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For Immediate Release

(English translation of the original Japanese document)

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Notice of Institution of the Kakaku.com, Inc. Basic Policy on Corporate Governance

Kakaku.com Inc. (the "Company") hereby announces that it has instituted the Kakaku.com, Inc. Basic Policy on Corporate Governance (the “Basic Policy”), as shown in the Attachment, which sets forth the Company’s basic approach to corporate governance for the purpose of seeking the sustained growth of the Kakaku.com Group and enhancement of corporate value over the medium to long term, and resolved at a meeting of the Board of Directors held on November 5, 2015 to adopt the Basic Policy.

The Basic Policy has been instituted in accordance with the Corporate Governance Code, applied to listed companies effective June 1, 2015. The Company will strive to enhance corporate governance in accordance with the Basic Policy in order to fulfill its responsibility to shareholders and other stakeholders and practice fair and highly transparent management that earns the trust of society.

(Attachment)

Kakaku.com, Inc. Basic Policy on Corporate Governance

Section 1　General Provisions

1. Basic Approach to Corporate Governance and Purpose of the Basic Policy

Kakaku.com, Inc. (“the Company”) recognizes that it should strive for the co-prosperity of shareholders, customers, business partners, and employees, and by extension, of society as a whole and in so doing continuously increase corporate value. Accordingly, the Kakaku.com Group’s (“the Group”) basic approach to corporate governance is to create socially beneficial services, strengthen relationships with its various stakeholders, and reinforce the corporate governance function. The Company hereby establishes this Basic Policy on Corporate Governance (the “Basic Policy”) for the purpose of achieving sustained growth and enhancement of corporate value over the medium to long term through the realization of enhanced corporate governance.

2. Role of the Basic Policy

The Basic Policy shall serve as an action guideline for the Group’s corporate officers and employees to accomplish the Group’s corporate governance goals.

3. Institution, Amendment, and Abolition of the Basic Policy

Institution, amendment, and abolition of the Basic Policy shall be by resolution of the Board of Directors.

Section 2　Relationship with Shareholders

1. Respect for Voting Rights at the General Meeting of Shareholders

(1) The Company shall arrange an environment in which shareholders are able to appropriately exercise voting rights and other shareholder rights at the General Meeting of Shareholders and shall take the following measures.

1) The Company shall set an appropriate schedule for the General Meeting of Shareholders, avoiding dates on which many companies have scheduled shareholder meetings and taking into consideration governance effectiveness and the accuracy of provided information.

2) The Company shall endeavor to send out a notice of convocation of the general meeting of shareholders at an early date and shall publicly announce the contents of the notice before sending it out.

3) The Company shall arrange an environment in which all shareholders are able to appropriately exercise voting rights through the use of an Internet voting rights exercise system or voting rights exercise platform.

4) The Company shall provide in its Share Handling Regulations a method of exercise to ensure that

the exercise of special rights recognized for minority shareholders with respect to listed companies and their officers is not in effect impeded.

5) In the event that institutional investors or other parties who hold shares in the name of a trust bank or other party express an interest in exercising voting rights at the General Meeting of Shareholders or other shareholder rights in advance of the meeting, the Company shall discuss the matter with the trust bank or other party.

(2) The Company shall take seriously the results of the exercise of voting rights at the General Meeting of Shareholders, and if a substantial number of negative votes have been cast against a proposal, the Company shall analyze the reason and take any necessary measures.

2. Constructive Dialogue with Shareholders

(1) To contribute to sustained enhancement of corporate value, the Company shall place importance on dialogue with shareholders and take the following measures to develop a framework for dialogue.

1) The director in charge of the Management Planning Department shall supervise dialogue with shareholders, and the Management Planning Department shall take a central role in dialogue with shareholders, organically cooperating with the Administrative Division, Legal Department, and other necessary departments.

2) The directors, including the president, shall engage in dialogue with shareholders to a reasonable extent.

3) The Company shall periodically conduct briefings as a means of dialogue with shareholders.

4) The Management Planning Department shall periodically share with the directors opinions obtained through dialogue with shareholders

5) At the time of dialogue with shareholders, the director in charge of the Management Planning Department shall carefully manage information in cooperation with the information manager in accordance with the Internal Information Management Regulations to prevent any leakage of insider information outside the Group.

(2) In dialogue with shareholders, the Company shall explain business plans indicating earnings projections and the basic policy on capital strategy as well as analysis of the results of past business plans.

3. Policy on Strategic Shareholdings

(1) To realize effective corporate governance and contribute to the sustained growth of the Group and enhancement of corporate value over the medium to long term, the Company may hold shares of companies it considers necessary as part of its business strategy, such as for the purpose of strengthening business alliances.

(2) Each year the Board of Directors shall examine major strategic shareholdings from a medium- to long-term perspective taking into consideration associated risks and returns and confirm the purpose and rationality of holding major strategic shareholdings in light of the results of the examination.

(3) The Company shall make decisions regarding the exercise of voting rights of strategic shareholdings from the perspective of enhancement of the corporate value of investee companies

over the medium to long term.

4. Protection of Shareholder Rights

(1) With respect to any capital strategy that would result in change of control or significant dilution, in order not to unfairly harm the existing shareholders' interests, the Company's Board of Directors shall examine the necessity and rationality, ensure appropriate procedures, and provide sufficient explanation to shareholders.

(2) If a tender offer is made for the Company's shares, the Board of Directors shall promptly disclose to the shareholders its position toward such offer. Furthermore, the Company shall not unfairly interfere with the right of shareholders to sell their shares in response to a tender offer.

5. Related Party Transactions

If the Company engages in transactions with its directors, auditors, or major shareholders, unless such transactions are immaterial transactions or routine transactions, the Board of Directors shall determine their necessity and appropriateness and prevent any damage to the shareholders' common interests.

Section 3 Relationships with Stakeholders Other than Shareholders

1. Relationship with Employees

(1) The Company shall undertake to enhance corporate value by creating an environment in which a diverse workforce can thrive regardless of nationality, gender, or disabilities and enabling employees to demonstrate their individual abilities to the fullest.

(2) The Company shall strive to ensure sharing of a code of conduct based on its management philosophy and its dissemination and penetration among all employees of the Group.

(3) The Company shall appropriately operate an internal reporting system and establish a framework to ensure that persons who provide information do not suffer any disadvantage.

2. Relationship with Customers and Business Partners

The Company shall earnestly undertake to solve social issues and aspire to be a company that grows together with customers and business partners.

3. Relationship with Society

The Company shall earnestly address sustainability issues, including social and environmental problems, and strive to respond appropriately.

Section 4 Information Disclosure

1. Enhancement of Information Disclosure

(1) The Company shall strive to practice fair and highly transparent management and appropriately make statutory disclosures and shall disclose important information relating to management in a

proactive and timely manner.

(2) When disclosing information, the Company shall use language that is accurate and easy for users to understand. In the interest of international information disclosure, the Company shall enhance information provision in English.

2. Accounting Auditor

(1) The Board of Auditors shall take the following measures to select an appropriate accounting auditor.

1) It shall institute criteria for the appropriate selection and evaluation of an accounting auditor.

2) It shall verify that the accounting auditor possesses sufficient independence and expertise to perform the Group's accounting audits.

(2) The Board of Directors and Board of Auditors shall take the following measures to ensure that the accounting auditor appropriately conducts audits.

1) They shall secure sufficient audit time to make high-quality audits possible.

2) They shall provide opportunities for the accounting auditor to obtain information from executive directors.

3) They shall create a system that enables the accounting auditor to sufficiently cooperate with the auditors, Internal Audit Department, and outside directors.

4) They shall establish a system for responding in case the accounting auditor discovers misconduct and requests an appropriate response from the Company or has identified inadequacies or problems.

Section 5 Corporate Governance System

1. Board of Directors

(1) Roles and Responsibilities of the Board of Directors

The Board of Directors shall recognize its fiduciary responsibilities and accountability and decide important matters relating to the execution of business and shall take the following measures to oversee directors' performance of duties.

1) The Board of Directors shall formulate and disclose business plans and indicate the strategic direction of the Company.

2) The Board of Directors shall arrange an environment that supports appropriate risk-taking by the executive directors.

3) The Board of Directors shall oversee the execution of business by directors and employees from an objective standpoint.

4) The Board of Directors shall appropriately oversee succession planning for the positions of president and other executives.

(2) Composition of the Board of Directors

1) The Board of Directors shall be balanced in overall composition, consisting of inside directors with professional knowledge and experience in each business line, management planning, personnel affairs, finance and accounting, development, information security, etc. and at least two outside directors capable of raising issues about the growth strategy or governance from the perspective

of diverse stakeholders, and shall be of a size that permits effective deliberation, within the scope provided in the Articles of Incorporation.

2) At least two of the directors shall be independent outside directors.

3) The Company shall establish a Nomination and Remuneration Committee as an internal committee of the Board of Directors to complement the function of the Board of Directors.

(3) Scope of Matters to Be Resolved by the Board of Directors

1) In consideration of agile business decision-making and the expertise required in matters to be resolved, pursuant to the provisions of laws and regulations, the Board of Directors shall propose to the General Meeting of Shareholders that certain matters to be resolved at the General Meeting of Shareholders be delegated to the Board of Directors within the scope considered appropriate.

2) Pursuant to the provisions of laws and regulations and internal rules, the Board of Directors shall appropriately delegate to executive directors decision-making about business execution in matters other than those that should be decided by the Board of Directors and shall exercise its management oversight function.

(4) Assessment of the Board of Directors

Once a year the Board of Directors shall perform a self-assessment of the effectiveness of the Board of Directors as a whole and disclose a summary of the self-assessment results.

2. Board of Auditors

(1) Roles and Responsibilities of the Board of Auditors

The Board of Auditors shall recognize its fiduciary responsibilities and fulfill the following roles to ensure corporate soundness in preparation for the sustained growth of the company and enhancement of corporate value over the medium to long term and to establish a high-quality corporate governance system that earns public trust.

1) The Board of Auditors shall positively and proactively exercise its authority and appropriately express opinions to the Board of Directors or directors.

2) The Board of Auditors shall cooperate with the independent outside directors and Internal Audit Department.

(2) Composition of the Board of Auditors

1) The Board of Auditors shall consist of at least one auditor.

2) A majority of Board of Auditors members shall be independent outside auditors.

3) At least one member of the Board of Auditors shall be a person with appropriate knowledge of finance and accounting.

3. Nomination and Remuneration Committee

(1) Roles and Responsibilities of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall deliberate about the following matters and offer advice and recommendations to the Board of Directors in response to inquiries from Board:

1) Matters relating to the selection and removal of directors;

2) Matters relating to the selection, dismissal, authority, etc. of representative directors and directors with title; and

3) Matters relating to directors' compensation.

(2) Composition of the Nomination and Remuneration Committee

1) The Nomination and Remuneration Committee shall consist of at least three directors selected by resolution of the Board of Directors.

2) A majority of committee members shall be independent outside directors.

4. Selection of Director Candidates and Auditor Candidates

(1) The Nomination and Remuneration Committee shall fairly and transparently deliberate on the nomination of director candidates, and the Board of Directors shall decide on director candidates, respecting the Committee's advice and recommendations. The Board of Directors shall obtain the consent of the Board of Auditors when proposing auditor candidates to the General Meeting of Shareholders.

(2) The selection criteria for director candidates shall be as follows.

1) Candidates shall embody the values in the Group's management philosophy to a high degree, have extensive experience and advanced capabilities and knowledge, and be able to contribute to the Group's further development.

2) Outside director candidates shall have extensive experience and advanced knowledge in areas of expertise such as company management, marketing, or business strategy.

(3) Selection criteria for auditor candidates shall be as follows.

1) Candidates shall have keen interest in the Group's business, conduct audits from a neutral and objective perspective, and be able to contribute to ensuring management soundness.

2) Outside auditor candidates shall have extensive experience and advanced knowledge in areas of expertise such as the legal profession, government, finance, or accounting.

(4) In addition to the provisions of laws and regulations, grounds for disqualification of director candidates and auditor candidates shall be as follows.

1) A candidate is found to have connections to antisocial forces.

2) A violation of a law or regulation or internal company rule in the course of duties, a material violation of a law or regulation in a personal matter, or the like is found.

(5) The Company shall disclose reasons for the selection of individual candidates and the status of significant concurrent appointments at other companies in the reference materials for the General Meeting of Shareholders relating to director election proposals or auditor election proposals.

5. Compensation for Directors and Auditors

(1) Compensation for directors shall be in accordance with their official responsibilities. The Nomination and Remuneration Committee shall fairly and transparently deliberate on the details of compensation, and the Board of Directors shall decide compensation within the limit resolved at a General Meeting of Shareholders, respecting the Committee's advice and recommendations.

(2) A fixed percentage of compensation for executive directors shall be linked to medium- to long-term business results in order to realize enhancement of corporate value through the exercise of a healthy entrepreneurial spirit.

(3) Compensation for auditors shall follow a separate system from compensation for directors and shall

be decided upon discussion among members of the Board of Auditors within the limit resolved at a General Meeting of Shareholders.

6. Independent Outside Officers

(1) Independence Requirements

The term “independent outside officers” refers to outside directors or outside auditors who satisfy the qualifications for independent officers stipulated by the Tokyo Stock Exchange and pose no risk of conflict of interest with general shareholders and whose status as independent officers has been notified to the Tokyo Stock Exchange.

(2) Role and Responsibilities of Independent Outside Directors

Independent outside directors shall fulfill the following roles for the purpose of contributing to the sustained growth of the Group and enhancing corporate value over the medium to long term.

1) Independent outside directors shall offer advice about management policies and management improvement based on their own knowledge from the perspective of promoting the sustained growth of the Group and enhancing corporate value over the medium to long term.

2) Independent outside directors shall oversee management through important decision-making of the Board of Directors.

3) Independent outside directors shall oversee any conflicts of interest between the Group and management, controlling shareholders, and other parties.

4) Independent outside directors shall reflect the opinions of minority shareholders and other stakeholders at meetings of the Board of Directors from a standpoint independent of management and controlling shareholders.

(3) Role and Responsibilities of Independent Outside Auditors

Independent outside auditors shall recognize that they are particularly expected to act for the purpose of fair and equitable management decision-making in accordance with the interest of the general shareholders and shall express opinions to the representative directors and Board of Directors from a perspective of consideration of the interests of general shareholders when they deem it necessary.

(4) Executive Sessions

If they deem it necessary, the independent outside officers shall hold sessions attended only by the independent outside officers for the purpose of fulfilling the abovementioned role.

7. Support System and Training for Directors and Auditors

(1) The Company shall prepare an internal system necessary and sufficient for the directors and auditors to fulfill their roles and responsibilities.

(2) The Company shall provide the directors and auditors with information relating to business activities and opportunities to acquire knowledge necessary to fulfill their roles and responsibilities when they assume office and on a continuing basis thereafter.

(3) The directors and auditors may claim payment from the Company for expenses necessary to fulfill their roles and responsibilities (including expenses to obtain necessary advice from outside professionals).

8. Internal Control

The Board of Directors shall establish a department in charge of internal audits and develop a system for risk prevention and management and shall oversee the status of operation of systems for compliance, ensuring the appropriateness of financial reporting, and risk management.

Instituted November 5, 2015