

January 29, 2018
Company name Rakuten, Inc.
Representative Hiroshi Mikitani
Chairman and CEO
(Stock Code: 4755
Tokyo Stock Exchange First Section)

Rakuten Announces Commencement of Tender Offer for
Share Certificates, Etc. of the Asahi Fire & Marine Insurance Co., Ltd.

Tokyo, January 29, 2018 – Rakuten, Inc. (“Rakuten”) announces that at the meeting of its Board of Directors held today, it resolved to acquire all of the Common Stock and Class Stock of the Asahi Fire & Marine Insurance Co., Ltd. (“Asahi Fire”) through a tender offer (the “Tender Offer”) as described below, with the aim of entering the nonlife insurance business in Japan. Founded in 1951, Asahi Fire, a consolidated subsidiary of Nomura Holdings Inc. (“Nomura Holdings”) since 2011, is a nonlife insurance company operating in Japan for over 65 years. Asahi Fire also operates a nonlife insurance agency business through its wholly owned subsidiary, Mirai no Hoken Co.

(1) Overview, including Purpose of Acquisition

Rakuten’s vision as a “Global Innovation Company” is based on innovation on a global scale that will contribute to the creation of a better society and, in order to achieve that, it has established a relationship with over 1.2 billion members worldwide, as well as offering over 70 diverse services including e-Commerce, travel, credit card, banking, securities, insurance, payment services, electronic money, a MVNO (Mobile Virtual Network Operator) business for discounted smartphone services, a voice and messaging app and professional sports, all of which are able to leverage the Big Data generated through its services. Rakuten expects to see continued expansion of the unique Rakuten Ecosystem that has developed across a wide range of services covering various life stages, with membership centered around Rakuten members and the loyalty program “Rakuten Super Points” as a common service that allows users to move organically between services.

In particular, in Japan, the number of Rakuten IDs is close to 100 million, and the cumulative issued value of Rakuten Super Points has exceeded 1 trillion yen, spanning online to offline activities, creating a robust ecosystem unique to Rakuten.

Outside Japan, we have also expanded various services such as Ebates, a cashback e-Commerce site, Rakuten Viber, the voice and messaging app, and Rakuten Kobo, the e-Book service. Also, in order to

raise awareness of our corporate brand and build a robust global ecosystem, we have concluded sponsorship agreements with FC Barcelona of the Spanish professional football league and the Golden State Warriors of the NBA, the U.S. professional basketball league.

Rakuten also continues to see growth that will further strengthen the foundation of the business as a result of the high potential for synergy between Rakuten's FinTech businesses and its other internet services, through initiatives such as effective promotions for Rakuten members, expansion of the product line-up, and alliances with other business operators.

Rakuten operates a wide variety of businesses through the internet as described above, many of which offer various services and products that also have potential risks users may wish to insure themselves against. For example, in the case of the travel business, customers may wish to insure themselves against the risk of injury or sickness during travel. By introducing an offering to take on these potential risks, Rakuten members and other customers will be able to purchase Rakuten services and products with a greater peace of mind, also allowing Rakuten to further contribute to people and society. For these reasons, Rakuten has been considering its entry for the first time into the non-life insurance industry since around January 2017.

In early September 2017, Rakuten, Inc. made a proposal to acquire shares of Asahi Fire to its parent company Nomura Holdings based on its consideration of a tender offer for the shares of Asahi Fire. Thereafter, Rakuten, Nomura Holdings and Asahi Fire proactively discussed the possible synergies of cooperation between Rakuten, Inc. and Asahi Fire.

As a result of these steps, Rakuten determined that (i) It can build a solid customer base by incorporating the members of Rakuten and its affiliated stores as new contractors, in addition to the many existing contractors owned by the Target Company (ii) It is able to efficiently and effectively sell insurance products through multiple sales channels by adding Rakuten internet sales channel, in addition to the nationwide agency sales channels of the Target Company, (iii) It can offer tie-ups with companies of the Rakuten Group and innovate utilizing its internet-based technology, in addition to traditional insurance products such as automobile insurance and fire insurance sold by the Target Company, (iv) As the Target Company has many injury insurance practitioners familiar with the target audience, by aiming to exchange human resources of those skilled workers of such personnel and insurance-related business of Rakuten and various other businesses, it will be possible to create significant synergies to provide a unique and attractive nonlife insurance product lineup, (v) In order to realize synergies precisely and promptly, it is considered necessary to construct a stronger sense of unity with the Target Company rather than business collaboration or partial investment, so to advance corporate value, we came to

recognize that it is best policy to make the Target a wholly-owned subsidiary of Rakuten.

Based on the above-mentioned discussions with Nomura Holdings and Asahi Fire, Rakuten, Inc. resolved, at the meeting of its board of directors held on January 29 2018, to acquire all of the Common Stock and Class Stock of Asahi Fire through the Tender Offer, and entered into a subscription agreement with Nomura Holdings whereby Nomura Holdings agreed to apply for the Tender Offer to sell its holdings of Asahi Fire shares.

(2) Schedule

(i) Schedule

Resolution of Board of Directors	January 29, 2018
Date of Public Notice of Commencement of Tender Offer	January 30, 2018
Newspaper Listing Public Notice	Public notice will be made electronically and a notice thereof will be published in the Nihon Keizai Shimbun. URL of electronic disclosure (http://disclosure.edinet-fsa.go.jp/)
Filing Date of Tender Offer Registration Statement	January 30, 2018

(ii) Tender Offer Period as of Filing Date

From January 30, 2018 (Tuesday) through March 13, 2018 (Tuesday) (30 business days)

(iii) Commencement Date of Settlement

March 30, 2018 (Friday)

(3) Tender Offer Price

JPY 2,664 per share of Common Stock

JPY 10,656 per Series A Class Stock

(4) Anticipated Number of Shares to be Purchased

Anticipated Shares Purchased	Minimum Tender Condition	Maximum Tender Condition
16,891,288 (shares)	12,705,100 (shares)	None

(5) Other

The Tender Offer is not being made directly or indirectly in or into the United States, and no application to the Tender Offer will be accepted from any person resident in the United States or from any U.S. person. Copies of this document and any related materials to the Tender Offer are not being and should not be mailed or otherwise distributed or sent directly or indirectly in or into the United States by any means (including facsimile, e-mail, Internet communication, telex, or telephone). This document does not constitute the solicitation of an offer to buy any securities from any person resident in the United States or from any U.S. person.

In case of an application, applicant shareholders (standing agent in case of foreign shareholders) may be asked to represent and warrant to the Tender Offer agent to the effect that they are not in the United States neither at the time of the application nor the time of sending an application form for the Tender Offer, that no information regarding the Tender Offer, including copies, has been received or sent in, to or from the United States, directly or indirectly, that mail systems in the United States, other methods or means of inter-state trade or international trade (including but not limited to, facsimile, e-mail, Internet communication, telex, or telephone) or securities exchange facilities in the United States have not been used for signing and delivering the application form for the Tender Offer, directly or indirectly, and that they are not acting as an agent, custodian or a fiduciary for others without discretion (excluding cases where such others are giving all the instructions on the Tender Offer from outside the United States).

For further details, please refer to the press release in Japanese announced today.