



# Financial Results Briefing Materials For FY2025

August 7, 2025

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

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

# Executive-Summary

## Both Net Sales and each Profit for FY2025 cumulative period reached record highs

Achieved consecutive increase in sales and profit. Net sales for the fiscal year were 4,581 million yen (up 17.3% year on year) and operating profits was 1,971 million yen (up 14.1% year on year). Total number of contracts exceeded 5,000.

## New services related to generative AI are off to a strong start

Steady increase in use of “UserLocal ChatAI”, a generative AI platform services provided in previous fiscal year  
Aim for expand business to continue to strengthen R&D and sales structure in FY2026

## Shareholder returns will be implemented with a target dividend payout ratio of 20% or more

Dividend for FY2026 is 20 yen per share, up ¥6 from the previous fiscal year (Dividend payout ration of 21.0%)  
Plans to implement interim dividends to enhance profit return

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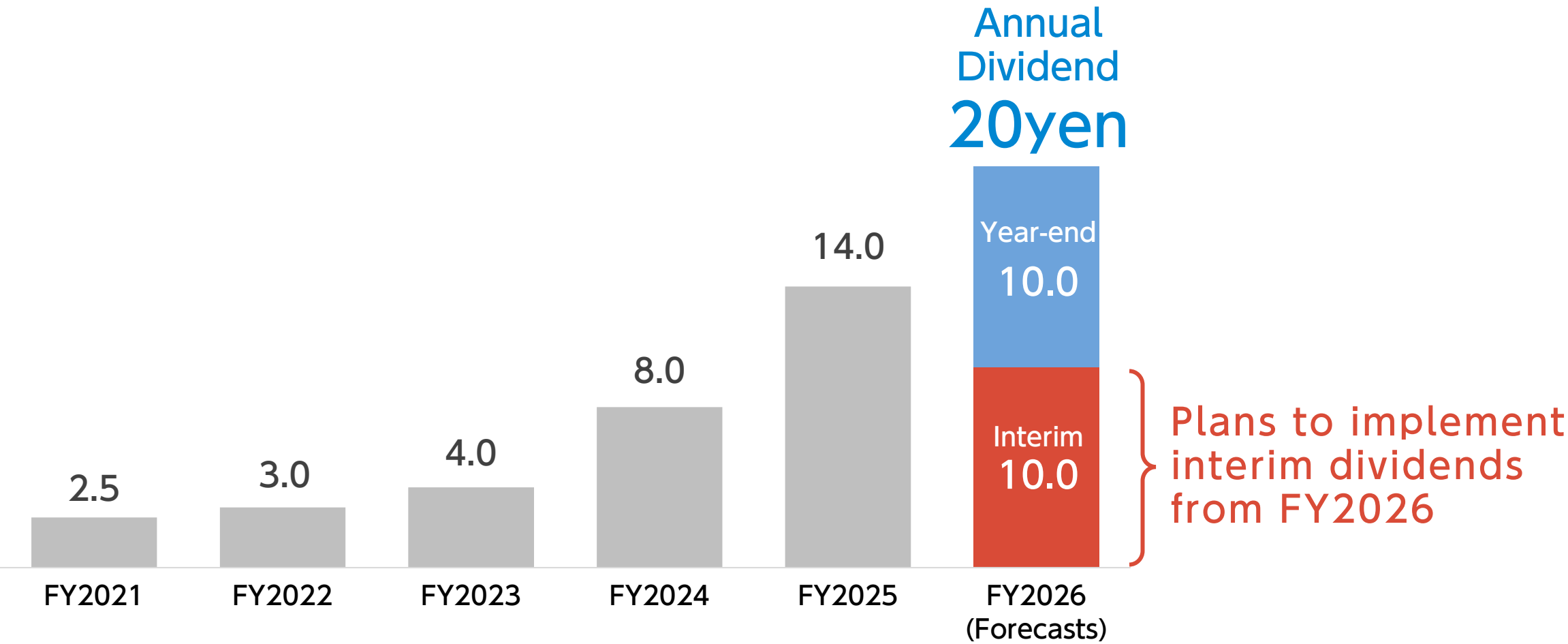
# Financial Highlights

# Highlights for FY2025

<div>Net Sales</div> <div>4,581million yen</div>	<div>Operation Profit ratio</div> <div>43.0%</div>	<div>Dividend Per Share</div> <div>14yen</div>
<div>Earnings Per Share (EPS)</div> <div>88.9yen</div>	<div>Number of Contracts</div> <div>Over5,000</div>	<div>Consecutive periods of increased revenue and profits</div> <div>18periods</div>

# Dividend Payout ratio

Dividend for FY2026 is 20 yen per share, up ¥6 from the previous fiscal year with a target dividend payout ratio of 20%



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# 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

1,214 million yen (as of June 30, 2025)

Employees

112 (as of June 30, 2025)

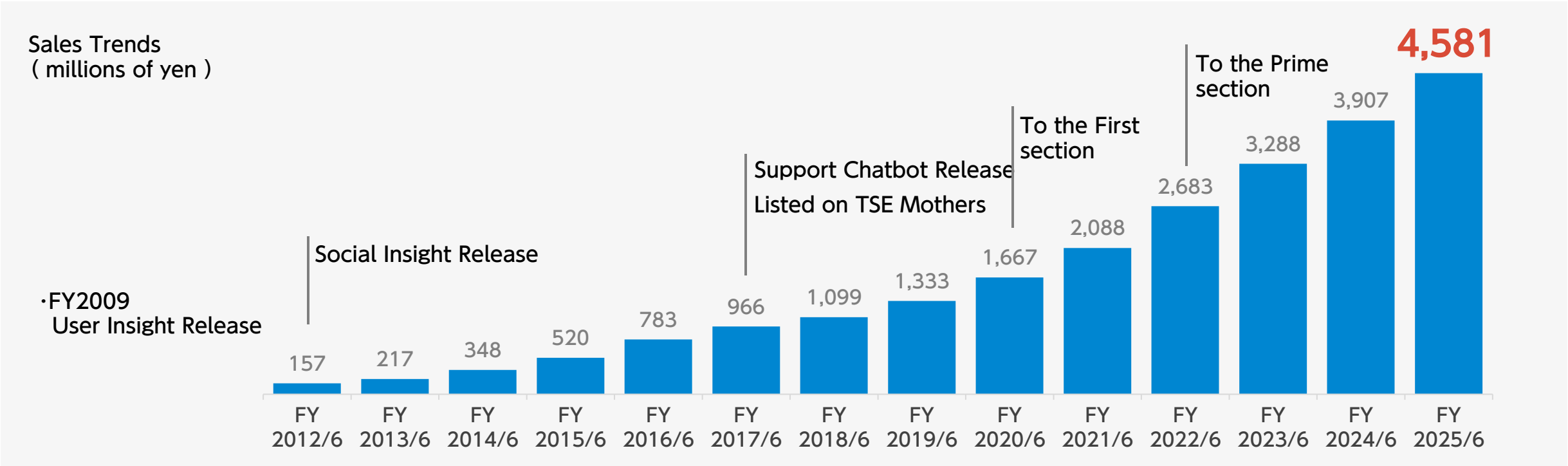
Head office

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

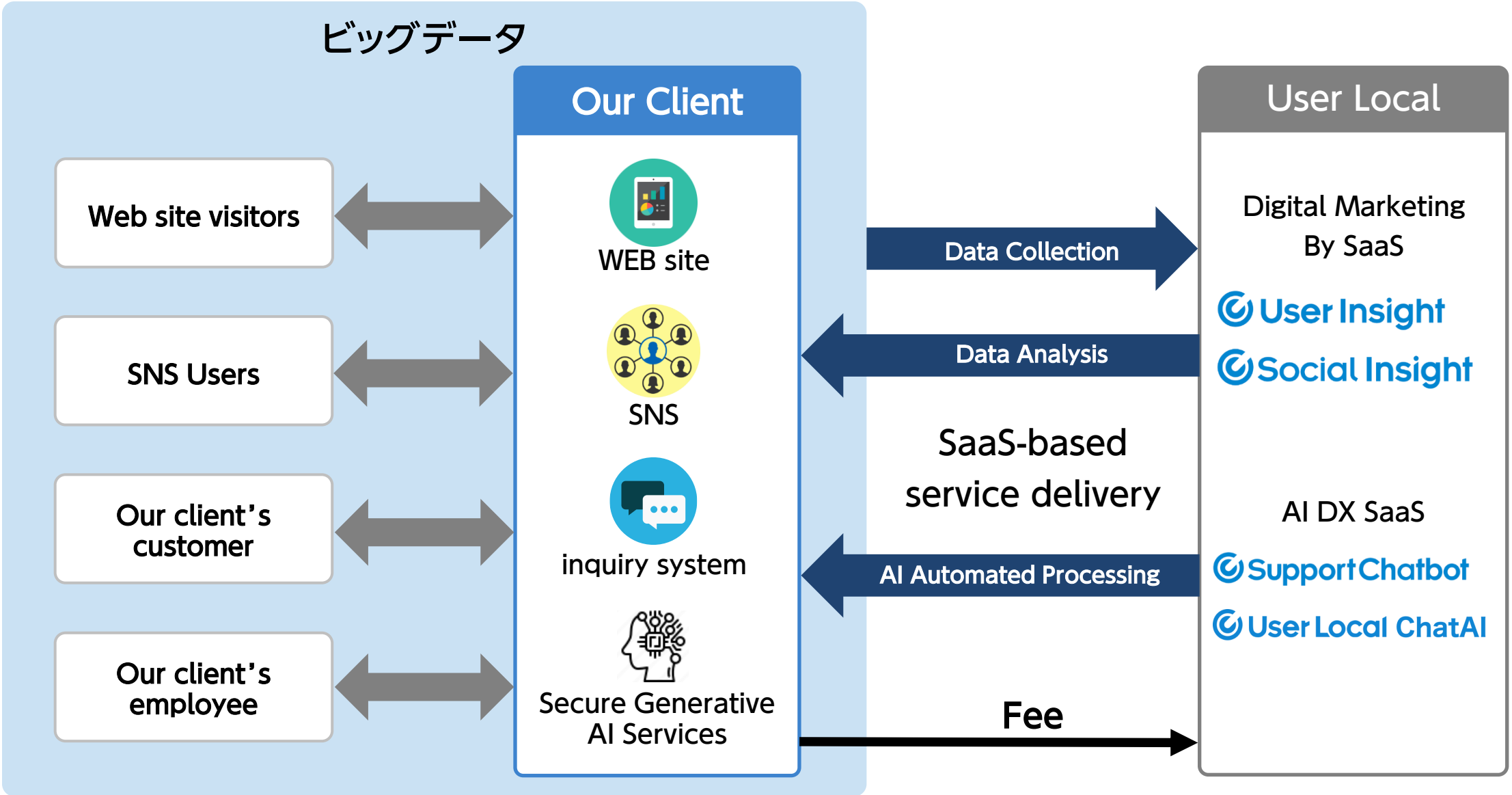




# Company outline



# 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

## 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

## 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

## 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



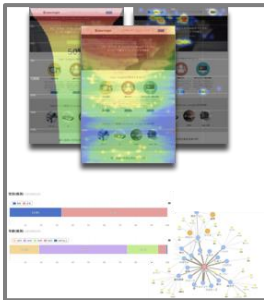
# Providing in-demand services・Core values of each service

## Business Development in Growth Markets of Big Data and AI

### ① Digital Marketing by SaaS

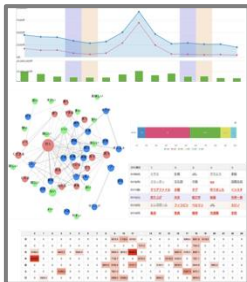
**User Insight**

All-in-One Web Analysis Tool



**Social Insight**

Analysis and operation tools to streamline SNS operations



### ② AI DX SaaS

**Support Chatbot**

AI chatbot tool to automate support operations



**User Local ChatAI**

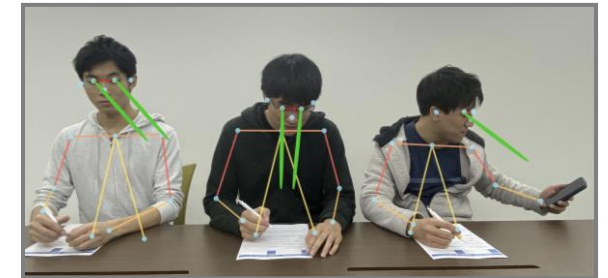
Platform of Generative AI



### ③ AI R&D Products

～ Exploring New Areas ～

**Cheating Prevention AI**



**AI Text Mining**

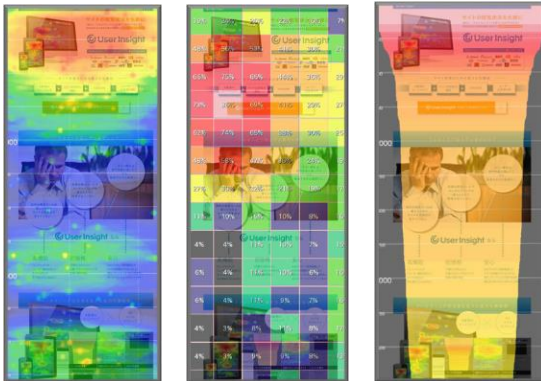


# ① Digital Marketing by SaaS

Comprehensive tools that support digital marketing that leads to results

## User Insight

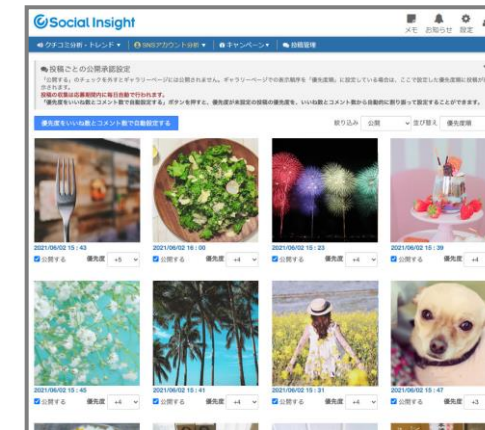
Comprehensive digital marketing tools that that enables content creation, analysis, and web customer service using generative AI



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

## 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

## 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

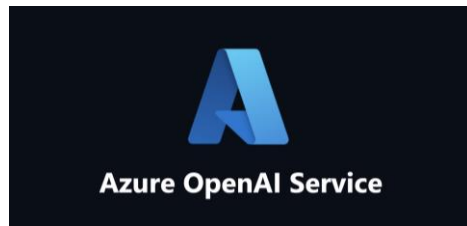
Easily manage and accumulate internal usage data on a dashboard



## 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

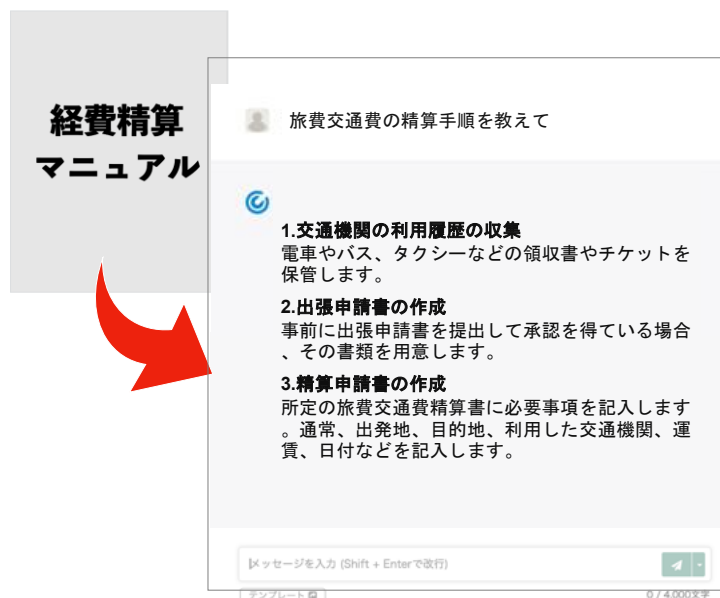


## ② AI DX SaaS 「ChatAI」

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

### Operational data

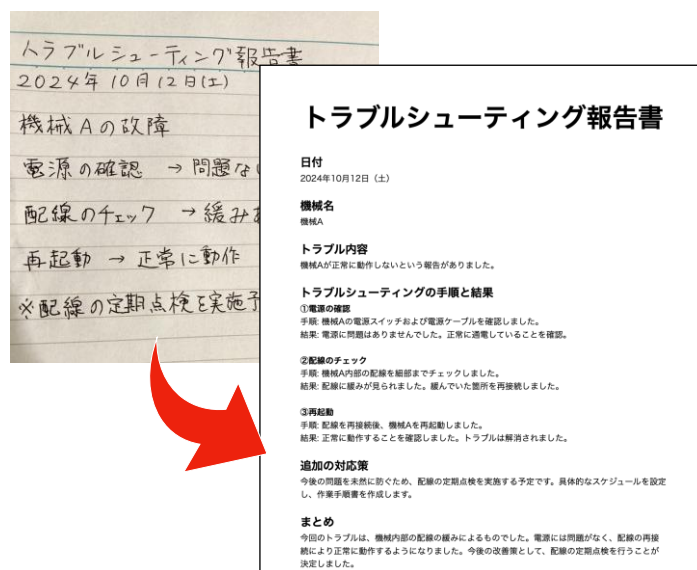
(Word, PowerPoint, PDF, Excel, etc.)



Search for internal manuals  
Create proposal materials from product data

### Image data

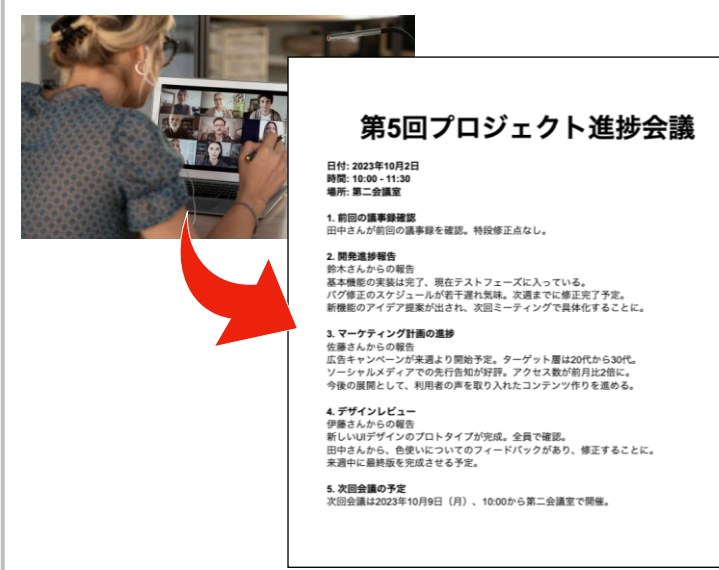
(JPEG, PNG etc.)



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.

## ② AI DX SaaS 「ChatAI」 Customer Cases

### ALBION Co.,Ltd.



( Comment excerpt )

After the implementation of User Local ChatAI, We have promoted the use of AI generation in a wide range of tasks, including research in cosmetic product R&D, brainstorming ideas for product descriptions and catchphrases, planning new products and campaigns, translation for overseas expansion, and creating meeting minutes. We have improved our operations.

### INPEX CORPORATION



( Comment excerpt )

In addition to its high-precision RAG functionality, User Local ChatAI was quickly implemented with the latest LLM model and offered intuitive operability, earning high praise within the company even during the trial period. Currently, we are promoting its use in a wide range of tasks, such as searching internal manuals, multilingual translation, and creating various documents and codes, with the aim of improving operational efficiency and productivity across the entire company.

# ③ AI R&D Products

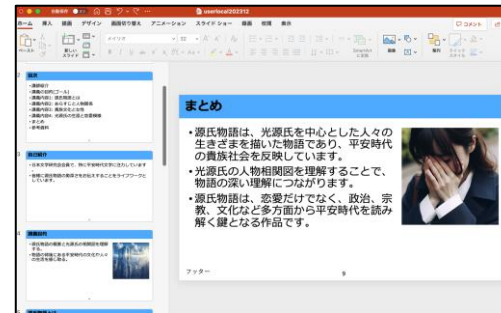
## Instagram Hashtags GenAI

Automatic generation of Instagram post text and hashtags from photos



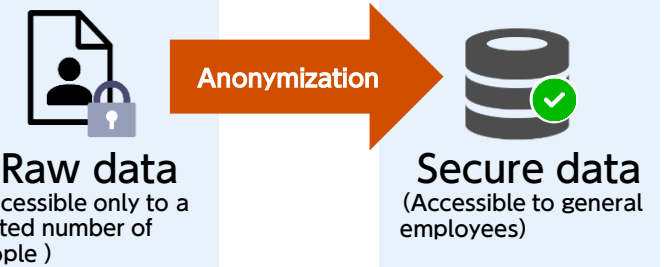
## Slides GenAI

Automatically creates presentation materials by AI



## Personal Information Anonymization AI

AI automatically anonymizes personal information contained in electronic documents to secure and promote data utilization



## 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

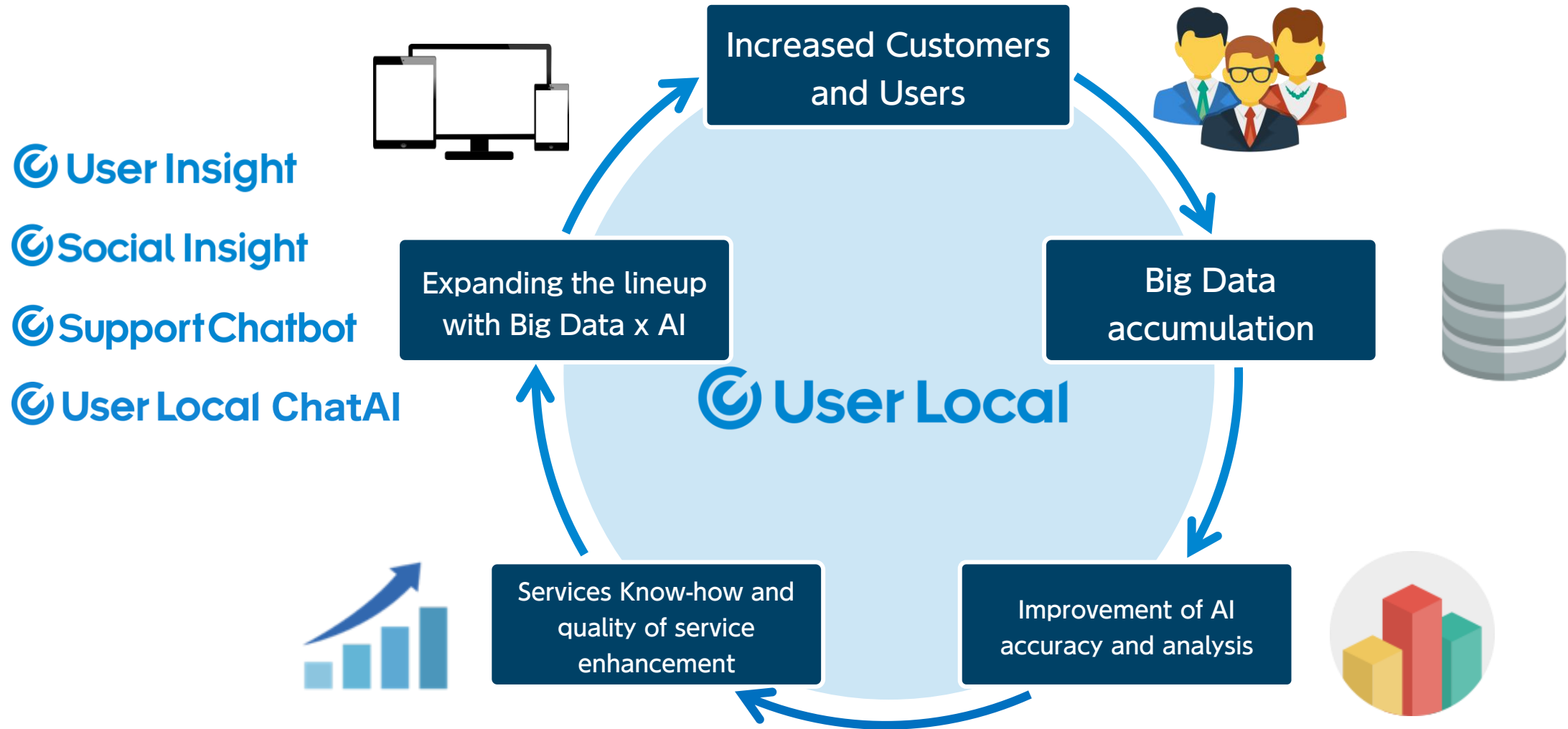


## Text Mining Tool

Analyzes and visualizes the emotions and other information in sentences

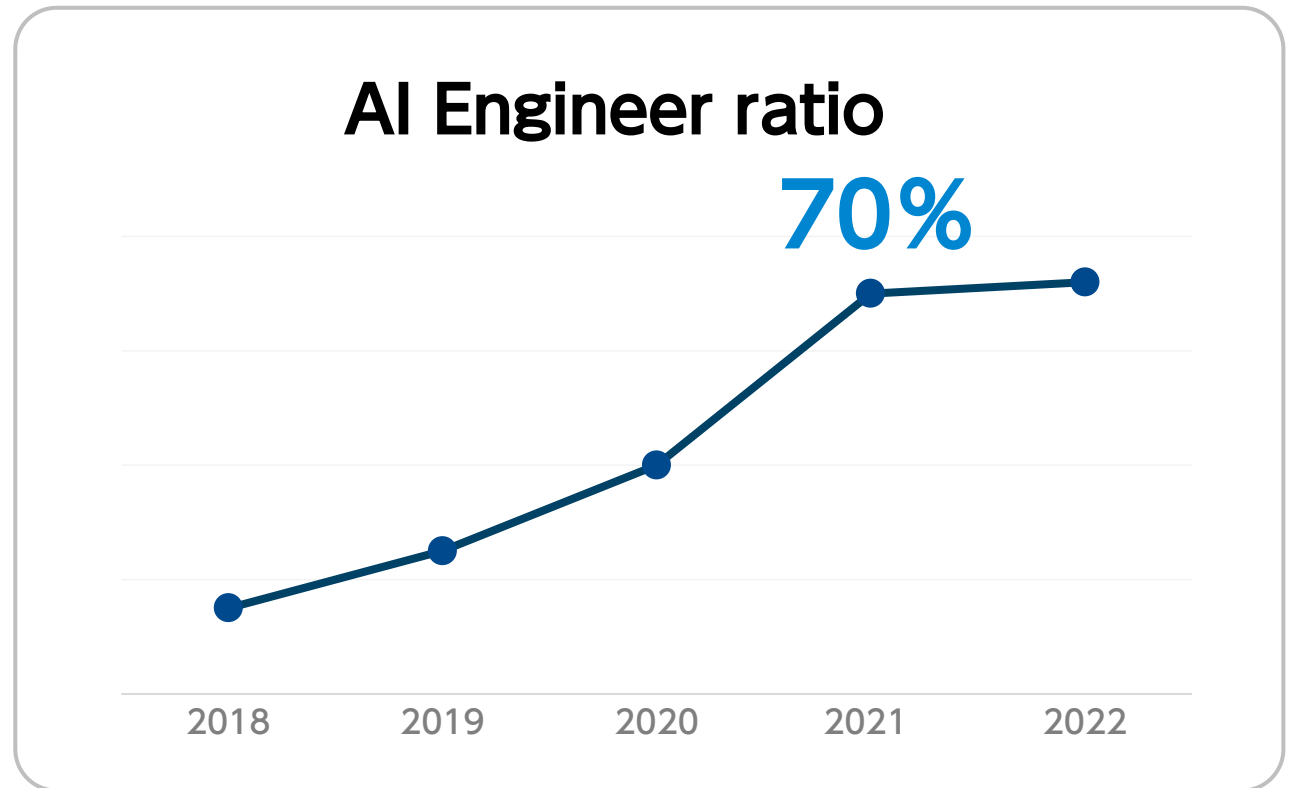
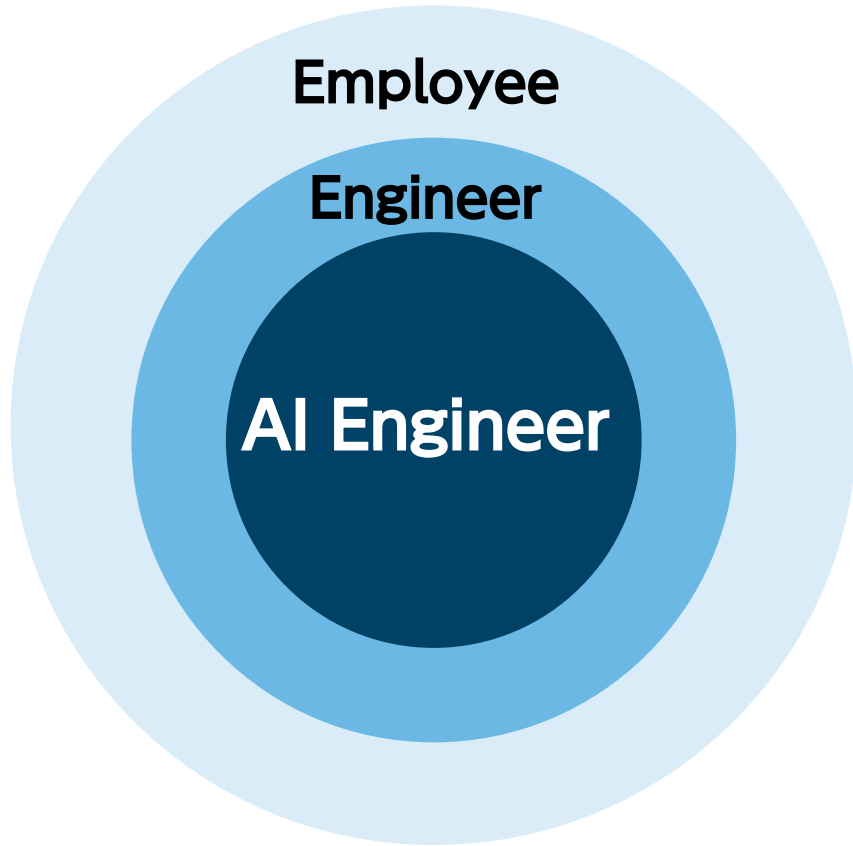


# Virtuous cycle of algorithm Improvements



# Securing tech personnel and R&D of Big Data and AI

Strengthening hiring and in-house training of AI engineers to respond to the progress of AI technology and needs for social implementation



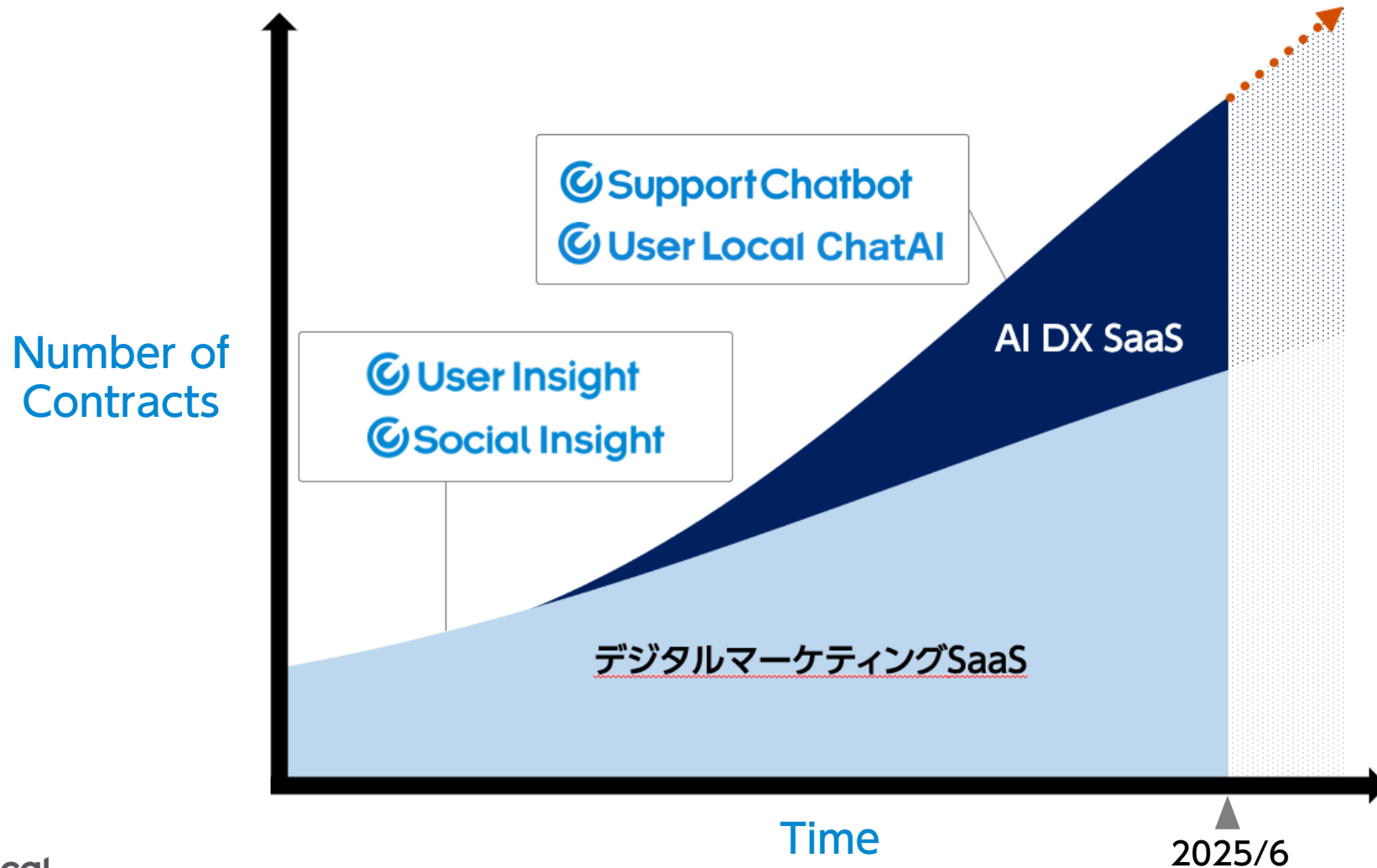
Ratio of AI engineers in the Development Department increased to more than 70%, accelerating research and development of our proprietary technologies and Customer-oriented service implementation is progressing

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

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

# 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



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# Financial Results for FY2025



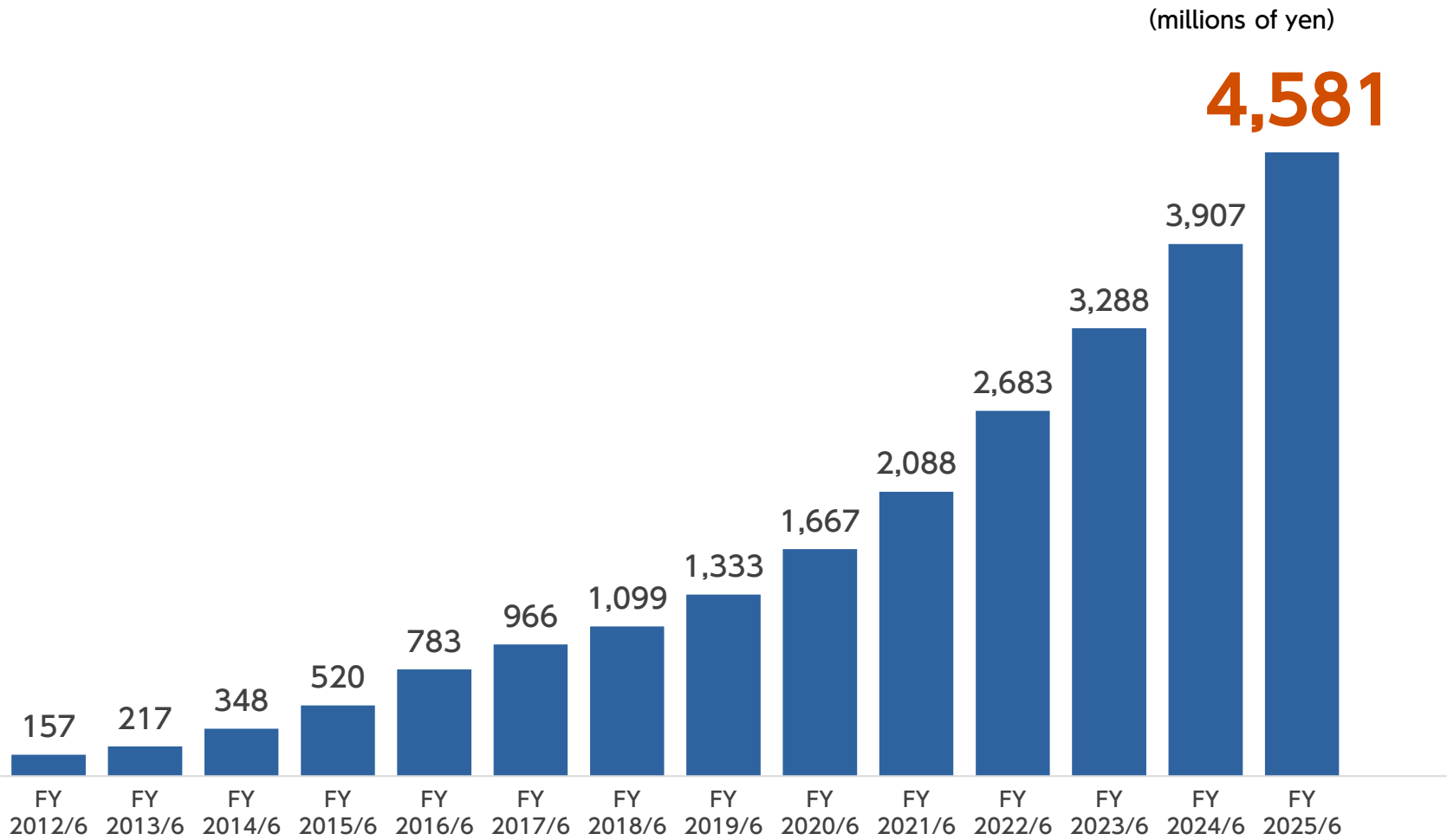
# FY2025/6 Comparison of forecasts and actual results

Net Sales is 4,581 million yen, Operation Profit is 1,971 million yen

(millions of yen)	FY 2024/6	FY 2025/6	YoY	FY 2025/6 Forecasts (24/8disclosure)	Progress <sup>※</sup> rate
Net Sales	3,907	4,581	+17.3%	4,414	103.8% (100.1%)
Operating Profit	1,728	1,971	+14.1%	1,844	106.9% (101.9%)
Ordinary Profit	1,720	1,972	+14.7%	1,844	107.0% (101.9%)
Profit	1,185	1,429	+20.6%	1,272	112.3% (107.3%)

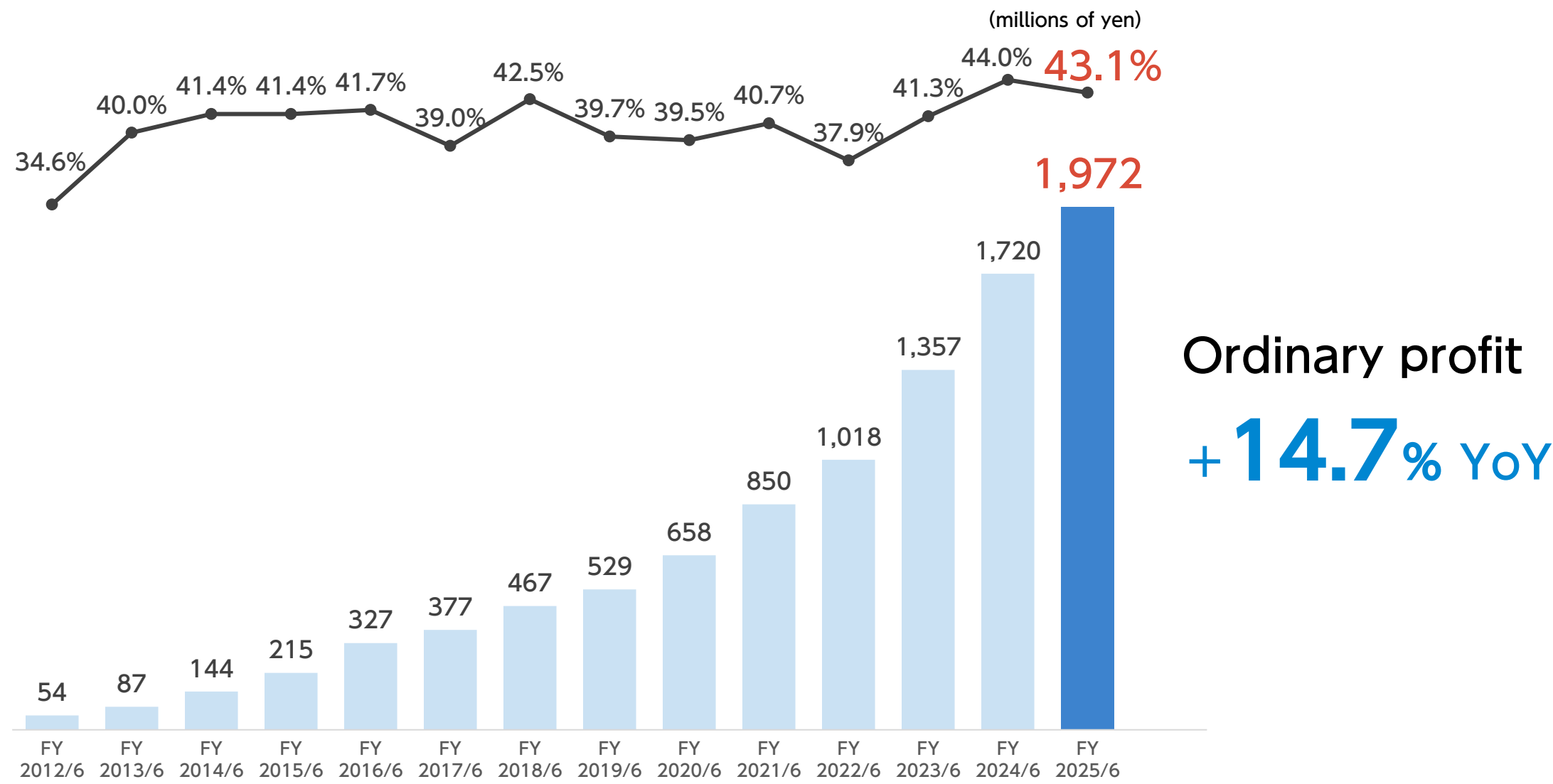
※The upper row shows the achievement rate calculated based on a comparison with the initial forecast disclosed in August 2024, and the lower row shows the achievement rate calculated based on a comparison with the revised forecast disclosed in May 2025.

# Net Sales

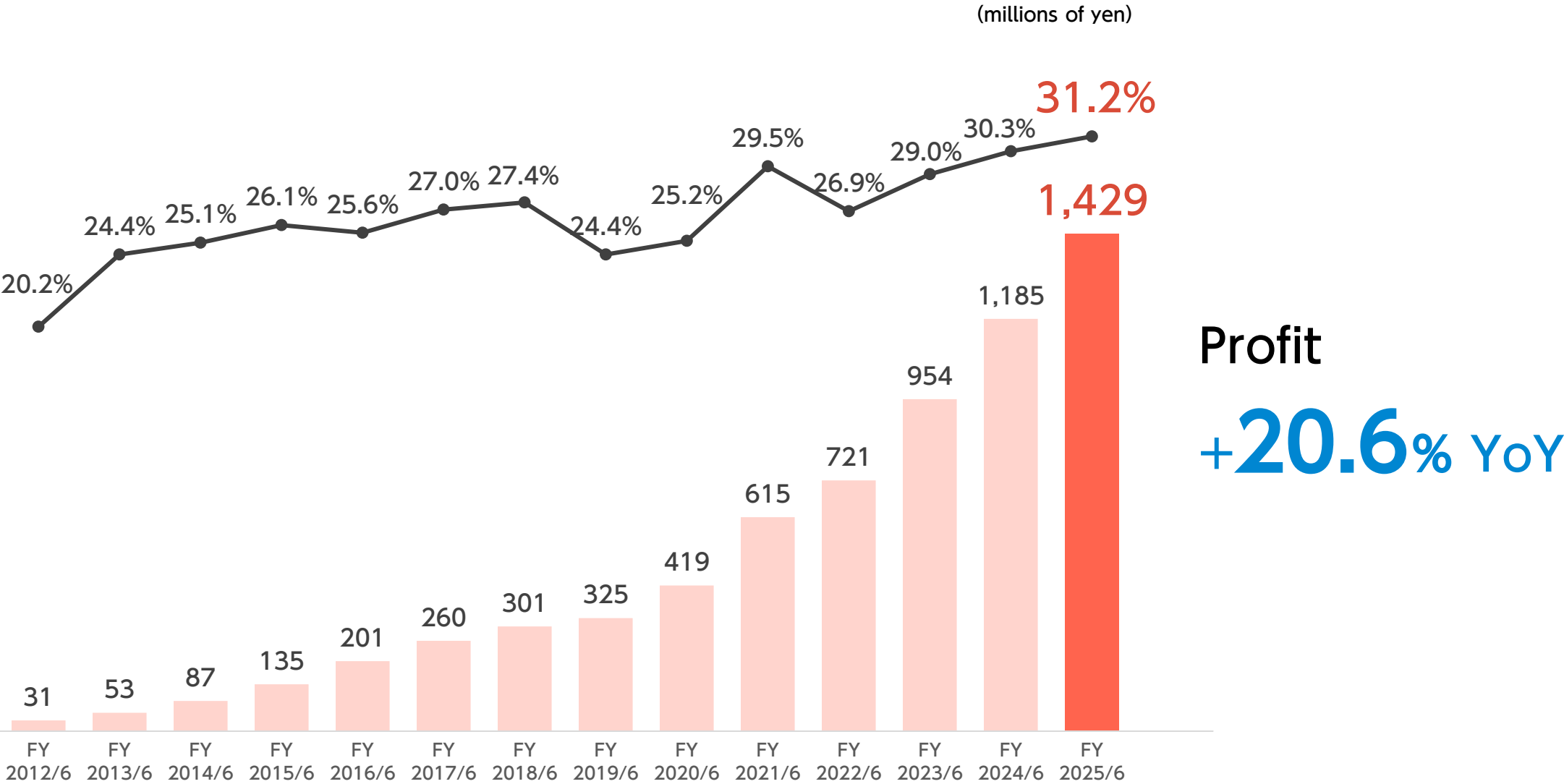


Increased **17.3%** from the previous year, reaching a new record high

# Ordinary Profit and Ordinary Profit Margin



# Profit and Net Profit Margin



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# Financial Forecasts for FY2026

# FY2026/6 Full-year Forecasts

Aiming for record-high sales of 5,284 million yen by continuing growth investments in AI-related services

(millions of yen)	FY2025 Results	FY2026 Forecasts	Increase /decrease	YoY change
Net Sales	4,581	5,284	+702	15.3%
Operating Profit	1,971	2,207	+236	12.0%
Ordinary Profit	1,972	2,207	+234	11.9%
Profit	1,429	1,523	+93	6.6%

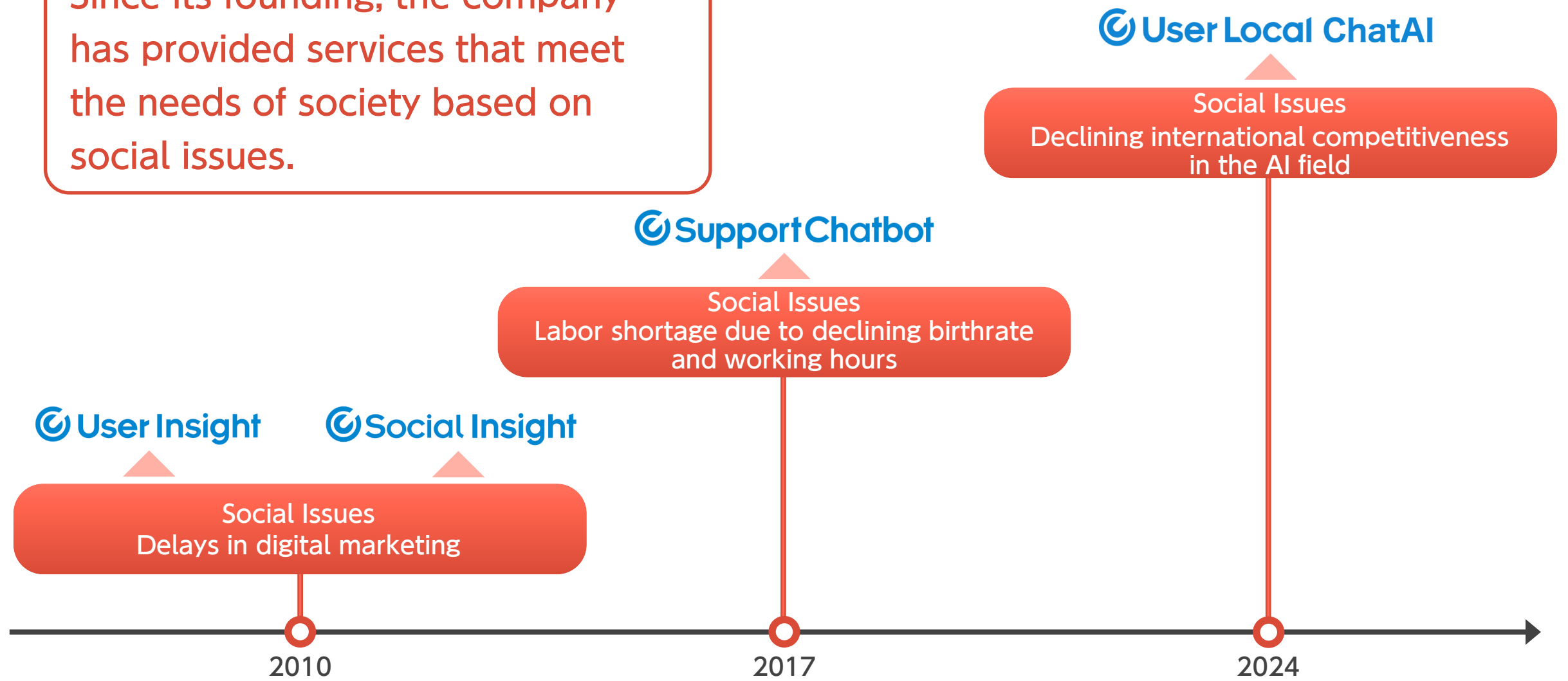
05

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# Future Focus Areas

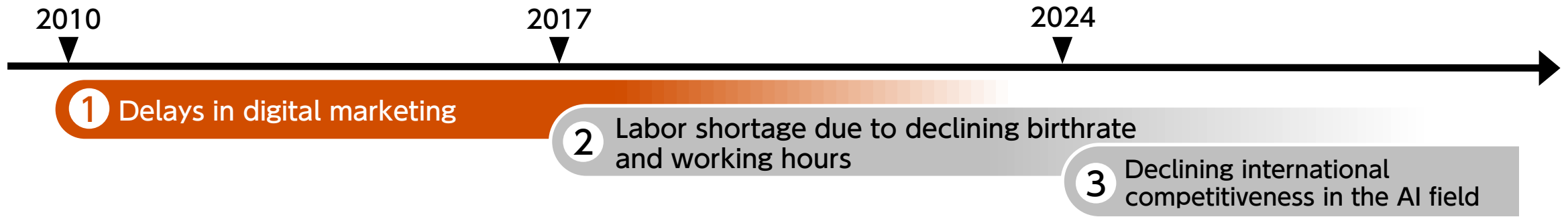
# Focus Areas

Since its founding, the company has provided services that meet the needs of society based on social issues.





# 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

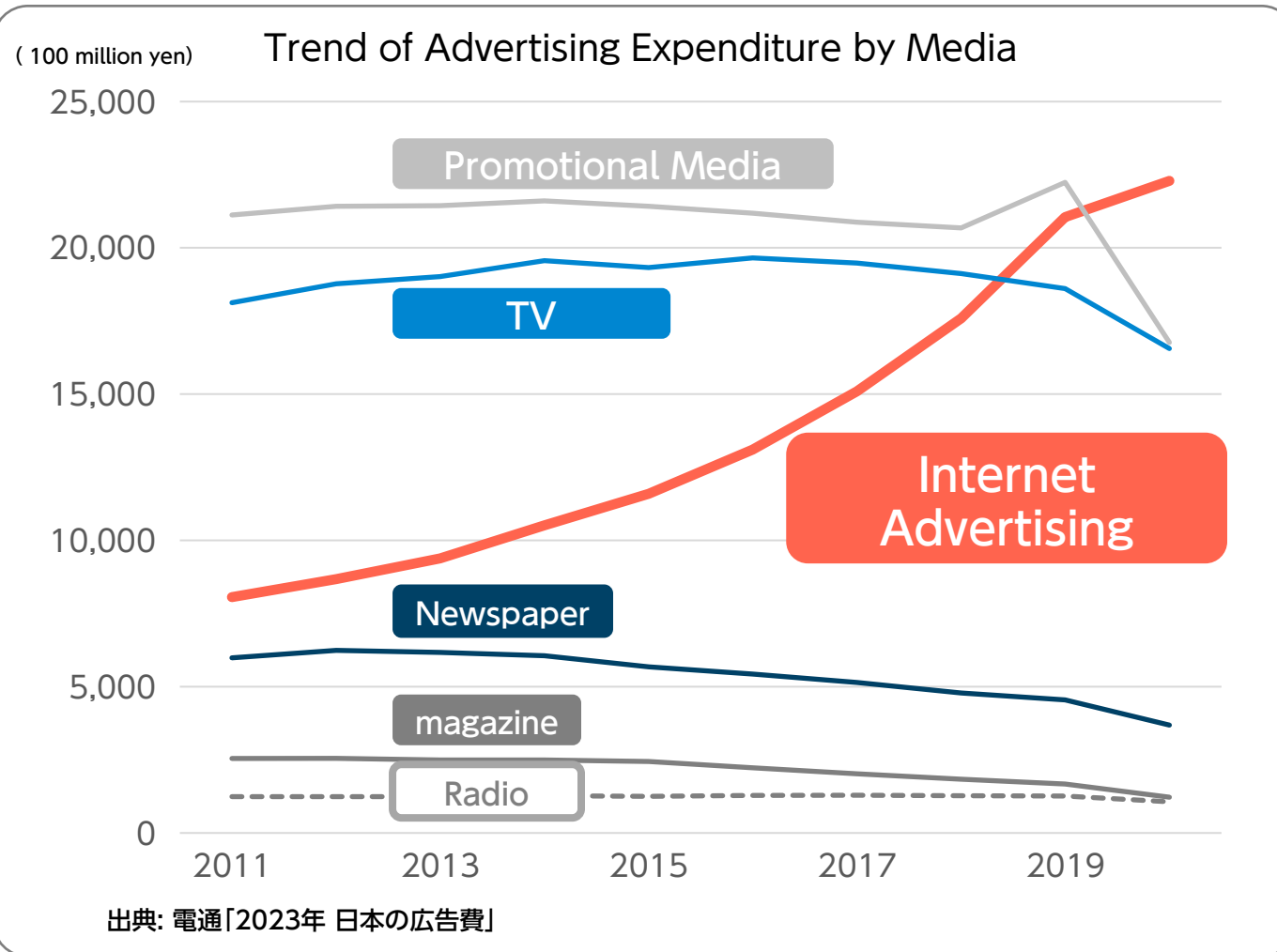
 User Insight  Social Insight

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

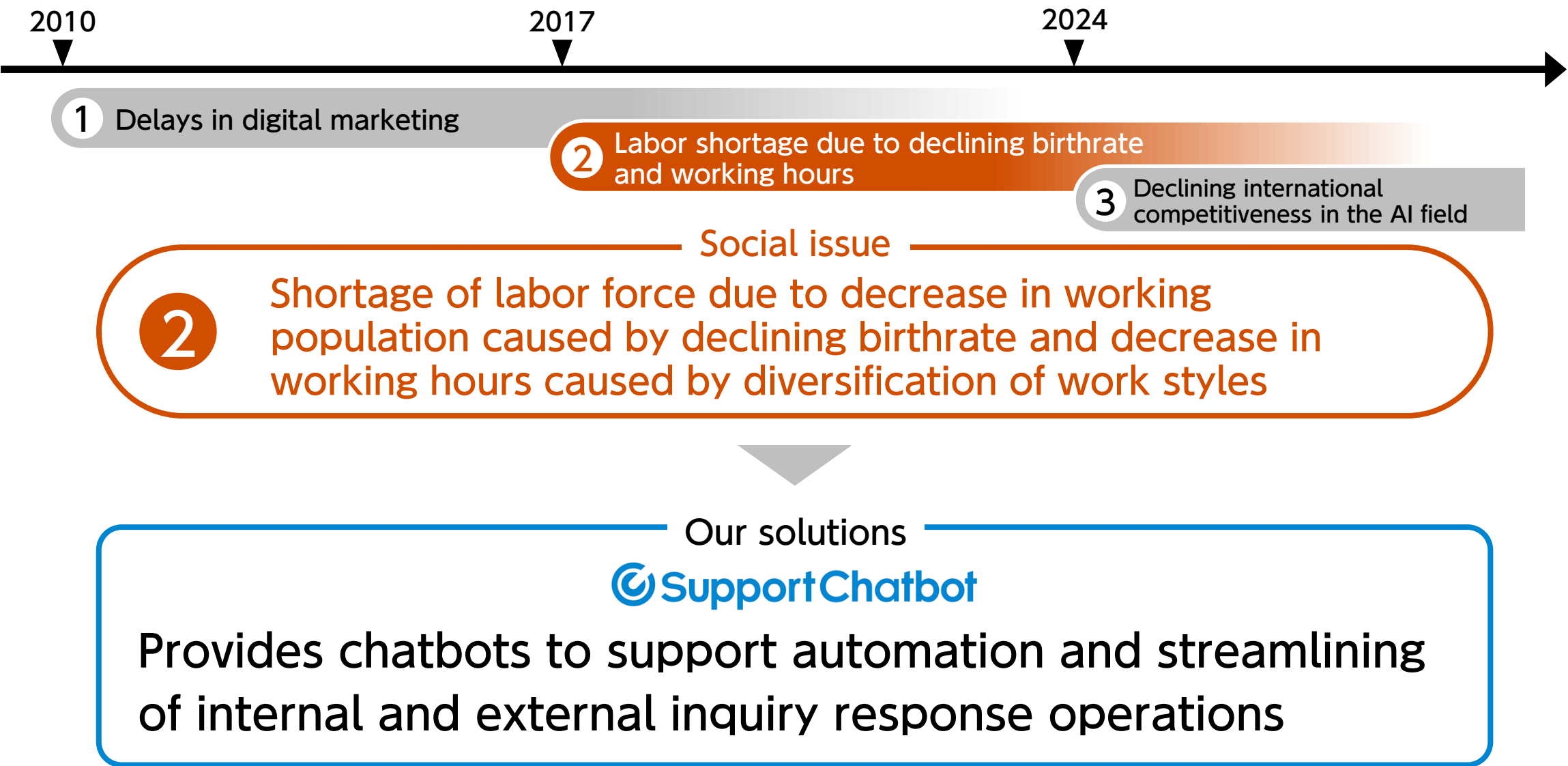
Social issue① Delays in digital marketing

Internet Advertising Spending Increases and Accelerating shift from analog to digital



It is imperative for companies  
to **respond to digital  
marketing**

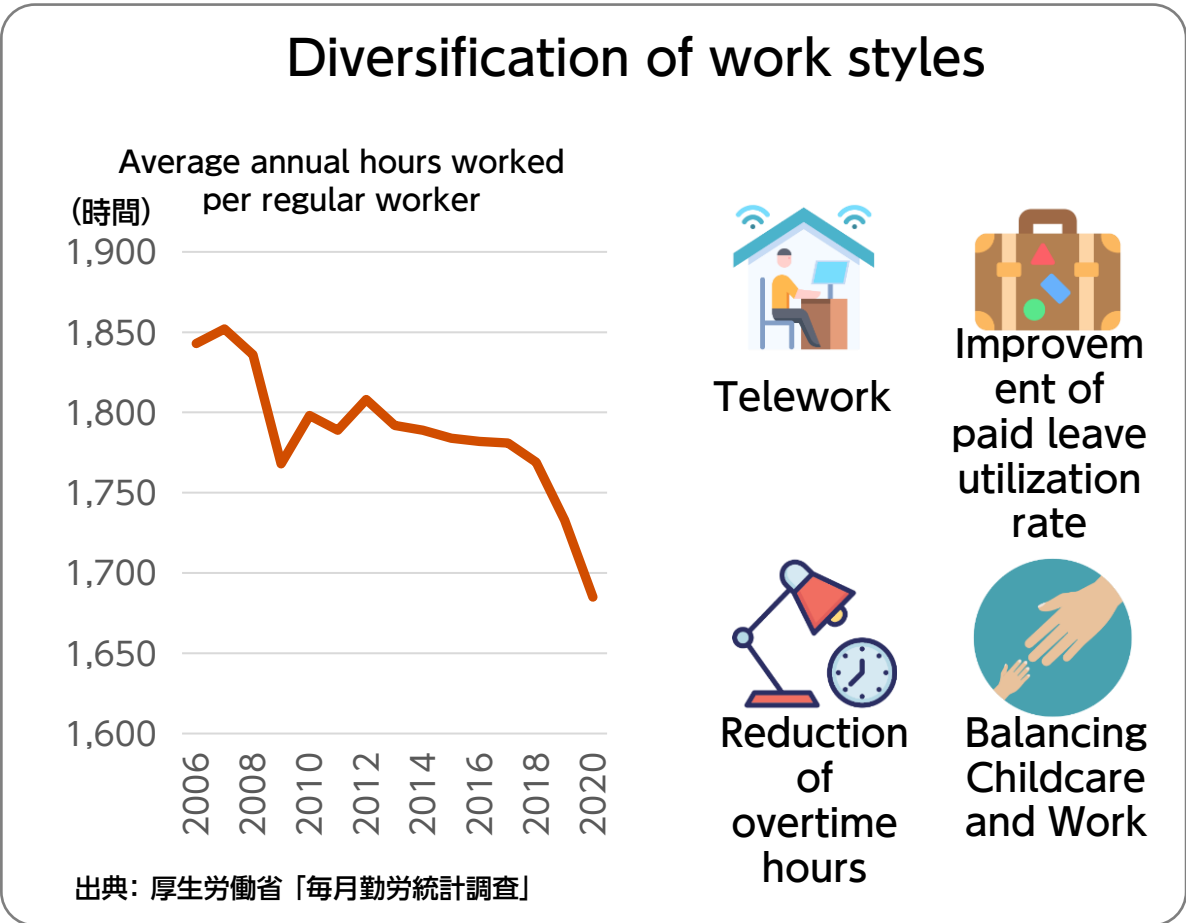
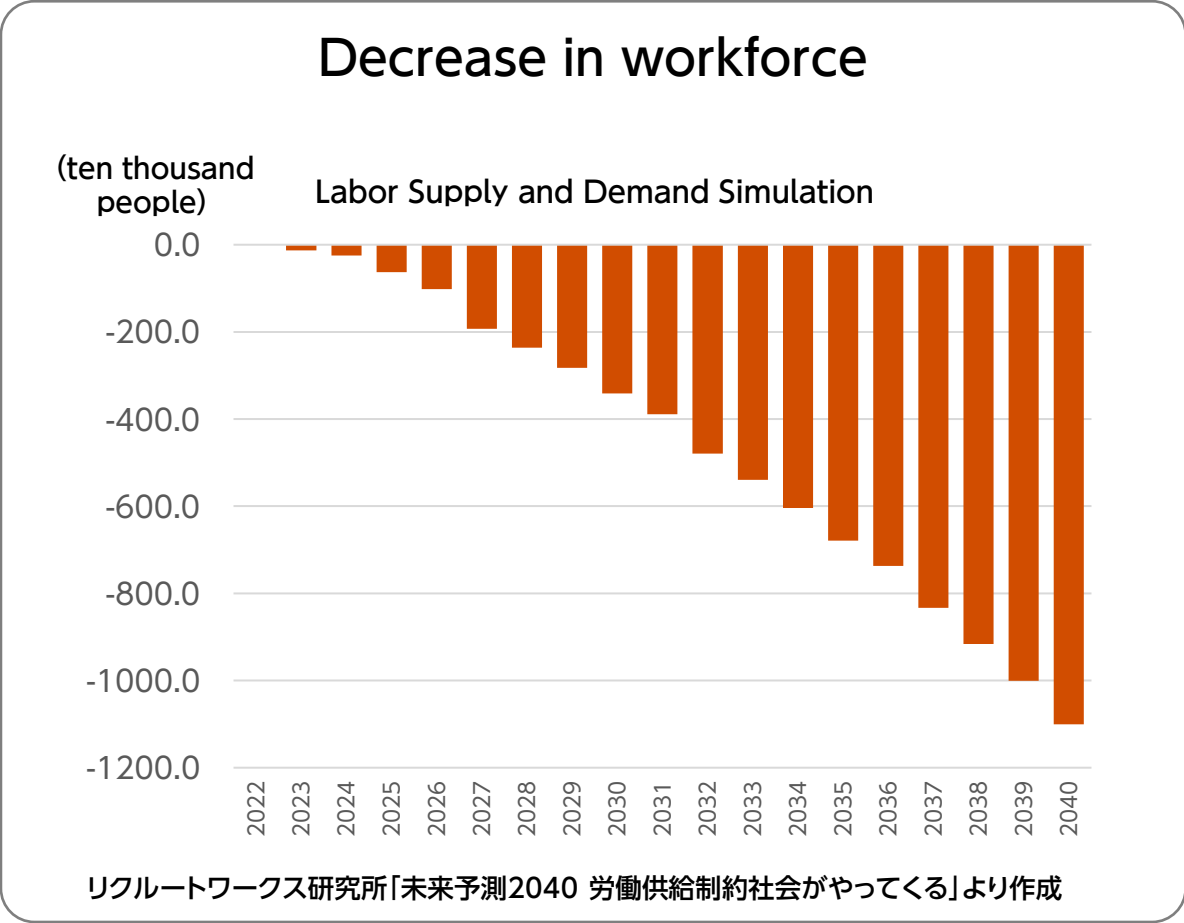
# Focus Areas (2) From 2017 to 2023



# 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



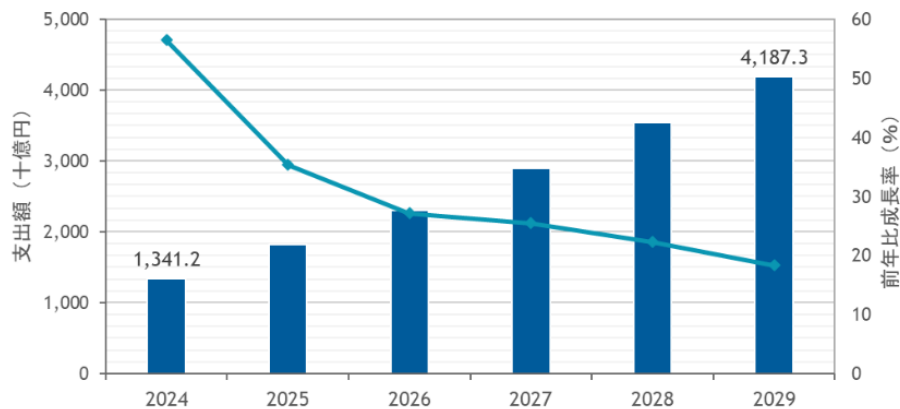
# Focus Areas (2) From 2017 to 2023

## 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

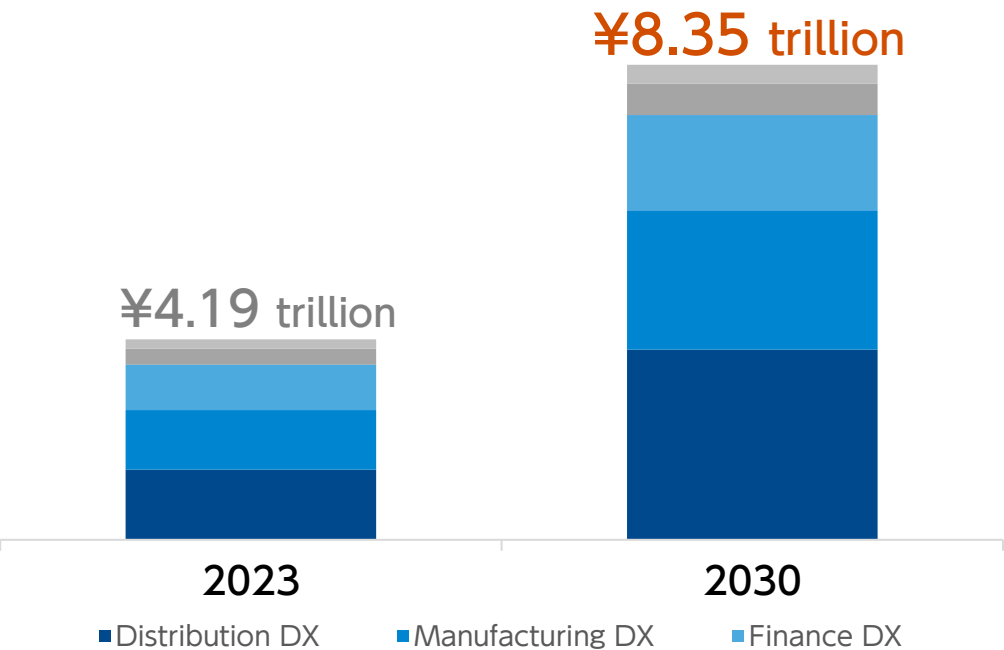
The compound annual growth rate (CAGR) from 2024 to 2029 will be 25.6%, to **4,187.3 billion yen** in 2029



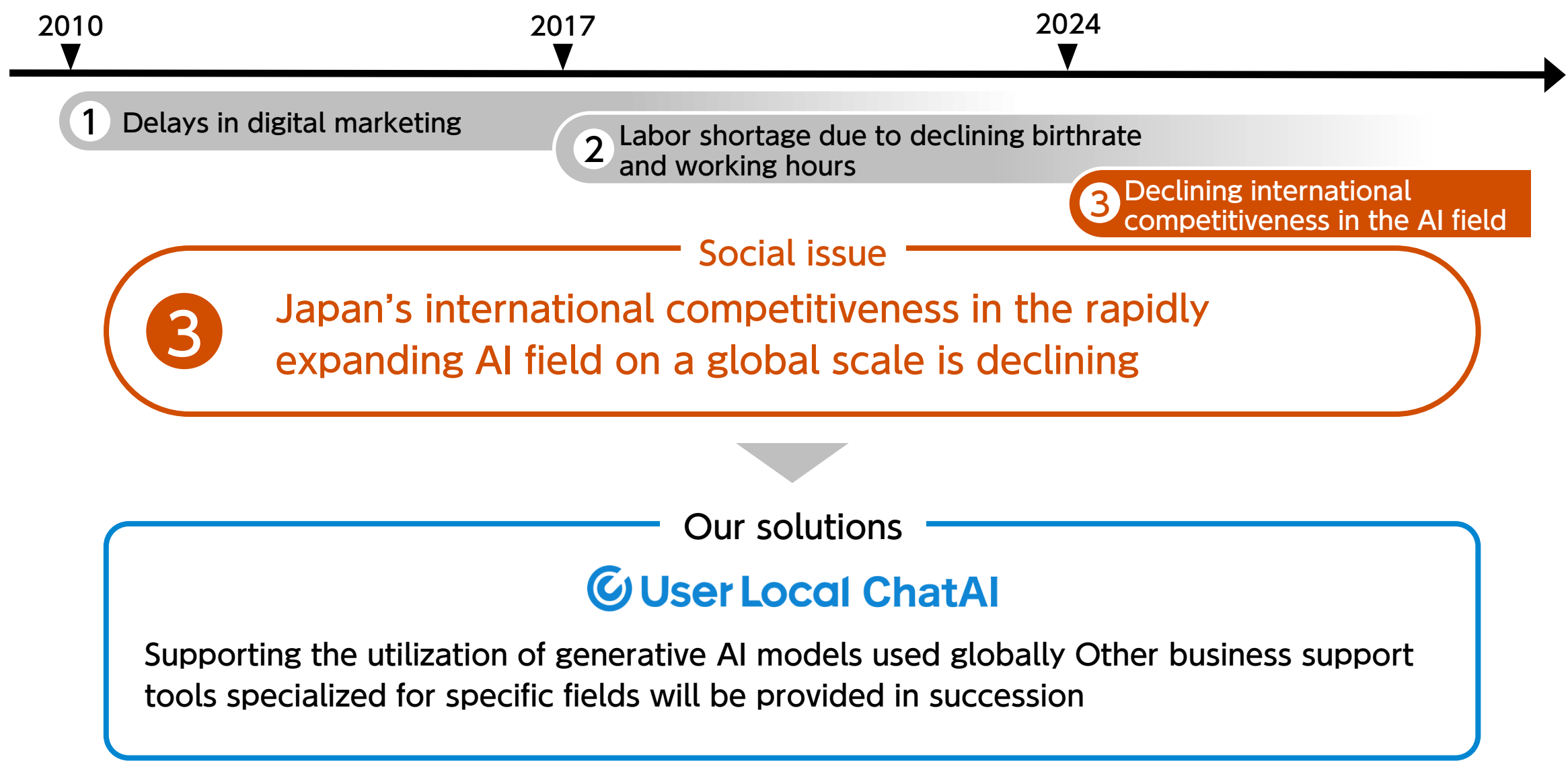
出典: IDC Japanプレスリリース「国内AIシステム市場予測を発表」(2025/5/1)

### 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

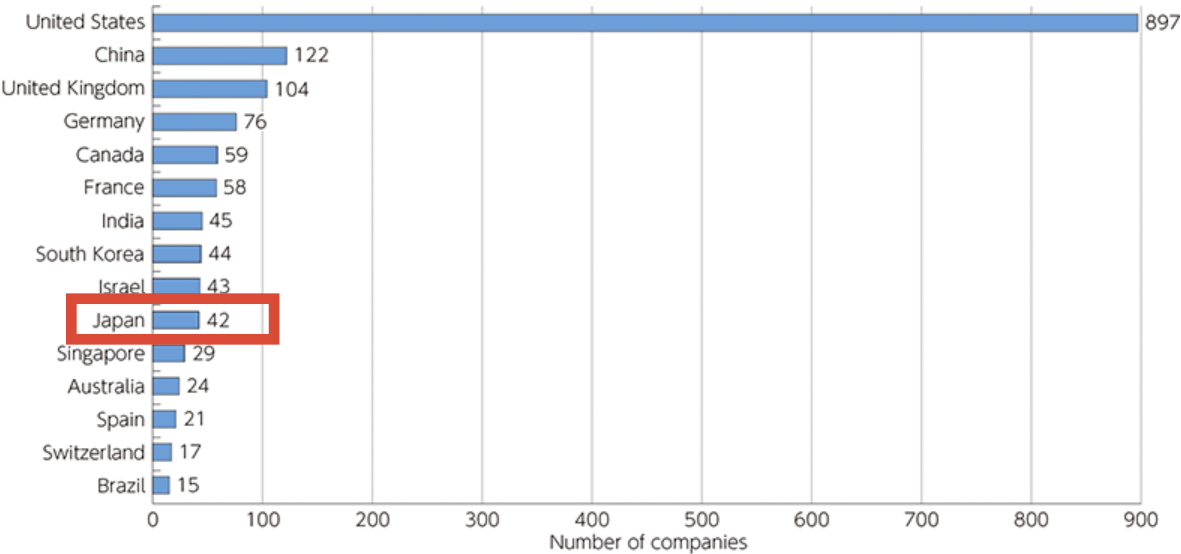
Japan’s competitiveness in the global market in the field of AI is declining

Top 15 AI Ranking by Country

	2020年	2021年	2022年	2023年
1	米国	米国	米国	米国
2	中国	中国	中国	中国
3	イギリス	イギリス	イギリス	イギリス
4	ドイツ	ドイツ	ドイツ	ドイツ
5	カナダ	カナダ	カナダ	カナダ
6	オーストラリア	オーストラリア	オーストラリア	オーストラリア
7	シンガポール	韓国	韓国	シンガポール
8	韓国	シンガポール	シンガポール	韓国
9	インド	スイス	スイス	スイス
10	イスラエル	イスラエル	インド	インド
11	日本 Japan	日本 Japan	イスラエル	イスラエル
12	スイス	インド	日本 Japan	日本 Japan
13	オランダ	オランダ	イタリア	オランダ
14	イタリア	イタリア	オランダ	イタリア
15	フランス	オーストリア	デンマーク	オーストリア

Source: “Information and Communications White Paper 2024” (Ministry of Internal Affairs and Communications)

Number of newly funded AI companies  
(by country, 2023)

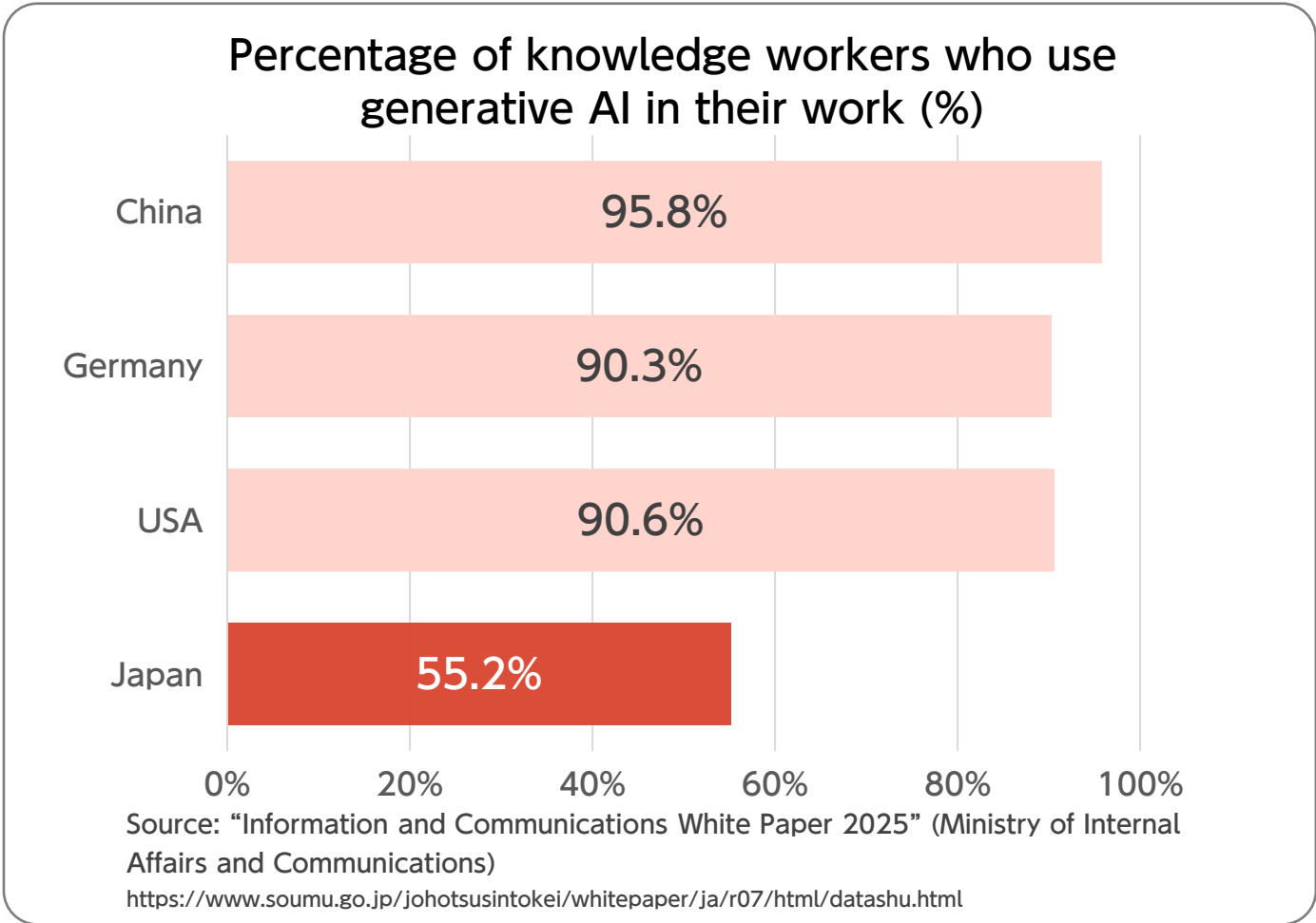


Source: “Information and Communications White Paper 2024” (Ministry of Internal Affairs and Communications)

# Focus Areas (3) From 2024

Social issue③ Declining international competitiveness in the AI field

The lack of progress in the use of generative AI in Japanese business



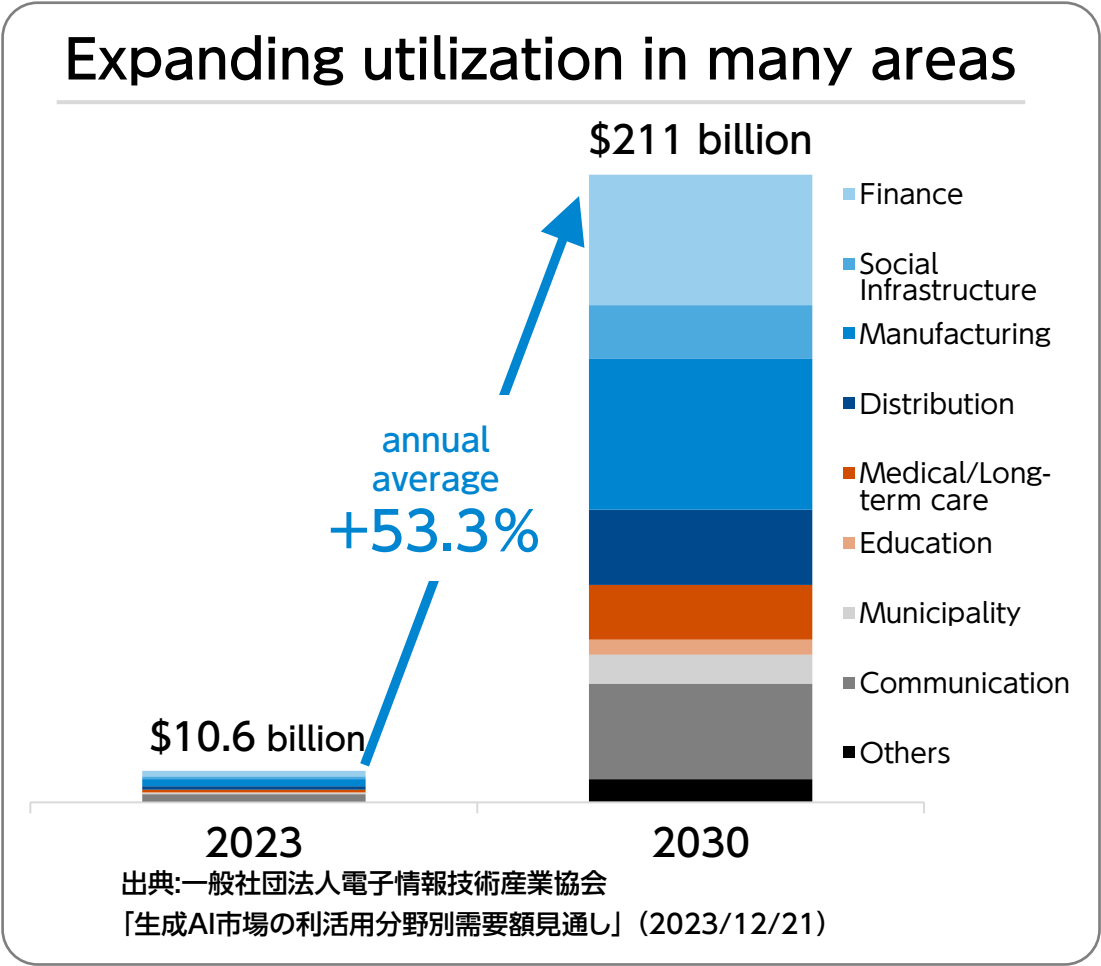
Utilization rate is 55.2%,  
the lowest level  
compared to other  
countries



# Focus Areas (3) From 2024

## Social issue③ Declining international competitiveness in the AI field

The social implementation of generative AI will continue to advance rapidly, and the market size is expected to expand across all fields



If we cannot utilize generative AI, the gap in global competitiveness is likely to widen further

# Focus areas

Incorporating generative AI makes existing products more convenient and easier to use.

## User Insight

AI記事自動生成 (β版)

ChatGPTを使ってウェブページの見出しから記事を作成します。

対策キーワード エアコン 電気代 [タイトルを生成](#)

タイトル

エアコンの電気代を節約したい方必見！おすすの省エネ術！

見出し

[見出しをコピー](#) [この見出しから記事を作成](#)

記事

[記事のコピー](#) 2,158文字

<h1>エアコンの電気代を節約したい方必見！おすすの省エネ術！</h1>  
<h2>エアコンの省エネ術の基本</h2>  
<h3>エアコンの設置を最適化しよう</h3>  
<h4>1. 適切なサイズのエアコン</h4>  
<h4>2. タイマー機能の活用</h4>  
<h4>3. 風量と風向きの調整</h4>  
<h2>エアコンの省エネの具体的な方法</h2>  
<h3>1. 室温の調整</h3>  
<h4>1-1. 室温を26℃に設定</h4>  
<h4>1-2. 夏の暑い時期はクーラーを止めて自然風を利用</h4>  
<h3>2. エアコンのメンテナンス</h3>  
<h4>2-1. フィルターを定期的に取り替える</h4>  
<h4>2-2. 風量調整をする</h4>  
<h3>3. 断熱材を活用</h3>



Just enter keywords, generates articles, taking into account related words and information on top search pages

## Social Insight

Social Insight

AIテキスト作成ツール

目的

- ☐ 記念日について解説する
- ☐ キーワードからキャッチコピーを作成する
- ☒ ハッシュタグをよく使うInstagramユーザー向けの文章を作成する
- ☐ 口調とキーワードからツイートを作成する
- ☐ 文章を要約してツイートを作成する

キーワード

ラーメン 投稿 ranmen

[ChatGPTで文章生成](#)

今日も美味しいラーメンをいただきました！ 🍜 最高の味わいに感動です 🍜 みんなも美味しいラーメン食べてね！ #ラーメン #ramen #ラーメン好き #美味しい #食べ歩き



Generates catch copy and text from entered keywords to support SNS operations

## Support Chatbot

SupportChatbot

シナリオ作成アシスタント [ChatGPT](#)

質問の内容から、回答を自動的に作成します。

Excelで数字の合計を求めたい場合の式は？

[回答を作成](#)

自動作成された回答

Excelで数字の合計を求めるには、SUM関数を使います。SUM関数は、引数として与えられたセル範囲の合計値を返します。

たとえば、A1セルからA5セルまでの数字の合計を求めたい場合は、以下のようにSUM関数を使います。

=SUM(A1:A5)

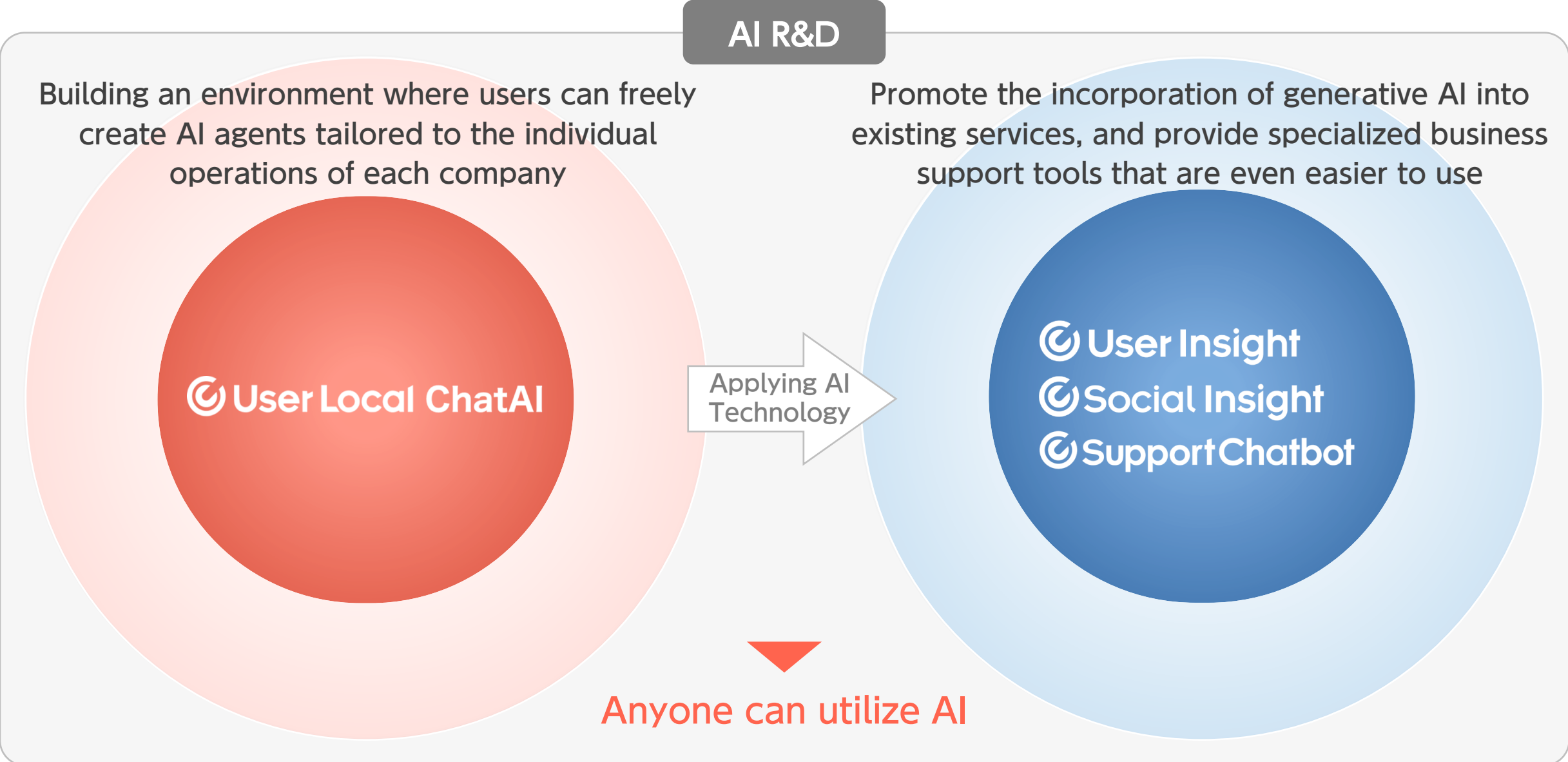
この式を入力することで、A1セルからA5セルまでの数字の合計が求められます。範囲指定部分は必要に応じて変更することができます。

[回答をコピー](#) [シナリオに登録する](#)



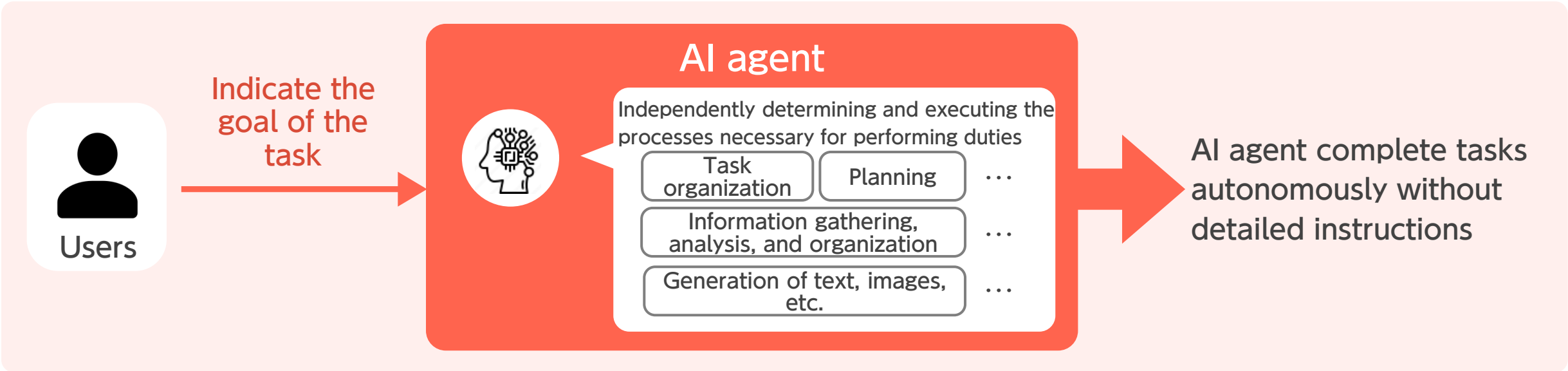
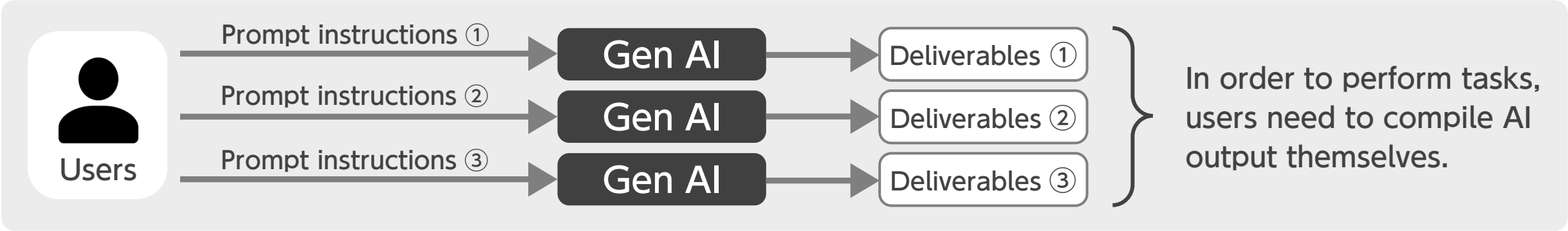
Automatically generates draft answers to Q&A questions, reducing the time required to prepare answers by more than half

# Focus areas



# 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



# 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/](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/>



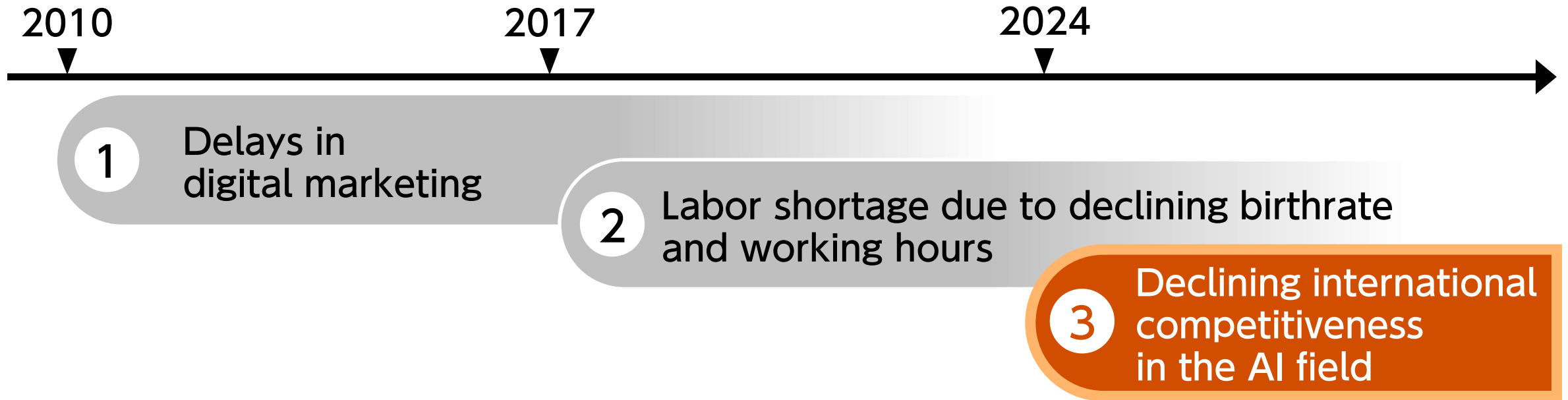
**Determining whether text was written by generative AI**

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](https://ai-tool.userlocal.jp/ai_classifier)



# Entering a Phase of Tackling New Social Issues



**From the FY 2026,  
Inject more human resources into R&D and sales activities for  
new AI products, Aiming to contribute to the improvement of  
Japan's international competitiveness**

# Caution Regarding These Materials

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

The information herein is based on generally accepted economic, social, and other trends and certain assumptions judged reasonable by the Company, but it may be subject to change without notice owing to changes in the business environment and other factors.

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