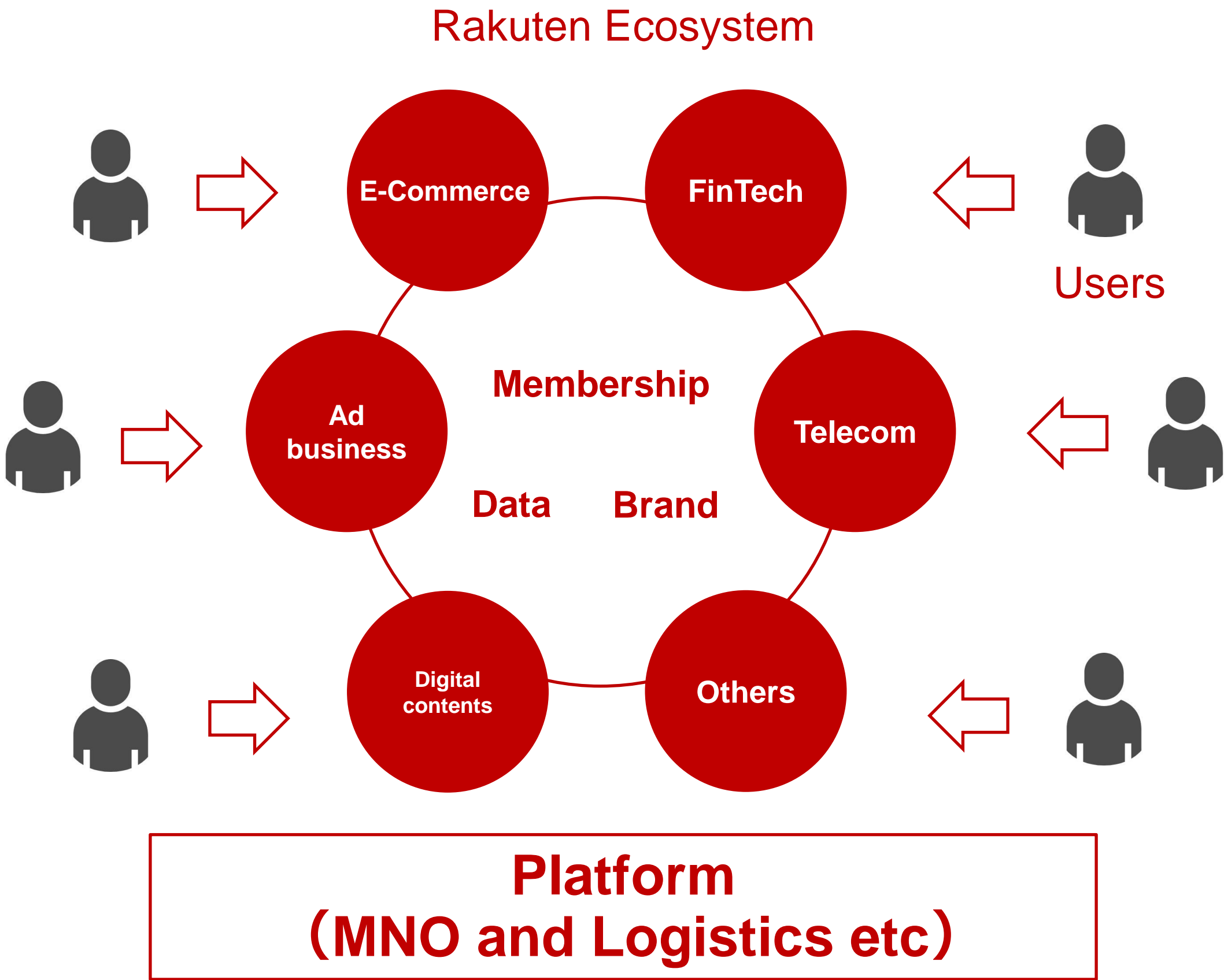


FY2018 First Quarter Consolidated Financial Results

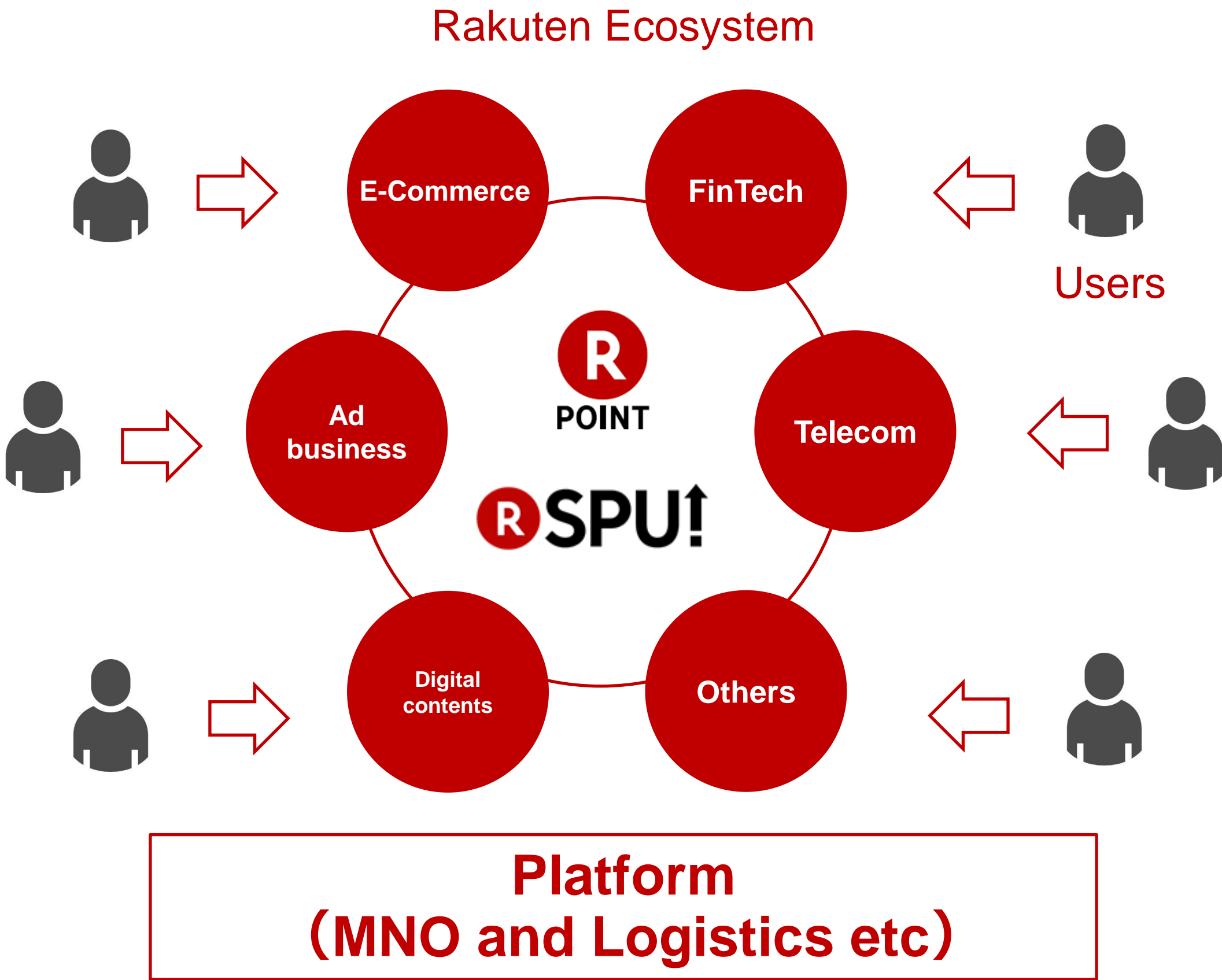
May 10, 2018
Rakuten, Inc.



Rakuten Ecosystem Expansion ①

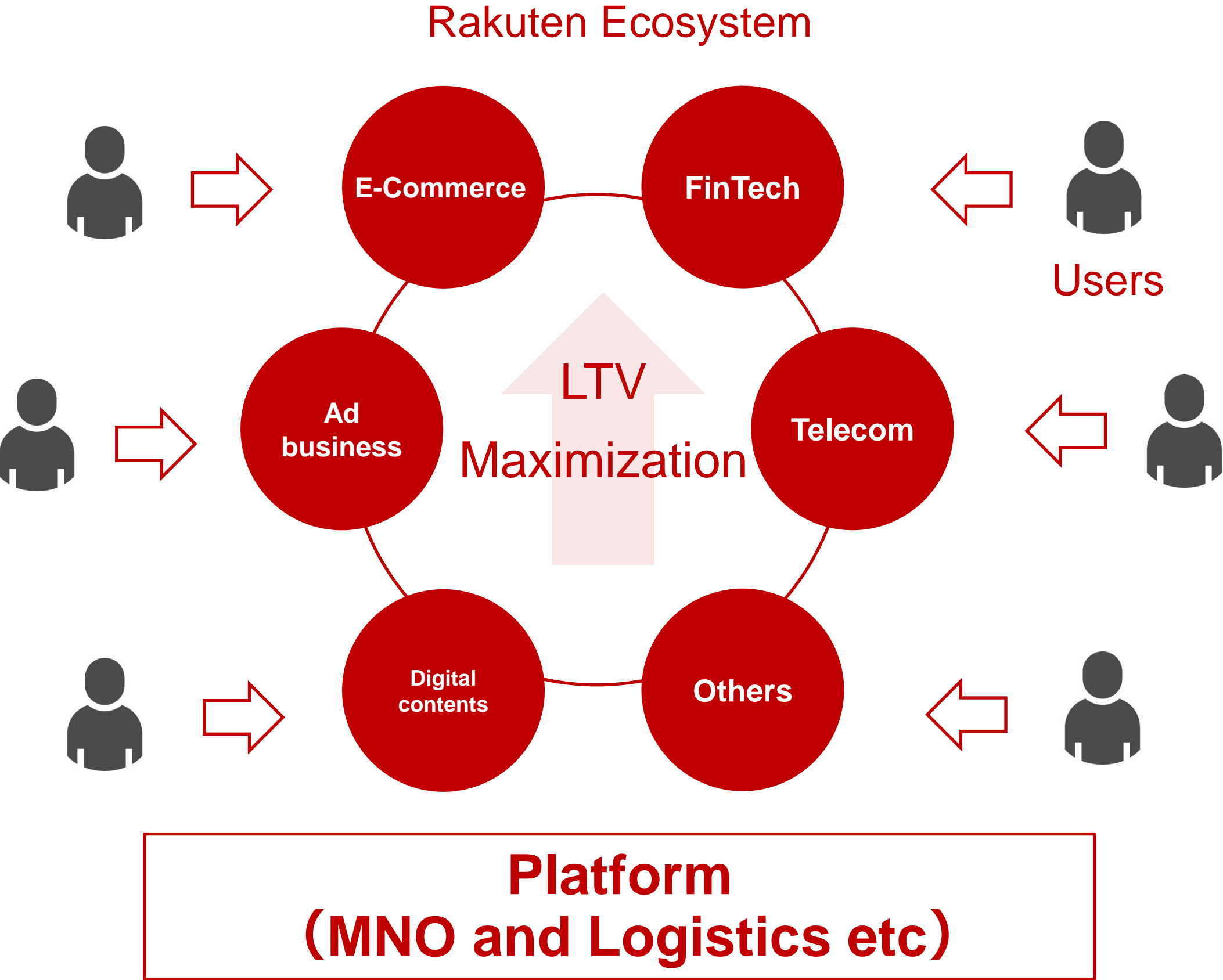


Rakuten Ecosystem Expansion ②



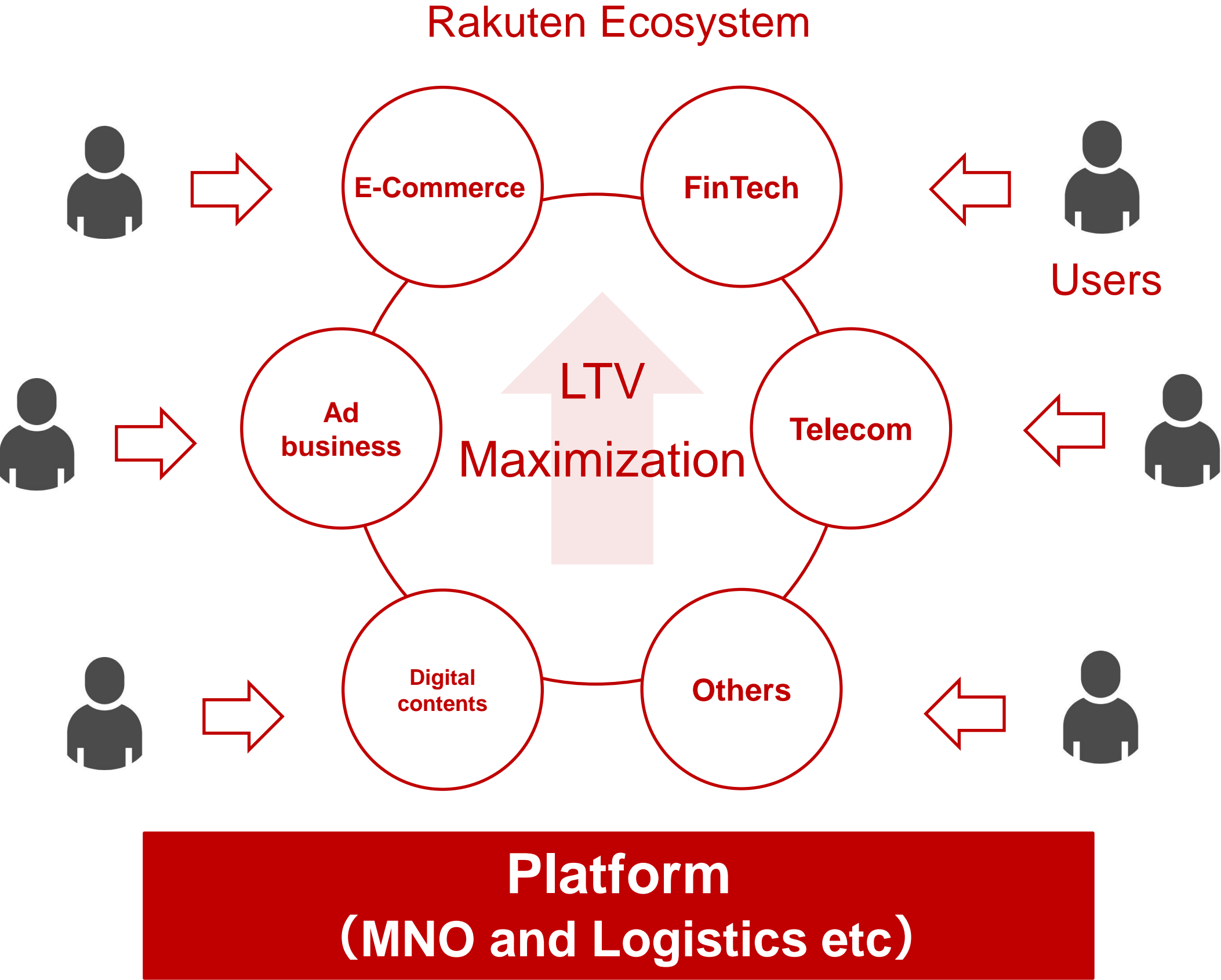
Increasing user
loyalty and cross-use
through
Rakuten Super Points
and SPU

Rakuten Ecosystem Expansion ③



Maximizing
Lifetime Value (LTV)

Rakuten Ecosystem Expansion ④



MNO and Logistics
are important
platforms to expand
Rakuten Ecosystem

1 Financial Results

Q1/18 Results Highlights

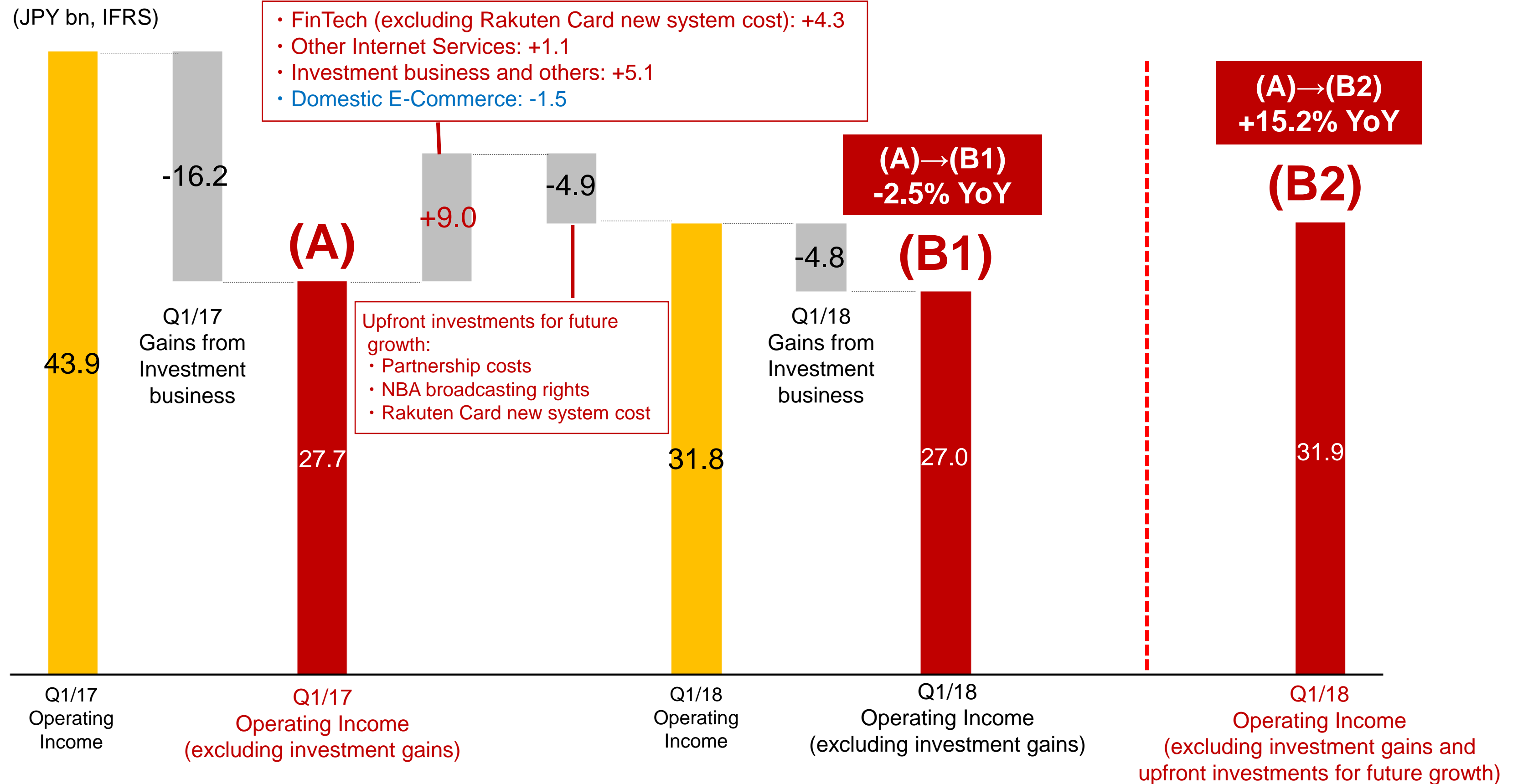
- Consolidated revenue: +14.0% YoY. FinTech business, beginning with securities, is driving growth
- Non-GAAP OI: -2.5% YoY, excluding gains from investment business. Continuing upfront investments and partnership contracts to strengthen the Rakuten brand and acquire new members
- FinTech: Revenue +15.5% YoY, OI strong at +20.9% YoY even when accounting for the impact of new system installation at Rakuten Card
- Domestic E-Commerce: GMS firm at +11.4% YoY, OI -8.3% YoY on ongoing investments in core businesses including Rakuma (C2C) and Rakuten Direct (First Party)
- Asahi Fire & Marine Insurance acquisition completed

Q1/18 Consolidated Results Summary

(JPY bn, IFRS)

	Q1/17	Q1/18	YoY
Revenue	212.1	241.9	+14.0%
Non-GAAP Operating Income	43.9	31.8	-27.4%
Non-GAAP Operating Income (excluding gains from investment business in Q1/17 and Q1/18)	27.7	27.0	-2.5%
Non-GAAP Operating Income (excluding gains from investment business in Q1/17 and Q1/18 and upfront investments for future growth in Q1/18)	27.7	31.9	+15.2%
IFRS Operating Income	40.4	28.1	-30.5%
IFRS Operating Income (excluding gains from investment business in Q1/17 and Q1/18)	24.3	23.3	-4.1%

Q1/18 Non-GAAP Operating Income Analysis



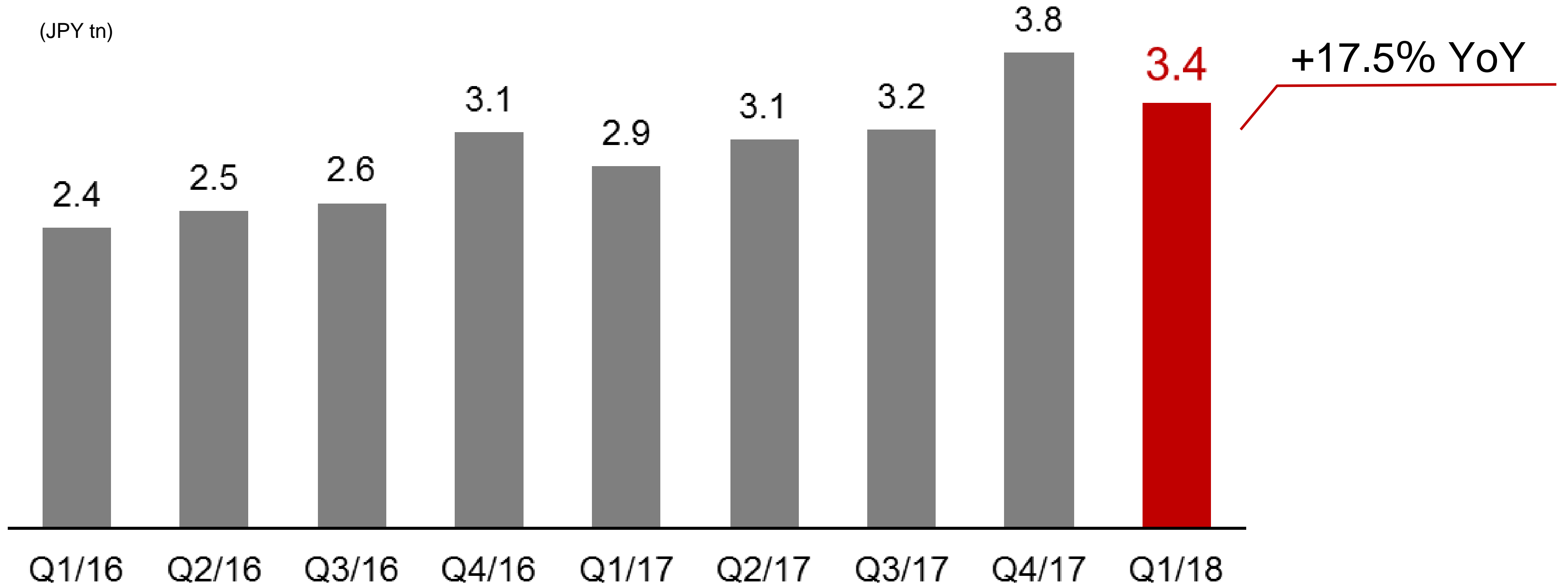
Q1/18 Revenue and Operating Income

(JPY bn, IFRS)

	Q1/17	Q1/18	YoY
Domestic E-Commerce			
Revenue	89.4	97.3	+8.8%
Operating Income	17.9	16.4	-8.3%
Communications & Sports			
Revenue	18.0	23.2	+29.1%
Operating Income	-2.6	-2.6	+0.0
Other Internet Services			
Revenue	41.7	53.0	+27.1%
Operating Income	11.3	0.8	-92.7%
Internet Services Segment			
Revenue	149.1	173.5	+16.3%
Operating Income	26.5	14.6	-44.9%
FinTech Segment			
Revenue	78.0	90.0	+15.5%
Operating Income	17.0	20.6	+20.9%
Adjustments			
Revenue	-15.0	-21.6	-6.6
Operating Income	0.3	-3.4	-3.6
Consolidated			
Revenue	212.1	241.9	+14.0%
Non-GAAP Operating Income	43.9	31.8	-27.4%
IFRS Operating Income	40.4	28.1	-30.5%

Total Global GTV*

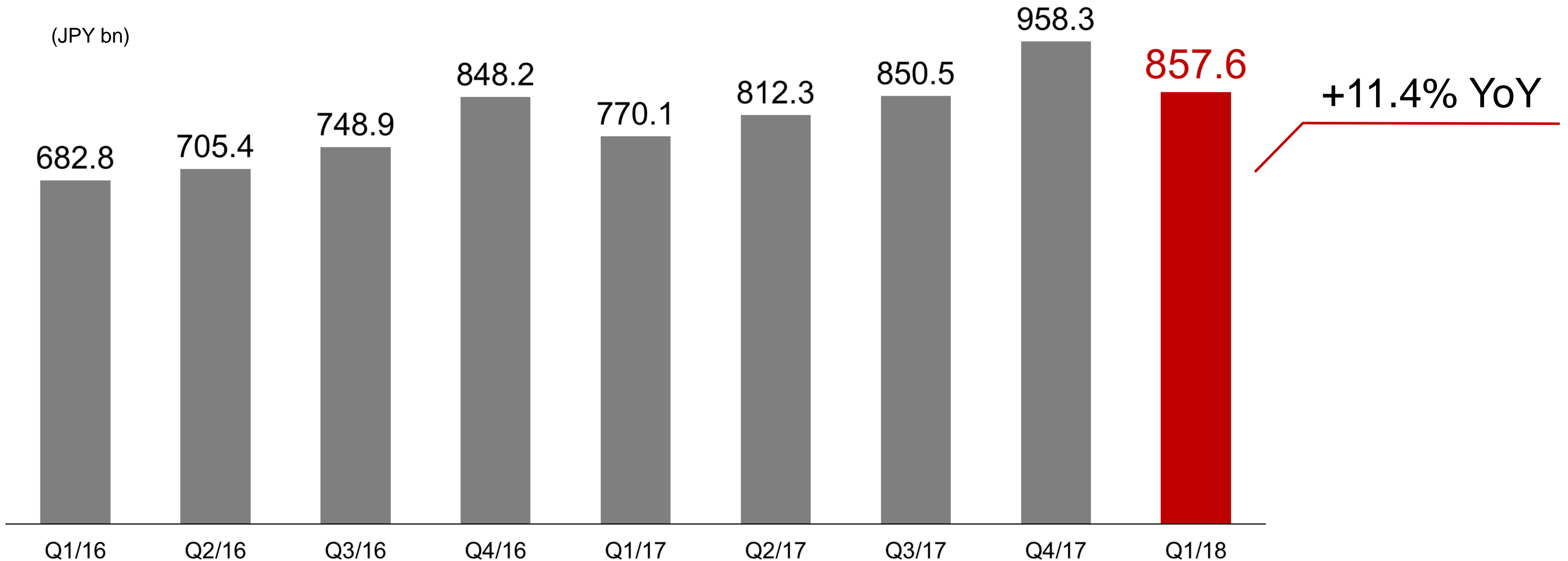
(JPY tn)



* Global Gross Transaction Value = Domestic E-Commerce GMS + Credit Card GTV + Edy GTV + Rakuten Point Card GTV + Overseas E-Commerce GMS + Ebates GMS + Digital Contents GTV + Rakuten Marketing GTV

* Includes intercompany transactions for settlement and affiliate services

Domestic E-Commerce GMS*

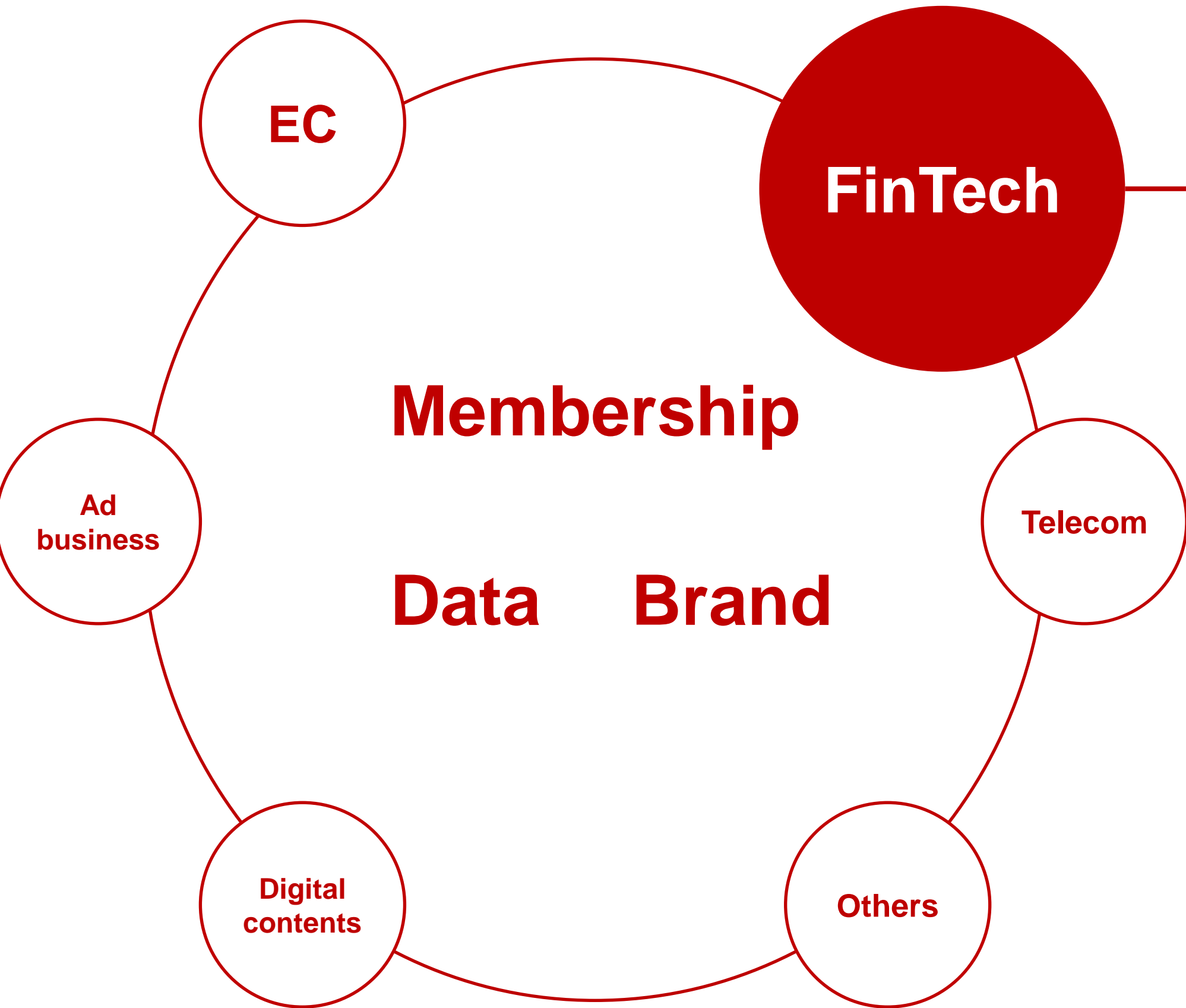


*1: Domestic E-Commerce GMS includes consumption tax. Consumption tax not included in GMS for businesses not required to pay consumption tax. GMS comprises Ichiba, Travel GTV on checkout basis, Books, Golf, Ticket, Brand Avenue, Dream businesses, Dining, Beauty, Mart, Delivery, Rakuten Direct, Car Life, Rakuten Pay, Coupon, Rakuma, Rakuten Delivery Premium, Rebates etc.

*2: Definition of GMS for first party businesses was revised mainly upon the merger between Soukai Drug and Kenko.com. This has resulted in retroactive adjustments to Domestic E-Commerce GMS


2 FinTech

Expansion of FinTech Business



- Credit Card **Rakuten Card**
- Online Banking **楽天銀行**
- Online brokerage **楽天証券**
- Payment **R Pay** **Edy**

Insurance

- 楽天生命**
Life Insurance
-  **朝日火災**
General Insurance
* Rakuten General Insurance Co., Ltd. from July 2
- 楽天少額短期保険**
Pet Insurance

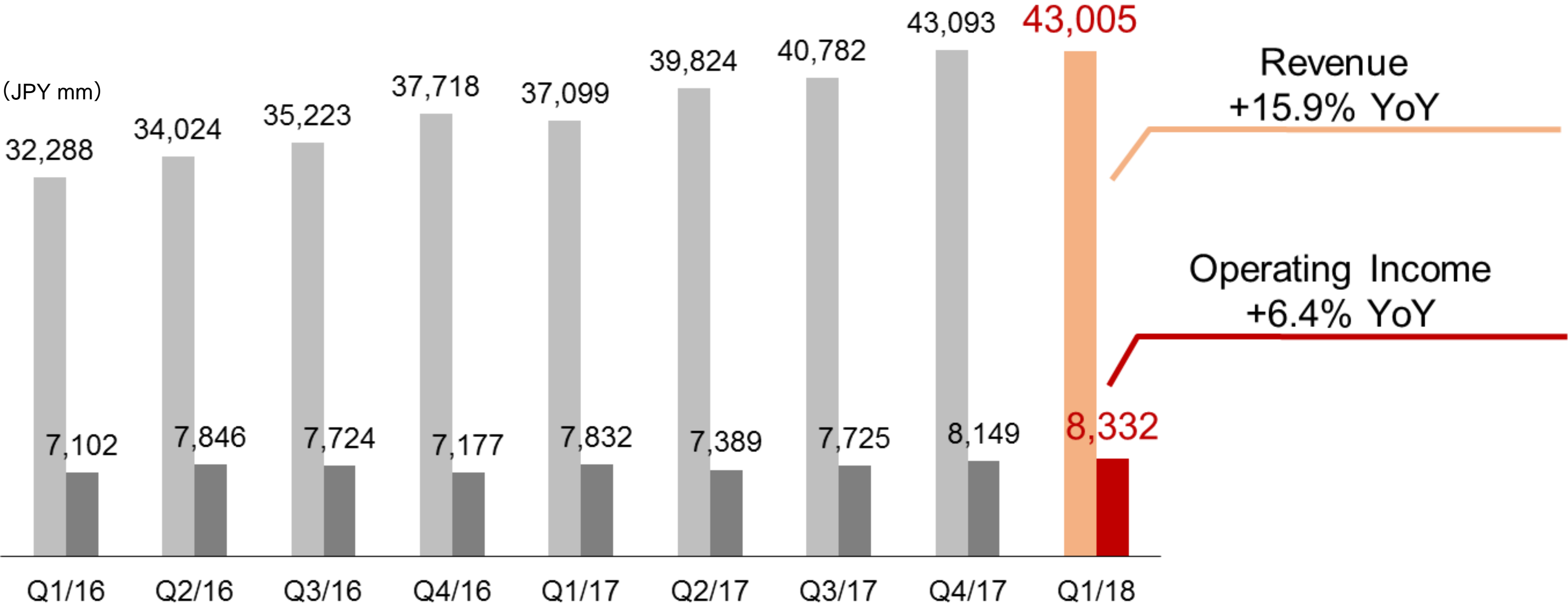
Q1/18 FinTech Results Summary

(JPY bn, IFRS)

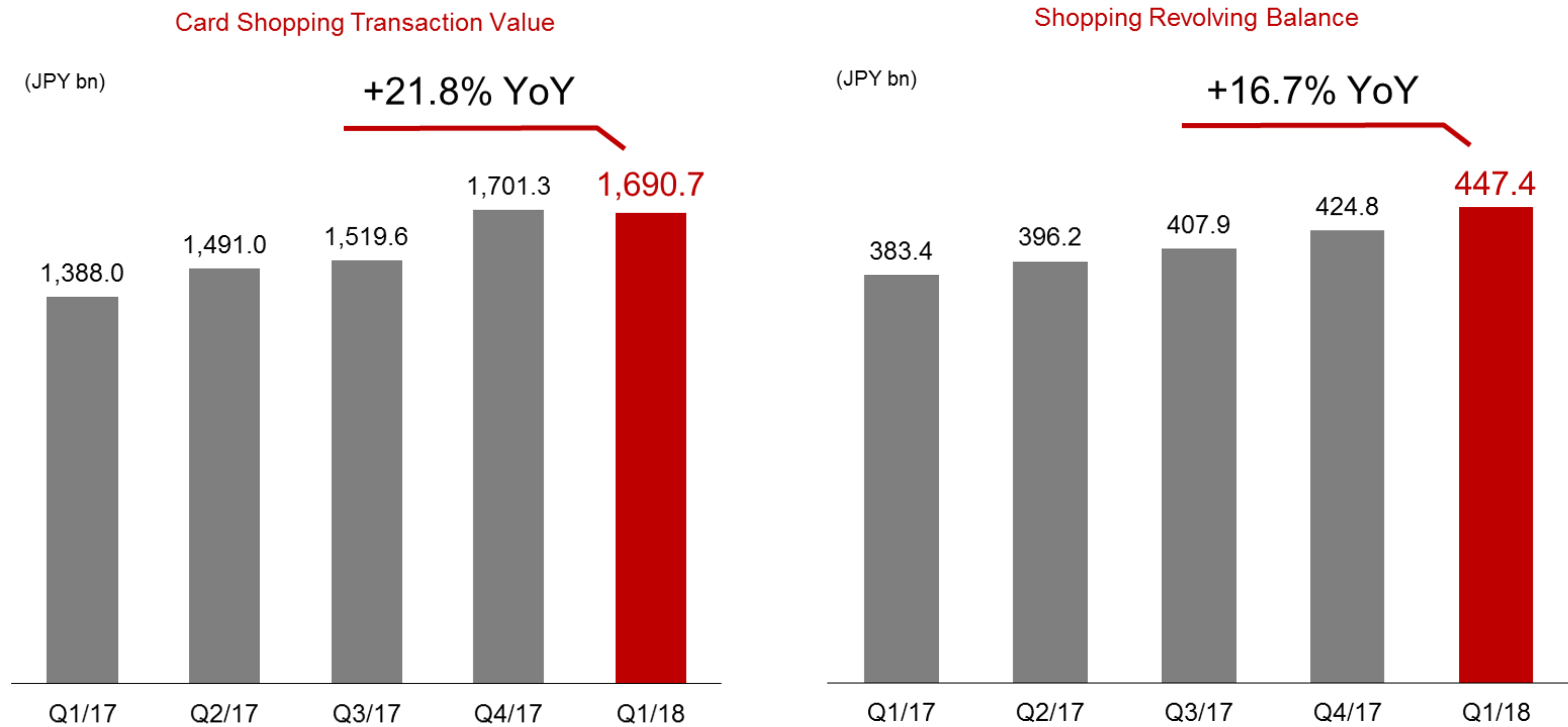
	Revenue	YoY	Operating Income	YoY
Card	43.0	+15.9%	8.3	+6.4%
Bank	19.7	+10.1%	5.9	+20.2%
Securities	15.3	+33.4%	5.8	+62.5%
Life Insurance	8.4	+2.5%	0.5	-28.7%
Others	3.6	+9.0%	0.1	+89.5%
FinTech Total	90.0	+15.5%	20.6	+20.9%

Rakuten Card Results

■ Excluding impact of new system installation cost from April 2017, operating income grew +15.1% YoY

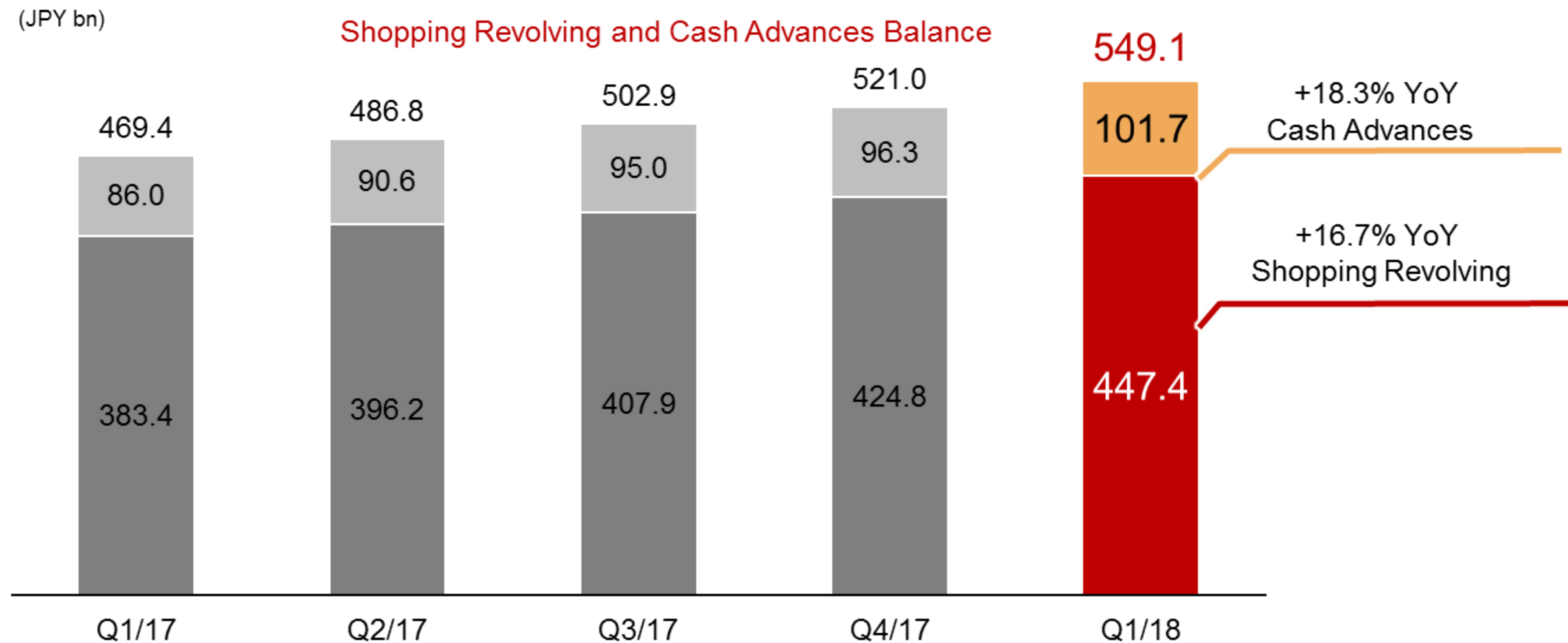


Rakuten Card KPIs*(1)



* Calculated on a managerial accounting basis, using different definitions from data in the Appendix.
Detailed credit card data is shown in the Appendix. Revolving balance is calculated on a principal basis.

Rakuten Card KPIs*(2)



* Calculated on a managerial accounting basis, using different definitions from data in the Appendix.
Detailed credit card data is shown in the Appendix. Revolving balance is on a principal basis

Rakuten Card: Release of New Card Designs

Rakuten Card Disney Design
(Released on Feb 19)



Rakuten Pink Card Disney Design
(Released on Feb 19)



©Disney

Available only for JCB

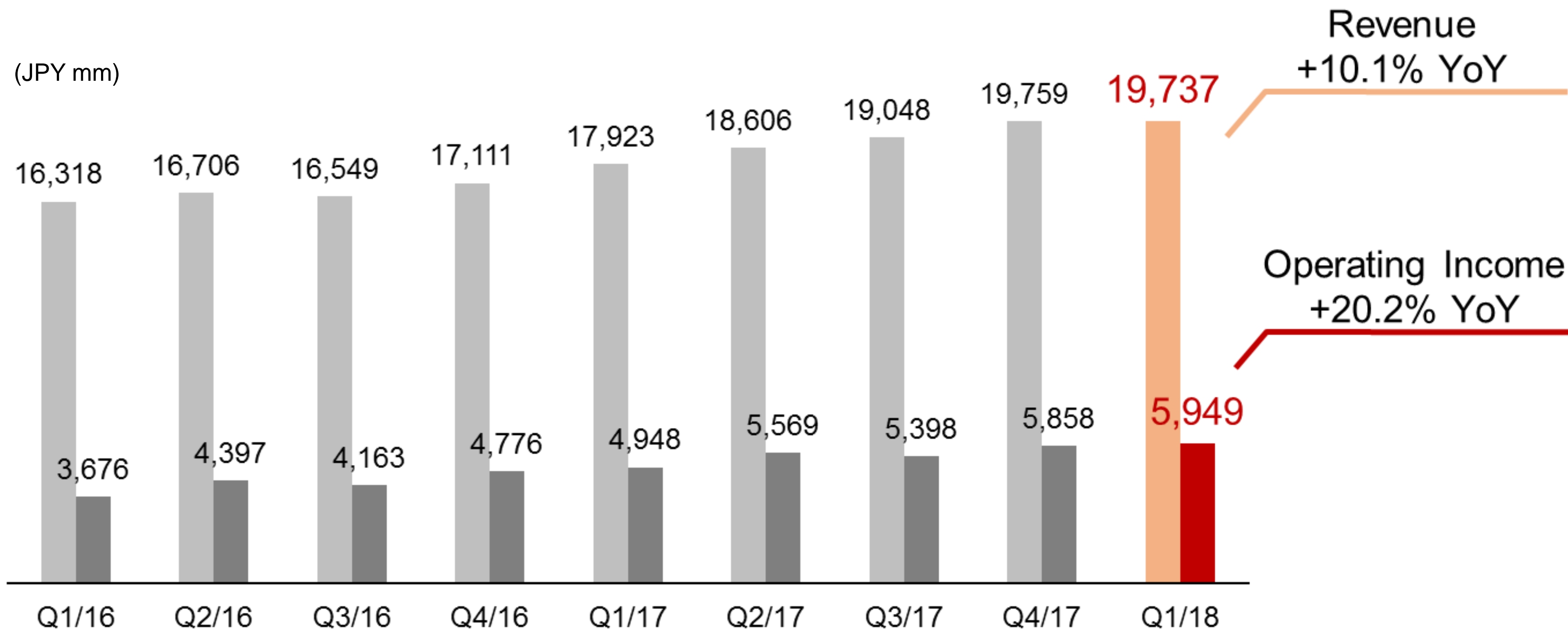


The Disney-design Rakuten Card and Rakuten Pink Card are issued by Rakuten Card, with JCB as the Disney-Design Card Master Licensee and an official marketing alliance partner of The Walt Disney Company (Japan) Ltd.

* The issuance of the Disney design Rakuten Card and Rakuten Pink Card is limited to Japan.

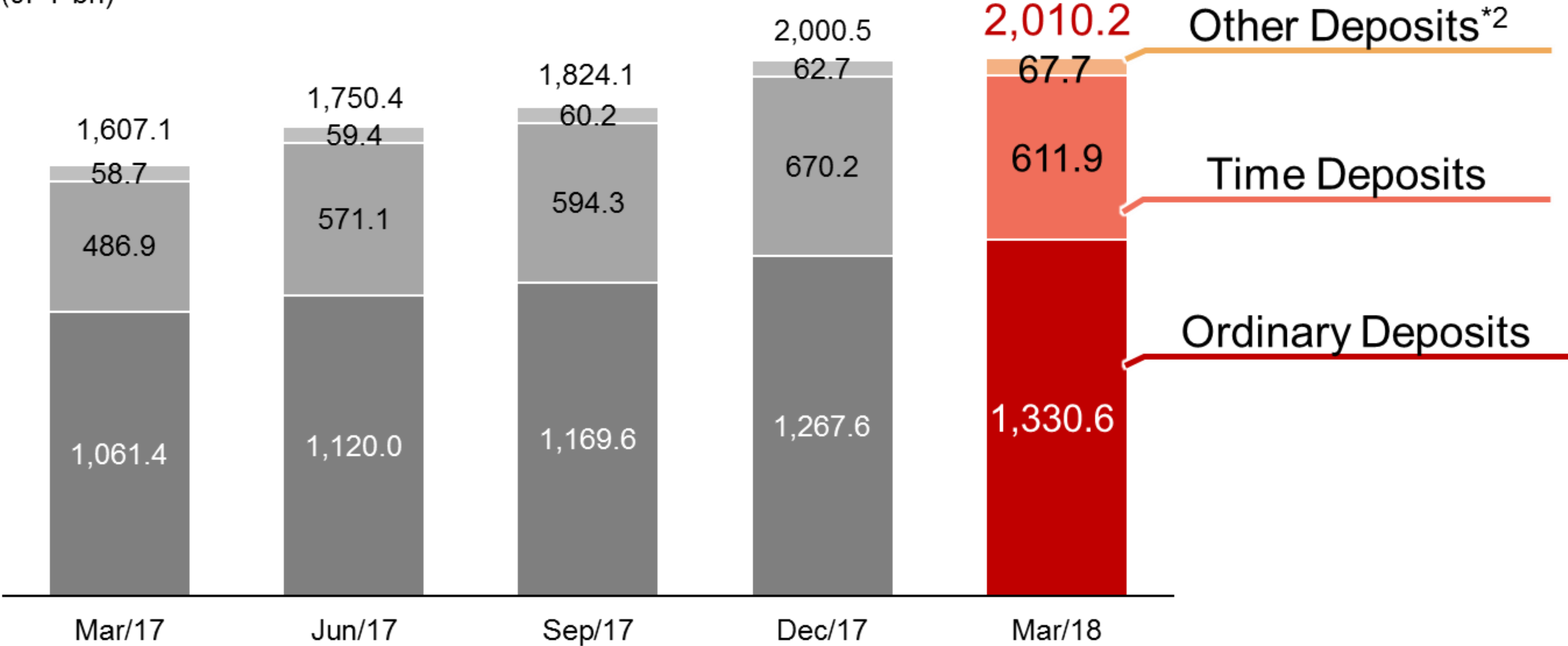
Rakuten Bank Results

- Operating Income grew +20.2% due to increased growth of loan receivable balances



Rakuten Bank: Deposits*1

(JPY bn)

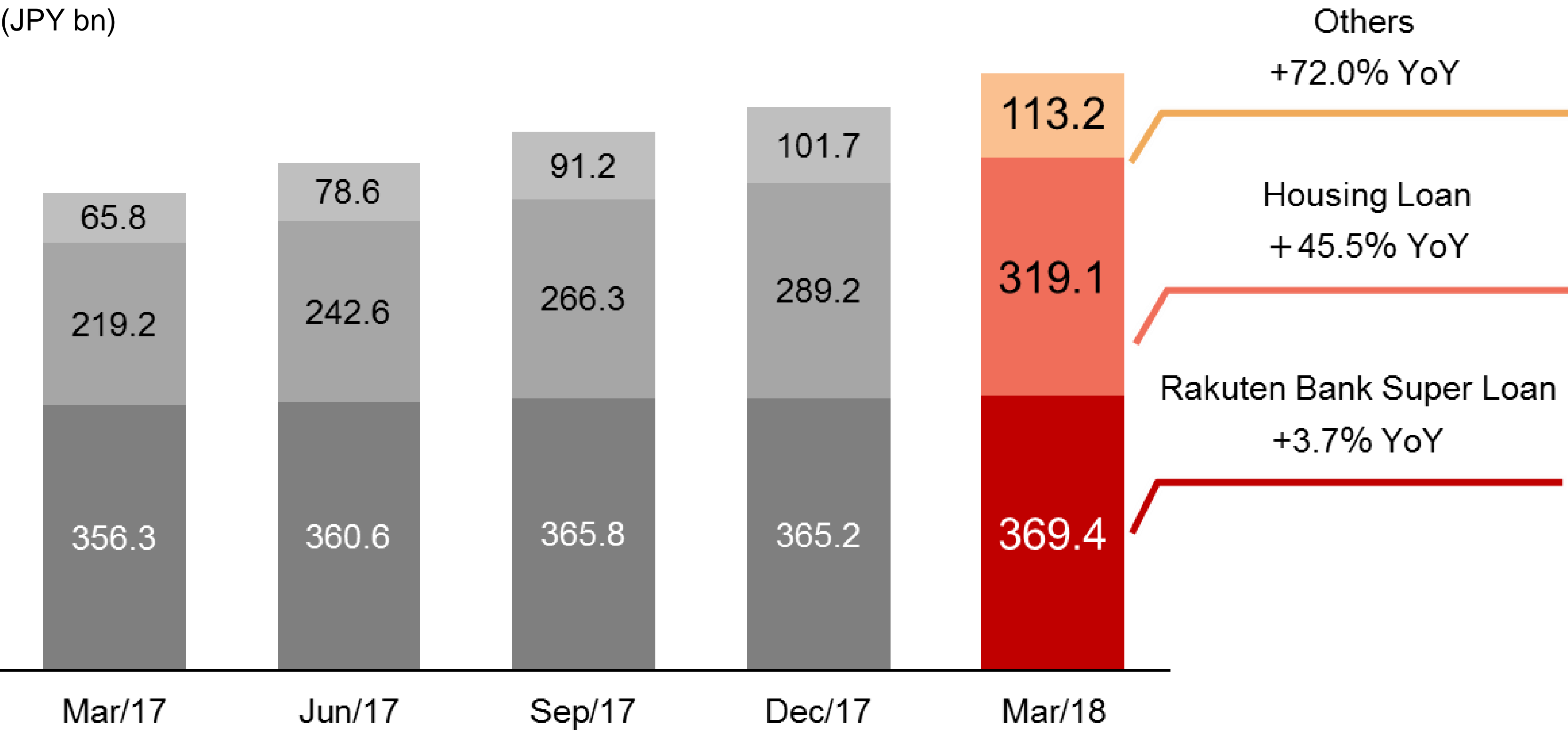


*1: Based on IFRS which includes derivatives in structured term deposits.

*2: Other deposits include deposits in foreign currencies and others.

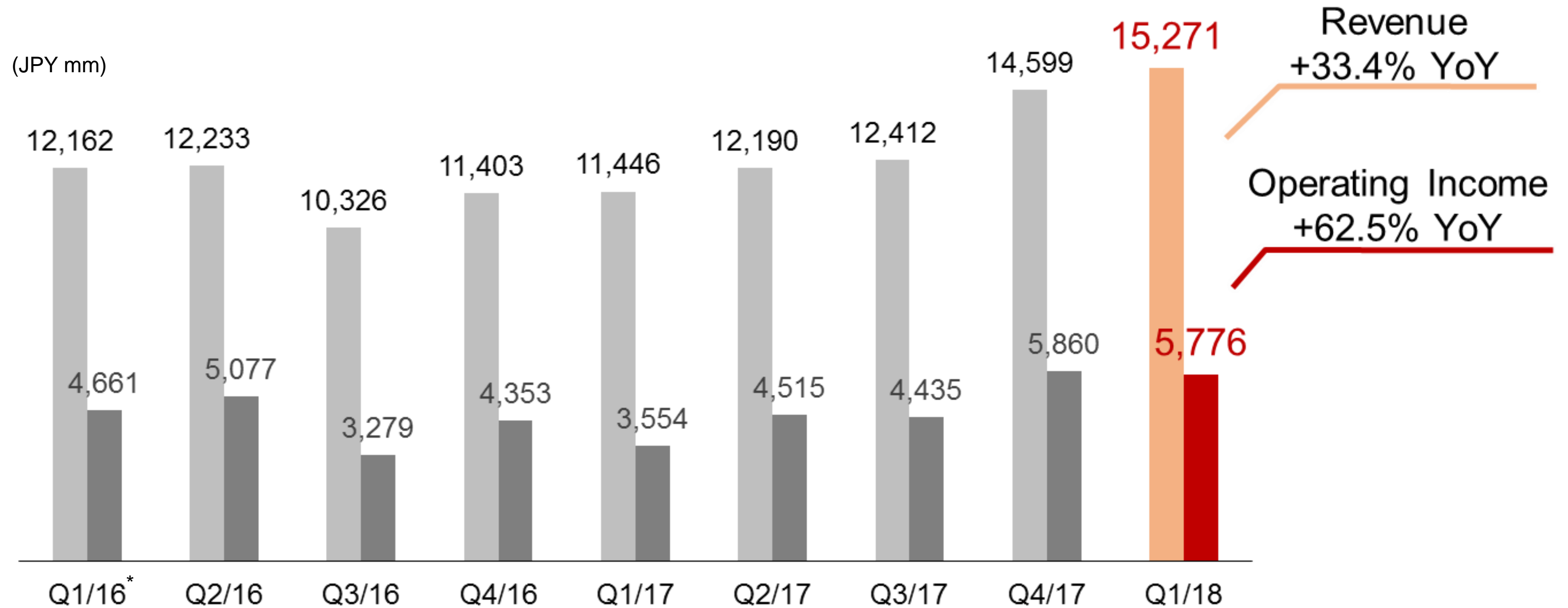
Rakuten Bank: Loan Receivables Balance

(JPY bn)



Rakuten Securities Results

- Both revenue and operating income boosted due to an increase in domestic stock brokerage trading and FX trading volume



* Q1/16 IFRS revenue and operating income does not include JPY 3bn from the sale of stocks of in a minority investment, that was recorded under J-GAAP.

Malaysia FinTech Awards 2018: “FinTech Company of the Year”

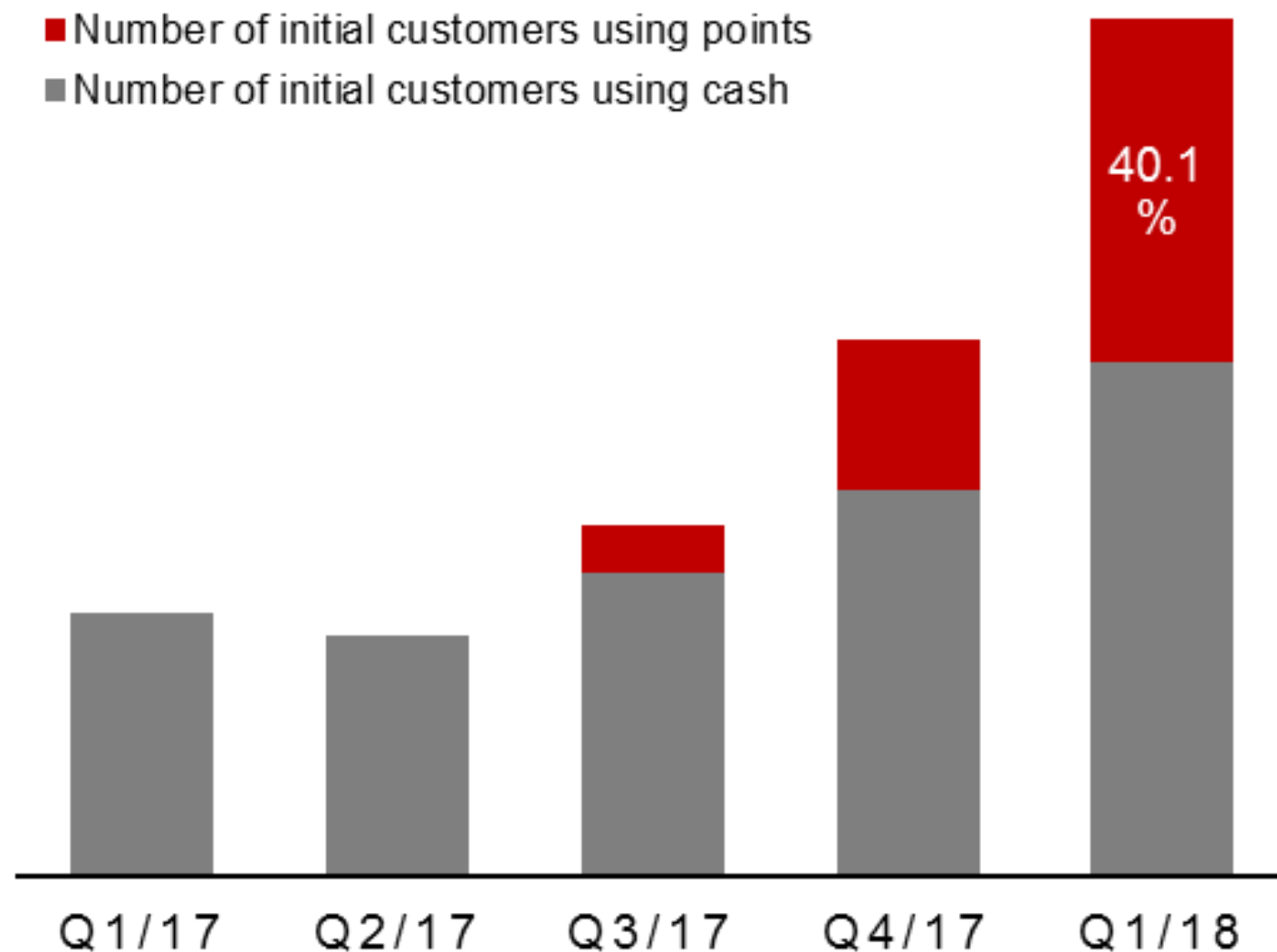
- Rakuten Trade SDN BHD Awarded “FinTech Company of the Year” at Malaysia FinTech Awards 2018
- This award is given to the most innovative Fintech companies that contribute to Malaysia’s economic development



Purchase of Investment Trusts with Points

- For initial investment trust transactions, the ratio settled with points has increased to 40%

Investment Trusts:
Number of customers doing initial investment



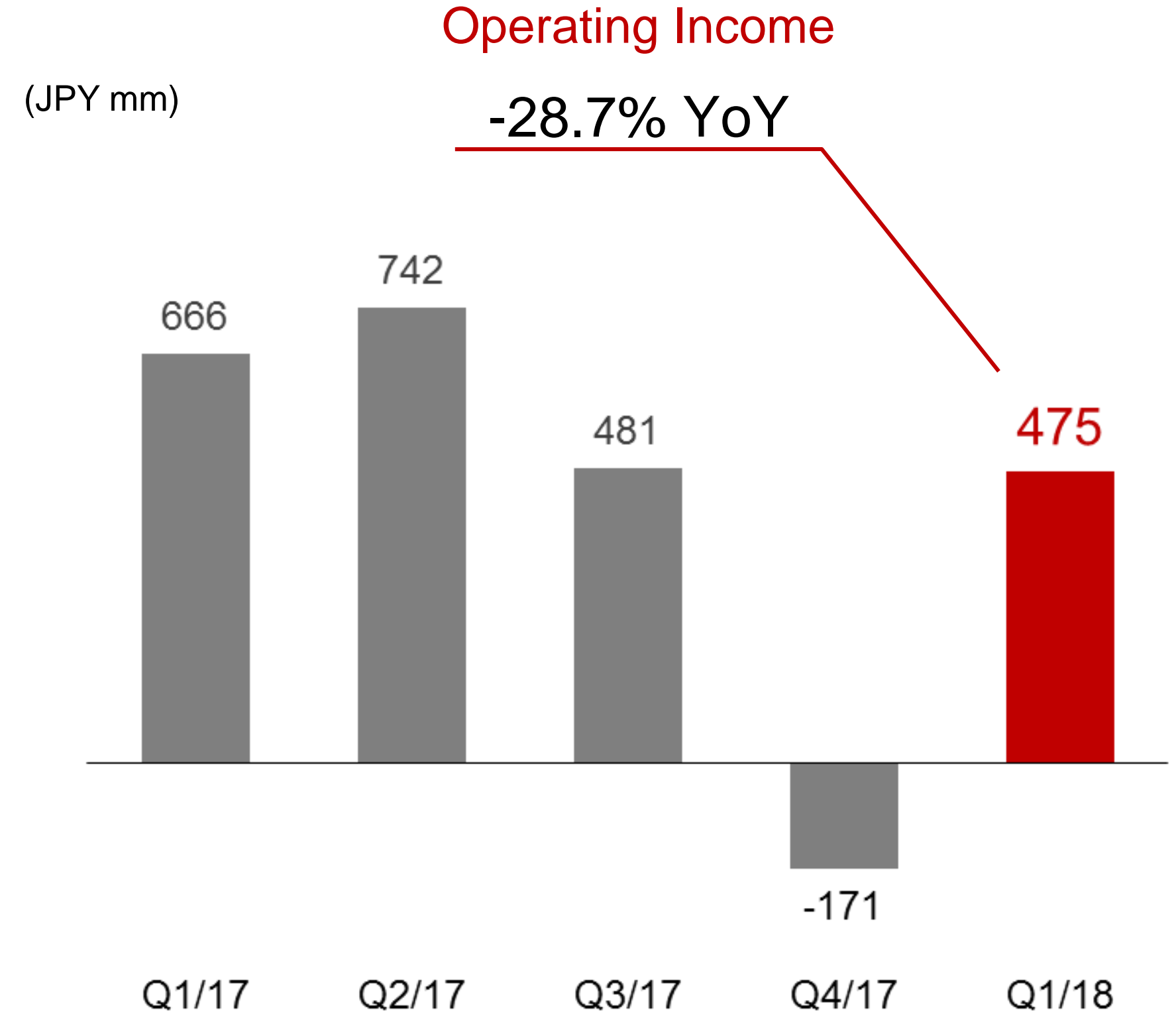
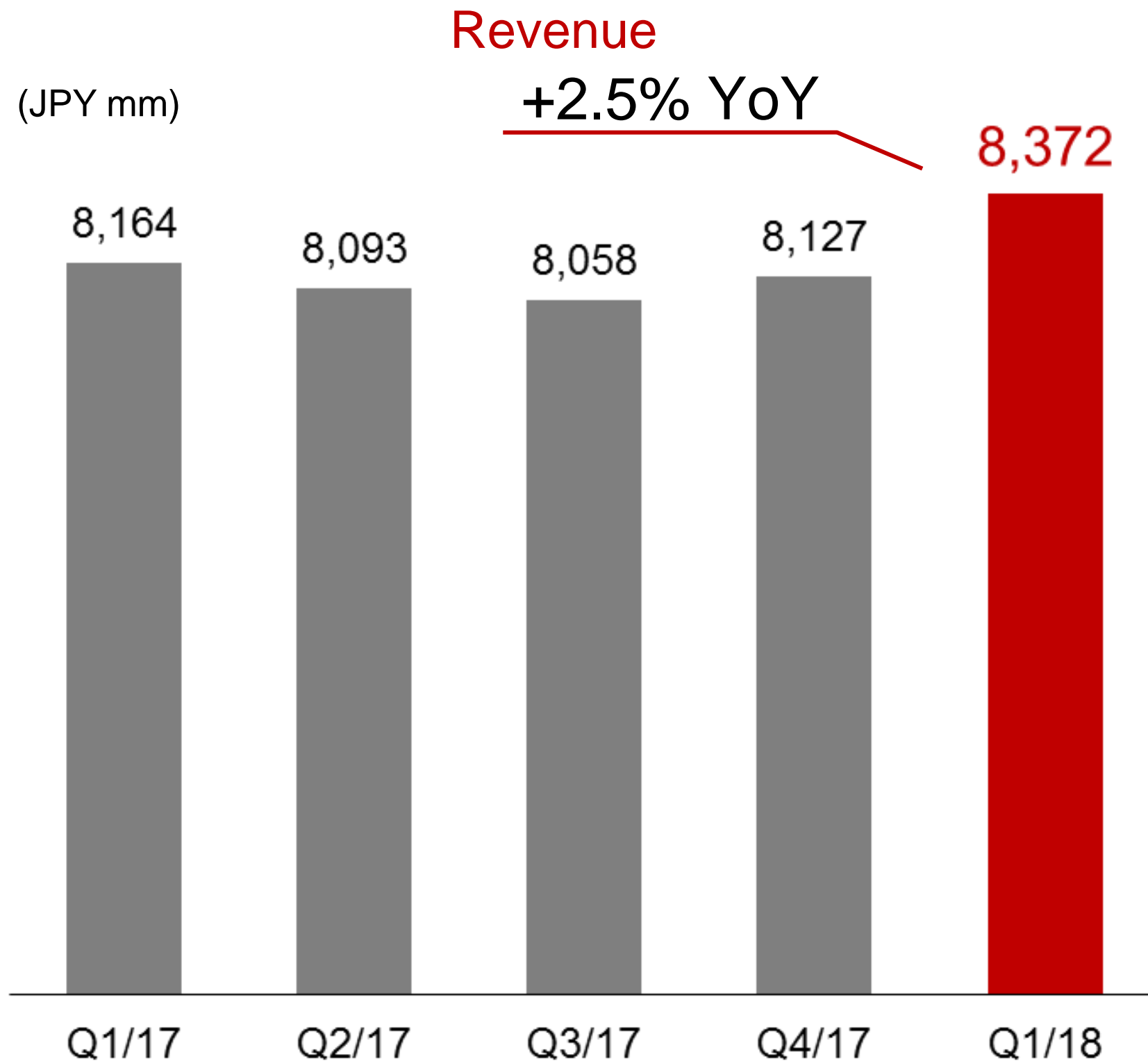
楽天証券のポイント投資は
少額から!
さらに
ポイントも貯まる!

Rakuten Securities point investments can start from small amounts, and points can be earned

 気軽に資産運用 自分のお金を使わず ポイントで投資ができる	 コツコツ増やせる 100ポイントから はじめられる <small>※一部銘柄を除く</small>	 残高10万円ごとに 毎月4ポイント  投資しながら ポイントも貯まる! <small>※楽天証券と楽天銀行の口座連携サービスマネーブリッジおよび楽天銀行のハッピープログラムの登録が必要です。</small>
Purchase of investment trusts with points	Easy to start from as little as 100 points	Earn 4 points per month per JPY 100,000 balance

Rakuten Life Insurance Results

- Operating Income down -28.7% YoY due to increasing marketing costs etc, however revenue grew thanks to new business ANP



Rakuten Life Insurance New Business ANP

- New Business ANP rose +17.8% YoY, driven by continuous and effective TV ads
- New Business ANP in direct marketing channels^{*1} increased +117.8% YoY

New Business
ANP Growth^{*2}
+17.8% YoY
Q1/18

Direct Marketing^{*1}
New Business
ANP Growth^{*3}
+117.8% YoY
Q1/18

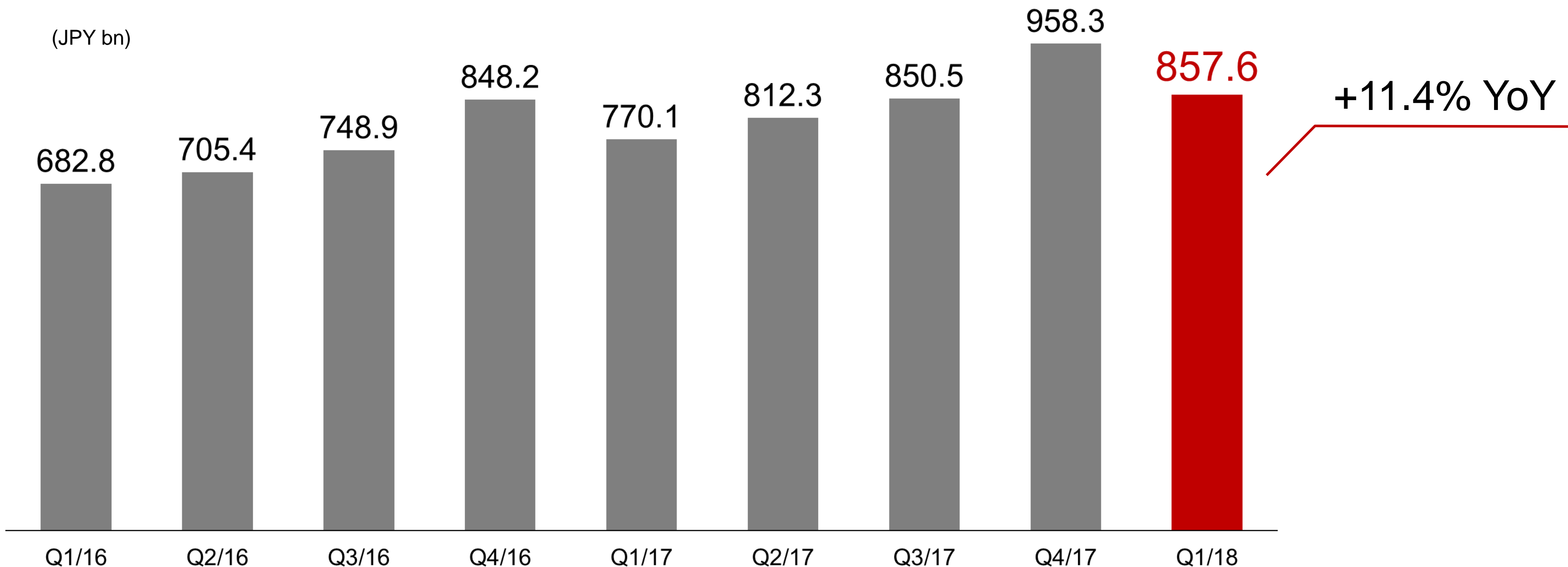
^{*1}: Internet & mail-order

^{*2}: Annualized insurance premiums for new policies in Q1/18, excluding one-year cancer insurance for eligible Rakuten members which started from Q4/14.

^{*3}: Annualized insurance premiums for new policies through direct marketing channels in Q1/18, excluding one-year cancer insurance for eligible Rakuten members which started from Q4/14.

3 Internet Services

Domestic E-Commerce GMS*

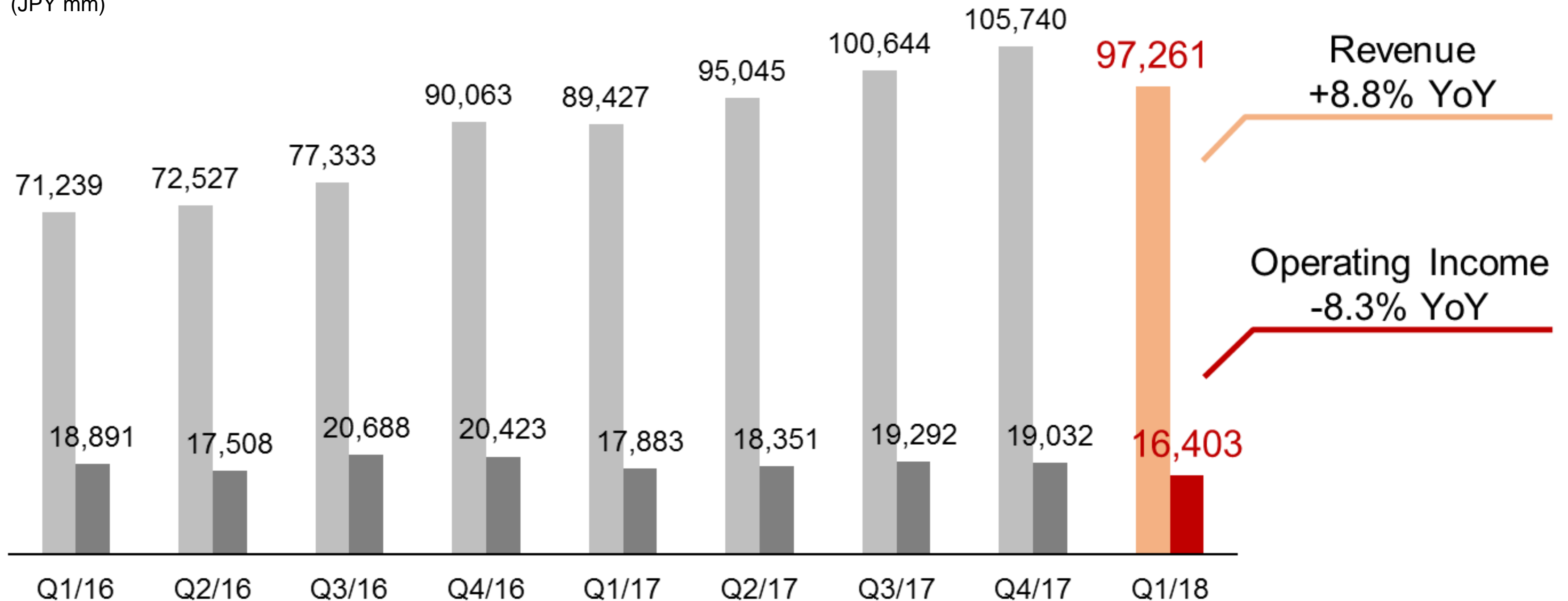


*1: Domestic E-Commerce GMS includes consumption tax. Consumption tax not included in GMS for businesses not required to pay consumption tax. GMS comprises Ichiba, Travel GTV on checkout basis, Books, Golf, Ticket, Brand Avenue, Dream businesses, Dining, Beauty, Mart, Delivery, Rakuten Direct, Car Life, Rakuten Pay, Coupon, Rakuma, Rakuten Delivery Premium, Rebates etc.

*2: Definition of GMS for first party businesses was revised mainly upon the merger between Soukai Drug and Kenko.com. This has resulted in retroactive adjustments to Domestic E-Commerce GMS

Domestic E-Commerce Results*

(JPY mm)



* Domestic E-Commerce = Ichiba, Travel, Books, Golf, Ticket, Stylife, Dream businesses, Dining, Beauty, Mart, Delivery, Kenko.com, Soukai Drug, Logistics Car Life, Rakuten Pay, Coupon, Rakuma, Rakuten Delivery Premium, etc.

Q1/18 Rakuten Ichiba Mobile GMS Ratio*

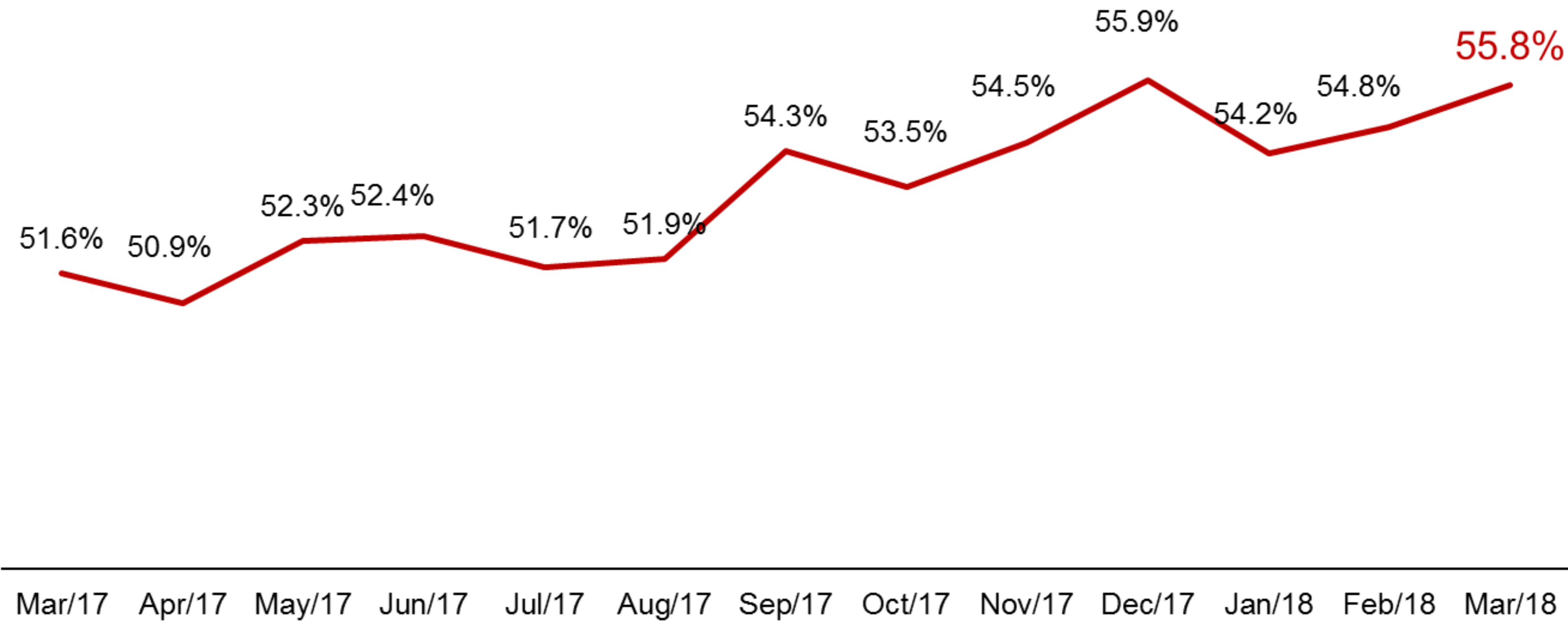
66.5%

Up 3.7 points YoY

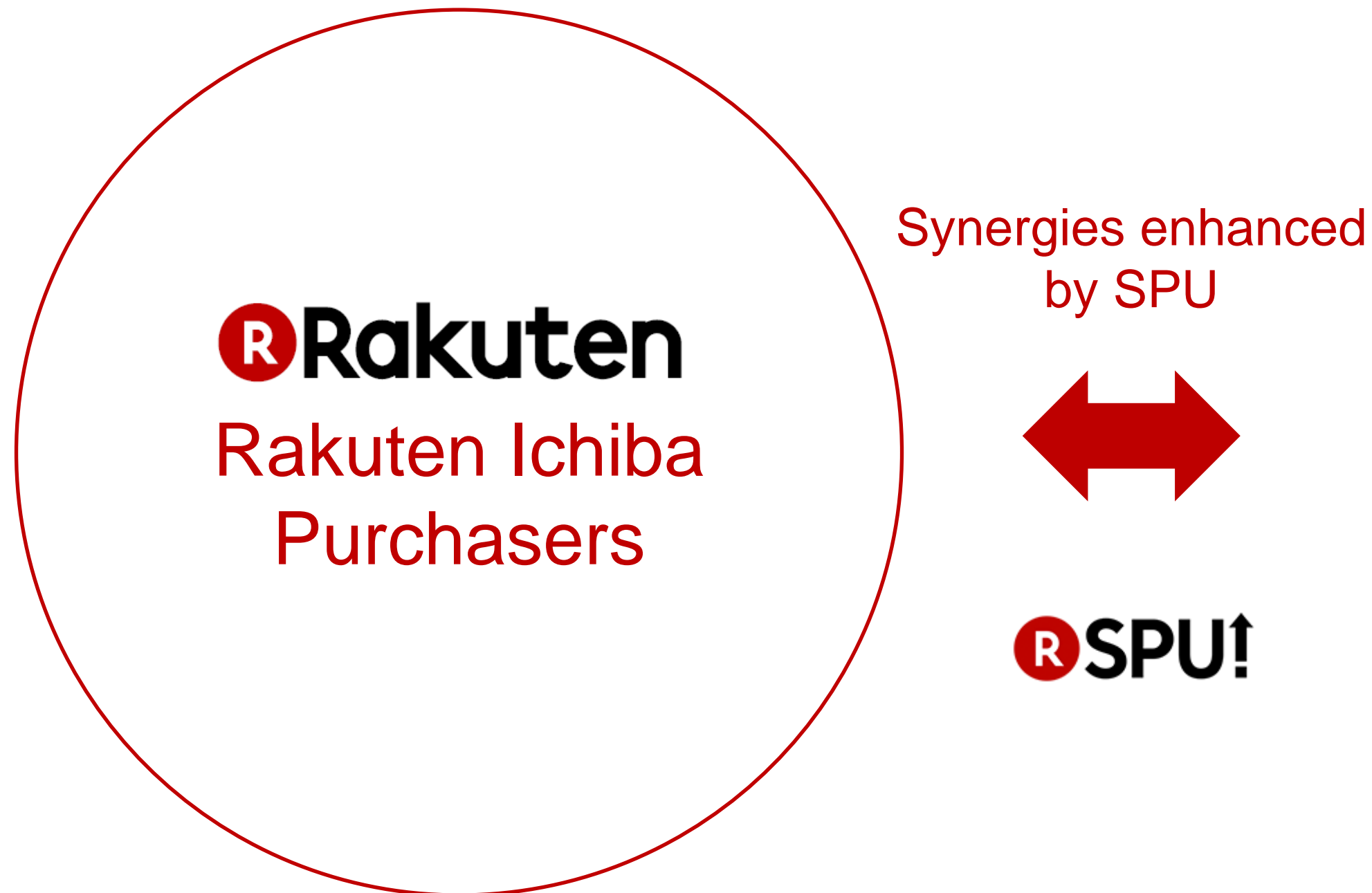
* Mobile GMS Ratio = Ichiba mobile GMS / Total Ichiba GMS (includes feature phones, smartphones, and tablets)

Rakuten Card Share of Rakuten Ichiba GMS

■ Rakuten Card share of Ichiba GMS is consistently growing



Ichiba as Traffic Source



Rakuten Card

Rakuten Mobile

Rakuten ブックス (Oct/2017)

Rakuten kobo (Apr/2018)

Rakuten BRAND AVENUE (Mar/2018)

Rakuten TV (Mar/2018)

Rakuten Travel (Apr/2018)

Rakuten BEAUTY (May/2018)

Rakuten Brand Avenue Strong Growth

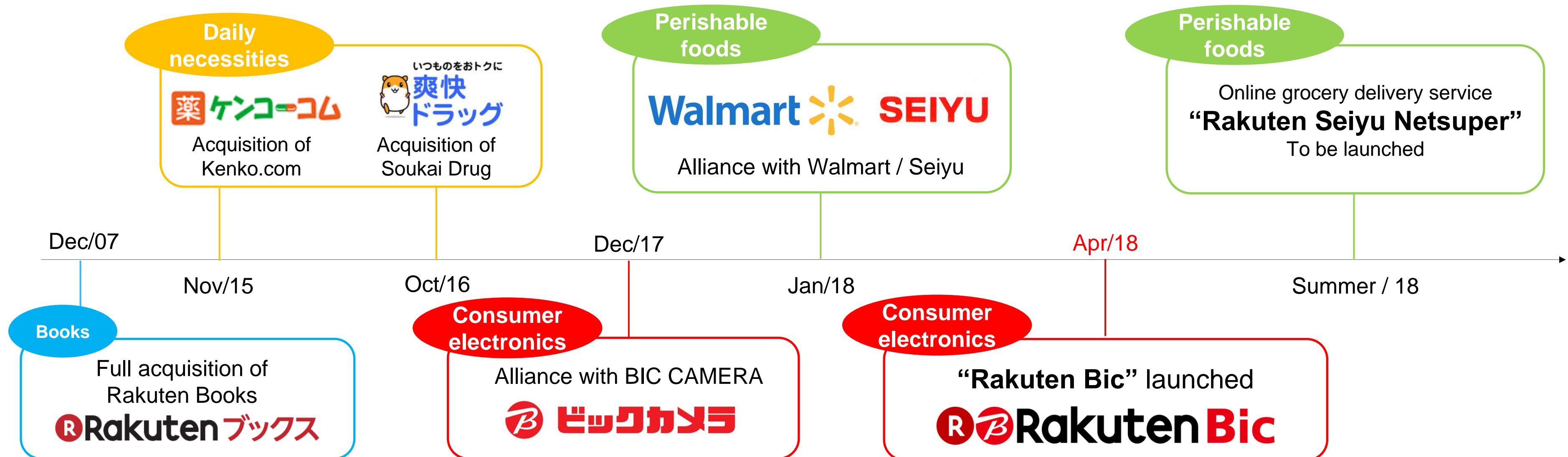
Rakuten BRAND AVENUE

Q1/18 GMS
+37% YoY



First Party Expansion

- Strategy developed based on price, speed of delivery and genre dynamics



Rakuten Bic: Partnership with Bic Camera

The Rakuten logo, featuring a red circle with a white 'R' followed by the word 'Rakuten' in a bold, black, sans-serif font.

Online

Accumulated E-Commerce knowledge and substantial customer base

The Bic Camera logo, featuring a red circle with a white stylized 'B' followed by the Japanese text 'ビックカメラ' in a bold, red, sans-serif font.

Offline

Product power and distribution network unique amongst electrical retailers

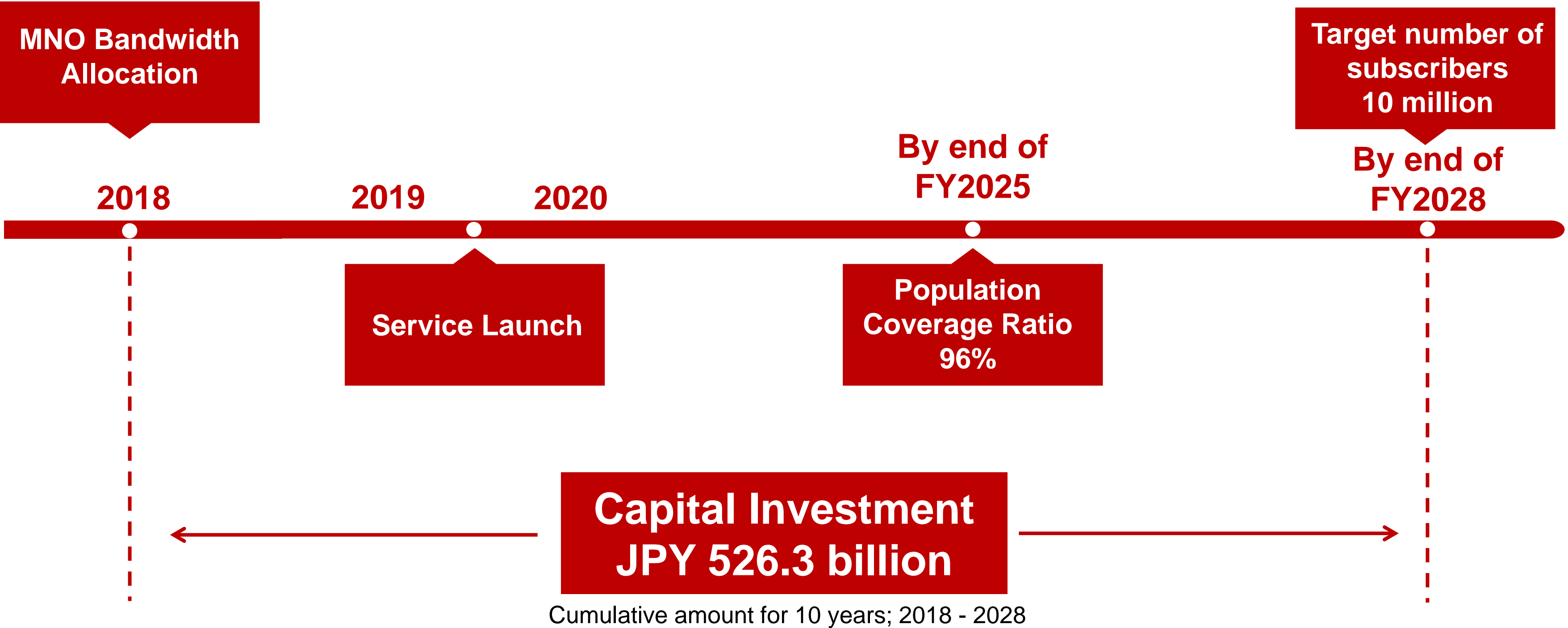
4 Media & Communications

Approval of Special Base Station Deployment Plan (1.7 GHz Frequency Band Allocation)

* April 9, 2018

Aiming for service launch in October 2019

MNO Business Plan (MIC* Application Basis)



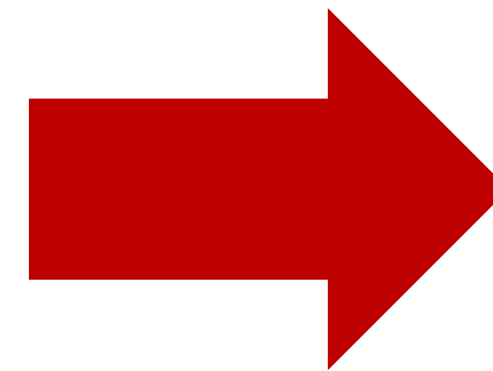
* Ministry of Internal Affairs and Communications

Measures to Build an Efficient Network: Sharing Infrastructure with Electric Power Companies

- Utilizing electric power companies' electric power facilities to establish base stations



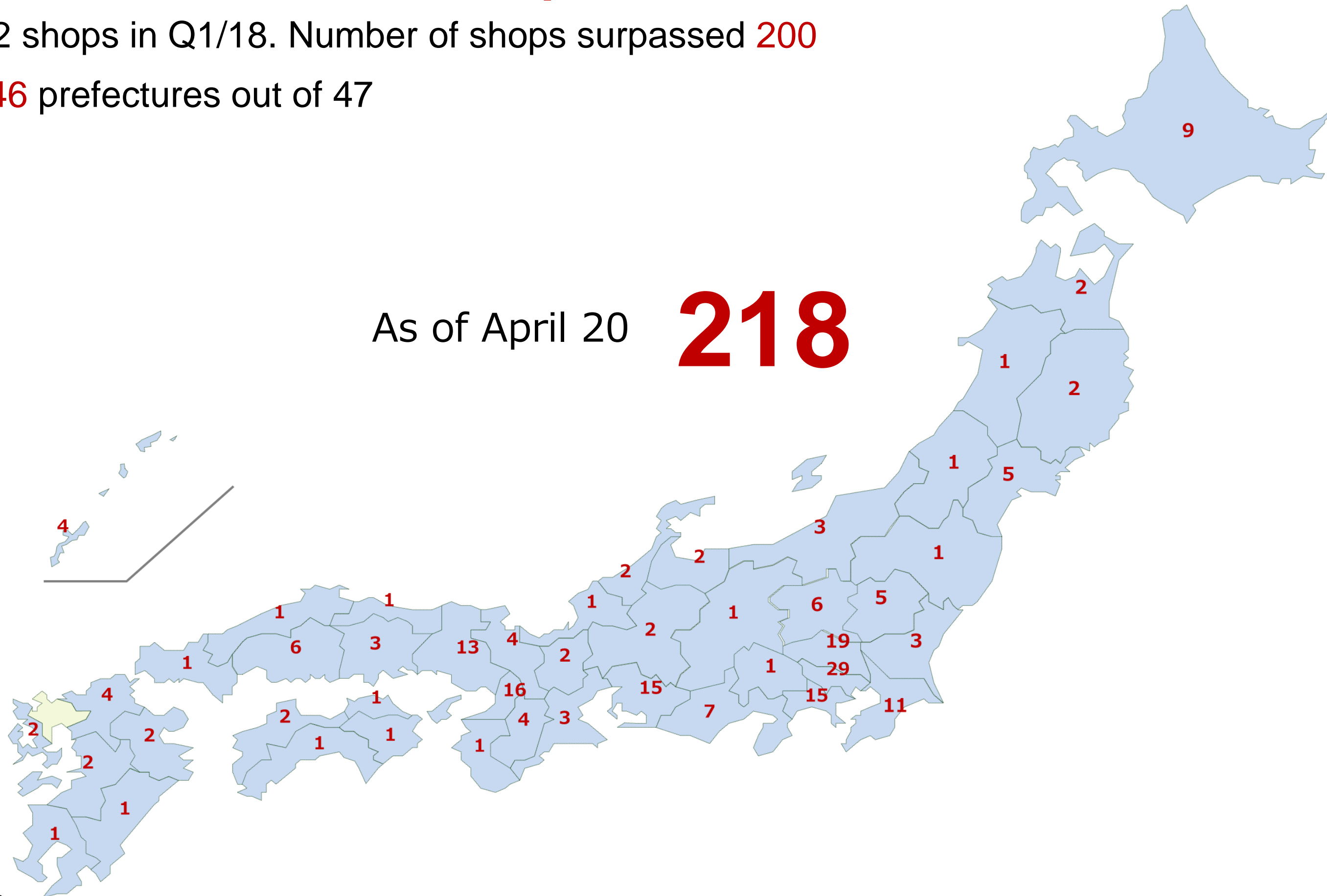
Utilizing facilities such as telecommunications towers, power distribution pillars, building rooftops, and power transmission towers owned by electric power companies



**Cost reduction
for installing
base stations**

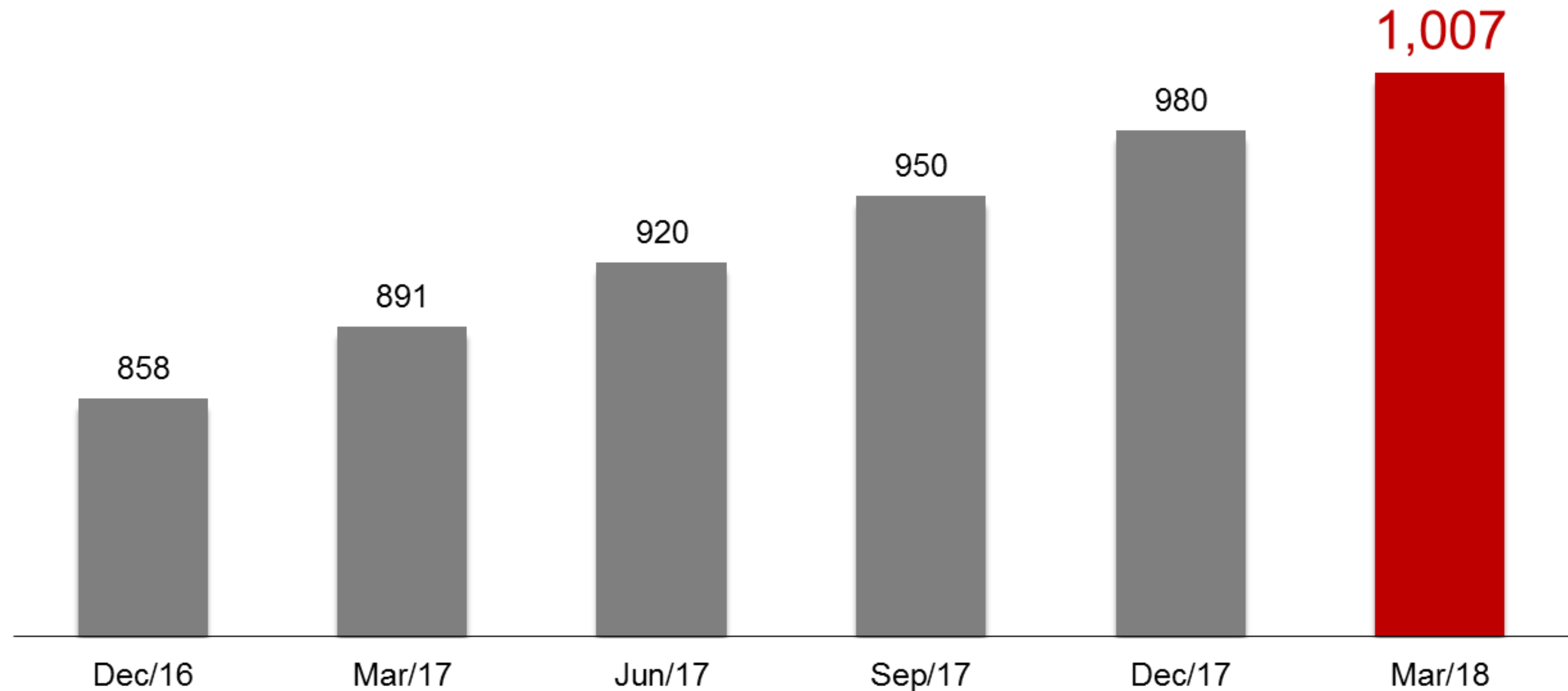
Rakuten Mobile: Number of Shops

- Opened 32 shops in Q1/18. Number of shops surpassed 200
- Covering 46 prefectures out of 47



Viber Unique IDs*

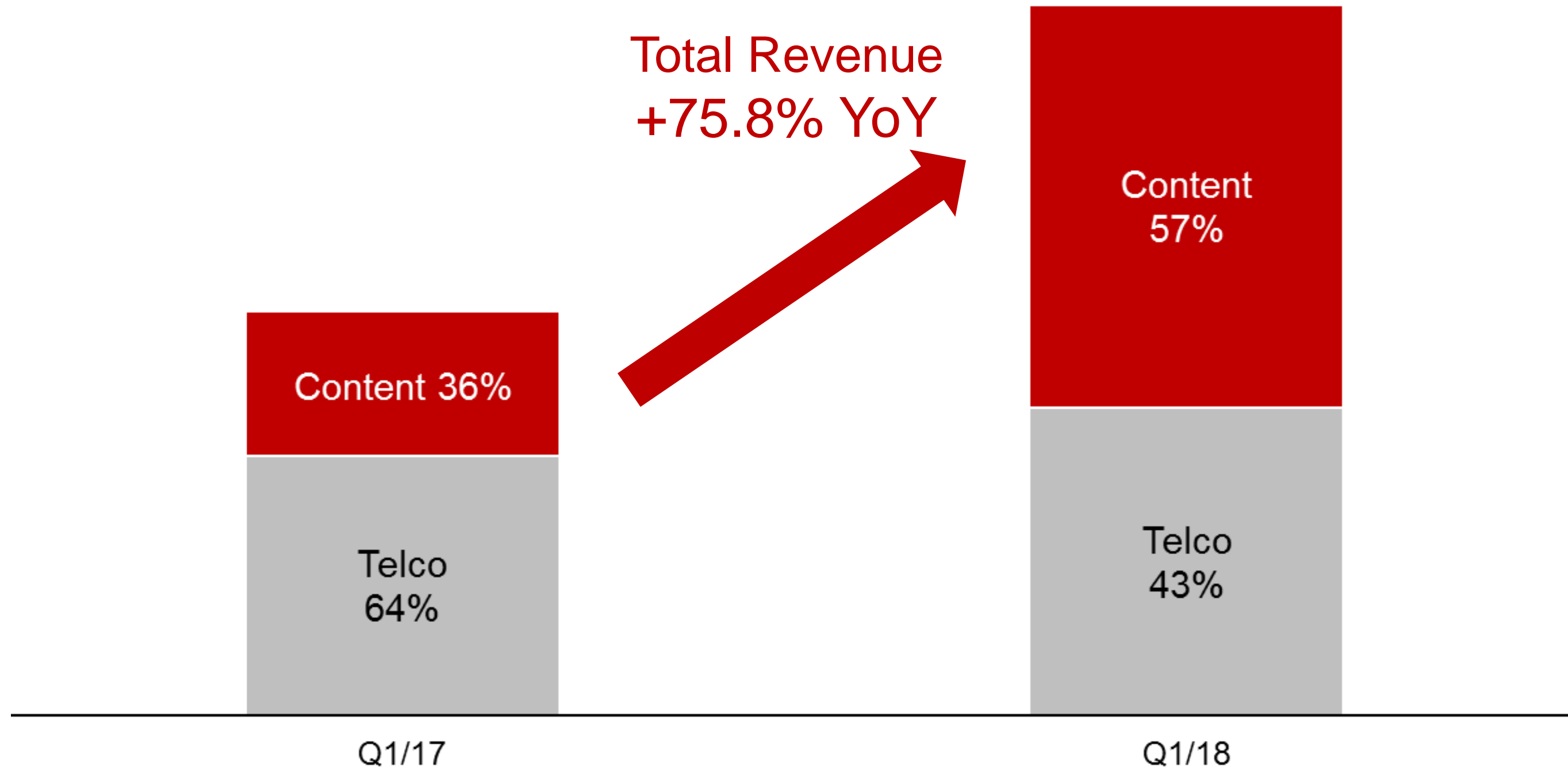
(Millions of IDs)



* Unique IDs: Unique phone numbers excluding deactivations

Viber Revenue*

- Monetization accelerating on strong growth in both Telco (Viber In/Out) and content revenue



* Telco: Viber Out, In. Content: Service messages, ads, stickers and others

5 Ad Business

Sales Activity to External Clients

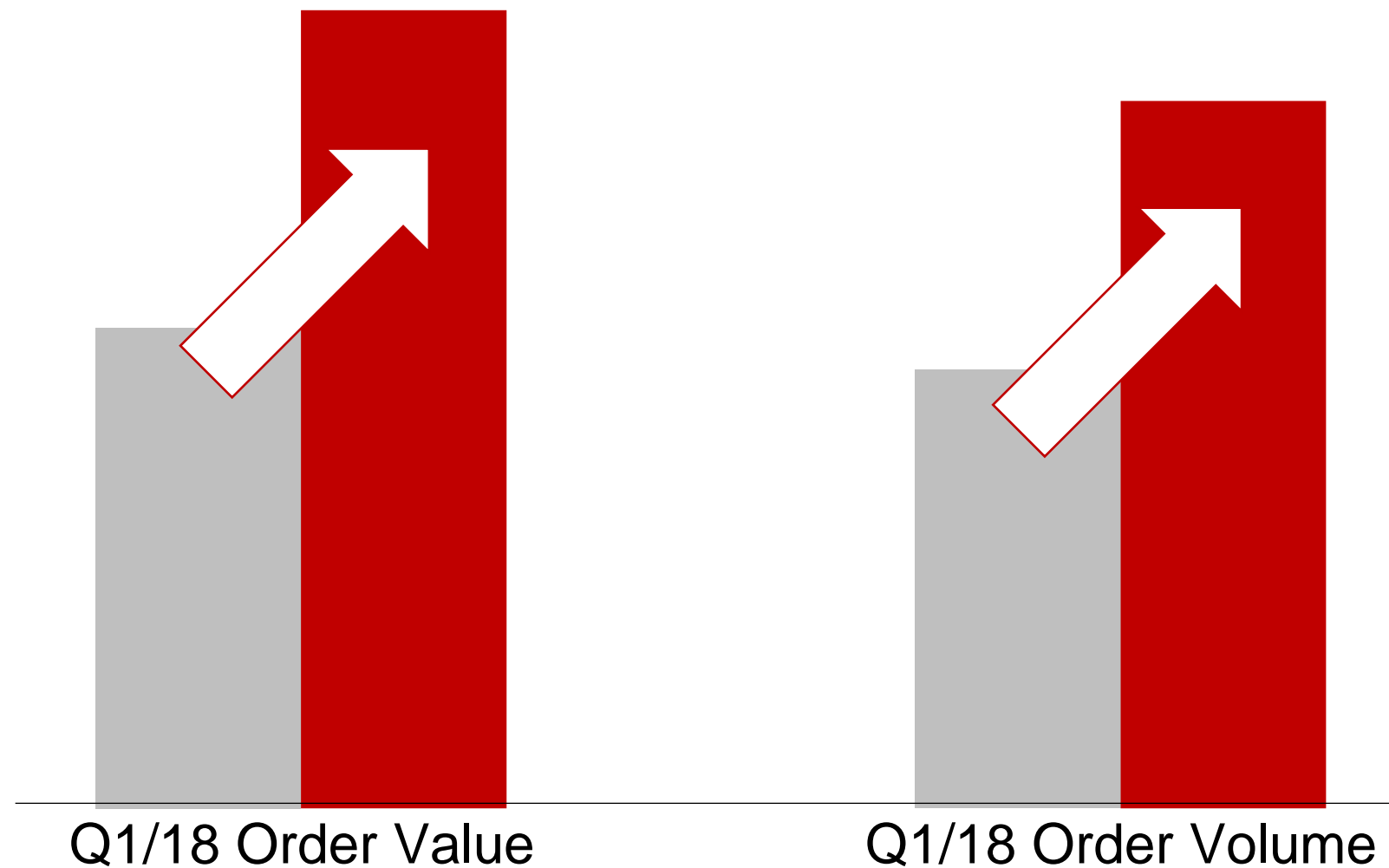
- Strong Order Value / Volume and Product Launch

Rakuten Data Marketing

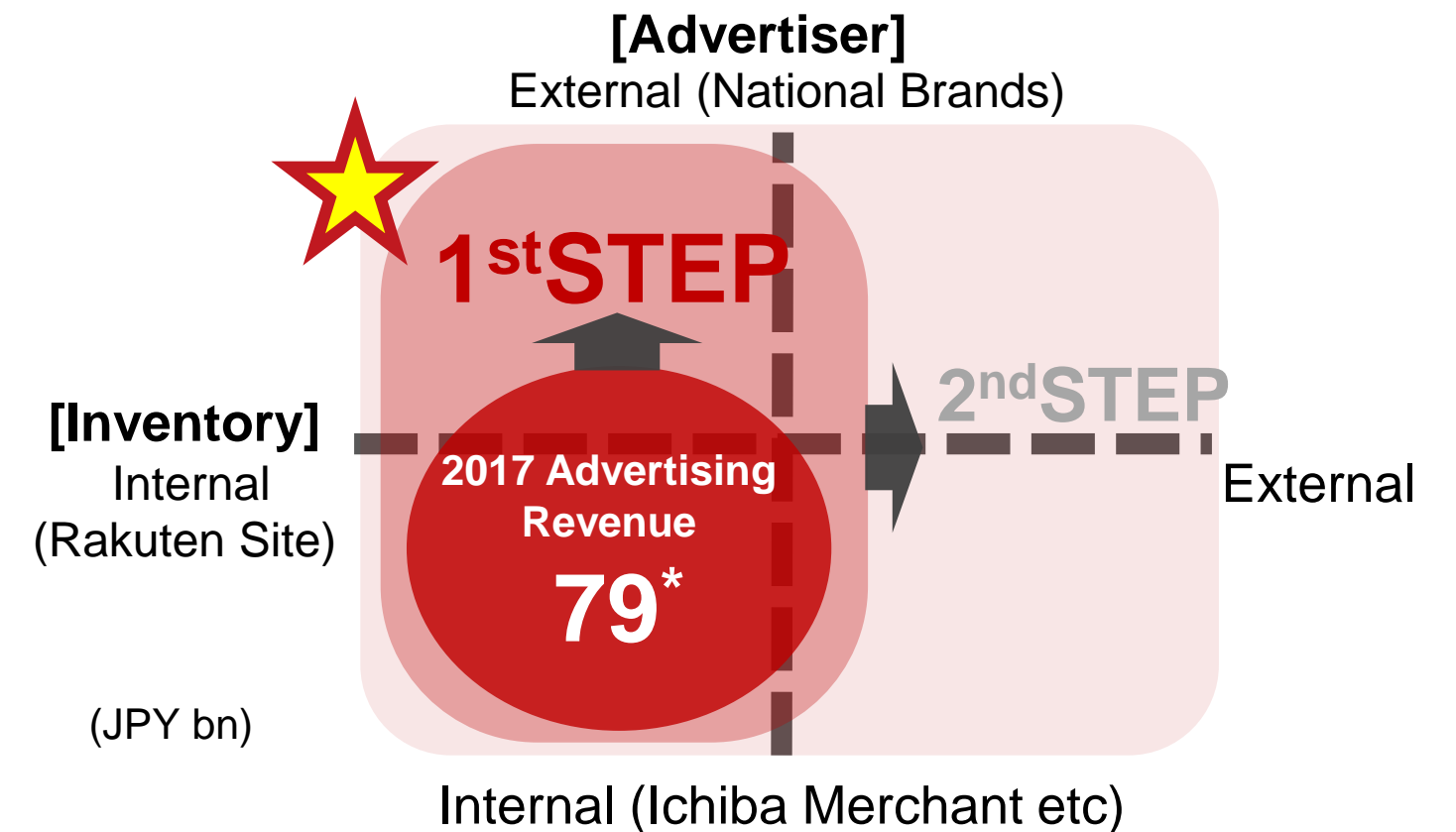
Joint Venture between Rakuten and Dentsu

+66.2%YoY

+61.4%YoY



* Revenue includes internal transactions



【Launch of Marketing Products】

✓**RMP - Brand Gateway**

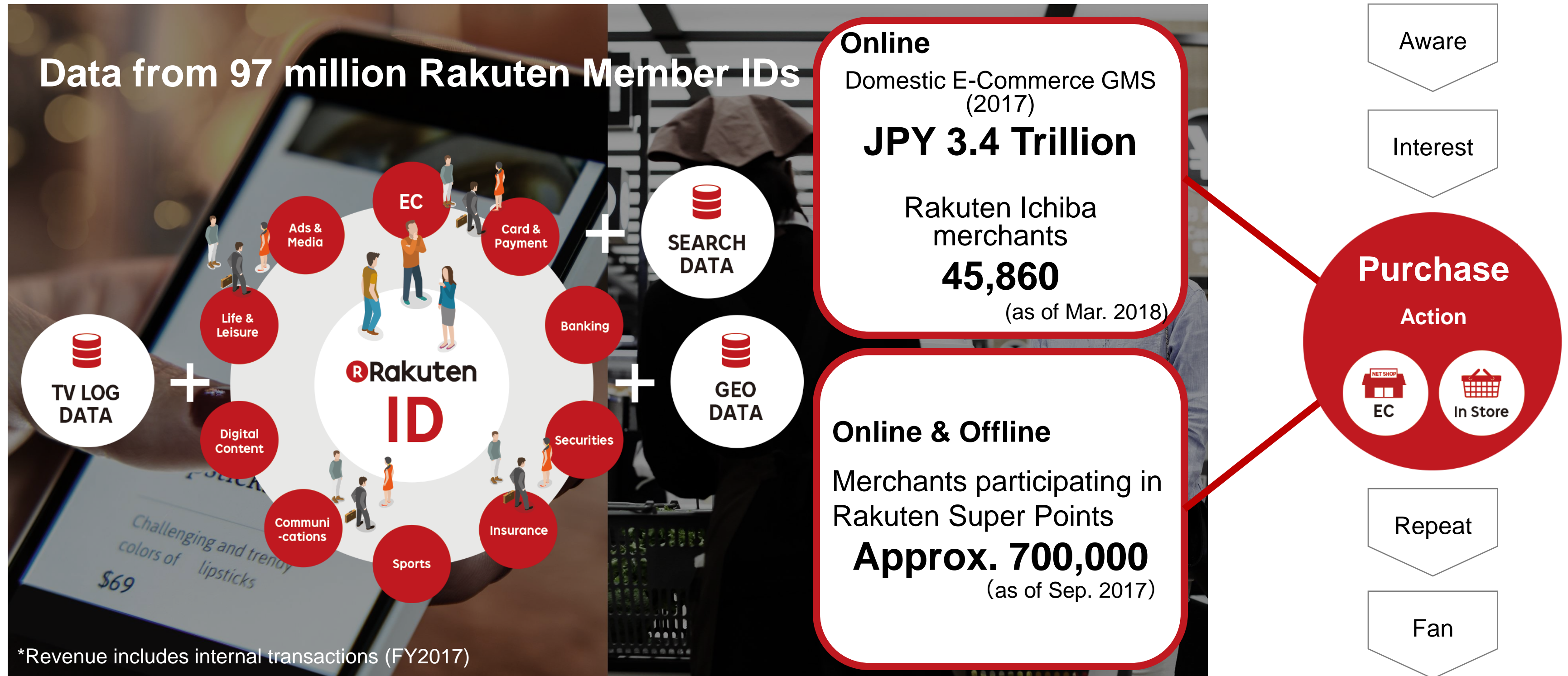
Solution for clients to setup a brand page within Rakuten Ichiba

✓**RMP - Go! Spot**

O2O Marketing solution utilizing Super Point Screen and Rakuten Check

Efforts towards reaching JPY 200bn* Advertising revenue (by 2021)

- “Rakuten Marketing Platform” = Marketing Platform driven by insights gained from member IDs and purchase data

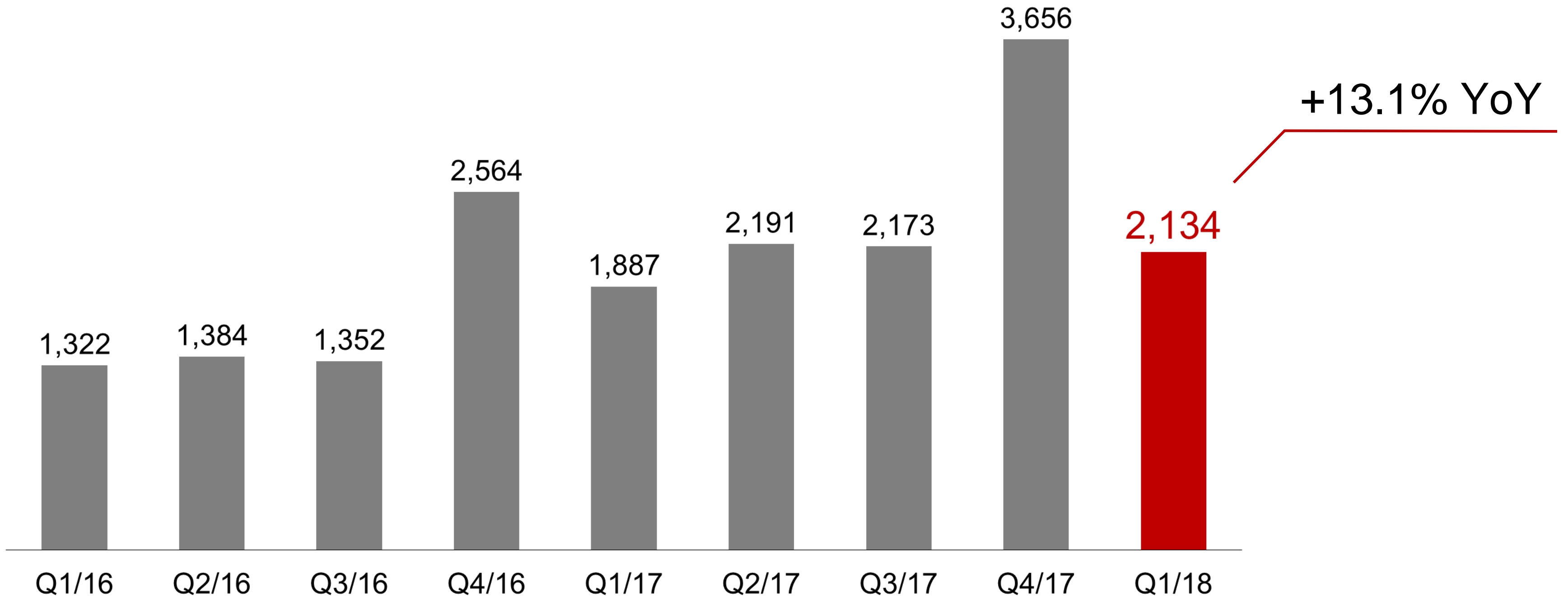




Other Information

Ebates GMS*

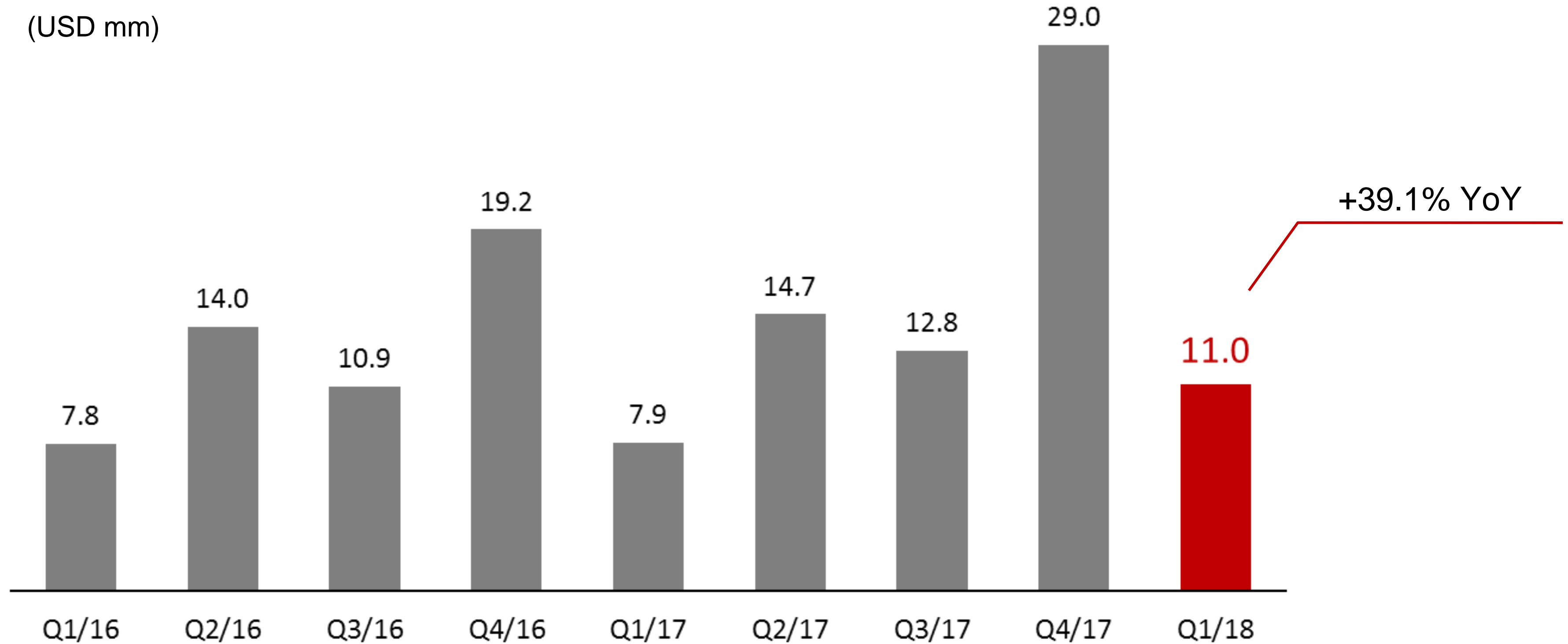
(USD mm)



* Includes GMS of Cartera acquired in Q1/17 and ShopStyle acquired in Q2/2017

Ebates Operating Income*

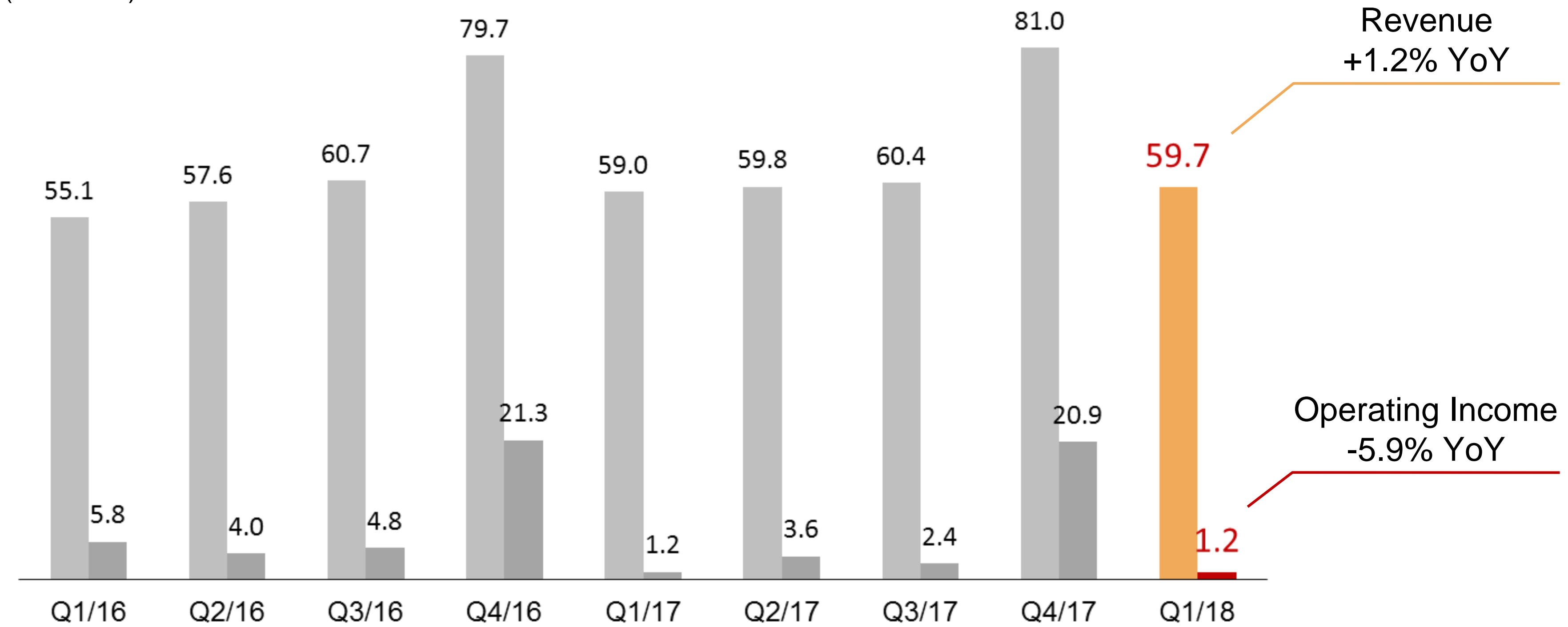
(USD mm)



* Includes Cartera, ShopStyle, and Rebates.

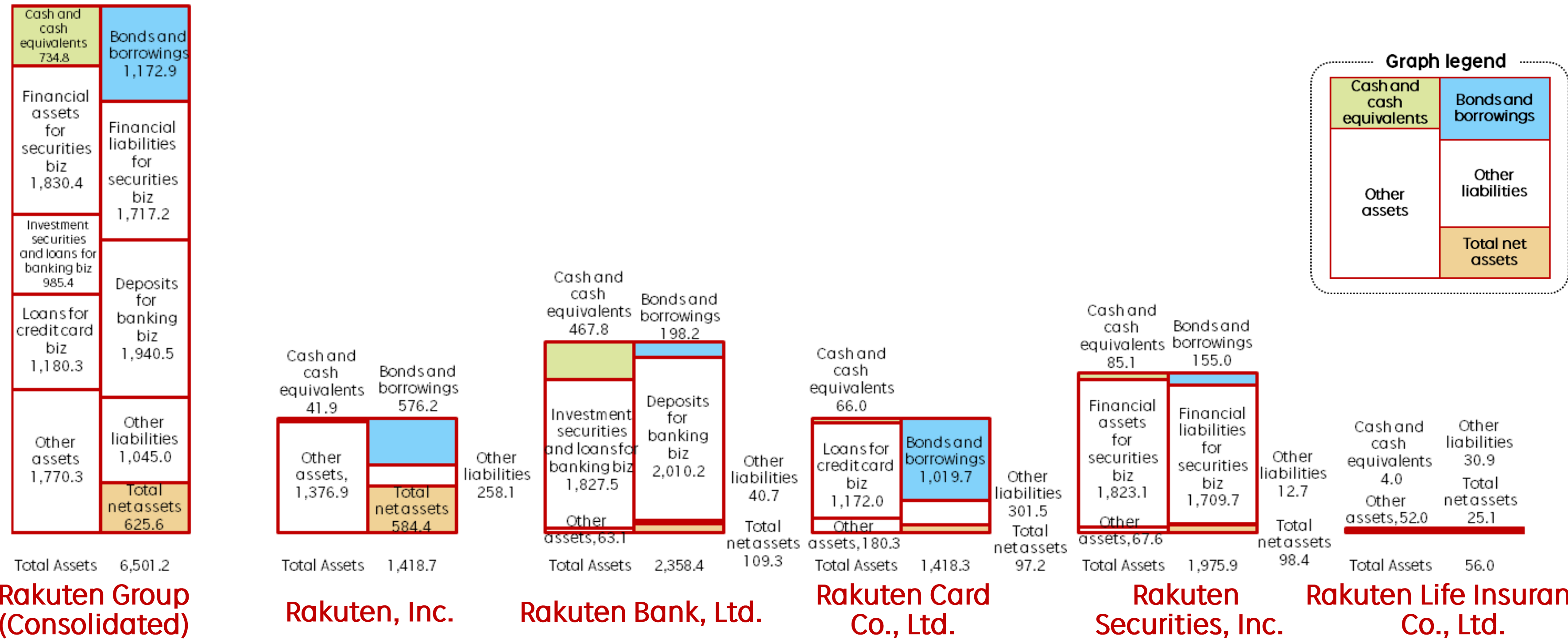
Rakuten Marketing Results

(USD mm)



Rakuten Group: Balance Sheets (As of Mar 31, 2018)

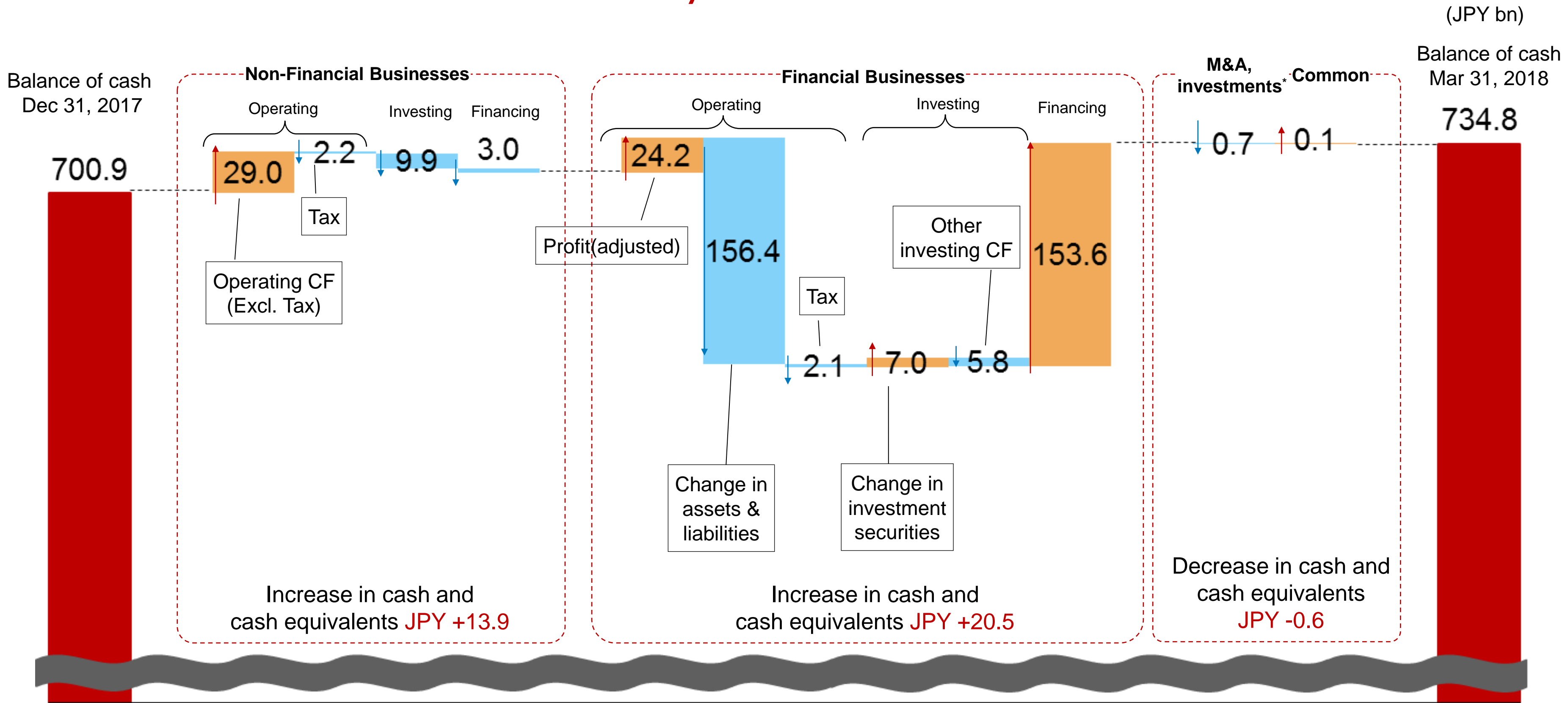
(JPY bn)



*1: Rakuten, Inc., Rakuten Bank, Ltd., Rakuten Card Co., Ltd., Rakuten Securities, Inc. and Rakuten Life Insurance Co., Ltd. are based on IFRS non-consolidated balance sheets.

*2: Bonds and borrowings = Corporate bonds + CP + Borrowings.

Cash Flow Breakdown: Jan-Mar, 2018



* "M&A and investments" includes "Increase and Decrease in restricted deposits", "Purchase of investment securities" "Acquisition of investments in associates and joint ventures" and "Proceeds from sales and redemption of investment securities" of Non-Financial activities in addition to "Acquisition of subsidiaries"

Rakuten Card: Allowance for Doubtful Accounts (Q1/18- including IFRS9 impact)

(JPY mm)

	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18	YoY
Expenses related to doubtful accounts	6,306	7,031	7,499	7,377	7,983	26.60%
Ratio of expenses related to doubtful accounts ^{*1}	1.82%	2.00%	2.08%	1.93%	1.99%	—
	Q1/17	Q2/17	Q3/17	Q4/17	Q1/18	YoY
Rakuten Card	1,015,374	1,050,360	1,077,372	1,222,083	1,217,549	19.91%
Stage 1 (Normal)	952,854	986,137	1,011,882	1,151,449	1,148,457	20.53%
Stage 2 (1-2 months delinquent)	7,723	7,640	8,255	10,613	11,541	49.44%
Stage 3 (3 months-and-over-delinquent/Restructured Loans)	54,798	56,583	57,235	60,022	57,551	5.02%
Rakuten Bank Super Loans	369,656	374,897	380,470	379,549	388,818	^{*2} 5.18%
Stage 1 (Normal/Credit guarantees ^{*3})	339,619	343,127	347,481	346,454	352,702	3.85%
Stage 2 (30 days-and-over-delinquent/Credit guarantees ^{*3})	201	195	179	128	161	-19.62%
Stage 3 (Foreclosed credit guarantees)	29,836	31,575	32,810	32,967	35,954	20.51%
Others	1,800	1,692	1,656	1,623	1,563	-13.18%
Total balance of loan receivables	1,386,830	1,426,950	1,459,498	1,603,255	1,607,929	15.94%
Allowance for doubtful accounts^{*4}	35,523	35,975	35,667	34,955	86,560	^{*5} 143.67%
Write-off for bad debt^{*6}	5,666	6,609	7,848	8,165	8,395	48.16%

*1: Ratio of expenses related to doubtful accounts

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

*2: As a result of reviewing accounting standards, Q1/18 balance increased by 4,063 million yen

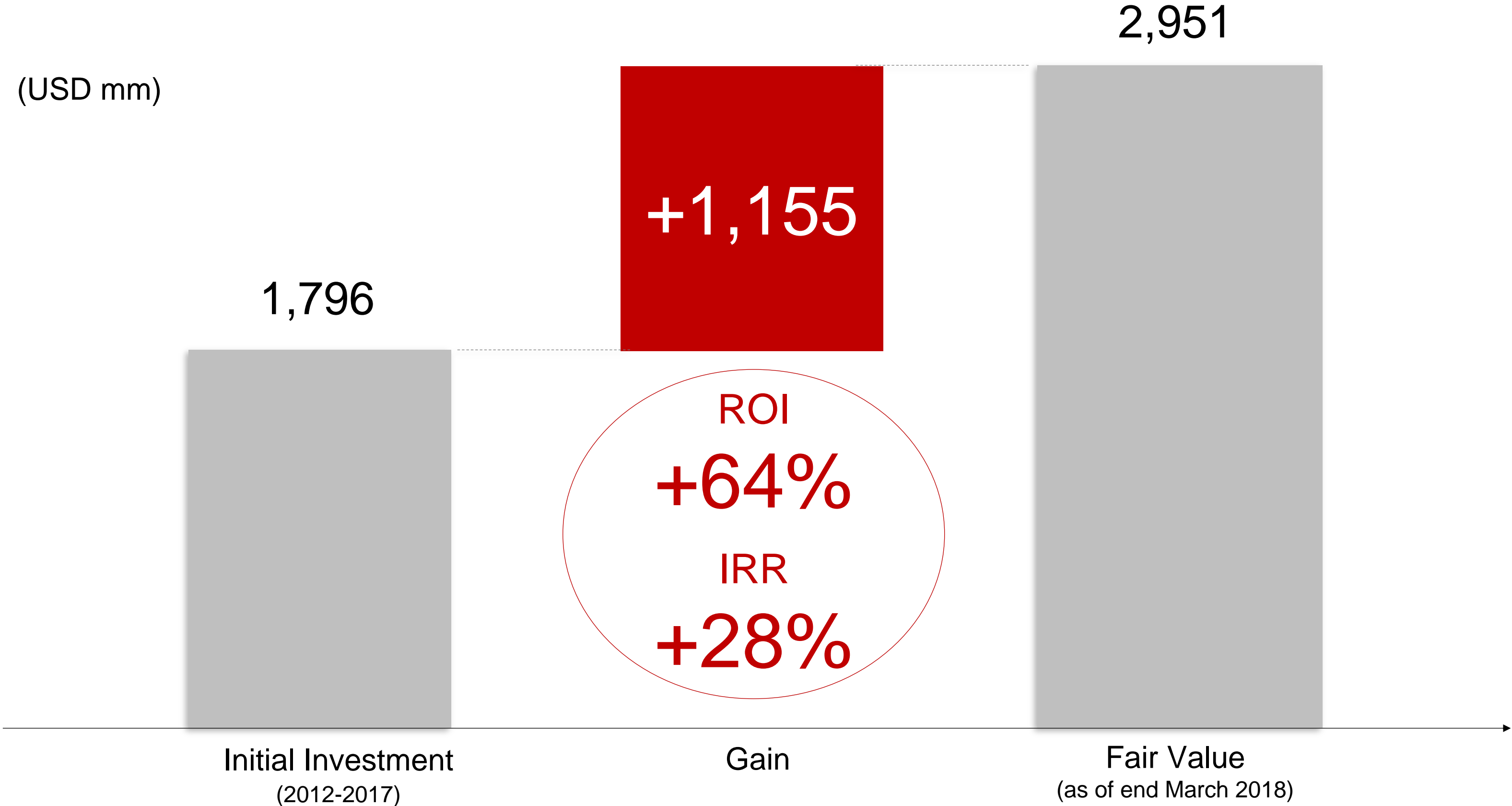
*3: Balance of Rakuten Bank Super Loans guaranteed by Rakuten Card

*4: Allowance for doubtful accounts as of January 1, 2018 is 86,971 million yen

*5: Including allowance for credit guarantees from Q1/18 *6: Write-off for bad debt includes loss on transfer of loan receivables

Rakuten Capital Historical Performance

(USD mm)



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 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. Names and logos of companies, products, and services and such that appear in this material are trademarks or registered marks of their respective companies.

