



April 26, 2013

Company name	Rakuten, Inc.
Representative	Hiroshi Mikitani Chairman and CEO (JASDAQ Code: 4755)

Announcement of Financial Results of  
Rakuten Securities, Inc., a Consolidated Subsidiary

Rakuten Securities, Inc., a consolidated subsidiary of Rakuten, Inc. (President: Yuji Kusunoki. Head Office: Shinagawa-ku, Tokyo), today issued the attached press release relating to its consolidated financial reports (based on J-GAAP) for the Fiscal Year ended March 31, 2013.

Rakuten Group plans to announce consolidated financial reports for the three months ended March 31, 2013 on May 9 (Thursday). From the current fiscal year 2013, Rakuten Group is announcing quarterly financial results based on IFRS.

The attached financial results of Rakuten Securities, Inc. are based on J-GAAP, which has different accounting processes for transactions from IFRS. The main difference will be profit on sale of securities included as part of extraordinary profits of 2,440 million yen in the fourth quarter of the fiscal year of Rakuten Securities, Inc. ending March 31, 2013 (January to March 2013) which will not have any impact on the Profit and Loss Account of the Rakuten Group's first quarter ending March 31, 2013. We only expect it to have an impact on the Balance Sheet.



April 26, 2013

## Consolidated Financial Reports For the Fiscal year ended March 31, 2013

**Rakuten Securities, Inc.**

Rakuten Securities, Inc. (President: Yuji Kusunoki. Head Office: Shinagawa-ku, Tokyo) consolidated financial reports for the Fiscal Year ended March 31, 2013 (J-GAAP)

Consolidated Results for the Fiscal Year ended March 31, 2013

### Consolidated Operating Results

(Millions of yen, rounded down)

	Operating revenue	Net operating revenue	Operating income	Ordinary income	Net income
Fiscal year ended March 31, 2013	24,548	23,469	7,064	7,059	5,635
Fiscal year ended March 31, 2012	20,798	19,468	4,083	4,129	2,642



## (1) Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
(Assets)		
Current Assets	427,969	616,947
Cash and deposits	21,273	28,955
Cash segregated for customers and others	232,572	294,454
Money held in trust	600	800
Trading assets	280	5,222
Trading securities and others	259	564
Derivatives	20	4,658
Operating investment securities and others	750	835
Trade date accrual	2,675	33
Margin transaction assets	125,472	237,891
Loans on margin transactions	112,641	228,527
Cash collateral pledged for securities borrowing on margin transactions	12,830	9,363
Loans secured by securities	—	6
Advances paid	273	185
Cash paid for offering	1,730	4,838
Short-term guarantee deposits	33,993	36,495
Variation margin paid	3,890	2,401
Short-term loan receivables	26	27
Advance payments	87	11
Prepaid expenses	155	172
Accounts receivable - other	424	449
Accrued corporate tax and others	264	—
Accrued revenues	2,318	2,660
Deferred tax assets	6	331
Other current assets	1,377	1,289
Allowance for doubtful accounts	-204	-113

		(Millions of yen)
Fixed Assets	9,792	10,891
Tangible fixed assets	695	646
Buildings	174	147
Furniture and fixtures	419	499
Construction in progress	100	—
Intangible fixed assets	7,377	8,924
Goodwill	829	1,726
Software	5,328	6,331
Software in progress	761	221
Others	458	645
Investments and other assets	1,719	1,319
Investment securities	927	345
Long-term loans receivable	139	147
Long-term guarantee deposits	475	469
Long-term prepaid expenses	48	15
Deferred tax assets	201	433
Others	1,852	1,503
Allowance for doubtful accounts	1,925	-1,595
<b>Total Assets</b>	<b>437,761</b>	<b>627,838</b>

(Millions of yen)

	As of March 31, 2012	As of March 31, 2013
(Liabilities)		
Current liabilities	389,995	584,052
Trading liabilities	20	4,741
Trading securities and other	—	0
Derivatives	20	4,741
Margin transaction liabilities	46,594	46,782
Borrowings on margin transactions	9,081	8,542
Cash received for securities lending on margin transactions	37,512	38,240
Loans payable secured by securities	40,827	110,400
Deposits received	152,343	199,962
Guarantee money received	108,178	127,831
Accounts for non-received securities and others	—	6
Variation margin received	—	182
Short term borrowings	33,010	86,788
Current portion of long-term debt	5,000	—
Advances received	69	97
Unearned revenue	0	9
Accounts payable - other	334	739
Accrued expenses	2,006	1,600
Income taxes payable	—	2,855
Accrued employees' bonuses	74	523
Provision for sales promotion expenses	32	45
Other current liabilities	1,502	1,483
Fixed Liabilities	10,548	645
Asset retirement obligations	10,000	—
Other fixed liabilities	54	28
Statutory reserves	494	617
Reserve for financial instruments transactions	1,860	1,932
Reserve for liability for commodities transactions	1,825	1,891
Reserve for liability for commodities transactions	35	41
Total Liabilities	402,403	586,630
(Net Assets)		



Shareholders' equity		
Capital stock	7,495	7,495
Capital surplus	4,511	4,511
Retained earnings	22,457	28,093
Total shareholders' equity	34,464	40,100
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	192	347
Total accumulated other comprehensive income	192	347
Minorities	701	760
Total Net Assets	35,358	41,208
Total Liabilities and Net Assets	437,761	627,838

## (2) Consolidated Income Statements

(Millions of yen)

	Fiscal Year ended March 31, 2012 (April 1, 2011 – March 31, 2012)	Fiscal Year ended March 31, 2013 (April 1, 2012 – March 31, 2013)
Operating revenue	20,798	24,548
Commission received	14,715	16,464
Commission to consignees	10,567	12,848
Commission for offerings, secondary distribution and solicitation for selling and others for professional investors	626	1,065
Other commissions received	3,521	2,550
Net trading income	321	1,235
Profit (loss) from operational investment securities and others	-2	163
Financial revenue	5,280	6,173
Other operating revenue	484	511
Financial expenses	1,330	1,079
<b>Net Operating Revenue</b>	<b>19,468</b>	<b>23,469</b>
Selling, General, and Administrative Expenses	15,384	16,404
Trading related expenses	5,459	6,078
Personnel expenses	2,293	2,912
Real estate expenses	1,972	1,664
Office expenses	3,081	3,066
Depreciation	2,417	2,343
Taxes and dues	164	230
Goodwill amortization	32	62
Provision for allowance for doubtful accounts	-111	-58
Others	75	106
Operating income	4,083	7,064
Non-operating income	117	33
Non-operating expenses	71	38
Ordinary income	4,129	7,059
Extraordinary income	342	2,695
Extraordinary losses	677	995

Income before income taxes and other adjustments	3,793	8,760
Income taxes - current	578	3,162
Income taxes - deferred	439	-97
Total income taxes	1,017	3,065
Net income before minority interests	2,775	5,694
Minority interests in income	133	59
Net income	2,642	5,635



### (3) Consolidated Statements of Comprehensive Income

(Millions of yen)

	Fiscal Year ended March 31, 2012 (April 1, 2011 – March 31, 2012)	Fiscal Year ended March 31, 2013 (April 1, 2012 – March 31, 2013)
Income before minority interests	2,775	5,694
Other comprehensive income		
Valuation difference on available-for-sale securities	105	155
Total other comprehensive income	105	155
Comprehensive income	2,881	5,849
Comprehensive income attributable to:		
Owners of the parent company	2,748	5,790
Minority interests	133	59

#### (4) Consolidated Quarterly Income Statements

(Millions of yen)

	Three months ended June 30, 2012 (April 1 – June 30, 2012)	Three months ended September 30, 2012 (July 1 - September 30, 2012)	Three months ended December 31, 2012 (October 1 - December 31, 2012)	Three months ended March 31, 2013 (January 1 - March 31, 2013)
Operating revenue	4,839	4,646	5,469	9,592
Commission received	3,278	3,085	3,702	6,396
Net trading income	76	65	264	829
Net gain on trading of investment securities for sale	—	-2	—	166
Financial revenue	1,396	1,400	1,363	2,012
Other operating revenue	88	98	138	187
Financial expenses	285	341	208	243
Net operating revenue	4,553	4,305	5,260	9,349
Selling, General, and Administrative Expenses	3,652	3,743	3,901	5,106
Trading related expenses	1,265	1,258	1,449	2,104
Personnel expenses	599	638	668	1,006
Real estate expenses	425	411	402	424
Office expenses	764	758	745	797
Depreciation	586	581	570	605
Taxes and dues	62	45	49	72
Goodwill amortization	10	10	10	29
Provision for allowance for doubtful accounts	-88	3	-18	44
Others	26	36	22	21
Operating income	900	561	1,359	4,242

Non-operating income	28	31	-41	13
Non-operating expenses	5	18	7	6
Ordinary income	923	575	1,310	4,250
Extraordinary income	254	—	—	2,440
Extraordinary losses	5	297	643	48
Income before income taxes and other adjustments	1,172	277	666	6,643
Income taxes - current	199	40	235	2,687
Income taxes - deferred	45	50	53	-246
Net income before minority interests	927	187	377	4,202
Minority interests in income	7	9	-9	51
Net income	920	177	287	4,150