

FY2022 Fourth Quarter and Full Year Consolidated Financial Results CEO Group Strategy

February 14, 2023

Rakuten Group, Inc.



Topics

1 Summary

2 FY2022 Business Updates

- ◆ Internet Services
- ◆ Fintech
- ◆ Mobile (Strategies towards No. 1 Mobile Carrier in Japan)
- ◆ Rakuten Symphony

3 Financial Strategy

4 ESG

5 Financial Highlights

1 Summary

FY2022 Domestic Key KPIs

Domestic EC GMS

+12.3%

YoY

JPY 5.6 tn



Rakuten Travel Domestic
Hotel Checkout GTV*

+12.9%

Yo3Y



MNO+MVNO
Subscribers

5.06mm



Rakuten Card
Shopping GTV

+25.8%

YoY

JPY 18.2 tn



Rakuten Cards Issued

+11.9%

YoY

28.08 mm



Rakuten Securities
General Accounts

+21.1%

YoY

8.64 mm



Rakuten Bank Accounts

+13.3%

YoY

13.39 mm



*Excluding corporate reservations

Consolidated Revenue

■ Revenue growth for **26 consecutive years**

(JPY tn)

FY1997 - FY2022 CAGR

+56.9%

+14.6% YoY

1.9



Global GTV

■ Extraordinary growth globally since IPO

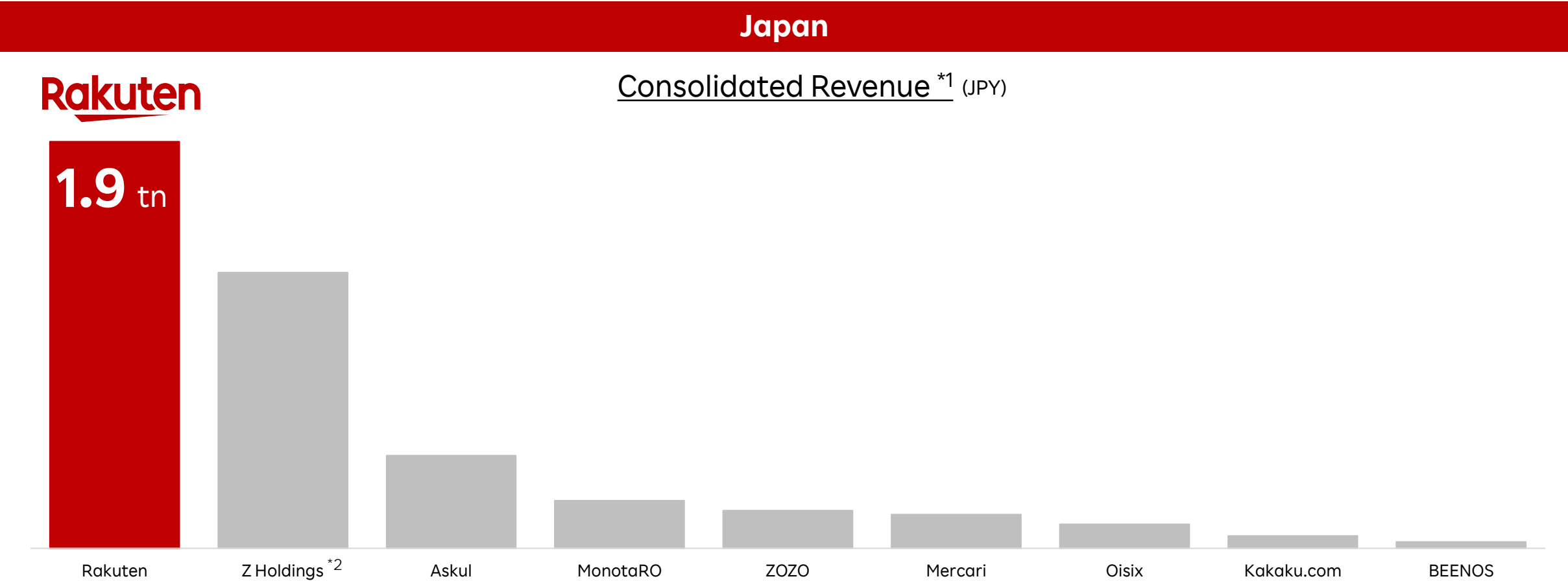
(JPY tn)

FY2000 – FY2022 CAGR
+39.2%

+23.0% YoY
33.8



Rakuten Group's Major Presence in Japan

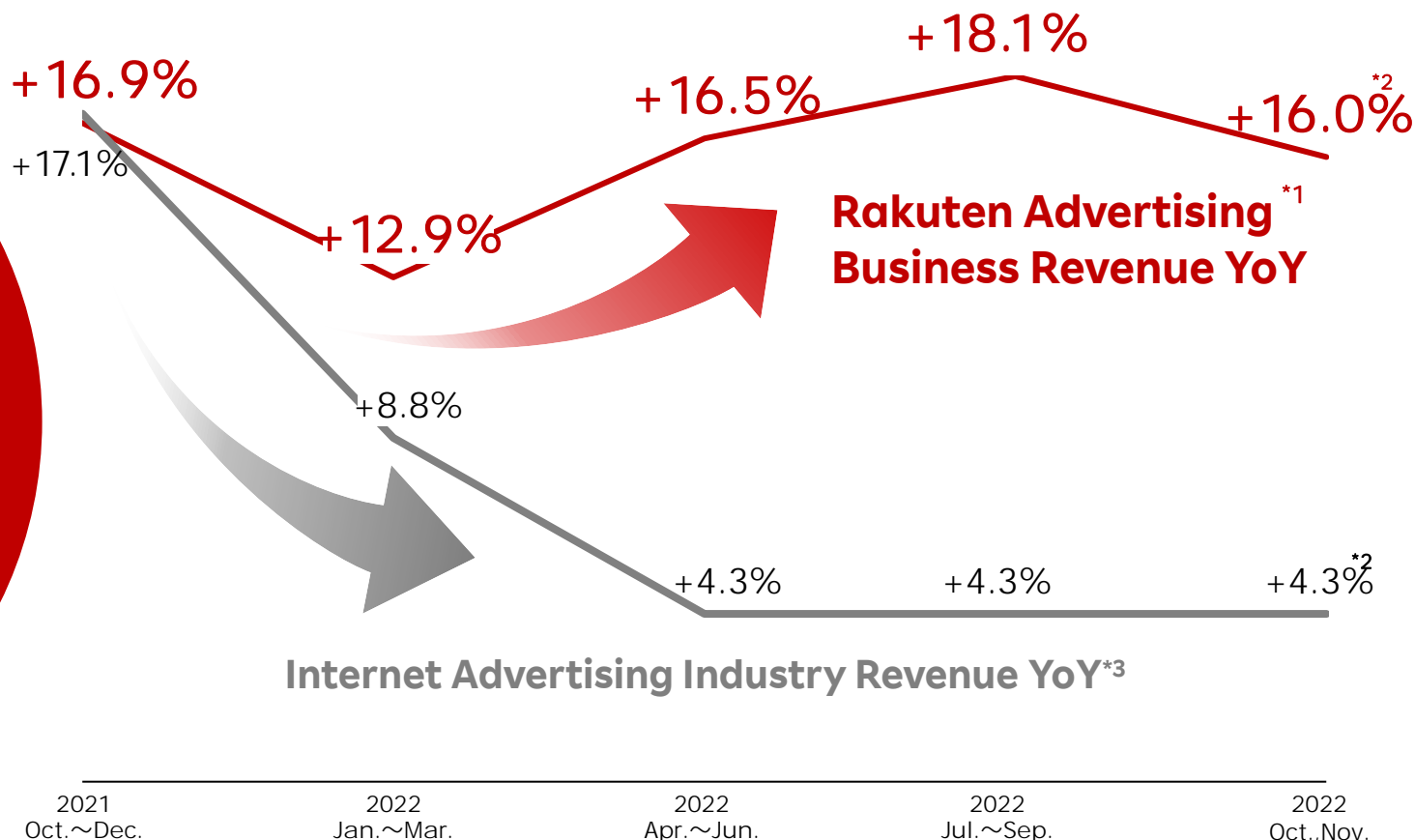
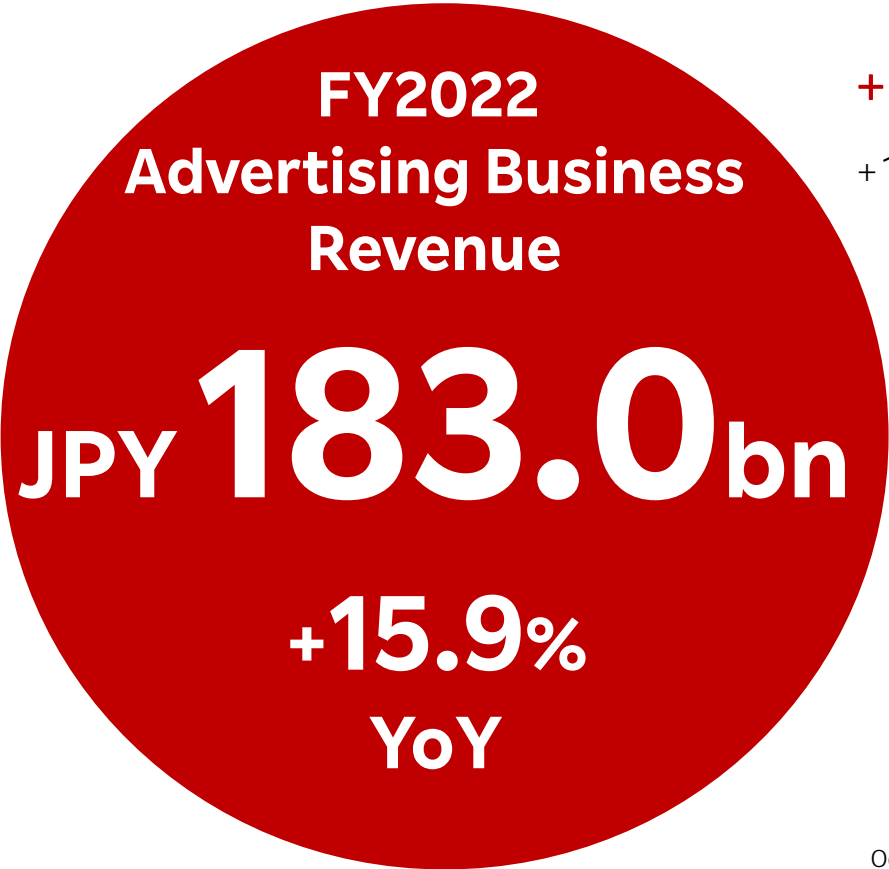


(Source) SPEEDA
*1 Company data for last twelve months, available as of Feb. 10, 2023
*2 Excluding ZOZO and Askul

Rakuten Advertising Business Surpassed Industry Growth

■ Even though the Japanese advertising industry has been in a slump, Rakuten’s advertising business achieved significant growth in 2022 driven by growth of Rakuten Ichiba and Rakuten Travel.

Advertising Revenue YoY Comparison



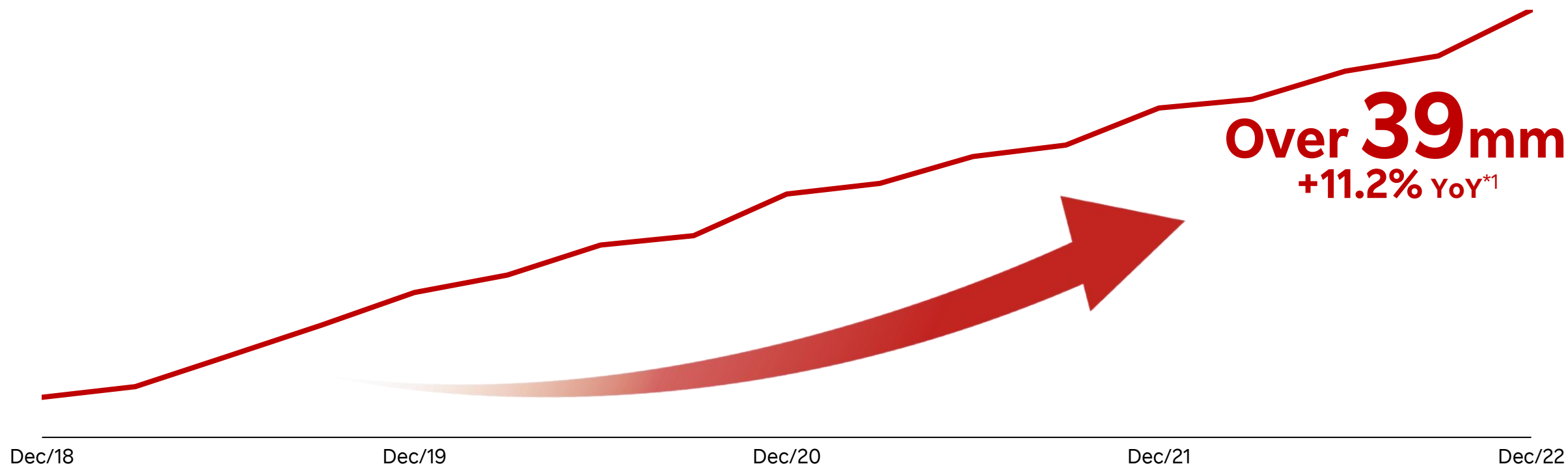
R ^{*1} Total domestic advertising revenue recorded in each segment (Internet Services, FinTech, Mobile) (including internal transactions)
^{*2} YoY comparison based on total sales in October and November.
^{*3} Ministry of Economy, Trade and Industry of Japan “Survey of Selected Service Industries.” Growth rate for Oct-Nov 2022 only since result for December 2022 is yet to be announced.

8

Rakuten Ecosystem Supports Growth of Rakuten Group

- The number of Rakuten Group monthly active users*1 in Japan continued to grow and reached 39 million.

Monthly active user growth in Japan

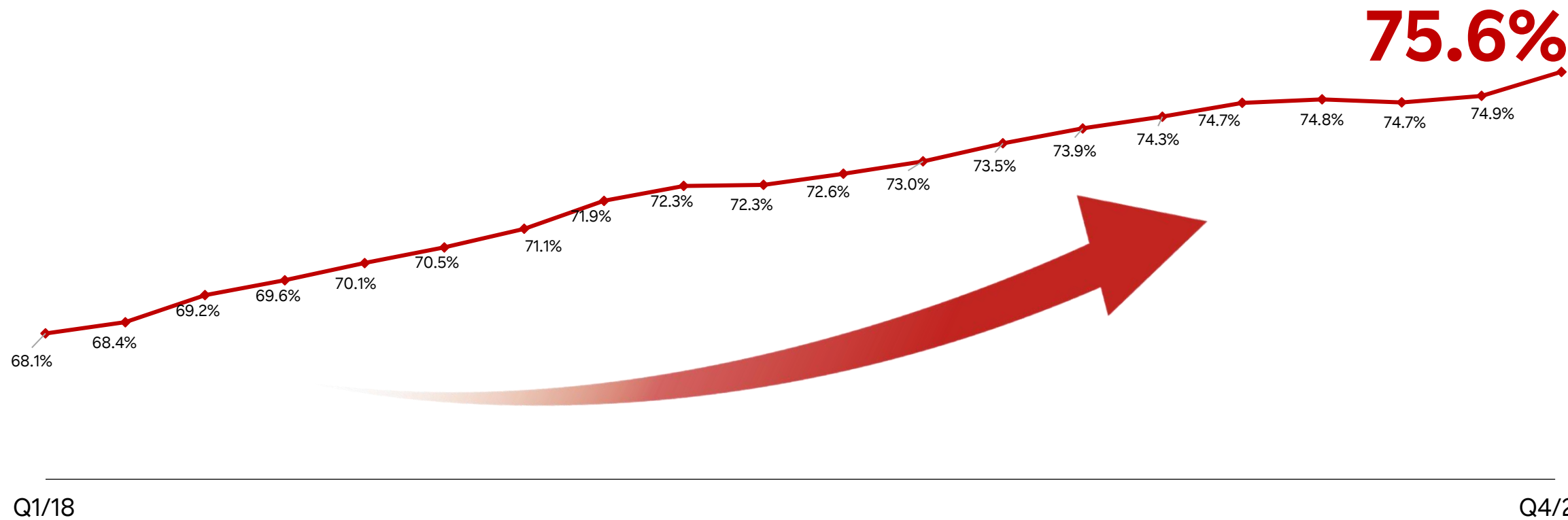


*1 Comparison of average monthly active users as of the end of the October-December 2022 quarter versus end of October-December 2021 quarter.

Rakuten Ecosystem Supports Growth of Rakuten Group

■ Cross-use ratio increased steadily.

Ratio of users of two or more services*1

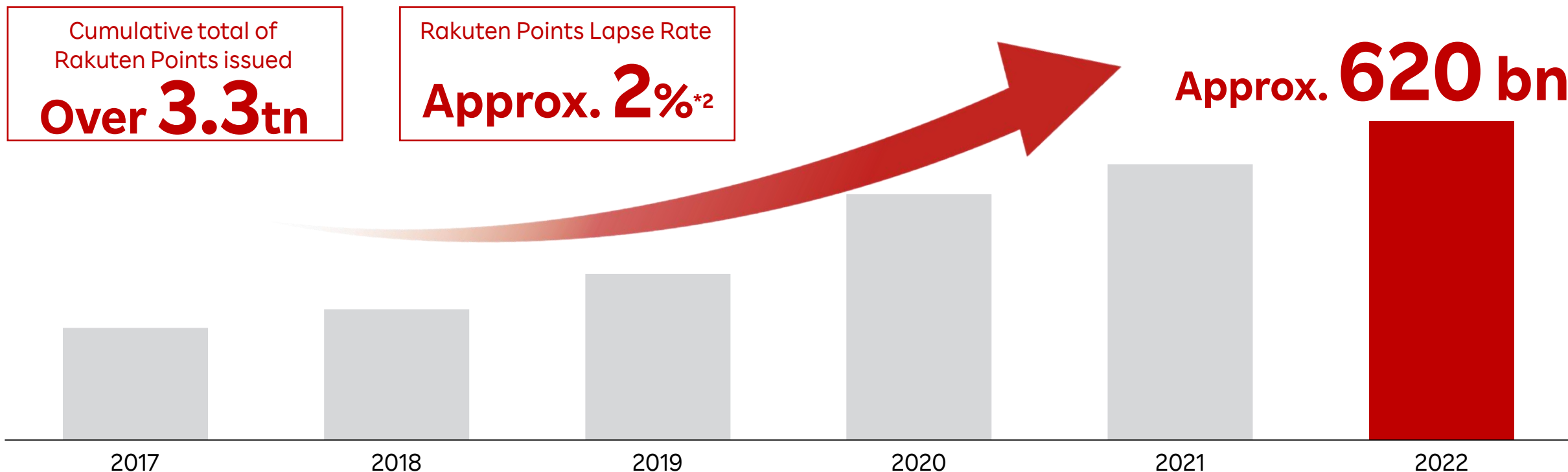


*1 Percentage calculated by dividing the number of users of two or more services in the past 12 months by the number of users of all services in the past 12 months (as of the end of December 2022).
(Limited to the use of services that can earn Rakuten Points.)

Rakuten Points^{*1} Ranked No. 1 in Satisfaction

- The number of Rakuten Points issued in FY2022 exceeded JPY 620bn, pushing up cumulative points issued to JPY 3.3tn
- High satisfaction of the program members is proved by point lapse rate of only 2%

Number of Rakuten Points Issued



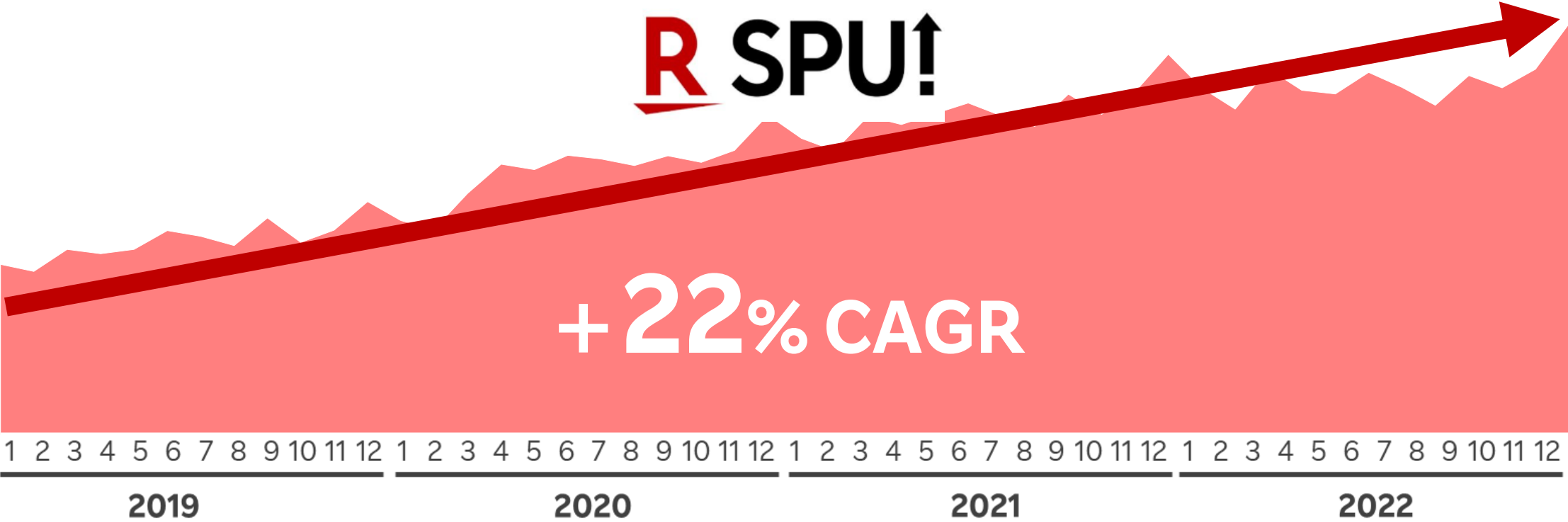
^{*1} My voice com, Survey on points, November 2022.

^{*2} Total number of expired Rakuten Point in 2022 / Total number of Rakuten Point issued in 2022

SPU* Shows Robust Growth

- SPU promotes cross-use of services offered in Ecosystem, continued to show robust growth.

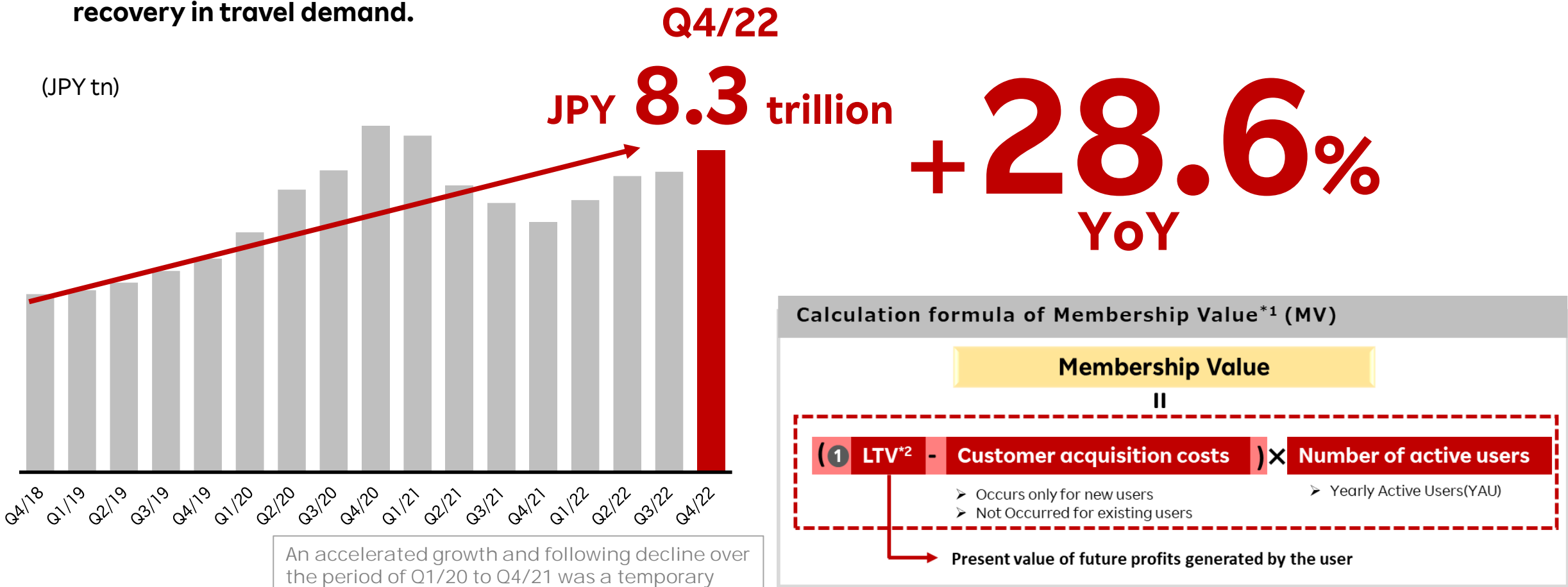
Number of SPU users x number of services used per person in 2019-2022



* Super Point Up. By achieving certain conditions related to cross-use, members are awarded extra Rakuten Points.

Rakuten Ecosystem Membership Value

- In Q4/22, the increase in the number of active users and retention in Rakuten Ichiba and Rakuten Travel contributed to the overall Membership Value expansion, along with continued growth in the E-commerce business and a rapid recovery in travel demand.



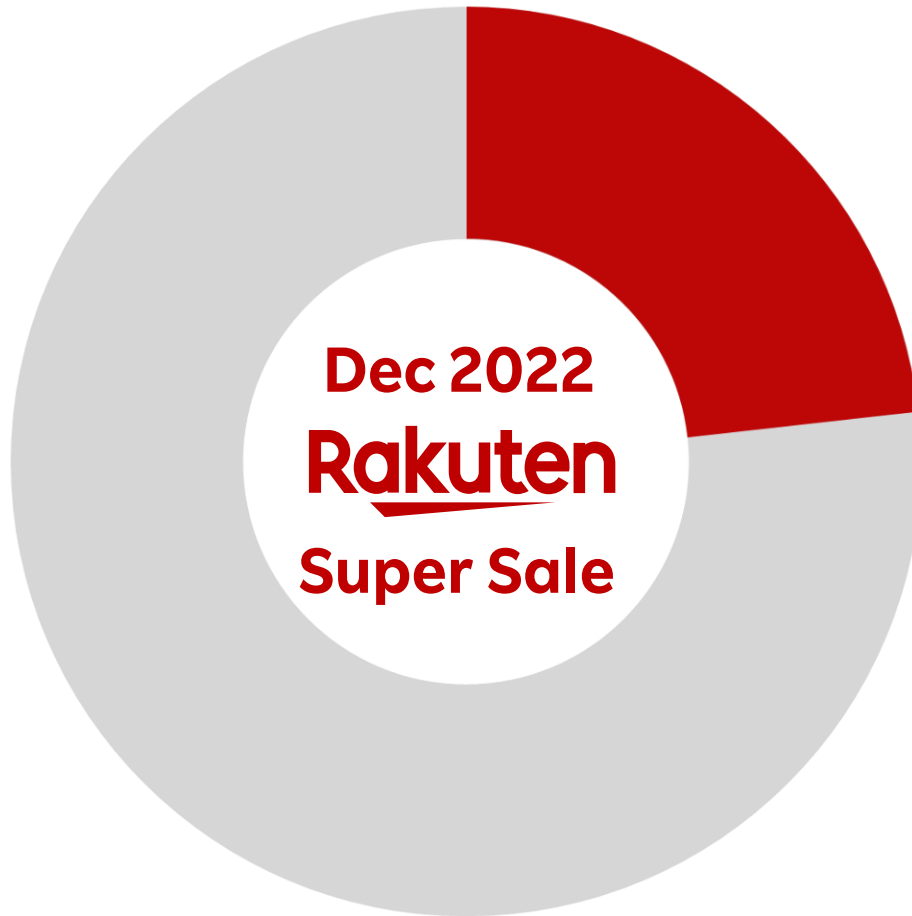
*1 Calculated by Rakuten Group effect of Pandemic.

*2 LTV=Abbreviation for Lifetime Value. $LTV = \sum (ARPU \times Profit\ Rate^{*3} \times Retention) \div (1 + Discount)^{K-1}$ ①K is Projection Years ②ARPU=Revenue/YAU

*3 Profit Rate = $\{(Revenue \times Marginal\ profit\ ratio) - Retention\ cost^{*4}\} \div Revenue$ ①Marginal profit cost = Revenue(cost of revenue, commissions, etc.)

*4 Retention cost = Marketing costs- Customer acquisition cost ① Marketing cost = Advertising cost + Promotion cost + Point cost ②Customer acquisition cost = Marketing cost prorated to new users

Rakuten Ichiba Super Sale GMS* from MNO Subscribers



GMS ratio of MNO subscribers who participated in the Ichiba Super Sale

23.8%

SPU Effects on MNO User Acquisition

User questionnaire on the appeal of Rakuten UN-LIMIT VII ^{*1}

Using up to 3GB of data for
980 yen/month (1,078 yen inc. tax)

26%

Eligible to earn SPU

22%

+11.4pt
vs Jun/22

Pay only for what you use, in the
new rate plan Rakuten UN-LIMIT VII

20%

Contract handling fee,
contract cancellation fee,
MNP transfer fee all zero yen

19%

Unlimited use of data for
2,980 yen/month (3,278 yen inc. tax)

18%

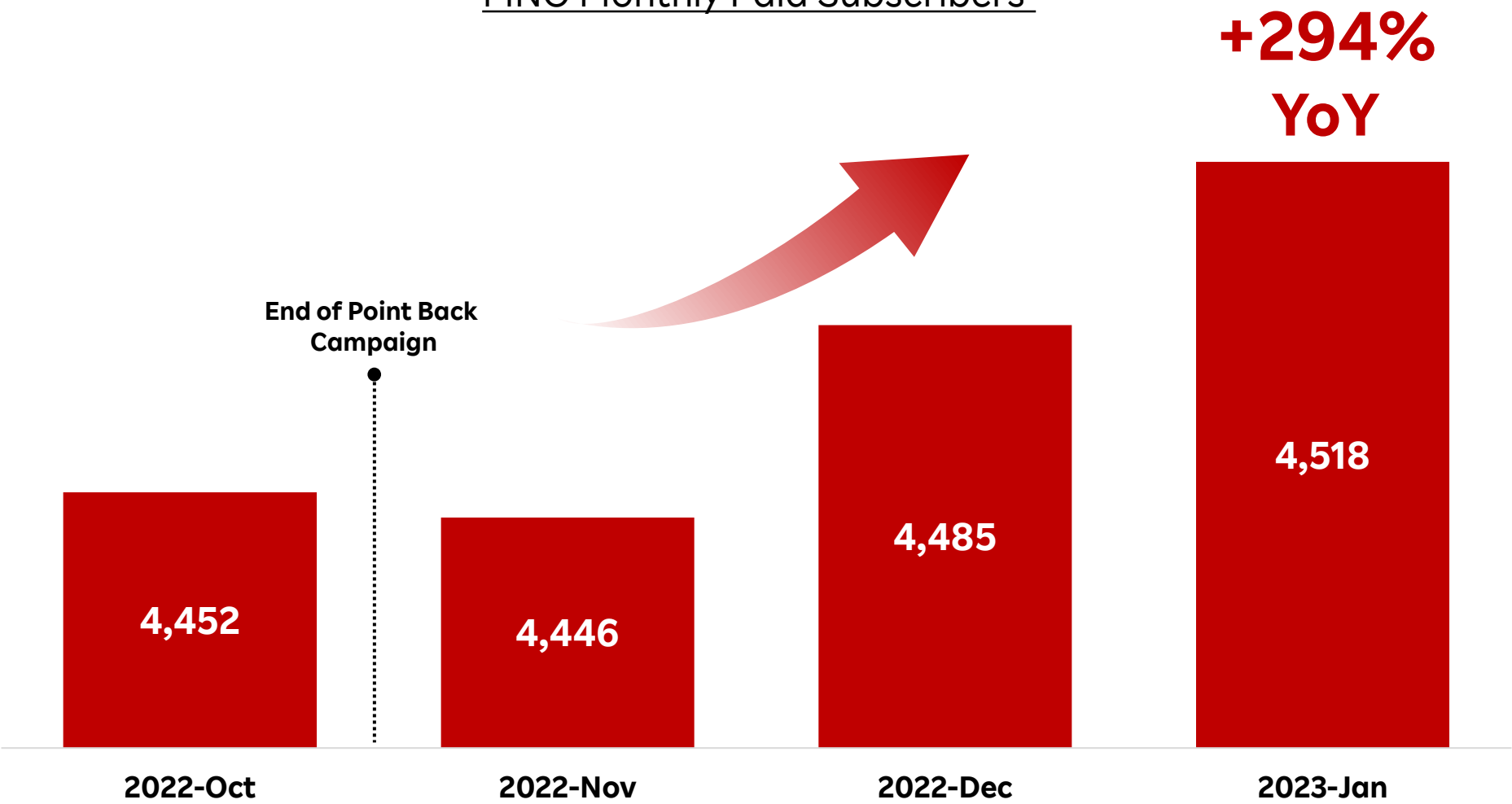
^{*} Based on responses from users (N=2,628) who said they are aware of Rakuten Mobile from a user survey conducted among cell phone users from January 12 to January 19, 2023.



Paid Subscriber Growth Accelerating

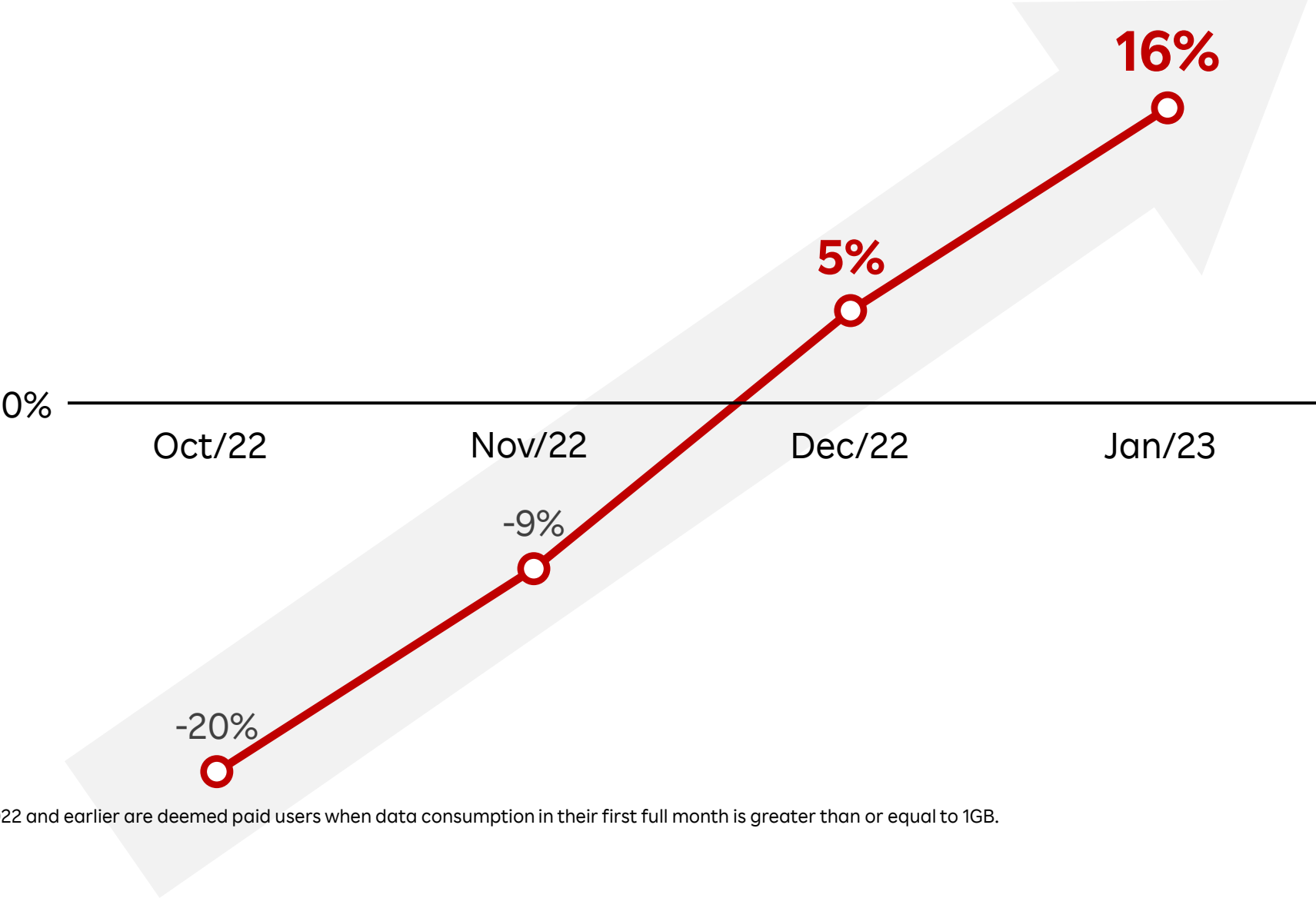
MNO Monthly Paid Subscribers*

(k)



* Preliminary figures.

MNO Applications (Paying User) YoY Trend



* Applicants in October 2022 and earlier are deemed paid users when data consumption in their first full month is greater than or equal to 1GB.

FY2022 Global Key KPIs

Global GTV

+23.0%
YoY

JPY 33.8 tn



Rakuten Rewards GMS

+5.6%
YoY

USD 12.07 bn



Rakuten Kobo
Registered Users

+8.1%
YoY

60.8 mm



Rakuten TV
Total Users ^{*1}

+48.3%
YoY

70.0 mm



Rakuten Viki
Registered Users

+27.2%
YoY

66.8 mm



Rakuten Viber
Registered Users

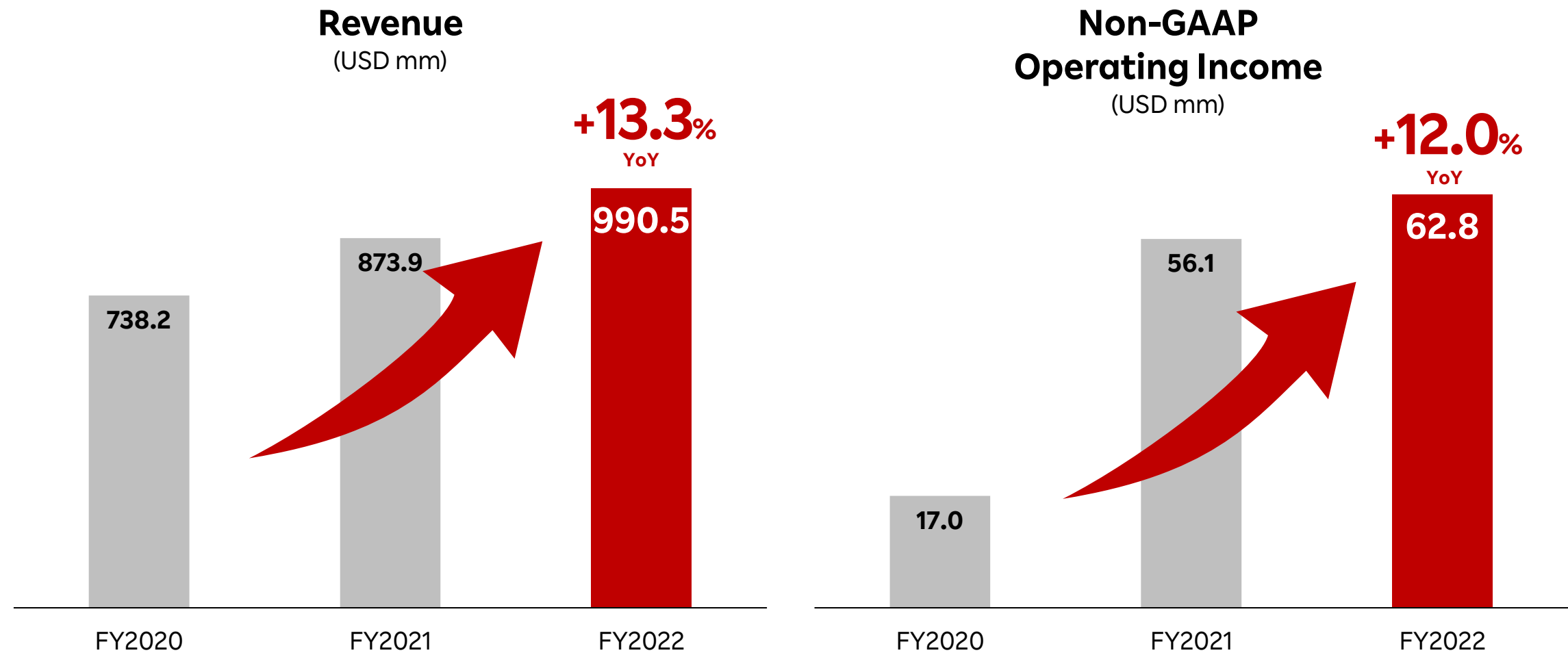
+6.4%
YoY

1.42 bn



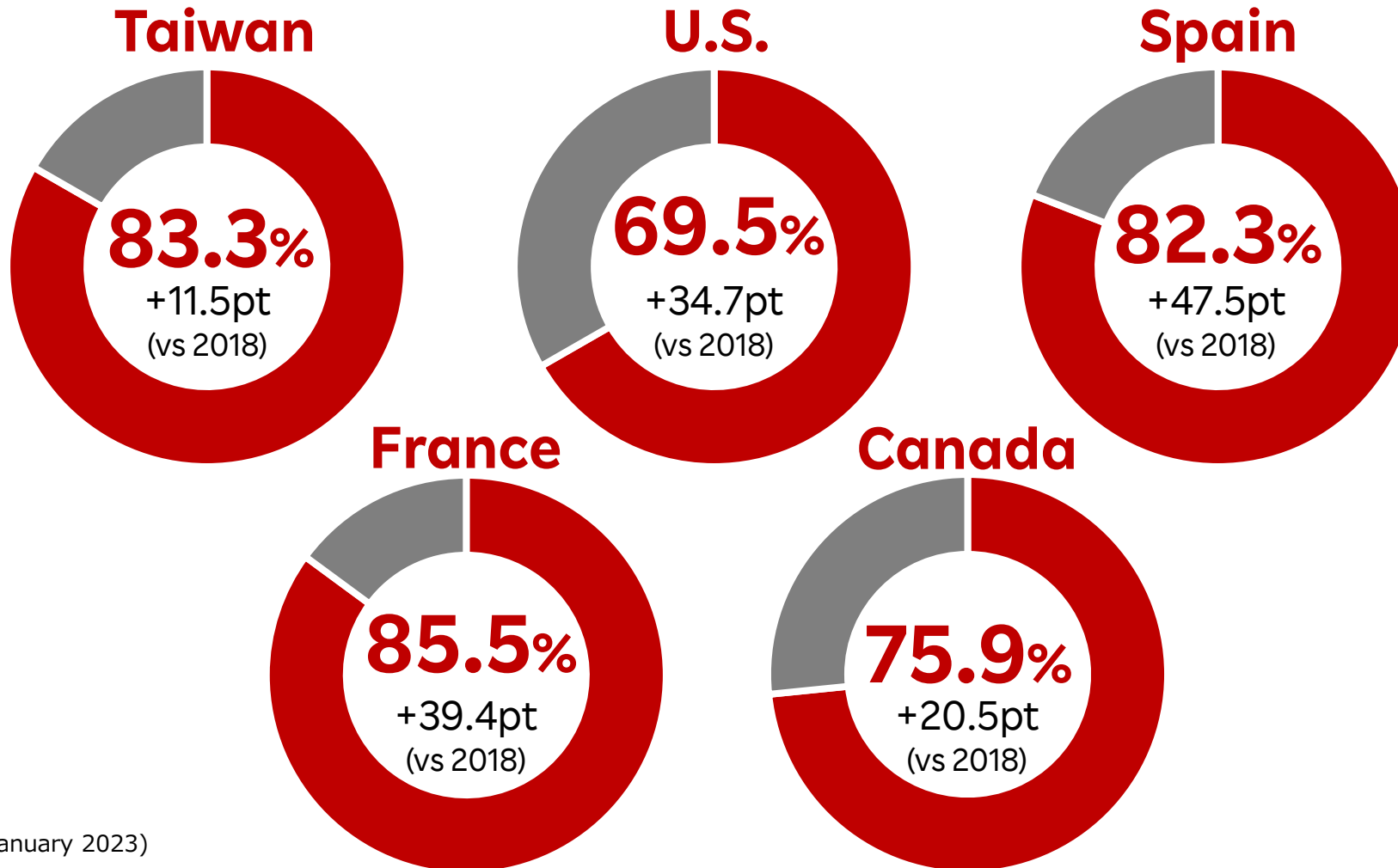
^{*1}Total number of registered users and non-registered AVOD (Advertising Video On Demand) users as of December 30, 2022

Rakuten Rewards Achieved Strong Growth



Awareness of Rakuten Group Expanding Globally*

Logo Awareness (Jan/23)



* In-house research (January 2023)

2 FY2022 Business Updates

(JPY bn)



Internet Services

	FY2021	FY2022	YoY
Internet Services Segment			
Revenue	999.2	1,085.9	+8.7%
Operating Income	103.4	78.2	-24.3%
Domestic E-Commerce			
Revenue	707.7	797.0	+12.6%
Operating Income	70.0	95.6	+36.6%
Minority Investment			
Operating Income	34.3	-10.2	-44.6
Others (excluding Minority Investment)			
Revenue	291.5	288.9	-0.9%
Operating Income	-1.0	-7.2	-6.2
Others (excluding Minority Investment, R-ad, ^{*1} Viber, Sponsors ^{*2})			
Operating Income	-0.9	3.7	+4.5

*1 Rakuten Advertising Business (Overseas)

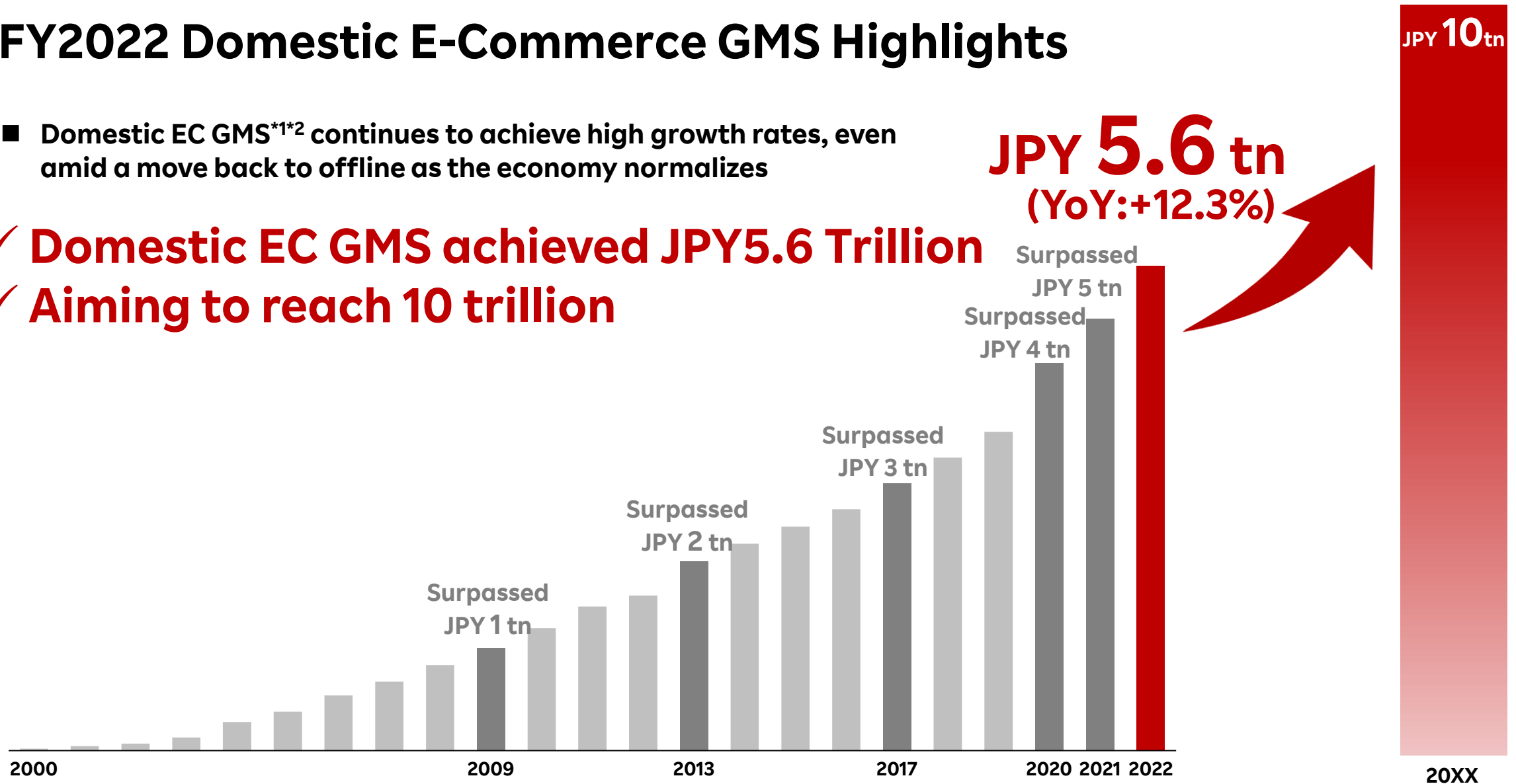
*2 Golden State Warriors sponsorship costs, etc.



FY2022 Domestic E-Commerce GMS Highlights

- Domestic EC GMS^{*1*2} continues to achieve high growth rates, even amid a move back to offline as the economy normalizes

- ✓ Domestic EC GMS achieved JPY5.6 Trillion
- ✓ Aiming to reach 10 trillion

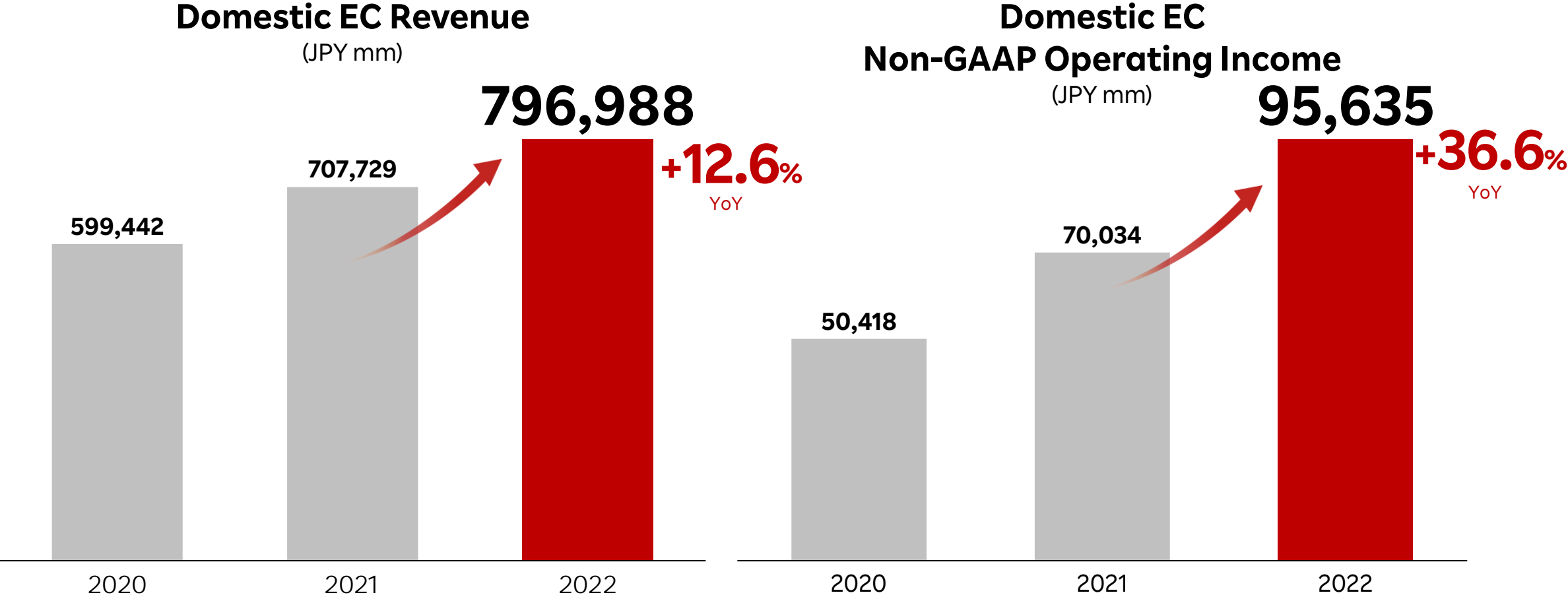


^{*1} Domestic e-commerce GMS (Excludes some tax-exempt businesses, includes consumption tax.) is the combined transaction amount for Rakuten Ichiba, Rakuten Travel (GTV on checkout basis), Rakuten Books, Books Network, Kobo (domestic), golf business, Rakuten Fashion, Rakuten Dream businesses, Rakuten Beauty, Rakuten 24, Car, Rakuma, Rakuten Rebates, Rakuten Seiyu Netsuper, and cross border trading, etc.



^{*2} Rakuten Books network, cross border trading and Rakuten Kobo (domestic) were added from Q4/21. This has resulted in retroactive adjustments to Domestic E-Commerce GMS.

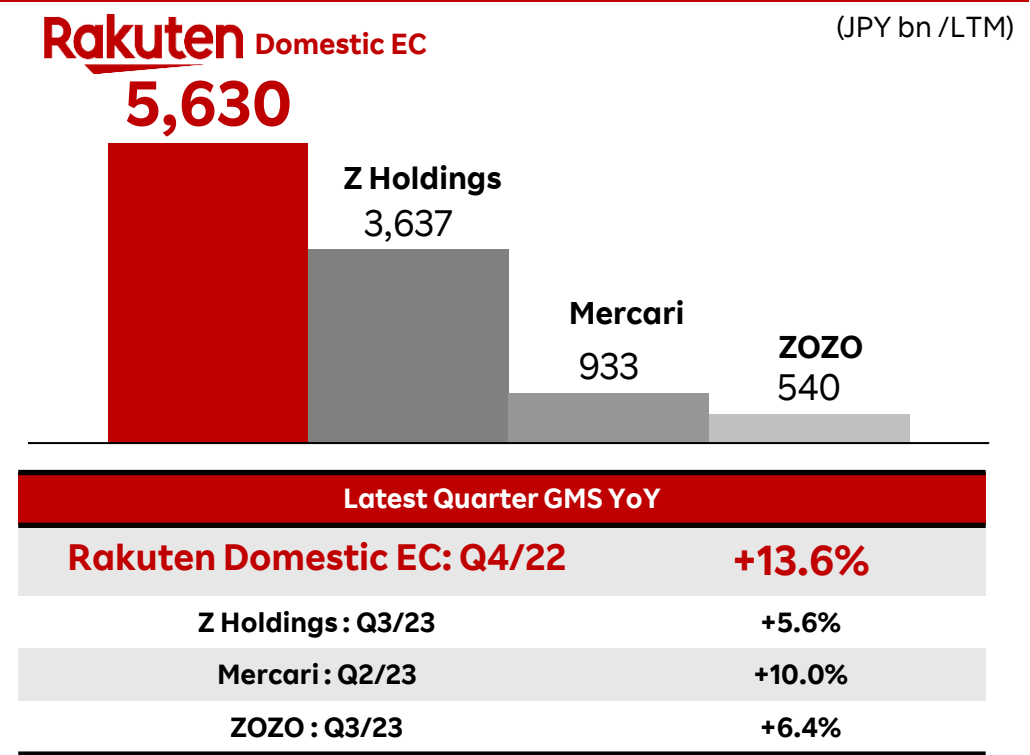
FY2022 Domestic E-Commerce Financial Highlights



Dominant presence in the Japanese EC market

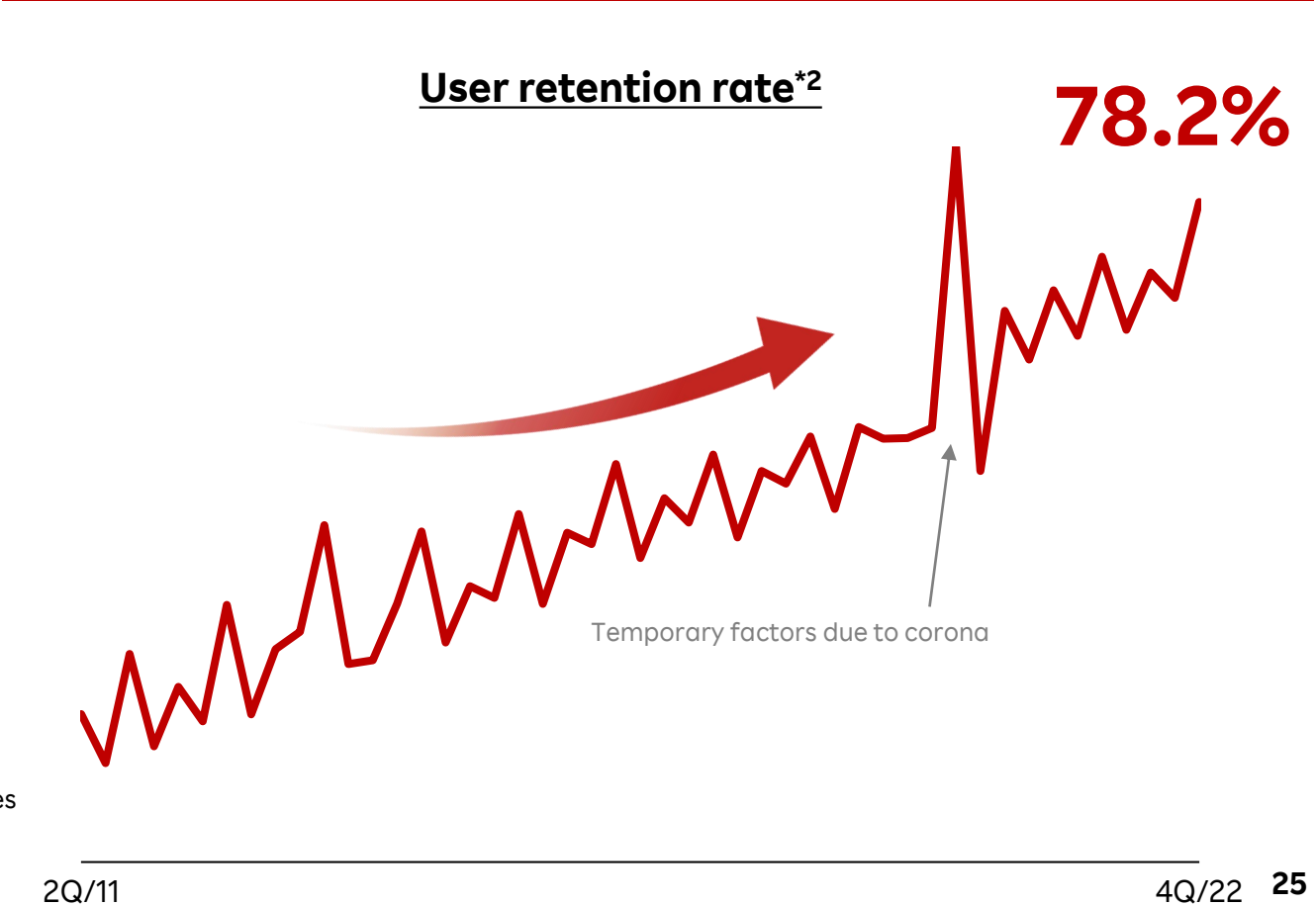
- Rakuten's Domestic EC is by far the largest in the Japanese E-commerce market. Growth rate remains high compared to competitors.
- User retention rate of Rakuten Ichiba was maintained at a high level post-Covid.

LTM GMS*1 Comparison with Major Domestic EC Competitors



*1 GMS for Last Twelve Months from the most recently disclosed period.
Z Holdings: GMS in Domestic Merchandise Transaction Value and Domestic Services Transaction Value. Mercari: GMV in Japan. ZOZO: Gross Merchandise Value
*2 Percentage of users who purchased in each quarter in the following quarter

Rakuten Ichiba Growth Results



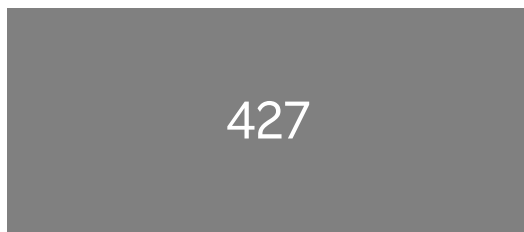
Fashion Business at Rakuten*1: Dominant Presence in the Japanese Market

- The size of Rakuten's fashion business*1 is one of the largest in terms of GMS in the Japanese E-commerce industry.
- Not only one of the largest in terms of size, but it has also achieved 10% growth YoY.
- Growth is expected to continue in the future while maintaining overwhelming size.

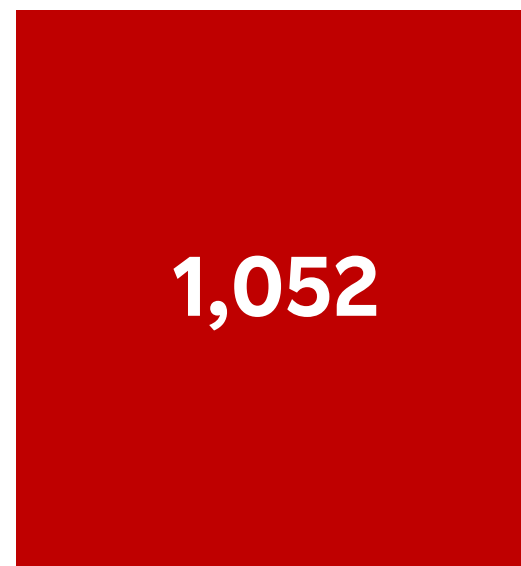
Last twelve months GMS

(Bn JPY/LTM)

Rakuten is
over 2.5x



ZOZOTOWN*2
(Q4/21-Q3/22)



Rakuten

(Q1/22-Q4/22)

Surpassed **1 tn**

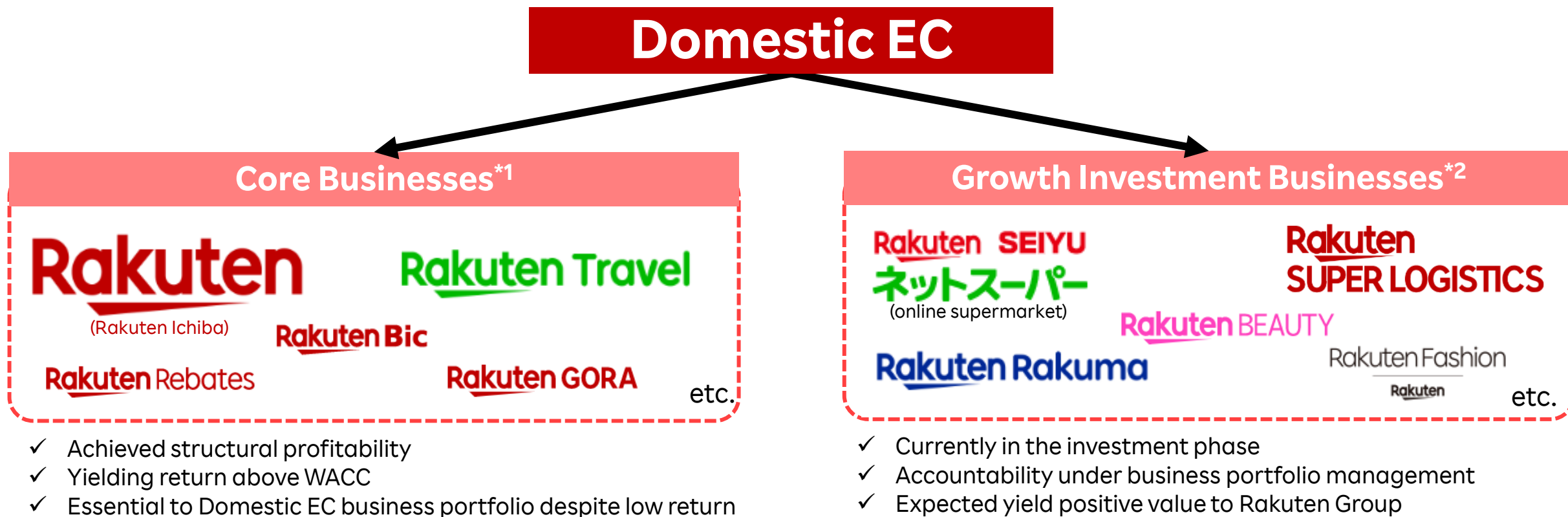
Dominant Size
+
High Growth of
+10% YoY

*1 Total of fashion-related genres (fashion, clothing accessories, sports, beauty, etc.) in Rakuten Ichiba and Rakuten Fashion

*2 GMS of ZOZOTOWN business in LTM (Q4/21-Q3/22) in ZOZO

Rakuten Domestic EC Business Portfolio Management

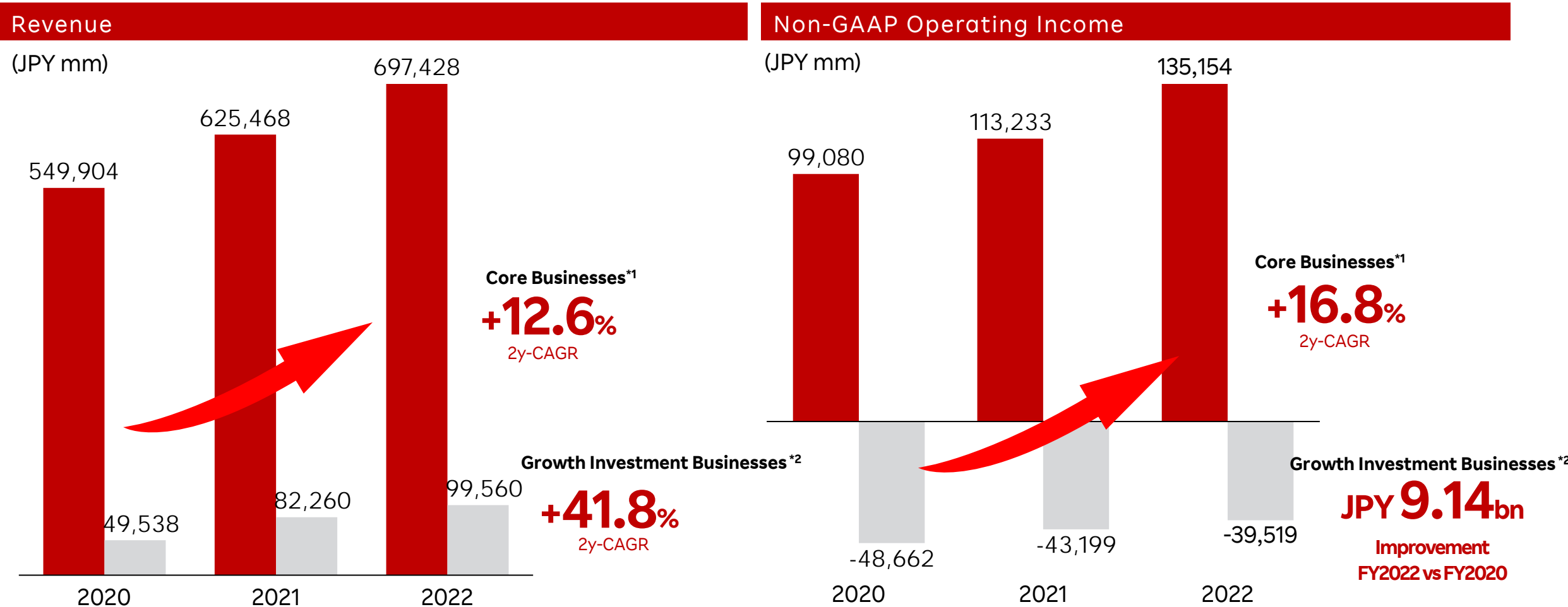
- Domestic EC is divided into core businesses and growth investment businesses
- Rakuten Group will continue to make investments for growth and to strengthen Ecosystem
- Each growth investment business will work with accountability to promote growth and profitability to yield positive value to Rakuten Group



*1 Rakuten Ichiba, Rakuten Travel, Books Network, golf business, Rakuten Dream businesses, Open Commerce, Hunglead, BIC, Home life Direct, and Car etc.

*2 Fashion 1st Party, C2C, Rakuten Seiyu Netsuper, Logistics business, Rakuten Beauty, Dining, and cross boarder trading etc.

Further Growth in Domestic EC Core Businesses and Improving Profitability in Growth Investment Businesses



*1 Rakuten Ichiba, Rakuten Travel, Books Network, golf business, Rakuten Dream businesses, Open Commerce, Hunglead, BIC, Home life Direct, and Car etc.

*2 Fashion 1st Party, C2C, Rakuten Seiyu Netsuper, Logistics business, Rakuten Beauty, Dining, and cross boarder trading etc.

Strong Growth of Rakuten Advertising Business

- Rakuten advertising business revenue*1 continues to experience significant growth and will continue to expand further.

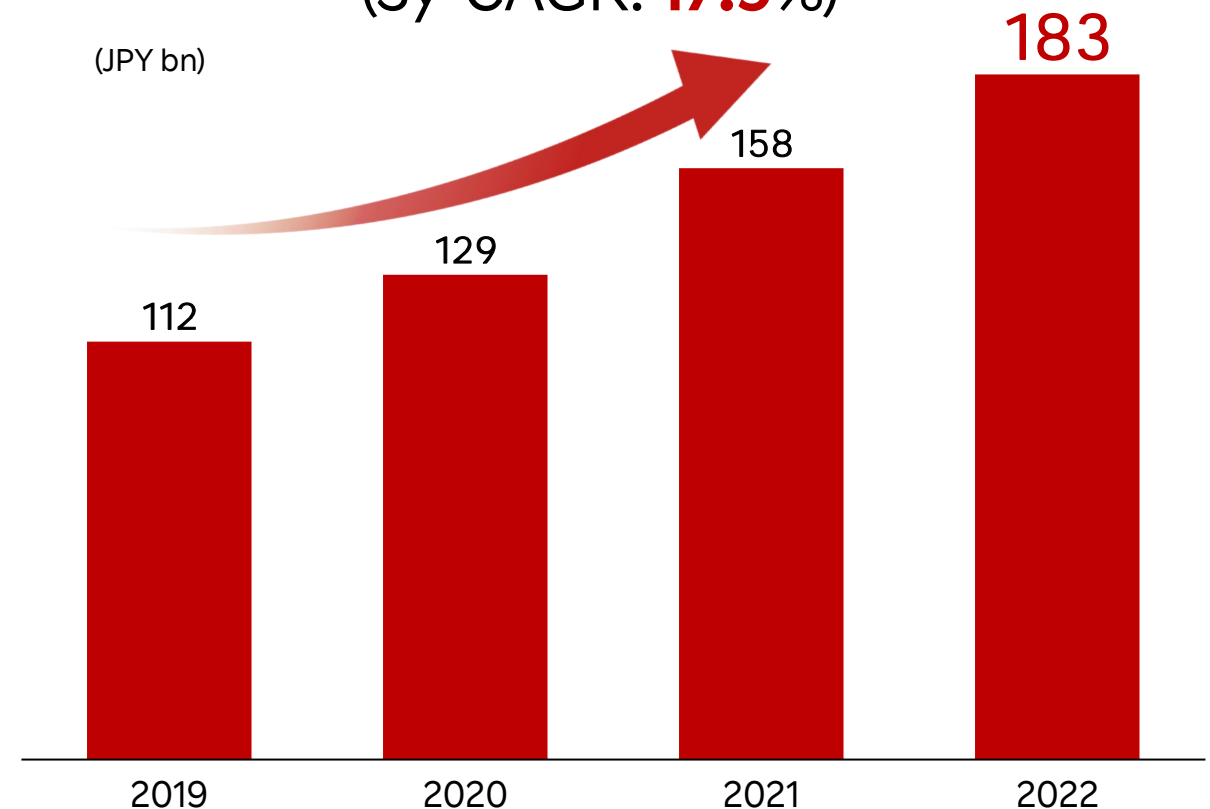
Advertising Business Performance



Rakuten Advertising Business Revenue Trend

(3y-CAGR: **17.9%**)

(JPY bn)



(JPY bn)

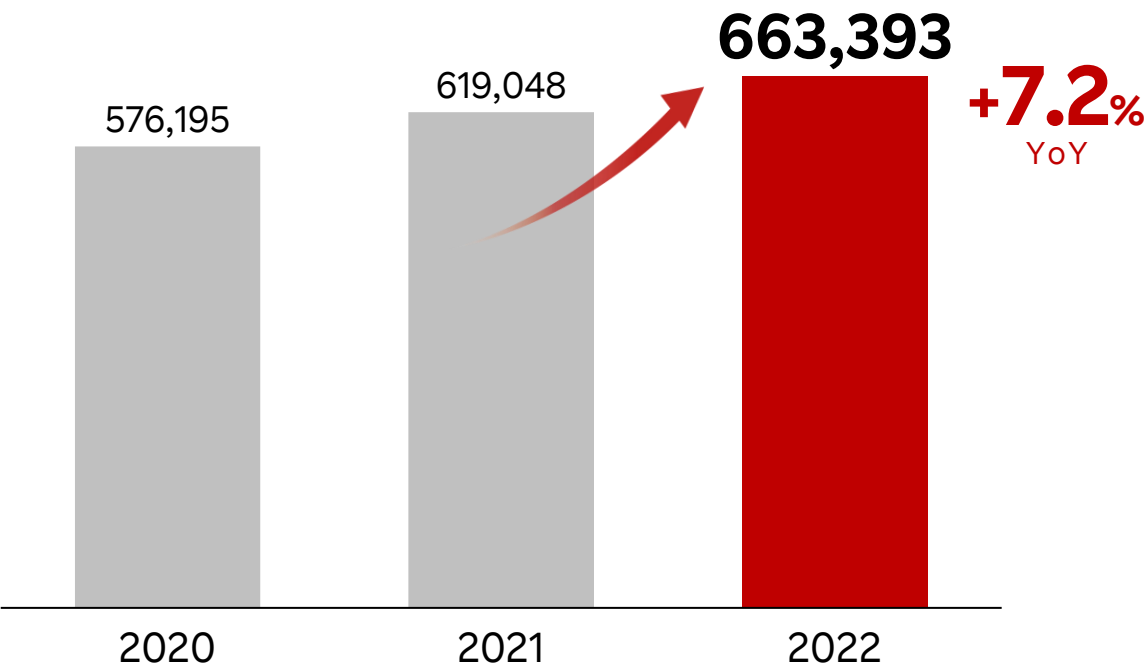


FinTech

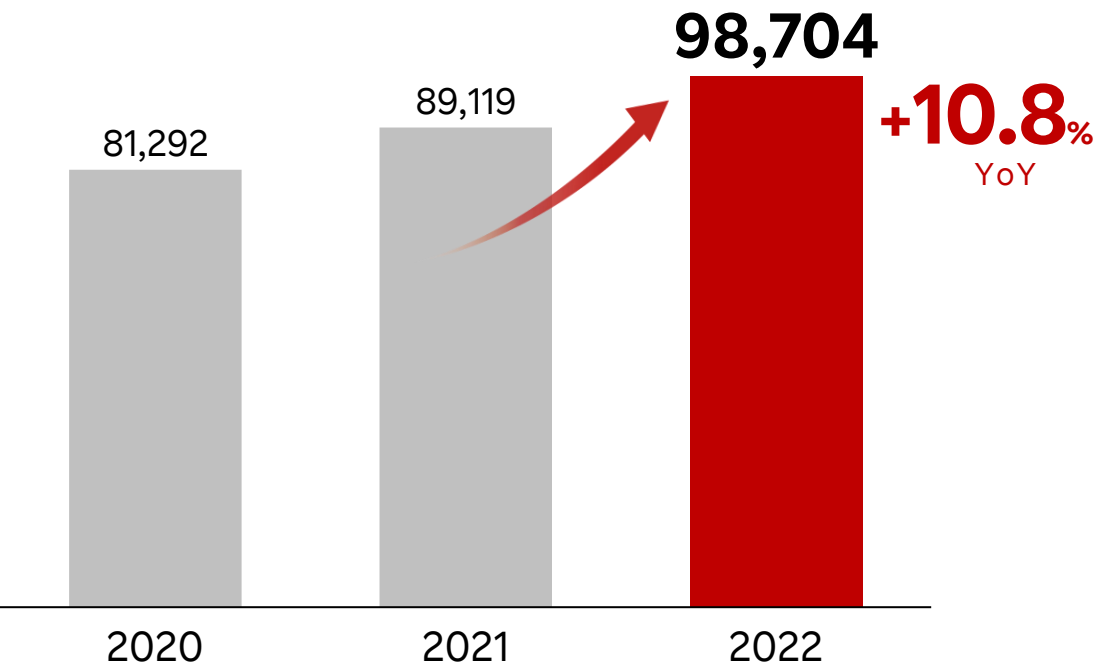
FY2022	Revenue	YoY	Operating Income	YoY
Rakuten Card	295.6	+5.6%	44.0	+10.9%
Rakuten Bank	112.2	+9.3%	38.0	+28.5%
Securities Business	95.8	+6.5%	18.7	+3.3%
Insurance Business	99.7	-1.2%	10.0	+10.4%
Rakuten Payment	51.4	+37.3%	-5.1	-0.8
Others	8.5	+5.0%	-7.0	-4.0
FinTech Total	663.4	+7.2%	98.7	+10.8%

FY2022 FinTech Segment Financial Highlights

Segment Revenue
(JPY mm)



Segment Non-GAAP Operating Income
(JPY mm)



FY2022 FinTech Membership Growth

Rakuten Card

**Rakuten Cards
Issued**
+11.9%
(YoY)

(mm)

25.10

28.08

Dec/21

Dec/22

**Shopping Transaction
Volume***
+25.8%
(YoY)

(JPY tn)

14.5

18.2

FY2021

FY2022

Rakuten Bank (Non-consolidated)

**Rakuten Bank
Accounts**
+13.3%
(YoY)

(mm)

11.82

13.39

Dec/21

Dec/22

Rakuten Securities (Non-consolidated)

**Rakuten Securities
General Accounts**
+21.1%
(YoY)

(mm)

7.14

8.64

Dec/21

Dec/22

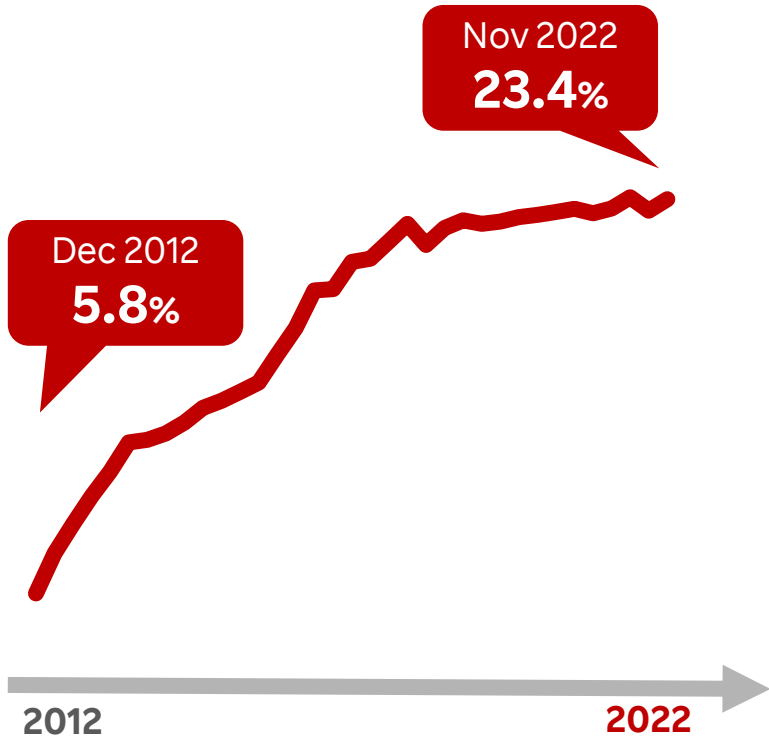
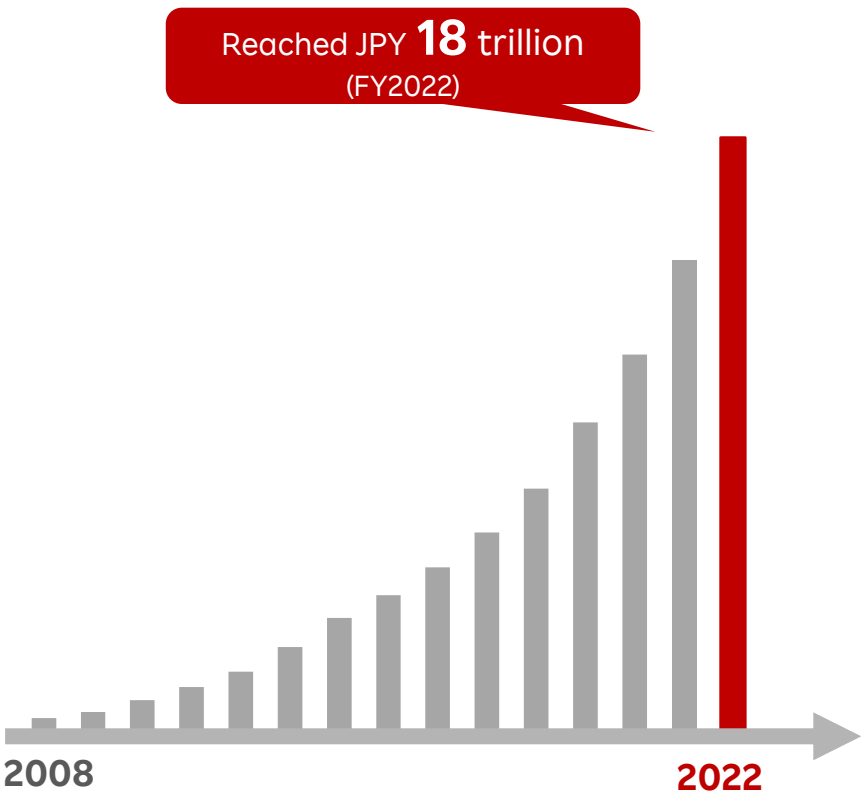
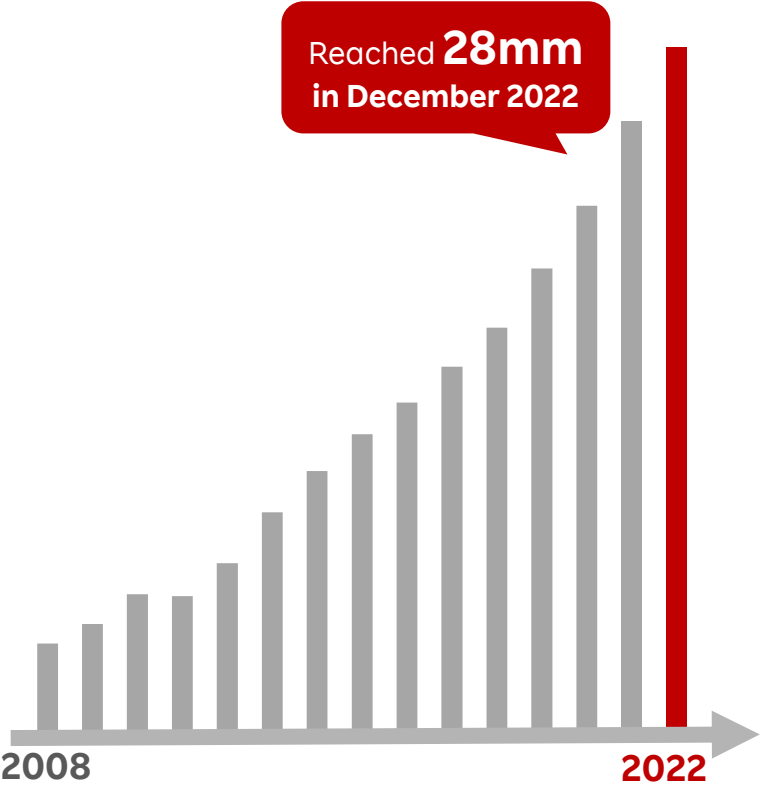
*Calculated on a managerial accounting basis, using different definitions from the data in Financial Data Sheet.

Rakuten Card: Each KPI Moving towards “Triple 3”

| Cards issued → **30** million

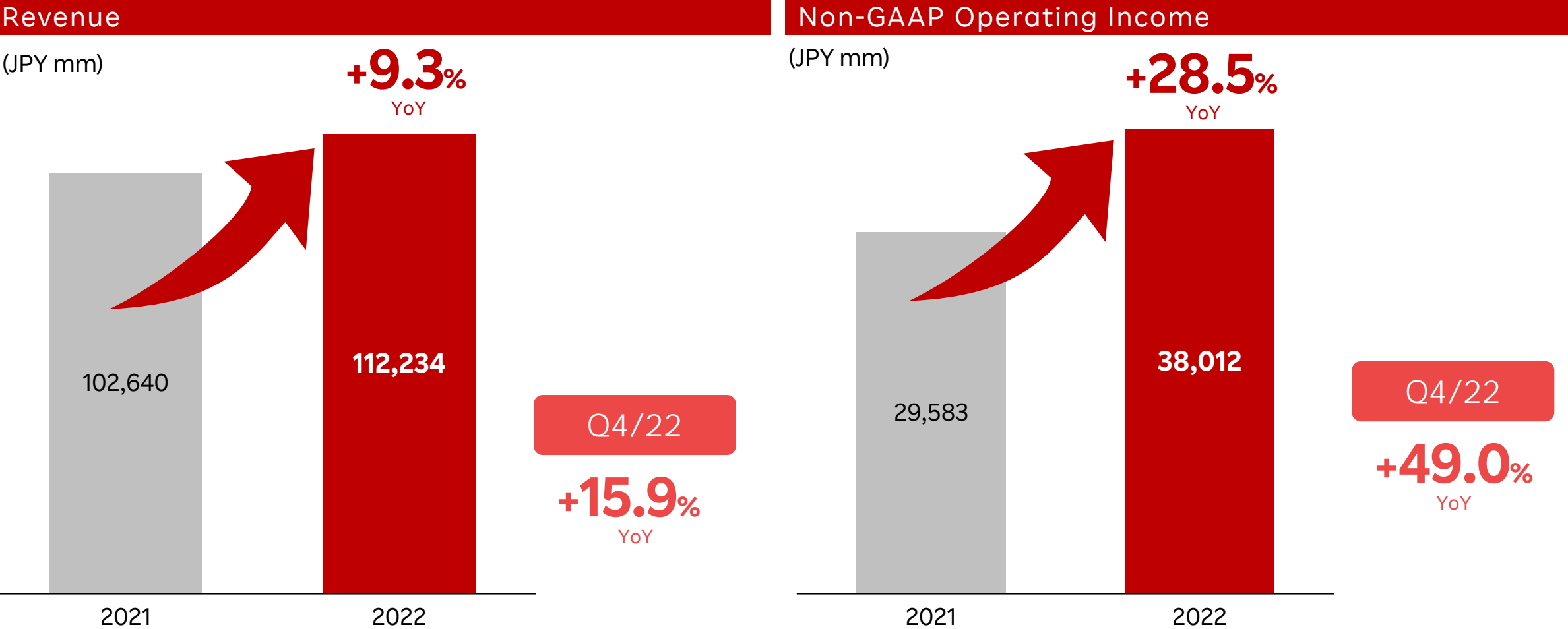
| Shopping GTV → **30** trillion JPY

| GTV share* → **30**%



* Ministry of Economy, Trade and Industry, Specified Service Industry Statistics Survey, Credit Card Industry.

Rakuten Bank Full-Year Financial Results



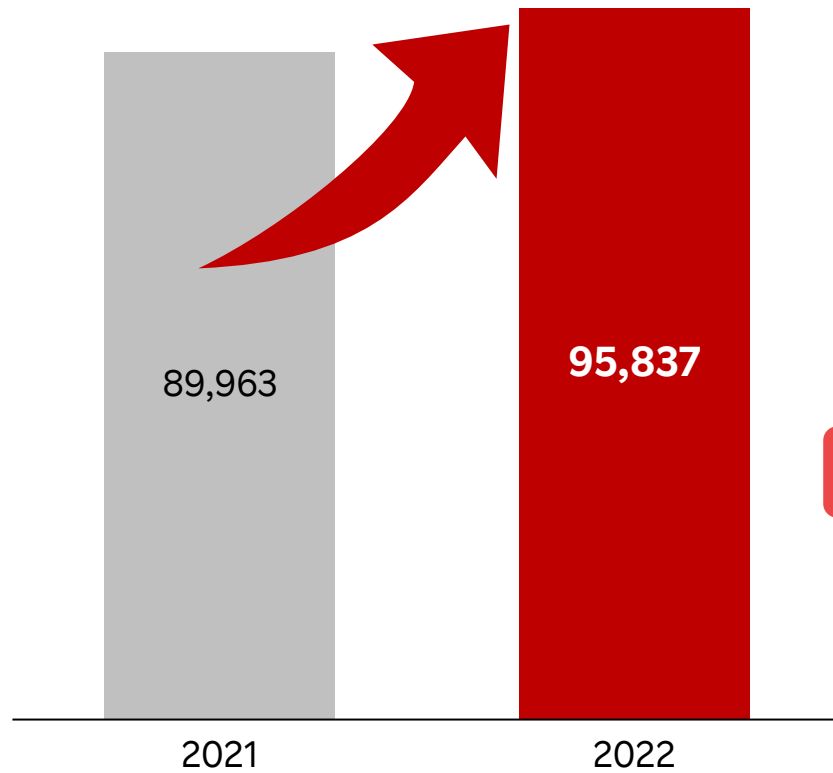
* Based on IFRS. Rakuten Bank reports its results based on J-GAAP.
* Joint venture in Taiwan (Rakuten International Commercial Bank Co., Ltd.), a consolidated subsidiary from Q2/20, is not included in the figures above

Securities Business Full-Year Financial Results

Revenue

(JPY mm)

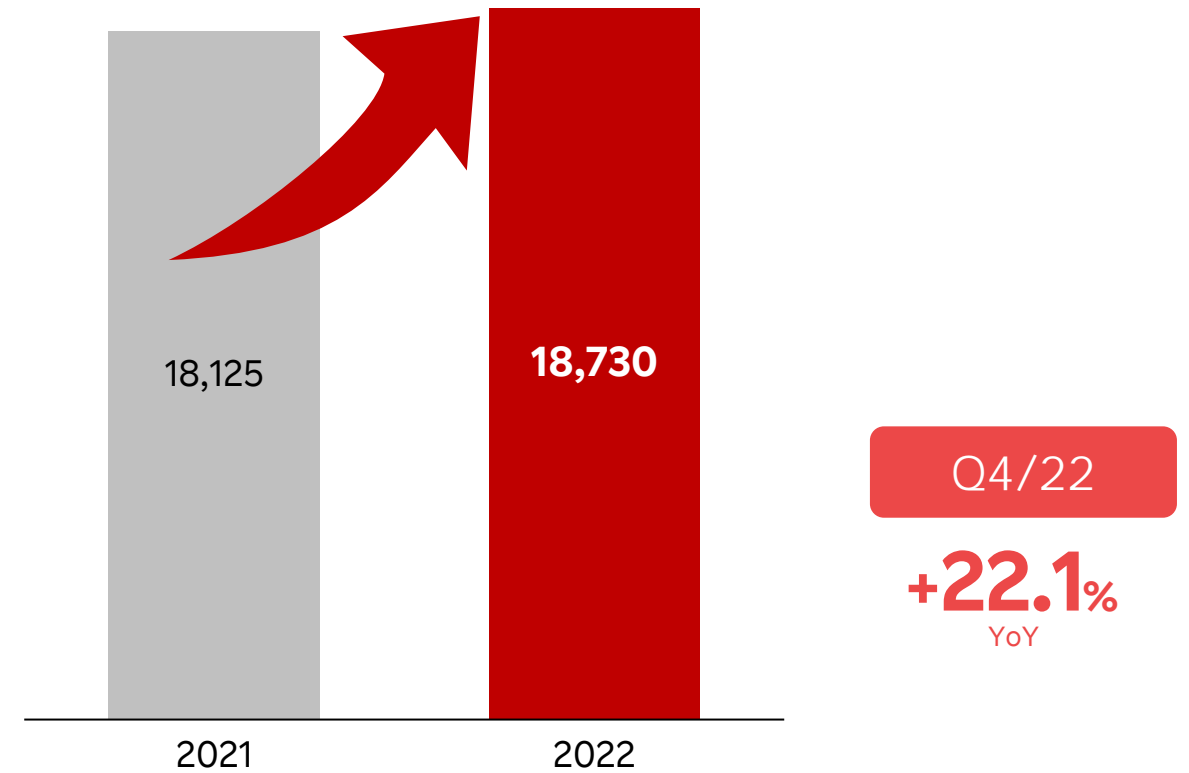
+6.5%
YoY



Non-GAAP Operating Income

(JPY mm)

+3.3%
YoY

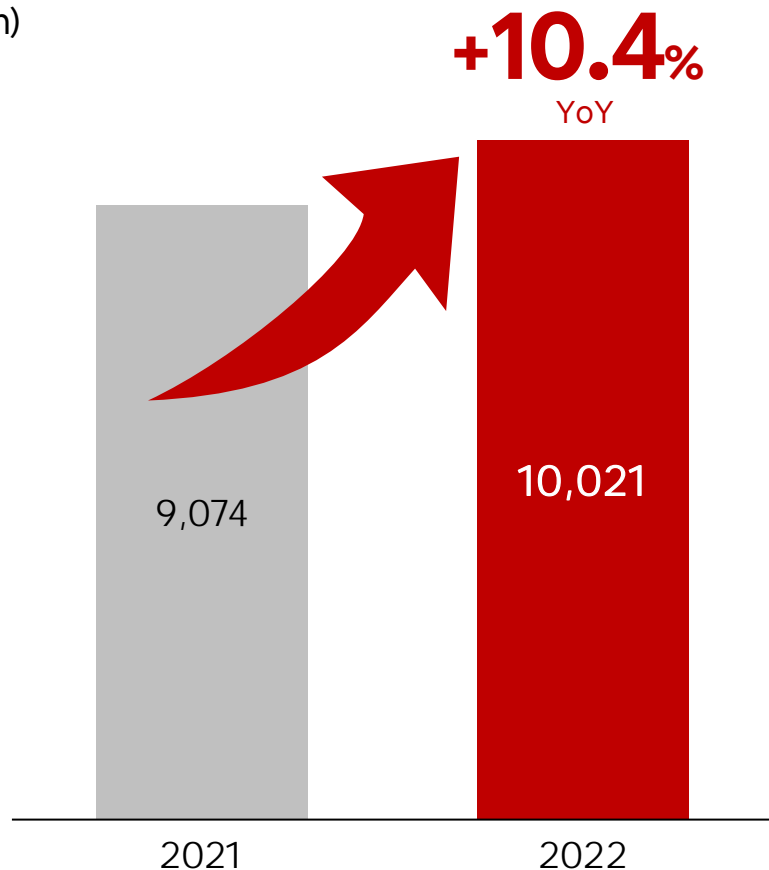


* Securities business includes Rakuten Securities Inc. and its off-shore subsidiaries.

Rakuten Insurance Group: Improved Operating Income and Face-to-Face channel ANP

Non-GAAP Operating Income

(JPY mm)



*1 Excluding group credit life insurance.

*2 Excluding pet insurance. Rakuten Insurance (including pet insurance policies transferred from Q1): +29.3% YoY.

Q4/22 Face-to-Face Sales Channel Annualized New Business Premiums (ANP)*1*2


Rakuten 楽天生命
(Life Insurance)

+21.3%
YoY

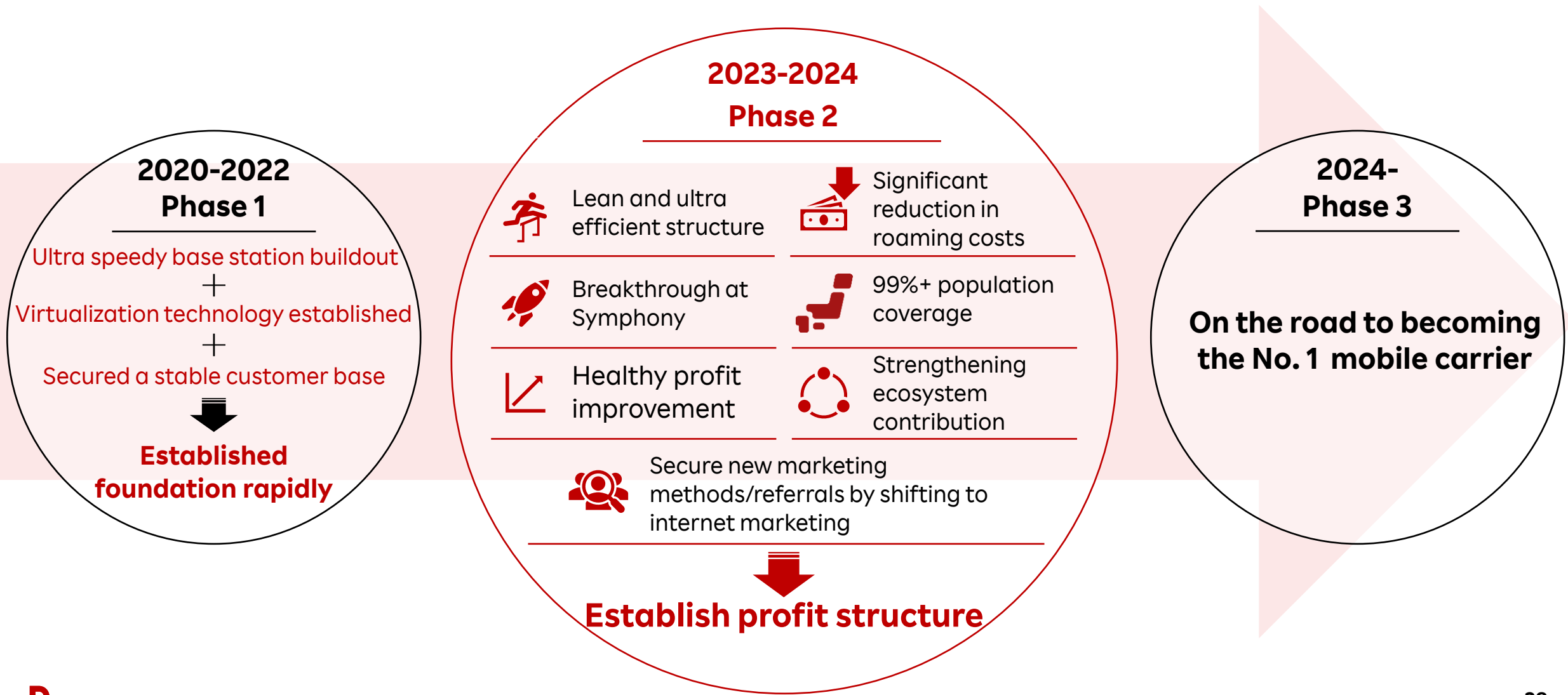
Rakuten 楽天損保
(General Insurance)

+46.4%
YoY

(JPY bn)

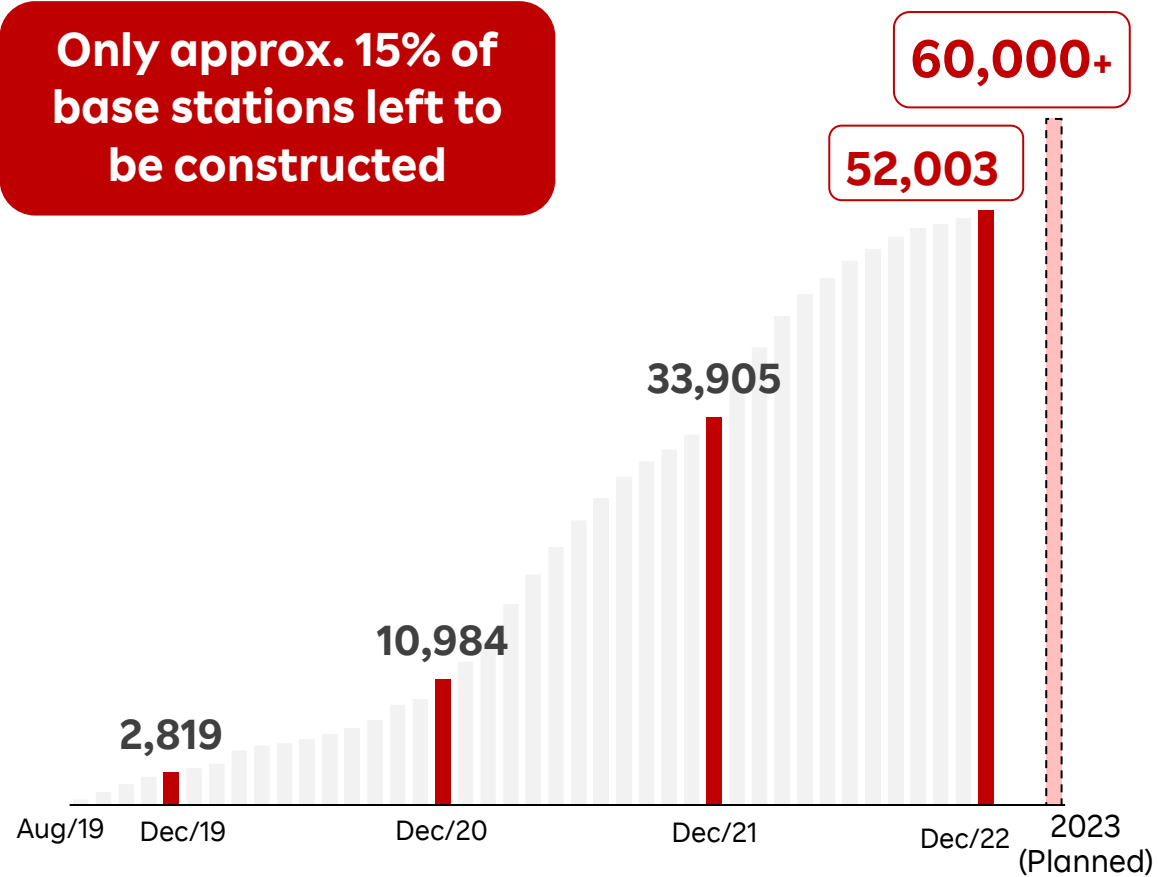
 Mobile			
	FY2021	FY2022	YoY
Mobile Segment			
Revenue	227.5	368.7	+62.0%
Operating Income	-421.2	-492.8	-71.7
Rakuten Mobile			
Revenue	135.0	191.0	+41.5%
Operating Income	-403.8	-459.3	-55.5

Rakuten Mobile Moving on to Next Steps

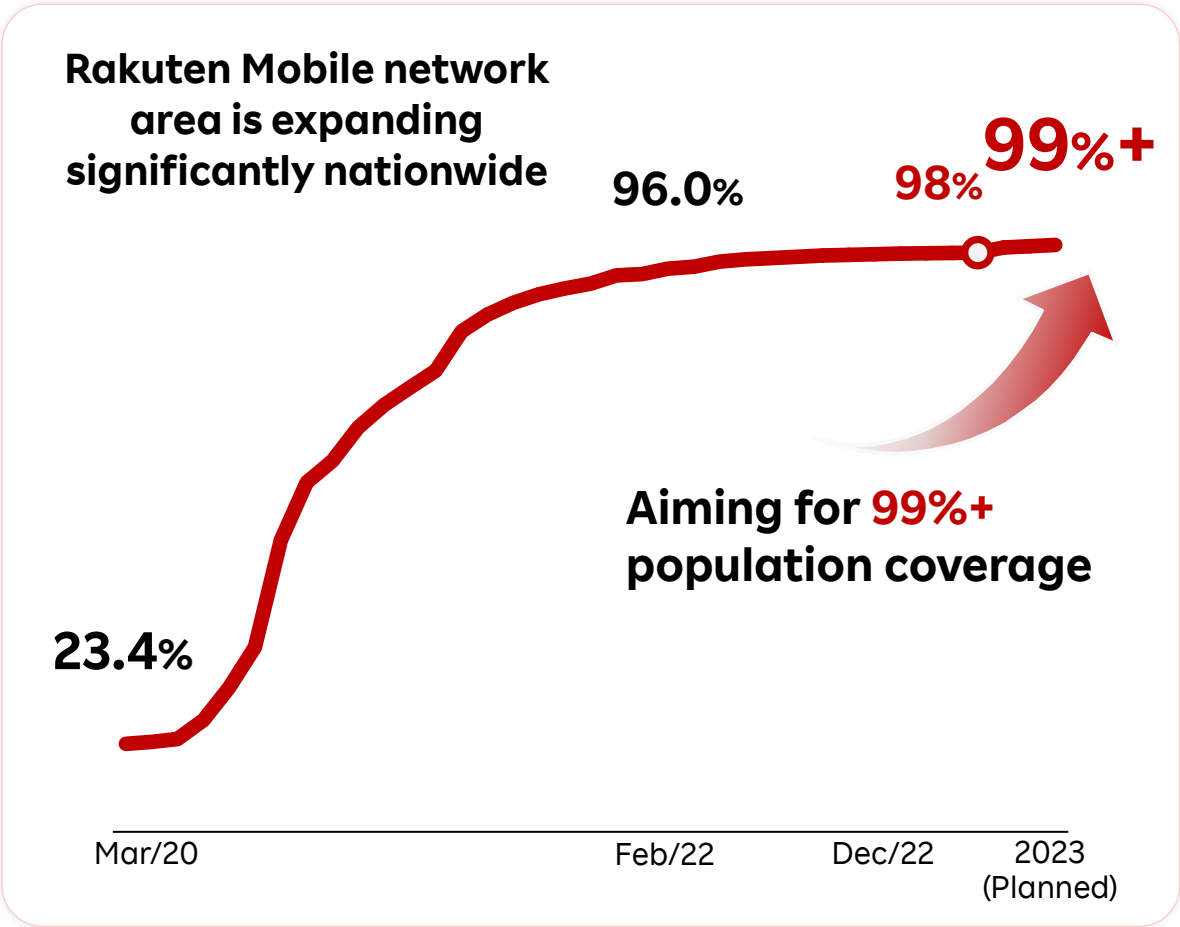


Majority of 4G Deployment Already Done

4G base stations on air



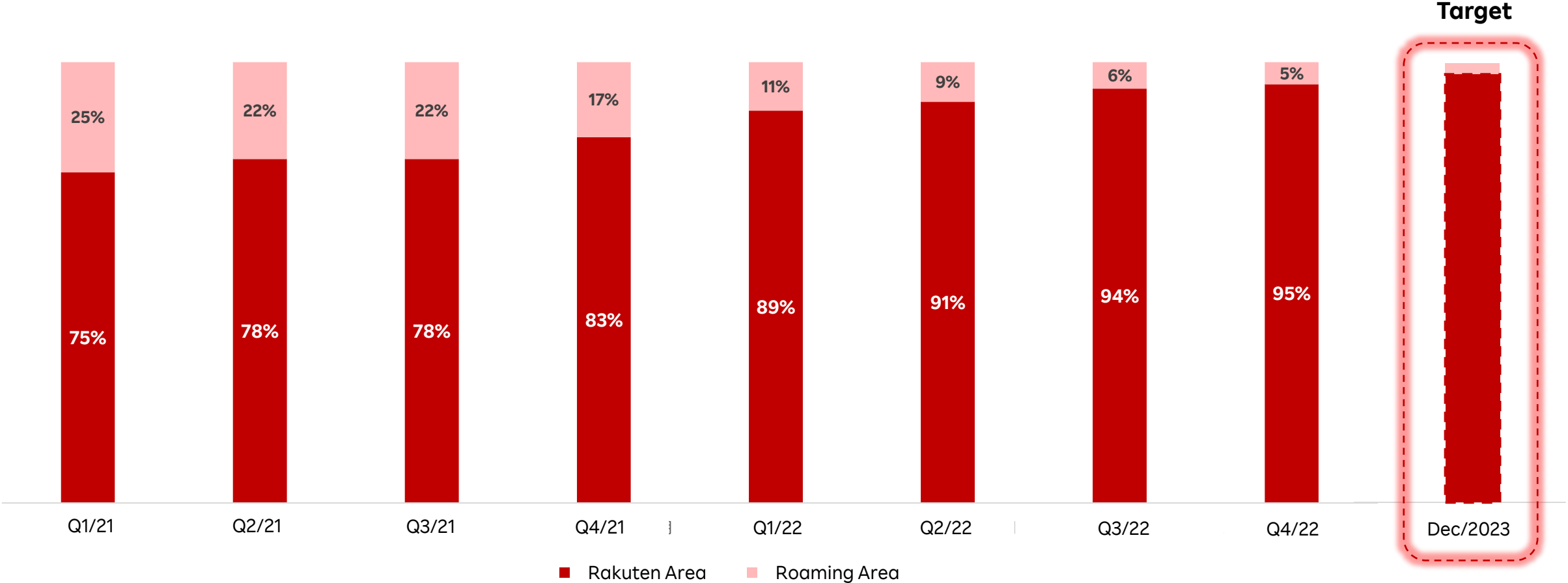
4G population coverage



*Might be affected by the delivery status of equipment related to base station construction

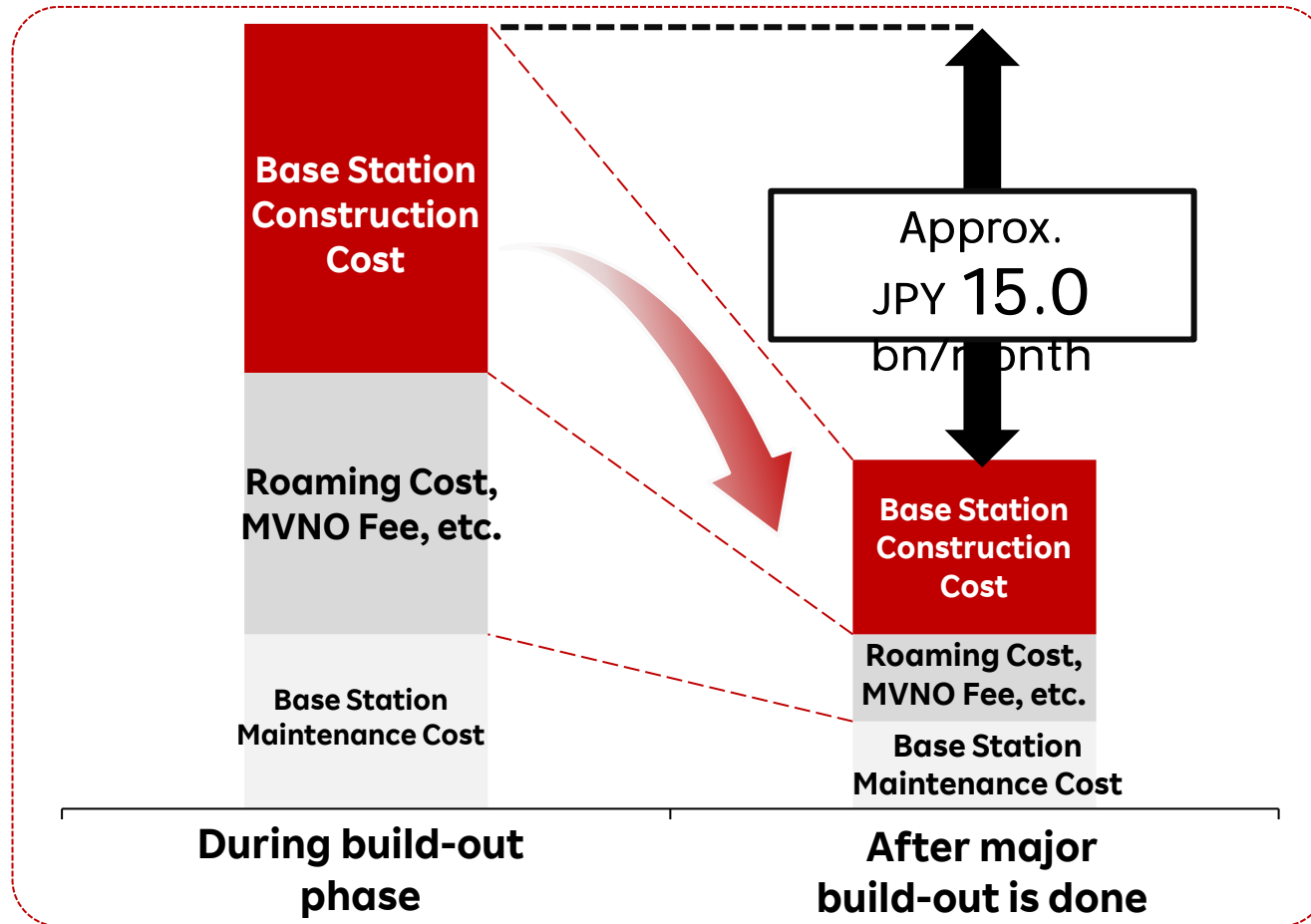
On Our Path to Reduce Roaming Traffic

■ Sharp growth in data consumption in Rakuten Mobile coverage areas



A Drastic Cost Decline with Major Network Build-out to be Finished in 2023

- Roaming, construction, MVNO cost will be reduced significantly as more traffic will be on Rakuten's network and major build-out already done

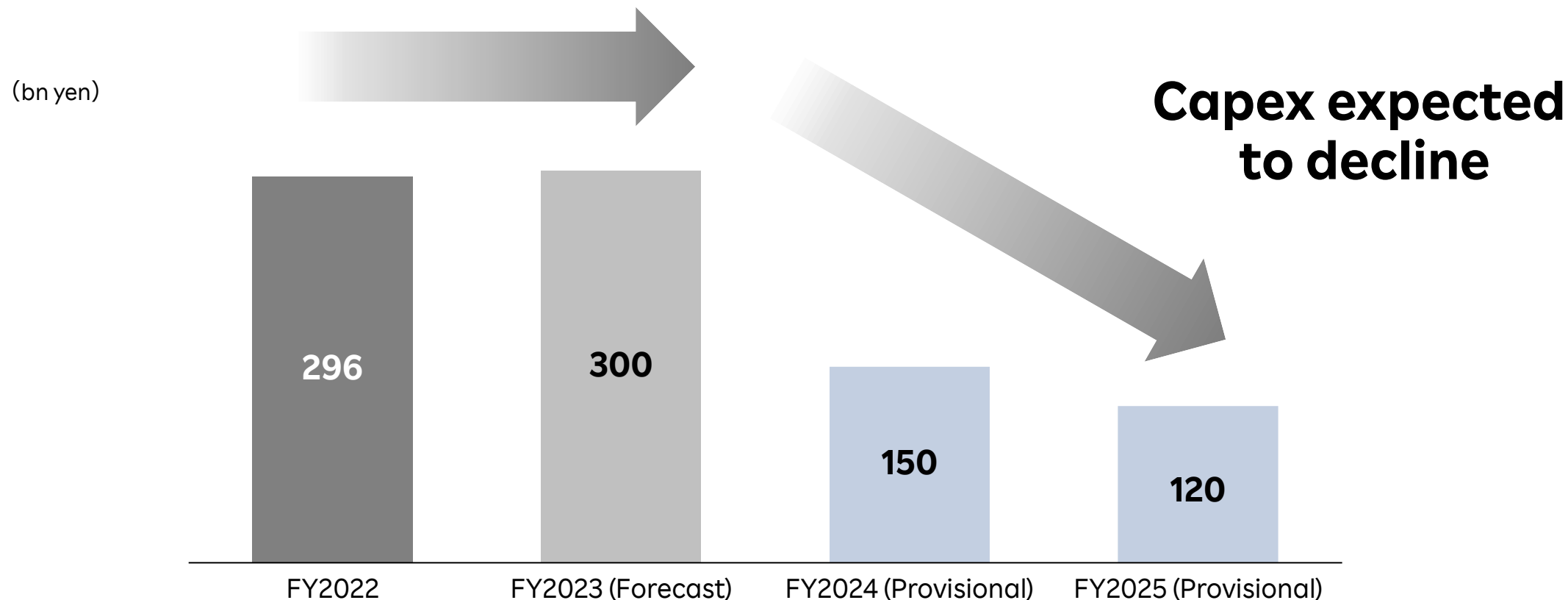


Cost Reduction Factors

- **Base station construction cost:** As major build-out already done, employees transferred from group companies return and outsourcing cost will also decrease
- **Roaming cost:** As Rakuten's network expand and more traffic will be on Rakuten's network
- **MVNO fee:** As customers migrate to MNO
- **Shop cost:** Optimizing shop strategy

Rakuten Mobile, Inc. Capex

(Excluding IFRS16 right-of-use assets, capitalization for specified base stations opening fee for 5G 1.7 GHz, etc.)



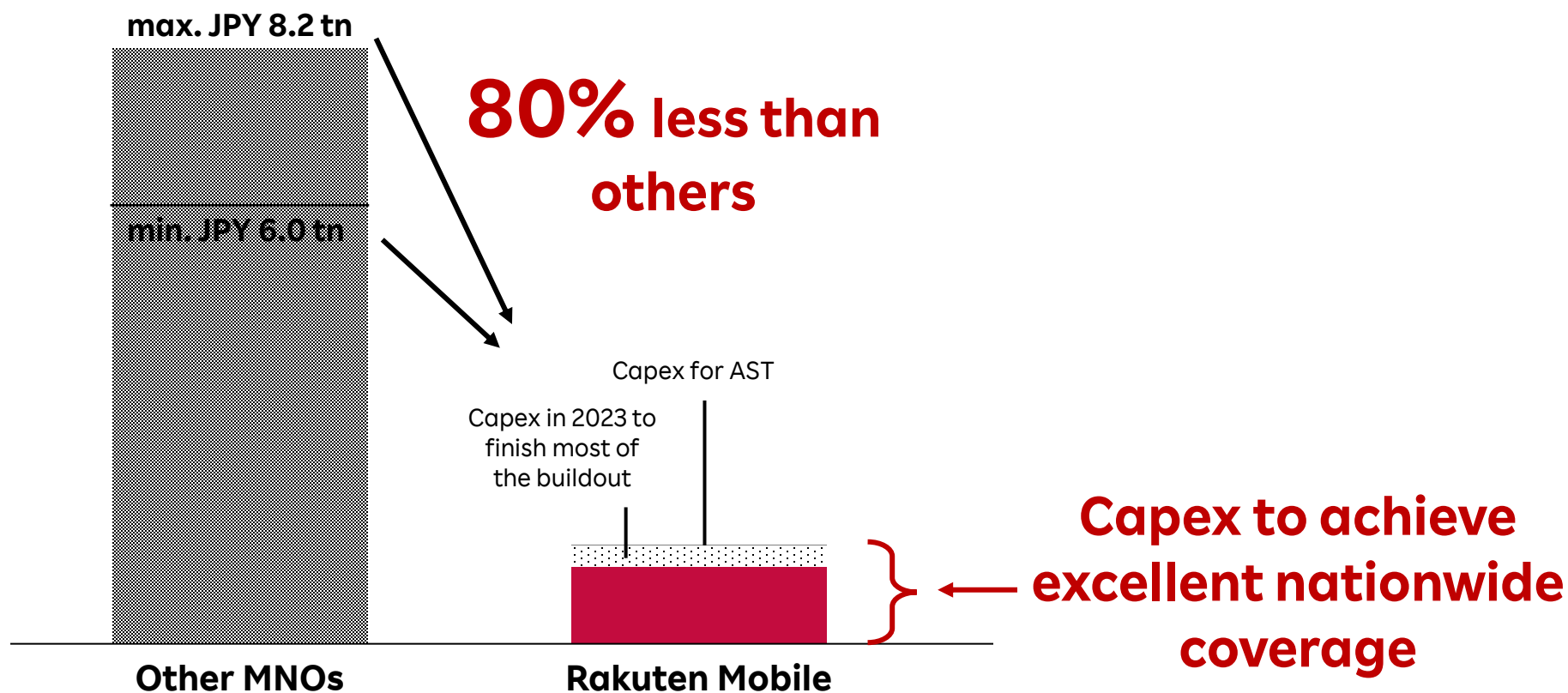
* May be affected by the delivery status of equipment related to base station construction

* Include 1.7Ghz, 3.7Ghz, 28Ghz, and indoors

Significantly Lower Capex Compared to Incumbents

- With Rakuten Mobile's software-driven network, we have achieved significant Capex advantage

Cumulative Capex for Japanese MNOs (April 2008 ~ Dec 2022)*1*2



*1 Reference: Ministry of Internal Affairs and Communications, "Matters Concerning Trends in the Telecommunications Market"

*2 4G commercial service started in Japan in 2010

To Provide Nationwide Network Coverage

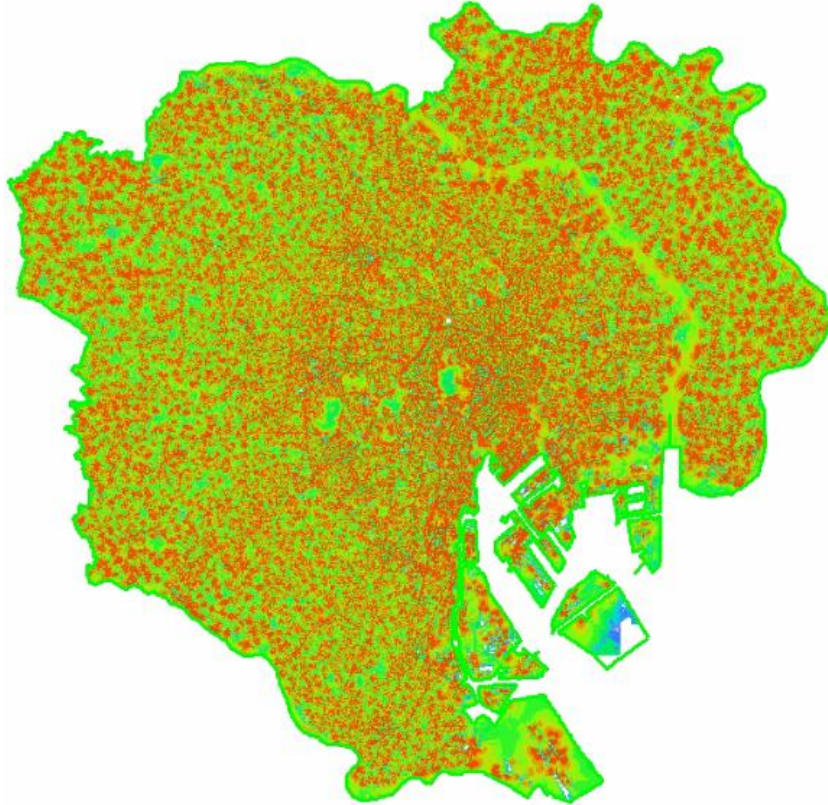
Platinum Band & SpaceMobile



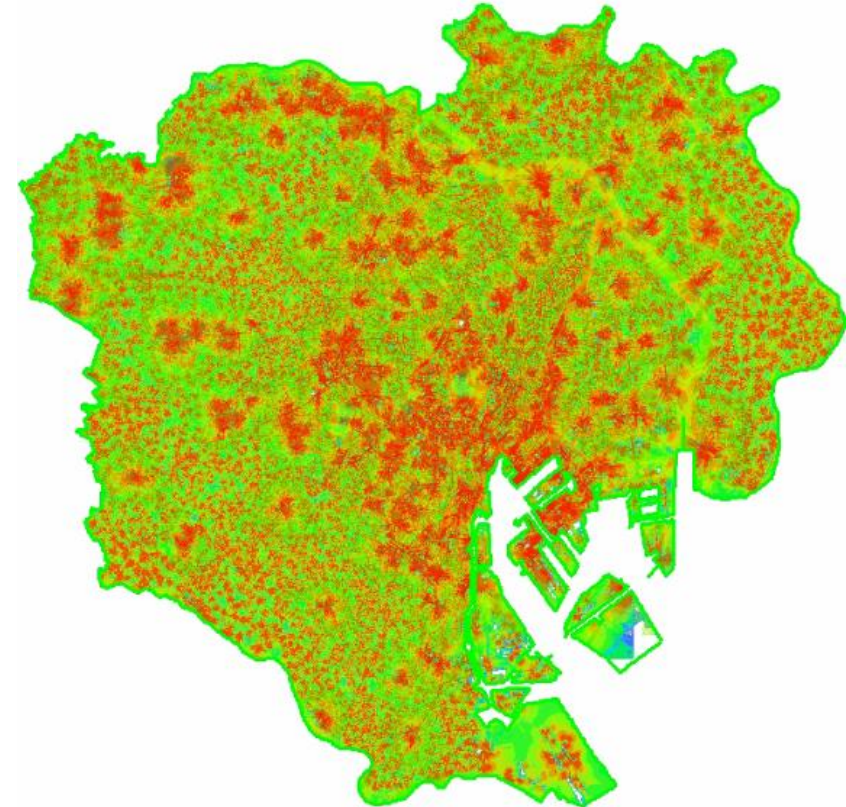
Platinum Band Coverage Gain Simulation

Tokyo 23 wards – coverage map simulation

Band 3



Band 3 + Platinum Band



Major improvement in coverage and customer experience in deep indoor areas

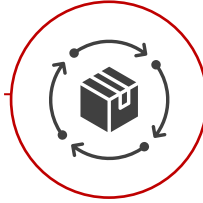
Platinum Band Capex

■ Aiming for deployment with low cost



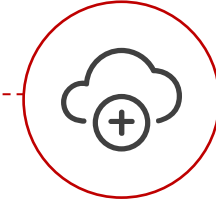
**Utilize network technology
and our existing base
station sites**

Enables flexible, efficient
and low-cost installation of
Platinum Band base
stations



**Reuse existing poles,
backhauls such as fiber, and
accessories such as batteries**

Enables lower construction
and material costs



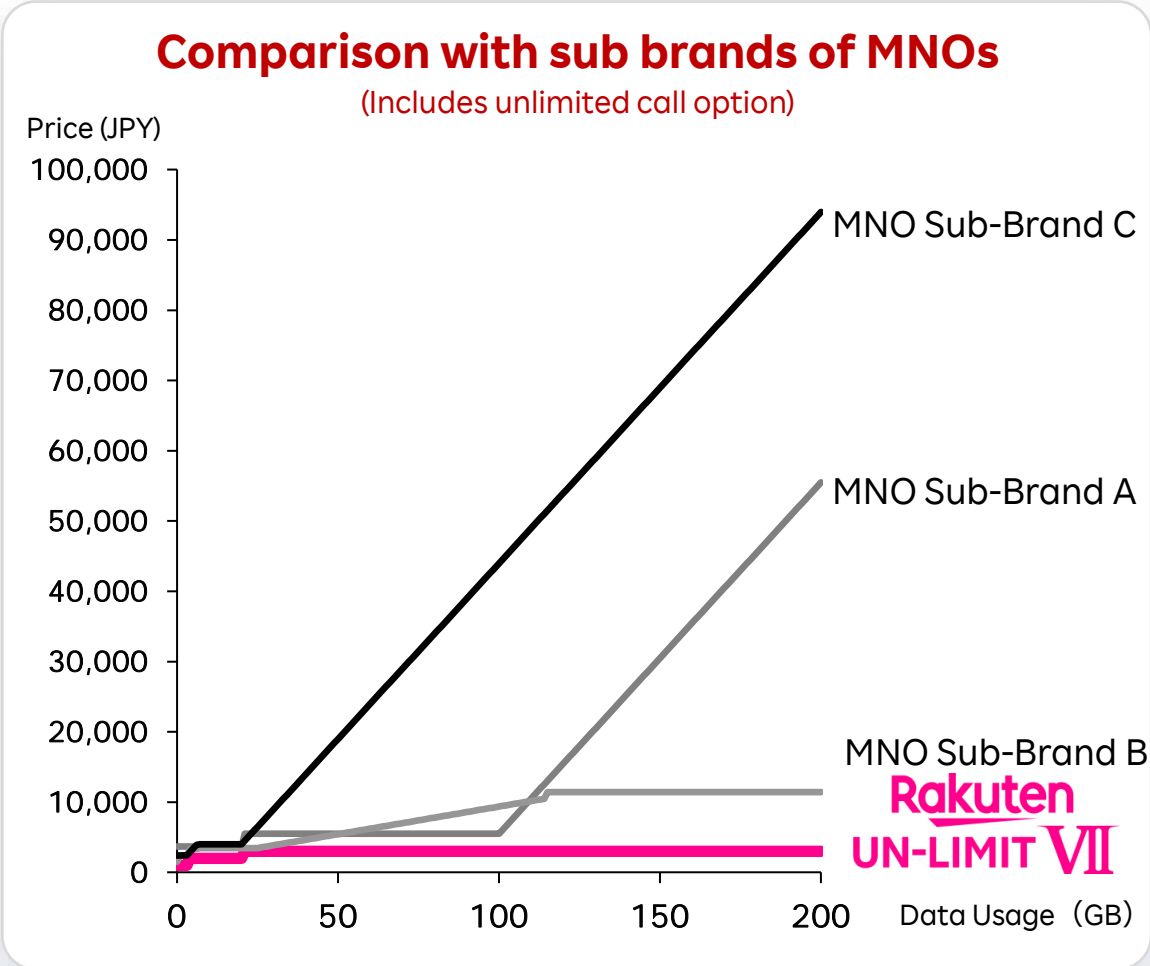
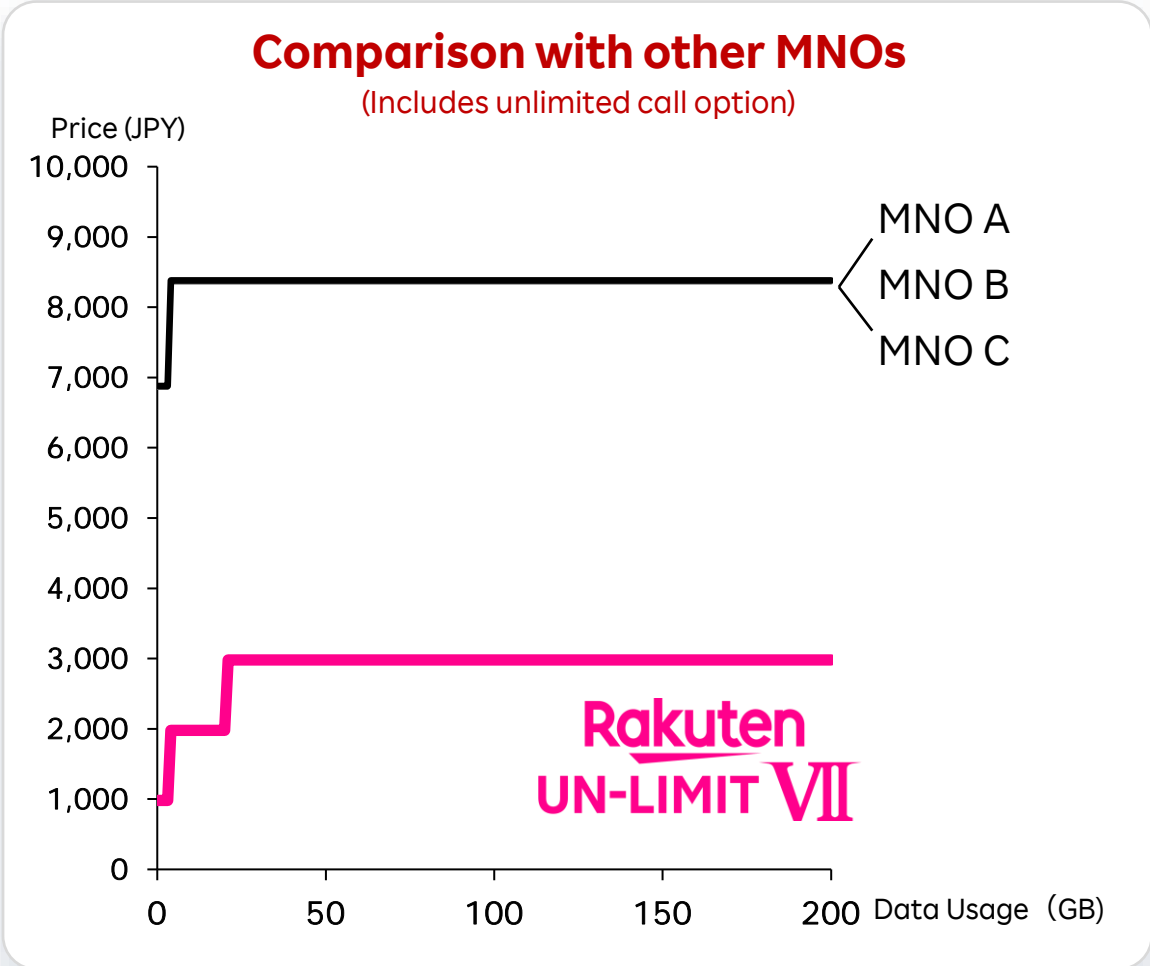
**Rakuten owned 4G
and 5G software**

Ensures negligible
software related
capex

Acquire Loyal Users from Rakuten Ecosystem

Cost Structure Underpinning Rakuten Mobile's Price Advantage

- A single plan where subscribers can use unlimited high-speed data* for JPY 2,980 (excluding tax), even when consuming 100GB or 200GB

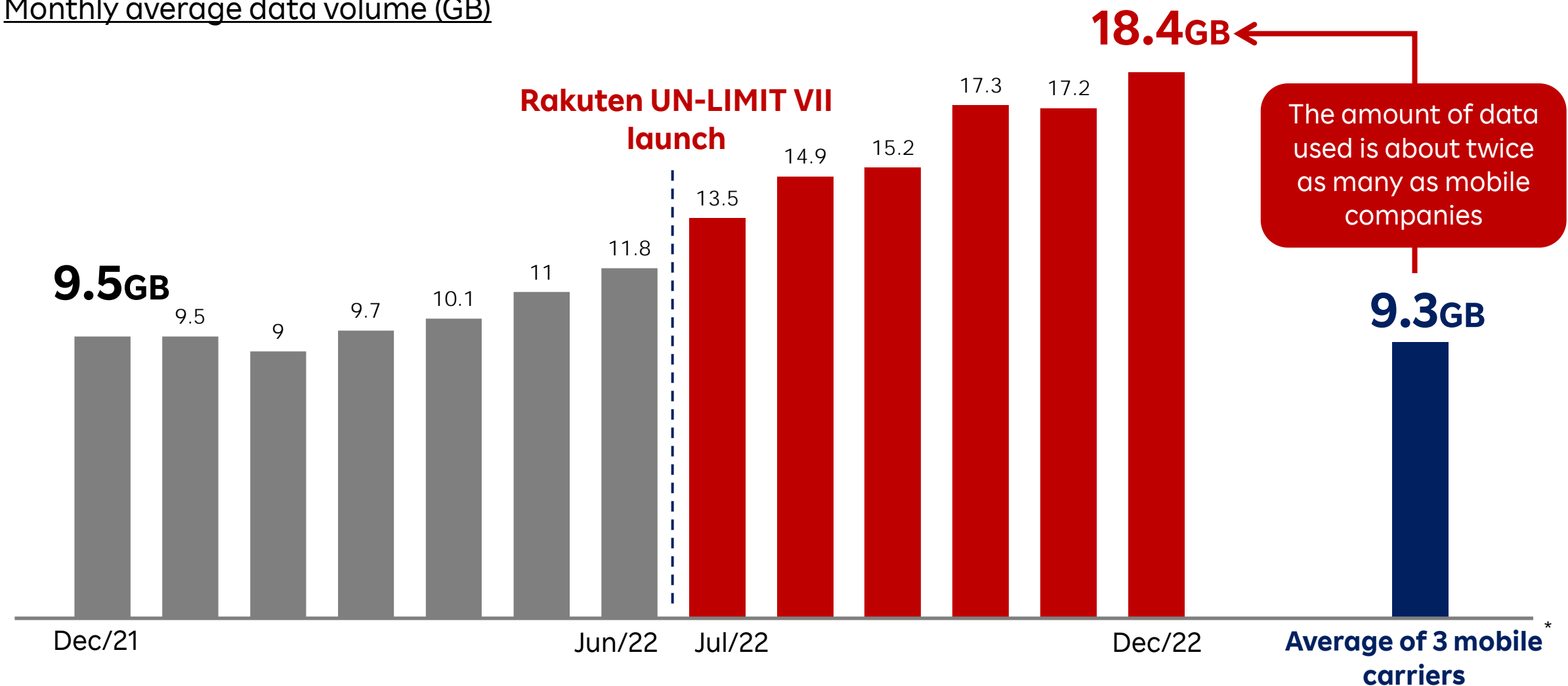


* As of June 2022, research by Rakuten

*Unlimited data when connected to Rakuten base stations. To provide a fair service, restrictions on transmission speed may be implemented. In domestic roaming areas, after using the allocated 5GB, unlimited data is available at a maximum speed of 1Mbps and for overseas, after using the allocated 2GB, unlimited data is available at a maximum speed of 128 kbps. When using a maximum of 1 Mbps, it may take time to play videos, download applications, etc. Transmission speed is best effort (the maximum speed of the standard). Actual transmission speeds may vary depending on the network environment. After the monthly data usage exceeds 20GB, the price is 2,980 yen/month (3,278 yen including tax) (excluding call charges, etc.).

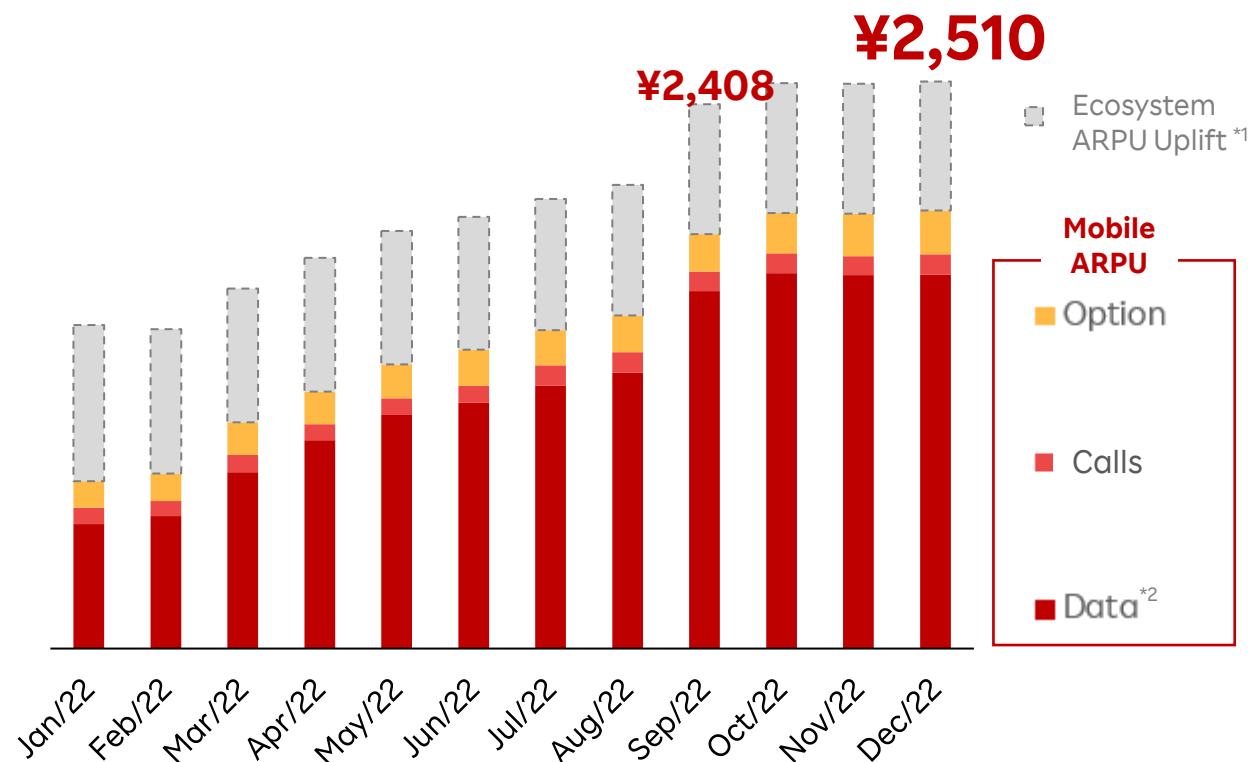
Significant Increase in Data Usage post UN-LIMIT VII Launch

Monthly average data volume (GB)



Growing ARPU

■ Mobile ARPU (Data + Option + Calls) + Ecosystem ARPU Uplift



Growth drivers

- **Expansion of heavy users**
- **Increase in data usage due to 5G expansion**
- **New services launch: Enterprise services etc.**
- **Contribution from Ecosystem**

*1 Ecosystem ARPU Uplift: Difference in average revenue per person between MNO users and non-MNO users over the past year at six selected businesses. Calculated by comparing MNO users who have been contracted for more than 1 year and non-MNO users for comparison (Among users who are Rakuten active and have not signed an MNO contract in the past year from the corresponding contract month, users who have collected sales for the past year from the corresponding month).

*2 Data ARPU: Point back campaign for users of less than 1GB during September-October 2022 are recorded as deduction from revenue. However, we include it in the calculation of ARPU here.

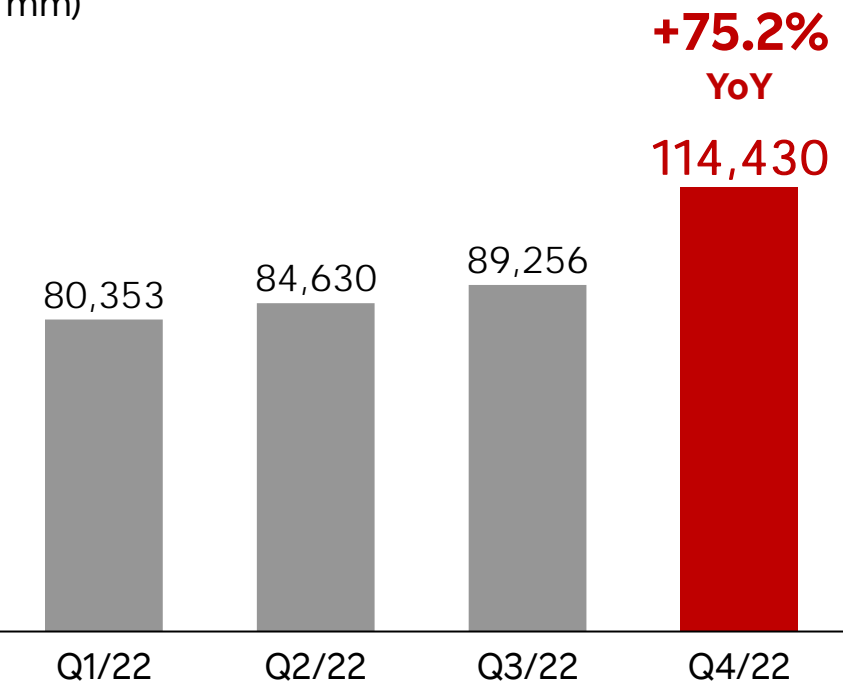
*3 Sep/2022 figure has changed due to retroactive adjustments

Mobile Segment Quarterly Trend*1*2

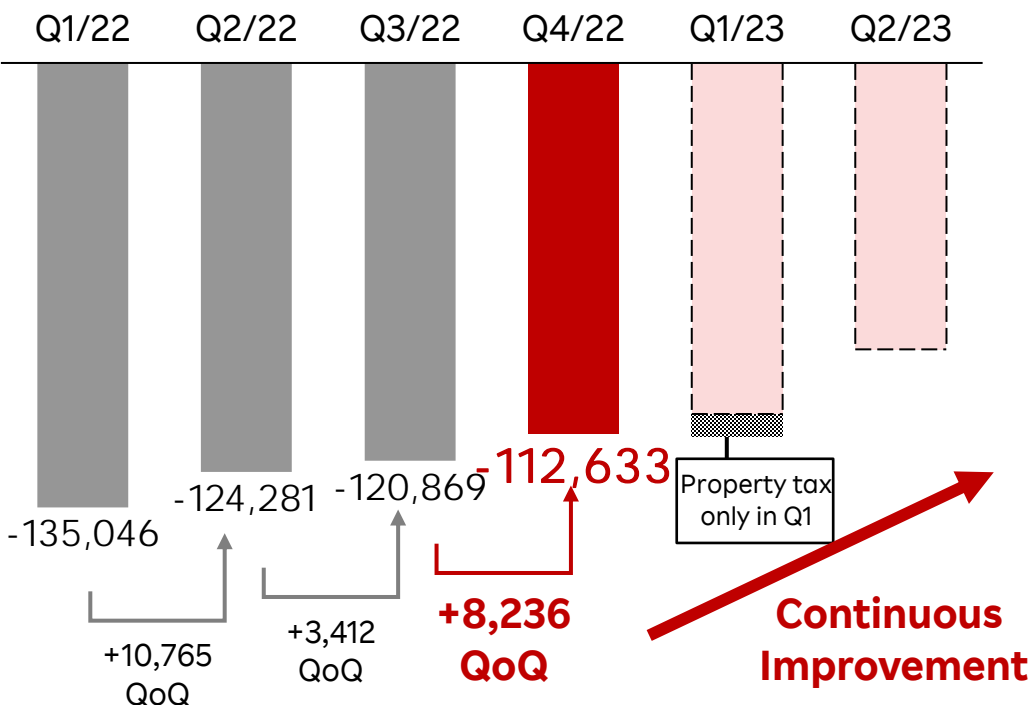
- ARPU increased with the transition to the new pricing plan. Profitability continued to improve partly due to roaming cost reductions as partner roaming areas switched to Rakuten’s network coverage*3

Revenue

(JPY mm)



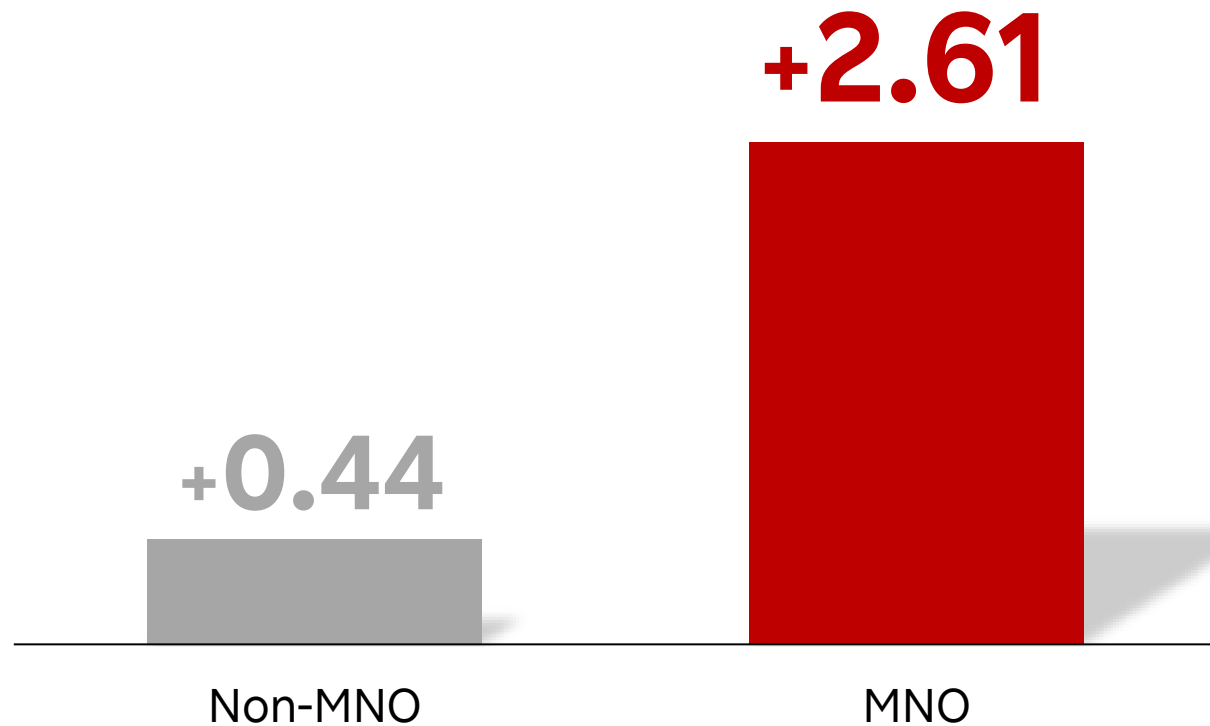
Operating Income



R *1 Mobile segment includes Rakuten Communications, MNO business, MVNE & O business, Energy business, and contents businesses.
*2 Rakuten Kobo, Rakuten Viki, Rakuten Viber, and others moved from mobile segment to internet service segment from Q2/21.
*3 Number of base stations on-air 52,003, Number of sites with contract signed : 16,603 (As of end of December 2022)

Acceleration of Service Usage post MNO Contracts

Average increase in service usage in one year



Increase in Rakuten Group's new service usage due to MNO contracts

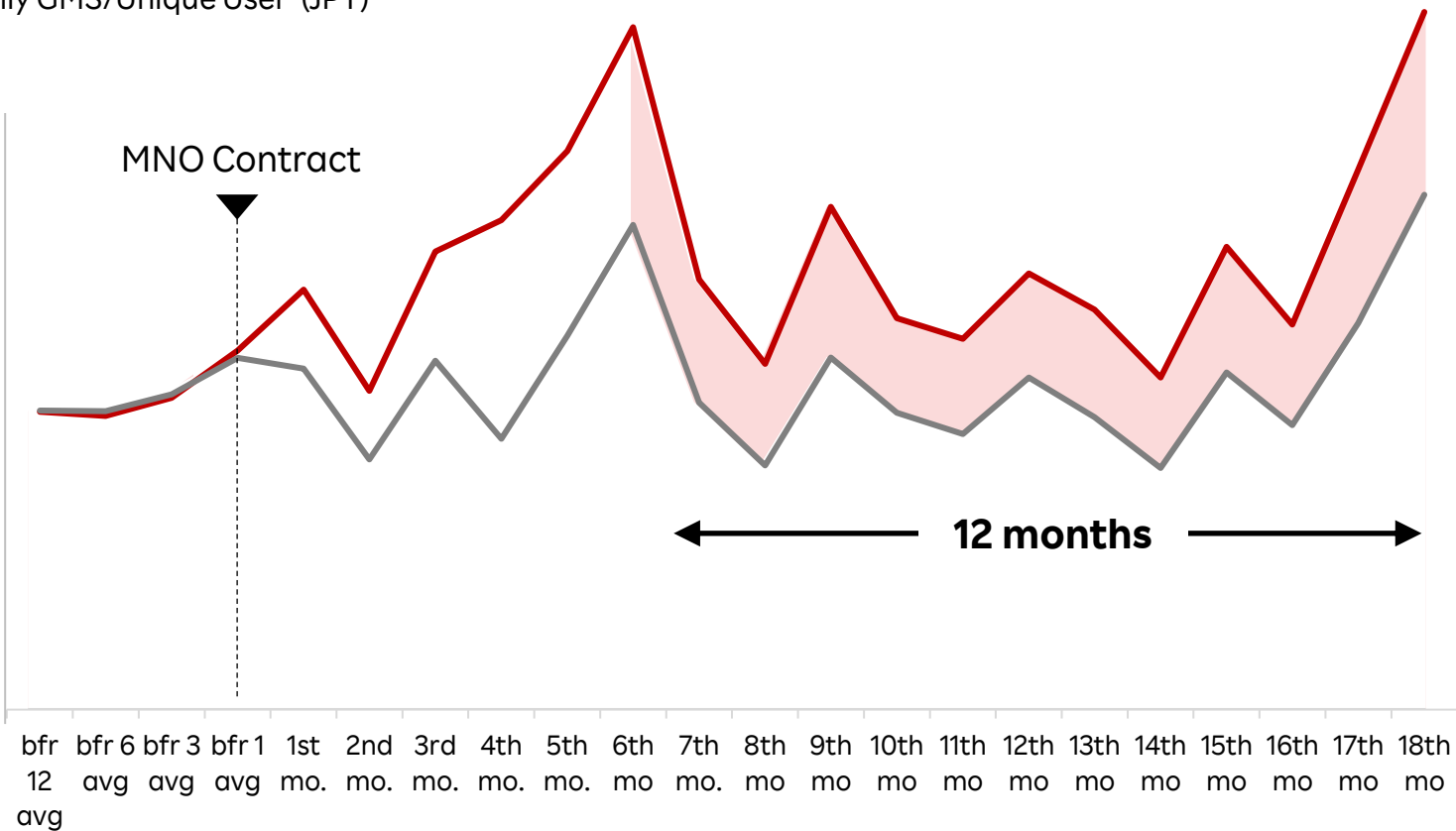
10 million

* MNO users: Users who have applied and are eligible for billing by January 2022; Non-MNO users: Active Rakuten member users with no MNO contract history

* Service usage is determined based on points during the target period (number of service usage including mobile)

Ichiba GMS Lift by MNO Contract

Monthly GMS/Unique User (JPY)



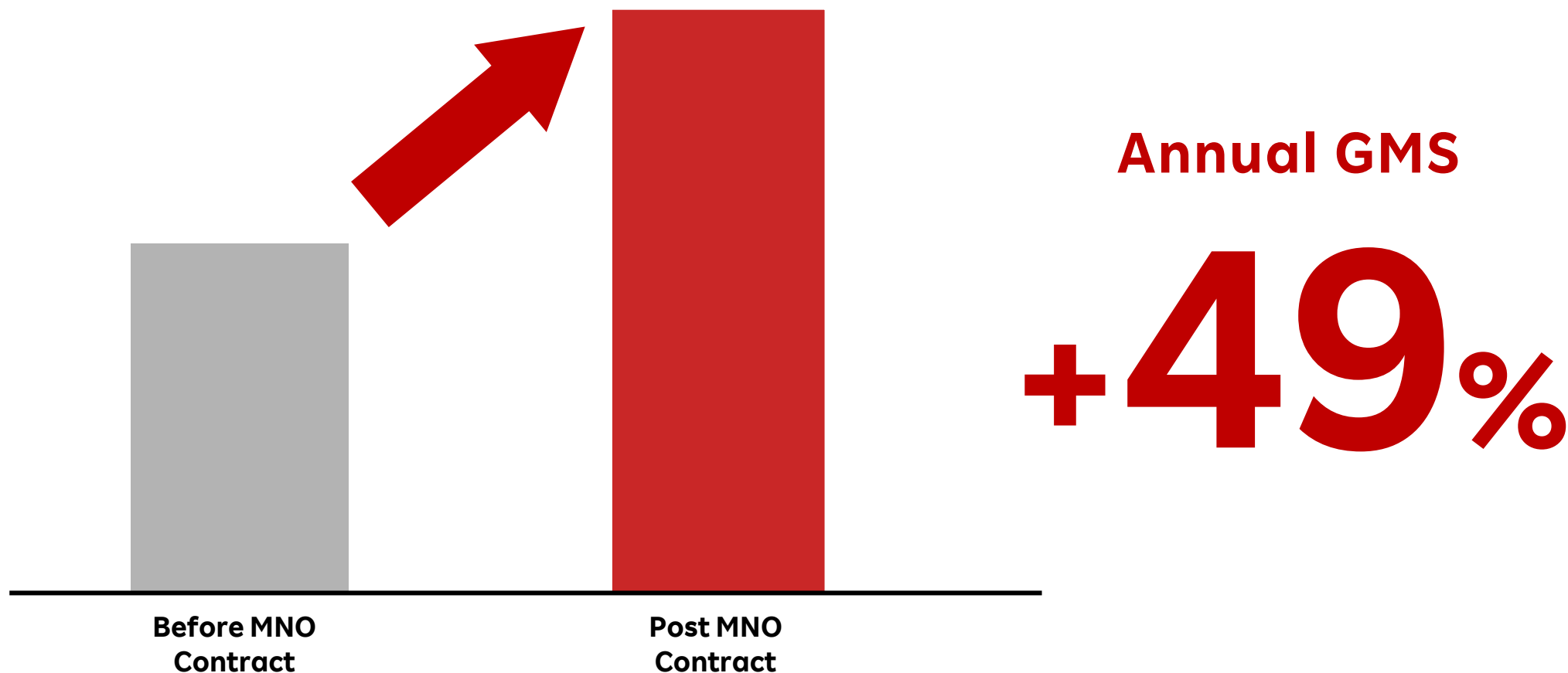
Avg. GMS Lift by MNO
+ 37,683 yen
per year*4

- : MNO user's GMS*1
- : Non MNO user's GMS*2
- : GMS Lift by MNO*3

*1 MNO users : Users who made an MNO contract in the relevant month, users who have purchase trends for the past year from the relevant month in line with non-MNO users
*2 Non-MNO users who have been active with Rakuten in the past year from the month and have not signed up for an MNO contract, and whose purchase trends for the past year from the month in question are the same as those of MNO users. In addition, August and September are preliminary figures
*3 Difference in average purchase amount per person between MNO users and non-MNO users over the past year
*4 Average of mobile users more than 1 year old from the month in question

GMS Increase post MNO Contracts

Comparison of subscribers (had contracts 1 year or more) from Jan/2022 to Dec/2022

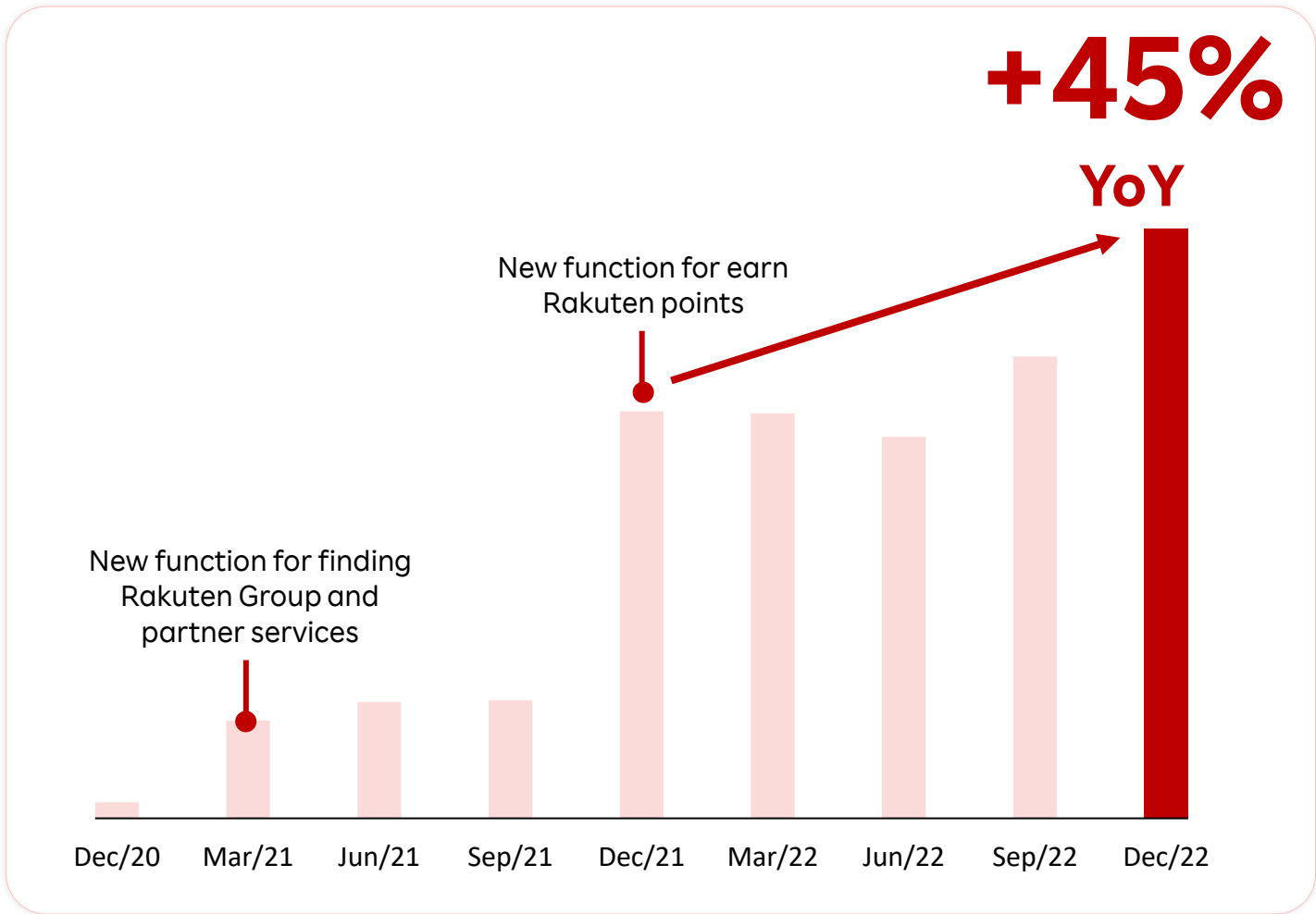


* Users who have a contract with Rakuten Mobile between January 2022 and December 2022, and for whom 12 months or more have passed since the contract start month (including users who cancelled within the period) are included in the calculation.

* GSM growth is the weighted average of figures comparing GSM in the 12 months before the user's contract and the latest 12 months (2022/1~2022/12) for each contract start month.

Rakuten Link Contribution to Group Traffic

Traffic from Rakuten Link to Rakuten Group Services





Corporate Services Launched

**Democratize
Mobile Service Market
For all Corporate Customers**

Officially Launched: Rakuten Mobile Business Plan

3 Plans to Cater to Corporate Requirements

Launched on Jan 30, 2023
with **600+** customers

1

Free Calls + 3GB Data

¥1,980/mo.

(tax included ¥2,178/mo.) *1

Unlimited
Domestic Calls*2 + **3GB** + **SMS**

2

Free Calls + 5GB Data

¥2,380/mo.

(tax included ¥2,618/mo.) *1

Unlimited
Domestic Calls*2 + **5GB** + **SMS**

3

Free Calls + 30GB Data

¥2,780/mo.

(tax included ¥3,058/mo.*1)

Unlimited
Domestic Calls*2 + **30GB** + **SMS**

*1 The cost of the device, administration fees, optional charges, call charges, universal service charges, telecommunication relay service and other charges are not included.

*2 Calls to other companies' connection services starting with 0180, 0570 etc. and calls to some special numbers (188) are not eligible for free calls.

Domestic calls without Rakuten Link Office: ¥22/30sec.

* When connecting to data communication within the Rakuten Line area, the communication speed may be controlled for fair service provision. In the partner line area, unlimited data at a maximum of 1 Mbps after 5GB in Japan and 128 kbps after 2GB overseas. When using the maximum speed of 1 Mbps, video playback, application downloads, etc., may take some time. Communication speed is based on best effort (maximum speed based on standards), and the effective speed may vary depending on the communication environment and conditions.

* Outside the Rakuten line area, data storage in partner line areas will be consumed. Each plan content and partner line storage is as below.

• Calls+3GB : Partner Line (domestic) 1GB / Partner Line (International) 1GB

• Calls+5GB : Partner Line (domestic) 2GB / Partner Line (International) 1.5GB

• Calls+30GB : Partner Line (domestic) 5GB / Partner Line (International) 2GB

* Data communication when using the "Rakuten Link" app and "my Rakuten Mobile (excluding some functions)" app will not be counted as high-speed data usage in partner line areas. It will be available without speed limits even if the high-speed data capacity is exceeded. This is subject to change without notice.

* If the first line of the contract is not used for a certain period of time, the line may be suspended or terminated.

3 Features of Business Mobile Phone Plans

1

**With Rakuten Link Office
App,
Domestic calls/SMS ¥0**

**UNLIMITED^{*1}
Domestic Calls**

2

**Between Rakuten Link Office
App,
International calls/SMS ¥0**
Only from/to the applicable countries and regions)

**FREE^{*2}
International Calls**

3

**In all Business Plans,
Both 4G and 5G services
INCLUDED**

**5G^{*3}
Available**

*1 Calls to other companies' connection services starting with 0180, 0570 etc. and calls to some special numbers (188) are not eligible for free calls. Domestic calls without Rakuten Link Office: ¥22/30sec.

*2 With Rakuten Link Office, international calls can be made only from/to applicable countries and regions. In the other areas, it will be available under a Wi-Fi environment only.

Available areas and terms for International calls and SMS services may be changed without notice.

*3 5G service can be available with 5G compatible device under the 5G service area of Rakuten Mobile. For details on 5G service area, check out the Rakuten Mobile web site.

Rakuten Mobile to Launch ISP (Internet Service Provider)

- High-speed Broadband connectivity to B2C & B2B

B2B services

Ongoing POC:
High-speed internet
service **connected
by dark fiber**

Tentative launch: **FY2023**

B2C services

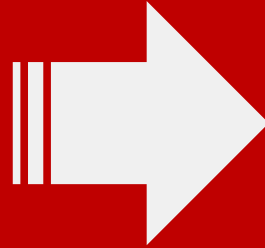
Ongoing POC: Brand-new
Rakuten Hikari
connected by FLET'S as
VNE*

Tentative launch: **1st half in FY2023**

* Virtual Network Enabler

Phase2

**Leaner and
Profitable**



Phase3

**Leap Towards No. 1
Mobile Carrier in Japan**



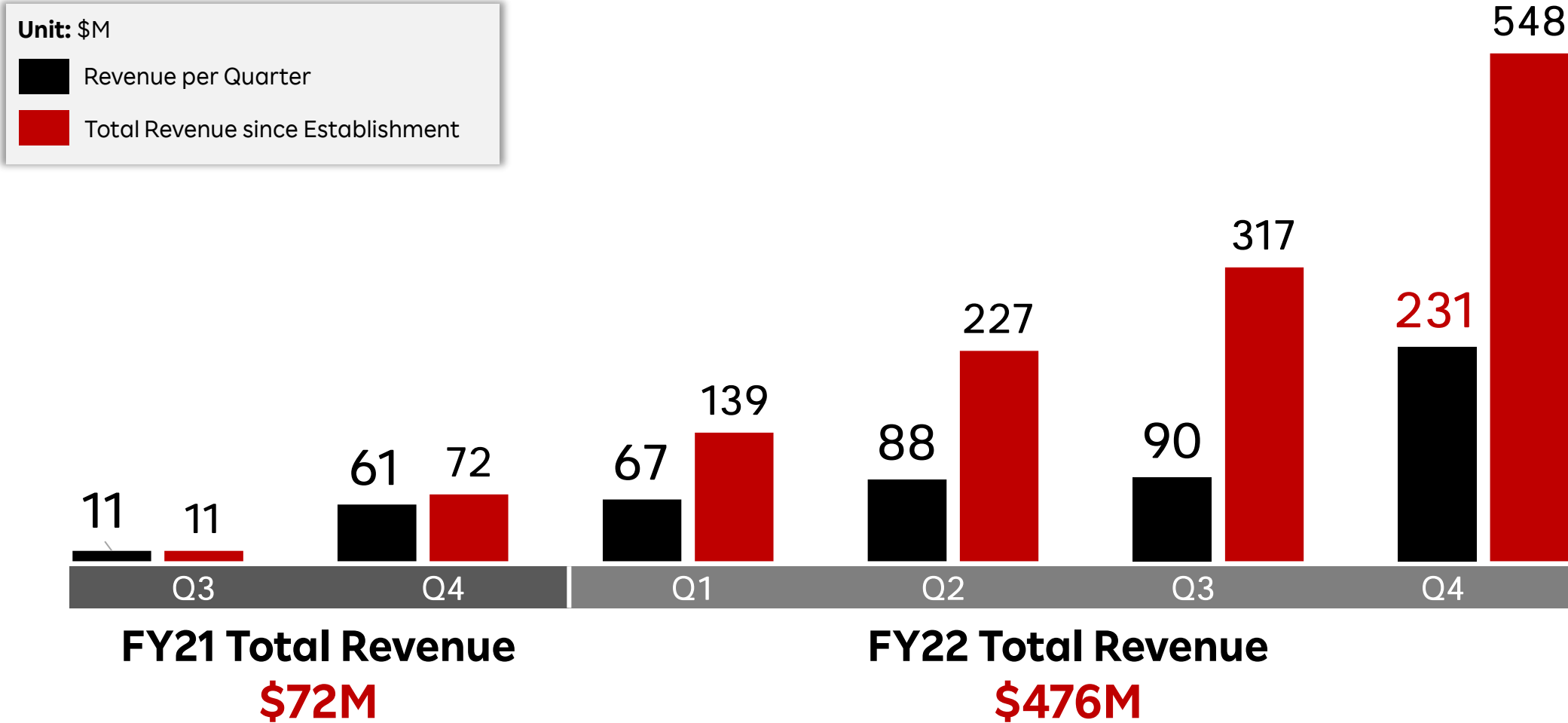
Maximize Cash Flow



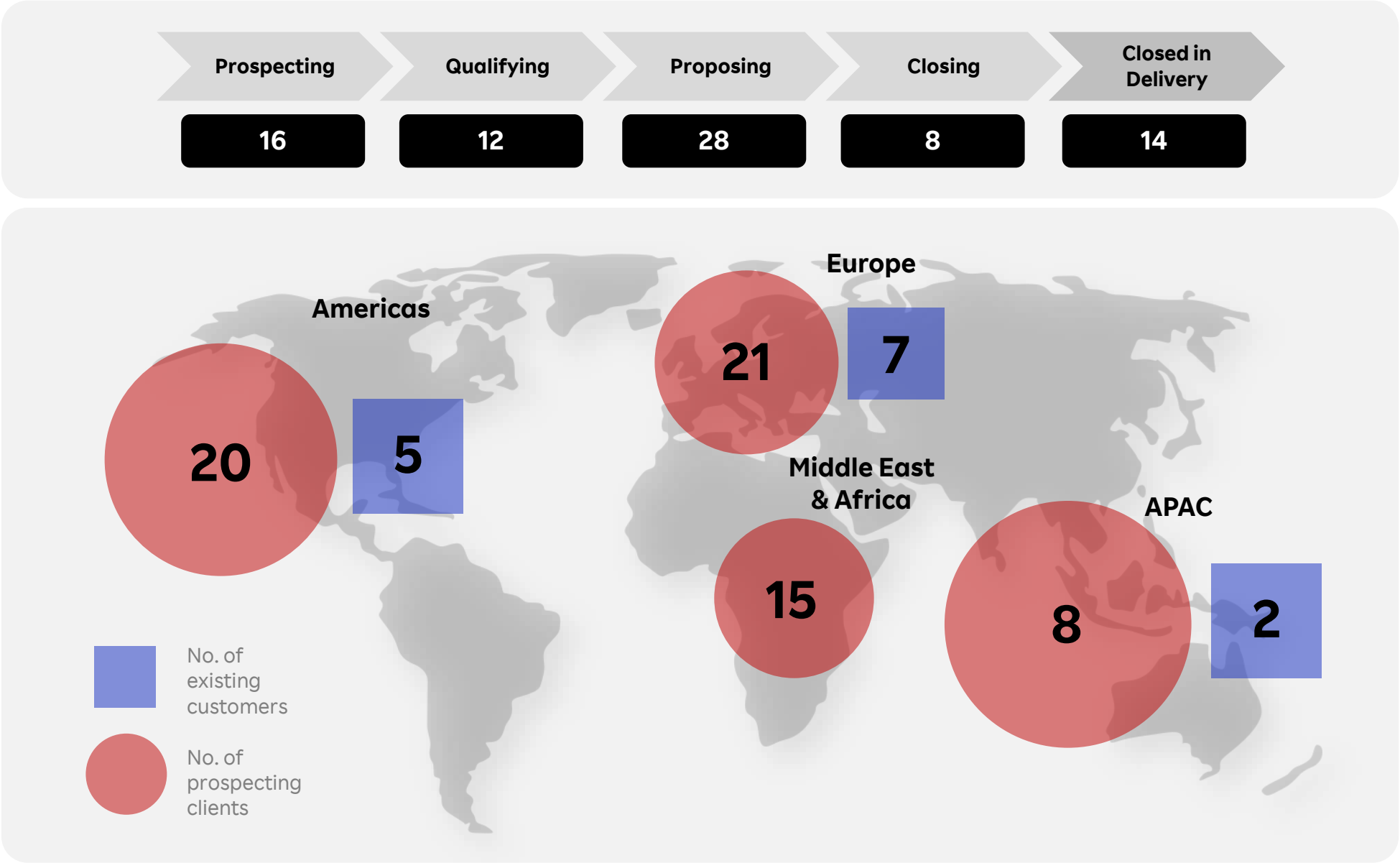
Rakuten Symphony

Rakuten Symphony: Revenue since Establishment

We achieved revenues of more than half a billion USD in the first six quarters since establishment



Healthy \$4B+ Pipeline Converting into Revenue



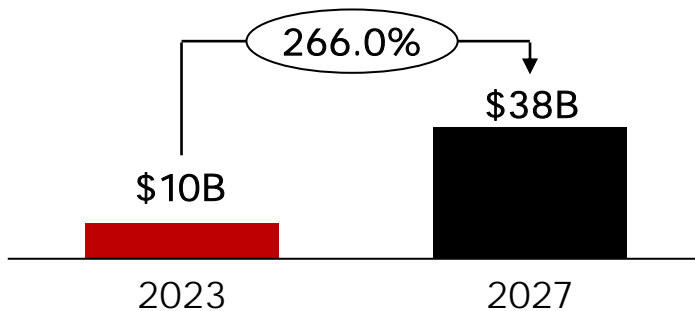
Our Growth is Further Fueled by Rise in Demand

We can observe significant acceleration of demand in our key segments

I. Open RAN

- 1 Significant **increase** of **trials** and **public tenders**
- 2 Global **government funding** & **rip-and-replace** programs
- 3 Continuous **diversification** of O-RAN compliant **hardware landscape**

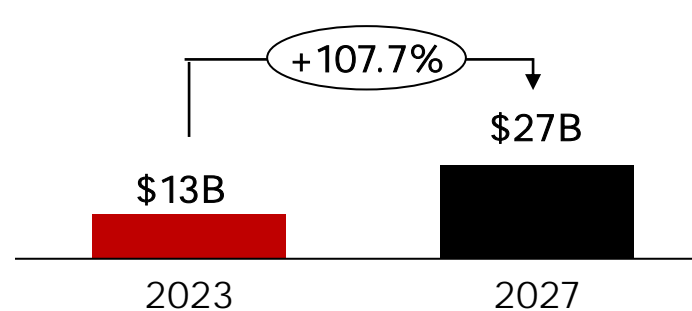
O-RAN Addressable Market*



II. Cloud

- 1 Increasing **virtualization** of **telco stack**
- 2 **Cloud-based workload placement** strategies
- 3 Need for **multi-cloud orchestration** solutions

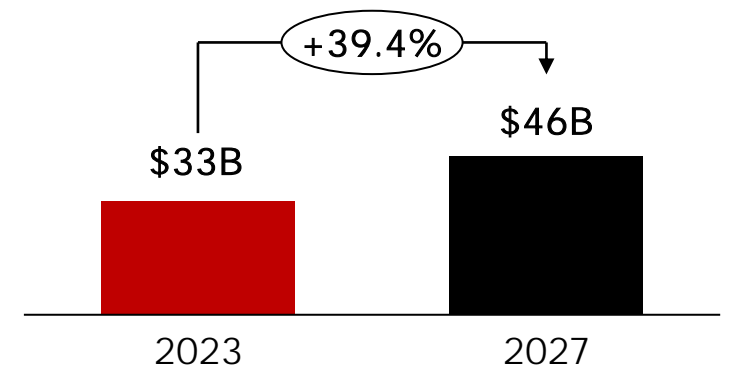
Cloud Addressable Market



III. Digital Transformation of Operations

- 1 Increased spending on next-gen **OSS and BSS apps**
- 2 Focus on **automation** of **key telco operations workflows**
- 3 **SaaS-based** deployment & business models

OSS/BSS Addressable Market



*only O-RAN (subset of total RAN), Includes hardware, software and services, excl. China

R Note: the Rakuten Symphony total addressable market (TAM) is larger than the sum of the numbers above as it includes additional segments which are not considered on this page.

Sources:

1. O- RAN: Analysys Mason, RS Analysis
2. Cloud: Analysys Mason, IDC, RS Analysis
3. OSS/BSS: Analysys Mason, Allied Market Research, RS Analysis

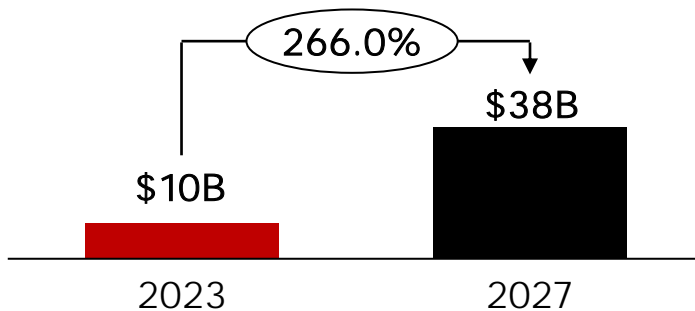
Open RAN: Symphony's Momentum

We are positioned to lead the impending Open RAN industry transformation

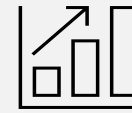
I. Open RAN

- 1 Significant **increase** of **trials** and **public tenders**
- 2 Global **government funding** & **rip-and-replace** programs
- 3 Continuous **diversification** of O-RAN compliant **hardware landscape**

O-RAN Addressable Market*

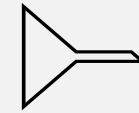


Our Achievements in Open RAN



200M+

Revenue around ORAN in last 6 quarters



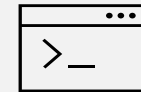
50%+

of sales pipeline includes Open RAN opportunities



300,000+

Radiating cells globally on our Open RAN Software



600+

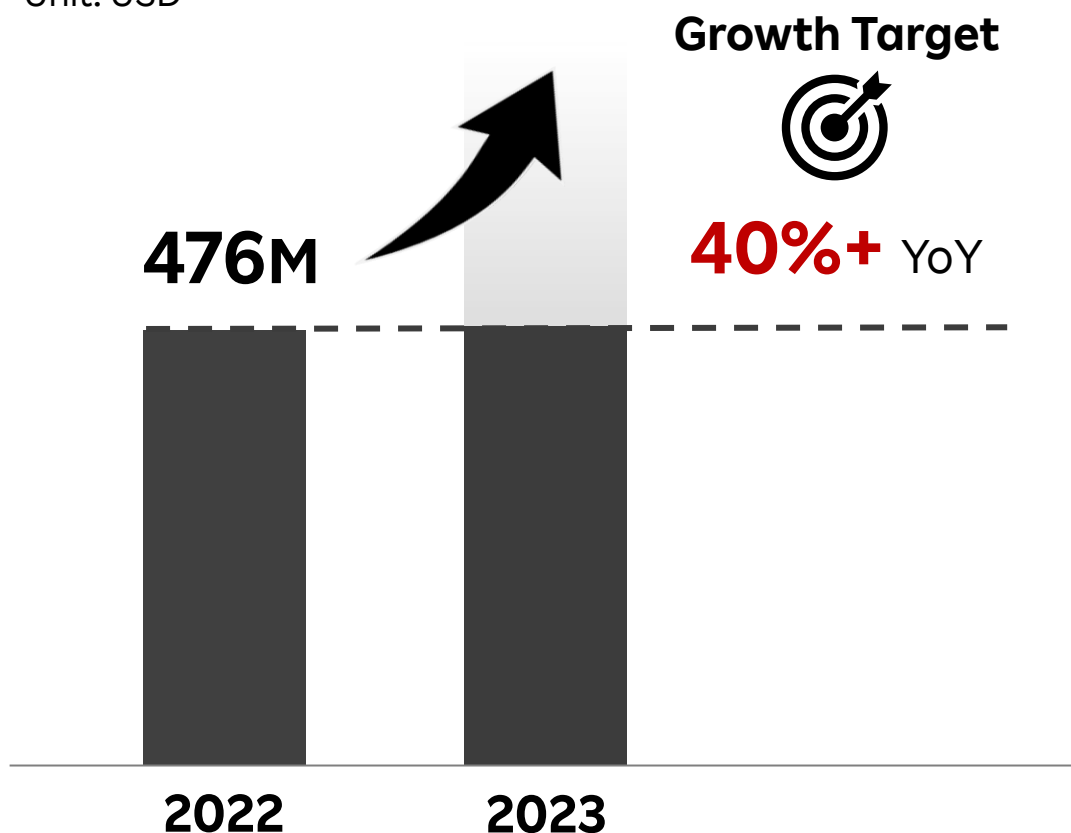
new RAN features released in past 300 days

Our Revenue Growth into 2023

We are geared towards significant revenue growth in 2023 and beyond

Revenue Trajectory

Unit: USD



Our Growth Drivers

- 1) Growth within 14 existing customers**
Continuous investment in our customers' success to scale within existing greenfield and brownfield accounts
- 2) \$4B+ Pipeline**
Converting pipeline into revenue by closing new deals in RAN, OSS and Cloud
- 3) Monetization of existing trials and PoCs**
Start capitalizing on ongoing Open RAN PoCs by converting them into commercial multi-year contracts
- 4) Strengthening portfolio and Go to Market**
Launch and monetize new products and features and invest in expanding our GtM capabilities

3 Financial Strategy

Our Commitment: Disciplined Financial Policy



No additional gross debt and will reduce debt balance by executing the announced funding

- Rakuten Bank IPO
- Rakuten Securities Holdings IPO

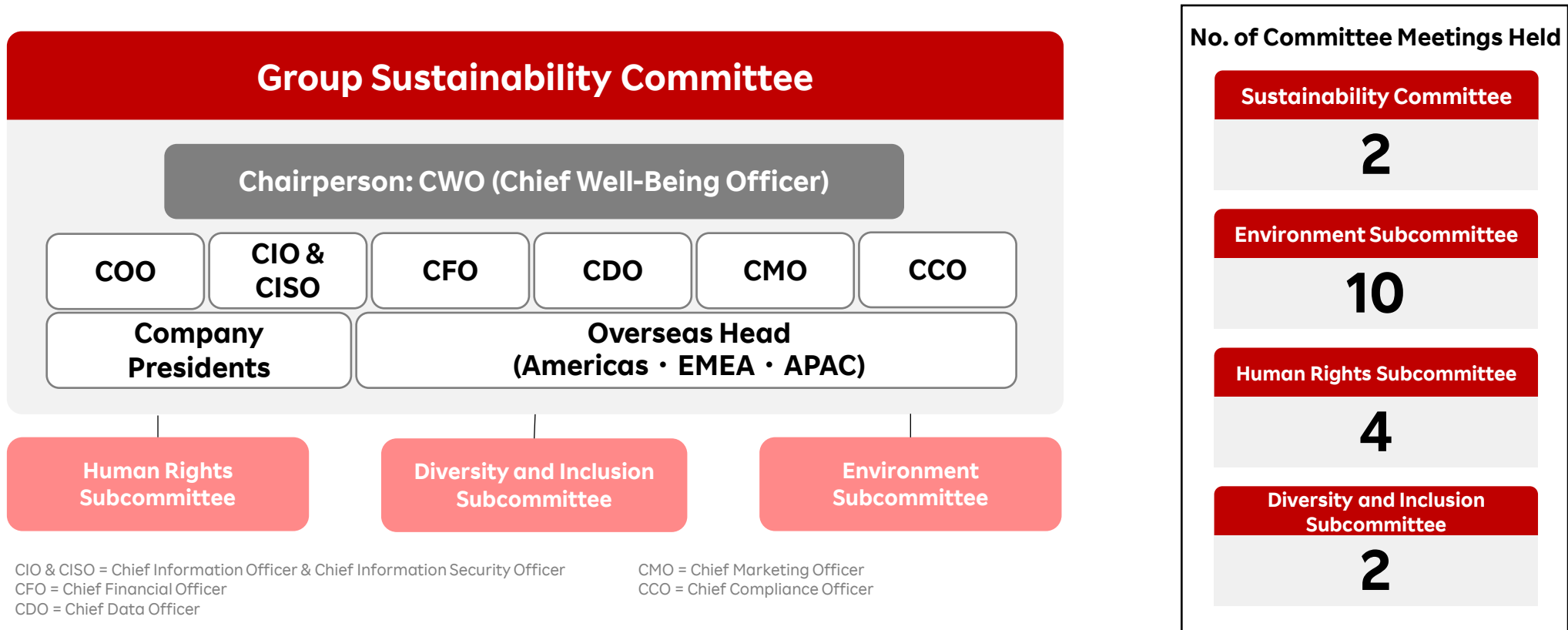


Flexibly consider **strategic business alliance and capital raise** for the parent and subsidiaries if justified

4 ESG

【ESG】 Launch of Sustainability Committee

A cross-organizational “Rakuten Group Sustainability Committee” consisting of domestic and overseas executives was established in November 2021 to accelerate our sustainability efforts. Three subcommittees addressing topics that require long-term discussions were also created: the Environment, the Human Rights, and the Diversity and Inclusion Subcommittees.



【ESG】 Stakeholder Engagement for a Sustainable Society

We work together with our users, partners, and other diverse stakeholders through the provision of our sustainable platform

With Partners

楽天トラベルと始める

旅行 × サステナビリティ

TRAVEL × SUSTAINABILITY

- **"Sustainability Icons"** to introduce sustainable initiatives at Rakuten Travel accommodations in Japan.
- **"Sustainable Travel" badge** for Rakuten Travel accommodations that meet our criteria for sustainability initiatives.
- A **"handbook"** to promote sustainability initiatives among Rakuten Travel accommodations.

environmental protection



culture people / community



Sustainability Icons

With Users



- **"Go Green Together"** campaign to promote sustainable lifestyle choices throughout the Rakuten ecosystem.
- Offered **environmental quizzes and "Rakuten Points"** to encourage service users to be more environmentally mindful in their daily lives.



【ESG】 Awards and Recognition

Sustainability Indexes

Member of
**Dow Jones
Sustainability Indices**

Powered by the S&P Global CSA



2022 MSCI ESG Leaders
Indexes Constituent

2022 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX



FTSE4Good



FTSE Blossom
Japan



FTSE Blossom
Japan Sector
Relative Index

Awards



5 Financial Highlights

FY2022 Financial Highlights

(JPY bn)

	FY2021	FY2022	YoY
Internet Services Segment			
Revenue	999.2	1,085.9	+8.7%
Operating Income	103.4	78.2	-24.3%
Domestic E-Commerce			
Revenue	707.7	797.0	+12.6%
Operating Income	70.0	95.6	+36.6%
Minority Investment			
Operating Income	34.3	-10.2	-44.6
Others (excluding Minority Investment)			
Revenue	291.5	288.9	-0.9%
Operating Income	-1.0	-7.2	-6.2
Others (excluding Minority Investment, R-ad, Viber, Sponsorsip)			
Operating Income	-0.9	3.7	+4.5
FinTech Segment			
Revenue	619.0	663.4	+7.2%
Operating Income	89.1	98.7	+10.8%
Mobile Segment			
Revenue	227.5	368.7	+62.0%
Operating Income	-421.2	-492.8	-71.7
Rakuten Mobile			
Revenue	135.0	191.0	+41.5%
Operating Income	-403.8	-459.3	-55.5
Adjustments			
Revenue	-164.0	-190.1	-26.1
Operating Income	3.7	-9.7	-13.4
Consolidated			
Revenue	1,681.8	1,927.9	+14.6%
Non-GAAP Operating Income	-225.0	-325.6	-100.6
IFRS Operating Income	-194.7	-363.9	-169.2
Non-GAAP Operating Income (Excluding Mobile Segment & Investment Businesses)	161.8	177.4	9.6%

Rakuten

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