

December 5, 2018

To All Concerned Parties

Company Name: Money Forward, Inc.
Representative: Yosuke Tsuji
Representative Director,
President and CEO
(Code number: 3994, TSE Mothers Market)
Contact: Director, Executive Officer and Co-CFO
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Announcement Regarding Issuance of New Shares by way of International Offering

Money Forward, Inc. (the “Company”) hereby announces that, on December 5, 2018 (Wed), its Board of Directors resolved to issue new shares by way of an international offering (the “International Offering”) as set forth below.

Purpose of the International Offering

The Company is a fast growing Software as a Service (“SaaS”) and Fintech company specialising in the provision of cloud-based service platforms for corporate back office operations and personal financial management. In light of the rapid expansion that the Company has been experiencing in its businesses, the Company is launching this International Offering in order to (i) further accelerate growth in each of its businesses and consolidate its leading position in the field of SaaS/Fintech in Japan and (ii) strengthen its balance sheet and provide a solid foundation for further expansion through M&A. In addition, the Company expects increased shareholding by foreign shareholders and improved liquidity in the trading of its shares as a result of the International Offering.

The proceeds from the International Offering will be applied as follows:

- approximately ¥5,620 million towards sales, marketing and product development activities of Money Forward Business to accelerate revenue growth;
- approximately ¥600 million towards investments to accelerate growth of the Money Forward Finance domain, primarily for MF KESSAI, an online invoicing and factoring service; and
- the remainder towards repayment of outstanding loans raised for the purposes of M&A and marketing expenses, in order to enhance the Company’s balance sheet and provide a solid foundation for further expansion through M&A.

Issuance of New Shares by way of International Offering (Public Offering)

(1) Class and Number of Shares to be Offered	2,500,000 shares of common stock of the Company, being the aggregate of (i) and (ii) described below: (i) 2,000,000 shares of common stock of the Company, to be underwritten by the Underwriters described in (4) below; and
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Note: This press release does not constitute an offer of any securities for sale. This press release has been prepared for the sole purpose of making a public announcement regarding the International Offering, and not for the purpose of soliciting investment, etc. within or outside Japan. This press release does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to in this press release have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from the registration requirements under the Securities Act. Any public offering of securities in the United States will be pursuant to a prospectus that may be obtained from Money Forward, Inc. that will contain detailed information about Money Forward, Inc. and its management, as well as financial statements of Money Forward, Inc. No public offering of the securities will take place in the United States.

	(ii) up to 500,000 additional shares of common stock of the Company, to be issued pursuant to an over-allotment option granted to the Underwriters described in (4) below.
(2) Method of Determination of Amount to be Paid In	The amount to be paid in will be determined on a day (the “Pricing Date”) in the period from December 13, 2018 (Thu) to December 18, 2018 (Tue) in accordance with a method which is equivalent to the bookbuilding method set forth in Article 25 of the Rules Concerning Underwriting, Etc. of Securities promulgated by the Japan Securities Dealers Association (the “JSDA”).
(3) Amount of Capital Stock and Legal Capital Surplus to be Increased	Capital stock will increase by the amount which is 50% of the “maximum permitted increase in capital stock”, as calculated in accordance with the provisions of Article 14, Paragraph 1 of the Rules of Account Settlement of Corporations, rounding up any fraction of less than one yen resulting from such calculation to the nearest yen. Capital surplus will increase by the remainder of the maximum permitted increase in capital stock after deducting the amount of increase in capital stock.
(4) Method of Offering	The offering will be made outside of Japan, mainly in Europe and Asia (and excluding the United States), and all of the shares described in (1)(i) above shall be severally and not jointly purchased by the international underwriters named in the Purchase Agreement to be entered into in relation to the offerings (collectively, the “Underwriters”). The Company will also grant the Underwriters an option to purchase additional newly issued shares of common stock of the Company, as described in (1)(ii) above. The issue price (the offer price) will be determined on the pricing date of the offerings in accordance with a method which is equivalent to the bookbuilding method set forth in Article 25 of the Rules Concerning Underwriting, Etc. of Securities promulgated by the JSDA, based on the preliminary pricing terms calculated by multiplying the closing price in regular trading of the shares of common stock of the Company on the Tokyo Stock Exchange, Inc. on the pricing date (or, if no closing price is quoted, the closing price of the immediately preceding date) by a number between 0.90 and 1.00 (with any fraction less than one yen being rounded down), taking into account market demand and other conditions.
(5) Compensation for the Underwriters	The Company will not pay any underwriting fees to the Underwriters. The aggregate amount of the difference between (a) the issue price (the offer price) in the International Offering and (b) the amount to be paid to the Company by the Underwriters shall constitute the proceeds to the Underwriters.
(6) Payment Date	The payment date shall be December 20, 2018 (Thu); provided, however, that the payment date shall be December 27, 2018 (Thu) if the Pricing Date falls on December 18, 2018 (Tue).

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(7) Delivery Date	The delivery date of the shares shall be the business day immediately following the payment date described in (6) above.
(8) Subscription Unit	100 shares
(9) The amount to be paid in, the amount of capital stock and legal capital surplus to be increased, the issue price (the offer price), and any other matters necessary for the International Offering will be determined at the discretion of Yosuke Tsuji, Representative Director, President and CEO.	

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