

Consolidated Financial Results for the Fiscal Year Ended June 30, 2026 [Japanese GAAP]



August 13, 2026

Company name: freee K.K.
 Listing: Tokyo Stock Exchange
 Securities code: 4478
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Scheduled date of ordinary general meeting of shareholders: September 29, 2026
 Scheduled date to commence dividend payment: -
 Scheduled date to file annual securities report: September 28, 2026
 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 fiscal year ended June 30, 2026 (from July 1, 2025 to June 30, 2026)

(1) Consolidated operating results

(Percentages indicate year-over-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	%
Fiscal year ended June 30, 2026	42,441	27.6	2,663	41.3	1,091	78.6	746	81.0	1,077	(21.3)
June 30, 2025	33,270	30.8	1,885	-	610	-	412	-	1,370	-

Notes: 1. Comprehensive income For the fiscal year ended June 30, 2026: ¥1,125 million ((16.4)%)
 For the fiscal year ended June 30, 2025: ¥1,346 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	Return on shareholders' equity	Ordinary profit to total assets	Operating profit to net sales
	Yen	Yen	%	%	%
Fiscal year ended June 30, 2026	18.20	18.11	5.3	1.3	2.6
June 30, 2025	23.28	23.10	7.6	0.9	1.8

Reference: Share of profit (loss) of entities accounted for using equity method
 Fiscal year ended June 30, 2026: ¥(0) million
 Fiscal year ended June 30, 2025: ¥(1) million

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2026	61,920	21,186	34.1	355.27
June 30, 2025	52,595	19,663	37.1	329.82

Reference: Equity

As of June 30, 2026: ¥21,096 million
 As of June 30, 2025: ¥19,512 million

English Translation

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(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
June 30, 2026	1,519	(5,898)	4,765	36,179
June 30, 2025	3,661	(4,601)	4,977	35,789

2. Dividends

	Annual dividends					Total dividends	Payout ratio (consolidated)	Dividends to net assets (consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
June 30, 2025	—	0.0	—	0.0	0.0	—	—	—
June 30, 2026	—	0.0	—	0.0	0.0	—	—	—
Fiscal year ending June 30, 2027 (Forecast)	—	0.0	—	0.0	0.0		—	

3. Consolidated earnings guidance for the fiscal year ending June 30, 2027 (from July 1, 2026 to June 30, 2027)

For the fiscal year ending June 30, 2027, we forecast net sales of 52,210 million yen (up 23.0% compared to net sales for Platform business(*1) for the fiscal year ended June 30, 2026) backed by the expansion of our customer base in the SaaS business, enhancement in customer value, etc. Adjusted operating profit(*2) is expected to be 5,750 million yen.

For details, please refer to "1. Overview of Operating Results, etc., (4) Explanation of Consolidated Earnings Guidance and Other Forward-looking Statements."

(Percentages indicate year-over-year changes.)

	Net sales		Adjusted operating profit	
	Millions of yen	%	Millions of yen	%
Fiscal year ending June 30, 2027	52,210	23.0	5,750	115.9

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.

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*** Notes**

(1) Significant changes in scope of consolidation during the period (changes in specified subsidiaries resulting in the change in scope of consolidation) : None

(2) 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

(3) Number of issued shares (Common stock)

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

Fiscal year ended June 30, 2026	59,781,402 shares
Fiscal year ended June 30, 2025	59,221,680 shares

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

Fiscal year ended June 30, 2026	400,014 shares
Fiscal year ended June 30, 2025	62,551 shares

c. Average number of outstanding shares during the period

Fiscal year ended June 30, 2026	59,234,061 shares
Fiscal year ended June 30, 2025	58,861,705 shares

(Note) In calculating the number of treasury stock to be deducted in determining the number of treasury stock 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.

(Reference) Overview of non-consolidated financial results
Non-consolidated financial results for the fiscal year ended June 30, 2026
(from July 1, 2025 to June 30, 2026)
(1) Non-consolidated operating results (Percentages indicate year-over-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended June 30, 2026	42,058	26.7	1,010	55.4	687	44.3	964	(33.0)
June 30, 2025	33,186	36.8	650	—	476	—	1,440	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Fiscal year ended June 30, 2026	16.29	16.21
June 30, 2025	24.48	24.29

(2) Non-Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2026	61,764	21,133	34.1	354.38
June 30, 2025	52,643	19,726	37.2	330.89

Reference: Equity

As of June 30, 2026: ¥21,043 million

As of June 30, 2025: ¥19,575 million

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

* 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. Overview of Operating Results, etc.

(1) Explanation of Operating Results

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." We estimate that the TAM (*1) for cloud accounting and HR software for small businesses (*2) is approximately 1.7 trillion yen (*3). In addition, the utilization rate of cloud software for back-office operations among domestic SMBs stands at 47.7% (*4), while the utilization rate of cloud accounting software among sole proprietors is 38.4% (*5). We believe that cloud ERP market has a lot of potential to further expand.

In the current fiscal year, our Group implemented development investments aimed at functional improvements, primarily for our main services "free Accounting" and "free HR," and promoted new customer acquisition through accounting firms and cross-selling to existing customer base. Furthermore, we view the shift in customer experience in the Agentic AI era as a transition from "Done by You" to "Done for You," and are pivoting our value proposition from "user-friendly UIs for humans" to "experiences where tasks are completely delegated to AI agents." In light of this, we are accelerating the market penetration of our AI-related products and services through the launch of "free Agent Hub", an integrated AI agent optimized for accounting firm workflows, and "free AI Assistant", which enables corporate customers to build custom AI agents tailored to their unique business operations.

As a result of initiatives including the above, as of the end of the fiscal year, for Platform business, Platform ARR (*6) increased by 21.8% year-over-year to 43,595 million yen, the number of paying customers (*7) by 14.0% to 694,586, and ARPU (*8) by 6.8% to 62,772 yen. Moreover, for the Platform business in the fiscal year ended June 30, 2026, net sales increased by 27.6% year-over-year to 42,441 million yen and adjusted operating profit (*9) increased by 41.3% to 2,663 million yen.

As a result, for the consolidated fiscal year under review, net sales increased by 27.6% year-over-year to 42,441 million yen, adjusted operating profit increased by 41.3% to 2,663 million yen, operating profit increased by 78.6% to 1,091 million yen, ordinary profit increased by 81.0% to 746 million yen, while profit attributable to owners of parent decreased by 21.3% to 1,077 million yen.

Trends in Platform ARR, Number of Paying Customers and ARPU

	Jun. 30, 2022	Jun. 30, 2023	Jun. 30, 2024	Jun. 30, 2025	Jun. 30, 2026
ARR (¥ million)	15,259	20,998	26,834	35,796	43,595
Number of paying customers	379,427	452,923	534,819	609,292	694,586
ARPU (¥)	40,242	46,372	50,174	58,750	62,772

Trends in Subscription ARR, Number of Paying Customers and ARPU

	Jun. 30, 2022	Jun. 30, 2023	Jun. 30, 2024	Jun. 30, 2025	Jun. 30, 2026
ARR (¥ million)	15,057	20,579	26,087	34,393	41,274
Number of paying customers	379,404	451,088	532,637	606,533	691,225
ARPU (¥)	39,686	45,622	48,977	56,704	59,715

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 products 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 SMBs 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. Estimated by the Company based on the "2025 Communications Usage Trend Survey" (Information and Communications Bureau, Ministry of Internal Affairs and Communications), targeting enterprises with 100 to 999 employees regarding the usage rate of cloud software for financial accounting, HR, and payroll.
 5. Survey on Cloud Accounting Software Usage (as of end of March 2026), MM Research Institute, Ltd.
 6. Platform Annual Recurring Revenue (ARR): a metric calculated by converting 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.
 7. Refers to both self-employed and corporations that use our services.
 8. ARPU: Average Revenue Per User. 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.
 9. 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 61,920 million yen, an increase of 9,325 million yen from the end of the previous consolidated fiscal year. This was mainly due to increases in advances paid of 3,175 million yen, software of 2,855 million yen, purchased receivables of 1,536 million yen, and accounts receivable of 1,379 million yen.

(Liabilities)

Total liabilities at the end of the period under review came to 40,734 million yen, an increase of 7,801 million yen from the end of the previous consolidated fiscal year. This was mainly due to increases in short-term borrowings of 4,700 million yen, and unearned revenue of 2,671 million yen.

(Net assets)

Total net assets at the end of the period under review were 21,186 million yen, an increase of 1,523 million yen from the end of the previous consolidated fiscal year. This was mainly due to increases in capital surplus of 15,874 million yen and retained earnings of 1,077 million yen, partially offset by a decrease in common stock of 14,125 million yen and an increase in treasury stock of 1,290 million yen.

(3) Explanation of Cash Flows

Cash and cash equivalent (hereinafter “cash”) as of June 30, 2026 stood at 36,179 million yen. Net cash flows and factors associated therewith in the consolidated fiscal year are as stated below.

(Cash flows from operating activities)

Net cash provided by operating activities amounted to 1,519 million yen. This was mainly due to profit before income taxes of 768 million yen, an increase in unearned revenue of 2,664 million yen, and depreciation of 1,316 million yen, partially offset by an increase in advances paid of 3,175 million yen.

(Cash flows from investing activities)

Net cash used in investing activities amounted to 5,898 million yen. This was mainly due to a payment for purchase of intangible assets of 4,323 million yen, purchase of shares of subsidiaries resulting in change in scope of consolidation of 713 million yen, and purchase of property, plant and equipment of 610 million yen.

(Cash flows from financing activities)

Net cash provided by financing activities amounted to 4,765 million yen. This was mainly due to a net increase in short-term borrowings of 4,700 million yen and proceeds from issuance of stocks of 81 million yen.

(4) 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 business model, in which earnings are built up through users' continuous subscription of services over time. Meanwhile, this business model is characterized by prior investment in development and acquisition of customers, which generally entails an operating loss in the short term. In the fiscal year ended June 30, 2025, our Group achieved operating profitability for the first time since its founding, and we continue to maintain high growth and improved profitability in the following fiscal year ended June 30, 2026.

For the fiscal year ending June 30, 2027, we forecast net sales of 52,210 million yen (up 23.0% compared to net sales in the fiscal year ended June 30, 2026 for Platform business(*1)), reflecting the expansion of our customer base and enhancement in customer value in the SaaS business driven by the investment under the established revenue foundation. As for profit items, by driving productivity gains alongside solid top-line growth, adjusted operating profit (*2) for the fiscal year ending June 30,

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2027 is expected to be 5,750 million yen (up 115.9% year-over-year) with an adjusted operating profit margin of 11.0%.

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.

2. Basic Concept Regarding Selections of Accounting Standards

The Group applies Japanese generally accepted accounting principles considering the comparability of consolidated financial statements from period to period.

3. Consolidated Financial Statements and Significant Notes Thereto**(1) Consolidated Balance Sheet**

(Thousands of yen)

	As of June 30, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	35,789,632	36,187,021
Accounts receivable - trade	3,619,898	4,999,068
Purchased receivables	–	1,536,610
Advances paid	3,982,166	7,158,047
Segregated deposits	957,968	532,957
Other	1,558,998	1,006,175
Allowance for doubtful accounts	(33,756)	(1,062,688)
Total current assets	45,874,908	50,357,192
Non-current assets		
Property, plant and equipment		
Facilities attached to buildings	18,685	661,528
Accumulated depreciation	(7,086)	(35,846)
Facilities attached to buildings, net	11,598	625,682
Tools, furniture and fixtures	87,542	517,091
Accumulated depreciation	(30,751)	(107,363)
Tools, furniture and fixtures, net	56,791	409,727
Total property, plant and equipment	68,390	1,035,410
Intangible assets		
Goodwill	590,517	949,398
Software	2,547,104	5,402,451
Software in progress	978,639	1,206,159
Total intangible assets	4,116,261	7,558,008
Investments and other assets		
Investment securities	424,016	433,272
Deferred tax assets	982,403	1,368,828
Lease and guarantee deposits	904,807	1,107,519
Other	322,502	205,903
Allowance for doubtful accounts	(97,606)	(145,342)
Total investments and other assets	2,536,123	2,970,182
Total non-current assets	6,720,774	11,563,601
Total assets	52,595,683	61,920,793

(Thousands of yen)

	As of June 30, 2025	As of June 30, 2026
Liabilities		
Current liabilities		
Short-term borrowings	9,600,000	14,300,000
Other payable	1,835,436	1,723,467
Accrued expenses	2,683,193	2,699,142
Income taxes payable	139,296	279,537
Unearned revenue	14,665,191	17,336,565
Provision for bonuses	588,950	508,990
Provision for stock-based compensation	11,784	285,204
Other	1,786,953	1,453,205
Total current liabilities	31,310,806	38,586,112
Non-current liabilities		
Asset retirement obligation	1,533,896	1,976,086
Provision for stock-based compensation	28,797	151,126
Long-term other payable	10,000	—
Other	48,899	20,945
Total non-current liabilities	1,621,593	2,148,158
Total liabilities	32,932,399	40,734,270
Net assets		
Shareholders' equity		
Common stock	27,043,623	12,918,532
Capital surplus	574,738	16,448,997
Retained earnings (Accumulated deficit)	(8,133,721)	(7,055,816)
Treasury stock	(650)	(1,291,607)
Total shareholders' equity	19,483,989	21,020,105
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	19,040	38,625
Deferred gains or losses on hedges	4,321	29,910
Foreign currency translation adjustment	4,706	7,492
Total accumulated other comprehensive income	28,069	76,028
Stock acquisition rights	151,224	90,389
Total net assets	19,663,283	21,186,522
Total liabilities and net assets	52,595,683	61,920,793

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income

Consolidated Statement of Income

(Thousands of yen)

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Net sales	33,270,601	42,441,680
Cost of sales	5,909,557	8,043,961
Gross profit	27,361,043	34,397,718
Selling, general and administrative expenses	26,750,070	33,306,287
Operating profit	610,972	1,091,431
Non-operating income		
Interest income	17,320	48,751
Lecture fee and other income	1,449	2,791
Refund received	–	9,865
Other	9,503	19,552
Total non-operating income	28,273	80,961
Non-operating expenses		
Interest expenses	76,072	170,893
Foreign exchange losses	13,046	53,274
Loss on investments in investment partnerships	20,379	21,085
Commission expenses	55	56,546
Stock issuance costs	4,099	4,379
Loss on amortization of restricted stock remuneration	103,453	93,187
Share of loss of entities accounted for using equity method	1,170	132
Other	8,258	26,009
Total non-operating expenses	226,536	425,508
Ordinary profit	412,709	746,884
Extraordinary income		
Gain on sale of non-current assets	22,880	7,911
Gain on reversal of stock acquisition rights	9,515	46,785
Total extraordinary income	32,395	54,697
Extraordinary losses		
Loss on valuation of investment securities	28,867	32,650
Other	–	523
Total extraordinary losses	28,867	33,174
Profit before income taxes	416,237	768,407
Income taxes - current	29,289	94,407
Income taxes - deferred	(983,076)	(403,905)
Total income taxes	(953,787)	(309,497)
Profit	1,370,024	1,077,905
Profit attributable to owners of parent	1,370,024	1,077,905

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Consolidated Statement of Comprehensive Income

(Thousands of yen)

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Profit	1,370,024	1,077,905
Other comprehensive income		
Valuation difference on available-for-sale securities	6,722	19,584
Deferred gains or losses on hedges	(30,011)	25,588
Foreign currency translation adjustment	45	2,785
Total other comprehensive income	(23,243)	47,958
Comprehensive income	1,346,781	1,125,863
Comprehensive income attributable to		
Owners of parent	1,346,781	1,125,863

(3) Consolidated Statement of Changes in Equity

Fiscal year ended June 30, 2025

(Thousands of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings (Accumulated deficit)	Treasury stock	Total shareholders' equity
Balance at beginning of period	26,348,152	42,133,180	(51,757,334)	(324)	16,723,673
Changes during period					
Issuance of new shares	636,581	636,581			1,273,162
Exercise of stock acquisition rights	58,889	58,889			117,779
Deficit disposition		(42,253,912)	42,253,912		—
Purchase of treasury stock				(650)	(650)
Cancellation of treasury stock		(324)		324	—
Transfer from retained earnings to capital surplus		324	(324)		—
Profit attributable to owners of parent			1,370,024		1,370,024
Net changes in items other than shareholders' equity					
Total changes during period	695,470	(41,558,441)	43,623,612	(326)	2,760,316
Balance at end of period	27,043,623	574,738	(8,133,721)	(650)	19,483,989

	Accumulated other comprehensive income				Stock acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	12,318	34,333	4,661	51,312	177,358	16,952,345
Changes during period						
Issuance of new shares						1,273,162
Exercise of stock acquisition rights						117,779
Deficit disposition						—
Purchase of treasury stock						(650)
Cancellation of treasury stock						—
Transfer from retained earnings to capital surplus						—
Profit attributable to owners of parent						1,370,024
Net changes in items other than shareholders' equity	6,722	(30,011)	45	(23,243)	(26,134)	(49,377)
Total changes during period	6,722	(30,011)	45	(23,243)	(26,134)	2,710,938
Balance at end of period	19,040	4,321	4,706	28,069	151,224	19,663,283

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Fiscal year ended June 30, 2026

(Thousands of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings (Accumulated deficit)	Treasury stock	Total shareholders' equity
Balance at beginning of period	27,043,623	574,738	(8,133,721)	(650)	19,483,989
Changes during period					
Issuance of new shares	824,771	824,771			1,649,542
Exercise of stock acquisition rights	50,137	50,137			100,275
Purchase of treasury stock				(1,500,531)	(1,500,531)
Disposal of treasury stock				208,923	208,923
Cancellation of treasury stock		(650)		650	—
Transfer from common stock to capital surplus	(15,000,000)	15,000,000			—
Profit attributable to owners of parent			1,077,905		1,077,905
Net changes in items other than shareholders' equity					
Total changes during period	(14,125,090)	15,874,258	1,077,905	(1,290,956)	1,536,115
Balance at end of period	12,918,532	16,448,997	(7,055,816)	(1,291,607)	21,020,105

	Accumulated other comprehensive income				Stock acquisition rights	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Total accumulated other comprehensive income		
Balance at beginning of period	19,040	4,321	4,706	28,069	151,224	19,663,283
Changes during period						
Issuance of new shares						1,649,542
Exercise of stock acquisition rights						100,275
Purchase of treasury stock						(1,500,531)
Disposal of treasury stock						208,923
Cancellation of treasury stock						—
Transfer from common stock to capital surplus						—
Profit attributable to owners of parent						1,077,905
Net changes in items other than shareholders' equity	19,584	25,588	2,785	47,958	(60,835)	(12,876)
Total changes during period	19,584	25,588	2,785	47,958	(60,835)	1,523,238
Balance at end of period	38,625	29,910	7,492	76,028	90,389	21,186,522

(4) Consolidated Statement of Cash Flows

(Thousands of yen)

	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	416,237	768,407
Depreciation	320,550	1,316,850
Amortization of goodwill	88,341	165,446
Stock-based compensation expenses	972,889	698,538
Increase (decrease) in allowance for doubtful accounts	51,641	8,752
Increase (decrease) in provision for bonuses	273,212	(79,960)
Increase (decrease) in provision for stock-based compensation	24,502	520,495
Loss (gain) on valuation of investment securities	28,867	32,650
Loss (gain) on investments in investment partnerships	20,379	21,085
Loss (gain) on sale of property, plant and equipment	(22,880)	(7,911)
Interest income	(17,320)	(48,751)
Interest expenses	76,072	170,893
Stock issuance costs	4,099	4,379
Loss on amortization of restricted stock remuneration	103,453	93,187
Gain on reversal of stock acquisition rights	(9,515)	(46,785)
Decrease (increase) in purchased receivables	–	(47,914)
Decrease (increase) in trade receivables	(985,909)	(1,390,614)
Decrease (increase) in advances paid	(1,691,957)	(3,175,878)
Decrease (increase) in segregated deposits	(479,297)	425,010
Increase (decrease) in accounts payable - other	739,107	(280,036)
Increase (decrease) in accrued expenses	116,000	15,938
Increase (decrease) in unearned revenue	3,276,280	2,664,467
Other, net	449,069	(155,901)
Subtotal	3,753,825	1,672,348
Interest received	17,320	48,751
Interest paid	(76,072)	(170,893)
Income taxes paid	(33,093)	(30,941)
Net cash provided by (used in) operating activities	3,661,980	1,519,264

	(Thousands of yen)	
	Fiscal year ended June 30, 2025	Fiscal year ended June 30, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(45,805)	(610,013)
Proceeds from sale of property, plant and equipment	22,880	7,911
Purchase of intangible assets	(3,832,520)	(4,323,203)
Payments for acquisition of businesses	–	(24,200)
Purchase of investment securities	(104,910)	(44,984)
Payments of leasehold and guarantee deposits	(13,767)	(195,109)
Proceeds from refund of leasehold and guarantee deposits	510	4,650
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(628,997)	(713,107)
Other, net	1,390	10
Net cash provided by (used in) investing activities	(4,601,221)	(5,898,044)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	4,900,000	4,700,000
Repayments of long-term borrowings	(18,479)	(81,565)
Proceeds from issuance of common stock	97,060	81,846
Purchase of treasury stock	(650)	(528)
Proceeds from sale of treasury stock	–	66,039
Net cash provided by (used in) financing activities	4,977,930	4,765,792
Effect of exchange rate change on cash and cash equivalents	45	2,785
Net increase (decrease) in cash and cash equivalents	4,038,735	389,798
Cash and cash equivalents at beginning of period	31,750,897	35,789,632
Cash and cash equivalents at end of period	35,789,632	36,179,431

(5) Notes to Consolidated Financial Statements

(Notes on changes in presentation)

(Consolidated balance sheet)

"Provision for stock-based compensation," which was included in "Other" under "Current liabilities," and "Provision for stock-based compensation," which was included in "Other" under "Non-current liabilities" in the prior fiscal year, have been presented as separate accounts in the current fiscal year due to their increased financial materiality. To reflect this change in presentation, consolidated financial statements for the prior fiscal year have been reclassified.

As a result, 1,798,738 thousand yen presented as "Other" under "Current liabilities" in the consolidated balance sheet for the prior fiscal year has been reclassified into "Provision for stock-based compensation" of 11,784 thousand yen and "Other" of 1,786,953 thousand yen. Additionally, 77,697 thousand yen presented as "Other" under "Non-current liabilities" has been reclassified into "Provision for stock-based compensation" of 28,797 thousand yen and "Other" of 48,899 thousand yen.

(Consolidated statement of cash flows)

"Increase (decrease) in provision for stock-based compensation," which was included in "Other, net" under "Cash flows from operating activities" in the prior fiscal year, has been presented as a separate account in the current fiscal year due to its increased financial materiality. To reflect this change in presentation, consolidated financial statements for the prior fiscal year have been reclassified.

As a result, 473,571 thousand yen presented as "Other, net" under "Cash flows from operating activities" in the consolidated statement of cash flows for the prior fiscal year has been reclassified into "Increase (decrease) in provision for stock-based compensation" of 24,502 thousand yen and "Other, net" of 449,069 thousand yen.

(Notes on going concern assumption)

Not applicable.

(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 Stock" under net assets at the book value in the trust (excluding incidental costs).

The book value and number of such treasury stock are 1,291,078 thousand yen and 332,324 shares, respectively, as of the end of the current consolidated fiscal year.

(Notes on segment information)

<Segment information>

Fiscal year ended June 30, 2025 (from July 1, 2024 to June 30, 2025)

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

Fiscal year ended June 30, 2026 (from July 1, 2025 to June 30, 2026)

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

(Notes on per share information)

	Fiscal year ended June 30, 2025 (from July 1, 2024 to June 30, 2025)	Fiscal year ended June 30, 2026 (from July 1, 2025 to June 30, 2026)
Net assets per share	329.82	355.27
Basic earnings per share	23.28	18.20
Diluted earnings per share	23.10	18.11

Notes: 1. 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 in the number of treasury stock deducted in the calculation of the total number of shares at the end of the period and the average number of shares outstanding during the period for the purposes of calculating net assets per share, basic earnings per share, and diluted earnings per share. The number of such treasury stock deducted in the calculation was 332,324 shares at the end of the current consolidated fiscal year, and the average number of such shares during the period was 330,708 shares for the current consolidated fiscal year.

2. Basis for calculation of basic earnings per share and diluted earnings per share are as follows:

	Fiscal year ended June 30, 2025 (from July 1, 2024 to June 30, 2025)	Fiscal year ended June 30, 2026 (from July 1, 2025 to June 30, 2026)
Basic earnings per share		
Profit attributable to owners of parent (Thousands of yen)	1,370,024	1,077,905
Amounts not attributable to common shareholders (Thousands of yen)	—	—
Profit attributable to owners of parent related to common shares (Thousands of yen)	1,370,024	1,077,905
Average number of common shares outstanding during the period (Shares)	58,861,705	59,234,061
Diluted earnings per share		
Adjustments to profit attributable to owners of parent (Thousands of yen)	—	—
Increase in common shares (Shares)	456,781	281,136
Overview of dilutive shares that are not included in the calculation of diluted earnings per share as they have no dilutive effects	35,420 shares of stock acquisition rights (1 type of stock acquisition rights)	23,206 shares of stock acquisition rights (1 type of stock acquisition rights)

(Notes on significant subsequent events)

(Additional contribution to the Employee Stock Ownership Plan (J-ESOP))

At the Board of Directors meeting held on August 13, 2026, the Company resolved to make an additional monetary contribution to the Employee Stock Ownership Plan (J-ESOP) (hereinafter referred to as "the Plan"; the trust established under the trust agreement entered into with Mizuho Trust & Banking Co., Ltd. (re-trustee: Custody Bank of Japan, Ltd.) with respect to the Plan is hereinafter referred to as "the Trust").

1. Reason for the additional contribution

In connection with the continuation of the Plan, the Company has decided to make an additional monetary contribution (hereinafter referred to as the "Additional Trust") to the Trust to fund the acquisition of shares expected to be required for future grants under the Plan.

2. Outline of the Additional Trust

(1) Date of the Additional Trust: August 27, 2026

(2) Amount of the Additional Trust: 1,807,956 thousand yen

(A portion of the amount of the Additional Trust will be set aside as a cash reserve to cover necessary expenses such as trust fees.)

(3) Type of shares to be acquired: Common stock of the Company

(4) Period of share acquisition by the Trust: From August 27, 2026 to September 14, 2026 (planned)

(The Trust will additionally acquire the Company's shares, up to a maximum of 1,000,000 shares.)

(5) Method of share acquisition: Purchases on the stock exchange market

(Acquisition of treasury stock)

At the Board of Directors meeting held on August 13, 2026, the Company resolved the following matters relating to the acquisition of treasury stock pursuant to Article 459, paragraph 1 of the Companies Act and Article 41 of the Company's Articles of Incorporation.

1. Reason for the acquisition of treasury stock

The Company regards the advancement of generative AI as a significant business opportunity, and is working to further strengthen its Integrated Management Platform toward realizing the "Done for You" experience, in which AI agents perform all business tasks. While the Company expects sustainable business growth with AI as a tailwind, it considers that its share price during the six months from the beginning of 2026 remained at a significantly undervalued level that did not sufficiently reflect its intrinsic corporate value. In light of this, the Company decided to acquire treasury stock up to a total acquisition price of 5,000,000 thousand yen.

2. Contents of matters relating to the acquisition

(1) Type of shares to be acquired: Common stock of the Company

(2) Maximum number of shares to be acquired: 2,400,000 shares

(Ratio to the total number of issued shares excluding treasury stock: 4.04%)

(3) Maximum total acquisition price of shares: 5,000,000 thousand yen

(4) Period of share acquisition: From August 14, 2026 to February 12, 2027 (planned)

(5) Method of share acquisition: Market purchases on the Tokyo Stock Exchange based on a discretionary trading contract

English Translation

This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

Note: Depending on market conditions and other factors, all or part of the acquisition may not be executed.

(For reference) Status of treasury stock held as of June 30, 2026

Total number of issued shares (excluding treasury stock): 59,381,388 shares

Number of treasury stock: 400,014 shares

Note: The above includes the Company's shares held by Custody Bank of Japan, Ltd. (Trust Account E) as trust assets under the employee incentive plan, the "Employee Stock Ownership Plan (J-ESOP)."