

August 3, 2012

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

Notice regarding difference between results of Rakuten, Inc. for the six months ended June 30, 2012 with the results of the six months ended June 30, 2011

The Rakuten Group (hereinafter the “Group”) today released its “Consolidated Financial Reports For the six months ended June 30, 2012.” However, as the results for the first half of the current fiscal year differed greatly from that of the same period of the previous fiscal year, the Group has released a summary of its results as follows. As the Group does not disclose its earnings forecast, it has conducted a year-on-year comparison with the results of the same period of the previous fiscal year, in accordance with the Rules of the Osaka Securities Exchange.

1. Consolidated Results for the six months ended June 30, 2012
(From January 1, 2012 to June 30, 2012; negative values are in parentheses)

	Net Sales	Operating Profit	Ordinary Profit	Net Income (loss)
Six months ended June 30, 2011(A)	177,645	29,408	29,214	(41,923)
Six months ended June 30, 2012 (B)	200,528	35,224	34,725	19,545
Year-on-year change (B - A)	22,882	5,816	5,510	61,468
Year-on-year change (%)	12.9%	19.8%	18.9%	— (note)

(Note) As net loss was recorded in the six months ended June 30, 2011, the year-on-year percentage change has been omitted.

2. Summary of operating results

In terms of the Group’s results in the six months ended June 30, 2012 we saw customers continuously shift to e-commerce in daily consumption on its core “Rakuten Ichiba” service, owing to an enhanced product line-up, promotion of mobile Internet usage, expanded next-day deliveries, and other initiatives. Overseas, the e-commerce business focused on its marketplace model and rolled out points programs and other initiatives that have proven successful and boosted business in Japan, and all of these efforts contributed to our business expansion. The Internet Finance business benefited from its effective marketing programs to Rakuten members and solid growth continued as the shopping transaction value of credit card members and business loan balances of the banking business demonstrated strong increases.

Under such circumstances, the Rakuten Group for the six months ended June 30, 2012 achieved solid results with consolidated net sales of ¥200,528 million, operating profit of ¥35,224 million, and ordinary profit of ¥34,725 million. These figures represent a 12.9% increase for net sales, and 19.8% and 18.9% growth, for operating profit and ordinary profit, respectively, compared to the same period of the previous fiscal year. All three results are record highs for the first half of the current fiscal year. Net income for the period was ¥19,545 million, a turnaround from the ¥41,923 million net loss in the same period of the previous fiscal year.