

February 26, 2021
 Company name Rakuten, Inc.
 Representative Hiroshi Mikitani
 Chairman and CEO
 (Stock Code: 4755
 Tokyo Stock Exchange First Section)

**Notice Regarding Differences in Non-Consolidated Financial Results between
 FY2019 and FY2020**

Rakuten, Inc. (hereafter “the Company”) announces that at a Board of Directors meeting held today, it approved non-consolidated financial results for the fiscal year ended December 31, 2020. Since differences with the fiscal year ended December 31, 2019 are large, the Company is providing an overview.

1. Non-Consolidated Results for the Fiscal Year ended December 31, 2020
 (January 1 – December 31, 2020)

Non-Consolidated Operating Results (J-GAAP)

	Net Sales	Operating Income	Net Income	Basic Earnings per Share
Fiscal year ended December 31, 2019 (A)	Millions of yen 541,755	Millions of yen (5,655)	Millions of yen 15,792	Yen 11.66
Fiscal year ended December 31, 2020 (B)	657,434	4,204	53,646	39.46
Amount change YoY (B-A)	115,679	9,859	37,854	27.80
% change YoY	+21.4%	-	+239.7%	+238.4%

2. Reasons for Differences

In the fiscal year ended December 31, 2020, reflecting high levels of growth of Rakuten Ichiba, and Rakuten 24 which provides on-line sales of drugs and daily necessities, revenue was 657,434 million yen (up 21.4% year-on-year).

Operating income was 4,204 million yen (compared with a loss of 5,655 million yen in fiscal year ended December 31, 2019), due to the strong growth of e-Commerce businesses, and despite an increase in upfront investments in the logistics business, such as capital expenditure for logistics centers and delivery fees. In addition, the Company accounted income tax expense of (33,767) million yen, resulting in net profit up 239.7% year-on-year to 53,646 million yen, which caused a difference in earnings between the two fiscal years.