

Consolidated Financial Results for the Nine Months Ended March 31, 2026 [Japanese GAAP]



May 13, 2026

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 Listing: Tokyo Stock Exchange
 Securities code: 4478
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Scheduled date to commence dividend payment: -
 Preparation of supplementary materials on financial results: Yes
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Millions of yen with fractional amounts rounded down, unless otherwise noted)

1. Consolidated financial results for the first nine months of the fiscal year ending June 30, 2026 (from July 1, 2025 to March 31, 2026)

(1) Consolidated operating results

(Percentages indicate year-on-year changes.)

	Net sales		Adjusted operating profit		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended March 31, 2026	30,843	29.3	1,797	(15.0)	622	(47.4)	357	(65.5)	328	(67.5)
March 31, 2025	23,850	29.5	2,116	—	1,183	—	1,034	—	1,011	—

Notes: 1. Comprehensive income Nine months ended March 31, 2026: ¥ 349 million ((64.5)%)
 Nine months ended March 31, 2025: ¥ 983 million (— %)

2. Adjusted operating profit is the sum of the operating profit, stock-based compensation expenses, expenses for amortization of acquisition-related intangible assets, and one-time cost.

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended March 31, 2026	5.55	5.52
March 31, 2025	17.20	17.06

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of March 31, 2026	57,777	20,358	35.1
June 30, 2025	52,595	19,663	37.1

Reference: Equity

As of March 31, 2026: ¥ 20,252 million

As of June 30, 2025: ¥ 19,512 million

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2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
Fiscal year ended June 30, 2025	Yen —	Yen 0.0	Yen —	Yen 0.0	Yen 0.0
Fiscal year ending June 30, 2026	—	0.0	—		
Fiscal year ending June 30, 2026 (Forecast)				0.0	0.0

Note: Revisions to the forecast of dividends most recently announced: None

3. Consolidated earnings guidance for the fiscal year ending June 30, 2026 (from July 1, 2025 to June 30, 2026)

For the fiscal year ending June 30, 2026, we forecast net sales of 41,930 million yen (up 26.0% compared to net sales for Platform business (*2) for the fiscal year ended June 30, 2025) backed by the expansion of our customer base in the SaaS business, enhancement in customer value, etc. Adjusted operating profit (*3) is expected to be 2,520 million yen and adjusted free cash flow (*4) is expected to be 1,260 million yen to 2,520 million yen.

For details, please refer to "1. Qualitative information regarding results for the period, (3) Explanation of consolidated earnings guidance and other forward-looking statements."

(Percentages indicate year-on-year changes.)

	Net sales		Adjusted operating profit		Adjusted free cash flow	
	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ending June 30, 2026	41,930	26.0	2,520	33.7	1,260 ~2,520	(8.8) ~82.5

Notes: 1. Revisions to the earnings guidance most recently announced: None

2. Platform business: Business consisting of the integrated cloud ERP offering for small businesses and financial services, etc.

3. Adjusted operating profit is the sum of the operating profit, stock-based compensation expenses, expenses for amortization of acquisition-related intangible assets, and one-time cost.

4. Adjusted Free Cash Flow Definition: Starting with common free cash flow (cash flows from operating activities + cash flows from investing activities), this metric is adjusted to exclude the impact of fluctuations in advances paid incurred in the credit card business and fluctuations in purchased receivables incurred in the factoring business from operating cash flow, and M&A-related payments and proceeds from investing cash flow.

*** Notes**

- (1) Significant changes in the scope of consolidation during the period : None
- (2) Application of specific accounting for preparing the quarterly consolidated financial statements : None
- (3) Changes in accounting policies, changes in accounting estimates, and retrospective restatement
 - a. Changes in accounting policies due to revisions to accounting standards and other regulations : None
 - b. Changes in accounting policies other than a. above : None
 - c. Changes in accounting estimates : None
 - d. Retrospective restatement : None

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(4) Number of issued shares (Common stock)

a. Total number of issued shares at the end of the period (including treasury stock)

As of March 31, 2026	59,670,765 shares
As of June 30, 2025	59,221,680 shares

b. Number of treasury stock at the end of the period

As of March 31, 2026	397,196 shares
As of June 30, 2025	62,551 shares

c. Average number of outstanding shares during the period

Nine months ended March 31, 2026	59,205,677 shares
Nine months ended March 31, 2025	58,777,054 shares

(Note) In calculating the number of treasury shares to be deducted in determining the number of treasury shares at the end of the period and the average number of shares outstanding during the period, the Company's shares held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets under the Employee Stock Ownership Plan (J-ESOP) are included.

* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None.

* Proper use of earnings guidance, and other special matters

Forward-looking statements, including the consolidated forecasts stated in these materials, are based on information currently available to the Company and certain assumptions deemed reasonable. The achievement of said forecasts cannot be promised. Results may differ materially from the consolidated forecasts due to various factors.

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1. Qualitative information regarding results for the period

(1) Explanation of operating results

We estimate that the TAM (*1) for cloud accounting and HR software for small businesses (*2) is approximately 1.7 trillion yen (*3). At present, however, among small businesses with less than 1,000 employees and self-employed that use software of financial applications, the percentage of spending on cloud solutions is 48.4% (*4). We believe that the cloud ERP market has a lot of potential to further expand. In line with our corporate mission "Empower Small Businesses to Take Center Stage," we develop and offer services aimed at realization of "Integrated Management Platform for Everyone to Manage Business Freely."

In the third quarter of the consolidated fiscal year, our Group implemented development investments aimed at functional improvements of our main services, 'free Accounting' and 'free HR,' toward the realization of our mission. We also promoted new customer acquisition by building partnerships with accounting firms and accelerated cross-selling to our existing customer base. Furthermore, we continued to expand our service lineup and enhance platform value through both organic and inorganic investment to better address industry-specific needs. This includes deepening our vertical focus by organically launching "free for Medical," a specialized solution tailored for medical accounting standards, as well as the resolution to acquire "Logikura" through M&A, a cloud-based logistics platform for centralized management of inventory information, to solve challenges faced by retail and distribution businesses. We also implemented strategic initiatives to enhance the value we deliver through AI and drive customer acquisition among sole proprietors during the tax filing season. These include the launch of the "Automated Data Entry Plan," a hybrid service combining AI and human operators for seamless bookkeeping, and the "free Tax Filing" ChatGPT app, which provides expert advice curated from a database of over 10,000 professional tax consultations.

As a result of initiatives including the above, at the end of the third quarter, for Platform business, Platform ARR(*5) increased year-over-year by 23.2% to 42,481 million yen, the number of paying customers(*6) by 13.6% to 712,265, and ARPU(*7) by 8.5% to 59,647 yen. Moreover, for the first nine months of Platform business, net sales increased by 29.3% to 30,843 million yen year-over-year and adjusted operating profit(*8) decreased by 15.0% to 1,797 million yen.

As a result, for the first nine months of consolidated fiscal year under review, net sales increased by 29.3% year-over-year to 30,843 million yen, adjusted operating profit decreased by 15.0% to 1,797 million yen, operating profit decreased by 47.4% to 622 million yen, ordinary profit decreased by 65.5% to 357 million yen. Profit attributable to owners of parent decreased by 67.5% to 328 million yen.

Trends in Platform ARR, Number of Paying Customers and ARPU

	Jun. 30, 2023	Jun. 30, 2024	Jun. 30, 2025	Mar. 31, 2025	Mar. 31, 2026
ARR (¥ million)	20,998	26,834	35,796	34,469	42,481
Number of paying customers	452,923	534,819	609,292	627,140	712,265
ARPU (¥)	46,372	50,174	58,750	54,962	59,647

Trends in Subscription ARR, Number of Paying Customers and ARPU

	Jun. 30, 2023	Jun. 30, 2024	Jun. 30, 2025	Mar. 31, 2025	Mar. 31, 2026
ARR (¥ million)	20,579	26,087	34,393	33,250	40,363
Number of paying customers	451,088	532,637	606,533	624,538	709,181
ARPU (¥)	45,622	48,977	56,704	53,239	56,917

Notes:1. TAM: Total Addressable Market. This figure is our estimate of the maximum amount of revenue we could possibly

generate and is not intended as an objective indicator of the size of the market for our businesses as of the date of disclosure of this material. Our estimate of the TAM for each product is based on the statistical data and publications from external sources as well as the status of our business initiatives, including product lineup expansion and price revisions. Actual market size may differ from this estimate due to the limitations peculiar to such statistical data and publications in terms of their accuracy.

2. Small Businesses refers to businesses with or less than 1,000 employees as well as self-employed individuals.
3. Total annual spending of all potential customers assuming that all potential customers in Japan adopted free Accounting and free HR. All potential customers are the total of self-employed and small businesses with less than 1,000 employees. (Number of businesses in each category among all potential customers of free Accounting and free HR (National Tax Agency "Tax Statistics 2023" and Ministry of Internal Affairs and Communications "2021 Economic Census for Business Activity") × Estimated annual charge of free Accounting and free HR for each category).
4. International Data Corporation(IDC), "Worldwide Software and Public Cloud Services Spending Guide_2025V2".
5. Platform Annual Recurring Revenue (ARR): a metric calculated based on recurring revenue from the Group's Platform business into an annualized amount, excluding one-time revenue. Platform ARR consists of Subscription ARR and Transaction ARR. Subscription ARR is calculated by multiplying Monthly Recurring Revenue(MRR) for the last month of relevant period by 12. MRR is defined as the amount of fees contracted to be paid by customers on a monthly basis as of the end of a particular month. Transaction ARR is a metric that annualizes usage-based and fee-based revenue by multiplying revenue for the last month of the period by 12. Note that the metric referred to as ARR until the previous consolidated fiscal year has been renamed to Subscription ARR effective from the current consolidated fiscal year, but there is no change to the underlying calculation methodology.
6. Refers to both self-employed and corporations that use our services.
7. Average Revenue Per User(ARPU). Subscription Annual Recurring Revenue as of the end of the relevant period divided by the number of paying customers as of the end of the same period.
8. Adjusted operating profit is the sum of the operating profit, stock-based compensation expenses, expenses for amortization of acquisition-related intangible assets, and one-time cost.

(2) Explanation of financial position

(Assets)

Total assets at the end of the period under review amounted to 57,777 million yen, an increase of 5,181 million yen from the end of the previous fiscal year. This was primarily due to a decrease of 3,150 million yen in cash and deposits, and increases in advances paid of 2,392 million yen, software of 2,225 million yen, purchased receivables of 1,533 million yen, accounts receivable - trade of 1,312 million yen, and allowance for doubtful accounts of 1,066 million yen.

(Liabilities)

Total liabilities at the end of the period under review came to 37,418 million yen, an increase of 4,486 million yen from the end of the previous fiscal year. This was mainly due to increases in short-term borrowings of 3,350 million yen and unearned revenue of 1,946 million yen.

(Net assets)

Total net assets at the end of the period under review were 20,358 million yen, an increase of 695 million yen from the end of the previous consolidated fiscal year. This was mainly due to increases in common stock of 846 million yen, capital surplus of 846 million yen, and retained earnings of 328 million yen from the recognition of profit attributable to owners of parent for the quarter, partially offset by a 1,300 million yen increase in treasury stock.

(3) Explanation of consolidated earnings guidance and other forward-looking statements

Our SaaS business, which generates the highest proportion of our earnings, provides services to users in the subscription-based recurring revenue business model, in which earnings are built up through users' continuous subscription of services over time. Meanwhile, this business model is characterized by upfront investment in development and acquisition of customers, which generally entails an operating loss in the short term. Until the fiscal year ended June 30, 2024, our Group recorded operating losses

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due to prior investments in development and acquisition of customers. However, in the fiscal year ended June 2025, we achieved profitability on an operating profit basis.

For the fiscal year ending June 30, 2026, we initially forecasted net sales of 40,930 to 41,590 million yen (up 23.0% to 25.0% YoY(*1)), aiming to expand our customer base and enhance value on our established revenue foundation. However, reflecting the robust sales growth in the first half, we have upwardly revised our full-year net sales earnings guidance to 41,930 million yen (up 26.0% YoY) on February 12, 2026. Regarding profits, we continue to implement strategic investments for mid-to-long-term growth while simultaneously improving productivity. Consequently, Adjusted Operating Profit (*2) has been increased to 2,520 million yen (up 33.7% YoY), maintaining the initial margin guidance of 6.0%. Adjusted Free Cash Flow (*3) has also been increased to a range of 1,260 to 2,520 million yen ((8.8)% to 82.5% YoY), while maintaining the initial margin guidance at 3.0% to 6.0%.

Notes:1.Platform business: Business consisting of the integrated cloud ERP offering for small businesses and financial services, etc.

2.Adjusted operating profit is the sum of the operating profit, stock-based compensation expenses, expenses for amortization of acquisition-related intangible assets, and one-time cost.

3. Adjusted Free Cash Flow Definition: Starting with common free cash flow (cash flows from operating activities + cash flows from investing activities), this metric is adjusted to exclude the impact of fluctuations in advances paid incurred in the credit card business and fluctuations in purchased receivables incurred in the factoring business from operating cash flow, and M&A-related payments and proceeds from investing cash flow.

2. Quarterly consolidated financial statements and significant notes thereto**(1) Quarterly consolidated balance sheet**

(Thousands of yen)

	As of June 30, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	35,789,632	32,639,590
Accounts receivable - trade	3,619,898	4,932,504
Purchased receivables	–	1,533,638
Advances paid	3,982,166	6,375,038
Segregated deposits	957,968	1,545,733
Other	1,558,998	2,044,143
Allowance for doubtful accounts	(33,756)	(1,059,320)
Total current assets	45,874,908	48,011,329
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings	18,685	322,783
Accumulated depreciation	(7,086)	(17,718)
Facilities attached to buildings, net	11,598	305,064
Tools, furniture and fixtures	87,542	451,691
Accumulated depreciation	(30,751)	(77,401)
Tools, furniture and fixtures, net	56,791	374,289
Total property, plant and equipment	68,390	679,354
Intangible assets		
Goodwill	590,517	508,285
Software	2,547,104	4,772,830
Software in progress	978,639	1,203,271
Total intangible assets	4,116,261	6,484,387
Investments and other assets		
Investment securities	424,016	435,321
Deferred tax assets	982,403	974,757
Lease and guarantee deposits	904,807	1,104,258
Other	322,502	226,136
Allowance for doubtful accounts	(97,606)	(138,260)
Total investments and other assets	2,536,123	2,602,213
Total non-current assets	6,720,774	9,765,954
Total assets	52,595,683	57,777,283

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(Thousands of yen)

	As of June 30, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Short-term borrowings	9,600,000	12,950,000
Other payable	1,835,436	1,529,914
Accrued expenses	2,683,193	2,674,764
Income taxes payable	139,296	242,066
Unearned revenue	14,665,191	16,611,691
Provision for bonuses	588,950	256,000
Other provisions	199,304	367,151
Other	1,599,434	1,026,239
Total current liabilities	31,310,806	35,657,828
Non-current liabilities		
Asset retirement obligation	1,533,896	1,668,529
Long-term other payable	10,000	–
Other provisions	28,797	82,761
Other	48,899	9,862
Total non-current liabilities	1,621,593	1,761,152
Total liabilities	32,932,399	37,418,981
Net assets		
Shareholders' equity		
Common stock	27,043,623	27,890,049
Capital surplus	574,738	1,421,165
Retained earnings (Accumulated deficit)	(8,133,721)	(7,805,889)
Treasury stock	(650)	(1,301,336)
Total shareholders' equity	19,483,989	20,203,989
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,040	41,456
Deferred gains or losses on hedges	4,321	–
Foreign currency translation adjustment	4,706	7,136
Total accumulated other comprehensive income	28,069	48,593
Stock acquisition rights	151,224	105,719
Total net assets	19,663,283	20,358,302
Total liabilities and net assets	52,595,683	57,777,283

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

Quarterly consolidated statement of income

(Thousands of yen)

	For the nine months ended March 31, 2025	For the nine months ended March 31, 2026
Net sales	23,850,854	30,843,191
Cost of sales	4,109,941	5,760,909
Gross profit	19,740,913	25,082,281
Selling, general and administrative expenses	18,557,079	24,459,549
Operating profit	1,183,833	622,732
Non-operating income		
Interest income	13,343	47,089
Lecture fee and other income	964	2,776
Other	6,135	15,469
Total non-operating income	20,443	65,334
Non-operating expenses		
Interest expenses	46,933	113,032
Foreign exchange losses	16,009	37,189
Loss on investments in investment partnerships	20,379	21,085
Loss on amortization of restricted stock remuneration	79,126	87,714
Commission expenses	52	54,677
Share of loss of entities accounted for using equity method	1,098	915
Other	6,522	16,249
Total non-operating expenses	170,122	330,864
Ordinary profit	1,034,154	357,202
Extraordinary income		
Gain on sale of non-current assets	22,880	17
Gain on reversal of stock acquisition rights	9,357	32,750
Total extraordinary income	32,238	32,768
Extraordinary losses		
Loss on valuation of investment securities	28,867	32,650
Other	–	476
Total extraordinary losses	28,867	33,126
Profit before income taxes	1,037,525	356,843
Income taxes - current	21,329	24,424
Income taxes - deferred	4,972	3,936
Total income taxes	26,302	28,361
Profit	1,011,223	328,482
Profit attributable to owners of parent	1,011,223	328,482

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Quarterly consolidated statement of comprehensive income

(Thousands of yen)

	For the nine months ended March 31, 2025	For the nine months ended March 31, 2026
Profit	1,011,223	328,482
Other comprehensive income		
Valuation difference on available-for-sale securities	6,973	22,415
Deferred gains or losses on hedges	(34,333)	(4,321)
Foreign currency translation adjustment	122	2,429
Total other comprehensive income	(27,237)	20,523
Comprehensive income	983,985	349,006
Comprehensive income attributable to		
Owners of parent	983,985	349,006

(3) Notes to quarterly consolidated financial statements (Notes on going concern assumption)

Not applicable.

(Notes on significant changes in the amount of shareholders' equity)

Based on the resolution of the Board of Directors on July 18, 2025, the Company issued 386,101 shares of new common stock through a third-party allotment in connection with the introduction of the Employee Stock Ownership Plan (J-ESOP), and allocated them to Custody Bank of Japan, Ltd. (Trust Account E). As a result, treasury stock increased by 1,500,002 thousand yen, and common stock and capital surplus each increased by 750,001 thousand yen.

Furthermore, 23,334 shares of the common stock were granted to eligible participants and 27,900 shares of the common stock were sold to fund cash payments under the Employee Stock Ownership Plan (J-ESOP). As a result, treasury stock decreased by 199,044 thousand yen.

At the end of the third quarter of the fiscal year ending June 30, 2026, "Common stock" amounted to 27,890,049 thousand yen, "Capital surplus" amounted to 1,421,165 thousand yen, and "Treasury stock" amounted to 1,301,336 thousand yen.

(Additional information)

(Incentive plan to grant company shares to employees through a trust)

At the Board of Directors meeting on July 18, 2025, the Company resolved to introduce the Employee Stock Ownership Plan (J-ESOP) (hereinafter referred to as "the Plan"), an incentive plan to grant the Company's shares to its employees.

1. Outline of the Transaction

The Plan is a scheme under which the Company grants its employees who meet certain requirements the Company's shares and cash equivalent to the fair value of such shares, based on the Stock Provision Rules stipulated by the Company.

In order to acquire the shares to be granted in the future, the Company entrusts money to Custody Bank of Japan, Ltd. (Trust Account E) as trust assets for the Plan and the Custody Bank of Japan, Ltd. acquires the Company's shares by subscribing for the new shares issued by the Company using the entrusted money.

2. Company shares remaining in the trust

The Company's shares remaining in the trust are recorded as "Treasury Shares" under net assets at the book value in the trust (excluding incidental costs).

The book value and number of such treasury shares are 1,300,958 thousand yen and 334,867 shares, respectively, as of the end of the third quarter of the current consolidated fiscal year.

(Notes on segment information)

<Segment information>

For the nine months ended March 31, 2025

The group engages in a single segment, namely, the platform business; therefore, segment information is not presented.

For the nine months ended March 31, 2026

The group engages in a single segment, namely, the platform business; therefore, segment information is not presented.

(Notes on quarterly consolidated statement of cash flows)

The quarterly consolidated statement of cash flows for the nine months ended March 31, 2026 has not been presented. Depreciation (including amortization of intangible assets other than goodwill) and amortization of goodwill for the nine months ended March 31, 2026, are as follows.

	(Thousands of yen)	
	For the nine months ended March 31, 2025	For the nine months ended March 31, 2026
Depreciation	169,800	727,195
Amortization of goodwill	54,398	105,287

(Significant subsequent events)

(Reduction of stated capital)

By a written resolution in lieu of a meeting of the Board of Directors dated April 23, 2026, the Company resolved to submit a proposal for the reduction of stated capital to the Extraordinary General Meeting of Shareholders scheduled to be held on June 23, 2026.

1. Purpose of the reduction of stated capital

With the aim of ensuring the flexibility and maneuverability of its capital policy going forward, the Company will reduce its stated capital and transfer it to other capital surplus in accordance with the provisions of Article 447, paragraph 1 of the Companies Act. This transaction will not change the total number of issued shares or net assets, and will have no impact on the number of shares held by shareholders or net assets per share.

2. Details of the reduction of stated capital

(1) Amount of stated capital to be reduced

The Company's stated capital of 27,890,049 thousand yen as of March 31, 2026 will be reduced by 15,000,000 thousand yen to 12,890,049 thousand yen. Note that if stock acquisition rights issued by the Company are exercised prior to the effective date of the reduction, both the pre-reduction and post-reduction amounts of stated capital will change accordingly.

(2) Method of reduction

The reduction will be carried out without repayment and without any change in the number of issued shares, and the full amount of the reduction in stated capital will be transferred to other capital surplus in accordance with the provisions of Article 447, paragraph 1 of the Companies Act.

3. Schedule for the reduction

(1) Date of resolution by the Board of Directors: April 23, 2026

(2) Date of public notice of reduction of stated capital: May 15, 2026 (Scheduled)

(3) Final date for creditors to file objections: June 15, 2026 (Scheduled)

(4) Date of resolution at the Extraordinary General Meeting of Shareholders: June 23, 2026 (Scheduled)

(5) Effective date of reduction: June 23, 2026 (Scheduled)

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4. Future outlook

Since this transaction constitutes an internal transfer between accounts within the net assets section of the balance sheet, there will be no change in the Company's net assets or total number of issued shares, and the transaction will have no impact on the Company's business results. Note that the foregoing is contingent upon approval of the proposal for the reduction of stated capital at the Extraordinary General Meeting of Shareholders scheduled to be held on June 23, 2026.