

## UNOFFICIAL TRANSLATION

Although the Company pays close attention to provide English translation of the information disclosed in Japanese, the Japanese original prevails over its English translation in the case of any discrepancy.



April 28, 2021

Company name: Japan Post Holdings Co., Ltd.  
Representative: MASUDA Hiroya  
Director and Representative Executive Officer,  
President & CEO  
(Code number: 6178, First Section of the  
Tokyo Stock Exchange)  
Contact: IR Office (Phone: +81-3-3477-0206)

### **Announcement of Establishment of Joint Venture with Rakuten Group, Inc.**

Japan Post Co., Ltd. (Chiyoda-ku, Tokyo. President & CEO, KINUGAWA Kazuhide, hereinafter “Japan Post”), a subsidiary of Japan Post Holdings Co., Ltd. (Chiyoda-ku, Tokyo. Director and Representative Executive Officer, President & CEO, MASUDA Hiroya, hereinafter “Japan Post Holdings”), hereby announces that today, Japan Post and Rakuten Group, Inc. (Setagaya-ku, Tokyo. Chairman, President and CEO: MIKITANI Hiroshi, hereinafter “Rakuten”) have signed an integration contract (hereinafter “Integration Contract”) where Japan Post acquires on July 1, 2021 the equity interest of JP Rakuten Logistics, LLC. that Rakuten establishes (hereinafter the “Investment”). Japan Post and Rakuten have also signed a shareholders agreement (hereinafter the “Shareholders Agreement”) regarding the operation of JP Rakuten Logistics, LLC.

The payment date of the Investment is scheduled to be on July 1, 2021.

#### 1. Detail of joint venture business

Japan Post and Rakuten will jointly operate JP Rakuten Logistics, Inc. (hereinafter “JP Rakuten Logistics”), and our policy is to jointly promote efforts to build a joint distribution base, build a joint delivery system and receiving service, and expand the use of RFC (Rakuten Fulfillment Centers), as well as expand the use of Japan Post's Yu-Pack and other products. In addition, by building a new logistics DX platform and encouraging other e-commerce and logistics companies to participate in the platform, our common business philosophy is to contribute to the realization of a sound domestic logistics environment and a sustainable society.

## 2. Overview of joint venture (May 2021 (Planned))

(1) Company name	JP Rakuten Logistics, LLC. * Company name is to be changed to JP Rakuten Logistics, Inc. on July 2, 2021, by organization change after the Investment
(2) Head office	(Before the Investment) 1-14-1 Tamagawa, Setagaya-ku, Tokyo (After the Investment) To be determined
(3) Name and title of representative	(Before the Investment) Rakuten Group, Inc. (After the Investment) To be determined
(4) Business description	Logistics business
(5) Stated capital	(Before the Investment) 3 million yen (After the Investment) 100 million yen
(6) Date of establishment	May 2021 (Planned)
(7) Major shareholders and shareholding ratios	(Before the Investment) Rakuten 100% (After the Investment) Japan Post 50.1%, Rakuten 49.9%
(8) Relationship between parties	
Capital relationship	With the Investment, Japan Post's investment ratio in the new company will be 50.1%, and Rakuten's investment ratio will be 49.9%.
Personnel relationship	After the Investment, Japan Post plans to appoint its employees as four directors and one auditor of the new company as well as send employees to the new company.
Business relationship	After the start of the joint venture, it is planned that the new company will outsource delivery operations to Japan Post.

## 3. Business outlook for joint venture

Regarding the business outlook of JP Rakuten Logistics, the details of the alliance will be discussed between the two companies in the future, so it is undecided at this time.

## 4. Overview of the other party in this joint venture

(As of December 31, 2020)

(1) Company name	Rakuten Group, Inc. * Company name was changed from Rakuten, Inc. on April 1, 2021
(2) Head office	1-14-1 Tamagawa, Setagaya-ku, Tokyo
(3) Name and title of representative	Chairman, President and CEO, MIKITANI Hiroshi
(4) Business description	Internet services, FinTech, and mobile businesses, etc.
(5) Stated capital	205,924 million yen
(6) Date of establishment	February 1997
(7) Total number of issued shares	1,434,573,900 shares
(8) Fiscal year end	December 31
(9) Number of employees	23,841

(10)	Major shareholders and shareholding ratios (percentage of shares held to total number of issued shares excluding treasury shares)	Crimson Group, LLC (16.62%) MIKITANI Hiroshi (12.94%) MIKITANI Haruko (9.73%) The Master Trust Bank of Japan, Ltd. (Trust Account) (6.00%) Custody Bank of Japan, Ltd. (Trust Account) (3.48%) NORTHERN TRUST CO. (AVFC) SUB A/C NON TREATY (2.12%) Custody Bank of Japan, Ltd. (Trust Account 7) (1.51%) THE BANK OF NEW YORK MELLON 140051 (1.40%) Culture Convenience Club Co., Ltd. (1.17%) STATE STREET BANK WEST CLIENT - TREATY 505234 (1.09%)		
(11) Relationship between parties				
	Capital relationship	Japan Post Holdings holds 8.32% of the issued shares of Rakuten. (As of April 28, 2021)		
	Personnel relationship	Not applicable		
	Business relationship	Japan Post Holdings and Rakuten have concluded an agreement for a business alliance covering strategic partnerships in the logistics, fintech, mobile and other areas. (As of April 28, 2021)		
	Applicability to related parties	Not applicable		
(12) Business and financial performances for the most recent three years				
	Fiscal year (Consolidated)	Year ended December 31, 2018	Year ended December 31, 2019	Year ended December 31, 2020
	Total equity	776,207	737,200	629,014
	Total assets	7,345,002	9,165,697	12,524,438
	Equity per share attributable to owners of the Company (yen)	572.83	542.43	446.78
	Revenue	1,101,480	1,263,932	1,455,538
	Operating income	170,425	72,745	(93,849)
	Net income (loss)	141,889	(33,068)	(115,838)
	Net income (loss) attributable to owners of the Company	142,282	(31,888)	(114,199)
	Basic earnings (loss) per share (yen)	105.43	(23.55)	(84.00)
	Dividend per share (yen)	4.50	4.50	4.50

(Unit: million JPY, unless otherwise noted)

5. Equity interests to be acquired, acquisition price and status of ownership interests before and after acquisition

(1) Ownership interests before the Investment	0%
(2) Equity interests to be acquired	50.1%
(3) Acquisition price	The acquisition price will not be disclosed based on the Integration Contract and the Shareholders Agreement, but appropriate due diligence has been conducted, and the acquisition will be made at an amount that is considered fair and reasonable. The Investment will be recorded in the capital and other net assets items on the balance sheet of JP Rakuten Logistics.
(4) Ownership interests after the Investment	50.1%

6. Schedule of joint venture business

Resolution date by the Board of Directors (Japan post holdings)	April 28, 2021
Signing of the Integration Contract and the Shareholders Agreement	April 28, 2021
Payment date of the Investment	July 1, 2021 (Planned)
Start date of joint venture business	July 1, 2021 (Planned)