

FY3/2024 Q2 RESULTS

弁護士ドットコム

Bengo4.com, Inc.

Oct. 25, 2023

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VISION・MISSION

VISION

Drive a paradigm shift for the better world.

MISSION

Be the Professional-Tech Company.

Do what only professionals can do.
Contribute to society using expert knowledge and technologies.



BUSINESS LAWYERS



CLOUDSIGN

FY3/2024 Q2 Results

FY3/
2024
Q2

Topics for FY3/2024 1H

Net sales increased **22.2%** YoY. Operating profit rose **48.2 %** YoY.

Net Sales	4,945	Mil. JPY	—	+ 22.2 % (YoY)
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EBITDA	767	Mil. JPY	—	+ 51.3 % (YoY)
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Operating Profit	550	Mil. JPY	—	+ 48.2 % (YoY)
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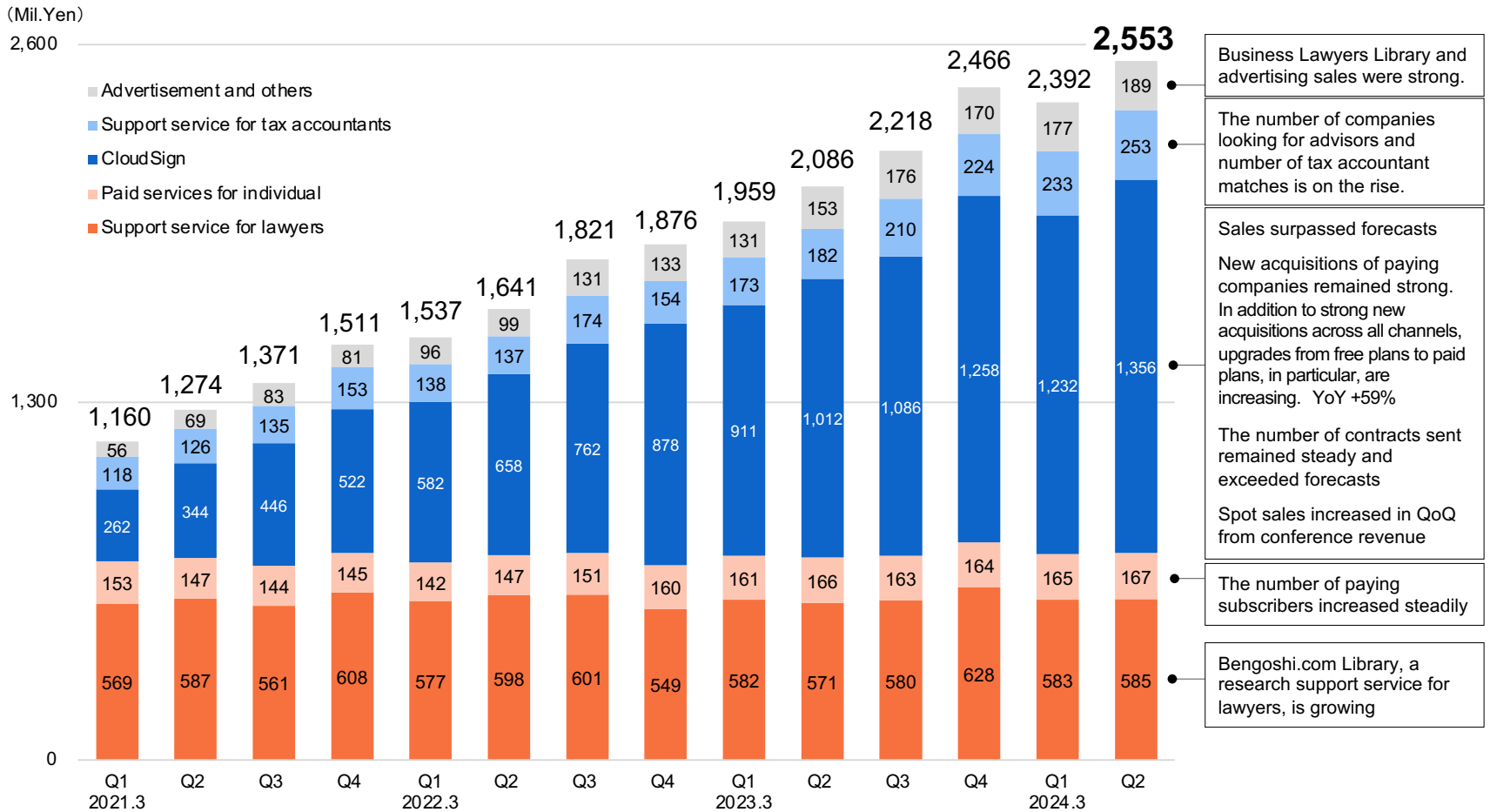
Ordinary Profit	555	Mil. JPY	—	+ 47.3 % (YoY)
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Net Profit	337	Mil. JPY	—	+ 44.8 % (YoY)
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* EBITDA = Operating Profit + Depreciation and amortization + Goodwill amortization + Stock-based compensation expense

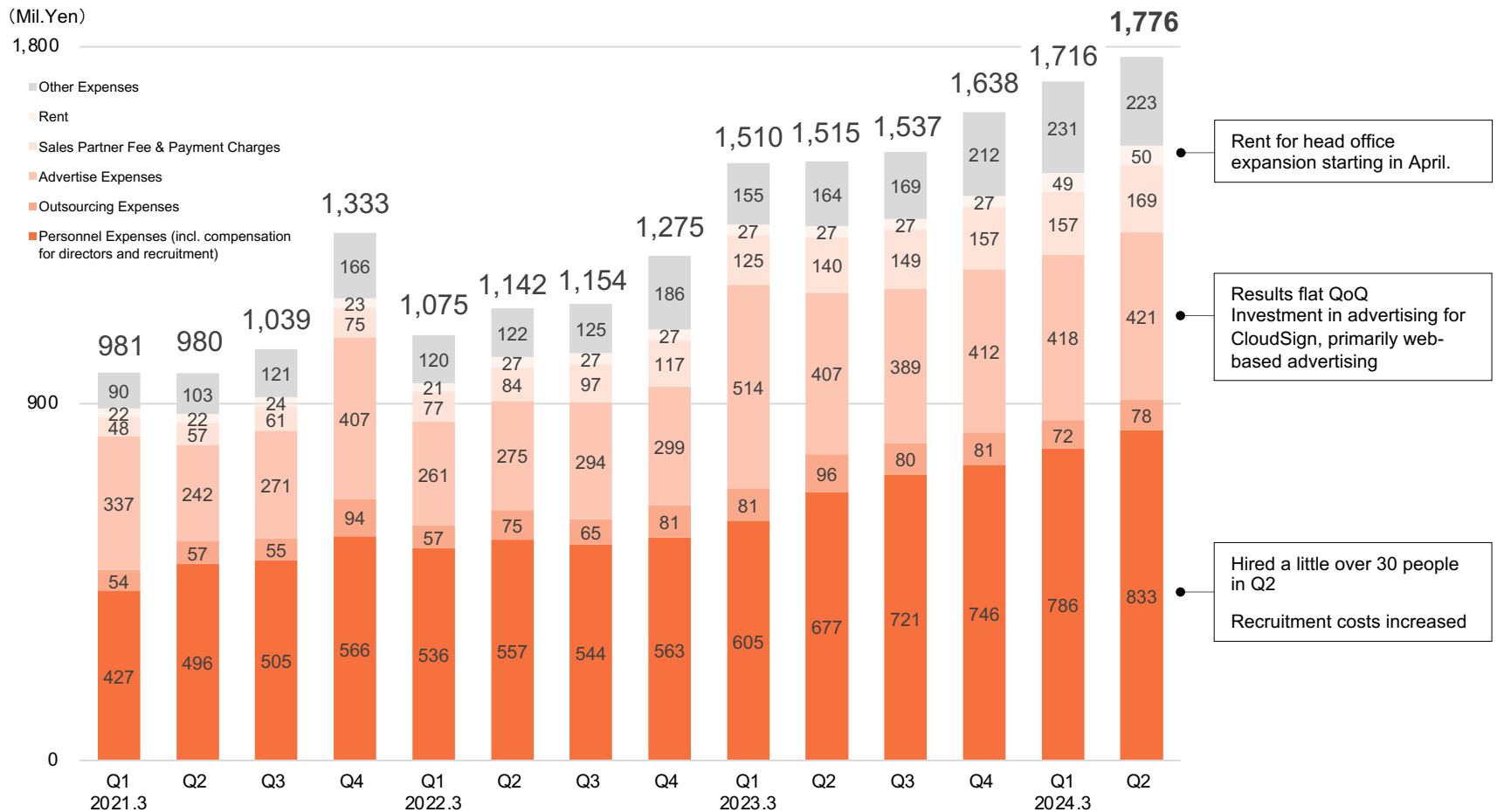
Quarterly trend of Net Sales

In Q2 sales increased QoQ across all segments increased, including CloudSign, beating projections.
Steady growth in both the number of new paying companies and the number of contracts sent for CloudSign.



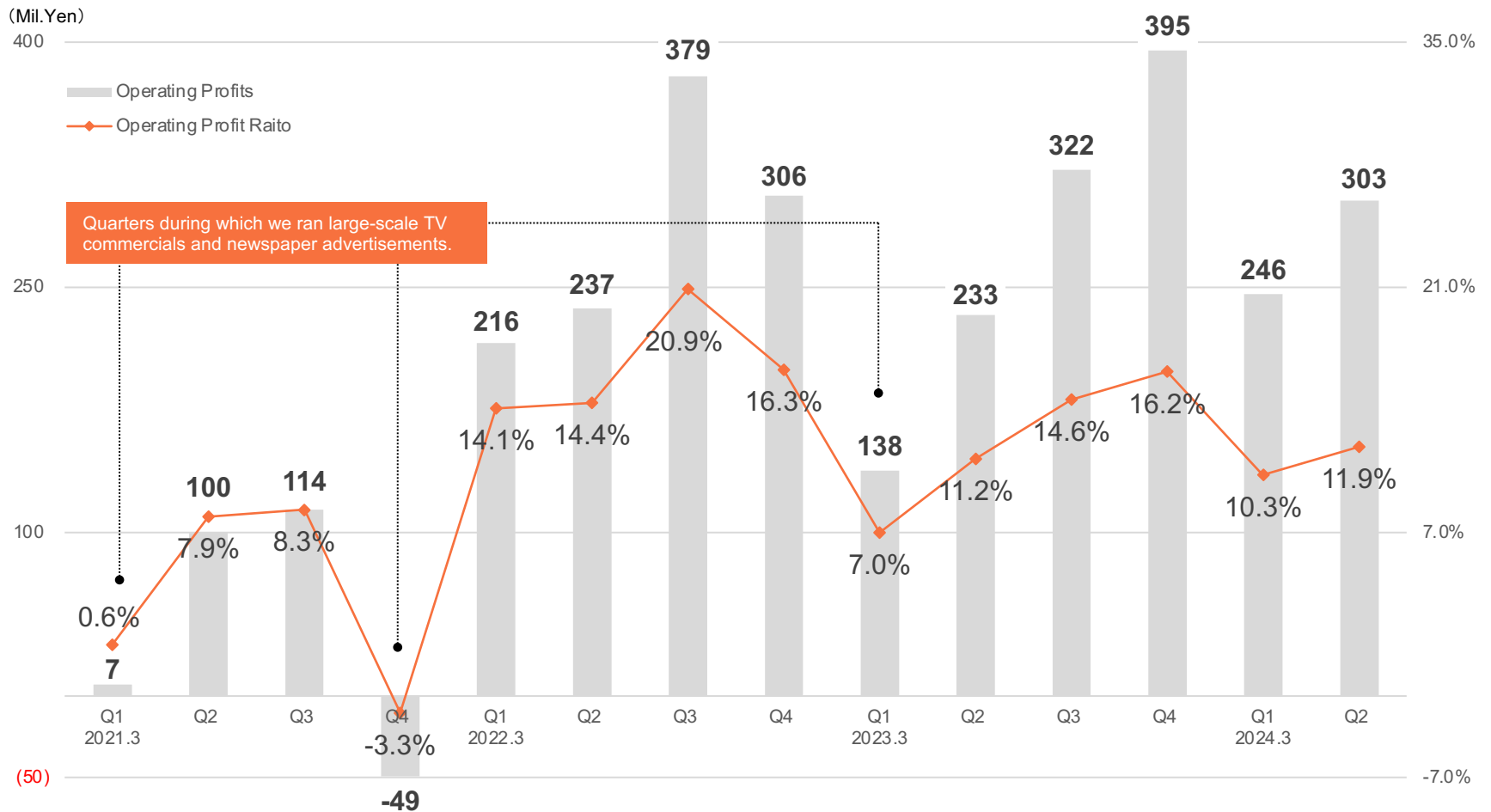
Quarterly trend of SGA

In Q2, SG&A expenses increased, primarily in personnel expenses, as recruitment progressed as planned.



Quarterly trend of Operating Profits

In Q2, operating profit stood at 303 million yen. EBITDA was 420 million yen.



LIC CO., Ltd added to Our Group

FY3/
2024
Q2

LIC CO., Ltd, which operates the Hanreihisho[※], Joins Our Group

弁護士ドットコム



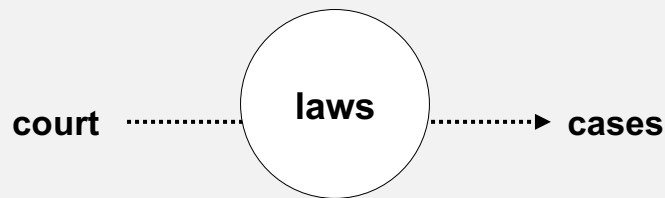
LIC Legal
Information
Center
判例秘書

※Hanrei means precedent and hisho means secretary

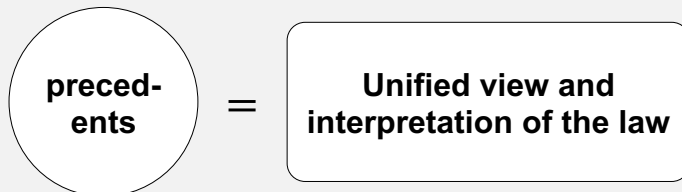
The Importance of the legal precedent

Precedents are important interpretations that serve as precedents for laws, and are essential information in legal research.

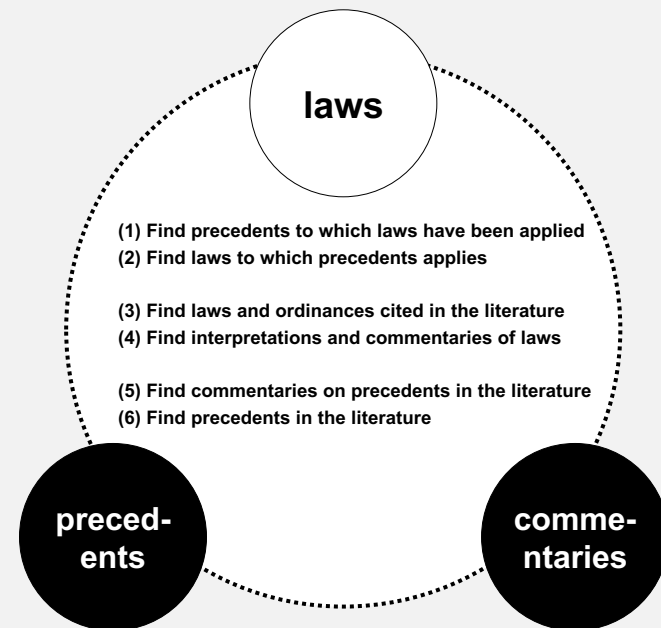
Relationship between laws and precedents



Legal judgment based on laws



Position of laws, precedents, and commentaries in legal research



Prepared with reference to Mariko Ishikawa et al. "Legal Research," 5th edition (2016), Nippon Hyoronsha, Inc.

LIC CO., Ltd, a provider of precedent database.

Provides a legal precedent database service named Hanreihisho that has an overwhelming market share

Company Profile



Company
LIC CO., Ltd

Location
2-6-18 Minami-Aoyama, Minato-ku, Tokyo

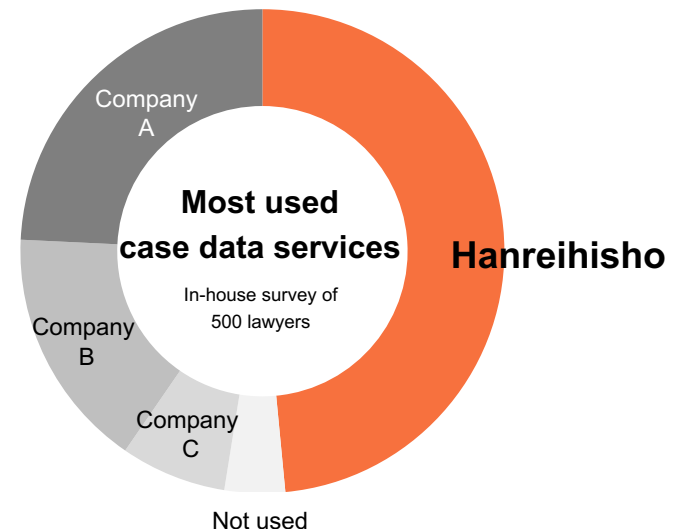
Date of establishment
April 1996

Representative
Yasuo Sanui

Business
Development and provision of a legal precedent database named Hanreihisho

Share of Hanreihisho

- ✓ 95% of lawyers use precedent search services.
- ✓ Hanreihisho is also used by all judges and prosecutors, and is the dominant service among the three elements of the judicial community



Key points of LIC Joining Our Group

POINT
01

High profitability and financial soundness

(Short-term) Effect of addition

POINT
02

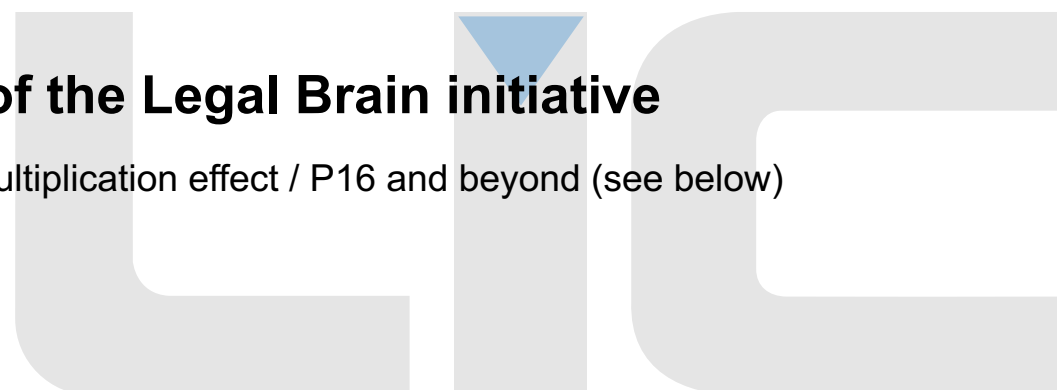
Solidification of business for lawyers

(Short- to medium-term) Multiplication effect

POINT
03

Acceleration of the Legal Brain initiative

(mid- to long-term) Multiplication effect / P16 and beyond (see below)



01_High profitability and financial soundness

Stable sales trend and high equity ratio

Business Performance

	(Mil. Yen)		
LIC	FY ended March 2021	FY ended March 2022	FY ended March 2023
Net sales	1,584	1,640	1,665
Operating profit	211	175	146
Net Assets	984	1,134	1,236
Total Assets	1,904	1,952	1,964

EOC.com	FY ended September 2020	FY ended September 2021	FY ended September 2022
Net sales	241	277	310
Operating profit	47	55	78
Net Assets	232	267	322
Total Assets	256	295	350

※LIC and EOC.com use the tax-included accounting method for accounting for consumption tax and other taxes.

※EOC.com is a wholly owned subsidiary of LIC, a company that sells "Hanreihisho"

※EOC.com's sales are recorded only as sales commissions from LIC.

Business Outlook

- Reflects consolidated results from the second half of the fiscal year ending March 31, 2024
- Expected to contribute 700-800 million yen in sales growth and 100-150 million yen in Operating income growth.
- Consolidated net assets of LIC CO., Ltd and EOC.com CO., Ltd are approximately 1.5 billion yen.
- Expected to contribute to profitability even after deducting goodwill amortization expenses from the contribution of increased operating income.
- The consolidated earnings forecast will be announced by December 2023

Deal Summary

- Acquisition price: Not disclosed
- Acquisition consideration: Cash
- Acquisition date: October 2, 2023
- Equity interest acquired: 100%.

Impact on the Financial Results in the Current Year

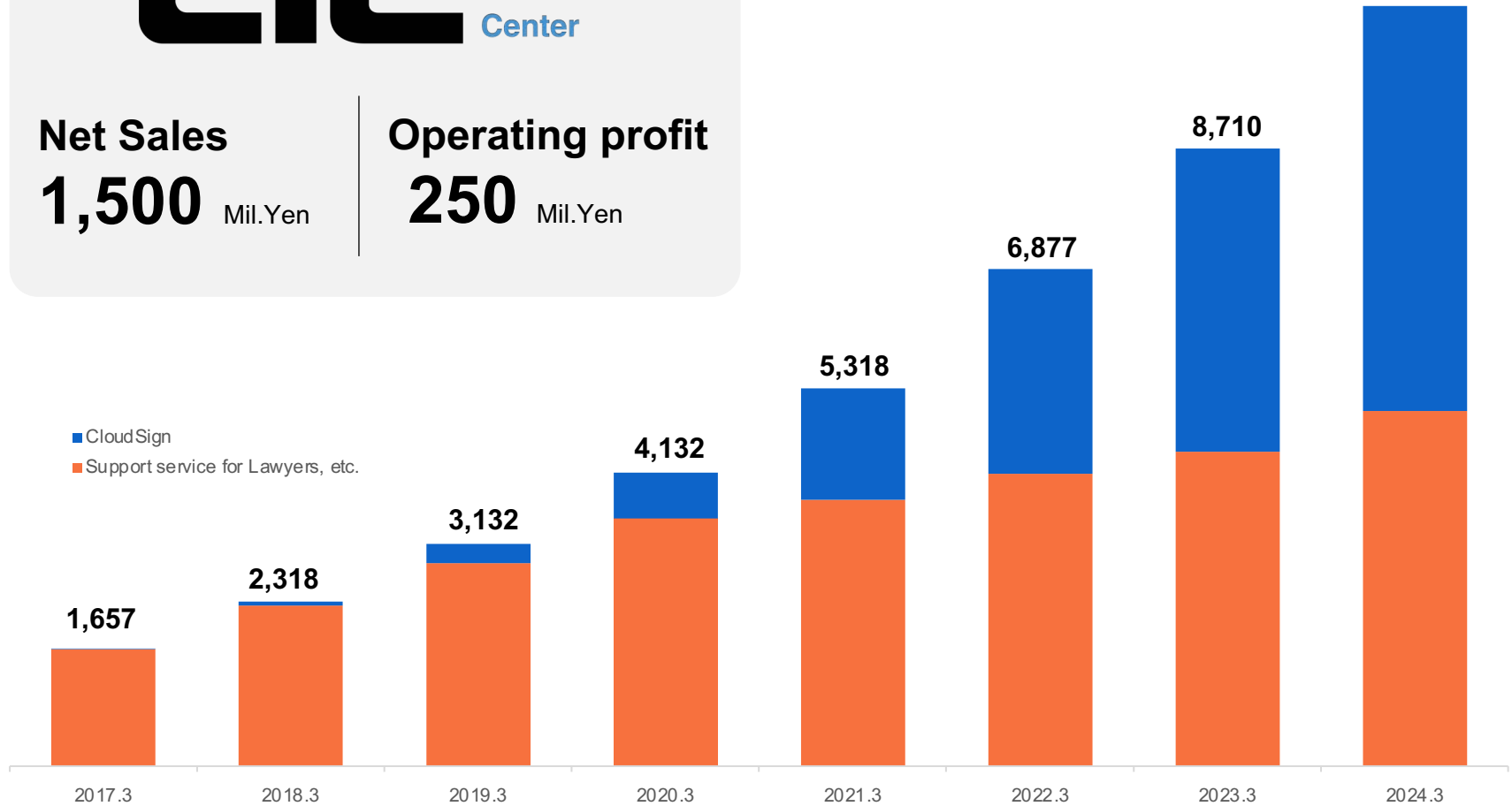


Net Sales
1,500 Mil.Yen

Operating profit
250 Mil.Yen

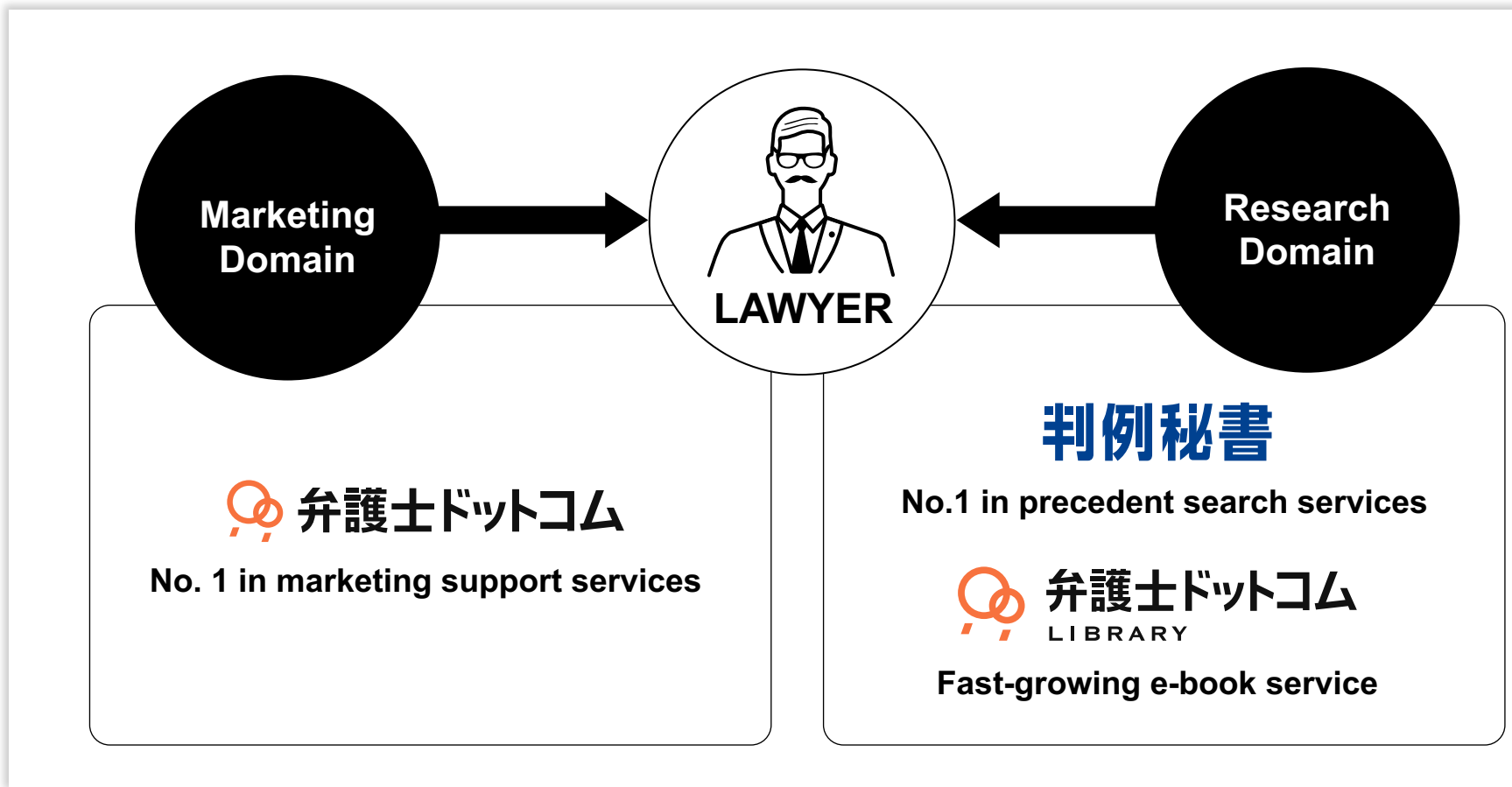
LIC's results (for the half year) were added to the previous sales forecast (non-consolidated) of 10.73 billion yen

10,730 Mil.Yen



02_Solidification of business for lawyers

Through price and product collaboration between each service, accelerate the pace of growth in the number of registered lawyers



Legal Brain Development Strategy

FY3/
2024
Q2

The Legal Brain initiative

**Innovation in AI
Technologies**

November 30, 2022: Arrival of ChatGPT



**Publication of Article
72 Guidelines**※

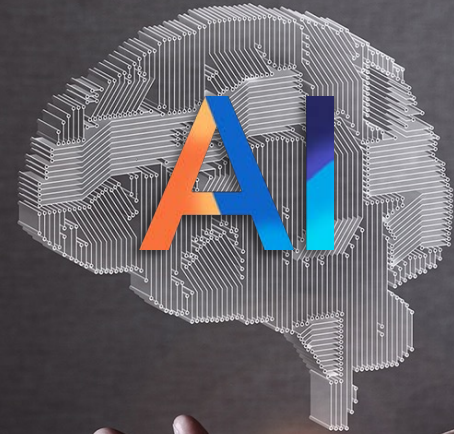
August 1, 2023 Publication of Guidelines for Article 72
of the Lawyers Act



**Utilizing AI,
providing innovative legal services to society.**

※Article 72 of the Lawyers Act: No person who is not an lawyer or a legal professional corporation may, for the purpose of earning remuneration, engage in the business of handling expert opinion, representation, arbitration, or settlement or other legal services, or providing mediation in connection with litigation, non-contentious cases, and appeals against administrative agencies, including applications for examination, requests for reexamination, and re-examination, and other general legal cases.

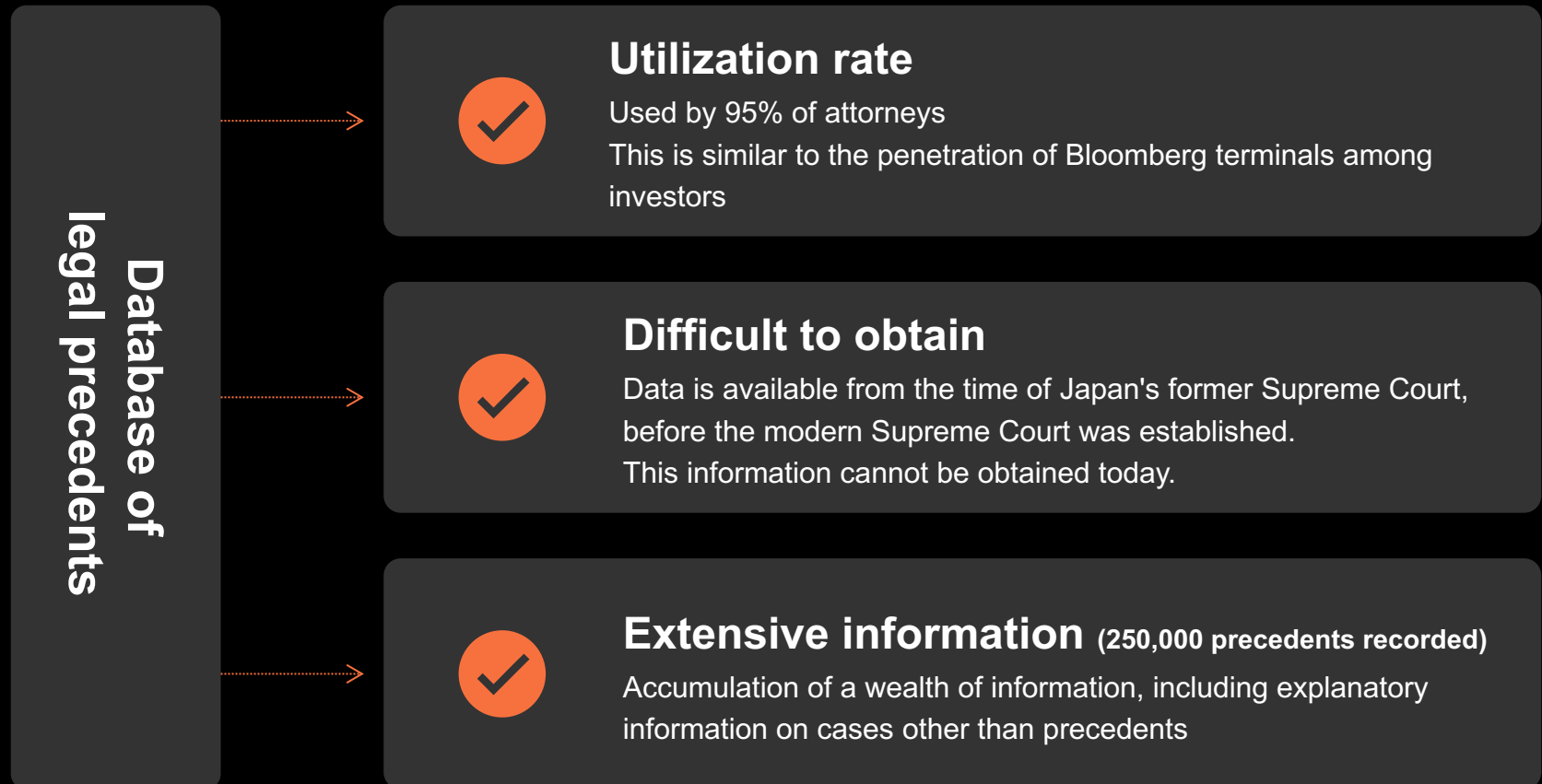
Legal Brain Development Strategy



M&A also utilized to acquire legal knowledge

Strengthen development capabilities by hiring engineers, forming alliances, etc.

The Importance of the legal precedent database



Our Advantage in Building the Legal Brain

Building a unique legal brain by utilizing an overwhelming client base and the experience gained from running a law firm

Our Three Strengths

01 Unparalleled customer base cultivated through our business

- Over 23,000 lawyers
- Over 2.5 million CloudSign users

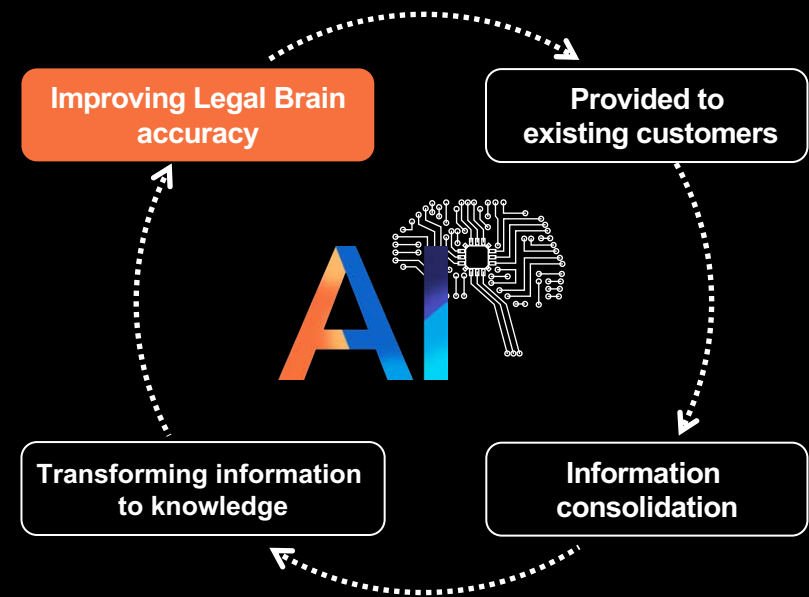
02 Our own data

- Lawyer database, legal precedent database, contract database, etc.

03 Precise insight into lawyer work

- The President and Representative Director Motoe runs Authense Law Office and has a high degree of insight into both personal and corporate legal matters.

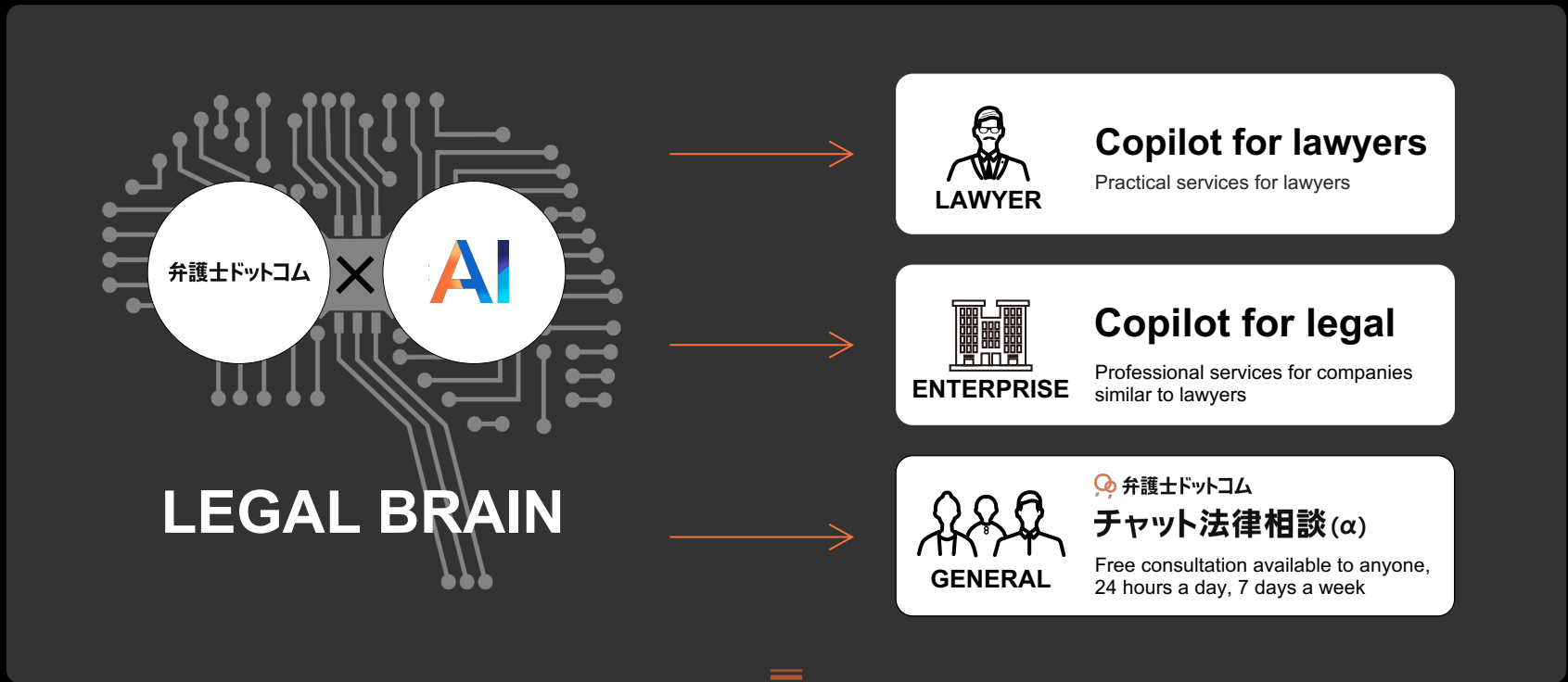
Lawyer in the loop



Legal Brain Implementation

FY3/
2024
Q2

What we hope to accomplish through Legal Brain



Empowering Japanese Society with Legal Services

Expanded legal tech market

Research and due diligence support services

- Cross-sectional research
- Due diligence support

Compliance checking services

- Act against Unjustifiable Premiums and Misleading Representations
- Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices
- Act on Specific Commercial Transactions
- Act against Delay in Payment of Subcontract Proceeds, Etc. to Subcontractors
- Credit
- Antisocial forces

Services for attorneys (including those in law firms and working in corporations)

- Complaint drafting support
- Litigation support
- Dispute resolution platform
- Damage claims estimation
- Legal finance

Documentation services

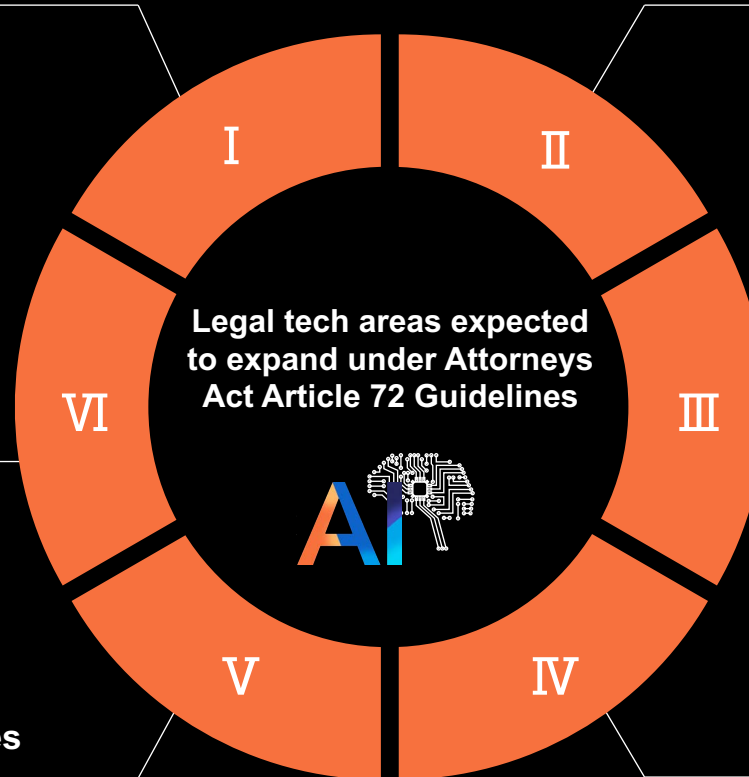
- Terms of use creation
- Creation of internal rules and regulations
- Creation of specific legal notations

Legal consultation services

- AI-based legal consultation
- Legal services for foreigners

Contract work

- AI-based contract review
- AI-based contract creation
- AI-based contract analysis



Product Roadmap

Prioritizing added value

Considering monetization

September 2023

December 2023

March 2024 onward

First product

Bengoshi.com LIBRARY
AI Assistant (α -version)

Second product

Bengoshi.com LIBRARY
AI Assistant (β -version)

BUSINESS LAWYERS
LIBRARY
AI Assistant (β -version)

Third product

Research support

Database

**Utilize and organize existing databases /
acquire new databases**

Why start in the research area?

01

Research

as a percentage of operations



Increased attorney work productivity



Breakdown of work while at the office

02

Wide target



More users are targeted

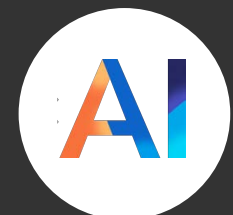


03

Information that is easy to systematize



Structuring the knowledge of the legal system and maintaining it as an internal database will greatly increase the potential for AI to be used in specialized areas



"Workstyle Reform for Lawyers," Daini Tokyo Bar Association (<https://niben.jp/niben/books/frontier/backnumber/202005/post-183.html>)

Launched AI-powered book search service Launched for lawyers on September 28 and for corporate legal services in December.

URL of explainer video: <https://youtu.be/wcronOSD048>

*Screenshot shows service under development.



Bengoshi.com LIBRARY AI Assistant (α-Version)



相続人が一人だけの場合に限定承認する際の注意点とは？

Question display

Automatic generation of
supplementary answer by AI

限定承認を行う際には、相続人全員の一致が必要であり、相続開始を知った日から3か月以内に家庭裁判所に「相続限定承認申述書」を提出する必要があります。また、財産目録に記載漏れがあると単純承認とみなされる可能性があるため注意が必要です。限定承認が認められると、家庭裁判所によって相続財産管理人が選ばれ、清算手続きを行います。相続人が一人の場合、原則として、限定承認した相続人が相続財産の管理及び清算手続きを行います。詳しくは、以下の書籍をご覧ください。

NLP-based recommendation
of pages that will serve as
a reference
(one book or multiple books)



第3版 家庭裁判所における遺産分割・遺留分の実務

片岡 武、菅野 真一 | 2017年11月 | 日本加除出版

②限定承認(民922条)

①意義 相続した財産の範囲内で被相続人の債務を弁済し、余りがあれば、相続できるという制度である。被相続人の財産は、限定承認者によって相続債権者に対する弁済に充てられる。

②効果 限定承認者は、相続財産、相続債務を承継する。債務について

該当箇所をすべて表示 (3)

該当箇所を書籍で読む

Link to pages
to be viewed

Hanreihisho joins Our Group, enabling cross-research of legal precedents, case commentaries, and legal books

Expanding into areas where other companies cannot follow

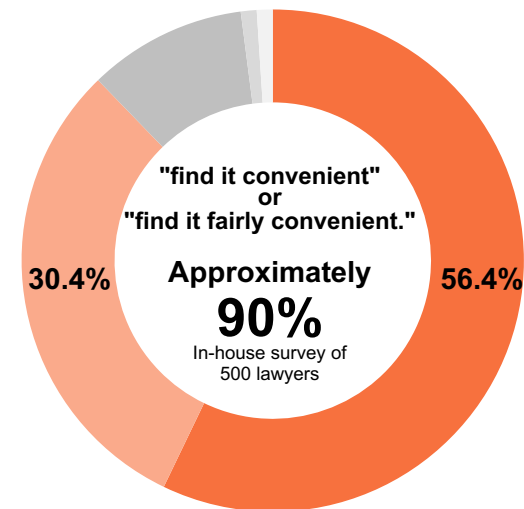
判例秘書



 弁護士ドットコム
LIBRARY

 BUSINESS LAWYERS
LIBRARY

Q. Would you find it useful if there was a service that allowed you to search both legal precedents and law-related books at once?



● Find it convenient ● Find it fairly convenient
● Can't say either way ● Do not find it very convenient ● Do not find it convenient

CloudSign Topics

FY3/
2024
Q2

01 Free plan for all customers

Provision of SMBC CloudSign free plan to all companies holding corporate accounts with Sumitomo Mitsui Banking Corporation (SMBC)

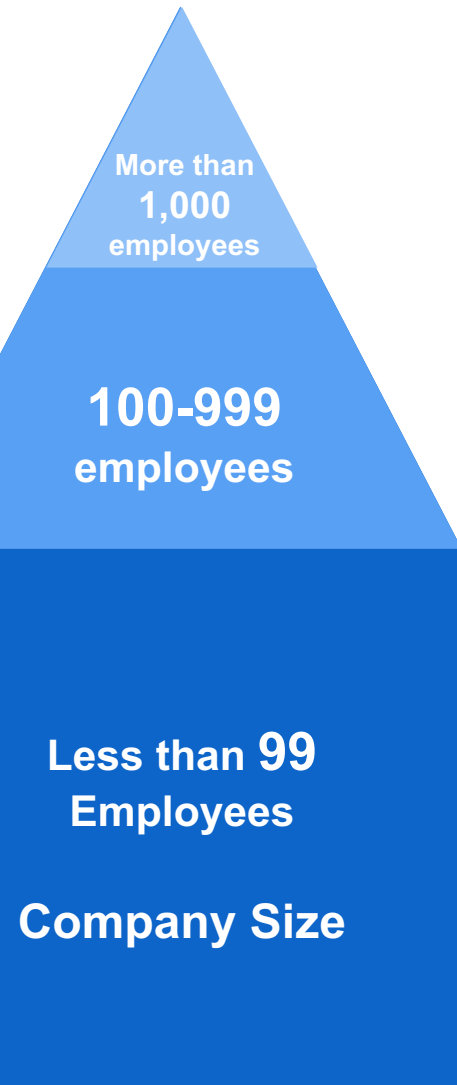
02 Conversion measures to paid plans

- Information is now available at 150 branches nationwide.
- Call center calls
- Advertising exposure on SMBC website
- [Campaign running from October to December.](#)

Number of corporate accounts at Sumitomo Mitsui Banking Corporation

2.4million*

03 Accelerate customer acquisition



From the Yomiuri Shimbun morning edition, September 26, 2023

Change in the limit on the number of contracts sent for free plans in July 2023.

Lowering the limit on the number of contracts sent promotes the shift from free to light plan

Free	Paid Plan Light
Fixed fee : 0 JPY/Month Pay- per-use : 0 JPY/Month	Fixed fee : 10,000 JPY/Month Pay- per-use : 200 JPY/Sending
Plan contents Number of users : 1 user Number of contracts : 5 → 3	Plan contents Number of users : Unlimited Number of contracts : Unlimited
Features <ul style="list-style-type: none">• Sending, storage and search of contracts• Two-factor authentication	Features <ul style="list-style-type: none">• 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.• AI contract management

Number of paid plan applications from free plans

Quarterly Record High

YoY **+59.0%**

Aiming to be No.1 in the contract review industry

Products / Prices

Q2

- Offering a set plan with CloudSign
- Functional development for large companies

Q3~

- Consider product collaboration with CloudSign
- Consider offering a free plan

Marketing / Sales

Q2

- Started informing existing customers
- Exhibit at trade shows and other events with CloudSign
- Establishment of specialized departments

Q3~

- Accelerate customer acquisition by deploying additional sales resources

<https://www.cloudsign.jp/review/>

CLOUDSIGN REVIEW

AIレビューをもっと身近に

電子契約シェアNo.1のクラウドサインが提供する
新たなAIレビューサービス

まずは資料ダウンロード (無料)

リスクチェック

秘密保持契約書

甲乙株式会社 (以下、「甲乙」という。)、と、弁護士ドットコム株式会社 (以下、「弁護士ドットコム」という) は、甲乙および弁護士ドットコム間においてクラウドサインを行う業務 (以下、「本件業務」という。) を行うにあたって締結された秘密保持契約 (以下、「本契約」とい

第1条 (目的)
甲乙及び弁護士ドットコムは、本件業務の遂行のため必要と認められる範囲で、

第2条 (秘密情報の定義)
1 本契約において、秘密情報とは、本件業務において甲乙が相手方から知り得た技術、ノウハウ、営業秘密、その他一切の情報をいう (以下、開示を受けた乃至当該情報を「受領者」といい、その相手方を「開示者」という。)
2 前項の規定にかかわらず、次の各号の一に該当するものは秘密情報として扱われない (以下、「除外情報」という。)
(1) 開示者から開示された時点ないし知得した時点以前に公知であったもの
(2) 開示者から開示された時点ないし知得した時点より後に、受領者以外から公知となったもの
(3) 開示者から開示された時点ないし知得した時点以前から自ら知り得たもの

第3条 (本契約業務の遂行方法、業務委託料の支払方法)
1 本契約業務の遂行にあたっては、開示者が開示者負担となりますが、開示者負担ではありません。
2 本契約業務の遂行にあたっては、開示者が開示者負担となりますが、開示者負担ではありません。

第3条 (目的外使用の禁止)
受領者は、開示者から開示された秘密情報を本件目的以外の目的で使用してはならない。

第4条 (複製等)
1 受領者は、事前に開示者から書面による承諾を得た場合を除き、秘密情報を複製、転写、翻案、翻訳 (以下、「複製等」という) してはならないものとする。
2 秘密情報を複製等した物は、本契約における秘密情報として取り扱われる。

第5条 (秘密保持義務)

Business Overview

FY3/
2024
Q2

BENGOSHI.COM

Bengoshi means lawyer



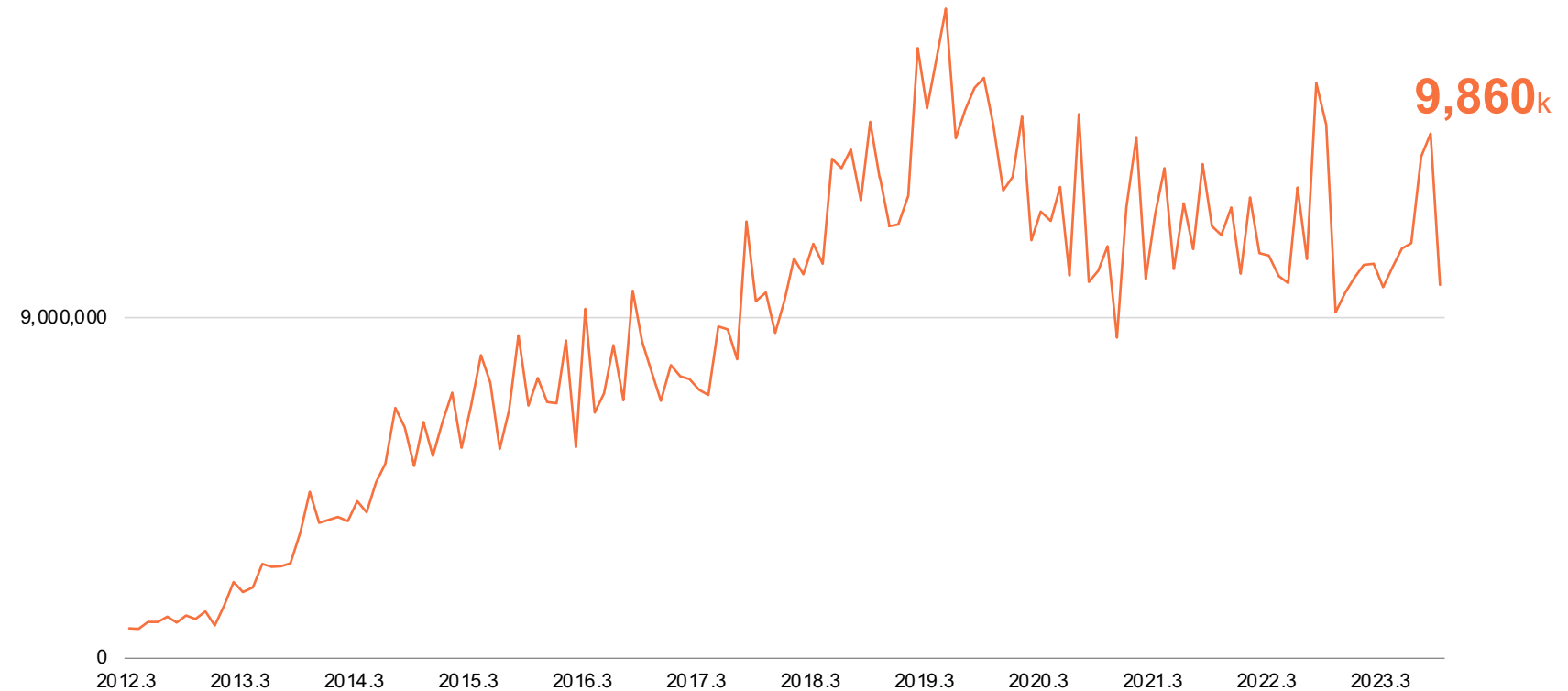
Trend of the number of visitors

The number of monthly site visitors via Google Search remained on a recovery trend, although it depended on whether there were hit articles Bengo4.com News.

Trend of the number of visitors (monthly)

(visitors)

18,000,000



The number of paid users (Individual)

The number of paid individual users turned toward recovery, due to improved inflow from searches.

What paid users can see

親権が不利のケース
公開日：2020年10月19日 相談日：2020年10月03日

1弁護士 / 1回答

親権についてです。子どもが10歳までは殆どは母親が親権者と聞いていますが、母親が親権者にならないことがあると聞きました。それはどんな時ですか。回答をお願いします。

960929さんの相談

回答タイムライン

見本 太郎 弁護士
東京都 港区
注力分野 離婚・男女問題

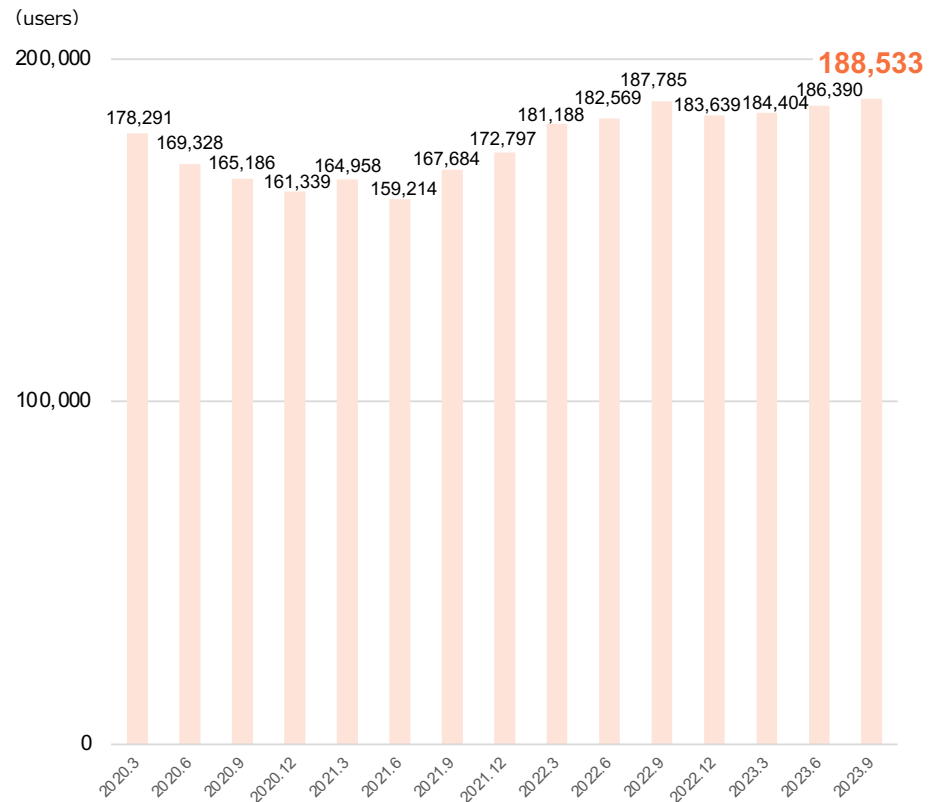
ベストアンサー

こんにちは。
たとえば、子どもが父親側で長いこと養育されていて、その状況が安定している場合には、あえて環境を変えてまで母親にすることはないでしょう。
また、極端ですが母親が虐待をしているような場合にも、母親を親権者にすることは無いと思います。

2020年10月04日 16時35分

↓
Answers by lawyers are available only for paid users

Trend of the number of paid users



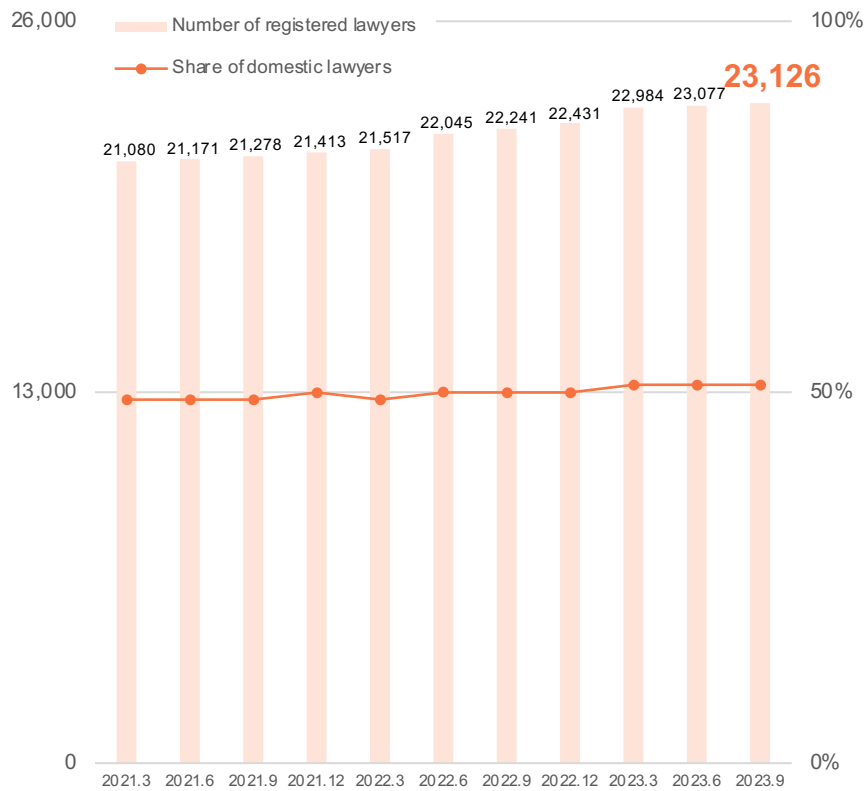
The number of the registered lawyers

The number of registered lawyers for “Bengoshi.com Library,” an e-book service for lawyers, grew steadily



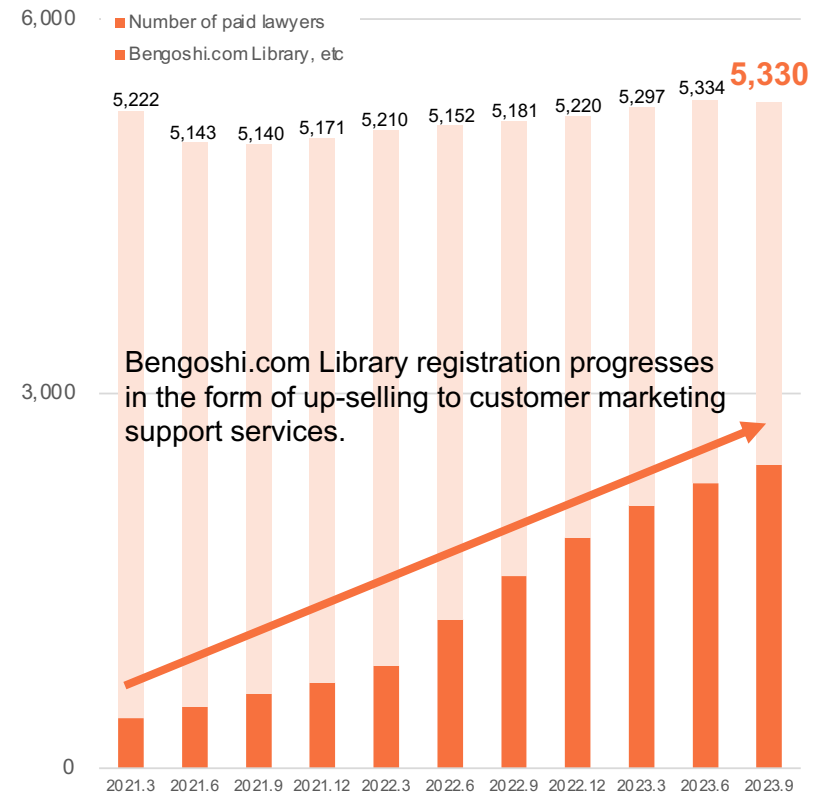
Trend of the number of registered lawyers

(No. of person)



Trend of the number of paid lawyers

(No. of person)



CLOUDSIGN



Trend in net sales

Q2 sales exceeded forecasts and were up 34% YoY.

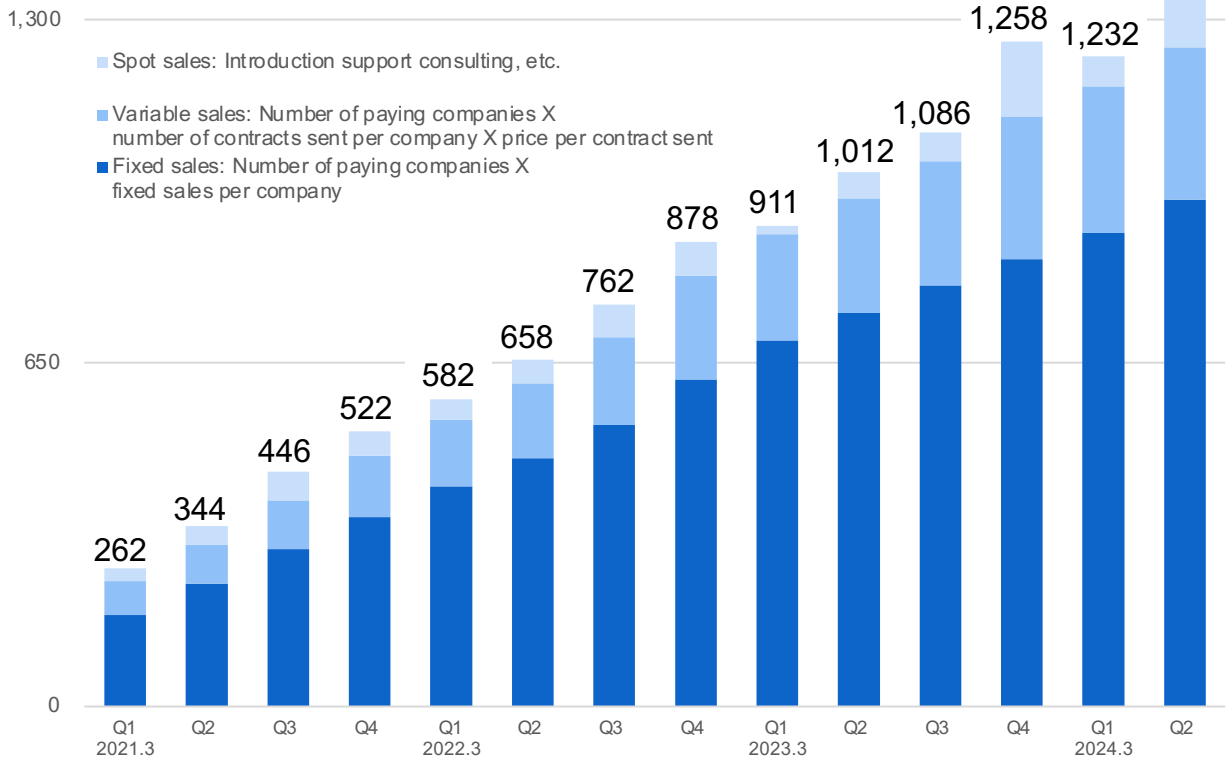
Steady growth recurring sales (fixed sales and variable sales), and spot sales increased QoQ due to conference revenue

In particular, the number of contracts sent was higher than the forecast number.



Trend in net sales

(Mil.Yen)



Spot Sales
QoQ revenue increased due to advertising revenue generated from in-house events

Recurring sales

Variable Sales
The number of contracts sent per Company Continues to Increase.
Increase in all industries and sizes of companies, which will be a driving factor for sales in the future.

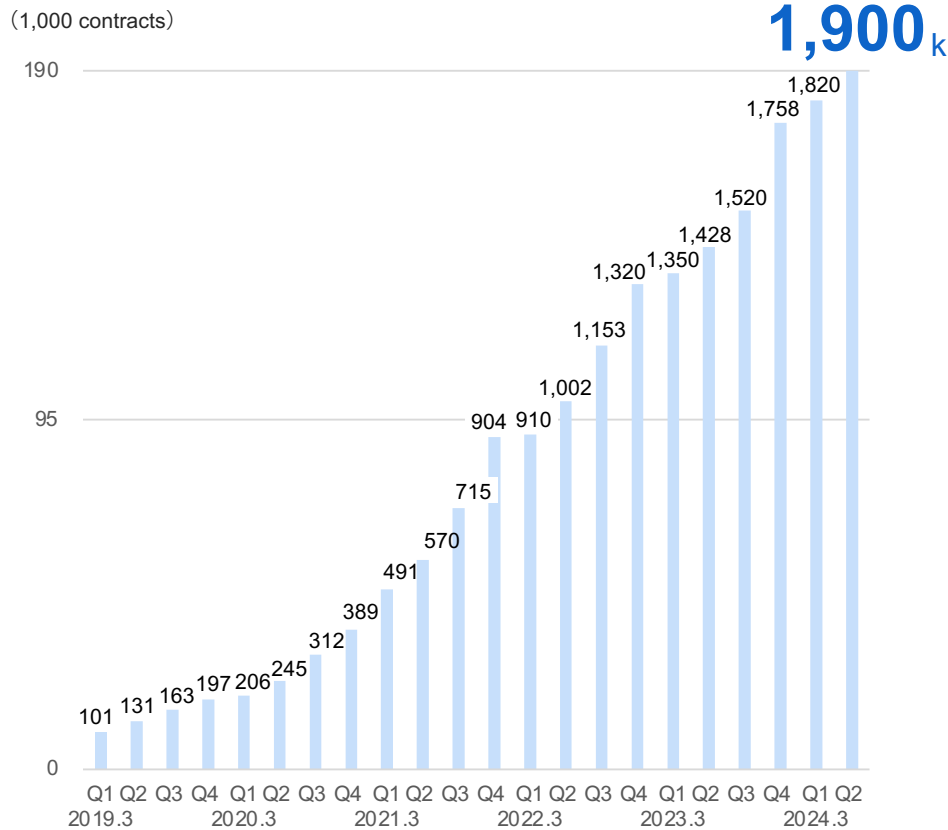
Fixed Sales
Accelerated pace of increase in newly introduced companies.
Increase in acquisitions via self-serve due to reduction in the number of free plan contracts sent.
The number of companies canceling plans remained steady.

Trend in the number of contracts

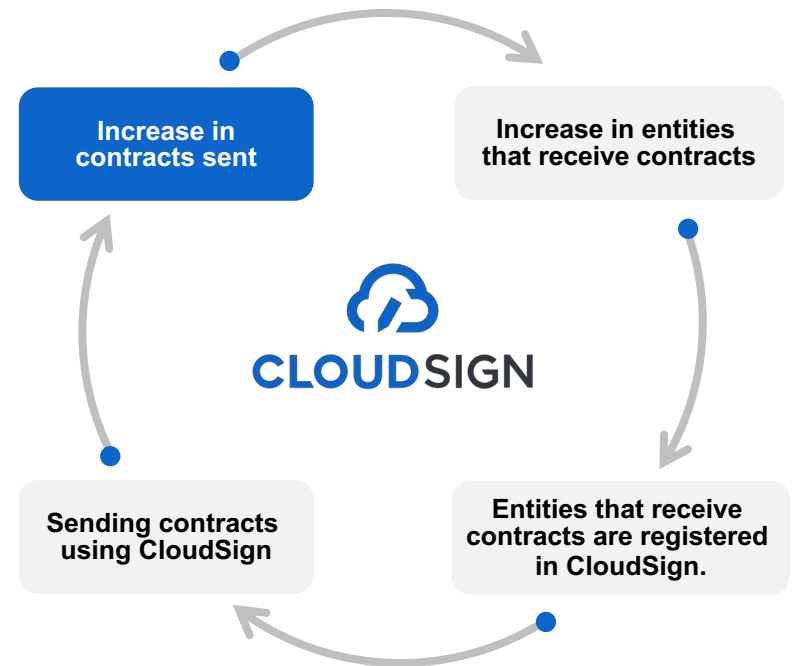
(The number of contracts sent bearing an electronic signature and a timestamp)

The number of contracts sent increased steadily, surpassing 1.9 million in the quarter, growing 33% YoY, driven by growth in recurring sales.

Trend in the number of contracts



Network effects of electronic contract service



※ The number of contracts sent refers to the number of contracts sent bearing an electronic signature and a timestamp in light of requirements for electronic signature under the Act on Electronic Signatures and Certification Business (excluding contracts with only a timestamp)

CloudSign introduction in different industries

The introduction of CloudSign continued to accelerate, especially among large companies and local governments.

Banks, securities, insurance and other financials



IT services, information, telecommunications, human resources and media



Construction / Real estate



Transportation equipment, food, chemical, pharmaceutical, and other manufacturing



Transport/ Logistics



Local governments and other



※1 Companies that have introduced CloudSign include OEM products such as SMBC CloudSign.

※2 Logos and names of companies that have granted individual permission are listed.

※3 The number of companies is the number of businesses (companies or individuals) using CloudSign. If more than one person is using CloudSign at a single company, it is counted as one.

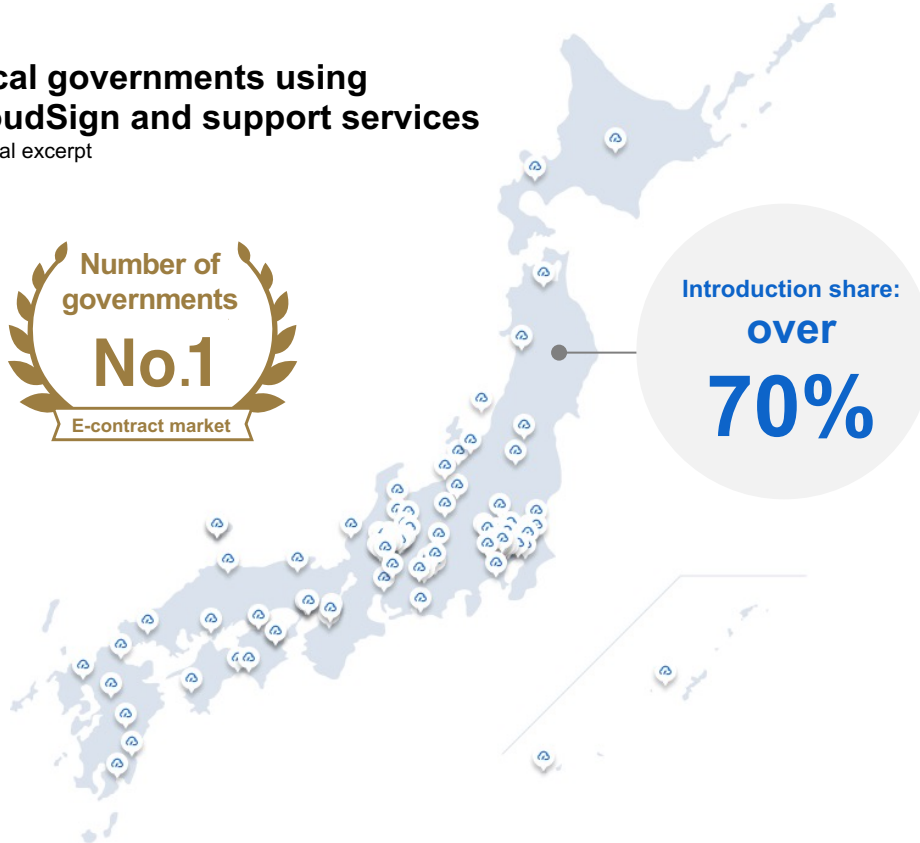
Of 176 local governments that have introduced electronic contracts, **122 local governments (approx. 70%) have introduced CloudSign**※.

Multiple municipalities have decided to introduce CloudSign in Gifu and Niigata prefectures.

The market is becoming an oligopoly in many regions.

Local governments using CloudSign and support services

*Partial excerpt



Prefectures

- Tokyo
- Aomori
- Akita
- Ibaraki
- Chiba
- Saitama
- Niigata
- Nagano
- Aichi
- Toyama
- Gifu
- Kagawa
- Kochi

Municipalities

- Kobe, Hyogo
- Hamamatsu, Shizuoka
- Niseko-cho, Hokkaido
- Awashimaura-mura, Niigata
- Ashikaga, Tochigi
- Kasama, Ibaraki
- Urayasu, Chiba
- Sakado, Saitama
- Nakano, Nagano
- Hirakata, Osaka
- Ikoma, Nara
- Hashimoto, Wakayama
- Matsuno-cho, Ehime
- Mihara, Hiroshima
- Kikuchi, Kumamoto
- Ogi, Saga
- Shibushi, Kagoshima
- Taketomi-cho, Okinawa

※1 In-house comparison of information on open calls, bids, and proposals published by local governments nationwide, as well as information obtained by contacting local governments

※2 Counting local governments that have paid for e-contracting services and have decided to introduce e-contracting services (surveyed as of October 1, 2023).

※3 The number of local governments counted includes OEM products such as SMBC CloudSign.

Press release from the Tokyo Metropolitan Government on September 21, 2023 regarding the introduction of electronic contract services. CloudSign is available from October 2.

【新着】2023年9月21日 財務局

電子契約サービスの導入について

東京都は、事業者の皆様への利便性の向上と業務負担の軽減を図るとともに、都の事務の効率化、簡素化を実現するため、令和4年11月以降、財務局契約の一部にて電子契約サービスの試行運用を行いました。令和5年10月2日(月)から、知事部局等において、段階的に電子契約サービスの運用を開始します。

1. 電子契約のメリット

① 契約手続きにかかる時間が短縮されます

従来の手続きでは、落札決定してから、郵送又は来庁により契約書の受領、押印、提出を行っていました。電子契約ではクラウド上で契約書の確認を行い、電子署名を施すことにより、オンラインで契約締結事務が完了します。これにより、契約書の郵送や出社しての押印、来庁しての契約書の持ち込みといった作業にかかる労力を削減することができます。

② 収入印紙その他の費用が削減できます

印紙税は文書の取り交わしに対し課せられるものですが、電子契約は電磁的記録で作成されたデータのやり取りのため、印紙税が課せられることはありません。そのため、電子契約を利用することにより、印紙税の対象となる契約であっても、受注者が都に提出する契約書に貼付する収入印紙が不要となります。

(※都が受注者に提出する契約書は印紙税が非課税のため、いずれの場合も印紙は貼付されていません。)
また、書類の印刷製本や郵送等が不要となるため、それらの費用も削減できます。

受注者の皆様への時間と費用を削減できる電子契約のご利用を是非ご検討ください

※ <https://www.zaimu.metro.tokyo.lg.jp/keiyaku/denshikeiyaku/>

2. 電子契約の利用方法

- ① 東京都電子調達システムホームページの電子入札メニューにログインし、契約手続担当者の事前登録を行います。
- ② 入札情報サービスに掲載される発注予定表の契約書種別欄に「電子契約対象案件」と表示されている案件が電子契約の対象となります。
- ③ 入札参加を希望する電子契約対象案件について、希望申請を行う際に、希望する契約書種別（電子契約or紙契約）を選択します。
- ④ 希望申請を提出した後、「契約手続情報登録」から対象案件を選択します。応札にあたり、契約手続担当者登録状況の確認や電子契約実施について承諾する手続きを行います。
- ⑤ 落札後、契約書の作成に必要な書類データを起工（事業所管）部署を通じて提出します。
↓（東京都が、書類データを確認のうえ契約書を作成し、電子契約サービスにアップロードします。）
- ⑥ 電子契約サービス(クラウドサイン)から契約締結の確認同意を求めるメールが届きます。
- ⑦ メール内のリンクをクリックし、内容を確認の上、確認同意する旨操作します。
↓（東京都が、同様に確認同意を行います。）
- ⑧ 双方が確認同意したことを証明する電子署名が付与された契約書（PDFファイル）がメールが届きます。
PDFを保存することで、インターネット接続環境下であれば、双方が合意したことの記録を署名パネルより確認できます。

ZEIRISHI.COM

Zeirishi means tax accountant



Japan's largest tax consultation portal site which has **1,183k** visitors/month.

1. Tax Accountant introduction service

Provide introduction service by experienced tax coordinators.

They choose the best one for client from among **6,324** registered tax accountants.

2. Tax consultation service

Provide tax consultation service free of charge.

Total number of tax consultation cases is approximately **110,000**.

3. Tax Account Profile · Tax Accountant Search

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



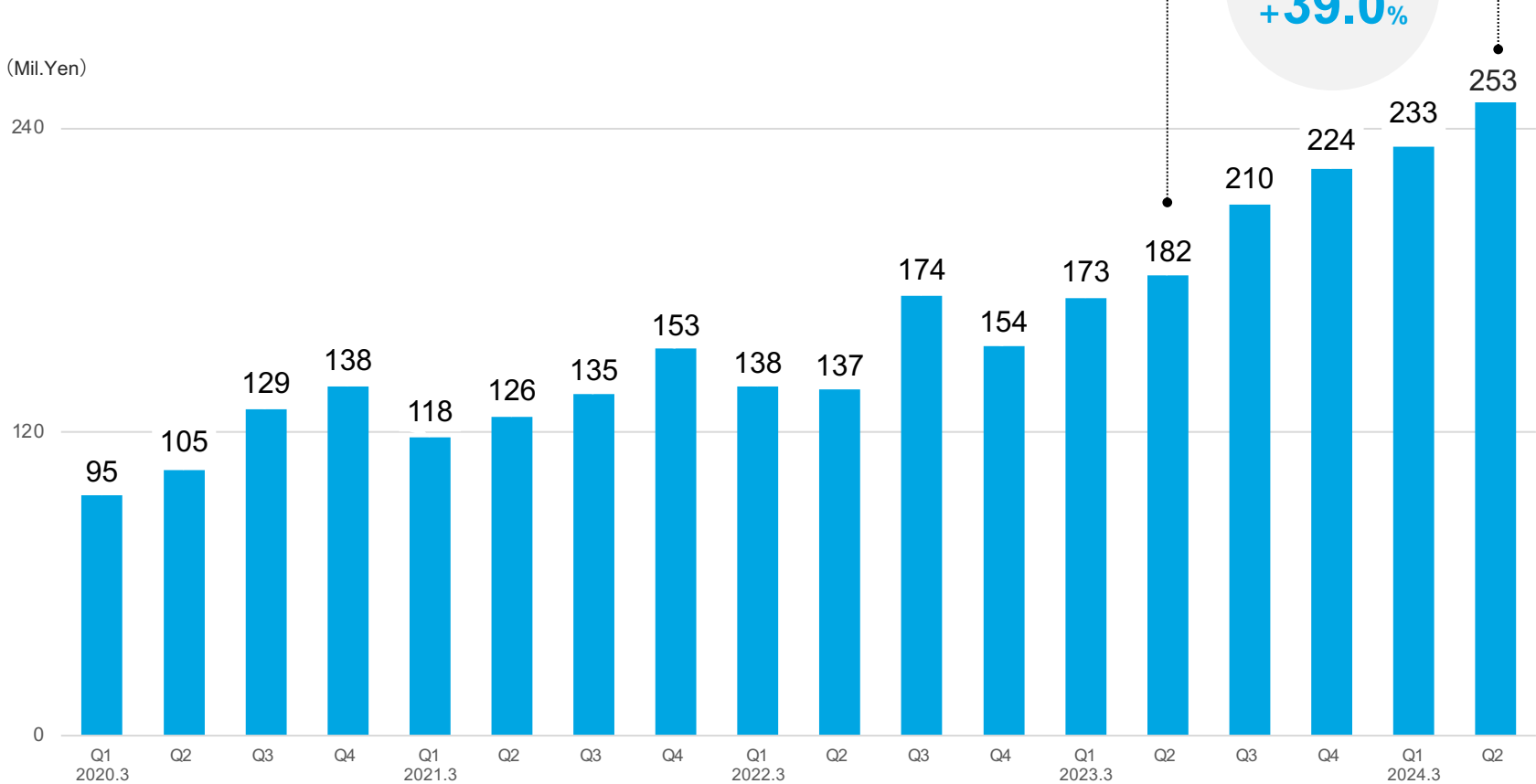
as of Sep. 2023

Trend in net sales

Aggressive marketing investments, such as web advertising, are increasing our positioning in the industry by the day.

Sales grew significantly, increasing 39% YoY

Trend in net sales



BUSINESS LAWYERS



Japan's largest Corporate legal portal site which has **530k** visitors/month.

1. Registered lawyers

The lawyer who works in Nishimura & Asahi,
Mori Hamada & Matsumoto, Nagashima Ohno & Tsunematsu,
Anderson Mori & Tomotsune, TMI etc.

2. “Business Lawyers Library”

Browse practical books online and streamline your research.

6,300 yen per month, Over 1,700 books, 28 legal publishers participate.

3. “Business Lawyers Compliance ”

Supporting the training challenges faced by companies with online videos.



as of Sep. 2023

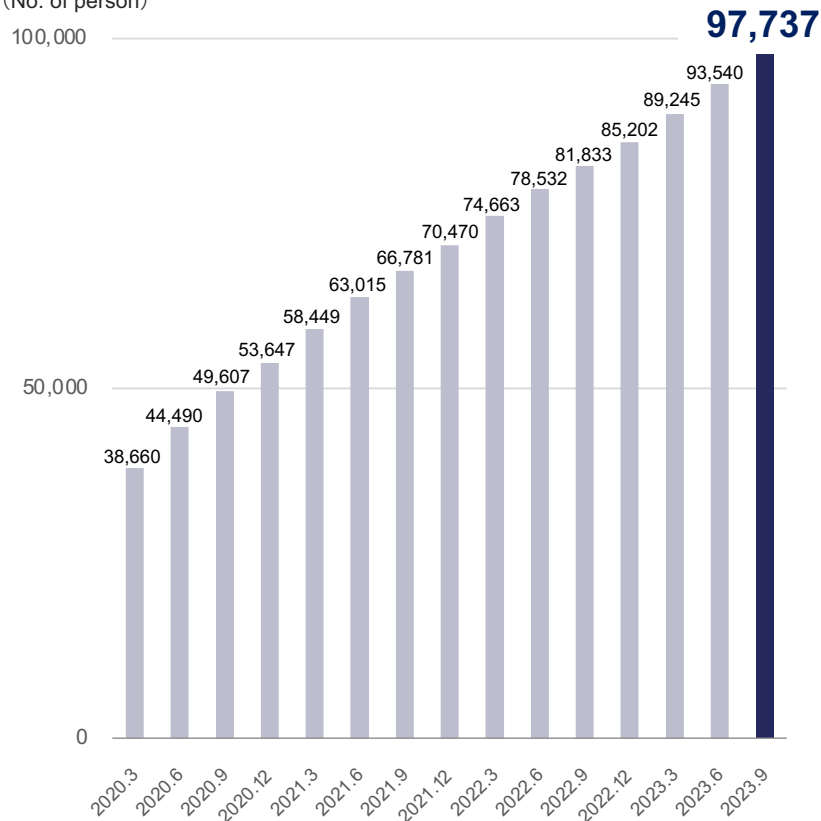
The number of users of "Business Lawyers" exceeded 100,000.

The number of companies that have introduced Business Lawyers Library—a service that allows users to browse legal books and journals—has exceeded 1,300.

Trend of the users (monthly)

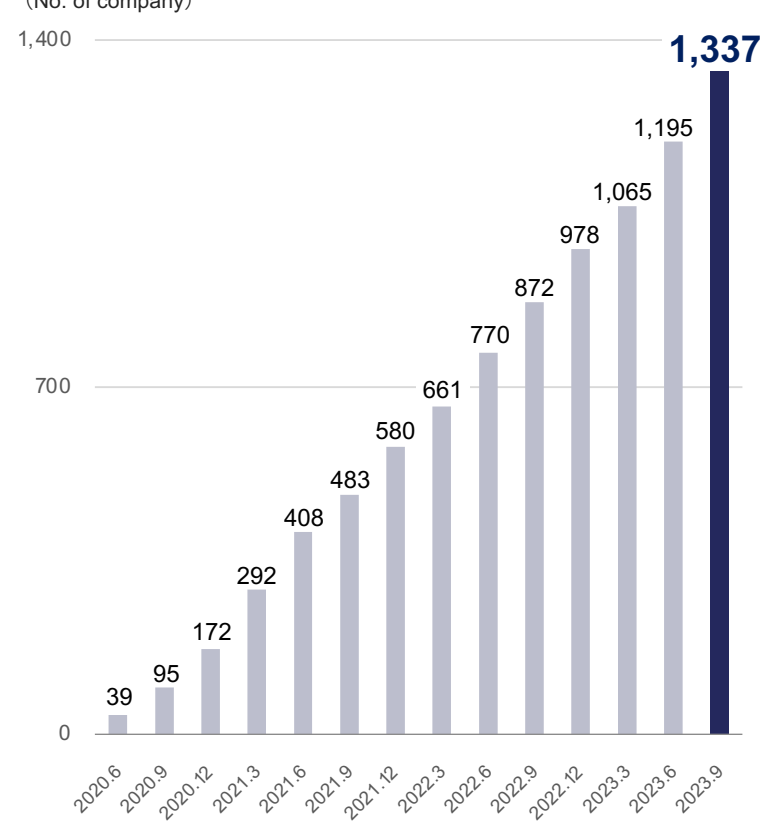
※By registering as a member (free of charge), you will be able to view all the contents of Business Lawyers.

(No. of person)



Number of companies that have introduced Business Lawyers Library

(No. of company)



Appendix

APPENDIX

NDIX

Highlights of financial results for FY2024/1H

Net sales increased **22.2%** YoY. Operating profit rose **48.2 %** YoY.

Net Sales	4,945	Mil. JPY	—	+ 22.2 % (YoY)
------------------	--------------	----------	---	-----------------------

EBITDA	767	Mil. JPY	—	+ 51.3 % (YoY)
---------------	------------	----------	---	-----------------------

Operating Profit	550	Mil. JPY	—	+ 48.2 % (YoY)
-------------------------	------------	----------	---	-----------------------

Ordinary Profit	555	Mil. JPY	—	+ 47.3 % (YoY)
------------------------	------------	----------	---	-----------------------

Net Profit	337	Mil. JPY	—	+ 44.8 % (YoY)
-------------------	------------	----------	---	-----------------------

* EBITDA = Operating Profit + Depreciation and amortization + Goodwill amortization + Stock-based compensation expense

Summary for FY3/2024 Q2

Net sales increased 22.4% YoY. Operating profit rose 30.3% YoY.

(Mil.Yen)

	FY3/2024 Q2 Actual	FY3/2023 Q2 Actual	YoY	FY3/2024 Q1 Actual	QoQ
Net Sales	2,553	2,086	+22.4%	2,392	+6.7%
CoGS	472	337	+39.9%	429	+10.0%
Gross Profit	2,080	1,748	+19.0%	1,962	+6.0%
SGA	1,776	1,515	+17.3%	1,716	+3.5%
EBITDA	420	403	+4.3%	346	+21.2%
Operating Profit	303	233	+30.3%	246	+23.4%
Operating Profit Ratio	11.9%	11.2%	+0.7pt	10.3%	+1.6pt
Ordinary Profit	309	239	+29.5%	246	+25.8%
Net Profit	186	142	+30.7%	151	+23.2%

* EBITDA = Operating Profit + Depreciation and amortization + Goodwill amortization + Stock-based compensation expense

Balance Sheet

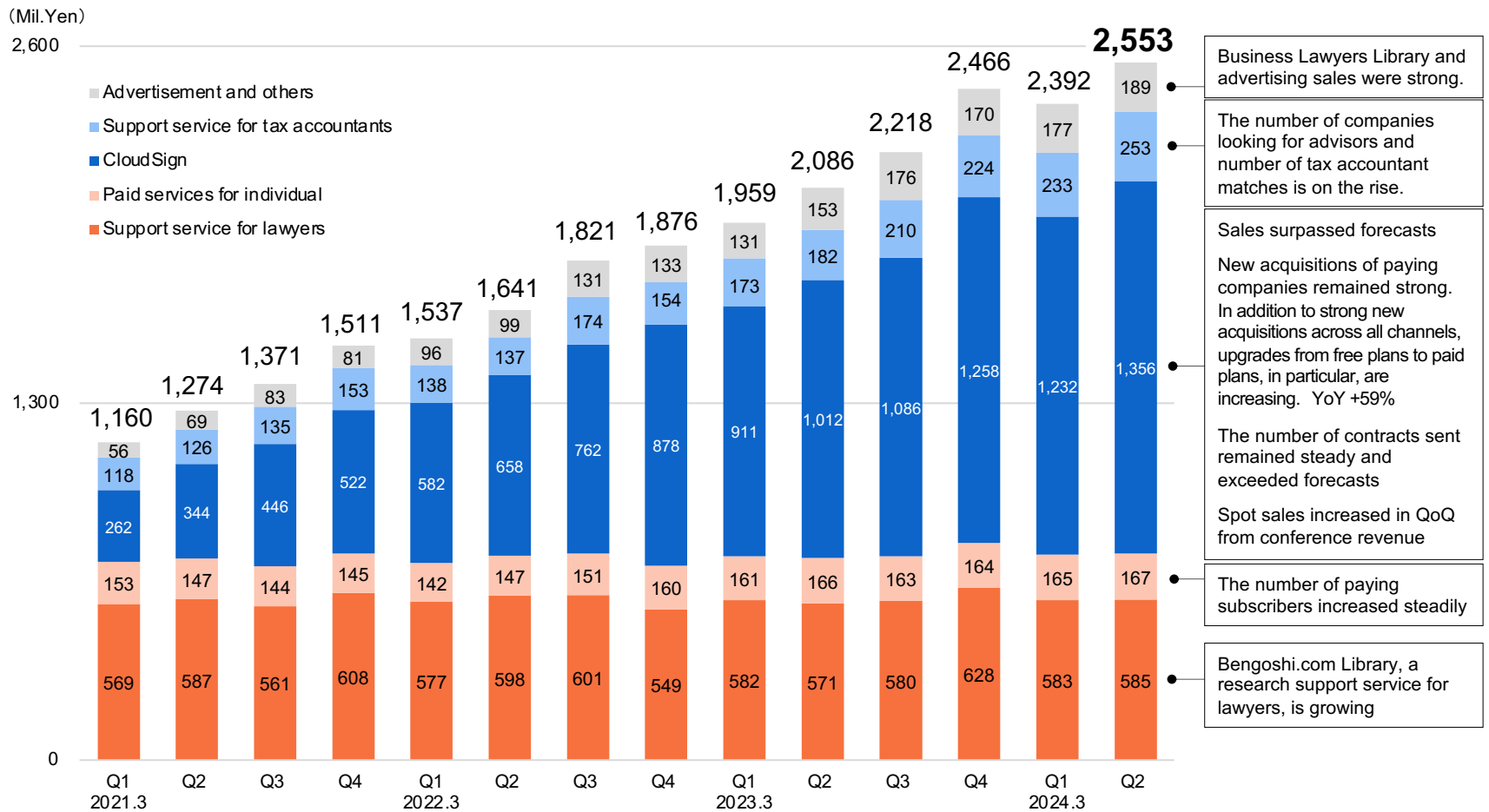
Net assets increased 194 million yen due to higher retained earnings.

	FY3/2024 Q2	FY3/2024 Q1	QoQ
Current Assets	4,225	3,251	+974
Cash and equivalents	2,401	1,583	+818
Fixed Assets	1,577	1,311	+265
Total Assets	5,803	4,563	+1,239
Current Liabilities	2,270	1,225	+1,045
Fixed Liabilities	-	-	-
Net Assets	3,532	3,338	+194
Capital-to-Asset Ratio	60.2%	72.5%	-12.3pt

Quarterly trend of Net Sales

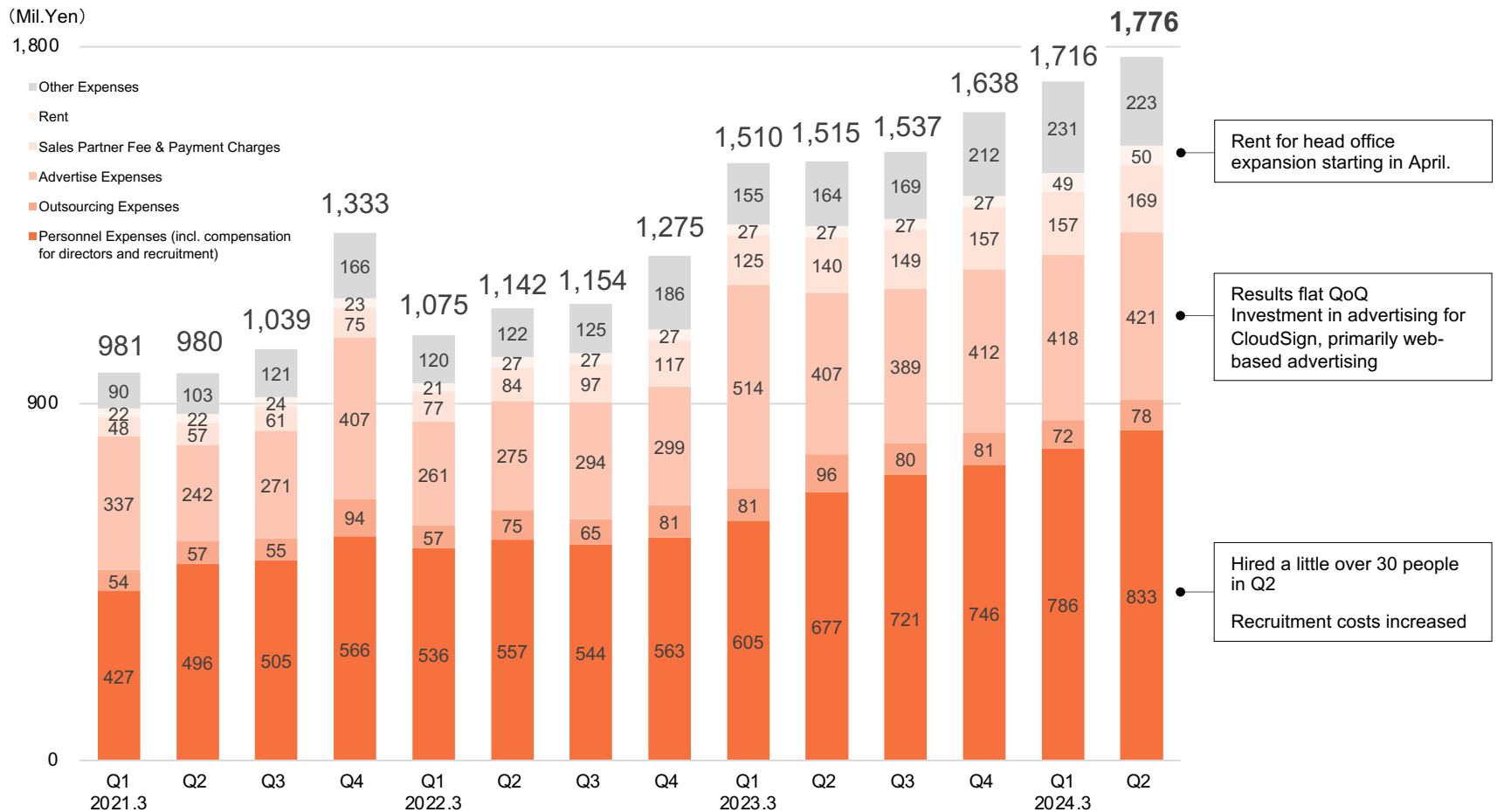
In Q2 sales increased QoQ across all segments increased, including CloudSign, beating projections.

Steady growth in both the number of new paying companies and the number of contracts sent for CloudSign.



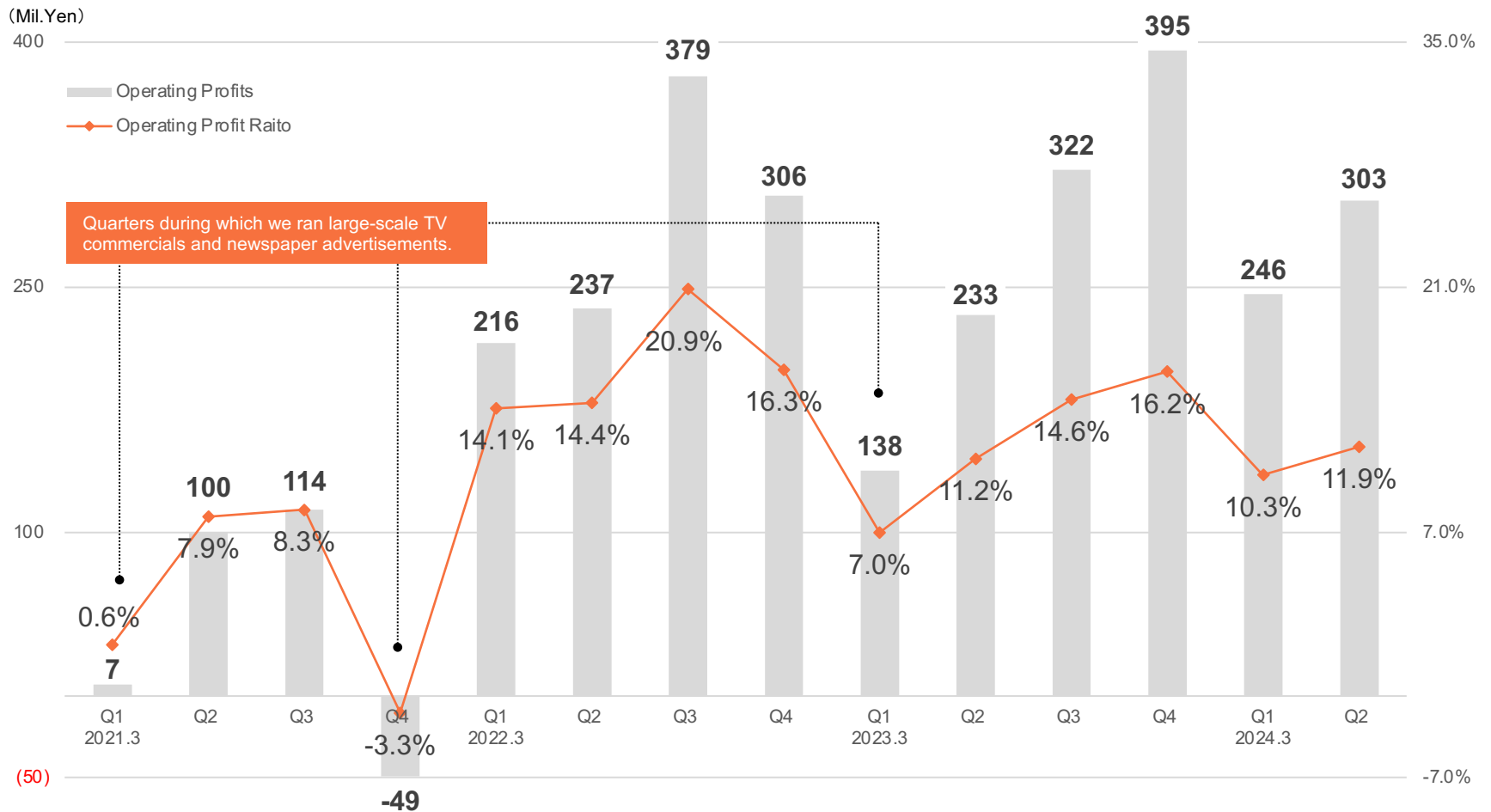
Quarterly trend of SGA

In Q2, SG&A expenses increased, primarily in personnel expenses, as recruitment progressed as planned.



Quarterly trend of Operating Profits

In Q2, operating profit stood at 303 million yen. EBITDA was 420 million yen.



Corporate Profile

Name	Bengo4.com, Inc.
Place	4-1-4 Roppongi, Minato-ku, Tokyo
Date of establishment	4th Jul., 2005
Representative Director	Taichiro Motoe
Number of employees	461 (as of Sep. 2023)

VISION・MISSION

VISION

Drive a paradigm shift for the better world.

MISSION

Be the Professional-Tech Company.

Do what only professionals can do.
Contribute to society using expert knowledge and technologies.



BUSINESS LAWYERS



CLOUDSIGN

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 non-use 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.



BUSINESS LAWYERS



Board Members

Representative Director, President and CEO

Taichiro Motoe

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

Jul. 2005 Established Bengo4.com, Inc., 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 / 2022 reappointed as a President and Representative Director.

Chairman of Board of Directors

Yosuke Uchida

Former director of Kakaku.com, Inc.

Oct., 2015 Joined as an outside director / Jun., 2017 Inaugurated as a Co-representative director / Jun., 2019 Inaugurated as a Chairman of board of directors

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

Yosuke Watanabe

Engaged in sales at en Japan Inc. and oRo Co., Ltd. Joined the company in 2012. Launched the lawyer marketing support service and grew the service as business manager.

Jun.,2016 Inaugurated as a director /Jun.,2021 resigned as Director/2022 reappointed as a director

Director

Masaoki Sawada

Joined SBI Securities Co., Ltd. Engaged in corporate sales, targeting listed and unlisted companies.Joined Paraca Inc. in 2013.

Worked for Paraca to be listed on the First Section of the Tokyo Stock Exchange.

Joined our company in 2014/ Jun., 2022 Inaugurated as a 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

Atsuhiko 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

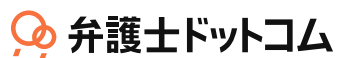
Obtained a Ph.D (in machine learning) at Matsuo Laboratory

2012 Founded PKSHA Technology Inc.

Jun. 2021 Appointed outside director

Our history

2005	July	Authense Group Co., Ltd. established at Aobadai 3-chome, Meguro-ku, Tokyo
	August	Started operation of legal consultation portal site Bengoshi.com
2006	August	Started operation of tax accountant consultation portal site Zeirishi.com
2007	May	Free legal consultation service (legal consultation for everyone) released on Bengoshi.com site
2012	April	Bengoshi.com News service (previously Bengoshi.com Topics) for distributing law-related articles released on the Bengoshi.com site
2013	October	Changed the company name to Bengo4.com, Inc.
2014	December	Listed its shares on the Mothers Section of the Tokyo Stock Exchange.
2015	October	Released CloudSign—Japan's first completely online cloud-based contract conclusion service
2016	March	Released Business Lawyers, a corporate legal affairs portal site that provides easy-to-understand explanations of the latest legal revisions and practices
	May	Released Bengoshi.com Career, a recruitment service for lawyers and legal personnel
2018	February	Started operation of EXCAREER, a career change support service for corporate management departments
2019	October	Established "SMBC CloudSign," a joint venture with Sumitomo Mitsui Financial Group, Inc.
2020	March	Released Business Lawyers Library, a flat-rate reading service for legal books and journals
	May	Released Bengoshi.com Library, a flat-rate reading service for legal books and journals for lawyers
	July	Released Bengoshi.com Business System to support lawyers' planned case management
	October	Released BUSINESS LAWYERS COMPLIANCE, an online compliance training video
2022	October	Released "termhub," an SaaS product to assist in the management of legal terms and conditions.
2023	February	Released Judge Database Only for Lawyers (β version)
	May	Released Bengoshi.com chat legal consultation (α version)
	September	Released CloudSign Review
	October	Released Bengoshi.com LIBRARY AI Assistant (α-version)
		LIC CO., Ltd, which operates the Hanreihisho database of legal precedents, etc., joined the Group.



BUSINESS LAWYERS



BENGOSHI.COM

Bengoshi means lawyer



Social background of legal consulting services in Japan 弁護士ドットコム

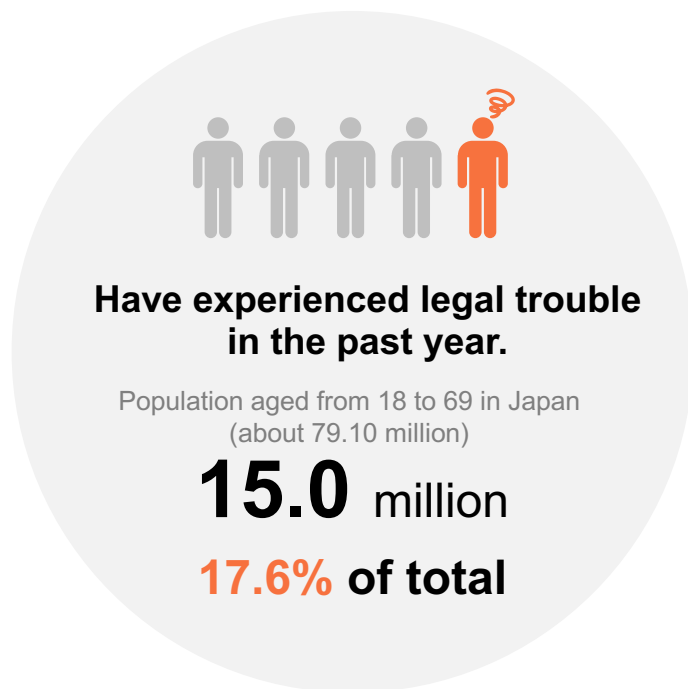
15.0 Million people had troubles / disputes over legal matters in a year

Only 25.7% of these people sought Lawyer's advices

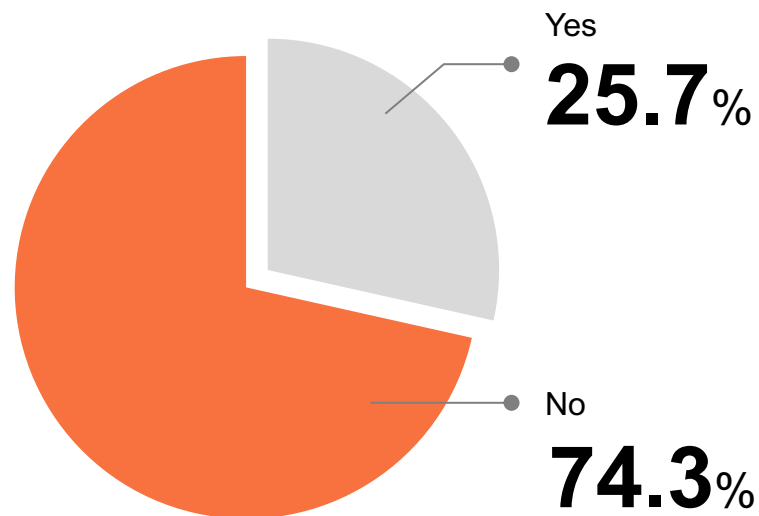
Reasons why they hesitated to ask professional's help were:

Concerns over professional fees 44.3%; / It's a too minor problem to seek professional's help 38.5%;

People who had legal disputes in a year



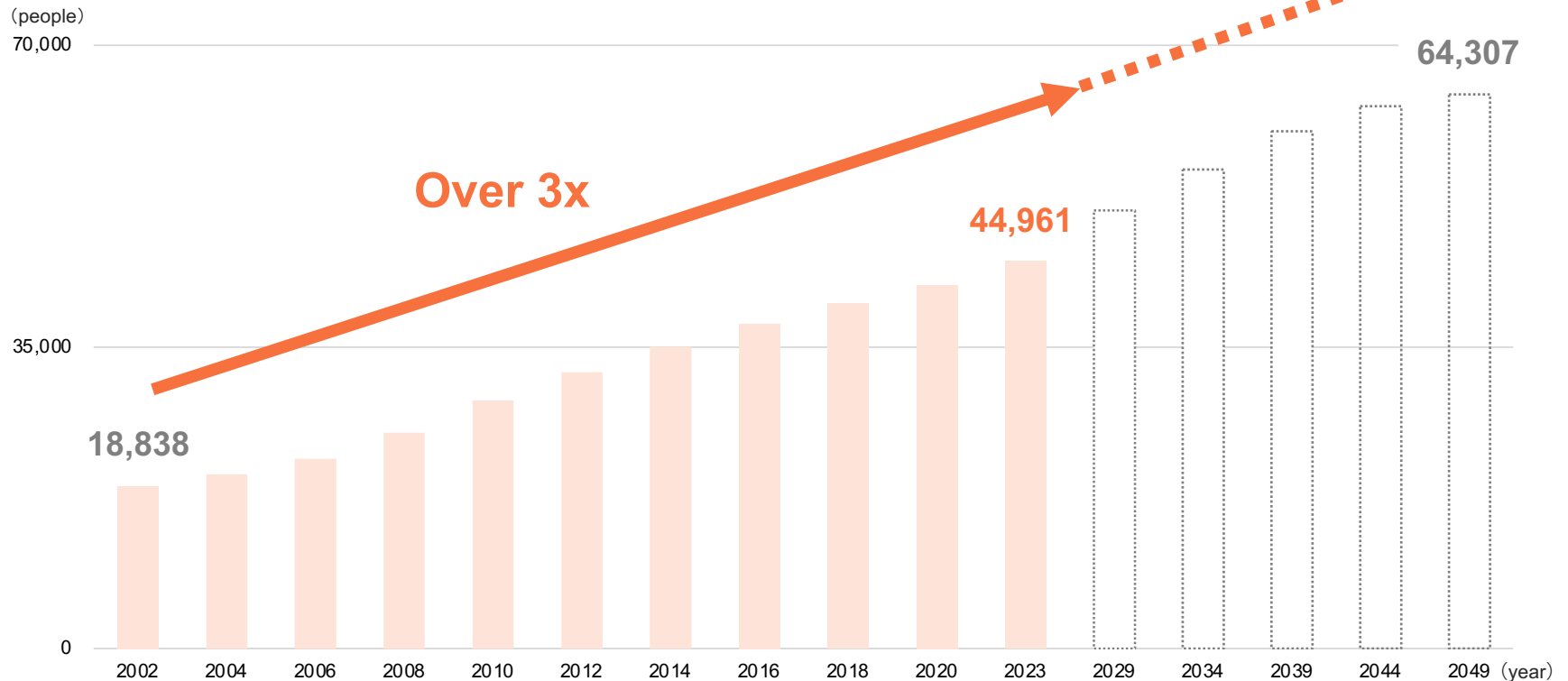
Sought Lawyer's help?



Based on the research conducted by Macromill, Inc in Dec. 2022
Target : Individuals from 18 to 69 years old, respondents of 1,200 individuals

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.

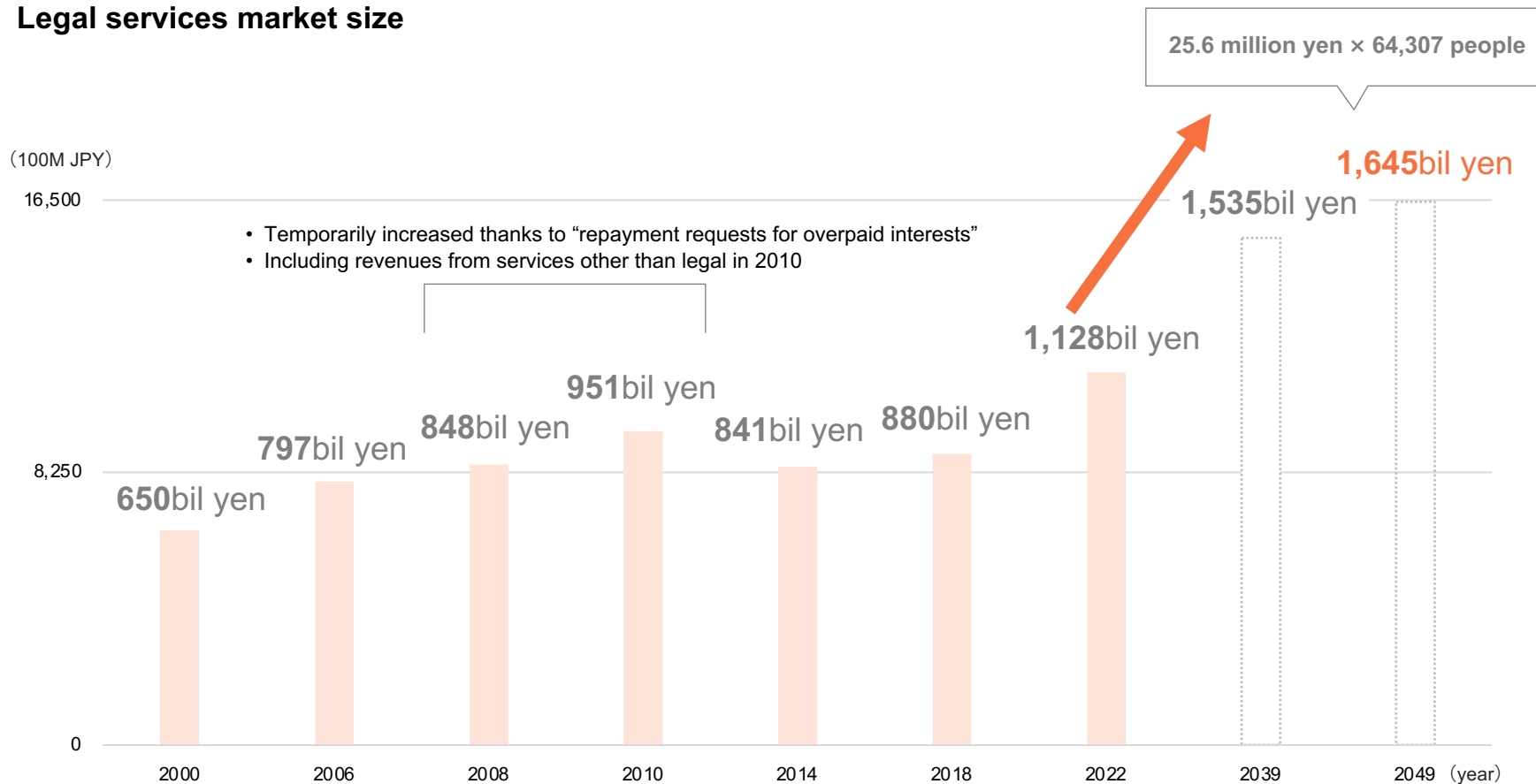
Number of Lawyers in Japan



Source : Excerpted from the 2022 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)

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 and 2022 edition of the White Paper on Lawyers, published by the Japan Federation of Bar Associations

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.



The largest free legal consultation portal in Japan which has **9.86M** visitors/month*

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

- The outstanding database which has over **1,294k** records of consulting cases*

2. Because it has a substantial database of lawyers

- **23,126** 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

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

- “Bengoshi.com news” offers articles about legal and business implication of current topics
- More than **6.78M** people visited monthly*, thanks to its distinctive positioning, “Legal × news topics”



*as of Sep. 2023

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

Targets	Contents provided	Benefit for users
Consumers who have urgent matters and are willing to seek help to lawyers	“List of lawyers” “Lawyers search”	Users can search for the most appropriate lawyer for free thanks to profound profile data of lawyers and detailed search options
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



弁護士ドットコム

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

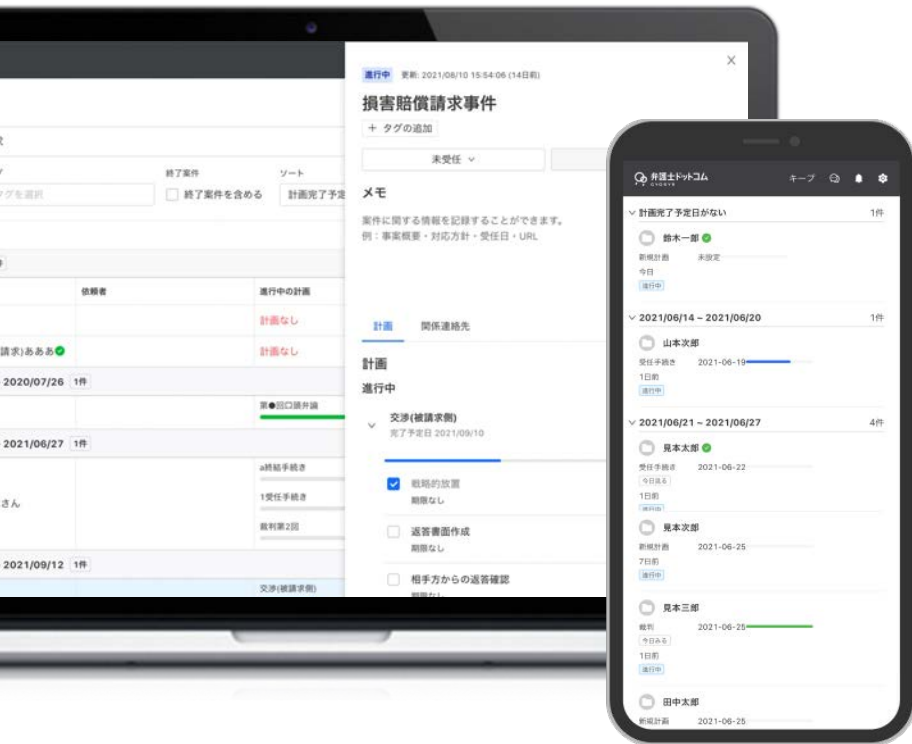
20,000 yen or more per month
(4 plans in total)



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 1,900 books
Participating publishers	Legal publishers 30



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>

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


What paid users can see

親権が不利のケース


公開日：2020年10月19日 相談日：2020年10月03日

1弁護士 / 1回答

親権についてです。子どもが10歳までは殆どは母親が親権者と聞いていますが、母親が親権者にならないことがあると聞きました。それはどんな時ですか。回答をお願いします。

960929さんの相談 

回答タイムライン



見本 太郎 弁護士
東京都 > 港区
注力分野 離婚・男女問題

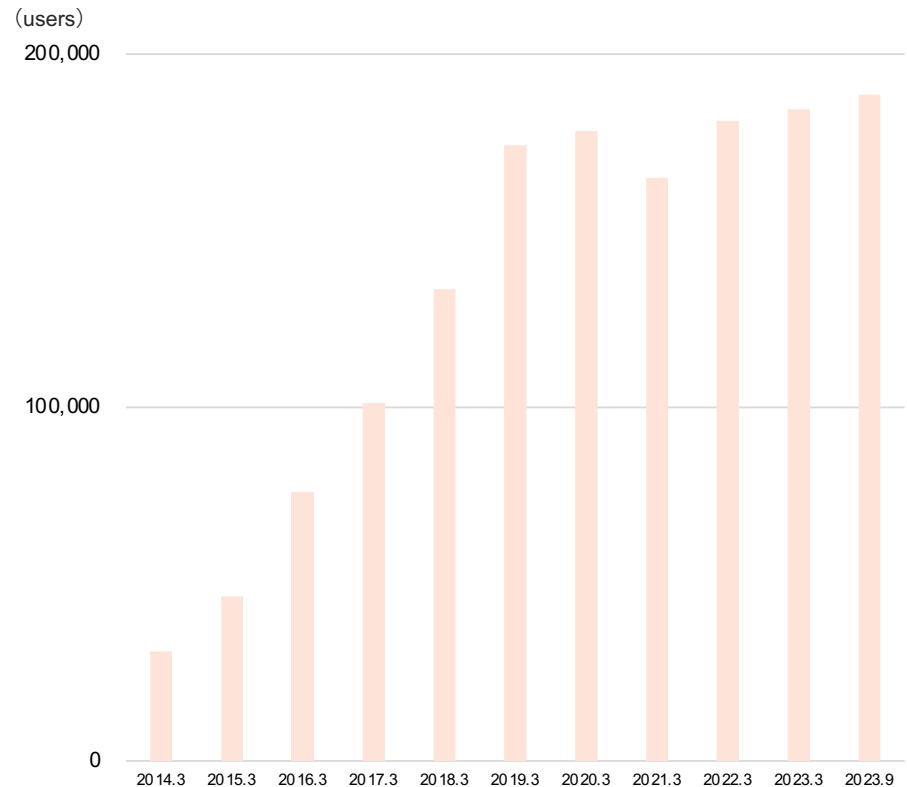
◎ ベストアンサー

こんにちは。
たとえば、子どもが父親側で長いこと養育されていて、その状況が安定している場合には、あえて環境を変えてまで母親にすることはないでしょう。
また、極端ですが母親が虐待をしているような場合にも、母親を親権者にするには無いと思います。

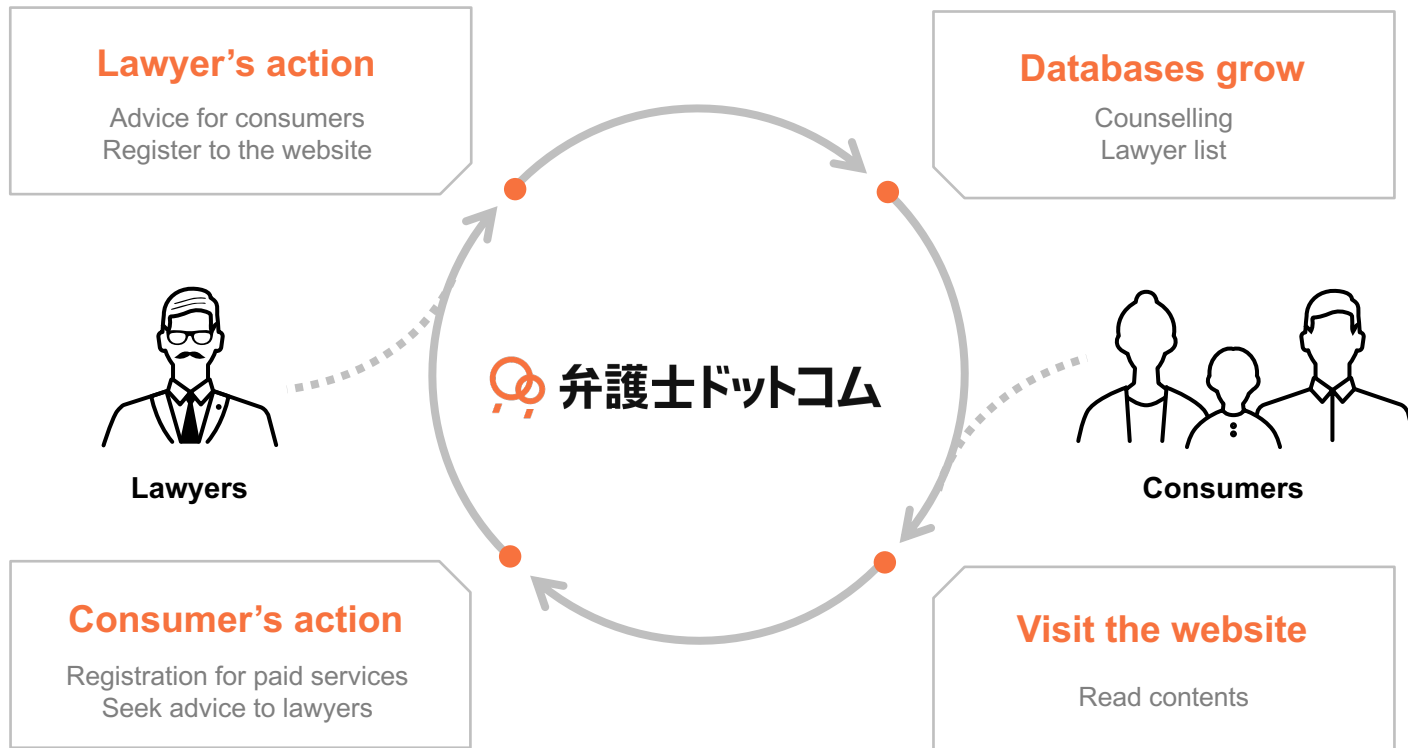
2020年10月04日 16時35分

↓
Answers by lawyers are available only for paid users

Trend of the number of paid users



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



Advertising sales on the "Bengoshi.com" and "Zeirishi.com" websites, as well as advertising sales associated with the Business Lawyers conference

Website

The screenshot shows the Bengoshi.com website interface. On the left, there are article thumbnails with titles like "「他に何かあったら訴える」50代男性の過労死、会社と役員個人に賠償命令" and "「まるで拷問」コロナで深刻化する婚約者の苦悩". The main content area features a grid of articles. A red box highlights an advertisement for divorce lawyers with the text "離婚問題に注力している 弁護士を探すなら 弁護士ドットコム". An orange arrow labeled "Advertisements" points from this box to a similar advertisement on the right side of the page. The bottom of the page includes the company logo and a brief description of the service.

Conference

LEGAL TECH SHOW
小規模法務のDX
 参加無料 4.14 wed 18:30 - ONLINE
 BUSINESS LAWYERS

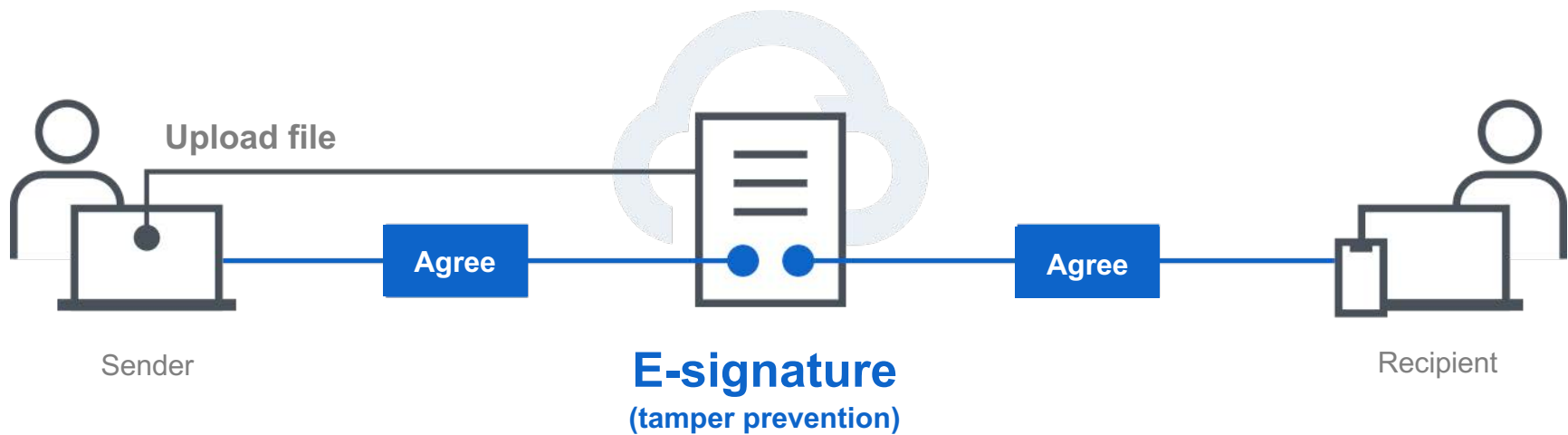
BUSINESS LAWYERS
 Legal Innovation Conference
法務組織とキャリア
 7.28 WED 12:30-
 参加無料 / オンライン配信

CLOUDSIGN



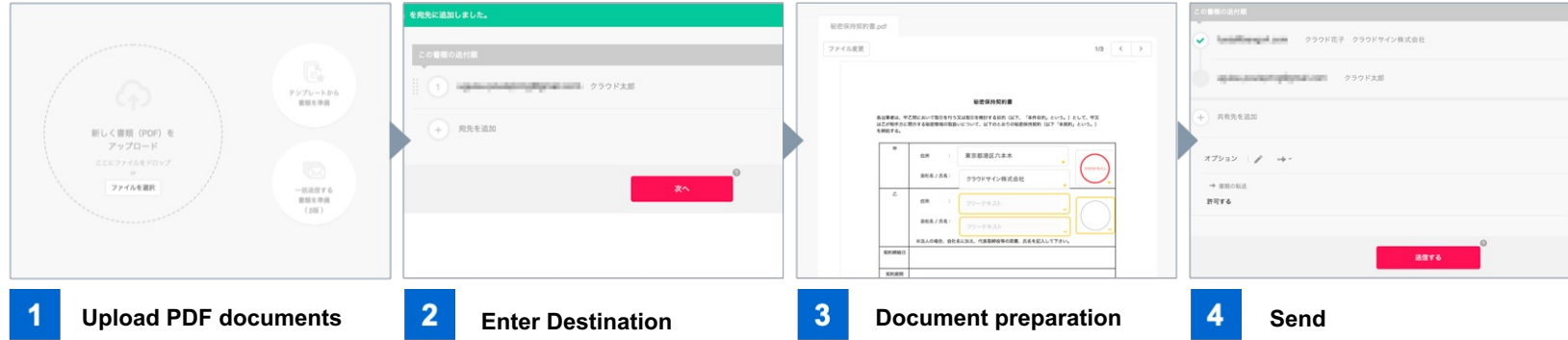
Cloud-based e-contracting service from contract conclusion to contract management.

Upload a completed contract that has been negotiated and approved by the other party, and the contract is concluded. The recipient of the document does not need to be registered with CloudSign.

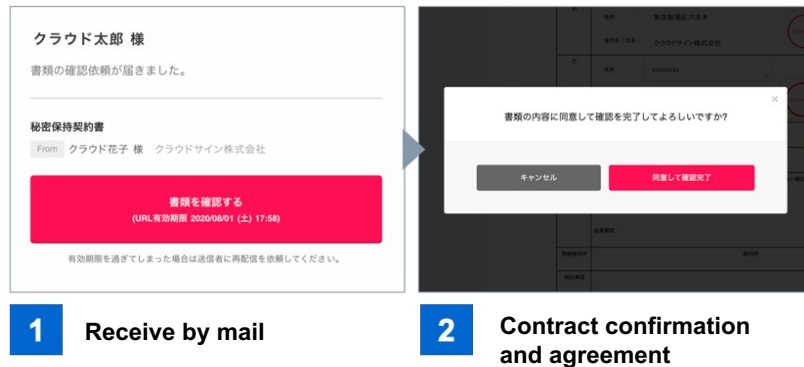


弁護士ドットコム

Sender



Receiver



Sender · Receiver



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.)

Human Resources

Employment contract
Working conditions notice
Offer of employment
Employment agreement

Sales

Sales Contract
Land purchase agreement
Building Sales Contract
Real estate sales contract

Leases

Building Lease Agreement
Land Lease Agreement
Parking Lot Rental Agreement
Building Use Lease Agreement

Sales and Purchasing

Basic Transaction Agreement
Service Application Form
Order Forms
Purchase Orders
Invoices
Receipts

Loans and borrowings

Loan Agreement
Written acknowledgment of debt
Debt acknowledgment and
repayment agreement
Assignment of receivables agreement

Outsourcing and Contracting

Outsourcing Agreement
Construction Contracts
Agency Contract
Merchandise Sales Consignment
Agreement
Supply Contract

Others

Nondisclosure agreement Stock Transfer Agreement Personal Information Handling Agreement
Contract Modification Agreement Contract Termination Notification Estate Division Agreement
Cause of death gift agreement Copyright Transfer Agreement Merger agreement
Minutes of board of directors meetings



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 involves 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.

Free	Light	Corporate	Enterprise
<p>Fixed fee : 0 JPY/Month</p> <p>Pay- per-use : 0 JPY/Month</p>	<p>Fixed fee : 10,000 JPY/Month</p> <p>Pay- per-use : 200 JPY/Sending</p>	<p>Fixed fee : 28,000 JPY/Month</p> <p>Pay- per-use : 200 JPY/Sending</p>	<p>Fixed fee : To be inquired</p> <p>Pay- per-use : 200 JPY/Sending</p>
<p>Plan contents</p> <p>Number of users : 1 user Number of contracts : 3</p>	<p>Plan contents</p> <p>Number of users : Unlimited Number of contracts : Unlimited</p>	<p>Plan contents</p> <p>Number of users : Unlimited Number of contracts : Unlimited</p>	<p>Plan contents</p> <p>Number of users : Unlimited Number of contracts : Unlimited</p>
<p>Features</p> <ul style="list-style-type: none"> • Sending, storage and search of contracts • Two-factor authentication 	<p>Features</p> <ul style="list-style-type: none"> • 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. • AI contract management 	<p>Features</p> <ul style="list-style-type: none"> • Functions featured by the Light plan • Creation of audit logs • Paper document importing • Web API function • Recipient Authentication 	<p>Features</p> <ul style="list-style-type: none"> • 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 • Multi-department management • Smart Cabinet • 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.

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.

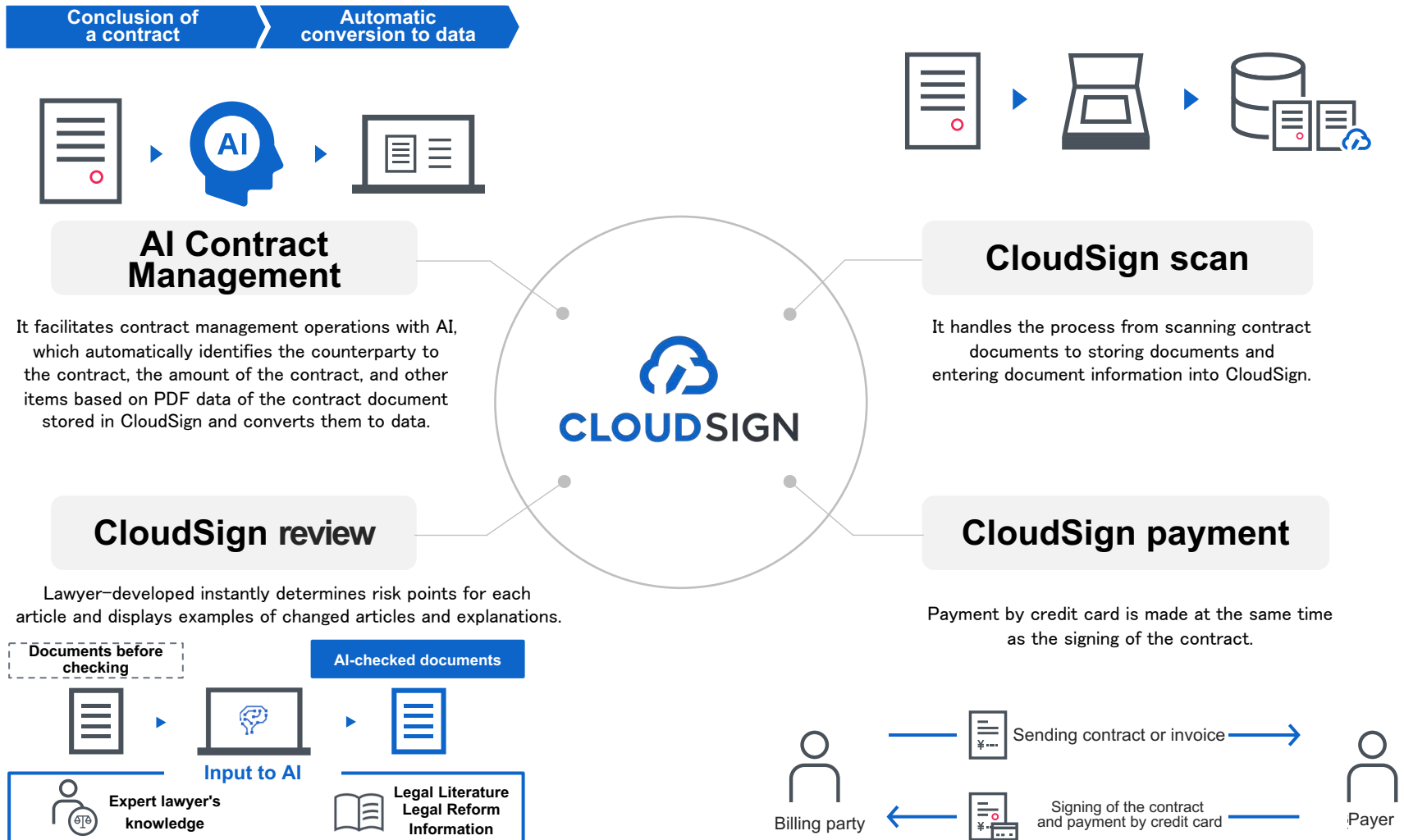
2. Product development in line with Japanese business practices

- 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.





<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.