Helping Specialists to be Closer

弁護士ドットコム

FY3/2022 Q3 Results

Jan 27, 2022

Contents

- **1 FY3/2022 Q3 Results** (P4-P10)
- 02 Business Overview (P11-P28)
- **Reference** (P29-P54)

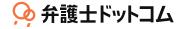
Corporate Mission

Helping Specialists to be Closer

We strongly believe that specialists could contribute to people and the society by making the most of their knowledge and skill, so that we help the specialists to develop much closer relationship with people, under the corporate mission "Helping Specialists to be Closer".

We provide web services such as:

"Zeirishi.com", which connects people with legal professionals;
"Zeirishi.com", which connects people with tax accountants;
"BusinessLawyers", which is a portal site for legal departments of business;
"CloudSign", which is a cloud based contracting service for businesses





BUSINESS LAWYERS



ESG policy

We will work to build a sustainable society, where everyone has unrestricted access to the wisdom of professionals, by operating our business with an awareness of ESG.

Environment

- Promote paperless operations with the nonuse of personal seals.
- Promote remote work to reduce energy consumption, including CO₂ emissions, and save resources.

Social

- Solve social issues related to legal consulting services.
- Advance DX of society by harnessing the wisdom of professionals.
- Support the operations of companies.

Governance

- Strengthen corporate governance.
- Build an information security management system.
- Establish and operate internal control.
- Provide services that lead to the reinforcement of corporate governance.









3

FY3/2022 Q3 Results

Highlights of financial results for FY2022/Q3 (April to December)

Net sales increased 31.4% YoY and operating profit rose 274.4% YoY.

Net Sales	5,000 Mil. JPY	- + 31.4 % (YoY)
Operating Profit	833 Mil. JPY	- + 274.4 % (YoY)
Ordinary Profit	839 Mil. JPY	- + 271.9 % (YoY)
Net Profit	520 Mil. JPY	- + 367.5 % (YoY)

Summary for FY3/2022 Q3

Net sales increased. The operating profit ratio improved significantly YoY.

(Mil.Yen)

					(
	FY3/2022 Q3 Actual	FY3/2021 Q3 Actual	YoY	FY3/2022 Q2 Actual	QoQ
Net Sales	1,821	1,371	+32.9%	1,641	+11.0%
CoGS	287	217	+32.1%	262	+9.4%
Gross Profit	1,534	1,153	+33.0%	1,379	+11.3%
SGA	1,154	1,039	+11.1%	1,142	+1.1%
Operating Profit	379	114	+232.7%	237	+60.3%
Operating Profit Ratio	20.9%	8.3%	+12.5pt	14.4%	+6.4pt
Ordinary Profit	380	116	+226.1%	240	+57.8%
Net Profit	235	43	+435.7%	147	+60.0%

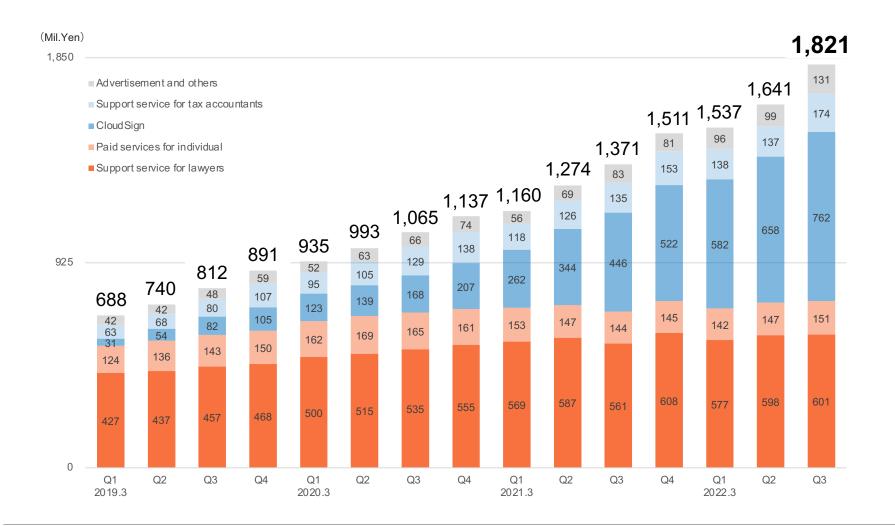
Balance Sheet

Net assets increased 235 million yen due to higher retained earnings.

Capital-to-Asset Ratio	72.0%	73.3%	-1.3pt
Net Assets	2,716	2,481	+235
Fixed Liabilities	-	-	-
Current Liabilities	1,052	900	+151
Total Assets	3,769	3,381	+387
Fixed Assets	858	837	+21
Cash and equivalents	1,782	1,487	+294
Current Assets	2,910	2,544	+365
	FY3/2022 Q3	FY3/2022 Q2	QoQ
			(Mil.Yen)

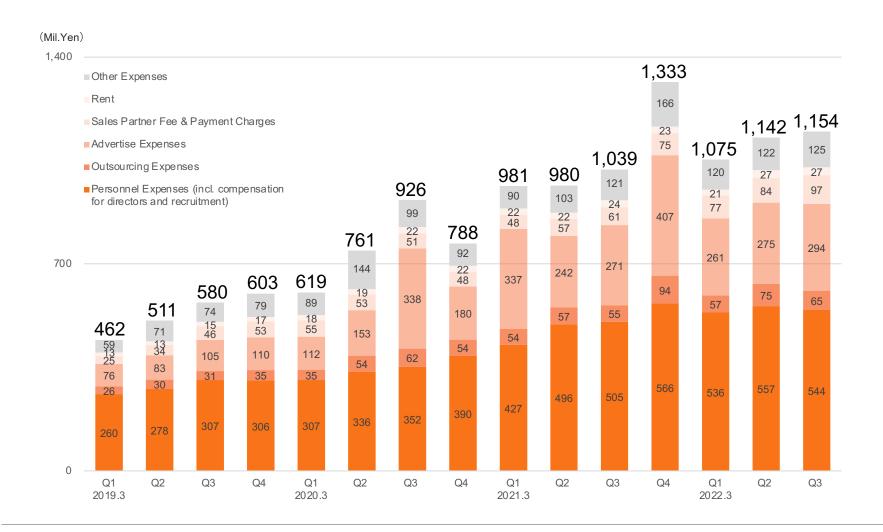
Quarterly trend of Net Sales

In Q3, net sales of each service increased, especially CloudSign.



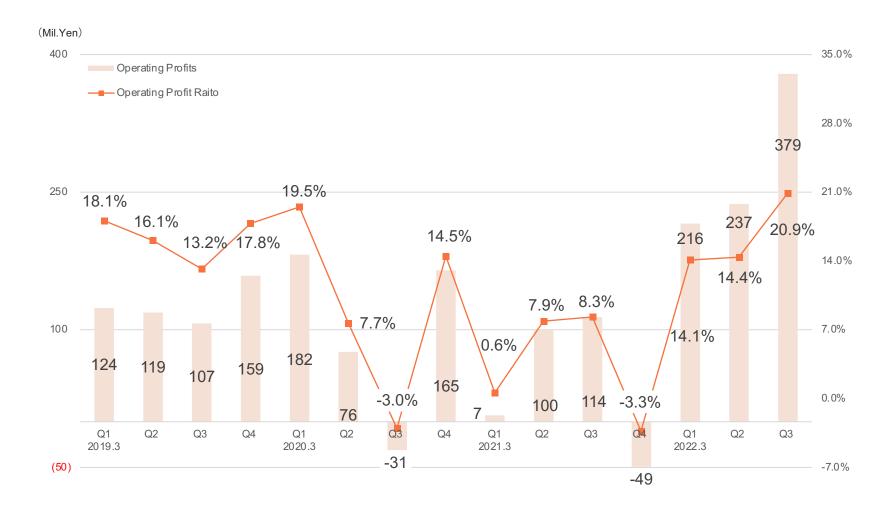
Quarterly trend of SGA

SG&A expenses increased slightly, Investments were made appropriately, in accordance with the situation.



Quarterly trend of Operating Profits

Operating profit stood at a record high of 379 million yen.

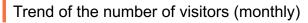


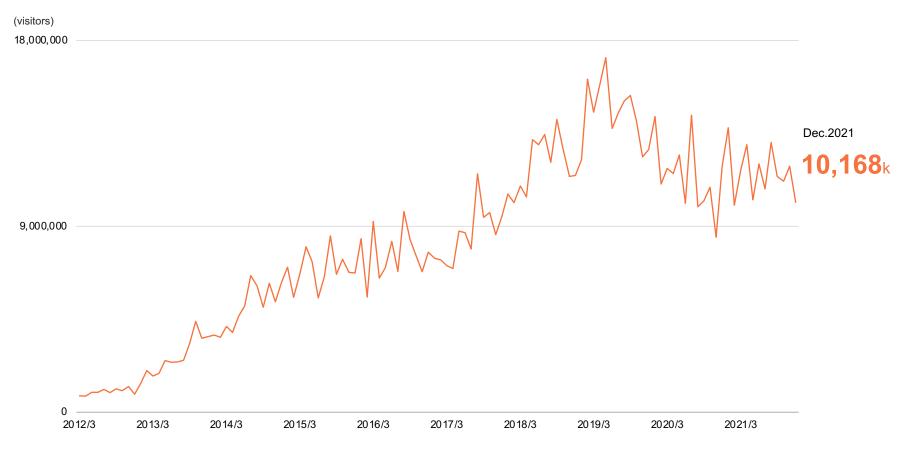
Bengoshi.com

(Bengoshi means lawyer)

Trend of the number of visitors

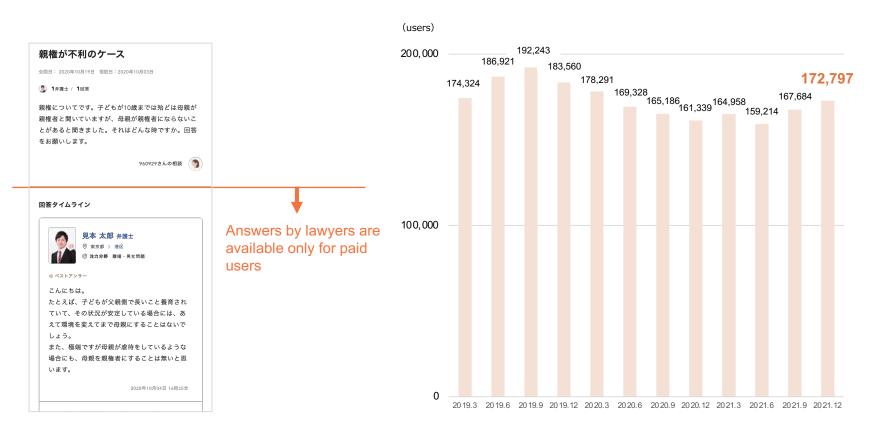
The number of monthly site visitors via Google Search remained on a recovery trend, although it was affected by changes in trends in the number of monthly site visitors to Bengo4.com News





The number of paid users (Individual)

The number of paid users started to show signs of a recovery, reflecting the number of users via Google Search.

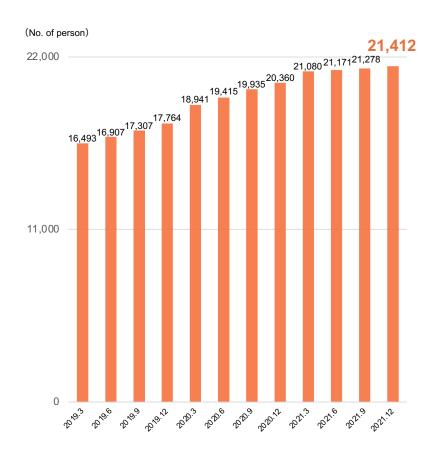


The number of the registered lawyers

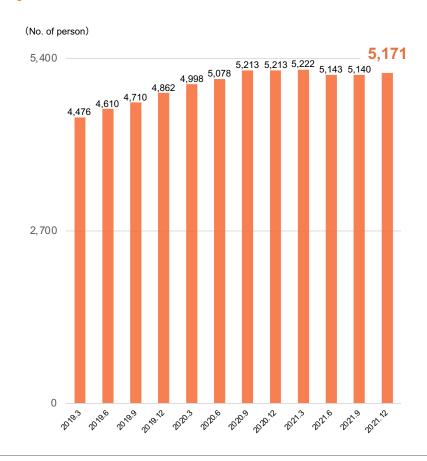
Support service for lawyers expands from marketing support service to information support service and business support service.

The number of paid lawyers turned to increase.

Trend of the number of registered lawyers



Trend of the number of paid lawyers



Growth Strategy

Promote DX in legal operations to make them essential service for lawyers.



Continue to expand media power and adding value for lawyers

Improving the functionality and quality of "Bengoshi.com Library"

Strengthen collaboration with other services using the Business management tool.

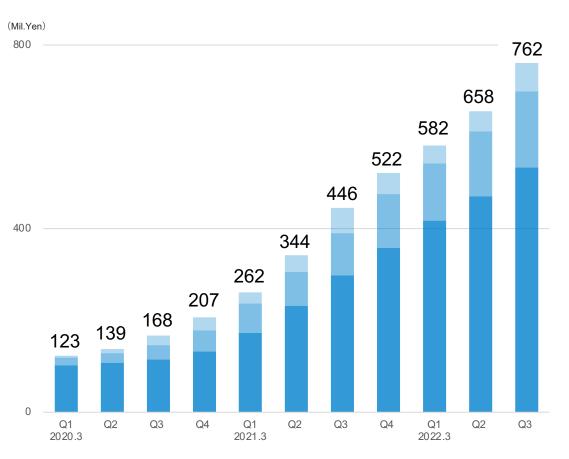
Improving "Bengoshi.com Career".

CloudSign

Trend in net sales

Fixed sales, variable sales and spot sales all recorded steady increases in Q3

Sales of CloudSign

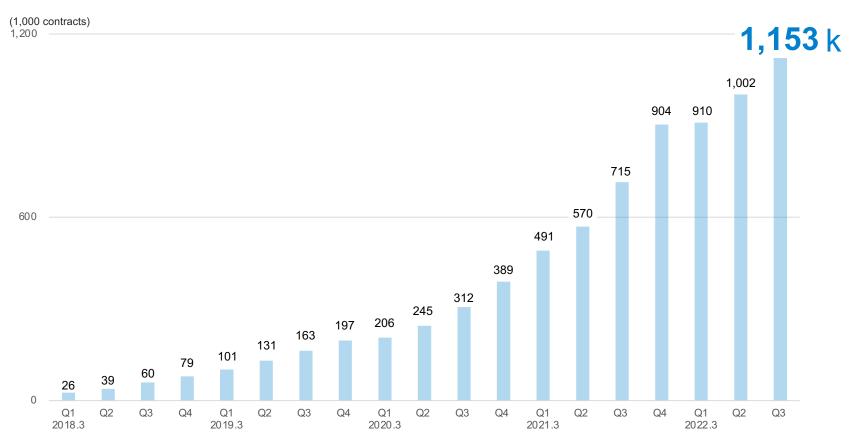


CloudSign sales **Spot sales** CloudSign introduction support consulting, Initial cost of CloudSign scan, etc. Variable sales Number of paying companies X Number of transmission pre company x transmission price **Fixed sales** Number of paying companies x fixed cost per company

Trend in the number of contracts

The quarterly number of contracts exceeded 1,150,000. The number is expected to increase in Q4.

Trend in the number of contracts



Revision of the pricing plans

We revised the pricing plans on October 1, 2021 to offer optimum pricing plans on October 1 after reviewing the existing functions and target users.

Free	Light	Corporate	Enterprise
Fixed fee : 0 JPY/Month Pay- per-use : 0 JPY/Month	Fixed fee: 10,000 JPY/Month Pay- per-use: 200 JPY/Sending	Fixed fee: 28,000 JPY/Month Pay- per-use: 200 JPY/Sending	Fixed fee: To be inquired Pay- per-use: 200 JPY/Sending
Plan contents Number of users: 1 user Number of contracts: 5	Plan contents Number of users : Unlimited Number of contracts : Unlimited	Plan contents Number of users : Unlimited Number of contracts : Unlimited	Plan contents Number of users: Unlimited Number of contracts: Unlimited
Features · Sending, storage and search of contracts · Two-factor authentication	Features • Functions featured by the Free plan • Collective creation and sending of documents • Provision of document templates • Alerts • Conclusion of contracts in English and/or Chinese.	Features · Functions featured by the Light plan · Creation of audit logs · Paper document importing · Web API function	Features Functions featured by the Corporate plan Restriction of contract approvers Restriction of internal users IP address-based restriction of accesses Provision of the Single Sign On functionality Advanced management function Provision of support by telephone

[※] The unit price of ¥ 200 for the Standard plan applies from companies registered after March 2019. Companies registered before February 2019 use 50 yen and 100 yen in unit price.

SMBC CloudSign campaign

On October 12, 2021, SMBC CLOUDSIGN, Inc. launched a "free electronic contract campaign" to accelerate the move away from seals. As a result of the campaign, sales of Corporate Plan rose.



 $From \ the \ website \ of \ SMBC \ CLOUDSIGN, \ Inc.https://www.smbc-cloudsign.co.jp/campaign/smbc-cloudsign/$

CloudSign to be included in Business dX Store of NTT Docomo

It was decided that CloudSign would be included in the service lineup of Business dX StoreTM, an online store for small and medium companies provided by NTT Docomo.

It will be provided as a service name "dX e-contract"



* "Business dX Store" is a trademark of NTT Docomo, Inc. From the website of NTT Docomo, Inc.https://biz-dxstore.docomo.ne.jp/

Zeirishi.com

(Zeirishi means tax accountant)

Zeirishi.com

Japan's largest tax consultation portal site which has 1,104k visitors/month.

1. Tax Accountant introduction service

Provide introduction service by experienced tax coordinators.

They choose the best one for client from among 6,107 registered tax accountants.

2. Tax consultation service

Provide tax consultation service free of charge.

3. Tax Account Profile · Tax Accountant Search

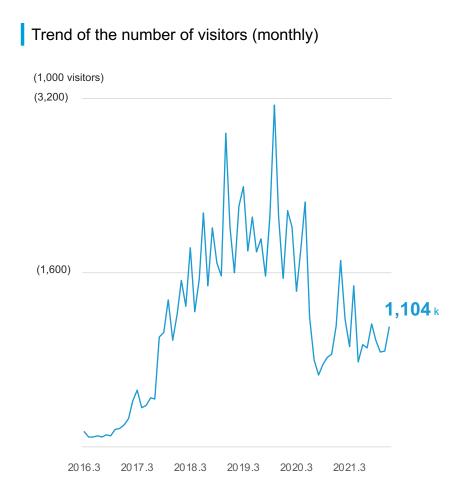
Search for the best tax accountant for yourself from the region, focus areas etc.

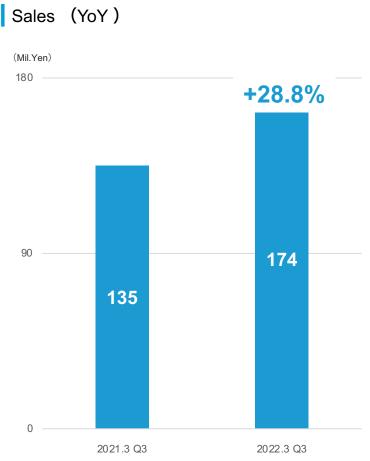


As of Dec. 2021

The number of visitors and sales

Sales grew steadily, the number of visitors to the site via search begin to rise.





XNet sales in the above graphs have been rounded down to the nearest million yen.

Acceleration of partnerships with companies providing services to small and medium companies and sole proprietors

We provide services to small and medium companies and sole proprietors nationwide through partners.



Bengo4.com > Partners > Customers

- Developing services for small and medium companies and sole proprietors (referral to tax accountants, consultations about cloud tax, etc.)
- Expanding the network of partners
- Partners give information about the Company's services to their customers to add value to themselves.
- Tax affairs at small and medium companies and sole proprietors are becoming increasingly complex. The demand for experts is increasing.

Business Lawyers

Business Lawyers

Japan's largest Corporate legal portal site which has 592k visitors/month.

1. Registered lawyers

The lawyer who works in Nishimura & Asahi,

Mori Hamada & Matsumoto, Nagashima Ohno & Tsunematsu,

Anderson Mori & Tomotsune, TMI etc.

95offices 916lawyers

2. "Business Lawyers Library"

Browse practical books online and streamline your research.

5,800 yen per month, 1,153 books, 23 legal publishers participate.

3. "Business Lawyers Compliance"

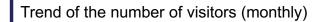
Supporting the training challenges faced by companies with online videos.

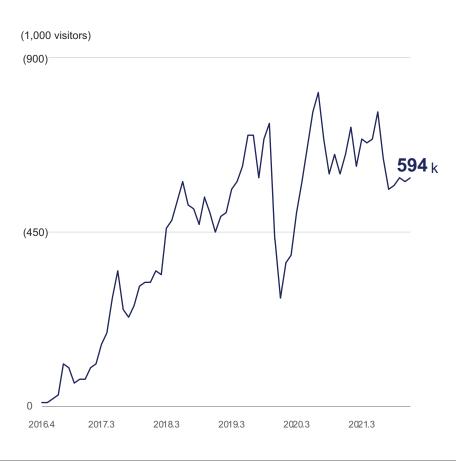


As of Dec. 2021

The number of visitors and users

The number of monthly site visitors recovered and the number of users grew steadily. Efforts will be stepped up to monetize services such as Business Lawyers Library and Business Lawyers Compliance in particular.





Trend of the users (monthly)



Appendix

Corporate Profile

Name Bengo4.com, Inc.

Place 4-1-4 Roppongi, Minato-ku, Tokyo

Date of establishment 4th Jul., 2005

Representative Director Taichiro Motoe, Yosuke Uchida

Number of employees 341 (as of Dec. 2021)

Board Members

Chairman and Co-representative Director

Taichiro Motoe

Joined Anderson Mori & Tomotsune Foreign Law Joint Enterprise and subsequently founded Authense Law Office.

Jul. 2005 Founds Bengo4.com, Inc. and takes office as Representative Director, President and CEO

Jun. 2017 Takes office as Chairman and Co-representative Director

Sep. 2020 Becomes Parliamentary Vice-Minister of Finance and resigns as Chairman

Dec. 2021 Resigns as a Parliamentary Vice-Minister of Finance and becomes Chairman

Co-representative Director

Yosuke Uchida

Former director of Kakaku.com, Inc.

Oct., 2015 Joined as an outside director

Jun., 2017 Inaugurated as a Co-representative director

Director

Yoshikazu Tagami

Woked Anderson Mori & Tomotsune Foreign Law Joint Enterprise and GREE,INC.

Engaged in legal services, legal affairs, new business.

Joined our company in 2015

Jun., 2019 Inaugurated as a director

Director

Daichi Tachibana

Woked Cyber Agent, INC. and GVA law office Engaged in legal services, legal affairs Joined our company in 2015

Jun., 2019 Inaugurated as a director

Director

Keita Matsuura

In charge of management department at Escuri, INC.
Joined our company in 2013
June 2019 Takes office as director

Outside Director

Fumihiko Ishimaru

Representative Director of Accord Ventures, Inc.

Former executive officer of Digital Garage, Inc. Former director and COO of DG Ventures, Inc. Has strong track records of investments

Aug., 2012 Inaugurated as an outside director

Outside Director

Atsuhiro Murakami

Director of Kakaku.com, Inc.

Founded and developed "Tabelog", the most popular gourmet word-of-mouth website in Japan.

Joined the company as an advisor in 2013

Aug., 2014 Inaugurated as an outside director

Outside Director

Katsuya Uenoyama

Representative Director of PKSHA Technology Inc.

Worked for a major foreign-affiliated consulting firm
Obtained a Ph.D (in machine learning) at Matsuo Laboratory
2012 Founded PKSHA Technology Inc.
Jun. 2021 Appointed outside director

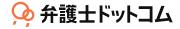
Corporate Mission

Helping Specialists to be Closer

We strongly believe that specialists could contribute to people and the society by making the most of their knowledge and skill, so that we help the specialists to develop much closer relationship with people, under the corporate mission "Helping Specialists to be Closer".

We provide web services such as:

"Zeirishi.com", which connects people with legal professionals;
"Zeirishi.com", which connects people with tax accountants;
"BusinessLawyers", which is a portal site for legal departments of business;
"CloudSign", which is a cloud based contracting service for businesses





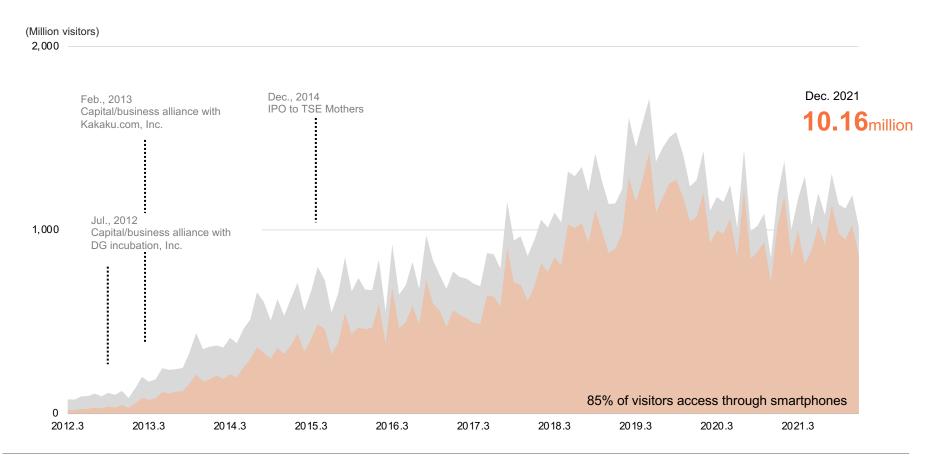
BUSINESS LAWYERS



Company History

Growing influence of the website as a portal for legal counselling, by leveraging increasing popularity of mobile phones as more personalized devices, and nature of contents which relates to personal matters.

Trend of number of monthly visitors and achievements of the company



Bengoshi.com

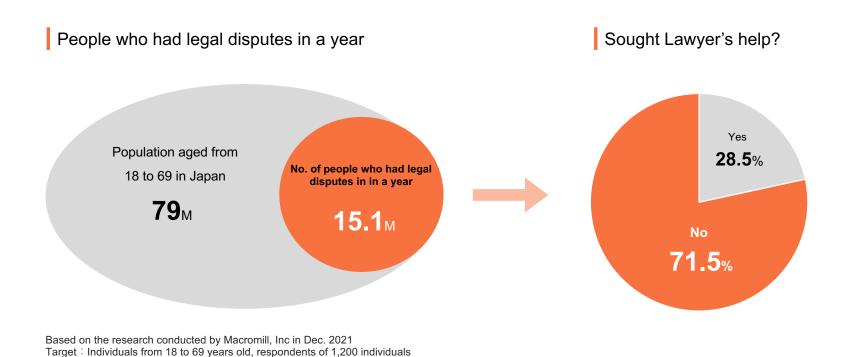
Social background of legal consulting services in Japan

15.1 Million people had troubles / disputes over legal matters in a year

Only 28.5% of these people sought Lawyer's advices

Reasons why they hesitated to ask professional's help were:

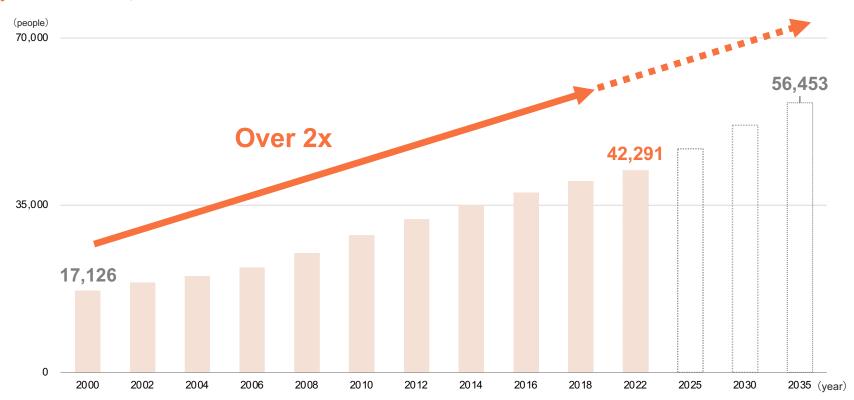
Concerns over professional fees 41.5%; / It's a too minor problem to seek professional's help 45.1%;



Background of lawyer's business in Japan

Environments of lawyer's business has been changing rapidly since the judicial system reform in 2000, such as lifting of ban on advertisements, liberalization of fees, and new bar examination, which was meant to increase number of lawyers in Japan.

Number of Lawyers in Japan

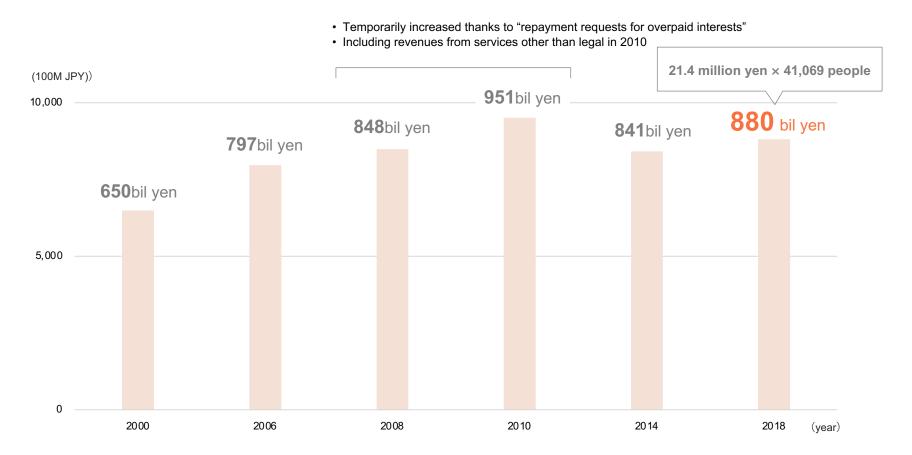


Source : Excerpted from the 2019 edition of the White Paper on Lawyers, published by the Japan Federation of Bar Associations (if the number of lawyers who have passed the bar exam is maintained at 1,500)

Market Environment of the Legal Services Industry in Japan

The legal services industry has been growing since 2000 due to progress in the development of new customers, as marketing needs for lawyers grow together with the increase in the actual number of lawyers.

Legal services market size



Source: Estimated based on the 2018 edition of the White Paper on Lawyers, published by the Japan Federation of Bar Associations

Value proposition of Bengoshi.com

unfamiliarity

An web-based platform for consumers and lawyers, to realize "familiar legal service"

Provides information and services about free legal consulting and detailed information about lawyers for consumers.

🔎 弁護士ドットコム



Why Bengoshi.com?

The largest free legal consultation portal in Japan which has 10.16M visitors/month*

Because the lawyer offers user legal advice for free on the internet service

The outstanding database which has over 1,096k records of consulting cases*

2. Because it has a substantial database of lawyers

- 21,412 lawyers registered*, One in two of the approximately 40,000 lawyers in the country are registered
- Consumers can search lawyers based on their needs
- Lawyers utilize it as a promotion media to acquire new customers

Because it has a popular news site which attracts readers even who are not keen in legal matters

- "Bengoshi.con news" offers articles about legal and business implication of current topics
- More than 6.64M people visited monthly*, thanks to its distinctive positioning, "Legal x news topics"



*As of Dec. 2021

Services of Bengoshi.com provides

Provides each kind of contents according to seriousness of issues users have

Targets	Contents provided	Users can search for the most appropriate lawyer for free thanks to profound profile data of lawyers and detailed search options	
Consumers who have urgent matters and are willing to seek help to lawyers	"List of lawyers" "Lawyers search"		
Consumers who have legal disputes and want to collect information about them	"Legal consulting for everyone"	Users can seek advice on the consulting board to lawyers for free Not only that, users can read all counselling questions by other users and answers by lawyers as well.	
Consumers who don't have any legal disputes	"Bengoshi.com news"	Users can obtain legal knowledge and protect themselves by the knowledge from any disputes which may occur in future	

Overview of "marketing support service for lawyers"





A marketing support service for lawyers, which helps them acquire clients

- The number of visitors to the site has exceeded 10 million.
- Acquiring potential clients efficiently based on the focus area of each lawyer

Price

20,000 yen or more per month (3 plans in total)

Overview of "information support service for lawyers"





Making lawyer book research more comfortable.

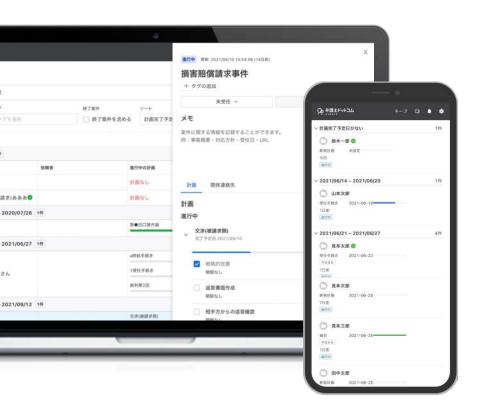
- Monthly subscription service for law books
- "Book browsing" "research service" functions can be used while working from home

Price 9,000yen per month

Number of books Over 1,000 books

Participating publishers 25

Overview of "Business support service for lawyers"



📯 弁護士ドットコム

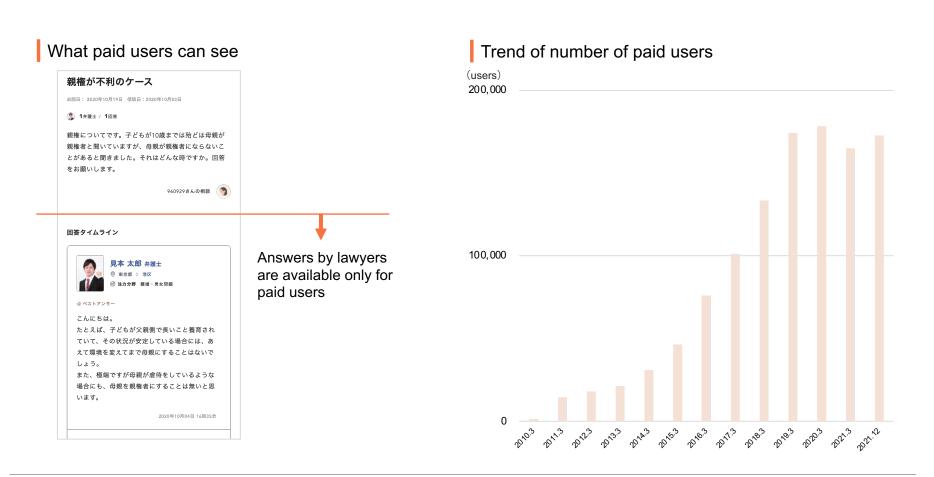
All case can be planed.

- Visualize case status and support planned progress
- Supporting the digital shift of legal services in anticipation of the adoption of IT in trials

Video about the service https://youtu.be/O0mDUdE5SMY

Overview of "paid services for individual"

Paying users can read all answers posted by lawyers about topics on the consulting board for 300 yen per month (excluding tax).



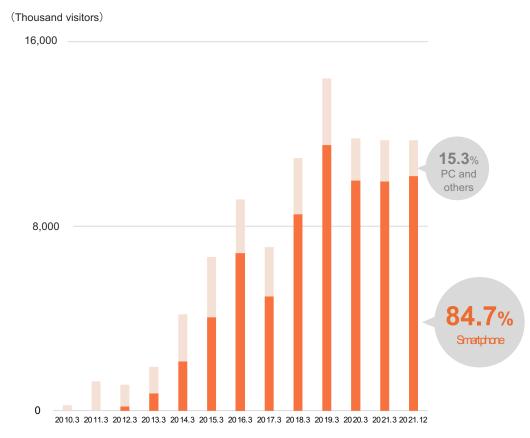
Advertisement on the websites

Advertisement sales on the websites "Bengoshi.com" and "Zeirishi.com" are stable.

Website page image

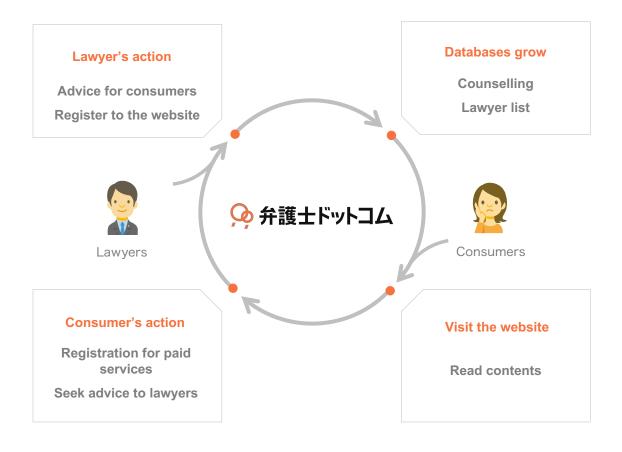


Trend of monthly visitors



Growth Cycle of—Bengoshi.com

Increased DB draws more visitors, which stimulates new registration of lawyers who seek to reach out expanded number of users



CloudSign

Introducing CloudSign

We are investing in a new business, CloudSign

CloudSign is Japan's first web-based free-of charge cloud contracting service released in Oct 2015.



弁護士ドットコム

Usage Image











- 1 Upload PDF documents
- 2 Enter Destination
- You can arrange the order of delivery. You can also make a three-way contract.
- 3 Document preparation
- 4 Send

Place text entry fields, check boxes, etc. in documents as needed

Receiver



1 Receive by mail

Support for smartphone operation

Sender · Receiver



Contract confirmation and agreement

Final step after conclusion of agreement

The signed documents will be automatically e-mailed to the sender and receiver. (It is automatically stored on the CloudSign.)

Documents used for CloudSign (examples)

Documents used for CloudSign (examples) nondisclosure agreement business entrustment agreement advisory agreement basic sales agreement employment contract purchase agreement contract of assignment of claims joint and several guarantee contract investment agreement renovation contract construction contract renewal agreement agency agreement franchise agreement memorandum purchase order acknowledgment e-quote statement of delivery acceptance letter invoice

The above is an example of the types of documents to be used that were interviewed by each company at the time of application.

Benefits of CloudSign



Speed up process

With CloudSign, contract signing process will be shorten by 1-2 weeks, which boosts up upside of your business.



Reduce cost

Shipping cost, paper cost,printer ink cost, and stamp tax will no longer pressure your business. Also human resource cost can be reduced who envolves around contract signin process.



Strengthening of compliance

No more losing/missing paper or altering of contract.
By managing contract via CloudSign, transparency of business will be improved.

Price of CloudSign

Free	Light	Corporate	Enterprise
Fixed fee: 0 JPY/Month Pay- per-use: 0 JPY/Month	Fixed fee: 10,000 JPY/Month Pay- per-use: 200 JPY/Sending	Fixed fee: 28,000 JPY/Month Pay- per-use: 200 JPY/Sending	Fixed fee: To be inquired Pay- per-use: 200 JPY/Sending
Plan contents Number of users: 1 user Number of contracts: 5	Plan contents Number of users : Unlimited Number of contracts : Unlimited	Plan contents Number of users : Unlimited Number of contracts : Unlimited	Plan contents Number of users : Unlimited Number of contracts : Unlimited
Features · Sending, storage and search of contracts · Two-factor authentication	Features · Functions featured by the Free plan · Collective creation and sending of documents · Provision of document templates · Alerts · Conclusion of contracts in English and/or Chinese.	Features · Functions featured by the Light plan · Creation of audit logs · Paper document importing · Web API function	Features Functions featured by the Corporate plan Restriction of contract approvers Restriction of internal users IP address-based restriction of accesses Provision of the Single Sign On functionality Advanced management function Provision of support by telephone

X The unit price of ¥ 200 for the Standard plan applies from companies registered after March 2019. Companies registered before February 2019 use 50 yen and 100 yen in unit price.

Why CloudSign?

1. Cloud contracting service offered by Bengoshi.com

• Our Company, which has a deep understanding and knowledge of Japanese law, provides legally reliable products under the supervision of a lawyer.

2. Product development in line with Japanese business practices

- In order to expand electronic contract services that were not familiar in Japan, we developed a user interface that is easy to understand even for first-time users.
- The best and fastest product development in line with Japanese business practices, while referring to the opinions of many user companies.

3. Industry-standard cloud contracting service

 Proliferation as a standard service in the industry based on the advantages of a first-mover and the network effect of a cloud contracting service.



CloudSign services













CloudSign Al

It facilitates contract management operations with AI, which automatically identifies the counterparty to the contract, the amount of the contract, and other items based on PDF data of the contract document stored in CloudSign and converts them to data.



CloudSign scan

It handles the process from scanning contract documents to storing documents and entering document information into CloudSign.

CloudSign Now

An electronic contract service that uses a tablet terminal and that can be used in face-to-face transactions as well.





CloudSign payment

Payment by credit card is made at the same time as the signing of the contract.







Sending contract or invoice

Payer

Signing of the contract and payment by credit card

<WARNING>

This document is meant for explaining the company's business itself and doesn't mean any inducement or persuasion for buying stocks or/and bonds of the company.

This document include descriptions about prospects for future which are based on information available as of today, and actual situation mentioned in it would be significantly different from what it was stated, because of change of macro-economic trends, business trends the company faces, intrinsic and extrinsic factors.

Therefore, please note that this document doesn't guarantee any future of the company as well as other institutions.