Financial Results for the 1st Quarter of Fiscal Year Ending November 30, 2023

Money Forward

April 14, 2023

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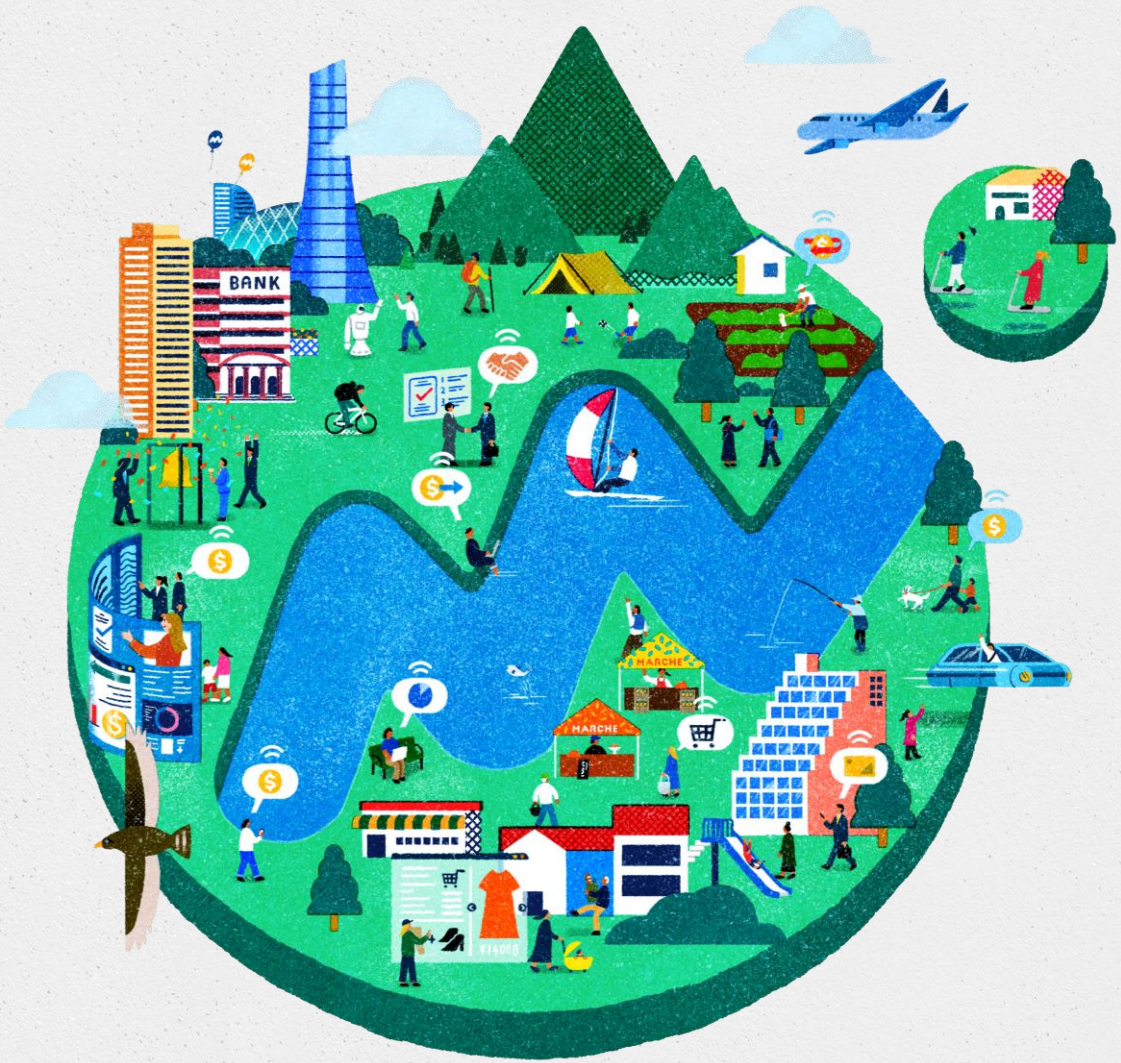
Our Business





MISSION

Money Forward.
Move your life forward.

VISION

Becoming the financial platform for all

VALUE **User Focus | Technology Driven | Fairness**

CULTURE **Speed | Pride | Teamwork | Respect | Fun**

Create a Sustainable Society Through Realizing Our Mission/Vision

We have set 3 priorities to achieve the SDGs targets.
We contribute to resolving financial issues for all and create society that drives challenge.

User Forward

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

Society Forward

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

Talent Forward

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

SDGs Target

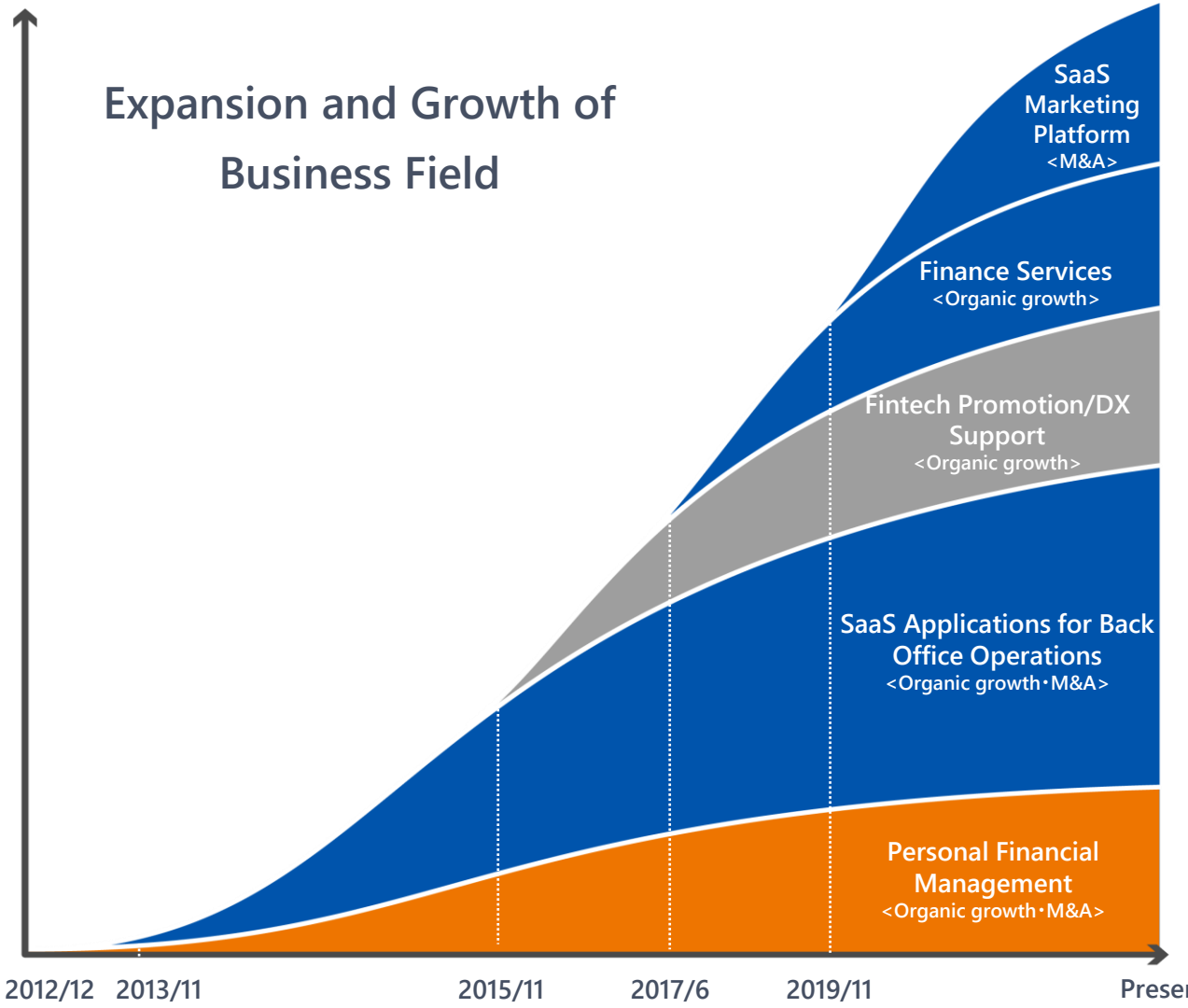


Foundations Supporting 3 Priority Themes

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

Governance that Balances Offense and Defense

Expanding Business Field Through New Business Development and M&A



BOXIL SaaS
BOXIL EXPO
BALES
ADXL ADOSHIRU
Money Forward Kessai
SHIKIN powered by Biz Forward
Money Forward Early Payment
SEIKYŪ powered by Biz Forward
Money Forward X
Mikatano
Money Forward Fintech Platform
Money Forward Cloud
STREAMED
Manageboard Money Forward
V-ONE Cloud
Money Forward Admina *1
HITTO
Money Forward ME
Money Forward Fixed Cost Review
Money Forward Personal Financial Consulting
Nexsol

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

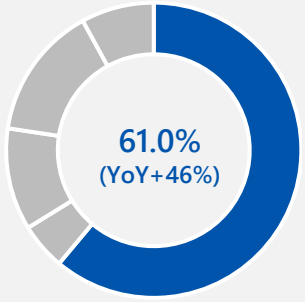
Providing One of Japan's Largest User Base and Product Lineup in SaaS / Fintech Field

Corporates

Business

SaaS Applications for Back Office Operations

Cloud service for back-office operations (accounting/finance, HR, legal, and information systems)
Paying customer : **260k, approx. half of which are corporates.**

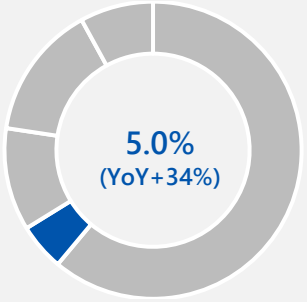


Money Forward Cloud / STREAMED / Manageboard / V-ONE Cloud / Money Forward Admina / HITTO

Finance

Financial Services

Provides BtoB deferred payment billing and factoring services. Provides online factoring service in partnership with MUFG.

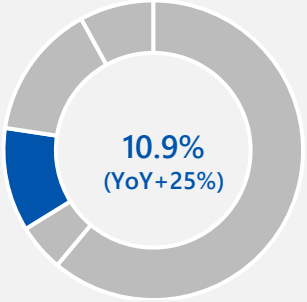


Money Forward Kessai / Money Forward Early Payment / SHIKIN / SEIKYŪ

SaaS Marketing

SaaS Marketing Platform

One of Japan's largest SaaS marketing platforms operated by SMARTCAMP



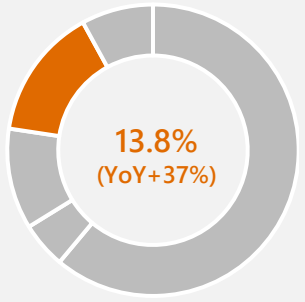
BOXIL SaaS / BALES / BOXIL EXPO / ADXL

Individuals

Home

Personal Financial Management Services

User : **14.3mn+**
Japan's No. 1 share[*1]
Paying customer：**460K+**
Aggregated Asset : **¥17tn**[*2]



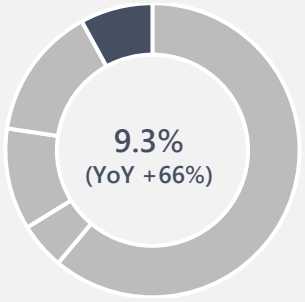
Money Forward ME / Money Forward Fixed Cost Review / Money Forward Personal Financial Consulting / Nexsol

Financial Institutions

X

Digital Transformation of Financial Institutions

Fintech platform linking individuals/corporates, financial institutions and fintech companies. Developed **141** services (including joint development)



Money Forward X / Money Forward Fintech Platform / Mikatano

* Pie chart shows the proportion of FY11/23 Q1 revenue. *1 Number of users of *Money Forward ME* provided in the Home domain. It is the total number of *Money Forward ME* app downloads and web registrations. The number of users of services for financial institutions provided in the X domain, which were included in the past, are not included. For details, see p.104.

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

Rapidly Expanding Business Opportunities Due to Changes in External Environment

Revision of Electronic Books Maintenance Act/ Introduction of invoice



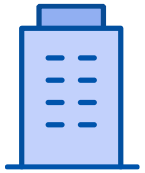
Spread of Remote Work/ Side Jobs; Workstyle reform



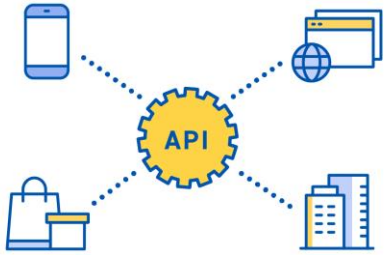
Government's Promotion of Digitalization



Expansion of Start-Up Support



Greater use Of open API



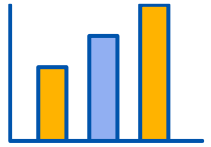
Upgrades of Payment Infrastructure



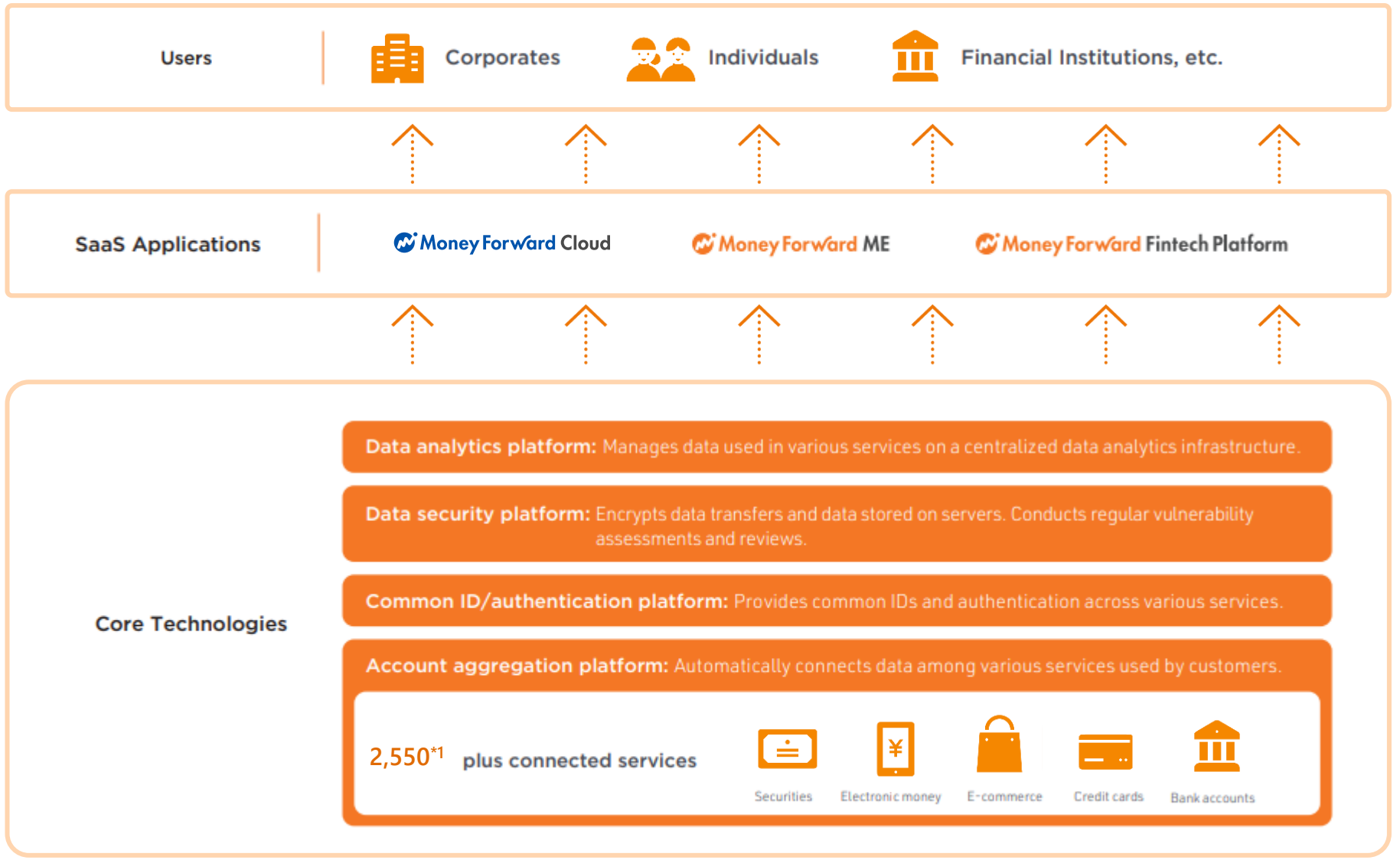
Digitalization of Salary Payment



Efforts toward Doubling Asset-Based Income



Developing Variety of Products Based on Common Core Technologies



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

Highlights In FY11/23 Q1



Highlights in FY11/23 Q1

Steady start toward achieving FY11/23 full-year forecasts[*1]

Net sales, SaaS ARR, and EBITDA largely exceeded Q1 forecasts[*2]

Q1 Consolidated Net Sales

+43% YoY

¥6.79 bn

(FY11/22 Q4 net sales: ¥6.18 bn)

SaaS ARR[*3]

+42% YoY

¥18.28 bn

(FY11/22 Q4 SaaS ARR: ¥16.30 bn)

Organic growth rate (no impact of M&As)

Business domain Corporate ARR

+46% YoY

¥12.78 bn

Organic growth rate (no impact of M&As)

EBITDA[*4]/Gross profit

¥(0.70) bn/¥4.27 bn

EBITDA improved markedly from ¥(1.42) bn in FY11/22 Q4 to ¥ (0.70) bn and EBITDA margin from (23)% to (10)%. EBITDA excluding advertising expenses was ¥0.64 bn.

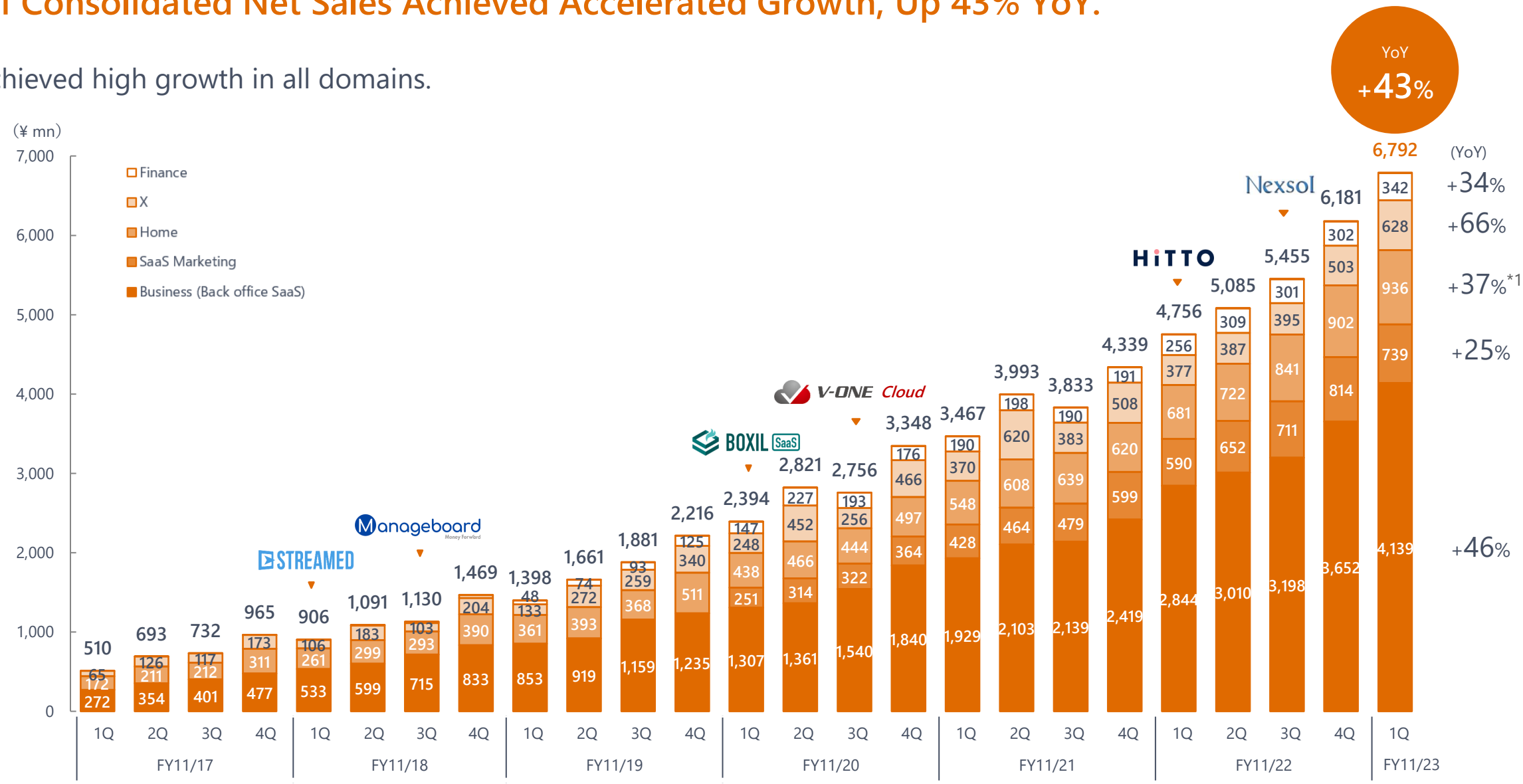
Selected as Great Place to Work (Large company category)

- 10th in overall ranking
- 5th in company with motivating environment for women

*1 Forecasts disclosed on January 16, 2023. Full-year forecasts are ¥27.49 to 29.64 bn (+28 to +38% YoY) for consolidated net sales and ¥21.19 to 22.82 bn (+30 to +40% YoY) for SaaS ARR at FY11/23-end.
*2 Forecasts disclosed on January 16, 2023. Q1 forecasts are ¥6.28 to 6.56 bn (+32 to +38% YoY) for net sales, ¥17.55 to 18.07 bn (+36 to +40% YoY) for SaaS ARR at Q1-end, and ¥(1.70) to (1.20) bn for EBITDA.
*3 See P.90 for the definition of SaaS ARR.
*4 EBITDA = Operating profit/loss + Depreciation and amortization + Tax expenses included in operating expenses + Share-based remuneration expenses

Q1 Consolidated Net Sales Achieved Accelerated Growth, Up 43% YoY.

Achieved high growth in all domains.

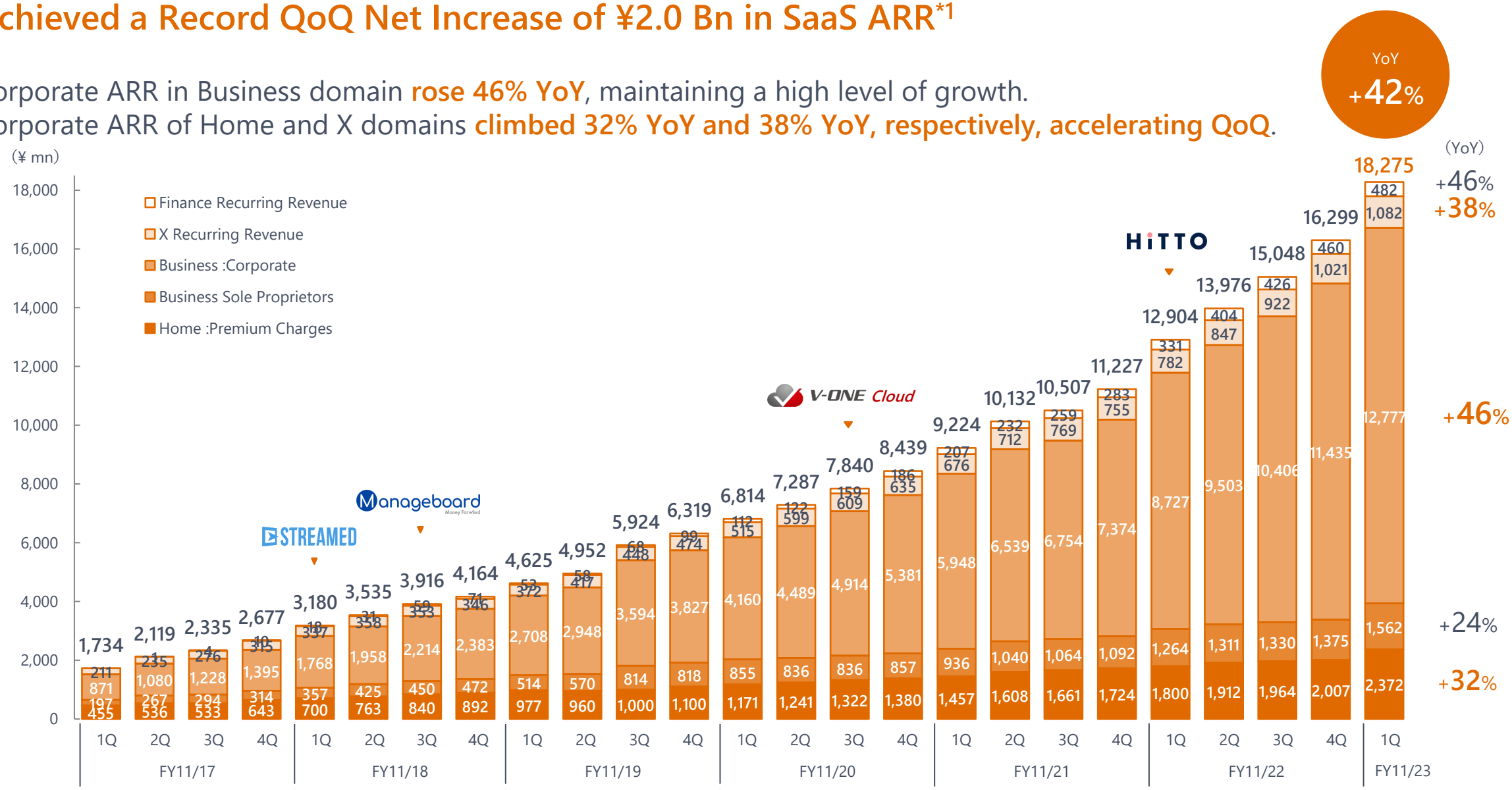


* The aggregate of net sales of each domain do not necessarily correspond to consolidated net sales as net sales of "Other" are omitted from the graph.

*1 The net sales growth rate of Home domain excluding the impact of the acquisition of Nexsol CO., LTD was 25% YoY. Net sales of Nexsol CO., LTD. are consolidated starting from June 2022 (Q3).

Achieved a Record QoQ Net Increase of ¥2.0 Bn in SaaS ARR*1

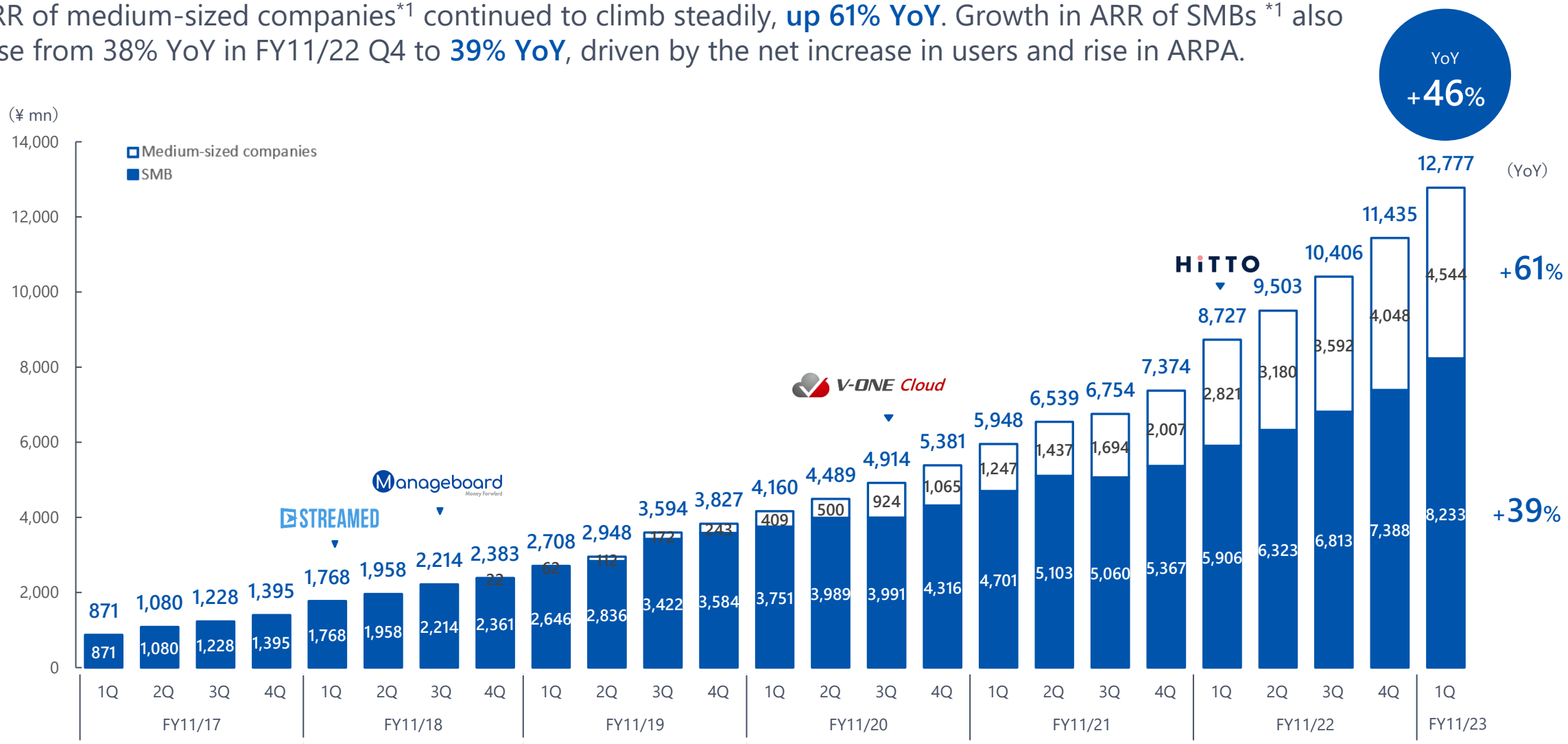
Corporate ARR in Business domain **rose 46% YoY**, maintaining a high level of growth.
Corporate ARR of Home and X domains **climbed 32% YoY and 38% YoY, respectively, accelerating QoQ.**



*1 "Business: Sole Proprietors" is revenue from services for sole proprietors in Money Forward Cloud. "Business: Corporates" is revenue from services for corporate customers, including *Money Forward Cloud, STREAMED, Manageboard, V-ONE Cloud, Money Forward Certified Member System, HiTTO,* and *Money Forward Admina*. In order to adjust for seasonal factors of *STREAMED*, its MRR is calculated as one-third of the revenue from *STREAMED* in Q1 and Q2 of each fiscal year. Non-recurring revenue of each business and net sales of SMARTCAMP Co., Ltd. are not included. Figures for Finance domain include monthly fixed fees, and settlement and associated fees of *Money Forward Kessai* and *SEIKYU+*. See p.90 for the definitions of ARR, MRR, etc.

Corporate ARR in Business Domain Rose 46% YoY on Robust Growth in SMB/Midmarket Space

ARR of medium-sized companies*1 continued to climb steadily, **up 61% YoY**. Growth in ARR of SMBs *1 also rose from 38% YoY in FY11/22 Q4 to **39% YoY**, driven by the net increase in users and rise in ARPA.

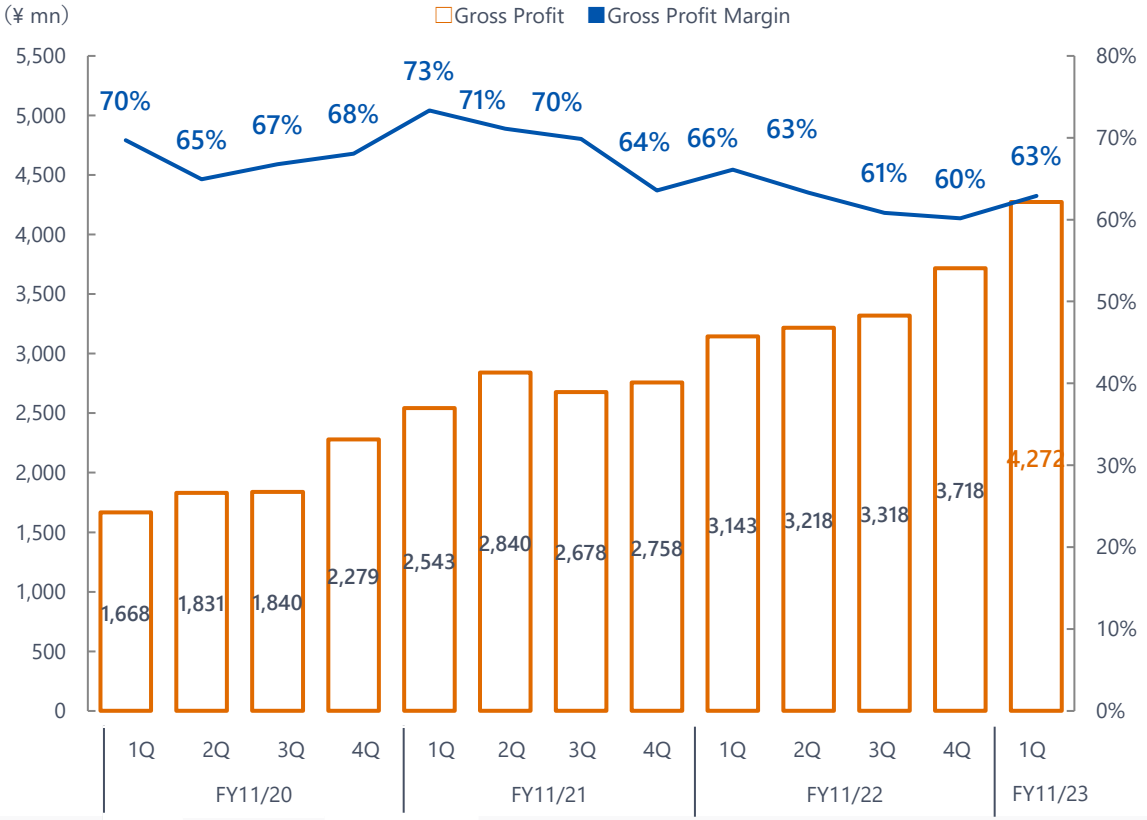


*1 "SMB" is revenue from services for corporate customers, including *Money Forward Cloud*, *STREAMED*, *Manageboard*, and *Money Forward Certified Membership System*, as well as from accounting offices and their clients Revenue of "Medium-sized company" includes general corporate users (excluding accounting firms) that have adopted such services as *Money Forward Cloud*, *Manageboard*, *V-ONE Cloud*, *HiTTO*, and *Money Forward Admina* via field or partner sales, with the majority of companies having 50 or more employees. Flow revenue of each business and net sales of SMARTCAMP Co., Ltd. are not included. See p.90 for the definitions of ARR, MRR, etc.

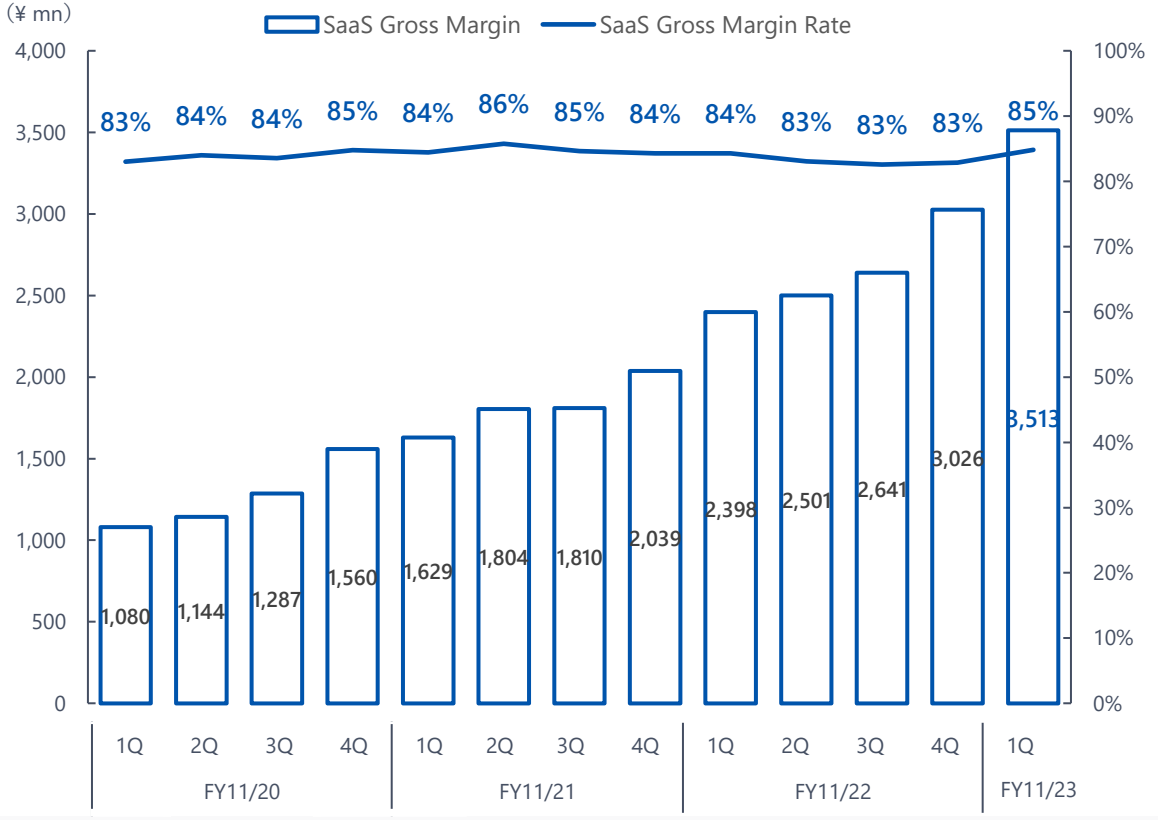
Consolidated Gross Profit and Gross Margin of SaaS Applications for Back-Office Operations

Consolidated gross profit and gross margin of SaaS applications for back-office operations improved on the scale-down in hiring and reduction in subcontract expenses. Consolidate gross profit margin was 63%(65% after adjustments*1). The gross margin rate of SaaS applications for back-office operations, as commonly defined by global SaaS companies, stood at 85%.

Consolidated Gross Profit
(Financial Accounting Basis)



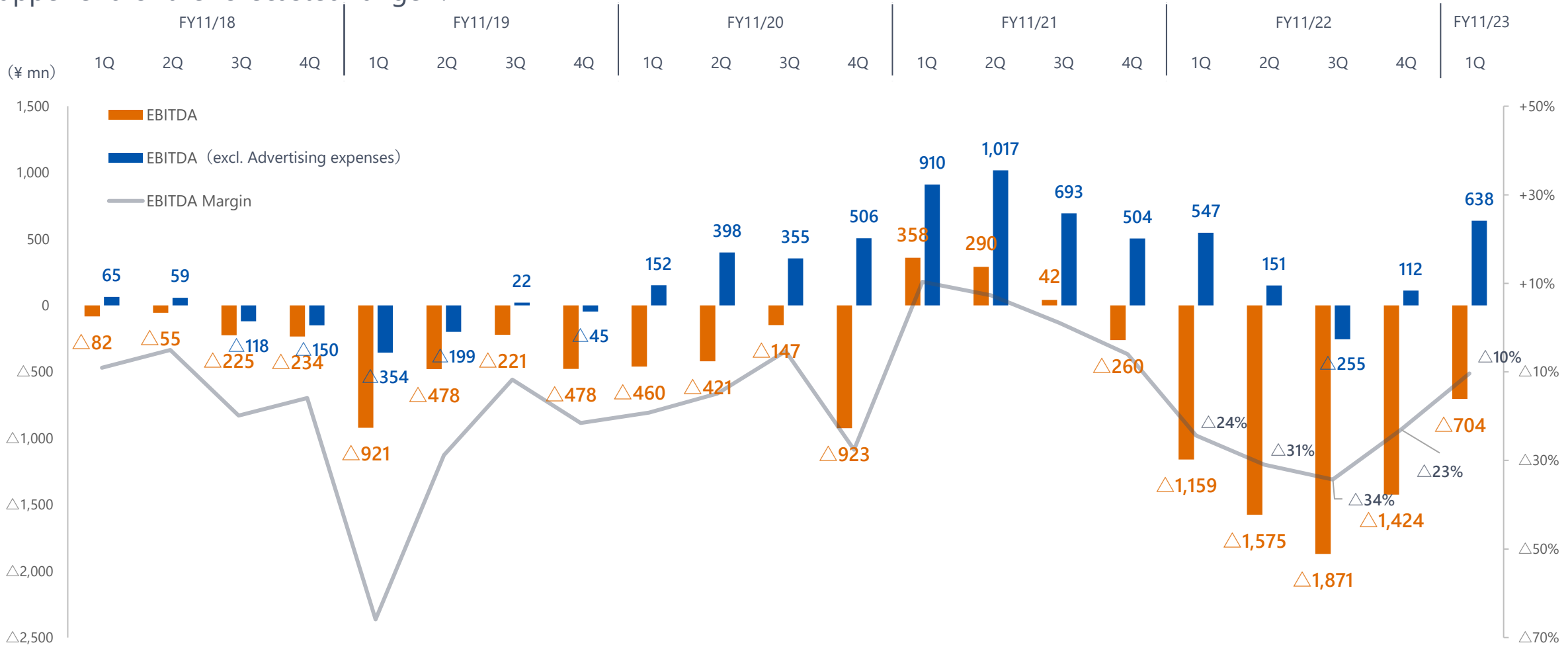
Gross Margin Rate for Back-office SaaS Business*2
(Management Accounting Basis)



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

EBITDA[*1] (Quarterly Trend)

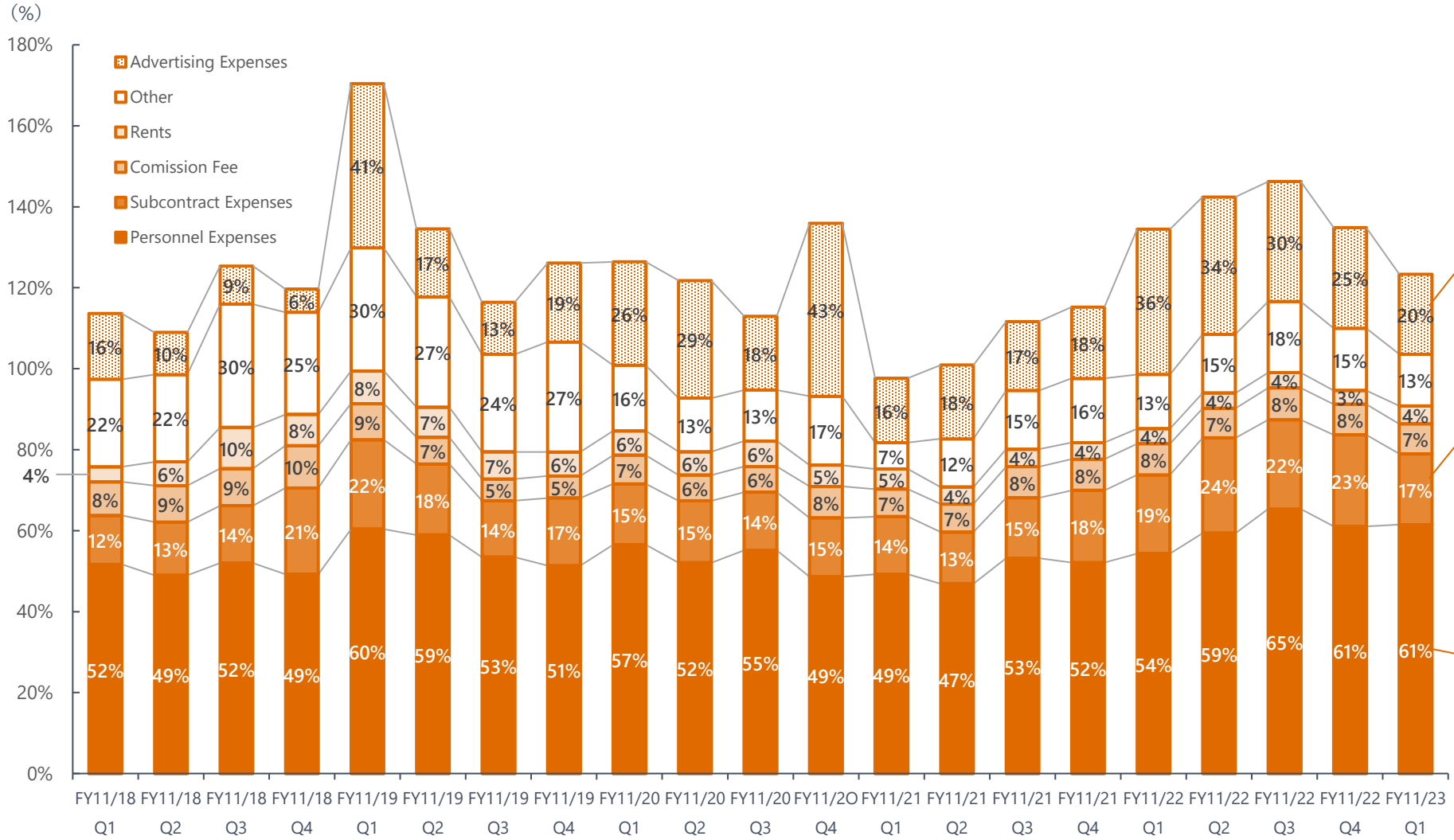
EBITDA improved significantly QoQ, standing at ¥(0.70) billion, and ¥0.64 billion excluding advertising expenses, topping the upper end of the forecasted range[*2].



*1 EBITDA = Operating profit/loss + Depreciation and amortization + Tax expenses included in operating expenses + Share-based remuneration expenses.
*2 Forecast disclosed on January 16, 2023. EBITDA loss ¥(1.70) billion to ¥(1.20) billion、advertising expenses between 1.4 billion yen to 1.6 billion yen.

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

Advertising expenses stood at ¥1.34 billion, slightly falling below the lower end of the forecasted range[*1], while personnel expenses were contained due to a slowdown in hiring (see P.17) and improved in terms of ratio to net sales.



Major changes from FY11/22 Q4-end

Advertising expenses
- Stood at ¥1.34 bn, slightly lower than the lower end of the forecasted range. Made steady improvement as a % to total sales.

Subcontract expenses
- % to total sales was reduced by suppressing development subcontracting and not holding *BOXIL EXPO*.

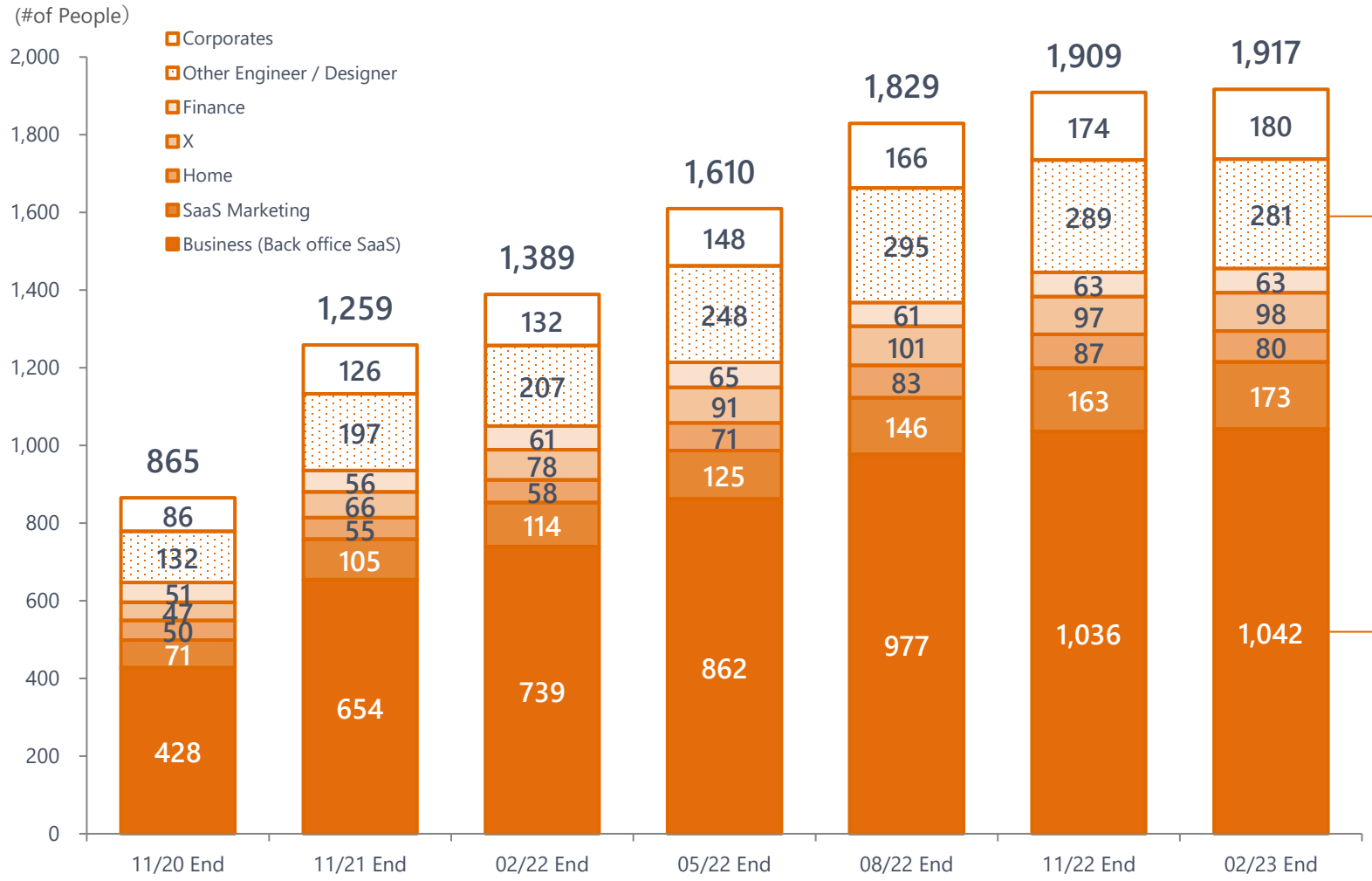
Personnel expenses
- % to total sales was maintained by containing hiring.
- Booked one-off share-based remuneration expenses (¥140 mn) accompanying the resignation of a co-representative director of HiTTO, Inc. % to total sales excluding this impact was 59%, achieving a QoQ decrease.

*1 Forecasts disclosed on January 16, 2023. Q1 advertising expenses were projected at ¥1.4-1.6 billion.

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

Employees*1

In Q1, the number of employees increased slightly QoQ. A rise is expected in Q2 on the joining of 70 new graduates.



Major Changes from FY11/22 Q4-end

- The employee headcount decreased due to reassigning five employees each to Business and X domains.
- While scaling down on recruitment of sales and marketing personnel, manager-level talents continued to be hired through careful selections.

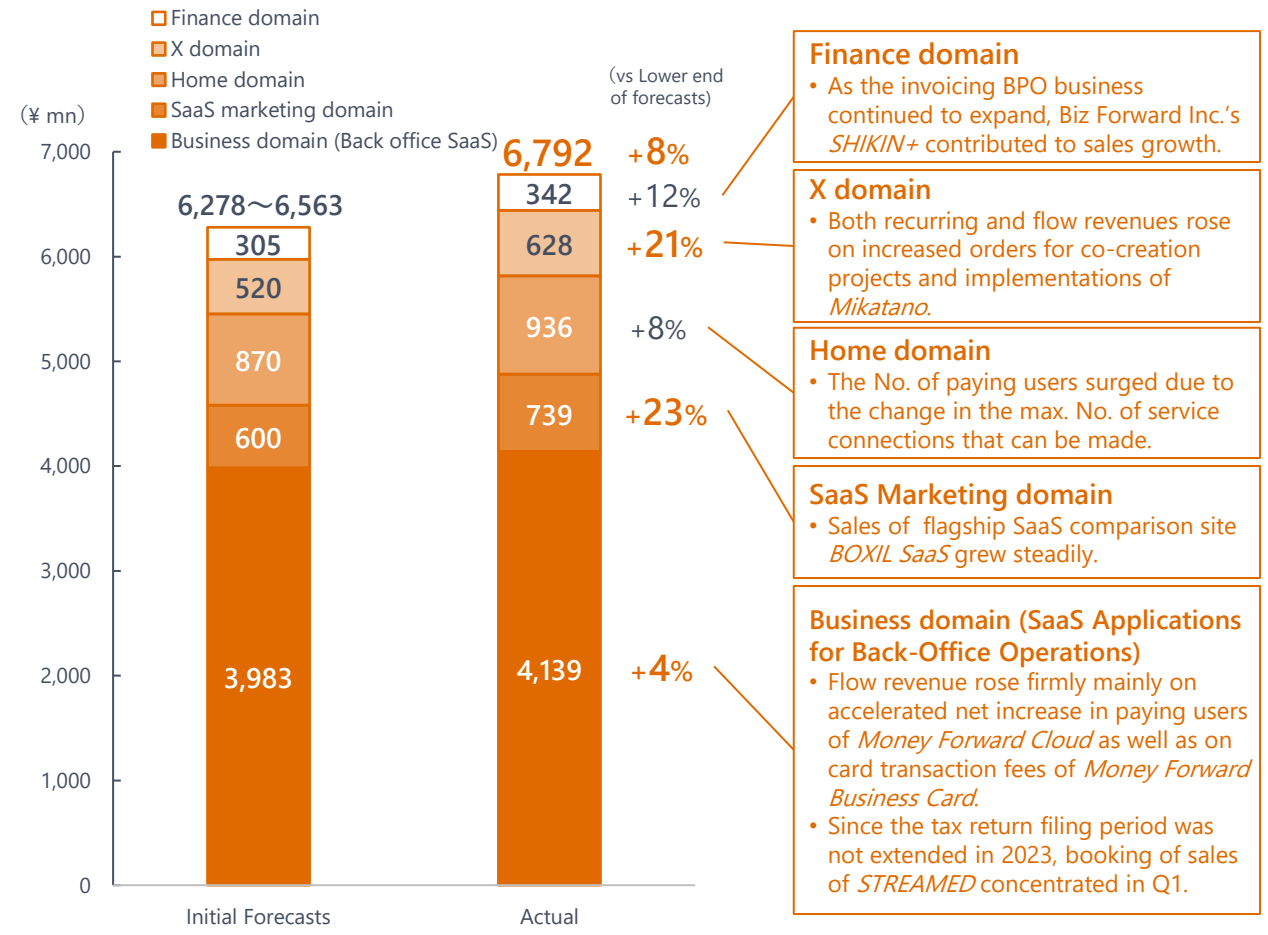
* "Other Engineers/Designers" include the CISO Office, CIO Office, CTO Office, Account Aggregation Dept., and Money Forward Vietnam, Co., Ltd. "Corporate" includes CEO Office, Corporate Planning Dept., Accounting Dept., Legal and IP Dept., People Forward Dept., and Public Affairs Office.

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

Q1 Results vs. Initial Forecasts (Net Sales and SaaS ARR)

Achieved forecasts in consolidated net sales and SaaS ARR of all domains.

Net sales (by domain)



Finance domain
- As the invoicing BPO business continued to expand, Biz Forward Inc.'s *SHIKIN+* contributed to sales growth.

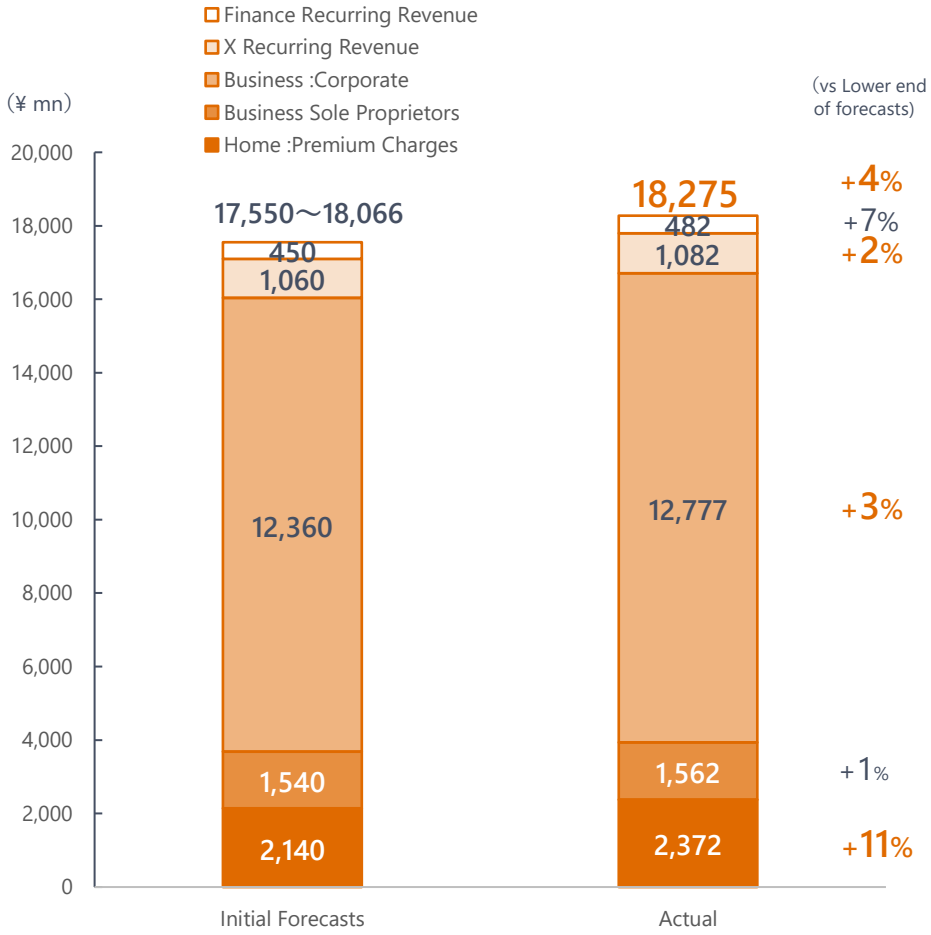
X domain
- Both recurring and flow revenues rose on increased orders for co-creation projects and implementations of *Mikatano*.

Home domain
- The No. of paying users surged due to the change in the max. No. of service connections that can be made.

SaaS Marketing domain
- Sales of flagship SaaS comparison site *BOXIL SaaS* grew steadily.

Business domain (SaaS Applications for Back-Office Operations)
- Flow revenue rose firmly mainly on accelerated net increase in paying users of *Money Forward Cloud* as well as on card transaction fees of *Money Forward Business Card*.
- Since the tax return filing period was not extended in 2023, booking of sales of *STREAMED* concentrated in Q1.

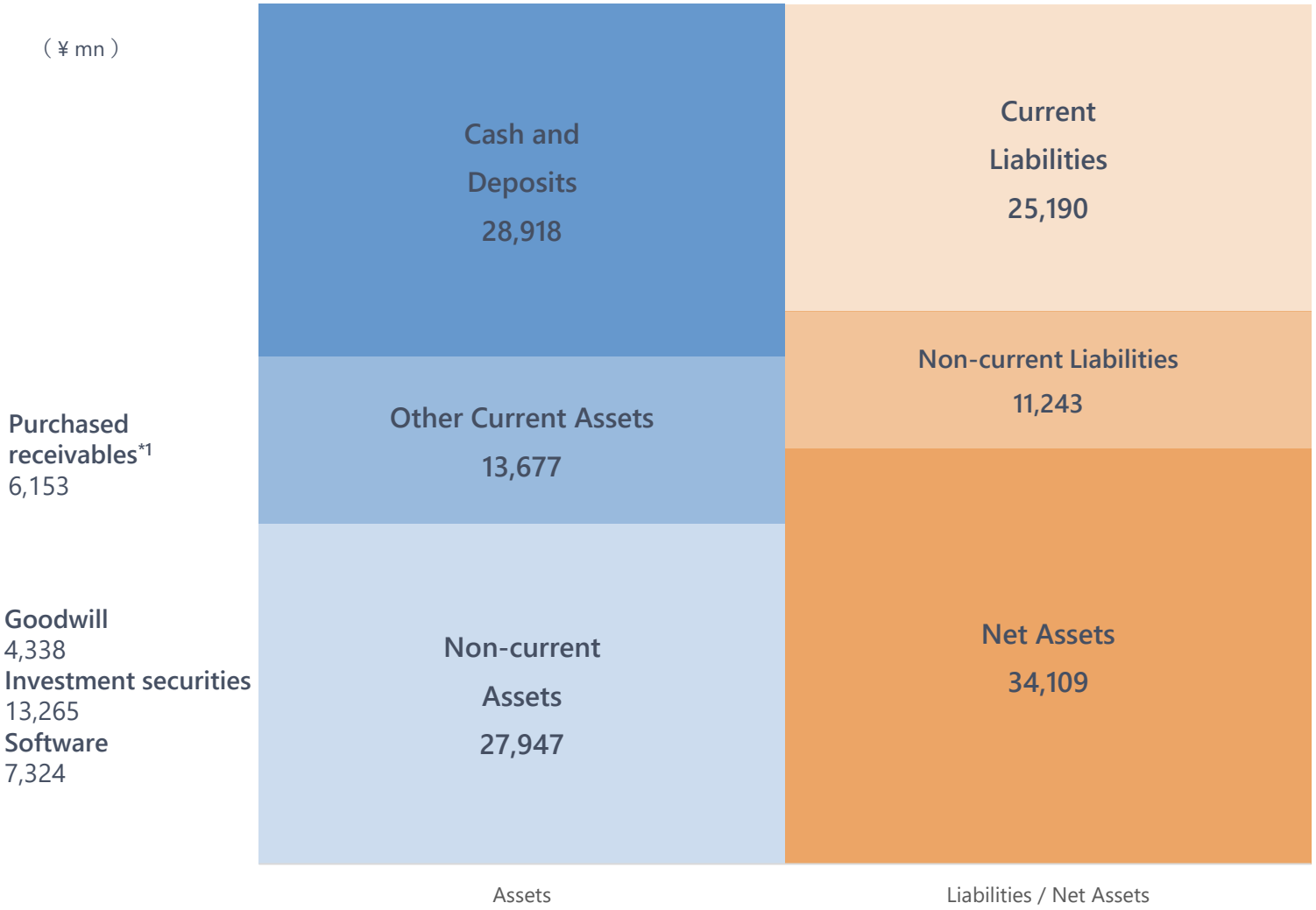
SaaS ARR



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

Balance Sheet Items

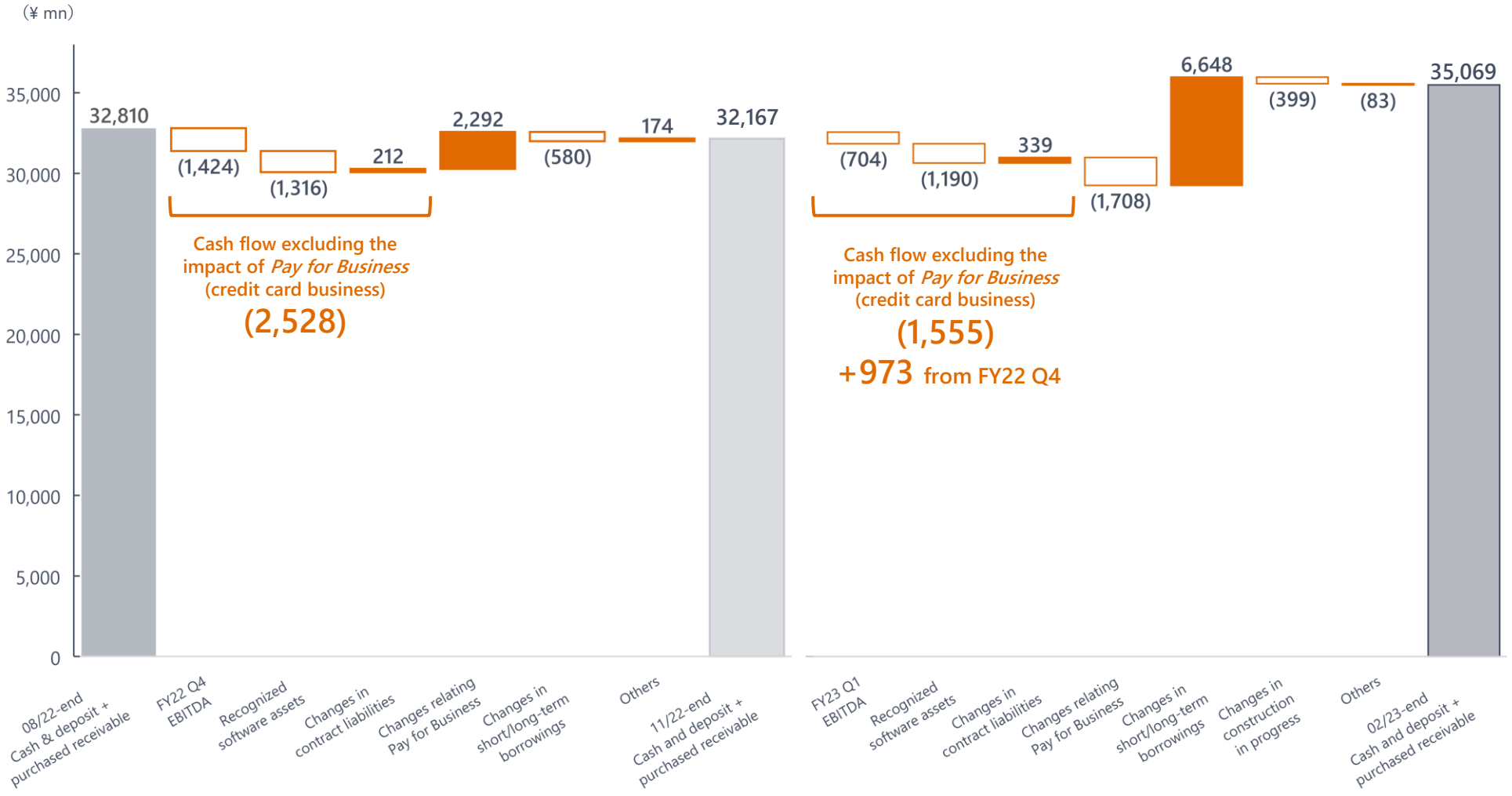
Maintains a high level of financial soundness.



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

Analysis of Changes in Cash and Deposits Balance

Cash flow from operating activities excluding the impact of *Pay for Business* (B2B card business) improved significantly QoQ.
In Q1, liquidity in hand was enhanced through a new long-term borrowing of ¥6 billion.



FY11/22 Q4 Consolidated cash flow

FY11/23 Q1 Consolidated cash flow

Breakdown of cash flow

Cash and deposits + purchased receivable
Since purchased receivable is highly similar to cash equivalents, the amount is aggregated with the amount of cash. Funds for purchasing receivable are procured via short-term borrowings.

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

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

Changes relating *Pay for business*
Working capital includes deposits received from users and accounts payable and receivable pertaining to the *Pay for business*. Cash and deposits increases when deposits or accounts payables increase, and decreases when accounts receivables increase. Deposits received from certain users surged in FY11/22 Q4, but was steady in FY11/23 Q1.

Changes in construction in progress
Cash outflows from office expansion. Recognized as assets on BS and is transient.

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

Money Forward

Business



Business Domain: Highlights in FY11/23 Q1

SaaS Applications for Back-Office Operations Q1 net sales

¥4.14 bn

YoY

+46%

Paying customers (total/corporate)

262,715/123,195

YoY

+30.3% / +31.3%

(+28.6%*1) (+29.2%*1)

Growth rate in the brackets up to FY11/22 Q4 include the impact of consolidation of HiTTO, Inc.

ARPA (total/corporate)

¥54,580/¥103,712

YoY

+10.1% / +11.5%

(+17.8%*1) (+20.0%*1)

Growth rates in the brackets up to FY11/22 Q4 include the impact of consolidation of HiTTO, Inc.

ARR (total/corporate)

¥14.34 bn/¥12.78 bn

YoY

+43% / +46%

ARR of medium-sized companies*2

¥4.54 bn

YoY

+61%

Growth rates up to FY11/22 Q4 include the impact of consolidation of HiTTO, Inc.

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

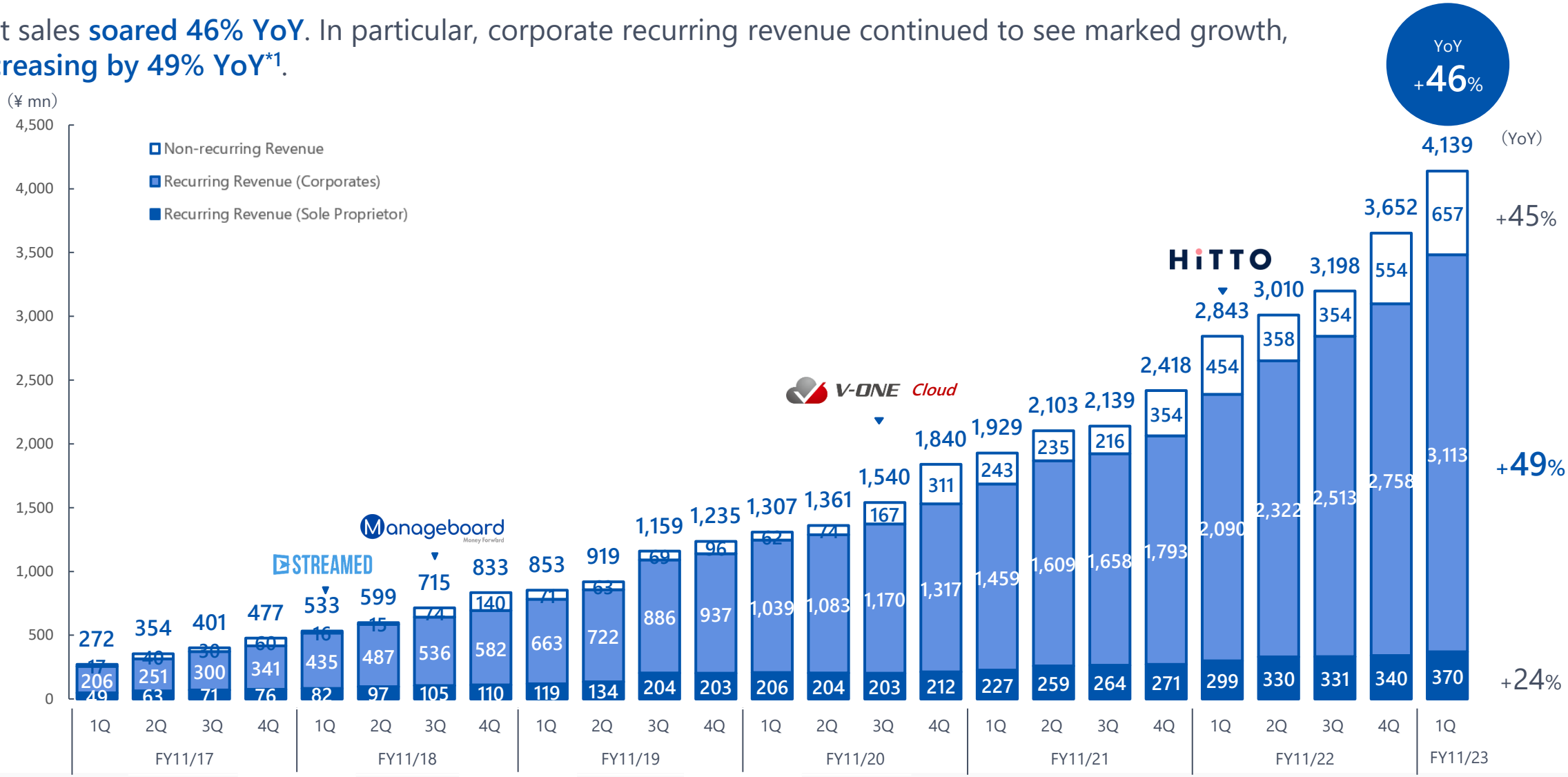
0.8% / 0.7%

The 12-month and 3-month churn rate average among sole proprietors was 1.8% and 1.2%, respectively.

*1 Figures in parentheses indicate YoY growth rates in FY11/22 Q4.
*2 Medium-sized companies refer to corporate users (excluding professional service firms) mostly with 50 or more employees that have deployed our services via field sales.
*3 Averages of the 12 months and 3 months up to February 2023.

Quarterly Net Sales of Business Domain

Net sales **soared 46% YoY**. In particular, corporate recurring revenue continued to see marked growth, **increasing by 49% YoY**[*1].



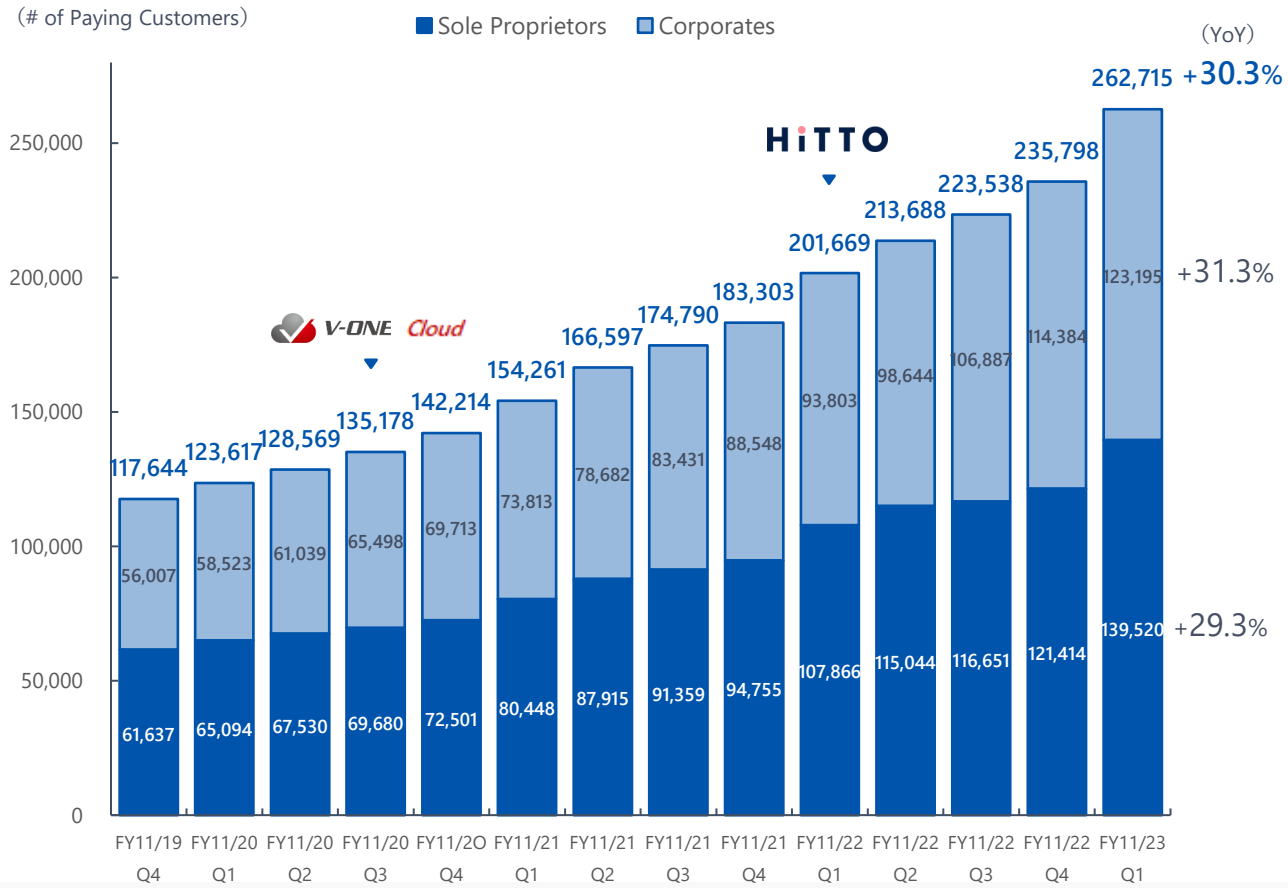
* "Recurring Revenue (Sole Proprietors)" is the revenue from services for sole proprietors in Money Forward Cloud. "Recurring Revenue (Corporates)" is the revenue from services for corporate customers, including *Money Forward Cloud, STREAMED, Manageboard, V-ONE Cloud*, Money Forward Certified Member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

*1 The growth rate of "Recurring Revenue (Corporates)" excluding the impact of the acquisition of HiTTO Inc. was 48% YoY.

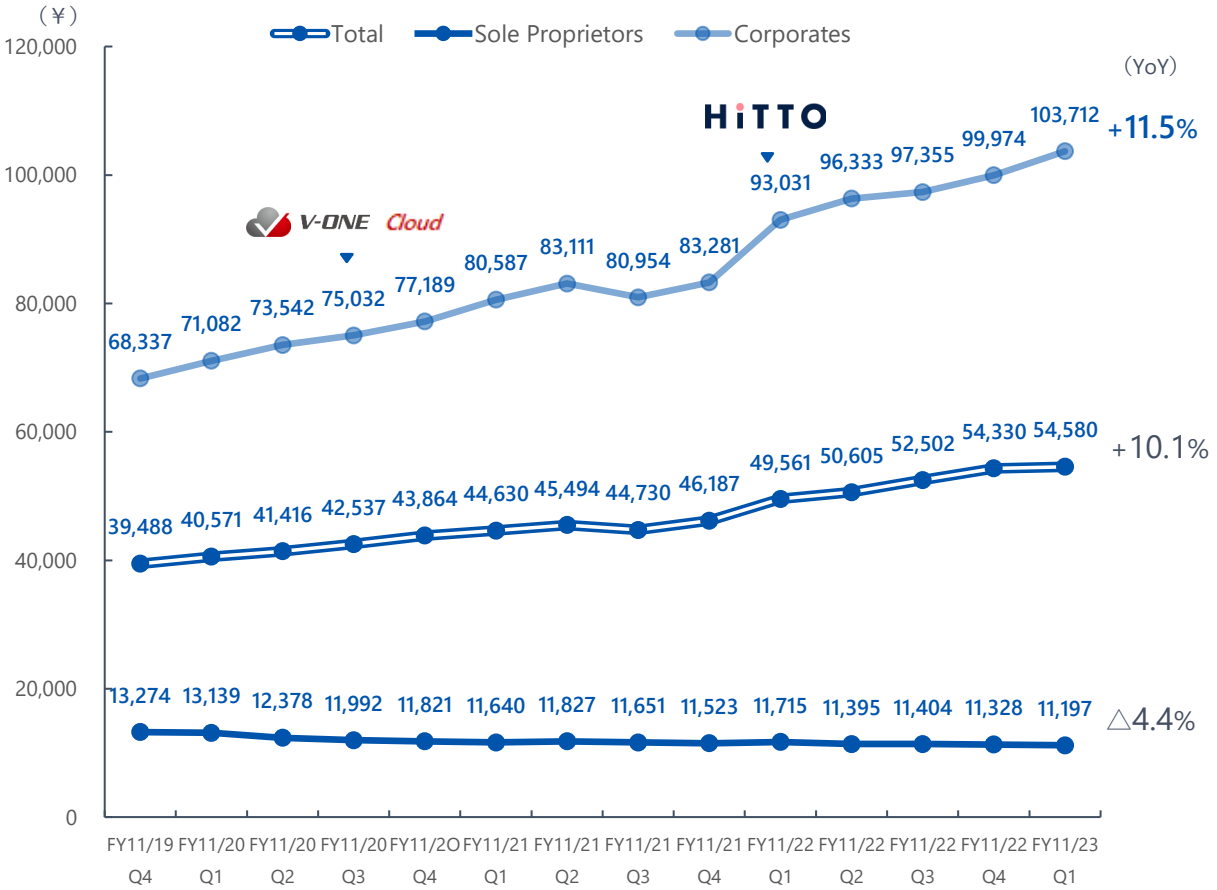
Accelerated Expansion of Paying Corporate Customers*1 and Corporate ARPA*2

Paying customers **increased by 30.3% YoY**. A record net increase was seen in both sole-proprietor and corporate customers *3. Corporate ARPA rose firmly, **up 11.5% YoY**, on the repricing of the web plan and expansion in mid-market user base.

Paying Customers*1



ARPA*2



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

*2 ARPA: 12 times the monthly recurring revenue of Business domain in the last month of each term (ARR), divided by the number of paying customers. See p.90 for detailed definitions.

Our Customers (1/2)

Money Forward Cloud Accounting Plus users increased steadily.

Corporates using *Money Forward Cloud Accounting Plus*（Examples）



Our Customers (2/2)

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

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

Listed Company

Prime/ Standard

AEON, CASIO, ツムラ, KOBELCO, giftee*, MITSUBISHI MOTORS, JAL JAPAN AIRLINES, LIKE, JAFCO, ONWARD, ADVANTEST, WingArc 1ST The Data Empowerment Company, watami, NEOJAPAN, LIVESENSE, MITSUBISHI CHEMICAL 三菱ケミカル株式会社, JFR GROUP 大丸松坂屋百貨店, 小林製薬, Speee

Growth

Wantedly, Chatwork, PROGRIT, BASE, Crowd Works, SPACEMARKET, カラダノート, KURASHICOM, Sun*, feedforce, ビザスク, 弁護士ドットコム, Makuake, Neural Pocket, Retty, MTG, Lancers, note

Medium-sized, Pre IPO

CADDi, PASONA HR Solution, 丸紅新電力 MARUBENI POWER RETAIL, Kellogg's, KYCC, 大和鋼管, Orion 人を、場を、世界を、笑顔に。, Wolt, MC-UBS GROUP 三菱商事 UBS リアルティ, Adacotech Adaptive Cognition Technology, PR Table, MISS PARIS GROUP, clean planet, Synspective, SAMURAI INCUBATE, nicolai bergmann, yamadai ヤマダイ食品, 株式会社 JTB沖縄, 日鉄興和不動産, ほけんの窓口, Astroscale, まん福, Timee, 株式会社トライグループ, RevComm, DOMA-DOMA, +Automation, ひよ子本舗 吉野堂, TVer, マイナビ, Bellmare, CAMPFIRE, TORETA, NEXWAY TIS INTEC Group, hachidori, DIPSOL, FeliCa Pocket Marketing, 東急Re・デザイン, SORACOM

Strong Partnerships with Accounting Firms

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

Hokkaido Tohoku Area	FutureCreate / MATcH.POINTs マッチポイント株式会社 / SUZUKA / Partie Formation 税理士法人 中野会計事務所 / Venture partners / みらい創研グループ
Kanto Koshinetsu Area	KODATO 株式会社 古田土経営 税理士法人 古田土会計 / AG / TOTAL Group 税理士法人TOTAL / ATLAS アトラス総合事務所 / Seven Rich 会計事務所 Seven Rich Accounting / 辻・本郷 税理士法人 HONGO TSUJI TAX & CONSULTING / G.S.ブレインズ税理士法人 / Shiodome Partners / SALIRE GROUP / BUSINESS NAVIGATION / A.G.S. / VENTURE-SUPPORT
Tokai Hokuriku Area	税理士法人スマッシュ経営 / SMC SMCホールディングス Support Management Consultants / MMPC GROUP / 税理士法人 大樹 / GOKO 顧客企業の繁栄に総合力で奉仕する 合同会計グループ / 税理士法人 葵パートナーズ / hmr seventh sense / Bricks&UK 税理士法人
Kansai Area	TripleGood トリプルグッドグループ / ひかり税理士法人 ひかりアドバイザーグループ / Ogasahara Solution & Accompany 御堂筋税理士法人 / ひろせ税理士法人 HIROSE LICENSED TAX ACCOUNTANT / action » success 税理士法人 アクセス act-cess / MIKATA
Chugoku Shikoku Area	axis 税理士法人アクシス / お客様企業の「黒字化と節税」が私たちの目標です。 みどり合同税理士法人グループ MIDORI / 税理士法人サンアクア 株式会社形山会計 / 税理士法人SIN S N / 経済産業省 認定経営革新等支援機関 成和税理士法人
Kyushu Area	UP Partners / 税理士法人 武内総合会計 / EC 税理士法人 アーリークロス / 伊藤会計事務所 ITO TAX ACCOUNTANT OFFICE / Intelligent Group 未来創造 IG会計グループ / 永田経営グループ NAGATA Management Group / TA PARTNERS 税理士法人 ティーエーパートナーズ Certified Public Tax Accountants' Co.

* As of February 28, 2023. Calculated by Money Forward, Inc. based on “Top 500 Accounting Firms” in 2022 by Monthly ProPartner.

Wider Use among Larger Firms as Well

Hongo Tsuji Tax & Consulting

辻・本郷 税理士法人
HONGO TSUJI TAX & CONSULTING

Selected as software for clients' digital transformation (DX) projects

One of Japan's largest tax accountant corporation, with over17,000 accountants. As part of promoting DX among its clients, the corporation designated DX promotion bases from FY2022 2H and introduced *Money Forward Cloud* to over 2,000 clients (as of Feb. 28, 2023).

TOTAL Group

TOTAL

Converted from on-premise software

The group implemented *STREAMED* and *Money Forward Cloud* to over 2,000 clients (as of Feb. 28, 2023) with the aim of promoting remote work amid the COVID-19 pandemic, and to reduce work hours and expand sales channels by shifting to cloud.

Venture-Support

VENTURE-SUPPORT

Set up office dedicated to addressing clients' needs in cloud accounting

One of Japan's largest tax accountant corporations with over 1,200 accountants. Started full-scale implementation of *Money Forward Cloud* in FY2022 2H, covering over 2,000 clients (as of March 31, 2023) to address their needs in cloud accounting. Set up an office dedicated to cloud accounting in April 2023.

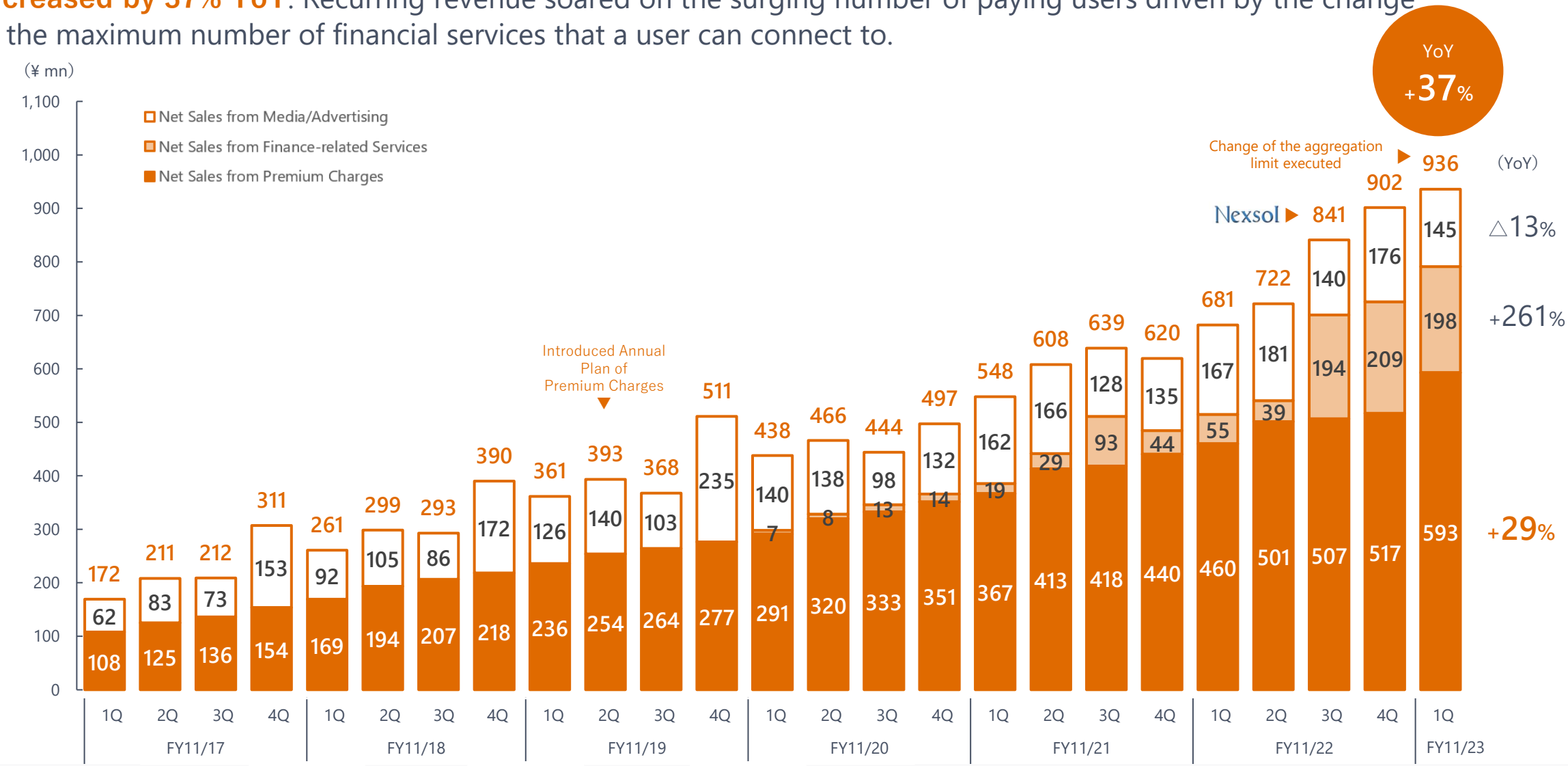
Money Forward

Home



Quarterly Net Sales of Home Domain

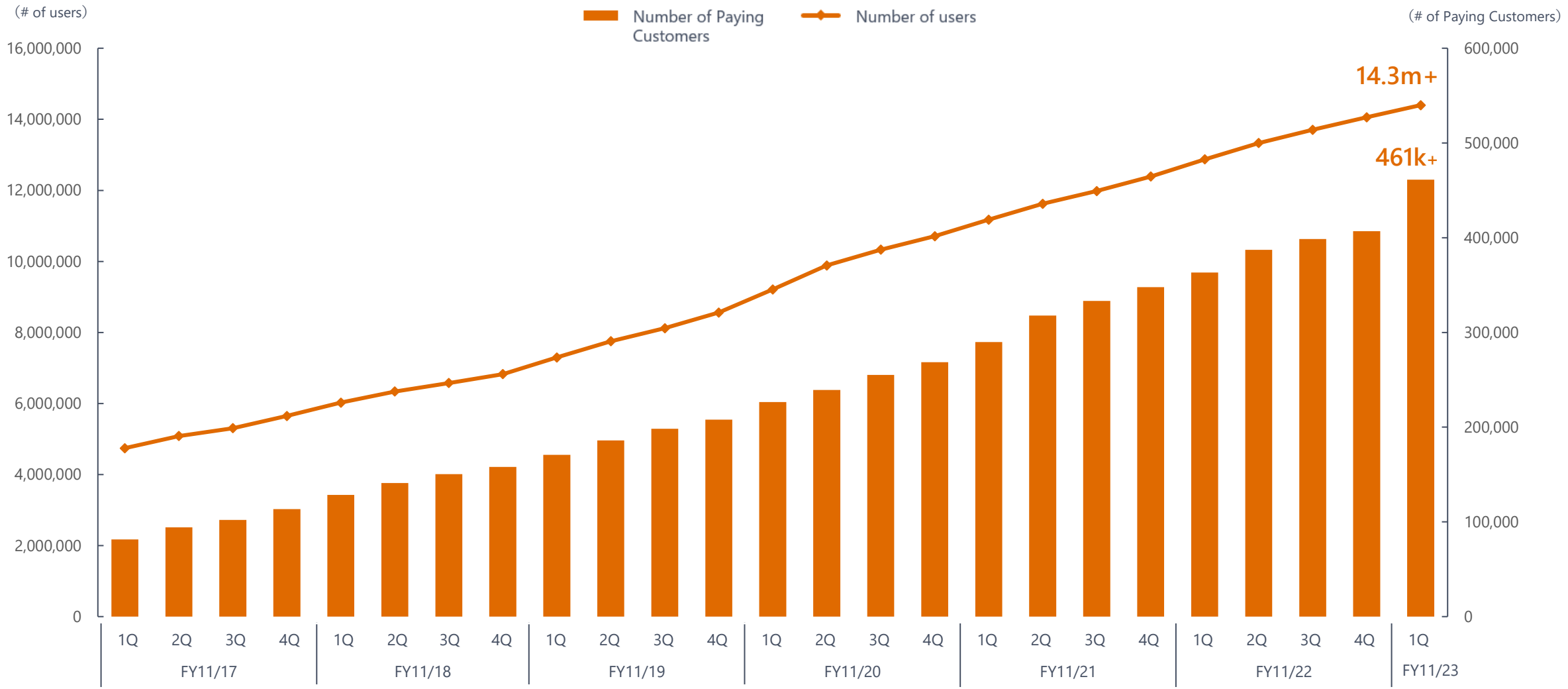
Increased by 37% YoY. Recurring revenue soared on the surging number of paying users driven by the change in the maximum number of financial services that a user can connect to.



* Net sales from financial services include revenues from *Money Forward Personal Financial Consulting, Money Forward Fixed Cost Review* and *Nexsol*.
* Net sales from premium charges *of Money Forward for XX*, which targets financial institutions, have been revised retroactively since charges are recognized in X domain from FY11/22.

Total and Paying Users of *Money Forward ME*

The number of total and paying users rose steadily, topping 14.3 million*1 and 460,000, respectively.

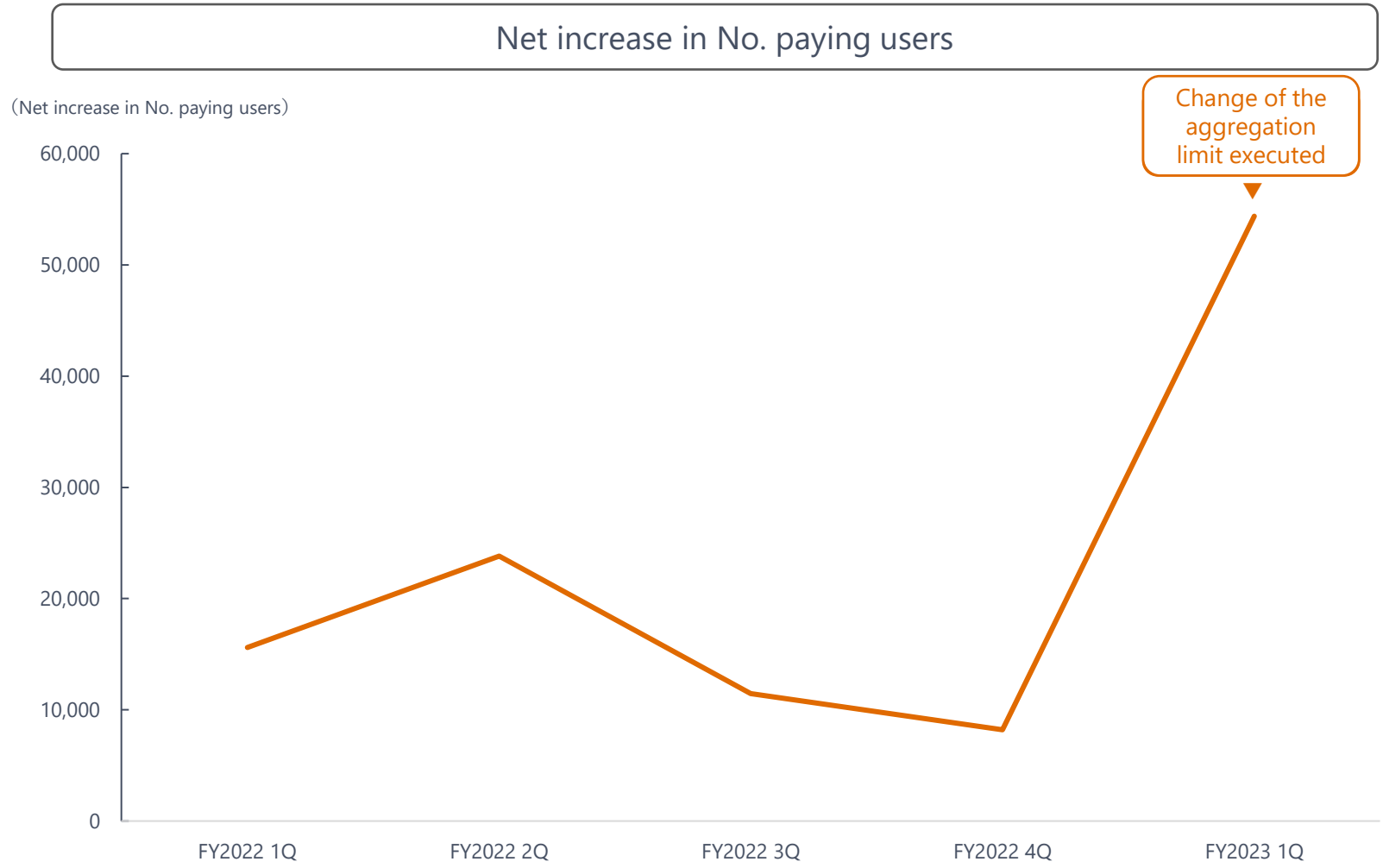


*1 Number of users of *Money Forward ME* in Home domain, which is the total number of app downloads and web registrations of *Money Forward ME*. The number of users of services for financial institutions provided in X domain, which was included in the past, is not included.

No. of Paying Users Surged on Change in No. of Financial Services That User Can Connect To

The number of financial services that non-paying users can connect to was reduced from 10 to 4.

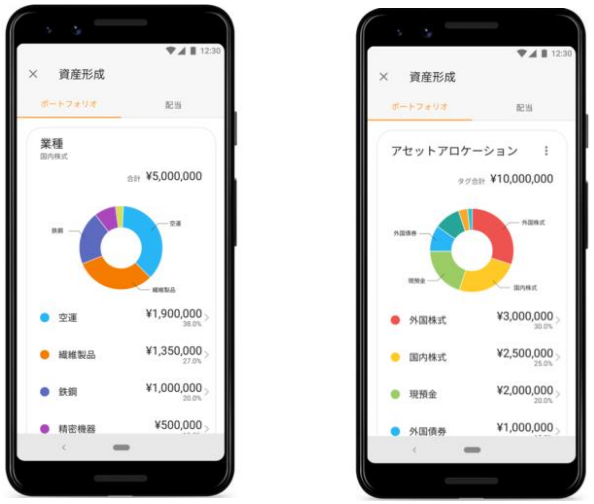
In Q1, **the number of paying users increased by some 57,000 (about 3.7 times the average net increase in FY11/22)**.



New Wealth Formation Advanced Course for Managing Investments in *Money Forward ME*

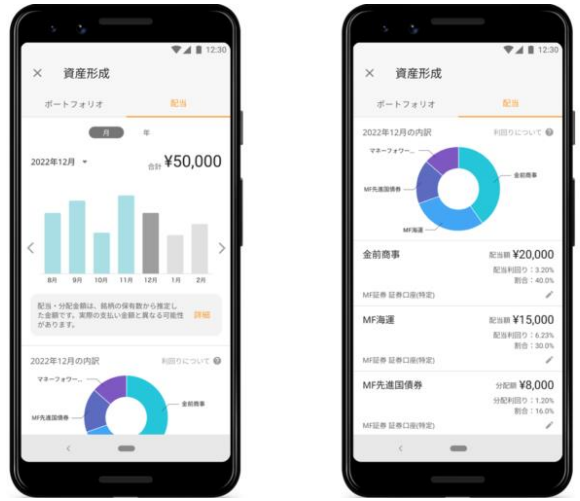
In addition to the existing Premium Service[*1] (¥500/month[*2]), we started offering a new Wealth Formation Advanced Course (¥980/month). Users who previously used multiple other investment management services as well can now centrally manage their assets on *Money Forward ME*.

Portfolio function



Shows breakdown of assets by industry and dividend yield, and uses this data to compare the performance of each stock or help decide whether to sell stocks.

Dividend function



The amount of dividends to date and expected future dividends are displayed as a graph, enabling users to grasp any bias in stock selections, the amount of dividends, and yields at a glance.

*1 Accompanying the launch of the new plan, the original Premium Service was renamed to the Standard Course. The new Premium Service now consists of two courses: the Standard Course and Wealth Formation Advanced Course.
*2 Fee for browser-version services. In cases where a user registers to the Premium Service via the iOS or Android app, the fee is the amount shown in the app.

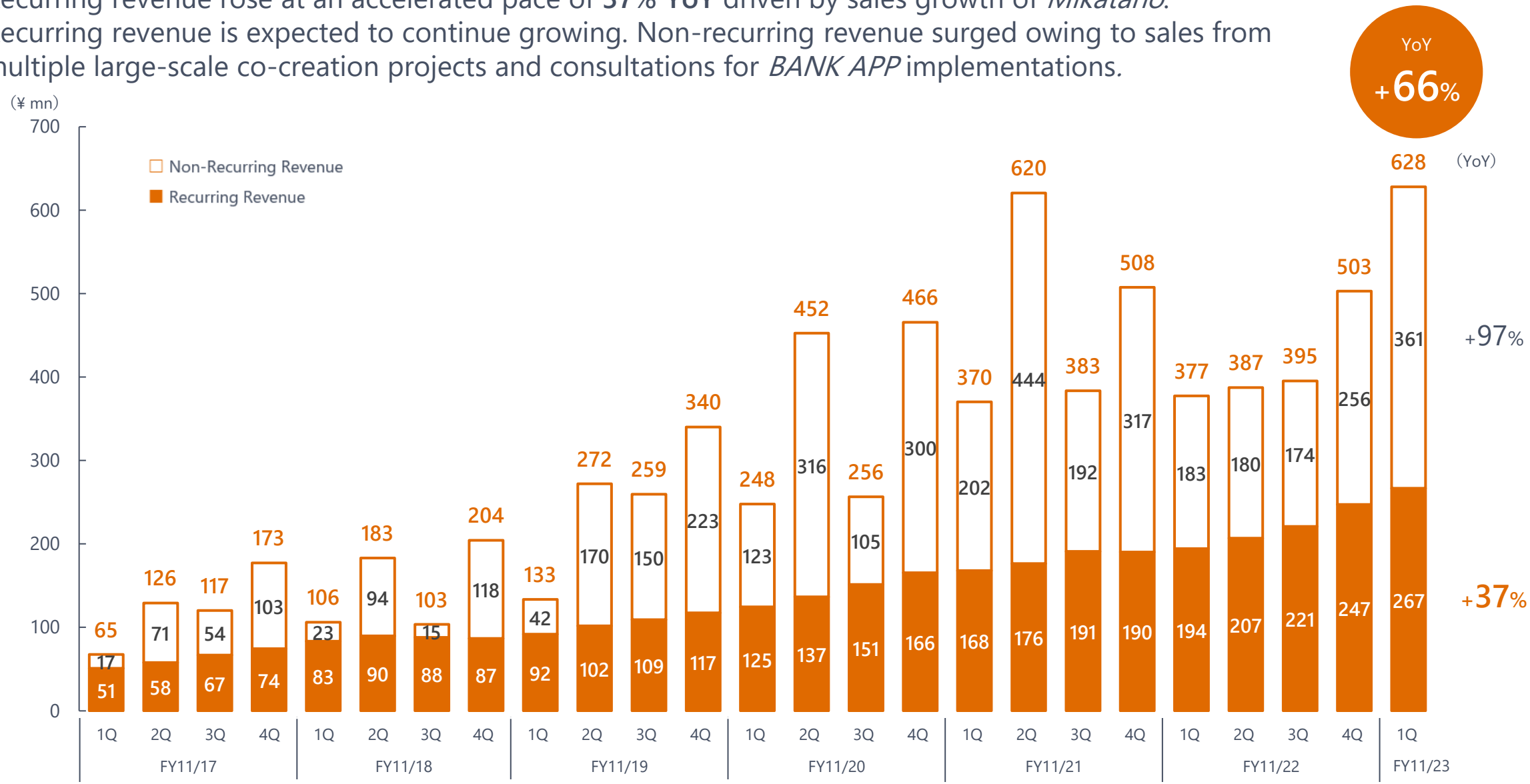
Money Forward

X



Quarterly Net Sales of X Domain

Recurring revenue rose at an accelerated pace of **37% YoY** driven by sales growth of *Mikatano*.
Recurring revenue is expected to continue growing. Non-recurring revenue surged owing to sales from multiple large-scale co-creation projects and consultations for *BANK APP* implementations.

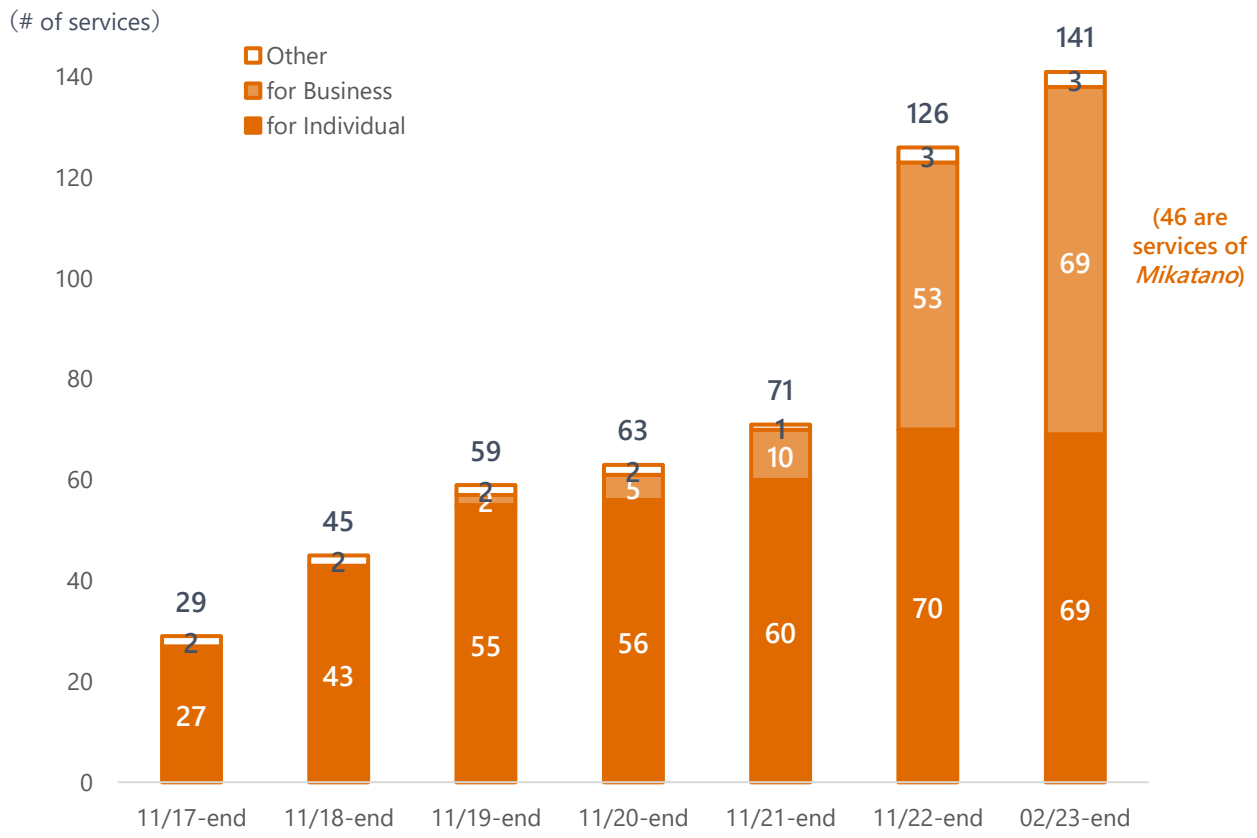


* Net sales from premium charges of *Money Forward for XX*, which targets financial institutions, have been revised retroactively since charges are recognized in X domain from FY11/22.

Continued to Expand Services Offered to Financial Institutions*1

Progress was made in implementations of such services as *Mikatano* among corporate clients of financial institutions, with the number of service offerings increasing to 141.

No. of services*1



Major co-creation projects for individual customers

My JCB

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

Smart Life Designer

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

スマー簿

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

OneStock

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

Minna no Ginko

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

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

4 Regional Banks to Adopt *BANK APP* and *BANK Customer Support* by Money Forward X

Released *BANK APP*, which provides bank services on a smartphone, ranging from account opening to asset management, fund transfers, loans, and various procedures. Also started offering *BANK Customer Support* to promote digitalization and automation of bank's back-office operations.

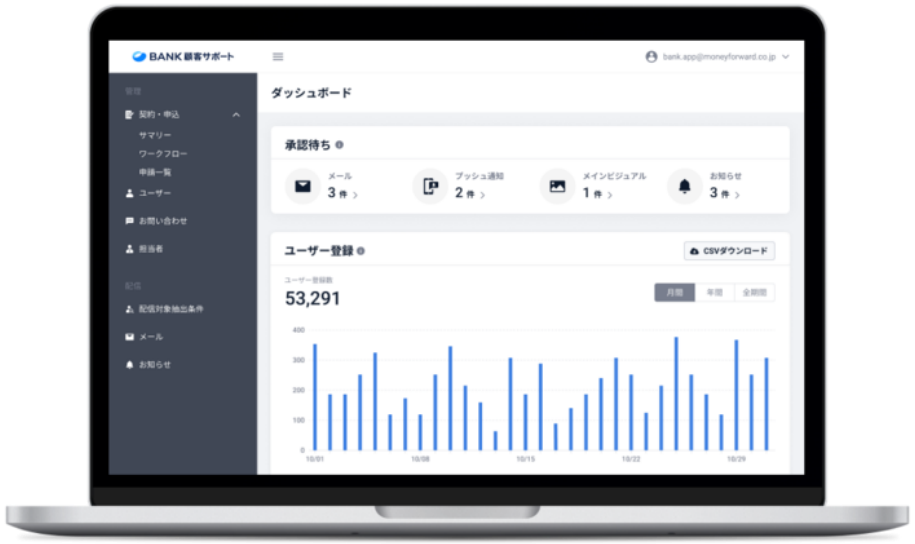
For individual customers of banks

BANK APP



For banks that implement *BANK APP*

BANK 顧客サポート



Tochigi Bank

Kyoto Shinkin Bank

Bank of Kochi

このまちの未来をともにつくる

Yokohama Shinkin Bank

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

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

Mikatano series

Asset, invoice, and workflow management

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

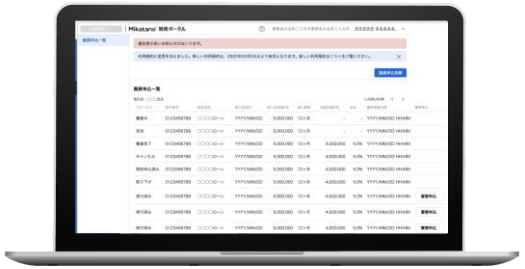


Okazaki Shinkin Bank, Kyoto Shinkin Bank, Tama Shinkin Bank, Bank of Fukuoka, Kumamoto Bank, Juhachi-Shinwa Bank, Tokushima Taisho Bank, Chiba Kogyo Bank, Chugoku Bank, Hachijuni Bank, Bank of Kyoto, Shikoku Bank, Nagano Bank, Joyo Bank, Tochigi Bank, Yokohama Shinkin Bank, Hirogin Holdings, Nishi-Nippon City Bank, Gunma Bank, Bank of Okinawa , Nanto Bank, Iyo Bank (New), Yamagata Bank (New), Miyazaki Bank, Bank of The Ryukyus (New), and Shizuoka Bank (New)
: Total of 26 financial institutions

New

Loan portal

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



Hachijuni Bank (New)

Functions provided

Account aggregation and analytics platform

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



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

* For *Mikatano Works*, a DX portal for medium-sized companies, financial institutions that have decided or are considering to adopt the service are also included in the tally.

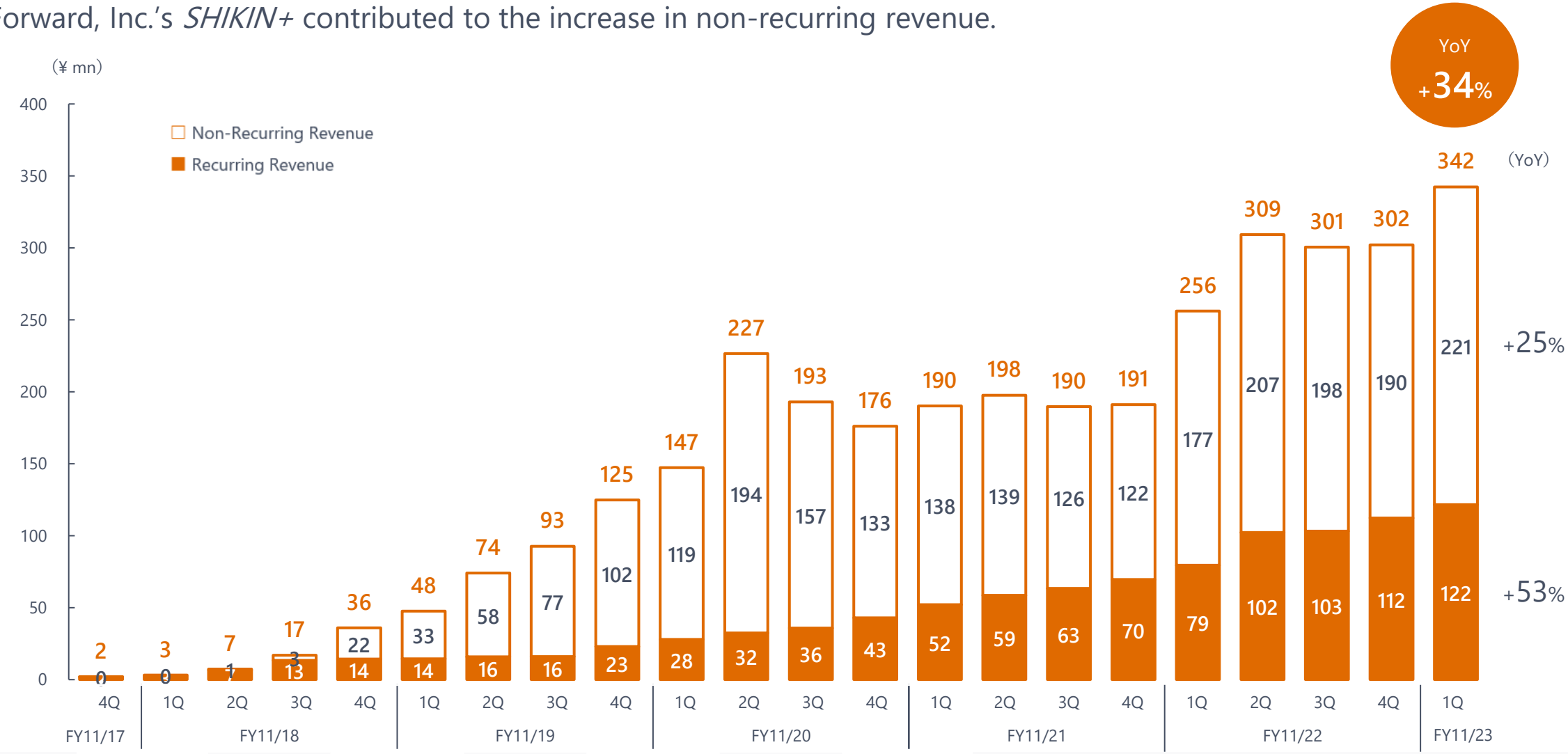
Money Forward

Finance



Quarterly Net Sales of Finance Domain

The invoicing/payment BPO service (recurring revenue) continued to grow rapidly, **up 53% YoY**.
Biz Forward, Inc.'s *SHIKIN+* contributed to the increase in non-recurring revenue.



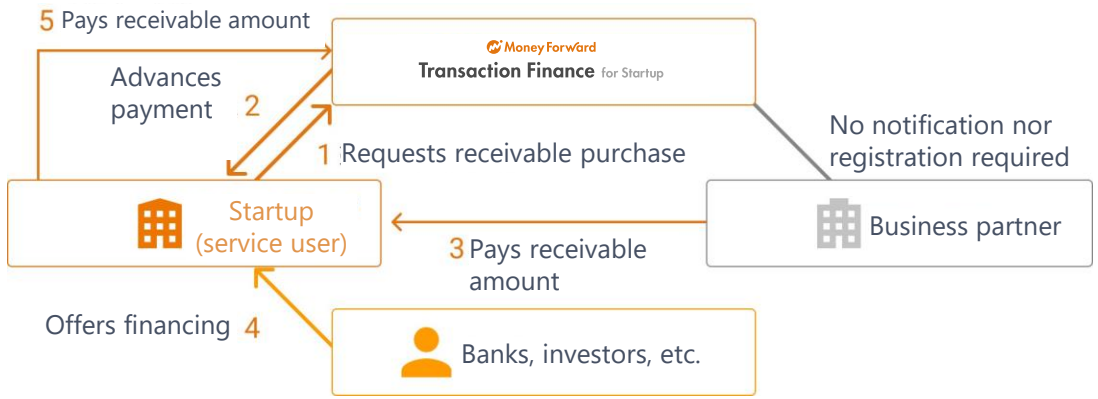
* Recurring revenue includes monthly fixed fees, and settlement and associated fees of *Money Forward Kessai* and *SEIKYU+*. Non-recurring revenue includes net sales of *Money Forward Early Payment* and *SHIKIN+*, as well as postage fees of *Money Forward Kessai* and SEIKYU+.

Addressing Startups' Financing Needs via *Money Forward Transaction Finance for Startup*

Purchases accounts receivable with the lowest rate in the industry*1 (minimum 0.5%) and provides cash one business day following screening at earliest.

Providing working capital until completing equity financing

Money Forward
Transaction Finance for Startup



NOT A HOTEL

NOT A HOTEL

Procured amount: ¥0.1 bn+
Raised funds worth approx. ¥2.8 bn in Feb. 2023.

Carried on operations without curbing investments for business expansion, even in periods between large-scale fund procurements.

MIRROR FIT.

MIRROR FIT

Procured amount: ¥10 to 50 mn
Raised funds worth ¥305 mn in Feb. 2023.

Was able to keep abundant cash on hand until procuring equity, without having to worry about growth and working capital.

*1 Amounts of fee are determined after screening by Money Forward Kessai, Inc.

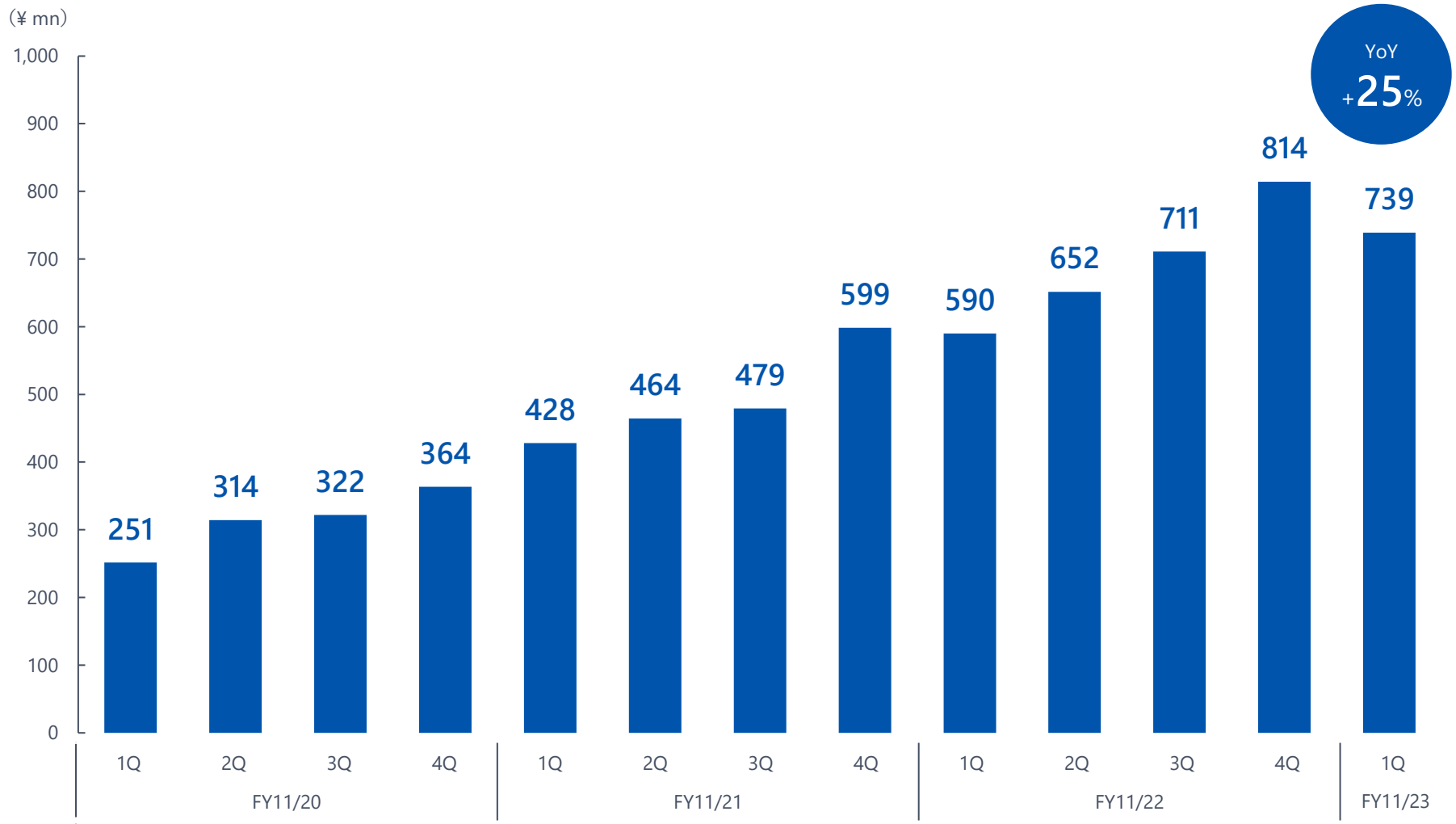
Money Forward

SaaS Marketing



Quarterly Net Sales of SaaS Marketing Domain

While online exhibition business *BOXIL EXPO* was not held, *BOXIL SaaS* trended favorably, with net sales largely exceeding the forecast. Net sales of the domain continued to grow, **up 25% YoY**.



1st Event Targeting Executives JAPAN LEADERS SUMMIT 2023 Spring to Be Held Apr. 18 to 20

Company and division managers are invited under the theme "transformation," vital to business and organizational growth.



From top left: Etsuko Okajima (CEO of Pronova Inc.), Masayuki Takaya (Representative Director, President and CEO of CAINZ CORPORATION), Yuki Ishida (Director and Group CEO of YCP Holdings), Naoya Kanesaka (Director, Group Executive Officer and CFO of Money Forward, Inc.), and Kentaro Hara (Unit Director of Yona Yona FUN × FAN Group, YOHO Brewing Company)
From bottom left: Kazuo Hirai (Senior Advisor to Sony Group Corporation), Hiro Maeda (Managing Partner of ALL STAR SAAS FUND), Kozo Fukushima (Senior Executive Officer and COO of RAKSUL INC.), Ryuta Saito (CMO of BASE FOOD, Inc.), and Yuki Yoshida (Marketing Division Manager of Anker Japan Co., Ltd.)
Event website: https://event-page.jp/jls2023spring (in Japanese)

Progress on Growth Strategy



Major initiatives in the 4 new growth strategies

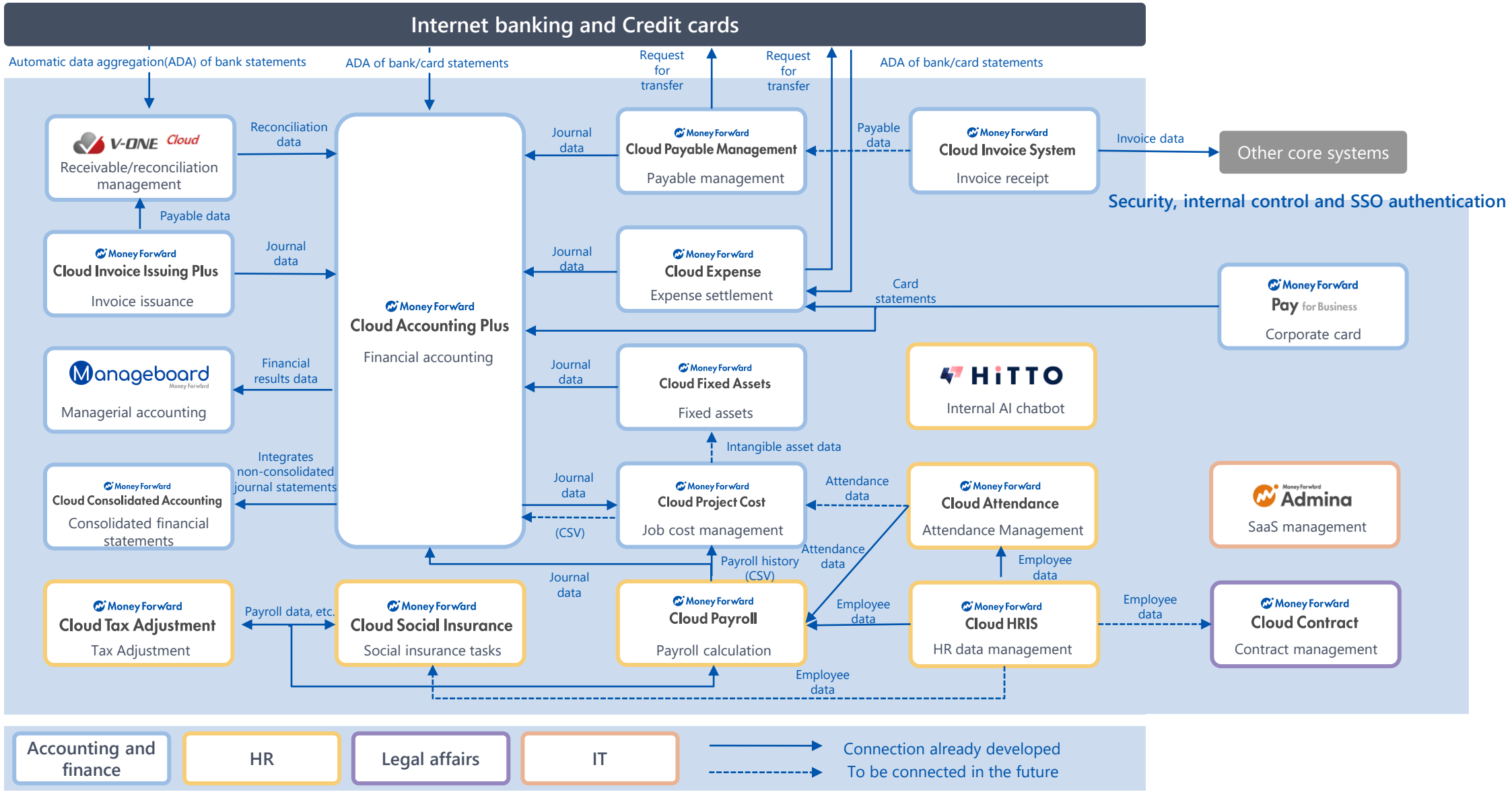
1.  Enhance value of back-office SaaS platform with Go-To-Market strategy based on disciplined investment

2.  Maximize synergies between domains and improve company-wide productivity

3.  Create new user value through integrating SaaS and Fintech

4.  Continue disciplined M&A (group join) and optimize group capital strategy

1 Providing a product lineup that covers back-office operations for mid-sized companies



1 Effective Market Strategy Depending on the Customer Segment

Customer Segment

	Accounting Firms & Their Clients	SMEs	Medium to large-sized Companies	Sole Proprietors
Key Products	Money Forward Cloud Accounting / Invoice / HR etc. STREAMED Cloud-based Bookkeeping Service Manageboard Managerial accounting	Money Forward Cloud Accounting / Invoice / HR etc.	Money Forward Cloud Accounting Plus / Invoice Issuing / Payroll / Expense / Contract / Invoice System V-ONE Cloud Cash Reconciliation and Receivable Management HiTTO AI Chatbot for Employees Manageboard Managerial accounting Admina SaaS management	Money Forward Cloud Tax Return etc.
Go-to-market	Direct Sales	Online Subscription	Direct Sales / Partner Sales	Online Subscription
Key Users	Accountants Labor and Social Security Attorney	CEO / CFO / Accountants	Accounting Dept / HR Dept / Admin Dept / Sales Dept	Sole Proprietors / Accountants
KPI*1	ARR : ¥ 12,777 million, YoY+46% ＜SMB : ¥ 8,233 million, YoY+39% / Mid : ¥ 4,544 million, YoY+61%＞ # of Customers： 123,195, YoY+31% / ARPA : ¥ 103,712, YoY+12%			ARR：¥1,562 million, YoY+24% # of Customers: 139,520, YoY+29% ARPA : ¥11,197, YoY, △4.4%

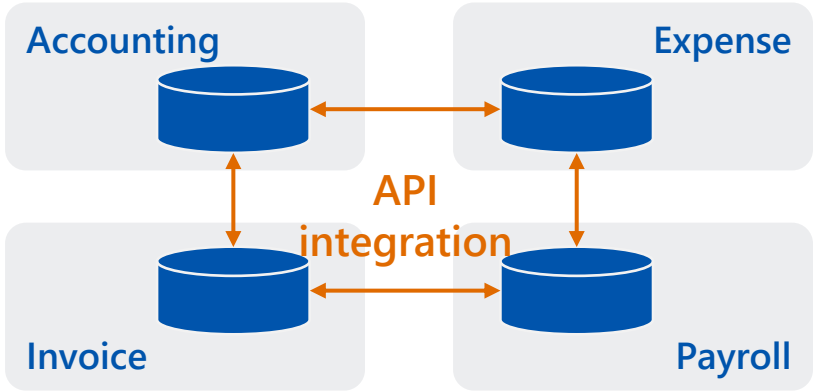
*1 As of February 28 2023.

1 Promoted Composable ERP Strategy That Allows for Phased Implementations

Money Forward Cloud provides stand-alone functions for users to speedily configure an optimal system.
Since data can be integrated via API, the functions can also be used in combination as an ERP.

Component-based ERP (*Money Forward Cloud*)

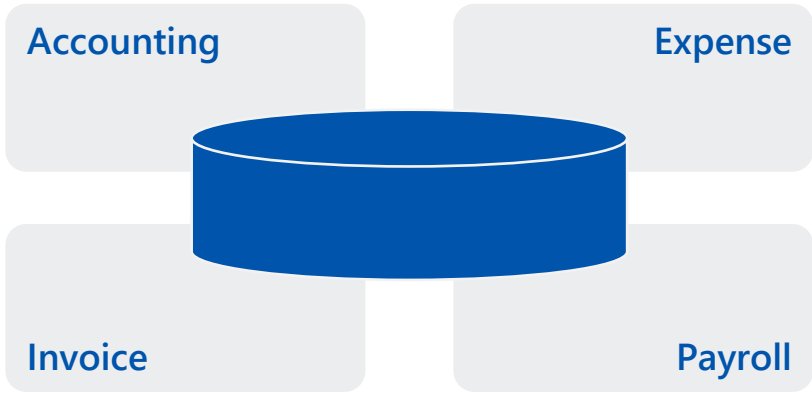
Enables to install the necessary systems independently



Users can select the timing of installment and functions they need.
API connection allows users to build an optimal system without replacing existing systems.

Integrated ERP (Competitors)

Covers all operations necessary for the company



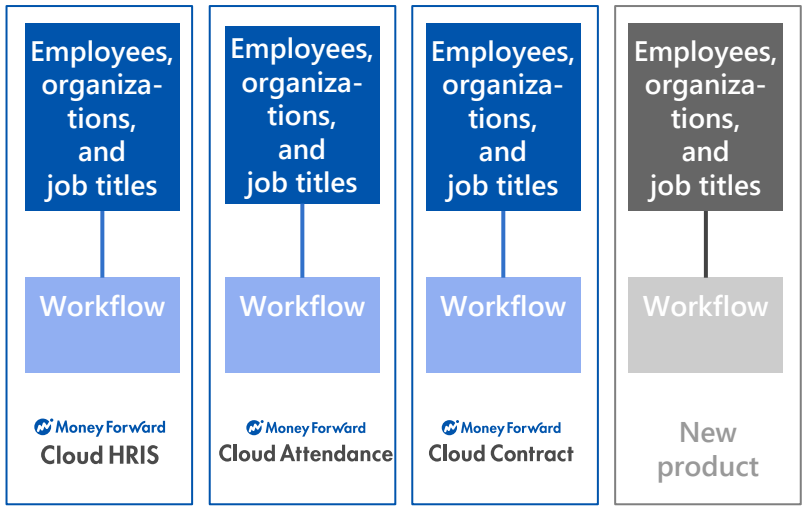
Users will need to replace their existing systems in a major way. **Requires substantial cost and resources to implement.**

（Reference）https://biz.moneyforward.com/erp/basic/813/

1 Enhanced User Experience by Sharing Master Data

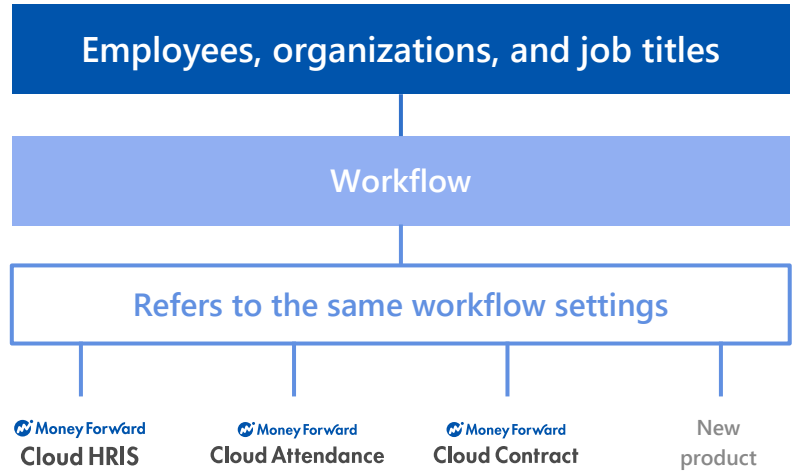
Instead of managing master data for each product, a common master data can be used across all products.

Conventional structure



- Master data is set up according to the needs of each product

Future structure



- Uses the same employee, organization, and job title settings
- A single maintenance can be applied to all products

1 Case of Large Group Implementing *Cloud Accounting* and *Consolidated Accounting*

Expedited and enhanced management of management indicators and raised financial efficiency with *Money Forward Cloud Consolidated Accounting.*

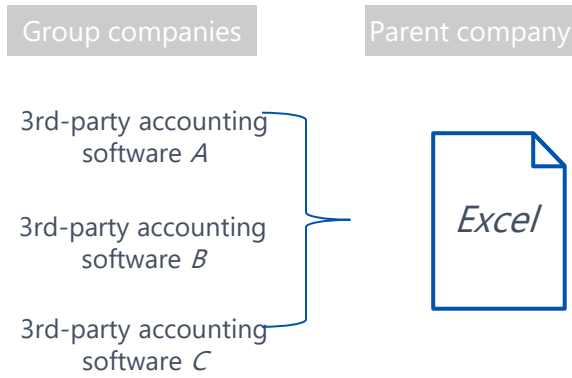
Manufacturing Japan Group

MJG Manufacturing Japan Group 日本製造業事業グループ

Business	Manufacturing business succession	**Group companies**	28
Employees	505	**Group net sales**	¥14,216 mn
Founded	2017		

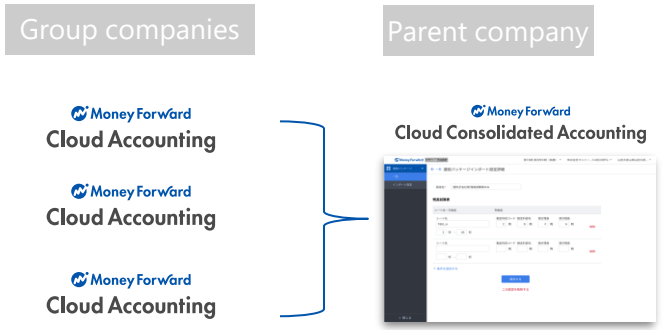
Before implementing *Money Forward*

Consolidated accounting was a burden due to the large number of group companies



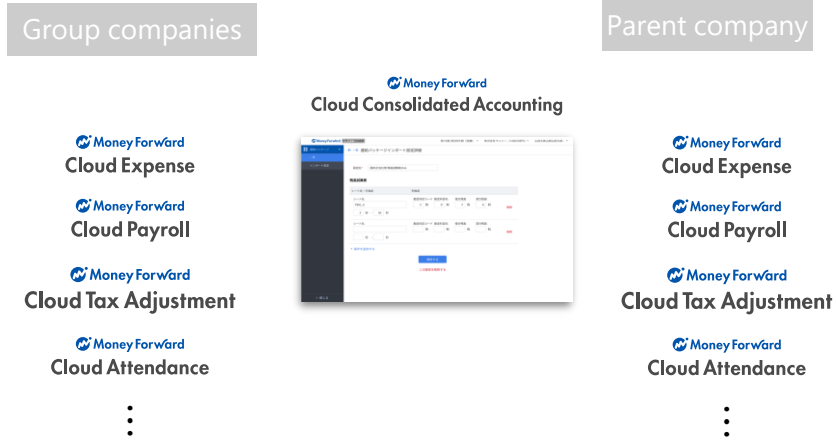
After implementing *Money Forward Cloud Accounting* and *Consolidated Accounting*

Implemented consolidated accounting system, with all companies replacing their accounting systems to *Money Forward* services



Future plan

Plans to expedite account settlements and improve transparency of management with the *Money Forward Cloud* series



1 Case of Listed Company Implementing *Cloud Consolidated Accounting*

KAYAC Inc.

Business	Web production, planning, and management	**Group Companies**	17
# of consolidated employees	Approx. 500	**Group net sales**	Approx. ¥16.5 bn
Founded	1998	**Listing market**	TSE Growth

- Since the group companies previously used various 3rd-party accounting software, consolidating all data on *Excel* took long hours.
- Prior to the KAYAC's adoption of *Money Forward Cloud Consolidated Accounting*, all group companies switched to *Money Forward Cloud Accounting* to accelerate account settlements. The company is currently in the process of implementing *Consolidated Accounting*.

Neural Pocket Inc.

Business	Provision of AI solutions	**Group companies**	4
# of consolidated employees	Approx. 190	**Group net sales**	Approx. ¥3.0 bn
Founded	2018	**Listing market**	TSE Growth

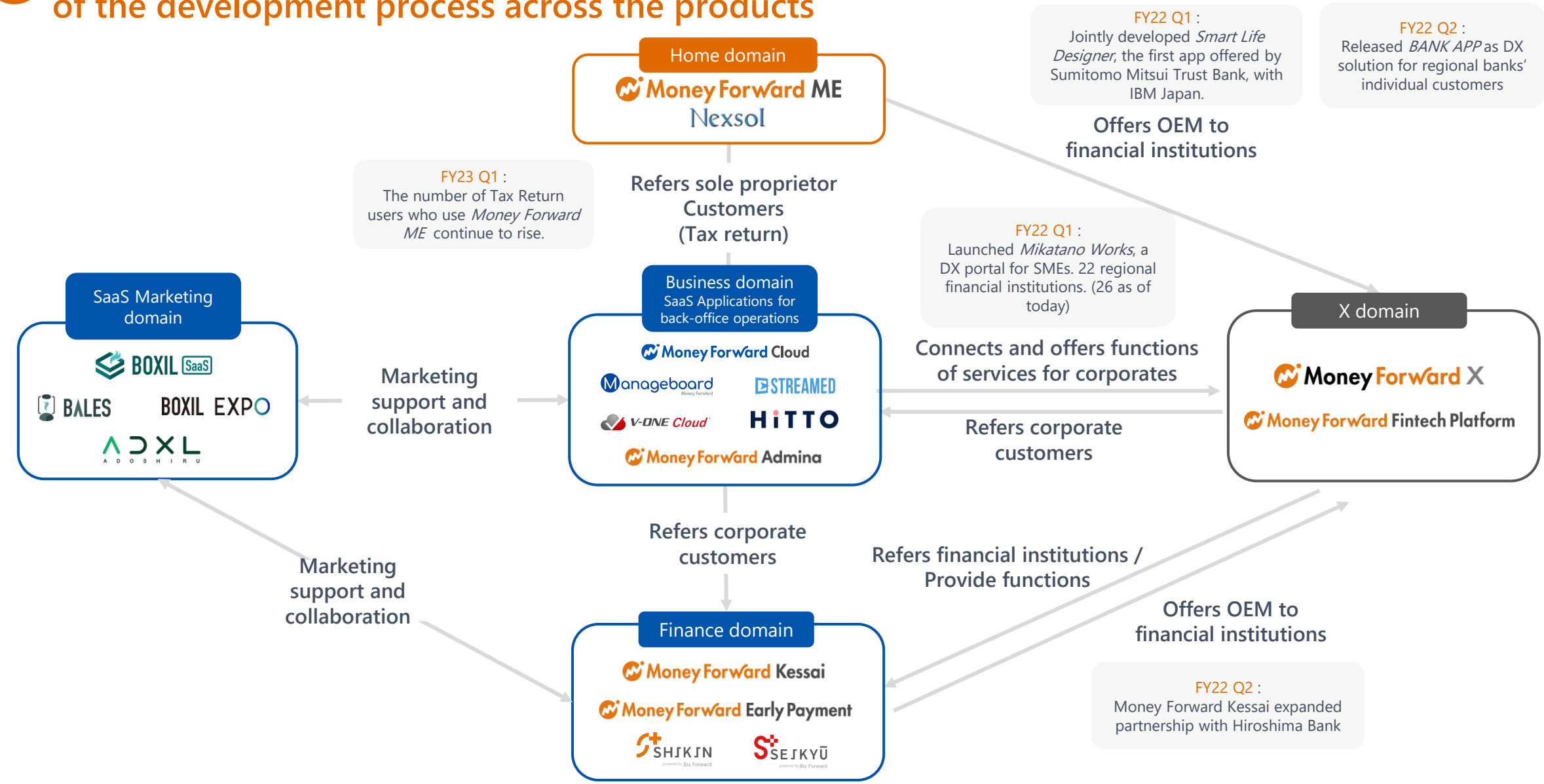
- Consolidated accounting using *Excel* was complex, causing an issue of overdependence on the know-how of a limited few.
- While serval group companies used third-party accounting software, Neural Pocket prioritized improvement in consolidations and implemented *Money Forward Cloud Consolidated Accounting*, which enables consolidating data of numerous accounting software.
- The company also uses *Accounting*, *Invoice Issuing*, *Expenses*, *Payable Management*, and *Payroll*.

1 *Money Forward Cloud Accounting Plus* Integrates via API with Japan's Top 2 Disclosure Support Services for Listed Companies

Alleviates burden of preparing disclosure materials through API integrations with *WizLabo* of Takara Printing Co., Ltd. and *PRONEXUS WORKS WORKS-i* of PRONEXUS Inc. Also enhances internal control by eliminating manual error.

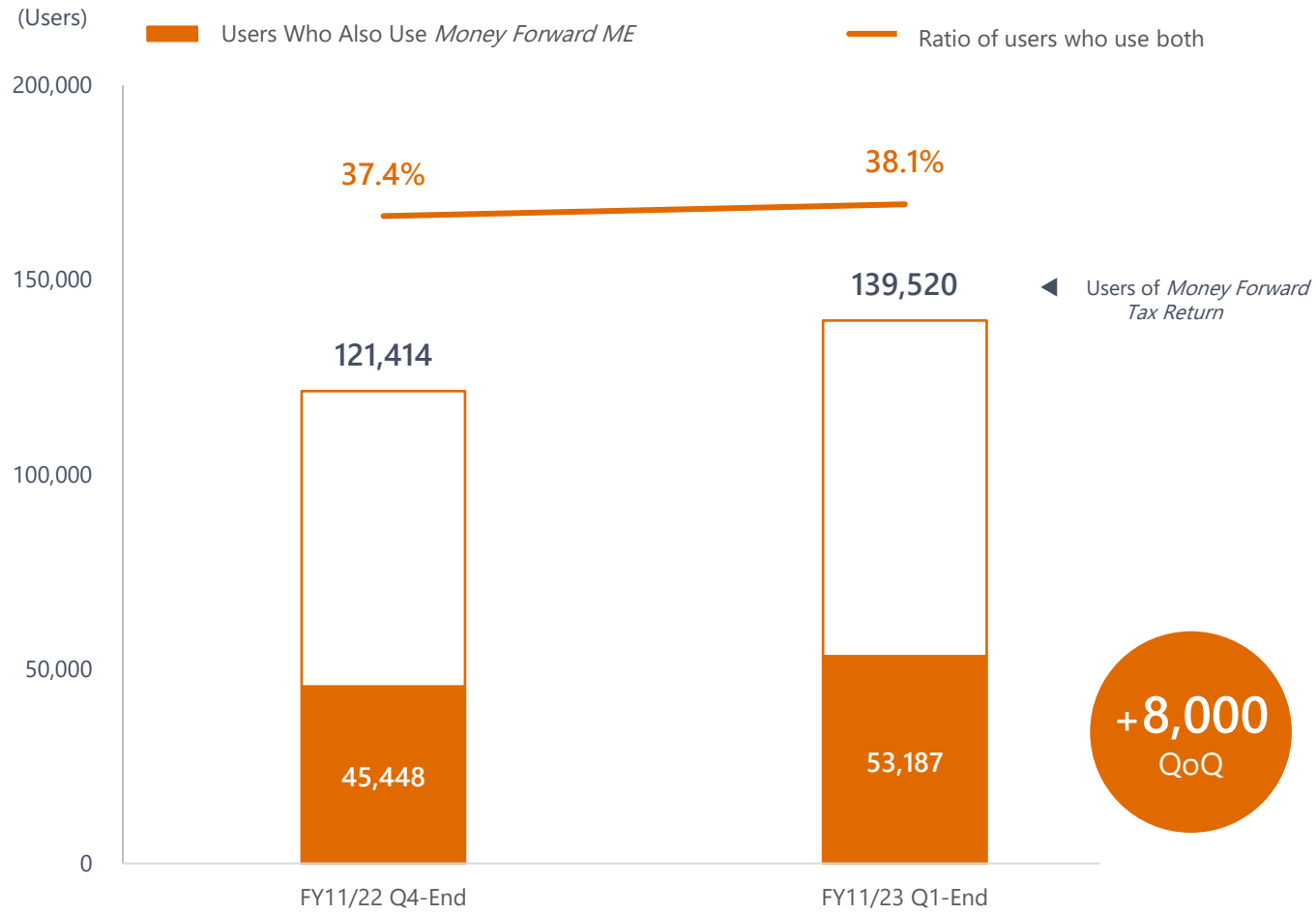


2 Create synergies through mutual reference of users between domains and horizontal expansion of the development process across the products



2 Ratio of Users Who Utilize both *Money Forward ME* and *Cloud Tax Return*[*1] Continue to Rise

Users of *Money Forward Cloud Tax Return* who also use *Money Forward ME*



Money Forward ME

×

Money Forward

Cloud Tax Return

*1 Number of paying users of *Money Forward Cloud Tax Return* who also use *Money Forward ME*.

2 Groupwide R&D Initiatives

E-mail aggregation



Money Forward Cloud Payable Management

Money Forward Cloud Accounting Plus

Money Forward Cloud Expense

Evidence aggregation



Money Forward Cloud Expense

Money Forward Cloud Box

Aggregation frequency control



Money Forward ME

Money Forward Cloud Accounting

Credit control



Money Forward Cloud Expense

Money Forward Pay for Business

Automated data entry



Money Forward Cloud Expense

STREAMED

V-ONE Cloud

Money Forward ME

Calculation of factoring fee



Money Forward Kessai

Money Forward Early Payment

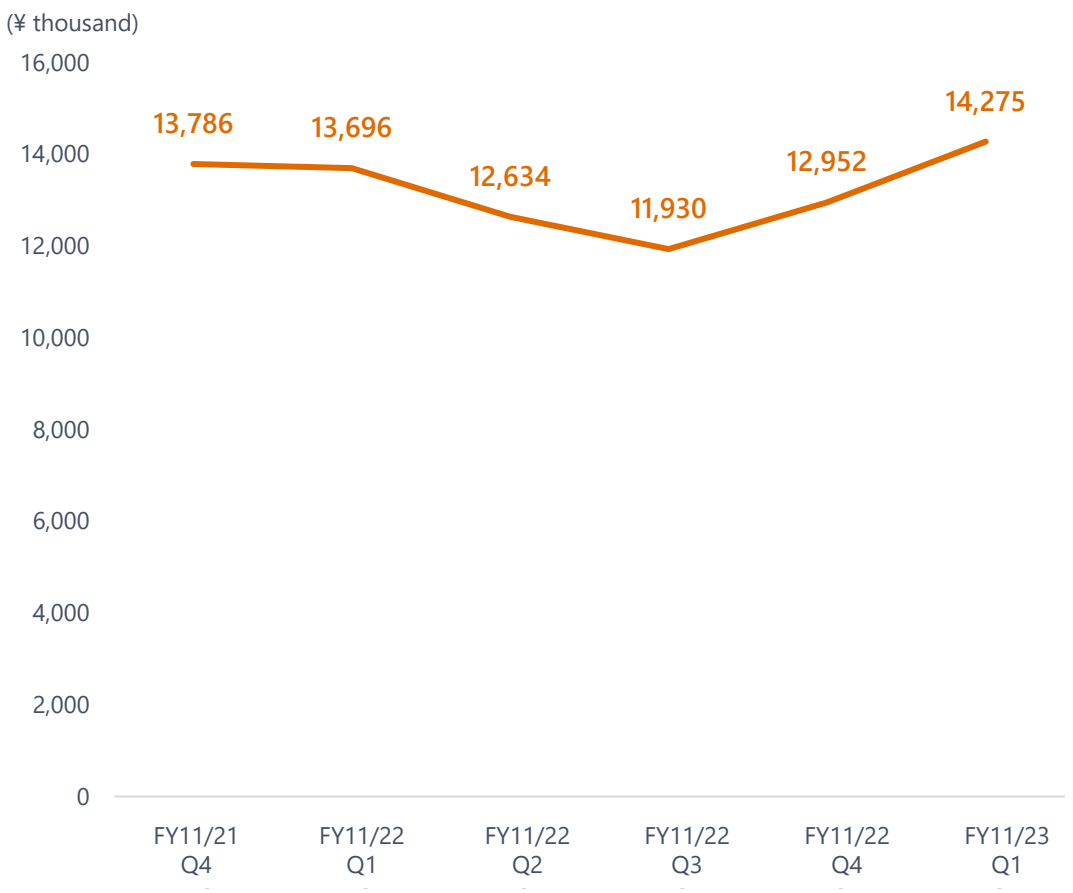
SHIKIN powered by Biz Forward

SEIKYŪ powered by Biz Forward

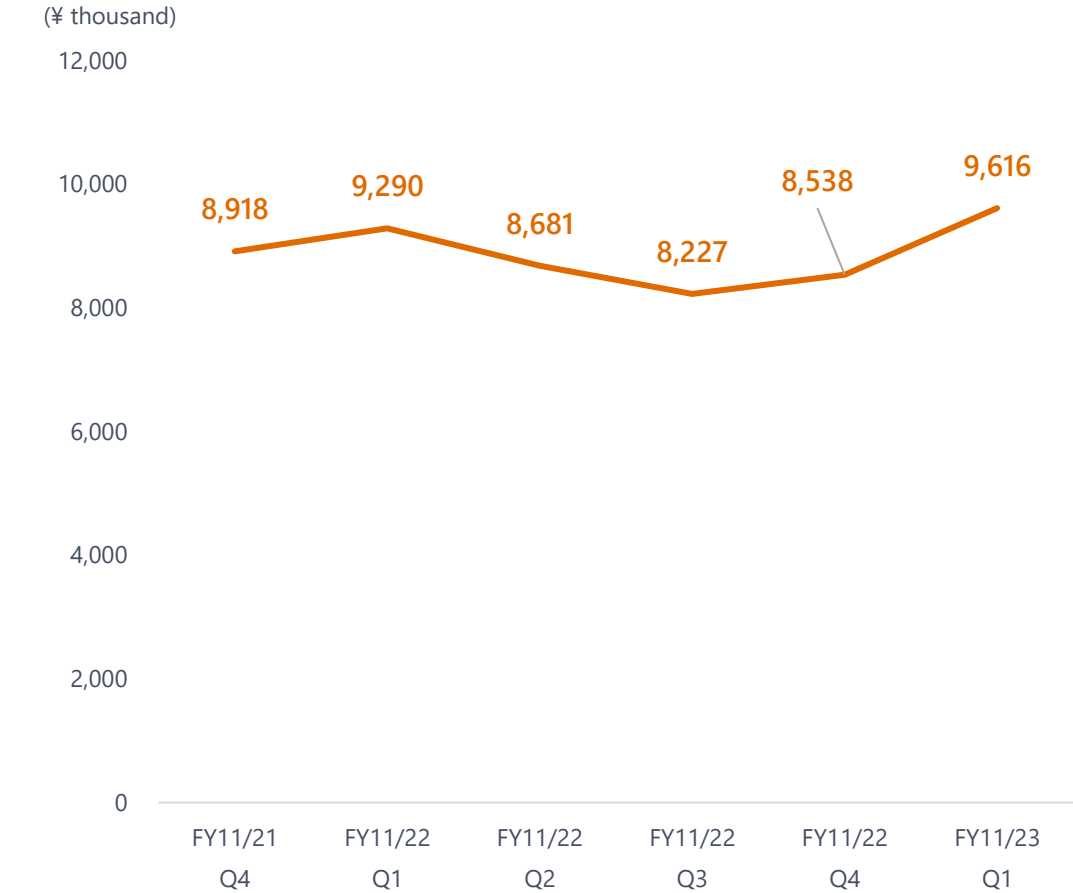
2 Annual Sales[*1] and ARR[*2] per Employee Improved on Expanded Sales and Scale-down in Hiring

Annual sales and ARR per employee is following an upward trajectory after bottoming out in FY11/22 Q3.

Annual sales per employee[*1]



Annual ARR per employee[*2]



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

3 Developing our business in SaaS and Fintech

Area	Payment	Invoicing and accounts receivable	Financial needs and improve cash flow	
Service	Business card payment Money Forward Pay for Business (2021/9～)	Invoicing and Payment collection*1 Money Forward Kessai (2017/6～) SEIKYU *2 (2021/12～)	Accounts receivable financing service*1 Money Forward Early Payment (2019/8～) SHIKIN *2 (2021/12～)	Invoice card payment Money Forward *Invoice Card Payment* for Startup (2023/4～)
Value	• Issues instantly as prepaid cards without Credit screenings. Support large payments as well. • Enables real-time integration with *Money Forward Cloud Accounting* and *Money Forward Cloud Expense*.	• Outsourcing the series of tasks reduces back-office burden for companies with heavy billing workloads. • Guaranteed payment of accounts receivable eliminates the seller's concerns about the risk of debt collection.	• Improved corporate financing through accounts receivable financing. • Unique screening process enables funds of up to several hundred million yen to be raised in as little as two working days.	• Enables card payments for invoices from suppliers that do not accept card payments. • Improve corporate financing by extending the timing of payments
Domain (Revenue Structure)	Business Non-recurring revenue (Transaction)	Finance Recurring revenue	Finance Non-recurring revenue (Transaction)	Finance Non-recurring revenue (Transaction)

*1 See page 108 for details on our invoicing and cash collection business and accounts receivable financing business.
*2 *SEIKYU+* and *SHIKIN+* are operated by Biz Forward, a joint venture with MUFG Bank, Ltd

3 Promote the strategy of SaaS and Fintech

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



- Issued 200,000+ cards with minimal PR costs building on customer base of some 260,000 and partnerships with accounting firms（*Money Forward Pay for Business*） ▶ P.60
- Purchased receivable worth over ¥165 bn (*Money Forward Kessai* and *Early Payment*) ▶ P.62

2. Expand fintech services and gain advantage



- Gained competitive edge in eight services by expanding functions (*Money Forward Pay for Business*) ▶ P.60
- Released new financing service utilizing BPSP*1（*Money Forward Invoice Card Payment for Startup*） ▶ P.63

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



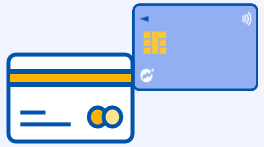
- Deferred Payment Function provides speedy credit decisions based on *Money Forward Cloud Accounting* data（*Money Forward Pay for Business*） ▶ P.61
- Released online factoring function by integrating services（*SHIKIN＋*） ▶ P.64

*1 Abbreviation of business payments solution provider. A new solution of VISA that enables users to make card payments even to sellers who do not accept card payments. Master Card and JCB offers similar services.

3 Thanks to our partnerships with accounting firms and a customer base of 260,000, issued 200,000 cards with minimal promotional expenses.

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

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



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

2. No usage limit



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

3. 1% point return

1%

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

4. Benefit Programs



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

5. Issuance of additional cards for different purposes



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

6. Supports card control



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

7. Real-time reflection of usage statements



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

8. Post-payment function



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

*1 Market research on "business prepaid cards" (March 2023, Future Trends Research Organization survey).
*2 Up to 50 million yen per transaction can be settled only at specific merchants registered based on pre-screening (e.g., cloud system usage fees, etc.). The default setting is 1 million yen, and can be changed to 5 million yen by the user.

3 Deferred Payment Offers Speedy Credit Decisions Using *Money Forward Cloud Accounting* Data

Using data from *Money Forward Cloud Accounting*, the service grant up to ¥50 million in credit for the *Money Forward Business Card*.

Money Forward Pay for Business

Deferred Payment Function released in September 2022

Money Forward Cloud Accounting
- Accounting data
- Deposit/withdrawal data

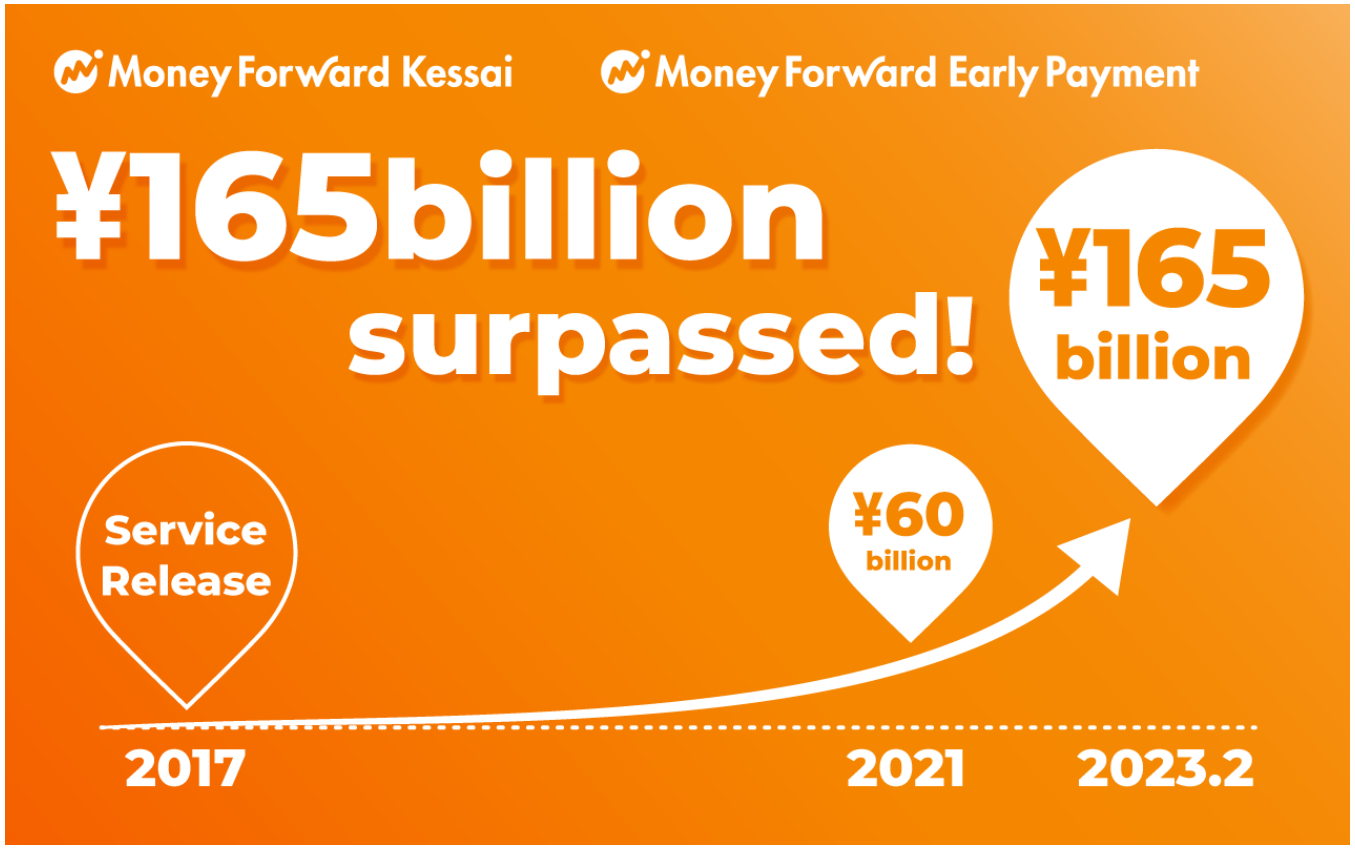
→ ***Money Forward Business Card***



Through API integration with *Money Forward Could Accounting* data, Provides UX that grants credit in as little as 10 seconds

3 Purchased Receivable Worth Over ¥165 Bn in *Money Forward Kessai* and *Early Payment*

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



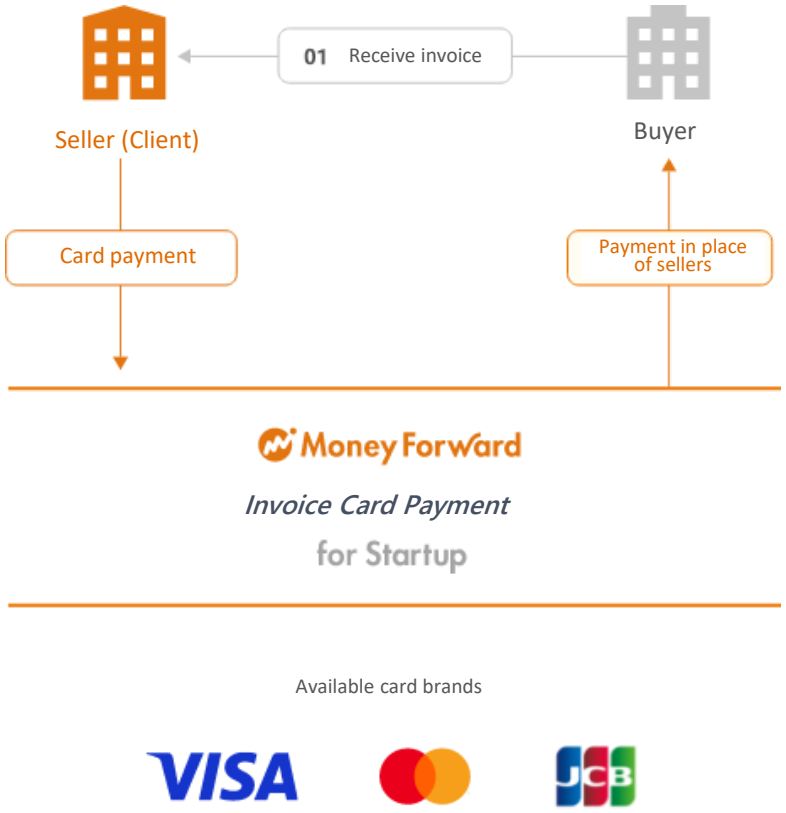
Collection Rate*2

Over 99.5%

*1 Cumulative amount of transactions through *Money Forward Kessai* and *Money Forward Early Payment* as of the end of February 2023.
*2 Percentage of the amount collected to the amount of purchased receivables from the start of business until the fiscal year ended November 30, 2022

3 Launched *Money Forward Invoice Card Payment for Startup* Leveraging BPSP*1

Allows payment of invoices designated for bank transfer by card. Support corporate cash flow by postponing payment with credit card payments.



Card payments with commission rate as low as 2%*2

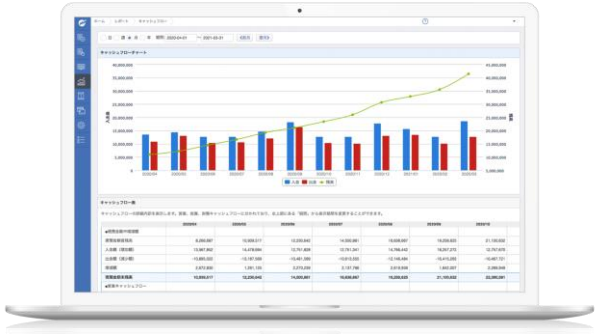
Extends payments for up to 60 days*3

*1 Abbreviation of business payments solution provider. A new solution of VISA that enables users to make card payments even to sellers who do not accept card payments. Master Card and JCB offers similar services.
*2 From April 4, 2023 (Tuesday) to June 30, 2023 (Friday), all companies will be able to use this service with a 2% commission. The fee will be a flat rate of 3,000 yen for all transactions of 100,000 yen or less.
*3 In a case where the credit card closing date is day 10 of each month, and withdrawals are made at the end of the following month. The number of days that a payment can be extended will differ depending on the billing cycle of the card used.

3 Released Online Factoring Service by Integrating Services

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

Money Forward Cloud Accounting

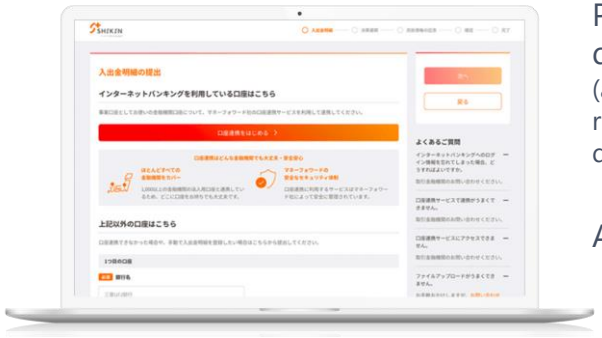


Deposit/withdrawal data, journal data, trial balance data, etc.

Credit decision

Biz Forward
A member of MUFG

SHIKIN
powered by Biz Forward



Period till deposit (after submitting required documents)	Min. 2 business days
Amount	Tens of thousands to hundreds of millions of yen
Interview	Not necessary

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

3 Our M&A Strategy and Investment Track Record

Business Area	Strategy	Track Records
Business / Back-office SaaS + Home	**1 Expansion of Product Line-up** Business: Upsell products to existing customers (accounting firms and corporates) for ARR expansion Business: Expand range of best-in-class solutions to further enhance line-up to medium to large-sized/pre-IPO companies and listed companies Home: Expand financial services and enhance value proposition	STREAMED (November 2017) Manageboard (July 2018) V-ONE Cloud (October 2020) FY22 HITTO (December 2021) FY22 Nexsol (May 2022) SUSTEN (March 2022) *Susten Capital Management Inc. is an equity method affiliate
	2 Expansion of TAM(Geographical Expansion) ● Access to cloud back-office SaaS market in SEA	FY22 mekari: Multiple follow-on investments since January 2018. FLOWACCOUNT.COM (June 2021) Bizzi (September 2021) * We hold minority stakes in Mekari, FlowAccount, and Bizzi.
Business / SaaS Marketing	**3 Expansion of TAM(Business Area Expansion)** ● Enter SaaS marketing business which has large market potential	BOXIL SaaS (February 2020)

4 Promote the Digital Invoice strategy through synergies with Group companies

Leverage our group company's assets to execute our core strategy, especially areas related to the Invoice System.

Group Company	Acquisition	Product Overview	Contribution to the Digital Invoice strategy
Klavis STREAMED	100% Nov.2017	Data extraction / automated bookkeeping for accountants	• *Money Forward Cloud Invoice*, one of the key products of the Digital Invoice strategy was developed by the KLAVIS team, leveraging the company's expertise in AI-OCR • Masanobu Takeda, Director and CFO of KLAVIS serves as Money Forward Business Company COO, managing the 1,000+ team
R&AC V-ONE Cloud	12.3%→100% Oct. 2020	Cloud cash reconciliation and AR management	• Strengthening the lineup of *Money Forward Cloud* in the areas of receivables and payables management. • One of our directors, who has extensive experience in the receivables management area, was seconded to the company as a member of our overall invoicing strategy planning and execution team.

Other Initiatives



Received Great Place to Work Award in 2023 Survey by Great Place to Work® Institute Japan[*1]. Ranked 10th in Large Company Category[*2] and 5th in Company with Motivating Environment for Women



Left: Chiaki Ishihara, Head of People Forward Division
Right: Yoko Arakawa, Representative Director and President of Great Place to Work® Institute Japan

*1 Great Place to Work® Institute operates in about 60 countries worldwide and conducts research and analyses of "great companies to work for" based on a global standard and publishes the results on websites and major media outlets in each country. In the US, *Fortune* has been publishing a Great Companies to Work For ranking every year since 1998. Making it to this list is considered a status as a first-class company. Great Place to Work® Institute Japan is licensed by the global Great Place to Work® Institute to operate in Japan. *2 Companies with 1,000 or more employees.

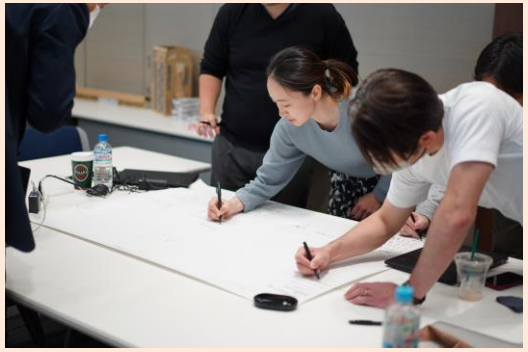
Promoting design management centered on CDO

Received the Intellectual Property Achievement Award from the Commissioner of Japan Patent Office this April in the category of design management company. Will continue to leverage design to create innovations and fortify branding by placing designing as centerpiece of management strategy.

Designs in management and corporate strategies

- The Chief Design Officer (CDO) joined the management team.
- A design strategy department has been established directly under the CEO to promote the utilization of design and the construction and nurturing of design organizations.
- The CDO incorporates design approaches to solve management issues by supporting the development of the overall corporate vision and planning management retreats.

Received 2023 Intellectual Property Achievement Award from the Commissioner of Japan Patent Office in the category of design management company



Design workshop at a management boot camp



Designs for innovation

Product managers and designers work together to promote development that incorporates a user-centered design process from the planning stage to improve the competitiveness of the product.

Received FY2022 Good Design Award
Money Forward Pay for Business and *Money Forward Admina*
Received FY2021 Good Design Award
Money Forward Cloud ERP and asset management app *OneStock*



Designs for branding

Promote branding with corporate culture at its core.

Through collaboration between culture-building and brand promotion teams, create consistency between employees' daily activities and touch points such as products and advertisements to enhance brand power.

Received Rising Stars Award at Japan Branding Awards 2022

* The award honors initiatives with outstanding originality that have achieved remarkable growth through branding.

Issuing Integrated Report *Forward Map 2023* and ESG Data (Japanese and English) Today (Apr. 14)

While addressing the needs of a wider audience by including an introduction of each business, we elaborated on our approach to human capital and governance. Disclosed indicators we need to improve from the aspect of sustainability.





Interviews with users and partners



Discussion on corporate governance with independent external directors



Sustainability indicators

Disclosure of Diversity, Equity & Inclusion Statement and Establishment of Human Rights Policy

Disclosed our Diversity, Equity & Inclusion Statement to demonstrate our commitment to providing value to all users and promoting a respectful and diverse workplace environment. In addition, our Human Rights Policy outlines our dedication to upholding fundamental rights for all individuals.

New website that introduces initiatives related to diversity, equity, and inclusion







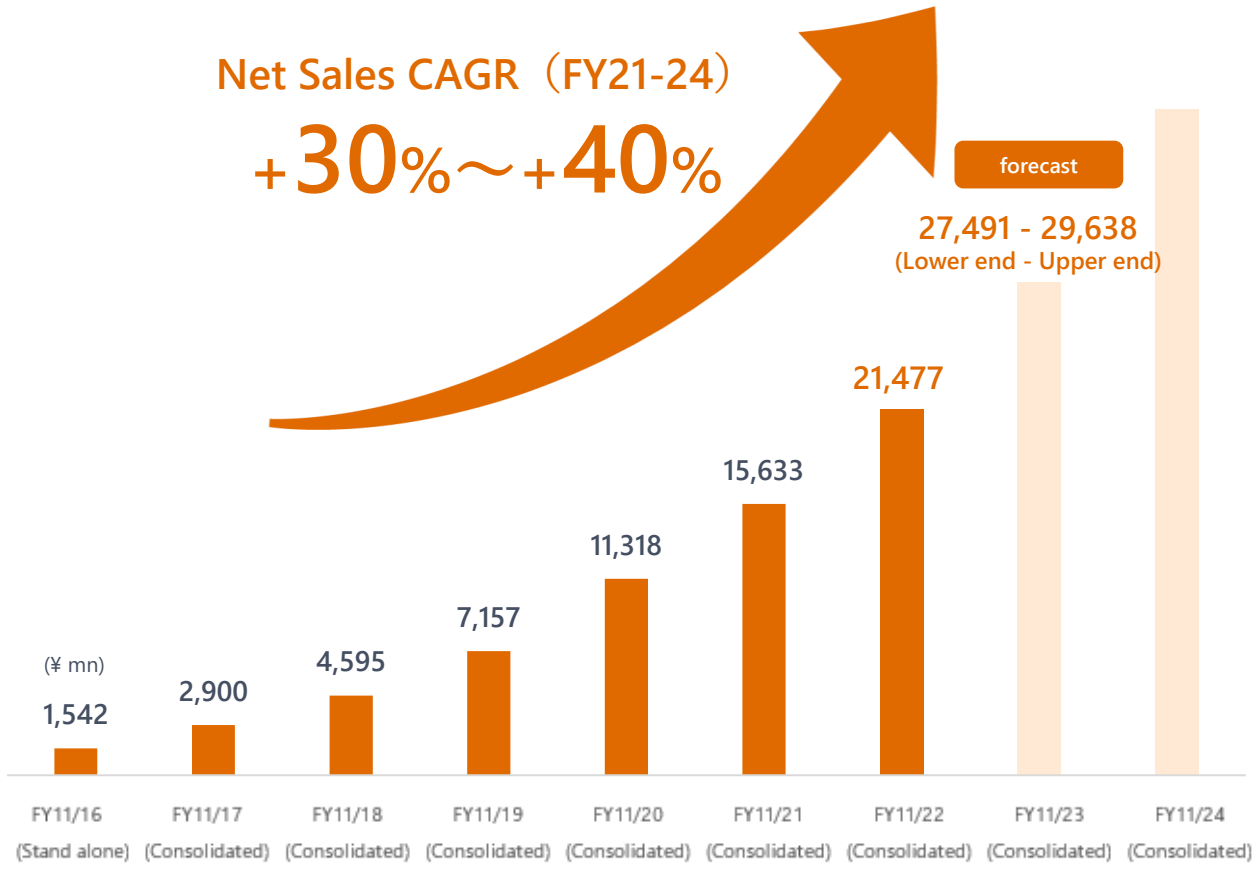
https://recruit.moneyforward.com/diversity (in Japanese)

Forecasts for FY11/23 and onwards



Forecasts for FY11/23 and onwards

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



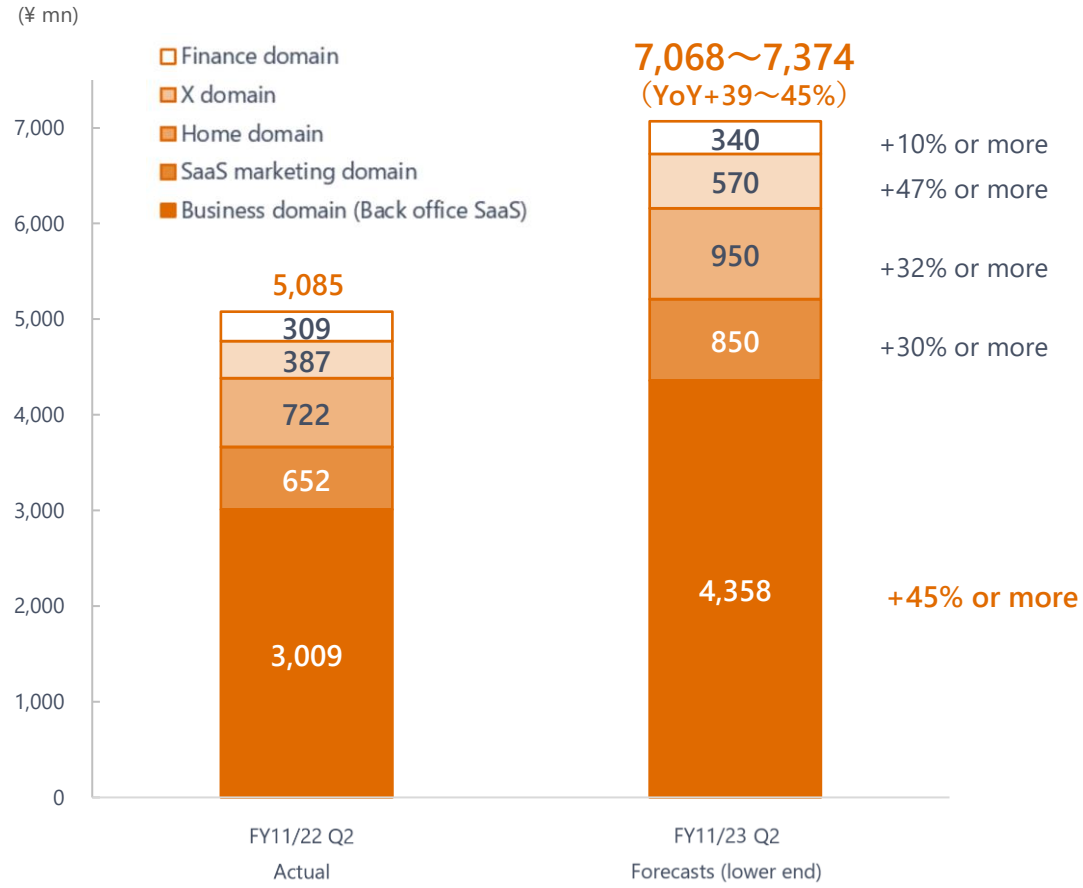
Forecasts for FY11/23 and after

- FY11/23 consolidated net sales are expected to be **¥27.49–29.64 billion (+28 to 38% YoY)**, and year-end SaaS ARR at **¥21.18 to 22.82 billion (+30% to 40% YoY)**. FY23 EBITDA is expected to improve from FY22.
- FY23 Q2 net sales is expected to be **¥7.07-7.37 billion (+39 to 45% YoY)**, Q2-end SaaS ARR at **¥19.29-19.85 billion (+38 to 42% YoY)**, and EBITDA **within ¥(1,10) to(6.0) billion.** Advertising and promotion spend is expected to be between ¥1.35 to 1.55 billion in Q2.
- The upside in sales and SaaS ARR at the end of the period (the difference between the lower and upper end of the forecast) is expected to be mainly in the Business (Back office SaaS).
- Due to a date change of delivery of equipment and other items, one-time expenses (¥130 million) associated with the expansion of the headquarters office, of which ¥80 million will be recorded in Q2.

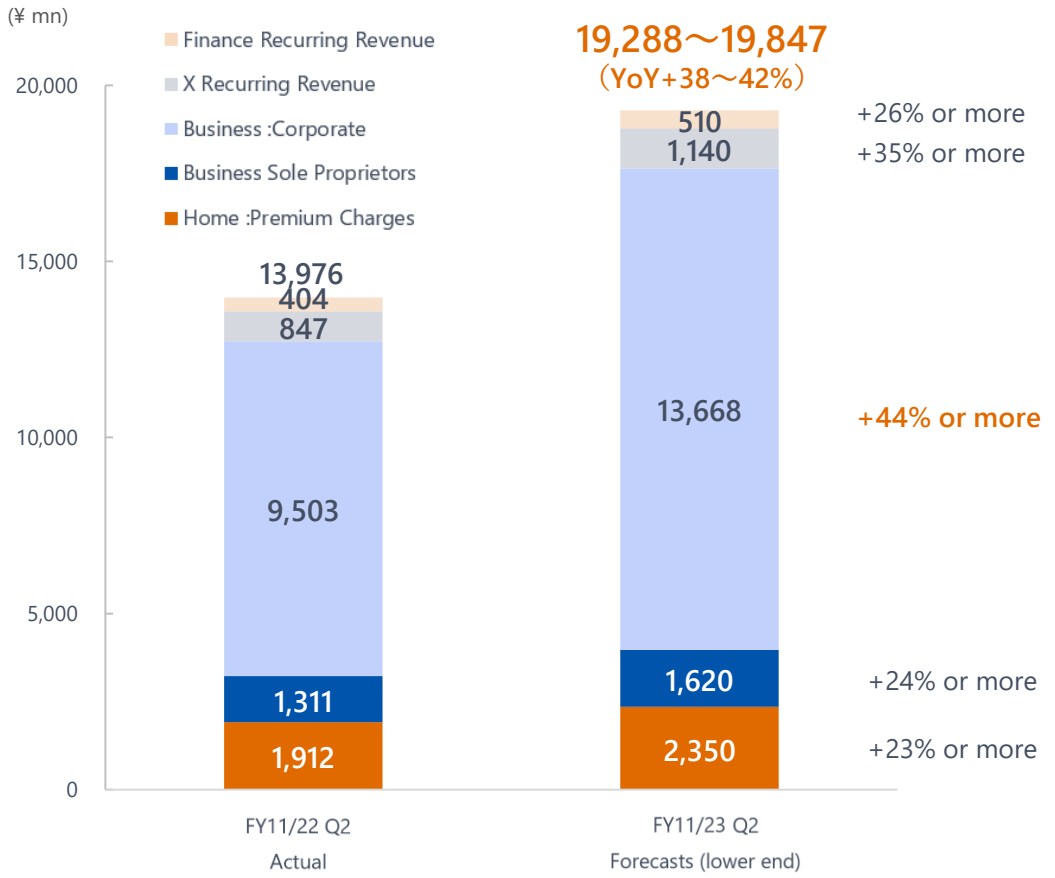
* The bars of FY11/23 and FY11/24 in the chart above are created by projecting annual growth rate of net sales at +35%.

Q2 Net Sales / Q2-end SaaS ARR Forecasts (Each Domain)

Net Sales*1 (lower end) Forecasts



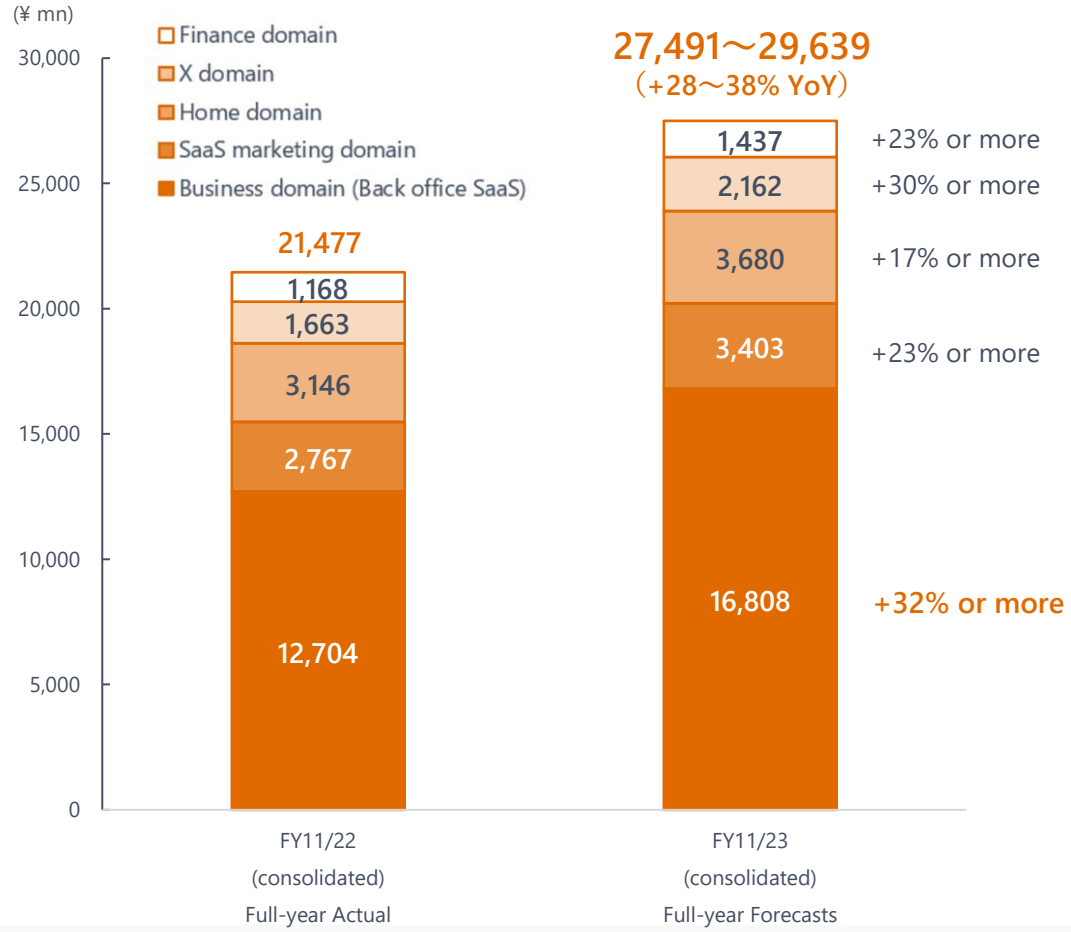
SaaS ARR (lower end) Forecasts



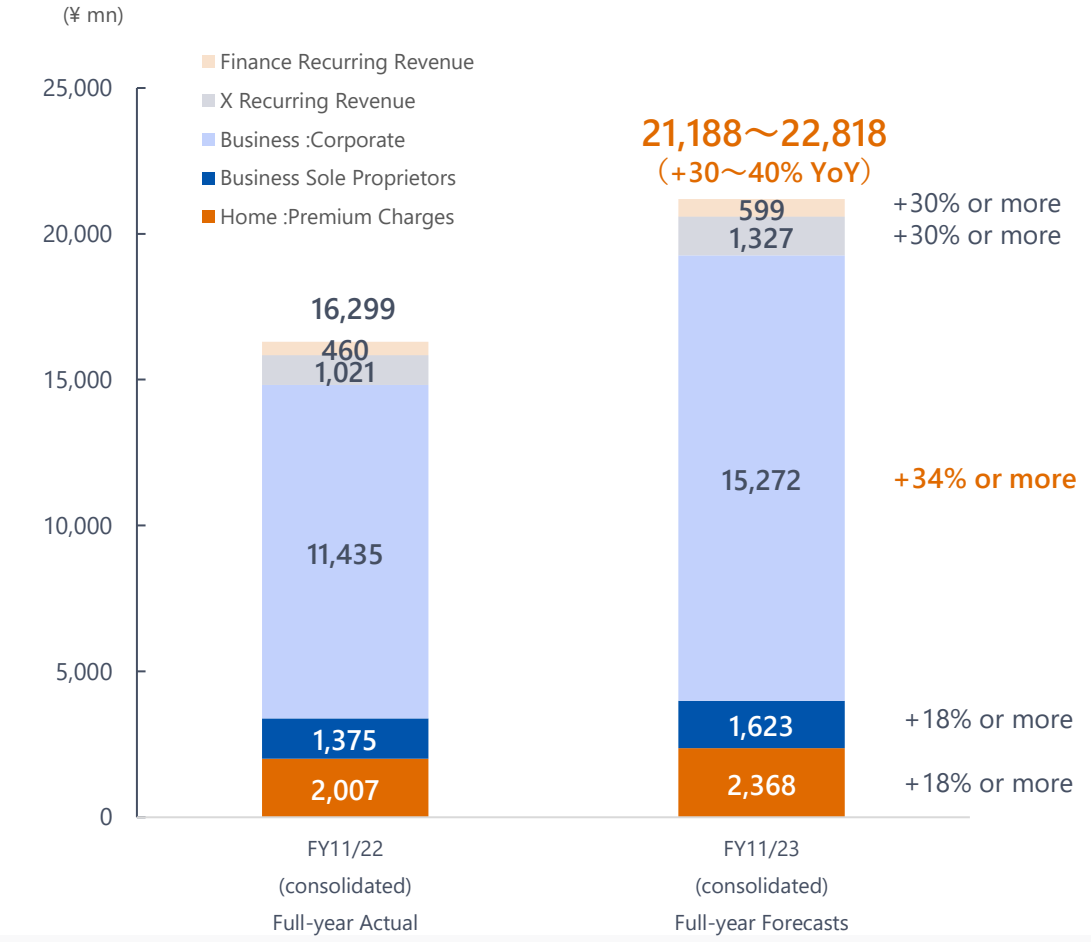
*1 Includes other net sales.
* Net sales and SaaS ARR by each domain are based on each lower end forecasts.

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

Net Sales*1 (lower end) Forecasts



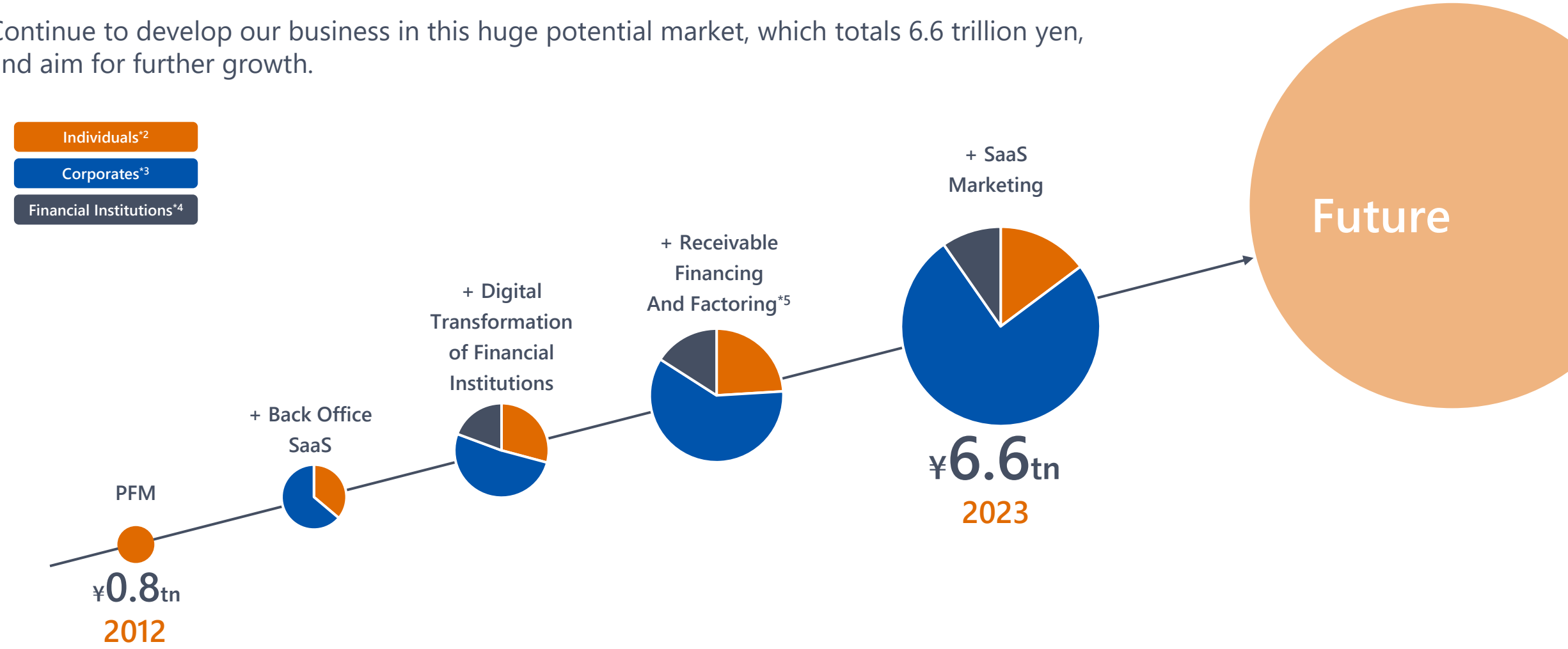
SaaS ARR (lower end) Forecasts



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

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

Continue to develop our business in this huge potential market, which totals 6.6 trillion yen, and aim for further growth.



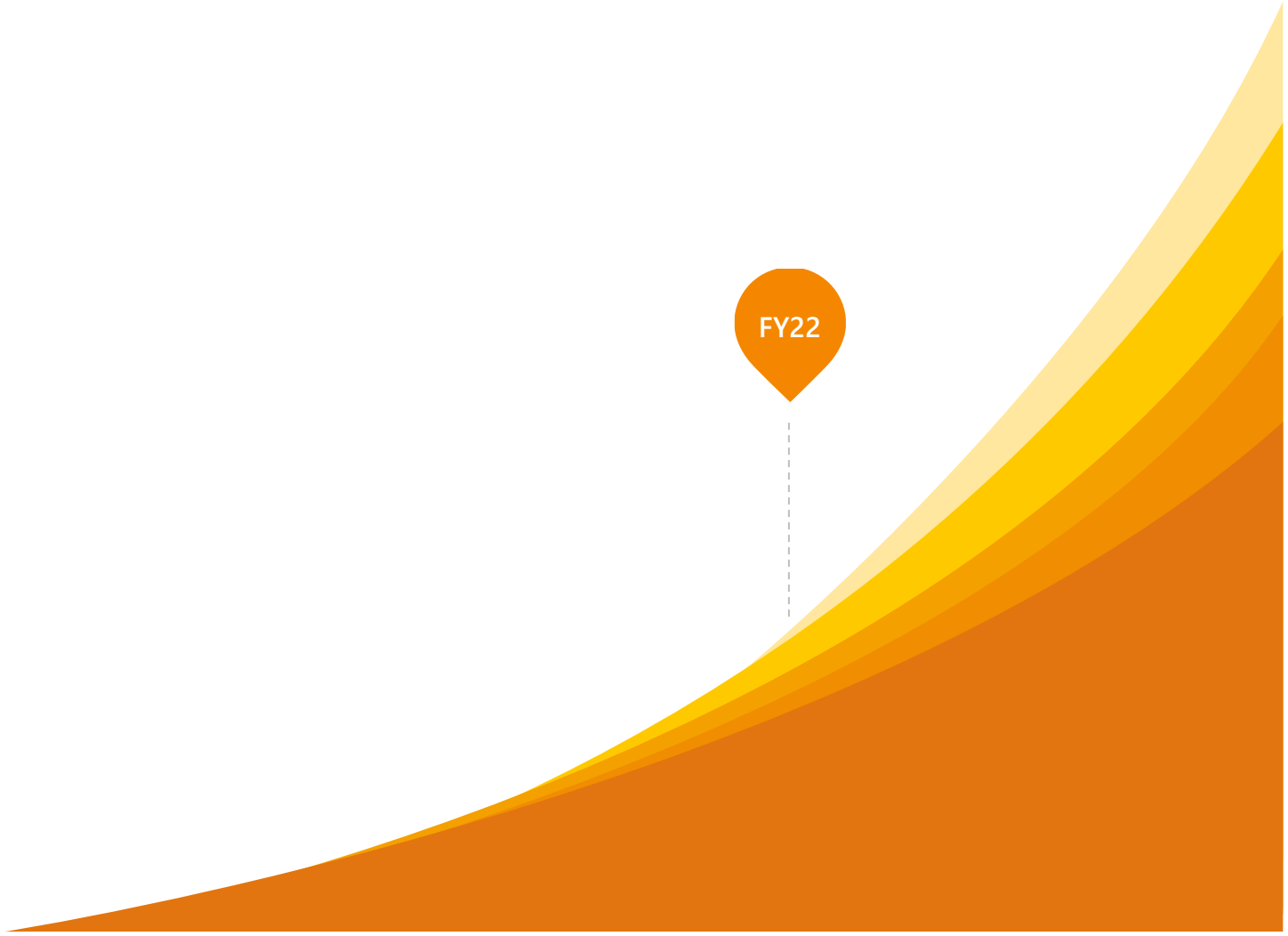
*1 Total Addressable Market. Potential market size for four domains of Money Forward is estimated, by using certain assumptions, based on third party research, publication as well as Money Forward historical data.

*2 See page 106 for the calculation of Individuals TAM. *3 See pages 102 and 110 for the calculation of Corporates TAM, including back-office SaaS, SaaS marketing. See *5 for receivable financing and factoring markets.

*4 Calculated based on the market size for the Japanese contract software development market size and for *Mikatano* according to the Ministry of Internal Affairs and Communications/Ministry of Economy, Trade and Industry's 2021 Basic Survey on Information and Communications Industry multiplied by an estimated market share. *5 Calculated based on an annual required working capital for Japanese companies with revenues of under ¥500 million according to the Small and Medium Enterprise Agency of Japan's Report on Basic Survey on SMEs in 2021 multiplied by an estimated usage rate for accounts receivables financing services multiplied by a rate based on Money Forward Kessai's past fees received.

*These figures are not intended as an objective indicator of the size of the market for our businesses as of April 2023. Actual market size may differ from this estimate due to the limitations peculiar to such third-party research and publications in terms of their accuracy.

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



M&A

SaaS Marketing Platform
BOXIL SaaS
BALES

Flow
Money Forward X [Non-recurring Revenue]
Money Forward ME [Adverting Revenue]

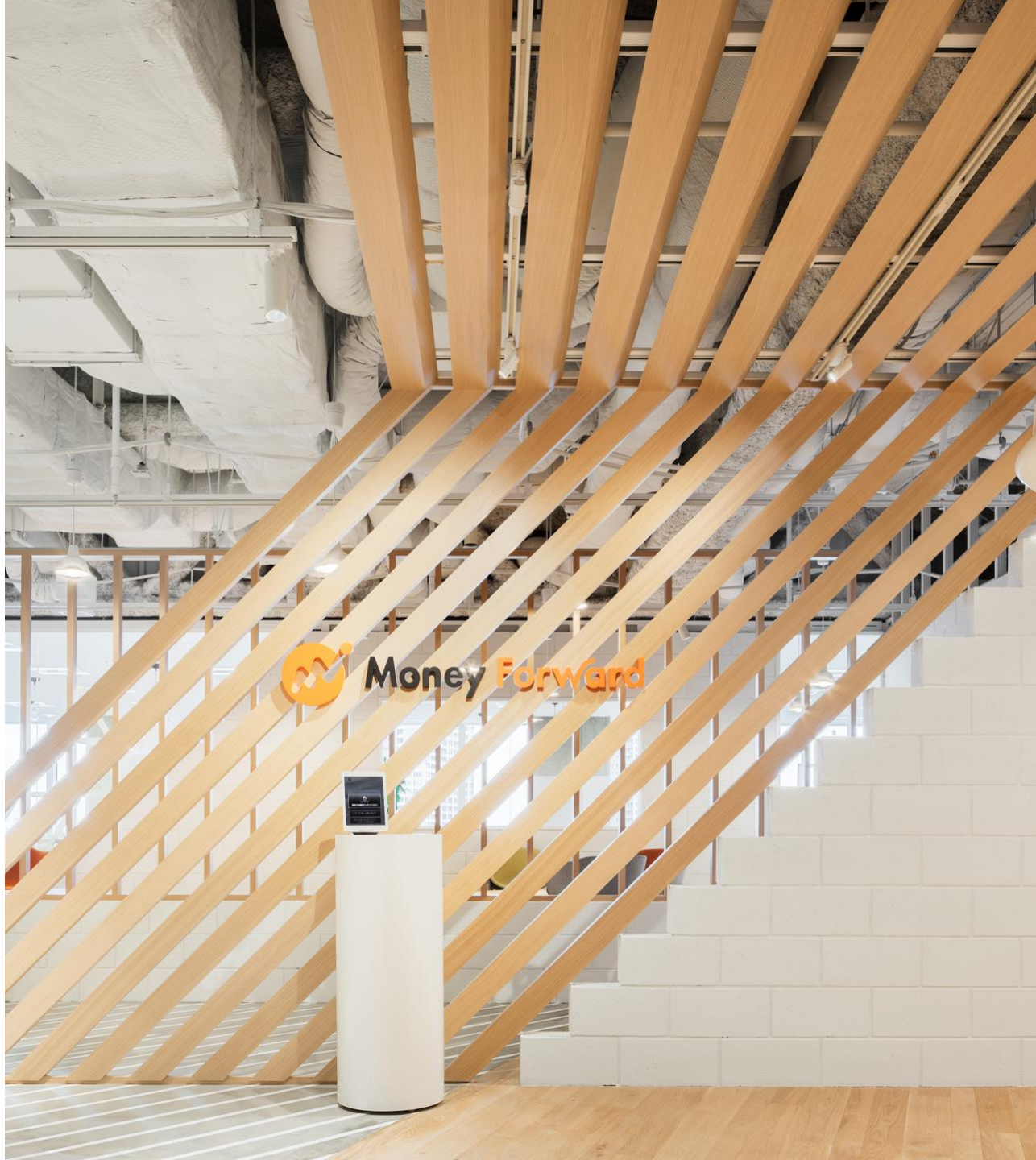
Transaction
Money Forward Pay for Business
Money Forward Early Payment

Stock
Money Forward Cloud
Money Forward ME
Mikatano
Money Forward Kessai

Appendix



About Us



Members of Board of Directors (CEO)



Yosuke Tsuji

Representative Director, President and CEO

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

Awards (including awards to Money Forward)

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

Internal Directors

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



Naoya Kanesaka

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

- 2007-2014: Goldman Sachs (Tokyo and San Francisco offices). Engaged in advisory services for cross-border M&As and fund procurement mainly in the technology and financial industries, and in enhancing value of investee companies.
- Joined Money Forward, Inc. in 2014. As CFO, led IPO, domestic and global financing, M&A and alliance.
- Appointed as CEO of Money Forward Synca, Inc. in Sept 2019.



Takuya Nakade

Director, Group Executive Officer and CTO
D&I Head

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



Masanobu Takeda

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

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

External Directors

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



Masaaki Tanaka

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



Akira Kurabayashi

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



Hiroaki Yasutake

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



Etsuko Okajima

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



Gen Miyazawa

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

Executive Officers

Management members who have key roles in the growing group.



Toshio Taki

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

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



Takashi Ichikawa

Group Executive Officer and CISO

- Joined Money Forward, Inc. in 2012. Appointed as director in 2017.
- 2011-2012: Major financial systems development company. Led the infrastructure division and launched a new FX transactions site.
- 2000-2011: Monex Group, Inc. Developed and operated securities trading systems and engaged in project management for subsidiary mergers, etc.



Masakazu Sekita

Group Executive Officer and CLO (Chief Legal Officer)

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



Hirokazu Ban

Group Executive Officer and CCO (Chief Compliance Officer)

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



Daisuke Sergio Ito

Group Executive Officer and CDO (Chief Design Officer)

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

Other Key Management Members （1/3）

Management members who have key roles in the growing group.



Kazuya Yamada

Group Executive Officer, Money Forward Business Company CSO

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



Naoki Kuroda

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

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



Ryo Shibuya

Group Executive Officer and Money Forward Business Company VPoE

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



Kiminobu Tahira

Group Executive Officer, Head of CEO Office

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



Daisuke Motokawa

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

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



Shun Matsuoka

Group Executive Officer and Accounting Department Manager

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

Other Key Management Members （2/3）

Management members who have key roles in the growing group.



Satoshi Furuhashi

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

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



Hidetsugu Kunimi

Representative Director, Knowledge Labo, Inc.

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



Tetsuya Komaguchi

Money Forward Business Company CMO (Chief Marketing Officer)

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



Naomichi Tomiyama

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

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



Youkou Takano

CIO (Chief Infrastructure Officer)

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

Other Key Management Members （3/3）

Management members who have key roles in the growing group.



Shion Hayashi

SMARTCAMP Co, Ltd Representative Director and CEO

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



Seiko Harada

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

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

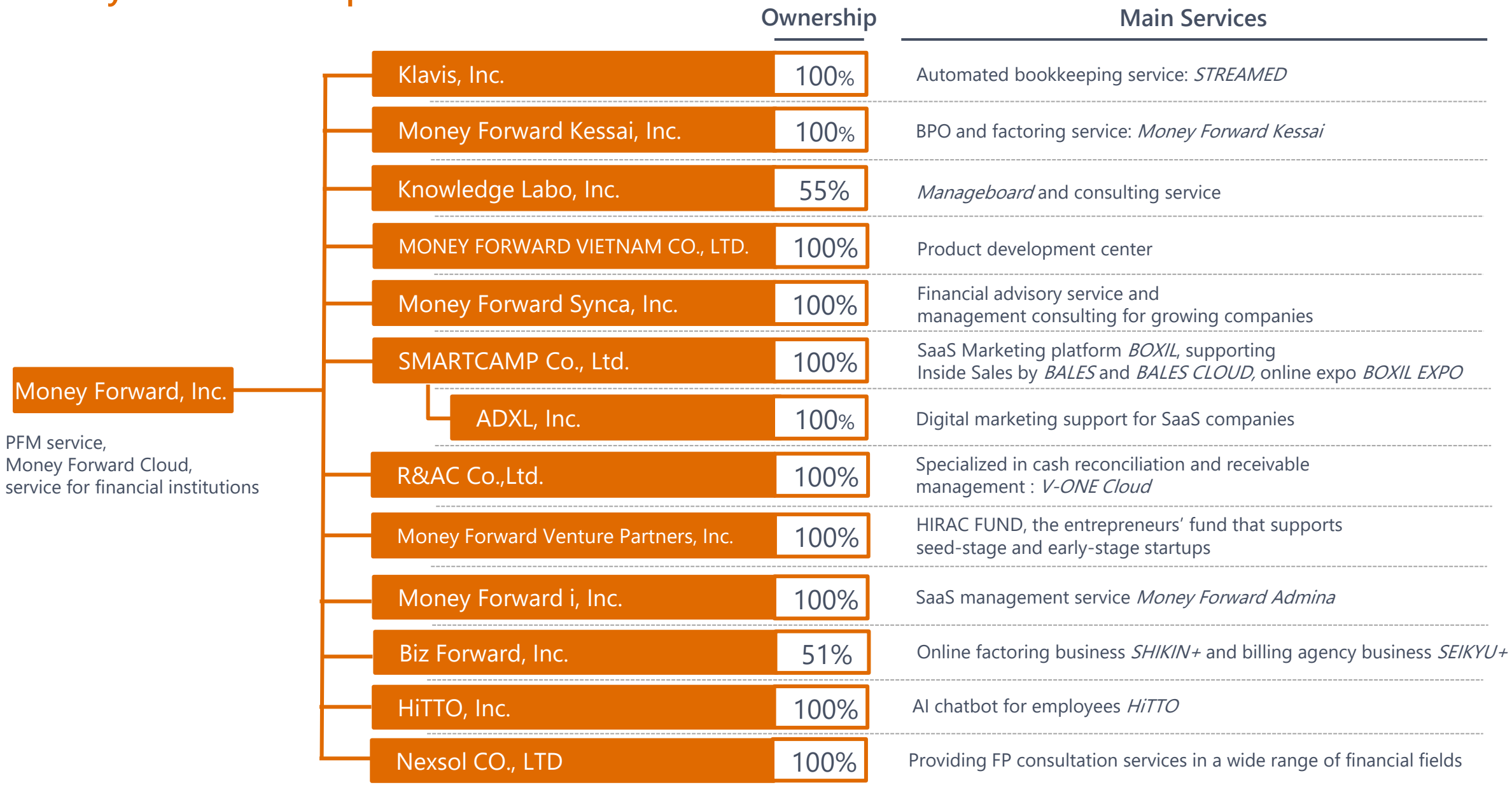


Shinpei Abe

SMARTCAMP Co, Ltd Director, Executive Officer and COO

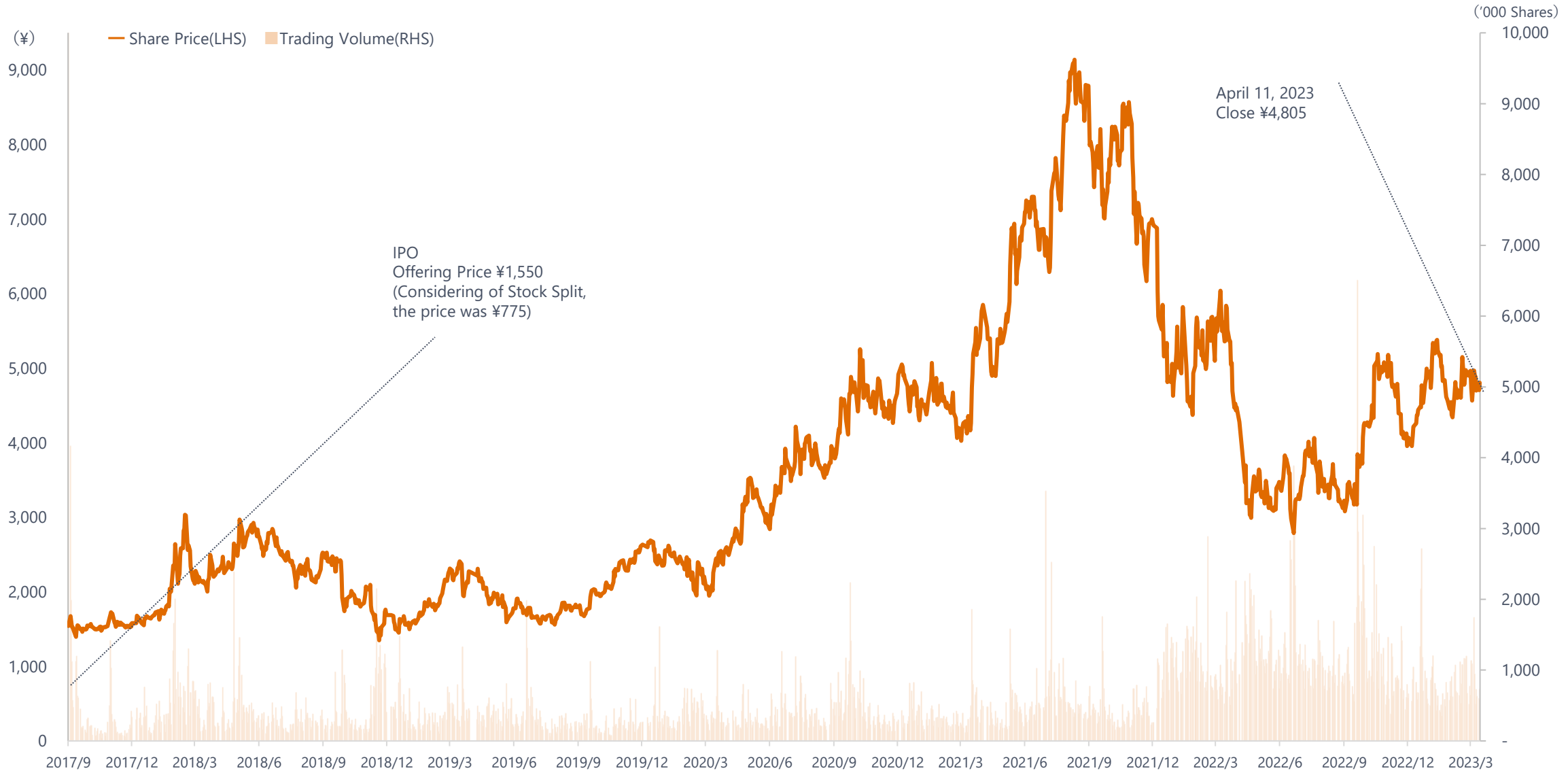
・ Joined Deloitte Tohmatsu Consulting LLC after Graduating Waseda University. Worked on multiple strategy and new business projects for major IT and manufacturing companies.
・Joined SMARTCAMP in March 2017. As a Director and COO, responsible for formulating business and organizational strategies and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

Money Forward Group Structure



* As April 14, 2023.

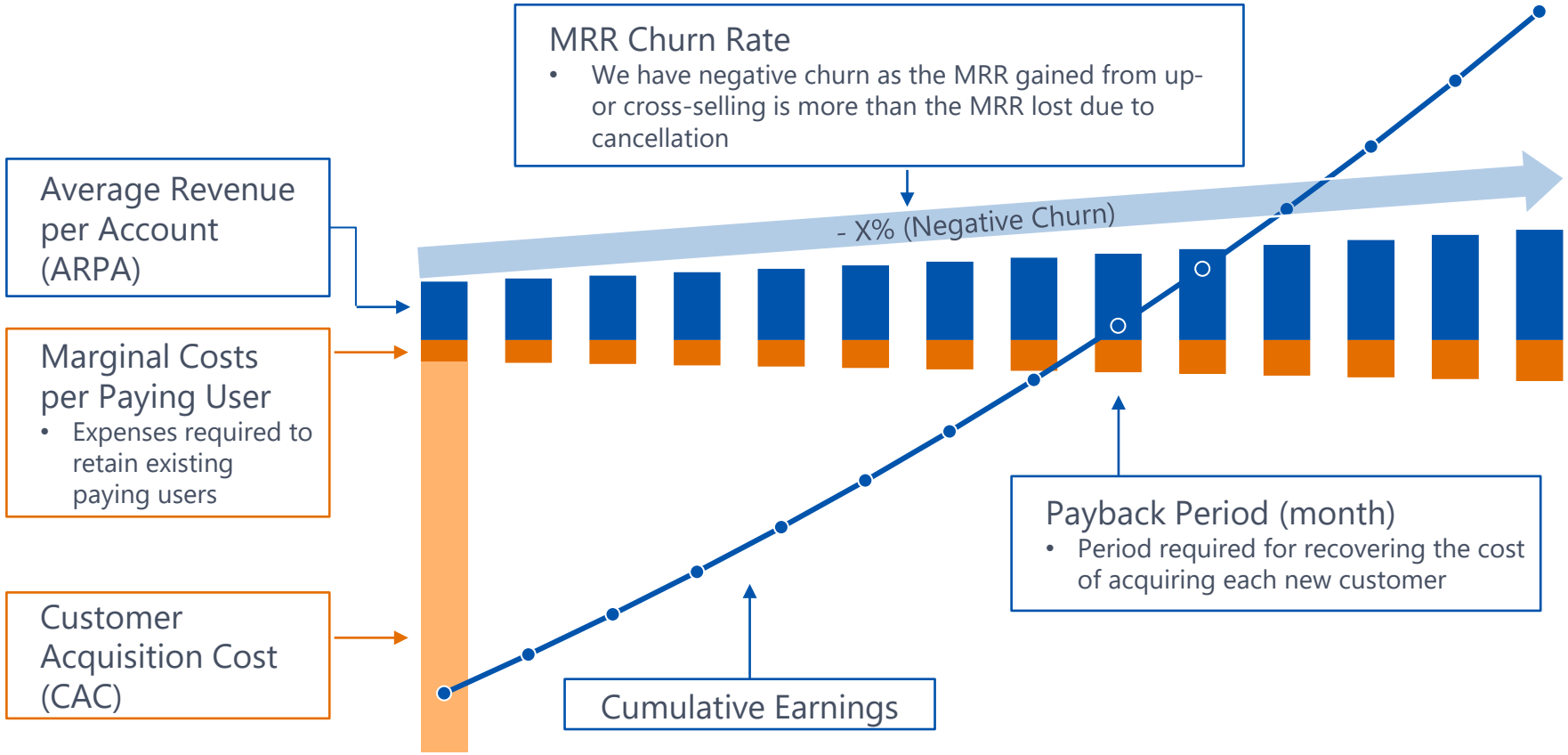
Share Price and Trading Volume Since IPO (Adjusted Stock Split *1)



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

Unit Economics-Driven Investment

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



* See page 90 for definitions of MRR, ARPA, Paying User and Churn Rate (based on MRR)

Definition of KPIs

MRR	Monthly Recurring Revenue Total recurring revenue as of the end of a particular month
ARR	Annual Recurring Revenue Calculated by multiplying the MRR as of the end of a particular period by 12
SaaS ARR	Calculated by multiplying SaaS MRR of a particular period by 12. SaaS MRR includes: 1) net sales from premium charges in Home domain, 2) recurring revenue from sales of *Money Forward Cloud* and other cloud services such as *STREAMED, Manageboard , V-ONE Cloud, Money Forward Certified Membership*, *HiTTO,* and *Money Forward Admina* in Business domain, 3) recurring revenue in X domain. In order to adjust for seasonal factors of *STREAMED*, its MRR is calculated as one-third of the revenue from *STREAMED* in Q1 and Q2 of each fiscal year. From FY11/22, adjustments are made to Q2 figures, which are seasonally affected by tax returns. Non-recurring revenue of each business and net sales of SMARTCAMP Co., Ltd. are not included.
Paying Customer	Paid subscribers in the Business domain, which is a total of (1) accounting firms and their clients, and (2) sole-proprietors and direct-sales corporates subscribed via the web channel etc. Services of SMARTCAMP Co., Ltd. are not included.
ARPA	Average Revenue per Account. Calculated by dividing ARR as of the end of a particular period by the number of Customers.
Customer Churn Rate	Average monthly churn rate of a particular period. Calculated as: [number of customers churn during (N) month] / [number of customers as of the end of (N-1) month]
MRR Churn Rate	Average monthly churn rate based on MRR of a particular period. Calculated as: 1 – [MRR as of the end of (N) month from customers as of the end of (N-1) month / MRR as of the end (N-1) month. Negative amount (Negative Churn) refers to the status when the revenue increase for existing customers by upselling/cross-selling exceeds the revenue decrease due to customer churn.
CAC Payback Period	Customer Acquisition Cost (CAC) payback period. CAC payback period as of a particular date is the number of months of ARPA as of such date necessary to recover the cost of acquiring each new Money Forward Business paying customer. It is calculated by total sales and marketing expenses of the latest 12 full months, divided by gross new Money Forward Business paying customers added during such period, divided by the last full month's ARPA. Sales and marketing costs consist of personnel costs directly associated with the sales and marketing activity in the Money Forward Business domain, including expenses related to educating and onboarding customers and users. Other costs include, but are not limited to, advertising costs, marketing costs, promotional event costs and allocated overheads in the Money Forward Business domain. ARPA is based on gross profit margin. Gross profit margin is calculated by subtracting from sales the personnel costs related to the operation of the product, cost of the customer support department, commissions paid etc.

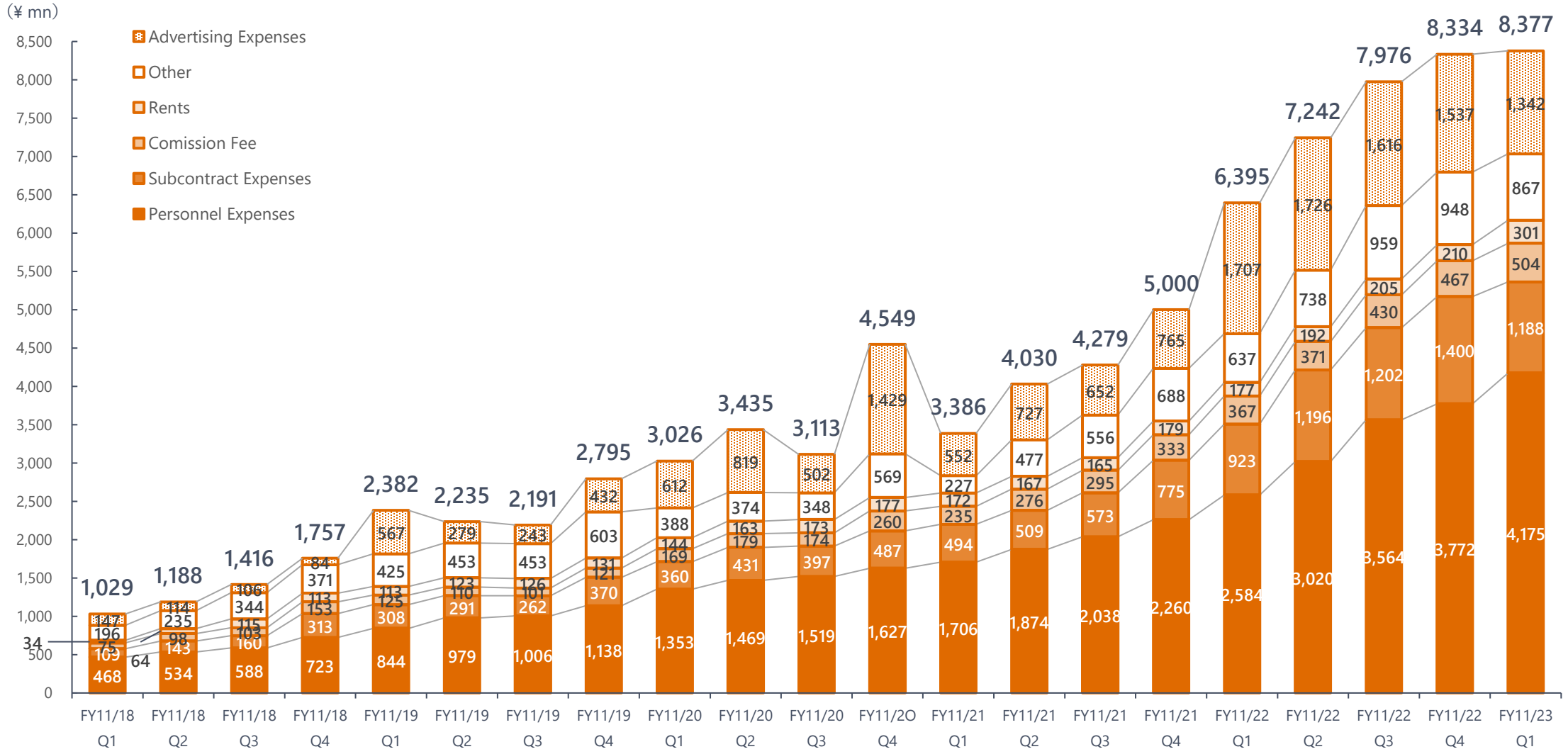
（Reference） Historical Revenue by Each Business Domain (Quarterly Trend)

	FY 11/19 1Q	FY 11/19 2Q	FY 11/19 3Q	FY 11/19 4Q	FY 11/20 1Q	FY 11/20 2Q	FY 11/20 3Q	FY 11/20 4Q	FY 11/21 1Q	FY 11/21 2Q	FY 11/21 3Q	FY 11/21 4Q	FY 11/22 1Q	FY 11/22 2Q	FY 11/22 3Q	FY 11/22 4Q	FY 11/23 1Q
Business domain	**853**	**919**	**1,159**	**1,235**	**1,307**	**1,361**	**1,540**	**1,840**	**1,929**	**2,103**	**2,139**	**2,419**	**2,844**	**3,010**	**3,198**	**3,652**	**4,139**
Recurring Revenue (Sole Proprietors)	119	134	204	203	206	204	203	212	227	259	264	271	299	330	331	340	370
Recurring Revenue (Corporates)	663	722	886	937	1,039	1,083	1,170	1,317	1,459	1,609	1,658	1,793	2,090	2,322	2,513	2,775	3,113
Non-recurring Revenue	71	63	69	96	62	74	167	311	243	235	216	354	454	358	354	554	657
SaaS Marketing domain	**#N/A**	**#N/A**	**#N/A**	**#N/A**	**251**	**314**	**322**	**364**	**428**	**464**	**479**	**599**	**590**	**652**	**711**	**814**	**739**
Net Sales from SMARTCAMP*1	#N/A	#N/A	#N/A	#N/A	251	314	322	364	428	464	479	599	590	652	711	814	739
Home domain	**361**	**393**	**368**	**511**	**438**	**466**	**444**	**497**	**548**	**608**	**639**	**620**	**681**	**722**	**841**	**902**	**936**
Recurring Revenue	236	254	264	277	291	320	333	351	367	413	418	440	460	501	507	517	593
Non-recurring Revenue	126	140	103	235	147	146	112	146	181	195	221	179	221	221	334	385	343
X domain	**133**	**272**	**259**	**340**	**248**	**452**	**256**	**466**	**370**	**620**	**383**	**508**	**377**	**387**	**395**	**503**	**628**
Recurring Revenue	92	102	109	111	125	137	151	166	168	176	191	190	194	207	246	247	267
Non-recurring Revenue	42	170	150	223	123	316	105	300	202	444	192	317	183	180	174	256	361
Finance domain	**48**	**74**	**93**	**125**	**147**	**227**	**193**	**176**	**190**	**198**	**190**	**191**	**256**	**309**	**301**	**302**	**342**
Recurring Revenue	14	16	16	23	28	32	36	43	52	59	63	70	79	102	103	112	130
Non-recurring Revenue	33	58	77	102	119	194	157	133	138	139	126	122	177	207	198	190	212
Recurring Revenue in total	**1,124**	**1,228**	**1,480**	**1,556**	**1,689**	**1,776**	**1,893**	**2,089**	**2,272**	**2,516**	**2,595**	**2,764**	**3,123**	**3,463**	**3,675**	**3,975**	**4,472**
Non-recurring Revenue in total *2	**274**	**434**	**402**	**660**	**453**	**731**	**541**	**895**	**766**	**1,013**	**758**	**976**	**1,042**	**971**	**1,069**	**1,392**	**1,580**
Total Revenue (excl. SMARTCAMP)	**1,398**	**1,661**	**1,881**	**2,216**	**2,142**	**2,506**	**2,435**	**2,984**	**3,039**	**3,529**	**3,354**	**3,741**	**4,166**	**4,434**	**4,744**	**5,367**	**6,053**
% of Recurring Revenue to Total Revenue (excl. SMARTCAMP)	**80%**	**74%**	**79%**	**70%**	**79%**	**71%**	**78%**	**70%**	**75%**	**71%**	**77%**	**74%**	**75%**	**78%**	**77%**	**75%**	**74%**

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

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

Breakdown of Expenses (Cost of Sales & SGA)



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

Invoice system and Money Forward



For Sole Proprietors and SMB | Product Lineup

	Seller (issues invoices)	Buyer (receives invoices)
User's Core Internal System	(1) Receivable billing management Money Forward Cloud Invoice Issuing	(4) Payable management Money Forward Cloud Accounting
System to connect with User's client	Money Forward Cloud Invoice Issuing (2) Sending invoices	Money Forward Cloud Box (3) Receiving invoices

For Medium-Sized Companies | Product Lineup

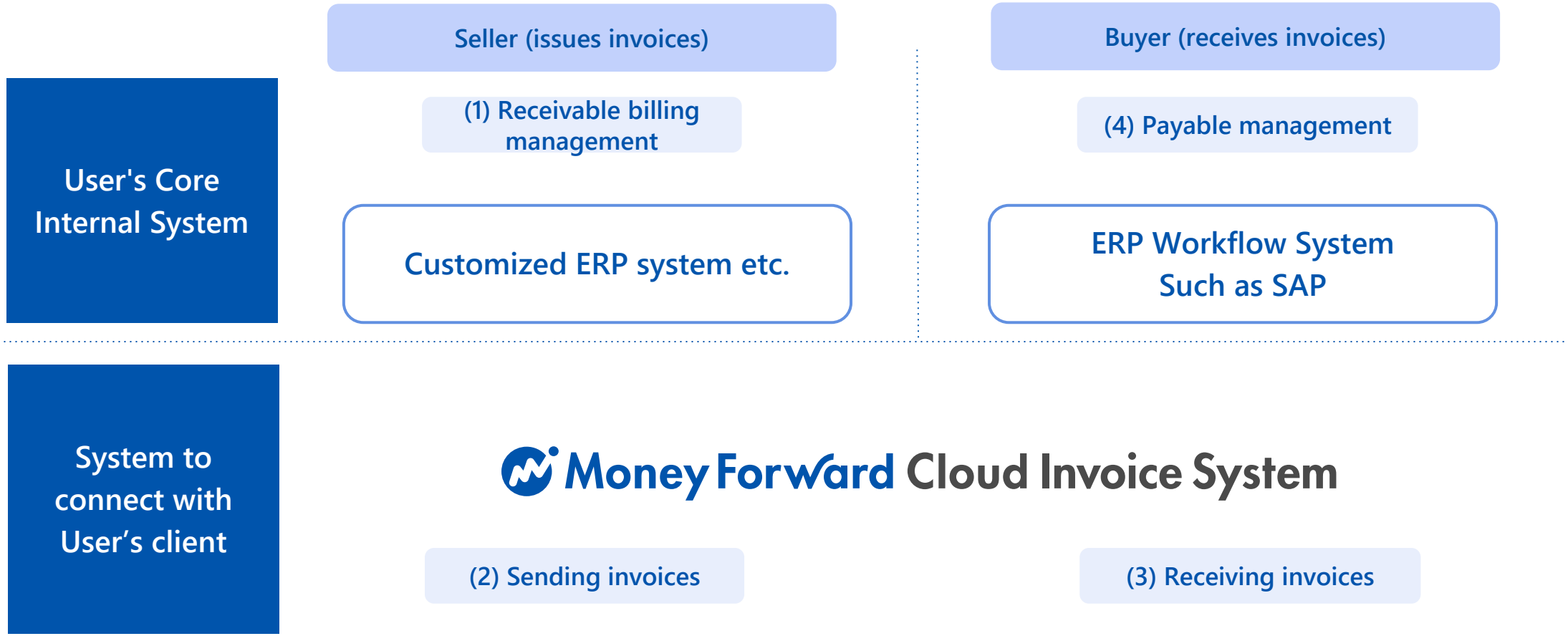
	Seller (issues invoices)	Buyer (receives invoices)
User's Core Internal System	(1) Receivable billing management Money Forward Cloud Invoice Issuing Plus	(4) Payable management Money Forward Cloud Payable Management
System to connect with User's client	(2) Sending invoices	(3) Receiving invoices

Money Forward Cloud Invoice System

* Sending function of the *Money Forward Cloud Invoice System* is to be developed.

For Enterprise Companies：Service Usage

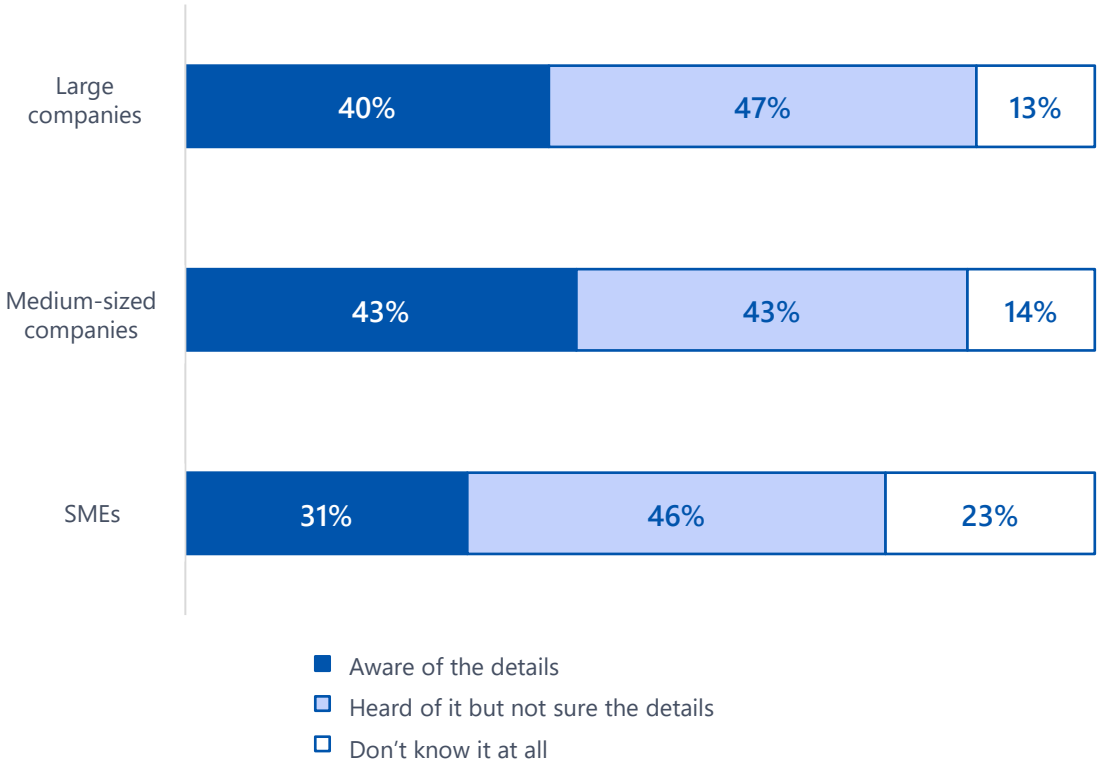
SaaS can be provided to enterprises that already have a core system in place, as well as to peripheral areas.



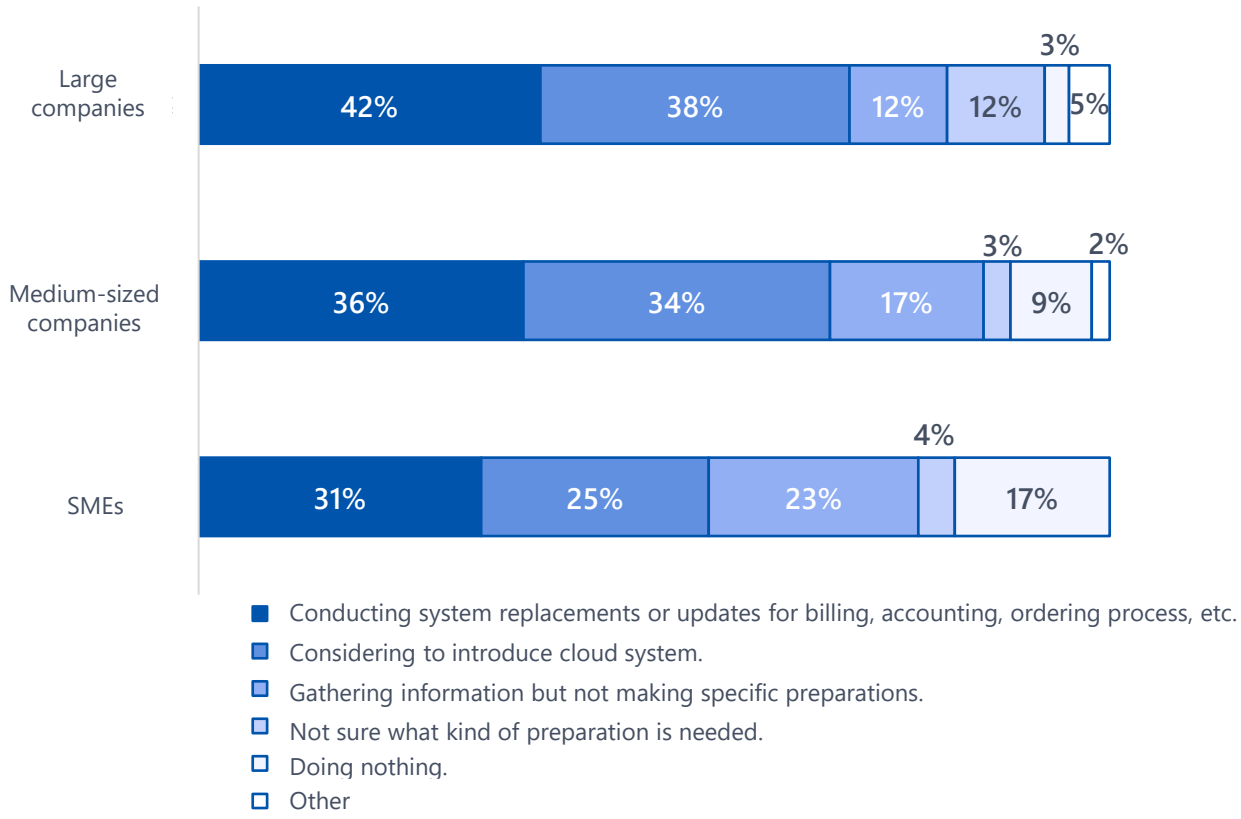
* Sending function of the *Money Forward Cloud Invoice System* is to be developed.

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

Awareness of Invoice System*1
(by company size)



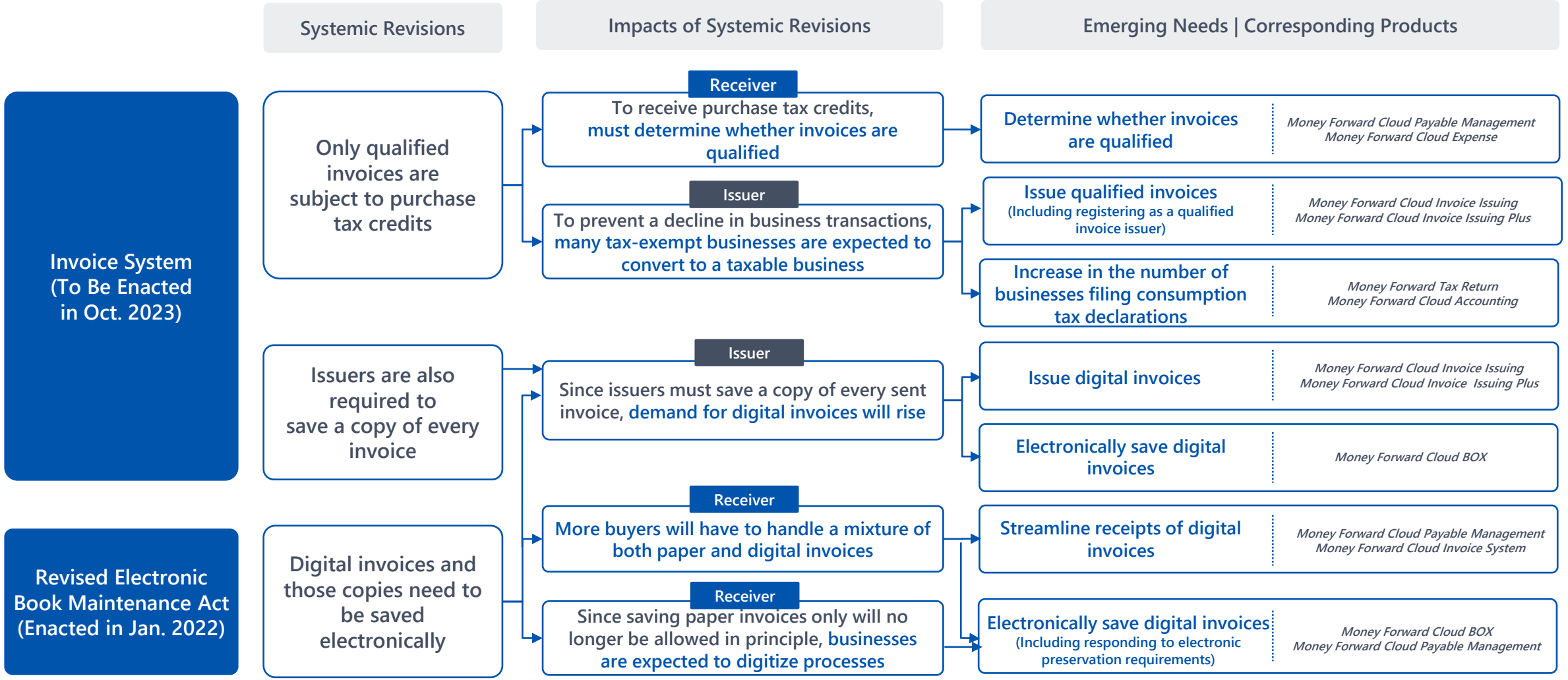
Status of compliance with the Invoice System*2
(Within those who responded "Aware of the details" in the left chart)



*1 MM Research Institute, March 4, 2022, "Data 14: Awareness of Invoice System by Company Size," in "Survey on Digitalization of SMEs," an analysis of issues in promoting DX among SMEs.
*2 In the same report as *1, "Data 15. Security Issues by Company Size (for respondents who indicated in Data 14 that they were "Aware of the details" of the invoice system).

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

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



Disclosed Roadmap for Compliance with Invoice System



Products and Services



Business Domain – Price Table

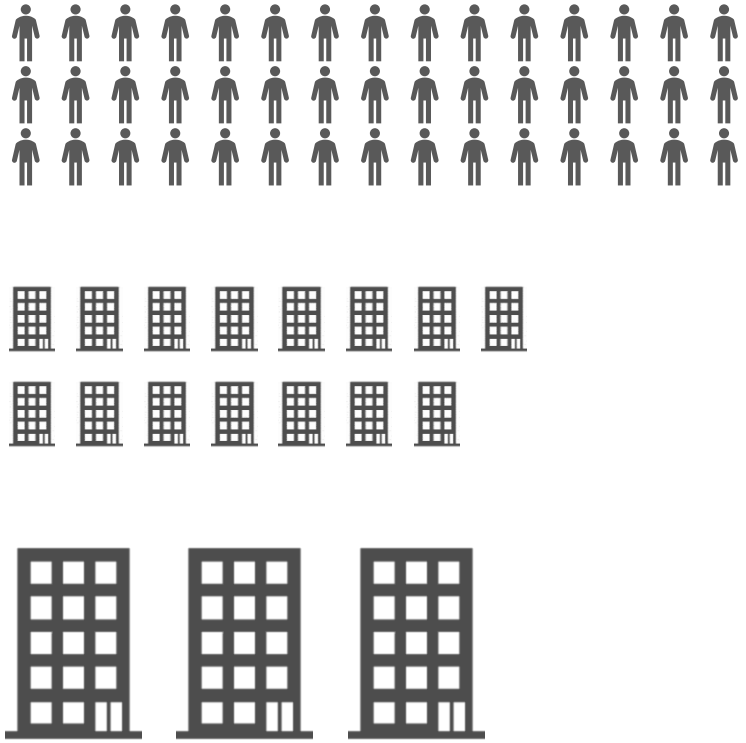
	Accountants & their clients	Sole Proprietors / SMEs	Corporates
Distribution	Field sales	WEB marketing	Field sales/ Inside sales
Price (Example)	**Small Business** Monthly: ¥3,980 Annual: ¥35,760 (¥2,980/month) **Business** Monthly: ¥5,980 Annual: ¥59,760 (¥4,980/month) **STREAMED** min ¥10,000 **Manageboard**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

* All listed prices are excluding tax.

Back Office SaaS Potential Market Size

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

	Potential customers	TAM[*1]
Sole Proprietors	4.61mn	¥71 billion
Small Enterprise[*2]	1.55mn	¥144 billion
Medium Enterprise[*2]	0.32mn	¥2.23 trillion



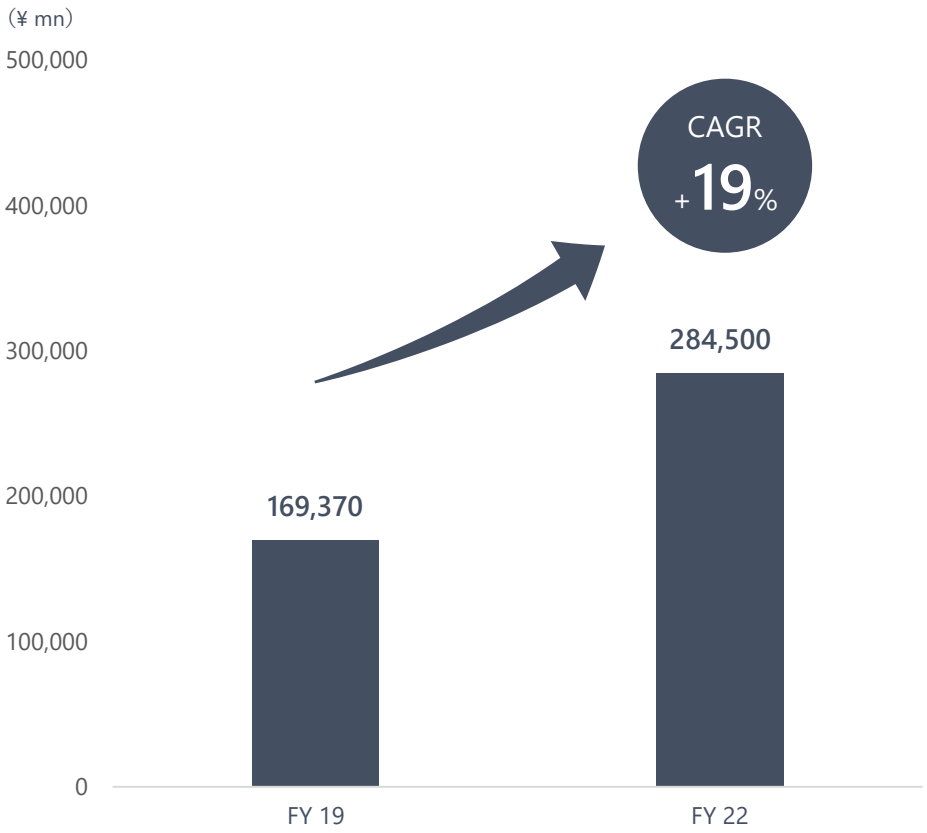
*1 Created by Money Forward, Inc. based on National Tax Agency *2021 Survey*, MIAC *June 2016 Economic Census Activity Survey*, MIAC *2017 Labor Force Survey*,. TEIKOKU DATABANK, Ltd, *Final tabulation report of the "Survey on the Actual Conditions Concerning the Administrative Workload of Settlement Affairs, etc."*, October 26, 2016. Total annual expenditure when the Group's all potential customers introduced *Money Forward Cloud* in Japan. The total number of potential customers is the sum of sole proprietors and corporates with less than 1,000 employees.

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

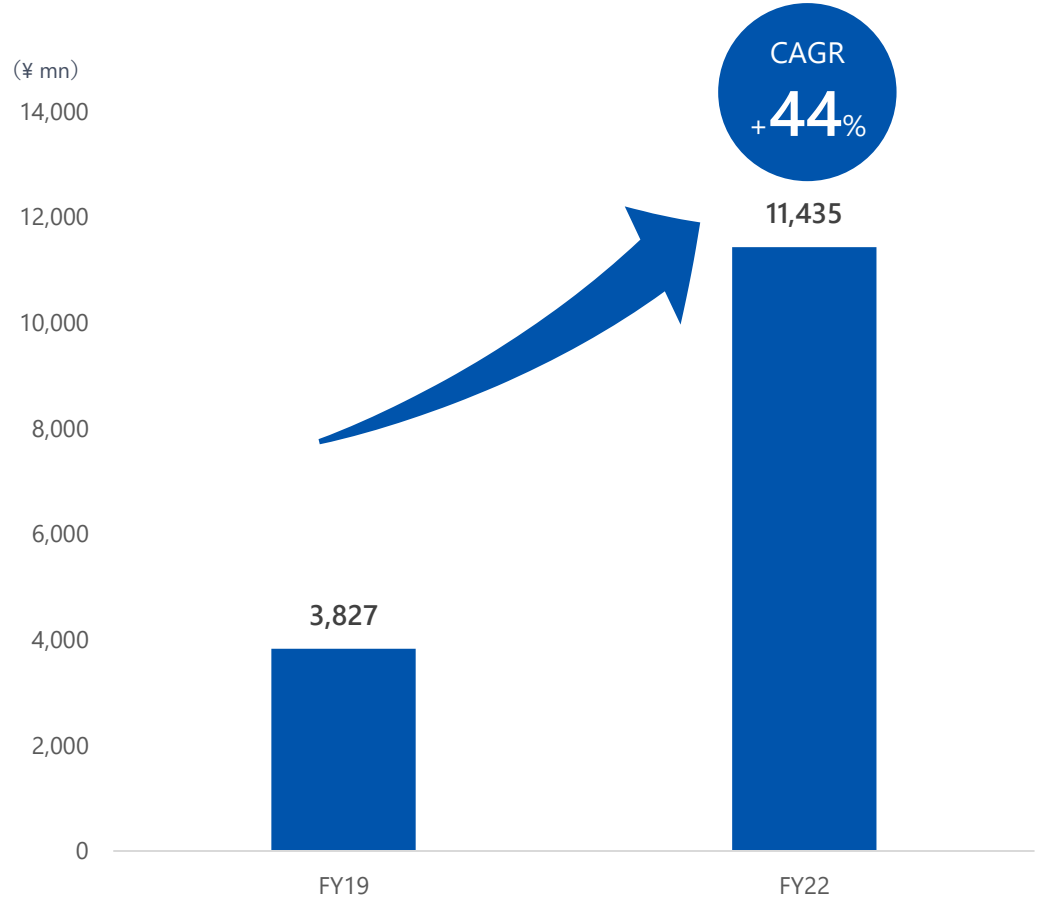
Comparison with Market Growth

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

Market size growth rate of Money Forward's business offering area [*1]



Growth rate of Money Forward's corporate ARR

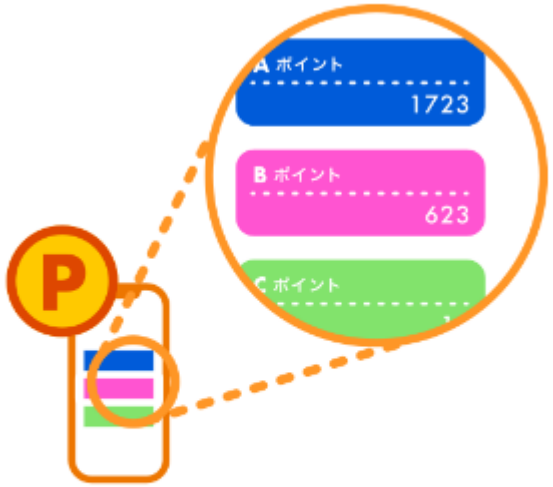


* Source: Fuji Chimera Research Institute, "Software Business New Market 2022" (published July 22, 2022) and "Software Business New Market 2019" (published August 5, 2019).
*1 Market size limited to products handled by the Company within the "business systems" category in the research. (In 2019, it will be "ERP for mid-size companies," "financial and accounting management software," "personnel and salary management software," "attendance management software," and "expense reimbursement software," and in 2022, "labor management software" and "electronic contract tools" in addition to the above) The CAGR for the "business systems" category as a whole over the same period is 11%; both 2019 and 2022 figures are forecasts at the time of publication. The definition of the market and items included are not necessary the same.

Money Forward ME - Automated PFM Service

Reached 14.3 million users[*1]. *Money Forward ME* is the No.1 PFM and asset management app in Japan[*2].
Number of financial services that can be connected is also No.1[*3].

Integrates 2,550+[*3] financial services and automatically creates household accounting books



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

No. 1[*2] in terms of usage and recognition as a PFM app and asset management app



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

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

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

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

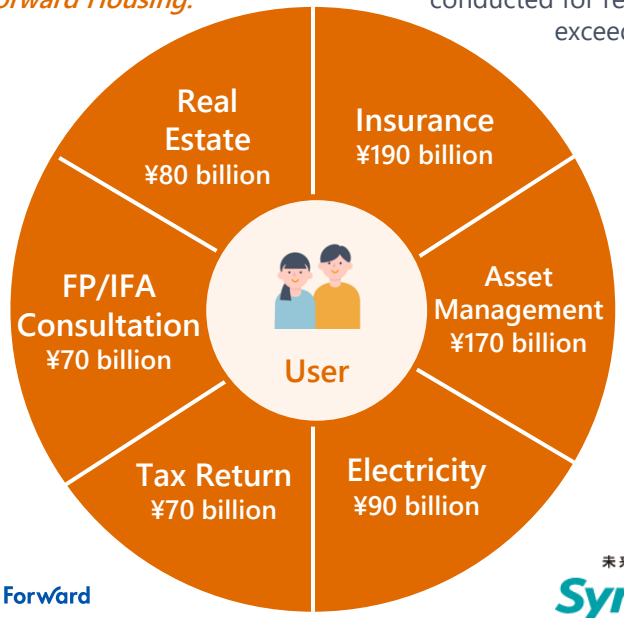
With the aim of resolving financial issues of users, various service developments and alliances progressed steadily in a business realm where the total addressable market (TAM) is **over ¥910 billion**[*1].

TSUKURUBA

Operates *cowcamo,* a distribution platform for existing and refurbished homes, with over 300,000 registered users.
Released *Money Forward Housing.*

LIFENET

Online provider of life insurance, with over 550,000 contracts.
The number of assessments conducted for reviewing insurance has exceeded 67,000.



FP 株式会社FPパートナー Nexsol

IFA FINANCIAL STANDARD

Connected IFAs (i.e., asset management advisers) in addition to FPs to *Money Forward Financial Planning* to provide free consultation ranging from life planning to asset management.
Nexsol Co., Ltd., which provides an FP consulting service, decided to join the Group.

SUSTEN

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

Money Forward
Cloud Tax Return

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

未来を創る 共に生きる
SymEnergy

Through the collaboration, users can subscribe for electricity 3% cheaper than the standard prices offered by incumbent utility companies.

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

TAM of Home Domain

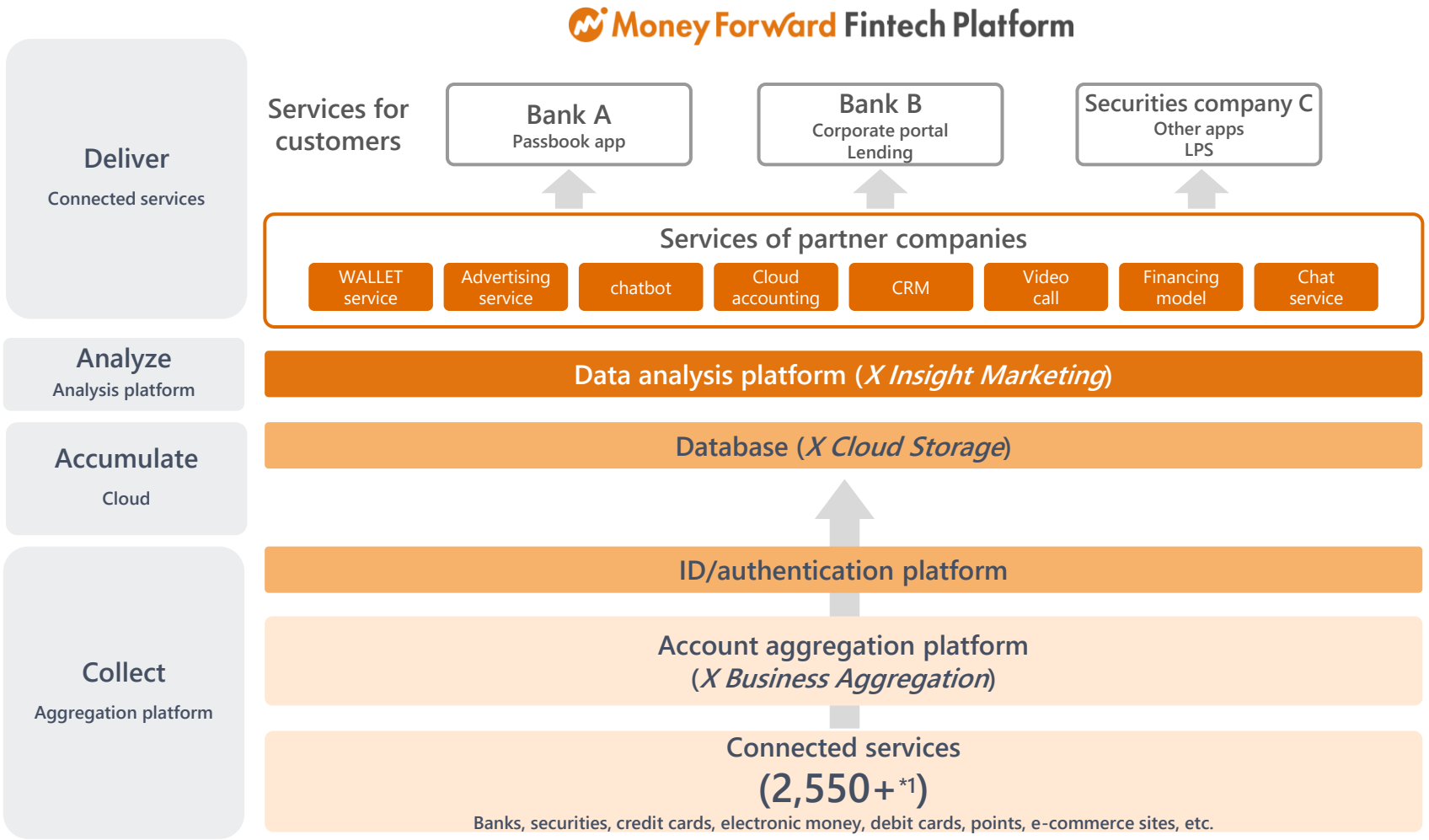
Approaching to ¥910 billion TAM related to personal financial services through business development and business alliances.

PFM	51 million people *1	×	¥6,000 *2	=	¥310 billion
Asset management	¥17 trillion *3	×	1% *4	=	¥170 billion
Electricity	¥5 trillion *5	×	2% *4	=	¥90 billion
Insurance	¥4 trillion *6	×	5% *4	=	¥190 billion
Real estate	¥4 trillion *7	×	2% *4	=	¥80 billion
FP consultation	3.4 million people*8	×	¥20,000 *4	=	¥70 billion
				Total	¥910 billion

*1 Net banking users. Calculated by the Company by estimating the total number of Internet banking users in Japan based on the number of Internet banking accounts at 5 metropolitan banks, and the “White Paper on Financial Information Systems 2023”.
*2 Annualized premium charge for *Money Forward ME*. *3 The total amount of financial assets in the accounts linked to the personal services provided by *Money Forward ME* and Money Forward X as of December 31, 2022.
*4 Commission rate the Company receives, estimated based on other companies' services.*5 Market size of new electric power companies. Estimated by Money Forward, Inc. based on "Population, Demographics and Households Based on the Basic Resident Ledger" by the Ministry of Internal Affairs and Communications, "Progress in Total Liberalization of Electricity and Gas Retailing" by the Ministry of Economy, Trade and Industry, "General Contact Points for Government Statistics (e-Stat)," and "Household Income and Expenditure" by the Ministry of Internal Affairs and Communications. *6 New subscription fee for individual insurance contracts. Calculated by the Company based on The Life Insurance Association of Japan’s 2022 "Trends in Life Insurance” and the FY2021 Survey on "Life Insurance Coverage (preliminary version)”. *7 Market size of the existing condominium market in Tokyo. Based on "Trends in the Tokyo Metropolitan Area Real Estate Market (2021)" by the East Japan Real Estate Information Network. *8 Of the number of new individual insurance contracts purchased, annual premiums paid by those who purchased through insurance agents. Based on the Life Insurance Association of Japan’s 2022 "Trends in Life Insurance" and the Life Insurance Culture Foundation's "National Survey on Life Insurance (Preliminary Version)" for FY 2021.

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

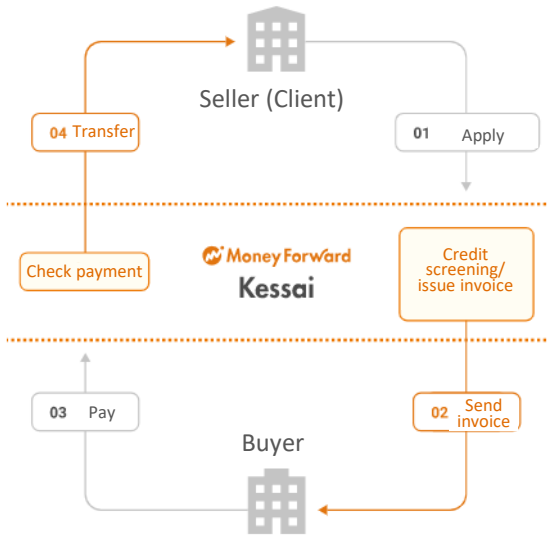
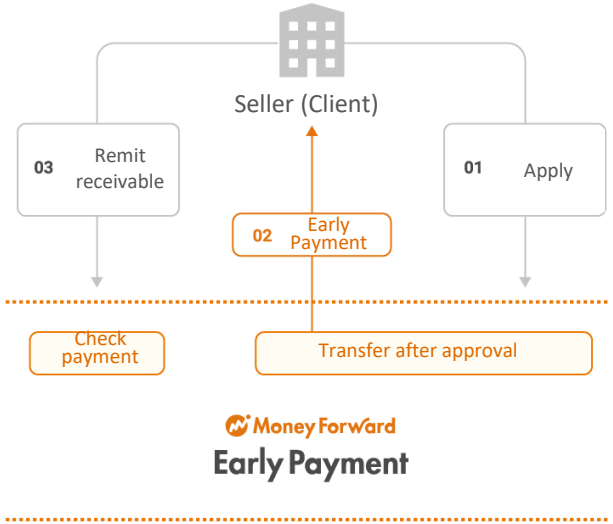
Platform that can accumulate and analyze asset data and settlement data for corporate financial services and link them to third parties.



*1 As of March 31, 2023.

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

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

	Money Forward Kessai	Money Forward Early Payment
Scheme		
Service	B2B invoicing and settlement BPO service	Accounts receivable financing service
Value Proposition	Streamlines credit screening/invoicing/collection and offers payment guarantee	Enables early financing
Business Model	Recurring revenue	Non-recurring revenue

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

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

The #1 SaaS comparison website * chosen by SaaS users and potential customers. It connects potential SaaS customers with 1,000+ SaaS products, receiving fees from the SaaS vendors for every document request made by the potential customers.



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

Domestic SaaS Marketing Potential Market Size

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

SaaS potential market size[*1]		Advertising costs to net sales ratio[*2]		
¥9.8 tn	×	19.0%	=	¥1.86 tn

*1 Estimated based on 25% of the total investment in business systems in the domestic software market in FY 2023 by Fuji Chimera Research Institute, Inc., "2022 New Software Business Market" and the potential market size of back-office SaaS described in The former page. *2 Average advertising costs to net sales ratio of domestic major public SaaS companies. Created by Money Forward, Inc. based on financial reports and presentation documents of Money Forward, RAKUS, Uzabase, User Local, kaonavi, Chatwork, Sansan, Freee, Cybozu, TeamSpirit, and Yappli available as of December 13, 2022.

Money Forward

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FY11/23 Q2 Financial results are scheduled to be released at 16:00 or later on July 18, 2023.