

The following information was originally prepared and published by DeNA Co., Ltd. in Japanese as it contains timely disclosure materials to be submitted to the Tokyo Stock Exchange. This English translation is for your convenience only. To the extent there is any discrepancy between this English translation and the original Japanese version, please refer to the Japanese version.



January 31, 2019

Company name: DeNA Co., Ltd.
(TSE First Section Stock Code: 2432)
Name of representative: Isao Moriyasu, President & CEO
Contact person: Jun Oi, Executive Officer, Head of
Corporate Unit
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Notice Regarding Change in DeNA Subsidiary (Share Transfer)

DeNA Co., Ltd. (“DeNA”) would like to announce that in a Board of Directors meeting on January 31, 2019, it passed a resolution to transfer all of DeNA’s shares in its consolidated subsidiary Paygent Co., Ltd. (“Paygent”) to NTT Data Corporation (“NTT Data”).

1. Purpose of the share transfer

The DeNA Group has operated a processing settlement service on the internet and mobile phones from 2006. Given recent changes in the settlement space, such as the transition to cashless payment methods, DeNA made the decision regarding this share transfer in order to facilitate Paygent’s future growth.

2. Overview of the changing subsidiary (Paygent)

(1) Company name	Paygent Co., Ltd.	
(2) Address	2-21-1 Shibuya, Shibuya-ku, Tokyo, Japan	
(3) Name and title of representative	Yoshihiro Takeda, Representative Director and President	
(4) Description of business	Processing settlement business related to e-commerce on the internet and mobile phones	
(5) Stated capital	400 million yen	
(6) Established	May 1, 2006	
(7) Shareholding percentage of major shareholders	DeNA Co., Ltd.	50.0%
	Mitsubishi UFJ NICOS Co., Ltd.	50.0%

(8) Relationship between listed company and this company	Capital relationship	DeNA owns 50.0% of Paygent’s issued shares.	
	Personnel relationship	Three directors, including the representative director for Paygent, and one corporate auditor are seconded to Paygent.	
	Transactional relationship	Paygent provides processing settlement services for some DeNA businesses. DeNA also has transactions with this company regarding some infrastructure-related work.	
(9) Consolidated operating results and financial position of this company for the previous three fiscal years			
Fiscal year-end	Fiscal year ended March 31, 2016	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2018
Total equity	4,907 million yen	5,329 million yen	5,684 million yen
Total assets	21,811 million yen	24,245 million yen	28,031 million yen
Equity per share attributable to owners of the parent	306,707.13 yen	333,041.22 yen	355,242.18 yen
Revenue	6,551 million yen	6,549 million yen	7,461 million yen
Operating profit	802 million yen	625 million yen	512 million yen
Profit before tax	803 million yen	625 million yen	512 million yen
Profit for the period	536 million yen	421 million yen	355 million yen
Profit for the period attributable to owners of the parent	268 million yen	211 million yen	178 million yen
Basic earnings per share attributable to owners of the parent	33,482.29 yen	26,334.09 yen	22,200.96 yen

(Note) The DeNA Group consolidated financial statements are based on IFRS.

3. Overview of the share transfer receiving company

(1) Company name	NTT Data Corporation		
(2) Address	3-3-3 Toyosu, Koto-ku, Tokyo, Japan		
(3) Name and title of representative	Yo Honma, Representative Director, President and Chief Executive Officer		
(4) Description of business	System integration business, network system service business, various other related businesses		
(5) Stated capital	142,520 million yen		
(6) Established	May 23, 1988		
(7) Total equity	950,602 million yen		
(8) Total assets	2,328,168 million yen		
(9) Shareholding percentage of major shareholders	Nippon Telegraph and Telephone Corporation	54.19%	
	The Master Trust Bank of Japan, Ltd. (trust account)	9.09%	
	Japan Trustee Services Bank, Ltd. (trust account)	4.57%	
(10) Relationship between listed company and this company	Capital relationship	Not applicable.	
	Personnel relationship	Not applicable.	
	Transactional relationship	Transactions accompanying cloud service usage and software maintenance, etc.	
	Circumstances relevant to related parties	Not applicable.	

(Note) This information is as of September 30, 2018.

4. Number of shares to be transferred, transfer price, and the number of shares held before and after the transfer

(1) No. of shares held before the change	6,700 shares* (Percentage of voting rights held: 50.0%)
(2) No. of shares to be transferred	6,700 shares*
(3) Transfer price	Approx. 6.3 billion yen*
(4) No. of shares held after the change	0 shares (Percentage of voting rights held: 0.0%)

*The number of shares held before the change and the number of shares to be transferred are premised upon the execution of a planned share buyback by Paygent of 1,300 shares from each existing shareholder, and are expected to be finalized before the transfer takes place. Also, the transfer price is planned to be determined on the basis of the financial performance of Paygent and other conditions stipulated in the transfer contract, and may change.

5. Schedule

(1) Date of Board of Directors resolution	January 31, 2019
(2) Date of conclusion of the transfer agreement	January 31, 2019
(3) Date of the share transfer	March 29, 2019 (Scheduled)

6. Future outlook

After the completion of this share transfer, Paygent will no longer be consolidated under the DeNA Group. For the past financial performance of Paygent, please refer to the “2. Overview of the changing subsidiary (Paygent)” section of this document. DeNA is currently reviewing the expected impact of this share transfer on its future financial performance, and going forward if there are any matters to be disclosed then DeNA will disclose them in a timely manner.

For inquiries please contact:
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