

February 14, 2014
 Company name Rakuten, Inc.
 Representative Hiroshi Mikitani
 Chairman and CEO
 (Stock Code: 4755
 Tokyo Stock Exchange First Section)

Announcement of Finalized Split Compensation and Completion of Allotment for the Company Split (Simplified Absorption-Type Company Split) of Subsidiary Kenko.com, Inc.

Rakuten, Inc. (hereinafter the “Company”) made an announcement on November 26, 2013 (hereinafter “November 26, 2013 announcement”), about a company split (absorption-type split; hereinafter “Company Split”) and an announcement on December 20, 2013 (hereinafter “December 20, 2013 announcement”) entitled “Announcement of Split Compensation and Allotment Details for the Company Split (Simplified absorption-Type Company Split) of Subsidiary Kenko.com, Inc” whereupon the Company is the split company and Kenko.com, Inc. (hereinafter “Kenko.com”), a consolidated subsidiary of the Company, is the successor company with January 1, 2014 as the date of effectuation. Today the Company finalized the split compensation (see note below) and completed the allotment for the Company Split. In addition, there are no other changes to the details in the November 26, 2013 announcement or the December 20, 2013 announcement.

The Company Split will transfer to Kenko.com, the successor company, the Rakuten 24 business operations deployed within the “Rakuten Ichiba” Internet shopping mall operated by the Company, the split company.

Note: Valued the day before the date of effectuation by subtracting the finalized valuation of targeted debt from the finalized valuation of targeted assets on that day.

1. Outline of Split Compensation and Allotment related to the Company Split

The finalized split compensation was computed as 394 million yen, through mutual consultation between both parties.

According to the December 20, 2013 announcement, the split compensation was computed as 382 million yen, and Kenko.com as a successor company in absorption-type split allotted 45,900 treasury stocks of Kenko.com held by Kenko.com and issued 162,266 new shares. In addition, for fractions of less than a single stock, the amount equivalent thereto was paid in cash at an amount equivalent to 1,392 yen.

Since there was a difference between the finalized split compensation and the planned split compensation, a cash amount of 12 million yen was paid.

(2) Items and Amount of the Assets and Debt Split

Assets		Debt	
Item	Value (JPY m)	Item	Value (JPY m)
Current Assets	547	Current Liabilities	265
Fixed Assets	112	Fixed Liabilities	—
Total	660	Total	265

Note: Amounts are rounded down for values below one hundred million yen. Also, the items stated above are based on valuations the day before the effective date (December 31, 2013).