

May 13, 2015

For Immediate Release

(English translation of the original Japanese document)

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Representative: Minoru Tanaka, President and Representative Director

(Stock code: 2371; First Section of the Tokyo Stock Exchange)

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Notice of Disposal of Treasury Stock by Third-party Allotment of Shares

Kakaku.com, Inc. (the “Company”) hereby announces that at a meeting of the Board of Directors held today it was resolved to dispose of treasury stock by a third-party allotment of shares (“disposal of treasury stock”) to ZENRIN Co., Ltd. (“ZENRIN”).

I. Disposal of treasury stock by third-party allotment of shares

1. Outline of disposal of treasury stock

(1)	Date of disposal	May 29, 2015
(2)	Number of shares	154,200 common shares
(3)	Disposal price	¥1,945 per share
(4)	Total funds to be procured	¥299,919,000
(5)	Disposal method	Third-party allotment of shares
(6)	Allottee	ZENRIN Co., Ltd.
(7)	The disposal of treasury stock outlined above shall be subject to the coming into force of the securities registration statement in accordance with the Financial Instruments and Exchange Act.	

2. Purposes and Reasons for Disposition

The Company has a diverse business portfolio, driven by its mission to create services with value that put users first. The Company has a track record of providing Internet services closely related to consumer buying behavior, including *Kakaku.com* customer purchasing support site, which has helped consumers since the company's establishment, and *Tabelog* ranking and word-of-mouth restaurant review site.

ZENRIN's corporate vision is “driving the global mapping profession with premium mapping services and products while furthering the welfare of humanity and the environment.” Incorporated in 1961, ZENRIN has helped consumers over the years with a range of useful products and services such as residential maps and map data for car navigation systems.

Identifying common elements in their respective business principles, the Company and ZENRIN held extensive talks on how they could combine their management resources such as quality business location/store information, map data, and other related content to create new businesses that provide a useful service to consumers. As a result of these discussions, the Company and ZENRIN agreed to enter into a business alliance in position/location information and related products and services areas.

The Company and ZENRIN believe that it will take some time to develop and promote services that leverage the knowledge of both companies. A stable working relationship based on trust is essential to ensure that a business and capital alliance continues over the mid-and-long term. Deciding that a capital alliance in the form of mutual shareholding was required, the Company and ZENRIN concluded a business and capital alliance agreement on May 13, 2015. The Company and ZENRIN believe that combining their management resources to provide services that are useful to consumers' daily lives will contribute toward the improvement of the corporate value of both companies.

The capital alliance entails ZENRIN acquiring 154,200 shares (0.07% of issued shares with a total value of approximately ¥299,919,000) currently held by the Company as treasury stock by third-party allotment of shares. At the same time, the Company shall acquire 183,300 shares currently held by ZENRIN as treasury stock (0.48% of issued shares with a total value of approximately ¥299,878,000) by third-party allotment of shares.

3. Funds to be procured, use of funds, and scheduled date of expenditure

(1) Amount of funds to be procured

1)	Total paid-in amount	¥299,919,000
2)	Estimated issue expenses	¥1,250,000
3)	Net income	¥298,669,000

(Note 1) Estimated issue expenses are exclusive of consumption tax and other taxes.

(Note 2) Estimated issue expenses break down into estimated legal fees and other administrative expenses such as preparation of securities registration statement, etc.

(2) Specific use of funds to be procured

The full amount of the net income of approximately ¥298,669,000 stated above shall be spent on the acquisition of common shares (treasury stock) issued by ZENRIN in accordance with the capital alliance with the company. The scheduled payment date is May 29, 2015.

4. Appropriateness of uses of funds

The purpose of the acquisition of ZENRIN's common shares (treasury stock) by the disposal of treasury stock is for the Company and ZENRIN to hold each other's shares as part of the business and capital alliance concluded between the two companies ("business and capital alliance") to strengthen their trust relationship so that they can fully realize the effect of the business and capital alliance. The Company believes that the planned use of funds to be procured by the disposal of treasury stock is reasonable, because it expects the said capital alliance to help raise its corporate value and the value of its shares.

5. Appropriateness of disposition terms and conditions

(1) Basis for calculation of disposal price

In order to determine the disposal price, the Company selected the closing price of the Company's shares traded on the Tokyo Stock Exchange on May 12, 2015 (¥1,945), the business day immediately preceding the Board of Directors meeting ("Board of Directors meeting") at which the resolution for the disposal of treasury stock has been made.

The above disposal price is at a 0.0% premium (rounded to the hundredth of a percentage point) over the average closing price of the Company's shares traded on the Tokyo Stock Exchange in the one-month period immediately preceding the resolution at the Board of Directors meeting (April 13–May 12, 2015) of ¥1,945 (rounded off to the closest ¥1); a 0.2% premium (rounded to the hundredth of a percentage point) over the average closing price in the three-month period immediately preceding the Board of Directors meeting (February 13–May 12, 2015) of ¥1,949 (rounded off to the closest ¥1); and a 5.3% premium (rounded to the hundredth of a percentage point) over the average closing price in the six-month period immediately preceding the Board of Directors meeting (November 13, 2014–May 12, 2015) of ¥1,847 (rounded off to the closest ¥1).

Also an opinion was obtained from two auditors out of three who attended the Board of Directors meeting of whom one are outside auditors to the effect that the determination of the disposal price on the basis for calculation of the payment amount set forth above is appropriate and reasonable and is based on the Japan Securities Dealers Association's Rules Concerning Handling of Allotment of New Shares to Third Party, etc. The above disposal price is also based on an objective value of the Company's shares, as the disposal price references the market price and the market price referenced is the closing price on the business day immediately preceding the Board of Directors meeting at which the resolution for the disposal of treasury stock has been made, which can be considered a reflection of the Company's latest business conditions and thus a reasonable basis for calculating the disposal price that is not especially favorable to the allottee.

(2) Basis for assessing that the number of shares being disposed of and level of share dilution are reasonable

The number of shares to be disposed of is 154,200 shares (1,542 voting rights), which corresponds to 0.07% of the 221,773,700 issued shares of the Company (and 0.07% of the 2,200,995 voting rights as of March 31, 2015). Accordingly, the disposal of treasury stock results in share dilution.

However, the Company believes that establishing a capital alliance with ZENRIN and strengthening the trust relationship between the two companies will progress the business alliance and contribute towards increasing the Company's corporate value. Accordingly, the Company concludes that the number of shares to be disposed of and the share dilution effect of the disposal of treasury stock are at a reasonable level.

6. Reasons for selection of allottee

(1) Outline of allottee

1)	Name	ZENRIN Co., Ltd.
2)	Address	1-1-1 Muromachi, Kokura-Kita-ku, Kitakyushu, Fukuoka Prefecture
3)	Name and title of representative	Zenshi Takayama, President and CEO
4)	Business description	Collection and management of a broad range of information, which forms the basis of 4D geospatial information, and the production of maps including residential maps, map databases, and other content
5)	Stated capital	¥6,557.64 million

6)	Date of establishment	April 19, 1948		
7)	Issued shares	38,200,910 shares		
8)	Date of fiscal year-end	March 31		
9)	Number of employees	2,994(consolidated)		
10)	Main customers	NTT DOCOMO, INC. TOYOTA MAPMASTER INCORPORATED Panasonic Home Engineering Co., Ltd. Hitachi, Ltd. Clarion Co., Ltd.		
11)	Main banks	THE NISHI-NIPPON CITY BANK, LTD. THE BANK OF FUKUOKA, LTD. Sumitomo Mitsui Banking Corporation The Kitakyushu Bank, Ltd. The Eighteenth Bank, Limited		
12)	Shareholding percentages of major shareholders	SANWA LTD.		9.19%
		Toyota Motor Corporation		7.45%
		ZENRIN employee shareholding association		5.03%
		THE NISHI-NIPPON CITY BANK, LTD.		4.71%
		JP Morgan Chase Oppenheimer JASDEC Lending Account		3.61%
		Japan Trustee Services Bank. Ltd. (Trust Account 9)		3.52%
		Osako Holdings Ltd.		3.30%
		Kimiko Osako		2.35%
		The Bank of Fukuoka, LTD.		1.81%
		Nippon Life Insurance Company		1.77%
13)	Relationships between the companies			
	Capital relationships	Not applicable		
	Personnel relationships	Not applicable		
	Business relationships	Not applicable		
	Status as a related party	Not applicable		
14)	ZENRIN'S operating results and financial position in the most recent three fiscal years (¥million, excludes extraordinary items)			
Fiscal year		FY ended March 2012	FY ended March 2013	FY ended March 2014
Net assets (consolidated)		37,663	37,939	41,963
Total assets (consolidated)		56,376	57,989	61,322
Consolidated net assets per share (¥)		¥984.91	¥992.03	¥1,094.70
Consolidated sales		54,991	53,589	52,286
Consolidated operating income		5,585	3,180	2,389
Consolidated ordinary income		5,076	3,663	2,751
Consolidated net income		1,835	1,272	1,464
Consolidated net income per share (¥)		¥49.93	¥34.77	¥40.61

Dividend per share (¥)	¥30.00	¥30.00	¥31.00
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The shares of the allottee are traded on the Tokyo Stock Exchange. The allottee has established a high social credibility and confirms in its corporate governance report submitted to the Tokyo Stock Exchange (last updated on April 1, 2015) that it will take resolute action against antisocial forces that threaten the safety and order of civil society, and the steps it has taken so far. Accordingly, the Company determines that the allottee's company group, directors, and employees have no connections with antisocial forces.

(2) Reasons for selection of allottee

See "2. Purposes and Reasons for Disposition" above.

(3) Allottee's policy on holding shares

The Company has confirmed through the business and capital alliance agreement concluded with the allottee today that the purpose of the allottee acquiring shares in the disposal of treasury stock is investment to strengthen its relationship with the Company and that the allottee intends to hold the shares long-term.

The Company intends to receive a pledge in writing from the allottee confirming the following. a) If the allottee sells all or part of the shares in the Company acquired in the disposal of treasury stock within two years of the date of the disposal of treasury stock (May 29, 2015), it shall notify the Company in writing without delay of the name and address of the buyer and the number of shares sold. b) The Company notifies the Tokyo Stock Exchange based on the written notice outlined in a) above, and the content of the said notice shall be available for public inspection.

(4) Confirmation of existence of financial assets for payment by the allottee

The Company has confirmed through the cash and deposits stated in the allottee's consolidated balance sheet, etc., as stated in its financial summary for the first three quarters of fiscal 2015 (filed February 2, 2015) that the allottee holds the monetary equivalent of the funds required for payment by the allottee to acquire shares in the Company in the disposal of treasury stock.

7. Major shareholders and shareholding ratios following the disposal of treasury stock

Before disposal of treasury stock (as of March 31, 2015)		After disposal of treasury stock	
Digital Garage, Inc.	20.15%	Digital Garage, Inc.	20.15%
DENTSU Inc.	15.79%	DENTSU Inc.	15.79%
State Street Bank and Trust Company	6.10%	State Street Bank and Trust Company	6.10%
The Master Trust Bank of Japan, Ltd. (trust account)	4.51%	The Master Trust Bank of Japan, Ltd. (trust account)	4.51%
Japan Trustee Services Bank, Ltd. (trust account)	3.19%	Japan Trustee Services Bank, Ltd. (trust account)	3.19%
SAJAP	2.02%	SAJAP	2.02%

JPMorgan Chase Bank, N.A. 380055	1.82%	JPMorgan Chase Bank, N.A. 380055	1.82%
Bank of New York, Tax Treaty JASDEC Omnibus No. 2	1.39%	Bank of New York, Tax Treaty JASDEC Omnibus No. 2	1.39%
Japan Re Fidelity	1.28%	Japan Re Fidelity	1.28%
JPMorgan Chase Bank, N.A. 385047	1.00%	JPMorgan Chase Bank, N.A. 385047	1.00%

(Note 1) As recorded in the Company's register of shareholders as of March 31, 2015.

(Note 2) The Company holds 1,660,725 shares as treasury stock (as of March 31, 2015), which shall be reduced to 1,506,525 shares after the third-party allotment of shares.

(Note 3) The shareholding percentages represent ratios of shares held to the total number of issued shares

8. Outlook for the future

Although the Company believes the disposal of treasury stock will contribute toward improvement of the Company's corporate value and share price, its impact on the Company's earnings is minimal. The Company shall disclose without delay any matters that may arise in the future that should be disclosed.

9. Procedures under the Business Code of Conduct

Since the stock dilution resulting from the disposal of treasury stock is less than 25%, and the disposal does not cause a change in controlling shareholder, it is not required to obtain an opinion from an independent third party and to confirm the intention of shareholders as set forth in Rule 432 of the Securities Listing Regulations established by the Tokyo Stock Exchange.

10. Business results and equity finance position for the past three fiscal years

(1) Results for the past three years (consolidated) (thousand yen)

	FY ended March 2013	FY ended March 2014	FY ended March 2015
Consolidated sales	23,276,846	29,814,010	35,787,083
Consolidated operating income	11,616,402	14,680,757	16,808,789
Consolidated ordinary income	11,611,977	14,774,198	17,167,742
Consolidated net income	7,090,322	9,066,075	10,890,240
Consolidated net income per share (¥)	¥31.13	¥40.46	¥49.19
Dividend per share (¥)	¥35.00	¥12.50	¥16.00
Net assets per share (¥)	¥84.19	¥115.89	¥119.06

(Note) The Company carried out a two-for-one stock split as of April 1, 2013 and another two-for-one stock split as of September 1, 2013.

(2) Number of issued shares and number of potential shares (as of May 12, 2015)

	Number of shares	Percentage of issued shares
Issued shares	221,773,700 shares	100%
Potential shares at current conversion price (exercise price)	1,127,200 shares	0.51%
Potential shares at minimum conversion price (exercise price)	No minimum exercise price	No minimum exercise price
Potential shares at maximum conversion price (exercise price)	No maximum exercise price	No maximum exercise price

(3) Recent share prices

1) Most recent three years

	FY ended March 2013	FY ended March 2014	FY ended March 2015
Opening price	¥2,165 ¥541*	¥2,302 ¥1,151*	¥1,707*
High	¥2,478 ¥1,239*	¥2,354*	¥2,093*
Low	¥2,138 ¥535*	¥2,103 ¥1,052*	¥1,355*
Closing price	¥2,316 ¥1,158*	¥1,679*	¥1,998*

(Note) Prices marked with * are the share prices after ex-rights due to the share split.

2) Most recent six months

	November	December	January	February	March	April
Opening price	¥1,560	¥1,827	¥1,735	¥1,650	¥1,999	¥1,958
High	¥1,824	¥1,914	¥1,767	¥1,990	¥2,093	¥2,036
Low	¥1,457	¥1,716	¥1,580	¥1,634	¥1,895	¥1,846
Closing price	¥1,813	¥1,741	¥1,679	¥1,984	¥1,998	¥1,859

3) Share prices on the business day preceding the disposal resolution

	May 12, 2015
Opening price	¥2,015
High	¥2,015
Low	¥1,926
Closing price	¥1,945

(4) Equity finance position in the most recent three years

Not applicable

11. Overview of disposal of treasury stock

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|-------------------------------|--|
| (1) Type and number of shares | 154,200 common shares |
| (2) Disposal price per share | ¥1,945 per share |
| (3) Total disposal price | ¥299,919,000 |
| (4) Disposal method | Third-party allotment of shares (treasury stock) |
| (5) Disposal date | May 29, 2015 |
| (6) Allottee | ZENRIN Co., Ltd. |
- (7) The disposal of treasury stock outlined above shall be subject to the coming into force of the securities registration statement in accordance with the Financial Instruments and Exchange Act.