

October 21, 2019

PKSHA Technology Inc.

(3993: TSE Mothers)

Katsuya Uenoyama, Representative Director

Nagashima Ohno & Tsunematsu

Fumihide Sugimoto, Managing Partner

**PKSHA Technology Inc. and Nagashima Ohno & Tsunematsu begin collaboration
in the LegalTech field through MNTSQ, Ltd, an affiliate of PKSHA.**

PKSHA Technology Inc. (Head Office: Bunkyo-ku, Tokyo; Representative Director: Katsuya Uenoyama; hereinafter referred to as “PKSHA”) and Nagashima Ohno & Tsunematsu (Tokyo Office: Chiyoda-ku, Tokyo; Managing Partner: Fumihide Sugimoto; hereinafter referred to as “NO&T”) have agreed to collaborate in the field of LegalTech through a capital and business alliance with MNTSQ, Ltd (Head Office: Chiyoda-ku, Tokyo; Representative Director: Ryuhei Itaya; hereinafter referred to as “MNTSQ”), which is a LegalTech start-up company and an affiliate of PKSHA.

Overview of Capital and Business Alliance

PKSHA and NO&T have agreed to collaborate through MNTSQ with the goal of transforming corporate legal practices using natural language processing technologies. MNTSQ is a spin-out of BEDORE Inc. (“BEDORE”), a subsidiary of PKSHA focused on implementation of natural language processing technologies. In recent years PKSHA has invested in MNTSQ and promoted technical cooperation in the field of natural language processing through BEDORE. NO&T will now enter into a business alliance with MNTSQ, and invest a total of approximately 800 million yen in MNTSQ over the next several years through an affiliated corporation. Combining the high-quality legal capabilities of NO&T with the natural language processing and deep learning technologies of PKSHA/BEDORE has the potential to revolutionize the practices of law firms and corporate legal functions in Japan.

Background of Capital and Business Alliance

In recent years, natural language processing has been developing rapidly, and is now sometimes used overseas for contract analysis. After two years of confidential preparation, in February 2019 MNTSQ began a closed pilot project at NO&T focused on Japanese language and using natural language processing software. MNTSQ products are already used in NO&T’s legal due diligence activities. MNTSQ’s machine learning technology is already capable of analyzing the text of contracts in order to automatically produce summaries of basic terms and detect certain clauses that pose

significant risks or are likely to require careful review by lawyers. This helps double-check and refine the work product of law firms and also reduces the time spent by lawyers and staff.

With this background, NO&T believes that MNTSQ's technology could have a broad impact not only on the services provided by law firms, but also on corporate legal functions within companies, and therefore NO&T decided to fully support MNTSQ in providing services directly to businesses, including supporting MNTSQ by providing NO&T's legal input on content to be provided by MNTSQ. PKSHA/BEDORE will also partner with NO&T to accelerate technical assistance to MNTSQ in order to apply machine-learning algorithms to the legal domain. With the help of NO&T and PKSHA/BEDORE, MNTSQ is committed to using natural language processing technology to develop the highest quality LegalTech products and services for law firms and corporate legal functions in Japan.

Comments from Representatives

Katsuya Uenoyama, Representative Director, PKSHA Technology Inc.

"Since around 2014, our company has been working to implement natural language processing in society through our strategic subsidiary, BEDORE, which specializes in natural language processing technology. While sophisticated natural language processing technology impacts various areas of society, it will have a particularly large impact in the legal field, and at the same time, the legal field is a business field that requires a high level of expertise. Thus, we hope and expect synergies from this collaboration with NO&T."

Fumihide Sugimoto, Managing Partner, Nagashima Ohno & Tsunematsu

"We believe it is important to actively utilize technologies such as natural language processing in the field of legal services in Japan, which is entering a period of change. We strongly hope that this alliance will lead to the development of higher quality LegalTech."

Ryuhei Itaya, Representative Director, MNTSQ, Ltd

"We want to create a company that combines legal and software best practices in the future, where LegalTech will become an essential part of social infrastructure. We will continue to push forward with the support of NO&T and PKSHA, the best in their respective fields."

Overview of Each Party

PKSHA Technology Inc.

As an "algorithm supplier," PKSHA develops solutions for existing software and various hardware terminals using our own machine learning/deep learning algorithm. Areas of growth include automated responses using natural language processing technology, image/video recognition, and prediction models. In order to use algorithms to create value for the digital information society of the near future, we will continue to strengthen cooperation with a wide variety of companies and services and actively develop our business.

BEDORE Inc.

Based on our vision of "creating software that understands words", BEDORE provides a general-purpose dialogue engine and various language analysis solutions using natural language processing and machine learning technologies. Our dialogue engine has been introduced by many large companies and has received high ratings for its ability to correctly understand user's questions in Japanese language and create sophisticated dashboards in the course of repeated practical use. We also provide solutions that utilize natural language processing technology to identify text that contains certain meanings or raises certain issues and to assist with knowledge support activities, such as responding to or directing customer inquiries, with the help of speech recognition technologies.

Nagashima Ohno & Tsunematsu

Nagashima Ohno & Tsunematsu is widely known as one of the leading Japanese law firms, and also one of the largest, with over 470 attorneys and 8 offices worldwide. We provide one-stop legal services for a variety corporate legal matters. Our leading practice areas include M&A/corporate, finance, real estate transactions, compliance and crisis management, technology, communications and IP, tax, and litigation and arbitration, and we have deep knowledge and experience in both domestic and international matters.

MNTSQ, Ltd

The company was established in November 2018 with the mission of "developing LegalTech as social infrastructure of the future". We are now providing law firms with services to make legal due diligence efficient.

Contact Information for Matters Relating to This Alliance/Collaboration

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