

For Immediate Release

(English translation of the original Japanese document)

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## Notice Regarding the Issuance of Stock Options (Stock Acquisition Rights)

On September 19, 2018, the Board of Directors of Kakaku.com, Inc., (the "Company") passed a resolution to issue stock acquisition rights as stock options pursuant to the provisions of Articles 236, 238 and 240 of the Companies Act.

### 1. Rationale behind issuance of stock acquisition rights as stock options

The Company plans to issue stock acquisition rights as stock options to its executive officers, employees as well as directors of its wholly owned subsidiaries and subsidiaries, with the aim to improve the Company's operating performance and to promote increased awareness of management responsibilities to serve shareholder interests.

The Company plans to use treasury stock to fulfill stock acquisition right exercises instead of issuing new shares.

### 2. Overview of stock acquisition right issuance

#### (1) Name of stock acquisition right issue

Kakaku.com, Inc., 12th Series of Stock Acquisition Rights

#### (2) Number of stock acquisition rights to be granted and number of eligible grantees thereof

	Eligible grantees (Stock acquisition rights to be granted)
The Company's non-director executive officers	14 (840)
The Company's employees	31 (930)
Directors of wholly owned subsidiaries	4 (180)
Directors of subsidiaries	8 (330)
<b>Total</b>	<b>57 (2,280)</b>

Note: None of the Company's executive officers are currently serving as directors of the Company

#### (3) Total number of stock acquisition rights

2,280 stock acquisition rights

The Company plans to grant 2,280 stock acquisition rights. This total would be reduced if one or more of the eligible grantees fails to subscribe to the stock acquisition right offering. In such an event, the total number of stock acquisition rights issued would be the total number of stock acquisition rights actually granted.

(4) Class and number of shares deliverable upon exercise of stock acquisition rights

The class of shares underlying the stock acquisition rights shall be common stock of the Company. Upon exercising stock acquisition rights, Grantees will receive 100 shares (the "Number of Deliverable Shares") of common stock per stock acquisition right exercised.

In the event that the Company's common stock is subject to a stock split (including the allotment of common shares of the Company without charge; hereinafter the same) or reverse stock split after the date of a stock acquisition right grant (the "Grant Date"), the Number of Deliverable Shares will be adjusted as follows for any stock acquisition rights unexercised as of the stock split or reverse stock split's effective date, rounded down to the nearest whole number if not initially a whole number.

Adjusted Number of Deliverable Shares = pre-adjustment Number of Deliverable Shares × stock split or reverse stock split ratio

Additionally, after the Grant Date, the Company may adjust the Number of Deliverable Shares for unexercised stock acquisition rights if doing so is deemed necessary by the Company's Board of Directors in the event that another entity assumes the Company's stock acquisition right obligations as a result of the Company's involvement in an absorption- or consolidation-type merger or absorption- or incorporation-type demerger, or in the event of unavoidable circumstances that necessitate adjustment of the Number of Deliverable Shares. Before adjusting the Number of Deliverable Shares, the Company will furnish public notice of the adjustment or individually notify stock acquisition right owners ("Grantees") for which the requisite contact information is recorded in the Company's stock acquisition right register by the day before the adjustment's effective date. If unable to furnish said public notice or individual notification by the day before the adjustment's effective date, the Company will do so as soon as practicable thereafter.

(5) Stock acquisition right subscription price

Grantees need not pay any monetary consideration in exchange for their stock acquisition rights. The stock acquisition rights are to be granted as incentive compensation. Although gratis, the stock acquisition right grants do not constitute issuance on favorable term.

(6) Stock acquisition rights' exercise price

The total consideration payable for stock issued upon exercise of stock acquisition rights will be the Number of Deliverable Shares multiplied by an exercise price per share calculated as follows (the "Exercise Price").

The Exercise Price will be 1.0 multiplied by the Company's common stock's regular-trading-session average daily (excluding any days on which the stock did not trade) closing price on the Tokyo Stock Exchange during the months preceding the month in which the Grant Date occurs, rounded up to the nearest whole yen if not initially a whole number. If said average daily closing price is below the stock's closing price on the Grant Date (or, in the absence of a closing price on the Grant Date, the stock's last daily closing price preceding the Grant Date), the Exercise Price will be set at the stock's closing price on the Grant Date.

In the event that the Company's common stock is subject to a stock split or reverse stock split after the Grant Date, the Exercise Price will be adjusted as follows, rounded up to the nearest whole yen if its adjusted value includes a fraction of yen.

Adjusted Exercise Price = pre-adjustment Exercise Price × 1/stock split or reverse stock split ratio

Additionally, if the Company issues new shares or resells treasury shares at a below-market price after the Grant Date, the Exercise Price will be adjusted as follows, rounded up to the nearest whole yen if not initially a whole number.

Adjusted Exercise Price = pre-adjustment Exercise Price × (pre-existing outstanding share count + (number of newly issued shares × price paid per share)/market price)/pre-existing outstanding share count + number of newly issued shares

In the above formula, the "pre-existing outstanding share count" is defined as the total number of common shares issued by the Company minus the number of common shares held as treasury stock by the Company. In the case of the resale of treasury shares, "number of newly issued shares" above should be construed to read "number of treasury shares resold."

Additionally, after the Grant Date, if the Company merges with another company, demerges, experiences a capital reduction or deems it necessary to adjust Exercise Price in response to another event comparable in effect to a merger, demerger or capital reduction, it may adjust the Exercise Price within reason pursuant to a resolution of its Board of Directors.

(7) Stock acquisition rights' exercisability period

The stock acquisition rights will be exercisable from October 20, 2020, through October 19, 2023.

(8) Stock acquisition right exercisability conditions

- (1) Grantees must still be an officer or employee (directors and accounting auditors, excluding outside officers) of the Company or one of its subsidiaries at the time they exercise their stock acquisition rights, provided that the Company may waive this requirement at the time of exercise if it deems doing so to be justified.
- (2) Grantees must never have resigned or retired even temporarily as an officer (defined as a director (including outside director) or corporate auditor) of the Company or one of its subsidiaries after the Grant Date but prior to exercising their stock acquisition rights, provided that the Company may waive this requirement at the time of exercise if it deems doing so to be justified.
- (3) As of the stock acquisition rights' exercise date, Grantees must never have even once since the Grant Date committed any act that would constitute grounds for disciplinary action or termination under the Company or one of its subsidiaries' employment regulations, provided that the Company may waive this requirement at the time of exercise if it deems doing so to be justified.
- (4) The stock acquisition rights may not be hypothecated, otherwise pledged as collateral or inherited.
- (5) The stock acquisition rights' exercisability will be subject to other conditions stipulated in a stock acquisition right grant agreement between the Company and Grantees.

(9) Increases in common stock and capital reserves accounts in conjunction with issuance of shares upon stock acquisition rights' exercise

- (1) The amount by which the common stock account's book value will increase upon issuance of shares in response to stock acquisition rights' exercise will be one-half of the maximum permissible increase calculated in accord with Article 17(1) of the Ordinance on Company Accounting, rounded up to the nearest whole yen if not initially a whole number.
- (2) The amount by which capital reserves' book value will increase upon issuance of shares in response to stock acquisition rights' exercise will be said maximum permissible increase less the amount of the increase in the common stock account's book value stipulated in (1) immediately above.

(10) Transferability restrictions on stock acquisition rights

Grantees may not transfer stock acquisition rights to another party without the prior approval of the Company's Board of Directors.

(11) Grounds for and conditions of reacquisition of stock acquisition rights

- (1) The Company may gratuitously reacquire stock acquisition rights on a date separately set by its Board of Directors if a merger agreement that would result in cessation of the Company's existence, an absorption-type demerger agreement or incorporation-type demerger plan involving the Company as the party to be de-merged or a stock swap agreement or stock transfer plan that would make the Company a wholly owned subsidiary has been approved by a general meeting of the Company's shareholders (or by a resolution of its Board of Directors if shareholder approval is not required).
- (2) The Company may gratuitously reacquire stock acquisition rights on a date separately set by its Board of Directors if a resolution amending its Articles of Incorporation to require the Company's approval of any transfers of shares issued by the Company has been approved by a general meeting of its shareholders.
- (3) The Company may gratuitously reacquire stock acquisition rights on a date separately set by its Board of Directors if a resolution amending the Company's Articles of Incorporation to require the Company's approval of any transfers of shares in the class of shares into which the stock acquisition rights are exercisable, or to authorize the Company to reacquire said class of shares in its entirety pursuant to a resolution to that effect passed at a general meeting of its shareholders, has been approved by a general meeting of its shareholders.
- (4) The Company may gratuitously reacquire stock acquisition rights on a date separately set by its Board of Directors if the consolidation of shares in the class of shares into which the stock acquisition rights are exercisable has been approved by a general meeting of the Company's shareholders. (Only applicable if the number obtained by multiplying the number of shares constituting one unit in said class by the share consolidation ratio creates a fraction of less than one share)
- (5) The Company may gratuitously reacquire stock acquisition rights on a date separately set by its Board of Directors if a request for sale and transfer of shares by a special controlling shareholder is approved by the Company's Board of Directors
- (6) If the stock acquisition rights have become unexercisable as a result of their Grantee ceasing to meet any of the exercisability conditions stipulated in (8) above or were wholly or partially forfeited by their Grantee, the Company may reacquire any such stock acquisition rights at its discretion whenever it elects to do so.

(12) Treatment of stock acquisition rights in the event of reorganization

If the Company is involved in a merger (but only a merger that would terminate its existence), absorption- or incorporation-type demerger (but only as the party to be demerged) or a stock swap or stock transfer (but only one that would make the Company a wholly owned subsidiary) (any such merger, demerger or stock swap/transfer is referred to below as a "Reorganization"), stock acquisition rights issued by the successor company (the "Reorganization Successor Company," defined more specifically as whichever type of company specified in Article 236(1)(viii)(a)-(e) is applicable to the Reorganization in question) will be granted to Grantees that own unexercised stock acquisition rights ("Extant Stock Acquisition Rights") as of the Reorganization's effective date. In such an event, the Extant Stock Acquisition Rights will become null and void and the Reorganization Successor Company will issue new stock acquisition rights to replace them, but only if a merger agreement, absorption-type demerger plan, incorporation-type demerger plan, stock swap agreement or stock transfer plan stipulates that stock acquisition rights are to be granted by the Reorganization Successor Company in accord with the provisions enumerated below.

- (1) Number of Reorganization Successor Company's stock acquisition rights to be granted  
Grantees who own Extant Stock Acquisition Rights will respectively be granted stock acquisition rights equal in number to the number of Extant Stock Acquisition Rights that they respectively own.

- (2) Class of Reorganization Successor Company's shares into which stock acquisition rights are exercisable

The class of shares into which the stock acquisition rights are exercisable will be the Reorganization Successor Company's common stock.

- (3) Number of Reorganization Successor Company's shares into which stock acquisition rights are exercisable

The number of shares deliverable upon the stock acquisition rights' exercise will be determined in accord with (4) above and in light of the Reorganization's terms and conditions and other relevant factors.

- (4) Stock acquisition rights' exercise price

The exercise price of the stock acquisition rights to be granted will be an adjusted post-Reorganization exercise price, to be determined in accord with the provisions of (6) above and in light of the Reorganization's terms and conditions and other relevant factors, multiplied by the number of the Reorganization Successor Company's shares into which the stock acquisition rights are exercisable, to be determined in accord with (3) immediately above.

- (5) Stock acquisition rights' exercisability period

The period for exercising stock acquisition rights shall be from the later date of either the first day of the exercise period of stock acquisition rights, in accordance with (7) above, or the effective date of the Corporate Reorganization to the last day of the exercise period of stock acquisition rights, in accordance with (7) above.

- (6) Increases in common stock and capital reserves accounts in conjunction with issuance of shares upon stock acquisition rights' exercise

To be determined in accord with (9) above.

- (7) Transferability restrictions on stock acquisition rights

The transfer of stock acquisition rights from their Grantee to another party must be approved by a resolution of the Reorganization Successor Company's Board of Directors (or, if the Reorganization Successor Company does not have a Board of Directors, by a decision of its directors).

- (8) Stock acquisition right exercisability conditions

To be determined in accord with (8) above.

- (9) Reacquisition of stock acquisition rights

To be determined in accord with (11) above.

- (13) Handling of fractional shares upon stock acquisition rights' exercise

If the number of shares deliverable to a Grantee upon stock acquisition rights' exercise includes a fractional share, it will be rounded down to the nearest whole number.

- (14) Issuance of stock acquisition right certificates

Stock acquisition right certificates will not be issued.

- (15) Stock acquisition rights' Grant Date

October 19, 2018