

21.04.28

Z Holdings Corporation
Yahoo Japan Corporation
LINE Corporation

Z Entertainment Corporation To Begin Operations in First-Half of FY2021

- Centralizes management resources of domestic entertainment businesses of Yahoo! JAPAN and LINE (GYAO!, LINE MUSIC, LINE LIVE, LINE GAME, etc.)
- Aims to become a No. 1 entertainment platform enterprise in Japan

Z Holdings Corporation (hereinafter "ZHD") hereby announces that its consolidated subsidiary, Z Entertainment Corporation (hereinafter "ZE"), will manage the domestic entertainment businesses operated by ZHD's subsidiaries, Yahoo Japan Corporation (hereinafter "Yahoo! JAPAN"), LINE Corporation (hereinafter "LINE") and LINE Group. The entertainment businesses includes video, music, game, e-book, fortune-telling, etc. Full-scale operation will begin in the first half of fiscal 2021.

Z entertainment

GYAO!

LINE TIMELINE

LINE MUSIC

LINE LIVE

LINE GAME

ZHD completed its business integration with LINE in March 2021 and has become one of Japan's largest Internet service corporate group providing more than 200 services in Japan. The ZHD Group is committed to creating firm business synergies between Yahoo! JAPAN and LINE, to solve various social issues and to realize a rich and convenient lifestyle.

According to the Ministry of Economy, Trade and Industry, while the size of the domestic market for video, publishing, games and other content is approximately 2.6 trillion yen in 2019, the growth rate of the domestic content market is slowing compared to the global market as a whole. The share of the Japanese market in the world is expected to decline from 8.25% in 2018 to 7.98% in 2023*.

In this environment, the ZHD Group, which provides a free video distribution service, GYAO!, and LINE MUSIC, a subscription-based music service, etc., will provide users with new entertainment experiences using the power of technology, revitalize and update Japan's entertainment industry and will aim to become a No. 1 entertainment platform in Japan. By strategically concentrating its management resources related to the Group's entertainment industry mainly in ZE, ZHD will strengthen the foundation of its subscription business and the Group's core advertising business.

■ Outline of Z Entertainment Corporation

- Name of company: Z Entertainment Corporation
- Address: Kioi Tower, Tokyo Garden Terrace Kioicho, 1-3 Kioicho, Chiyoda-ku, Tokyo, Japan
- Shareholder: Z Holdings Corporation 100%
- Directors:

- President and Representative Director, Chief Product Officer (CPO): Jun Masuda (Director, Senior Managing Corporate Officer of Z Holdings Corporation; Director, CSMD of LINE Corporation)
- Director, Chief Business Officer (CBO): Yusuke Tanaka (President and Representative Director of GYAO Corporation)
- Director (Part-time): Hidetomo Handa (Head of President's Office of Z Holdings Corporation/Yahoo Japan Corporation)
- Director (Part-time): Yuki Ikehata (Executive Officer of LINE Corporation)
- Outline of business: Advertising, subscription, membership businesses, etc.

*Ministry of Economy, Trade and Industry, "Overview of Global and Japanese Content Market" (Japanese only)