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Consolidated Financial Results for the Year Ended November 30, 2024 [Japanese GAAP]

January 14, 2025

Company name: Money Forward, Inc.
Listing: Tokyo
Securities code: 3994
URL: https://corp.moneyforward.com
Representative: Yosuke Tsuji Representative Director, President and Group CEO
Inquiries: Shun Matsuoka Executive Officer and Group CAO
Telephone: +81-3(6453)9160
Scheduled date of annual general meeting of shareholders: February 25, 2025
Scheduled date to commence dividend payments: -
Scheduled date to file annual securities report: February 25, 2025
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated Financial Results for the Fiscal Year Ended November 30, 2024 (December 1, 2023 to November 30, 2024)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		SaaS ARR		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
November 30, 2024	40,363	32.9	30,003	29.6	1,727	-	(4,735)	-	(5,353)	-	(6,330)	-
November 30, 2023	30,380	41.5	23,146	42.0	(2,260)	-	(6,329)	-	(6,738)	-	(6,315)	-

(Note) Comprehensive income: Fiscal year ended November 30, 2024: ¥ (6,632) million [-%]
Fiscal year ended November 30, 2023: ¥ (5,659) million [-%]

	Basic earnings per share	Diluted earnings per share	Rate of return on equity	Ordinary profit to total assets ratio	Operating profit to net sales ratio
Fiscal year ended	Yen	Yen	%	%	%
November 30, 2024	(116.32)	-	(20.0)	(5.5)	(11.7)
November 30, 2023	(116.98)	-	(20.9)	(8.7)	(20.8)

(Reference) Equity in earnings (losses) of affiliated companies: Fiscal year ended November 30, 2024: ¥ (307) million
Fiscal year ended November 30, 2023: ¥ (70) million

(Note 1) SaaS ARR is 12 times the monthly recurring revenue of Home, Business, X and Finance domains in the last month of each term. 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 (rounded to the nearest million yen).
(Note 2) EBITDA = Operating profit(loss) + depreciation and amortization + tax expenses included in operating expenses + share-based remuneration expenses.
(Note 3) Diluted earnings per share for the year ended November 20, 2024 is not disclosed although the company has dilutive shares, due to its net loss position.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
November 30, 2024	106,191	44,675	33.3	647.62
November 30, 2023	88,282	34,660	31.5	514.09

(Reference) Equity: As of November 30, 2024: ¥ 35,382 million
As of November 30, 2023: ¥ 27,822 million

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
November 30, 2024	(4,761)	(9,505)	20,346	45,211
November 30, 2023	2,460	(7,448)	17,462	38,818

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
November 30, 2023	-	0.00	-	0.00	0.00	-	-	-
November 30, 2024	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending November 30, 2025 (Forecast)	-	0.00	-	0.00	0.00		-	

(Note) Breakdown of the year-end dividend for the fiscal year ended November 30, 2024 :

Commemorative dividend - yen

Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending November 30, 2025 (December 1, 2024 to November 30, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		SaaS ARR		Adjusted EBITDA	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Full year	50,000 ~52,600	23.9 ~30.3	39,180 ~41,160	30.6 |~37.2	2,500 ~4,500	34.1 ~141.3

(Note 1) Rounded to the nearest million yen.

(Note 2) SaaS ARR is 12 times the monthly recurring revenue of Home, Business, X and Finance domains in the last month of each term. 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 (rounded to the nearest million yen).

(Note 3)Adjusted EBITDA = EBITDA(Operating profit(loss) + depreciation and amortization + tax expenses included in operating expenses + share-based remuneration expenses) +one-time M&A-related expenses + Other one-time expenses.

(Note 4) The advertising expenses to sales ratio is expected to be 14.5-16.5%, and the personnel and subcontract expenses to sales ratio is expected to be 57.0-62.0%.

* Notes:

(1) Significant changes in the scope of consolidation during the period: Yes

Newly included: 5 (Company name: BizHint Inc., Think Forward Inc., Money Forward PrivateBANK, Inc., Money Forward Cloud Corporate Performance Management Consulting, Inc., Money Forward Home,Inc.)

Excluded: 3 (Company name: ADXL Inc., HiTTO,Inc., Money Forward PrivateBANK, Inc.)

(Note)Money Forward PrivateBank, Inc. was established during the first quarter of the consolidated fiscal period and was included within the scope of consolidation. However, during the fourth quarter of the consolidated fiscal period, a portion of its shares was sold, and it has since become an affiliated company.

(2) Changes in accounting policies, changes in accounting estimates, and restatement

1) Changes in accounting policies due to revisions to accounting standards and other regulations: None

2) Changes in accounting policies due to other reasons: None

3) Changes in accounting estimates: Yes

4) Restatement: None

(3) Number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

November 30, 2024: 54,788,890 shares
November 30, 2023: 54,235,305 shares

2) Number of treasury shares at the end of the period:

November 30, 2024: 154,706 shares
November 30, 2023: 115,124 shares

3) Average number of shares outstanding during the period:

Fiscal Year ended November 30, 2024: 54,422,463 shares
Fiscal Year ended November 30, 2023: 53,982,543 shares

(Reference) Overview of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended November 30, 2024 (December 1, 2023 to November 30, 2024)

(1) Non-consolidated Operating Results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Net income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
November 30, 2024	28,158	30.2	(6,254)	-	(6,463)	-	5,170	-
November 30, 2023	21,620	46.9	(5,610)	-	(5,876)	-	(5,715)	-

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
November 30, 2024	95.00	94.05
November 30, 2023	(105.87)	-

(2) Non-consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
As of	Millions of yen	Millions of yen	%	Yen
November 30, 2024	84,312	40,564	45.7	704.90
November 30, 2023	75,129	32,581	42.7	592.72

(Reference) Equity: As of November 30, 2024: ¥ 38,511 million
As of November 30, 2023: ¥ 32,078 million

*Financial results reports are exempt from audit conducted by certified public accountants or an audit corporation.

*Proper use of earnings forecasts, and other special matters.
(Cautionary statement regarding forward-looking statements)
Forward-looking statements, including the earnings forecasts stated in these materials, are based on information currently available to the company and certain assumptions deemed reasonable. Results may differ materially from the forecasts due to various factors.

Consolidated Financial Statements

Consolidated Balance Sheets

(Thousands of yen)

	As of November 30, 2023	As of November 30, 2024
Assets		
Current assets		
Cash and deposits	38,855,733	45,251,551
Notes and accounts receivable - trade, and contract assets	4,139,325	5,326,827
Operational investment securities	3,667,981	5,211,492
Inventories	12,008	20,643
Purchased receivables	5,827,883	4,804,787
Other	2,650,063	5,822,869
Allowance for doubtful accounts	(155,775)	(107,221)
Total current assets	54,997,220	66,330,950
Non-current assets		
Property, plant and equipment		
Buildings	991,232	962,535
Accumulated depreciation	(218,201)	(324,546)
Buildings, net	773,030	637,988
Tools, furniture and fixtures	724,783	842,433
Accumulated depreciation	(334,468)	(425,400)
Tools, furniture and fixtures, net	390,314	417,033
Construction in progress	-	10,319
Total property, plant and equipment	1,163,345	1,065,341
Intangible assets		
Goodwill	3,843,595	3,381,553
Customer-related intangible assets	-	401,769
Software	7,848,892	10,637,483
Software in progress	1,772,113	2,625,510
Other	459	396
Total intangible assets	13,465,061	17,046,713
Investments and other assets		
Investment securities	16,640,845	18,759,720
Leasehold and guarantee deposits	984,183	1,189,719
Other	1,031,754	1,918,006
Allowance for doubtful accounts	-	(118,546)
Total investments and other assets	18,656,783	21,748,900
Total non-current assets	33,285,190	39,860,954
Total assets	88,282,410	106,191,905

(Thousands of yen)

	As of November 30, 2023	As of November 30, 2024
Liabilities		
Current liabilities		
Accounts payable - trade	370,317	292,839
Short-term borrowings	4,937,000	10,062,000
Current portion of long-term borrowings	3,488,750	4,485,919
Accounts payable - other	8,563,985	9,411,238
Accrued expenses	1,519,897	2,013,181
Income taxes payable	219,037	1,877,042
Deposits received	5,422,686	3,586,139
Contract liabilities	4,849,429	6,150,217
Provision for bonuses	297,960	363,251
Provision for bonuses for directors (and other officers)	80,042	84,236
Provision for point card certificates	260,316	381,819
Other	771,154	823,273
Total current liabilities	30,780,576	39,531,157
Non-current liabilities		
Long-term borrowings	8,947,869	7,896,950
Convertible-bond-type bonds with share acquisition rights	12,000,000	12,000,000
Bonds payable	1,000,000	1,000,000
Retirement benefit liability	6,454	6,503
Provision for bonuses	6,288	6,901
Provision for directors' bonuses	1,317	1,345
Other	879,440	1,073,289
Total non-current liabilities	22,841,370	21,984,990
Total liabilities	53,621,947	61,516,148
Net assets		
Shareholders' equity		
Share capital	26,716,695	27,290,265
Capital surplus	7,595,957	15,159,005
Retained earnings	(8,378,442)	(8,993,878)
Treasury shares	(1,352)	(1,900)
Total shareholders' equity	25,932,858	33,453,493
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,766,439	1,850,697
Foreign currency translation adjustment	123,445	78,091
Total accumulated other comprehensive income	1,889,884	1,928,789
Share acquisition rights	504,492	2,054,131
Non-controlling interests	6,333,228	7,239,342
Total net assets	34,660,463	44,675,756
Total liabilities and net assets	88,282,410	106,191,905

Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

(Thousands of yen)

	For the fiscal year ended November 30, 2023	For the fiscal year ended November 30, 2024
Net sales	30,380,629	40,363,837
Cost of sales	11,298,423	13,303,392
Gross profit	19,082,206	27,060,445
Selling, general and administrative expenses	25,412,008	31,795,588
Operating loss	(6,329,802)	(4,735,143)
Non-operating income		
Interest income	1,287	6,491
Dividend income	1,350	-
Subsidy income	5,049	6,267
Late charges income	-	3,040
Other	7,180	11,492
Total non-operating income	14,868	27,291
Non-operating expenses		
Interest expenses	131,480	172,652
Share issuance costs	4,730	5,074
Bond issuance costs	108,324	-
Foreign exchange losses	60,417	65,289
Loss on investments in investment partnerships	39,177	86,848
Share of loss of entities accounted for using equity method	70,906	307,867
Other	9,021	7,817
Total non-operating expenses	424,058	645,549
Ordinary loss	(6,738,993)	(5,353,401)
Extraordinary income		
Gain on reversal of share acquisition rights	1,535	401
Gain on sale of shares of subsidiaries and associates	-	508
Total extraordinary income	1,535	910
Extraordinary losses		
Impairment losses	-	212,116
Loss on retirement of non-current assets	67,890	6,541
Loss on valuation of investment securities	-	9,999
Contract termination penalty	-	56,070
Loss on change in equity	-	5,538
Total extraordinary losses	67,890	290,267
Loss before income taxes	(6,805,348)	(5,642,758)
Income taxes - current	120,120	535,275
Income taxes - deferred	(65,648)	22,855
Total income taxes	54,472	558,131
Loss	(6,859,820)	(6,200,889)
Profit (loss) attributable to non-controlling interests	(544,769)	129,687
Loss attributable to owners of parent	(6,315,050)	(6,330,577)

Consolidated Statements of Comprehensive Income

(Thousands of yen)

	For the fiscal year ended November 30, 2023	For the fiscal year ended November 30, 2024
Loss	(6,859,820)	(6,200,889)
Other comprehensive income		
Valuation difference on available-for-sale securities	1,176,849	(384,887)
Foreign currency translation adjustment	22,385	(45,353)
Share of other comprehensive income of entities accounted for using equity method	1,564	(1,038)
Total other comprehensive income	1,200,799	(431,279)
Comprehensive income	(5,659,020)	(6,632,168)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(5,599,833)	(6,291,672)
Comprehensive income attributable to non-controlling interests	(59,186)	(340,495)

Consolidated Statements of Changes in Equity

For the fiscal year ended November 30, 2023

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	26,316,141	15,804,942	(10,693,566)	(1,219)	31,426,298
Changes during period					
Issuance of new shares - exercise of share acquisition rights	75,283	75,283			150,567
Restricted stock unit	325,270	325,270			650,541
Purchase of shares of consolidated subsidiaries		169			169
Change in ownership interest of parent due to transactions with non-controlling interests		10,950			10,950
Increase/decrease due to change in fiscal year end of consolidated subsidiaries			9,514		9,514
Deficit disposition		(8,620,659)	8,620,659		-
Loss attributable to owners of parent			(6,315,050)		(6,315,050)
Purchase of treasury shares				(132)	(132)
Net changes in items other than shareholders' equity					-
Total changes during period	400,554	(8,208,985)	2,315,123	(132)	(5,493,440)
Balance at end of period	26,716,695	7,595,957	(8,378,442)	(1,352)	25,932,858

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	1,073,608	101,059	1,174,667	32,860	2,448,996	35,082,823
Changes during period						
Issuance of new shares - exercise of share acquisition rights						150,567
Restricted stock unit						650,541
Purchase of shares of consolidated subsidiaries						169
Change in ownership interest of parent due to transactions with non-controlling interests						10,950
Increase/decrease due to change in fiscal year end of consolidated subsidiaries						9,514
Deficit disposition						-
Loss attributable to owners of parent						(6,315,050)
Purchase of treasury shares						(132)
Net changes in items other than shareholders' equity	692,830	22,385	715,216	471,632	3,884,231	5,071,080
Total changes during period	692,830	22,385	715,216	471,632	3,884,231	(422,359)
Balance at end of period	1,766,439	123,445	1,889,884	504,492	6,333,228	34,660,463

For the fiscal year ended November 30, 2024

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of period	26,716,695	7,595,957	(8,378,442)	(1,352)	25,932,858
Changes during period					
Issuance of new shares - exercise of share acquisition rights	190,488	190,488			380,976
Restricted stock unit	383,081	383,081			766,163
Change in ownership interest of parent due to transactions with non-controlling interests		12,704,620			12,704,620
Deficit disposition		(5,715,142)	5,715,142		-
Loss attributable to owners of parent			(6,330,577)		(6,330,577)
Purchase of treasury shares				(548)	(548)
Net changes in items other than shareholders' equity					-
Total changes during period	573,570	7,563,048	(615,435)	(548)	7,520,635
Balance at end of period	27,290,265	15,159,005	(8,993,878)	(1,900)	33,453,493

	Accumulated other comprehensive income			Share acquisition rights	Non-controlling interests	Total net assets
	Valuation difference on available-for-sale securities	Foreign currency translation adjustment	Total accumulated other comprehensive income			
Balance at beginning of period	1,766,439	123,445	1,889,884	504,492	6,333,228	34,660,463
Changes during period						
Issuance of new shares - exercise of share acquisition rights						380,976
Restricted stock unit						766,163
Change in ownership interest of parent due to transactions with non-controlling interests						12,704,620
Deficit disposition						-
Loss attributable to owners of parent						(6,330,577)
Purchase of treasury shares						(548)
Net changes in items other than shareholders' equity	84,257	(45,353)	38,904	1,549,639	906,114	2,494,658
Total changes during period	84,257	(45,353)	38,904	1,549,639	906,114	10,015,293
Balance at end of period	1,850,697	78,091	1,928,789	2,054,131	7,239,342	44,675,756

Consolidated Statements of Cash Flows

(Thousands of yen)

	For the fiscal year ended November 30, 2023	For the fiscal year ended November 30, 2024
Cash flows from operating activities		
Loss before income taxes	(6,805,348)	(5,642,758)
Depreciation	1,769,723	2,867,093
Impairment losses	-	212,116
Amortization of goodwill	660,886	684,585
Share-based payment expenses	1,172,393	2,208,831
Increase (decrease) in provision for bonuses	111,427	63,128
Increase (decrease) in provision for bonuses for directors (and other officers)	22,594	4,211
Increase (decrease) in allowance for doubtful accounts	60,959	69,993
Increase (decrease) in provision for point card certificates	212,707	121,503
Interest and dividend income	(2,638)	(6,491)
Loss (gain) on sale of investment securities	(726)	-
Loss (gain) on valuation of investment securities	-	9,999
Interest expenses	131,480	172,652
Bond issuance costs	108,324	-
Share issuance costs	4,730	5,074
Share of loss (profit) of entities accounted for using equity method	70,906	307,867
Decrease (increase) in accounts receivable - trade, and contract assets	(1,811,838)	(1,194,010)
Decrease (increase) in operational investment securities	(1,381,025)	(2,045,025)
Decrease (increase) in inventories	8,290	(8,614)
Decrease (increase) in purchased receivables	(373,871)	1,023,096
Increase (decrease) in trade payables	29,323	(77,478)
Increase (decrease) in accounts payable - other	3,170,549	559,667
Increase (decrease) in accrued expenses	174,299	493,740
Increase (decrease) in contract liabilities	1,362,623	1,300,787
Increase (decrease) in deposits received	3,158,126	(1,651,705)
Decrease (increase) in prepaid expenses	108,242	(39,684)
Decrease (increase) in accounts receivable - other	(321,162)	(2,849,290)
Other, net	1,041,342	(973,835)
Subtotal	2,682,322	(4,384,544)
Interest and dividends received	2,638	6,491
Interest paid	(130,714)	(173,928)
Income taxes paid	(93,921)	(209,455)
Net cash provided by (used in) operating activities	2,460,324	(4,761,435)
Cash flows from investing activities		
Payments into time deposits	(31,895)	(4,054)
Proceeds from withdrawal of time deposits	400,000	-
Purchase of property, plant and equipment	(632,850)	(164,152)
Purchase of intangible assets	(4,748,177)	(6,205,448)
Purchase of investment securities	(2,593,885)	(2,320,277)
Proceeds from sale of investment securities	58,473	-
Proceeds from share of profits on investments in capital	19,647	3,907
Payments of leasehold and guarantee deposits	(2,505)	(254,235)
Proceeds from refund of leasehold and guarantee deposits	132,260	5,663
Purchase of shares of subsidiaries resulting in change in scope of consolidation	-	(465,165)

(Thousands of yen)

	For the fiscal year ended November 30, 2023	For the fiscal year ended November 30, 2024
Payments for sale of shares of subsidiaries resulting in change in scope of consolidation	-	(80,390)
Other, net	(49,831)	(20,933)
Net cash provided by (used in) investing activities	(7,448,765)	(9,505,087)

(Thousands of yen)

	For the fiscal year ended November 30, 2023	For the fiscal year ended November 30, 2024
Cash flows from financing activities		
Increase (decrease) in short-term borrowings	(3,303,000)	5,125,000
Proceeds from long-term borrowings	7,000,000	3,560,000
Repayments of long-term borrowings	(3,225,400)	(3,613,750)
Proceeds from issuance of shares	141,118	361,065
Purchase of treasury shares	(132)	-
Proceeds from share issuance to non-controlling shareholders	-	98,000
Proceeds from issuance of share acquisition rights	3,986	-
Proceeds from partnership	4,002,000	1,530,000
Distributions paid to investment partners	(41,441)	(713,500)
Proceeds from issuance of bonds	988,831	-
Proceeds from issuance of convertible bonds	11,902,843	-
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	(6,020)	-
Proceeds from sale of shares of subsidiaries not resulting in change in scope of consolidation	-	14,000,000
Net cash provided by (used in) financing activities	17,462,785	20,346,815
Effect of exchange rate change on cash and cash equivalents	36,956	313,461
Increase (decrease) in cash and cash equivalents resulting from change in fiscal year end of consolidated subsidiaries	(2,123)	-
Net increase (decrease) in cash and cash equivalents	12,509,179	6,393,753
Cash and cash equivalents at beginning of period	26,309,014	38,818,193
Cash and cash equivalents at end of period	38,818,193	45,211,947