



December 22, 2016

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Company: Cookpad Inc.
Representative: Rimpei Iwata, Representative Executive Officer
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Notice of Dissolution of the Business and Capital Alliance with Minnano Wedding Co., Ltd. and Recording of an Extraordinary Loss (Non-consolidated)

Cookpad Inc. (the “Company”) hereby announces that the Company resolved at a meeting of the Board of Directors held on December 22, 2016; 1) to conclude with Mr. Yoshiteru Akita (“Mr. Akita”) a subscription agreement to tender all 2,047,000 common shares of Minnano Wedding Co., Ltd. held by the Company (the “Subscription Agreement”) if Mr. Akita makes a tender offer for common shares of Minnano Wedding Co., Ltd. (the “Tender Offer”); and 2) to cancel the Basic Business and Capital Alliance Agreement with Minnano Wedding Co., Ltd. concluded with Minnano Wedding Co., Ltd. on April 21, 2015 (the “Cancellation Agreement”), as detailed below.

As a result of the above-mentioned agreements, the business and capital alliance between the Company and Minnano Wedding Co., Ltd. will be dissolved.

In addition, the Company expects to record a loss on valuation of shares of subsidiaries and associates as an extraordinary loss in the non-consolidated financial results for the fiscal year ending December 31, 2016 (Japanese GAAP) as a result of subscribing to the Tender Offer under the Subscription Agreement.

1. Reason for the Subscription Agreement and Cancellation Agreement

The Company and Minnano Wedding Co., Ltd., as stated in “Notice on Commencing Tender Offer for Shares of Minnano Wedding Co., Ltd. (code: 3685) and Forming a Business and Capital Alliance with Minnano Wedding Co., Ltd.,” released on April 21, 2015, engaged in a business and capital alliance for the purpose of combining the management base and business know-how and generating business synergies. However, since the Company desires to once again place maximum focus on the corporate mission “make everyday cooking fun” and it is believed that entrusting management of Minnano Wedding Co., Ltd. to a separate entity will be the most effective way of increasing the value of said business and the Cookpad Group, through consultation with Minnano Wedding Co., Ltd. and Mr. Akita, the Company decided to subscribe to the Tender Offer and dissolve the business and capital alliance with Minnano Wedding Co., Ltd.

2. Details of Dissolution of the Business and Capital Alliance

(1) Details of dissolution of the business and capital alliance

The Company will dissolve the business and capital alliance with Minnano Wedding Co., Ltd. by subscribing to the Tender Offer and entering into the Cancellation Agreement.

(2) Book value of shares or equity in the acquired counterparty (Minnano Wedding Co., Ltd.) 2,884 million yen

(3) Number of shares and percentage of outstanding shares acquired by the counterparty (Minnano Wedding Co., Ltd.)

Number of shares	-
Percentage of issued outstanding shares	- %

3. Outline of the Counterparty to Dissolution of the Business and Capital Alliance (Minnano Wedding Co., Ltd.)

(1) Company name	Minnano Wedding Co., Ltd.		
(2) Principal office	1-13-1 Tsukiji, Chuo-ku, Tokyo, Japan		
(3) Representative	Shinsuke Ishiwatari, President, Representative Director and CEO		
(4) Principal lines of business	Management of web sites for information and word-of-mouth communications on wedding halls		
(5) Capital stock	1,455 million yen (as of September 30, 2016)		
(6) Date of incorporation	October 1, 2010		
(7) Major shareholders and percentage of shares held (as of September 30, 2016)	Cookpad Inc.		26.00%
	Yoshiteru Akita		12.70%
	Keisuke Iio		7.62%
	YJI Investment Partnership		7.61%
	Globis Fund III (B), L.P. (standing proxy: SMBC Nikko Securities Inc.)		5.61%
	DeNA Co., Ltd.		5.29%
	Shinsuke Ishiwatari		4.19%
	The Master Trust Bank of Japan, Ltd. (trust account)		3.03%
	Japan Trustee Services Bank, Ltd. (trust account)		2.16%
	Trust and Custody Services Bank, Ltd. (trust account E)		2.07%
(8) Relationships between listed company and the consolidated subsidiary	Capital relationships	The Company owns 26.00% of the outstanding shares of Minnano Wedding Co., Ltd.	
	Personal relationships	Directors and employees of the Company also hold positions as four directors (including the representative director) and six employees of Minnano Wedding Co., Ltd.	
	Transactional relationships	The Company has transactions for software development work, etc. with the counterparty in the fiscal year ending December 31, 2016.	
	Status as a related party*	Minnano Wedding Co., Ltd. is a subsidiary of the Company and a related party.	
(9) The counterparty's operating results and financial position for the most recent three years (thousand yen)			
Fiscal year ended:	September 30, 2014	September 30, 2015	September 30, 2016
Net assets	3,158,191	3,074,351	3,265,204
Total assets	3,528,099	3,354,320	3,566,713
Net assets per share	¥414.61	¥411.93	¥423.50
Net sales	1,504,194	1,888,760	1,703,261
Operating income	327,318	169,263	234,750
Ordinary income	292,241	172,136	236,232
Net income	183,030	115,524	152,088
Net income per share	¥27.07	¥15.43	¥19.89
Dividend per share	-	-	-

*As detailed in "Notice of Change in Subsidiary and Recording of Loss on Remeasurement upon Application of the Equity Method," released today, Minnano Wedding Co., Ltd. has become an equity-method affiliate of the Company.

4. Schedule

(1) Board of Directors resolution	December 22, 2016
(2) Conclusion of the Cancellation Agreement	December 22, 2016

5. Recording of an Extraordinary Loss and Future Outlook

The Company expects to record a loss on valuation of shares of subsidiaries and associates of approximately 837 million yen in connection with Minnano Wedding Co., Ltd. in the non-consolidated financial results for the fiscal year ending December 31, 2016 (Japanese GAAP) consequent upon

subscription to the Tender Offer under the Subscription Agreement.

Since the Company expects to record a loss on remeasurement upon application of the equity method as a financial expense in the consolidated financial results for the fiscal year ending December 31, 2016 (IFRS), as detailed in “Notice of Change in Subsidiary and Recording of Loss on Remeasurement upon Application of the Equity Method,” released today, this matter will not affect the consolidated earnings results.