

June 26, 2017
Company: LINE Corporation
Representative: Takeshi Idezawa, CEO
Stock Code: 3938 (First section of the Tokyo Stock Exchange)

Notice Regarding Introduction of Employee Stock Ownership Plan (Determination of the Details)

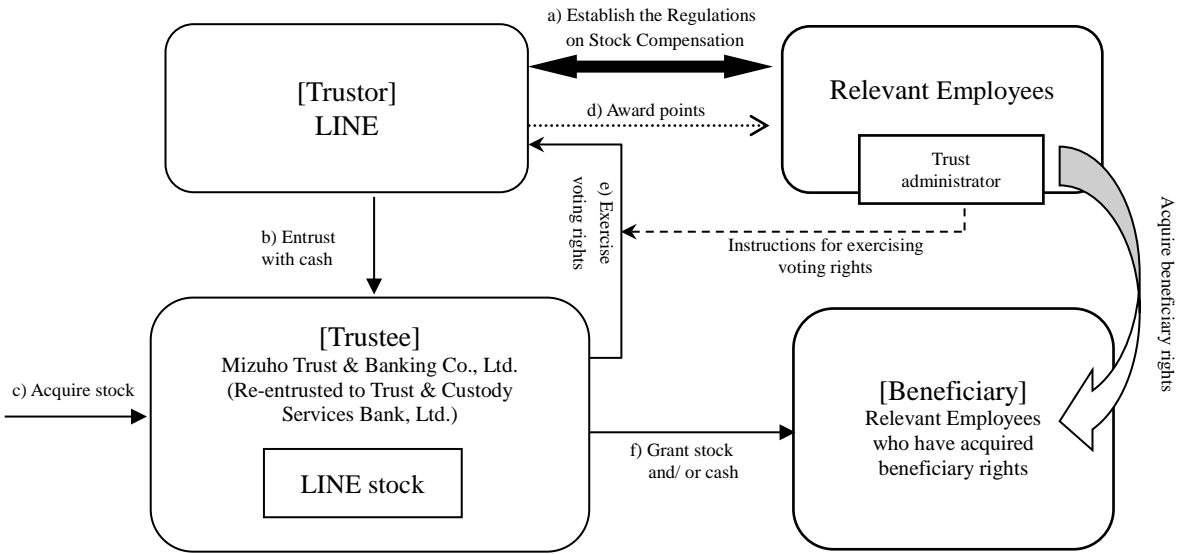
LINE Corporation (Headquarters: Shinjuku-ku, Tokyo, Japan; President & CEO: Takeshi Idezawa; hereinafter the “Company”) announced on February 23, 2017, the introduction of an Employee Stock Ownership Plan (J-ESOP; hereinafter called the “Plan”); and the trust to be established based on the trust agreement concluded with Mizuho Trust & Banking Co., Ltd. for the Plan, hereinafter called the “Trust”) and has now determined the details, including the date of establishment of the Trust, etc. at the Board of Directors Meeting held today.

In conjunction with the introduction of the Plan, the Company has simultaneously decided to assign 1,007,810 new shares (3,999,997,890 yen) to Trust & Custody Services Bank, Ltd. (Trust E). For details, please refer to “Notice Regarding the Offering of Shares to Be Issued through Third-Party Allotment in Accordance with the Introduction of the Employee Stock Ownership Plan” dated today.

1. Overview of the Trust

- (1) Type of Trust: Trust of money other than money trust (third-party trust)
- (2) Purpose of Trust: To provide stock of the Company and other assets to beneficiaries, in accordance with the Regulations on Stock Compensation
- (3) Trustor: The Company
- (4) Trustee: Mizuho Trust & Banking Co., Ltd.
(Mizuho Trust & Banking Co., Ltd. will conclude a comprehensive trust agreement with Trust & Custody Services Bank, Ltd., which will become the successor trustee)
- (5) Beneficiary: Persons who have acquired the right to receive assets pursuant to the provisions of the Regulations on Stock Compensation
- (6) Trust Agreement Date: June 26, 2017
- (7) Trust Period: From June 26, 2017 to the termination of the Trust
(The Trust termination date is not yet decided; the Trust will continue as long as the Plan continues.)
- (8) Plan Start Date: July 18, 2017 (tentative)
- (9) Share Acquisition Date: July 18, 2017 (tentative)
- (10) Share Acquisition Amount: 3,999,997,890 yen (tentative)

Framework of Plan



- a.) When enacting the Plan, the Company or certain subsidiaries (hereinafter the “Relevant Subsidiaries”) will establish the Regulation on Stock Compensation.
- b.) The Company places funds in a trust (third-party trust) through the trust bank for the advance purchase of stock to be distributed to employees of the Company and Relevant Subsidiaries– (hereinafter the “Relevant Employees”) in the future, in accordance with the Regulations on Stock Compensation.
- c.) The trust bank purchases the Company’s stock with the entrusted funds.
- d.) The Company or Relevant Subsidiaries grant points to each Relevant Employee in accordance with the Regulations on Stock Compensation.
- e.) The trust bank exercises voting rights in accordance with instructions received from the trust administrator.
- f.) After acquiring beneficiary rights, a Relevant Employee receives the Company’s stock and/or cash that corresponds to his or her accumulated points from the trust bank.