

February 14, 2013

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

**Notice regarding difference between results of Rakuten Inc. for the fiscal year ended December 31, 2012 with the results of the previous fiscal year**

The Rakuten Group (hereinafter the “Group”) today released its “Consolidated Financial Reports For the Fiscal Year ended December 31, 2012.” However, as the results for the current fiscal year differed greatly from that 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 previous fiscal year, in accordance with the Rules of the Osaka Securities Exchange.

1. Consolidated results For the Fiscal Year ended December 31, 2012

(From January 1, 2012 to December 31, 2012; negative values are in parentheses)

(1) Consolidated Operating Results

(Millions of yen)

	Net Sales	Operating Profit	Ordinary Profit	Net Income (loss)
Fiscal year ended December 31, 2011 (A)	379,900	70,789	68,267	(2,287)
Fiscal year ended December 31, 2012 (B)	443,474	72,259	71,514	19,413
Year-on-year change (B – A)	63,574	1,470	3,247	21,700
Year-on-year change (%)	16.7	2.1	4.8	— (Note)

(Note) As net loss was recorded in the fiscal year ended December 31, 2011, the year-on-year percentage change has been omitted.

(2) Non-consolidated Operating Results

(Millions of yen)

	Net Sales	Operating Profit	Ordinary Profit	Net Income (loss)
Fiscal year ended December 31, 2011(A)	146,603	51,327	49,531	(8,915)
Fiscal year ended December 31, 2012(B)	163,708	62,315	66,883	32,923
Year-on-year change (B – A)	17,105	10,988	17,352	41,838
Year-on-year change (%)	11.7	21.4	35.0	— (Note)

(Note) As net loss was recorded in the fiscal year ended December 31, 2011, the year-on-year percentage change has been omitted.

2. Summary of results

(Consolidated)

The expanding use of e-commerce in daily consumption saw the number of unique buyers and order numbers perform strongly in its core “Rakuten Ichiba” service, with the domestic e-commerce gross merchandise sales

rising by 15.3% over the previous fiscal year, and the Group's consolidated results for the fiscal year ended December 31, 2012 continued to maintain a high level of growth. In Travel services, we added a 12.9% year on year increase to gross transaction value. Dynamic Packages had solid sales and upgraded its single payment service for corporate hotel reservations in pursuit of a more diversified earnings base.

In credit card and related services, the shopping transaction value accompanying an increase in credit card membership rose 36.0% over the previous fiscal year. Also, a solid rise in the revolving shopping balance resulted in a rise in commission income and subsequent notable growth in profit. Banking services benefited from its effective marketing programs to Rakuten members and solid growth in loan balances to achieve increased interest income from loans.

As a result of these efforts, the Rakuten Group, for the fiscal year ended December 31, 2012 achieved solid growth with net sales of ¥443,474 million (up 16.7% year on year), operating profit of ¥72,259 million (up 2.1% year on year), and ordinary profit of ¥71,514 million (up 4.8% year on year). All three results are record highs. Net income amounted to ¥19,413 million (compared with a net loss of ¥2,287 million in the previous fiscal year).

(Non-consolidated)

Non-consolidated results for the fiscal year ended March 31, 2012 were strong due to initiatives including the enhancement of the product lineup, strengthening of services for smartphone and tablet devices, improvement of next-day delivery services, and running large-scale sales events called "Rakuten Super Sale", among others. As a result, for the fiscal year ended December 31, 2012, net sales were ¥163,708 million (up 11.7% year on year), operating profit was ¥62,315 million (up 21.4% year on year), ordinary profit was ¥66,883 million (up 35.0% year on year) and net income amounted to ¥32,923 million (compared with a net loss of ¥8,915 million in the previous fiscal year).

Starting from the current fiscal year, the Rakuten Group has made a change in accounting policy and is basing its comparisons and analysis of cumulative business results for the current fiscal year on previous year values after retroactive application.