



Financial Results Briefing Materials For FY2026

August 6, 2026

User Local, Inc. (TSE Code 3984, TSE Prime Market)

<https://www.userlocal.jp/>

Contents

- 01 Executive Summary
- 02 Company Profile・Business
- 03 Financial Results for FY2026
- 04 Financial Forecasts for FY2027
- 05 Future Focus Areas

01

Executive Summary

Executive Summary

Both Net Sales and each Profit for FY2026 cumulative period reached record highs

Achieved consecutive increase in sales and profit. Net sales for the fiscal year were 5,343 million yen (up 16.6% year on year) and operating profits was 2,196 million yen (up 11.4% year on year). Total number of contracts exceeds 6,000.

Expanding Awareness and Adoption of Generative AI Services for Businesses

Implemented proactive marketing initiatives, such as taxi advertisements. Generative AI services for businesses adoption by major corporations and government agencies has also grown, and strong our track record continues to grow steadily.

Expanding Shareholder Returns

Actively enhanced shareholder returns in FY2026 through the payment of an interim dividends, acquisition and retirement of treasury stock, and introduction of shareholder benefits. Annual dividends are projected to total ¥30, up 6 yen from the previous fiscal year (Payout ratio of 31.4%)

Highlights for FY2026

Net Sales 5,343million yen	Operation Profit ratio 41.1 %	Dividend Per Share 24yen (Interim dividend10yen、 year-end dividend14yen)
Earnings Per Share (EPS) 102.6yen	Number of Contracts over 6,000	Consecutive periods of increased revenue and profits 19periods

Implementation of Shareholder Returns for FY2026

Increase in Annual Dividend Per Share

FY2025
14yen → **24**yen
FY2026

Acquisition of Treasury Stock

Up to **10** billion yen
(Period: 2026/2/16~2026/8/5)

introduction of Shareholder benefits (From FY2026)

At the end of June each year to shareholders holding 100 or more shares

Digital Gift® **3,000**yen

Retirement of Treasury Stock

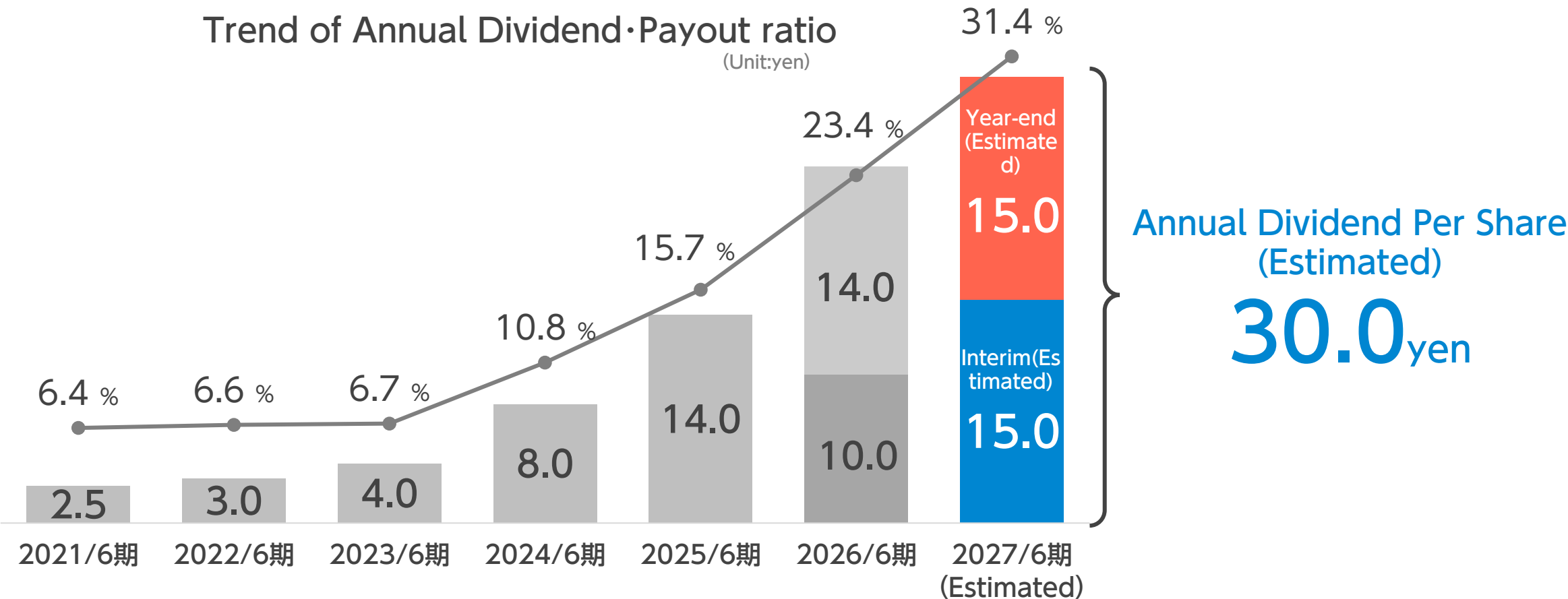
100,000 shares

(Date: 2026/5/29)

※% of the total number of shares outstanding prior to the retirement: 0.61%

Dividend Payout ratio

Dividend for FY2027 is 30 yen per share, up ¥6 from the previous fiscal year



02

Company Profile • Business

Company Profile

Management philosophy

Driving global evolution by combining Big data and AI

Name

User Local, Inc.

Business

Big data analysis tools, AI-related tools development

Capital

1,220 million yen (as of June 30, 2026)

Employees

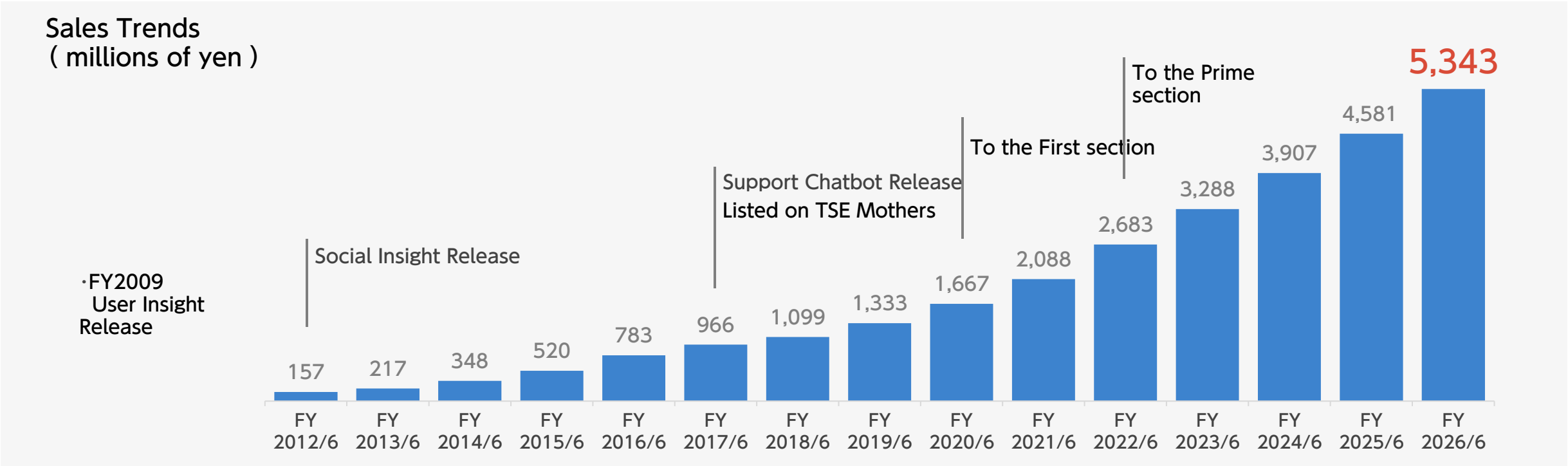
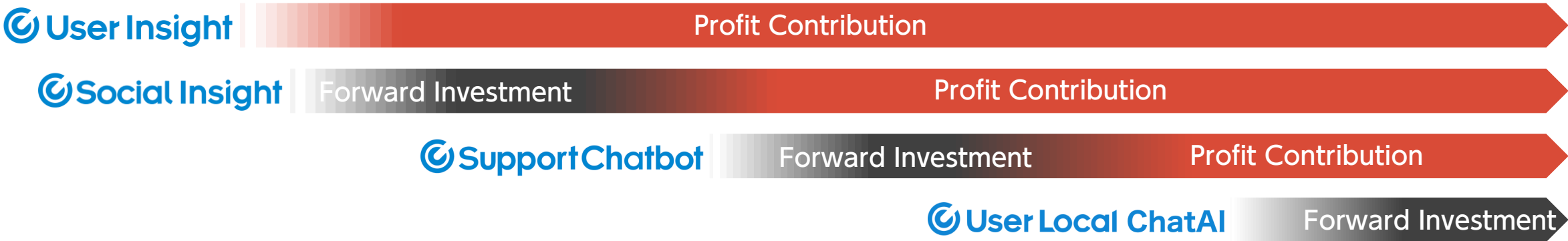
121 (as of June 30, 2026)

Head office

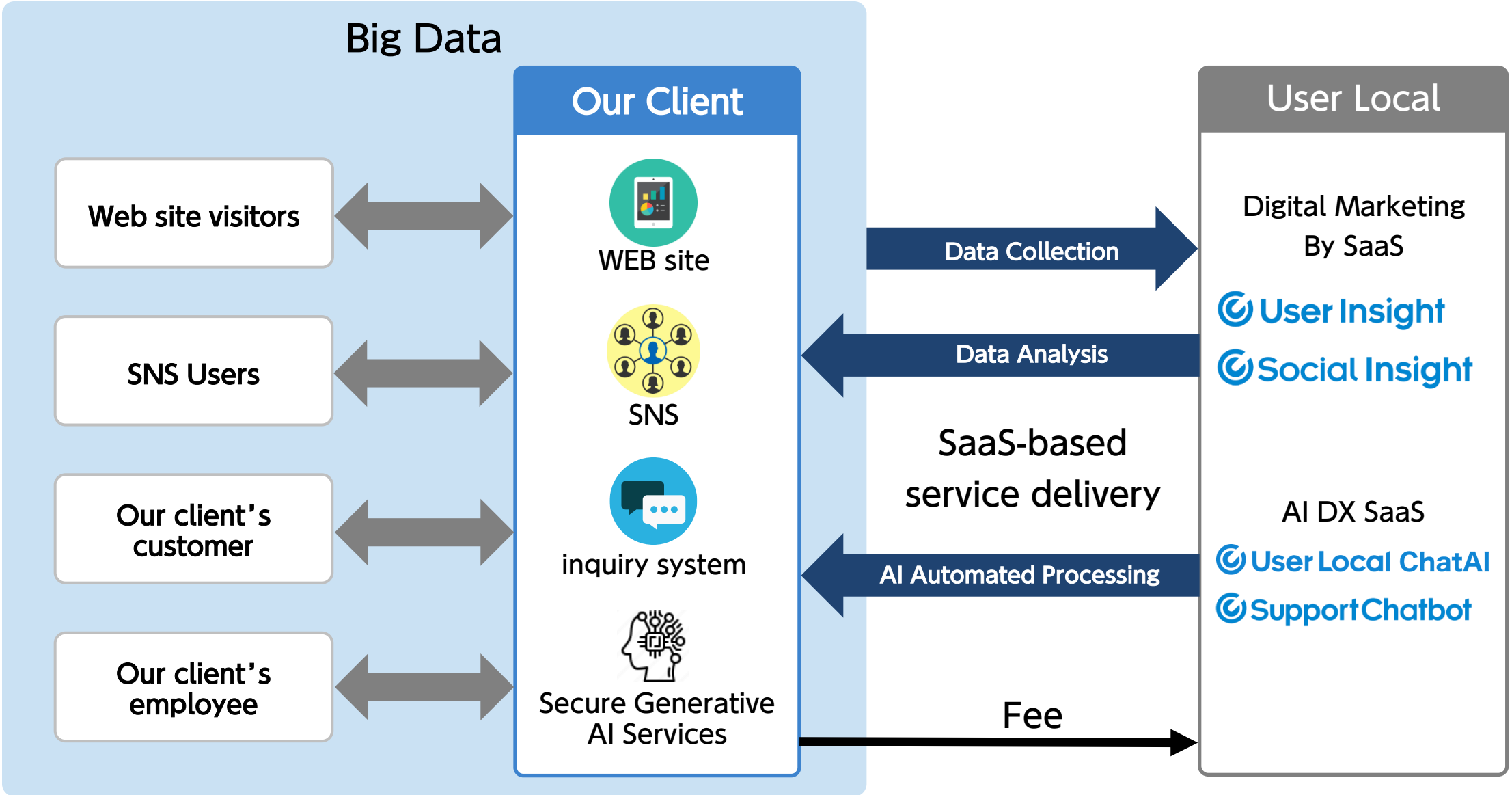
3-1-21, Shibaura, Minato-ku, Tokyo



Company outline



Business model for stable growth based on high profitability



Our Five Strength for Innovation

1. Providing in-demand services

Observing user behavior using tools developed in-house and creating **services tailored to current demands**

2. Virtuous cycle of algorithm Improvements

As the number of users increases, the amount and types of data increase, thereby **enhancing AI precision and analysis capabilities and increasing users**

5. Continuous stable growth based on high profitability

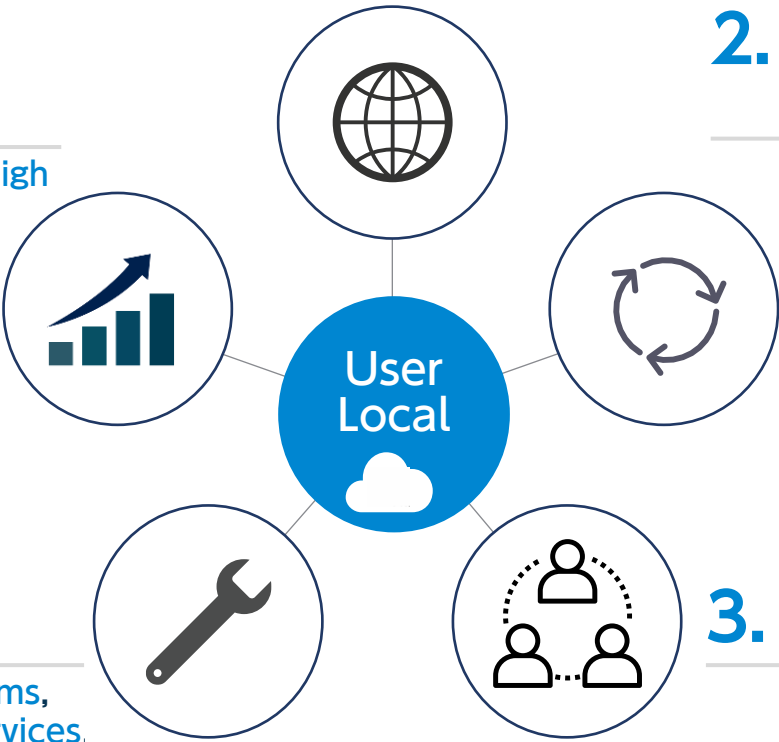
Achieving **continuous stable growth** based on **high profitability** with a broad corporate client base and **low-cost operations**

4. R&D of Big Data and AI

Promoting **the enhancement of our AI algorithms**, **the application of our algorithm to existing services**, and **the new development of AI services**

3. Securing tech personnel

User Local is a youthful company, **with an average employee age of 28**, and many employees with post-grad degrees working on R&D

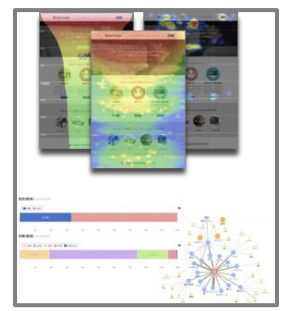


Providing in-demand services・Core values of each service

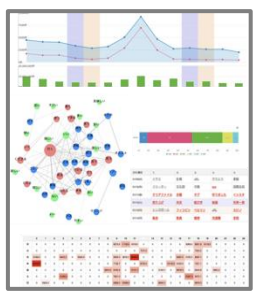
Business Development in Growth Markets of Big Data and AI

① Digital Marketing by SaaS

User Insight
All-in-One Web Analysis Tool



Social Insight
Analysis and operation tools to streamline SNS operations



② AI DX SaaS

User Local ChatAI
Platform of Generative AI



Support Chatbot
AI chatbot tool to automate support operations



③ AI R&D Products

～ Exploring New Areas ～
GenAI Checker



AI Text Mining

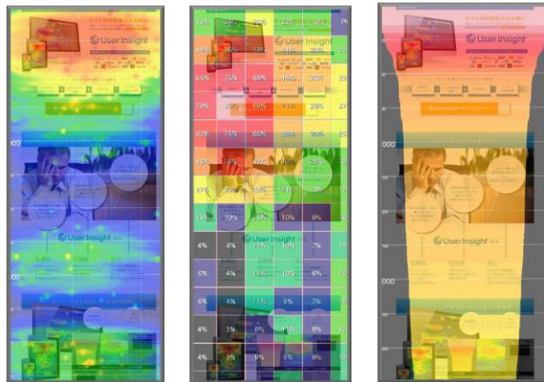


① Digital Marketing by SaaS

Comprehensive tools that support digital marketing that leads to results

User Insight

Comprehensive digital marketing tools that enables content creation, analysis, and web customer service using generative AI



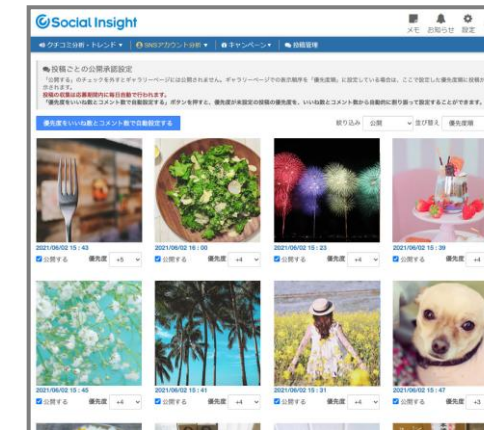
Generating articles and other content automatically with AI

Visualization of user behavior with 12 types of heat maps

Web customer service that prevents churn and leads to results

Social Insight

Social analysis tools that support from SNS operation to analysis



Campaign on SNS

Batch management of multiple SNS accounts

Batch comparison and analysis of your own and competitors' accounts Management of in-house information

② AI DX SaaS 「ChatAI」

Creating an environment where everyone can make the most of generative AI

User Local ChatAI

AI services for corporate customer
that enable us to use of generative AI safely and easily



Multiple generative AI models can be used simultaneously in a secure environment that is not used for AI learning

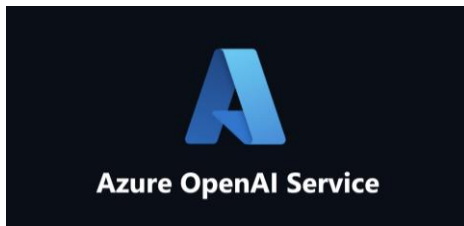
Effectively utilizing our own data and generative AI

Easily manage and accumulate internal usage data on a dashboard

② AI DX SaaS 「ChatAI」

User Local ChatAI

Multiple generative AI models can be used simultaneously



Not dependent on a single AI model, optimal generative AI can be used in a wide range of business areas



Preparation of Minutes



Email writing, proofreading



Creating Excel functions



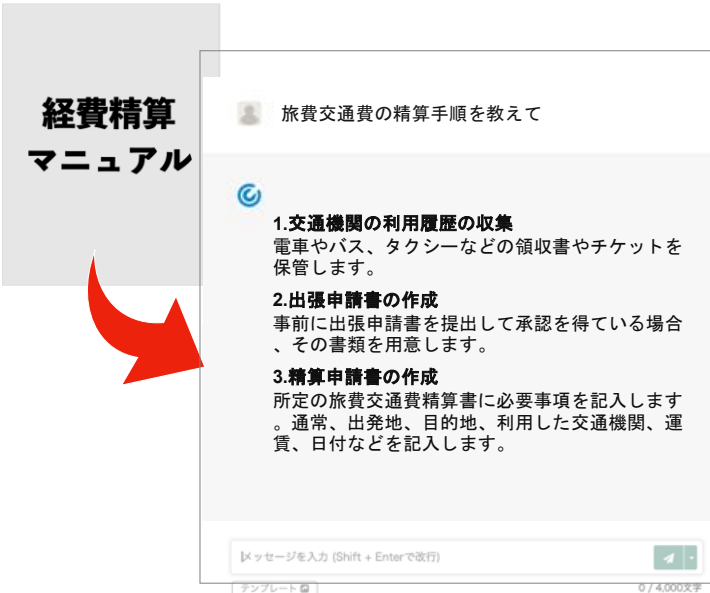
Advanced Search

② AI DX SaaS 「ChatAI」

Linking customer's internal data to Generative AI enables use as an AI for internal use (RAG)*

Operational data

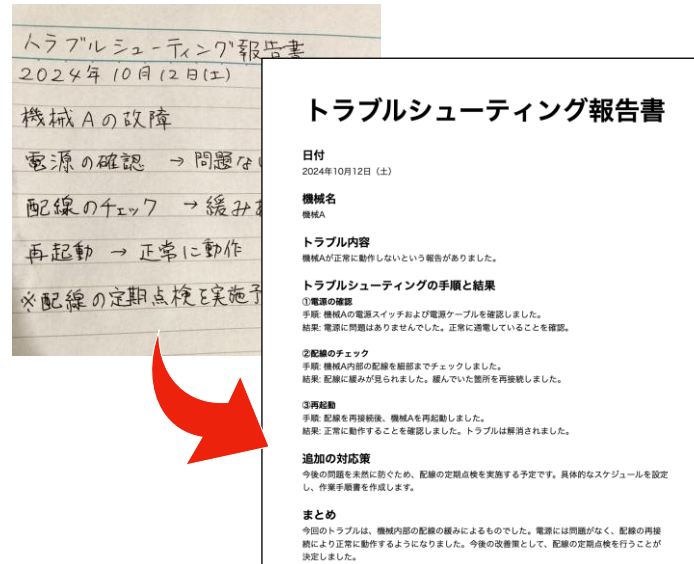
(Word, PowerPoint, PDF, Excel, etc.)



Search for internal manuals
Create proposal materials from product data

Image data

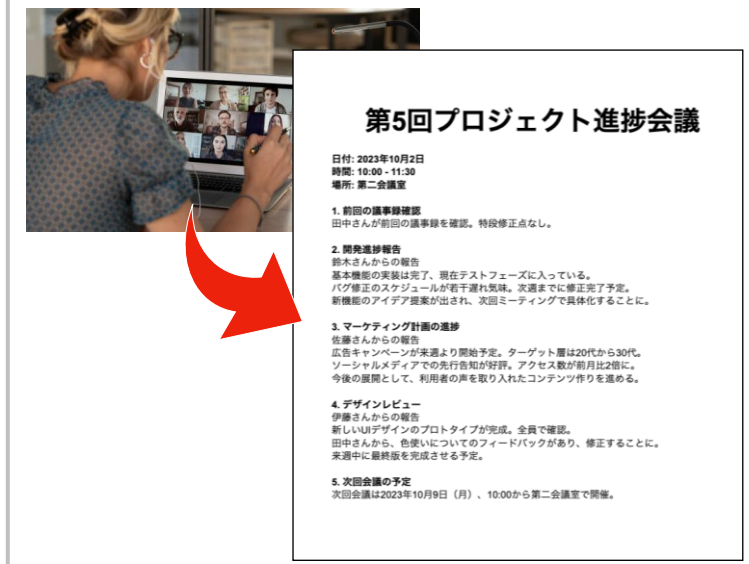
(JPEG, PNG etc.)



Digitize handwritten notes and paper documents
Create code from mock images

Voice・Video data

(MP3, MP4, WAV, etc.)



Preparation of meeting minutes
Review of business meetings and training

* Retrieval-Augmented Generation (RAG) is the technology that improves the accuracy of answers by combining large language models (LLMs) with external information searches.

②AI DX SaaS 「Support Chatbot」

The best inquiry experience with AI

Support Chatbot

AI service that uses AI to automate responses to customer and employee inquiries



Automatic response by AI in real time,
24 hours a day, 365 days a year
Equipped with highly accurate AI
specialized in language processing
Easy to introduction and operate

Customer Cases

Kumamoto University

Establish an infrastructure to support the digital transformation of university administrative operations, and promote the safe and practical use of generative AI

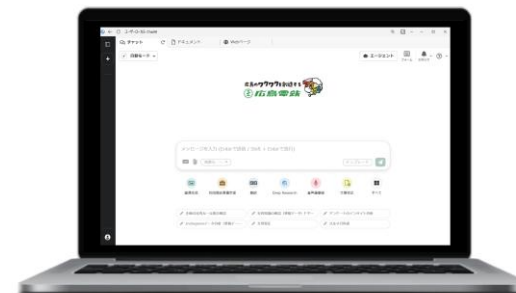


(Comment excerpt)

We are currently expanding the practical use of ChatAI on campus by having 100 administrative staff members—including DX promotion leaders—use the tool. We decided to implement “ChatAI” because it allows us to utilize multiple AI models in a secure environment where user data is not used for AI training, and because we valued its centralized management of usage, low cost, and rich feature set.

Hiroshima Electric Railway Co., Ltd.

The entire group—including its streetcar and bus operations—is leveraging generative AI to streamline business operations



(Comment excerpt)

While the use of generative AI has become essential for business, security challenges have been an unavoidable issue. By implementing “ChatAI,” we’ve established a foundation that allows us to use generative AI with confidence. Since its implementation, its use has expanded beyond mere task streamlining and document creation to include tasks such as brainstorming and strategic planning for new business ventures, bringing about a transformation in the way we work.

③ AI R&D Products

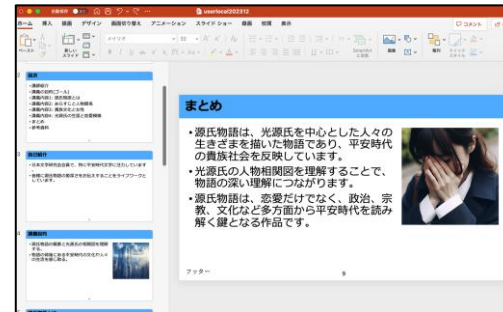
GenAI Checker

Instantly determine whether a paper was written by generative AI



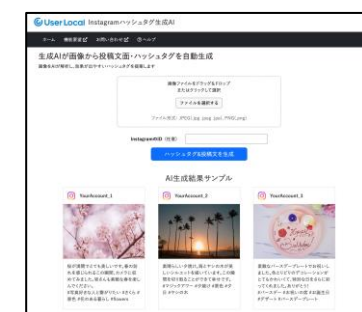
Slides GenAI

Automatically creates presentation materials by AI



Instagram Hashtags GenAI

Automatic generation of Instagram post text and hashtags from photos



Proofreading AI

AI suggests correction of easily mistaken Kanji characters, correction of difficult-to-understand expressions, etc.,



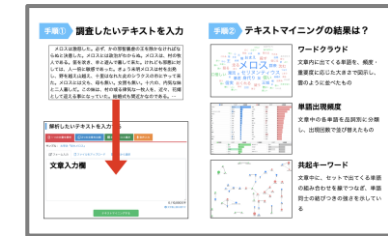
AI Writer

Easy creates the articles you want to write by linking proprietary AI and ChatGPT

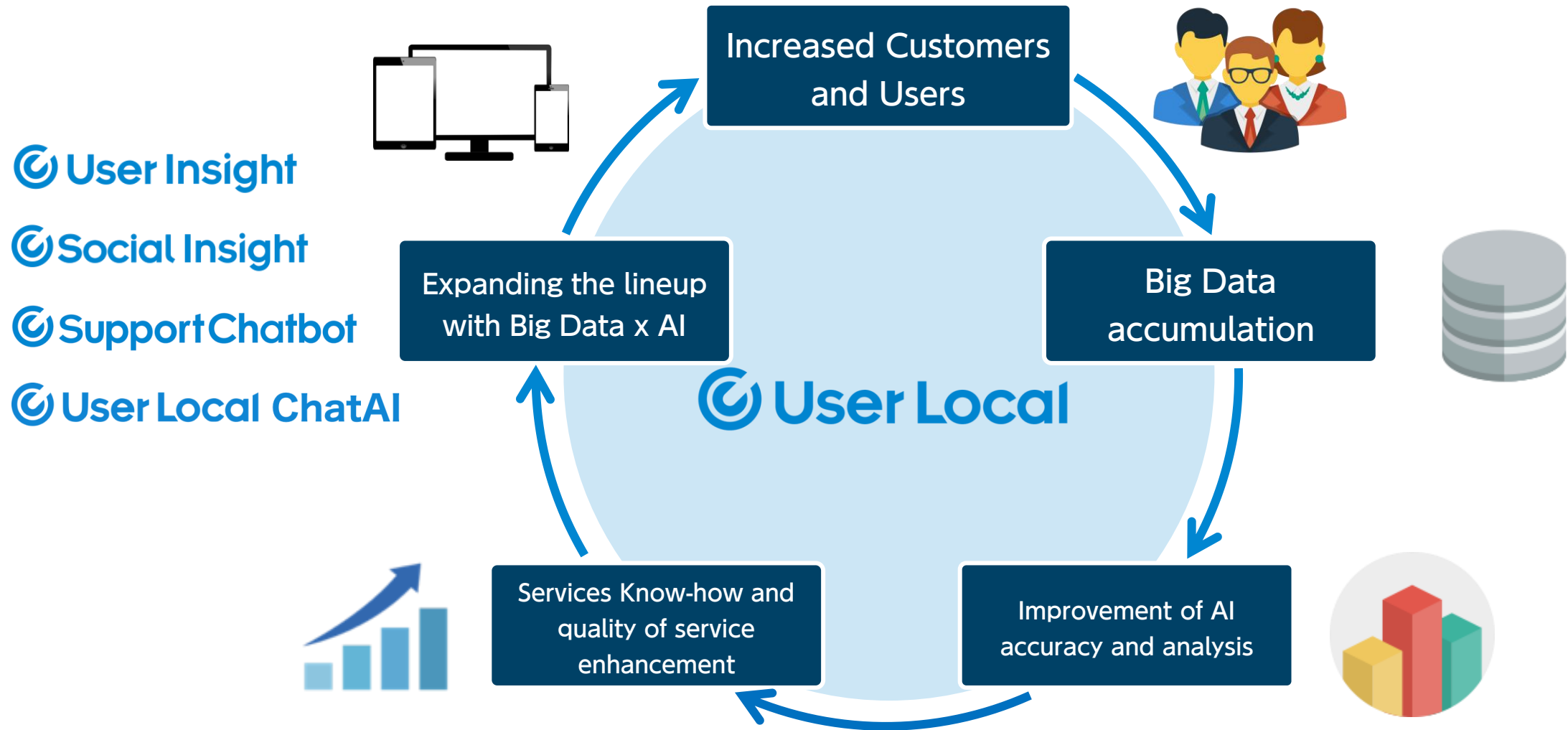


Text Mining Tool

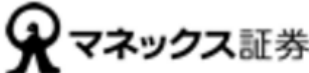
Analyzes and visualizes the emotions and other information in sentences



Virtuous cycle of algorithm Improvements

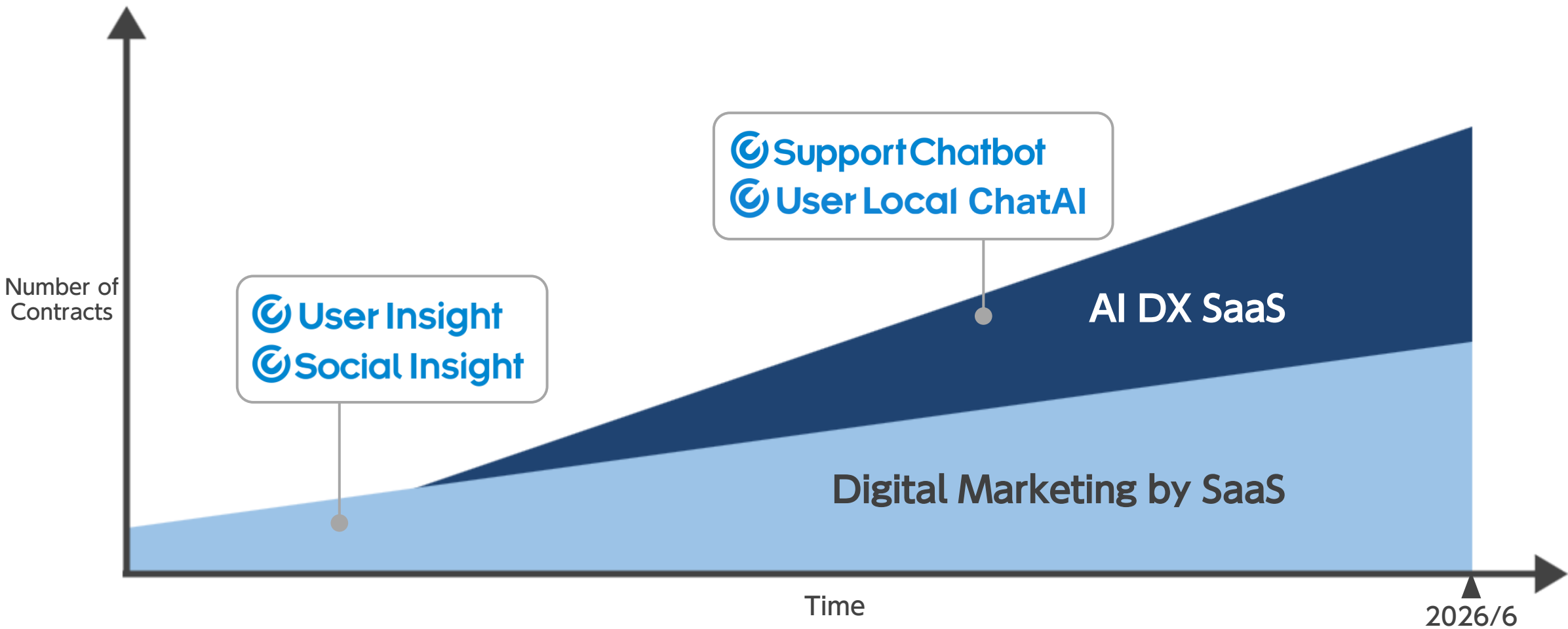


Introduced to major companies and government agencies in recognition of its outstanding service capabilities

Government Agencies Local Governments, Universities	    
Manufacturer Electronic devices, automobiles, food, etc	     
ICT Software, Information and communication, etc.	    
Financial Institutions Banks, securities, etc.	   
Media Publishing, newspapers, etc.	   
Others	    

AI DX by SaaS · Digital Marketing by SaaS sales increased and reached record highs

Developing new services and recurring revenue model lead to sustainable growth



03

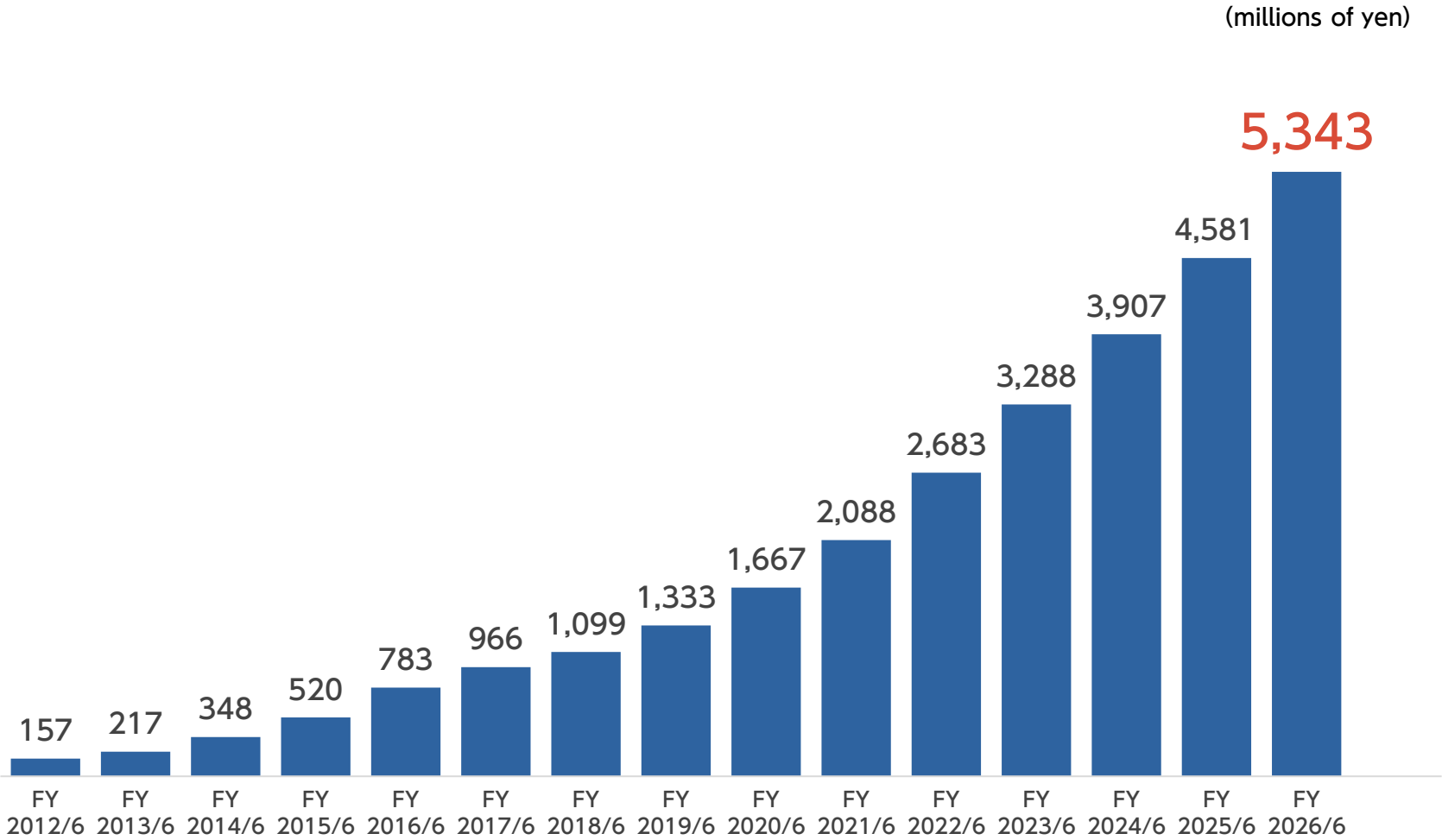
Financial Results for FY2026

FY2026/6 Comparison of forecasts and actual results

Record-High for Net Sales is 5,343 million yen, Operation Profit is 2,196 million yen

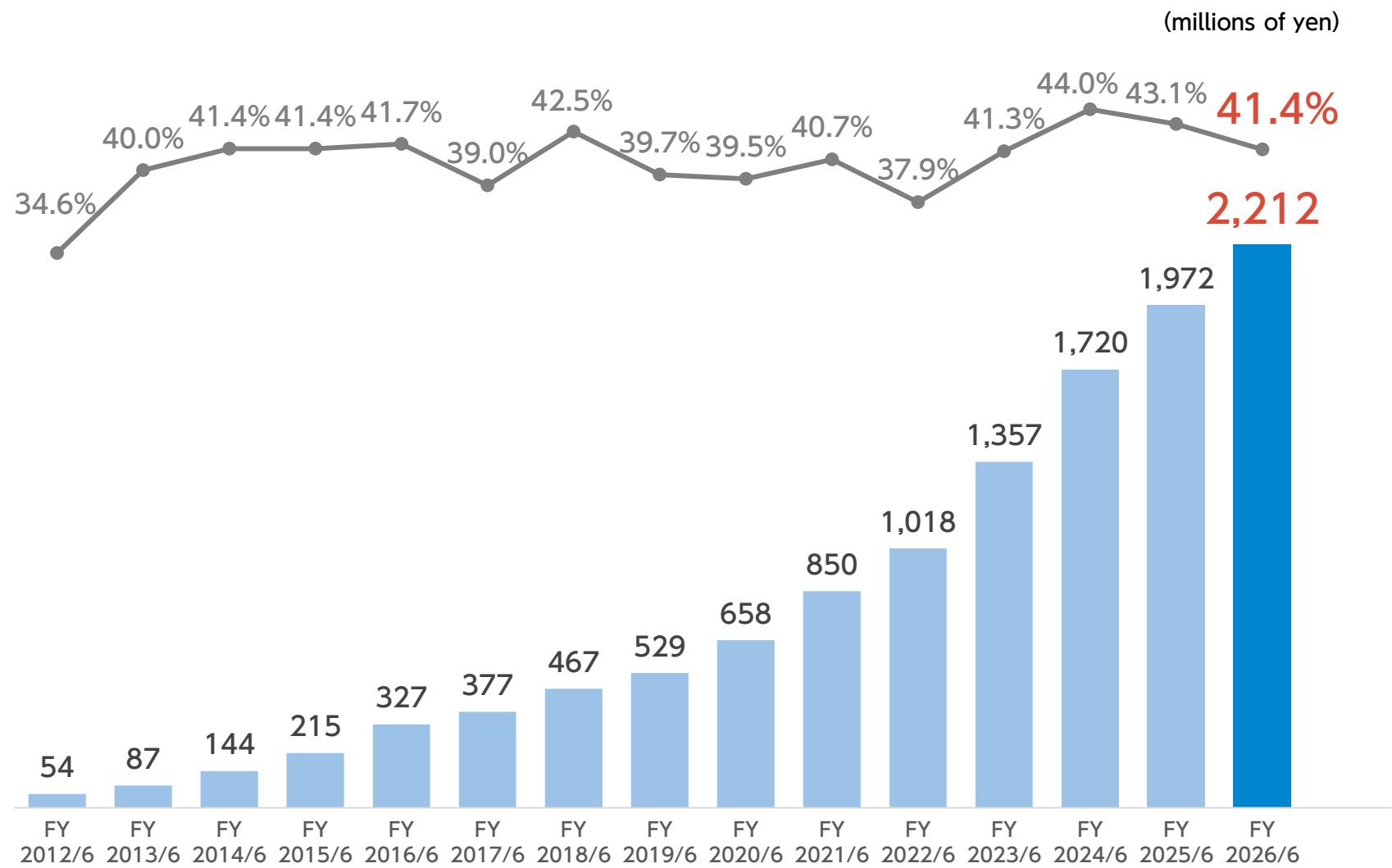
(millions of yen)	FY2025/6	FY2026/6	YoY	FY 2026/6 Forecasts (2025/8disclosure)	Progress rate
Net Sales	4,581	5,343	+16.6%	5,284	101.1%
Operating Profit	1,971	2,196	+11.4%	2,207	99.5%
Ordinary Profit	1,972	2,212	+12.1%	2,207	100.2%
Profit	1,429	1,634	+14.4%	1,523	107.3%

Net Sales



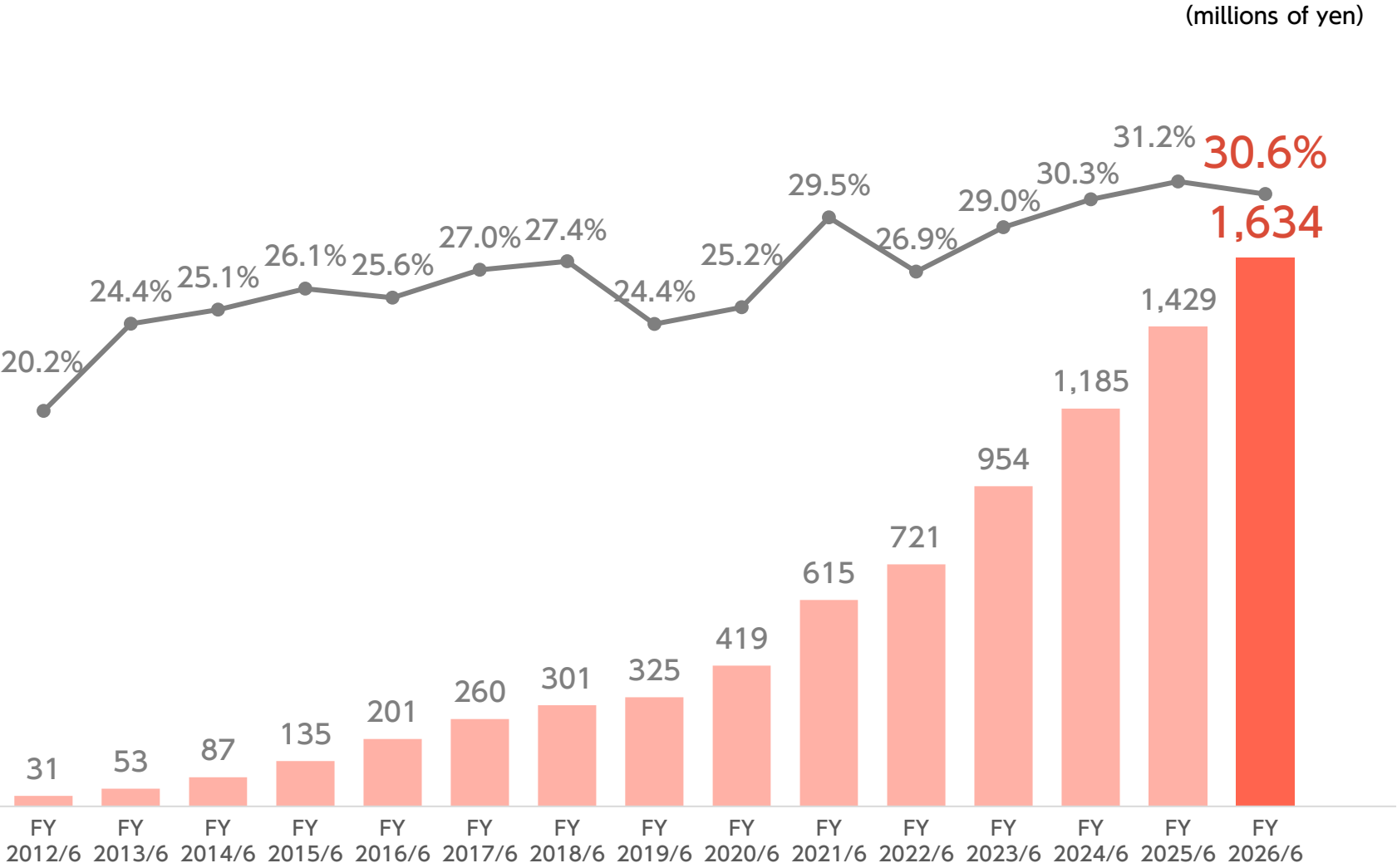
Increased **16.6%** from the previous year, reaching a new record high

Ordinary Profit and Ordinary Profit Margin



Ordinary Profit
+ **12.1%** YoY

Profit and Net Profit Margin



Profit
+ **14.4%** YoY

04

Financial Forecasts for FY2027

FY2027/6 Full-year Forecasts

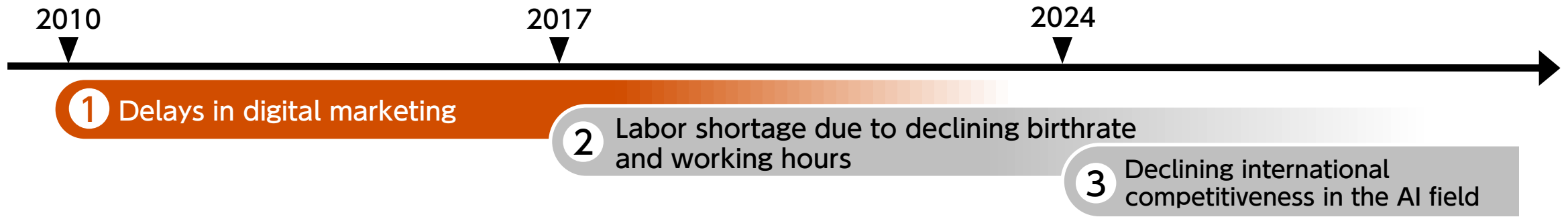
Aiming for record-high sales of 6,081 million yen by continuing growth investments in AI-related services and formulated a plan based on the assumption that AI-related costs will continue to rise

(millions of yen)	FY2026 Results	FY2027 Forecasts	Increase /decrease	YoY change
Net Sales	5,343	6,081	+738	13.8%
Operating Profit	2,196	2,149	△46	△2.1%
Ordinary Profit	2,212	2,179	△32	△1.5%
Profit	1,634	1,503	△131	△8.0%

05

Future Focus Areas

Focus Areas (1) From Founding and launch of business to around 2017, before the company went public



Social issue

- 1 Slow response of companies to digital marketing in the face of rapid expansion of Internet advertising

Our solutions

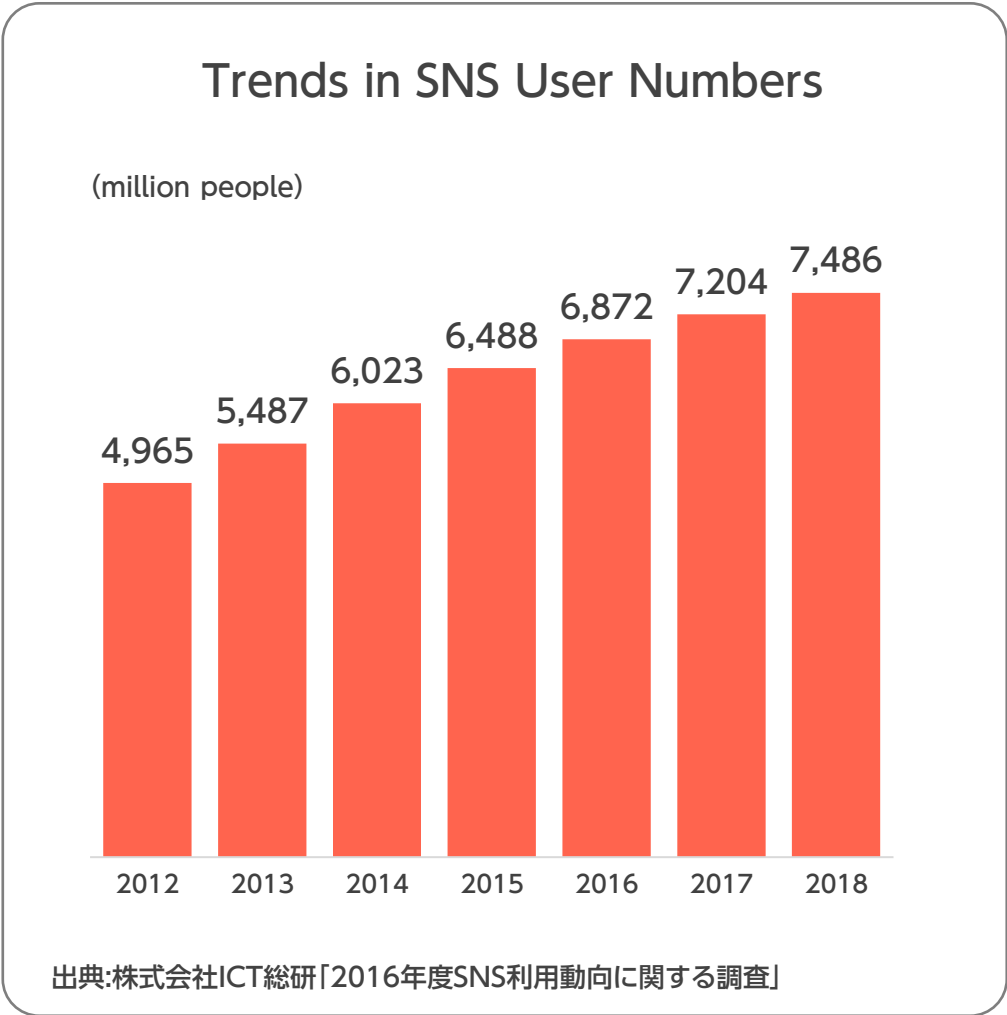
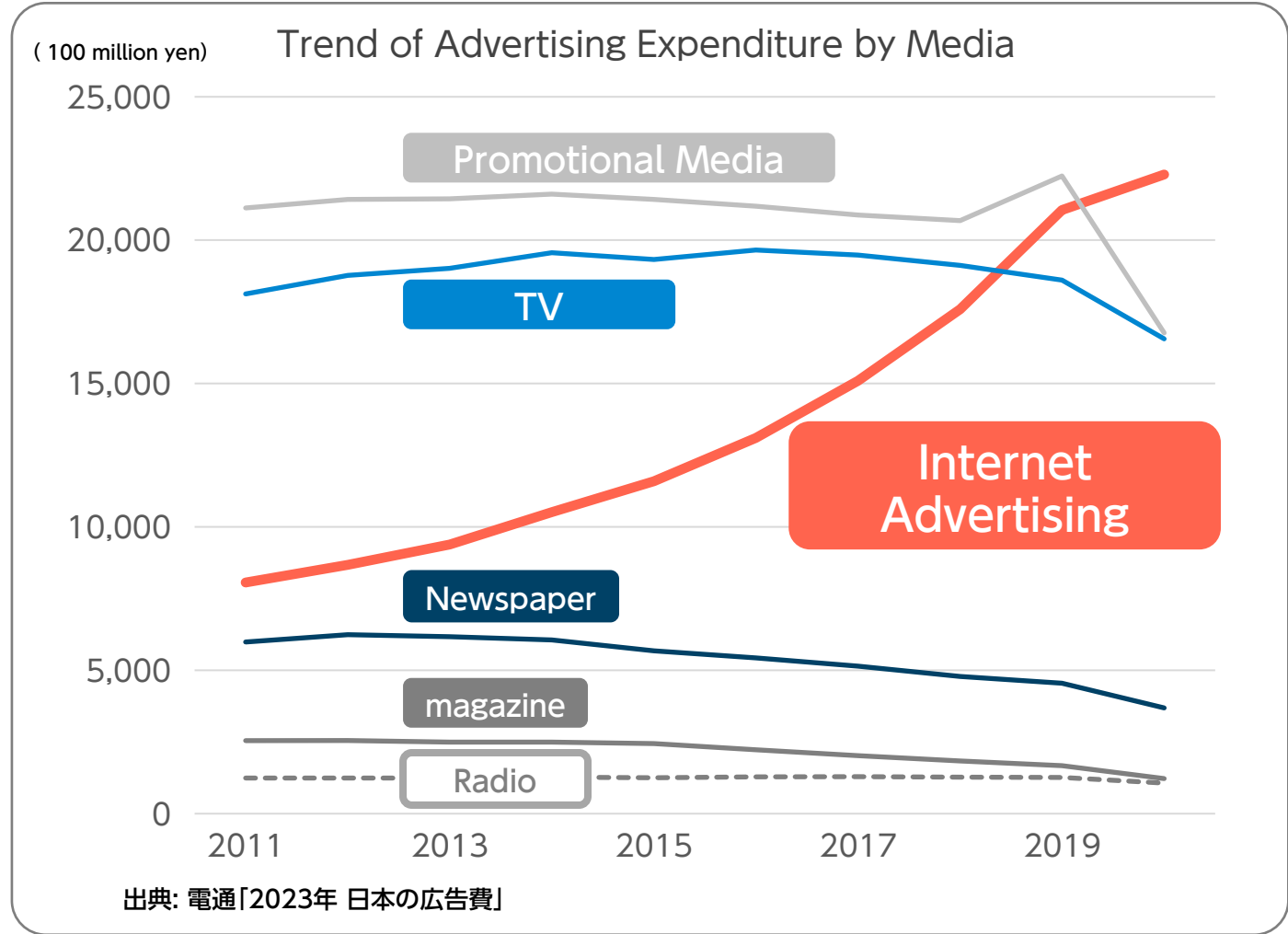
 User Insight  Social Insight

Supporting effective digital marketing by utilizing data from over billions of websites and SNS and our analytical technology

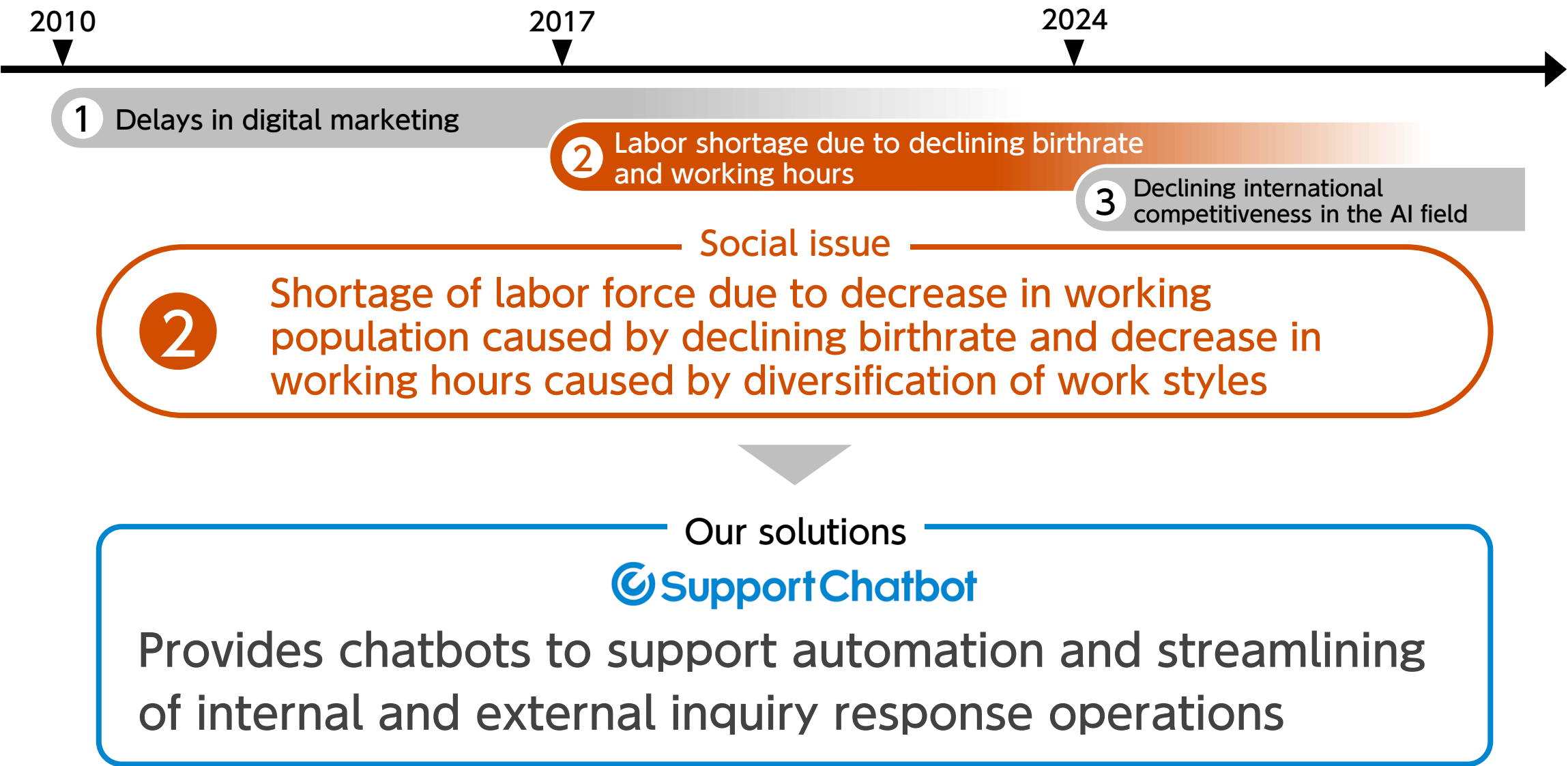
Focus Areas (1) From Founding and launch of business to around 2017, before the company went public

Social issue① Delays in digital marketing

Internet Advertising Spending Increases and It is imperative for companies to respond to digital marketing



Focus Areas (2) From 2017 to 2023

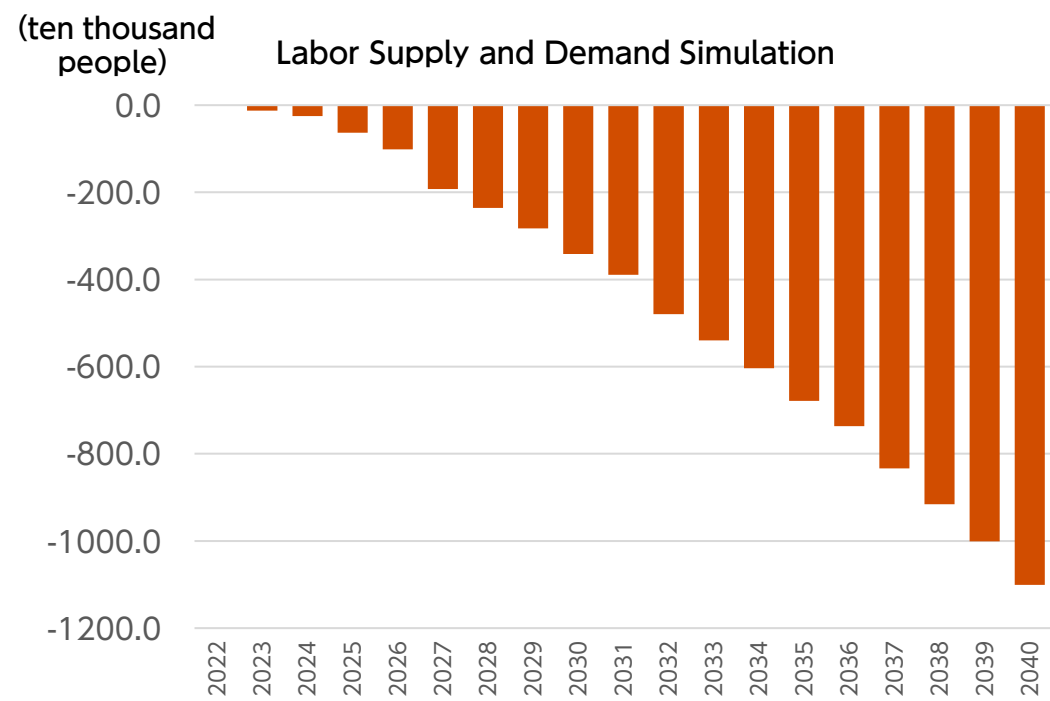


Focus Areas (2) From 2017 to 2023

Social issue② Labor shortage due to declining birthrate and working hours

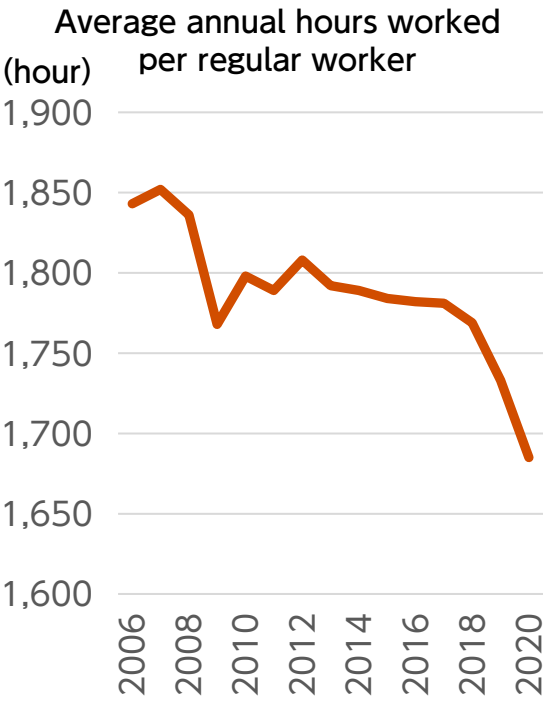
In the late 2010s, the shortage of domestic workforce became a serious issue

Decrease in workforce



リクルートワークス研究所「未来予測2040 労働供給制約社会がやってくる」より作成

Diversification of work styles



出典：厚生労働省「毎月勤労統計調査」



Telework



Improvement of paid leave utilization rate



Reduction of overtime hours



Balancing Childcare and Work

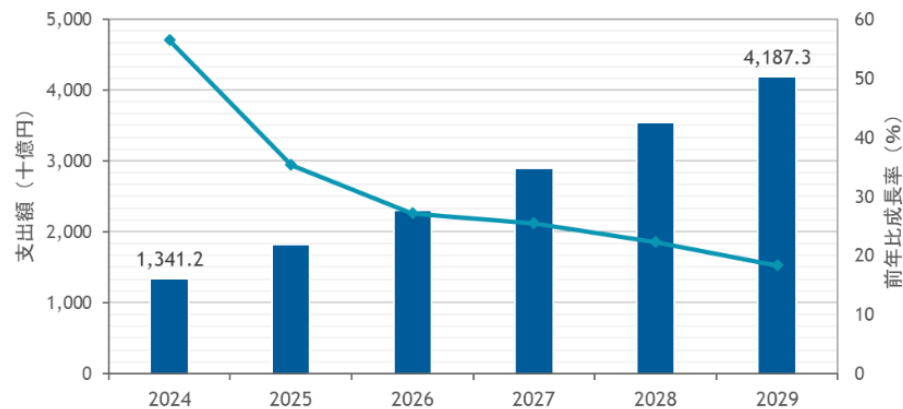
Focus Areas (2) From 2017 to 2023

Social issue② Labor shortage due to declining birthrate and working hours

The Corona Disaster from around 2020 will accelerate the shift to online and DX
In line with the expansion of the AI and DX market, we are particularly focusing on the development of DX support tools

Domestic AI System Market Forecast

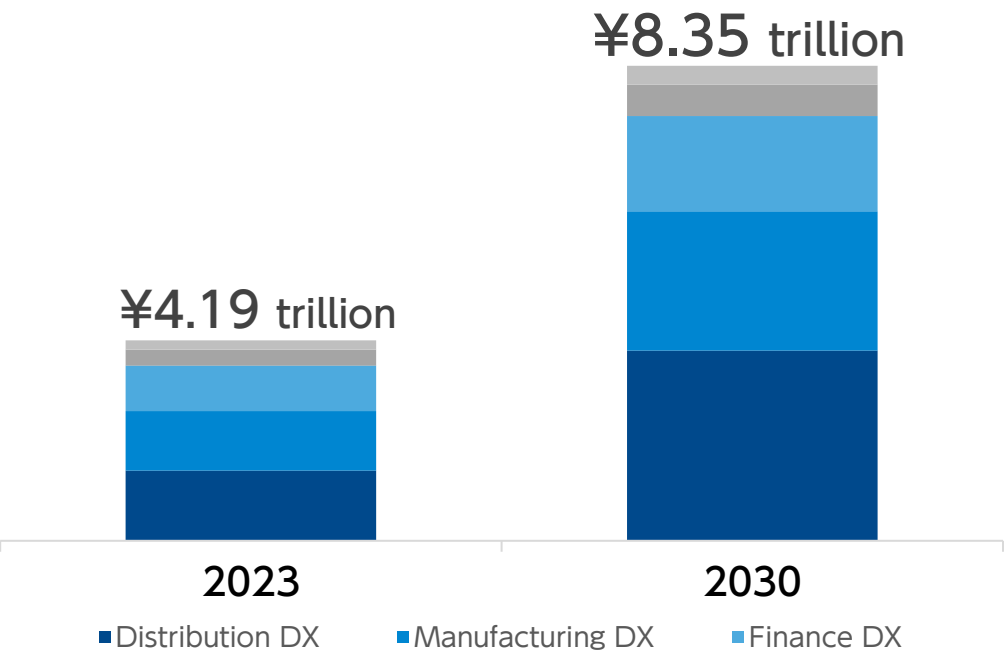
The compound annual growth rate (CAGR) from 2024 to 2029 will be 25.6%, to **4,187.3 billion yen** in 2029



出典: IDC Japanプレスリリース「国内AIシステム市場予測を発表」(2025/5/1)

DX domestic market research

Projected to surpass **8 trillion yen** in FY2030



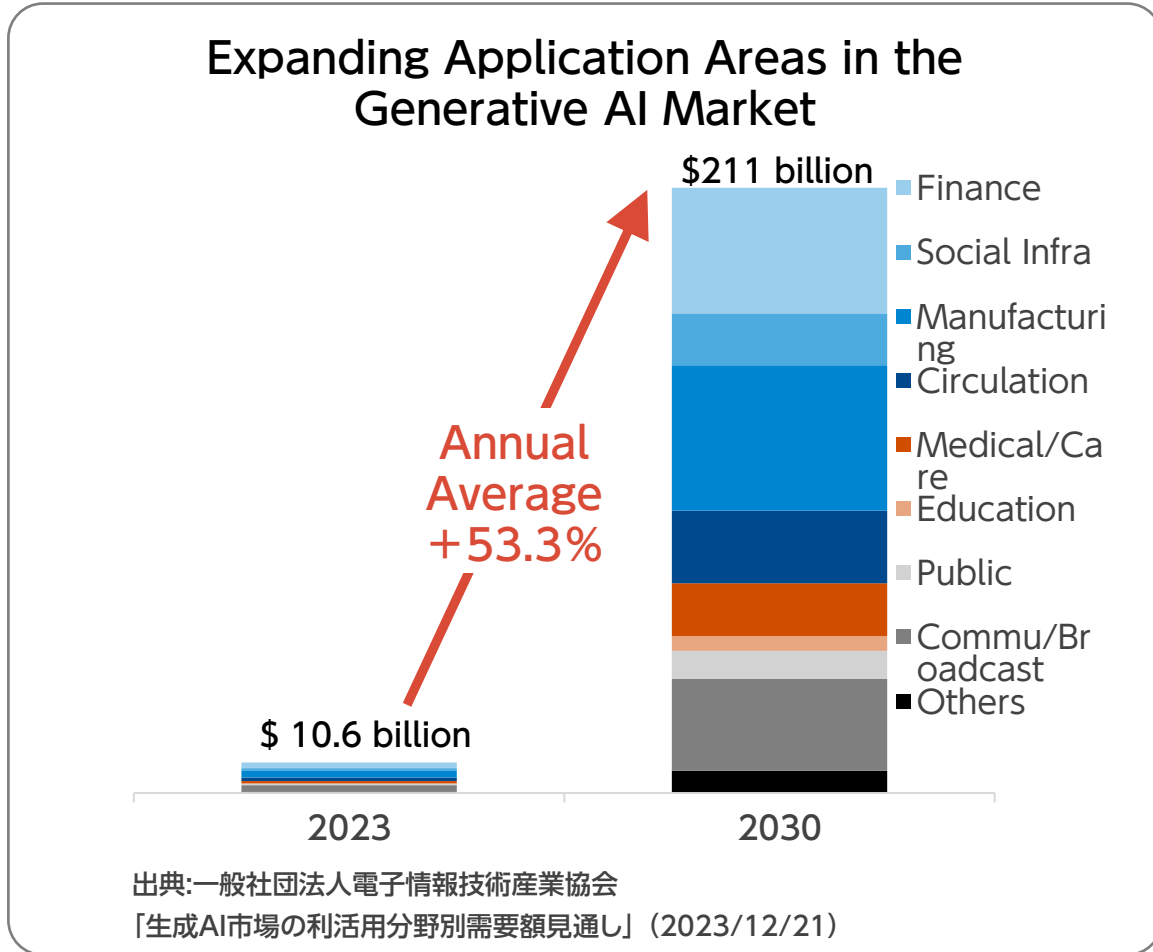
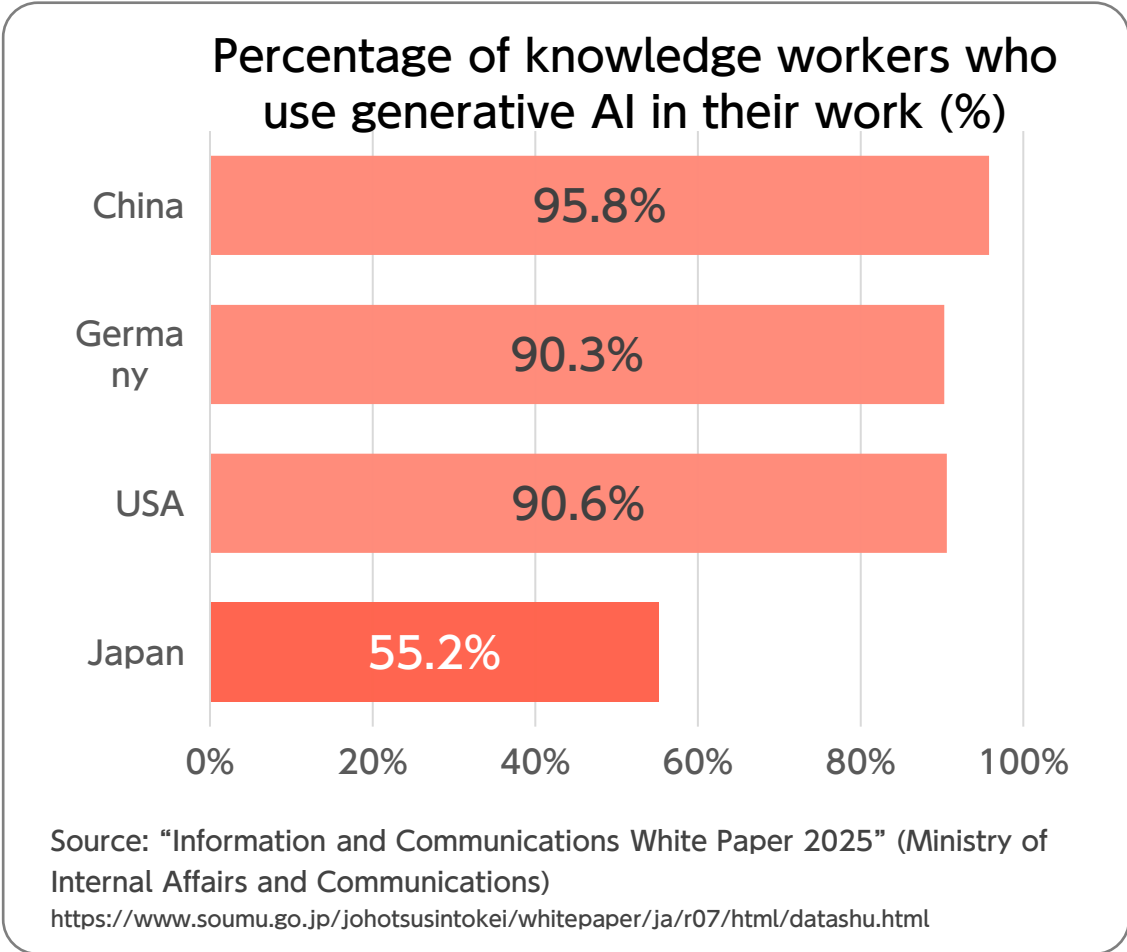
Focus Areas (3) From 2024



Focus Areas (3) From 2024

Social issue③ Declining international competitiveness in the AI field

While the lack of progress in the use of generative AI in Japanese business, its application areas are expected to expand significantly in the future



Market Environment :

The Impact of the Explosive Growth in Demand for AI

Against the backdrop of rapidly growing global demand for AI, AI-related costs are surging

3 Factors Behind the Rise in AI-Related Costs



1. Increased Use of the Service

In addition to the growing number of companies using our products, our costs for generative AI models have skyrocketed as our customers have advanced their use of sophisticated AI applications involving image and audio data, as well as large-scale documents.



2. System Development Costs Skyrocket

As global demand for AI surges, the supply of the infrastructure required for AI use (GPUs, memory, and SSDs) is unable to keep up, causing system implementation costs to rise temporarily.



3. Impact of Exchange Rate Fluctuations (Yen Weakness)

Since the fees for generative AI models are denominated in U.S. dollars, costs in yen may increase if the yen continues to weaken.

Addressing Rising AI Costs : Establish a system that allows us to enhance our services while reducing costs

While aiming to “maximize the number of contracts,” we will implement the following measures to reduce AI costs going forward

1 Leveraging Low-Cost AI Models and Open Models

Thanks to improvements in AI model performance, it is now possible to use lower-cost models to perform tasks at the same level or even better than before. We will work to improve cost-effectiveness by leveraging affordable generative AI models and conducting validation of local LLMs.

2 Development of High-Value-Added Products Using AI

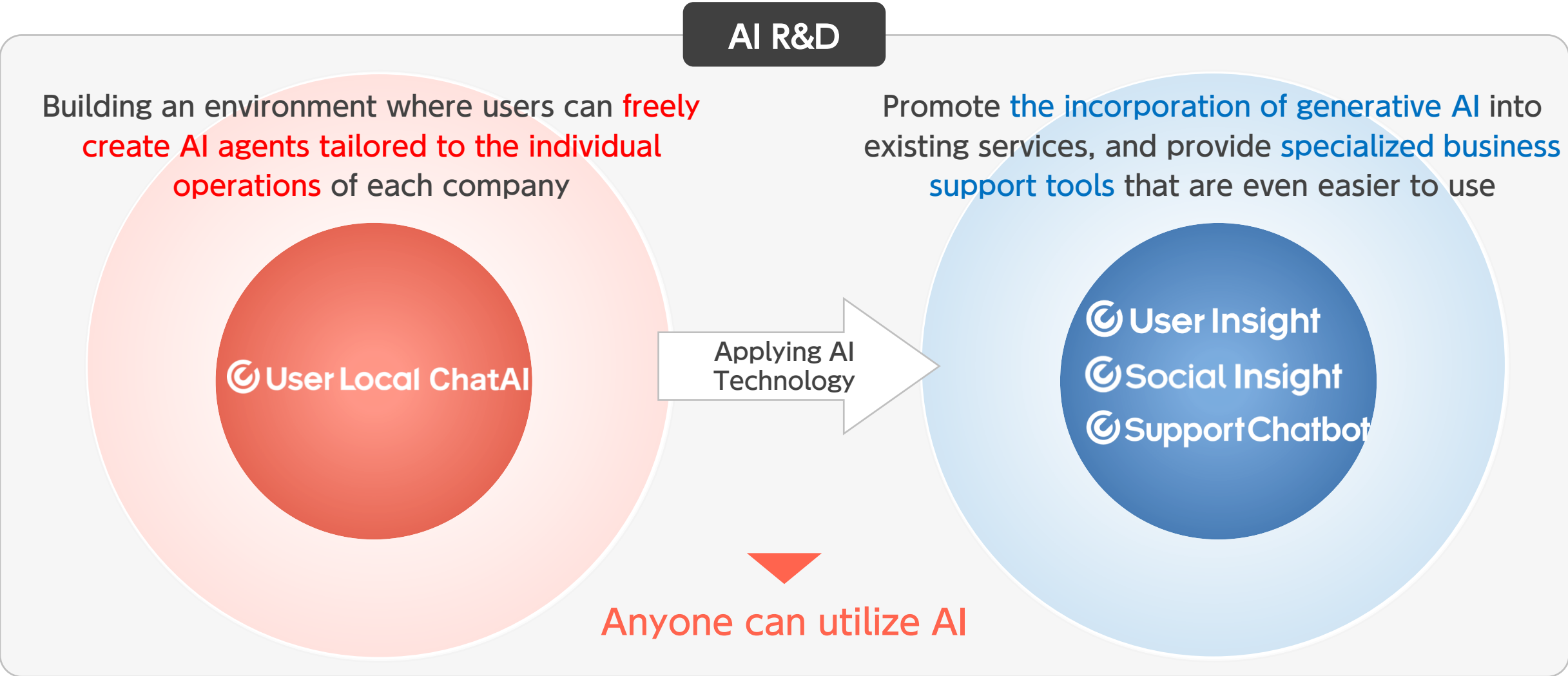
We will make the most of our extensive customer base and accumulated proprietary data to provide highly effective products that solve customer challenges and build a robust service infrastructure that more than offsets the increased costs associated with AI.

3 Establishing a High-Speed Development Framework Using Generative AI

Programming automation provided by “Coding Agent” simultaneously accelerates system implementation and improves performance. Engineers can focus on meeting customer needs and strengthening market competitiveness.

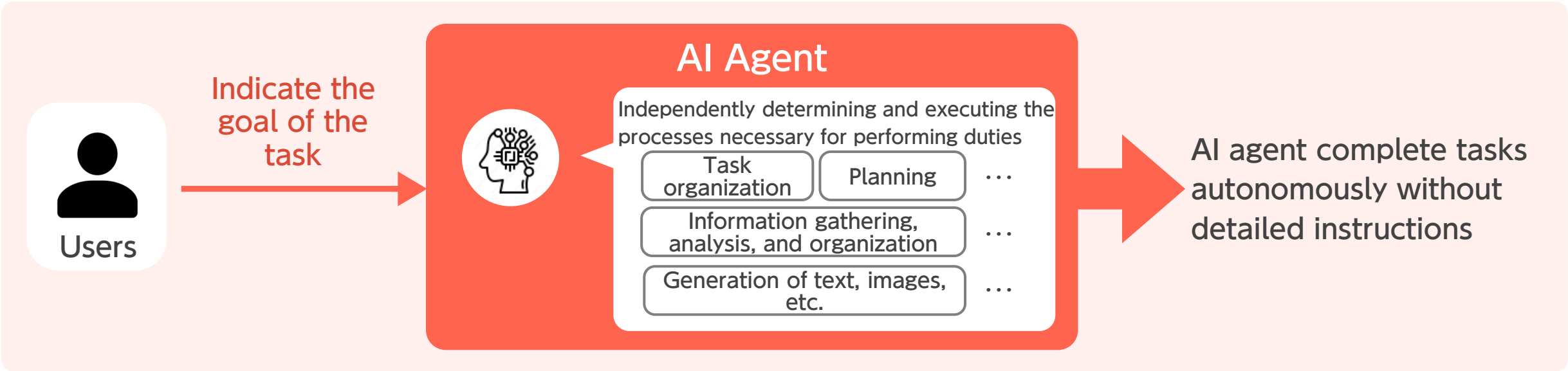
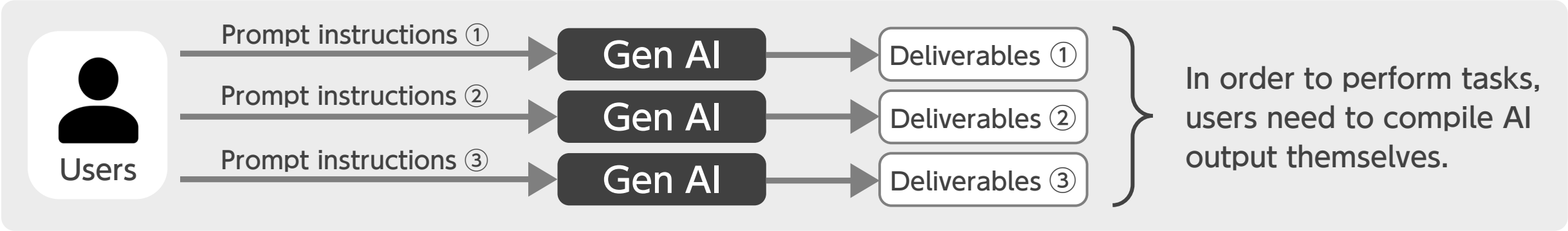
Focus areas

Advancing AI R&D centered on ChatAI, while also integrating this AI technology into existing services to support further business utilization of AI.



What is an AI Agent?

AI autonomously performs tasks as an agent without specific instructions from users
Anyone can utilize AI regardless of skill level, as it does not depend on user instructions

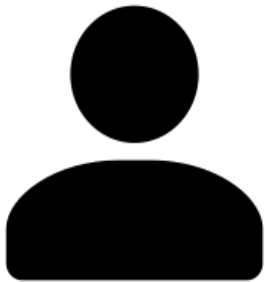


UserLocal ChatAI implemented[Custom AI Agent]

Custom AI Agent

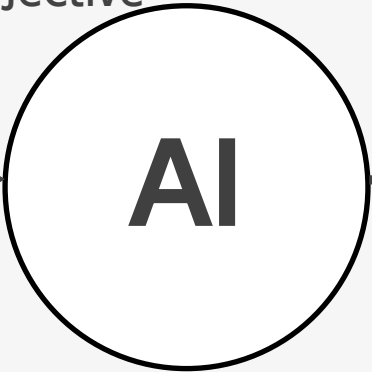
Create the optimal agent tailored to your company's operations

① I want to automate company analysis



User

② AI thinks through the tasks necessary to achieve the objective

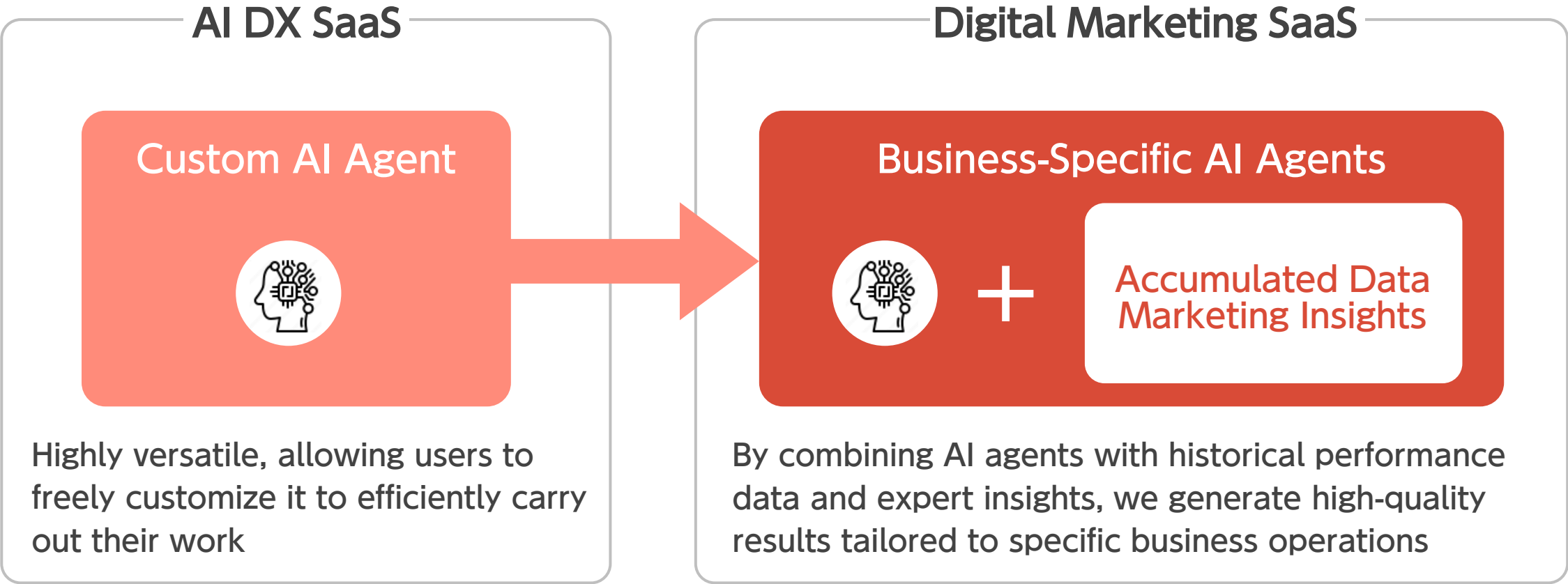


③ Generate AI agents to automate company analysis



Expanding the Implementation of AI Agents in Digital Marketing SaaS

We have optimized and integrated the highly versatile AI agents we have developed in the AI DX field for the digital marketing sector, automating high-precision, task-specific decision-making and execution.



User Insight Automated Proposals for Analysis and Improvement Measures by AI Agents



With just one click, AI comprehensively analyzes your website's traffic data and suggests improvement strategies

The interface is divided into two main sections. The left section, titled "AI分析エージェント" (AI Analysis Agent), contains a list of questions to ask the AI. The first question, "AIサイト分析+改善提案 (数十秒から数分かかります)" (AI Site Analysis + Improvement Proposal (takes tens of seconds to a few minutes)), is highlighted with a red box. Below it are other questions like "PVが多いページを順に5つ教えて" (List the top 5 pages with high PV), "今週のサイト全体のトラフィック推移を分析して" (Analyze the traffic trend of the entire site this week), "今週の主要なコンバージョンを集計して" (Aggregate the main conversions of this week), "今月大きく変動があった流入キーワードはある？" (Are there any keywords with significant fluctuations in this month's inflow?), and "広告のパフォーマンスを分析して" (Analyze the performance of ads). At the bottom is a text input field "AIへの質問を入力" (Enter question to AI) with a send button.

A red arrow points from the first question to the right section, which displays the "分析結果" (Analysis Results). This section is also highlighted with a red border. It contains a list of findings: "検索依存度は高く、流入の 81.21% が検索経由でした" (Search dependency is high, 81.21% of inflow was from search), "直帰率は 90.93% と高い一方、平均滞在時間は 337秒 あり、コンテンツ自体は読まれている傾向です" (Bounce rate is 90.93%, which is high, but average stay time is 337 seconds, and content is being read), "検索クエリでは「面接」「クチコミ」「選考」など、具体的な選考体験ニーズが強く出ています" (In search queries, specific needs for interview experience are strong), and "改善の中心は、検索結果でのクリック率改善、冒頭要約の追加、関連記事への内部リンク強化 が有望です" (The center of improvement is click rate improvement in search results, adding introductory summaries, and strengthening internal links to related articles). Below this is a "詳しく見る" (View details) button. The next section is "改善アクション" (Improvement Actions), which lists: "上位流入ページのタイトル・見出しを、検索意図に合わせて調整するとよいです" (Adjusting titles/headings of top inflow pages to match search intent is good), "各記事の冒頭に「ES設問・面接内容・志望動機」などの要約を置くと、読みやすさが高まりやすいです" (Placing summaries like "ES questions, interview content, motivation" at the start of each article improves readability), "個別ページ下部に、業界・職種・企業群ごとの関連記事リンクを追加すると回遊改善が期待できます" (Adding related article links by industry/occupation/company group at the bottom of individual pages improves navigation), and "トップページに「目的別導線」を追加すると、初回訪問者が動きやすくなる可能性があります" (Adding "purpose-based navigation" to the top page may make it easier for first-time visitors to navigate). Below this is another "詳しく見る" (View details) button. The final section is "優先度高：既存ページの検索流入改善" (High Priority: Improve search inflow of existing pages), followed by "1. タイトルとディスクリプションの見直し" (1. Review titles and descriptions). It states: "表示回数が多いのにクリックが弱いページでは、検索結果上の訴求改善が有効です。特に以下の要素をタイトルや冒頭に反映するとよいです。" (For pages with high impressions but weak clicks, improving appeal in search results is effective. Especially, reflecting the following elements in titles or introductory paragraphs is good). A blue arrow points down to a text input field "AIへの質問を入力" (Enter question to AI) with a send button.

You can also delve deeper into analyses and discuss strategies via chat.

Social Media Management Tool Social Insight Automating Tasks and Enhancing Risk Detection with Generative AI

 AI automates the generation of improvement proposals, including customer review surveys, suggested post ideas, and response analysis

AI automatically generates post ideas

1. 投稿内容を入力

投稿テーマ

神奈川県で夏休みに行くのにおすすめの納涼スポットは？

キーワード (投稿文にそのまま含めたいキーワード、スペース区切り)

8月

投稿画像 (1枚まで)

ここにファイルをドロップ
または、以下の方法で選択

ファイルを選択

PC内の画像

アルバムから選択

アップロード済みの画像

画像: JPEG(jpg, jpeg), PNG(png)

生成された投稿案

✕ ✓

川崎市地元ニュース (@kawasaki_liebe)

ターゲットユーザー: 20代の女性
促したい行動: 「いいね」をしてもらう

コピーする

+ 投稿

皆さん、こんにちは！神奈川県で8月に訪れたい納涼スポットのご紹介です。今頃は、涼しい風が感じられる素敵な場所を厳選しました。お楽しみに！ #川崎市 #イベント情報

コピーする

+ 投稿

皆さん、こんにちは！8月におすすめの納涼スポットをまとめました。今夏の夏、神奈川県のある場所で楽しい思い出を作りましょう。いいね！お楽しみに！ #川崎市 #イベント情報

Preliminary assessment of the risk of a backlash

分析結果

▼ タイプを絞り込み: ☒ 文章校正 ☒ 炎上リスク ☒ 投稿スタイル ☒ 法的リスク

▲ AIによる情報提供であり、弁護士等の法的な助言ではありません

薬機法に関するリスク

✓ 解決

...決定] 脂肪肝がお酒も食事我慢せず正常値に スクホ...

特定の疾病 (脂肪肝) について治療・改善を断定する表現であり、食品で疾病が正常化するような効能効果を標榜するものと誤認されるおそれがあります。

薬機法に関するリスク

✓ 解決

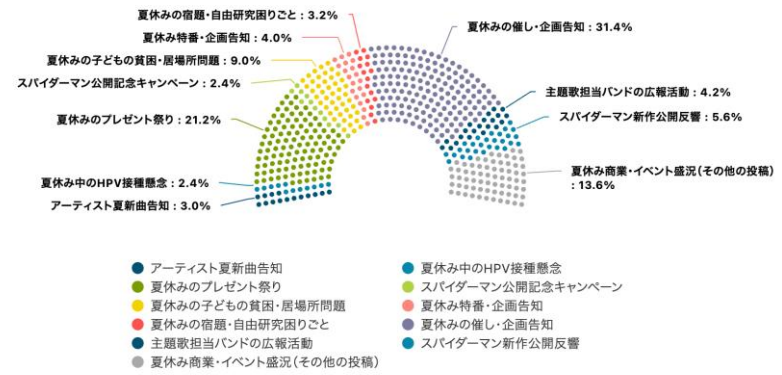
...正常値に スクボロだった肝臓が半年で復活！

肝臓が短期間で「復活」すると断定する表現で、治療や機能回復を確約するように受け取られる医薬品の効能の示唆に該当する可能性があります。

Automatic reports on reactions to posts

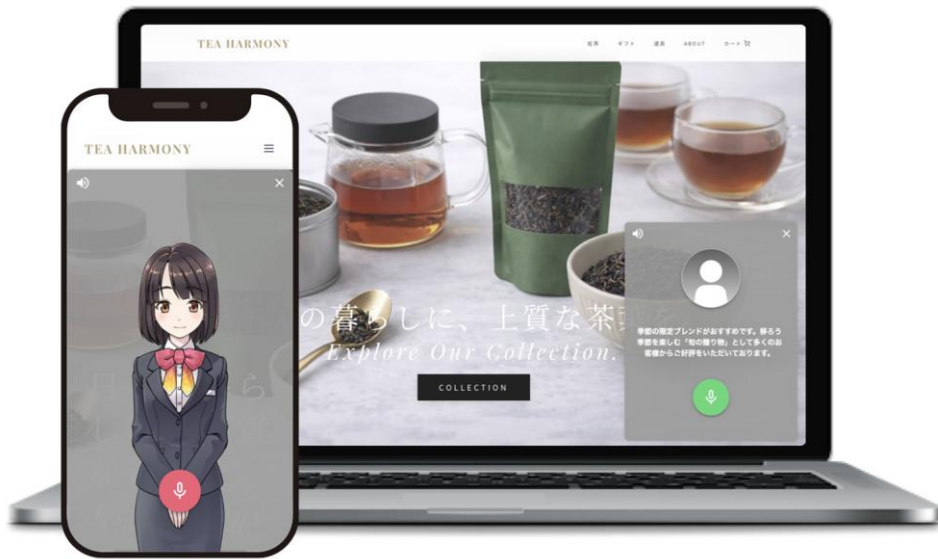


AI automatically categorizes large volumes of customer reviews



Development of a “Voice AI Agent” to Replace Phone Inquiries

Automate the handling of inquiries from website visitors through voice interaction



An intuitive agent you can use just by speaking to it

Customers can ask questions by pressing the microphone button and speaking, and since answers are provided verbally, the service is easy to use without the hassle of typing.

Learning manuals and product websites

By leveraging the latest generative AI and RAG (Retrieval-Augmented Generation) technologies to generate responses while referencing source materials, this solution eliminates the need to pre-create anticipated Q&A pairs, enabling rapid deployment.

Text mining on conversation content and visualizing keywords

Conversations with customers are saved as text and can be reviewed later via the admin panel. By applying User Local's proprietary natural language processing technology to mine text from past questions, we can visualize the specific issues and concerns that many customers are facing.

Developing generative AI support tools specialized for individual tasks

Continuously developing business support tools focused on specific tasks by combining our proprietary AI with generative AI



Automatic creation of presentation materials

Automates all the tedious work of creating presentation materials

UserLocal Slides GenAI
URL: https://ai-tool.userlocal.jp/powerpoint_maker/



Auto-generate articles you want to write

Even long articles are automatically generated by simply entering two or three words

UserLocal AI Writer
URL: <https://ai-writer.userlocal.jp/>



Determining whether text was written by generative AI

Automatic determination of the possibility that the sentence was created by AI using our proprietary algorithm that uses machine learning to detect phrasing and vocabulary biases unique to generative AI

UserLocal GenAI Checker
URL: https://ai-tool.userlocal.jp/ai_classifier



Caution Regarding These Materials

User Local, Inc. (the "Company") created these materials to aid investors' understanding of the Company and circumstances currently surrounding the Company.

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The Company makes no representations or warranties of any kind, expresses or implies, about the completeness and accuracy.

The materials and information provided in this announcement include so-called "forward-looking statements." These statements are based on current assumptions that include a degree of projection, forecasting, and risk. They contain uncertainties that may lead to results that differ substantially from the content of these statements.

These risks and uncertainties include general industry and market circumstances, together with general domestic and international economic circumstances, including changes in interest rates and foreign exchange rates.

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