

# Overview of Q3 2005

November 9, 2005  
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.

## Q3/05 Major Topics (1)



- Revenues and Ordinary Profit grow significantly YoY four times, QoQ two times
  - ▶ Q3 Revenues 45.2B yen(YoY +308.5%)  
Ordinary Profit 13.2B yen(YoY+283.5%)
  - 9 months ended 9/30: Revenues 81.0B yen  
Ordinary Profit 24.7B yen\*
- E-Commerce continues to maintain high growth
  - ▶ Recovery from the temporary impact of personal information leakage
  - Merchant acquisition continues to increase its pace
- Split Financial Segment into Credit & Payment Business and Securities Business
  - ▶ Rakuten KC consolidated from Q3, Credit & Payment Business expands sharply
- Operating Profit at Portal and Media Business continues to improve
  - ▶ Infoseek continues to be the key growth driver for Portal & Media
  - Operating Profit growth YoY +258%
- Travel Business shows sign of stronger growth
  - ▶ Growth rate in gross booking starts to pick up again
  - New contract became effective as of 9/1; already shows certain positive impact

\* Excluding amortization of goodwill recorded in SG&A

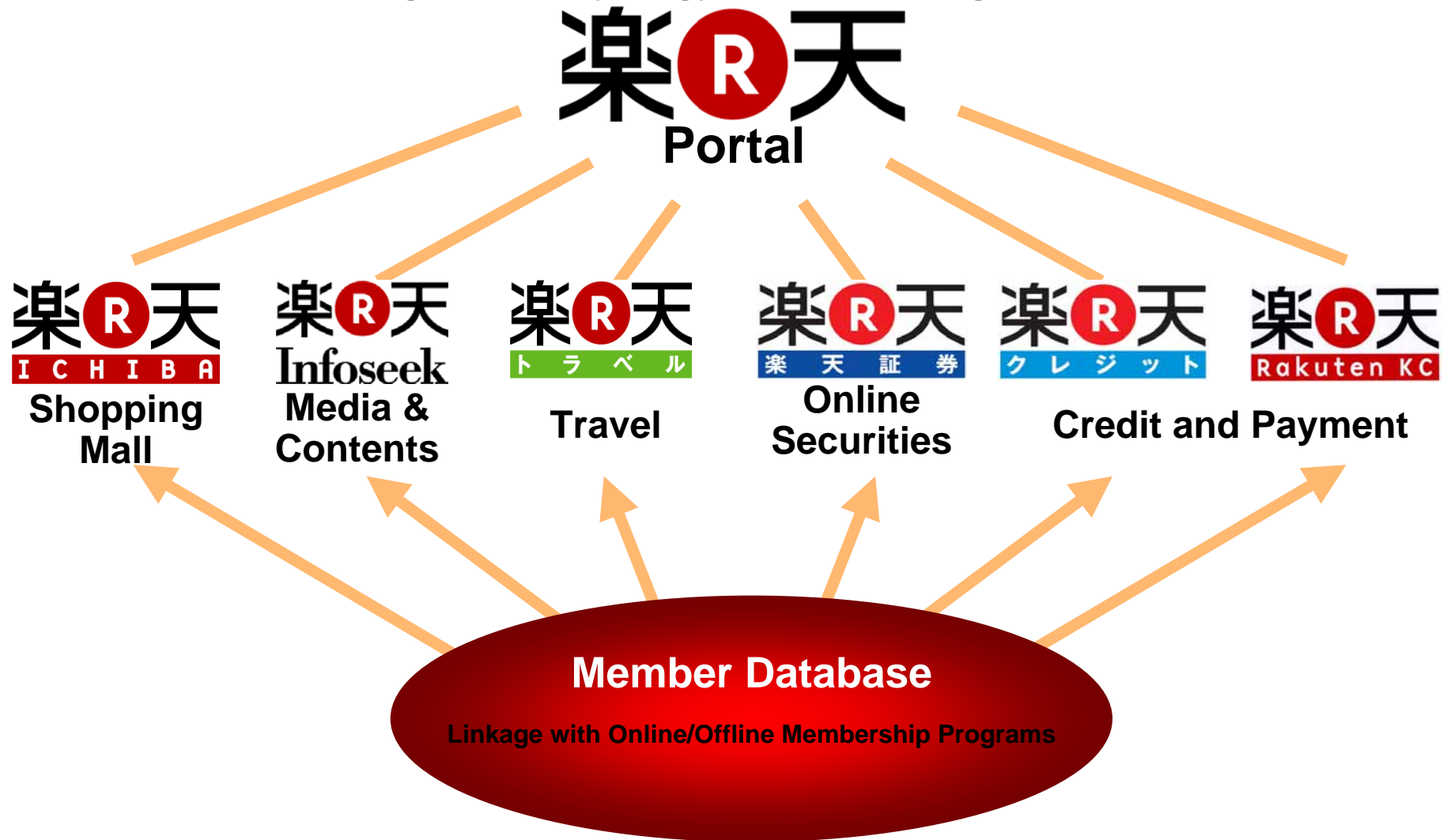
- 
- **Securities Business performs substantially well** ▶ ■ **Revenues and profit rise significantly due to booming stock market in Japan**
- 
- **Bringing further synergy effects** ▶ ■ **Efforts towards synergy effects among Rakuten group starts to materialize**  
■ **Key metrics such as numbers of members/accounts and transaction volume continues to improve**
- 
- **Laying a cornerstone for new stage** ▶ ■ **Closing LinkShare acquisition, first step into international expansion**  
■ **Auction JV with NTT DoCoMo announced**  
■ **Acquisition of 19.09% interest in TBS to address convergence of internet and broadcasting, requesting discussion**
-

# **Group Strategy**

# Rakuten Group Strategy

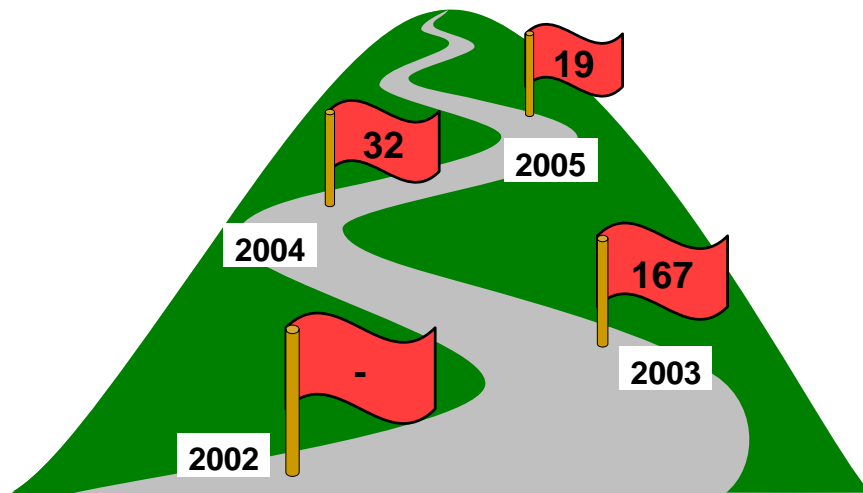


From the Complex of Strong Sites to the Enterprise Creating Significant Synergy Effects among Services



## Rakuten's Brand Awareness Has Significantly Increased over the Past 3 Years

### Brand Awareness



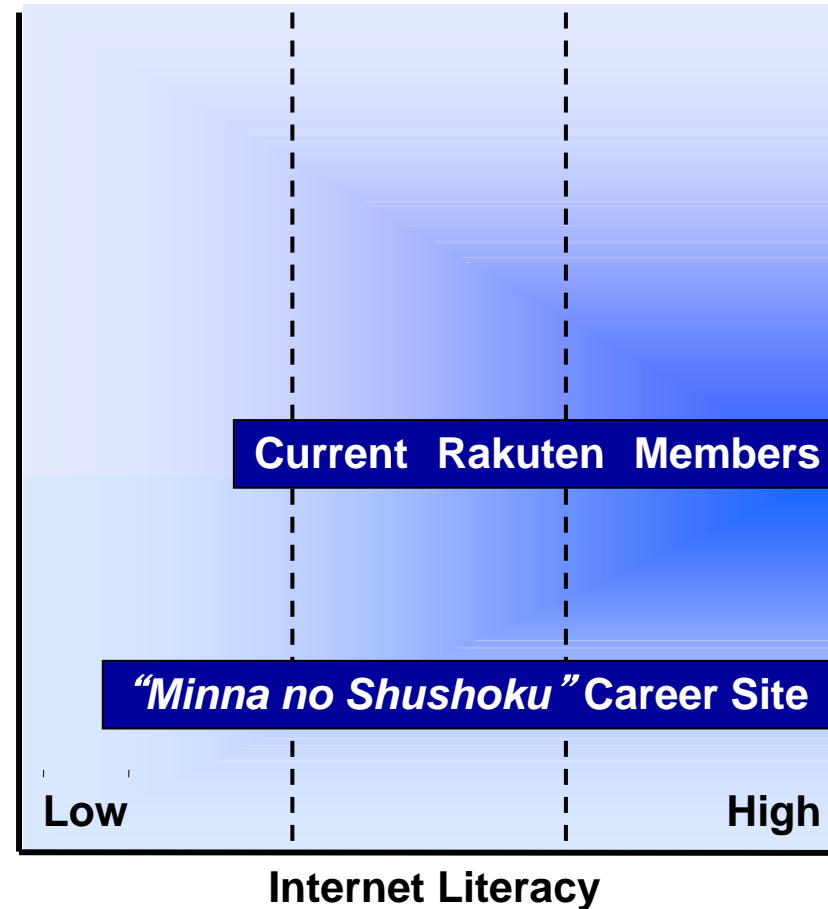
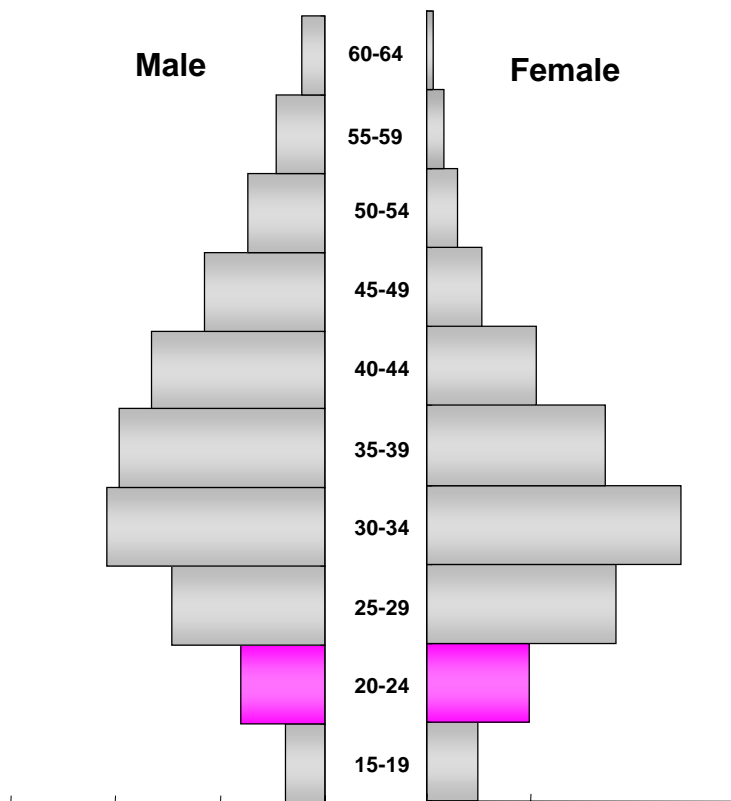
### Top Innovative Brands in Japan (2005)

1. **Rakuten Ichiba**
2. Yahoo! Japan
3. Softbank
4. Yahoo! BB
5. Toyota
6. Livedoor
7. Microsoft
8. Studio Ghibli
9. Yamato Transport
10. Sony

Source: Consumer Brand Awareness Ranking by Nikkei BP Consulting (May 2005)

## Capturing College Student Users through Integrating Membership of Popular Career Site

Rakuten Member Composition



# Japan’s Largest Message-Board-type Job Information Site



## Community of College Graduates Finding Their First Job

- Companies Listed: 11,500
- Registered Students: 540,000
- PVs: 27.7M/month
- Unique Users: 556,000/month

〈As of April 30, 2005〉

<http://www.nikki.ne.jp/>



# Affiliate Marketing Bringing Group Synergy Rakuten

Rakuten Hiroba (Blog) Generates Leads to Various Rakuten Services through Rakuten's Affiliate Marketing Program



Favorite Books/DVDs from Blog

Favorite Shops from Blog

Introducing hotels from travel history

Hotels and air tickets recommended in blogs written from outside Japan



## Link from Rakuten Ichiba to each Rakuten service



Rakuten Securities

Credit Cards, Consumer Loans

Rakuten Travel

Rakuten Books

Portal site (*Infoseek*)

Blog (*Rakuten Hiroba*)

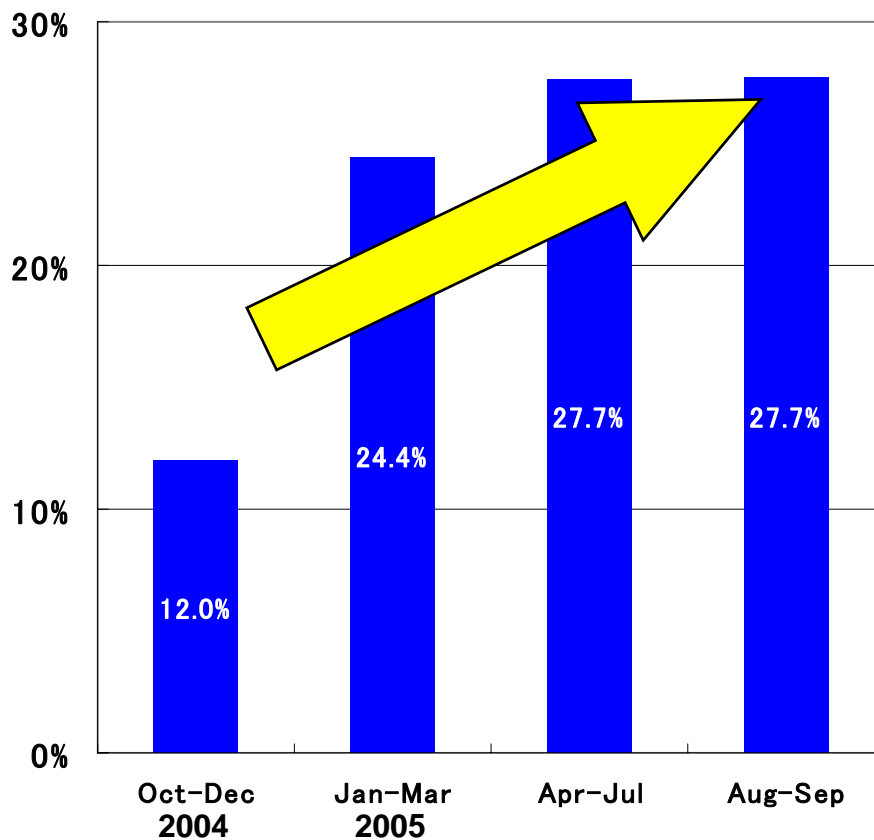
# Rakuten Securities Customer Inflow from Rakuten Ichiba



## New Accounts from Rakuten Ichiba accounts for 27.7% of total, Growth in Commissions

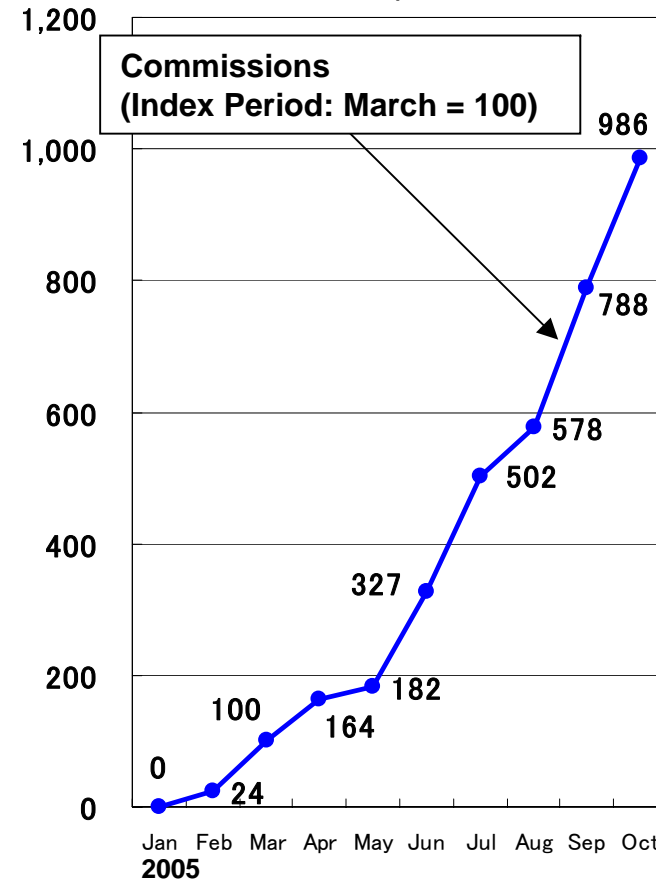
New Accounts Opened as a Result of Customers  
Who Were Introduced Through Rakuten Ichiba Home Page

12.0% → 24.4% → 27.7% → 27.7%



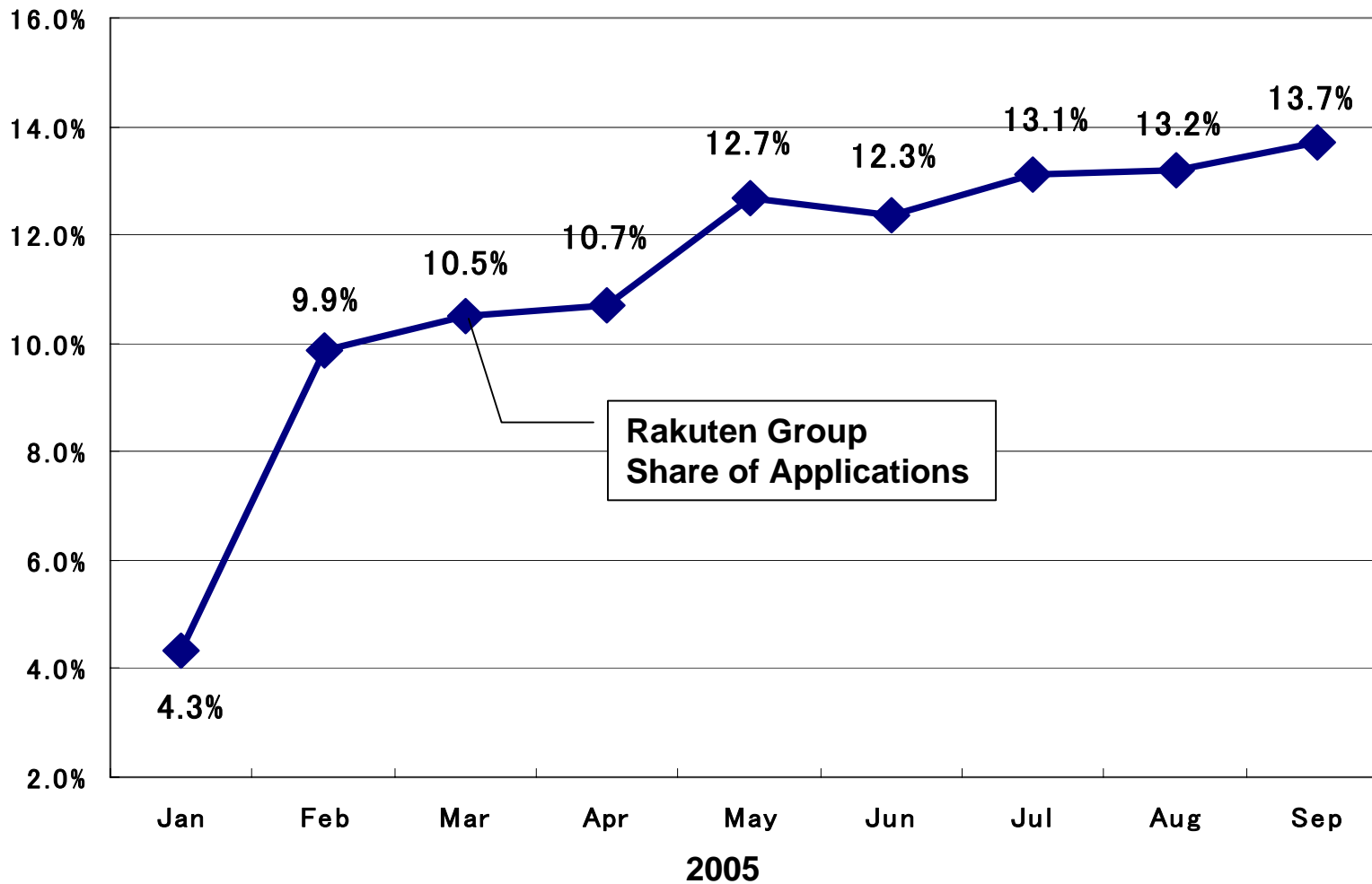
Effects of Rakuten Ichiba Home Page  
Introduction of Commissions

(As of October 31, 2005)



\* Survey Results from New Customers

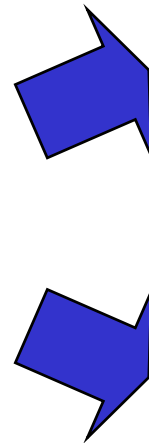
### Effects of Advertising on Rakuten Ichiba Top Page Percent Share of Total Application Increase



## Supporting Merchant Acquisition for Rakuten Group Utilizing Rakuten KC's Nation-wide Outlets

### Rakuten KC

- 39 branches in Kyushu area sent questionnaires on E-commerce to their merchants and received approximately 1,600 replies
- Major branches held seminars for local merchants
- Expand to Kinki area in near future



### Rakuten Ichiba

- Promoting new Merchants' Joining
- Increase in Kyushu Area  
No.1 : Tohoku Area +60%  
No.2 : Kyushu Area +58%  
Average:+30%  
(From Dec/04 to Oct/05)

### Rakuten Travel

- Promoting New Contract Accommodations

# **International Strategy**

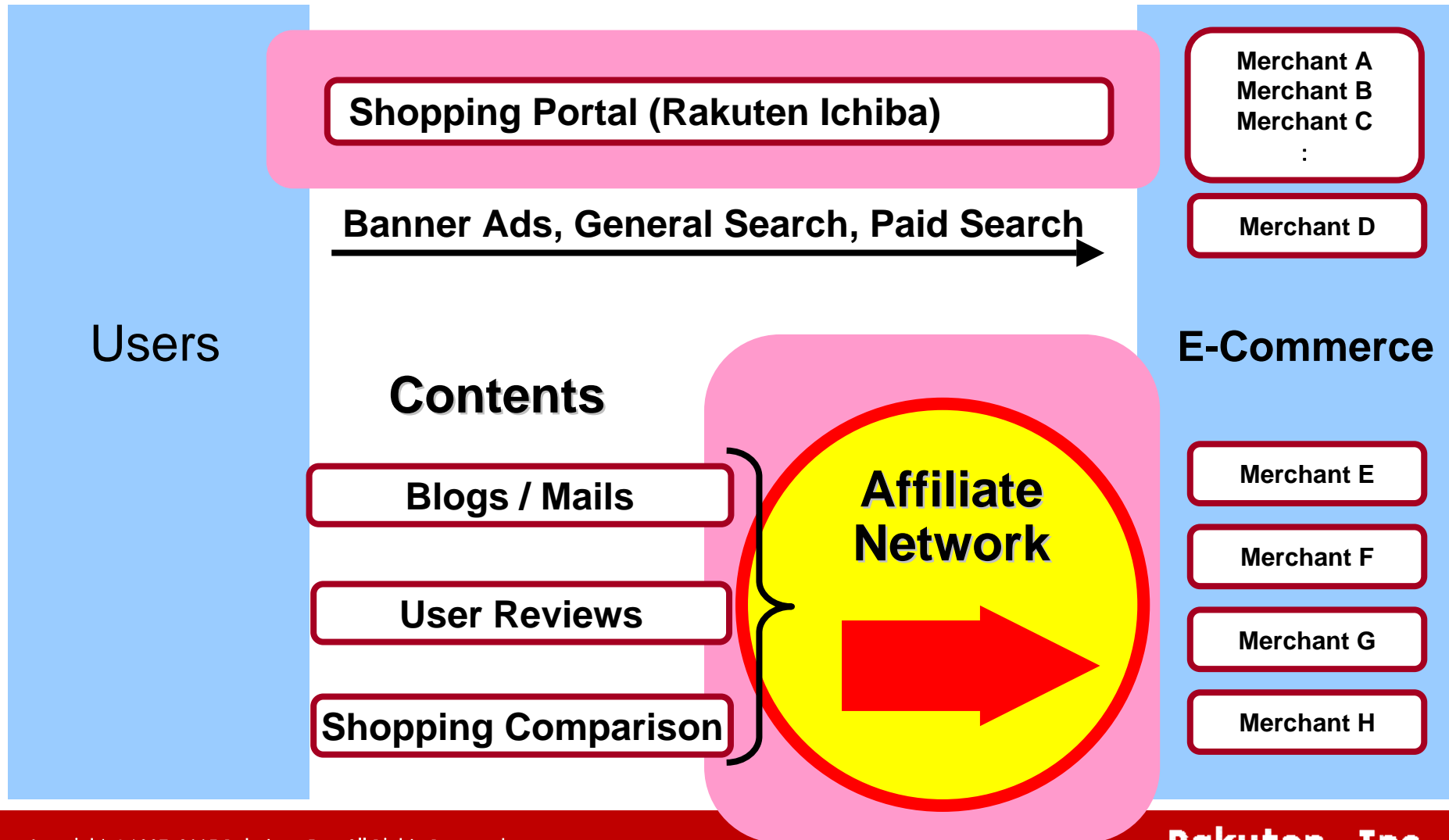
## First Step into International Expansion

- First step into US e-commerce market through acquisition of globally leading affiliate marketing company
- Learn about the US market
- Use LinkShare as acquisition platform

## Increase Affiliate Marketing Presence in Japan

- Increase presence in Japanese affiliate marketing through 50% ownership in LinkShare Japan K.K.
- Explore possible expansion of e-commerce business through affiliate marketing

## Taking More Transactions Through Acquisition of Affiliate Marketing Service





### **Formed International Business HQ as footstep into global expansion**

- **International Business HQ, Started on October 3, 2005**
- **Responsible for LinkShare Corporation and International Strategy**

- 
- 1. Financial Highlights**
  - 2. E-Commerce Business**
  - 3. Credit and Payment Business**
  - 4. Portal and Media Business**
  - 5. Travel Business**
  - 6. Securities Business**
  - 7. Professional Sports Business**

# **Financial Highlights**

## Q3/05 Consolidated Results (YoY)



( Billion Yen)

	Revenues	YoY	Ordinary Income*	YoY	Ordinary Inc. Margin
E-Commerce Business	8.18	+53.9%	2.50	+57.7%	30.7%
Credit and Payment Business	23.45	-	4.72	-	20.1%
Portal and Media Business	2.68	+80.3%	0.80	+201.7%	29.9%
Travel Business	2.01	+34.5%	1.05	+42.0%	52.3%
Securities Business	6.89	+126.5%	3.25	+260.7%	47.2%
Professional Sports Business	2.79	-	0.75	-	27.1%
Internal Elimination	- 0.80	-	0.11	-	-
Consolidated	45.22	+308.5%	13.21	+283.5%	29.2%

\* Excluding amortization of goodwill recorded in SG&A

19

# Q3/05 Consolidated Results (QoQ)



(Billion Yen)

	Revenues	QoQ	Ordinary Income*	QoQ	Ordinary Inc. Margin
E-Commerce Business	8.18	+4.8%	2.50	- 0.1%	30.7%
Credit and Payment Business	23.45	+2230.7%	4.72	-	20.1%
Portal and Media Business	2.68	+24.5%	0.80	+39.5%	29.9%
Travel Business	2.01	+25.2%	1.05	+47.9%	52.3%
Securities Business	6.89	+37.0%	3.25	+55.9%	47.2%
Professional Sports Business	2.79	- 16.7%	0.75	- 22.6%	27.1%
Internal Elimination	- 0.80	-	0.11	-	-
Consolidated	45.22	+122.7%	13.21	+92.9%	29.2%

\* Excluding amortization of goodwill recorded in SG&A

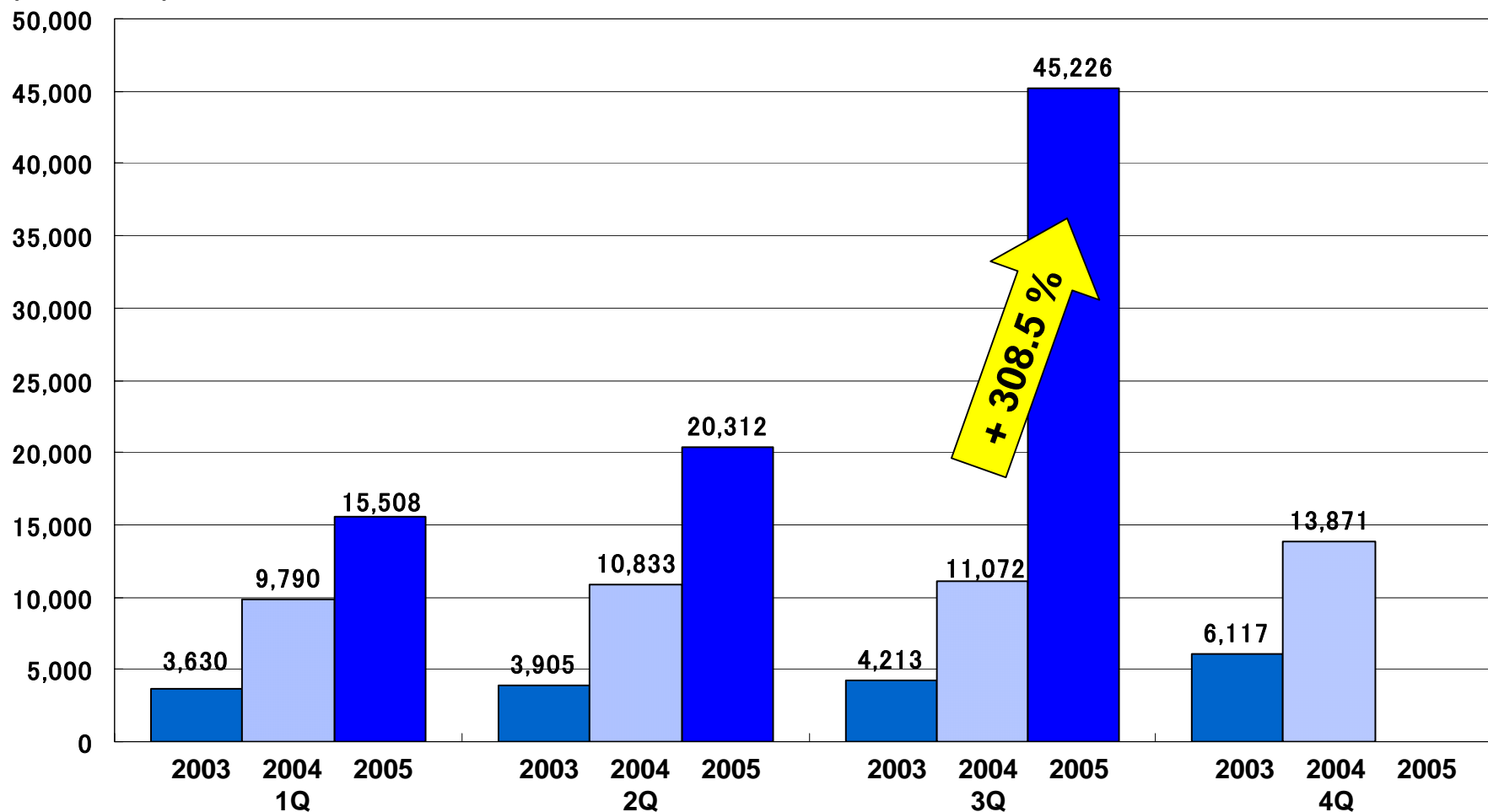
20

# Consolidated Revenues (Excluding One-Time Factor in Q2/03)



**Growth YoY +308.5%, QoQ +122.7%**

(Million Yen)



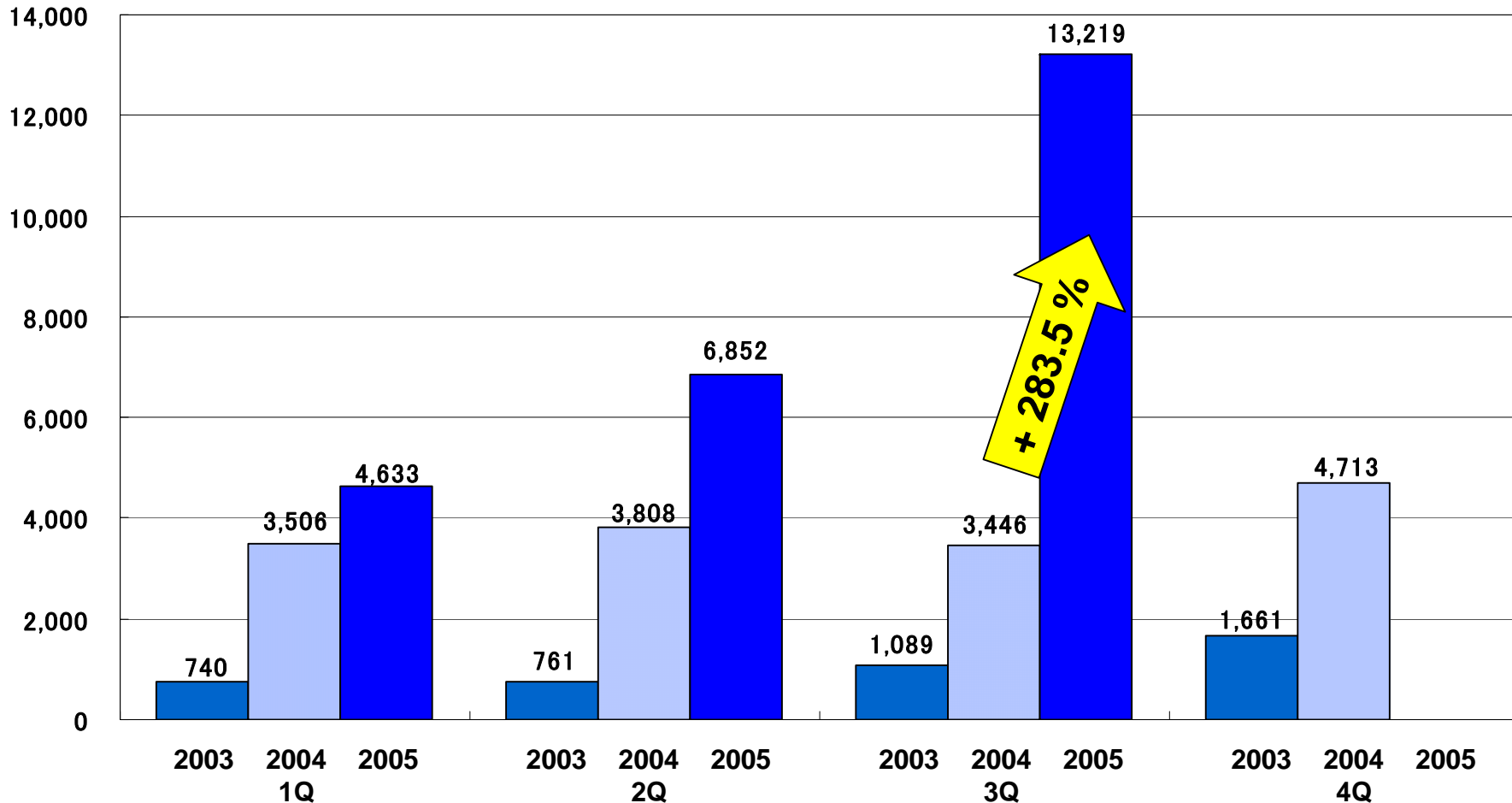
\* One-time factor in Q2/03: Effects of change in revenue recognition policy +214 million yen

# Consolidated Ordinary Profit (Excluding One-Time Factor in Q2/03)



**Q2/05 Growth YoY +283.5.7%, QoQ +92.9%**

(Million Yen)



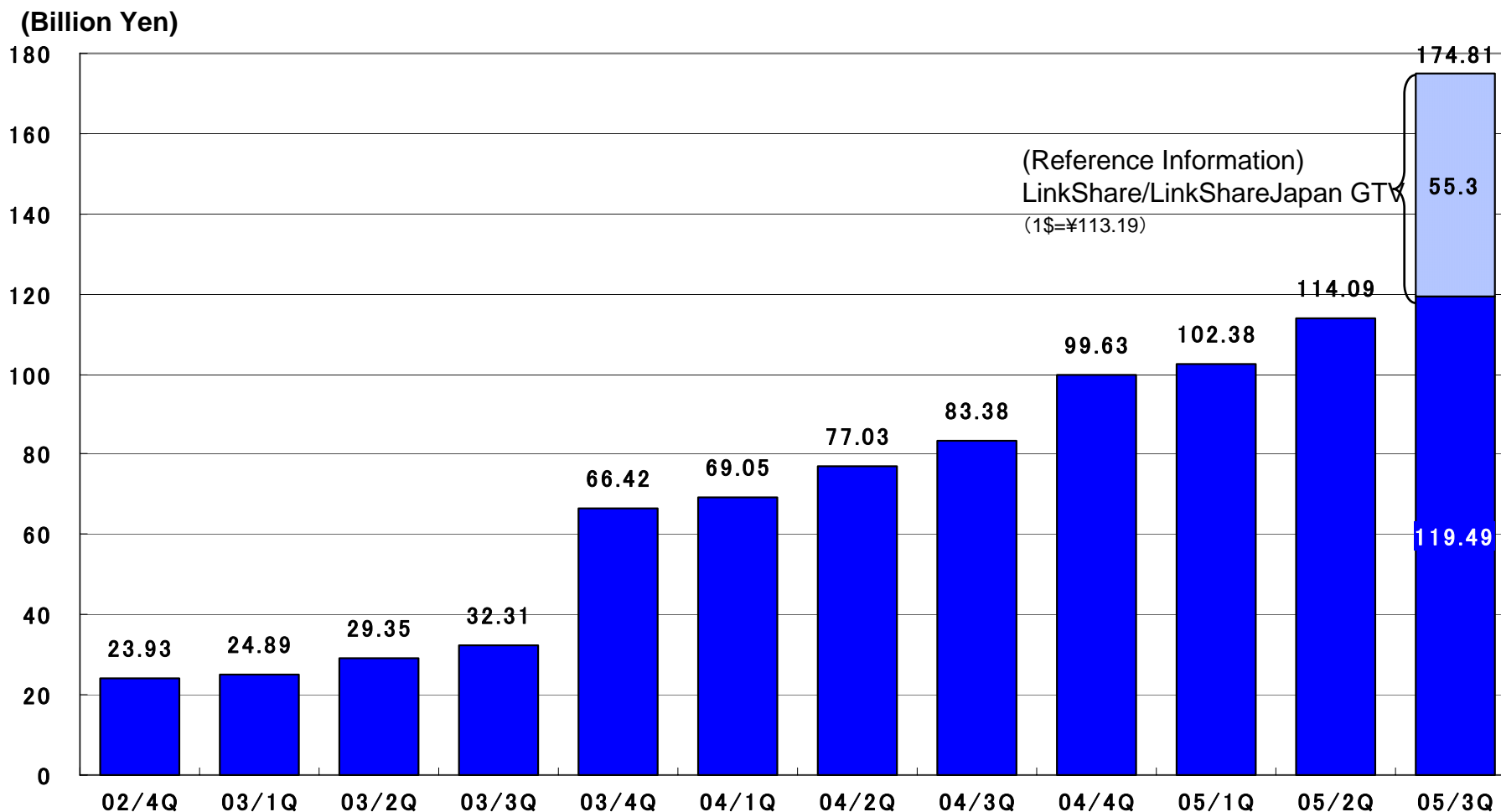
\*One-time factor in Q2/03: Effects of change in revenue recognition policy +214 million yen and effects of point-related costs -28 million yen

\*For Q1/05, Point Program cost estimates equal -116 million yen

\*Excluding amortization of goodwill recorded as SG&A

# Group Gross Transaction Value

Approaching 700 Billion Yen on an Annualized Basis by Combining LinkShare



\* GORA (from Sept 2003), MyTrip.net (from Oct 2003), Rakuten Download (from Jan 2003), Digipa Networks (from Apr 2004) are included  
\* Overseas hotel bookings and international air ticketing included from Q1/05



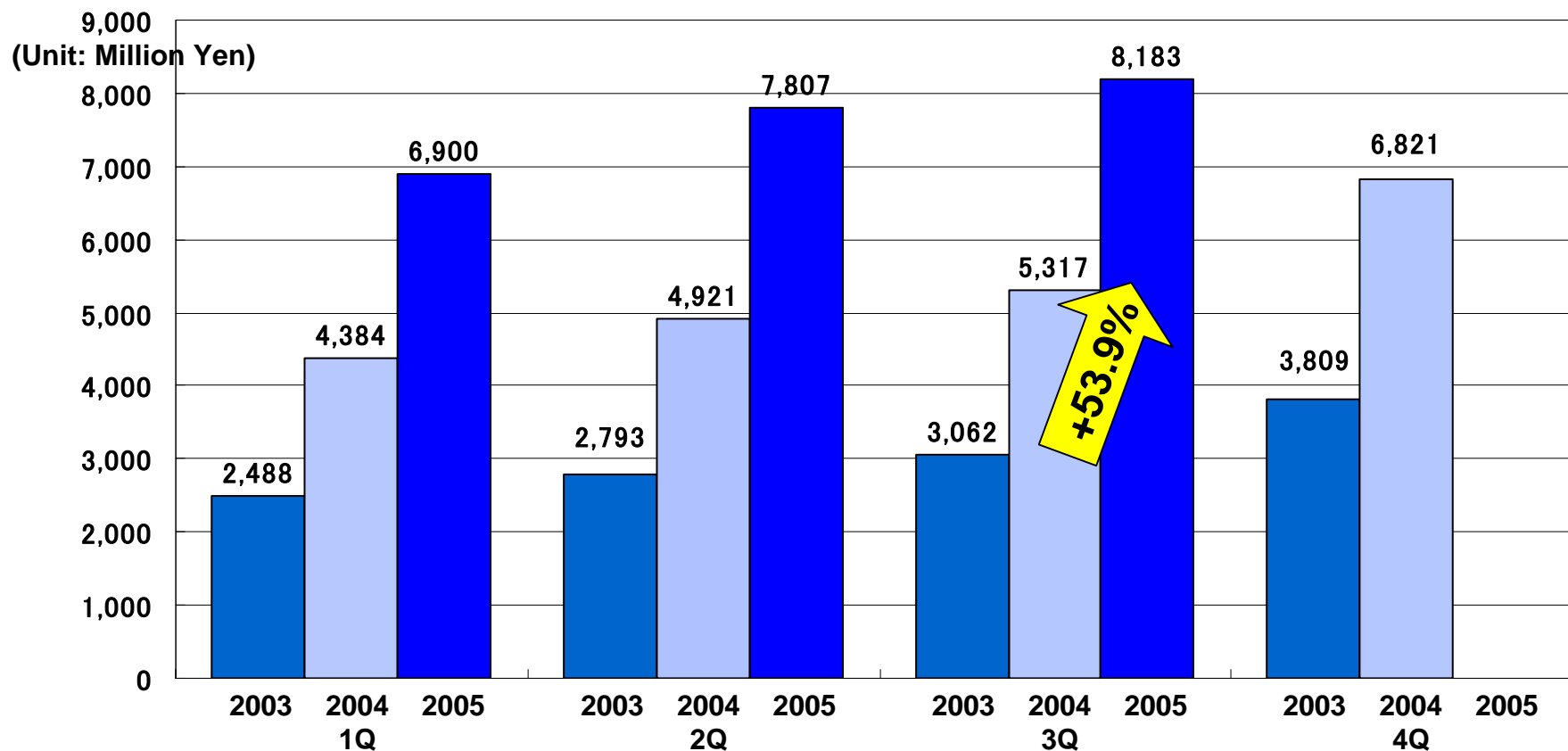
## **E-Commerce Business**

# EC Business Revenues

(Excluding one-time factor in Q2/03)



**Q3/05 YoY Change +53.9%, QoQ Change +4.8%**



\* One-time factor in Q2/03: +203 million yen due to change in revenue recognition policy

\* Rakuten Books revenues included from Q1/04

\* Signature Japan revenue recognition policy changed from Q1/04

(Before change in policy, Signature Japan recorded total amount members paid as revenue; after change Signature Japan records margin only)

(From Q1/04, Signature Japan adjusted financial retroactively)

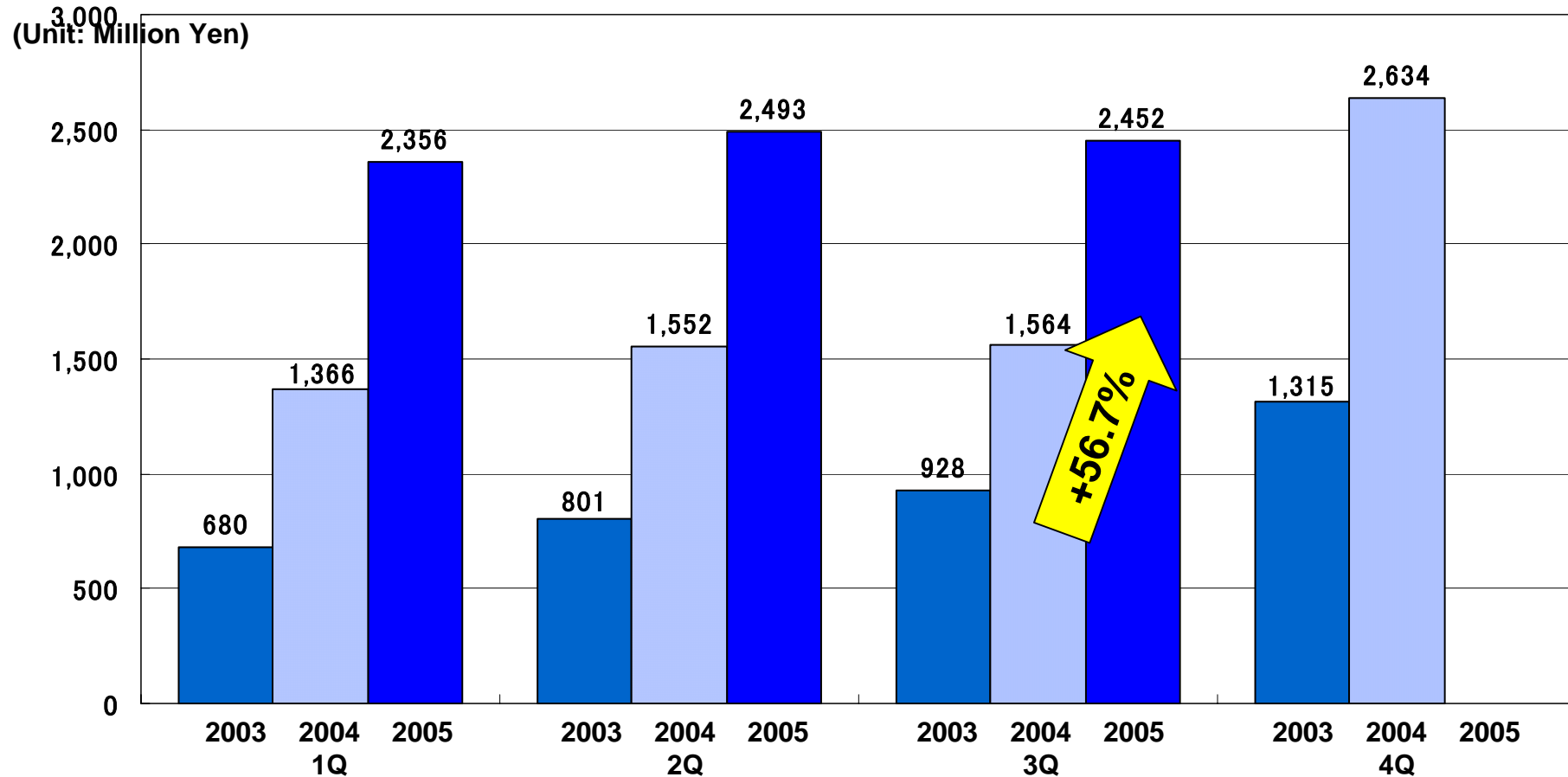
\* Change made in business segment, Entertainment Business included

# EC Business Operating Profit

(Excluding one-time factor in Q2/03)



Q3/05 YoY Change +56.7%, QoQ Change -1.6%



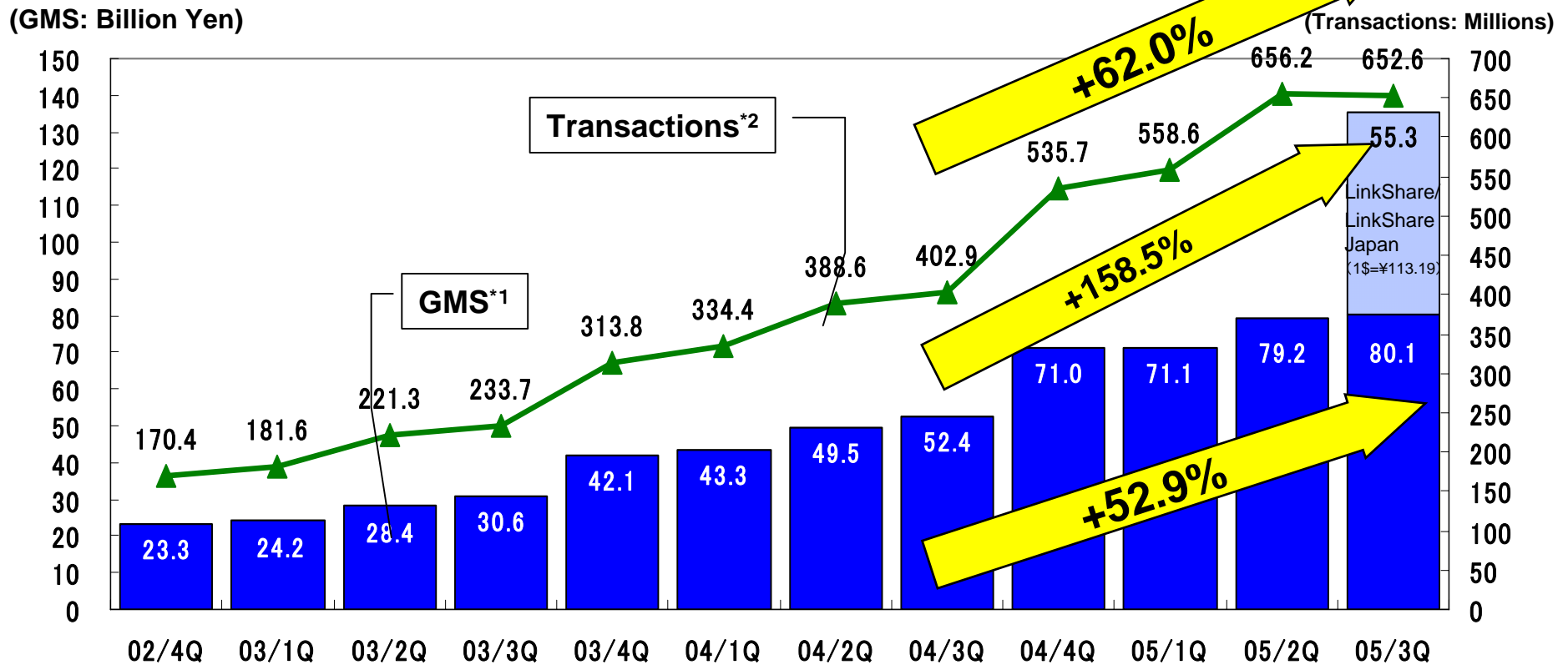
- \* One-time factor in Q2/03: +203 million yen due to change in revenue recognition policy; -28 million yen due to point-related costs
- \* Rakuten Books revenues included from Q1/04
- \* Change made in business segment, Entertainment Business included
- \* For Q1/05, Point Program adjustments made

# Gross Merchandise Sales (EC Business Company)



**GMS Growth YoY +52.9%, Transactions Growth YoY +62.0%**

**Recovery in October from Temporal Impact of Information Leakage Incident**



\*1 GMS = Mall (Fixed Price, Super Auction, Group Buy), Flea Market, Mobile, Business Service, Golf, Books. From Sept 03 GORA included, From Q1/04 Rakuten Download included

\*2 Note: Number of Fixed Price Purchases at Mall

\*3 Business segment changed; Entertainment segment included

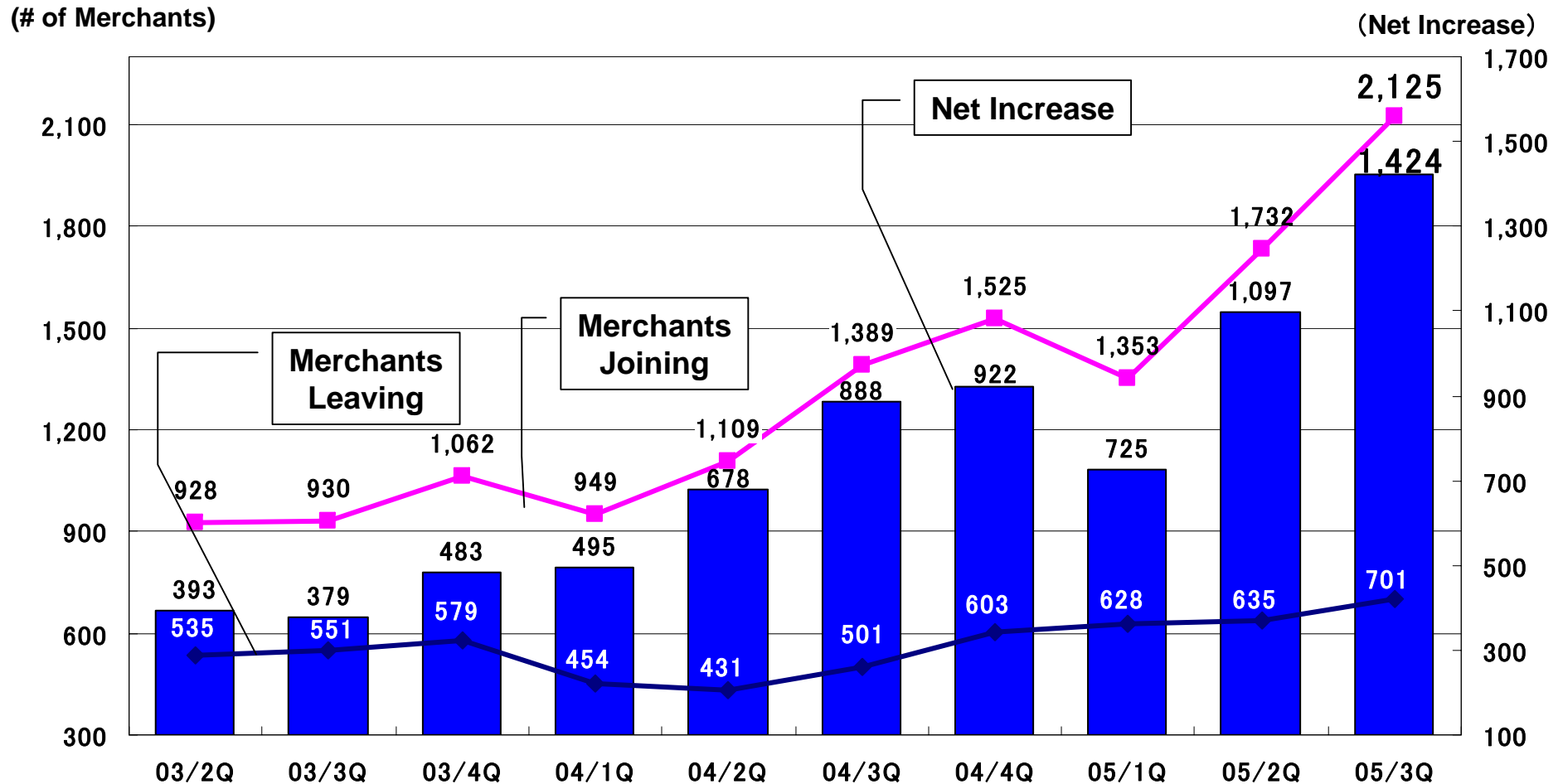
## Average Basket Prices and Quarterly GMS Per Buyer Remains Constant

	2004/1Q	2004/2Q	2004/3Q	2004/4Q	2005/1Q	2005/2Q	2005/3Q
Unique Buyers ('000)	1,181	2,040	2,111	2,630	2,790	3,150	3,170
# of Transactions ('000)	3,730	4,320	4,460	5,940	6,140	7,190	7,120
Average # of Transactions per Buyer	2.0	2.1	2.1	2.2	2.2	2.3	2.2
Average Basket Price	¥9,700	¥9,500	¥9,500	¥9,900	¥9,500	¥9,000	¥9,000
Quarterly GMS per Buyer	¥19,949	¥20,060	¥20,122	¥22,188	¥20,903	¥20,526	¥20,305

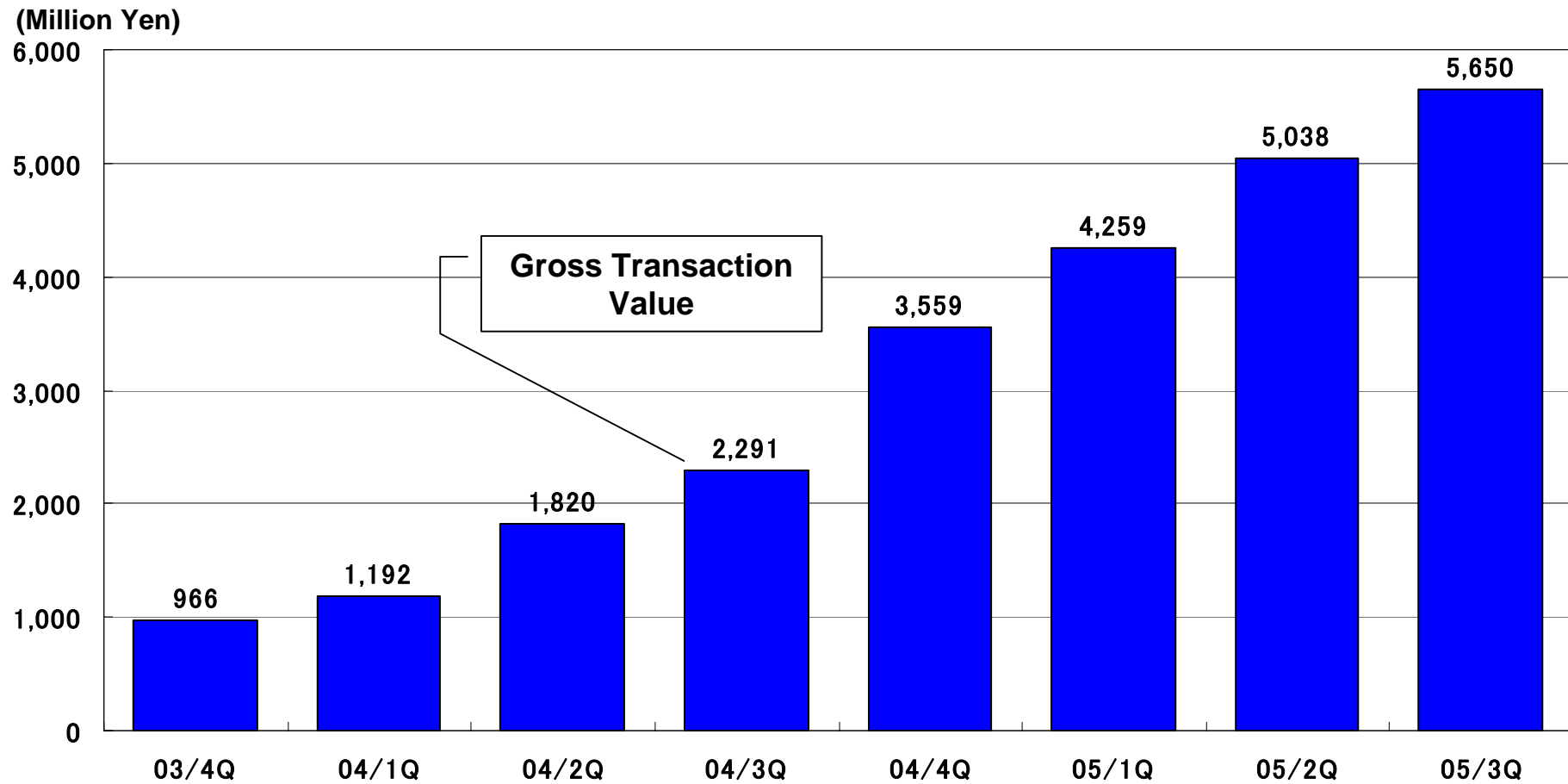
\* Fixed-Price and Group Buy Purchases made at Rakuten Ichiba <sup>28</sup>

# Merchants Joining vs. Merchants Leaving

## Record High in Number and Growth of New Merchants



## Gross Transaction Value of Mobile Commerce Continues to Grow



## Announcing Large E-Commerce Marketplace Where PC Users and Mobile Users Meet





## Rakuten Books Business Became Profitable

### Shift to RMS Enables Rakuten Books Users to Utilize Rakuten Superpoint

The screenshot displays the Rakuten Books homepage with several key features:

- Header:** Includes the Rakuten Books logo, a navigation menu with icons for '電子書籍' (e-books), 'サイトマップ' (sitemap), and 'ヘルプ' (help). A banner promotes '1,500円以上 送料無料!' (Free shipping over 1,500 yen) and '楽天スーパーポイントが貯まる!、使える!' (Earn and use Rakuten Super Points!).
- Navigation:** A row of buttons for 'My Page', '店長のオススメ!' (Store Manager's Recommendation), 'ランキング' (Ranking), '予約' (Reservation), '新刊' (New Release), '特集' (Special Feature), and '懸賞・お得' (Contest/Benefit).
- Search:** A search bar with a magnifying glass icon and a '検索' (Search) button.
- Genre List (ジャンル総合):** A vertical list of categories including '小説・エッセイ', 'ライフスタイル', 'ホビー・スポーツ・美術', '旅行・留学・アウトドア', '絵本・児童書・図鑑', '語学・学習参考書', 'ビジネス・経済・就職', '人文・地歴・哲学・社会', '資格・検定', '科学・医学・技術', 'PC・システム開発', 'コミック', 'エンターテインメント', '写真集・アルバム', 'ティーンズ文庫', 'DVD・ビデオ', 'PCソフト', '楽譜', and '著者・出版社'.
- Star Wars Promotion:** A large banner for 'STAR WARS エピソード3 シスの復讐' (Star Wars Episode 3: Revenge of the Sith) DVD release on 11.23.
- Ranking BEST 5:** A list of top-selling items:
  1. 『重版予約』大人の科学マガジン<vol. 09>
  2. たった7日で株とチャートの達人になる!
  3. 『予約』鋼の錬金術師 (12) 初回限定特装版
  4. 東京タワー
- お知らせ/キャンペーン (Notice/Campaign):** Promotes '楽天スーパーポイントが貯まる! ポイントで買える!' (Earn Super Points, buy with points!) and 'ポイント2倍! 祝・楽天イーグルスプロ野球参入決定1周年' (2x points! Celebrating 1st anniversary of Rakuten Eagles' entry).
- おもしろ本 (Interesting Books):** Features 'あの隠れ人気企画が、待望の単行本化!' (That hidden hit plan is finally a paperback!) for '営業ものがたり' (Sales Story).
- 創刊1周年記念号 発売中! 『Mart 12月号』** (1st Anniversary Special Issue 'Mart' Dec issue) is also featured.

## Streaming Content Business Favorable Performance

## Music Download Business Launched Rakuten Downloader New Version Released



## Strengthening Personal Information Management at Rakuten Ichiba

- Shift to “Rakuten Safe Payment” and “R-Card plus”
- Infoseek Providing e-Learning Site for Securing Personal Information

**On October 27, an ex-Employee of a Merchant Arrested for Stealing Merchants’ Personal Information in July 2005**

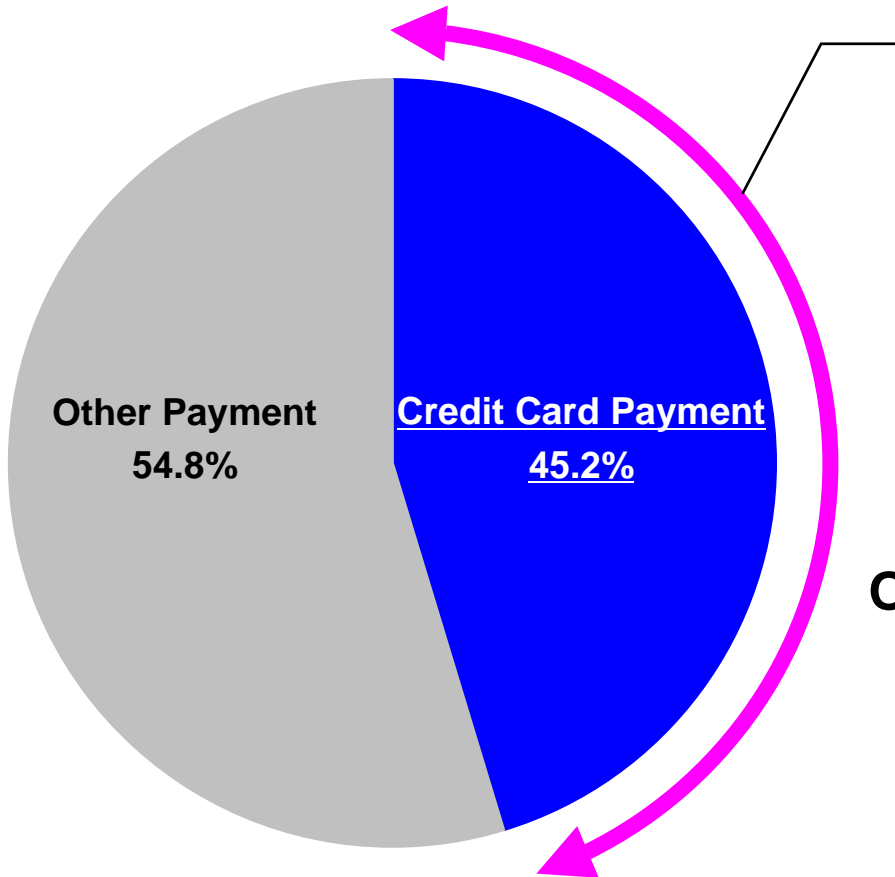


**Build Trust among Customers**

# Percentage of Credit Card Payment at Rakuten Ichiba



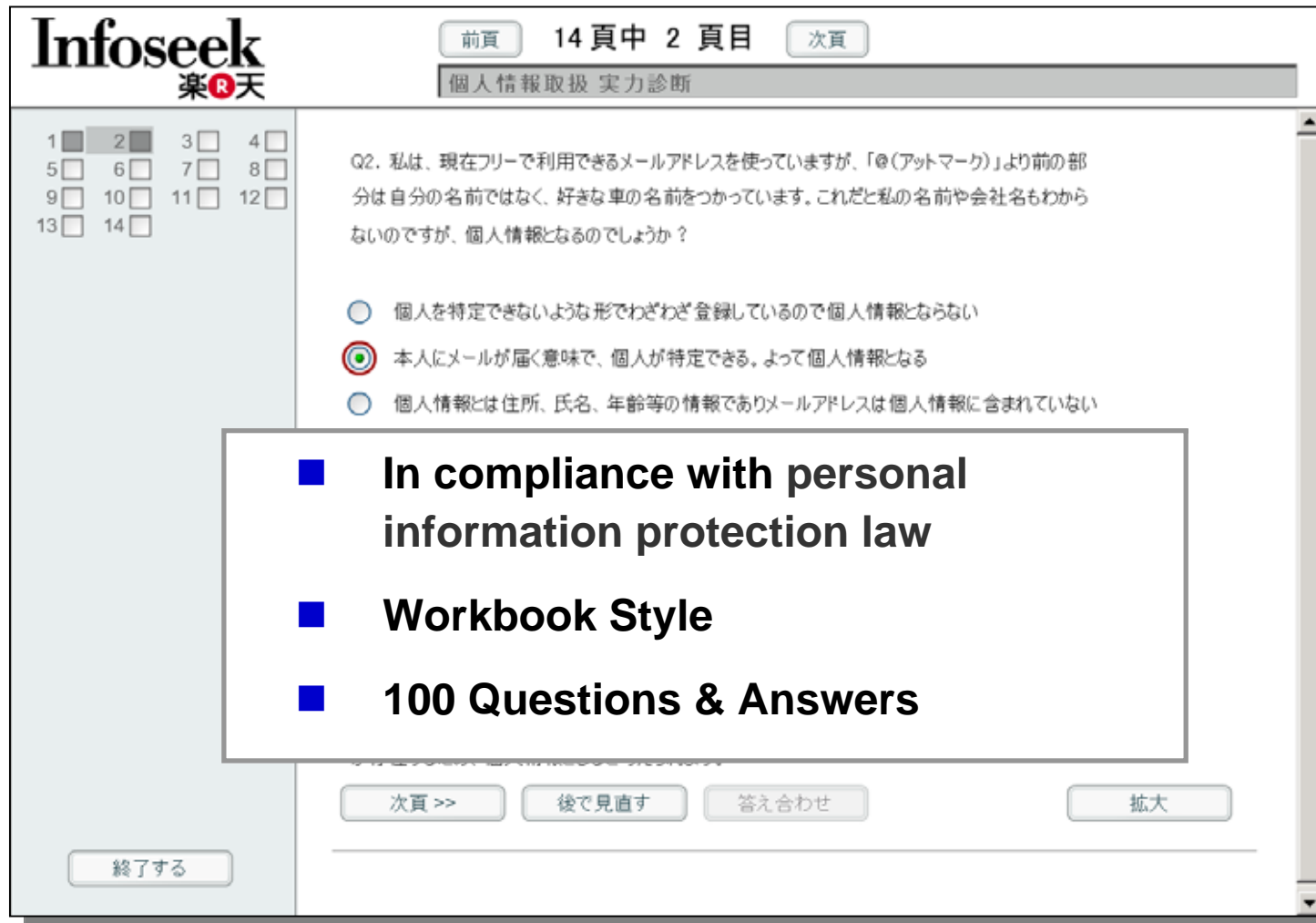
## Payment Methods at Rakuten Ichiba 3Q/05 Gross Merchandise Sales Basis



Potential Market for  
Credit and Payment Business

Obtaining VISA Special Licensee  
(November 2005)

## Offering a Test on Privacy-Protection for Merchants and Users



Infoseek 楽天

前頁 14 頁中 2 頁目 次頁

個人情報取扱 実力診断

1  2  3  4   
5  6  7  8   
9  10  11  12   
13  14

Q2. 私は、現在フリーで利用できるメールアドレスを使っていますが、「@（アットマーク）」より前の部分は自分の名前ではなく、好きな車の名前をつけています。これだと私の名前や会社名もわからないのですが、個人情報となるのでしょうか？

個人を特定できないような形でわざわざ登録しているので個人情報とならない

本人にメールが届く意味で、個人が特定できる。よって個人情報となる

個人情報とは住所、氏名、年齢等の情報でありメールアドレスは個人情報に含まれていない

**■ In compliance with personal information protection law**

**■ Workbook Style**

**■ 100 Questions & Answers**

次頁 >> 後で見直す 答え合わせ 拡大

終了する

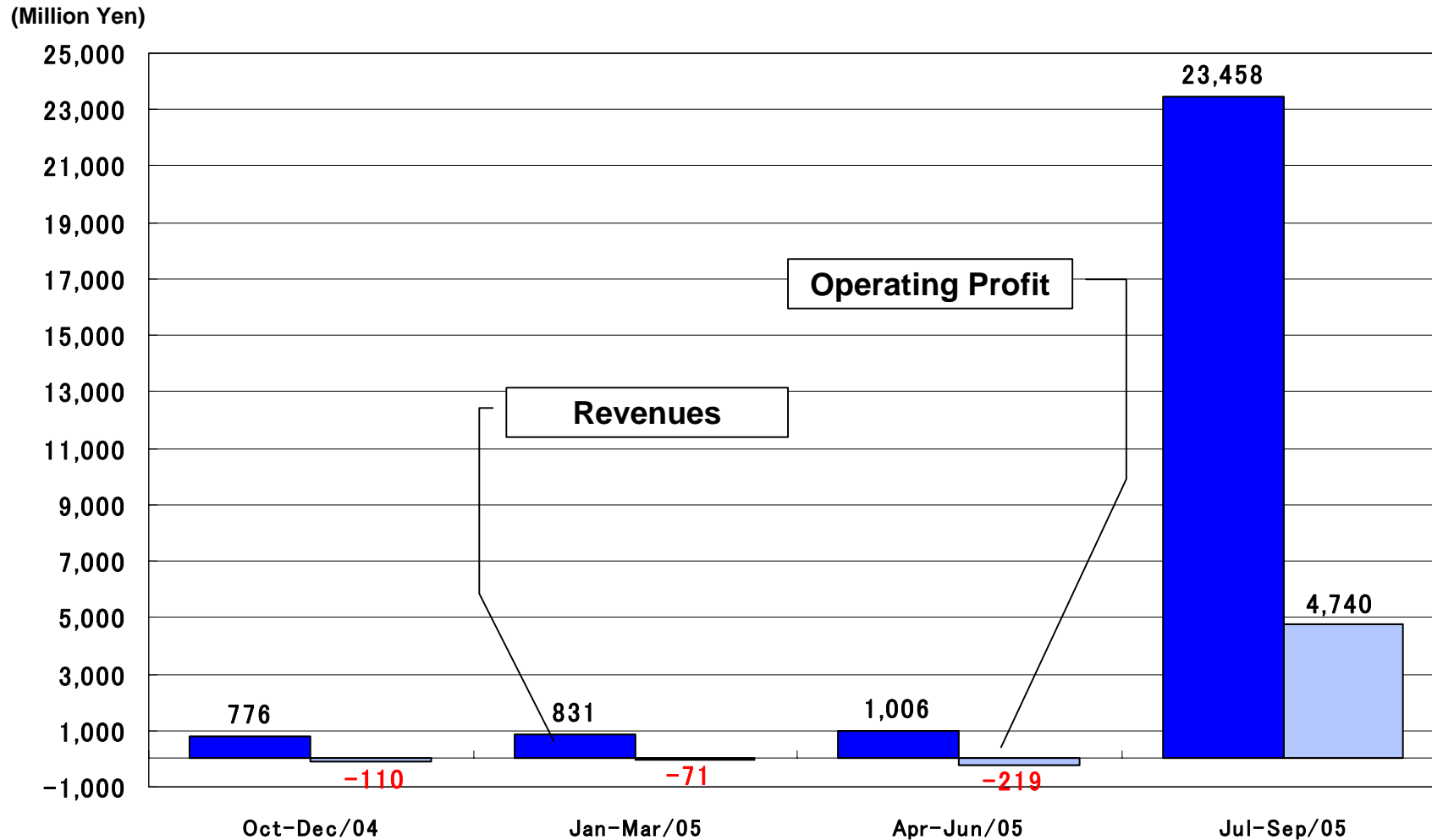
## **Credit and Payment Business**

# Credit and Payment Business

## Revenues and Operating Profit



### Sharp Increase by Consolidating Rakuten KC; Existing Business (Rakuten Credit) Performs Well



\* Excluding amortization of goodwill recorded in SG&A

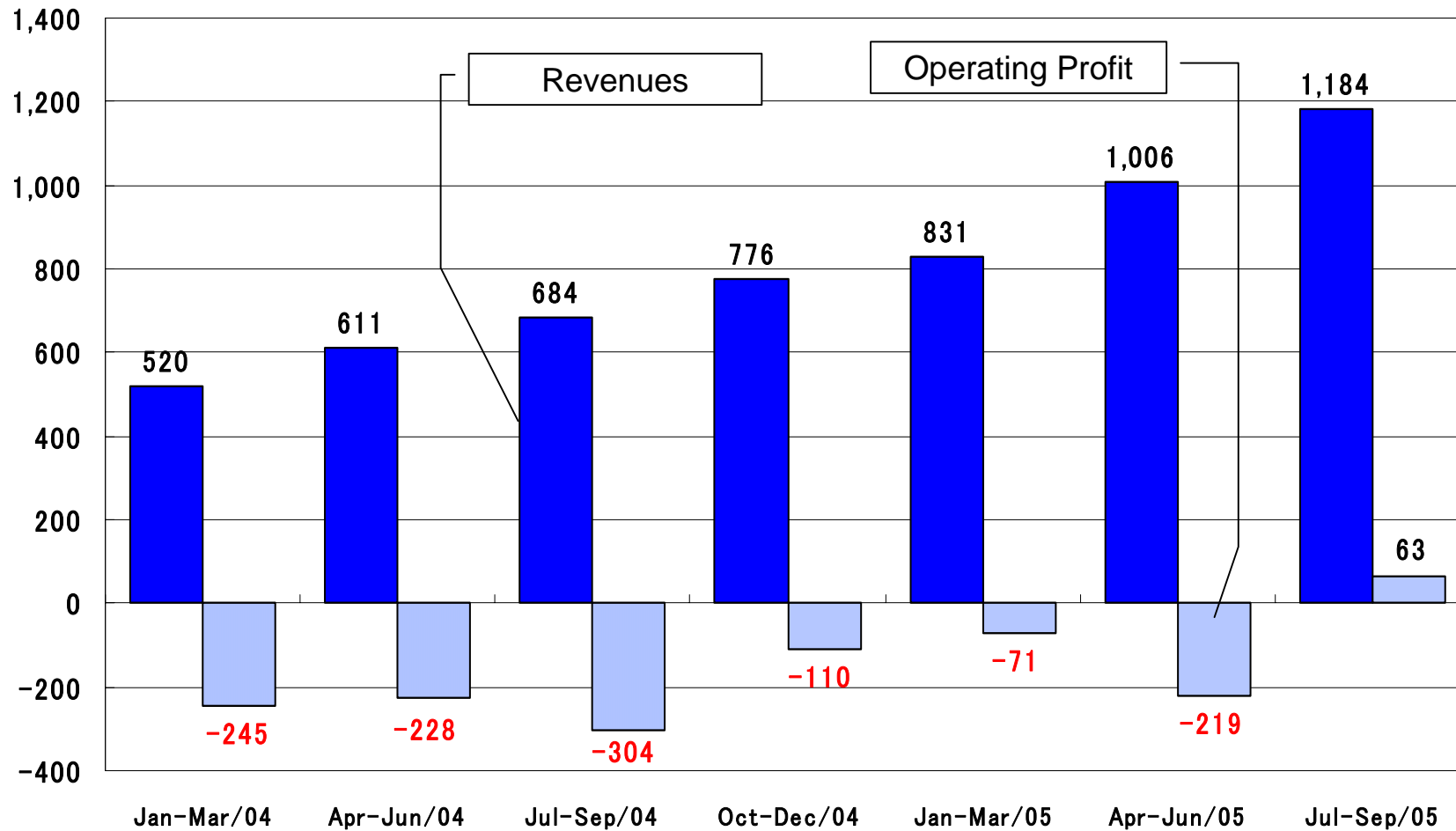
# Rakuten Credit

## Revenues and Operating Profit



**Revenue Growth YoY +73.1%, QoQ +17.6%**  
**Became Profitable on a Quarterly Basis**

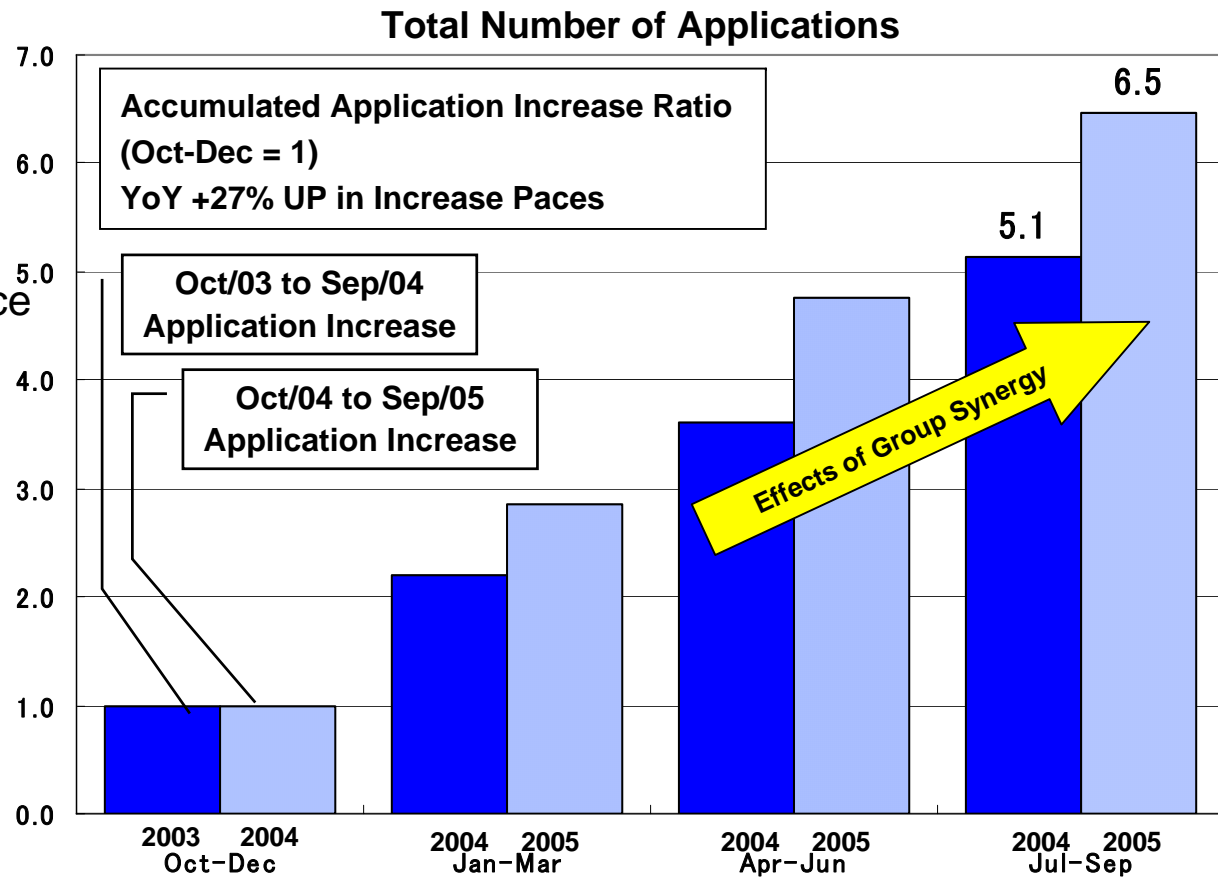
(Million Yen)





**Recognized as Rakuten Group**  
**Rakuten Group Internal Promotions Strengthened Applications Growth YoY +27%**

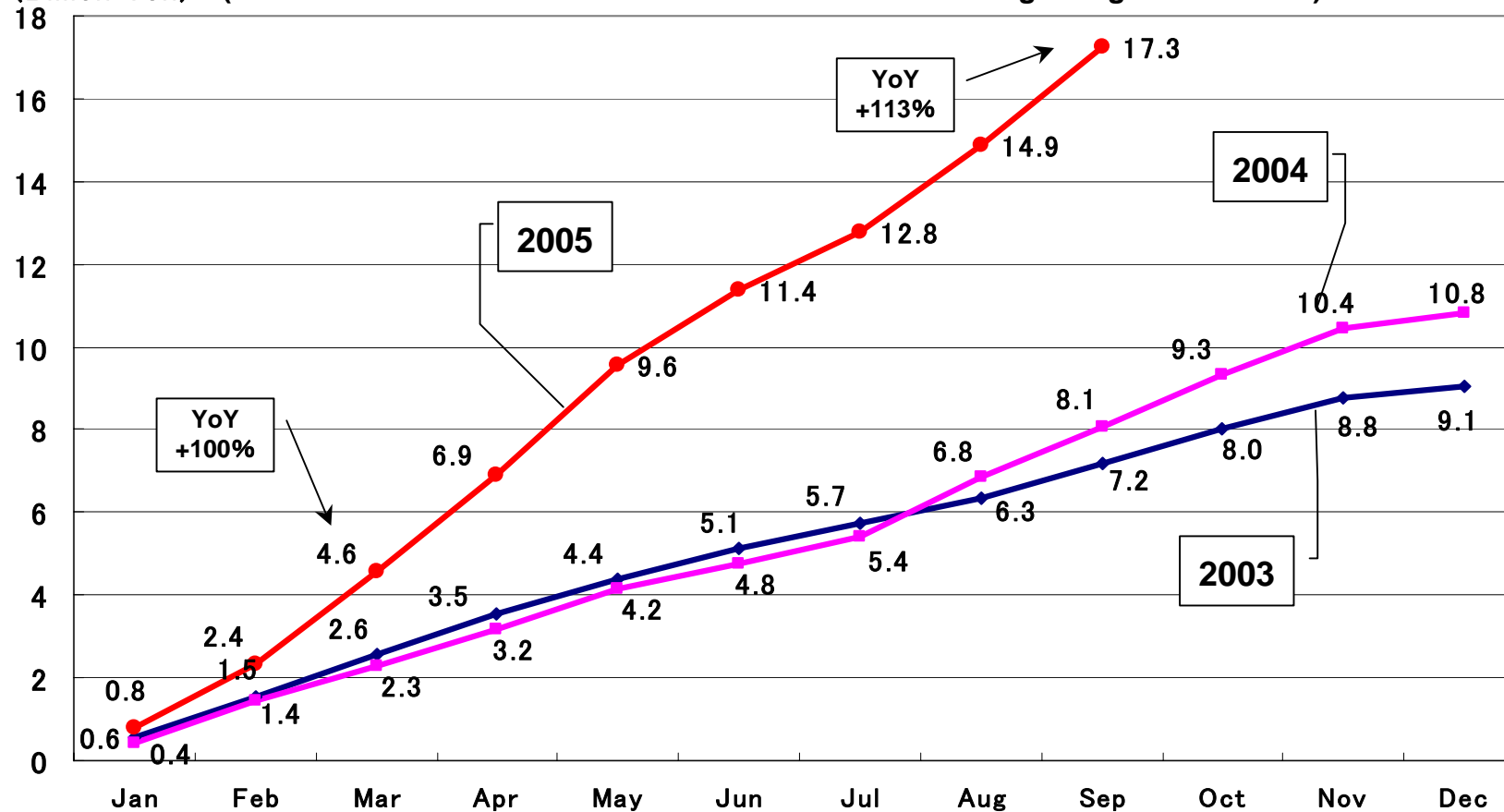
- Balance as of End of Sep.  
45,262 million yen  
(YoY +78%)
- Net Increase in Loan Balance during Jul-Sep/05  
5,881 million yen  
(YoY +77%)
- Number of Account as of End of Sep.  
46,434 account holders  
(YoY+69%)



Jan to Sep '05 Period Doubled Net Increase in Loan Balance Compared to Jan to Sep '04

## Net New Loans

(Billion Yen) (Accumulated Net Increase in Loan Balance since the Beginning of Each Year)



# Rakuten Credit Offering at Lowest Interest Rate Rakuten

Starting to Offer Industry's Lowest APR on August 22;  
Minimum Interest Lowered from 8.7% to 7.8% for up to 3 million yen Loan

# 楽天

クレジット

商品案内

お申込み

CD・ATMご案内

よくあるご質問

会社情報

ご融資枠最大300万円。7.8%~の低金利。  
カードローン、楽天クレジットの〈マイワン〉

楽天、個人向けカードローン「マイワン」

## What is money!

私たちは業界トップクラスの**低金利**に挑戦します。

### 新登場!

実 質 年 率

# 7.8%~

最大限度額**300万円**

CD・ATM台数 全国80,000台  
入会金・年会費無料

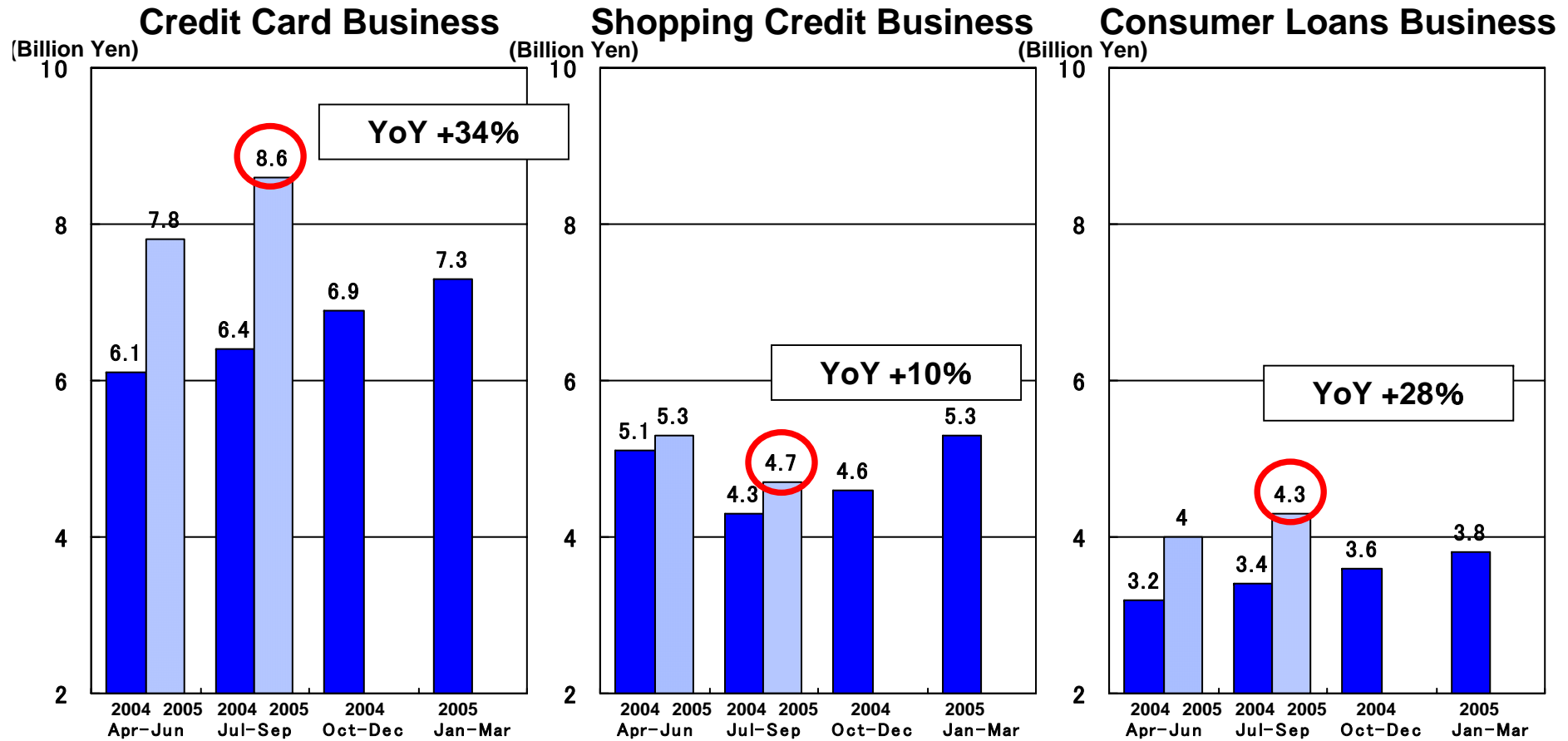
## Income Statement for 3months ended September 30, 2005

(Billion Yen)

<b>Revenues</b>	<b>22.1</b>
Income from Operations	21.9
Finance Revenue	0.1
<b>Operating Expense</b>	<b>17.4</b>
SG&A	15.3
Interest Expenses	2.1
<b>Operating Profit</b>	<b>4.6</b>
Non-Operating Profit	0.0
<b>Ordinary Profit</b>	<b>4.6</b>
Extraordinary Profit (Loss)	-3.8
<b>Earnings Before Tax</b>	<b>0.8</b>
Provision for Income Taxes	0.4
<b>Net Income</b>	<b>0.4</b>

# Rakuten KC Revenue Breakdown by Business Rakuten

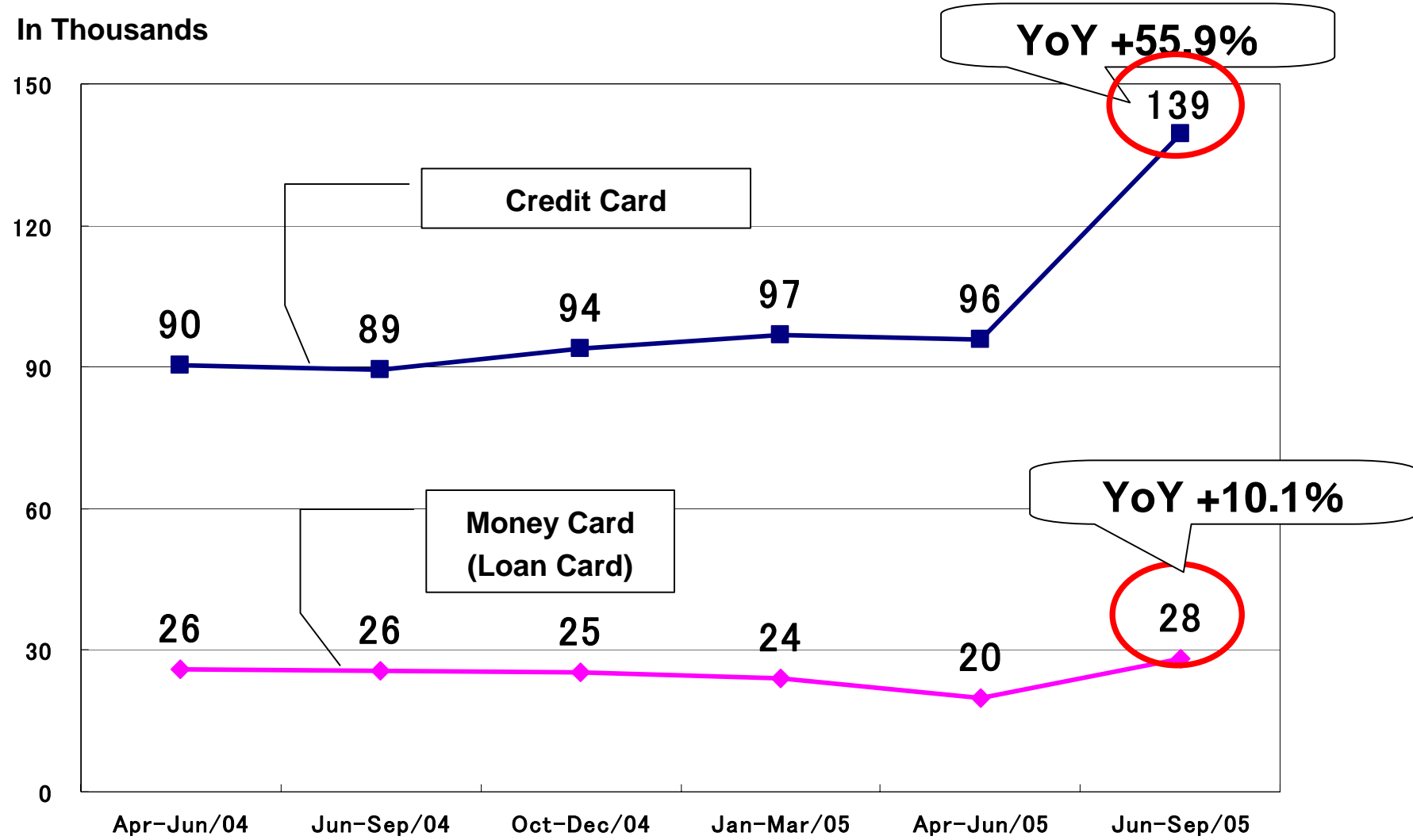
**Credit Card Business and Consumer Loans Business Grow Steadily**  
**Shopping Credit Business Grows over Previous Year**



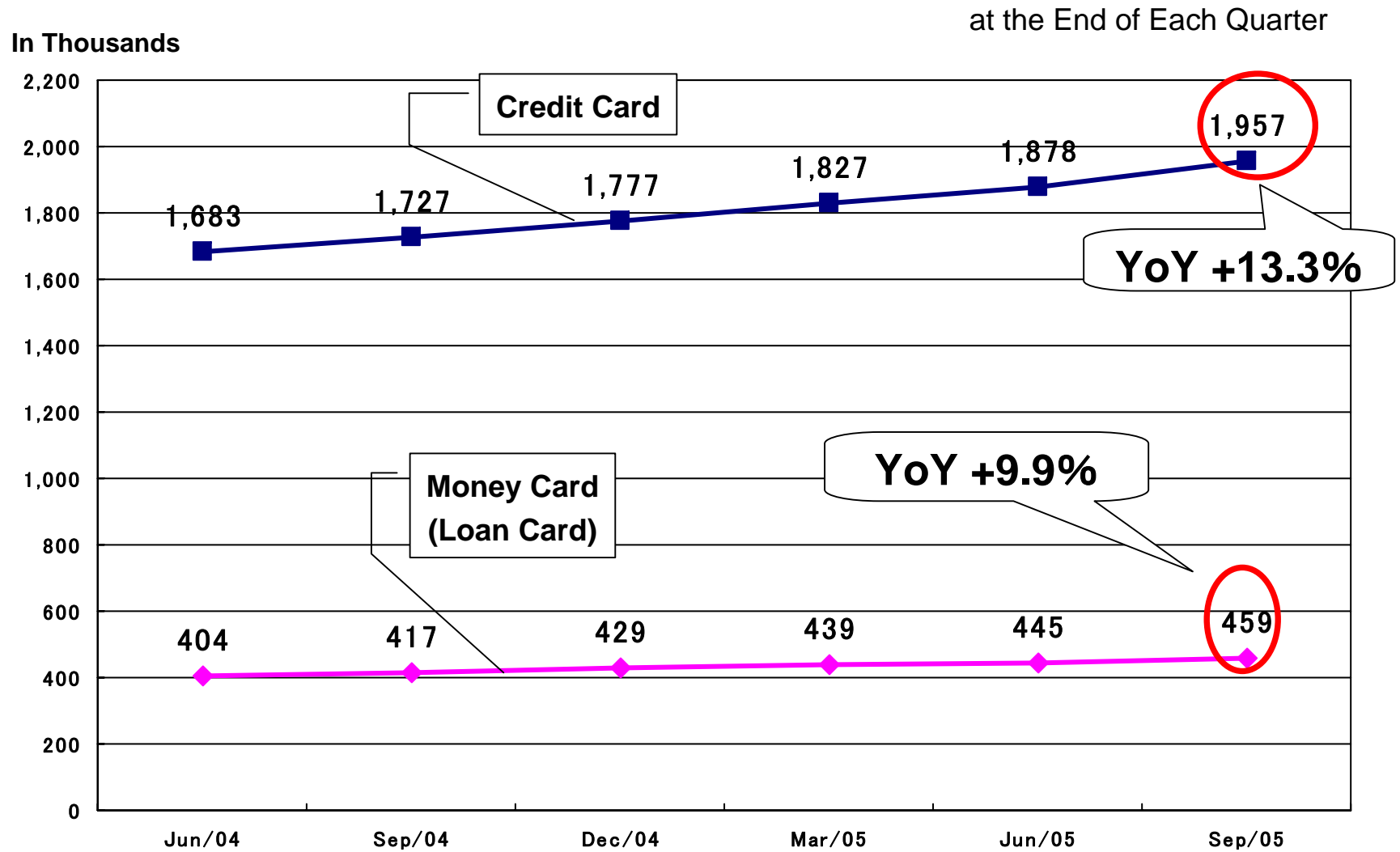
# Rakuten KC Number of New Accounts



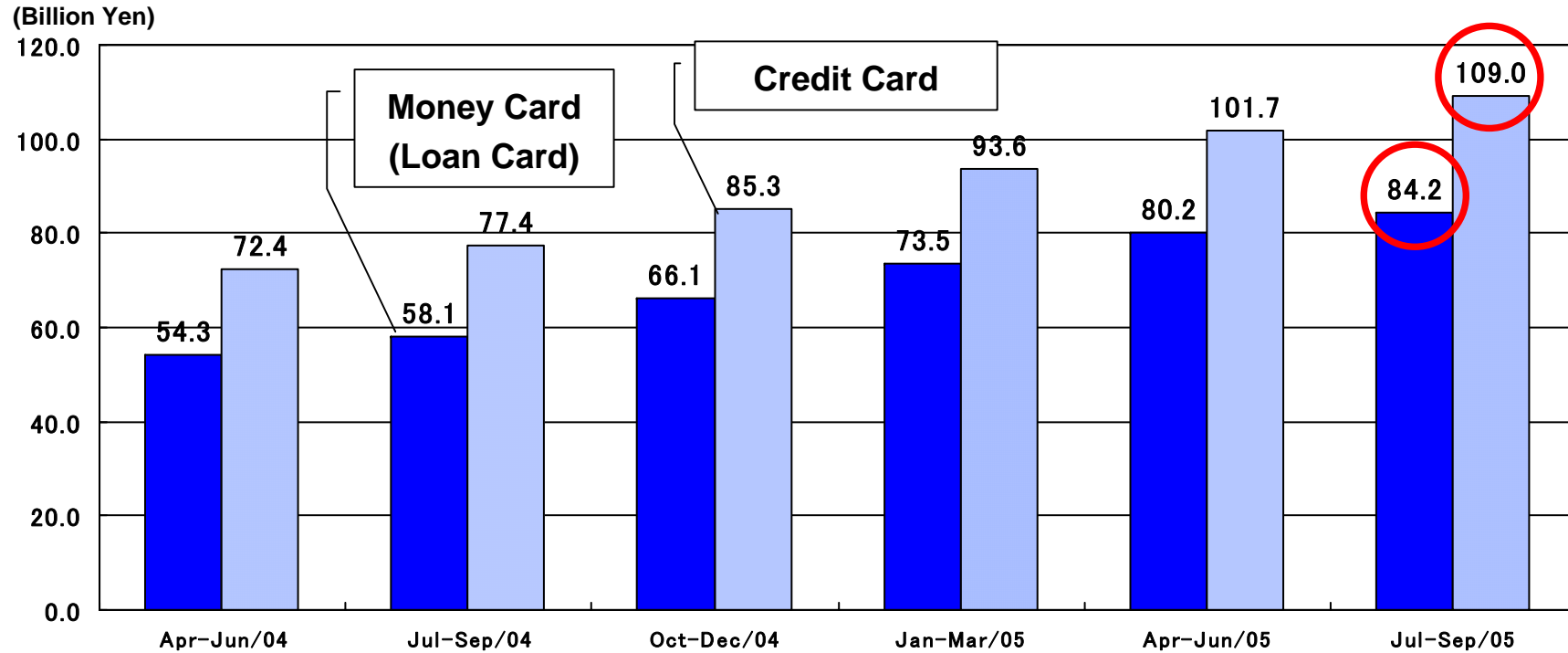
In Thousands



# Rakuten KC Number of Cumulative Accounts



## Loan Balance on Both Credit Card and Money Card Increase

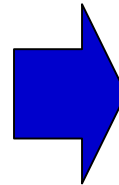


(Billion Yen)	Sep/05	Sep/04	Increase
<b>Credit Card Loan Balance</b>	<b>109.0</b>	<b>77.4</b>	<b>+31.6</b>
<b>Money Card Loan Balance</b>	<b>84.2</b>	<b>58.1</b>	<b>+26.1</b>



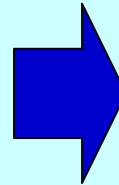
Renamed as "Rakuten KC Co., Ltd" since October 1, 2005

## Logo Change



## Collaboration between Other Rakuten Services

Rakuten KC Member Shops  
Rakuten KC Member Hotels  
Rakuten KC Member Restaurant  
Rakuten KC Member Golf Links



Rakuten Ichiba  
Rakuten Travel  
Signiture (Dining)  
GORA (Golf)

Opened Rakuten KC Tokyo Headquarters in September

Accumulated Number of Issued Rakuten Card: 53,727 (as of 31 October)

Obtaining VISA Special Licensee (November)

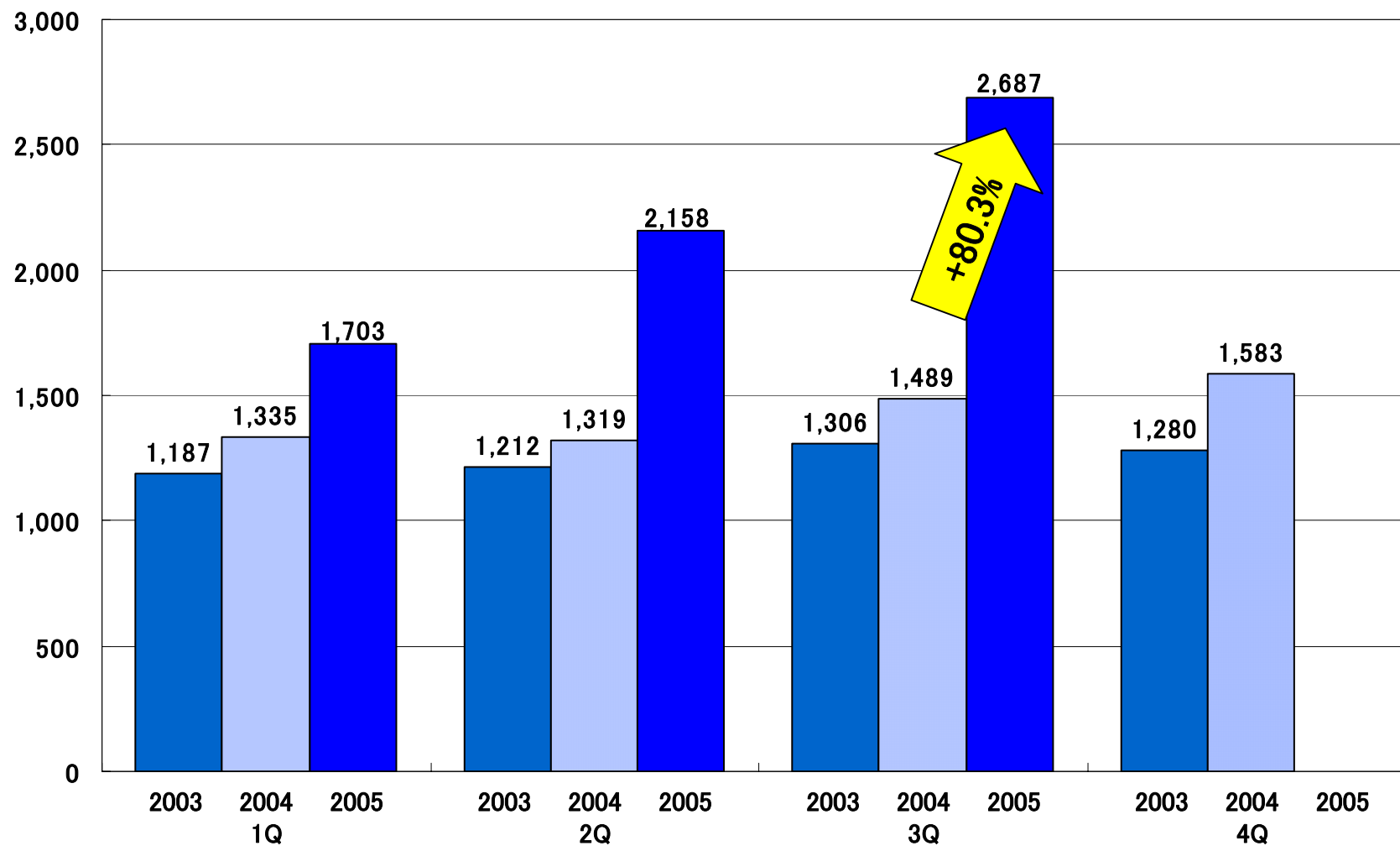
**4**

# Portal and Media Business

# Portal and Media Business Revenues (YoY) Rakuten

Q3/05 Growth YoY +80.3%, QoQ +24.5%

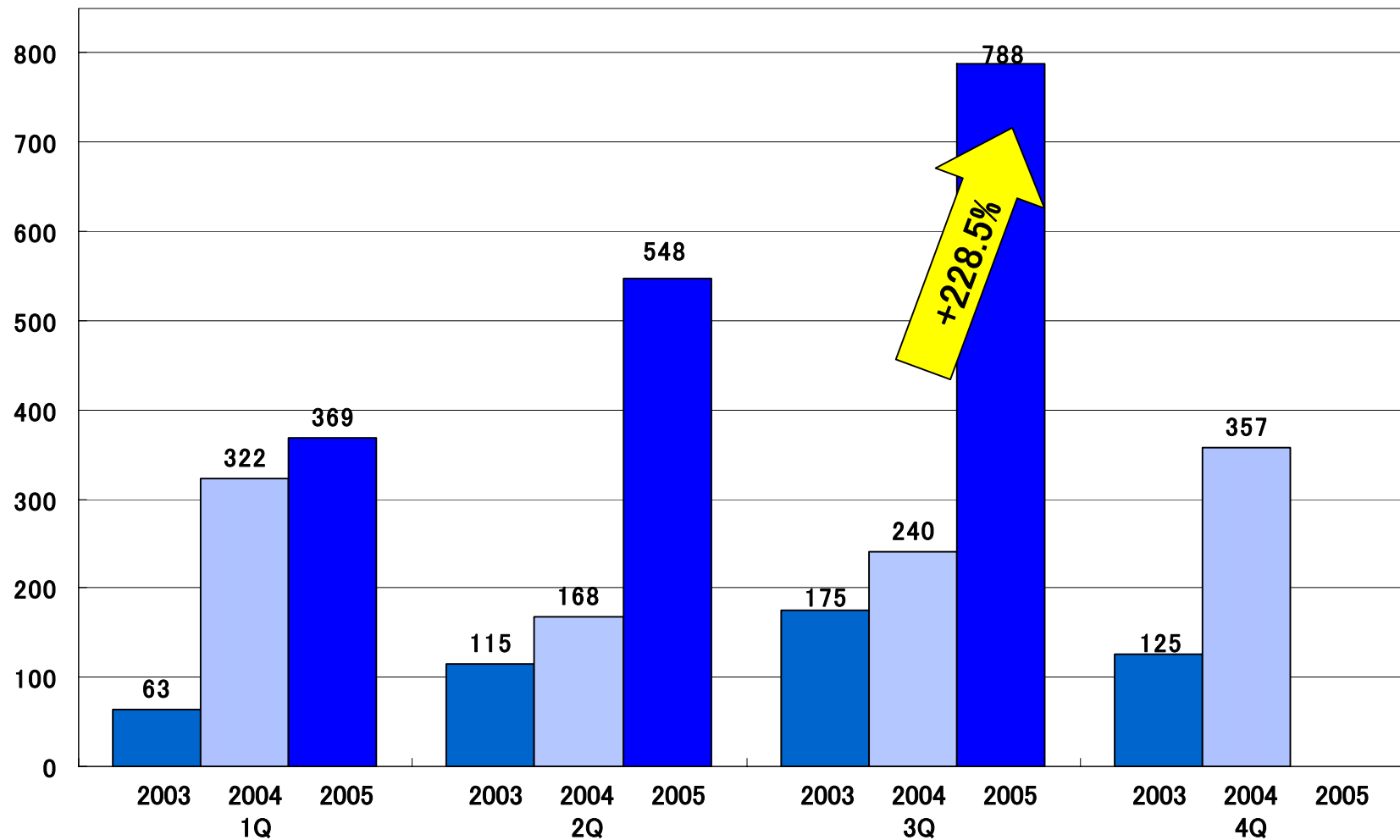
(Unit: Million Yen)



# Portal and Media Business Operating Profit (YoY) Rakuten

Q3/05 Growth YoY +228.5%, QoQ +43.7%

(Unit: Million Yen)

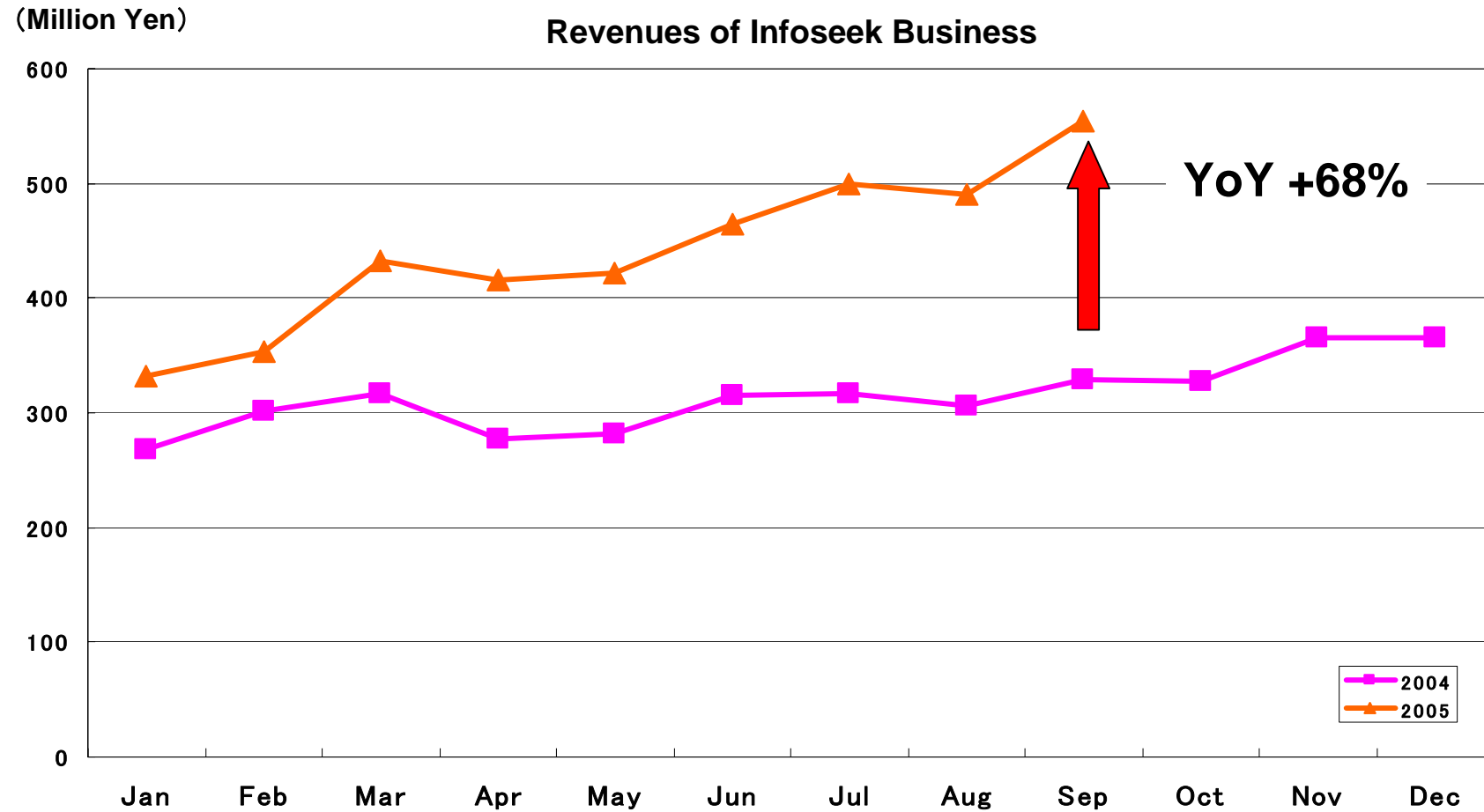


\* Excluding amortization of goodwill recorded in SG&A

# Growth of Infoseek (1)



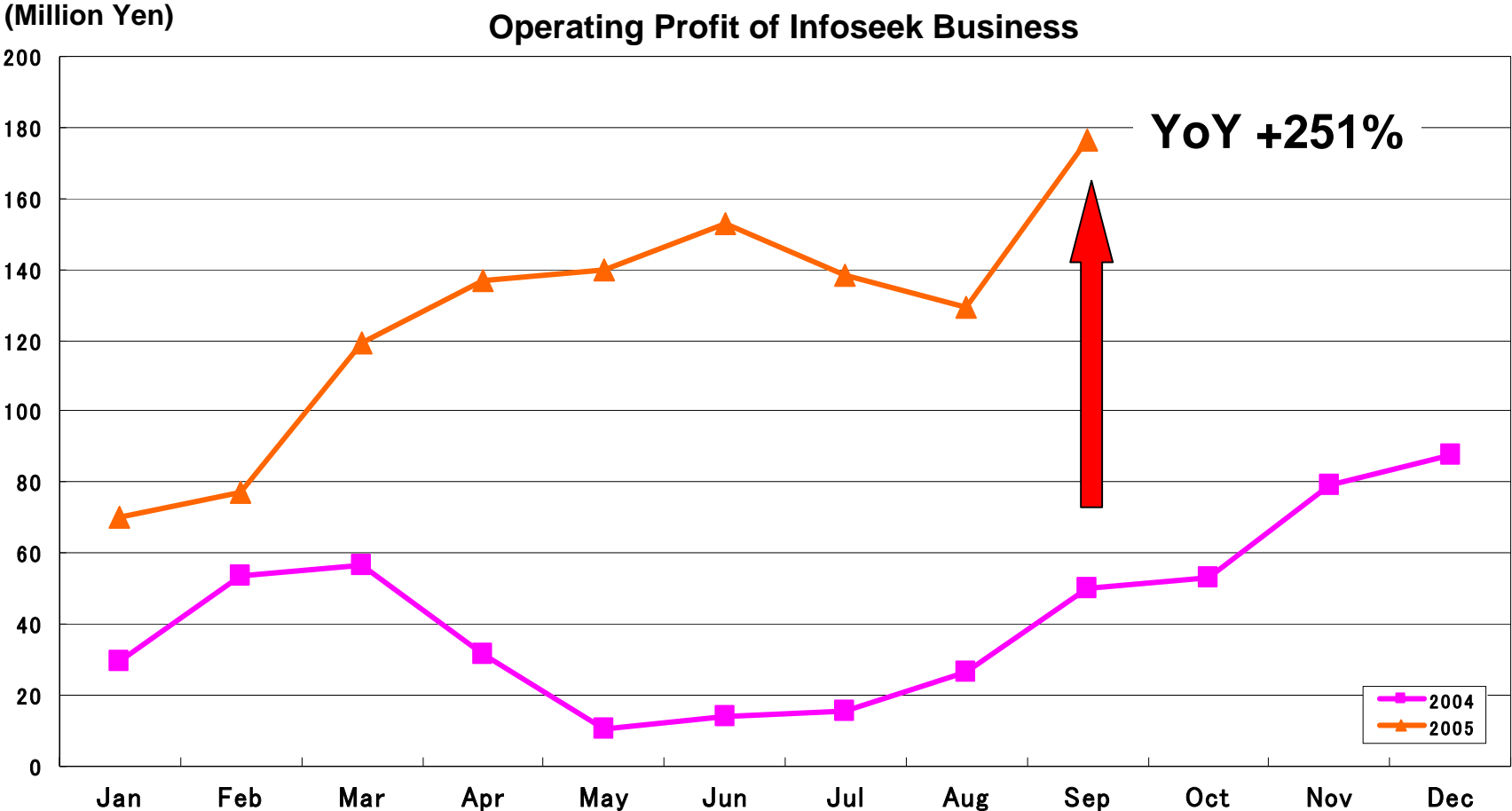
## Accelerating Revenue Growth, YoY +68%



# Growth of Infoseek (2)



Significant Improvement in Operating Profit, YoY +251%



## Hybrid Search Enabling All Kinds of Data Searches Including Artists, Movies, Automobiles, Candidates and Company Information

「山田優」の検索結果 24,600件中1~10件表示 [次の10件>>](#) ★ベア100組!200名様 話題の映画「ドミノ」劇場鑑賞券プレゼント!

検索語の候補: [山田優](#) [パラダイスキス](#) [OM女王](#) | [ホットパンツ](#) | [ジンジャーエール](#) [OM](#) | [山田優](#) [伊藤英明](#)

ハイブリッド検索 ラッキーサーチ  
**楽天スーパーポイント**

あなたは **ゴールド会員** **はずれ**

次の検索で最大 **10,000ポイント!**

山田優 (ヤマダユウ) モデル/タレント/女優 (公式サイト) [プロフィール](#) [タレント一覧へ](#)

[プロフィール詳細](#)

1984/7/5生まれ かに座 沖縄出身 O型

ショッピング: [すべての関連商品](#) [DVD](#) [写真集](#)

さがす: [ニュース](#) [画像](#) [ブログ](#)

ニュース (13件)

「エルグランド」の検索結果 23,800件中1~10件表示 [次の10件>>](#) ★福島県可楽&小坂セナ「お宝グッズ」あつまる!

ハイブリッド検索 ラッキーサーチ  
**楽天スーパーポイント**

あなたは **ゴールド会員** **はずれ**

次の検索で最大 **10,000ポイント!**

日産・エルグランド

■ 発売年月: 2004年12月 ■ ボディタイプ: MV81Box

■ 本体価格: 317.1万円

■ 概要: 妙とくつろぎをもたらす「ファーストクラス」を可能にする最上級ミニバンが、日産エルグランド。もっと見る>>

この車種の中古車を見る [ショッピング: 車用品 | 車往](#)

この車種のカatalogを見る [さがす: ニュース | 画像 | ブログ](#)

[【自動車保険についてはコチラ! 今ならおまねく1000ポイント】](#)

ニュース (6件)

「あぶない刑事」の検索結果 49,600件中1~10件表示 [次の10件>>](#) ★ベア100組!200名様 話題の映画「ドミノ」劇場鑑賞券プレゼント!

検索語の候補: [鑑ひろし](#) | [柴田恭兵](#) | [橋本](#)

Infoseek ムービー まだまだあぶない刑事

ハイブリッド検索 ラッキーサーチ  
**楽天スーパーポイント**

あなたは **ゴールド会員** **はずれ**

次の検索で最大 **10,000ポイント!**

まだまだあぶない刑事

■ 主演: [鑑ひろし](#)

©2005「まだまだあぶない刑事」製作委員会

ショッピング: [すべての関連商品](#) [DVD](#) [写真集](#)

さがす: [ニュース](#) [画像](#) [ブログ](#)

ニュース (6件)

「楽天」の検索結果 450件中1~10件表示 [次の10件>>](#) ★福島県可楽&小坂セナ「お宝グッズ」あつまる!

検索語の候補: [楽天株式会社](#) | [楽天市場](#) | [楽天イーグルス](#) | [三木谷浩史](#)

[企業情報](#) [株価情報](#) [採用情報](#) [会社案内](#) [ニュースリリース](#) [製品情報](#)

4756 | JASDAQ | [銘柄情報](#)

現在値: **80,500円** (09/16 14:59)

前日比: **-600円** (-0.67%)

・株価データは実際の取引から20分以上遅れています。

powered by [Infoseek マネー](#)

関連情報: [Infoseek](#) [マイネット](#) [楽天イーグルス](#) [SHOWタイム](#) [楽天ボックス](#) [楽天チケット](#) [楽天トラベル](#) [楽天証券](#)

ニュース (339件)

## Infoseek RSS Reader Lists Hot-Selling Ranking in Rakuten Ichiba



インフォシーク 楽天 ニュースやblogの最新情報を簡単チェック!

Infoseek 楽天 | RSSリーダー Web検索 ブログ 買い物

mori@infoseek.co.jp | ログアウト 関連サービス: ニュース | ブログ | メール

---

URLからRSSフィードを登録   ヘルプ

---

Infoseek RSS reader

全 9 フィード 管理

- **未読一覧(680)**
- \* [楽天広場 新着記事一覧 \(100\)](#)
- \* [【楽天市場】ランキング市場【総合】 \(100\)](#)
- [【楽天市場】ランキング市場 スポーツ・アウトドア](#)
- \* [【楽天市場】ランキング市場 フラワー・ガーデン \(100\)](#)
- \* [nikkeibp.jp最新ニュース-RSS \(100\)](#)
- \* [【楽天市場】ランキング市場 ベット・ペットグッズ \(60\)](#)
- \* [【楽天市場】ランキング市場 おもちゃ・ホビー・ゲーム >> 趣... \(60\)](#)
- \* [【楽天市場】ランキング市場 キッズ・ベビー・マタニティ \(100\)](#)
- \* [【楽天市場】ランキング市場 パソコン・家電・AV \(60\)](#)

[PR] [あなたの“結婚レベル度”を診断してみませんか!【無料診断中】](#)

[PR] [売買チャンスを逃さないオンライン口座開設&ネット入金マージンFX](#)

---

**【楽天市場】ランキング市場 スポーツ・アウトドア (100)**

最終更新 2005.10.12(水)10:31

楽天市場の売れ筋が一目でわかる!人気商品ランキング!

[概要文の表示ON/OFF](#)

---

▼ **1位:10月14日頃発送の予約販売!楽天ランキング独走中!追加入荷決定!累計販売台30,000台突破記念モデル!限定1,000台!26インチ折りたたみマウンテンバイ...**



---

▼ **2位:タイガース05V ビールかけTシャツ**



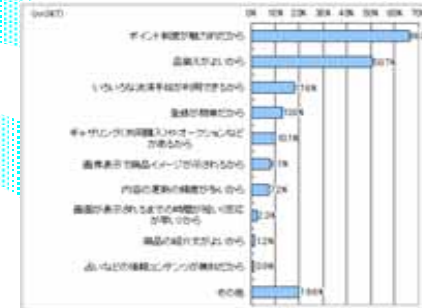


# Consolidating Cyber Brains from July 2005

図1 地域特産品の購入状況



図1 携帯ショッピングサイトの選択理由



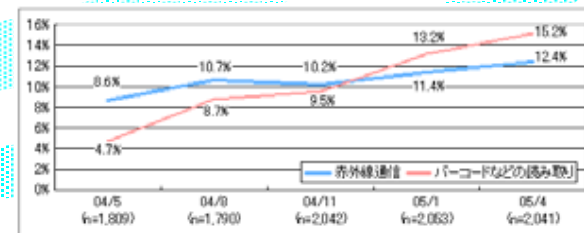
◆調査概要

調査名 : テレビについてのアンケート  
 調査期間 : 2005年2月28日(月)~3月2日(水)  
 調査対象 : 10代~60代の男女  
 回答数 : 2,040人

Q:あなたが普段(平日)、テレビを見る時間帯を教えてください。



図4 携帯電話機能利用率の推移



Research Revenue in Sep 05 Grows +73% (YoY) Resulting from Synergy Effect  
 Further Operational Integration will be in November 2005

# Travel Business

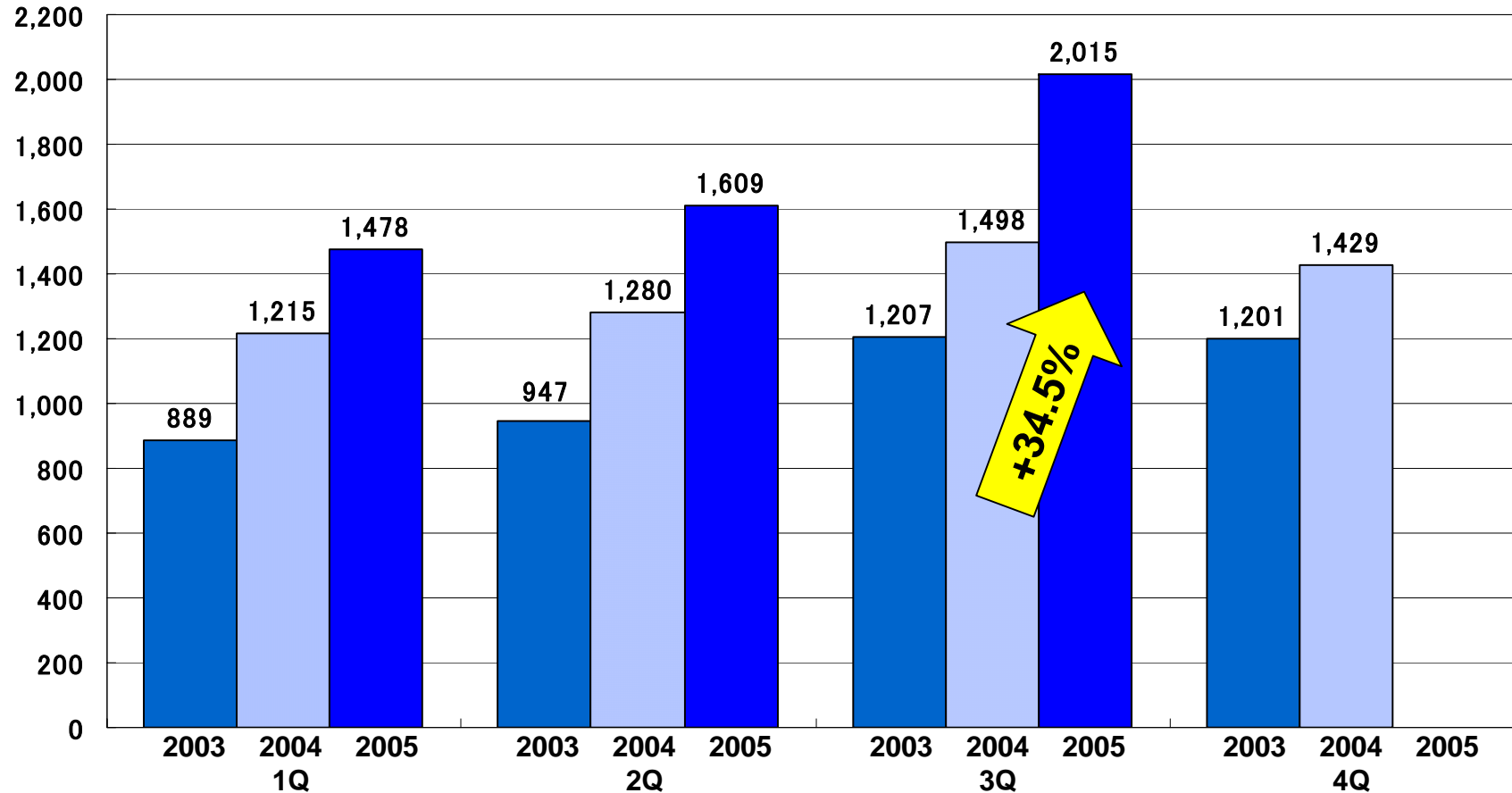
# Travel Business Revenues

(Excluding one-time factor in Q2/03)



**Q3/05 YoY Growth +34.5%, QoQ Growth +25.2%**

(Unit: Million Yen)



- \* Q2/03 excluding one-time factor: Change in revenue recognition policy +10 million yen
- \* Pre-acquisition of MyTrip.net
- \* Business segment changed, Entertainment Business excluded

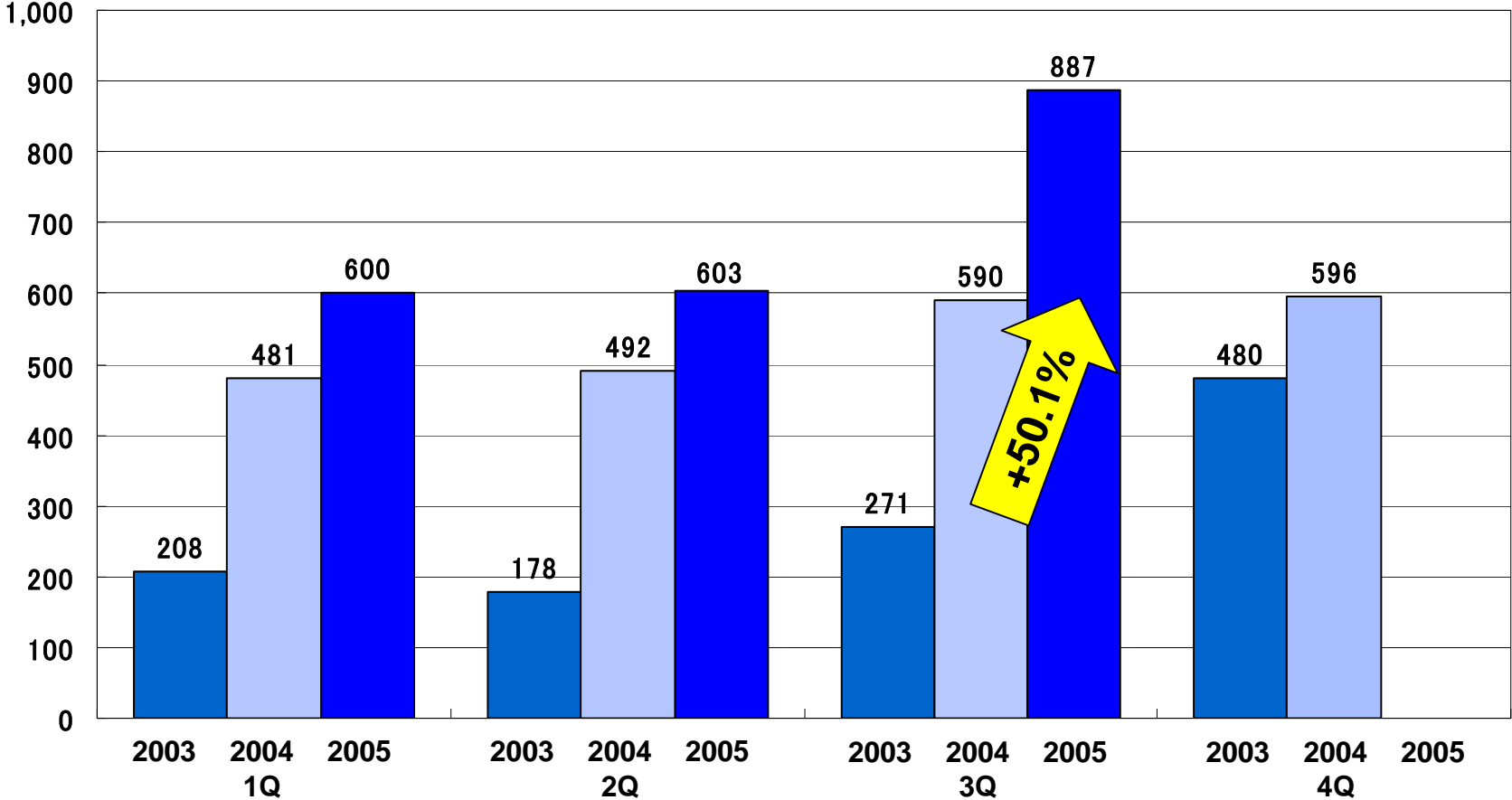
# Travel Business Operating Profit

(Excluding one-time factor in Q2/03)



**Q3/05 Growth YoY +50.1%, QoQ Growth +47.0%**

(Unit: Million Yen)

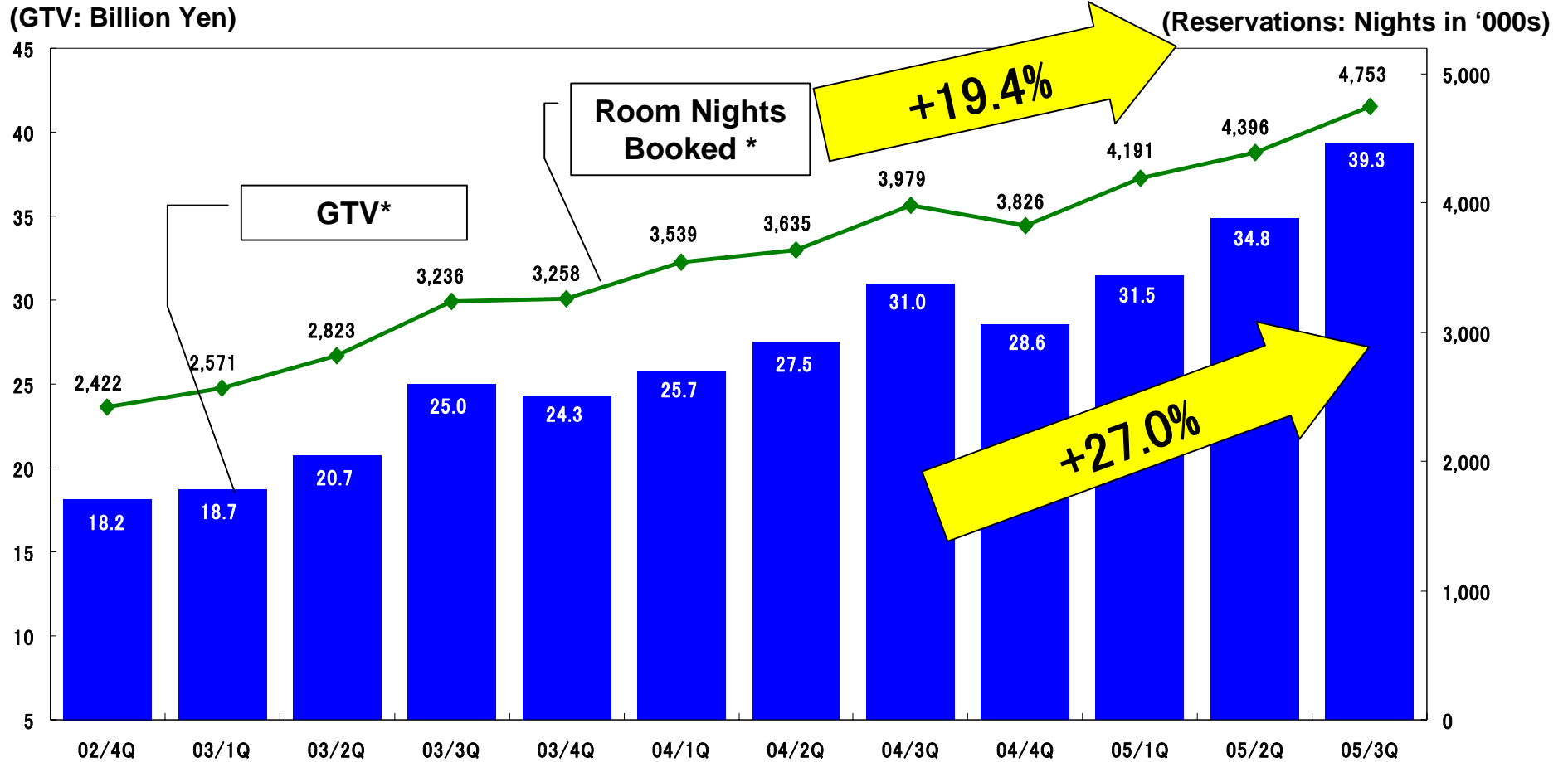


\* Q2/03 excluding one-time factor: Change in revenue recognition policy +10 million yen  
 \* Includes MyTrip.net before acquisition  
 \* Business segment changed, Entertainment Business excluded

# Travel Business Reservations



**Reservations Booked Growth YoY +19.4%, QoQ +8.1%**  
**Gross Bookings Growth YoY +27.0%, QoQ +13.0%**



\* Gross Transaction Volume at Time of Reservation (Before Cancellation, Tax Calculated)

\* Travel Business: MyTrip.net and Rakuten Travel combined

\* From Q1/05, Overseas Hotels Gross Bookings, Overseas Air Travel Gross Bookings, and Overseas Hotel Reservations included

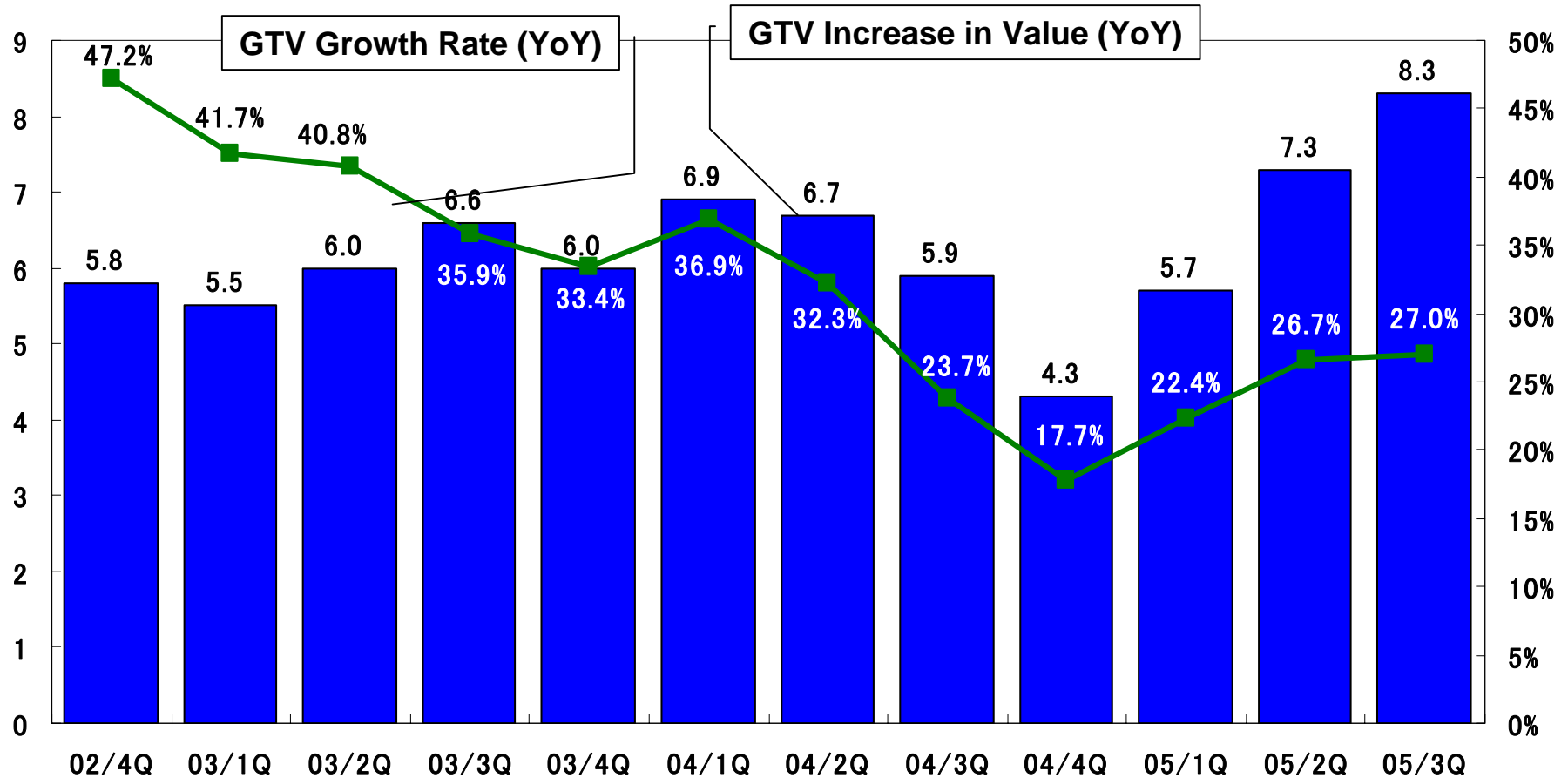
# Gross Transaction Volume Growth



## Recovery in Growth Rate Due to Unification of the Sites

(Increase: Billion Yen)

(Growth Rate)



\* Gross Transaction Volume at Time of Reservation (Before Cancellation, Tax Calculated)

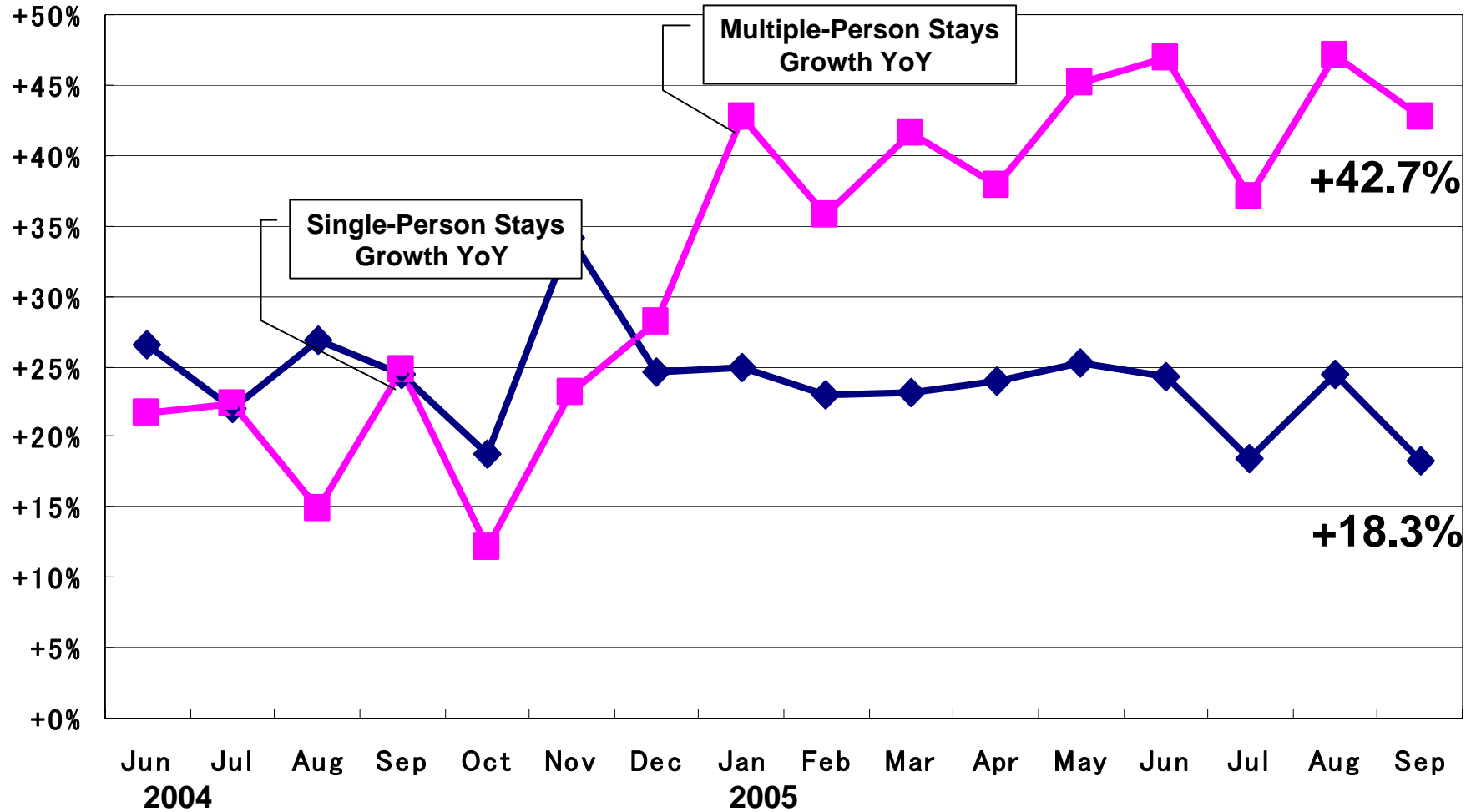
\* Travel Business: MyTrip.net and Rakuten Travel combined

\* From Q1/05, Overseas Hotels Gross Bookings, Overseas Air Travel Gross Bookings, and Overseas Hotel Reservations included

# Single-Person and Multiple-Person Stays (YoY)



## Multiple-Person Stays Up YoY +42.7%



\* Excluding Former Rakuten Travel Business

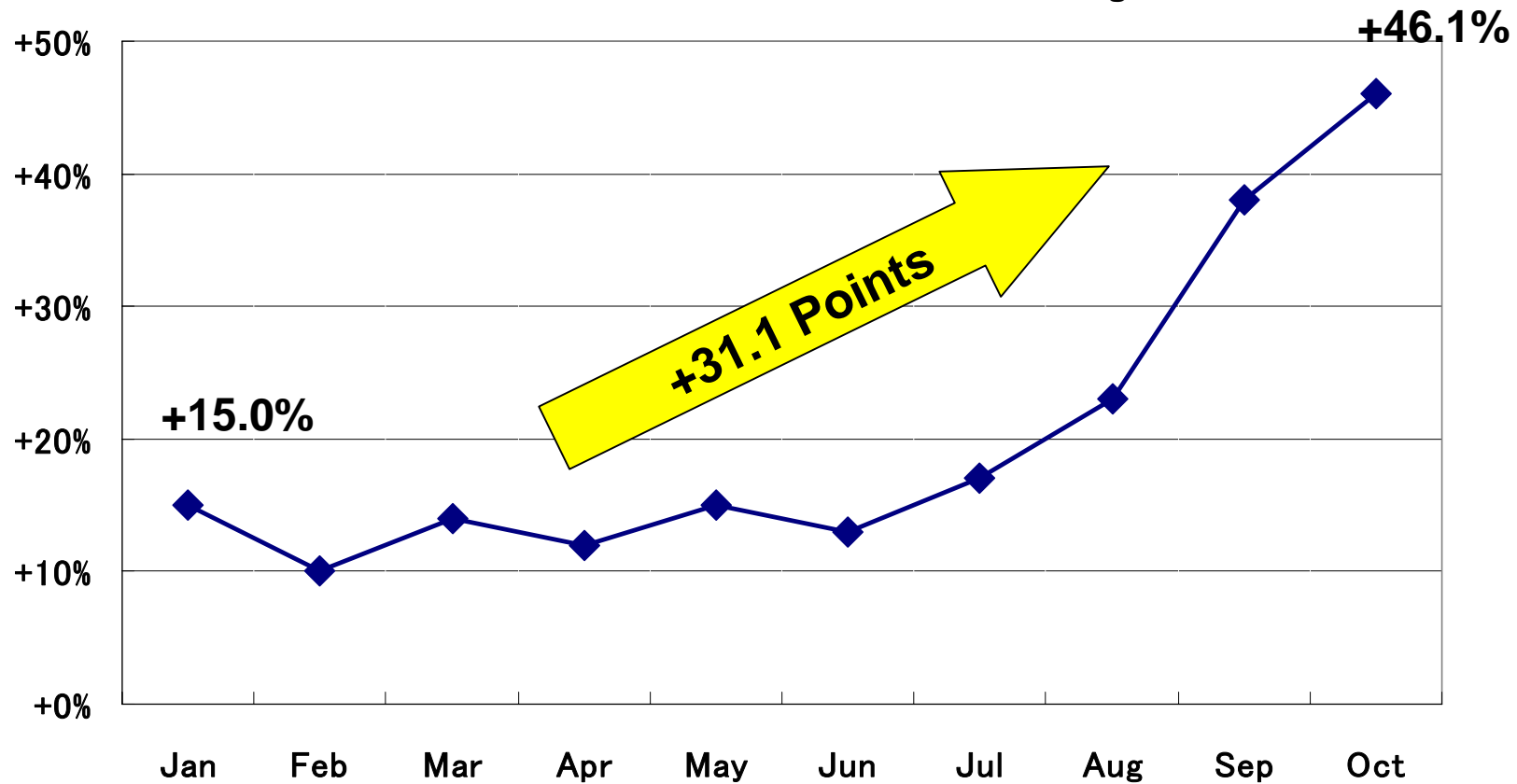
(Multiple-person stays: two or more persons booked) 62

# Gross Booking Through Mobile (YoY)



Gross Booking through Mobile Rapidly Increases by +31.1 points from +15% in January to +46.1% in October

Growth of Gross Transaction Volume Booked through Mobile





## Improved Usability While Attracting Travelers



- Renewal on 1 September
- Improving Layout by Classifying Categories such as Domestic, International, Accommodations, Transportation and Package Tours
- Enhancement of Feature Pages and Geographic Area Pages

## The First Service of Domestic Transportation



- Transfer “iibus.com” page to Rakuten Travel site
- Released in November 2005
- Able to Book by Rakuten ID
- Able to Obtain Rakuten Superpoint
- Expansion of Bus Route

June 2005 7 routes  
 ↓  
 December 2005 100 routes

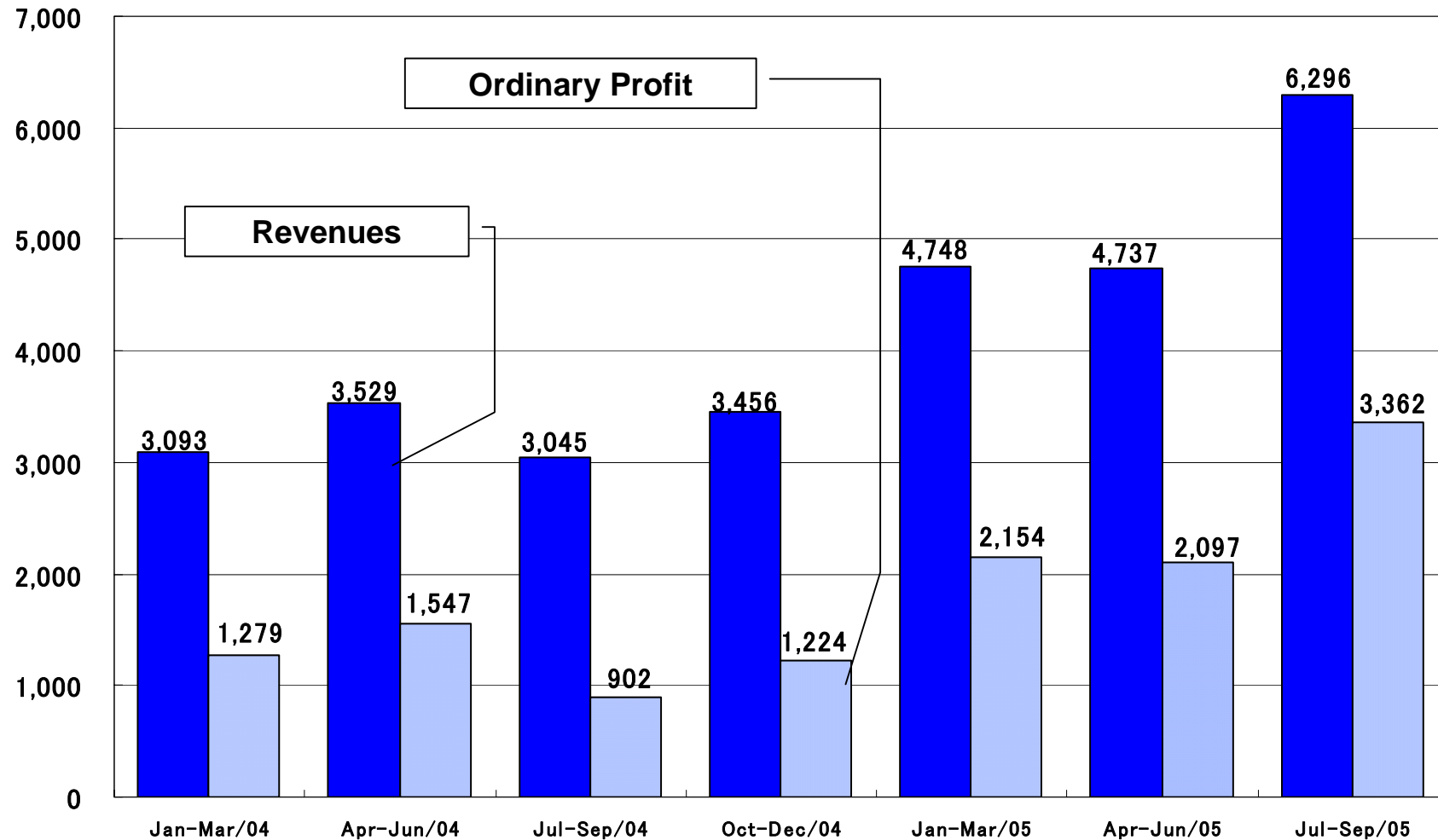
## **Securities Business**

# Rakuten Securities Consolidated Results



**Jul-Sep '05 Ordinary Profit Growth YoY +272.8%QoQ +60.3%**

(Unit: Million Yen)



67

# Rakuten Securities

## (Consolidated Results) LTM Consolidated Results



(Million Yen)

	Jul-Sep '04	Oct-Dec '04	Jan-Mar '05	Apr-Jun '05	Jul-Sep '05	YoY
Total Revenues	3,045	3,456	4,748	4,737	6,296	+106.8%
(Net Interest Income)	569	532	659	803	943	+65.8%
Net Revenues	2,805	3,149	4,482	4,374	5,751	+105.0%
Operating Profit	865	1,185	2,103	1,830	2,988	+245.3%
Ordinary Profit	902	1,224	2,154	2,097	3,362	+272.8%
Earnings Before Tax	723	928	1,710	1,794	2,913	+302.9%
Earnings After Tax	327	420	1,172	977	1,588	+385.6%

# Rakuten Securities Industry Comparisons



## Financial Overview for Jul - Sep 2005

(Billion Yen)

	Rakuten Securities	E*Trade	Matsui	kabu.com	MBH
Revenues	6.29	13.83	12.77	4.66	9.04
Net Revenues	5.75	12.42	11.99	4.21	8.70
SG&A	2.76	5.85	3.62	1.59	2.86
Operating Profit	2.98	6.56	8.37	2.61	5.83
Ordinary Profit	3.36	6.56	8.37	2.57	5.59

\* Source: Individual company financial reports on a consolidated basis (excluding kabu.com)

\* Comparison of consolidated results

# Rakuten Securities Industry Comparisons



## Growth Rate (YoY)

	Rakuten Securities	E*Trade	Matsui	kabu.com	MBH
Revenues	<b>+106.8%</b>	<b>+132.5%</b>	<b>+49.6%</b>	<b>+84.4%</b>	<b>+99.6%</b>
Net Revenues	<b>+105.0%</b>	<b>+127.0%</b>	<b>+49.9%</b>	<b>+85.8%</b>	<b>+101.9%</b>
SG&A	<b>+42.4%</b>	<b>+82.9%</b>	<b>+34.9%</b>	<b>+50.1%</b>	<b>- 0.7%</b>
Operating Profit	<b>+245.3%</b>	<b>+189.2%</b>	<b>+57.4%</b>	<b>+117.5%</b>	<b>+310.8%</b>
Ordinary Profit	<b>+272.8%</b>	<b>+188.4%</b>	<b>+57.0%</b>	<b>+113.2%</b>	<b>+318.1%</b>

\* Source: Individual company financial reports on a consolidated basis (excluding kabu.com)

\* Comparison of consolidated results

# Rakuten Securities Industry Comparisons



## Growth Rate (QoQ)

	Rakuten Securities	E*Trade	Matsui	kabu.com	MBH
Revenues	<b>+32.9%</b>	<b>+34.8%</b>	<b>+31.7%</b>	<b>+31.5%</b>	<b>+47.0%</b>
Net Revenues	<b>+31.5%</b>	<b>+29.9%</b>	<b>+32.1%</b>	<b>+28.1%</b>	<b>+50.7%</b>
SG&A	<b>+8.6%</b>	<b>+9.8%</b>	<b>+5.6%</b>	<b>+16.5%</b>	<b>+3.1%</b>
Operating Profit	<b>+63.3%</b>	<b>+55.3%</b>	<b>+48.2%</b>	<b>+36.5%</b>	<b>+95.0%</b>
Ordinary Profit	<b>+60.3%</b>	<b>+49.8%</b>	<b>+48.0%</b>	<b>+33.6%</b>	<b>+86.5%</b>

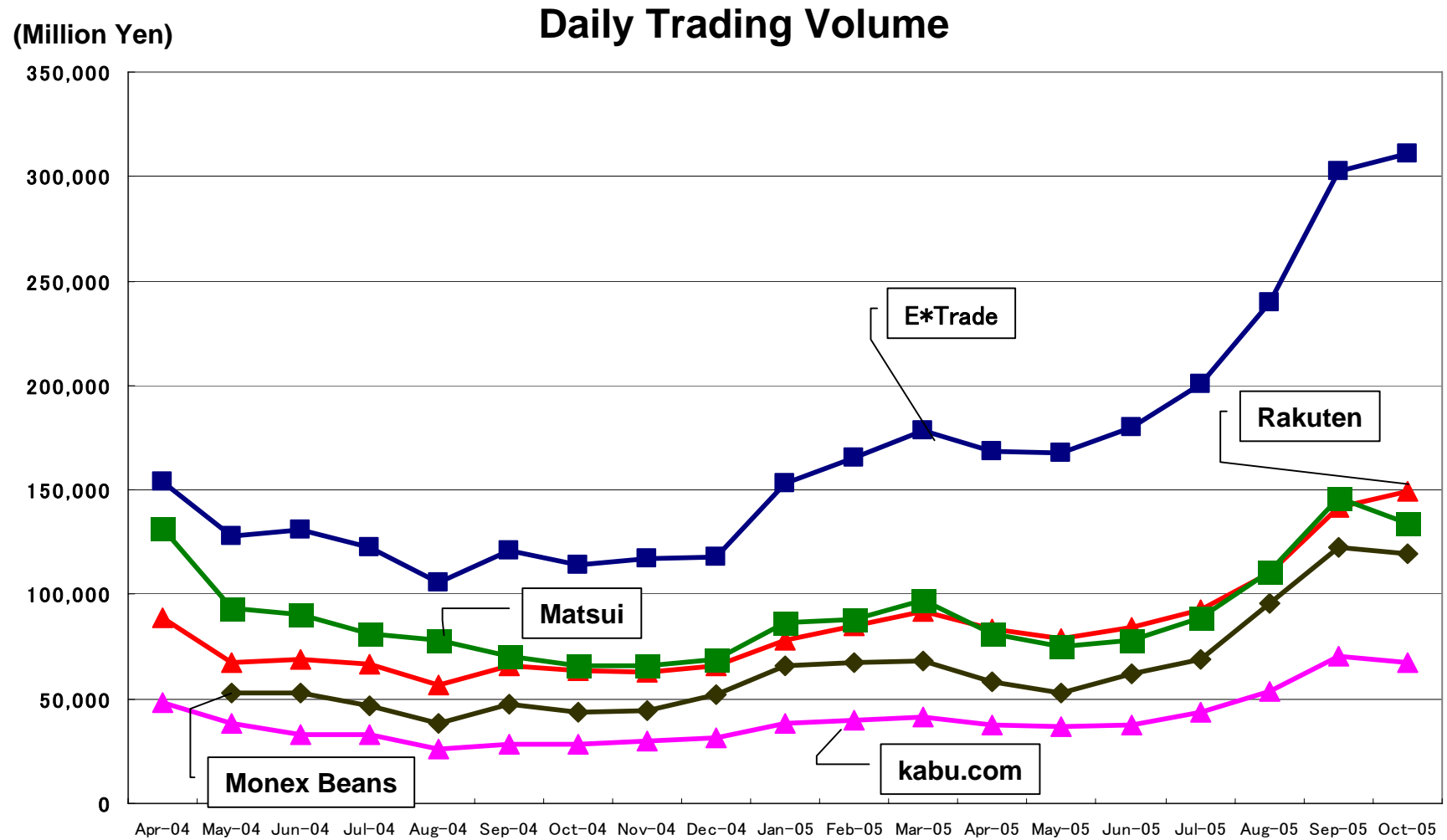
\* Source: Individual company financial reports on a consolidated basis (excluding kabu.com)

\* Comparison of consolidated results



# Industry Comparison

## Domestic Securities Trading



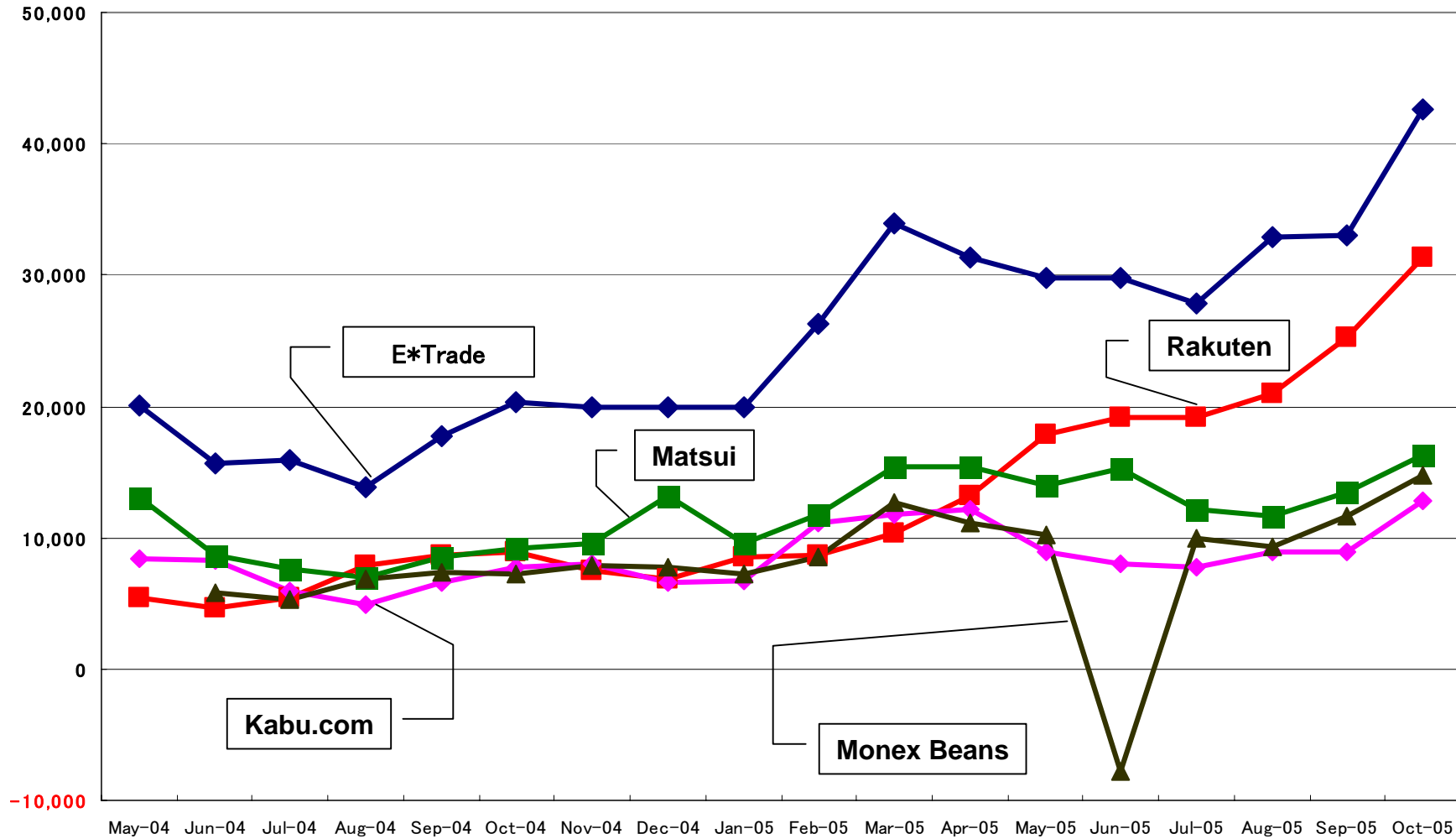
\* Source: Individual company's home page, financial reports

\* Monex Beans data from May 2004

# Industry Comparison New Accounts



# of Accounts



\* Source: Individual company's home page, financial reports

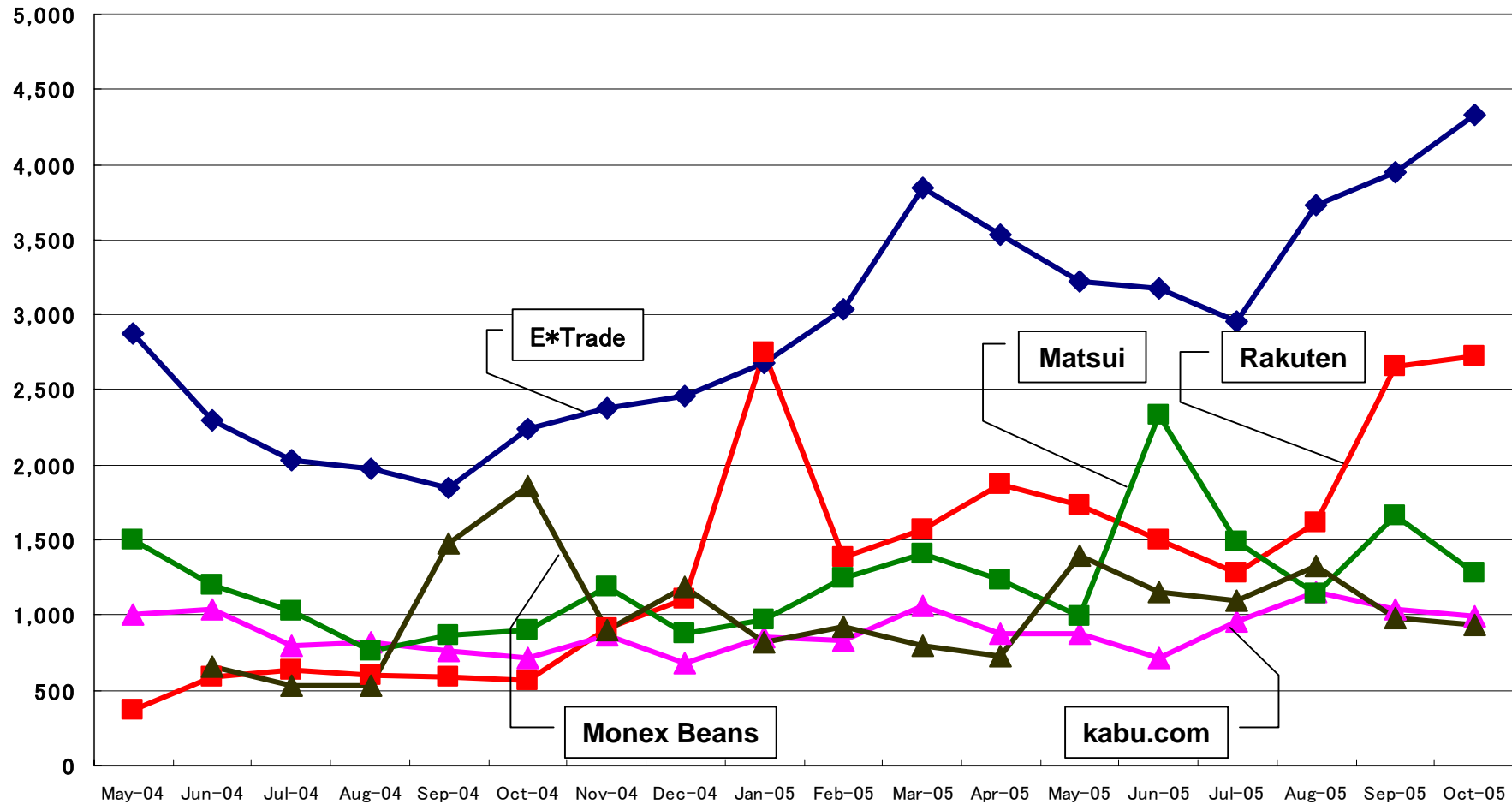
\* Monex Beans data from May 2004

# Industry Comparison

## New Margin Accounts



# of Accounts



\* Source: Individual company's home page, financial reports

\* Monex Beans data from May 2004

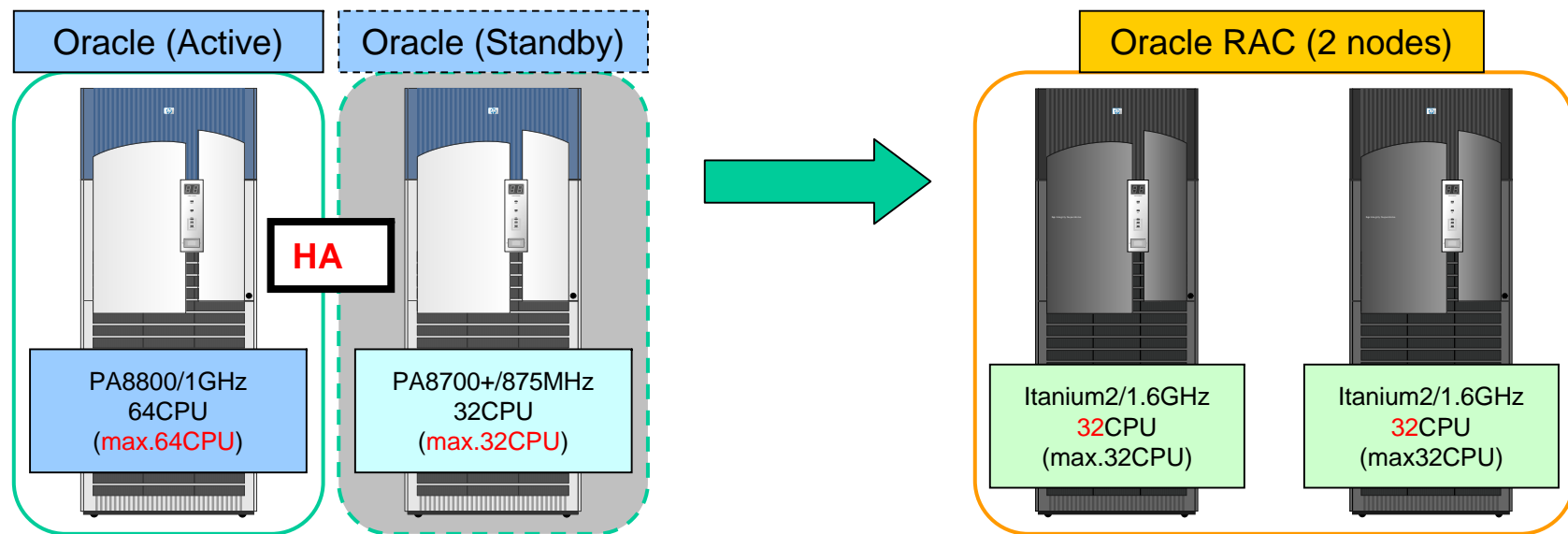
---

## **Strengthening Systems of Rakuten Securities — Implemented Measures and Plans —**

## (1) First Step of Main Database Enhancement on 17 September

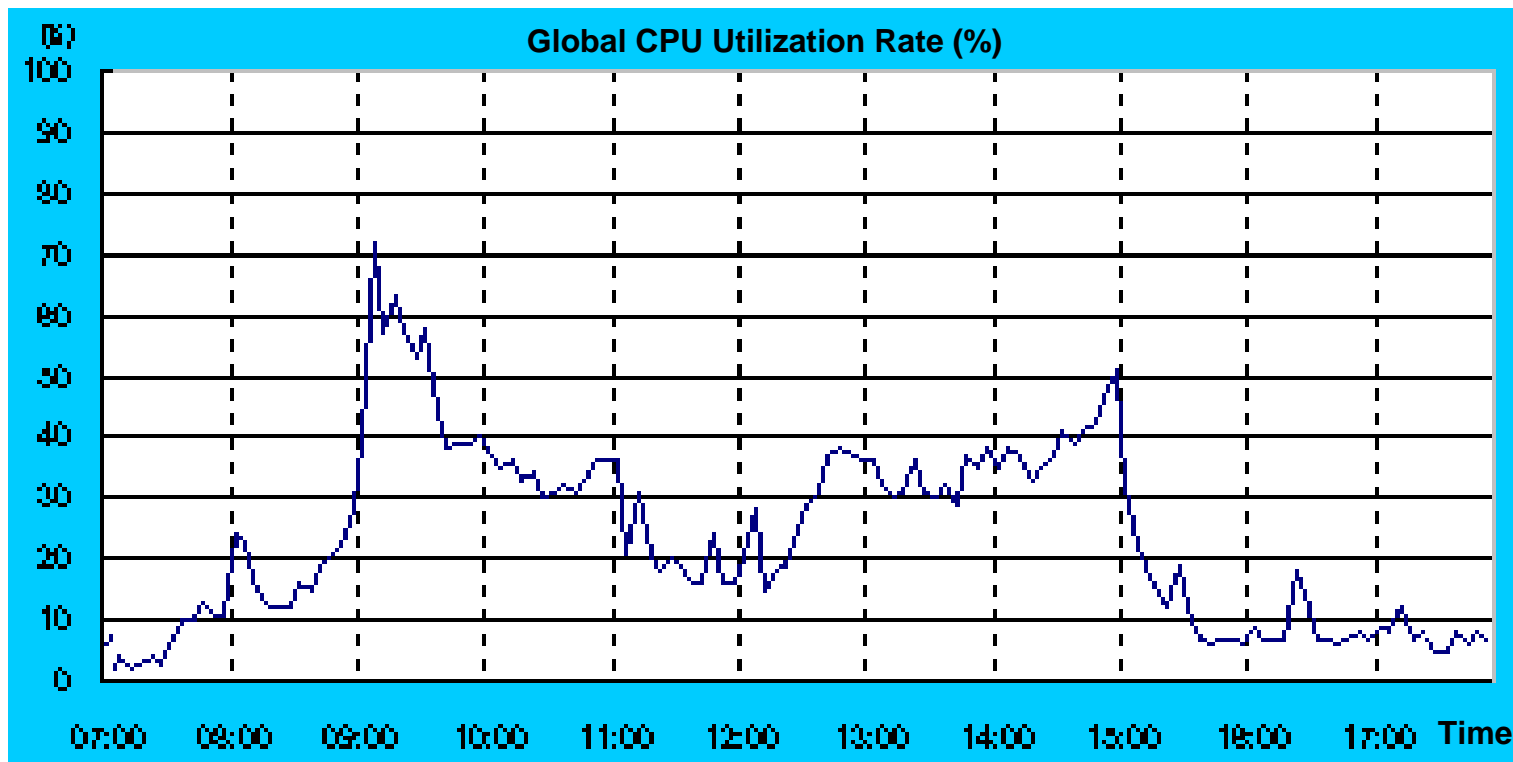
(Improvement)

- Main Database Capacity was Enhanced by 1.6 times by Introducing Oracle Real Application Clusters (RAC; 2 nodes) and High-performance CPUs
- RAC Prevents Suspension of the Service in Case of Hardware Failure
- Able to Avoid Hardware Failure Due to High CPU Load, by Sharing Load between Two Servers



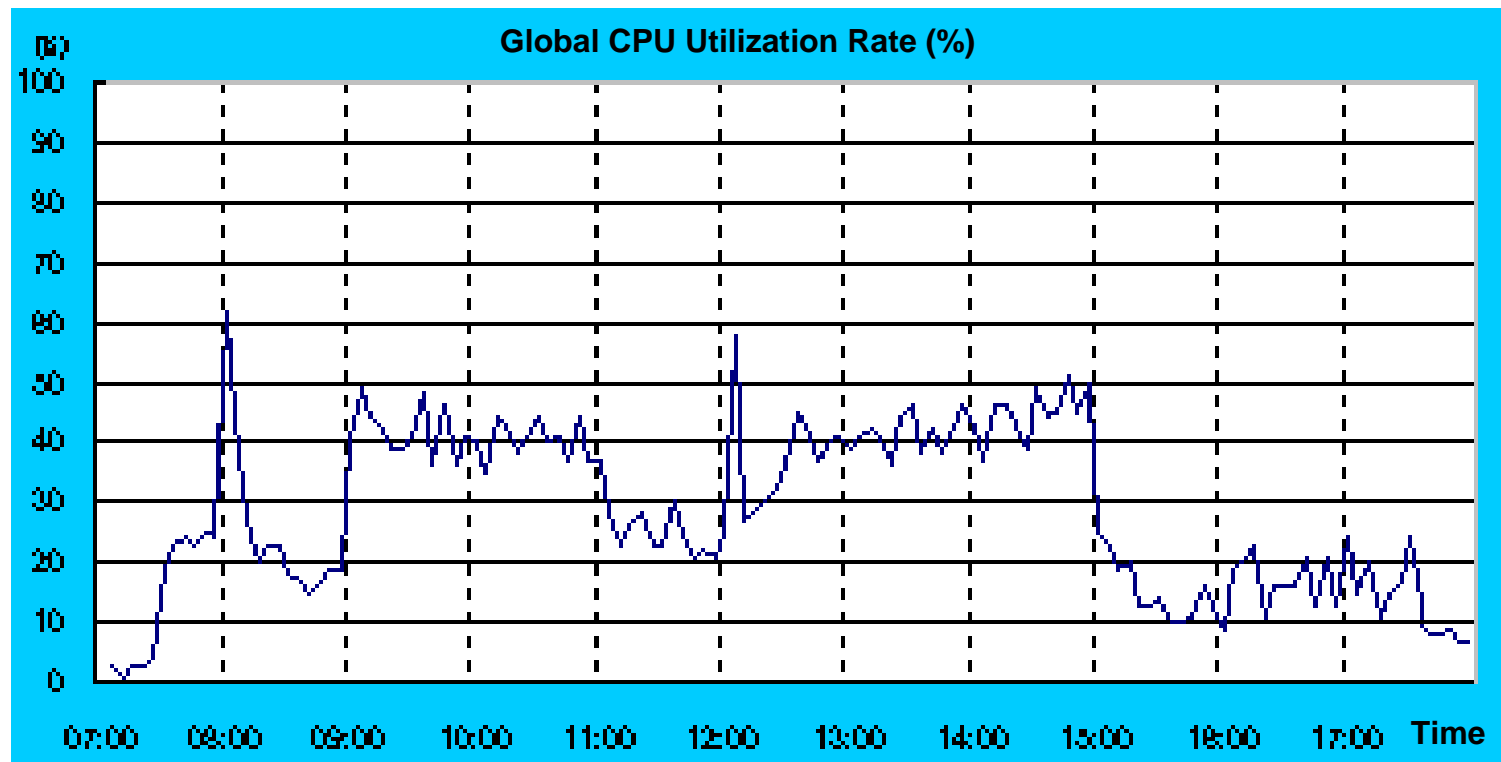
## Before the First Step of Main DB Enhancement (16 September)

- (i) Trading Volume of Tokyo Stock Exchange: 2.7 Billion Shares
- (ii) Domestic Securities Trading : Total Number of Orders 293,621  
Number of Transactions 125,809
- (iii) Peak CPU Utilization Rate of Main Database during Market Hours:72%

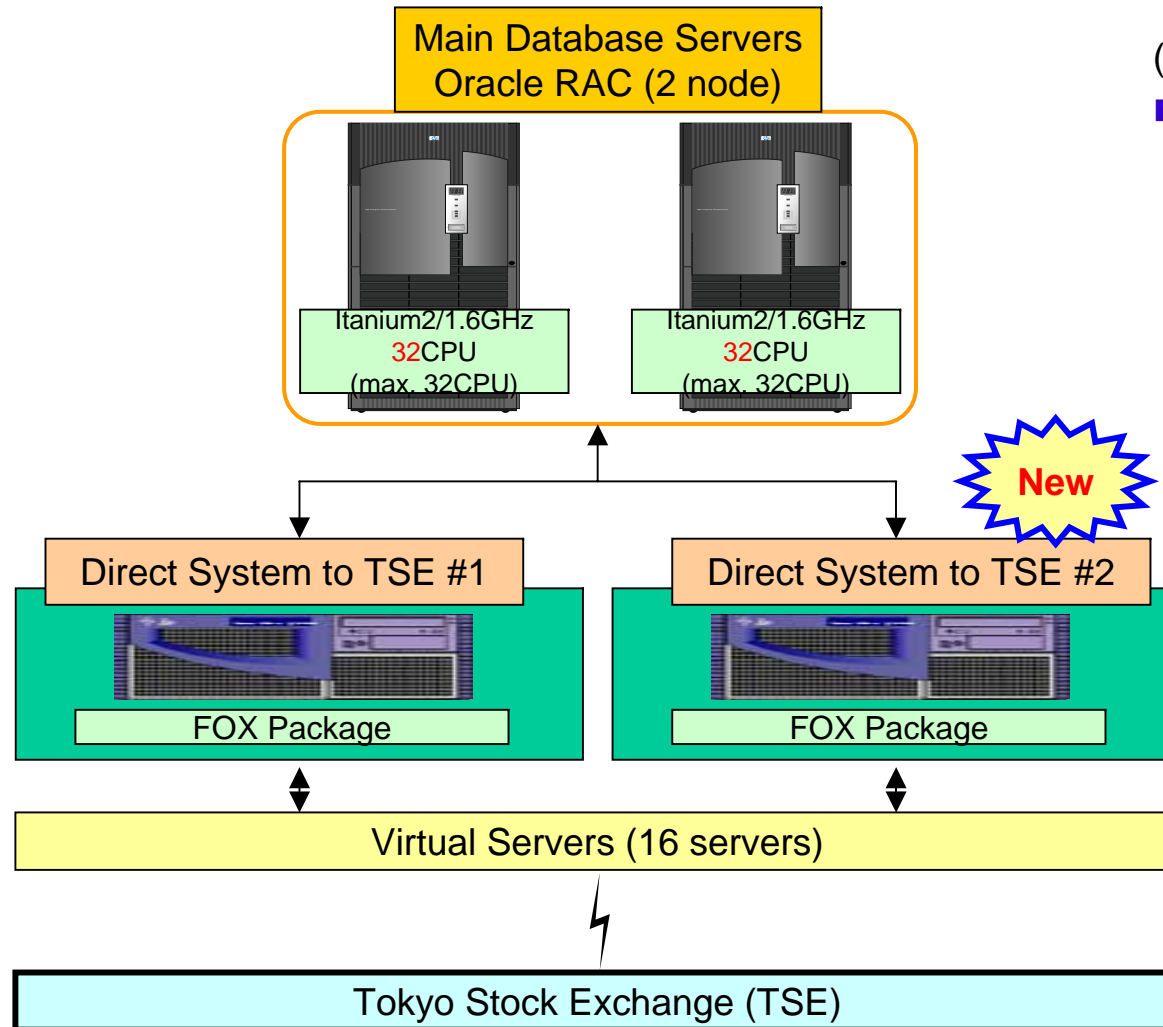


## After the First Step of Main DB Enhancement (2 November)

- (i) Trading Volume of Tokyo Stock Exchange: 3.7 Billion Shares
- (ii) Domestic Securities Trading : Total Number of Orders 425,537  
Number of Transactions 178,802
- (iii) Peak CPU Utilization Rate of Main Database during Market Hours:51%



## (2) Enhancement of Ordering System to TSE on 25 September



(Improvement)

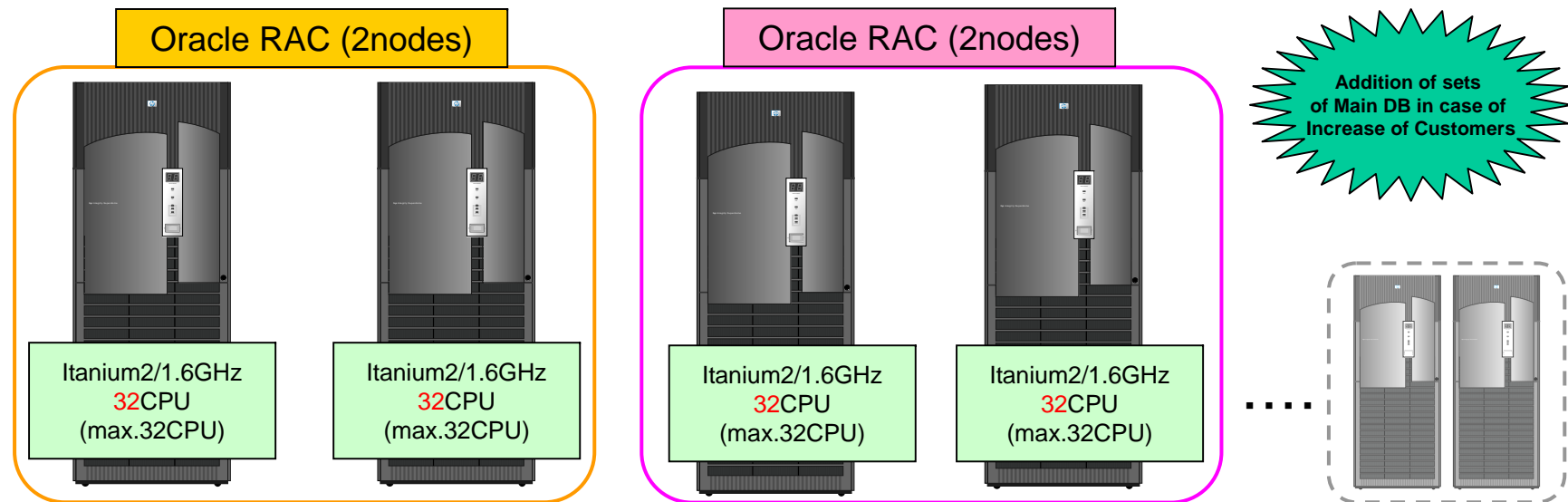
- Capacity was enhanced approx. two times by constructing 2 sets of direct ordering system to TSE



## (1) Second Step of Main Database Enhancement on 26 November

(Improvement)

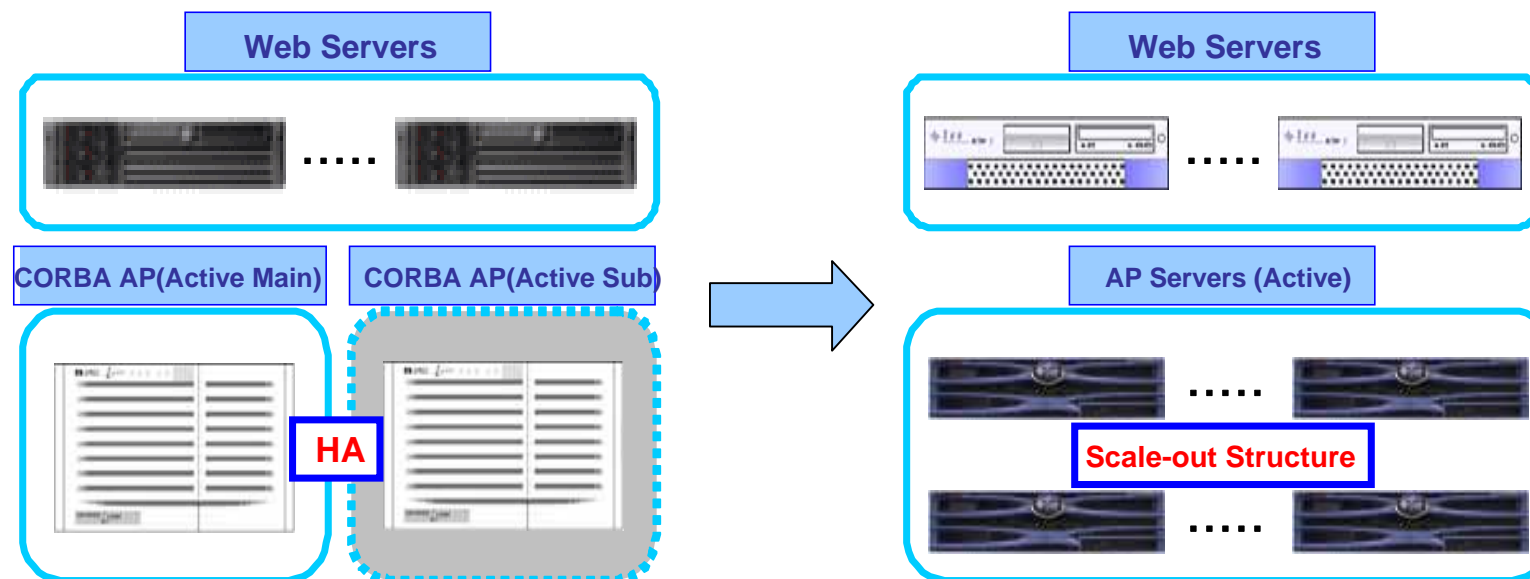
- Capacity will be Enhanced by approx. 3.2 times by Constructing 2 sets of Main DB
- 2 sets of Main DB will Enable Reduction of the Time for Nighttime Batch Processing
- And Easier Addition of Further Set of Main DB to adapt Increase of Customers



## (2) Migration to New Web System on 26 November

(Improvement)

- Gradual Migration from Current Web System to New One will be Completed
- New Web System Prevents Suspension of the Service due to Hardware Failures
- Scale-out Structure Enables Easier Expansion of Capacity



## **Professional Sports Business**

## Continuing Popularity of Tohoku Rakuten Golden Eagles during the Season Revenues Expected to Exceed 25% of Original Expectation before the Season

Million Yen

	Forecasts for the Year before the Season	Forecasts for the Year at the End of Sep
Advertisement / Sponsors	1,600	2,226
Broadcasting Rights	800	759
Ticket Sales	2,100	2,284
Revenues from the Stadium (*1)	300	555
Fan Club	100	268
Sales of Team Goods (Concessions) (*2)	200	280
Others	21	66
<b>Total Revenues</b>	<b>5,121</b>	<b>6,438</b>

\*1 Margin fees from tenants, rental fees of Stadium and Revenues from parking

\*2 Rakuten Sports Properties sells team goods

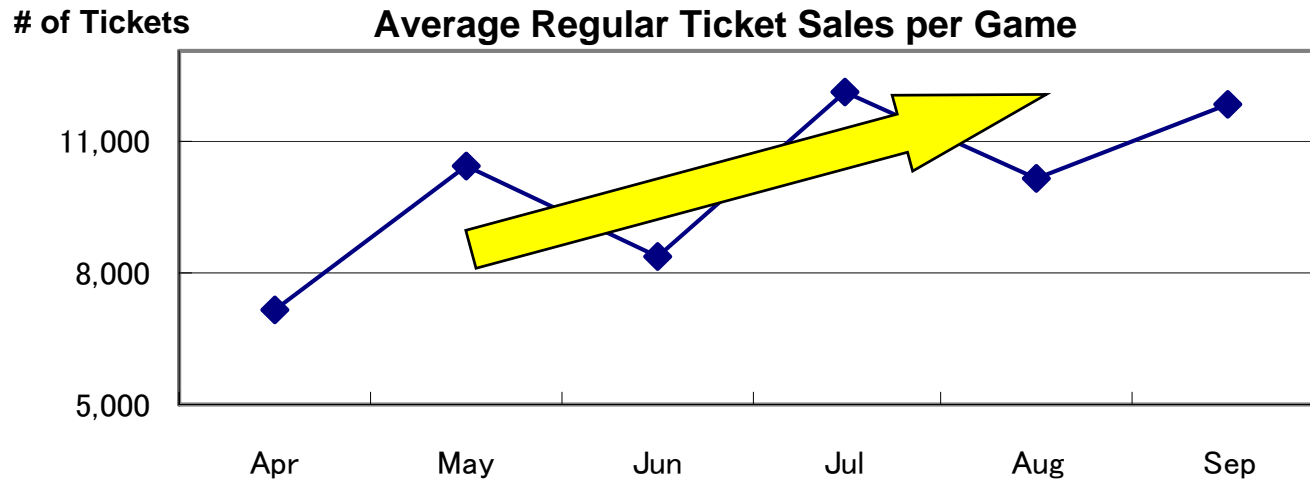
83

## Revenues Increased Compared to Original Expectation before the Season by Taking the Measures

- Retain Stadium Business Rights and Direct Sales Channel without use of Agency
- Adapting to Needs of Each Sponsor, Offered Flexible and Fine-tuned Services

Categories of Sponsors	# of Sponsors	Revenues (Million Yen)
Naming Rights (Platinum)	4	443
Helmet, Uniform etc.	3	451
Gold / Silver members	28	534
Regional Sponsors	57	152
Beer and Beverage	4	194
Others	44	453
<b>Total</b>	<b>136</b>	<b>2,226</b>

## Ticket Sales Continued to Grow Steadily in the Latter Season by Taking Measures to Pull Guests Including Various Events



	# of Games	# of Released Tickets	# of Sold Tickets	Ave. # of Sold Tickets	% Sales to Release
<b>Apr</b>	12	158,270	86,217	7,185	54%
<b>May</b>	12	173,300	124,375	10,365	72%
<b>Jun</b>	9	133,515	75,270	8,363	56%
<b>Jul</b>	8	118,857	96,887	12,111	82%
<b>Aug</b>	13	187,338	131,181	10,091	70%
<b>Sep</b>	9	131,925	106,420	11,824	81%

Categories	Revenues
Season Tickets	1,067
Regular Tickets	1,217
<b>Total</b>	<b>2,284</b>

(Million Yen)

## Visitors to the Stadium Increased During the Latter Half of Season (Jul-Sep) Beverage and Team Goods are Constantly Sold

### Results of Fullcast Stadium Miyagi

	Apr	May	Jun	Jul	Aug	Sep	Total
# of Home Game	12	12	9	8	13	9	63
Official # of Visitors	155,110	182,922	114,458	130,776	190,122	147,581	920,969
Average # of Visitors per Game	12,926	15,244	12,718	16,347	14,625	16,398	14,619

(Thousand Yen)

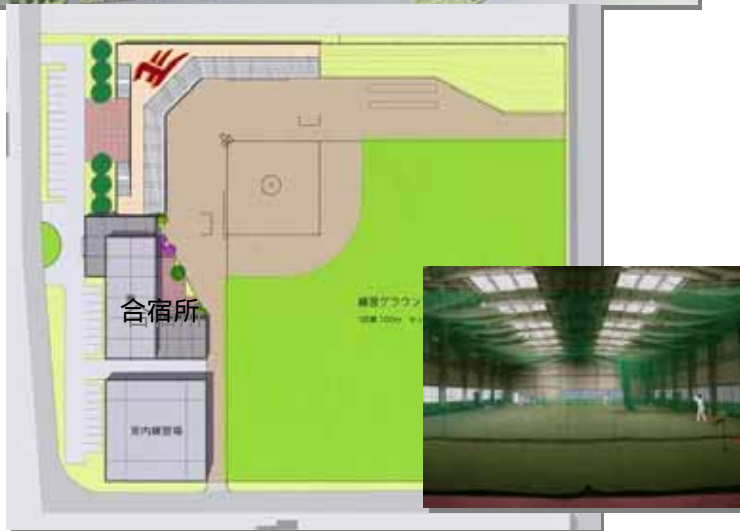
Revenues from Tenants	50,898	62,122	36,537	44,864	66,531	45,800	306,752
Beverage (Margin basis)	33,573	40,230	24,798	30,137	47,327	32,571	208,636
Team Goods (Margin basis)	16,082	20,167	10,387	12,694	17,616	10,474	87,420
Others	1,243	1,725	1,352	2,033	1,588	2,755	10,696
Average Revenues per Game	4,242	5,177	4,060	5,608	5,118	5,089	29,293

Stadium Capacity:19,500 people

\* Stadium Business includes wholesale to tenants, rental fees of the stadium (¥97million) and roadshow (¥152million ), in addition to above revenues

86

### 4.5 Billion Yen of Total Capex for Expansion of the Stadium and Strengthening of the Team until the Opening of Next Season



#### I Fullcast Stadium Miyagi (¥3.7Billion)

##### 1. Additional Seats (3,000 seats)

- (1) Infield Stands (Third-base side)
- (2) Infield Stands (First-base side)
- (3) 3<sup>rd</sup>/4<sup>th</sup>/5<sup>th</sup> Floors, Lounges

##### 2. New Facilities for the Team

- (1) Large Indoor Gym
- (2) IT Facilities/Data Analysis Room

#### II Facilities for Farm Team (¥0.8Billion)

1. Main Ground
2. Sub Ground
3. Indoor Gym
4. Training Room/ Accommodation



# Appendices

# Q3/05 Consolidated Results (YoY)



(Billion Yen)

	Revenues	YoY	Ordinary Income	YoY	Ordinary Inc. Margin
E-Commerce Business	8.18	+53.9%	2.50	+57.7%	30.7%
Credit and Payment Business	23.45	-	4.55	-	19.4%
Portal and Media Business	2.68	+80.3%	0.79	+197.6%	29.5%
Travel Business	2.01	+34.5%	1.05	+42.0%	52.3%
Securities Business	6.89	+126.5%	3.25	260.6%	47.2%
Professional Sports Business	2.79	-	0.75	-	27.1%
Internal Elimination	- 0.80	-	0.11	-	-
Consolidated	45.22	+308.5%	13.04	+278.4%	28.8%
Consolidated Excluding Professional Sport	42.43	+283.2%	12.28	+256.4%	29.0%

\* Professional Sports Business: Rakuten, Baseball, Inc.; Rakuten Sports Properties, Inc.

89

## Q3/05 Consolidated Results (QoQ)



(Unit: Billion Yen)

	Revenues	QoQ	Ordinary Income	QoQ	Ordinary Inc. Margin
E-Commerce Business	8.18	+4.8%	2.50	- 0.1%	30.7%
Credit and Payment Business	23.45	+2230.7%	4.55	-	19.4%
Portal and Media Business	2.68	+24.5%	0.79	+39.6%	29.5%
Travel Business	2.01	+25.2%	1.05	+47.9%	52.3%
Securities Business	6.89	+37.0%	3.25	+56.0%	47.2%
Professional Sports Business	2.79	- 16.7%	0.75	- 22.6%	27.1%
Internal Elimination	- 0.80	-	0.11	-	-
Consolidated	45.22	+122.7%	13.04	+90.6%	28.8%
Consolidated Excluding Professional Sport	42.43	+150.2%	12.28	+109.4%	29.0%

\* Professional Sports Business: Rakuten, Baseball, Inc.; Rakuten Sports Properties, Inc.

90

# Breakdown of Amortization of Goodwill



## Included in SG&A

(Million Yen)

	05/1Q	05/2Q	05/3Q	Companies
E-Commerce Business	-	-	-	
Credit and Payment Business	-	-	<b>164</b>	Rakuten KC
Portal and Media Business	-	<b>8</b>	<b>10</b>	Ynot Cyber Brains
Travel Business	-	-	-	
Securities Business	-	<b>1</b>	<b>1</b>	Rakuten Realty Management
Professional Sports Business	-	-	-	
<b>Consolidated</b>	<b>-</b>	<b>9</b>	<b>176</b>	

# Outlook of Balance Sheet



## Finance Related Business

( Credit and Payment, Securities)

(as of September 30, Combined Information)

Cash ¥67.2 Billion	Interest Bearing Debt ¥474.1 Billion
Other Assets ¥1,094 Billion	
Equity and Other Liabilities ¥687.1 Billion	

**Total Assets**    **Total Liabilities and Equity**  
**¥1,161.2 Billion**    **¥1,161.2 Billion**

## Other Than Finance Related Business

(as of September 30, Combined Information)

Cash 30.2 Billion	Interest Bearing Debt ¥100.5 Billion
Marketable Securities ¥63.5 Billion	
Other Assets ¥94 Billion	Equity and Other Liabilities ¥87.2 Billion

**Total Assets**    **Total Liabilities and Equity**  
**¥187.7 Billion**    **¥187.7 Billion**

\* Increase in Interest Bearing Debt on and during October : +¥83.5 Billion

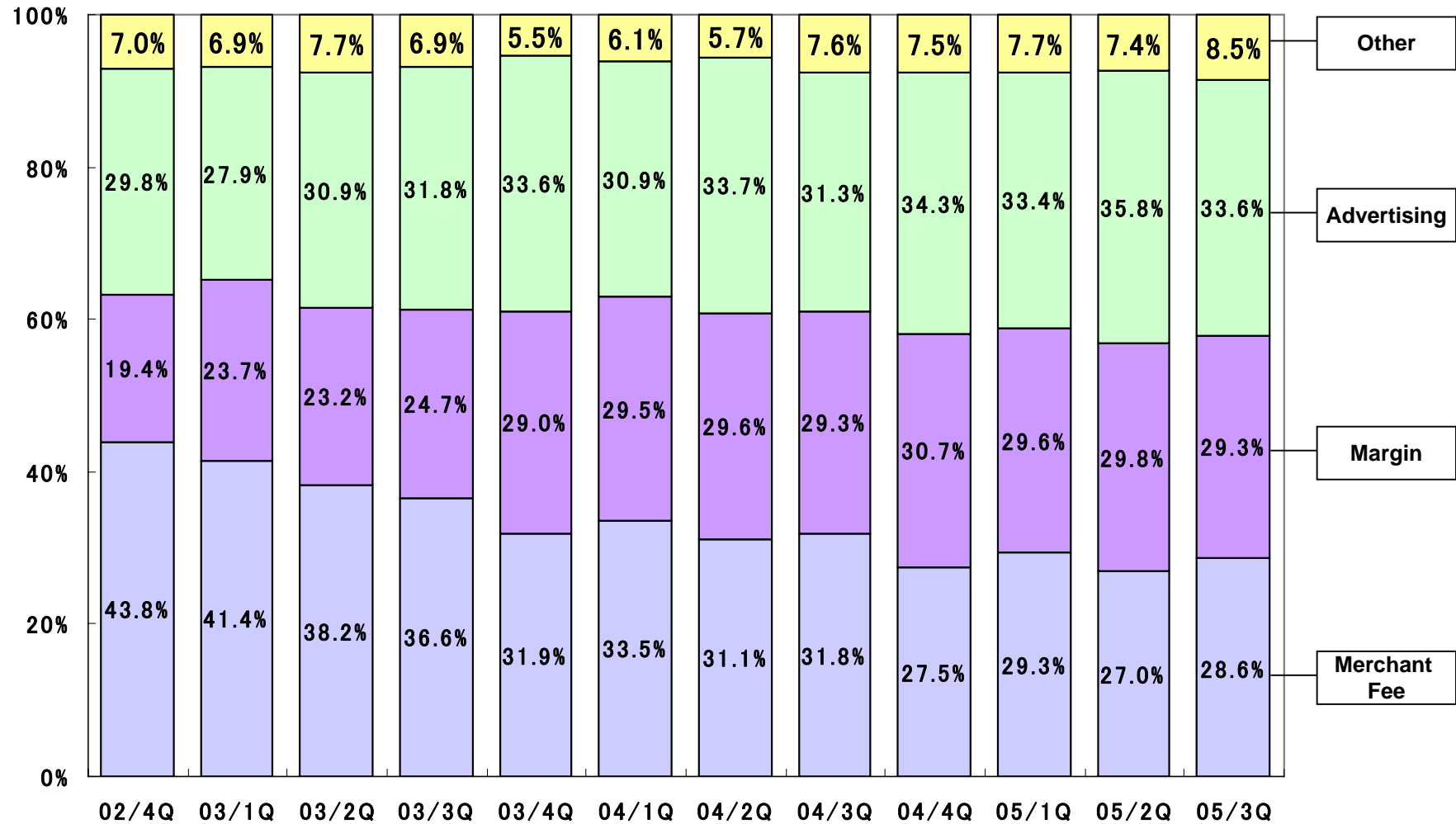
(Million Yen)

	2004	2005		
	04/4Q	05/1Q	05/2Q	05/3Q
Revenues	5,608	5,685	6,565	6,837
Operating Expense	2,892	3,208	3,950	4,236
Operating Income	2,716	2,477	2,615	2,600
Operating Margin	48.4%	43.6%	39.8%	38.0%

\* Rakuten, Inc. (Excludes Portal Business Company)

# Revenue Breakdown

(Excluding one-time factor in Q2/03 and Portal Business Results)



## Mall Merchants New vs. Loss of Merchants



	Jul 2004	Aug 2004	Sep 2004	Oct 2004	Nov 2004	Dec 2004
New	479 (225)	445 (208)	465 (226)	539 (286)	532 (275)	454 (234)
Loss	151 (74)	170 (88)	180 (92)	198 (119)	210 (127)	195 (160)
Total	9,105 (2,227)	9,380 (2,347)	9,665 (2,481)	10,006 (2,648)	10,328 (2,796)	10,587 (2,870)
	Jan 2005	Feb 2005	Mar 2005	Apr 2005	May 2005	Jun 2005
New	599 (221)	278 (190)	476 (315)	560 (370)	538 (370)	634 (433)
Loss	203 (156)	209 (138)	216 (196)	181 (154)	224 (125)	230 (148)
Total	10,983 (2,935)	11,052 (2,987)	11,312 (3,106)	11,691 (3,322)	12,005 (3,567)	12,409 (3,852)
	Jul 2005	Aug 2005	Sep 2005	Oct 2005	Nov 2005	Dec 2005
New	761 (546)	658 (468)	706 (518)			
Loss	205 (143)	241 (179)	255 (187)			
Total	12,965 (4,255)	13,382 (4,544)	13,833 (4,875)			

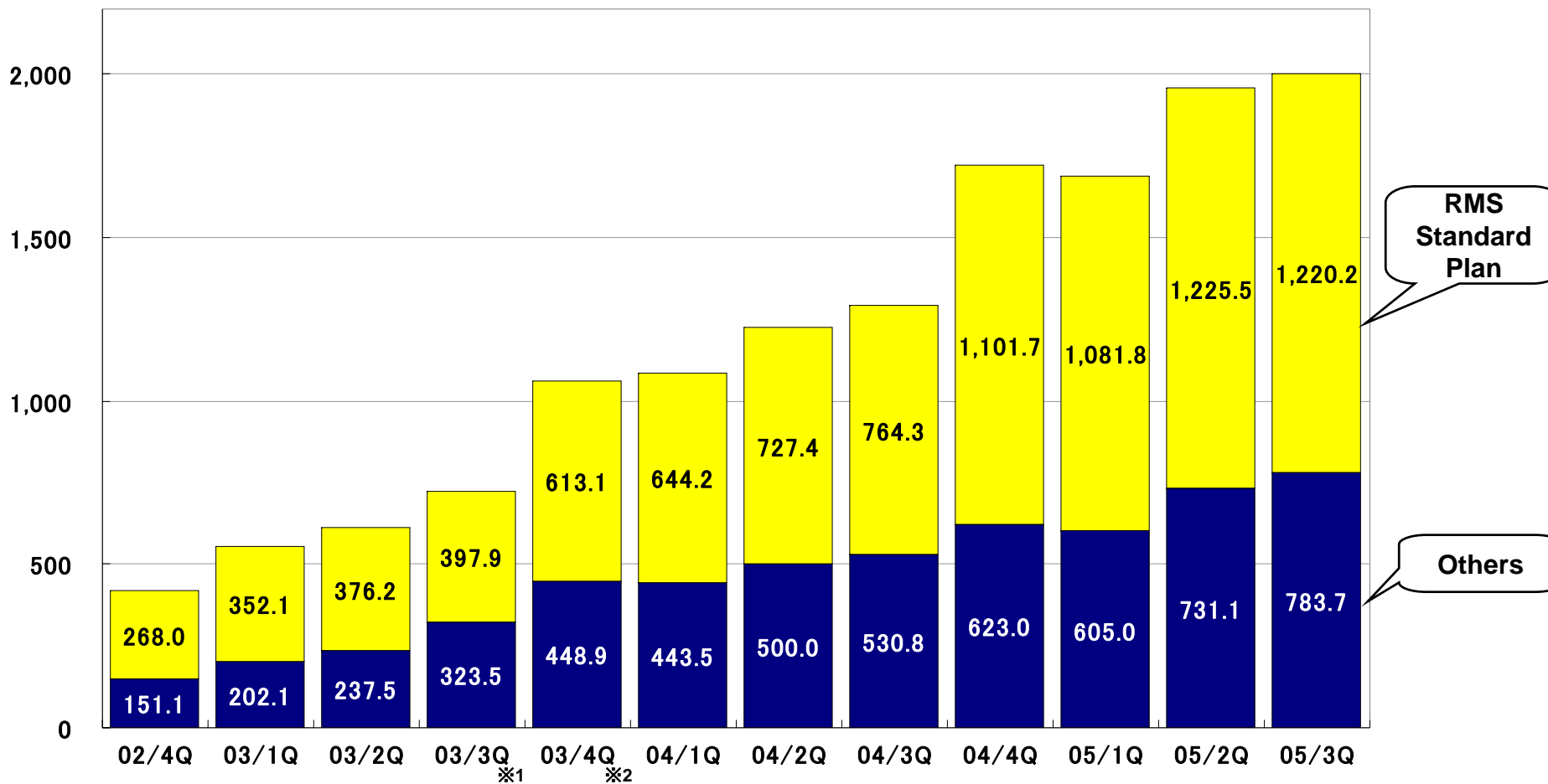
\* Figures inside ( ) reflect Rakuten Light Merchants; Sep 2005 includes 178 Premium Light Merchants

\* Loss figures include switches from Rakuten Light to Rakuten Standard



# Sales Margins Breakdown (Non-consolidated) Rakuten

(Million Yen)



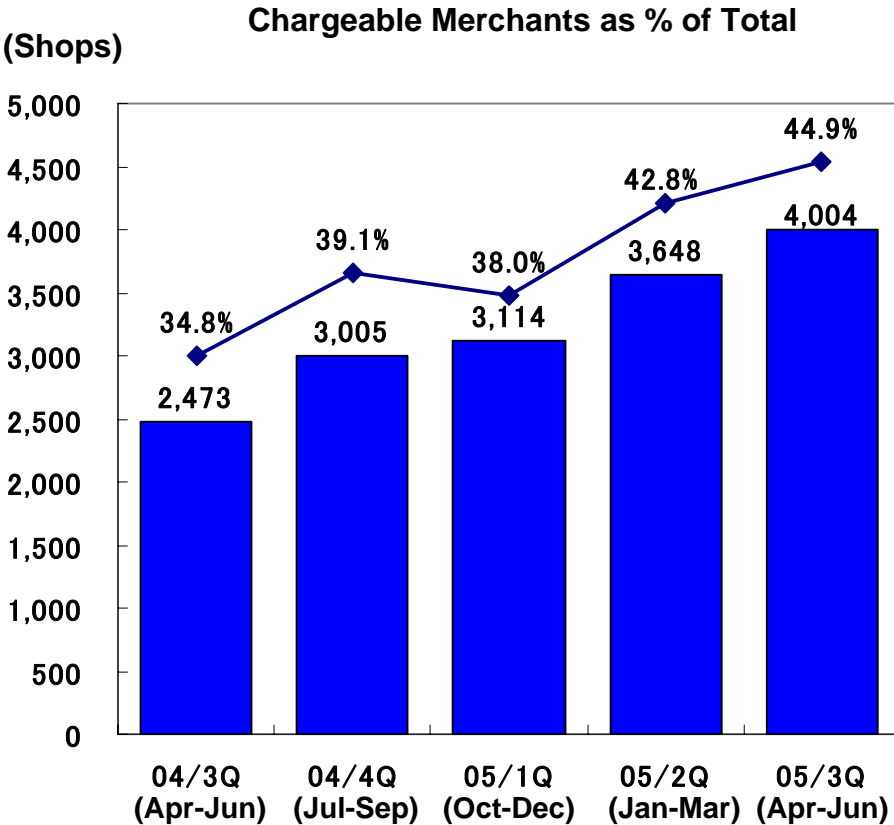
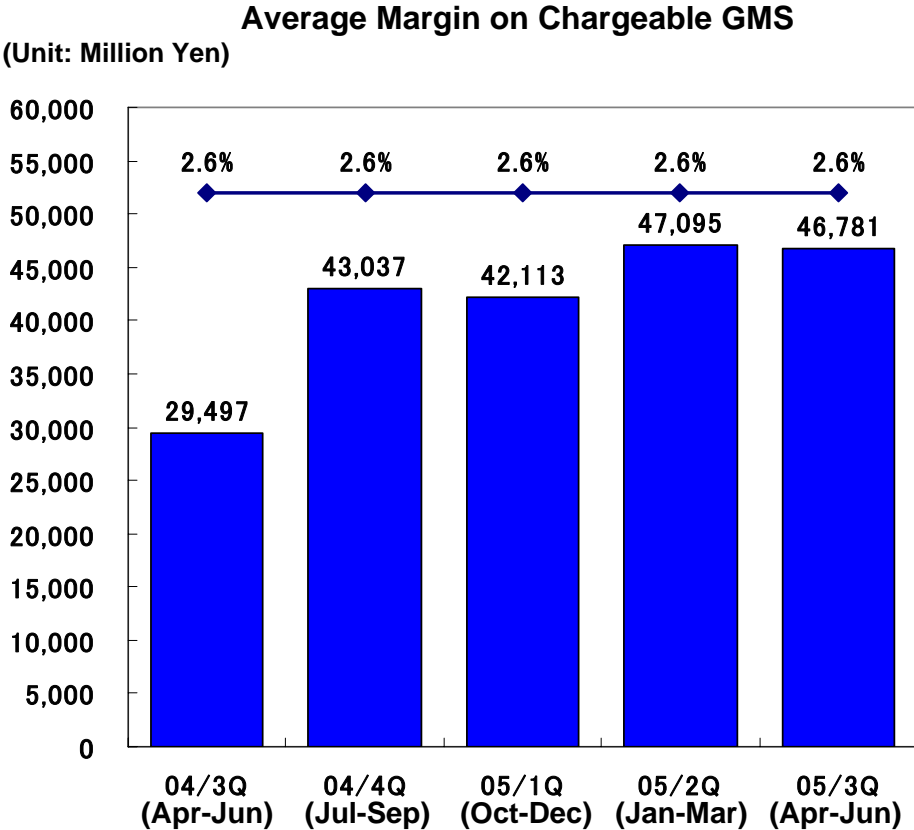
- \* Up to Q2/03, quarterly sales margin is calculated against GMS one month behind actual calendar quarter
  - \* From Q3/03, quarterly sales margin is calculated against current period GMS
- Reference) RMS Standard: 147 million yen

# Rakuten Standard Fees Breakdown



## GMS Subject to Margin Fees \*1

## Merchants Subject to Margin Fees \*2

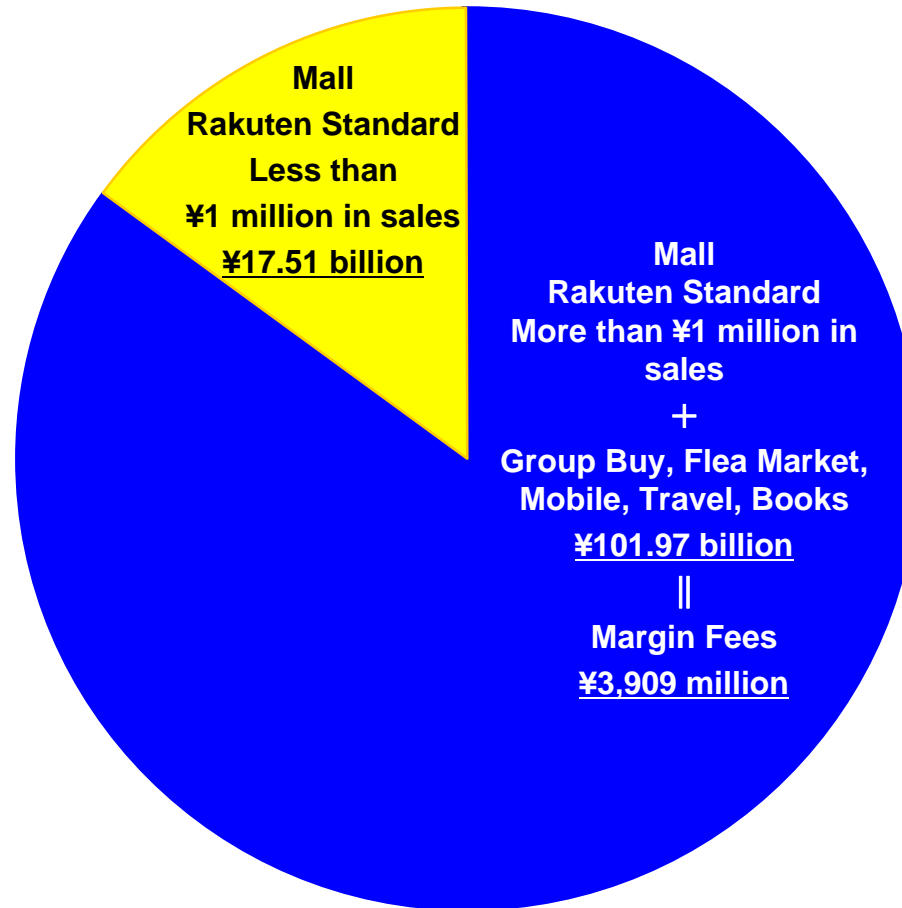


\*1 Charge on merchants whose GMS above 1 million yen in monthly sales since February 2005

\*2 Monthly average number of chargeable merchants as % of open shops over RMS Standard merchants.

# Margin Fees

Q3/05 GMS = 119.49 Billion Yen

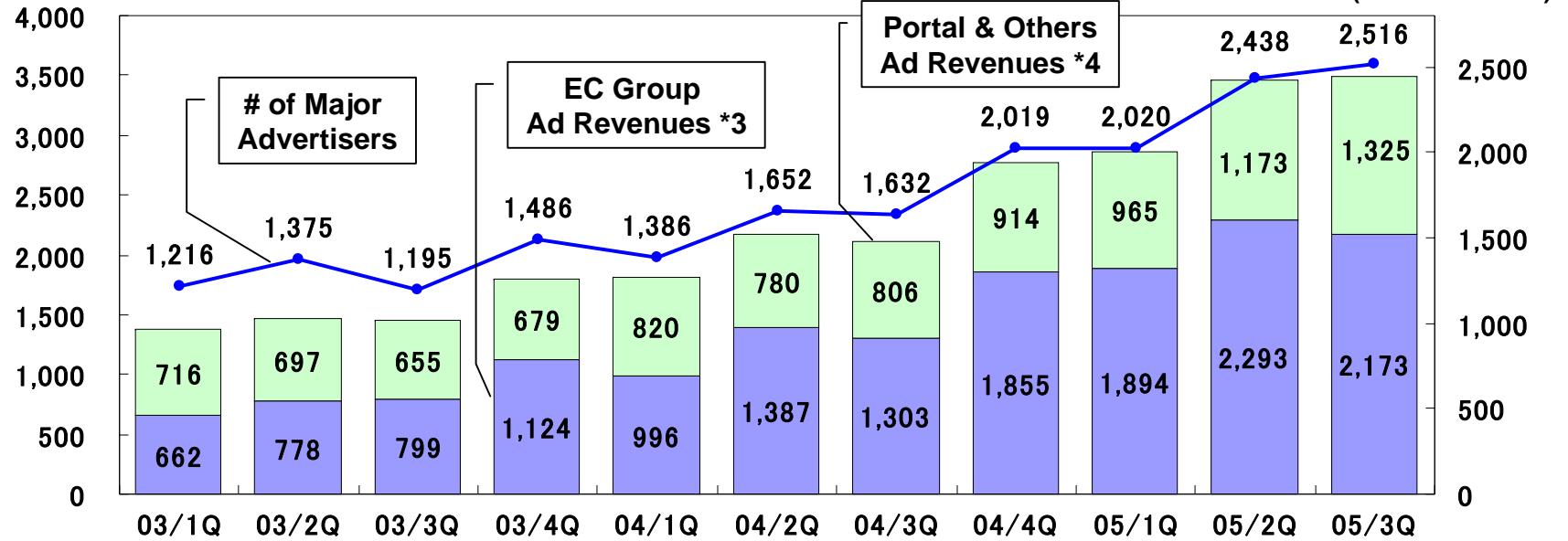


# Group Advertising Revenues



## Q3/05 Group Advertising Revenues 3.4 Billion Yen, YoY Growth +66%

(Ad Revenues: Million Yen)



	Revenues										
	03/1Q	03/2Q	03/3Q	03/4Q	04/1Q	04/2Q	04/3Q	04/4Q	05/1Q	05/2Q	05/3Q
<sup>*1</sup> EC Group <sup>*3</sup>	662	778	799	1,124	996	1,387	1,303	1,855	1,894	2,293	2,173
Portal & Others <sup>*4</sup>	716	697	655	679	820	780	806	914	965	1,173	1,325
<b>Group Total</b>	<b>1,378</b>	<b>1,476</b>	<b>1,454</b>	<b>1,822</b>	<b>1,816</b>	<b>2,167</b>	<b>2,110</b>	<b>2,770</b>	<b>2,859</b>	<b>3,467</b>	<b>3,498</b>
# of Advertisers <sup>*3</sup>	# of Advertisers										
	03/1Q	03/2Q	03/3Q	03/4Q	04/1Q	04/2Q	04/3Q	04/4Q	05/1Q	05/2Q	05/3Q
	EC Group <sup>*3</sup>	711	880	792	1,083	1,001	1,246	1,213	1,569	1,593	1,992
Portal & Others <sup>*4</sup>	505	495	403	403	385	406	419	450	427	446	523
<b>Group Total</b>	<b>1,216</b>	<b>1,375</b>	<b>1,195</b>	<b>1,486</b>	<b>1,386</b>	<b>1,652</b>	<b>1,632</b>	<b>2,019</b>	<b>2,020</b>	<b>2,438</b>	<b>2,516</b>

\*1 Excludes internal group sales \*2 Monthly average within each quarter \*3 Until Q4/02 Rakuten only \*4 Until Q4/02 Infoseek only <sup>99</sup>

## Property Jun 2005

Yahoo! 84.7

**Rakuten 60.2**

Nifty 50.6

GMO 50.5

MSN 49.4

NEC 43.4

NTTCommunications 38.9

## Property Sep 2005

Yahoo! 85.9

**Rakuten 59.4**

GMO 52.4

Nifty 50.3

MSN 49.9

NEC 44.4

NTTCommunications 38.9

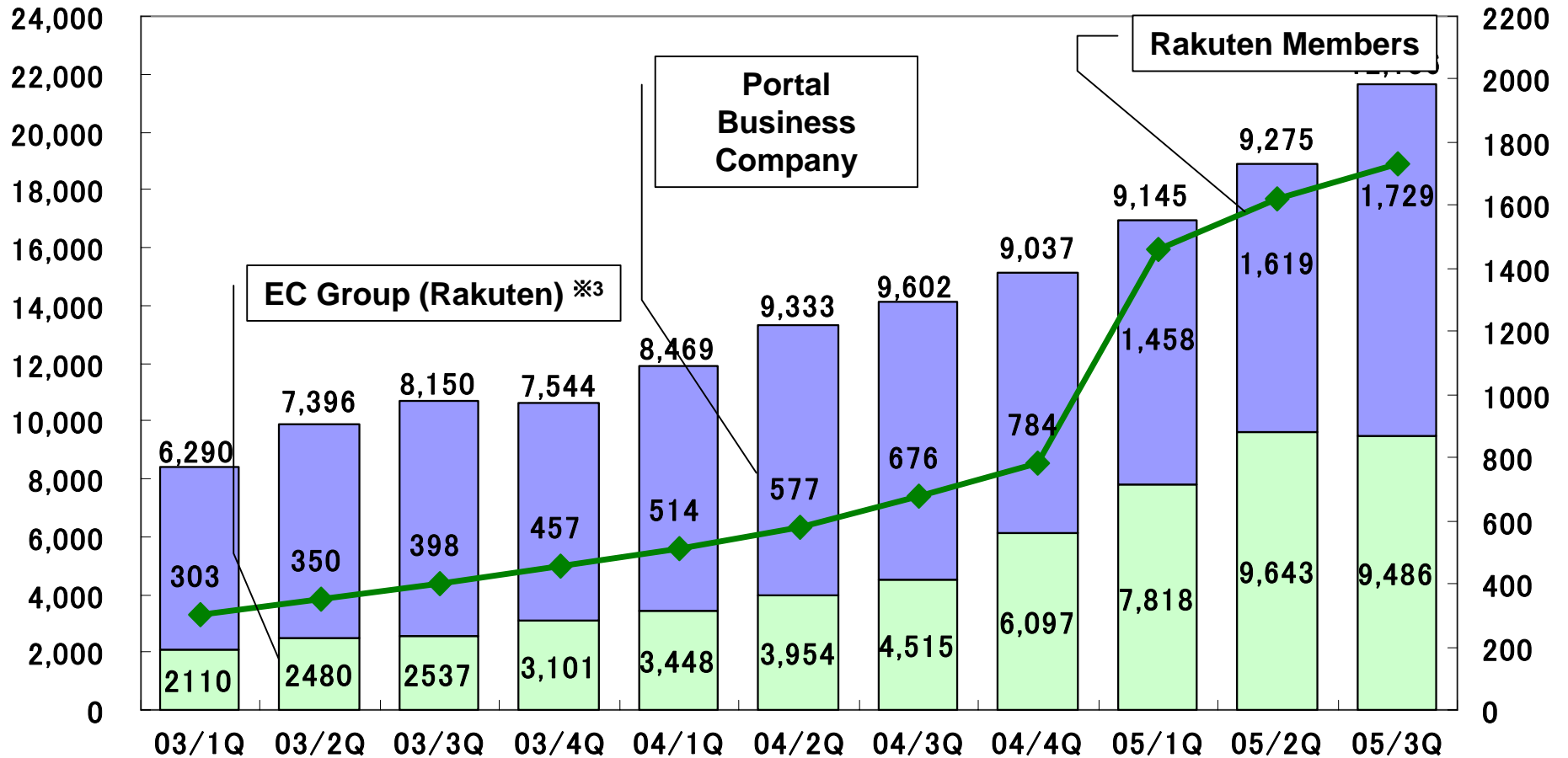
Source: NetRatings Home Panel

# Group PVs and Rakuten Ichiba Members



(Unit: PV/Day in 10,000)

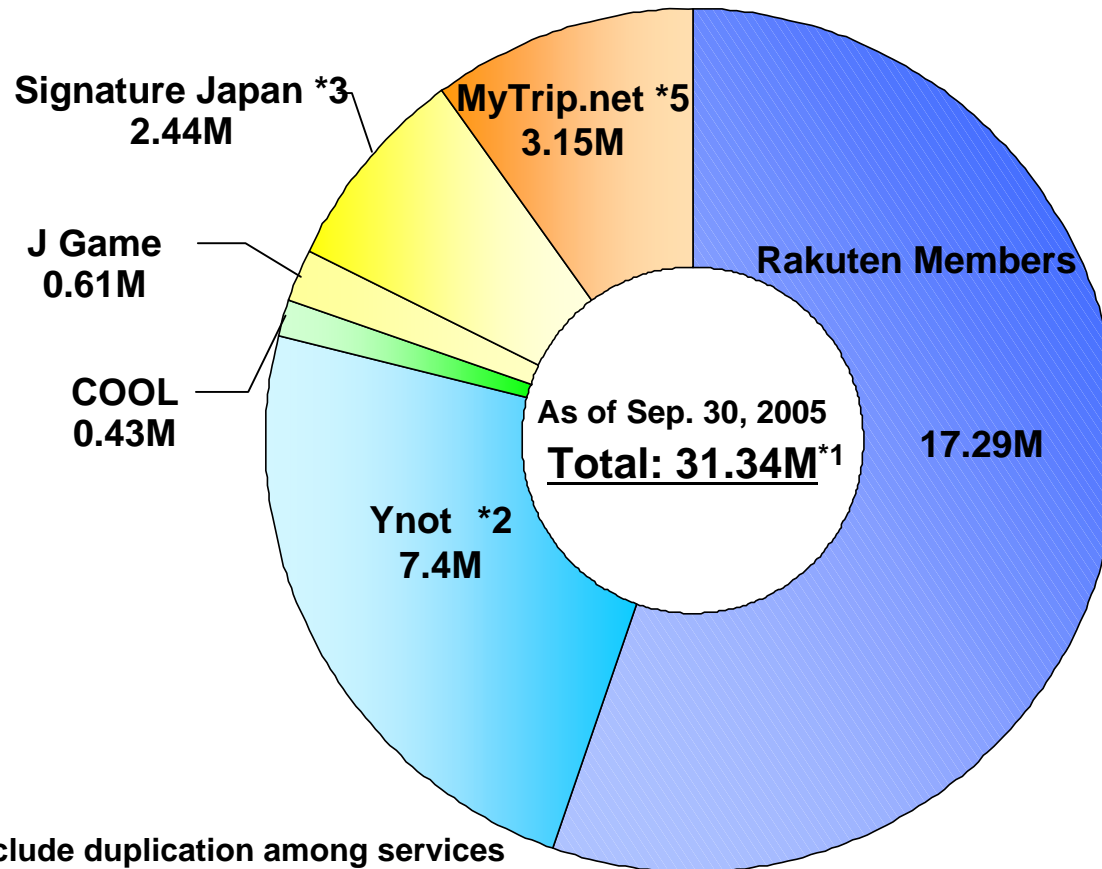
(Unit: Persons in 10,000)



\*1 Portal Business Company PVs – Q4/02 for Infoseek only

\*2 Former EC Business Group

# Group Membership



- \*1 Figures include duplication among services
- \*2 Includes members from co-branded services
- \*3 Includes automatic registration to service
- \*4 GORA members and Rakuten members merge
- \*5 MyTrip.net excludes members converted to Rakuten ID
- \*6 Infoseek members and Rakuten members merge

# Capital Expenditures



(Billion Yen)

		2005/1Q Actual	2005/2Q Actual	2005/3Q Actual	2005 Projected
Non-Consolidated	Hardware	0.36	0.45	0.42	3.46
	Software	0.31	0.48	0.49	1.66
	Total	0.67	0.94	0.92	5.11
Consolidated	Hardware	0.78	0.90	0.61	4.03
	Software	0.51	0.71	0.50	2.11
	Total	1.29	1.61	1.11	6.14

\* Operating Base

103



# Rakuten KC Quarterly Results



## Balance Sheet (as of September 30, 2005)

(Billion Yen)

<b>CURRENT ASSETS</b>	<b>682.4</b>	<b>CURRENT LIABILITIES</b>	<b>557.7</b>
Cash and cash equivalents	49.9	Accounts payable; guarantee contracts	298.1
Installment accounts receivable	269.2	Short-term borrowings	212.6
Installment accounts receivable, guarantee contracts	298.1	Bonds	11.3
Credit from liquidation	61.1	Other current liabilities	35.6
Other current assets	29.5	<b>FIXED LIABILITIES</b>	<b>168.1</b>
Allowances for bad debt	-25.4	Bonds	1.2
		Long-term borrowing	165.9
		Other current fixed liabilities	0.9
<b>FIXED ASSETS</b>	<b>57.6</b>	<b>TOTAL LIABILITIES</b>	<b>725.8</b>
Tangible fixed assets	16.9	Common capital stock	3.0
Land and buildings	14.9	Common capital stock surplus	16.8
Other intangible fixed assets	1.9	Retained earnings	10.4
Intangible fixed assets	0.7	Net unrealized gain (loss) on available-for-sale securities	0.4
Investment and other assets	39.8	Treasury stock	-16.5
		<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>14.2</b>
<b>TOTAL ASSETS</b>	<b>740.0</b>	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>740.0</b>

\*Balance of securitization from installment account receivables:121.5 Billion

\*Balance of guarantee contract which is excluded from balance sheet by changing condition of contract with banks from this quarter :108.1 Billion

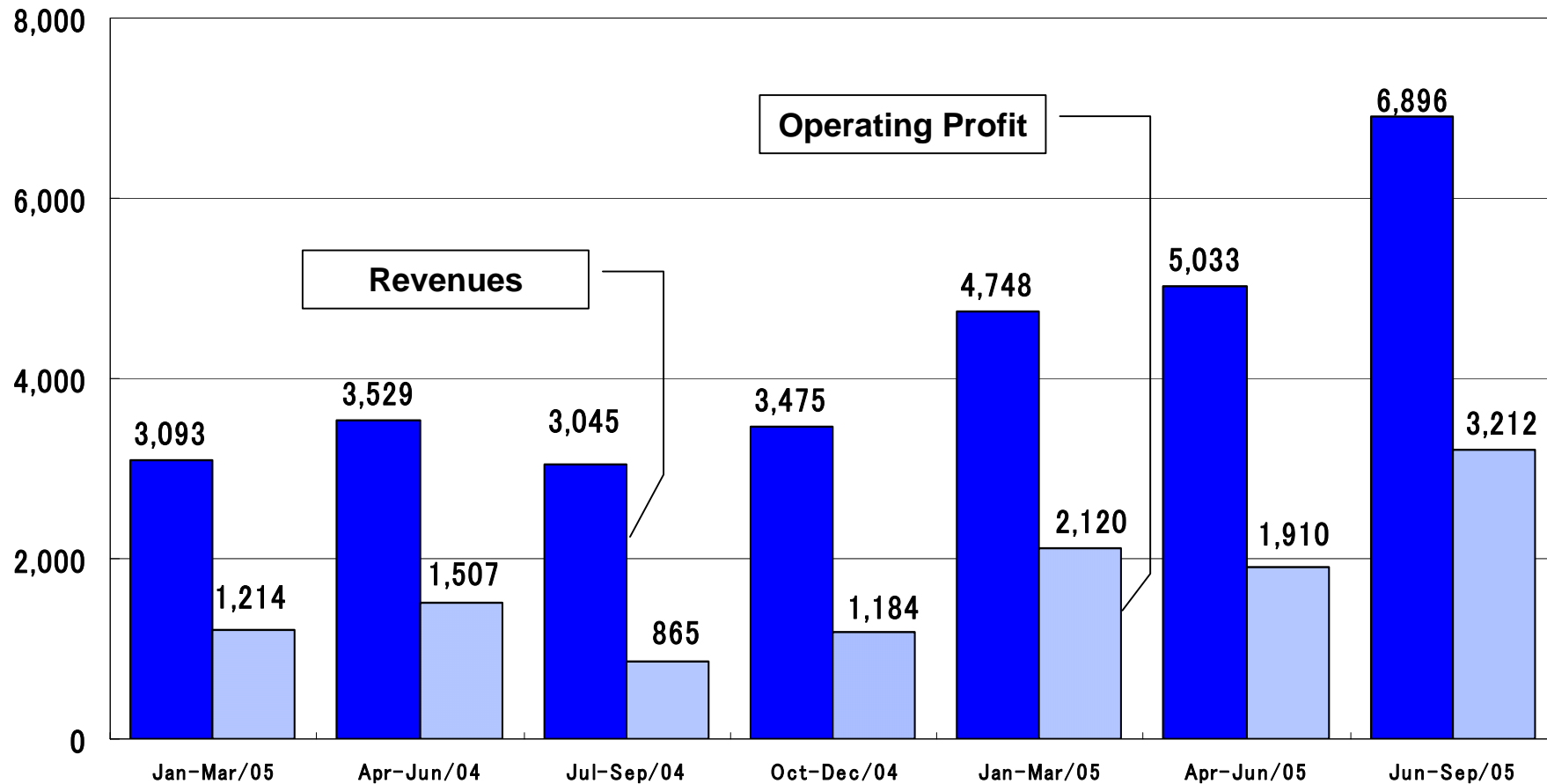
# Securities Business

## Revenues and Operating Profit



**3Q/05 Operating Profit Growth YoY +126.5%, QoQ +37.0%**

(Million Yen)

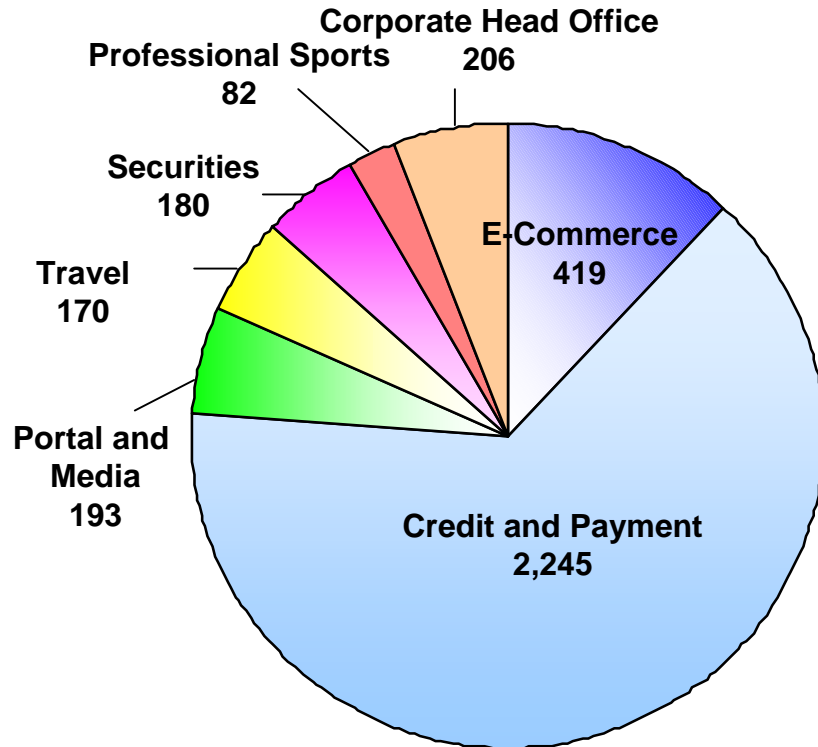


\* Excluding amortization of goodwill recorded in SG&A

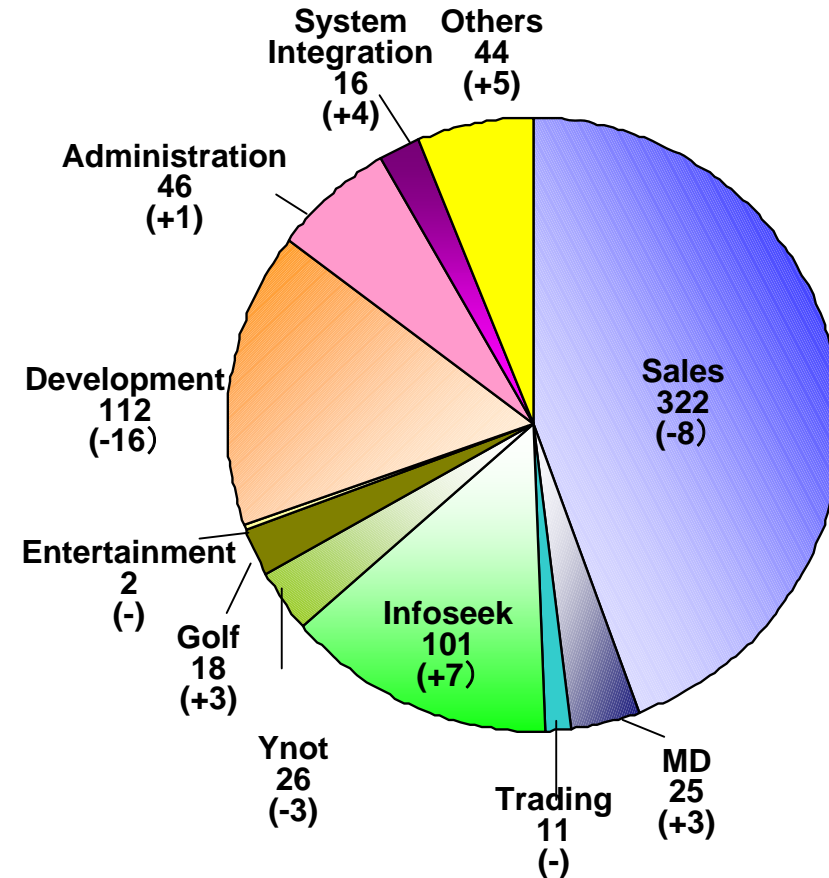
# Group Employees



## Individual Companies : 3,495



## Rakuten, Inc. : 723



- \* As of September 30, 2005
- \* Excluding Board of Directors
- \* Figures in ( ) represent change in numbers since June 30, 2005
- \* Rakuten, Inc. Development reshuffled into Corporate Head Office

## Major Affiliated Companies



Company	Name	Equity (%)	September 2005 Balance Sheet (in ¥ million)	Business Description
EC Business	Lawson Ticket	17.8	1,548	Online ticket sales
Portal and Media Business	LinkShare Japan	50.0	5	Affiliate marketing service
Travel Business	Showtime	50.0	240	Broadband content
	Ctrip.com International, Ltd	21.0	11,988	Internet consolidator of hotel accommodations and airline ticketing in China
Securities Business	.Commodity	42.5	1,020	Online commodity futures trading
Other	Techmatrix	31.4	1,536	Systems integrator
	Next	21.0	225	Online real estate search
	Traffic Gate	50.0	100	Affiliate marketing service

\*Five affiliated companies other than above

\*As of the end of September