

August 31, 2018

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

Announcement of Acquisition of everybody's bitcoin Inc.

Rakuten, Inc. (hereinafter "the Company") announces that today it decided to acquire everybody's bitcoin Inc. (hereinafter "everybody's bitcoin") through its subsidiary, Rakuten Card Co., Ltd. The acquisition is based on a stock purchase agreement between Rakuten Card Co., Ltd. and Traders Investment, Inc. which is the parent company of everybody's bitcoin.

1. Purpose

The Rakuten Group currently does not limit its activities to e-commerce, but offers over 70 diverse services, from internet services such as travel, digital contents and communications, to FinTech (financial) services such as credit cards, banking, securities, insurance, and electronic money. These various services cover a wide range of life scenes and are organically linked together around membership, centering on Rakuten members, enhancing cross use activity by users within the Group's services, and expanding our own unique Rakuten Ecosystem.

Under such an environment, the Rakuten Group established Rakuten Blockchain Lab which is a dedicated research and development organization in Belfast, UK in 2016, and has been researching blockchain technology. We expect that the role of cryptocurrency-based payments in e-commerce, offline retail and in P2P payments will grow in the future. In order to provide cryptocurrency payment methods smoothly, we believe it is necessary for us to provide a cryptocurrency exchange function, and have been considering entry into the cryptocurrency exchange industry as the Rakuten Group.

In addition, a growing number of customers, in particular foreign exchange customers, of Rakuten Securities, the securities company of the Rakuten Group, have been calling for the provision of a cryptocurrency exchange service, which is also part of the background of the Rakuten Group considering entry into the cryptocurrency exchange industry.

everybody's bitcoin started a cryptocurrency exchange service on March 30, 2017. On September 7, 2017, everybody's bitcoin handed in a registration document, which is regulated by the Payment Services Act, article 63-3 (1), to the Kanto Local Finance Bureau. Currently, everybody's bitcoin operates the business as a deemed cryptocurrency exchange and is waiting for approval of the official registration. However, on April 25, 2018, a business improvement order was issued by the Kanto Local Finance Bureau regarding the establishment of management control systems, an action plan to control money laundering and funding of terrorism, and action on book management systems, user protection

measures, system risk control, and the management of outsourcing of business operations. everybody's bitcoin is working to implement improvements in the items outlined in the business improvement order.

everybody's bitcoin aims to register officially as a cryptocurrency exchange, and in order to further promote its cryptocurrency business, it decided to expand the business under the Rakuten Group to maximize synergies.

Rakuten Group decided to acquire everybody's bitcoin shares so that it can realize the early registration as a cryptocurrency exchange and develop cryptocurrency services to customers by combining the know-how of everybody's bitcoin as a cryptocurrency exchange, and the know-how of Rakuten Group as a provider of various financial services.

2. Overview of everybody's bitcoin

(1)	Company name	everybody's bitcoin Inc.		
(2)	Location	1-10-4 Hamamatsucho, Minato-ku, Tokyo		
(3)	Position and name of representative	President and representative director Seiki Ito		
(4)	Business activities	Cryptocurrency exchange		
(5)	Share capital	130 million yen		
(6)	Date established	December 15, 2016		
(7)	Major shareholder	Traders Investment, Inc. : 100%		
(8)	Relationship with Rakuten	Capital relationship	None	
		Personnel relationship	None	
		Trade relationship	None	
(9)	Financial Position and Performance in the Past 3 Fiscal Years			
	Fiscal year	Fiscal year ended March 2016	Fiscal year ended March 2017	Fiscal year ended March 2018
	Net assets (thousand yen)	—	24,525	205,307
	Total assets (thousand yen)	—	25,311	547,864
	Net assets per share (yen)	—	49,051.33	40,256.44
	Net sales (thousand yen)	—	—	25,582
	Operating loss (thousand yen)	—	429	48,993
	Ordinary loss (thousand yen)	—	429	48,927
	Net loss (thousand yen)	—	474	49,217
	Net loss per share (yen)	—	2,900.23	31,599.83
	Dividend per share	—	—	—

3. Overview of the counterparty of stock acquisition

(1)	Company name	Traders Investment, Inc.	
(2)	Location	1-10-4 Hamamatsucho, Minato-ku, Tokyo	
(3)	Position and name of representative	President and representative director Hiromitsu Furuhashi	
(4)	Business activities	Investment and financial solutions	
(5)	Share capital	182.5 million yen	
(6)	Date established	January 21, 2016	
(7)	Net assets (FY2018)	242,452 thousand yen	
(8)	Total assets (FY2018)	383,215 thousand yen	
(9)	Major shareholder	Traders Holdings Co.,Ltd : 100%	
(10)	Relationship with Rakuten	Capital relationship	None
		Personnel relationship	None
		Trade relationship	None

4. Number of shares to be acquired, acquisition cost and status of stock ownership before and after acquisition

(1)	Number of shares owned before transfer	Zero (Number of voting rights: Zero) (Ownership ratio of voting rights: 0.0%)
(2)	Number of shares to be acquired	5,100 shares (Ownership ratio: 100%)
(3)	Acquisition cost	265 million yen
(4)	Number of stock owned after transfer	5,100 shares (Ownership ratio: 100%)

5. Schedule

(1)	Date of conclusion of the share transfer agreement	August 31, 2018
(2)	Date of the stock acquisition	October 1, 2018

6. Future outlook

The potential impact on the Company's earnings results from this new subsidiary is negligible. From hereon, the Company will consider trading conditions and make a disclosure in a timely and appropriate manner. In addition, the amount of goodwill, and valuation and time period of amortization of intangible assets will be decided based on its evaluation from now.