

# FY2024 Fourth Quarter and Full Year Consolidated Financial Results Appendix

February 14, 2025

Rakuten Group, Inc.



- Figures in this document are rounded to one decimal place, so there may be some discrepancies with the numbers in other disclosed materials.
- Past figures may be retroactively adjusted due to changes in accounting standards or revisions to definitions.
- Please refer to <https://global.rakuten.com/corp/investors/assets/doc/documents/24Q4Datashet.xlsx>.

# Executive Summary

## Consolidated Results

- Revenue increased across all segments, including Internet Services, FinTech, and Mobile, resulting in record-high full-year revenue of JPY 2.28 tn for FY 2024 (+10.0% YoY)
- In addition to revenue growth, significant profit improvements in Rakuten Mobile and cost optimization efforts at the group level led to a Non-GAAP OI of JPY 7.0 bn (JPY +160.1 bn YoY) and IFRS OI of JPY 53.0 bn (JPY +265.8 bn YoY), achieving full-year consolidated profitability for the first time since 2019. EBITDA<sup>\*1</sup> profit was JPY 326.0 bn (+ 120.0% YoY)

## Financing Activities

- At the group level, self-funding was achieved in FY2024. Through Internet Services EBITDA<sup>\*1\*2\*3</sup>, cash flow from FinTech businesses<sup>\*4</sup>, working capital improvements, and Rakuten Mobile's own financing (e.g., lease)<sup>\*5</sup>, we covered our funding needs for mobile business and interest payments<sup>\*7</sup> in the current fiscal year without relying on new debt<sup>\*6</sup> at Rakuten Group, Inc.
- In December 2024, we issued U.S. dollar-denominated perpetual subordinated bonds to replace 2nd and 4th domestic subordinated bonds with a first call date in November and December 2025. This completed measures for all corporate bonds maturing or reaching their call dates by the end of 2025. In February 2025, we conducted a buyback of 2nd and 4th domestic subordinated bonds. We remain focused on balance sheet management by reducing interest-bearing debt and actively controlling the corporate bond redemption schedule

\*1: EBITDA = Non-GAAP OI + depreciation and amortization etc. \*2: Sum of Internet services and consolidated adjusted EBITDA. \*3: Related adjustment made for right-of-use assets based on IFRS 16. \*4: Dividends, management consulting fees, etc. from FinTech business. \*5: Net amount raised and reimbursed from securitization of accounts receivable and lease financing, etc. of Rakuten Mobile, Inc. \*6: Excluding refinancing. \*7: Total interest on bonds and leases and dividends paid on perpetual subordinated debt

# Executive Summary

## Internet Services

- **Segment revenue: JPY 1.28 tn (+5.8% YoY), Non-GAAP OI<sup>\*1</sup> : JPY 85.1 bn (+29.8% YoY), achieving growth in both revenue and profit**
- **Domestic EC GMS: JPY 5.96 tn (-1.5% YoY)**, impacted by factors such as the high YoY comparison hurdle for Rakuten Travel due to the partial end of the nationwide travel support in July 2023, and the transfer of the Rakuten Pay (online payment) business to the FinTech segment in September 2023. However, **excluding these impacts, Domestic EC GMS grew by 4.6% YoY<sup>\*2</sup>, showing positive growth. In 2025, we aim for mid- to- high-single digit growth in Domestic EC GMS.**
- **International Business Unit<sup>\*3</sup> : Revenue was USD 2.04 bn (+8.5% YoY) showing strong growth driven by solid performance from Rakuten Kobo and Rakuten Viber. Non-GAAP OI turned positive for the full year, reaching USD 48.54 mm (+USD 93.45 mm YoY), supported by cost reduction and profitability improvement efforts across businesses, including Rakuten Rewards.**

\*1: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23. In addition, retroactive adjustments were made to reflect the transfer of investment income (loss) related to the mobile segment from the investment business of the Internet Services segment to the mobile segment. \*2: Based on internal calculations. \*3: Open Commerce: Total of Rewards (USA, Europe, Canada), Fillr, overseas Ads business. EU: Total of Rakuten TV and Rakuten France. Others: Total of Rakuten Kobo, Rakuten Viber, and Rakuten Viki, etc. Note: This does not include businesses from Rakuten Symphony, Taiwan e-commerce, or overseas financial subsidiaries.

# Executive Summary

## FinTech

- **Segment revenue: JPY 820.4 bn (+13.1% YoY), Non-GAAP operating income<sup>\*1</sup>: JPY 153.4 bn (+37.9% YoY).** The customer base and transaction value expanded in each business throughout the year.
- **Rakuten Card: Shopping GTV grew on higher card membership and average customer spending. FY2024 Shopping GTV: JPY 24.0 tn (+13.7% YoY),** contributing to increased segment revenue. Due to increased operating leverage from top-line growth and marketing optimization, achieved a significant increase in profit for the full year.
- **Rakuten Bank: Accounts grew by leveraging group synergies. Number of accounts: 16.48 mm<sup>\*2</sup> (as of end of Dec. 2024, +11.6% YoY).** With further progress in converting accounts into main accounts and daily transactional accounts, the **deposit balance also increased, reaching JPY 12.0 tn<sup>\*2\*3</sup> (as of end of Dec 2024, +16.9% YoY).** Led by the accumulation of assets under management, and also policy interest rate hike, interest income grew significantly in the second half of the year and achieved a significant increase in revenue and income.
- **Rakuten Securities: Continued expansion of the customer base, and various transactions were strong.** Despite zero domestic stock commissions from Oct 2023, achieved an increase in revenue and profit thanks to the diversification of revenue mix and the control of marketing and other costs. **Number of general securities accounts: reached 11.93 mm as of the end of Dec 2024 (+17.0% YoY) and 12mm in Jan 2025.**
- **Rakuten Payment: Continued growth in GTV due to expansion of customer base. Achieved profitability for the full year due to continued control of marketing expenses.**

<sup>\*1</sup>: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23. <sup>\*2</sup>: Rounded down to the nearest unit <sup>\*3</sup>: J-GAAP

# Executive Summary

## Mobile

- Segment revenue: JPY 440.7 bn (+20.9% YoY), Non-GAAP operating loss\*<sup>1</sup> JPY 208.9 bn (an improvement of JPY 105.6 bn YoY)
- Rakuten Mobile, Inc.: Revenue JPY 283.9 bn (+26.2% YoY) due to growth in the number of subscribers and an increase in ARPU. Coupled with the effects of ongoing cost reductions, Non-GAAP operating loss\*<sup>1</sup> improved to JPY 216.3 bn (an improvement of JPY 85.0 bn YoY), EBITDA\*<sup>1\*2</sup>: JPY -53.8 bn (an improvement of JPY 98.7 bn YoY)
- Driven by strong subscriber acquisitions and ARPU growth resulting from improved network quality, continued cost control, and increased advertising revenue from the *Rakuten Mobile Saikyo Thanks Festival* held in December 2024, Rakuten Mobile, Inc.'s standalone monthly EBITDA\*<sup>1\*2</sup> reached JPY 2.3 bn (JPY 0.1 bn before consideration of the Mobile Ecosystem Contribution), achieving monthly profitability for the first time since entering the MNO business. Rakuten Mobile aims for full-year EBITDA profitability in 2025.
- As of the end of 2024, Rakuten Mobile's total number of subscribers\*<sup>3</sup> reached 8.3 million, a net increase of 1.77 million subscribers over the year. Notably, B2C MNO openings in Q4 exceeded the level of Q1, which partially included the spring sales campaign. Q4 ARPU\*<sup>4</sup> increased by JPY 55 from the previous quarter to JPY 2,856, driven by continued growth in data ARPU, increased advertising revenue contributing to other ARPU, and the introduction of fees for certain optional services.

\*1: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23. Additionally, retrospective adjustments were made due to the transfer of gains and losses from mobile segment-related investments from the Internet Services segment's investment business to the Mobile segment. \*2: EBITDA = Non-GAAP OI + depreciation and amortization etc. \*3: Total number of lines includes MNO (including BCP and other lines), MVNE, and MVNO. \*4: ARPU is calculated using the average of MNO subscribers at the end of the most recent quarter and the previous quarter, excluding MVNE and BCP and other contracts.

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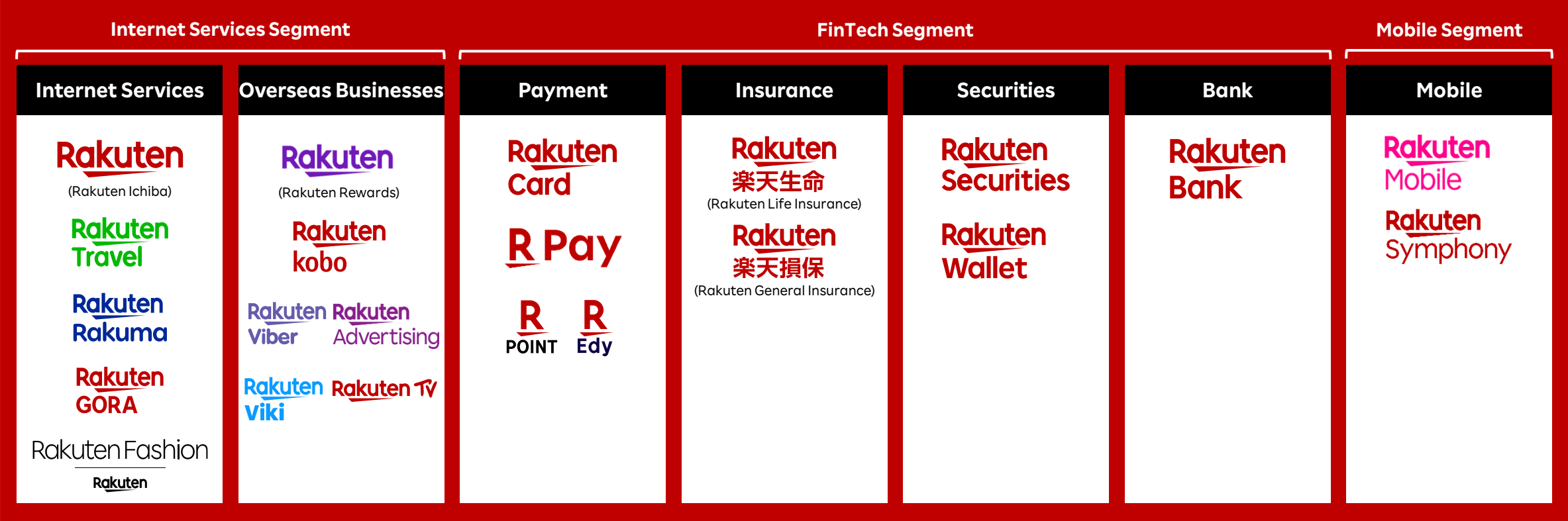
## 5 ESG

# 1. Ecosystem KPIs

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# Rakuten Ecosystem Service Line-Up (Excerpt)

■ Established leading positions in many markets. Highest cross-use rate among MNO carriers\*



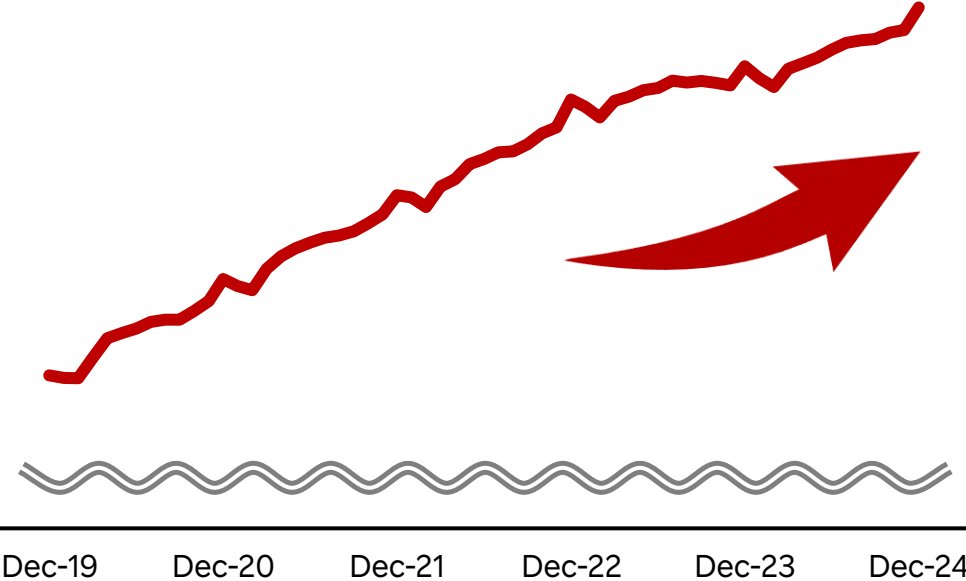
\*Source: MMDLabo. Feb 20, 2023. "Survey on the actual condition of use of related services of major 4 MNO carriers." Number of carrier-related services except for mobile phone contracts for 4 MNO carrier users. (Internet survey, target: Major 4 MNO carrier users aged 18-69, valid responses = 2,000: Docomo users (n = 500), au users (n=500), Softbank users (n = 500) Rakuten Mobile users (n = 500))



# Number of Monthly Active Users and Ratio of Users of Two or More Services

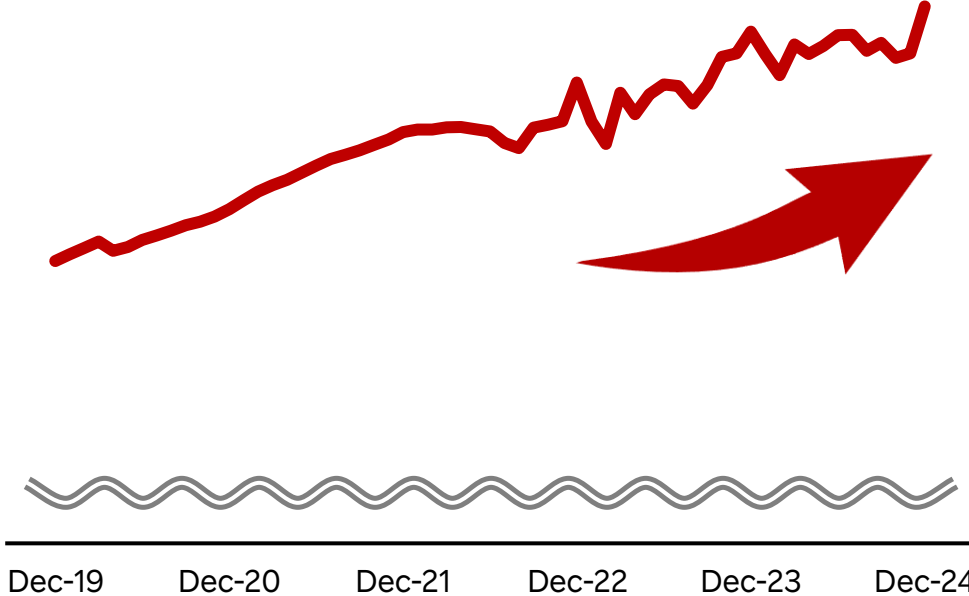
Monthly Active User Growth in Japan

**44.10 mm**  
**+ 6.2 % YoY<sup>\*1</sup>**



Ratio of Users of Two or More Services<sup>\*2</sup>

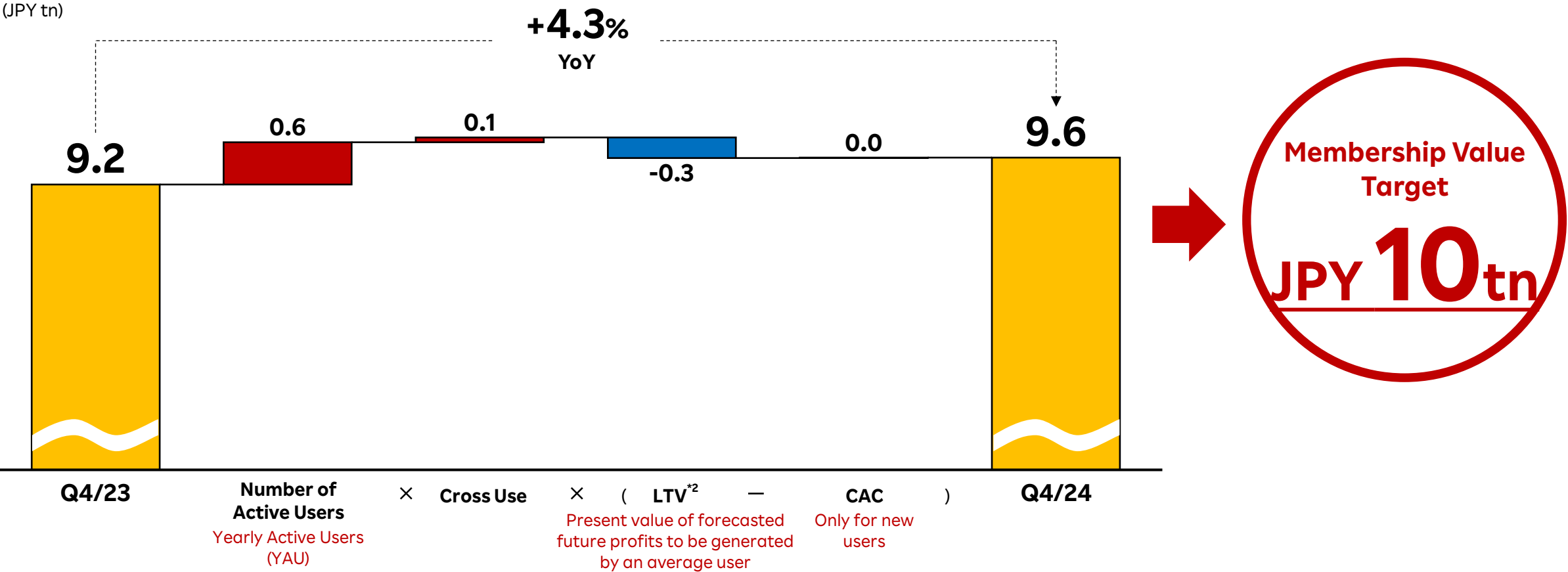
**77.4 %**  
**+ 0.5 pt YoY<sup>\*3</sup>**



\*1: Comparison of monthly active users in December 2024 versus December 2023. \*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 December 2024. Limited to the use of services that can earn Rakuten Points.) \*3: Comparison of monthly use ratio in December 2024 versus December 2023.

# Membership Value\*1

■ Membership value increased due increase in number of users at Rakuten Bank, etc., as well as improved productivity at Rakuten Ichiba, Rakuten 24, and other key businesses

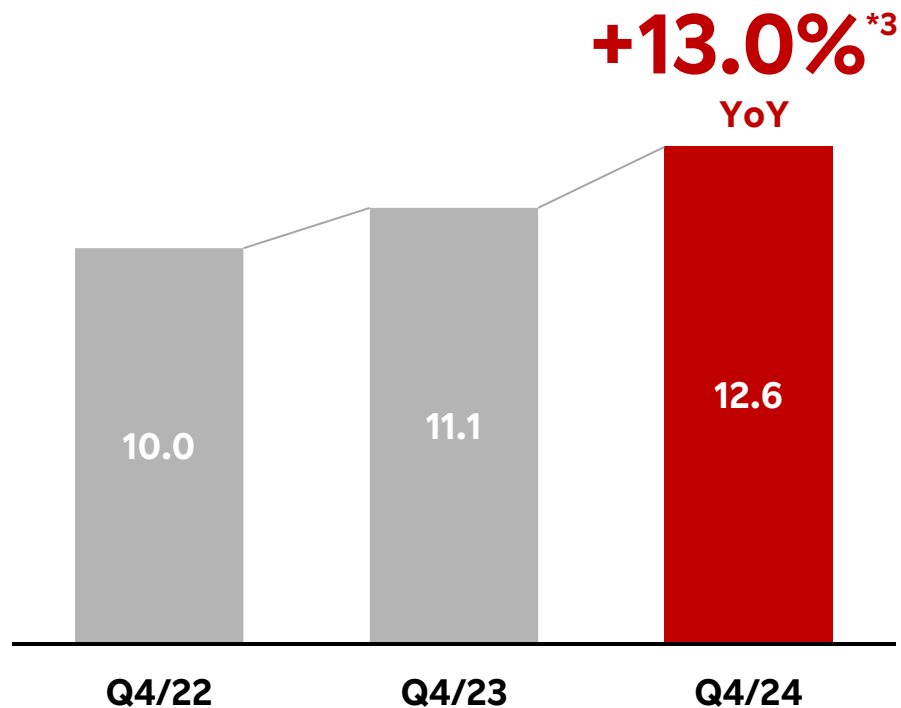


\*1: Calculated by Rakuten Group (KPI calculated internally). \*2: LTV = Lifetime Value.  $LTV = \sum (ARPU \times Profit\ Rate^{*3} \times Retention\ Rate) \div (1 + Discount\ Rate)^{K-1}$  ①K is Projection Years ②ARPU = Revenue/YAU  
 \*3: Profit Rate =  $\{(Revenue \times Marginal\ profit\ ratio) - Retention\ cost^{*4}\} \div Revenue$  ①Marginal profit = Revenue - Variable Cost (cost of revenue, commissions, etc.) \*4: Retention cost = Marketing costs - Customer acquisition cost ①Marketing cost = Advertising cost + Promotion Cost + Point cost ②Customer acquisition cost = Marketing cost prepared to new users

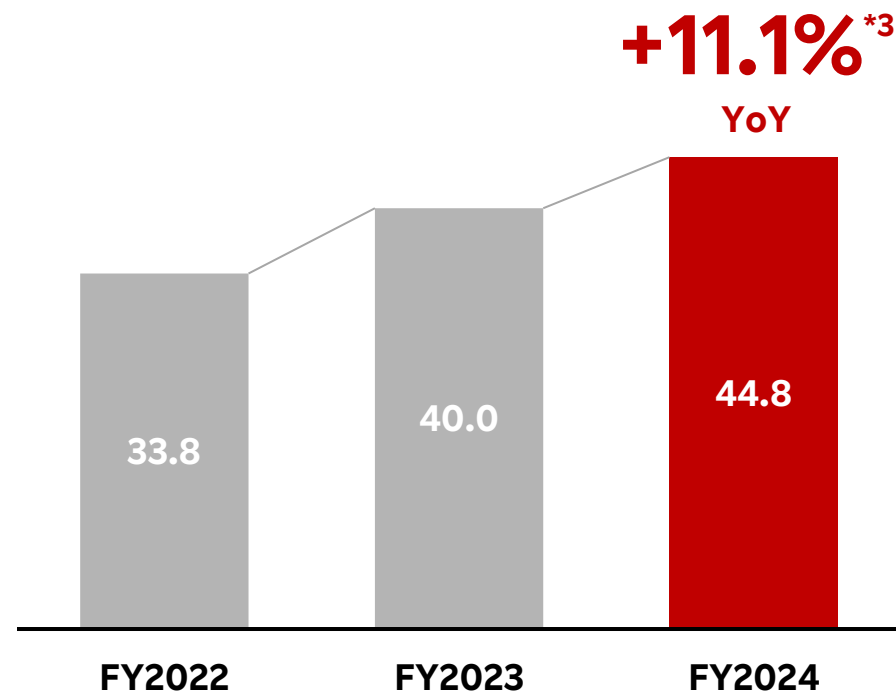


# Q4/24 & FY2024 Global GTV<sup>\*1\*2</sup>

## Q4/24 Global GTV (JPY tn)



## FY2024 Global GTV (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 GTV + Rakuten Rewards (Ebates) GTV + Digital Contents GTV + Rakuten Advertising (Rakuten Marketing) GTV \*2: Including intercompany transactions for settlement and affiliate services. \*3: Calculation does not take into account the impact of exchange rates.

## 2. Consolidated Financial Results

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# Q4/24 Consolidated Financial Results Summary (1)

(JPY bn, rounded)	Q4/23	Q4/24	YoY
<b>Consolidated Revenue</b>	<b>580.1</b>	<b>661.6</b>	<b>+14.1%</b>
Internet Services Segment	345.3	377.9	+9.4%
FinTech Segment	191.6	216.0	+12.8%
Mobile Segment	99.5	139.9	+40.7%
Adjustments	-56.3	-72.3	-16.0
<b>Non-GAAP Operating Income (Loss)<sup>*1*2</sup></b>	<b>-3.6</b>	<b>32.0</b>	<b>+35.6</b>
<i>(Reference: Excluding Mobile Segment &amp; Minority Investments)</i>	<i>60.6</i>	<i>72.3</i>	<i>+19.3%</i>
Internet Services Segment	29.4	37.7	+28.4%
FinTech Segment	31.8	38.7	+21.5%
Mobile Segment	-63.9	-40.7	+23.1
Adjustments	-0.9	-3.7	-2.7
<b>EBITDA<sup>*1*2*3</sup></b>	<b>75.5</b>	<b>114.3</b>	<b>+51.5%</b>
Internet Services Segment	40.5	49.0	+21.0%
FinTech Segment	46.7	55.4	+18.6%
Mobile Segment	-22.7	4.2	+26.9
Adjustments	10.9	5.7	-48.3%

\*1: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23. There is no impact on Consolidated Non-GAAP Operating Income (Loss) and Consolidated EBITDA. Please refer to the Financial Results Summary (p. 7) for details on how the Mobile Ecosystem Contribution is calculated. \*2: From Q4/24, investment income (loss) related to the Mobile segment was transferred from Minority Investment of the Internet Services segment to the Mobile segment. Past figures have been retroactively revised. \*3: EBITDA = Non-GAAP OI + depreciation and amortization etc.

## Q4/24 Consolidated Financial Results Summary (2)

(JPY bn, rounded)	Q4/23	Q4/24	YoY
<b>Non-GAAP Operating Income (Loss)</b>	<b>-3.6</b>	<b>32.0</b>	<b>+35.6</b>
Amortization of Intangible Assets	-7.1	-1.4	+5.7
Stock Based Compensation	-3.3	-4.2	-0.8
One-Off Items	-19.3	77.6	+96.9
<b>IFRS Operating Income (Loss)</b>	<b>-33.3</b>	<b>104.0</b>	<b>+137.3</b>
Financial Income (Expenses), Net	-1.3	12.4	+13.7
Gains (Losses) on Valuation of Investment Securities	17.0	16.5	-3.0%
Gains (Losses) on Valuation of Derivatives	-15.9	29.4	+45.3
Interest Expenses	-12.1	-24.7	-12.6
Foreign Exchange Profits (Losses)	9.2	-12.9	-22.0
Others	0.5	4.1	+658.0%
Share of Profit (Losses) of Investments in Associates and Joint Ventures	-2.7	-2.1	+0.7
<b>Profit (Loss) Before Income Tax</b>	<b>-37.3</b>	<b>114.4</b>	<b>+151.7</b>
Tax Expenses	89.9	116.7	+29.9%
<b>Net Income (Loss)</b>	<b>-127.1</b>	<b>-2.3</b>	<b>+124.8</b>
attributable to Owners of the Company	-131.0	-12.1	+118.9
attributable to Non-controlling Interests	3.9	9.7	+151.1%

# FY2024 Consolidated Financial Results Summary (1)<sup>\*1</sup>

(JPY bn, rounded)	FY2023	FY2024	YoY
<b>Consolidated Revenue</b>	<b>2,071.3</b>	<b>2,279.2</b>	<b>+10.0%</b>
Internet Services Segment	1,212.3	1,282.1	+5.8%
FinTech Segment	725.2	820.4	+13.1%
Mobile Segment	364.6	440.7	+20.9%
Adjustments	-230.7	-264.0	-33.3
<b>Non-GAAP Operating Income (Loss)<sup>*2*3</sup></b>	<b>-153.0</b>	<b>7.0</b>	<b>+160.1</b>
<i>(Reference: Excluding Mobile Segment &amp; Minority Investments)</i>	<i>170.4</i>	<i>217.9</i>	<i>+27.9%</i>
Internet Services Segment	65.6	85.1	+29.8%
FinTech Segment	111.2	153.4	+37.9%
Mobile Segment	-314.6	-208.9	+105.6
Adjustments	-15.3	-22.5	-7.3
<b>EBITDA<sup>*2*3*4</sup></b>	<b>148.2</b>	<b>326.0</b>	<b>+120.0%</b>
Internet Services Segment	104.9	125.4	+19.5%
FinTech Segment	169.3	216.9	+28.1%
Mobile Segment	-156.1	-36.3	+119.9
Adjustments	30.1	20.0	-33.6%

\*1: From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. No retrospective revisions have been made to past results as the size of the amount is negligible. \*2: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23. There is no impact on Consolidated Non-GAAP Operating Income (Loss) and Consolidated EBITDA. Please refer to the Financial Results Summary (p. 7) for details on how the Mobile Ecosystem Contribution is calculated.

\*3: From Q4/24, investment income (loss) related to the Mobile segment was transferred from Minority Investment of the Internet Services segment to the Mobile segment. Past figures have been retroactively revised.

\*4: EBITDA = Non-GAAP OI + depreciation and amortization etc.

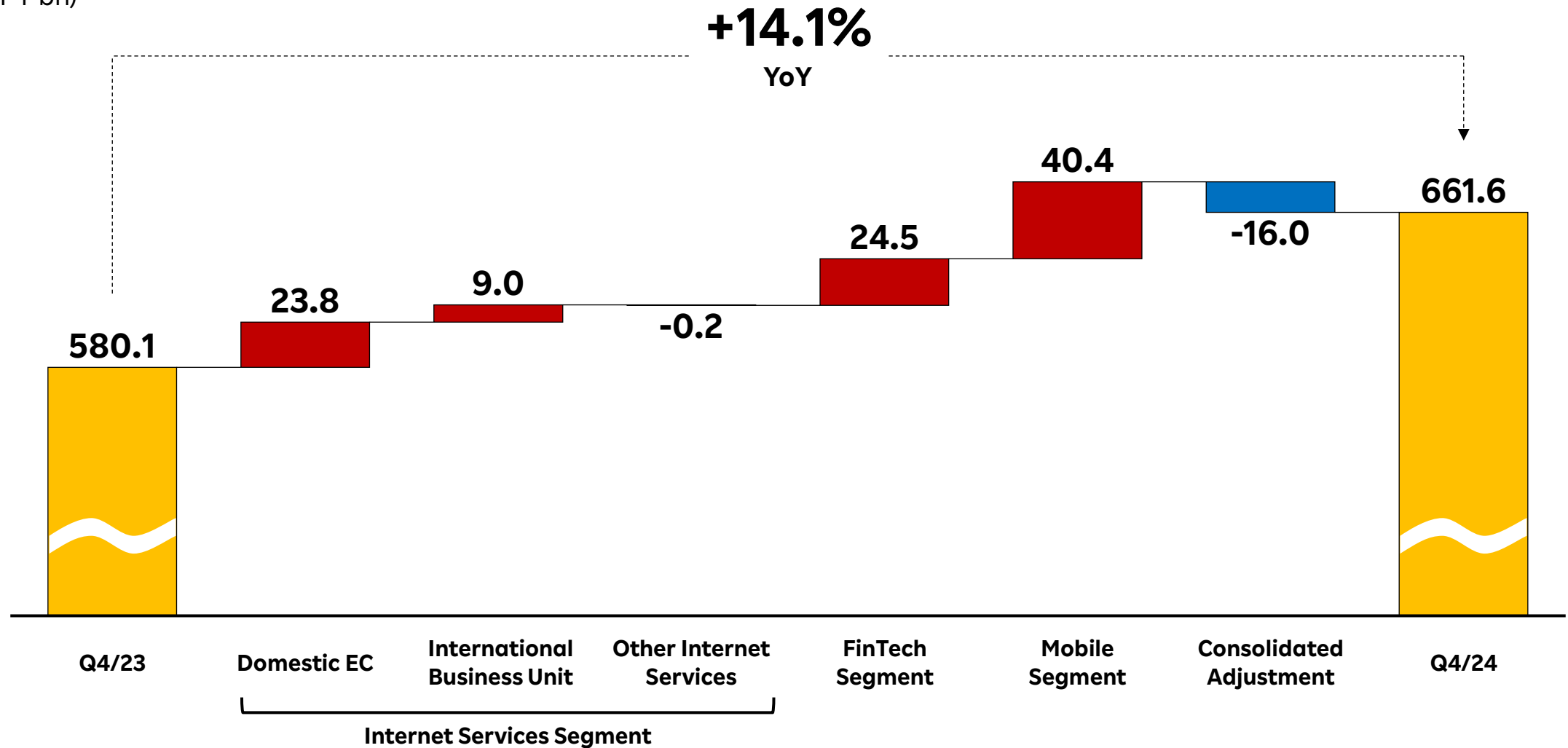
## FY2024 Consolidated Financial Results Summary (2)

(JPY bn, rounded)	FY2023	FY2024	YoY
<b>Non-GAAP Operating Income (Loss)</b>	<b>-153.0</b>	<b>7.0</b>	<b>+160.1</b>
Amortization of Intangible Assets	-13.6	-6.8	+6.7
Stock Based Compensation	-14.3	-15.9	-1.6
One-Off Items	-31.9	68.7	+100.6
<b>IFRS Operating Income (Loss)</b>	<b>-212.9</b>	<b>53.0</b>	<b>+265.8</b>
Financial Income (Expenses), Net	8.8	-27.7	-36.5
Gains (Losses) on Valuation of Investment Securities	21.1	7.6	-64.0%
Gains (Losses) on Valuation of Derivatives	45.7	67.0	+46.5%
Interest Expenses	-47.5	-84.8	-37.3
Foreign Exchange Profits (Losses)	-10.8	-15.7	-4.8
Others	0.4	-1.8	-2.1
Share of Profit (Losses) of Investments in Associates and Joint Ventures	-13.7	-9.0	+4.7
<b>Profit (Loss) Before Income Tax</b>	<b>-217.7</b>	<b>16.3</b>	<b>+234.0</b>
Tax Expenses	111.8	145.8	+30.4%
<b>Net Income (Loss)</b>	<b>-329.5</b>	<b>-129.5</b>	<b>+200.1</b>
attributable to Owners of the Company	-339.5	-162.4	+177.0
attributable to Non-controlling Interests	9.9	33.0	+231.6%



# Q4/24 Revenue Breakdown<sup>\*1\*2</sup>

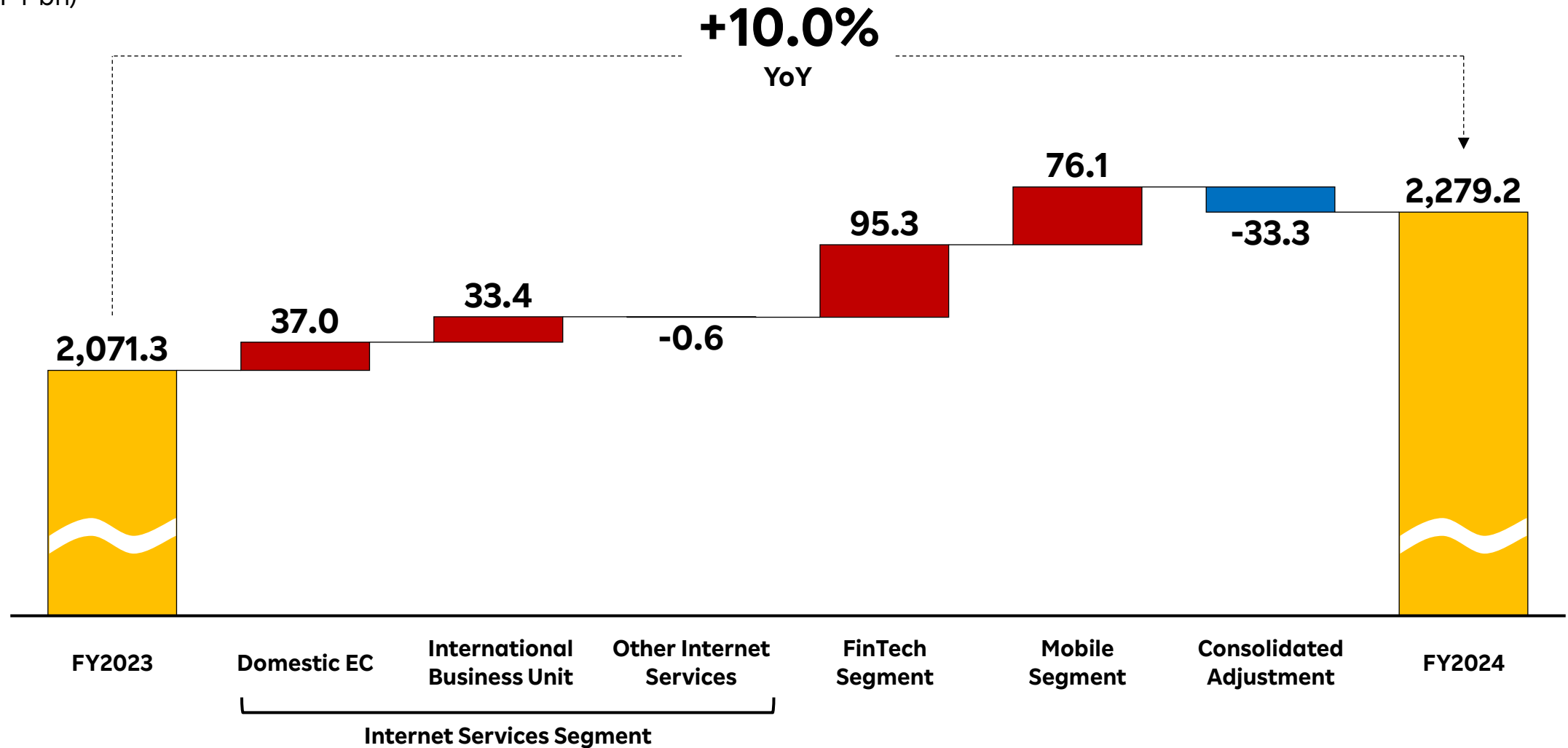
(JPY bn)



\*1: From Q4/24, International Business Unit and Minority Investments are disclosed separately from Other Internet Services. Past figures of Other Internet Services have been retroactively revised. \*2: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised.

# FY2024 Revenue Breakdown <sup>\*1\*2\*3</sup>

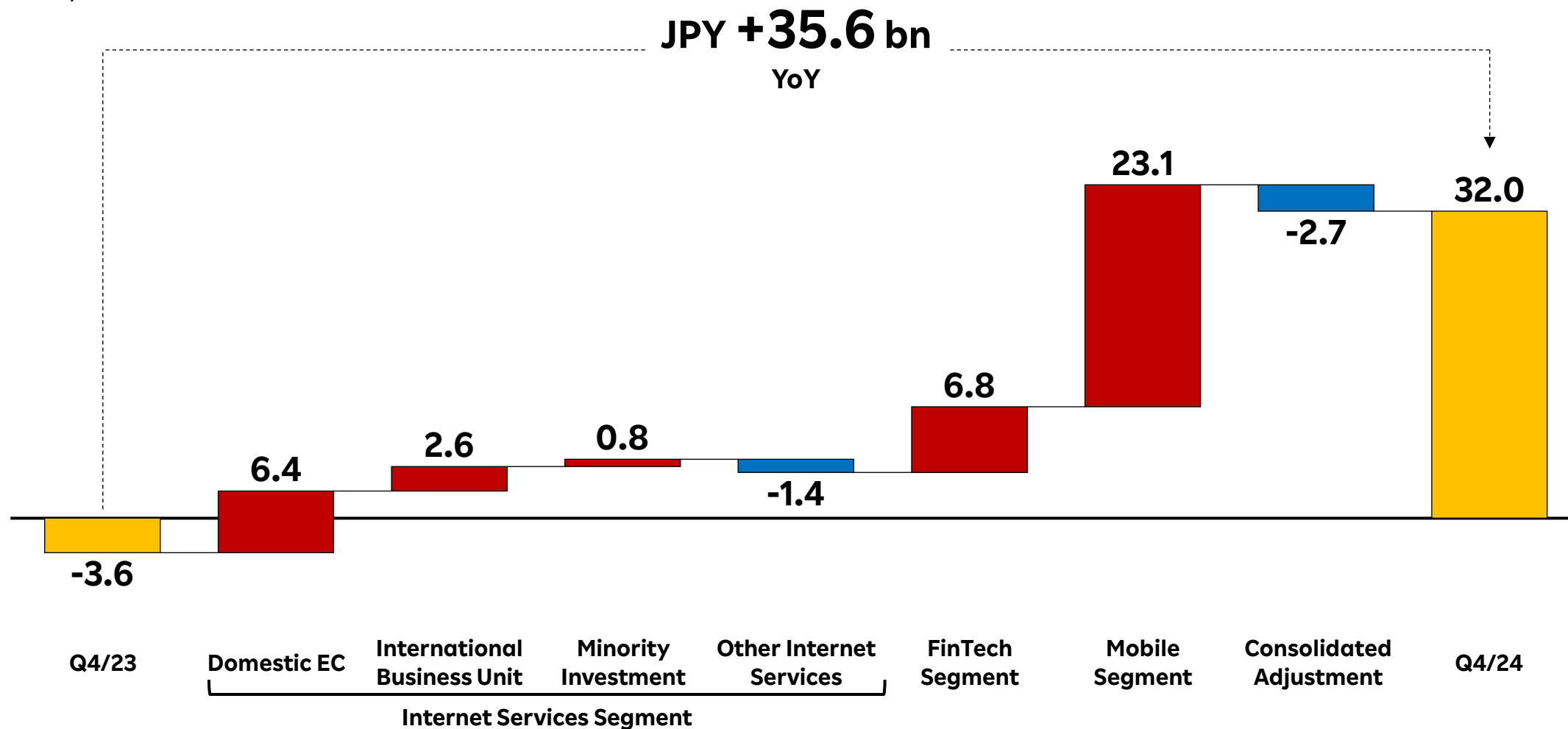
(JPY bn)



\*1: From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. No retrospective revisions have been made to past results as the size of the amount is negligible. \*2: From Q4/24, International Business Unit and Minority Investment are disclosed separately from Other Internet Services. Past figures of Other Internet Services have been retroactively revised. \*3: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised.

# Q4/24 Non-GAAP Operating Income (Loss) Breakdown <sup>\*1\*2\*3\*4</sup>

(JPY bn)

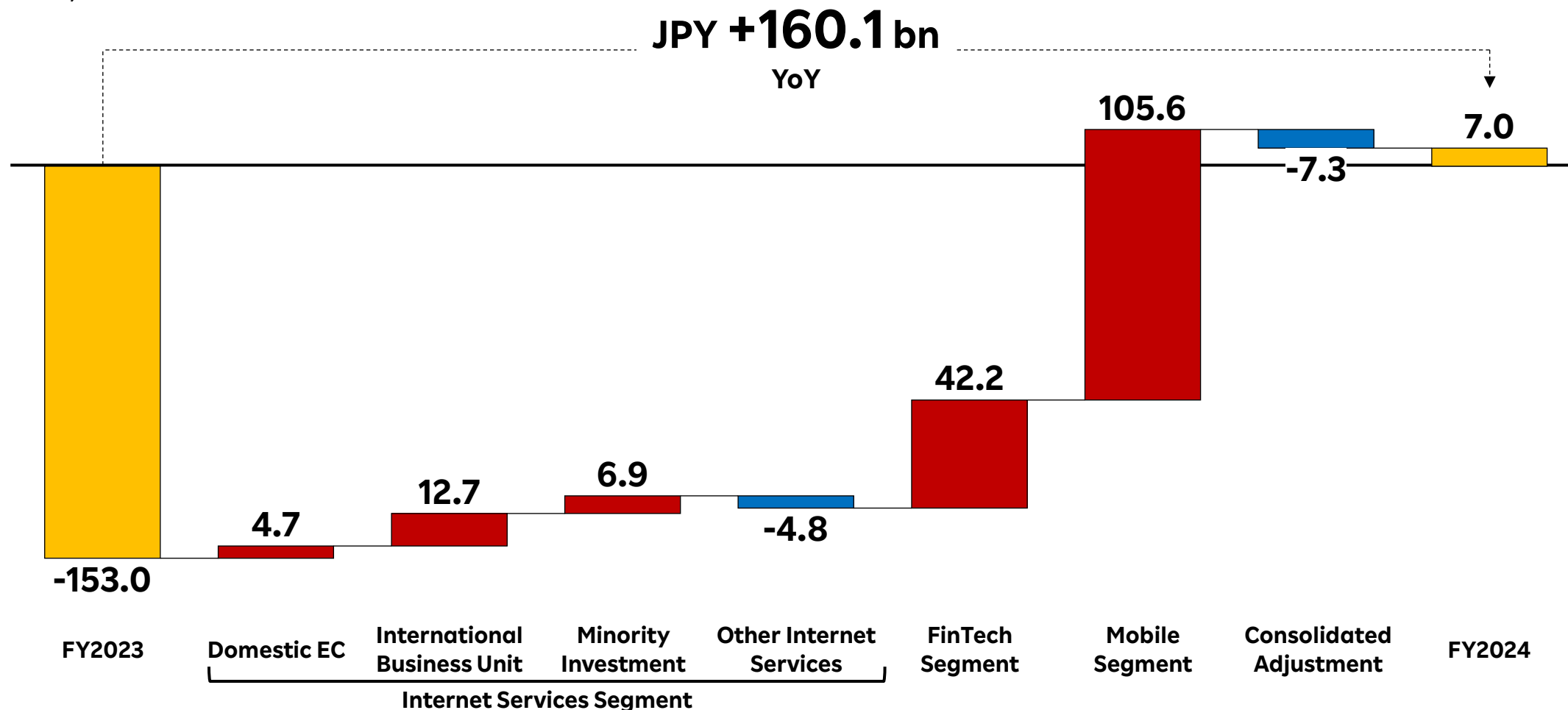


\*1: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23. There is no impact on Consolidated Non-GAAP Operating Income (Loss). \*2: From Q4/24, International Business Unit and Minority Investment are disclosed separately from Other Internet Services. Past figures of Other Internet Services have been retroactively revised.

\*3: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised. \*4: From Q4/24, investment income (loss) related to the Mobile segment was transferred from Minority Investment of the Internet Services segment to the Mobile segment. Past figures have been retroactively revised.

# FY2024 Non-GAAP Operating Income (Loss) Breakdown <sup>\*1\*2\*3\*4\*5</sup>

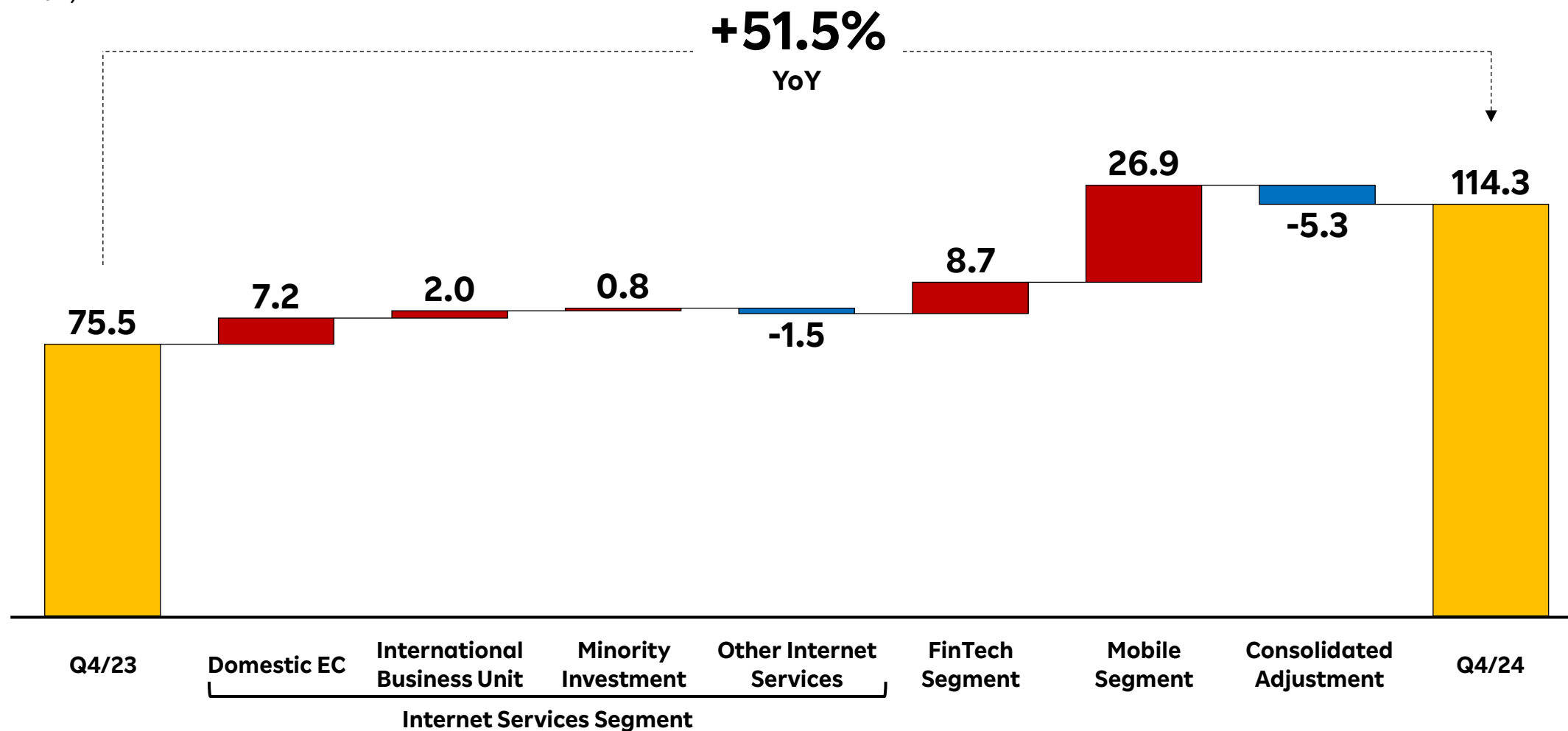
(JPY bn)



\*1: From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. No retrospective revisions have been made to past results as the size of the amount is negligible. \*2: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retrospective revisions have been made to each segment's results from Q1/23. There is no impact on Consolidated Non-GAAP Operating Income (Loss). \*3: From Q4/24, International Business Unit and Minority Investment are disclosed separately from Other Internet Services. Past figures of Other Internet Services have been retroactively revised. \*4: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised. \*5: From Q4/24, investment income (loss) related to the Mobile segment was transferred from Minority Investment of the Internet Services segment to the Mobile segment. Past figures have been retroactively revised.

# Q4/24 EBITDA Breakdown <sup>\*1\*2\*3\*4\*5</sup>

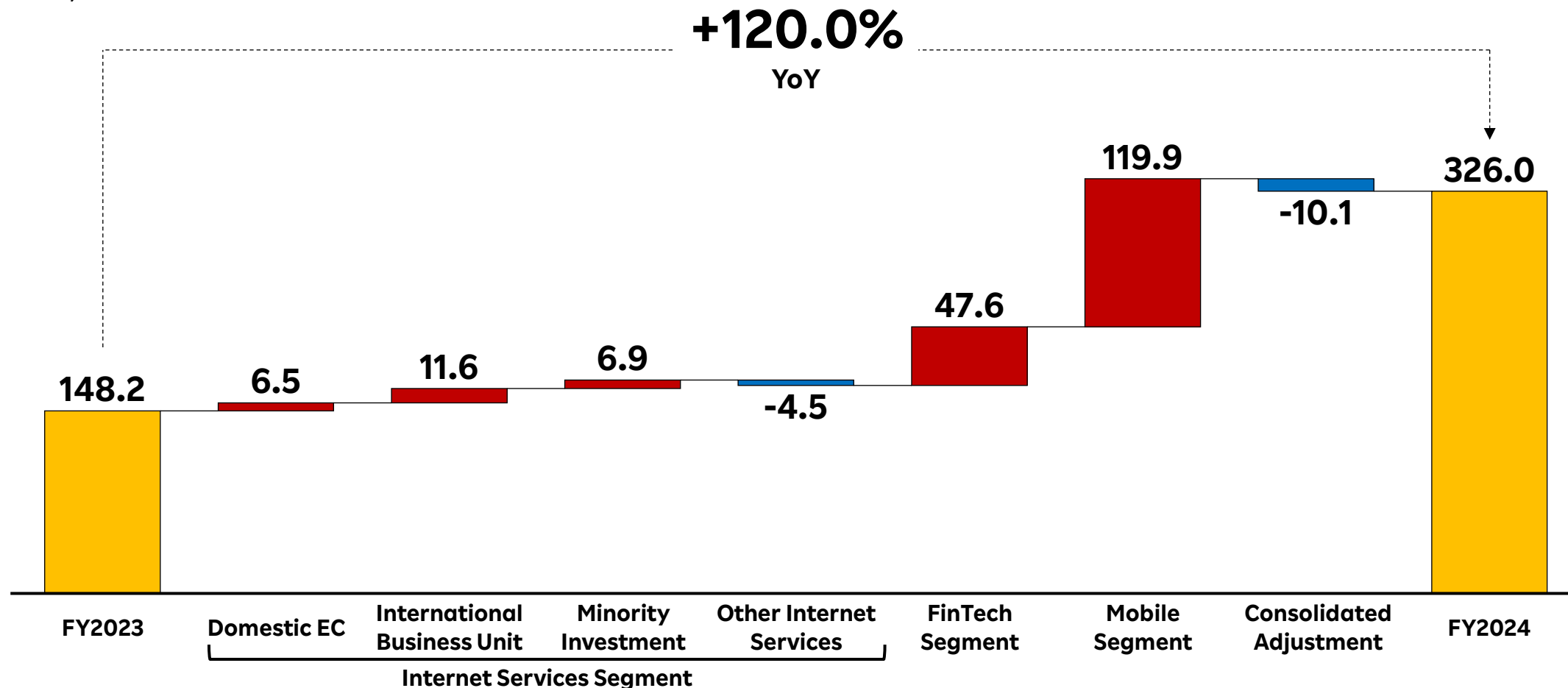
(JPY bn)



\*1: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23. There is no impact on Consolidated EBITDA.  
 \*2: From Q4/24, International Business Unit and Minority Investment are disclosed separately from Other Internet Services. Past figures of Other Internet Services have been retroactively revised. \*3: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised. \*4: From Q4/24, investment income (loss) related to the Mobile segment was transferred from Minority Investment of the Internet Services segment to the Mobile segment. Past figures have been retroactively revised. \*5: EBITDA = Non-GAAP OI + depreciation and amortization etc.

# FY2024 EBITDA Breakdown <sup>\*1\*2\*3\*4\*5\*6</sup>

(JPY bn)



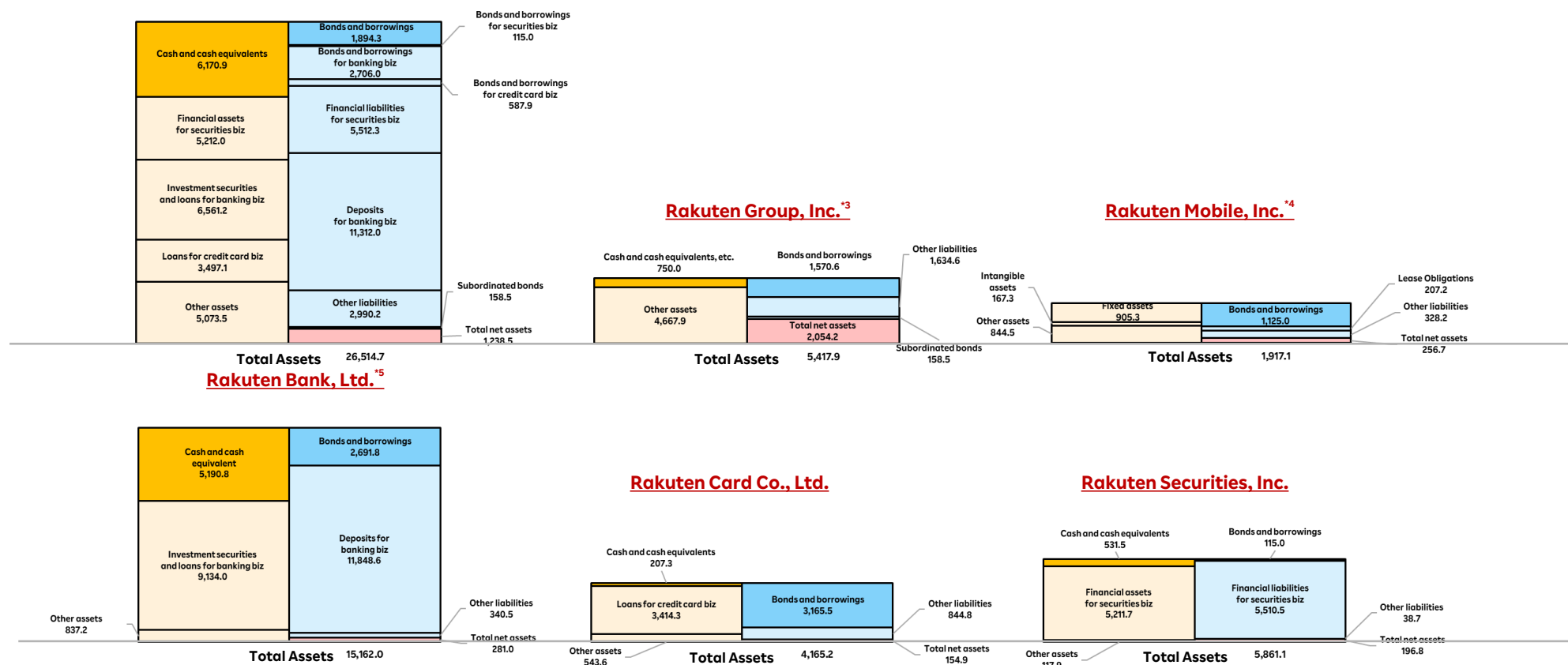
\*1: From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. No retrospective revisions have been made to past results as the size of the amount is negligible. \*2: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retrospective revisions have been made to each segment's results from Q1/23. There is no impact on Consolidated EBITDA. \*3: From Q4/24, International Business Unit and Minority Investment are disclosed separately from Other Internet Services. Past figures of Other Internet Services have been retroactively revised. \*4: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised. \*5: From Q4/24, investment income (loss) related to the Mobile segment was transferred from Minority Investment of the Internet Services segment to the Mobile segment. Past figures have been retroactively revised. \*6: EBITDA = Non-GAAP OI + depreciation and amortization etc.

# Consolidated and Major Subsidiaries' Balance Sheets – As of Dec 2024<sup>\*1\*2</sup>

※Non-consolidated balance sheets include internal transactions

(JPY bn)

**Consolidated**



\*1: Rakuten Group, Inc., Rakuten Bank, Ltd., Rakuten Card Co., Ltd., Rakuten Securities, Inc., and Rakuten Mobile, Inc. are based on IFRS non-consolidated balance sheets. \*2: Bonds and borrowings include straight corporate bonds, CP, bank borrowings, etc. \*3: Cash and cash equivalents includes assets under short-term management for effective use of cash on hand. \*4: Mainly lease financing and Loans from Rakuten Group, Inc. \*5: Borrowings for banking business are mainly debt from Bank of Japan under eligible collateral. Joint venture in Taiwan (Rakuten International Commercial Bank.) is not included in the figures above.

# Consolidated and Major Subsidiaries' Balance Sheets (1) – As of Dec 2024

(JPY bn, rounded)	Q3/24	Q4/24	QoQ
<b>Rakuten Group, Inc. (Consolidated)</b>			
<b>Total Assets</b>	<b>24,879.7</b>	<b>26,514.7</b>	<b>+6.6%</b>
Cash and Equivalents <sup>*1</sup>	5,886.9	6,170.9	+4.8%
Financial Assets for Securities Business	4,878.4	5,212.0	+6.8%
Investment Securities and Loans for Banking Business	6,058.7	6,561.2	+8.3%
Loans for Credit Card Business	3,090.0	3,497.1	+13.2%
Other Assets	4,965.7	5,073.5	+2.2%
<b>Total Liabilities</b>	<b>23,909.1</b>	<b>25,276.2</b>	<b>+5.7%</b>
Bonds and Borrowings <sup>*2</sup>	2,150.4	2,052.8	-4.5%
Subordinated Bonds	158.4	158.5	+0.0%
Borrowings for Securities Business	135.0	115.0	-14.8%
Bonds and Borrowings for Credit Card Business	608.4	587.9	-3.4%
Borrowings for Banking Business	2,670.0	2,706.0	+1.3%
Deposits for Banking Business	10,570.7	11,312.0	+7.0%
Financial Liabilities for Securities Business	5,142.4	5,512.3	+7.2%
Other Liabilities	2,632.1	2,990.2	+13.6%
<b>Total Net Assets</b>	<b>970.6</b>	<b>1,238.5</b>	<b>+27.6%</b>
<b>Total Liabilities and Equity</b>	<b>24,879.7</b>	<b>26,514.7</b>	<b>+6.6%</b>

\*1: Including Rakuten Bank cash and cash equivalents, etc. \*2: Bonds and borrowings include corporate straight bonds, CP, bank borrowings, etc.



# Consolidated and Major Subsidiaries' Balance Sheets (2) – As of Dec 2024<sup>\*1\*2</sup>

(JPY bn, rounded)	Q3/24	Q4/24	QoQ
<b>Rakuten Group, Inc. (Non-consolidated) *Including internal transactions</b>			
<b>Total Assets</b>	<b>4,870.5</b>	<b>5,417.9</b>	<b>+11.2%</b>
Cash and Cash Equivalents, etc. <sup>*3</sup>	679.9	750.0	+10.3%
Other Assets	4,190.6	4,667.9	+11.4%
<b>Total Liabilities</b>	<b>3,140.2</b>	<b>3,363.7</b>	<b>+7.1%</b>
Bonds and Borrowings	1,815.7	1,729.1	-4.8%
Debt from External Financial Institutions	1,787.7	1,710.2	-4.3%
Subordinated Bonds	158.4	158.5	+0.0%
Internal Transactions	28.1	18.9	-32.8%
Other Liabilities	1,324.5	1,634.6	+23.4%
<b>Total Net Assets</b>	<b>1,730.3</b>	<b>2,054.2</b>	<b>+18.7%</b>
<b>Total Liabilities and Equity</b>	<b>4,870.5</b>	<b>5,417.9</b>	<b>+11.2%</b>

(JPY bn, rounded)	Q3/24	Q4/24	QoQ
<b>Rakuten Mobile, Inc.</b>			
<b>Total Assets</b>	<b>1,732.0</b>	<b>1,917.1</b>	<b>+10.7%</b>
Fixed Assets	920.7	905.3	-1.7%
Intangible Assets	160.0	167.3	+4.5%
Other Assets	651.2	844.5	+29.7%
<b>Total Liabilities</b>	<b>1,654.8</b>	<b>1,660.4</b>	<b>+0.3%</b>
Loans, Lease Finance, and Others	1,138.3	1,125.0	-1.2%
Debt from External Financial Institutions	361.7	342.0	-5.4%
Internal Transactions	776.6	782.9	+0.8%
Lease Obligations	207.8	207.2	-0.3%
Other Liabilities	308.6	328.2	+6.3%
<b>Total Net Assets</b>	<b>77.2</b>	<b>256.7</b>	<b>+232.5%</b>
<b>Total Liabilities and Equity</b>	<b>1,732.0</b>	<b>1,917.1</b>	<b>+10.7%</b>

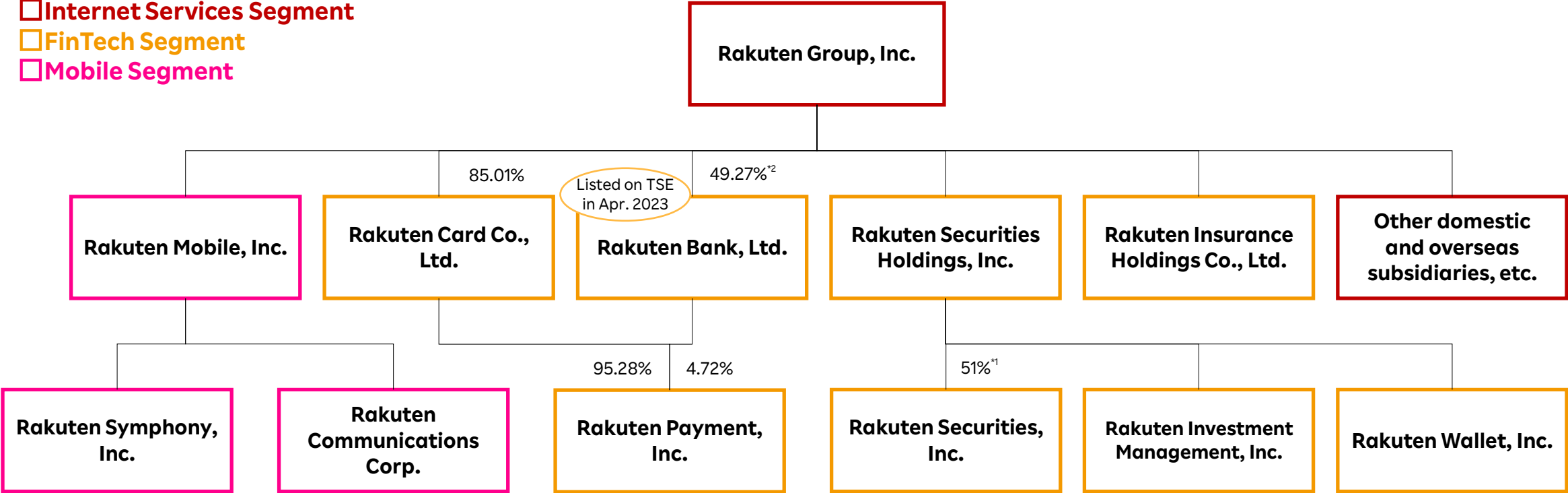
\*1: Rakuten Group, Inc. and Rakuten Mobile, Inc. are based on IFRS non-consolidated balance sheets. \*2: Bonds and borrowings include corporate straight bonds, CP, bank borrowings, etc. \*3: Includes assets under short-term management for effective use of cash on hand.

# 3. Segment Results and KPIs

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# Rakuten Group Organizational Chart and Segment Correspondence Chart

- Internet Services Segment
- FinTech Segment
- Mobile Segment



\*1: 19.99% and additional 29.0007% of Rakuten Securities common stock was transferred to Mizuho Securities.

\*2: After overseas sale of common stock of Rakuten Bank in December 2023, the current shareholding ratio is 49.27%.

# Segment Management System<sup>\*1</sup>

## Internet Services



**Segment Leader**

**Hiroshi Mikitani**

Representative Director,  
Chairman, President and  
CEO

## FinTech



**Segment Leader**

**Masayuki Hosaka**

President of FinTech  
Group Company

## Mobile



**Segment Leader**

**Kentaro Hyakuno**

COO  
President of  
Communications & Energy  
Company



**Kazuhiro Suzuki<sup>\*2</sup>**

Representative Director and  
Co-CEO of  
Rakuten Mobile, Inc.



**Kazunori Takeda**

President of  
Commerce & Marketing  
Company



**Sharad Sriwastawa**

Representative Director,  
Co-CEO and CTO of  
Rakuten Mobile, Inc.



**Shunsuke Yazawa**

Representative Director and  
President of  
Rakuten Mobile, Inc.

\*1: All are Group Executive Vice Presidents excluding Hiroshi Mikitani Representative Director, Chairman, President and CEO, Masayuki Hosaka Representative Director and Vice Chairman, Kentaro Hyakuno Representative Director and Group Executive Vice President, Kazuhiro Suzuki Group Senior Managing Executive Officer, Shunsuke Yazawa Group Senior Managing Executive Officer.

\*2: Representative Director, Chairman and CEO of Rakuten Communications Corp., Representative Director and President of Rakuten Energy, Inc.

# Internet Services Segment Structure\*

## Internet Services Segment

<b>Domestic EC</b>	<b>Core Businesses</b>	<ul style="list-style-type: none"> <li>■ Rakuten Ichiba</li> <li>■ Rakuten Travel</li> <li>■ Rakuten Rebates</li> <li>■ Rakuten BIC</li> <li>■ Rakuten GORA</li> </ul> <p style="text-align: right;">etc.</p>
	<b>Growth Investment Businesses</b>	<ul style="list-style-type: none"> <li>■ Rakuten Super Logistics</li> <li>■ Rakuten Mart</li> <li>■ Rakuten Rakuma</li> <li>■ Rakuten Beauty</li> <li>■ Rakuten Fashion</li> </ul> <p style="text-align: right;">etc.</p>
<b>International Business Unit</b>	<ul style="list-style-type: none"> <li>■ Rakuten Rewards</li> <li>■ Rakuten Viber</li> <li>■ Rakuten TV</li> <li>■ Rakuten Kobo</li> <li>■ Rakuten Viki</li> </ul> <p style="text-align: right;">etc.</p>	
<b>Minority Investment</b>	<ul style="list-style-type: none"> <li>■ Rakuten Capital</li> </ul> <p style="text-align: right;">etc.</p>	
<b>Other Internet Services</b>	<ul style="list-style-type: none"> <li>■ Rakuten TV Japan</li> <li>■ Rakuten NFT</li> </ul> <p style="text-align: right;">etc.</p>	

\*From Q4/22, Domestic EC was classified into Core Businesses and Growth Investment Businesses. The main definition of classification are as follows:

- Core Businesses → "Accomplished structural profitability," "Realized profitability exceeding WACC," "Businesses essential to domestic EC business portfolio even if profitability is low."

- Growth Investment Businesses → "Currently investment phase," "Accountability in business portfolio management," "Expected to bring positive value to Rakuten Group."

# FinTech Segment Structure

## FinTech Segment

<b>Rakuten Card</b>	<ul style="list-style-type: none"><li>■ Rakuten Card</li></ul>
<b>Rakuten Bank</b>	<ul style="list-style-type: none"><li>■ Rakuten Bank</li></ul>
<b>Rakuten Securities</b>	<ul style="list-style-type: none"><li>■ Rakuten Securities and Overseas Subsidiaries</li></ul>
<b>Insurance Business</b>	<ul style="list-style-type: none"><li>■ Rakuten Life Insurance</li><li>■ Rakuten General Insurance</li><li>■ Rakuten Insurance Planning etc.</li></ul>
<b>Rakuten Payment</b>	<ul style="list-style-type: none"><li>■ Rakuten Pay</li><li>■ Rakuten Edy</li><li>■ Rakuten Point Partner</li><li>■ Rakuten Pay (Online Payment)</li></ul>
<b>Others</b>	<ul style="list-style-type: none"><li>■ Rakuten Securities Holdings</li><li>■ Rakuten Wallet</li><li>■ Rakuten Investment Management</li><li>■ Overseas Subsidiaries of Rakuten Card and Bank etc.</li></ul>

# Mobile Segment Structure

## Mobile Segment

<b>Rakuten Mobile</b>	<ul style="list-style-type: none"><li>■ Rakuten Mobile</li></ul>
<b>Rakuten Symphony</b>	<ul style="list-style-type: none"><li>■ Rakuten Symphony</li></ul>
<b>Rakuten Energy</b>	<ul style="list-style-type: none"><li>■ Rakuten Electricity</li><li>■ Rakuten Gas etc.</li></ul>
<b>Others</b>	<ul style="list-style-type: none"><li>■ Rakuten Communications etc.</li></ul>

# Internet Services Segment

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# Q4/24 Internet Services Segment Financial Results<sup>\*1\*2\*3</sup>

Q4/24 (JPY bn)	Revenue	YoY	Non-GAAP Operating Income	YoY
<b>Domestic EC</b>	<b>262.8</b>	<b>+10.0%</b>	<b>39.0</b>	<b>+19.7%</b>
Core Businesses	229.5	+9.5%	44.2	+6.0%
Growth Investment Businesses	33.3	+13.0%	-5.2	+3.9
<b>International Business Unit<sup>*2*4*5</sup></b>	<b>95.8</b>	<b>+10.3%</b>	<b>5.8</b>	<b>+78.7%</b>
Rakuten Rewards <sup>*6</sup>	56.0	+7.3%	5.7	+58.3%
<b>Minority Investment<sup>*2*3*7</sup></b>			<b>0.4</b>	<b>+0.8</b>
<b>Other Internet Services<sup>*1*5*7</sup></b>	<b>19.3</b>	<b>-0.9%</b>	<b>-7.5</b>	<b>-1.4</b>
<b>Segment Total</b>	<b>377.9</b>	<b>+9.4%</b>	<b>37.7</b>	<b>+28.4%</b>

\*1: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23. \*2: From Q4/24, International Business Unit and Minority Investment are disclosed separately from Other Internet Services. Past figures of Other Internet Services have been retroactively revised. \*3: From Q4/24, investment income (loss) related to the Mobile segment was transferred from Minority Investment of the Internet Services segment to the Mobile segment. Past figures have been retroactively revised. \*4: Open Commerce: Total of Rewards (USA, Europe, Canada), Fillr, overseas Ads business. EU: Total of Rakuten TV and Rakuten France. Others: Total of Rakuten Kobo, Rakuten Viber, and Rakuten Viki, etc. Note: This does not include businesses from Rakuten Symphony, Taiwan e-commerce, or overseas financial subsidiaries. \*5: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised. \*6: From Q1/24, internal cost allocations for overseas businesses were changed. Past figures have been retroactively revised. \*7: Revenue of Minority Investments is included in Other Internet Services.

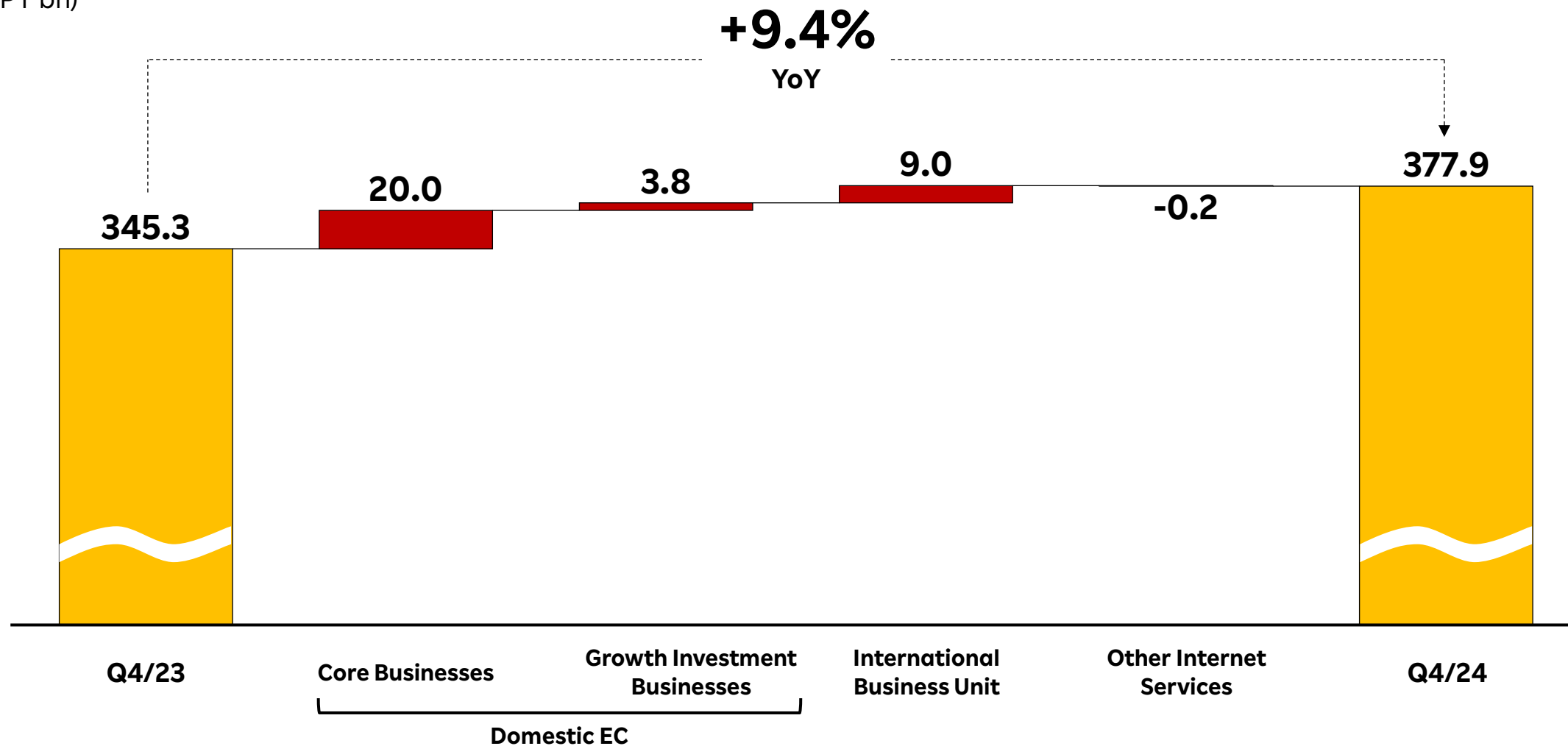
# FY2024 Internet Services Segment Financial Results<sup>\*1\*2\*3\*4</sup>

FY2024 (JPY bn)	Revenue	YoY	Non-GAAP Operating Income	YoY
<b>Domestic EC</b>	<b>922.6</b>	<b>+4.2%</b>	<b>107.2</b>	<b>+4.6%</b>
Core Businesses <sup>*1</sup>	796.9	+3.2%	139.9	-2.3%
Growth Investment Businesses	125.7	+10.9%	-32.7	+8.0
<b>International Business Unit<sup>*3*5*6</sup></b>	<b>283.1</b>	<b>+13.4%</b>	<b>6.7</b>	<b>+12.7</b>
Rakuten Rewards <sup>*7</sup>	145.3	+9.6%	10.4	+105.3%
<b>Minority Investment<sup>*3*4*8</sup></b>			<b>-2.0</b>	<b>+6.9</b>
<b>Other Internet Services<sup>*2*6*8</sup></b>	<b>76.4</b>	<b>-0.8%</b>	<b>-26.9</b>	<b>-4.8</b>
<b>Segment Total</b>	<b>1,282.1</b>	<b>+5.8%</b>	<b>85.1</b>	<b>+29.8%</b>

\*1: From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. No retrospective revisions have been made to past results as the size of the amount is negligible. \*2: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23. \*3: From Q4/24, International Business Unit and Minority Investment are disclosed separately from Other Internet Services. Past figures of Other Internet Services have been retroactively revised. \*4: From Q4/24, investment income (loss) related to the Mobile segment was transferred from Minority Investment of the Internet Services segment to the Mobile segment. Past figures have been retroactively revised. \*5: Open Commerce: Total of Rewards (USA, Europe, Canada), Fillr, overseas Ads business. EU: Total of Rakuten TV and Rakuten France. Others: Total of Rakuten Kobo, Rakuten Viber, and Rakuten Viki, etc. Note: This does not include businesses from Rakuten Symphony, Taiwan e-commerce, or overseas financial subsidiaries. \*6: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised. \*7: From Q1/24, internal cost allocations for overseas businesses were changed. Past figures have been retroactively revised. \*8: Revenue of Minority Investment is included in Other Internet Services.

# Q4/24 Internet Services Segment Revenue Breakdown<sup>\*1\*2</sup>

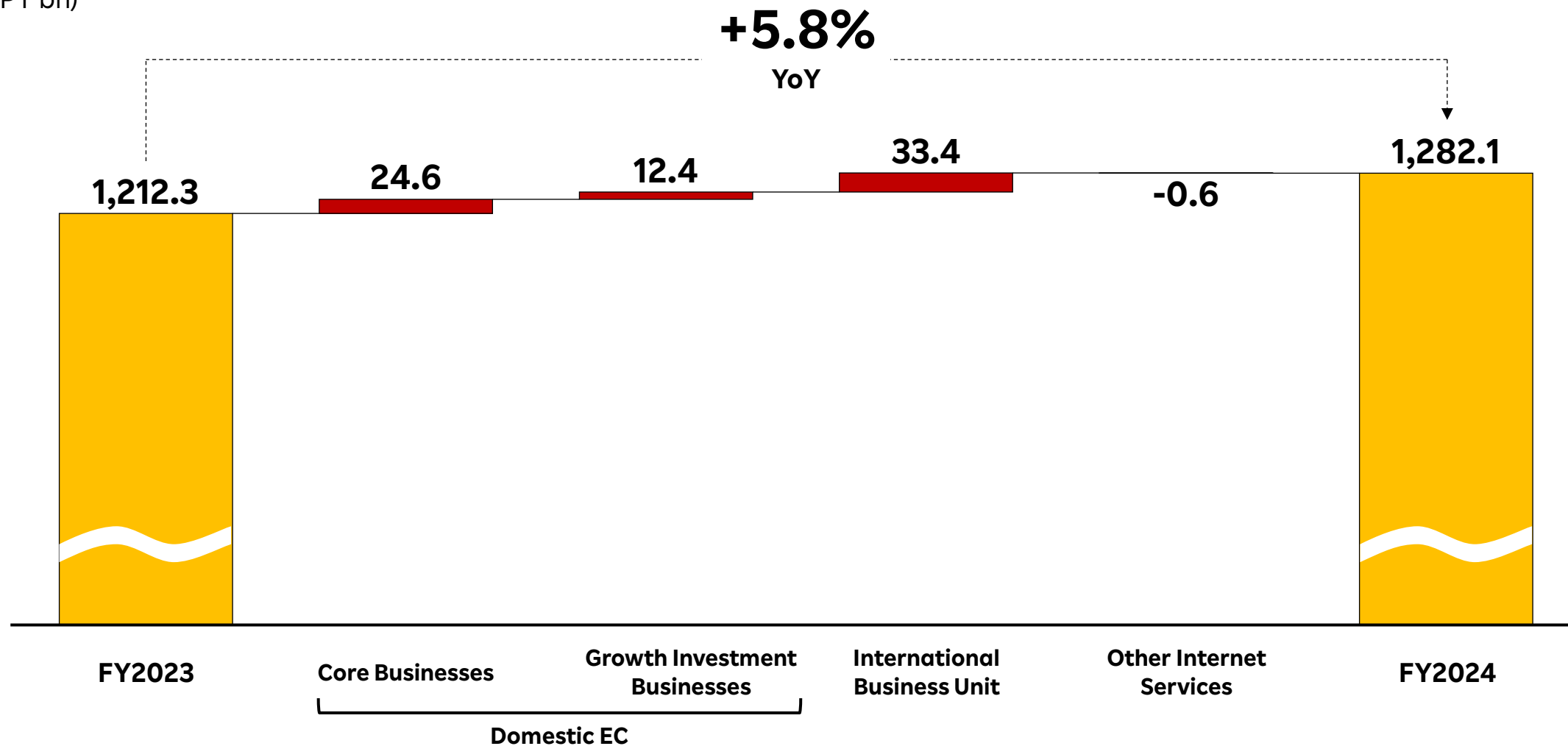
(JPY bn)



\*1: From Q4/24, International Business Unit and Minority Investment are disclosed separately from Other Internet Services. Past figures of Other Internet Services have been retroactively revised. \*2: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised.

# FY2024 Internet Services Segment Revenue Breakdown<sup>\*1\*2\*3</sup>

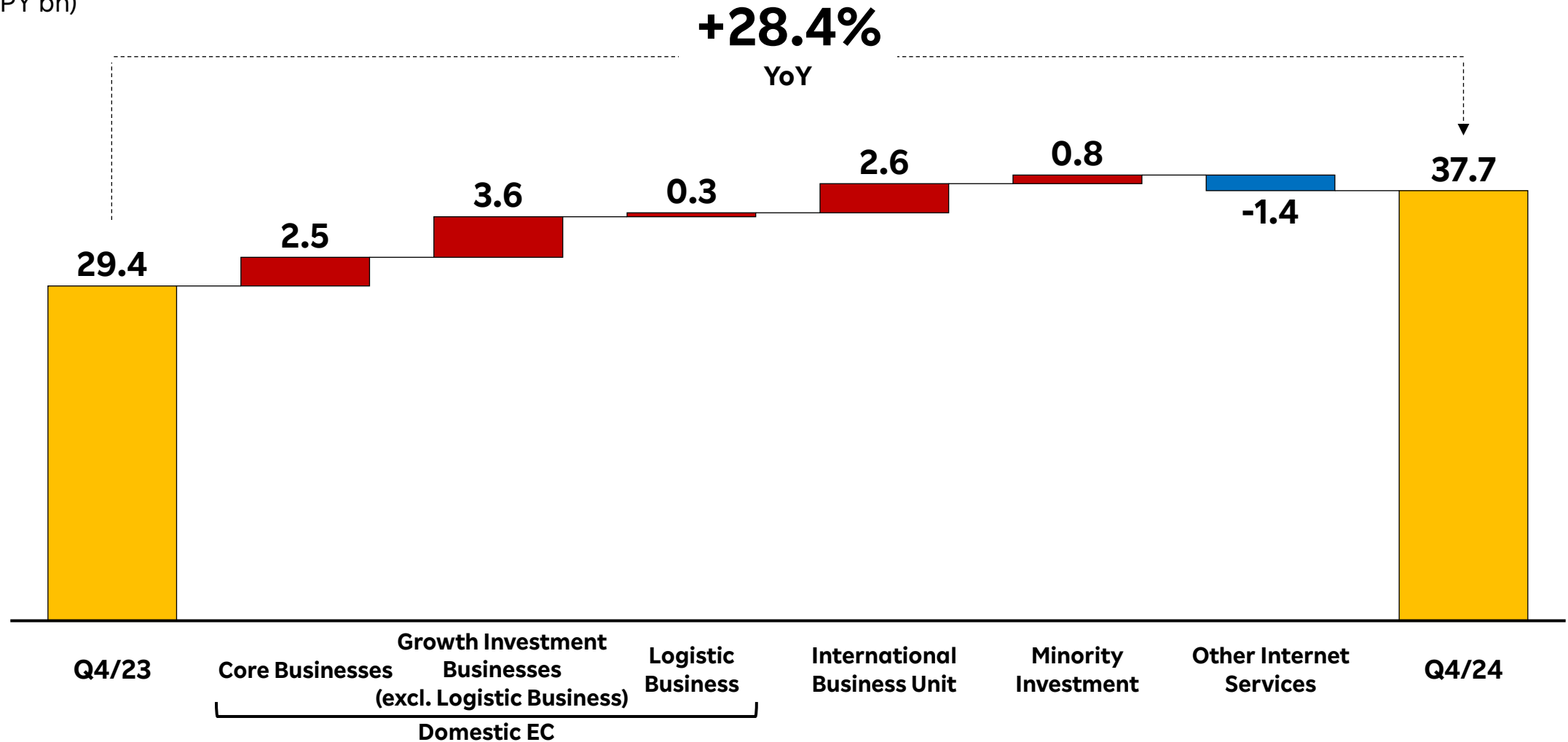
(JPY bn)



\*1: From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. No retrospective revisions have been made to past results as the size of the amount is negligible. \*2: From Q4/24, International Business Unit and Minority Investment are disclosed separately from Other Internet Services. Past figures of Other Internet Services have been retroactively revised. \*3: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised.

# Q4/24 Internet Services Segment Non-GAAP Operating Income Breakdown <sup>\*1\*2\*3\*4</sup>

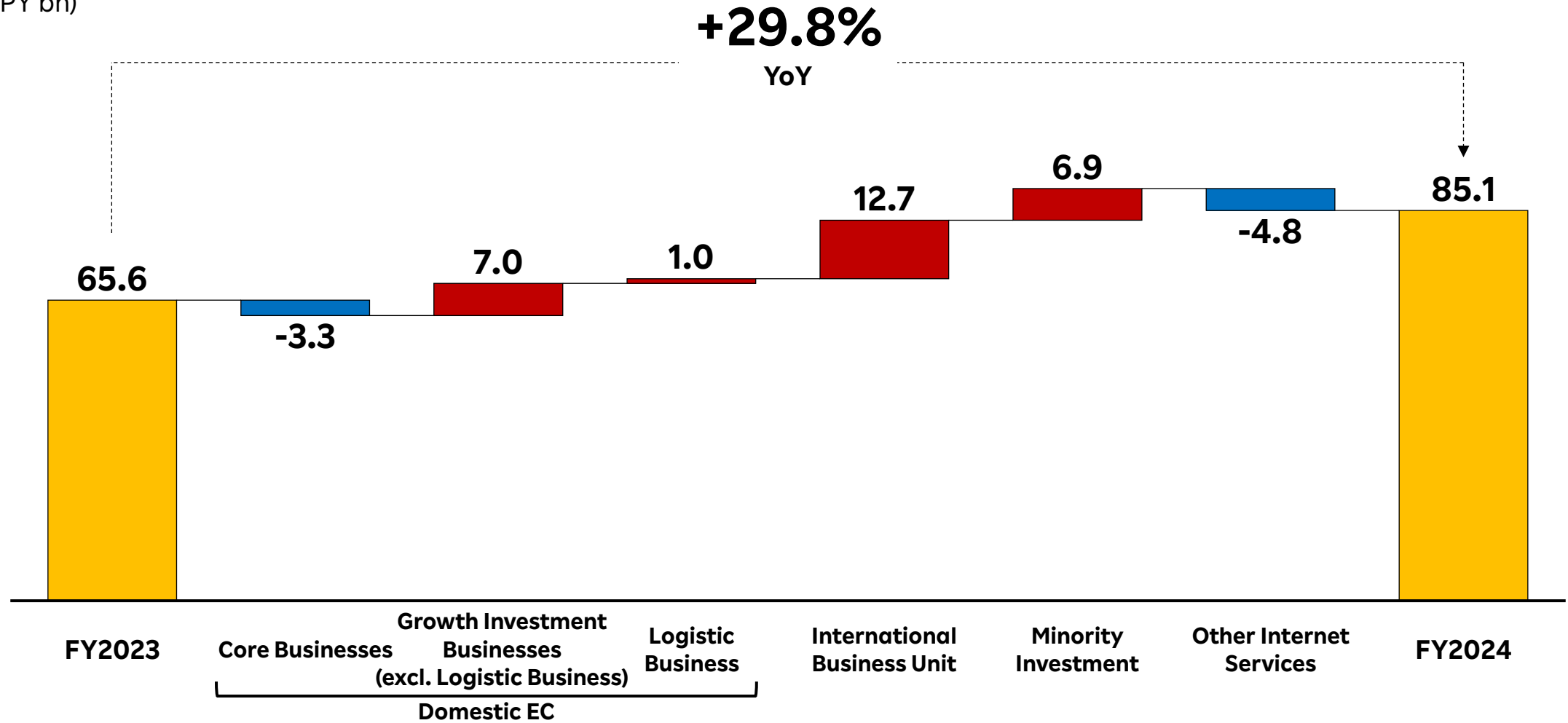
(JPY bn)



\*1: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23. \*2: From Q4/24, International Business Unit and Minority Investment are disclosed separately from Other Internet Services. Past figures of Other Internet Services have been retroactively revised. \*3: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised. \*4: From Q4/24, investment income (loss) related to the Mobile segment was transferred from Minority Investment of the Internet Services segment to the Mobile segment. Past figures have been retroactively revised.

# FY2024 Internet Services Segment Non-GAAP Operating Income Breakdown <sup>\*1\*2\*3\*4\*5</sup>

(JPY bn)

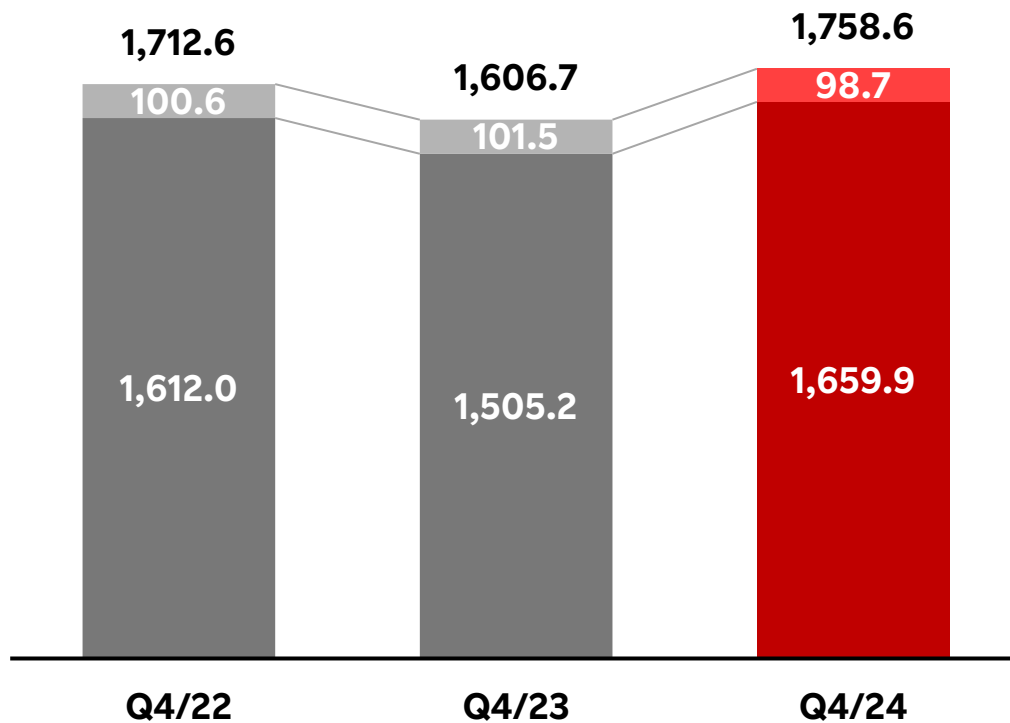


\*1: From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. No retrospective revisions have been made to past results as the size of the amount is negligible. \*2: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retrospective revisions have been made to each segment's results from Q1/23. \*3: From Q4/24, International Business Unit and Minority Investment are disclosed separately from Other Internet Services. Past figures of Other Internet Services have been retroactively revised. \*4: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised. \*5: From Q4/24, investment income (loss) related to the Mobile segment was transferred from Minority Investment of the Internet Services segment to the Mobile segment. Past figures have been retroactively revised.

# Q4/24 Domestic E-Commerce GMS<sup>\*1\*2\*3</sup>

- Domestic EC GMS returned to growth, due in part to the peak demand associated with hometown tax donations normalized backed to Q4 compared to Q3 peak seen in 2023
- Aiming for a mid- to high-single-digit growth rate from 2025 onwards

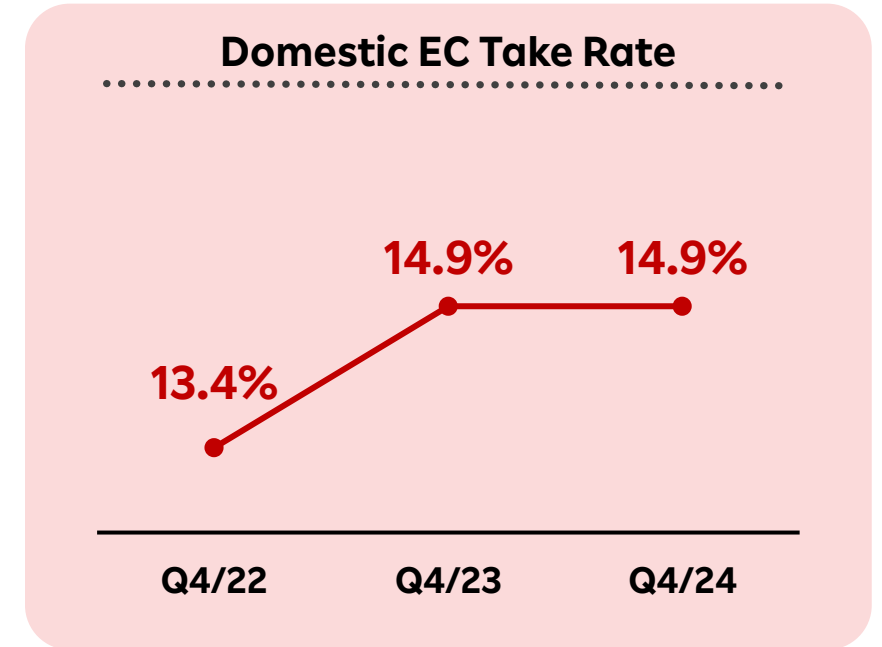
(JPY bn)



**Domestic EC**  
**+9.5%**  
YoY

**Growth Investment**  
**Businesses**  
**-2.8%**  
YoY

**Core Businesses**  
**+10.3%**  
YoY



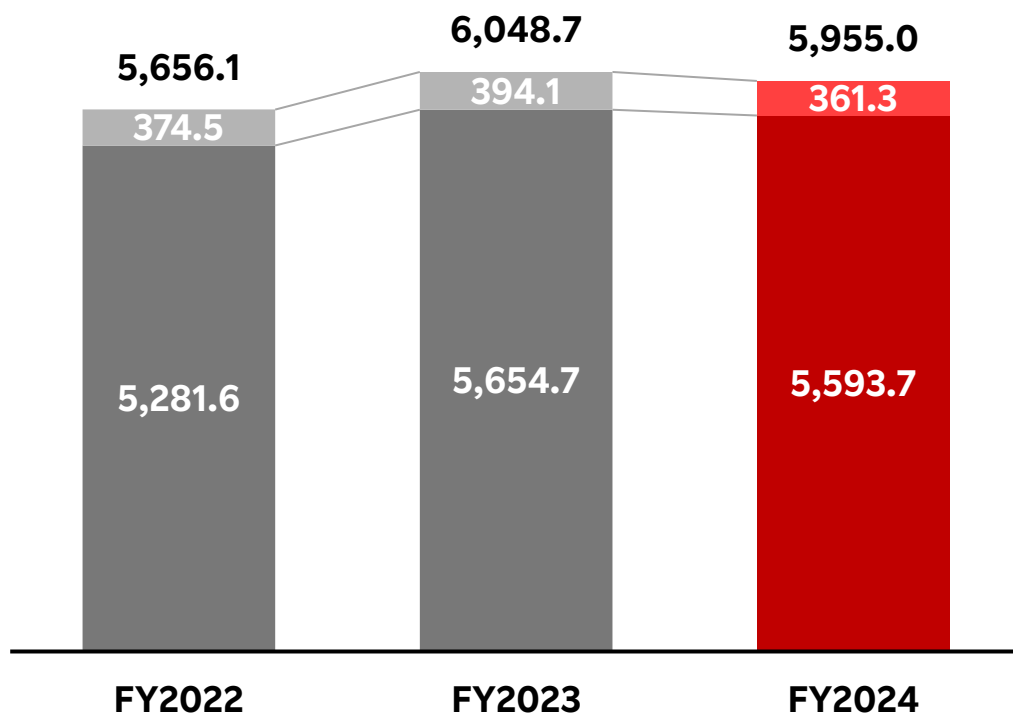
\*1: Domestic E-commerce GMS (excludes certain tax-exempt businesses, includes consumption tax.) is the combined transaction amount for Rakuten Ichiba, Rakuten Travel (GTV on checkout basis), Rakuten Books, Books Network, Kobo (domestic), golf business, Rakuten Fashion, Rakuten Dream businesses, Rakuten Beauty, Rakuten 24, Car, Rakuma, Rakuten Rebates, Rakuten Mart, Rakuten Ticket and cross boarder trading, etc.

\*2: From Q2/23, a portion of Domestic E-commerce GMS definitions, etc. have been revised. Past figures have been retroactively adjusted. \*3: From Q3/23, Rakuten Pay (online payment) business was transferred from the Internet Services segment to the FinTech segment. No retrospective revisions have been made to past results as the size of the amount is negligible.

# FY2024 Domestic E-Commerce GMS<sup>\*1\*2\*3</sup>

- Although GMS was a minus figure YoY caused by temporary factors such as the revision to the SPU & 0/5 rules and the end to nationwide travel support, excluding those temporary factors, growth was +4.6% YoY
- Take rate increased by 0.9 points YoY due to a higher proportion of advertising revenue

(JPY bn)



Domestic EC

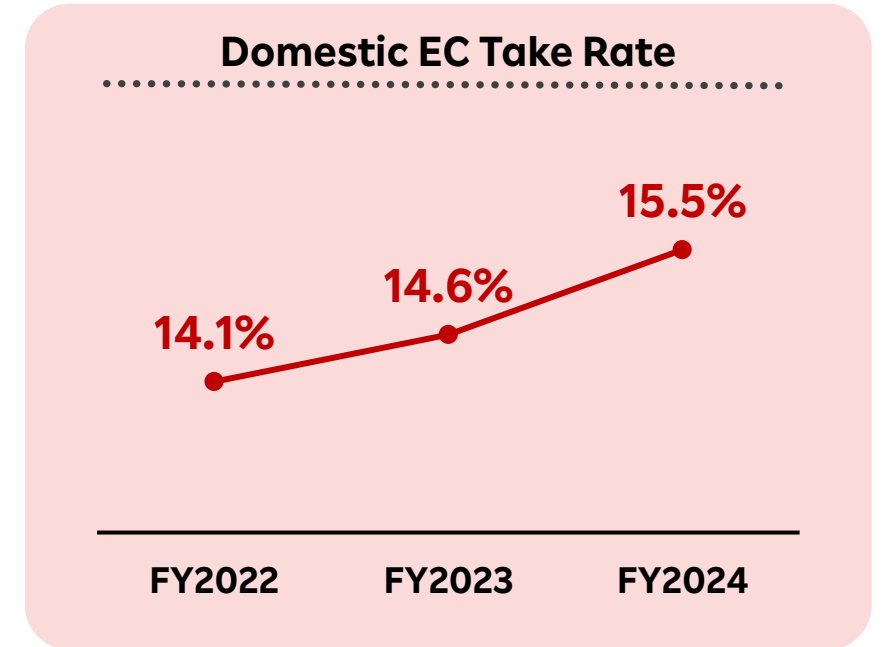
**-1.5%**  
YoY

Growth Investment  
Businesses

**-8.3%**  
YoY

Core Businesses

**-1.1%**  
YoY



\*1: Domestic E-commerce GMS (excludes certain tax-exempt businesses, includes consumption tax.) is the combined transaction amount for Rakuten Ichiba, Rakuten Travel (GTV on checkout basis), Rakuten Books, Books Network, Kobo (domestic), golf business, Rakuten Fashion, Rakuten Dream businesses, Rakuten Beauty, Rakuten 24, Car, Rakuma, Rakuten Rebates, Rakuten Mart, Rakuten Ticket and cross boarder trading, etc.

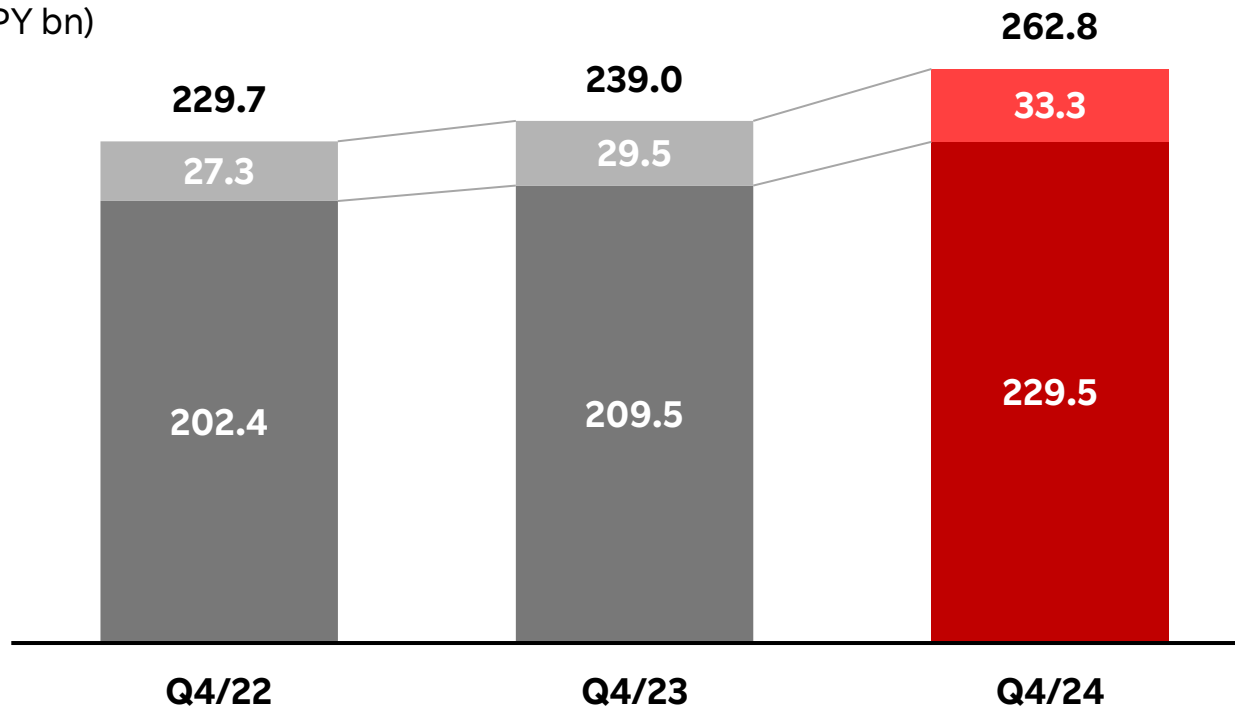
\*2: From Q2/23, a portion of Domestic E-commerce GMS definitions, etc. have been revised. Past figures have been retroactively adjusted. \*3: From Q3/23, Rakuten Pay (online payment) business was transferred from the Internet Services segment to the FinTech segment. No retrospective revisions have been made to past results as the size of the amount is negligible.



# Q4/24 Domestic E-Commerce Revenue

- Core Businesses saw an increase in revenue, driven by a rebound in demand after hometown tax donations were brought forward in 2023, and continued revenue growth at Rakuten Travel and Rakuten24
- Growth Investment Businesses achieved high growth thanks to increased revenue from the logistics business, Rakuten Stay and Rakuten Fashion due to the expansion of GMS

(JPY bn)



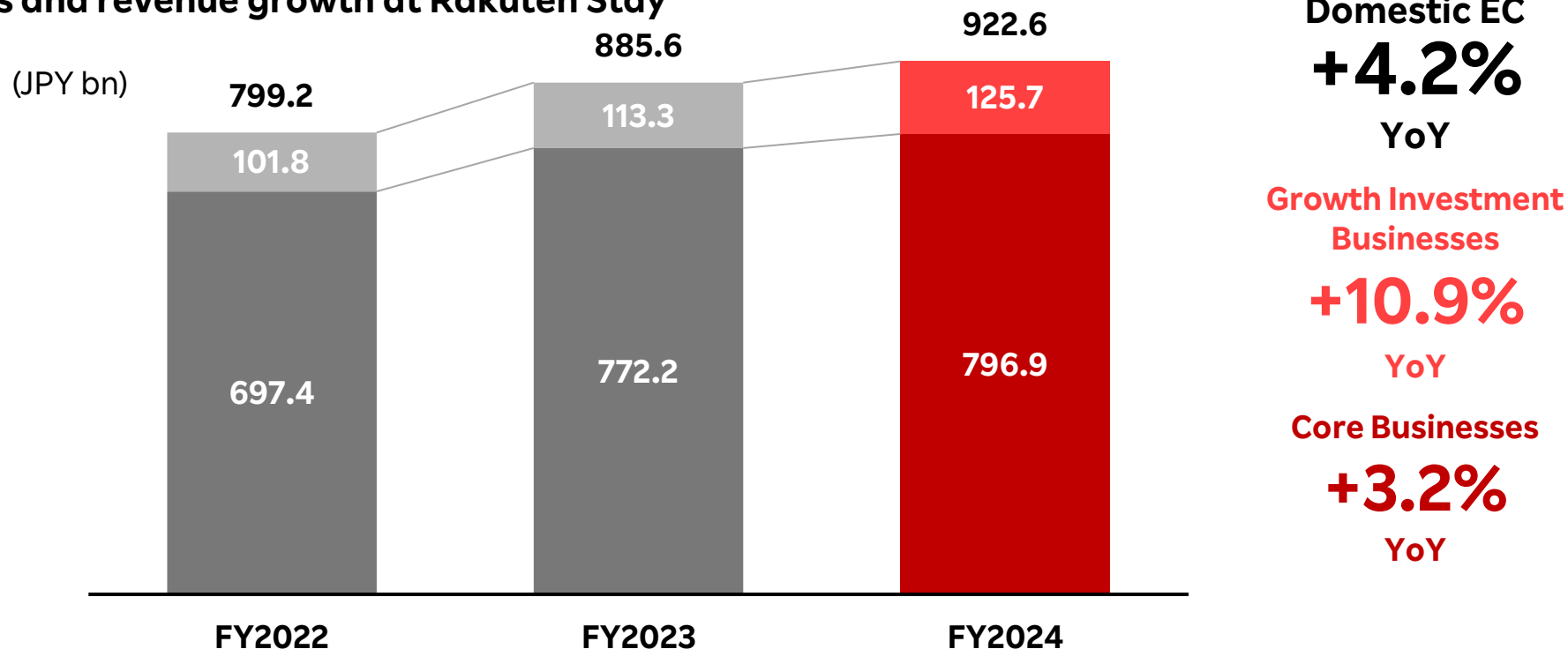
Domestic EC  
**+10.0%**  
 YoY

Growth Investment  
 Businesses  
**+13.0%**  
 YoY

Core Businesses  
**+9.5%**  
 YoY

# FY2024 Domestic E-Commerce Revenue\*

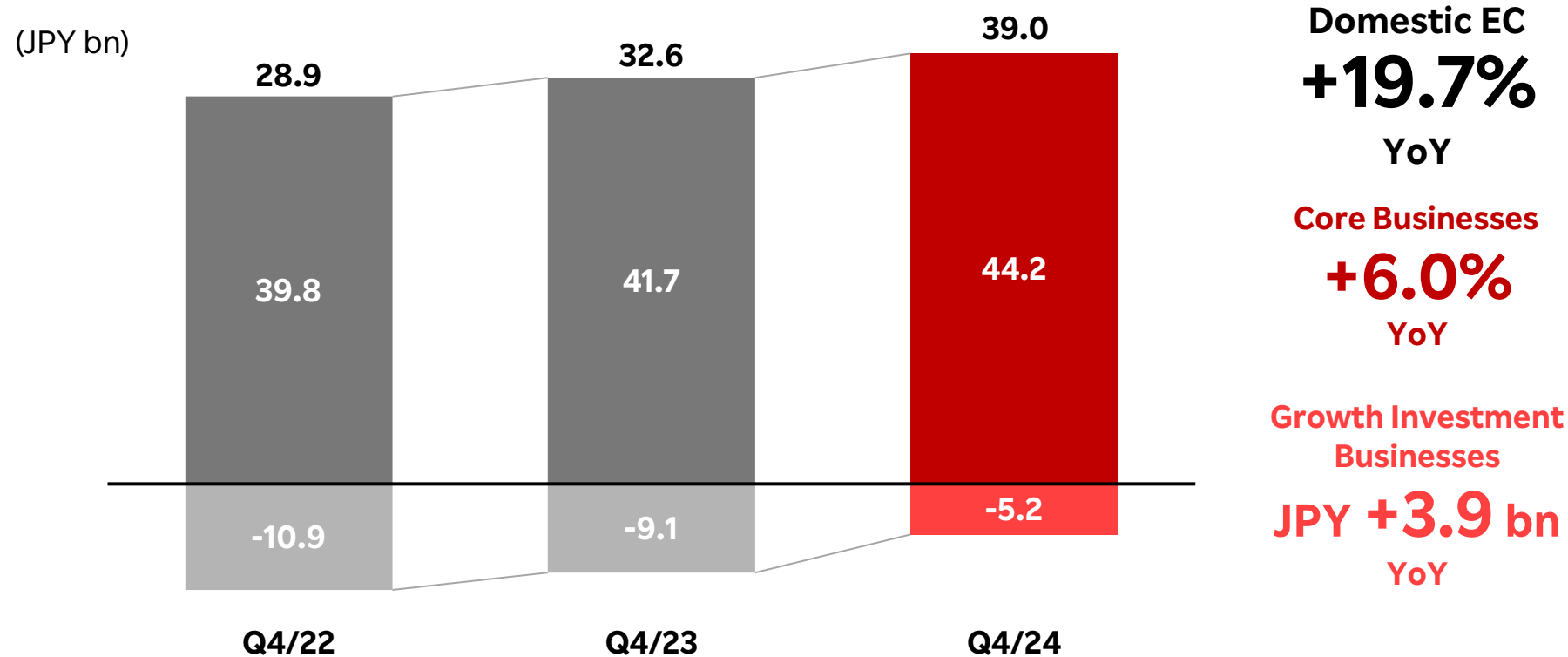
- Although Core Businesses were affected by temporary factors such as the revision to the SPU & O/5 rules and the end to nationwide travel support, it achieved an increased revenue partly due to favorable advertising revenue at Rakuten Ichiba and Rakuten Travel
- Growth Investment Businesses achieved a significant increase in revenue due to price optimization in the logistics business and revenue growth at Rakuten Stay



\*From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. No retrospective revisions have been made to past results as the size of the amount is negligible.

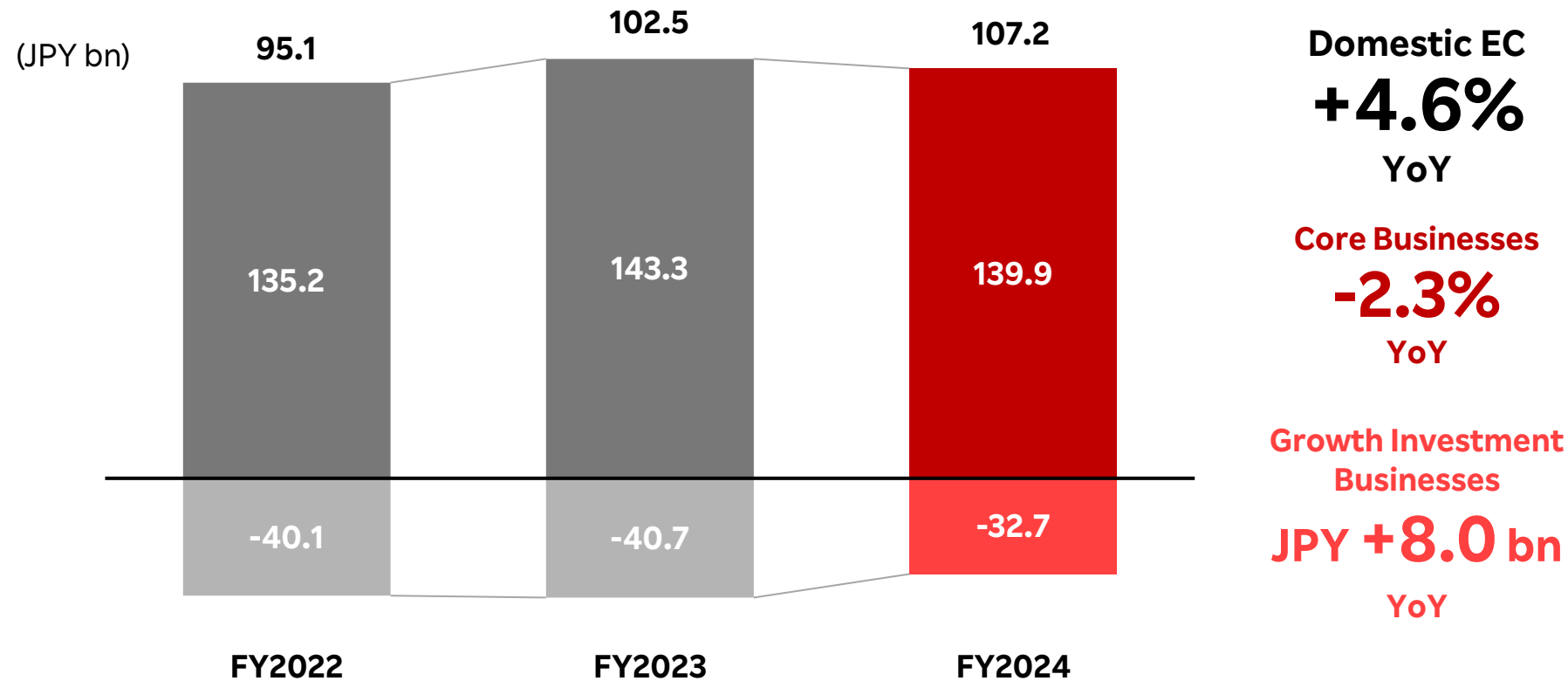
# Q4/24 Domestic E-Commerce Operating Income

- Core Businesses achieved increased profits due to increased revenue, mainly from Rakuten Ichiba and Rakuten Travel
- Growth Investment Businesses recorded gains on the sale of properties at Rakuten Stay, and efforts to improve the profitability of each business were successful, resulting in a reduction in losses



# FY2024 Domestic E-Commerce Operating Income\*

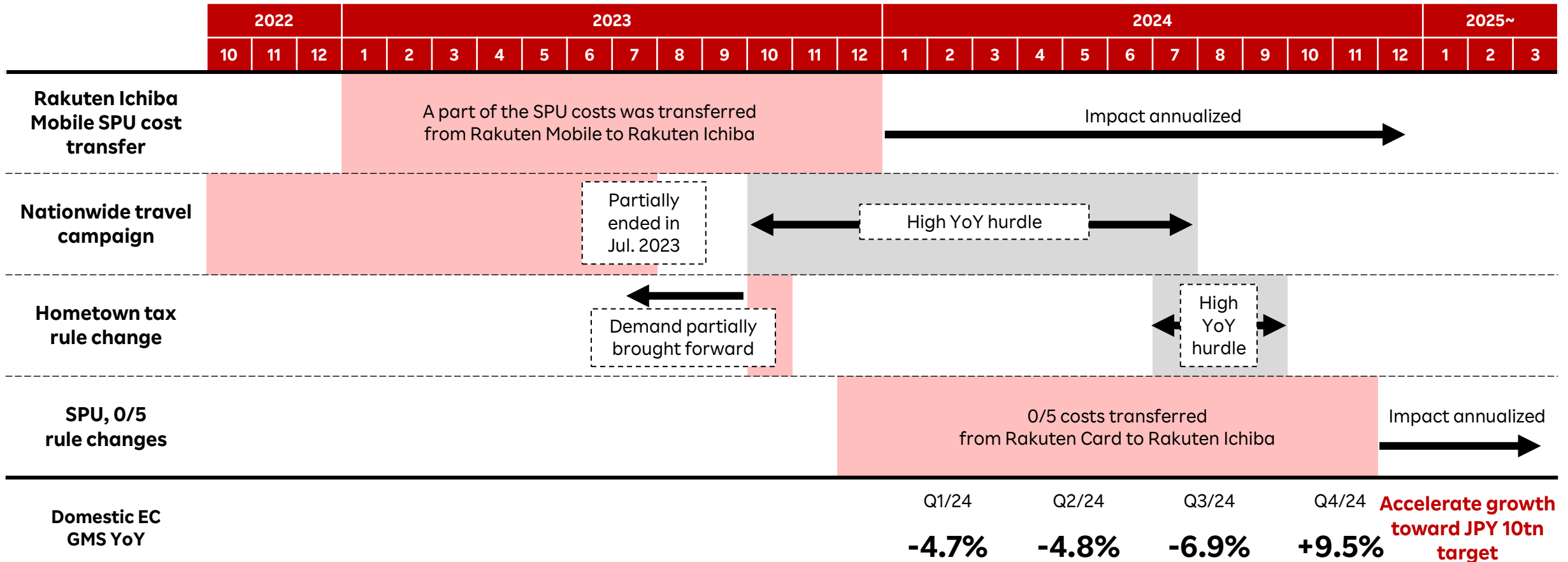
- Profits in Core Businesses decreased due to temporary factors such as the revision to the SPU and 0/5 rules, the end to nationwide travel support, and the transfer of some services and costs between segments. On the other hand, in Growth Investment Businesses, efforts to improve the profitability of each business were successful, and as a result, Domestic EC achieved an increase in profits



\*From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. No retrospective revisions have been made to past results as the size of the amount is negligible.

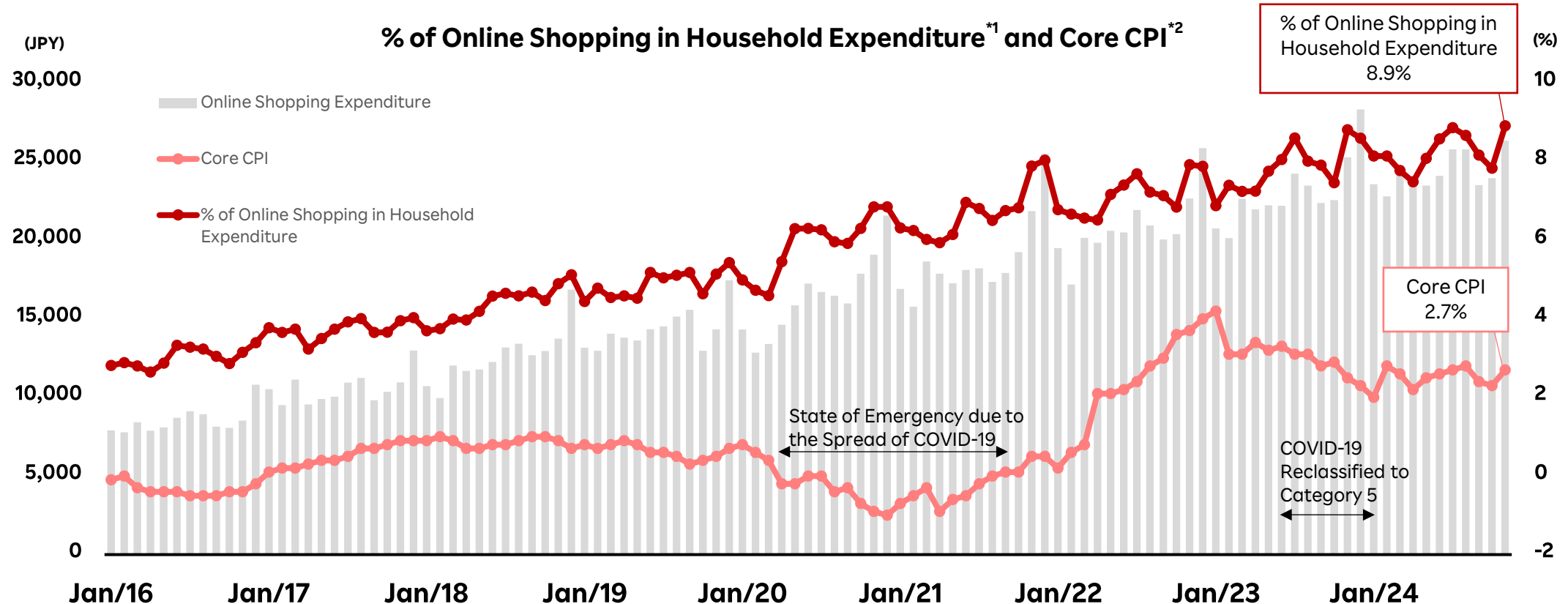
# Domestic EC: Adjustment Items in FY2024

■ We aim to accelerate Domestic EC GMS growth in the mid-to-long term toward our JPY 10tn target



# Growth of Online Shopping from a Macroeconomic Perspective

- Increase in online shopping owing to the COVID-19 pandemic was maintained even after the normalization of economic activities
- Online shopping spending growth remained consistent, despite the recent inflationary pressure

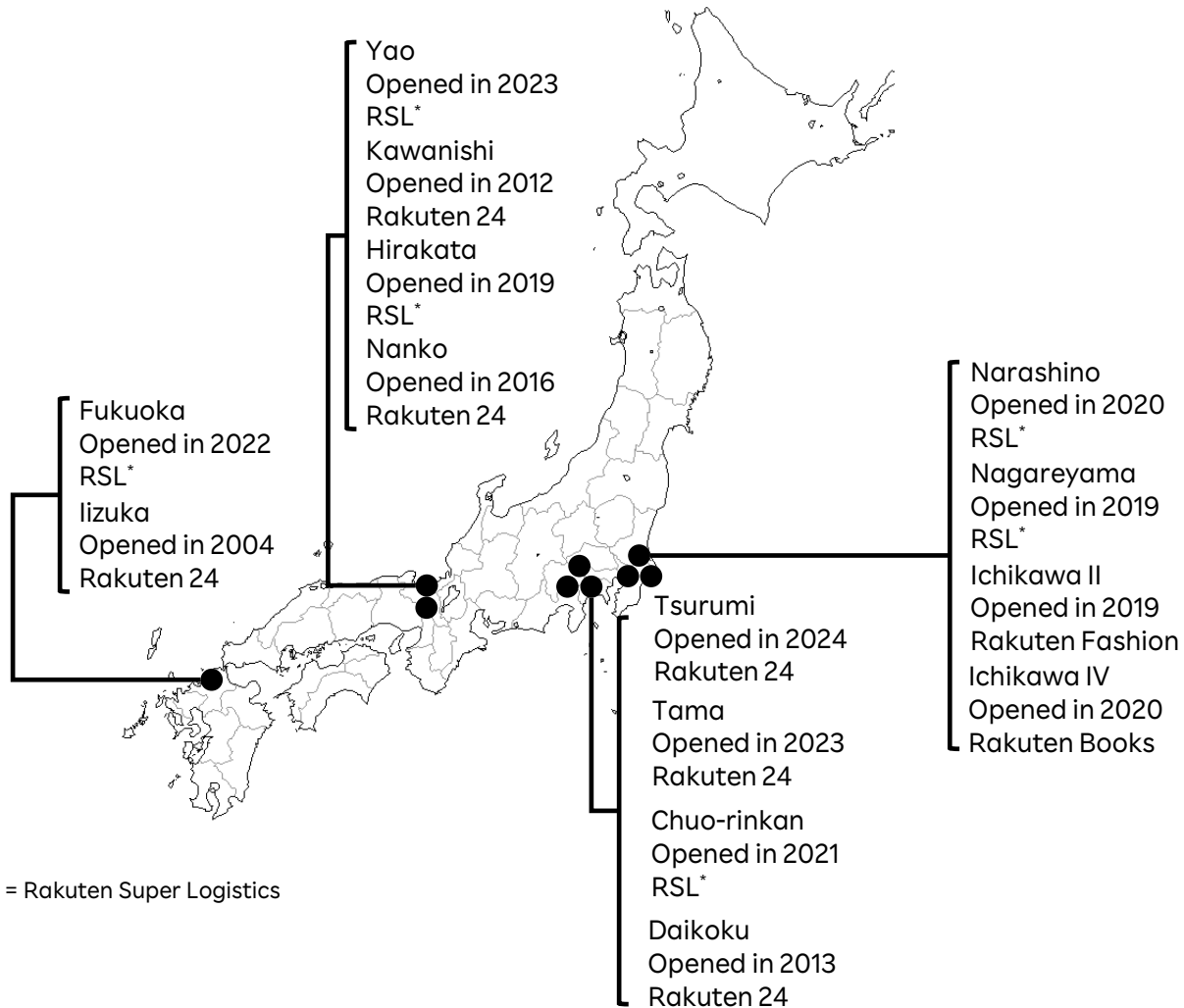


Source: Ministry of Internal Affairs and Communications Consumer Price Index, Family Income and Expenditure Survey, Household Consumption Survey (Monthly Expenditure Per Household Using the Internet)

\*1: Calculated based on online shopping expenditure (for households with two or more people) and household survey income and expenditure data (for households with two or more people). \*2: Year-on-Year change in the overall index, excluding fresh food

# List of Logistics Centers

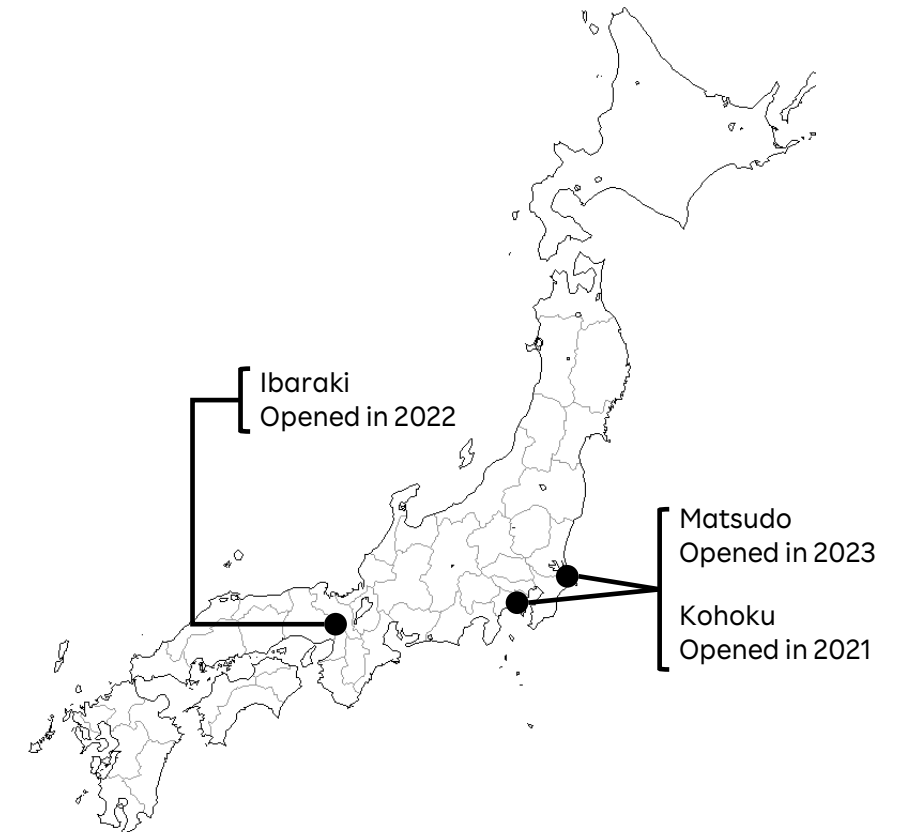
## JP Rakuten Logistics



\*RSL = Rakuten Super Logistics

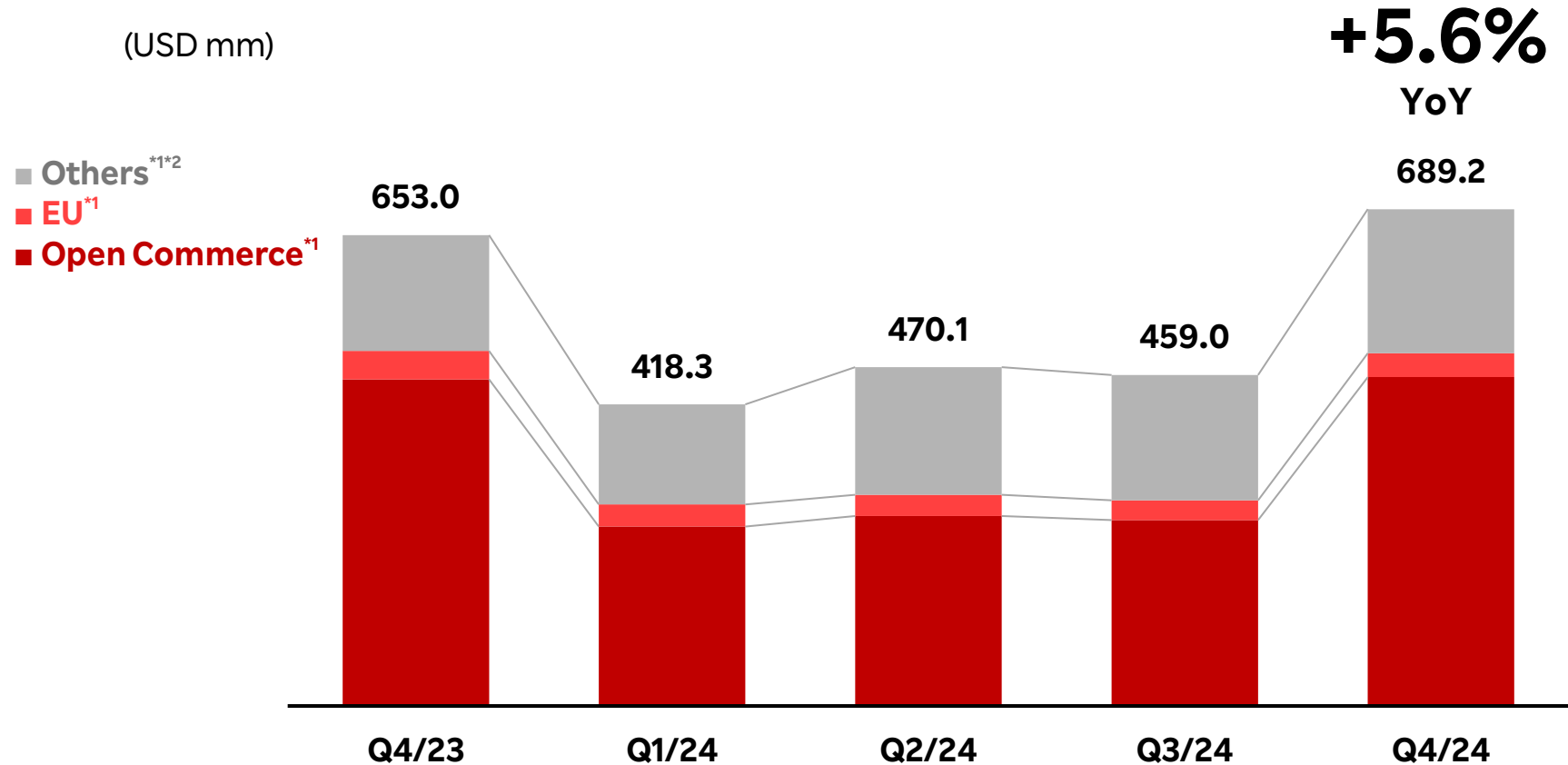


## Rakuten Mart Logistics Centers



# Q4/24 International Business Unit Revenue<sup>\*1\*2</sup>

- In Open Commerce, increase in Rakuten Rewards' GTV contributed to increased revenue
- Strong revenue from Rakuten Kobo's new color device and the expansion of Rakuten Viber's customer base also contributed

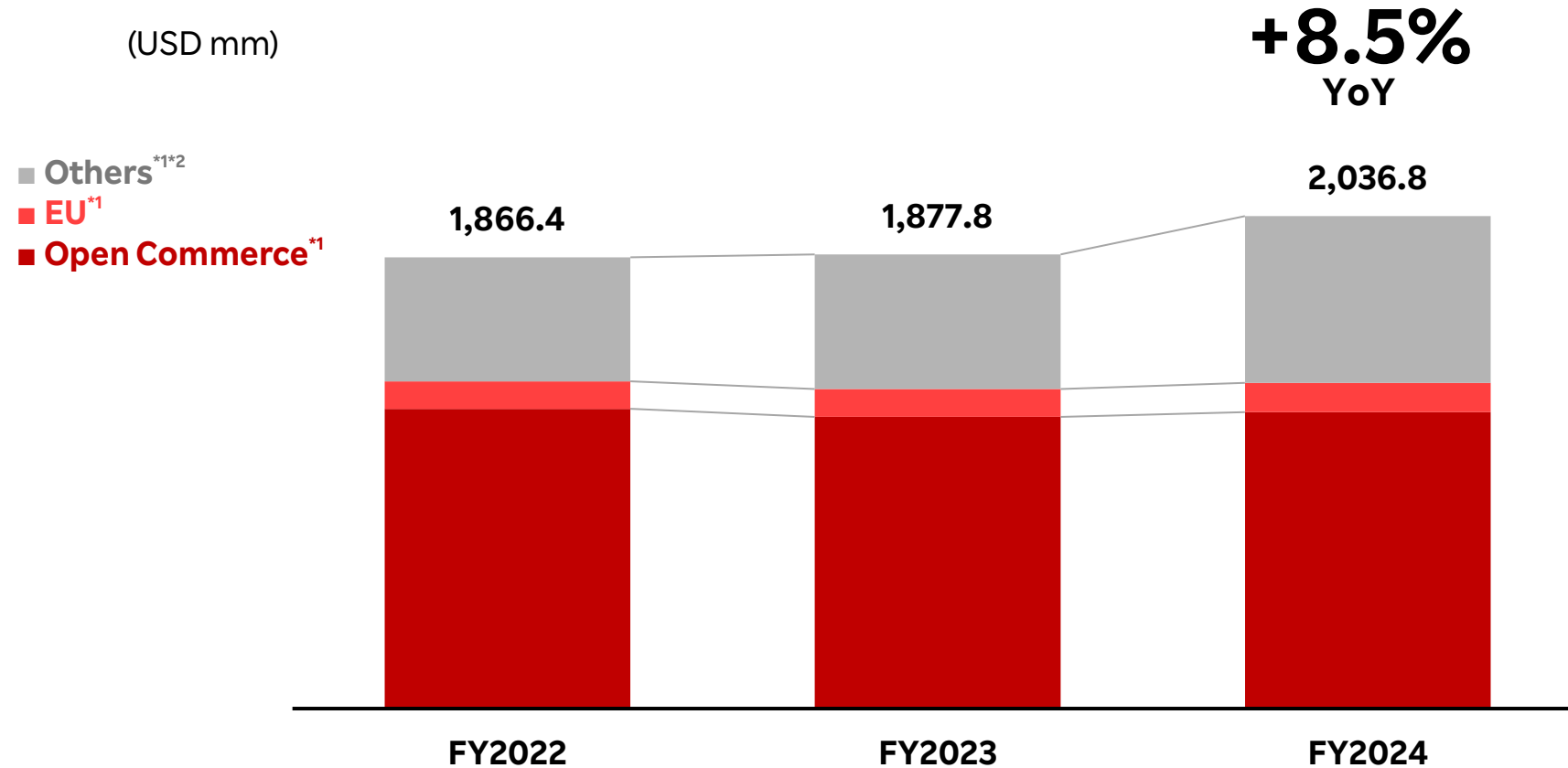


\*1: Open Commerce: Total of Rewards (USA, Europe, Canada), Fillr, overseas Ads business. EU: Total of Rakuten TV and Rakuten France. Others: Total of Rakuten Kobo, Rakuten Viber, and Rakuten Viki. Note: This does not include businesses from Rakuten Symphony, Taiwan e-commerce, or overseas financial subsidiaries. \*2: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised.



# FY2024 International Business Unit Revenue<sup>\*1\*2</sup>

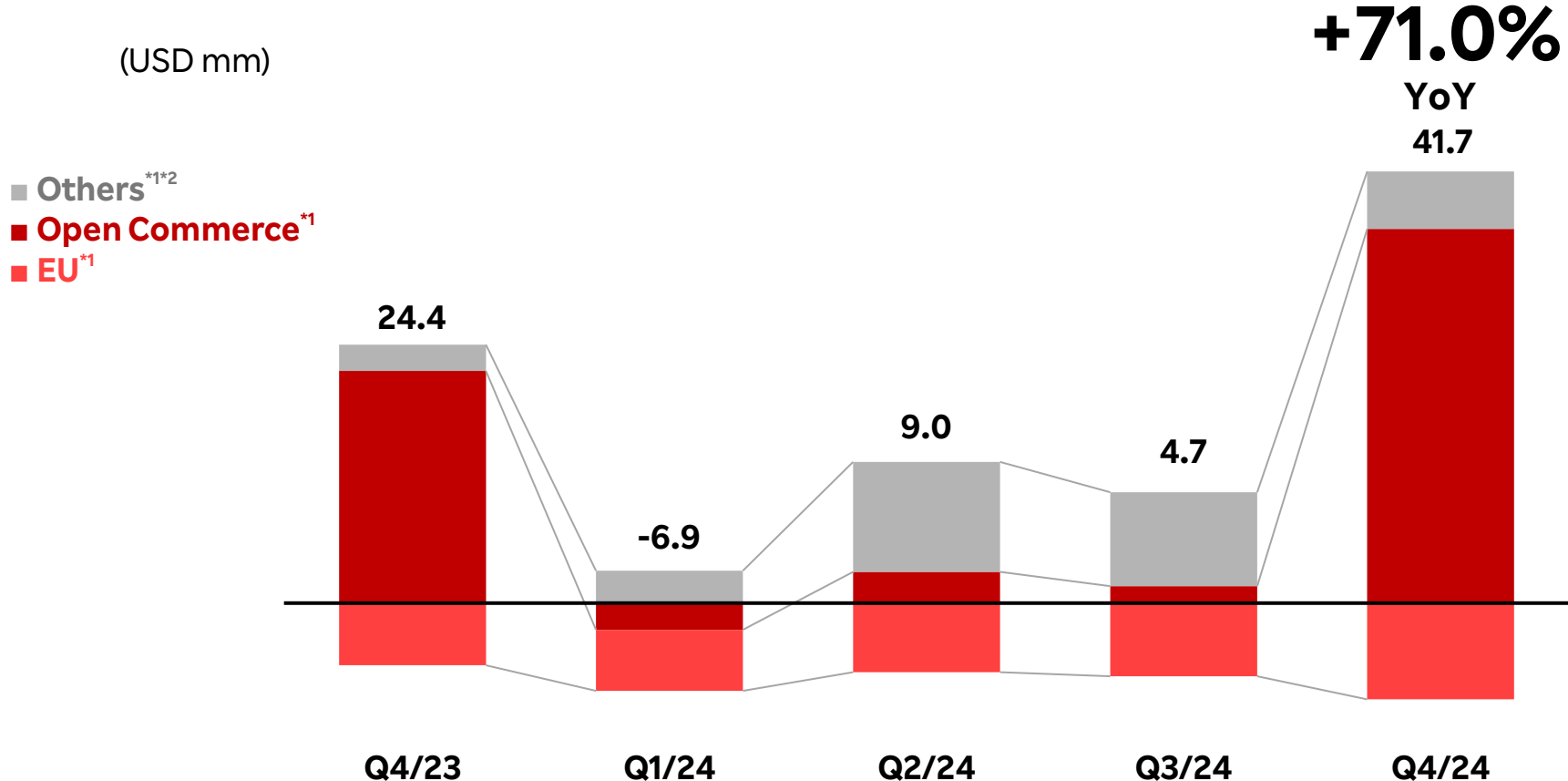
- Rakuten Rewards GTV and the customer base for each content service grew steadily
- Increased revenue from Rakuten Kobo and Rakuten Viber drove growth.



\*1: Open Commerce: Total of Rewards (USA, Europe, Canada), Fillr, overseas Ads business. EU: Total of Rakuten TV and Rakuten France. Others: Total of Rakuten Kobo, Rakuten Viber, and Rakuten Viki. Note: This does not include businesses from Rakuten Symphony, Taiwan e-commerce, or overseas financial subsidiaries. \*2: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised.

# Q4/24 International Business Unit Operating Income <sup>\*1\*2\*3</sup>

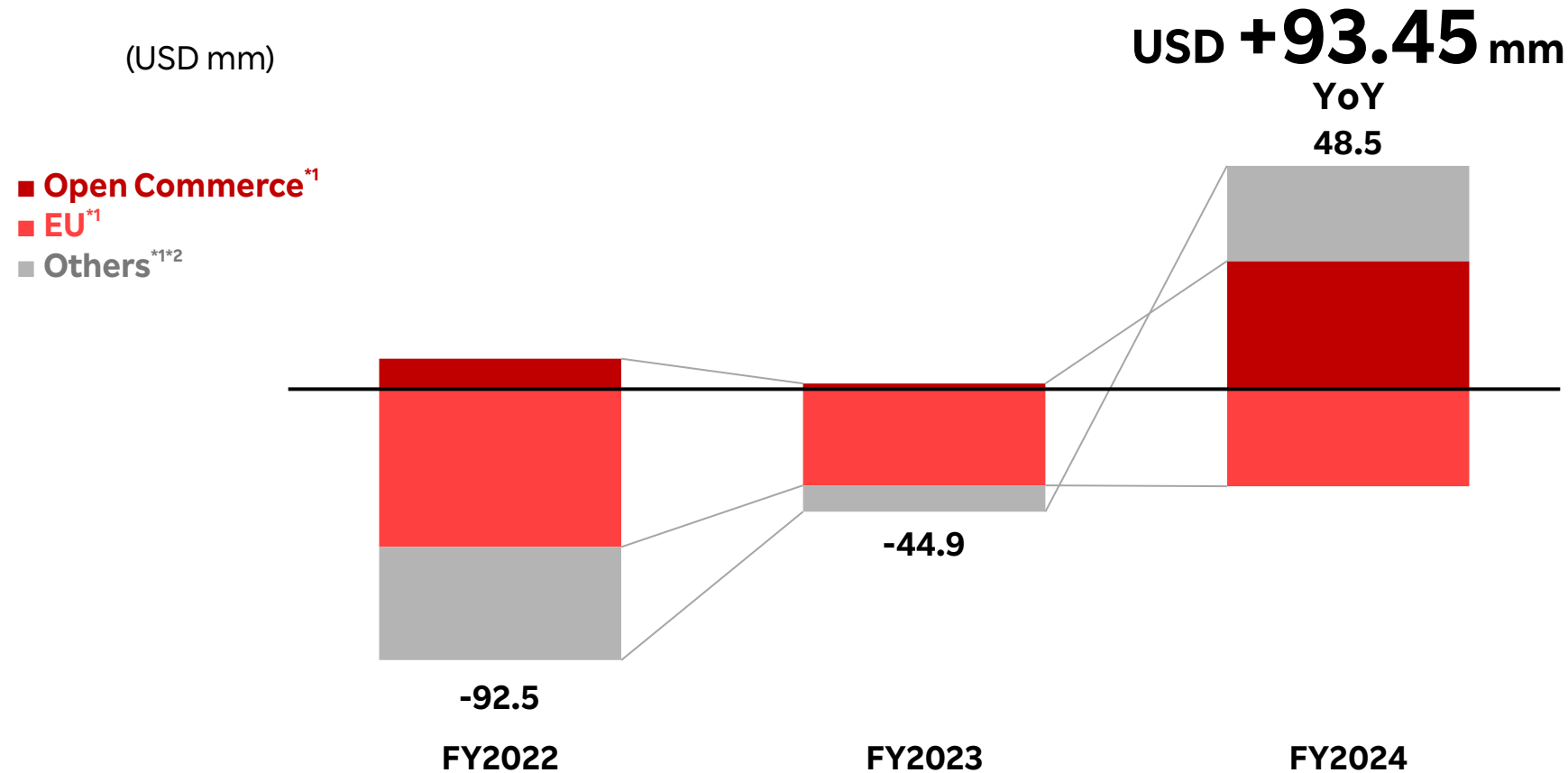
- Strong revenue growth from Rakuten Rewards, Rakuten Viber, etc. contributed to increased profits
- Coupled with efforts to reduce costs and strengthen profitability, significant profit growth was achieved



\*1: Open Commerce: Total of Rewards (USA, Europe, Canada), Fillr, overseas Ads business. EU: Total of Rakuten TV and Rakuten France. Others: Total of Rakuten Kobo, Rakuten Viber, and Rakuten Viki. Note: This does not include businesses from Rakuten Symphony, Taiwan e-commerce, or overseas financial subsidiaries. \*2: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised. \*3: From Q1/24, internal cost allocations for overseas businesses were changed. Past figures have been retroactively revised.

# FY2024 International Business Unit Operating Income

- Increased revenue, cost reductions, and profitability improvement efforts in each business were successful, resulting in a full-year profit



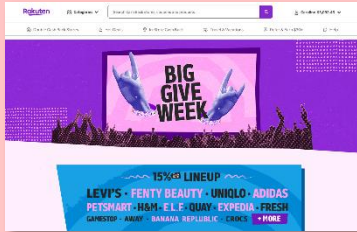
\*1: Open Commerce: Total of Rewards (USA, Europe, Canada), Fillr, overseas Ads business. EU: Total of Rakuten TV and Rakuten France. Others: Total of Rakuten Kobo, Rakuten Viber, and Rakuten Viki. Note: This does not include businesses from Rakuten Symphony, Taiwan e-commerce, or overseas financial subsidiaries. \*2: From Q4/24, a part of U.S. headquarters functions was transferred from Other Internet Services to International Business Unit. Past figures have been retroactively revised. \*3: From Q1/24, internal cost allocations for overseas businesses were changed. Past figures have been retroactively revised.

# Global Customer Base

## Global customer base of Rakuten services are steadily expanding

### Rakuten

(Rakuten Rewards)



GMS  
FY2024

**+1.9%**

YoY

**USD 12.25 bn**

### Rakuten TV



Total Users\*  
(As of the end of Dec/24)

**+41.2%**

YoY

**132.5 mm**

### Rakuten kobo



Registered Users  
(As of the end of Dec/24)

**+7.1%**

YoY

**69.3 mm**

### Rakuten Viber



Registered Users  
(As of the end of Dec/24)

**+4.9%**

YoY

**1.57 bn**

### Rakuten Viki



Registered Users  
(As of the end of Dec/24)

**+20.2%**

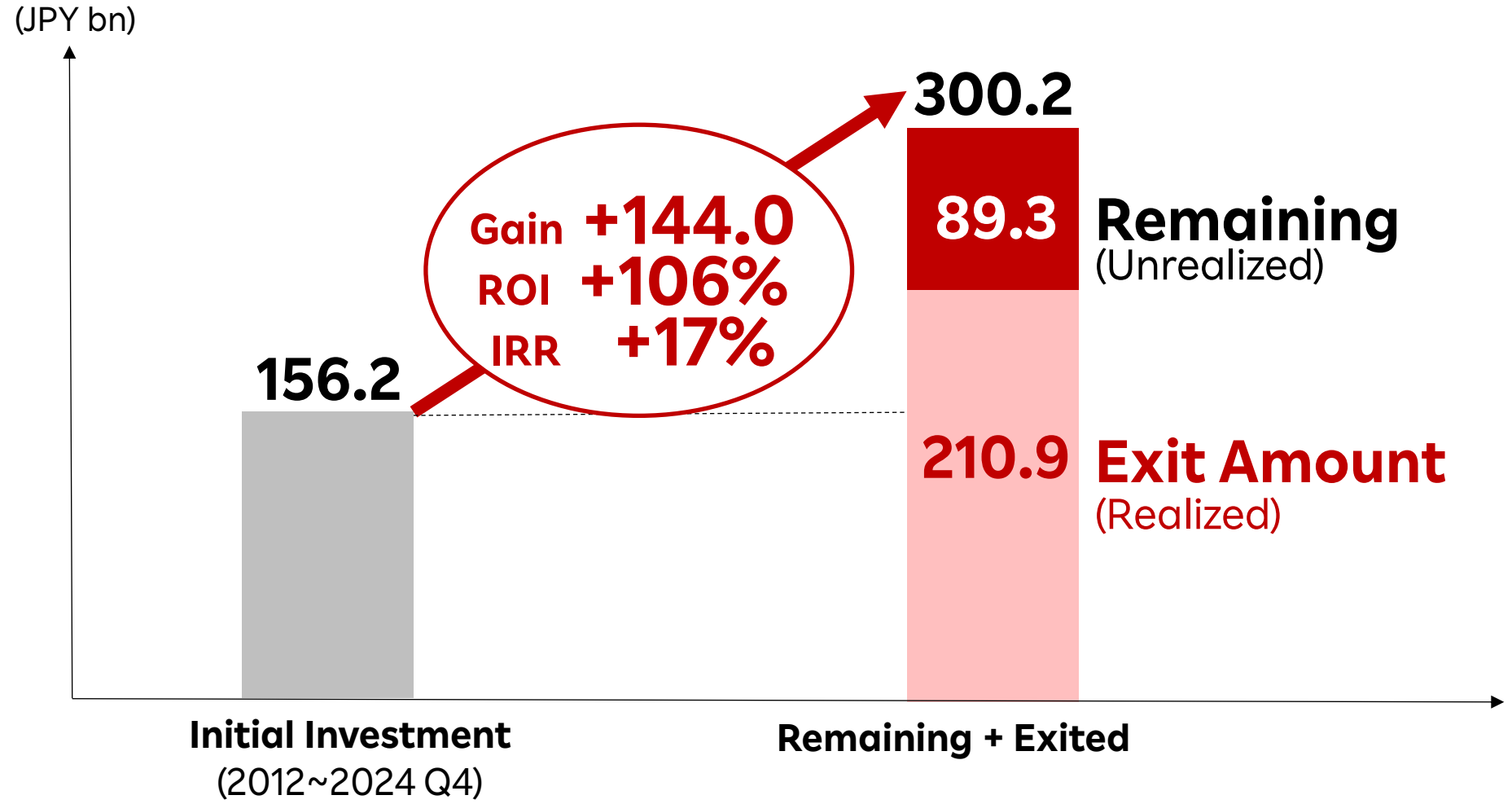
YoY

**99.2 mm**

\*Total number of registered users and non-registered AVOD (Advertising Video On Demand) users.

# Rakuten Capital<sup>\*1</sup> Investment Performance


























(As of Dec 2024)<sup>\*2</sup>



\*1: Investment Business of Rakuten Group (Rakuten Capital). \*2: Non Rakuten Capital investments, such as Lyft and Rakuten Medical are excluded. Includes investments related to the Mobile segment



# Minority Investment Portfolio

	Remaining	Exited* <sup>1</sup>	Non R-Capital* <sup>2</sup>
<b>Number of Investments*<sup>3</sup>:</b>	<b>49</b>	<b>42</b>	<b>2</b>
<u>Internet</u>	<u>Ride Sharing</u>	<u>Healthcare</u>	
 carousell	 cabify	 アイメッド	 Pinterest
 SHOPBACK	<u>DI / DX</u>	 airweave	 careem (Partial)
 OneSignal	 hacomono	 Ubie	 VISIONAL
 dataX	 TOON CRACKER		 Upstart
<u>Sustainability</u>	<u>Mobile*<sup>4</sup> / AI</u>	<u>Other</u>	 goto
 BAAZ	 airalo	 ÖKAN	 BASE FOOD
 TeraWatt TECHNOLOGY	 SCIENCE ARTS	 Digital Entertainment Asset Pte. Ltd.	
 JEPLAN	 METAPHYSIC	 TENTIAL	

\*1: Exit since 2015. Exit number does not include a 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 Q4/24. \*4: Includes investments related to the Mobile Segment

# FinTech Segment

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# Q4/24 FinTech Segment Financial Results<sup>\*1\*2\*3\*4\*5</sup>

Q4/24 (JPY bn)	Revenue	YoY	Non-GAAP Operating Income	YoY
Rakuten Card	92.0	+8.4%	14.5	-3.7%
Rakuten Bank	38.7	+13.7%	19.6	+45.7%
Rakuten Securities	32.4	+21.5%	7.4	+47.6%
Insurance Business	22.1	+4.0%	0.8	-80.9%
Rakuten Payment	25.9	+22.9%	1.1	+2.4
Others <sup>*5</sup>	4.9	+34.9%	-4.7	-0.3
<b>Segment Total</b>	<b>216.0</b>	<b>+12.8%</b>	<b>38.7</b>	<b>+21.5%</b>

\*1: Rakuten Securities includes Rakuten Securities Inc. and its off-shore subsidiaries. \*2: Insurance Business includes Life Insurance, General Insurance, and Insurance Agency. \*3: Rakuten Payment includes Rakuten Pay, Rakuten Edy, and Point Partner (including Rakuten Point Online since September 1, 2023). \*4: Others include Rakuten Card's off-shore subsidiaries, Rakuten Bank's off-shore subsidiaries, Rakuten Securities HD Inc., Rakuten Wallet, Inc., and Rakuten Investment Management, Inc. etc. \*5: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23.



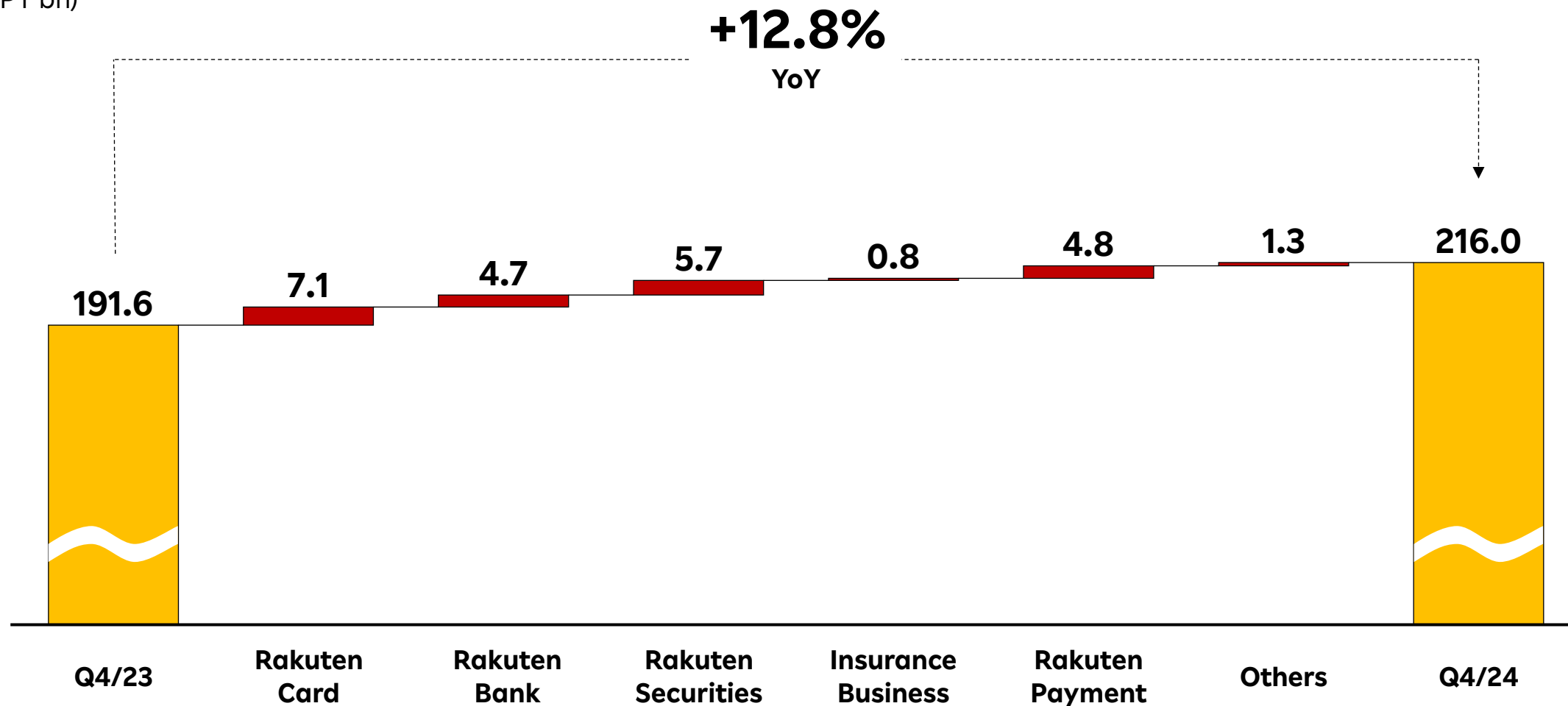
# FY2024 FinTech Segment Financial Results <sup>\*1\*2\*3\*4\*5\*6</sup>

FY2024 (JPY bn)	Revenue	YoY	Non-GAAP Operating Income	YoY
Rakuten Card	340.3	+7.3%	62.1	+20.4%
Rakuten Bank	155.3	+21.6%	67.1	+39.3%
Rakuten Securities	130.4	+17.1%	33.6	+11.1%
Insurance Business	85.5	+1.2%	3.0	-67.9%
Rakuten Payment <sup>*5</sup>	91.7	+22.1%	4.5	+13.5
Others <sup>*5*6</sup>	17.3	+80.7%	-17.0	+2.2
<b>Segment Total</b>	<b>820.4</b>	<b>+13.1%</b>	<b>153.4</b>	<b>+37.9%</b>

\*1: Rakuten Securities includes Rakuten Securities Inc. and its off-shore subsidiaries. \*2: Insurance Business includes Life Insurance, General Insurance, and Insurance Agency. \*3: Rakuten Payment includes Rakuten Pay, Rakuten Edy, and Point Partner. \*4: Others include Rakuten Card's off-shore subsidiaries, Rakuten Bank's off-shore subsidiaries, Rakuten Securities HD Inc., Rakuten Wallet, Inc., and Rakuten Investment Management, Inc. etc. \*5: From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. Retroactive revisions were made to Rakuten Payment and Others. The segment total remains unchanged. \*6: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23.

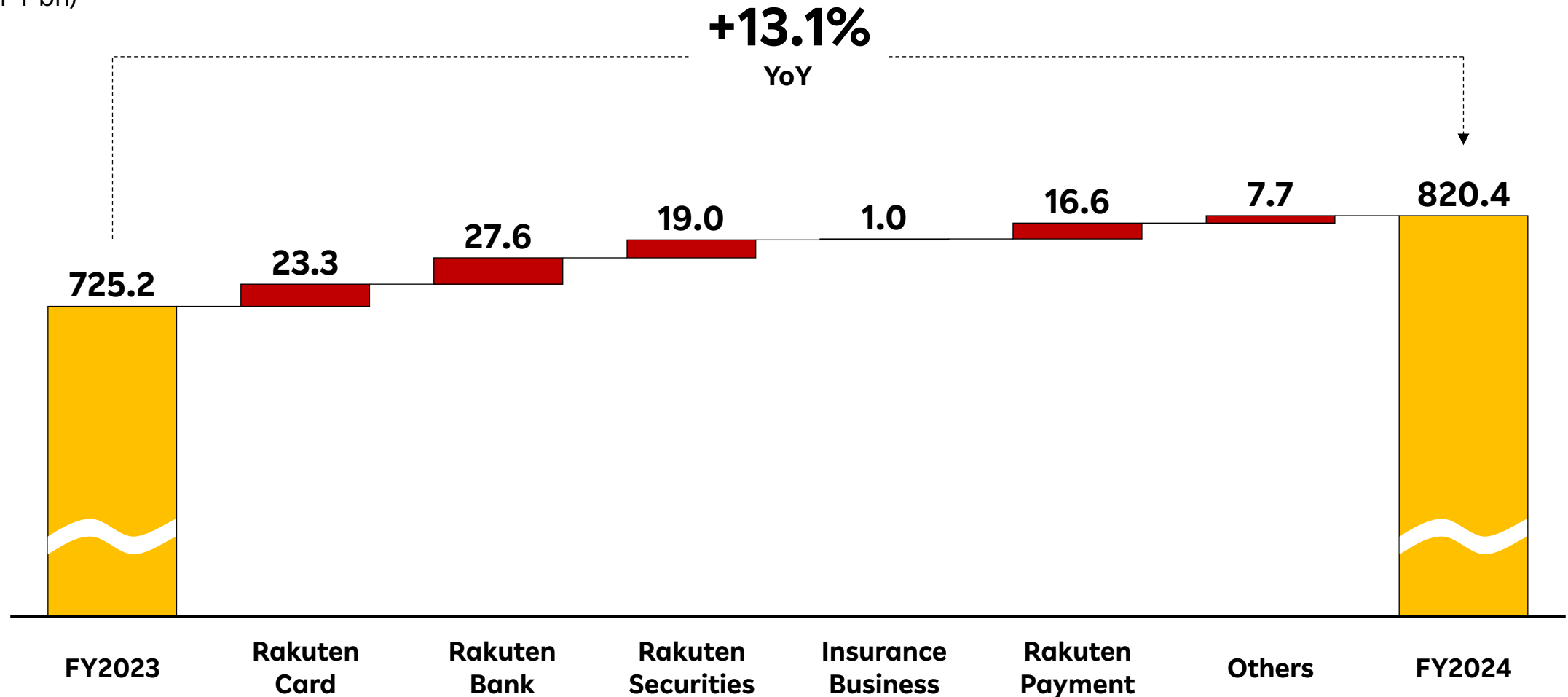
# Q4/24 FinTech Segment Revenue Breakdown

(JPY bn)



# FY2024 FinTech Segment Revenue Breakdown\*

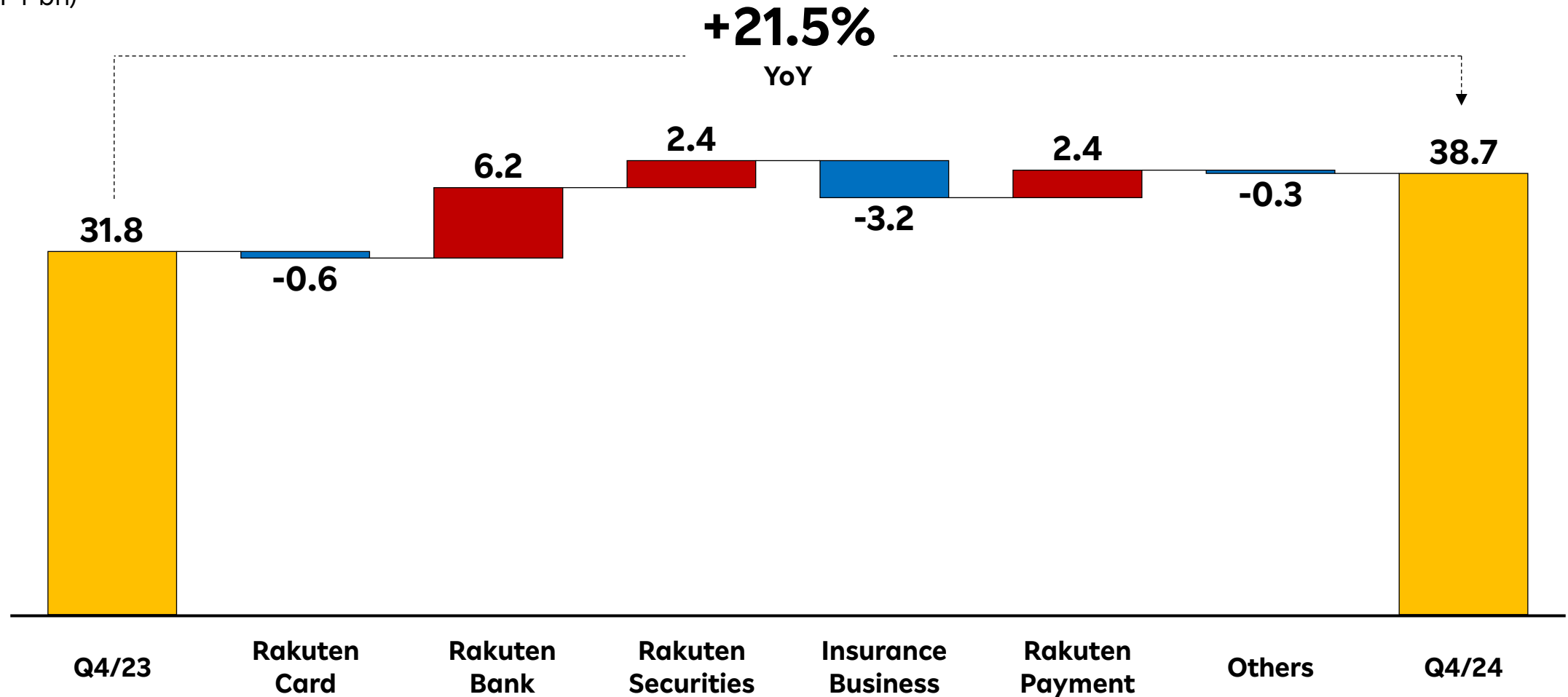
(JPY bn)



\*From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. Retroactive revisions were made to Rakuten Payment and Others. The segment total remains unchanged.

# Q4/24 FinTech Segment Non-GAAP Operating Income Breakdown\*

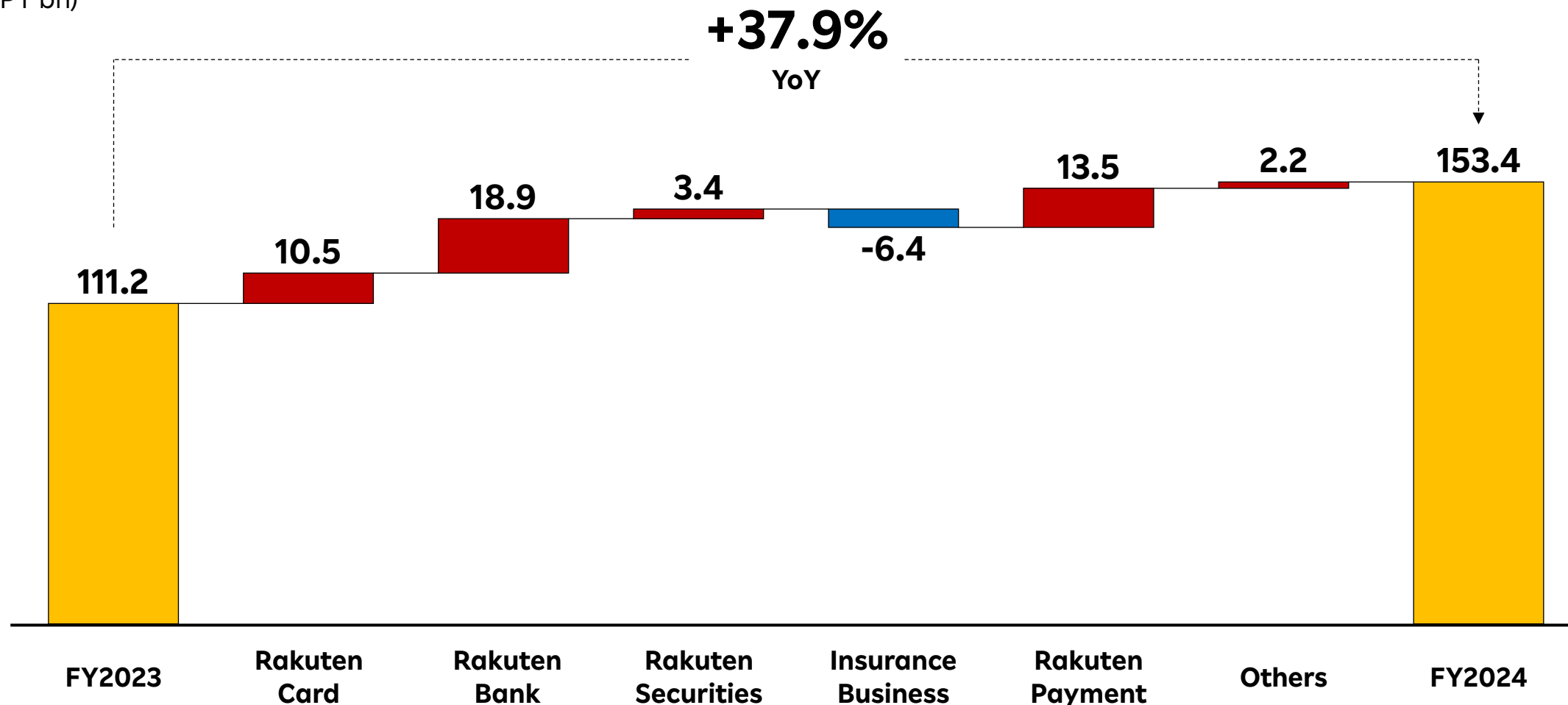
(JPY bn)



\*From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23.

# FY2024 FinTech Segment Non-GAAP Operating Income Breakdown<sup>\*1\*2</sup>

(JPY bn)

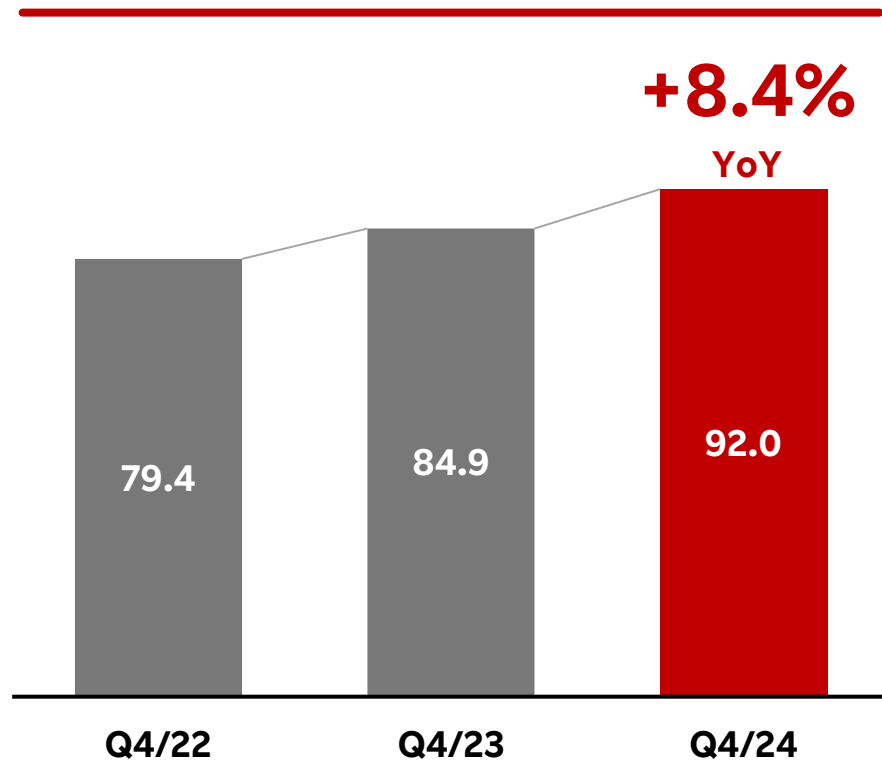


\*1: From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. Retroactive revisions were made to Rakuten Payment and others. The segment total remains unchanged. \*2: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23.

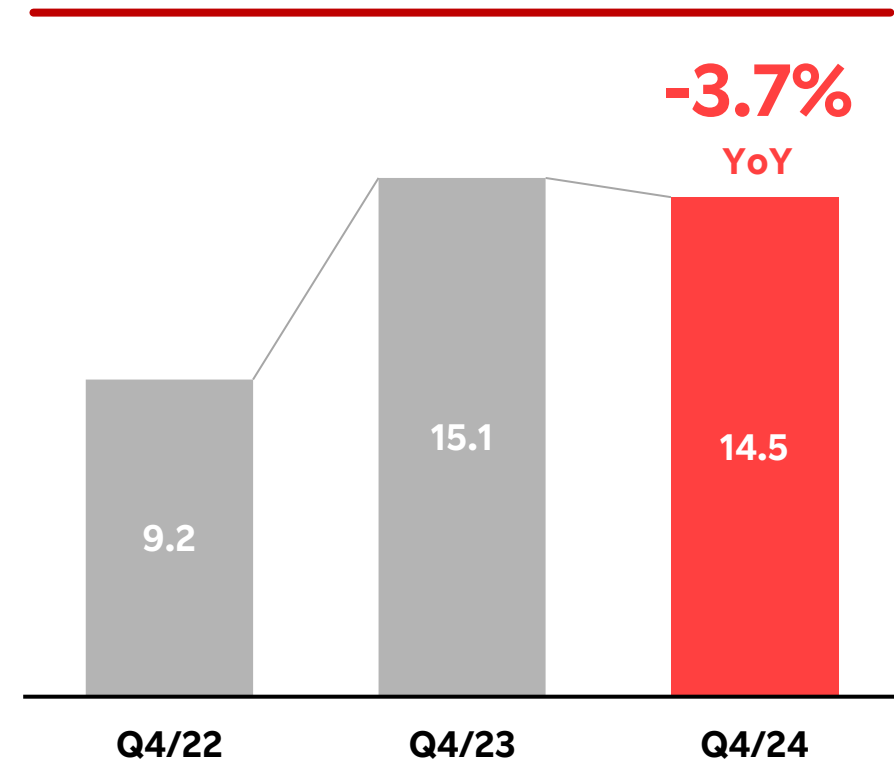
# Q4/24 Rakuten Card Financial Results

- Revenue grew due to increased fee income from expanded shopping and installment GTV
- Operating income declined due to increase in financial expenses with higher interest rate and one-off losses from the sale of receivables for asset optimization

### Revenue (JPY bn)



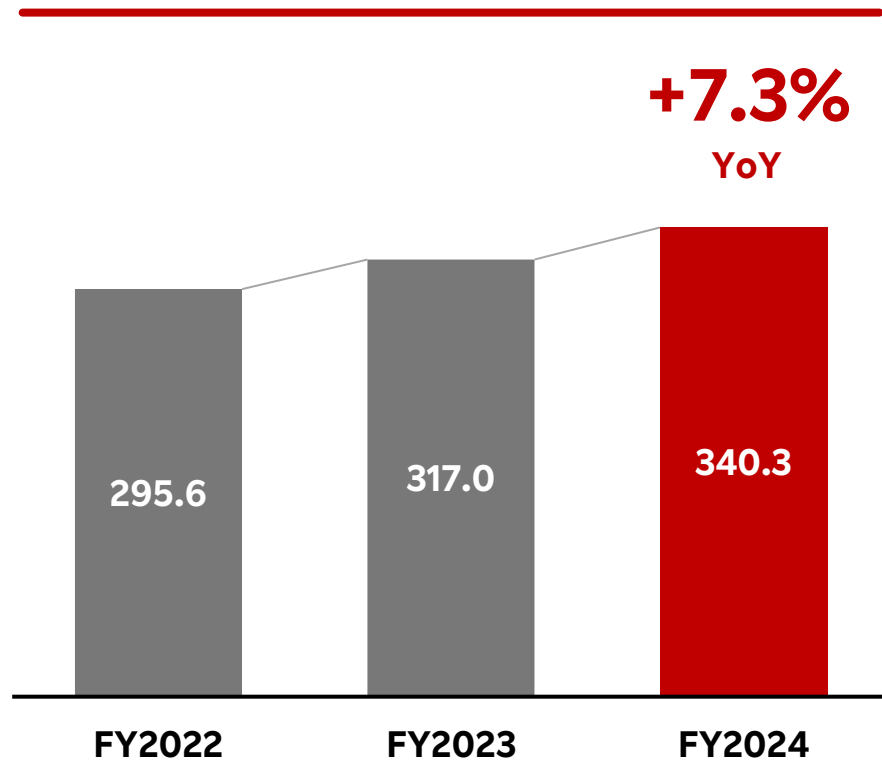
### Non-GAAP Operating Income (JPY bn)



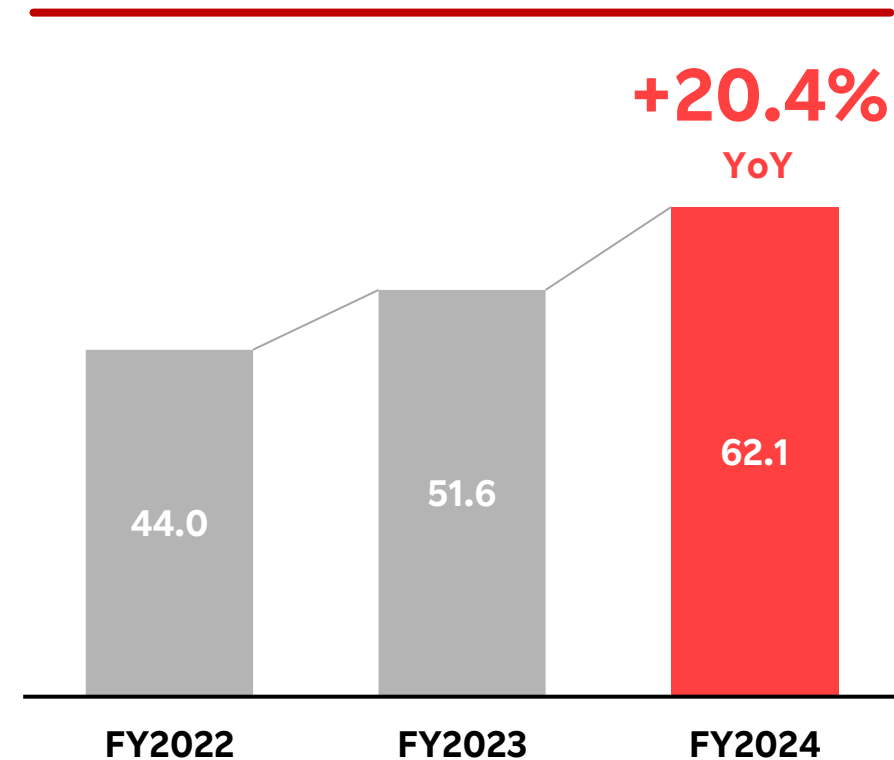
# FY2024 Rakuten Card Financial Results

- Expansion of customer base throughout the year contributed to top-line growth
- Achieved a significant OI increase for the full year due to increased sales leverage and marketing optimization

## Revenue (JPY bn)



## Non-GAAP Operating Income (JPY bn)

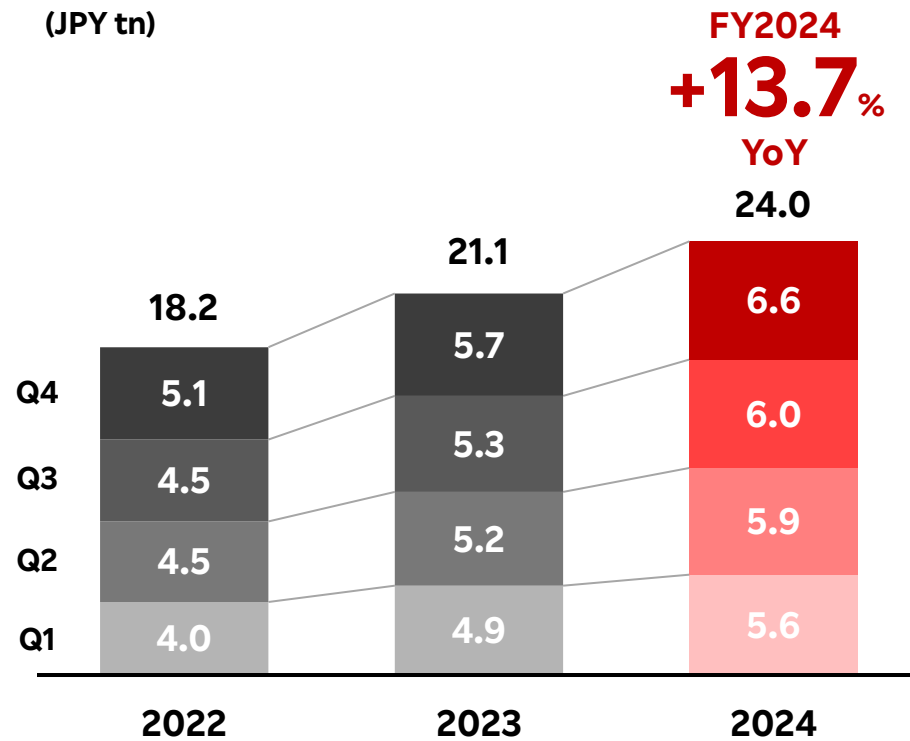


# Rakuten Card KPIs

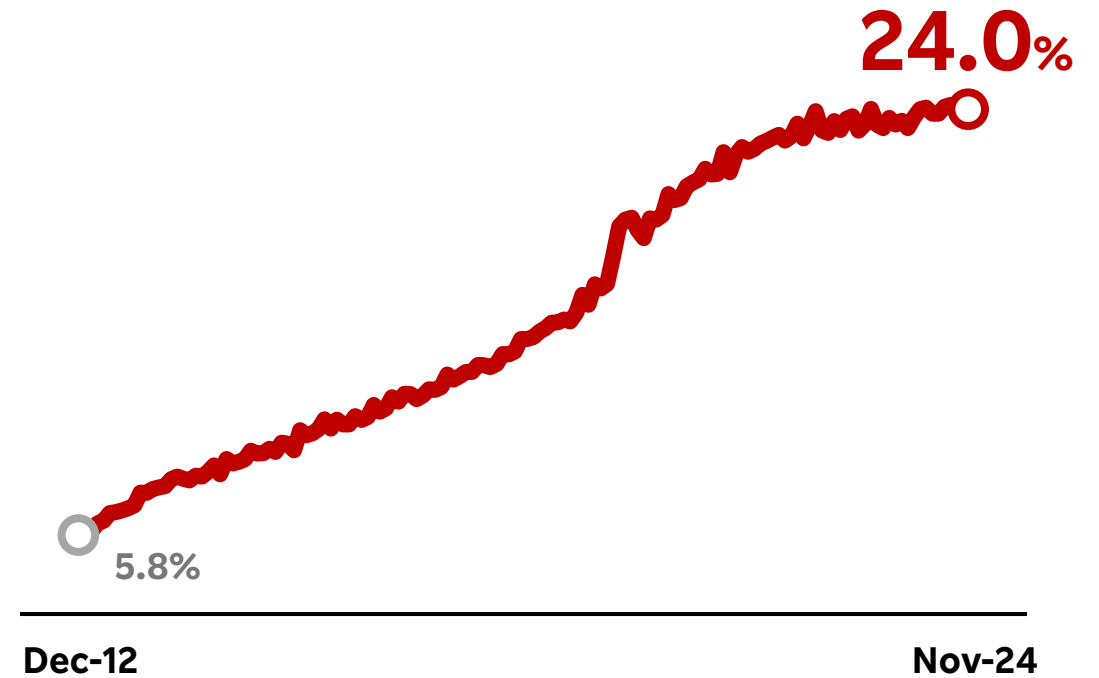
- Shopping GTV grew steadily along with expansion of the customer base and growth in average spend per customer, surpassing the JPY 6tn mark for the second consecutive quarter

## Shopping GTV Target: JPY 30tn

(JPY tn)



## GTV Share\* Target: 30%



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



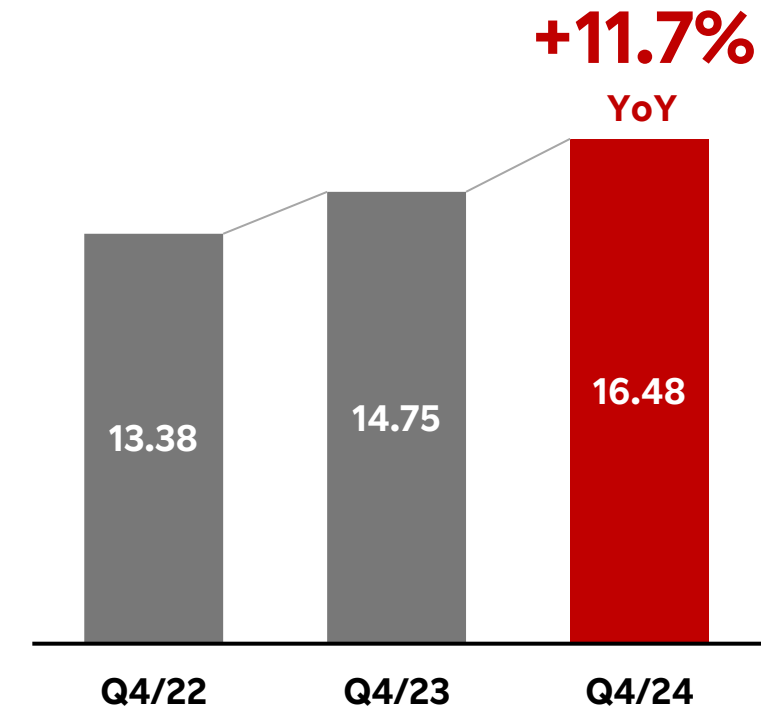
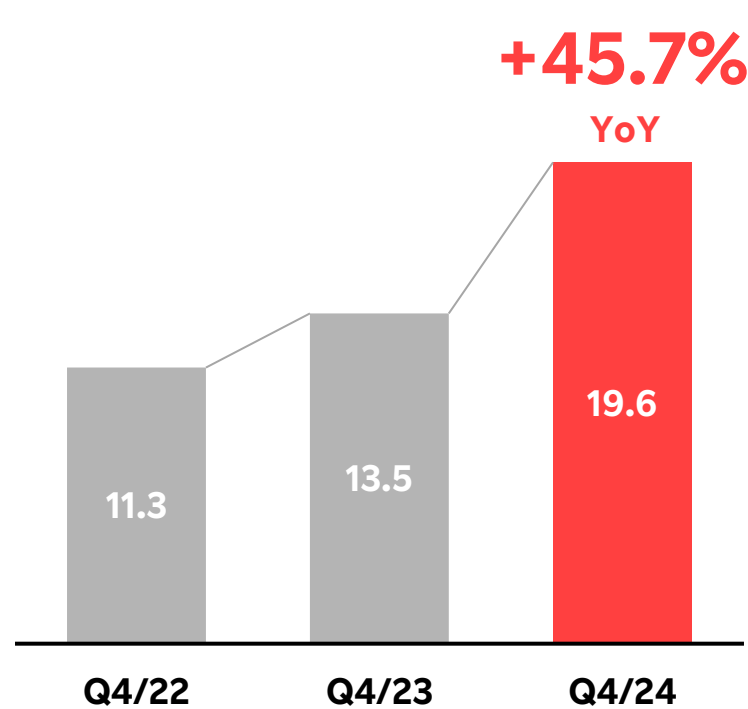
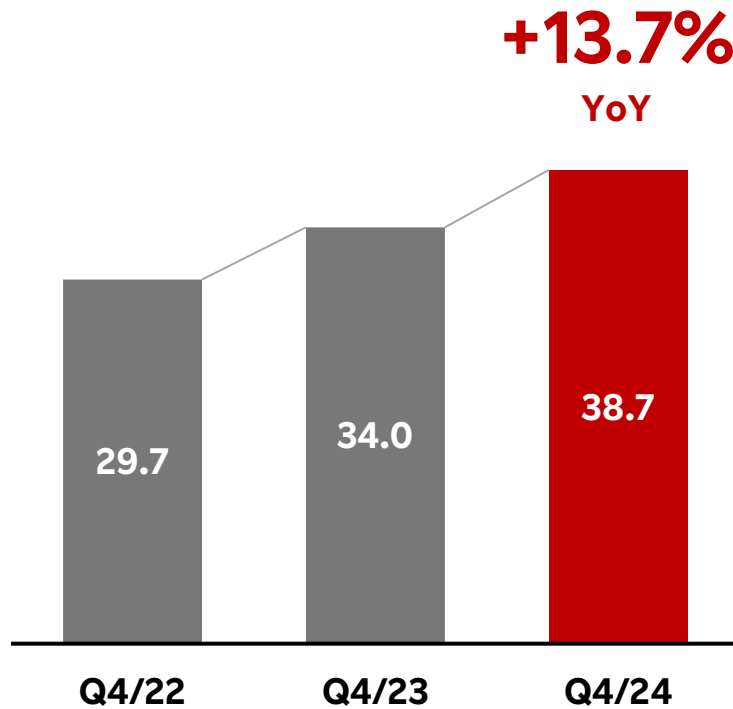
# Q4/24 Rakuten Bank Financial Results and KPI

- Revenue grew due to a large increase in interest income resulting from a steady increase in assets under management and the Bank of Japan's policy interest rate hike
- Continued significant OI growth due to improvement in management efficiency through business expansion

### Revenue (JPY bn)

### Non-GAAP Operating Income (JPY bn)

### Rakuten Bank Accounts (mm)



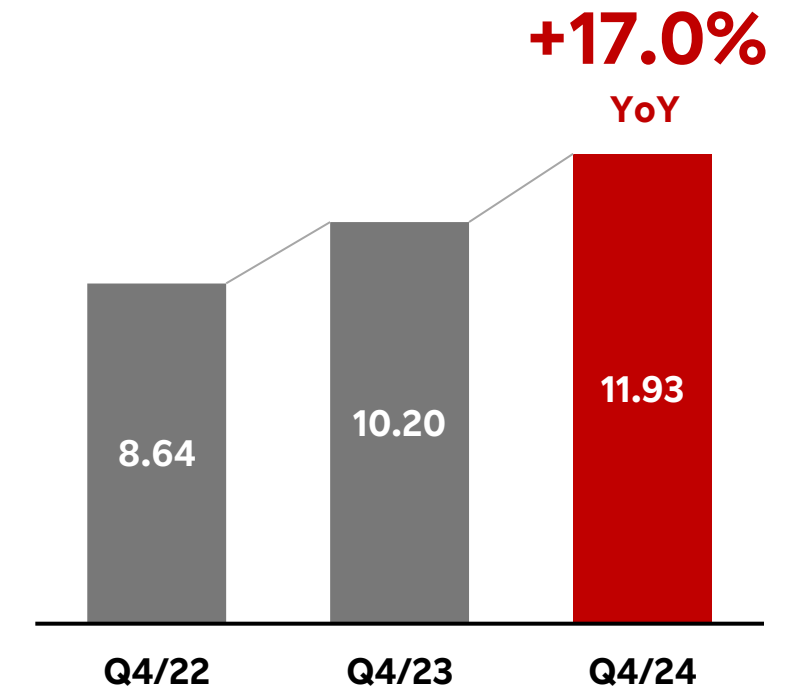
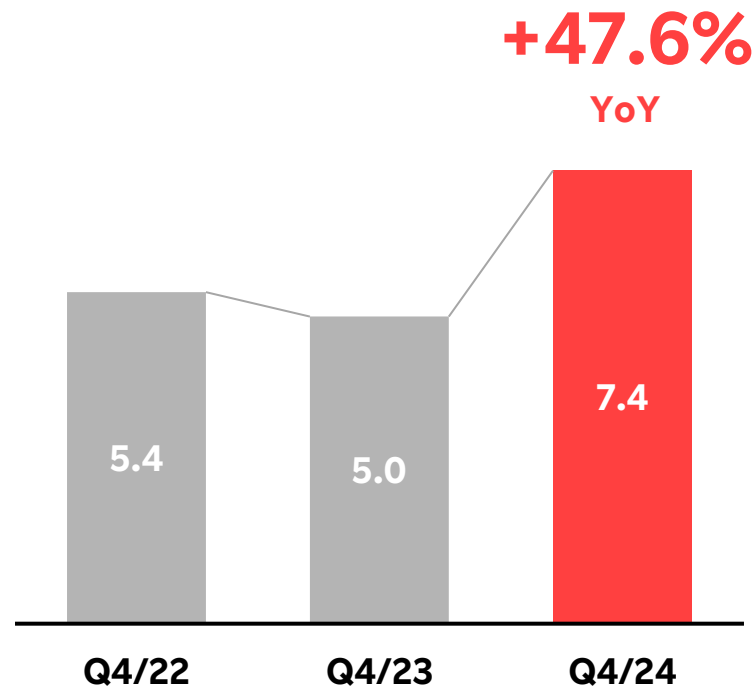
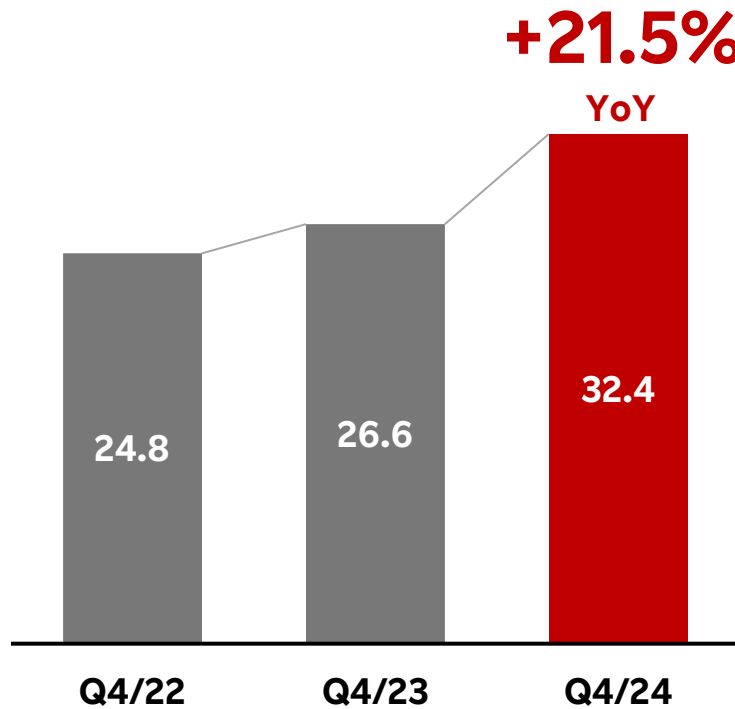
# Q4/24 Rakuten Securities Financial Results and KPI

- Customer base significantly expanded due to zero domestic stock commissions (from Oct 2023) and new NISA
- Achieved substantial OI growth compared to Q4/23 which was immediately after the start of zero commissions, led by diversifying revenue mix and controlling marketing costs, etc.

Revenue (JPY bn)

Non-GAAP Operating Income (JPY bn)

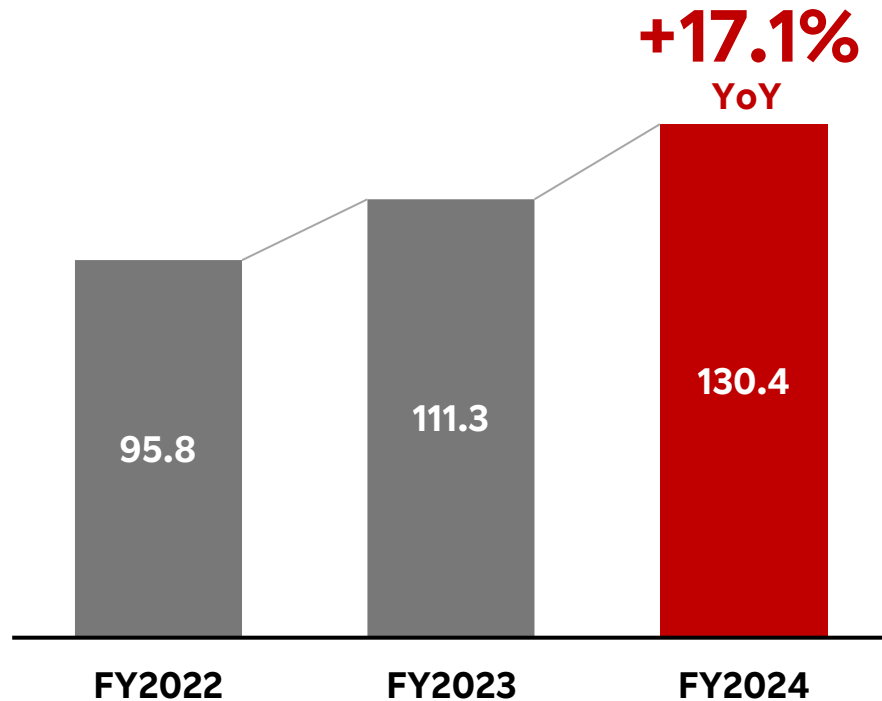
Rakuten Securities General Accounts (mm)



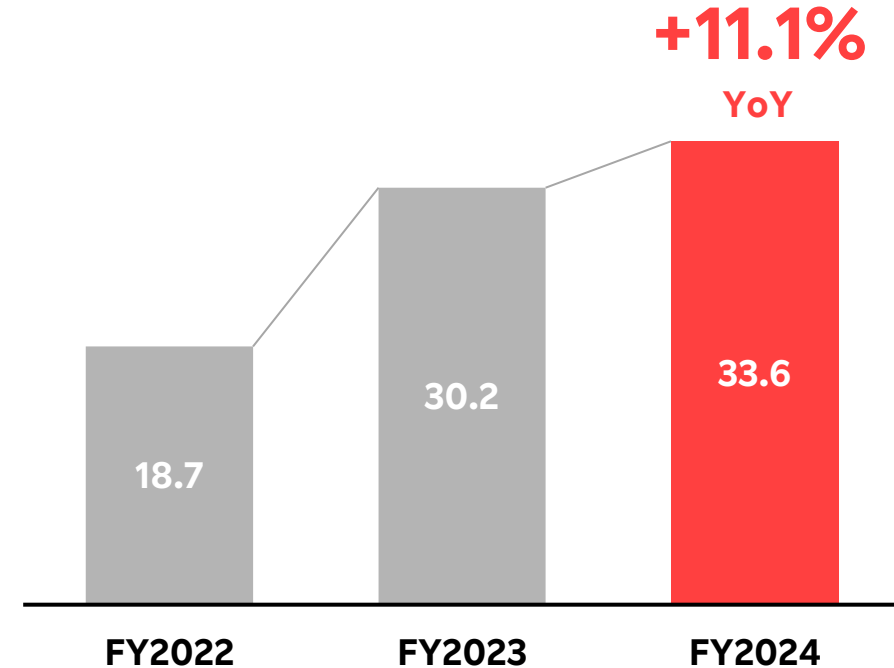
# FY2024 Rakuten Securities Financial Results

- In addition to the expansion of the customer base, the diversification of the revenue mix has led to significant growth in revenue for the full year
- Achieved profit growth by successfully controlling marketing and other costs, offsetting zero commission impact

### Revenue (JPY bn)



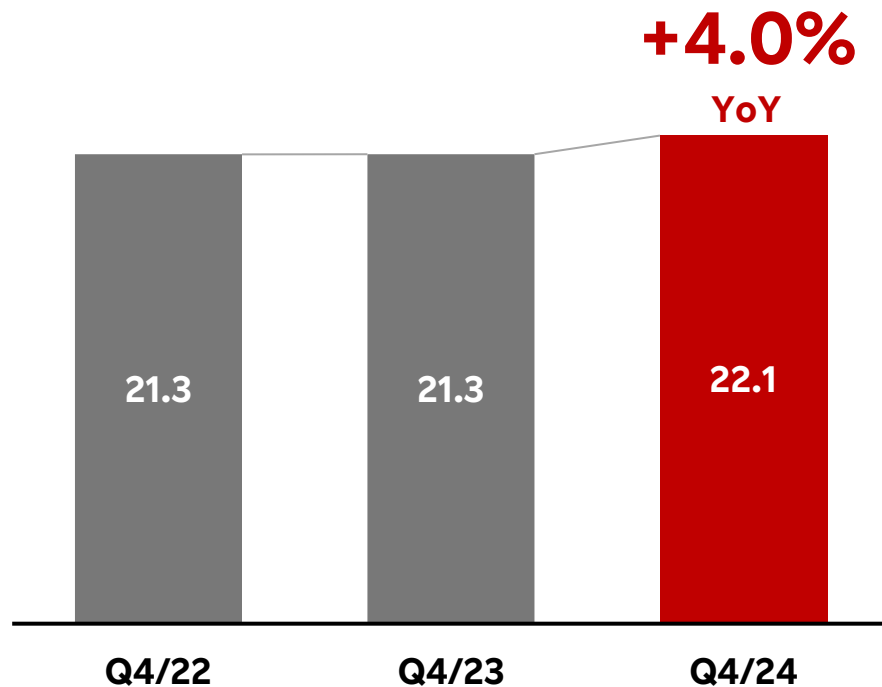
### Non-GAAP Operating Income (JPY bn)



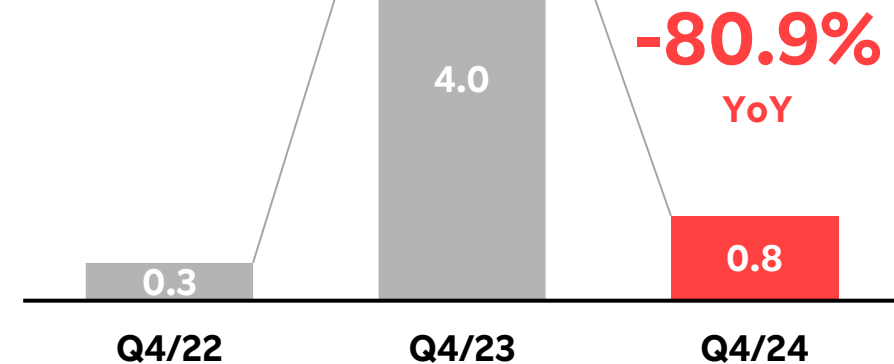
# Q4/24 Insurance Business Financial Results

- In Life Insurance, although revenue increased due to a recovery in face-to-face insurance sales, operating income declined due to the impact of an accounting change last year
- In General Insurance, although revenue increased due to the contribution of Drive Assist\*, etc., for which applications continued to increase steadily, operating income decreased due to an increase in claim payments driven by inflationary repair costs

Revenue (JPY bn)



Non-GAAP Operating Income (JPY bn)

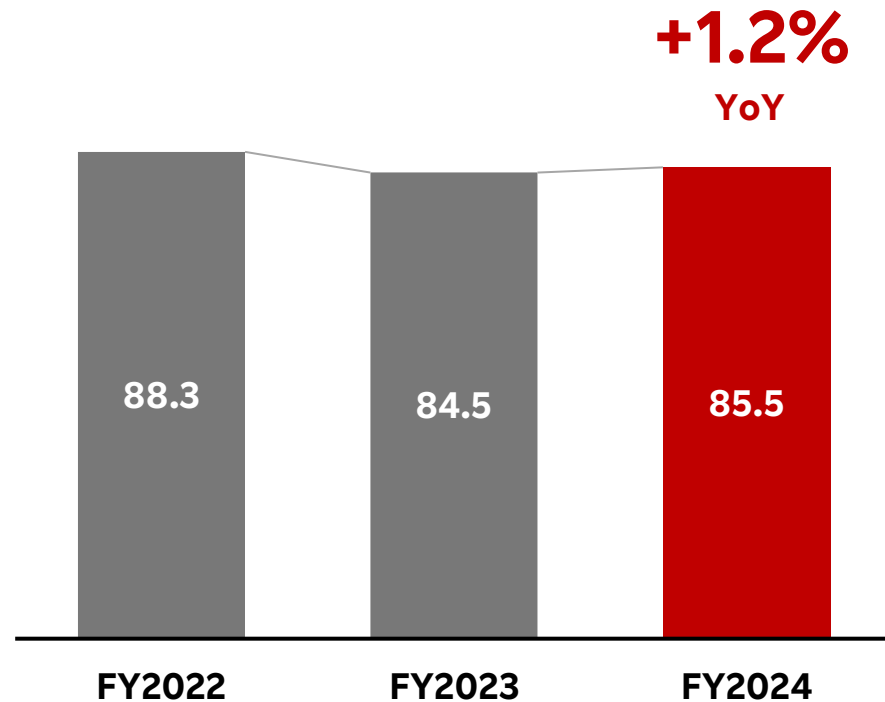


\*Personal auto insurance

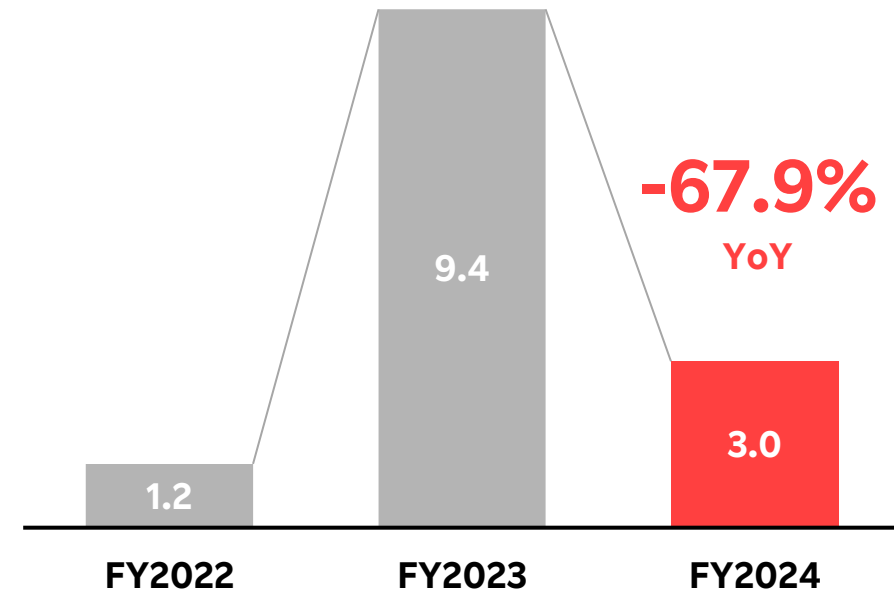
# FY2024 Insurance Business Financial Results

- In Life Insurance, revenue grew driven by a recovery in face-to-face-insurance sales and strong sales of group credit insurance. However, operating income declined due to the impact of an accounting change last year
- In General Insurance, revenue growth was driven by strong demand for Drive Assist\*, for which discounts were offered to Diamond members from Dec 2023. Operating income decreased due to claim payments for inflationary repair costs and natural disasters, etc.

## Revenue (JPY bn)



## Non-GAAP Operating Income (JPY bn)

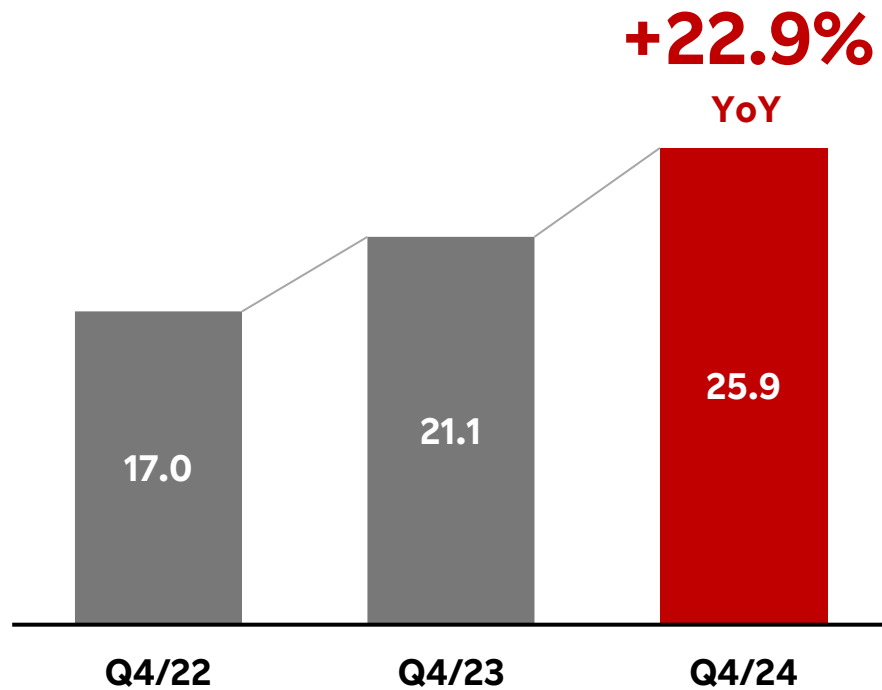


\*Personal auto insurance

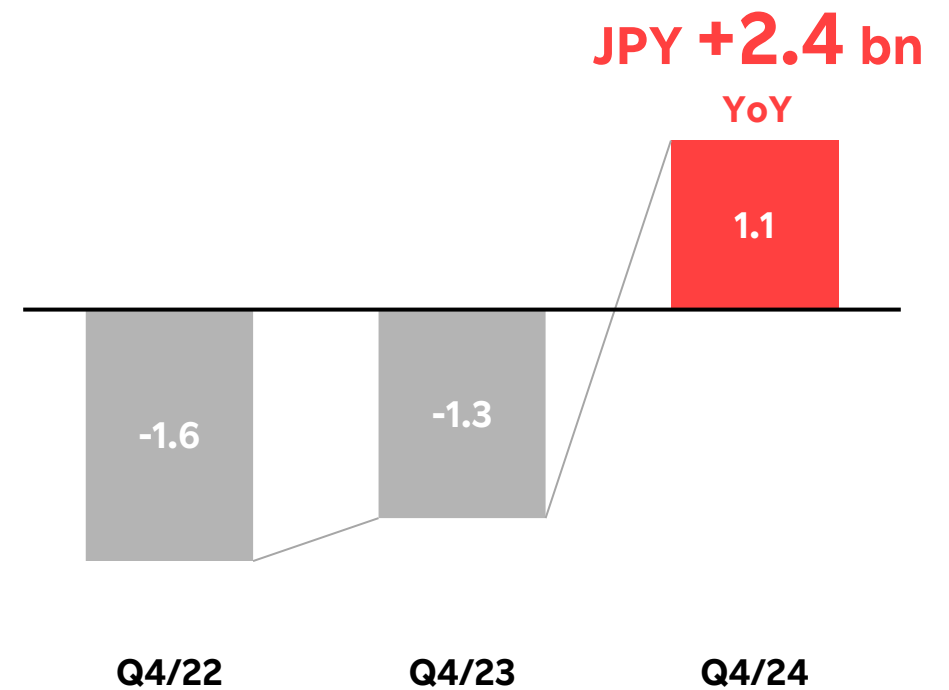
# Q4/24 Rakuten Payment Financial Results\*

- Revenue grew driven by GTV increase as “Rakuten Pay” app users grew
- Achieved profitability due to revenue growth and continuous cost control

## Revenue (JPY bn)



## Non-GAAP Operating Income (JPY bn)

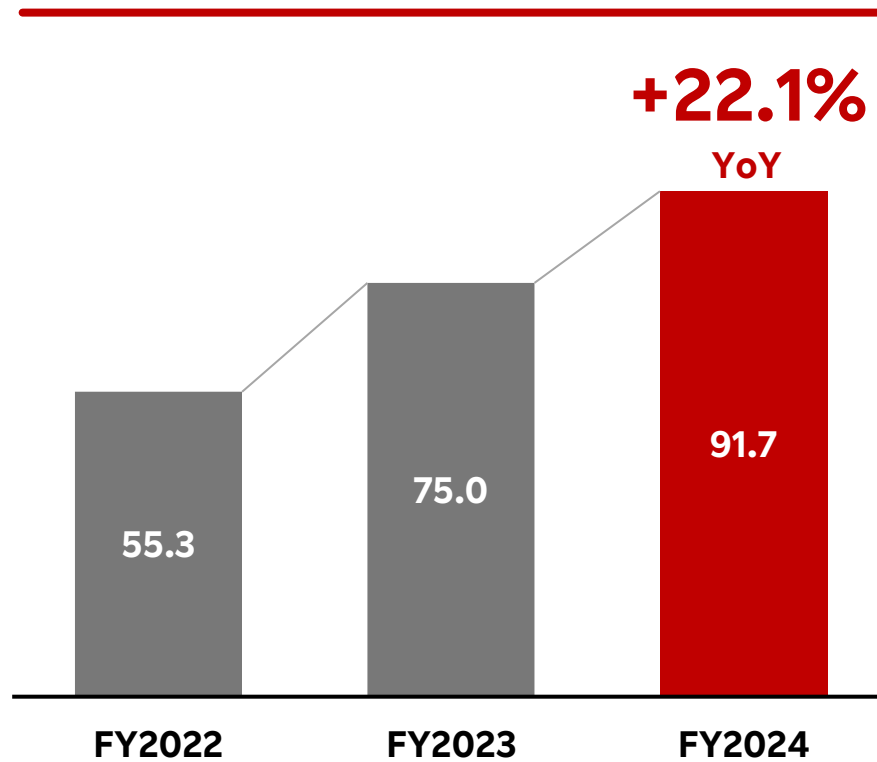


\*From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. Past figures have been retroactively adjusted.

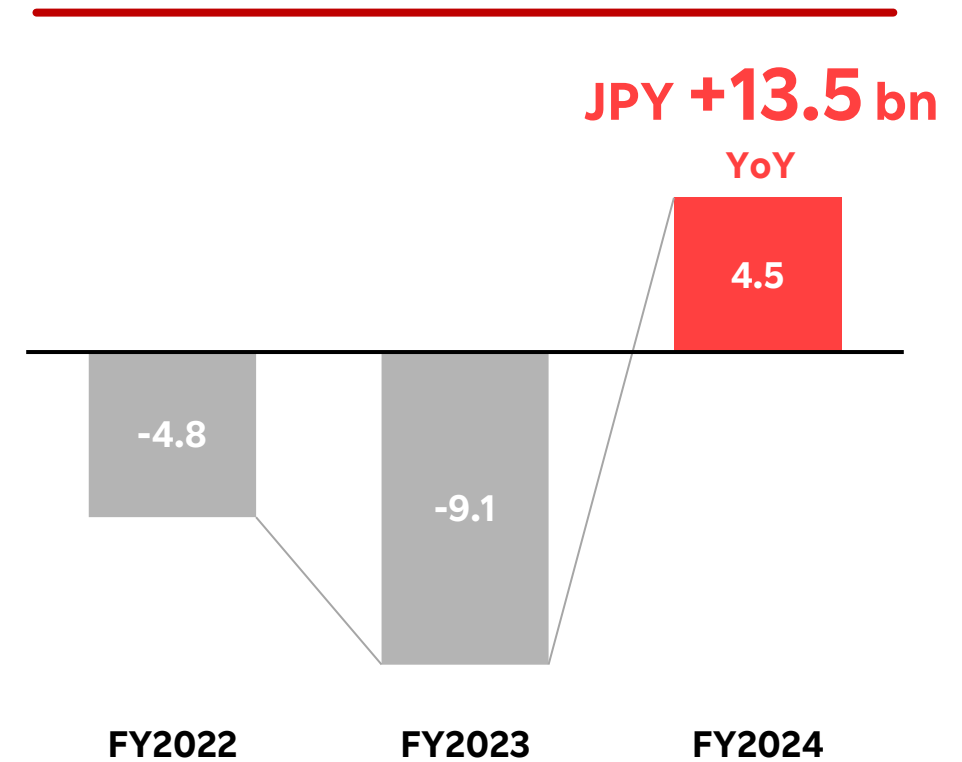
# FY2024 Rakuten Payment Financial Results\*

- Revenue grew significantly due to successful expansion of Rakuten Pay app users and merchants, based on efforts since 2022
- Achieved operating income profitability for the full year on continued revenue growth and lean operating structure. Expecting continued profitability in FY2025

## Revenue (JPY bn)



## Non-GAAP Operating Income (JPY bn)



\*From Q3/23, Rakuten Pay (online payment) business and Rakuten Points (online) business were transferred from the Internet Services segment to the FinTech segment. Past figures have been retroactively adjusted.

# Mobile Segment

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# Q4/24 Mobile Segment Financial Results<sup>\*1\*2\*3</sup>

Q4/24 (JPY bn)	Revenue	QoQ	Non-GAAP Operating Income	QoQ
<b>Rakuten Mobile<sup>*1</sup></b>	<b>81.6</b>	<b>+12.4%</b>	<b>-46.2</b>	<b>+4.4</b>
MNO <sup>*3</sup>	46.6	+7.7%		
MVNO <sup>*3*4</sup>	1.7	-11.3%		
Device Revenue	18.2	+38.9%		
Other Revenue <sup>*3</sup> (including Rakuten Hikari, etc.)	15.1	+5.9%		
<b>Rakuten Symphony</b>	<b>41.7</b>	<b>+177.9%</b>		
<b>Rakuten Energy</b>	<b>9.5</b>	<b>-23.1%</b>	<b>5.5</b>	<b>+179.3%</b>
<b>Others<sup>*2</sup></b>	<b>7.1</b>	<b>+17.0%</b>		
<b>Segment Total</b>	<b>139.9</b>	<b>+32.0%</b>	<b>-40.7</b>	<b>+7.9</b>

\*1: From Q3/24, Mobile Ecosystem Contribution has been reflected in Rakuten Mobile and segment results. Retroactive revisions have been made to each segment's results from Q1/23. \*2: From Q4/24, investment income (loss) related to the Mobile segment was transferred from Minority Investment of the Internet Services segment to the Mobile segment. Past figures have been retroactively revised. \*3: Retroactive adjustments were made due to the revision of the scope of aggregation in Q4/24. \*4: From April 7, 2020, we ceased accepting new registrations for MVNO services.

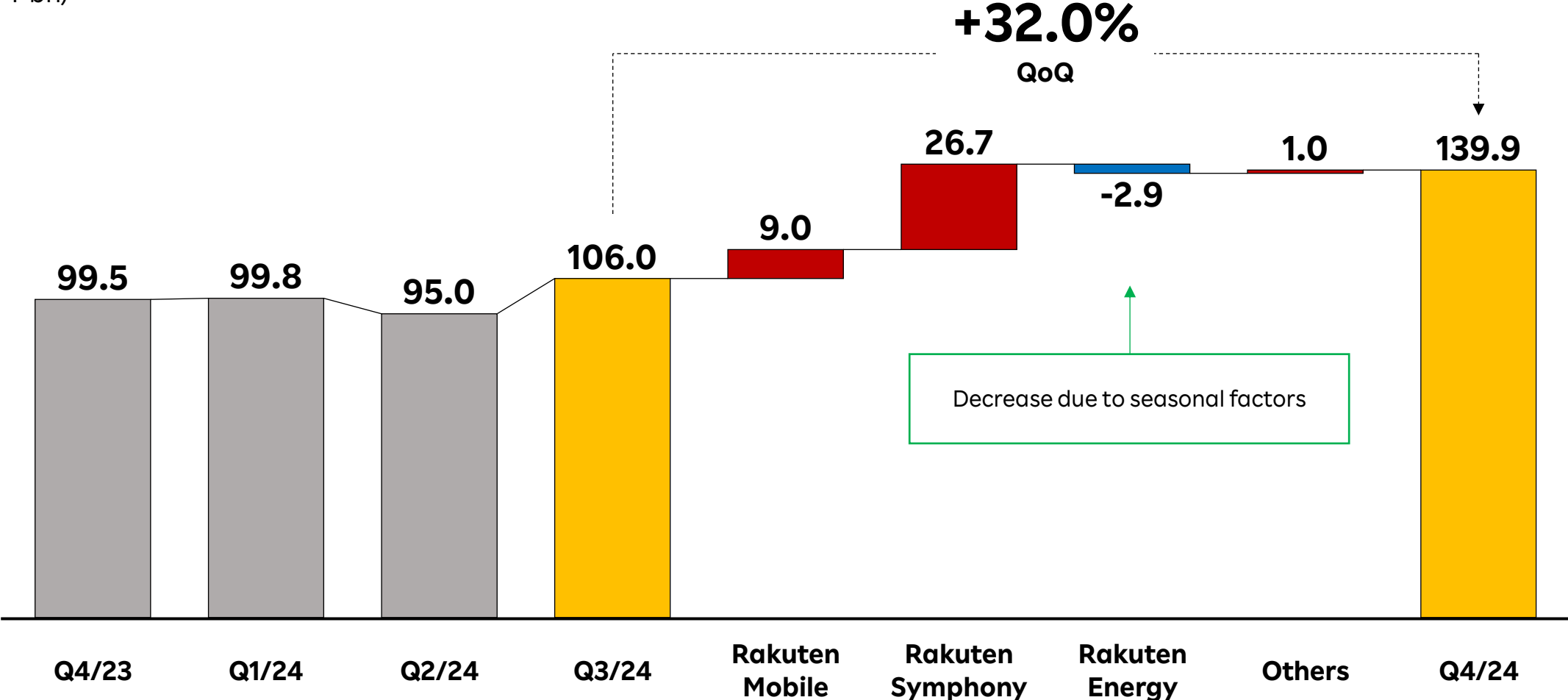
# FY2024 Mobile Segment Financial Results<sup>\*1\*2\*3</sup>

FY2024 (JPY bn)	Revenue	YoY	Non-GAAP Operating Income	YoY
<b>Rakuten Mobile<sup>*1</sup></b>	<b>283.9</b>	<b>+26.2%</b>	<b>-216.3</b>	<b>+85.0</b>
MNO <sup>*3</sup>	166.2	+40.4%		
MVNO <sup>*3*4</sup>	8.4	-36.7%		
Device Revenue	57.7	+1.4%		
Other Revenue <sup>*3</sup> (including Rakuten Hikari, etc.)	51.7	+42.1%		
<b>Rakuten Symphony</b>	<b>85.0</b>	<b>+62.3%</b>		
<b>Rakuten Energy</b>	<b>46.0</b>	<b>-20.7%</b>	<b>7.3</b>	<b>+20.7</b>
<b>Others<sup>*2</sup></b>	<b>25.8</b>	<b>-11.8%</b>		
<b>Segment Total</b>	<b>440.7</b>	<b>+20.9%</b>	<b>-208.9</b>	<b>+105.6</b>

\*1: From Q3/24, Mobile Ecosystem Contribution has been reflected in Rakuten Mobile and segment results. Retroactive revisions have been made to each segment's results from Q1/23. \*2: From Q4/24, investment income (loss) related to the Mobile segment was transferred from Minority Investment of the Internet Services segment to the Mobile segment. Past figures have been retroactively revised. \*3: Retroactive adjustments were made due to the revision of the scope of aggregation in Q4/24. \*4: From April 7, 2020, we ceased accepting new registrations for MVNO services.

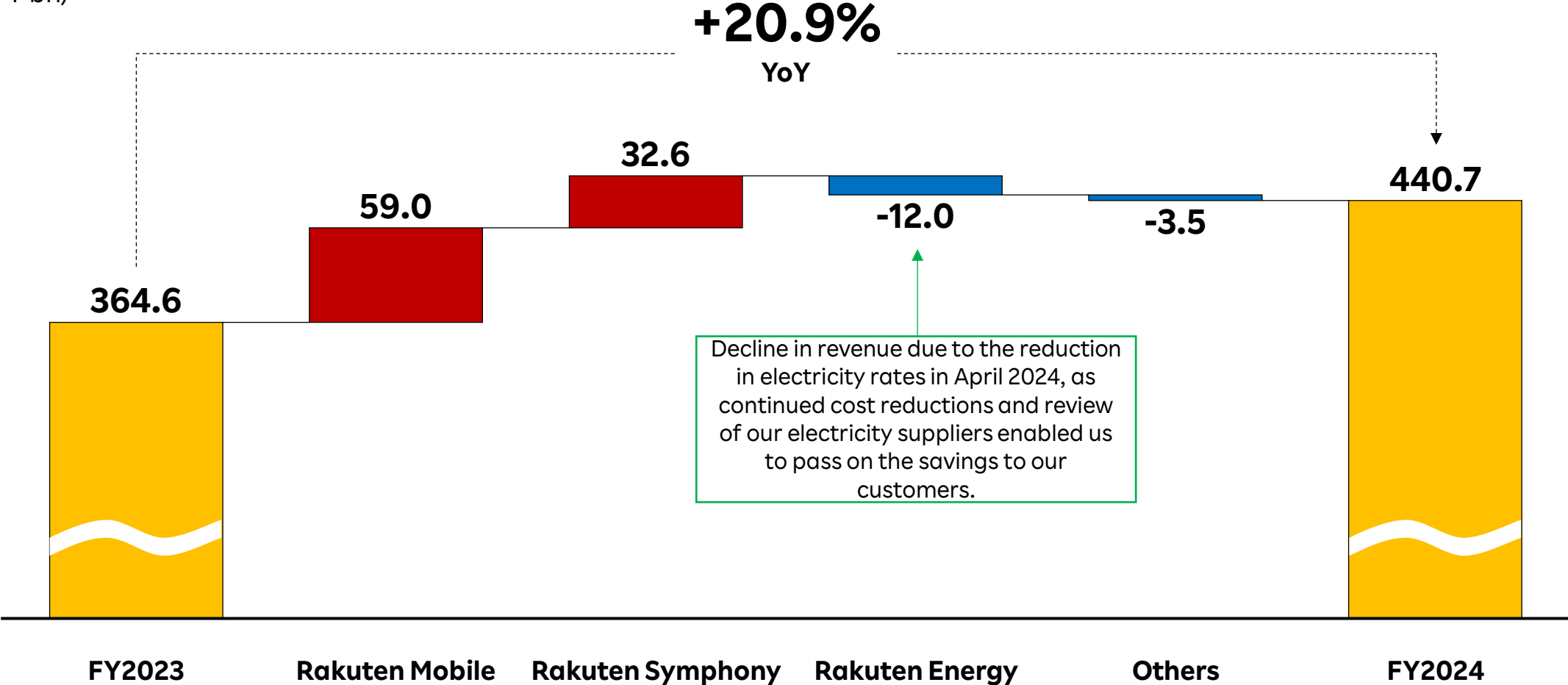
# Q4/24 Mobile Segment Revenue Breakdown

(JPY bn)



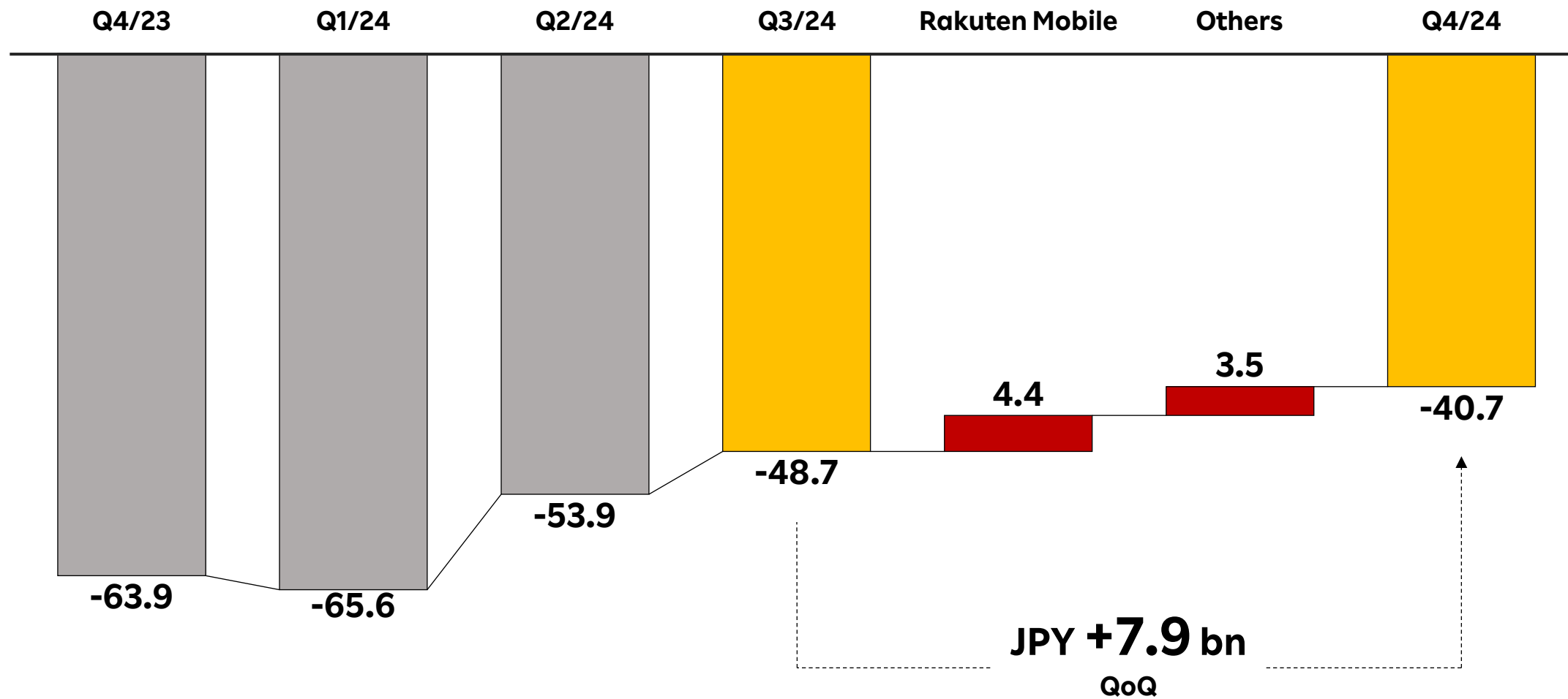
# FY2024 Mobile Segment Revenue Breakdown

(JPY bn)



# Q4/24 Mobile Segment Non-GAAP Operating Income/Loss Breakdown<sup>\*1\*2</sup>

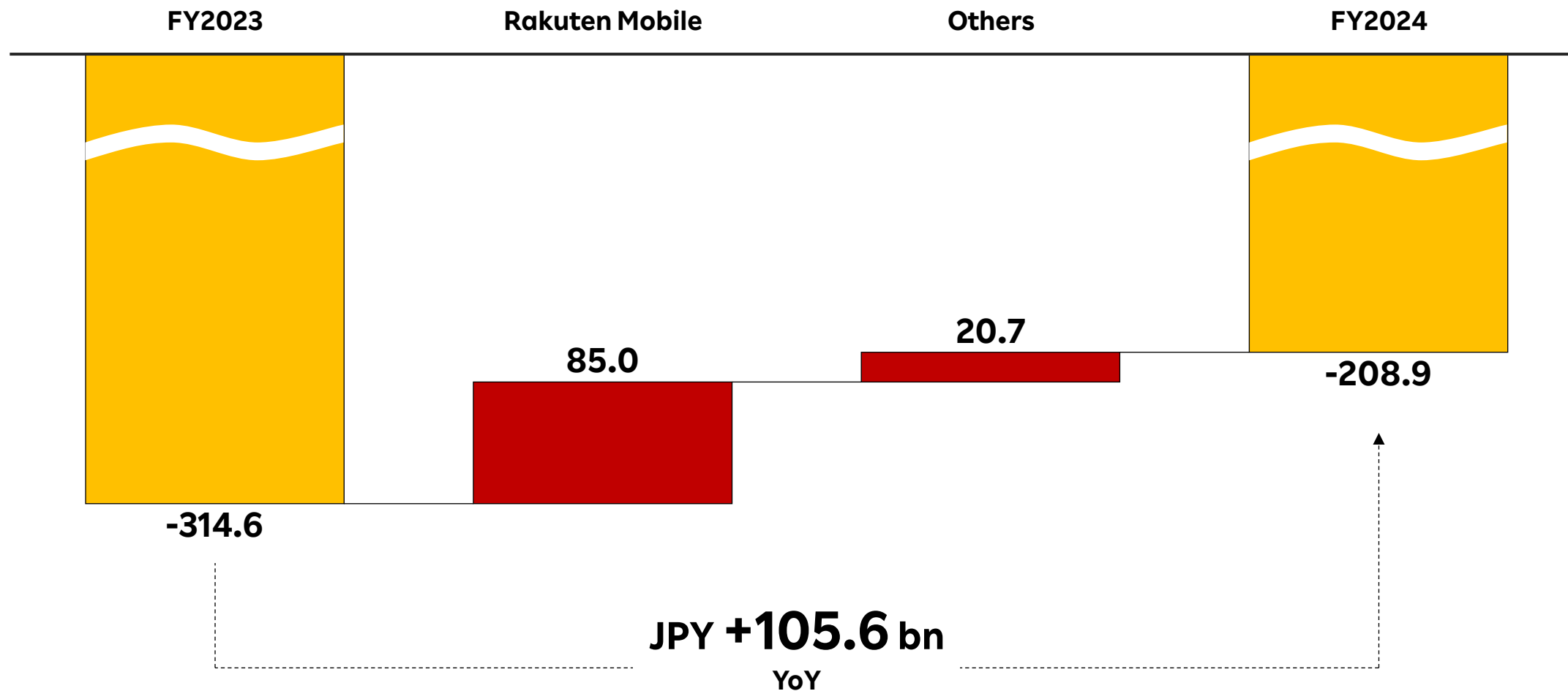
(JPY bn)



\*1: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23. \*2: From Q4/24, investment income (loss) related to the Mobile segment was transferred from Minority Investment of the Internet Services segment to the Mobile segment. Past figures have been retroactively revised.

# FY2024 Mobile Segment Non-GAAP Operating Income/Loss Breakdown<sup>\*1\*2</sup>

(JPY bn)

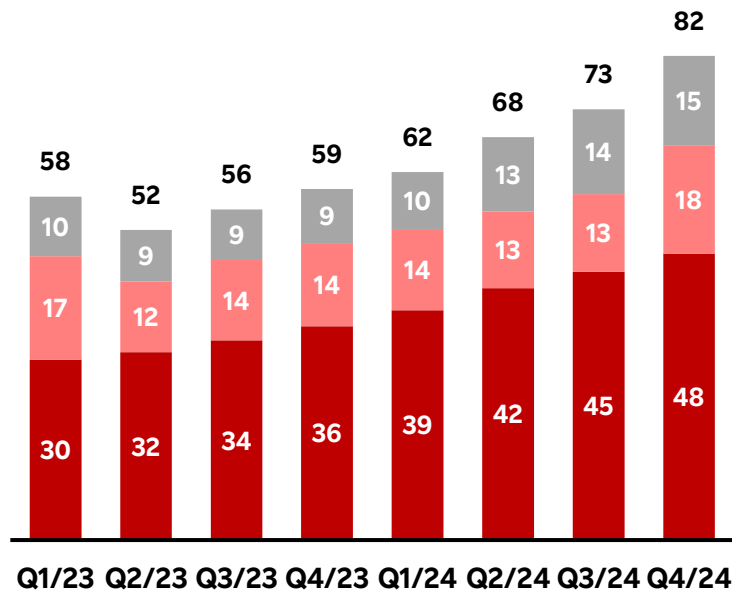


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# Rakuten Mobile, Inc. Quarterly Financial Results

## Revenue

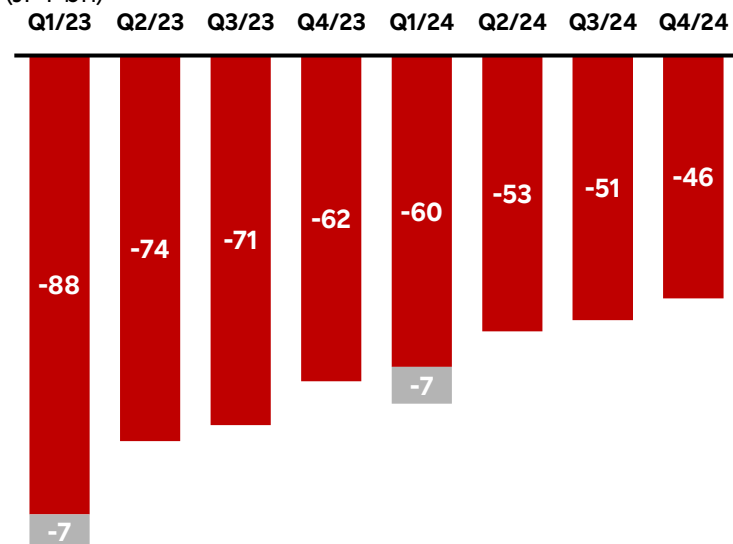
(JPY bn)



■ MNO Service Revenue<sup>\*1\*</sup> ■ Device Revenue ■ Others<sup>\*2</sup>

## Non-GAAP Operating Income<sup>\*3</sup>

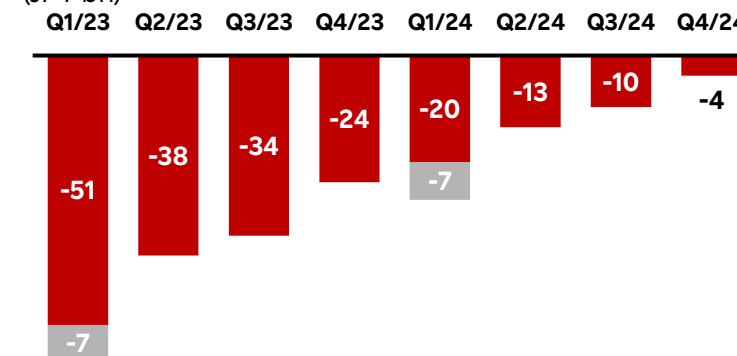
(JPY bn)



■ Non-GAAP Operating Income / EBITDA excluding property tax ■ Property tax

## EBITDA<sup>\*3\*4</sup>

(JPY bn)

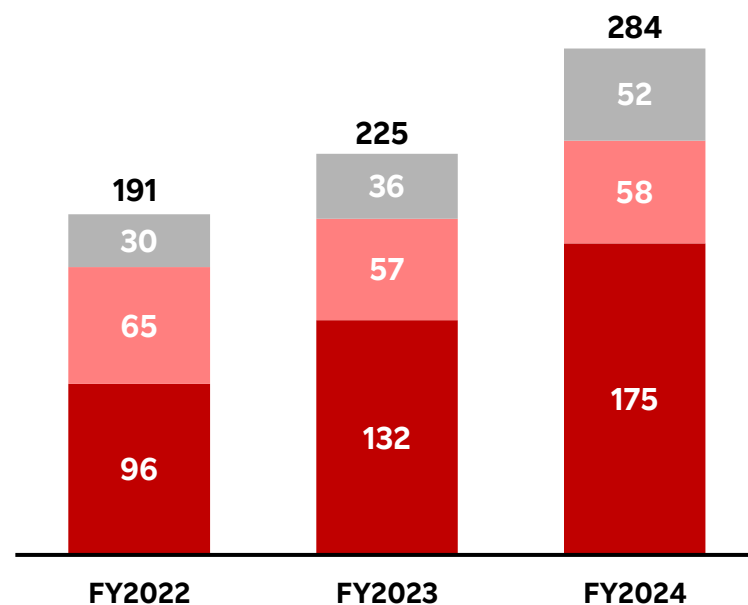


\*1: From Q1/24, MNO Service Revenue includes revenue generated from Turbo. Retroactive adjustments are also applied to past figures. \*2: Retroactive adjustments were made due to the revision of the scope of aggregation in Q4/24. \*3: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23. \*4: EBITDA = Non-GAAP OI + depreciation and amortization etc.

# Rakuten Mobile, Inc. Yearly Financial Results

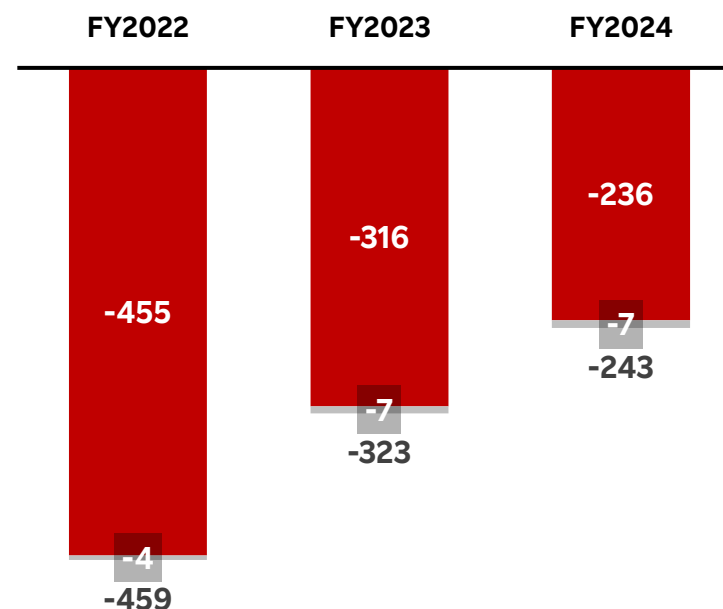
## Revenue

(JPY bn)



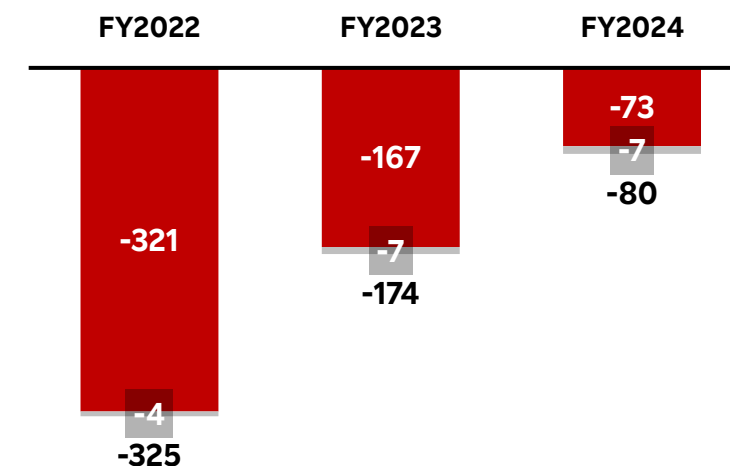
## Non-GAAP Operating Income<sup>\*3</sup>

(JPY bn)



## EBITDA<sup>\*3\*4</sup>

(JPY bn)



■ MNO Service Revenue<sup>\*1\*2</sup> ■ Device Revenue ■ Others<sup>\*2</sup>

■ Non-GAAP Operating Income / EBITDA excluding Property Tax ■ Property Tax

\*1: From Q1/24, MNO Service Revenue includes revenue generated from Turbo. Retroactive adjustments are also applied to past figures. \*2: Retroactive adjustments were made due to the revision of the scope of aggregation in Q4/24. \*3: From Q3/24, Mobile Ecosystem Contribution has been reflected in segment results. Retroactive revisions have been made to each segment's results from Q1/23. \*4: EBITDA = Non-GAAP OI + depreciation and amortization etc.



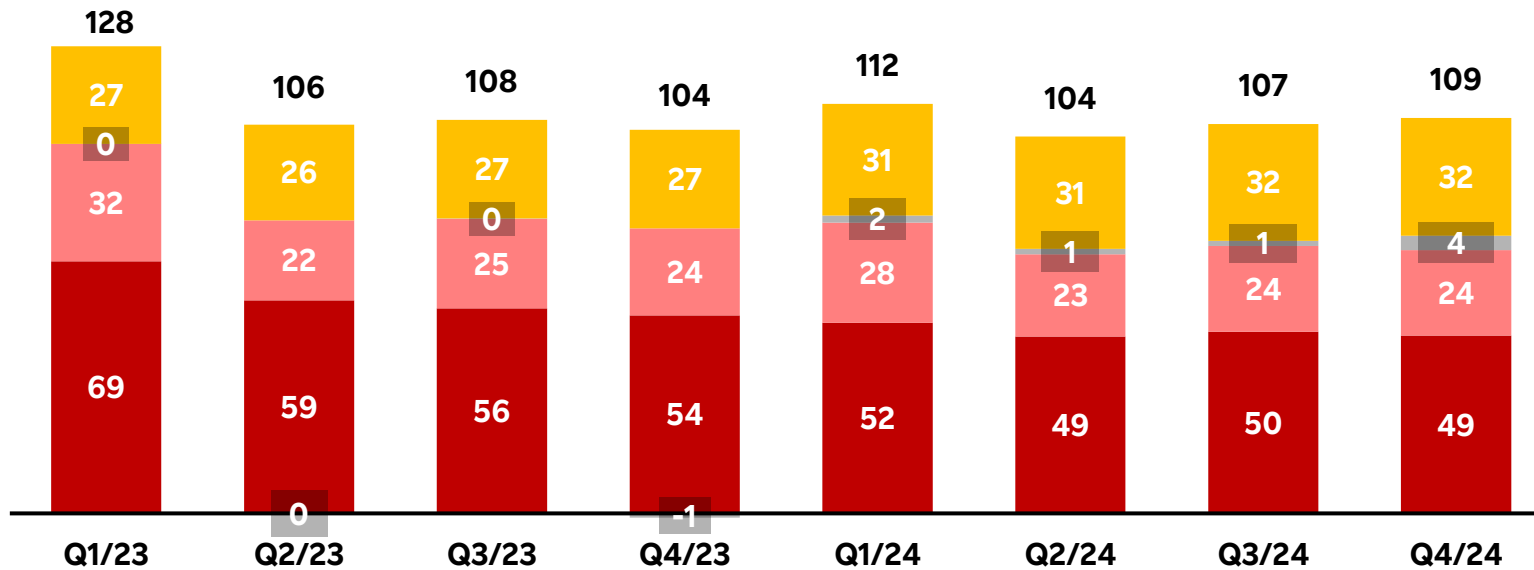
# Rakuten Mobile, Inc. Operating Cost and Capital Expenditure

■ 2024 Capex was JPY 81bn, lower than the initial plan of JPY 100bn

■ Capex in 2025 expected to be about JPY 150bn

## Operating Cost (including Depreciation)

(JPY bn)



SG&A (Including Marketing, Shops, etc.)<sup>\*3</sup>

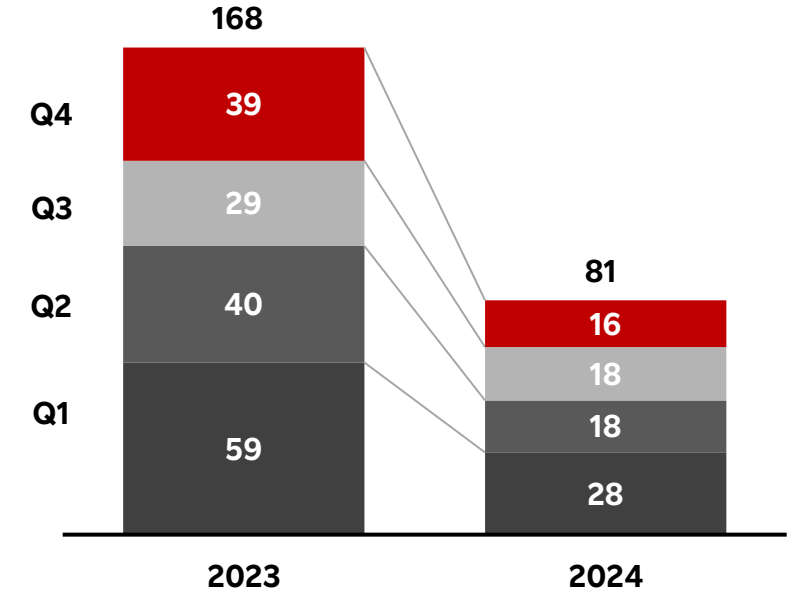
Network Cost (including Depreciation, Roaming, etc.)

COGS (including Devices, Options, Rakuten Hikari etc.)

Others (Foreign Exchange Adjustment, etc.)

## Capital Expenditure <sup>\*1\*2</sup>

(JPY bn)

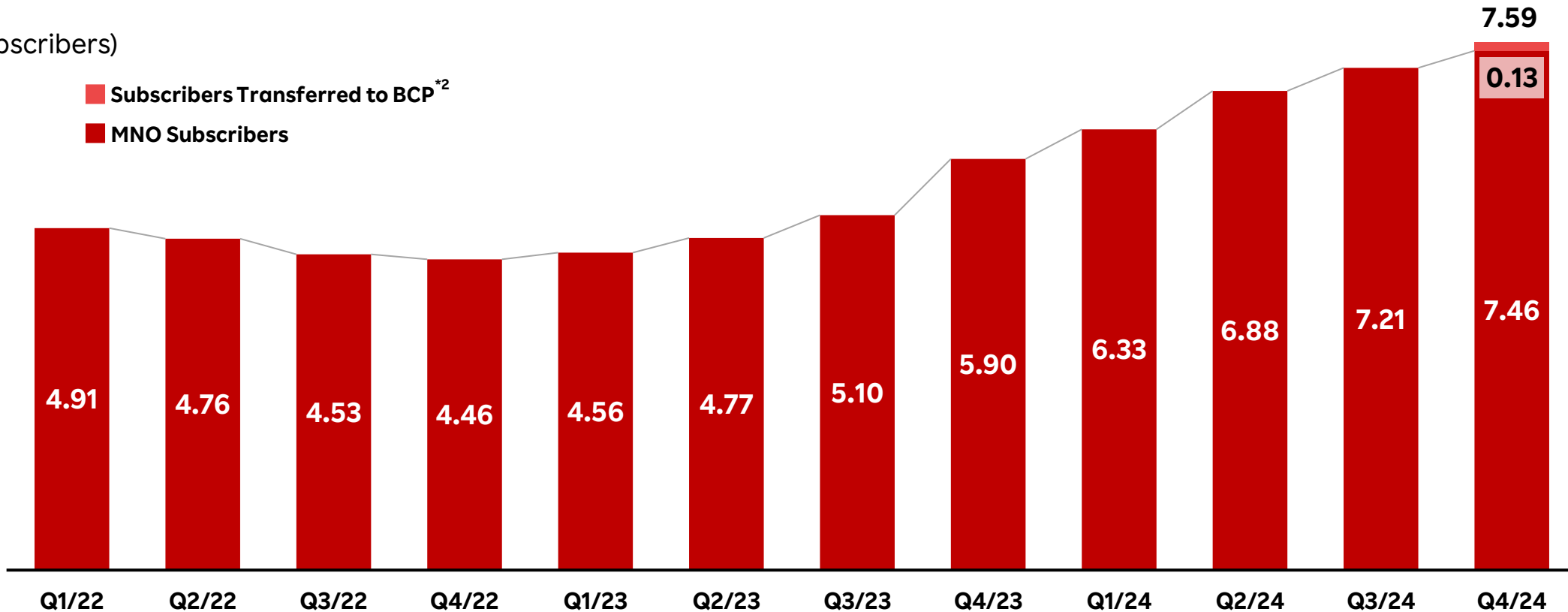


\*1: Including 1.7GHz, 3.7GHz, 28GHz, and indoors and excluding IFRS16 right-of-use assets, capitalization for specified base stations opening fee for 5G 1.7 GHz, etc. \*2: Platinum Band related capital expenditure is already included. \*3: Including property tax.

# Rakuten Mobile MNO Subscribers (B2C+B2B)<sup>\*1</sup>

- Improvement in network quality and its awareness drove the significant growth in B2C subscribers since Spring 2024
- In Q4/24, some B2B subscribers were transferred to BCP, but excluding this impact, subscribers would have increased to 7.59 million

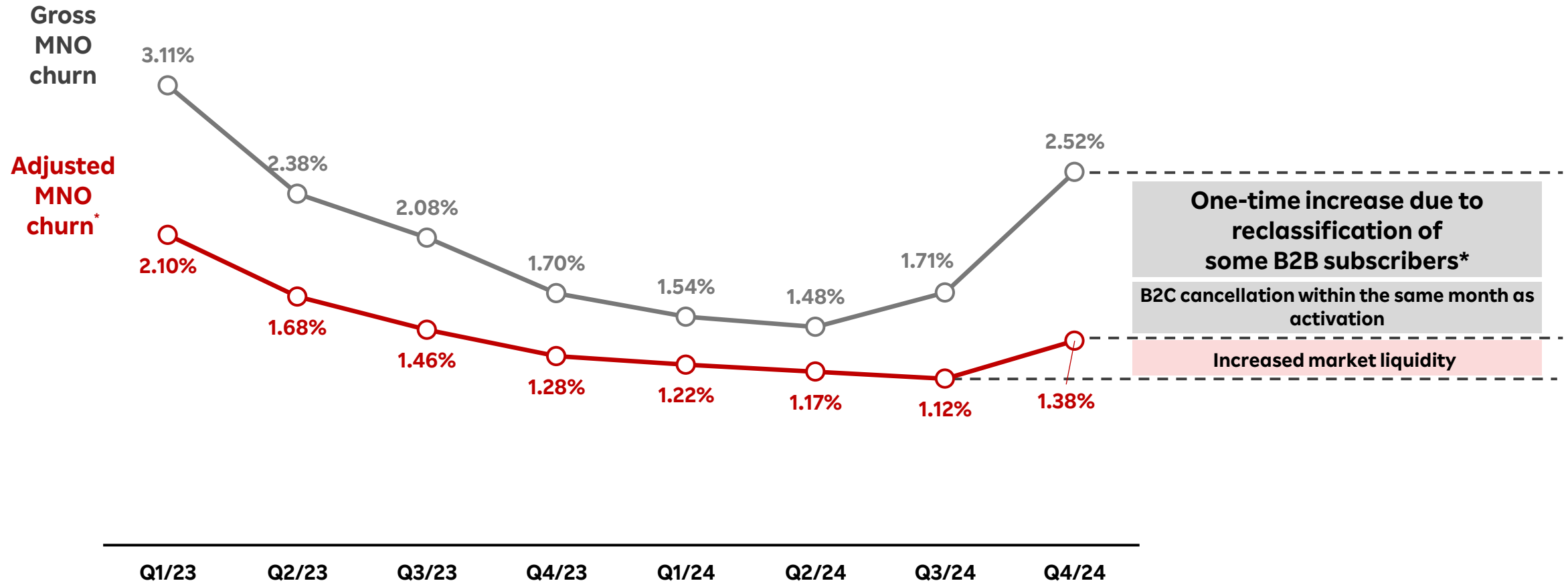
(mm Subscribers)



\*1: Only MNO subscribers (B2C including Rakuten Turbo + B2B excluding BCP and MVNE). MVNE is wholesale of bandwidth from Rakuten Mobile to Rakuten Communications. BCP (Business Continuity Plan) is a corporate plan sold for business continuity purposes. \*2: Number of lines transferred BCP and Others due to a change in the revenue recognition method in the corporate business.

# Rakuten Mobile MNO Churn (B2C+B2B)

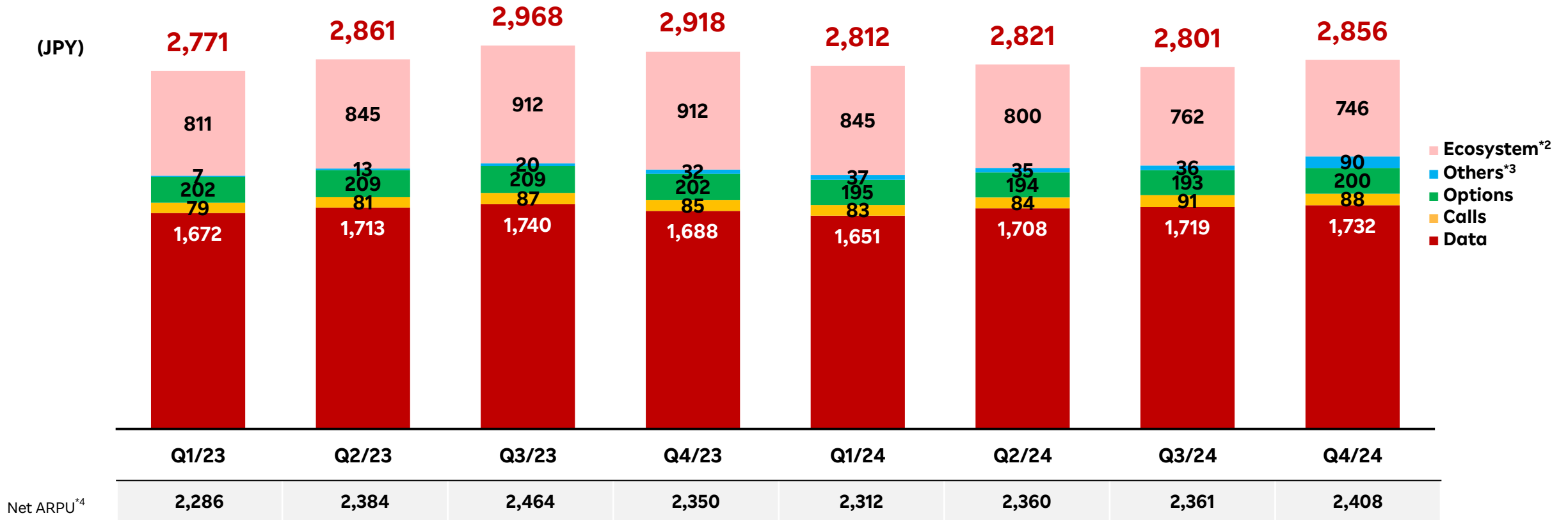
■ Slight increase in churn due to increased market liquidity



\*Churn excludes subscriptions cancelled in the same month as the contract in the B2C business, and subscribers transferred to BCP and other lines, etc. due to a change in the method of recording revenue in the corporate business

# ARPU\*1

- In addition to the increase in data usage, Others ARPU increased on higher advertising revenue, and some options became paid services
- ARPU exceeded 3,000 yen in December 2024



\*1: The number of subscribers, which is the denominator for ARPU, is calculated using the average number of MNO subscribers at the beginning and end of each quarter, excluding MVNE and BCP lines. \*2: Calculated using group revenue uplift effects from effects by MNO subscribers as the numerator. \*3: Includes advertising and miscellaneous B2B revenues. \*4: Net of cost of sales associated with the revenue uplift by Rakuten Mobile MNO subscribers and the customer referral effect from group companies to mobile businesses, from Ecosystem ARPU in ARPU. Please refer to the Financial Results Summary (p. 7) for details on how the Mobile Ecosystem Contribution is calculated.

# Review of ARPU Definition

- **Net ARPU** x MNO Subscribers<sup>\*1</sup> should be compared to EBITDA cost to analyze EBITDA breakeven

## ARPU

In addition to Data, Calls, Options and Others, **revenue** uplift effect of Rakuten Mobile MNO subscribers is now added to the calculation (divided by B2C+B2B subscribers).

- (-) a) **COGS** associated with revenue uplift effect
- b) **Customer referral effect** from group companies to the mobile business

**Net ARPU**  
(Net of **COGS** and **customer referral effect**)

Net of **COGS** associated with revenue uplift by Rakuten Mobile MNO subscribers and **customer referral effect** from group companies to the mobile business.

Reference:

**Mobile Ecosystem Contribution**<sup>\*2</sup>

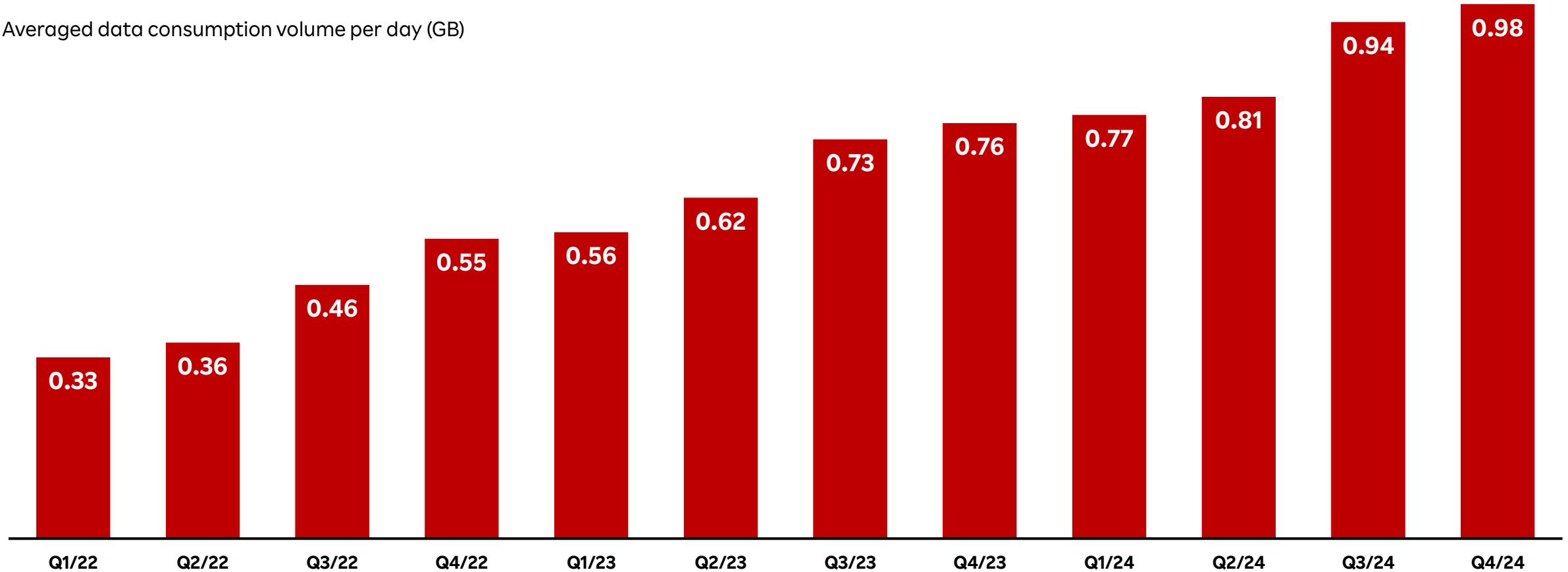
= (Gross profit uplift effect of Rakuten Mobile MNO subscribers) - (Referral effect from Group companies to the mobile business)

\*1: B2C and B2B excluding BCP and MVNE. \*2: To enable precise evaluation of performance, including the effect of inter-segment contributions and cross-referrals within Ecosystem, "Mobile Ecosystem Contribution" is now included in each segment's Non-GAAP OI/EBITDA and Rakuten Mobile's OI/EBITDA. Performance metrics will be disclosed in the data sheet, both before and after inclusion.

# Rakuten Mobile MNO Average Data Volume (B2C)

■ Average data usage continues to increase

Averaged data consumption volume per day (GB)



# Rakuten Mobile Owned and Roaming Frequency Bands

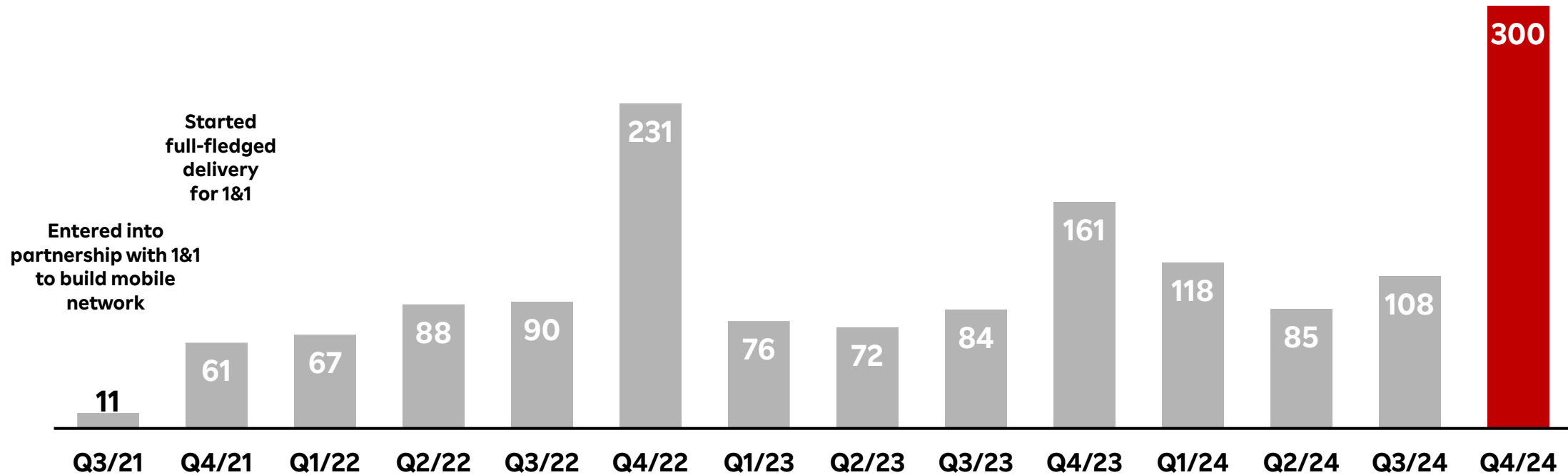
Spectrum		Status	Bandwidth
4G	1.7GHz	Allocated	40MHz Up: 1,730 – 1,750MHz Down: 1,825 - 1,845MHz
	700MHz	Allocated in October 2023 Started commercial use in June 2024	6MHz Up: 715 - 718MHz Down: 770 - 773MHz
	Reference: Roaming	Roaming provided by KDDI (until September 30, 2026 <sup>*</sup> )	
	Reference: Including 800/900MHz	Rakuten Mobile can decide when to submit application for frequency allocation	Multiple bandwidths allocated to existing licensees
5G	1.7GHz (Other than Tokyo, Nagoya, Osaka)	Allocated	40MHz Up: 1,765 – 1,785MHz Down: 1,860 - 1,880MHz
	3.7GHz (Sub6)	Allocated	100MHz Up and Down total: 3,800 - 3,900MHz
	28GHz (mmW)	Allocated	400MHz Up and Down total: 27.0 - 27.4GHz

\*Further extension of roaming offer period will be decided after consultation between KDDI and Rakuten Group.

# Rakuten Symphony Revenue

- Revenue increased mainly on deliveries to major customers
- Revenue trends fluctuate due to factors such as timing of deliveries to clients, etc.

(USD mm)



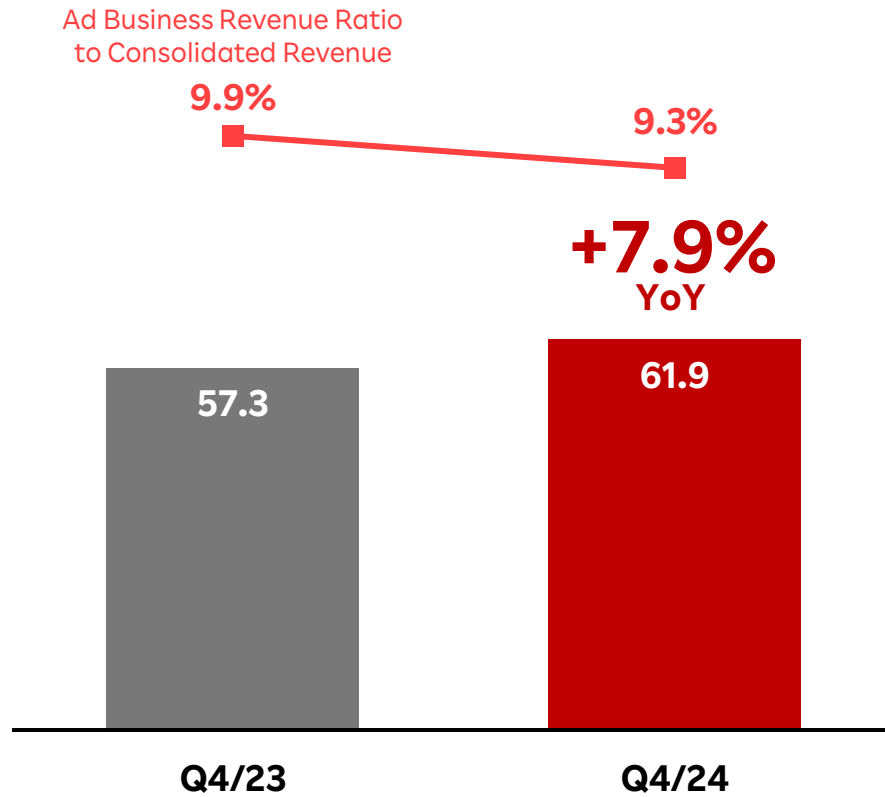


# Ad Business

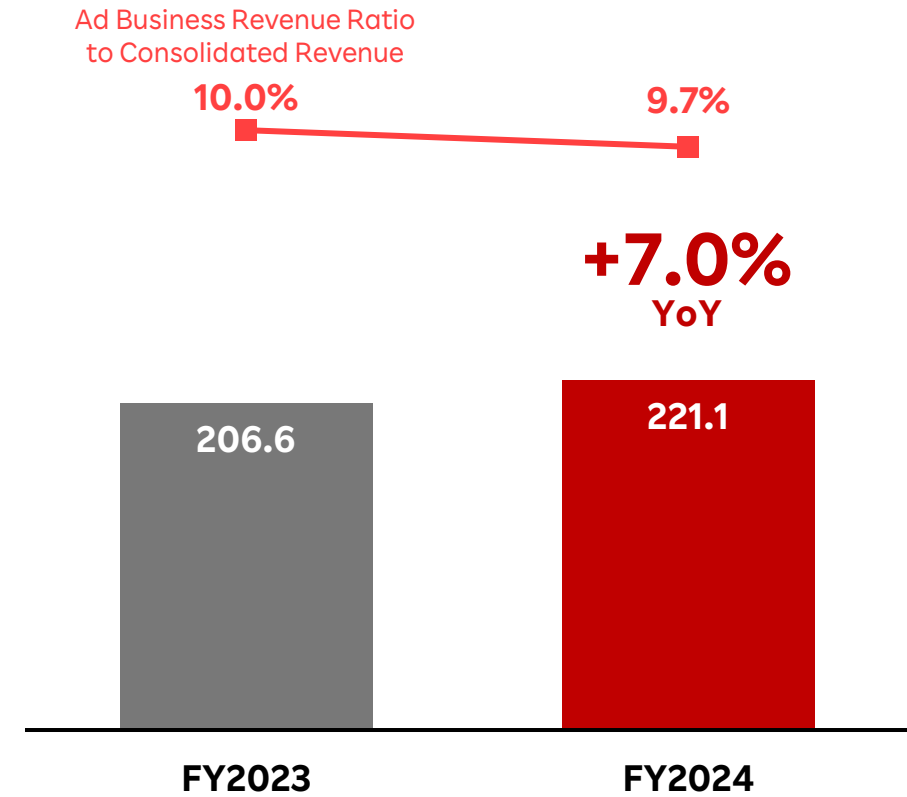
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# Ad Business<sup>\*1</sup> Financial Results

## Q4/24 Revenue<sup>\*2</sup> (JPY bn)



## FY2024 Revenue<sup>\*2</sup> (JPY bn)



\*1: Aggregates advertising revenues from domestic operating entities. The advertising business outside of Japan is included in the "Other Internet Services" segment.

\*2: Total domestic advertising revenue recorded in each segment (Internet Services, FinTech, Mobile), including internal transactions.

# 4. Finance

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# Future Debt Financing Policy

- Continue working on reduction of interest-bearing debt in principle, but even if we need to refinance to a certain extent in the future, hurdles and costs of raising funds will be significantly reduced

## Senior Bonds



## Hybrid Bonds



### Principles

- ✓ Continue to **reduce the balance**
  - Internet Services + FinTech CF
  - Rakuten Mobile's self-funding
  - Asset sale (including monetization of Rakuten Capital's portfolio), etc.

- ✓ **Early redemptions** on 1st call dates

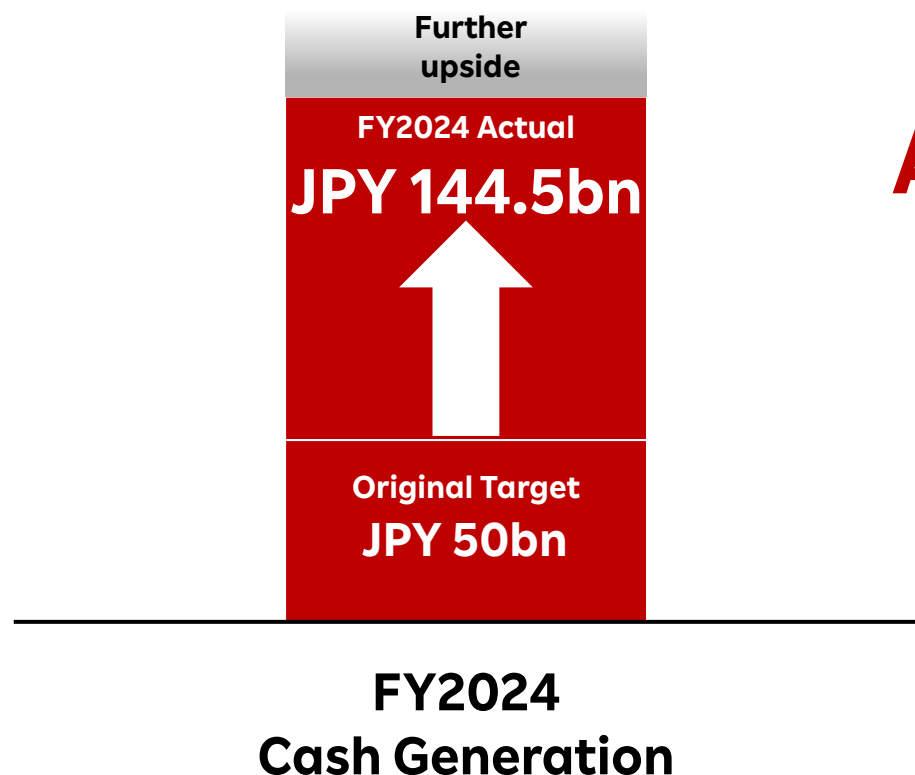
### Refinancing Policy

- ✓ (If necessary) consider partial refinancing as appropriate
  - Issuance of senior bonds in domestic/overseas markets
  - Bank loans, etc.

- ✓ Replacement with subordinated financing that is recognized as having equal or greater equity characteristics
  - Subordinated bond issuance in domestic/overseas markets
  - Corporate bond-type class share issuance, etc.

# Cash Conversion Cycle Improvements

- Continuing efforts to optimize working capital to reduce leverage
- Cash generated by working capital optimization was JPY 144.5bn in FY2024, compared to the original target of JPY 50bn

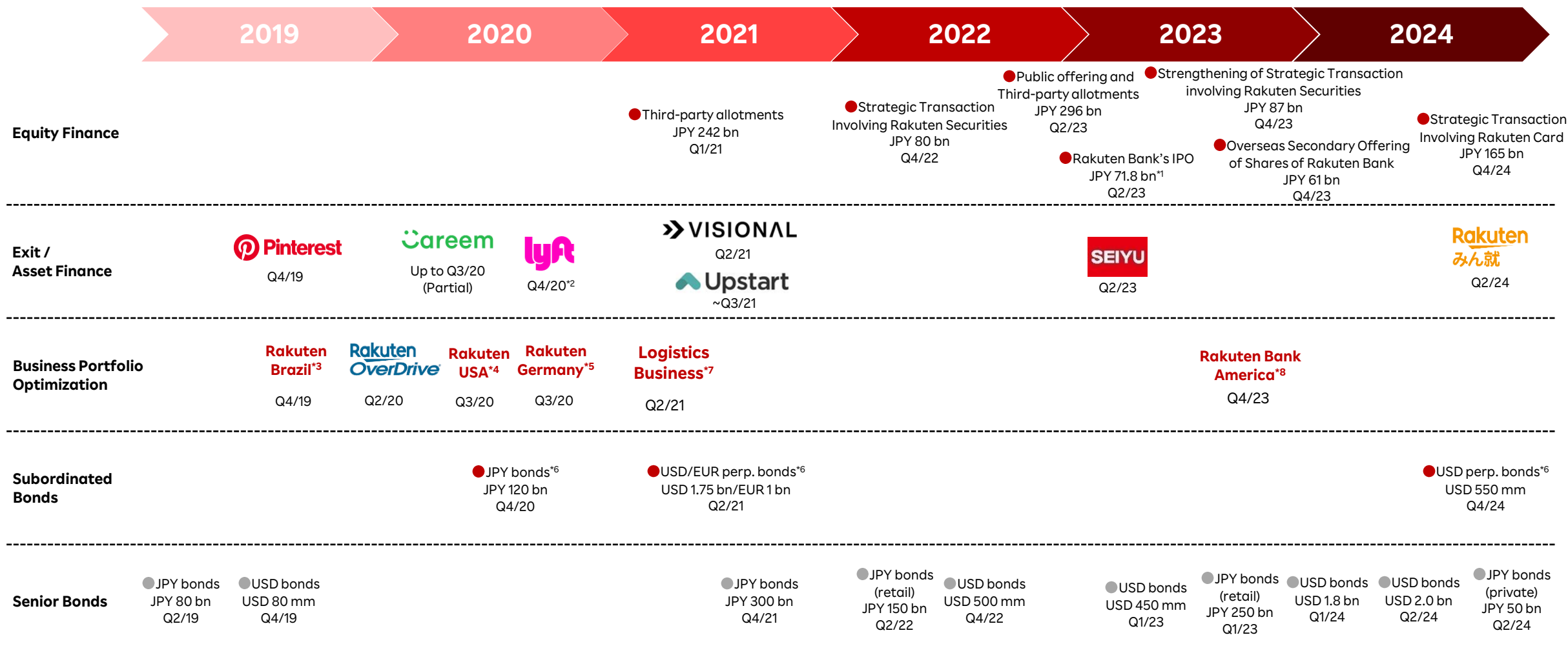


**Achieved cash generation of  
JPY 144.5 billion**

**against the original target of JPY 50 billion for  
FY2024 in Non-FinTech businesses**

**Continue efforts to optimize  
working capital in FY2025**

# Diversifying Financing Sources including Equity, Asset Financing and Bonds

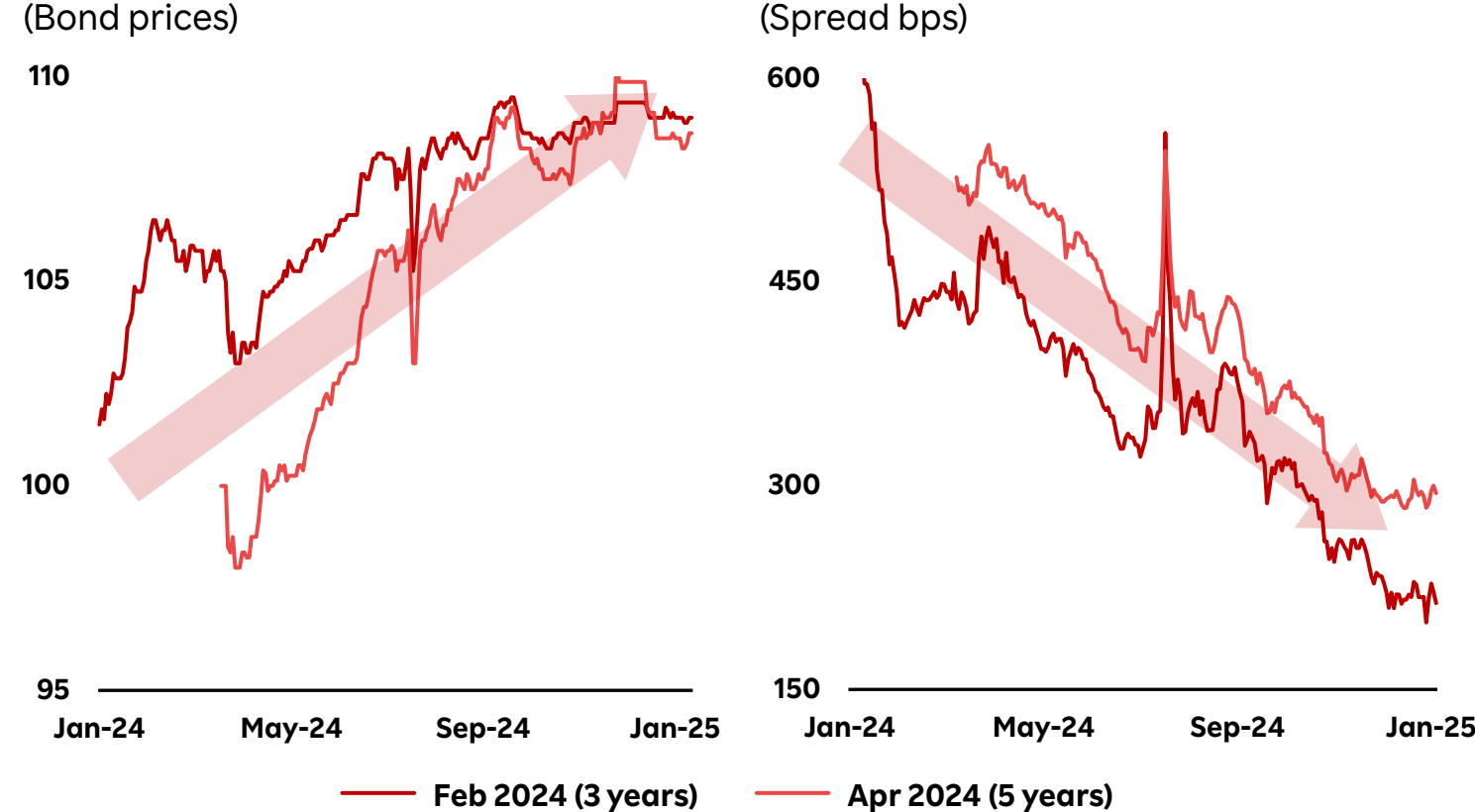


\*1: On April 13, 2023, Rakuten Bank, Ltd. priced its global IPO for JPY 1,400 per share. We sold 53,951,300 shares of Rakuten Bank through the IPO. Based on net proceeds. \*2: Monetization of Lyft shares using collar transaction (variable prepaid forward sales). \*3: Sale of E-commerce business (GenComm). \*4: Exit of Marketplace business (formerly Buy.com) in the United States and switch to an open E-Commerce model (Rakuten Rewards). \*5: Exit of Marketplace business in Germany and consolidation into membership-based online reward sites in the United Kingdom, Spain and Germany. \*6: 50% equity credit from S&P, R&I and JCR. USD/EUR perp. subordinated bonds are treated as 100% equity under IFRS. \*7: Established a joint venture with Japan Post Co., Ltd. and transferred a part of logistics business to the company. \*8: Dissolution of a preparatory company for the purpose of banking business in the United States.

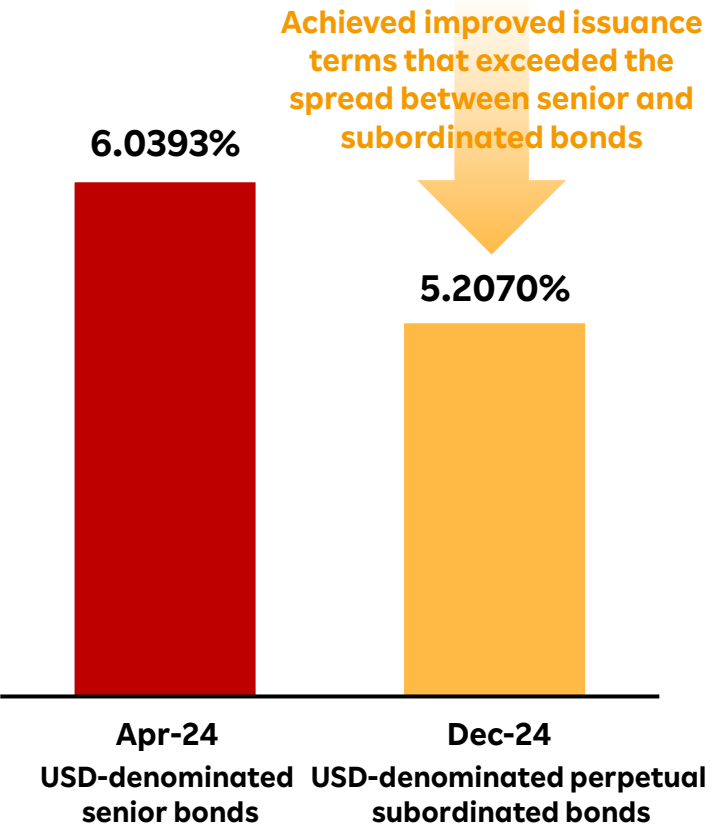
# Rakuten Group's Evaluation in the Bond Market

- As Rakuten Group's creditworthiness improves, market prices for existing bonds, and new issuance conditions have improved significantly
- Improvement in new issuance conditions has led to a further increase in market prices, indicating a reduction in future fundraising costs

Price trends of existing dollar-denominated bonds

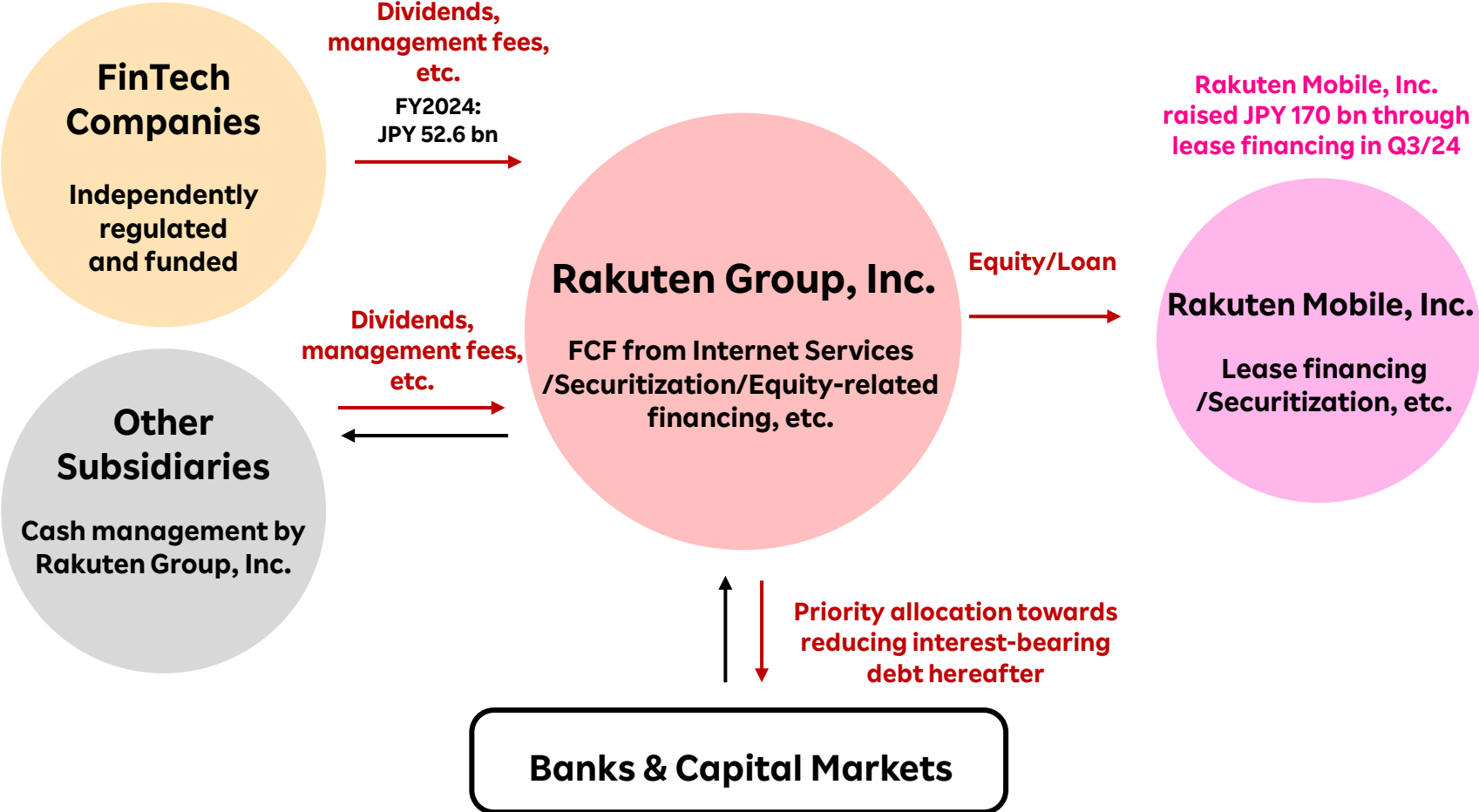


Recent bond issuance terms for Rakuten Group\*



\*After currency swaps

# Rakuten Mobile Funding Flow





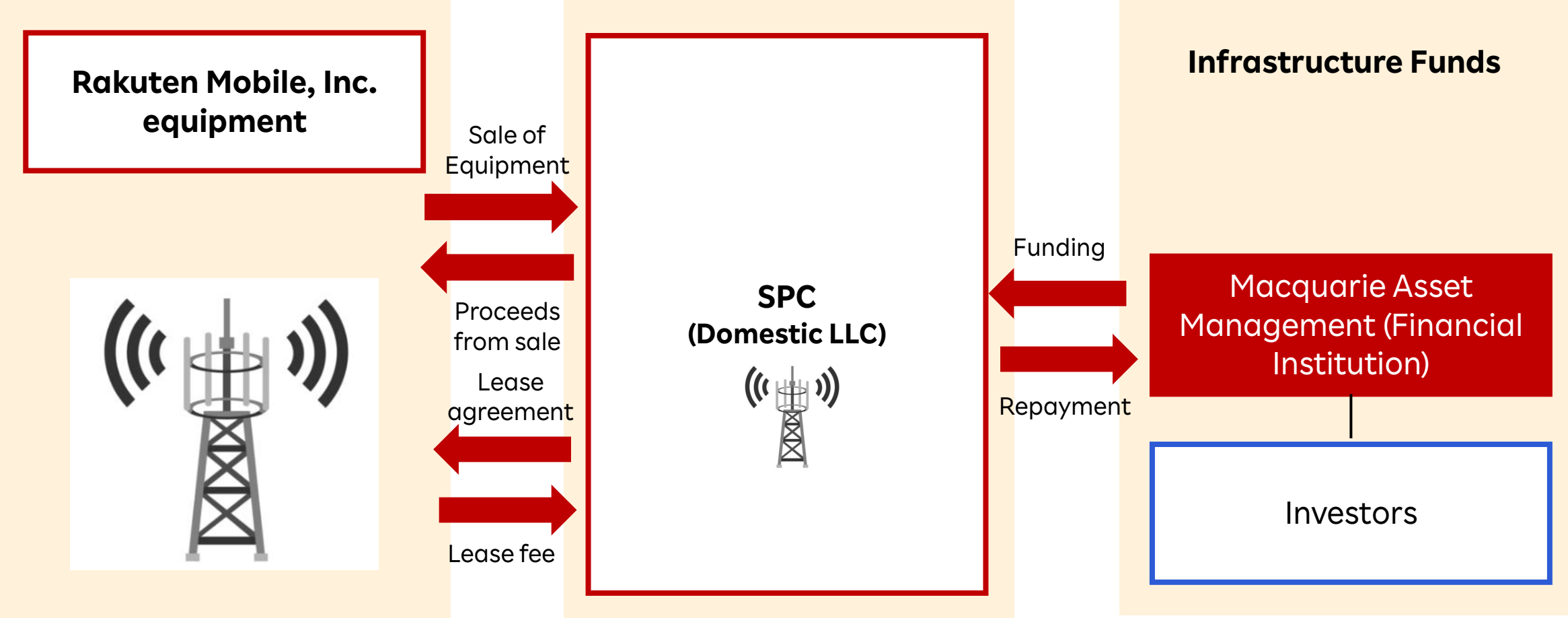
# Completion of Partial Buy-back and Cancellation of No. 2 and No. 4 Domestic Subordinated Bonds

- Focus on balance sheet management by actively controlling schedule of bond redemptions

	No. 2 domestic subordinated bond	No. 4 domestic subordinated bond
Balance at the start of purchase	JPY 26.0 bn	JPY 50.0 bn
Issue date	Dec 13, 2018	Nov 4, 2020
First optional redemption date	Dec 13, 2025	Nov 4, 2025
Maturity date	Dec 13, 2055	Nov 4, 2055
<b>Face value of purchases</b>	<b>JPY 6.8 bn</b>	<b>JPY 33.2 bn</b>
<b>Remaining amount</b>	<b>JPY 19.2 bn</b>	<b>JPY 16.8 bn</b>

# Sale and Leaseback Scheme

- Rakuten Mobile raised JPY 170bn through sale and leaseback of telecom equipment owned by the company
- Treated as a financial transaction under IFRS/J-GAAP accounting, therefore fixed assets sold to SPC will continue to be recognized



# Sale and Leaseback Accounting Treatment

- Rakuten Mobile raised JPY 170 bn through sale and leaseback of telecom equipment owned by the company
- Treated as a financial transaction under IFRS/J-GAAP accounting, therefore fixed assets sold to SPC will continue to be recognized

## Rakuten Group, Inc. - Consolidated IFRS

\*Rakuten Mobile, Inc. – Same accounting method for J-GAAP

When procurement is executed

Balance Sheet	
Cash and deposits	Long-term borrowings
Fixed assets (no sales entry)	

During the lease period

Trial Balance	
Long-term borrowings (including interest paid)	Cash and deposits
Depreciation	Cumulative depreciation

## 5. ESG

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# Group Sustainability Strategy

- In 2022, Rakuten announced “Vision 2030”, its mid-long-term management plan, with sustainability identified as one the pillars supporting the achievement of ambitious business goals. In 2024, the Group Sustainability Strategy was updated with the adoption of goals by 2030 for all material ESG matters
- By realizing this vision, Rakuten aspires to be an employer of choice for innovative talent, a business partner of choice for an ever-growing number of enterprises, and the go to service provider for millions of customers living a sustainable lifestyle

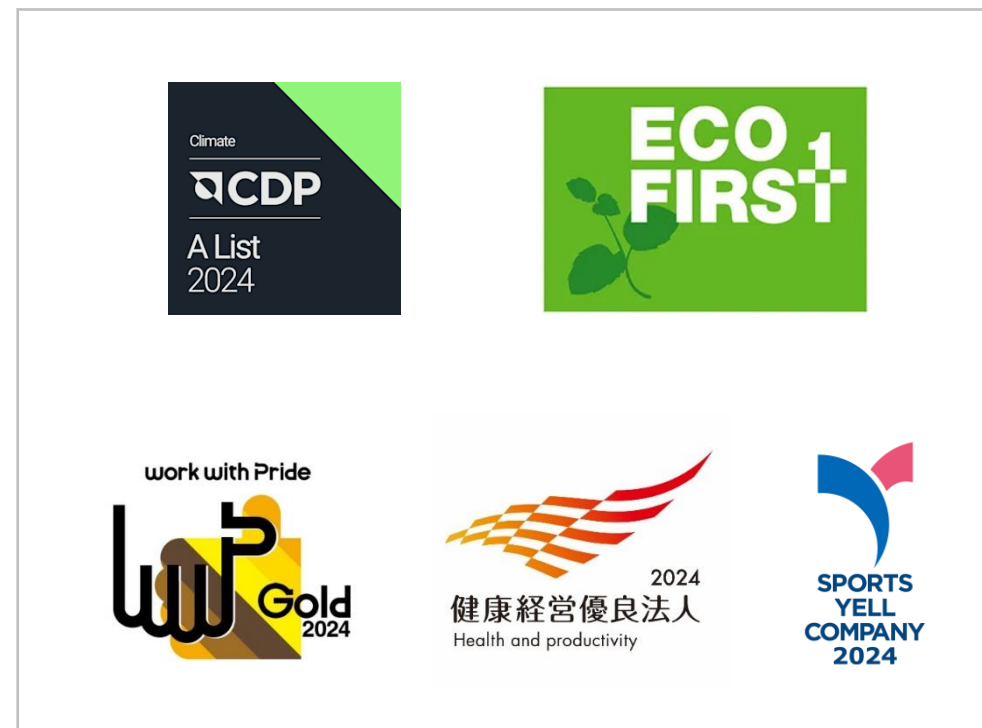
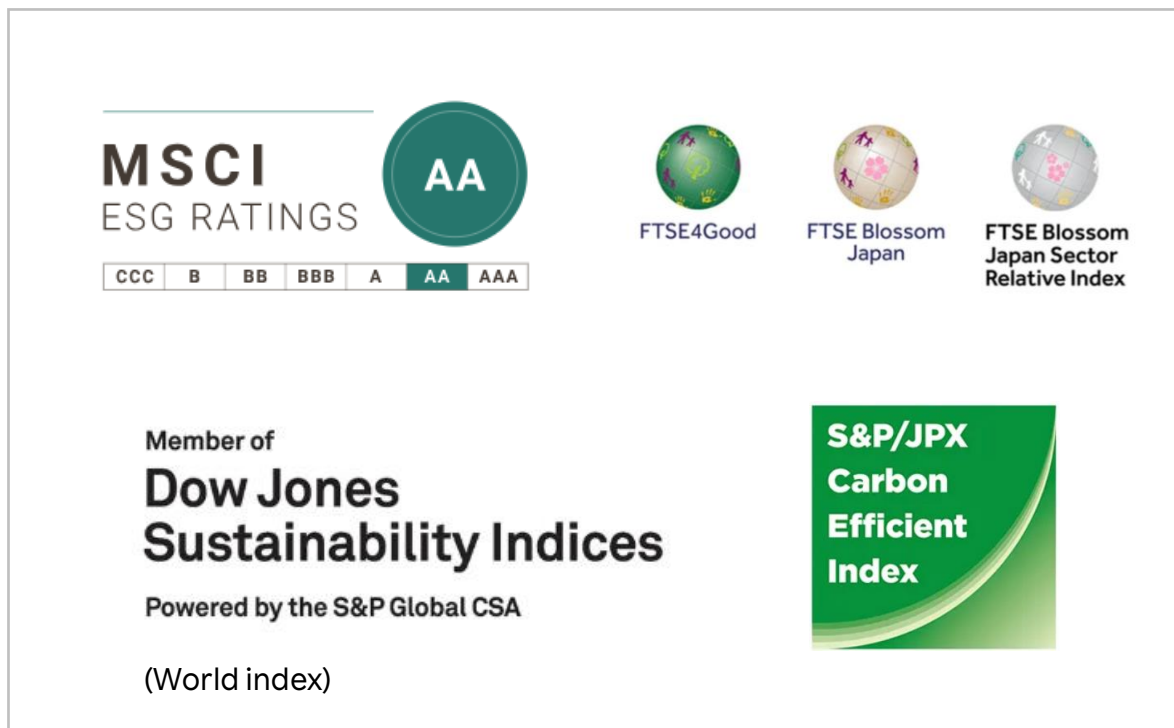
Visions and Goals per Focus Area (extract)

Focus areas	ESG issues	Vision	KPI and goals	2023	2030
<b>Growing with our employees</b>	Diversity, equity and inclusion	Encourage diverse individuals, the foundation of our competitive advantage, to maximize their potential	Percentage of female managers (Rakuten Group, Inc.)	31%	36%
<b>Providing sustainable platforms and services</b>	Responsible advertising, marketing and labelling	Improve the accessibility of our digital touchpoints	Percentage of digital touchpoints meeting the requirements of “WCAG AA” <sup>*1</sup>	-	100%
<b>Addressing global challenges</b>	Climate change and energy	Realize a future where our stakeholders are aware of environmental challenges and opt for green choices naturally	Absolute scope 1, Scope 2 emissions	Carbon neutrality <sup>*2</sup>	Reduced by 99.7% by FY2032 <sup>*3</sup>
			Absolute scope 3 emissions		Reduced by 30.0% by FY2032 <sup>*3</sup> Scope 3 emissions from all sold electricity reduced by 76.8% per MWh by FY2032 <sup>*3</sup>

\*1: Web Content Accessibility Guidelines, level AA conformance. \*2: For Scope 1+2 GHG emissions with third-party verification estimated in accordance with GHG Protocol. Residual emissions after promoting various measures are offset using carbon credits. \*3: From FY2022 base year. Targets certified as Science Based Targets (SBT).

# Awards and Recognitions

■ Rakuten's efforts towards the realization of sustainable society have been recognized in Japan and overseas



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