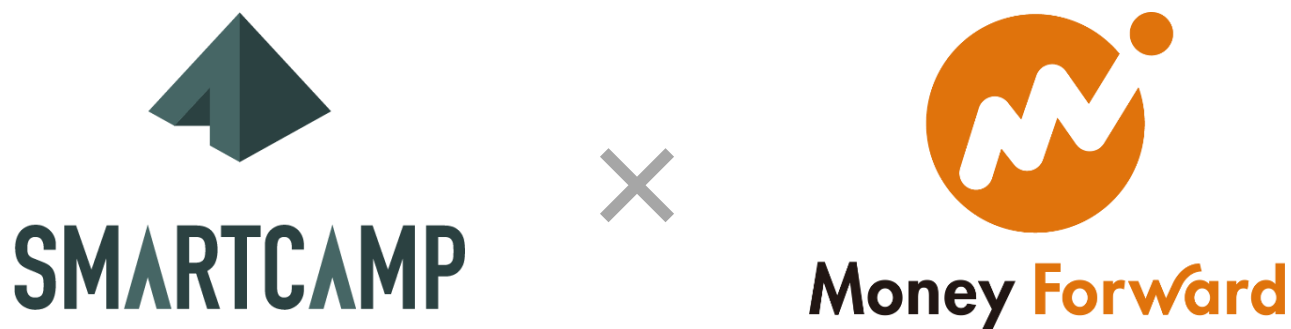


Acquisition of SMARTCAMP Co.,Ltd.



November 2019

Money Forward has entered into an agreement to acquire SMARTCAMP Co., Ltd. (“SMARTCAMP”) shares from existing shareholders. SMARTCAMP’s P/L will be consolidated from FY11/20.



Announcement Date: November 11, 2019

Transaction Closing Date: November 2019 (Planned)

Investment Amount*: ¥1,998mn

Ownership ratio after acquisition*2: 72.3%

-Investment Amount will be financed by combination of bank loan and cash at hands

-Financial impact to the fiscal year ending November 2019 should be limited*3

* Includes purchase of a portion of stock option.

*2 Based on voting rights.

*3 SMARTCAMP will be consolidated at the end of FY11/19. SMARTCAMP’s P/L will be reflected in the consolidated financial statement from FY11/20. Acquisition related costs will be reported on FY11/19, financial impact should be limited.

Major Shareholders and Ownership

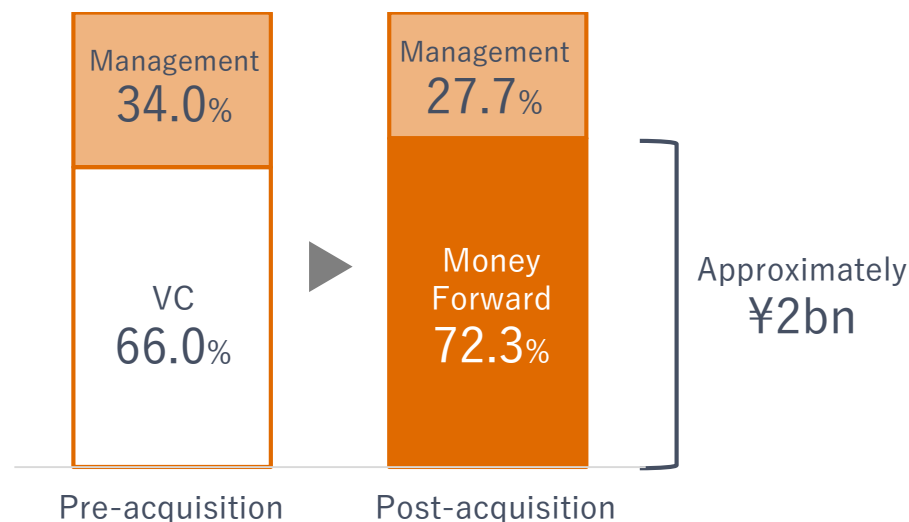
2

SMARTCAMP has raised ¥700mn in total funding from major domestic VCs. All shares held by VCs, as well as a portion of shares held by management will be acquired for approximately ¥2bn*¹, resulting in Money Forward's ownership of 72.3%.

Major shareholders*²



Change in ownership*³



* App. ¥2bn investment amount includes purchase of stock options.

*² Alphabetical order.

*³ Based on voting rights. Last financing rounds was through preferred shares with post valuation of ¥4.5bn on a fully diluted basis.

Company Overview



Company name: SMARTCAMP Co., Ltd.

Headquarter: Minato, Tokyo

Office locations: Tokyo, Hokkaido

Established: June, 2014

Capital stock: ¥225 million

Employees: 120 (including 65 full-time)

Introduction of CEO

CEO, Satoshi Furuhashi



After engaging in institutional sales at Mizuho bank, Furuhashi experienced business development at Speee. Founded SMARTCAMP in 2014 and appointed CEO.



Shion Hayashi

CMO

Marketing

After working as an engineer at Works Applications, he served as a Director for a start-up, leading the growth of new business to several hundred million in annual sales.

As well as his management role as BOXIL Division Manager, Hayashi is directly involved in the product improvement and web marketing.



Shimpei Abe

COO

Strategy

Engaged in management consulting projects at Deloitte Tohmatsu Consulting.

At SMARTCAMP, his responsibilities include strategic planning, creating SaaS industry reports, organizing SaaS industry conferences and launching BALES.



Yuya Mineshima

CFO

Finance

Worked for Goldman Sachs Investment Banking Division, then GREE Ventures where he was seconded to SMARTCAMP, one of its portfolio companies. Later he decided to transfer to the company as CFO.

Responsible for finance, business alliances, and organizing internal control.

People at SMARTCAMP

5

With an average age of 28, employees with diverse backgrounds share SMARTCAMP's mission "Unparalleled efficiency through technology".



Main Services

SMARTCAMP provides Japan's No.1* SaaS marketing platform.

1

Connects SaaS companies and potential customers on the “SaaS Marketing Platform”



2

“Inside Sales *2 support” for acquiring and nurturing potential customers (“Leads”)

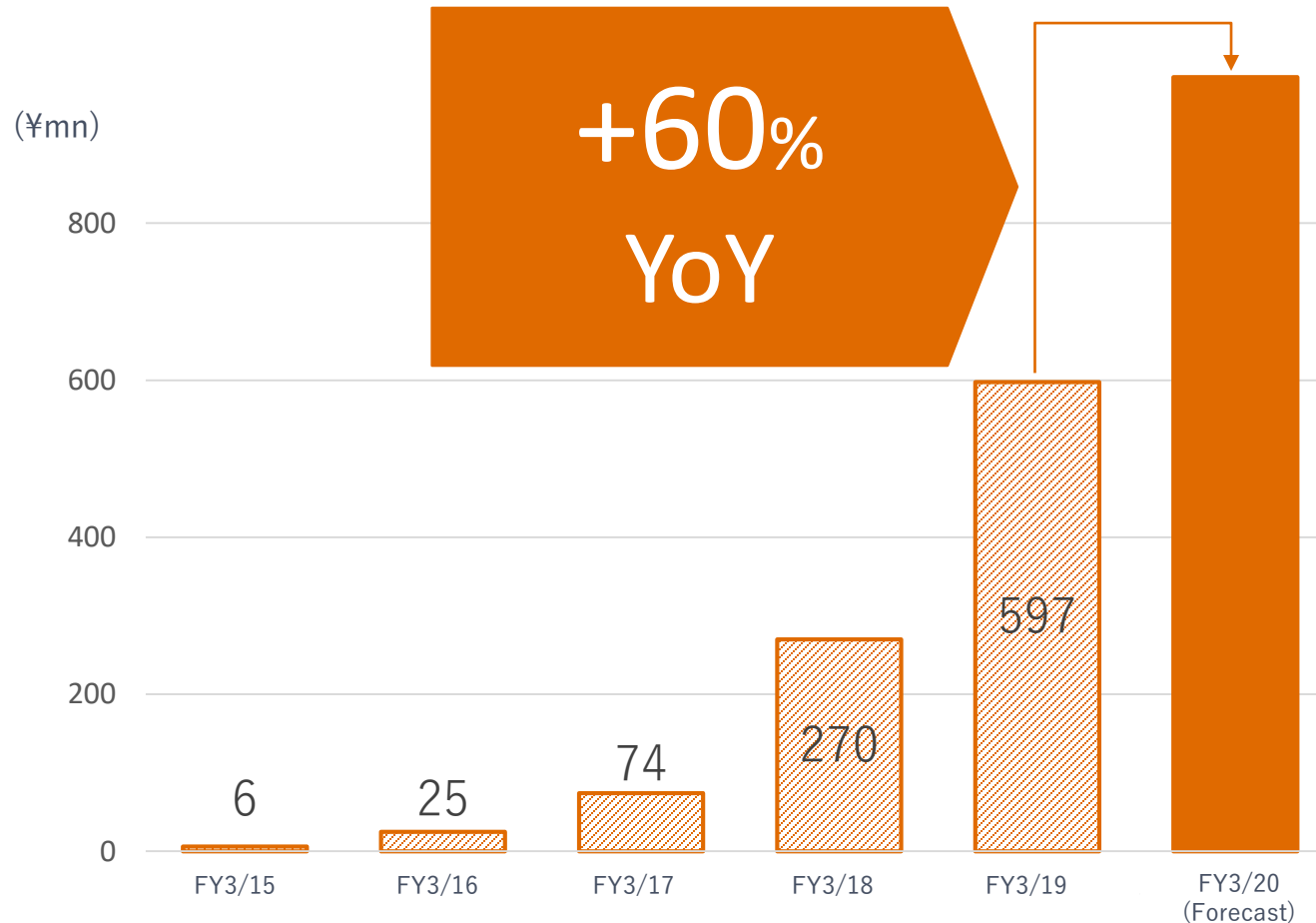


* Details on Page18.

*2 Inside Sales is a way to reach customers remotely to generate leads, negotiate deals, and increase conversions for greater efficiency.

Trends in Net Sales

Due to expansion of SaaS market, net sales have rapidly grown since FY3/18. Expects to grow more than +60% YoY for FY3/20 net sales.

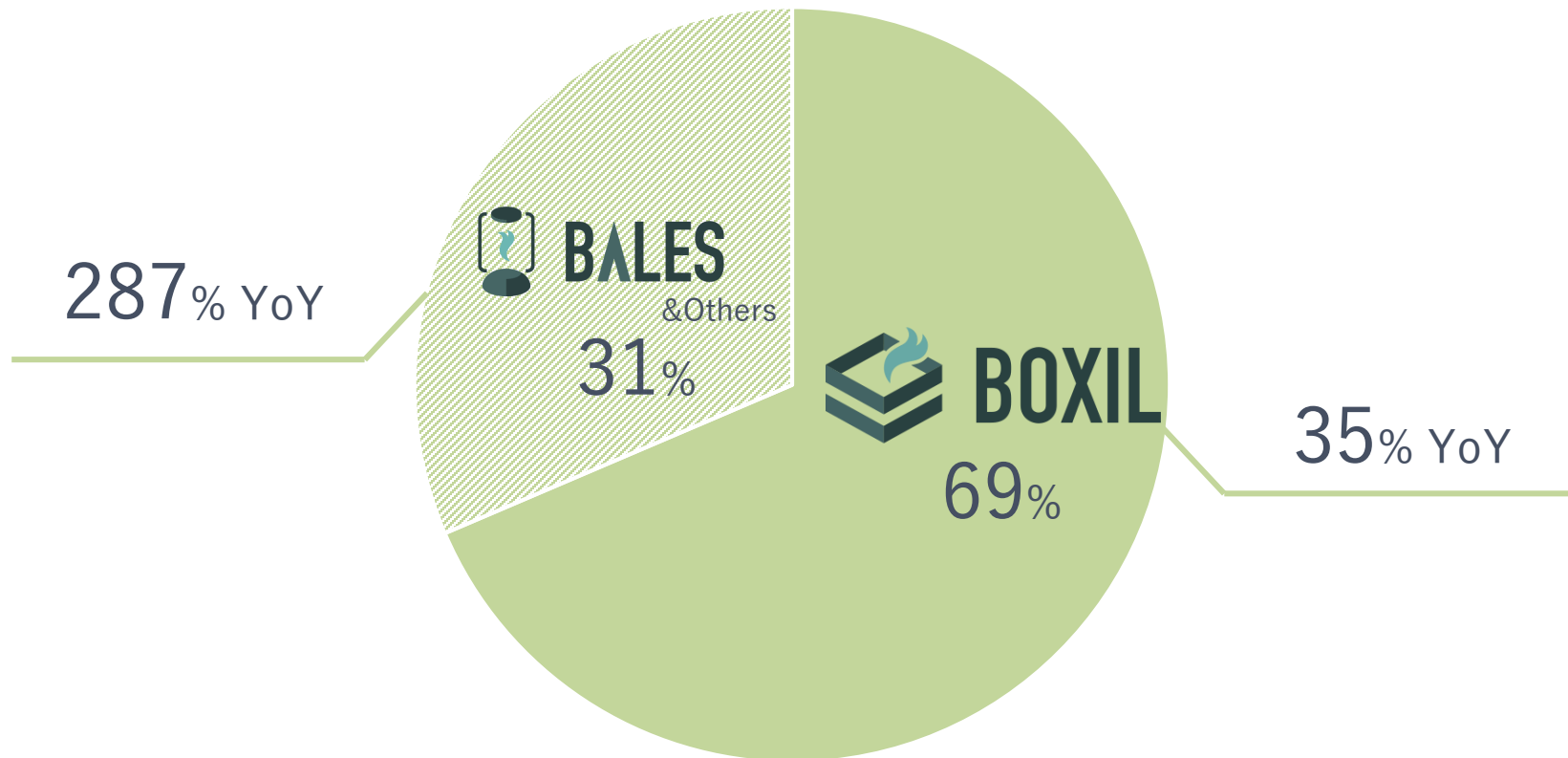


* Actual net sales for FY3/20 1H is ¥447mn.

Net Sales Breakdown

BOXIL, already profitable and growing steadily, accounts for 70% of SMARTCAMP's net sales. BALES boasts high-growth, as the company continues to invest in its expansion and development of SaaS product *Biscuet*.

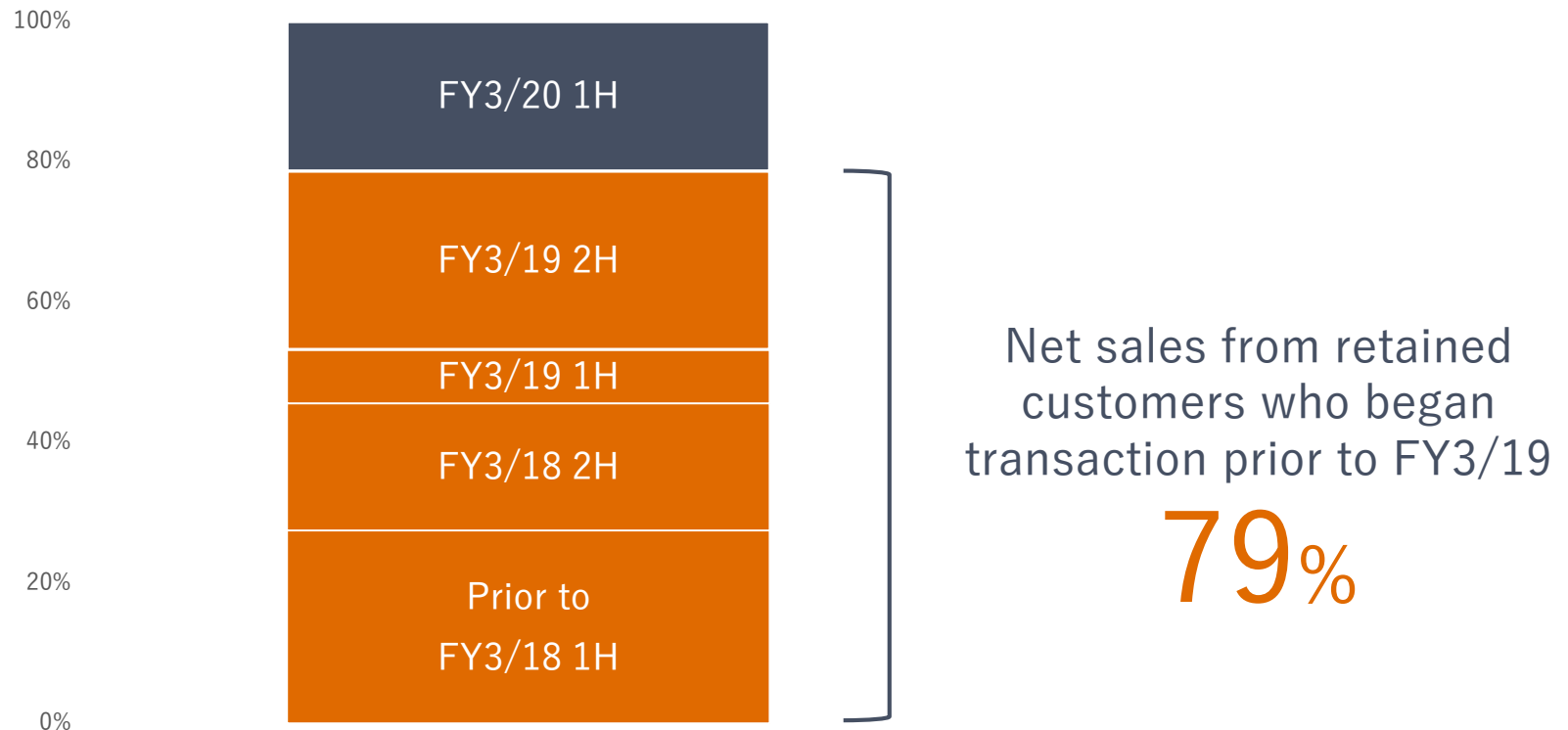
Net sales breakdown (FY3/20 1H)



High Customer Retention Rate

Retained customers* account for 79% of total net sales, contributing to a stable revenue structure.

FY3/20 1H Net sales
(Breakdown by the first date of transaction)



* Customers who began the transaction prior to FY3/19.

Overview of Services

Company Overview



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Employees*: 120 (including 65 full-time)

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CEO, Satoshi Furuhashi



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Services Covered by SMARTCAMP

12

SMARTCAMP helps SaaS vendors to discover potential customers by providing a seamless marketing platform.



SaaS Marketing Platform



Inside Sales support

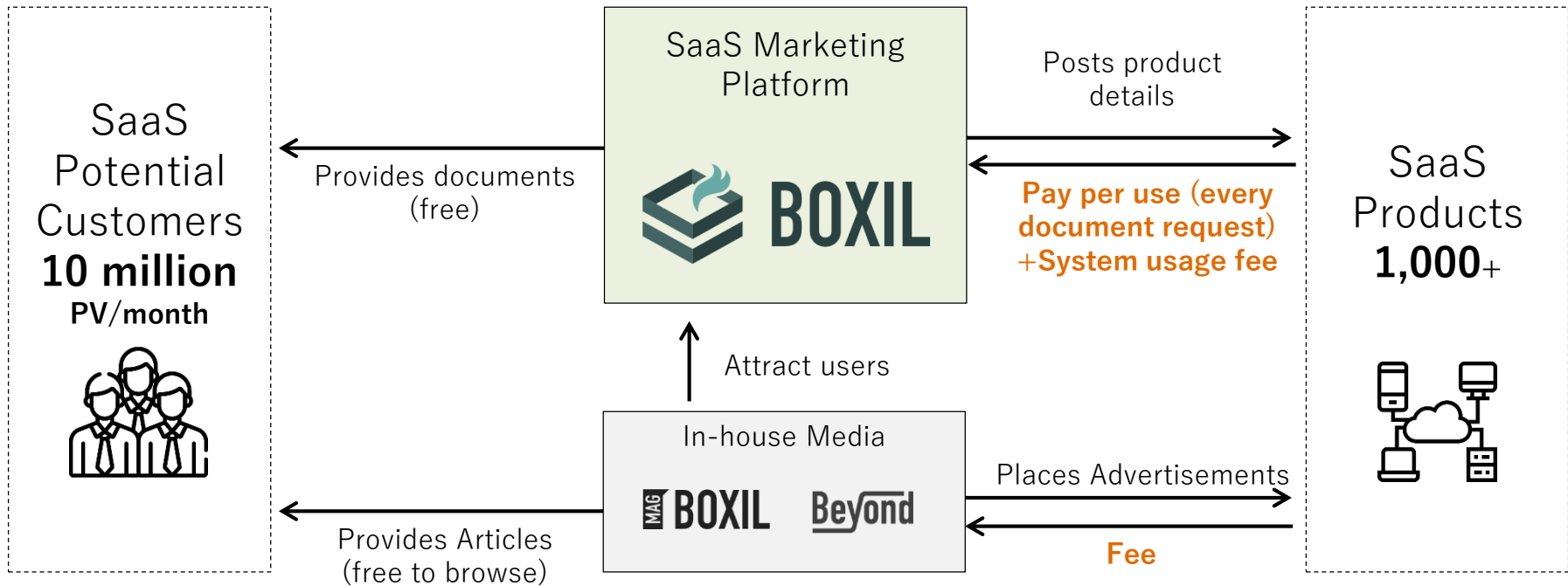


1. Lack of potential customers (Leads)
2. Lack of Inside Sales personnel and experience
 - Optimizing on-site calls-to-action
 - Dependent on outsourcing






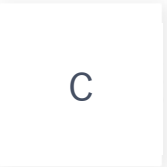




SMARTCAMP provides solutions for generating quality leads and growing customer engagement for SaaS vendors

BOXIL connects its 10+ million PV monthly users (potential SaaS customers) with 1,000+ SaaS products, receiving fees from the SaaS vendors for every document request made by the potential customers.



*Monthly PV for October 2019 is 11.3 million.

BOXIL enables potential customers to compare SaaS products by each category, such as “Accounting”, “Expense”, “Attendance”, “Sales support” “CRM” etc.

Compare: Payroll software		今、比較中のサービスを		Request all documents
Product	Money Forward 	Product A 	Product B 	Product C 
Rating	★★★★★ 5.0	★★★★★ 5.0	★★★★★ 5.0	★★★★★ 4.0
Charts				
	★★★★★ 5点 MFクラウド給与をつかうことで、これまで悩みの種であった社会保険料の料率などが自動計算されるため、給与計算時のミスがなくなったように感じます。そ…	★★★★★ 5点 人事労務書類から勤怠、給与、年末調整と幅広いヒトに関する業務をサポートしている点。またスマホと連携させると従業員の給与明細もペーパーレスにでき、よい。…	★★★★★ 5点 初期費用がかからず、月額もやすかったため、導入時の負担が少ないのがありがたかった。大手のソフトを買ると、導入だけで結構なコストになるので。にも関わら…	★★★★★ 4点 給与明細、源泉徴収票がスマホで見られて便利です。従業員に渡す手間や受渡しミスも発生しません。新入社員登録は、給与ソフトからCSVインポートすると自…

Potential customers can refer to reviews posted by SaaS users in order to select the most suitable product.

Reviews

Average : 3.94 ★★★★★ (17)

★★★★★	★★★★★	4
★★★★★	★★★★★	8
★★★★★	★★★★★	5
★★★★★	★★★★★	0
★★★★★	★★★★★	0

[Submit a review](#)

★★★★★ UI/UX: 5 Cost-effectiveness: 5 Operation: 5 Customer Support: 5 Contribution: 5

帳簿を管理する意味でもとても便利なソフトだと思います。クラウドベースなので情報が共有できたりとても便利です。操作も簡単ですし、導入してよかったと思います。請求書の管理が容易になりとても良いですよ。

投稿者情報 職種: 係長・主任クラス 会社名: 非公開 業種: 不動産/建設/設備系 従業員規模: 501~1000人 投稿日: 2016-03-27

★★★★★ UI/UX: 4 Cost-effectiveness: 4 Operation: 4 Customer Support: 4 Contribution: 4

ネットでたまたま見つけて以来、会社で試用しています。文書を紙ベースだけでなく、データとして管理できるので記録が楽になりました。ソフトの立ち上がりも早いので、エクセルを立ちあげて作成するより時間を短縮して作成できます。

投稿者情報 職種: 事業部長・工場長クラス 会社名: 非公開 業種: メーカー/製造系 従業員規模: 51~100人 投稿日: 2015-11-17

Potential customers can make document requests directly through *BOXIL* website, by company or by category.


BOXIL TOP > Finance/Accounting > Expense > Money Forward Expense

Money Forward Cloud Expense

★★★★☆ 3.5 Expense 最終更新日 2019-11-01

面倒な経費精算にかかる時間を10分の1に。経費精算にかかわる作業時間を大幅削減！経費精算業務の効率化により生産性の向上にも繋がります。

Document of Product



4ページ以降を閲覧するには... [資料請求](#)

Reviews/Ratings

Overall ★5

Cost-effectiveness ★4

UI/UX ★3

Customer support ★2

Contribution ★1

Operation

Similar Products

Product A

Product B

Product C

Product D

経費精算システムの資料
18件分を同時に請求できます

Price (¥)

Initial cost	0 -
Monthly cost	500 -
Per user -	500 -

[選び方ガイド](#)

Request for documents

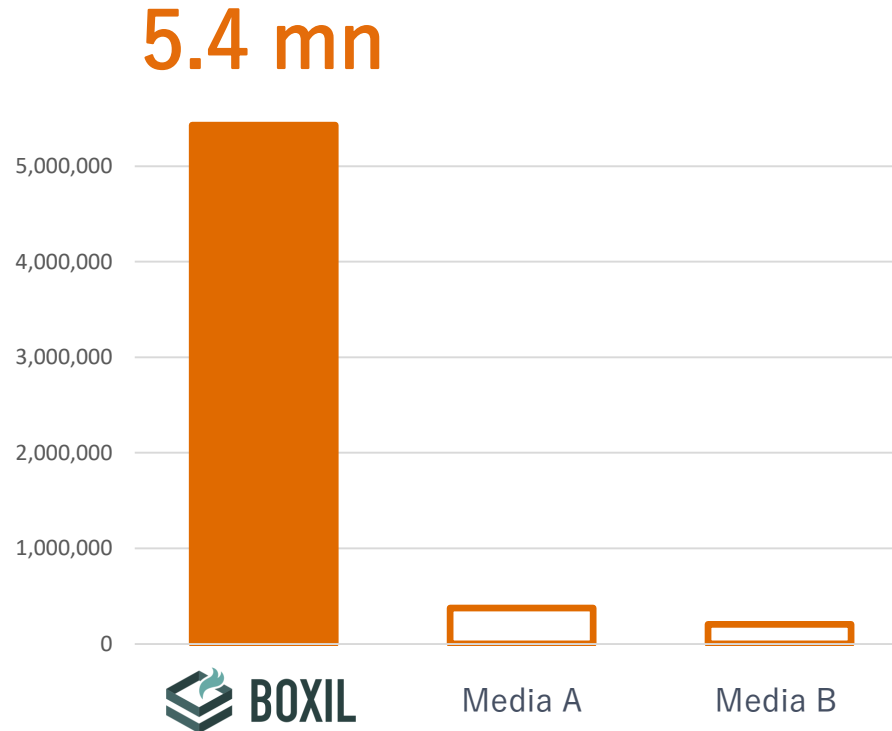
Request all documents

Japan's No.1* SaaS Marketing Platform

18

BOXIL is Japan's No.1 SaaS marketing platform with 5.4 million monthly users, more than 10 times larger than its competitors.

Monthly users*² comparing to competitors



* Research by Money Forward. Definition of users is written in *2.

*2 The number of sessions (a series of flows from opening and closing the website) that occurred from September 1, 2019 to September 30, 2019 measured with SimilarWeb.

Operational knowledge and SMARTCAMP's original Content Management System ("CMS")* enables advanced and efficient media management.



Operational Knowledge

- Built Japan's #1 SaaS marketing platform in 5 years.
- CMO is responsible for the team, members are well experienced in web marketing.

Originally developed system CMS

- Developed original user-friendly CMS for creating more than 100 articles per month.

*A system to create and manage articles without the expertise of site construction.

BOXIL's Strength: Coverage of Domestic SaaS Products 20

Covers more than 1,000 SaaS products.

Collaboration



Marketing and sales



HR/Labor



Back office



Others



New Business: Offline Events

21

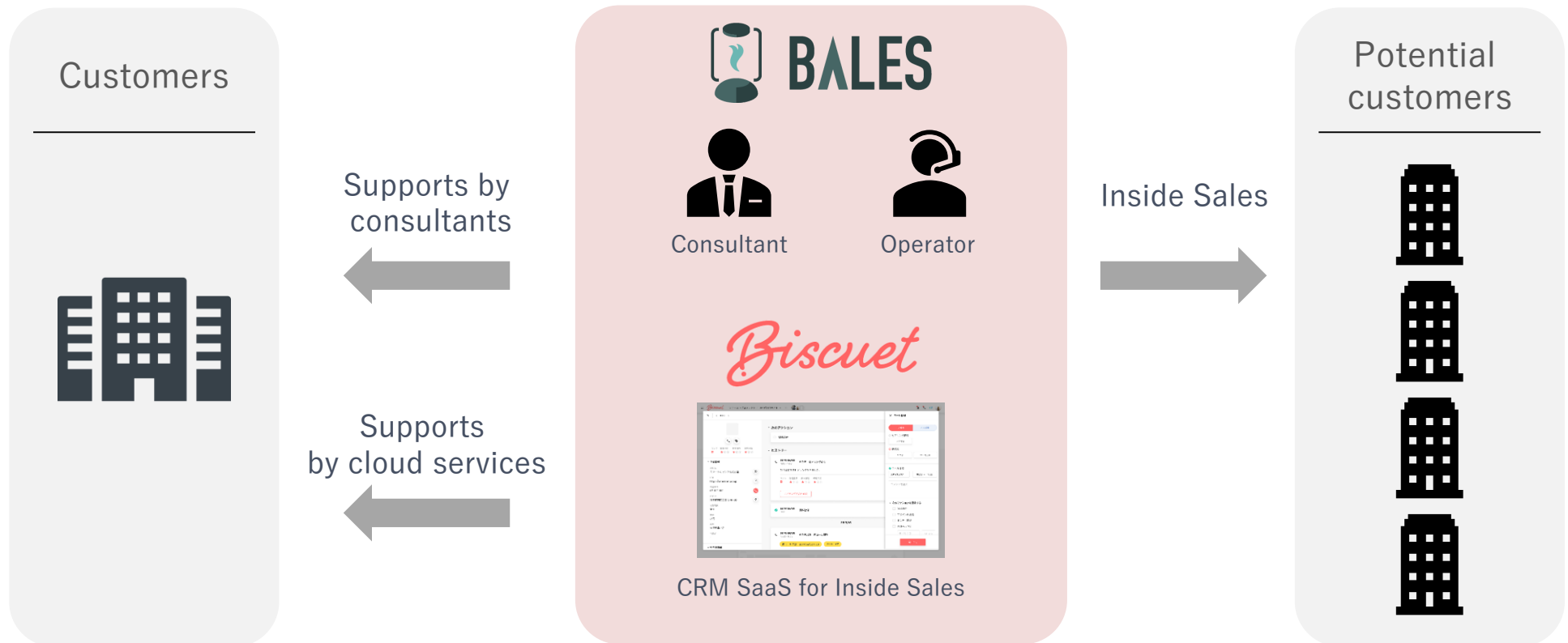
Held a SaaS industry conference *SCTX* in September 2019. SMARTCAMP plans to accelerate exhibition business as part of its lead generation solutions.



Overview of BALES/Biscuet

22

BALES provides Inside Sales agents and consulting services. *Biscuet* provides a CRM (Customer Relationship Management) SaaS product specialized for Inside Sales. Planning to provide both services in combination for customers.



BALES helps customers build their own optimum Inside Sales team, by combining high quality and extensive outsourcing solutions, SaaS knowledge, and operators familiar with IT.

1

High-quality/Extensive outsourcing solutions

- Stores know-how through adopting a dedicated operator system and building a PDCA cycle.
- Extensive outsourcing options, such as extracting lists, hearing information from customers, script creation and data entry.

2

SaaS products knowledge sharing

- Provides Inside Sales focused SaaS *Biscuet* which is developed internally based on the knowledge accumulated by *BALES* (Details on Page24-25).
- Helps the use of various SaaS products by utilizing the strengths of SMARTCAMP that covers many cloud services.

3

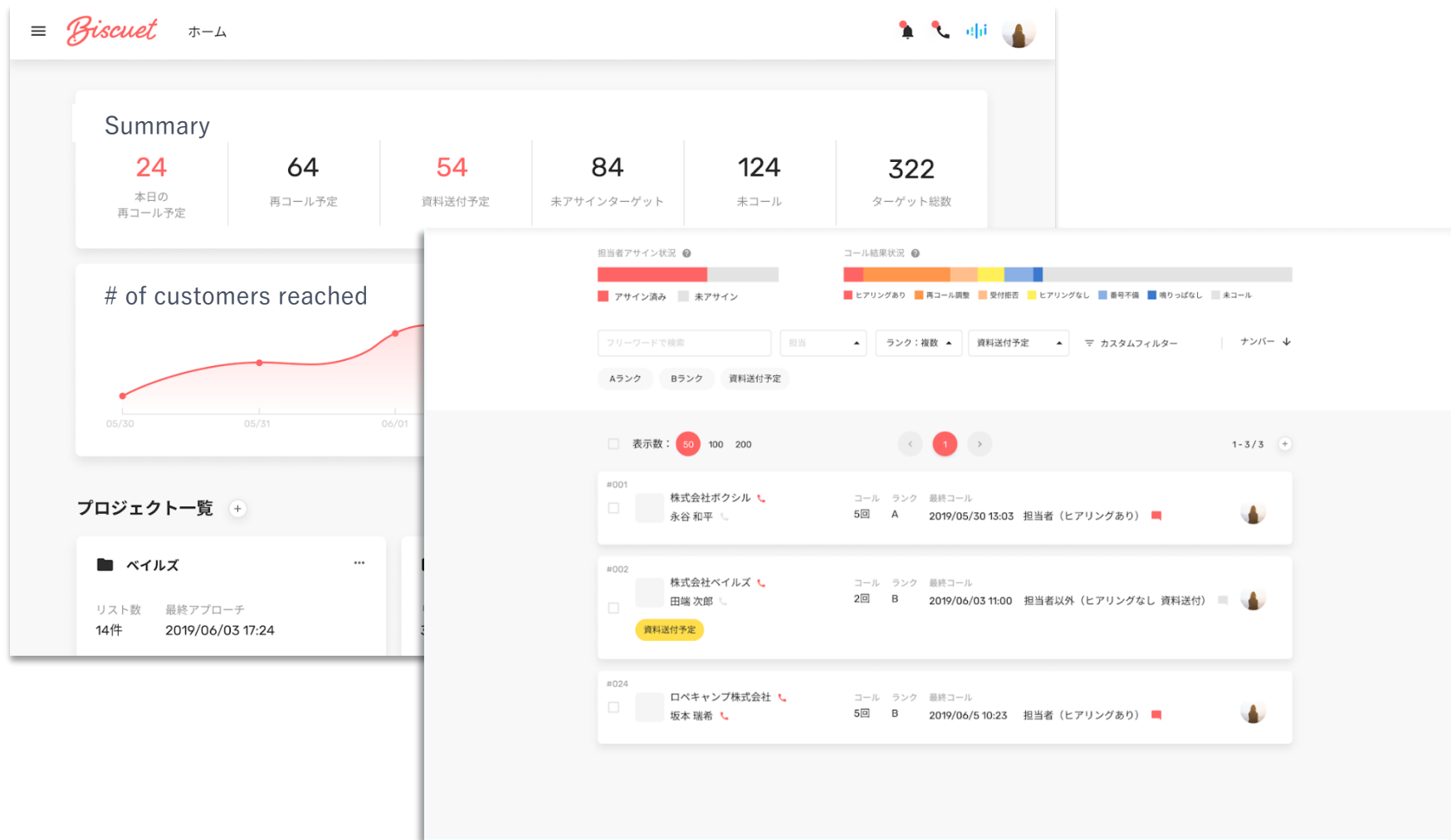
Operators familiar with IT

- Capable of using the customer's current CRM system. Stores Inside Sales know-how in customer's company by recording call history on CRM.
- IT services that require careful explanation can be handled as well.

Biscuet's Strength (1/2) – Efficient Sales Activities

24

Biscuet makes Inside Sales activities more efficient by visualizing accumulated data, so that customers can easily understand the current status of the potential customers under reviewal process and call results.



Biscuet's Strength (2/2) – Data for Business Improvements²⁵

Biscuet helps continuous improvements on Inside Sales by accumulating various data on sales activities, such as activity details and inflow channel.

The screenshot displays the Biscuet CRM interface for a contact named "#012". The main view is divided into several sections:

- Company information:** Lists details for "スマートキャンブ株式会社" (Smart Camp Co., Ltd.), including URL (https://smartcamp.co.jp), phone number (03-1111-1111), address (東京都港区三田10-14-20), employee count (120), and business type (生活用品小売).
- Next actions:** A task list with "Send documents".
- Call logs:** A chronological list of calls:
 - 2019/06/02:** Call with "担当者" (Responsible) and "ヒアリングあり" (Listening). Message: "担当者に無事ヒアリングできました。" (Successfully listened to the responsible person). Includes a "ヒアリング内容を確認" (Check listening content) button.
 - 2019/06/01:** "Sent documents".
 - 2019/05/23:** Call with "担当者以外" (Not responsible) and "再コール調整" (Reschedule call). Includes buttons for "再コール予定: 2019/06/02 11:00" and "資料送付予定" (Material delivery scheduled).

The right sidebar, titled "Call information", contains:

- Call status: "着電" (Received) and "未着電" (Not received).
- ヒアリング情報 (Listening information) section with an "入力する" (Input) button.
- 接続先 (Contact) section with "担当者" (Responsible) and "担当者以外" (Not responsible) buttons.
- コール日時 (Call date and time) section with "2019/06/01" and "11:30 - 11:32".
- コメントを記入 (Enter comment) field.
- Set next actions (Set next actions) section with checkboxes for "Send documents", "Make an appointment", "Invite to seminar", and "Call again".
- 年/月/日 (Year/Month/Day) and hh:mm (Hour:Minute) input fields.
- A prominent red "Save" button at the bottom.

1. Business area expansion for Money Forward Business

2. Growth acceleration for both SMARTCAMP and Money Forward by creating synergies

A. Increasing users of *BOXIL/BALES*

B. Expanding to offline marketing business

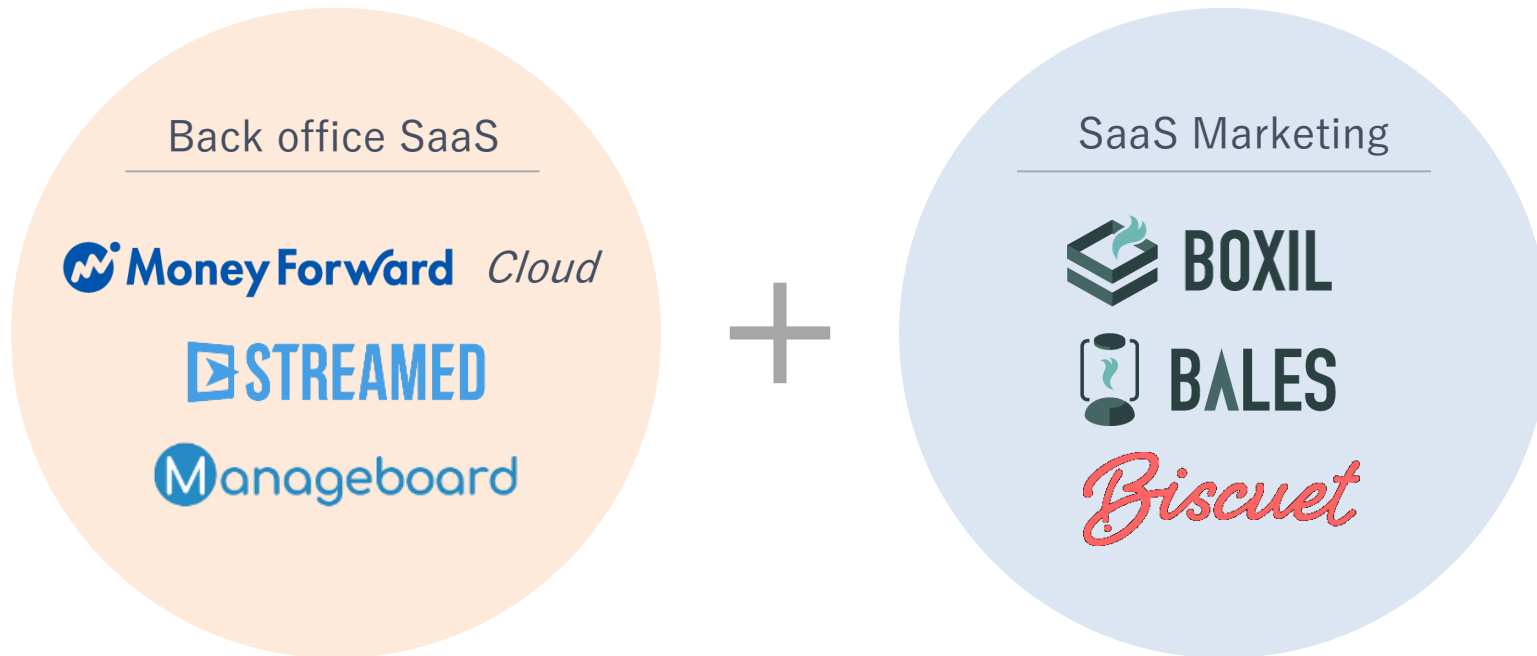
C. Enhancement of *Money Forward Cloud*

3. Enhancement of management capabilities by acquiring management

Business Area Expansion: SaaS Marketing

27

In addition to back office SaaS provided by *Money Forward Cloud*, business domain will expand to SaaS marketing where high growth is expected.



Back Office SaaS Potential Market Size

28

Potential market size of back office SaaS, Money Forward's current area of focus, is estimated to be about ¥1tn*.



* Created by Money Forward based on National Tax Agency 2017 Survey, MIAC June 2016 Economic Census Activity Survey, MIAC 2017 Labor Force Survey. Total annual expenditure when the Group's all potential customers introduced Money Forward Cloud in Japan. The total number of potential customers is the sum of sole proprietors and corporates with less than 1,000 employees.

*2 Defined as "Small enterprise" for a corporate with less than 19 employees, "Medium enterprise" for a corporate with between 20 and 999 employees.

Domestic SaaS Marketing Potential Market Size

29

Domestic SaaS marketing potential market size is estimated to expand to about ¥0.9tn, along with the expansion of SaaS market in Japan.

$$\frac{\text{SaaS potential market size}^*}{\text{Advertising costs to net Sales Ratio}^{*2}} = \text{¥0.9 tn}$$

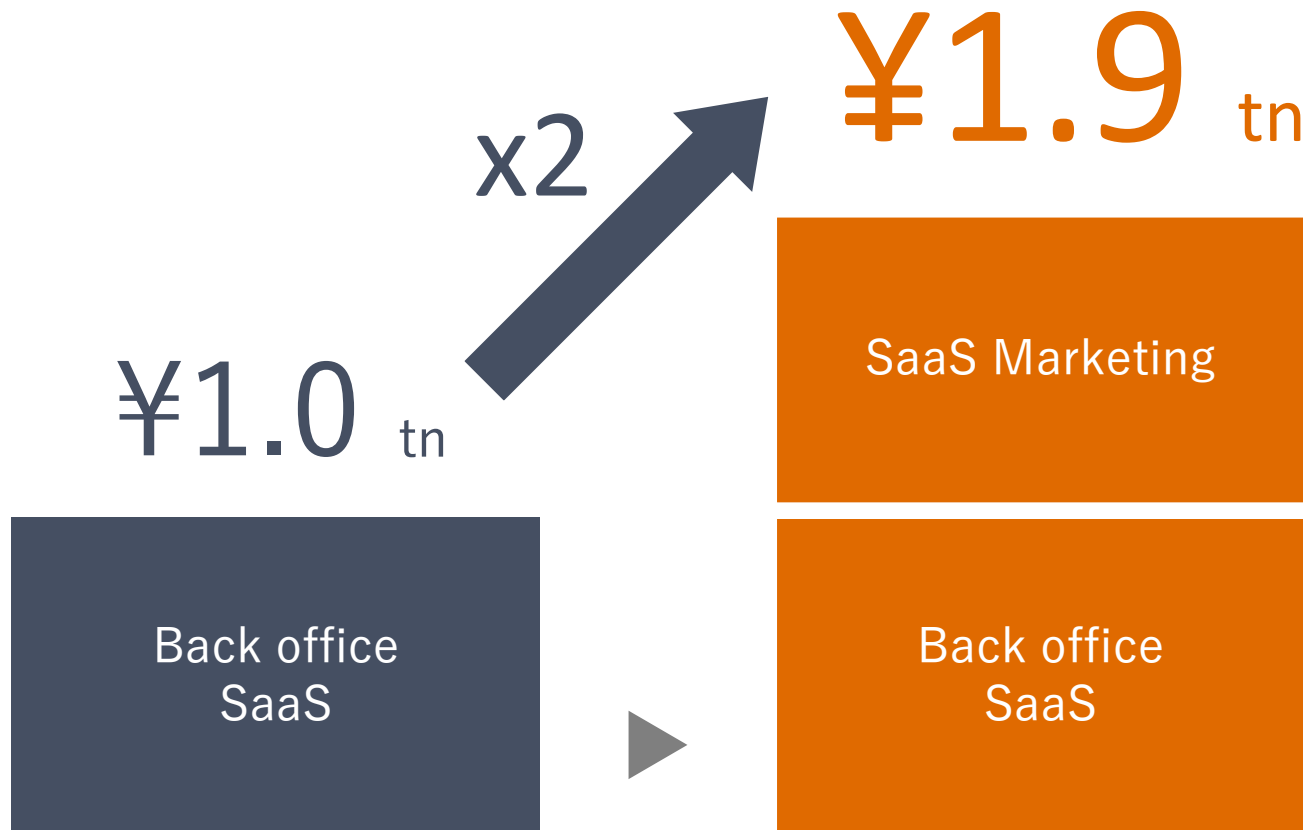
¥6.0 tn × 14.7% = ¥0.9 tn

* Estimated based on 17.3% which is back office SaaS expected market share in FY2019 (Fuji Chimera Research Institute, Inc., *2019 New Software Business Market.*) and back office SaaS potential market size (Page 28).

*2 Average advertising costs to net sales ratio of domestic major listed/scheduled to be public SaaS companies. Created by Money Forward based on financial reports and presentation documents of Money Forward, RAKUS, Uzabase, Wantedly, User Local, kaonavi, Chatwork, Sansan, free, Cybozu, and TeamSpirit.

Money Forward Group's Potential TAM to Double in Size³⁰

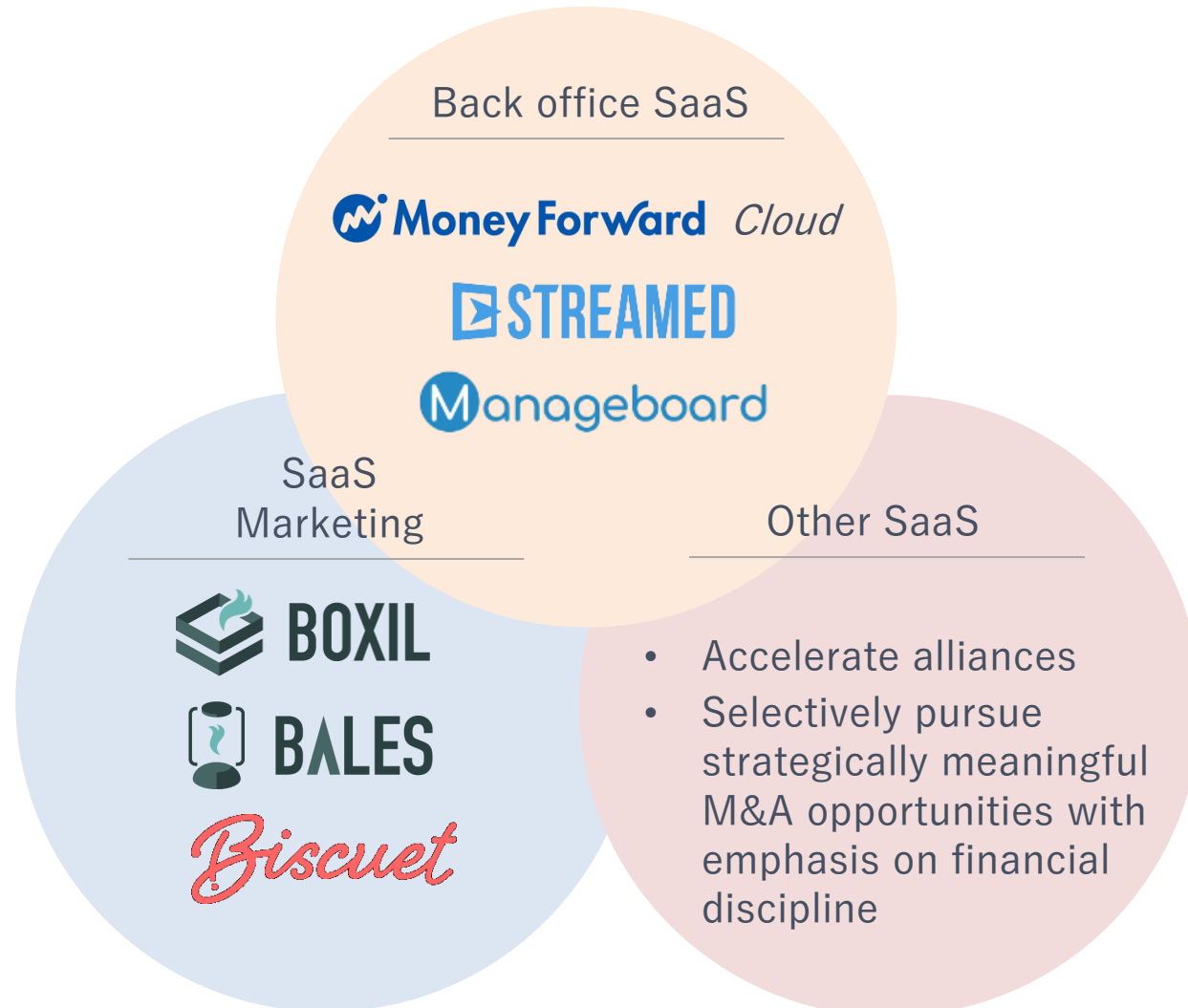
Money Forward Group's potential TAM expands to ¥1.9tn by acquiring SMARTCAMP, approximately doubling in size.



Money Forward Group's SaaS Business Strategy

31

Money Forward will set out to be No.1 in both back office SaaS and SaaS marketing, both high-growth markets in Japan. Planning to seek for other SaaS through alliances and M&A in the future.



Policy for Growth Investment

- As a **Subscription business model**, we focus on **maximizing present value of medium-to-long term cash flow**.
- Through FY11/19 to FY11/20, investment will be accelerated in 1) Business domain which is a SaaS business and 2) Finance domain consisting of various Fintech services which take advantage of our customer base.
- Such investment to be executed **as long as unit economics metrics are reasonable and sound**, with an eye on external environment as well as competitions.
- Selectively pursue strategically meaningful M&A opportunities with emphasis on financial discipline.

Policy for Profitability

- Aim at **turning EBITDA positive** in FY11/21 by strengthening the revenue base and boosting cash flow generation by the above investments.
- After turning EBITDA positive, we plan to further improve the enterprise value by **listing on the first section of the Tokyo Stock Exchange** as soon as possible.

1. Business area expansion for Money Forward Business

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3. Enhancement of management capabilities by acquiring management

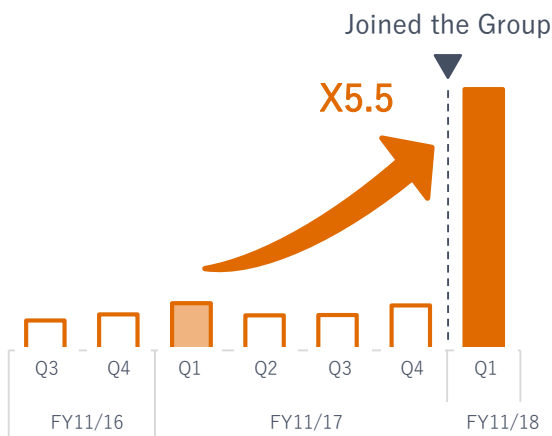
A. Increasing Users of *BOXIL/BALES* (1/2)

34

Growth rate of each company has accelerated after joining the Group. We will promote SMARTCAMP services to our *Money Forward Cloud* users to accelerate customer acquisition.

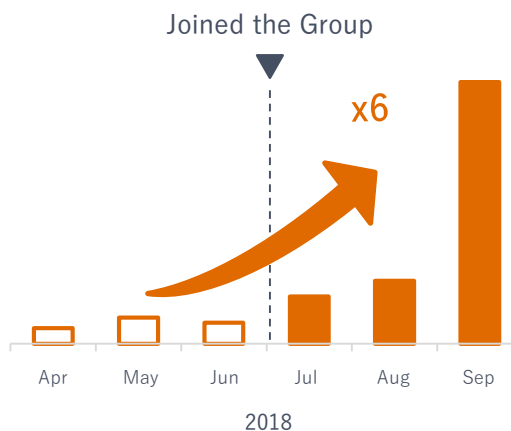
Klavis

- The number of new registers of *STREAMED* **increased 5.5 times.**
- *STREAMED* became the next flagship product of Money Forward Group.



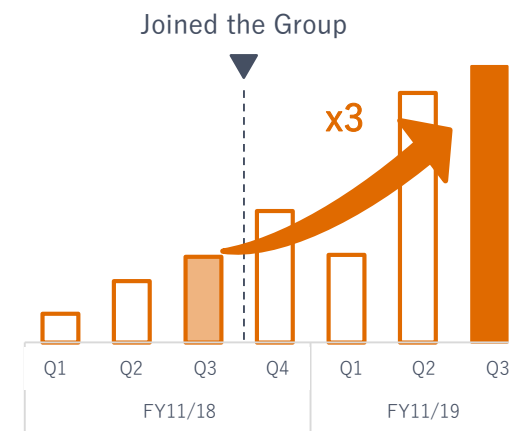
Knowledge Labo

- The number of customers implementing *Manageboard* **increased 6 times.**
- The number of customers for consulting business increased as well.



Wakufuri

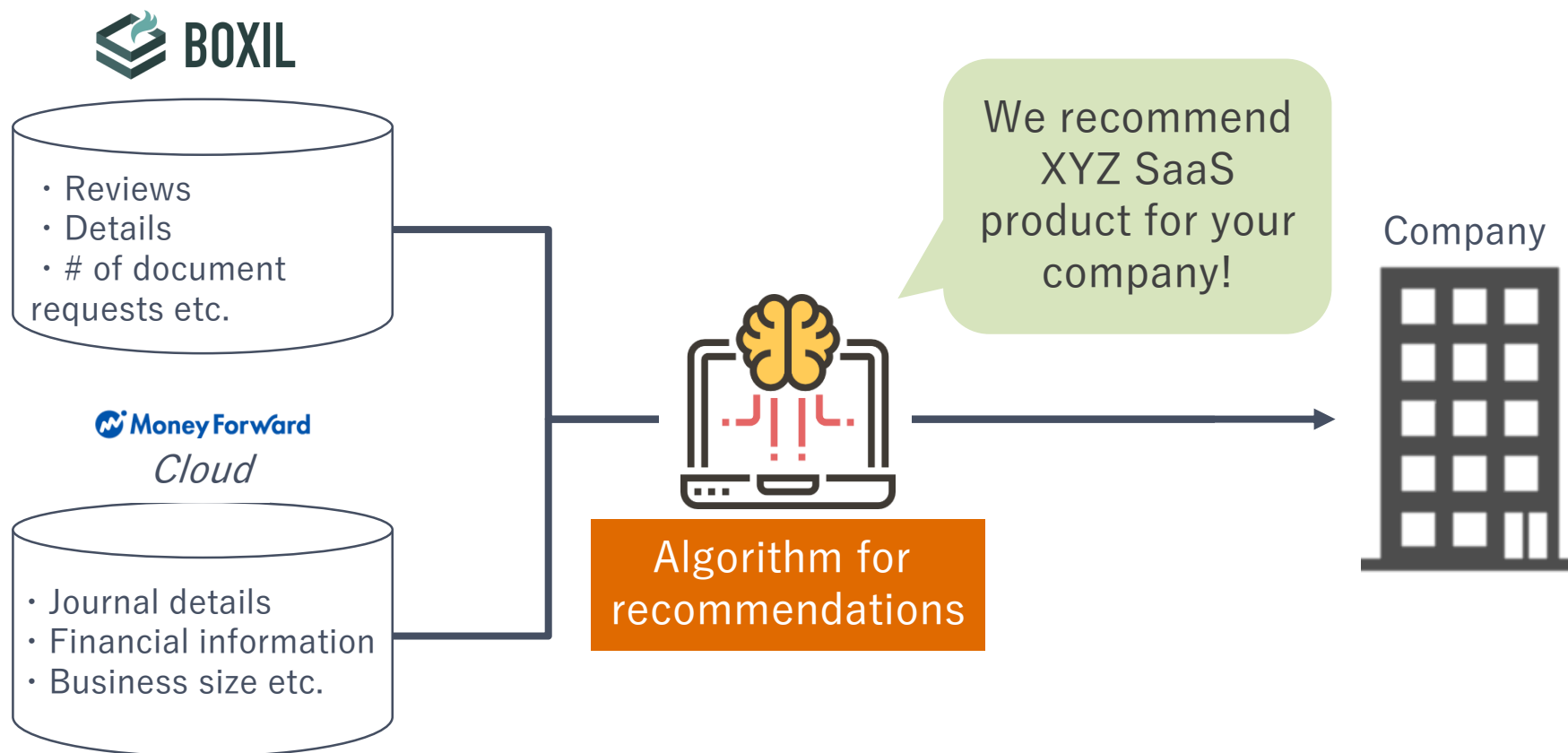
- Sales **increased 3 times.**
- Promoting new initiatives as a Group, including services for introducing POS cash register.



A. Increasing Users of *BOXIL/BALES* (2/2)

35

Planning to develop an algorithm for recommending a SaaS product leveraging *BOXIL* and *Money Forward Cloud* data.

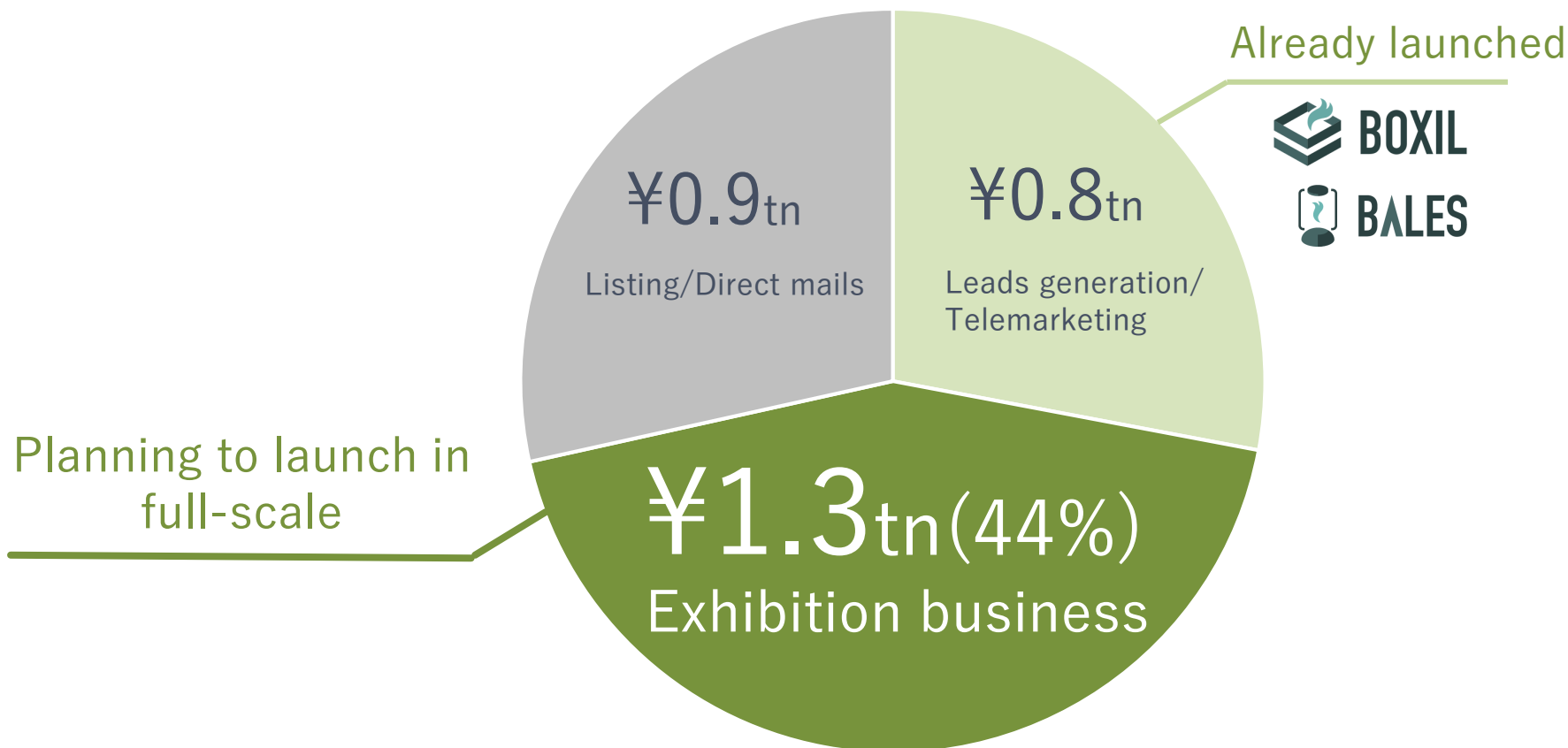


* Algorithm for recommendations is only for users that have obtained permission to use data.

B. Expanding to Offline Marketing Business (1/2)

36

Exhibition business market accounts for 44% of total ¥3tn domestic BtoB advertisement market. We will increase the value proposition by combining existing services.



Source:

Leads generation market: PwC Advisory Services LLC, *IAB internet advertising revenue report* (April 7, 2019), Dentsu Inc, Press release (February 23, 2016)

Listing advertisement market: Dentsu Inc, Press release (February 23, 2016), referenced "programmatic advertising". Estimated assuming advertisement market is ¥150bn except listing ads.

Telemarketing market: Yano Research Institute Ltd. (January 26, 2019)

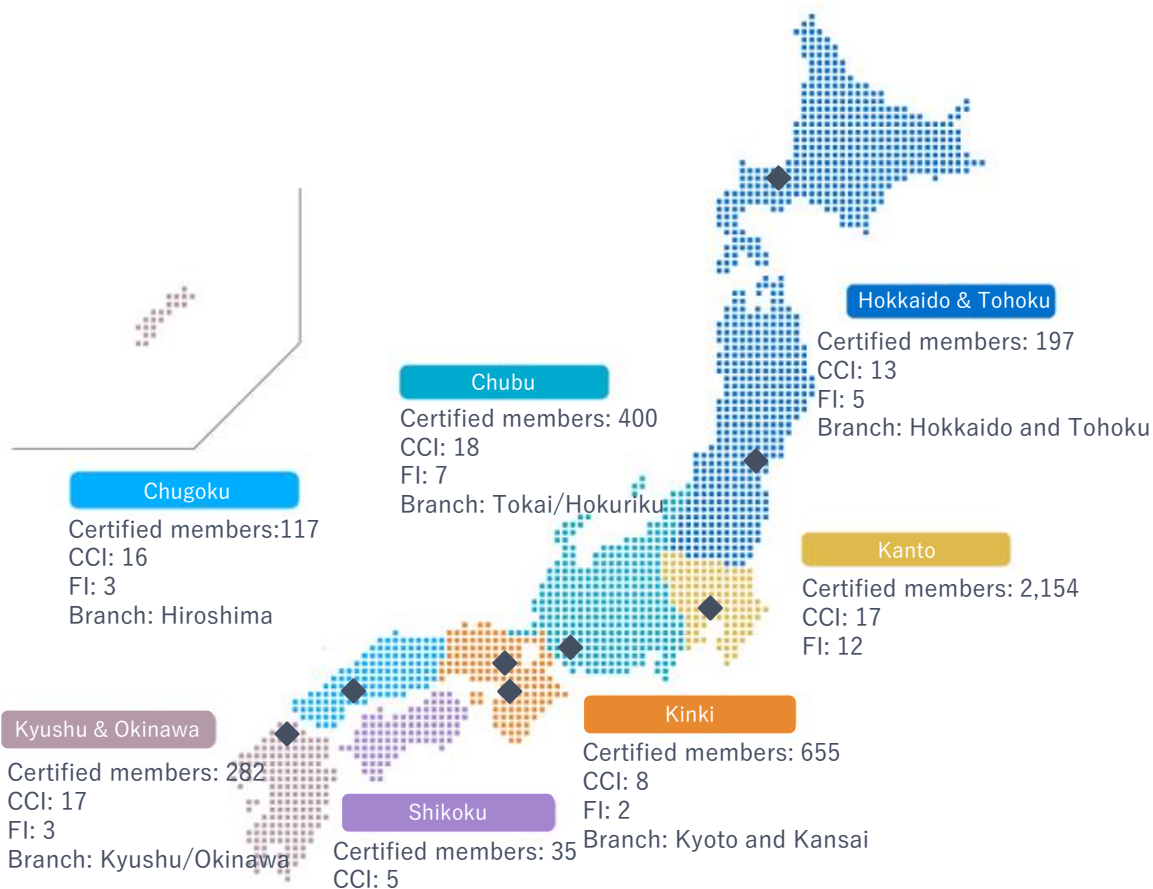
Direct mail market: Dentsu Inc, Press release (February 23, 2016)

Exhibition business market: Japan Association for Promotion of Creative events, *Domestic events market size survey result 2018* (July, 2019)

B. Expanding to Offline Marketing Business (2/2)

37

Offline marketing business will be utilizing Money Forward Group's nationwide networks.



Money Forward Group's Nationwide Partnership

No. of Certified Members:

3,800+

(Accounting firms and certified social insurance and labor consultant offices)

No. of Financial Institutions (FI) Served with Our Products:

32

No. of Chambers of Commerce and Industry (CCI) that We Partner with:

94

1. Business area expansion for Money Forward Business

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C. Enhancement of *Money Forward Cloud*

3. Enhancement of management capabilities by acquiring management

4th Company to Join the Group, since IPO.

40

SMARTCAMP is the largest company to join the Group to date.

Klavis
(Nov 2017)

Knowledge
Labo
(July 2018)

Wakufuri
(August 2018)

SMARTCAMP



KnowledgeLabo



SMARTCAMP

STREAMED

Manageboard

Offering
implementation
service for cloud-
based tools

BOXIL

BALES

Biscuet

Entrepreneurs Joining the Group's Management

41

Entrepreneurs who joined Money Forward Group are involved the Group's overall management, as well as their previous company.



Tatsuya Kanto

CEO, Klavis Inc.

M&A, Overseas strategy

- As an Executive director of alliance and business strategy, Kanto executed business alliances for the Group.
- Developed and executed overseas business strategies.



Masanobu Takeda

CFO, Klavis Inc.

Head of BtoB Business

- As a Director and Executive Officer of Money Forward Business Company, Takeda manages BtoB business which has 300 members.



Hidetsugu Kunimi

CEO, Knowledge Labo

New business development

- Kunimi promoted partnerships with Money Forward and he created synergies between businesses as a Director of Money Forward Synca.

SMARTCAMP's Management Team to Join the Group

42

SMARTCAMP's Management team will be involved in the Group's management, focusing on strengthening the strategic alliance between Money Forward.



Satoshi Furuhashi
CEO



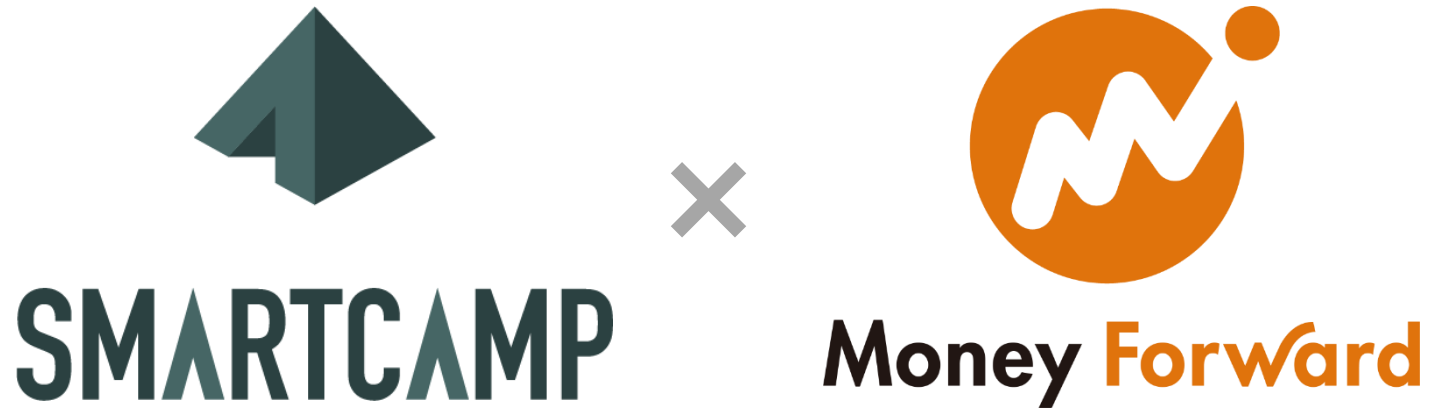
Shion Hayashi
CMO



Shimpei Abe
COO



Yuya Mineshima
CFO



SMARTCAMP and Money Forward share the mission to
“Unparalleled efficiency through technology”.

By accelerating the adoption of SaaS products through innovative products and marketing, our vision is to increase the productivity of SMEs and ultimately the country itself, becoming leaders of economic growth.

Disclaimer

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