

LINE, LVC, and Nomura Sign Final Capital Alliance Agreement to Explore Blockchain-Based Business Opportunities

TOKYO – October 4, 2019 – LINE Corporation ("LINE"), LVC Corporation (a LINE Group company, hereinafter "LVC"), and Nomura Holdings Inc. ("Nomura"), have entered into a final agreement ("Agreement") on September 24, 2019 to form a financial business partnership ("Partnership") that focuses on blockchain technology. The Agreement is a follow up to the memorandum of understanding as described in the press release titled "LINE, LVC, and Nomura Sign MOU for Capital Alliance to Explore Blockchain-based Business Opportunities" published on January 30, 2019.

In accordance with the Partnership terms, Nomura has completed its investment in LVC today. In this long-term partnership, the three stakeholders will work together to build a new financial service using blockchain technology.

1. Background and purpose of the Agreement

The Nomura Group is a leading financial institution with a strong global franchise. Under its corporate mission, "We help to enrich society through our expertise in capital markets," the firm aims to become the most trusted partner for its existing and potential clients.

LINE is driving forward a self-contained Smart Portal strategy wherein the LINE messaging app serves as a gateway through which users can seamlessly connect with people, information, services, companies, and brands. Under its corporate mission of "Closing the Distance," LINE provides high value-added services to its over 81 million monthly active users (MAU) in Japan.

Meanwhile, through the operation of the BITMAX cryptocurrency exchange, LVC is driving forward the LINE Token Economy concept founded upon blockchain technology that aims to foster a co-creative relationship between users and service providers. Finally, LINE and LINE Tech Plus Pte Ltd. (LVC's subsidiary) are partnering with many companies to help grow and develop the blockchain ecosystem.

The three parties' decision to enter into the Agreement is based on their collective intent to leverage LINE's large user base and the LINE app's secure and convenient UI/UX, and the Nomura Group's wealth of financial business knowledge to collaborate in blockchain-based business opportunities.

2. Nomura Holdings Inc. overview

- (1) Name: Nomura Holdings Inc.
- (2) Location: 1-9-1 Nihonbashi, Chuo-ku, Tokyo
- (3) Representative: Koji Nagai, President and Group CEO
- (4) Business: Holding company
- (5) Capital: JPY 594.493 billion (as of June 30, 2019)
- (6) Date of establishment: December 25, 1925
- (7) Number of employees: 28,112 (consolidated; as of June 30, 2019)
- (8) Net revenue (after finance costs): JPY 1.116,770 trillion (consolidated; for the fiscal year ending March 31, 2019; calculated in accordance with US GAAP)

3. LINE Corporation overview

- (1) Name: LINE Corporation
- (2) Location of head office: JR Shinjuku Miraina Tower 23F, 4-1-6 Shinjuku, Shinjuku-ku, Tokyo
- (3) Representative: Takeshi Idezawa, Representative Director, President, and CEO
- (4) Business: Provision and operation of the LINE messaging app and content and services made available on the LINE platform in addition to other web service businesses and AI businesses

(5) Capital: JPY 96.448 billion (as of June 30, 2019)

(6) Date of establishment: September 4, 2000

(7) Number of Employees: 2,269 (non-consolidated; as of April 30, 2019)

(8) Consolidated revenue: JPY 207.182 billion (for the fiscal year ending December 31, 2018; calculated in accordance with IFRS)

4. LVC Corporation overview

(1) Name: LVC Corporation

(2) Head office: Sumitomo Fudosan Osaki Garden Tower 22F, 1-1-1 Nishishinagawa, Shinagawa-ku, Tokyo

(3) Representative: Yongsu Ko, Representative Director and CEO

(4) Business: Holding company operating a cryptocurrency brokerage and blockchain-related businesses

(5) Capital: JPY 5.06 billion (as of October 4, 2019)

(6) Established: January 31, 2018

(7) Registration number: Cryptocurrency exchange agency, the Kanto Local Finance Bureau No.00017

5. Future projections

The conclusion of the Agreement may affect LINE, LVC, and Nomura's respective consolidated earnings. The companies will promptly make an announcement if the possibility of a material impact arises in the future.

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