

FY2026 First Quarter Consolidated Financial Results

May 14, 2026

Rakuten Group, Inc.



Agenda

1 Summary

2 Ecosystem

3 Segment Results

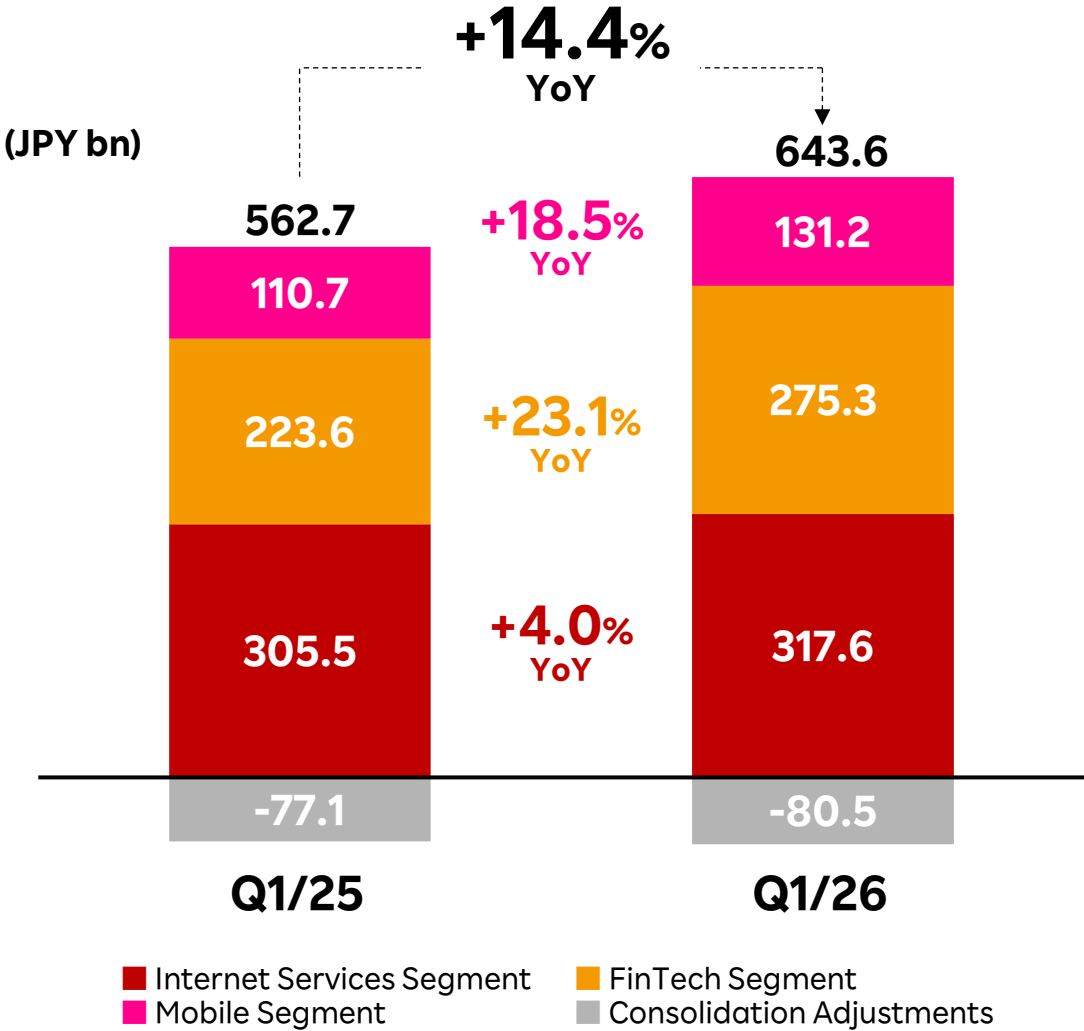
- Internet Services Segment
- FinTech Segment
- Mobile Segment

4 Finance

5 AI

1. Summary

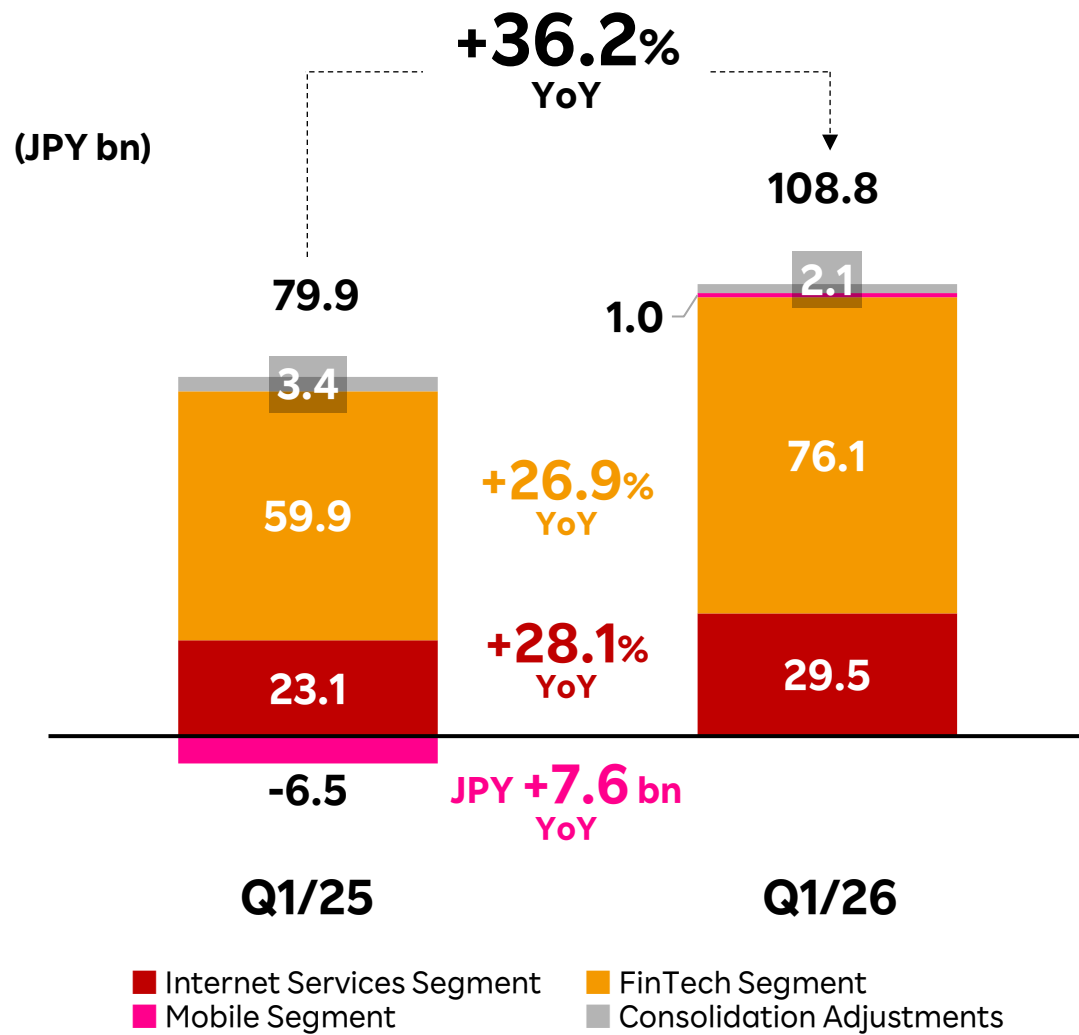
Q1/26 Consolidated Revenue



Record high for a Q1
JPY 643.6 bn

Revenue growth driven by
Internet Services: expanding whilst optimizing the business portfolio,
FinTech: Increased GTV in each business,
Mobile: Increase in number of subscribers

Q1/26 Consolidated EBITDA ^{*1*2}

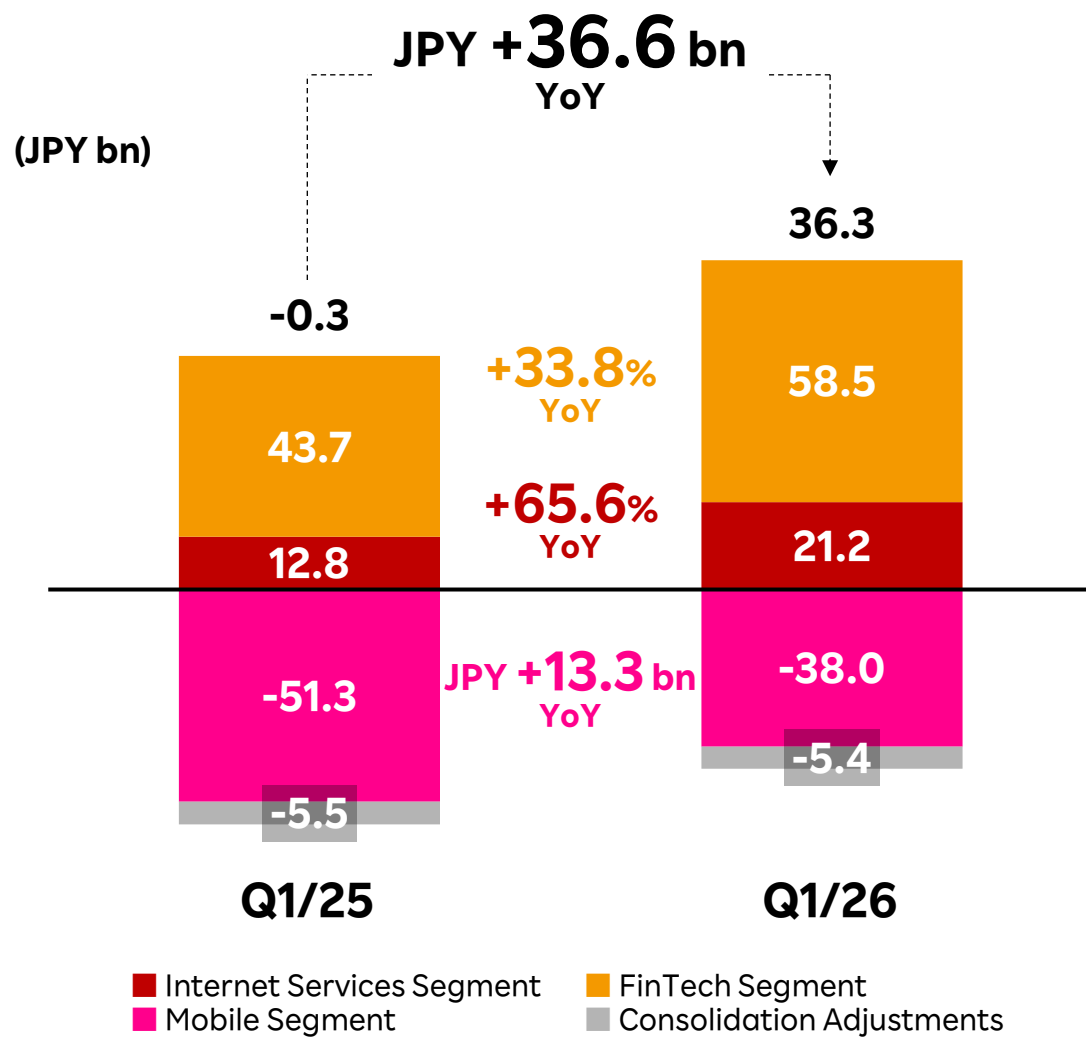


Consolidated EBITDA JPY 108.8 bn

Driven by solid growth across all segments,
EBITDA exceeded JPY 100 bn
for the first time in Q1
since the full-scale entry into the MNO business

*1: EBITDA = Non-GAAP operating income + depreciation and amortization, etc. *2: From Q1/26, some AI-related development costs were allocated to each business. Retroactive revisions have been made to each segment's results from Q1/25.

Q1/26 Consolidated Non-GAAP Operating Income*



Achieved profit in Q1
for the first time since
entering the MNO
business

Achieved profitability in Q1,
which is seasonally the weakest
quarter for sales

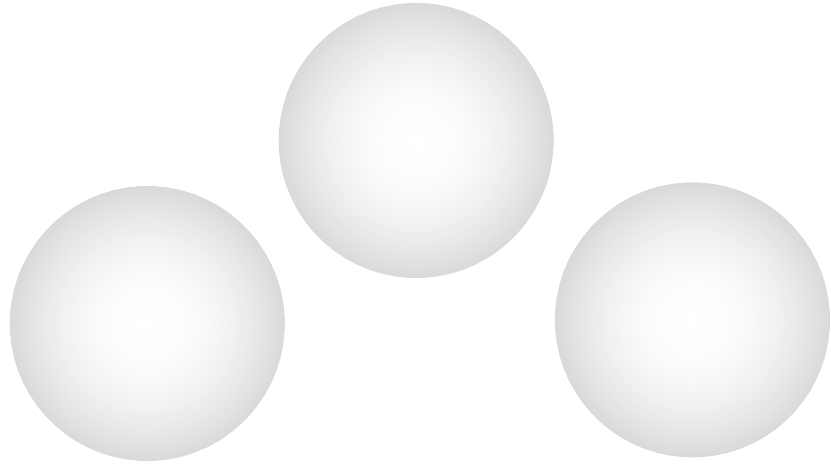
*From Q1/26, some AI-related development costs were allocated to each business. Retroactive revisions have been made to each segment's results from Q1/25.

2. Ecosystem

Ecosystem

A system where services across multiple domains interact with each other to amplify overall value

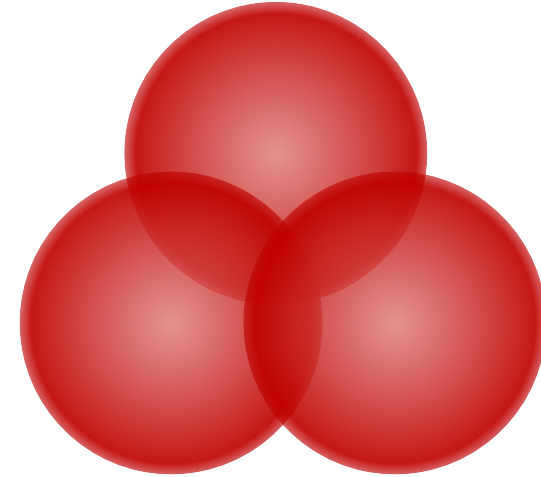
Rakuten Ecosystem Creates Competitive Advantages



$$1 + 1 < 2$$

Conglomerate Discount

(Dilution of value from diversification)

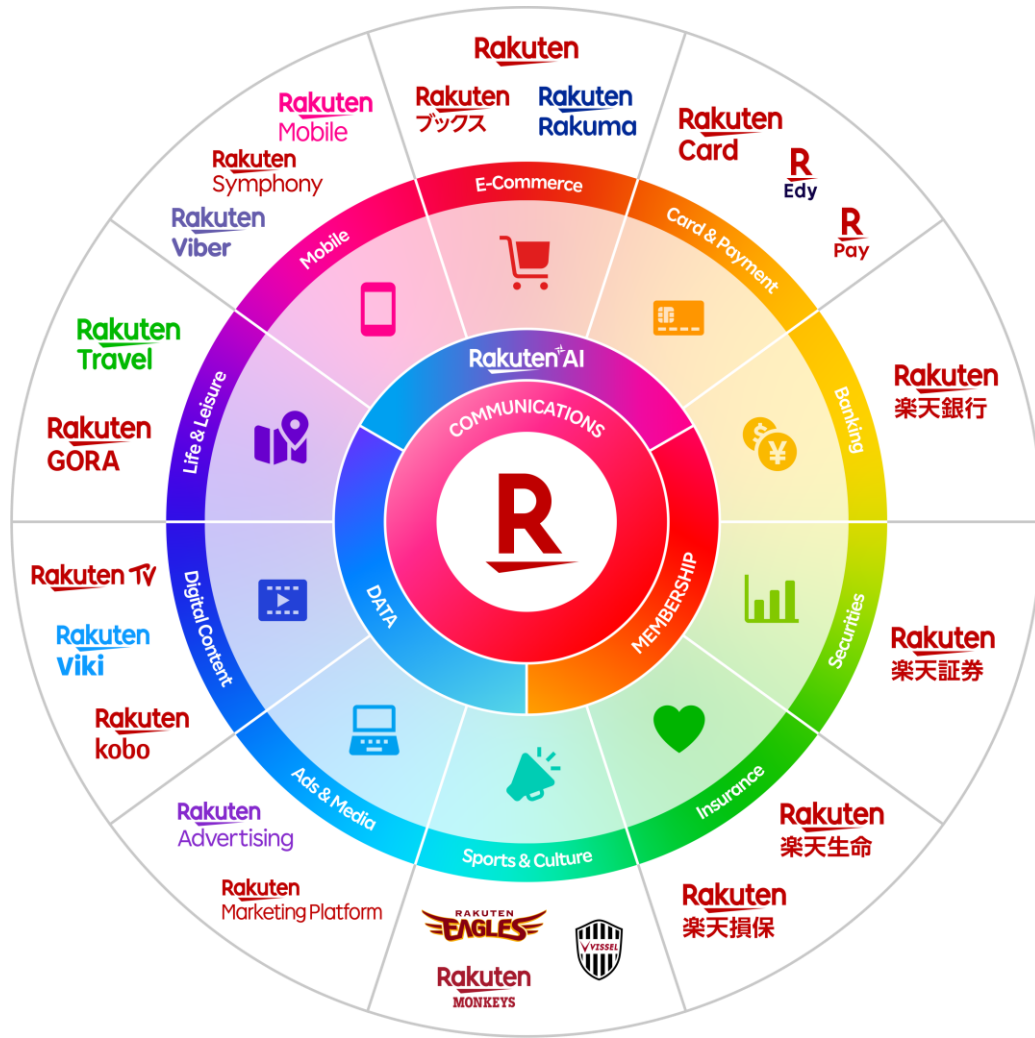


$$1 + 1 > 2$$

Ecosystem Premium

(Amplifying value through collaboration)

Sustainable offensive and defensive strategies made possible by Rakuten's unique **Ecosystem**



Platform

- Over 70 services
- Common brand and IDs

Data

- 45.9mm MAUs in Japan
- Broad service portfolio

Strength

- Years of expertise in fostering user loyalty
- A "complete" Ecosystem realized through a deeply ingrained corporate culture

Rakuten Ecosystem's Factors that Generate Value

① No. of active users

45.9 mm MAUs in Japan.
Powerful ability to acquire new customers with multiple touch points

② Cross-use

High user engagement leads to usage of multiple services

③ Lifetime Value (LTV)^{*1*2*3}

LTV per user derived from strong loyalty

④ Customer acquisition cost (CAC)

Acquired through low-CAC services.
Upsold to high-LTV services

*1: LTV = Abbreviation for Lifetime Value. $LTV = \sum (ARPU \times Profit\ Margin^{*2} \times Retention\ Rate) \div (1 + Discount\ Rate)^{K-1}$ ① K is the planned number of years ② ARPU = Sales \div Annual Active Users. *2: Profit Margin = $\{(Sales \times Contribution\ Margin) - Retention\ Costs^{*3}\} \div Sales$ ① Contribution Margin = Sales - Variable Costs (Cost of Goods Sold, Fees, etc.). *3: Retention Costs = Marketing Costs - Customer Acquisition Costs ① Marketing Costs = Advertising Costs + Promotion Costs + Point Costs ② Customer Acquisition Costs = Marketing costs allocated to new users.

① Active Users: Strong New Customer Acquisition by Rakuten Ecosystem

- Rakuten Ecosystem, operating under a common brand and ID, enables efficient acquisition of new customers

New users acquired by Rakuten Ecosystem (Cumulative total over 2020 - 2025)



Via Internet Services

+19.7 mm

Via FinTech

+16.1 mm

(Including Rakuten Point Card)

Via Mobile

+2.9 mm

② Cross-Use: Cross-Service Mobility for Rakuten Ecosystem Users

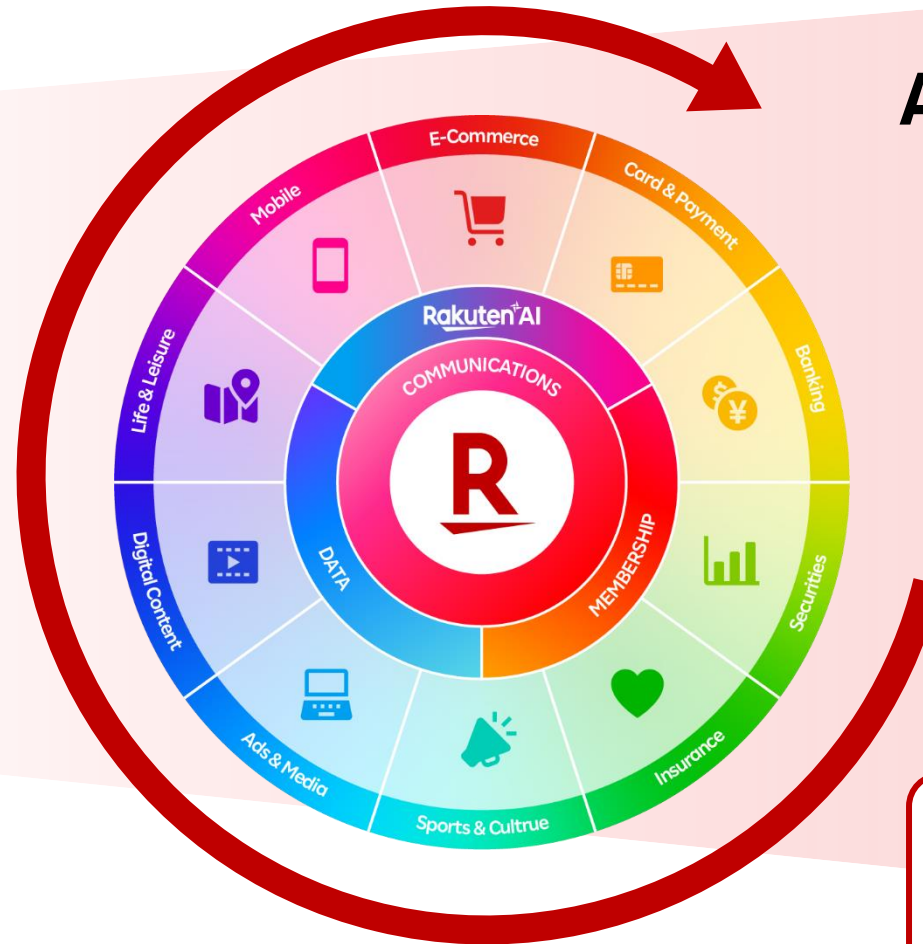
- Leveraging common ID and data accumulated from users, implementing unique ecosystem strategies honed over many years, such as SPU (Super Point Up Program)

Rakuten Ecosystem

new users

(Cumulative total over
2020 – 2025)

38.7 mm



After joining Ecosystem,
through cross-use

4.6x

increase in
services used

Over the past 6 years,

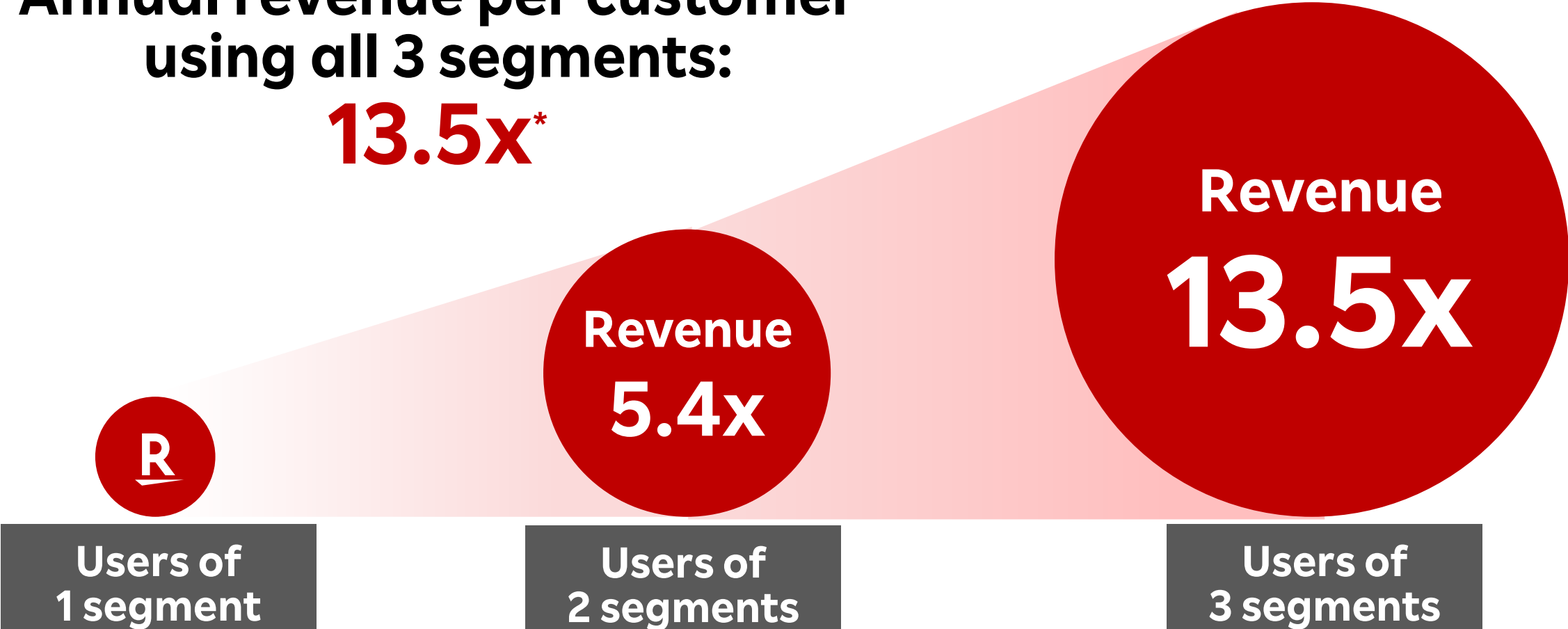
179.1 mm

increase in total services used

③ LTV: Revenue Synergies Above Simply Combining Segments

Annual revenue per customer using all 3 segments:

13.5x*

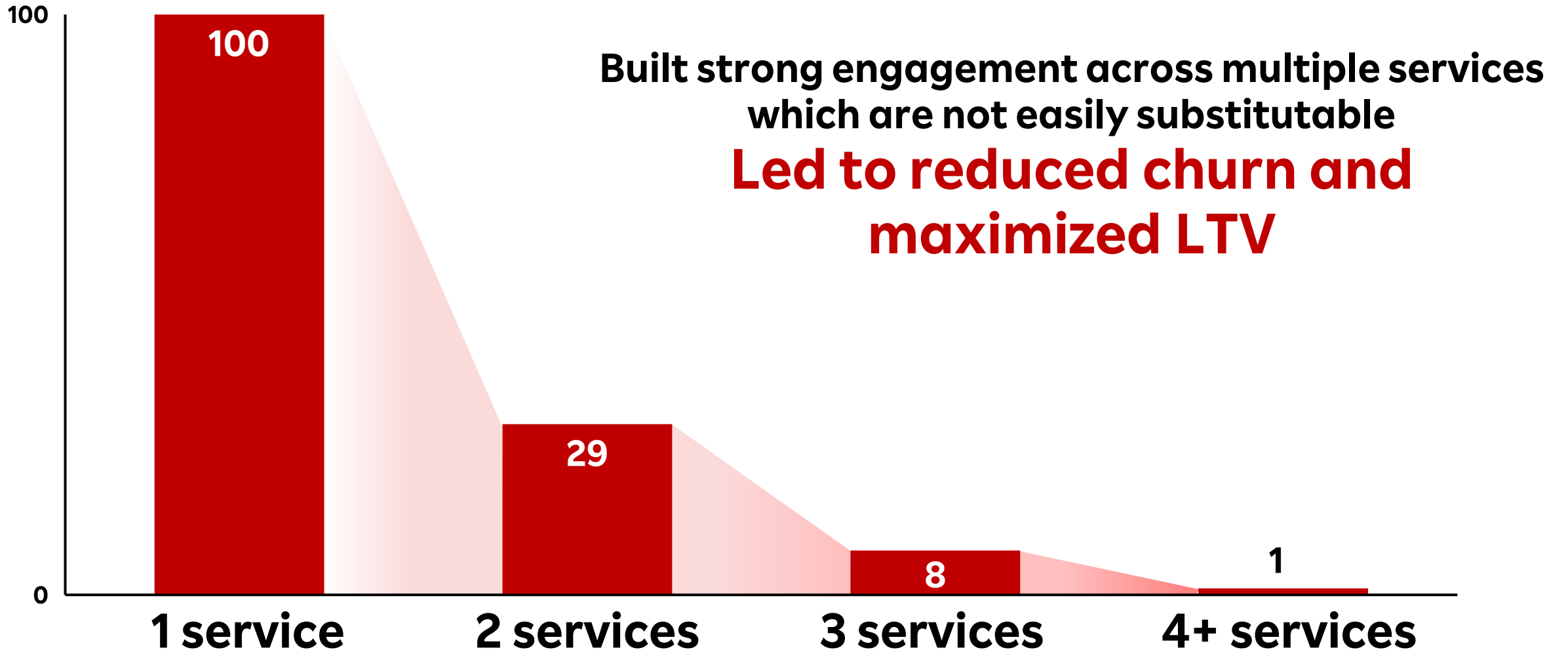


*FY2025



③ LTV: Rakuten Ecosystem's Strong Customer Loyalty

Rakuten Ecosystem churn rate by no. of services used
(Indexed to churn rate for users who only use one service = 100, FY2025)



④ Customer Acquisition Cost (CAC): Acquire at Low CAC and Promote High LTV Services

Rakuten Ecosystem Arbitrage Model

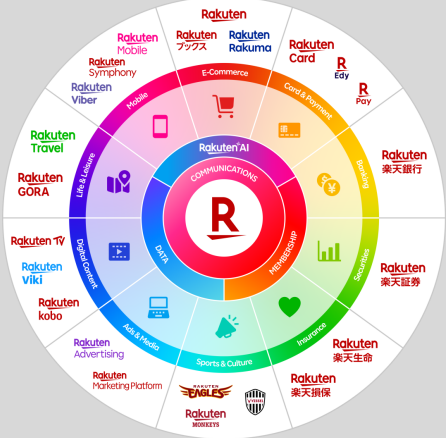
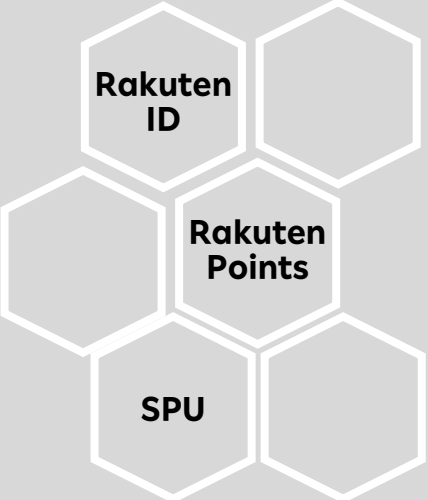
Acquire customers through low-CAC services and upsell to high-LTV services via cross-use



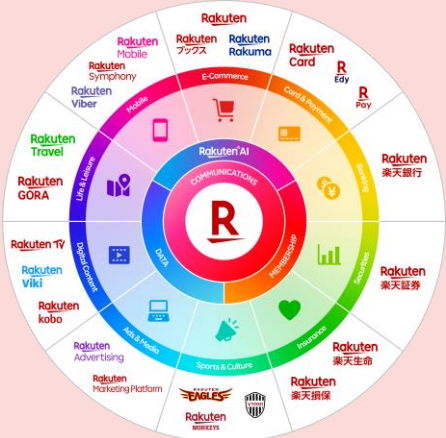
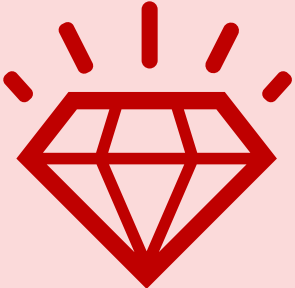
*Based on cumulative figures from FY2020 to FY2025

For Rakuten Ecosystem, AI is Not a Threat, but an Opportunity to Create Even Greater Value

Strong loyalty to Rakuten Ecosystem acts as a **protective moat** against potential substitution by other companies' AI



Abundant data held by Rakuten Ecosystem to drive further value creation

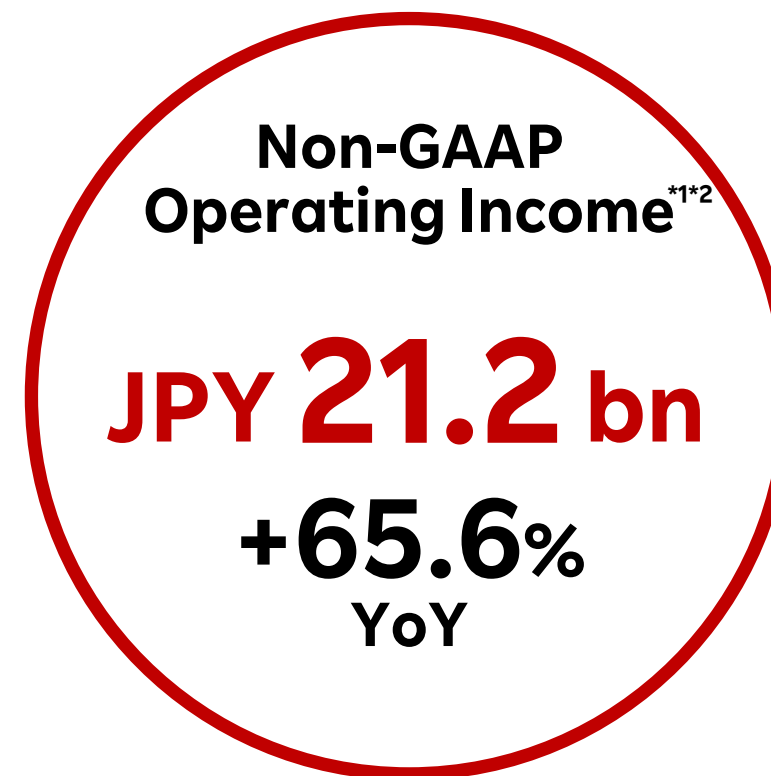


3. Segment Results

Internet Services Segment

Internet Services Segment: Q1/26 Financial Highlights

- Revenue growth driven by steady performance in major domestic businesses such as Rakuten Ichiba and the Travel business, as well as content businesses including Rakuten Kobo and Rakuten Viber
- Significant profit growth achieved through factors including expansion of high-margin advertising revenue and portfolio optimization



*1: From Q1/26, a portion of the points-related business was transferred from the Group Headquarters (Adjustments) to the Internet Services segment. No retrospective adjustments were made. *2: From Q1/26, some AI-related development costs were allocated to each business. Retroactive revisions have been made to the results from Q1/25.

Internet Services Segment: Q1/26 Key KPIs

Domestic EC GMS^{*1*2*3}

JPY 1.5 tn
+4.8%
YoY

Travel Business GTV^{*4}

+16.4%
YoY

Investment Business IRR

+17.8%

International BU^{*1*5}
Revenue

USD 459 mm
+6.9%
YoY

Advertising Revenue^{*6}
(Total for all segments)

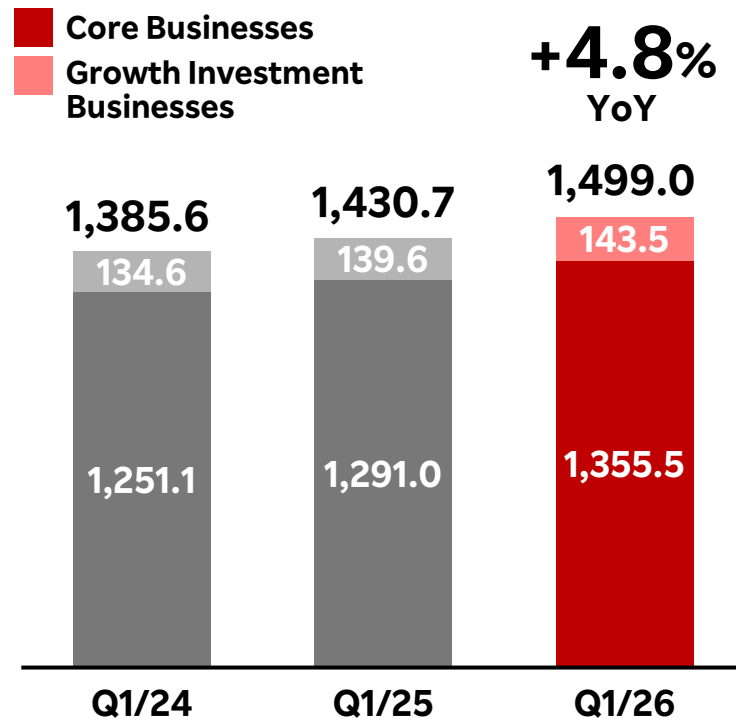
JPY 61.9 bn
+13.0%
YoY

*1: Retroactive adjustments were made due to realignment of businesses within the Internet Services segment in Q2/25. *2: From Q2/25, due to the review of the scope of Domestic EC GMS, retrospective adjustments were made. *3: From Q1/26, a portion of the points-related business was transferred from the Group Headquarters (Adjustments) to the Internet Services segment. No retrospective adjustments were made. *4: A part of the Travel businesses included in the Growth Investment businesses was transferred to the Core Businesses from Q3/25. Retrospective adjustments were made. *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. *6: Total domestic advertising revenue recorded in each segment (Internet Services, FinTech, Mobile), including internal transactions.

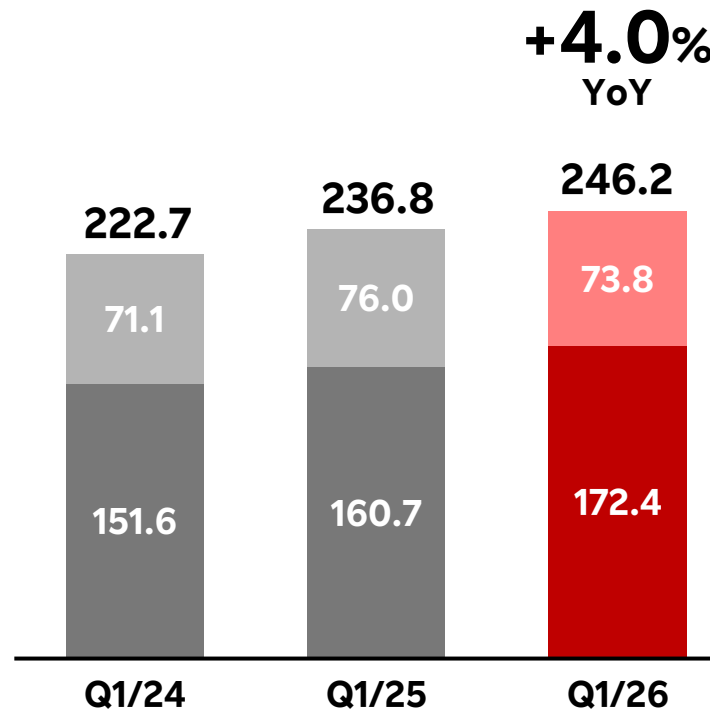
Domestic EC: Growth in Core Businesses and Improvements in Growth Investment Businesses

- Strong profit growth from robust GMS and profit growth from Core Businesses and improved losses in Growth Investment Businesses such as logistics
- Margin improvement expected from advertising revenue growth and reduced losses in Growth Investment Businesses

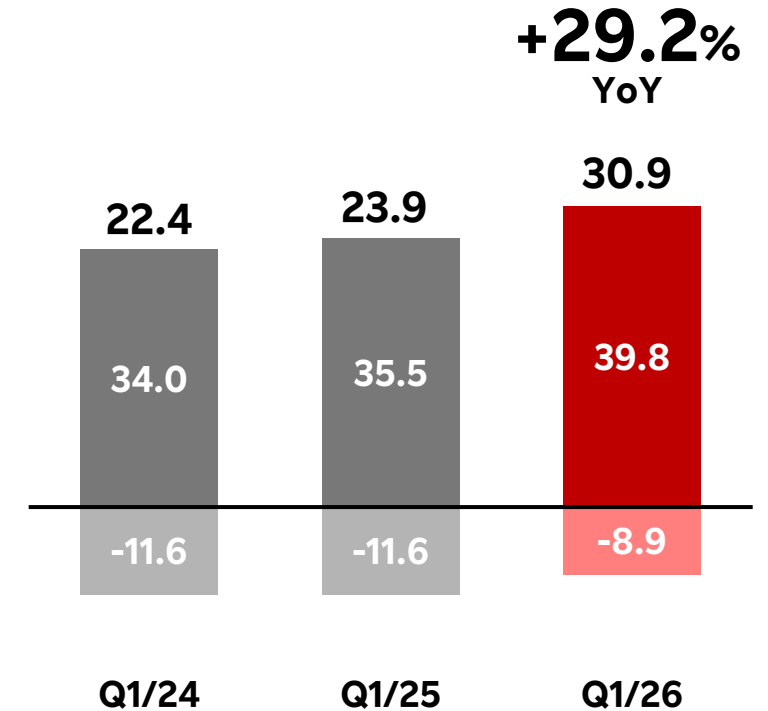
GMS^{*1*2*3} (JPY bn)



Revenue^{*2*3} (JPY bn)



Non-GAAP OI^{*2*3*4} (JPY bn)

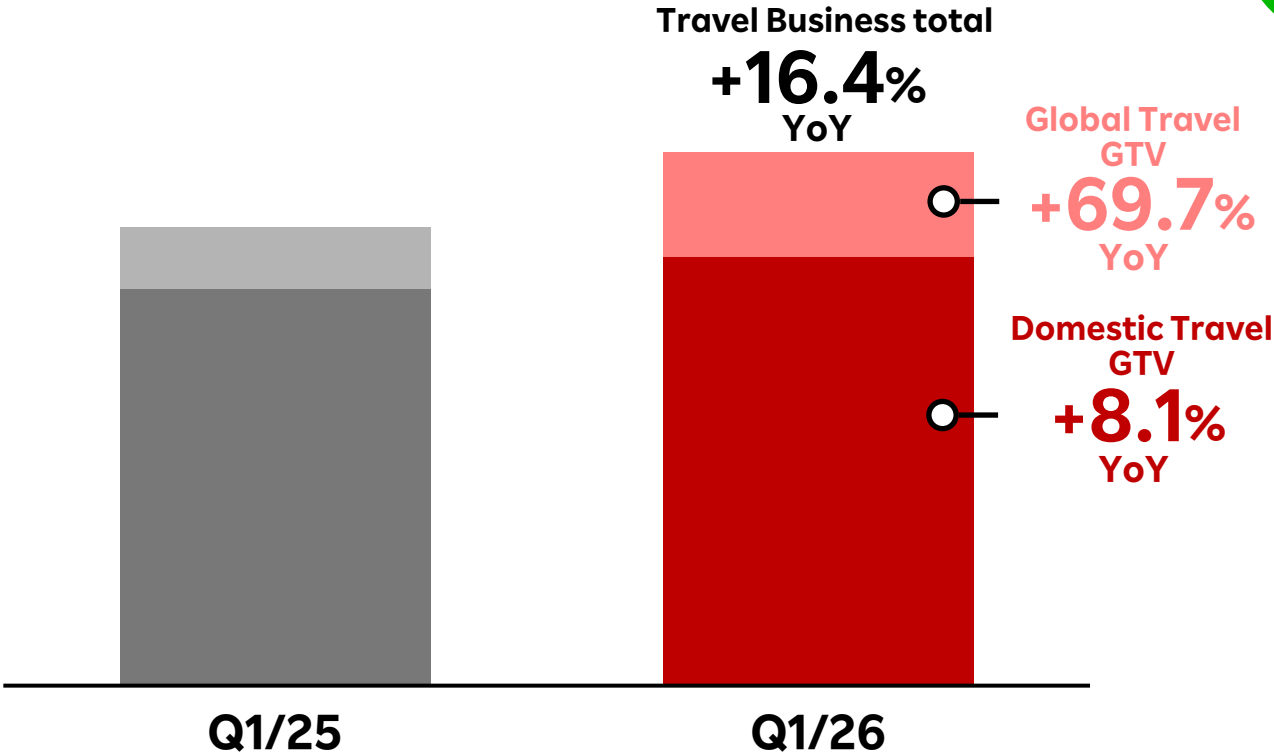


*1: From Q2/25, due to the review of the scope of Domestic EC GMS, retrospective adjustments were made. *2: Retroactive adjustments made due to realignment of businesses within the Internet Services segment in Q2/25. Also, from Q3/25, a part of Travel business included in the Growth Investment Businesses was transferred to the Core Businesses. Past figures were retroactively revised. *3: From Q1/26, a portion of the points-related business was transferred from the Group Headquarters (Adjustments) to the Internet Services segment. No retrospective adjustments were made. *4: From Q1/26, some AI-related development costs were allocated to each business. Retroactive revisions have been made to each business' results from Q1/25.

Travel Business: Both Domestic and Global Businesses Maintained High Growth Rates

- Inbound demand remains strong. GTV from domestic room bookings also expanded thanks to enhanced promotional efforts
- Starting in April 2026, users can now search for and book hotels through conversations with Rakuten AI

Travel Business GTV



From
Apr-26

New features, added to **Rakuten AI**, enable all processes from hotel search to booking, in conversations with AI



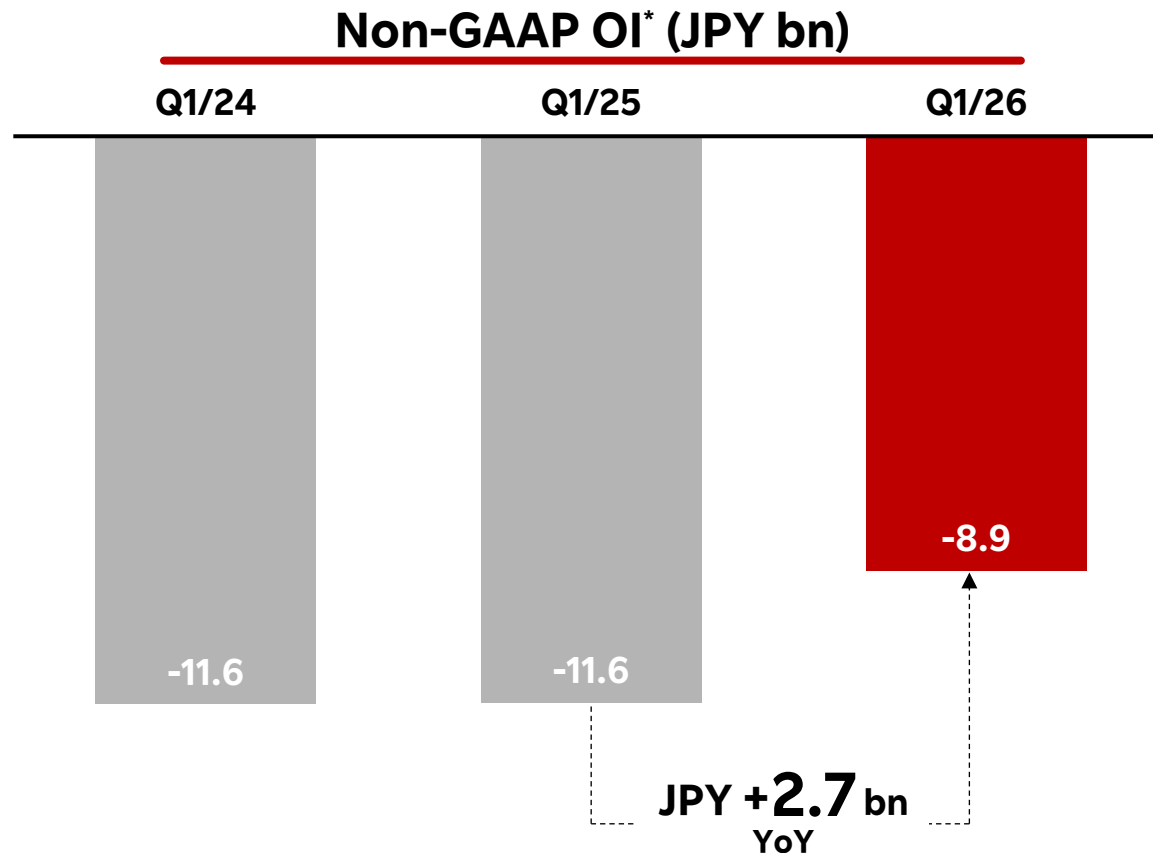
Select a room and tap Reserve



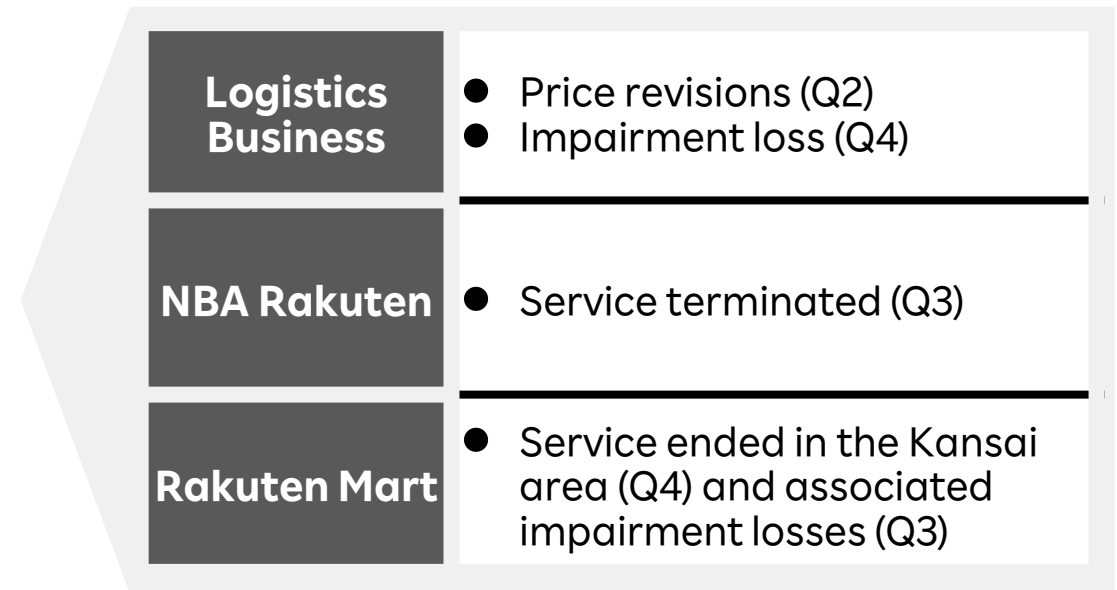
Confirm details and tap Reserve to complete

Growth Investment Businesses: Achieving Continuous Loss Improvement

- Online supermarket business: losses improving after withdrawal from the Kansai area. Subscription program users also increasing
- Logistics business: aim to increase cargo volume further by developing merchants with high volume, and achieve early profitability



(Reference: Loss Improvement measures in 2025)

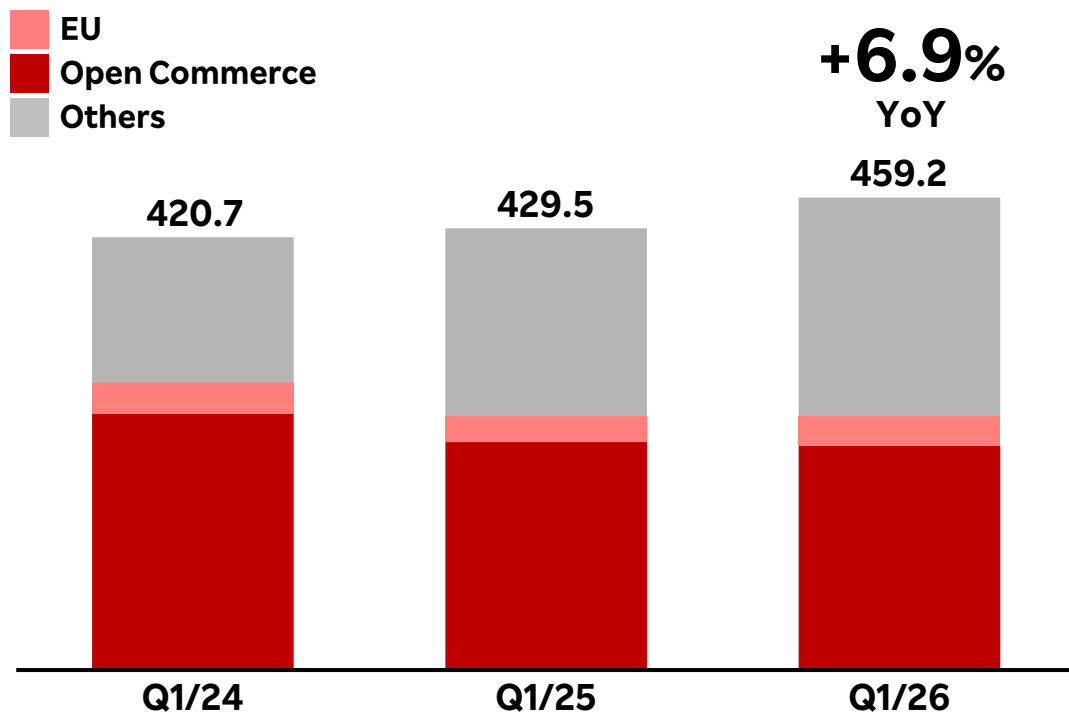


* From Q1/26, some AI-related development costs were allocated to each business. Retroactive revisions have been made to each business' results from Q1/25.

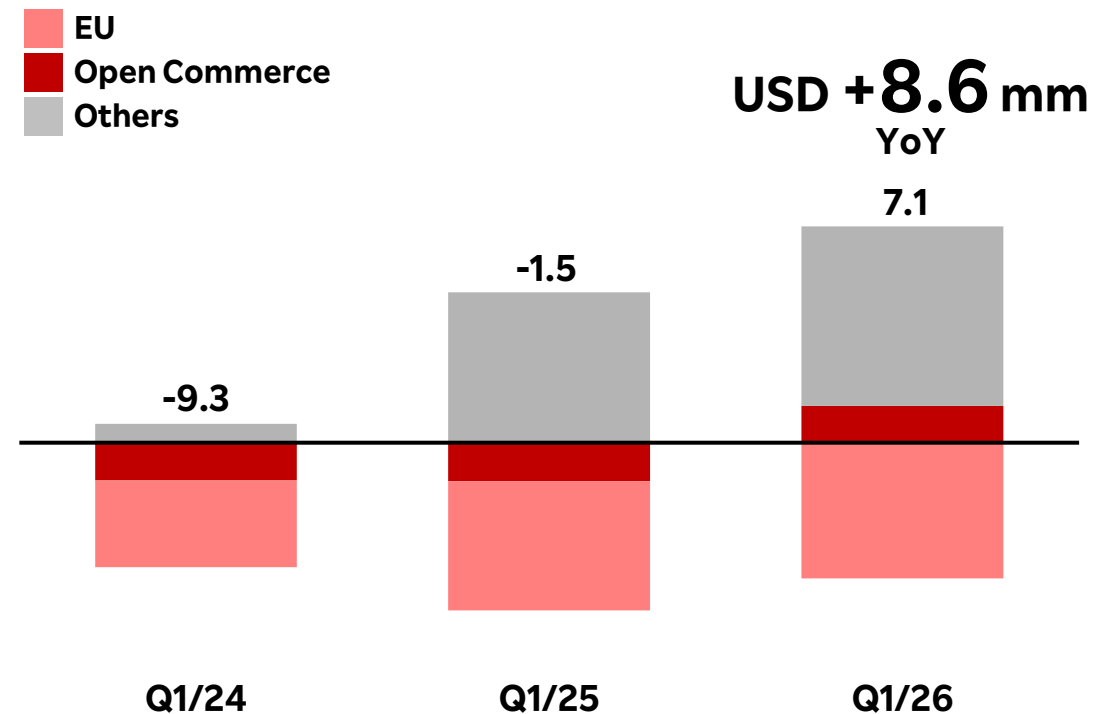
International BU^{*1*2}: Profitability Improvement

- Rewards saw significant YoY profit increase due to the absence of restructuring costs recorded in Q1/25. Viki also performed solidly, driving profit growth
- Rakuten Group decided in April 2026 to sell or close Rakuten France's marketplace business by end-2026 (JPY 1.0 bn impairment on fixed assets recorded in Q1, with projected annual loss reduction of JPY 3.7 bn^{*3})

Revenue (USD mm)



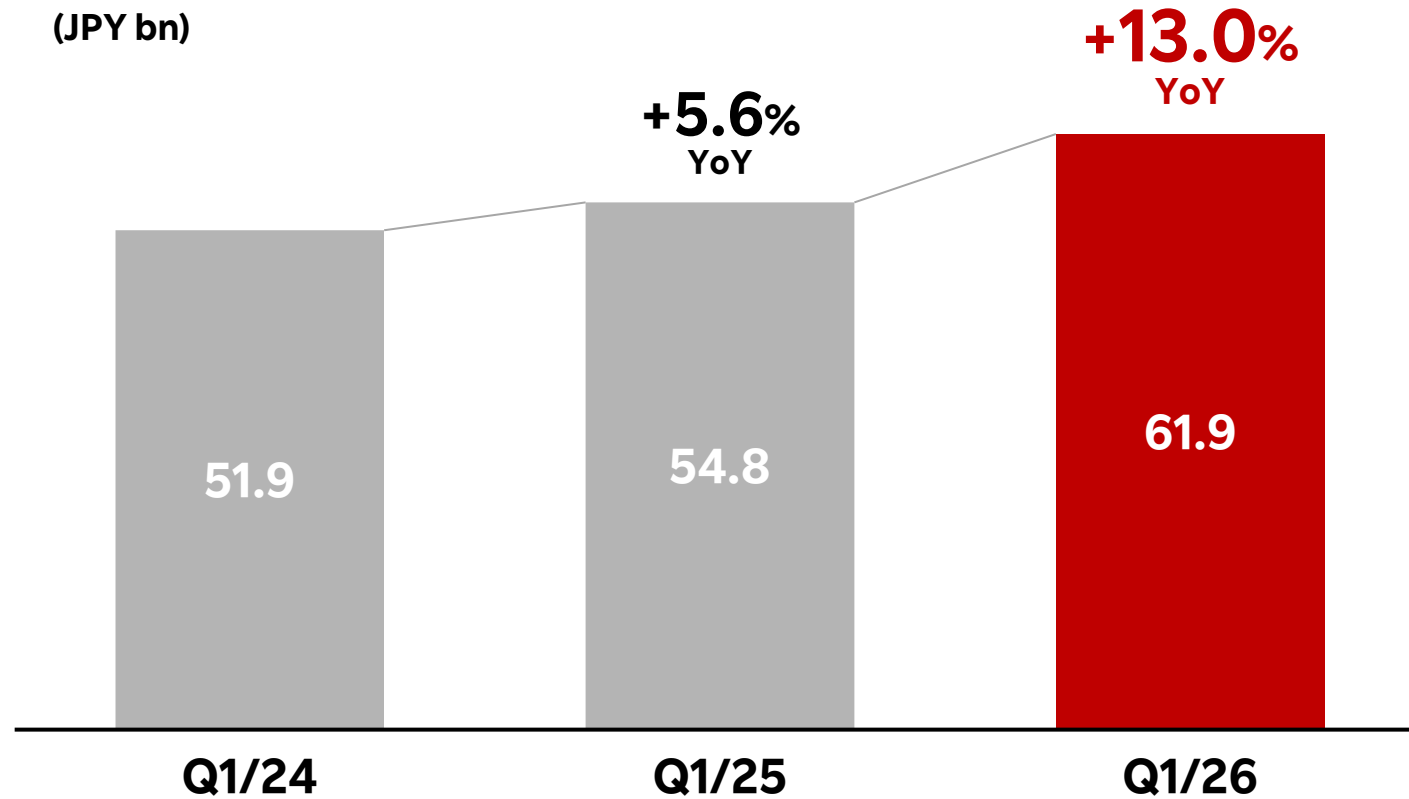
Non-GAAP OI^{*4} (USD mm)



*1: Open commerce: Total of Rakuten Rewards (U.S., Europe, Canada), Fillr, and overseas advertising businesses. EU: Total of Rakuten TV and Rakuten France. Other: Total of Rakuten Kobo, Rakuten Viber, and Rakuten Viki. Note that businesses by Rakuten Symphony, Taiwan EC business, and overseas financial subsidiaries are not included. *2: Retrospective adjustments were made due to review of classifications within the Internet Services segment for each business in Q2/25. *3: Based on 2025 results. In US dollars, this is USD 24.68 million (calculated at USD 1 = JPY 150). *4: From Q1/26, some AI-related development costs were allocated to each business. Retroactive revisions have been made to each business' results from Q1/25.

Ad Business Revenue^{*1}: Double-Digit Growth Driven by AI Utilization. Contributing to Improved Profitability of Domestic EC

- Advertising business growth accelerated YoY due in part to the rollout of automated optimization of RPP^{*2} advertising on Rakuten Ichiba



*1: Total domestic advertising revenue recorded in each segment (Internet Services, FinTech, Mobile), including internal transactions. *2: RPP = Rakuten Promotion Platform. Details are explained in the Q2/25 financial results presentation.

Effect of AI-Driven Automated Optimization for RPP^{*1}

- Automated optimization was rolled out for RPP advertising on Rakuten Ichiba starting in July 2025 and was fully implemented across all merchants by November 2025
- A before-and-after comparison^{*2} shows improved ad performance, driving higher merchant GMS and increased RPP advertising revenue

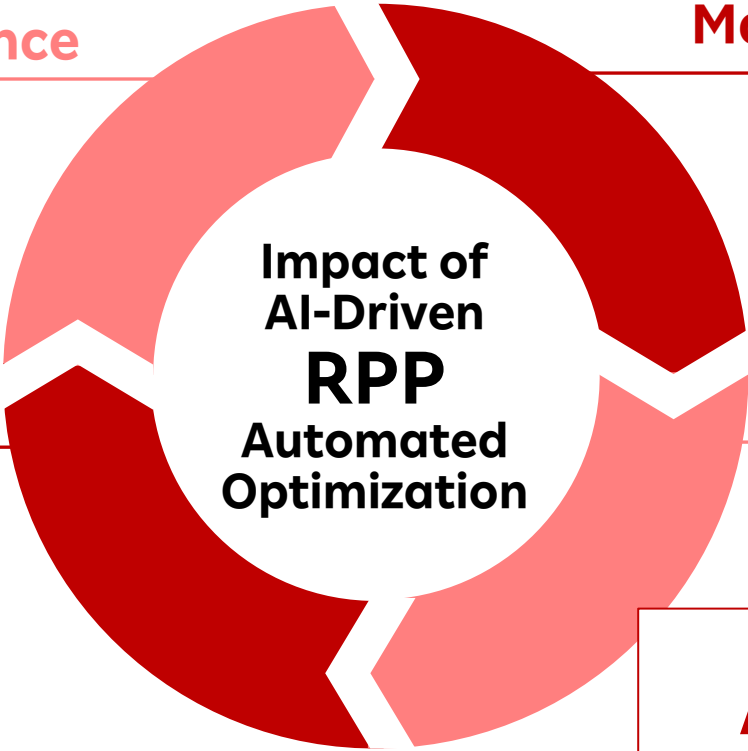
Improved Ad Performance

Optimize delivery volume and bid intensity by placement through use of Rakuten’s data and AI

Rakuten’s RPP Advertising Revenue

+10.9% Before and after introduction^{*2}

Rakuten’s RPP advertising revenue also increased



Marketplace GMS via RPP

+13.8% Before and after introduction^{*2}

Contributed to sales growth for RPP-participating merchants

Increased Intent to Use RPP

Ad performance improvement increased merchants’ intent to use RPP

AI-driven Win-Win model for merchants and Rakuten

^{*1}: RPP = Rakuten Promotion Platform. Details are explained in the Q2/25 financial results presentation. ^{*2}: Comparison period: July 2024 to March 2025 vs. July 2025 to March 2026

Strengths of Rakuten's Advertising Business in the AI Era

- AI directly learns from deterministic and comprehensive purchase data linked to Rakuten IDs
- In the AI era, the value of our advertising is not expected to diminish, but rather, we anticipate increased value driven by enhanced targeting precision

	Data Quality	Performance Measurement	Coverage
Rakuten	Ownership of actual purchase (factual) data	End-to-end full-funnel* measurement from awareness to purchase enabled by a unified ID	Comprehensive data accumulation enabled by Ecosystem
Common Challenges In Ad Business	Reliance on search and browsing history (inferred data)	Tracking difficulty under cookie restrictions	Data collection and analysis on a per-service basis

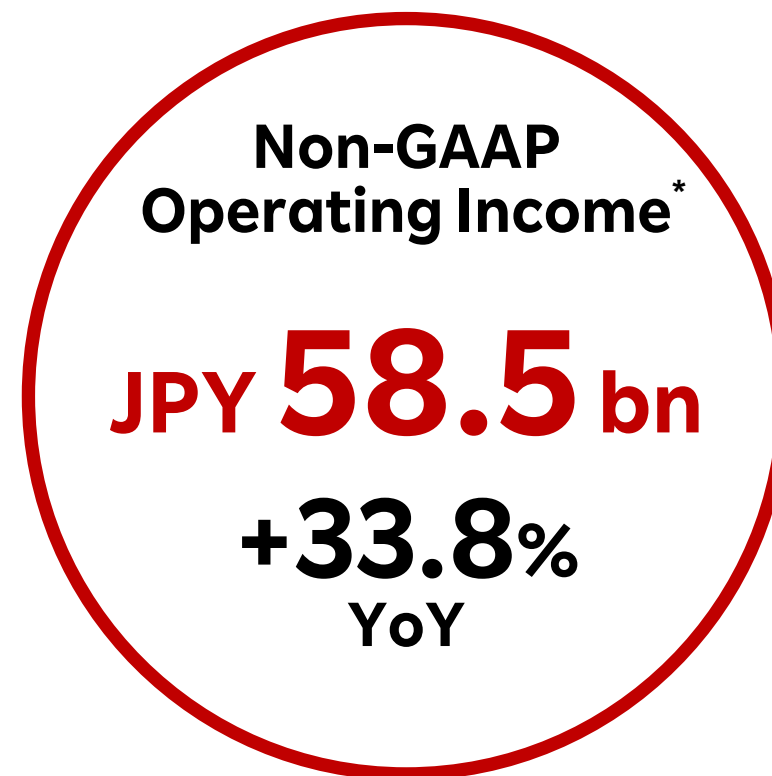
Rakuten's Advertising Capabilities as a Competitive Advantage in the AI Era

*The entire purchasing process from when a customer learns about a product or service, to when they make a purchase, repeat purchase, and continue using it.

FinTech Segment

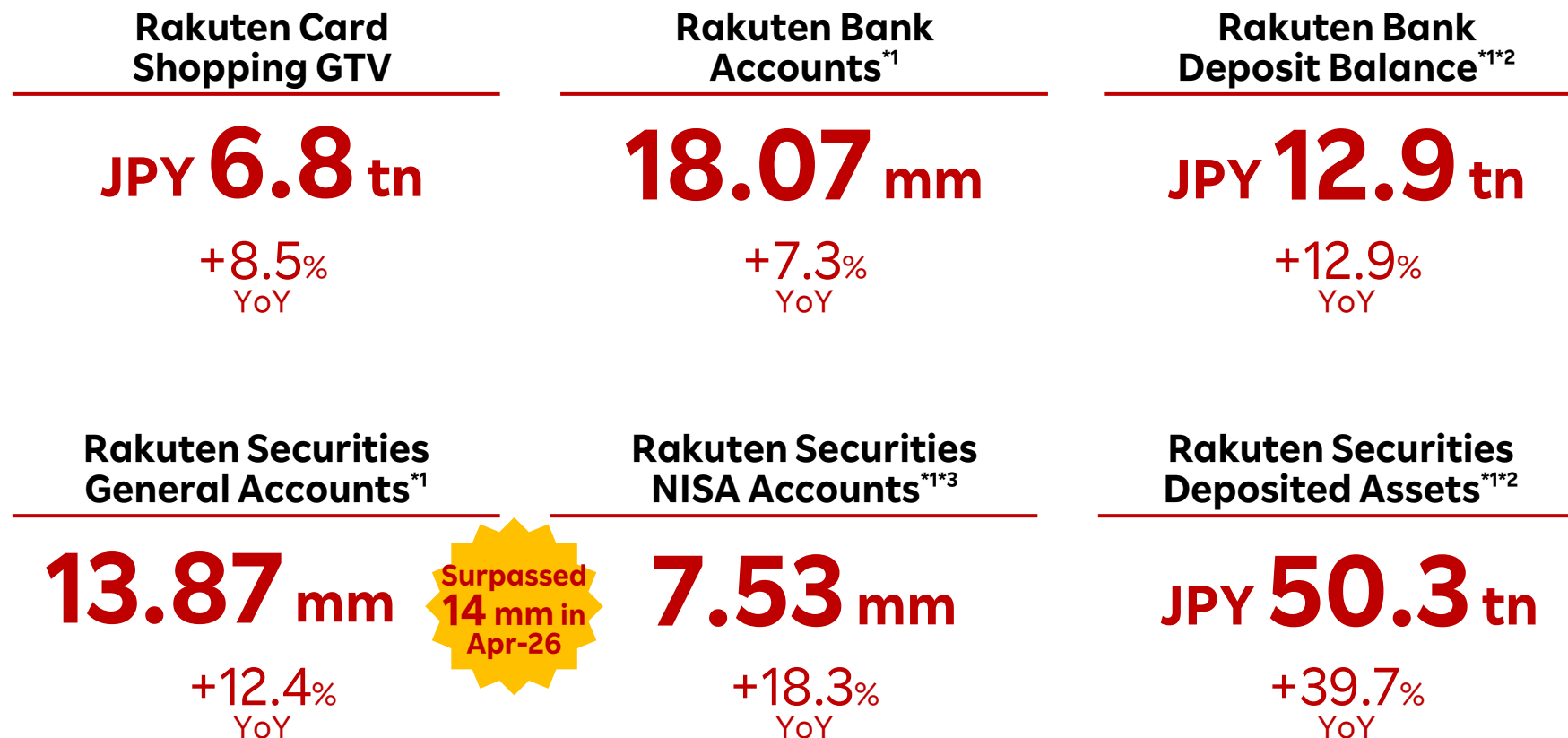
FinTech Segment: Q1/26 Financial Highlights

- Customer base for each service continues to expand, resulting in significant revenue growth, particularly for Rakuten Bank and Rakuten Card
- Cost control efforts continue to contribute to increased profits across all businesses, especially for Rakuten Securities and Rakuten Bank



*From Q1/26, some AI-related development costs were allocated to each business. Retroactive revisions have been made to the results from Q1/25.

FinTech Segment: Q1/26 Key KPIs

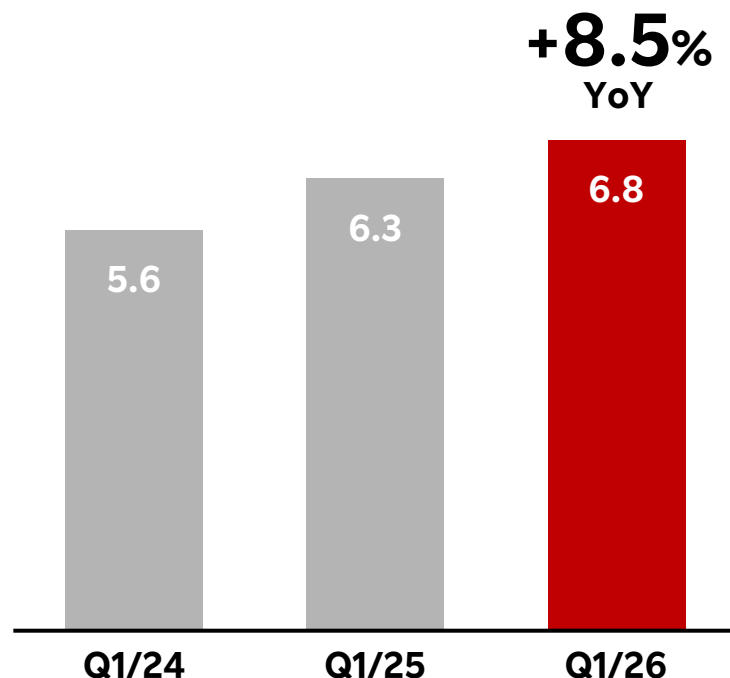


*1: Rounded down to the nearest unit *2: J-GAAP *3: Excluding Junior NISA

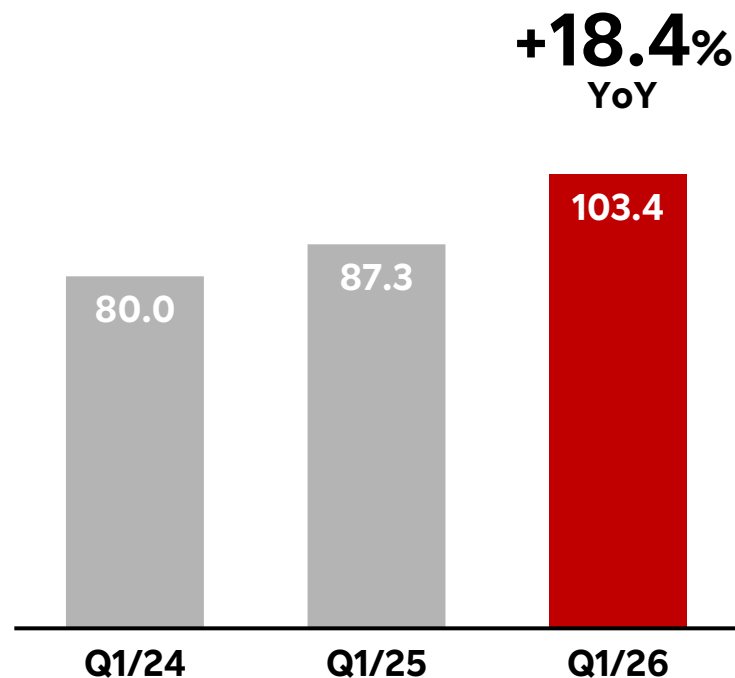
Rakuten Card: Increased Profits by Boosting GTV and Cost Control, Offsetting Rising Interest Expenses

- GTV increased on expansion of the membership base and growth in average transaction value. Revolving credit balance and installment payment GTV also grew steadily, contributing to increased revenue
- Interest expenses continued to rise, but other costs were controlled, resulting in a significant increase in profit

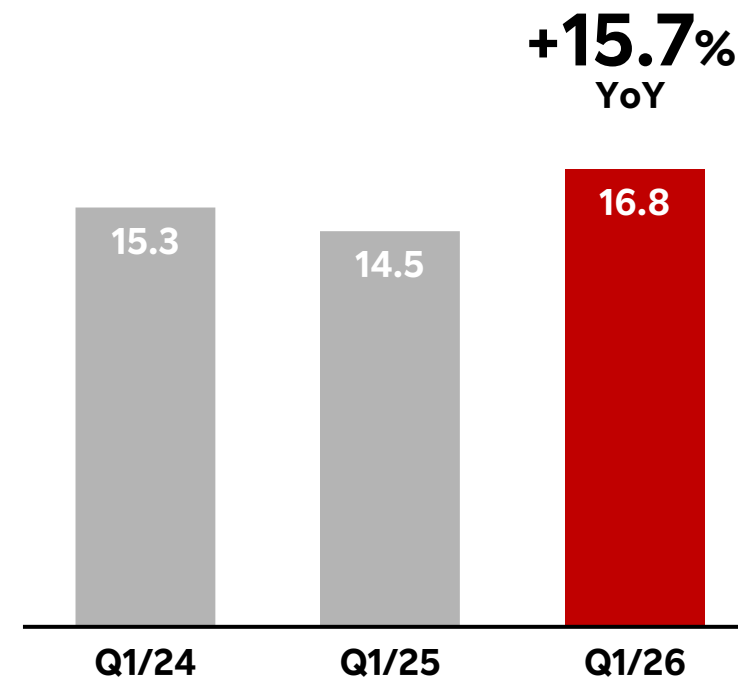
Shopping GTV (JPY tn)



Revenue (JPY bn)



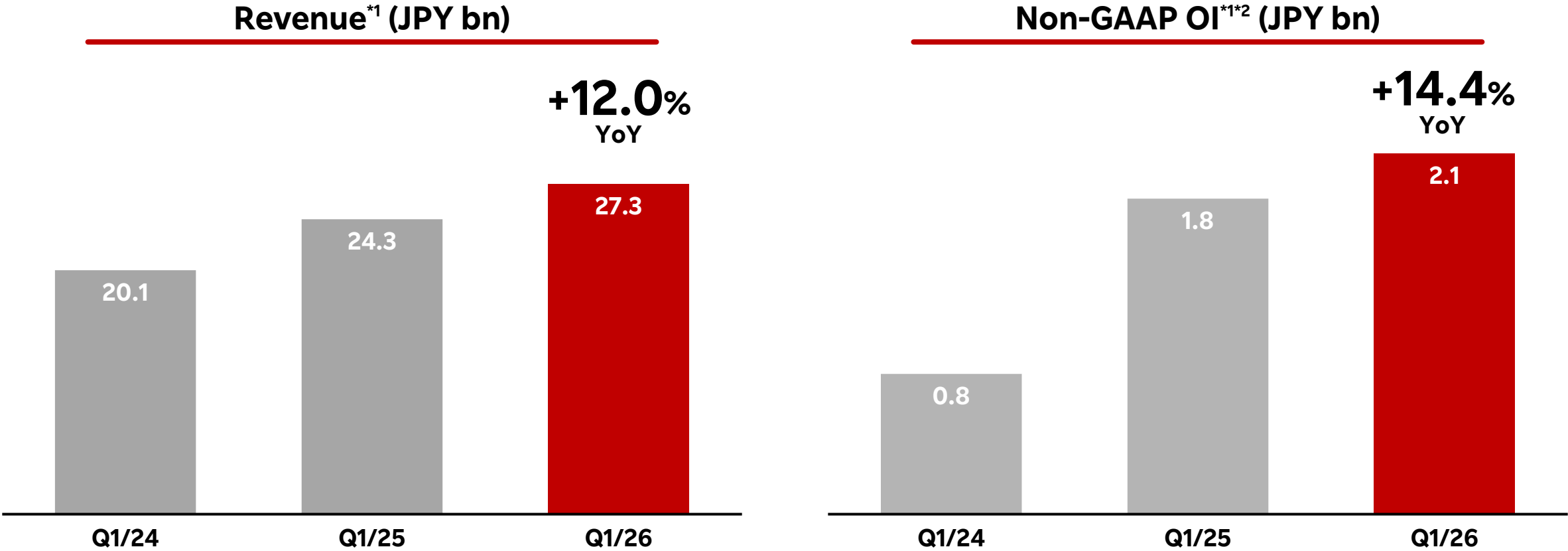
Non-GAAP OI* (JPY bn)



*From Q1/26, some AI-related development costs were allocated to each business. Retroactive revisions have been made to the results from Q1/25.

Rakuten Payment: Continued GTV Expansion Driving Steady Revenue and Profit Growth

- Revenue grew steadily as GTV increased on an expanding customer base and partner companies
- Profit grew thanks to revenue growth and ongoing cost control efforts



*1: Combined figures for Rakuten Payment, Inc. and Rakuten Edy, Inc. *2: From Q1/26, some AI-related development costs were allocated to each business. Retroactive revisions have been made to the results from Q1/25.



Rakuten Bank (Consolidated): Performance Highlights^{*1} (J-GAAP, FY2025^{*2})

- Amid rising interest rates, steady growth in deposit balances led to an increase in AUM, contributing to the expansion of interest income
- Record Jan-Mar profit despite higher investments to expand customer base and other initiatives for future growth

Ordinary Income

(FY2025^{*2}, consolidated)

JPY **255.5** bn

+38.4% YoY

Ordinary Profit

(FY2025^{*2}, consolidated)

JPY **103.0** bn

+44.1% YoY

Capital Adequacy Ratio^{*3}

(Mar 2026, consolidated)

10.7 %

+0.1ppt YoY

ROE^{*4}

(FY2025^{*2}, consolidated)

21.7 %

+3.6ppt YoY

of Bank Accounts

(Mar 2026, non-consolidated)

18.0 mm

+7.3% YoY

of Main Accounts^{*5}

(Mar 2026, non-consolidated)

5.9 mm

+7.6% YoY

Main Account Ratio: **32.8%**

Total Deposit Balance

(Mar 2026, non-consolidated)

JPY **12.9** tn

+12.9% YoY

G&A Expense Ratio^{*6}

(FY2025^{*2}, non-consolidated)

32.3 %

-3.2ppt YoY

*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 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.

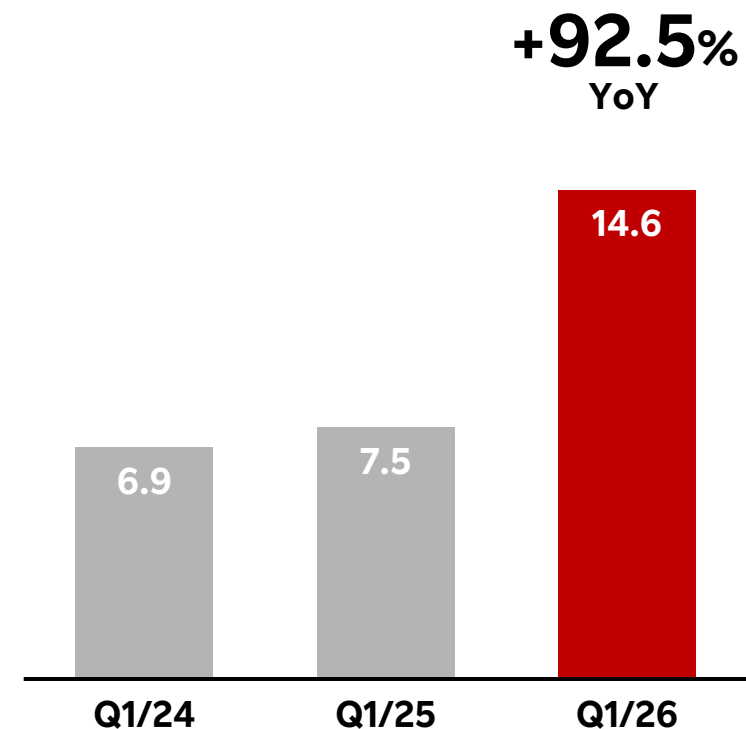
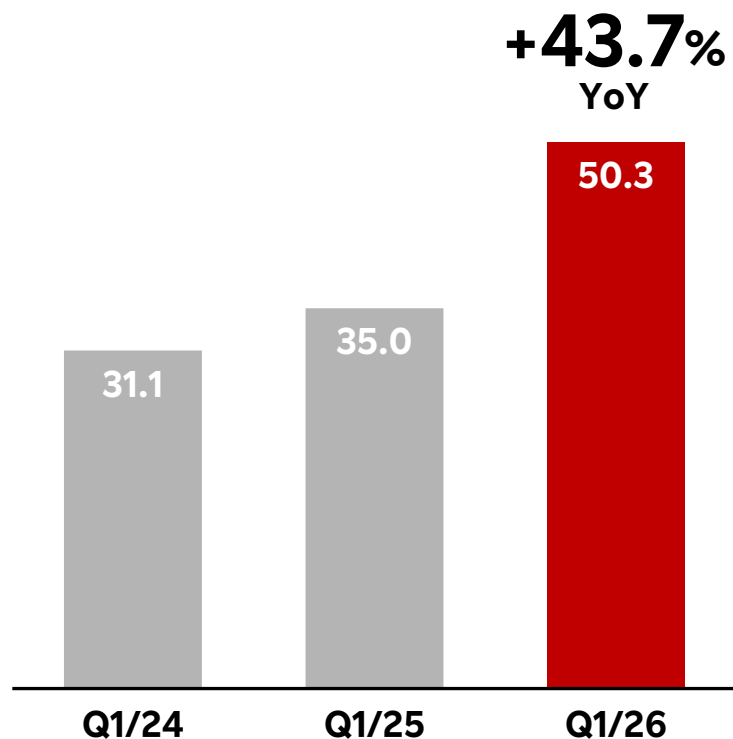
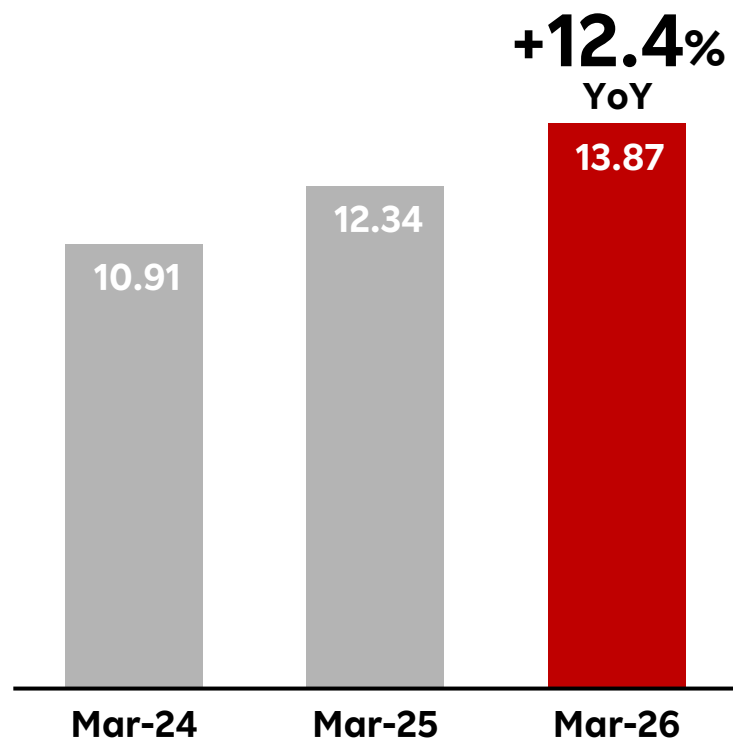
Rakuten Securities: Financial Income and Other Revenue Surged Amid Active Market Conditions

- Revenue increased on an expanded customer base and strong market conditions. Achieved record high quarterly operating revenue
- Increased proportion of revenue from sources other than domestic stock trading commissions, which were made free in October 2023, resulted in a business structure less susceptible to market fluctuations

General Accounts^{*1} (mm)

Operating Revenue^{*1*2} (JPY bn, J-GAAP)

Operating Income^{*1*2} (JPY bn, J-GAAP)

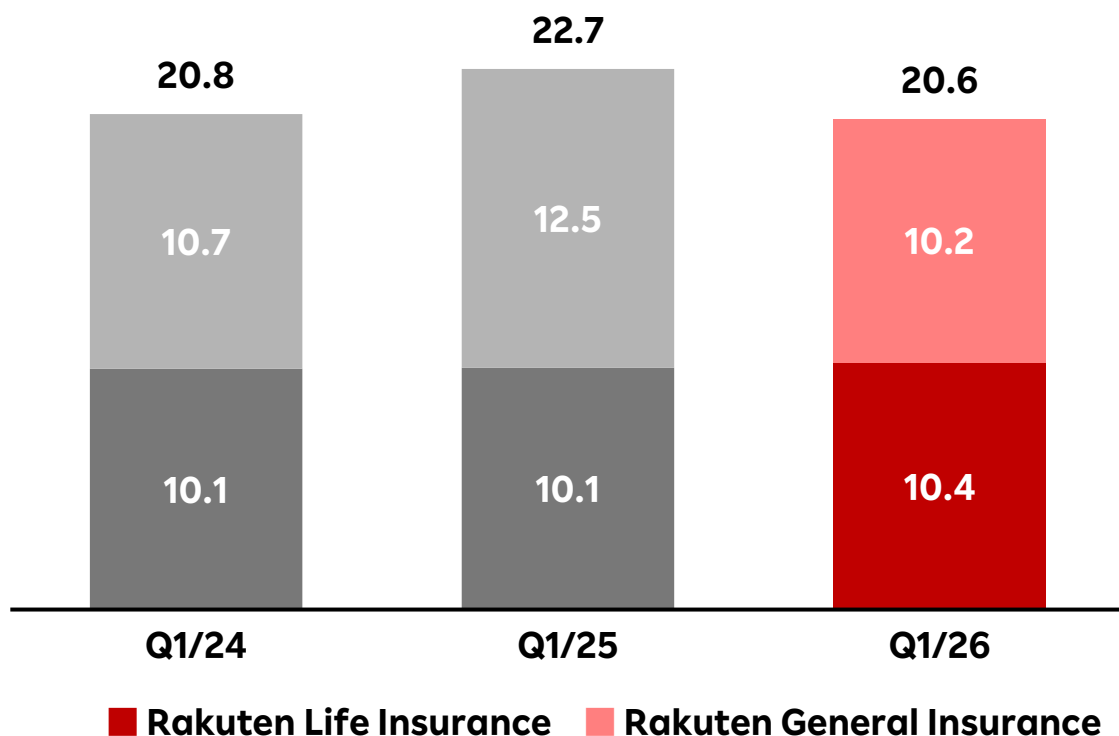


*1: Rounded down to the nearest unit *2: Rakuten Securities consolidated (including overseas subsidiaries)

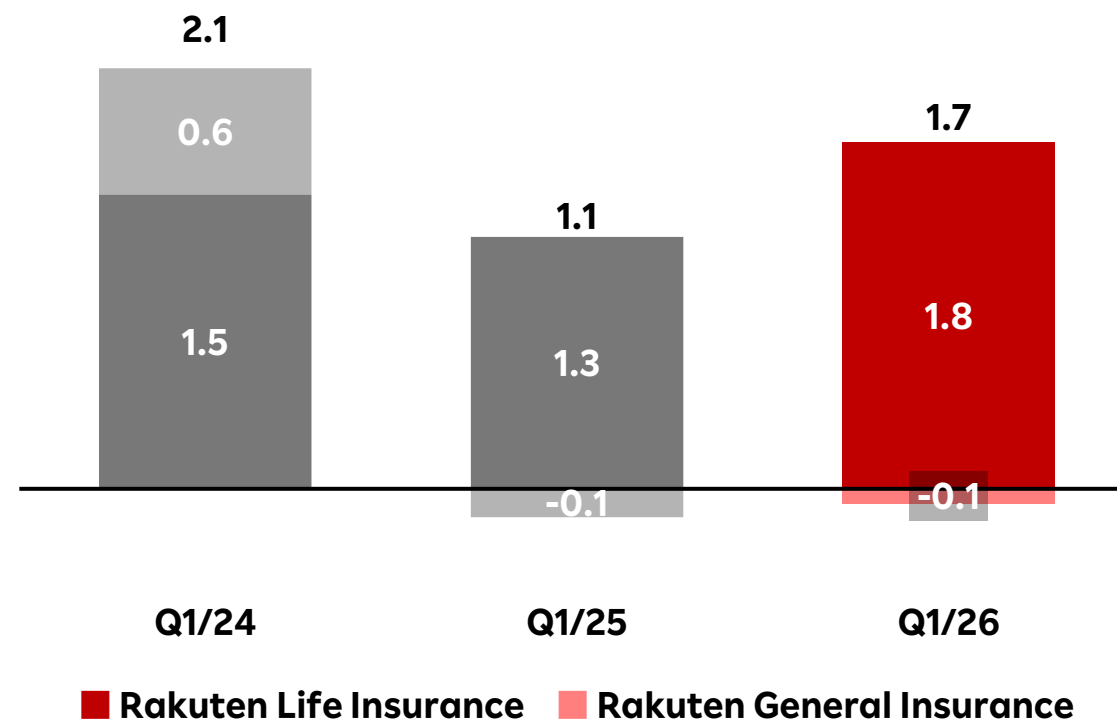
Insurance Business: Increased Premiums from Focus Products Drove Profits Higher

- Life insurance: continued to perform well across all channels: face-to-face, online, and group insurance. Financial income also increased, contributing to higher profits
- General insurance: decrease in revenue due to a high hurdle in Q1/25 from one-time investment gains and discontinuation of low margin product lines. However, profitability improved due to increased sales of key products such as Rakuten Auto Insurance

Revenue (JPY bn)



Non-GAAP OI* (JPY bn)



*From Q1/26, some AI-related development costs were allocated to each business. Retroactive revisions have been made to each business' results from Q1/25.

FinTech Business Reorganization

- Targeting October 2026 effective date; commenced discussions on FinTech business reorganization
- This reorganization is expected to generate quantifiable synergy effects

Backdrop: ① Funding environment shifts driven by policy rate hikes ② AI evolution shifting user needs
③ Accelerating customer lock-in by megabanks and telecom carriers



Quantified Key Synergies

1 Financial Synergies

Medium-term
JPY tens of billions
impact

- A** Sequentially replace Rakuten Card and Rakuten Securities' external interest-bearing debt with borrowings from Rakuten Bank
- B** Efficient intra-group asset management

2 Maximize Individual Customer Base

Cross-use rate 
×
Revenue per user (ARPU) 

- A** Expand the user base via accelerated cross-use; strengthen deposit acquisition by establishing Rakuten Bank as the main account
- B** Strategically reinforce sales through coordination of finance products*1 held by Rakuten Bank and Rakuten Card
- C** Accelerate seamless integration through app consolidation



Other Synergies

3 Maximize Corporate Customer Base



Strengthen Rakuten Bank and Rakuten Card collaboration in corporate business

- A** Unification of corporate solutions
- B** Further boost account opening and deposit acquisition among Rakuten Card corporate customers

4 Other*2



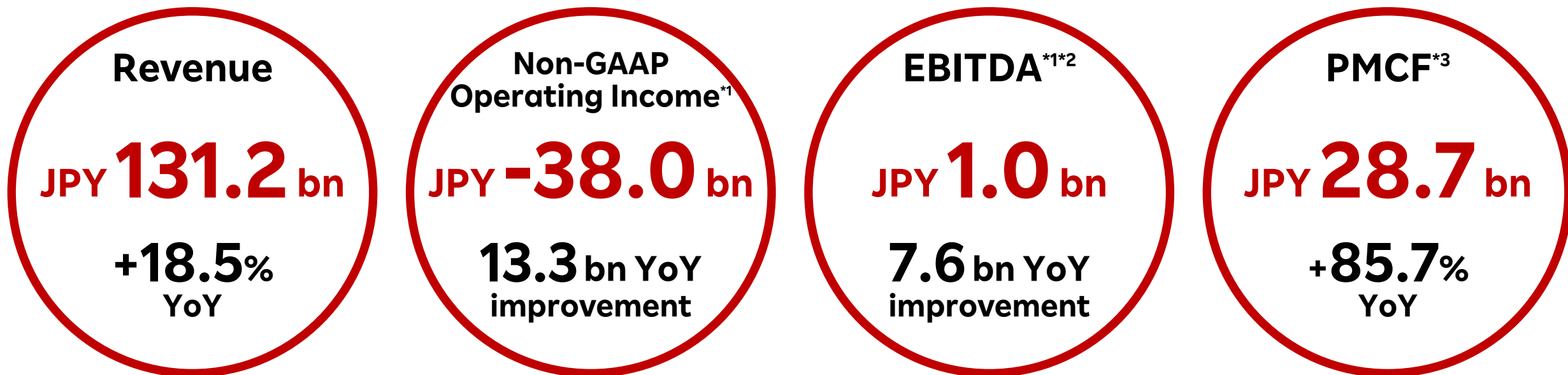
- A** (Subject to applicable laws and regulations, including obtaining customer consent) Further integration of the rich data held by each company and consideration of AI utilization
- B** Toward delivering a more seamless customer experience, considering centralization of customer data across the entire FinTech business via eKYC and similar tools

*1: Card Loan, Cash Advance etc. *2: Including initiatives under consideration

Mobile Segment

Mobile Segment: Q1/26 Financial Highlights

- Both Rakuten Mobile and Rakuten Symphony achieved revenue growth and improved profitability



*1: From Q1/26, some AI-related development costs were allocated to each business. Retroactive revisions have been made to each business' results from Q1/25. *2: EBITDA = Non-GAAP operating income + depreciation and amortization, etc. *3: PMCF = Pre-Marketing Cash Flow. Calculated by adding property tax and customer acquisition-related expenses (marketing expenses, shop expenses, SPU, etc.) of Rakuten Mobile, Inc. to the Mobile segment EBITDA.

Mobile Segment: Q1/26 Main KPIs

Rakuten
Mobile



Total Subscribers*1
(As of Mar 2026)

10.36 mm

+1.74 mm YoY

Adjusted Churn*2
(Q1/26)

1.57%

Q1/25: 1.56%

ARPU*3
(Q1/26)

JPY 2,834

JPY +6 YoY

Rakuten
Symphony



Number of Customers*4
(As of Mar 2026)

70 customers

+7 customers QoQ

Number of Partners*5
(As of Mar 2026)

21 partners

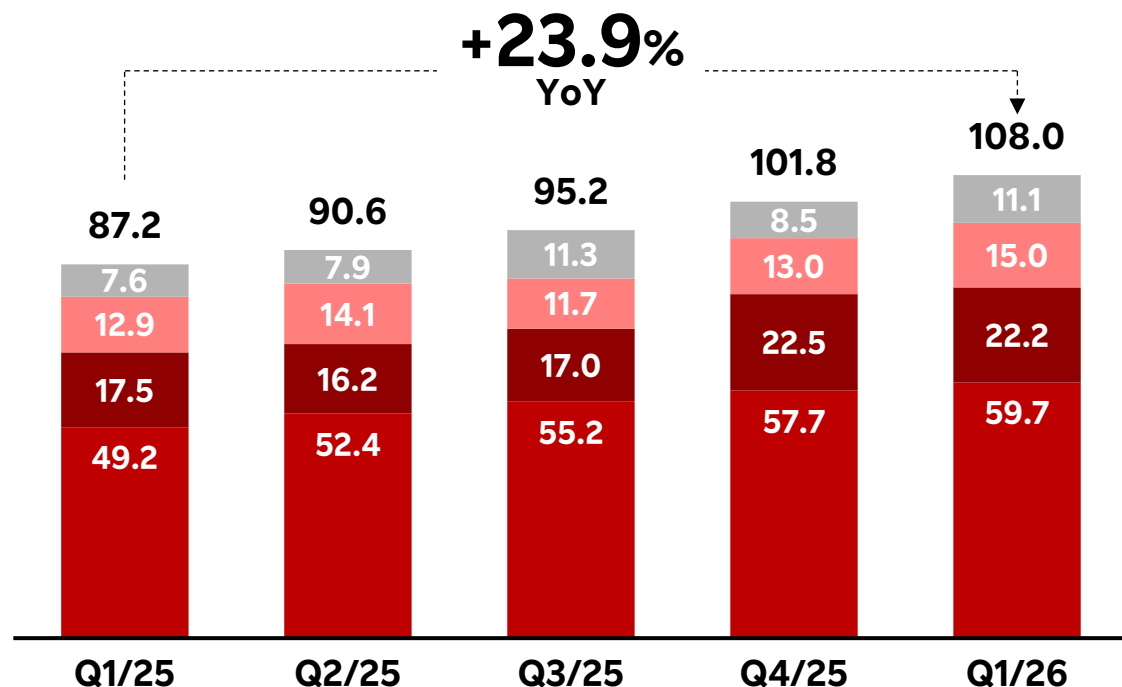
*1: Total of MNO, MVNE, and MVNO subscribers, including BCP, etc subscribers. BCP is a plan sold for Business Continuity Plan purposes in B2B. *2: Churn rate excluding B2C subscribers who cancel within the same month as the activation. *3: Includes Ecosystem ARPU. The number of subscribers, which serves as the denominator for ARPU, is calculated using the average at the beginning and end of each quarter, excluding BCP and MVNE subscribers. *4: Includes PoC and MoU deals. *5: Sales partnerships began in 2025

Rakuten Mobile

Rakuten Mobile^{*1*2*3}: Quarterly Financial Trends

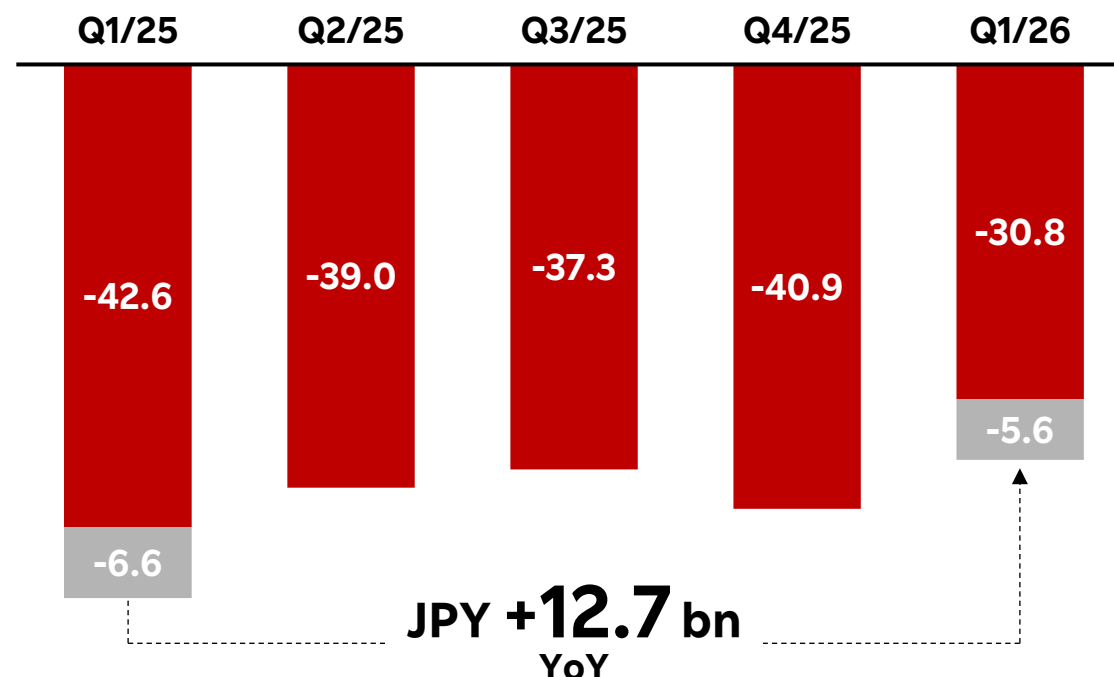
- Revenue increased, driven by a rise in the number of subscribers resulting from successful promotional activities during the peak sales season
- Operating losses reduced YoY and QoQ, even when accounting for property tax impact

Revenue^{*1} (JPY bn)



■ MNO and MVNO Services ■ Devices ■ Other Mobile ■ Other Businesses

Non-GAAP OI^{*1*2*3} (JPY bn)



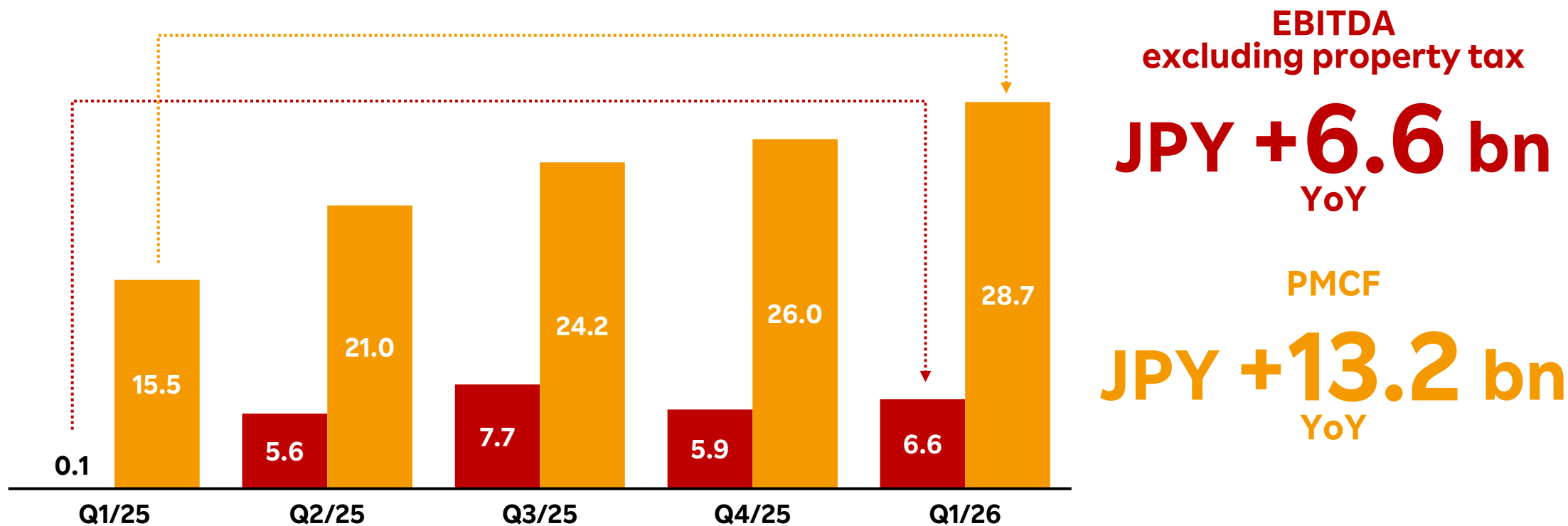
■ Non-GAAP OI excluding property tax ■ Property tax

*1: From April 2025, part of the Rakuten Communications businesses was absorbed. *2: From Q4/25, investment gains/losses related to the Mobile business are included. *3: From Q1/26, some AI-related development costs were allocated to each business. Retroactive revisions have been made to the results from Q1/25.

Rakuten Mobile^{*1*2*3} Q1/26 EBITDA^{*4} and PMCF^{*5}

- EBITDA, excluding property tax, improved by JPY 6.6 bn YoY, resulting in a profit of JPY 6.6bn. However, due to ongoing upfront investments in marketing expenses aimed at further expanding the customer base, which is a strategy continued from last year, EBITDA remained temporarily flat QoQ
- PMCF, excluding customer acquisition-related expenses, continued to perform well

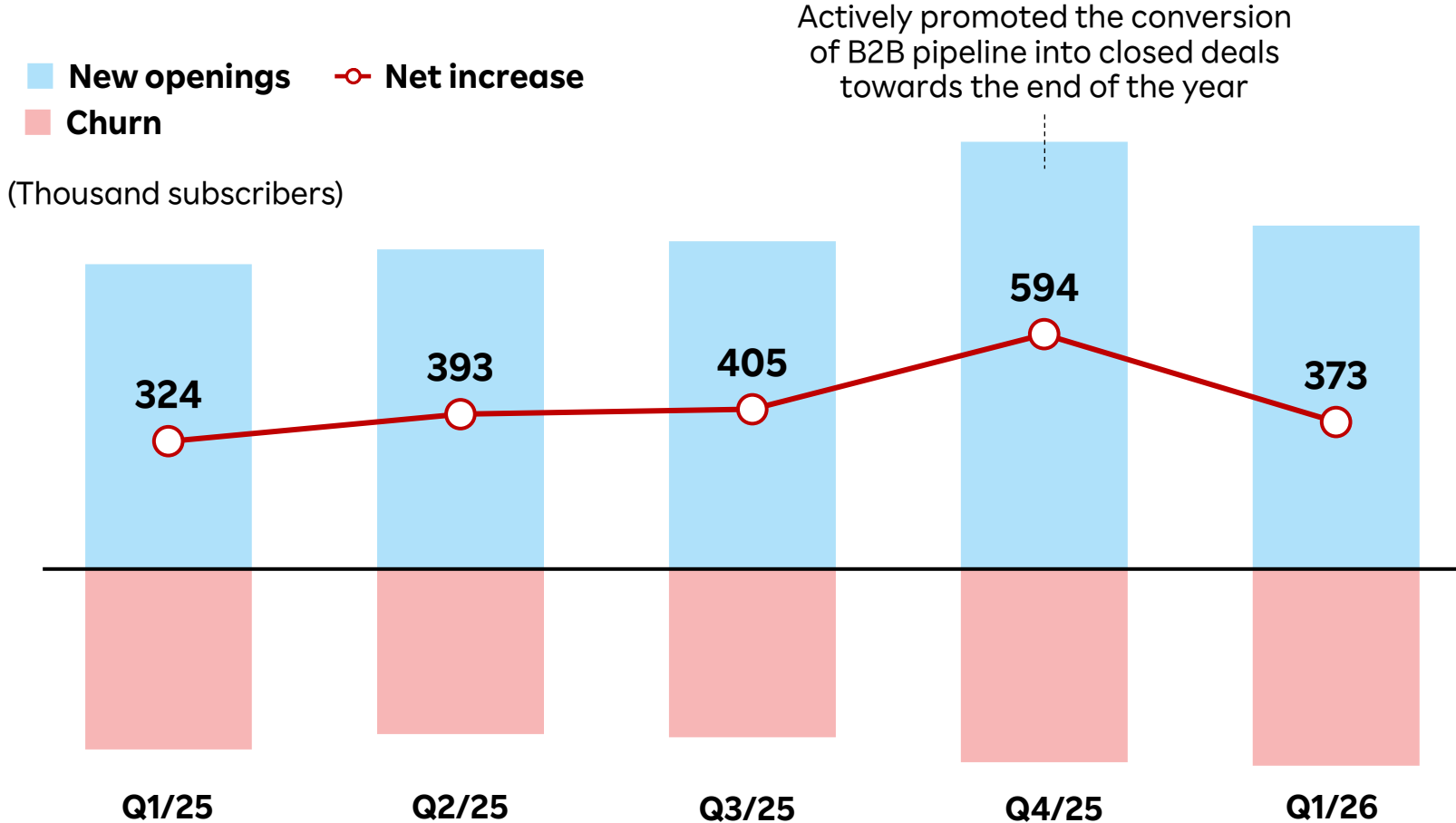
(JPY bn) ■ EBITDA excluding property tax ■ PMCF (pre-marketing cash flow)



*1: From April 2025, part of the Rakuten Communications businesses was absorbed. *2: From Q4/25, investment gains/losses related to the Mobile business are included. 3: From Q1/26, some AI-related development costs were allocated to each business. Retroactive revisions have been made to the results from Q1/25. *4: EBITDA = Non-GAAP operating income + depreciation and amortization, etc. *5: Calculated by adding customer acquisition-related expenses (marketing expenses, shop expenses, SPU, etc.) to EBITDA excluding property tax.

Net Increase in MNO Subscribers: Achieved Higher Growth YoY

- For B2C, revised fees for multi-line subscribers and identity verification methods, and whilst focusing on acquiring high-quality users, achieved a higher number of activations YoY
- While the absolute churn increased with the rise in new activations, the gross MNO churn rate decreased

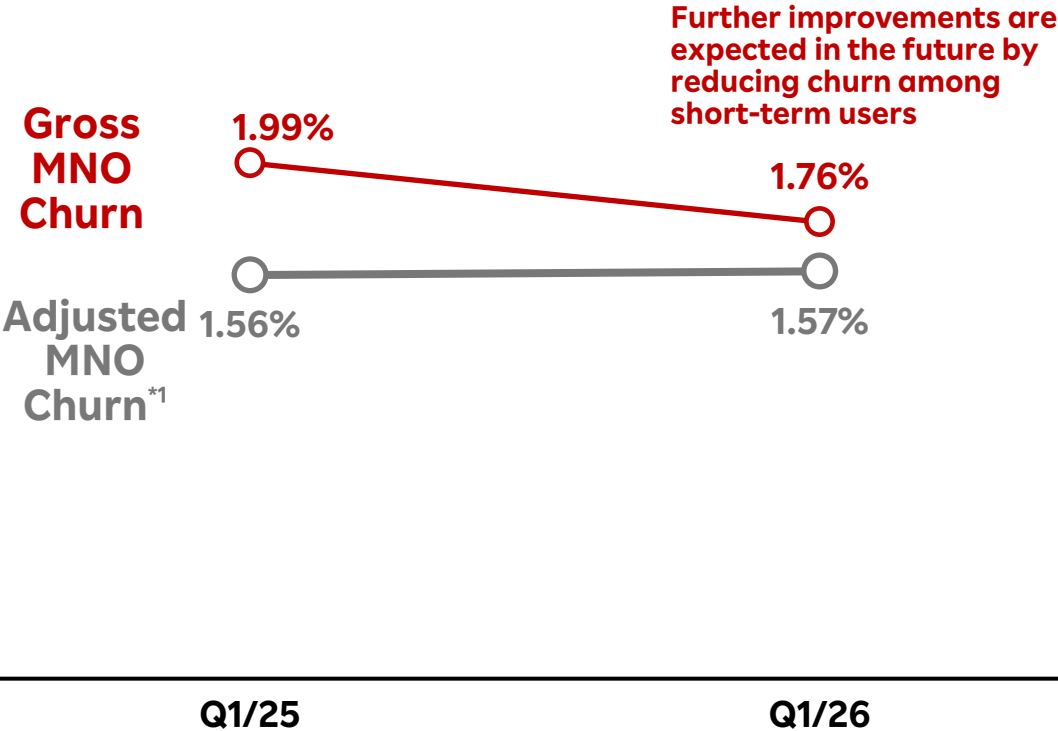


Net increase
+15.0%
YoY

MNO Churn: Efforts to Curb Short-Term Churn Proved Successful

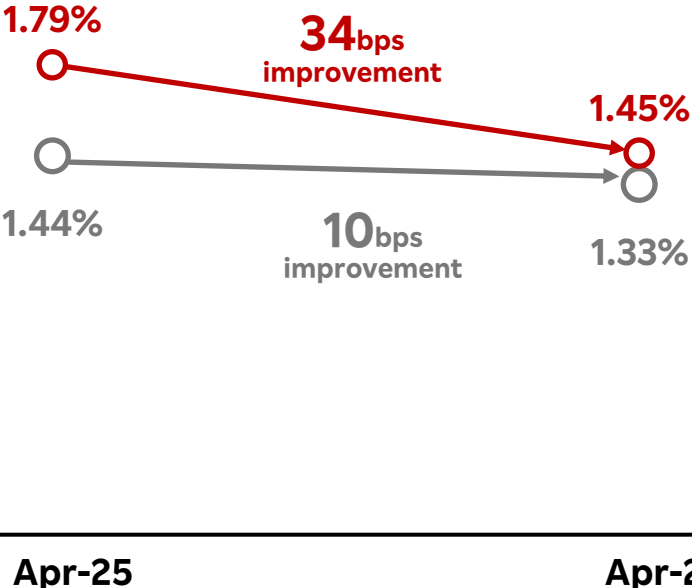
- Q1/26 adjusted churn increased slightly YoY, but an improvement was seen in April
- Introduction of contract processing fee for 5 or more lines in Nov-25, along with stricter identity verification rules, has been effective in curbing cancellations by short-term users. Further improvements expected for gross MNO churn

Quarterly churn rate



(Reference) Monthly churn rate^{*2}

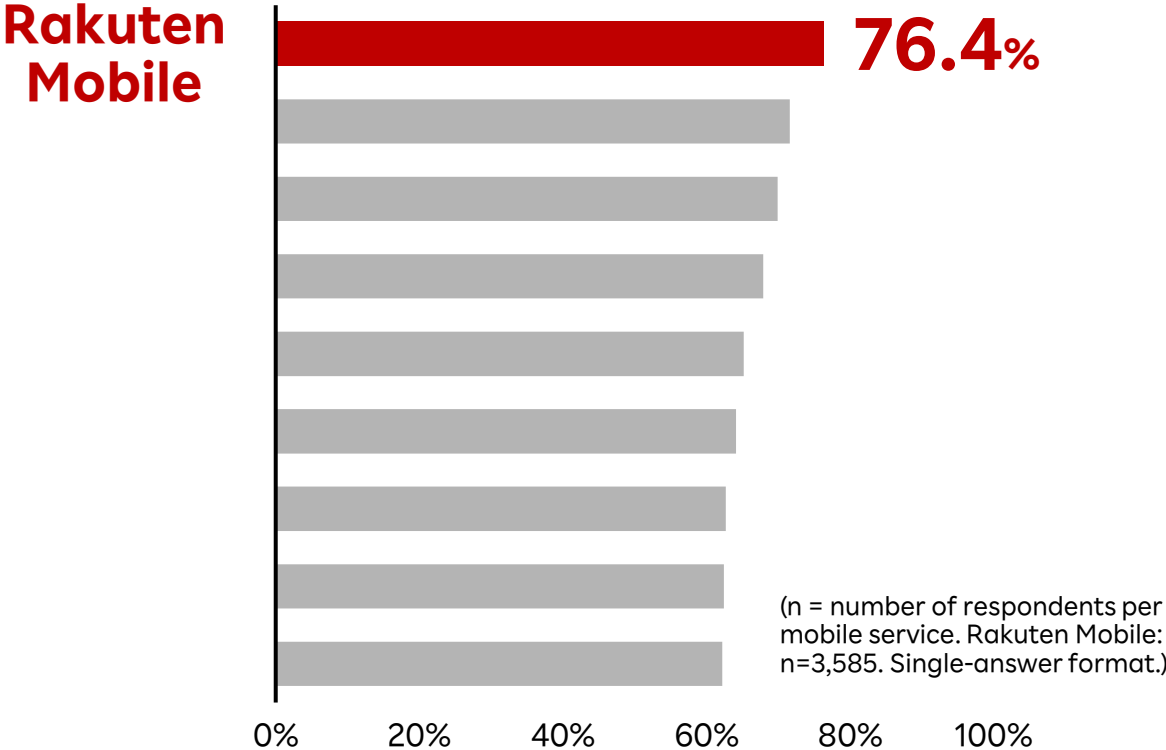
Significant improvement in April during the peak sales season



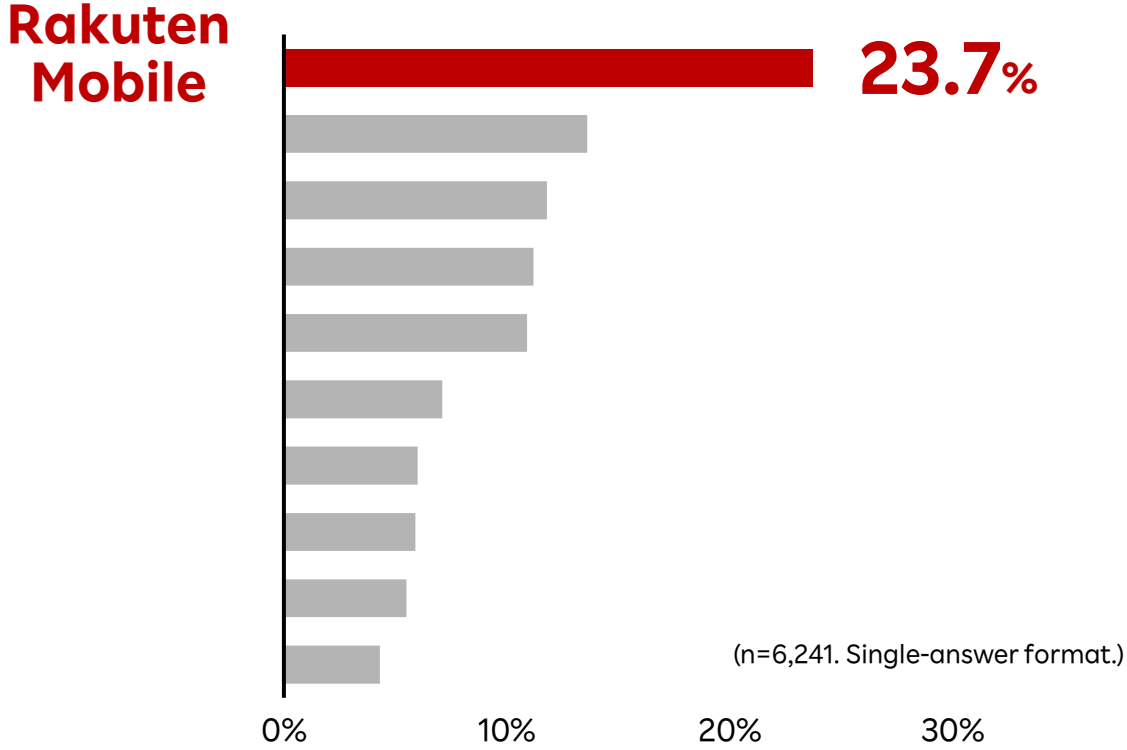
*1: Adjusted churn excludes B2C subscribers who cancelled in the same month a contract was made, and subscribers transferred to BCP etc. due to a change in the method of recording B2B revenue. *2: The figures for April 2026 are preliminary.

Rakuten Mobile Ranked No. 1 in Both Retention Intent and Switching Consideration

Intention to continue using current mobile service



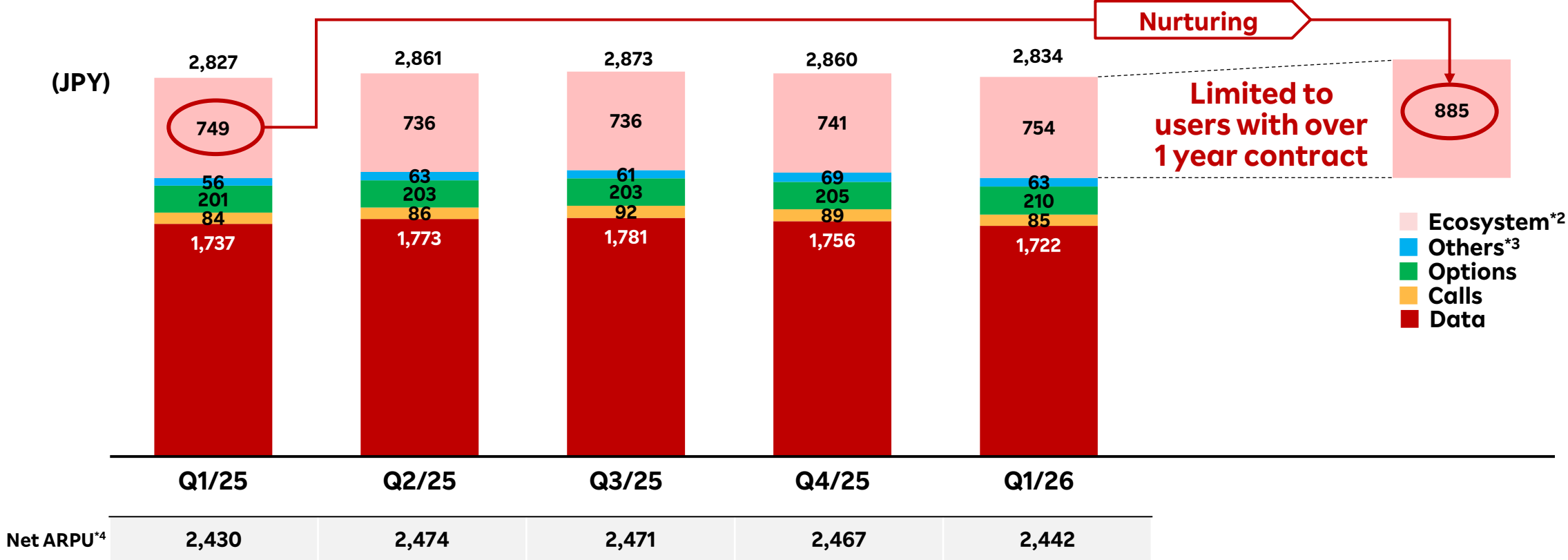
Most considered mobile service for switching



*MMDLaBo "Survey on Mobile Service Switching Considerations, February 2026". Survey period: February 1 – February 5, 2026. Target: 40,000 men and women aged 18–69

MNO ARPU*1: Aiming to Increase ARPU by Boosting Sales of Options

- Options ARPU and Others ARPU continued to grow steadily
- Data ARPU declined due to two technical factors: subscriber mix change from strong B2B additions in Q4/25, and a transitory denominator timing effect from accelerated B2C acquisitions late in Q1/26



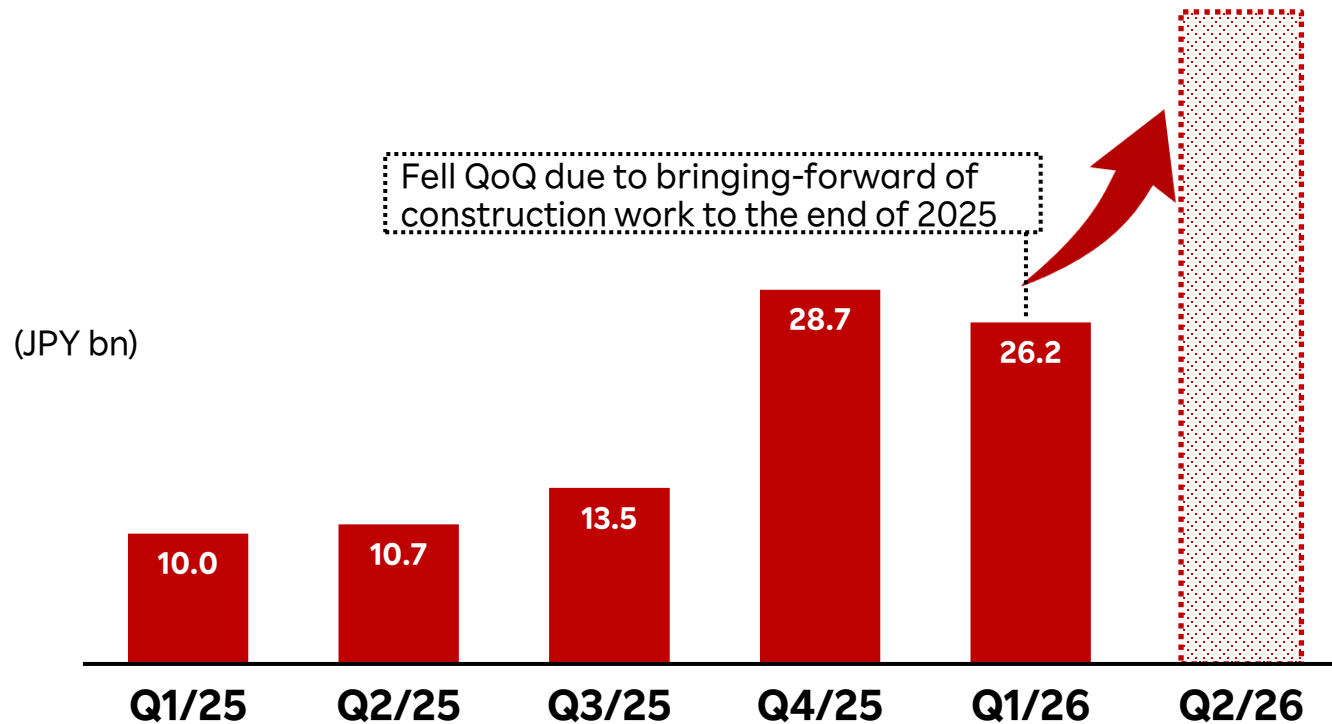
*1: The number of subscribers, which is the denominator for ARPU, is calculated using the average number of MNO subscribers at the beginning and end of each quarter, excluding MVNE and BCP lines.
 *2: Calculated using group revenue uplift effects from effects by MNO subscribers as the numerator. *3: Includes advertising and miscellaneous B2B revenues. *4: Within ARPU, the cost of sales associated with the uplift effect of Rakuten Mobile's MNO subscribers and the effect of sending customers from group companies to the mobile business are deducted from Ecosystem ARPU. Mobile Ecosystem Contribution (net ARPU x number of MNO subscribers) is recorded after sales and operating expenses on Rakuten Mobile's income statement



Capex: Plan to Accelerate Spending Through Measures Aimed at Speeding Up Construction

- Q1 capex: JPY 26.2 bn. Implemented measures since end of 2025 and aim for further acceleration in construction
- Boosted internal workforce and established closer cooperation with affiliated companies

Rakuten mobile network-related capex



Accelerating base station construction from Q2

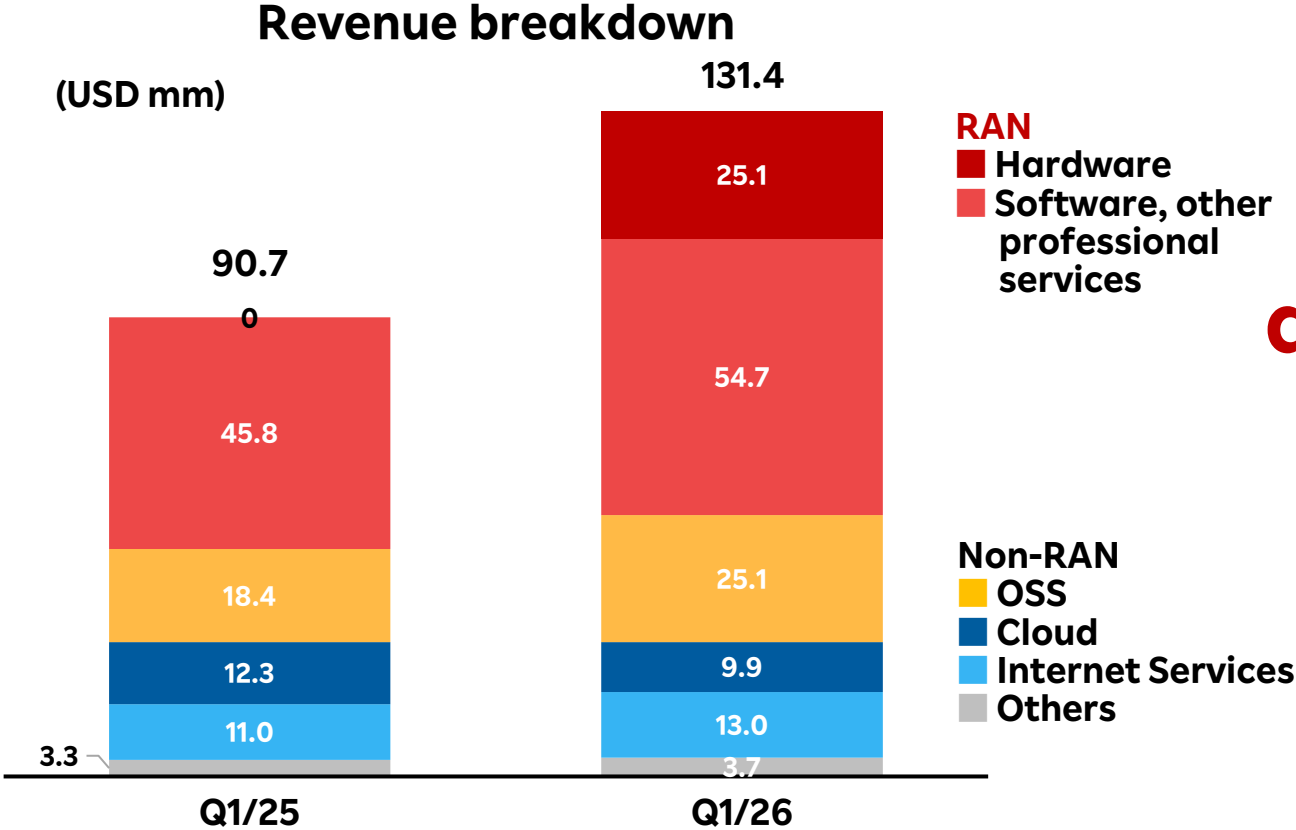
Promoting internal staffing & in-house production of upstream processes

- Internal staff handle the preliminary steps including site selection, negotiating with landowners, and on-site surveys
- Conducting on-site surveys remotely (via real-time video) to address on-site labor shortages

Rakuten Symphony

Rakuten Symphony: Continued Shift to High-Margin Services

- Selected by Japan’s METI for overseas pilot project for a large-scale Open RAN / RAN Intelligent Controller in March 2026
- Launched Rakuten Symphony Japan in March 2026 to drive expansion of cloud for enterprise and OSS (Operational Support System) businesses



Continued shift toward high-margin software and professional services

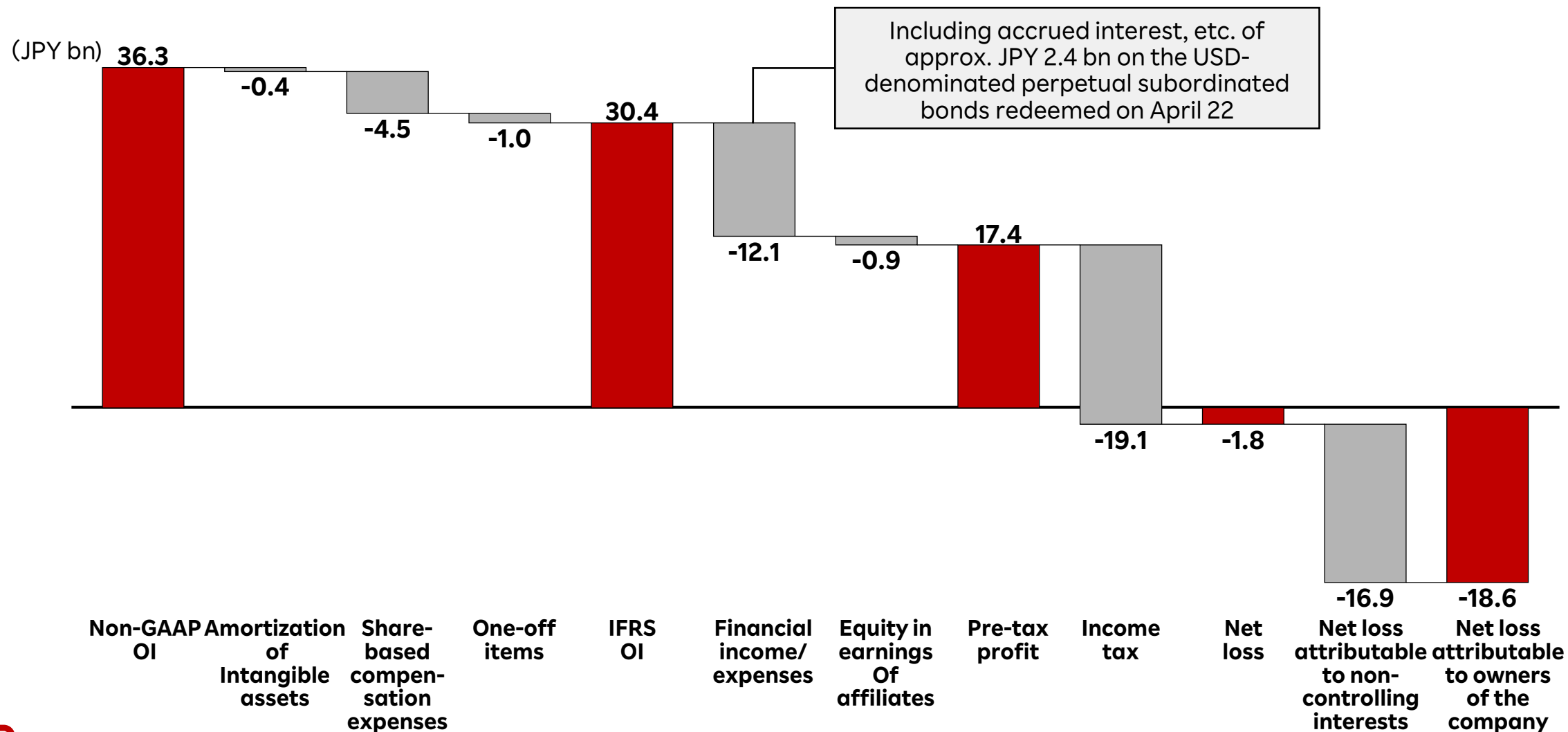
Aiming for increased profitability in FY2026



4. Finance

Q1/26 Consolidated Financial Results Summary

■ Strong start towards significant increases in both Non-GAAP and IFRS OI in FY2026



Financial Strategy

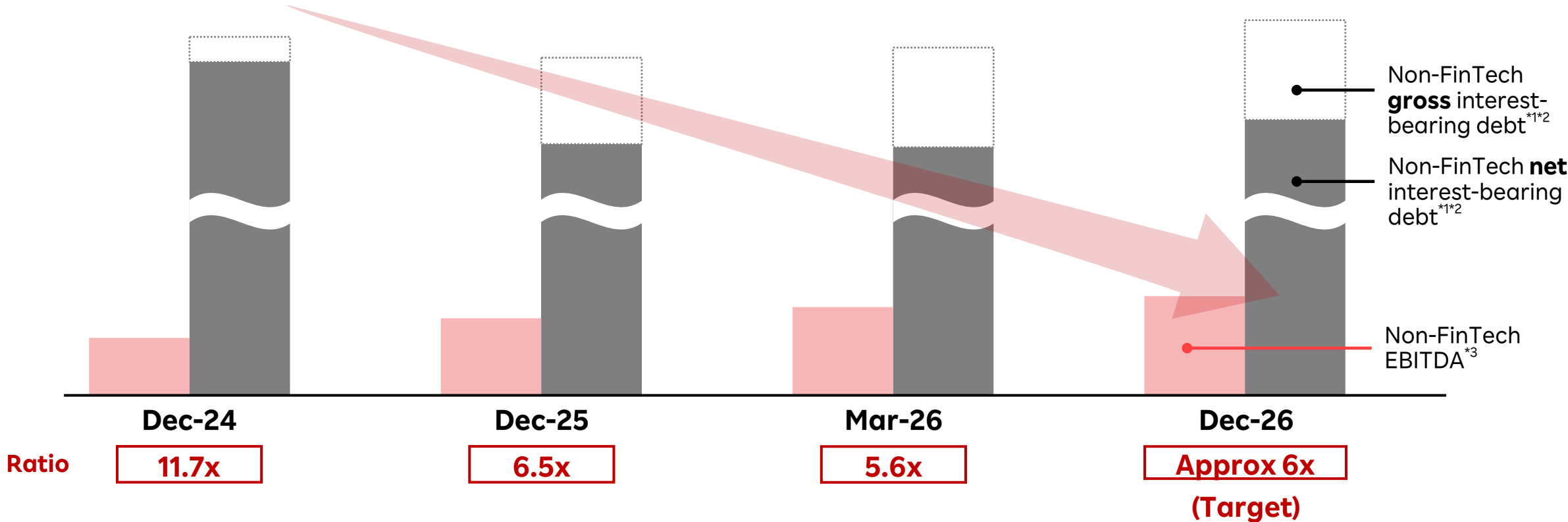
- Continue to maintain the following financial policies and strategies
- Strive to improve profitability in each business and reduce interest-bearing debt in order to achieve targets for non-FinTech net interest-bearing debt/EBITDA and consolidated equity ratios

<p>Policy</p>	<p>Build a stable financial foundation and improving corporate value through appropriate capital allocation</p>		
<p>Strategy</p>	<p>Aim to maintain medium-term financial soundness by continuously improving creditworthiness</p> <table border="1" data-bbox="445 725 2155 936"> <tr> <td data-bbox="445 725 1335 936"> <p>Business side</p> <ul style="list-style-type: none"> • Continuous profit growth in core businesses • Company-wide efficiency improvements and cost reductions • Reduction of working capital • Continuous review of business portfolio </td> <td data-bbox="1345 725 2155 936"> <p>Finance side</p> <ul style="list-style-type: none"> • Reduce interest-bearing debt • Proactive control of repayment schedule </td> </tr> </table>	<p>Business side</p> <ul style="list-style-type: none"> • Continuous profit growth in core businesses • Company-wide efficiency improvements and cost reductions • Reduction of working capital • Continuous review of business portfolio 	<p>Finance side</p> <ul style="list-style-type: none"> • Reduce interest-bearing debt • Proactive control of repayment schedule
<p>Business side</p> <ul style="list-style-type: none"> • Continuous profit growth in core businesses • Company-wide efficiency improvements and cost reductions • Reduction of working capital • Continuous review of business portfolio 	<p>Finance side</p> <ul style="list-style-type: none"> • Reduce interest-bearing debt • Proactive control of repayment schedule 		
<p>Targets</p>	<ol style="list-style-type: none"> 1. Non-FinTech net interest-bearing debt^{*1*2}/EBITDA^{*3}: Less than 5x by 2027 2. Equity ratio: Long-term 10%, Medium-term 5% 		

*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 EBITDA - FinTech EBITDA + dividends and management consulting fees from FinTech businesses (EBITDA is calculated before considering the Mobile Ecosystem Contribution).

Non-FinTech Net Interest-Bearing Debt^{*1*2} / Non-FinTech EBITDA^{*3}

- Aim for Non-FinTech net interest-bearing debt^{*1*2} / Non-FinTech EBITDA^{*3} to be within 5x by 2027
- Aim to reach approx. 6x by the end of 2026. As of Q1/26, the ratio was 5.6x, indicating steady progress



*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. Cash proceeds from the perpetual subordinated notes issued in October 2025 were intended to replace the perpetual subordinated notes that reached their first optional redemption date in April 2026, and are therefore excluded from cash and cash equivalents as of December 31, 2025 and March 31, 2026. *3: Consolidated EBITDA - FinTech EBITDA + dividends and management consulting fees from FinTech businesses (EBITDA is calculated before considering the Mobile Ecosystem Contribution). Total value for the past 12 months.

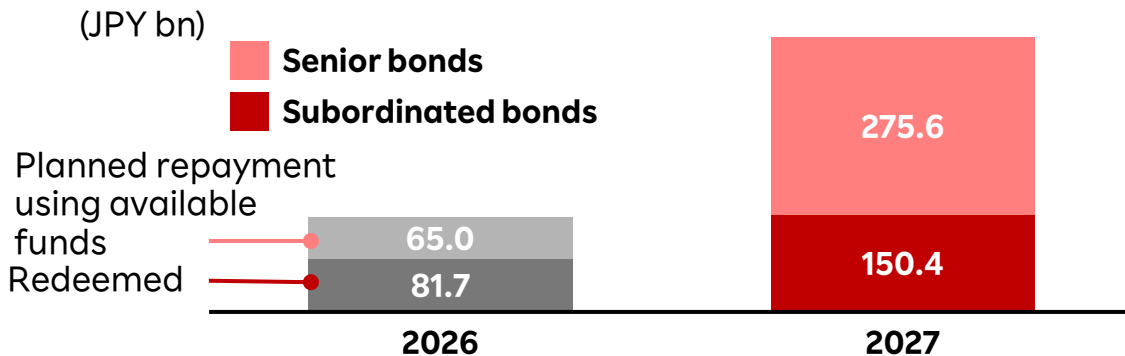
Funding Policy

- USD-denominated perpetual subordinated bonds (USD 750 mm*) were fully redeemed on the first optional redemption date of April 22, 2026
- Looking ahead to the redemption of corporate bonds in FY2027, aim to combine various approaches to proactively and flexibly manage our funding needs

✓ All funds have been secured for the redemption of corporate bonds in 2026

- USD-denominated perpetual subordinated bonds issued in April 2021 were fully redeemed on the first optional redemption date (April 22, 2026)
- Redemption of senior bonds in FY2026 (totaling JPY 65.0 bn) is planned to be funded from cash on hand

✓ FY2027 bond redemption schedule



*Issue price in JPY, using the currency swap contract rate, is JPY 81.7 bn.

📌 Repayment policy from FY2027 onwards

- Proactively manage funding needs while keeping gross debt under control through diverse methods

🔧 Methods

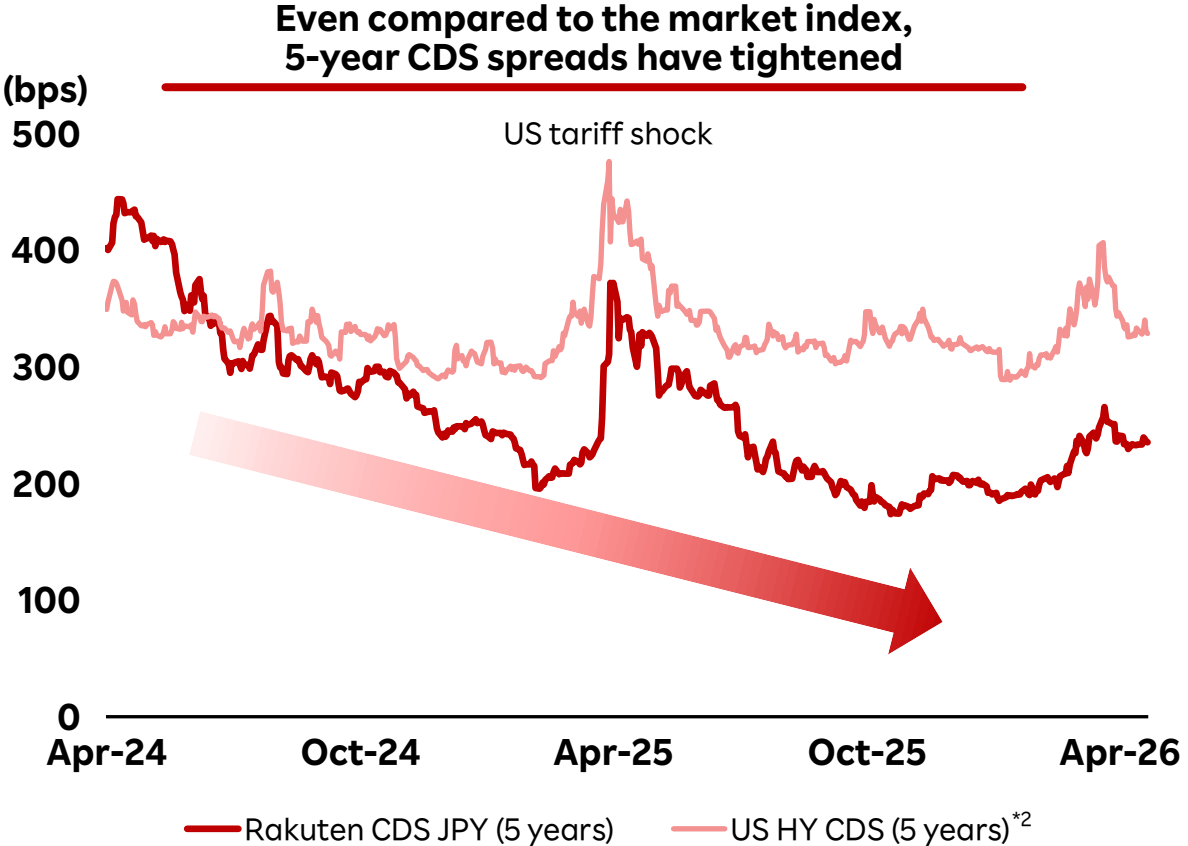
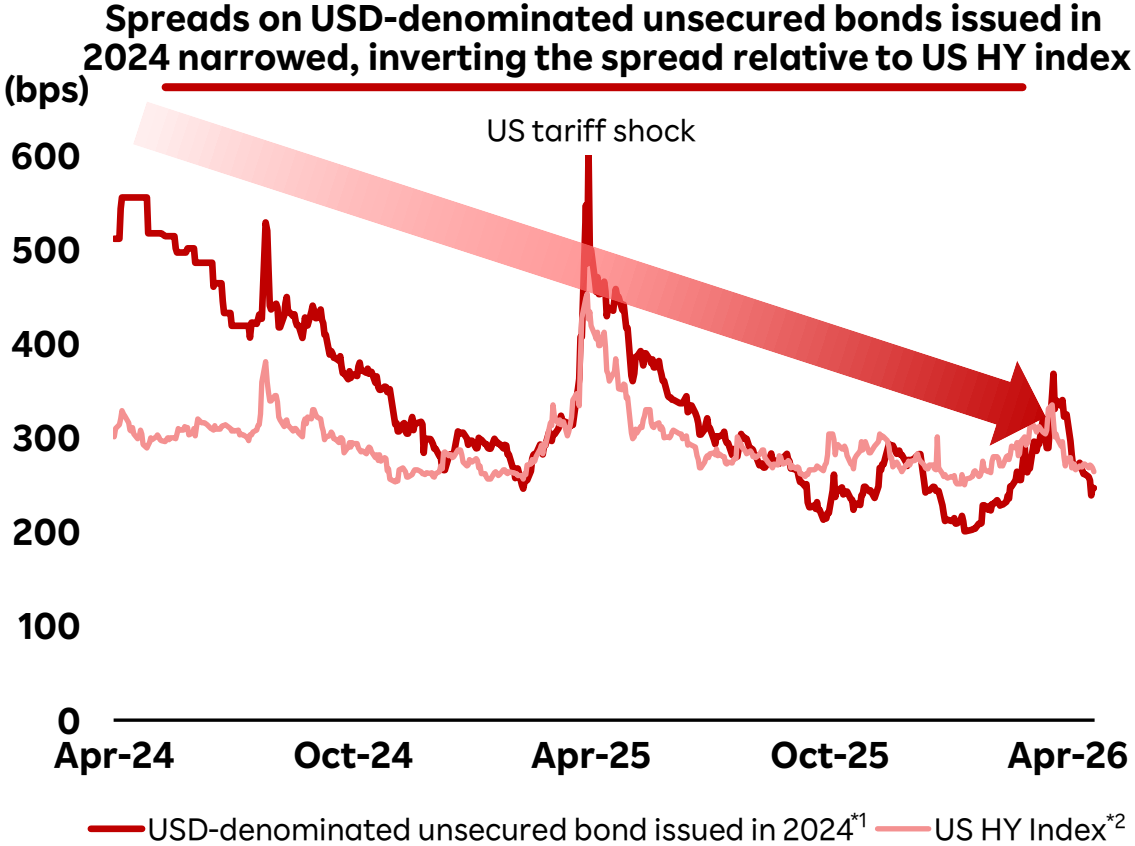
- Free cash flow
- Improvement in the cash conversion cycle
- Other non-interest-bearing debt financing

🏛️ Diverse procurement methods both domestically and internationally



Market Reaction to Our Improved Financial Position

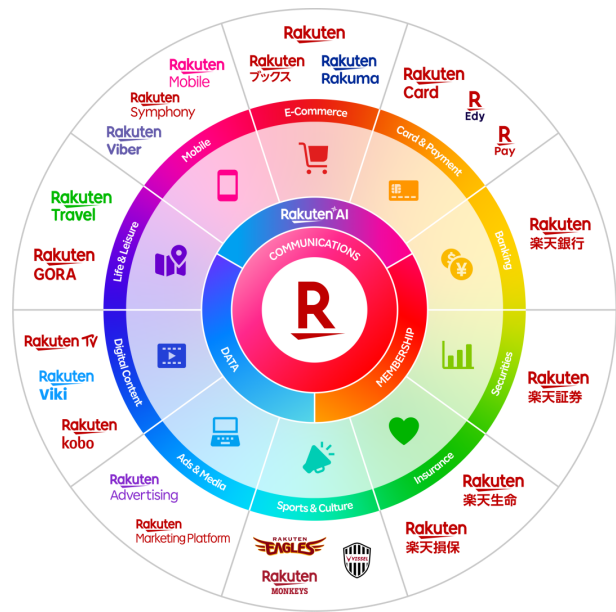
- Market has responded favorably to our efforts to improve financial soundness, and our credit position also continues to improve



*1: USD-denominated unsecured bonds due April 2029 (Issued in April 2024). 2: HY = High Yield (BB rating and under)

5. AI

Rakuten Ecosystem Represents an Exceptionally Strong Competitive Advantage



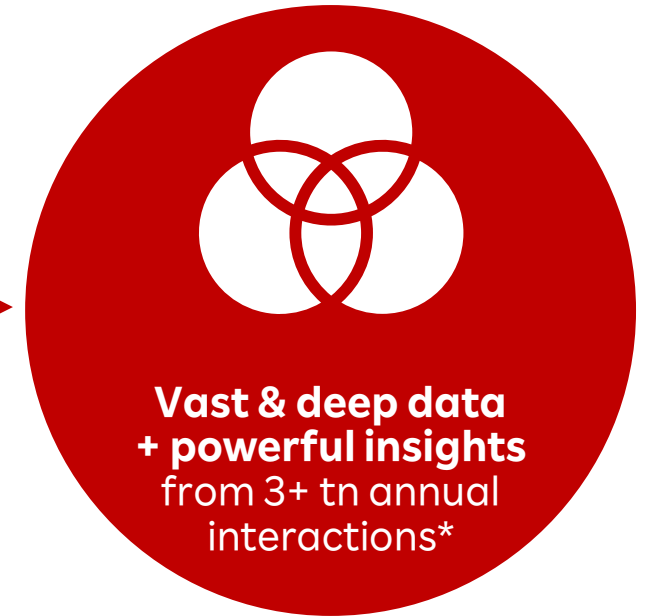
Broad customer reach
across online and over 10 mm
offline touchpoints



A connected ecosystem, trusted
by 45.9 mm MAU in Japan



70+ diverse businesses

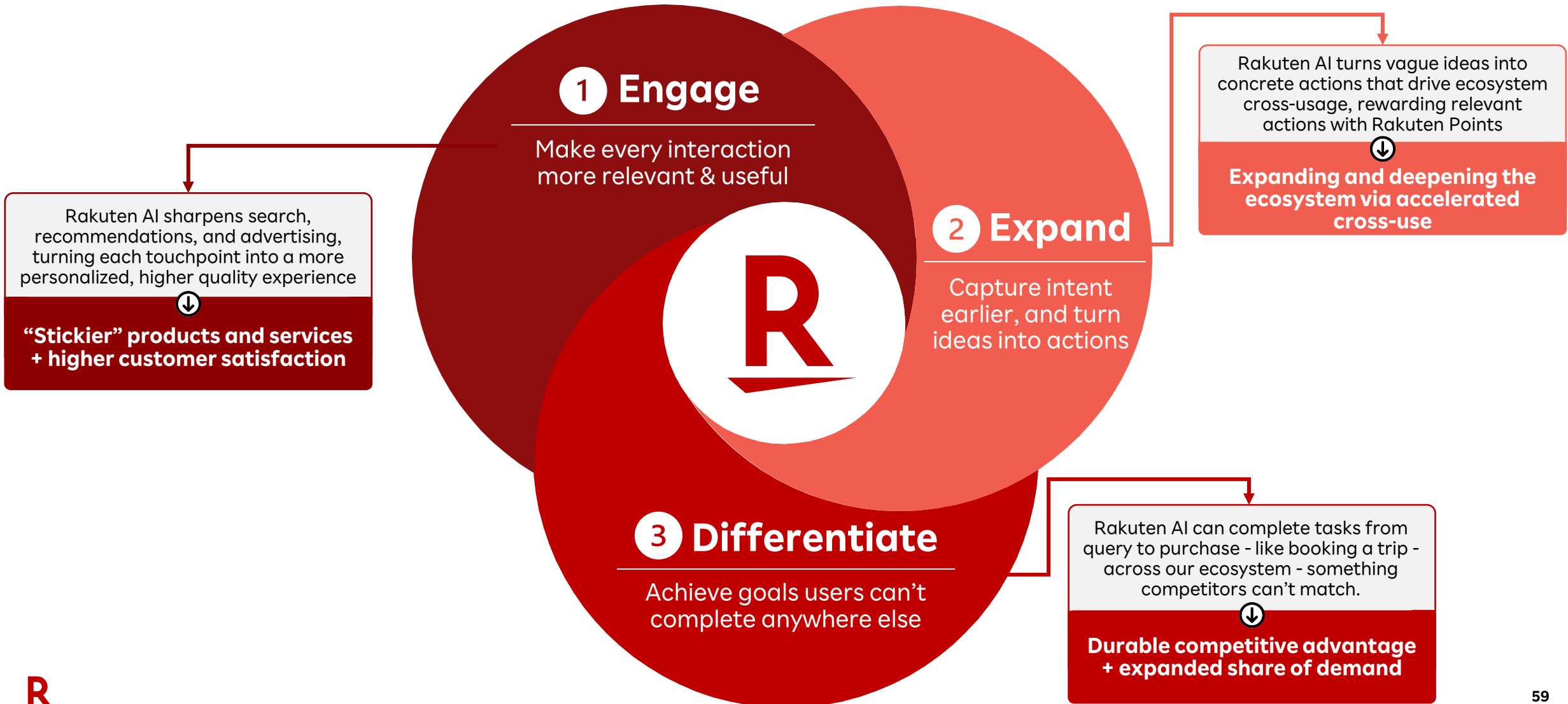


**Vast & deep data
+ powerful insights**
from 3+ tn annual
interactions*

*"Interaction" refers to user actions such as operations, clicks, searches, and purchases across various Rakuten services (Annual cumulative total for Rakuten services in Japan).

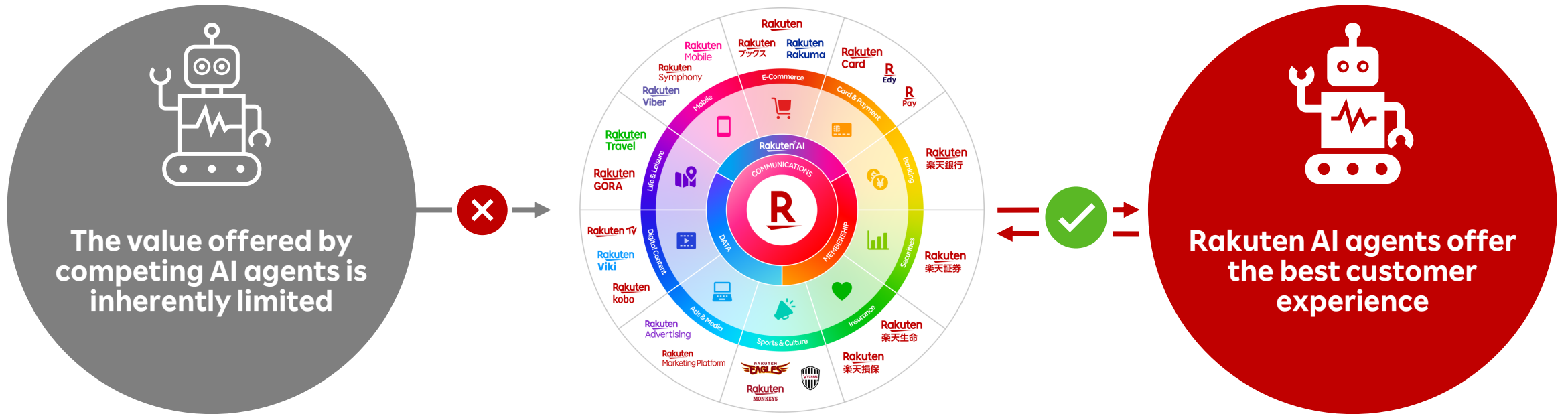
Why Customers Choose Rakuten, and How AI Compounds That Advantage

- AI accelerates our growth flywheel and builds durable differentiation through data



Rakuten Ecosystem + AI: Durable Competitive Advantage through Value-Creation

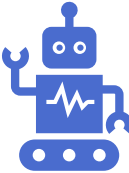
- Rakuten Ecosystem creates compounding value through Points, integrated payments, and cross-service personalization — advantages external AI agents cannot replicate
- Rakuten AI agents activate this ecosystem depth to deliver experiences no standalone agent can match



In the AI era,
data alone is not a moat.
The trust, relationships, and economic value Rakuten Ecosystem delivers are.

Disruption in Traditional Search Creates an Opening for Rakuten to Capture Intent Earlier with Agents

■ Rakuten is built to win with specialized domain agents today; ecosystem-wide super agent tomorrow.



Specialized agents embedded into each Rakuten service

Allows customers to skip traditional web search and come to Rakuten for discovery, consideration, and purchase decisions



The best choice for **specific queries**



Super Agent that helps users accomplish goals and complete tasks

Super Agent knows intent better through memory and deeper customer insight. It plans, executes and iterates towards the goal



The best choice for **general queries**

Rakuten AI Model Family: Simultaneously Enhancing Customer Experience and Minimizing Costs

Rakuten AI Strategy Framework

Build the best, partner with the best

Collaborations with the best AI companies including Anthropic, OpenAI, Google, Microsoft and emerging stars. Build the best on top of open source

Innovate on top of open source

Deeply understand the technology fundamentals, then select the best open model to address each customer need

Train with our unique data

Leverage our vast high-quality, curated data sets accumulated over many years and domains.

Optimize for specific tasks

Understand the problem, analyze requirements and build evaluation set and flywheel

Rakuten AI Language Models



Our first LLM.
Best-in-class Japanese performance at launch



~8x the power of 7B,
only ~2.5x more expensive to run



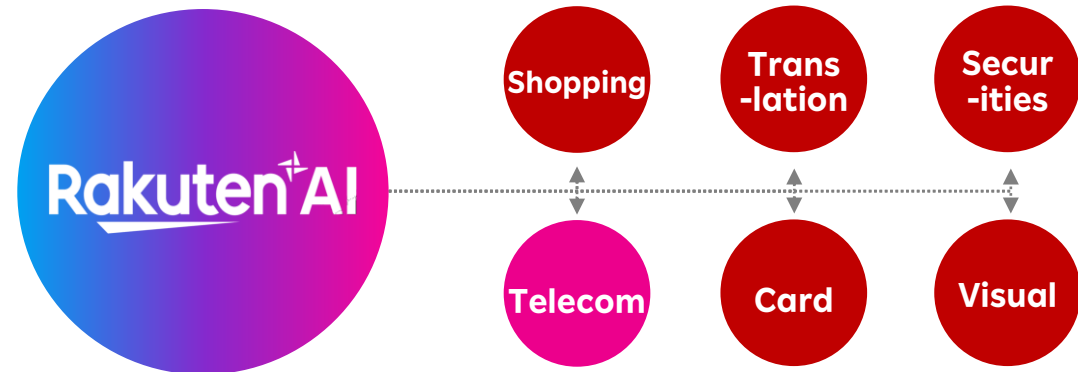
1.5B parameters, designed for **secure use on the edge**



700B parameters, our **most powerful model yet**

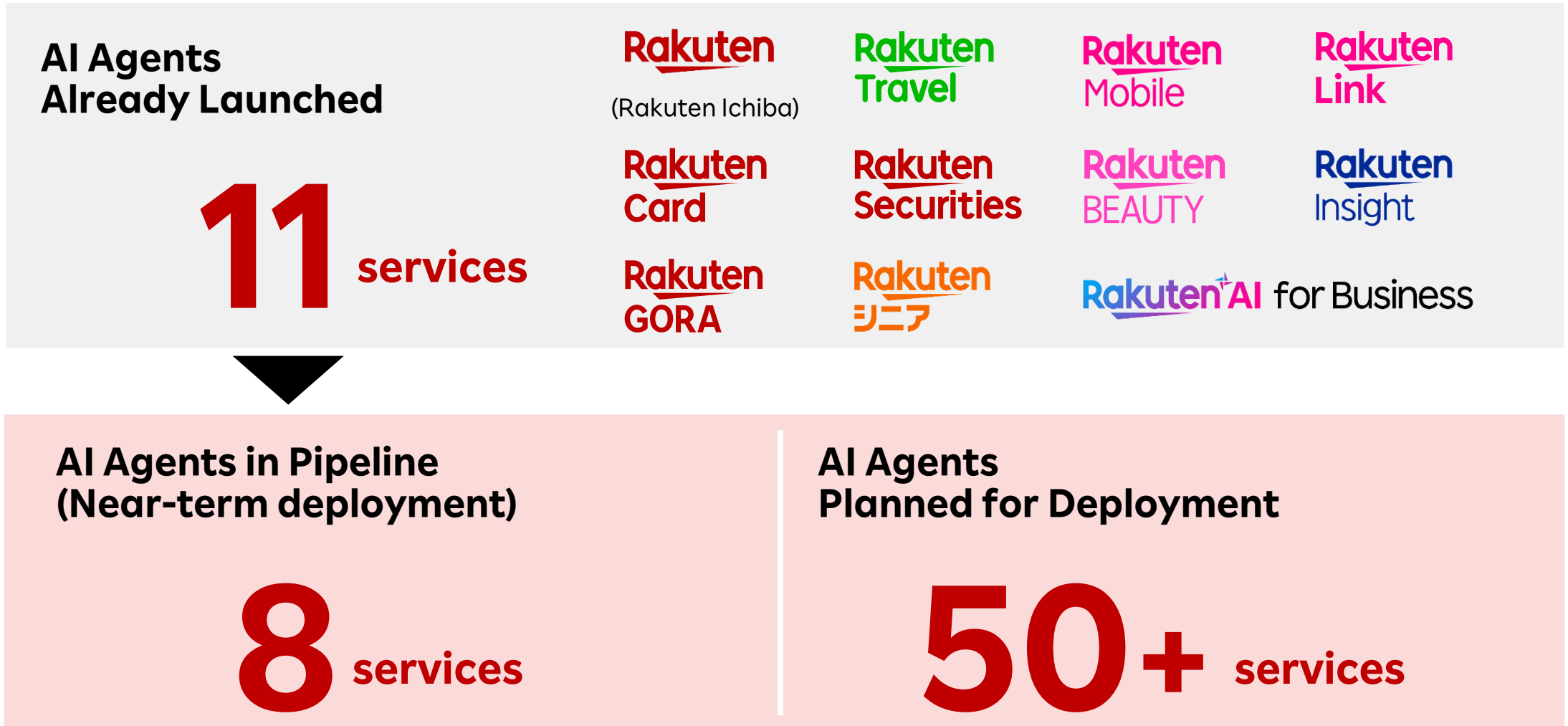
Domain and task-specific models

Distill* Rakuten AI and open Large Language Models (LLMs) into high-performance Small Language Models (SLMs) optimized for the unique needs of each domain



AI Agents: Strong Execution Momentum

- Steady deployment of AI agents across Rakuten Ecosystem



Rakuten

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

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