

May 21, 2015
Company name Rakuten, Inc.
Representative Hiroshi Mikitani
Chairman and CEO
(Stock Code: 4755
Tokyo Stock Exchange First Section)

Announcement of Merger (Simplified Merger and Short form Merger) of
Wholly-Owned Subsidiary Fine Trading Co., Ltd.

At a Board of Directors meeting held today, Rakuten, Inc. (hereinafter the "Company") resolved to merge its wholly-owned subsidiary Fine Trading Co., Ltd. into the Company, effective July 1, 2015, as outlined below. Since this merger is an absorption-type merger of a wholly-owned subsidiary, the disclosure of certain items and details has been omitted.

1. Purpose of merger

The company decided the merger to increase operational efficiency and improve the quality of the service of the fashion genre in Rakuten Ichiba, an e-commerce site of the Company.

2. Summary of merger

(1) Schedule

Merger resolution by the Board of Directors	May 21, 2015
Merger contract date	May 21, 2015
Expected merger date (effective date)	July 1, 2015

(Note 1) According to simplified merger rules in Company Law article 796 clause 2, the Company is proceeding with the merger without receiving approval at the Annual General Shareholders Meeting.

(Note 2) According to short form merger rules in Company Law article 784 clause 1, Fine Trading Co., Ltd. is proceeding with the merger without receiving approval at the Annual General Shareholders Meeting.

(2) Merger method

The Company shall be the surviving company under absorption-type merger, and Fine Trading Co., Ltd. shall be dissolved.

(3) Merger ratio

Since this will be a merger of a wholly-owned subsidiary, there will be no issuance of new shares, no

increase in shareholders' equity, and no payment for the merger.

(4) Handling of subscription rights to shares and bonds with the dissolved company

Fine Trading Co., Ltd. has not issued any subscription rights to shares and any bonds with stock acquisition right.

3. Overview of companies in merger

Company name	Rakuten, Inc. (Company surviving absorption type merger) (as of December 31, 2014)	Fine Trading Co., Ltd. (Company absorbed in absorption type merger) (as of December 31, 2014)
Head office	4-12-3 Higashishinagawa, Shinagawa-ku, Tokyo	4-12-3 Higashishinagawa, Shinagawa-ku, Tokyo
Representative	Hiroshi Mikitani	Masato Takahashi
Main business	Internet services	Fashion related e-commerce
Shareholders' equity	111,601 million yen	270 million yen
Date of establishment	February 7, 1997	March 23, 2000
Outstanding no. of shares	1,328,603,400 shares	1,800 shares
Fiscal year end	December 31	December 31
Major shareholders and percentage of shares held	Crimson Group, LLC. 17.1% Hiroshi Mikitani 13.3% Haruko Mikitani 10.0% (Note) Percentage of shares held is calculated excluding treasury stocks (6,008,089 shares).	Rakuten, Inc. 100%

Business results

	Rakuten, Inc. (Consolidated, IFRS)
Fiscal year	Year ended December 31, 2014
Total equity attributable to owners of the parent company (million yen)	421,562
Total assets (million yen)	3,680,695
Total equity attributable to owners of the parent company per share (yen)	318.74
Revenues (million yen)	598,565
Operating income (million yen)	106,397
Income before income tax (million yen)	104,245
Net income attributable to owners of the parent company (million yen)	70,614
Net income attributable to owners of the parent company per share (yen)	53.47

	Fine Trading Co., Ltd. (Non-consolidated, J-GAAP)
Fiscal year	Year ended December 31, 2014
Net assets (million yen)	12
Total assets (million yen)	649
Net assets per share (yen)	6,712.24
Sales (million yen)	350
Operating income (million yen)	62
Ordinary income (million yen)	61
Net income (million yen)	56
Net income per share (yen)	31,322.20

4. Post-merger details

Following this merger, there are no changes to the business name, head office, title and name of representative, main business, shareholders equity and fiscal year end of the Company.

5. Impact on business results

Since this is a merger of a wholly-owned subsidiary, the impact on Rakuten Group consolidated financial performance is limited.