

December 11, 2023
Company name Rakuten Group, Inc.
Representative Hiroshi Mikitani
Chairman and CEO
(Stock Code: 4755
Tokyo Stock Exchange Prime Market)

Notice of the Completion of Overseas Secondary Offering of Shares of Rakuten Bank, Ltd., a Consolidated Subsidiary of Rakuten Group, Inc. and the Impact of the Secondary Offering on Non-consolidated and Consolidated Financial Results

Rakuten Group, Inc. (hereinafter “the Company”) announces that today we completed delivery of the shares in connection with the overseas secondary offering of common stock of Rakuten Bank, Ltd. (“Rakuten Bank”) owned by the Company (the “Secondary Offering”), as announced in the “Notice of the Overseas Secondary Offering of Shares of Rakuten Bank, Ltd., a Consolidated Subsidiary of Rakuten Group, Inc.” dated December 6, 2023 and the “Notice of the Terms of Overseas Secondary Offering of Shares of Rakuten Bank, Ltd., a Consolidated Subsidiary of Rakuten Group, Inc.” dated December 7, 2023.

The Company will own 49.27% of the total number of issued shares of Rakuten Bank through the Secondary Offering. Rakuten Bank will continue to be a consolidated subsidiary of the Company even after the Secondary Offering.

Additionally, we have calculated the impact of the Secondary Offering on the non-consolidated financial results for the fiscal year ending December 31, 2023 and the consolidated financial results for the fourth quarter of the fiscal year ending December 31, 2023, as follows.

1. Impact on non-consolidated financial results

In the non-consolidated financial results of the Company for the fiscal year ending December 31, 2023 (Japanese GAAP), we expect to record an extraordinary gain of approximately 60 billion yen (estimated) on the sale of affiliated company shares due to the Secondary Offering.

The above is an estimate at this time, and if there is a significant change in the actual amount recorded from the current estimate, a separate announcement will be made.

2. Impact on consolidated financial results

The Company prepares its consolidated financial statements in accordance with

International Financial Reporting Standards (IFRS). Since the Company will own 49.27% of the total number of issued shares of Rakuten Bank even after the Secondary Offering, the Secondary Offering falls under the category of sale of a portion of the shares of a subsidiary with which the Company continues to have a controlling relationship. Therefore, the difference in change in equity related to the Secondary Offering is recorded as the changes in capital surplus and non-controlling interests. As a result, in the fourth quarter of the fiscal year ending December 31, 2023, total equity is expected to increase by approximately 60 billion yen (pre-tax, estimated).

The above is an estimate at this time, and if there is a significant change in the actual amount recorded from the current estimate, a separate announcement will be made.

Note: This disclosure document is a press release to publicly announce the overseas secondary offering of common stock of Rakuten Bank owned by the Company and the impact of the secondary offering on non-consolidated and consolidated financial results. It was not created for the purpose of soliciting investment or similar acts both in Japan and overseas.

In addition, this disclosure document is not part of an investment offer for any securities. This disclosure document does not constitute an offer of securities in the United States. The securities referred to above have not been, and will not be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration thereunder or an applicable exemption from registration requirements. No public offering will be made in the United States.