



February 23, 2017

Company: LINE Corporation

Representative: Takeshi Idezawa, CEO

Stock Code: 3938 (First section of the Tokyo Stock Exchange)

Notice Regarding Partial Amendments to the Articles of Incorporation and Election of Substitute Corporate Auditor

LINE Corporation (Headquarters: Shibuya-ku, Tokyo, Japan; President & CEO: Takeshi Idezawa; hereinafter “the Company”) announces that it passed a resolution during its board meeting held on February 23, 2017 to discuss partial amendments to the Articles of Incorporation and the election of one substitute Corporate Auditor as agenda items at the 17th Annual General Meeting of Shareholders scheduled for March 30, 2017.

I. Partial Amendments to the Articles of Incorporation

1. Reason for amendment

- (1) In connection with the relocation of its head office, which is being carried out to streamline business operations, the Company proposes the amendments to change the location of the head office set forth in Article 3 of the Articles of Incorporation from Shibuya-ku, Tokyo to Shinjuku-ku, Tokyo. A supplementary provision is to be added, stipulating that the amendment of Article 3 shall be effective on and from April 1, 2017 and that as of that date, this supplementary provision shall be deleted.
- (2) The Company proposes the amendments to newly establish provisions related to substitute Corporate Auditors in preparation for the situation where the number of incumbent Corporate Auditors becomes fewer than that required by laws and regulations, to set the period for which the election of substitute Corporate Auditors remains valid as four years and to clarify the term of office that substitute Corporate Auditors are to serve if they take office.

2. Details of amendments

The Company proposes amendments to the current Articles of Incorporation as set forth below:

(Amendments are indicated below with underlines.)

Current Articles of Incorporation	Proposed Amendments
Articles 1. to 2. (Text omitted) (Location of Head Office) Article 3. The Company shall have its head office in <u>Shibuya-ku</u> , Tokyo.	Articles 1. to 2. (Unchanged) (Location of Head Office) Article 3. The Company shall have its head office in <u>Shinjuku-ku</u> , Tokyo.
Articles 4. to 29. (Text omitted) (Election Method) Article 30. (Text omitted)	Articles 4. to 29. (Unchanged) (Election Method) Article 30. (Unchanged)
(Newly established)	<u>2. In accordance with the provisions of Article 329, Paragraph 3 of the Companies Act, the Company may elect Substitute Auditors at a general meeting of shareholders in order to prepare for any case in which the number of Auditors falls short of the number provided for by laws and regulations.</u>

Current Articles of Incorporation	Proposed Amendments
<p data-bbox="371 197 576 226">(Newly established)</p> <p data-bbox="177 456 344 486">(Term of Office)</p> <p data-bbox="177 495 568 524">Article 31. (Text omitted)</p> <p data-bbox="177 568 756 687">2. The term of office of an Auditor elected to fill a vacancy shall be the same as the remaining term of office of the retired Auditor whose vacancy he/she has filled.</p> <p data-bbox="177 949 547 978">Articles 32. to 43. (Text omitted)</p> <p data-bbox="371 1023 576 1052">(Newly established)</p>	<p data-bbox="785 197 1358 405"><u>3. A resolution for the election of a Substitute Auditor described in the previous paragraph shall be effective until the commencement of the ordinary general meeting of shareholders to be held for the last fiscal year ending within four years after the resolution for the election, unless that term is shortened by a resolution of a general meeting of shareholders.</u></p> <p data-bbox="785 456 952 486">(Term of Office)</p> <p data-bbox="785 495 1214 524">Article 31. (Unchanged)</p> <p data-bbox="785 568 1374 902">2. The term of office of an Auditor elected to fill a vacancy of an Auditor who retires before the expiration of his or her term shall be the same as the remaining term of office of the retired Auditor whose vacancy he/she has filled. <u>However, in the event that a Substitute Auditor described in the paragraph 2 of the previous Article assumes the office as an Auditor, the term of office of such Auditor shall not exceed the conclusion of the last ordinary general meeting of shareholders of the final fiscal year ending within four years after his or her election as substitute Auditor.</u></p> <p data-bbox="785 949 1142 978">Articles 32. to 43. (Unchanged)</p> <p data-bbox="952 1023 1209 1052"><u>Supplementary Provision</u></p> <p data-bbox="785 1061 879 1090">Article 1.</p> <p data-bbox="785 1099 1374 1218"><u>Article 1. The change of Article 3. (Location of Head Office) of these Articles of Incorporation shall be effective from April 1, 2017, and this supplementary provision shall be deleted that day.</u></p>

Schedule

Date of Ordinary General Meeting of Shareholders at which these partial amendments will be discussed: March 30, 2017 (tentative)

Enactment date of partial amendments: March 30, 2017 (tentative)

Note: The change to Article 3. (Location of Head Office) in the current Articles of Incorporation is scheduled to be effective from April 1, 2017.

II. Election of One (1) Substitute Corporate Auditor

1. Reason for the election of a substitute corporate auditor

The Company proposes to elect one substitute Corporate Auditor in advance to be ready to fill a vacant position should the number of Corporate Auditors fall below the number required by laws and regulations. This proposal is subject to approval and adoption of Proposal No. 1 “Partial Amendments to the Articles of Incorporation.”

In addition, the consent of the Board of Auditors has been obtained for the submission of this proposal.

The candidate for substitute Corporate Auditor is as follows:

2. Candidate information

Name (Date of Birth)	Naoki Watanabe (Date of birth: September 26, 1963)
Number of the Company's common shares owned: – shares	Career summary and position in the Company Apr. 1991 Registered as attorney at law Aug. 1996 Joined Tanaka and Takahashi Law Office (currently Clifford Chance Law Office (Gaikokuho Kyodo Jigyō)) Joined Masuda, Funai, Eifert & Mitchell, Ltd. (Special Counsel) May 2003 Joined Clifford Chance Law Office (Gaikokuho Kyodo Jigyō) May 2011 Joined K&L Gates LLP, Partner (current position) Significant concurrent positions outside the Company K&L Gates LLP

Notes: 1. There is no special interest between Naoki Watanabe and the Company.

2. Naoki Watanabe is a candidate for substitute outside Corporate Auditor.

3. The Company nominates Naoki Watanabe as a candidate for the role of substitute outside Corporate Auditor with the expectation that his advanced expert knowledge cultivated as an attorney at law would be positively reflected in the Company's audit system.

Naoki Watanabe has never in the past been involved in corporate management other than having served as an outside officer. However, the Company believes he will appropriately fulfill his duties as an outside Corporate Auditor based on the above reasons.

4. The Company has set forth in Article 36, Paragraph 2 of its current Articles of Incorporation provisions to the effect that the Company may enter into an agreement with a Corporate Auditor to limit his/her liability for compensation for damages arising from a failure to perform duties so that Corporate Auditors can fully perform the roles expected of them. If Naoki Watanabe assumes the office of Corporate Auditor, the Company plans to enter into an agreement with him to limit his liability for damages provided for in Article 423, Paragraph 1 of the Companies Act pursuant to the provisions of Article 427, Paragraph 1 of the said Act. The maximum amount of liability for damages in accordance with such agreement, if he has acted in good faith and without gross negligence in performing his duties, shall be ¥10 million or the maximum amount of the liability stipulated in Article 425, Paragraph 1 of the said Act, whichever is higher.