

# Fiscal Year 2010 First Quarter Financial Results

May 13th, 2010  
Rakuten, Inc.

This presentation includes forward-looking statements relating to our future plans, targets, objectives, expectations and intentions. The forward-looking statements reflect management's current assumptions and expectations of future events, and accordingly, they are inherently susceptible to uncertainties and changes in circumstances and are not guarantees of future performance. Actual results may differ materially, for a wide range of possible reasons, including general industry and market conditions and general international economic conditions. In light of the many risks and uncertainties, you are advised not to put undue reliance on these statements. The management targets included in this presentation are not projections, and do not represent management's current estimates of future performance. Rather, they represent targets that management strive to achieve through the successful implementation of the Company's business strategies. The Company may be unsuccessful in implementing its business strategies, and management may fail to achieve its targets. The Company is under no obligation – and expressly disclaims any such obligation – to update or alter its forward-looking statements.

## **1** Results of FY2010 First Quarter and Strategy

## **2** Operating Results of Key Businesses

1. Rakuten Ichiba Business
2. Travel Business
3. Credit Card Business
4. E-Money Business
5. Banking Business
6. Securities Business
7. Telecommunication Business

## **Appendix**

- Financial Information
- Other Information

1.

## Recorded highest operating profit and ordinary profit for the first quarter

- Operating Profit ¥12.9 bn (+32.2%, YoY)
- Ordinary Profit ¥12.6 bn (+38.6%, YoY)

2.

## Expanded Rakuten Ecosystem by enhancing Settlement Services

- Full-entry into E-Money Business by consolidation of bitWallet
- eBANK changed its name to Rakuten Bank

3.

## Enhanced Performance Marketing Business

2

# **1** Results of FY2010 First Quarter and Strategy

# Summary of Consolidated Results FY2010 Q1 Rakuten

(Billion Yen)

	2009/Q1 (Jan-Mar)		2010/Q1 (Jan-Mar)			
	Consolidated	Excluding Credit Card Business	Consolidated	YoY	Excluding Credit Card Business	YoY
<b>Sales</b>	<b>66.3</b>	<b>52.0</b>	<b>79.1</b>	<b>+19.3%</b>	<b>63.5</b>	<b>+22.1%</b>
<b>Operating Profit</b>	<b>9.8</b>	<b>8.9</b>	<b>12.9</b>	<b>+32.2%</b>	<b>12.8</b>	<b>+44.6%</b>
<b>Ordinary Profit</b>	<b>9.1</b>	<b>8.1</b>	<b>12.6</b>	<b>+38.6%</b>	<b>12.5</b>	<b>+52.9%</b>
<b>EBITDA*</b>	<b>15.2</b>	<b>13.0</b>	<b>18.5</b>	<b>+21.3%</b>	<b>17.7</b>	<b>+35.7%</b>
<b>Net Profit</b>	<b>25.2</b>		<b>6.8</b>	<b>-73.0%</b>		

\*EBITDA=Ordinary Profit +Interest expense + Depreciation + Amortization of good will - Effect of securitizing loan receivables

# Summary of Consolidated Results FY2010 Q1 by Business Category

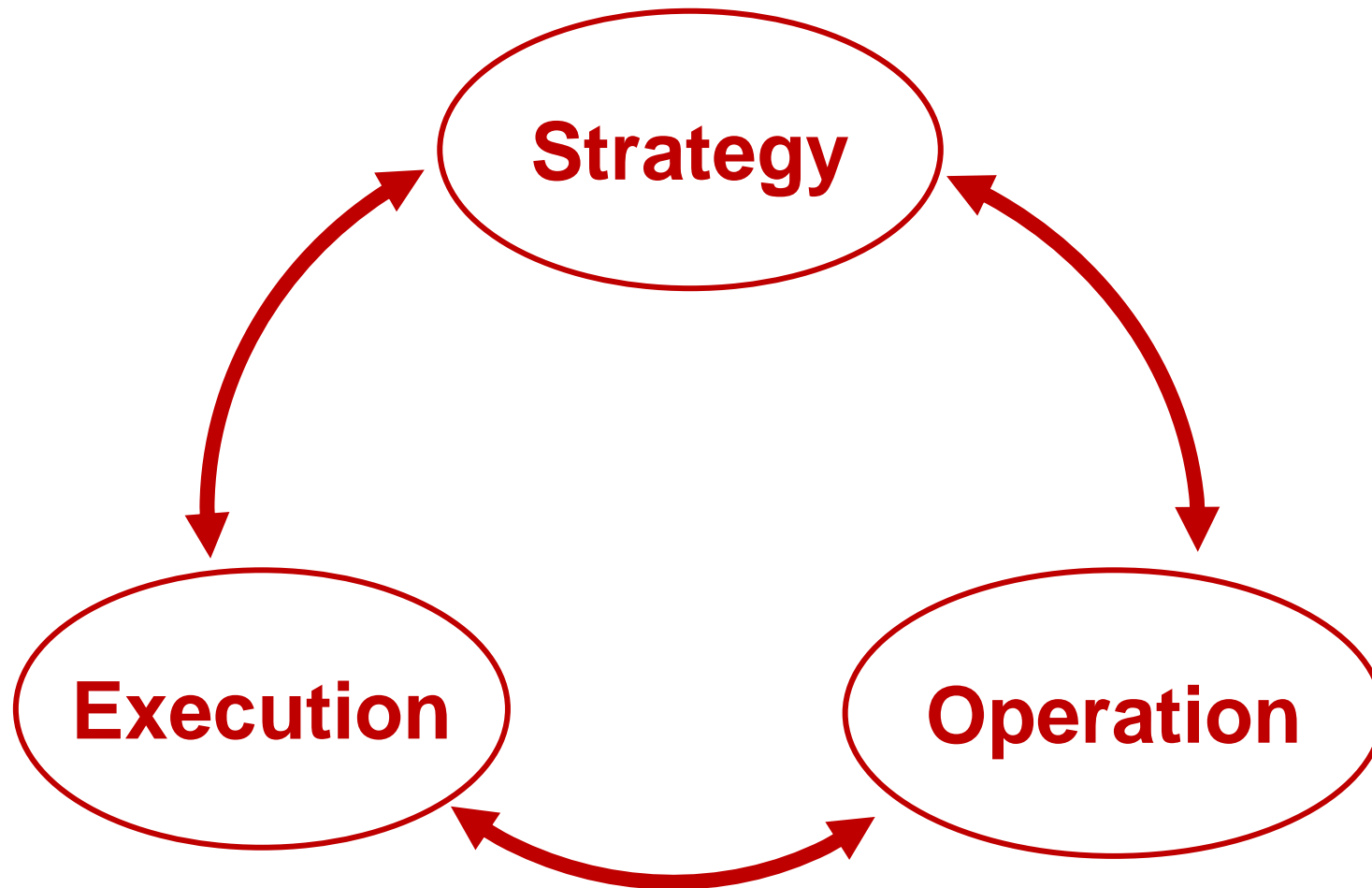


(Billion Yen)

			2009/Q1 (Jan-Mar)			2010/Q1 (Jan-Mar)				
			Sales	OP	OPM	Sales	YoY	OP	YoY	OPM
Internet Services	E-Commerce Travel Portal and Media	Net*1	30.7	9.8	31.9%	38.5	+25.3%	11.6	+18.9%	30.3%
		Gross (accounting)	34.6	9.8	28.3%	44.3	+27.8%	11.6	+18.9%	26.3%
Internet Finance	Credit Card Banking Securities E-Money *2		26.4	0.8	3.2%	31.5	+19.3%	1.6	+93.8%	5.2%
Others	Telecommunication Professional sports		7.7	-0.9	-	7.0	-8.7%	-0.6	-	-
Corporate and Internal elimination			-2.4	0.1	-	-3.7	-	0.3	-	-
Consolidated		Net*1	62.4	9.8	15.7%	73.4	17.6%	12.9	+32.2%	17.7%
		Gross (accounting)	66.3	9.8	14.8%	79.1	+19.3%	12.9	+32.2%	16.4%

\*1(reference): Calculated based on Gross Profit for Package Media (inventory-type business).

\*2: Started consolidation with bitWallet, Inc. in 2010 Q1

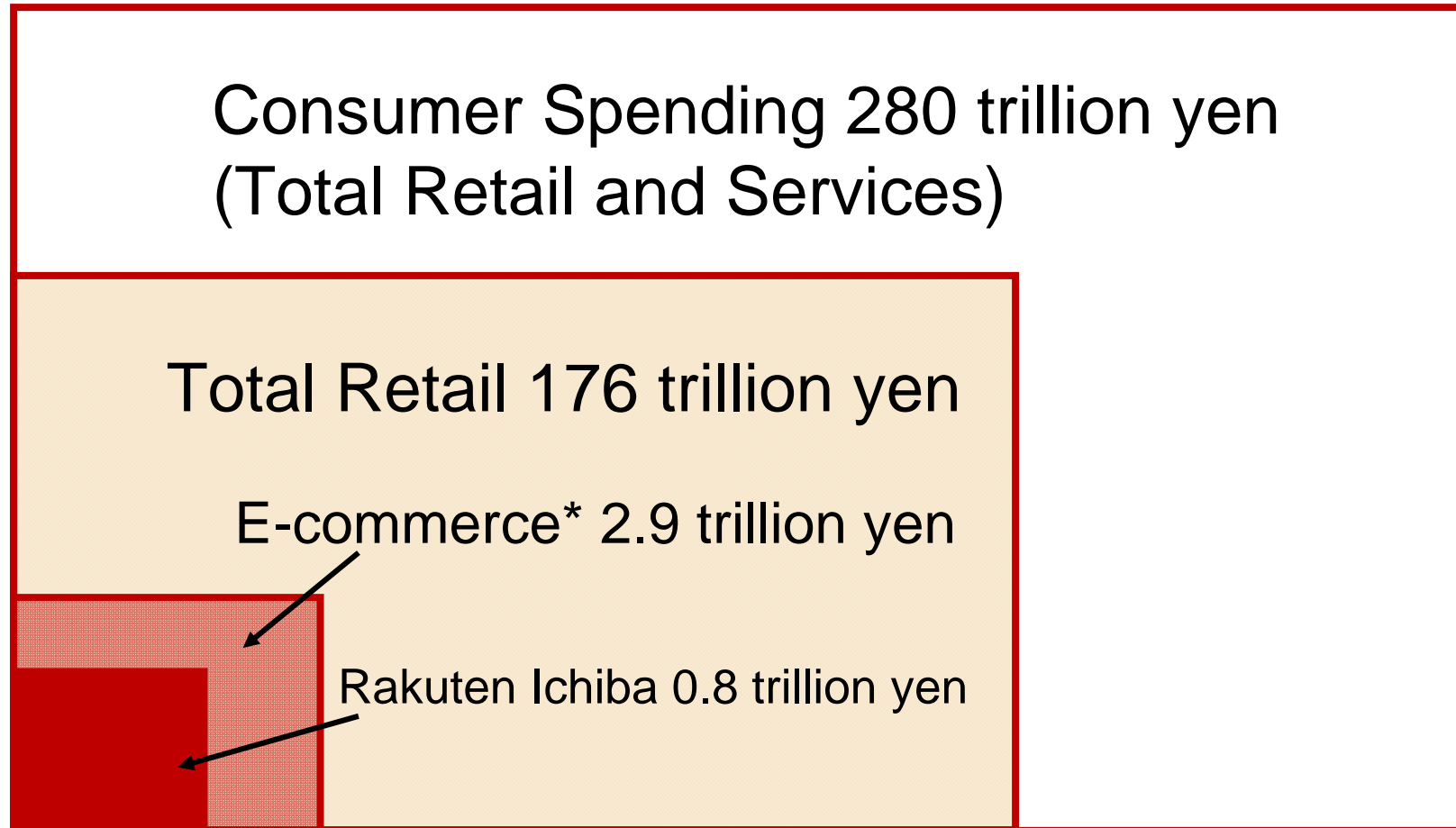




# Strategy



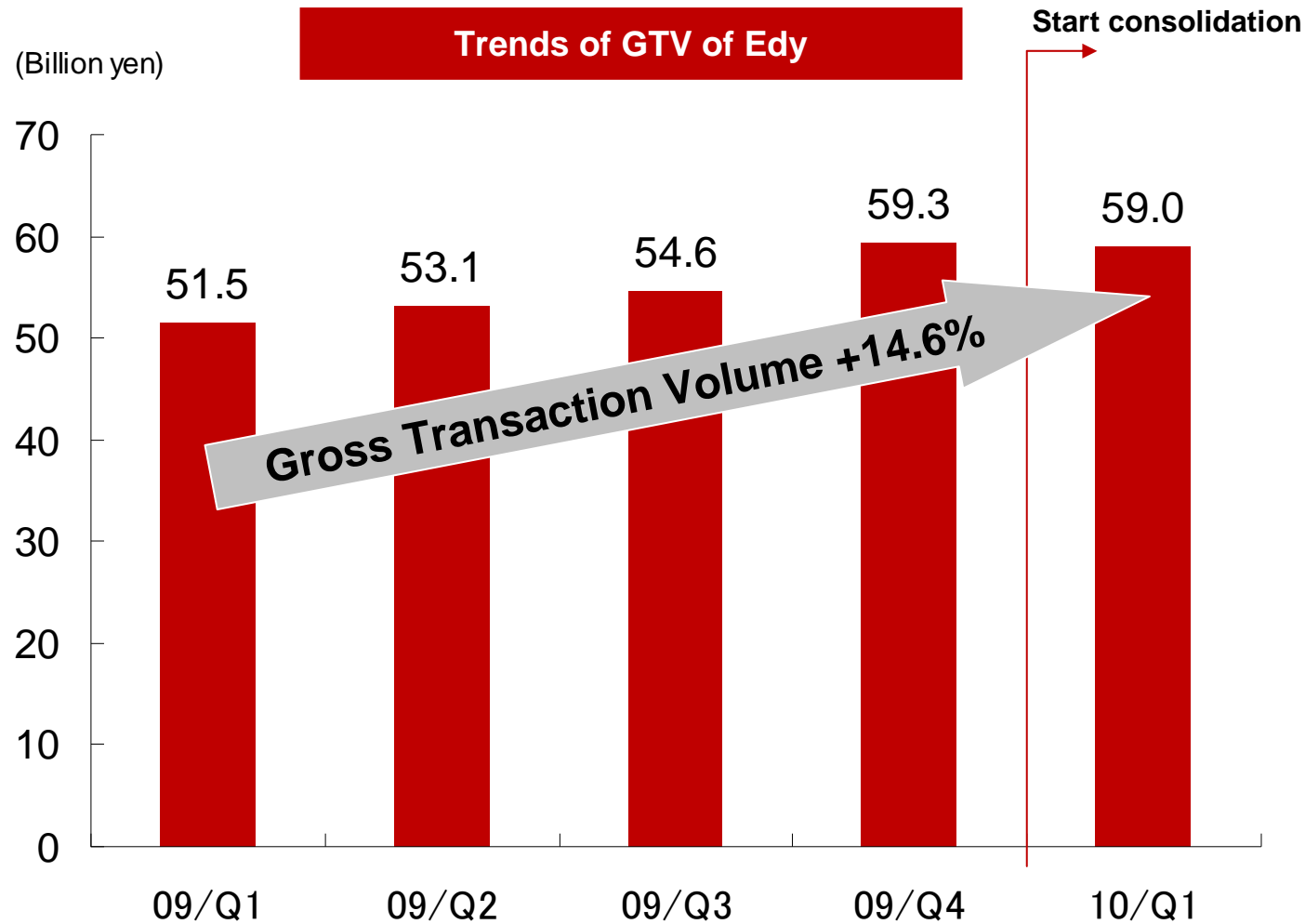
- More revenue opportunities from off-line small amount settlement



Source : "Domestic final consumption expenditure of households (Fiscal 2008)" Cabinet Office, Government of Japan , "Research in IT Utilization in Japan 2008" The Ministry of Economy, Trade and Industry

\*: excl. service, travel booking

- Gross Transaction Volume of bitWallet's E-Money "Edy" grew by +14.6% (YoY)

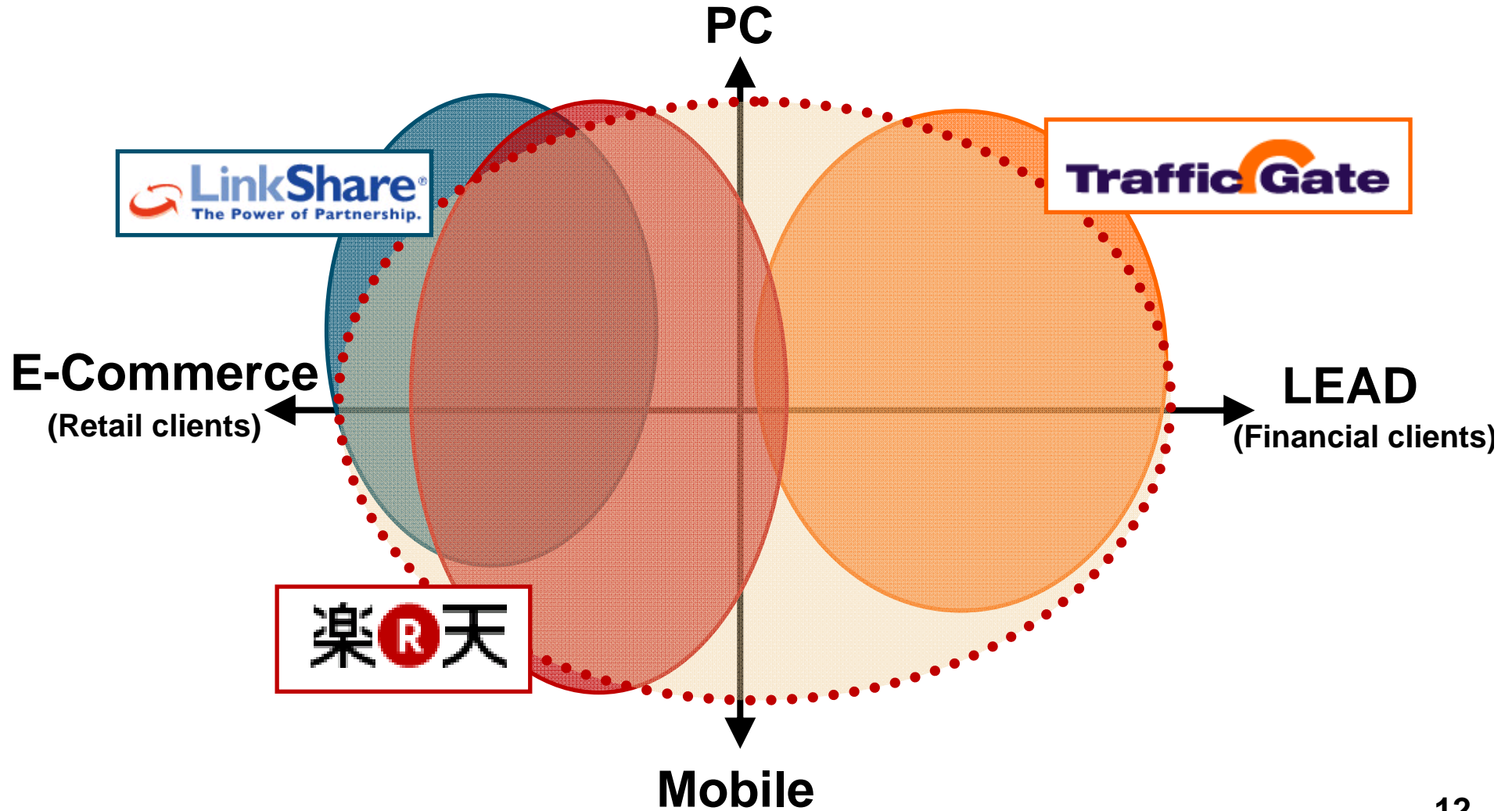


- Completed on May 4th 2010
- Clarify its identity as a Rakuten Group Company
- Maximizing Rakuten Group Synergy

楽天

楽天銀行

- **Merged LinkShare Japan K. K. and Traffic Gate Ltd., became No.1 Affiliate Service Provider in Japan**
- **Provide Global affiliate Service through collaboration with U.S. LinkShare**
- **Seek benefit from economy of scale by integrating Global Affiliate Platform**

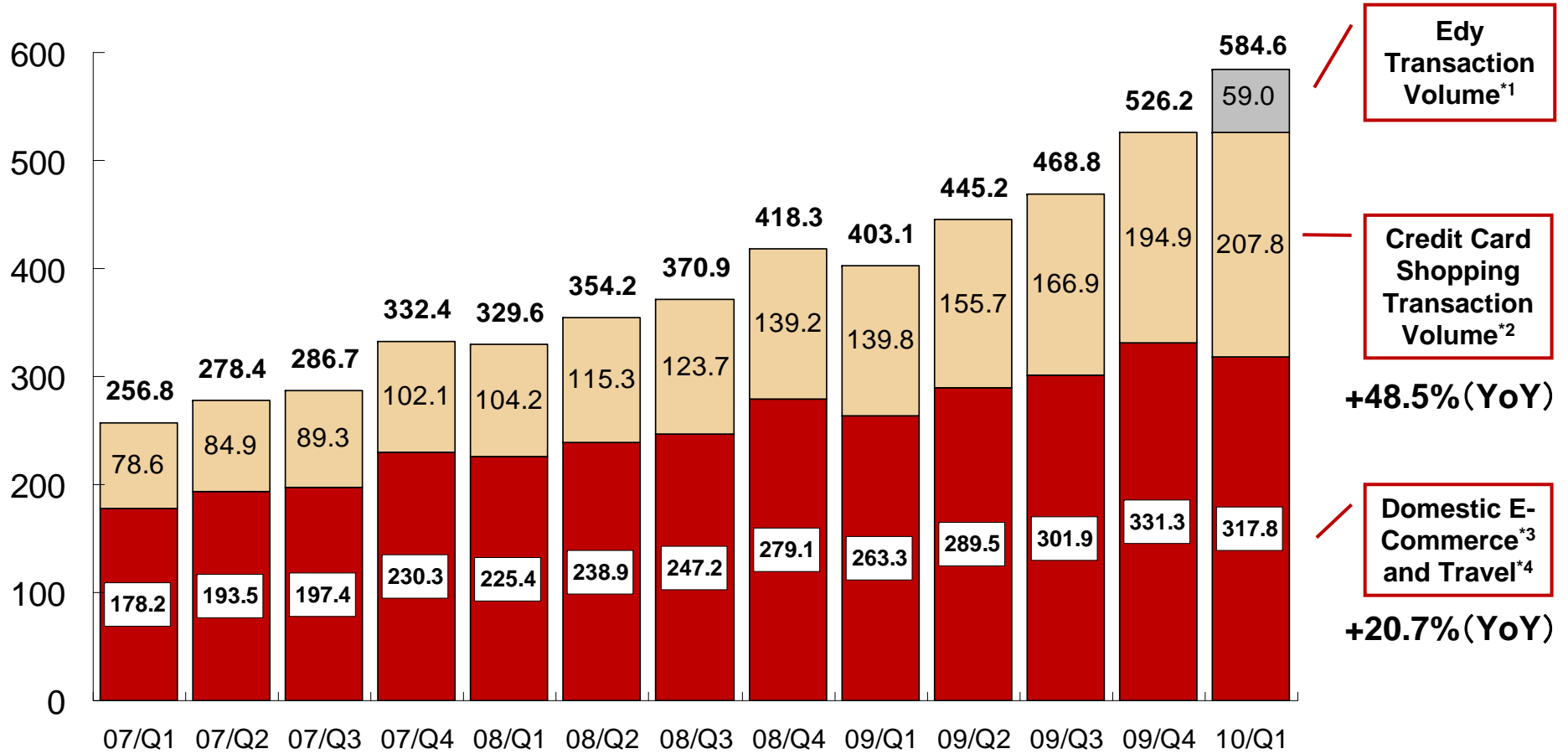




# Execution

# Group Gross Transaction Volume (Incl. Credit Card and E-Money)

(Billion Yen)



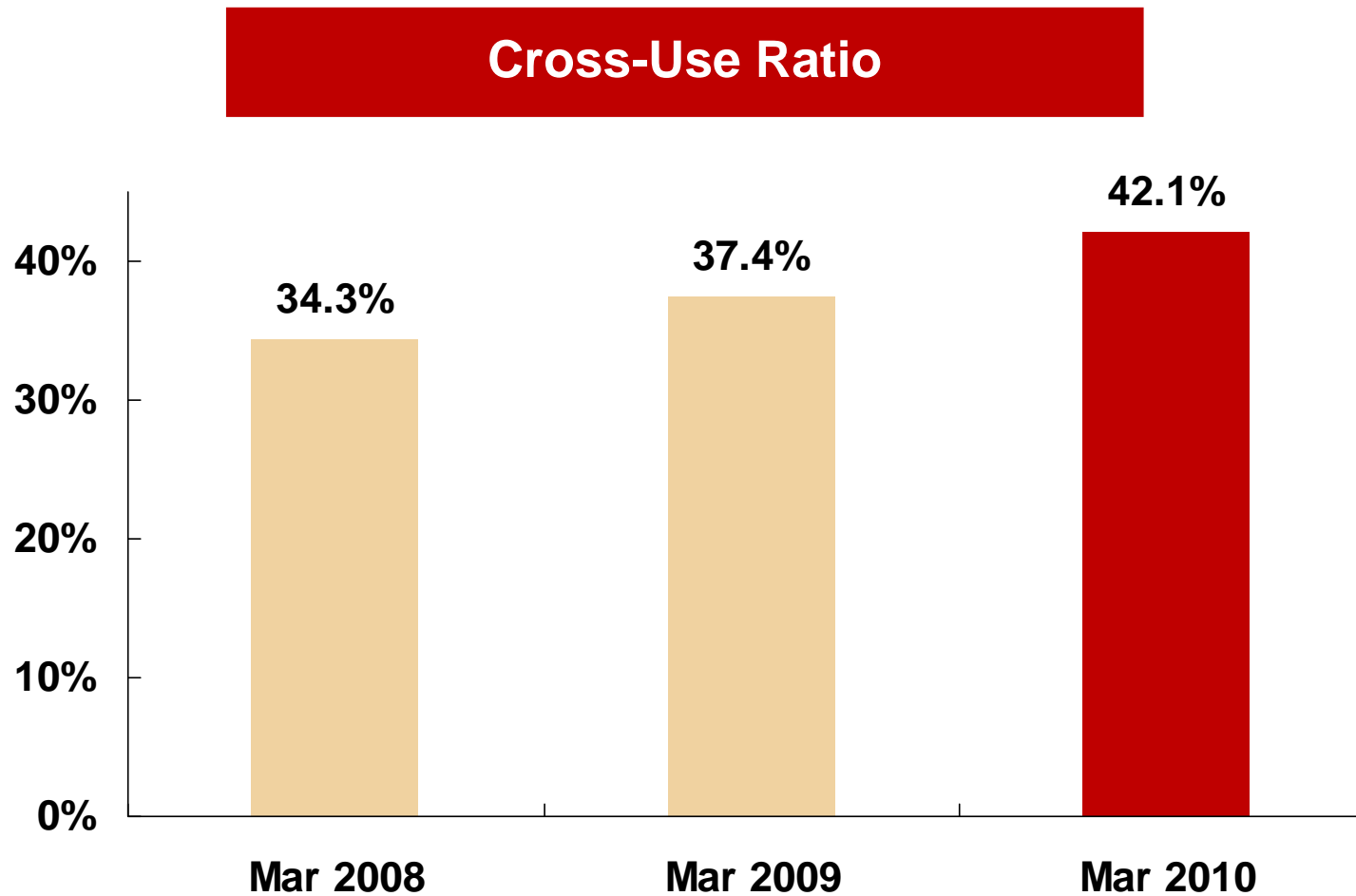
\*1:Edy Transaction Volume= Amount settled by E-Money " Edy" (including mobile and cards)

\*2:Credit Card Shopping Transaction Volume= Shopping Transaction Volume of credit cards issued by Rakuten KC, including Rakuten group service use

\*3: Domestic E-Commerce =Mall (Fixed-price, Group purchase, Mobile, Business, Golf, Books, Auction (Flea market), download, tickets, Internet Supermarket, Check Out, Off-track betting)

\*4:Travel (before cancellation, excl. tax) = Domestic/international accommodation booking, International air tickets, Domestic/international dynamic packaging, Domestic bus service, Rental car service

- Point program strategy accelerated Cross-Use Ratio, surpassed 40%



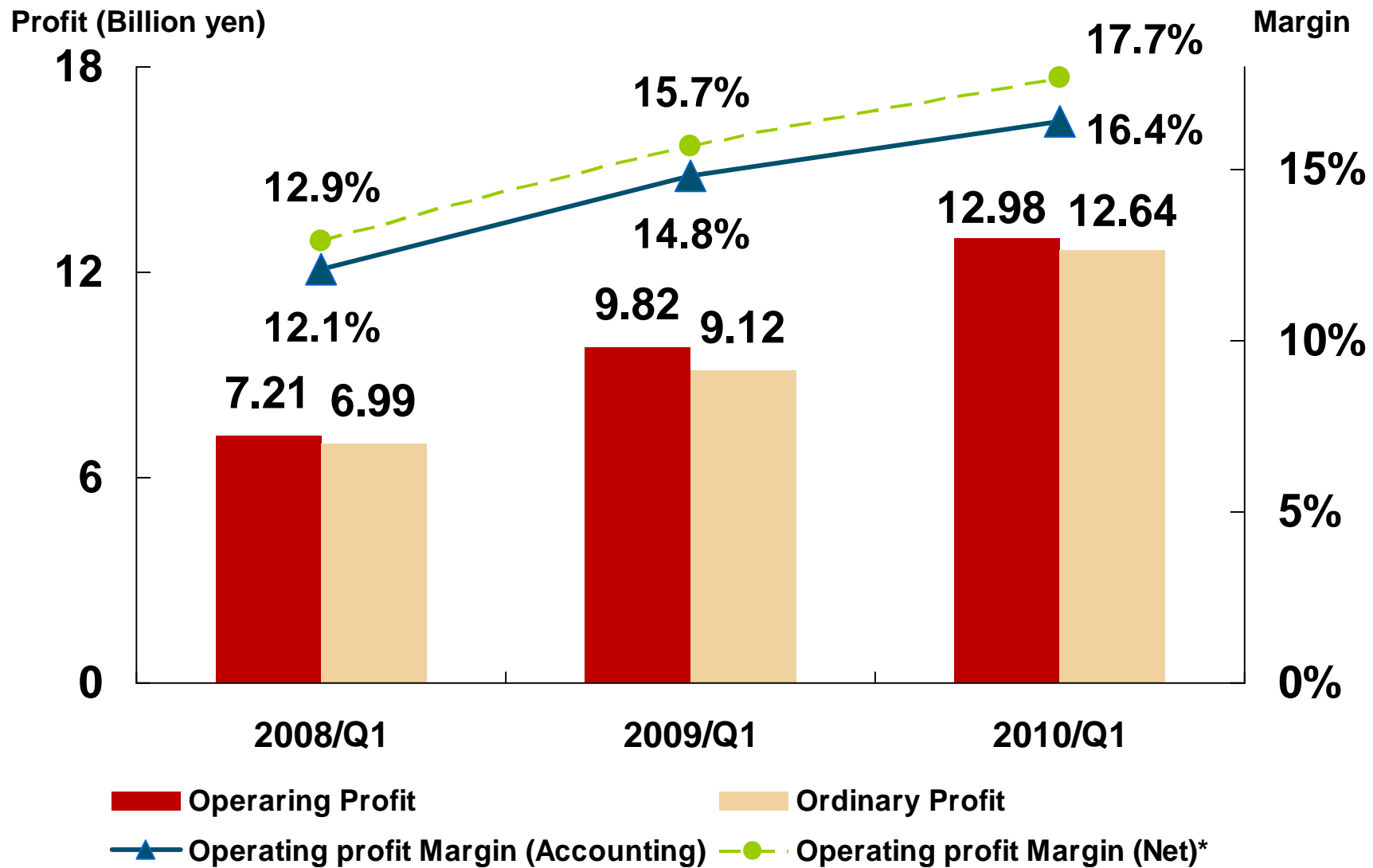
\* Purchasing ratio of Rakuten members who have utilized other Rakuten services during the past 12 months of the listed month.

\* Applicable services are limited to those which can earn Rakuten Super Points (excl. Securities)





**Operation**



\*(reference): Calculated based on Gross Profit for Package Media (inventory business).

## **2** Operating Results of Key Businesses

1. Rakuten Ichiba Business
2. Travel Business
3. Credit Card Business
4. E-Money Business
5. Banking Business
6. Securities Business
7. Telecommunication Business

## **2** -1 Rakuten Ichiba Business

■ Maintained high growth in **GMS and Sales**



■ Stable growth of **GMS +19.3%** (YoY)

■ **Sales +18.4%** (YoY)

■ Number of merchants surpassed **33,000**



■ Continue to strengthen the “**Area Strategy**”

■ Initiate “**Genre Strategy**” along with merchants

■ Initiatives to attract new users



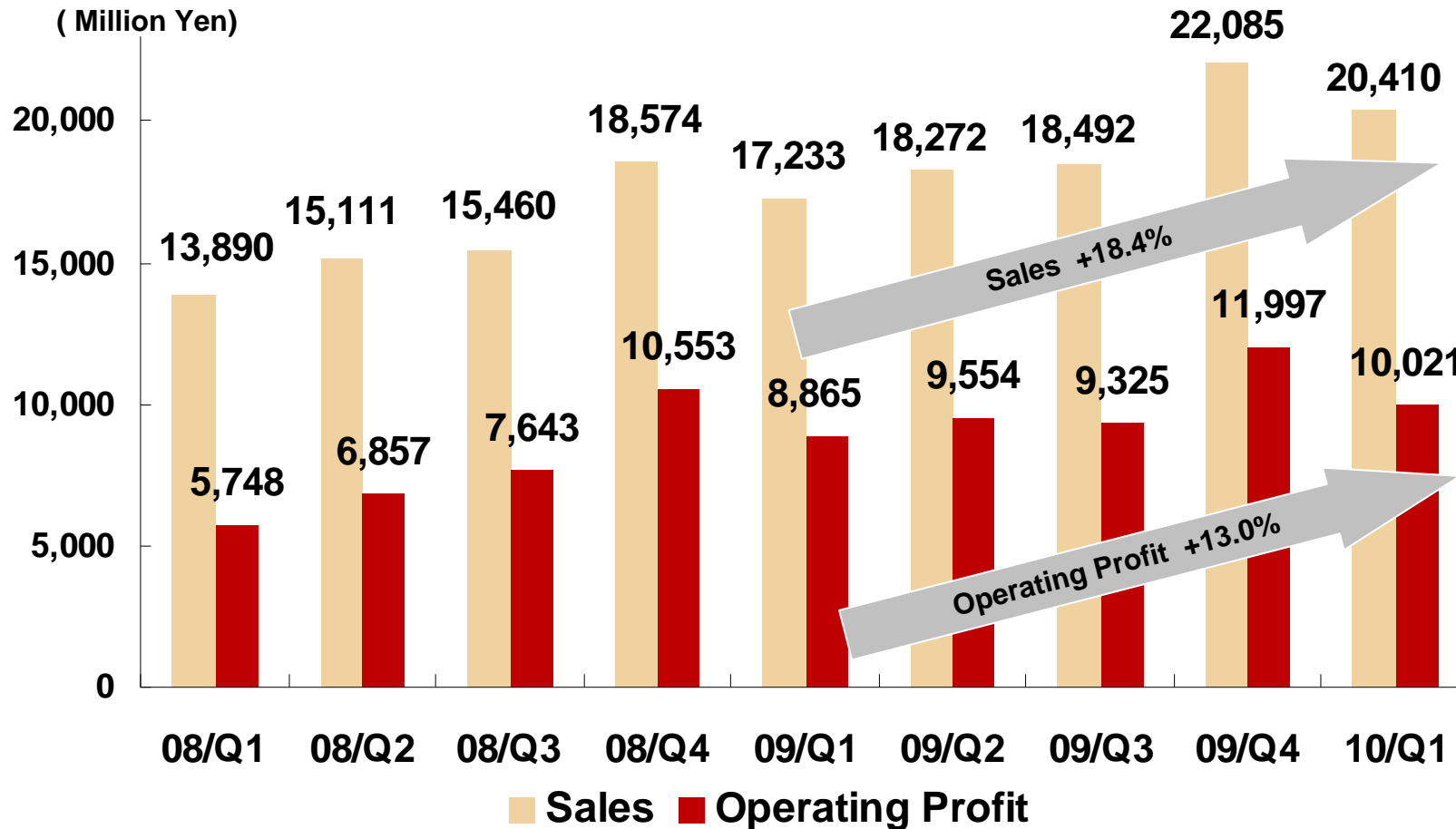
■ Held “**Off-line**” events

e.g. collaboration with department stores and fashion shows

■ Adding features for **Smartphones**

■ Sales Growth +18.4% (YoY), Operating Profit Growth +13.0% (YoY)

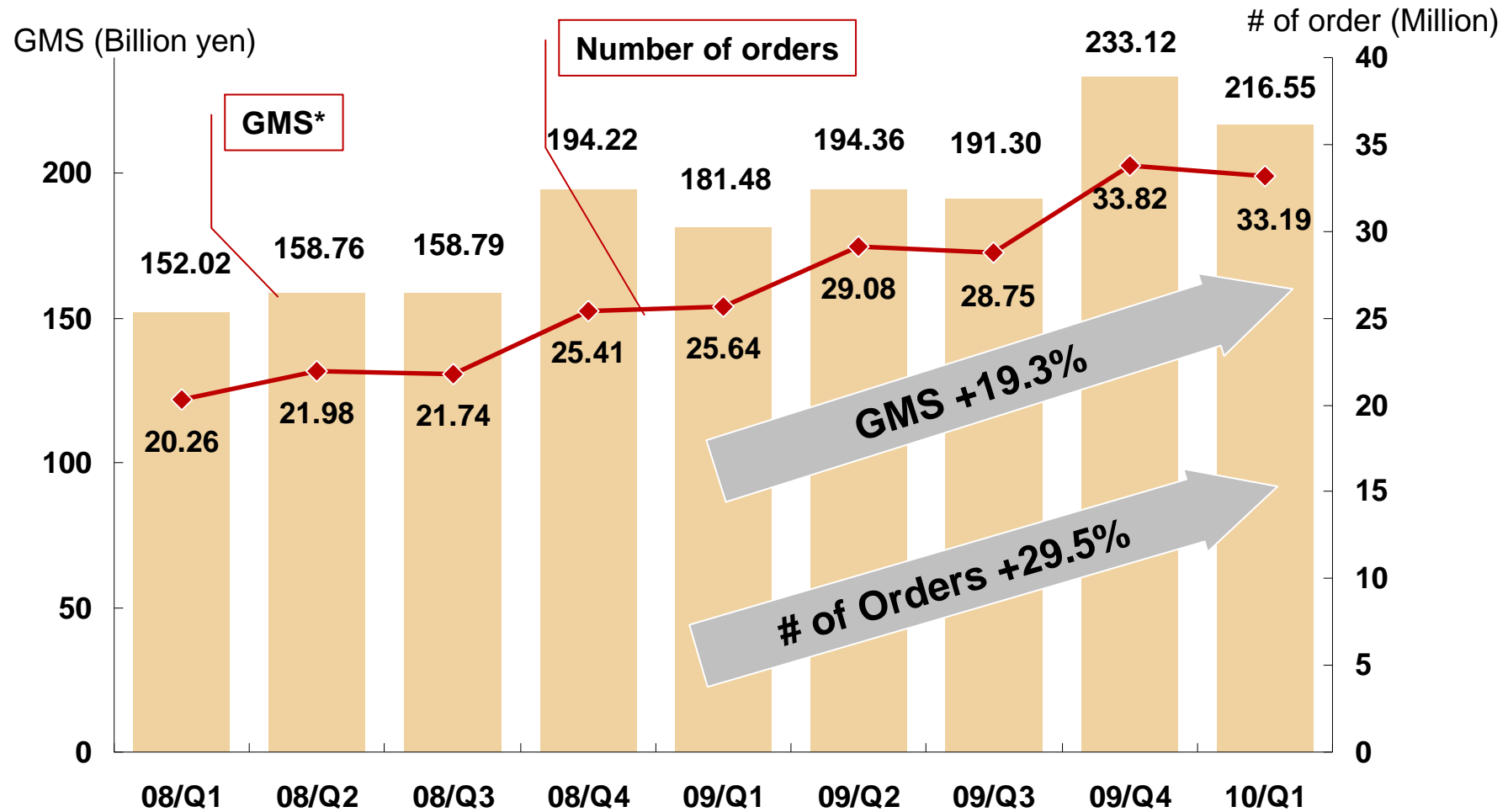
Sales and Operating Profit  
( Million Yen)



\*Cost increase in 10/Q1: ¥0.23bn for method change of point reserve ratio and ¥0.07bn for method change of allocation of corporate costs.

# GMS\* ( Rakuten Ichiba and Rakuten Books) Rakuten

- **GMS of Rakuten Ichiba and Rakuten Books increased by + 19.3% (YoY)**



\*GMS =Mall ( Fixed-price, Group Buy), Mobile ( Fixed-price, Group Buy) and Rakuten Books

■ Unique Buyers Growth +20.0% (YoY)

	2008/Q1	2008/Q2	2008/Q3	2008/Q4	2009/Q1	2009/Q2	2009/Q3	2009/Q4	2010/Q1
Unique Buyers*2 (million)	5.95	6.33	6.37	7.03	7.17	7.72	7.75	8.54	8.60
# of Transactions (million)	18.85	20.78	20.65	24.19	24.05	27.11	26.43	31.02	30.27
Average # of Transactions per Buyer	3.17	3.28	3.24	3.44	3.35	3.51	3.41	3.63	3.52
Average Price per Transactions	¥7,804	¥7,443	¥7,506	¥7,844	¥7,346	¥6,970	¥6,999	¥7,268	¥6,908
Quarterly GMS per Buyer *3	¥24,726	¥24,413	¥24,327	¥26,969	¥24,637	¥24,449	¥23,868	¥26,390	¥24,291

\*1 Based on e-mail address: Fixed-Price and Group Buy introduced in Rakuten Ichiba and mobile

\*2 Unique Buyers: Number of buyers sorted by e-mail address with purchasing records during the listed 3 month period.

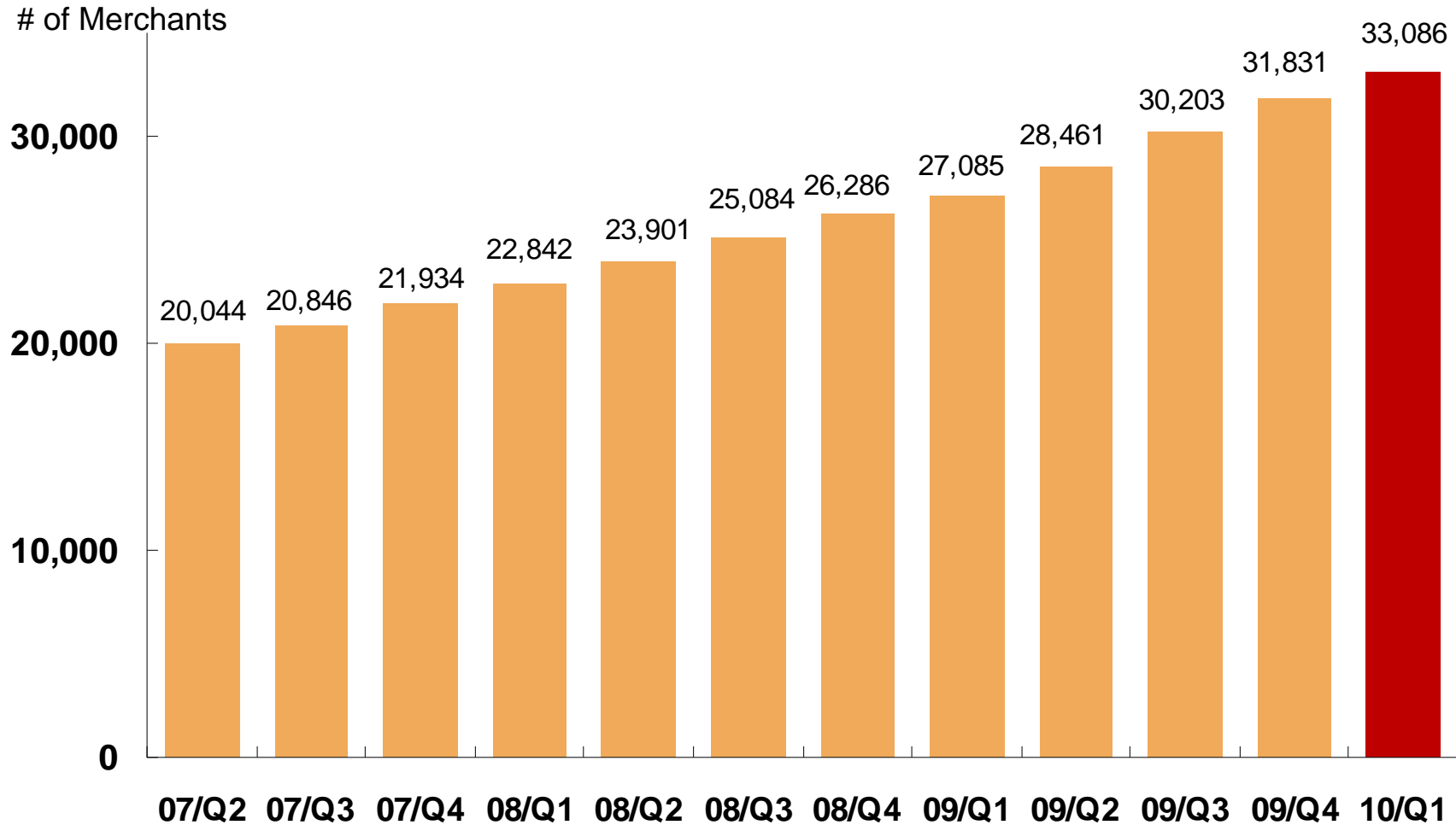
\*3 Quarterly GMS Per Buyer = GMS ( Rakuten Ichiba ) / Unique Buyers



# Number of Merchants \*



■ Total number of merchants (contract base) surpassed 33,000



\*Method changed from 09/Q3 disclosure :New method is based on number of contracted merchants, old method was based on number of merchants who were charged fixed fee during the last month of each quarter.

■ Events were held to target new users

## Food Festival at Tobu department store Rakuten Ichiba Umainono-Taikai

March 25th-30th 2010

Participating Merchants: 50 stores

Actual Sales: 125 million yen #of visitors: 200 K



## Fashion show

Harajuku Style Collection  
March 21st 2010



## ■ Full scale of iPhone service launched in May



## **2** -2 Travel Business

## ■ Continuing high growth of GTV



- GTV +24.4% (YoY) due to steady growth of Leisure Purpose Use and recovery of Business Trip Purpose Use

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## ■ Facilitated DP\* product by strengthening Transportation Services



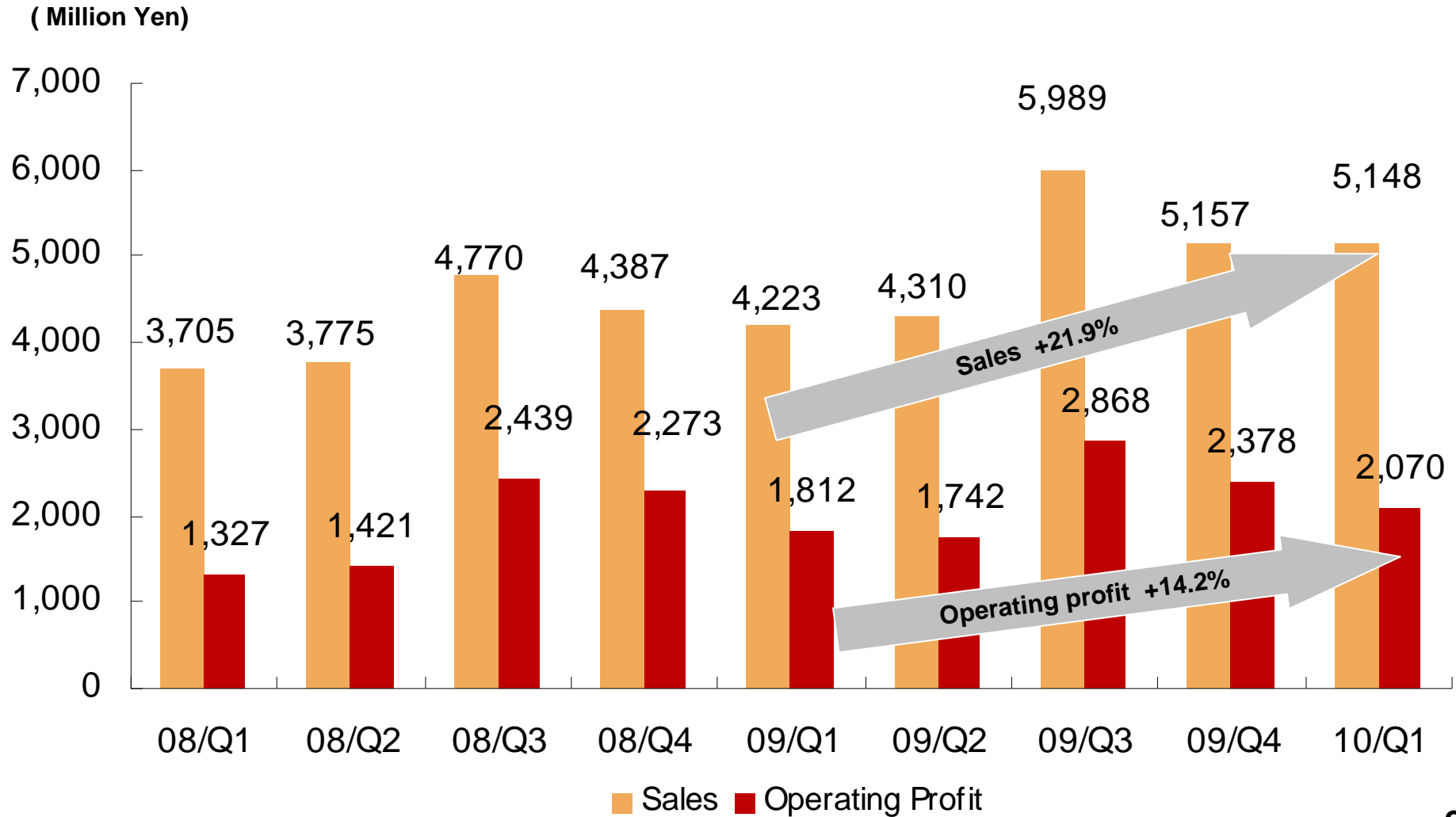
- Last-Minute selling ANARaku Pack
  - Users can now purchase 3 days before departure
- Alliance with JR Hokkaido
  - Users can buy JR round trip ticket and JR optional tour with ANARaku Pack in Hokkaido

\*DP=Dynamic Package

# Travel Business Quarterly Results



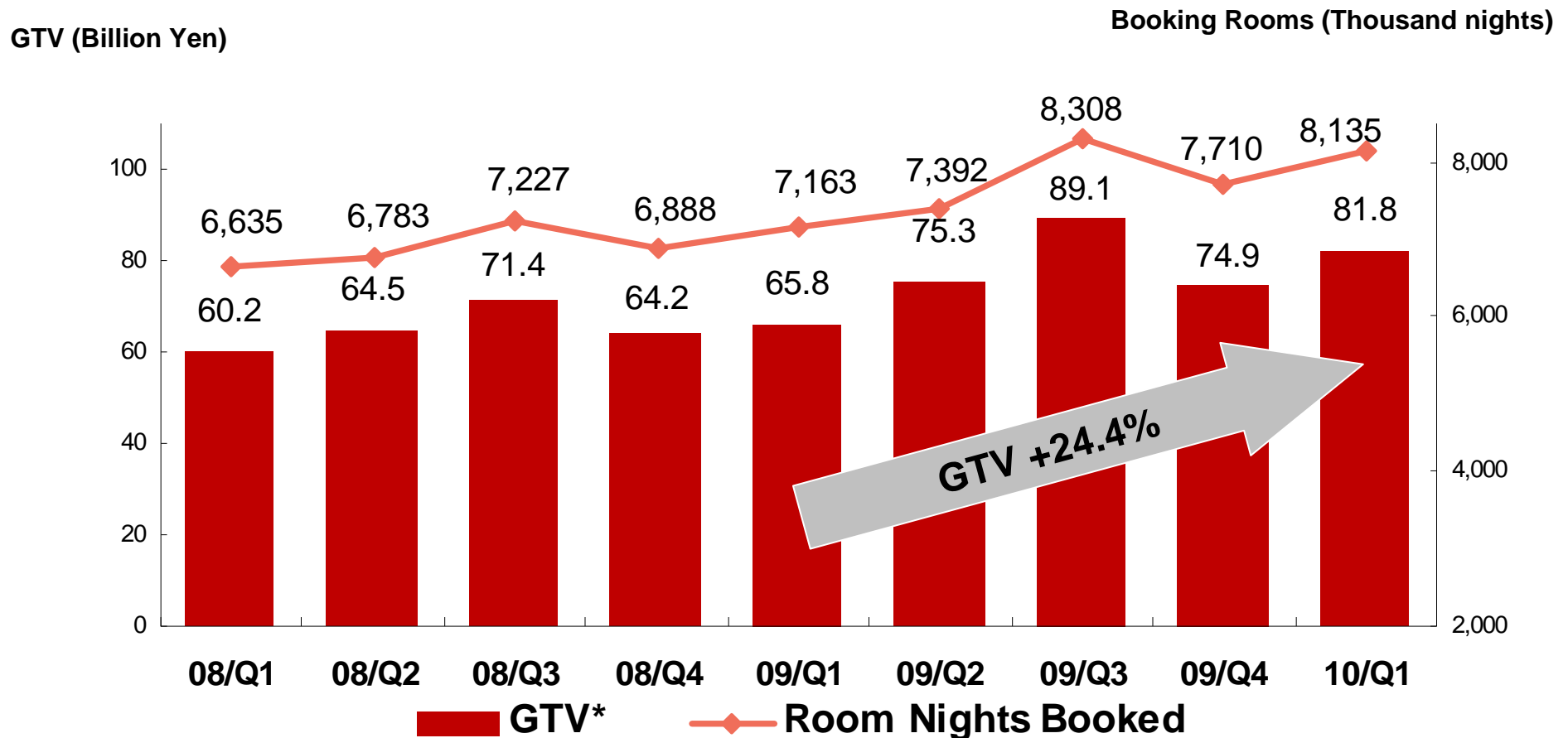
■ Sales Growth +21.9% (YoY), Operating Profit Growth +14.2% (YoY)



# Travel Business Gross Booking Transaction Volume



- Continuous increase in leisure demand and recovery of business trip led to higher Travel GTV\* +24.4% (YoY)



\* Travel GTV = Booking base (before cancellation, excl. tax)  
= Domestic / International hotel room booking, International air tickets, Domestic/ International DP, Domestic bus, Rental car service

## **2** -3 Credit Card Business



### ■ **Successful transaction of Business Model increasing Credit Card Shopping**



- Continuous growth in Shopping Transaction Volume +48.5% (YoY)
- Continuous growth in Shopping Revolving Balance +61.9% (YoY)

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### ■ **Maintaining high level of Card Holder Acquisition**



- Increased new Rakuten Card holders through Rakuten Group Synergy

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### ■ **Decrease in Interest Repayment Claims**

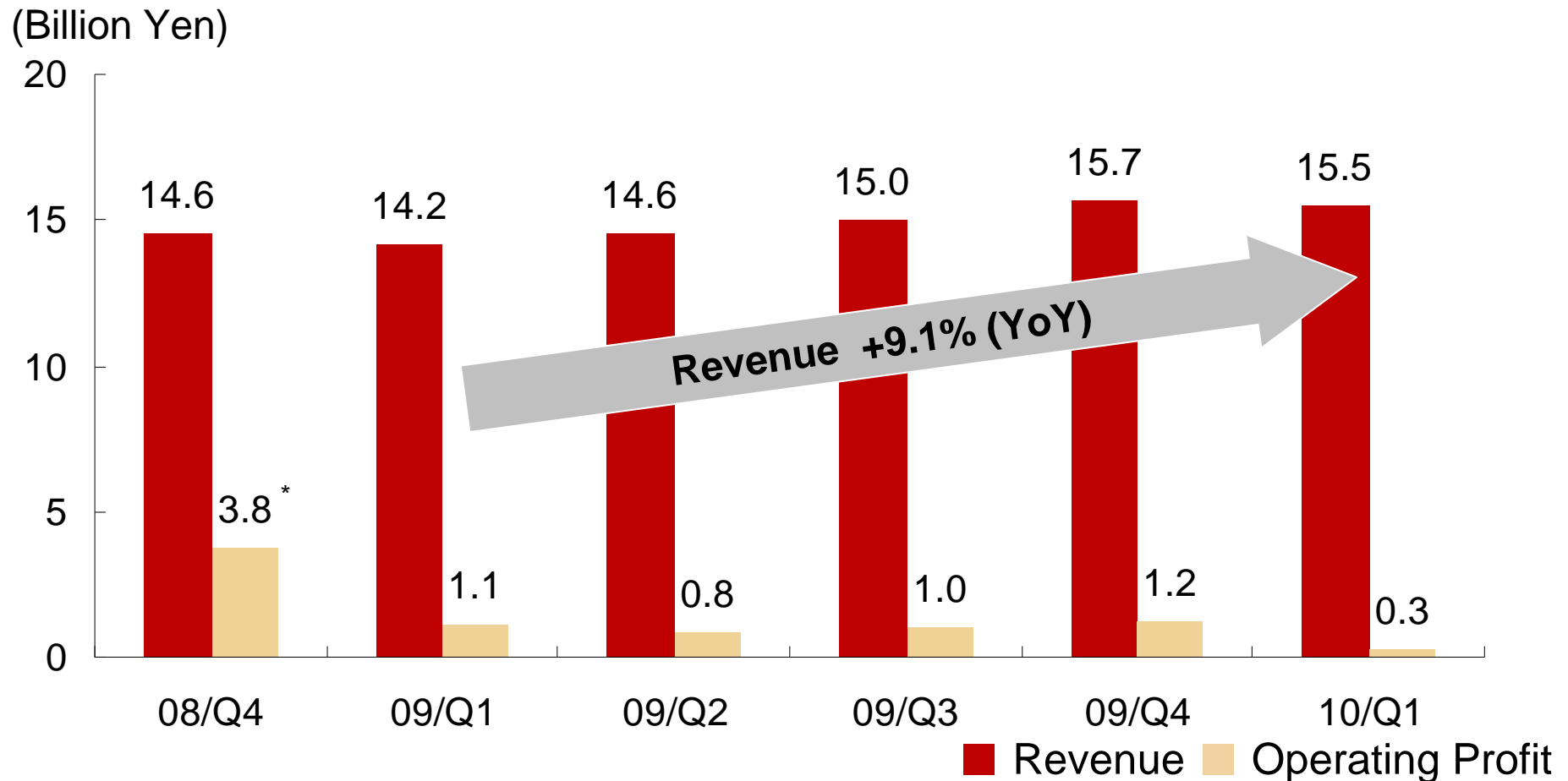


- Continuous decrease in total amount of Interest Repayment Claims since 09/Q1
- Decrease in both number of Claims and amount of Repayments

# Rakuten KC Quarterly Results



■ Operating Profit decreased due to increase in Promotion Cost



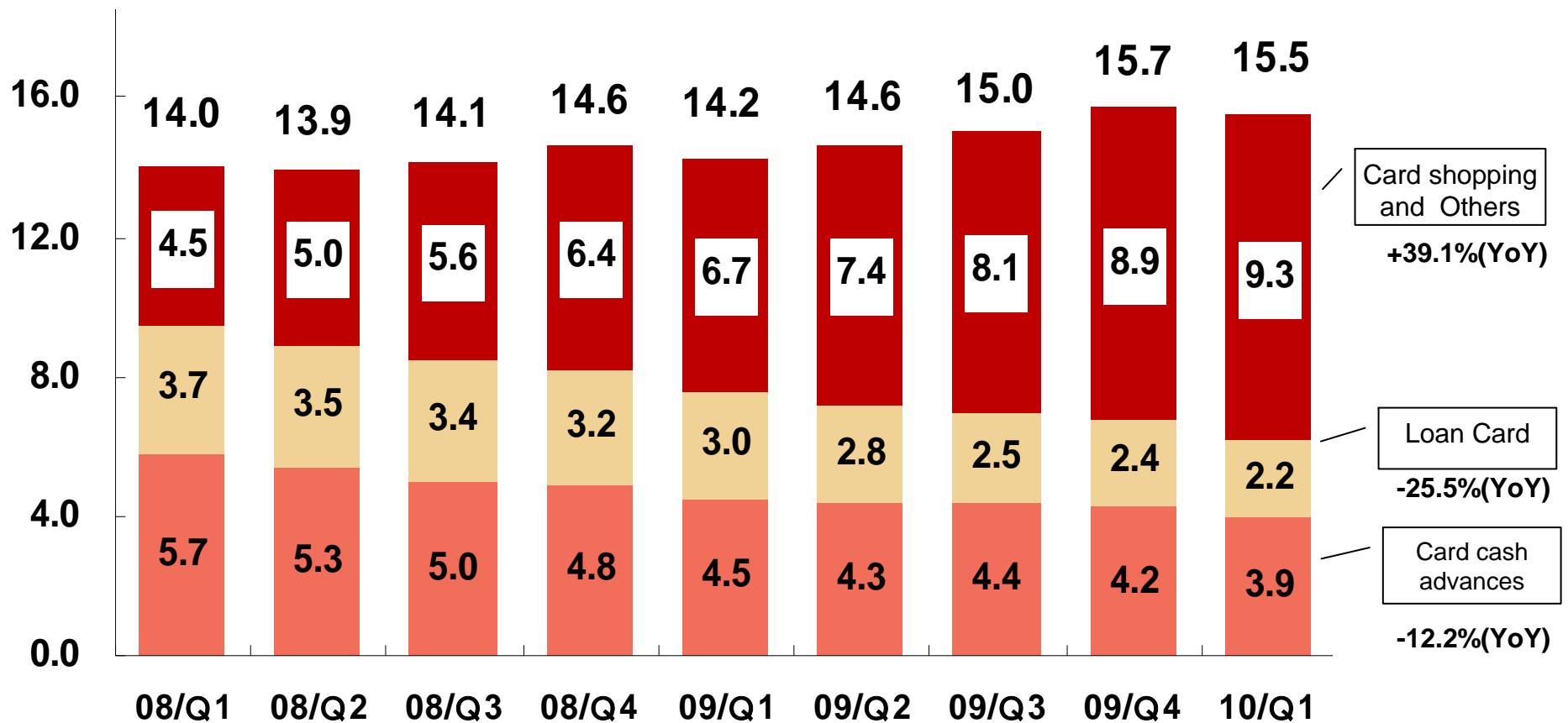
\* 2008/Q4 Operating income includes one-time effects of ¥0.6bn from decrease of expenses for doubtful accounts by selling loan receivables

# Rakuten KC

## Change in composition of Quarterly Revenue



(Billion Yen)

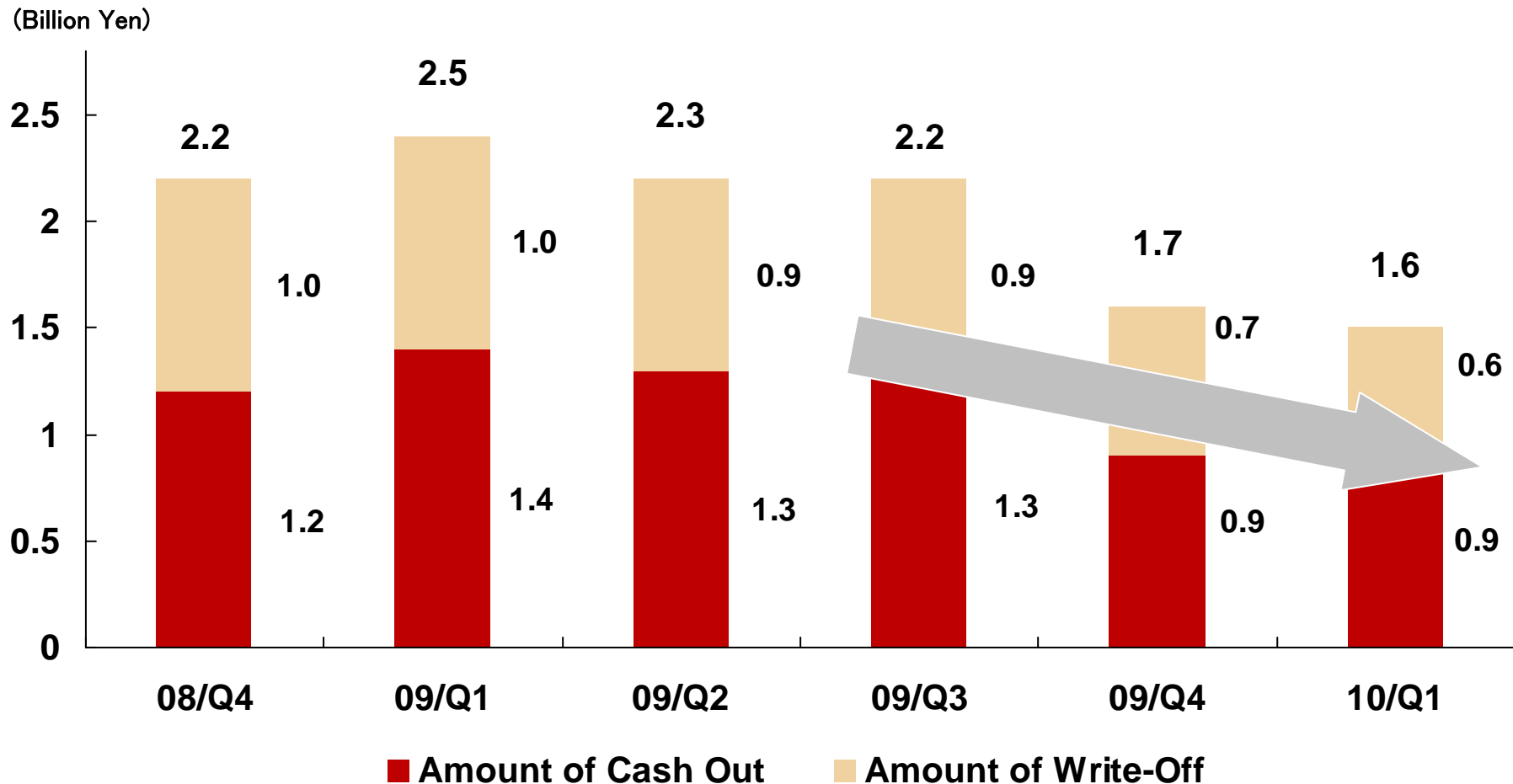


\* Refer to P.66 for the detail of Revenue Composition

# Rakuten KC Interest Repayments Claims



■ Decreased in both number of Claims and amount of Repayments



\* Amount of cash payment and write-off of principal. Any expenses related to interest repayments were not recorded on P/L since 08/Q1, because of the losses on interest repayments were reconciled with allowances

## **2** -4 E-Money Business

## ■ bitWallet joined Rakuten Group



- Upgraded application for Mobile setting enabling easier registration of Rakuten ID (mid-May)
- Promote use of Edy at Rakuten Ichiba

## ■ Increasing transaction of E-Money “Edy”



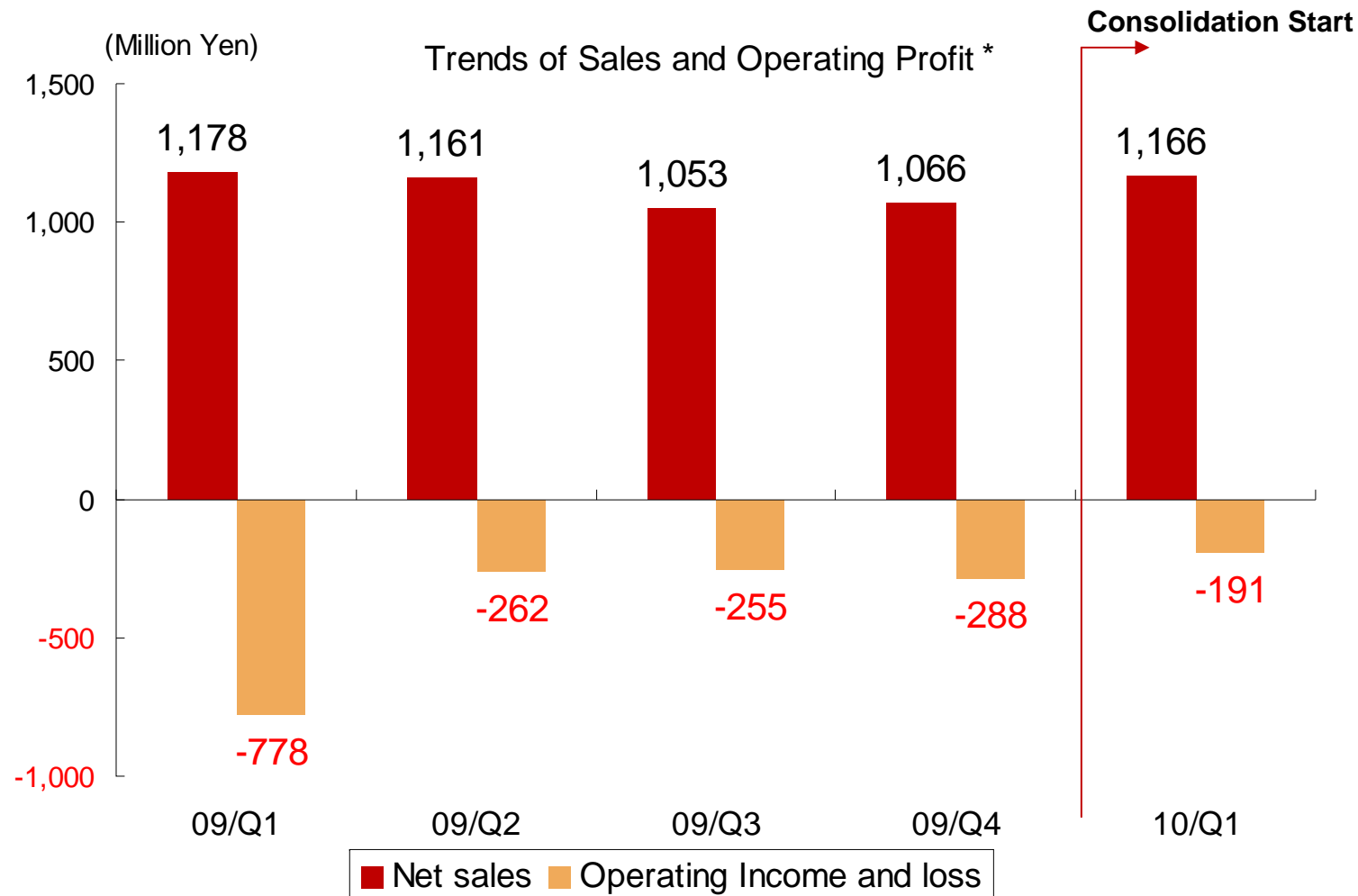
- Penetration of E-Money and promotional activities boosted GTV of Edy by +14.6% (YoY)
- Number of issued Edy : 56.5 million (as of March 2010)
- Shrinking Operating Loss

## ■ Accelerating penetration by increasing point of use



- Number of available point: 184 thousands (as of March 2010)
- Enhance Marketing Activities to acquire Available Merchants

- Continuing decrease of Operating Profit. Ordinary Profit achieved in March.



\*: Figures until 09/Q4 are non-consolidated results of bitWallet, Inc. Figures since 10/Q1 are E-Money business segment of Rakuten group consolidated results (amortization of goodwill included)

## **2** -5 Banking Business



## ■ Collaboration with other Rakuten Services



- “Happy Program” successfully launched
  - Over one million accounts linkage to Rakuten IDs
- Enhancing Collaboration between Rakuten Securities and Rakuten Bank
  - Introduced seamless accounts between securities and bank

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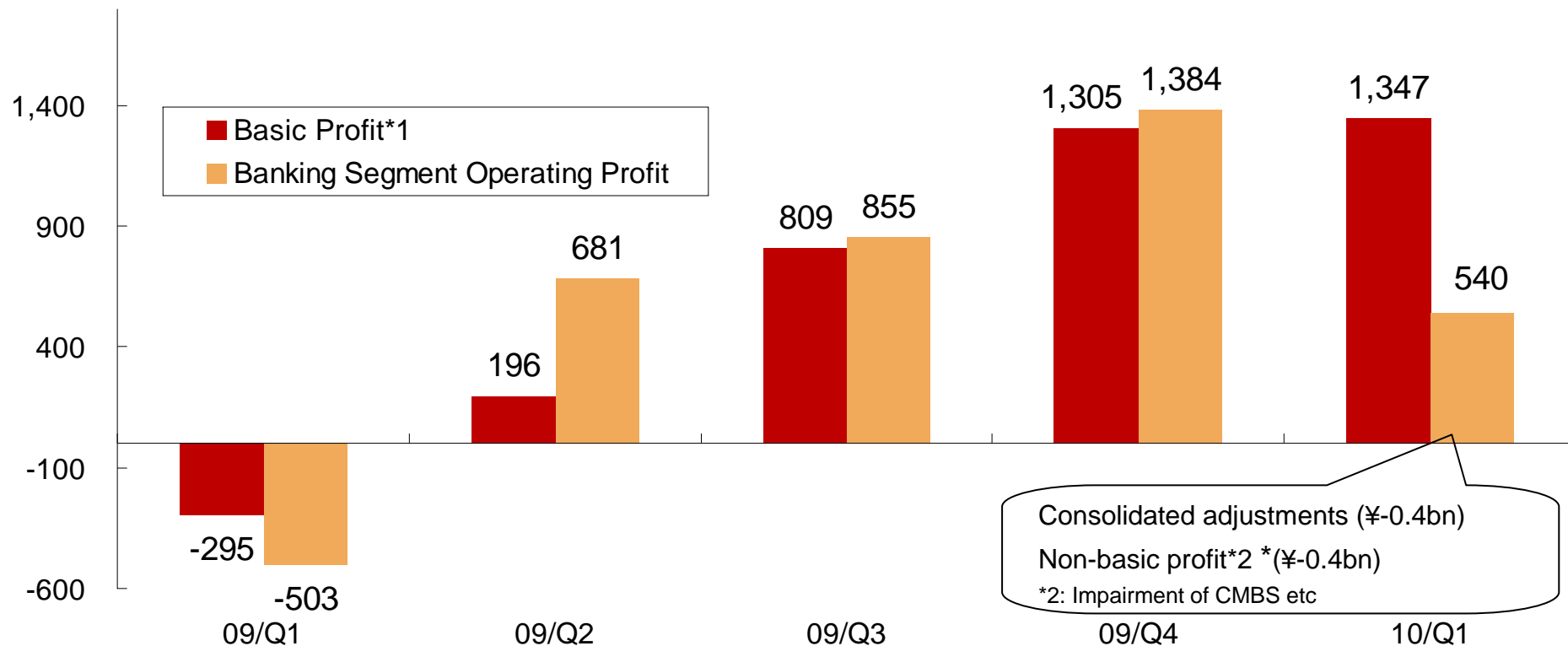
## ■ Full Ownership of Rakuten Bank



- Changed company name to “ Rakuten Bank” on May 4th
- 100% subsidiary after TOB
  - Utilize Rakuten Bank settlement in Rakuten Services
  - Maximize Collaboration with Group Strategy

■ Restructuring of the Management System contributed to the stabilization of the Company Performance

(Million Yen)



\*1: Basic profit = Income or loss deducted from income (loss) due to changes in market price or sales of investment products. Income or loss from main business of Rakuten Bank excludes temporary evaluation gains (losses) such as investment.

## **2** -6 Securities Business

## ■ Improved operating margin



- Operating Profit ¥1.37bn, +55.8%(YoY)
- Operating Profit Margin improved by 6.7pt (YoY)
- Revenue increased through diversification of services, including investment trusts and FX
  - Sales of Investment Trusts +238.3%(YoY)
  - Net Assets of Investment Trusts +140.5%(YoY)

## ■ Accelerate increase in general accounts



- Maintained Leading Position in growth of number of General Accounts

## ■ Strengthen Group synergy



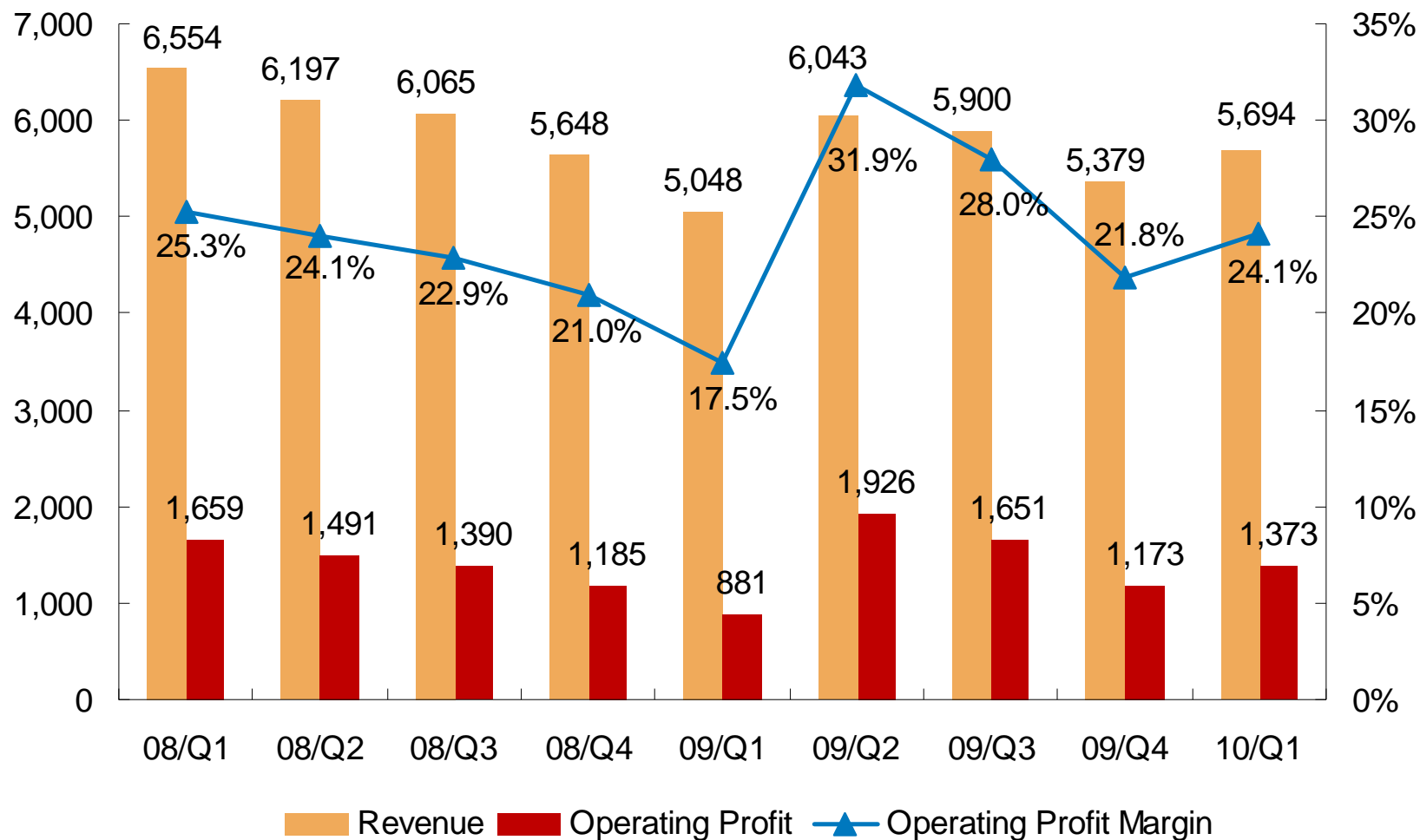
- Launched Monthly Savings Service for Rakuten Bank Customers
- Provide Portfolio Management Tool to Rakuten Members

# Rakuten Securities (Non-consolidated) Quarterly Results



- Revenue +12.8% (YoY), Operating Profit Growth +55.8% (YoY)
- Substantially improved Operating Profit Margin +6.7p (YoY)

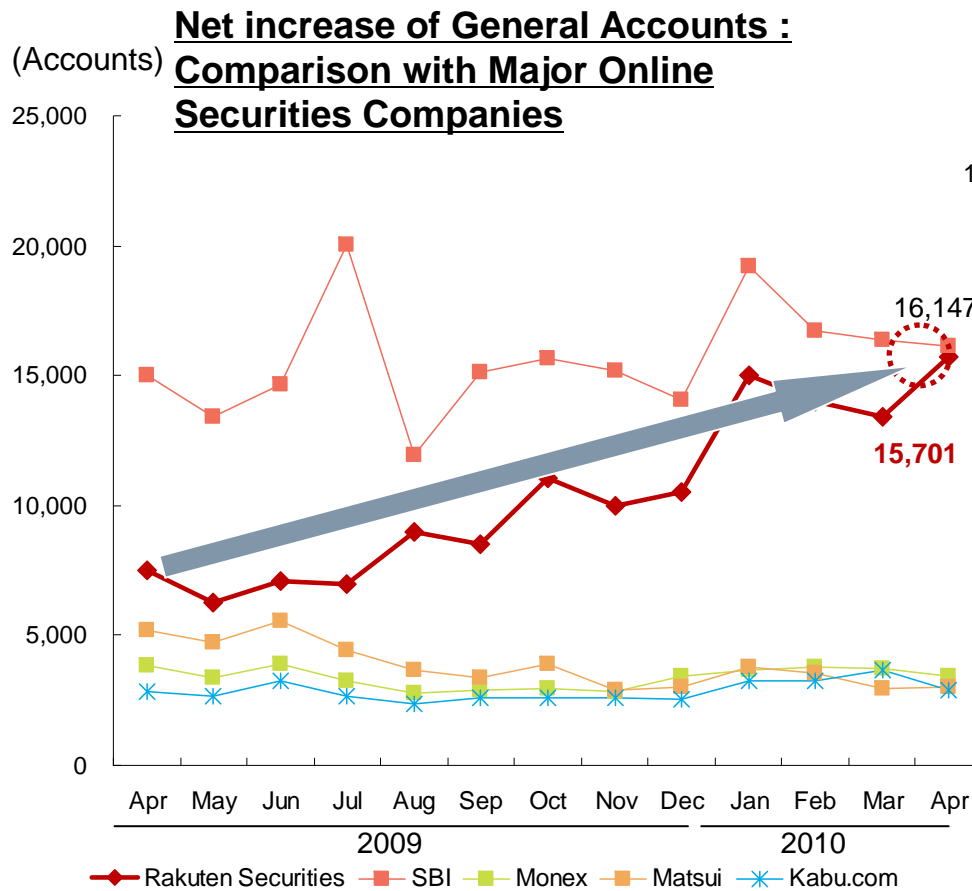
(Millions of Yen)



# Rakuten Securities New Account Open/ Ratio of Application via Rakuten Group

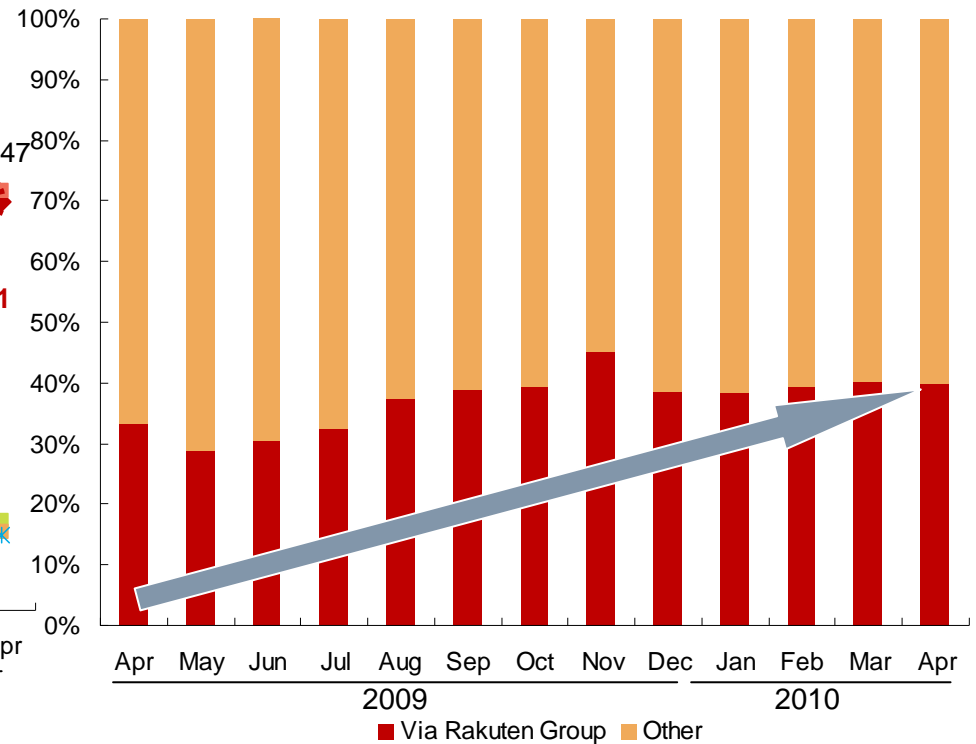


- Close to SBI Securities in terms of number of monthly new accounts
- Maintained high ratio of New Accounts via Rakuten Group



Source: investigation by Rakuten Securities

**Composition ratio of New Accounts  
from Rakuten Group**

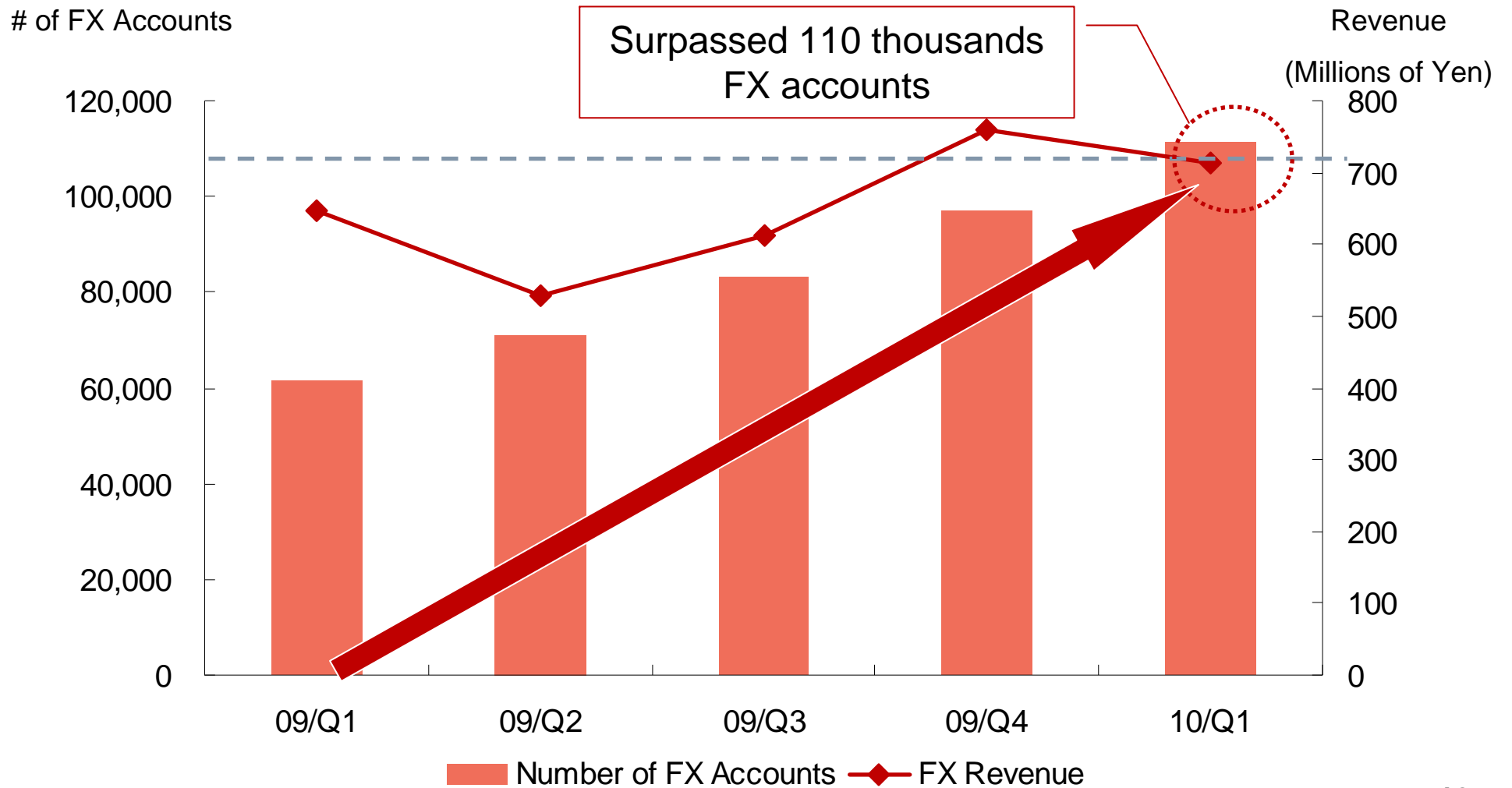


Source: investigation by Rakuten Securities **45**

# Rakuten Securities Quarterly Change in FX Accounts and FX Revenue



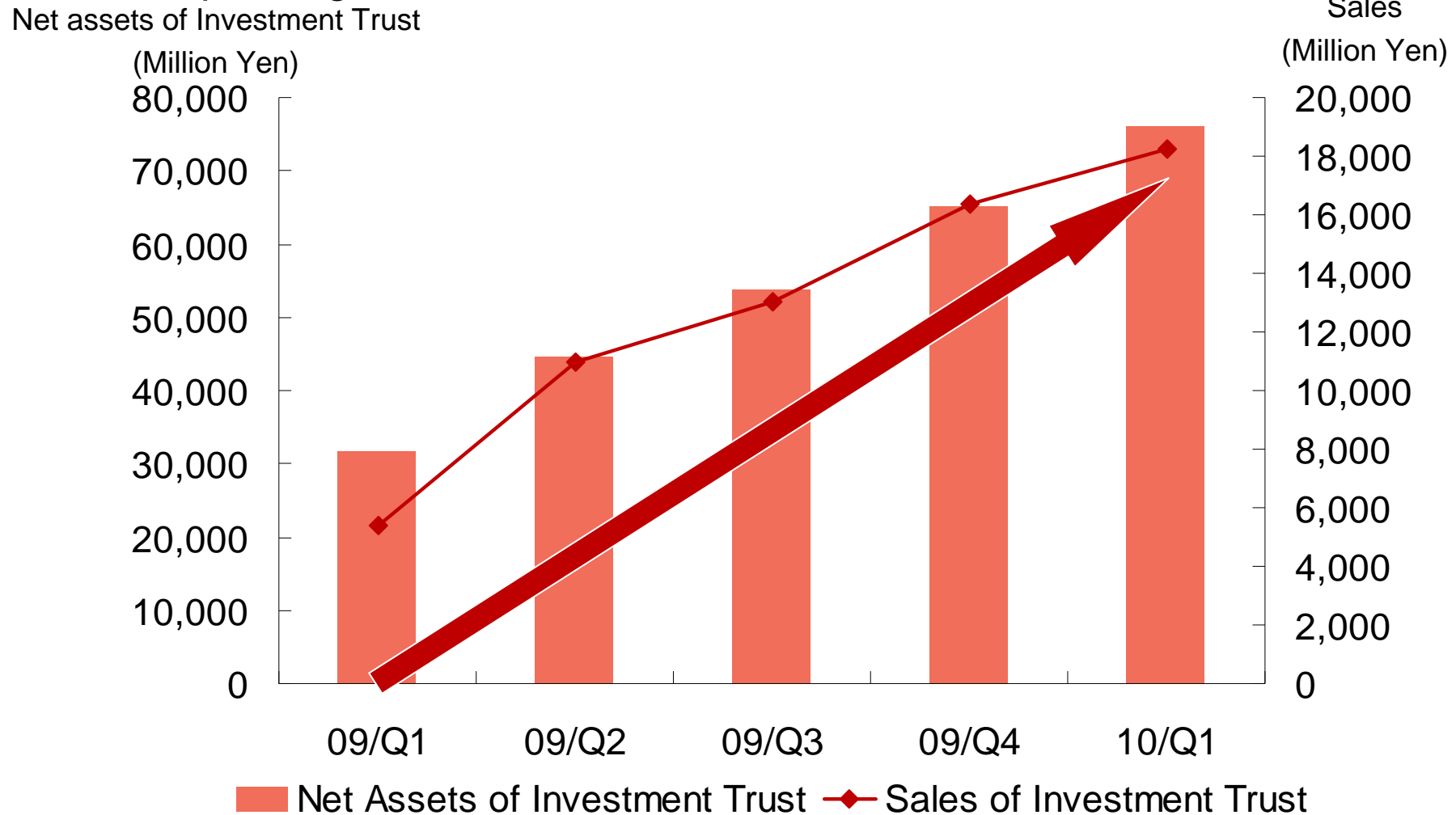
■ FX account No.1 net increase in major Online Securities Companies in 2009



## Rakuten Securities Quarterly Change in Net Assets and Sales of Investment Trusts



- Net assets+140.5% (YoY), Sales+238.3% (YoY)
- Net assets of Investment Trust ¥82.6bn as of Apr 30th, 2010 surpassing ¥80bn





## **2** -7 Telecommunication Business

■ **Deploy New services**



■ **“Rakuten Mobile for Business”**

- Highest record of number of New Subscribers in 2010 Q1

■ **“Rakuten Broadband”**

- Number of new subscribers increased by +271% (YoY)

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■ **Launch new open PBX Business**



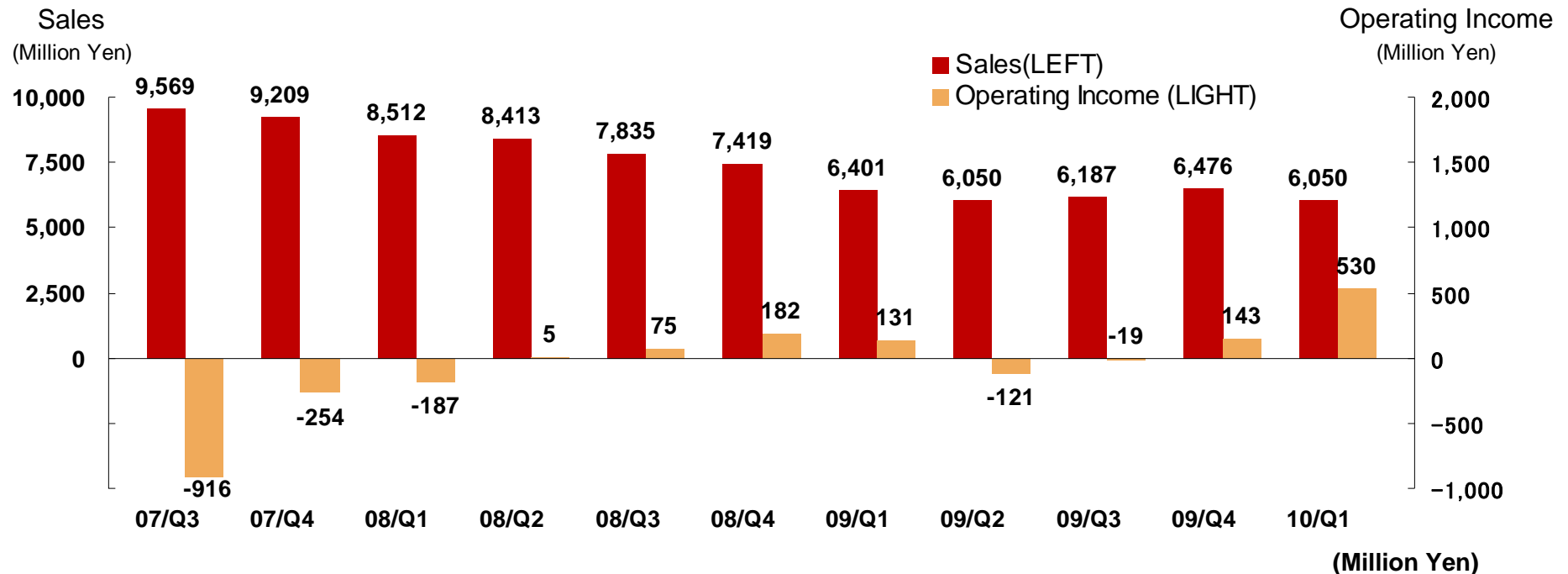
■ **Released “ Asterisk Navi β ”**

- Over 100 Enterprises applied for trial
- PBX function on PCs enable clients to reduce communication costs dramatically

# Fusion Communications (Non-consolidated) Quarterly Results



## ■ Improved Profit due to One-Time Adjustment in Access Charge Payment



	07/Q3	07/Q4	08/Q1	08/Q2	08/Q3	08/Q4	09/Q1	09/Q2	09/Q3	09/Q4	10/Q1
Operating Expenses	10,485	9,462	8,699	8,408	7,761	7,238	6,270	6,172	6,485	6,333	5,526
Variable Cost	5,398	5,160	4,611	4,296	4,046	3,792	3,279	3,656	4,071	4,007	3,310
Fixed Cost	4,252	3,529	3,354	3,384	3,023	2,767	2,331	1,904	1,691	1,633	1,561
SG&A	835	774	734	728	692	678	660	612	723	694	655

## Appendix

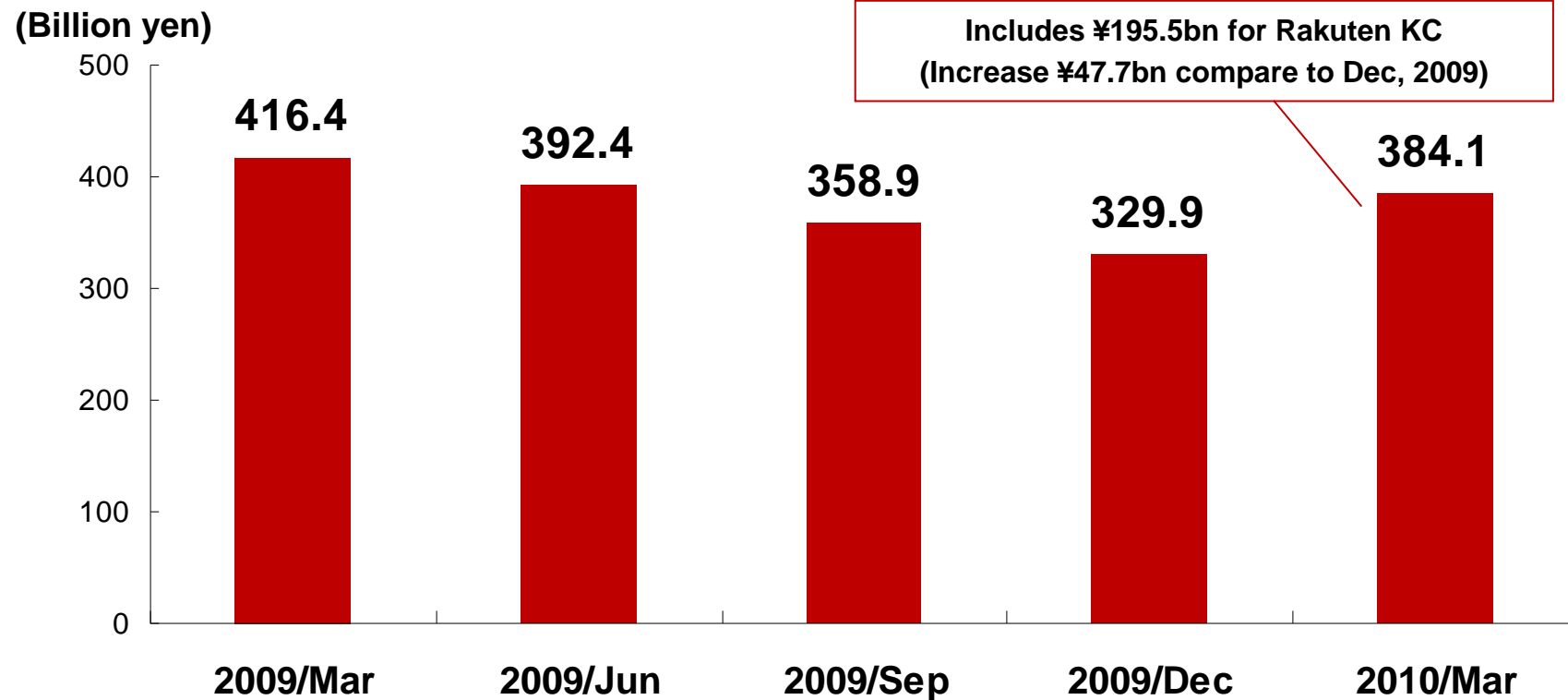
- **Financial Condition**
- **Other Information**

# Financial Information

# Trends of Borrowings from Financial Institutions

- Debt from Outside Financial Institutions decreased ¥32.3bn, -7.8% (YoY)
- Increased borrowing at Rakuten KC because of commitment line renewal

## Debt from Outside Financial Institutions



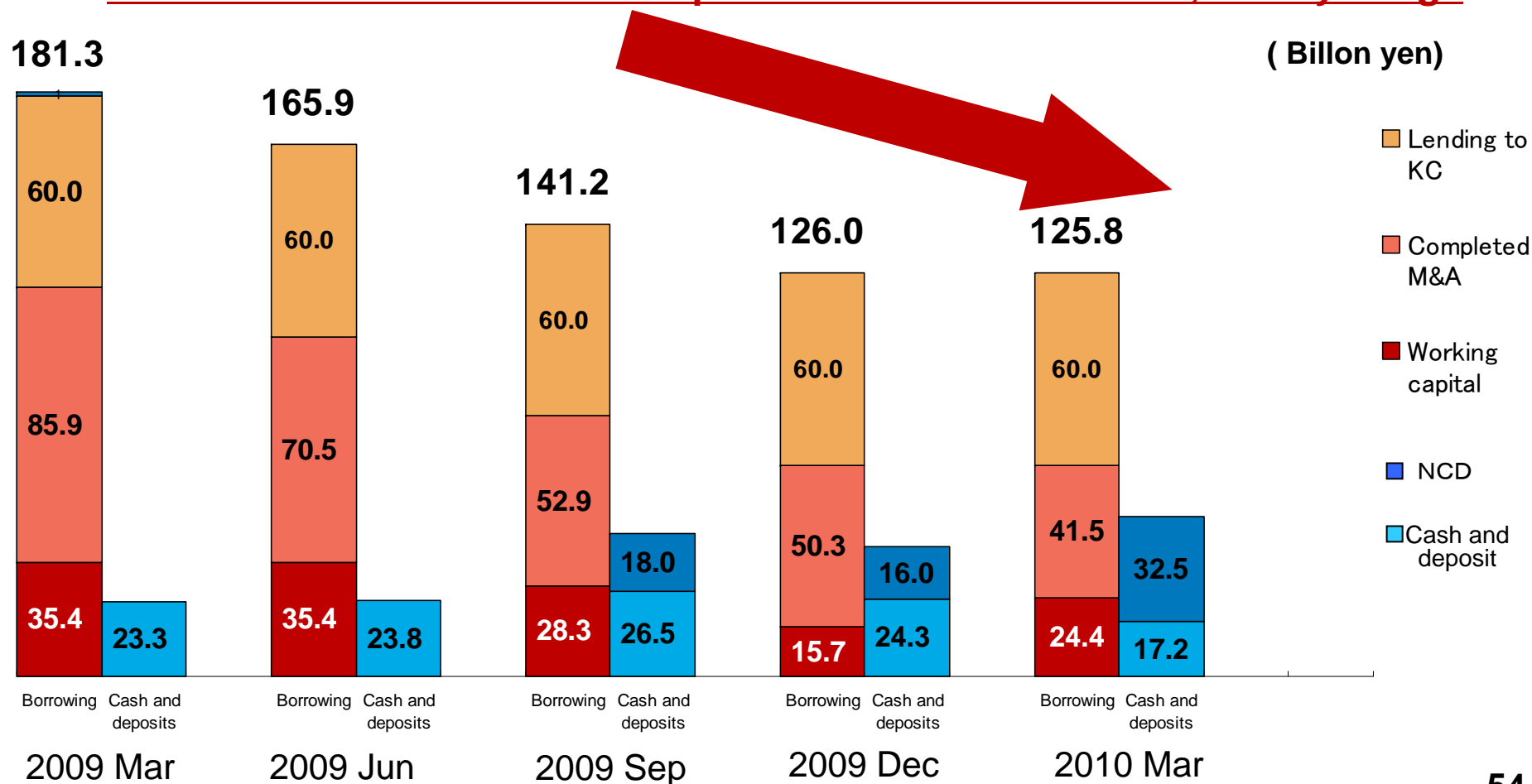
\*Debt from outside financial institutions = bond + CP + short-term debt + long-term debt

# Rakuten, Inc. ( Non-consolidated) Debt and Cash



■ Debt decreased ¥55.4bn,-30.6% (YoY)

## Debt Balance and Cash and Deposits Balance of Rakuten, Inc. by usage

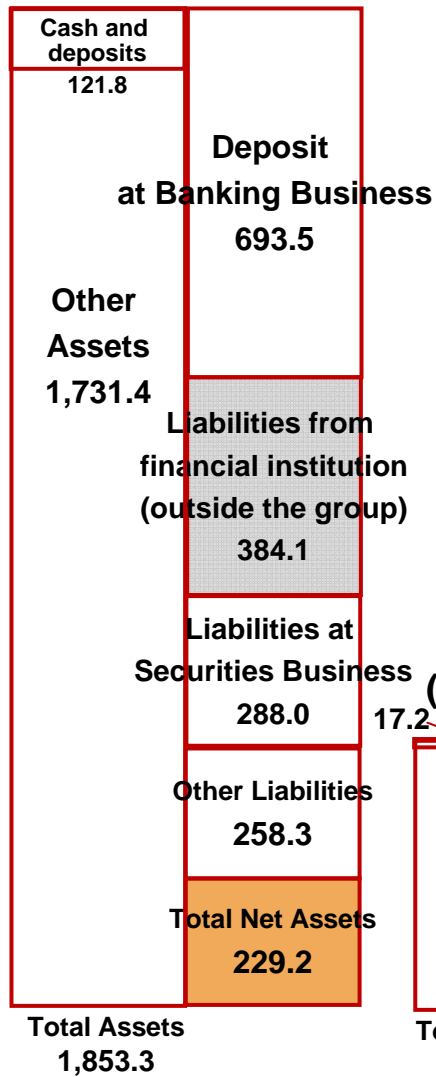


# Rakuten Group : Balance Sheets

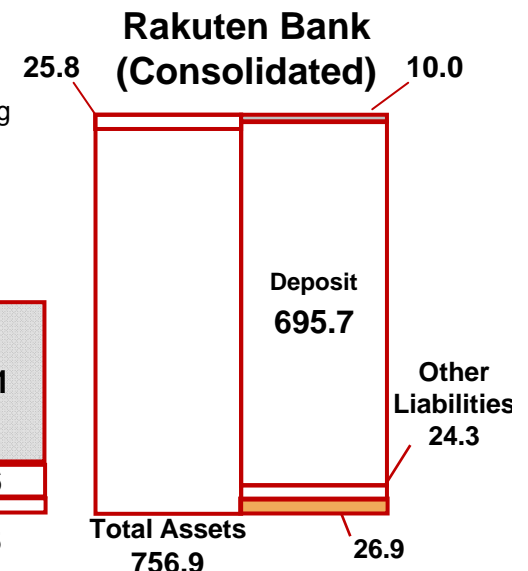
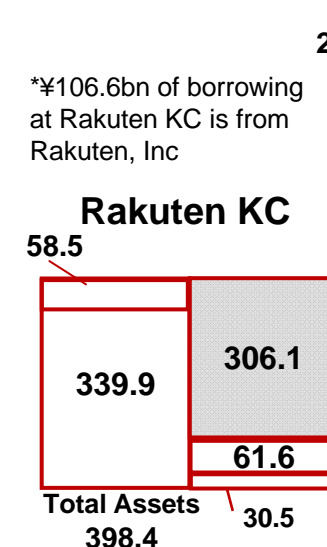
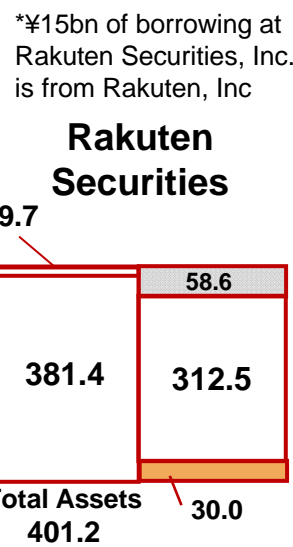
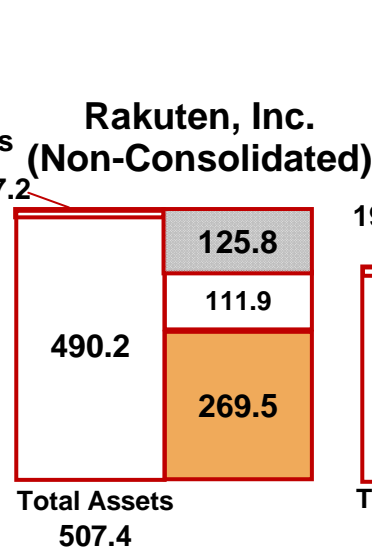
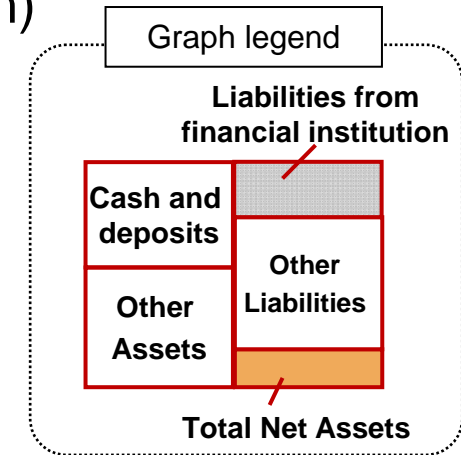
(As of Mar 31, 2010)



## Rakuten Group (Consolidated)



(Billion Yen)



\* Rakuten Securities, Rakuten KC, Rakuten, Inc. (non-consolidated) and Rakuten Bank also including internal elimination.

\* Liabilities from financial institution (outside the group) = Corporate bonds + CP + Short-term borrowings + Long-term borrowings



**Balance Sheets**  
**(As of Mar 31, 2010)**
**Income Statements**  
**(Three months ended**  
**Mar 31, 2010 )**

(Billion Yen; Amounts Less Than 0.1 Billion Omitted)

(Billion Yen; Amounts Less Than 0.1 Billion Omitted)

<b>CURRENT ASSETS</b>	<b>103.0</b>	<b>CURRENT LIABILITIES</b>	<b>153.9</b>	<b>Sales</b>	<b>31.6</b>
Cash and cash equivalents	17.2	Account payable-trade	2.7	<b>Cost of Sales</b>	<b>6.8</b>
Loan receivables	25.2	Short-term borrowings	39.9	Gross Profit	<b>24.8</b>
Other current assets	61.1	Accounts payable	12.9	<b>Operating Expense</b>	<b>15.0</b>
Allowance for doubtful accounts	-0.5	Income tax payable	4.4	Personal costs	5.6
		Advance receipt	4.7	Advertising and sales promotion	4.4
		Reserve for points	10.0	Depreciation	1.1
		Other current liabilities	79.0	Communication and maintenance	0.9
		<b>LONG-TERM LIABILITIES</b>	<b>83.9</b>	Outsourcing	2.9
		<b>TOTAL LIABILITIES</b>	<b>237.8</b>	Others	-0.1
<b>FIXED ASSETS</b>	<b>404.3</b>	<b>SHAREHOLDERS' EQUITY</b>	<b>267.0</b>	<b>Operating Profit</b>	<b>9.8</b>
Tangible assets	5.3	Capital stock	107.6	Non-Operating Profit	0.5
Intangible fixed assets	10.9	Capital surplus	113.2	Non-Operating Expense	0.5
Investment and other assets	388.0	Retained earnings	46.1	<b>Ordinary Profit</b>	<b>9.7</b>
(Allowance for doubtful accounts)	-0.3	Treasury stock	- 0.0	Extraordinary profit	0.3
(Loss on investment)	-1.1	<b>VALUATION, TRANSLATION</b>	<b>1.8</b>	Extraordinary loss	0.2
		ADJUSTMENTS AND OTHERS	1.8	<b>Net income before tax</b>	<b>9.8</b>
		Subscription rights to shares	0.7	Income tax-deferred	4.3
		<b>TOTAL NET ASSETS</b>	<b>269.5</b>	Tax adjustment	-0.2
<b>TOTAL ASSETS</b>	<b>507.4</b>	<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>507.4</b>	<b>Net Income</b>	<b>5.7</b>

**Balance Sheets (As of Mar 31, 2010)**

(Billion yen Less Than 0.1 Billion Omitted)

<b>CURRENT ASSETS</b>	<b>356.7</b>	<b>CURRENT LIABILITIES</b>	<b>224.7</b>
Cash and cash equivalents	58.5	Account payable; guarantee contracts	2.7
Installment accounts receivable	280.3	Short-term borrowings	173.4
Installment accounts receivable; guarantee contract	2.7	Other current liabilities	48.6
Beneficial interest in securitized assets	27.7		
Other current assets	15.9	<b>LONG-TERM LIABILITIES</b>	<b>143.1</b>
Allowance for doubtful accounts	-28.5	Long-term borrowings	132.7
		Allowance for loss on investment repayment	9.2
		Other long-term liabilities	1.0
<b>FIXED ASSETS</b>	<b>41.7</b>	<b>TOTAL LIABILITIES</b>	<b>367.8</b>
Property, plant and equipment	12.3	<b>SHAREHOLDERS' EQUITY</b>	<b>30.2</b>
Land and buildings	11.6	Capital stock	3.0
Other tangible fixed assets	0.6	Capital surplus	41.1
Intangible fixed assets	2.7	Retained earnings	1.8
Investment and other assets	28.2	Treasury stock	-15.7
Allowance for doubtful accounts	-1.6	<b>VALUATION, TRANSLATION ADJUSTMENT AND OTHERS</b>	<b>0.3</b>
		<b>TOTAL NET ASSETS</b>	<b>30.5</b>
<b>TOTAL ASSETS</b>	<b>398.4</b>	<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>398.4</b>

## Balance Sheets (As of Mar 31, 2010)

(Billion Yen; Amounts Less Than 0.1 Billion Omitted)

<b>Cash and deposits</b>	<b>25.8</b>	<b>Deposits</b>	<b>695.7</b>
<b>Call loans</b>	<b>32.0</b>	Ordinary Deposits	293.4
<b>Monetary claims bought</b>	<b>186.3</b>	Time Deposits	338.1
<b>Money held in trust</b>	<b>15.1</b>	Other Deposits	64.2
<b>Securities</b>	<b>374.1</b>	<b>Borrowed money</b>	<b>1.2</b>
<b>Allowance for investment loss</b>	<b>-</b>	<b>Bond payable</b>	<b>10.0</b>
<b>Loans and bills discounted</b>	<b>99.2</b>	<b>Other liabilities</b>	<b>19.0</b>
<b>Foreign exchanges</b>	<b>0.9</b>	<b>Provision for bonuses</b>	<b>0.1</b>
<b>Other assets</b>	<b>21.8</b>	<b>Reserves for points</b>	<b>0.2</b>
<b>Tangible fixed assets</b>	<b>0.5</b>	<b>Contingency reserve</b>	<b>0.3</b>
<b>Intangible fixed assets</b>	<b>4.9</b>	<b>Reserves under the special laws</b>	<b>0.0</b>
<b>Deferred tax assets</b>	<b>-</b>	<b>Deferred tax liabilities</b>	<b>3.2</b>
<b>Allowance for loan losses</b>	<b>-4.2</b>	<b>TOTAL LIABILITIES</b>	<b>730.0</b>
		Capital stock	23.4
		Capital surplus	-
		Retained earnings	1.9
		Treasury stock	-4.1
		<b>Shareholders' equity</b>	<b>21.3</b>
		Valuation difference on available-for-sale securities	5.3
		Deferred gains or losses on hedges	-
		Valuation and translation adjustments	5.3
		<b>Minority interests</b>	<b>0.2</b>
		<b>TOTAL NET ASSET</b>	<b>26.9</b>
<b>TOTAL ASSETS</b>	<b>756.9</b>	<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>756.9</b>

## Income Statements (Three months ended Mar 31, 2010)

(Billion Yen; Amounts Less Than 0.1 Billion Omitted)

<b>Ordinary income</b>	<b>8.9</b>
Interest income	4.2
(Interest on loans and discounts)	2.2
(Interest and dividends on securities)	1.0
Fees and commissions	3.4
Other ordinary income	1.1
Other income	0.0
<b>Ordinary expenses</b>	<b>8.0</b>
Interest expenses	0.9
(Interest on deposits)	0.7
Fees and commissions payments	2.2
Other ordinary expenses	1.0
General and administrative expenses	3.8
Other expenses	-0.0
<b>Ordinary profit</b>	<b>0.9</b>
Extraordinary Income	0.0
Extraordinary losses	0.2
<b>Income before income taxes</b>	<b>0.7</b>
Income taxes-current	-0.0
Income taxes-deferred	0.0
Minority interests in income	-0.0
<b>Net income</b>	<b>0.7</b>

# Breakdown of Cash Flows by Financial Businesses and Non-financial Businesses (Jan-Mar, 2010)



Overview of cash flow statements for three months ended Mar. 31, 2010	Consolidated	Financial	Non-Consolidated	Other
I Net cash provided by (used in) operating activities				
Income before income taxes and minority interests	12.0	1.6	10.4	-
Amortization of goodwill	1.6	0.6	1.0	-
Depreciation and amortization	3.8	1.8	2.0	-
Loss (gain) on valuation or sales of securities for banking business	0.9	0.9	-	-
Increase (decrease) in provisions for doubtful accounts and loss on interest repayment	-2.8	-2.4	-0.4	-
Other loss (gain)	-0.1	-	-	-0.1
Decrease (increase) in notes and accounts receivable-trade	1.5	-	1.4	-
Decrease (increase) in accounts receivable-instatement, beneficial interests in securitized assets and operating loans receivable	-4.9	-4.9	-	-
Increase (decrease) in notes and accounts payable-trade	-3.8	-2.1	-1.6	-
Increase (decrease) in accounts payable-other and accrued expenses	-4.3	-3.5	-0.8	-
Increase (decrease) in advances received	2.3	-	2.2	-
Increase (decrease) increase in deposits for banking business	-4.8	-4.8	-	-
Decrease (increase) increase in call loans for banking business	16.0	16.0	-	-
Increase (decrease) in loans for banking business	-3.8	-3.8	-	-
Net cash increase in assets and liabilities for the securities business including deposits	-14.5	-14.5	-	-
Increase (decrease) in loans payable secured by securities for securities business	9.8	9.8	-	-
Income taxes paid	-12.2	-0.1	-12.0	-
Other,net	-1.4	-0.2	-1.1	-
Net cash provided by (used in) operating activities	-4.9	-5.8	1.0	-0.1
II Net cash provided by (used in) investing activities	-	-	-	-
Acquisition of securities for banking business	-104.8	-104.8	-	-
Proceeds from sales and redemption of securities for anking business	92.6	92.6	-	-
Proceeds from partial payment due to share purchase demand	8.8	-	8.8	-
Purchase of property, plant and equipment	-1.0	-	-0.9	-
Purchase of intangible assets	-3.4	-1.6	-1.8	-
Other,net	6.2	-	6.1	-
Net cash provided by (used in) investing activities	-1.5	-13.7	12.2	-
III Net cash provided by (used in) financing activities	-	-	-	-
Net increase (decrease) in short-term loans payable	46.2	37.8	8.3	-
Increase (decrease) in commercial papers	16.9	16.9	-	-
Proceeds from long-term loans payable	15.8	15.8	-	-
Repayment of long-term loans payable	-22.9	-16.1	-6.8	-
Proceeds from issuance of boards	0.2	-	0.2	-
Redemption of bonds	-6.0	-4.0	-2.0	-
Other,net	-1.9	-0.2	-1.5	-0.1
Net cash provided by (used in) financing activities	48.2	50.1	-1.8	-0.1
IV Effect of exchange rate change on cash and cash equivalents	0.0	-	-	-
V Net increase (decrease) in cash and cash equivalents	41.8	30.5	11.4	-0.1
VI Cash and cash equivalents	103.6	-	-	-
VII Increase in cash and cash equivalents from newly consolidated subsidiary	-0.0	-	-	-
VIII Decrease in cash and cash equivalents resulting from exclusion of subsidiaries from consolidation	-	-	-	-
IX Cash and cash equivalents	145.4	-	-	-

(Unit: Billion yen)

Breakdown by financial businesses and non-financial businesses are based on internal estimation and non-audited.

## **Other Information**

E-Commerce
Rakuten Ichiba*2
Business Services *2
Golf *2
Auto *2
Delivery *2
Package Media *2
Media Rental *2
Auction
Dining
Ticket
Performance Marketing
Off-track betting *2
Logistics Service*2
Global Ichiba *2
Net Super Market
Check Out*2
Credit Card*3
Rakuten KC

E-Money *6
Edy

Banking*3
Banking (Rakuten Bank) *3
Personal Finance (Rakuten Credit)

Portal and Media
Infoseek
Advertising
AD solution
Blog
Research
College Students' Portal Community*5
Marriage consultant (O-net)
Rakuten Photo
Content*4
Wedding*6
Tool bar*6

Travel
Travel

Securities
Securities
Insurance

Professional Sports
Professional Sports

Telecommunications
Telecommunications (Fusion Communications)

\*1. Some new businesses are not included as of the end of Mar 2010

\*2. E-commerce business operated by Rakuten, Inc.

\*3. Establish banking business due to consolidated eBANK (currently Rakuten Bank). Rakuten Credit, Inc. and a part of the Credit and Payment Business, were transferred to the new Bank Business in the FY09 Q1. The Credit and Payment Business became the Credit Card Business .

\*4. ShowTime consolidated since FY09 Q1

\*5. Reorganization since FY09 Q3

\*6. Established in FY10 Q1

# Amortization of Goodwill



(Million Yen)

	09/Q1	09/Q2	09/Q3	09/Q4	10/Q1	Companies
E-Commerce Business	542	542	691	599	832	LinkShare Net's Partners Traffic Gate FreeCause
Credit Card Business	246	246	246	290	246	Rakuten KC Group
E-Money Business	-	-	-	-	30	bitWallet
Banking Business	175	308	293	273	282	Rakuten Bank Group
Portal and Media Business	44	78	61	61	81	ShowTime O-net Rakuten Photo
Travel Business	12	12	12	12	12	Rakuten Travel Rakuten Bus Service
Securities Business	95	95	189	95	95	Rakuten Securities Dot Commodity Rakuten Investment Management
Professional Sports Business	-0	-0	-0	-0	-0	Rakuten Sports Properties
Telecommunication Business	-4	-6	-2	-5	-5	Fusion Communications
Consolidated	1,111	1,275	1,492	1,327	1,575	

\* Amortization of goodwill is included in SG&A items

# Rakuten Group's CAPEX\*



(Billion Yen)

		2009				2010	
		Q1	Q2	Q3	Q4	Q1	
		Operating Base				Operating Base	Acquisition Base
Non Consolidated	Hardware	0.14	0.09	0.17	0.17	1.15	1.59
	Software	0.63	0.90	0.76	1.25	1.13	1.39
	<b>Total</b>	<b>0.77</b>	<b>1.00</b>	<b>0.94</b>	<b>1.42</b>	<b>2.28</b>	<b>2.98</b>
Consolidated	Hardware	0.99	0.59	0.42	0.45	1.87	2.81
	Software	2.69	1.61	2.38	2.70	3.12	3.47
	<b>Total</b>	<b>3.68</b>	<b>2.21</b>	<b>2.81</b>	<b>3.15</b>	<b>5.00</b>	<b>6.29</b>

\*Before 09/4Q : Operating Base (Excluding Professional Sports Business)

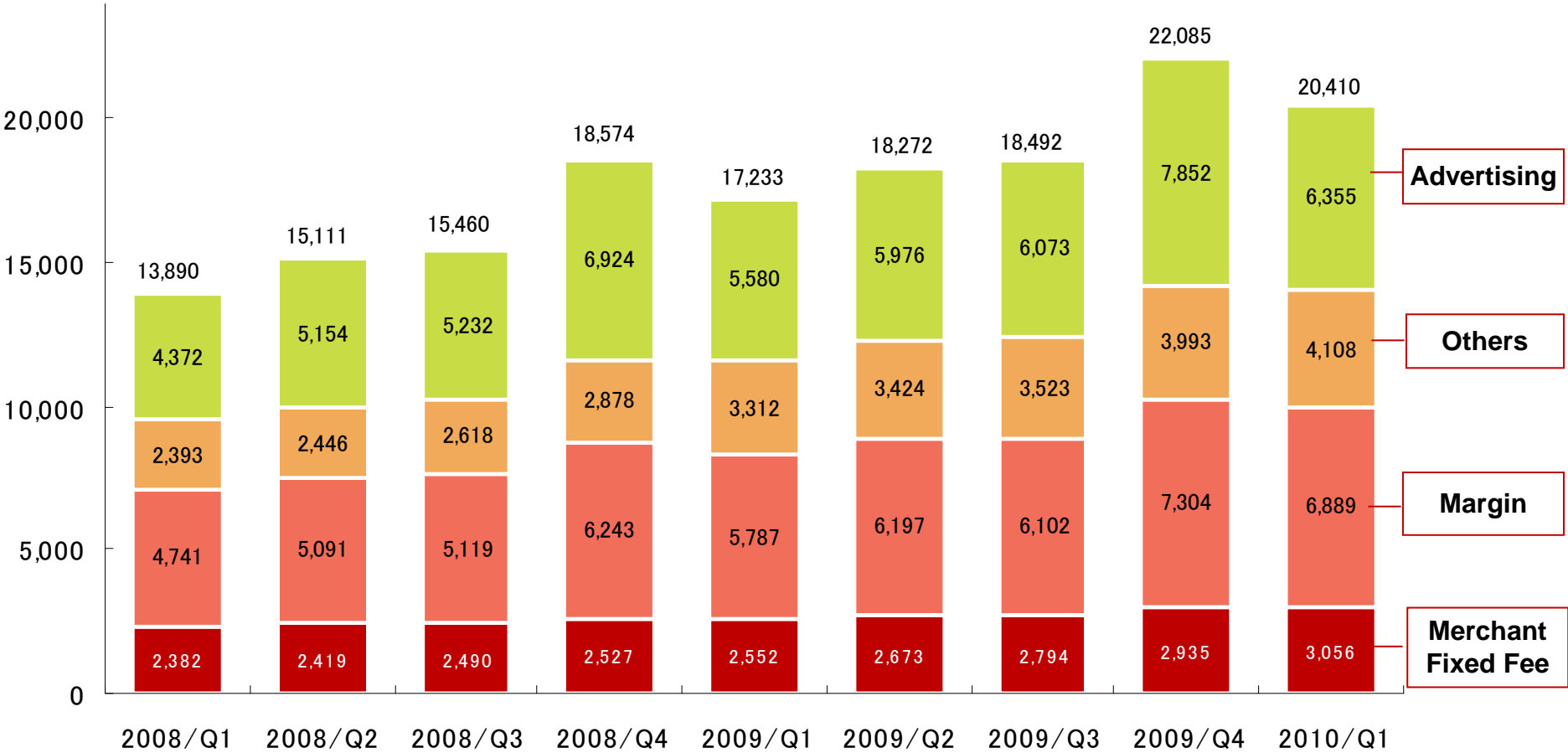
\*Since 10/1Q : Acquisition Base (Including Professional Sports Business)



# Rakuten Ichiba Sales Breakdown



(Million Yen)



**Income Statement**

(Billion yen less than 0.1 billion omitted)

	2009 (Jan-Mar)	2009 (Oct-Dec)	2010 (Jan-Mar)
<b>Sales</b>	14.2	15.7	15.5
<b>Operating Expense</b>	13.1	14.4	15.2
SG&A	10.9	12.7	13.2
Financial Costs	2.1	1.7	1.9
<b>Operating Profit</b>	1.1	1.2	0.3
Non-Operating Profit	0.0	0.0	0.0
<b>Ordinary Profit</b>	1.1	1.2	0.3
Extraordinary Profit (Loss)	-0.7	-0.2	-0.1
<b>Earning before Tax</b>	0.3	1.0	0.2
Provision for income taxes	-0.8	5.0	-1.0
<b>Net Income</b>	1.2	-4.0	1.2

<b>Ordinary Profit (before securitizing effect)</b>	1.9	1.3	0.4
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# Rakuten KC Composition of Revenues and Operating Expenses



(Million Yen)

	08/Q4	09/Q1	09/Q2	09/Q3	09/Q1	10/Q1		
						Results	% of total	YoY change
<b>Revenues</b>								
General services	3,988	4,179	4,596	4,996	5,830	6,205	39.6%	48.4%
Card shopping	3,940	4,138	4,561	4,965	5,803	6,180	39.4%	49.3%
Others	48	41	35	30	27	25	0.2%	- 38.0%
Financing	8,995	8,306	7,720	7,303	6,840	6,347	40.4%	- 23.5%
	(8,196)	(7,573)	(7,211)	(7,005)	(6,793)	(6,233)	39.7%	- 17.6%
Card cash advances	5,545	5,144	4,773	4,549	4,267	3,949	25.2%	- 23.2%
	(4,847)	(4,502)	(4,346)	(4,403)	(4,267)	(3,949)	25.2%	- 12.2%
Loan card	3,394	3,121	2,911	2,721	2,542	2,371	15.1%	- 24.0%
	(3,293)	(3,031)	(2,829)	(2,569)	(2,496)	(2,257)	14.4%	- 25.5%
Others	55	39	35	32	29	26	0.2%	- 33.9%
Installment	1	0	0	0	0	0	-	-
Credit guarantee	292	279	264	255	247	240	1.5%	- 13.8%
Others	2,164	2,230	2,553	2,830	2,834	2,890	18.4%	29.6%
Financing revenues	- 15	8	34	7	17	9	0.1%	8.1%
Total revenues	15,426	15,005	15,169	15,394	15,771	15,694	100.0%	4.5%
(excludes effect of securitization GAAP)	(14,627)	(14,271)	(14,660)	(15,096)	(15,725)	(15,579)	99.3%	9.1%
<b>Operating expenses</b>								
Personal costs	1,457	1,464	1,430	1,477	1,469	1,467	9.6%	0.1%
General expenses	5,848	6,142	6,500	6,628	7,505	8,412	55.2%	36.9%
Interest expenses	1,720	2,175	1,881	1,883	1,744	1,968	12.9%	- 9.5%
Expenses related to doubtful accounts	1,784	3,347	4,007	4,025	3,738	3,402	22.3%	1.6%
Interest repayment expenses	0	0	0	0	0	0	-	-
Cash-out	0	0	0	0	0	0	-	-
Write-off of principals	0	0	0	0	0	0	-	-
Total operating expenses	10,811	13,129	13,820	14,015	14,458	15,250	100.0%	16.1%
Operating profit	3,816	1,142	840	1,080	1,267	329	-	- 71.1%

\*Amount of revenue in brackets"()" include effects of securitization and per income statement.

# Rakuten KC Transaction Volume and Number of Cardholders



## Composition of Transaction Volume

(Million Yen)

	08/Q4	09/Q1	09/Q2	09/Q3	09/Q4	10/Q1		
						Results	% of total	YoY change
General services	139,863	140,415	156,316	167,515	195,541	208,422	90.0%	48.4%
Card shopping	139,280	139,859	155,776	166,940	194,981	207,821	89.7%	48.5%
Others	583	555	539	574	559	601	0.3%	8.1%
Financing	22,231	21,147	20,154	19,558	18,948	18,613	8.0%	-11.9%
Card cash advances	15,434	14,782	14,369	14,057	13,915	13,837	6.0%	-6.3%
Loan card	6,796	6,364	5,785	5,501	5,033	4,775	2.1%	-24.9%
Installment	12	11	14	7	5	4	0.0%	-61.4%
Credit guarantee	2,138	1,189	1,026	1,077	1,029	1,139	0.5%	-4.1%
Others	1,397	1,677	2,387	3,265	3,456	3,443	1.5%	105.3%
Total transaction volume	165,642	164,440	179,900	191,423	218,981	231,623	100.0%	40.8%

## Number of Valid Cardholders

(Million persons)

	08/Q4	09/Q1	09/Q2	09/Q3	09/Q4	10/Q1	
						Results	YoY change
Credit card	3.69	3.85	4.09	4.29	4.48	4.80	24.5%
Loan card	0.39	0.38	0.37	0.36	0.35	0.34	-11.7%

## Balance of Loan Receivables

(Million Yen)

	08/Q4	09/Q1	09/2Q	09/Q3	09/Q4	10/Q1		
						Results	% of total	YoY change
General services	96,038	97,522	107,929	114,591	135,686	143,922	39.2%	47.5%
Card shopping	93,884	95,755	106,462	113,368	134,639	143,025	39.0%	49.3%
Card shopping(Securitized)	0	0	29,540	69,562	75,786	72,969	19.9%	-
(Securitized, off-balance)	(0)	(0)	( 100)	( 38,100)	( 42,626)	(38,557)	10.5%	-
(Securitized, on-balance)	(0)	(0)	(29,440)	(31,462)	(33,159)	(34,411)	9.4%	-
Card shopping revolving paymen	38,981	44,067	49,331	55,114	63,168	71,381	19.5%	61.9%
Others	2,154	1,767	1,467	1,222	1,047	896	0.2%	- 49.2%
Financing	220,676	211,111	204,122	197,810	191,238	186,075	50.7%	- 11.8%
Card cash advances	98,862	95,546	91,395	87,790	83,384	80,687	22.0%	- 15.5%
(Securitized, off-balance)	(78,227)	(48,804)	(26,303)	(0)	(0)	(0)	0.0%	- 100.0%
Loan card	80,359	76,353	72,029	67,823	62,930	59,103	16.1%	- 22.5%
(Securitized, off-balance)	(27,859)	(27,912)	( 26,651)	( 19,515)	( 18,244)	(9,048)	2.5%	-
(Securitized, on-balance)	(0)	(26,906)	( 25,414)	( 26,277)	( 25,322)	(23,838)	6.5%	-
Others	41,453	39,210	40,697	42,196	44,922	46,284	12.6%	18.0%
Installment	1,225	1,193	1,111	1,046	990	947	0.3%	- 20.5%
Credit guarantee	39,821	38,613	36,945	35,782	34,437	33,542	9.1%	- 13.1%
(Off-balance guarantees)	(36,270)	(35,276)	(33,815)	(32,801)	(31,603)	(30,822)	8.4%	- 12.6%
Others(Off-balance)	7,247	5,895	4,720	3,919	3,102	2,433	0.7%	- 58.7%
Total balance(Include off-balance)	365,009	354,336	354,830	353,150	365,455	366,921	100.0%	3.5%
Total balance(On balance)	215,403	236,447	263,239	258,812	269,877	286,059	78.0%	20.9%

## Carried over Amount of Uncollected Loans

(Million yen)

Aging of Loan Receivable*	09/Q1			10/Q1			YoY		
	Jan	Feb	Mar	Jan	Feb	Mar	Jan	Feb	Mar
Less than 1month into 1month plus	4,324	3,952	4,585	3,528	3,202	3,722	-796	-750	-863
1month plus into 2month	3,036	2,908	3,115	2,366	2,299	2,328	-670	-609	-787
2month plus into 3month	2,623	2,576	2,548	2,066	2,067	1,999	-557	-509	-549
3month plus into 4month	2,522	2,305	2,324	1,894	1,776	1,851	-628	-529	-473

\*Current month's receivables: Balance of contracts for which requested payment from accounts could not be withdrawn. If unchanged after one month, this balance becomes Receivables 1.

# Rakuten KC

## NPL & Expenses for Doubtful Accounts



(Million Yen)

	09/Mar	09/Jun	09/Sep	09/Dec	10/Mar
Bankrupt	16	16	16	16	16
Defact bankrupt	35,568	34,922	33,688	32,868	31,388
Doubtful	8,362	8,329	8,588	6,729	6,005
Special attention	6,116	6,391	5,452	4,582	4,693
Normal	266,613	268,856	269,578	286,038	290,331
<b>Subtotal</b>	<b>316,675</b>	<b>318,514</b>	<b>317,322</b>	<b>330,233</b>	<b>332,433</b>
Secured	5,789	5,627	5,623	5,508	5,331
<b>Total</b>	<b>322,464</b>	<b>324,141</b>	<b>322,945</b>	<b>335,741</b>	<b>337,764</b>
<b>Allowance Ratio</b>	<b>10.85%</b>	<b>10.48%</b>	<b>10.11%</b>	<b>9.40%</b>	<b>8.95%</b>
<b>Excl. Write-off</b>	<b>6.82%</b>	<b>6.77%</b>	<b>6.68%</b>	<b>6.34%</b>	<b>6.11%</b>
Write-off Excl. (excess interest repayment)	4,770	5,024	5,338	4,819	4,740
Change in allowance for doubtful accounts	-357	-70	-438	-306	-652
Allowance for doubtful accounts	34,980	33,964	32,638	31,561	30,228
Excl. Write-off	22,002	21,952	21,561	21,284	20,636
Expenses for doubtful accounts	3,347	4,007	4,025	3,738	3,403
<b>Write-off ratio</b>	<b>1.48%</b>	<b>1.55%</b>	<b>1.65%</b>	<b>1.44%</b>	<b>1.40%</b>

# Rakuten KC Allowance for Loss on Interest Repayments and Allowance for Doubtful Accounts Rakuten

- Slightly declined in amount of cash out and write-off by interest repayment claims

(Billion Yen)

		08/Q4	09/Q1	09/Q2	09/Q3	09/Q4	10/Q1
Allowance for loss on interest repayments	'Cash-Out' amount associated with interest repayment claims	15.3	13.8	12.5	11.1	10.2	9.2
	Write-offs of principal triggered by interest repayment claims	14.0	12.9	12.0	11.0	10.2	9.5
	Other allowance for doubtful accounts	22.3	22.0	21.9	21.6	21.2	20.6
Allowance for doubtful accounts total		36.4	34.9	33.9	32.6	31.5	30.2
Allowance for loss on interest repayment + Allowance for doubtful accounts		51.7	48.7	46.4	43.7	41.8	39.5

Allowances relating to interest repayment claims

¥18.8B

2.9 years worth of annualized losses\*2

## Payments and write-offs relating to interest repayment claims\*2

(Billion Yen)

	08/Q4	09/Q1	09/Q2	09/Q3	09/Q4	10/Q1
Cash-Out	1.2	1.4	1.3	1.3	0.9	0.9
Write-offs	1.0	1.0	0.9	0.9	0.7	0.6
Total payments and write-off	2.2	2.5	2.3	2.2	1.7	1.6

\*1 Allowances relating to interest repayment claims / (cash out and write-offs relating to interest repayment claims in the most recent quarter x 4)

\*2 Any expenses related to interest repayments were not recorded since 08/Q1, because the losses on interest repayments are reconciled with allowances



# Rakuten Bank Profit and Loss



Consolidated since 09/Q1

(Million Yen)		08/Q4	09/Q1	09/Q2	09/Q3	09/Q4	10/Q1
	Settlement	1,248	1,523	1,222	1,229	1,217	1,644
	Card	-72	56	21	282	405	483
	Financial products	587	455	484	470	480	488
	Others	28	16	-8	23	47	95
	1. Income (loss) from commission	1,793	2,051	1,720	2,005	2,150	2,711
	2. Income (loss) from investment	732	673	966	1,302	1,510	1,567
	3. Operating expenses	2,985	3,020	2,766	2,835	2,808	2,962
	<b>Basic profit*<sup>1</sup>(exc. loan)</b>	<b>-459</b>	<b>-295</b>	<b>-79</b>	<b>472</b>	<b>853</b>	<b>1,316</b>
	<b>Basic profit (loan)</b>	<b>-</b>	<b>-</b>	<b>275</b>	<b>336</b>	<b>452</b>	<b>31</b>
	<b>Total basic profit (A)</b>	<b>-459</b>	<b>-295</b>	<b>196</b>	<b>809</b>	<b>1,305</b>	<b>1,347</b>
	<b>Non-basic profit*<sup>2</sup> (B)</b>	<b>-12,509</b>	<b>1,432</b>	<b>-164</b>	<b>-1,380</b>	<b>59</b>	<b>-407</b>
	<b>Ordinary profit (A+B)</b>	<b>-12,969</b>	<b>1,136</b>	<b>31</b>	<b>-571</b>	<b>1,365</b>	<b>939</b>
	<b>Consolidated adjustments*<sup>3</sup></b>	<b>-</b>	<b>-2,009*<sup>4</sup></b>	<b>487*<sup>5</sup></b>	<b>1,280*<sup>6</sup></b>	<b>-124*<sup>7</sup></b>	<b>-465*<sup>8</sup></b>

\*1:Basic profit = Income or loss deducted Income (loss) due to changes in market price or sales of investment products. Income or loss due to main business of Rakuten Bank instead if temporary income (loss) such as investment

\*2:Non-basic profit = Income or loss due to changes in market price or sales of investment products

\*3:Difference between ordinary profit of Rakuten Bank (consolidated) and operating profit of Banking Segment of Rakuten Consolidated.

\*4:09/Q1 Consolidated adjustments=Amortization of goodwill -170M, one-time adjustment -930M, Transfer to extraordinary loss at Rakuten Group from other ordinary expenses at banking -380M, adjustment due to difference in book value of securities -1,280M

\*5:09/Q2 Consolidated adjustments=Amortization of goodwill -300M, adjustment due to difference in book value of securities 370M, Internal elimination and other adjustments 420M

\*6:09/Q3 Consolidated adjustments=Amortization of goodwill -290M, adjustment due to difference in book value of securities 940M, Internal elimination and other adjustments 620M

\*7:09/Q4 Consolidated adjustments=Amortization of goodwill -270M, adjustment due to difference in book value of securities 40M, Internal elimination and other adjustments 100M

\*8:10/Q1 Consolidated adjustments=Amortization of goodwill -280M, adjustment due to difference in book value of securities -180 M

# Rakuten Bank Assets and Deposits (non-consolidated basis)



(Billion Yen)	Dec 31 2009 Market Value	Mar 31 2010 Market Value	Changes in Market Value from Dec 09 to Mar 10	Allowances (as of Mar 31 2010)	Unrealized gains and losses (Rakuten consolidated)	Unrealized gains and losses (Rakuten Bank standard)
<b>JGB, Local government bonds, Corporate bonds</b>	<b>358.9</b>	<b>349.7</b>	<b>-9.2</b>	<b>0.0</b>	<b>5.5</b>	<b>8.9</b>
JGB(Japanese Government Bond)	213.1	185.5	-27.6	-	4.7	8.6
Others*1	145.8	164.1	18.3	0.0	0.8	0.3
<b>Loan Receivables</b>	<b>95.1</b>	<b>100.9</b>	<b>5.7</b>	<b>3.2</b>	<b>-</b>	<b>-</b>
<b>Stocks</b>	<b>1.4</b>	<b>1.0</b>	<b>-0.3</b>	<b>-</b>	<b>0.0</b>	<b>-0.0</b>
<b>ABS (securitized loan receivables)</b>	<b>173.5</b>	<b>188.1</b>	<b>14.5</b>	<b>0.0</b>	<b>0.4</b>	<b>0.4</b>
<b>Funds</b>	<b>9.4</b>	<b>9.0</b>	<b>-0.3</b>	<b>-</b>	<b>-0.1</b>	<b>-0.0</b>
Hedge funds (FOF)	5.7	5.4	-0.3	-	-0.1	-0.0
Others	3.7	3.6	-0.0	-	0.0	0.0
<b>ABS (Real estate products)</b>	<b>30.1</b>	<b>23.7</b>	<b>-6.4</b>	<b>0.9</b>	<b>-0.1</b>	<b>-0.7</b>
Private funds (without market value)	13.4	7.6	-5.7	0.9	-	-
CMBS (with market value)	16.7	16.0	-0.6	-	-0.1	-0.7
<b>CDO</b>	<b>3.9</b>	<b>4.2</b>	<b>0.2</b>	<b>-</b>	<b>-0.0</b>	<b>-0.0</b>
<b>Total</b>	<b>672.6</b>	<b>676.9</b>	<b>4.2</b>	<b>4.1</b>	<b>5.7</b>	<b>8.6</b>

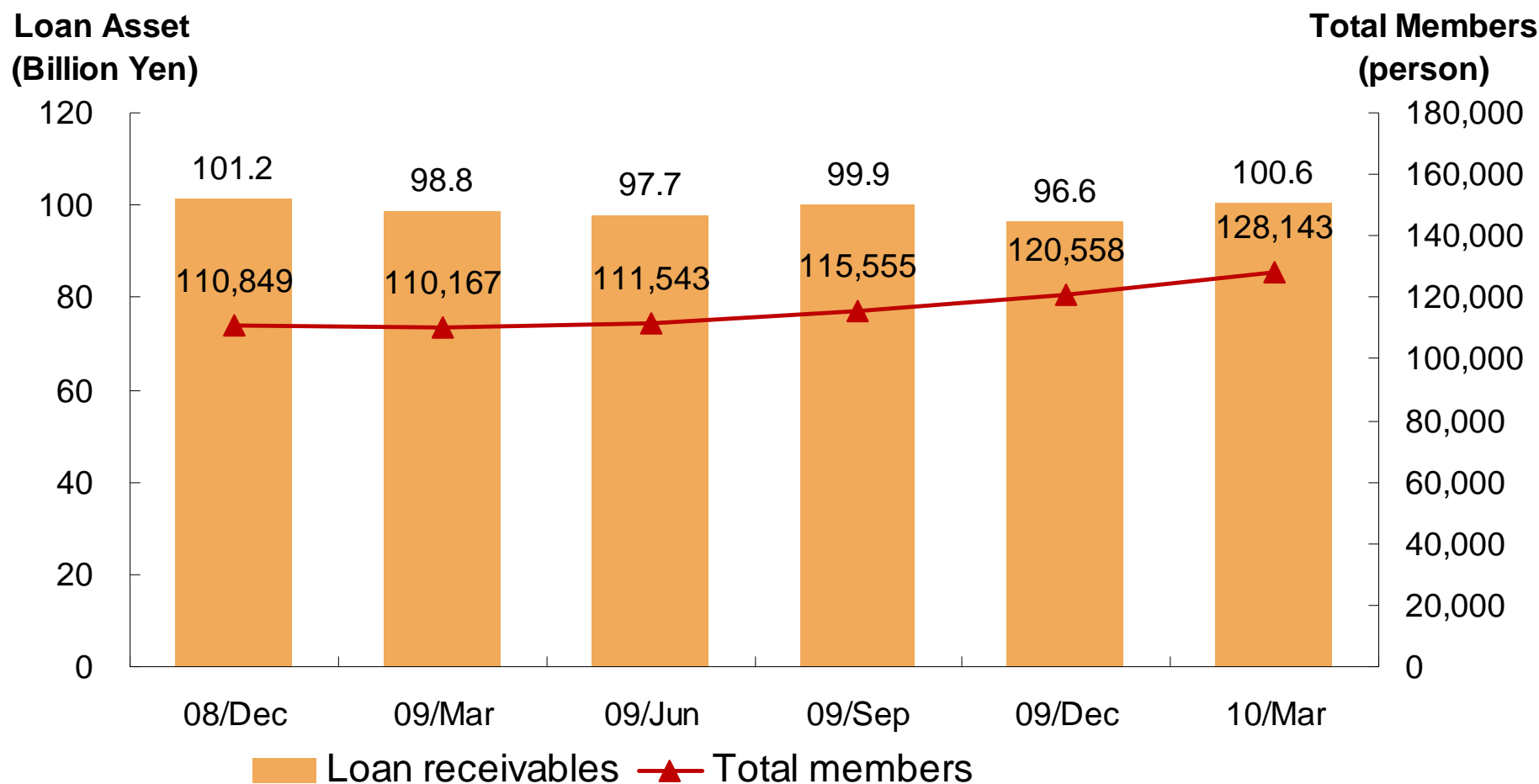
\*1 JGB, Local government bonds, Corporate bonds include government-guaranteed bonds, etc

(Billion Yen)	Dec 31, 2009	Mar 31, 2010	Changes
<b>Deposit Balance*1</b>	<b>701.7</b>	<b>696.2</b>	<b>-5.5</b>
Ordinary Deposits	285.7	293.8	8.1
Time Deposits	350.2	338.1	-12.1
Other deposits*2	65.7	64.2	-1.5

\*1 Deposits on Rakuten Bank non-consolidated basis

\*2 Other deposits include deposits in foreign currency and others

# Rakuten Bank Consumer Loan " Rakuten Bank Super Loan (previous My One)" Trends of Loan Receivables

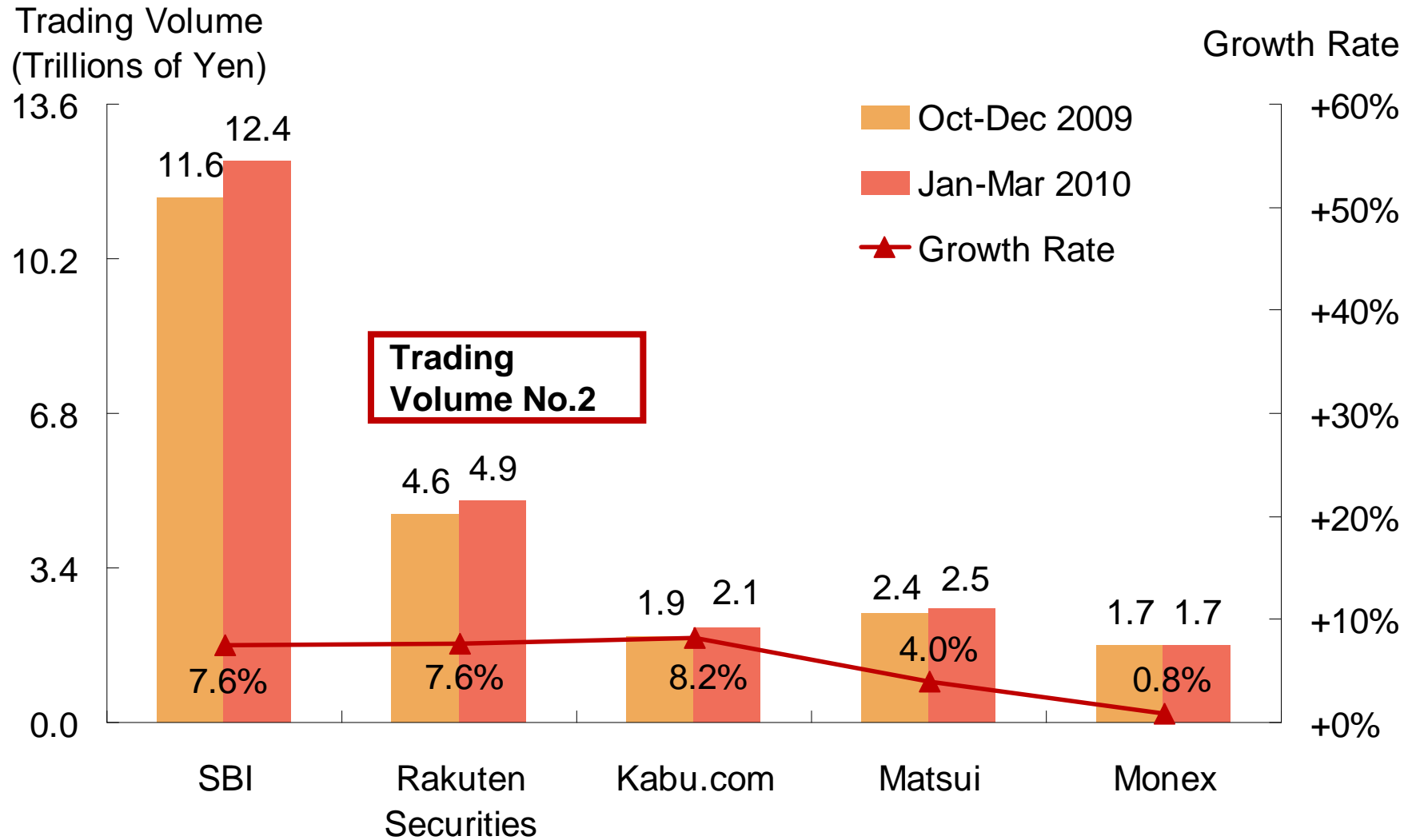


	08/Dec	09/Mar	09/Jun	09/Sep	09/Dec	10/Mar
<b>Allowance ratio*</b>	<b>2.64%</b>	<b>2.77%</b>	<b>2.85%</b>	<b>2.91%</b>	<b>3.02%</b>	<b>2.88%</b>

\*Loan Receivables, Total Members and Allowance are total of Rakuten Bank and Rakuten Credit

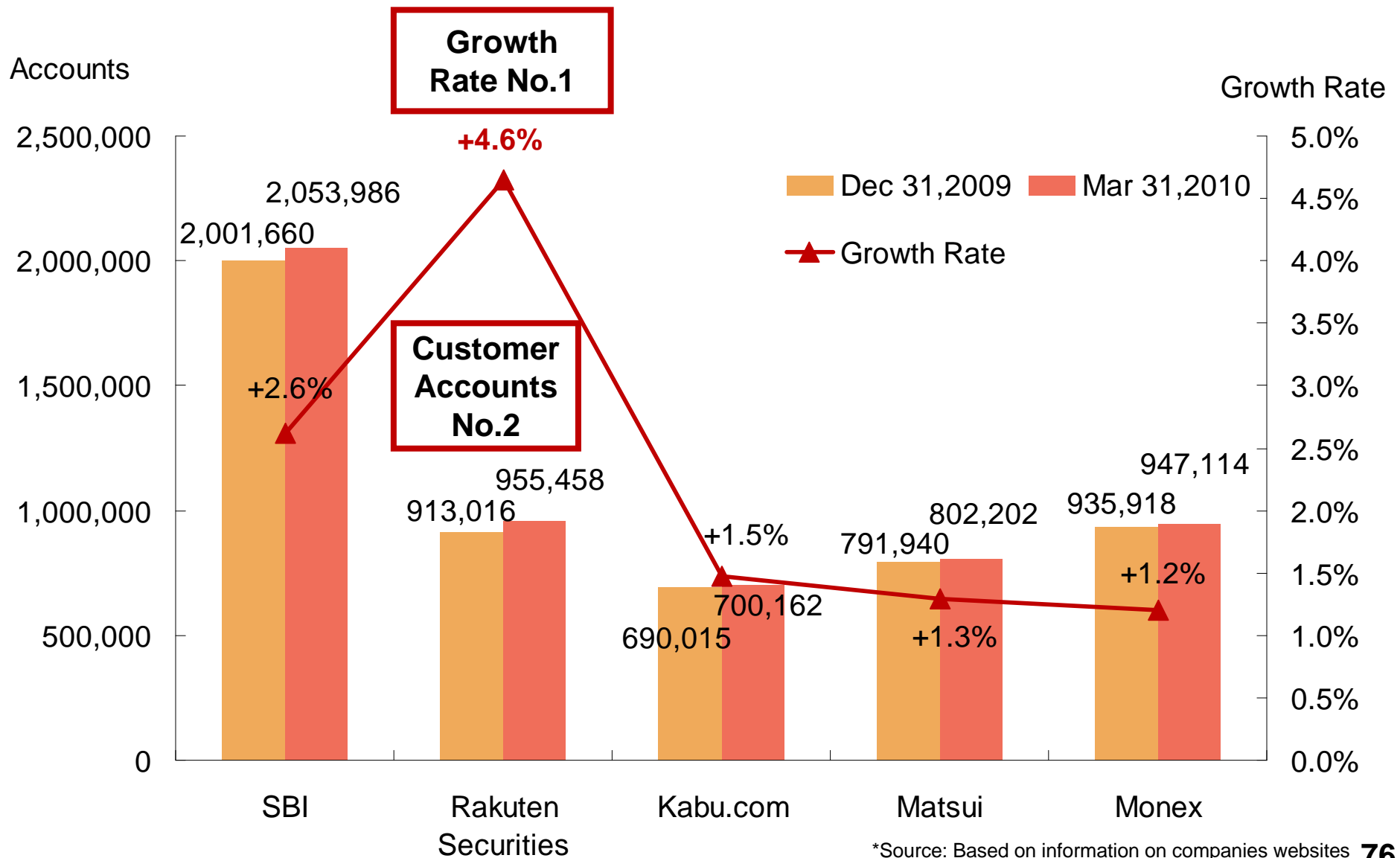
\*Allowance ratio (Allowance for doubtful account) ratio: balance of allowance/balance of loan assets

# Rakuten Securities Comparison of Stock Brokerage Trading volume with Major Online Securities Companies Rakuten

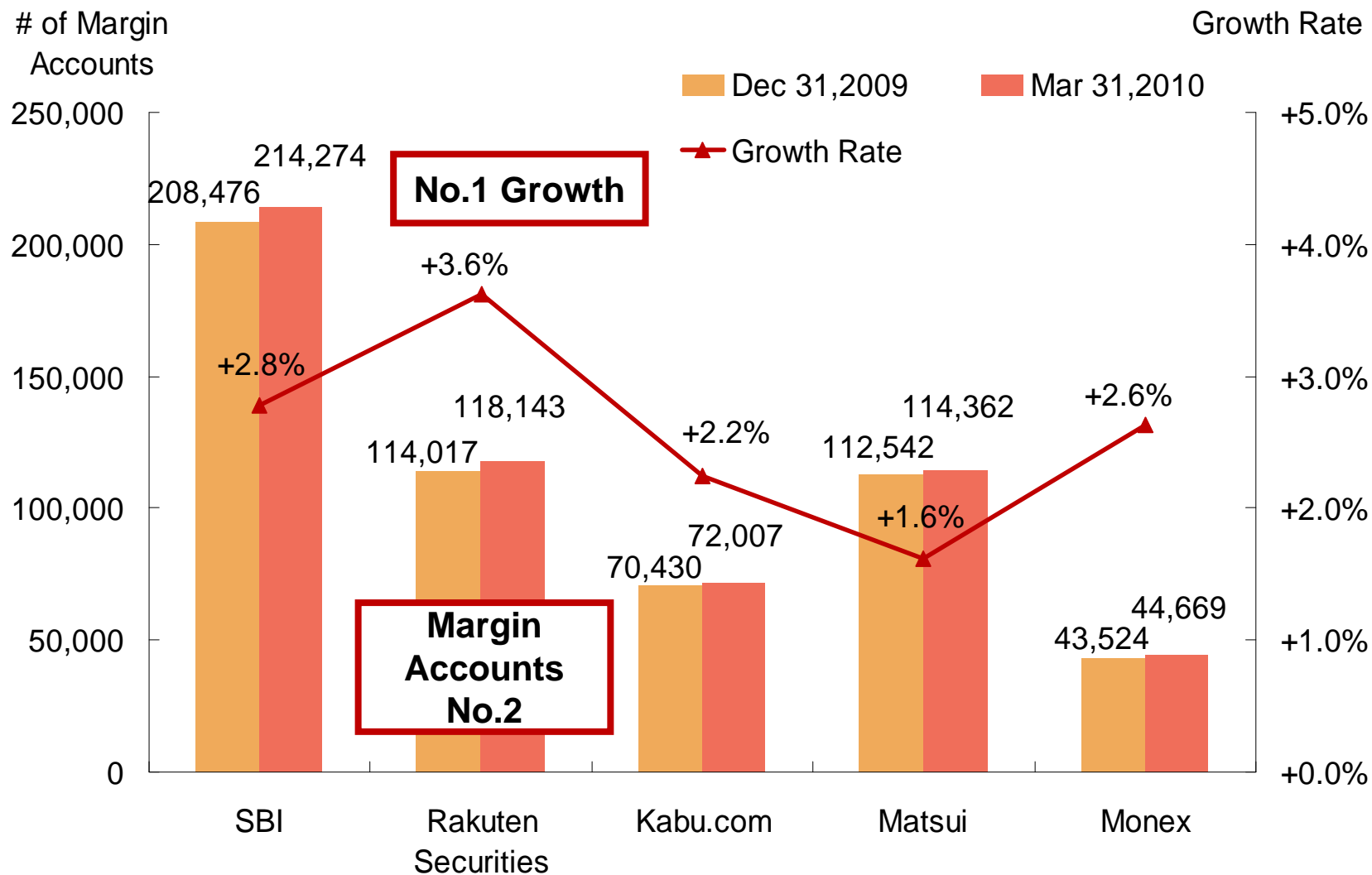


\*Source: Based on information on companies websites **75**

# Rakuten Securities Comparison of General Account with Major Online Securities Companies



# Rakuten Securities Comparison of Margin Account with Major Online Securities Companies

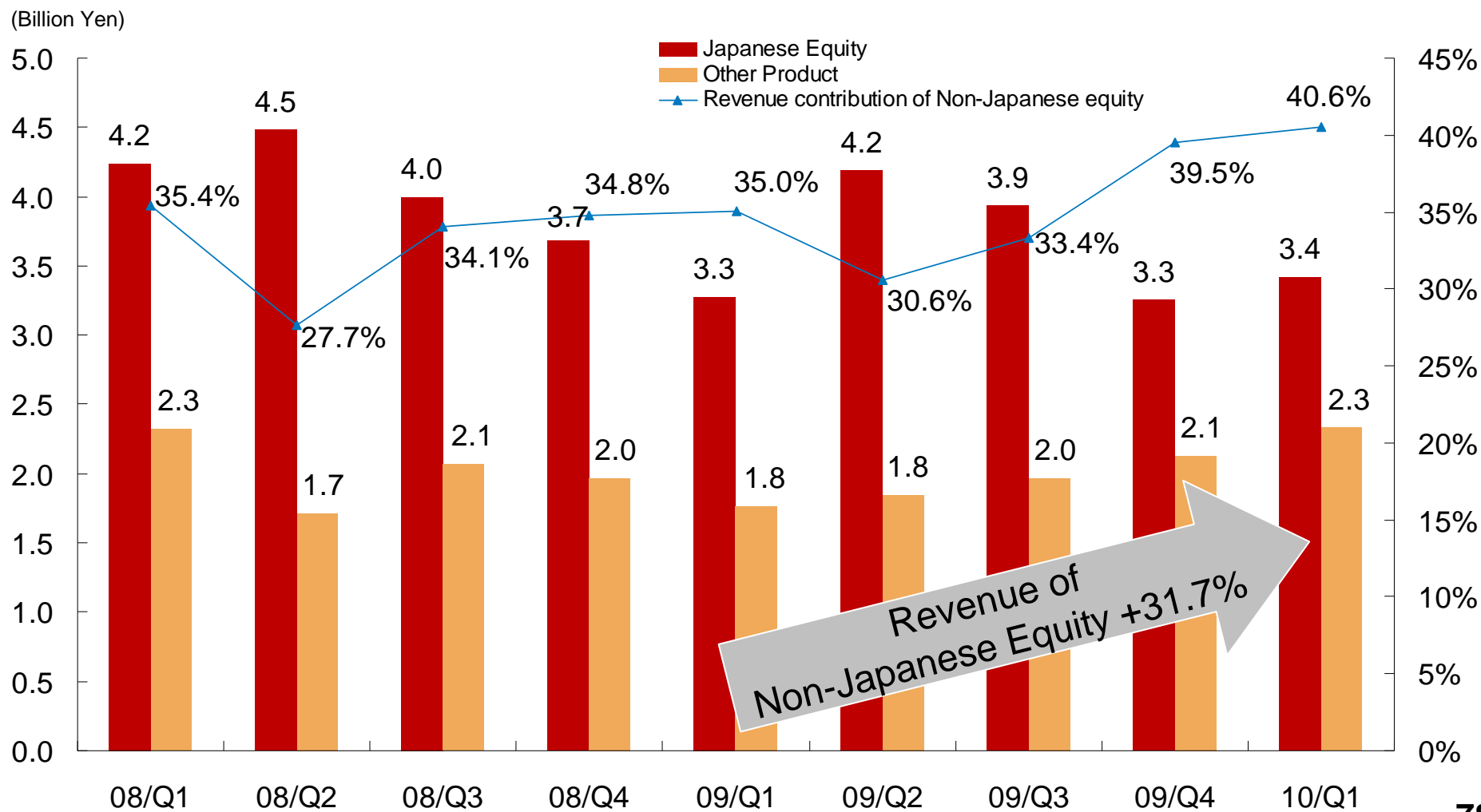


\*Source: Based on information on companies websites **77**

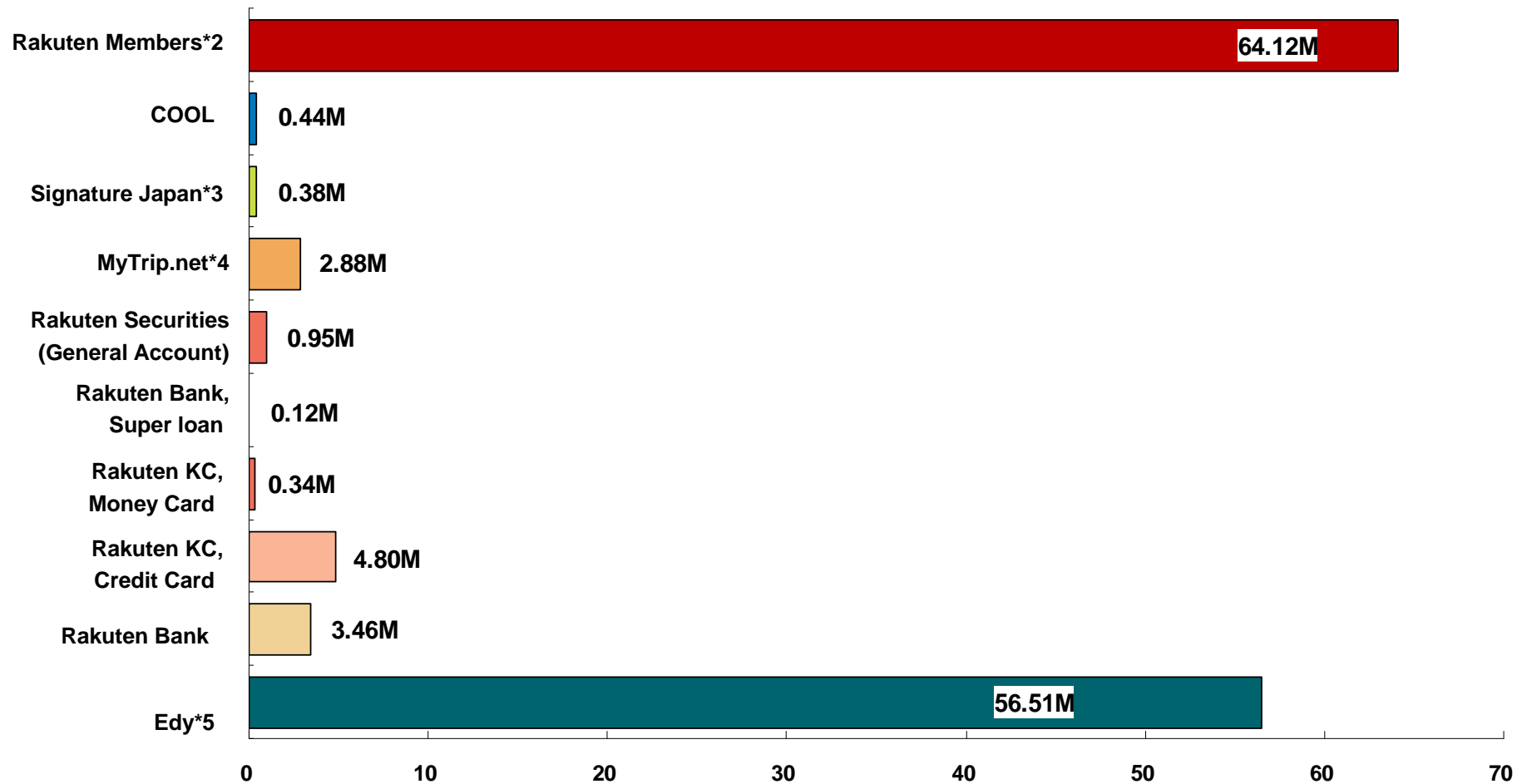
# Rakuten Securities Quarterly Change in Revenues of Non-Japanese Equity (Inc. Margin Trading)



■ Revenue contribution of Non-Japanese equity has increased by over 40% due to steady performance of FX and Investment Trust



# Group Membership\*1



\*1 Figures include members using duplicate services

\*2 Rakuten Members excluding non-active users (who never use any Rakuten services) are 39.75M

\*3 Automatically registrant card members excluded

\*4 MyTrip.net members exclude members converted into Rakuten ID

\*5 Including mobile and cards



