

The following information was originally prepared and published by the Company in Japanese as it contains timely disclosure materials to be submitted to the Tokyo Stock Exchange. This English summary translation is for your convenience only. To the extent there is any discrepancy between this English translation and the original Japanese version, please refer to the Japanese version. The following financial information was prepared based on International Financial Reporting Standards ("IFRS").

Consolidated Financial Reports (IFRS) for the three months ended March 31, 2025

Rakuten Group, Inc.
May 14, 2025

Company name	Rakuten Group, Inc.	Listed	Tokyo Stock Exchange
Code No	4755	URL	https://global.rakuten.com/corp/
Representative	(Title) Chairman and CEO		(Name) Hiroshi Mikitani
Contact person	(Title) Director and Group Executive Vice President and CFO		(Name) Kenji Hirose
Scheduled Start Date of Dividend Payment	—		(TEL) 050-5581-6910

Supplementary materials for financial results: Yes
Financial results information meeting held: Yes (For institutional investors and analysts)

1. Consolidated Results for the three months ended March 31, 2025 (January 1 - March 31, 2025)

(Yen amounts are rounded to the nearest million)

(1) Consolidated Operating Results

(%, YoY)

	Revenue		Operating income		Income before income tax		Net income	
	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%	Millions of Yen	%
Three months ended March 31, 2025	562,704	9.6	(15,444)	—	(45,839)	—	(61,883)	—
Three months ended March 31, 2024	513,624	8.0	(33,272)	—	(28,469)	—	(35,841)	—

	Net income attributable to owners of the Company		Comprehensive income		Basic earnings per share attributable to owners of the Company	Diluted earnings per share attributable to owners of the Company
	Millions of Yen	%	Millions of Yen	%	Yen	Yen
Three months ended March 31, 2025	(73,471)	—	(106,788)	—	(34.08)	(34.09)
Three months ended March 31, 2024	(42,394)	—	18,897	—	(19.78)	(19.78)

(Reference) Other important management indicators

	EBITDA *	
	Millions of Yen	%
Three months ended March 31, 2025	79,889	51.4
Three months ended March 31, 2024	52,766	—

* Calculated by adding depreciation and amortization expenses, etc. to Non-GAAP operating income. We believe that EBITDA is a useful indicator for evaluating the cash flow generation ability of the Rakuten Group's business activities. For more information on Non-GAAP operating income, please see page 4, "1. Qualitative Information Concerning Quarterly Financial Results (1) Qualitative Information Concerning Consolidated Operating Results".

(2) Consolidated Financial Position

	Total assets	Total equity	Total equity attributable to owners of the Company	Consolidated equity ratio *	Ratio of total equity attributable to owners of the Company to total assets
	Millions of Yen	Millions of Yen	Millions of Yen	%	%
As of March 31, 2025	25,077,197	1,136,181	818,153	4.5	3.3
As of December 31, 2024	26,514,728	1,238,514	927,868	4.7	3.5

* Calculated by dividing total equity by total assets. As the card business, banking business and securities business account for a large proportion of the Rakuten Group's total assets, we believe that using total capital that incorporates non-controlling interests in these businesses is useful in understanding the Rakuten Group's financial position.

2. Dividends

	Dividend per Share				
	1Q	2Q	3Q	4Q	Year
	Yen	Yen	Yen	Yen	Yen
FY2024	—	0.00	—	0.00	0.00
FY2025	—				
FY2025 (Forecast)		—	—	—	—

Note: Dividend per share for the fiscal year ending December 31, 2025 has not been decided yet, and there are no changes to the previously disclosed dividend forecast.

3. Estimate of Consolidated Operating Results for the fiscal year 2025 (January 1 to December 31, 2025)

For the estimate of consolidated operating results for the fiscal year 2025, we aim for double-digit growth in consolidated revenue compared to the fiscal year 2024, excluding the securities business whose results are heavily impacted by stock market conditions. (For details, please see page 11, "1. Qualitative Information Concerning Quarterly Financial Results (3) Qualitative Information Concerning Estimate of Consolidated Operating Results".)

Note: There are no changes to the previously disclosed consolidated forecasts for the year ending December 31, 2025.

Notes

(1) Significant Change in Scope of Consolidation for the Current Period: Yes

New: — (Company name) — Excluded: 1 (Company name) Rakuten Energy, Inc.

(2) Changes in Accounting Policies and Changes in Accounting Estimates

1. Changes in accounting policies required by IFRS: No
2. Changes in accounting policies due to other reasons: No
3. Changes in accounting estimates: No

(3) Number of Shares Issued (Common Stock)

1. Total number of shares issued at the end of the period (including treasury stocks)
2,157,487,400 shares (As of March 31, 2025)
2,154,483,600 shares (As of December 31, 2024)
2. Number of treasury stocks at the end of the period
4,498 shares (As of March 31, 2025)
4,096 shares (As of December 31, 2024)
3. Average number of shares for the period (cumulative from the beginning of the year)
2,155,896,409 shares (January 1 - March 31, 2025)
2,143,163,360 shares (January 1 - March 31, 2024)

Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

Explanation about the Appropriate Use of Earnings Forecasts, and Other Special Matters

Consolidated earnings forecasts for the year ending December 31, 2025 are based on information that is available at the time of writing and involve uncertainties. Therefore, due to various changing factors, the actual performance may differ from these projections.

1. Qualitative Information Concerning Quarterly Financial Results

(1) Qualitative Information Concerning Consolidated Operating Results

The Rakuten Group discloses consolidated operating results in terms of both its internal measures which management relies upon in making decisions (hereinafter the "Non-GAAP financial measures") and those under IFRS Accounting Standards.

Non-GAAP operating income is operating income under IFRS Accounting Standards (hereinafter "IFRS operating income") after deducting unusual items and other adjustments as prescribed by the Rakuten Group. Management believes that the disclosure of Non-GAAP financial measures facilitates comparison between the Rakuten Group and peer companies in the same industry or comparison of its business results with those of prior fiscal years by stakeholders, and can provide useful information in understanding the underlying business results of the Rakuten Group and its future outlook. Unusual items refer to one-off items that the Rakuten Group believes should be excluded for the purposes of preparing a future outlook based on certain rules. Other adjustment items are those that tend to differ depending on the standards applied, and are therefore less comparable between companies, such as share based compensation expenses and amortization of acquisition-related intangible assets.

Note: For disclosure of Non-GAAP financial measures, the Rakuten Group refers to the rules specified by the U.S. Securities and Exchange Commission but does not fully comply with such rules.

i) Operating Results for the three months ended March 31, 2025 (Non-GAAP basis)

For the three months ended March 31, 2025, the global economy showed signs of recovery, although some regions experienced stagnation. Additionally, uncertainties stemming from U.S. trade policies were observed, necessitating attention to downside risks from policy developments and heightened volatility in financial and capital markets. Regarding the Japanese economy, while improvements in employment and income conditions continued, and personal consumption showed signs of recovery, uncertainties related to U.S. trade policies were also noted.

According to the "White Paper on Information and Communications in Japan" (Note), technological policies in the information and communications sector are being promoted with a focus on initiatives for Beyond 5G, which is expected to serve as the foundation for all industries and social activities and to be utilized across borders. Furthermore, new technologies leveraging digital tools such as AI are anticipated to further transform our social and economic activities.

In this environment, the Rakuten Group has been actively advancing the development and deployment of services utilizing data from both online and offline sources, as well as advanced technologies such as AI, based on its membership and common point programs. Additionally, efforts to improve network quality and acquire users in mobile services have been pursued. By further evolving and expanding the Rakuten Ecosystem, the Rakuten Group aims to enhance its competitiveness while developing and providing unique solution services made possible by the Group's extensive data assets accumulated through its diverse services, including internet services, fintech, and mobile. As an "AI Empowerment Company", the Group strives to enrich people's lives by making them more convenient and fulfilling. Amid uncertainties regarding the economic outlook due to factors such as rising prices and exchange rate fluctuations, the Rakuten Group aims to maximize synergies from its diverse business portfolio, accurately capture consumer trends and needs, and seize further growth opportunities.

In the Internet Services segment, efforts were focused on acquiring new customers, fostering loyal users, promoting cross-usage centered on mobile users, developing services in collaboration with local governments and regional businesses, and enhancing logistics services to improve user convenience. These efforts, combined with cost optimization initiatives, resulted in increased revenue and profit. In the FinTech segment, the expansion of the customer base and transaction value across various services contributed to further revenue growth and an increase in segment profit. In the Mobile segment, continuous improvements in network quality, efforts to raise awareness, and various marketing activities centered on online channels led to an increase in the number of subscribers and an expansion in revenue. Additionally, maintaining cost levels at previous standards contributed to a continued reduction in segment losses.

As a result, the Rakuten Group recorded revenue of ¥562,704 million, up 9.6% year-on-year for the three months ended March 31, 2025, and a Non-GAAP operating loss of ¥305 million, compared to a Non-GAAP operating loss of ¥25,449 million in the three months ended March 31, 2024.

Note: Source: "2024 White Paper on Information and Communications in Japan" (Ministry of Internal Affairs and Communications).

(Non-GAAP)

(Millions of Yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025	Amount Change YoY	% Change YoY
Revenue	513,624	562,704	49,080	9.6%
Non-GAAP Operating Loss	(25,449)	(305)	25,144	—%

ii) Reconciliation of Non-GAAP Operating Income to IFRS Operating Income

For the three months ended March 31, 2025, amortization of intangible assets of ¥1,365 million and share based compensation expenses of ¥4,382 million were excluded from Non-GAAP operating income. One-off items listed for the three months ended March 31, 2024 include maintenance and repair costs for base stations related to the 2024 Noto Peninsula Earthquake of ¥1,154 million and a loss on disposal of intangible assets for a part of the life and general insurance integrated core system of ¥1,174 million, etc. One-off items listed for the three months ended March 31, 2025 include a mid-term cancellation fee of ¥2,459 million, which was incurred in the domestic sports business due to the termination of a consulting agreement that had a significant impact on team operations, and a provision for liabilities related to a lawsuit concerning payment claims for debts of a previously sold subsidiary, etc. Moreover, these expenses are mainly recorded in other expenses of the Condensed Quartely Consolidated Statement of Income.

(Millions of Yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025	Amount Change YoY
Non-GAAP Operating Loss	(25,449)	(305)	25,144
Amortization of Intangible Assets	(1,833)	(1,365)	468
Share Based Compensation Expenses	(3,764)	(4,382)	(618)
One-off Items	(2,226)	(9,392)	(7,166)
IFRS Operating Loss	(33,272)	(15,444)	17,828

iii) Operating Results for the three months ended March 31, 2025 (IFRS Accounting Standards basis)

For the three months ended March 31, 2025, the Rakuten Group recorded revenue of ¥562,704 million, up 9.6% year-on-year, and an IFRS operating loss of ¥15,444 million, compared with an IFRS operating loss of ¥33,272 million in the three months ended March 31, 2024, and a net loss attributable to owners of the Company of ¥73,471 million, compared with a net loss of ¥42,394 million in the three months ended March 31, 2024.

(IFRS)

(Millions of Yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025	Amount Change YoY	% Change YoY
Revenue	513,624	562,704	49,080	9.6%
IFRS Operating Loss	(33,272)	(15,444)	17,828	—%
Net Loss Attributable to Owners of the Company	(42,394)	(73,471)	(31,077)	—%

iv) Segment Information

Business results for each segment are as follows. In terms of the IFRS Accounting Standards management approach, segment profit or loss is presented on a Non-GAAP operating income basis.

1) Mobile segment-related investments

In anticipation of an increase in investments related to the Mobile segment, an organization to oversee said investments was established during the three months ended September 30, 2024. This results in a change to the management of Mobile segment-related investments, but does not impact the three months ended March 31, 2024.

2) Mobile Ecosystem Contribution

Considering the expanding mutual contribution effects between segments within the Rakuten Ecosystem, mutual contribution effects and mutual customer referral effects (hereinafter "Mobile Ecosystem Contribution") have been reflected in the segment profit and loss to allow for a more precise performance evaluation from the three months ended September 30, 2024.

The Mobile Ecosystem Contribution is calculated based on the contribution effect derived from the tendency of Rakuten Mobile MNO subscribers to use various services of the Rakuten Group more than non-subscribers, minus the customer referral effect received from each segment. This calculation has been reflected in the segment information for the three months ended March 31, 2025.

Accordingly, segment profit and loss have been restated for the same period of the previous year, as shown in the table below.

There is no impact on consolidated revenue, Non-GAAP operating loss, or operating loss.

Mobile Ecosystem Contribution = i) Gross profit uplift effect of Rakuten Mobile MNO subscribers - ii) Customer referral effect from group companies to the mobile business

Calculation Method of Uplift Effect and Customer Referral Effect between Segments

i) Gross profit uplift effect of Rakuten Mobile MNO subscribers

Depending on the characteristics of each business of the Rakuten Group, the monthly amount is calculated using one of the following methods.

(a) The difference in the monthly average revenue per user over the past year between Rakuten Mobile MNO individual subscribers and non-subscribers in each business of the Rakuten Group $\times$ The gross profit margin of each business for each month $\times$ The number of Rakuten Mobile MNO individual subscribers at the end of each month

(b) The difference in annual usage rates in each business of the Rakuten Group between Rakuten Mobile MNO individual subscribers and non-subscribers $\times$ Monthly average revenue per user over the past year for each business $\times$ The gross profit margin of each business for each month $\times$ The number of Rakuten Mobile MNO individual subscribers at the end of each month

ii) Referral effect from group companies to the mobile business

Number of Rakuten Mobile MNO individual subscribers each month who signed up through group company sites $\times$ Referral cost

* Target businesses for uplift effect calculation

The calculation targets 18 businesses: Rakuten Ichiba, Rakuten Books, Rakuten24, Rakuten Bic, Rakuten Kobo, Rakuten Fashion, Rakuten Travel, Rakuten Mart, Rakuten Beauty, Rakuten Pay app payments, Rakuten Pay online payments, Rakuten Edy, Rakuten Point Card, Rakuten Card, Rakuten Bank, Rakuten Securities, Rakuten Life Insurance, and Rakuten General Insurance.

Internet Services

In domestic e-commerce, which is a core service, despite the impact of the previous year being a leap year and reduced leisure demand due to unfavorable weather, gross merchandise sales (hereinafter "GMS") for the three months ended March 31, 2025, increased compared to the same period of the previous year, resulting in both revenue and profit growth. In the internet shopping mall "Rakuten Ichiba", various initiatives aimed at improving customer convenience and satisfaction led to growth in GMS and revenue, and, coupled with improved marketing efficiency, resulted in increased profits. Additionally, in the logistics business, the expansion of stores adopting the "Rakuten SAIKYO Next-Day Delivery" service launched in 2024, along with the increase in GMS on "Rakuten Ichiba", contributed to higher delivery volumes and increased delivery unit prices, leading to revenue growth and a reduction in losses.

In the international business unit, which operates overseas internet services, the e-book service "Rakuten Kobo" continued to perform well, driven by strong sales of color-compatible devices launched in 2024. Additionally, the messaging service "Rakuten Viber" saw an increase in users, and other businesses continued to grow steadily, contributing to an expansion in segment profit.

As a result, revenue for the Internet Services segment rose to ¥305,478 million, a 6.9% year-on-year increase, while segment profit stood at ¥13,179 million, a 25.8% year-on-year increase.

(Millions of Yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025	Amount Change YoY	% Change YoY
Segment Revenue	285,703	305,478	19,775	6.9%
Segment Profit (Loss)				
Before Considering	13,600	16,877	3,277	24.1%
Mobile Ecosystem Contribution	(3,122)	(3,698)	(576)	—%
After Considering	10,478	13,179	2,701	25.8%

FinTech

In FinTech, revenue increased across credit card-related services, banking services, and securities services etc. In credit card-related services, the customer base for "Rakuten Card" continued to expand, along with growth in shopping transaction value. In banking services, the increase in managed assets due to an expanding customer base, as well as improved investment yields driven by the Bank of Japan's policy rate hikes, led to a significant expansion in asset management revenue. In securities services, revenue growth continued due to the ongoing expansion of the customer base and diversification of revenue sources. In payment services, the increase in users of "Rakuten Pay" drove growth in transaction value, and efficient marketing initiatives contributed to significant revenue and profit growth.

As a result, the FinTech segment recorded ¥223,579 million in revenue, a 15.6% year-on-year increase, while segment profit stood at ¥43,888 million, a 21.7% year-on-year increase.

(Millions of Yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025	Amount Change YoY	% Change YoY
Segment Revenue	193,458	223,579	30,121	15.6%
Segment Profit (Loss)				
Before Considering	39,278	48,239	8,961	22.8%
Mobile Ecosystem Contribution	(3,225)	(4,351)	(1,126)	—%
After Considering	36,053	43,888	7,835	21.7%

Mobile

In Mobile, revenues centered around "Rakuten Mobile" increased and losses were significantly reduced. "Rakuten Mobile" focused on improving network quality and raising awareness, while also implementing marketing initiatives leveraging various services within the Rakuten Ecosystem, such as "Rakuten Ichiba" and "Rakuten Card". As a result, the total number of subscribers as of March 2025 (the sum of MNO, including corporate BCP plans, MVNE, and MVNO) reached approximately 8.63 million lines. ARPU (Average Revenue Per User) also increased compared to the same period of the previous year, driven by higher data usage, increased adoption of optional services, and growth in advertising revenue from Rakuten Link. This year, the company plans to make further capital investments to improve network quality and strengthen offline acquisition efforts, aiming to increase subscribers and further enhance customer satisfaction.

As a result, the Mobile segment recorded ¥110,705 million in revenue, a 10.9% year-on-year increase, while segment losses stood at ¥51,276 million compared to a loss of ¥65,581 million in the three months ended March 31, 2024.

(Millions of Yen)

	Three months ended March 31, 2024	Three months ended March 31, 2025	Amount Change YoY	% Change YoY
Segment Revenue	99,840	110,705	10,865	10.9%
Segment Profit (Loss)				
Before Considering	(71,928)	(59,325)	12,603	—%
Mobile Ecosystem Contribution	6,347	8,049	1,702	26.8%
After Considering	(65,581)	(51,276)	14,305	—%

(2) Qualitative Information Concerning Financial Position

i) Assets, Liabilities, and Equity

Assets

Total assets as of March 31, 2025 amounted to ¥25,077,197 million, a decrease of ¥1,437,531 million from ¥26,514,728 million at the end of the previous fiscal year. The primary factors were an increase of ¥317,592 million in loans for banking business, offset by a decrease of ¥1,252,419 million in cash and cash equivalents, and a decrease of ¥261,693 million in loans for credit card business.

Liabilities

Total liabilities as of March 31, 2025 amounted to ¥23,941,016 million, a decrease of ¥1,335,198 million from ¥25,276,214 million at the end of the previous fiscal year. The primary factors were a decrease of ¥539,216 million in financial liabilities for securities business, a decrease of ¥349,913 million in bonds and borrowings, and a decrease of ¥305,469 million in deposits for banking business.

Equity

Total equity as of March 31, 2025 was ¥1,136,181 million, a decrease of ¥102,333 million from ¥1,238,514 million at the end of the previous fiscal year. The primary factors were an increase of ¥7,382 million in non-controlling interests, offset by a decrease of ¥75,819 million in retained earnings due mainly to the recording of ¥73,471 million in net loss attributable to owners of the Company for the three months ended March 31, 2025, and a decrease of ¥38,367 million in other components of equity due to changes in foreign currency translation adjustments affected by yen appreciation.

ii) Cash Flows

Cash and cash equivalents as of March 31, 2025 stood at ¥4,918,469 million, a decrease of ¥1,252,419 million from the end of the previous fiscal year. Cash flow conditions and their main factors for the three months ended March 31, 2025 are as follows.

Cash Flows from Operating Activities

Cash flows from operating activities for the three months ended March 31, 2025 resulted in a cash outflow of ¥737,720 million (compared with a cash inflow of ¥148,871 million for the same period of the previous fiscal year). Main factors included a cash inflow of ¥261,142 million due to a decrease in loans for credit card business, offset by a cash outflow of ¥539,030 million due to a decrease of financial liabilities for securities business, and a cash outflow of ¥322,407 million due to an increase in loans for banking business.

Cash Flows from Investing Activities

Cash flows from investing activities for the three months ended March 31, 2025 resulted in a cash outflow of ¥283,210 million (compared with a cash outflow of ¥185,974 million for the same period of the previous fiscal year). Main factors included a net cash outflow of ¥239,559 million due to purchases and sales, etc. of investment securities for banking business (a cash outflow of ¥535,540 million due to purchases and a cash inflow of ¥295,981 million from sales and redemption).

Cash Flows from Financing Activities

Cash flows from financing activities for the three months ended March 31, 2025 resulted in a cash outflow of ¥223,851 million (compared with a cash inflow of ¥268,826 million for the same period of the previous fiscal year). Main factors included a cash inflow of ¥73,500 million due to proceeds from short-term borrowings for securities business, offset by a cash outflow of ¥290,248 million due to redemption of bonds.

(3) Qualitative Information Concerning Estimate of Consolidated Operating Results

Currently, for the forecast of consolidated operating results for the current fiscal year, we aim for double-digit growth in consolidated revenue compared to the previous fiscal year, excluding the securities business whose results are heavily impacted by stock market conditions. Additionally, we target achieving profitability in Non-GAAP operating income during the current fiscal year.

The outlook for each segment in the current fiscal year is as follows:

(Internet Services)

In domestic internet services, including e-commerce platforms such as "Rakuten Ichiba", we will continue to focus on acquiring new customers, promoting cross-usage primarily among mobile users, developing services in collaboration with local governments and regional businesses to deepen ties, revitalizing regional economies, and enhancing user convenience through initiatives such as providing "Rakuten SAIKYO Next-Day Delivery". Furthermore, we aim to drive growth in GMS and revenue by creating new markets through the utilization of data and AI. In "Rakuten Travel", we will continue to capture the expanding inbound demand and strengthen marketing initiatives to achieve gross transaction value growth. In overseas internet services, we aim to achieve sustained profitability in this segment by expanding operations and revenue in services such as "Rakuten Rewards" and "Rakuten Kobo". Additionally, in growth investment businesses such as logistics, we will aim for profitability by improving productivity through the use of data and AI.

(FinTech)

In credit card-related services, we aim for further growth in shopping transaction value while pursuing business expansion and enhanced profit margins through strengthened group synergies and marketing initiatives. In banking services, we aim further growth by diversifying personal loan products, promoting securitization businesses involving monetary claims and real estate held by corporations, and expanding interest income. Additionally, we aim to increase non-interest income by acquiring accounts for salary deposits and direct debit payments, thereby promoting the use of accounts as everyday banking tools. In insurance services, we target further growth by increasing the number of new contracts, expanding products with high compatibility with internet services, and strengthening face-to-face channels for life insurance services. In securities services, while forecasts are challenging due to the significant impact of stock market conditions, we aim to diversify and expand revenue sources, such as acquiring new accounts and increasing income from margin trading. In payment services, we aim to expand operations and profits by growing its customer base and continuing efficient marketing initiatives.

(Mobile)

While continuing efforts to improve network quality and raise awareness, we will implement attractive marketing initiatives leveraging the Rakuten Ecosystem. Additionally, we will work to acquire more subscribers by making proposals to corporate clients and local governments nationwide that have business relationships with the Rakuten Group. Furthermore, by progressively expanding the deployment of the 700 MHz band (Platinum Band), which began commercial service in June 2024, we aim to provide a higher-quality network environment, accelerate subscriber acquisition, and improve the profitability of the mobile business. In "Rakuten Symphony", which provides communication platforms and other solutions using innovative mobile network technologies, we will seize business opportunities and advance its global expansion amid global trends such as the overhaul of network equipment configurations and the opening of base stations by telecommunications operators.

2. Condensed Quarterly Consolidated Financial Statements and Notes

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Millions of Yen)

	As of December 31, 2024	As of March 31, 2025
Assets		
Cash and cash equivalents	6,170,888	4,918,469
Accounts receivable - trade	421,649	359,058
Financial assets for securities business	5,211,989	4,979,879
Loans for credit card business	3,497,107	3,235,414
Investment securities for banking business	1,930,450	2,149,399
Loans for banking business	4,630,790	4,948,382
Investment securities for insurance business	215,033	199,828
Derivative assets	248,351	220,599
Investment securities	288,973	274,363
Other financial assets	1,035,547	988,448
Investments in associates and joint ventures	35,113	33,728
Property, plant and equipment	1,184,182	1,150,628
Intangible assets	1,083,365	1,061,282
Deferred tax assets	116,642	115,274
Other assets	444,649	442,446
Total assets	26,514,728	25,077,197
Liabilities		
Accounts payable - trade	519,149	465,121
Deposits for banking business	11,311,973	11,006,504
Financial liabilities for securities business	5,512,292	4,973,076
Derivative liabilities	54,968	44,755
Bonds and borrowings	2,052,809	1,702,896
Borrowings for securities business	115,000	188,500
Bonds and borrowings for credit card business	587,893	589,485
Borrowings for banking business	2,706,011	2,769,259
Other financial liabilities	1,610,584	1,437,571
Income taxes payable	55,837	32,792
Provisions	325,910	334,252
Insurance contract liabilities	148,063	142,413
Employee retirement benefit liabilities	47,345	47,858
Deferred tax liabilities	20,302	18,915
Other liabilities	208,078	187,619
Total liabilities	25,276,214	23,941,016
Equity		
Equity attributable to owners of the Company		
Common stock	452,647	453,974
Capital surplus	649,389	652,533
Other equity instruments	398,717	398,717
Retained earnings	(824,700)	(900,519)
Treasury stock	(4)	(4)
Other components of equity	251,819	213,452
Total equity attributable to owners of the Company	927,868	818,153
Non-controlling interests	310,646	318,028
Total equity	1,238,514	1,136,181
Total liabilities and equity	26,514,728	25,077,197

(2) Condensed Quarterly Consolidated Statement of Income and Comprehensive Income
Condensed Quarterly Consolidated Statement of Income
(For the three months ended March 31, 2024 and 2025)

(Millions of Yen)

	Three months ended March 31, 2024 (January 1 to March 31, 2024)	Three months ended March 31, 2025 (January 1 to March 31, 2025)
Continuing Operations		
Revenue	513,624	562,704
Operating expenses	542,434	566,418
Other income	2,319	2,640
Other expenses	6,781	14,370
Operating loss	(33,272)	(15,444)
Financial income	51,032	4,346
Financial expenses	44,426	35,148
Share of income (losses) of investments in associates and joint ventures	(1,803)	407
Loss before income tax	(28,469)	(45,839)
Income tax expenses	7,372	16,044
Net loss	(35,841)	(61,883)
Net loss attributable to:		
Owners of the Company	(42,394)	(73,471)
Non-controlling interests	6,553	11,588
Net loss	(35,841)	(61,883)
		(Yen)
Losses per share attributable to owners of the Company		
Basic	(19.78)	(34.08)
Diluted	(19.78)	(34.09)

Condensed Quarterly Consolidated Statement of Comprehensive Income
(For the three months ended March 31, 2024 and 2025)

(Millions of Yen)

	Three months ended March 31, 2024 (January 1 to March 31, 2024)	Three months ended March 31, 2025 (January 1 to March 31, 2025)
Net loss	(35,841)	(61,883)
Other comprehensive income		
Items that will not be reclassified to net income		
Changes in equity instruments measured at fair value through other comprehensive income	710	(452)
Remeasurement of defined benefit plans	(0)	(339)
Other comprehensive income of investments in associates and joint ventures	7	5
Total items that will not be reclassified to net income	717	(786)
Items that may be reclassified to net income		
Foreign currency translation adjustments	55,403	(40,126)
Changes in debt instruments measured at fair value through other comprehensive income	(944)	(3,776)
Cash flow hedges	(3,165)	2,106
Changes on insurance contracts due to changes in interest rates not recognized in profit or loss	563	98
Changes on reinsurance contracts due to changes in interest rates not recognized in profit or loss	(64)	(547)
Other comprehensive income of investments in associates and joint ventures	2,228	(1,874)
Total items that may be reclassified to net income	54,021	(44,119)
Total other comprehensive income, net of tax	54,738	(44,905)
Comprehensive income	18,897	(106,788)
Comprehensive income attributable to:		
Owners of the Company	12,124	(114,297)
Non-controlling interests	6,773	7,509
Comprehensive income	18,897	(106,788)

(3) Condensed Quarterly Consolidated Statement of Changes in Equity
(For the three months ended March 31, 2024)

(Millions of Yen)

	Equity attributable to Owners of the Company							Non-controlling Interests	Total Equity
	Common Stock	Capital Surplus	Other Equity Instruments	Retained Earnings	Treasury Stock	Other Components of Equity	Total Equity attributable to Owners of the Company		
As of January 1, 2024	446,769	541,520	317,316	(643,991)	(0)	174,958	836,572	251,151	1,087,723
Comprehensive income									
Net loss	—	—	—	(42,394)	—	—	(42,394)	6,553	(35,841)
Other comprehensive income, net of tax	—	—	—	—	—	54,518	54,518	220	54,738
Total comprehensive income	—	—	—	(42,394)	—	54,518	12,124	6,773	18,897
Transactions with owners etc.									
Reclassified from other components of equity to retained earnings	—	—	—	935	—	(935)	—	—	—
Acquisition of treasury stock	—	—	—	—	(2)	—	(2)	—	(2)
Exercise of share acquisition rights	1,069	(1,069)	—	—	—	—	0	—	0
Share based compensation expenses	—	3,767	—	114	—	—	3,881	—	3,881
Equity transactions with non-controlling interests	—	18	—	—	—	(13)	5	1,329	1,334
Others	—	—	—	—	—	—	—	—	—
Total transactions with owners etc.	1,069	2,716	—	1,049	(2)	(948)	3,884	1,329	5,213
As of March 31, 2024	447,838	544,236	317,316	(685,336)	(2)	228,528	852,580	259,253	1,111,833

(For the three months ended March 31, 2025)

(Millions of Yen)

	Equity attributable to Owners of the Company							Non-controlling Interests	Total Equity
	Common Stock	Capital Surplus	Other Equity Instruments	Retained Earnings	Treasury Stock	Other Components of Equity	Total Equity attributable to Owners of the Company		
As of January 1, 2025	452,647	649,389	398,717	(824,700)	(4)	251,819	927,868	310,646	1,238,514
Comprehensive income									
Net loss	—	—	—	(73,471)	—	—	(73,471)	11,588	(61,883)
Other comprehensive income, net of tax	—	—	—	—	—	(40,826)	(40,826)	(4,079)	(44,905)
Total comprehensive income	—	—	—	(73,471)	—	(40,826)	(114,297)	7,509	(106,788)
Transactions with owners etc.									
Reclassified from other components of equity to retained earnings	—	—	—	(2,459)	—	2,459	—	—	—
Acquisition of treasury stock	—	—	—	—	(0)	—	(0)	—	(0)
Exercise of share acquisition rights	1,327	(1,327)	—	—	—	—	0	—	0
Share based compensation expenses	—	4,466	—	90	—	—	4,556	—	4,556
Equity transactions with non-controlling interests	—	5	—	—	—	—	5	115	120
Others	—	—	—	21	—	—	21	(242)	(221)
Total transactions with owners etc.	1,327	3,144	—	(2,348)	(0)	2,459	4,582	(127)	4,455
As of March 31, 2025	453,974	652,533	398,717	(900,519)	(4)	213,452	818,153	318,028	1,136,181

(4) Condensed Quarterly Consolidated Statement of Cash Flows

(Millions of Yen)

	Three months ended March 31, 2024 (January 1 to March 31, 2024)	Three months ended March 31, 2025 (January 1 to March 31, 2025)
Cash flows from operating activities		
Loss before income tax	(28,469)	(45,839)
Depreciation and amortization	77,987	79,070
Other loss (income)	(1,483)	45,562
Decrease (Increase) in operating receivables	54,904	55,017
Decrease (Increase) in loans for credit card business	61,917	261,142
Increase (Decrease) in deposits for banking business	217,130	(296,252)
Net decrease (increase) in call loans for banking business	9,615	651
Decrease (Increase) in loans for banking business	(92,892)	(322,407)
Net decrease (increase) in receivables under securities borrowing transactions	8,395	16,171
Increase (Decrease) in operating payables	(4,649)	(49,562)
Decrease (Increase) in financial assets for securities business	(781,893)	232,050
Increase (Decrease) in financial liabilities for securities business	719,775	(539,030)
Increase and decrease in derivative assets and liabilities	(10,017)	(1,809)
Others	(64,001)	(137,731)
Income tax paid	(17,448)	(34,753)
Net cash flows from operating activities	148,871	(737,720)
Cash flows from investing activities		
Payments in time deposits	(12,090)	(17,164)
Proceeds from time deposits	9,800	11,993
Purchases of property, plant and equipment	(38,684)	(21,500)
Purchases of intangible assets	(48,906)	(33,362)
Acquisitions of subsidiaries	(1)	—
Acquisitions of investments in associates and joint ventures	(400)	—
Purchases of investment securities for banking business	(347,749)	(535,540)
Proceeds from sales and redemption of investment securities for banking business	237,518	295,981
Purchases of investment securities for insurance business	(13,806)	(48,517)
Proceeds from sales and redemption of investment securities for insurance business	29,634	64,792
Purchases of investment securities	(3,424)	(1,406)
Proceeds from sales and redemption of investment securities	3,427	4,772
Other payments	(2,525)	(5,429)
Other proceeds	1,232	2,170
Net cash flows from investing activities	(185,974)	(283,210)

(4) Condensed Quarterly Consolidated Statement of Cash Flows (Continued)

(Millions of Yen)

	Three months ended March 31, 2024 (January 1 to March 31, 2024)	Three months ended March 31, 2025 (January 1 to March 31, 2025)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(3,131)	(570)
Net increase (decrease) in commercial papers	18,500	(8,300)
Proceeds from long-term borrowings	4,540	14,504
Repayments of long-term borrowings	(33,720)	(40,503)
Proceeds from issuance of bonds	255,366	—
Redemption of bonds	(122,607)	(290,248)
Net increase (decrease) in short-term borrowings for securities business	48,000	73,500
Net increase (decrease) in short-term borrowings for credit card business	11,958	13,253
Net increase (decrease) in commercial papers for credit card business	800	2,700
Proceeds from long-term borrowings for credit card business	21,486	25,746
Repayments of long-term borrowings for credit card business	(40,045)	(39,815)
Net increase (decrease) in short-term borrowings for banking business	891	64,218
Proceeds from long-term borrowings for banking business	132,200	—
Repayments of lease liabilities	(15,426)	(16,678)
Interest paid	(11,231)	(21,248)
Others	1,245	(410)
Net cash flows from financing activities	268,826	(223,851)
Effect of change in exchange rates on cash and cash equivalents	9,736	(7,638)
Net increase (decrease) in cash and cash equivalents	241,459	(1,252,419)
Cash and cash equivalents at the beginning of the period	5,127,674	6,170,888
Cash and cash equivalents at the end of the period	5,369,133	4,918,469

(5) Assumptions for Going Concern

For the three months ended March 31, 2025 (January 1 to March 31, 2025)

No items to report.

**(6) Notes to the Condensed Quarterly Consolidated Financial Statements
(Basis of Preparation)**

The Rakuten Group's Condensed Quarterly Consolidated Financial Statements have been prepared in accordance with Article 5, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. (with the use of the omitted disclosures as specified in Article 5, paragraph 5 of the same standards). The Condensed Quarterly Consolidated Financial Statements are prepared in accordance with IAS 34 'Interim Financial Reporting', but some of the disclosure items and notes required by IAS 34 have been omitted. Therefore, the Condensed Quarterly Consolidated Financial Statements do not conform to a set of Condensed Financial Statements in accordance with IAS 34. As this summary does not contain all the information required in annual consolidated statements, it is advised to be used in combination with the consolidated financial statements for the fiscal year ended December 31, 2024.

(Significant Changes in the Scope of Consolidation and the Scope of Equity Method Application)

For the three months ended March 31, 2025 (January 1 to March 31, 2025)

With the exception of the following, there have been no significant changes in the scope of consolidation and the scope of application of the equity method in these Condensed Quarterly Consolidated Financial Statements from the Consolidated Financial Statements for the fiscal year ended December 31, 2024.

During the three months ended March 31, 2025, Rakuten Energy, Inc., which was a consolidated subsidiary of the Company, was excluded from the scope of consolidation as it was dissolved through an absorption-type merger with Rakuten Mobile, Inc., also a consolidated subsidiary of the Company, as the surviving company.

(Material Accounting Policies)

Material accounting policies adopted by the Rakuten Group in the Condensed Quarterly Consolidated Financial Statements for the three months ended March 31, 2025 remain the same as those adopted in the consolidated financial statements for the previous fiscal year. In addition, income tax expenses for the three months ended March 31, 2025 are calculated based upon an estimated annual effective tax rate.

(Significant Accounting Estimates and Judgments)

In preparing the Condensed Quarterly Consolidated Financial Statements under IFRS Accounting Standards for the three months ended March 31, 2025, the Rakuten Group uses judgments, accounting estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. These estimates and assumptions are based on the best judgment of management, made by gathering past experience and available information and in consideration of various factors that are considered reasonable as of the closing date. However, the figures based on these estimates and assumptions by their nature may differ from actual results.

Estimates and underlying assumptions are subject to continuous review. The effect of these revised estimates is recognized in the period in which the estimates are revised as well as future periods.

Estimates and judgments that have a significant impact on the amounts in the Condensed Quarterly Consolidated Financial Statements for the three months ended March 31, 2025 remain the same as those for the previous fiscal year.

(Segment Information)

(1) General Information

As a global innovation company engaged in the three main activities of Internet Services, FinTech, and Mobile, the Rakuten Group is organized into three reportable segments: "Internet Services", "FinTech", and "Mobile". Operating segments are not aggregated in determining reportable segments.

For the reportable segments, separate financial information on the operational units of the Rakuten Group is available, and such financial information is subject to periodic review for the Board of Directors to decide on the distribution of management resources and evaluate performance.

The "Internet Services" segment comprises businesses providing various e-commerce sites including internet shopping mall "Rakuten Ichiba", online cash-back sites, travel booking sites, portal sites, and digital content sites, along with provision of messaging services, sales of advertising, etc. on these sites, and management of professional sports teams, etc.

The "FinTech" segment comprises businesses providing services related to credit cards, banking and securities over the Internet, crypto asset (virtual currency) spot transaction, life insurance, general insurance, and payment services, etc.

The "Mobile" segment comprises businesses providing communication services and technologies, operating electricity supply services, and making investments related to the Mobile segment, etc.

(2) Measurement of Segment Revenue and Segment Profit (Loss) by Operating Segments

The accounting treatment of the reported operating segment is based on IFRS Accounting Standards, and operating segment revenue and segment profit (loss) are those before intercompany eliminations without consideration of consolidation adjustments, except for certain subsidiaries. Non-GAAP operating income, the internal measures management uses in making decisions, is calculated by adjusting the nonrecurring items and other adjustment items prescribed by the Rakuten Group from the operating income recorded in accordance with IFRS.

Management believes that the disclosure of Non-GAAP financial measures facilitates comparison between the Rakuten Group and peer companies in the same industry or comparison of their business results with those of prior fiscal years by stakeholders, and can provide useful information in understanding the underlying business results of the Rakuten Group and their future outlook. Nonrecurring items refer to one-off items that the Rakuten Group believes should be excluded in preparing a future outlook based on certain rules. Other adjustment items are those that tend to differ depending on the standards applied, and are therefore less comparable between companies, such as share based compensation expenses and amortization of acquisition-related intangible assets.

The Rakuten Group does not allocate assets and liabilities to the operating segment information used by the chief operating decision maker.

(3) Changes in Measurement Methods of Segment Revenue and Segment Profit (Loss) by Operating Segments

1) Mobile segment-related investments

In anticipation of an increase in investments related to the Mobile segment, an organization to oversee said investments was established during the three months ended September 30, 2024. This results in a change to the management of Mobile segment-related investments, but does not impact the three months ended March 31, 2024.

2) Mobile Ecosystem Contribution

Considering the expanding mutual contribution effects between segments within the Rakuten Ecosystem, mutual contribution effects and mutual customer referral effects (hereinafter "Mobile Ecosystem Contribution") have been reflected in the segment profit and loss to allow for a more precise performance evaluation from the three months ended September 30, 2024.

The Mobile Ecosystem Contribution is calculated based on the contribution effect derived from the tendency of Rakuten Mobile MNO subscribers to use various services of the Rakuten Group more than non-subscribers, minus the customer referral effect received from each segment. This calculation has been reflected in the segment information for the three months ended March 31, 2025.

Accordingly, segment profit and loss have been restated for the same period of the previous year, as shown in the table below.

There is no impact on consolidated revenue, Non-GAAP operating loss, or operating loss.

Mobile Ecosystem Contribution = i) Gross profit uplift effect of Rakuten Mobile MNO subscribers - ii) Customer referral effect from group companies to the mobile business

Calculation Method of Uplift Effect and Customer Referral Effect between Segments

i) Gross profit uplift effect of Rakuten Mobile MNO subscribers

Depending on the characteristics of each business of the Rakuten Group, the monthly amount is calculated using one of the following methods.

(a) The difference in the monthly average revenue per user over the past year between Rakuten Mobile MNO individual subscribers and non-subscribers in each business of the Rakuten Group $\times$ The gross profit margin of each business for each month $\times$ The number of Rakuten Mobile MNO individual subscribers at the end of each month

(b) The difference in annual usage rates in each business of the Rakuten Group between Rakuten Mobile MNO individual subscribers and non-subscribers $\times$ Monthly average revenue per user over the past year for each business $\times$ The gross profit margin of each business for each month $\times$ The number of Rakuten Mobile MNO individual subscribers at the end of each month

ii) Referral effect from group companies to the mobile business

Number of Rakuten Mobile MNO individual subscribers each month who signed up through group company sites $\times$ Referral cost

* Target businesses for uplift effect calculation

The calculation targets 18 businesses: Rakuten Ichiba, Rakuten Books, Rakuten 24, Rakuten Bic, Rakuten Kobo, Rakuten Fashion, Rakuten Travel, Rakuten Mart, Rakuten Beauty, Rakuten Pay app payments, Rakuten Pay online payments, Rakuten Edy, Rakuten Point Card, Rakuten Card, Rakuten Bank, Rakuten Securities, Rakuten Life Insurance, and Rakuten General Insurance.

For the three months ended March 31, 2024 (January 1 to March 31, 2024)

(Millions of Yen)

	Internet Services	FinTech	Mobile	Total
Segment Revenue	285,703	193,458	99,840	579,001
Segment Profit (Loss)				
Before Considering	13,600	39,278	(71,928)	(19,050)
Mobile Ecosystem Contribution	(3,122)	(3,225)	6,347	—
After Considering	10,478	36,053	(65,581)	(19,050)

For the three months ended March 31, 2025 (January 1 to March 31, 2025)

(Millions of Yen)

	Internet Services	FinTech	Mobile	Total
Segment Revenue	305,478	223,579	110,705	639,762
Segment Profit (Loss)				
Before Considering	16,877	48,239	(59,325)	5,791
Mobile Ecosystem Contribution	(3,698)	(4,351)	8,049	—
After Considering	13,179	43,888	(51,276)	5,791

Reconciliation from Segment Revenue to Consolidated Revenue

(Millions of Yen)

	Three months ended March 31, 2024 (January 1 to March 31, 2024)	Three months ended March 31, 2025 (January 1 to March 31, 2025)
Segment Revenue	579,001	639,762
Intercompany Transactions, etc.	(65,377)	(77,058)
Consolidated Revenue	513,624	562,704

Reconciliation from Segment Loss to Loss before Income Tax

(Millions of Yen)

	Three months ended March 31, 2024 (January 1 to March 31, 2024)	Three months ended March 31, 2025 (January 1 to March 31, 2025)
Segment Profit (Loss)	(19,050)	5,791
Intercompany Transactions, etc.	(6,399)	(6,096)
Non-GAAP Operating Loss	(25,449)	(305)
Amortization of Intangible Assets	(1,833)	(1,365)
Share Based Compensation Expenses	(3,764)	(4,382)
One-off Items (Note)	(2,226)	(9,392)
Operating Loss	(33,272)	(15,444)
Financial Income and Expenses	6,606	(30,802)
Share of Income (Losses) of Investments in Associates and Joint Ventures	(1,803)	407
Loss before Income tax	(28,469)	(45,839)

Note: One-off items listed for the three months ended March 31, 2024 include maintenance and repair costs for base stations related to the 2024 Noto Peninsula Earthquake of ¥1,154 million and a loss on disposal of intangible assets for a part of the life and general insurance integrated core system of ¥1,174 million, etc. One-off items listed for the three months ended March 31, 2025 include a mid-term cancellation fee of ¥2,459 million, which was incurred in the domestic sports business due to the termination of a consulting agreement that had a significant impact on team operations, and a provision for liabilities related to a lawsuit concerning payment claims for debts of a previously sold subsidiary, etc. Moreover, these expenses are mainly recorded in other expenses of the Condensed Quartely Consolidated Statement of Income.

(Breakdown of Operating Expenses)

(Millions of Yen)

	Three months ended March 31, 2024 (January 1 to March 31, 2024)	Three months ended March 31, 2025 (January 1 to March 31, 2025)
Advertising and promotion expenditures	77,844	77,635
Employee benefits expenses	89,283	93,728
Depreciation and amortization	81,673	82,906
Communication and maintenance expenses	17,478	15,635
Consignment and subcontract expenses	30,074	33,644
Allowance for doubtful accounts charged to expenses	6,311	9,869
Cost of sales of merchandise and services rendered	160,685	159,766
Interest expenses for finance business	6,171	11,408
Commission fee expenses for finance business	6,683	7,314
Insurance service expenses	11,362	12,285
Others	54,870	62,228
Total	542,434	566,418

(Other Income and Other Expenses)

(Millions of Yen)

	Three months ended March 31, 2024 (January 1 to March 31, 2024)	Three months ended March 31, 2025 (January 1 to March 31, 2025)
Foreign exchange gains	633	1,070
Others	1,686	1,570
Total other income	2,319	2,640
Losses on disposal of property, plant and equipment and intangible assets (Note 1, 2)	2,130	1,123
Losses on valuation of investment securities	1,646	1,138
Impairment losses (Note 1)	1,526	1,367
Others (Note 1, 3, 4)	1,479	10,742
Total other expenses	6,781	14,370

Note 1: Maintenance and repair costs for base stations related to the 2024 Noto Peninsula Earthquake were included for the three months ended March 31, 2024.

Note 2: A loss on disposal of intangible assets for a part of the life and general insurance integrated core system was included for the three months ended March 31, 2024.

Note 3: A mid-term cancellation fee of ¥2,459 million, which was incurred in the domestic sports business due to the termination of a consulting agreement that had a significant impact on team operations, was included for the three months ended March 31, 2025.

Note 4: A provision for liabilities related to a lawsuit concerning payment claims for debts of a previously sold subsidiary was included for the three months ended March 31, 2025.

(Financial Income and Financial Expenses)

(Millions of Yen)

	Three months ended March 31, 2024 (January 1 to March 31, 2024)	Three months ended March 31, 2025 (January 1 to March 31, 2025)
Gains on valuation of investment securities (Note 1)	25,642	255
Gains on valuation of derivatives (Note 2, 3)	23,933	244
Foreign exchange gains (Note 4)	—	2,804
Others	1,457	1,043
Total financial income	51,032	4,346
Interest expenses (Note 5)	16,927	21,831
Losses on valuation of investment securities (Note 1)	—	2,751
Losses on valuation of derivatives (Note 2, 3)	11,393	9,895
Foreign exchange losses (Note 4)	11,343	—
Others	4,763	671
Total financial expenses	44,426	35,148

Note 1: Gains on valuation of investment securities related to an investment in Lyft, Inc. of ¥25,570 million were recorded for the three months ended March 31, 2024. Losses on valuation of investment securities related to an investment in Lyft, Inc. of ¥2,724 million were recorded for the three months ended March 31, 2025.

Note 2: Gains on valuation of derivatives from currency swaps related to foreign currency denominated permanent subordinated bonds of ¥23,900 million were recorded for the three months ended March 31, 2024. Losses on valuation of derivatives from currency swaps related to foreign currency denominated permanent subordinated bonds of ¥9,895 million were recorded for the three months ended March 31, 2025.

Note 3: Losses on valuation of derivatives from the collar contract for the prepaid variable share forward transactions of shares of Lyft, Inc. of ¥11,393 million were recorded for the three months ended March 31, 2024. Gains on valuation of derivatives from the collar contract for the prepaid variable share forward transactions of shares of Lyft, Inc. of ¥222 million were recorded for the three months ended March 31, 2025.

Note 4: Foreign exchange losses of ¥11,343 million arising from liabilities relating to funds raised from the utilization of shares of Lyft, Inc. were recorded for the three months ended March 31, 2024. Foreign exchange gains of ¥2,804 million arising from liabilities relating to funds raised from the utilization of shares of Lyft, Inc. were recorded for the three months ended March 31, 2025.

Note 5: Interest expenses incurred from financial liabilities measured at amortized cost relating to financing under the prepaid variable share forward transactions of shares of Lyft, Inc. of ¥267 million and of ¥110 million were recorded for the three months ended March 31, 2024 and the three months ended March 31, 2025, respectively.

(Notes on Significant Subsequent Events)

No items to report.

(For Translation Purposes Only)
Independent Auditor's Interim Review Report

May 14, 2025

The Board of Directors
Rakuten Group, Inc.

Ernst & Young ShinNihon LLC
Tokyo, Japan

Tomoko Tanabe
Designated Engagement Partner
Certified Public Accountant

Isamu Ando
Designated Engagement Partner
Certified Public Accountant

Mitsutaka Kumagai
Designated Engagement Partner
Certified Public Accountant

Kentaro Koyama
Designated Engagement Partner
Certified Public Accountant

Auditor's Conclusion

We have reviewed the accompanying Condensed Quarterly Consolidated Financial Statements of Rakuten Group, Inc. and its subsidiaries (the Group), which comprise the Condensed Quarterly Consolidated Statement of Financial Position as of March 31, 2025, and the Condensed Quarterly Consolidated Statements of Income and Comprehensive Income for the three-month and three-month periods ended March 31, 2025, and the Condensed Quarterly Consolidated Statements of Changes in Equity and Cash Flows for the three-month period ended March 31, 2025, and notes to the Condensed Quarterly Consolidated Financial Statements included in the "attachment" of Consolidated Financial Reports.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Quarterly Consolidated Financial Statements are not prepared, in all material respects, in accordance with Article 5, Paragraph 2 of the Tokyo Stock Exchange, Inc.'s Standards for the Preparation of Quarterly Financial Statements (the Standards), applying the provisions for reduced disclosures as set forth in Article 5, Paragraph 5 of the Standards.

Basis for Auditor's Conclusion

We conducted our review in accordance with review standards for interim financial statements generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Review of the Condensed Quarterly Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our review of the Condensed Quarterly Consolidated Financial Statements in Japan (Including regulations applicable to the audit of financial statements of Public Interest Entities.), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained provides a basis for our conclusion.

Responsibilities of Management, the Audit & Supervisory Board Members and the Audit & Supervisory Board for the Condensed Quarterly Consolidated Financial Statements

Management is responsible for the preparation of these Condensed Quarterly Consolidated Financial Statements in accordance with Article 5, Paragraph 2 of the Standards, applying the provisions for reduced disclosures as set forth in Article 5, Paragraph 5 of the Standards and for the internal controls as management determines are necessary to enable the preparation of Condensed Quarterly Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Condensed Quarterly Consolidated Financial Statements, management is responsible for assessing the Group's ability to continue as a going concern, including the disclosures related to matters of going concern, as required by Article 5, Paragraph 2 of the Standards, applying the provisions for reduced disclosures as set forth in Article 5, Paragraph 5 of the Standards.

The Audit & Supervisory Board Members and the Audit & Supervisory Board are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Review of the Condensed Quarterly Consolidated Financial Statements

Our responsibility is to express a conclusion on these Condensed Quarterly Consolidated Financial Statements based on our review.

As part of a review in accordance with review standards for interim financial statements generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters and apply analytical and other interim review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- Conclude based on the evidence obtained whether anything has come to our attention that causes us to believe that the Condensed Quarterly Consolidated Financial Statements are not prepared in accordance with Article 5, Paragraph 2 of the Standards, applying the provisions for reduced disclosures as set forth in Article 5, Paragraph 5 of the Standards, should we determine that a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. Additionally, if we conclude that a material uncertainty exists, we are required to draw attention in our auditor's interim review report to the related disclosures in the Condensed Quarterly Consolidated Financial Statements or, if such disclosures are inadequate, to modify our conclusion. Our conclusions are based on the evidence obtained up to the date of our auditor's interim review report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether anything has come to our attention that causes us to believe that the overall presentation and disclosure of the Condensed Quarterly Consolidated Financial Statements are not prepared in accordance with Article 5, Paragraph 2 of the Standards, applying the provisions for reduced disclosures as set forth in Article 5, Paragraph 5 of the Standards.
- Obtain evidence regarding the financial information of the entities or business activities within the Group as a basis for expressing a conclusion on the Condensed Quarterly Consolidated Financial Statements. We are responsible for the direction, supervision and review of the documentation of the interim review. We remain solely responsible for our conclusion.

We communicate with the Audit & Supervisory Board Members and the Audit & Supervisory Board regarding the planned scope and timing of the review and significant review findings. We also provide the Audit & Supervisory Board Members and the Audit & Supervisory Board with a statement that we have complied with the ethical requirements regarding independence that are relevant to our review of the Condensed Quarterly Consolidated Financial Statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

(Notes)

1. The Company (a company disclosing the quarterly consolidated financial reports) separately holds the original of the above interim review report.
2. XBRL data and HTML data are not included in the scope of the interim review.

Note:

The English version of the financial statements consists of an English translation of the reviewed Japanese financial statements. For the Independent Auditor's Interim Review Report of the English financial statements, the Japanese original is the official text, and the English version is a translation of that text. Should there be any inconsistency between the translation and the official Japanese text, the latter shall prevail.