FY2025 Second Quarter Consolidated Financial Results

August 8, 2025

Rakuten Group, Inc.

Rakuten

Agenda

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2 Segment Results

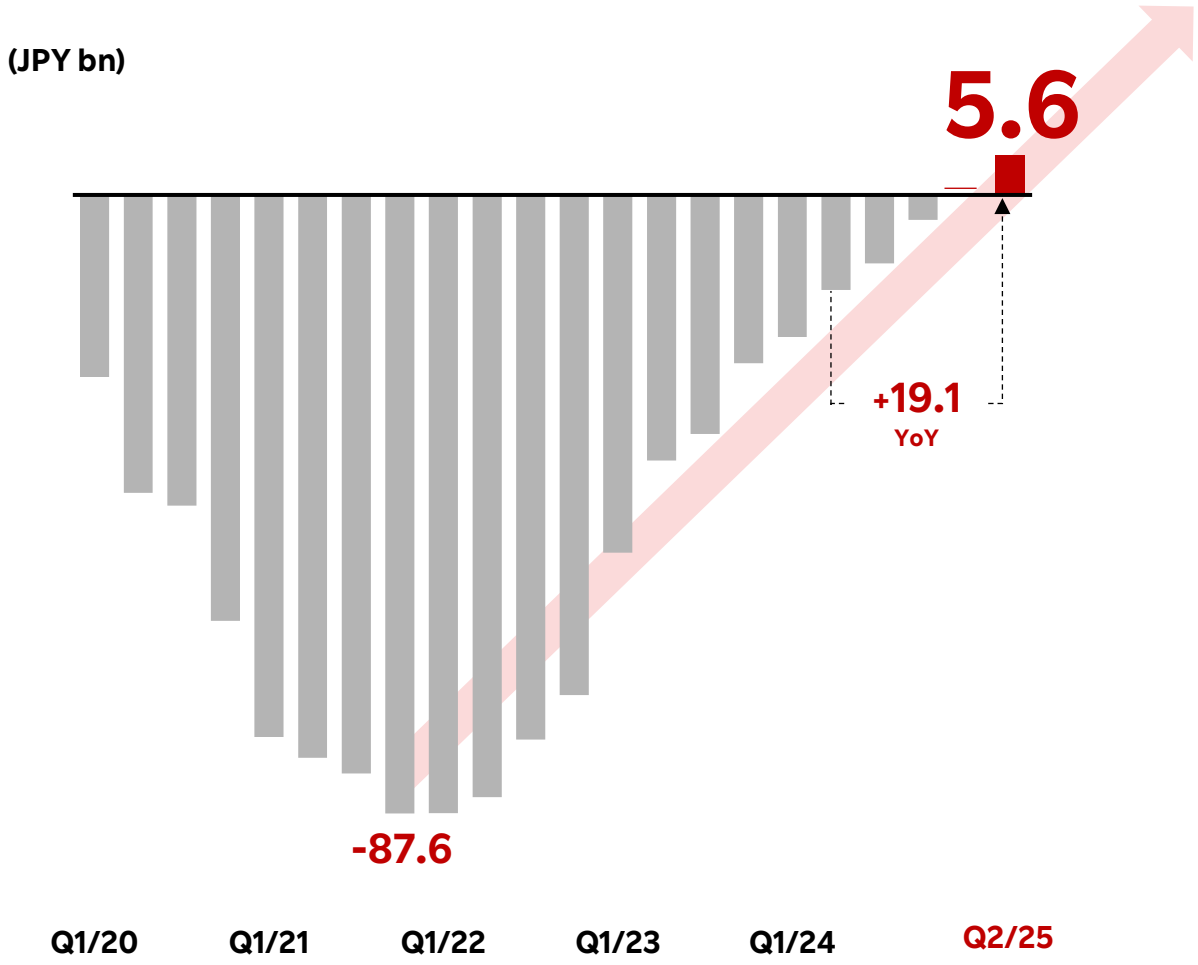
- Internet Services Segment
- FinTech Segment
- Mobile Segment

3 Finance

4 AI

1. Summary

Rakuten Mobile, Inc. EBITDA*



Q2/25 EBITDA

Profitability

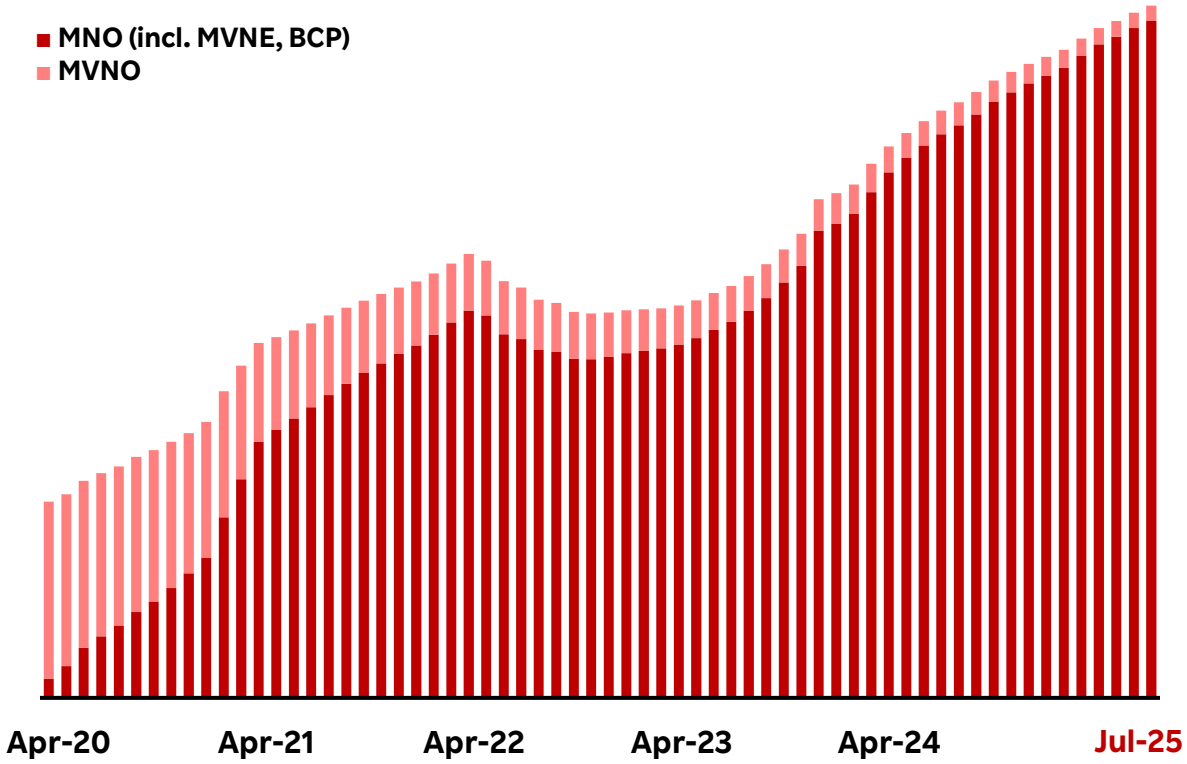
Steady progress towards achieving 2025 full-year EBITDA profit

*EBITDA for the first quarter of each year in the graphs exclude property tax payments.

Rakuten Mobile, Inc. Number of Subscribers

Total no. of subscribers*

9.08 mm



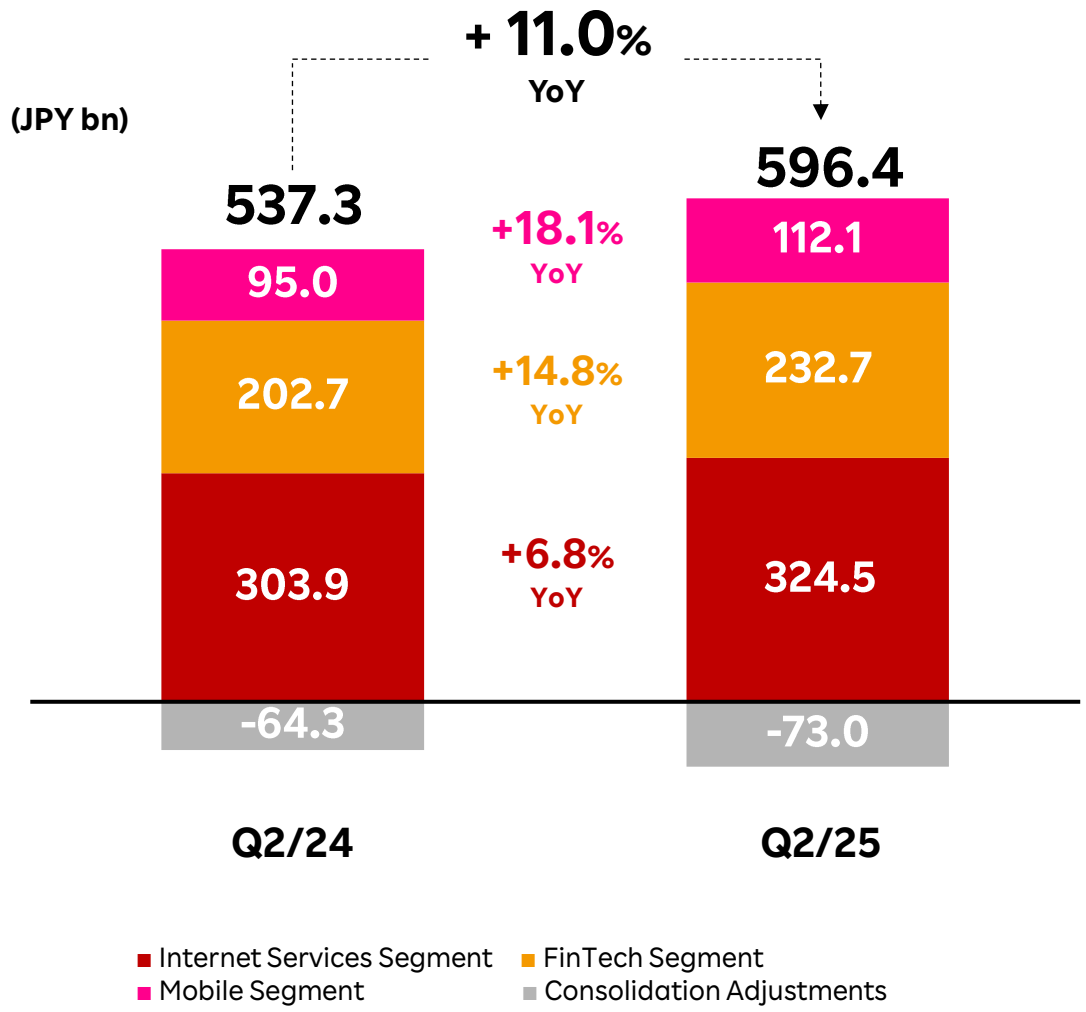
Total no. of subscribers surpassed

9mm

Aiming to accelerate pace of net increase to surpass 10 million subscribers as early as possible

*As of the end of July 2025. Total number for MNO, MVNE, and MVNO, including BCP. BCP refers to plans sold for B2B business continuity plans. The number of MNO (Excluding MVNE, BCP) subscribers is 8.29mm.

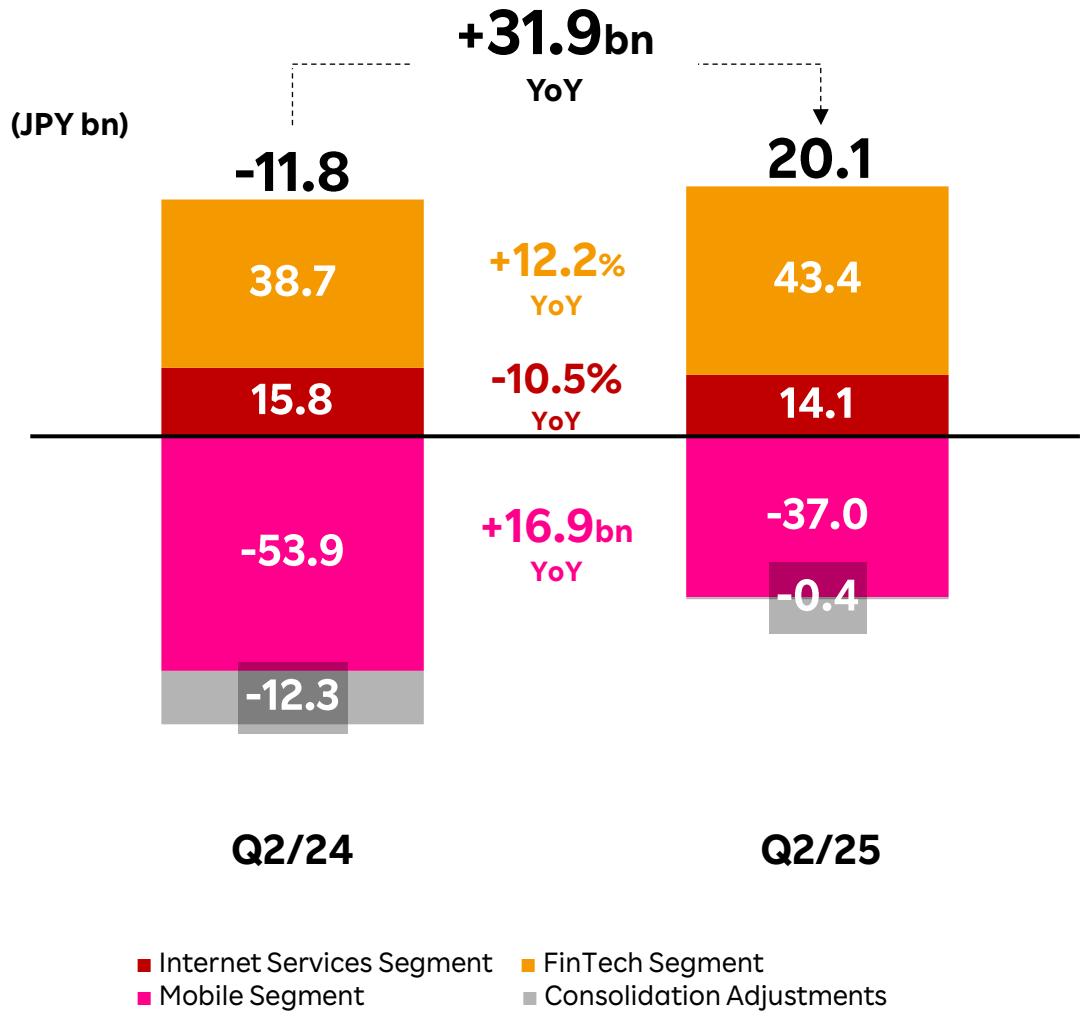
Q2/25 Consolidated Revenue



Revenue growth across all segments

Strong performance in key businesses including Rakuten Ichiba, Travel, Card, Bank, Mobile, and Symphony

Q2/25 Consolidated Non-GAAP Operating Income*

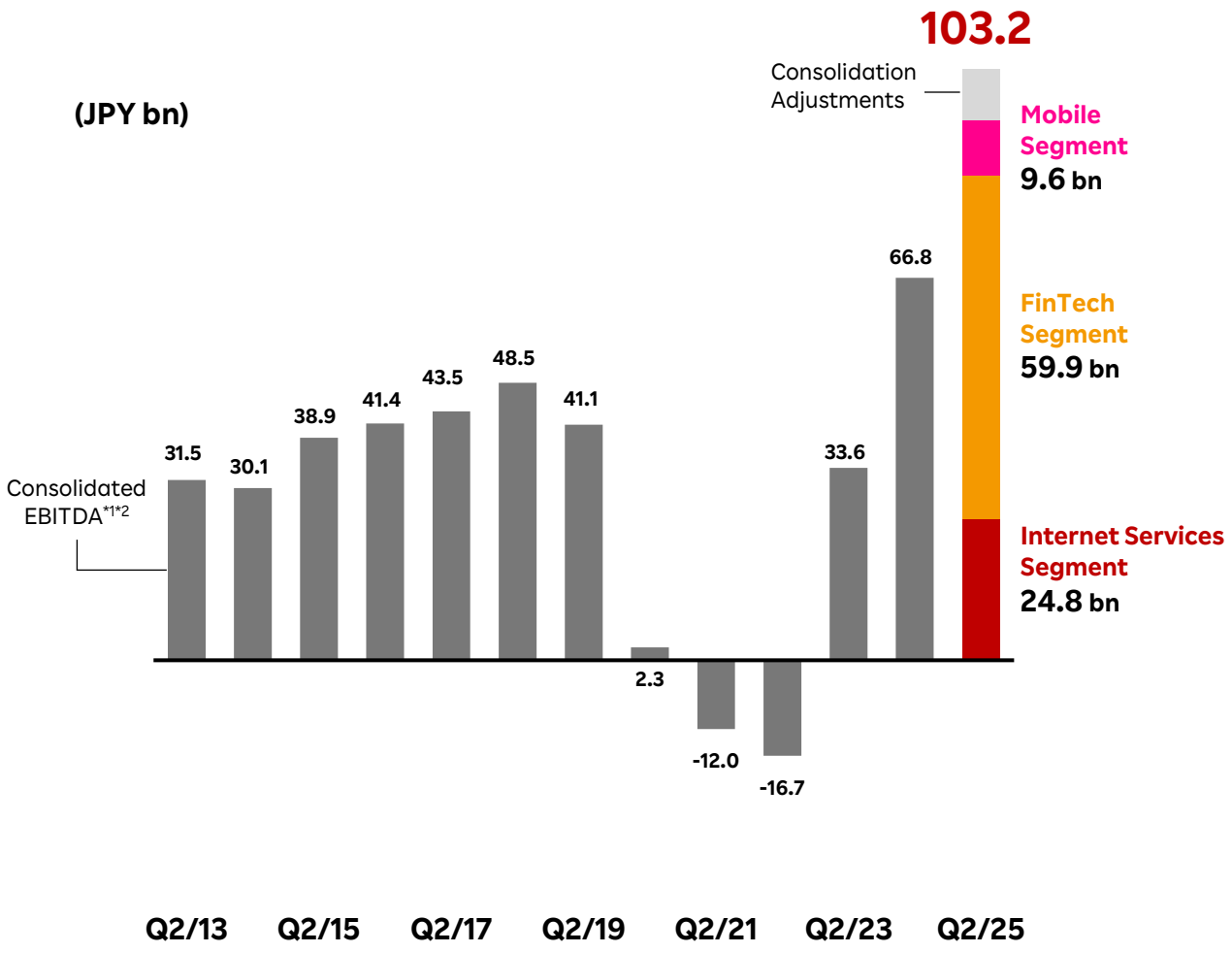


Q2 profit
for the first time since 2019

Along with increased revenue, improving operational efficiencies through the use of data and AI to promote disciplined business operations

*Segment results from Q1/23 have been retroactively adjusted due to the inclusion of the Mobile Ecosystem Contribution in segment results from Q3/24.

Q2/25 Consolidated EBITDA*1*2



Quarterly EBITDA surpassed JPY 100 bn

Highest ever for Q2

*1: Non-GAAP EBITDA = Non-GAAP operating income + depreciation and amortization, etc. Q2/18 figures exclude 26.8 billion yen valuation gain on Lyft stock. Q2/19 figures exclude 10.9 billion yen valuation loss on Lyft stock. *2: Segment results from Q1/23 have been retroactively adjusted due to the inclusion of the Mobile Ecosystem Contribution in segment results from Q3/24.

Rakuten AI: Full-Scale Launch

■ **Available now on Rakuten Link and as a dedicated web app[*1]. Planned for release on Rakuten Ichiba in autumn 2025**

Rakuten AI

From research to actions: Cutting-edge Agentic AI integrated with Rakuten Ichiba and other Rakuten Ecosystem services[*2]

Rakuten AI allows users to research vast amounts of information online and connects users to Rakuten services to take concrete actions, such as making purchases on Rakuten Ichiba

From siloed to unified: New gateway to Rakuten Ecosystem

Serves as the new entry point to Rakuten Group services

From chats to tasks: Easy to use, intuitive experience

Supports interactions through conversations, voice, and visual experiences

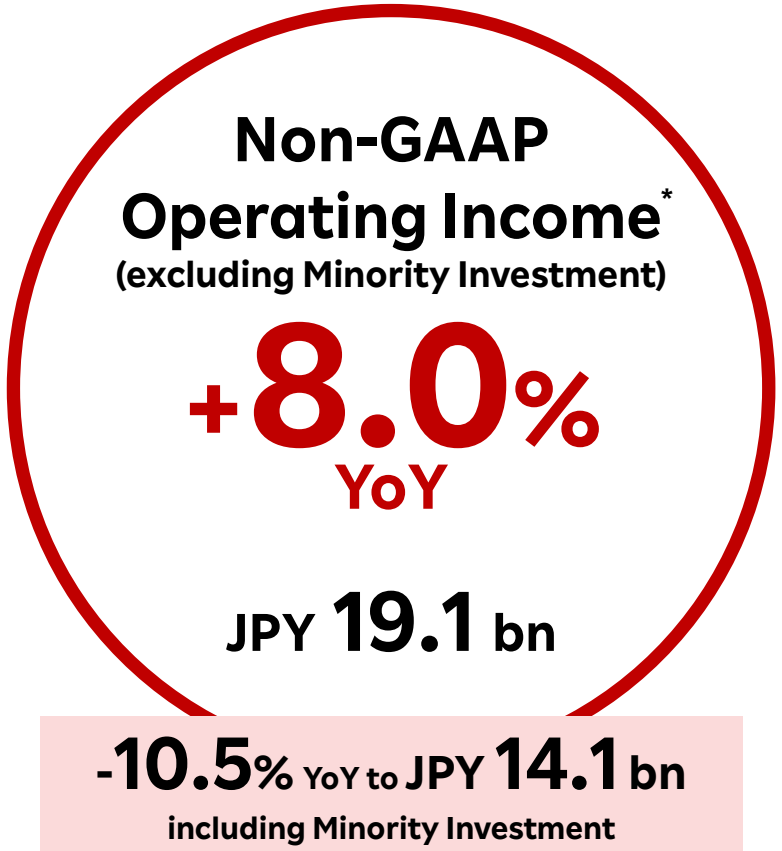
*1: Dedicated web app currently available in beta. *2: Integrated with Rakuten Ichiba, Rakuten Rakuma, Rakuten Books and Rakuten Fashion as of the end of July 2025.

2. Segment Results

Internet Services Segment

Internet Services Segment: Q2/25 Financial Highlights

- In Domestic EC, Rakuten Ichiba and Travel led the revenue growth. In addition to continuous profit growth in core businesses, improved profitability in Logistics also contributed
- In the International BU, Rakuten Viber and Rakuten Viki drove increased revenue and profits



-10.5% YoY to JPY 14.1 bn
including Minority Investment

*Segment results from Q1/23 have been retroactively adjusted due to the inclusion of the Mobile Ecosystem Contribution in segment results from Q3/24.

Internet Services Segment: Q2/25 Key KPIs

Domestic EC GMS[*1*2]

+4.7% YoY

JPY **1.5** tn

Travel Business GTV[*3]

+7.4% YoY

Investment Business IRR[*4]

+18.1%

International BU Revenue[*1*5]

+1.9% YoY

USD **481** mm

Advertising Revenue

+4.7% YoY

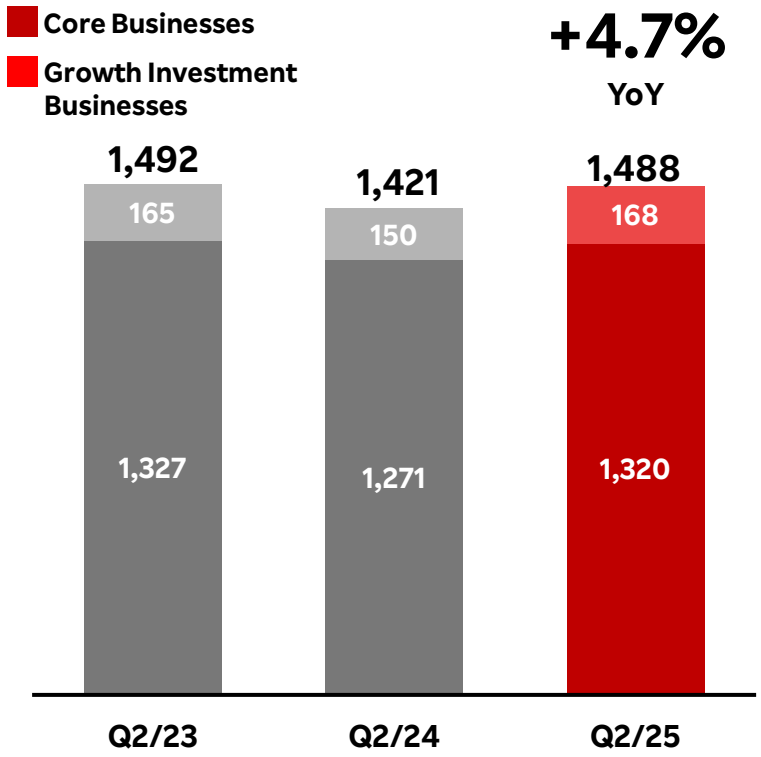
JPY **56.7** bn

*1: Retroactive adjustments made due to realignment of businesses within the Internet Services segment from Q1/25. *2: From Q2/25, due to the review of the scope of domestic EC GMS, retrospective adjustments were also made. *3: The total of travel businesses included in the core businesses and growth investment businesses. This includes Rakuten Travel, Rakuten Travel Xchange, and others. *4: Return calculated on JPY-basis from Q1/25. *5: Open commerce: Sum of Rakuten Rewards (US, Europe, Canada), Fillr, and overseas advertising business. EU: Sum of Rakuten TV and Rakuten France. Other: Sum of Rakuten Kobo, Rakuten Viber, Rakuten Viki, etc. This does not include Rakuten Symphony, Taiwanese e-commerce business, or businesses operated by overseas financial subsidiaries.

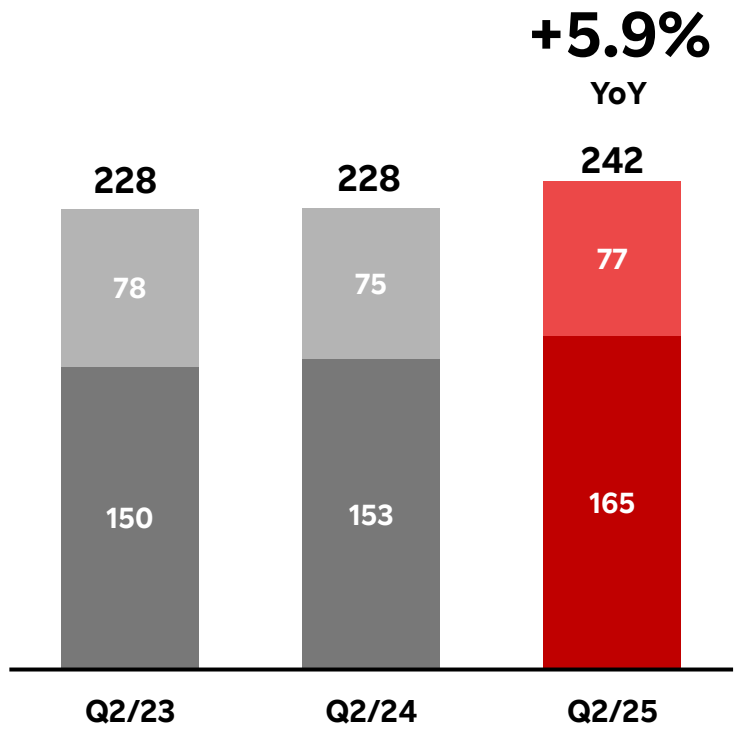
Domestic EC: Q2/25 Financial Results

- GMS growth mainly driven by Rakuten Ichiba, Rebates, etc., and the travel business. Aim to accelerate future growth
- Operating income boosted by core businesses such as Rakuten Ichiba and Rakuten Travel, as well as the logistics business due to price revisions

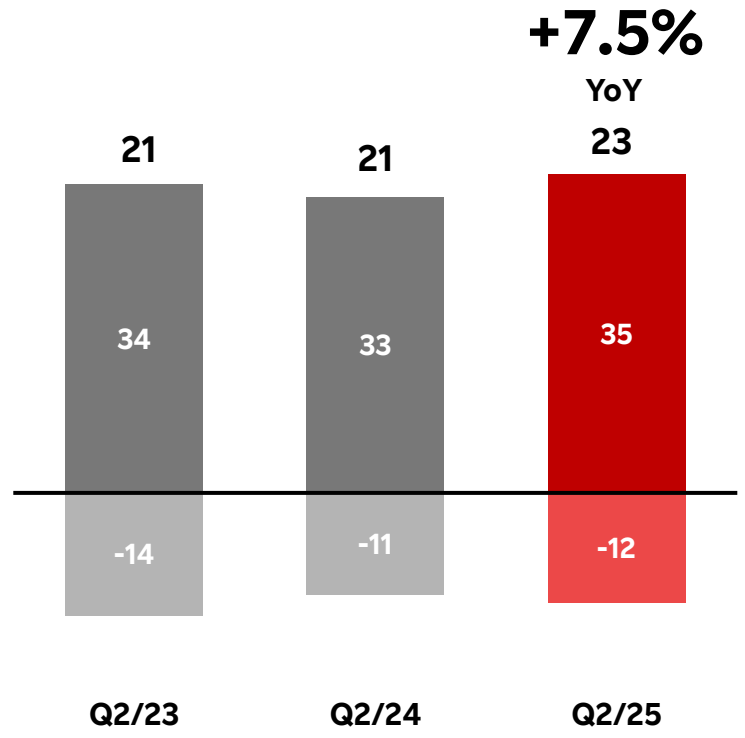
GMS* (JPY bn)



Revenue* (JPY bn)



Non-GAAP Operating Income* (JPY bn)



*Retroactive adjustments made due to realignment of businesses within the Internet Services segment from Q1/25. Additionally, from Q2/25, due to the review of the scope of domestic EC GMS, retrospective adjustments were also made.

Rakuten Ichiba: Q2/25 Business Update

- GMS expanded due to an increase in the number of purchasers and average customer spending. Continuing to focus on mobile, delivery, and AI to expand GMS and profit growth
- Overseas affiliated merchants exceeded 1,000, contributing to GMS expansion

Expanding synergies with Mobile

% of Rakuten Mobile MNO subscribers in monthly active users (MAU) in Q2/25[*1]

15.7%

+1.8 pt YoY

Average annual GMS of Rakuten Mobile subscribers versus non-subscribers[*2]

+47.6%

Rakuten SAIKYO Next Day Delivery

Difference in sales growth rate between eligible and non-eligible products[*3]

20.1 pt

With support from Rakuten Super Logistics, number of eligible products is expanding

Expansion of overseas affiliated merchants

Famous international brands accelerating their expansion in Rakuten Ichiba

1,000+

merchants

Increase in new merchant openings by overseas companies from US, Europe, China, South Korea, and other countries

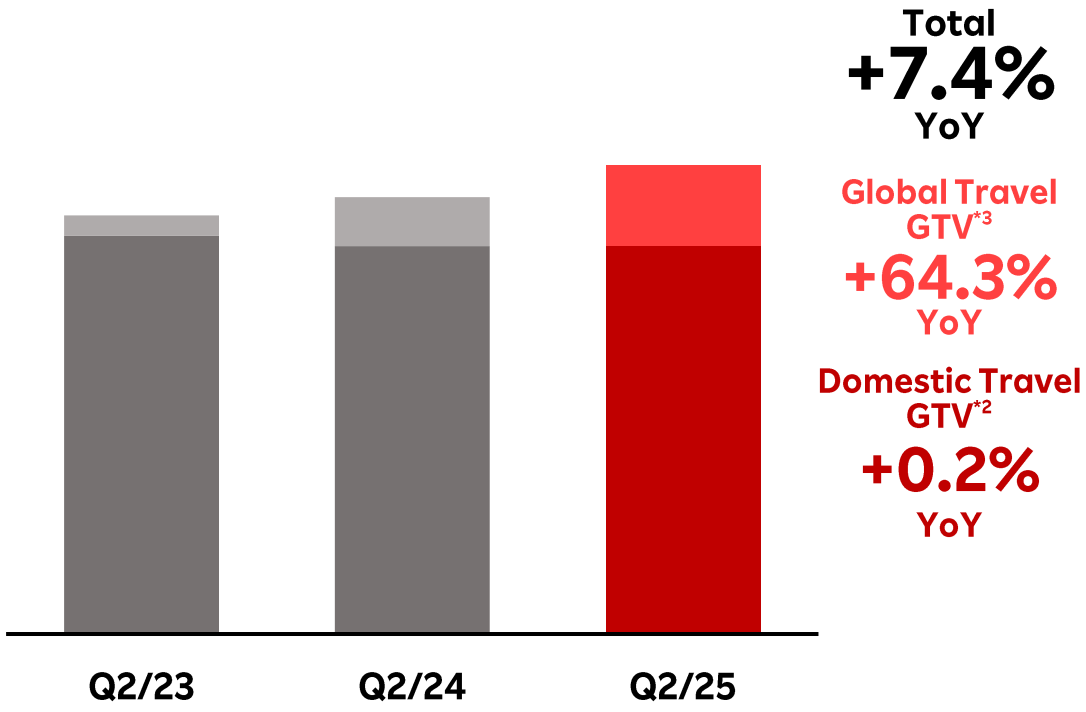
Bilingual team supports with store opening proposals to sales promotion activities after opening

*1: Monthly average for each quarter. *2: Difference between average GMS per person for the past year between Rakuten Mobile subscribers and non-subscribers. Subscribers are users who signed up for Rakuten Mobile (MNO B2C) in any month between March 2020 and July 2024 (the relevant month), had an active connection between July 2024 and June 2025, and whose purchasing habits for the past year from that month are consistent with those of non-subscribers. Non-subscribers are users who have used any Rakuten service other than Rakuten Mobile (MNO B2C) in the past year prior to June 2025, and whose purchasing habits for the past year prior to that month are consistent with those of subscribers. *3: Comparing sales growth rates from July 2024 to May 2025 for products labeled with "SAIKYO Next-Day Delivery" as of May 2025.

Travel Business: Q2/25 Business Update

- For Travel Business GTV[*1], Domestic Travel GTV[*2] remained flat, but Global Travel GTV[*3] grew significantly
- Aim for future growth as a global OTA (Online Travel Agent) by expanding Global Travel GTV[*3]

Travel Business GTV[*1]



Global Travel GTV[*3] driving growth

Expanding share of inbound tourists to Japan at a higher growth rate than the market

In addition to B2C multilingual websites operated under the Rakuten Travel brand, B2B business operated through Rakuten Travel Xchange also contributing to growth

*1: Combined total of the travel business included in Domestic EC core businesses and growth investment businesses. Includes Rakuten Travel, Rakuten Travel Xchange, etc. *2: GTV on the Rakuten Travel Japanese website. *3: GTV on the Rakuten Travel multilingual websites and Rakuten Travel Xchange.

Logistics Business: Number of Merchants Using Rakuten Super Logistics (RSL) Continues to Grow Steadily even after Fee Changes

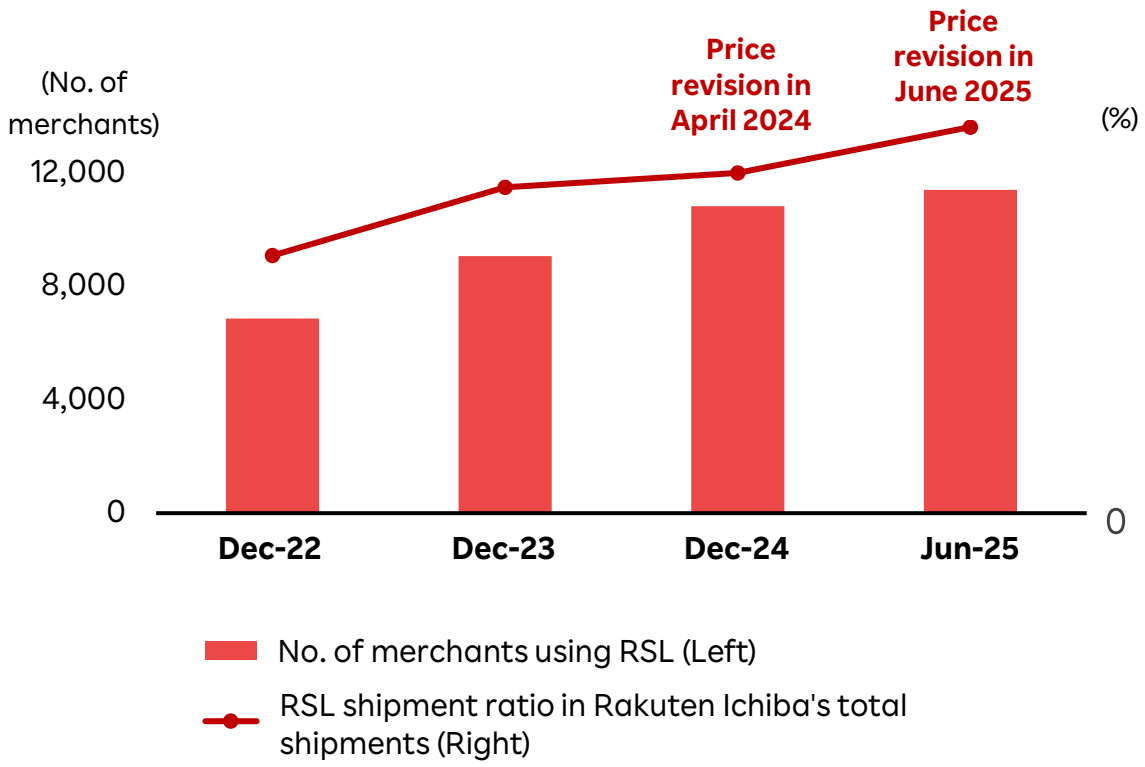
- Although various RSL fees changed from June 2025, number of merchants using RSL and the ratio of deliveries via RSL continues to grow, and should contribute to future profit improvement
- Administrative sanctions imposed on our partner's delivery operations had no impact. Continuing to provide stable services

RSL fee changes

- Changes to shipment operation fees
- Changes to delivery fees
- Introducing fees for other sites

Contributing to improved profitability in the logistics business

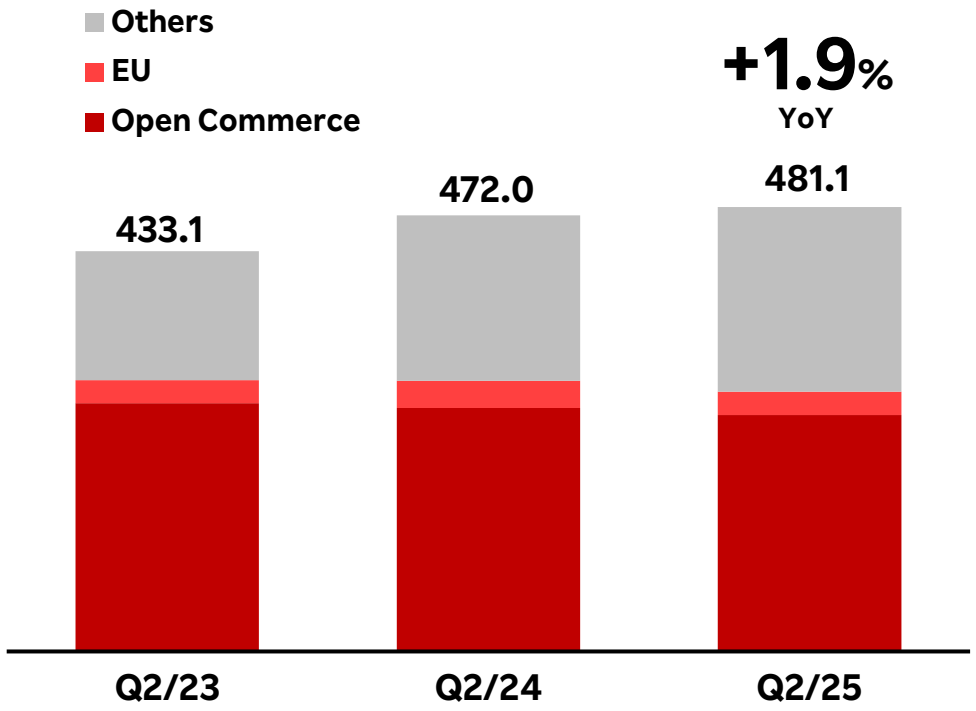
No. of merchants using RSL, and RSL shipment ratio



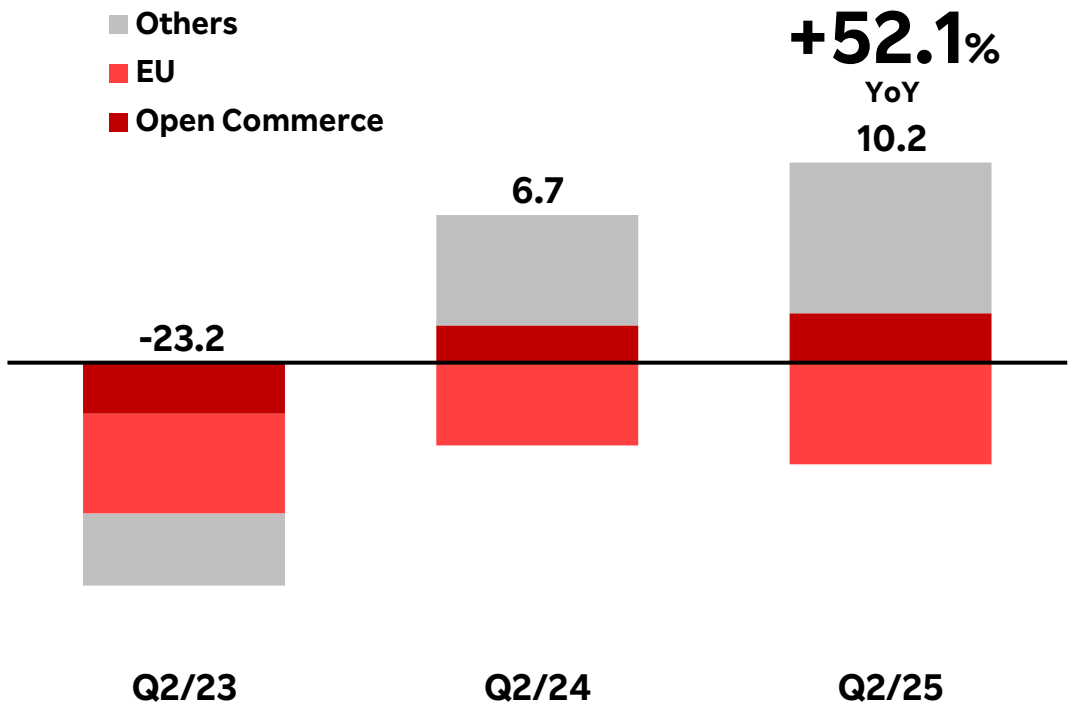
International BU[*1*2]: Q2/25 Financial Results

- Rakuten Rewards performance remains stable despite reduction of marketing spend by US companies
- Strong communications and ad revenue at Rakuten Viber, as well as Rakuten Viki, a video streaming service with multilingual subtitles, also contributed to increased revenue and profit

Revenue (USD mm)



Non-GAAP Operating Income (USD mm)

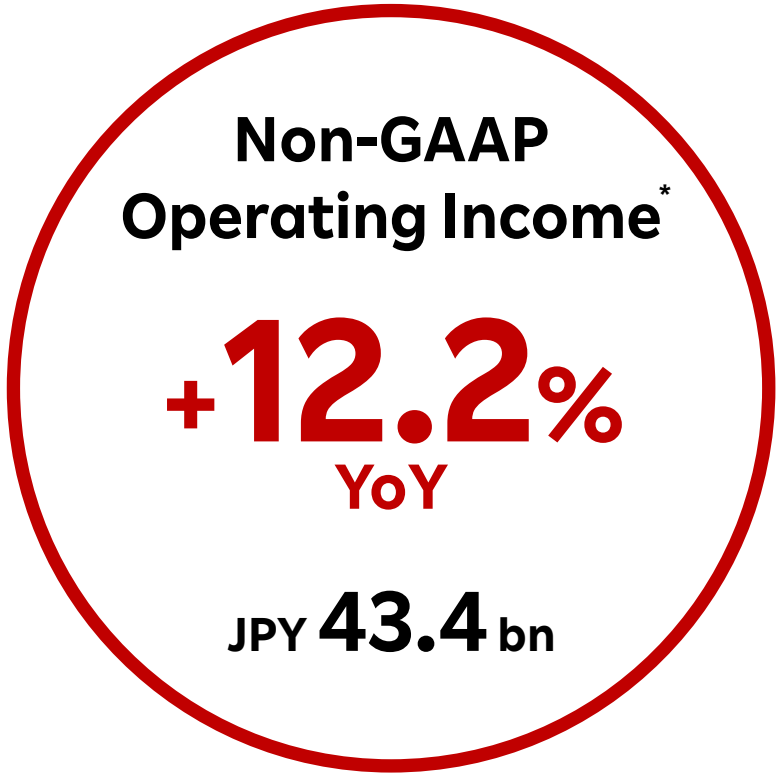


*1: Open commerce: Sum of Rakuten Rewards (US, Europe, Canada), Fillr, and overseas advertising business. EU: Sum of Rakuten TV and Rakuten France. Other: Sum of Rakuten Kobo, Rakuten Viber, Rakuten Viki, etc. Note that this does not include Rakuten Symphony, Taiwanese e-commerce business, or businesses run by overseas financial subsidiaries. *2: Retroactive adjustments made due to realignment of businesses within the Internet Services segment from Q1/25

FinTech Segment

FinTech Segment: Q2/25 Financial Highlights

- Customer base for each service grew steadily. Increased GTV for Rakuten Card and interest income for Rakuten Bank drove segment revenue growth
- Continued efficient business operations in each business segment. Increased profits mainly at Rakuten Bank and Rakuten Payment



*Segment results from Q1/23 have been retroactively adjusted due to the inclusion of the Mobile Ecosystem Contribution in segment results from Q3/24.

FinTech Segment: Q2/25 Key KPIs

Rakuten Card Shopping GTV

+10.2% YoY

JPY 6.5 tn

Rakuten Bank Accounts[*1]

+7.5% YoY

17.07 mm

Rakuten Bank Deposit Balance[*1*2]

+7.1% YoY

JPY 11.7 tn

Rakuten Securities General Accounts[*1]

+10.9% YoY

12.56 mm

Rakuten Securities NISA Accounts[*3]

+18.2% YoY

6.53 mm

Rakuten Securities Deposited Assets[*1*2]

+22.4% YoY

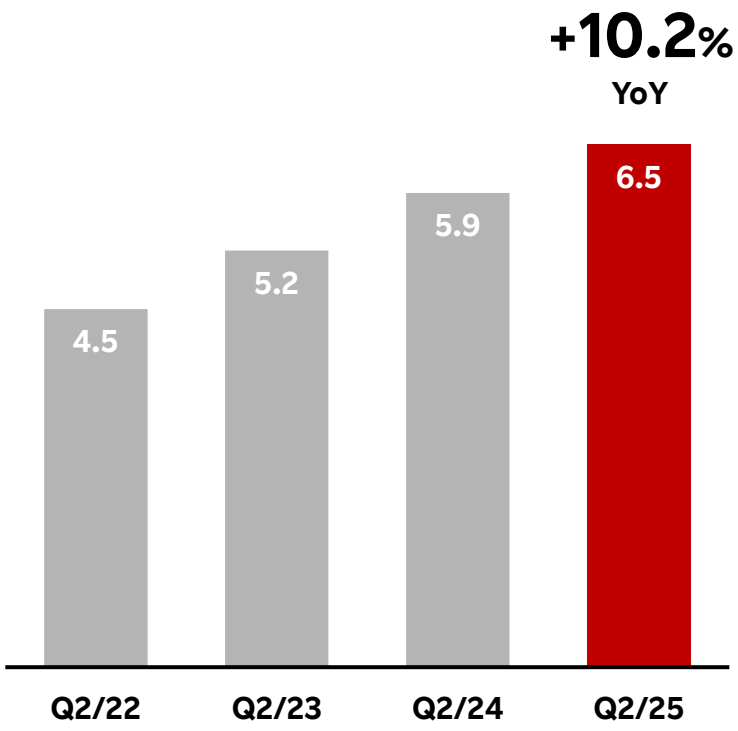
JPY 39.6 tn

*1: Rounded down to the nearest unit *2: J-GAAP *3: Excluding Junior NISA

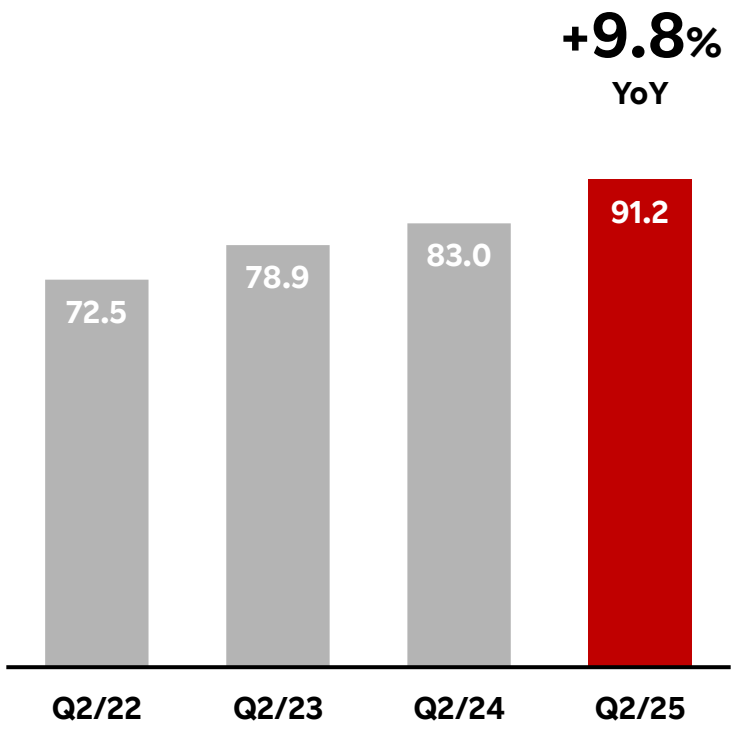
Rakuten Card: Continued Expansion of Shopping GTV and Cost Control

- **Continuous increase in shopping GTV due to expansion of customer base and an increase in average transaction value contributed to revenue growth. Although profits declined due to an increase in interest expenses (JPY +4.1 bn YoY), etc., aim to achieve same full-year profit level in FY2025 as FY2024 through revenue growth and control of general expenses**

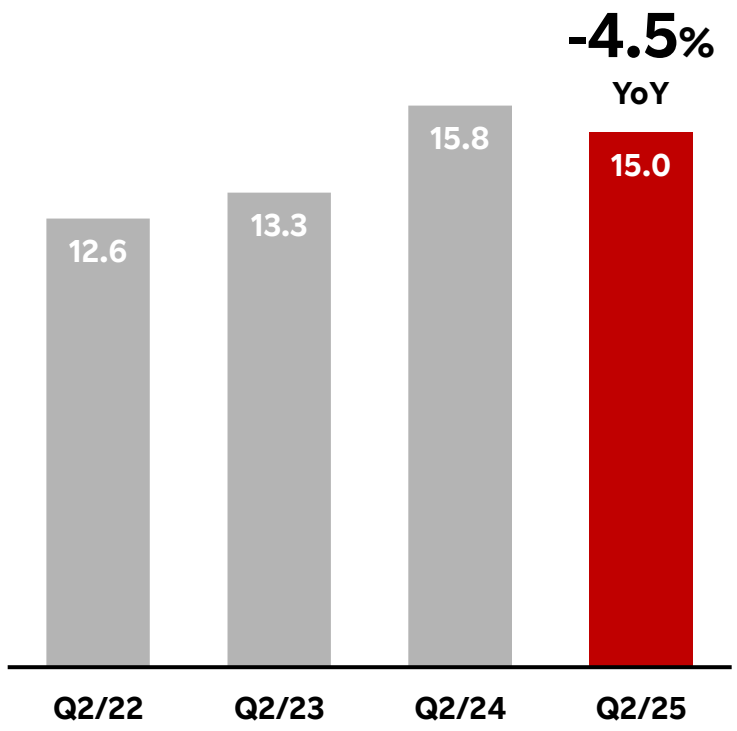
Shopping GTV (JPY tn)



Revenue (JPY bn)



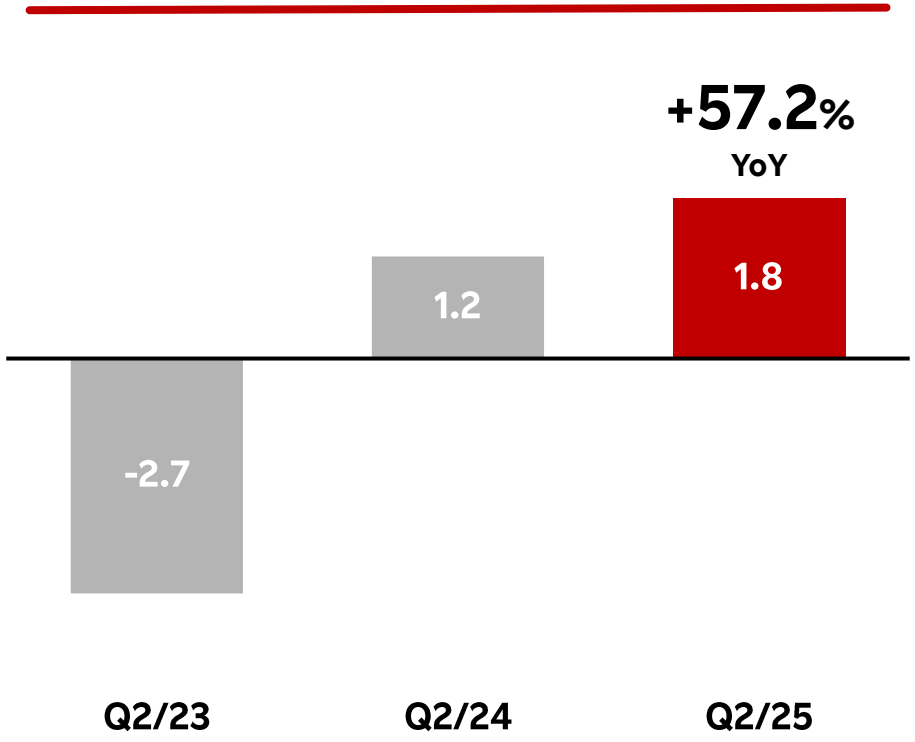
Non-GAAP Operating Income (JPY bn)



Rakuten Payment: Continued Growth in Revenue and Profits due to GTV Growth

- GTV continues to grow as the customer base expands. Cost controls also contributed to higher operating income
- Rakuten Pay app: Ranked no. 1 in customer satisfaction for 3 consecutive years[*1]. A first amongst QR/bar code players[*2]

Non-GAAP Operating Income[*3] (JPY bn)



No. 1 in customer satisfaction for 3 consecutive years
A first amongst QR/bar code players[*2]

- Customer satisfaction
- Perceived value (Cost performance)
- Perceived quality (Quality assessment)
- Intention to recommend
- Loyalty

*1: Based on the Service Industry Productivity Council's "2nd JCSI (Japanese Customer Satisfaction Index) Survey for 2025." *2: Rakuten Pay app has ranked first in "customer satisfaction" for three consecutive years in the customer satisfaction survey "JCSI". This is the first time in the QR/bar code payment industry (as of July 30, 2025). *3: Combined total of Rakuten Payment and Rakuten Edy.

Rakuten Bank (Consolidated): Performance Highlights[*1] (J-GAAP, Three months ended Jun 25[*2])

■ **Continued growth in no. of accounts and deposit balance. Interest income grew significantly due to Bank of Japan's interest rate hike policy and the accumulation of diverse assets under management, resulting in significant increases in both revenue and profit**

Ordinary Income	Ordinary Profit	Capital Adequacy Ratio[*3]	ROE[*4]
(Q1/25[*2], consolidated)	(Q1/25[*2], consolidated)	(Jun. 2025, consolidated)	(Q1/25[*2], annualized basis, consolidated)
JPY **57.5** bn	JPY **23.9** bn	**10.6**%	**21.6**%
+40.8% YoY	+56.8% YoY	-0.7pts YoY	+5.1pts YoY

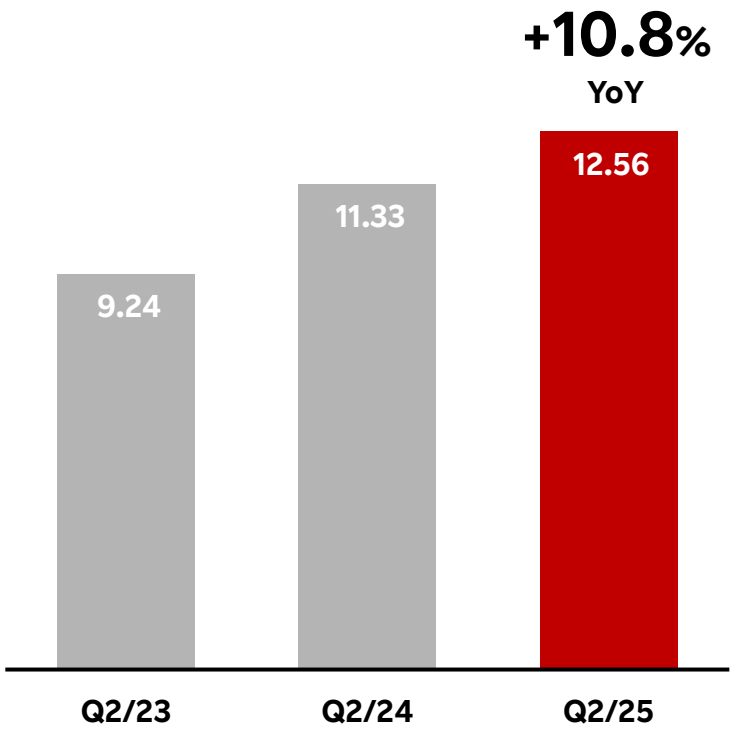
# of Bank Accounts	# of Main Accounts[*5]	Total Deposit Balance	G&A Expense Ratio[*6]
(Jun. 2025, non-consolidated)	(Jun. 2025, non-consolidated)	(Jun. 2025, non-consolidated)	(Q1/25[*2], consolidated)
17.0 mm	**5.6** mm	JPY **11.7** tn	**32.3**%
+7.5% YoY	+12.7% YoY	+7.1% YoY	-5.5 pts YoY
	Main Account[*5] Ratio: **33.0**%		

*1: Rounded down to the nearest unit *2: Rakuten Bank ends its fiscal year in March. *3: Capital adequacy ratio (domestic standard) is calculated based on standards stipulated by Article 14-2 of the Banking Act for the purpose of determining whether banks have sufficient equity capital given their holdings of assets and other instruments (Notification No.19, the Financial Services Agency of Japan, 2006). Basel III finalization is applied from the end of March 2025. *4: ROE is calculated by multiplying dividing profit attributable to owners of parent by average own capital at the beginning and the end of the period. *5: Accounts that are used for direct debit or direct deposit of payroll including salary and bonus. *6: G&A expenses divided by gross operating profit.

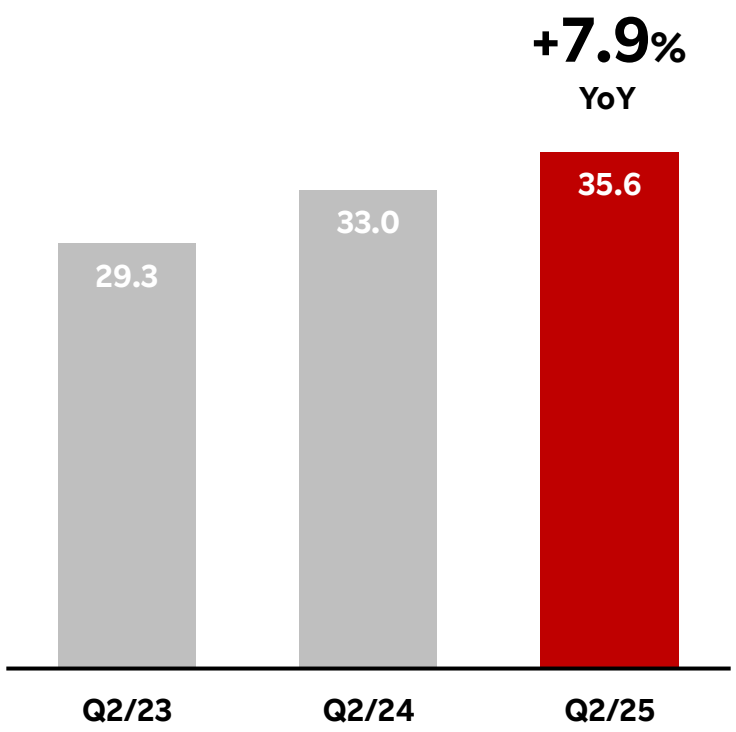
Rakuten Securities: Continued Customer Base Expansion and Record High Revenue

- Customer base expansion continued, driven by the new NISA, leading to record high quarterly revenue
- Profits decreased due to higher domestic stock trading related expenses resulting from an increase in customers and transaction volume (※)

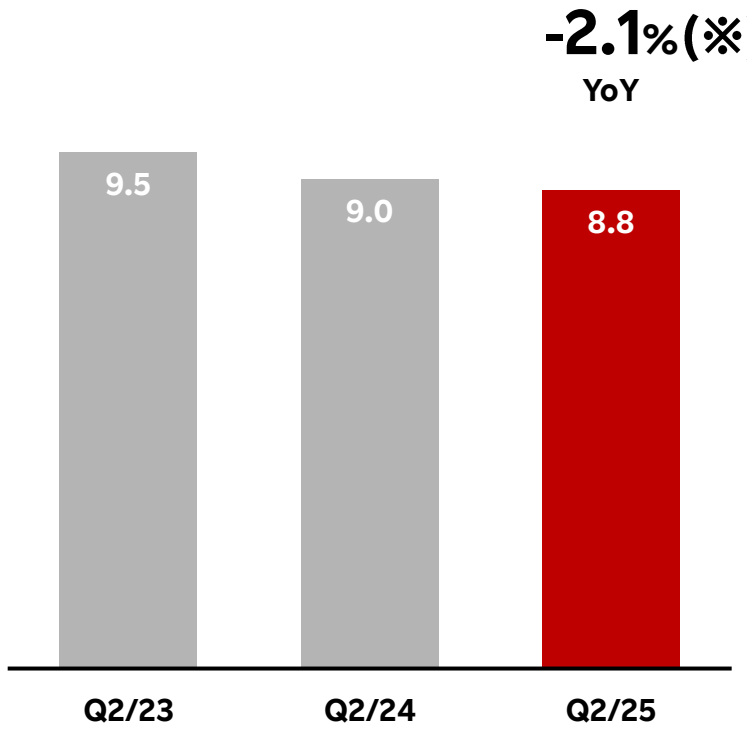
General Accounts* (mm)



Operating Revenue* (JPY bn, J-GAAP)



Operating Income* (JPY bn, J-GAAP)

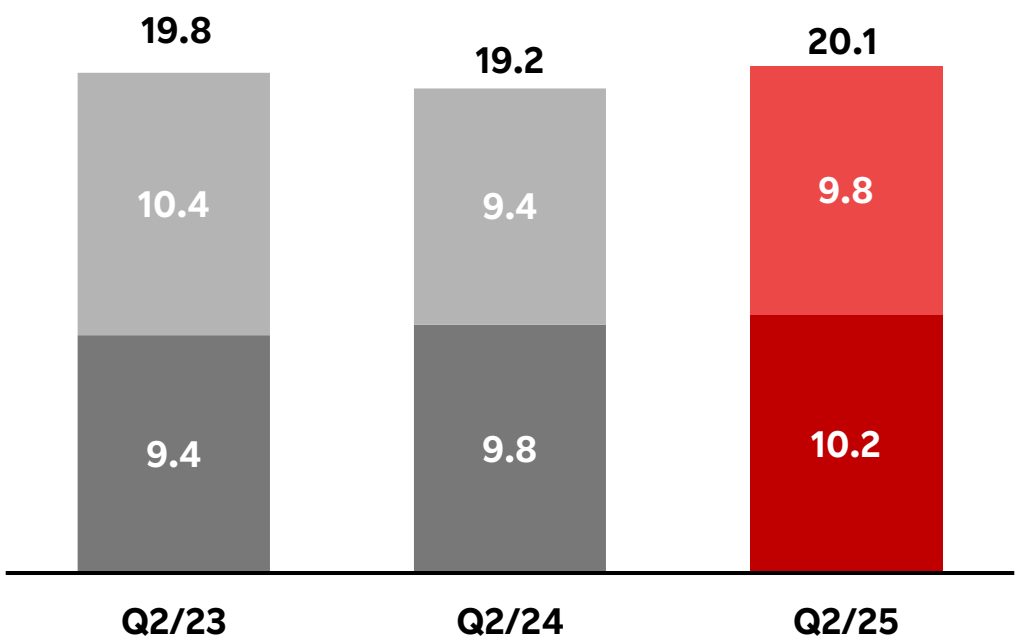


*Rounded down to the nearest unit

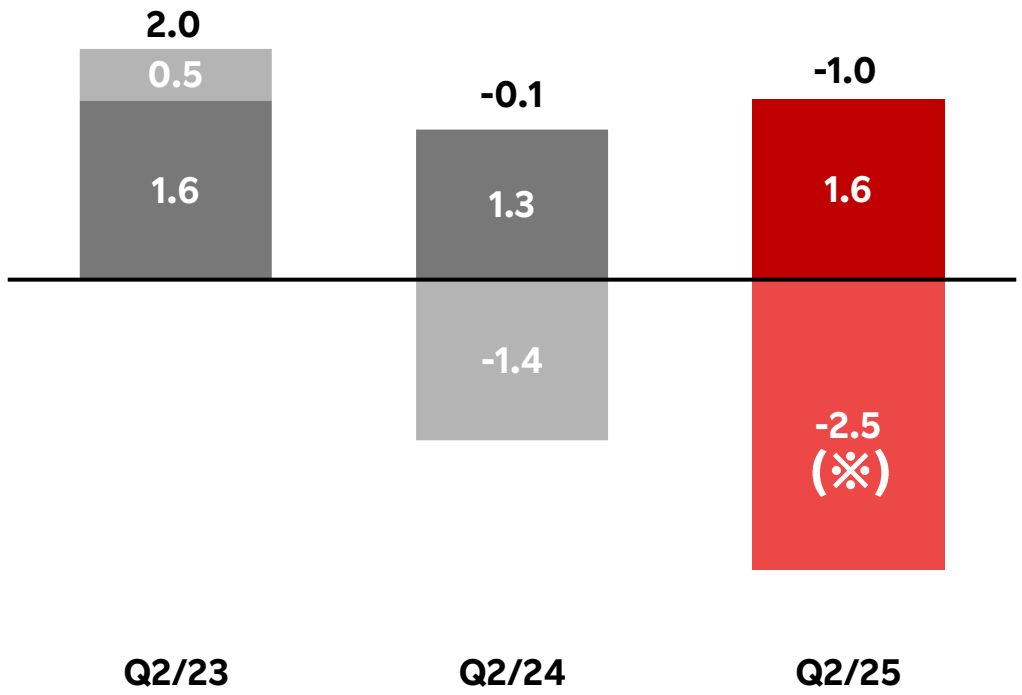
Insurance Business: Strong Revenue. Continue to Focus on Selection and Concentration

- Revenues expanded due to strong face-to-face sales of life insurance, and sales of general insurance products such as automobile insurance. Continued to strengthen "selection and concentration" approach to sales activities
- Combined with ongoing cost controls, OI was positive, excluding a temporary impact of accounting adjustments (※)

Revenue (JPY bn)



Non-GAAP Operating Income (JPY bn)

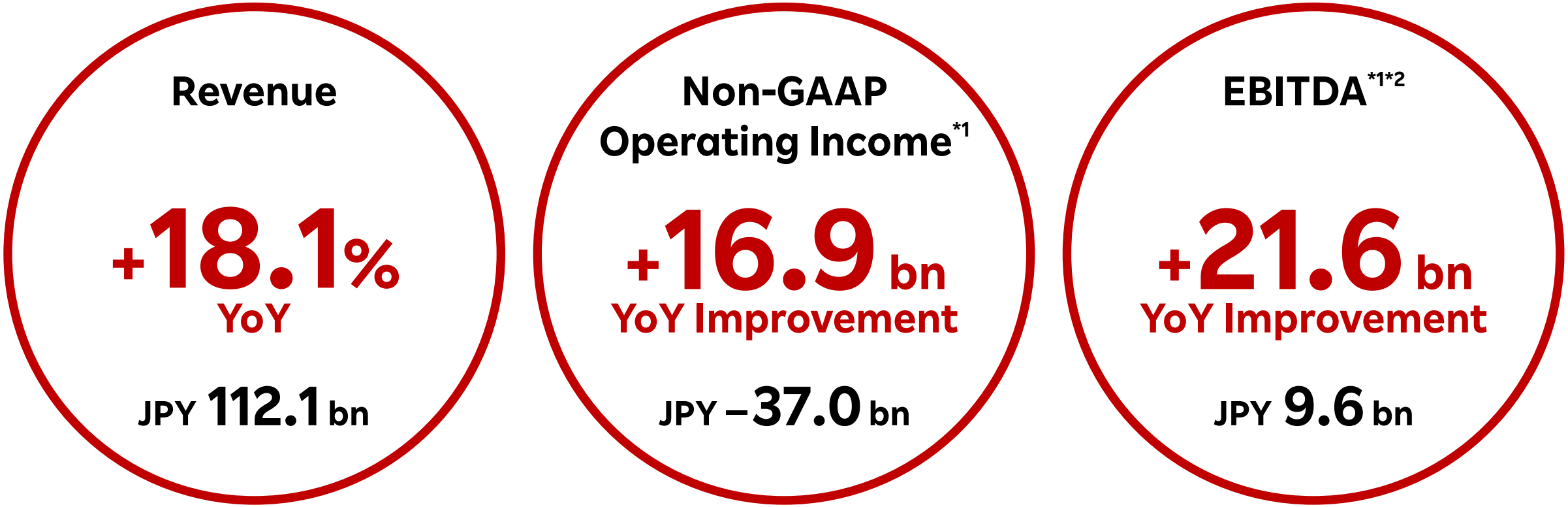


■ Rakuten Life Insurance ■ Rakuten General Insurance

Mobile Segment

Mobile Segment: Q2/25 Financial Highlights

- **Revenue increased on growth in number of subscribers and Net ARPU at Rakuten Mobile, and on software deliveries to main customer at Rakuten Symphony**



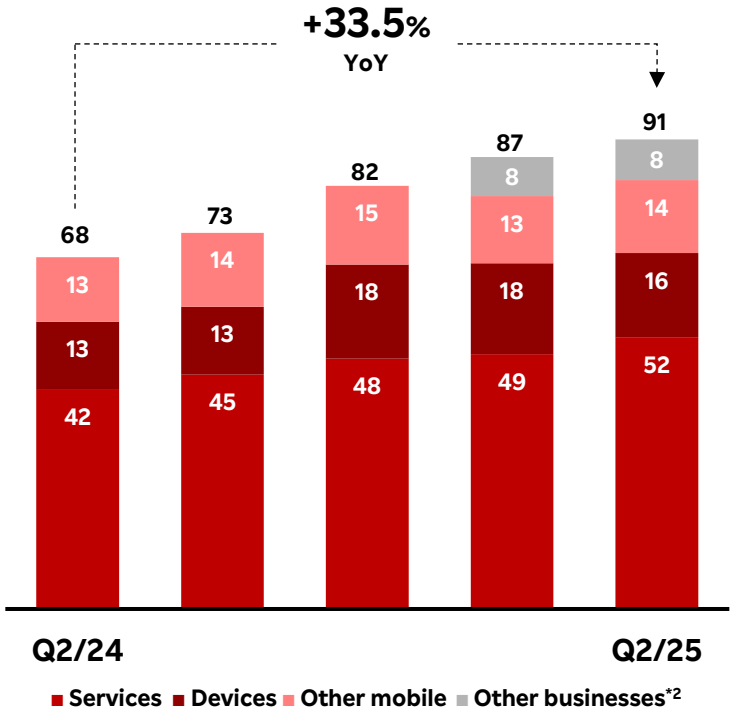
*1: Segment results from Q1/23 have been retroactively adjusted due to the inclusion of the Mobile Ecosystem Contribution in segment results from Q3/24. *2: EBITDA = Non-GAAP OI + depreciation and amortization etc.


Rakuten Mobile

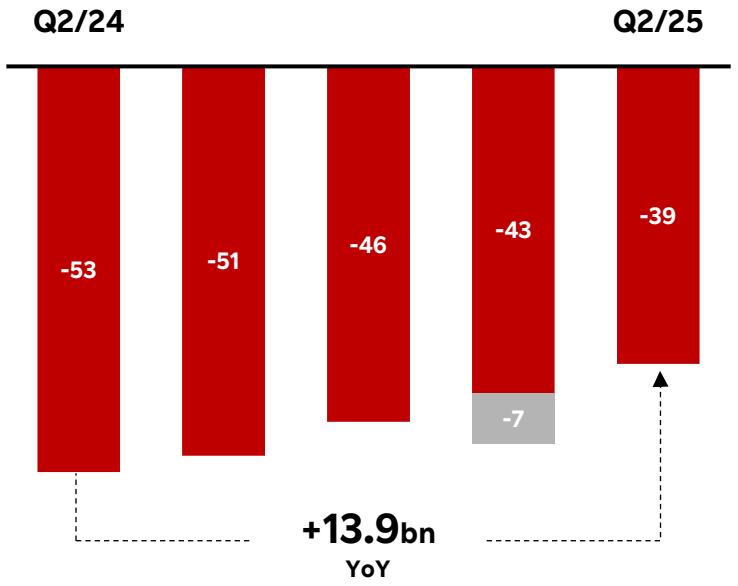
Rakuten Mobile: Q2/25 Financial Results

■ **Increase in subscribers and Net ARPU, along with disciplined cost control, led to a quarterly EBITDA profit**

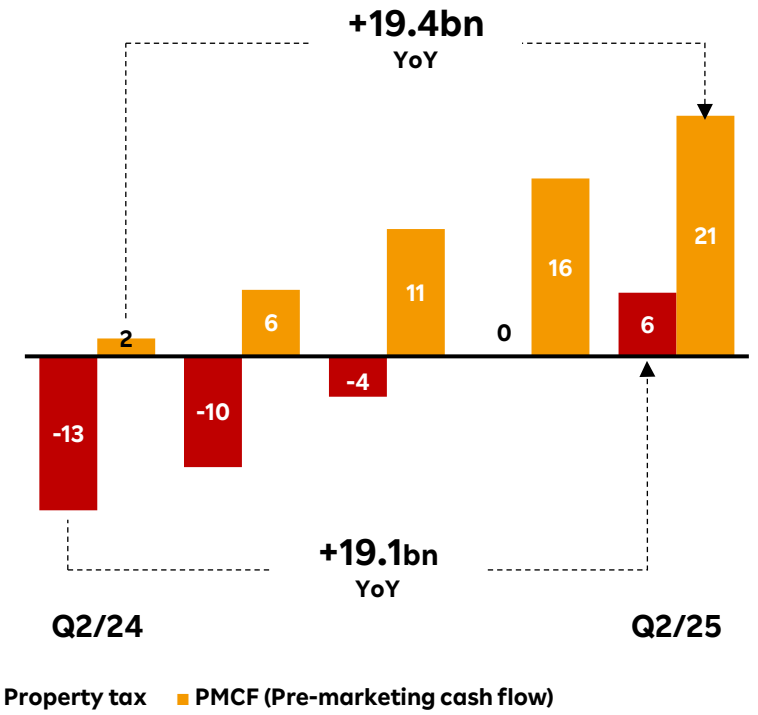
Revenue[*1] (JPY bn)



Non-GAAP Operating Income[*1*2*3] (JPY bn)



EBITDA[*1*2*3*4] and PMCF[*5] (JPY bn)



*1: From April 2025, part of the Rakuten Communications business was absorbed. *2: From February 2025, Rakuten Mobile, Inc. merged with Rakuten Energy, Inc., and "other businesses" was added from Q1/25.
*3: From Q3/24, due to the Mobile Ecosystem Contribution being reflected in Rakuten Mobile results, retroactive adjustments have been made to results from Q1/23 onwards. *4: EBITDA = Non-GAAP OI + depreciation and amortization etc. *5: Calculated by adding customer acquisition-related expenses (marketing expenses, shop expenses, SPU, etc.) to EBITDA.

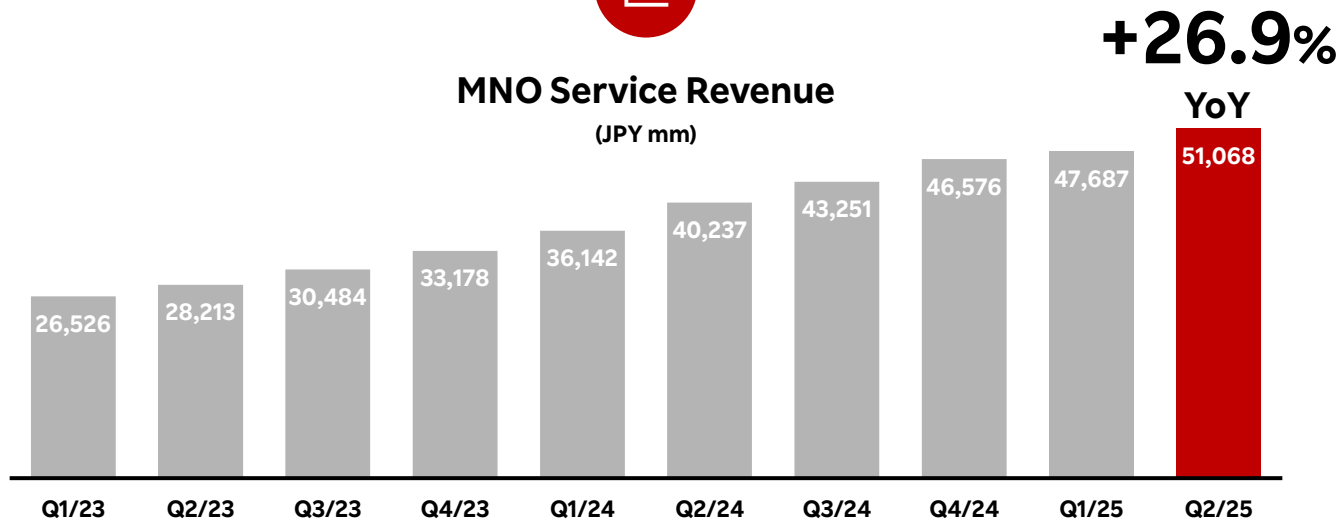
Rakuten Mobile: Q2/25 Key KPIs

Total Subscribers[*1*2]
(As of Jun 30, 2025)
8.97 mm

Adjusted MNO churn[*3]
(Q2/25)
1.40%

ARPU[*4]
(Q2/25)
2,861 yen

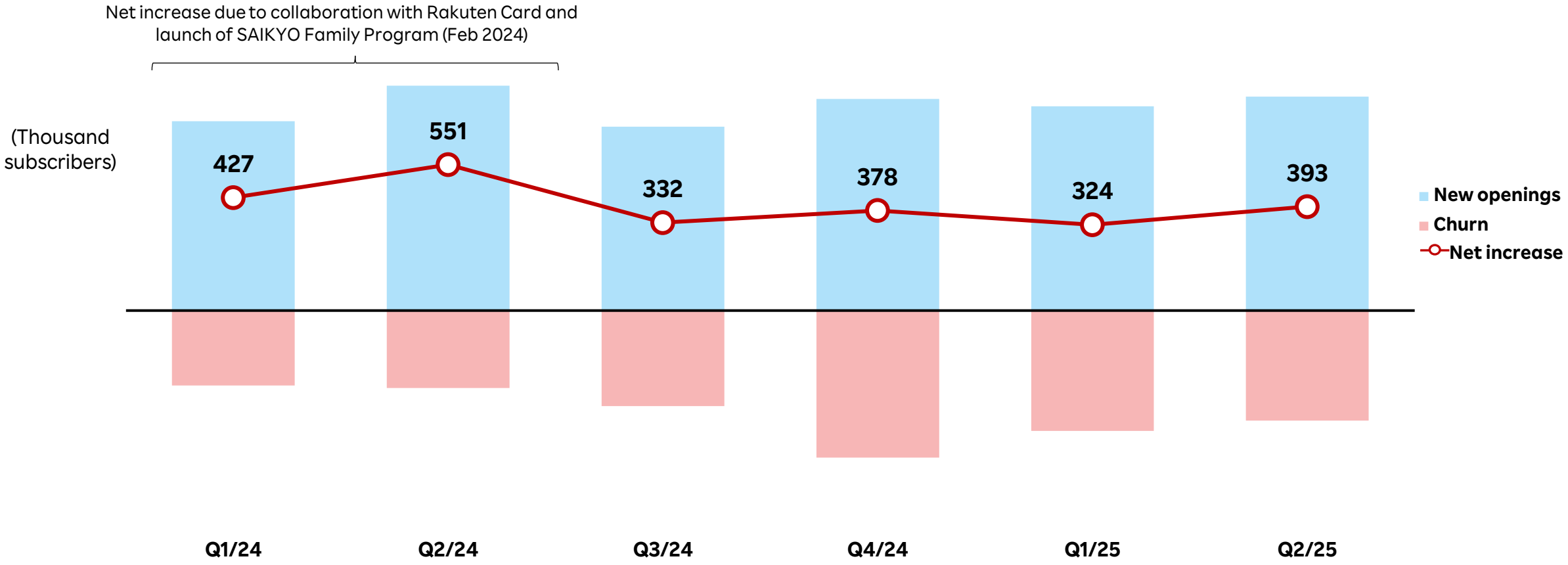
MNO Service Revenue
(JPY mm)



*1: Total of MNO, MVNE, and MVNO subscribers, including BCP, etc. subscribers. BCP is a plan sold for Business Continuity Plan purposes in B2B. *2: From Q3/24, the number of corporate MVNO subscribers are reflected in the number of MVNO subscribers. *3: Churn rate excluding B2C subscribers who cancel within the same month as the activation, and the number of lines transferred to BCP and other lines due to a change in the revenue recognition method in the corporate business. *4: Including Ecosystem ARPU. The number of subscribers, which serves as the denominator for ARPU, is calculated using the average of the beginning and end of the quarter number of MNO subscribers, excluding BCP and MVNE lines.

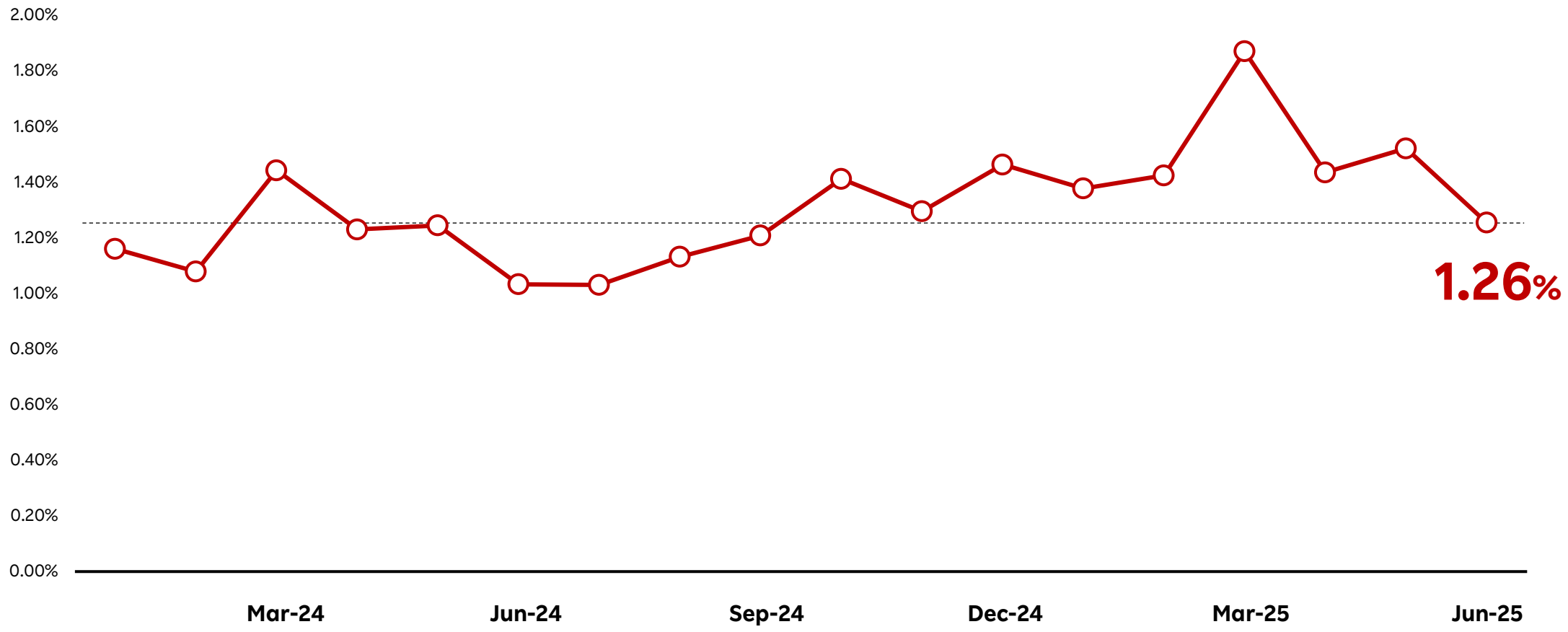
Net Increase in MNO Subscribers

■ **Increase in new contracts and decrease in cancellations led to QoQ growth. Aiming to accelerate pace of net increase in the second half, to surpass 10 million subscribers as early as possible**



Adjusted Churn Rate*

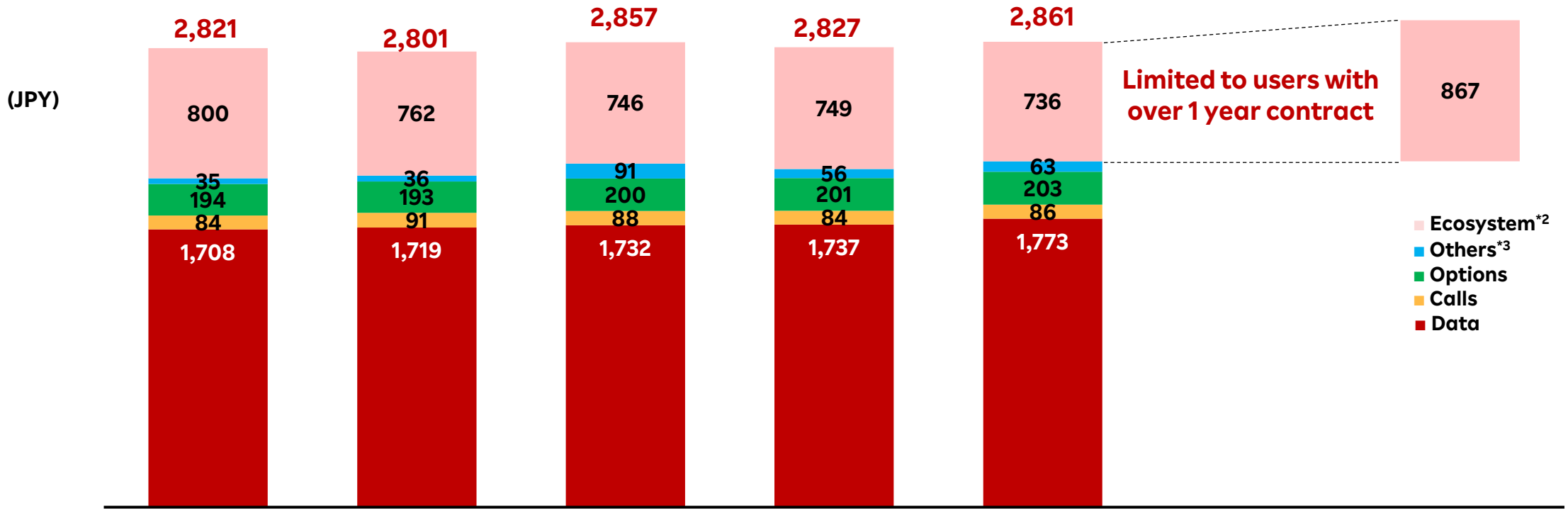
- **End of the spring sales season and price revisions by some carriers led to an improvement in June churn rate to the level of fall 2024**



*Adjusted churn excludes B2C subscribers who cancelled in the same month as the contract and subscribers transferred BCP and other lines due to a change in the method of recording B2B revenue.

MNO ARPU[*1]

■ **Data ARPU increased for both B2C and B2B. Ecosystem ARPU decreased due to dilution caused by new subscriptions from new/light Ecosystem users. Such dilution is projected to decline driven by post-contract nurturing effects**



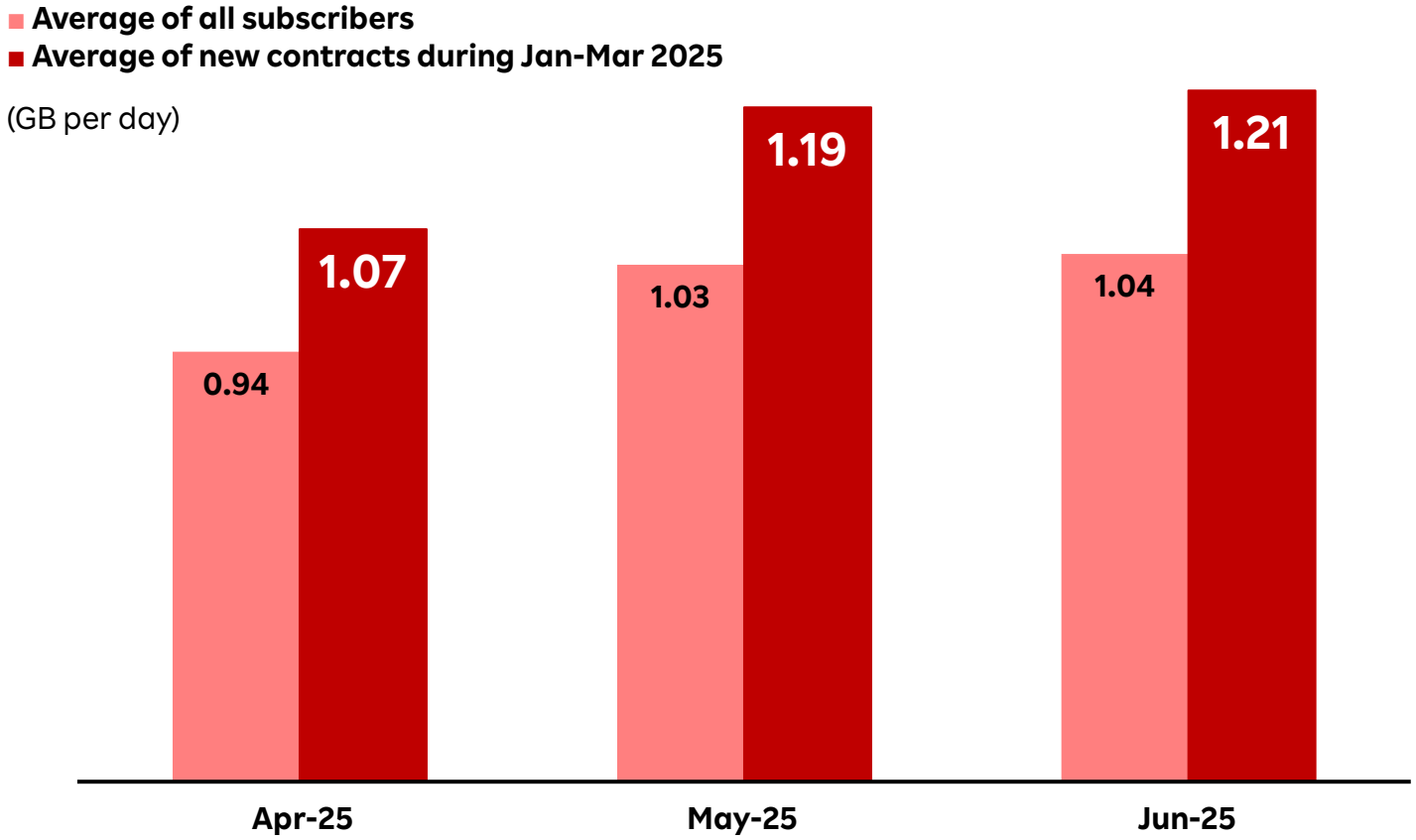
	Q2/24	Q3/24	Q4/24	Q1/25	Q2/25
Net ARPU[*4]	2,360	2,361	2,408	2,430	2,474

Net ARPU YoY JPY +114

*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 Consolidated Financial Reports for details on how Mobile Ecosystem Contribution is calculated.

Average Data Usage (B2C)

- **Data usage by subscribers who signed up during Jan-Mar 2025 is about 15% higher than average, and will be a driver of future ARPU growth**



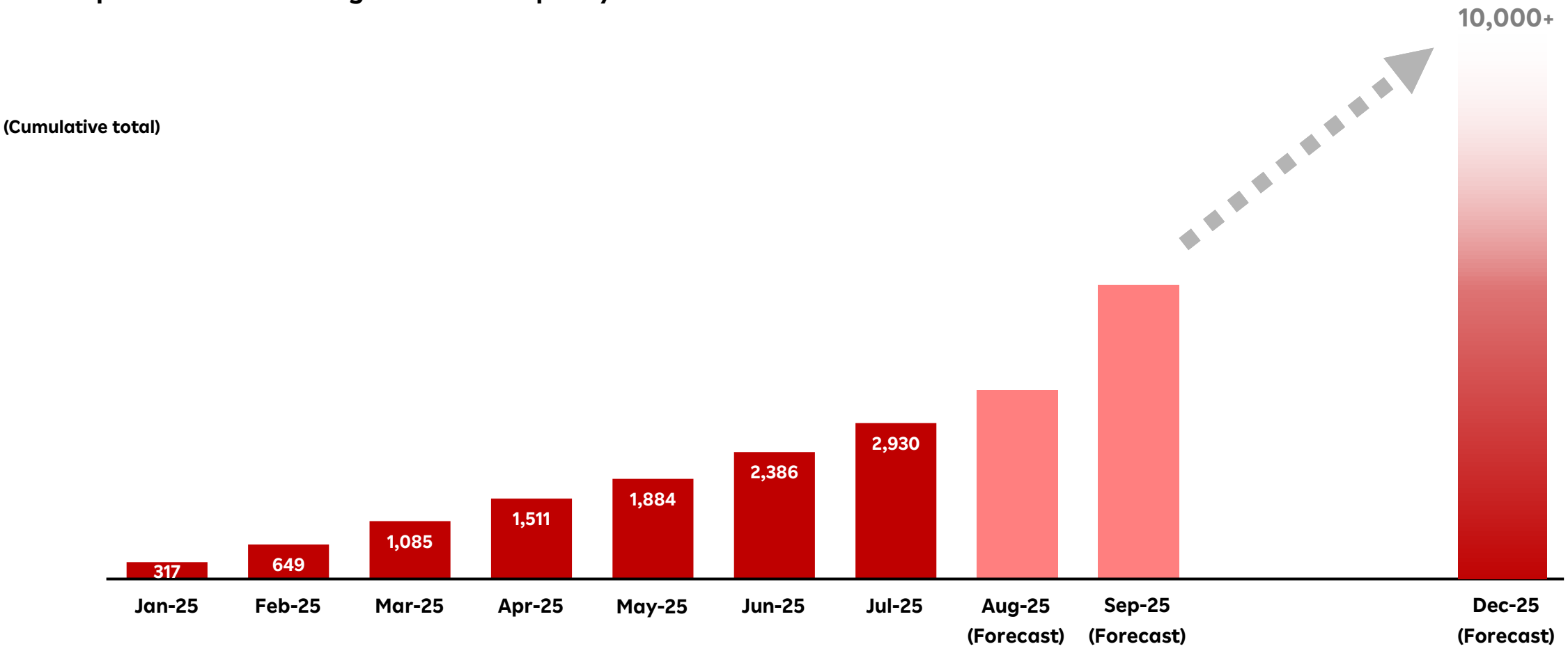
Average data usage for subscribers who signed up during Jan-Mar 2025

1.2 GB per day

(Average of all subscribers: 1.0 GB per day)

Installing Additional Base Stations

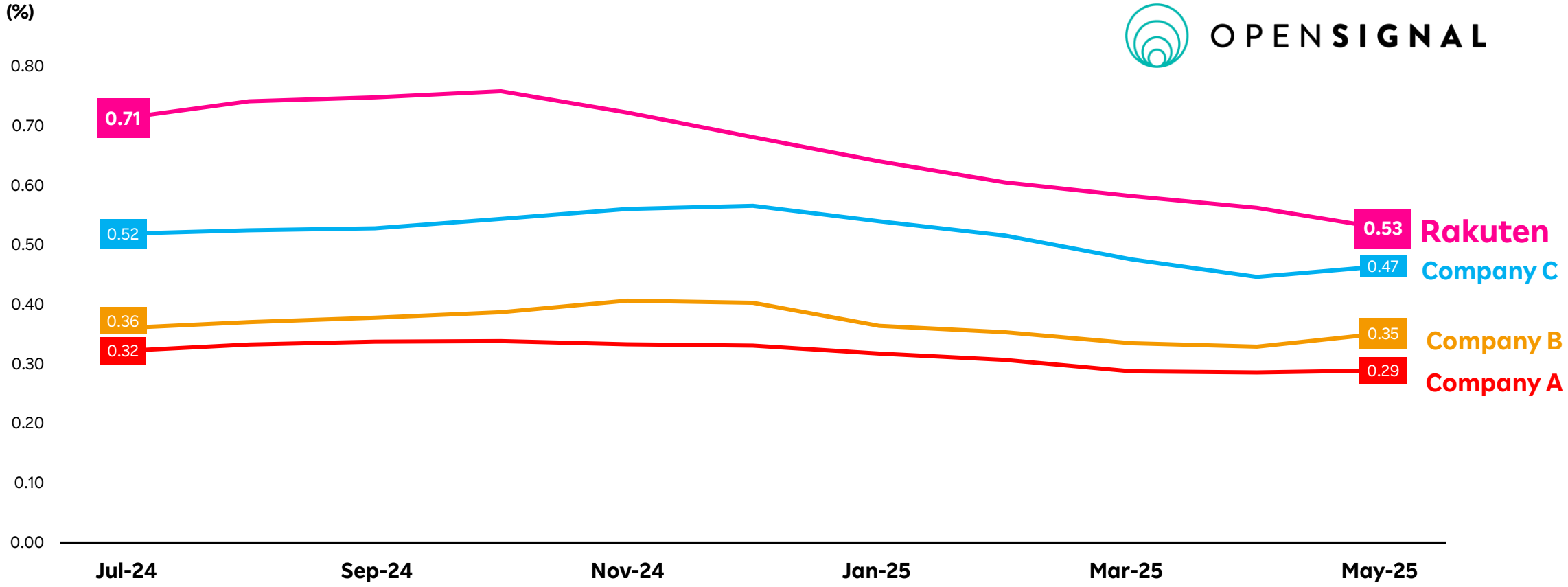
- The rollout of 10,000+ additional base stations through the year is ongoing, aiming to accelerate the pace in the second half
- Helps to address coverage holes and capacity issues



*4G+5G. Includes equipment required for subway bandwidth expansion.

Network Connectivity is Steadily Improving

- **Significant improvement in Opensignal's No Signal Availability* (Percentage of time with no cellular connection) to a level on par with the other carriers**



*Based on Opensignal mobile measurements of 'No Signal Availability' data, recorded during July 2024 to May 2025

Rakuten SAIKYO U-NEXT Package Announced

■ **Planned to be available from October 2025. Expected to promote new customer acquisition and increase ARPU**

Rakuten SAIKYO Plan

Unlimited data: 2,880 yen per month* (3,168 yen incl. tax)

U-NEXT

1,990 yen per month (2,189 yen incl. tax)

Rakuten SAIKYO U-NEXT

Smartphone and entertainment all in one

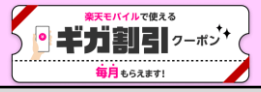
3,880 yen per month* (4,268 yen incl. tax)

Save **990 yen** per month (1,089 yen incl. tax)

*After applying the SAIKYO FAMILY program (JPY 100 per month discount)

Enhanced Benefits for Rakuten Card Users

■ **Premium Card and Black Card members receive monthly GB discount coupons from July 2025. Plans to expand services sequentially**

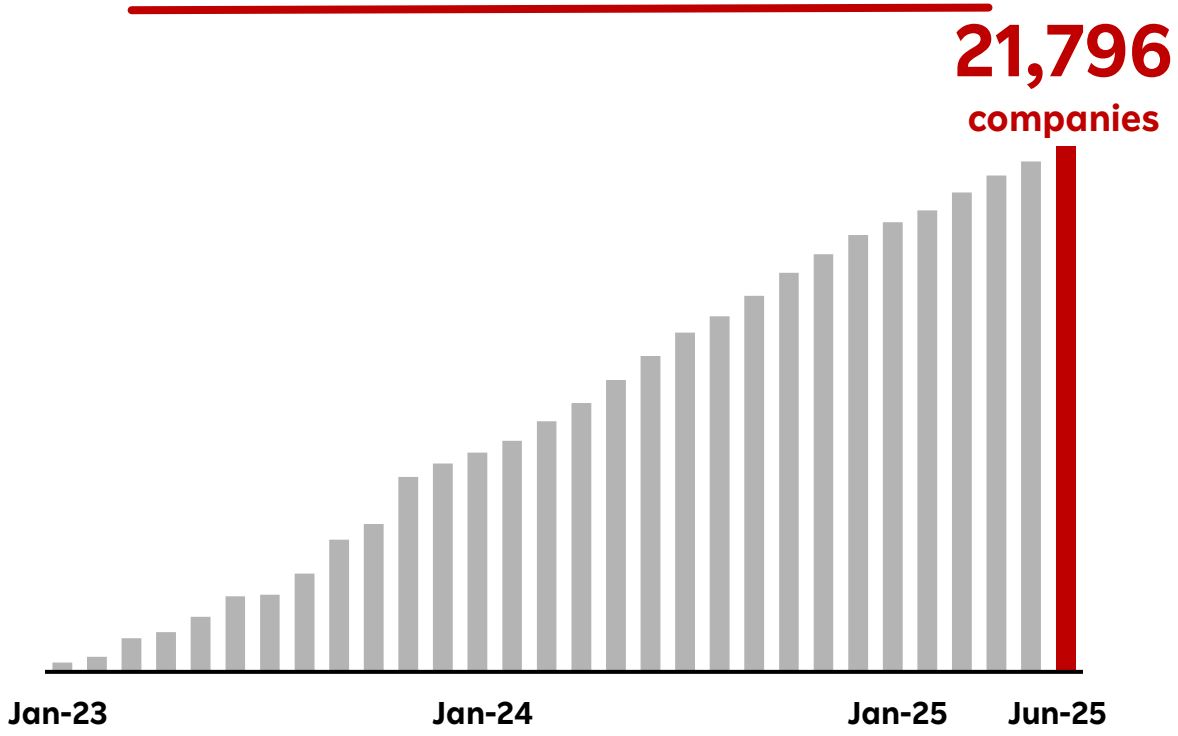
		Rakuten Card Premium Program		
				
	Rakuten Card	**Rakuten Gold Card**	**Rakuten Premium Card**	**Rakuten Black Card**
Annual fee (incl. tax)	Always free	2,200 yen	11,000 yen	33,000 yen
Rakuten Mobile 	—	—	**5GB**	**10GB**
Other benefits currently being offered (excerpt)				
Rakuten Ichiba Point redemption rate *Rebate with a Rakuten Mobile contract	7x	7x	8x (Every Tue and Thu)	8x (Every Tue and Thu)
Rakuten Travel Rakuten Card prepayment benefits when making a reservation*1	2.5x	3.0x	3.5x	3.5x
Rakuten Bank Regular deposit rate with Rakuten Card bill auto payment	0.22% per annum	0.23% per annum	0.24% per annum	0.28% per annum
Rakuten Securities Point return rate for investment trust accumulation with Rakuten card payment*2	0.5%	0.75%	1.0%	2.0%

*1: Entry required. *2: Funds for which the distributor receives less than 0.4% (including tax) of trust fees per annum (agency commission) are eligible. For funds with an agency fee of 0.4% (including tax) or more per annum, Rakuten Black Card members will receive a 2% rebate, while all other cards will receive a flat 1% rebate.

Number of Corporate Contracts has Exceeded 20,000

- In an MMD Research Institute survey, ranked no. 1 in satisfaction categories such as "cost performance" and "speed of activation"
- Overall satisfaction (satisfied + somewhat satisfied) was second only to docomo. Percentage answering "dissatisfied" was lowest

No. of Corporate Contracts



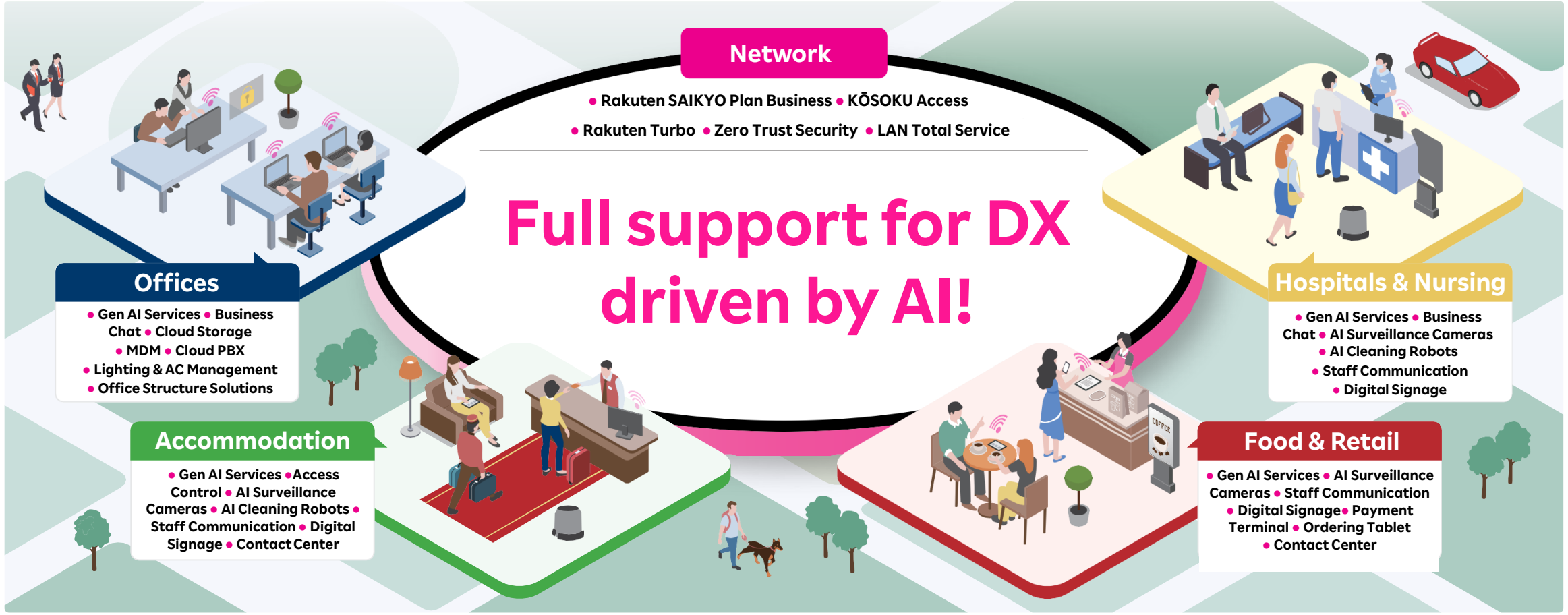
Satisfaction by Category*

Category	Ranking	Satisfaction
Cost performance	**1**	**78.6%**
Speed of activation	**1**	**79.7%**
Network speed	2	75.3%
Customer support	2	73.1%
Overall satisfaction	2	74.1%

*MMD Research Institute "Survey on corporate mobile phones of the four telecommunications carriers in 2025." Data collection period: May 2-7, 2025

Providing Industry-Specific DX Packages for Corporates

■ **Providing a variety of packaged digital transformation services tailored for nursing care, hotels, restaurants, retail, and medical care**



Rakuten Symphony

Rakuten Symphony: Q2/25 Business Update

- Entered into new contracts and sales partnerships with 6 companies, while strengthening collaboration by expanding some existing contracts
- Launched new products, enabling AI powered software-centric business operations

New accounts /enhanced collaboration

mobifone (E2E)

zain (E2E)

AT&T (OSS)

Enhanced collaboration with Rakuten Site Management

New partnerships

SimplyTECH (Cloud)

IDEAL (Cloud)

TEJAS NETWORKS (Open RAN)

New products

Site Manager 2.0
Powered by AI

(AI-powered site deployment and lifecycle management suite)

Object Storage

(Highly scalable and cost-effective solution for managing data)

Rakuten RIC
RIC - Radio Intelligent Controller

(Platform to enhance, optimize and control RAN operations)

3. Finance

Consolidated Financial Results Summary

(JPY bn)	Q2/24	Q2/25	YoY	Comment
Revenue	**537.3**	**596.4**	**+11.0%**	
Non-GAAP Operating Income (Loss)	**-11.8**	**20.1**	**+31.9**	
Amortization of Intangible Assets	-1.9	-1.2	+0.7	
Share Based Compensation Expenses	-3.9	-4.1	-0.1	
One-off Items	-0.6	-5.9	-5.3	• Expected additional tax and delinquency charges to the Tokyo Regional Taxation Bureau for Rakuten Card: JPY 4.9bn • Provision for compensation of customer transactions due to unauthorized access at Rakuten Securities: JPY 1bn etc.
IFRS Operating Income (Loss)	**-18.3**	**8.8**	**+27.2**	
Financial Income and Expenses	5.3	-23.9	-29.2	• Mainly derivative valuation gains and losses arising from currency swaps related to foreign currency-denominated perpetual subordinated bonds, and does not involve cash outflows
Equity Method Investment Gains (Losses)	-1.8	-5.4	-3.6	
Income (Loss) before Income Tax	**-14.8**	**-20.4**	**-5.6**	
Income Tax Expenses	10.4	19.7	+88.6%	
Net Income (Loss)	**-25.3**	**-40.1**	**-14.8**	
Attributable to Owners of the Company	-33.6	-51.0	-17.4	
Attributable to Non-Controlling Interests	8.3	10.9	+31.1%	

Financial Strategy

- Continue to maintain the following financial policies and strategies. Given the uncertain macro environment, currently pursuing a conservative financial policy
- Whilst closely monitoring the situation, our financial targets remain unchanged
- Redemption of JPY 400bn of retail bonds completed as scheduled. Total interest-bearing debt also decreased by approximately JPY 425bn compared to end of December 2024[*1]

Policy	**A stable financial base and enhancing corporate value through appropriate capital allocation**
Strategy	**Aim to maintain medium-term financial soundness by continuously improving creditworthiness** **Business** • Core businesses: continued profit growth • Company-wide efficiency and cost reduction • Reduction of working capital **Finance** • Reduction of interest-bearing debt • Proactive management of maturity schedule
Targets	**Non-FinTech net interest-bearing debt[*2*3] / Non-FinTech Non-GAAP EBITDA[*4]: within 5x** **Consolidated equity ratio: 10%**

*1: Comparison between the end of June 2025 and the end of December 2024 *2: Based on IFRS accounting. *3: Total interest-bearing debt from non-FinTech businesses (bonds and borrowings + lease liabilities) - Cash from non-FinTech businesses (cash and cash equivalents from non-FinTech businesses + listed securities + managed surplus cash) = Net interest-bearing debt from non-FinTech businesses. *4: Consolidated Non-GAAP EBITDA - FinTech Non-GAAP EBITDA + dividends and management consulting fees from FinTech businesses not included in the above (Non-GAAP EBITDA is calculated before considering the Mobile Ecosystem Contribution).

Stable Financial Management through Diverse Funding Methods

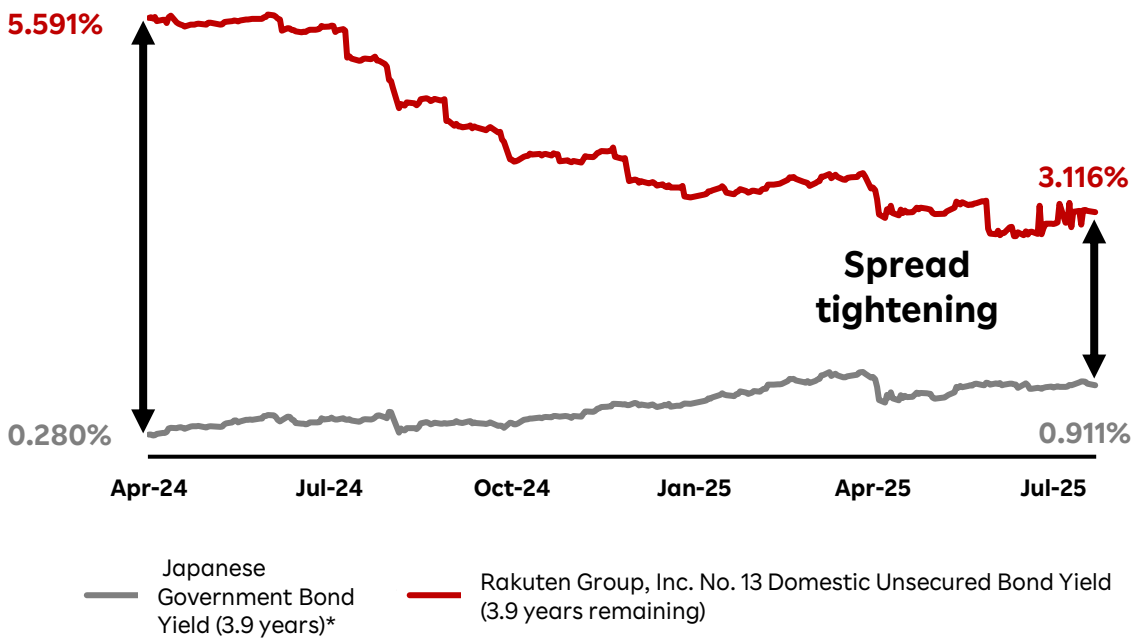
■ Issued our first sustainability bonds, expanding our funding options

	Sustainability Bonds		Retail Bonds
Amount	JPY 15 bn	JPY 15 bn	JPY 130 bn
Tenor	3 years	5 years	3 years
Coupon	2.336%	3.260%	2.336%
Issue Date	July 29, 2025		August 4, 2025
Use of Proceeds	Capex for 5G-related investments		Secure liquidity as an alternative to commercial paper amid rising market volatility

Continuous Credit Improvement

- **Our credit rating continues to improve. Terms of our recently issued domestic bonds better than that of previous bonds**
- **Reaffirming our access to the domestic bond market. Contributing to the expansion of our fund-raising base with a view to proactive refinancing going forward**

Spread tightening



Improved retail bond issuance conditions

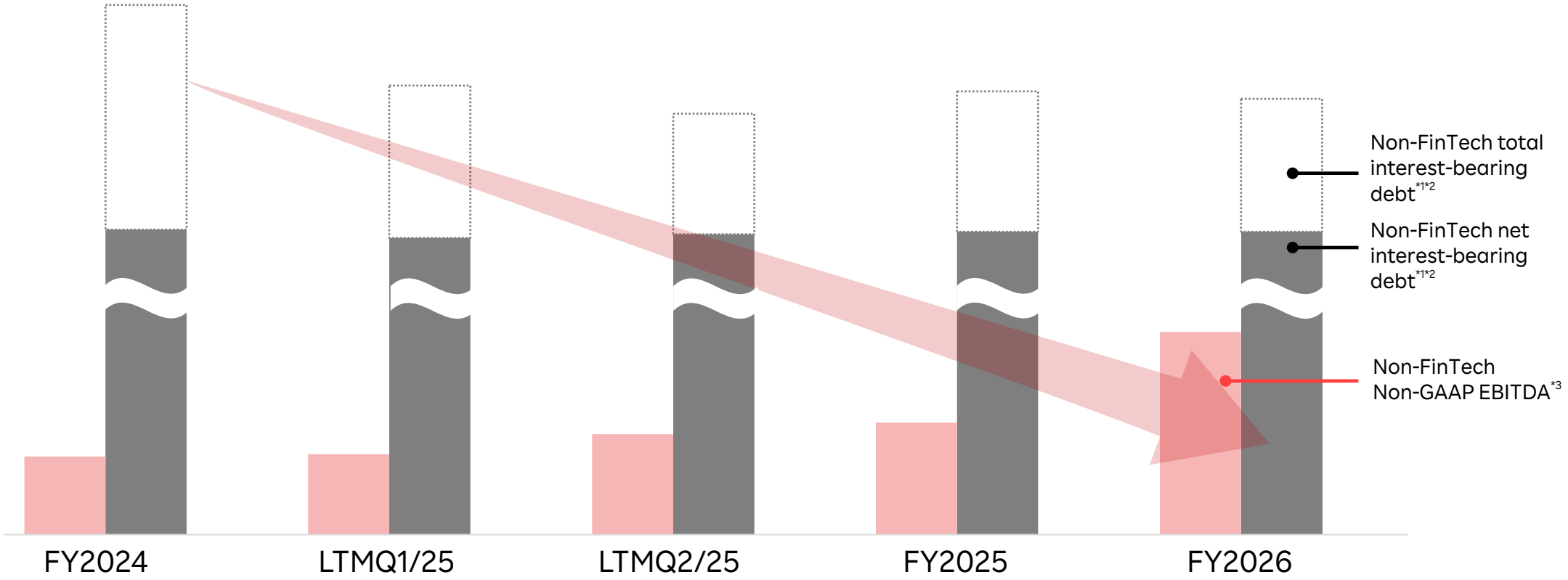
Issue date	Feb 2023	This issuance: Aug 2025
Amount	JPY 250 bn	JPY 130 bn
Tenor	2 years	**3 years**
Coupon	3.300%	**2.336%**

Coupon tightened despite longer tenor

*Calculated by linearly interpolating between the 3-year and 4-year year Japanese Government Bond yields.

Non-FinTech Interest-Bearing Debt[*1*2]/Non-FinTech Non-GAAP EBITDA[*3]

■ **Aim for Non-FinTech net interest-bearing debt[*1*2]/Non-FinTech Non-GAAP EBITDA[*3] to be within 5x by 2027**



Ratio	**11.7x**	**11.1x**	**9.0x**	**Approx 8.5x (New target)**	**Approx 6x (Target)**

*1: Based on IFRS accounting. *2: Total interest-bearing debt from non-FinTech businesses (bonds and borrowings + lease liabilities) - Cash from non-FinTech businesses (cash and cash equivalents from non-FinTech businesses + listed securities + managed surplus cash) = Net interest-bearing debt from non-FinTech businesses. *3: Consolidated Non-GAAP EBITDA - FinTech Non-GAAP EBITDA + dividends and management consulting fees from FinTech businesses (Non-GAAP EBITDA is calculated before considering the Mobile Ecosystem Contribution).

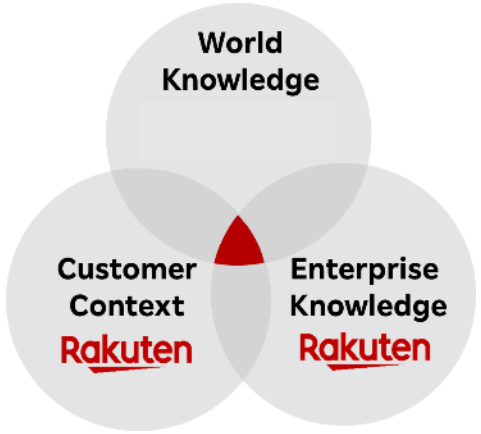
4. AI

Rakuten's AI-nization Plan

Vision

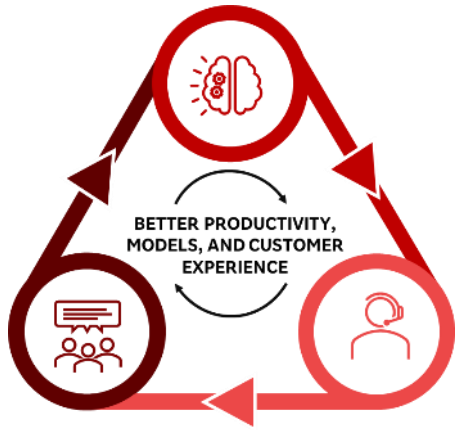
Augment **human creativity** with the **power of AI**

Strategy



Unique Data Assets

Online + Offline Channels



Growth "Flywheel"

Execution

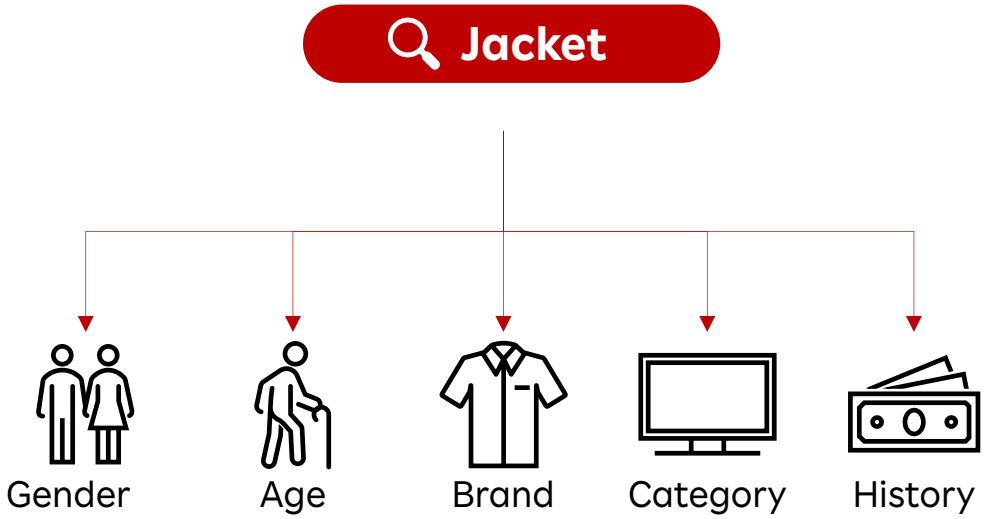
Wave 1
Deep Learning at Scale

Wave 2
Rakuten AI for Business

Wave 3
Rakuten AI for Consumers

Personalized Search: Tailoring Search Results to Individual Users

- **Experiments demonstrated that users engage with personalized results more, increasing CTR/CVR and improving customer satisfaction, merchant sales and business growth**



User A

ジャケット メンズ サマージャケット リネンジャケット テ…

6,990円 送料無料

383ポイント

★★★★☆ (153)

39ショップ

最短7/17お届け

似た商品を探す

テーラードジャケット メンズ スーパーストレッチ 接触冷…

5,480円 送料無料

298ポイント

★★★★☆ (133)

39ショップ

似た商品を探す

ジャケット メンズ ストレッチ テーラードジャケット カジ…

7,990円 送料無料

【洋服の青山】動けるスーツ 洗える 単品 ジャケット メ…

6,050円 送料無料

User B

【7/18(金)12時まで3998円！】『夏映え”ゆる”ジャケ…

3,998円 送料無料

36ポイント

★★★½☆ (52)

最強翌日配送 39ショップ

最短7/17お届け

似た商品を探す

Discoat【新色追加/さらっとした着心地】テックリネン…

6,600円 送料無料

600ポイント

★★★★☆ (23)

最強翌日配送 39ショップ

スーパーDEAL

最短7/17お届け

【54%OFF】ジャケット レディース セットアップ単品 オ…

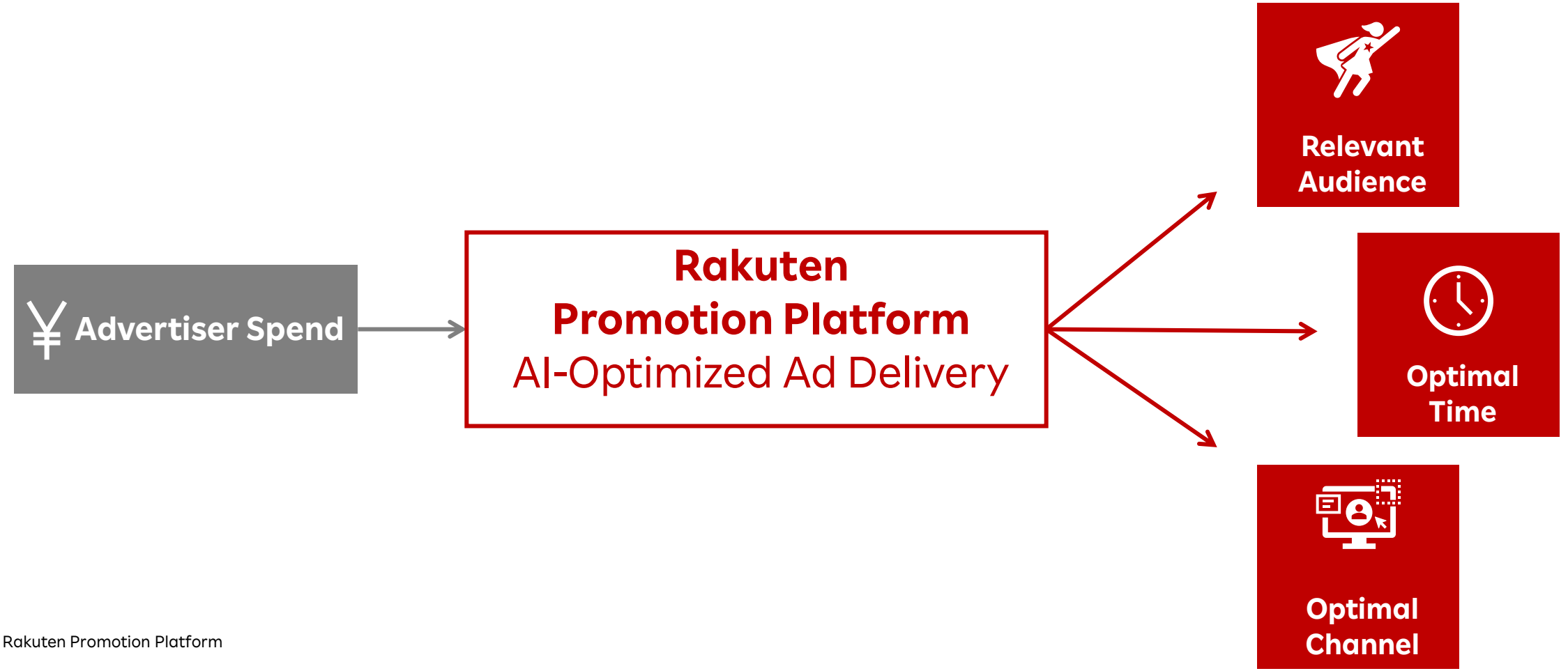
4,590円 送料無料

■10%OFFクーポン配布中♪■アウタージャケット カ…

3,980円 送料無料

Introducing Rakuten AI Optimized Ad Delivery in the RPP*

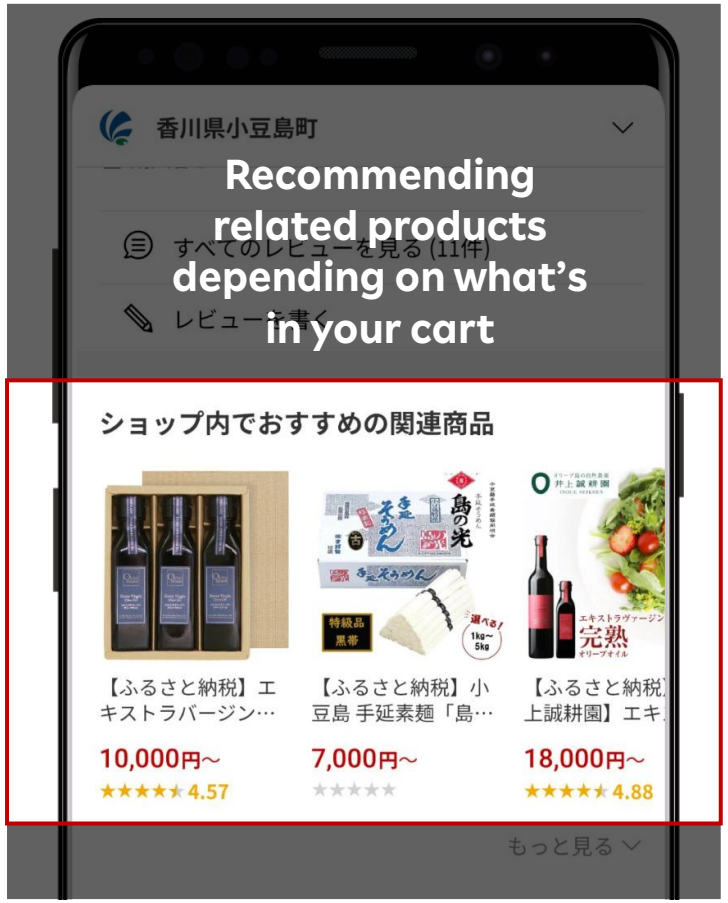
- Maximizes advertising returns by automatically allocating budget across channels and time
- Optimizes CPC per unique conversation data in each channel and improves UX through better targeting and more relevant ads



*RPP: Rakuten Promotion Platform

Providing More Relevant Recommendations

■ **Significantly improved recommendation quality is contributing to further sales growth for merchants and Rakuten**



Recommending related products depending on what's in your cart

Recommendation algorithm updates

Factorization Machine Model

Effectively capture interactions between user and purchased item attributes by learning latent factors

Learning to Rank

Ranks items by predicted relevance for each user

Contributed to +26%* purchases on Rakuten Ichiba in-shop page

Contributed to +34%* purchases on Rakuten Rakuma

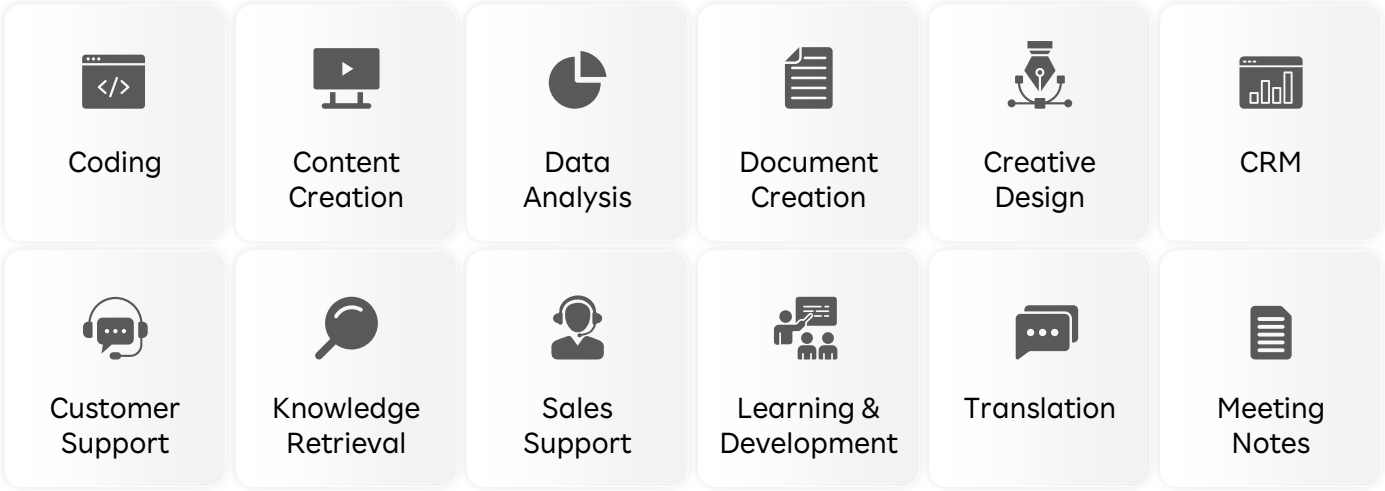
*26% increase in purchases on Rakuten Ichiba in A/B testing conducted in January 2025 . 34% increase in purchases on Rakuten Rakuma in A/B testing conducted in January 2025

Rakuten AI for Rakutenians

■ **Empowering our employees to work smarter, faster, and more efficiently**

20,000+

Custom AI tools/templates created to date.
15,000+ employees using Rakuten AI every day.



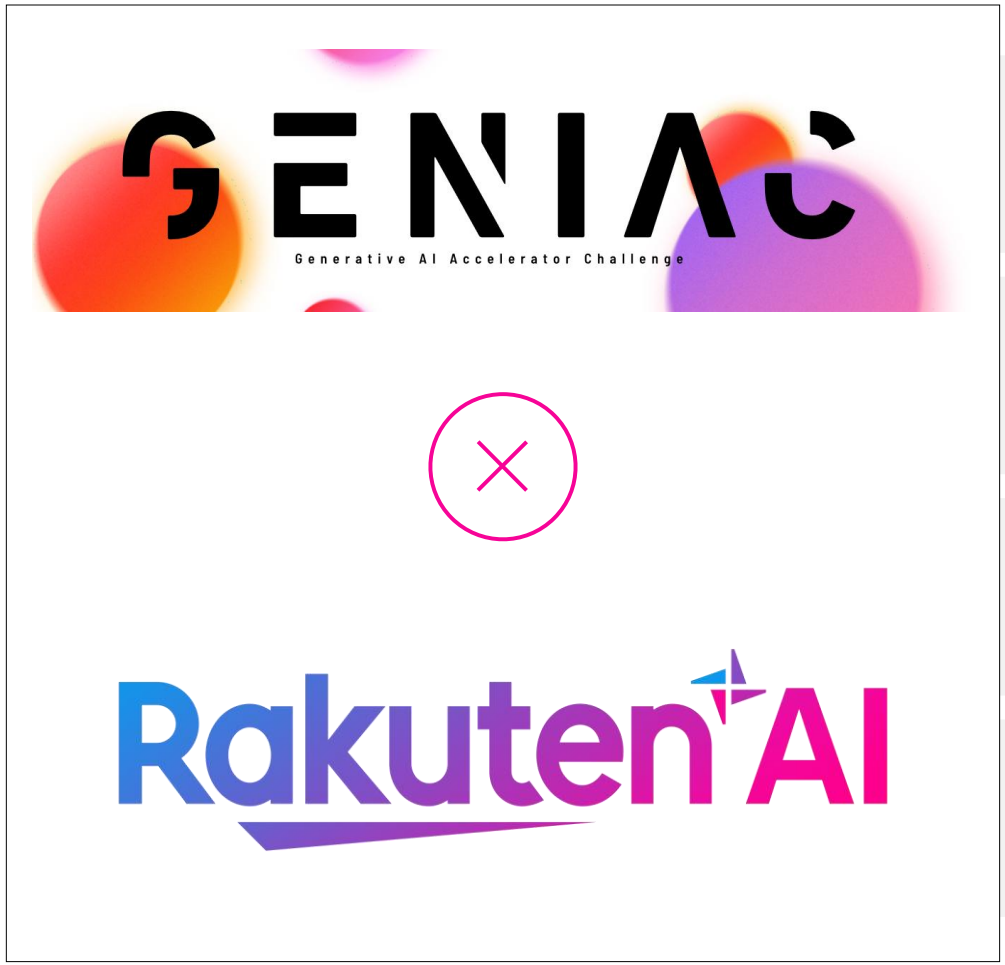
~80%

Faster product time-to-market using AI-augmented software development for Rakuten AI for Rakutenians

- **AI-generated** product requirements documents
- **AI-produced** prototypes
- **AI driven** use test cases
- **AI-assisted** code maintenance

A Strong Public-Private Partnership to Empower All of Japan

- Selected for the GENIAC project, by METI and NEDO, to strengthen Japan's GenAI development capabilities
- R&D project for cutting-edge GenAI foundational models with enhanced memory and cost efficiency



01 Captures the essence of Japanese language and culture

02 Re-asserts Japan's technical leadership on the world stage

03 Makes the power of AI more accessible to everyone

04 Prepares Japanese business for an agentic future

Launched Rakuten AI, an Agentic AI Platform

- A powerful agent for your personal and professional life
- Built to understand and empower you
- One Agent, all of Rakuten

AI Search

Deep Thinker

Study Partner

Rakuten Shopping

Adventure Planner

English Tutor

Image Creator

Summarizer & Analyzer

Translator

Coding Assistant

Voice Mode

Writing Partner

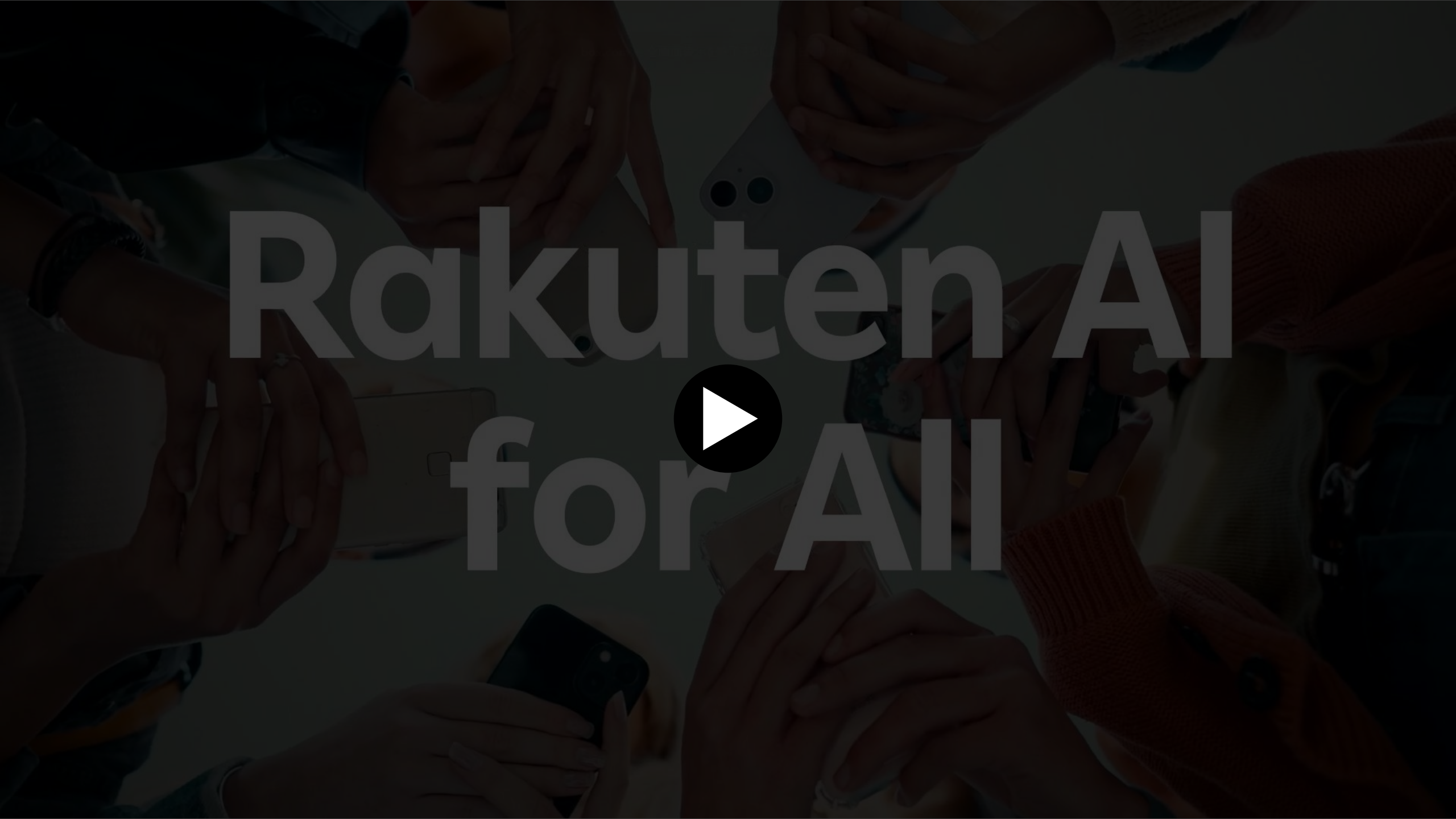
Lifestyle

Dating Advisor
Pet Consultant
Ayumi (Life Coach)
Personal Chef
Fitness Coach

Entertainment

Music Agent
Anime Senpai
Fortune Teller

*As of July 30, 2025, compatible with Rakuten Ichiba, Rakuten Rakuma, Rakuten Books, and Rakuten Fashion.


Rakuten AI
for All


Rakuten

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 strives 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.