around the world through selected ETFs



3 Vanguard ETFs, 4 BlackRock ETFs and 1 State Street ETF^{1,2}

On average, 73% equities, 15% fixed income, 12% gold and REITs¹

Published the wealth management algorithm in a white paper (First in Japan: October 2016)

¹ As of December 31, 2023

² Reviews investment selection for customer portfolio annually. Added IAU (iShares Gold Trust) as an ETF for gold investment in October 2022 considering its ETF expense ratio

Note: The picture is an image

Simple and easy-to-understand fees: 1% of AuM (annual rate)

Fees deducted from WealthNavi accounts

WealthNavi

Fee
1%, annual rate

Taxes

Consumption tax
(10% of the fee)

+

Fees deducted within the ETF

ETF

ETF costs
(0.07-0.13%, annual rate)

An image of costs assuming the costs are borne by customers. Fees and ETF costs are % of AuM (As of December 2023)

1 Simple

Simple fees of 1% (annual rate, excluding tax) of AuM

2 No commission

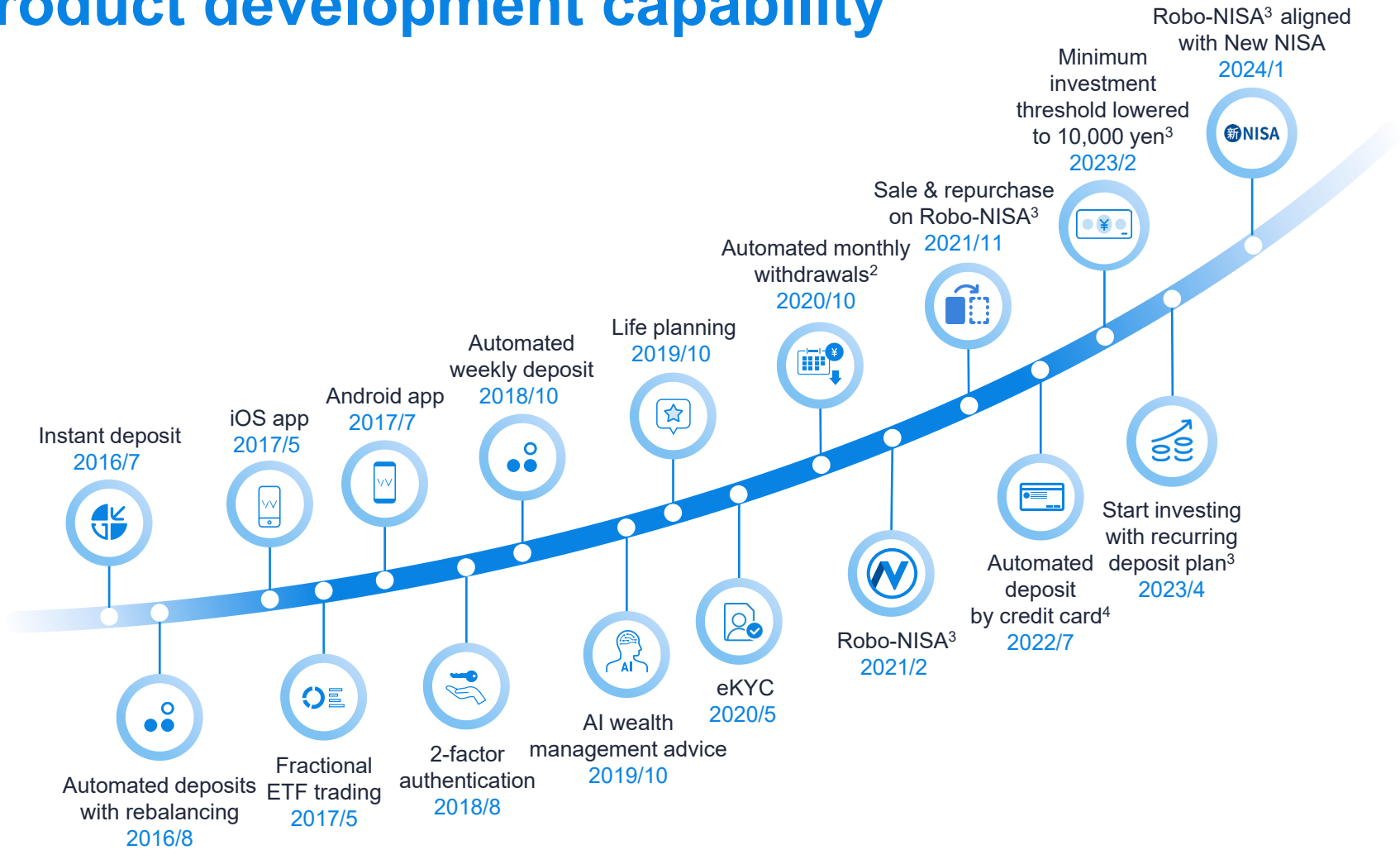
Fee structure that aligns interest between users and WealthNavi

3 Transparency

Displaying fees on the application screen and deducting fees and costs from performance estimates

Note: Of the ETF portion of the AuM only (1.1% including tax). The annual fee of the portion exceeding JPY 30 million is 0.5% (0.55% including tax). For managed account services with a hybrid of online and face-to-face support, the base annual fee is 1.5% (1.65% including tax), and the annual fee for the portion exceeding JPY 30 million is 1.0% (1.1% including tax)

Continuously releasing new functions with high product development capability



Note: Functions launched and provided as of January 31, 2024.

1 Only for users of "WealthNavi" (Direct channel)

2 Only for users of "Hokkoku Omakase Navi"

3 Only for users of "WealthNavi" (Direct channel) and part of alliance channels

4 Only for users of "WealthNavi for AEON Card" and "WealthNavi for AEON Bank"

Helping users to continue long-term investment with a globally diversified portfolio

Video messages



Columns

昨日の株価急落で不安を感じていらっしゃる方へ

2020.06.12



#長期・積立・分散 #相場が急変したとき #金融・経済・市況

昨日、世界的に株価が下落しました。2月から3月にかけての株価急落で資産の大きな目減りを経験した方にとっては、ここ最近の株価の回復で少しほっとしたところに急落があり、驚かされているかもしれません。

株価の急落を見て、一時的に資産を手放そうと考える方もいるのではないのでしょうか。そのような場合には一度立ち止まってみることをお勧めします。

コロナ・ショックのような経済危機を乗り越える過程においては、楽観的なニュースと悲観的なニュースが飛び交い、株価は短期的に急落することも、逆に急上昇することもあります。しかし長期投資の成果を決めるのは、株価の短期的な動きではなく長期的な成長です。

Webinars



Approx. 360K participants¹

¹ Participants in our webinar from April 2020 to December 2023

Ranked No.1 robo-advisor for user satisfaction for 3 consecutive years (2021-2023)

全自動の資産運用サービス「ウェルスナビ」

3年連続
満足度総合 **No.1**



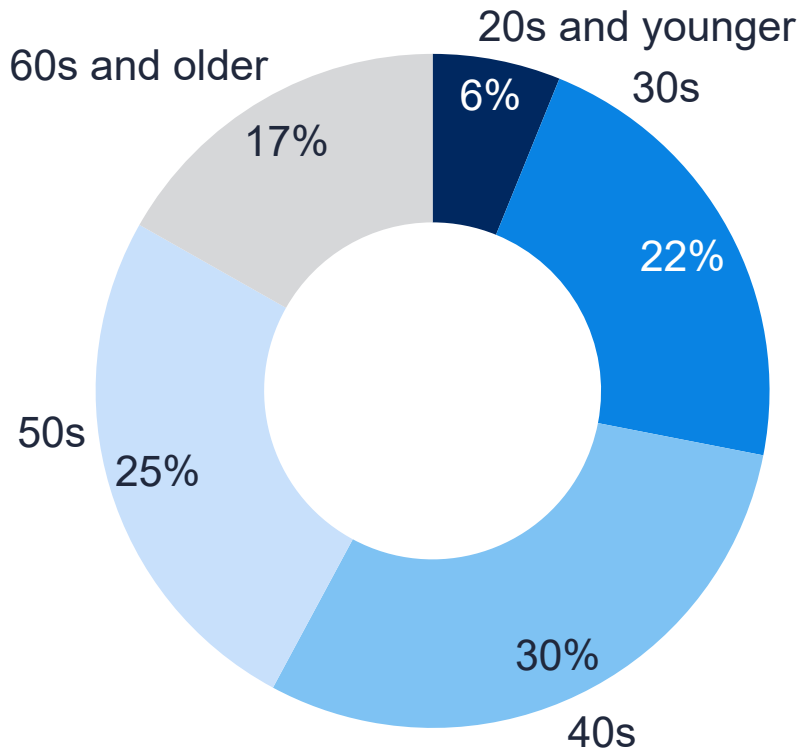
2023年 オリコン顧客満足度®調査 ロボアドバイザー 第1位



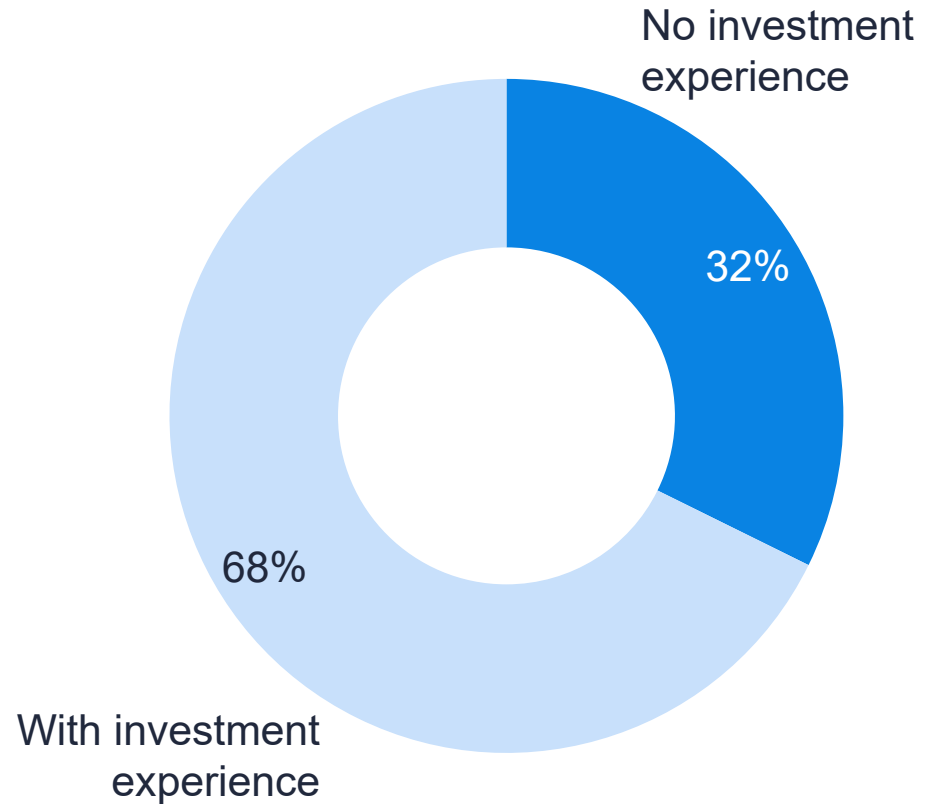
Note: Based on "2023 ORICON Customer Satisfaction Survey Robo-Advisor" conducted by oricon ME Inc.

Most of users are working families, and about 30% have no investment experience

% of users by age¹



% of investment experience²



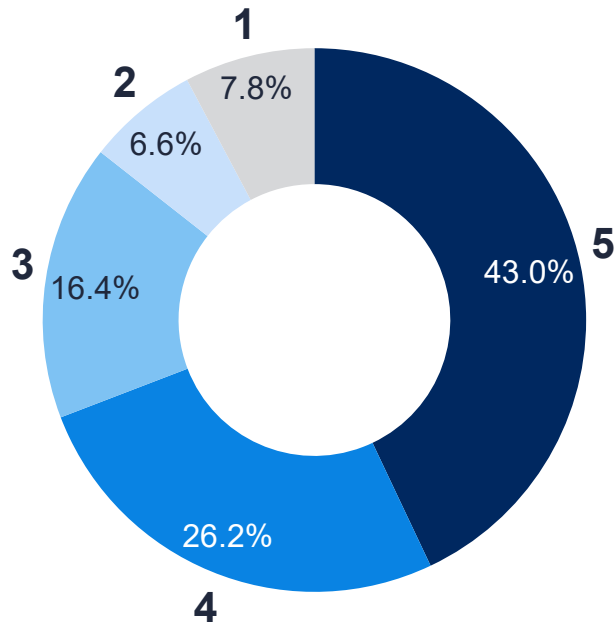
¹ % of account holders by age as of December 31, 2023 (rounded to the nearest whole number)

² % of answers to the question, "Do you have any investment experience in stocks, mutual funds, foreign currency deposits, FX, and bonds?" at the time of application, among account holders as of December 31, 2023 (rounded to the nearest whole number)

Most users have an equity-oriented portfolio

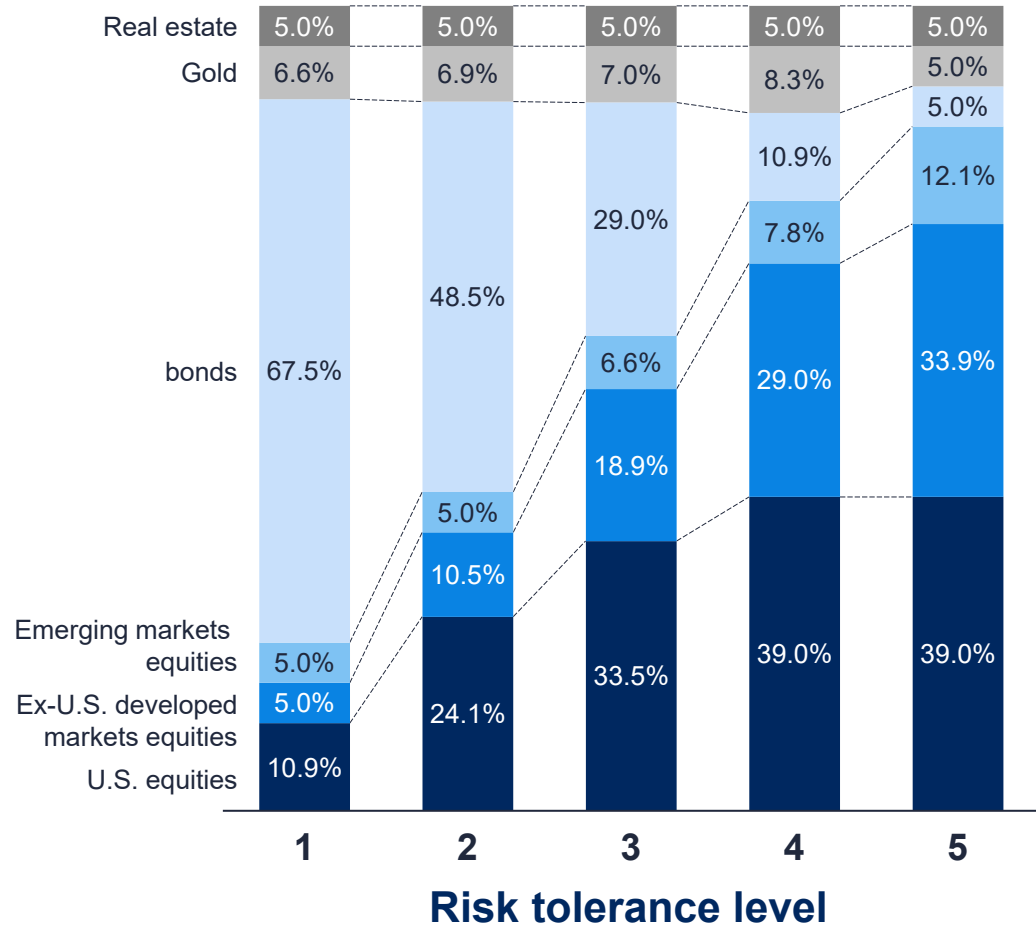
Risk tolerance levels

% of users; as of December 2023¹



Asset allocation of target portfolios

As of December 2023²



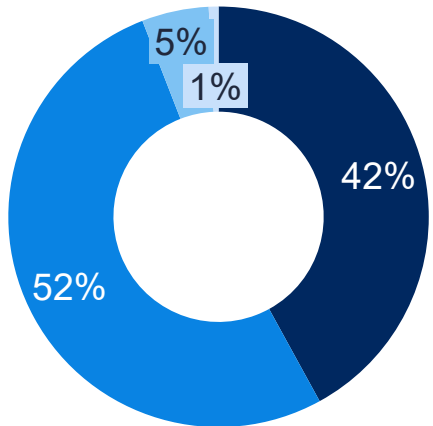
¹ The percentage represents the ratio of users' selection (rounded off to two decimal places). "Risk tolerance level" indicates the degree of uncertainty which a user is willing to accept. The higher risk tolerance level contains the higher risk-return characteristics

² WealthNavi's White Paper, updated in December 2023

Vast majority of users are satisfied with WealthNavi, and intend to use it for a long period of time

User satisfaction¹

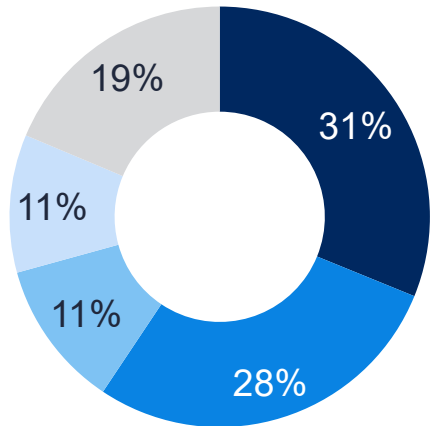
•94% of users are satisfied with WealthNavi



- Very satisfied
- Somewhat satisfied
- Somewhat unsatisfied
- Very unsatisfied

Expected years of use²

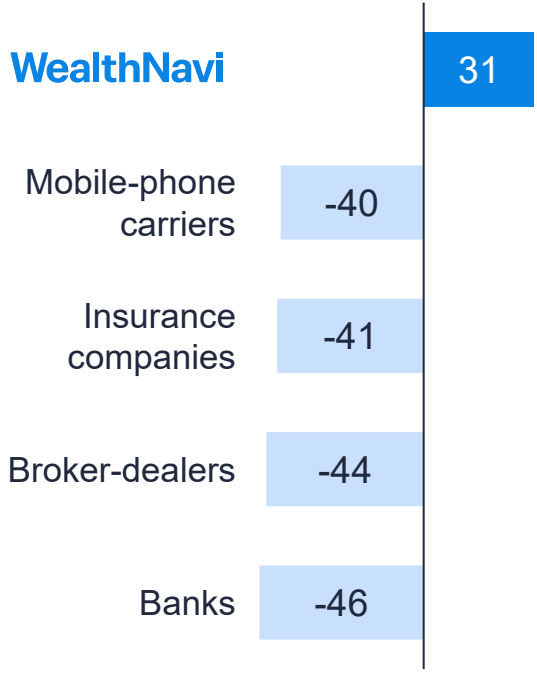
•59% intend to use for 10 years or more



- 20 years or more
- 10-20 years
- 5-10 years
- Less than 5 years
- Undecided

NPS³

•WealthNavi has a high score compared to mobile-phone carriers associated with long-term use and other financial services



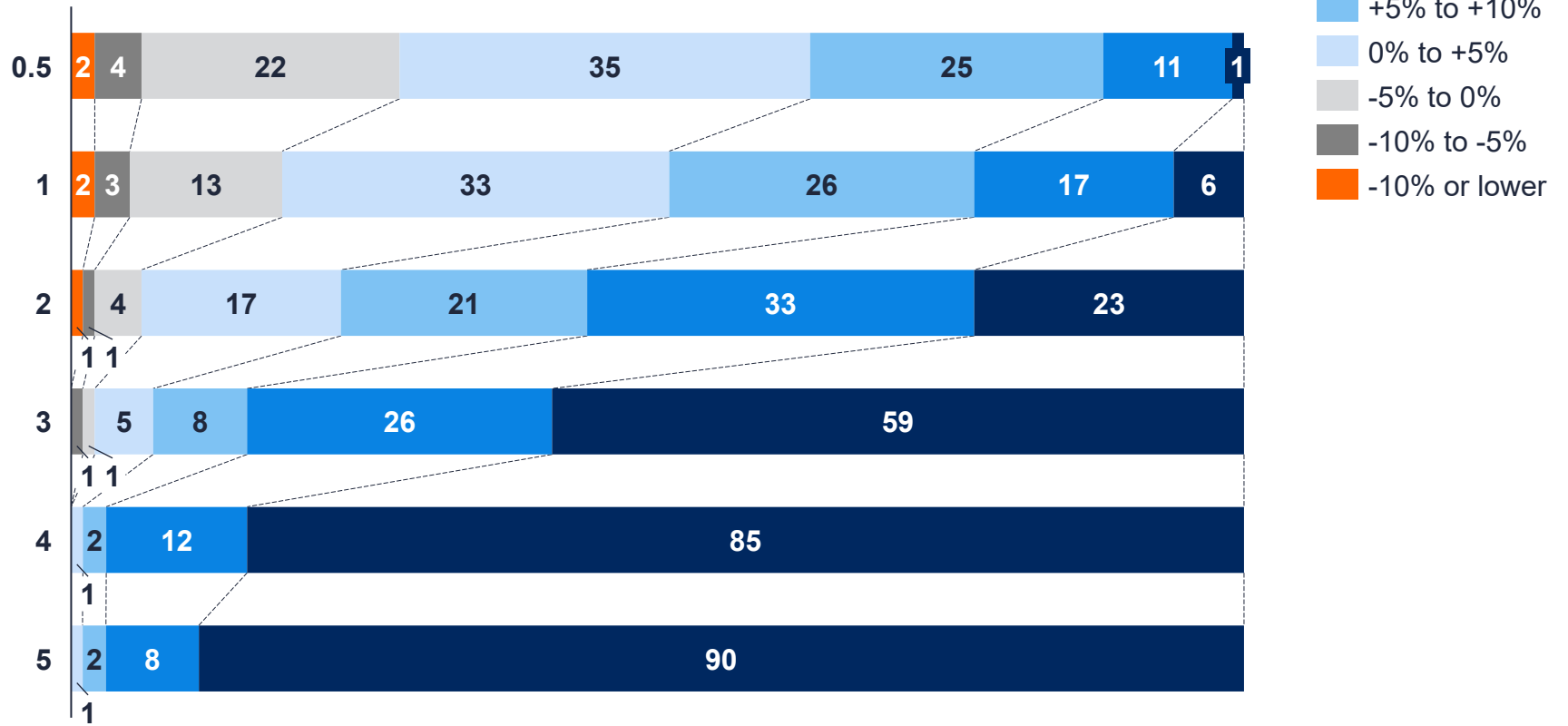
1 Based on the answer to the question "Please rate your satisfaction with WealthNavi" in the questionnaire conducted by WealthNavi in January 2024
 2 Based on the answer to the question "How long do you plan to use WealthNavi?" in the questionnaire conducted by WealthNavi in January 2024. The result is weighted according to the age distribution of users (rounded to the nearest whole number)
 3 Net Promoter Score measures customer experience by asking how likely he/she would recommend a brand to a friend or colleague and is calculated by subtracting the percentage of detractors from the percentage of promoters. WealthNavi's NPS is calculated based on the results of user experience questionnaire conducted by WealthNavi from January 2023 to December 2023. NPS of other services are from the Financial Service Authority's "Customer awareness survey on sales of risk-bearing financial products" in August 2019

Actual investor returns show that long-term users of WealthNavi enjoy higher, more stable returns

Investor returns

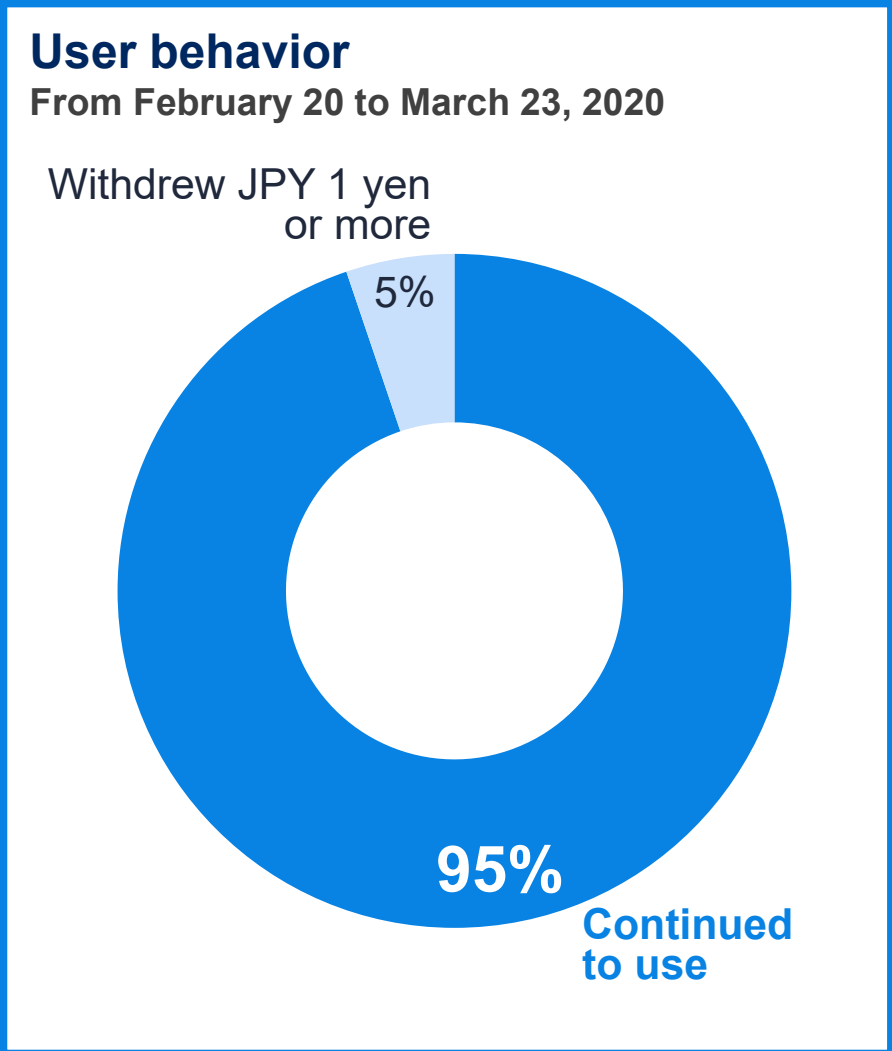
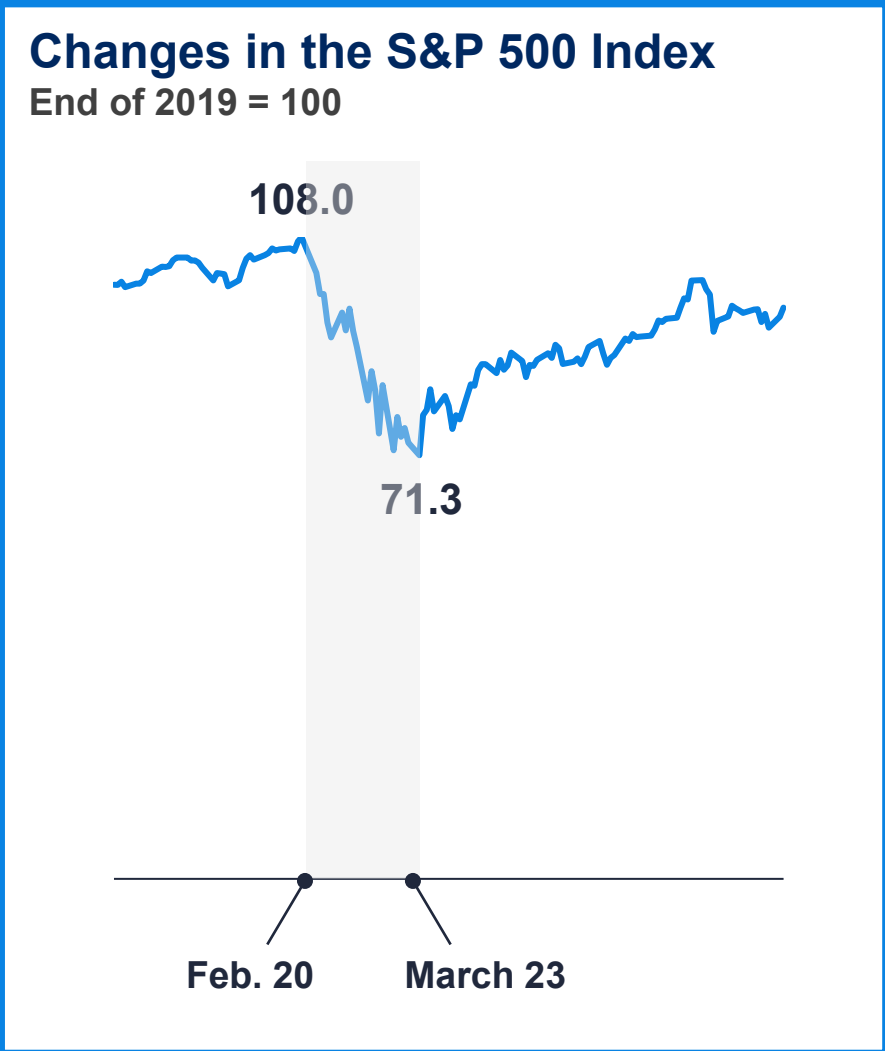
% of cumulative users by years of investing; as of December 2023

Years



Note: Calculated investor return of each user as months elapse since his/her first ETF purchase. Users who have no ETF balance as of the end of each month are excluded. Management fees charged by WealthNavi and ETF fees are deducted from investor returns. A user whose return to be 0% is categorized in a group with "0% to +5%" of return

95% of users continued to use WealthNavi even when the market price plunged due to Covid-19

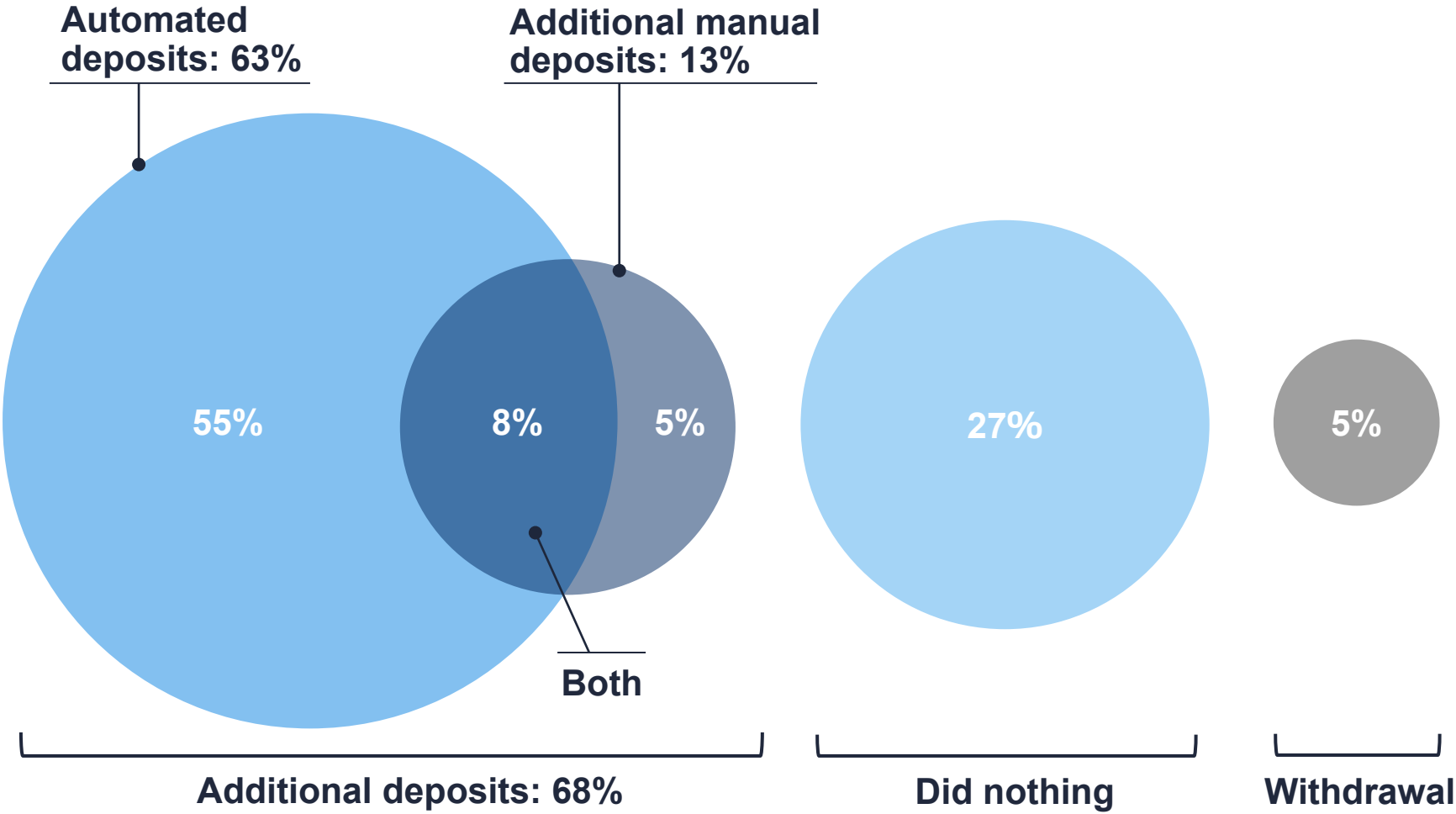


1 "Continue to use" means that there is an ETF balance on the first day of the above period and there is no withdrawal (1 yen or more) in part or in whole during the period

68% of users added funds to WealthNavi accounts

User behavior

From February 20 to March 23, 2020



Note: % of users with ETF balance as of February 20, 2020. "Withdrawal" refers to some or total withdrawal (1 yen or more)

WealthNavi targets working families, which have, in total, approx. JPY 770T of financial assets

Household financial assets by age and asset size



Working families (20s-50s) are the target of WealthNavi

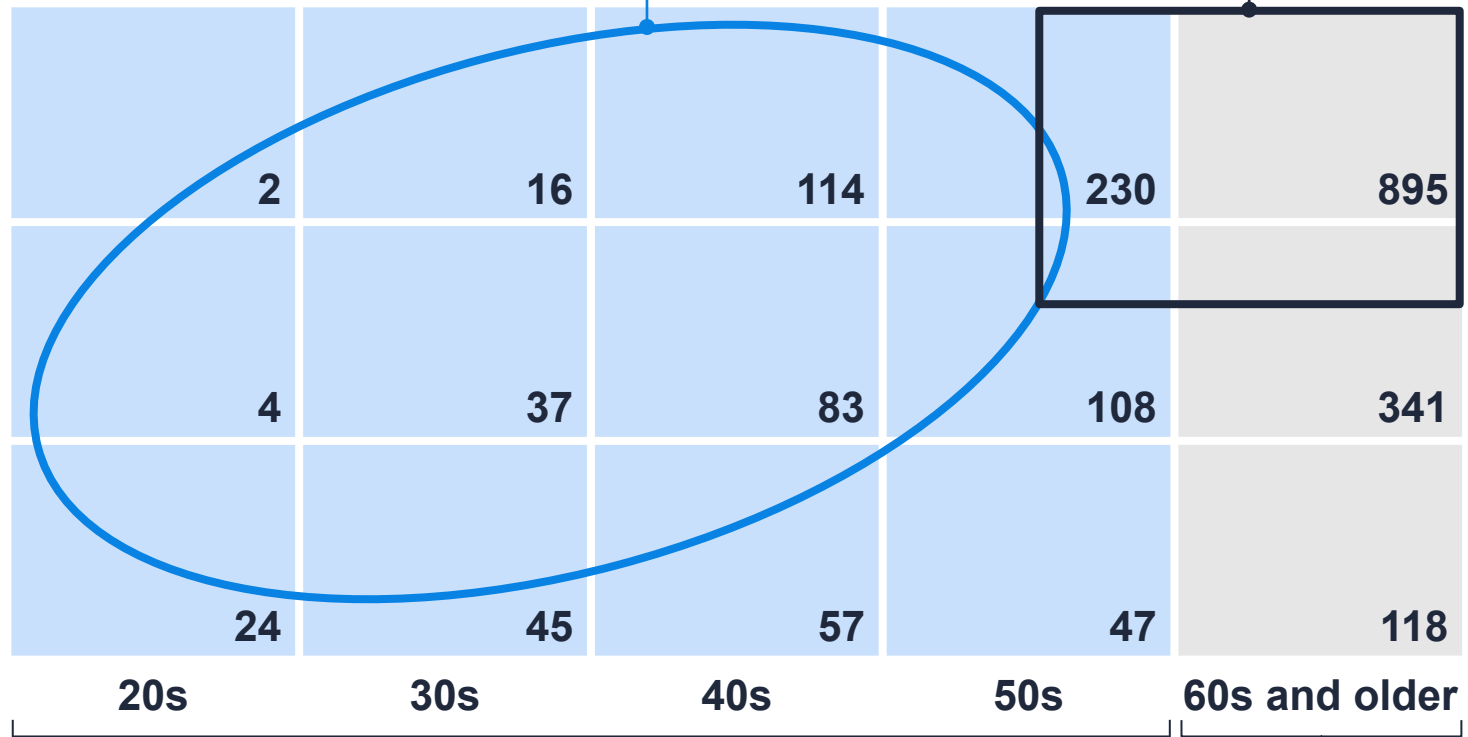
Primary target group of face-to-face channels for incumbent banks and securities

XX Financial assets JPY trillions

JPY 30M or more

JPY 10-30M

Less than JPY 10M

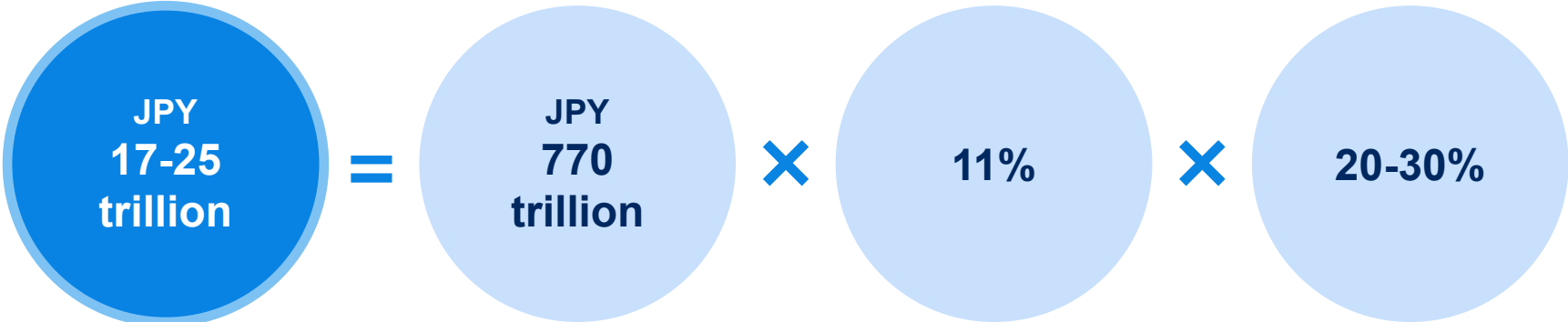


Approx. JPY 770T

Approx. JPY 1,350T

Source: WealthNavi analysis based on the Bank of Japan's "Japan's Flow of Funds Accounts, 3rd quarter of 2023", the Ministry of Internal Affairs and Communications' "Population, demographic statistics and household numbers based on the Basic Resident Registration, January 2023," and the Ministry of Internal Affairs and Communications' "Household Survey, 2019"

Robo-advisors' potential market estimated to be JPY 17-25 trillion over the next 10 years as working families accelerate wealth building for retired life



Potential market for robo-advisors over the next 10 years

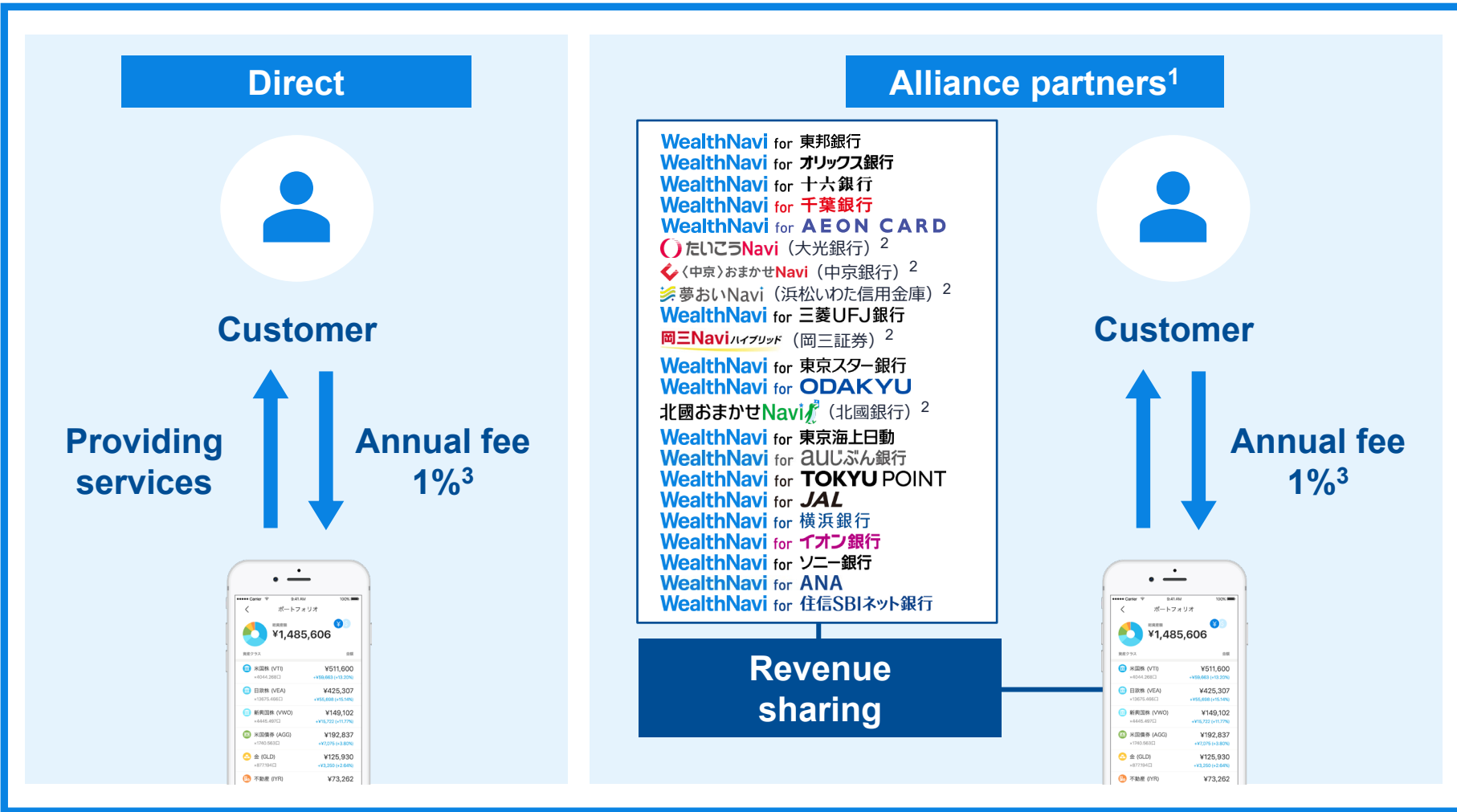
Financial assets owned by working families (20s-50s)

Assuming the deposit ratio of household financial assets will fall to the level of Germany (54%→43%) over the next 10 years

Assuming 20-30% of assets moving from deposits to investments are allocated to long-term investments

Source: WealthNavi analysis based on the Bank of Japan's "Japan's Flow of Funds Accounts, 3rd quarter of 2023", the Ministry of Internal Affairs and Communications' "Population, demographic statistics and household numbers based on the Basic Resident Registration, January 2023", the Ministry of Internal Affairs and Communications' "Household Survey, 2019," and OECD's "Household financial assets" as of the end of 2022

Both direct and alliance partners basically provide the same services and split fees from customers



1 Channels available as of December 31, 2023.

2 Managed account service with a hybrid of online and face-to-face support

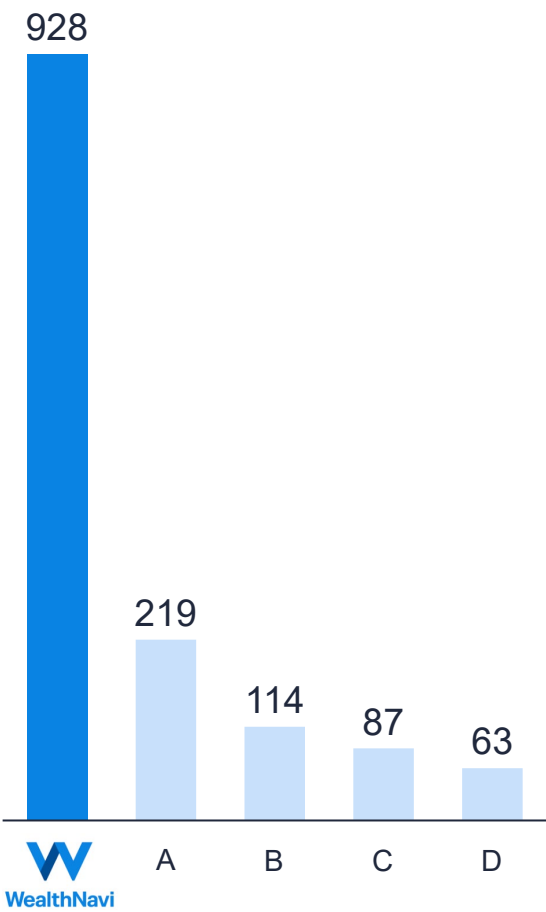
3 Of the ETF portion of the AuM only (1.1% including tax). The annual fee of the portion exceeding JPY 30 million is 0.5% (0.55% including tax). For managed account services with a hybrid of online and face-to-face support, the base annual fee is 1.5% (1.65% including tax), and the annual fee for the portion exceeding JPY 30 million is 1.0% (1.1% including tax)

Note: The picture is an image

WealthNavi is the leading robo-advisor in Japan

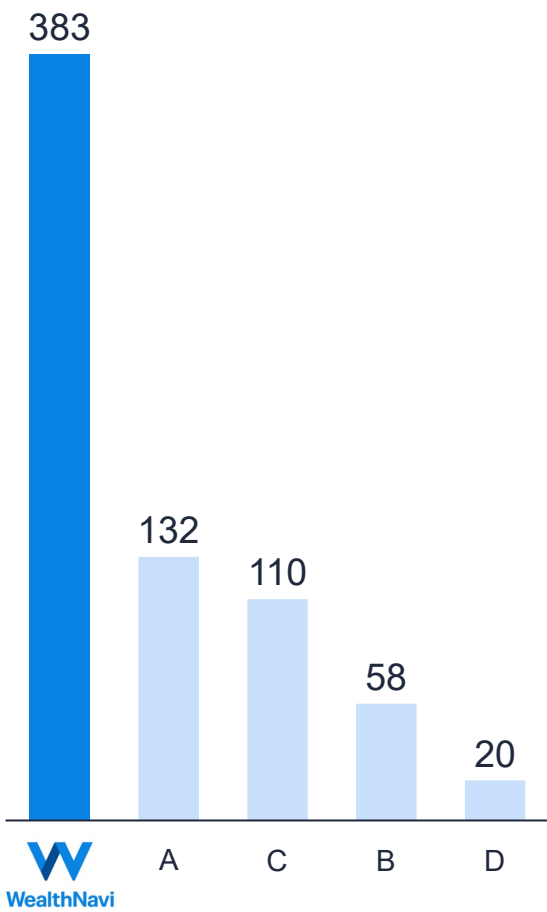
AuM

JPY billions; Sep. 2023



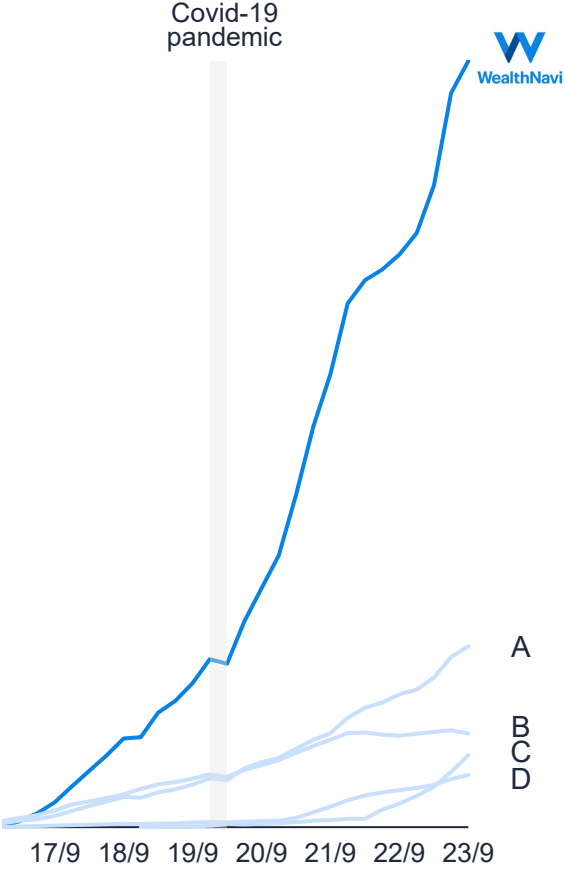
Number of users

Thousands; Sep. 2023



AuM trend

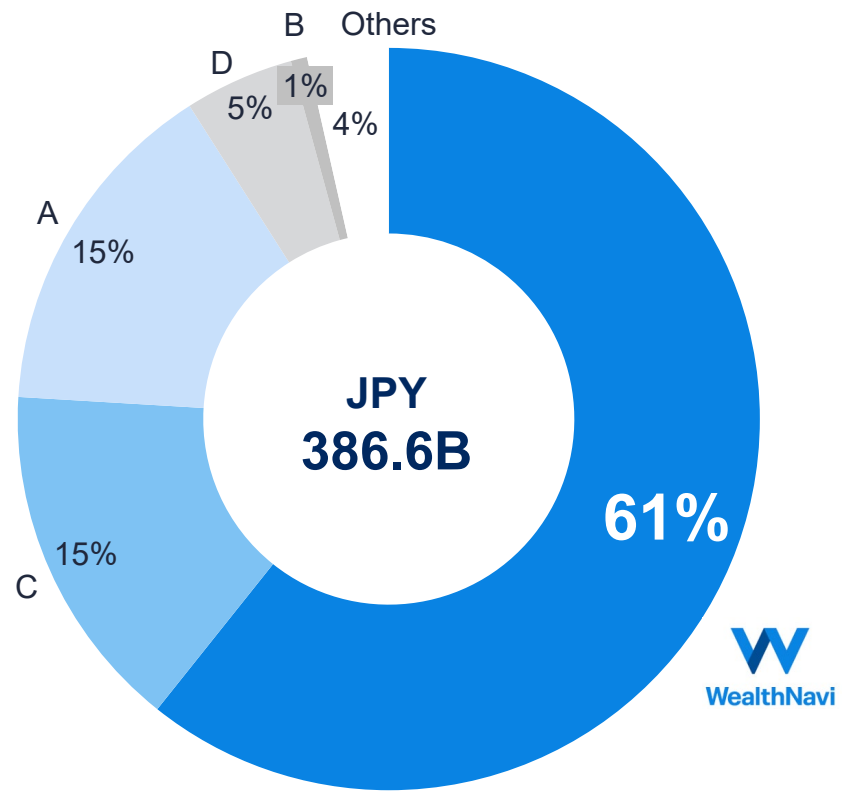
Dec. 2016 to Sep. 2023



Source: WealthNavi analysis based on Japan Investment Advisers Association, "Contract Asset Status, December 2023". AuM of Company A to D include those under "discretionary investment business".

Distinct market leader – with 61% of total AuM growth of robo-advisors over a 12-month period

Increase in AuM of domestic robo-advisors
Sep. 2022 to Sep. 2023

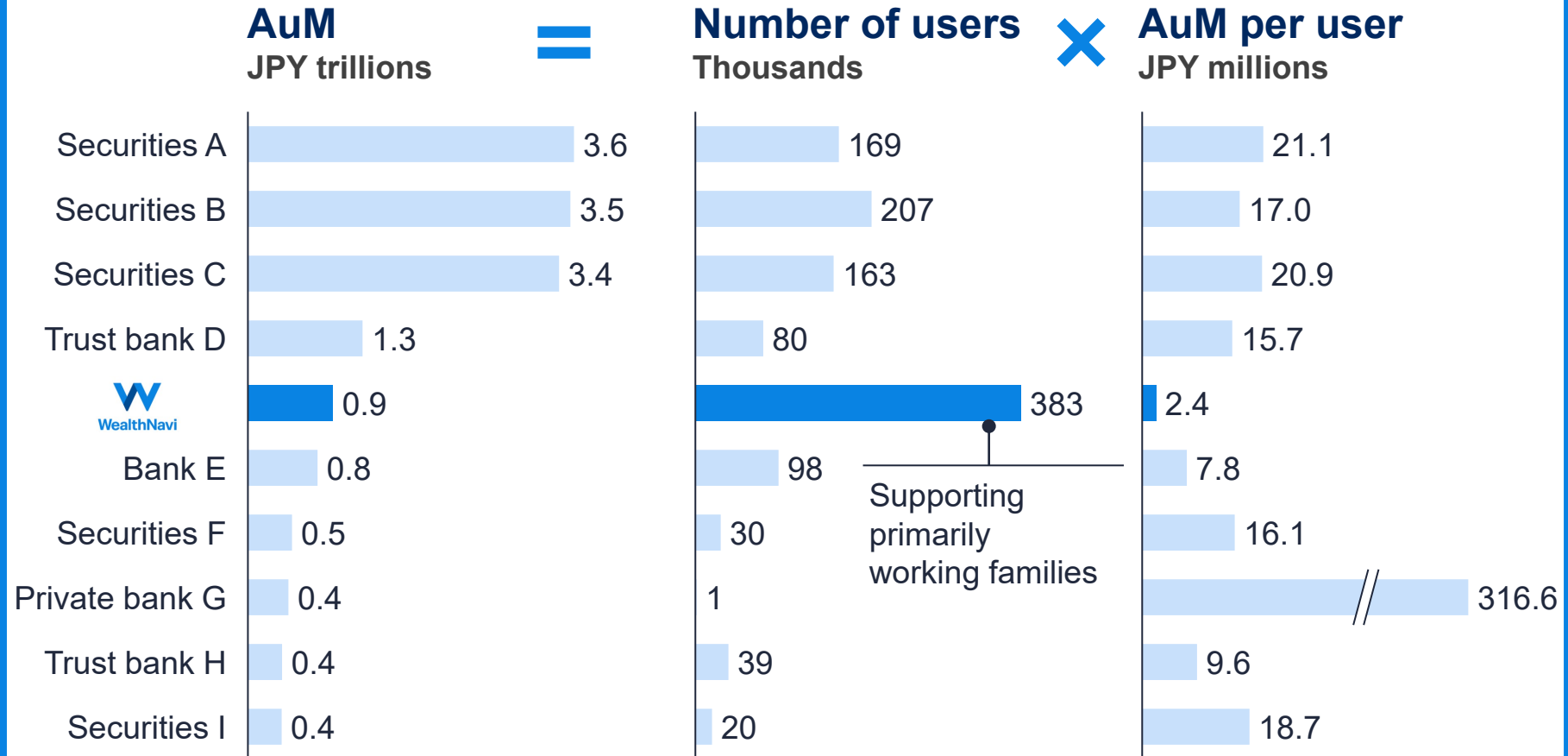


WealthNavi accounts for 61% of the total AuM growth of robo-advisors over a 12-month period to December 2023

Source: WealthNavi analysis based on Japan Investment Advisers Association's "Contract Asset Status, December 2023". AuM of Company A, B, C and D include those under "discretionary investment business."

Unlike other major managed account services, WealthNavi focuses on supporting working families

Top 10 managed account services in Japan ranked by AuM
As of September 2023

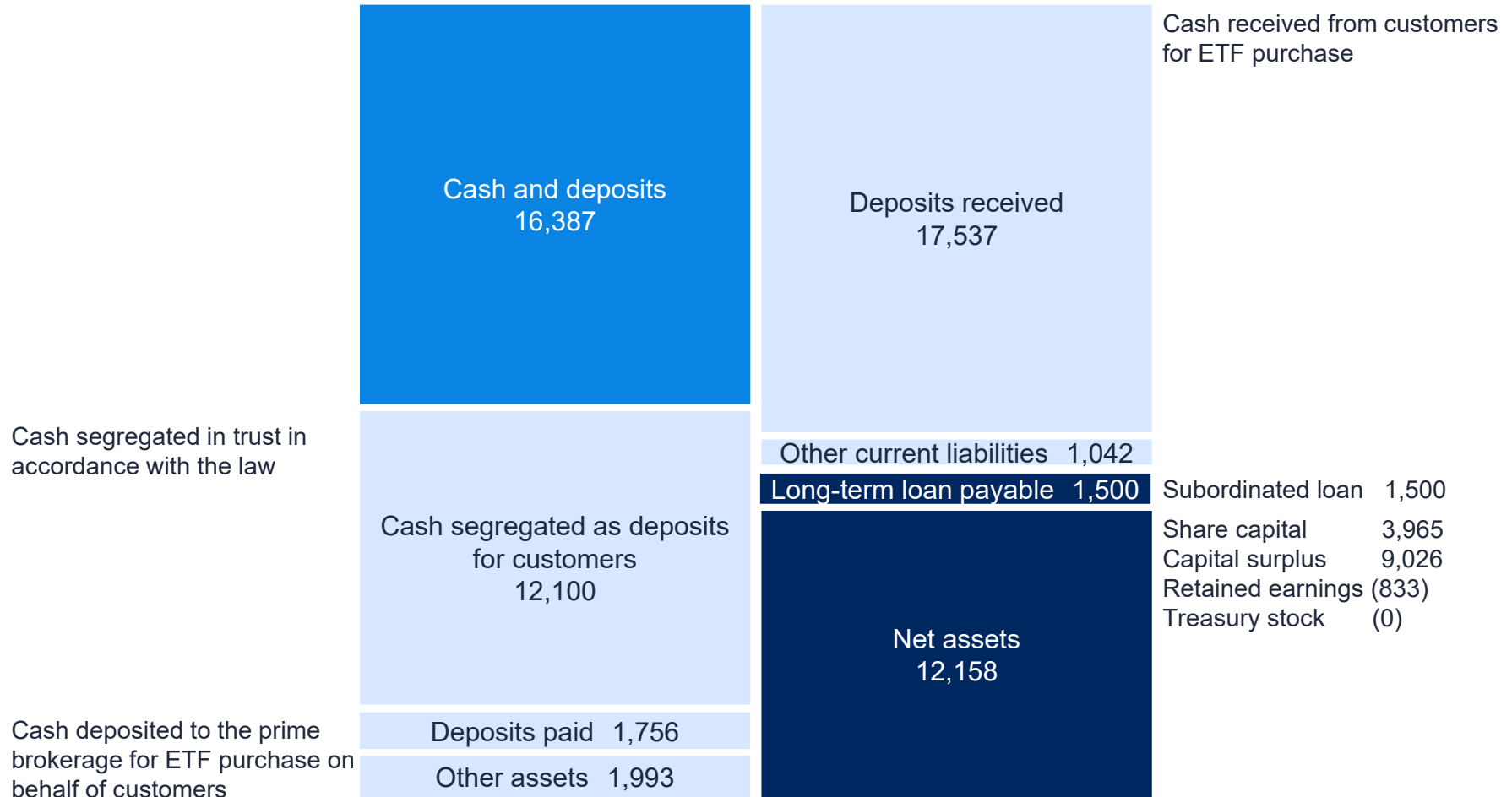


Source: WealthNavi analysis based on websites of the companies listed as "wrap account" managers on Japan Investment Advisers Association, "Contract Asset Status, December 2023"

Maintaining strong balance sheets for growth

Balance sheets

4Q 2023; JPY millions



Balance sheets and cash flows

Balance sheets

JPY millions

	FY2021	FY2022	FY2023
Current assets	27,129	25,474	31,317
Cash and bank deposits	10,039	12,382	16,387
Cash segregated as deposits	9,000	9,800	12,100
Deposits paid	7,461	2,476	1,756
Other current assets	627	815	1,073
Non-current assets	247	489	919
Total assets	27,377	25,964	32,237
Current liabilities	15,839	13,483	18,579
Deposits received	15,149	12,703	17,537
Other current liabilities	689	780	1,042
Non-current liabilities	1,500	1,500	1,500
Long-term loan payable	1,500	1,500	1,500
Total liabilities	17,339	14,984	20,079
Share capital	3,237	3,564	3,965
Capital surplus	8,298	8,625	9,026
Retained earnings	(1,498)	(1,208)	(833)
Treasury stock	(0)	(0)	(0)
Total net assets	10,037	10,980	12,158

Note: Fractions of one million yen are rounded down

Statement of cash flows

JPY millions

	FY2021	FY2022	FY2023
Cash generated by/(used in) operating activities	3,384	(3,117)	3,023
Cash generated by/(used in) investing activities	(23)	(207)	(488)
Cash generated by financing activities	4,052	616	703
Effect of exchange rate changes on cash and cash equivalents	(1)	65	46
Net increase in cash and cash equivalents	7,411	(2,642)	3,285
Cash and cash equivalents at beginning of period	10,089	17,501	14,858
Cash and cash equivalents at end of period	17,501	14,858	18,144

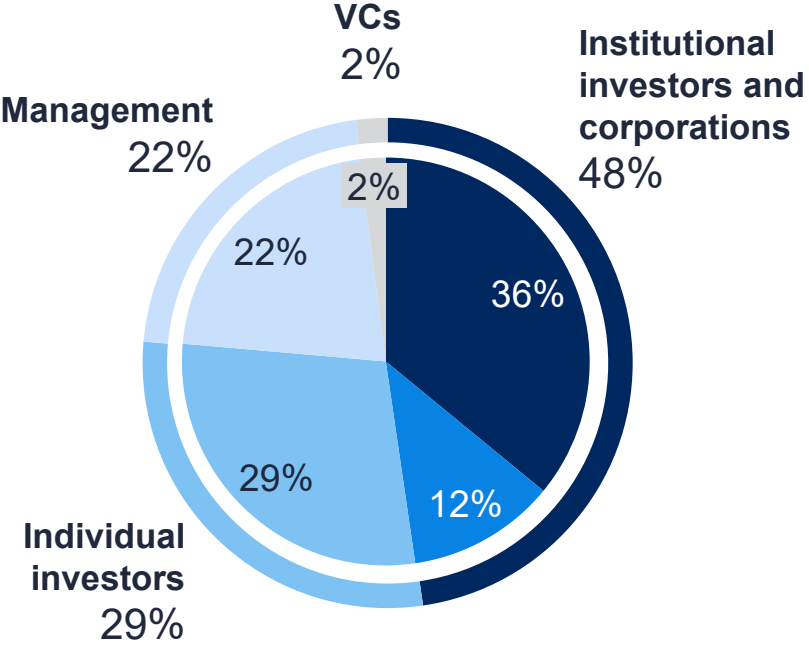
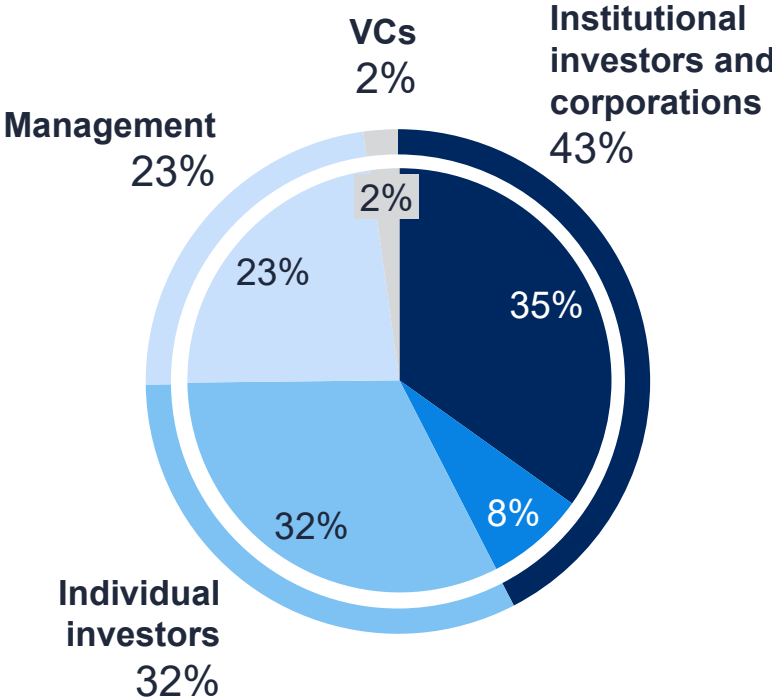
Details of operating cash flows

Cash generated by/(used in) operating activities	3,384	(3,117)	3,023
-) Decrease / (increase) in cash segregated as deposits for customers	(4,390)	(800)	(2,300)
-) Increase / (decrease) in deposits received	8,074	(2,446)	4,833
Cash generated by/(used in) operating activities adjusted by items relating to cash deposited by customers	(300)	129	489

Ownership of institutional investors increased

As of December 31, 2022

As of December 31, 2023



- Overseas institutional investors and corporations
- Domestic institutional investors and corporations
- Individual investors and others
- WealthNavi's management
- VCs

Update on investment of the funds raised in December 2021





- The funds raised in December 2021 were invested as follows

Use of proceeds	Amount raised	Used in FY2022	Used in FY2023
<p>1. Advertising expenses to acquire new customers</p> <p>Improving brand awareness and promoting our services, including the robo-advisor “WealthNavi” and “Robo-NISA”</p>	JPY 2,414 million	JPY1,200 million	JPY 1,214 million
<p>2. Recruitment and personnel expenses for business expansion</p> <p>Hiring such talents as follows.</p> <ul style="list-style-type: none"> Engineers to develop new services and additional functions for the robo-advisor “WealthNavi” Sales and marketing personnel to acquire new customers and to expand alliance partners, in order to expand our business 	JPY 426 million	JPY 200 million	JPY 226million

Note: There is no change in the use of proceeds and amount as of February 10, 2022

Our engagement in promoting sustainability

- Identified our material issues, and disclosed our initiatives as well as related data in 2022
- Promoting sustainability along with maximizing our long-term corporate value

		Material issues	Contribution to UN SDGs
What we do	Helping working families	<ul style="list-style-type: none"> • Promoting wealth management for working families • Enhancing digital accessibility to financial services • Encouraging financial literacy 	    
	Empowering local communities	<ul style="list-style-type: none"> • Partnering with regional financial organizations to mitigate the digital divide • Supporting digitalization of regional financial organizations 	 
How we do it	Diversity & openness	<ul style="list-style-type: none"> • Hiring and integrating talents with diverse backgrounds • Supporting talent development of our employees • Encouraging women's advancement • Promoting work-life balance for a diverse workforce 	  
	Operating steadily for the long term	<ul style="list-style-type: none"> • Enhancing corporate governance • Ensuring compliance • Improving risk management • Strengthening security 	  

Business risks and mitigations (1)

- Principal business risks which may affect our growth are outlined below
- For other risks, please refer to “Business Risks” section of our Annual Securities Report (Yuuka Shoken Hokokusho, Japanese only)

Business risks	Probability	Impact	Mitigations
<p><u>Market volatility</u></p> <p>AuM may decrease if its customers abandon or suspend long-term investment due to the volatility of global financial markets.</p>	Mid	Mid	<p>We support our customers to build and maintain a long-term investment with a globally diversified portfolio using an automated deposit plan through such measures such as follows.</p> <ul style="list-style-type: none"> • Enhanced functions to motivate customers to continue their investment • Investment advice through columns, video messages and seminars to address concerns of customers • Loyalty program to encourage long-term investment

Business risks and mitigations (2)

Business risks	Probability	Impact	Mitigations
<p><u>System security</u></p> <p>Any significant system disruption or loss of customer asset due to accidents, natural disaster, external cyber attack or unauthorized access may cause pecuniary compensation and undermine our trust from customers and markets, which may prevent us from realizing our growth potential.</p>	Low	High	We strive to strengthen our system security in order to protect critical information assets from various threats and control risks by setting “Information Security Management Rules” which include information security management system, management policy and policy for risk control.
<p><u>Personal data protection</u></p> <p>Leakage or breach of personal data which we retain may cause pecuniary compensation and undermine our trust from customers and markets, which may prevent us from realizing our growth potential.</p>	Low	High	We retain personal data of customers and employees. We, as a financial institution, handle the personal data with care and comply strictly with our “Rules for Handling Personal Data” and “Rules for Handling Specific Personal Information.”

Business risks and mitigations (3)

Business risks	Probability	Impact	Mitigations
<p><u>Talent management</u></p> <p>We intend to continuously expand our business and solidify the foundation for growth by hiring and developing highly motivated people with deep understanding of our mission. Failure to recruit and develop the best people or to retain distinguished employees may negatively impact on our business.</p>	Mid	Mid	We strive to attract the best people by providing engineer-friendly work environment and adopting various recruiting methods. We also offer various training programs, cross-divisional communication and company-wide information sharing.



Helping working families build wealth

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Going forward, the Company is to update “Our Business Plans and Growth Opportunities” at the time of its full-year earnings announcement in February. The contents are subject to necessary and adequate revision considering internal and external environment, need for disclosure or other various factors.

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