

February 10, 2022
Company name Rakuten Group, Inc.
Representative Hiroshi Mikitani
Chairman and CEO
(Stock Code: 4755
Tokyo Stock Exchange First Section)

Announcement Regarding Confirmation of Share of Gains of Investments in Associates and Joint Ventures

As announced on May 13, 2021 (“Announcement of Valuation Gains on Securities and Share of Gains of Investments in Associates and Joint Ventures”), during the first quarter ended March 31, 2021, Rakuten Group, Inc. (hereinafter the “Company”) made an investment in shares of Seiyu Holdings Co., Ltd. (hereinafter “Seiyu Holdings”). Associated with this investment, the Company recorded income of ¥20,513 million in share of income of investments in associates and joint ventures, mainly including a gain from the bargain purchase of Seiyu Holdings. The calculation of the gain from the bargain purchase was completed, as follows.

1. Details

During the first quarter ended March 31, 2021, the Company made investments in shares of Seiyu Holdings, which have been accounted for using the equity method. Because the measurement of fair value of the identifiable assets and liabilities as of the acquisition date was incomplete, and the calculation of the difference with the cost of the investment was unfinished as of the third quarter ended September 30, 2021, the gain from the bargain purchase was a provisional amount based on all information available as of the acquisition date and the calculation of the difference with the cost of the investment was completed in the fourth quarter ended December 31, 2021. As a result, the Company recorded income of ¥8,307 million in share of income of investments in associates and joint ventures, mainly including a gain from the bargain purchase of Seiyu Holdings, proportional to the share held by the Company, during the fiscal year ended December 31, 2021.

* SY Holdings Co., Ltd. was absorbed and merged by Seiyu Holdings on December 31, 2021.