English Translation

Consolidated Financial Results for the Fiscal Year Ended June 30, 2026 [IFRS]

August 5, 2026

Company name: Mercari, Inc.
Stock exchange listing: Tokyo Stock Exchange
Code number: 4385
URL: https://about.mercari.com/en/
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Phone: +81-3-6804-6907
Scheduled date of annual general meeting of shareholders: September 29, 2026
Scheduled date of filing annual securities report: September 17, 2026
Scheduled date of commencing dividend payments: -
Availability of supplementary briefing material on annual financial results: Available
Schedule of annual financial results briefing session: Scheduled (for institutional investors and securities analysts)

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Fiscal Year Ended June 30, 2026 (the "Period") (July 1, 2025, to June 30, 2026)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Revenue		Core operating profit		Operating profit		Profit		Profit attributable to owners of parent		Total comprehensive income	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	229,293	19.0	44,181	60.2	43,905	57.7	35,428	35.3	35,401	35.6	36,411	39.2
June 30, 2025	192,633	2.8	27,574	46.1	27,840	59.2	26,178	94.6	26,114	94.0	26,153	75.4

(Reference) Profit before tax: Fiscal year ended June 30, 2026: ¥44,188 million [51.7%]
Fiscal year ended June 30, 2025: ¥29,120 million [62.8%]

(Note) Core operating profit is calculated by deducting other income and other expenses from operating profit.

	Basic earnings per share	Diluted earnings per share	Return on equity attributable to owners of parent	Ratio of profit before tax to total assets	Ratio of core operating profit to revenue
Fiscal year ended	Yen	Yen	%	%	%
June 30, 2026	214.74	209.06	30.0	7.0	19.3
June 30, 2025	159.05	154.85	30.5	5.6	14.3

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets	Equity attributable to owners of parent per share
	Millions of yen	Millions of yen	Millions of yen	%	Yen
As of June 30, 2026	726,622	137,468	137,069	18.9	829.62
As of June 30, 2025	543,763	99,640	99,269	18.3	603.28

(3) Consolidated Cash Flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
Fiscal year ended	Millions of yen	Millions of yen	Millions of yen	Millions of yen
June 30, 2026	(9,512)	(29,240)	73,473	184,069
June 30, 2025	(11,949)	(31,364)	504	147,028

2. Dividends

	Annual dividends					Total dividends	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of parent (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total			
Fiscal year ended	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
June 30, 2025	-	0.00	-	0.00	0.00	-	-	-
June 30, 2026	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending June 30, 2027 (Forecast)	-	0.00	-	0.00	0.00		-	

3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2027 (July 1, 2026, to June 30, 2027)

(% indicates changes from the previous corresponding period.)

	Revenue		Core operating profit	
	Millions of yen	%	Millions of yen	%
Fiscal year ending June 30, 2027	260,000 to 290,000	13.4 to 26.5	45,000	1.9

(Note) The Company expects core operating profit of ¥45,000 million or more.

English Translation
This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.

*** Notes:**

(1) Significant changes in the scope of consolidation during the period: No

(2) Changes in accounting policies and changes in accounting estimates
1) Changes in accounting policies required by IFRS: No
2) Changes in accounting policies other than 1) above: No
3) Changes in accounting estimates: No

(3) Total number of issued shares (common stock)
1) Total number of issued shares at the end of the Period (including treasury shares):

June 30, 2026:	165,220,952 shares
June 30, 2025:	164,548,524 shares

2) Total number of treasury shares at the end of the Period:

June 30, 2026:	656 shares
June 30, 2025:	287 shares

3) Average number of shares during the Period:

Fiscal year ended June 30, 2026:	164,857,074 shares
Fiscal year ended June 30, 2025:	164,189,575 shares

(Reference) Summary of Non-consolidated Financial Results

1. Non-consolidated Financial Results for the Fiscal Year Ended June 30, 2026 (July 1, 2025, to June 30, 2026)

(1) Non-consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Net profit	
Fiscal year ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	129,959	16.5	32,013	43.2	32,428	46.6	21,816	5.5
June 30, 2025	111,511	3.4	22,352	(1.1)	22,127	(2.3)	20,674	111.5

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
June 30, 2026	132.34	128.83
June 30, 2025	125.92	122.60

(2) Non-consolidated Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of June 30, 2026	207,051	113,547	54.6	683.77
As of June 30, 2025	165,478	90,000	53.8	541.52

(Reference) Equity: As of June 30, 2026: ¥112,973 million
As of June 30, 2025: ¥89,106 million

* Consolidated Financial Results are exempt from audits conducted by certified public accountants or audit firms.

* Explanation of the proper use of financial results forecast and other notes

The forward-looking statements, including the financial results forecast, contained in these materials are based on information currently available to the Company and certain assumptions deemed reasonable by the Company. As such, they do not constitute guarantees by the Company of future performance.

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1. Overview of Operating Results, etc.

(1) Overview of Operating Results for the Period

The Group has set its Group mission as "Circulate all forms of value to unleash the potential in all people," and is currently working to achieve it. During the fiscal year ended June 30, 2026, the Group worked toward achieving its financial results forecast, under the policy of essentially aiming for top-line growth that will lead to increased profits and expanding businesses centered around Group synergy. As a result, consolidated revenue was ¥229.2 billion, and core operating profit was ¥44.1 billion, which allowed the Group to achieve its financial results forecast while setting a new record high.

In the Marketplace domain, the Group prioritized enhancing the product's core experience centered around building a secure and safe marketplace and worked to strengthen crossborder transactions, a high-growth area. During the current fiscal year, by enhancing the core experience, the Group established a foundation where the number of users, average transaction value, and transaction frequency grew in a well-balanced manner. As a result, the GMV (Note 1) for the current fiscal year was ¥1,285.6 billion, up 14.7% year-on-year, bringing the Group back to double-digit growth for the first time since the fiscal year ended June 30, 2023. Due to this top-line upswing, core operating profit was ¥42.9 billion (40.6% increase year-on-year), significantly exceeding the initial guidance and further solidifying the Group's earnings base. Crossborder transactions, which are a focus area, are growing steadily, with a GMV of ¥112.2 billion (approximately 9% of the overall Marketplace GMV) due to the Group capturing strong demand in the Entertainment & Hobbies category. Initiatives for future growth, such as expanding the selection of items on *Mercari* through collaboration with Suruga-ya and launching a new global app, are making steady progress.

In the Fintech domain, the Group worked to create the foundation to become a product that is chosen by users for all payment/credit use cases. Credit balance (Note 2) has grown steadily to ¥358.1 billion, up 44.4% year-on-year, due to an increase in transaction volume within *Mercari*, driven by strong GMV growth in the Marketplace business, as well as the growth of external transaction volume resulting from the steady acquisition of *Mercard* holders and the expansion of use cases. The collection rate (Note 3) maintained a high level at 99.4% due to strict credit control that utilizes the Group's unique AI credit check and other measures. As a result, revenue was ¥65.1 billion, up 29.2% year-on-year. Core operating profit increased by ¥4.6 billion year-on-year to ¥9.1 billion, driven by improved profitability from steady growth in Credit, despite proactive investments.

As a result of the above, Japan Business (Note 4) reported revenue of ¥180,858 million (up 20.7% year-on-year) and segment profit of ¥51,316 million (up 47.2% year-on-year) for the fiscal year ended June 30, 2026.

In the US, the Group's operations created a synergistic effect from enhancements to the product's core experience and effective marketing, including CRM measures targeting specific categories and a promotion offering discounts on shipping costs. Furthermore, by capturing strong demand in the Entertainment & Hobbies category, GMV (Note 1) for the current fiscal year increased by 11.2% year-on-year to US$810 million (¥125.3 billion; the exchange rate conversion is the total of the amounts calculated for each month using the average rate during the month), achieving double-digit growth, and revenue amounted to ¥40,782 million (up 12.0% year-on-year). Core operating profit was ¥2,062 million as the Group maintained disciplined investment while making marketing investments. Additionally, steady product refinement led to positive effects on business performance sooner than anticipated. As a result, segment profit was ¥1,664 million (up 125.8% year-on-year), allowing US to continue to break even while realizing positive GMV growth.

As a result, for the fiscal year ended June 30, 2026, the Group recorded revenue of ¥229,293 million (19.0% increase year-on-year), operating profit of ¥43,905 million (57.7% increase year-on-year), and profit attributable to owners of parent of ¥35,401 million (35.6% increase year-on-year).

(Note 1) GMV (Gross Merchandise Value) is the total value of merchandise sold during a specified period.

(Note 2) *Merpay Deferred Payments* (lump-sum payment, fixed-amount payment, and installment payment) and *Merpay Smart Money* credit balance as of June 30, 2026 (excludes debt converted into bankruptcy reorganization debt, etc.).

(Note 3) Average aggregated rate of the quarterly cumulative collections completed within the past 11 months compared to the amount of *Merpay Deferred Payments* (lump-sum payment, fixed-amount payment, and installment payment) and *Merpay Smart Money* billed in the past 11 months (excludes debt converted into bankruptcy reorganization debt, etc.).

(Note 4) Effective from the first quarter of the fiscal year ended June 30, 2026, the segment name "Japan Region" has been changed to "Japan Business." This change is only a change in the name of the reportable segment and has no impact on segment information.

(2) Overview of Financial Position for the Period

(Assets)

Total assets at the end of the current fiscal year increased by ¥182,859 million from the end of the previous fiscal year to ¥726,622 million.

The main reasons for any increases and decreases are as follows.

- The main reasons for any increases and decreases in cash and cash equivalents are outlined in the Overview of Cash Flows for the Period section below.
- Trade and other receivables increased by ¥109,225 million compared to the end of the previous fiscal year, primarily due to an increase in the use of *Merpay Deferred Payments* (lump-sum payment, fixed-amount payment, and installment payment) and *Merpay Smart Money*.
- Other financial assets (current assets) increased by ¥126,483 million from the end of the previous fiscal year, primarily due to payments into time deposits and money held in trust.
- Guarantee deposits decreased by ¥66,495 million from the end of the previous fiscal year, primarily due to the return of deposits for *Merpay*.

(Liabilities)

Total liabilities at the end of the current fiscal year increased by ¥145,032 million from the end of the previous fiscal year to ¥589,154 million.

The main reasons for any increases and decreases are as follows.

- Trade and other payables increased by ¥4,104 million from the end of the previous fiscal year due to an increase in accounts payable.
- Bonds and borrowings (current liabilities) increased by ¥69,047 million from the end of the previous fiscal year, primarily due to changes in the liquidation of receivables for *Merpay Deferred Payments* (lump-sum payments, fixed-amount payments, and installment payments) and *Merpay Smart Money*, as well as the reclassification of a portion of convertible-bond-type bonds with stock acquisition rights to current liabilities.
- Deposits received increased by ¥46,892 million from the end of the previous fiscal year, primarily due to higher spending on *Mercari* and *Merpay*.
- Bonds and borrowings (non-current liabilities) increased by ¥6,131 million from the end of the previous fiscal year, primarily due to the liquidation of receivables for fixed-amount payments and installment payments.

(Equity)

Total equity at the end of the current fiscal year increased by ¥37,827 million from the end of the previous fiscal year to ¥137,468 million.

The main reasons for any increases and decreases are as follows.

- Share capital increased by ¥1,005 million from the end of the previous fiscal year following the issuance of new shares.
- Capital surplus increased by ¥888 million from the end of the previous fiscal year following the issuance of new shares and share-based payment transactions.
- Retained earnings increased by ¥35,441 million from the end of the previous fiscal year primarily due to the recording of profit attributable to owners of parent.

(3) Overview of Cash Flows for the Period

Cash and cash equivalents (hereinafter referred to as “cash”) for the current fiscal year increased by ¥37,040 million from the end of the previous fiscal year and amounted to ¥184,069 million at the end of the current fiscal year.

The status of cash flows and their contributing factors for the current fiscal year are as follows.

(Cash flows from operating activities)

Cash used in operating activities amounted to ¥9,512 million. This is primarily attributable to profit before tax of ¥44,188 million, an increase in trade and other receivables of ¥108,732 million, an increase in trade and other payables of ¥4,405 million, an increase in deposits received of ¥45,203 million, net increase in money held in trust of ¥56,500 million, a decrease in guarantee deposits (proceeds from return of deposits) of ¥66,500 million, income taxes paid of ¥5,242 million, and income taxes refunded of ¥2,567 million.

(Cash flows from investing activities)

Cash used in investing activities amounted to ¥29,240 million. This is primarily attributable to purchase of investment securities of ¥4,299 million, purchase of property, plant and equipment of ¥1,413 million, purchase of intangible assets of ¥3,686 million, payments into time deposits of ¥40,000 million, and proceeds from withdrawal of time deposits of ¥20,000 million.

(Cash flows from financing activities)

Cash provided by financing activities amounted to ¥73,473 million. This is primarily attributable to an increase in short-term borrowings of ¥51,956 million, proceeds from issuance of bonds and long-term borrowings of ¥55,900 million, and redemption of bonds and repayments of long-term borrowings of ¥32,844 million.

(4) Future Outlook

Toward achieving the Group mission, the Group’s policy is to continue to essentially aim for top-line growth that will lead to increased profits. For the fiscal year ending June 30, 2027, consolidated revenue is forecast to be between ¥260,000 million and ¥290,000 million (up 13.4–26.5% year-on-year) and consolidated core operating profit to be ¥45,000 million or more (up 1.9% or more year-on-year).

2. Basic Policy Regarding Selection of Accounting Standards

The Group has voluntarily adopted International Financial Reporting Standards (IFRS) to improve international comparability and usability of financial information.

3. Consolidated Financial Statements and Primary Notes

(1) Consolidated Statement of Financial Position

(Millions of yen)

	As of June 30, 2025	As of June 30, 2026
Assets		
Current assets		
Cash and cash equivalents	147,028	184,069
Trade and other receivables	254,728	363,953
Deposits paid	6,370	3,138
Other financial assets	1,195	127,678
Other current assets	10,918	4,157
Total current assets	420,241	682,996
Non-current assets		
Property, plant and equipment	1,428	2,621
Right-of-use assets	8,563	8,008
Intangible assets	1,270	4,088
Deferred tax assets	8,478	17,518
Guarantee deposits	67,328	832
Other financial assets	35,607	9,958
Other non-current assets	845	597
Total non-current assets	123,522	43,626
Total assets	543,763	726,622

(Millions of yen)

	As of June 30, 2025	As of June 30, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	15,049	19,154
Bonds and borrowings	74,196	143,243
Lease liabilities	1,450	1,571
Income taxes payable	718	16,384
Deposits received	217,268	264,161
Other financial liabilities	1,834	3,033
Other current liabilities	8,992	10,825
Total current liabilities	319,511	458,373
Non-current liabilities		
Bonds and borrowings	116,754	122,886
Lease liabilities	6,975	6,621
Provisions	666	745
Deferred tax liabilities	88	90
Other non-current liabilities	124	437
Total non-current liabilities	124,610	130,780
Total liabilities	444,122	589,154
Equity		
Share capital	48,176	49,182
Capital surplus	50,998	51,887
Retained earnings	(3,014)	32,426
Treasury shares	(0)	(2)
Other components of equity	3,109	3,575
Equity attributable to owners of parent	99,269	137,069
Non-controlling interests	371	398
Total equity	99,640	137,468
Total liabilities and equity	543,763	726,622

(2) Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income

(Consolidated Statement of Profit or Loss)

(Millions of yen)

	For the fiscal year ended June 30, 2025	For the fiscal year ended June 30, 2026
Revenue	192,633	229,293
Cost of sales	54,374	60,387
Gross profit	138,258	168,906
Selling, general and administrative expenses	110,684	124,724
Other income	920	498
Other expenses	654	774
Operating profit	27,840	43,905
Finance income	1,948	1,286
Finance costs	668	1,002
Profit before tax	29,120	44,188
Income tax expense	2,941	8,760
Profit	26,178	35,428
Profit attributable to		
Owners of parent	26,114	35,401
Non-controlling interests	64	27
Profit	26,178	35,428
Earnings per share		
Basic earnings per share (yen)	159.05	214.74
Diluted earnings per share (yen)	154.85	209.06

(Consolidated Statement of Comprehensive Income)

(Millions of yen)

	For the fiscal year ended June 30, 2025	For the fiscal year ended June 30, 2026
Profit	26,178	35,428
Other comprehensive income (after considering tax effects)		
Items that will not be reclassified to profit or loss		
Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	962	415
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(467)	477
Effective portion of change in fair value of cash flow hedges	(519)	90
Total other comprehensive income (after considering tax effects)	(24)	982
Comprehensive income	26,153	36,411
Comprehensive income attributable to		
Owners of parent	26,090	36,384
Non-controlling interests	62	26
Comprehensive income	26,153	36,411

(3) Consolidated Statement of Changes in Equity

For the fiscal year ended June 30, 2025

(Millions of yen)

	Equity attributable to owners of parent						
					Other components of equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Share award rights	Share acquisition rights	Exchange differences on translation of foreign operations
Balance as of July 1, 2024	47,349	50,192	(29,125)	(0)	–	1,613	1,308
Profit			26,114				
Other comprehensive income							(467)
Comprehensive income	–	–	26,114	–	–	–	(467)
Issuance of shares	827	212				(1,024)	
Purchase of treasury shares				(0)			
Share-based payment transactions		733				731	
Transfer from other components of equity to retained earnings			(3)				
Redemption of convertible-bond-type bonds with stock acquisition rights		(139)					
Total transactions with owners	827	806	(3)	(0)	–	(292)	–
Balance as of June 30, 2025	48,176	50,998	(3,014)	(0)	–	1,321	840

	Equity attributable to owners of parent					
	Other components of equity					
	Effective portion of change in fair value of cash flow hedges	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehen-sive income	Total	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of July 1, 2024	531	(32)	3,422	71,836	308	72,145
Profit				26,114	64	26,178
Other comprehensive income	(519)	963	(23)	(23)	(1)	(24)
Comprehensive income	(519)	963	(23)	26,090	62	26,153
Issuance of shares			(1,024)	15		15
Purchase of treasury shares				(0)		(0)
Share-based payment transactions			731	1,465		1,465
Transfer from other components of equity to retained earnings		3	3	–		–
Redemption of convertible-bond-type bonds with stock acquisition rights				(139)		(139)
Total transactions with owners	–	3	(289)	1,341	–	1,341
Balance as of June 30, 2025	12	934	3,109	99,269	371	99,640

For the fiscal year ended June 30, 2026

(Millions of yen)

	Equity attributable to owners of parent						
					Other components of equity		
	Share capital	Capital surplus	Retained earnings	Treasury shares	Share award rights	Share acquisition rights	Exchange differences on translation of foreign operations
Balance as of July 1, 2025	48,176	50,998	(3,014)	(0)	–	1,321	840
Profit			35,401				
Other comprehensive income							477
Comprehensive income	–	–	35,401	–	–	–	477
Issuance of shares	1,005	12			(129)	(846)	
Purchase of treasury shares				(1)			
Share-based payment transactions		875			264	234	
Transfer from other components of equity to retained earnings			40				
Total transactions with owners	1,005	888	40	(1)	134	(611)	–
Balance as of June 30, 2026	49,182	51,887	32,426	(2)	134	709	1,317

	Equity attributable to owners of parent					
	Other components of equity					
	Effective portion of change in fair value of cash flow hedges	Net gain (loss) on revaluation of financial assets measured at fair value through other comprehensive income	Total	Total equity attributable to owners of parent	Non-controlling interests	Total equity
Balance as of July 1, 2025	12	934	3,109	99,269	371	99,640
Profit				35,401	27	35,428
Other comprehensive income	90	416	983	983	(0)	982
Comprehensive income	90	416	983	36,384	26	36,411
Issuance of shares			(975)	42		42
Purchase of treasury shares				(1)		(1)
Share-based payment transactions			499	1,374		1,374
Transfer from other components of equity to retained earnings		(40)	(40)	–		–
Total transactions with owners	–	(40)	(516)	1,415	–	1,415
Balance as of June 30, 2026	103	1,310	3,575	137,069	398	137,468

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended June 30, 2025	For the fiscal year ended June 30, 2026
Cash flows from operating activities		
Profit before tax	29,120	44,188
Depreciation and amortization	1,831	2,876
Gain on redemption of bonds	(1,113)	–
Interest and dividend income	(825)	(1,286)
Interest expenses	500	642
Decrease (increase) in trade and other receivables	(59,505)	(108,732)
Decrease (increase) in deposits paid	(2,678)	3,285
Increase (decrease) in trade and other payables	(6,396)	4,405
Increase (decrease) in deposits received	17,733	45,203
Net decrease (increase) in money held in trust	–	(56,500)
Other	(1,418)	(7,619)
Subtotal	(22,754)	(73,536)
Interest received	783	644
Interest paid	(309)	(475)
Decrease (increase) in guarantee deposits	14,280	66,500
Income taxes paid	(4,096)	(5,242)
Income taxes refund	112	2,567
Other	34	28
Net cash provided by (used in) operating activities	(11,949)	(9,512)
Cash flows from investing activities		
Purchase of investment securities	(30,454)	(4,299)
Purchase of property, plant and equipment	(300)	(1,413)
Purchase of intangible assets	(863)	(3,686)
Payments of leasehold and guarantee deposits	(606)	(86)
Payments into time deposits	–	(40,000)
Proceeds from withdrawal of time deposits	–	20,000
Other	859	247
Net cash provided by (used in) investing activities	(31,364)	(29,240)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	2,065	51,956
Proceeds from issuance of bonds and long-term borrowings	46,200	55,900
Redemption of bonds and repayments of long-term borrowings	(46,463)	(32,844)
Proceeds from issuance of shares	15	14
Repayments of lease liabilities	(1,312)	(1,552)
Net cash provided by (used in) financing activities	504	73,473
Effect of exchange rate changes on cash and cash equivalents	(2,160)	2,319
Net increase (decrease) in cash and cash equivalents	(44,969)	37,040
Cash and cash equivalents at the beginning of period	191,998	147,028
Cash and cash equivalents at the end of period	147,028	184,069

(Note) In the Consolidated Statement of Cash Flows for the previous fiscal year, the “Purchase of intangible assets” previously included under “Other” in “Cash flows from investing activities” has been presented separately starting from the current fiscal year due to its increased materiality. To reflect this change in presentation, the consolidated financial statements for the previous fiscal year have been reclassified. As a result, in the Consolidated Statement of Cash Flows for the previous fiscal year, ¥(3) million previously presented under “Other” in “Cash flows from investing activities” has been reclassified as ¥(863) million under “Purchase of intangible assets” and ¥859 million under “Other.”

(5) Notes to the Consolidated Financial Statements

Notes on going concern assumption

Not applicable.

Segment information

(1) Overview of reportable segments

The business segments of Mercari Group are defined as those units of the Company and its subsidiaries for which separate financial information is available and are regularly reviewed by the Board of Directors and the Executive Committee to make decisions on the allocation of management resources and to assess business results. The Group classifies the reportable segments as “Japan Business,” for which the Group operates its core business of the *Mercari* marketplace in Japan, and “US,” for which the Group operates the *Mercari* (US) marketplace app in the United States of America. The Group also proposes and determines Group strategies along these segment lines. There are no aggregated business segments when deciding the reportable segments.

Note that the principal information included in each reportable segment is as follows.

Japan Business	Marketplace	Operation of a marketplace app in Japan
	Fintech	Payment-, finance-, and cryptoasset-related business in Japan
US	Marketplace	Operation of a marketplace app in the US

(2) Information regarding profit or loss by reportable segments

Intersegment revenue is based on actual market price.

For the fiscal year ended June 30, 2025

(Millions of yen)

	Reportable segments			Other (Note 2)	Total	Adjust-ments (Note 3)	Consoli-dated
	Japan Business	US (Note 4)	Total				
Revenue							
Marketplace	111,200	36,418	147,618	–	147,618	–	147,618
Fintech	38,597	–	38,597	–	38,597	–	38,597
Other	8	–	8	6,407	6,416	–	6,416
Total	149,807	36,418	186,225	6,407	192,633	–	192,633
Revenue from contracts with customers	122,297	36,418	158,715	6,407	165,123	–	165,123
Revenue from other sources	27,509	–	27,509	–	27,509	–	27,509
Total	149,807	36,418	186,225	6,407	192,633	–	192,633
Revenue from external customers (Note 5)	149,807	36,418	186,225	6,407	192,633	–	192,633
Intersegment revenue or transfers	–	–	–	1,801	1,801	(1,801)	–
Total	149,807	36,418	186,225	8,208	194,434	(1,801)	192,633
Segment profit (loss) (Note 1)	34,860	737	35,597	385	35,983	(8,143)	27,840
Finance income	–	–	–	–	–	–	1,948
Finance costs	–	–	–	–	–	–	668
Profit before tax	–	–	–	–	–	–	29,120
(Other items)							
Depreciation and amortization	1,121	26	1,148	300	1,449	381	1,831

(Notes)
1. Total amount of the segment profit (loss) corresponds to operating profit described in the consolidated statements of income.
2. The “Other” column includes business segments that are not included in the reportable segments, such as the sports business.
3. Adjustments for segment profit (loss) mainly consist of general and administrative expenses that are not attributable to reportable segments.
4. For “US,” the amount of delivery revenue is recognized at the full amount of consideration received from the customer, which is recorded as ¥20,431 million.
5. “Revenue from external customers” includes revenue from contracts with customers and revenue from other sources. Revenue from other sources is primarily interest revenue in accordance with IFRS 9, which was ¥25,804 million. In addition, Mercoin, Inc. operates as a cryptoasset exchange service provider. For purchases and sales transactions of cryptoassets, the amounts were accounted for as derivatives in accordance with IFRS 9, and the associated revenue amounted to ¥1,705 million.
6. The amounts for segment assets and liabilities are not disclosed here because they are not included in the periodic review for determining the distribution of management resources and evaluating business results.

For the fiscal year ended June 30, 2026

(Millions of yen)

	Reportable segments			Other (Note 2)	Total	Adjust-ments (Note 3)	Consoli-dated
	Japan Business	US (Note 4)	Total				
Revenue							
Marketplace	129,526	40,782	170,308	–	170,308	–	170,308
Fintech	51,201	–	51,201	–	51,201	–	51,201
Other	130	–	130	7,653	7,783	–	7,783
Total	180,858	40,782	221,640	7,653	229,293	–	229,293
Revenue from contracts with customers	140,420	40,782	181,202	7,653	188,855	–	188,855
Revenue from other sources	40,437	–	40,437	–	40,437	–	40,437
Total	180,858	40,782	221,640	7,653	229,293	–	229,293
Revenue from external customers (Note 5)	180,858	40,782	221,640	7,653	229,293	–	229,293
Intersegment revenue or transfers	–	–	–	2,514	2,514	(2,514)	–
Total	180,858	40,782	221,640	10,167	231,807	(2,514)	229,293
Segment profit (loss) (Note 1)	51,316	1,664	52,980	379	53,360	(9,454)	43,905
Finance income	–	–	–	–	–	–	1,286
Finance costs	–	–	–	–	–	–	1,002
Profit before tax	–	–	–	–	–	–	44,188
(Other items)							
Depreciation and amortization	1,374	63	1,438	718	2,156	719	2,876

(Notes) 1. Total amount of the segment profit (loss) corresponds to operating profit described in the consolidated statements of income.
2. The “Other” column includes business segments that are not included in the reportable segments, such as the sports business.
3. Adjustments for segment profit (loss) mainly consist of general and administrative expenses that are not attributable to reportable segments.
4. For “US,” the amount of delivery revenue is recognized at the full amount of consideration received from the customer, which is recorded as ¥22,370 million.
5. “Revenue from external customers” includes revenue from contracts with customers and revenue from other sources. Revenue from other sources is primarily interest revenue in accordance with IFRS 9, which was ¥38,864 million. In addition, Mercoin, Inc. operates as a cryptoasset exchange service provider. For purchases and sales transactions of cryptoassets, the amounts were accounted for as derivatives in accordance with IFRS 9, and the associated revenue amounted to ¥1,573 million.
6. The amounts for segment assets and liabilities are not disclosed here because they are not included in the periodic review for determining the distribution of management resources and evaluating business results.

(3) Matters related to changes in reportable segments, etc.

Effective from the first quarter of the fiscal year ended June 30, 2026, the segment name "Japan Region" has been changed to "Japan Business." This change is only a change in the name of the reportable segment and has no impact on segment information.

Accordingly, segment information for the fiscal year ended June 30, 2025, is presented under the segment name after the change.

(4) Revenue from external customers by product and service category

This information is omitted because the same information is disclosed in the segment information.

(5) Information by region

This information is omitted because the same information is disclosed in the segment information.

The "Other" category consists entirely of domestic sales.

The information on non-current assets by region is omitted because the amount of non-current assets located in Japan accounts for the majority of non-current assets in the Consolidated Statement of Financial Position.

(6) Information about major customers

This information is omitted because, of revenue from external customers, there are no customers that account for 10% or more of revenue in the Consolidated Statement of Profit or Loss.

Per share information

(1) Basic earnings per share and diluted earnings per share

	For the fiscal year ended June 30, 2025	For the fiscal year ended June 30, 2026
Basic earnings per share (yen)	159.05	214.74
Diluted earnings per share (yen)	154.85	209.06

(2) Basis for calculating basic earnings per share and diluted earnings per share

	For the fiscal year ended June 30, 2025	For the fiscal year ended June 30, 2026
Profit used to calculate basic earnings per share and diluted earnings per share		
Profit attributable to owners of parent (million yen)	26,114	35,401
Amount not attributable to common shareholders of parent (million yen)	–	–
Profit used to calculate basic earnings per share (million yen)	26,114	35,401
Profit adjustment (million yen)	–	–
Profit used to calculate diluted earnings per share (million yen)	26,114	35,401
Weighted average number of shares of common stock used to calculate basic earnings per share and diluted earnings per share		
Weighted average number of shares of common stock used to calculate basic earnings per share (thousands of shares)	164,189	164,857
Effect of dilutive potential common stock (thousands of shares)	4,449	4,481
Weighted average number of shares of common stock used to calculate diluted earnings per share (thousands of shares)	168,639	169,338
Outline of potential common stock excluded from the computation of diluted earnings per share due to its non-dilutive effect	–	–

(Note) There were no significant transactions involving common stock or potential common stock between the end of the fiscal year and the date of approval of these consolidated financial statements.

Significant subsequent events

Purchase and cancellation of treasury shares

At a meeting of its Board of Directors held on August 5, 2026, the Company passed a resolution to purchase treasury shares of the Company based on Article 34 of the Company's Articles of Incorporation and pursuant to Article 459, Paragraph 1 of the Companies Act. In addition, the Company has decided to cancel treasury shares pursuant to Article 178 of the Companies Act as detailed below.

1. Reason for purchasing treasury shares

   The Company will purchase treasury shares based on its approach to capital allocation disclosed in the full-year financial results announcement for the fiscal year ended June 30, 2025.

2. Details of purchase
   - (1) Type of shares to be purchased: Common shares of the Company
   - (2) Total number of shares to be purchased: Up to 4 million shares

     Note: Percentage of the total number of issued shares (excluding treasury shares): 2.4%
   - (3) Total purchase price of shares: Up to 10 billion JPY
   - (4) Purchase period: From August 6, 2026, to October 30, 2026
   - (5) Method of purchase: Open-market purchase on the Tokyo Stock Exchange based on a discretionary trading agreement
3. Details of cancellation
   - (1) Type of shares to be canceled: Common shares of the Company
   - (2) Total number of shares to be canceled: All treasury shares purchased in 2 above.
   - (3) Scheduled cancellation date: November 12, 2026

Additional information

Regarding capitalization of software

The Group provides services such as *Mercari* and *Merpay* and is focused on product development that utilizes technology. In recent years, in addition to providing value in new areas like digital asset transactions, the Group is seeking to enhance the user experience and strengthen the detection of fraudulent transactions.

As the certainty of obtaining economic benefits from the software used in these businesses has increased, the Company has clarified development processes and strengthened the approval process for determining the certainty of obtaining future economic benefits through the usage of software created by the Company. As a result, the software production expenses recognized as certain to yield economic benefits are capitalized as software or software in progress.