

**FY2022 First Quarter  
Consolidated Financial Results  
CEO Group Strategy**

May 13, 2022

Rakuten Group, Inc.



# Today's Agenda

- 1. 25<sup>th</sup> Anniversary and Vision 2030**
- 2. Q1/22 Highlights**
- 3- 7. Progress by segment**  
(Internet Services, FinTech, Mobile, Rakuten Symphony, Overseas & Contents)

**1**

# **25<sup>th</sup> Anniversary and Vision 2030**



**Kept Challenges for 25 Years  
and  
Accelerate in the Future**

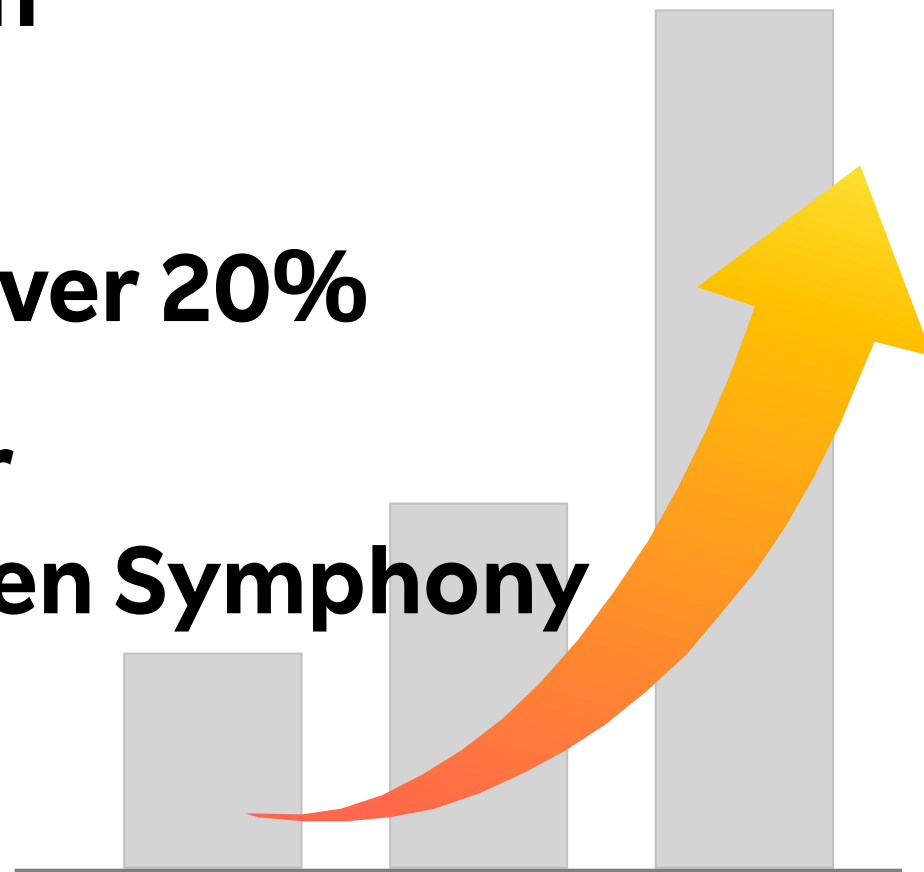
## Vision 2030: Long Term Business Plan

**① Sustainable Topline Growth**

**② OI Margin**

**Current 13.5%\* → Target Over 20%**

**③ Significant profitability for Rakuten Mobile and Rakuten Symphony**



\*excluding mobile

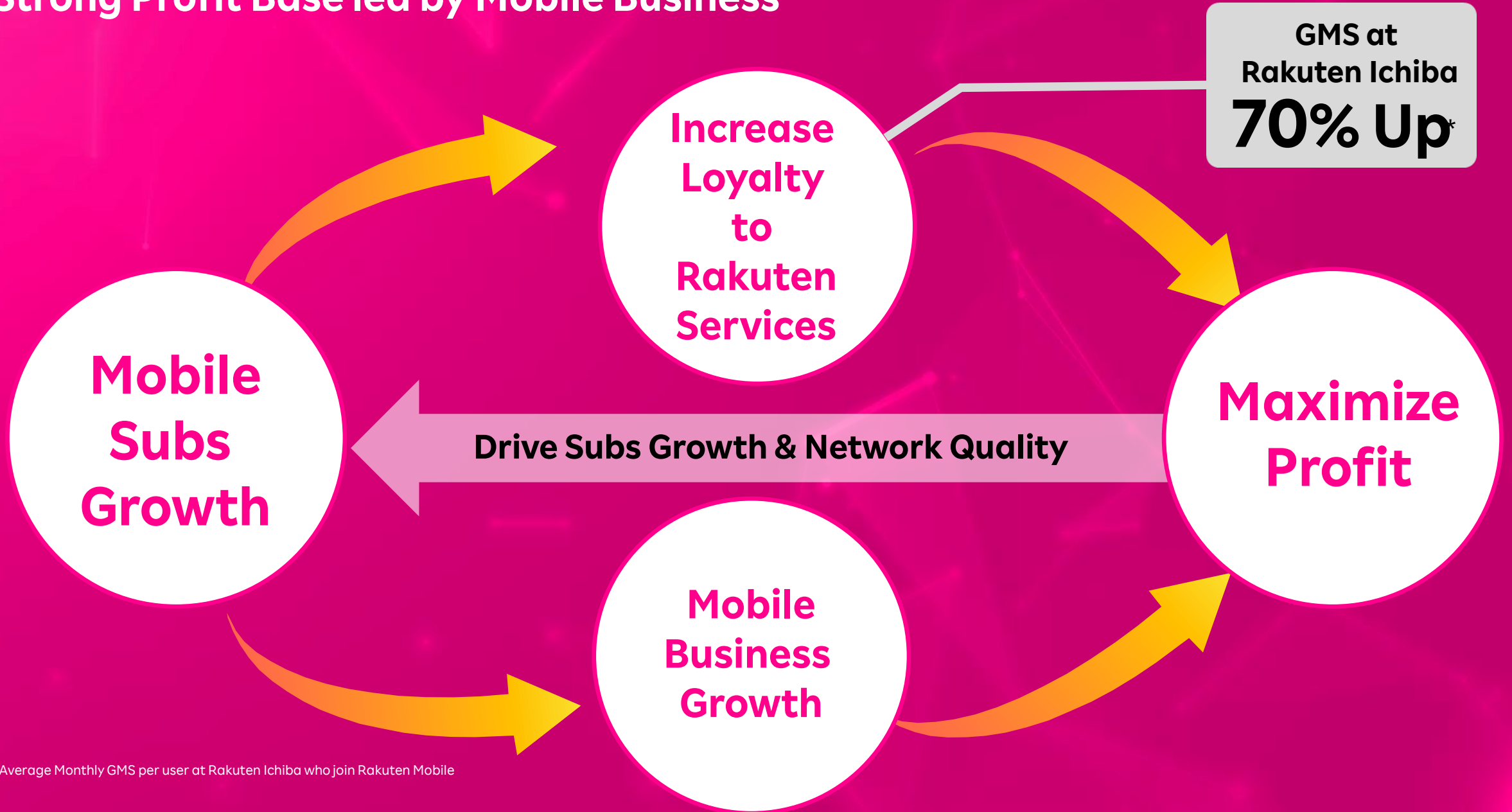
# Vision 2030 vs 2021

	2021	2030
Revenue	JPY 1.7tn	Maintain growth momentum
OI Margin	13.5%* <sup>1</sup>	Over 20.0%* <sup>2</sup>
Domestic EC GMS	JPY 5tn	Over JPY 10tn
FinTech	Card: Market Share 20% Bank: Preparation for listing in the future	Card: Mid-term Triple 3 goals Bank: Long term vision
Mobile/Symphony	Investment Stage	Mobile: New Pillar of profit & No.1 subscriber base Symphony: Leader in virtualized network industry

\*<sup>1</sup> Excluding mobile

\*<sup>2</sup> All businesses

# Strong Profit Base led by Mobile Business



\* Average Monthly GMS per user at Rakuten Ichiba who join Rakuten Mobile

**2**

## **Q1/22 Highlights**



# Q1/22 Key KPIs

## Global GTV

JPY **7.3** tn  
+21.9% YoY



## Domestic EC GMS

JPY **1.3** tn  
2 year CAGR  
+15.9%



## Consolidated Revenue

JPY **437.1** bn  
+11.7% YoY



## Non-GAAP Operating Income

(Excluding Mobile, Logistics,  
Investment Business and adjustments)

JPY **46.0** bn  
+8.5% YoY



## Rakuten Card Shopping GTV

JPY **4.1** tn  
+26.1% YoY



## Rakuten Cards Issued (Apr/22)

**26** mm



## Rakuten Securities Accounts (Mar/22)

**7.68** mm



## Rakuten Bank Accounts (Mar/22)

**12.3** mm

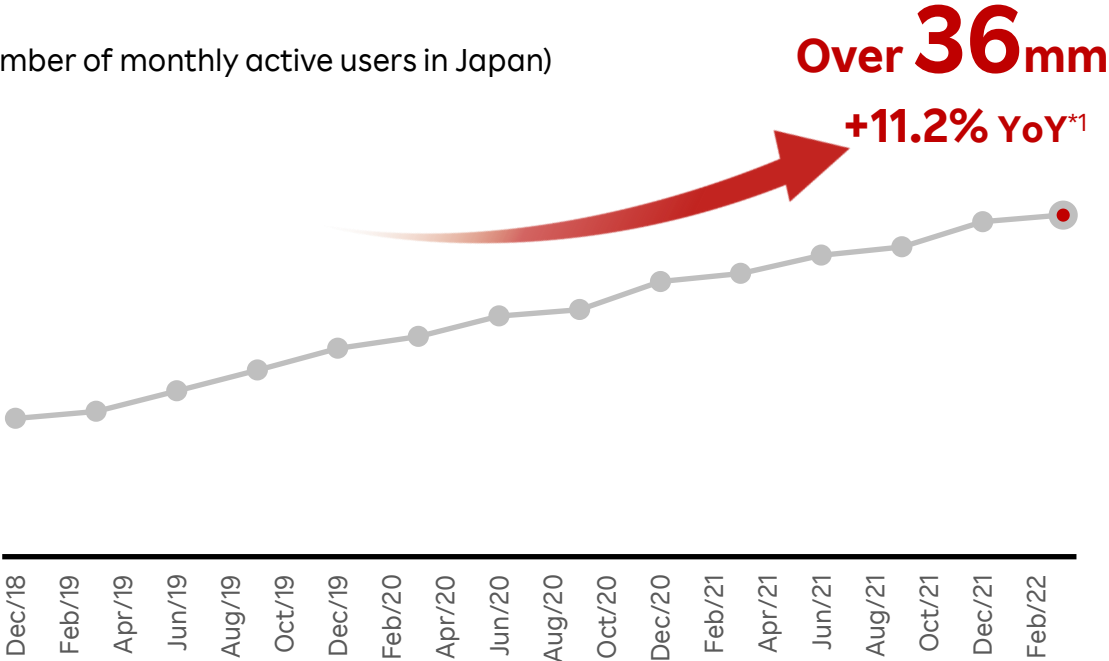


# Rakuten Ecosystem Supports Growth of the Rakuten Group

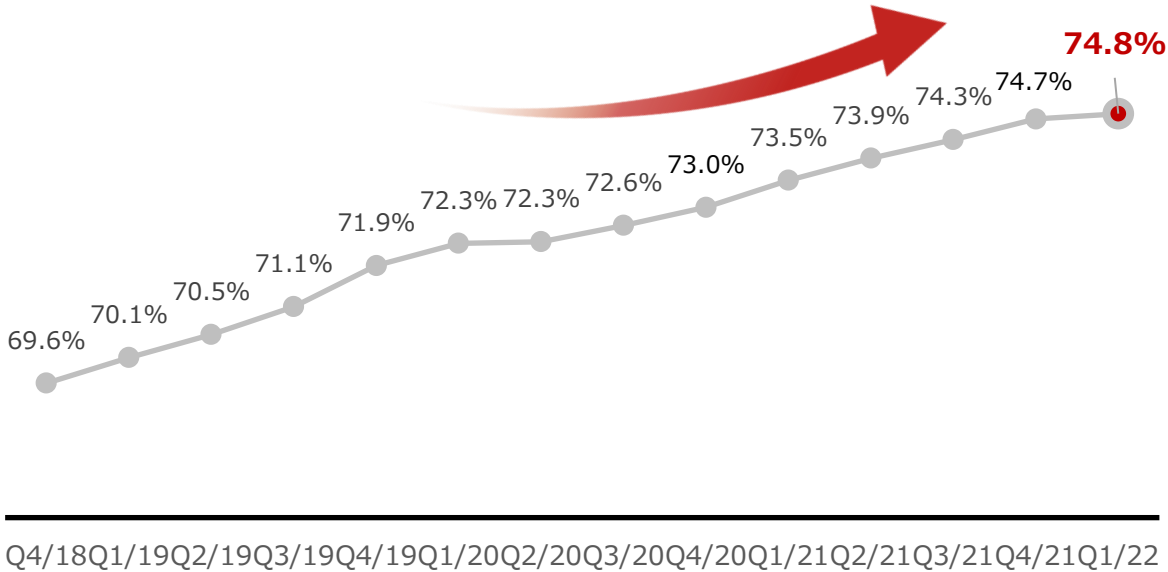
The number of Rakuten Group **monthly active users in Japan** keeps growing while **cross-use ratio** steadily increases.

## Monthly active user growth in Japan

(Number of monthly active users in Japan)



## Ratio of users of two or more services\*2



\*1 Comparison of average monthly active users during end of January- end of March 2022 versus end of January- end of March 2021.

\*2 Percentage calculated by dividing the number of users of two or more services in the past 12 months by the number of users of all services in the past 12 months (as of the end of March 2022).  
(Limited to the use of services that can earn Rakuten Points.)

# Customer Satisfaction Survey\*1: No. 1 Rakuten Points

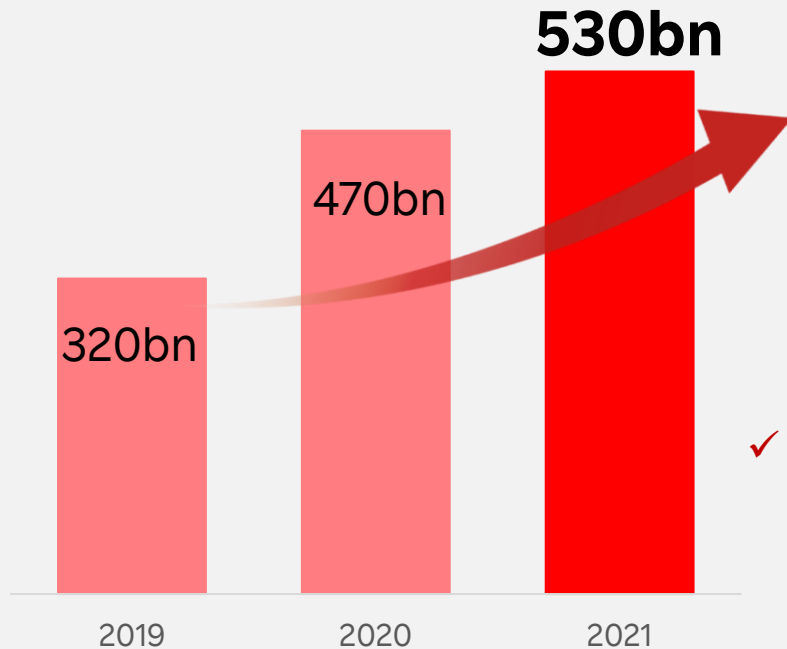


Number of points issued annually is increasing year by year

Attractive Campaign & Program

Expanding Points ecosystem

【Annual issuance of points\*2】



✓ Over 90% of points issued, are used by customers

Rakuten  
スーパー  
SALE

(Rakuten Super SALE)

R SPU!

初めてサービスを使うごとに  
もれなく **1,000** ポイントずつ  
GET!

(Start Bonus Campaign)

Rakuten Points  
Number of locations  
Online / Offline

5mm\*3 + 1.2mm\*4

Innovative point service

“Point Investing”



“Point Bitcoin”



,etc.

,etc.

## Promote cross-use and increase loyalty

\*1 My voice com, Survey on points, October 2021 \*2 Included the increase of the government cashless points due to the return business

\*3 5mm : Total number of locations where Rakuten Pay, Rakuten Edy, Point card are available to use as of June 2021.

\*4 1.2mm : Total number of stores where transportation electronic money can be used as of June 2021.

# **3 Internet Services**

# Domestic E-Commerce Highlights

Q1/22 GMS\*1

Q1/22 Revenue

Q1/22 Non-GAAP  
Operating Income

JPY 1.3tn  
+10.0%  
YoY

JPY 182.5bn  
+11.9%  
YoY

JPY 21.5bn  
+77.3%  
YoY

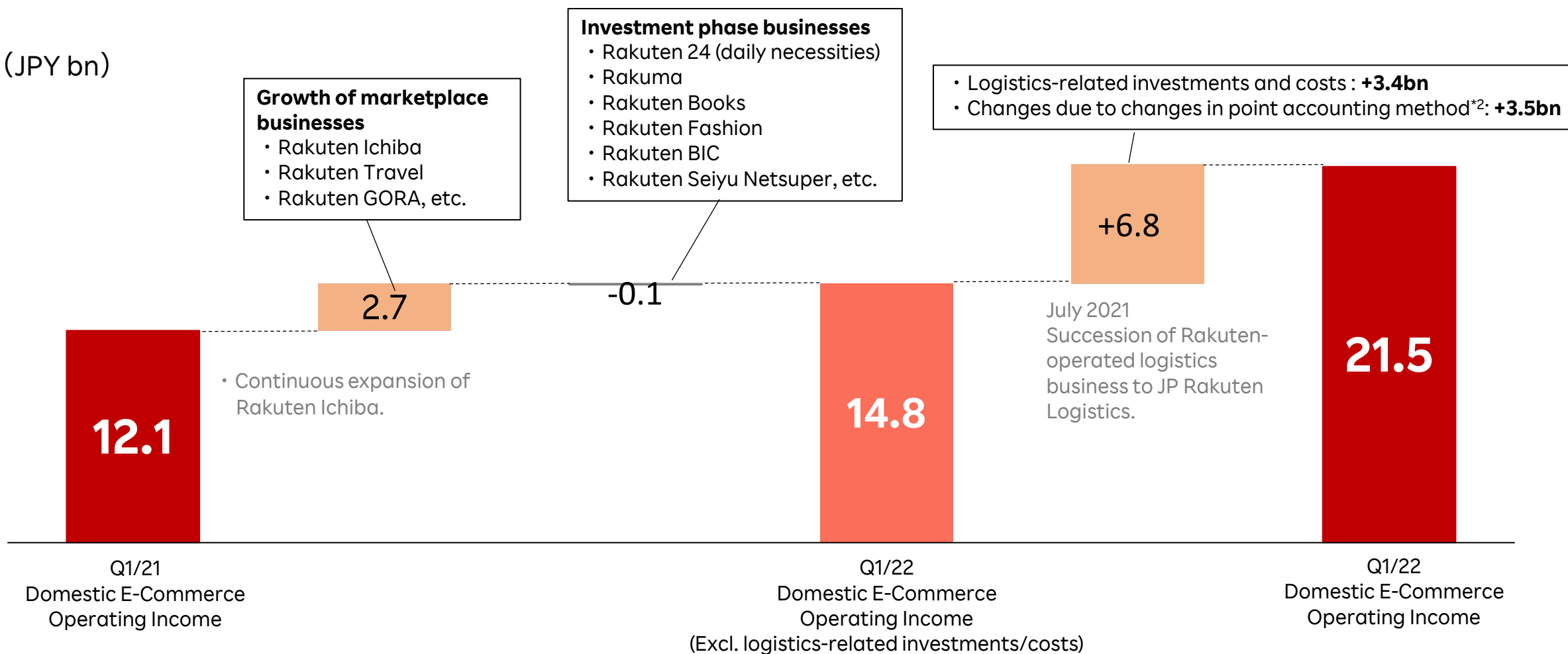
**Q1/22 shopping E-Commerce\*2  
grew steadily, continuing from Q4/21**

\*1 Domestic e-commerce GMS is the combined transaction amount for Rakuten Ichiba, Rakuten Travel (GTV on checkout basis), Rakuten Books, golf business, Rakuten Fashion, Rakuten Dream businesses, Rakuten Beauty, Rakuten Delivery, Rakuten 24, auto business, Rakuma, Rakuten Rebates, and Rakuten Seiyu Netsuper, etc. (\*Excludes some tax-exempt businesses, includes consumption tax.)

\*2 Shopping e-commerce = Ichiba + 1st Party (Rakuten Fashion, Books, Rakuten 24 and other direct daily necessities shops, Rakuten Seiyu Netsuper) + Open EC (Rebates, Rakuten Pay online payments) + Rakuma.

# Domestic E-Commerce Operating Income Breakdown\*1

(JPY bn)



\*1 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.

\*2 Retroactive revisions have been made by transferring the points for the entire group that were managed at Rakuten Ichiba to the Rakuten Group.

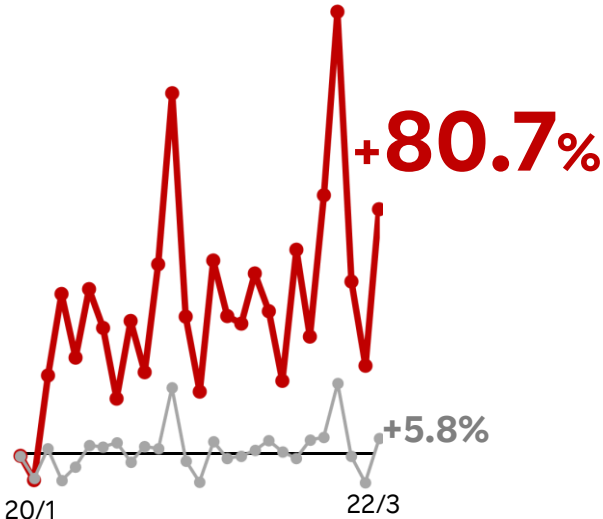
# Rakuten E-Commerce Services GMS Growth Exceeds Industry Standards

vs. Jan 2020 rate of change

**Rakuten**

VS.

Retail industry sales\*1



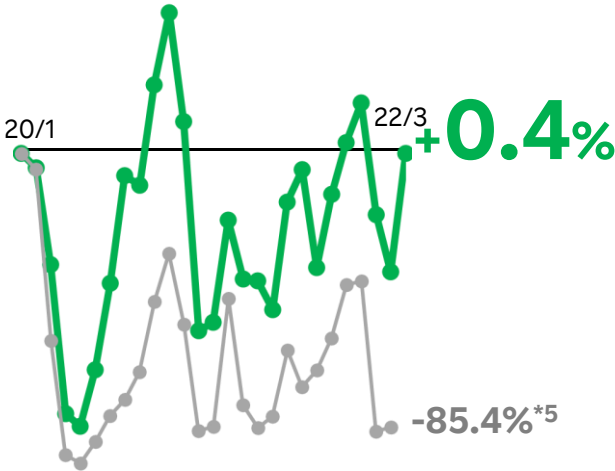
\*1 METI, Commercial Sales Value by Type of Business and Value from Same Month/Period of the Previous Year.

vs. Jan 2020 rate of change

**Rakuten Travel**

VS.

Travel agency industry GTV\*2



\*2 Japan Tourism Agency, Flash Report on Major Travel Agency Transaction Amounts.

\*3 National Supermarket Association of Japan, Supermarket Sales Statistics Survey.

\*4 METI, Preliminary Report on the Current Survey of Commerce ( February,2022 ) Statistics Tables.

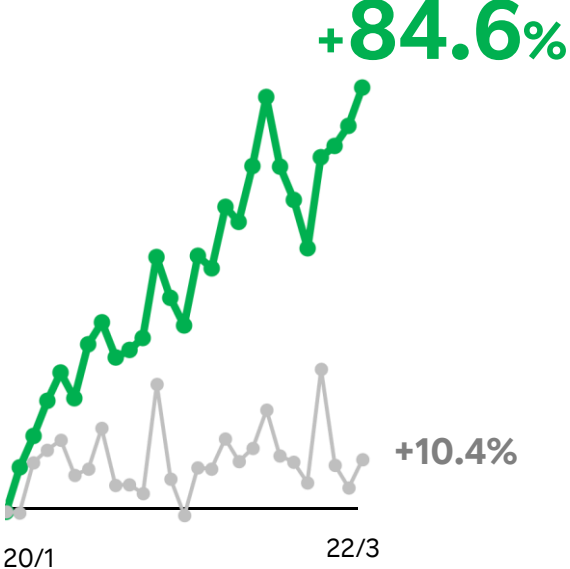
\*5 As of February 2022

vs. Jan 2020 rate of change

**Rakuten SEIYU**  
**ネットスーパー**

VS.

Supermarket sales\*3

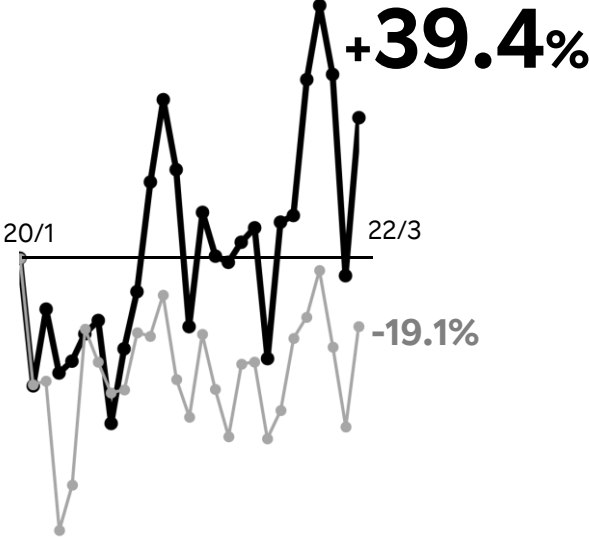


vs. Jan 2020 rate of change

**Rakuten Fashion**

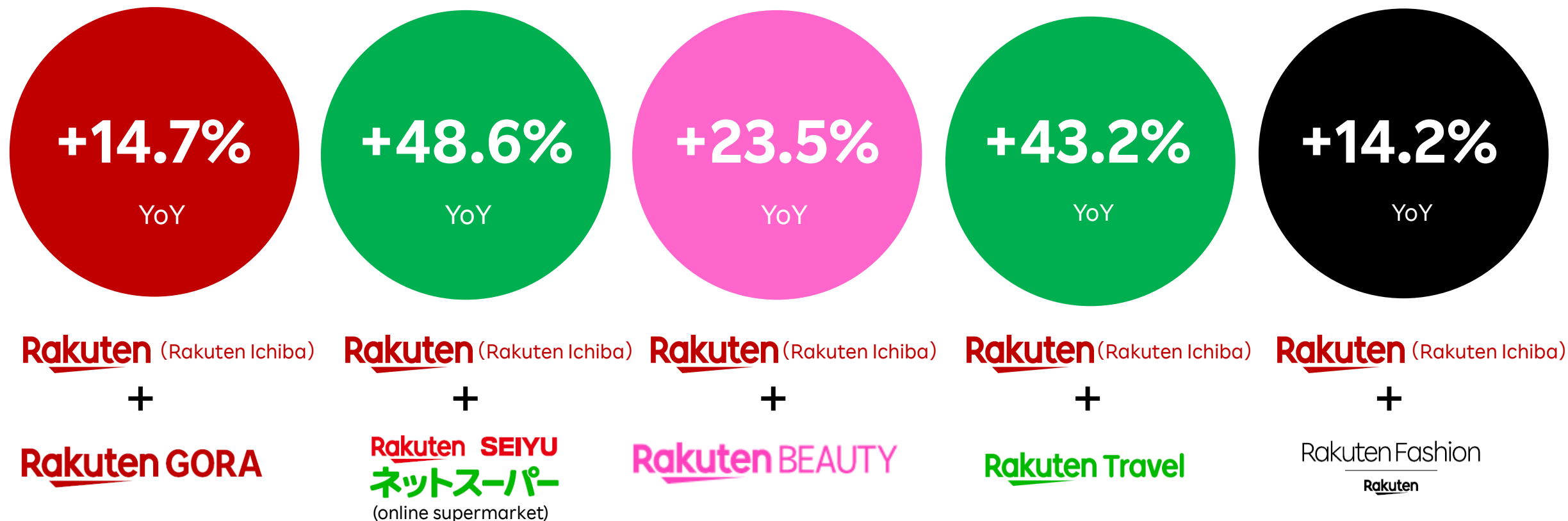
VS.

Department store and supermarket apparel sales\*4



# Rakuten Ichiba + Other E-Commerce Services Cross-Use Expansion

Q1/22 Rakuten Ichiba + Other E-Commerce Services Users YoY Cross-Use Growth

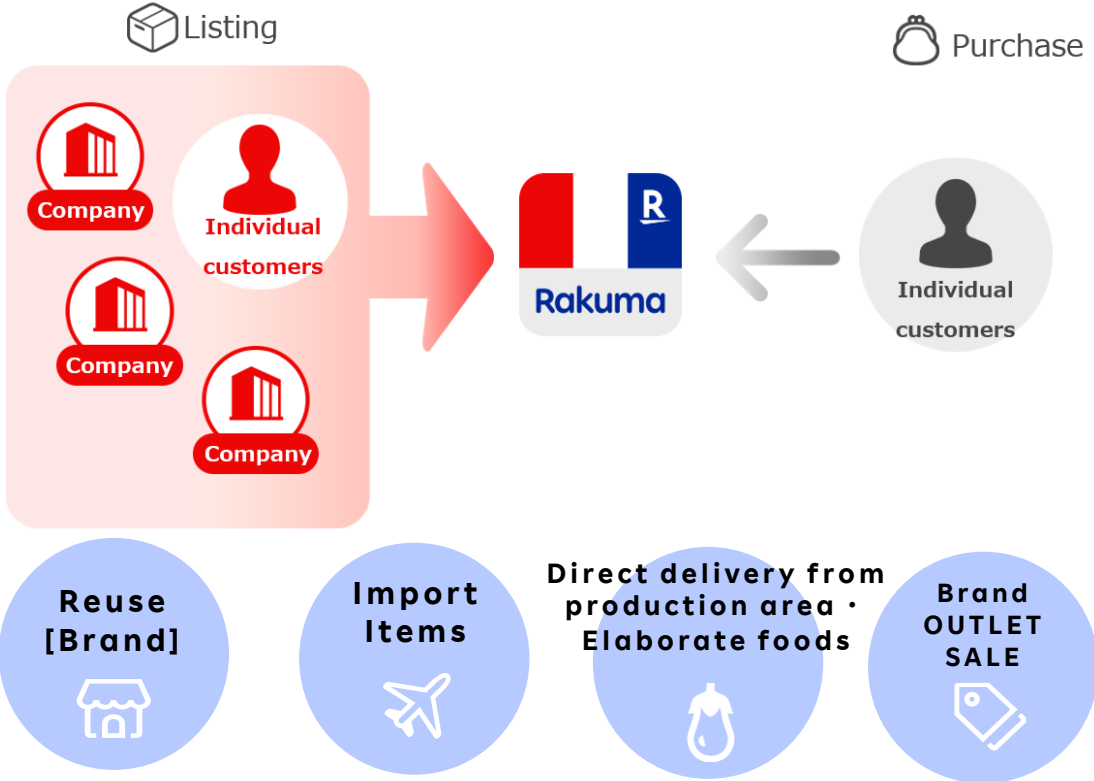




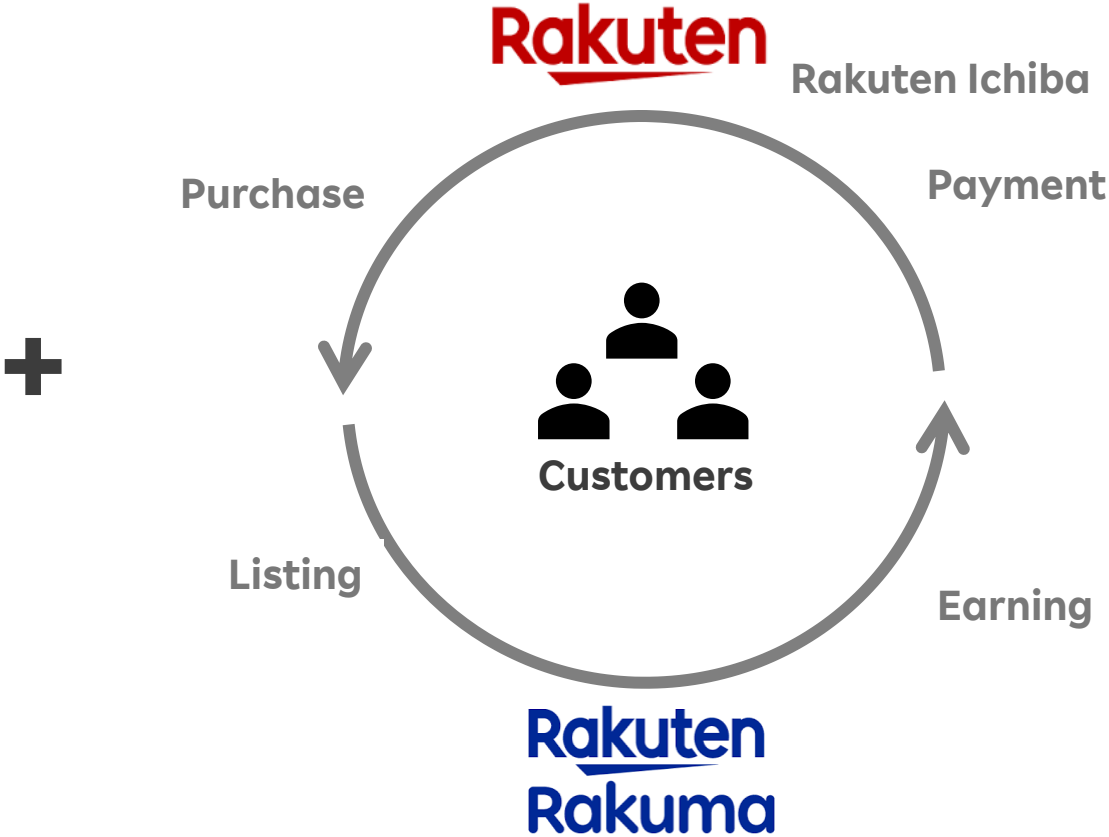
# Rakuma: Expansion of business listings and circulation strategy

While activating secondary distribution together with businesses, we will strengthen cooperation with primary distribution and promote a circulation strategy with Rakuten Ichiba

## Expansion to business listings



## Circulation with Rakuten Ichiba



# Rakuten Seiyu Netsuper: New Distribution Center Driving Performance Growth

**Rakuten SEIYU**  
**ネットスーパー**  
(online supermarket)

## Distribution Center Expansion

- The commercial area and supply capacity have expanded not only in the Kanto area but also in the Kansai area due to the launch of our Kohoku logistics center and Ibaraki logistics center



<Ibaraki logistics center>

- 2018: Kashiwa City, Chiba prefecture
- 2021: Yokohama City, Kanagawa prefecture
- 2022: Ibaraki City, Osaka prefecture
- 2023: (Planned) Matsudo City, Chiba prefecture

## Q1/22 GMS

(Total of store shipment / distribution center shipment)

**+24.1%**

YoY

## Q1/22 GMS shipping from logistics centers

**+70.5%**

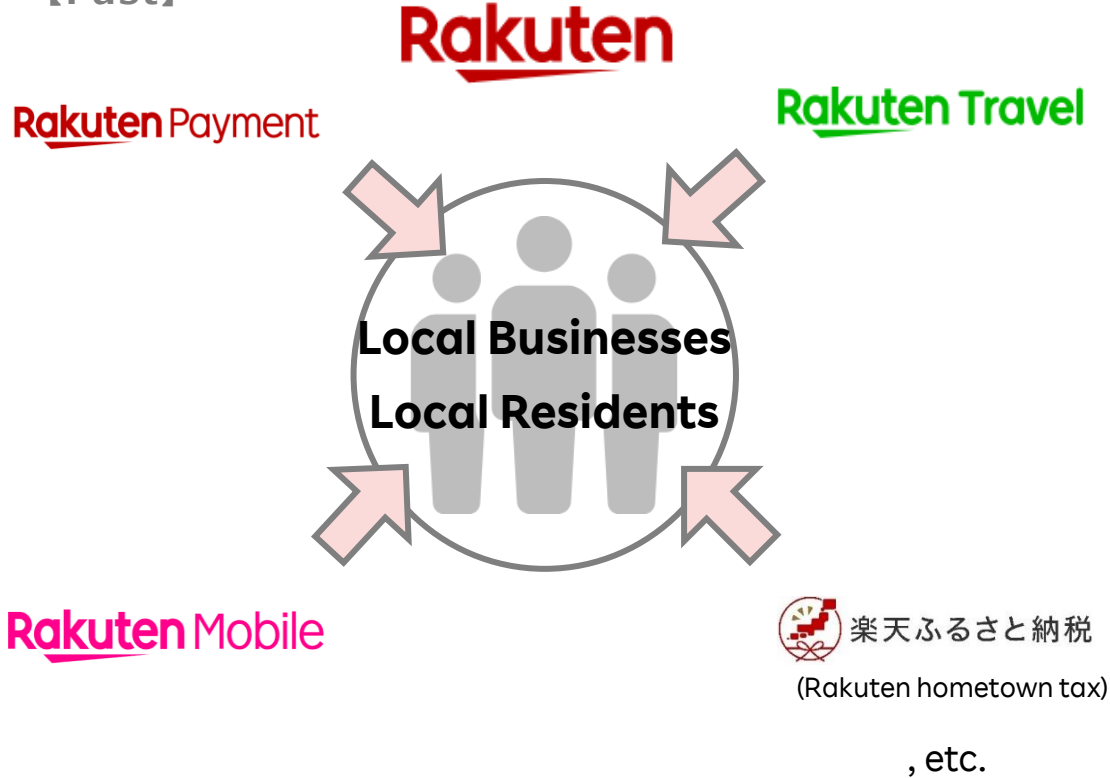
YoY

# Rakuten Ecosystem Expansion through Regional Strategy

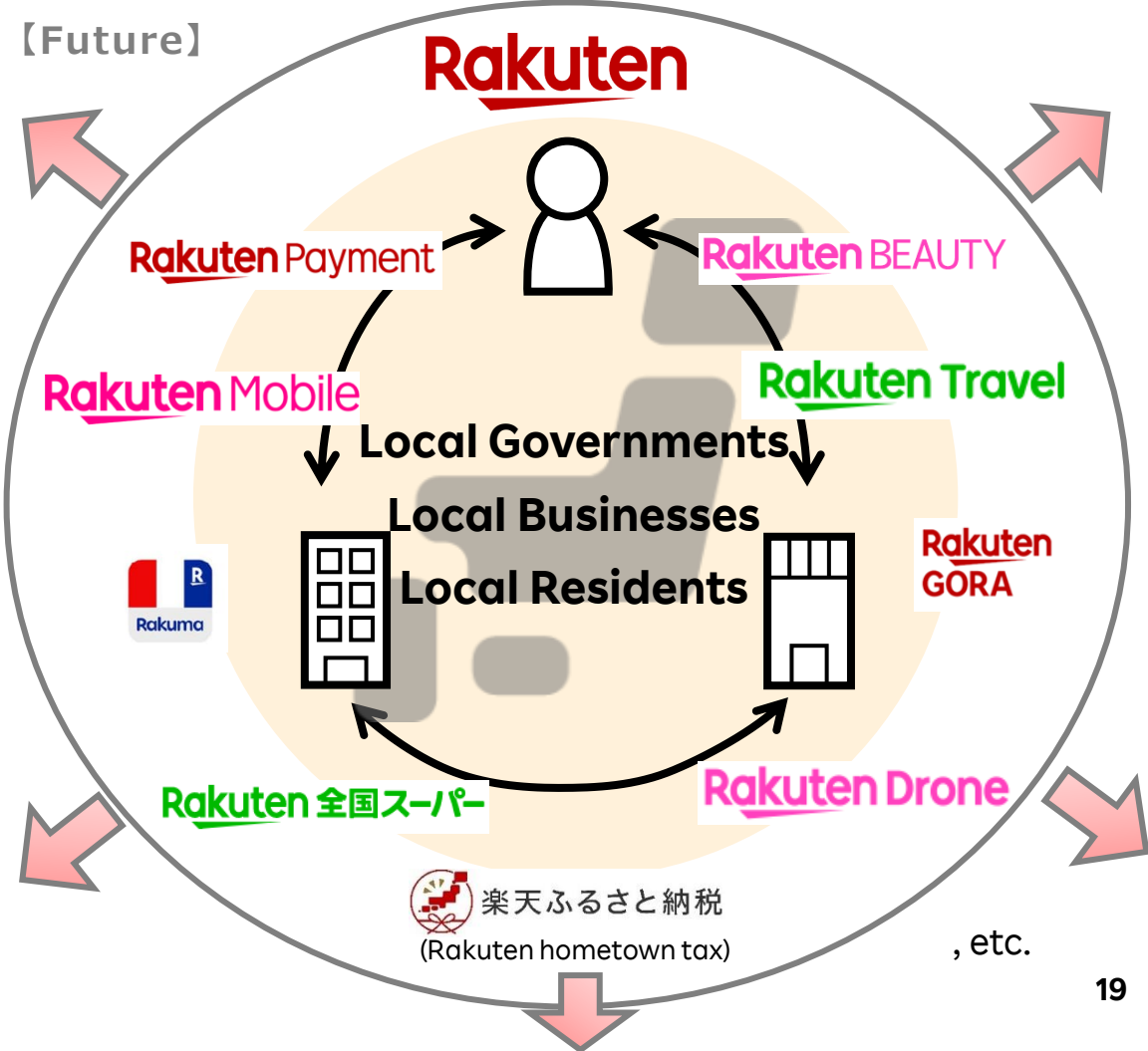
Expanding the Rakuten ecosystem by promoting the introduction of Rakuten services in each region

In addition, further expand the ecosystem and increase Rakuten fans in the future due to recirculation within the local economy

【Past】



【Future】

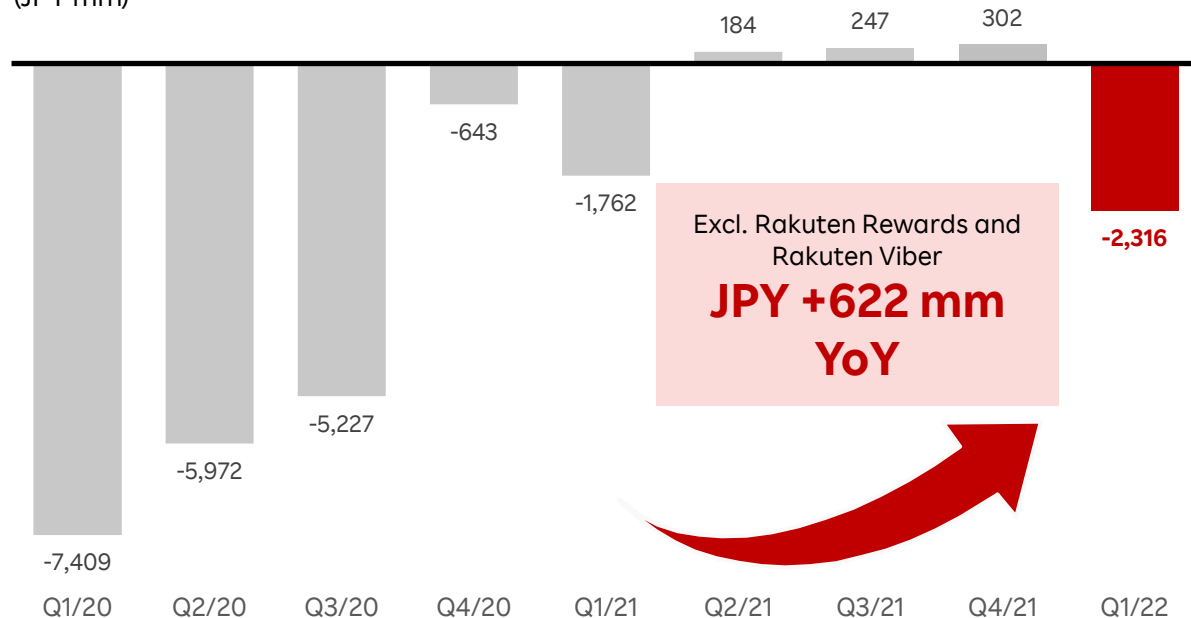


# Improved Profitability of Other Internet Services

Profitability improved due to cost reductions achieved through business concentration and selections made by Business Portfolio Committee, and gradual return to normal business activity. This has led to significant profitability improvements across Other Internet Services.

Other Internet Services operating Income  
(Excluding gain/loss from minority investment)

(JPY mm)



Main Factors

- Cost reduction through business management
- Improvement of sports and overseas businesses
- Q1/22 operating income decreased YoY due to Rakuten Viber reflecting Ukraine situation, and Rakuten Rewards marketing costs

# **4 FinTech**

# Q1/22 Earnings Highlights

## FinTech

Card and Bank businesses are performing well with a growing customer base

Q1/22  
Revenue (excl. Securities)

**+5.4%**

YoY

Q1/22  
Non-GAAP OI (excl. Securities)

**+4.8%**

YoY

Rakuten Cards Issued \*

Surpassed

**26mm**

Rakuten Bank Accounts

Surpassed

**12.3mm**

Rakuten Securities Accounts

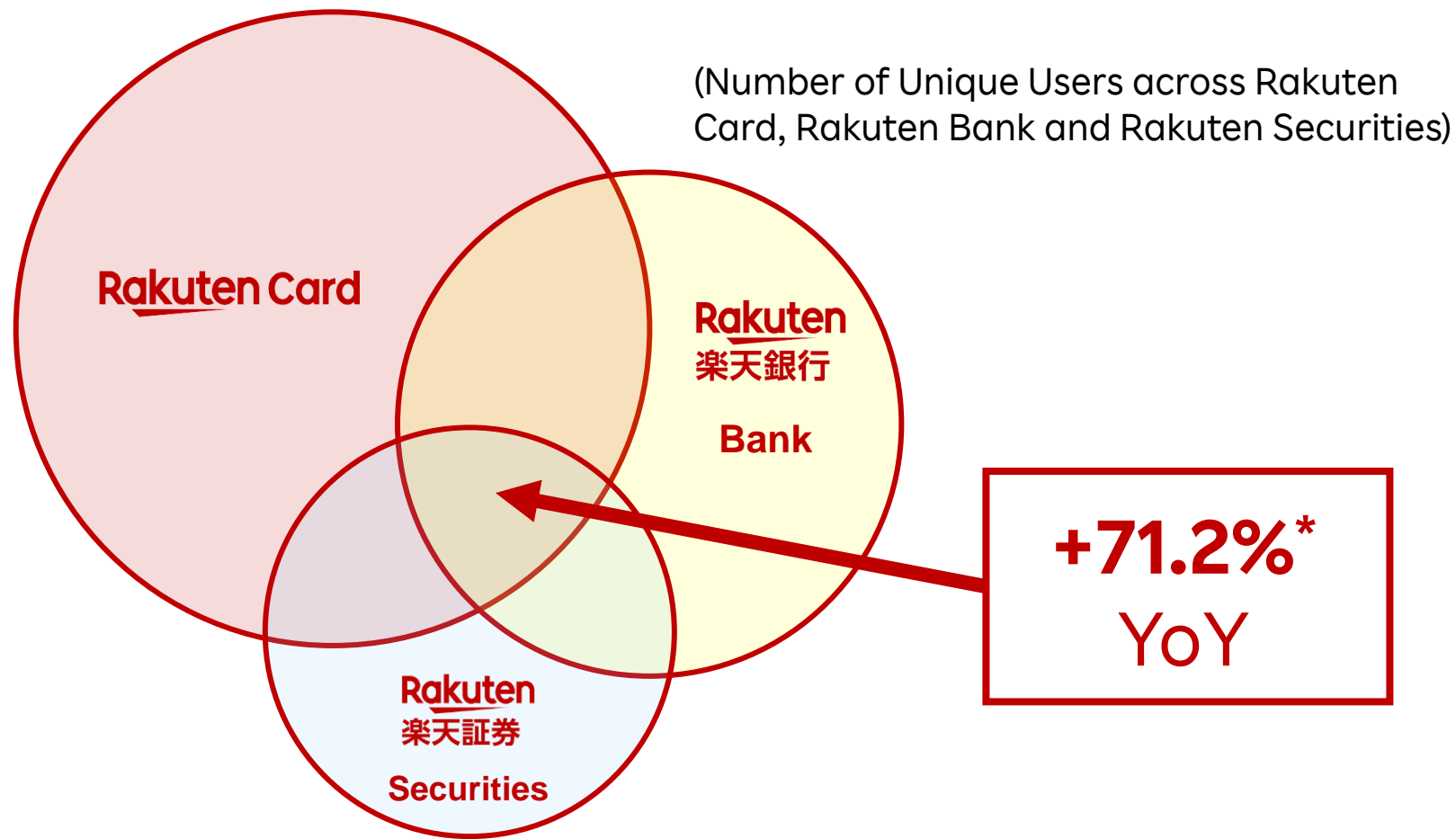
Surpassed

**7.6mm**

\* Achieved in April 2022.

# Cross-Use Example of FinTech Businesses

Cross-use among FinTech services is expanding



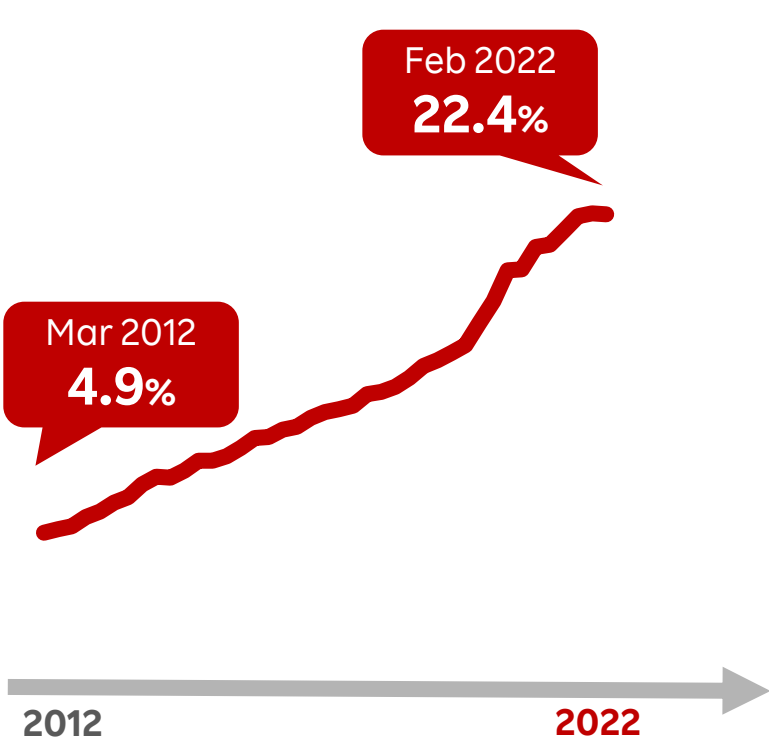
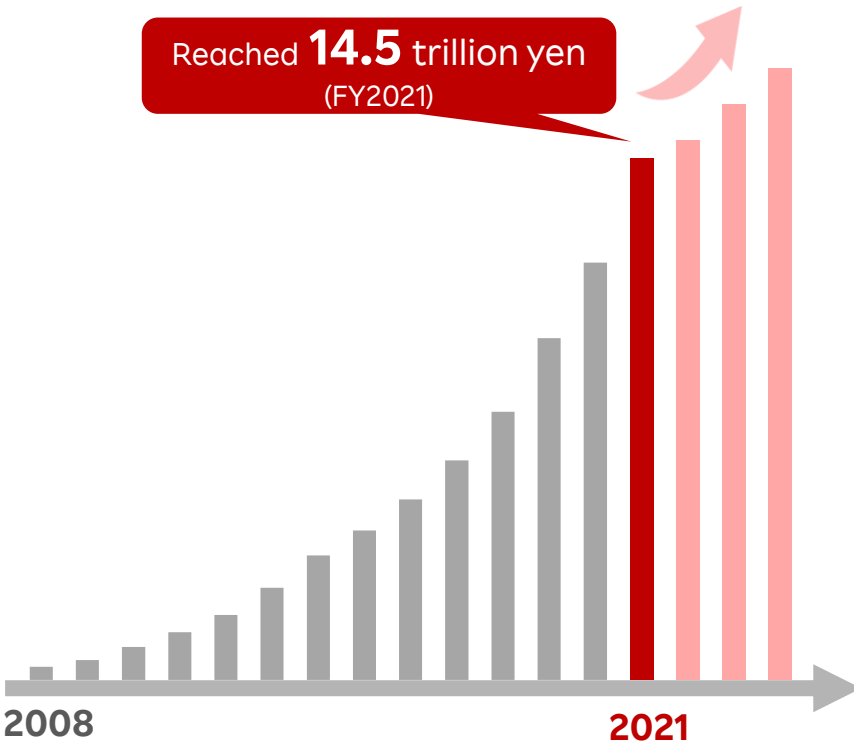
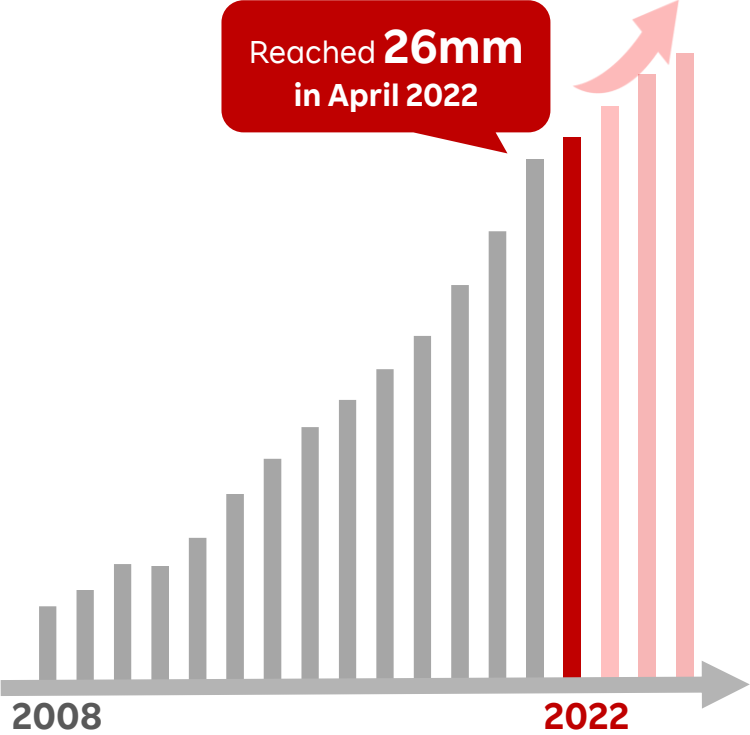
\* As of March 2022

# Rakuten Card: Each KPI Moving towards “Triple 3” Expecting Further Acceleration Post-COVID

| Cards issued → **30** million

| Shopping GTV → **30** trillion JPY

| GTV share\* → **30**%



\* Ministry of Economy, Trade and Industry, Specified Service Industry Statistics Survey, Credit Card Industry.



# Rakuten Bank: Steady Growth with Further Acceleration in Number of New Accounts Opened

Mar/22 Customer Bank Accounts

**12.3 mm**

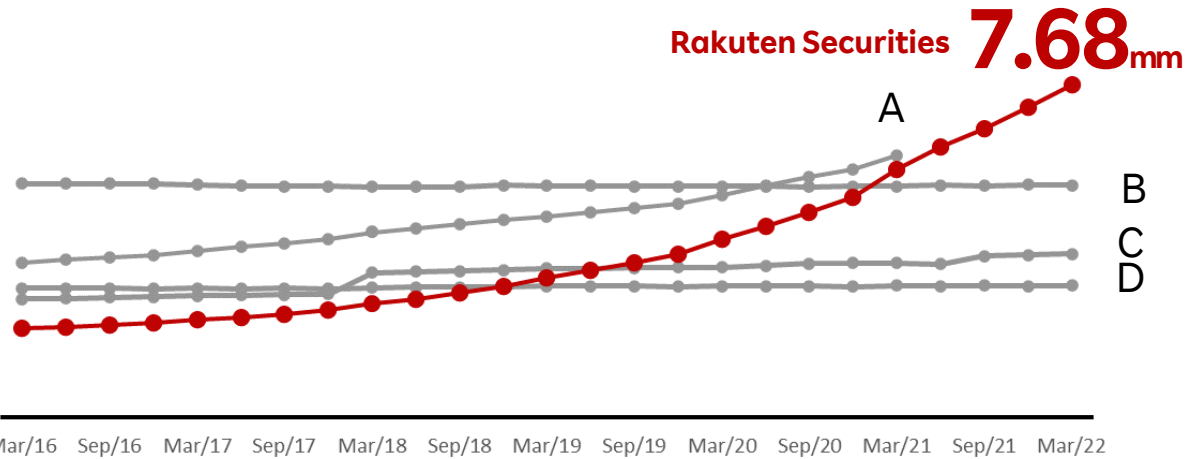
Mar/22 Deposit Balance

**JPY 7.5 tn**

**+36.1%**  
YoY

# Rakuten Securities: Towards Unmatched Securities Company

Newly Opened General Securities Customer Accounts No.1\*1



Newly Opened NISA・iDeCo Accounts No.1

みなさまに選ばれて **No.1**

J.D. パワー 2021年 個人資産運用 顧客満足度 ネット証券部門 **No.1**

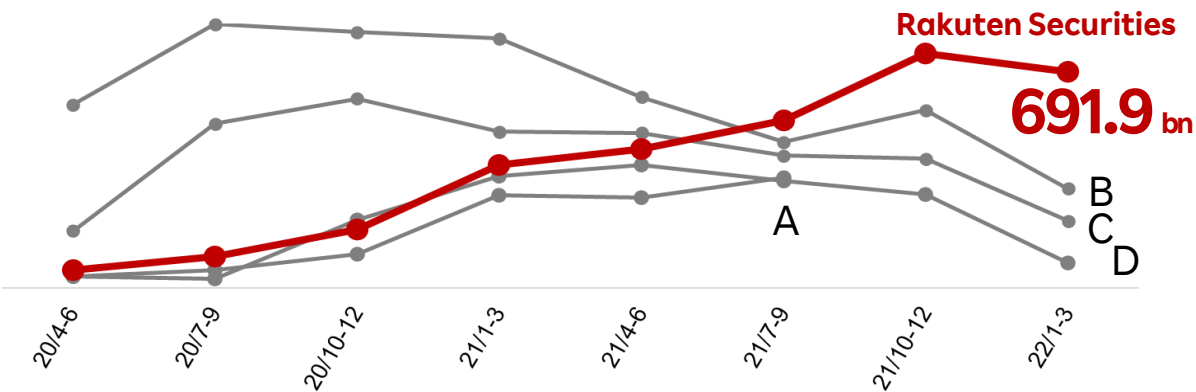
新規口座開設数 4年連続 **No.1**

NISA(つみたて) 口座開設数 3年連続 **No.1**

iDeCo新規加入者数 3年連続 **No.1**

※1 出典-J.D. パワー調査の詳細はjdpower-japan.comをご参照ください。2021年調査においては、同率で2社が1位を受賞  
 ※2、3: 主要ネット証券5社(口座数上位5社: auカブコム証券、SBI証券、松井証券、マネックス証券、楽天証券(五十音順))で比較(2022年3月30日現在、楽天証券調べ)  
 ※4: 主要運営管理機関で比較(2022年3月30日現在、楽天証券調べ)

Investment Trust Sales No.1\*2



Why Both Beginner and Veteran Choose Us



iSPEED®

トクシル

Owned Media



Rakuten Point Program

\*1 Aggregated by Rakuten Securities based on disclosures on each company's website. Company A does not disclose the number of accounts after March 2021. Number of accounts with balance for Company B and D, total accounts for Company C.

\*2 Aggregated by Rakuten Securities based on disclosures on each company's website. Company A does not disclose the Investment Trust Sales after Sep. 2021.

# Rakuten Insurance Business: Strong Embedded Insurance Strategy with Distribution Channels across Rakuten Group Services

**Rakuten**  
**楽天損保**

General insurance

**Rakuten**  
**楽天生命**

Life insurance



**Rakuten**

Super easy insurance  
 Rakuten Anshin Extended Warranty  
 Private car discount insurance  
 Pet Small-amount-short-term-insurance

**Rakuten Travel**

Travel insurance  
 Lodging insurance

**Rakuten Card**

Ancillary insurance

**Rakuten 楽天銀行 Bank**

Fire insurance  
 Group credit insurance

**Rakuten Mobile**

Device insurance

**Rakuten GORA**

Golf insurance

**Rakuten Drone**





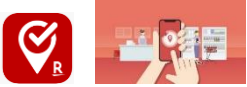

Drone appraisal

# Rakuten Payment: “Online Merges with Offline” Strategy Powered by Rakuten Points – Support Merchants with DX

**Offline**

Enabling customers to use all payment method at all Seiyu and related stores



<p>April 2022~</p> <p><b>Rakuten Card</b></p> 	<p>April 2022~</p> <p><b>R Edy</b></p> 	<p>April 2022~</p> <p><b>R POINT</b></p> 
<p>December 2020~</p> <p><b>R Pay (App)</b></p> 	<p>November 2020~</p> <p><b>Rakuten チェック</b></p> 	

“Rakuten Seiyu Netsuper App”

**Online**

On Rakuten Seiyu Netsuper  
**Rakuten SEIYU**  
**ネットスーパー**



# FinTech: Comprehensive FinTech Ecosystem

**12.3mm Accounts**

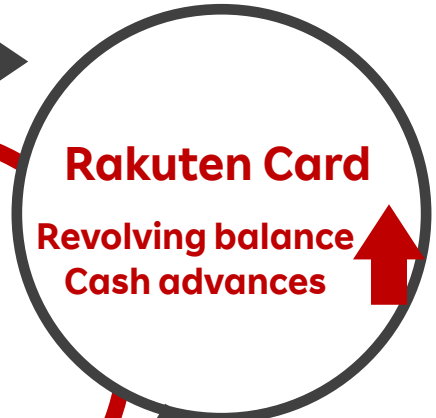


**Deposit Growth**



**Securitization**

**26mm Cards Issued**



**Money Bridge (Sweep accounts)**



**Card Payment of Accumulation-type Investment Trusts**

**7.68mm Accounts**

**5**

# Mobile

# Rakuten Mobile Triangle Strategy



**Rakuten Mobile**

**MNO Business**

Change the conventional wisdom of Japan to become the No. 1 carrier

**MNO Business**



**Ecosystem Synergy**

Expansion of Rakuten ecosystem through collaboration with mobile

**Rakuten**

**Ecosystem Synergy**



**Going Global**

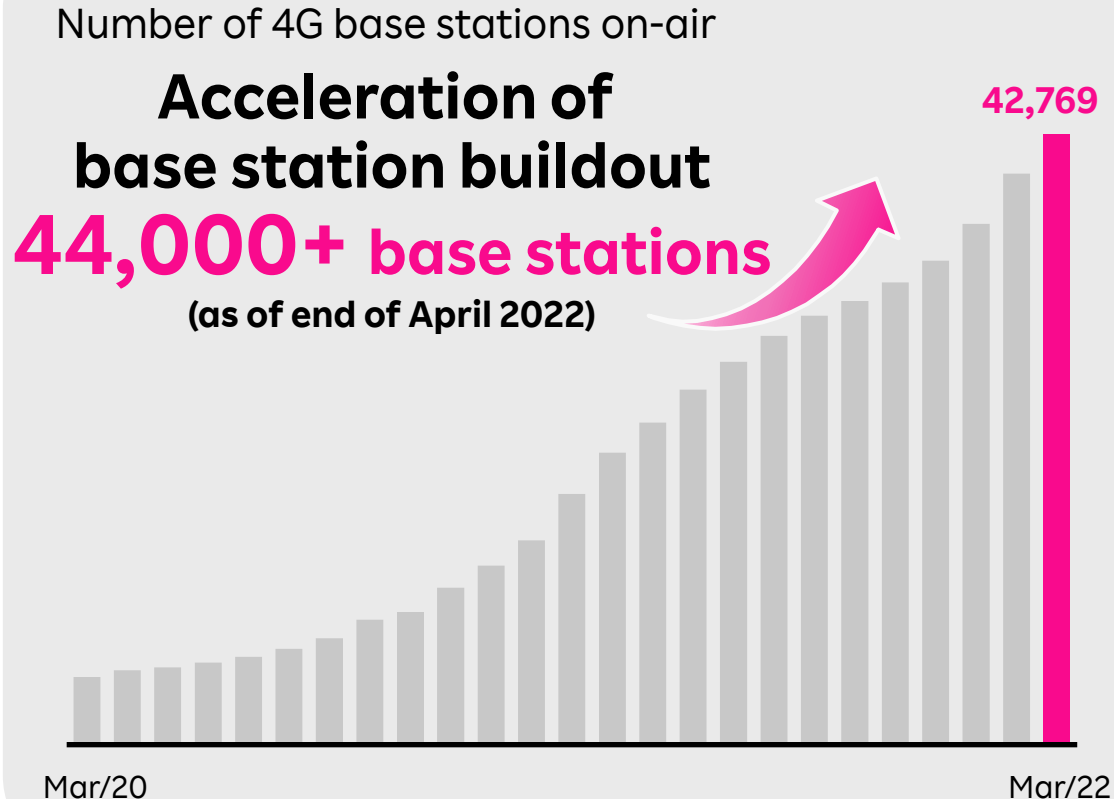
Expanding mobile platforms worldwide through Rakuten Symphony

**Rakuten Symphony**

**Going Global**

# Rakuten Mobile Network Expansion

## Outdoor strategy



## Indoor strategy

**Expanding indoor coverage through Rakuten Casa and other measures**



### Progress of Rakuten Casa

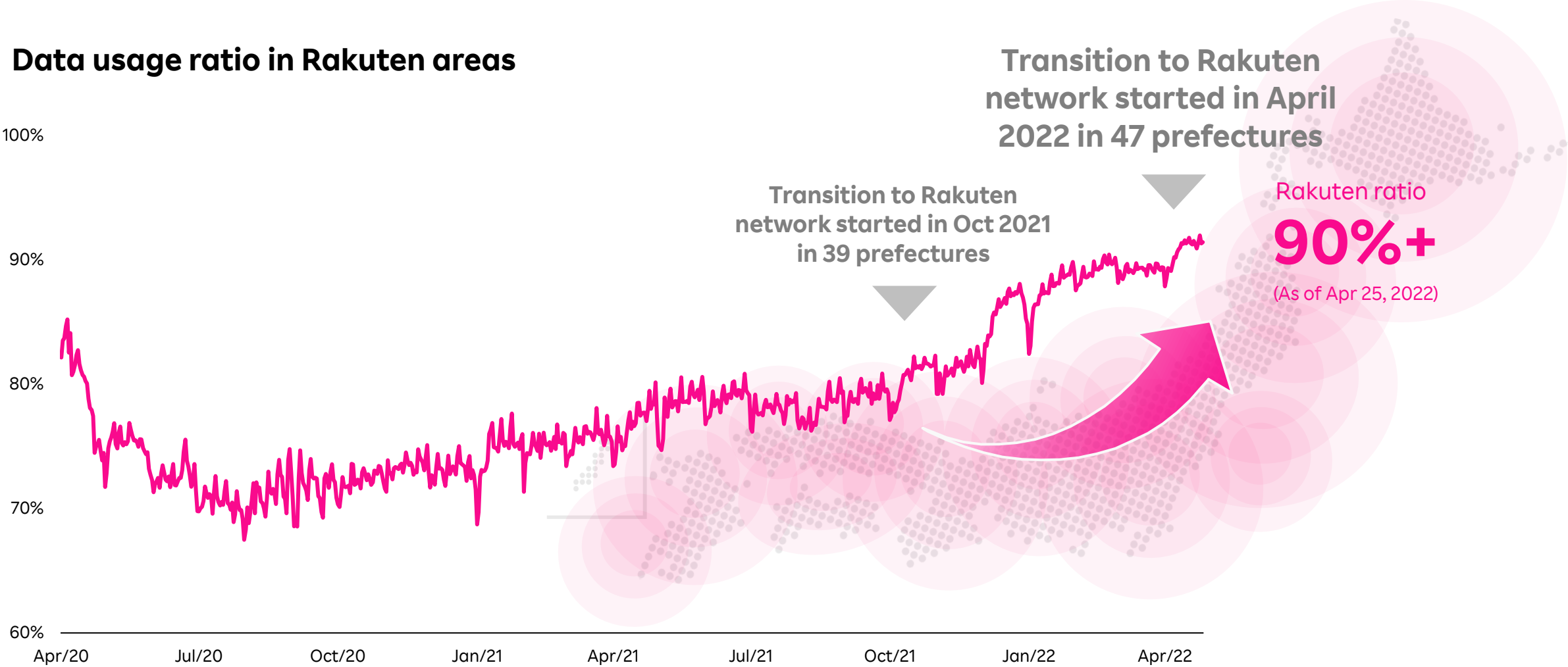
- A dedicated team of about 400 people promotes the installation
- Approx. 80,000\* Rakuten Casas have already been installed all over Japan (As of end of March 2022)

\* Total of individual and business use



# Increased Data Usage in Rakuten Areas

## Data usage ratio in Rakuten areas

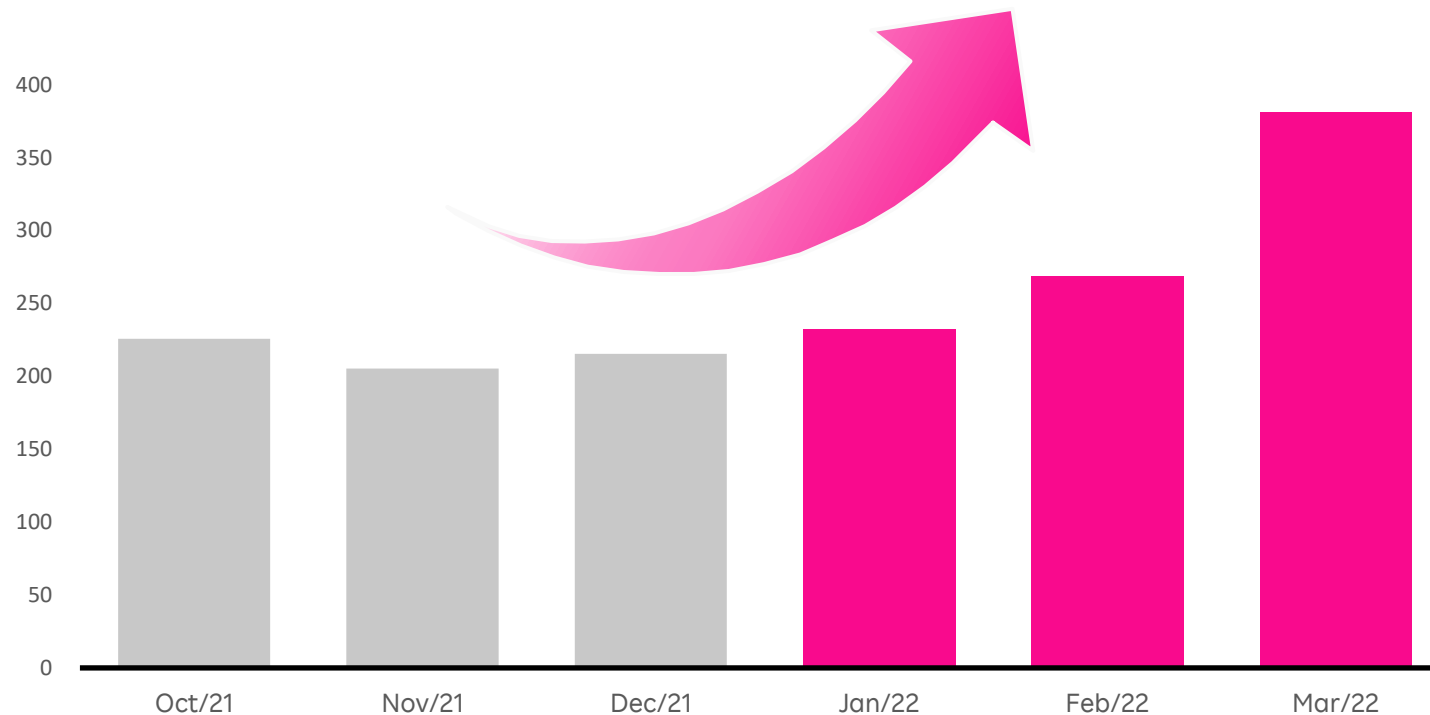


# Acceleration of MNO Applications

With the expansion of network coverage, MNO applications are also increasing.

**Number of MNO applications (thousand applications)**

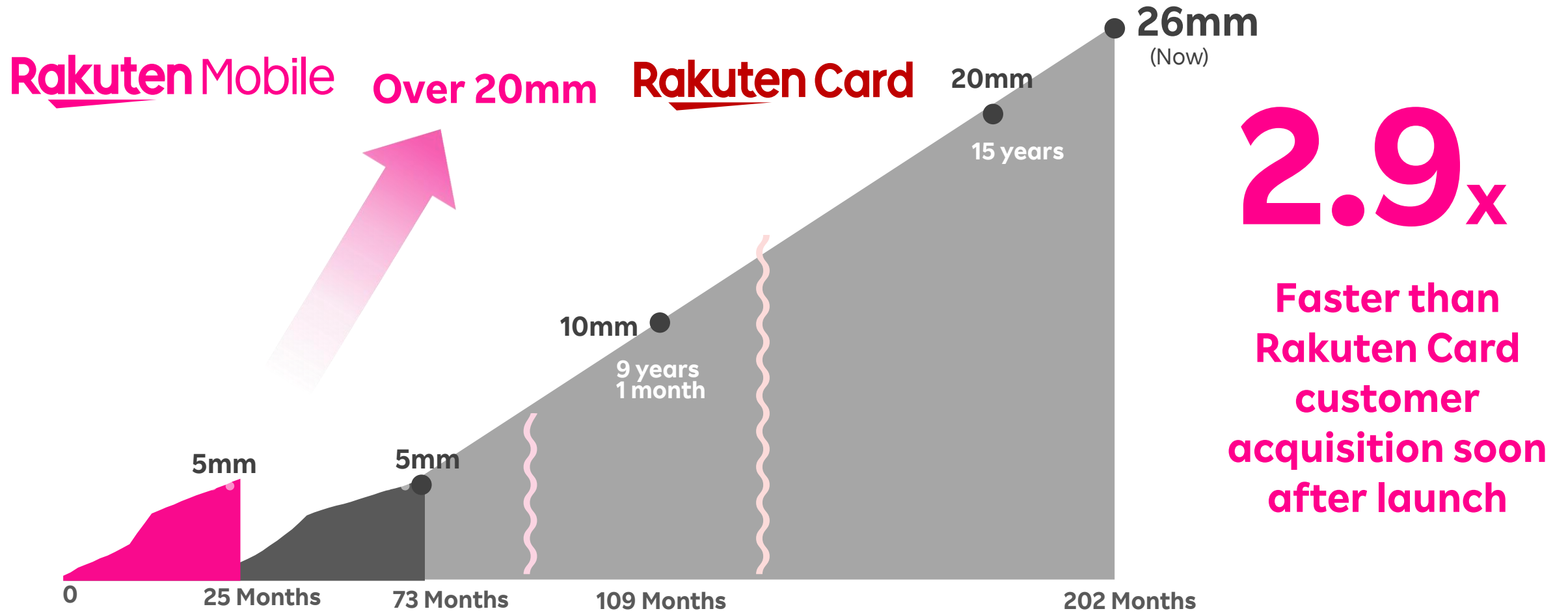
## Acceleration of MNO Applications



# Rakuten Mobile Advantage for Customer Acquisition

Rakuten Mobile can leverage Rakuten Card advantages: 1) cost competitiveness 2) strong marketing initiatives include Rakuten Points

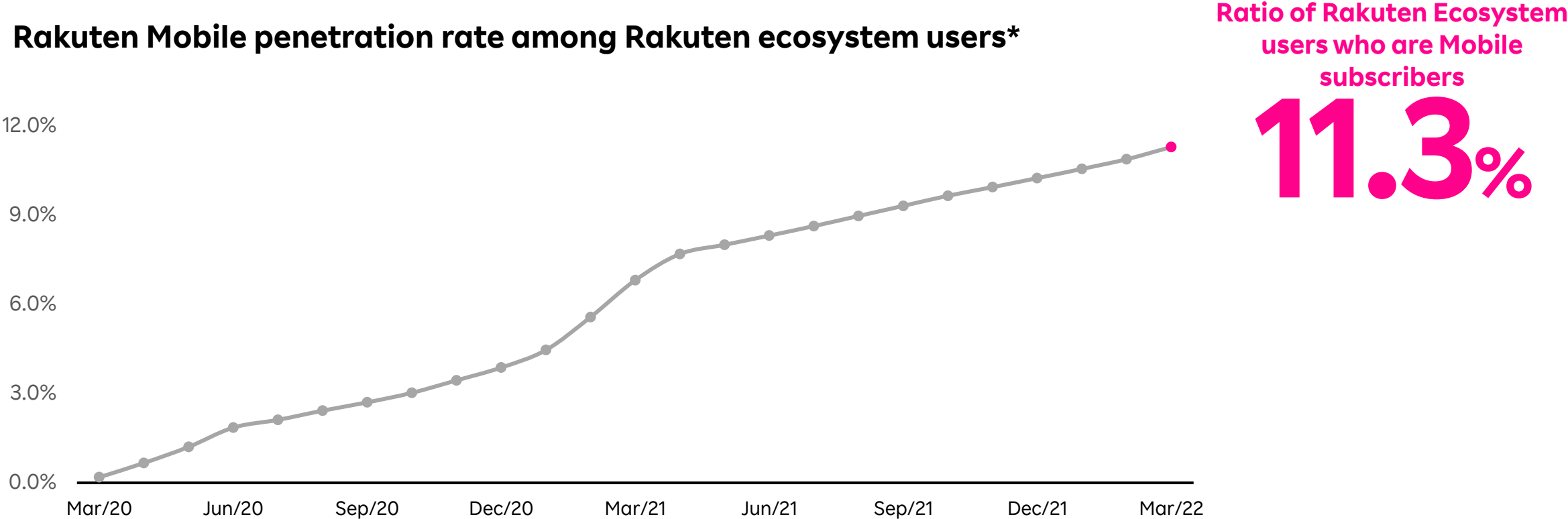
Rakuten Mobile vs Rakuten Card pace of customer acquisition since each service launch



# Mobile subscribers in the Rakuten Ecosystem

The ratio of Rakuten Ecosystem users who are Mobile subscribers has increased to 11.3%

## Rakuten Mobile penetration rate among Rakuten ecosystem users\*



Ratio of Rakuten Ecosystem users who are Mobile subscribers

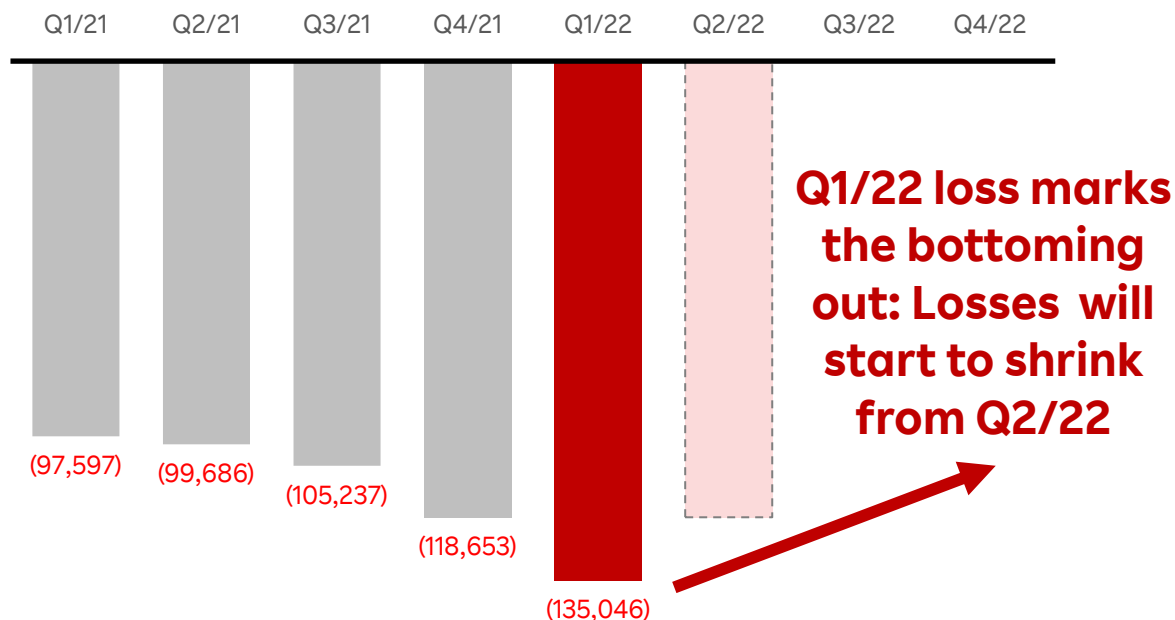
**11.3%**

\* As of each month, the percentage of users who have used Rakuten Group services within the past year and have Rakuten mobile contracts as of that month.

# Mobile Segment Outlook

Loss will bottom out in Q1/22, and start to shrink from Q2/22, due to the increase in paying users who will complete the one-year free campaign as well as roaming cost reduction.

(JPY mm)



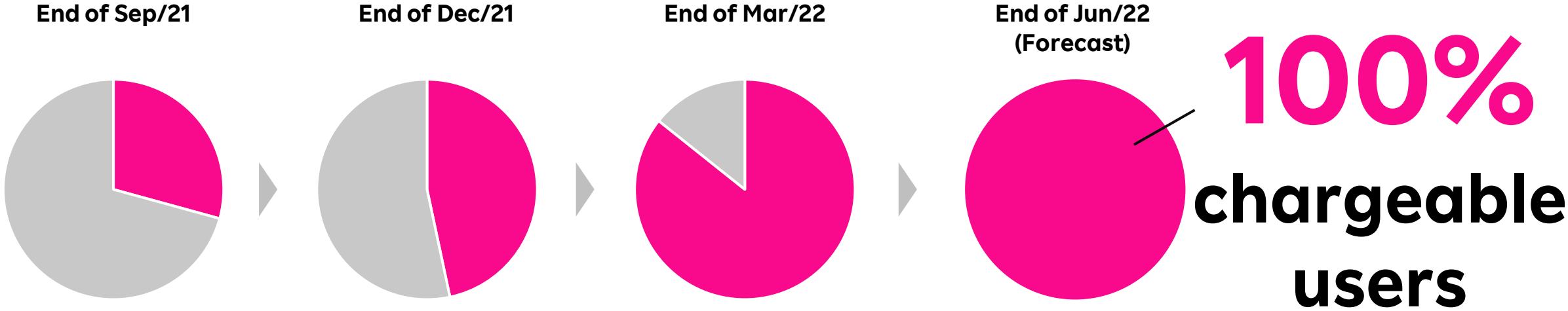
Main improvement factors

- **Increase in paying users**  
Customers who applied for the 1-year free campaign which ended on April 8, 2021, will convert to paying users in sequence
- **Acceleration of subscriber acquisition**  
Improvement of competitive environment (elimination of cancellation fees at other carriers, carrier mail portability), and improvement of network construction status will contribute
- **Roaming cost reduction**  
Switch roaming services sequentially from April 2022

# Increase in MNO Chargeable Users

Customers who applied for the 1-year free campaign which ended on April 8, 2021, as well as 3-months free campaign which ended on February 8, 2022, have converted to become chargeable users.

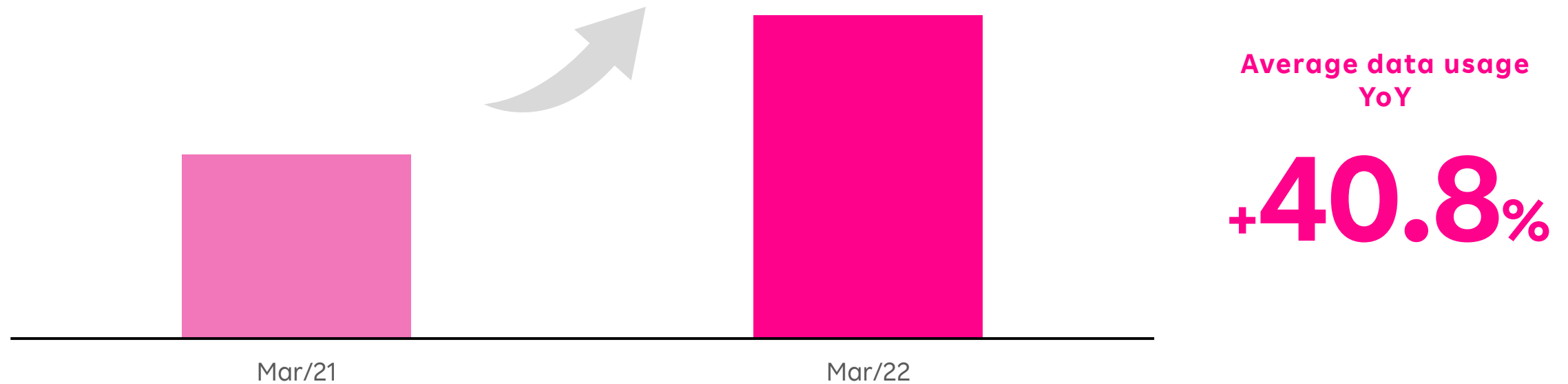
## Ratio of Chargeable users in MNO



# Data usage of Rakuten mobile users

Average data usage per chargeable user in Rakuten areas: **+40.8%** YoY

**Change in average data usage per chargeable user in Rakuten area\***



\*Average data usage for all Rakuten Mobile subscribers since March 2020 (excluding data usage on partner area)

# New Pricing Plan

**Rakuten** Mobile



# The ideal plan in the high data usage era

## Rakuten UN-LIMIT VII

For months with low data use

**0-3GB**

**980** yen per month  
(1,078 yen inc. tax)

For months with high data use

**3-20GB**

**1,980** yen per month  
(2,178 yen inc. tax)

For months when data use is over 20GB

100GB or  
200GB

**Unlimited**

**2,980** yen per month  
(3,278 yen inc. tax)

**Rakuten Group offers and other benefits to come**

# Rakuten UN-LIMIT VII

From July 1, 2022

Campaigns to celebrate the launch of the ideal single plan for everyone

No matter how much you use

**UNLIMITED 2,980 yen/month**

Unlimited in Rakuten network areas. Other areas max 1Mbps.

(1,078~3,278 yen/month inc. tax)

Lower fees for months with low data usage **Up to 3GB 980 yen/month**

Call fees and other costs charged separately to provide a fair service, restrictions on transmission speed may be implemented. Ideal refers to the plan fee changing with the data usage.

Plan fees up to 1GB

Essentially **4 months FREE**

\*Points to the value of 2 months of fees will be issued at a later date

Starting on June 1

When shopping on Rakuten Ichiba

Up to **6X** points back

\*Conditions apply

**UNLIMITED** calls of up to 15 minutes through standard calling app

**1,100 yen/month** (inc. tax) **3 months FREE**

\*When applying for the unlimited call option for the first time

Rakuten Group Services



Essentially **3 months FREE**

Points and discounts available after free period

\*Free period varies by service. \*Conditions apply.

\*Some services excluded. \*Some content may change.

YouTube Premium

**3,000 Points** for new subscriptions to Rakuten UN-LIMIT VII \*Conditions apply, including use of Rakuten Link

# Strengthening collaboration with Rakuten Group services: 1

Starting on June 1

When shopping on  
Rakuten Ichiba

Up to **6** x points  
back



Shopping on  
Rakuten Ichiba

points **1x**



Using  
Rakuten Mobile

points  
**+ 1x**



Using  
Rakuten Card

points  
**+ 2x**



Using  
Rakuten Mobile **+ 1x**

NEW

**D** Diamond  
members **+ 1x**

NEW

\*Limit to number of points that can be acquired. \*Conditions apply.

# Strengthening collaboration with Rakuten Group services: 2



## Rakuten Magazine

Monthly plan: 418 yen (inc. tax)

→ **31 days free** **NEW**

After free period **30% points back every month**



## NBA Rakuten

Basic pass: 990 yen (inc. tax)

→ **3 months free** **NEW**

After free period **44% off every month**

990 yen → 550 yen (inc. tax)



## Rakuten Music

Standard plan: 980 yen/30 days (inc. tax)

→ **90 days free** **NEW**

After free period **20% off every month**

980 yen → 780 yen (inc. tax)



## Pacific League Special

Monthly plan: 702 yen (inc. tax)

→ **3 months free** **NEW**

After free period **50% points back every month**

\*Content may change. \*Some conditions apply.

**NEW**



**Rakuten Link**

**Official email service**

**Making email safer and more convenient**

**Rakuten Mail**

**楽天メール**

**Free**

**Planned launch on July 1, 2022**

**Email portability from August 2022**



**NEW**



**Rakuten Link**

**Official email service**

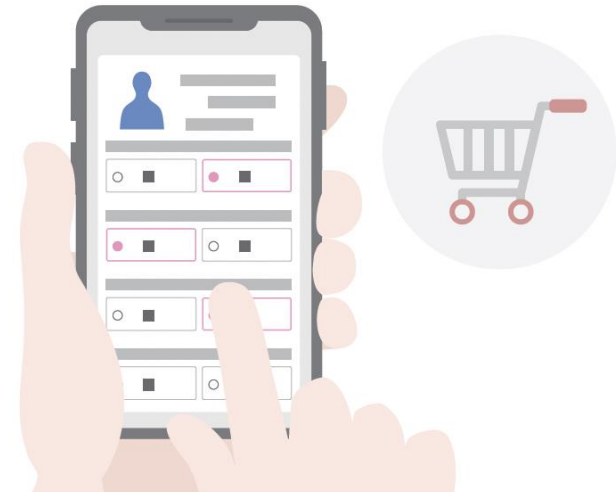
**Rakuten domain email address**



●●●●●@rakumail.jp

Can send and receive emails for Gmail, Yahoo! Mail and other mail address

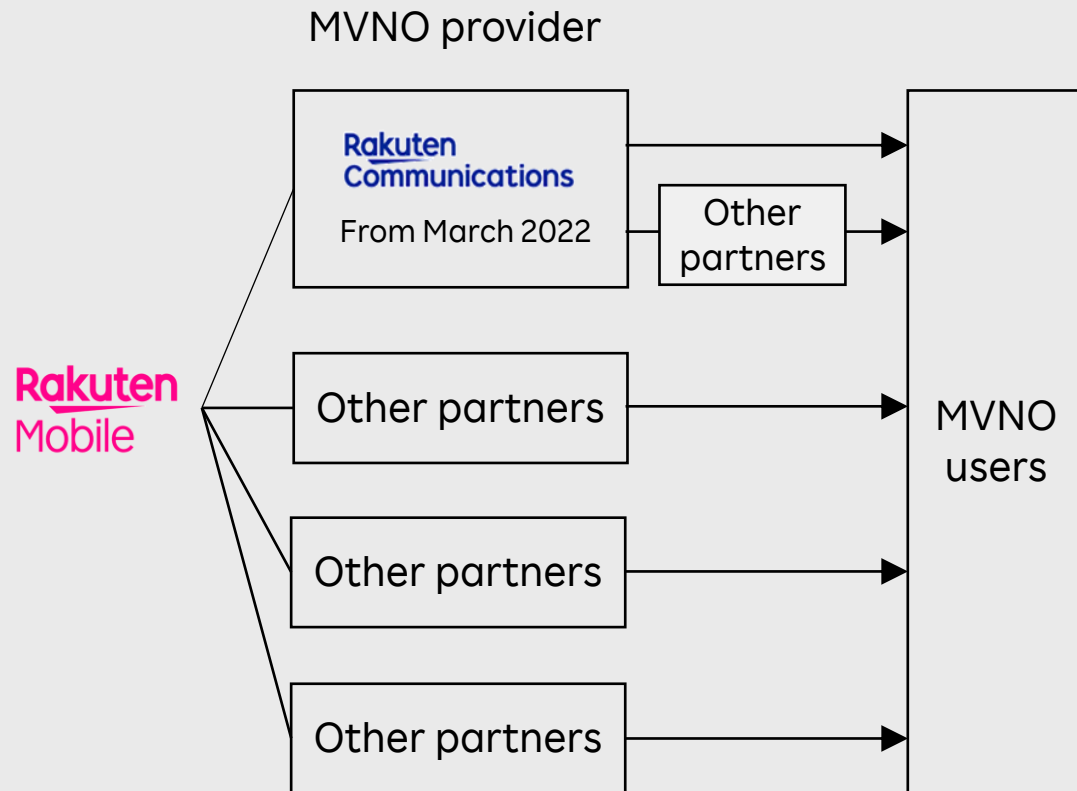
**Can use address for account registration**



Can use address for registering for internet shopping and other online services.

# Scheduled to Start MVNO and B2B Service

## MVNO Service



## B2B Service

- **Starts Oct 2022**
- **Number of existing clients of Rakuten Group: 400,000**

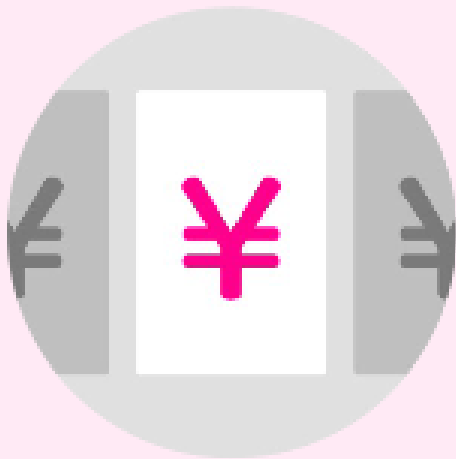


**NEW**

# Rakuten Mobile Enterprise services

Planned for launch in 2022

Special service plan for  
enterprise customers



**Rakuten Link**  
for enterprise

Domestic calls 0 yen



**Domestic calls**  
**Rakuten Link**

**Between app users**

For calls from Japan to  
overseas, and overseas  
to Japan

**Free**





# **6 Rakuten Symphony**

# Rakuten Symphony Milestones

Rakuten Symphony acquired several companies and technology as part of its global expansion



2019



2020



2022

Employees 50 People

Offices 

- Rakuten Mobile's network **first live call!**

1,300 People



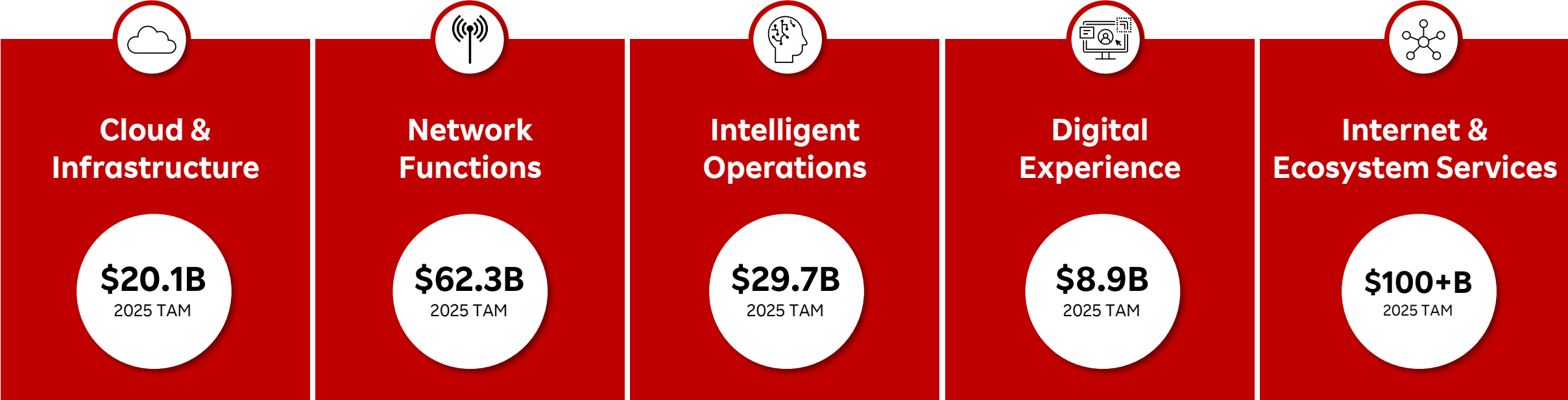
- Finalizing the E2E Network Blueprint
- Acquisition of Innogy and its OSS capabilities
- **Launch commercial network**

3,500 People (90% R&D)



- By 2022, more acquisitions were made and we gained additional capabilities
- Launch of **SymWare** and **SymWorld**
- **Global traction: 1&1, AT&T, ...**

# A massive opportunity in each of Rakuten Symphony's Domain business units



← Combined TAM > \$120B\* in 2025 →

\*Based on internal calculation

**7**

# **Overseas and Contents Business**

# Growing Overseas & Content Businesses

Q1/22 vs Q1/21

**Rakuten TV**

**Total Users\*1**  
**52.6mm**  
**+82.5% YoY**



**Rakuten VIKI**

**Registered Users**  
**56.2mm**  
**+38.9% YoY**



**Rakuten kobo**

**Registered Users**  
**57.2mm**  
**+8.1% YoY**



**Rakuten Viber**

**Registered Users**  
**1.36bn**  
**+7.5% YoY**



**Rakuten**  
 Rakuten Rewards

**GMS\*2**  
**USD 2,491mm**  
**+10.9% YoY**

**Nothing beats Cash Back.**

Comparison between outstanding users as at Mar 31, 2021 and Mar 31 Mar, 2022

\*1 Total number of registered users and non-registered AVOD (Advertising Video On Demand) users as at Mar 31, 2022

\*2 Comparison between 3 months Rakuten Rewards' Q1/21 GMS versus Q1/22 GMS



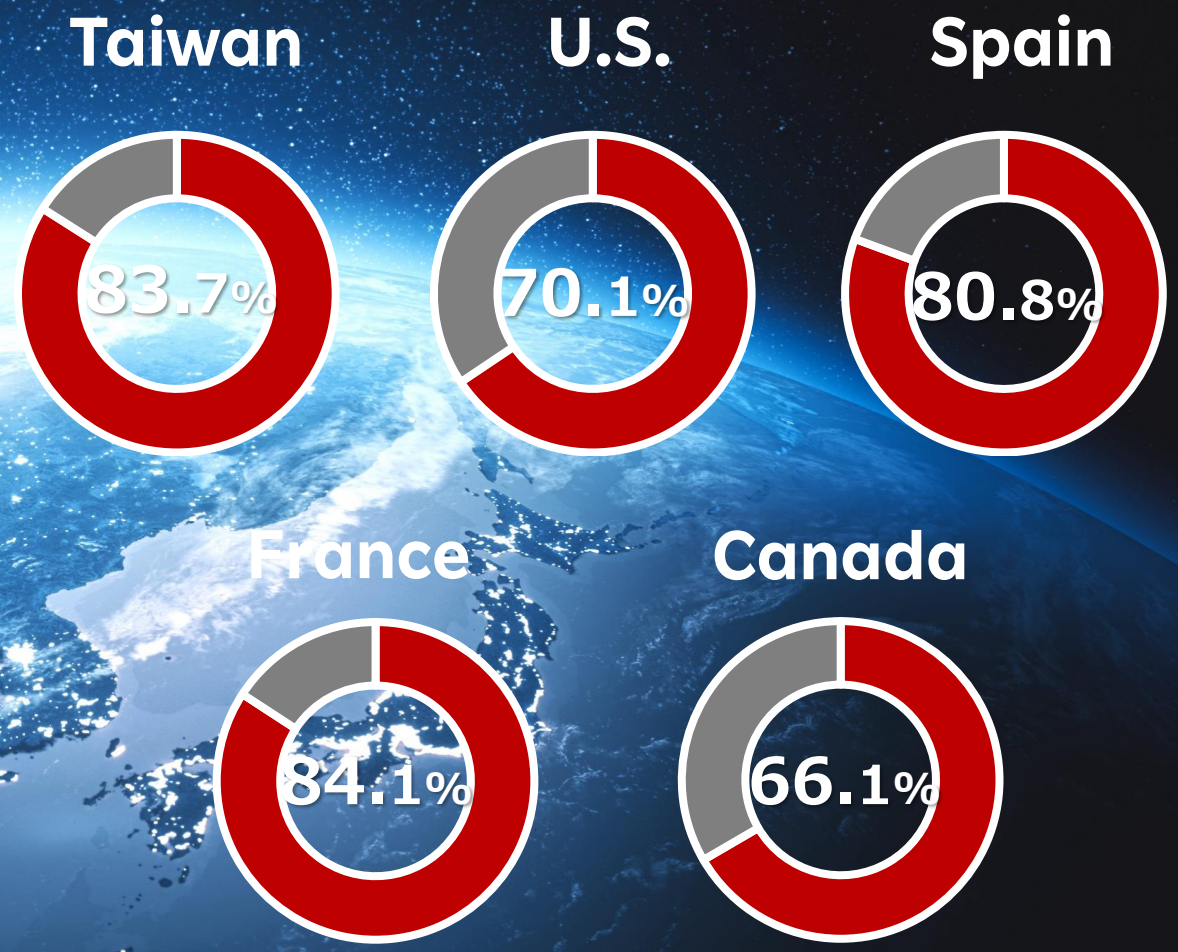
# Global Organization and Brand Logo Awareness Improvement

FY2010-  
Employees  
(Countries  
and regions)

Englishnization  
Started  
**70+**



## Brand Logo Awareness\*



# Towards 2030

Believe in the future, the challenge continues

**Rakuten** 25  
YEARS

This presentation includes forward-looking statements that 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 and logos of companies, products, and services and such that appear in this material are trademarks or registered marks of their respective companies.