

November 19, 2019

To whom it may concern

Z Holdings Corporation
Kentarō Kawabe
President and CEO
Stock Code: 4689

**Succession of Corporate Venture Capital Business
to Yahoo Japan Corporation Through a Company Split
(Simplified Absorption-Type Company Split)**

Z Holdings Corporation (hereinafter the “Company”) hereby announces that it has today decided to succeed the corporate venture capital-related business (hereinafter “Business”) to Yahoo Japan Corporation (hereinafter “Yahoo Japan”) under the simplified absorption-type company split method (hereinafter “Absorption-type Company Split”) effective December 27, 2019 (planned). Details are as follows.

1. Purpose of the Absorption-type Company Split

As part of the transition to a holding company structure as announced on April 25, 2019 in “Establishment of Split Preparation Companies, Execution of an Agreement Regarding Absorption-type Company Split, and Amendment to the Articles of Incorporation (Change in Trade Name) pursuant to Transition to a Holding Company Structure through a Company Split”, the Company has worked to acquire the necessary qualification related to this Business. Since the acquisition of this qualification and other procedures are in sight, the Company has decided to conduct this Absorption-type Company Split to succeed this Business from the Company to Yahoo Japan.

2. Summary of the Absorption-type Company Split

(1) Schedule of the Absorption-type Company Split

| | |
|--|--------------------------------|
| Date of resolution on the conclusion of absorption-type company split agreement (Yahoo Japan) | November 19, 2019 |
| Date of resolution on the conclusion of absorption-type company split agreement (the Company) | November 19, 2019 |
| Conclusion date of the absorption-type company split agreement | November 20, 2019 (planned) |
| Effective date of the Absorption-type Company Split | December 27, 2019 (planned) |

*For the Company, the Absorption-type Company Split is a simplified absorption-type company split as prescribed in Paragraph 2 of Article 784 of the Companies Act, and for Yahoo Japan, a simplified absorption-type company split as prescribed in Paragraph 2 of Article 796 of the Companies Act. Therefore, shareholder meeting to approve the absorption-type company split agreement will not be held in both companies.

(2) Method of the Absorption-type Company Split

An absorption-type company split in which the Company will be the splitting company and Yahoo Japan will be the succeeding company.

(3) Details of the allotment regarding the Absorption-type Company Split

The Company holds all the outstanding stock of the succeeding company, thus, the succeeding company does not plan to deliver monies, etc. in lieu of the rights and obligations subject to succession, to the Company for this Absorption-type Company Split.

(4) Treatment of new share subscription rights and new share subscription bonds in relation to the Absorption-type Company Split

There are no changes in matters related to the new share subscription rights. The Company has not issued any new share subscription bonds, thus is not applicable.

(5) Increase/decrease in capital due to the Absorption-type Company Split

The Absorption-type Company Split will not result in an increase/decrease in capital.

(6) Rights and obligations to be succeeded by the succeeding company

The Company's assets, liabilities and related rights and obligations in relation to the Business that are stipulated in the absorption-type company split agreement as of the effective date, will be succeeded.

(7) Performance of debt obligations

The Company has determined that Yahoo Japan will have no problems in performing the debt obligations that arise after the effective date of the Absorption-type Company Split.

3. Overview of split/successor companies in the Absorption-type Company Split

| | Split company | Successor company |
|---|--|--|
| (1) Name | Z Holdings Corporation (As of October 1, 2019) | Yahoo Japan Corporation (As of October 1, 2019) |
| (2) Head office | 1-3 Kioicho, Chiyoda-ku, Tokyo (As of October 1, 2019) | 1-3 Kioicho, Chiyoda-ku, Tokyo (As of October 1, 2019) |
| (3) Name and title of representative | President and Representative Director Kentaro Kawabe (As of October 1, 2019) | President and Representative Director Kentaro Kawabe (As of October 1, 2019) |
| (4) Main business | Managing of group companies and businesses incidental thereto (As of October 1, 2019) | E-commerce business Membership services business, Internet advertising business, etc. (As of October 1, 2019) |
| (5) Paid-in capital | JPY 237,404 million (As of October 1, 2019) | JPY 300 million (As of October 1, 2019) |
| (6) Establishment | January 31, 1996 | May 10, 2019 |
| (7) No. of shares issued | 4,822,417,565 shares (As of September 30, 2019) | 12,000 shares (As of September 30, 2019) |
| (8) Fiscal year end | March 31 | March 31 |
| (9) Major shareholders and shareholding ratio | SoftBank Corp. 44.6% (As of September 30, 2019) | Z Holdings Corporation 100.0% (As of October 1, 2019) |
| (10) Most recent performance and financial position | | |
| Fiscal year (JPY million) | Z Holdings Corporation (Consolidated, IFRS) | Yahoo Japan Corporation |
| | Fiscal year ended March 31, 2019 | — |
| Total equity | 910,523 | — |
| Total assets | 2,429,601 | — |
| Equity attributable to owners of the parent per share (Yen) | 160.96 | — |
| Revenue | 954,714 | — |
| Operating income | 140,528 | — |
| Income before income taxes | 123,370 | — |
| Net income attributable to owners of the | 78,677 | — |

| | | |
|--------------------------------|-------|---|
| parent | | |
| Basic earnings per share (Yen) | 14.74 | — |

(Note) The succeeding company, Yahoo Japan Corporation was established on May 10, 2019. Therefore, there is no fiscal year with definitive figures.

[Outline of Business Segment to Be Split]

(1) Details of Business to Be Split

Corporate venture capital-related business

(2) Business Results of the Segment to Be Split (Fiscal year ended March 31, 2019)

Ordinary loss JPY 141 million

The Business records revenue such as dividends, etc. from invested funds, if any, as extraordinary income, and there were no recordings of revenue, gross income, and operating income for this fiscal year. Please note that there were management expense and remunerations, etc. for the invested funds.

(3) Assets and Liabilities to Be Split and Amount (Fiscal year ended March 31, 2019)

| | Book value (JPY million) | | Book value (JPY million) |
|--------|-----------------------------|-------------|-----------------------------|
| Assets | 36,361 | Liabilities | 0 |

4. Status following the Absorption-type Company Split

There will be no change in the name, head office location, name and title of representative, main business, paid-in capital, and fiscal year end of the Company, as a result of this Absorption-type Company Split.

5. Future prospects

This Absorption-type Company Split is not expected to have a material impact on the consolidated and non-consolidated performance of the Company.

Reference: The Company's Actual Consolidated Performance for the Full Year in FY2018

(JPY million)

| | Revenue | Operating income | Income before income taxes | Net income attributable to owners of the parent |
|---|---------|------------------|----------------------------|---|
| Actual performance (Year ended March 31, 2019) | 954,714 | 140,528 | 123,370 | 78,677 |

Disclaimer

This is an English translation of the captioned release. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the release for complete information.