

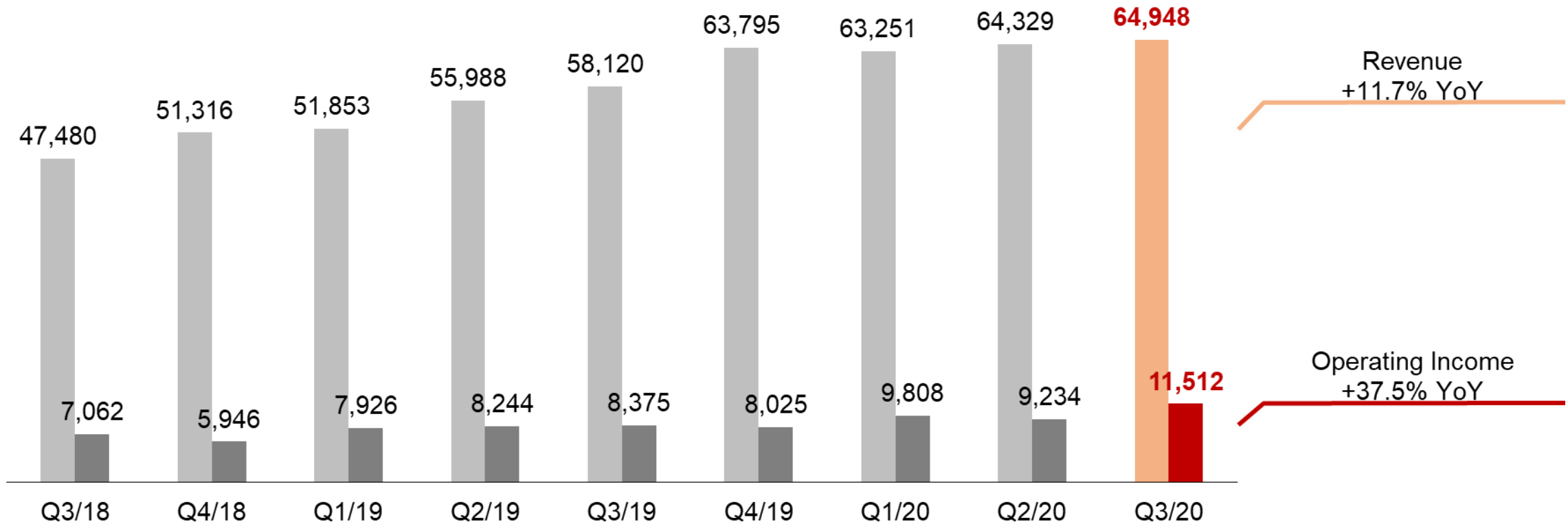


FinTech: Card

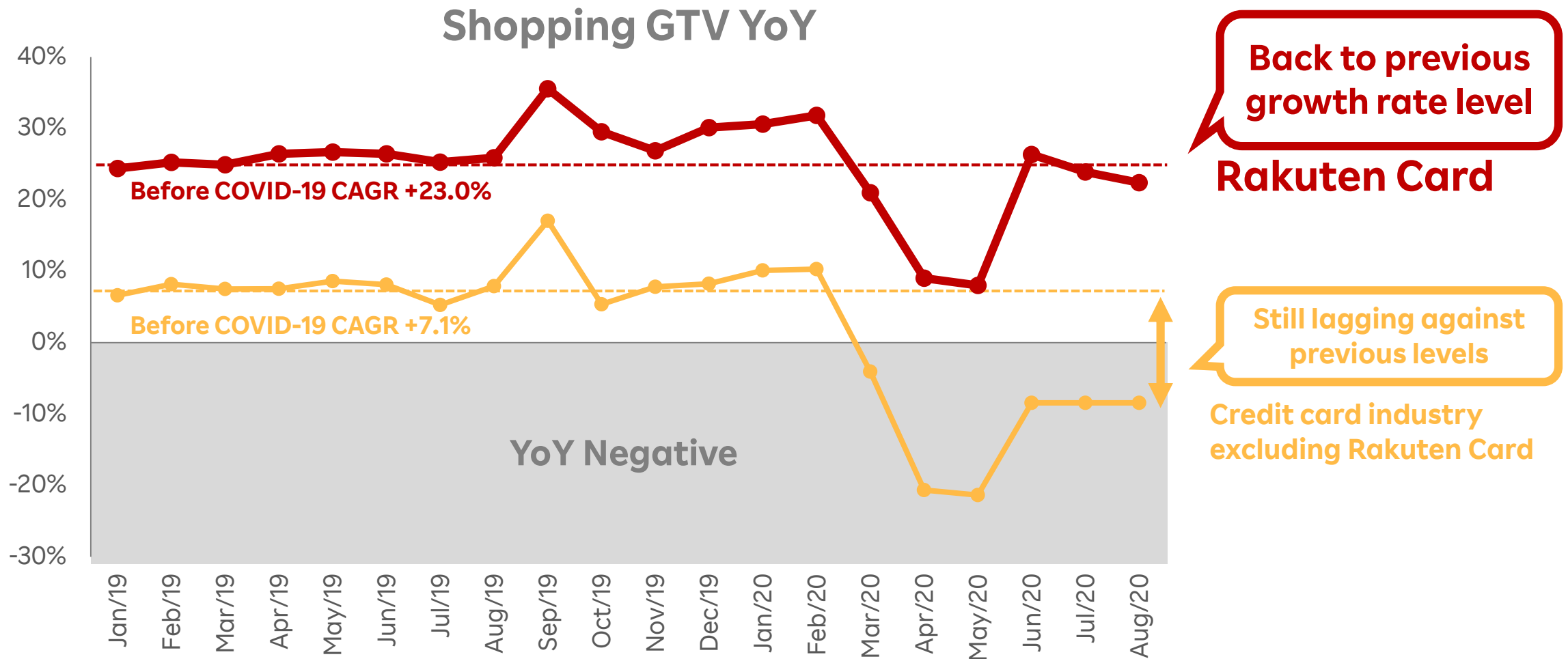
Rakuten Card Results

- Revenue +11.7% YoY and Operating Income +37.5% YoY from growth in shopping transactions, reversal of bad debt accrual and cost control

(JPY mm)

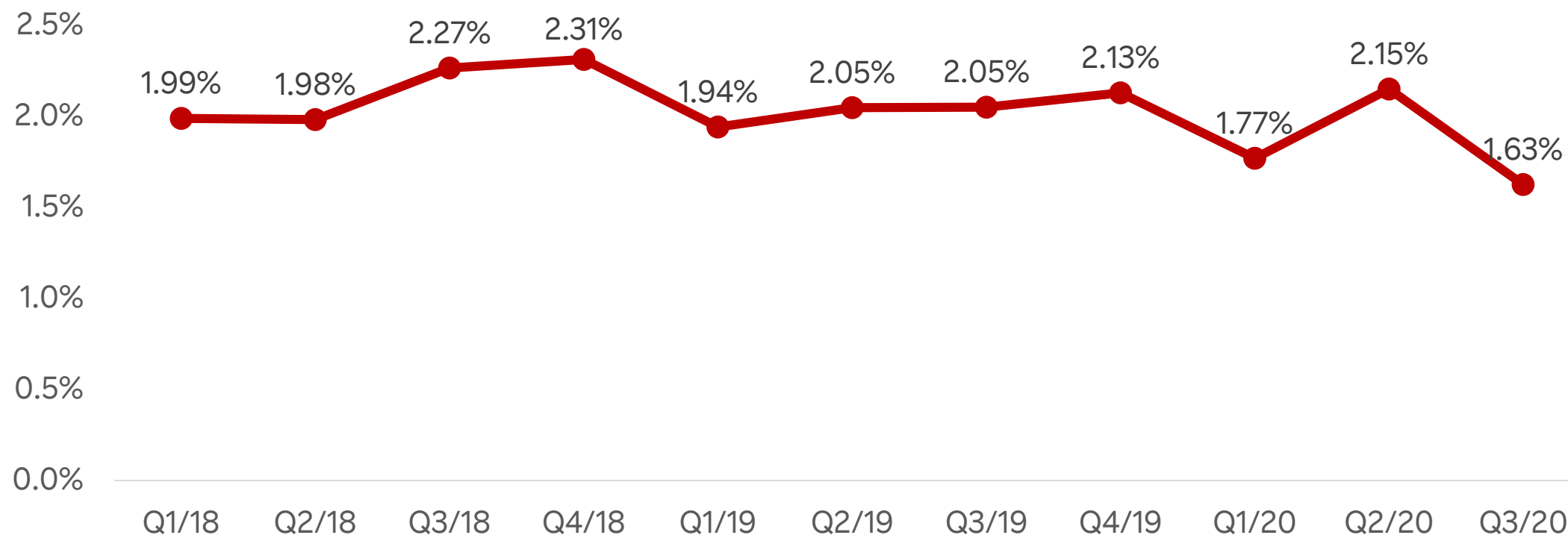


Rakuten Card kept positive growth amidst COVID-19 and recovered quickly



Keeping Healthy Asset Quality

Ratio of Expenses related to Doubtful Accounts*



* Ratio of expenses related to doubtful accounts = (Expenses related to doubtful accounts) / (average total balance of loan receivables at beginning and end of the period) × 4

Rakuten Card: No.1 Credit Card in Japan



Market Share by Shopping GTV in Japan*¹

No.1  

Number of Card Holders as of Sep 2020

20.76mm  

No.1 in Customer Satisfaction Survey*² for

11 Consecutive Years 

*¹ METI, Statistical survey of specified service, Credit Card category

*² Japan Customer Satisfaction Index 2019

Complete Everything with a Smart Phone

Check spending

Payment
Management



Change to
Revolving

Change
Home Address

Rakuten Card Capturing Changing Consumer Behavior

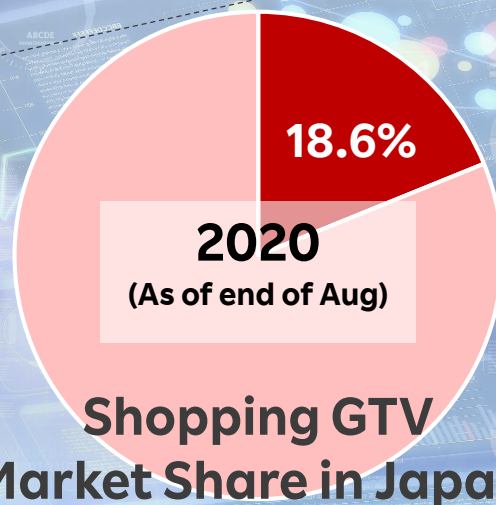
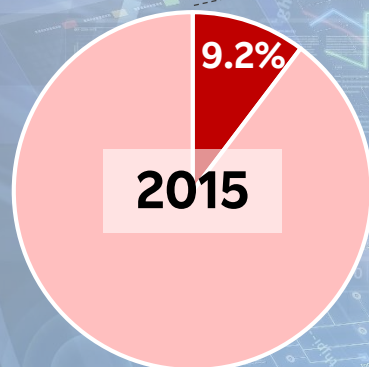
**Increasing Credit Card
Spending in EC**

New Normal

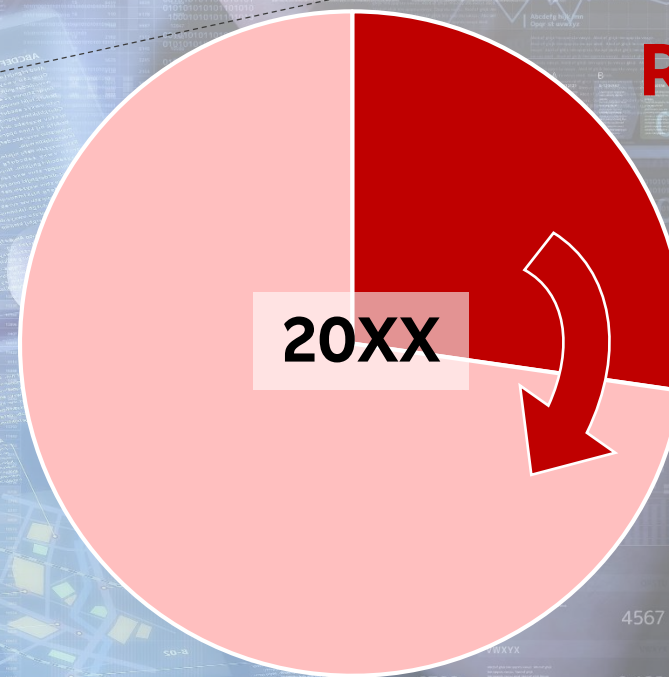
**Increasing
Cashless Ratio**

Contactless

Smartphone Centric



**Shopping GTV
Market Share in Japan***



**Rakuten
Card**

* METI, Statistical survey of specified service, Credit Card category

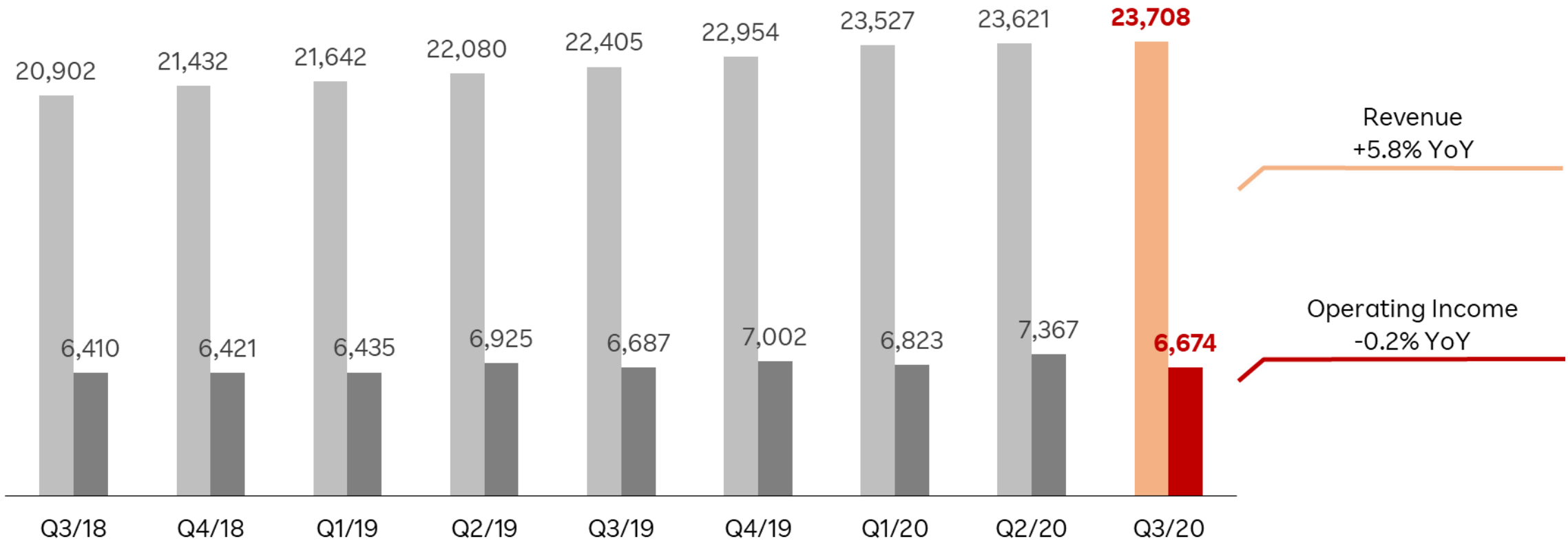


FinTech: Bank

Rakuten Bank Results

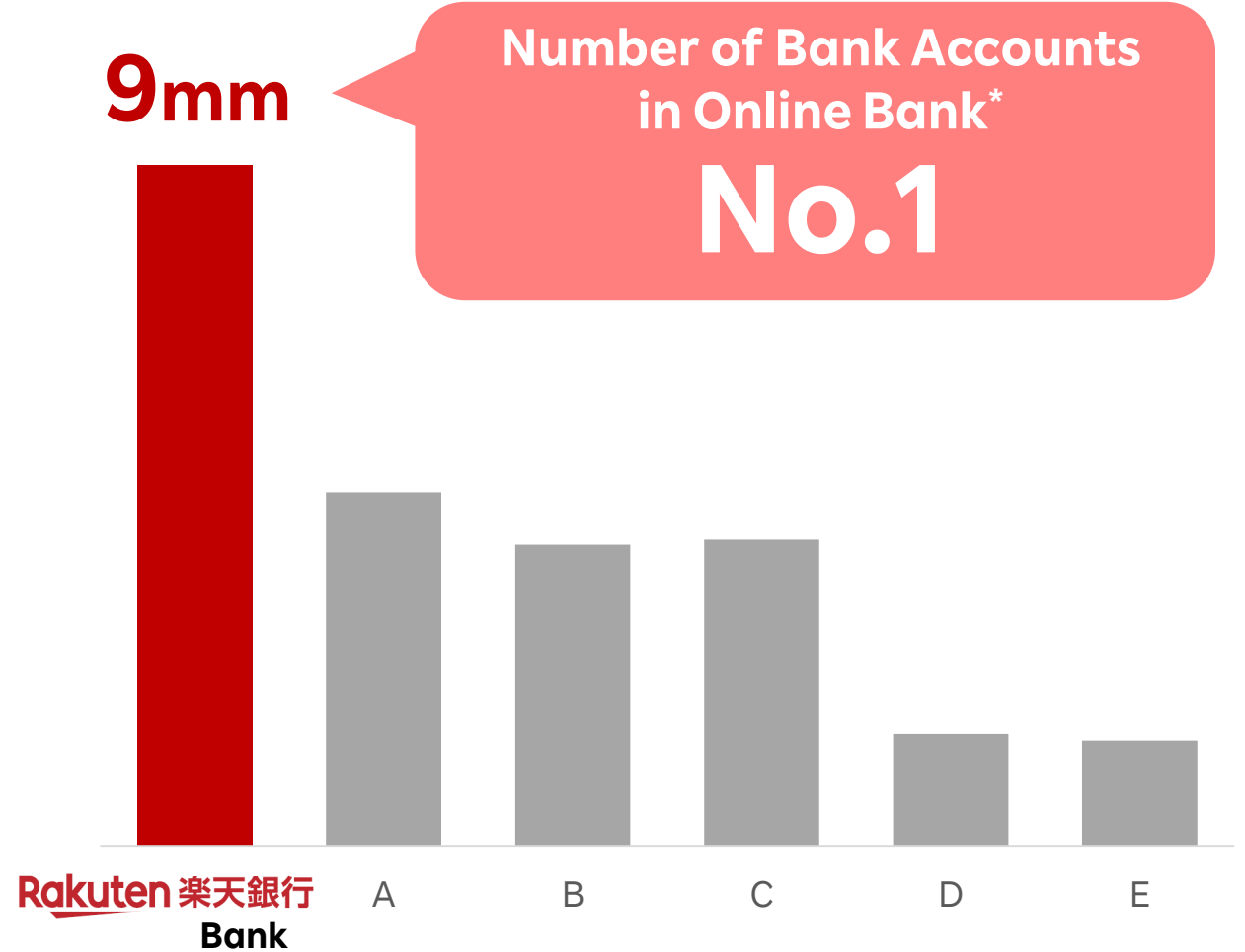
- Revenue +5.8% YoY from increase in service transactions while Operating Income -0.2% due to expenses associated with relocation of head office

(JPY mm)



* Joint venture in Taiwan (RAKUTEN INTERNATIONAL COMMERCIAL BANK CO., LTD.), a consolidated subsidiary from Q2/20, is not included in the figures above.

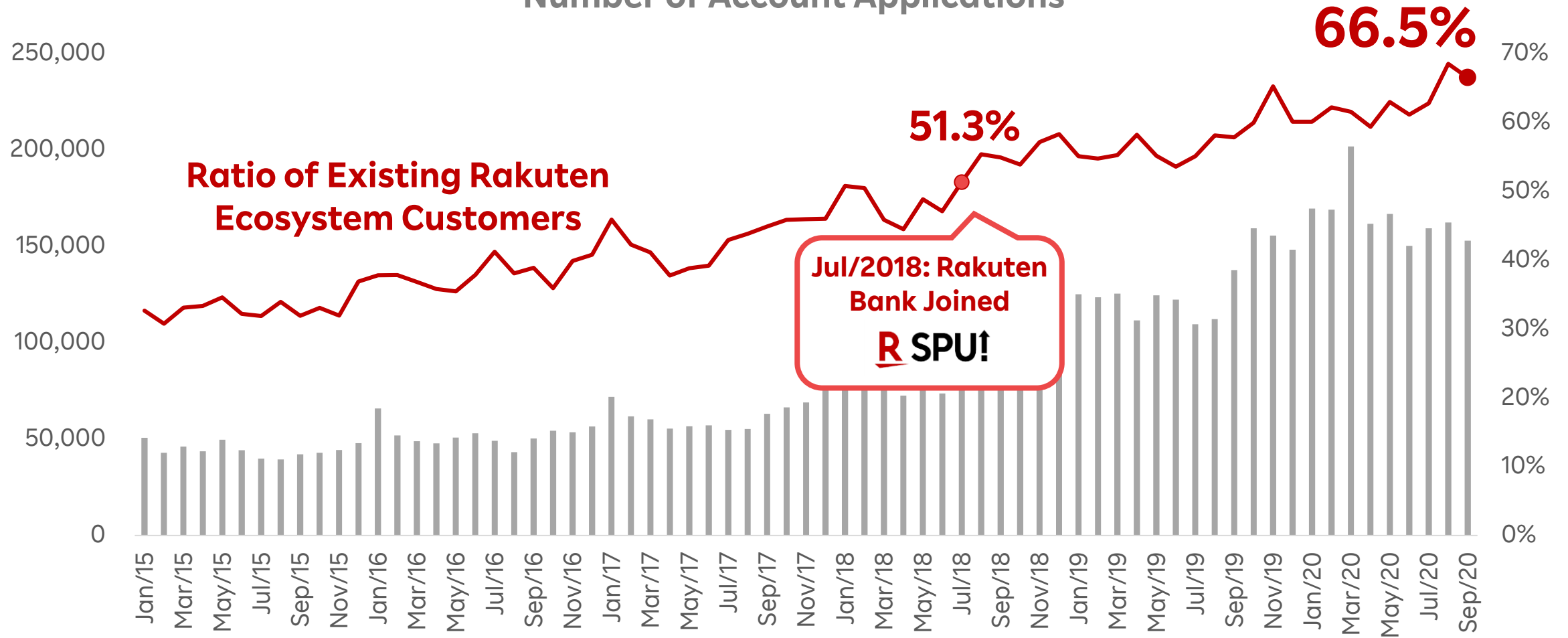
Rakuten Bank: No.1 Online Bank in Japan



* Company disclosures

Group Synergies Accelerate Rakuten Bank's Growth

Number of Account Applications



“Money Bridge” Deposit Balance Exceeded JPY 2 Trillion

Rakuten 楽天銀行

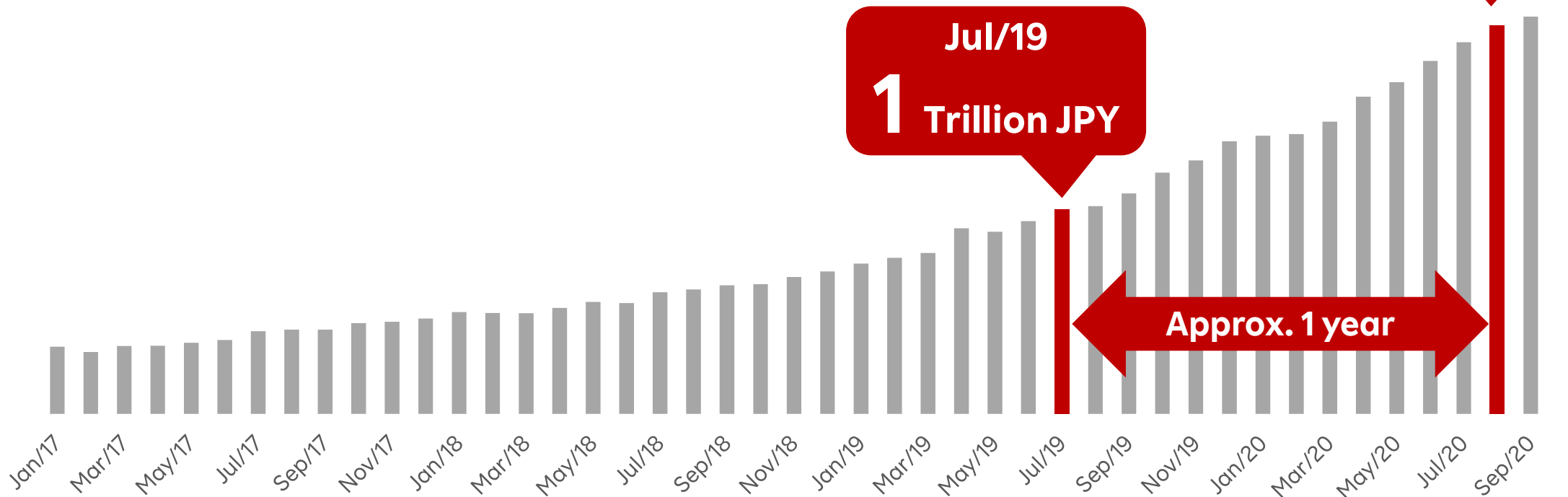
Bank



Rakuten 楽天証券

Securities

Account linkage service “Money Bridge” deposit balance



Becoming Customer's Main Bank

Rakuten Bank supports essential daily transactions

**Customers can use Rakuten Bank's account transfer (direct debit)
for many institutions including utility charges**



Q3/20
Number of payroll accounts



Q3/20
Number of direct debit transactions



Leading Position in Online Shift

Online Shift of Traditional Banks

Consolidation
of branches

Digital
Bankbook

Online Money
Transfer

Smartphone /
App Centric



**Rakuten Bank is in a Leading
Position of Online Shift**



FinTech: Securities

Rakuten Securities: Fastest Growing in Online Securities



Number of New Accounts Opening*

No.1 

Number of Accounts as of Sep/2020

4.7mm 

Investment with Rakuten Points

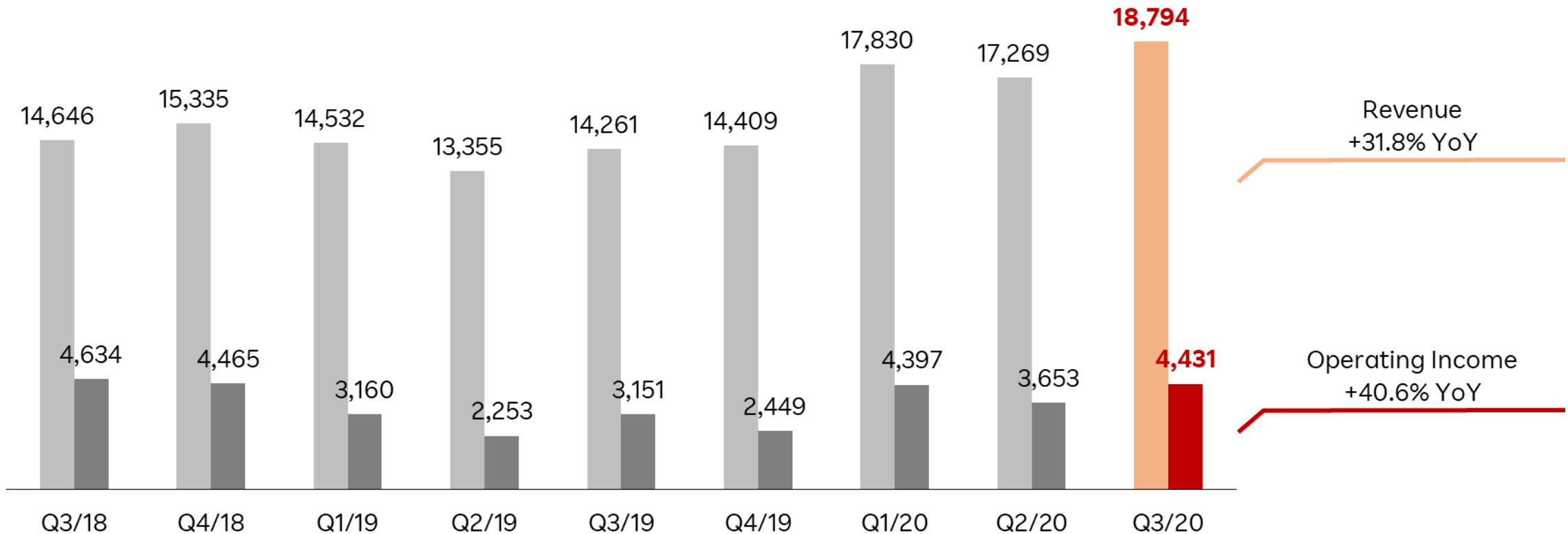
- ✓ Investment Trusts
- ✓ Accumulation Type Investment Trusts
- ✓ Domestic Stocks
- ✓ Binary Option (Rakuopu), etc.



Rakuten Securities Results

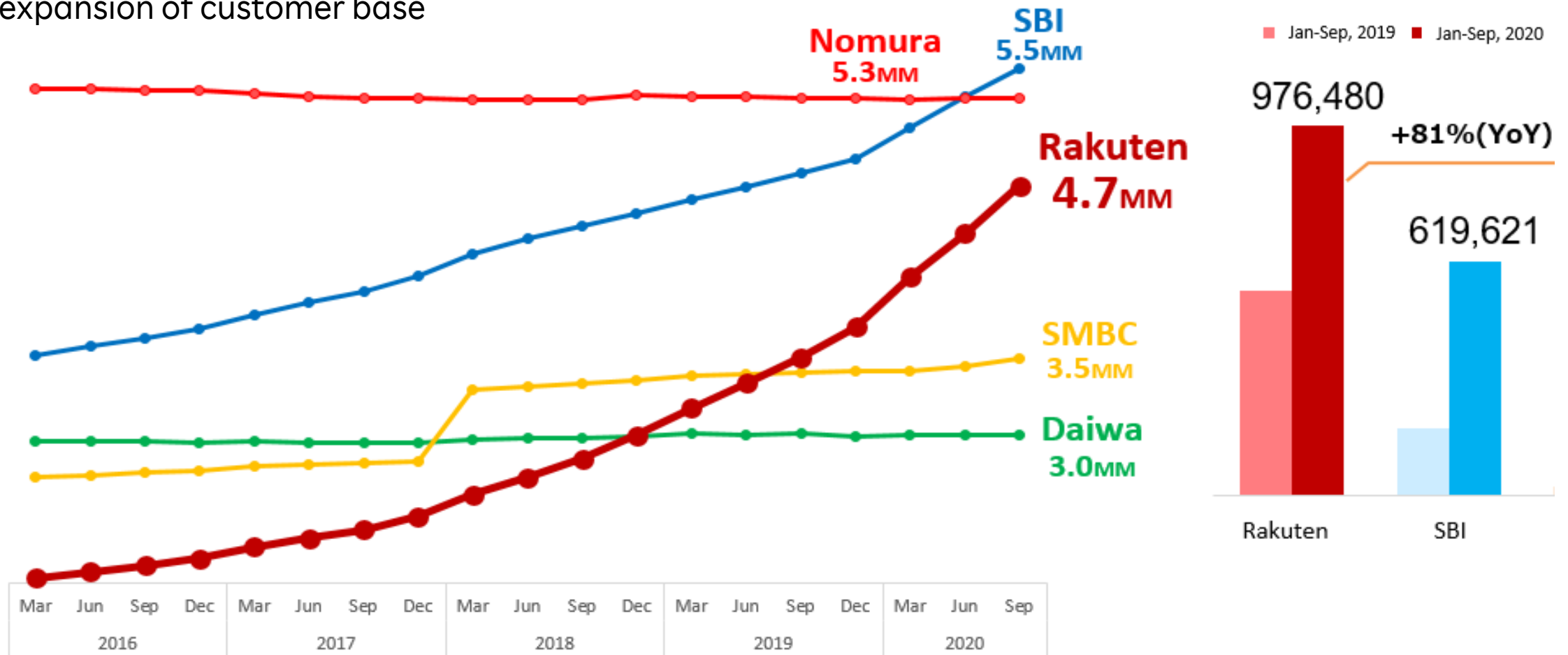
- Revenue +31.8% YoY and Operating Income +40.6% YoY from growth in trading volumes of Japanese Stock and US Stock

(JPY mm)



Number of Accounts

- No. 1 in the number of accounts opened in 2018 and 2019
- Acquired approx. 900,000 accounts in 2020. Rapid growth due to the Rakuten Ecosystem and further expansion of customer base



*Source: Aggregated by Rakuten based on public information on each company's website

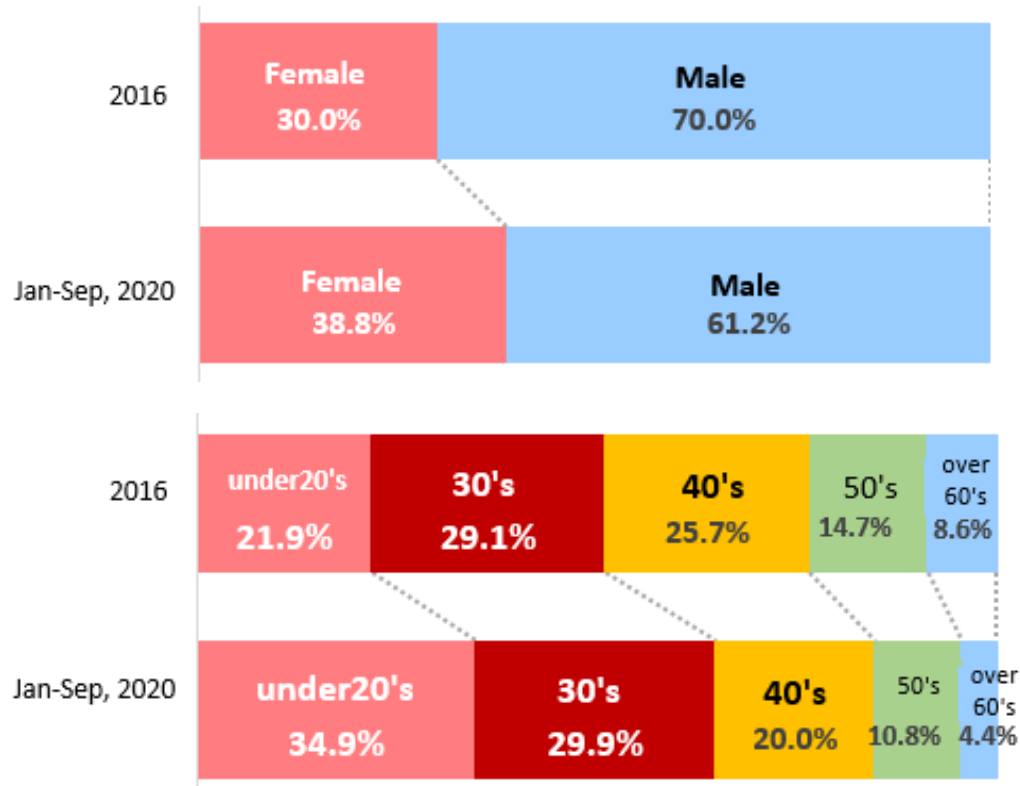
*Nomura Securities, Daiwa Securities: Number of remaining customer accounts, SMBC Nikko Securities: Number of total accounts

Increase Accounts leveraging the Rakuten Ecosystem

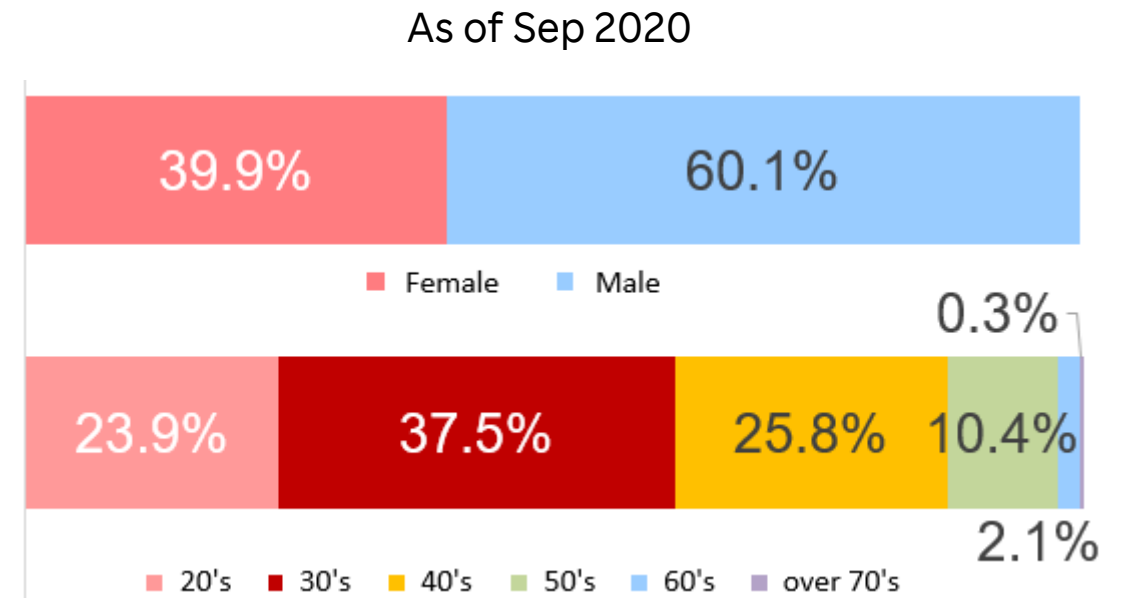
Younger Generation building Assets for the Future

- Number of accounts has rapidly increased recently by leveraging the Rakuten Ecosystem
- The number of general consumer, mainly younger generation has increased significantly
- Especially asset formation services, such as Tsumitate NISA, iDeCo, etc. is attracting younger generation

New Accounts



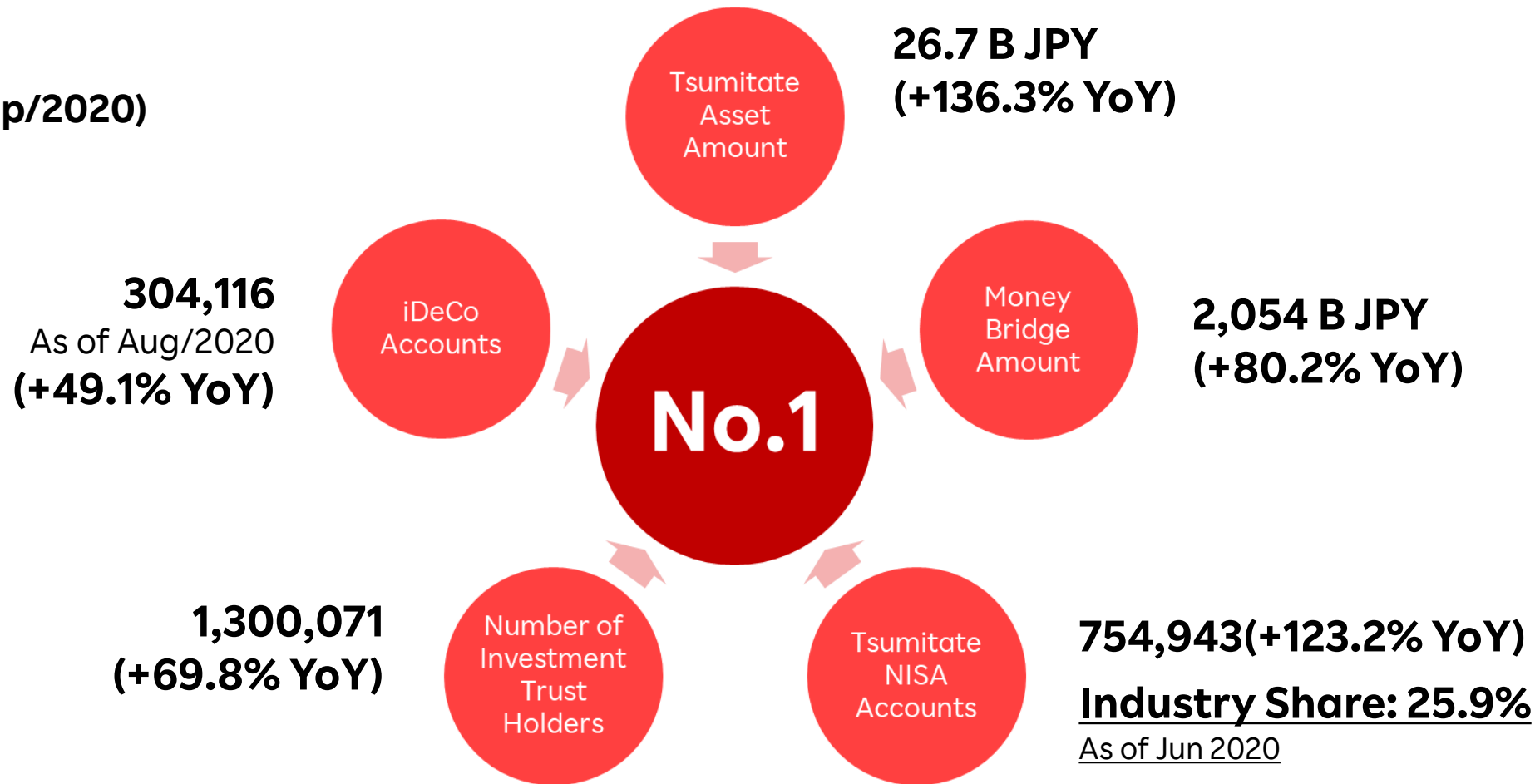
Tsumitate NISA Accounts



No.1 in Growth Rate: Best in Class for Asset Formation

- Expanding services that take advantage of the Rakuten Group's strength.
- Accelerate growth of asset formation-related services

(As of Sep/2020)

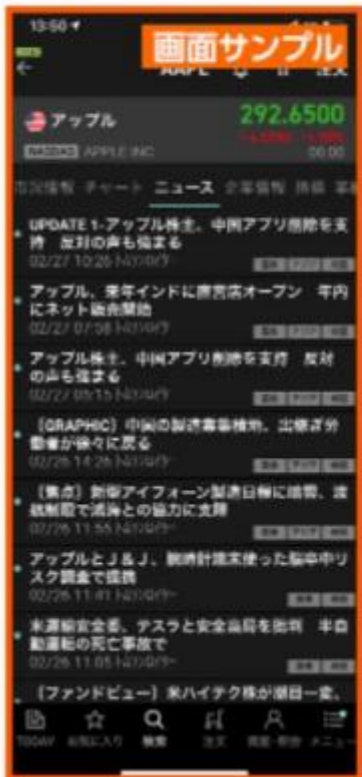


* Survey by Rakuten Securities (As of Oct/2020)

Increasing US Stock Trading, especially Smartphone Transactions using iSPEED

- US stock trades increased by 14x YoY in Sep. 2020, of which 53% are via iSPEED which began in Apr. 2020
- Japanese stock trade also integrated into iSPEED. One-stop trading of Japanese and US stocks

News



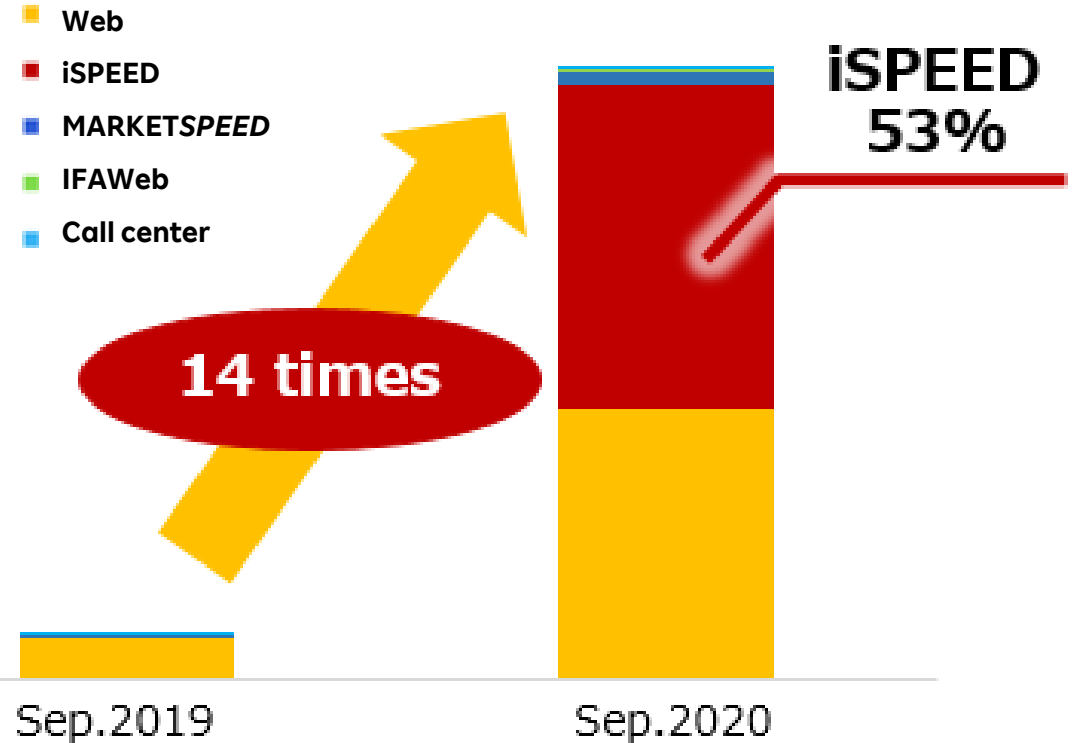
Chart



Favorite



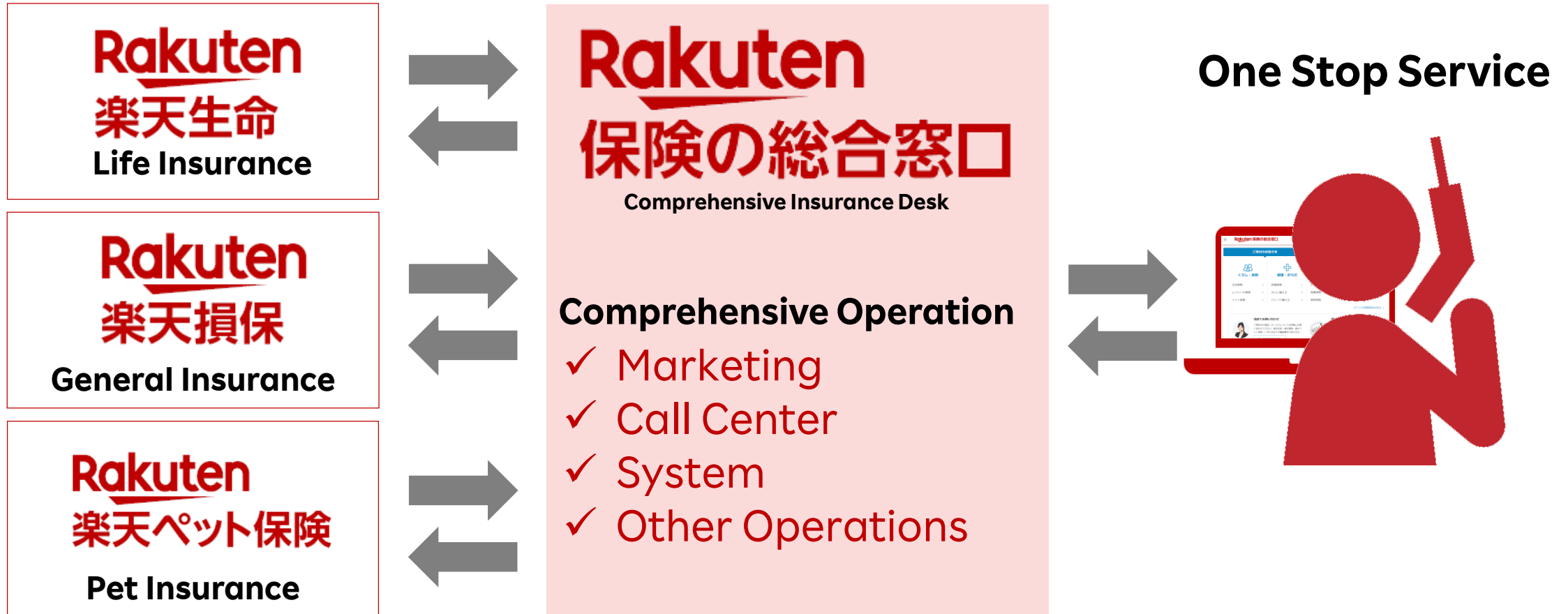
Number of US Stock Trades by Channel





FinTech: Insurance

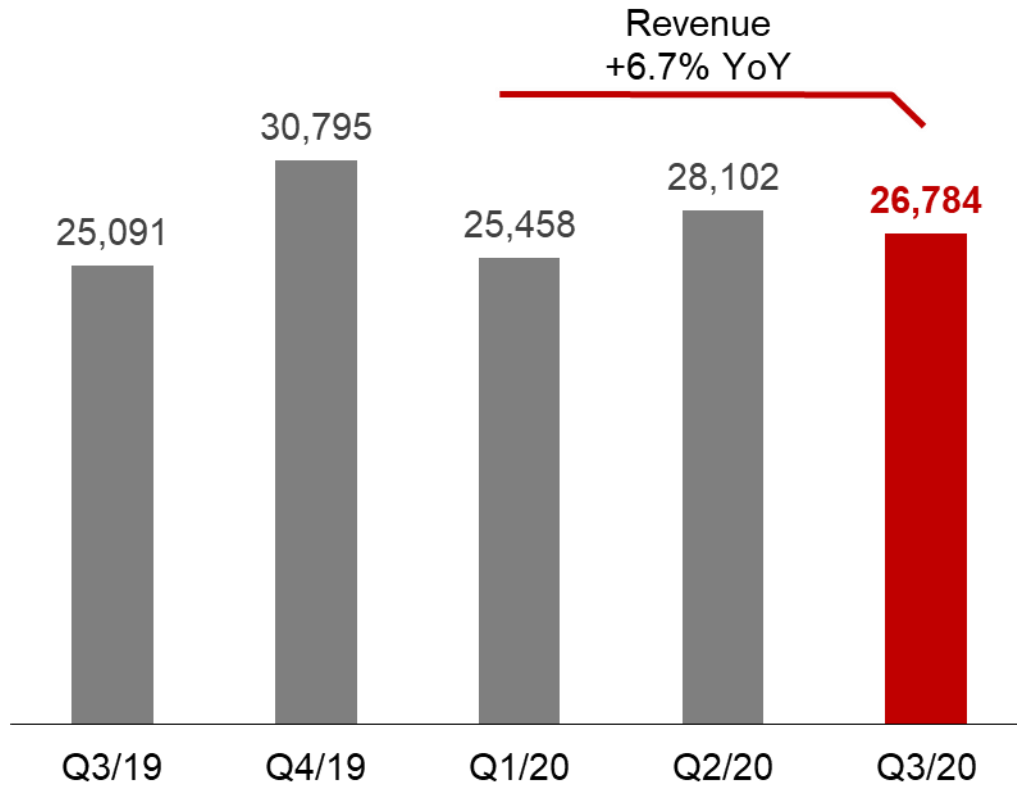
Full Lineup and One-stop Service



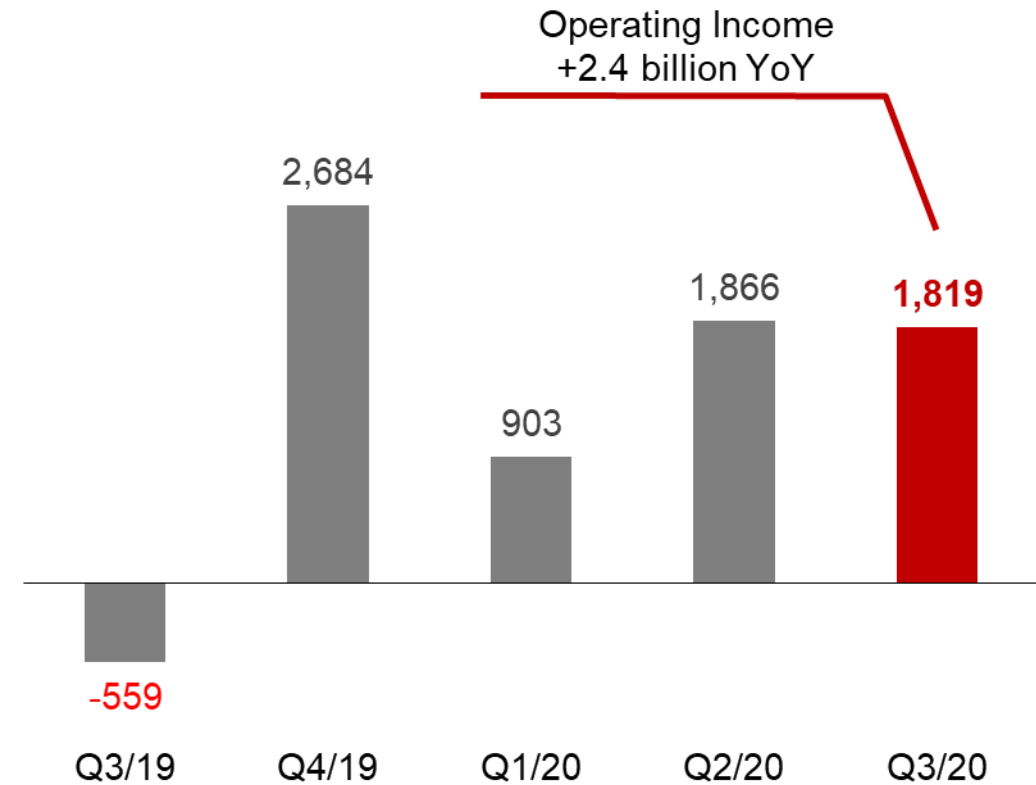
Insurance Business Results

- Revenue +6.7% YoY and Operating Income JPY +2.4 billion YoY from increase of new policies, cost reductions, and rebalancing of risk through reinsurance

(JPY mm)



(JPY mm)

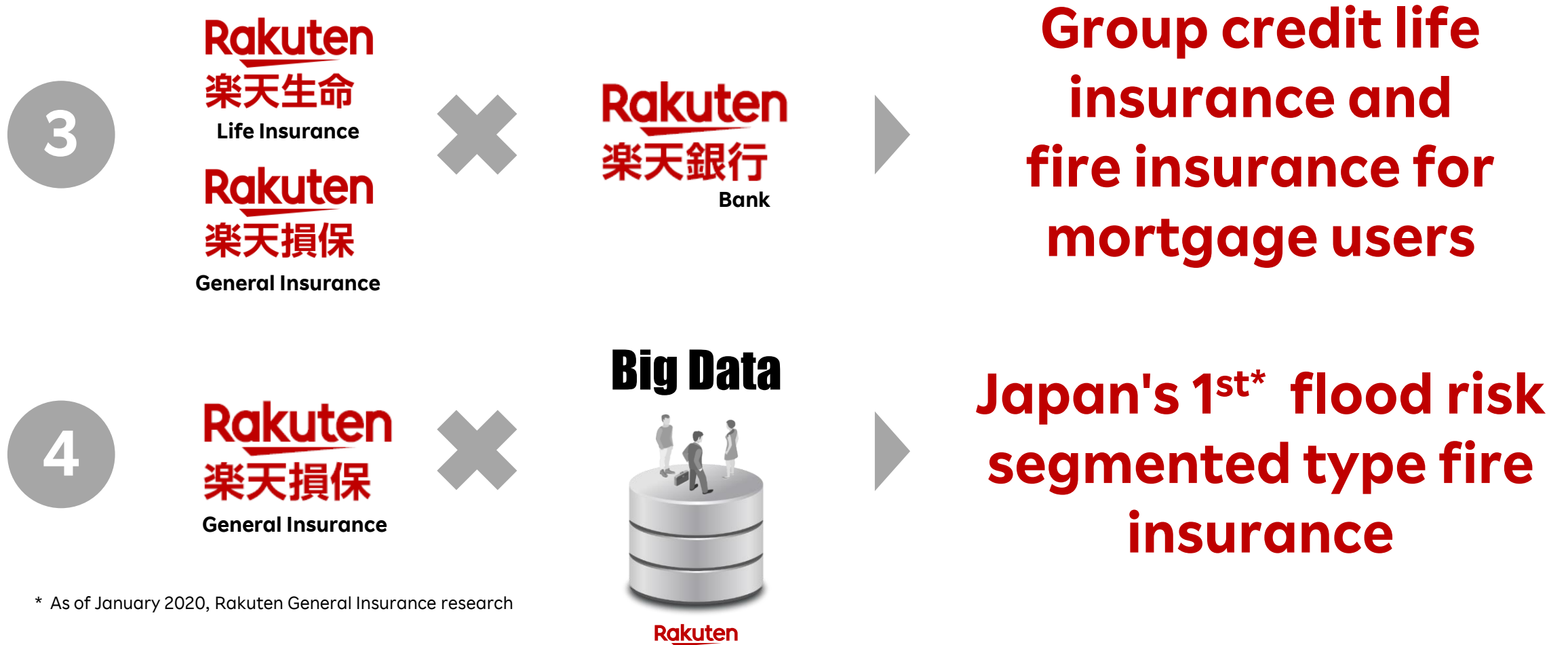


* Insurance includes Life Insurance, General Insurance, Pet Insurance and Insurance Agency. Detailed data is shown in the Appendix.

Growth Driver: Rakuten Ecosystem Synergies



Growth Driver: Rakuten Ecosystem Synergies



* As of January 2020, Rakuten General Insurance research

Growth Driver: Rakuten Ecosystem Synergies

Rakuten
楽天生命
Life Insurance

Rakuten
楽天損保
General Insurance

Rakuten
楽天ペット保険
Pet Insurance



**Collect and use
Rakuten Points
with Insurance**



*My voice com, Survey on points, July 2020

Future Growth with AI Assistant

**AI assistant “ARIA”
can support wide
range of agency
operations**

- ✓ **Manage schedule**
- ✓ **Create insurance
product proposals
etc.**





FinTech: Payment

Rakuten Payment Provide Various Services

Rakuten Payment

R Pay



**R
POINT**



**Rakuten
チェック**



**R
Edy**



Comprehensive Lineup to Support Merchants

Providing comprehensive services
from store visit promotion to payment and marketing

Promotion of Store Visits



Rakuten
チェック

Sales Promotion



R
POINT

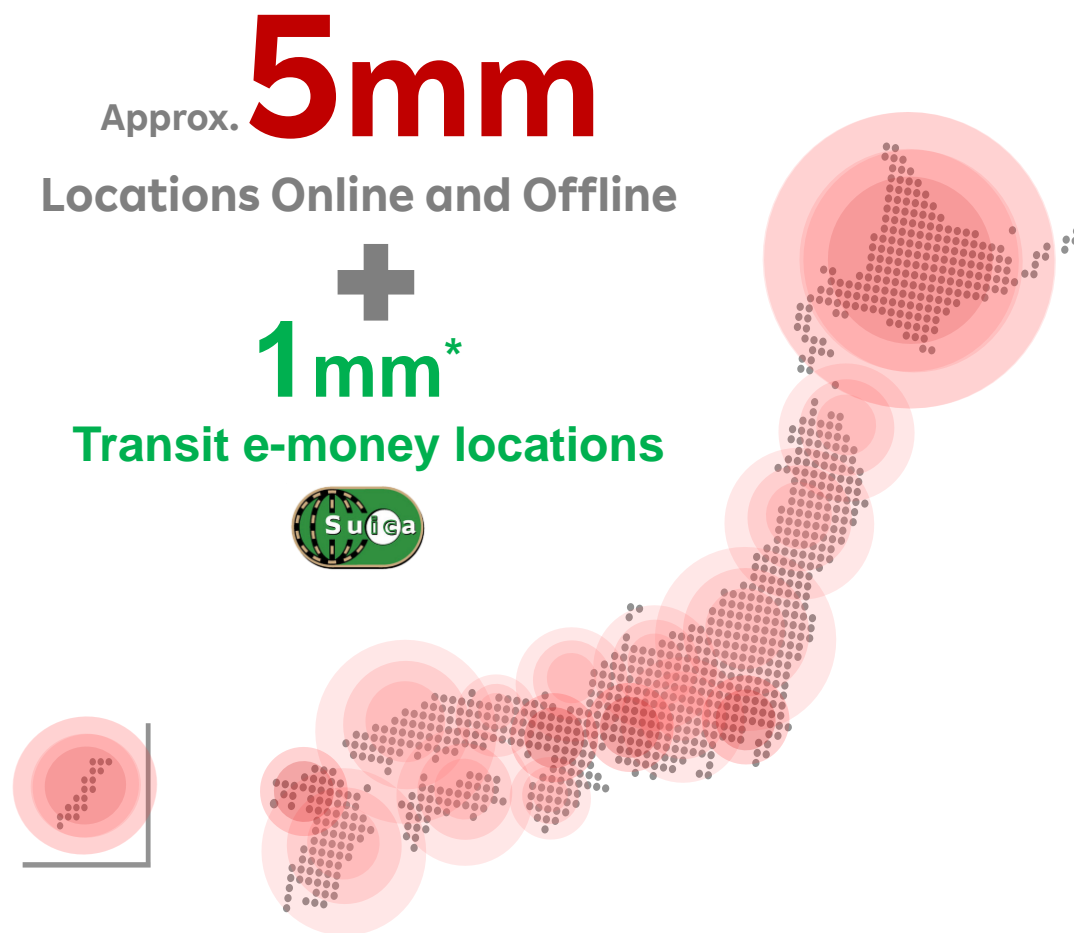
Payment



R Pay **R** **Rakuten**
Edy 楽天銀行
Bank

Data analysis / Marketing

Rakuten Pay expansion with unique value



* As of end of Sep 2020

Added value of Rakuten Pay

✓ **Attract customers using Rakuten Points**



✓ **In-depth data analysis**



✓ **Safe and Secure Security**



Strong Growth of Rakuten Pay

The Total Number of Rakuten Pay Users*

50 Million

(As of Sep 2020)



* Monthly active users with settlement based on registration of Rakuten ID. Cumulative number from each business

Attracting users to Rakuten Ecosystem

1 of 4 new Rakuten members is from Rakuten Payment



New initiative: Rakuten Pay - Suica Linkage

Charge Suica with Rakuten Point to be released soon

R
POINT



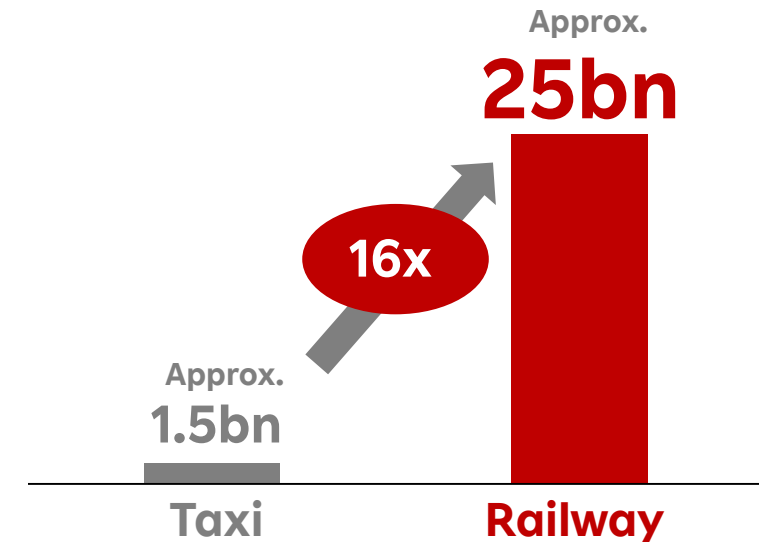
Charge



R Pay

Railways is the mainstream of Japanese mobility

Annual rides per year*



* Ministry of Land, Infrastructure, Transport and Tourism "Annual statistical report of train"(2016)

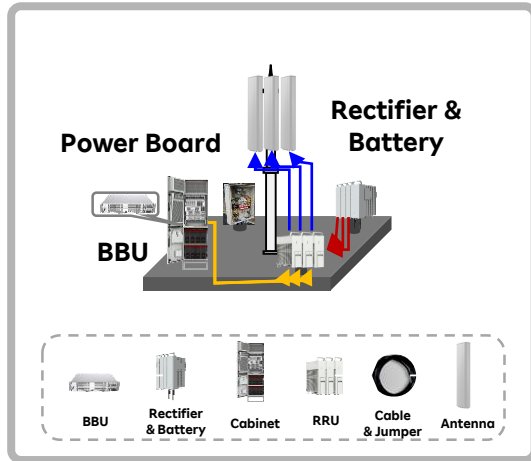
* General incorporated association, Japan Hires and Taxies association, "Changes in passengers carried and operating revenue"



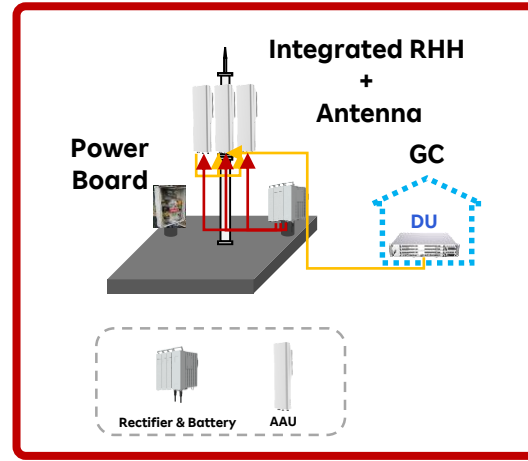
Mobile

Unlimited 5G with No Additional Fee

Traditional Network



Rakuten Virtualized Network



CAPEX

40%

OPEX

30%

Rakuten UN-LIMIT V

2,980 yen

Continually evolving **ゼロ** **ZERO** **宣言** **DECLARATION**

<input checked="" type="checkbox"/> First year of service <small>(2,980 yen/month)</small> ^{*1}	0 yen	<input checked="" type="checkbox"/> SIM exchange fee	0 yen
<input checked="" type="checkbox"/> 5G service <small>(certain areas only. Plans)</small> ^{*2}	0 yen	<input checked="" type="checkbox"/> SIM re-issuing fee	0 yen
<input checked="" type="checkbox"/> Domestic calls with Rakuten Link ^{*3}	0 yen	<input checked="" type="checkbox"/> MNP transfer fee	0 yen
<input checked="" type="checkbox"/> Contract sign up fee	0 yen	<input checked="" type="checkbox"/> Contract cancellation fee	0 yen

*1 Free offer limited to one contract and one application per customer. The number of eligible customers may change depending on the number of applications. Separate charges apply for product purchases, options fees, calls and others. *2 Included in price of plan. 5G service is available in certain areas. Please check the 5G services areas for more details.

*3 When using Rakuten Link app. When not using app, 20 yen/30s. Certain numbers excluded.

No. 1 Customer Satisfaction

No.1 Overall Satisfaction

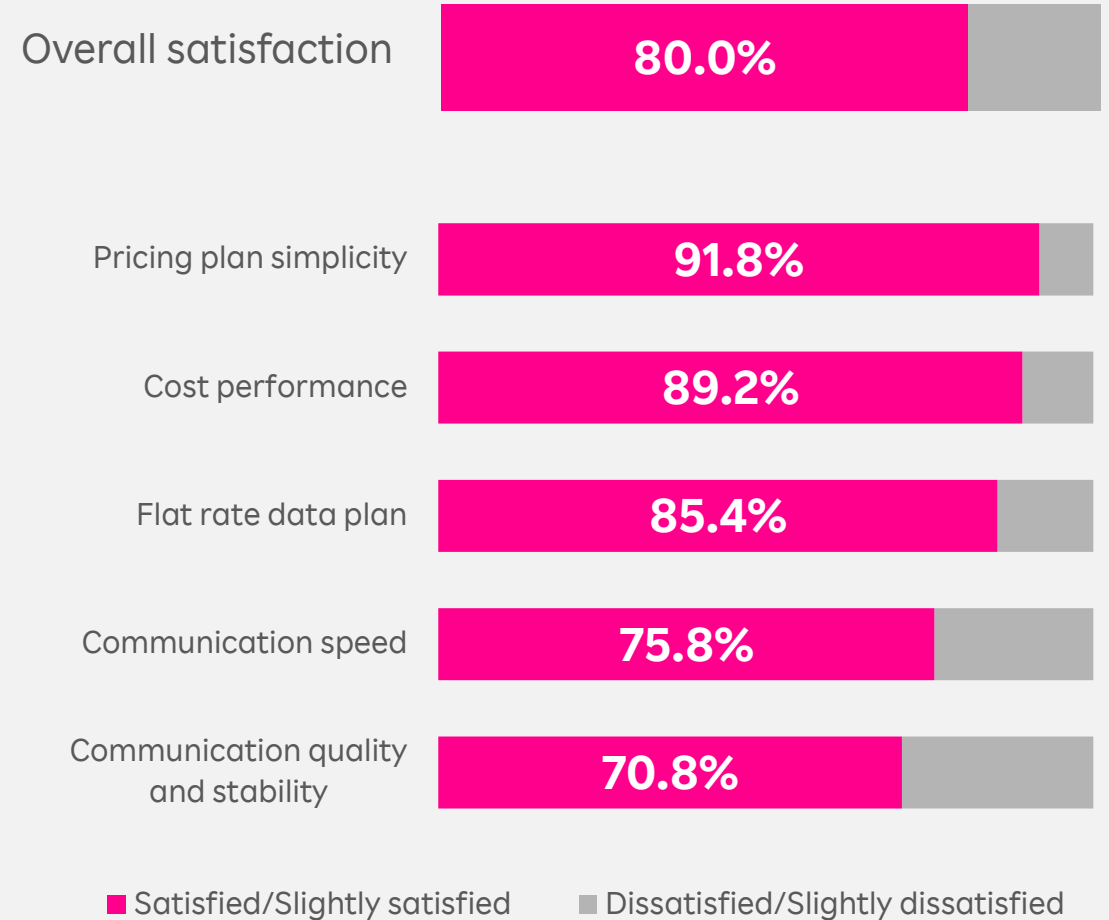
No. 1 **Rakuten Mobile**

No. 2 **au**

No. 3 **docomo**

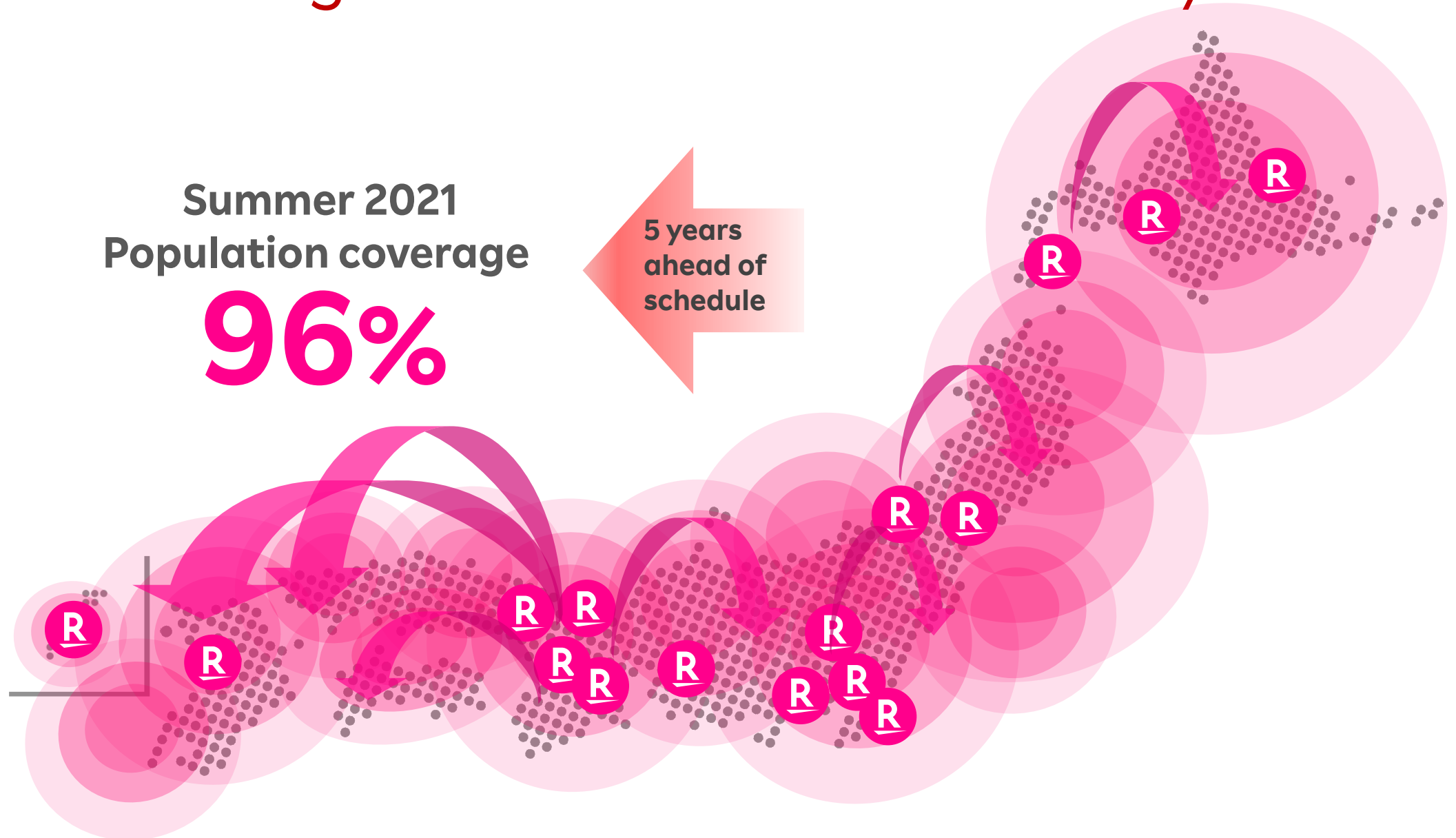
No. 4 **SoftBank**

* Source: MMD labo, November 2020. "November 2020 satisfaction survey of 4 major carriers"



* Source: MMD labo, June 2020. "User survey after starting to use "Rakuten UN-LIMIT"

Accelerating 4G Network Buildout Plan by 5 Years



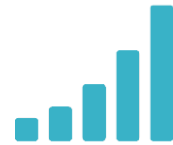
Using AST Communication Network for 100% Area Coverage of Japan

Rakuten Mobile

AST



Broadband available anywhere



Secure communication network, even in the event of a disaster



100%
Global coverage



More rapid expansion of
4G and 5G area coverage

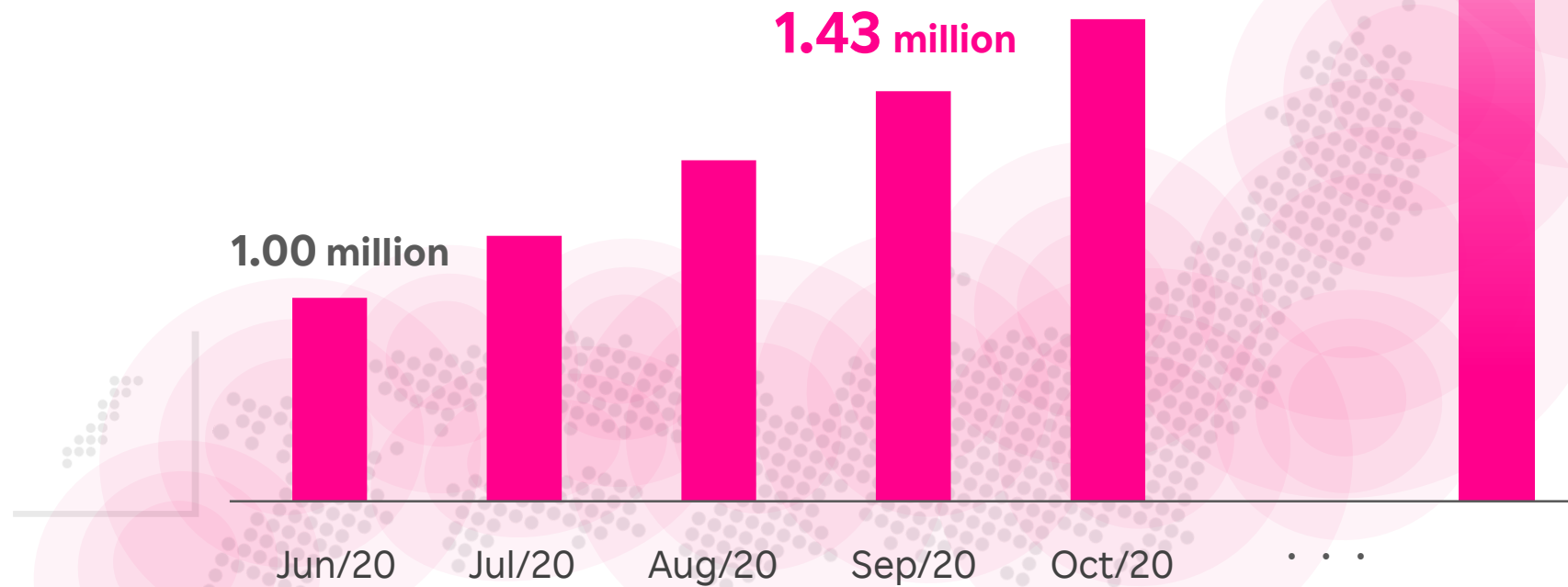


BlueWalker 1 lift off (April 2019)

Accelerating Customer Acquisition with Coverage Area

Cumulative Number of Applications

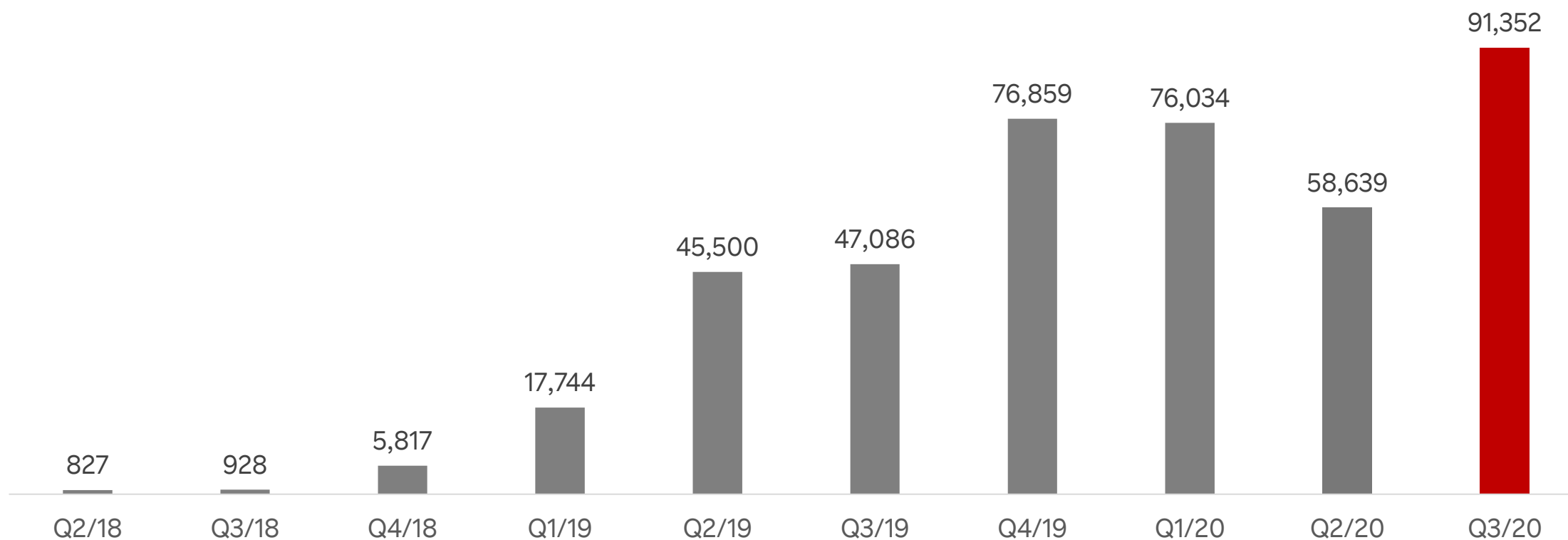
Exceeded 1.6 million
(As of Nov 2020)



Mobile Segment: Amount of Increased Fixed Assets

(JPY mm)

Amount of increased Tangible and Intangible Assets*



*Acquisition basis

*Includes amount of increased fixed assets of Mobile segment (Rakuten Communications, MNO business, MVNE & O businesses, Rakuten Viber, and Energy businesses)

Rakuten Mobile: Synergy with Rakuten Ecosystem



Rakuten Mobile

High retention
High frequency of use
Long-term service use

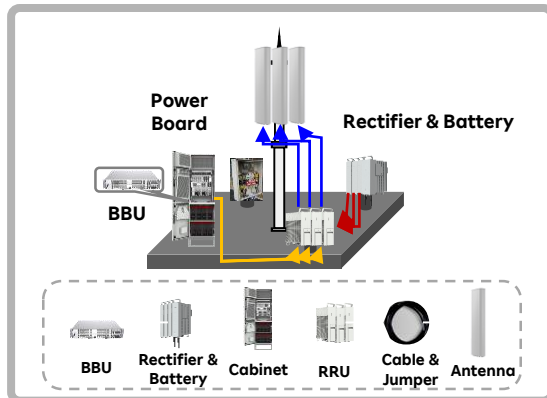
Going Global with Rakuten Communications Platform

Japan MNO Service

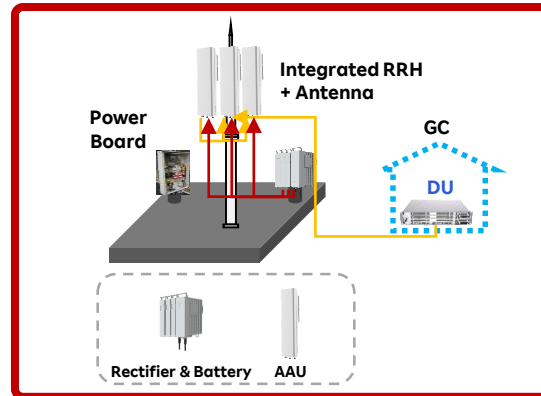
Developed and Deployed World's First Fully Virtualized Network

- Redefined how mobile telco networks are designed, built, operated
- Significant reduction in CAPEX and OPEX due to virtualization, automation and open architecture

Traditional Site Deployment



Rakuten Virtualized Site Deployment



~40% lower CAPEX
~30% lower OPEX

Going Global

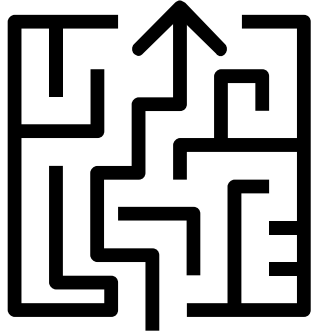
Targeting the
\$1tn+ Mobile
industry via
Innovation



Mobile Technology

Rakuten Mobile is Created with a Unique Vision

VISION



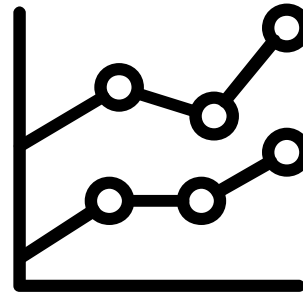
COURAGE TO EXPLORE

Choice was cloud native, virtual network over legacy architecture

World's largest ecosystem of technology companies led by US and its allies

**World's First Open, Cloud-native
Virtualized, Automated Network**

ARCHITECTURE



PERFORMANCE • DELIVERED

A scalable solution in dense urban areas with high traffic demands

40% CAPEX & 30% OPEX efficiency benefit on track

**Ultimate High Performance
OpenRAN Network**

TRANSPARENCY



SECURITY

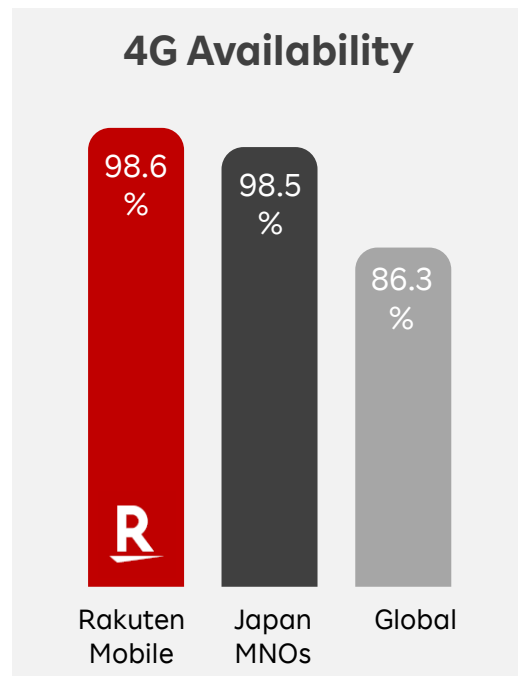
First & only cloud-native oRAN 5G Clean Telco

Supply chain transparency

Zero-trust policy

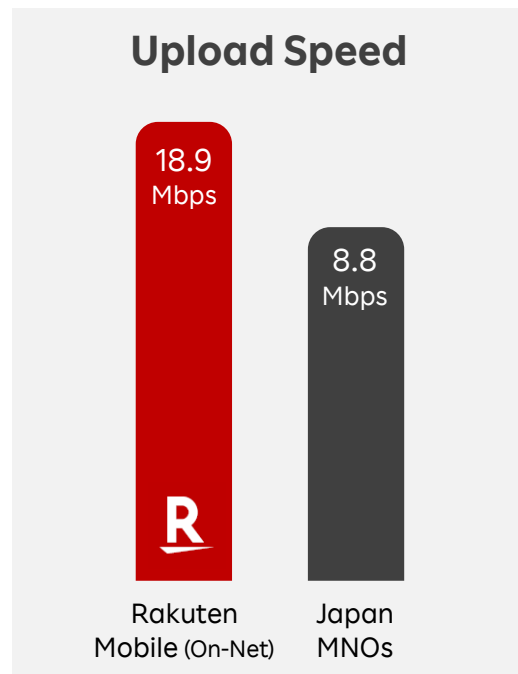
Unparalleled Trust and Security

Globally Recognized NW Performance

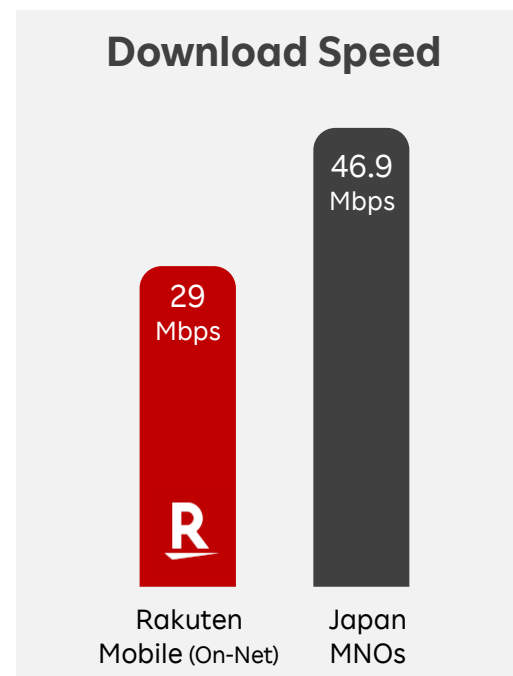


No. 2 in the World

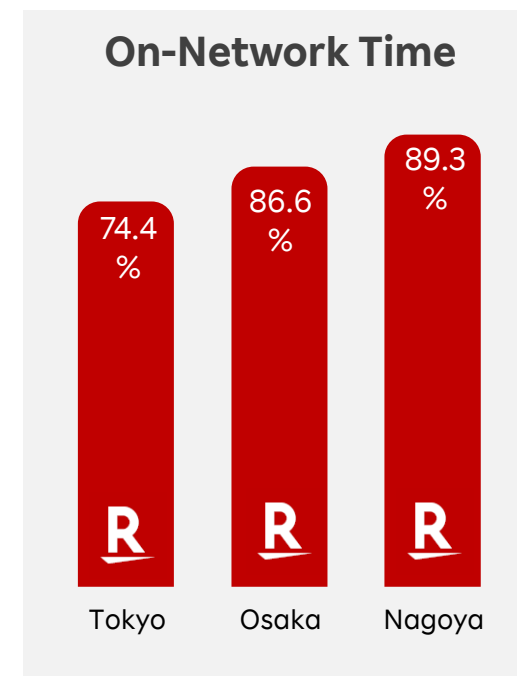
Foundation for **5G**
network services



No. 1 Globally



Speed is **only 25%**
below competition



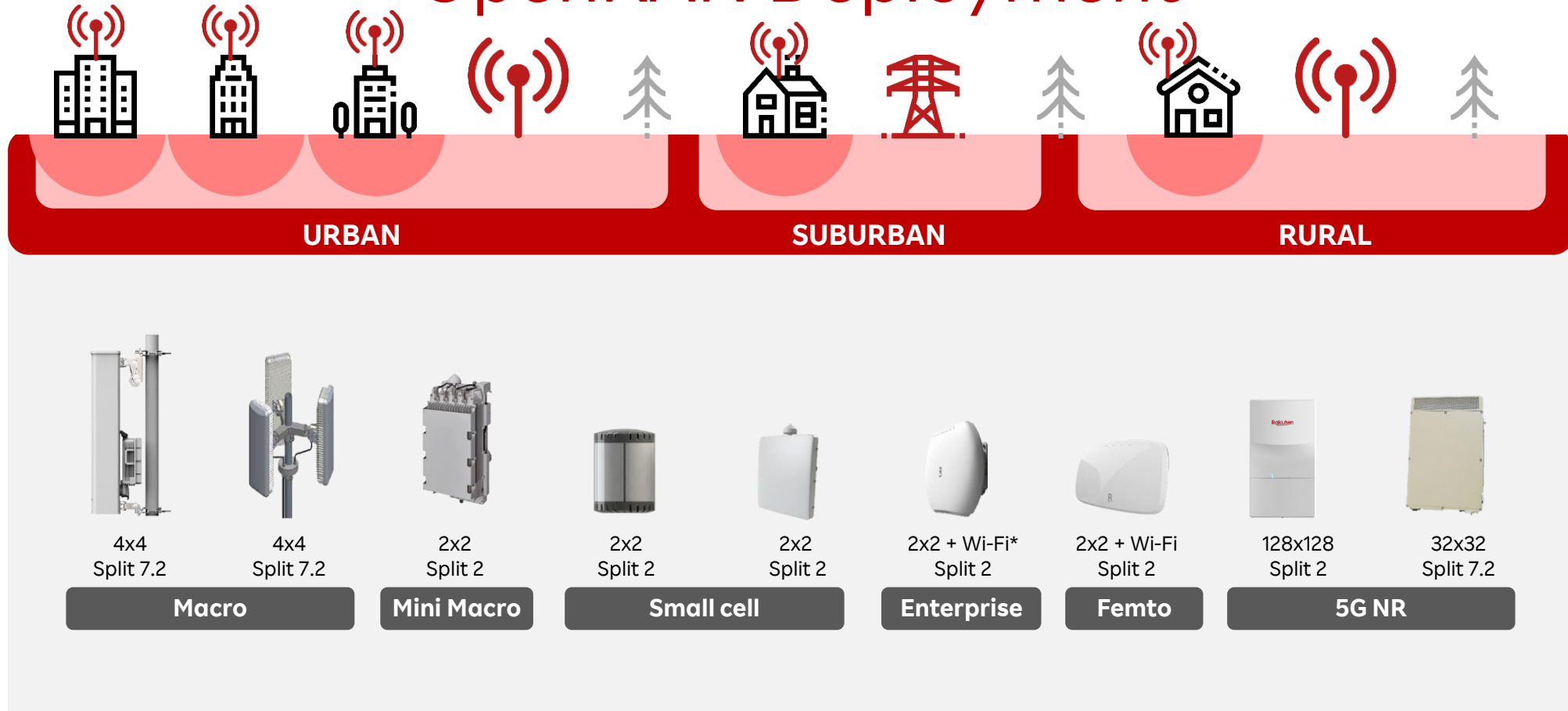
Increasing **the time**
spend on our network
significantly

Top NW performance despite we have only 1/6 of our competitor's spectrum holding

*Source: OpenSignal insights – 254,883 devices with 3,346,924,826 measurements

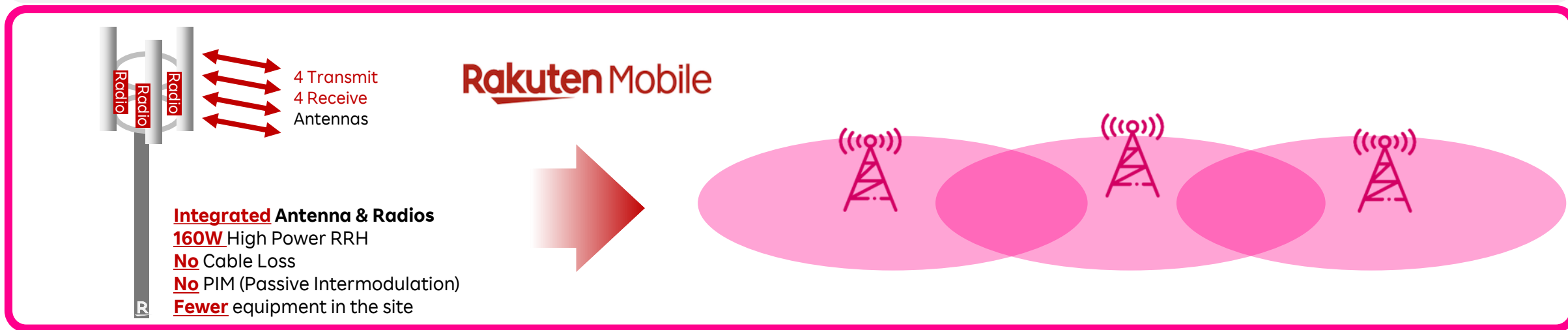
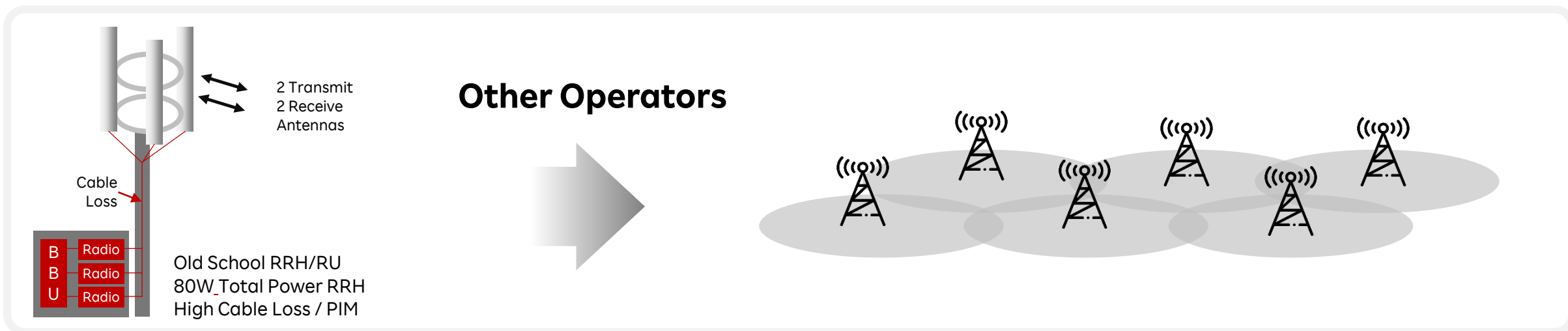
*Data Collection Period: June 1 – August 29, 2020

One of the World's Largest HetNet OpenRAN Deployment



Integrated HetNet Approach allows us to manage existing spectrum better

30%-40% Better Coverage* Per Site



Fewer sites required for national coverage

*Compared to traditional network architecture

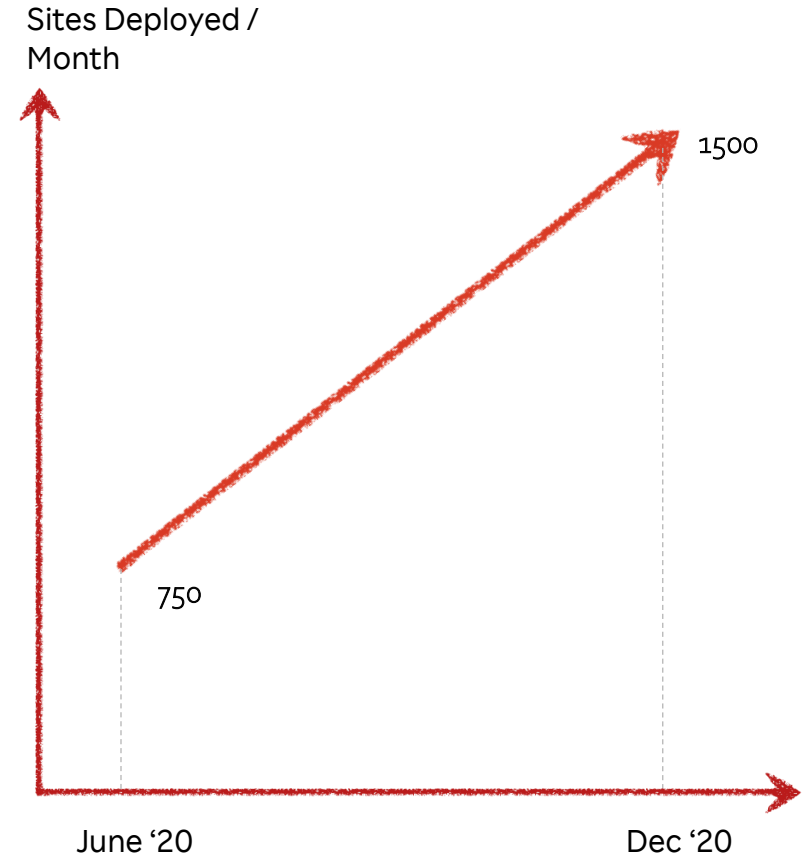
Rakuten Mobile Examples of Radio Units



4G Antenna with piggybacked Nokia Band-3 RU



Deployment Speed is Increasing



We are increasing our site deployment rate from 750 sites to 1,500 sites per month

5G Enabled Fully Containerized VoRAN

Launched Rakuten Big, Sub6 and mmWave 5G network

Rakuten 5G products



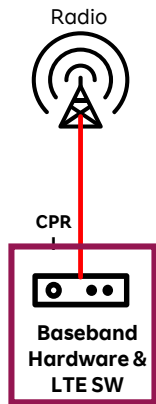
Rakuten BIG



5G mmWave

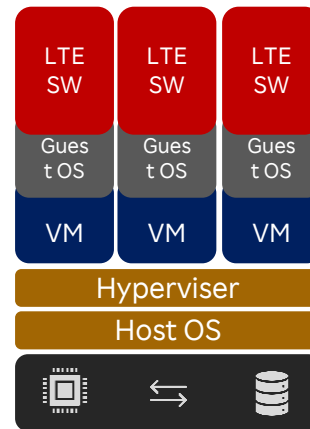


5G sub-6



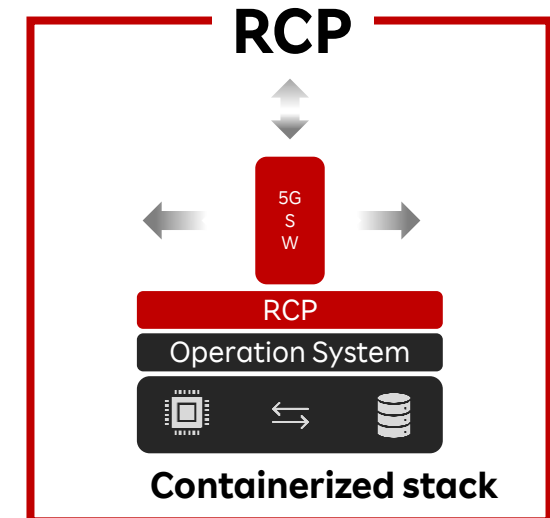
Legacy

Legacy custom-build hardware with proprietary software implementation



Virtualized Stack

oRAN compliant software deployed as VNF (Virtual Network Function) on COTS hardware

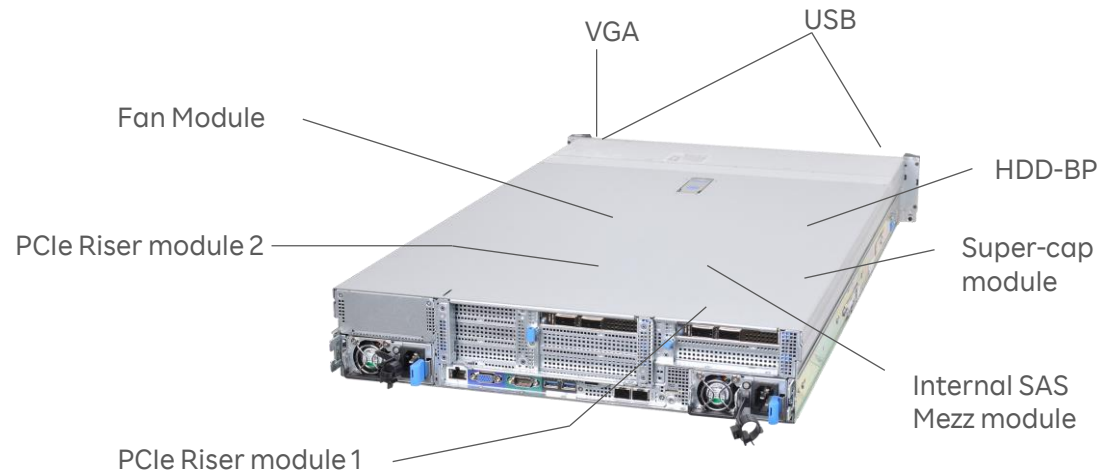


Containerized stack

oRAN compliant software deployed as CNF (Containerized Network Function) on RCP platform

RGS+ RGS-e

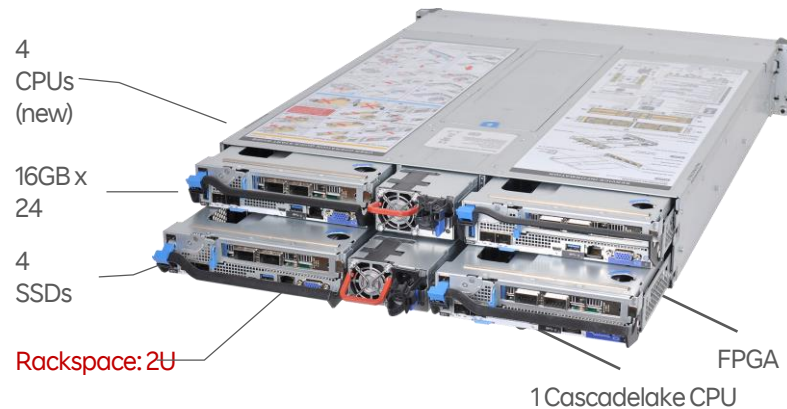
RGS



Features

- The RGS powers Rakuten Mobile's central data center
- Dual Intel Xeon scalable processors
- 1 front VGA port and 2 front USB port for chassis management
- Modularized PCIe risers, flexible and scalable I/O options deliver essential HW acceleration that serves demanding Telco services
- Unique tool-less designs throughout QCT products also attribute to easy service and maintenance

RGS-e



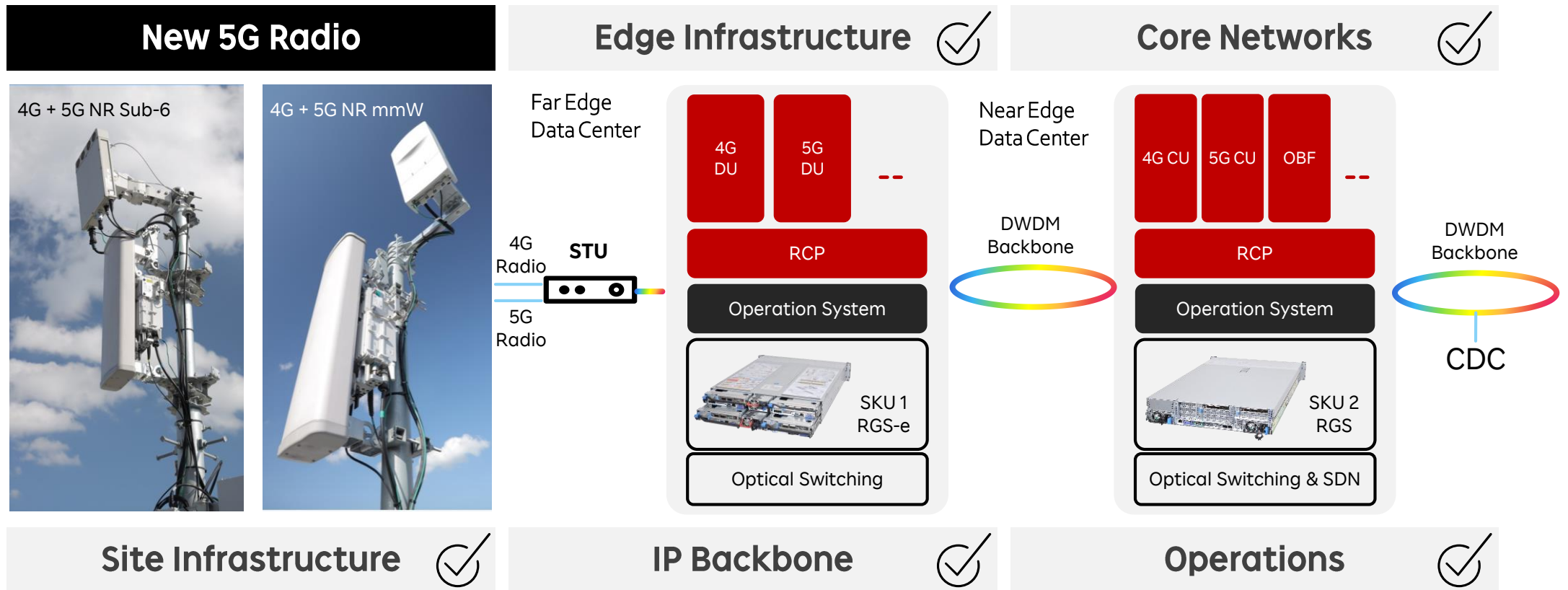
Features

- The RGS-e powers Rakuten Mobile's edge data centers
- Intel Xeon scalable processors
- Equipped with flexible I/O options for FPGAs, an additional M.2 SSD for OS installation, and memory expansion
- Designed to flexibly support both 10Gb SFP+ and Dual 1GbE RJ45 LoM
- Features tool-less power distribution board (PDB) and fan modules to minimize service downtime

Memory: 16GB x 6
1 SSD

16 Mobile base stations per server

4G Enabler for 5G Deployment



We will have the highest re-use of existing infrastructure for 5G



Contents Business

Growing Overseas Content Businesses due to COVID-19

Q3/20 vs Q4/19

Rakuten VIKI

**Registered Users
+8.9mm**



Rakuten kobo

**Registered Users
+5.4mm**



Rakuten TV

**Total Users*
+11.0mm**



* Total of registered users and non-registered AVOD (Advertising Video On Demand) users

Growing Overseas Content Businesses due to COVID-19

Rakuten VIKI

Rakuten kobo

Rakuten TV

Q3/20 Revenue

+23.1%

YoY

Initiative for Expanding Rakuten TV Users

Rakuten TV



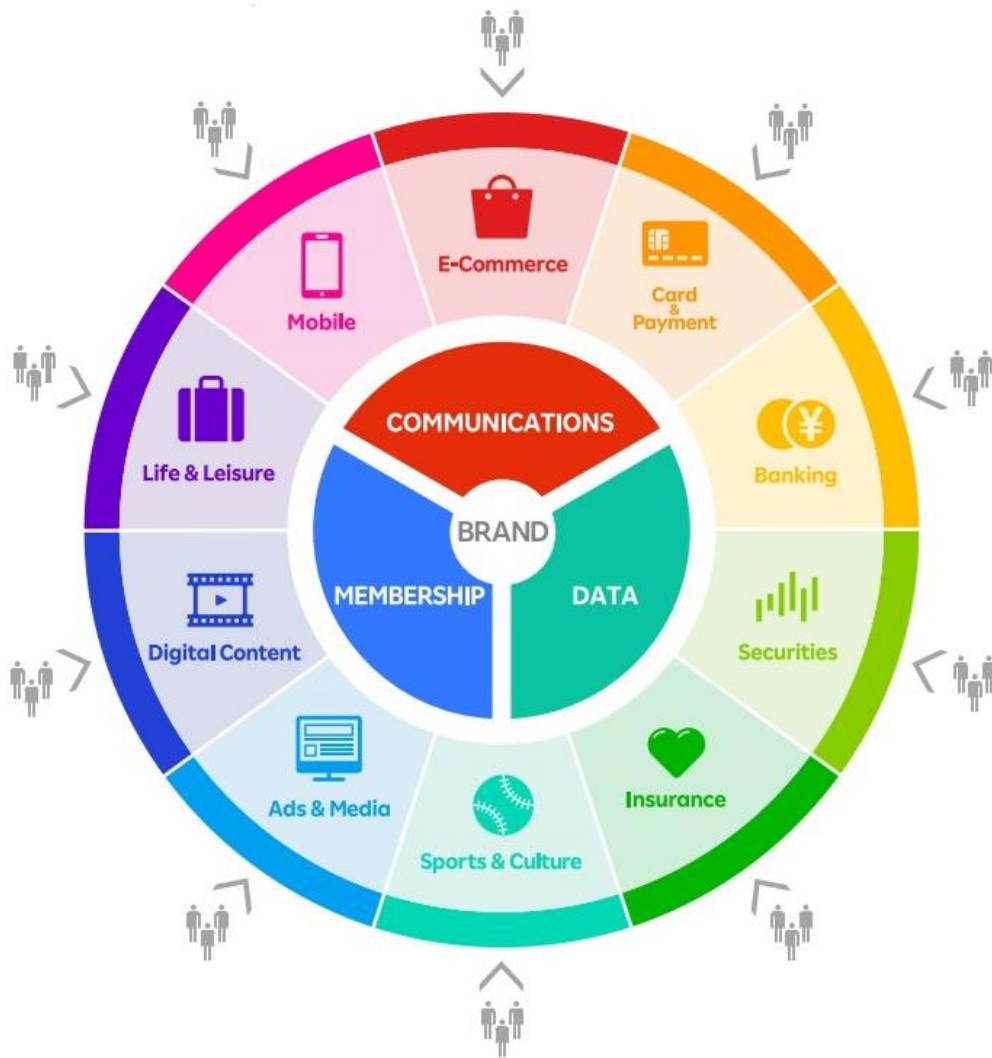
Expanded to **90mn households** in **43** European Countries





Marketing Strategy

Strengths: Powerful and Unique Ecosystem



Global Membership

1.4bn

One Brand

A single "Rakuten" brand for domestic and overseas services improves awareness and image of each service

One ID - Membership

More than 100 million users in Japan can use multiple services in the ecosystem with a single ID

Rich data

Enormous purchasing data of more than 100 million users connected to demographics, such as age and gender, and consumer interests.

Rakuten's Unique Point Program

1. Rakuten Point \doteq Cash (1point = 1 yen, point usage rate: over 90%)

2. Ease of accumulation, use (Annual issued points: approx. 320 billion)

- **SPU (Super Point Up Program)**

Use more Rakuten Group services, yield points **at most 16times** through shopping at Rakuteb Ichiba



- Available for various services in the Group such as Rakuten Ichiba, Rakuten and Rakuten Card

- **Over 5million*** available places nationwide both for on-line/off-line outside the Group services



Nurture customer loyalty / Platform chosen by customers

*Online (Rakuten Ichiba, Rakuten Travel Rakuten Pay Online, etc.) and off-line (Rakuten Pay, Rakuten Point card, Rakuten Edy) available places

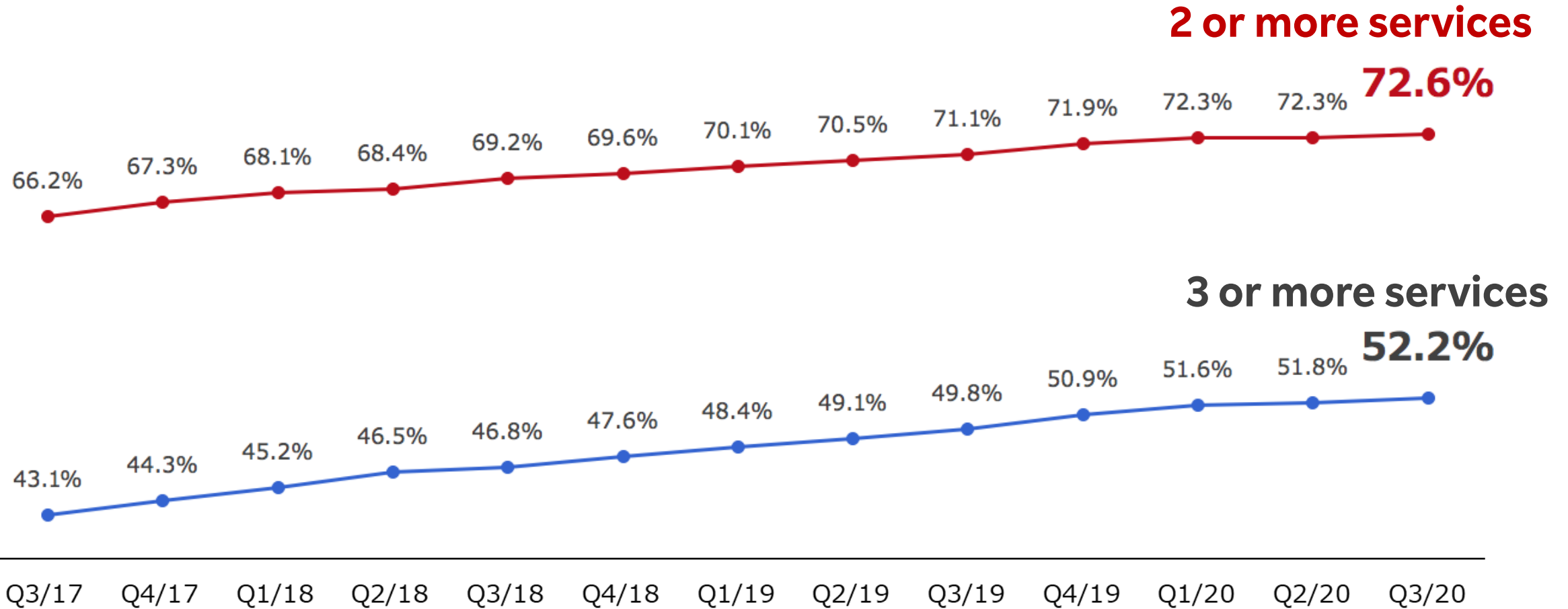
Enhancement of the SPU Program to accelerate Cross-Use

- Enhance and improve SPU program to accelerate cross-use while controlling costs



Expansion of Cross-Use Ratio*

- Successful SPU program enhancing cross-use, resulting in an increased number of active users, contributing to growth in membership value



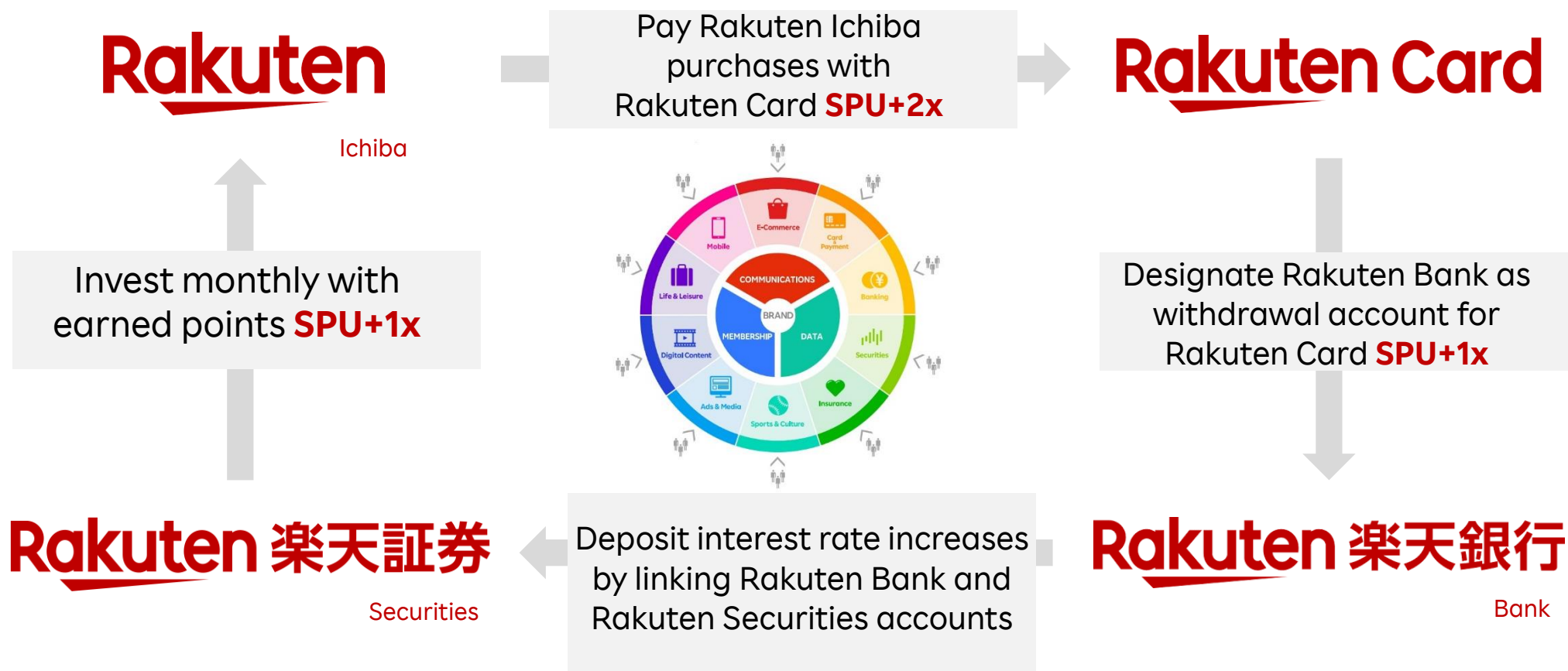
* Red line: Number of Rakuten members who have utilized two or more Rakuten services during the past 12 months of the listed month (as of end Jun 2020)

* Blue line: Number of Rakuten members who have utilized three or more Rakuten services during the past 12 months of the listed month (as of end Jun 2020)

(Applicable services limited to those which can earn Rakuten Points.)

Accumulate and Use with Rakuten Ecosystem

- Unify services used in daily life with Rakuten and create convenience of use across services by point



Rakuten Mobile and Rakuten Ecosystem

- Approx. 15% of Rakuten Mobile applicants have never used Rakuten before
- 35% of those new Rakuten users have already started using various Rakuten services

15% of Rakuten Mobile applicants
are new Rakuten Users

**Rakuten
Mobile**

15%



6 months after launch,
35% of new Rakuten users have
started using others services

25%

Rakuten

Ichiba

10%

**Rakuten
Card**

5%

**Rakuten
楽天銀行**

Bank

* As of the end of Sep 2020



IT / Security

A view of the Earth from space, showing the curvature of the planet and a bright sun rising over the horizon, creating a lens flare effect. The sky is dark with visible stars.

Trustworthy

for our markets, customers, partners and employees

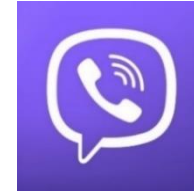
Working From Home



Video Conference



Communication



Chat



Identification



File Sharing



Information sharing



Virtual Private Network



Horizon®

Virtual Desktop Infrastructure



DNS Security



Email Security



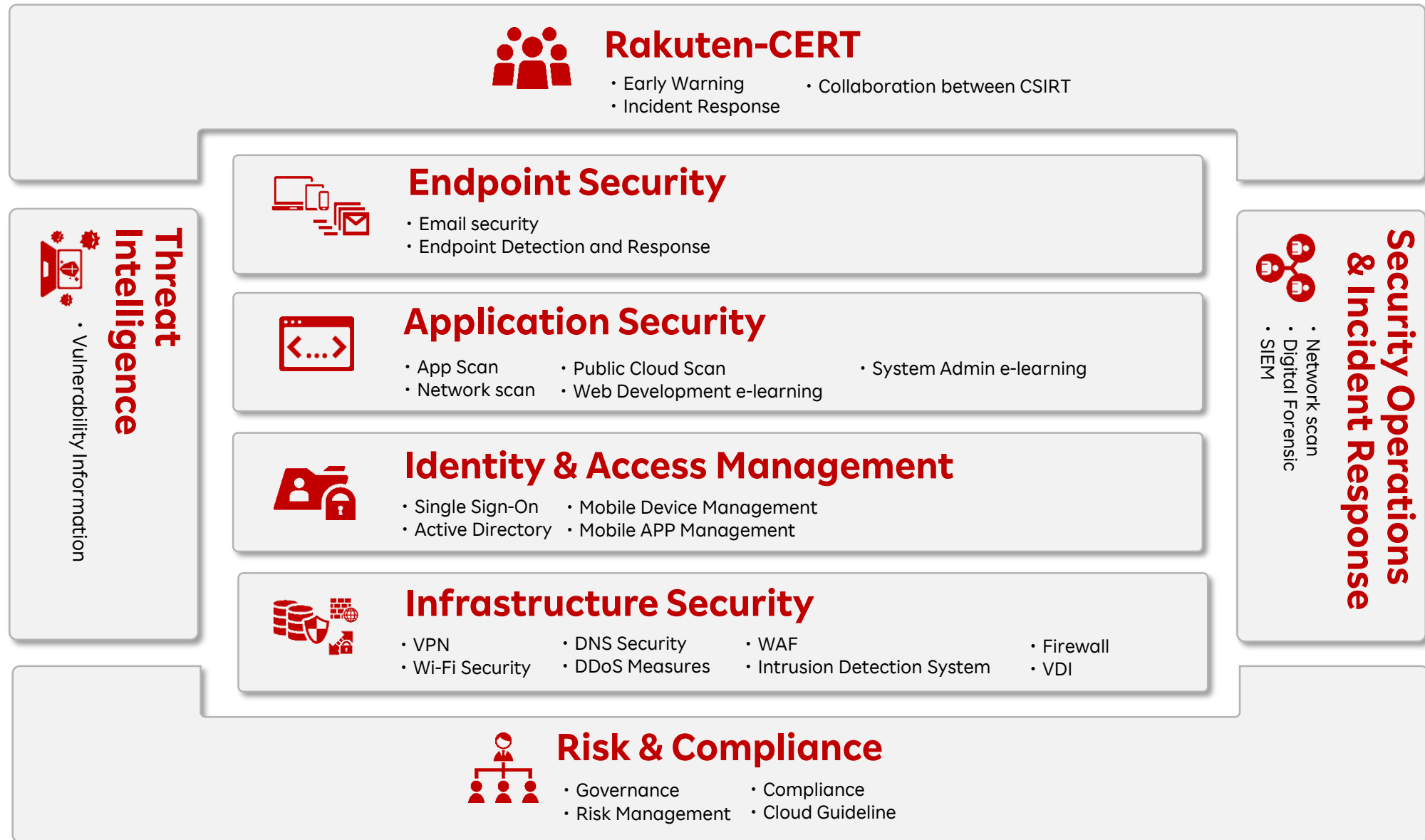
Electronic Signature



R Screen Protector

Information protection

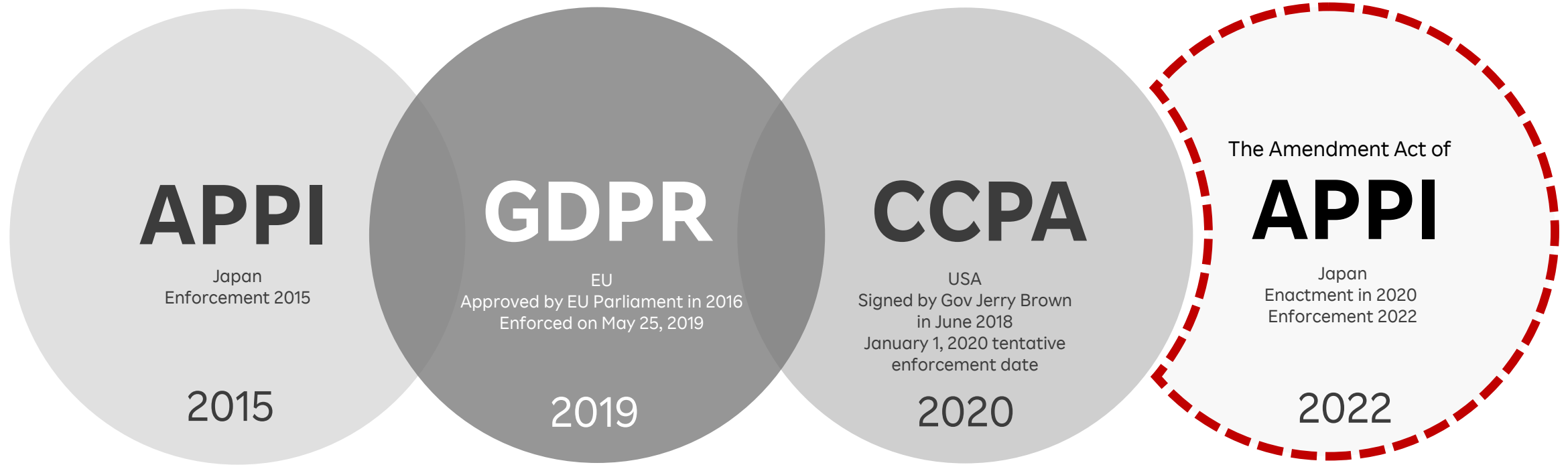
Information Security Architecture in Rakuten Group



Binding Corporate Rules



Privacy Protection



Stakeholder Management

- Sharing importance and emergency of CCPA compliance
- Forming consensus
- Building progress monitoring and reporting structure
- Creating roadmap

Priority Setting

- Conducting data mapping
- Finding required tasks, organizing dependency among tasks, identifying areas of high-risk
- Setting priority tasks based on the above

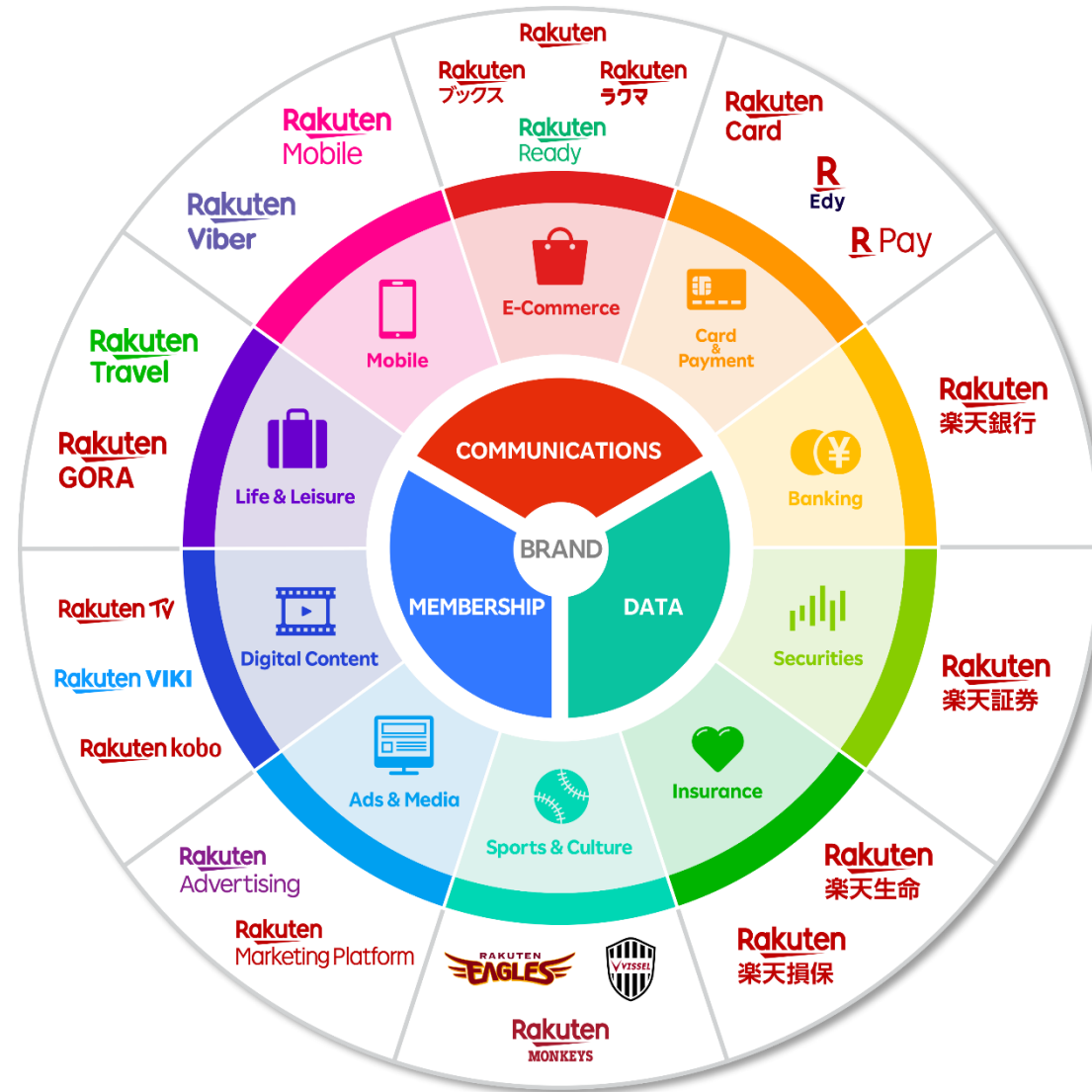
Transition from initial response to continued response

- Preparing process for continued response
- Preparing training programs for all employees
- Evaluating security
- Reviewing contracts with vendors



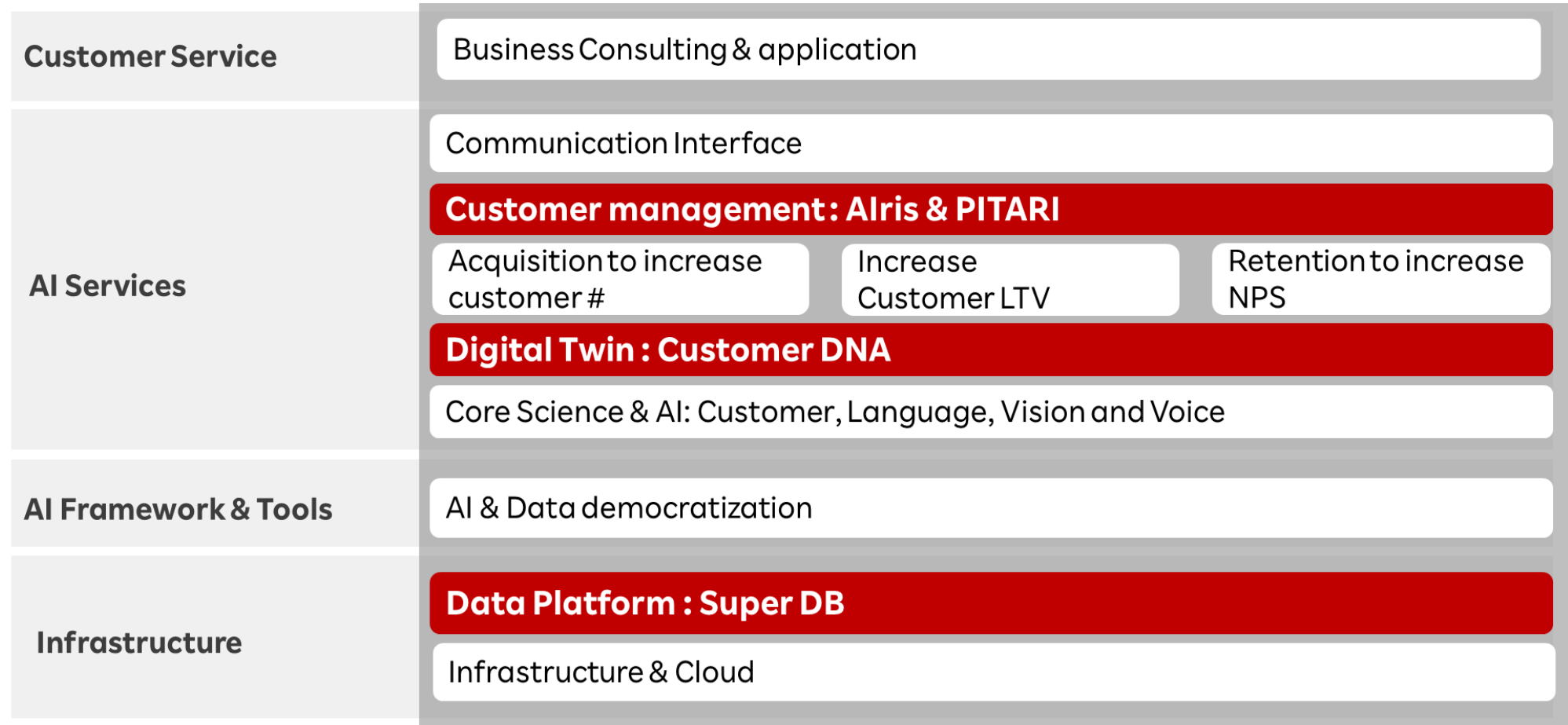
Data / AI

Rakuten = “Membership company”



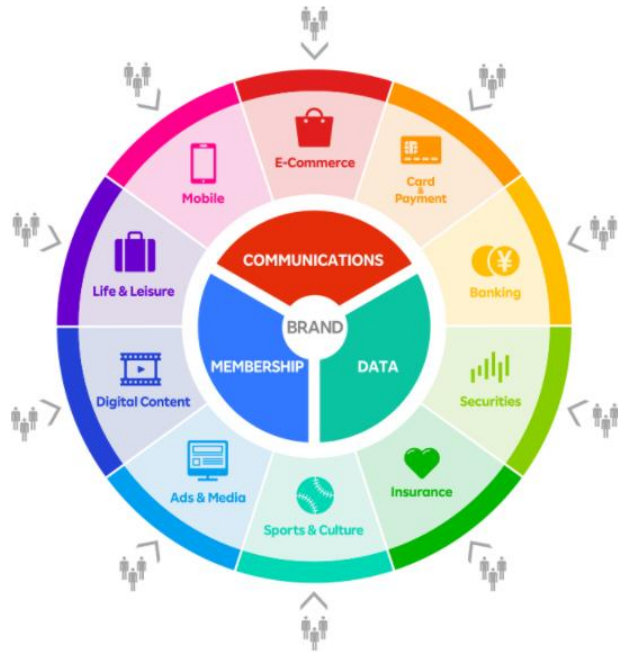
Rakuten AI Platform Program

Mission: Empowerment of Rakuten membership management



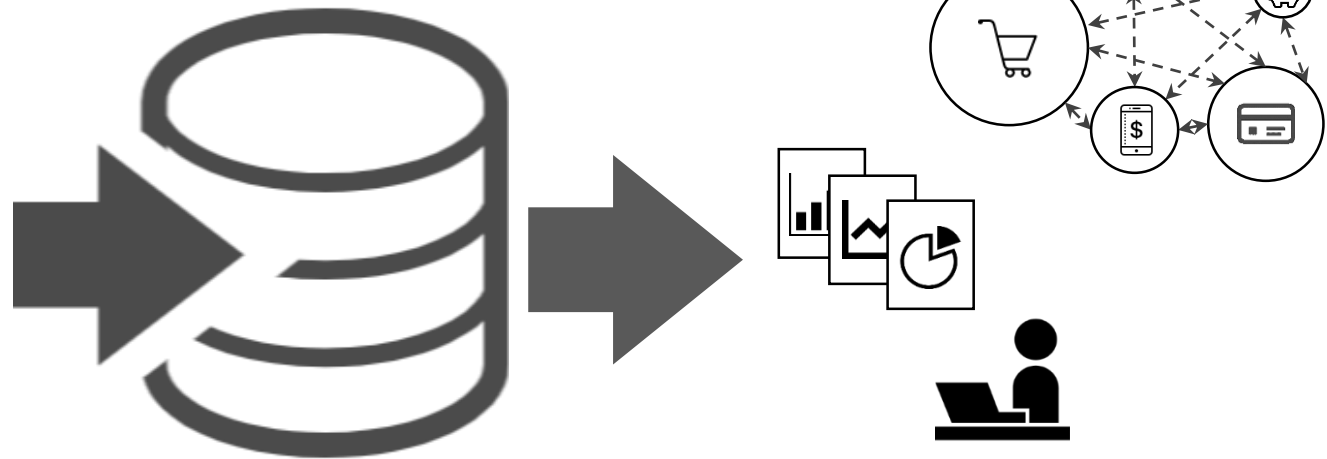
Rakuten Super DB: Centralized Data Platform

70+
Services in Ecosystem



43 Services with
700+ TB of Data

1,000+
internal users



Customer DNA : Holistic Understanding of Rakuten members

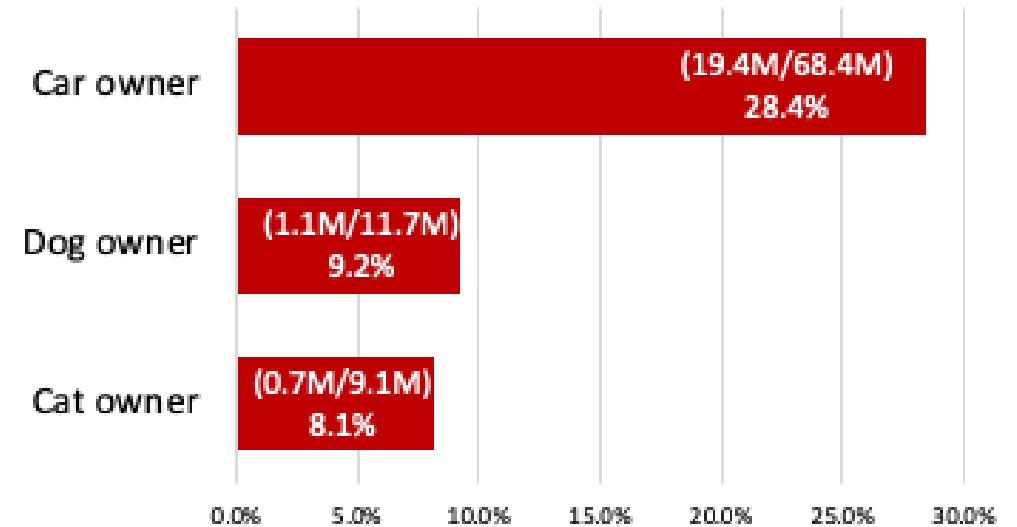
4,000+ factual attributes from

38 services in Rakuten Ecosystem

90+ Life Style attributes predicted



Predicted lifestyle for owning cars, dogs and cats



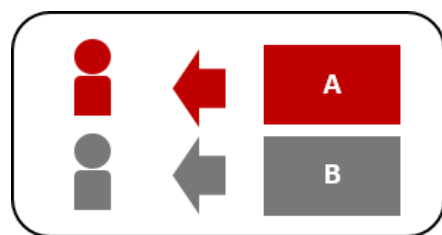
Alris and PITARI : Targeting and Personalization AI

1,000+ personalized campaigns conducted

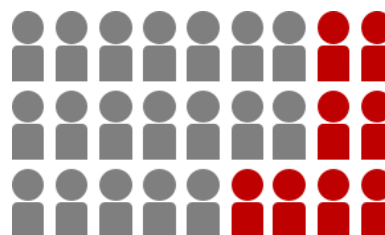
Generated **1.2M+** cross-use

including **400K+** MNO registrations

Personalized messages Find Potential Customers



Personalization and Targeting Platform



Personalization Example with MNO Website

Rakuten
Area



KDDI
Area



* Example of banners used in March 2020



Ad Business

Advantage of Rakuten Ad Business

100+mn Rakuten IDs and accumulating both on/off-line data based on the IDs



On-line



Rakuten (Ichiba)

Rakuten Travel

Rakuten GORA

Rakuten ウェブ検索

Rakuten Super Point Screen

etc.

Off-line



R POINT Point Card

R Edy

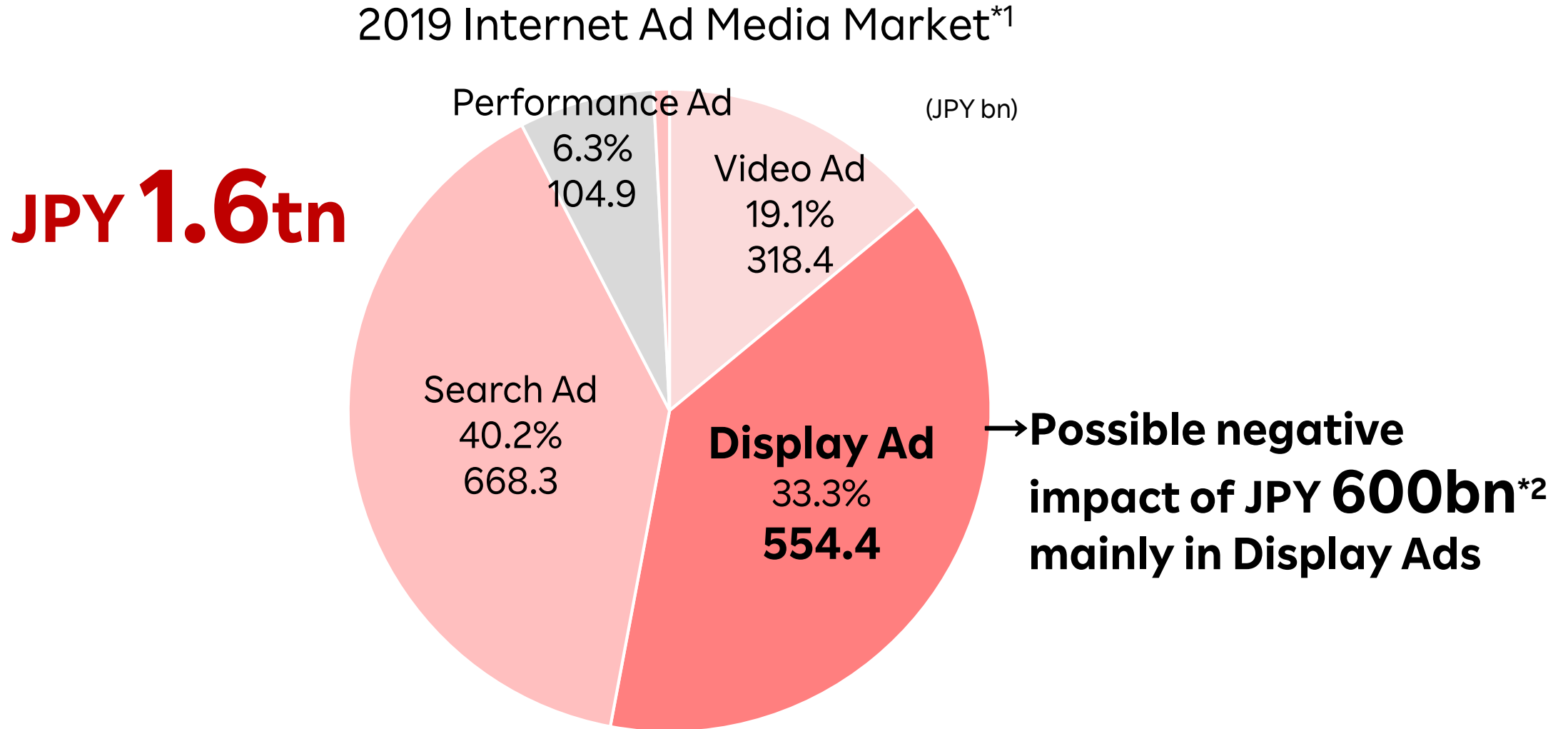
Rakuten Card

R Pay

Rakuten Pasha

etc.

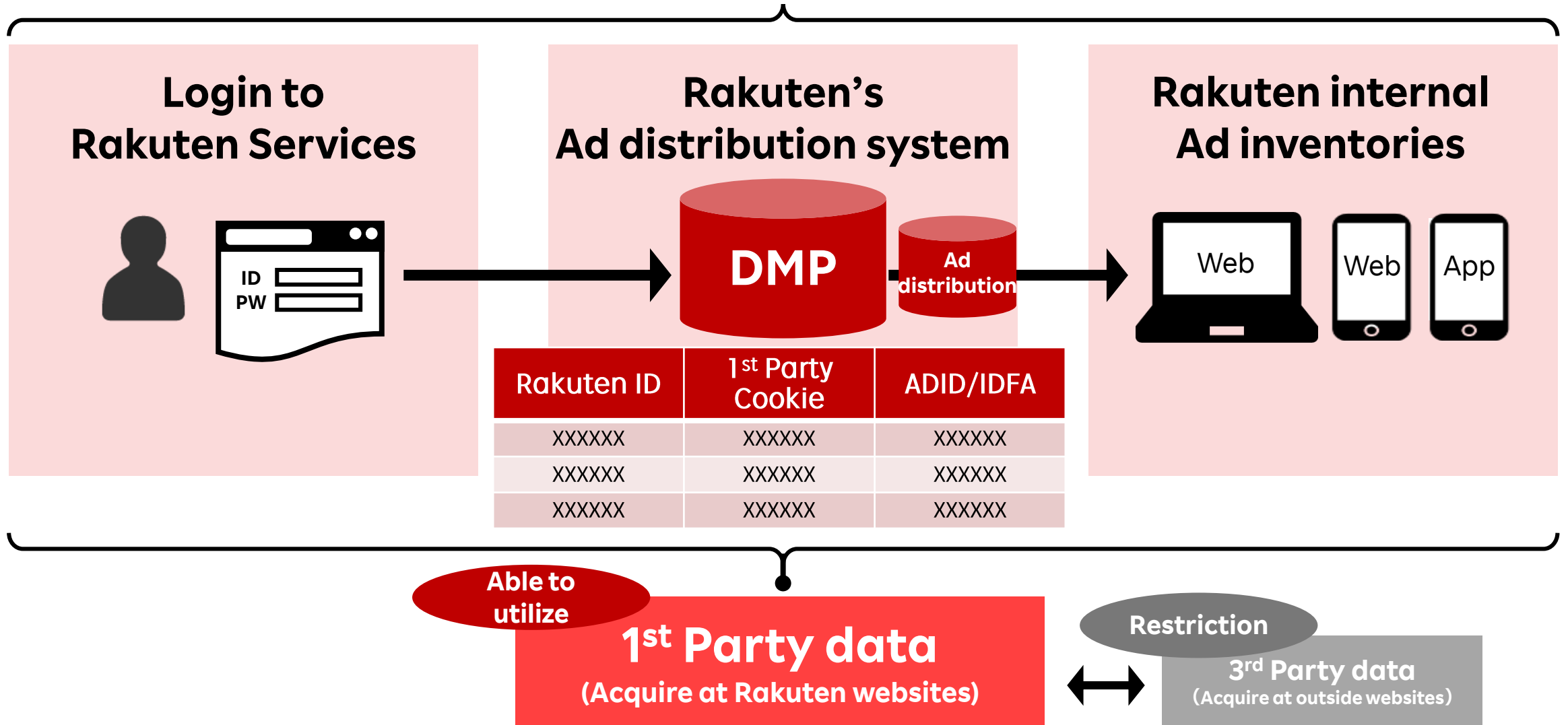
Impact of the 3rd Party Cookie Restriction



*¹ Source: March 17th, 2020 / News release by Dentsu Inc.

*² Estimated by Rakuten

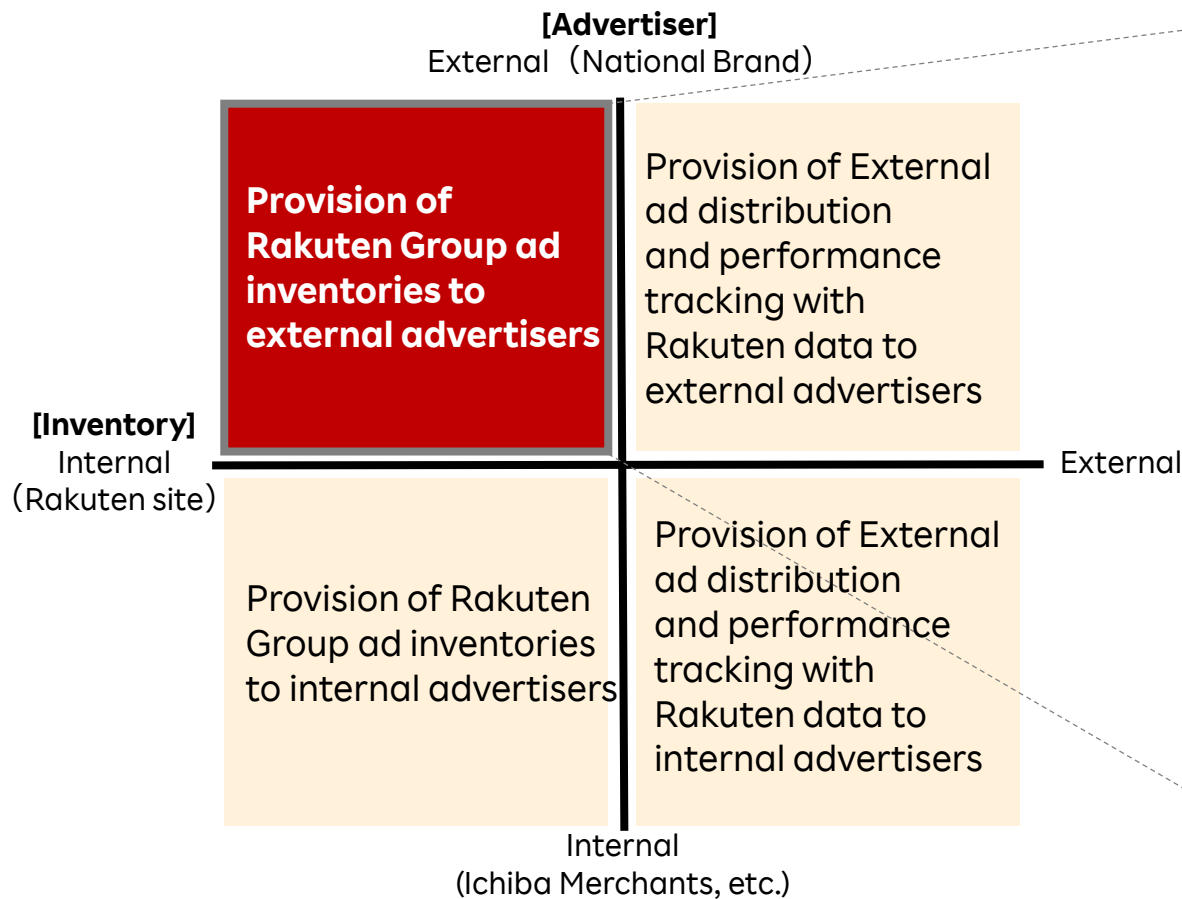
Advantage of Rakuten in Post 3rd Party Cookie Era



Summary: Advantages of Rakuten

		Search services	Messaging services	Portal + EC services	General EC websites	Rakuten
Quality of ID	Volume	◎	◎	◎	○	◎
	Accuracy (Demographic/GEO)	×	×	△	△	◎
	Connection with FinTech Data	×	×	△	×	◎
Purchasing Data	ON-LINE	×	×	△	○	◎
	OFF-LINE	×	×	△	×	○

Expansion of Internal Inventory × External Advertiser



Q3/20
Ichiba × External
Advertiser Revenue
(Main clients)

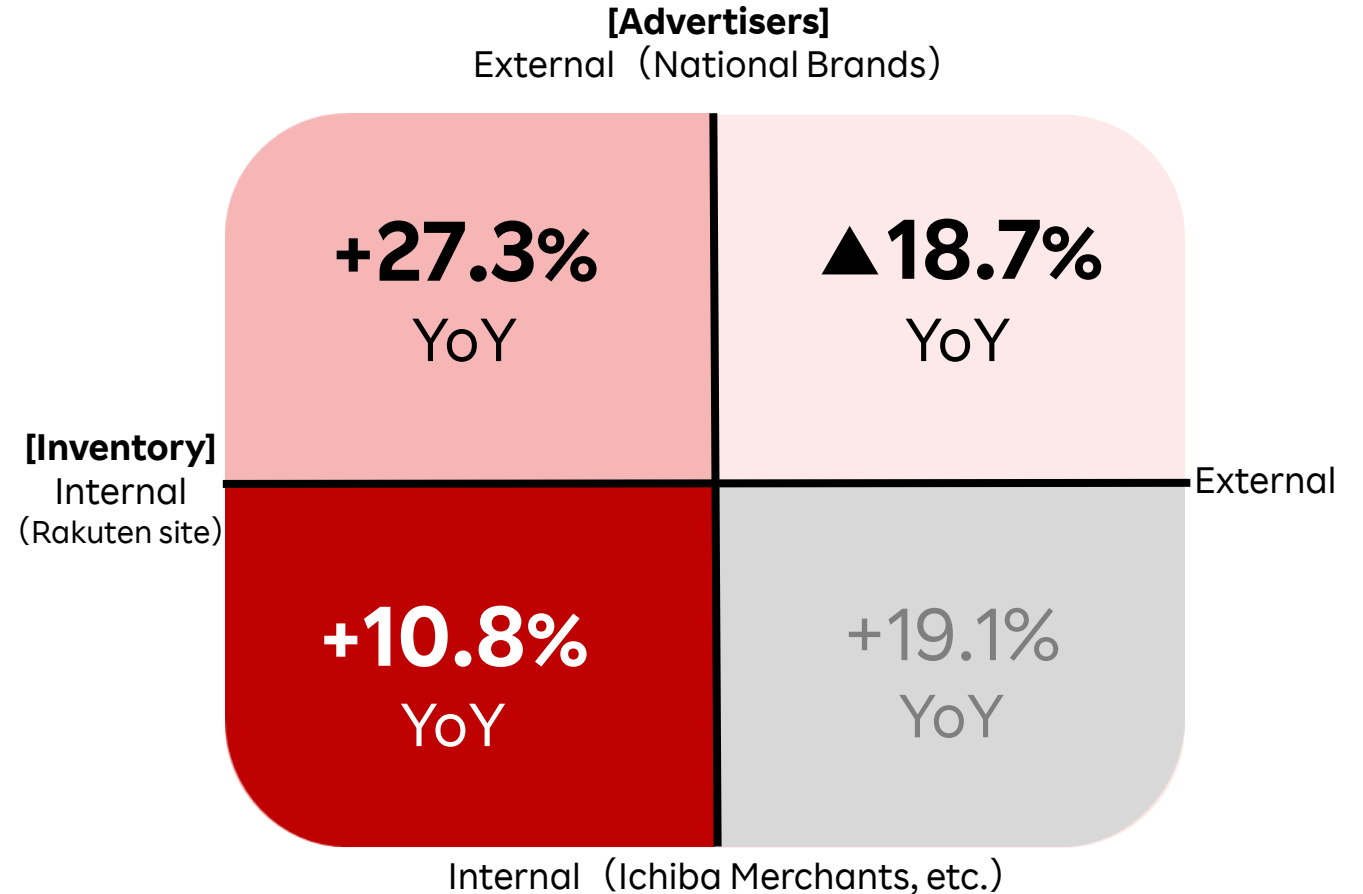
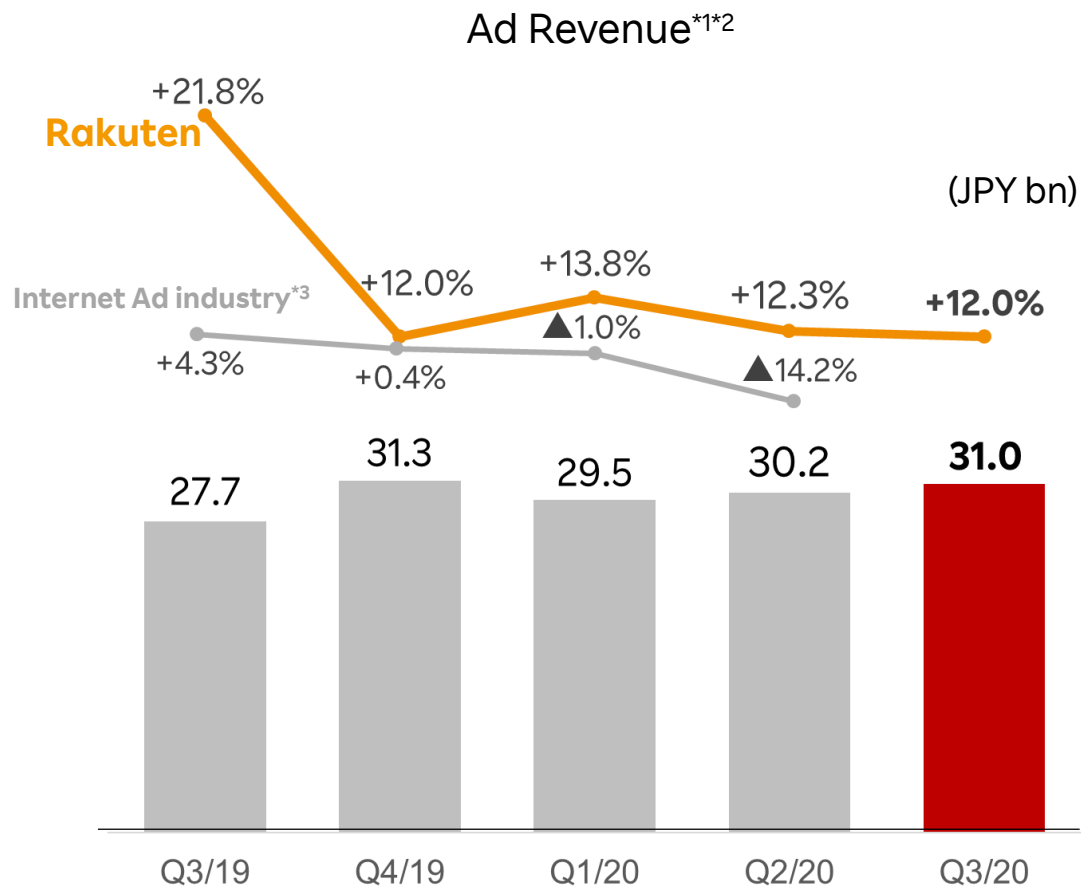
+97.4%
YoY

- Advertiser's advantage**
 Promote customers to buy their products directly from ads on Ichiba
- Rakuten's advantage**
 - Ichiba GMS expansion
 - Expansion of internal ad revenue which is high margin

User

Place advertisers' pages on Ichiba

Ad Business: Q3/20 Growth Analysis



*1 Revenue includes internal transactions.

*2 Revised numbers in certain businesses from Q2/19. This has resulted in retroactive adjustments.

*3 Source: METI "Indices of Tertiary Industry Activity, Advertising Industry"

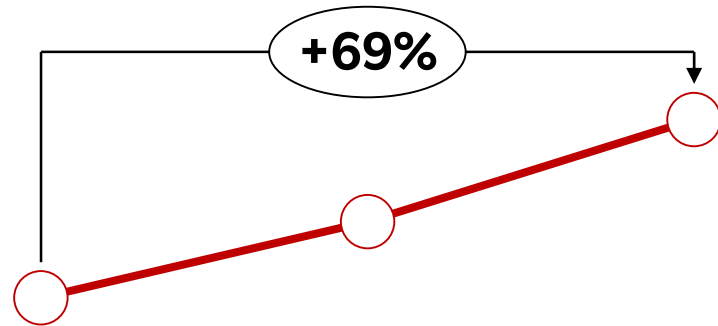


Corporate

Group Productivity Improvement

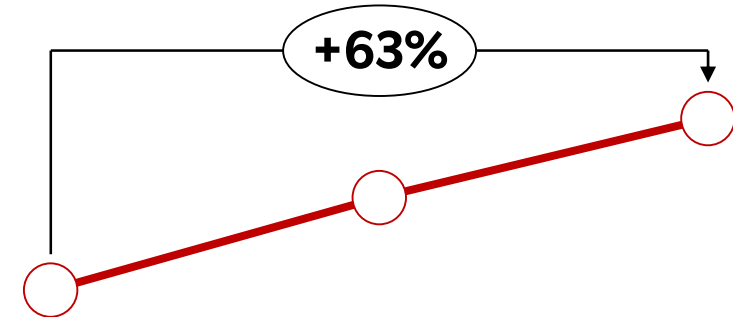
Trend of Group Productivity (excluding mobile, logistics and investment business)

Operating Income per Employee



2020 Q1 2020 Q2 2020 Q3

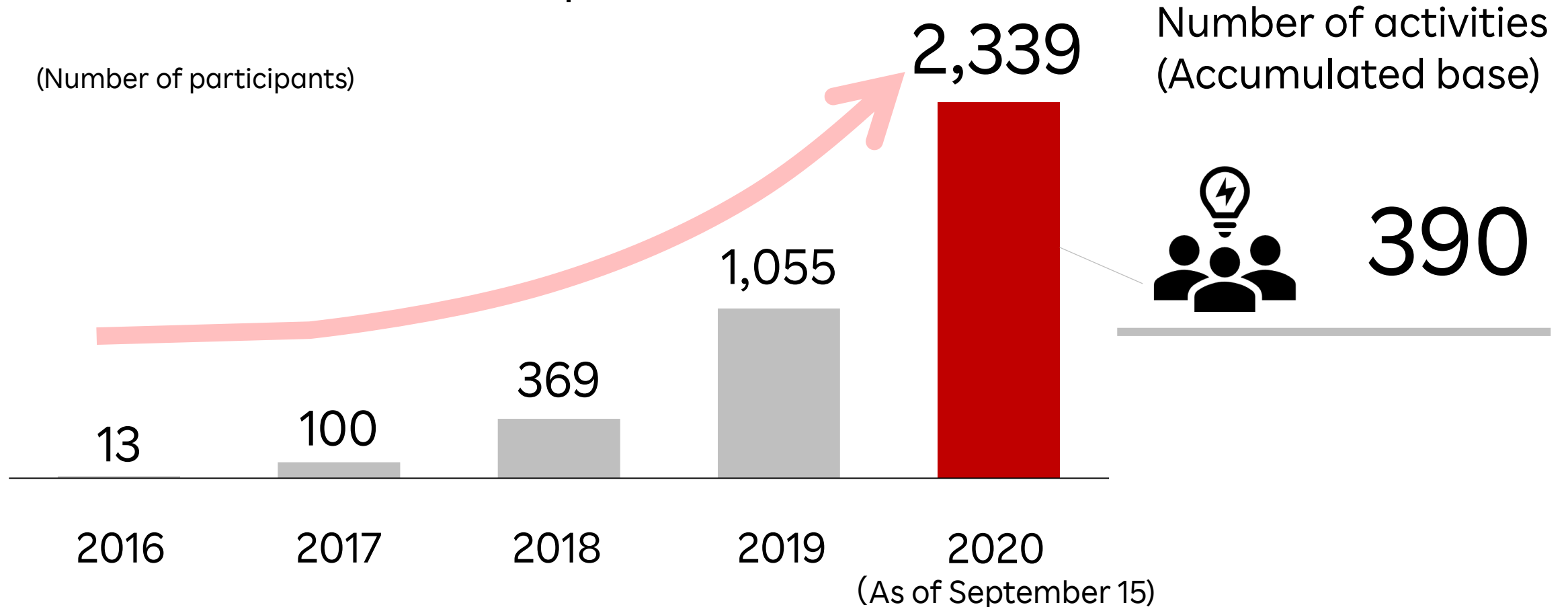
Operating Income / Total Cost



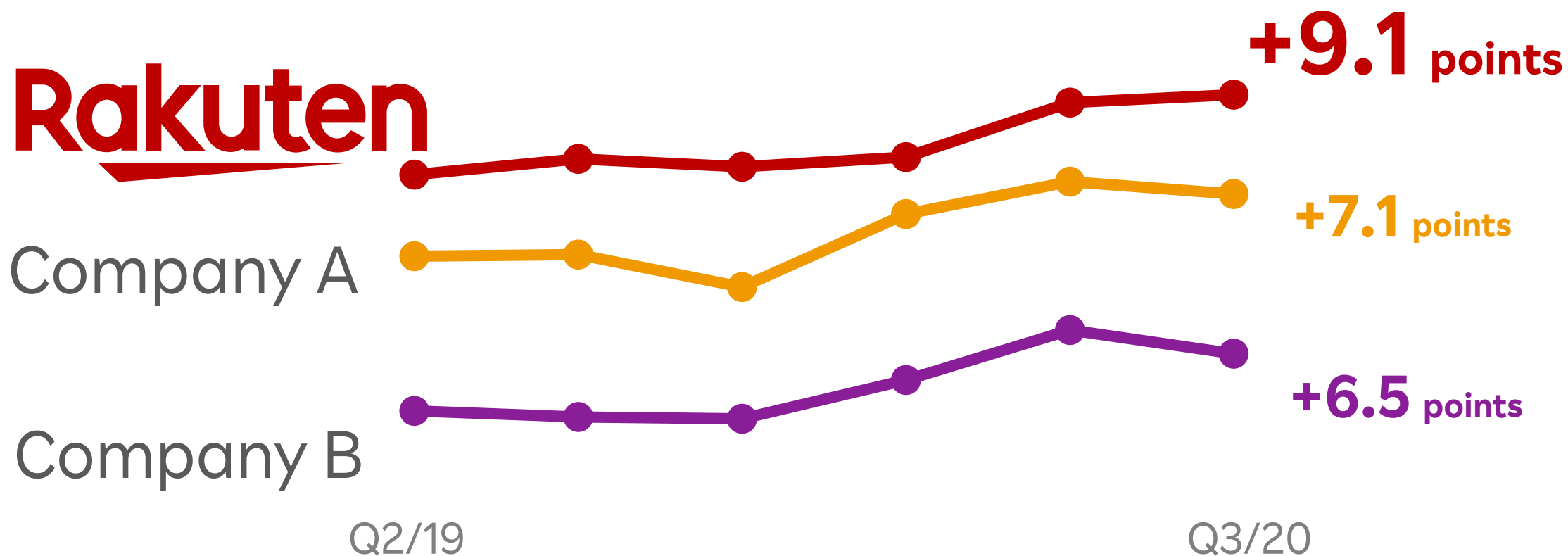
2020 Q1 2020 Q2 2020 Q3

Kaizen Activities Participated by All Employees

Trend of Domestic Participants of Kaizen Activities



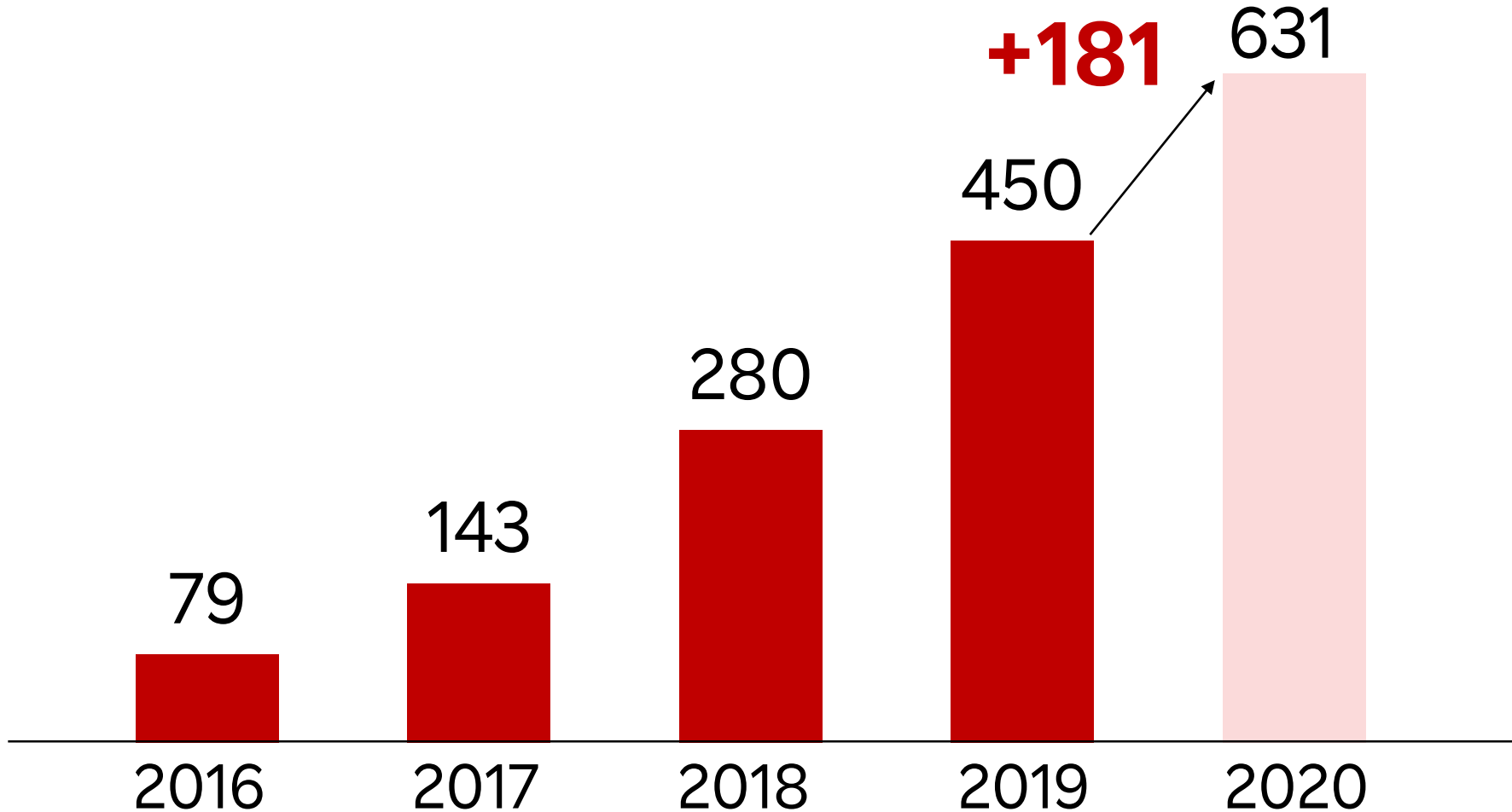
Rakuten Group NPS® Score Trend



Net Promoter Score (NPS) Survey: Conducted by Rakuten through external panel / May 2019 - Aug 2020
※NPS® is trademark of Bain & Company, Inc., Satmetrix Systems, Inc., and Fred Reichheld.

Quality Improvement Activities

Number of quality improvement activities



Rakuten Group Compliance Program



The number of incidents per employee dramatically decreased due to ongoing PDCA cycle of the compliance program

Improve image as employer of choice by new graduates and mid-term hiring



- 1 Amazon
- 2 Alphabet (Google)
- 3 Rakuten**
- 4 ORACLE
- 5 Salesforce.com

* Rakuten is only Japanese company to rank in top 10.



Shukatu Kaigi



Best Internship by students in 2019

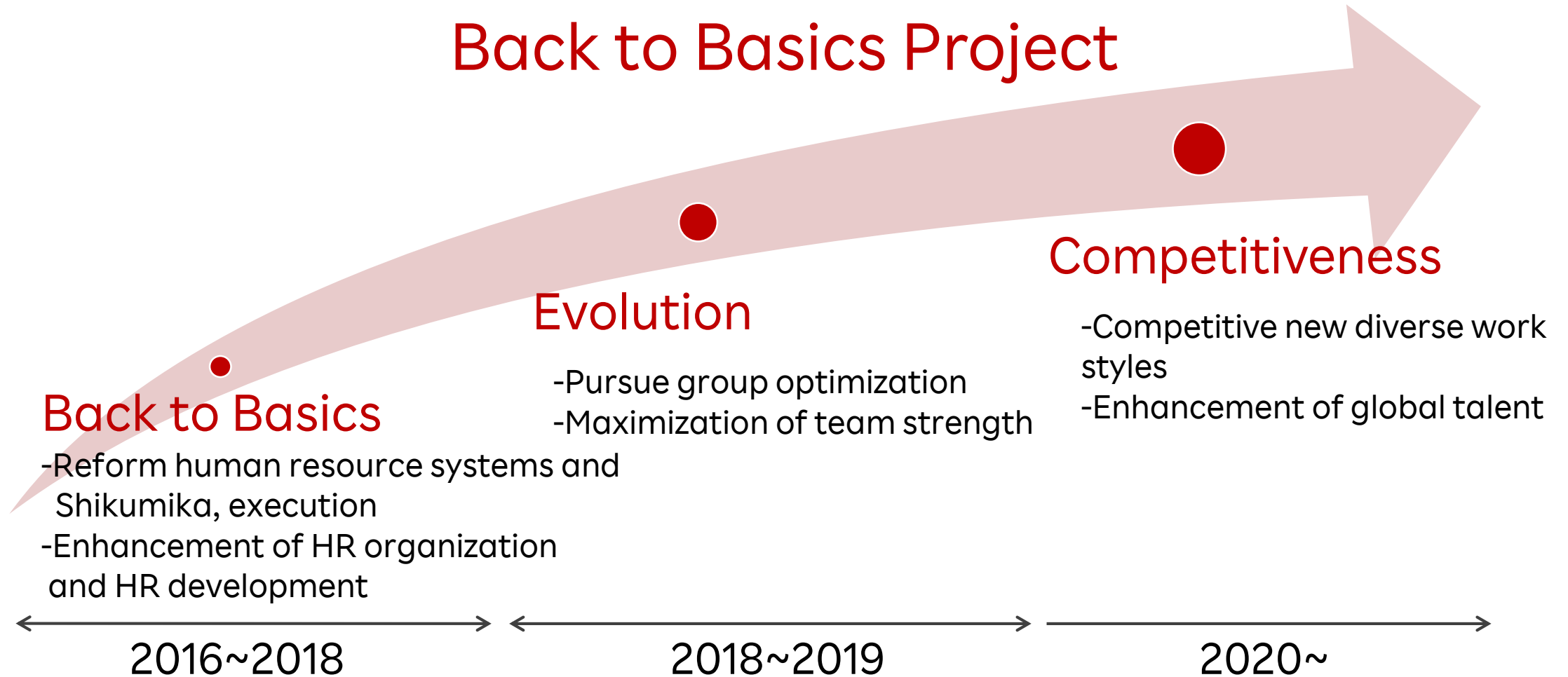
Realize self-propagating through
internship

No. **1**

Total Ranking

No. **3**

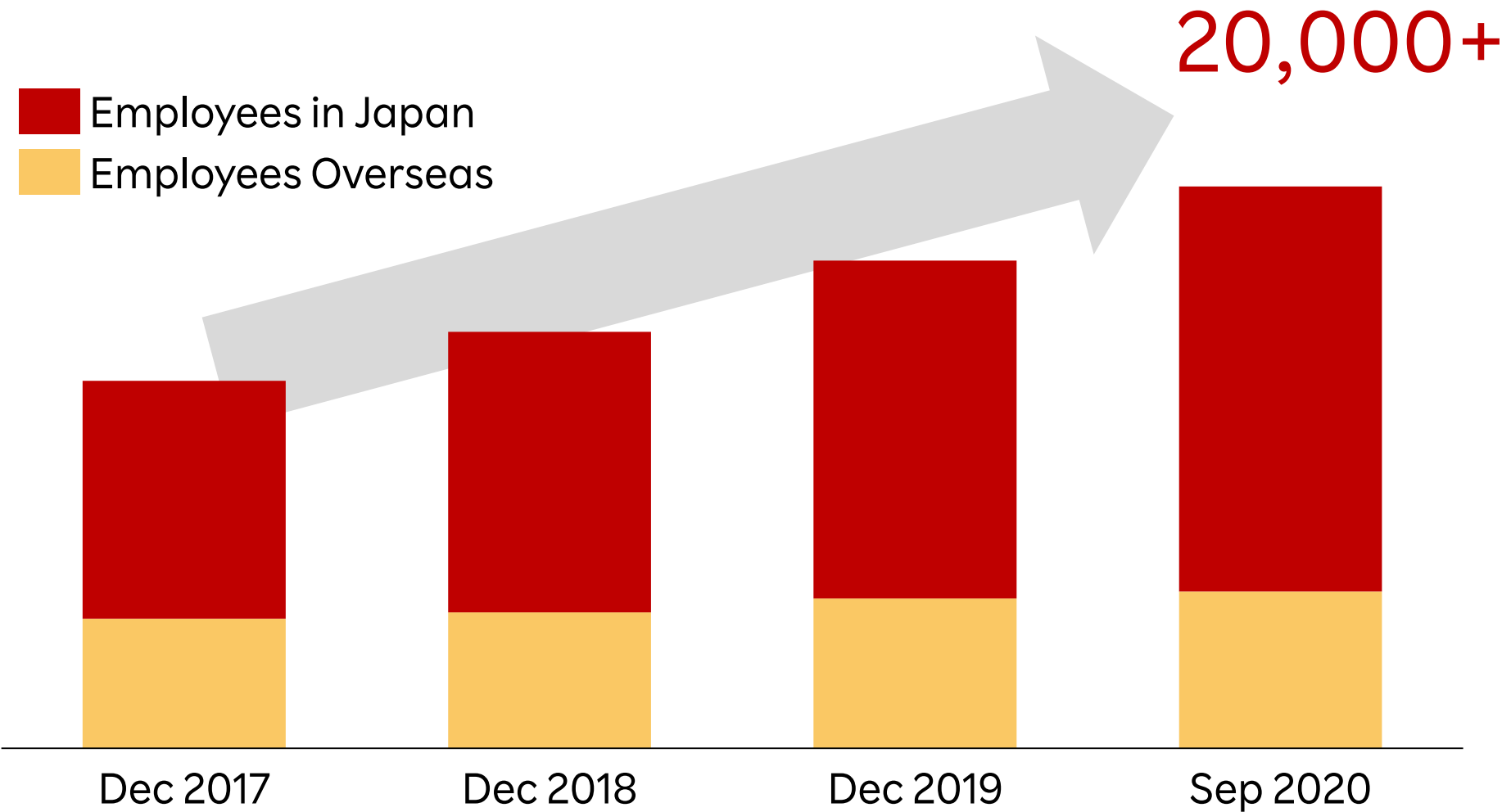
Back to Basics Project



total **34** initiatives

- 1 on 1 meetings
- Renewal of evaluation and compensation systems
- Training system development etc

Rakuten: Total number of employees



*Rakuten Group Executive Officers and Employees



ESG

Rakuten Sustainability

For more details please visit our website
<https://global.rakuten.com/corp/sustainability/>



Rakuten Group Code of Ethics

For more details please visit our website
<https://global.rakuten.com/corp/about/philosophy/principle/#ethic>

The Rakuten Group Code of Ethics

In line with our vision as a Global Innovation Company and with our Brand Concepts as our guiding principles, we, as members of Rakuten Group, adhere to the highest ethical standards while maximizing Rakuten Group's value to shareholders and making positive contributions to society.

We obey laws and social norms

As members of Rakuten Group, we comply with all applicable laws and regulations (consumer protection, fair competition, environmental protection, work environment, crime prevention, tax and disclosure requirements, etc.), and are committed to maintaining high ethical standards. Consistent with the principle of "Integrity" in our Brand Concepts, we pledge to respond to any illegal actions in a serious and responsible manner.

We respect all people

We respect human rights of all and uphold individual dignity. We are committed to advancing the rights of all stakeholders, including the right to privacy, freedom of expression, and a fair and safe working environment. We strive for the promotion of a society free from discrimination, harassment, child labor, and forced labor.

We strive to maximize customer satisfaction

We always put ourselves in our customers' shoes and strive to exceed their expectations. Through delighting our customers, we seek to achieve our mission of "Empowerment" and contribute to society.

We act with fairness

We believe the fundamental value of the internet is fairness. In order to help both consumers and business owners maximize the opportunities afforded to them by the internet, we also strive to act with fairness in every aspect of our business activities. This means that we respect fair competition, and always seek to provide clear and accurate information to our users. We draw a line between public and private, avoid conflicts of interest, and refuse to tolerate bribery or corruption in any form.

We communicate closely with society at large, and use and manage information carefully

We work to increase transparency by actively communicating with our shareholders and society at large, as well as by disclosing company information in a timely and appropriate manner. At the same time, we are acutely aware of the value of the information we hold – both that of Rakuten Group and of our users – and are committed to using and managing such information appropriately and responsibly.

We firmly oppose the activities of criminal organizations

We firmly oppose those who threaten public safety and civil order. In pursuit of a just society and our company mission, we do not form any relationships with criminal organizations and staunchly reject all requests involving illegal or morally questionable activity.

We strive to contribute to a sustainable society

We strive to conduct our businesses responsibly, addressing any adverse impact on society, the environment, or the economy caused by our activities. Building on our core business, we will cooperate with customers, business partners, and other stakeholders to tackle challenges facing society and contribute to a sustainable future.

Revised on November 1, 2019

Rakuten joined the international initiative RE100

For more details please visit our website

https://global.rakuten.com/corp/news/press/2019/1217_01.html

DECEMBER 17, 2019

RAKUTEN, INC.

Rakuten Joins the International Initiative RE100

Aims for business operations with 100% renewable energy by 2025

Tokyo, December 17, 2019 - Rakuten, Inc. today announced that it has joined the international initiative RE100 and aims to adopt 100% renewable electricity for all its business operations by 2025.

RE100

 **CLIMATE
GROUP**



Rakuten Certified as an Eco-First Company

- Rakuten Certified as an Eco-First Company by the Japanese Ministry of the Environment in October 2020



Coexisting with COVID-19: Building a Safer New Normal

For more details please visit our website

https://corp.rakuten.co.jp/newnormal/?l-id=socialdistance_to_newnormal

Rakuten Group Initiatives



Social distancing



Support merchants and the food retail industry by eating delicious food from across Japan



Rakuten Kobo #StayHomeandRead campaign



Rakuten Viber and WHO partner to fight COVID-19

Rakuten Hometown Tax, Rakuten Clutch Special Charity Fund

For more details please visit our website
<https://global.rakuten.com/corp/donation/>

COVID-19 crisis response fund (2nd period)

Amount raised

¥ 8,098,130

Recipient

Children's Future Support Fund, Japan Platform and The Nippon Foundation

Donation Period

JUN 22, 2020 - AUG 31, 2020

COVID-19 crisis response fund (1st period)

Amount raised

¥ 88,756,110

Recipient

COVID-19: Prevention of Spread of Infectious Diseases Fund, Japan Platform and The Nippon Foundation

Donation Period

APR 10, 2020 - JUN 19, 2020

Awards and Recognitions

For more details please visit our website

<https://global.rakuten.com/corp/sustainability/recognitions/>



2020 CONSTITUENT MSCI JAPAN
EMPOWERING WOMEN INDEX (WIN)

2020 CONSTITUENT MSCI JAPAN
ESG SELECT LEADERS INDEX



FTSE Blossom
Japan



FTSE4Good



Corporate Governance

For more details please visit our website

<https://global.rakuten.com/corp/sustainability/governance/>



Hiroshi Mikitani
Representative Director,
Chairman, President and CEO



Masayuki Hosaka
Representative Director and
Vice Chairman



Charles B. Baxter
Director



Ken Kutaragi
Director ^{*1,2}

Positions Held or Career Summary

President, Representative Director & CEO of Cyber AI Entertainment Inc.
Outside Director of Nijima Corporation
Outside Director of GA technologies Co., Ltd
Outside Director of SmartNews, Inc.



Sarah J. M. Whitley
Director ^{*1,2}

Positions Held or Career Summary

Foundation Scotland Trustee
Edinburgh International Festival Endowment Fund Chair
The Royal Scottish Academy Foundation Trustee



Takashi Mitachi
Director ^{*1,2}

Positions Held or Career Summary

djunct Professor of Graduate School of Management of yoto University
outside Director of Lotte Holdings Co., Ltd.
outside Director of DMG MORI CO., LTD.
outside Director of Unicharm Corporation
oard Member of Ohara Museum of Art
outside Director of Tokio Marine Holdings, Inc.
enior Advisor of The Boston Consulting Group
hief Executive Director of Ronald McDonald House harities Japan

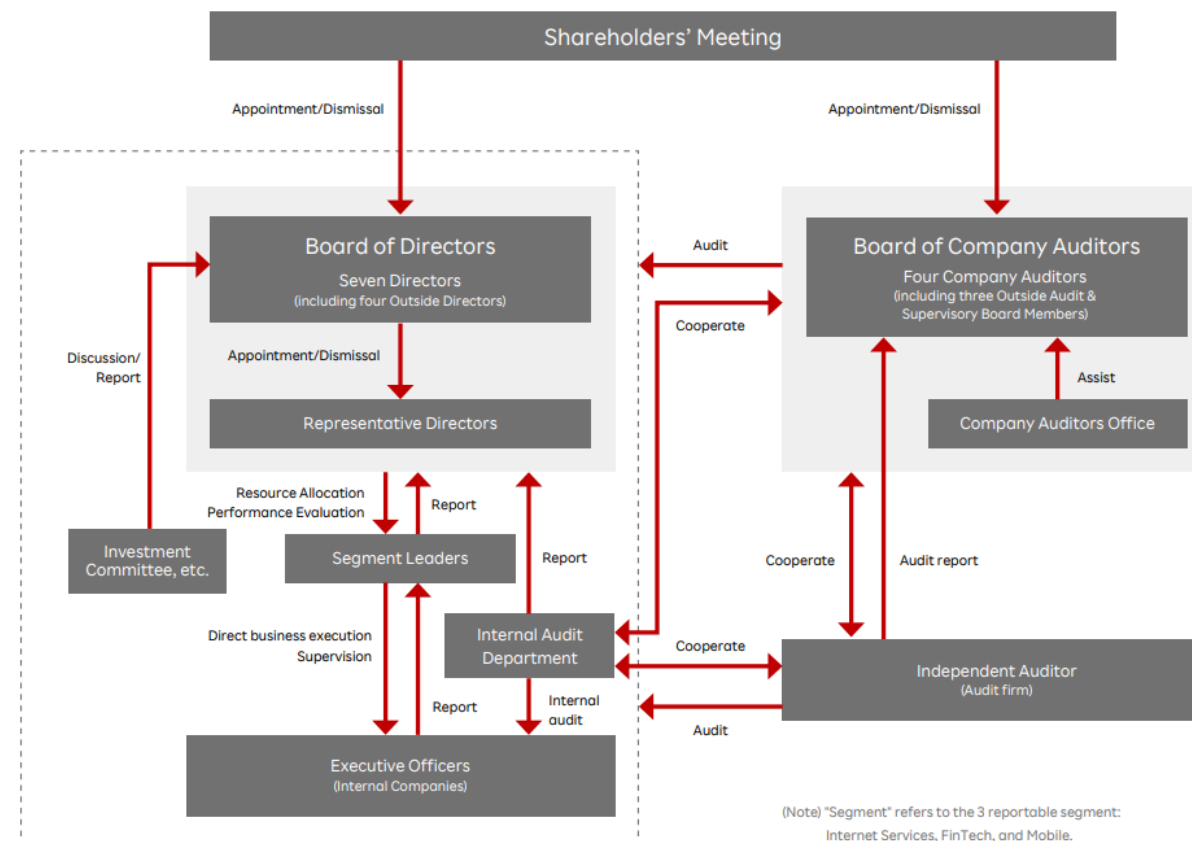


Jun Murai
Director ^{*1,2}

Positions Held or Career Summary

Professor of Keio University
Outside Director of BroadBand Tower, Inc.
Outside Director of LAC
Outside Director of HAPSMobile Inc.

*1: Outside directors stipulated under Companies Act of Japan
*2: Independent Director specified by the regulations of Tokyo Stock Exchange, Inc.





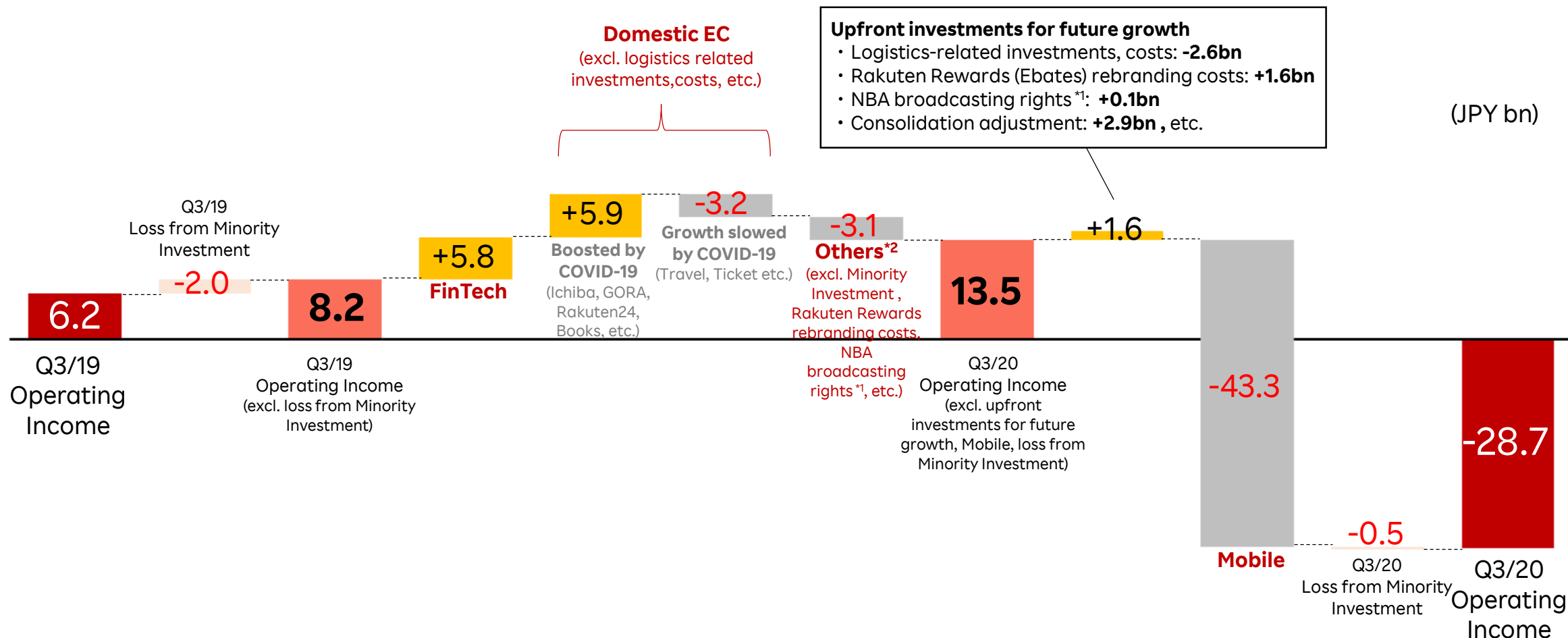
Consolidated Results

Q3/20 Consolidated Results Summary

(JPY bn)

	Q3/19	Q3/20	YoY
Revenue	319.1	361.4	+13.2%
Non-GAAP Operating Income	6.2	-28.7	-34.9
Non-GAAP Operating Income Excluding Mobile, Logistics and Investment Business	28.3	37.6	+33.1%
IFRS Operating Income	1.1	-39.8	-40.9

Q3/20 Non-GAAP Operating Income Breakdown



*1 NBA broadcasting rights are included in "Others" of Internet Service Segment

*2 "Others" segment mainly includes overseas EC businesses and Sports businesses

Hybrid Bond Issuance

- Issued subordinated bonds in November 2020
- 50% of the total issuance amount is certified as capital by R&I, JCR, S&P

Bond Name	Issue Date (Payment Date)	Issue Amount	Bond Rating	Capitalization
4 th ~6 th Subordinated Bond	November 4, 2020	JPY 120bn	R&I: BBB JCR: BBB+	R&I, JCR, S&P: 50% of total issuance certified as capital

Recent Exits and Asset Financing

Exit

 **Pinterest**
Q4/19

 **Careem**
Up to Q3/20
(Partial)

Business
Selection and
Concentration
(Optimization)

O-net
Q4/18

**Rakuten
Brazil**
Q4/19

OverDrive
Q2/20

**Rakuten
USA^{*1}**
Q3/20

**Rakuten
Germany^{*2}**
Q3/20

Asset
Financing^{*3}

 **lyft**
Q4/20

^{*1} Exit of Marketplace business (formerly Buy.com) in the United States

^{*2} Exit of Marketplace business in Germany

^{*3} Monetization of Lyft shares using Collar (Variable Prepaid Forward Sales) Transaction

Asset Financing

- Mitigate stock price fluctuation risk using forward contracts while monetize shares through Collar (Variable Prepaid Forward Sales) Transaction

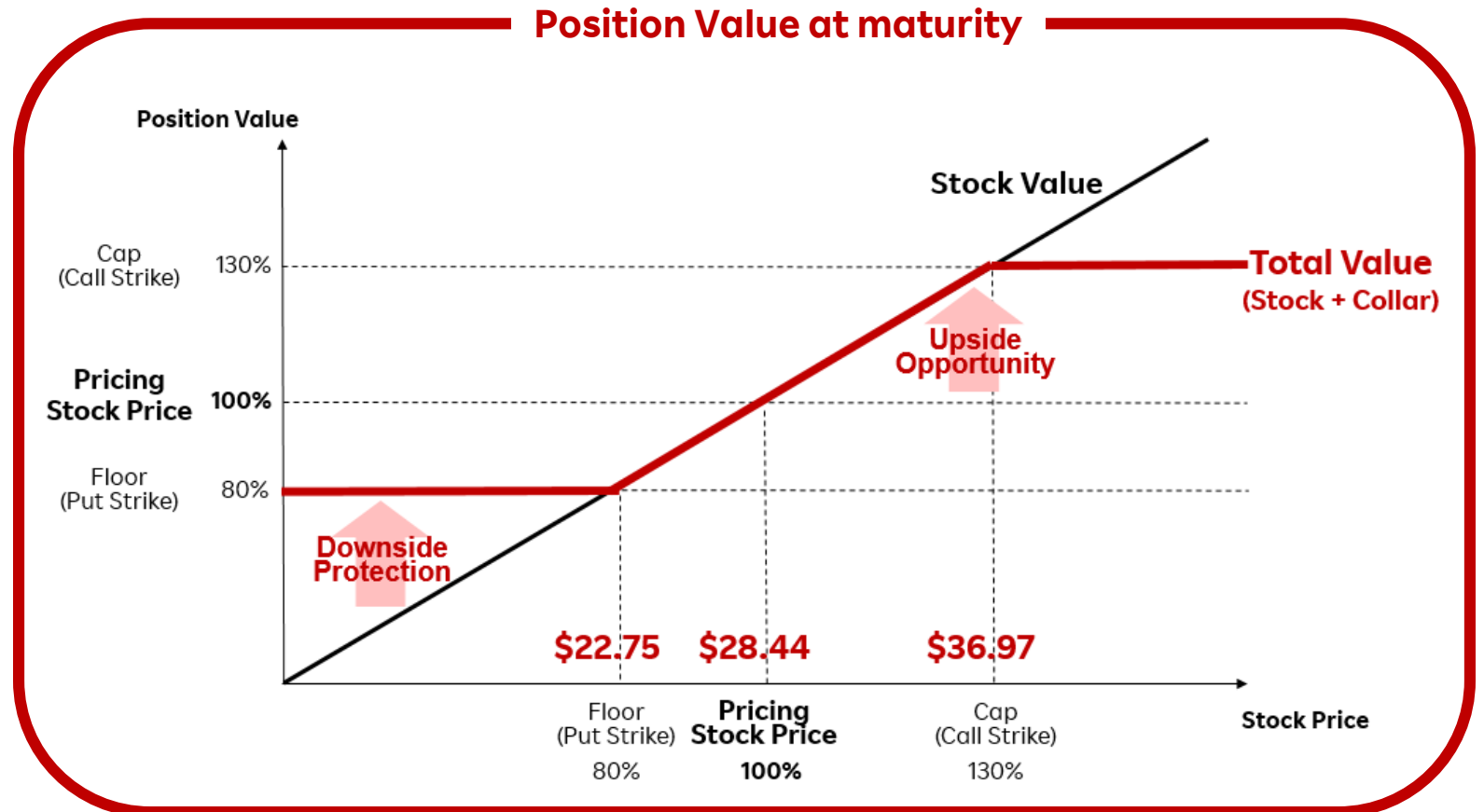


Cash-in timing

Q4/20

Cash-in amount

Approx. **\$714mm**

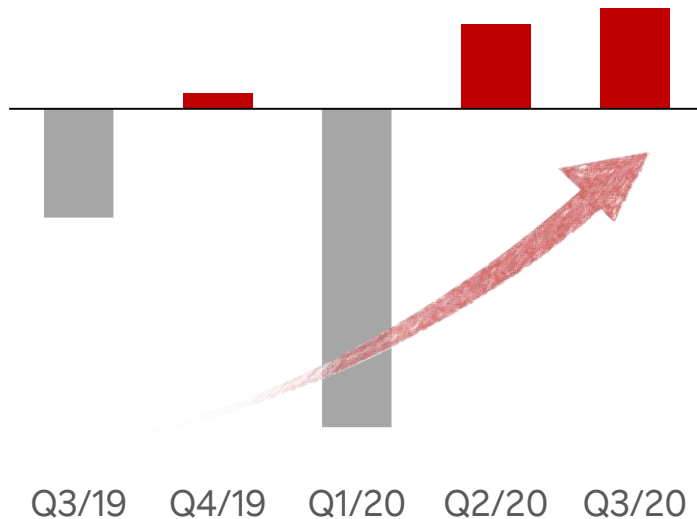


Recovering Overseas Businesses

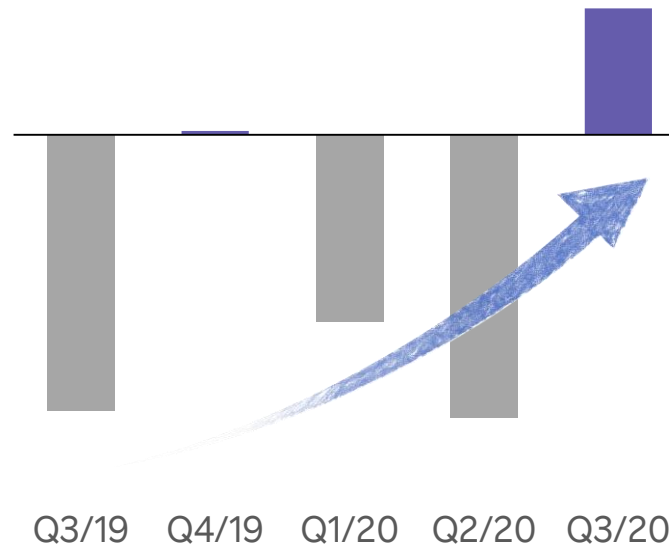
Non-GAAP OI positive in all three businesses

Non-GAAP OI Trend

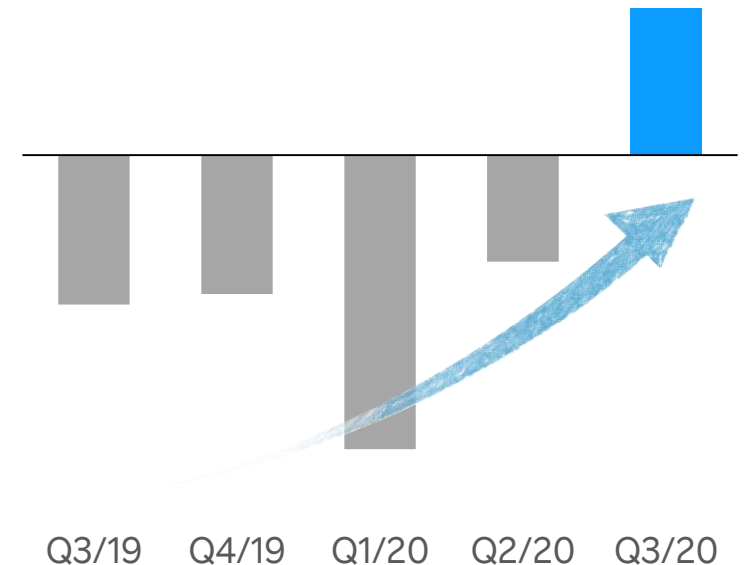
Rakuten kobo



Rakuten Viber



Rakuten VIKI



* Operating income of Rakuten Kobo and Rakuten VIKI has changed due to change in method of internal cost allocation. Past figures have been retroactively adjusted.

Rakuten