Money Forward, Inc.

Q1 Financial Results Briefing for the Fiscal Year Ending November 2021

April 13, 2021

Presentation

Moderator: Ladies and gentlemen, thank you for your patience. It is time to start. We would now like to begin the online earnings presentation for the first quarter of the fiscal year ending November 2021 of Money Forward, Inc. Thank you for watching today.

This briefing session is scheduled to last about 90 minutes, including a Q&A session. First, let me introduce the two speakers today.

Yosuke Tsuji, President and CEO, and Naoya Kanesaka, Director and CFO.

Next, I'll explain about the materials.

We disclosed our financial results summary and briefing material on our website today. The meeting will proceed in accordance with the earnings presentation. This material can also be viewed on the screen, but if you would like to see it on your own, please access it from our website.

Next, I will introduce the agenda for today's briefing meeting.

First, Mr. Tsuji will give his greetings, followed by an explanation of the results for the first quarter of the fiscal year ending November 2021 for about 40 minutes.

After that, we will have a Q&A session. When answering your questions, we will read out your names, so please ask questions only if you are fine with that. Due to time constraints, we will limit the number of questions to 3 per person. If there are questions that we cannot answer in time, we will respond to them individually after the briefing meeting. We ask you for your understanding in advance.

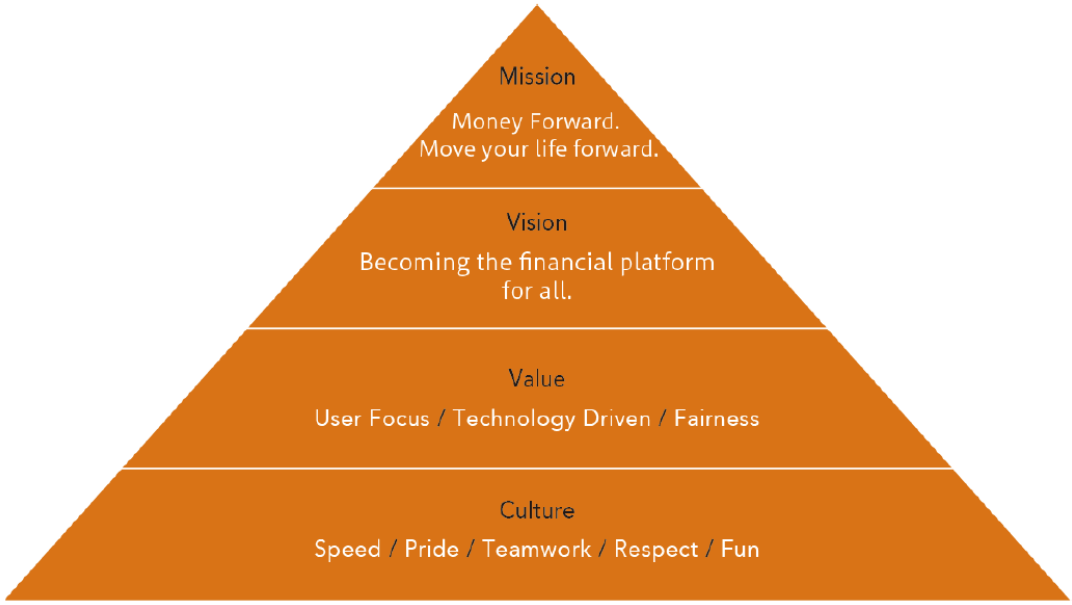
We will first answer questions from analysts and investors for about 20 minutes. After that, we will answer questions from the media. The meeting is scheduled to end around 6:30 PM.

I will now turn the conference over to Yosuke Tsuji, President and CEO.

Tsuji: Good evening, everyone. This is Tsuji of Money Forward. Thank you for participating in our briefing meeting for the first quarter of the fiscal year despite your busy schedules. I will now go over the contents.

First, I will go over the business description. Next, I will explain the first-quarter results for each segment: Business, Home, X, and Finance. Lastly, I will talk about our growth strategy.

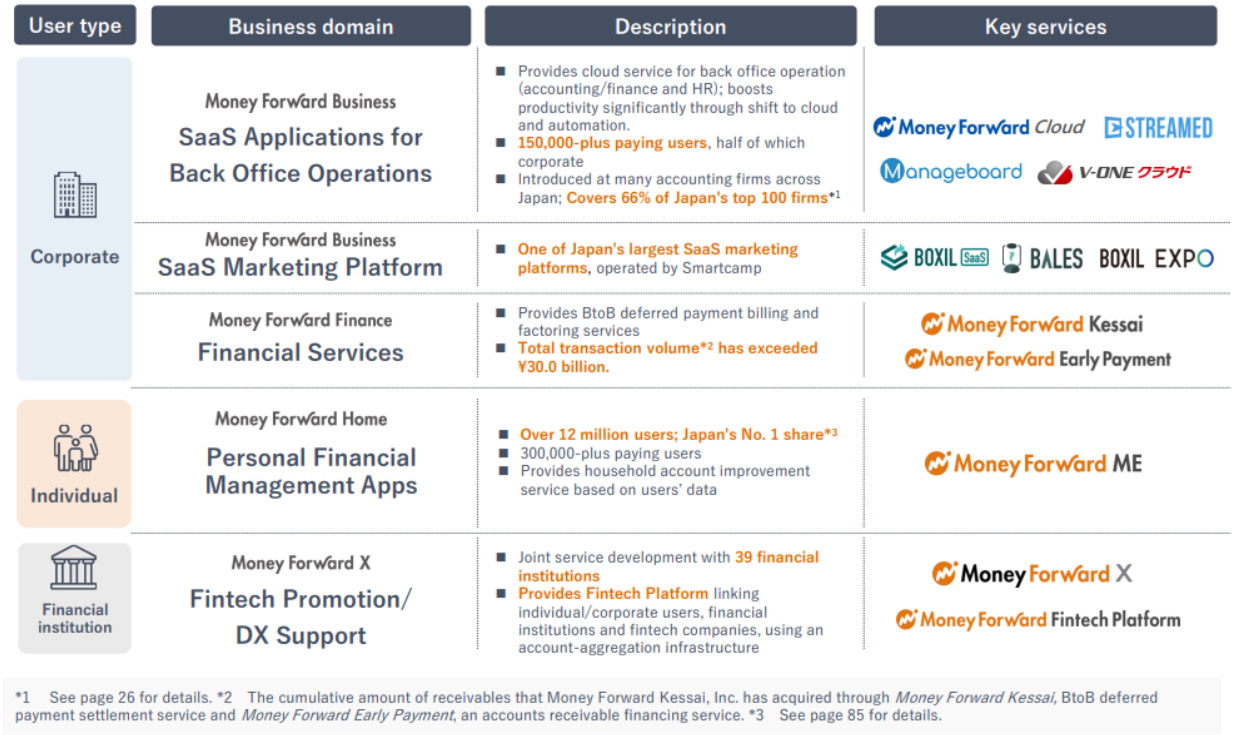
ALL | Mission / Vision / Value / Culture 3



This is our business description. This is our mission, vision, value, and culture, which hasn't changed from last time. Our mission is "Money Forward. Move your life forward." We operate our business based on the vision of "becoming the financial platform for all."

ALL | Providing Japan's Largest User Base and Product Lineup in SaaS/Fintech Field

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*1 See page 26 for details. *2 The cumulative amount of receivables that Money Forward Kessai, Inc. has acquired through *Money Forward Kessai*, BtoB deferred payment settlement service and *Money Forward Early Payment*, an accounts receivable financing service. *3 See page 85 for details.

Money Forward does business in multiple domains. In the SaaS x Fintech domain, we have one of the largest user base and broadest product lineup in Japan.

Our users are corporates, individuals, and financial institutions. For corporates, we offer back-office SaaS solutions under the Money Forward Business segment. We also provide SaaS marketing support services under the Money Forward Business segment. And we provide financial services under the Money Forward Finance segment.

For individuals, we offer personal financial management (PFM) services under the Money Forward Home segment. For financial institutions, we provide fintech promotion and DX support services under the Money Forward X segment.

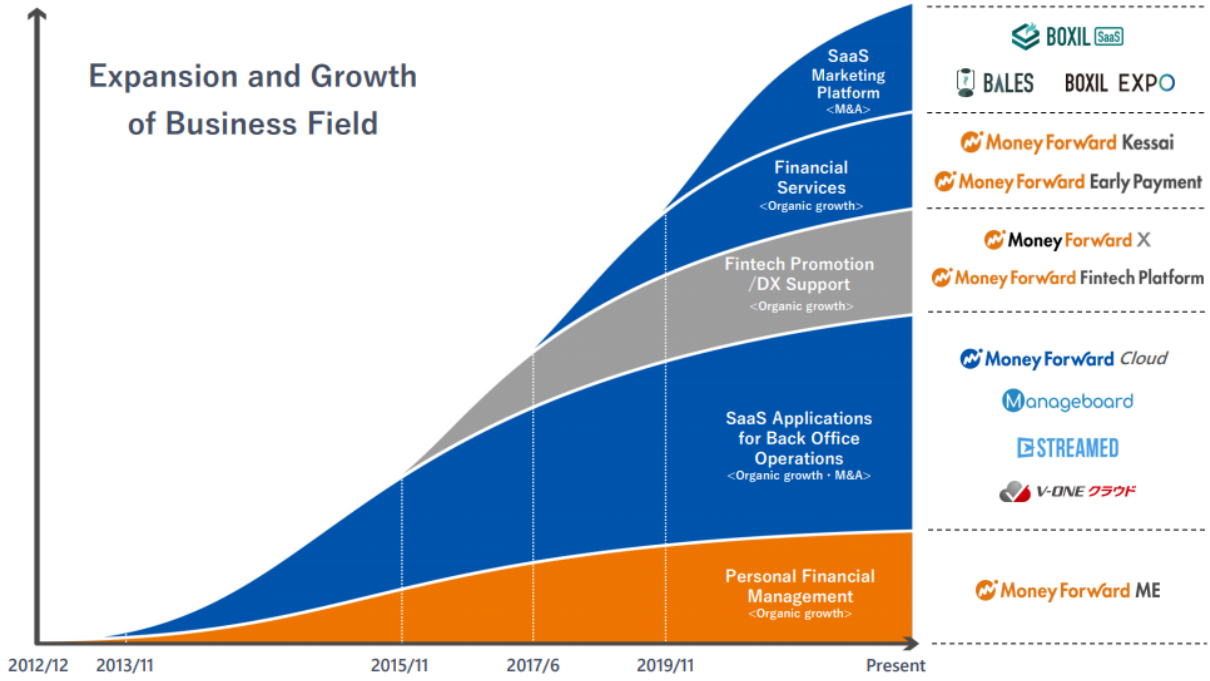
As for our back-office SaaS, we have over 150,000 paying users, of which about half are corporate users. I would like to give the details later.

Recently, JPMorgan and Credit Suisse initiated coverage of our company with analyst reports. I would like to express my gratitude. In these reports, we have been featured as a SaaS x Fintech company. Specifically, we are a company focusing on using SaaS as a platform to proliferate fintech as a service to the daily lives of users and operations of companies.

ALL

Expanding Business Field Through New Business Development and M&A

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Let me show a graph that illustrates how we have been expanding our business domains.

First, we founded the business and launched Money Forward ME in December 2012. Less than a year after that, in November 2013, we released the Money Forward Cloud series. That's when we entered the back-office SaaS business.

In November 2015, we established Money Forward X to promote fintech and support DX.

In June 2017, we started finance services. New business development is being carried out in this domain.

In November 2019, we acquired Smartcamp, a company that offers SaaS marketing support. By the way, we refer to acquisitions as "Group joins." Thanks to Smartcamp joining our group, we have been able to expand our new business domains.

ALL | Revenue Proportion 6

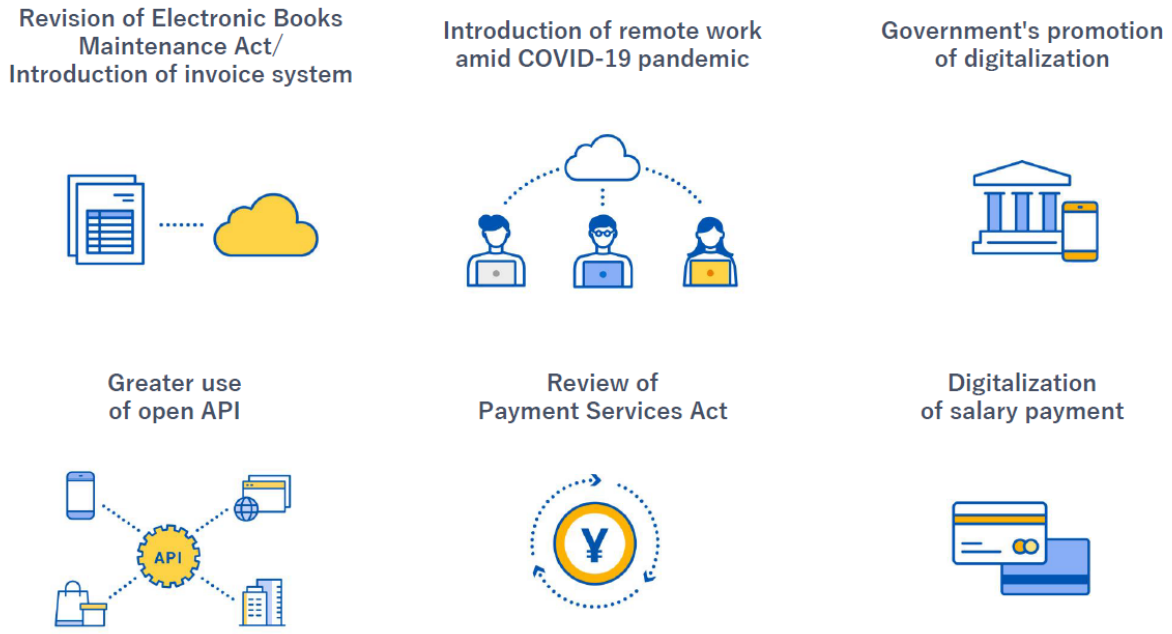
74% of net sales are to corporates, 16% are to individual, and 10% to financial institutions.



As for the sales weighting, corporate users account for 74% of total sales. The 74% sales weighting breaks down as follows: 55.7% from back-office SaaS; 12.4% from marketing support at Smartcamp; and 5.5% from Money Forward Finance, Kessai, and Early Payment.

Money Forward Home, which is our founding business that caters to individual users, accounts for 16.2% of total sales. Money Forward X accounts for 10.3% of total sales.

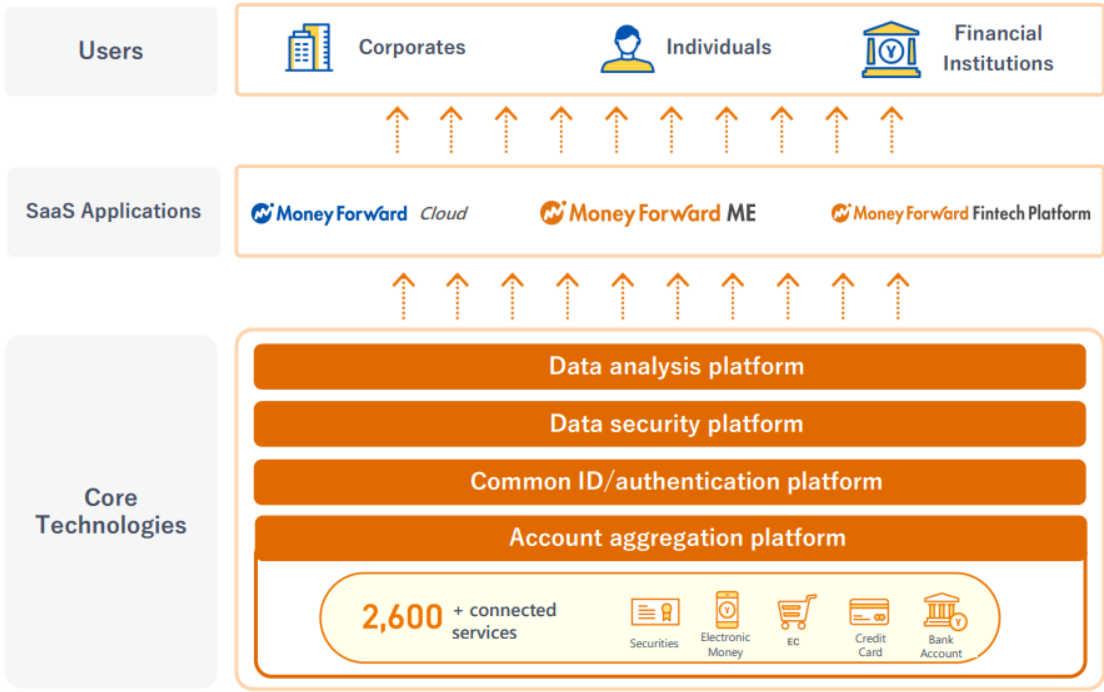
Environment Surrounding the Group



Here's a slide explaining the business environment and opportunities of Money Forward. As you can see here, we are benefitting from many strong tailwinds.

These tailwinds include the Electronic Books Preservation Act, the introduction of an invoice system, an increase in remote work spurred by the pandemic; the promotion of digitalization by the government; the spread of open AI; and a review of the Payment Services Act. Furthermore, recently, there have been discussions about digitalizing salary payments. We view this as a business opportunity for our service to significantly increase the value offered to customers.

Developing Variety of Products Based on Common Core Technologies



At Money Forward, we operate in multiple business domains. But all of these businesses are underpinned by common core technologies.

As you can see, our core technologies are shown at the bottom of the slide. On the very bottom, it says account aggregation platform. Our platform is integrated with over 2,600 services. Above that, you can see our other core technologies: common ID/authentication platform; data security platform; and data analysis platform. With these core technologies as our backbone, we are building applications on top of it, including SaaS products, Money Forward Cloud series, Money Forward ME for individuals, and Money Forward Fintech platform for financial institutions.

Our development activities are highly efficient because they revolve around these core technologies. We have been able to create a realm of high-cost efficiency.

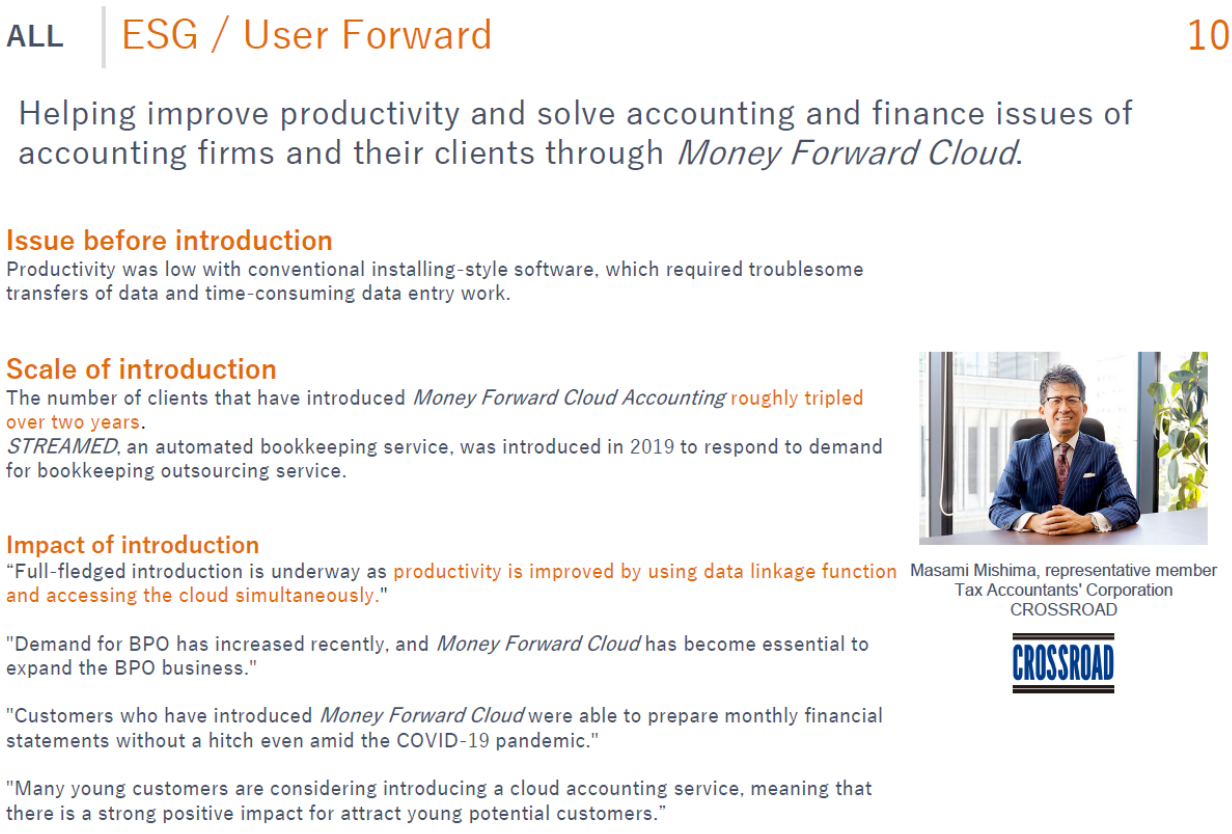


An extremely important point of discussion of late is ESG. This is a topic that we discuss a lot at our Board of Directors meetings. We are aiming for a sustainable society and strengthening our ESG activities.

At Money Forward, we have 3 priority items: User Forward, move the life of users forward; Society Forward, move society forward; and Talent Forward, move the possibilities of employees forward.

As shown at the bottom, the SDGs we tackle through our business include goals 4, 5, 8, 9, 10, 12, 15, and 17.

We renewed our website recently and included details about our ESG activities. If you are interested, please see the details there.

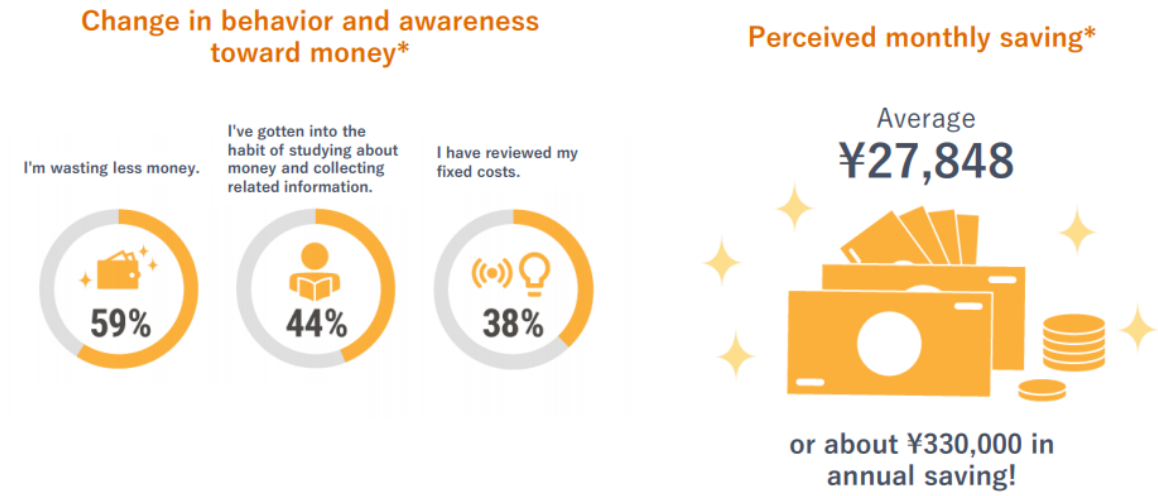


Here, I will give a brief introduction to each item. The first one is User Forward, move the life of users forward. We aim to contribute to improving productivity and solving issues of accounting firms and their clients through our Money Forward Cloud services.

We've included user feedback from Mr. Mishima, representative of Tax Accountants' Corporation CROSSROAD. He says that, before the adoption of Money Forward Cloud, exchanging data was a hassle, and data entry was time-consuming. However, after adoption, the number of clients roughly tripled over 2 years, and productivity increased.

Even under the COVID-19 pandemic, customers who have adopted Money Forward Cloud say that they were able to close their monthly accounts without any problems. Thus, our customers have been extremely satisfied with our services during the pandemic.

Changing personal behaviors and improving financial position through provision of *Money Forward ME*.



* Based on a 2020 survey regarding financial awareness conducted on 5,874 *Money Forward ME* users who said they felt the service helped improve their household accounts.

Here is another slide with an example of moving the life of users forward. Through Money Forward ME, which caters to individual users, we prompt changes in individual behavior and improvements in income and expenditures through our services.

On the left, we show some changes in the behavior and mindset of users toward money. Our survey results showed that ME helps many users reduce wasteful spending and review fixed costs. Furthermore, users responded that, on average, they saw an improvement in income and expenditures of JPY27,848 per month. On an annual basis, that would equal roughly JPY330,000. We believe this is an example of how recording how one spends money improves one's finances, just as how recording one's diet can improve one's health.

Contribute to DX of society with diverse partners.



No. of Certified Members:
(Accounting firms and
certified social insurance and labor consultant offices)

16,000 +*1

No. of Chambers of Commerce and Industry (CCI) that We Partner with

107*1

No. of Financial Institutions (FI) Served with Our Products:

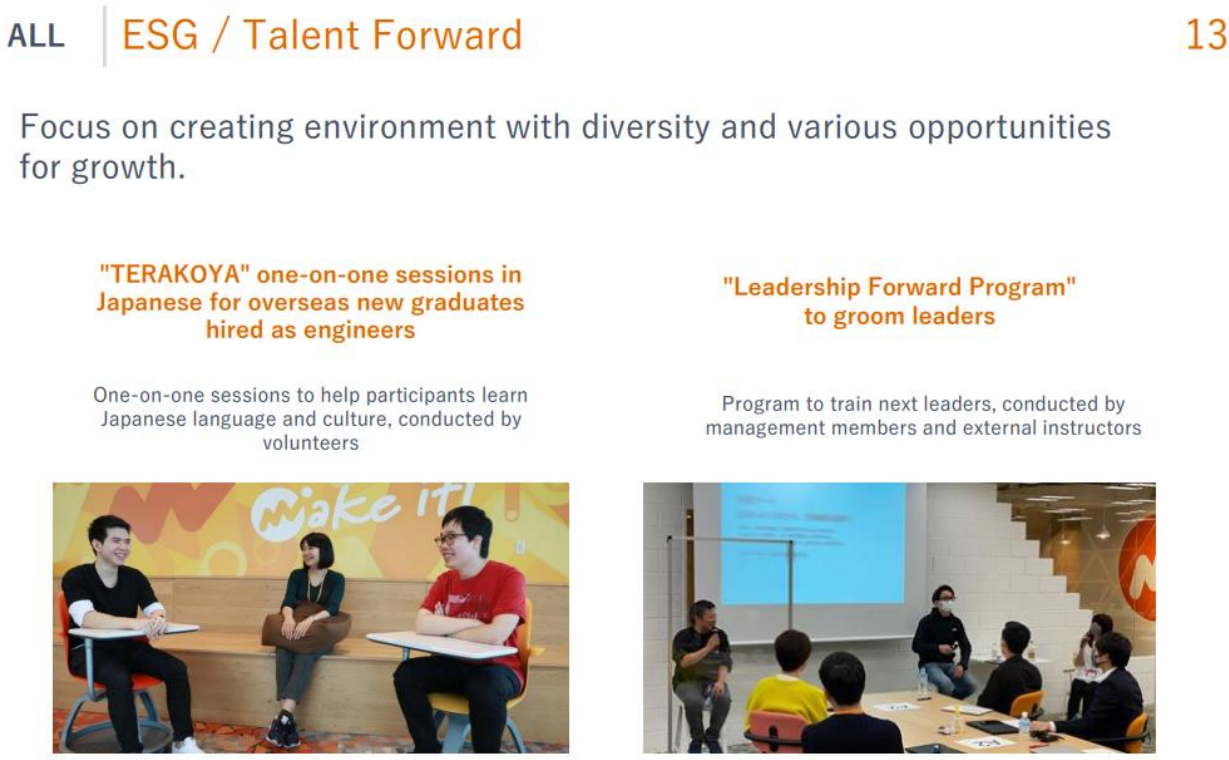
39*1

# of API connections with FIs

1,109*2

*1 Number of accountants who use our services as of end of April 2021. Previous disclosure, 4,400+ members, were the number of accounting offices who have introduced our services.
*2 As of 8 April 2021. Counting financial institutions (including Shinkin Banks, Labor Banks and Agricultural and Fishery Cooperative Savings Insurance Corporations) that have API connections or web scraping connections with contracts.

The second item is Society Forward, move society forward. We are working in unison with like-minded entities across Japan. We have over 16,000 certified members nationwide, including accounting firms and certified social insurance labor consultant offices. In addition, we partner with over 100 chambers of commerce, provide services to 39 financial institutions, and have established connections with 1,109 financial institutions. We are working together with all of these partners throughout Japan to move society forward.



The third item is Talent Forward. A very important point in promoting the activities I just explained is to advance the possibilities of employees, such as by creating an environment that encourages diversity and by creating many opportunities for growth.

An example of this is TERAKOYA, a 1-on-1 tutoring session to learn Japanese, which we have been holding for the many foreign engineers who have joined our company. We have also been holding the Leadership Forward Program, a leadership development program, as part of our ongoing activities to foster next-generation leaders.

This concludes the business description.

ALL | Highlights in FY11/21 Q1 15

- Consolidated net sales **increased 45% YoY** to ¥3.47 billion in Q1. Net sales in Business domain **grew 51% YoY**, driving the significant overall growth. Sales remained solid, ranging between 22.0% and 23.5% against the full-year forecasts (21.1% overall in the year-earlier period*1)
- Gross profit steadily grew, **rising 53% YoY** to ¥2.54 billion.
- EBITDA totaled ¥0.36 billion and operating profit reached ¥0.08 billion.
- SaaS ARR*2, which is the total of the Group's recurring revenue, increased 35% YoY to **¥9.02 billion**. Growth of ARR in all domains accelerated.
- The number of paying customers*3 for the Group (individual, sole-proprietor and corporate) exceeded the **464,000**.

*1 Percentage of actual FY11/20 Q1 net sales vs. actual full FY11/20 net sales. The actual full FY11/20 figure includes sales of R&AC who joined the group.
*2 SaaS ARR is 12 times the MRR of the last month of each period in Home domain, Business domain, and X domain. For the definition of SaaS ARR, please refer to page 17.
*3 The number of paying customers is the sum of paying users of *Money Forward ME* in Home domain and customers paying for *Money Forward Cloud*, *STREAMED*, *Manageboard*, *V-ONE Cloud*, *Money Forward Certified Membership*, etc. in Business domain as of the end of February 2021.

Next, I would like to move on to the first-quarter financial highlights.

First, these are the highlights for the overall business.

Consolidated net sales came to JPY3.47 billion, up 45% YoY. The robust sales growth was driven by the 51% sales growth in the Business domain. Steady progress has been made toward our full-year performance outlook.

Gross profit grew by 53% to JPY2.54 billion.

EBITDA was JPY360 million, and operating profit swung to positive territory at JPY80 million.

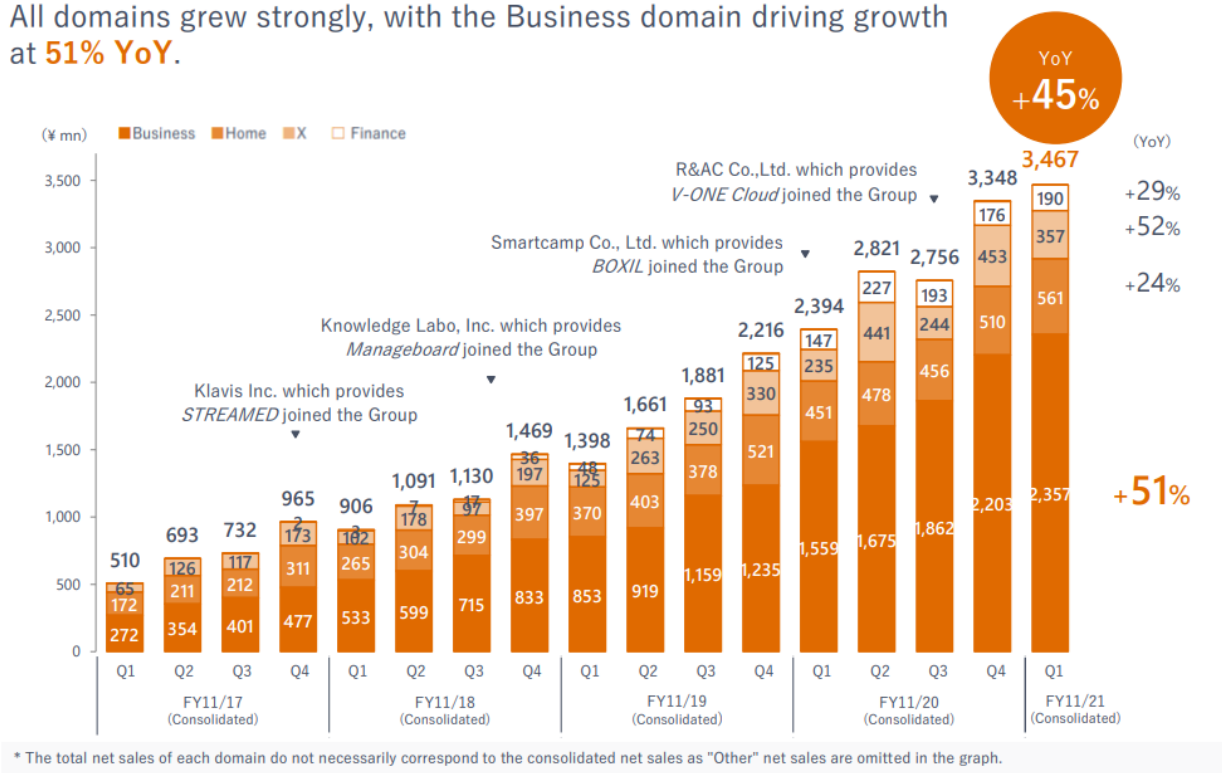
SaaS ARR, which is the total of the Group's recurring revenue, expanded by 35% to JPY9.02 billion. ARR growth has accelerated in all domains.

The number of paying customers for the Group, including individuals, sole proprietors, and corporations, exceeded 464,000.

ALL

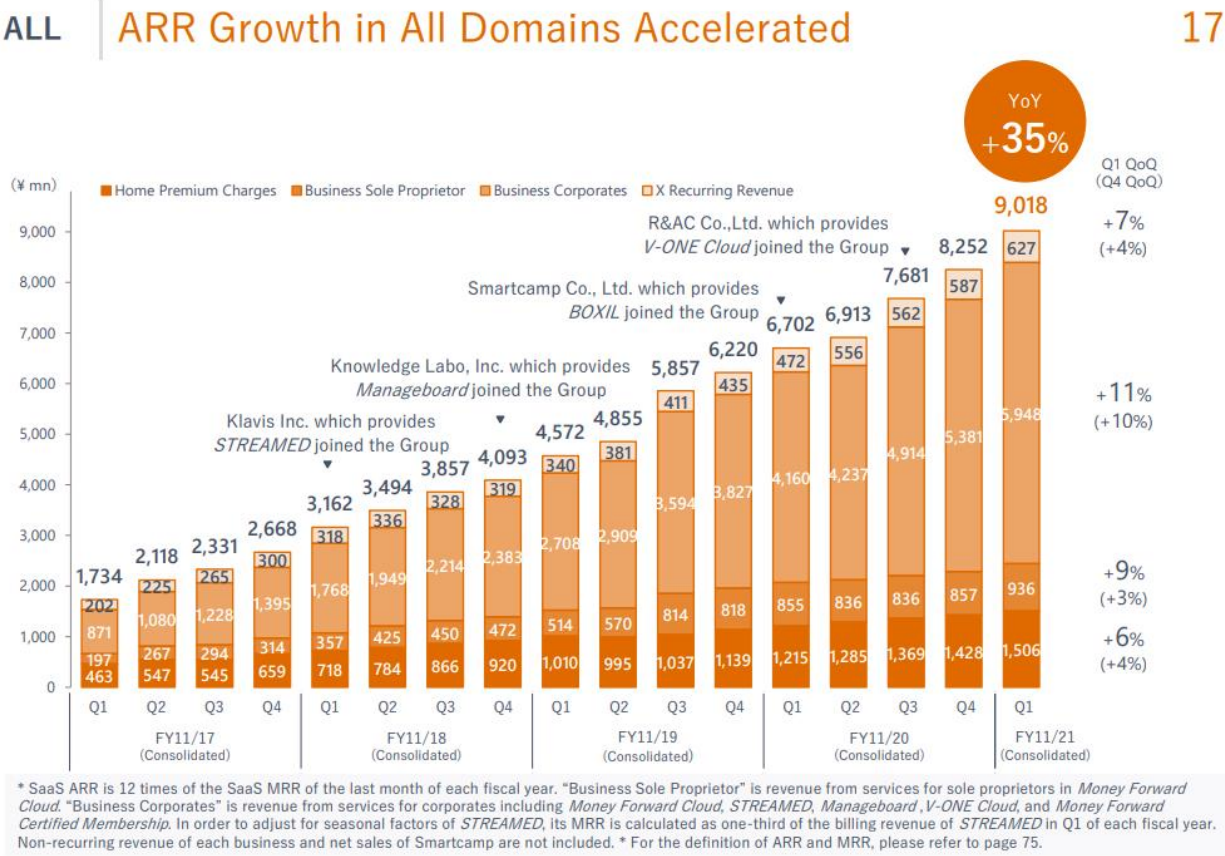
Q1 Consolidated Net Sales Continued to Grow Strongly, Up 45% YoY

All domains grew strongly, with the Business domain driving growth at **51% YoY**.



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

This is a graph showing quarterly results. As I stated earlier, consolidated net sales grew by 45%. But each domain has realized robust growth: 51% in Business, 24% in Home, 52% in X, and 29% in Finance.



* SaaS ARR is 12 times of the SaaS MRR of the last month of each fiscal year. "Business Sole Proprietor" is revenue from services for sole proprietors in *Money Forward Cloud*. "Business Corporates" is revenue from services for corporates including *Money Forward Cloud*, *STREAMED*, *Manageboard* ,*V-ONE Cloud*, and *Money Forward Certified Membership*. In order to adjust for seasonal factors of *STREAMED*, its MRR is calculated as one-third of the billing revenue of *STREAMED* in Q1 of each fiscal year. Non-recurring revenue of each business and net sales of Smartcamp are not included. * For the definition of ARR and MRR, please refer to page 75.

The same applies to ARR in 1Q. This is a QoQ comparison with the previous quarter.

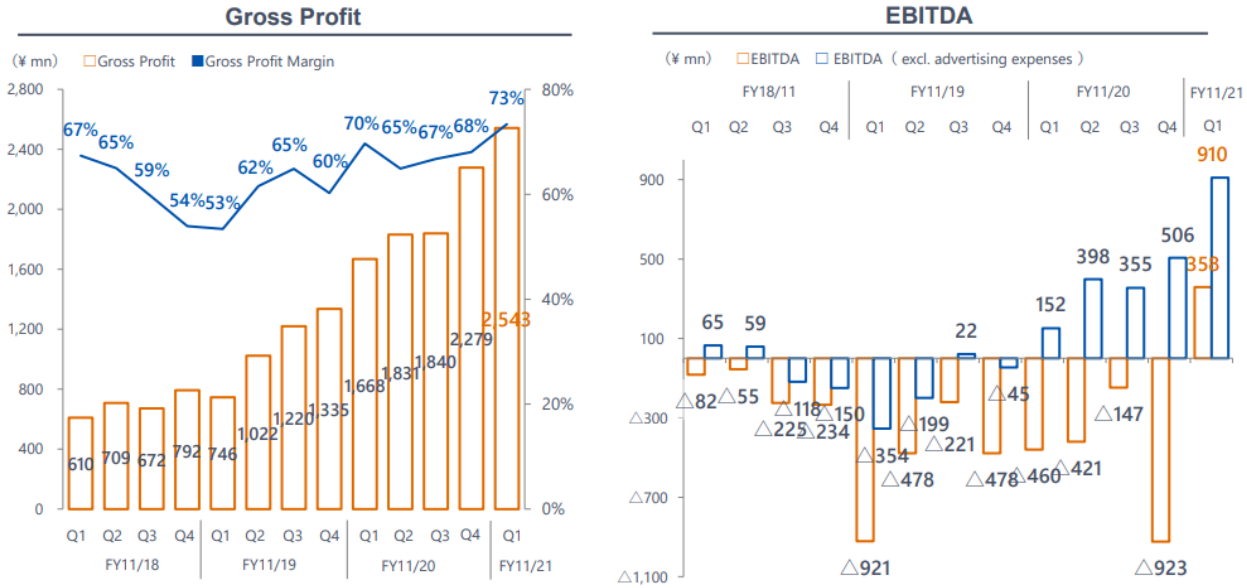
We saw an especially robust QoQ growth in ARR for sole proprietors, up 9% versus 3% last quarter.

I will mention the reason for this later.

ARR grew by 11% QoQ for corporate users in the Business domain, an acceleration in quarterly growth.

ALL | Gross Profit / EBITDA (Quarterly Trend) 18

Gross profit and gross profit margin both reached record highs. EBITDA excluding advertising expenses and EBITDA reached about ¥0.91 billion and ¥0.36 billion, **renewing record highs.**

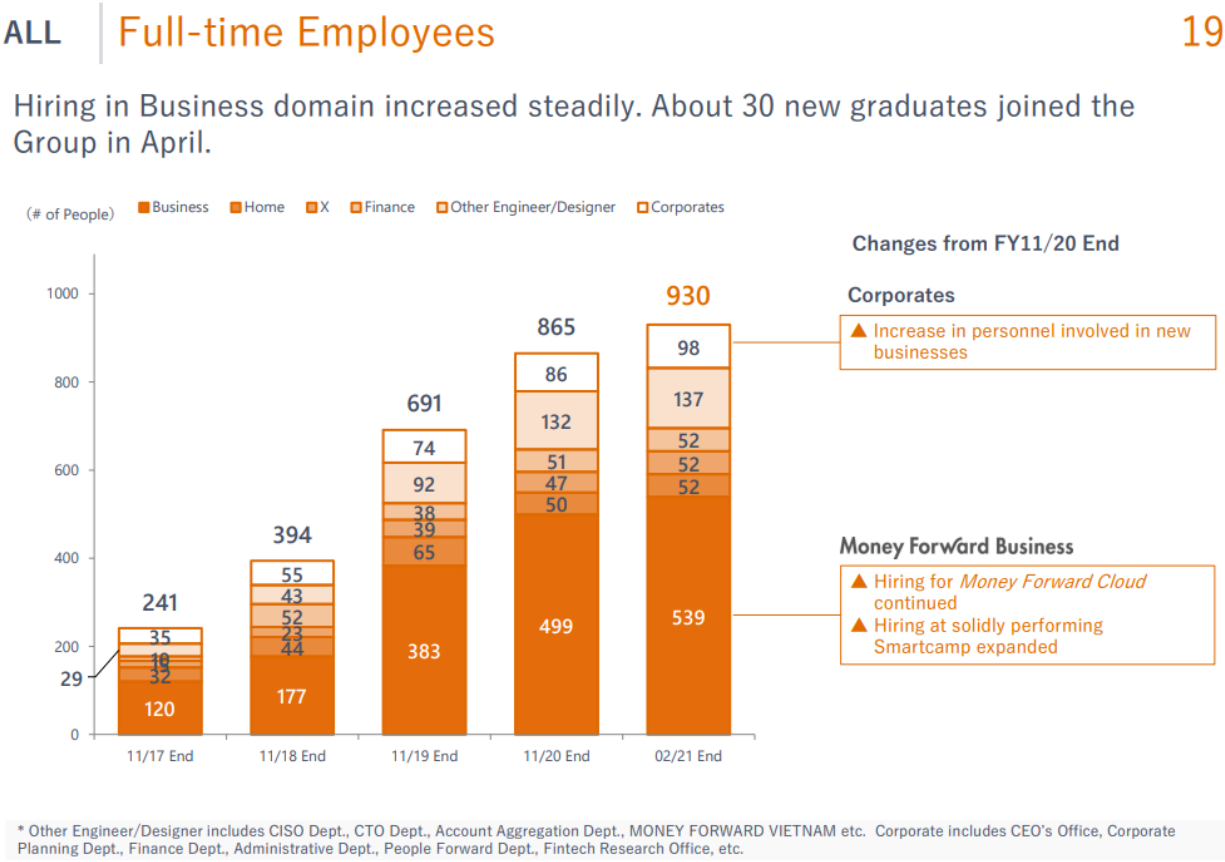


* EBITDA = operating profit/loss + depreciation and amortization + tax expenses included in operating expenses + share-based remuneration expenses * From FY11/20, started capitalizing software for development projects that are expected to generate revenue going forward, owing to continued enhancement of development capabilities.

Gross profit reached a record high. The gross margin improved to 73%.

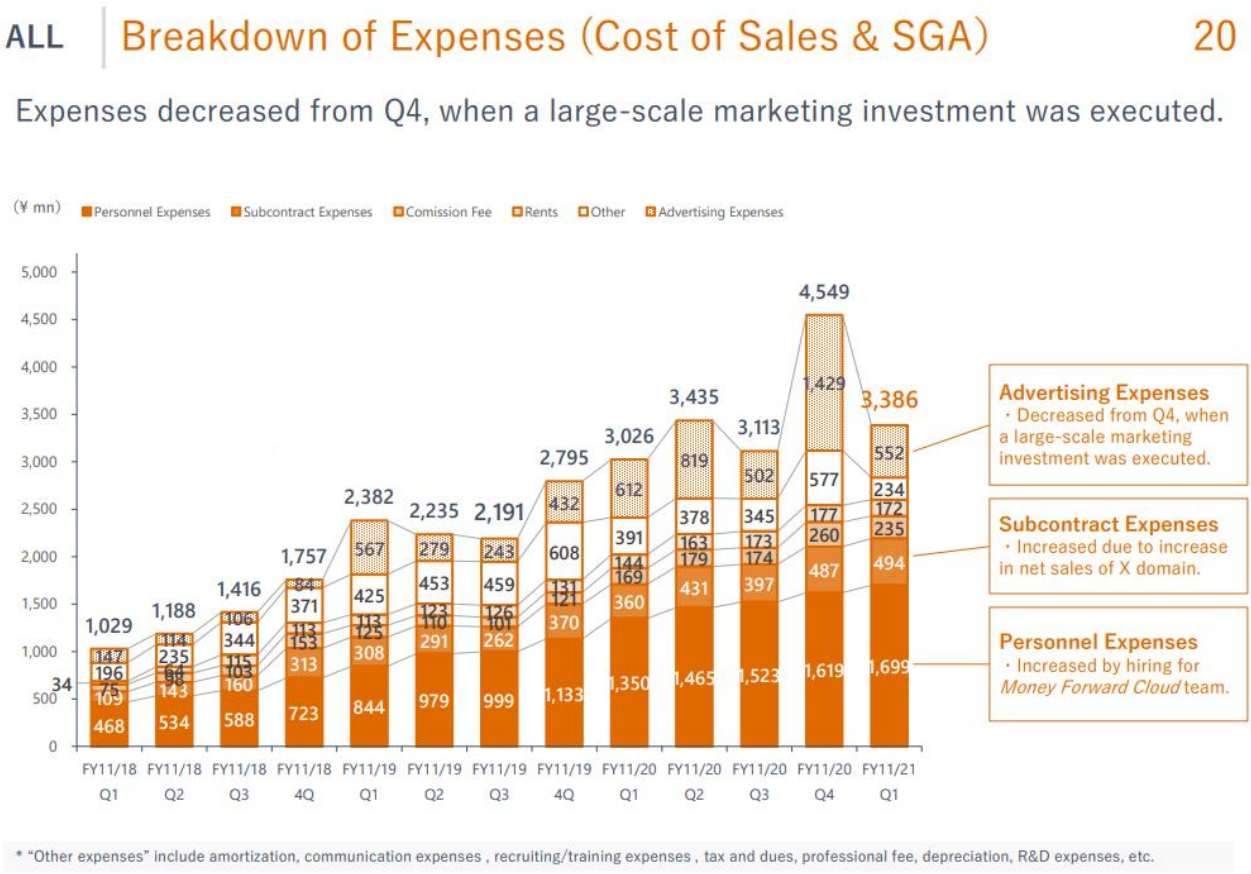
EBITDA excluding advertising expenses and EBITDA also reached record highs of JPY910 million and JPY360 million, respectively.

Although EBITDA swung to positive territory, we still intend to inject the necessary costs. We will firmly carry out investments aimed at sales growth. Hence, we intend to finish within the initial forecast range.



The number of full-time employees reached 930. We made steady progress in hiring activities in the Business domain. We also had 30 new graduates join the company in April.

We have been extremely successful in our hiring activities lately, with many talented people joining us. Even though we are operating remotely, we hope to conduct thorough onboarding and create an environment where they can deliver output.

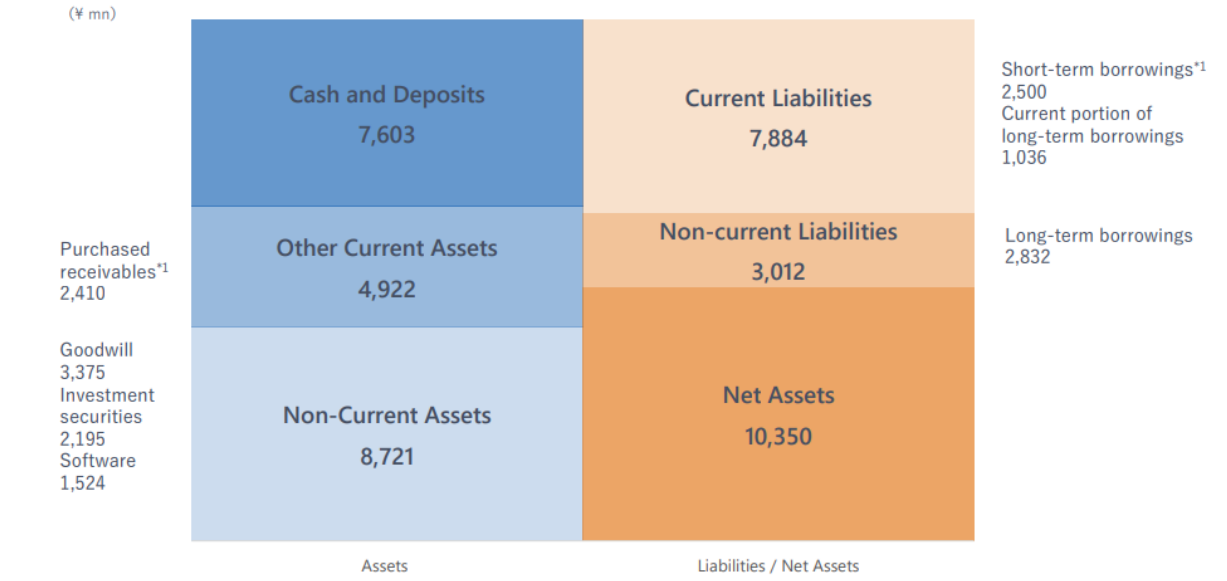


This is a breakdown of our expenses.

Costs have been coming down. We ran a large-scale marketing activity, including TV commercials in the last quarter in 4Q. As a result, the chief reason for the decline in expenses is the drop in advertising expenses from JPY1,429 million last quarter to JPY552 million this quarter.

Balance Sheet

Maintains a **high level of financial soundness**, with cash and deposits of approx. ¥7.6 billion and net assets of over ¥10 billion.



*1 Related to Money Forward Kessai, Inc.

Our balance sheet continues to be sound. Cash and deposits stood at roughly JPY7.6 billion, while net assets have exceeded JPY10 billion. This concludes the explanation of the overall business.

Business | Highlights in FY11/21 Q1 23

- Q1 net sales grew significantly, **increasing 51% YoY**[*1]. Sharp growth was driven by corporate customer sales.
- Smartcamp achieved a significant growth of **70% YoY**, supported by an expansion in the domestic SaaS market and aggressive marketing spending by SaaS business providers.
- Paying customers, including both corporate and sole-proprietor, increased steadily to total **154,000**[*2]. **The pace of winning sole proprietor users accelerated** by transferring PFM users and renewing apps.
- ARPA for corporate customers **rose 4.4% sequentially** to ¥80,587. Introduction of *Money Forward Cloud Accounting Plus* accelerated.
- Customer churn rate improved to **1.0%**[*3] from 1.4% a year earlier.
- ERP will further improve by the provision of ***Money Forward Cloud Contract***.

*1 Organic growth rate excluding R&AC's consolidation was 43% YoY.
*2 For the definition of the number of paying customers, please refer to page 25.
*3 3-month average up to February 2021.

Next, I will give the highlights for each domain, starting with Money Forward Business.

1Q sales rose 51% YoY. The robust growth was driven by corporate sales.

We made solid progress in the PMI of Smartcamp, which joined the company. As a result, Smartcamp realized strong growth of 70% YoY.

The number of paying customers increased steadily for both corporates and individual reaching 154,000.

Results have especially been solid this time, thanks to customer referrals of platform users and the benefits of the app renewal. A new topic for this quarter was the acceleration of user acquisition among sole proprietors.

Corporate ARPA rose 4.4% YoY to JPY80,587. The uptick was chiefly due to an acceleration in the adoption of Money Forward Accounting Plus, which has a higher unit price, among mid-sized companies.

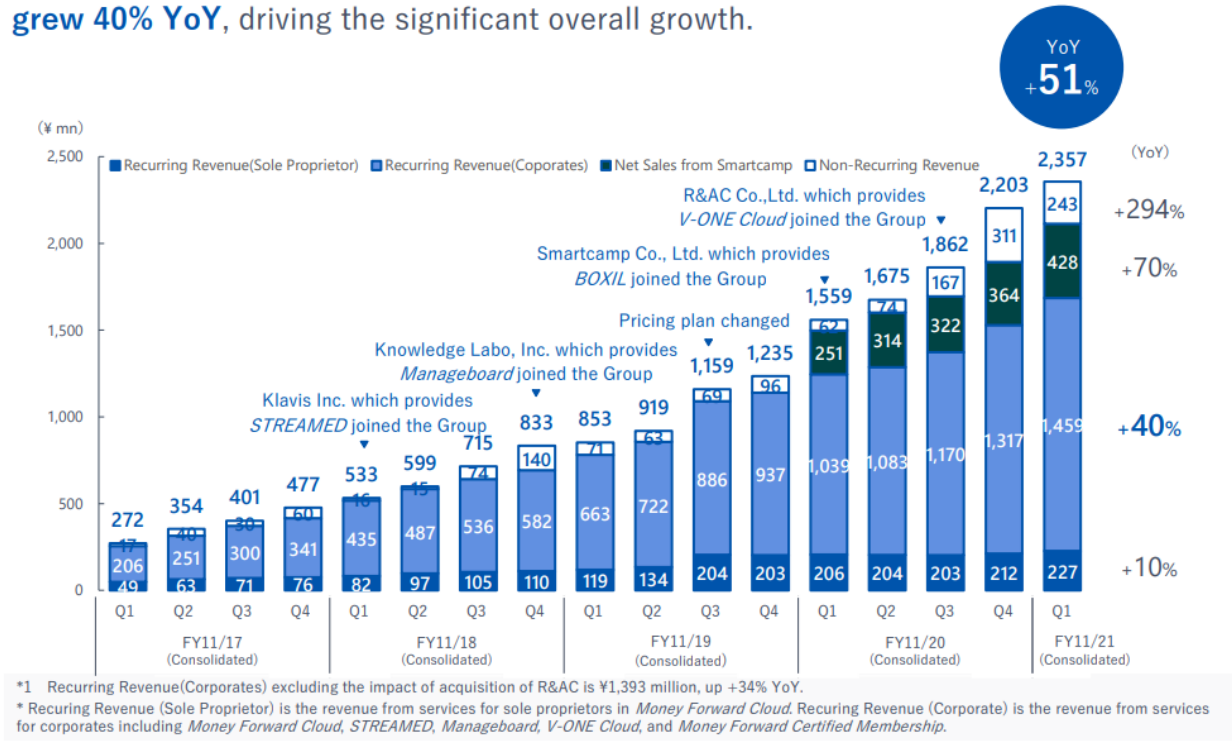
Here is the churn rate based on the number of paying customers. We've disclosed the churn rate on the basis of both MRR and the number of paying accounts, so it may appear somewhat confusing. On the basis of paying accounts, the churn rate was 1%, an improvement from the same period last year. I think this improvement is due to the widespread usage of our product and the product's evolution.

Furthermore, we are scheduled to start the provision of Money Forward Cloud Contract, so the product will be evolving even further as an ERP.

Business

Net Sales(Quarterly Trend)

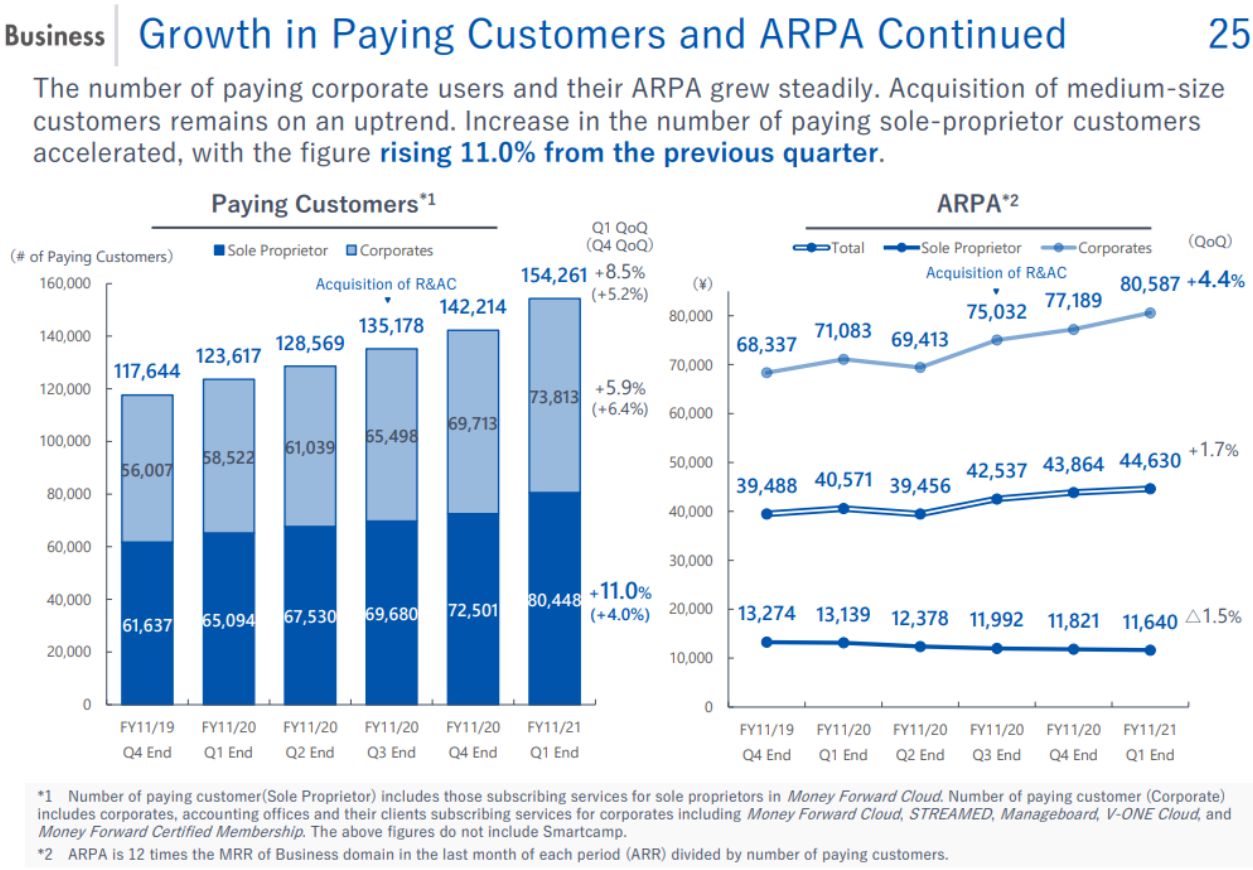
Net sales grew significantly, **increasing 51% YoY**. Corporate recurring revenue*1 **grew 40% YoY**, driving the significant overall growth.



*1 Recurring Revenue(Corporates) excluding the impact of acquisition of R&AC is ¥1,393 million, up +34% YoY.

* Recuring Revenue (Sole Proprietor) is the revenue from services for sole proprietors in *Money Forward Cloud*. Recuring Revenue (Corporate) is the revenue from services for corporates including *Money Forward Cloud*, *STREAMED*, *Manageboard*, *V-ONE Cloud*, and *Money Forward Certified Membership*.

Here is a graph that shows the quarterly sales growth. As you see here, the corporate recurring revenue was up 40% YoY, demonstrating robust growth.



Here is a slide showing the growth in the number of paying customers and ARPA.

On the left, you can see that the number of paying customers reached 154,261. Overall, the number of paying customers grew by 8.5%. The growth rate was 5.2% in the previous quarter, so the growth rate was solid. In particular, the growth rate accelerated from 4% last quarter to 11% this quarter for sole proprietors.

As for corporate customers, the number of paying accounts grew by 5.9% versus 6.4% in the previous quarter. The latest quarter was during the tax returns season, which is a period when the accounting firms with which we have established strong partnerships are extremely busy. Therefore, due to this seasonal factor, the corporate growth rate slightly decelerated to 5.9%.

On the right, we show the trends in ARPA. On the very top, it shows that corporate ARPA increased by 4.4% and exceeded JPY80,000. Overall, ARPA increased by 1.7%. As for the decline in ARPA for sole proprietors by 1.5%, the reason is the same as I have explained a number of times previously. We have been promoting a shift in user plan to an annual plan, which has a slightly lower fee. That is why the ARPA declined.



On page 26, we illustrate how our partnerships with accounting firms are expanding throughout Japan.

Out of the top 100 domestic accounting firms, 66% have adopted our Cloud Accounting. I believe this is the industry's leading adoption rate.

Business

Enhance Partnerships with Labor and Social Security Attorney Offices

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Through a tie-up with KiteRa, Inc., a cloud service provider who specializes in corporate internal rules, supports consultants to focus on their work to resolve labor issues of their clients.

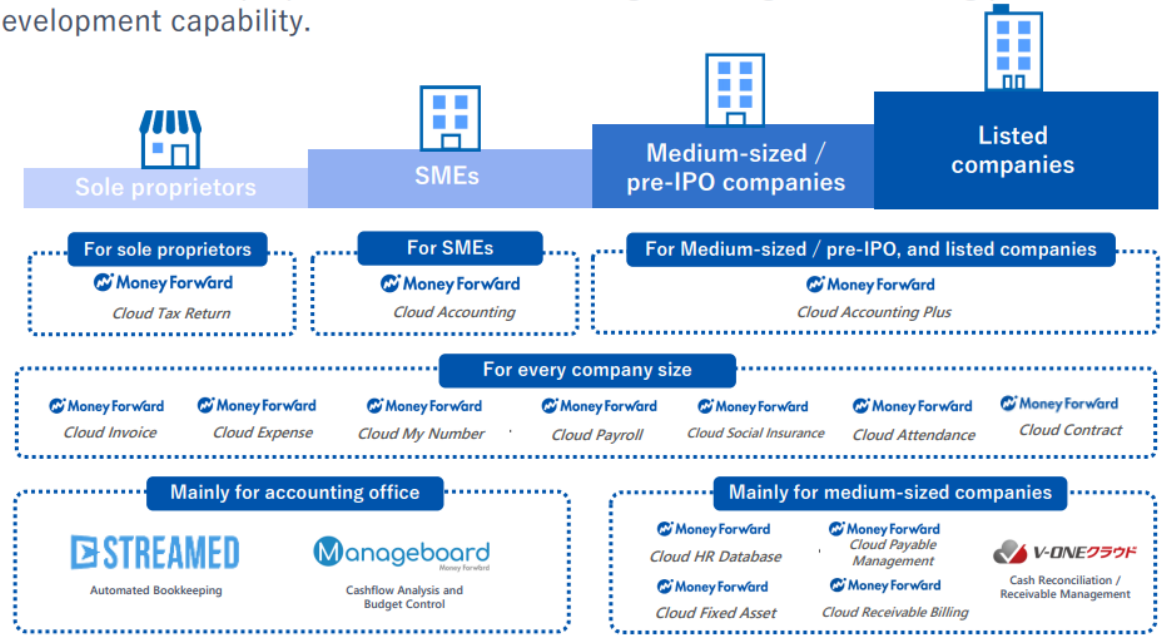
Money Forward KiteRa



On page 27, we describe our business tie-up with KiteRa aimed at strengthening our partnerships with certified social insurance labor consultant offices.

Business | Product Lineup to Address Various Companies 28

Expanding product lineup to target medium-sized / pre-IPO and listed companies, in addition to sole proprietors and SMEs, taking advantage of the strong product development capability.



* *Money Forward Cloud Fixed Asset*, *Money Forward HR Database*, and *Money Forward Cloud Contract* are to be released in May 2021. *Money Forward Cloud Receivable Billing* is to be released in June 2021.

Here, we organized the product lineup. We made significant progress in expanding and enhancing our product lineup for sole proprietors, SMBs, mid-sized companies, pre-IPO companies, and publicly listed companies.

The top row shows our accounting products: Tax Return, Accounting, and Accounting Plus.

The middle row shows the solutions we provide for companies of various sizes: Invoice, Expenses, My Number, Payroll, Social Insurance, Attendance, and Contracts.

In addition, STREAMED and Manageboard are companies that have joined the Group, and they mainly provide services for professionals.

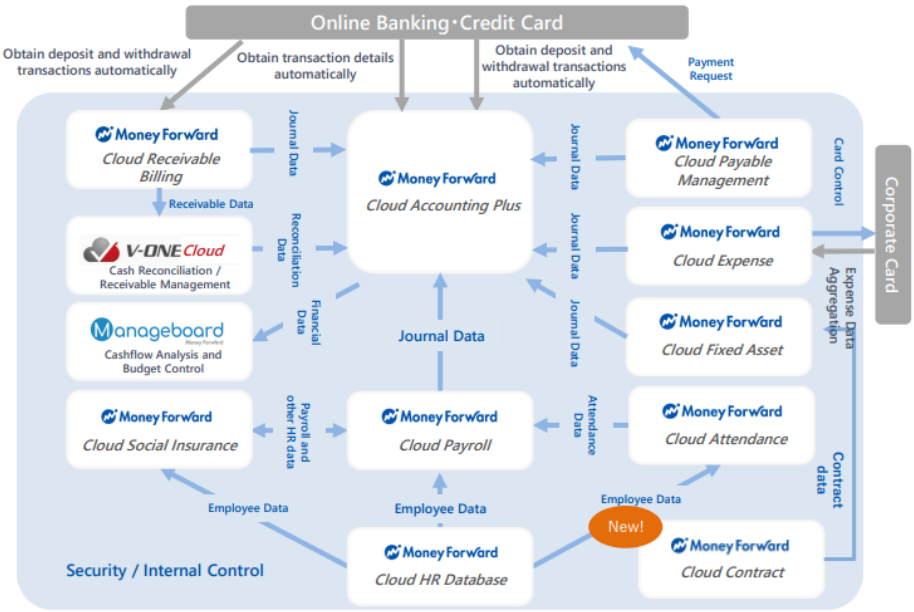
Our product lineup mainly for mid-sized companies include Cloud HR Management, Debt Payment, Fixed Assets, Claims, and V-ONE Cloud. This is probably the highest-quality product lineup in Japan.

Our development capabilities have improved greatly, allowing us to develop various products smoothly.

Business

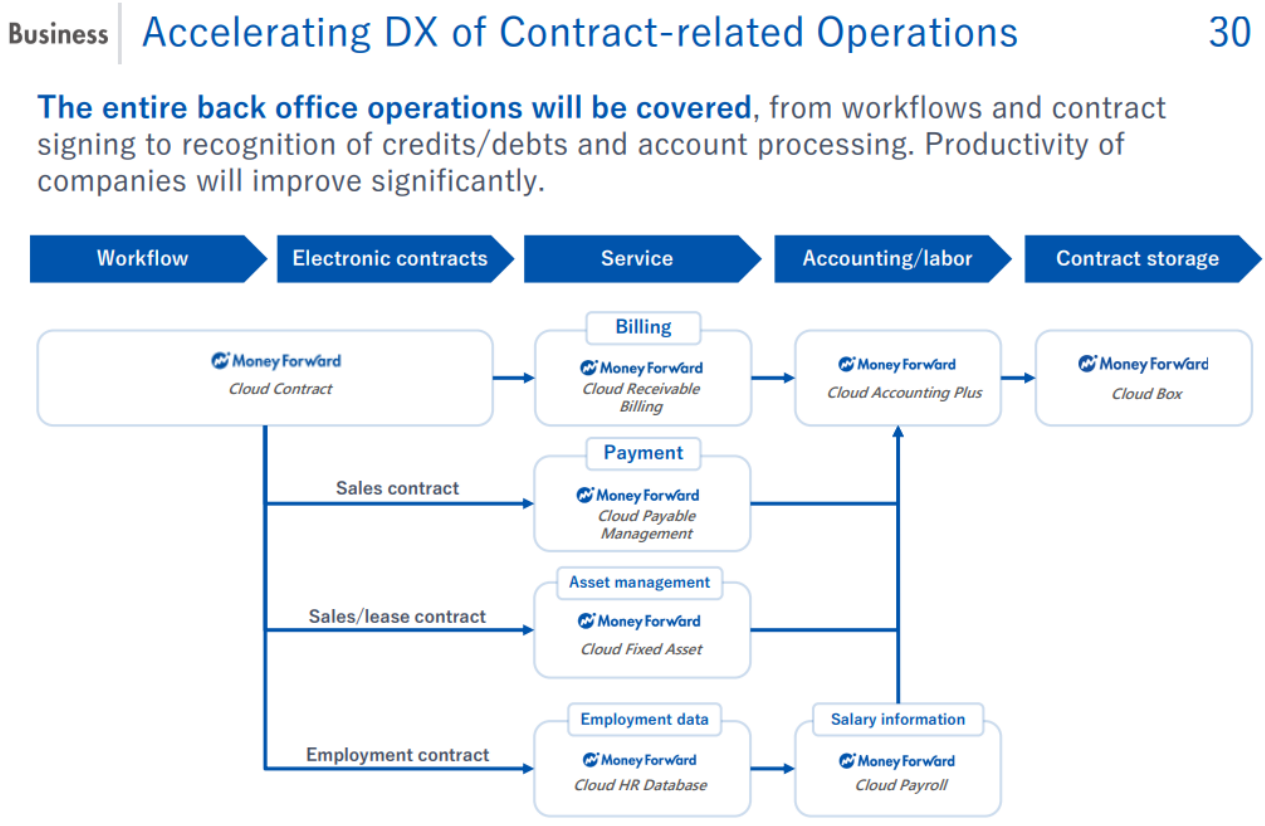
Powerful Product Lineup for Medium-sized / Pre-IPO and Listed Companies

Entering the legal field with ***Money Forward Cloud Contract***. * The Cloud ERP will cover accounting/finance, HR and legal fields with seamless data linkage.



* *Money Forward Cloud Contract* is to be released in May 2021.

This is a slide that extracts the products for mid-sized, pre-IPO, and publicly listed companies. As I stated earlier, we will newly offer Money Forward Cloud Contracts in the legal domain. By realizing the seamless integration of data in the accounting and finance, human resources and labor, and legal domains as an ERP solution, we aim to greatly improve the productivity of users.



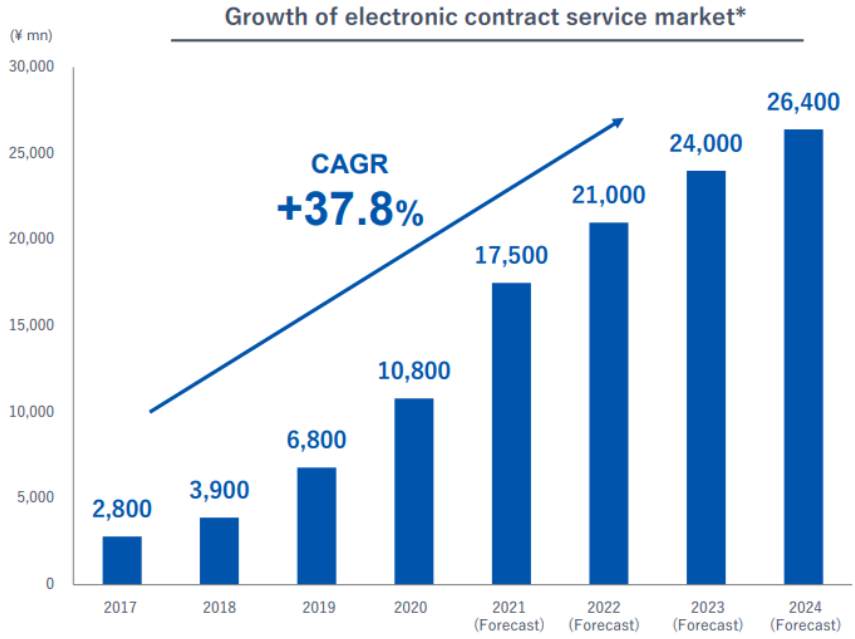
Here, we included a figure that illustrates the DX of contract-related operations.

Cloud Contract will be introduced in the workflows of companies. Once a workflow is approved, it will be converted into an electronic contract. The electronic contract will be sent to operations, and then to accounting and labor, and finally will be stored. By connecting this entire process with API, we aim to provide an end-to-end solution to customers that would help them dramatically increase productivity.

Once the contract details are determined using Cloud Contract, the billing details are determined using Cloud Receivable, and then that is sent to Cloud Accounting Plus, and finally stored in Cloud Box. Furthermore, there are various types of contracts, such as sales contracts, sales and lease agreements, debt payments, and fixed assets. Employment contracts are sent to Cloud HR Management and then to Cloud Payroll. Furthermore, by connecting with Cloud Accounting, the series of service integrations become stronger. We believe customers would be able to dramatically improve productivity by using multiple products.

Business | Legal Tech Market, Where Strong Growth Is Expected 31

Pursuing share expansion in the legal tech market by cross-selling *Money Forward Cloud Contract* to the existing users.



* Compiled from Yano Research Institute Ltd.'s November 24, 2020 press release entitled, "Electronic Contract Service Market in Japan: Key Research Findings 2020"

As all of you know, in the Legal Tech domain, the electronic contract service market is growing robustly at a CAGR of 37.8%.

Needless to say, we have a highly unique product lineup. But, on top of that, we intend to conduct sales and marketing to our existing customers who are using our finance and accounting and HR and labor products. By cross-selling our services, we intend to steadily expand our market share.



Please see page 32.

This slide is an example of how the adoption of Money Forward Cloud Accounting Plus is accelerating.

Here you can see some of the companies that have adopted the service, including publicly listed companies like AI inside, Karadanote, and Japan Hospice, as well as promising startups.



Second, here are some of the various companies that have adopted our Cloud Payroll, Attendance, Expense/Settlement, and Social Insurance services.

Customers who are publicly listed included AEON, LIKE, and JAFCO. There are also excellent companies listed on the Mothers stock exchange, such as Wantedly, Chatwork, and Uzabase.

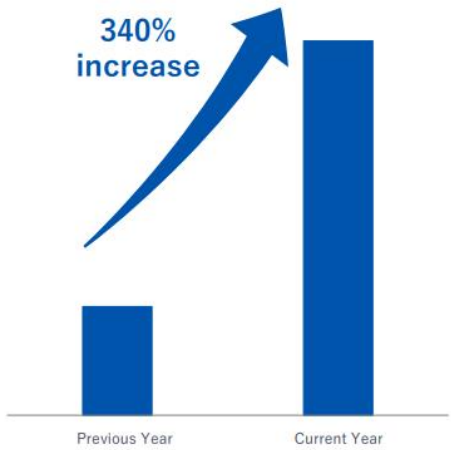
Business | Sole Proprietor Users Increasing Briskly 34

Japan's first to allow users to make journal entries, create tax returns and file them electronically from a single smartphone app equipped with electronic filing feature*1; **solid increase of customer referrals from PFM service.**

Enables electronic filing from smartphone



Number of new tax return users using *Money Forward ME* *2



*1 Based on February 5, 2021 Money Forward research on apps distributed on Google Play and App Store.
*2 The figures are the numbers of users newly registered for *Money Forward Tax Return* who had been using *Money Forward ME*. The previous fiscal year figure is for a period from October 1, 2019 to February 29, 2020 and the current fiscal year figure is for a period from October 1, 2020 to February 28, 2021.

Earlier, I said that user acquisition has been brisk for sole proprietors. There are 2 reasons for this.

The first reason is that we embedded our smartphone app with electronic signal functions that enable a one-stop solution for journalizing, creating, and submitting electronic declarations all in one app. This is the first app in Japan to realize this feature.

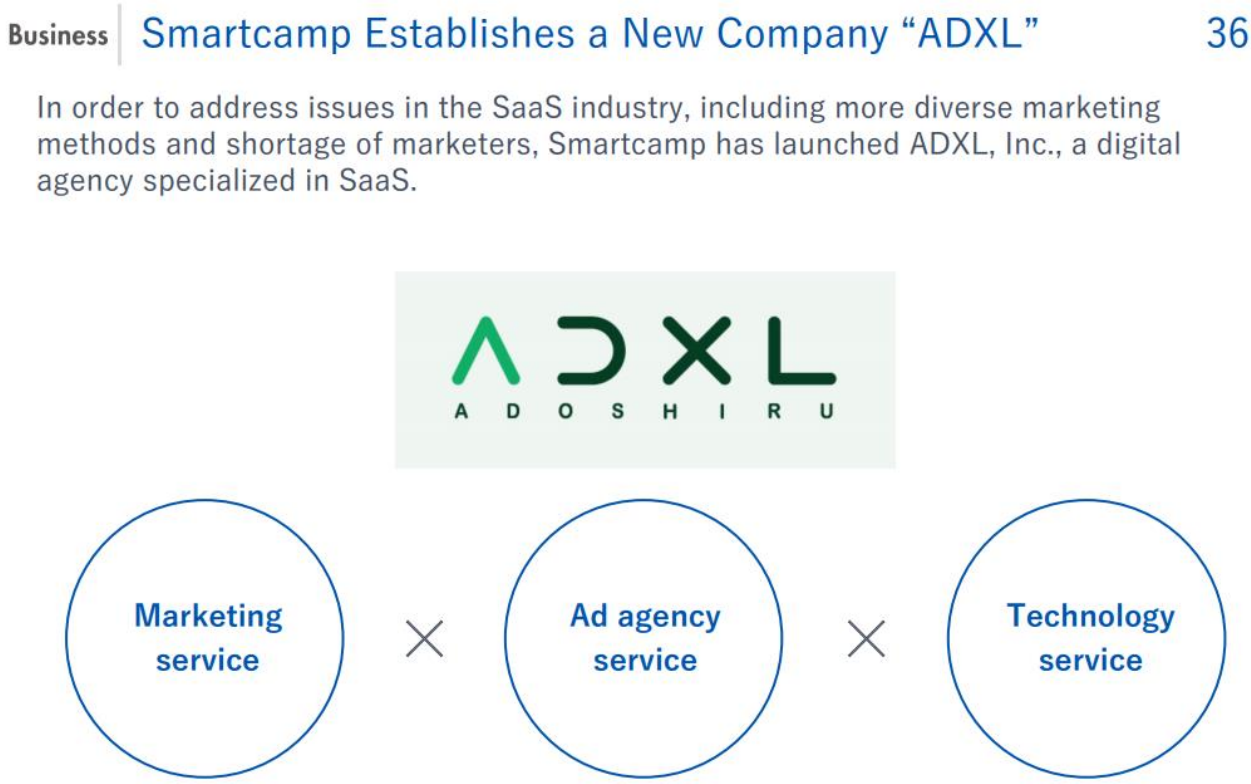
The other reason has been customer referrals from Money Forward ME. We made it easy for Money Forward ME users to complete tax returns just by marking the applicable journalized transactions.

BOXIL SaaS AWARD

The award aims to make SaaS known widely and help companies speed up their DX.



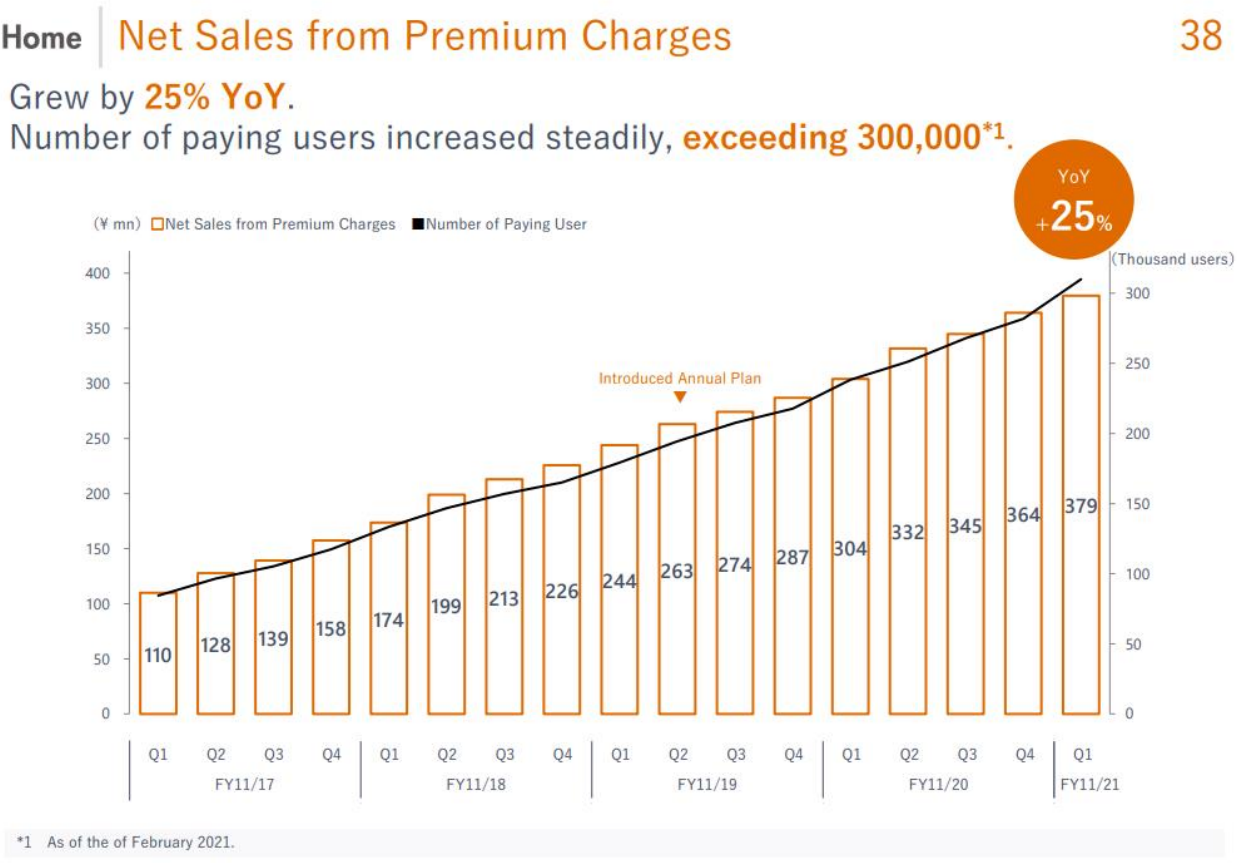
On page 35, we explain how we have held the BOXIL SaaS AWARD hosted by Smartcamp. This is an award that we hold every year to support the acceleration of corporate DX through the widespread adoption of SaaS by nominating SaaS products under the SaaS AWARD.



Smartcamp has been growing extremely steadily. It has a newly established company called ADXL.

In the SaaS industry, marketing techniques continue to diversify, and there is a shortage of marketers. By creating a digital agency specializing in SaaS marketing, we aim to make a company that combines marketing, ad agency, and technology services.

This concludes the explanation of the Money Forward Business domain.

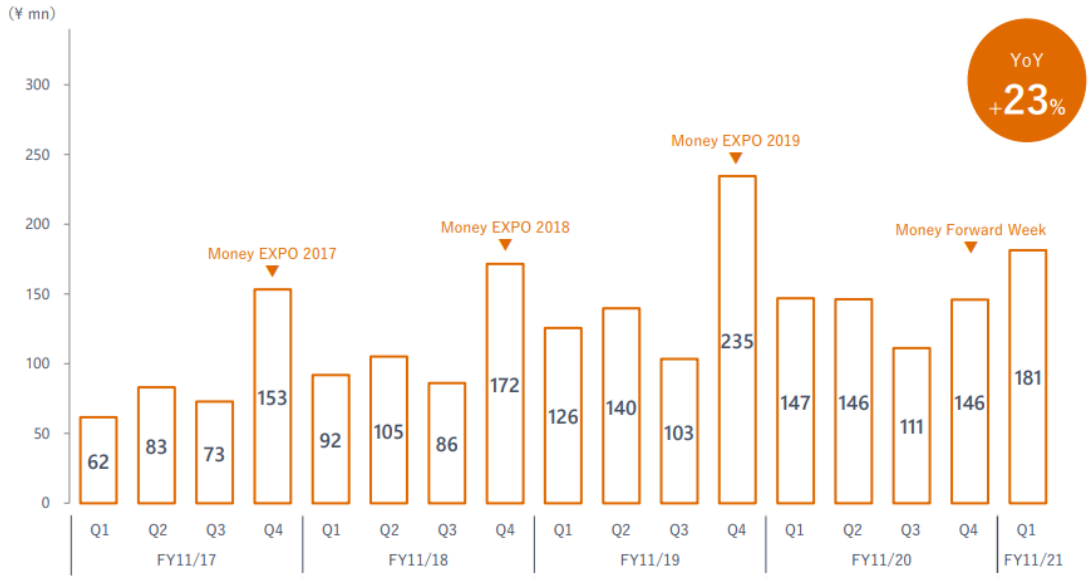


Next, I will go over the Money Forward Home domain.

The Money Forward Home business has continued to grow steadily by 25% YoY, with the number of paying users exceeding 300,000.

Home | Net Sales from Media/Advertising 39

Net sales grew **23% YoY**. New services, including *Money Forward Money Consultation*, contributed to the revenue increase.

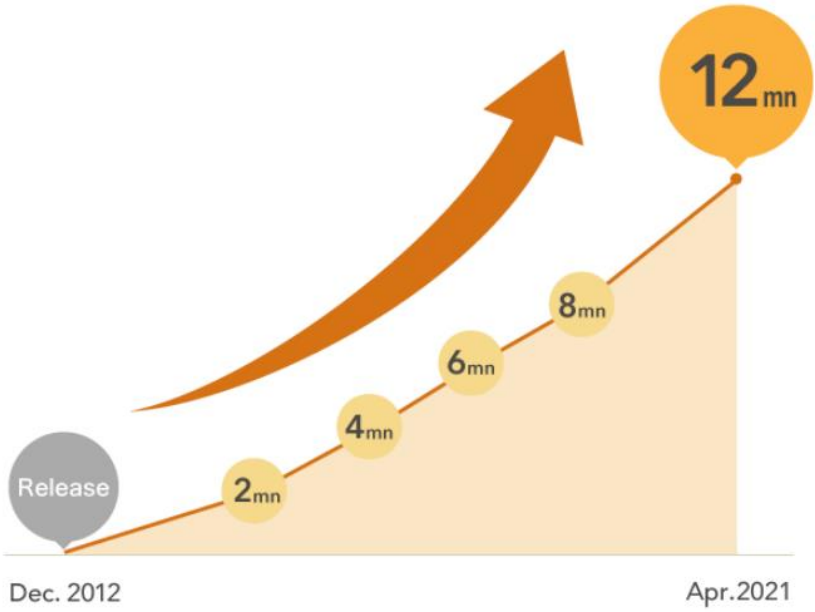


* Net sales from media/advertising include: 1) advertising sales from *MONEY PLUS* – lifestyle and finance online magazine, 2) sales from events (Money Expo) and seminars, and 3) sales from other PFM services including *Money Forward Money Consultation*.

Media sales grew by 23% YoY, driven by contributions from advertising revenues and new services. We are currently expanding various new services, including Money Forward Okane no Soudan, and they are gradually contributing to sales growth.

Home | *Money Forward ME* Users Exceeds 12 Million 40

The pace of user acquisition accelerated due to the stronger brand recognition.



In addition, the number of Money Forward ME users has reached 12 million with an accelerated pace of increase in the number of new users, thanks in part to a significant improvement in brand awareness.

Home

Household Income and Expense Data-Liking Function Launched for FPs

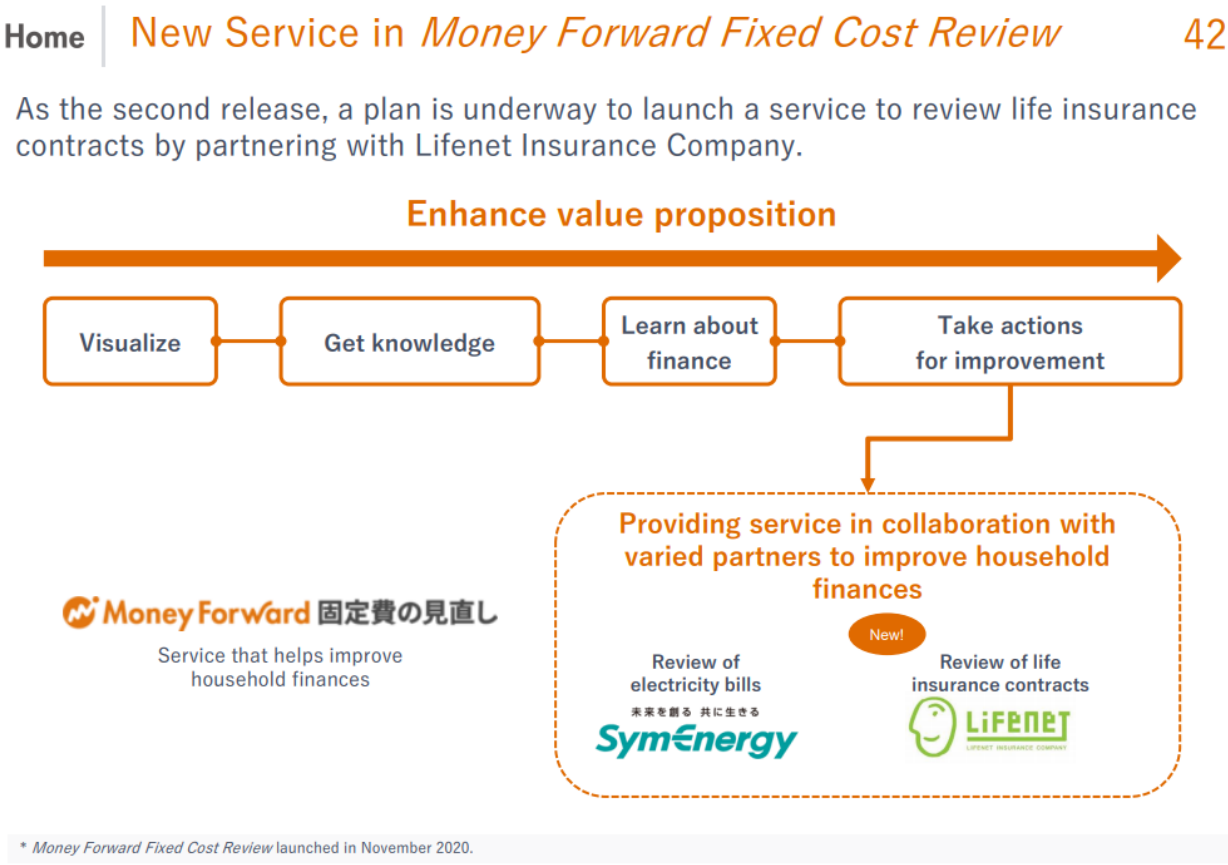
41

Started offering a household income and expense data-liking service that allows customers to share such data with financial planners in *Money Forward Money Consultation*.



The function shortens the time for asking customers about their finance and creates an environment in which FPs can focus on customers' financial issues and life plans.

We have also been accelerating our tie-ups with financial planners. Conventionally, it took a lot of time for financial planners to listen to every detail of user circumstances. But by sharing the household account book data that is already registered on ME by users with these financial planners, we are creating an environment that helps financial planners swiftly propose life plans or solutions to money problems.

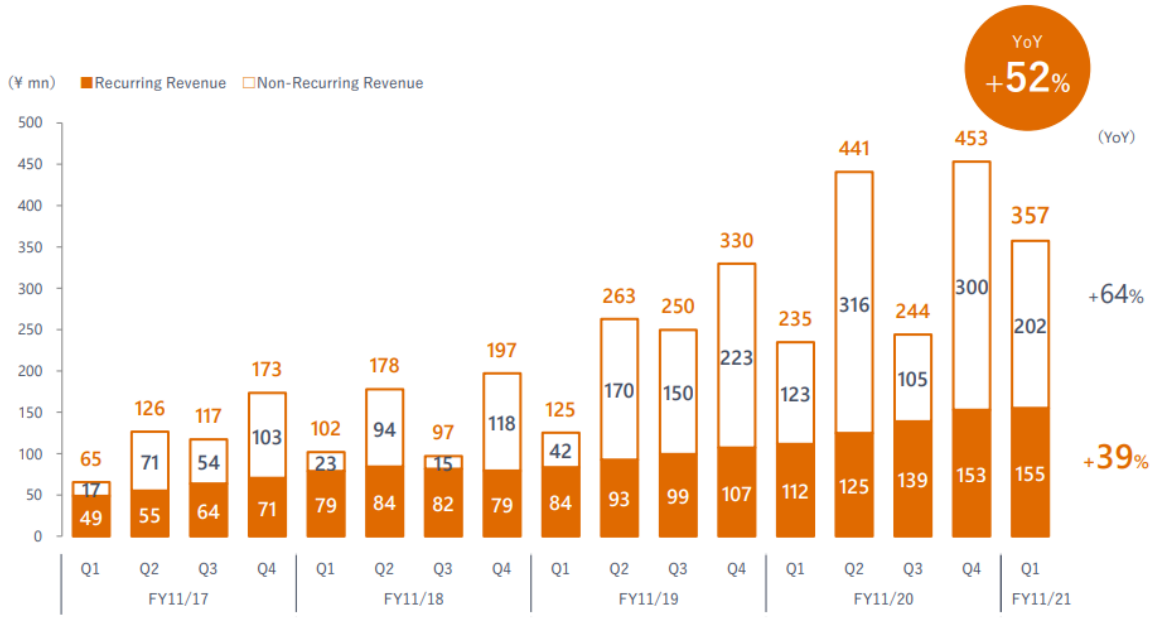


Furthermore, by visualizing the movement of money, we encourage users to take actions that would improve their personal finance. The visualization of money leads to noticing new things and learning about one's finances, thereby leading to actions for improving one's finances. We recently formed a tie-up with Lifenet Insurance to help users review their electricity bills and insurance premiums as part of the Money Forward fixed cost review service. We plan to start offering review services of life insurance plans, which account for a large portion of household budgets.

This concludes the explanation on Money Forward Home.

X | Net Sales from Money Forward X 44

Net sales increased **52% YoY**. Recurring revenue continued solid growth of **39% YoY.**

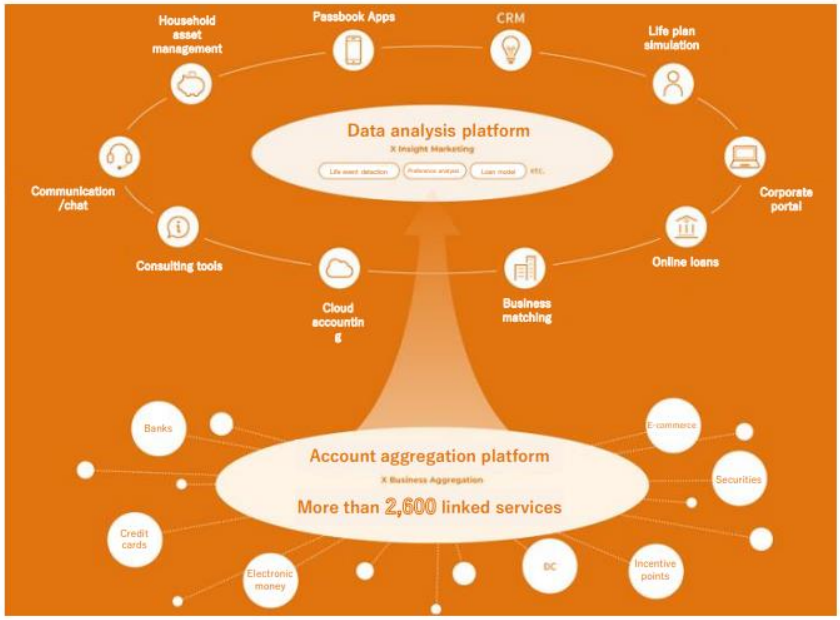


* Non-recurring revenue from initial development are recorded at the time of acceptance by clients, and not necessarily at the time of service launch.

Next, I will go over Money Forward X.

Net sales increased by 52% YoY demonstrating solid growth.

X | *Money Forward Fintech Platform* Launched for Financial Institutions by Partnering with AWS* 45



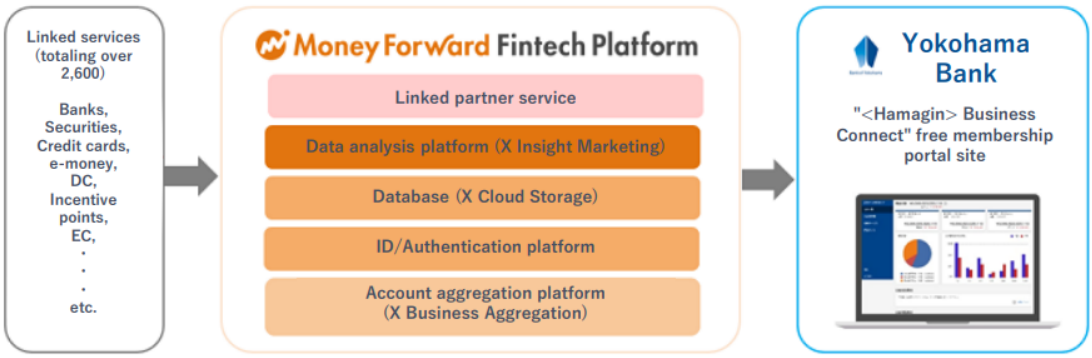
* Amazon Web Services

We partnered with AWS to start providing a Money Forward Fintech platform for financial institutions.

This is an image of how we have an account aggregation platform, on top of which we are building a data analysis platform. By connecting with services like AWS cloud and an AI analytics platform, we intend to expand our offerings of applications that are part of the data analysis platform shown on top.

X | 1st Project: Introduction at Yokohama Bank 46

Money Forward Fintech Platform helps financial institutions to expand services for customers and promote their DX.

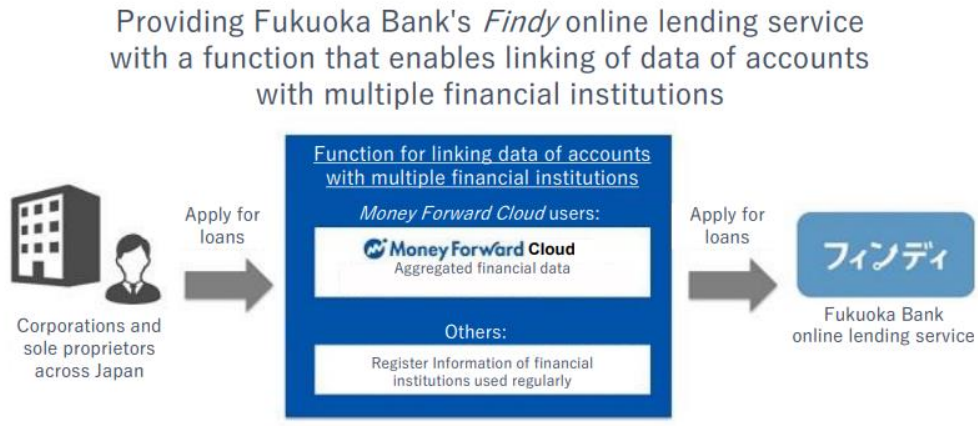


The Bank of Yokohama has already decided to implement our solution.

As you can see here, we will be supporting financial institutions in enhancing their customer services.

X | Providing Data Linkage Service for Fukuoka Bank 47

The function allows corporations and sole proprietors who do not have accounts of Fukuoka Bank to apply for their loan service, providing fundraising opportunities for wide-ranging users.



The second example is the adoption of our services by The Bank of Fukuoka. We started a connection function where we would offer account aggregation services for Findy, its online lending service.

Money Forward for X

Developing customized PFM service for financial institutions' customers.

Customers

SBI Sumishin Net Bank / Yamaguchi FG / Shizuoka Bank / Toho Bank / Gunma Bank / Shiga Bank / Okazaki Shinkin Bank / Tsukuba Bank /Sompo Japan Nipponkoa Himawari Life Insurance/ Tochigi Bank / Mizuho Bank / Toyo Bank / JA Bank/ Tokushima Taisho Bank/ Aflac Life Insurance (New)



Passbook Apps

Developing passbook apps for financial institutions' clients.

Customers

Gunma Bank / Tochigi Bank /Taiko Bank / Tsukuba bank / Michinoku Bank /Hokuriku Bank / Kyoto Shinkin Bank /JA Bank/ Shiga Bank / Labour Bank/ Saikyo Bank /Tokushima Taisho Bank



Asset Monitoring Unit・PFM Unit

Offering PFM tools within financial institutions' apps.

Customers

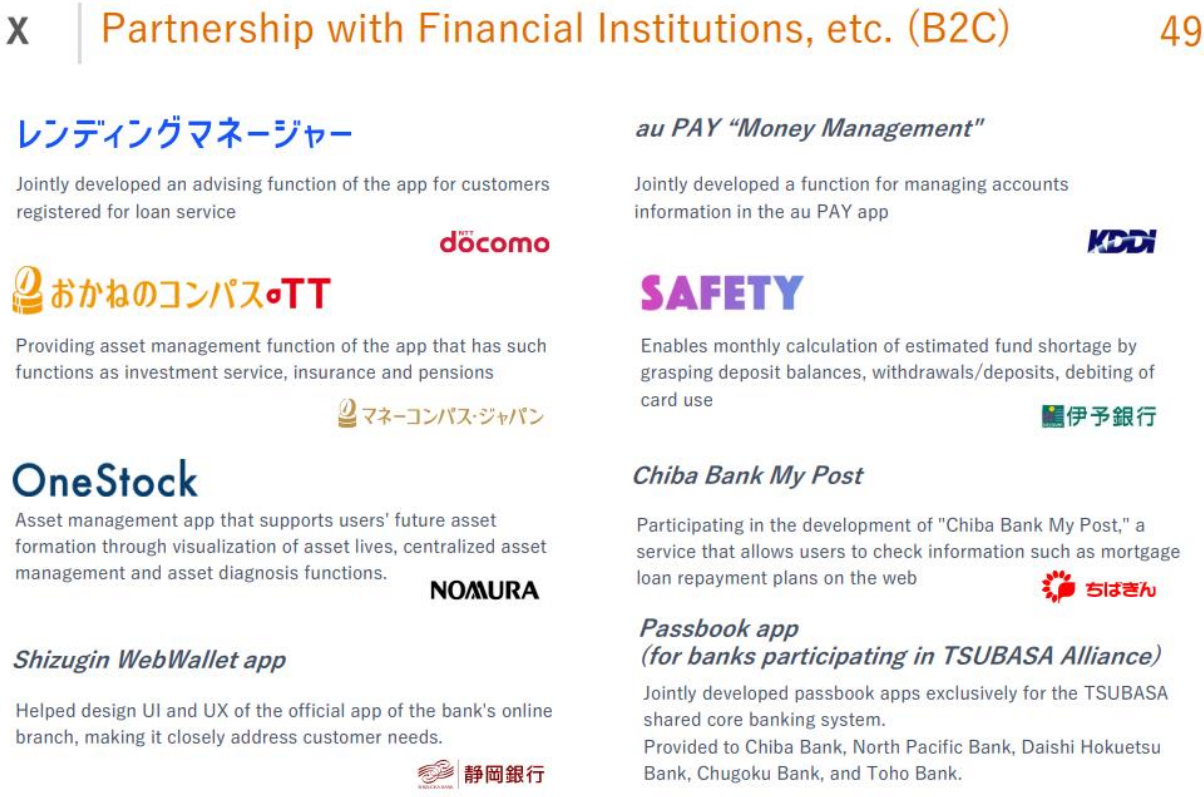
JAL card / Taiko Bank / Sendai Bank / Kyoto Shinkin Bank /Hokuriku Bank / Awa Bank / Akita Bank / Mitsubishi UFJ Morgan Stanley Securities(New) /Michinoku Bank (New) / Hokkoku Bank(New)



I would like to briefly explain what kind of services we are offering in collaboration with financial institutions. First, we offer Money Forward for Specific Services to financial institutions. We have newly started offering this service to Aflac Life Insurance.

The other service is Digital Passbook. This is a service that helps the shift away from paper. Users are happy with a digital passbook.

We also offer Asset Management Unit and Household Account Book Unit, which has been adopted at securities companies and banks marked as “(New)” on the slide.



We are also offering services to the companies listed here, such as Nomura Securities and non-financial institutions like Docomo.

X | Partnership with Financial Institutions, etc. (B2B) 50

Corporate portal

Membership portal site for corporate and sole-proprietor customers; jointly developed with NTT DATA

Advantages for financial institutions introducing it:

- Centralized management of information on deposits and withdrawals/deposits in multiple accounts
- Ability to conduct wide-ranging transactions, including the review of electronic documents
- Creates customer contact points online

Clients:

Bank of Yokohama, Hokuriku Bank, and Nishi-Nippon City Bank



BFM (Business Financial Management)

Service for corporate customers of financial institutions

Advantages for financial institutions introducing it:

- Centralized management of information on deposits and withdrawals/deposits in multiple accounts
- Automatically updates account balances and statements
- Enables download of statements in CSV format

Client:

Okazaki Shinkin Bank



Next, we provide the following services for corporate entities.

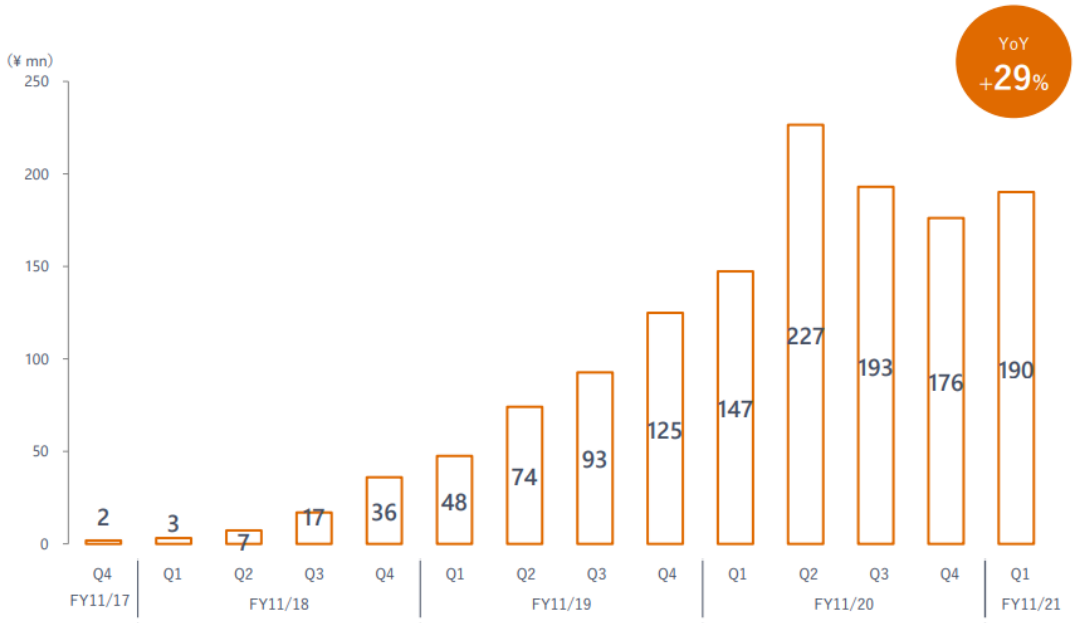
This is a corporate portal that we are developing with NTT DATA. This is a business financial management (BFM) tool, which is a service catering to corporates, especially financial institutions. The corporate portal has been adopted by the Bank of Yokohama, Hokuriku Bank, and The Nishi-Nippon City Bank.

The BFM tool has been adopted at The Okazaki Shinkin Bank.

Our product lineup has expanded considerably in the X domain. Ever since we announced our partnership with AWS previously, we have received all kinds of inquiries. We aim to help financial institutions implement DX and broaden our services for the clients of these financial institutions.

Finance | Net Sales from Money Forward Finance 52

Q1 achieved net sales growth of **29% YoY**. Continuing to tighten credit control.



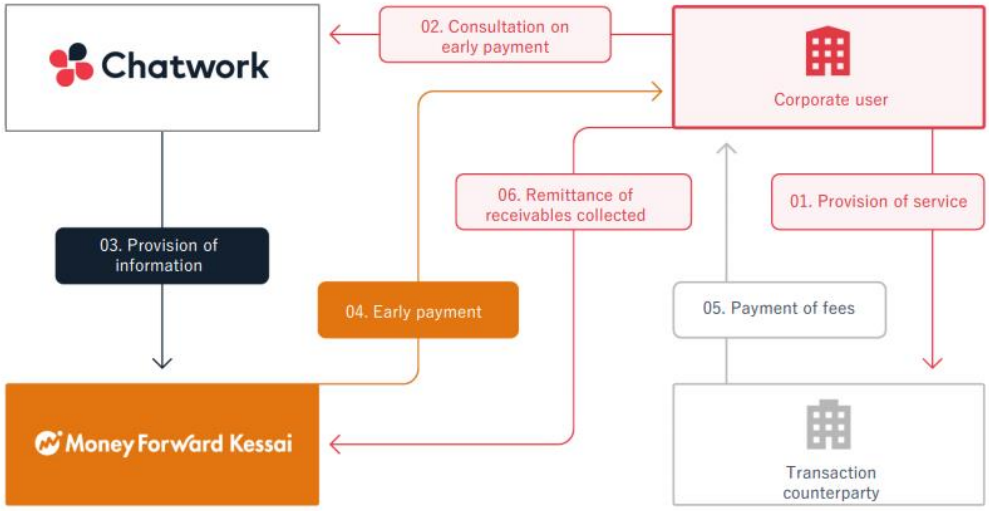
Lastly, I will go over Money Forward Finance.

Net sales grew by 29%. We are continuing to strengthen our credit management.

Regarding the disclosure released earlier that may have worried you, we have been able to control the bad debt ratio within the overall expected range. We aim to continue to grow sales by conducting proper management of credit.

Finance | *Chatwork Early Payment* Service Launched 53

Started partnering with Chatwork, which has one of the largest business chat customer bases in Japan.



There was a strong need for our services by users of Chatwork, which has the largest business chat customer base in Japan. As such, we started a collaboration with Chatwork where we would offer back-end support in Chatwork's early deposit service.

That's all for my explanation of the Finance domain.



Finally, I would like to go over the growth strategy.

As I have been saying before, the most important investment will be the strategic investment in the Business domain. We will strengthen the customer success of accounting firms through our branch offices nationwide. We will continue to invest aggressively in sales and marketing targeted at mid-sized companies. We will promote the tax filing app embedded with an electronic declaration function. Furthermore, we will strengthen the connection with our PFM services.

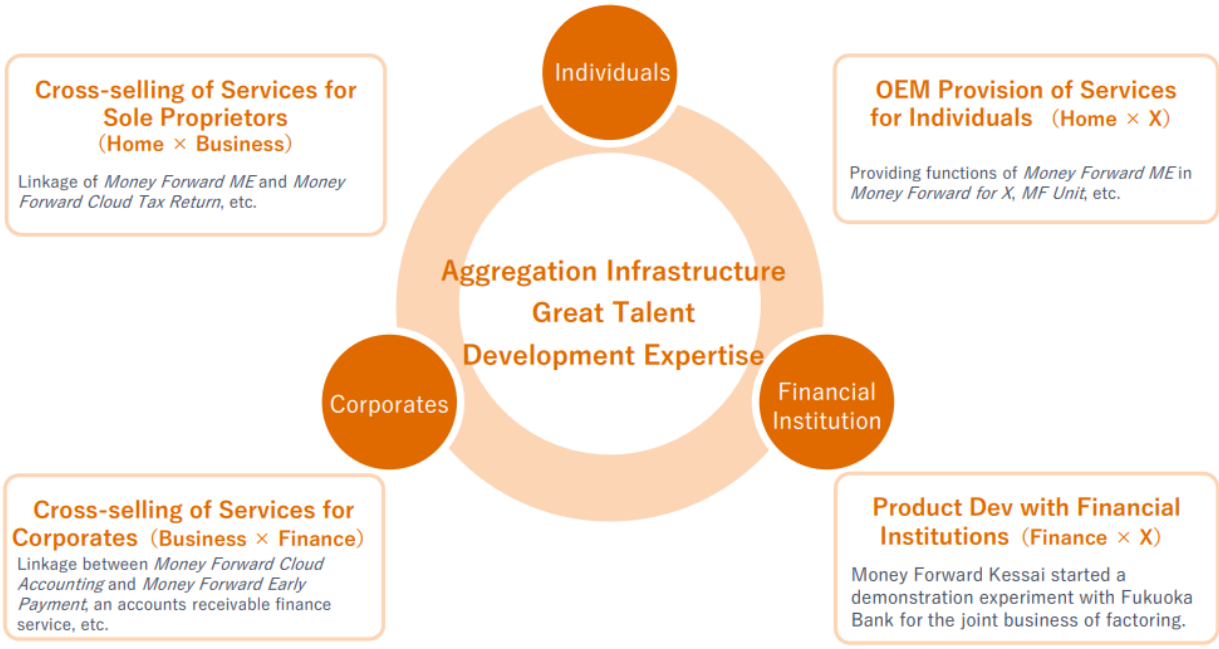
We believe there are considerable synergies from operating multiple businesses. One of them is the ongoing expansion of TAM. Other benefits include the expansion of the value provided to users and an improvement in brand awareness. Above all, by operating multiple businesses, we are able to hire a diverse group of talented individuals. The third item is an investment in technology. Placing great emphasis on technology investments, we have created Money Forward Lab. We will continue to make solid investments in this field, as we believe our product development and design capabilities are our competitive advantages.

Finally, the fourth item is ongoing acquisitions, or what we refer to as Group Joins.

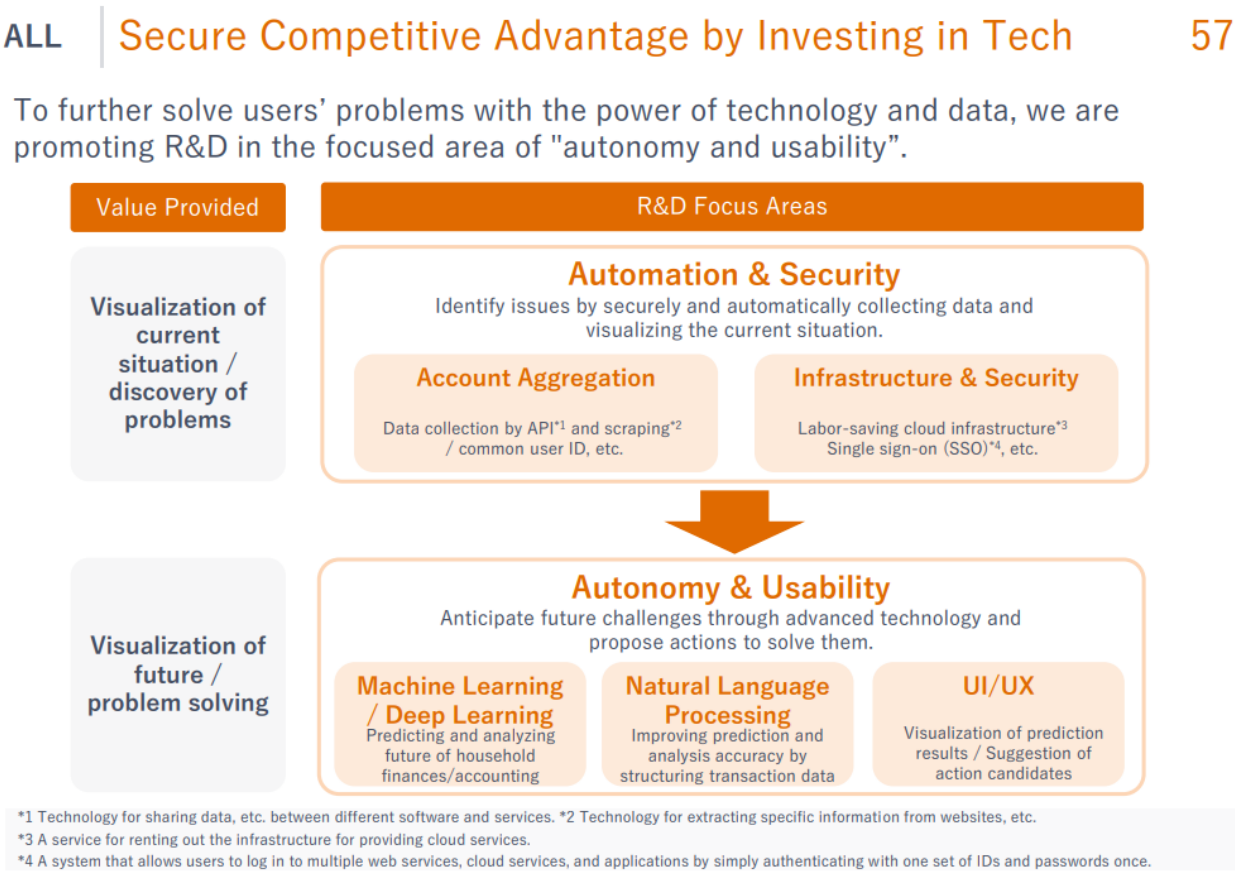
Ever since we were publicly listed, we have successfully executed the PMI of 4 companies, which are now making significant contributions. Another key point about our group is that not only are these acquisitions contributing to strengthening our product lineup, they have also been an opportunity for the entrepreneurs and management teams of the acquired companies to participate in the Group's overall management, thereby helping strengthen our management capabilities.

Create Synergies by Operating Multiple Domains

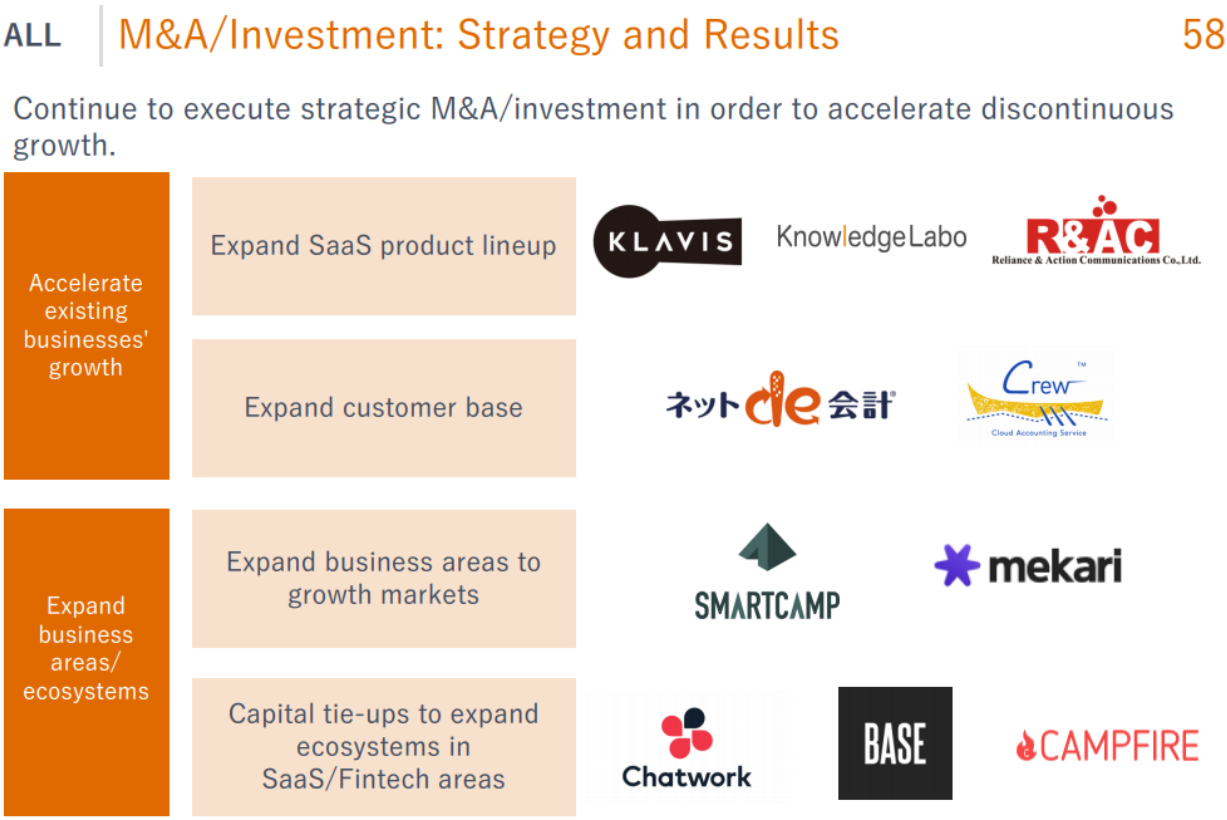
Cross-selling of *Money Forward Cloud Tax Return* to PFM users has greatly accelerated.



Regarding the synergies of operating multiple domains, this time, we have seen a rapid acceleration in cross-selling between our PFM users and Money Forward Tax Return, as explained earlier. We intend to accelerate cross-selling across various points, as you can see here.



Regarding our investments in technology, we currently possess automation and security technologies. But, in the future, we also aim to add autonomy and usability as themes and promote R&D in machine learning, AI, deep learning, natural language processing, and UI/UX technologies as focal areas.



As for our investment strategy and track record in “Group joins,” we intend to make solid progress in delivering continuous growth while keeping our eyes on realizing discontinuous growth. As such, we intend to continue to make strategic acquisitions and investments.

Here we organized our past acquisitions. KLAVIS, KnowledgeLabo, and R&AC have joined the Group to enhance our SaaS product lineup, as part of our efforts to accelerate growth in our existing businesses.

In addition, to expand our customer base, we had Net de Kaikei and CREW become our users.

Furthermore, we have been working on expanding the ecosystem through broadening our business domains into growth markets. In this context, we acquired Smartcamp, the leading SaaS marketing company in Japan, and are partnering with Mekari, the leading cloud accounting and HR company in Indonesia.

In the SaaS and Fintech domain, we aim to expand our ecosystem while forming business tie-ups with excellent companies like Chatwork, Base, and Campfire.



Our policy is to invest in growth and turn the business profitable.

This is the same information that we usually provide, but our business model has a very low churn rate. Therefore, we are focused on maximizing our medium-to-long-term cash flows. Needless to say, we will take definitive actions to invest in growth while at the same time keeping a close eye on the soundness of management indicators.

As for our M&A strategy, we will carefully select targets that are rational and financially sound. In fact, we are currently receiving all kinds of proposals, so we will exercise thorough discernment as we move forward.

Also, we have formed a partnership with Mekari, as I stated earlier.

We aim to achieve positive EBITDA for the full fiscal year by strengthening our earnings foundation and cash flow generation capabilities while upholding the growth investment policy, as I just explained.

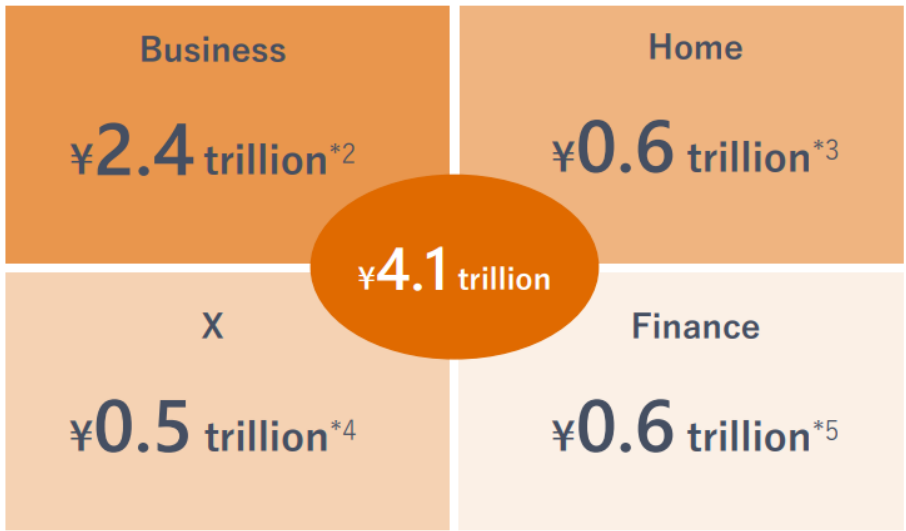
Furthermore, we aim to strive for the improvement of corporate value with the aim of being listed on the Prime Market, the First Section of the Tokyo Stock Exchange, as soon as possible.

ALL

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

60

TAM of Business domain expanded to ¥2.4 trillion, driven by expansion in solutions targeting medium-size companies.



* All footnotes are described on page 61.

ALL

Definition of Total Addressable Market (TAM)

61

*1 Total Addressable Market. Potential market size for four domains of Money Forward is estimated, by using certain assumptions, based on third party research, publication as well as Money Forward historical data.

*2 Total sum of Back office SaaS TAM and Domestic SaaS marketing. Back office SaaS TAM is calculated based on 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. Created by Money Forward based on National Tax Agency 2017 Survey, MIAC June 2016 Economic Census Activity Survey, MIAC 2017 Labor Force Survey. Total SaaS Marketing market size is estimated based on data which is back office SaaS expected market share in FY2019 (Fuji Chimera Research Institute, Inc., 2019 New Software Business Market.) and back office SaaS potential market size. Average advertising costs to net sales ratio of domestic major listed SaaS companies which was calculated by Money Forward based on financial reports and presentation documents of Money Forward, RAKUS, Uzabase, User Local, kaonavi, Chatwork, Sansan, freee, Cybozu, and TeamSpirit.

*3 Home TAM is calculated based on total potential number of domestic *Money Forward ME* paying user plus additional potential revenue coming from new applications fee for financial services such as life insurance, home loan, brokerage account, and credit card. The fee is based on Money Forward's historical data. Number of total potential users are calculated based on number of internet banking accounts for major 5 banks as well as data provided in H28 Financial and Information System White Paper. New user is estimated based on various data source such as the life insurance association of Japan. Survey on Insurance policy by contract type in H30; Japan Securities Dealers Association. Survey on Individual shareholders, dated July 17, 2019; Ministry of Land, Infrastructure, Transport, and Tourism Survey on Housing Loan; and Japan Consumer Credit Association. Survey on Credit Related Statistics in 2018.

*4 Calculated for potential market size that is related to service provided by Money Forward X within domestic contract development software market. Data based on Information and Communication Basic Survey in 2018 as well as company historical data and estimates.

*5 Calculated by annual required working capital for corporate under revenue of ¥500 million multiplied by ratio of post payment settlement usage as well as annual fee potentially charged by Money Forward Kessai for its service. Working capital = receivable + inventory - payable. Data based on Small and Medium Enterprise Agency's report on basic survey on SMEs in FY2016 as well as company estimates.

Lastly, this is our TAM. As for the Total Addressable Market, we have expanded our solutions targeting mid-sized companies and also entered the Legal Tech field. As a result, we have expanded our TAM in those domains, resulting in a total TAM of JPY2.4 trillion in the Business domain.

Thus, we believe the total market across all the domains where we operate equals JPY4.1 trillion. This is a market that still has considerable potential. We will take steps to ensure that we deliver user-focused products that satisfy our users. We hope to grow the company while making steadfast efforts.

That's all from me. Thank you for your attention.