

**Translation**

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**Summary of Consolidated Financial Results  
for the Year Ended November 30, 2020  
(Based on Japanese GAAP)**

January 14, 2021

Company name: Money Forward, Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 3994 URL: <https://corp.moneyforward.com>  
 Representative: Representative Director, President and CEO Yosuke Tsuji  
 Inquiries: Director, Executive Officer and CFO Naoya Kanesaka TEL 03(6453)9160  
 Scheduled date of ordinary general meeting of shareholders: February 26, 2021  
 Scheduled date to file Securities Report: February 26, 2021  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for institutional investors and analysts)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the year ended November 30, 2020 (from December 1, 2019 to November 30, 2020)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		EBITDA*		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	%
Year ended November 30, 2020	11,318	58.1	(2,164)	–	(2,804)	–	(2,538)	–	(2,423)	–
Year ended November 30, 2019	7,156	55.8	(2,180)	–	(2,446)	–	(2,567)	–	(2,572)	–

(Note)Comprehensive Income (millions of yen)

Year ended November 30, 2020: (2,386) (–%). Year ended November 30, 2019: (2,504) (–%)

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended November 30, 2020	(52.08)	–	(27.7)	(13.4)	(24.8)
Year ended November 30, 2019	(58.95)	–	(46.3)	(20.6)	(34.2)

\* EBITDA=Operating profit(loss) + depreciation and amortization + tax expenses included in operating expenses

\* The Company conducted a 2-for-1 stock split of common stock effective on December 1, 2020.

Therefore, earnings per share is calculated on the assumption that the said stock split was conducted at the beginning of the previous fiscal year.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of November 30, 2020	21,711	10,237	44.3	201.71
As of November 30, 2019	16,313	8,030	48.2	177.56

(Reference)Equity (millions of yen)

As of November 30, 2020: 9,618. As of November 30, 2019: 7,870.

\* The Company conducted a 2-for-1 stock split of common stock effective on December 1, 2020.

Therefore, earnings per share is calculated on the assumption that the said stock split was conducted at the beginning of the previous fiscal year.

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended November 30, 2020	(1,119)	(2,606)	5,256	8,719
Year ended November 30, 2019	(3,605)	(2,784)	8,637	7,192

## 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended November 30, 2019	–	0.00	–	0.00	0.00	–	–	–
Year ended November 30, 2020	–	0.00	–	0.00	0.00	–	–	–
Year ending November 30, 2021 (Forecast)	–	0.00	–	0.00	0.00		–	

## 3. Forecast of consolidated financial results for the year ending November 30, 2021 (from December 1, 2020 to November 30, 2021)

Percentages indicate year-on-year changes

	Net sales		EBITDA*		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	14,750	30.3	100	–	(1,196)	–	(1,261)	–	(1,308)	–	(27.42)
	~15,750	~39.2	~500	–	~(796)	–	~(861)	–	~(908)	–	~(19.04)

\*EBITDA=Operating profit(loss) + depreciation and amortization + tax expenses included in operating expenses +share-based remuneration expenses

Share-based remuneration expenses is included in the definition of EBITDA from the fiscal year November 30, 2021.

EBITDA based on the new definition for the fiscal year November 30, 2020 is (1,956) (millions of yen).

## 4. Notes

### (1) Changes in significant subsidiaries during the year ended November 30, 2020

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

### (2) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: Yes

Changes in accounting estimates: Yes

Restatement of prior period financial statements: No

### (3) Number of issued shares (common shares)

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

As of November 30, 2020	47,702,436 shares	As of November 30, 2019	44,330,720 shares
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Number of treasury shares at the end of the period

As of November 30, 2020	17,836 shares	As of November 30, 2019	2,316 shares
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Average number of shares during the period

Year ended November 30, 2020	46,530,118 shares	Year ended November 30, 2019	43,633,089 shares
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\* The Company conducted a 2-for-1 stock split of common stock effective on December 1, 2020.

Therefore, earnings per share is calculated on the assumption that the said stock split was conducted at the beginning of the previous fiscal year.

## (Reference)

Non-consolidated financial results for the year ended November 30, 2020 (from December 1, 2019 to November 30, 2020)

(1) Non-consolidated operating results Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended November 30, 2020	8,368	34.5	(1,910)	–	(1,623)	–	(1,837)	–
Year ended November 30, 2019	6,221	45.2	(1,748)	–	(1,866)	–	(2,523)	–

	Earnings per share	Diluted earnings per share
	Yen	Yen
Year ended November 30, 2020	(39.50)	–
Year ended November 30, 2019	(57.83)	–

\* The Company conducted a 2-for-1 stock split of common stock effective on December 1, 2020.

Therefore, earnings per share is calculated on the assumption that the said stock split was conducted at the beginning of the previous fiscal year.

(2) Non-consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of Yen	Millions of Yen	%	Yen
As of November 30, 2020	19,981	12,662	63.1	264.57
As of November 30, 2019	14,183	8,622	60.4	193.28

(Reference)Equity (millions of yen)

As of November 30, 2020: 12,616. As of November 30, 2019: 8,567

\* The Company conducted a 2-for-1 stock split of common stock effective on December 1, 2020.

Therefore, earnings per share is calculated on the assumption that the said stock split was conducted at the beginning of the previous fiscal year.

**Consolidated Financial Statements**  
**Consolidated Balance Sheets**

(Thousands of yen)

	As of November 30, 2019	As of November 30, 2020
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	7,192,537	8,919,850
Notes and accounts receivable - trade	890,638	1,228,255
Operational investment securities	–	219,851
Inventories	7,297	83,005
Purchased receivables	2,068,872	2,210,303
Other	750,749	855,801
Allowance for doubtful accounts	(41,953)	(56,747)
<b>Total current assets</b>	<b>10,868,142</b>	<b>13,460,320</b>
<b>Non-current assets</b>		
<b>Property, plant and equipment</b>		
Buildings	321,304	424,973
Accumulated depreciation	(36,289)	(91,486)
Buildings, net	285,014	333,486
Tools, furniture and fixtures	183,220	252,597
Accumulated depreciation	(80,851)	(107,852)
Tools, furniture and fixtures, net	102,369	144,744
<b>Total property, plant and equipment</b>	<b>387,384</b>	<b>478,231</b>
<b>Intangible assets</b>		
Goodwill	2,621,095	3,547,877
Software	18,870	623,057
Software in progress	–	393,400
<b>Total intangible assets</b>	<b>2,639,965</b>	<b>4,564,335</b>
<b>Investments and other assets</b>		
Investment securities	1,789,955	2,230,427
Leasehold and guarantee deposits	465,730	580,220
Other	174,657	410,833
Allowance for doubtful accounts	(12,619)	(12,619)
<b>Total investments and other assets</b>	<b>2,417,722</b>	<b>3,208,861</b>
<b>Total non-current assets</b>	<b>5,445,073</b>	<b>8,251,428</b>
<b>Total assets</b>	<b>16,313,216</b>	<b>21,711,748</b>

(Thousands of yen)

	As of November 30, 2019	As of November 30, 2020
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	184,730	175,032
Short-term loans payable	2,000,000	2,510,000
Current portion of long-term loans payable	620,776	968,344
Accounts payable - other	755,661	1,664,797
Accrued expenses	646,781	717,171
Income taxes payable	77,188	89,930
Provision for bonuses	11,641	16,874
Unearned revenue	872,713	1,454,299
Other	225,189	643,955
<b>Total current liabilities</b>	<b>5,394,682</b>	<b>8,240,405</b>
<b>Non-current liabilities</b>		
Long-term loans payable	2,809,533	3,067,741
Other	78,840	165,833
<b>Total non-current liabilities</b>	<b>2,888,373</b>	<b>3,233,574</b>
<b>Total liabilities</b>	<b>8,283,056</b>	<b>11,473,980</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	6,942,818	9,614,410
Capital surplus	4,026,306	2,910,162
Retained earnings	(3,211,257)	(3,111,275)
Treasury shares	(146)	(146)
<b>Total shareholders' equity</b>	<b>7,757,721</b>	<b>9,413,150</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	120,126	214,893
Foreign currency translation adjustment	(6,917)	(9,752)
<b>Total accumulated other comprehensive income</b>	<b>113,208</b>	<b>205,140</b>
Share acquisition rights	54,541	46,549
Non-controlling interests	104,687	572,927
<b>Total net assets</b>	<b>8,030,159</b>	<b>10,237,768</b>
<b>Total liabilities and net assets</b>	<b>16,313,216</b>	<b>21,711,748</b>

**Consolidated Statements of Income and Consolidated Statements of Comprehensive Income**  
**Consolidated Statements of Income**

(Thousands of yen)

	Fiscal year ended November 30, 2019	Fiscal year ended November 30, 2020
Net sales	7,156,784	11,318,217
Cost of sales	2,832,672	3,700,849
Gross profit	4,324,112	7,617,367
Selling, general and administrative expenses	6,770,263	10,422,150
Operating loss	(2,446,151)	(2,804,783)
Non-operating income		
Interest income	293	113
Subsidy income	1,710	9,475
Gain on sales of investment securities	–	325,233
Other	598	3,286
Total non-operating income	2,602	338,107
Non-operating expenses		
Interest expenses	28,524	37,035
Share issuance costs	90,735	25,351
Other	4,648	9,693
Total non-operating expenses	123,908	72,080
Ordinary loss	(2,567,457)	(2,538,755)
Extraordinary income		
Gain on reversal of share acquisition rights	1,901	1,790
Gain on step acquisitions	–	100,000
Total extraordinary income	1,901	101,790
Extraordinary losses		
Impairment loss	12,533	–
Loss on liquidation of business	61,395	–
Loss on valuation of investment securities	–	17,690
Total extraordinary losses	73,928	17,690
Loss before income taxes	(2,639,484)	(2,454,655)
Income taxes - current	32,381	49,616
Income taxes - deferred	(51,283)	(25,792)
Total income taxes	(18,901)	23,824
Loss	(2,620,583)	(2,478,479)
Loss attributable to non-controlling interests	(48,532)	(55,197)
Loss attributable to owners of parent	(2,572,050)	(2,423,282)

## Consolidated Statements of Comprehensive Income

(Thousands of yen)

	Fiscal year ended November 30, 2019	Fiscal year ended November 30, 2020
Loss	(2,620,583)	(2,478,479)
Other comprehensive income		
Valuation difference on available-for-sale securities	124,803	94,859
Foreign currency translation adjustment	(8,679)	(2,835)
Total other comprehensive income	116,124	92,023
Comprehensive income	(2,504,458)	(2,386,455)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(2,455,926)	(2,331,350)
Comprehensive income attributable to non-controlling interests	(48,532)	(55,105)

## Consolidated Statements of Changes in Equity

Fiscal year ended November 30, 2019

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	3,378,155	726,723	(873,822)	—	3,231,057
Changes of items during period					
Issuance of new shares	3,375,312	3,375,312			6,750,624
Issuance of new shares - exercise of share acquisition rights	70,206	70,206			140,413
Restricted Stock Unit	119,143	119,143			238,287
Purchase of shares of consolidated subsidiaries		(768)			(768)
Deficit disposition		(264,310)	264,310		—
Loss attributable to owners of parent			(2,572,050)		(2,572,050)
Increase/decrease of retained earnings due to the change in the accounting period of subsidiaries			(29,694)		(29,694)
Purchase of treasury shares				(146)	(146)
Net changes of items other than shareholders' equity					
Total changes of items during period	3,564,662	3,299,582	(2,337,434)	(146)	4,526,664
Balance at end of current period	6,942,818	4,026,306	(3,211,257)	(146)	7,757,721

(Thousands of yen)

	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 current period	(4,677)	1,761	(2,915)	60,007	95,284	3,383,433
Changes of items during period						
Issuance of new shares						6,750,624
Issuance of new shares - exercise of share acquisition rights						140,413
Restricted Stock Unit						238,287
Purchase of shares of consolidated subsidiaries						(768)
Deficit disposition						-
Loss attributable to owners of parent						(2,572,050)
Increase/decrease of retained earnings due to the change in the accounting period of subsidiaries						(29,694)
Purchase of treasury shares						(146)
Net changes of items other than shareholders' equity	124,803	(8,679)	116,124	(5,466)	9,403	120,061
Total changes of items during period	124,803	(8,679)	116,124	(5,466)	9,403	4,646,725
Balance at end of current period	120,126	(6,917)	113,208	54,541	104,687	8,030,159

Fiscal year ended November 30, 2020

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	6,942,818	4,026,306	(3,211,257)	(146)	7,757,721
Changes of items during period					
Issuance of new shares	2,394,216	2,394,216			4,788,432
Issuance of new shares - exercise of share acquisition rights	110,744	110,744			221,489
Restricted Stock Unit	166,631	166,631			333,262
Increase by share exchanges		449,998			449,998
Purchase of shares of consolidated subsidiaries		(1,714,697)			(1,714,697)
Change in ownership interest of parent due to transactions with non-controlling interests		226			226
Deficit disposition		(2,523,264)	2,523,264		–
Loss attributable to owners of parent			(2,423,282)		(2,423,282)
Net changes of items other than shareholders' equity					
Total changes of items during period	2,671,592	(1,116,144)	99,982	–	1,655,429
Balance at end of current period	9,614,410	2,910,162	(3,111,275)	(146)	9,413,150

(Thousands of yen)

	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 current period	120,126	(6,917)	113,208	54,541	104,687	8,030,159
Changes of items during period						
Issuance of new shares						4,788,432
Issuance of new shares - exercise of share acquisition rights						221,489
Restricted Stock Unit						333,262
Increase by share exchanges						449,998
Purchase of shares of consolidated subsidiaries						(1,714,697)
Change in ownership interest of parent due to transactions with non-controlling interests						226
Deficit disposition						-
Loss attributable to owners of parent						(2,423,282)
Net changes of items other than shareholders' equity	94,766	(2,835)	91,931	(7,991)	468,239	552,179
Total changes of items during period	94,766	(2,835)	91,931	(7,991)	468,239	2,207,609
Balance at end of current period	214,893	(9,752)	205,140	46,549	572,927	10,237,768

## Consolidated Statements of Cash Flows

(Thousands of yen)

	Fiscal year ended November 30, 2019	Fiscal year ended November 30, 2020
Cash flows from operating activities		
Loss before income taxes	(2,639,484)	(2,454,655)
Depreciation	66,924	120,578
Amortization of goodwill	110,184	369,962
Increase (decrease) in provision for bonuses	11,641	5,232
Increase (decrease) in allowance for doubtful accounts	48,907	14,793
Interest and dividend income	(293)	(113)
Loss (gain) on step acquisitions	–	(100,000)
Loss (gain) on sales of investment securities	–	(325,233)
Loss (gain) on valuation of investment securities	–	17,690
Interest expenses	28,524	37,035
Share issuance costs	90,735	25,351
Impairment loss	12,533	–
Loss on liquidation of business	61,395	–
Decrease (increase) in notes and accounts receivable - trade	(175,085)	(274,608)
Decrease (increase) in investment securities for sale	–	(219,851)
Decrease (increase) in inventories	1,870	(64,949)
Decrease (increase) in purchased receivables	(1,706,756)	(141,431)
Increase (decrease) in notes and accounts payable - trade	(5,186)	(16,784)
Increase (decrease) in accounts payable - other	483,480	874,817
Increase (decrease) in accrued expenses	160,212	45,279
Increase (decrease) in unearned revenue	98,063	581,586
Other, net	(203,919)	454,921
Subtotal	<u>(3,556,253)</u>	<u>(1,050,378)</u>
Interest and dividend income received	293	113
Interest expenses paid	(26,797)	(37,829)
Income taxes paid	(22,263)	(31,562)
Net cash provided by (used in) operating activities	<u>(3,605,019)</u>	<u>(1,119,657)</u>
Cash flows from investing activities		
Payments into time deposits	–	(400,000)
Proceeds from withdrawal of time deposits	–	200,000
Purchase of property, plant and equipment	(117,549)	(123,639)
Purchase of intangible assets	(13,520)	(1,042,643)
Purchase of investment securities	(778,611)	(459,497)
Proceeds from sales of investment securities	–	349,881
Payments for leasehold and guarantee deposits	(16,302)	(156,923)
Proceeds from collection of leasehold and guarantee deposits	4,112	15,227
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(1,836,200)	(988,862)
Other, net	(26,309)	79
Net cash provided by (used in) investing activities	<u>(2,784,380)</u>	<u>(2,606,378)</u>

(Thousands of yen)

	Fiscal year ended November 30, 2019	Fiscal year ended November 30, 2020
Cash flows from financing activities		
Increase (decrease) in short-term loans payable	1,445,000	510,000
Proceeds from long-term loans payable	1,200,000	1,222,000
Repayments of long-term loans payable	(800,000)	(632,724)
Proceeds from issuance of common shares	6,796,736	4,978,368
Purchase of treasury shares	(146)	–
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	(3,390)	(1,390,629)
Proceeds from partnership	–	570,000
Other, net	(334)	(334)
Net cash provided by (used in) financing activities	8,637,865	5,256,681
Effect of exchange rate change on cash and cash equivalents	(7,457)	(3,332)
Net increase (decrease) in cash and cash equivalents	2,241,006	1,527,313
Cash and cash equivalents at beginning of period	4,951,530	7,192,537
Cash and cash equivalents at end of period	7,192,537	8,719,850