

February 27, 2024

To whom it may concern

Company: Rakuten Group, Inc.  
Representative: Hiroshi Mikitani  
Chairman and CEO  
(Stock Code: 4755  
Tokyo Stock Exchange Prime Market)

**Announcement Regarding Partial Amendment to Articles of Incorporation and  
Shelf Registration of Series 1 Bond-type Class Shares**

Rakuten Group, Inc. (Head office: Setagaya-ku, Tokyo; Representative Director, Chairman and CEO: Hiroshi Mikitani; hereinafter the “Company”) announces that the Board of Directors today resolved (i) to make a proposal at the 27th Annual General Shareholders Meeting to be held on March 28, 2024 to partially amend its Articles of Incorporation (hereinafter the “Amendment”) and (ii) to make a shelf registration for Series 1 Bond-type Class Shares.

- I. Partial Amendment to Articles of Incorporation
  1. Partial Amendment to Articles of Incorporation in Relation to an additional business purpose

We would like to amend Article 2 (Purpose) of the current Articles of Incorporation to add a business purpose related to AI in consideration of future business development and other factors.

2. Partial Amendment to Articles of Incorporation in Relation to Bond-type Class Shares
  - (1) Purpose of and Reason of Amendment to Articles of Incorporation

The Company’s basic management philosophy is “to contribute to society by creating value through innovation and entrepreneurship.” The Company provides, both in Japan and overseas, through more than 70 services in a wide range of businesses, including Internet services (such as EC, travel reservations, and digital content), FinTech (financial) services (such as credit cards, banking, securities, insurance, and e-money), mobile services (such as mobile carrier business), and management of professional sports. As such, the Company organically links services provided by the Company group on the axis of memberships mainly consisting of Rakuten memberships, thereby creating the Rakuten Ecosystem (economic sphere), which is a concept wholly unique to the Company.

The Company group develops its business by uniting memberships, data, and brands it owns to expand the Rakuten Ecosystem, thereby developing an environment where members in Japan and overseas can easily browse and access multiple services continuously in rotation. As such, the Company group aims to leverage its synergies to maximize the lifetime value of each member, to generate synergistic effects such as minimizing customer acquisition costs, and to maximize the group’s earnings. Recently, as user mobile shifts are steadily taking place, the gross transaction value of “Rakuten Ichiba” and other services of the Company group through mobile devices is consistently increasing. To further expand and newly develop the Company group’s services, there is no doubt that mobile services are the most important touch point with users; under the circumstances where 5G is spreading and IoT (Internet of Things) is being disseminated in society, it is conceivable that mobile devices will become more indispensable to people’s lives. It is extremely significant for the Company group, which develops a wide variety of services, to operate its mobile business because it contributes to enhancement of the Rakuten Ecosystem, as well as achievement of the Company group’s further growth and improvement of corporate value resulting from such enhancement.

While the Company focuses on further expansion of such mobile business, it aims to maintain mid-term financial soundness. The Company is committed to implementing disciplined financial policies, and it believes it is desirable to strengthen its financial base through reducing interest-bearing debt by equity-related financings and conduct proactive control of debt maturity schedule, etc. The Company has conducted monetization of various assets/businesses, including: (i) disposal of a portion offering of its shares in accordance with the listing of Rakuten Bank, Ltd. on the Prime Market of Tokyo Stock Exchange, Inc. (hereinafter the “Tokyo Stock Exchange”); (ii) issuance of new shares of the Company through a public offering and third-party allotment; (iii) an additional transfer of common shares of Rakuten Securities, Inc. to Mizuho Securities Co., Ltd. for strengthening of the strategic capital and business alliance between Rakuten Securities Holdings, Inc. and Mizuho Securities Co., Ltd.; and (iv) the oversea secondary offering of common shares in Rakuten Bank, Ltd. The Company will continue to flexibly consider further financing through non-interest bearing debt.

Based on the above background, the Company decided that an issuance of “bond-type class shares” would be a useful option as a means of financing that would diversify its potential financing resources while minimizing harm to the interests of existing holders of the Company’s common shares (hereinafter the “Common Shareholders”) and would enhance its equity capital and that this option would fulfill the needs of a wide range of investors, including individual investors, as set forth below.

- As the holders of these bond-type class shares would have no right to vote at General Shareholders Meetings and no right of conversion into common shares, voting rights will not be diluted (because these shares have no right to vote at General Shareholders Meetings and no right of conversion into common shares irrespective of shareholding ratio, among other reasons, the Company believes that they do not have any features that could be used as a measure to prevent acquisition; therefore, it is not anticipated that these shares will be used as a measure to prevent acquisition).
- These bond-type class shares are “non-participation type” class shares, for which no dividends will exceed the initially specified amount of preferred dividends. The participation right for dividends exceeding preferred dividends will belong solely to Common Shareholders.
- These bond-type class shares will be issued within the total number of existing shares authorized to be issued (the total number issuable obtained by adding the number of common shares and bond-type class shares) and the Company does not intend to increase the total number of shares authorized to be issued by making this proposal.

The company intends to issue bond-type class shares in the future not through shareholder allotment (including allotment without consideration) or third-party allotment, but through public offering(s) in Japan, and anticipates applying for the listing of these shares on the Prime Market of the Tokyo Stock Exchange. These bond-type class shares will be “bond-type” class shares that are designed to constitute a product in which a wide range of investors can invest while mitigating dilution or other impacts which may occur to Common Shareholders. The Company will therefore amend its Articles of Incorporation and take other relevant measures so that the Company will be able to issue the Series 1 Bond-type Class Shares to the Series 5 Bond-type Class Shares (hereinafter the “Bond-type Class Shares”) as “bond-type” class shares.

In addition, please refer to “Explanatory Materials Regarding Bond-type Class Shares” and “Q&A Regarding Bond-type Class Shares” which are released by the Company today.

## (2) Features of Bond-type Class Shares

The Bond-type Class Shares are contemplated to constitute a product in which a wide range of investors can invest while minimizing dilution of voting rights or other possible effects to Common Shareholders and have the following features:

(a) Feature as “bond-type” class shares

In order to pay close attention to the interest of the Company’s Common Shareholders, the Bond-type Class Shares are of a hybrid design, which has (i) aspects similar to “corporate bonds” in that no dividends will be paid exceeding the initially-specified amount of preferred dividends and no dilution of voting rights will be caused, and (ii) aspects of “shares” for enhancing equity capital.

Accordingly, the Company believes that it is possible to issue the Bond-type Class Shares without diluting the voting rights of Common Shareholders and to enhance equity capital for ensuring a sound financial base while mitigating effects on the Company’s financial indices (including ROE and EPS in relation to common shares) exceeding those in the case of a capital increase through common shares.

(Note) Referring to the case where, when calculating the ROE and EPS in relation to common shares, the calculation is conducted by deducting the portion relating to class shares (the amount to be paid in for class shares and preferred dividends) from the amount of net assets and net profit, which will be the base.

(b) Characteristics similar to hybrid bonds

When issuing the Bond-type Class Shares, in principle, the Company anticipates designing them to be similar to hybrid bonds in order to make them eligible for equity credit (to constitute 50% of the financed amount) from ratings agencies (Rating and Investment Information, Inc. (R&I), Japan Credit Rating Agency, Ltd. (JCR), and S&P Global Ratings Japan Inc. (S&P)); the Company is considering giving these shares the following main features (Note 1).

(Main features)

- Preferred Dividends: Initially, fixed dividends will be distributed for approximately five years from issuance; thereafter, variable dividends will be distributed. The Bond-type Class Shares will be given preference over common shares and be accumulation-type, non-participation type.
  - Call by the Company: The Company may acquire the Bond-type Class Shares with cash consideration after the lapse of five years or so from issuance.
  - Restriction on Refinancing: If the Company is to acquire the Bond-type Class Shares through call, etc., in principle, it will use equity-related financing, at an amount at least equivalent to that of the Bond-type Class Shares (Note 2).
  - Voting Rights: None.
  - Right of Conversion into Common Shares: None.
- (Note 1) They may not be eligible for equity credit from rating agencies depending on the amount of funds raised and other factors.
- (Note 2) In case of hybrid bonds, if an issuing company is to call the bonds before maturity, it is common to issue hybrid bonds, etc. that are eligible for an equity credit of equivalent amount or more by setting a restriction on refinancing. Thus, the Company has set authorization for issuance of up to Series 5 in its Articles of Incorporation so that it will be able to issue new Bond-type Class Shares when it intends to call for existing Bond-type Class Shares.

On the other hand, unlike general hybrid bonds (excluding undated subordinate bonds), the amount financed through issuance of the Bond-type Class Shares will be recorded as capital, in terms of accounting.

(3) Issuance through public offering; listing on the Tokyo Stock Exchange

The Company intends to issue the Bond-type Class Shares through public offering(s) in Japan and to apply for listing of these shares on the Prime Market of the Tokyo Stock Exchange, thereby contemplating making them a product in which individual investors can invest.

(4) General Class Shareholders Meeting

Under the Companies Act, shareholders holding the Bond-type Class Shares (hereinafter the “Bond-type Class Shareholders”) can only resolve matters provided for in the Companies Act and matters provided for in the Articles of Incorporation at a General Class Shareholders Meeting. The company intends to stipulate that if the Company is to conduct the following acts and such acts may harm the Bond-type Class Shareholders, a resolution at a General Class Shareholders Meeting, consisting of Bond-type Class Shareholders, will be required in the Company’s Articles of Incorporation.

- Merger as a result of which the Company will become the disappearing company or a share exchange or share transfer by which the Company becomes a wholly-owned subsidiary (excluding share transfers solely conducted by the Company).
- Approval by the Company’s Board of Directors of a demand for cash-out made by the Company’s special controlling shareholders against other shareholders of the Company.

As described above, the Company believes that the Bond-type Class Shares do not have any features that may cause Common Shareholders to suffer a disadvantage from dilution of their voting rights. In addition, the Company contemplates making the Amendment so that it will be authorized to issue the Bond-type Class Shares promptly after taking into account the future market environment, etc. as an option for its capital strategy, from the perspective of ensuring flexibility and promptness under its financial strategies so that it can respond to all possible circumstances.

3. Details of Amendment to Articles of Incorporation

Please see “Proposed Amendment to Articles of Incorporation” attached hereto as Exhibit.

4. Schedule for Amendment to Articles of Incorporation

Ordinary General Meeting of Shareholders to approve the Amendment: March 28, 2024  
(scheduled)

Planned Effective Date of the Amendment: March 28, 2024 (scheduled)

II. Shelf Registration of Series 1 Bond-type Class Shares

As of today, the Company submitted a shelf registration statement concerning the Series 1 Bond-type Class Shares, as set forth below. The conditions of issuance and the total amount to be issued concerning the Series 1 Bond-type Class Shares have not yet been determined. In addition, the specific time of issuance of the Bond-type Class Shares, including the Series 1 Bond-type Class Shares, has also not been determined. If the proposal concerning the Amendment is approved at the Annual General Shareholders Meeting, the Company will calculate the specific amount of dividends concerning the Bond-type Class Shares based on the scheduled amount of issuance and the expected annual dividend rate, confirm that it is fully expected that interest, which will be the resources for the dividends, will be generated stably, and then comprehensively take into consideration the status of financing of other non-interest bearing debt, the relationship with the purpose of use of the financed funds, and the Company’s future financial and capital strategies, market conditions, etc, and then will determine the specific time of issuance. The Company will determine the details of the specific timing and details of the Series 2 Bond-type Class Shares by comprehensively taking into account future capital demands, market trends, etc.

- (1) Type of securities to be subscribed: Series 1 Bond-type Class Shares
- (2) Scheduled period for issuance: Up to the date on which two years elapses from the effective date of shelf registration (March 6, 2024 to March 5, 2026)
- (3) Scheduled amount of issuance: Up to 100 billion yen, at the maximum
- (4) Means of offering: Public offering in Japan
- (5) Use of proceeds: To be used for redemption of bonds; however, details will be determined upon passing a resolution for issuance

End

Note:  
This disclosure document is a press release to publicly announce the amendment to the Company’s Articles of Incorporation in relation to the bond-type class shares and shelf registration concerning the Series 1 Bond-type Class Shares. It was not created for the purpose of soliciting investment or similar acts in any jurisdiction. In addition, this disclosure document does not constitute an offer to sell or a solicitation of an offer to purchase any securities in the United States. The securities referred to above have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration thereunder or an applicable exemption from registration requirements. The securities referred to above will not be publicly offered or sold in the United States.

Exhibit

Proposed Amendment to Articles of Incorporation

(Amendments are underlined)

Existing Articles of Incorporation	Proposed amendment
<p>(Purpose)                      Article 2 The purpose of the Company shall be control and manage the business operations of companies or business entities in Japan and overseas that engage in the following businesses by acquiring or holding shares or equities of the said companies or business entities:</p> <p>1.-34. (Omission of the provisions)</p> <p>(Newly Established)</p> <p><u>35.</u> Any and all businesses relative to each of the foregoing items.</p> <p>(Total Number of Shares Authorized to be issued)                      Article 6 The total number of shares authorized to be issued by the Company shall be 3,941,800,000 shares.</p> <p>(Number of Shares Constituting One Unit)                      Article 7 The number of shares constituting one unit shall be 100 shares.</p>	<p>(Purpose)                      Article 2 The purpose of the Company shall be control and manage the business operations of companies or business entities in Japan and overseas that engage in the following businesses by acquiring or holding shares or equities of the said companies or business entities:</p> <p>1.-34. (Unchanged)</p> <p><u>35. Research, planning, development, production, sale, offer, distribution, maintenance and operation on software related to AI (Artificial Intelligence) and services utilizing AI (Artificial Intelligence)</u></p> <p><u>36.</u> Any and all businesses relative to each of the foregoing items.</p> <p>(Total Number of Shares Authorized to be issued)                      Article 6 The total number of shares authorized to be issued by the Company shall be 3,941,800,000 shares, <u>and the total number of shares authorized to be issued for each class is as follows:</u></p> <p><u>Common shares: 3,941,800,000 shares</u>  <u>Series 1 Bond-type Class Shares: 75,000,000 shares</u>  <u>Series 2 Bond-type Class Shares: 75,000,000 shares</u>  <u>Series 3 Bond-type Class Shares: 75,000,000 shares</u>  <u>Series 4 Bond-type Class Shares: 75,000,000 shares</u>  <u>Series 5 Bond-type Class Shares: 75,000,000 shares</u></p> <p>(Number of Shares Constituting One Unit)                      Article 7 The number of shares constituting one unit shall be 100 shares, <u>for both common shares and Series 1 Bond-type Class Shares to Series 5 Bond-type Class Shares (hereinafter collectively, referred to as the “Bond-type Class Shares”; and when referring to shares of any one class, “Each Series of Bond-type Class Shares”)</u>.</p>

<p>(Newly Established)</p>	<p><u>(Exclusion of Tag-along Right upon Acquisition of Bond-type Class Shares by the Company)</u>  <u>Article 10</u> If the Company determines by resolution of a General Shareholders Meeting that, upon agreement with certain shareholders holding Bond-type Class Shares (hereinafter referred to as the “Bond-type Class Shareholders”), it will acquire all or some of the Bond-type Class Shares held by those Bond-type Class Shareholders and decides to notify those Bond-type Class Shareholders of the matters prescribed in each item of paragraph 1 of article 157 of the Companies Act, the provisions in paragraphs 2 and 3 of article 160 of the same act shall not apply.</p>
<p>Articles <u>10</u> to <u>11</u> (Omission of the provisions)</p>	<p>Articles <u>11</u> to <u>12</u> (Unchanged)</p>
<p>(Newly Established)</p>	<p><u>CHAPTER 3 BOND-TYPE CLASS SHARES</u></p>
<p>(Newly Established)</p>	<p><u>(Preferred Dividend for Bond-type Class Shares)</u>  <u>Article 13</u> If the Company distributes dividends of surplus with record date of December 31 pursuant to paragraph 1 article 47, it shall pay, per share of Each Series of Bond-type Class Shares, the cash as prescribed below (hereinafter referred to as the “Preferred Dividend for Bond-type Class Shares”) to the Bond-type Class Shareholders entered or recorded in the latest shareholder registry as of the record date for the distribution or registered pledgees of the Bond-type Class Shares (hereinafter collectively, referred to as the “Bond-type Class Shareholders, etc.” together with the Bond-type Class Shareholders), prior to the shareholders holding the Company’s common shares (hereinafter referred to as the “Common Shareholders”) and registered pledgees of common shares (hereinafter collectively, referred to as the “Common Shareholders, etc.” together with the Common Shareholders). However, if the Preferred Interim Dividend for Bond-type Class Shares (as defined in the following article) is paid in the business year containing the record date for the dividend, the sum of such amount shall be deducted from the amount to be paid.</p> <p><u>The amount calculated by multiplying the amount equivalent to the Issue Price (as defined below) per share of the Bond-type Class Shares by an annual dividend rate stipulated by the resolution of the Board of Directors prior to the issuance of such Bond-type Class Shares (up to</u></p>

<p>(Newly Established)</p>	<p><u>15 percent; hereinafter referred to as the “Annual Dividend Rate”) (however, the handling of any resulting decimal part shall be determined by the resolution of the Board of Directors prior to the issuance of such Bond-type Class Shares).</u></p> <p><u>“Issue Price” means the per share amount to be paid to the Company upon offering for the Bond-type Class Shares determined prior to the issuance of such shares (if the Bond-type Class Shares are offered for through purchases and underwriting by securities companies, the per share amount to be paid by an investor as the consideration for such Bond-type Class Shares).</u></p> <p><u>2 If the cash of the dividend of surplus per share of Each Series of Bond-type Class Shares distributed to the Bond-type Class Shareholders, etc. does not reach the amount of the Preferred Dividend for Bond-type Class Shares pertaining to that business year, the shortfall shall be accumulated in the immediately following business year and thereafter by using a simple interest calculation (the accumulated shortfall shall be hereinafter referred to as the “Accrued Accumulated Dividend for Bond-type Class Shares”). The simple interest calculation used in such a case shall be the calculation method determined by the resolution of the Board of Directors prior to the issuance of such Bond-type Class Shares, using the Annual Dividend Rate as a basis. Regarding the Accrued Accumulated Dividend for Bond-type Class Shares, prior to the distribution of the dividend of surplus stipulated in the foregoing paragraph or the following article, the cash of the dividend of surplus shall be distributed per share of the Bond-type Class Shares to the Bond-type Class Shareholders, etc. until the amount reaches the Accrued Accumulated Dividend for Bond-type Class Shares.</u></p> <p><u>3 No dividend of surplus shall be distributed to the Bond-type Class Shareholders, etc. beyond the sum of the amount of the Preferred Dividend for Bond-type Class Shares and the Accrued Accumulated Dividend for Bond-type Class Shares.</u></p> <p><u>(Preferred Interim Dividend for Bond-type Class Shares)</u></p> <p><u>Article 14 If the Company distributes a dividend of surplus with a record date other than</u></p>
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	<p><u>December 31 (hereinafter referred to as the “Interim Dividend Record Date”) pursuant to Article 47, paragraph 2 or 3, it shall pay, per share of Each Series of Bond-type Class Shares, the cash determined by the calculation method specified by the resolution of the Board of Directors prior to the issuance of Each Series of Bond-type Class Shares (hereinafter referred to as the “Preferred Interim Dividend for Bond-type Class Shares”) to the Bond-type Class Shareholders, etc. entered or recorded in the latest shareholders registry as of the Interim Dividend Record Date for the distribution, prior to the Common Shareholders, etc. However, the sum of the amount of the Preferred Interim Dividend for Bond-type Class Shares for the business year containing the Interim Dividend Record Date shall not exceed the amount of the Preferred Dividend for Bond-type Class Shares for the business year containing the record date for the distribution.</u></p>
(Newly Established)	<p><u>(Distribution of Residual Assets)</u>  <u>Article 15 If the Company distributes residual assets, it shall pay, per share of Each Series of Bond-type Class Shares, to the Bond-type Shareholders, etc., prior to the Common Shareholders, etc., the following cash: The amount calculated using the calculation method determined by the resolution of the Board of Directors prior to the issuance of Each Series of Bond-type Class Shares as the amount obtained by adding to the amount equivalent to the Issue Price per share of the Bond-type Class Shares (i) the amount of the Accrued Accumulated Dividend for Bond-type Class Shares and (ii) the amount equivalent to the Preferred Dividend for Bond-type Class Shares pertaining to the period from the first day of the business year containing the day on which the residual assets are distributed to such distribution date.</u></p>
(Newly Established)	<p><u>2 Except for the foregoing paragraph, residual assets shall not be distributed to the Bond-type Class Shareholders, etc.</u></p> <p><u>(Voting Rights)</u>  <u>Article 16 The Bond-type Class Shareholders may not exercise their voting rights at General Shareholders Meetings of the Common Shareholders for any matters.</u></p>
(Newly Established)	<p><u>(Acquisition Clause for Cash Consideration)</u></p>

<p>(Newly Established)</p>	<p><u>Article 17 For the Bond-type Class Shares, if any of the events determined by the resolution of the Board of Directors prior to the issuance of Each Series of Bond-type Class Shares, and the date otherwise determined by the resolution of the Board of Directors arrives, the Company may acquire all or some of such Bond-type Class Shares. In such a case, the Company shall deliver to the Bond-type Class Shareholders, in exchange for acquisition of the Bond-type Class Shares, per share of the Bond-type Class Shares, the following cash: the amount calculated by the method determined by the resolution of the Board of Directors prior to the issuance of Each Series of Bond-type Class Shares, as the amount obtained by adding to the amount equivalent to the Issue Price per share of the Bond-type Class Shares (i) the amount of the Accrued Accumulated Dividend for Bond-type Class Shares pertaining to such Bond-type Class Shares and (ii) the amount equivalent to the Preferred Dividend for Bond-type Class Shares pertaining to the period from the first day of the business year containing such acquisition date to the acquisition date. If the Company acquires some of the Bond-type Class Shares pursuant to the provisions of this item, it shall determine the number of the Bond-type Class Shares to be acquired from the Bond-type Class Shareholders via a reasonable method determined by the Board of Directors.</u></p> <p><u>(Share Consolidation or Split, etc.)</u></p> <p><u>Article 18 Unless otherwise provided by applicable laws and regulations, the Company shall not conduct share consolidations or splits of the Bond-type Class Shares.</u></p> <p><u>2 The Company shall not conduct an allotment of shares without contribution or an allotment of share options without contribution for the Bond-type Class Shareholders.</u></p> <p><u>3 The Company shall not grant the Bond-type Class Shareholders the right to receive shares subscription or to receive allotment of Subscription Rights to Shares in accordance with the number of shares held by the Bond-type Class Shareholders.</u></p> <p><u>4 If the Company intends to conduct a share transfer (limited to share transfers solely conducted by the Company), it shall deliver to the Common Shareholders, etc. and Bond-type Class Shareholders, etc. the same class of shares</u></p>
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<p>(Newly Established)</p> <p>CHAPTER <u>3</u> GENERAL SHAREHOLDERS MEETING</p> <p>Articles <u>12</u> to <u>17</u> (Omission of the provisions) (Newly Established)</p>	<p><u>as the Company's common shares issued by the wholly-owning parent company incorporated in the share transfer in lieu of common shares and the same class of shares as the Company's Bond-type Class Shares issued by the wholly-owning parent company incorporated in the share transfer in lieu of the Bond-type Class Shares, respectively, at the same equity ratio.</u></p> <p><u>5. In the case under the foregoing paragraph, the Preferred Dividend for Bond-type Class Shares and the Accrued Accumulated Dividend for Bond-type Class Shares shall be adjusted via a method determined by the resolution of the Board of Directors prior to the issuance of Each Series of Bond-type Class Shares.</u></p> <p><u>(Order of Priority)</u> <u>Article 19 Preferred dividends, preferred interim dividends, and residual assets for the Company's Bond-type Class Shares through Each Bond-type Class Shares shall have the same order of priority in respect of payment.</u></p> <p>CHAPTER <u>4</u> GENERAL SHAREHOLDERS MEETING</p> <p>Articles <u>20</u> to <u>25</u> (Unchanged)</p> <p><u>(General Class Shareholders Meeting)</u> <u>Article 26 Excerpt as otherwise provided by applicable laws and regulations or by these Articles of Incorporation, resolutions at General Class Shareholders Meetings shall be adopted by a majority of the vote of shareholders present at the General Shareholders Meeting.</u></p> <p><u>2 The resolution pursuant to paragraph 2 of article 324 of the Companies Act shall be adopted by two-thirds or more of the votes of the shareholders present at a General Class Shareholders Meeting, at which one-third or more of all shareholders holding voting rights are present.</u></p> <p><u>3 Article 20, paragraph 2, article 22, article 23, and article 25 of these Articles of Incorporation shall apply mutatis mutandis to General Class Shareholders Meetings.</u></p> <p><u>4 Article 21 of the Articles of Incorporation shall apply mutatis mutandis to General Class Shareholders Meetings to be held</u></p>
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<p>Chapter 4 DIRECTORS AND BOARD OF DIRECTORS</p> <p>Articles <u>18</u> to <u>27</u> (Omission of the provisions)</p> <p>Chapter 5 AUDIT &amp; SUPERVISORY BOARD MEMBERS AND AUDIT &amp; SUPERVISORY BOARD</p> <p>Articles <u>28</u> to <u>35</u> (Omission of the provisions)</p> <p>Chapter 6 ACCOUNTING</p>	<p><u>within three months from December 31 of each year.</u></p> <p><u>5 Unless otherwise provided by applicable laws and regulations, a resolution at a General Class Shareholders Meeting consisting of each of the Bond-type Class Shareholders will not be required to be passed for the Company to conduct any of the acts listed in each item of paragraph 1 article 322 of the Companies Act.</u></p> <p><u>6 Notwithstanding the foregoing paragraph, if the Company conducts any of the acts listed below, and where it is likely to cause detriment to the Bond-type Class Shareholders, the relevant act shall not become effective unless a resolution at a General Class Shareholders Meeting consisting of the Bond-type Class Shareholders is passed in addition to the resolution of a General Shareholders Meeting of the Common Shareholders or the resolution of the Board of Directors of the Company. However, this shall not apply if the Bond-type Class Shareholders who may exercise voting rights at the General Class Shareholders Meeting do not exist.</u></p> <p><u>(1) Merger as a result of which the Company will become the disappearing company or a share exchange or share transfer by which the Company becomes a wholly-owned subsidiary (excluding share transfers solely conducted by the Company).</u></p> <p><u>(2) Approval by the Company’s Board of Directors of a demand for cash-out made by the Company’s special controlling shareholders against other shareholders of the Company.</u></p> <p>Chapter 5 DIRECTORS AND BOARD OF DIRECTORS</p> <p>Articles <u>27</u> to <u>36</u> (Unchanged)</p> <p>Chapter 6 AUDIT &amp; SUPERVISORY BOARD MEMBERS AND AUDIT &amp; SUPERVISORY BOARD</p> <p>Articles <u>37</u> to <u>44</u> (Unchanged)</p> <p>Chapter 7 ACCOUNTING</p> <p>Articles <u>45</u> to <u>48</u> (Unchanged)</p>
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Articles <u>36</u> to <u>39</u> (Omission of the provisions)	
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