

September 30, 2009

Rakuten Enters Thailand's E-Commerce Market
Acquires Majority Stake in TARAD.com in a Capital and Business Alliance

Rakuten, Inc. (Rakuten) is Japan's leading Internet company, has announced that it has entered into a capital and business alliance with TARAD Dot Com Co.,Ltd. (TARAD.com) which operates Thailand's largest e-commerce site, and has acquired a 67% stake in that company. Rakuten has already completed procedures that will allow it to promote new e-commerce business in Thailand.

An Internet company established in 1999, TARAD.com (URL: <http://www.tarad.com/>) is Thailand's leading e-commerce provider. Like Rakuten Ichiba (URL: <http://www.rakuten.co.jp/>) operated by Rakuten, TARAD.com is a marketplace-type Internet shopping mall with about 160,000 participating merchants offering around 1.4 million products, including fashion items and home electronic goods. The website boasts a membership of two million users.

Through Rakuten's acquisition of 67% of TARAD.com's shares and its participation in the operation of the company, Rakuten plans to introduce its unique business management know-how and management style and progressively expand the e-commerce site as it introduces various functions for merchants and users and services of Rakuten Ichiba from early 2010 onwards. Rakuten dispatched three employees to TARAD.com. The employees took on management responsibilities and one became CEO at TARAD.com. Rakuten plans to provide assistance in each of TARAD.com's business divisions.

"We selected TARAD.com because it is the most suitable partner for capturing the significant opportunities in the Thai e-commerce market that offers considerable room for growth," said Hiroshi Mikitani, Founder, Chairman and CEO of Rakuten.

In Japan, Rakuten has approximately 60 million registered members and sales in 2008 totaled US\$2.7 billion. Its core business "Rakuten Ichiba" is the Japan's largest Internet shopping mall and offers more than 40 million products by over 30,000 merchants, some of whom have turnover of more than US\$1 million per month. As well as its Internet shopping mall, Rakuten, which has more than 5,000 employees, is engaged in other Internet businesses such as travel and financial services.

Rakuten's goal is to become the world's leading Internet service company and to make its trademark e-commerce services first launched in Japan available to e-commerce users around the world. To achieve this goal, Rakuten is currently concentrating on making full-fledged forays into overseas markets through its Rakuten Ichiba business. In 2008, Rakuten established a joint venture with President Chain Store Corp. of Taiwan and in May of that year launched Rakuten Ichiba Taiwan. Rakuten's move into Thailand marks the second international launch of Rakuten Ichiba.

Thailand has high growth potential in e-commerce business among ASEAN nations. Through the establishment of a partnership between Rakuten and TARAD.com, Rakuten plans to provide an even more pleasant Internet shopping environment to e-commerce users in Thailand and contribute to the revitalization of the country's economy by empowering individual small and medium-sized business owners.

TARAD.com has received approval from The Board of Investment of Thailand (BOI) as being eligible for an investment incentive program and expects to benefit from a range of preferential treatment measures.

Founder of TARAD.com, Pawoot Pongvitayapanu, said that the new partnership is an exciting milestone which will help drive the company to the next level in its development.

“We already have strong merchant and customer databases which are growing day by day, but this partnership means that we can accelerate our expansion.”

#

1. Outline of Rakuten

(1) Company Name	Rakuten, Inc.
(2) Main Operations	Comprehensive Internet services
(3) Established	February 7, 1997
(4) Head Office	4-12-3 Higashishinagawa, Shinagawa-ku, Tokyo Japan
(5) Chairman and CEO	Hiroshi MIKITANI
(6) Capital	107,562 million yen (As of June 30, 2009)
(7) No. of Employees	5,568 (As of June 30, 2009)

2. Outline of TARAD.com

(1) Company Name	TARAD Dot Com Co.,Ltd.
(2) Main Operations	Internet services
(3) Established	January 29, 1999 (registration)
(4) Head Office	Phaholyothin Rd, Samsen-nai, Phayathai, Bangkok Thailand
(5) CEO	Toshiya MATSUO
(6) Founder	Pawoot PONGVITAYAPANU
(7) Capital	10 million baht (As of Sep 23, 2009)
(8) No. of Employees	43 (As of Sep 23, 2009)

#