

May 23, 2017

Listed company: LIFULL Co., Ltd.
 Representative: Takashi Inoue, President and CEO
 (Stock code: 2120 TSE First Section)
 Inquiries: Kazuhiko Abe, Managing Officer,
 Head of Group Company Business Development Department
 (TEL +81-3-6774-1603)

Matters Concerning Controlling Shareholder

1. Trade name, etc., of parent company, controlling shareholder (other than parent company), other affiliates, etc.

Name	Relationship	Proportion of voting rights owned (%)			Financial instruments exchange on which shares are listed
		Directly owned	Aggregate	Total	
Rakuten, Inc.	Other affiliated company	20.0	-	20.0	1st Section of Tokyo Stock Exchange, Inc.

2. Role of the listed company within the corporate group of the parent company, etc., and other information on the relationship between the listed company and the parent company, etc.

Rakuten, Inc. is a company that owns 20.0% of the voting rights in LIFULL Co., Ltd. (the “Company”), and the Company is an equity method affiliate of Rakuten, Inc.

The Company has dealings with Rakuten, Inc. and its group companies, mainly receiving requests for advertising from them. With respect to these dealings, the relevant matters are determined in the same manner as regular transaction conditions, taking market prices into consideration. In addition, there is no debtor-creditor relationship, guarantor-guarantee relationship, etc. between the Company and Rakuten, Inc.

Although the Company intends to maintain a cooperative relationship with Rakuten, Inc., including a business alliance with it regarding the posting of the Company’s real estate information on the portal websites operated by Rakuten, Inc., the Company engages independently in business activities and is under no restrictions imposed by Rakuten, Inc. with respect to the Company’s business development and important decision-making.

As stated in the “*Notice of Election of Candidates for Outside Directors and Changes in Corporate Officers*” announced on May 23, 2017, the Company resolved, at a meeting of its Board of Directors, to invite Mr. Yoshihisa Yamada, Executive Vice President of Rakuten, Inc., to be an Outside Director of the Company for the purpose of receiving comprehensive advice on the management of the Company. This matter shall be formally approved based on the resolution of the 22nd Annual General Meeting of Shareholders to be held on June 28, 2017. Of the Company’s Directors and Corporate Auditors, this one person will concurrently serve Rakuten, Inc. as an officer, and his appointment as Outside Director is based on the Company’s request. Accordingly, the Company considers that the independent management judgment of the Company is ensured and that there are no constraints imposed on the Company’s operating activities. In addition, none of the Company’s employees is seconded from Rakuten, Inc.

The Company therefore considers that its independence in its business activities and management decisions is secured to a sufficient degree.

3. Matters concerning transactions with controlling shareholder, etc.

There are no transactions to be noted.