



# mercari

## Consolidated Financial Results for the Fiscal Year Ended June 30, 2025 [IFRS]

August 5, 2025

Company name: Mercari, Inc.

Stock exchange listing: Tokyo Stock Exchange

Code number: 4385

URL: <https://about.mercari.com/en/>

Representative: Shintaro Yamada, Representative Executive Officer and CEO

Contact: Sayaka Eda, Executive Officer, Senior Vice President of Corporate, and Chief Financial Officer

Phone: +81-3-6804-6907

Scheduled date of annual general meeting of shareholders: September 25, 2025

Scheduled date of filing annual securities report: September 24, 2025

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, 2025 (the “Period”)

(July 1, 2024, to June 30, 2025)

(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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Fiscal year ended 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
June 30, 2024	187,407	9.0	18,869	12.9	17,486	6.7	13,455	3.1	13,461	2.7	14,906	9.4

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

Fiscal year ended June 30, 2024: ¥17,889 million [9.1%]

(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, 2025	159.05	154.85	30.5	5.6	14.3
June 30, 2024	82.48	79.01	21.2	3.9	10.1

### (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, 2025	543,763	99,640	99,269	18.3	603.28
As of June 30, 2024	501,773	72,145	71,836	14.3	438.33

**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.

**(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, 2025	(11,949)	(31,364)	504	147,028
June 30, 2024	(43,337)	(877)	32,091	191,998

**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, 2024	-	0.00	-	0.00	0.00	-	-	-
June 30, 2025	-	0.00	-	0.00	0.00	-	-	-
Fiscal year ending June 30, 2026 (Forecast)	-	0.00	-	0.00	0.00		-	

**3. Consolidated Financial Results Forecast for the Fiscal Year Ending June 30, 2026****(July 1, 2025, to June 30, 2026)**

(% indicates changes from the previous corresponding period.)

	Revenue		Core operating profit	
	Millions of yen	%	Millions of yen	%
Fiscal year ending June 30, 2026	200,000	3.8	28,000	1.5
	to 210,000	to 9.0	to 32,000	to 16.1

**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 stock):
 

June 30, 2025:	164,548,524 shares
June 30, 2024:	163,889,610 shares
  - 2) Total number of treasury stock at the end of the Period:
 

June 30, 2025:	287 shares
June 30, 2024:	196 shares
  - 3) Average number of shares during the Period:
 

Fiscal year ended June 30, 2025:	164,189,575 shares
Fiscal year ended June 30, 2024:	163,220,957 shares

## (Reference) Summary of Non-consolidated Financial Results

**1. Non-consolidated Financial Results for the Fiscal Year Ended June 30, 2025 (July 1, 2024, to June 30, 2025)****(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, 2025	111,511	3.4	22,352	(1.1)	22,127	(2.3)	20,674	111.5
June 30, 2024	107,891	6.1	22,611	(17.1)	22,639	(16.8)	9,775	34.4

	Basic earnings per share	Diluted earnings per share
Fiscal year ended	Yen	Yen
June 30, 2025	125.92	122.60
June 30, 2024	59.89	57.38

**(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, 2025	165,478	90,000	53.8	541.52
As of June 30, 2024	166,185	68,186	40.5	410.29

(Reference) Equity: As of June 30, 2025: ¥89,106 million  
 As of June 30, 2024: ¥67,242 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.

## 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.

### Appendix

#### Table of Contents

1. Overview of Operating Results, etc.	2
(1) Overview of Operating Results for the Period	2
(2) Overview of Financial Position for the Period	3
(3) Overview of Cash Flows for the Period	4
(4) Future Outlook	4
2. Basic Policy Regarding Selection of Accounting Standards	5
3. Consolidated Financial Statements and Primary Notes	6
(1) Consolidated Financial Position	6
(2) Consolidated Statement of Profit or Loss and Consolidated Statement of Comprehensive Income	8
(3) Consolidated Statement of Changes in Equity	10
(4) Consolidated Statement of Cash Flows	12
(5) Notes to the Consolidated Financial Statements	13
Notes on going concern assumption	13
Segment information	13
Per share information	16
Significant subsequent events	17

## 1. Overview of Operating Results, etc.

### (1) Overview of Operating Results for the Period

The Company's Group mission is to "circulate all forms of value to unleash the potential in all people." To realize this mission, during the fiscal year ended June 30, 2025, the Group set a policy of essentially aiming for top-line growth that will lead to increased profits and expanding businesses centered around Group synergy, and worked to achieve full-year consolidated revenue in the range of ¥200,000 million to ¥210,000 million and core operating profit in the range of ¥22,000 million to ¥25,000 million. As a result, while revenue was ¥192,633 million on a consolidated basis mainly due to the slowing of the growth rate of revenue for the Marketplace and US domains, core operating profit was ¥27,574 million, significantly exceeding the ¥25,000 million high end of the consolidated financial results forecast.

For the Marketplace domain, the Group worked to achieve stable growth in C2C transactions by implementing product initiatives such as AI/LLM-based UI/UX innovations, in conjunction with initiatives aimed at achieving strong growth in the high-growth areas of crossborder transactions, B2C transactions, and *Mercari Hallo*. The full-year GMV <sup>(Note 1)</sup> for the Marketplace domain was ¥1,120.9 billion, up 4% year-on-year due to the contribution of crossborder transactions and B2C transactions to top-line growth as well as the success of swift measures in response to fraudulent use, which affected user trust during the period, in order to keep GMV impact to a minimum. Adjusted core operating margin <sup>(Note 2)</sup> was 38%, inclusive of the investment in *Mercari Hallo*, thereby maintaining high profitability. The Group conducted efficient investment in *Mercari Hallo*, and the number of registered crew as well as the number of partner locations grew significantly over the year. The Group ended the no-fee promotion of its on-demand work business at the end of March and began charging fees from April.

In the Fintech domain, from the current fiscal year, the Group worked to shift operations to a phase of continuously increasing profit through the steady accumulation of credit balance. Full-year revenue continued to grow at a high rate of 15% year-on-year (18% year-on-year excluding the accounting treatment where a portion of point-related expenses is deducted from revenue) driven by the growth of fixed-amount payment credit, and core operating profit amounted to ¥4.5 billion due to the promotion of revenue-focused management. Also, amid credit balance <sup>(Note 3)</sup> reaching ¥248.1 billion and growing soundly, the collection rate <sup>(Note 4)</sup> maintained a high level of 99.3% as a result of strict credit control that utilizes the Group's unique AI credit check and other measures, realizing sound growth that balances growth and risk management. Additionally, in order to expand credit services both inside and outside *Mercari*, the Group also launched *Mercard Gold*.

As a result of the above, Japan Region reported revenue of ¥149,807 million (up 8.5% year-on-year) and segment profit of ¥34,860 million (up 13.7% year-on-year) for the fiscal year ended June 30, 2025.

In the US, the Group's objective was to commit to breaking even and aim to get back on track for growth. In the second half of the year, the Group shifted to focusing on strengthening the core product experience, and changed its fee model, resulting in signs of improvement in the GMV growth rate in Q4. As a result, full-year GMV for the current fiscal year was US\$728 million (¥109.1 billion; the exchange rate conversion is the total of the amounts calculated for each month using the average rate during the month), and revenue amounted to ¥36,418 million (down 16.6% year-on-year). The segment profit amounted to ¥737 million (compared to a segment loss of ¥5,293 million in the corresponding period of the previous fiscal year) due to improved unit economics resulting from the strengthening of the core product experience, as well as optimization of marketing expenses and further review of fixed costs, resulting in achieving profitability for the current fiscal year.

As a result, for the fiscal year ended June 30, 2025, the Group recorded revenue of ¥192,633 million (2.8% increase year-on-year), operating profit of ¥27,840 million (59.2% increase year-on-year), and profit attributable to owners of parent of ¥26,114 million (94.0% increase year-on-year).

(Note 1) GMV (Gross Merchandise Value) is the total value of merchandise sold during a specified period. GMV does not include *Mercari Hallo* earnings.

(Note 2) Refers to figures after deducting internal transactions between Marketplace and Fintech (outsourced payment processing fees).

(Note 3) *Merpay Smart Payments* (lump-sum, fixed-amount payment, and installment payment) and *Merpay Smart Money* credit balance as of June 30, 2025 (excludes debt converted into bankruptcy reorganization debt, etc.).

(Note 4) Average aggregated rate of the quarterly cumulative collections completed within the past 11 months compared to the amount of *Merpay Smart Payments* (lump-sum payment and fixed-amount payment) and *Merpay Smart Money* billed in the past 11 months (excludes debt converted into bankruptcy reorganization debt, etc.).

## (2) Overview of Financial Position for the Period

### (Assets)

Total assets at the end of the current fiscal year increased by ¥41,990 million from the end of the previous fiscal year to ¥543,763 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 ¥59,291 million compared to the end of the previous fiscal year, primarily due to an increase in use of *Merpay Smart Payments* (lump-sum payment, fixed-amount payment, and installment payment).
- Right-of-use assets increased by ¥5,086 million compared to the end of the previous fiscal year mainly due to new lease agreements.
- Guarantee deposits decreased by ¥14,284 million from the end of the previous fiscal year, primarily due to the return of deposits for *Merpay*.
- Other financial assets (non-current assets) increased by ¥32,339 million compared to the end of the previous fiscal year, primarily due to the conversion of a portion of monetary deposits in the money transfer business to government bond deposits, with the aim of improving financial efficiency across the Group, resulting in an increase in government bonds (investment securities).

### (Liabilities)

Total liabilities at the end of the current fiscal year increased by ¥14,495 million from the end of the previous fiscal year to ¥444,122 million.

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

- Trade and other payables decreased by ¥6,511 million from the end of the previous fiscal year due to payment of accounts payable.
- Borrowings (current liabilities) increased by ¥8,528 million from the end of the previous fiscal year, primarily due to changes in the liquidation of receivables for lump-sum payments and fixed-amount payments.
- Deposits received increased by ¥16,147 million from the end of the previous fiscal year, primarily due to higher spending on *Mercari* and *Merpay*.
- Bonds and borrowings (non-current liabilities) decreased by ¥7,509 million from the end of the previous fiscal year, primarily due to the redemption of bonds.
- Lease liabilities increased by ¥5,048 million from the end of the previous fiscal year mainly due to new lease agreements.

### (Equity)

Total equity at the end of the current fiscal year increased by ¥27,495 million from the end of the previous fiscal year to ¥99,640 million.

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

- Share capital increased by ¥827 million from the end of the previous fiscal year following the issuance of new shares.
- Capital surplus increased by ¥806 million from the end of the previous fiscal year following the issuance of new shares and share-based payment transactions.
- Retained earnings increased by ¥26,111 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 decreased by ¥44,969 million from the end of the previous fiscal year and amounted to ¥147,028 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 during the current fiscal year amounted to ¥11,949 million (compared to ¥43,337 million used in the previous fiscal year). This is primarily attributable to profit before tax of ¥29,120 million, gain on redemption of bonds of ¥1,113 million, an increase in trade and other receivables of ¥59,505 million, a decrease in trade and other payables of ¥6,396 million, an increase in deposits received of ¥17,733 million, a decrease in guarantee deposits (proceeds from return of deposits) of ¥14,280 million, and income taxes paid of ¥4,096 million.

#### (Cash flows from investing activities)

Cash used in investing activities during the current fiscal year amounted to ¥31,364 million (compared to ¥877 million used in the previous fiscal year). This is attributable to purchase of investment securities of ¥30,454 million, purchase of property, plant and equipment of ¥300 million, and payments of leasehold and guarantee deposits of ¥606 million.

#### (Cash flows from financing activities)

Cash provided by financing activities during the current fiscal year amounted to ¥504 million (compared to ¥32,091 million provided in the previous fiscal year). This is primarily attributable to net increase (decrease) in short-term borrowings of ¥2,065 million, proceeds of ¥46,200 million from long-term borrowings, redemption of bonds and repayments of long-term borrowings of ¥46,463 million, and repayments of lease liabilities of ¥1,312 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, 2026, consolidated revenue is forecast to be between ¥200.0 billion and ¥210.0 billion (up 3.8–9.0% year-on-year) and consolidated core operating profit between ¥28.0 billion and ¥32.0 billion (up 1.5–16.1% year-on-year).

**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.

**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.



**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.

**3. Consolidated Financial Statements and Primary Notes****(1) Consolidated Financial Position**

(Millions of yen)

	As of June 30, 2024	As of June 30, 2025
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	191,998	147,028
Trade and other receivables	195,437	254,728
Deposits paid	3,764	6,370
Other financial assets	1,543	1,195
Other current assets	9,289	10,918
<b>Total current assets</b>	402,033	420,241
<b>Non-current assets</b>		
Property, plant and equipment	1,472	1,428
Right-of-use assets	3,477	8,563
Intangible assets	570	1,270
Deferred tax assets	8,350	8,478
Guarantee deposits	81,612	67,328
Other financial assets	3,268	35,607
Other non-current assets	988	845
<b>Total non-current assets</b>	99,739	123,522
<b>Total assets</b>	501,773	543,763

**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.

(Millions of yen)

	As of June 30, 2024	As of June 30, 2025
<b>Liabilities and equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	21,560	15,049
Borrowings	65,668	74,196
Lease liabilities	1,163	1,450
Income taxes payable	1,433	718
Deposits received	201,121	217,268
Other financial liabilities	1,363	1,834
Other current liabilities	10,232	8,992
<b>Total current liabilities</b>	<b>302,543</b>	<b>319,511</b>
<b>Non-current liabilities</b>		
Bonds and borrowings	124,263	116,754
Lease liabilities	2,214	6,975
Provisions	382	666
Deferred tax liabilities	95	88
Other non-current liabilities	127	124
<b>Total non-current liabilities</b>	<b>127,084</b>	<b>124,610</b>
<b>Total liabilities</b>	<b>429,627</b>	<b>444,122</b>
<b>Equity</b>		
Share capital	47,349	48,176
Capital surplus	50,192	50,998
Retained earnings	(29,125)	(3,014)
Treasury shares	(0)	(0)
Other components of equity	3,422	3,109
<b>Equity attributable to owners of parent</b>	<b>71,836</b>	<b>99,269</b>
<b>Non-controlling interests</b>	<b>308</b>	<b>371</b>
<b>Total equity</b>	<b>72,145</b>	<b>99,640</b>
<b>Total liabilities and equity</b>	<b>501,773</b>	<b>543,763</b>

**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.

**(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, 2024	For the fiscal year ended June 30, 2025
Revenue	187,407	192,633
Cost of sales	57,676	54,374
Gross profit	129,730	138,258
Selling, general and administrative expenses	110,861	110,684
Other income	598	920
Other expenses	1,981	654
Operating profit	17,486	27,840
Finance income	891	1,948
Finance costs	488	668
Profit before tax	17,889	29,120
Income tax expense	4,433	2,941
Profit	13,455	26,178
Profit attributable to		
Owners of parent	13,461	26,114
Non-controlling interests	(6)	64
Profit	13,455	26,178
Earnings per share		
Basic earnings per share (yen)	82.48	159.05
Diluted earnings per share (yen)	79.01	154.85

**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.

**(Consolidated Statement of Comprehensive Income)****(Millions of yen)**

	For the fiscal year ended June 30, 2024	For the fiscal year ended June 30, 2025
Profit	13,455	26,178
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	463	962
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	614	(467)
Effective portion of change in fair value of cash flow hedges	373	(519)
Total other comprehensive income (after considering tax effects)	1,451	(24)
Comprehensive income	14,906	26,153
Comprehensive income attributable to		
Owners of parent	14,911	26,090
Non-controlling interests	(4)	62
Comprehensive income	14,906	26,153

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.

(3) Consolidated Statement of Changes in Equity  
For the fiscal year ended June 30, 2024

(Millions of yen)

	Equity attributable to owners of parent				Other components of equity	
	Share capital	Capital surplus	Retained earnings	Treasury shares	Share acquisition rights	Exchange differences on translation of foreign operations
Balance as of July 1, 2023	45,596	49,706	(42,777)	(0)	2,272	694
Profit			13,461			
Other comprehensive income						614
Comprehensive income	—	—	13,461	—	—	614
Issuance of shares	1,752	(346)			(1,178)	
Purchase of treasury shares				(0)		
Share-based payment transactions		832			520	
Transfer from other components of equity to retained earnings			190			
Total transactions with owners	1,752	485	190	(0)	(658)	—
Balance as of June 30, 2024	47,349	50,192	(29,125)	(0)	1,613	1,308

	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, 2023	159	(305)	2,821	55,346	313	55,659
Profit				13,461	(6)	13,455
Other comprehensive income	371	463	1,449	1,449	1	1,451
Comprehensive income	371	463	1,449	14,911	(4)	14,906
Issuance of shares			(1,178)	226		226
Purchase of treasury shares				(0)		(0)
Share-based payment transactions			520	1,352		1,352
Transfer from other components of equity to retained earnings		(190)	(190)	—		—
Total transactions with owners	—	(190)	(848)	1,579	—	1,579
Balance as of June 30, 2024	531	(32)	3,422	71,836	308	72,145

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.

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 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 comprehensive 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

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.

(4) Consolidated Statement of Cash Flows

(Millions of yen)

	For the fiscal year ended June 30, 2024	For the fiscal year ended June 30, 2025
Cash flows from operating activities		
Profit before tax	17,889	29,120
Depreciation and amortization	2,042	1,831
Gain on redemption of bonds	—	(1,113)
Interest and dividend income	(891)	(825)
Interest expenses	202	500
Decrease (increase) in trade and other receivables	(68,635)	(59,505)
Change in deposits paid	(970)	(2,678)
Increase (decrease) in trade and other payables	501	(6,396)
Change in deposits received	35,887	17,733
Other	(286)	(1,418)
Subtotal	(14,260)	(22,754)
Interest received	837	783
Interest paid	(202)	(309)
Change in guarantee deposits	(20,000)	14,280
Income taxes paid	(10,274)	(4,096)
Income taxes refund	523	112
Other	38	34
Net cash provided by (used in) operating activities	(43,337)	(11,949)
Cash flows from investing activities		
Purchase of investment securities	(1,526)	(30,454)
Purchase of property, plant and equipment	(155)	(300)
Proceeds from refund of leasehold and guarantee deposits	531	—
Payments of leasehold and guarantee deposits	(33)	(606)
Other	306	(3)
Net cash provided by (used in) investing activities	(877)	(31,364)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(15,835)	2,065
Proceeds from issuance of bonds and long-term borrowings	51,000	46,200
Redemption of bonds and repayments of long-term borrowings	(1,888)	(46,463)
Proceeds from issuance of shares	226	15
Repayments of lease liabilities	(1,412)	(1,312)
Net cash provided by (used in) financing activities	32,091	504
Effect of exchange rate changes on cash and cash equivalents	2,299	(2,160)
Net increase (decrease) in cash and cash equivalents	(9,823)	(44,969)
Cash and cash equivalents at the beginning of period	201,822	191,998
Cash and cash equivalents at the end of period	191,998	147,028

(Note) In the Consolidated Statement of Cash Flows for the previous fiscal year, the “Payments of leasehold and guarantee deposits” previously included under “Other” in “Cash flows from investing activities” will be 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, the ¥272 million previously presented under “Other” in “Cash flows from investing activities” has been reclassified as ¥33 million under “Payments of leasehold and guarantee deposits” and ¥306 million under “Other.”

**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.

**(5) Notes to the Consolidated Financial Statements**

Notes on going concern assumption

Not applicable.

**Segment information****(1) Overview of reportable segments**

Financial information for Group operating segments separated according to business segment is available. This information is subject to periodic review to allow the Board of Directors and the Executive Committee to determine the distribution of management resources and to evaluate business results. The Group classifies the reportable segments as “Japan Region,” 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 Region	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.



**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.

For the fiscal year ended June 30, 2024

(Millions of yen)

	Reportable segments			Other (Note 2)	Total	Adjust- ments	Consoli- dated
	Japan Region	US	Total				
Revenue							
Marketplace	107,271	43,653	150,924	–	150,924	–	150,924
Fintech	30,837	–	30,837	–	30,837	–	30,837
Other	–	–	–	5,645	5,645	–	5,645
Total	138,108	43,653	181,762	5,645	187,407	–	187,407
Revenue from contracts with customers	118,982	43,653	162,635	5,645	168,281	–	168,281
Revenue from other sources	19,126	–	19,126	–	19,126	–	19,126
Total	138,108	43,653	181,762	5,645	187,407	–	187,407
Revenue from external customers	138,108	43,653	181,762	5,645	187,407	–	187,407
Intersegment revenue or transfers	–	–	–	1,559	1,559	(1,559)	–
Total	138,108	43,653	181,762	7,204	188,966	(1,559)	187,407
Segment profit (loss)	30,649	(5,293)	25,355	91	25,447	(7,960)	17,486
Finance income	–	–	–	–	–	–	891
Finance costs	–	–	–	–	–	–	488
Profit before tax	–	–	–	–	–	–	17,889
(Other items)							
Depreciation and amortization	1,290	41	1,332	278	1,610	432	2,042

(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 ¥25,274 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 ¥18,310 million. In addition, Mercoin, Inc. operates as a cryptoasset exchange service provider. For sales transactions conducted using cryptoassets, the amounts were accounted for as derivatives in accordance with IFRS 9, and the associated revenue amounted to ¥815 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.

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.

For the fiscal year ended June 30, 2025

(Millions of yen)

	Reportable segments			Other (Note 2)	Total	Adjust- ments	Consoli- dated
	Japan Region	US	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	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)	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 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 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 sales transactions conducted using 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.

## 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.

### (3) Revenue from external customers by product and service category

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

### (4) 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 Financial Position.

### (5) 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, 2024	For the fiscal year ended June 30, 2025
Basic earnings per share (yen)	82.48	159.05
Diluted earnings per share (yen)	79.01	154.85

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

	For the fiscal year ended June 30, 2024	For the fiscal year ended June 30, 2025
Profit used to calculate basic earnings per share and diluted earnings per share		
Profit attributable to owners of parent (million yen)	13,461	26,114
Amount not attributable to common shareholders of parent (million yen)	—	—
Profit used to calculate basic earnings per share (million yen)	13,461	26,114
Profit adjustment (million yen)	—	—
Profit used to calculate diluted earnings per share (million yen)	13,461	26,114
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)	163,220	164,189
Effect of dilutive potential common stock (thousands of shares)	7,153	4,449
Weighted average number of shares of common stock used to calculate diluted earnings per share (thousands of shares)	170,374	168,639
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.

## 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.

### Significant subsequent events

#### (Government Bond Deposit)

Our consolidated subsidiary, Merpay, Inc., pledged its government bonds as collateral as of July 10, 2025. The collateral amount is ¥30,000 million, which has been deposited with the Legal Affairs Bureau as issuance guarantee money in accordance with the Payment Services Act.