

January 18, 2019

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

## Announcement of Partial Revision of Group Reorganization

Rakuten, Inc. (hereafter “the Company”) announces that at the meeting of the Board of Directors held today, it resolved to partially change some details of the group reorganization (hereafter “the Group Reorganization”) announced on August 6, 2018 (“Announcement of Group Reorganization by a Company Split”).

### **1. Background and Reasons for Changes**

As described in "Announcement of Group Reorganization by a Company Split" on August 6, 2018, we have been preparing the Group Reorganization through a company split, to clarify accountability, improve management efficiencies and optimize allocation of resources, and thereby further grow and expand the Rakuten Ecosystem and maximize corporate value. In the course of examining the detailed scheme afterwards, we decided to change some details as a result of comprehensively considering future management strategy, the optimal allocation of management resources, the sophistication of the company system, and efficient business management, etc.

Regarding the reorganization related to the internet services business, we decided not to establish the subsidiary through an absorption-type split of the internet services business with the Company as a split company. Separately, Rakuten Direct, Inc., a wholly-owned subsidiary of the Company, will be merged into the Company through an absorption-type merger.

Regarding the reorganization related to the mobile business, the MVNO (Mobile Virtual Network Operator) business developed by the Company, and Rakuten Communications Corp., a wholly-owned subsidiary of the Company, will be succeeded to Rakuten Mobile Network Inc., a wholly-owned subsidiary of the Company.

Regarding the reorganization relating to the FinTech business, as announced on August 6, 2018, as a result of the absorption-type split with the Company as the split company, the shares etc of the Company's FinTech business, excluding the shares of Rakuten Card Co., Ltd. and Rakuten Edy, Inc., wholly-owned subsidiaries of the Company, will transfer to Rakuten Card Co., Ltd.

In addition, in order to achieve more integral promotion of the payments business operated by the Group, as a result of the absorption-type split with the Company as the split company, the Company's payments-related businesses (Rakuten Pay business for real store payments, Point Partner business, Edy business etc.) and shares of Rakuten Edy, Inc., with Rakuten Card Co., Ltd. as a split company, the shares of everybody's bitcoin Inc. will transfer to Spotlight Inc., a wholly-owned subsidiary of the Company. Apart from the above, there are no other changes for the FinTech business compared to the announcement on August 6, 2018.

## 2. Method of Group Reorganization resolved at today's Board of Directors meeting

- i) Reorganization of internet services business  
The Company is to be the succeeding company, and Rakuten Direct, Inc. as the company absorbed in the absorption-type merger.
- ii) Reorganization of mobile business  
With the absorption-type split of the Company, the MVNO business of the Company and the shares etc. of Rakuten Communications Corp. will transfer to Rakuten Mobile Network Inc.
- iii) Reorganization of FinTech business
  - 1. As a result of the absorption-type split with the Company as the split company, the shares etc of the Company's FinTech business, excluding the shares of Rakuten Card Co., Ltd. and Rakuten Edy, Inc., will transfer to Rakuten Card Co., Ltd., a wholly-owned subsidiary of the Company.
  - 2. As a result of the absorption-type split with the Company as the split company, the Company's payments-related businesses (Rakuten Pay business for real store payments, Point Partner business, Edy business etc.) and shares of Rakuten, Edy Inc., will transfer to Spotlight Inc. (Expected to change name to Rakuten Payment, Inc, on April 1, 2019).
  - 3. According to the absorption-type split with Rakuten Card Co., Ltd. as the split company, the shares of everybody's bitcoin Inc. will transfer to Spotlight Inc.

## 3. Schedule of Group Reorganization

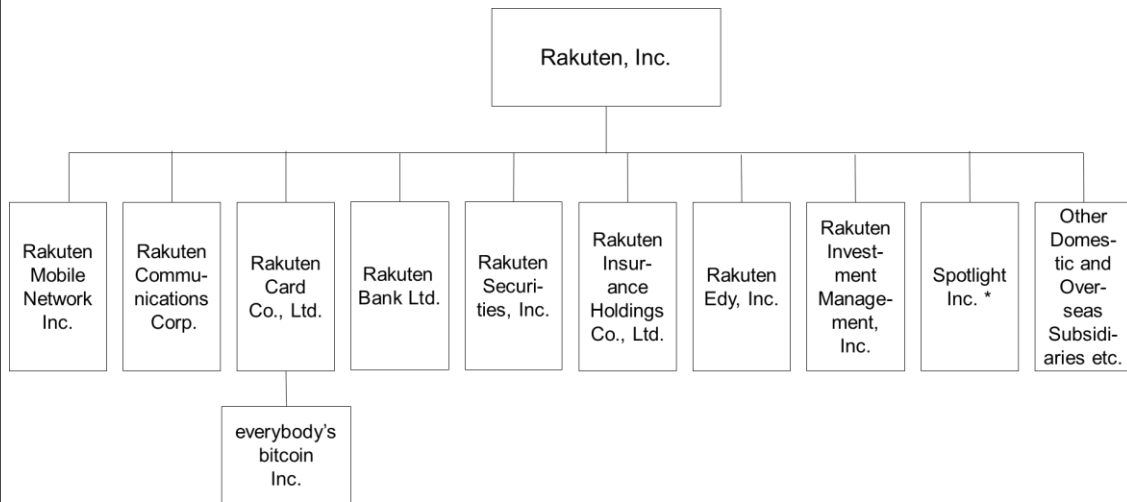
Resolution of Board of Directors of the Company	January 18, 2019
Board meeting for absorption-type split etc. contract approval	Mid-February 2019 (planned)
Signing of absorption split agreement	Mid-February 2019 (planned)
Effective date	April 1, 2019 (planned)

- ◇ Due to this partial change in the contents of the internal reorganization, in order to satisfy the requirement of a simplified reorganization (see note) under the Company Act, we will not be obtaining approval of the Annual General Shareholders meeting. Group reorganization of mobile business and FinTech business are subject to the agreement of stakeholders including regulatory authorities, the acquisition of licenses and approvals and other various laws and regulations or contract procedures, and if it can be confirmed that there is no risk of serious hindrance to other businesses.

Note: Article 784, Paragraph 2 of the Company Act (Absorption-type split),  
Article 796, Paragraph 2 of the Company Act (Absorption-type merger)

(For reference) Group Structure after the Group Reorganization

■ Current



\* Expected to change name to Rakuten Payment, Inc, on April 1, 2019

■ After Reorganization (April 1, 2019)

