

February 14, 2024

Company name Rakuten Group, Inc.  
Representative Hiroshi Mikitani  
Chairman and CEO  
(Stock Code: 4755  
Tokyo Stock Exchange Prime Market)

**Notice Regarding Differences in Consolidated Financial Results between  
FY2022 and FY2023**

Rakuten Group, Inc. (hereafter “the Company”) today announced consolidated financial results for the fiscal year ended December 31, 2023. Since differences with the fiscal year ended December 31, 2022 were large, due to a significant improvement in losses mainly in the mobile segment, the Company is providing an overview.

1. Consolidated Results for the Fiscal Year ended December 31, 2023  
(January 1 – December 31, 2023)

Consolidated Operating Results (IFRS)

	Revenue	Operating loss	Net loss attributable to owners of the Company	Basic Earnings (Loss) per Share attributable to owners of the Company
Fiscal year ended December 31, 2022 (A)	Millions of yen 1,920,894	Millions of yen (371,612)	Millions of yen (377,217)	Yen (237.73)
Fiscal year ended December 31, 2023 (B)	2,071,315	(212,857)	(339,473)	(177.27)
Amount change YoY (B-A)	150,421	158,755	37,744	60.46
% change YoY	+7.8%	-	-	-

2. Reasons for Differences

In the fiscal year ended December 31, 2023, there was an increase in revenue in all segments, comprising Internet Services, FinTech, and Mobile. Total revenue was 2,071,315 million yen (up 7.8% year on year).

In terms of operating income/loss, in addition to the Internet Services segment seeing

increased profits from domestic E-commerce, steady revenue growth at Rakuten Rewards, an online cashback service in the US, contributed to Other Internet Services which includes overseas internet services. In addition, in the investment business, investment profitability improved compared to the fiscal year ended December 31, 2022, as well as a recovery in various revenue such as communication fee revenue and advertising revenue at the messaging and VoIP service "Rakuten Viber". In the sports business, performance improved compared to the fiscal year ended December 2022, including an increase in revenue related to Vissel Kobe's J1 victory, contributing to an expansion in segment profit. FinTech also contributed to increased profits, driven by an increase in transaction volumes etc due to further expansion of the customer base in credit card-related services, banking services, and securities services. In the mobile segment, restrained capital investment and cost reduction measures led to a significant reduction in losses compared to the previous fiscal year, resulting in a segment loss of 337,524 million yen (compared with a segment loss of 479,257 million yen in the fiscal year ended December 31, 2022). Going forward, efforts will be made to further increase revenue in the mobile business with the aim of returning to profitability as soon as possible.

Furthermore, investment losses accounted for using the equity method in the consolidated statement of income increased compared to the previous fiscal year due to the recording of an impairment loss of 6,498 million yen on the investment in Rakuten Medical, Inc.. Additionally, after considering the business environment and future performance trends, after a careful review of the recoverability of deferred tax assets, we decided to make implement a reversal in the fiscal year ended December 31, 2023. As a result, corporate income tax expense increased by 147,162 million yen compared to the previous fiscal year. The increase in corporate income tax expenses due to the reversal of deferred taxes at the consolidated level for the fiscal year ended December 31, 2023 was 73,217 million yen.

Taking these factors into consideration, the net loss attributable to owners of the parent company amounted to 339,473 million yen in the fiscal year ended December 31, 2023 (compared to a loss of 377,217 million yen in the previous fiscal year), an improvement of 37,744 million yen from the previous period.