Financial Results Presentation

FY2027 2nd Quarter

F&M CO.,LTD.

（TSE Standard, Stock Code 4771）

Corporate Philosophy

Tap Water Philosophy of Services

We aim to create a society where high-quality services are seamlessly accessible to everyone, just like running water

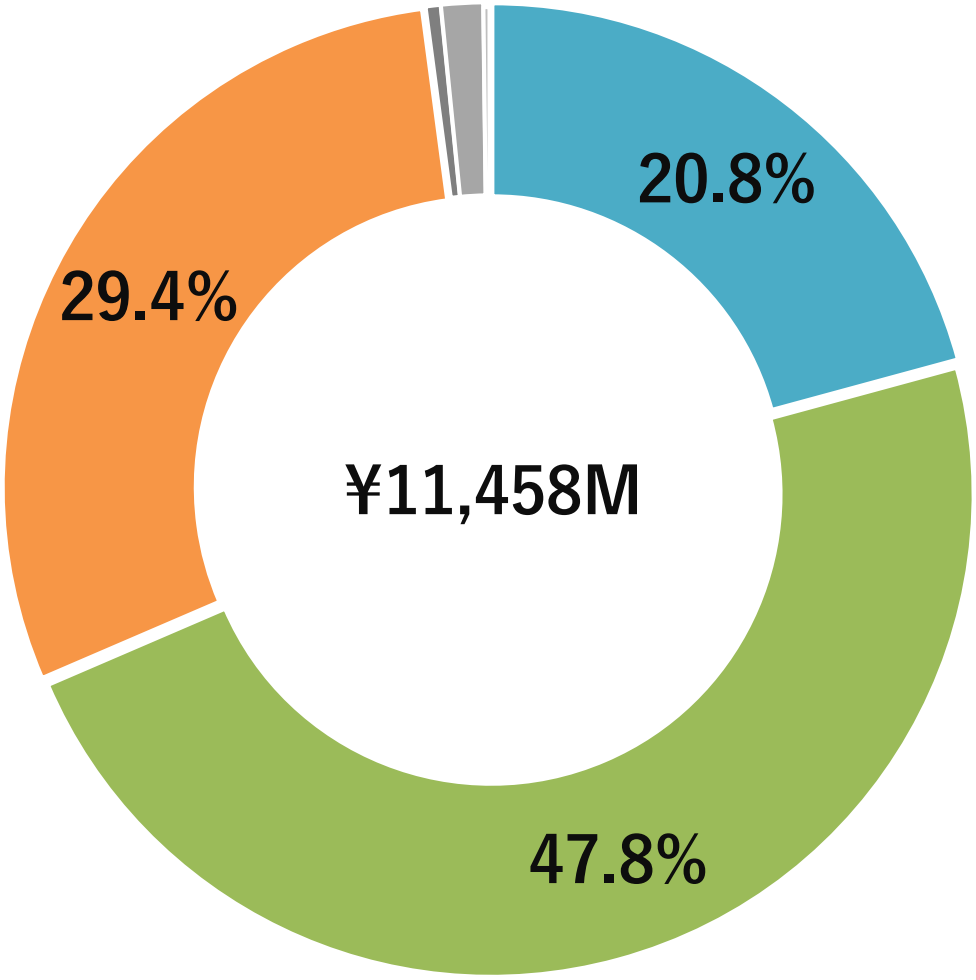
Corporate Mission

Creating a society of boundless growth and prosperity for all individuals and enterprises we engage with

01

Revision of Financial Forecasts

Net Sales Composition Ratio



(Millions of Yen)	Net Sales	Operating Profit
Accounting Services Segment	2,387	695
Consulting Segment	5,473	2,123
Business Solutions Segment	3,365	-98
Real Estate Leasing Segment	54	13
System Development Segment	157	-63
Other Businesses	20	-4
Corporate Expenses	—	-697
Consolidation Elimination	—	28
Total	11,458	1,997

(Millions of Yen)	Forecast	Actuals	Comparison with Financial Result Forecast		Full-Year Forecast
Net Sales	**10,477**	**11,458**	**+981**	**+9.4%**	**24,694**
Cost of Sales	3,882	3,951	+69	+1.8%	8,713
Gross Profit	6,595	7,507	+912	+13.8%	15,981
Gross Profit Margin	62.9%	65.5%	–	–	64.7%
SG&A	5,435	5,509	+74	+1.4%	11,824
Operating Profit	**1,159**	**1,997**	**+838**	**+72.3%**	**4,156**
Operating Profit Margin	11.1%	17.4%	–	–	16.8%
Ordinary Profit	**1,180**	**2,029**	**+849**	**+72.0%**	**4,197**
Ordinary Profit Margin	11.3%	17.7%	–	–	17.0%
EBITDA	**2,316**	**3,189**	**+873**	**+37.7%**	**6,721**
EBITDA Margin	22.1%	27.8%	–	–	27.2%
Profit	**808**	**1,381**	**+573**	**+71.0%**	**2,875**

* EBITDA = Operating Profit + Depreciation * Profit = Profit Attributable to Owners of Parent

FY2027 Full-Year Forecast

(Millions of Yen)	Q4 Actuals (P/FY)	Q4 Forecast (C/FY)	Q4 Initial (C/FY)	YoY Change	
Net Sales	**20,807**	**25,675**	**24,694**	**+4,867**	**+23.4%**
Cost of Sales	6,733	8,781	8,713	+2,047	+30.4%
Gross Profit	14,074	16,894	15,981	+2,819	+20.0%
Gross Profit Margin	67.6%	65.8%	64.7%	–	–
SG&A	10,215	11,899	11,824	+1,683	+16.5%
Operating Profit	**3,858**	**4,994**	**4,156**	**+1,135**	**+29.4%**
Operating Profit Margin	18.5%	19.5%	16.8%	–	–
Ordinary Profit	**3,900**	**5,046**	**4,197**	**+1,145**	**+29.4%**
Ordinary Profit Margin	18.7%	19.7%	17.0%	–	–
EBITDA	**5,903**	**7,560**	**6,721**	**+1,656**	**+28.1%**
EBITDA Margin	28.4%	29.4%	27.2%	–	–
Profit	**2,825**	**3,448**	**2,875**	**+622**	**+22.0%**

* EBITDA = Operating Profit + Depreciation * Profit = Profit Attributable to Owners of Parent

FY2027 Full-Year Forecasts for Three Key Segments

(Millions of Yen)

	Net sales					Operating profit				
	P/FY Actuals	C/FY Forecast	Initial Forecast	YoY Change		P/FY Actuals	C/FY Forecast	Initial Forecast	YoY Change	
Accounting Services Segment	5,364	5,806	5,738	+442	+8.2%	1,863	1,987	1,976	+123	+6.6%
Consulting Segment	8,192	10,863	10,158	+2,670	+32.6%	2,592	3,713	3,112	+1,121	+43.2%
Business Solutions Segment	6,665	8,492	8,341	+1,827	+27.4%	858	948	785	+90	+10.5%

(Millions of Yen)

	Members				Employees			
	P/FY Actuals	Initial Forecast	YoY Change		P/FY Actuals	Initial Forecast	YoY Change	
Accounting Services Segment (ACCOUNTING SERVICE)	113,502	117,288	+3,786	+3.3%	144	128	-16	-11.1%
Consulting Segment (F&M CLUB)	14,817	18,867	+4,050	+27.3%	295	359	+64	+21.7%
Business Solutions Segment (OFFICE STATION)	56,335	67,272	+10,937	+19.4%	157	200	+43	+27.4%

*Due to partial changes in segment classifications from the current fiscal year, prior-year figures have been reclassified for comparison.

02

Consolidated Financial Results for Q2 FY2027

Consolidated Results

- Sales and membership showed steady growth across all segments

Accounting Services Segment

- Membership in bookkeeping services continued to increase steadily

Consulting Segment

- Membership in the F&M Club continued to grow steadily
- Revenue from contingent success fees for subsidy approvals, including:
  The 23rd Round of the Monozukuri Subsidy
  The 3rd and 4th Rounds of the Subsidy for New Business Expansion
  The 2nd Round of the SME Growth Acceleration Subsidy
  The 6th Round of the Labor-saving Investment Subsidy - General Type

Business Solutions Segment

- Membership in the Office Station series continued to increase steadily

PRESS RELEASE

Oct 5, 2026

Number of Companies Using the 'Office Station' Series Exceeds 60,000

Cloud-based HR and labor software
that streamlines HR tasks and company-wide employee workflows.
Key feature: Cost-effective deployment with the flexibility to select only required modules.



F&M Co., Ltd.

(Millions of Yen)	Q2 FY2026	Q2 FY2027	YoY Change	
Net Sales	**8,956**	**11,458**	**+2,502**	**+27.9%**
Cost of Sales	3,021	3,951	+929	+30.8%
Gross Profit	5,934	7,507	+1,572	+26.5%
Gross Profit Margin	66.3%	65.5%	–	–
SG&A	4,997	5,509	+512	+10.3%
Operating Profit	**937**	**1,997**	**+1,060**	**+113.1%**
Operating Profit Margin	10.5%	17.4%	–	–
Ordinary Profit	**958**	**2,029**	**+1,070**	**+111.7%**
Ordinary Profit Margin	10.7%	17.7%	–	–
EBITDA	**1,905**	**3,189**	**+1,284**	**+67.4%**
EBITDA Margin	21.3%	27.8%	–	–
Profit	**647**	**1,381**	**+733**	**+113.3%**

* EBITDA = Operating Profit + Depreciation * Profit = Profit Attributable to Owners of Parent

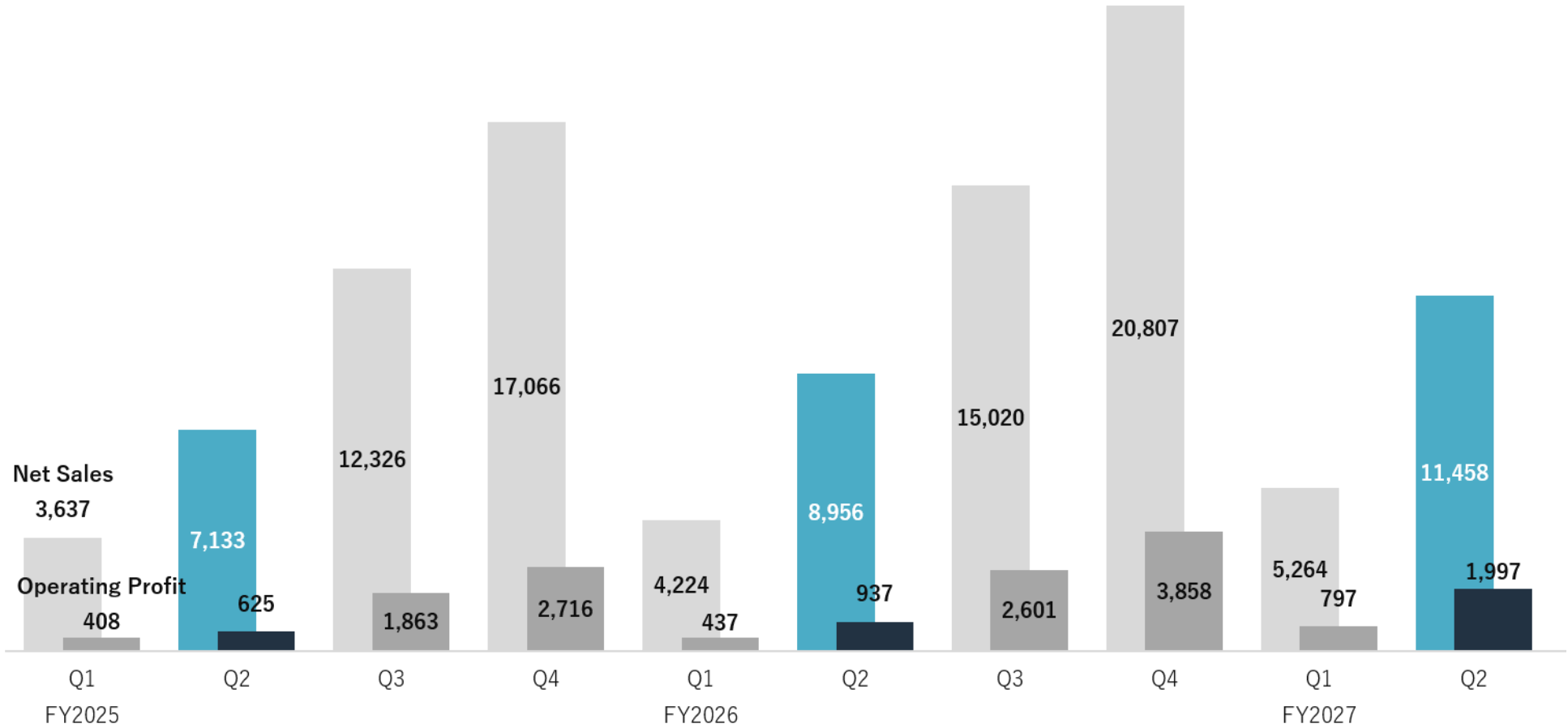
Consolidated Financial Results for Q2 FY2027 | Segment Performance (YoY Comparison)

(Millions of Yen)

	Net Sales				Operating Profit			
	Q2 FY2026	Q2 FY2027	YoY Change		Q2 FY2026	Q2 FY2027	YoY Change	
Accounting Services Segment	2,161	2,387	+226	+10.5%	579	695	+115	+20.0%
Consulting Segment	3,993	5,473	+1,480	+37.1%	1,214	2,123	+909	+74.9%
Business Solutions Segment	2,575	3,365	+790	+30.7%	-160	-98	+62	—
Real Estate Leasing Segment	53	54	+0	+1.6%	12	13	+0	+5.2%
System Development Segment	142	157	+14	+10.2%	-171	-63	+108	—
Other Businesses	30	20	-9	-32.5%	2	-4	-7	—
Corporate Expenses	—	—	—	—	-601	-697	-96	—
Consolidation Elimination	—	—	—	—	62	28	-34	—
Total	8,956	11,458	+2,502	+27.9%	937	1,997	+1,060	+113.1%

- Sales increased by 27.9% year on year, driven by steady growth in membership across all business segments, and an increase in contingent success fees from subsidy application approvals
- The number of employees in the sales division increased by 67 year-on-year

(Millions of yen)



Net Sales Growth Rate

+27.9%

Operating Profit Growth Rate

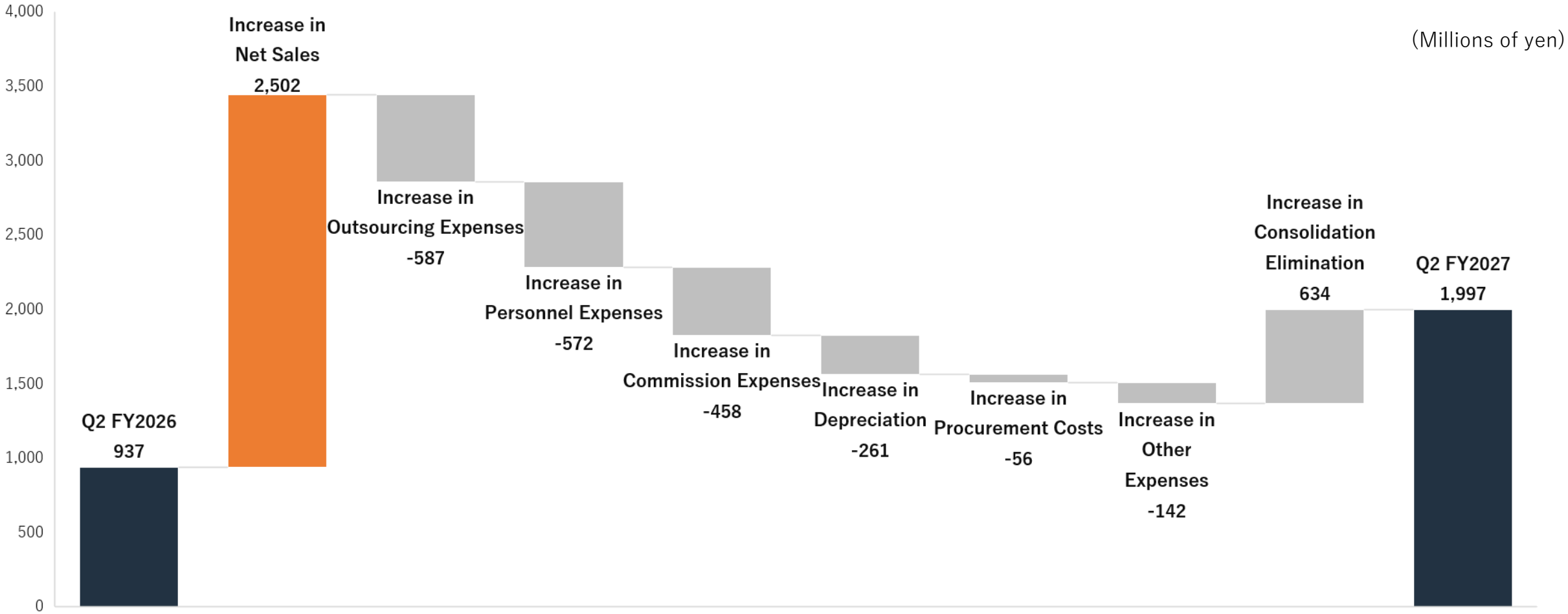
+113.1%

Operating Profit Margin

17.4%

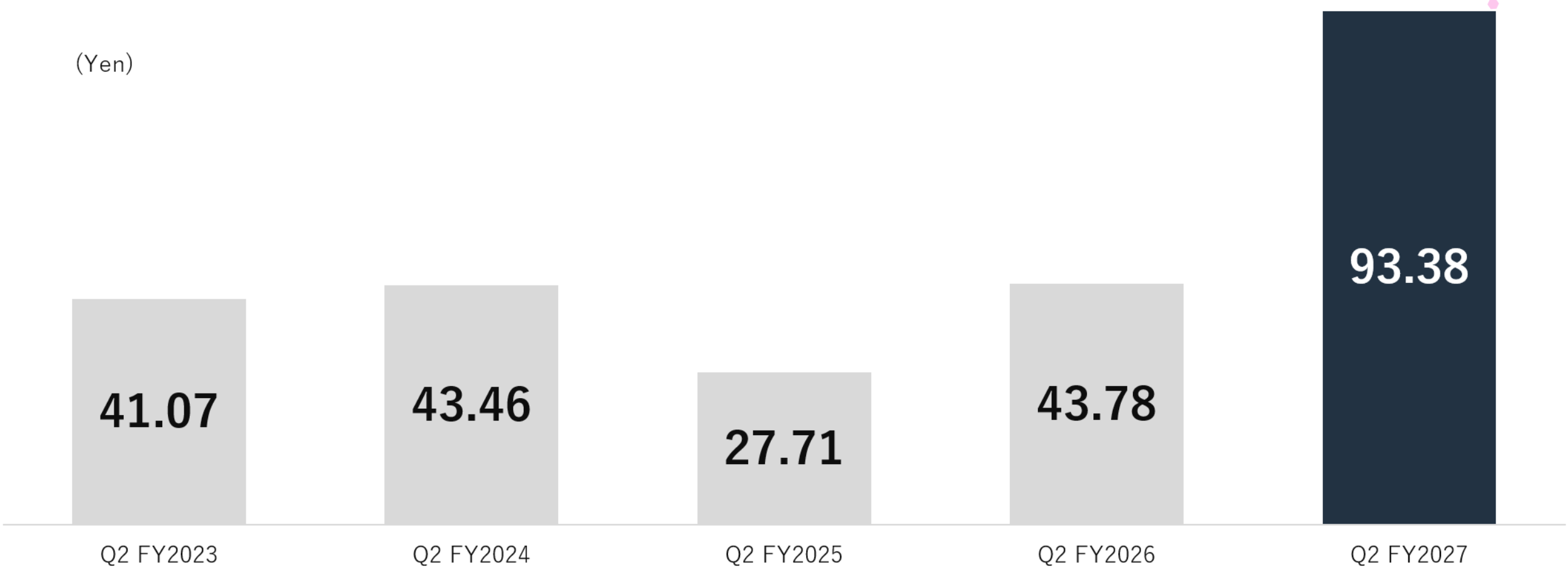
Consolidated Financial Results for Q2 FY2027 | Factors for Change in Consolidated Operating Profit (YoY)

- While revenue increased by ¥2,502 million, costs such as outsourcing fees, personnel expenses, and commissions also rose
- Operating profit increased by ¥1,060 million



(Millions of Yen)	End-FY2026	Q2 FY2027	Change
Current Assets	8,736	8,888	+152
Non-Current Assets	11,906	13,053	+1,147
Assets	**20,642**	**21,941**	**+1,299**
Current Liabilities	5,037	5,393	+356
Non-Current Liabilities	180	188	+7
Liabilities	**5,218**	**5,581**	**+363**
Shareholders' Equity	15,391	16,328	+937
AOCI	32	31	▲0
Net Assets	**15,423**	**16,359**	**+936**
Liabilities and Net Assets	**20,642**	**21,941**	**+1,299**
Equity Ratio	**74.7%**	**74.6%**	**—**

Earnings Per Share (EPS) Trends



03

Results by Business Segment for Q2 FY2027

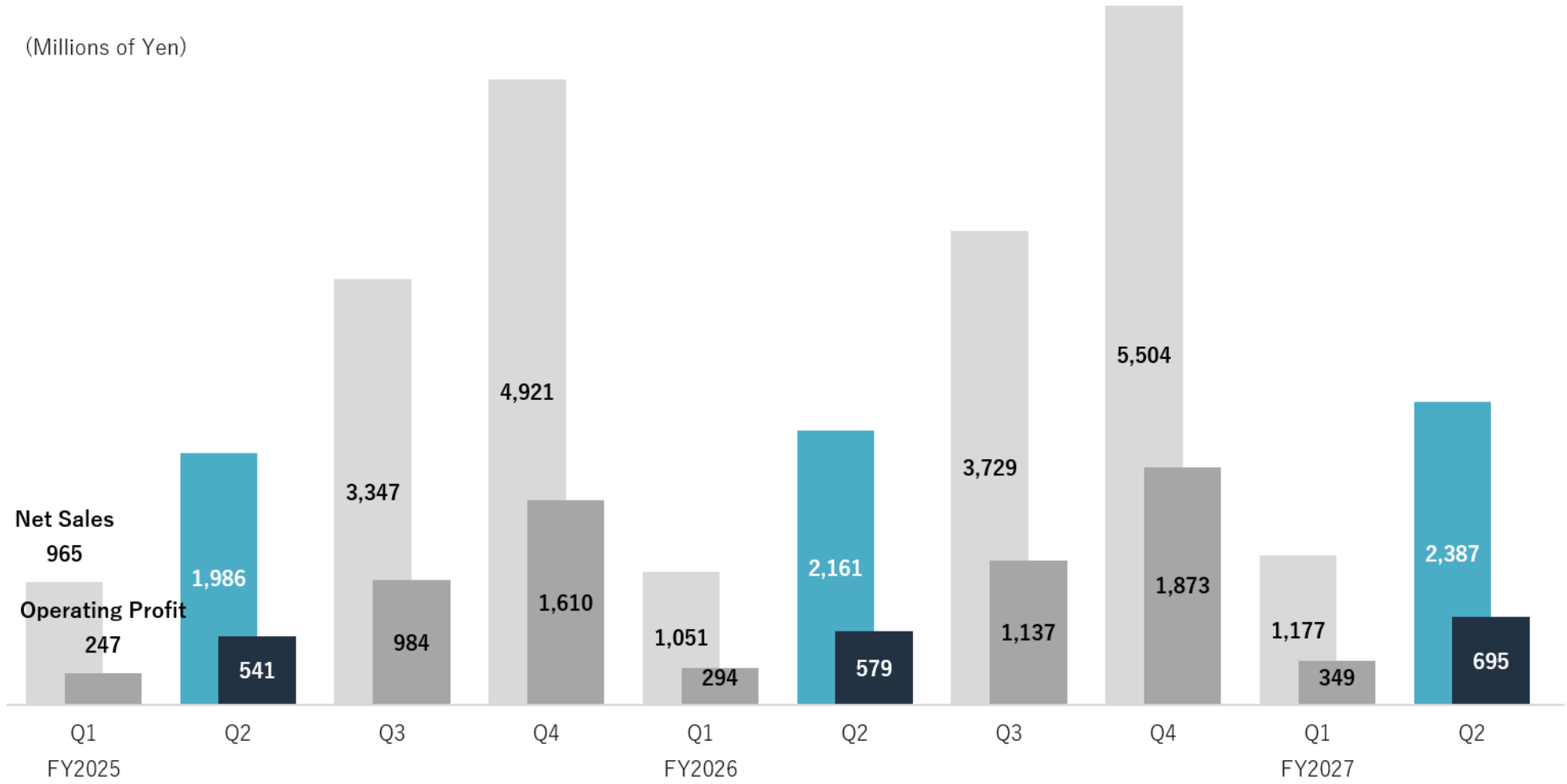
01

Accounting Services Segment



Accounting Services Segment | Performance Trends (Cumulative)

- Membership continued to grow steadily, contributing to sales growth
- The AI coverage rate for bookkeeping reached 93.1%



Net Sales Growth Rate

+10.5%

Operating Profit Growth Rate

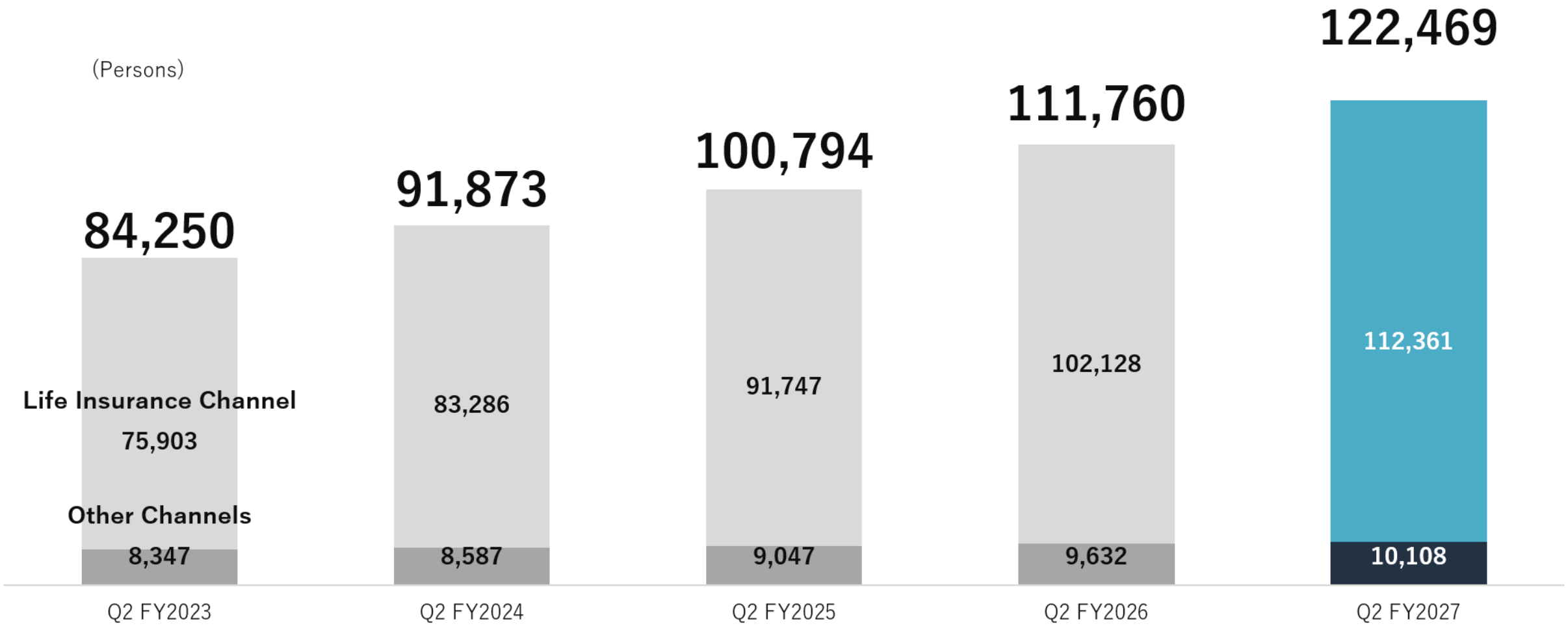
+20.0%

Operating Profit Margin

29.1%

*Due to partial changes in segment classifications from the current fiscal year, prior-year figures have been reclassified for comparison.

- Training sessions for new hires at mid-tier life insurance companies progressed steadily
- By transitioning to online training for new hires across life insurers and introducing inside sales, we created an environment where field sales reps can focus on regional sales
  As a result, sales opportunities increased, leading to an expanded membership base



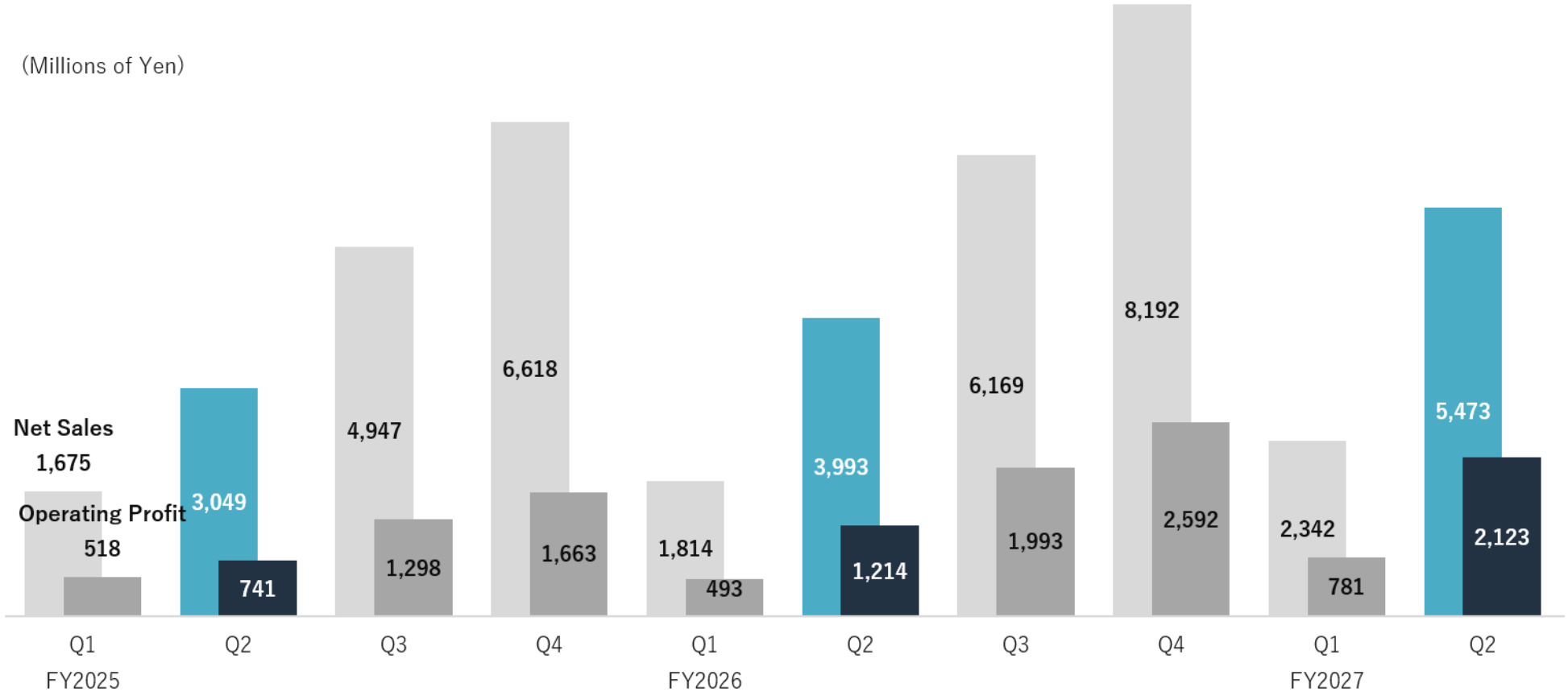
02

Consulting Segment



Consulting Segment | Performance Trends (Cumulative)

●F&M Club membership maintained steady growth
●Revenue from contingent success fees for subsidy approvals, including:
The 23rd Round of the Monozukuri Subsidy
The 3rd and 4th Rounds of the Subsidy for New Business Expansion
The 2nd Round of the SME Growth Acceleration Subsidy
The 6th Round of the Labor-saving Investment Subsidy - General Type
●Provided instructor-led training services to 1,854 companies, primarily member enterprises, in cumulative Q2



Net Sales Growth Rate

+37.1%

Operating Profit Growth Rate

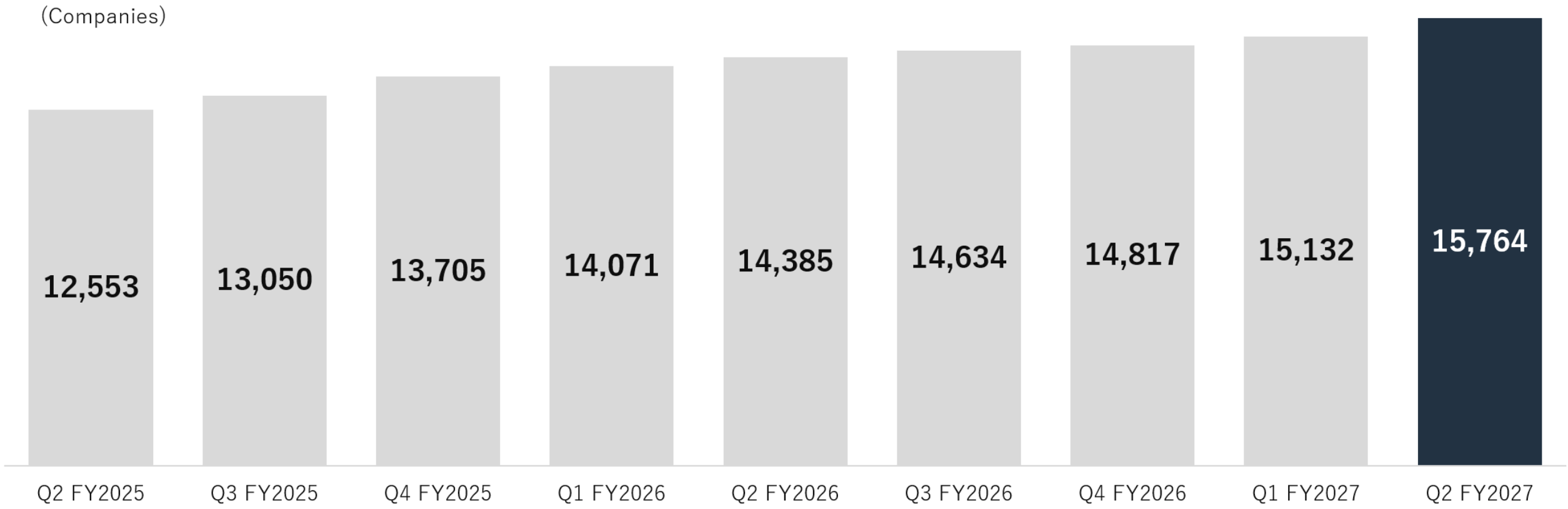
+74.9%

Operating Profit Margin

38.8%

- Established a region-based, end-to-end support structure by integrating departments previously divided by role (“New Sales” and “Customer Follow-up”), contributing to an improved contract retention rate
- Further strengthening collaboration with 240 partner financial institutions, aiming to provide comprehensive support for SMEs



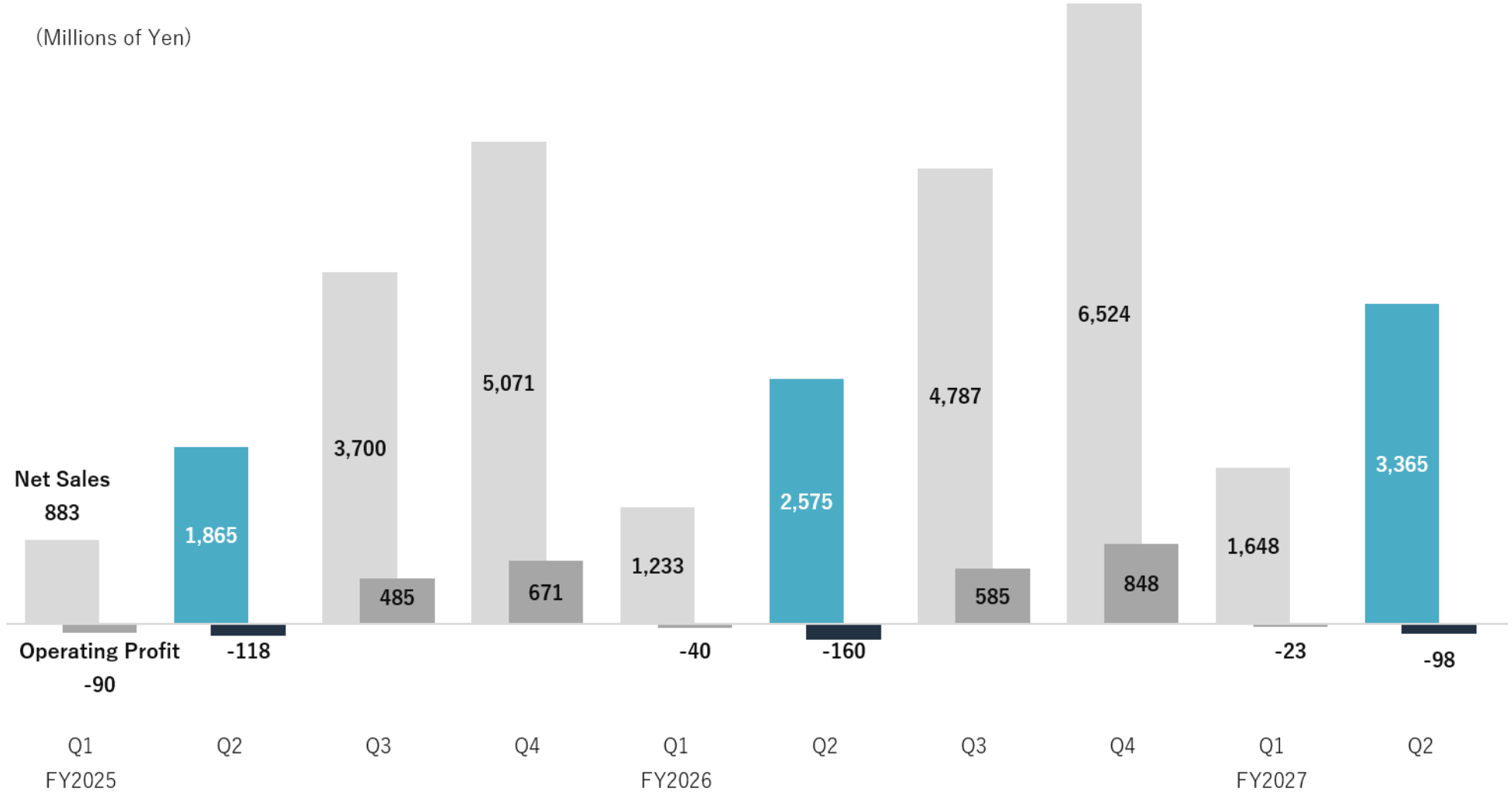


03

Business Solutions Segment



- Steady growth in membership of the Office Station series contributed to subscription revenue
- Focusing on upselling and cross-selling to existing users of the "Office Station" series



Net Sales Growth Rate

+30.7%

Operating Profit Growth Rate

—

Operating Profit Margin

-2.9%

*Due to partial changes in segment classifications from the current fiscal year, prior-year figures have been reclassified for comparison.

- Membership in the Office Station Series exceeded 60,000 users
- We offer 'SRAISE,'
  a generative AI tool specialized in
  Certified Social Insurance and Labor Consultant services

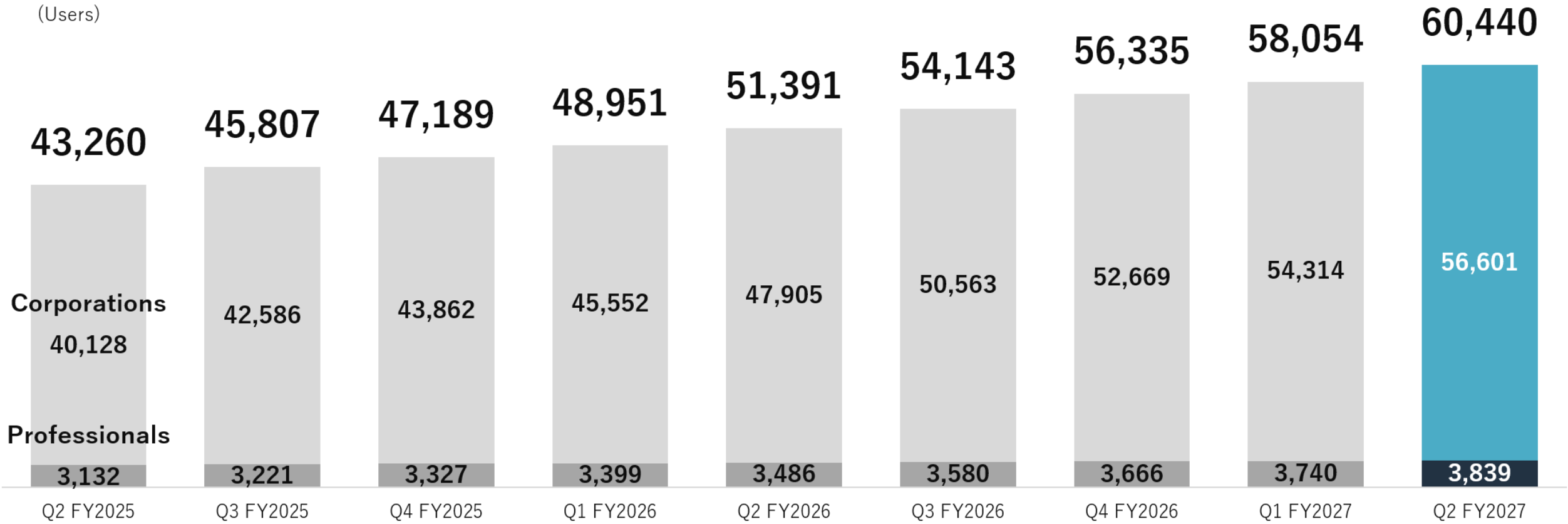
オフィスステーション

管理部門大賞 2025 第1位 人事部門

管理部門大賞 2026 優秀賞 人事部門

労務管理クラウド 6年連続シェア No.1 ※2

※2 デロイト トーマツ ミック経済研究所株式会社「HRTechクラウド市場の実態と展望 2025年度版」より



MRR

¥512M

ARR

¥6,147M

churn rate

Labor	0.99%
Payslips	1.20%
Time and Attendance	1.77%
Year-End Tax Adjustment	1.01%
Pro *For Labor and Tax Professionals	0.36%

CAGR

34.9%

Business Solutions Segment | Management Innovation Consultation and Related Organizations | Membership Trends

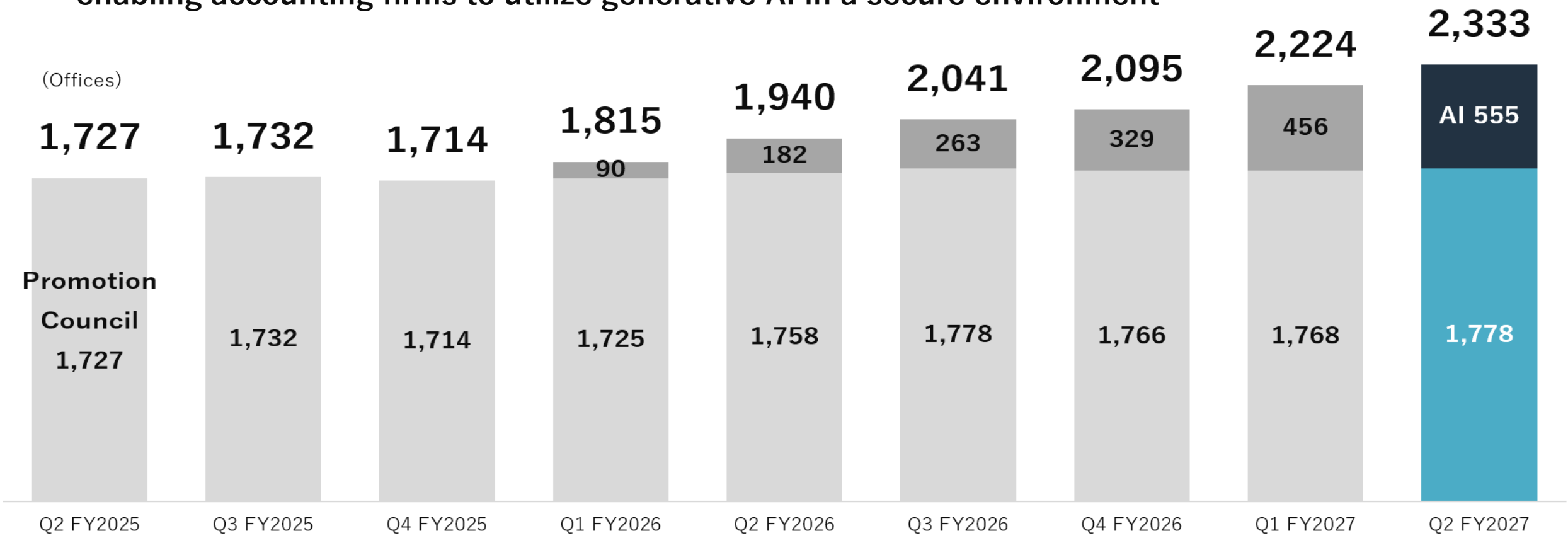
- Membership in the "AI Study Group," a generative AI community specialized for tax accounting firms, maintained steady growth
- The "AI Study Group" provides "F&M OneGeNNect," enabling accounting firms to utilize generative AI in a secure environment

F&M One GeNNect Basic　　AI研究会



※3　※4

※3「会計業界特化AIサービス」に関する市場調査《No.1検証調査》(株)未来トレンド研究機構 調べ(2026年3月17日時点)
※4「会計業界向け生成 AI システム」に関する市場調査《No.1検証調査》(株)未来トレンド研究機構 調べ) (2026年9月8日時点)



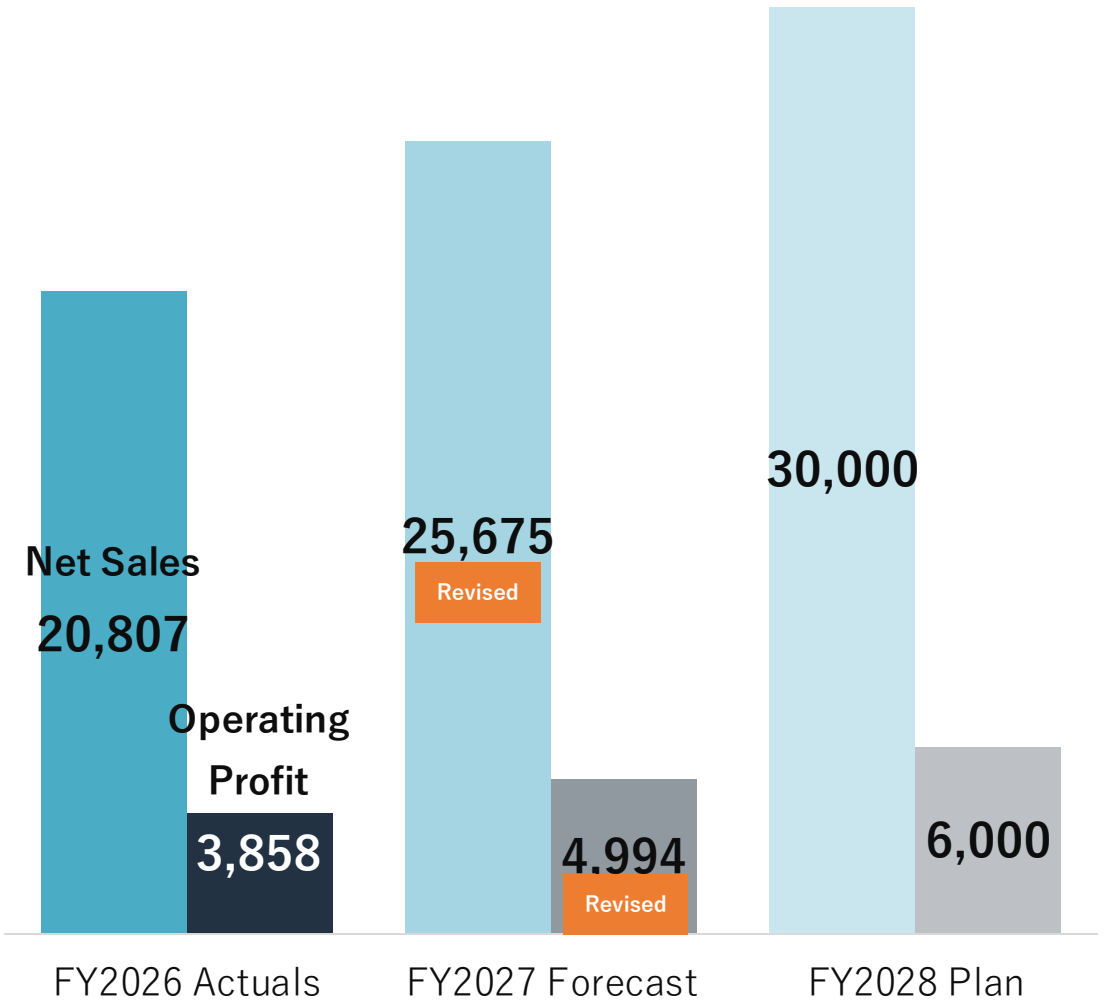
* Promotion Council: Council for Promoting Management Innovation Support Organizations
* AI: AI Study Group (If also a member of the Promotion Council, it is counted under the Promotion Council)

04

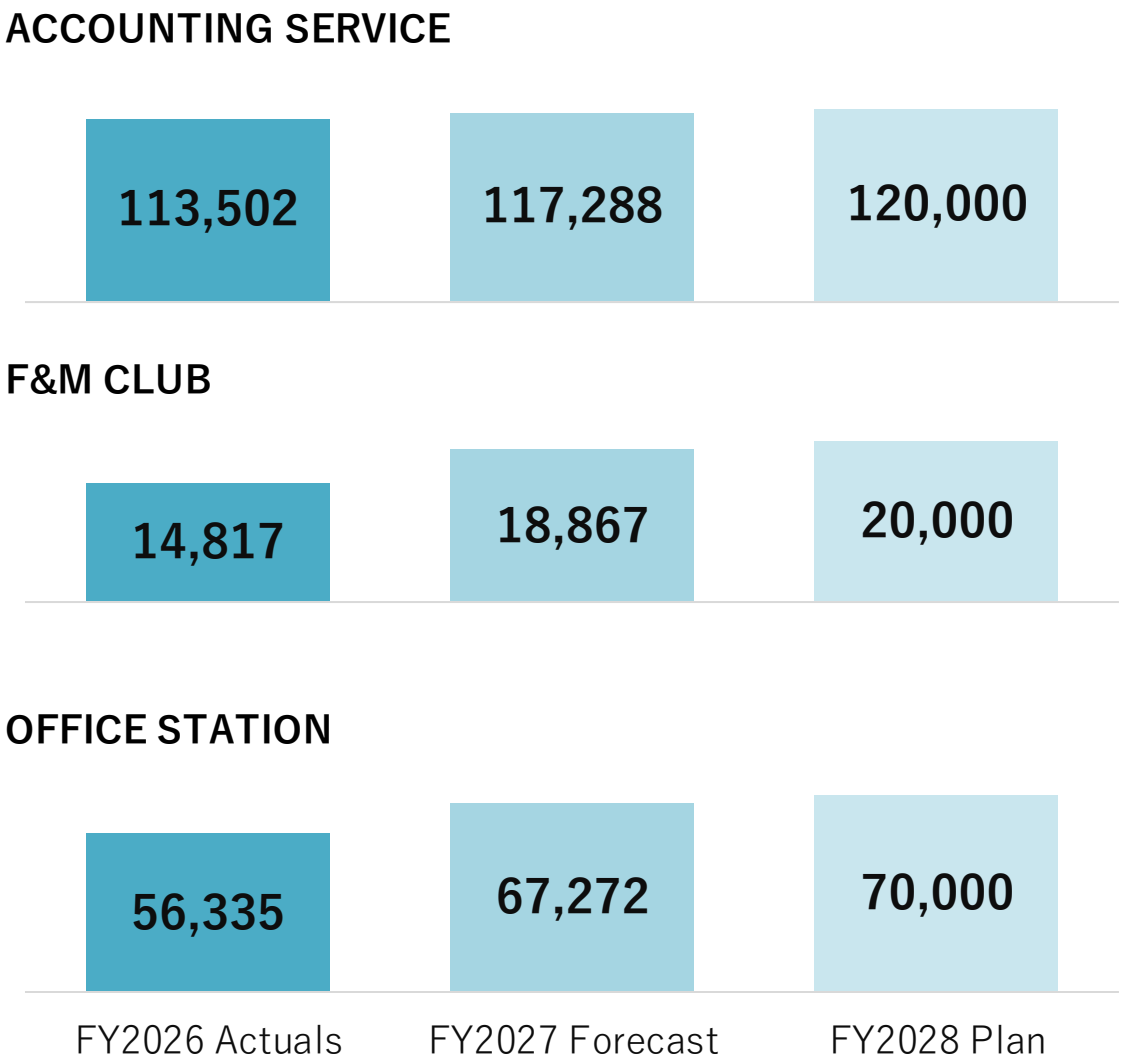
Three-Year Business Plan|FY2026 to FY2028

Net Sales & Operating Profit

(Millions of Yen)



Members



05

Business Overview

We Provide Services Specializing in Back Office to SMEs and Sole Proprietors Nationwide in Collaboration With Our Partners

Accounting Services Segment

Accounting services for sole proprietors and small-sized enterprises

*Main customers are life insurance sales employees

Consulting Segment

- Administrative support services for SMEs (F&M Club)
- Support for obtaining ISO and PrivacyMark certifications
- Support for applying for subsidies such as Monozukuri and new business venture subsidies

F&M Club

F&M Bridge

Business Solutions Segment

- Operation of “Management Innovation Consultation and Related Organizations” for certified public tax accountants and accountants
- Sales of “Office Station” series of human resources and labor relations cloud software

オフィスステーション

経営革新等支援機関
推進協議会
Management Innovation Consultation

Business Partner

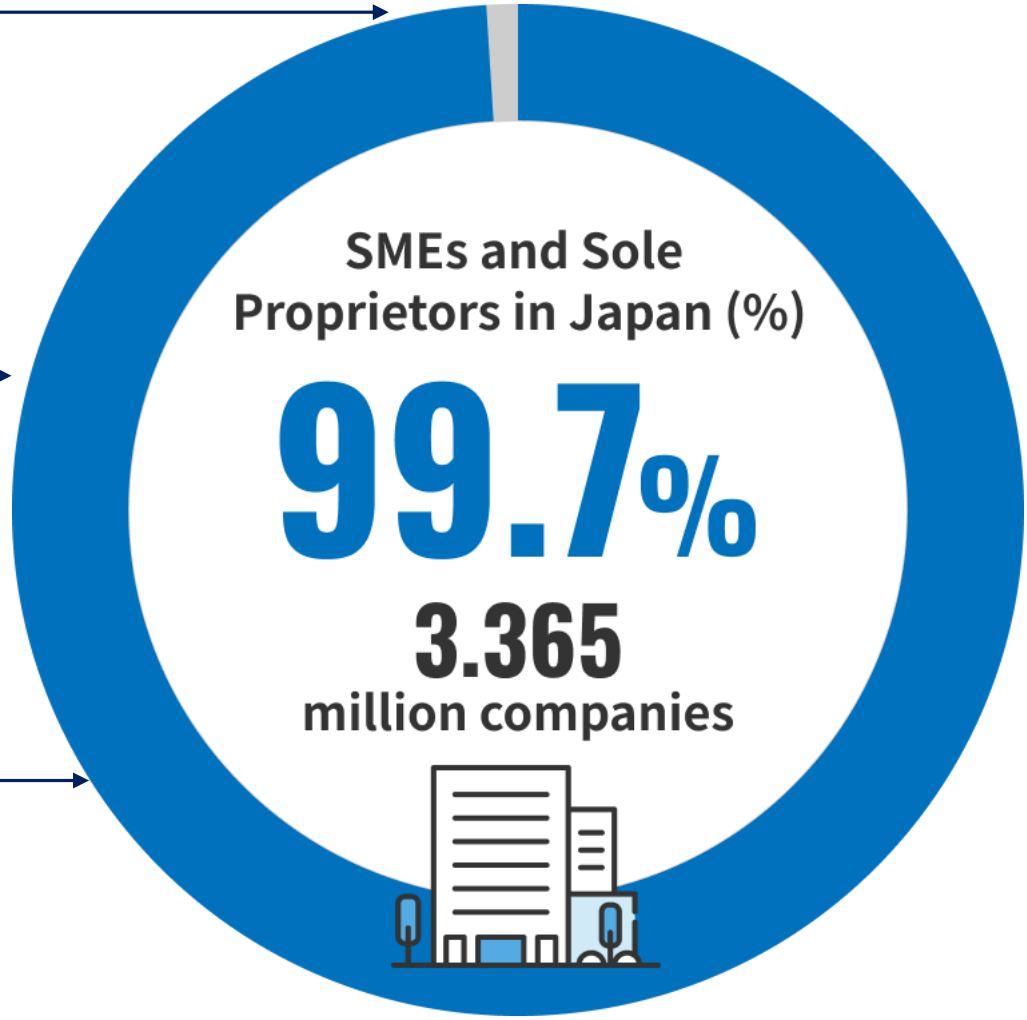
Regional Financial Institutions

Trading Companies & Sales Agencies

Business Partner

Certified Public Tax Accountants & CPAs

Certified Social Insurance and Labor Consultant



Corporate Philosophy

Making valuable things
more accessible

Tap Water Philosophy of Services

We contribute to society
by supporting the back-office functions
of all business operators

Three Strategies for Achieving Sustainable Growth

1) Stock-based business
Secure continuous revenue and prioritize long-term relationships

2) Partner sales
Broaden market access through strategic partnerships

3) Staying ahead of trends
Proactively capture market and social changes and reflect them in our products and services

01

Accounting Services Segment



Business Overview

● We are pursuing cost control through the use of AI as well as efficiency improvements and enhanced user convenience through the widespread use of our app

Bookkeeping service process

1. Receive necessary expense records, etc.
2. Scan
3. Bookkeeping (using AI)
4. Income and expense statement
5. Confirm content on dedicated app





Registration fee: ¥11,000 (including tax)

[Annual income] Less than ¥10 million | [White Return Bookkeeping Plan] ¥33,000/year (¥2,750/month) | [Blue Return Bookkeeping Plan] ¥46,200/year (¥3,850/month)
[Annual income] Less than ¥30 million | [White Return Bookkeeping Plan] ¥46,200/year (¥3,850/month) | [Blue Return Bookkeeping Plan] ¥66,000/year (¥5,500/month)

AI coverage rate for bookkeeping

93.1%

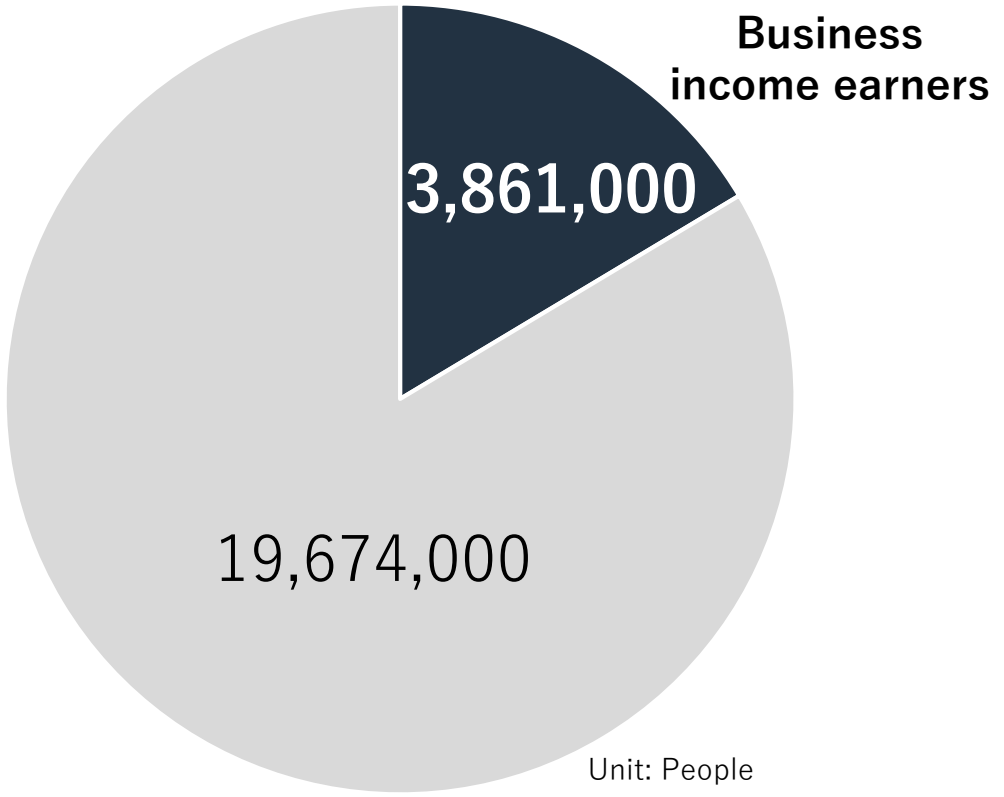
*Result as of Sep 30, 2026

App use rate among accounting service members

96.6%

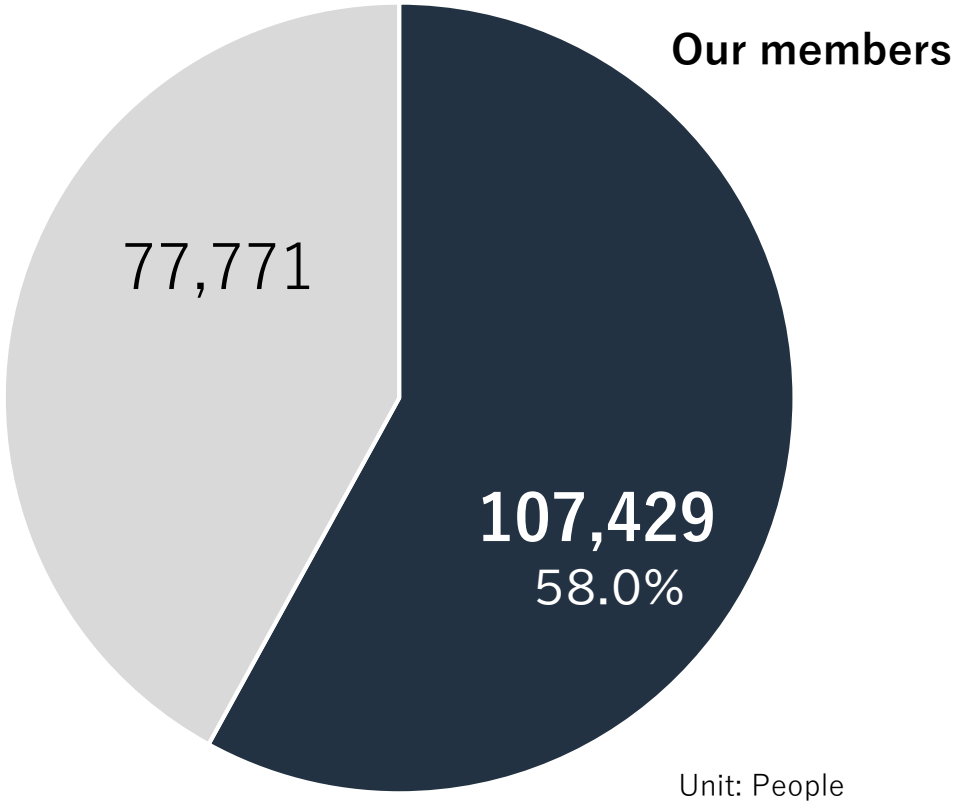
* Result as of Sep 30, 2026

Number of people who filed final income tax returns | 23,535,000 people



*Source: National Tax Agency, “Report on the Status of Final Tax Returns, Etc. for Income Tax, Etc., Consumption Tax, and Gift Tax for 2025”

Life insurance sales employees | 185,200 people



*Source: Hoken Kenkyujo K.K., “Insurance - Life Insurance Statistics Report for 2023”

02

Consulting Segment



- We have a lineup of services that address the issues faced by SMEs
- Users can share tasks to be completed in order to resolve issues on a dedicated member website and have individual company representatives follow up on service usage

Finance, labor relations and risk management

I want to improve cash flow

I want to implement appropriate labor relations management



(1) Financial rating assessment and financial status analysis
(2) Support for establishing internal rules and labor relations management systems
(3) Corporate credit rating information necessary for credit decisions on business partners

Human resource development

I want to promote recruitment

I want to enhance employee training



(1) Hello Work job application review
(2) F&M Academy
(3) Lineup of employee training videos by category (by level, job type and needs)

Information provision

I want to stay informed about tax incentives and other up-to-date information

Compliance with paperless, ISO, etc.



(1) F&M Club networking events
(2) Online seminars by theme
(3) Up-to-date information via email newsletter and videos
(4) Information on public support systems

Enrollment fee: ¥0
Monthly membership fee: ¥30,800(including tax)

Unlimited access to services
that improve productivity for SMEs

Business Overview | Subsidy Application Support

● **We provide application support primarily for the “Monozukuri Subsidy,” “Labor-saving Investment Subsidy (General Type),” and "Large-Scale Growth Investment Subsidy"**

(1) Extensive know-how

We have supported thousands of companies in applying for subsidies. We have derived selection criteria for each industry and region based on the vast amount of data we have accumulated.

(2) Thorough interviews

When we support companies in applying for subsidies, we always conduct thorough interviews with them beforehand. We conduct efficient interviews based on the selection criteria to support companies in conveying their intentions in their applications.

(3) Mock review process

Four of our staff members review each application submitted by the companies we support. We use the same number of reviewers as actual review committees to ensure that the content of the application is unbiased and of high quality.

Cumulative number of approvals

5,563

*Cumulative number of approvals from FY2014 to Q2 FY2027 (ended Sep 30, 2026)

Cumulative number of applications supported

9,044

*Cumulative number of applications supported from FY2014 to Q2 FY2027 (ended Sep 30, 2026)

03

Business Solutions Segment



●In addition to our existing labor services, we will expand offerings to the talent management and human resource evaluation domains, providing services across workforce management and development.

オフィスステーション 労務

Paperless collection of employee information

Directly submit applications for social insurance, etc. electronically

オフィスステーション 年末調整

Paperless year-end adjustments

Document submission completed in as little as three minutes

オフィスステーション 給与明細

Web distribution of salary and bonus statements

Eliminating the need to print and mail monthly statements

オフィスステーション 有休管理

Compliance with five-day paid leave requirement

System specializing in paid leave management

オフィスステーション 勤怠

Attendance management tailored to diverse work styles

Enabling employees to clock in and out using smartphones and PCs

オフィスステーション 給与

Eliminating errors to significantly reduce the operational workload

Automatically reflecting revised tax rates and social insurance premium rates

オフィスステーション タレントマネジメント

Maximizing the capabilities of human resources by utilizing centrally managed data

オフィスステーション サイン

Effortless online contract signing

オフィスステーション マイナンバー

Centralizing the collection, usage, and disposal of My Number data

オフィスステーション ストレスチェック

Data-driven early detection of mental health risks in valued employees.

オフィスステーション Pro

For Labor and Tax Professionals

A comprehensive labor management system that reduces working hours by approximately 40% and maximizes productivity

Add-ons

- Labor-Management Agreement Notifications
- Residence Tax Notices
- Dashboard Translation
- Data Analytics
- Ledger Edit History & Version Control
- Employee Portal
- Labor Insurance Association Management
- Automated Commuting Expense Calculation

Companies Using Our Services



Labor relations management cloud

No.1 market share for 6 consecutive years

*Source: Deloitte Tohmatsu MIC Research Institute Co., Ltd., "The Current State and Outlook of the HRTech Cloud Market" (FY2020-2025)

Number of users: 60,440

*As of Sep 30, 2026

06

Sustainability

就活生によるクチコミ評価





A future of growth and fulfillment, for everyone.

Our sustainability policy is **to create a world where no one is left behind, socially or economically**.

To achieve this, we develop social infrastructure that enables
mid-market enterprises, SMEs, and sole proprietors—the backbone of the Japanese economy—
to achieve sustainable growth without structural or environmental disadvantages.
When businesses fully unlock their inherent potential and thrive,
it directly leads to the prosperity of their employees, all stakeholders involved,
and local communities as a whole.
By building an environment where high-quality services are seamlessly accessible to everyone
as a matter of course, we expand the possibilities of individuals and enterprises
through our business activities.
In doing so, we contribute to a sustainable future where joy and happiness spread
to every corner of society.

E
Environment

Eliminating Waste, Creating New Value



We reduce paper waste across society through our bookkeeping services and DX promotion.Through partnerships with key collaborators, we have established a fully closed-loop recycling system where 100% of the paper documents generated in our bookkeeping operations are pulped and recycled into products like notebooks

S
Social

Creating a Place Where Everyone Can Shine



We provide opportunities for individuals who find traditional working styles difficult due to life stage changes to thrive as home-based freelancers. Through this, we put into practice our vision of 'a world where no one is left behind, socially or economically.

Supporting Sustainable Growth for All Businesses

Each of our businesses is directly linked to the sustainable growth of companies that support Japan, as well as the prosperity of the people who work there. By eliminating environmental disparities and building infrastructure that enables everyone to equally unleash their true potential, we will strongly foster the local economies and employment that sustain Japan

G
Governance

A Secure Foundation



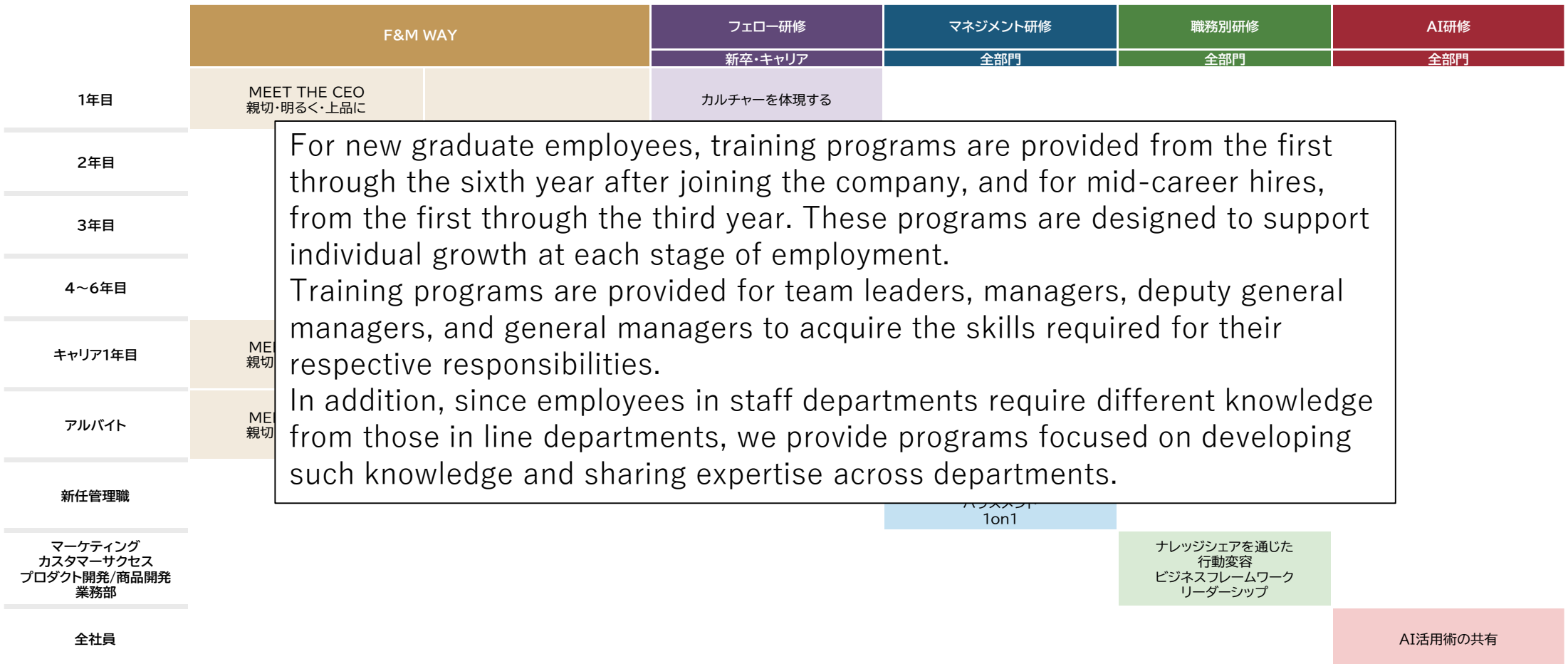
We have established an ESG Committee, strictly enforce security management, and conduct thorough training on information protection. Through these measures, we are building a robust governance framework designed to scale our business.

Master in one year what takes three years to learn at other companies

Even new employees are given significant autonomy early on, such as being assigned many clients, allowing them to gain
overwhelming real-world experience.
This fosters a sense of ownership and a strong sense of responsibility toward their work. Each employee grows significantly and increases their value, enabling them to **enrich all the people and enterprises they encounter.**

Our greatest asset is **“people.”**
This human capital is the source of our value creation. We will achieve our mission through skill development, environment improvement and other measures that enable diverse human resources to actively participate, as well as through medium- to long-term investment in **“people.”**

We have established a systematic training program tailored to employees' years of service and roles. In addition to combining on-the-job training (OJT) with specialized off-the-job training (Off-JT) across our business divisions, we focus on acquiring cutting-edge skills and boosting productivity, such as by conducting a company-wide program on practical generative AI usage



For new graduate employees, training programs are provided from the first through the sixth year after joining the company, and for mid-career hires, from the first through the third year. These programs are designed to support individual growth at each stage of employment.
Training programs are provided for team leaders, managers, deputy general managers, and general managers to acquire the skills required for their respective responsibilities.
In addition, since employees in staff departments require different knowledge from those in line departments, we provide programs focused on developing such knowledge and sharing expertise across departments.

Our Group has established various leave systems to encourage employees to take time off, with the aim of enhancing not only their work but also their personal lives. We have also introduced communication initiatives, including a mentoring system, to improve employee engagement.

Extended consecutive leave program

A system that allows employees to take five consecutive days of paid leave twice a year. When combined with the preceding and following Saturdays and Sundays, this results in a long consecutive leave of at least nine days.
As an established policy, we proactively mandate and ensure that all employees fully utilize their consecutive paid leave.



Refreshment leave

A system that allows employees to take up to 10 consecutive days of leave once every five years. This allows employees to refresh themselves both mentally and physically and return to work with renewed focus.



Talk & Understand

Communication initiatives aimed at helping employees understand each other and build stronger cooperative relationships based on the theme of “Let's talk and connect more strongly,” and including a mentoring system that originated from an idea proposed by Group employees.



We promote work styles that enable diverse human resources to actively participate regardless of their attributes. We will also foster a culture that respects diversity in the workplace.

Top Performer Incentive & Training Trip

We invite top-performing employees on overseas incentive and training trips. In a refreshingly different environment, top-tier talent can exchange best practices and expertise with one another to drive further growth. Past destinations include Hawaii, Guam, Canada, Australia, Bali, and Hong Kong. Participants are selected from across the company, including administrative and corporate staff roles,



Parental leave and return-to-work support program for working mothers and fathers

We provide an environment where employees can take parental leave with peace of mind and return to work, while supporting them in balancing childcare and work so they can continue to actively participate in the workplace.



“Meet the CEO” dialogue sessions

An event held based on our CEO’s desire to share his insights as a life mentor.
This is an opportunity for employees to not only hear his thoughts, but also to share their own ideas, discuss their concerns about work and their personal lives, and receive advice.
Our Group values opportunities for direct dialogue between employees and our CEO.



This document is intended to provide information about F&M Co., Ltd. and is not intended to solicit investment in securities issued by the Company.

Furthermore, this document has been prepared based on data as of Sep 30, 2026. The opinions and forecasts contained in this document are based on the judgment of the Company at the time of preparation, and the Company does not guarantee or promise the accuracy or completeness of the information contained in this document. In addition, the information contained in this document is subject to change without notice.

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