

Regarding Capital Alliance MOU on Business Integration

LINE Corporation

November 18, 2019

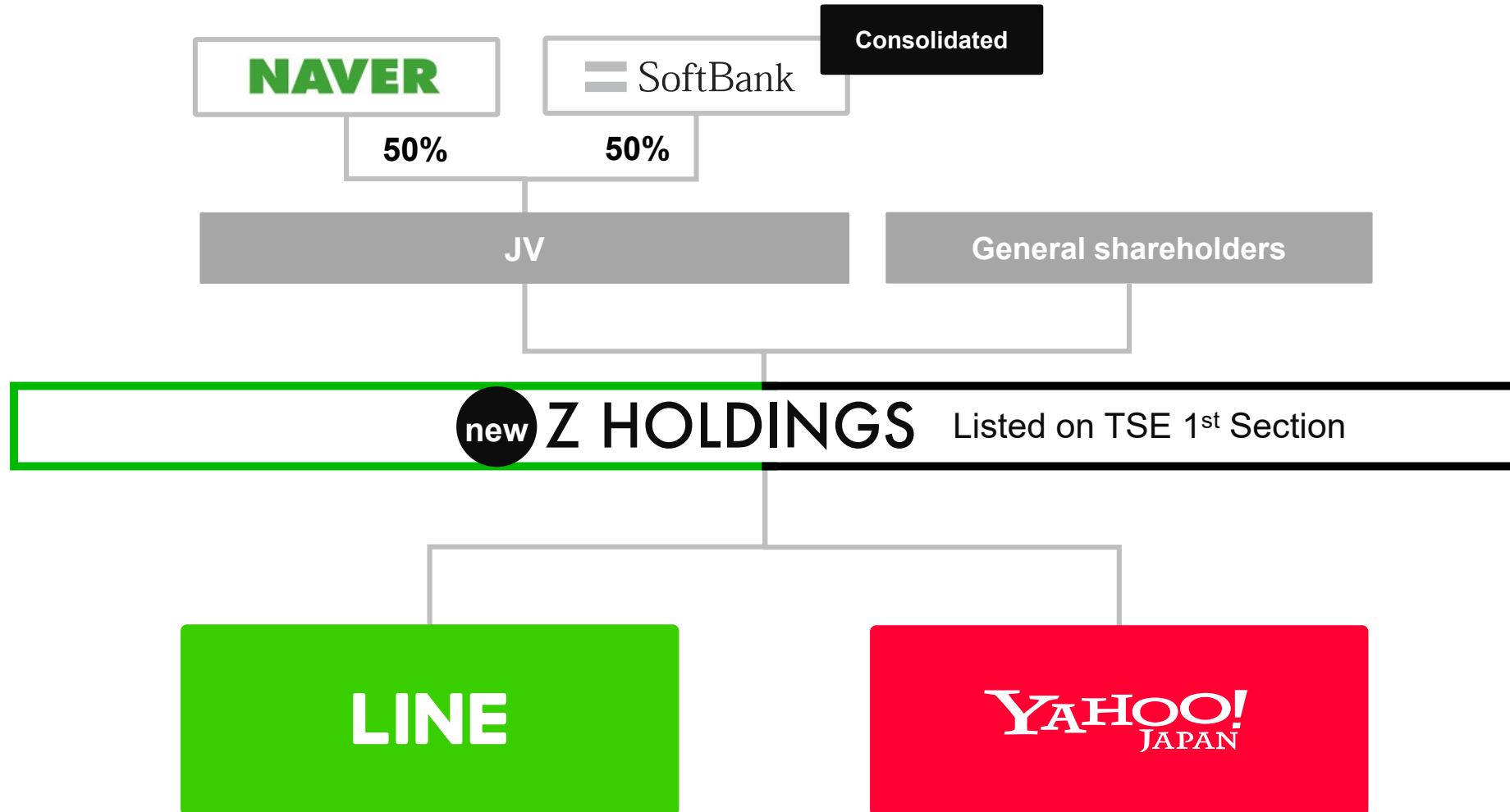
Forward-Looking Statements

This press release contains forward-looking statements with respect to Z Holdings Corporation's ("ZHD") and LINE Corporation's ("LINE") current plans, estimates, strategies and beliefs, including, without limitation, the statements made concerning the Proposed Offer and the Proposed Transaction. Forward-looking statements include, but are not limited to, those statements using words such as "anticipate," "believe," "continues," "expect," "estimate," "intend," "project," "aim," "plan," "likely to," "target," "contemplate," "predict," "potential" and similar expressions and future or conditional verbs such as "will," "would," "should," "could," "might," "can," "may," or similar expressions generally intended to identify forward-looking statements. These forward-looking statements are based on information currently available to ZHD and LINE, speak only as of the date hereof and are based on their respective current plans and expectations and are subject to a number of known and unknown uncertainties and risks, many of which are beyond their control. As a consequence, current plans, anticipated actions and future financial position and results of operations may differ significantly from those expressed in any forward-looking statements in this press release. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented and neither ZHD nor LINE intends to update any of these forward-looking statements.

Risks and uncertainties that might affect ZHD, LINE, the Joint Tender Offer or the Business Integration include, but are not limited to, those relating to:

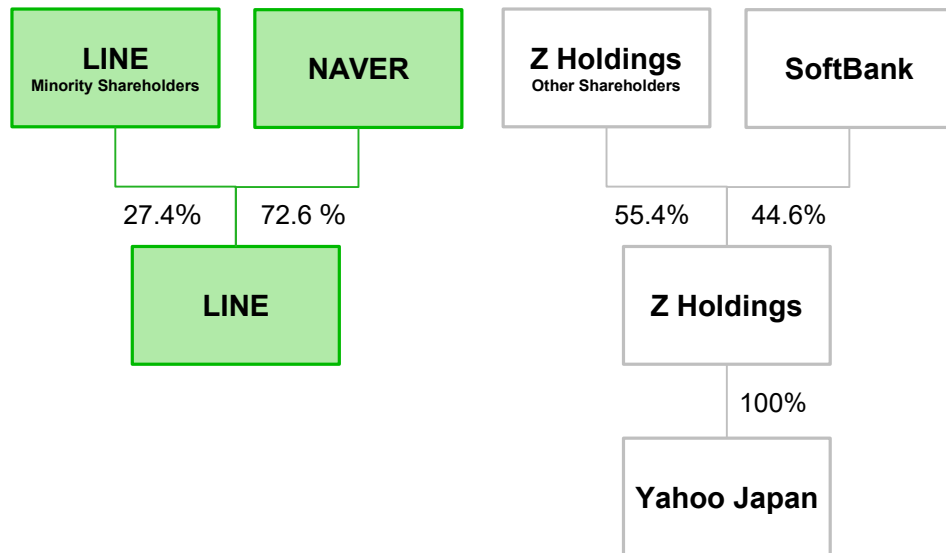
- whether ZHD, LINE, SoftBank and NAVER will be able to agree on the terms of the Business Integration;
- whether the terms of the Business Integration that are ultimately agreed among ZHD, LINE, SoftBank and NAVER will be consistent with the terms described in this press release;
- whether the Joint Tender Offer will be commenced or will close;
- the timing of the Joint Tender Offer;
- obtaining the requisite consents to the Joint Tender Offer and the Business Integration, including, without limitation, the risk that a regulatory approval that may be required for the Business Integration is delayed, is not obtained, or is obtained subject to conditions that are not anticipated;
- whether the conditions for the Joint Tender Offer and the Business Integration will be satisfied or waived;
- the possibility that, prior to the completion of the Business Integration, ZHD's and LINE's businesses and their relationships with employees, collaborators, vendors and other business partners may experience significant disruption due to transaction-related uncertainty;
- shareholder litigation in connection with the Joint Tender Offer or the Business Integration potentially resulting in significant costs of defense, indemnification and liability; and
- the risks and uncertainties pertaining to ZHD and LINE's businesses, including in LINE's case those detailed under "Risk Factors" and elsewhere in LINE's public periodic filings with the SEC, as well as those detailed in the tender offer materials that may be filed by SoftBank and NAVER, the Solicitation / Recommendation Statement that may be filed by LINE, and the Transaction Statement that may be filed, all in connection with the Joint Tender Offer or the Business Integration if they are commenced.

Final Structure After the Business Integration (scheduled)



Transaction Scheme

Current Status as of Sep 30, 2019



Joint Tender Offer Proposal

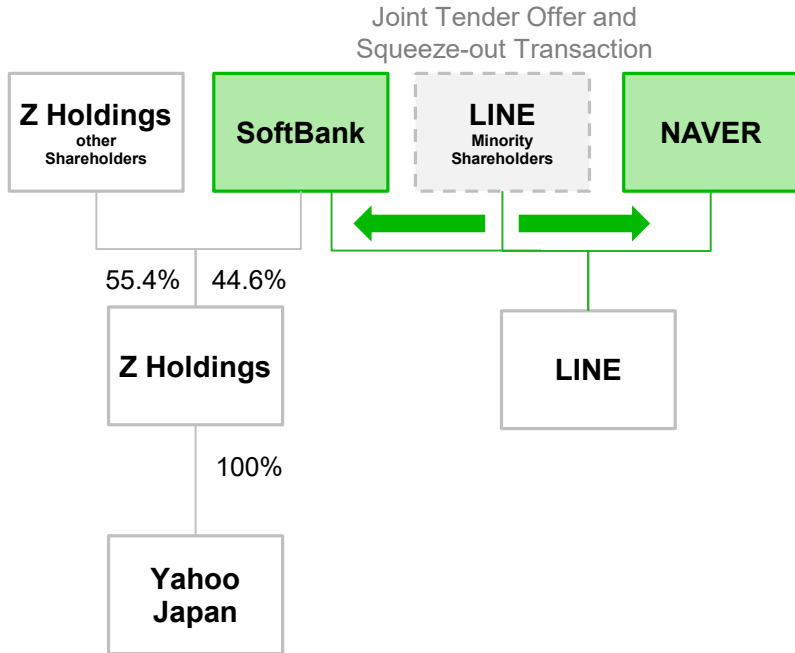
from NAVER and Softbank (“Offerors”) as of Nov 18, 2019

| | | |
|--------------|-------------------|--|
| “Securities” | Shares | JPY 5,200 per Share |
| | Share Options | JPY 1 per Share Option |
| | Convertible Bonds | For Convertible Bonds (2023), JPY 6,962,800 per CB (face value: JPY10,000,000) |
| | | For Convertible Bonds (2025), JPY 6,916,000 per CB (face value: JPY10,000,000) |

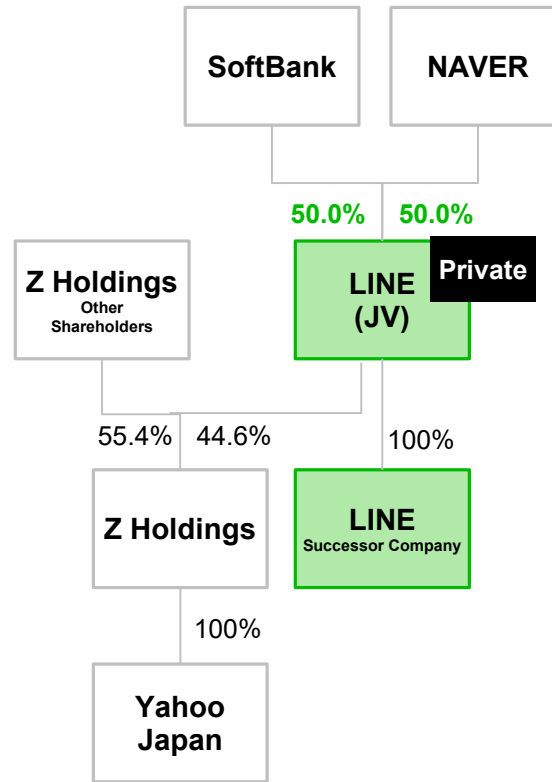
- LINE has set up a Special Committee consisting of outside board members which will evaluate the proposal
- Special Committee will provide recommendation to the BoD
- LINE BoD will negotiate the terms to the transaction

Transaction Scheme

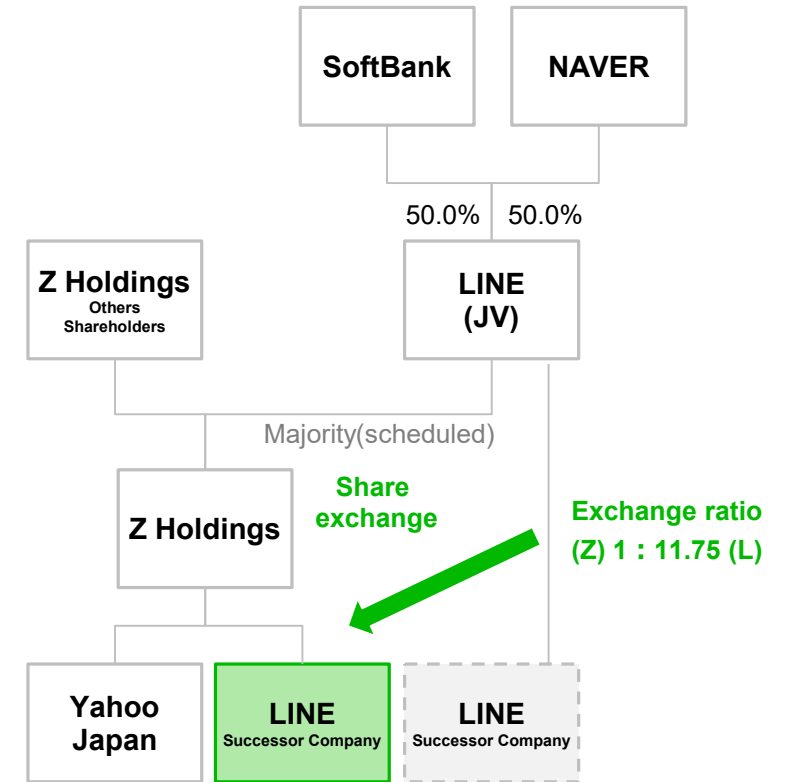
1. Joint Tender Offer and LINE Squeeze-Out



2. Transfer/JV Formation/ Corporate Demerger



3. Share exchange



Timeline (target)



LINE

LINE NEWS NAVER まとめ livedoor NEWS

LINE Ads Platform LINE Account Connect LINE Sales Promotion

LINE GAME LINEマンガ LINE LIVE
LINE MUSIC LINE占い LINE ノベル

LINE ショッピング LINE デリマ LINE トラベル.jp
SHOPPING GO LINE ポケオ LINE GIFT

LINE Pay LINE Score LINE 証券
X BITMAX LINE Pocket Money LINE ほけん

LINE Clova LINE BRAIN

Media/advertisement

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YAHOO! プロモーション広告 YAHOO! 検索 YAHOO! 地図 kurashiru

GYAO! ebook japan YAHOO! ゲーム
YAHOO! 占い YAHOO! きせかえ

YAHOO! ショッピング ヤマオチ! PayPay フリマ PayPay モール
LOHACO ZOZO

PayPay YJFX! YAHOO! ファイナンス
Yjam YAHOO! カード ジャパンネット銀行

音声アシスト DATA SOLUTION

Synergies

Marketing

Expanding market share of advertising

E-commerce / O2O

Leading LINE's user traffic
to e-commerce sites of ZHD/Yahoo! Japan

FinTech

Strengthening FinTech business surrounding
payments and financial businesses

Resources

Combining resources to accelerate development
of new technology and businesses particularly
surrounding AI

Governance, Operation After the Business Integration (scheduled)

Board of Directors

Internal Directors

Independent Outside Directors

..... From LINE

..... From Z Holdings



Takeshi Idezawa
Representative Director
& Co-CEO



Jungho Shin
Director



Jun Masuda



Kentaro Kawabe
President, Representative Director
and Co-CEO



Takao Ozawa
Director



In Joon
Hwang



Euviv Park



Gen
Miyazawa



Ryosuke
Sakaue



Chiaki
Fujimon

Product Committee (in charge : Chief Product Officer)

CPO



Jungho Shin



Takeshi
Idezawa



Jun Masuda



In Joon
Hwang



Euviv Park



Kentaro
Kawabe



Takao
Ozawa



Gen
Miyazawa



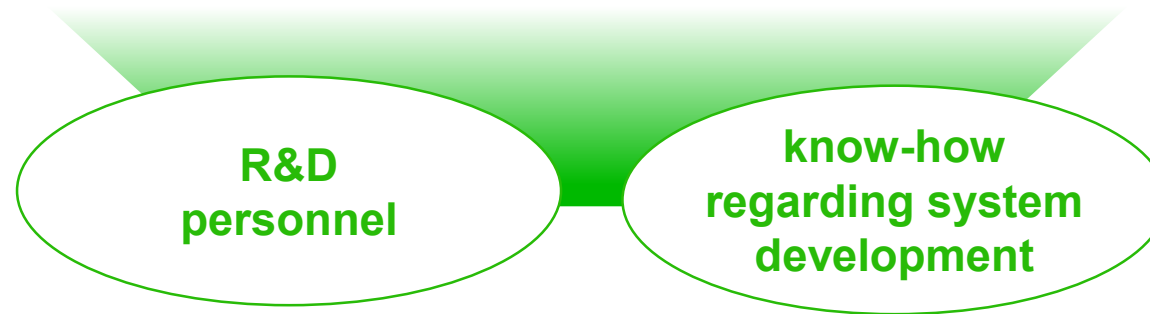
Ryosuke
Sakaue



Chiaki
Fujimon

Mid- to long-term Business Investments

**Apx.100bn yen
annual investment**



**Aggressive investment in Medium- to Long-Term
focused on AI and surrounding services/product**

LINE