

FY2021 Fourth Quarter Consolidated Financial Results Appendix

February 14, 2022

Rakuten Group, Inc.



Consolidated Results

FY2021 Revenue and Operating Income*1

(JPY bn)

	FY2020	FY2021	YoY
Core Business ^{*2}			
Revenue	1,303.8	1,457.3	+11.8%
Operating Income	128.8	165.9	+28.9%
Non-recurring / Investments ^{*3}			
Revenue	129.7	135.9	+4.7%
Operating Income	23.2	53.5	+130.5%
Future Growth Investments ^{*4}			
Revenue	189.9	256.8	+35.2%
Operating Income	-257.6	-444.0	-186.4
Adjustments			
Revenue	-167.9	-168.2	-0.3
Operating Income	2.9	-0.5	-3.4
Consolidated			
Revenue	1,455.5	1,681.8	+15.5%
Non-GAAP Operating Income	-102.7	-225.0	-122.3
IFRS Operating Income	-93.8	-194.7	-100.9

*1 From Q2/21, businesses included in “Core Businesses”, “Non-recurring Investments”, and “Future Growth Investments” have been revised as follows due to segment changes.

*2 Includes all the businesses other than “Non-recurring Investments” and “Future Growth Investments”.

*3 Includes Securities, General Insurance and Minority Investment.

*4 Includes Logistic Business and all the businesses in Mobile segment.

Q4/21 Revenue and Operating Income*1

(JPY bn)

	Q4/20	Q4/21	YoY
Core Business ^{*2}			
Revenue	380.6	422.1	+10.9%
Operating Income	39.8	44.9	+13.0%
Non-recurring / Investments ^{*3}			
Revenue	31.8	34.4	+8.0%
Operating Income	19.6	4.1	-79.2%
Future Growth Investments ^{*4}			
Revenue	49.6	73.5	+48.1%
Operating Income	-84.1	-122.6	-38.5
Adjustments			
Revenue	-46.7	-48.7	-2.0
Operating Income	1.4	-2.5	-3.9
Consolidated			
Revenue	415.3	481.2	+15.9%
Non-GAAP Operating Income	-23.3	-76.1	-52.8
IFRS Operating Income	-33.3	-86.4	-53.0

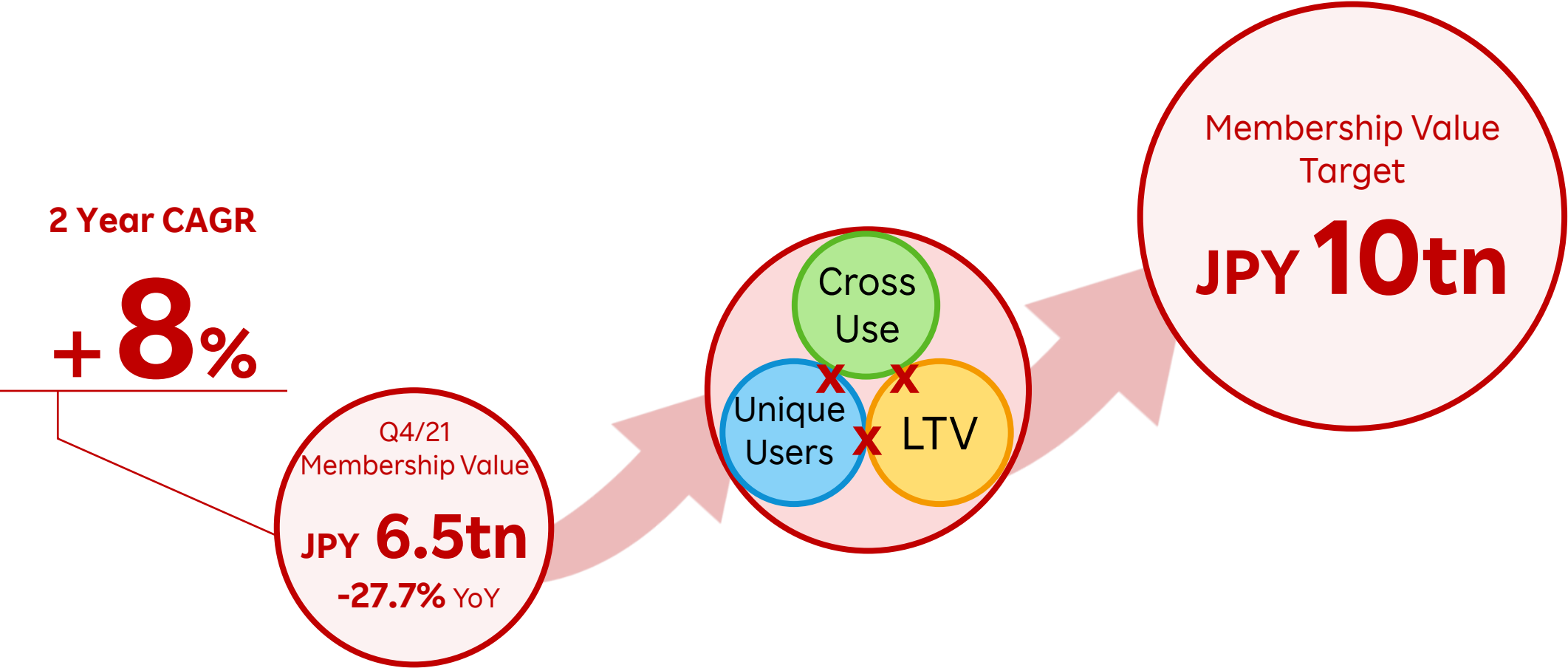
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*2 Includes all the businesses other than “Non-recurring Investments” and “Future Growth Investments”.

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*4 Includes Logistic Business and all the businesses in Mobile segment.

Massive Expansion of the Rakuten Ecosystem

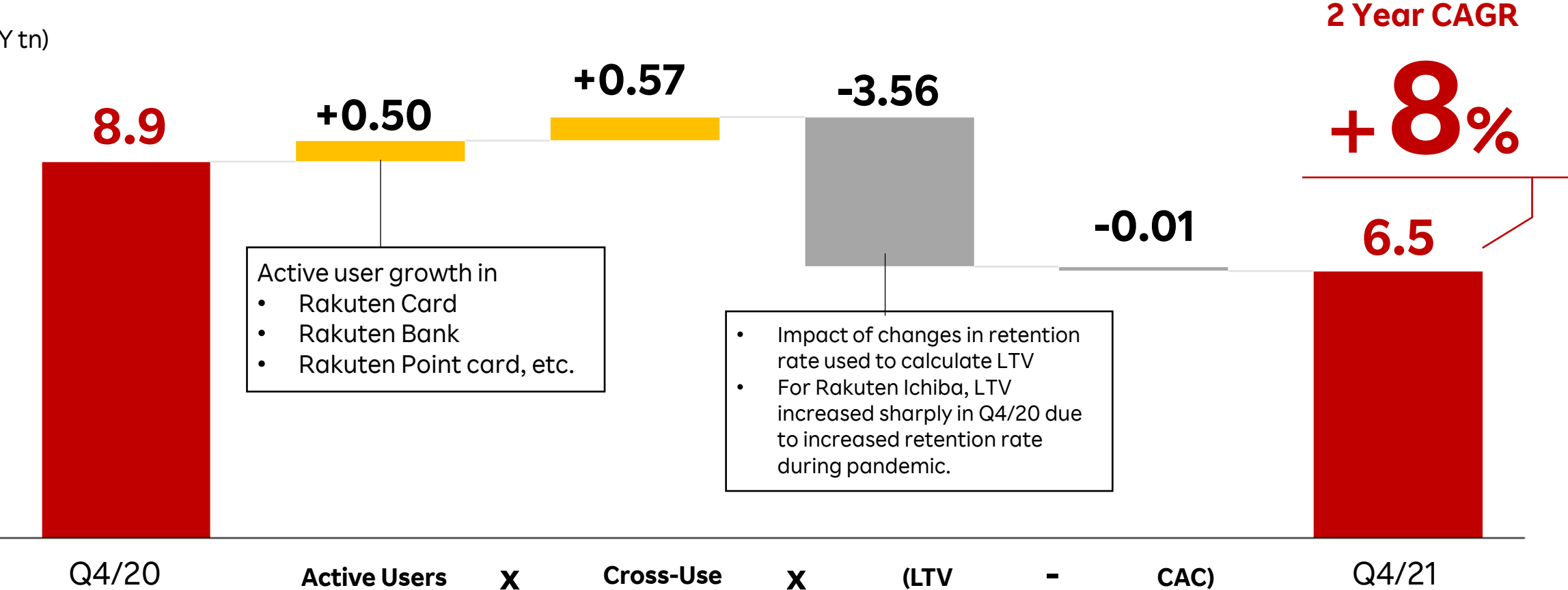


*Mobile business is not included in the above calculation.

Rakuten Ecosystem Membership Value

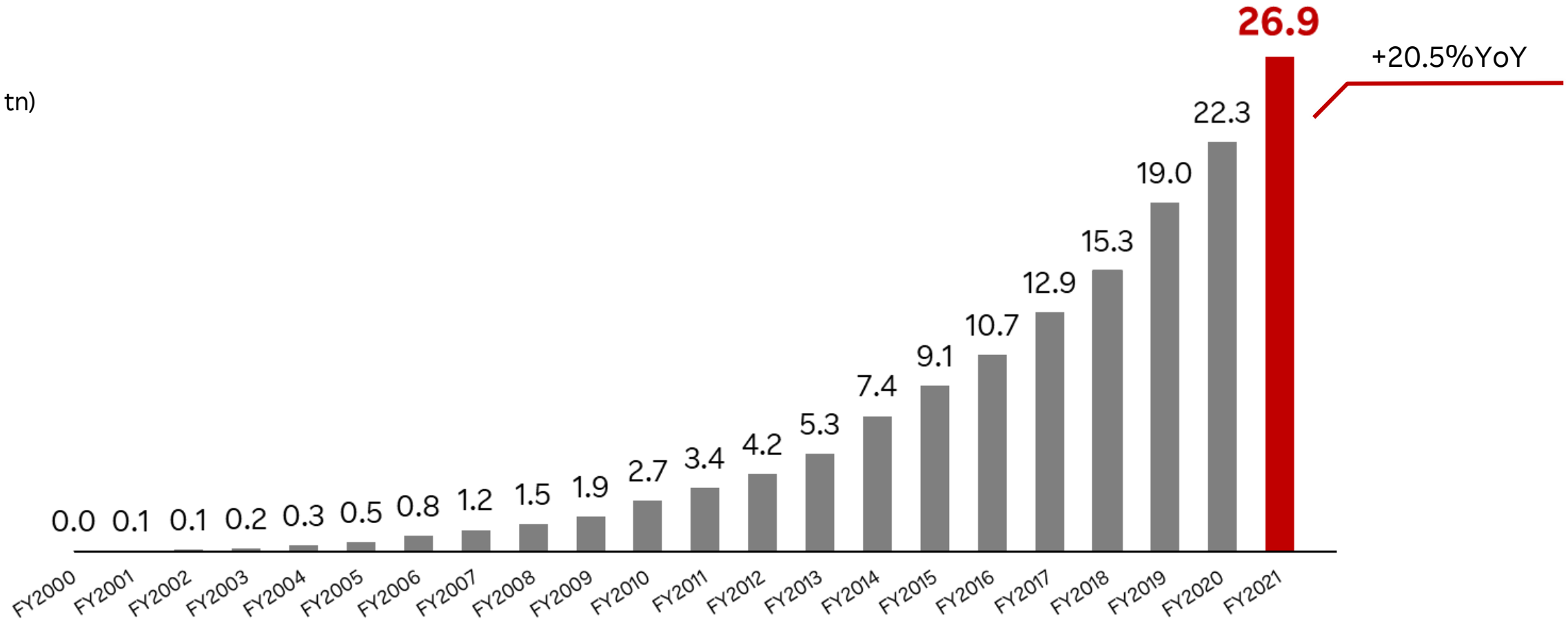
While the number of active users increased, centered on FinTech, and cross-use within the Rakuten Ecosystem remained strong, Rakuten Ichiba's LTV decreased due to a sharp increase in LTV due to a rise in retention rate amid the pandemic last year. 2 Year CAGR for membership value steadily increased to + 8%.

(JPY tn)



Total Global GTV*1*2

(JPY tn)

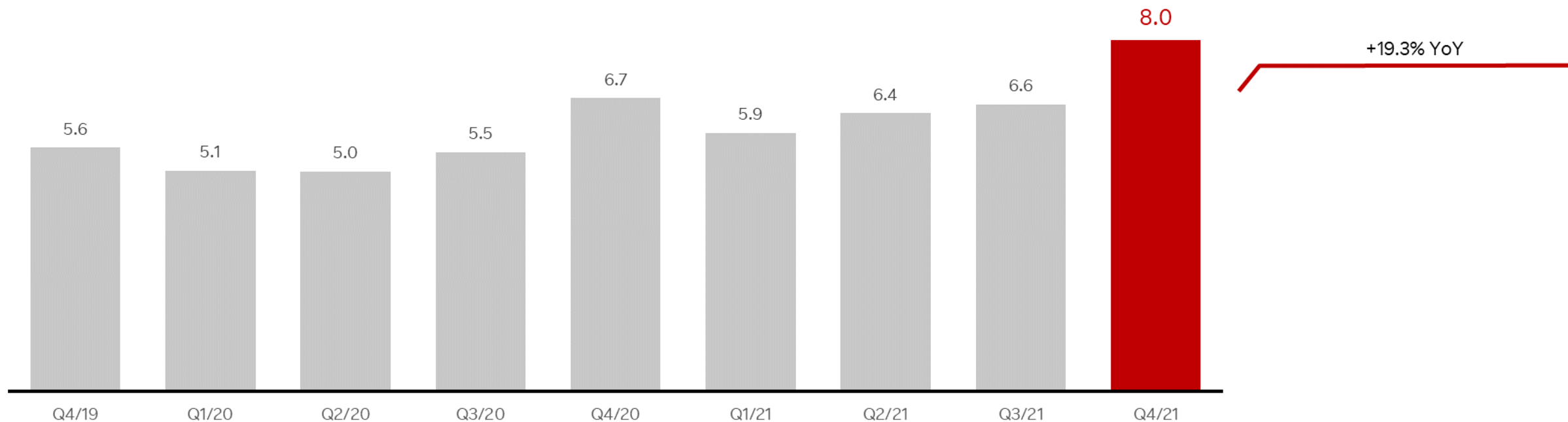


*1 Global Gross Transaction Value = Domestic E-Commerce GMS + Credit Card GTV + Rakuten Edy GTV + Rakuten Pay GTV+ Rakuten Point Card GTV + Overseas E-Commerce GMS + Rakuten Rewards (Ebates) GMS + Digital Contents GTV + Rakuten Advertising (Rakuten Marketing) GTV

*2 Including intercompany transactions for settlement and affiliate services

Total Global GTV*1*2

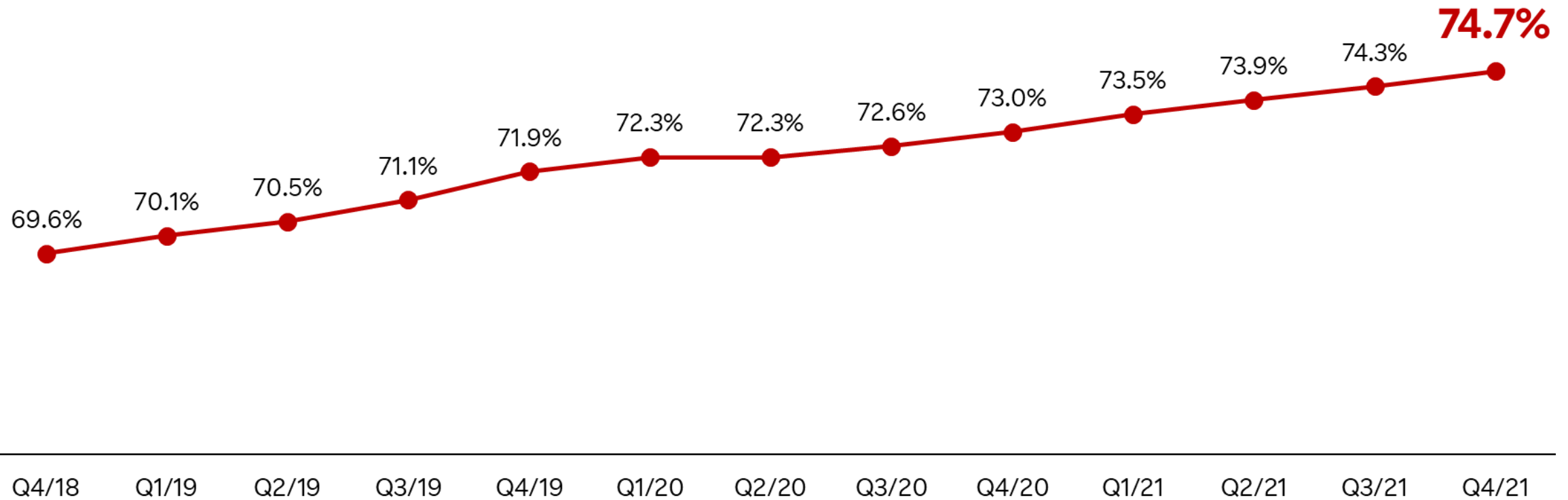
(JPY tn)



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*2 Including intercompany transactions for settlement and affiliate services

Expansion of Service Cross-Use Ratio*



*Number of Rakuten members who have utilized two or more Rakuten services during the past 12 months of the listed month (As of September 30, 2021)
(Applicable services limited to those which can earn Rakuten Points.)

FY2021 Consolidated Results Summary

(JPY bn)

	FY2020	FY2021	YoY
Revenue	1,455.5	1,681.8	+15.5%
Non-GAAP Operating Income	-102.7	-225.0	-122.3
Non-GAAP Operating Income Excluding Mobile segment, Logistics business and Minority investment	149.1	184.6	+23.8%
IFRS Operating Income	-93.8	-194.7	-100.9

Q4/21 Consolidated Results Summary

(JPY bn)

	Q4/20	Q4/21	YoY
Revenue	415.3	481.2	+15.9%
Non-GAAP Operating Income	-23.3	-76.1	-52.8
Non-GAAP Operating Income Excluding Mobile segment, Logistics business and Minority investment	45.5	47.5	+4.3%
IFRS Operating Income	-33.3	-86.4	-53.0

FY2021 Revenue and Operating Income

(JPY bn)

	FY2020	FY2021	YoY
Domestic E-Commerce			
Revenue	602.9	711.9	+18.1%
Operating Income	53.9	74.2	+37.7%
Others			
Revenue	271.9	291.5	+7.2%
Operating Income	-13.5	33.3	+46.8%
Internet Services Segment			
Revenue	874.8	1,003.4	+14.7%
Operating Income	40.4	107.5	+166.2%
FinTech Segment			
Revenue	576.2	619.0	+7.4%
Operating Income	81.3	89.1	+9.6%
Mobile Segment			
Revenue	172.5	227.5	+31.9%
Operating Income	-227.3	-421.2	-193.9%
Adjustments			
Revenue	-167.9	-168.2	-0.3%
Operating Income	2.9	-0.5	-3.4%
Consolidated			
Revenue	1,455.5	1,681.8	+15.5%
Non-GAAP Operating Income	-102.7	-225.0	-122.3%
IFRS Operating Income	-93.8	-194.7	-100.9%

* From Q4/20, Contents related businesses were transferred from the Internet Services segment to the Mobile segment. In addition to this, from Q2/21, some businesses providing digital content sites in North America and Viber were transferred from the Mobile segment to the Internet Services segment. From Q4/21, Rakuten Books network, cross border trading, Rakuten Kobo (domestic) and Rakuten Magazine were transferred from the Others segment to the Domestic EC segment. Past figures have also been retroactively adjusted.

Q4/21 Revenue and Operating Income

(JPY bn)

		Q4/20	Q4/21	YoY
	Domestic E-Commerce			
	Revenue	183.3	206.6	+12.7%
	Operating Income	19.3	24.9	+28.6%
	Others			
	Revenue	84.1	94.6	+12.4%
	Operating Income	14.6	-0.7	-15.4
Internet Services Segment				
	Revenue	267.4	301.1	+12.6%
	Operating Income	34.0	24.1	-28.9%
FinTech Segment				
	Revenue	150.5	163.5	+8.6%
	Operating Income	17.9	20.9	+16.7%
Mobile Segment				
	Revenue	44.2	65.3	+47.8%
	Operating Income	-76.6	-118.7	-42.1
Adjustments				
	Revenue	-46.7	-48.7	-2.0
	Operating Income	1.4	-2.5	-3.9
Consolidated				
	Revenue	415.3	481.2	+15.9%
	Non-GAAP Operating Income	-23.3	-76.1	-52.8
	IFRS Operating Income	-33.3	-86.4	-53.0

* From Q4/20, Contents related businesses were transferred from the Internet Services segment to the Mobile segment. In addition to this, from Q2/21, some businesses providing digital content sites in North America and Viber were transferred from the Mobile segment to the Internet Services segment. From Q4/21, Rakuten Books network, cross border trading, Rakuten Kobo (domestic) and Rakuten Magazine were transferred from the Others segment to the Domestic EC segment. Past figures have also been retroactively adjusted.

FY2021 Non-GAAP Operating Income Reconciliation

(JPY bn)

	FY2020	FY2021	YoY
Non-GAAP Operating Income	-102.7	-225.0	-122.3
Amortization of Intangible Assets (PPA)	-9.5	-9.3	+0.2
Stock Based Compensation	-10.6	-10.1	+0.6
One-off items	28.9	49.7	+71.6%
IFRS Operating Income	-93.8	-194.7	-100.9

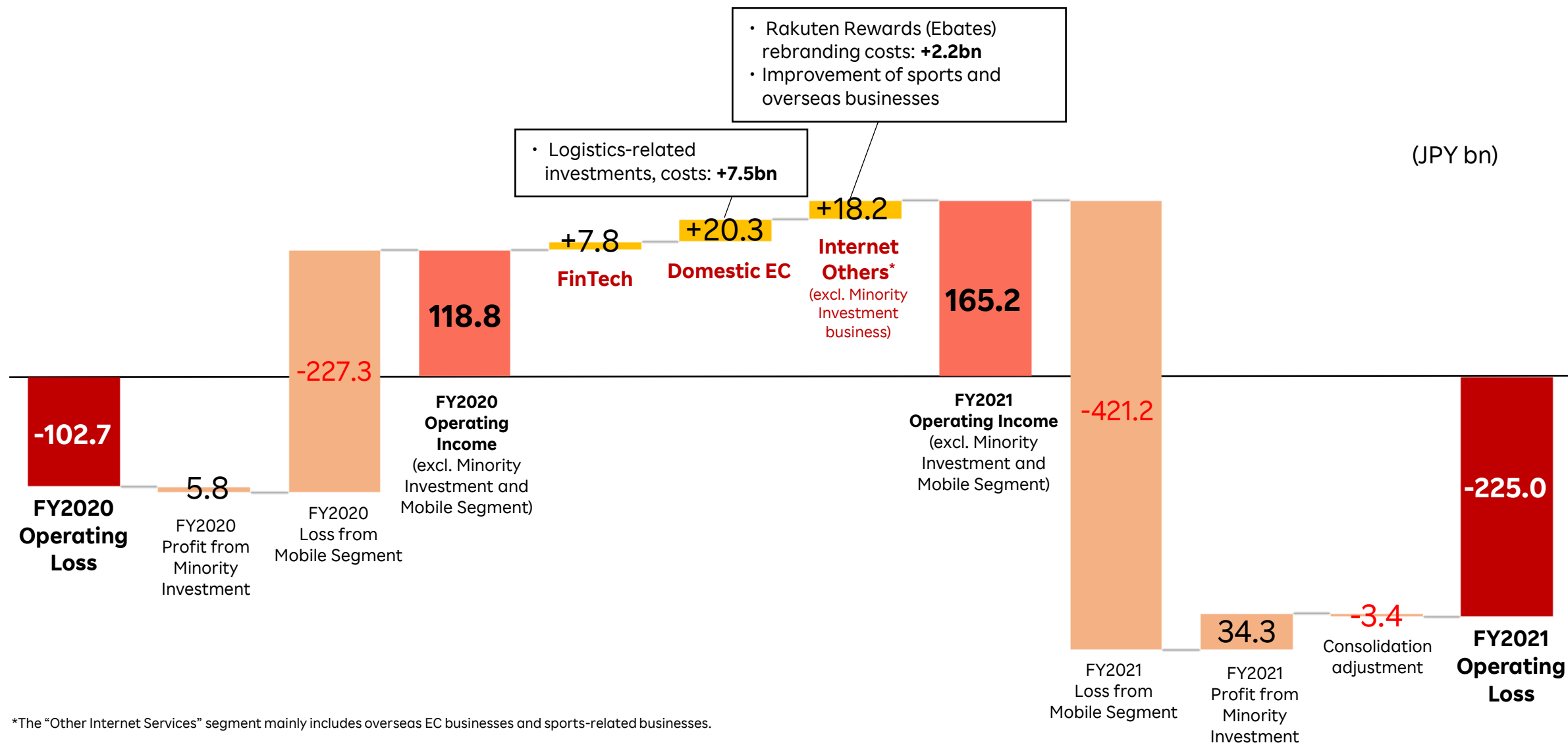
* One-off items listed for the fiscal year ended December 31, 2020 include a gain on sale of all shares in OverDrive Holdings, Inc. of ¥40,926 million and impairment of property, plant and equipment etc. due to the closure of certain U.S. based business. One-off items listed for the fiscal year ended December 31, 2021 include a gain on step acquisitions of ¥59,496 million as a result of making AltioStar Networks, Inc. a wholly-owned subsidiary of the Company and expenses of ¥8,789million associated with an increase in provision for customer points as a result of revisions in the Rakuten Point Terms of Use.

Q4/21 Non-GAAP Operating Income Reconciliation

(JPY bn)

	Q4/20	Q4/21	YoY
Non-GAAP Operating Income	-23.3	-76.1	-52.8
Amortization of Intangible Assets (PPA)	-1.6	-3.7	-2.1
Stock Based Compensation	-2.6	-2.3	+0.2
One-off items	-5.9	-4.2	+1.7
IFRS Operating Income	-33.3	-86.4	-53.0

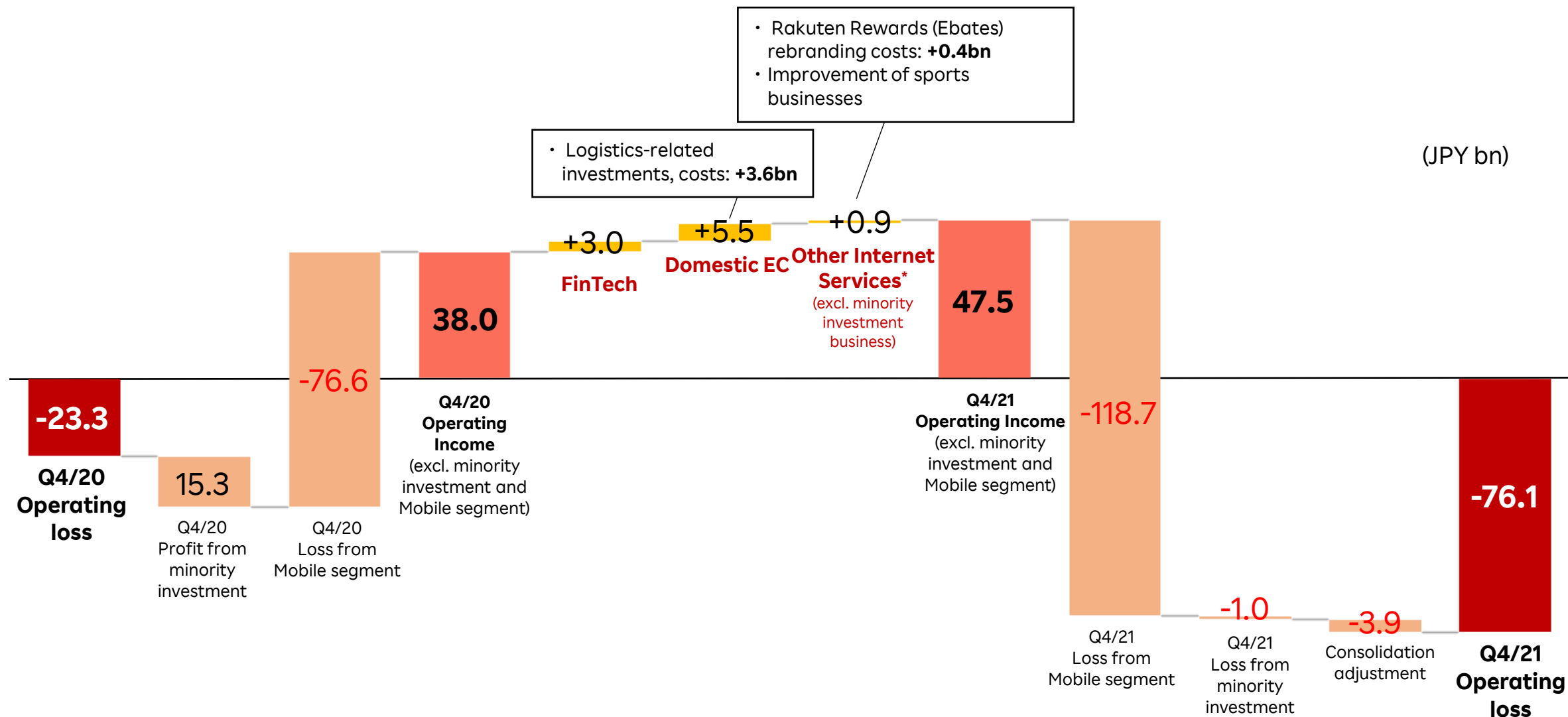
FY2021 Non-GAAP Operating Income Breakdown



*The "Other Internet Services" segment mainly includes overseas EC businesses and sports-related businesses.

Q4/21 Non-GAAP Operating Income Breakdown

(JPY bn)



*The "Other Internet Services" segment mainly includes overseas EC businesses and sports-related businesses.

Consolidated and Major Subsidiaries Balance Sheet (1) As of December 31, 2021

(Non-consolidated Balance Sheets include internal transactions)

(JPY bn)

Cash and cash equivalents 4,410.3	Bonds and borrowings 3,177.4
Financial assets for securities biz 3,088.5	Financial liabilities for securities biz 3,033.0
Investment securities and loans for banking biz 2,987.9	Deposits for banking biz 6,848.4
Loans for credit card biz 2,388.4	
Other assets 3,956.0	Other liabilities 2,429.7
	Total net assets 1,117.3

Total Assets 16,831.2
Consolidated

Subordinated bonds
225.6

Cash and cash equivalents 304.4	Bonds and borrowings 906.8
Other assets 2,868.7	
	Total net assets 1,092.3

Total Assets 3,173.1
Rakuten Group, Inc.

Other liabilities
948.4
Subordinated bonds
225.6

Fixed assets 763.6	Bonds and borrowings 681.1	Lease liabilities 237.1
Intangible assets 138.5		Other liabilities 373.0
Other assets 498.4		Total net assets 109.4

Total Assets 1,400.5
Rakuten Mobile, Inc.

Graph legend

Cash and cash equivalents	Bonds and borrowings
Other assets	Other liabilities
	Total net assets

* Rakuten Group, Inc., Rakuten Bank, Ltd., Rakuten Card Co., Ltd., Rakuten Securities, Inc., Rakuten Life Insurance Co., Ltd., Rakuten General Insurance Co., Ltd. and Rakuten Mobile, inc. are based on IFRS non-consolidated balance sheets.

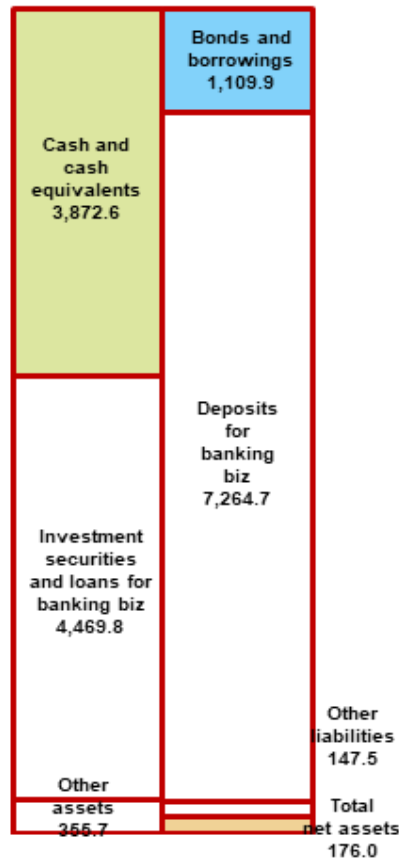
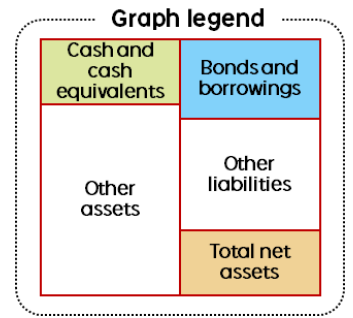
* Bonds and borrowings = Straight corporate bonds + CP + Bank borrowings etc.

* Non-consolidated Balance Sheets include internal transactions

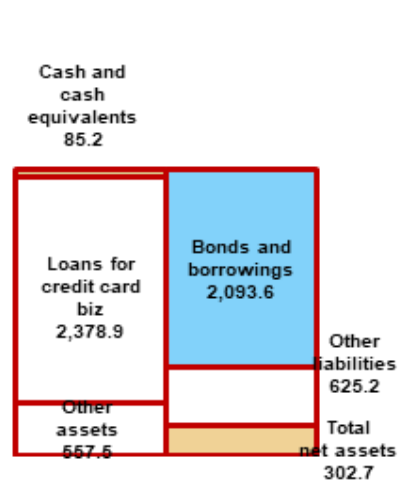
Consolidated and Major Subsidiaries Balance Sheet (2) As of December 31, 2021

(Non-consolidated Balance Sheets include internal transactions)

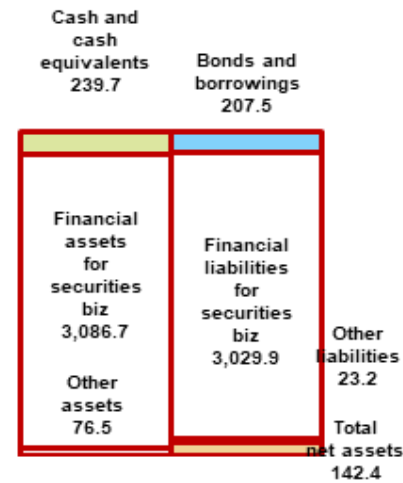
(JPY bn)



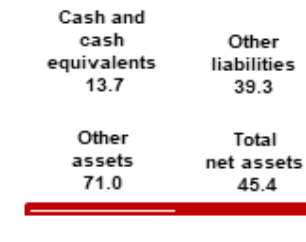
Rakuten Bank, Ltd.



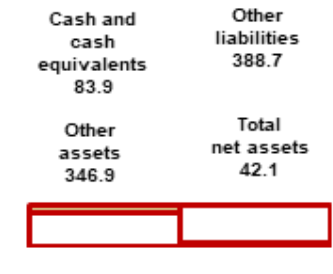
Rakuten Card Co., Ltd.



Rakuten Securities, Inc.



Rakuten Life Insurance Co., Ltd.

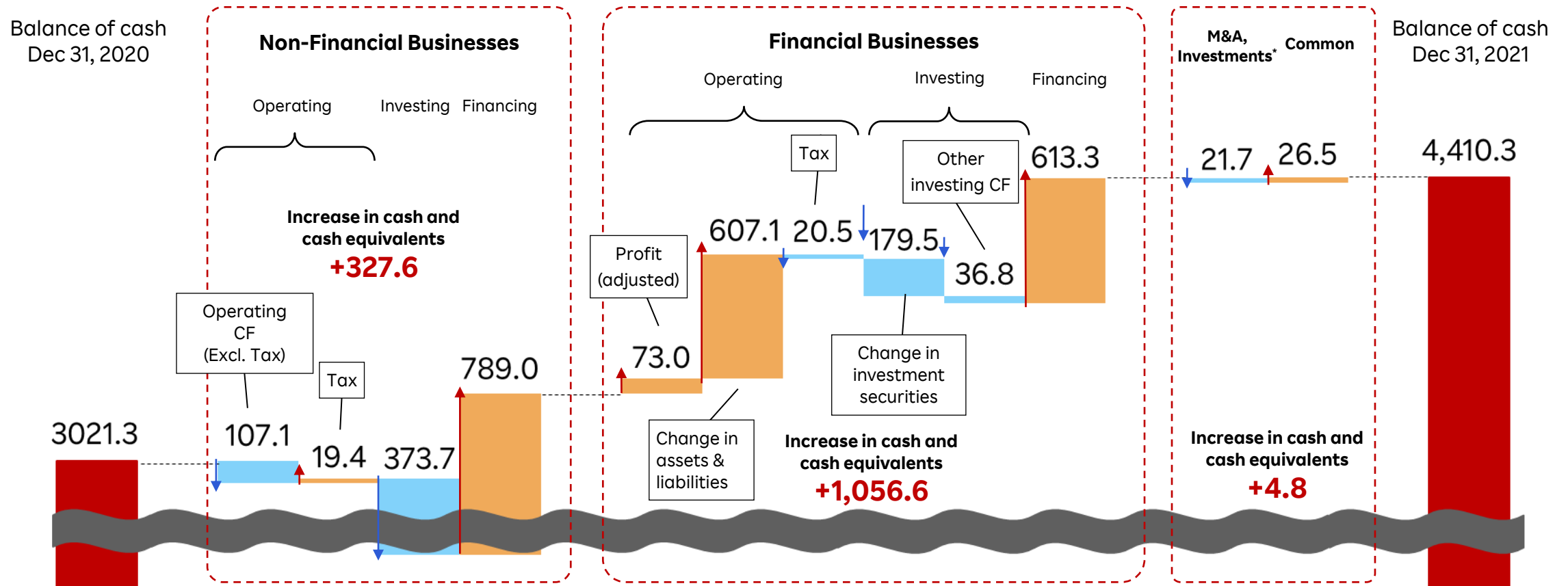


Rakuten General Insurance Co., Ltd.

* Rakuten Group, Inc., Rakuten Bank, Ltd., Rakuten Card Co., Ltd., Rakuten Securities, Inc., Rakuten Life Insurance Co., Ltd., Rakuten General Insurance Co., Ltd. and Rakuten Mobile, inc. are based on IFRS non-consolidated balance sheets.
 * Bonds and borrowings = Straight corporate bonds + CP + Bank borrowings etc.
 * Non-consolidated Balance Sheets include internal transactions

Cash Flow Breakdown: Jan-Dec, 2021

(JPY bn)

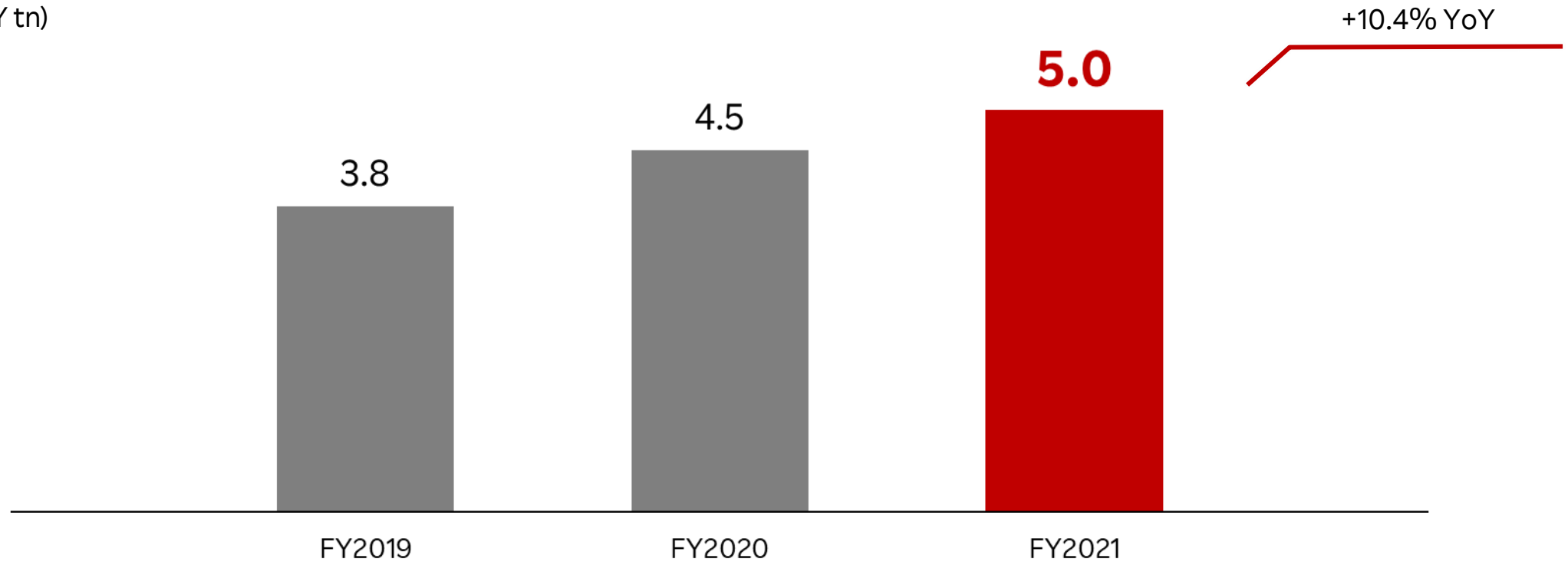


* "M&A and investments" includes "Purchase of investment securities" and "Proceeds from sales and redemption of investment securities" of Non-Financial activities in addition to "Acquisition of subsidiaries" and "Acquisition of investments in associates and joint ventures"

Internet Services Segment

Domestic E-Commerce GMS^{*1*2}

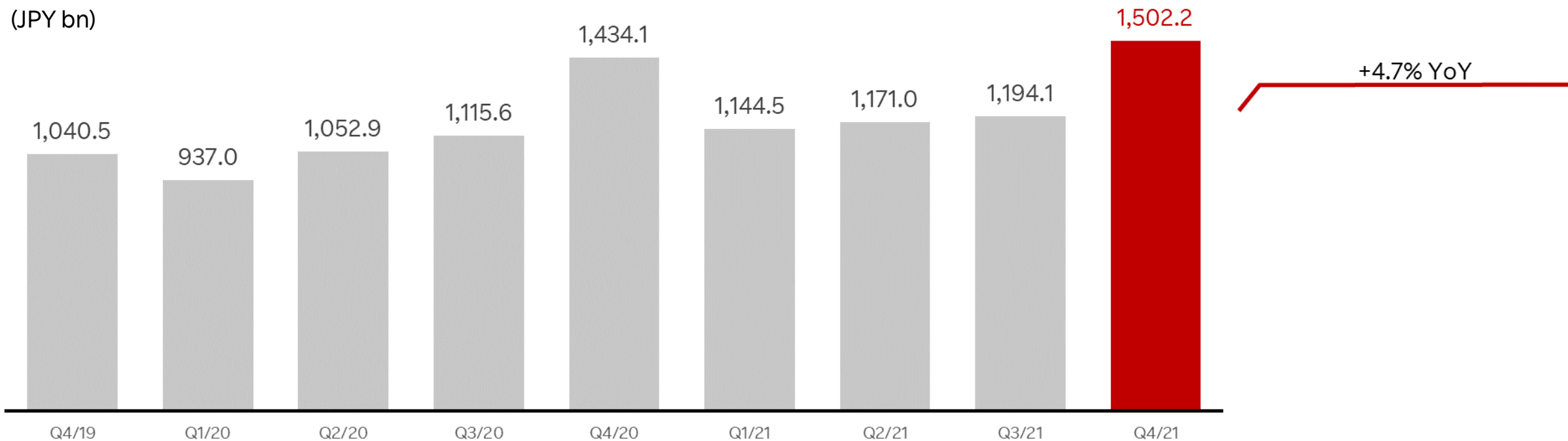
(JPY tn)



^{*1} Domestic e-commerce GMS is the combined transaction amount for Rakuten Ichiba, Rakuten Travel (GTV on checkout basis), Rakuten Books, Rakuten Books network, Rakuten Kobo (domestic), golf business, Rakuten Fashion, Rakuten Dream businesses, Rakuten Beauty, Rakuten Delivery, Rakuten 24 and other first-party daily necessities shops, auto business, Rakuma, Rakuten Rebates, Rakuten Seiyu Netsuper, cross border trading, etc. (*Excludes some tax-exempt businesses, includes consumption tax.)

^{*2} Rakuten Books network, cross border trading and Rakuten Kobo (domestic) were added from Q4/21. This has resulted in retroactive adjustments to Domestic E-Commerce GMS.

Domestic E-Commerce GMS^{*1*2}



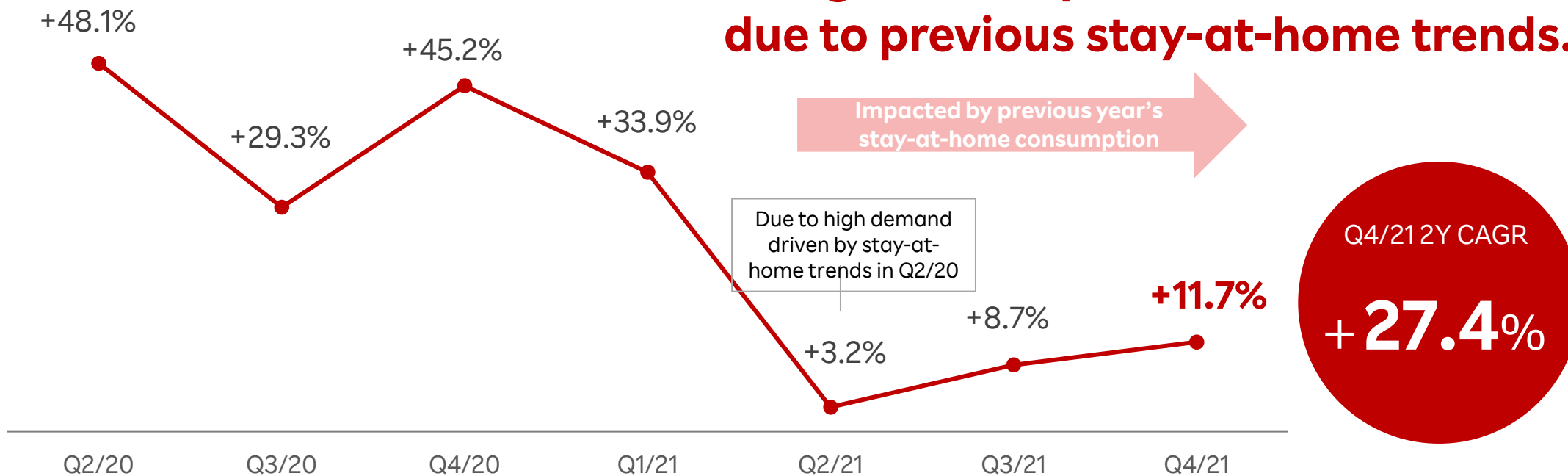
^{*1} Domestic e-commerce GMS is the combined transaction amount for Rakuten Ichiba, Rakuten Travel (GTV on checkout basis), Rakuten Books, Rakuten Books network, Rakuten Kobo (domestic), golf business, Rakuten Fashion, Rakuten Dream businesses, Rakuten Beauty, Rakuten Delivery, Rakuten 24 and other first-party daily necessities shops, auto business, Rakuma, Rakuten Rebates, Rakuten Seiyu Netsuper, cross border trading, etc. (*Excludes some tax-exempt businesses, includes consumption tax.)

^{*2} Rakuten Books network, cross border trading and Rakuten Kobo (domestic) were added from Q4/21. This has resulted in retroactive adjustments to Domestic E-Commerce GMS.

Shopping E-Commerce GMS*

Despite last year's high growth rate, Q4/21 shopping e-commerce GMS showed strong +11.7% YoY growth. User retention is steadily progressing. Both purchase frequency and purchase amount per user are increasing.

High growth rate maintained, even after factoring in the impact of increased demand due to previous stay-at-home trends.

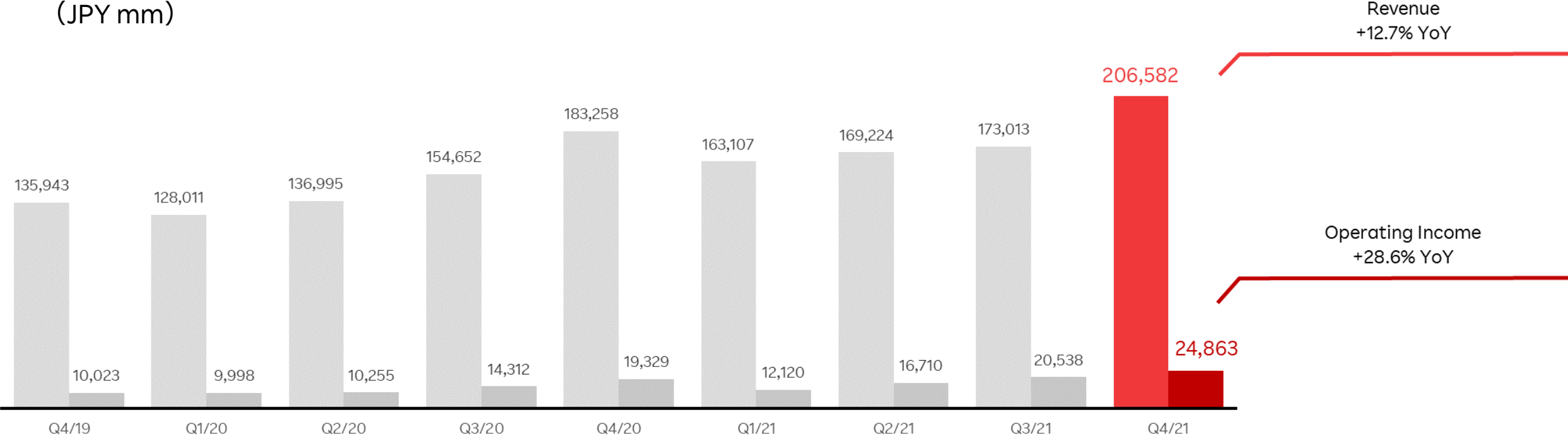


* Shopping e-commerce = Rakuten Ichiba + 1st Party (Rakuten Fashion, Rakuten Books, Rakuten 24 and other direct daily necessities shops, Rakuten Seiyu Netsuper) + Open EC (Rakuten Rebates, Rakuten Pay online payments) + Rakuma.

Domestic E-Commerce Results*1*2

Even after factoring in the impact from last year’s Go To Travel campaign, the continued growth of Rakuten’s e-commerce businesses, centered on Rakuten Ichiba, led to strong growth in both revenue and operating income.

(JPY mm)

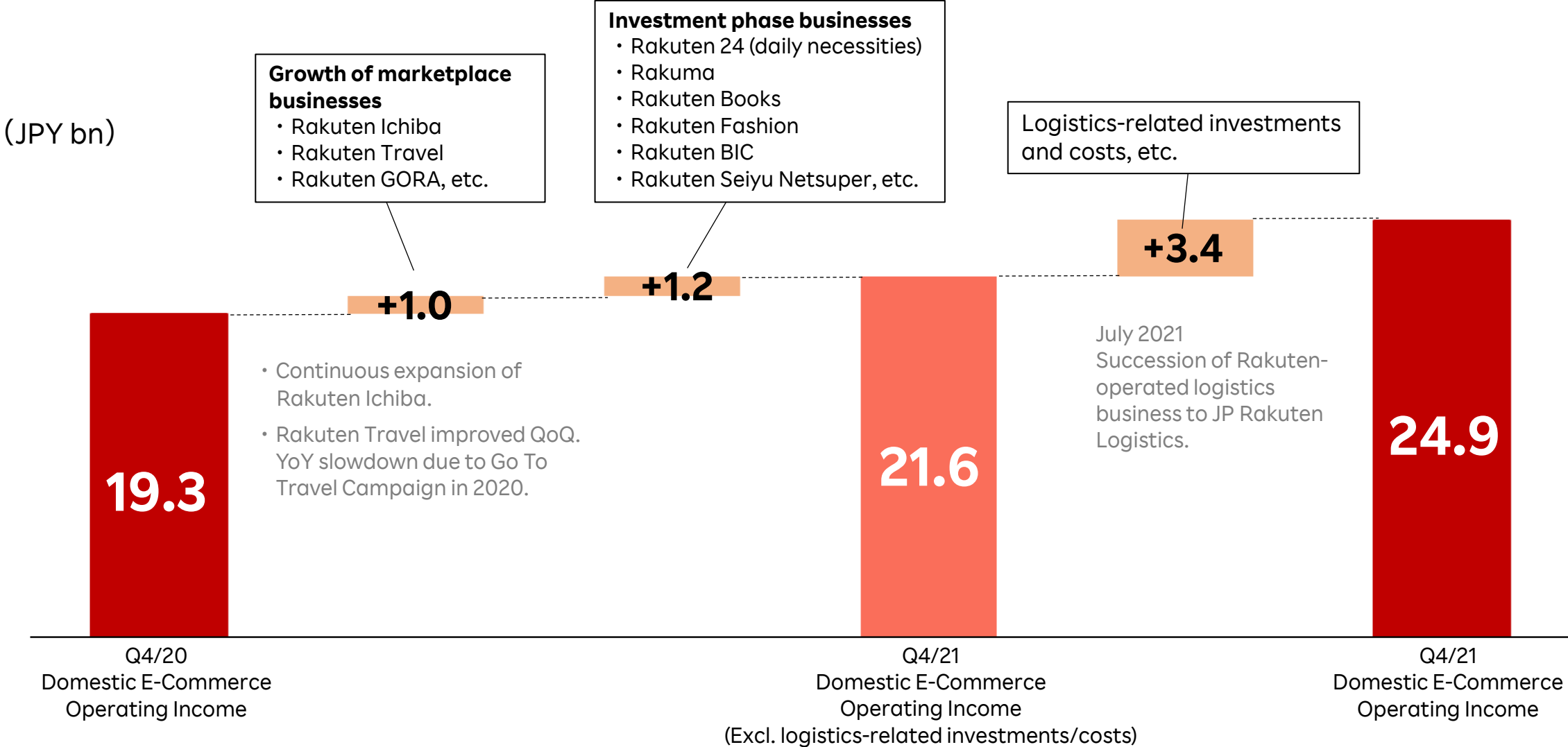


*1 Domestic e-commerce = Rakuten Ichiba, Rakuten Travel, Rakuten Books, Rakuten Books network, Rakuten Kobo (domestic), golf business, Rakuten Fashion, Rakuten Dream businesses, Rakuten Beauty, Rakuten 24 and other direct daily necessities shops, Logistics, auto business, Rakuma, Rakuten Rebates, Rakuten Seiyu Netsuper, cross border trading, etc.

*2 From Q4/21, Rakuten Books network, cross border trading, Rakuten Kobo (domestic) and Rakuten Magazine were transferred from the Others segment to the Domestic EC segment. This has resulted in retroactive adjustments to Domestic E-Commerce revenue and operating income.



Domestic E-Commerce Operating Income Breakdown*

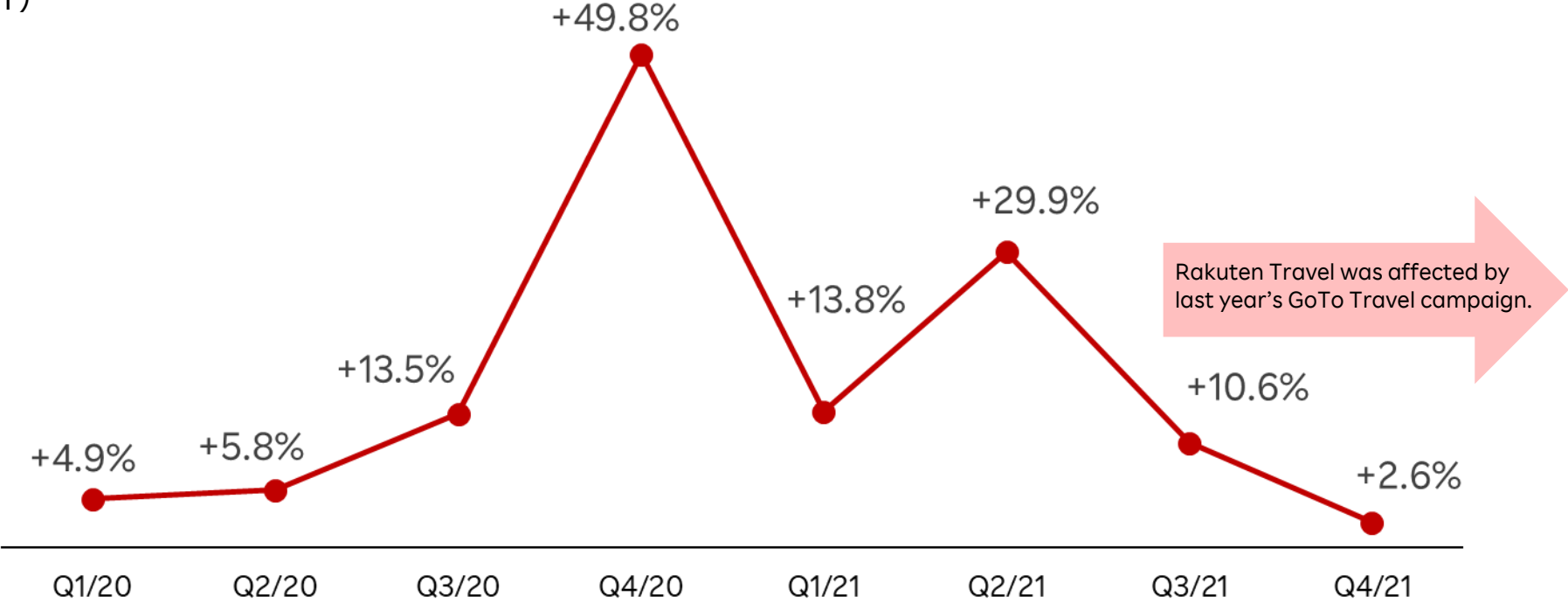


* From Q4/21, Rakuten Books network, cross border trading, Rakuten Kobo (domestic) and Rakuten Magazine were transferred from the Others segment to the Domestic EC segment. This has resulted in retroactive adjustments to Domestic E-Commerce revenue and operating income.



Domestic EC Marketplace businesses* Operating Income

(YoY)



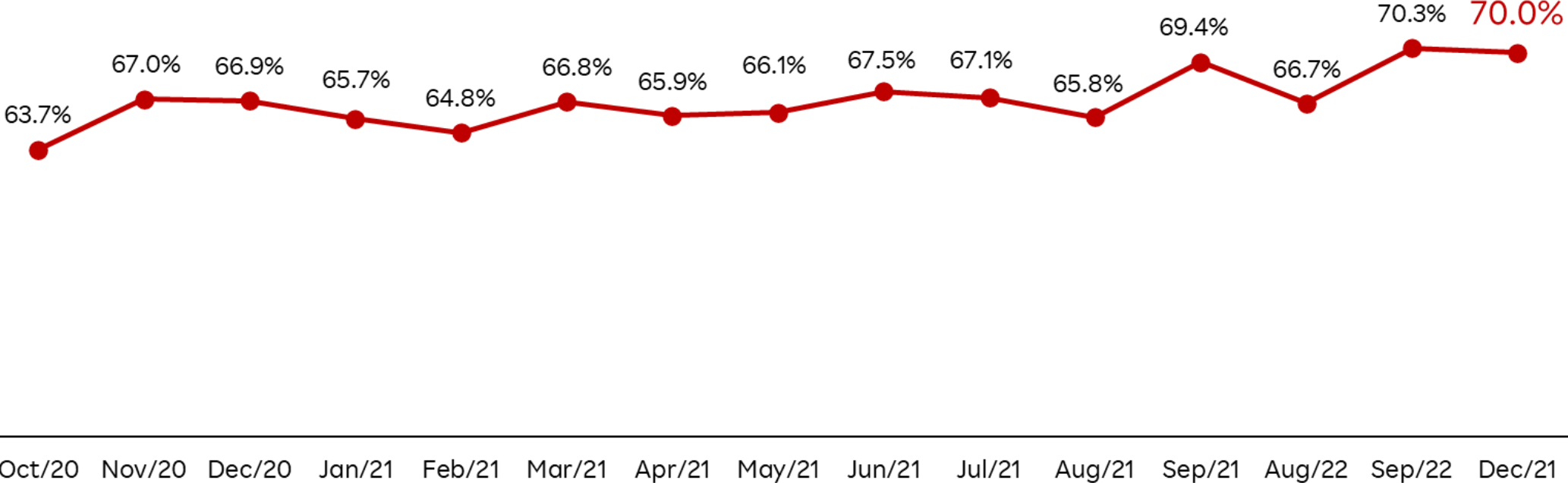
* Marketplace businesses comprises Ichiba, Travel, Golf, Dream businesses, etc.

Q4/21 Rakuten Ichiba Mobile GMS Ratio*

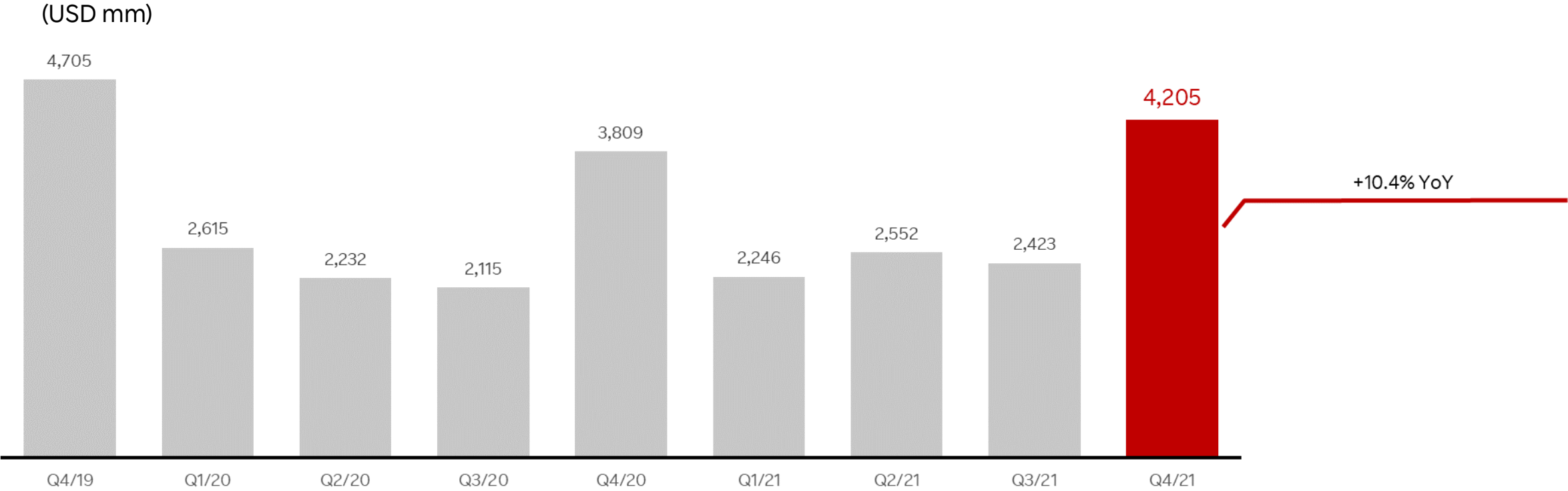
79.1%
Up 2.6 Points YoY

* Mobile GMS Ratio = Ichiba mobile GMS / Total Ichiba GMS (includes smartphones and tablets)

Rakuten Card Share of Rakuten Ichiba GMS

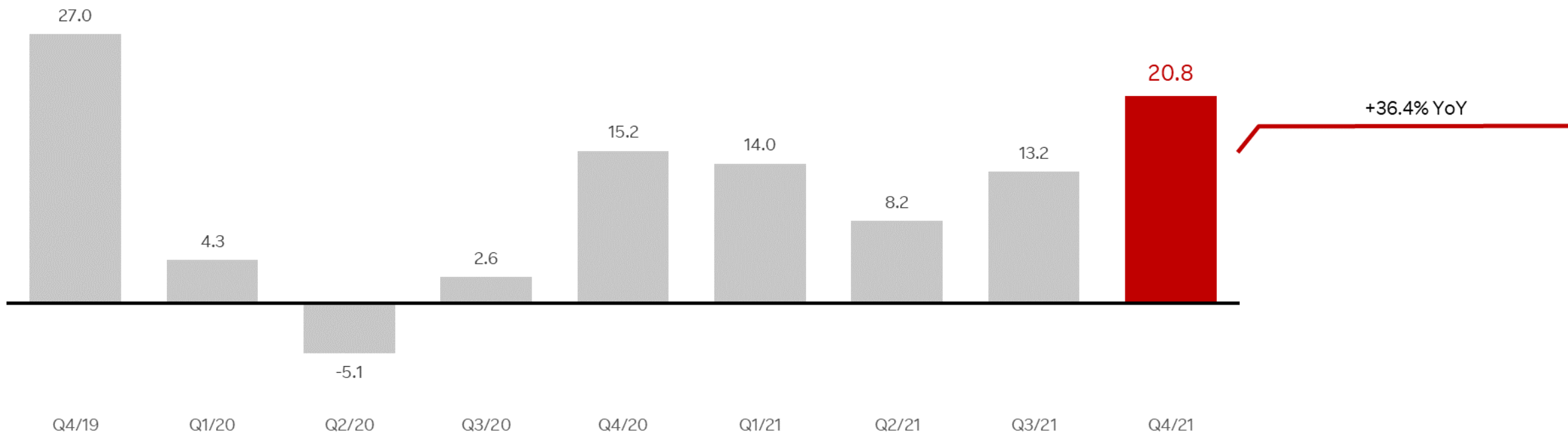


Rakuten Rewards (Ebates) GMS



Rakuten Rewards (Ebates) Operating Income^{*1*2}

(USD mm)

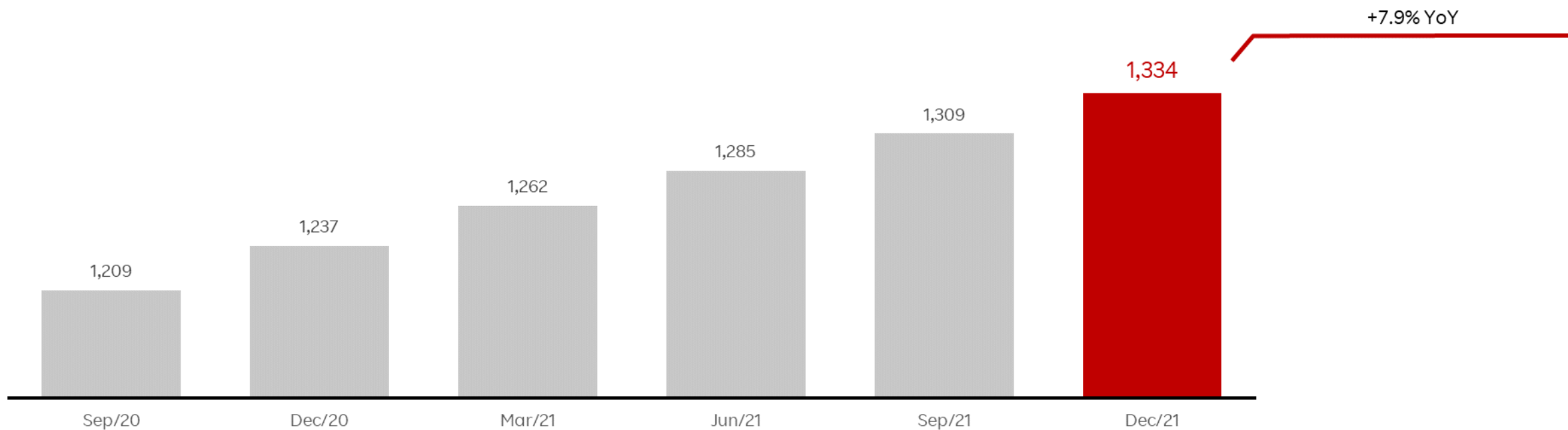


^{*1} Excludes rebranding cost of USD 20.4 million (Q3/19), USD 27.4 million (Q4/19), USD 5.2 million (Q1/20), USD 5.1 million (Q2/20) and USD 6.3 million (Q3/20), USD 2.5 million (Q4/20).

^{*2} Operating income has changed due to change in method of internal cost allocation. Past figures have been retroactively adjusted.

Viber Unique IDs^{*1*2}

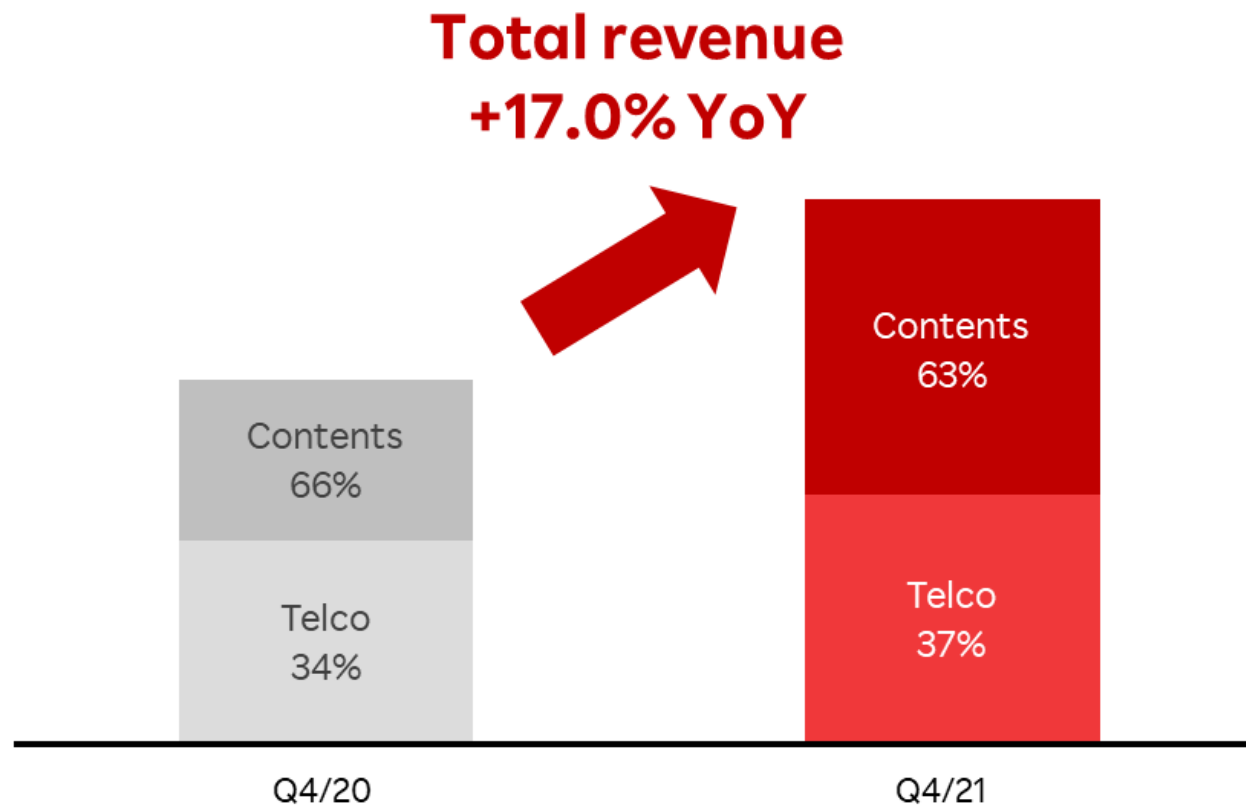
(million IDs)



*1 Unique IDs: Unique phone numbers excluding deactivations

*2 From Q2/21, Viber was transferred from the Mobile segment to the Internet Services segment.

Viber Revenue^{*1*2}

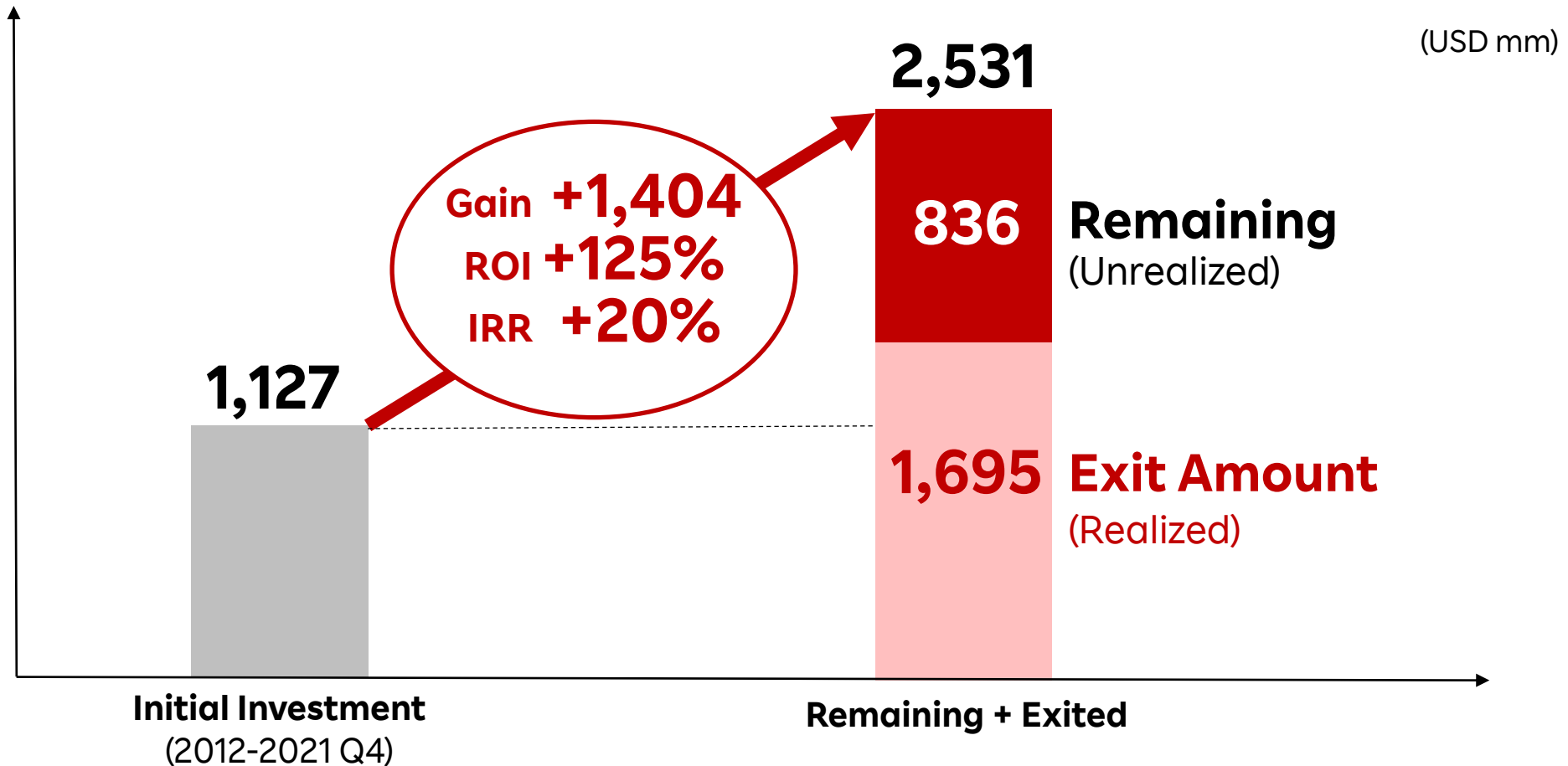


*1 Telco: Viber Out, Viber In, SMS. Content: Service messages, ads, stickers, etc.

*2 From Q2/21, Viber was transferred from the Mobile segment to the Internet Services segment.

Rakuten Capital*1 Investment Performance

Rakuten Capital Investment Performance (as of Dec 31, 2021)*2



*1 Investment Business of Rakuten Group (Rakuten Capital).

*2 Non Rakuten Capital investments, such as Lyft and Rakuten Medical, are excluded.

Minority Investment Portfolio

	Remaining			Exited* ¹	Non R-Capital* ²
Number of Investments*³	37			33	2
<u>Internet</u>	<u>Ride Sharing</u>	<u>Healthcare</u>			
					
					
					<small>(Affiliated Company)</small>
	<u>Fintech</u>	<u>Mobile / AI</u>			
					
	<u>Sustainability</u>				
					

*¹ Exit since 2015. Exit number does not include partial exit.

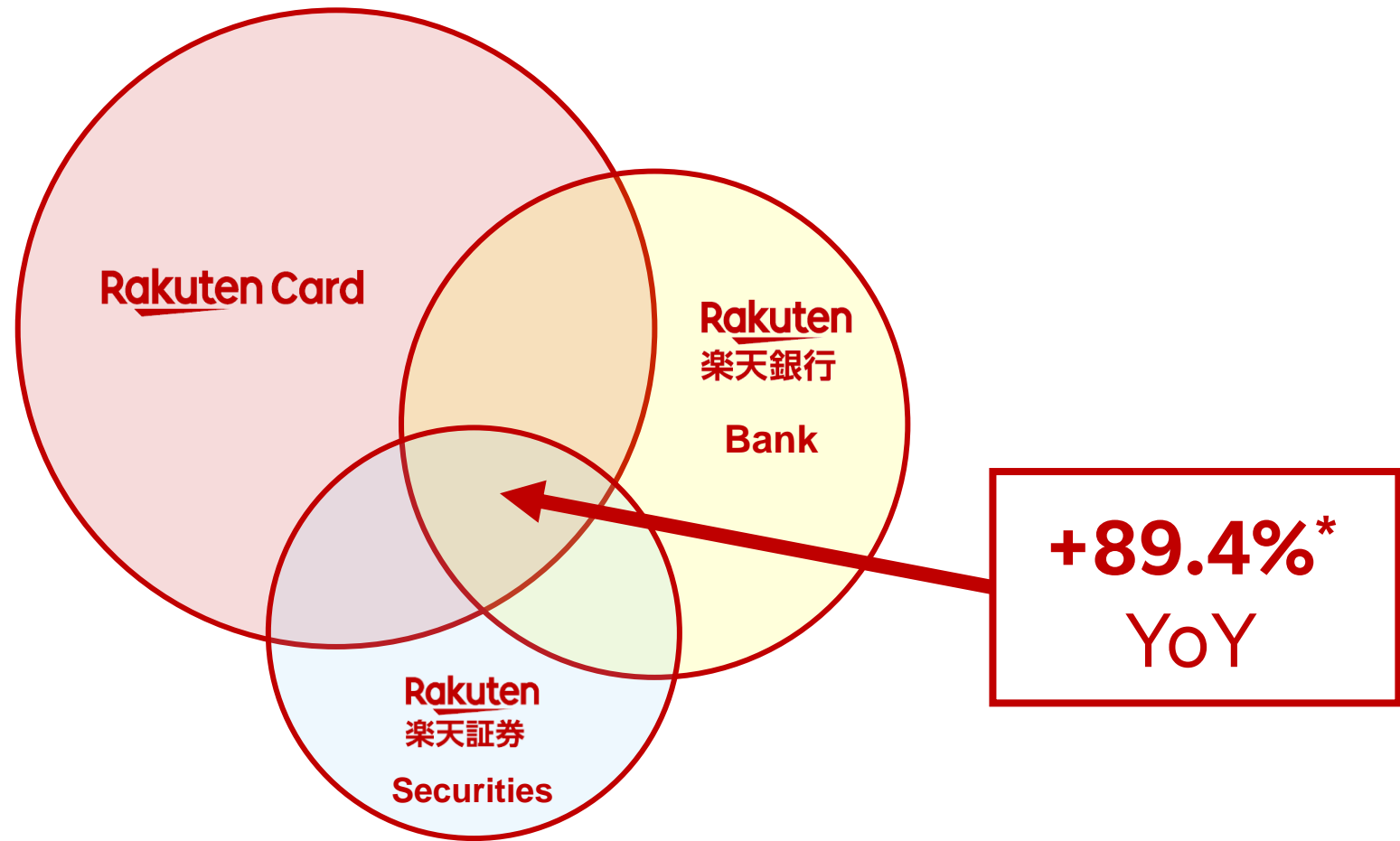
*² Lyft and Rakuten Medical have been transferred from Rakuten Capital to other businesses

*³ Numbers are related to R-Capital investment only as of Q4/21.

FinTech Segment

Cross-Use Example of FinTech Businesses

(Number of Unique Users)



*As of December 2021

*Calculation method of cross-use has been changed from the third quarter of 2020

FY2021 FinTech Results Summary

(JPY bn)

	Revenue	YoY	Operating Income	YoY
Card	279.9	+7.1%	39.7	+5.2%
Bank	102.6	+7.4%	29.6	+5.5%
Securities	90.0	+21.4%	18.1	+9.1%
Insurance	100.9	-5.1%	9.1	+20.6%
Payment	39.6	+19.8%	-4.1	+2.6
Others	6.0	+2.8%	-3.2	-1.4
FinTech Total	619.0	+7.4%	89.1	+9.6%

*Insurance includes Life Insurance, General Insurance, Pet Insurance and Insurance Agency. Detailed data is shown in the Appendix.

*Payment = Rakuten Pay, Rakuten Edy, Point Partner, etc.

*Bank: Joint venture in Taiwan (RAKUTEN INTERNATIONAL COMMERCIAL BANK CO., LTD.) became a consolidated subsidiary in Q2/20, which is not included in the figures above.

Q4/21 FinTech Results Summary

(JPY bn)

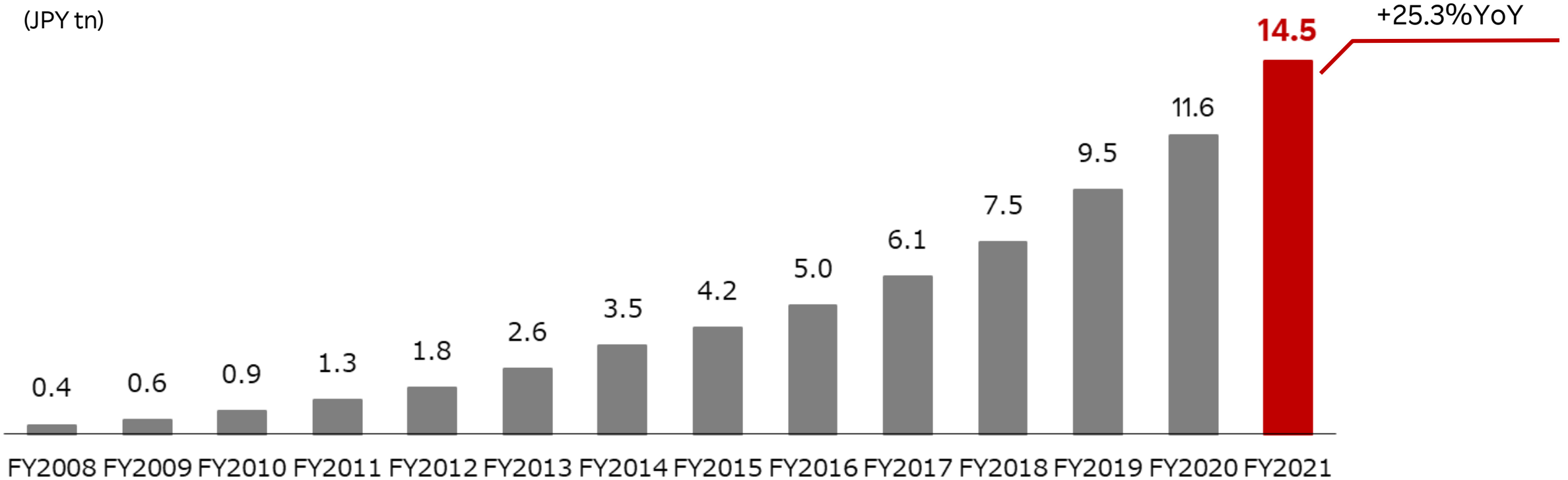
	Revenue	YoY	Operating Income	YoY
Card	76.1	+10.6%	8.1	+13.3%
Bank	25.6	+3.9%	7.6	+5.2%
Securities	23.6	+16.8%	4.4	+7.4%
Insurance	25.0	-3.9%	3.0	+2.4%
Payment	11.5	+25.0%	-1.5	+1.0
Others	1.6	+5.6%	-0.8	+0.2
FinTech Total	163.5	+8.6%	20.9	+16.7%

*Insurance includes Life Insurance, General Insurance, Pet Insurance and Insurance Agency. Detailed data is shown in the Appendix.

*Payment = Rakuten Pay, Rakuten Edy, Point Partner, etc.

*Bank: Joint venture in Taiwan (RAKUTEN INTERNATIONAL COMMERCIAL BANK CO., LTD.) became a consolidated subsidiary in Q2/20, which is not included in the figures above.

Rakuten Card Shopping GTV*

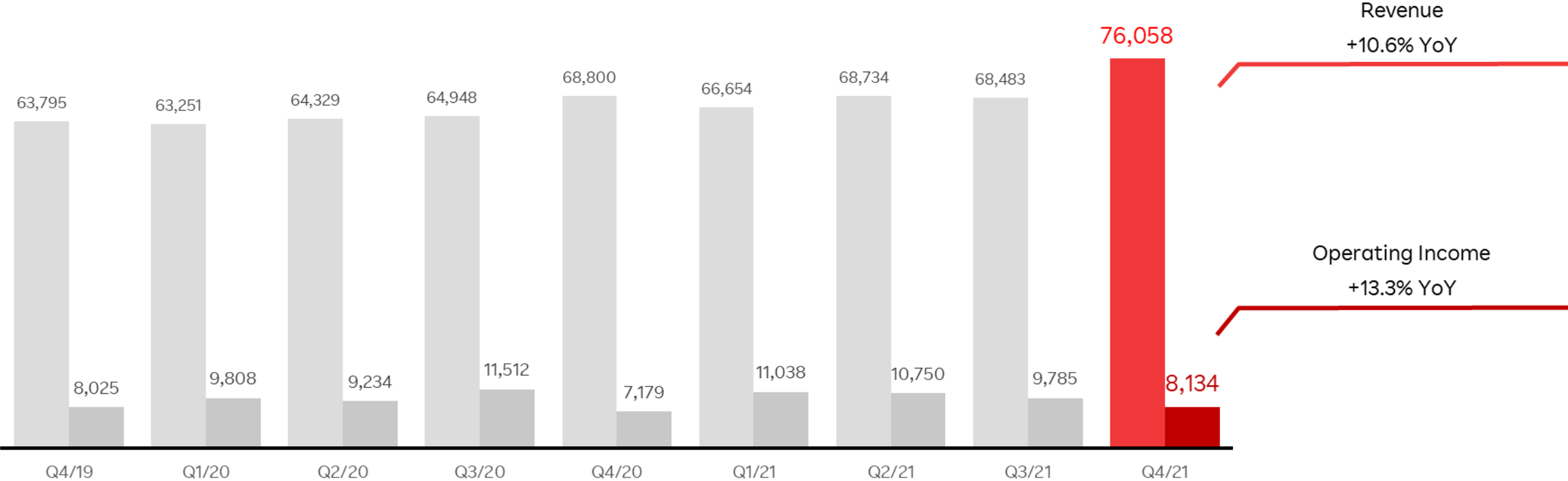


* Calculated on a managerial accounting basis, using different definitions from data in the Appendix.
Detailed credit card data is shown in the Appendix

Rakuten Card Results

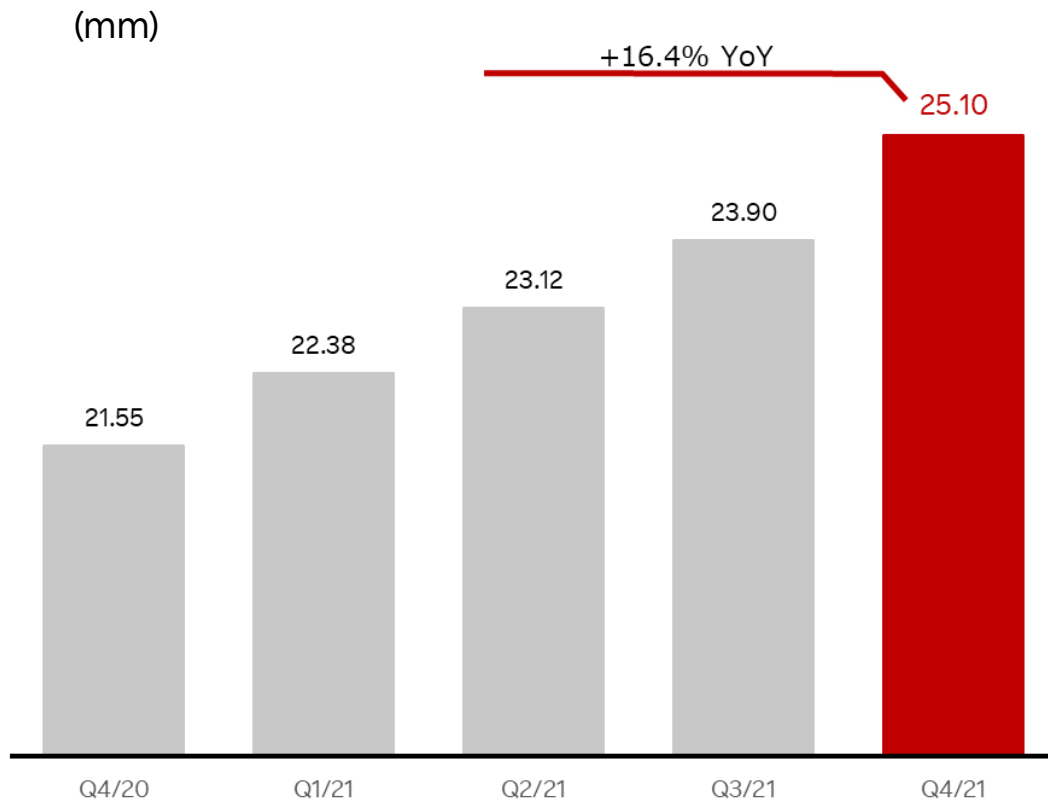
In addition to Rakuten Card’s continued success in attracting new customers, Card’s shopping gross transaction value increased along with the gradual recovery of offline consumption, and merchant fee revenue led to strong results.

(JPY mm)

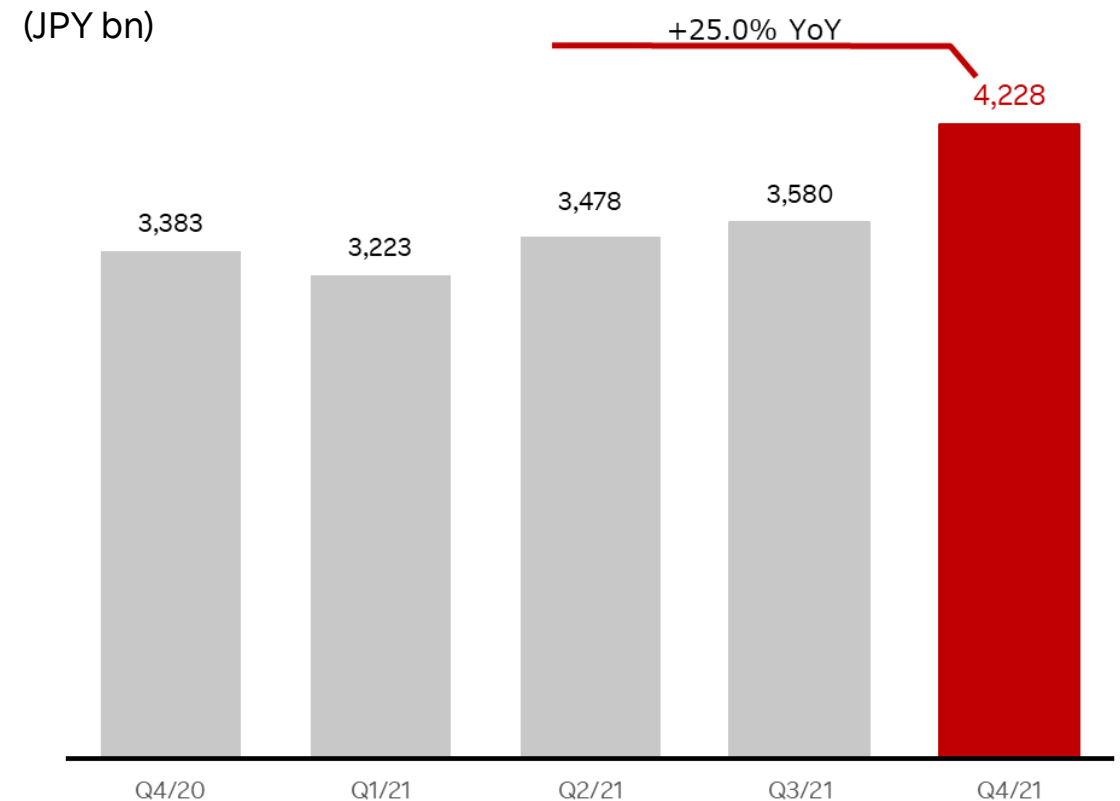


Rakuten Card KPIs*(1)

Number of Card Issued*1



Card Shopping Transaction Volume*2



*1 Includes the issuance of a second Rakuten card per cardholder, which began full scale in June 2021.

*2 Calculated on a managerial accounting basis, using different definitions from data in the Appendix.

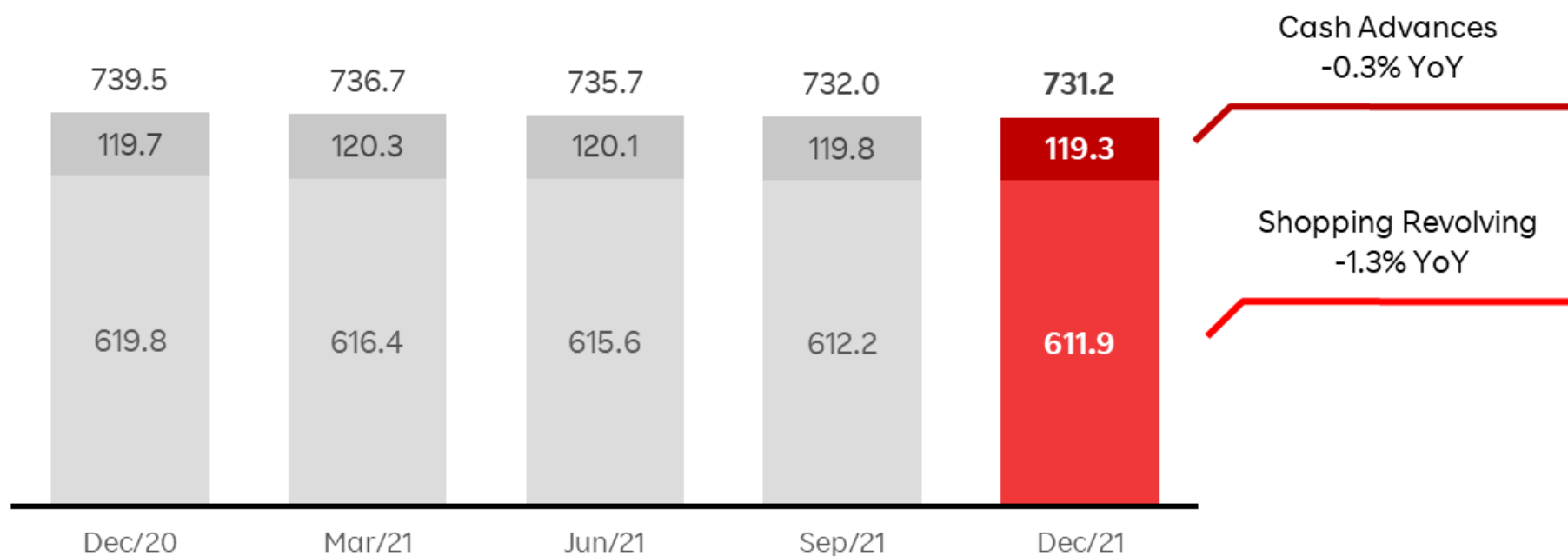
* Detailed credit card data is shown in the Appendix



Rakuten Card KPIs*(2)

Shopping Revolving and Cash Advance Balances

(JPY bn)



* Calculated on a managerial accounting basis, using different definitions from data in the Appendix.
Detailed credit card data is shown in the Appendix. Revolving balance is calculated on a principal basis

Rakuten Card Allowance for Doubtful Accounts

(JPY mm)

	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	YoY
Expenses related to doubtful accounts	11,789	8,383	9,046	9,110	12,135	+2.9%
Ratio of expenses related to doubtful accounts ^{*1}	2.03%	1.40%	1.53%	1.52%	1.88%	—

	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21	YoY
Rakuten Card	2,097,002	2,010,882	2,052,112	2,093,338	2,449,854	+16.8%
Stage 1 (Normal)	2,008,991	1,919,540	1,957,075	1,994,727	2,349,481	+16.9%
Stage 2 (1-2 months delinquent)	12,414	13,554	13,333	14,102	14,512	+16.9%
Stage 3 (3 months-and-over-delinquent/Restructured Loans)	75,597	77,788	81,703	84,509	85,860	+13.6%
Rakuten Bank Super Loans	347,727	337,924	325,777	315,559	304,827	-12.3%
Stage 1 (Normal/Credit guarantees ^{*2})	312,551	303,559	291,724	281,938	272,555	-12.8%
Stage 2 (30 days-and-over-delinquent/Credit guarantees ^{*2})	114	49	76	100	57	-50.0%
Stage 3 (Foreclosed credit guarantees)	35,062	34,315	33,977	33,522	32,215	-8.1%
Others	902	866	825	803	743	-17.7%
Total balance of loan receivables	2,445,632	2,349,672	2,378,714	2,409,699	2,755,423	+12.7%
Allowance for doubtful accounts^{*3}	94,890	94,047	94,470	95,185	95,560	+0.7%
Write-off for bad debt^{*4}	13,801	9,229	8,625	8,399	11,761	-14.8%

*1 Ratio of expenses related to doubtful accounts = (Expenses related to doubtful accounts) / (average of total balance of loan receivables at beginning and end of the period) × 4

*2 Balance of Rakuten Bank Super Loans guaranteed by Rakuten Card

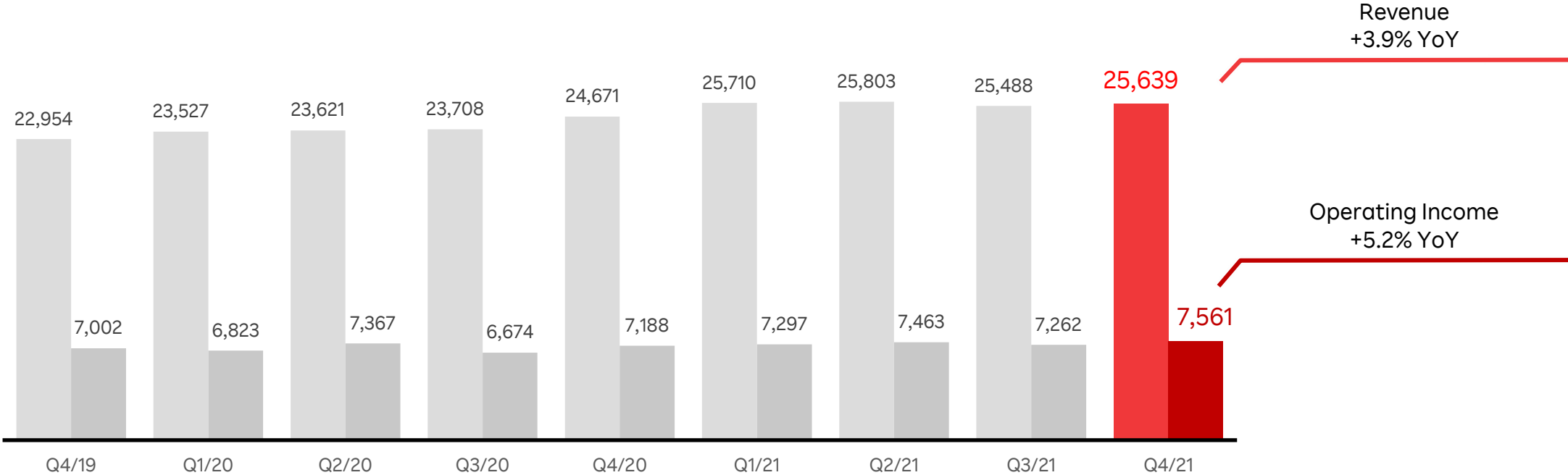
*3 Including allowance for credit guarantees

*4 Write-off for bad debt includes loss on transfer of loan receivables

Rakuten Bank Results

While the negative interest rate policy and the pandemic have caused many banks' earnings to stagnate, Rakuten Bank has increased its revenue and profit by significantly increasing its service revenue, especially in transactions.

(JPY mm)

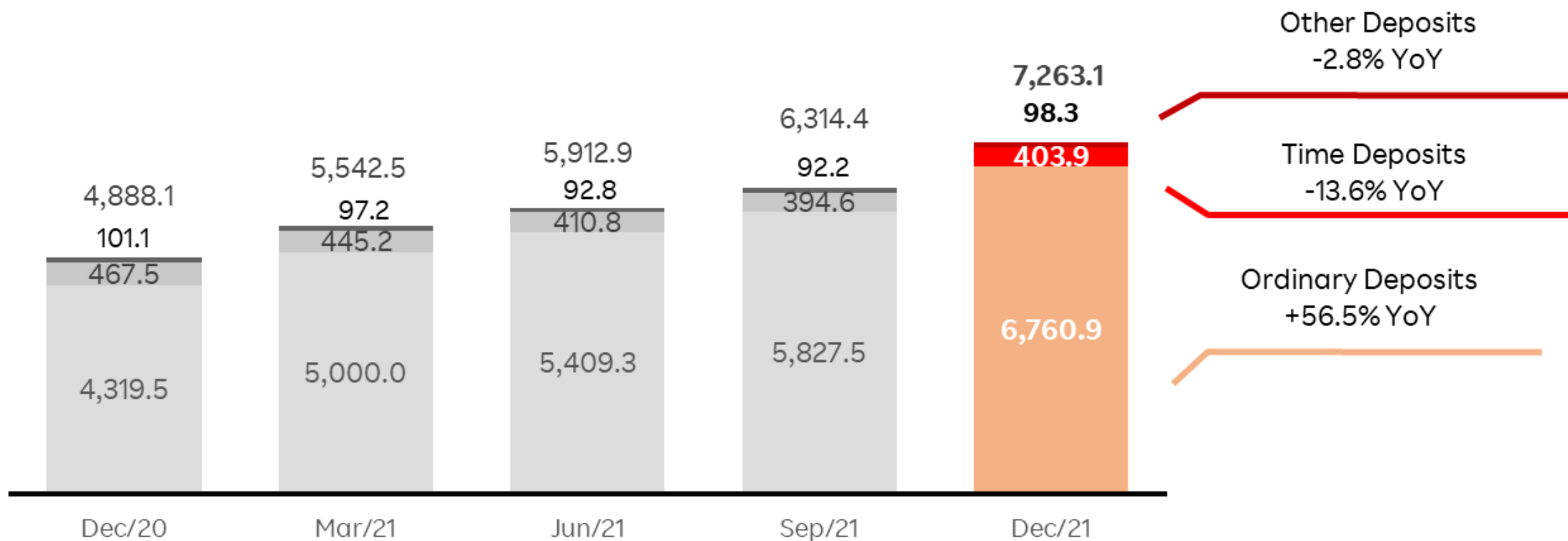


* Joint venture in Taiwan (RAKUTEN INTERNATIONAL COMMERCIAL BANK CO., LTD.), a consolidated subsidiary from Q2/20, is not included in the figures above.



Rakuten Bank Deposits*1

(JPY bn)

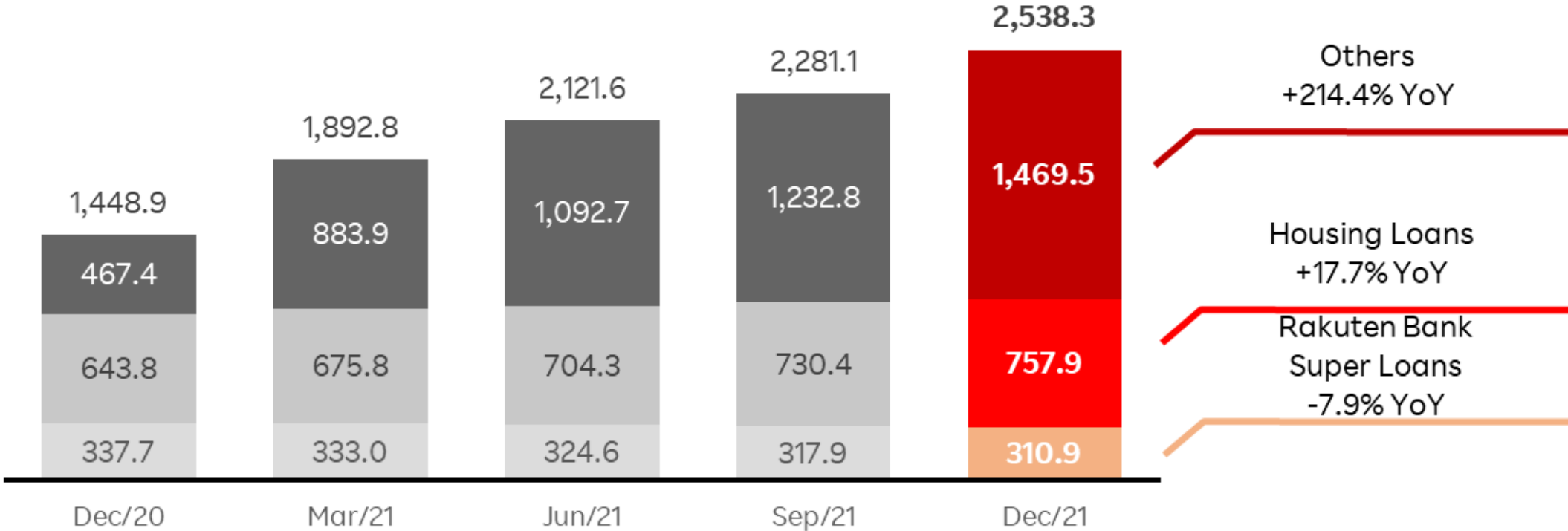


*1 Based on IFRS which includes derivatives in structured term deposits. Rakuten Bank consolidated basis.

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

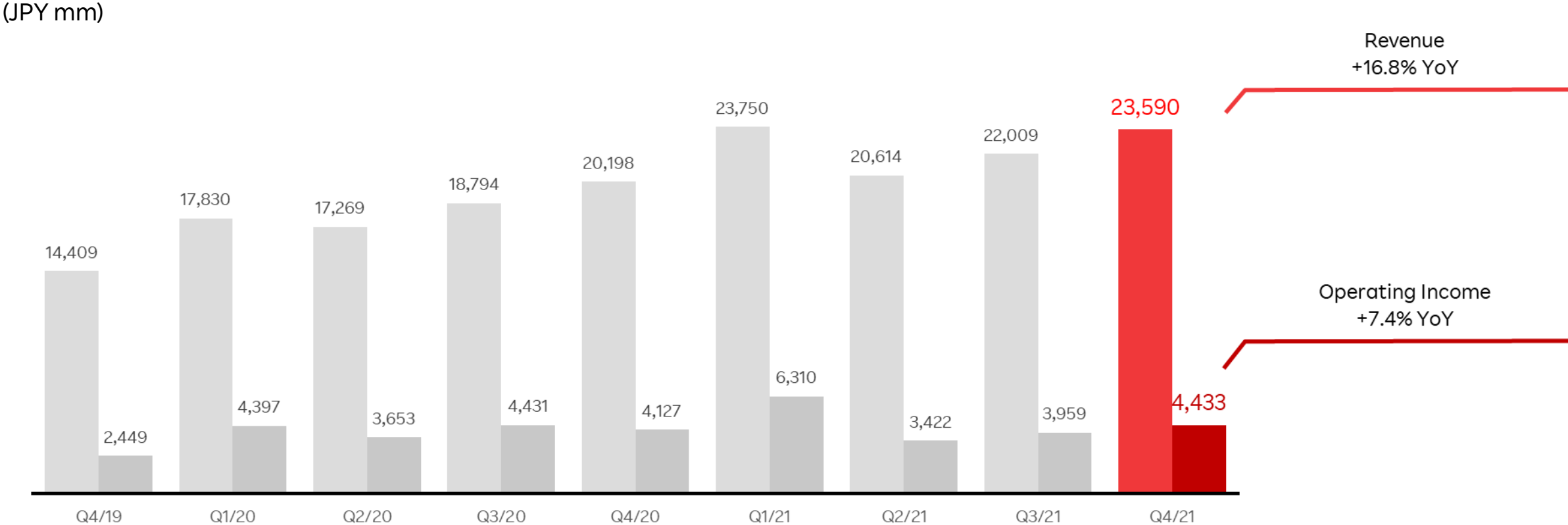
Rakuten Bank Loan Receivables Balance

(JPY bn)



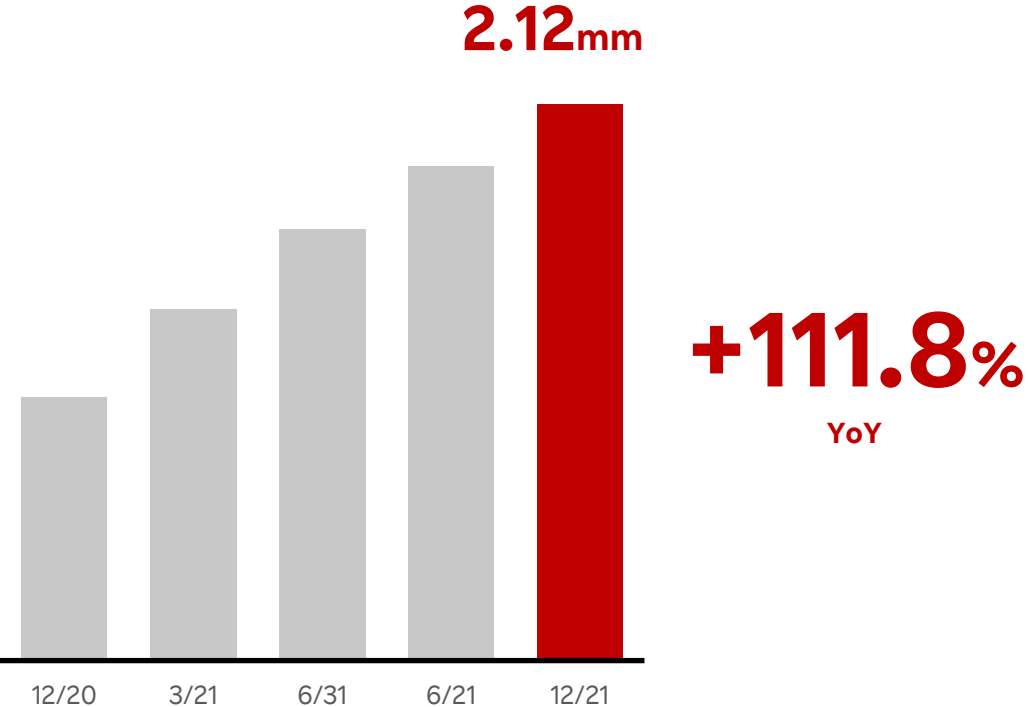
Rakuten Securities Results

Revenue grew by double digits driven by both Japanese and US equities. Also, customer base is expanding rapidly.

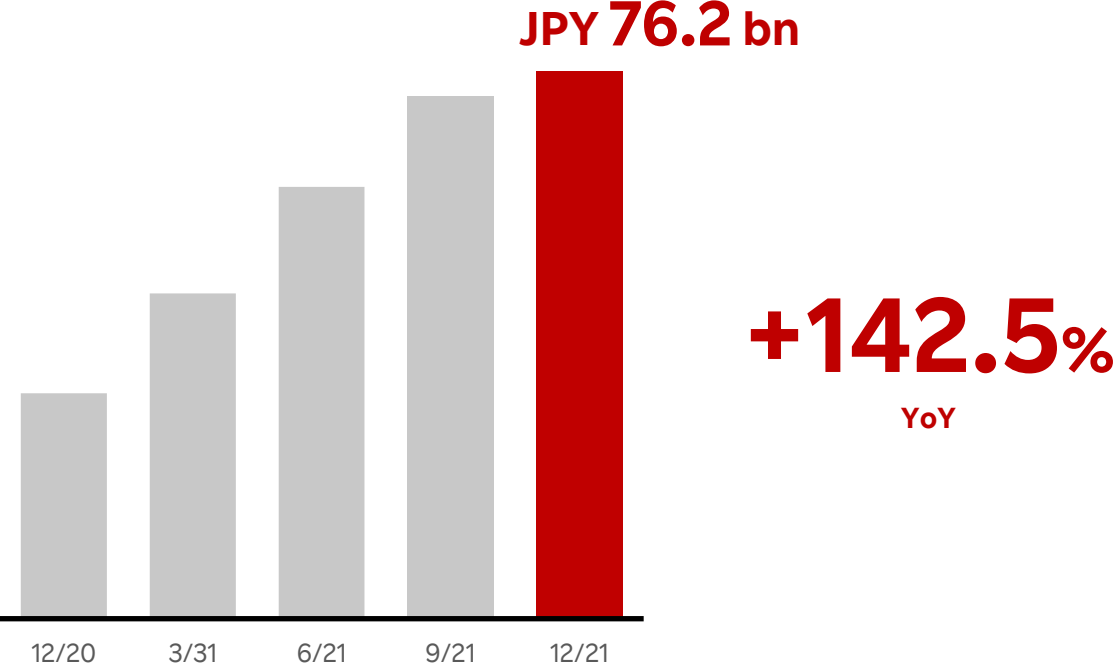


Rakuten Securities Accumulation-type Investment Trust Accounts and Amounts

Number of accumulation-type investment trust accounts



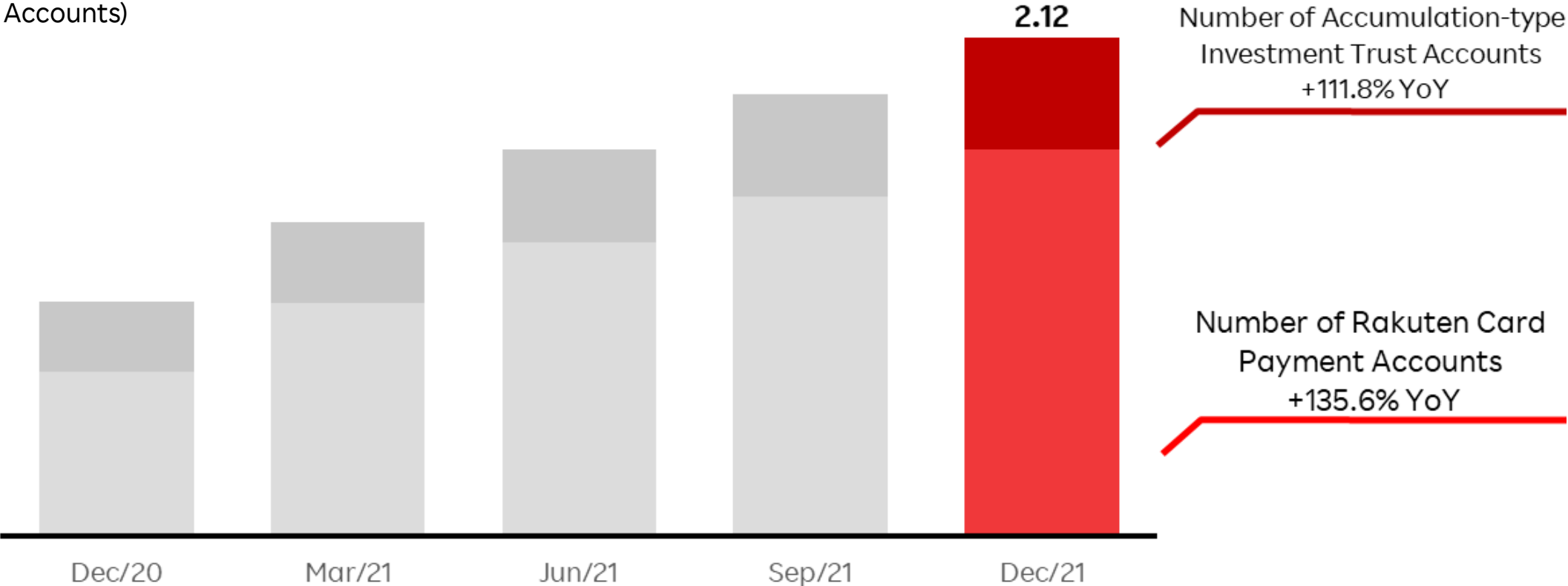
Accumulation-type investment trusts: Amount purchased



Rakuten Securities Accumulation-type Investment Trust Accounts

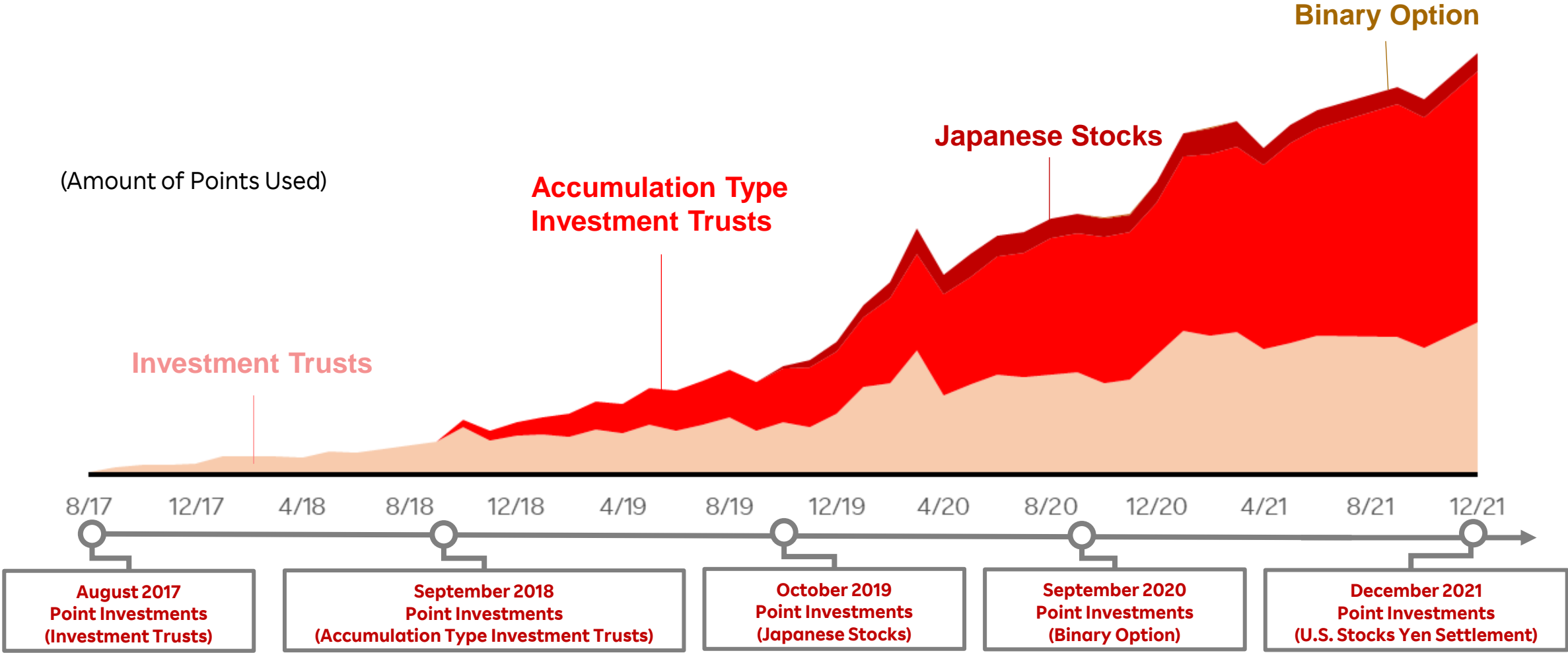
Number of accumulation-type investment trust accounts and Rakuten Card payment accounts increased due to Tsumitate NISA, Rakuten Card Payment and Point-Investments

(Millions of Accounts)



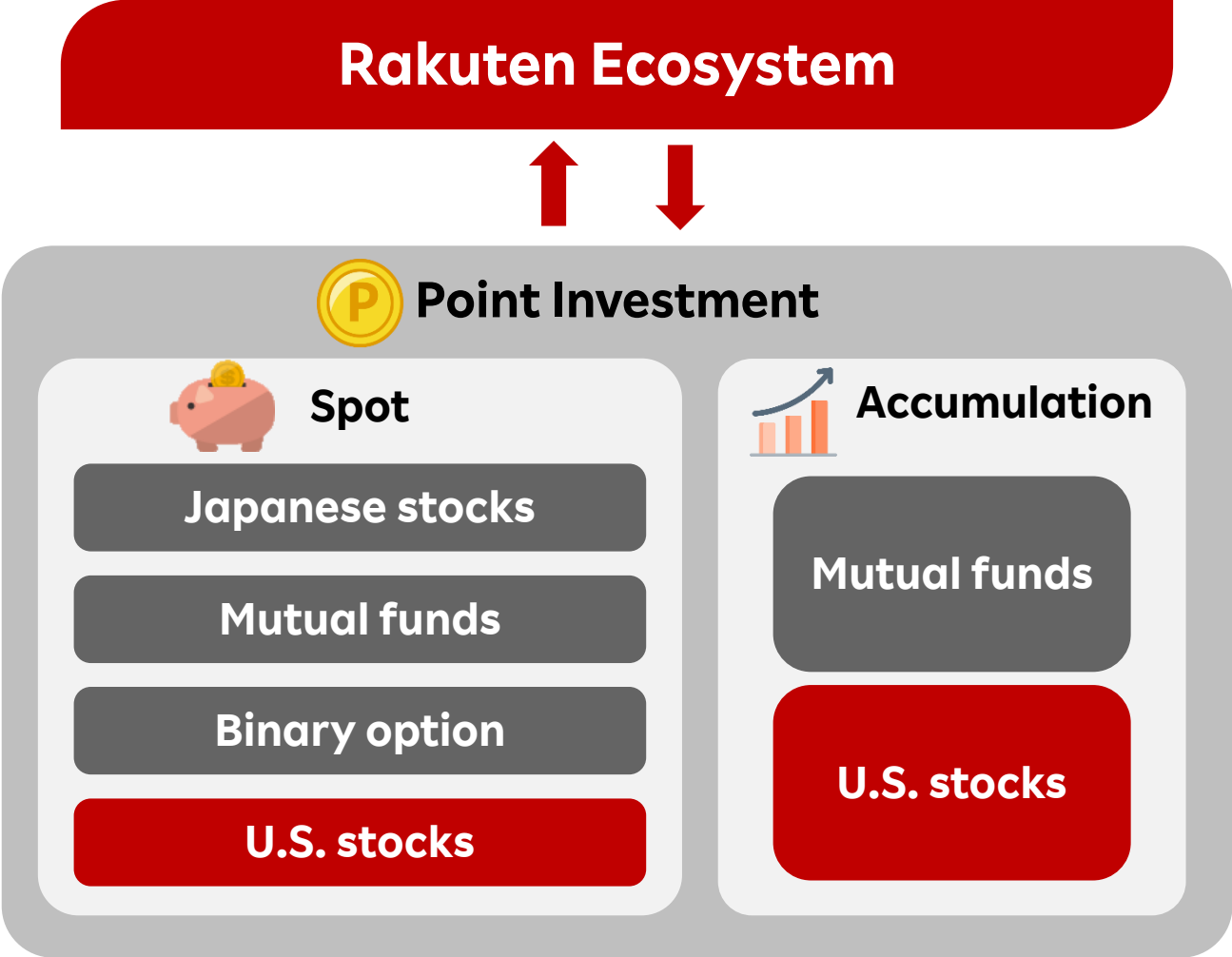
Rakuten Securities Point Investments

Amount of Points used for investments with Rakuten Points has been growing steadily



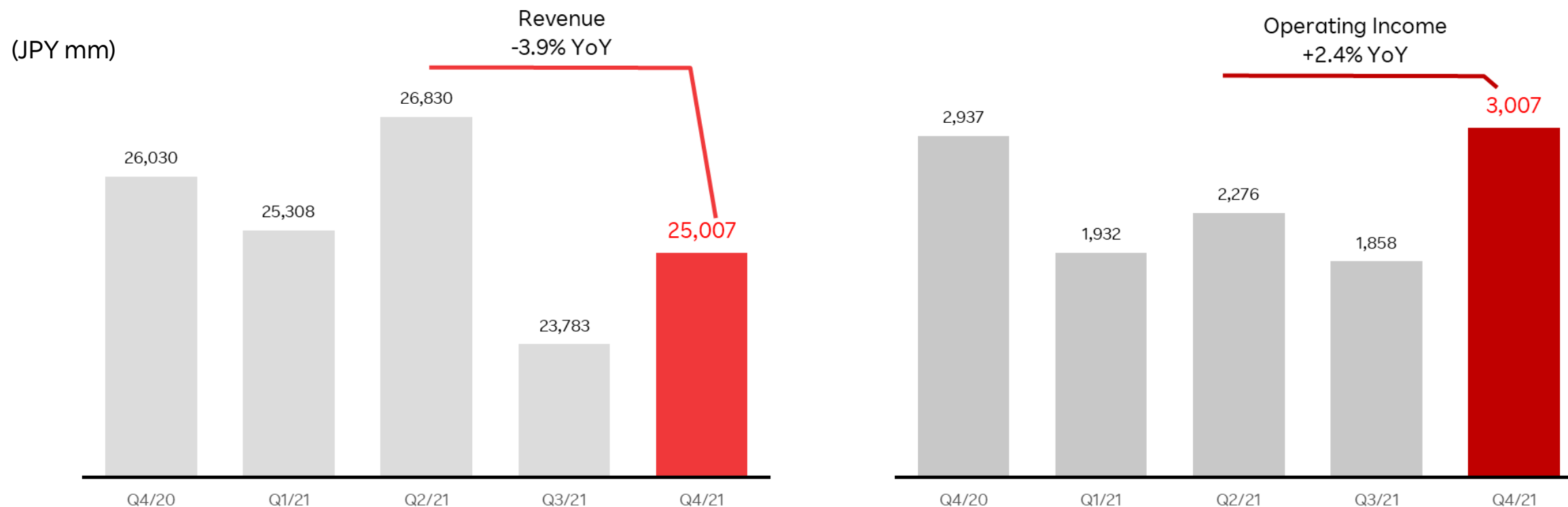
Rakuten Securities: Industry-First – Invest in US Stocks with Rakuten Points

Since December 2021, users can auto-order U.S. stocks under preset conditions. Rakuten Points can also be used to trade U.S. stocks (yen settlement), as well as purchase accumulation-type U.S. stocks.



Insurance Business Results

Revenue decreased on a decline in sales due to the optimization of underwriting standards for general insurance and a favorable decrease in reinsurance income due to the absence of a large-scale natural disaster. Operating income increased YoY due to improved insurance underwriting income and cost reductions.



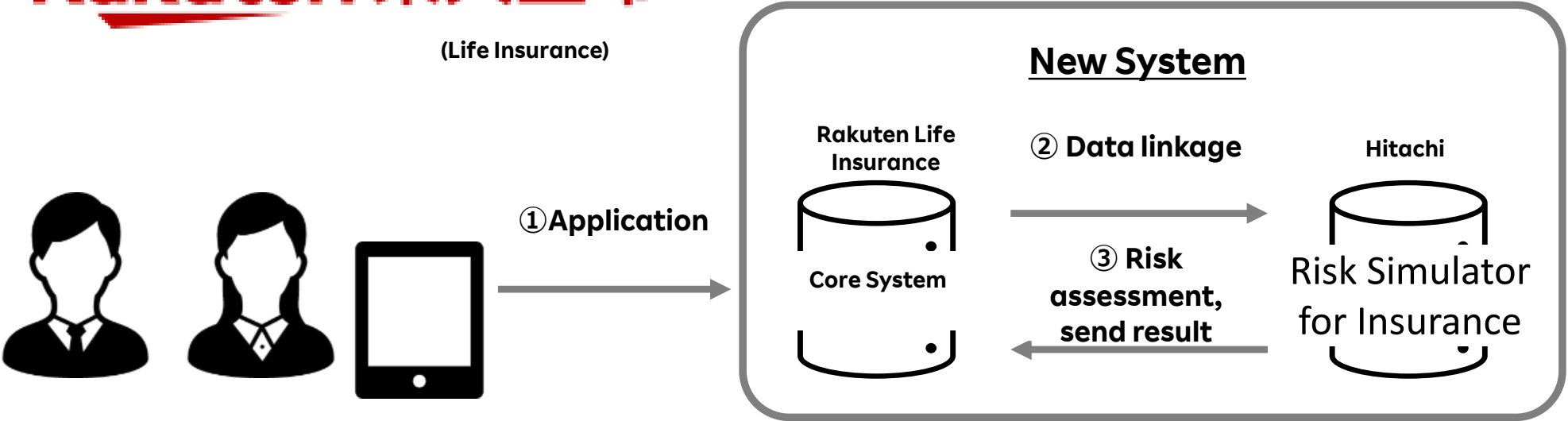
* Insurance includes Life Insurance, General Insurance, Pet Insurance and Insurance Agency. Detailed data is shown in the Appendix.

Insurance Business: AI-Powered Automated Insurance Underwriting Assessment

Artificial Intelligence (A.I.) predicts future hospitalization risk from health condition of applicants and automates underwriting assessment. New process contributing to business growth, increased customer satisfaction and greater operational efficiency by speeding up application procedures.

Rakuten 楽天生命

(Life Insurance)



Rakuten Payment Strengthening Synergy with Rakuten Financial Assets

Rakuten Card cashing function will be added to Rakuten Pay app soon, further improving convenience. The Rakuten Pay app will serve as the gateway to Rakuten's financial services.



Strengthening Synergy

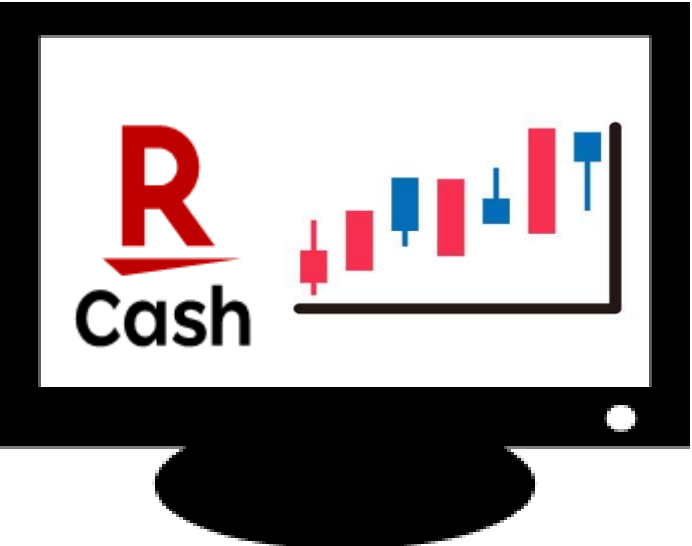
Rakuten Card **Rakuten 楽天銀行**
(Rakuten Bank)

*How the Rakuten Pay app will look after the new function is added in February 2022.

Rakuten Securities & Rakuten Payment: Industry-First – Invest in Securities with E-Money

Rakuten Securities will add Rakuten Cash as a new payment method for accumulation-type investment trusts, marking the first time in the Japanese securities industry that e-money can be used to purchase securities.

**Accumulation-type investments
trusts with Rakuten Cash**



**First-ever major domestic
securities company to offer
securities purchases
via e-money**



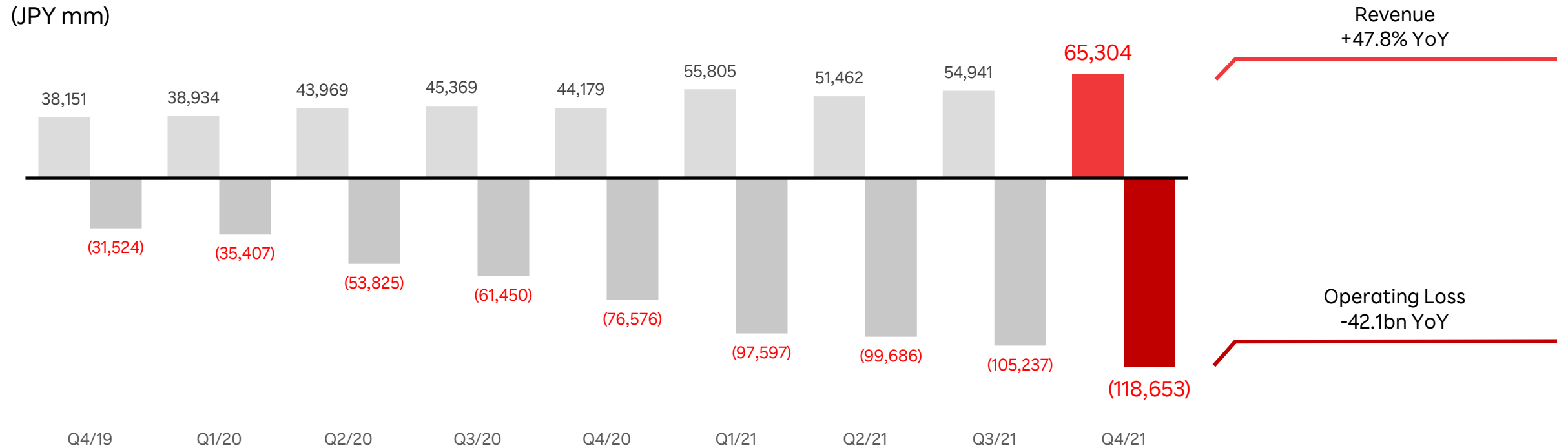
*Comparison of major online brokers in Japan – top five companies by number of accounts (in alphabetical order): au Kabucom Securities, Matsui Securities, Monex Securities, Rakuten Securities and SBI Securities) – and major offline brokers – top five companies by number of accounts (in alphabetical order): Daiwa Securities, Mitsubishi UFJ Morgan Stanley Securities, Mizuho Securities, Nomura Securities, SMBC Nikko Securities. As of February 2022. Source: Rakuten Securities research.

Mobile Segment

Mobile Segment* Results

QoQ revenue increased as more MNO users became paying users, device sales increased, and Rakuten Symphony started to contribute to topline.

Depreciation expenses and network related costs increased due to progress of network construction



* Mobile segment includes Rakuten Communications, MNO business, MVNE & O businesses, Energy businesses, and contents businesses.

* Rakuten Kobo, Rakuten Viki, Rakuten Viber, and others moved from mobile segment to internet service segment from Q2/21.

Rakuten Mobile Balance Sheet

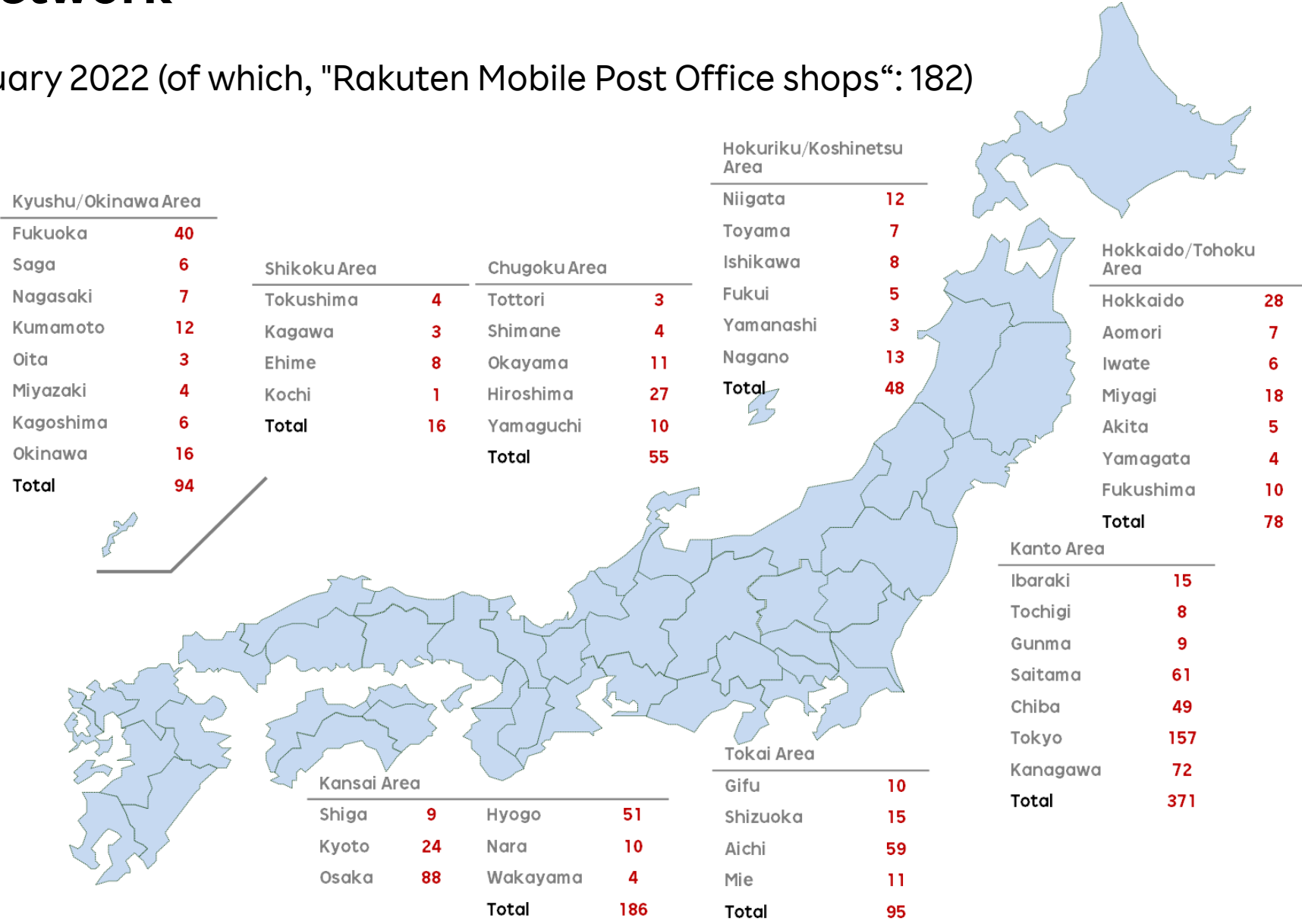
(JPY mm)

IFRS貸借対照表, Balance Sheet (IFRS)	Q1/20	Q2/20	Q3/20	Q4/20	Q1/21	Q2/21	Q3/21	Q4/21
資産, Assets								
有形固定資産, Fixed assets	229,251	268,954	339,757	415,270	485,176	569,409	660,352	763,602
無形資産, Intangible assets	36,669	44,096	52,781	58,024	60,305	110,118	124,744	138,508
その他の資産, Other assets	118,401	155,852	184,374	187,648	179,718	225,300	271,182	498,430
資産合計, Total Assets	384,321	468,902	576,911	660,942	725,198	904,827	1,056,278	1,400,540
負債及び資本, Liabilities and net assets								
借入金, Borrowings *	19,018	99,330	209,952	228,333	328,430	387,563	487,688	681,056
<small>* 主にリースファイナンス及び親会社からの借り入れによる負債が計上されています * Borrowings are liabilities from lease financing and Loans from Rakuten Group, Inc.</small>								
リース債務, Lease liabilities *	70,780	79,875	91,667	111,473	127,282	154,224	195,267	237,109
<small>* 主にIFRS16による賃借料等の将来に渡る見込債務が計上されています * Lease liabilities are capitalized costs under IFRS16 such as rent expenses</small>								
その他の負債, Other liabilities	82,615	110,104	131,199	140,479	165,432	198,179	220,371	373,000
負債合計, Total liabilities	172,413	289,309	432,817	480,285	621,144	739,966	903,326	1,291,165
資本合計, Total net assets	211,908	179,594	144,094	180,657	104,054	164,861	152,952	109,375
負債及び資本合計, Total liabilities and net assets	384,321	468,902	576,911	660,942	725,198	904,827	1,056,278	1,400,540

Number of base stations on-air 33,905 Number of sites with contract signed : 17,968 (As of end of December 2021)

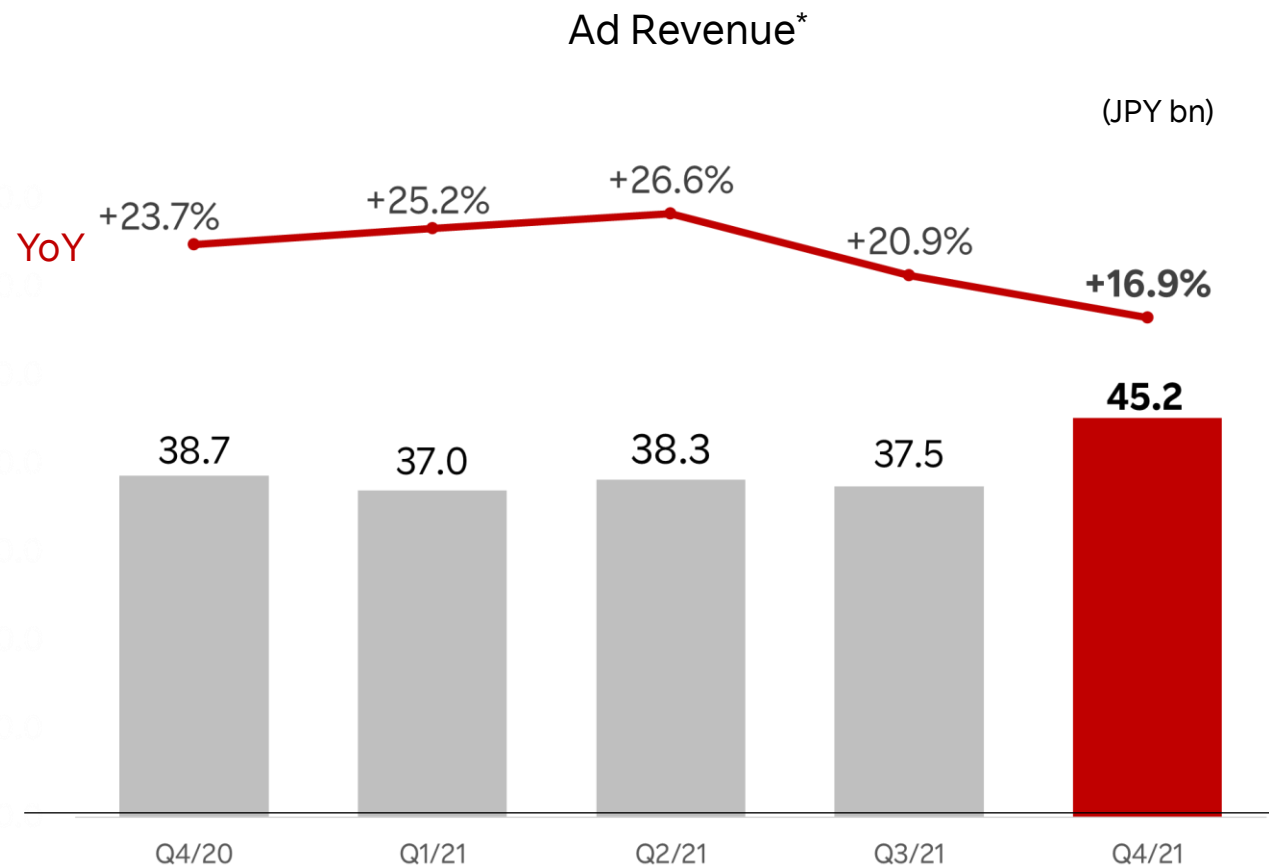
Mobile Shop Network

943 shops as of February 2022 (of which, "Rakuten Mobile Post Office shops": 182)



Ad Business

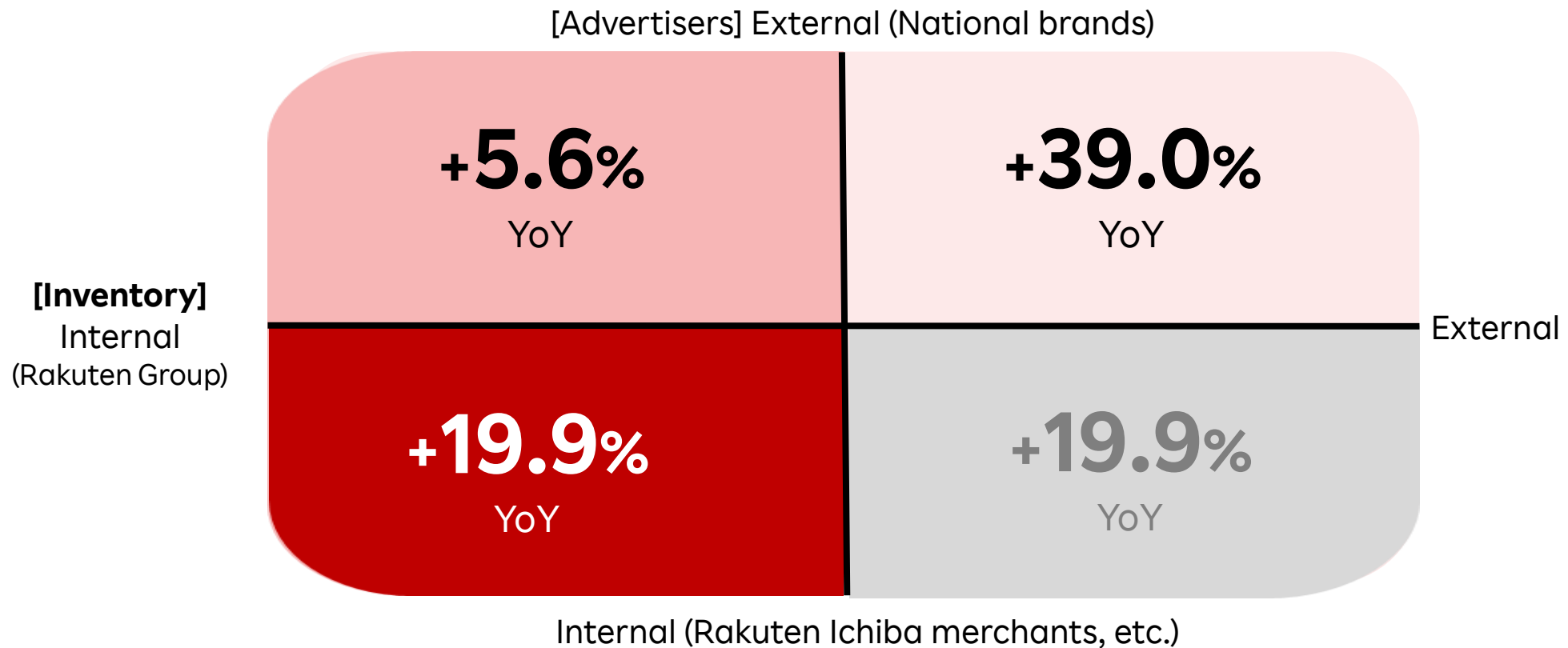
Ad Business Revenue



* Revenue includes internal transactions.

Ad Business Q4/21 Growth Analysis

Due to strong e-commerce business performance, ad revenue on Rakuten Ichiba and other Rakuten Group services grew significantly.



Rakuten

The Rakuten logo consists of the word "Rakuten" in a bold, red, sans-serif font. A red horizontal line is positioned below the letters "a", "k", and "u", starting from the left edge of the "a" and extending to the right edge of the "u".

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