

Fiscal Year 2013 First Quarter Consolidated Financial Results

May 9, 2013

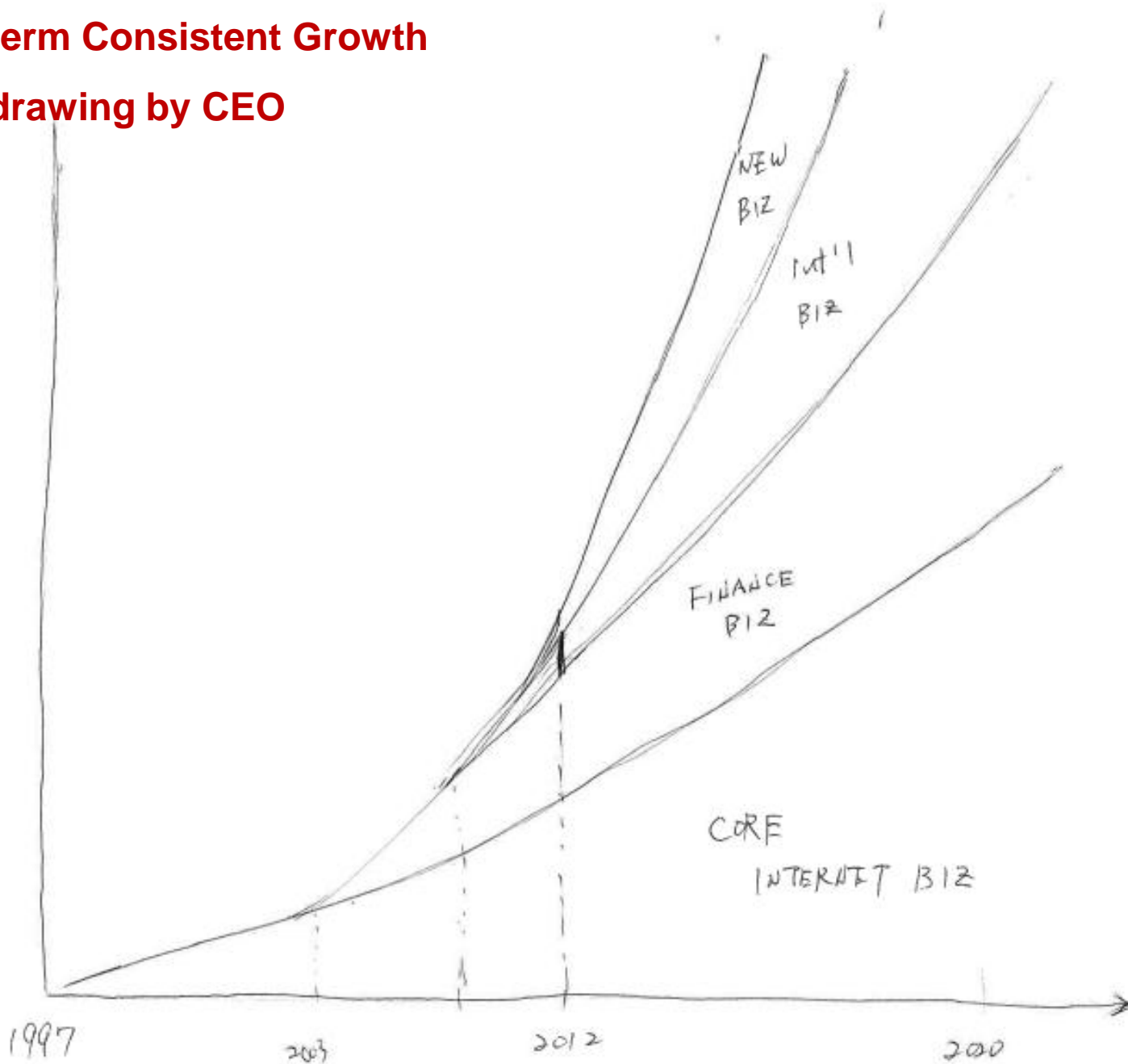
Rakuten, Inc.

This presentation includes forward-looking statements relating to our future plans, targets, objectives, expectations and intentions. The forward-looking statements reflect management's current assumptions and expectations of future events, and accordingly, they are inherently susceptible to uncertainties and changes in circumstances and are not guarantees of future performance. Actual results may differ materially, for a wide range of possible reasons, including general industry and market conditions and general international economic conditions. In light of the many risks and uncertainties, you are advised not to put undue reliance on these statements. The management targets included in this presentation are not projections, and do not represent management's current estimates of future performance. Rather, they represent targets that management strive to achieve through the successful implementation of the Company's business strategies. The Company may be unsuccessful in implementing its business strategies, and management may fail to achieve its targets. The Company is under no obligation – and expressly disclaims any such obligation – to update or alter its forward-looking statements. Names of companies, products, and services and such that appear in this material are trademarks or registered marks of their respective companies.

[Note] “Details of Internet Services Segment” on page 54 was amended on May 14, 2013

Long-term Consistent Growth

Hand drawing by CEO



Q1/13 Business Highlights

- **Operating Income robust growth: +23.1% YoY**
- **Financial business profit surged: +140.2%* YoY**
- **Domestic e-commerce maintained strong growth**
- **Global expansion is on track**
- **Kobo's top line doubled YoY**
- **Changed to IFRS accounting**

* Year on year growth after adjustments is +104.4% (Adjusted for transfer gain of JPY1.5bn of investment trust business transferred from Rakuten Bank to Rakuten Securities which was eliminated on a consolidated basis)

1 Consolidated Financial Results

- Rakuten started to report quarterly financial results based on IFRS from Q1/13, versus J-GAAP up to Q4/12.
- This presentation, where stated, includes J-GAAP figures for quarterly accounting periods prior to Q1/13.
- Numbers are rounded to the nearest million, etc.

Q1/13 Results Summary

- Revenue and profits increased over 20% YoY

(JPY bn, IFRS)

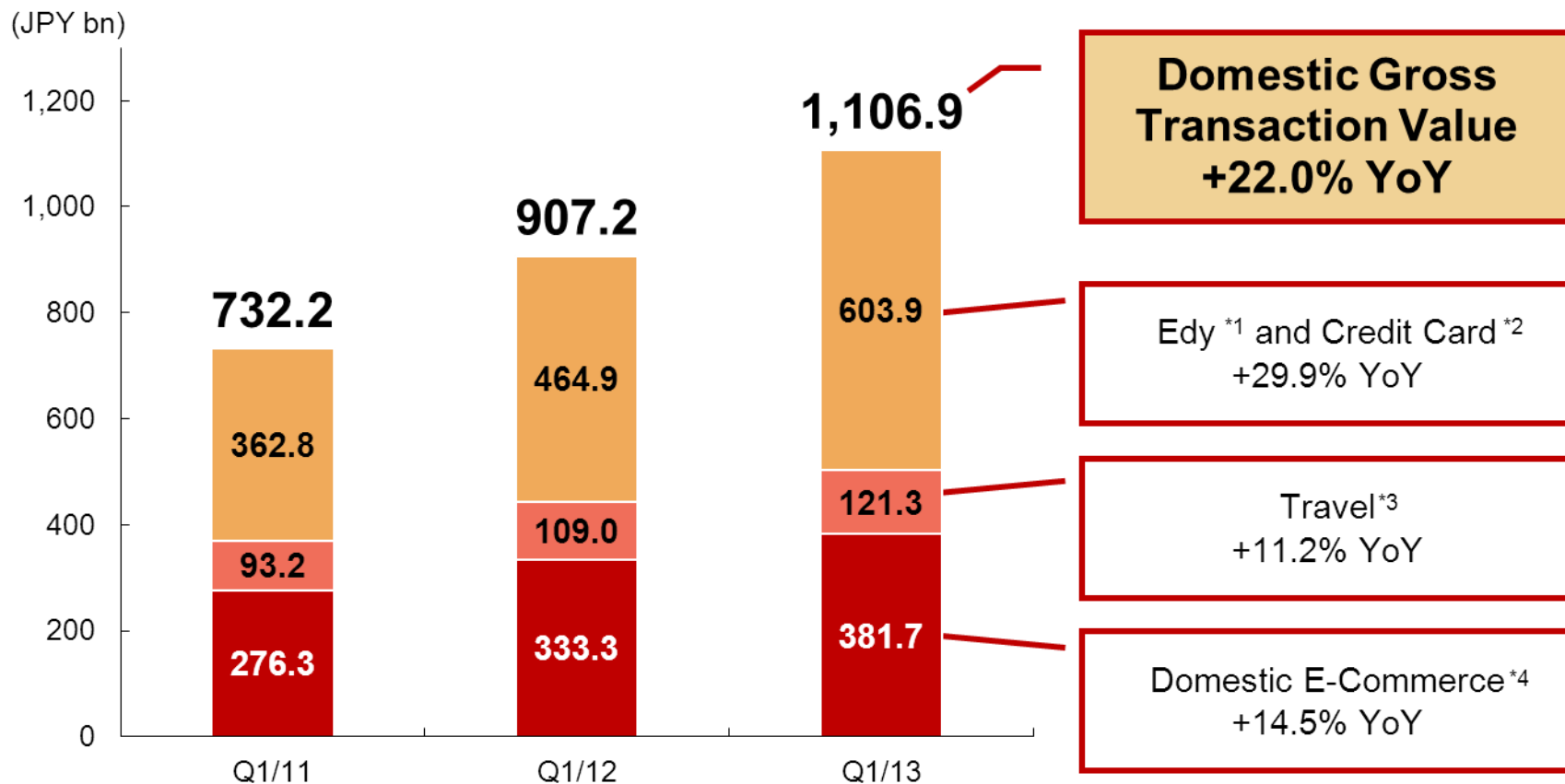
	Q1/13	YoY	Margin	Q1/12	FY2012
Revenue	113.1	+26.0%	-	89.8	400.4
Operating Income before Additional Line Items	22.9	+23.1%	20.2%	18.6	78.8
Operating Income	22.9	+23.1%	20.2%	18.6	50.1
Net Income Attributable to Owners of the Company	14.2	+40.1%	12.6%	10.2	20.5

Q1/13 Results by Segment

(JPY bn, IFRS)

	Q1/13	YoY	Margin	Q1/12
Internet Services Segment				
Revenue	68.7	+15.3%	-	59.6
Operating Income	15.7	+6.8%	22.9%	14.7
Internet Finance Segment				
Revenue	46.2	+57.3%	-	29.4
Operating Income	10.1	+140.2%	21.8%	4.2
Others Segment				
Revenue	6.7	-5.5%	-	7.1
Operating Income (Loss)	-0.2	-	-3.1%	-0.3
Adjustments				
Revenue	-8.4	-	-	-6.2
Operating Income (Loss)	-2.7	-	-	-0.0
Consolidated				
Revenue	113.1	+26.0%	-	89.8
Operating Income	22.9	+23.1%	20.2%	18.6

Domestic Gross Transaction Value (Including Credit Cards and E-Money)



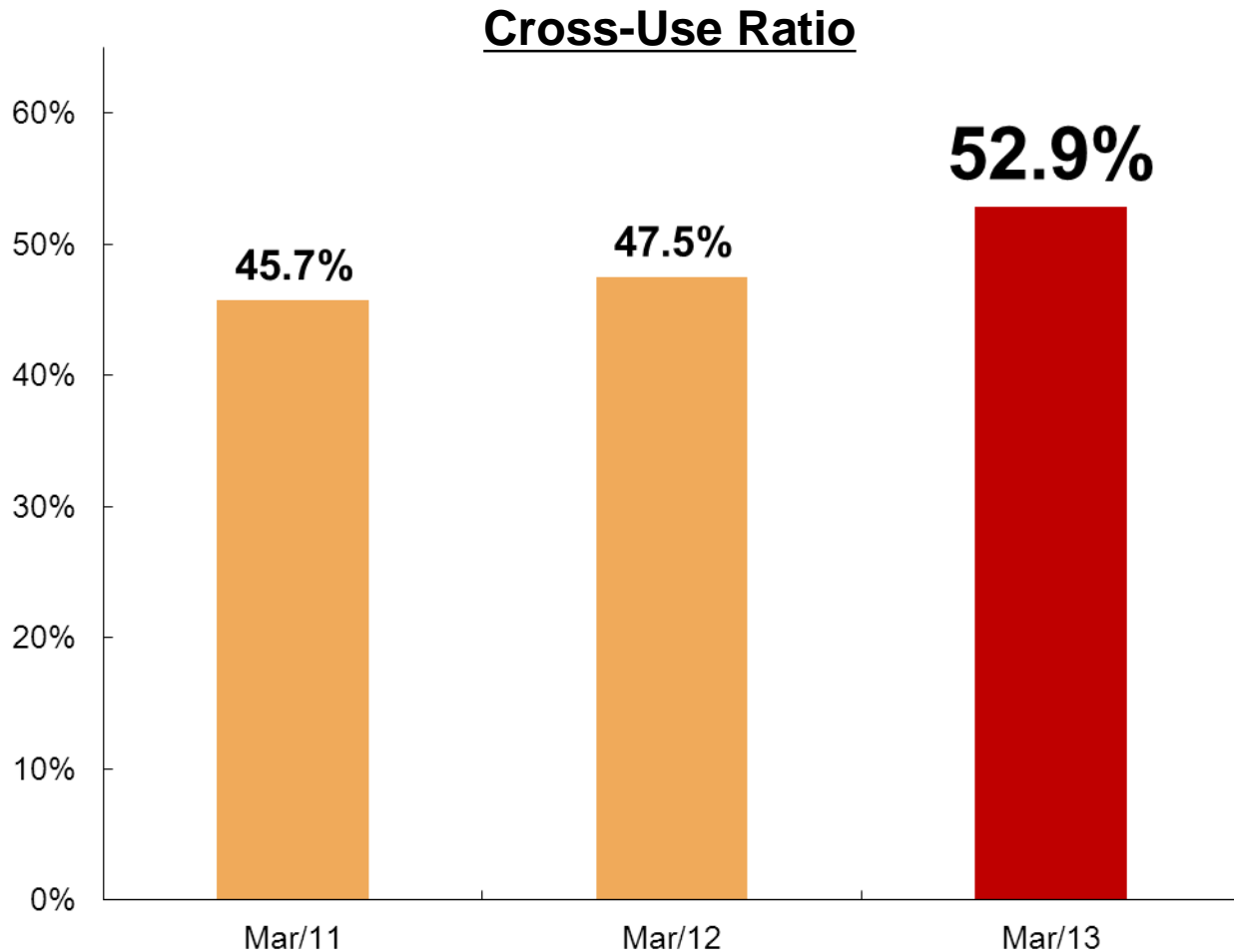
*1: Edy Transaction Value = Amount settled by E-Money "Edy" (including mobile and cards)

*2: Credit Card Shopping Transaction Value = Shopping Transaction Value of credit cards (including Rakuten group service use)

*3: Travel (before cancellations, excluding tax) = Domestic / international accommodation bookings, International air tickets, Domestic / international dynamic packages, bus services, rent-a-car and pet hotel services

*4: Domestic E-Commerce = Mall (Fixed-price, Group purchase), Mobile, Business, Golf, Books, Auction (Flea market), download, tickets, Internet Supermarket, Check Out, Off-track betting, toto, Showtime, Media rental, Dining, Salon (added from Q2/12), and Mart and Kenko.com (added from Q3/12)

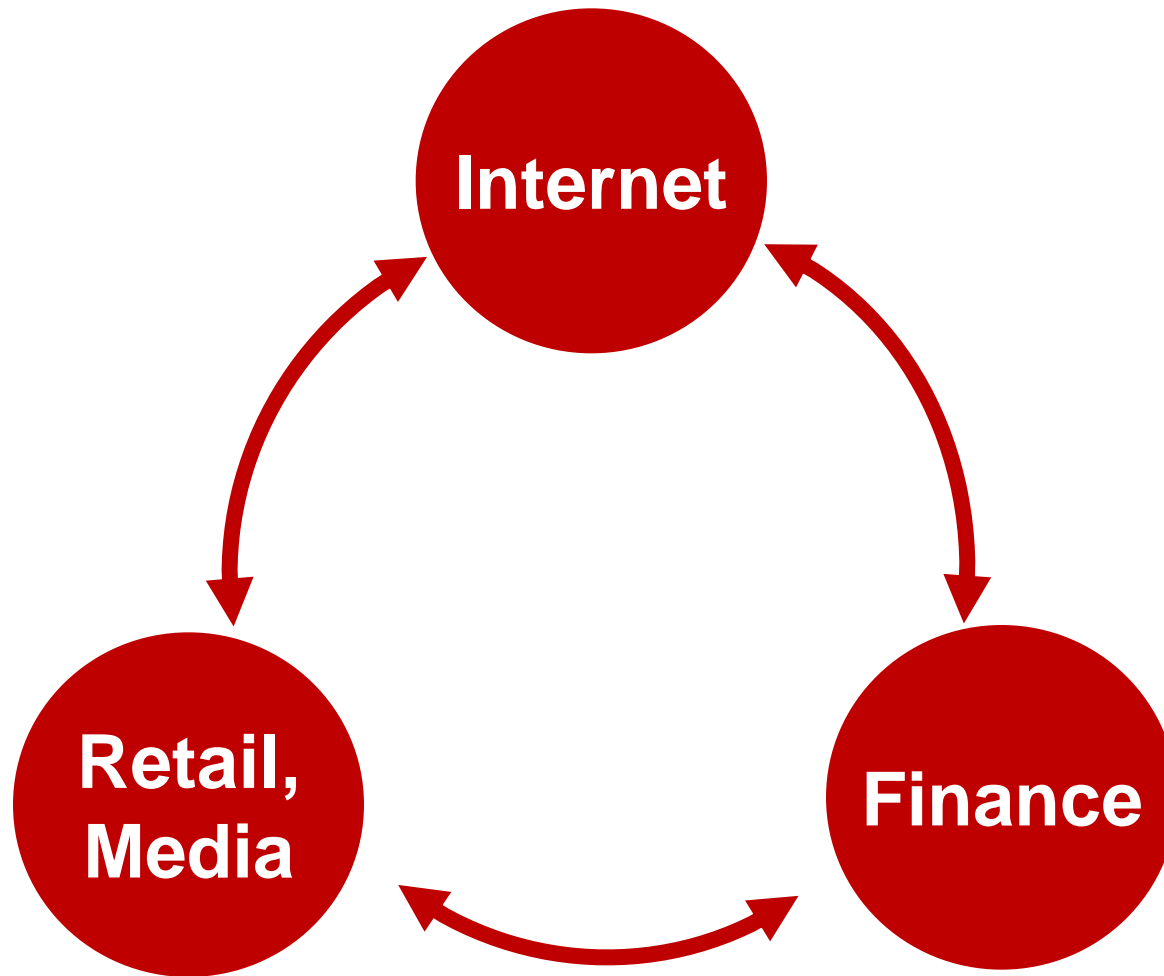
Enhanced Cross-use Ratio*



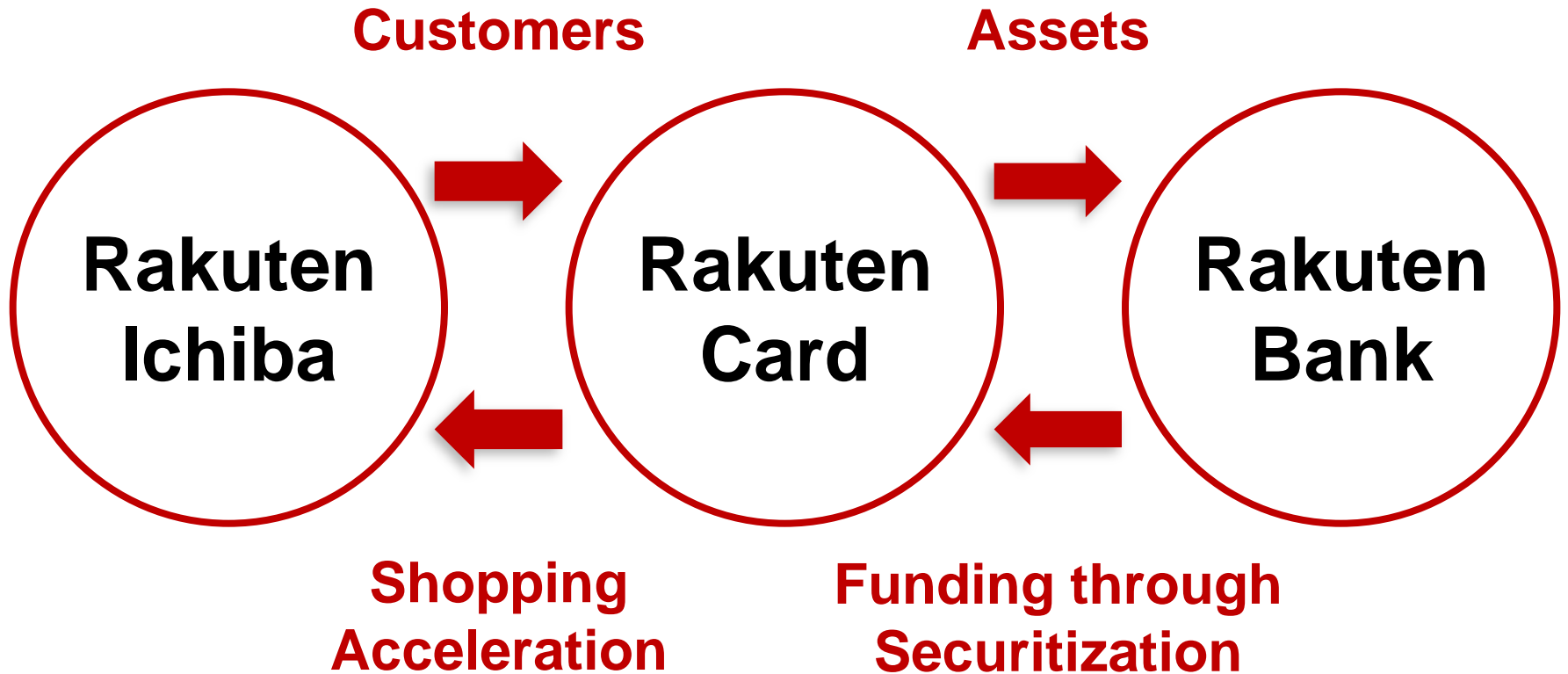
* Ratio of Rakuten Ichiba purchasers who have utilized other Rakuten services during the past 12 months of the listed month.
Applicable services are limited to those which can earn Rakuten Super Points

2 Internet Finance

Synergy

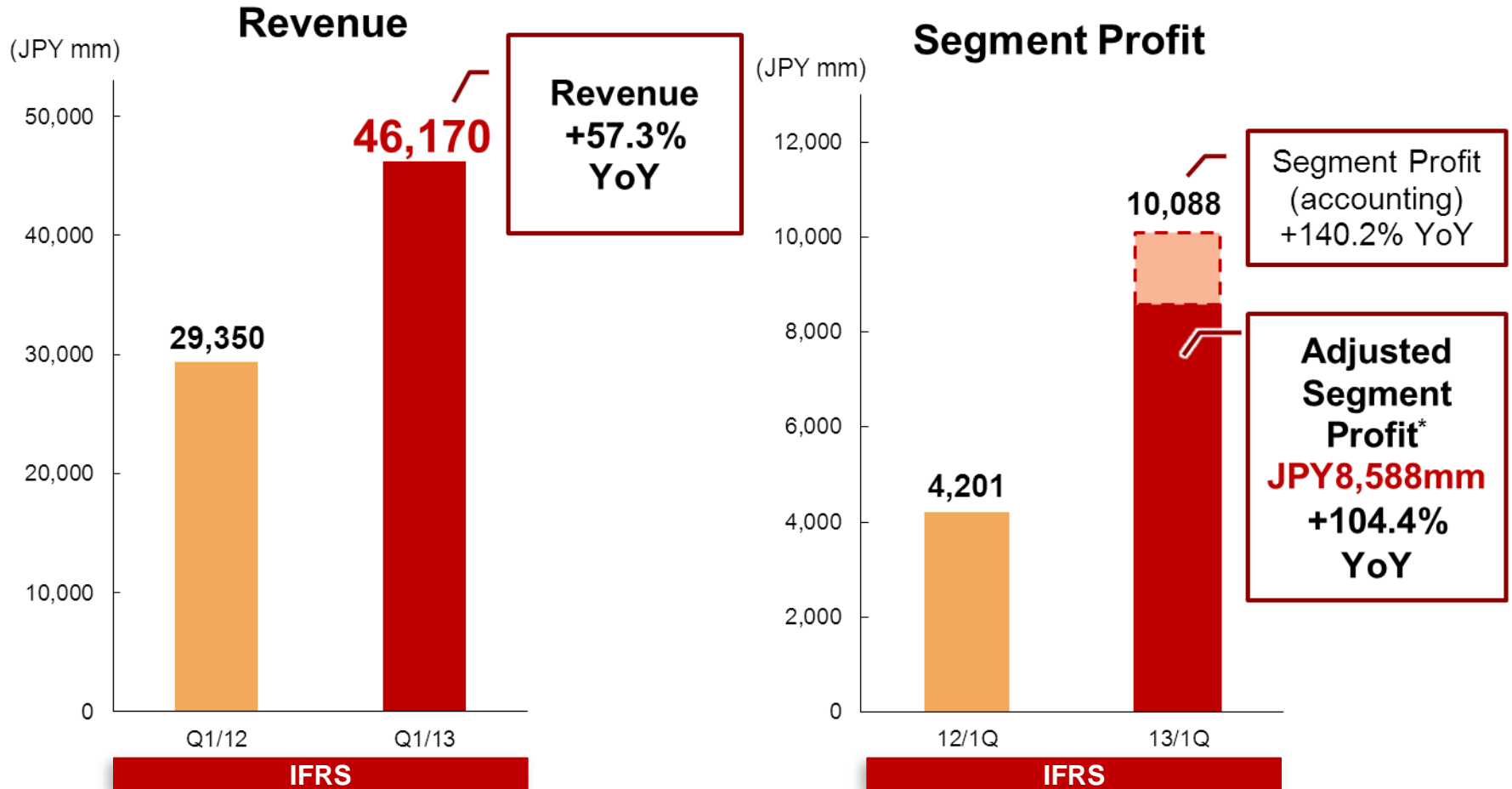


Ecosystem with Financial Business



Internet Finance Results

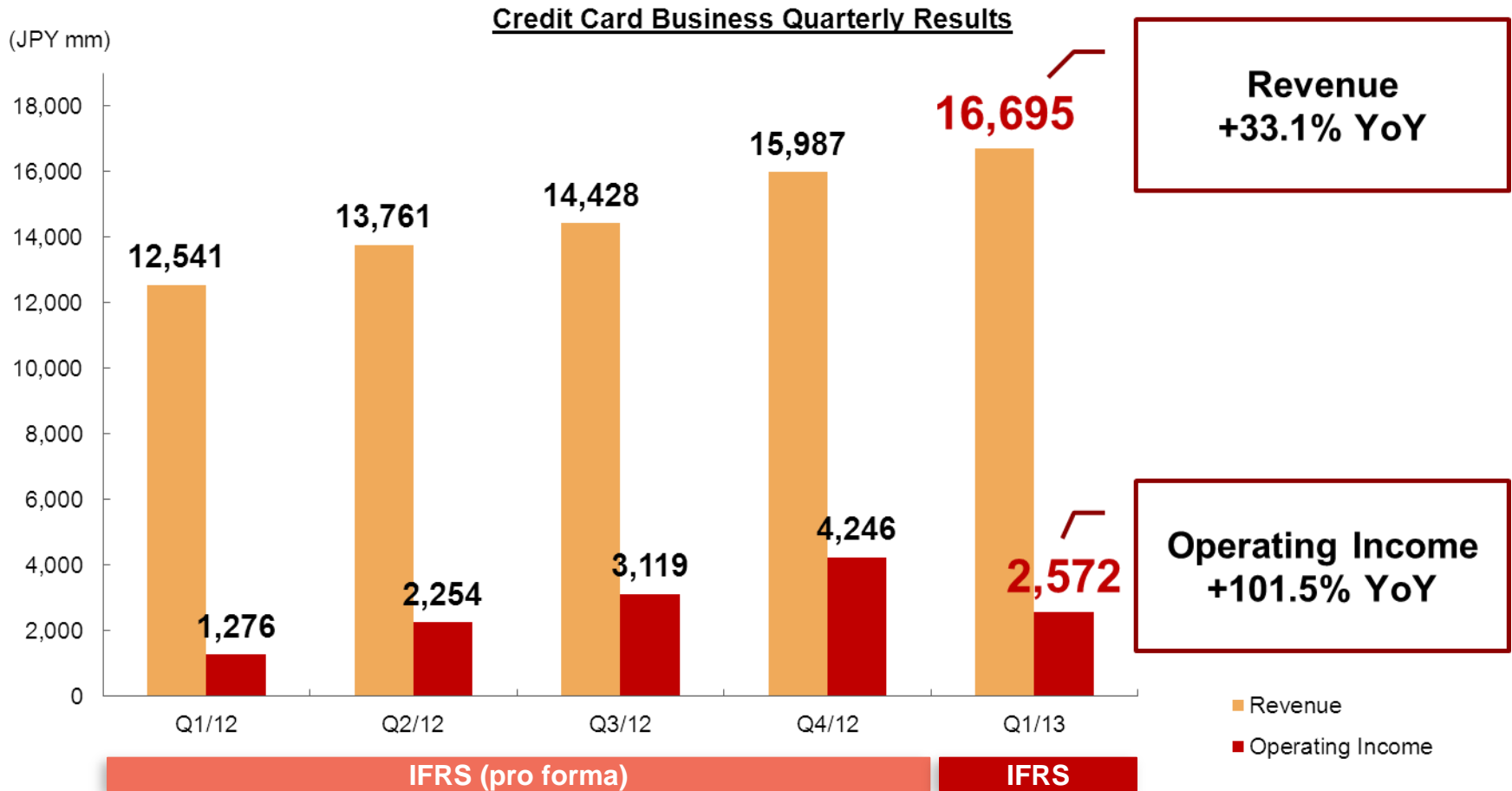
- Credit Card and Securities businesses driving growth



* Profit is adjusted for transfer gain of JPY1.5bn of investment trust business transferred from Rakuten Bank to Rakuten Securities which was eliminated in "Adjustments" on a consolidated basis.

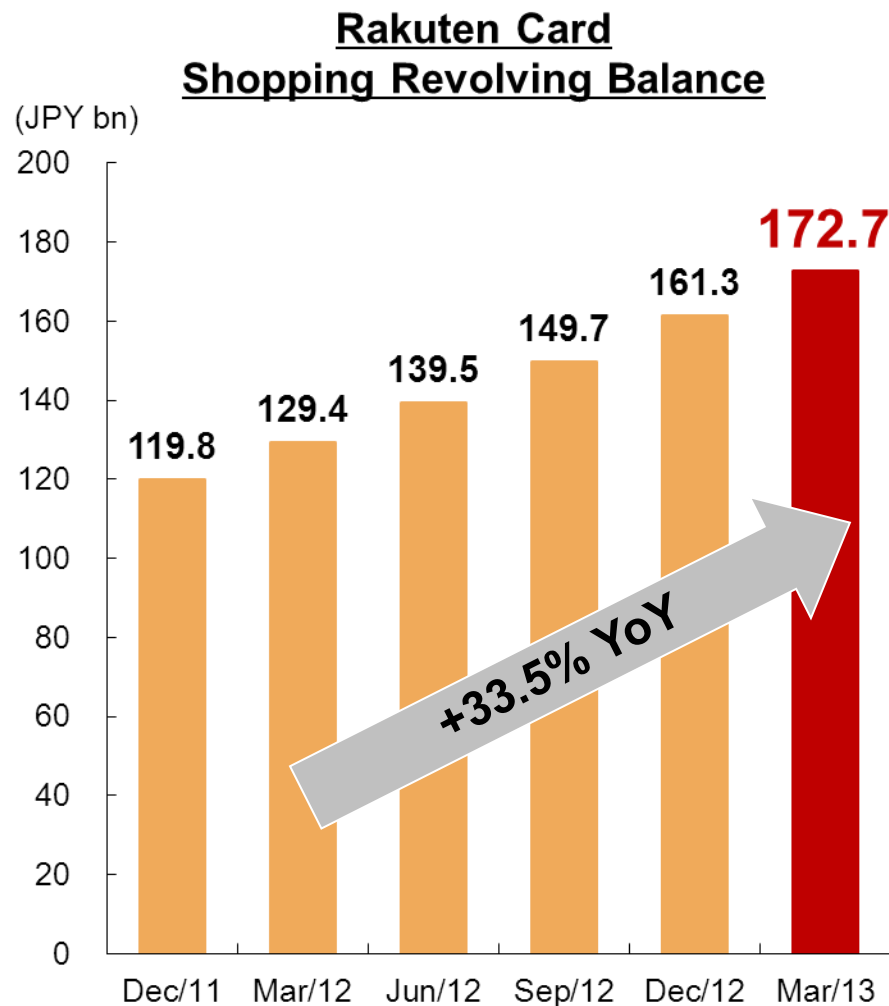
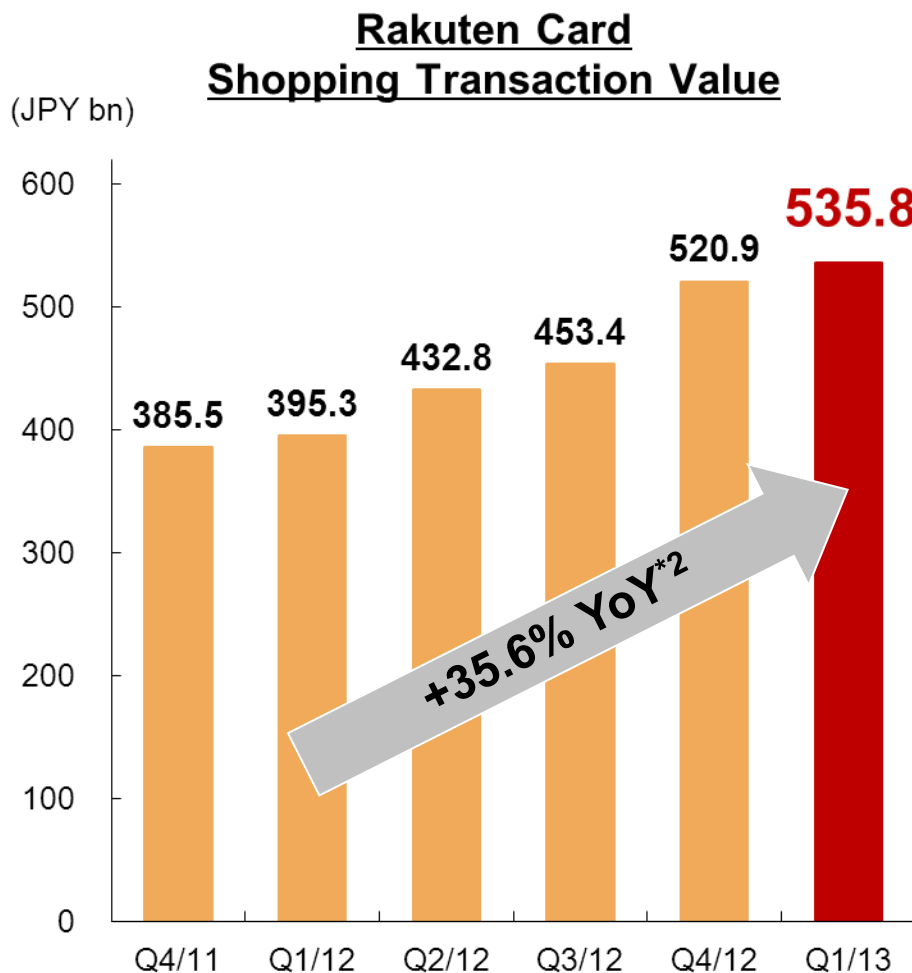
Rakuten Card Results

- Operating income doubled due to acceleration of cardholder acquisitions



* Disclosed figures in FY2012 are pro-foma basis, figures in Q1/13 are IFRS basis. Refer to Appendix for details.

Rakuten Card Shopping Transaction Value and Shopping Revolving Balance*1



*1: Total credit card data are shown in Appendix

*2: Leap-year adjusted growth: +37.1% YoY

Credit Card Business Comparison

	Market Cap (JPY bn)	Net Income (JPY mm)	Transaction YoY Growth (%)
Rakuten Card	-	10,196	+36%
Aeon Credit	547	8,988	+10%
Credit Saison	528	9,453	-15%

* Market Cap: as of end of April 2013

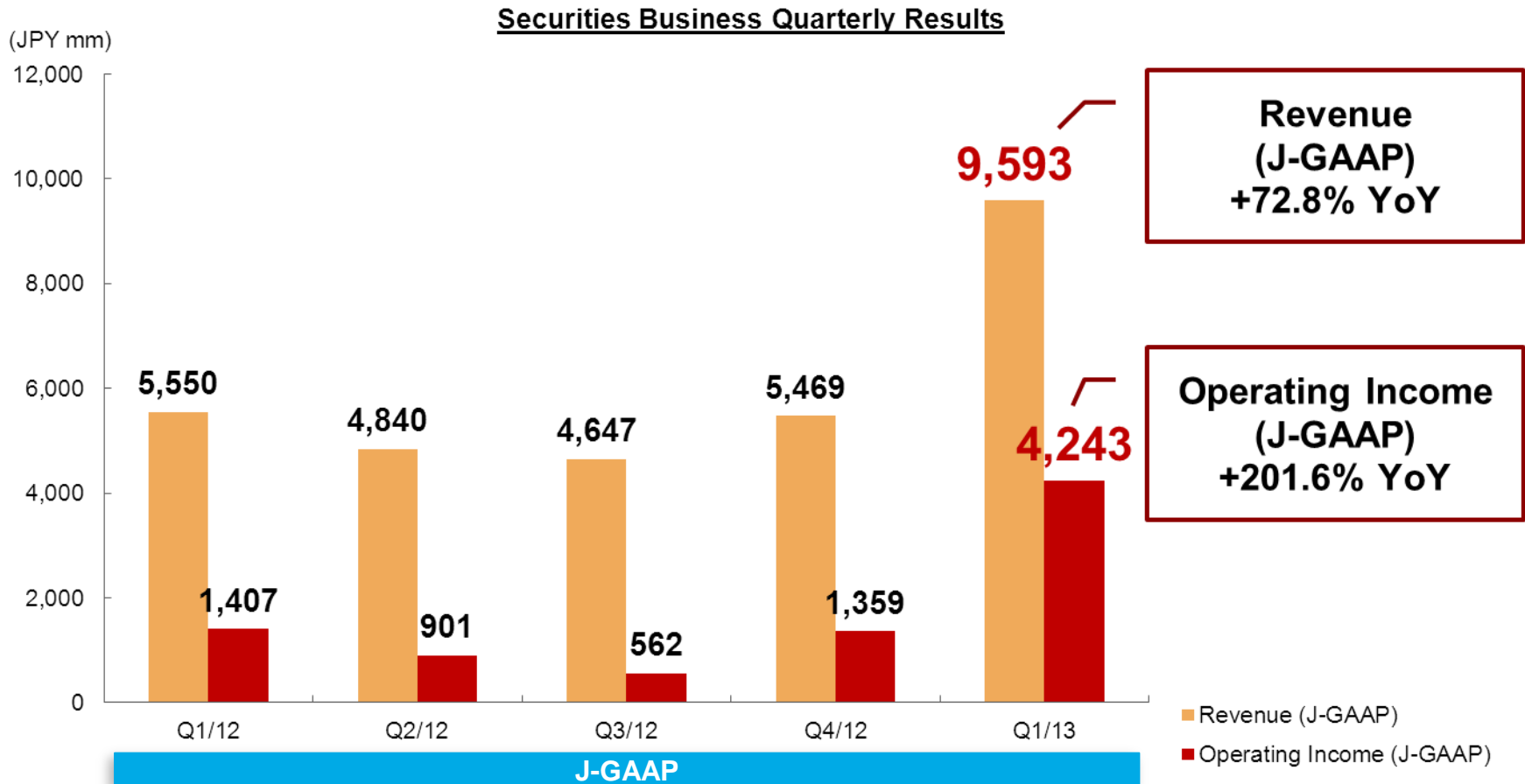
Rakuten Card: Fiscal year from Jan 2012 to Dec 2012 (J-GAAP)

Aeon Credit: Fiscal year from Mar 2011 to Feb 2012

Credit Saison: Fiscal year from Apr 2011 to Mar 2012

Rakuten Securities Results*

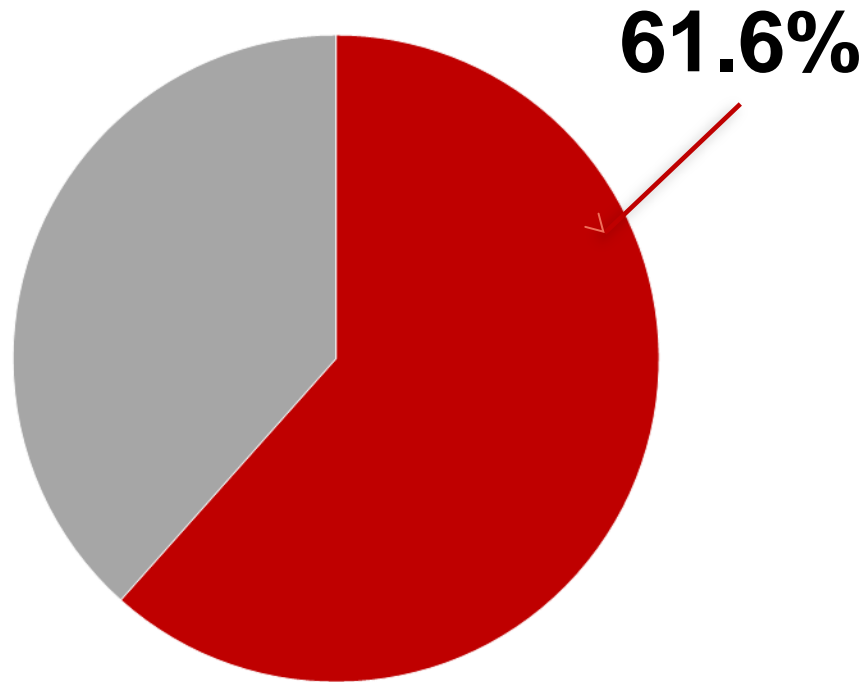
- Operating income +201.6% YoY based on active trading by customers



* Disclosed figures are J-GAAP basis

Securities: Customer Inflow from the Group

New Customers from Rakuten Group

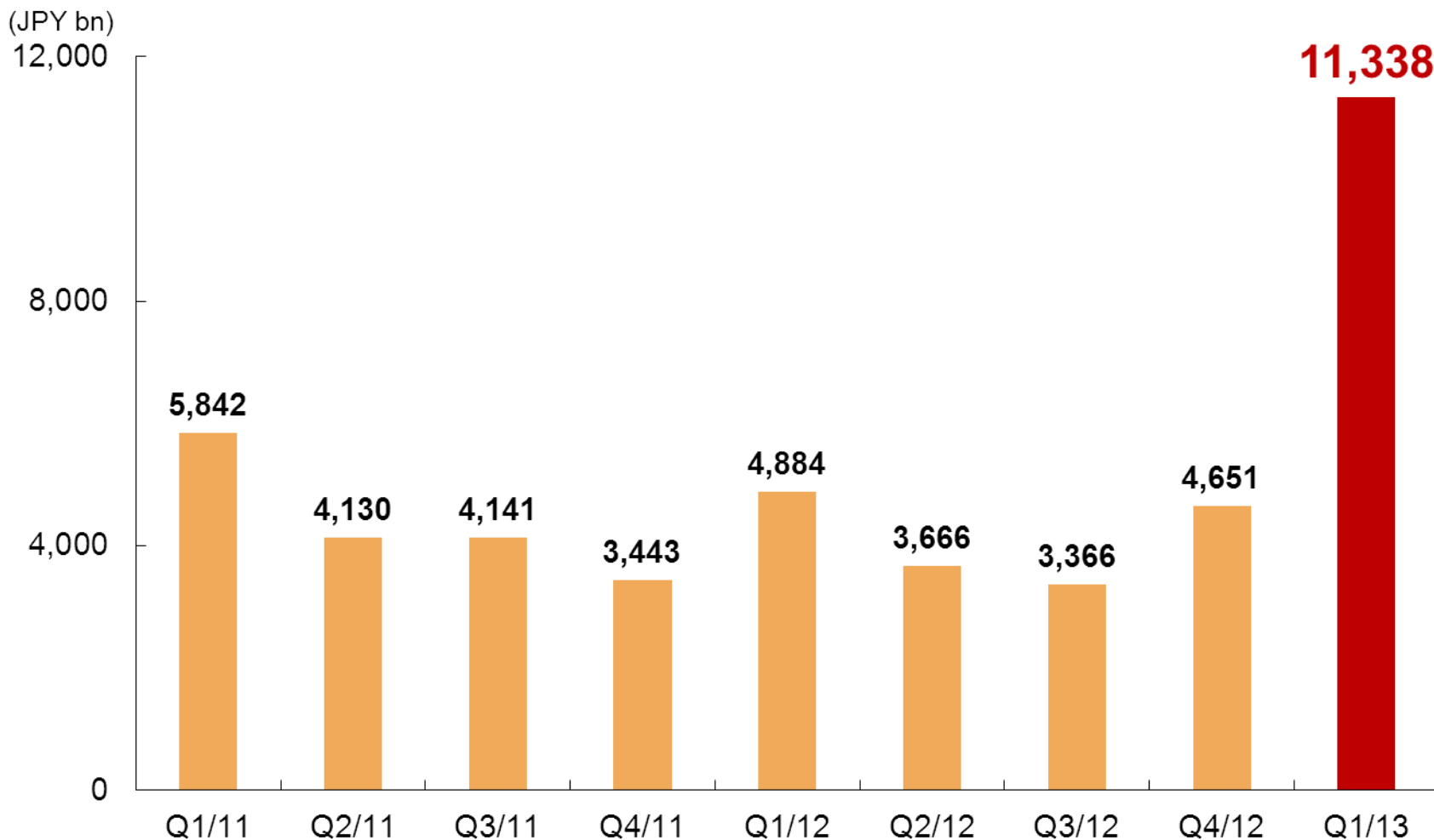


* For the fiscal year from Apr 2012 to Mar 2013, including transferred investment trust accounts from Rakuten Bank

Rakuten Securities

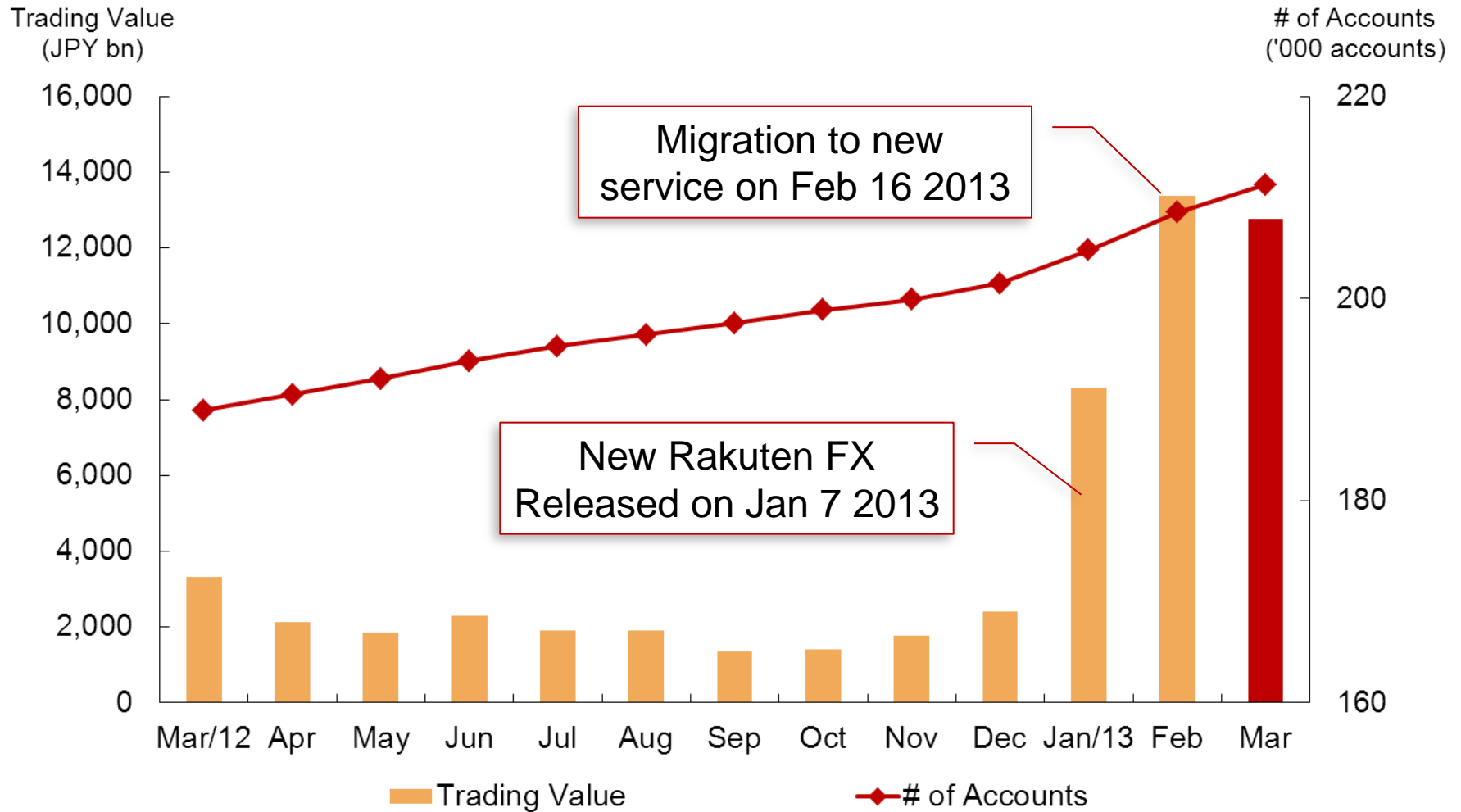
Stock Brokerage Trading Value

■ Domestic stock trading value surged on active stock market



Rakuten Securities FX Trading Value

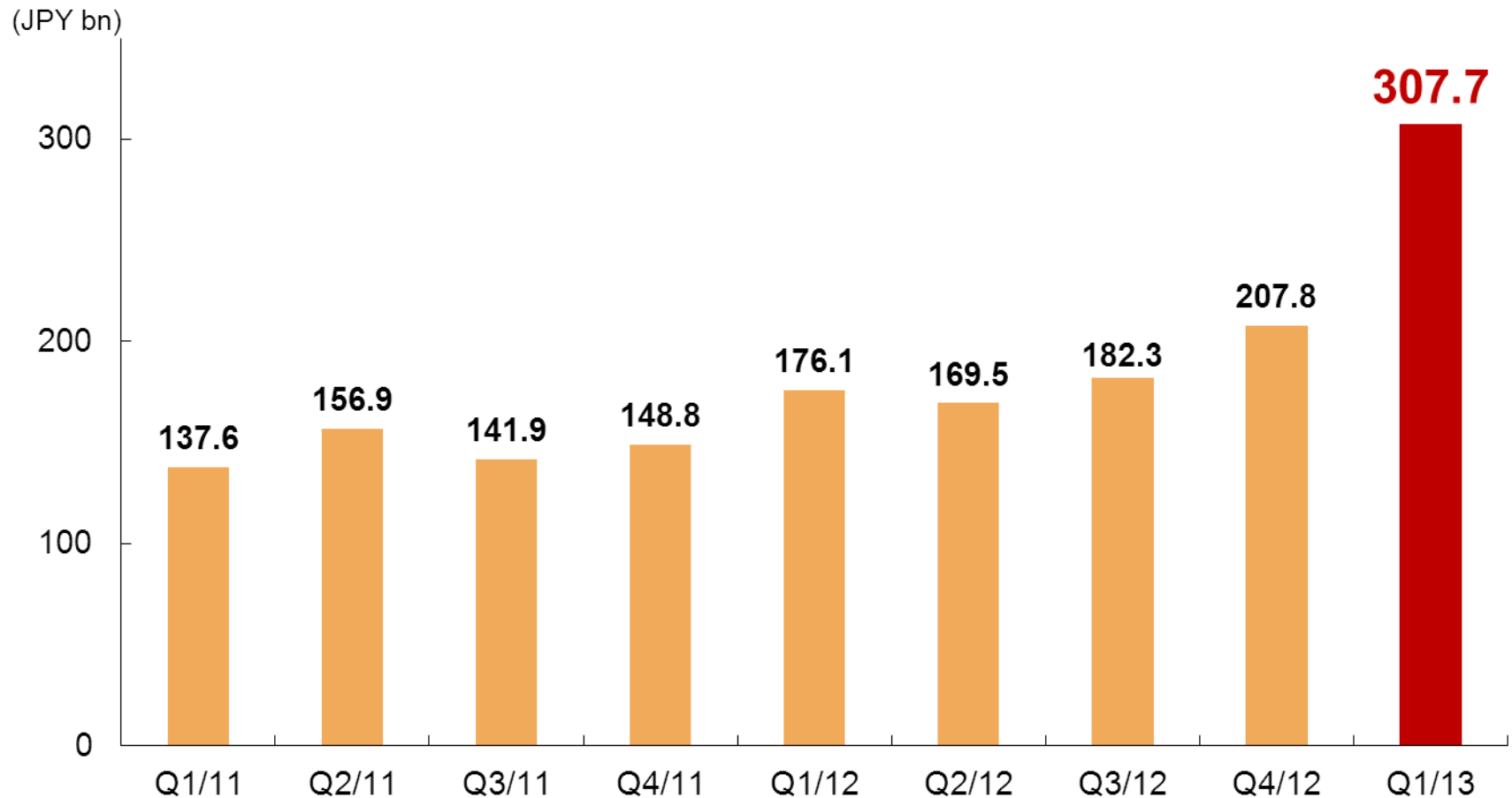
- Transaction amount greatly increased after release of New Rakuten FX



Rakuten Securities

Investment Trust Asset Balance

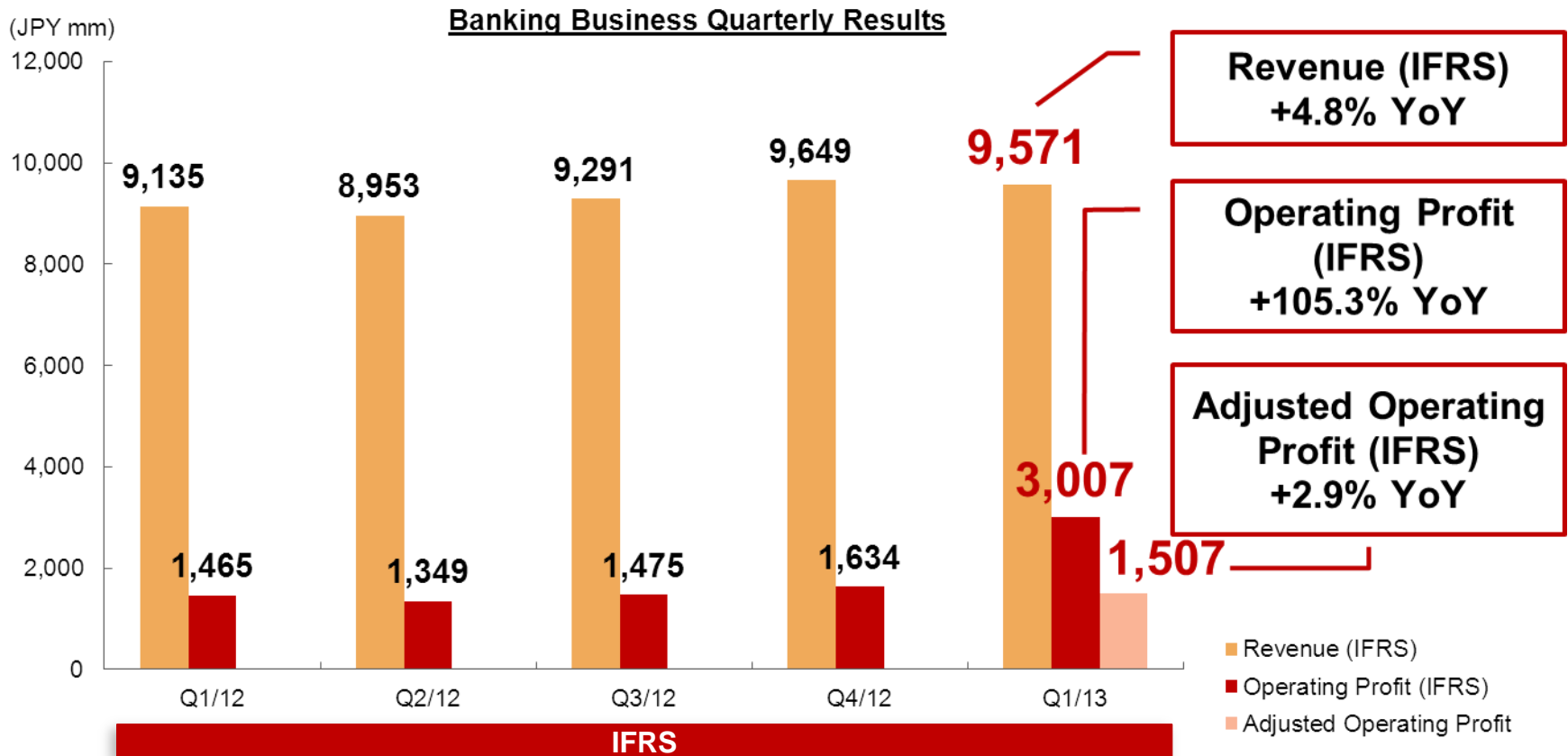
- Investment trust balance grew strongly, helped by acquired investment trust business from Rakuten Bank from Jan 2013, and surpassed JPY 300bn



* Investment trust asset balance includes MMF

Rakuten Bank Results

- Profit from sale of investment trust business of JPY 1.5bn, in addition to steady growth



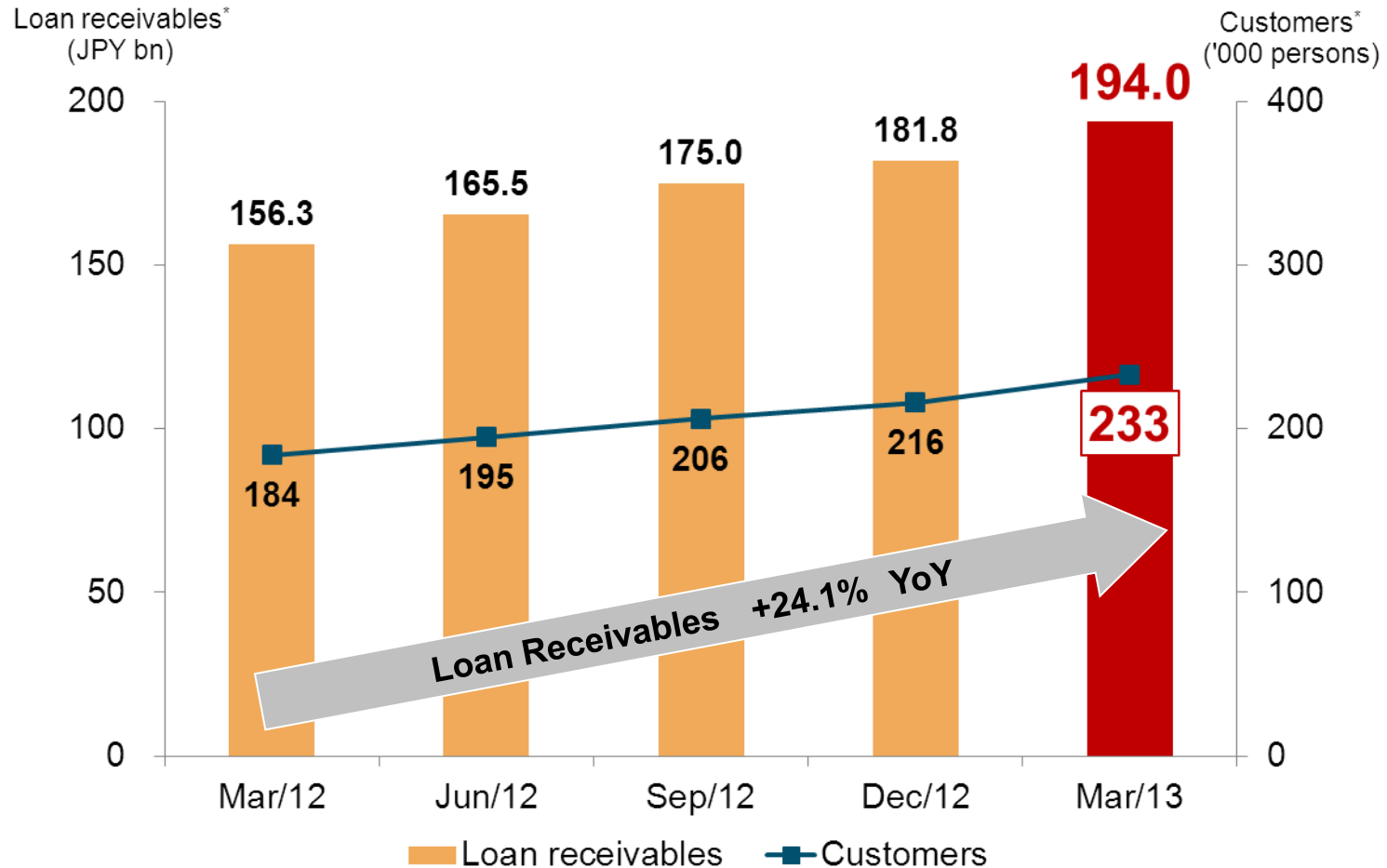
*1: IFRS based operating profit in Q1/13 includes transfer gain (JPY1.5bn) of investment trust business to Rakuten Securities.

Rakuten Bank recognizes transfer gain as extraordinary profit under J-GAAP, while consolidated Rakuten group eliminates it in "Adjustments" as group transaction.

*2: Disclosed figures are IFRS basis

Rakuten Bank Super Loan

- Both Loan receivables (+24.1% YoY) and Loan customers (+26.8% YoY) increased steadily

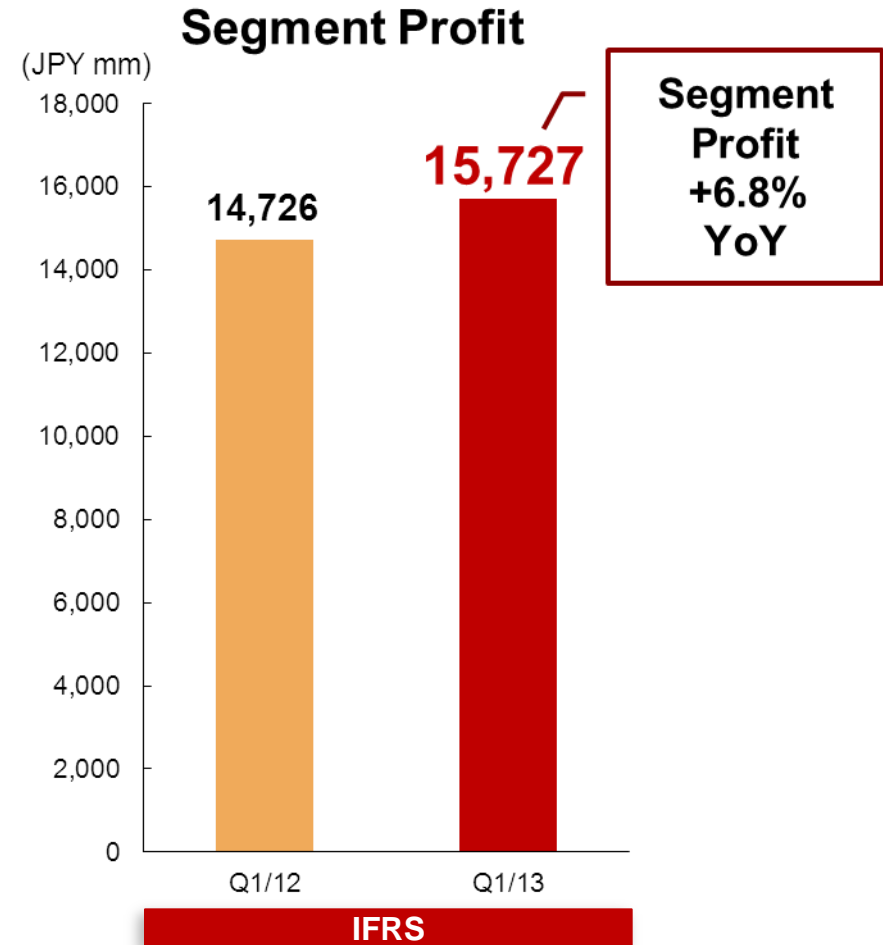
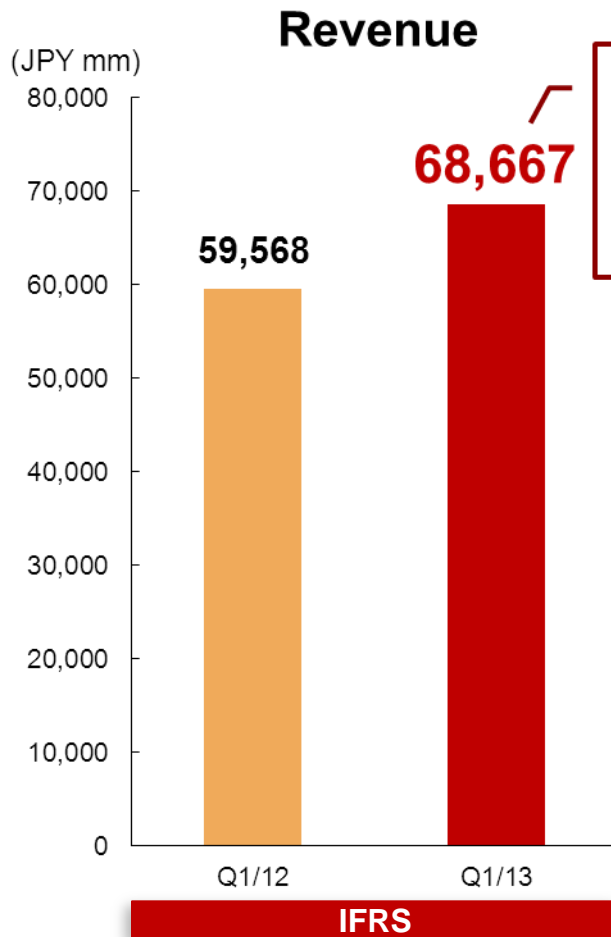


* Loan receivables and loan customers are total of Rakuten Bank and credit guarantee of Rakuten Card Co., Ltd

3 Internet Services

Internet Services Results

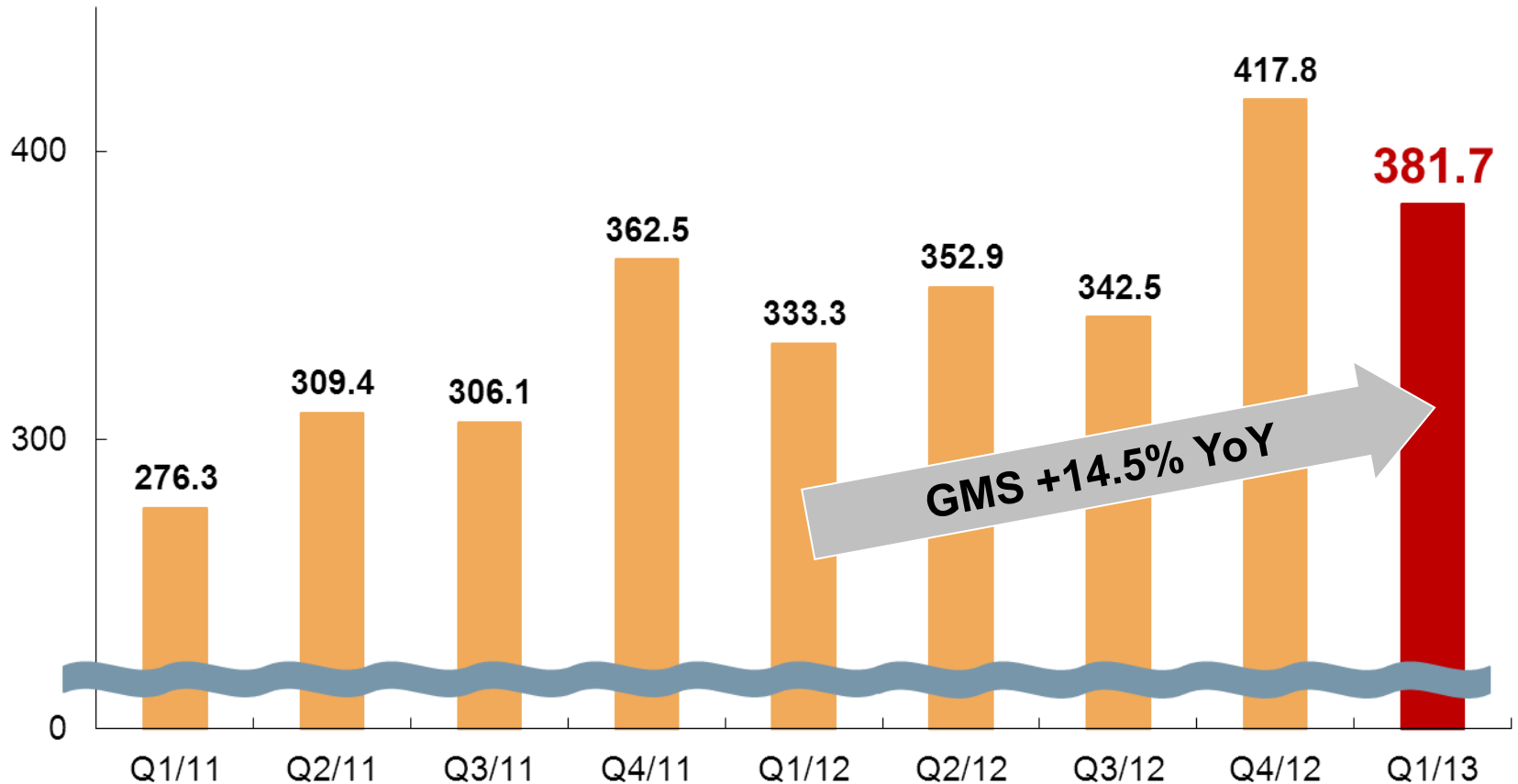
- Revenue growth momentum maintained
- Operating income increased solidly despite continuing advance investments



Domestic E-Commerce GMS

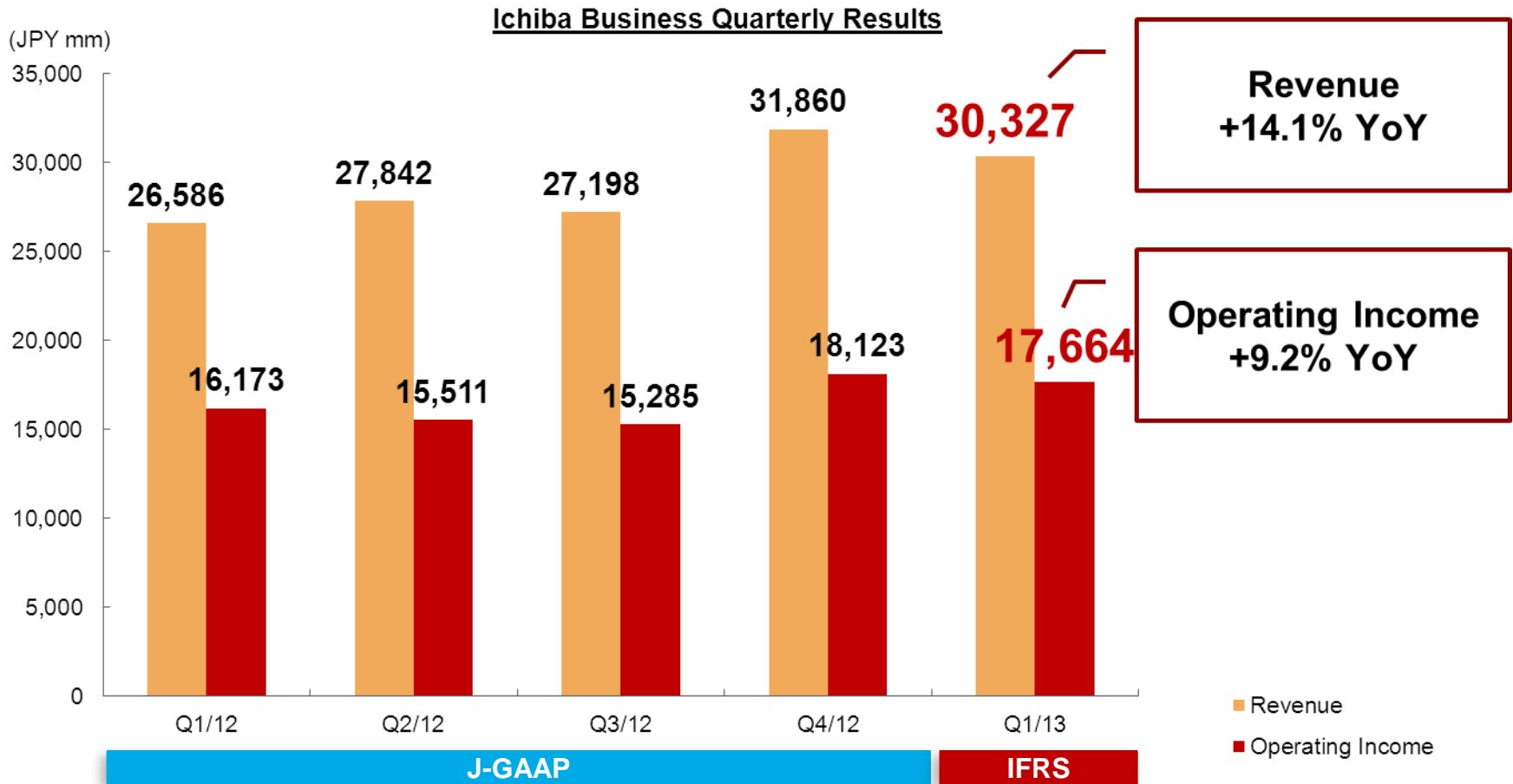
■ Domestic E-Commerce GMS: +14.5% YoY (leap-year adjusted: +15.8% YoY)

(JPY bn)



* Domestic E-Commerce = Mall (Fixed-price, Group purchase), Mobile, Business, Golf, Books, Auction (Flea market), download, tickets, Internet Supermarket, Check Out, Off-track betting, toto, ShowTime, Media rental, Dining, Salon (added from Q2/12), and Mart and Kenko.com (added from Q3/12)

Rakuten Ichiba Results

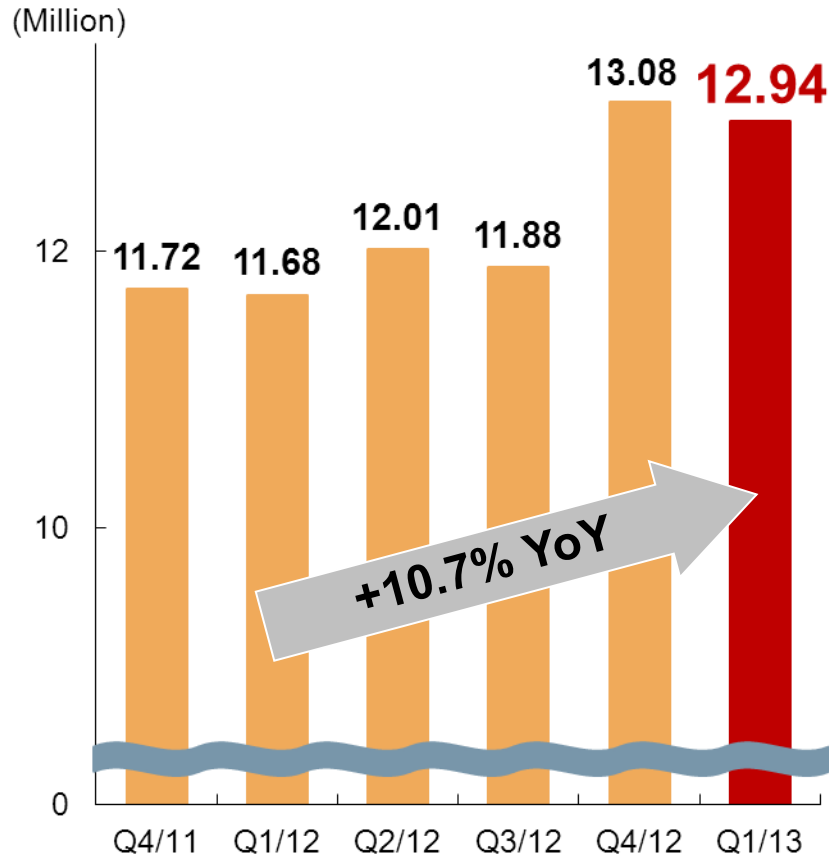


* Disclosed figures in FY2012 are J-GAAP basis, figures in Q1/13 are IFRS basis. Year on year comparison is between JGAAP basis for Q1/12 and IFRS basis for Q1/13.

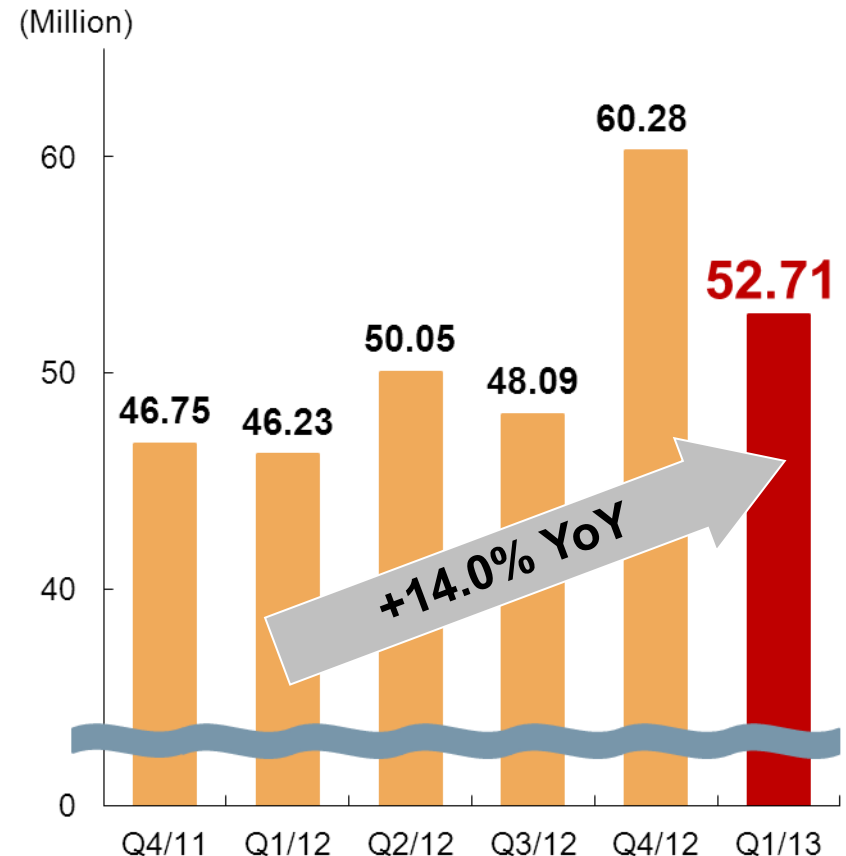
Rakuten Ichiba

Unique Buyers* and Transactions

Unique buyers*



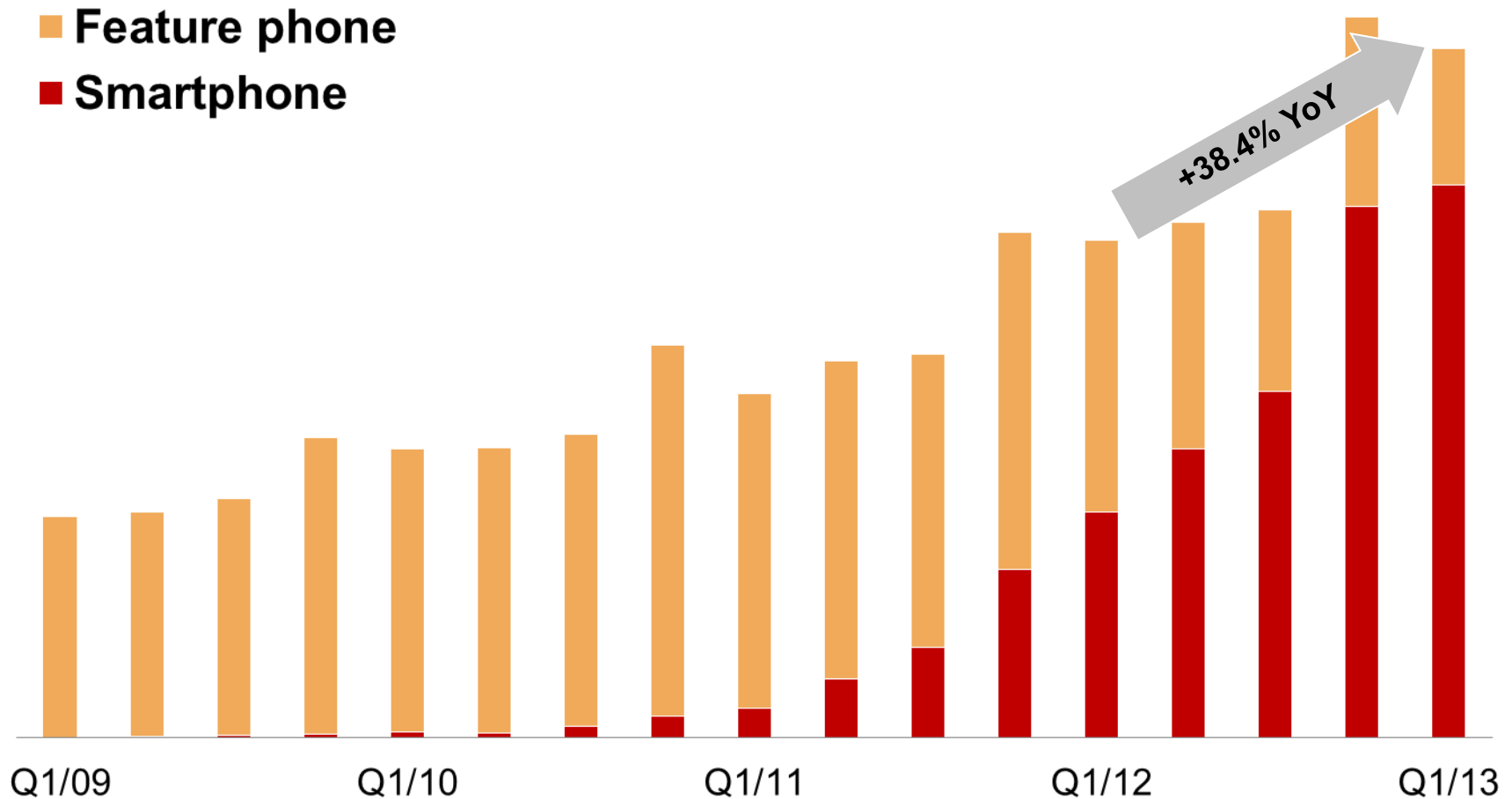
Number of transactions



* Unique Buyers: Number of buyers sorted by e-mail address with purchasing records during the listed 3 month period.

Ichiba Mobile GMS Expanding

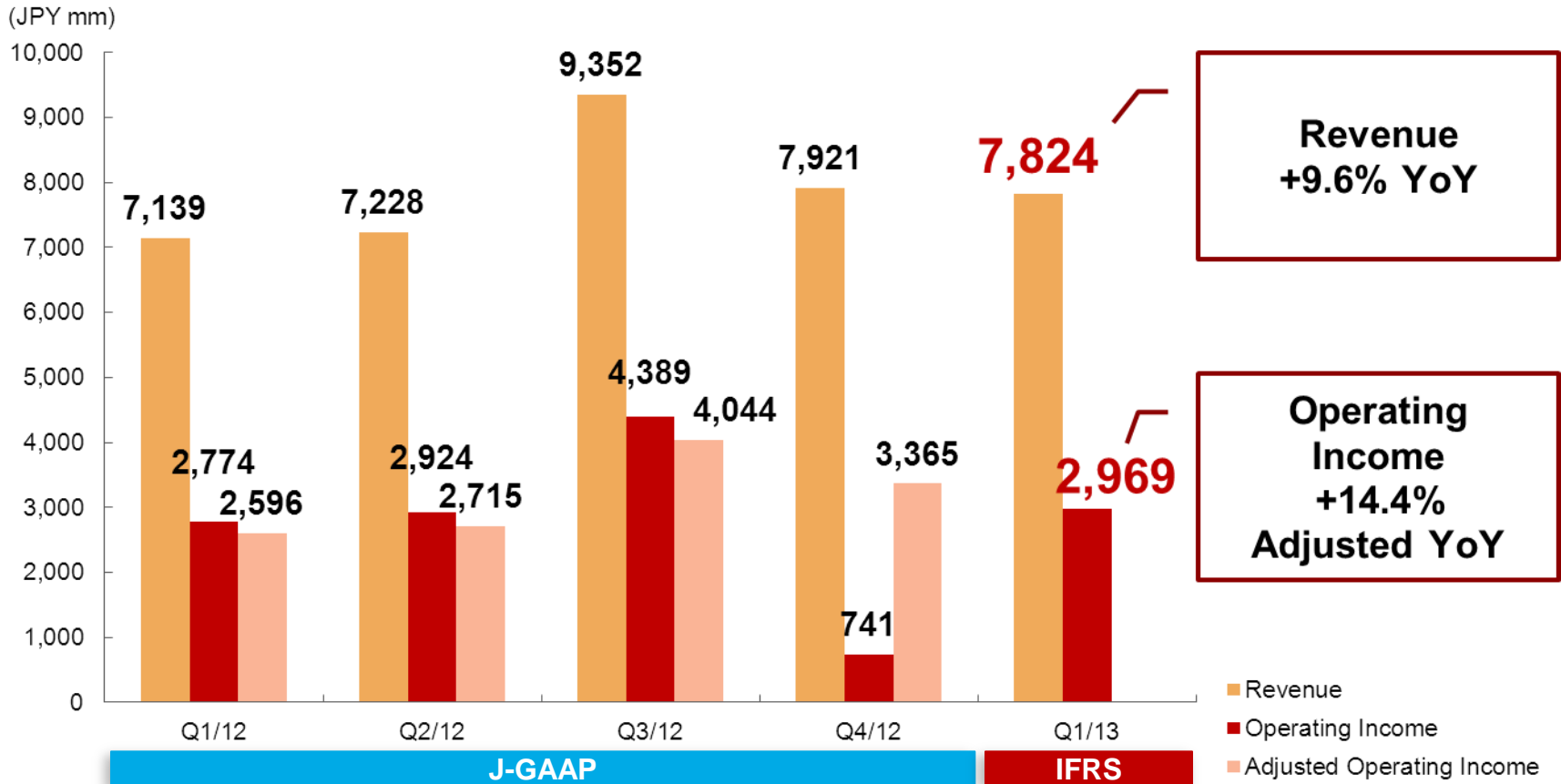
■ Ichiba GMS through mobile phones rapidly increasing: +38.4% YoY



Rakuten Travel Results

■ Adjusted operating profit growth in Q1/13: +14.4% YoY

Travel Business Quarterly Results



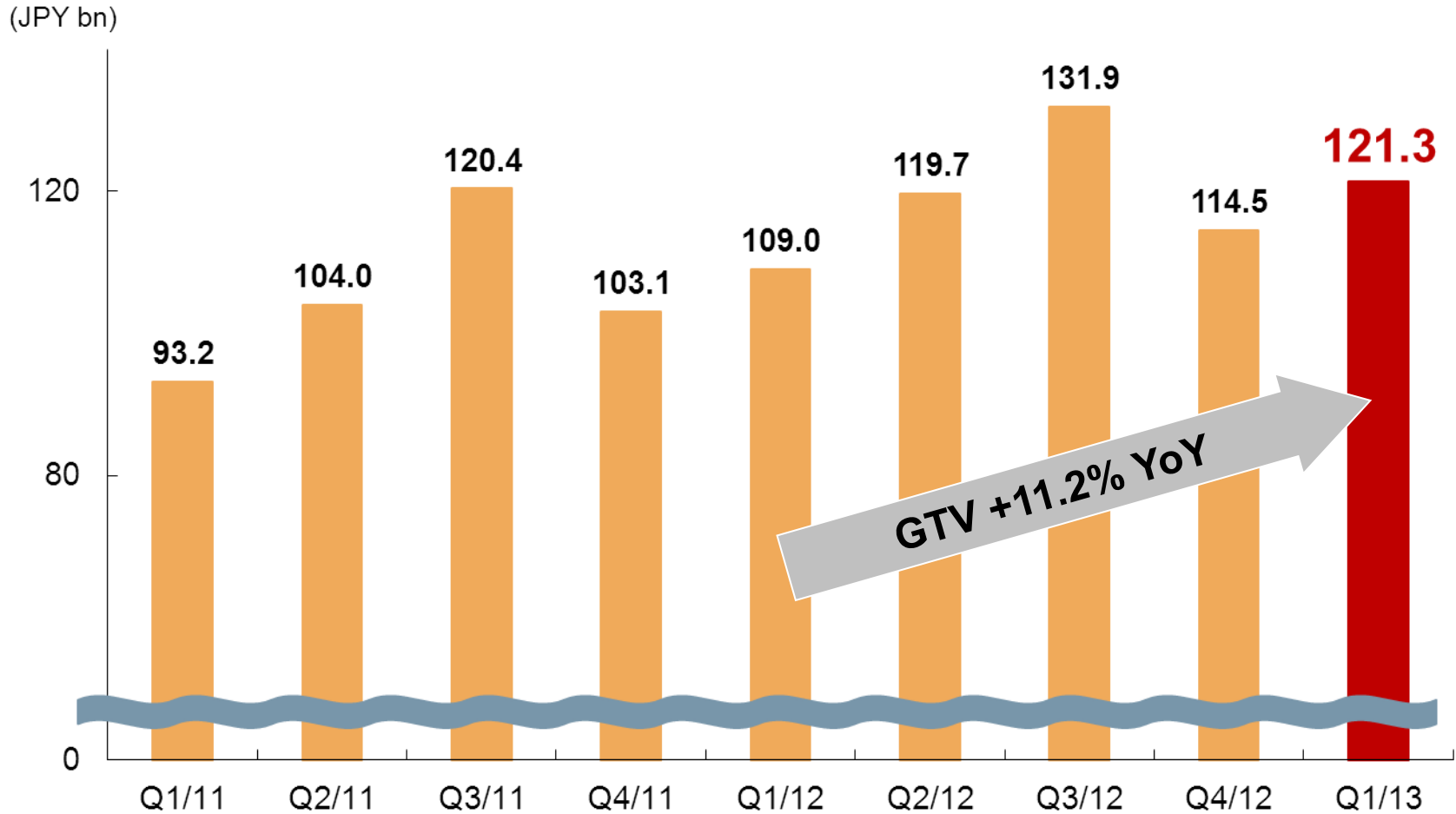
*1: Adjusted operating income: Adjusted for correction of costs recorded in Q4/12 regarding dynamic package transactions.

*2: Disclosed figures in FY2012 are J-GAAP basis, figures in Q1/13 are IFRS basis. Year on year comparison is pro forma.

Travel Business

Gross Booking Transaction Value

■ Gross bookings: +11.2% YoY (leap-year adjusted: +12.5% YoY)



* Travel GTV = Booking base (before cancellation, excl. tax) transactions of Domestic / International accommodation booking, International air tickets, Domestic / International Dynamic Package, Bus, Rent-a-car and pet hotel services

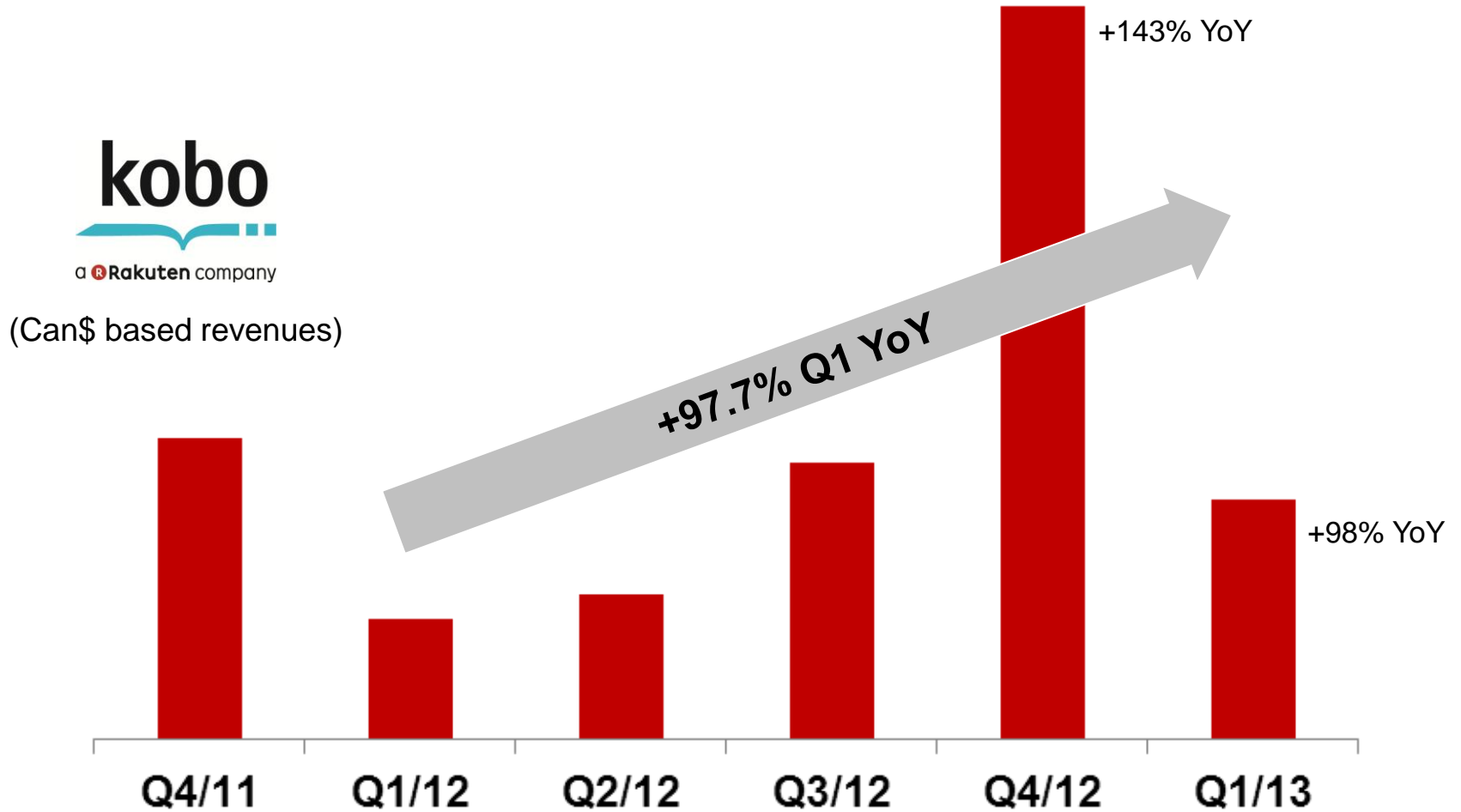
4 Kobo eBook Business

Kobo is Outpacing the Competition

- Revenue +98% YoY in Q1/13
- Users +80% YoY to 13M
- Titles +42% YoY to 3.4M titles, in 68 languages
- Partnered with over 11,000 publishers and 17,600 bookstores worldwide
- Continued expansion in Italy, Brazil, and South Africa building global market leadership

Kobo Quarterly Revenue Growth

- Kobo Q1/13 revenues doubled YoY



kobo
a Rakuten company
(Can\$ based revenues)

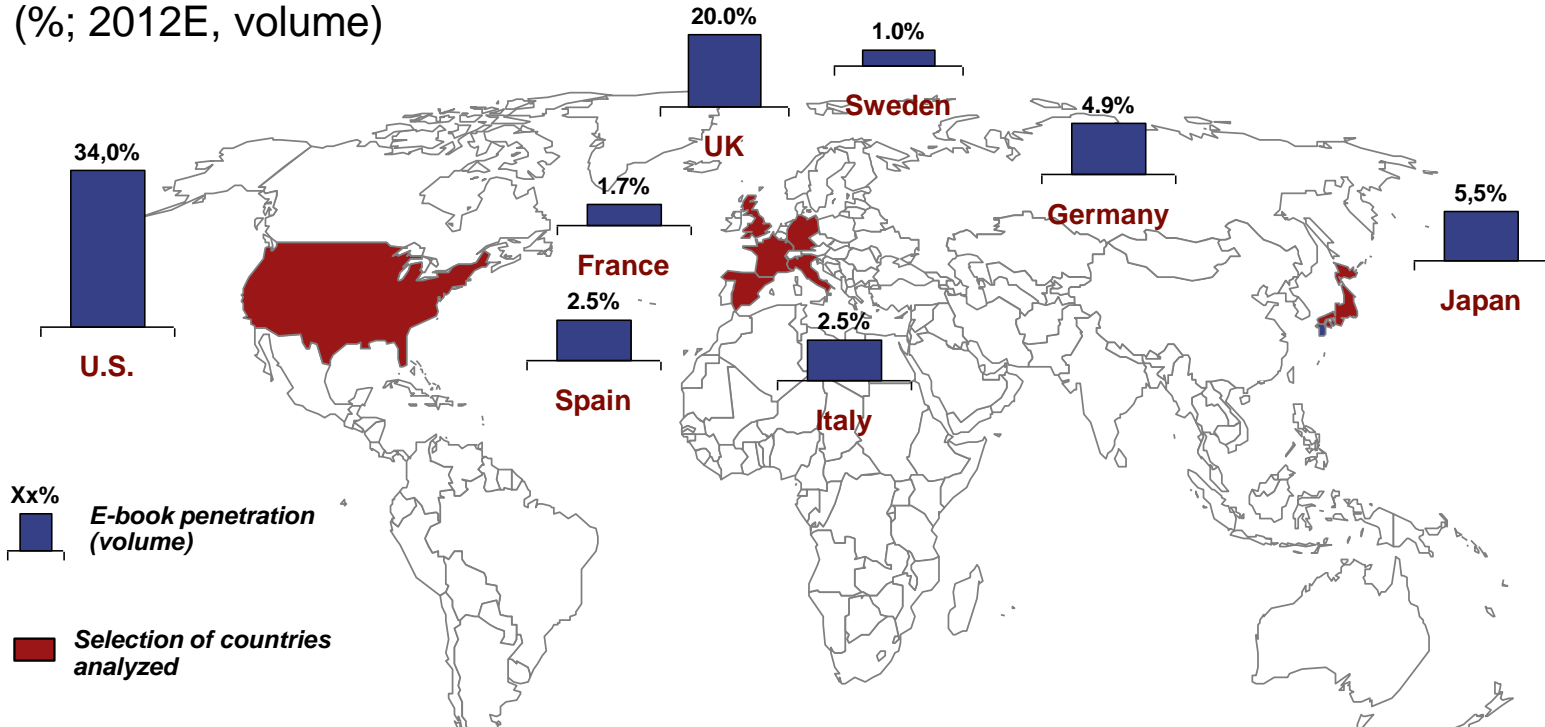
* Note: Kobo Inc. was consolidated from Q1/12

Early Days of eBook Penetration

- Outside of the US, and the UK, penetration is under 10%

eBook Market Penetration (trade)

(%; 2012E, volume)



2012	USA	Japan	Sweden	UK	Germany	France	Italy	Spain
Trade	34%	5.5%	1.0%	20%	4.9%	1.7%	2.5%	2.5%
Self Publishing	2%	<0.1%	<0.1%	n.a	<0.1%	n.a	<0.1%	<0.1%

* Source: interview with a panel of publishers / bookretailers, press search, EUROSTA, PWC, U.S. Bureau, AAP, A.T. Kearney / Bookrepublic analysis., Harris Interactive Poll, Pew Internet

Kobo Self Publishing Now >10% of Sales



>100,000

eBooks published

Sold in **184**
countries

54 languages

* Kobo Writing Life: Launched in June 2012

Kobo Aura HD Launch

Kobo creates new high-definition eReader for the passionate booklover

“The Best eReader: Kobo’s Aura HD” – Wall Street Journal



Media Coverage: Kobo Aura HD

“You’re going to be sorry you bought that Kindle”

WALL STREET JOURNAL

“Kobo fights Amazon with the one thing it has that the giant doesn’t: Friends”

NewStatesman

“Kobo has Amazon in the crosshairs with its new Aura HD eReader which features a higher-resolution display than the Kindle Paperwhite”



“A premium price eReader but it beats the Kindle on build quality, usability and battery life and has a better screen too.”



“Insanely High-Resolution eReader...if you’re fed up with low-resolution eReaders ruining your books, the new Aura HD is here to solve the problem.”



Kobo Wins International Awards

- Kobo Arc: Red dot Design Award 2013, Editor's Choice V3 Magazine, Parent Tested/Parent Approved, Good Design Awards Australian International Design Awards
- Kobo Glo: Computer Bild Test Sieger, Best Tested Award Consumentenbond, Parent Tested/Parent Approved
- Kobo Aura HD: Editor's Choice PC World Australia



Kobo App for iOS – Japanese Version Launch

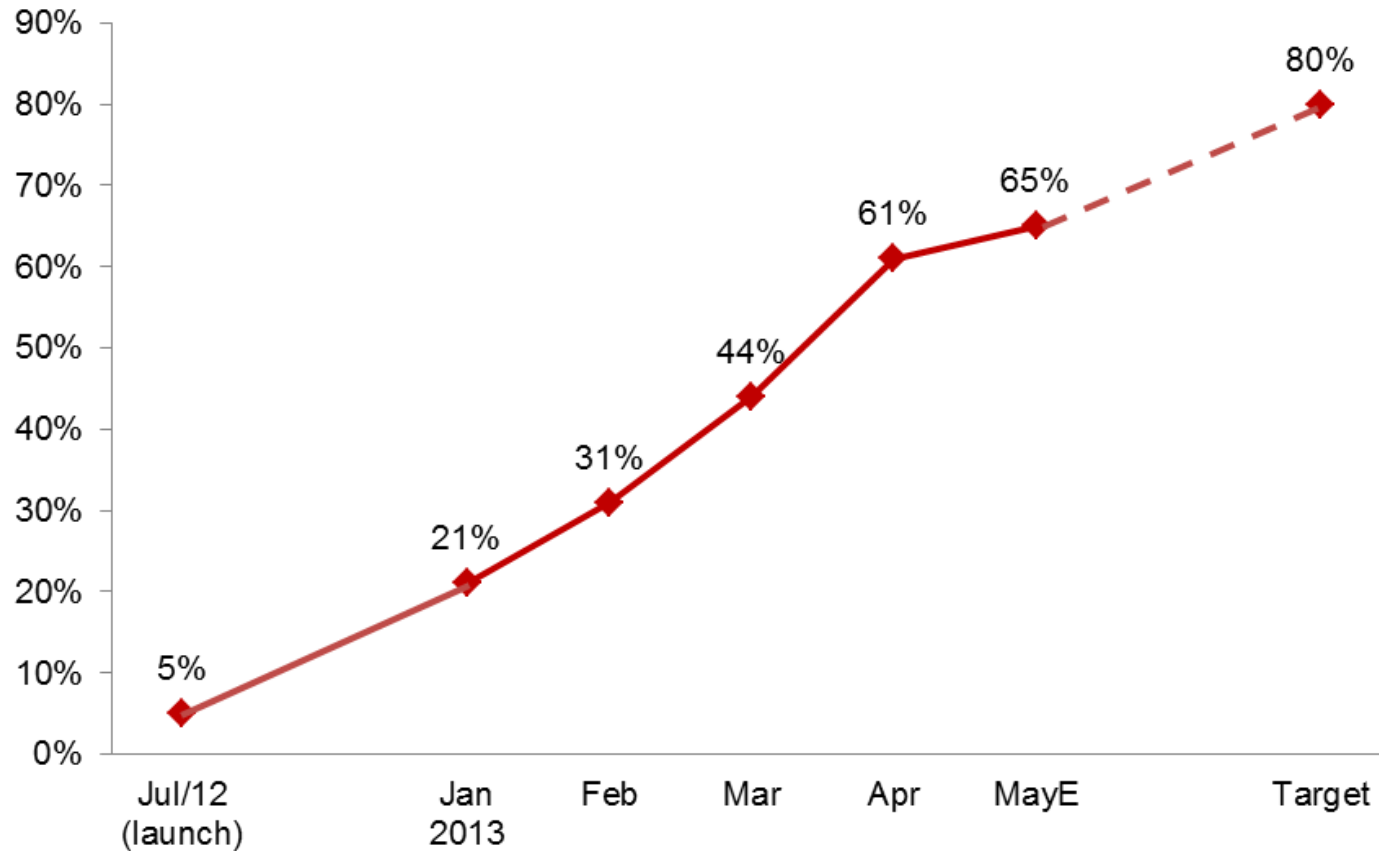
Expanding offerings to include iOS, Android Apps, and Kobo Devices



Increasing Popular Japanese Content

- Kobo Japan aims to cover 80% of Top 1,000 titles at Rakuten Books

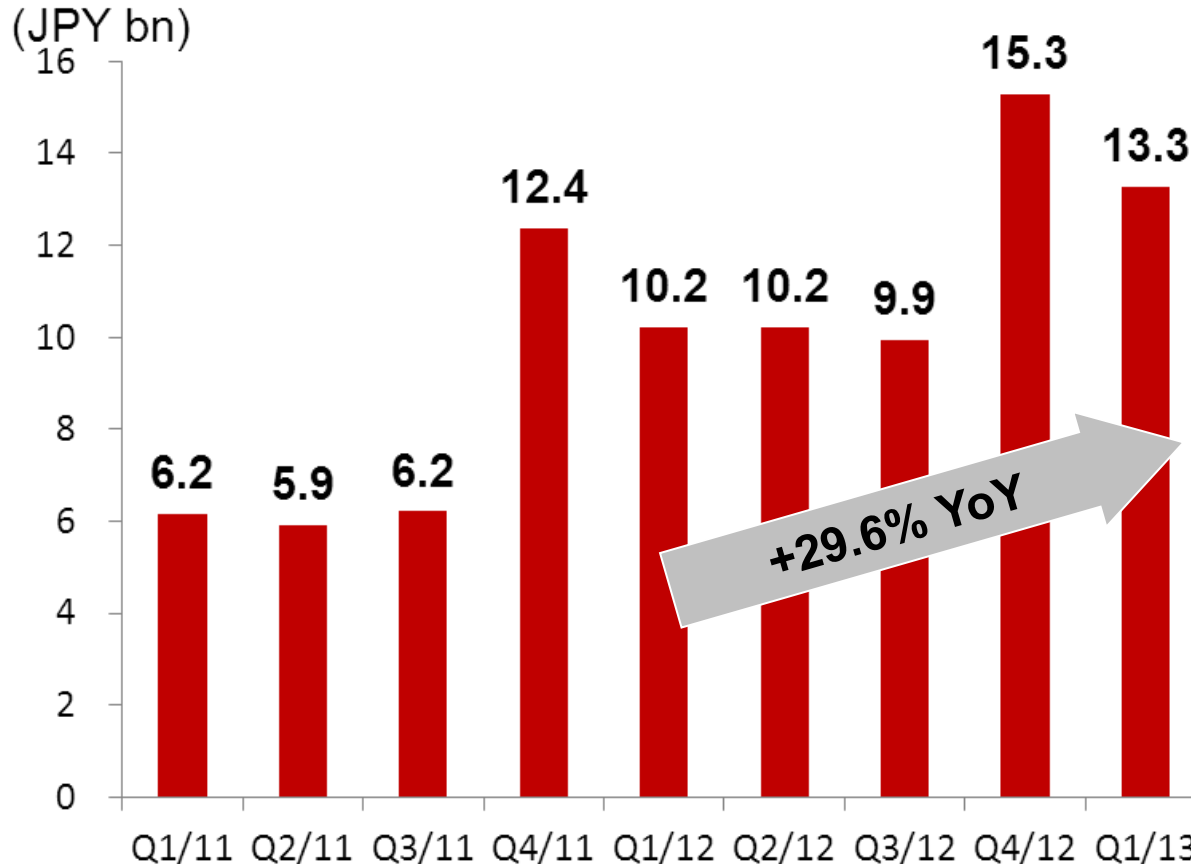
Coverage of Top 1000 Titles at Rakuten Books



5 Progress in Globalization

Quarterly Marketplace GMS Overseas Companies

- Marketplace GMS growth: +29.6% YoY (+12.1% YoY forex adjusted)
- European sites rapidly increasing new merchants, products and members



* Marketplace = Taiwan Rakuten Ichiba + Tarad Premium Mall + Lekutian + Buy.com marketplace + PriceMinister marketplace + Rakuten Belanja Online + Rakuten Deutschland + Play.com marketplace + Rakuten Brasil marketplace (from Q2/12).

Initiatives for Overseas E-commerce

- Continue Rakuten Model Integration
- Strengthen logistics capabilities with ADS
- Create ecosystem by diversifying into businesses such as digital content

Happy Merchants around the World



Indonesia



Japan



Taiwan



Thailand



US

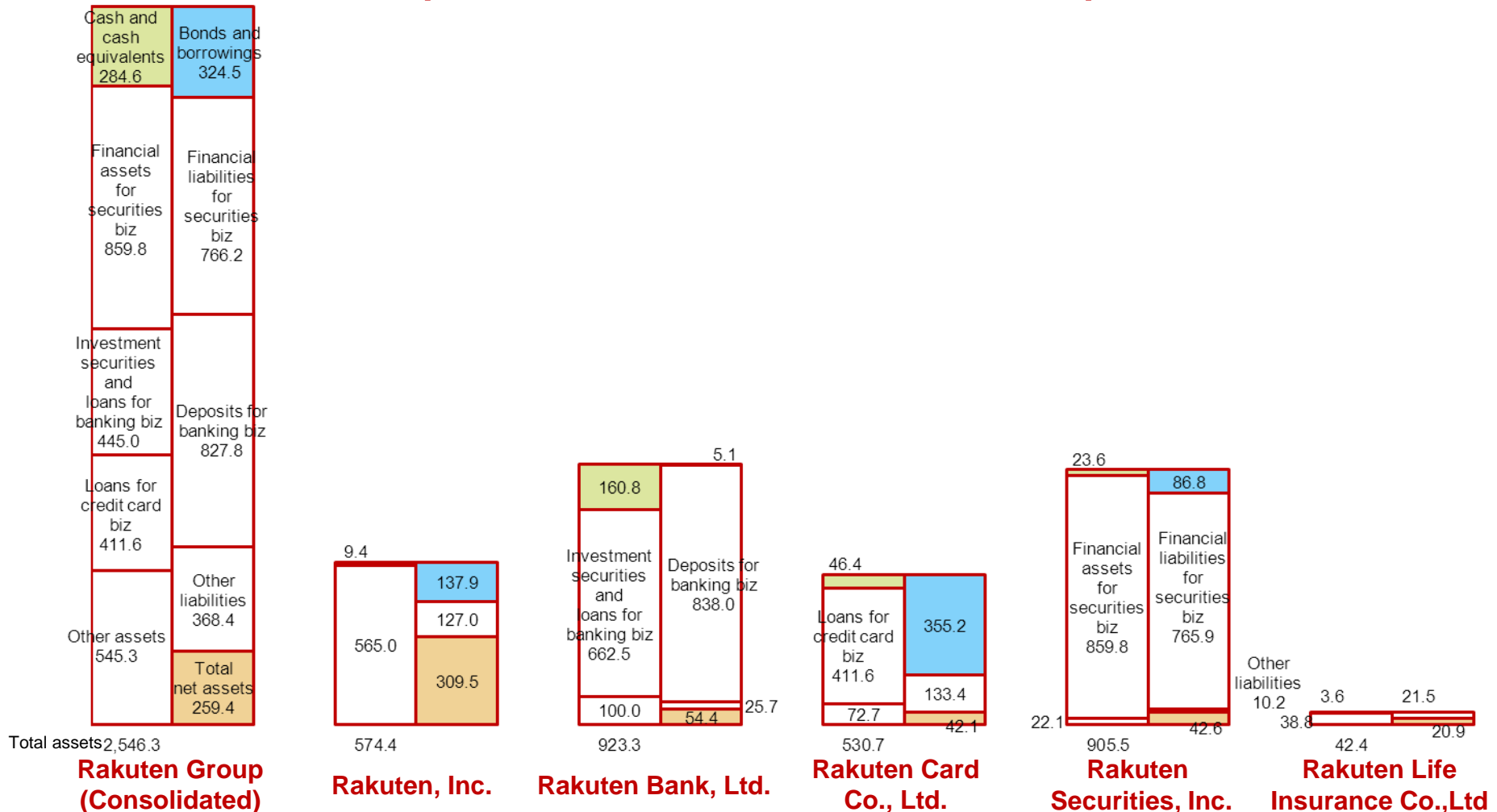
Empowering the World's People and Society through the Internet

Appendix

- Financial Condition
- Other Information

Financial Condition

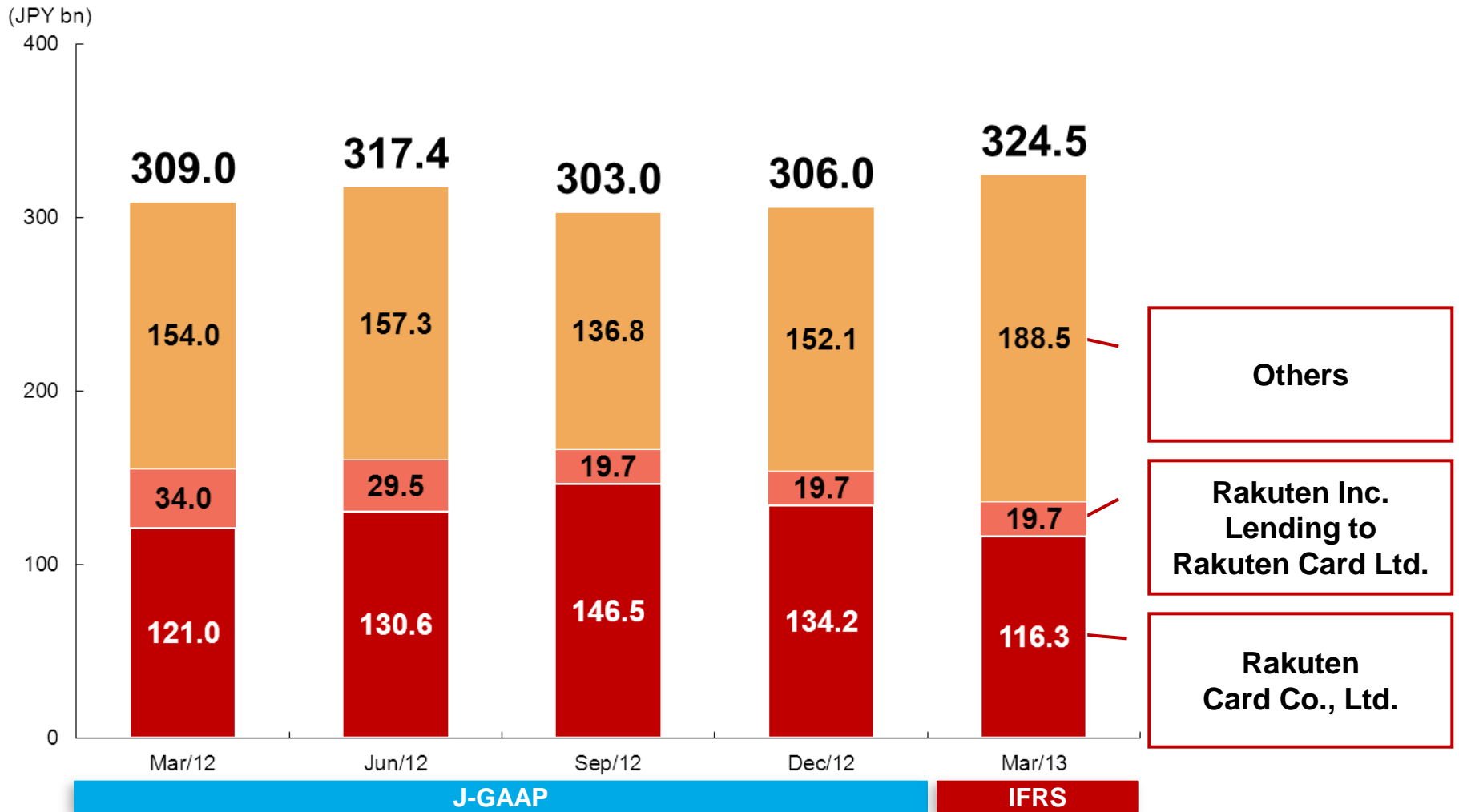
Rakuten Group : Balance Sheets (As of Mar 31, 2013. JPY bn)



*1: Rakuten, Inc. , Rakuten Bank, Ltd. Rakuten Card Co., Ltd., Rakuten Securities, Inc. and Rakuten Life Insurance Co., Ltd are IFRS based non-consolidated balance sheet

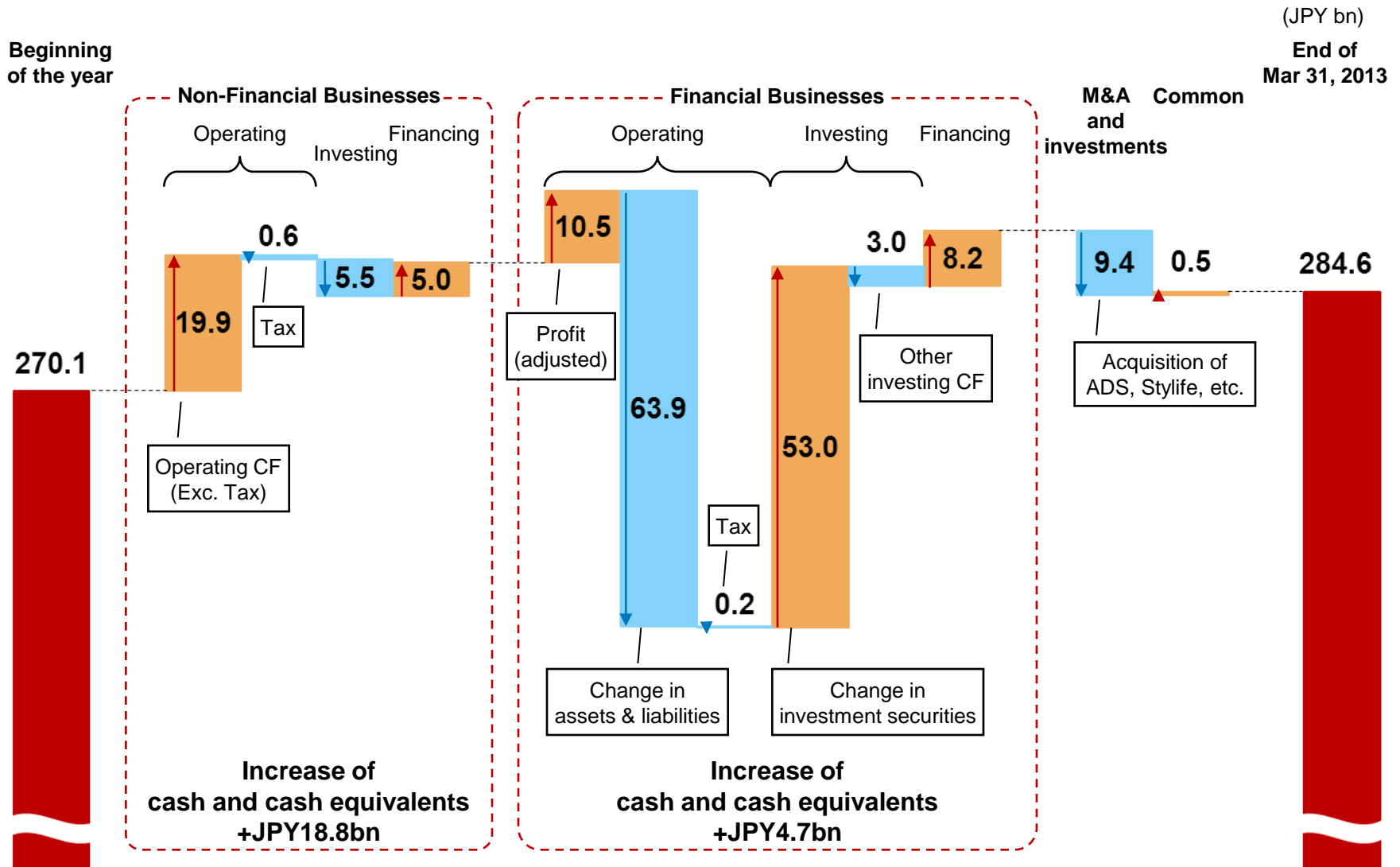
*2: Debt = Corporate bonds + CP + Borrowings

Financial Institutions Debt* Trend



* Debt from outside financial institutions = Bonds + CP + Debt

Breakdown of Cash Flows: Jan - Mar 2013



Breakdown of Cash Flow by Financial Businesses and Non-financial Businesses: Jan - Mar 2013 (1)

(JPY bn)

Overview of cash flows for three months ended March 31, 2013	Consolidated	Financial	Non-Financial	Common
Income before income tax	22.4	8.5	13.9	-
Depreciation and amortization	5.9	2.0	3.9	-
Other loss (profit)	(1.2)	-	-	(1.2)
Decrease (Increase) in operating receivables	6.7	(0.0)	6.7	-
Decrease (Increase) in loans for credit card business	(9.2)	(9.2)	-	-
Increase (Decrease) in deposits for banking business	18.2	18.2	-	-
Decrease (Increase) in call loans for banking business	(17.0)	(17.0)	-	-
Decrease (Increase) in loans for banking business	(10.3)	(10.3)	-	-
Increase (Decrease) in operating payables	(7.3)	(1.0)	(6.3)	-
Increase (Decrease) in accounts payable - other and accrued expenses	(4.6)	(2.4)	(2.2)	-
Decrease (Increase) in financial assets for securities business	(244.1)	(244.1)	-	-
Increase (Decrease) in financial liabilities for securities business	208.1	208.1	-	-
Others	(2.3)	(6.2)	3.9	-
Income tax paid	(0.8)	(0.2)	(0.6)	-
Net cash flows from operating activities	(35.5)	(53.6)	19.3	(1.2)

* Breakdown between financial and non-financial businesses are based on internal estimation and not reviewed by independent auditors.

Breakdown of Cash Flows by Financial Businesses and Non-financial Businesses: Jan - Mar 2013 (2)

(JPY bn)

Overview of cash flows for three months ended March 31, 2013	Consolidated	Financial	Non-Financial	Common
Increase in time deposits	(1.6)	(1.5)	(0.0)	-
Decrease in time deposits	2.0	1.9	0.0	-
Purchase of property, plant and equipment	(1.1)	(0.4)	(0.7)	-
Purchase of intangible assets	(5.4)	(2.0)	(3.4)	-
Acquisition of subsidiaries	(9.4)	-	(9.4)	-
Purchase of investment securities for banking business	(25.1)	(25.1)	-	-
Proceeds from sales and redemption of investment securities for banking business	76.6	76.6	-	-
Purchase of investment securities for insurance business	(1.9)	(1.9)	-	-
Proceeds from sales and redemption of investment securities for insurance business	0.4	0.4	-	-
Purchase of investment securities	(0.8)	(0.8)	-	-
Proceeds from sales and redemption of investment securities	3.8	3.8	-	-
Other payments	(2.7)	(1.2)	(1.5)	-
Other proceeds	0.5	0.3	0.2	-
Net cash flows from investing activities	35.2	50.1	(14.9)	-
Net increase (decrease) in short-term borrowings	16.2	11.9	4.2	-
Increase (Decrease) in commercial papers	10.0	-	10.0	-
Proceeds from long-term debt	24.5	24.5	-	-
Repayment of long-term debt	(33.8)	(29.3)	(4.5)	-
Cash dividends paid	(3.5)	-	(3.5)	-
Others	(0.2)	1.1	(1.3)	-
Net cash flows from financing activities	13.1	8.2	5.0	-
Effect of change in exchange rates on cash and cash equivalents	1.6	-	-	1.6
Net increase (decrease) in cash and cash equivalents	14.5	4.7	9.4	0.5
Cash and cash equivalents at beginning of the year	270.1	-	-	-
Cash and cash equivalents at end of March 2013	284.6	-	-	-

* Breakdown between financial and non-financial businesses are based on internal estimation and not reviewed by independent auditors.

Other Information

Details of Internet Services Segment

(JPY mm)

	Q1/12	Q1/13	YoY
Revenue (IFRS)	59,568	68,667	+15.3%
Rakuten Ichiba	26,586	30,327	-
Rakuten Travel	7,139	7,824	-
Others	25,843 ^{*2}	30,516	-
Segment Profit or Loss (IFRS)	14,726	15,727	+6.8%
Rakuten Ichiba	16,173	17,664	-
Rakuten Travel	2,774	2,969	-
Impairment and restructuring loss	-886	-	-
Others	-3,335	-4,906	-



	IFRS	J-GAAP			IFRS
	Q1/12	Q2/12	Q3/12	Q4/12	Q1/13
Others of the Internet Service Segment	-3,335	-3,881	-5,371	-5,019	-4,906

*1: are IFRS basis

*2: This figure was amended on May 14, 2013

Details of Internet Finance Segment

(JPY mm)

		Q1/12	Q1/13	YoY
Revenue	IFRS	29,350	46,170	+57.3%
Credit Card	IFRS*	12,541	16,695	-
Banking	IFRS	9,135	9,571	-
Securities	J-GAAP	5,550	9,593	
Life Insurance	J-GAAP	-	6,702	
Others and Adjustment Items	-	2,124	3,610	-
Segment Profit or Loss	IFRS	4,201	10,088	+140.2%
Credit Card	IFRS*	1,276	2,572	-
Banking	IFRS	1,465	3,007	
Securities	J-GAAP	1,407	4,243	-
Life Insurance	J-GAAP	-	298	-
Others and Adjustment Items	-	53	-32	-

* Disclosed figures in Q1/12 are pro-forma basis, figures in Q1/13 are IFRS basis

IFRS/J-GAAP differences in Q1/12

■ Revenue

(JPY bn)

	Internet Service	Internet Finance	Other	Adjustment	Consolidated
IFRS	59.6	29.4	7.1	-6.2	89.8
J-GAAP	63.0	34.9	7.1	-6.2	98.7
Major differences	<ul style="list-style-type: none"> Sales reporting of books business in Japan is on a net basis in IFRS, on a gross basis in J-GAAP. Point costs (J-GAAP) at books business are deducted from revenue in IFRS 	<ul style="list-style-type: none"> Sales reporting of a part of credit card business is on a net basis in IFRS, on a gross basis in J-GAAP. Point related promotion costs (J-GAAP) at credit card business are deducted from revenue in IFRS 			

■ Operating Income

(JPY bn)

	Internet Service	Internet Finance	Other	Adjustment	Consolidated
IFRS	14.7	4.2	-0.3	-0.0	18.6
J-GAAP	15.9	3.7	-0.4	-2.1	17.2
Major differences	<ul style="list-style-type: none"> Extraordinary loss relating to China JV in J-GAAP is included in Operating Income in IFRS. Amortization of intangible assets at Kobo were normalized in Q1 and Q2 (In J-GAAP, costs for six months was recorded in only Q2 after PPA) 	<ul style="list-style-type: none"> GAAP differs in treatment of gains from sale of financial products at Banking Business. Other revenue and expenses are included in Operating income in IFRS. 	<ul style="list-style-type: none"> Other revenue and expenses are included in Operating income in IFRS 	<ul style="list-style-type: none"> Goodwill is amortized in J-GAAP on a straight-line method, not amortized in IFRS 	

Balance of Goodwill (as of end Mar 2013)

■ No impairment loss was recognized

(IFRS, JPY mm)

	December 31, 2012		March 31, 2013	
	Goodwill	Non-Amortizable intangible assets	Goodwill	Non-Amortizable intangible assets
Internet Services	58,736	5,871	69,709	6,179
PRICEMINISTER S.A.S.	12,273	5,110	12,917	5,379
Kobo Inc.	17,483	29	18,594	30
Others	28,980	732	38,198	770
Internet Finance	45,973	-	45,974	-
Rakuten Bank, Ltd.	34,386	-	32,886	-
Others	11,587	-	13,087	-
Others	3,186	-	3,230	-
Total	107,895	5,871	118,913	6,179

■ Major changes compared to end Dec 2012:

- Scope of consolidation (ADS, Stylife and others)
- Change of currency rates
- Goodwill associated with investment trust business was reclassified from Rakuten Bank to Rakuten Securities

Rakuten Group's CAPEX*

(JPY bn)

	FY2012 (J-GAAP)			
	Q1	Q2	Q3	Q4
Hardware	1.61	1.33	1.97	1.39
Software	4.25	5.49	5.22	4.83
Total	5.86	6.82	7.20	6.22

	FY2013 (IFRS)			
	Q1	Q2	Q3	Q4
Property, plant and equipment	1.89			
Intangible assets	5.55			
Total	7.44			

* Acquisition Basis (Including Professional Sports Business) and using straight-line method of depreciation.

Rakuten, Inc. (Non-consolidated)

■ Balance Sheet

As of Mar 31, 2013

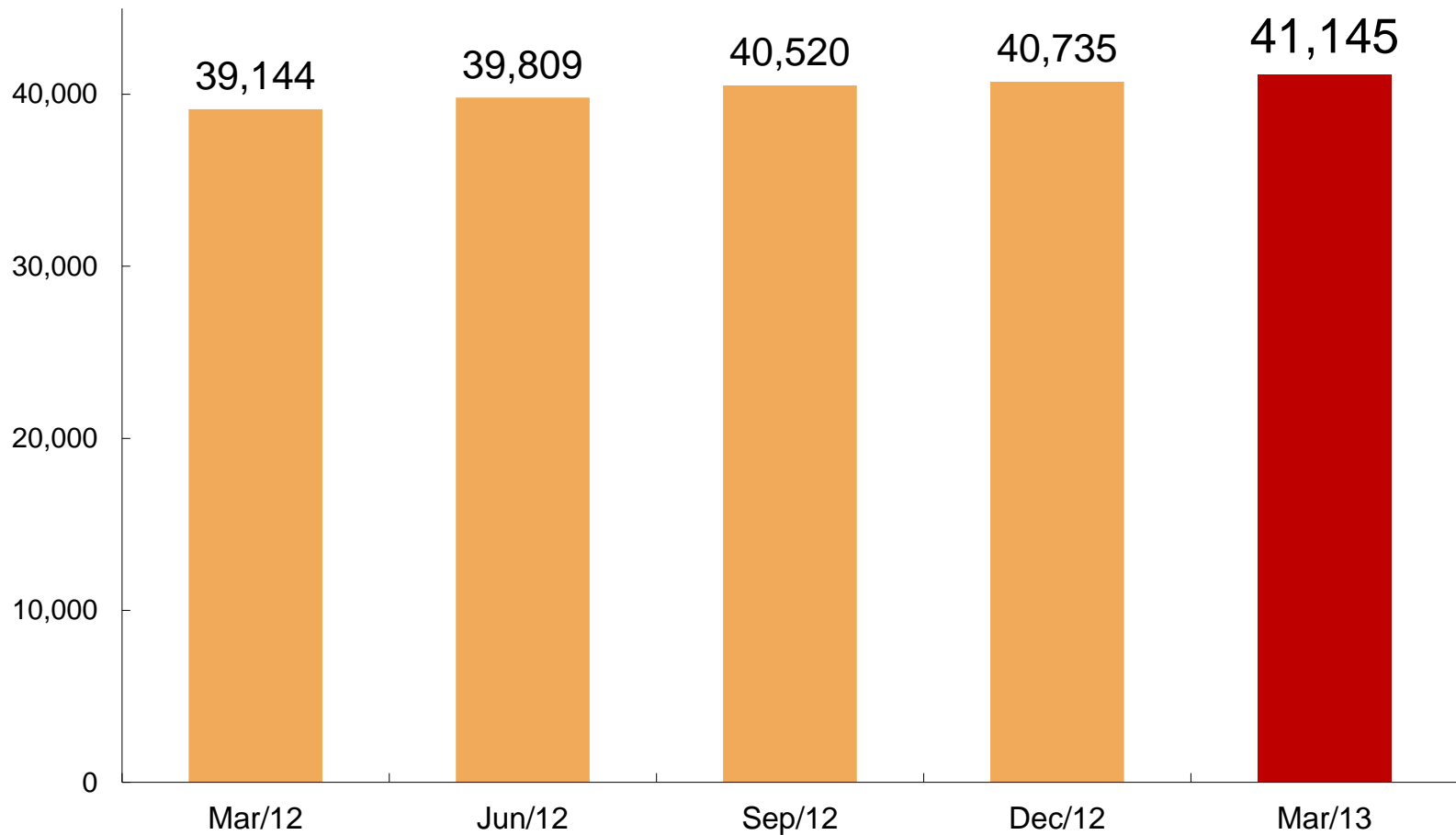
(JPY bn, IFRS)

Cash and cash equivalents	9.4	Accounts payable - trade	12.4
Accounts receivable - trade	39.6	Bonds and borrowings	182.6
Property, plant and equipment	7.0	Other liabilities	69.8
Intangible assets	17.7	TOTAL LIABILITIES	264.9
Investment securities and financial assets	478.4	Common stock	108.4
Other assets	22.4	Capital surplus	118.6
		Retained earnings	84.3
		Treasury stock	△3.6
		Other components of equity	1.8
		TOTAL NET ASSETS	309.5
TOTAL ASSETS	574.4	TOTAL LIABILITIES AND NET ASSETS	574.4

Rakuten Ichiba: Number of Merchants

■ Number of merchants: +5.1% YoY

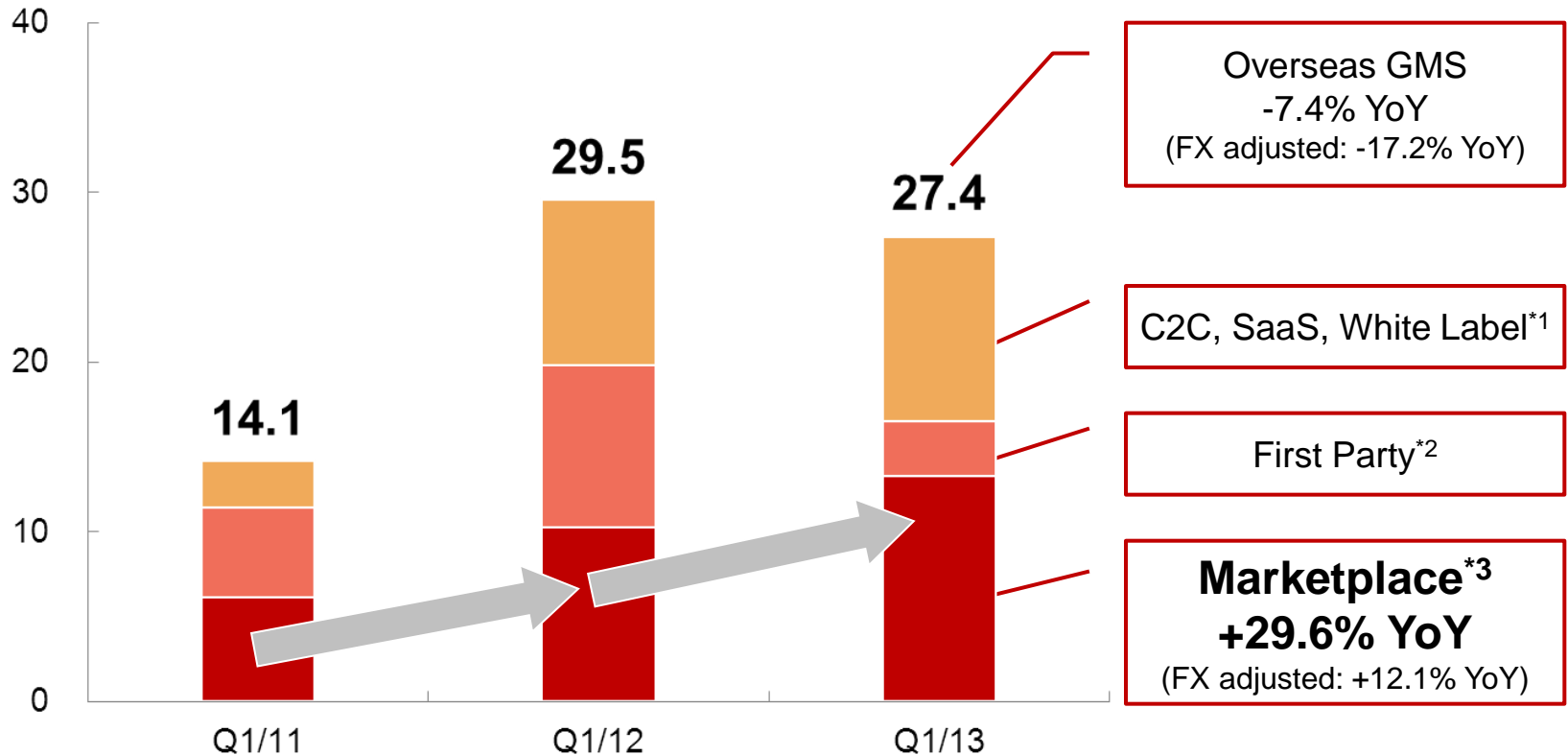
(# of Merchants)



Quarterly Gross Merchandise Sales (GMS) Overseas Companies

- Marketplace GMS growth: +29.6% YoY (+12.1% YoY forex adjusted)
- First party sales greatly reduced on successful business model change

(JPY bn)



*1: C2C, SaaS, White Label = PriceMinister C2C + Rakuten Brasil SaaS + Buy.com White Label .

*2: First Party = Buy.com First Party + Play.com First Party

*3: Marketplace = Taiwan Rakuten Ichiba + Tarad Premium Mall + Lekutian + Buy.com marketplace + PriceMinister marketplace + Rakuten Belanja Online + Rakuten Deutschland + Play.com marketplace + Rakuten Brasil marketplace (from Q2/12).

Credit Card Business: Revenues and Expenses

■ FY2012 J-GAAP and IFRS (pro-forma)

(JPY mm)

J-GAAP	Q1/12	Q2/12	Q3/12	Q4/12
Total revenues	18,232	19,846	20,709	23,374
General services	10,904	11,887	12,562	13,981
Card shopping	10,887	11,871	12,546	13,966
Others	17	16	16	16
Financing	901	1,025	1,115	1,254
Card cash advances	836	953	1,030	1,145
Loan card	38	44	57	80
Others	26	28	29	29
Credit guarantee (Rakuten Credit)	1,705	1,824	1,947	2,076
Others	4,722	5,109	5,084	6,063
Operating expenses	17,108	17,488	17,512	19,175
Personnel costs	1,288	1,196	1,323	1,307
General expenses	12,292	12,557	12,801	14,661
Interest expenses	1,282	1,024	978	831
Expenses related to doubtful accounts	2,245	2,711	2,410	2,376
Operating profit	1,124	2,358	3,197	4,200

IFRS, pro forma	Q1/12	Q2/12	Q3/12	Q4/12
Revenues	12,541	13,761	14,428	15,987
Operating income	1,276	2,254	3,119	4,246

■ FY2013 IFRS

(JPY mm)

IFRS	Q1/13
Total revenues	16,695
Shopping	9,825
Revolving	6,165
Others	3,660
Credit guarantee	2,287
Cash advances	1,262
Others	3,322
Total operating expenses	14,123
Personnel costs	1,315
General expenses	8,389
Interest expenses	1,414
Expenses related to doubtful accounts	3,005
Operating profit	2,572

Credit Card Business: Transaction Volume*

■ Composition of Transaction Volume

(JPY mm)

	Q1/12	Q2/12	Q3/12	Q4/12	Q1/13
General services	396,898	434,403	455,051	522,686	537,101
Card shopping	396,195	433,732	454,366	522,016	536,399
Others	703	672	685	670	702
Financing	11,219	13,800	15,383	16,940	17,260
Card cash advances	10,742	12,690	13,480	14,650	15,942
Loan card	477	1,110	1,903	2,289	1,317
Others	4,401	4,969	4,851	4,732	4,655
Total transaction volume	412,518	453,173	475,286	544,358	559,016

Credit Card Business: Balance of Loan Receivables

(JPY mm)

	Q1/12	Q2/12	Q3/12	Q4/12	Q1/13
General services	265,441	281,587	294,265	348,312	355,150
(Off-balance)	187,129	185,617	97,360	140,145	-
Card shopping	265,184	281,371	294,035	348,070	354,913
incl. Revolving balance (principal)	129,650	139,724	150,003	161,530	172,992
Others	257	216	230	242	237
Financing	63,927	64,275	65,443	66,050	67,626
Card cash advances	20,070	21,874	23,792	24,970	27,754
Loan cards	1,657	2,421	3,850	5,313	5,660
Others	42,201	39,979	37,801	35,767	34,211
Foreclosed credit guarantees	-	-	-	-	9,423
Installments	292	187	134	93	71
Others	25,156	24,017	23,167	22,083	-
(Off-balance)	23,075	22,034	21,287	20,301	-
Total balance (incl. off-balance)	354,817	370,065	383,009	436,537	-
Total balance (only on-balance)	144,612	162,415	264,361	276,091	-
Total balance (from 2013)	-	-	-	-	432,269
Differences between J-GAAP and IFRS	-	-	-	-	-346
Amount reported in IFRS B/S*	-	-	-	-	431,923
Credit guarantee for Rakuten Bank super loan and etc	154,879	164,151	173,661	180,391	183,051
(Off-balance)	147,280	156,215	165,332	171,557	183,051

* Before deducting allowance for doubtful accounts

Credit Card Business: Allowance for Doubtful Accounts

■ Rakuten Card Business

(JPY mm)

	Q1/12	Q2/12	Q3/12	Q4/12	Q1/13
Rakuten Card	286,886	305,656	321,707	378,362	388,216
Normal	281,047	300,311	316,110	372,671	382,384
Doubtful (4months-and-over-delinquent)	5,839	5,345	5,597	5,691	5,832
Others (incl. re-contract)	40,426	38,055	35,786	33,669	32,180
Normal	28,964	27,262	25,797	24,689	23,913
Doubtful (4months-and-over-delinquent)	11,462	10,792	9,989	8,979	8,266
Total balance	327,311	343,710	357,493	412,031	420,396
Normal	310,011	327,573	341,908	397,360	406,297
Doubtful (4months-and-over-delinquent)	17,301	16,137	15,586	14,670	14,098
% of doubtful accounts	5.29%	4.70%	4.36%	3.56%	3.35%
Secured	4,648	4,539	4,391	4,318	4,117
Total balance of loan receivables	331,960	348,250	361,884	416,348	424,512
Allowance for doubtful accounts	20,662	19,631	18,777	17,791	17,486
Allowance ratio	6.22%	5.64%	5.19%	4.27%	4.12%
Write-off for bad debt	2,336	3,049	2,609	2,910	2,455

■ Credit Guarantee Business

(JPY mm)

	Q1/12	Q2/12	Q3/12	Q4/12	Q1/13
Foreclosed credit guarantees	7,598	7,935	8,329	8,834	9,423
Allowance for doubtful accounts	2,329	2,440	2,595	2,745	2,838
Write-off for bad debt	606	507	522	615	734

Banking Business: Revenues and Expenses

(JPY mm)

		Q1/12	Q2/12	Q3/12	Q4/12	Q1/13	YoY
Revenue (IFRS) (2)		9,135	8,953	9,291	9,649	9,571	+4.8%
Differences between J-GAAP and IFRS (1-2)		-165	1,756	1,012	872	129	
Ordinary income (J-GAAP) (1)		8,969	10,709	10,302	10,522	9,700	+8.1%
Interest income		5,044	5,206	5,482	5,804	5,911	+17.2%
Fees and commissions		3,268	3,670	3,463	3,484	3,234	-1.1%
Other ordinary income		648	1,787	1,377	1,219	537	-17.1%
Other income		9	47	-20	15	18	+100.9%
Ordinary expenses (J-GAAP)		7,795	8,225	8,083	8,216	8,345	+7.1%
Interest expenses		571	531	542	475	491	-14.0%
Fees and commissions payments		2,948	3,158	3,219	3,426	3,433	+16.5%
Other ordinary expenses		36	220	0	0	42	+16.6%
General and administrative expenses		4,238	4,312	4,300	4,298	4,337	+2.3%
Other expenses		1	4	21	18	41	+2937.2%
Ordinary profit (J-GAAP) (3)		1,174	2,484	2,219	2,306	1,356	+15.4%
Differences between J-GAAP and IFRS (3-4)		-291	1,135	744	671	-1,652	
Operating profit (IFRS) (4)		1,465	1,349	1,475	1,634	3,007	+105.3%

* IFRS based operating profit in Q1/13 includes transfer gain (JPY1.5bn) of investment trust business to Rakuten Securities.

Rakuten Bank recognizes transfer gain as extraordinary profit under J-GAAP, while consolidated Rakuten group eliminates it in "Adjustments" as group transaction.

Banking Business: Assets and Deposits

■ Balance of Assets

(JPY bn)

	Mar 31 2013	Allowances
Call Loans	48.0	-
Loan Receivables	200.7	0.3
ABS (securitized loan receivables)	35.0	0.0
Marketable Securities	210.1	0.2
Money held in Trust	0.2	0.0

(Reference)

Rakuten Card securitized assets ^{*1}	217.3	-
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■ Balance of Deposits (Liabilities)

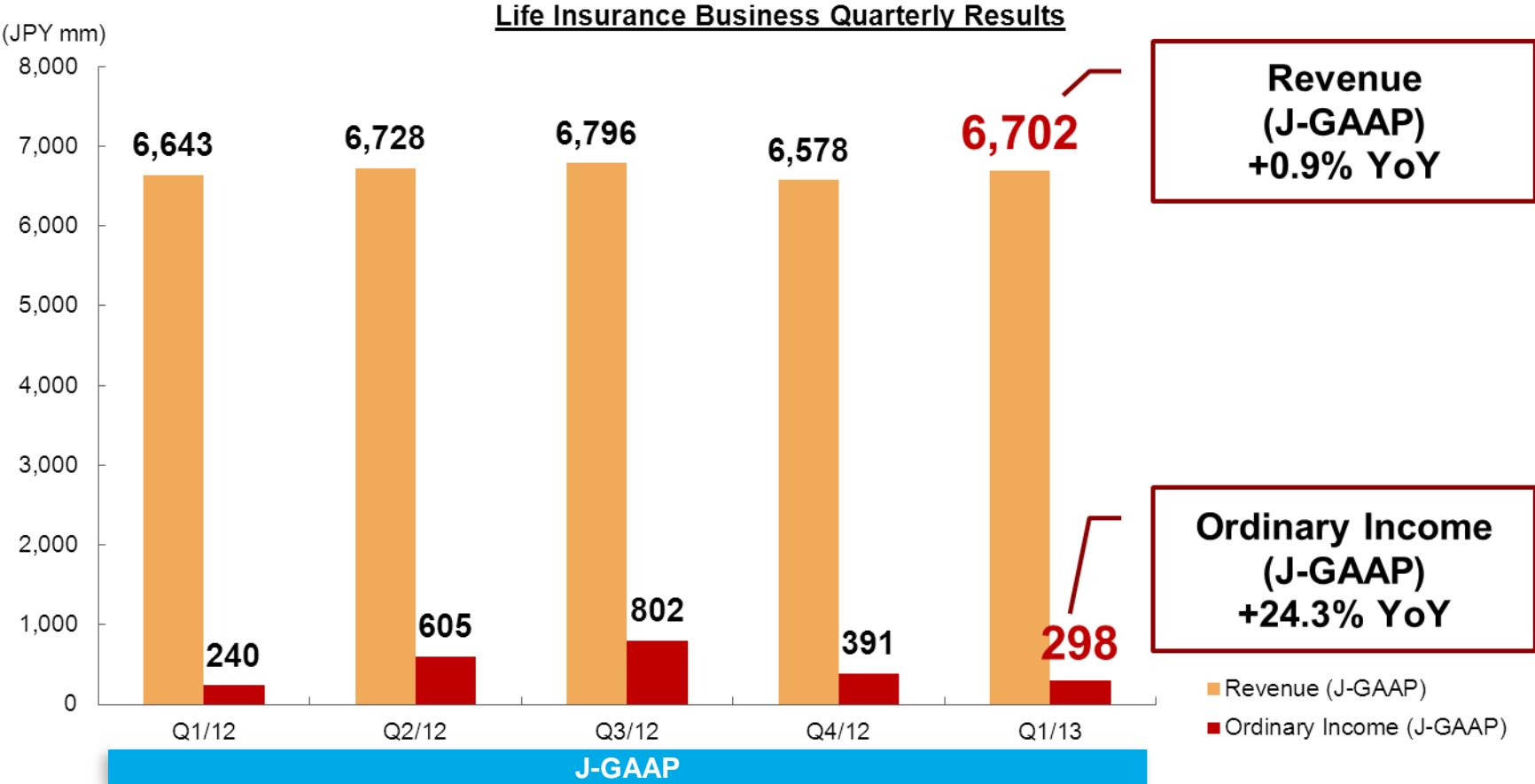
(JPY bn)

	Mar 31 2013
Deposit Balance	836.2
Ordinary Deposits	448.4
Time Deposits	317.1
Other Deposits ^{*2}	70.7

*1: Intercompany elimination at IFRS consolidation

*2: Other deposits include deposits in foreign currencies and others

Rakuten Life Insurance Quarterly Results

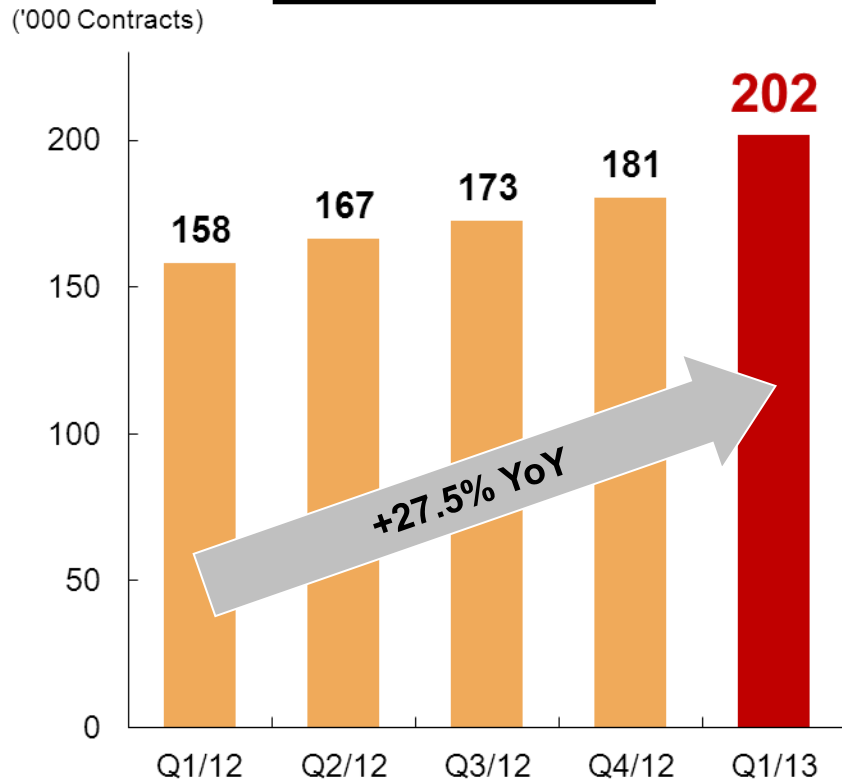


*1: Results of 13/Q1 are preliminary. Rakuten Life Insurance discloses final results late May of 2013 at its web site
 *2: Rakuten Life Insurance Co., Ltd. was consolidated from the end of October, 2012
 *3: Disclosed figures are J-GAAP basis

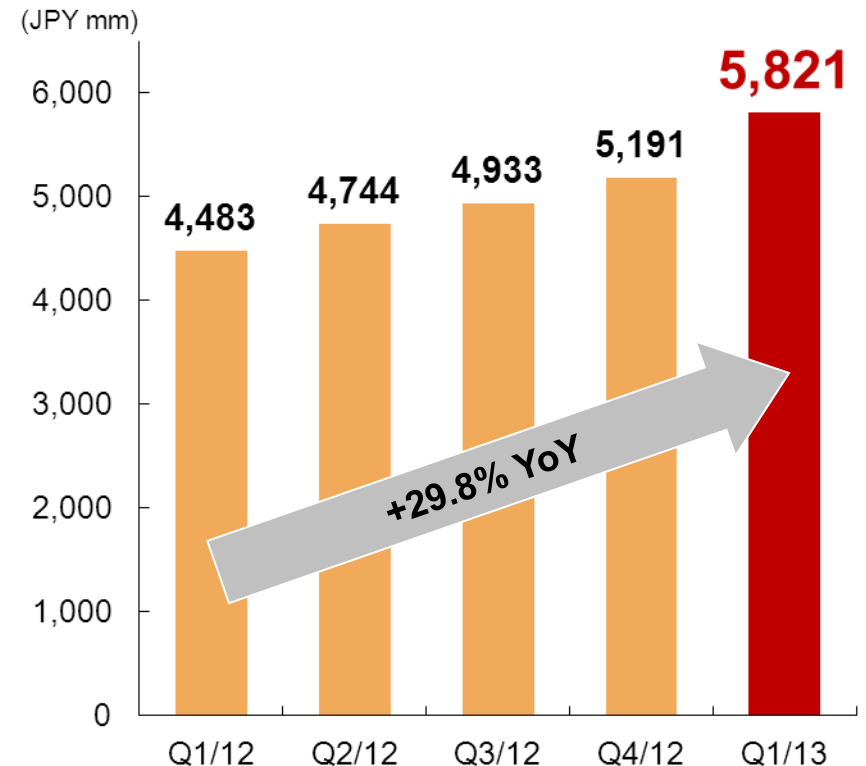
Life Insurance Business: Life Insurance Contracts

- Airio Life Insurance was renamed Rakuten Life Insurance on April 1, 2013
 - Started new proprietary web pages to conduct direct insurance sales
 - Released new term life insurance, available only through the internet

Policies in Force



Annualized Insurance Premiums



*1: Excluding contracts of mutual aid association

*2: Rakuten Life Insurance Co., Ltd. was consolidated from the end of October, 2012

Life Insurance Business: Major Indices

(# of contracts, JPY mm)

	Q1/12	Q2/12	Q3/12	Q4/12	Q1/13 ^{*3}
New Policies					
No. of New Policy	19,232	13,725	11,563	13,882	28,157
Annualized Insurance Premiums	561	431	363	435	849
Policies in Force^{*1}					
No. of Policies	652,521	652,072	650,262	649,449	659,710
Annualized Insurance Premiums	26,994	26,955	26,881	26,854	27,154
Solvency Margin	833.8%	916.4%	978.5%	1023.2%	1077.6%
MCEV^{*2}					38,053
Adjusted Net Assets					4,312
Value of In-Force Contracts					33,742

*1: Including policies of succeeded mutual aid association business

*2: Simplified calculation methodology

*3: Results of Q1/13 are preliminary

*4: Rakuten Life Insurance Co., Ltd. was consolidated from the end of October, 2012

Others Q1/13 Highlights

Fusion Communications (Telecom)



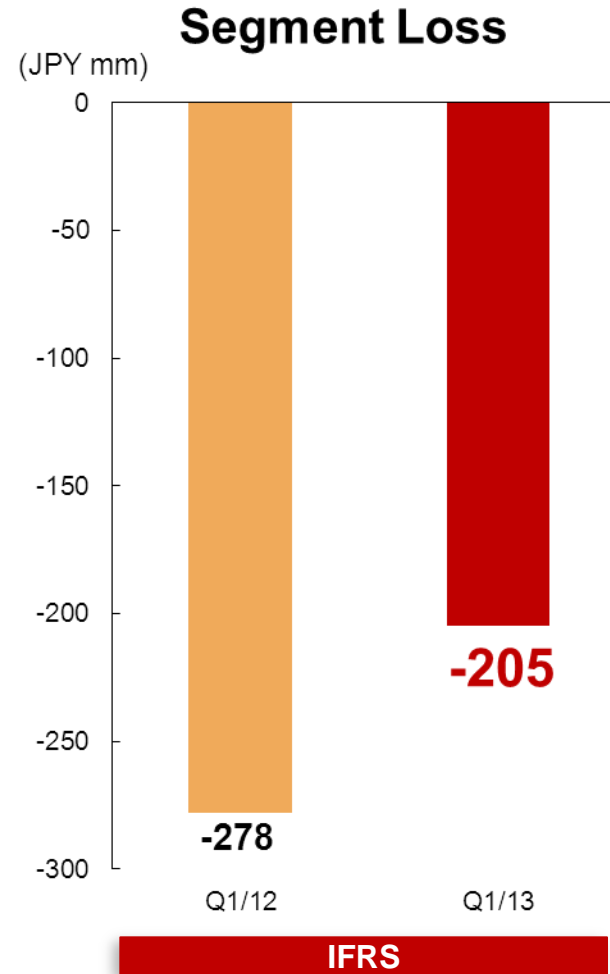
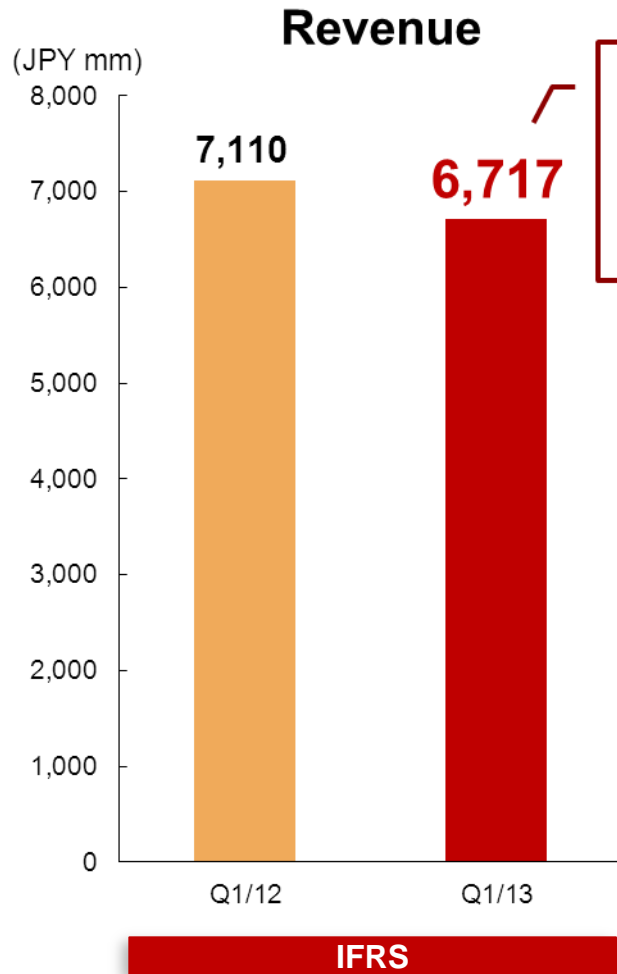
- Operating profit: JPY 414mm, keeping a good condition
- Released B2B secure cloud file services “FUSION Secure Drive” and “FUSION Secure Drive App”

Rakuten Baseball



- Annual season tickets sales (excluding wholesale sales) reached a record high
- Broadcasting sales staying in good shape

Others Quarterly Results (IFRS)



Rakuten Membership

(Million persons)

	12/Mar	12/Dec	13/Mar	YoY
Rakuten Members	76.80	81.57	83.57	+8.8%

* Rakuten Members excluding non-active users who never use any Rakuten services, and excluding members who logged in during the period but later withdrew their membership: Sep 2012: 53.19m , Dec 2012: 54.90m , Mar 2013: 56.87m,

 **Rakuten**