

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 fiscal year ended December 31, 2025

Rakuten Group, Inc.  
February 12, 2026

Company name	Rakuten Group, Inc.	Listed	Tokyo Stock Exchange
Code No	4755	URL	<a href="https://global.rakuten.com/corp/">https://global.rakuten.com/corp/</a>
Representative	(Title) Chairman and CEO		(Name) Hiroshi Mikitani
Contact person	(Title) Director and Group Executive Vice President and CFO		(Name) Kenji Hirose
Scheduled date of Annual General Shareholders Meeting:	March 27, 2026		(TEL) 050-5581-6910
Scheduled date of submission of Securities Report:	March 26, 2026		
Scheduled start date of dividend payment:	—		
Supplementary materials for financial results:	Yes		
Financial results information meeting held:	Yes (For institutional investors and analysts)		

### 1. Consolidated Results for the fiscal year ended December 31, 2025 (January 1 - December 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	%
Fiscal Year ended December 31, 2025	2,496,575	9.5	14,382	(72.9)	(29,550)	—	(123,213)	—
Fiscal Year ended December 31, 2024	2,279,233	10.0	52,975	—	16,277	—	(129,485)	—

	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
Fiscal Year ended December 31, 2025	(177,886)	—	47,960	—	(82.24)	(82.26)
Fiscal Year ended December 31, 2024	(162,442)	—	(53,842)	—	(75.61)	(75.62)

	ROE (Return on equity attributable to owners of the Company)	ROA (Ratio of income before income tax to total assets)	OI margin (Ratio of operating income to revenue)
	%	%	%
Fiscal Year ended December 31, 2025	(18.5)	(0.1)	0.6
Fiscal Year ended December 31, 2024	(18.4)	0.1	2.3

(Reference) Other important management indicators

	EBITDA *	
	Millions of Yen	%
Fiscal Year ended December 31, 2025	435,946	33.7
Fiscal Year ended December 31, 2024	326,039	120.0

\* 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. Overview of Business Results, etc. (1) Overview of Operating Results for the fiscal year ended December 31, 2025".

**(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 December 31, 2025	28,804,400	1,354,232	992,402	4.7	3.4
As of December 31, 2024	26,514,728	1,238,514	927,868	4.7	3.5

	Total equity attributable to owners of the Company per share
	Yen
As of December 31, 2025	457.33
As of December 31, 2024	430.67

\* 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.

**(3) Consolidated Cash Flows**

	Net cash flows from operating activities	Net cash flows from investing activities	Net cash flows from financing activities	Cash and cash equivalents, end of year
	Millions of Yen	Millions of Yen	Millions of Yen	Millions of Yen
Fiscal Year ended December 31, 2025	424,093	(779,809)	14,134	5,837,566
Fiscal Year ended December 31, 2024	1,190,882	(921,724)	757,469	6,170,888

## 2. Cash Dividends

	Annual dividends per share					Total cash dividends (Total)	Payout ratio (Consolidated)	Ratio of dividends to equity attributable to owners of the Company (Consolidated)
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal quarter-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of Yen	%	%
FY2024	—	0.00	—	0.00	0.00	—	—	—
FY2025	—	0.00	—	0.00	0.00	—	—	—
FY2026 (Forecast)	—	—	—	—	—		—	

Note: Dividend per share for the fiscal year ending December 31, 2026 has not been decided yet.

## 3. Estimate of Consolidated Operating Results for the fiscal year 2026 (January 1 to December 31, 2026)

For the estimate of consolidated operating results for the fiscal year 2026, we aim for high single-digit growth in consolidated revenue compared to the fiscal year 2025, excluding the securities business whose results are heavily impacted by stock market conditions. (For details, please see page 11, "1. Overview of Business Results, etc. (4) Future Outlook".)

### 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)
  - 2,169,972,100 shares (As of December 31, 2025)
  - 2,154,483,600 shares (As of December 31, 2024)
2. Number of treasury stocks at the end of the period
  - 5,878 shares (As of December 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)
  - 2,163,084,671 shares (January 1 - December 31, 2025)
  - 2,148,420,001 shares (January 1 - December 31, 2024)

This financial report is not subject to audit.

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

Consolidated earnings forecasts for the fiscal year ending December 31, 2026 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. Overview of Business Results, etc.**

### **(1) Overview of Operating Results for the fiscal year ended December 31, 2025**

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 shall 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 fiscal year ended December 31, 2025 (Non-GAAP basis)**

For the fiscal year ended December 31, 2025, the global economy showed signs of a gradual recovery, although some regions experienced stagnation. Looking ahead, it is necessary to pay attention to future U.S. policy trends and the impact of fluctuations in financial markets, among other factors. In the Japanese economy, there have been signs of recovery in personal consumption and capital investment, and looking ahead, improvements in employment and income conditions, and the effects of various policies are expected to support a moderate economic recovery.

According to the "White Paper on Information and Communications in Japan" (Note 1), in Japan, which is experiencing population decline and increasingly diverse and complex regional and social challenges, it is necessary to thoroughly utilize digital technologies, including generative AI, to maintain growth potential and accelerate digital transformation (DX). The importance of digital infrastructure, which is indispensable for achieving this is increasing. In response to this situation, the Ministry of Internal Affairs and Communications formulated the "Digital Infrastructure Development Plan 2030" in June 2025, aiming to promote the expansion of high-quality communication services, as well as research, development, and social implementation of Beyond 5G, thereby advancing the establishment of a digital foundation to support an AI society.

Under such an environment, the Rakuten Group is actively developing and deploying services utilizing advanced technologies such as AI, leveraging the overwhelming amount and quality of data accumulated through membership and various online and offline services, improving network quality in mobile services, and acquiring users. Furthermore, by further evolving and expanding the Rakuten Ecosystem, we aim to enhance our competitiveness and provide solution services that are uniquely possible due to the accumulation of unique data assets through various services such as Internet Services, FinTech, and Mobile, thereby evolving into an "AI Empowerment Company" and aiming to make people's lives more convenient and prosperous. In addition, amid uncertainties about the future of the economy, such as continued inflation, and exchange rate movements etc., the Rakuten Group, with its diverse business portfolio, will maximize the synergies it can achieve as a strength, accurately capture consumer trends and needs, and seize further growth opportunities.

As a group, while working to increase revenue and reduce costs through the utilization of AI, in the Internet Services segment, we focused on developing services that aim to further grow in transaction value and revenue, acquire new customers, nurture loyal users, promote cross-use primarily among mobile users, and releasing AI concierge services on "Rakuten Ichiba" and "Rakuten Travel" to support users in choosing optimal products and services. As a result of efforts to improve profitability through cost optimization, the Rakuten Group achieved increased revenue and profit. In the FinTech segment, efforts to expand the customer base and transaction value in each service and promote cross-usage between services and with group services in other segments resulted in further growth in sales and improvement in segment profit. In the Mobile segment, as a result of continuous improvement of network quality, promoting awareness of this improvement, and combined with various marketing activities online and offline, the total number of subscribers exceeded 10 million (Note 2) in December 2025, and segment revenue expanded. In addition, by maintaining cost levels at previous levels, segment losses have steadily decreased year-on-year.

As a result, the Rakuten Group recorded revenue of ¥2,496,575 million, up 9.5% year-on-year for the fiscal

year ended December 31, 2025. Although the target of double-digit revenue growth was not achieved, revenue increased mainly in FinTech, and Non-GAAP operating income of ¥106,277 million, a 1,407.9% year-on-year increase.

(Note 1) Source: "2025 White Paper on Information and Communications in Japan" (Ministry of Internal Affairs and Communications)

(Note 2) The sum of MNO, including corporate BCP plans, MVNE, and MVNO

(Non-GAAP)

(Millions of Yen)

	Fiscal Year ended December 31, 2024	Fiscal Year ended December 31, 2025	Amount Change YoY	% Change YoY
Revenue	2,279,233	2,496,575	217,342	9.5%
Non-GAAP Operating Income	7,048	106,277	99,229	1,407.9%

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

For the fiscal year ended December 31, 2025, amortization of intangible assets of ¥5,172 million and share based compensation expenses of ¥15,645 million were excluded from the Non-GAAP operating income. One-off items listed for the fiscal year ended December 31, 2024 include a loss on disposal of intangible assets for a part of the life and general insurance integrated core system and other systems in the insurance business of ¥5,863 million, an impairment loss of ¥9,662 million due to a revision of the core system development plan in the general insurance business, incurred expenses including maintenance and repair costs for base stations related to the 2024 Noto Peninsula Earthquake of ¥1,154 million, a write-down loss due to a revision of contracts with certain agents and a revaluation of transactions recognized as assets from costs for contract acquisitions in the mobile business of ¥5,411 million, a loss on disposal of ¥1,891 million due to a business model shift focusing on advanced network software development in the Rakuten Symphony business, an impairment loss of ¥2,155 million due to changes in cash-generating units in the Rakuten Symphony business, an impairment loss of ¥1,667 million due to the re-evaluation of future revenue prospects in the Rakuten Farm business and overseas advertising business, impairment losses, etc., of ¥1,305 million due to restructuring in the Rakuten Ticket business, tax expenses of ¥4,151 million due to the intra-group sale of shares in Viber Media S.a.r.l. and partial sale of shares in Rakuten Card Co., Ltd., the provision of allowance for doubtful accounts of ¥4,386 million due to the risk of uncollectibility of receivables from the sale of overseas subsidiaries, expenses related to the resolution of litigation with International Business Machines Corporation, a remeasurement gain of ¥106,906 million due to changes in the accounting treatment of shares in AST SpaceMobile, Inc., and gains from the sale of shares of Min-Shu, Inc. of ¥1,613 million. Moreover, the write-down loss on assets etc. recognized from costs for contract acquisitions in the mobile business and tax expenses due to the intra-group sale of shares in Viber Media S.a.r.l. and partial sale of shares in Rakuten Card Co., Ltd are recorded in operating expenses, while other income and expenses are mainly recorded in other income and other expenses in the Consolidated Statement of Income. One-off items listed for the fiscal year ended December 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 resulting from a change in the team's operational policy, payment of additional tax and delinquency charges, etc., including those for prior years, totaling ¥4,950 million, arising from the receipt of a correction notice regarding consumption tax on funding transactions related to securitization of card receivables, a loss of ¥858 million for compensation of customer transactions due to unauthorized access in the securities business, an impairment loss, etc., of ¥27,909 million, in the fulfillment center-based online grocery delivery service, resulting from customer acquisition performance significantly falling below initial plans and the decision to withdraw from certain market areas, the reversal of allowance for doubtful accounts of ¥2,258 million due to the collection of sales receivable from a sold overseas subsidiary, for which a provision for doubtful accounts had been made in the past, an impairment loss of ¥10,024 million in the logistics business due to delay in the pace of increase in future cargo volume at the leased warehouse and the decrease in storable cargo volume caused by the unexpected increase in the size of the products handled, an impairment loss of ¥20,497 million due to the unexpected time required to launch the business in the Open RAN business of "Rakuten Symphony", a gain from forgiveness of commission payment liability of ¥3,715 million, based on partial settlement with suppliers involved in fraudulent acts committed in collusion by former

employees of a subsidiary and suppliers which came to light in the fiscal year ended December 31, 2022, an impairment loss of ¥1,254 million due to reassessment of future revenue projections in the overseas affiliate business, a provision for personnel expenses, etc. of ¥1,720 million for withdrawal from certain European business, and a provision for liabilities related to a lawsuit concerning payment claims for debts of a previously sold subsidiary. Moreover, in the Consolidated Statement of Income, payments of additional tax and delinquency charges, etc., including those for prior years, arising from the receipt of a correction notice regarding consumption tax on funding transactions related to securitization of card receivables are included in operating expenses, while other income and expenses are mainly recorded in other income and other expenses.

(Millions of Yen)

	Fiscal Year ended December 31, 2024	Fiscal Year ended December 31, 2025	Amount Change YoY
Non-GAAP Operating Income	7,048	106,277	99,229
Amortization of Intangible Assets	(6,821)	(5,172)	1,649
Share Based Compensation Expenses	(15,910)	(15,645)	265
One-off Items	68,658	(71,078)	(139,736)
IFRS Operating Income	52,975	14,382	(38,593)

**iii) Operating Results for the fiscal year ended December 31, 2025 (IFRS Accounting Standards basis)**

For the fiscal year ended December 31, 2025, the Rakuten Group recorded revenue of ¥2,496,575 million, up 9.5% year-on-year, and an IFRS operating income of ¥14,382 million, a 72.9% year-on-year decrease, due to the impact of the remeasurement gain from changes in the accounting treatment of AST SpaceMobile, Inc. shares, and other factors, and a net loss attributable to owners of the Company of ¥177,886 million, compared with a net loss of ¥162,442 million in the fiscal year ended December 31, 2024.

(IFRS Accounting Standards)

(Millions of Yen)

	Fiscal Year ended December 31, 2024	Fiscal Year ended December 31, 2025	Amount Change YoY	% Change YoY
Revenue	2,279,233	2,496,575	217,342	9.5%
IFRS Operating Income	52,975	14,382	(38,593)	(72.9)%
Net Loss Attributable to Owners of the Company	(162,442)	(177,886)	(15,444)	—%

#### 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.

##### Internet Services

In domestic e-commerce, which is a core service, we focused on acquiring new customers, nurturing loyal users, promoting cross-use primarily among mobile users, and developing AI concierge services, which are agentic AI tools.

In the internet shopping mall "Rakuten Ichiba", we implemented various initiatives to improve customer convenience and satisfaction, including the development of AI-powered support tools for merchants. As a result, GMS and revenue grew, and coupled with improved marketing efficiency, this led to an increase in profit. In the internet travel reservation service "Rakuten Travel", transaction value increased due to rising inbound demand driven by the growth in foreign tourists visiting Japan and other factors.

In the international business unit, which operates overseas internet services, the e-book service "Rakuten Kobo" performed well with sales of color-compatible devices launched in 2024 in addition to an expansion of content sales. Additionally, the messaging service "Rakuten Viber" saw an increase in communication and advertising revenues, and other businesses also continued to grow steadily, contributing to an expansion in segment profit.

As a result, revenue for the Internet Services segment rose to ¥1,369,697 million, a 6.8% year-on-year increase, while segment profit stood at ¥88,943 million, an 4.5% year-on-year increase.

(Millions of Yen)

	Fiscal Year ended December 31, 2024	Fiscal Year ended December 31, 2025	Amount Change YoY	% Change YoY
Segment Revenue	1,282,087	1,369,697	87,610	6.8%
Segment Profit (Loss)				
Before Considering	96,940	103,485	6,545	6.8%
Mobile Ecosystem Contribution	(11,803)	(14,542)	(2,739)	—%
After Considering	85,137	88,943	3,806	4.5%

## FinTech

In FinTech, revenue increased across all of the major domestic services of credit card-related, banking, securities, insurance and payment. In credit card-related services, both the customer base for "Rakuten Card" and shopping transaction value expanded. 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 interest income. In securities services, revenue growth continued due to the ongoing expansion of the customer base and diversification of revenue sources, among other factors. In insurance services, leveraging sales channels tailored to product characteristics proved effective, resulting in expanded insurance premium income. 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 ¥975,931 million in revenue, a 19.0% year-on-year increase, while segment profit stood at ¥199,922 million, a 30.3% year-on-year increase.

(Millions of Yen)

	Fiscal Year ended December 31, 2024	Fiscal Year ended December 31, 2025	Amount Change YoY	% Change YoY
Segment Revenue	820,419	975,931	155,512	19.0%
Segment Profit (Loss)				
Before Considering	167,994	219,402	51,408	30.6%
Mobile Ecosystem Contribution	(14,617)	(19,480)	(4,863)	—%
After Considering	153,377	199,922	46,545	30.3%



## Mobile

In Mobile, revenues centered around "Rakuten Mobile" increased and losses were reduced. "Rakuten Mobile" focused on improving network quality and raising awareness, while also providing a new package "Rakuten SAIKYO U-NEXT", implementing marketing initiatives leveraging various services within the Rakuten Ecosystem, such as "Rakuten Ichiba" and "Rakuten Card" and aggressively promoted the acquisition of subscribers for corporate plans. As a result, the total number of subscribers as of December 2025 (the sum of MNO, including corporate BCP plans, MVNE, and MVNO) surpassed 10 million lines. ARPU (Average Revenue Per User) also increased compared to the previous fourth quarter, driven by higher data usage and increased adoption of optional services.

As a result, the Mobile segment recorded ¥482,838 million in revenue, a 9.6% year-on-year increase, while segment loss stood at ¥161,841 million compared to a loss of ¥208,933 million in the fiscal year ended December 31, 2024. Notably, the mobile business achieved EBITDA profitability in the current fiscal year.

Going forward, while continuing to focus on further improving network quality through capital investments, etc., work will also be done to expand device lineups and corporate solution services, further increasing subscribers and enhancing customer satisfaction.

(Millions of Yen)

	Fiscal Year ended December 31, 2024	Fiscal Year ended December 31, 2025	Amount Change YoY	% Change YoY
Segment Revenue	440,698	482,838	42,140	9.6%
Segment Profit (Loss)				
Before Considering	(235,353)	(195,863)	39,490	— %
Mobile Ecosystem Contribution	26,420	34,022	7,602	28.8%
After Considering	(208,933)	(161,841)	47,092	— %

## **(2) Overview of Financial Position for the fiscal year ended December 31, 2025**

### **Assets**

Total assets as of December 31, 2025 amounted to ¥28,804,400 million, an increase of ¥2,289,672 million from ¥26,514,728 million at the end of the previous fiscal year. The primary factors were an increase of ¥823,187 million in financial assets for securities business, an increase of ¥809,669 million in loans for banking business, and an increase of ¥636,878 million in investment securities for banking business.

### **Liabilities**

Total liabilities as of December 31, 2025 amounted to ¥27,450,168 million, an increase of ¥2,173,954 million from ¥25,276,214 million at the end of the previous fiscal year. The primary factors were an increase of ¥1,429,320 million in deposits for banking business, and an increase of ¥515,717 million in financial liabilities for securities business.

### **Equity**

Total equity as of December 31, 2025 was ¥1,354,232 million, an increase of ¥115,718 million from ¥1,238,514 million at the end of the previous fiscal year. The primary factors were a decrease of ¥211,441 million in retained earnings due mainly to the recording of ¥177,886 million in net loss attributable to owners of the Company for the fiscal year ended December 31, 2025, offset by an increase of ¥179,102 million in other components of equity due to changes on equity instruments measured at fair value through other comprehensive income, an increase of ¥80,944 million in other equity instruments due to the issuance, etc., of unsecured undated bonds with interest payment deferral and optional redemption clauses (with special subordination clauses applicable in liquidation bankruptcy proceedings), and an increase of ¥51,184 million in non-controlling interests.

## **(3) Overview of Cash Flows for the fiscal year ended December 31, 2025**

Cash and cash equivalents as of December 31, 2025 stood at ¥5,837,566 million, a decrease of ¥333,322 million from the end of the previous fiscal year. Cash flow conditions and their main factors for the fiscal year ended December 31, 2025 are as follows.

### **Cash Flows from Operating Activities**

Net cash flows from operating activities for the fiscal year ended December 31, 2025 resulted in a cash inflow of ¥424,093 million (compared with a cash inflow of ¥1,190,882 million for the previous fiscal year). Main factors included a cash outflow of ¥823,128 million due to an increase in financial assets for securities business, a cash outflow of ¥805,188 million due to an increase in loans for banking business, and a cash outflow of ¥165,086 million due to an increase in loans for credit card business, offset by a cash inflow of ¥1,420,349 million due to an increase in deposits for banking business, a cash inflow of ¥515,744 million due to an increase in financial liabilities for securities business, and depreciation and amortization of ¥320,472 million.

### **Cash Flows from Investing Activities**

Cash flows from investing activities for the fiscal year ended December 31, 2025 resulted in a cash outflow of ¥779,809 million (compared with a cash outflow of ¥921,724 million for the previous fiscal year). Main factors included a net cash outflow of ¥634,579 million due to purchases and sales, etc. of investment securities for banking business (a cash outflow of ¥1,930,882 million due to purchases and a cash inflow of ¥1,296,303 million from sales and redemption), and a cash outflow of ¥140,299 million due to purchases of intangible assets.

### **Cash Flows from Financing Activities**

Cash flows from financing activities for the fiscal year ended December 31, 2025 resulted in a cash inflow of ¥14,134 million (compared with a cash inflow of ¥757,469 million for the previous fiscal year). Main factors included a cash outflow of ¥476,172 million due to redemption of bonds, offset by a cash inflow of ¥199,158 million due to a net increase in short-term borrowings for banking business, a cash inflow of ¥182,144 million due to proceeds from long-term borrowings for credit card business, and a cash inflow of ¥159,175 million due to proceeds from issuance of bonds for credit card business.

#### **(4) Future Outlook**

For the forecast of consolidated operating results for the fiscal year ending December 31, 2026, we aim for high single-digit growth in consolidated revenue compared to the fiscal year ended December 31, 2025, excluding the securities business whose results are heavily impacted by stock market conditions. Additionally, we target achieving increased profit in Non-GAAP operating income and IFRS operating income.

The outlook for each segment 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 and promoting cross-usage. Furthermore, we aim to drive growth in GMS and revenue by creating new markets through the utilization of data, agentic AI tools like AI concierge and others, and by further increasing the purchase amount of existing users. In "Rakuten Travel", we will continue to capture the expanding inbound demand and strengthen marketing initiatives to achieve 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 Kobo" and "Rakuten Viber", as well as by accelerating improvements in businesses currently operating at a loss.

##### **FinTech**

In credit card-related services, we aim for further growth in shopping transaction value and pursue business expansion and enhanced profit margins through strengthened group synergies and marketing initiatives. In banking services, we aim for 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 salary deposits and direct debit payment accounts, thereby promoting the use of accounts as everyday banking tools. In insurance services, we aim for further improvements in profitability by strengthening face-to-face channels for life insurance services and enhancing the product portfolio for general insurance services. In securities services, while forecasts are challenging due to the significant impact of stock market conditions, we aim for further expansion of our customer base through new account acquisitions and continued growth in diversified revenue sources such as 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 to strengthen our customer base. 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, we will expand the installation of new 4G and 5G base stations and aim to build a network that can be used in emergencies, such as during disasters, even in areas previously outside communication range, through direct communication between smartphones and low-earth orbit satellites. Through these initiatives we aim to provide a higher-quality network environment, accelerate the pace of subscriber acquisition, and improve the profitability of the mobile business. Meanwhile, as global efforts to revolutionize the network equipment configuration for telecommunication carriers and to promote the openness of base stations advance, "Rakuten Symphony", which provides communication platforms and other solutions using innovative mobile network technologies, will strengthen its global expansion by increasing revenue from existing customers and approaching new customers, thereby seizing business opportunities accurately.

## **(5) Policy Concerning Decisions on Profit Distributions and Dividend Forecast**

Considering the current financial situation of the Company, under the financial policy of ensuring financial soundness, we have actively promoted various types of capital procurement without relying solely on interest-bearing debt. This approach allows us to secure investment resources for growth businesses while simultaneously working to reduce the balance of interest-bearing debt. Therefore, for the current fiscal year, we believe that controlling the outflow of funds through dividends will lead to stabilizing our financial base and ultimately improve shareholder value, so we decided not to pay dividends at the Board of Directors meeting held on February 12, 2026.

Our basic dividend policy is to pay dividends in a stable and continuous manner, taking into account investment for medium- to long-term growth and the enhancement of internal reserves to stabilize our financial base. There are no changes to this policy. The timing of resuming dividends after the fiscal year ending December 2026 has not been determined at this time, but we will strive to resume dividends in a timely and appropriate manner as we move toward achieving consolidated profitability and reducing interest-bearing debt.

### **(Reference) Trends in Dividend per Share**

	Fiscal Year ended December 31, 2021	Fiscal Year ended December 31, 2022	Fiscal Year ended December 31, 2023	Fiscal Year ended December 31, 2024	Fiscal Year ended December 31, 2025
Dividend per Share (Yen)	4.50	4.50	0.00	0.00	0.00

### **(Reason for Difficulty in Making a Dividend Forecast)**

The company's policy to maintain stable dividends runs alongside our strategy to retain sufficient income to build the reserves needed to develop our operations and maintain a sound financial structure. Allowing for flexible judgment in the fiscal year ending December 2026, a dividend forecast is not provided.

## **2. Basic Policy on the Selection of Accounting Standards**

The Rakuten Group has adopted International Financial Reporting Standards (IFRS Accounting Standards) from the fiscal year ended December 31, 2013, for the purpose of enhancing comparability with the financial information of overseas companies in the same industry, expanding the scope of financing options, and unification of accounting treatment across the Rakuten Group.

### 3. Consolidated Financial Statements and Notes

#### (1) Consolidated Statement of Financial Position

(Millions of Yen)

	As of December 31, 2024	As of December 31, 2025
<b>Assets</b>		
Cash and cash equivalents	6,170,888	5,837,566
Accounts receivable - trade	421,649	443,557
Financial assets for securities business	5,211,989	6,035,176
Loans for credit card business	3,497,107	3,662,676
Investment securities for banking business	1,930,450	2,567,328
Loans for banking business	4,630,790	5,440,459
Investment securities for insurance business	215,033	202,745
Derivative assets	248,351	276,706
Investment securities	288,973	491,145
Other financial assets	1,035,547	1,115,534
Investments in associates and joint ventures	35,113	27,104
Property, plant and equipment	1,184,182	1,068,509
Intangible assets	1,083,365	1,079,201
Deferred tax assets	116,642	71,912
Other assets	444,649	484,782
<b>Total assets</b>	<b>26,514,728</b>	<b>28,804,400</b>
<b>Liabilities</b>		
Accounts payable - trade	519,149	553,582
Deposits for banking business	11,311,973	12,741,293
Financial liabilities for securities business	5,512,292	6,028,009
Derivative liabilities	54,968	77,087
Bonds and borrowings	2,052,809	1,598,052
Borrowings for securities business	115,000	269,228
Bonds and borrowings for credit card business	587,893	810,559
Borrowings for banking business	2,706,011	2,891,783
Other financial liabilities	1,610,584	1,551,575
Income tax payable	55,837	43,687
Provisions	325,910	390,956
Insurance contract liabilities	148,063	136,350
Employee retirement benefit liabilities	47,345	48,958
Deferred tax liabilities	20,302	79,765
Other liabilities	208,078	229,284
<b>Total liabilities</b>	<b>25,276,214</b>	<b>27,450,168</b>
<b>Equity</b>		
Equity attributable to owners of the Company		
Common stock	452,647	459,508
Capital surplus	649,389	658,458
Other equity instruments	398,717	479,661
Retained earnings	(824,700)	(1,036,141)
Treasury stock	(4)	(5)
Other components of equity	251,819	430,921
<b>Total equity attributable to owners of the Company</b>	<b>927,868</b>	<b>992,402</b>
Non-controlling interests	310,646	361,830
<b>Total equity</b>	<b>1,238,514</b>	<b>1,354,232</b>
<b>Total liabilities and equity</b>	<b>26,514,728</b>	<b>28,804,400</b>

**(2) Consolidated Statements of Income and Comprehensive Income**  
**Consolidated Statement of Income**

(Millions of Yen)

	Fiscal Year ended December 31, 2024 (January 1 to December 31, 2024)	Fiscal Year ended December 31, 2025 (January 1 to December 31, 2025)
Continuing Operations		
Revenue	2,279,233	2,496,575
Operating expenses	2,303,806	2,399,167
Other income	125,784	19,005
Other expenses	48,236	102,031
Operating income	52,975	14,382
Financial income	82,282	63,357
Financial expenses	109,948	99,403
Share of losses of investments in associates and joint ventures	(9,032)	(7,886)
Income (loss) before income tax	16,277	(29,550)
Income tax expenses	145,762	93,663
Net loss	(129,485)	(123,213)
Net loss attributable to:		
Owners of the Company	(162,442)	(177,886)
Non-controlling interests	32,957	54,673
Net loss	(129,485)	(123,213)
		(Yen)
Loss per share attributable to owners of the Company		
Basic	(75.61)	(82.24)
Diluted	(75.62)	(82.26)

## Consolidated Statement of Comprehensive Income

(Millions of Yen)

	Fiscal Year ended December 31, 2024 (January 1 to December 31, 2024)	Fiscal Year ended December 31, 2025 (January 1 to December 31, 2025)
Net loss	(129,485)	(123,213)
Other comprehensive income		
Items that will not be reclassified to net income		
Changes in equity instruments measured at fair value through other comprehensive income	(9,373)	169,642
Remeasurement of defined benefit plans	1,126	1,416
Other comprehensive income of investments in associates and joint ventures	(17)	(5)
Total items that will not be reclassified to net income	(8,264)	171,053
Items that may be reclassified to net income		
Foreign currency translation adjustments	84,021	3,849
Changes in debt instruments measured at fair value through other comprehensive income	(5,803)	(10,748)
Cash flow hedges	2,019	9,854
Changes on insurance contracts due to changes in interest rates not recognized in profit or loss	1,765	136
Changes on reinsurance contracts due to changes in interest rates not recognized in profit or loss	(1,041)	(1,441)
Other comprehensive income of investments in associates and joint ventures	2,946	(1,530)
Total items that may be reclassified to net income	83,907	120
Total other comprehensive income, net of tax	75,643	171,173
Comprehensive income	(53,842)	47,960
Comprehensive income attributable to:		
Owners of the Company	(85,734)	(3,997)
Non-controlling interests	31,892	51,957
Comprehensive income	(53,842)	47,960

### (3) Consolidated Statement of Changes in Equity

(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	—	—	—	(162,442)	—	—	(162,442)	32,957	(129,485)
Other comprehensive income, net of tax	—	—	—	—	—	76,708	76,708	(1,065)	75,643
Total comprehensive income	—	—	—	(162,442)	—	76,708	(85,734)	31,892	(53,842)
Transactions with owners etc.									
Issuance of other equity instruments	—	—	81,401	—	—	—	81,401	—	81,401
Distributions to owners of other equity instruments	—	—	—	(17,805)	—	—	(17,805)	—	(17,805)
Reclassified from other components of equity to retained earnings	—	—	—	(871)	—	871	—	—	—
Acquisition of treasury stock	—	—	—	—	(4)	—	(4)	—	(4)
Exercise of share acquisition rights	5,878	(5,878)	—	—	—	—	0	—	0
Share based compensation expenses	—	16,223	—	265	—	—	16,488	—	16,488
Equity transactions with non-controlling interests	—	97,524	—	—	—	(718)	96,806	27,603	124,409
Others	—	—	—	144	—	—	144	—	144
Total transactions with owners etc.	5,878	107,869	81,401	(18,267)	(4)	153	177,030	27,603	204,633
As of December 31, 2024	452,647	649,389	398,717	(824,700)	(4)	251,819	927,868	310,646	1,238,514

(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	—	—	—	(177,886)	—	—	(177,886)	54,673	(123,213)
Other comprehensive income, net of tax	—	—	—	—	—	173,889	173,889	(2,716)	171,173
Total comprehensive income	—	—	—	(177,886)	—	173,889	(3,997)	51,957	47,960
Transactions with owners etc.									
Issuance of other equity instruments	—	—	81,444	—	—	—	81,444	—	81,444
Distributions to owners of other equity instruments	—	—	—	(28,640)	—	—	(28,640)	—	(28,640)
Reclassified from other components of equity to retained earnings	—	—	—	(5,221)	—	5,221	—	—	—
Acquisition of treasury stock	—	—	—	—	(1)	—	(1)	—	(1)
Exercise of share acquisition rights	6,861	(6,861)	—	—	—	—	0	—	0
Share based compensation expenses	—	15,953	—	281	—	—	16,234	—	16,234
Equity transactions with non-controlling interests	—	(5)	—	—	—	(8)	(13)	(773)	(786)
Others	—	(18)	(500)	25	—	—	(493)	0	(493)
Total transactions with owners etc.	6,861	9,069	80,944	(33,555)	(1)	5,213	68,531	(773)	67,758
As of December 31, 2025	459,508	658,458	479,661	(1,036,141)	(5)	430,921	992,402	361,830	1,354,232



**(4) Consolidated Statement of Cash Flows**

(Millions of Yen)

	Fiscal Year ended December 31, 2024 (January 1 to December 31, 2024)	Fiscal Year ended December 31, 2025 (January 1 to December 31, 2025)
Cash flows from operating activities		
Income (Loss) before income tax	16,277	(29,550)
Depreciation and amortization	316,435	320,472
Impairment loss	17,758	68,333
Other loss (income)	(15,802)	110,517
Decrease (Increase) in operating receivables	(22,833)	(16,784)
Decrease (Increase) in loans for credit card business	(477,468)	(165,086)
Increase (Decrease) in deposits for banking business	1,574,499	1,420,349
Net decrease (increase) in call loans for banking business	9,279	(128,122)
Decrease (Increase) in loans for banking business	(742,063)	(805,188)
Net decrease (increase) in receivables under securities borrowing transactions	28,614	87,197
Increase (Decrease) in operating payables	86,042	27,373
Decrease (Increase) in financial assets for securities business	(1,083,478)	(823,128)
Increase (Decrease) in financial liabilities for securities business	1,275,335	515,744
Increase and decrease in derivative assets and liabilities	(58,053)	(59,378)
Others	310,833	(13,964)
Income tax paid	(44,493)	(84,692)
Net cash flows from operating activities	1,190,882	424,093
Cash flows from investing activities		
Payments in time deposits	(12,740)	(18,257)
Proceeds from time deposits	10,469	11,992
Purchases of property, plant and equipment	(83,952)	(65,669)
Purchases of intangible assets	(159,285)	(140,299)
Acquisitions of investments in associates and joint ventures	(400)	(1,461)
Proceeds from sales of investments in associates and joint ventures	4,113	4,717
Purchases of investment securities for banking business	(1,742,002)	(1,930,882)
Proceeds from sales and redemption of investment securities for banking business	1,026,851	1,296,303
Purchases of investment securities for insurance business	(41,154)	(112,561)
Proceeds from sales and redemption of investment securities for insurance business	93,866	138,516
Purchases of investment securities	(74,997)	(11,907)
Proceeds from sales and redemption of investment securities	46,186	34,191
Other payments	(8,208)	(13,095)
Other proceeds	19,529	28,603
Net cash flows from investing activities	(921,724)	(779,809)

**(4) Consolidated Statement of Cash Flows**

(Millions of Yen)

	Fiscal Year ended December 31, 2024 (January 1 to December 31, 2024)	Fiscal Year ended December 31, 2025 (January 1 to December 31, 2025)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(2,639)	(570)
Net increase (decrease) in commercial papers	64,500	(66,800)
Proceeds from long-term borrowings	195,279	79,508
Repayments of long-term borrowings	(142,223)	(154,032)
Proceeds from issuance of bonds	601,313	158,751
Redemption of bonds	(323,397)	(476,172)
Net increase (decrease) in short-term borrowings for securities business	27,000	154,215
Repayments of long-term borrowings for securities business	(18,600)	—
Net increase (decrease) in short-term borrowings for credit card business	(15,237)	15,868
Net increase (decrease) in commercial papers for credit card business	37,400	48,000
Proceeds from long-term borrowings for credit card business	173,132	182,144
Repayments of long-term borrowings for credit card business	(161,975)	(153,116)
Proceeds from issuance of bonds for credit card business	—	159,175
Redemptions of bonds for credit card business	(50,000)	(30,000)
Net increase (decrease) in short-term borrowings for banking business	95,255	199,158
Proceeds from long-term borrowings for banking business	163,500	16,900
Repayments of long-term borrowings for banking business	—	(31,300)
Proceeds from issuance of other equity instruments	80,855	80,687
Distributions to owners of other equity instruments	(14,167)	(18,533)
Proceeds from sales of shares of subsidiaries not resulting in change in scope of consolidation	164,997	—
Capital contribution from non-controlling interests	1,306	—
Repayments of lease liabilities	(62,810)	(69,122)
Interest paid	(63,324)	(80,590)
Others	7,304	(37)
Net cash flows from financing activities	757,469	14,134
Effect of change in exchange rates on cash and cash equivalents	16,587	8,260
Net increase (decrease) in cash and cash equivalents	1,043,214	(333,322)
Cash and cash equivalents at the beginning of the year	5,127,674	6,170,888
Cash and cash equivalents at the end of the year	6,170,888	5,837,566

## **(5) Assumptions for Going Concern**

No items to report.

## **(6) Notes to the Consolidated Financial Statements**

### **(Basis of Presentation)**

The Rakuten Group's Consolidated Financial Statements are prepared in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board. As it meets the requirements set out under Article 1-2, item (1) of the Rules on Terminology, Forms and Compilation Methods of Consolidated Financial Statements, under which the Company qualifies for treatment as a "Specified Company under the Designated International Accounting Standards", the provision of Article 312 of the said rules is applied.

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

For the fiscal year ended December 31, 2025 (January 1 to December 31, 2025)

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 these Consolidated Financial Statements for the fiscal year ended December 31, 2025 remain the same as those adopted in the Consolidated Financial Statements for the previous fiscal year.

### **(Significant Accounting Estimates and Judgments)**

In preparing the Consolidated Financial Statements under IFRS Accounting Standards for the fiscal year ended December 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 and future periods.

Estimates and judgments that have a significant impact on the amounts in the Consolidated Financial Statements for the fiscal year ended December 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 transactions, 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 operating segment information is prepared in accordance with 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 Accounting Standards.

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 its 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 reviewed by the chief operating decision maker.

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.

#### **Mobile Ecosystem Contribution**

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.

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 fiscal year ended December 31, 2024 (January 1 to December 31, 2024)**

(Millions of Yen)

	Internet Services	FinTech	Mobile	Total
Segment Revenue	1,282,087	820,419	440,698	2,543,204
Segment Profit (Loss)				
Before Considering	96,940	167,994	(235,353)	29,581
Mobile Ecosystem Contribution	(11,803)	(14,617)	26,420	—
After Considering	85,137	153,377	(208,933)	29,581
Other Items				
Depreciation and Amortization	40,847	62,862	171,473	275,182

**For the fiscal year ended December 31, 2025 (January 1 to December 31, 2025)**

(Millions of Yen)

	Internet Services	FinTech	Mobile	Total
Segment Revenue	1,369,697	975,931	482,838	2,828,466
Segment Profit (Loss)				
Before Considering	103,485	219,402	(195,863)	127,024
Mobile Ecosystem Contribution	(14,542)	(19,480)	34,022	—
After Considering	88,943	199,922	(161,841)	127,024
Other Items				
Depreciation and Amortization	38,296	66,669	187,952	292,917

**The reconciliation from segment revenue to consolidated revenue is as follows:**

(Millions of Yen)

	Fiscal Year ended December 31, 2024 (January 1 to December 31, 2024)	Fiscal Year ended December 31, 2025 (January 1 to December 31, 2025)
Segment Revenue	2,543,204	2,828,466
Intercompany Transactions, etc.	(263,971)	(331,891)
Consolidated Revenue	2,279,233	2,496,575

**The reconciliation from segment profit (loss) to income (loss) before income tax is as follows:**

(Millions of Yen)

	Fiscal Year ended December 31, 2024 (January 1 to December 31, 2024)	Fiscal Year ended December 31, 2025 (January 1 to December 31, 2025)
Segment Profit (Loss)	29,581	127,024
Intercompany Transactions, etc.	(22,533)	(20,747)
Non-GAAP Operating Income	7,048	106,277
Amortization of Intangible Assets	(6,821)	(5,172)
Share Based Compensation Expenses	(15,910)	(15,645)
One-off Items (Note)	68,658	(71,078)
Operating Income	52,975	14,382
Financial Income and Expenses	(27,666)	(36,046)
Share of Losses of Investments in Associates and Joint Ventures	(9,032)	(7,886)
Income (Loss) before Income Tax	16,277	(29,550)

Note: One-off items listed for the fiscal year ended December 31, 2024 include a loss on disposal of intangible assets for a part of the life and general insurance integrated core system and other systems in the insurance business of ¥5,863 million, an impairment loss of ¥9,662 million due to a revision of the core system development plan in the general insurance business, incurred expenses including maintenance and repair costs for base stations related to the 2024 Noto Peninsula Earthquake of ¥1,154 million, a write-down loss due to a revision of contracts with certain agents and a revaluation of transactions recognized as assets from costs for contract acquisitions in the mobile business of ¥5,411 million, a loss on disposal of ¥1,891 million due to a business model shift focusing on advanced network software development in the Rakuten Symphony business, an impairment loss of ¥2,155 million due to changes in cash-generating units in the Rakuten Symphony business, an impairment loss of ¥1,667 million due to the re-evaluation of future revenue prospects in the Rakuten Farm business and overseas advertising business, impairment losses, etc., of ¥1,305 million due to restructuring in the Rakuten Ticket business, tax expenses of ¥4,151 million due to the intra-group sale of shares in Viber Media S.a.r.l. and partial sale of shares in Rakuten Card Co., Ltd., the provision of allowance for doubtful accounts of ¥4,386 million due to the risk of uncollectibility of receivables from the sale of overseas subsidiaries, expenses related to the resolution of litigation with International Business Machines Corporation, a remeasurement gain of ¥106,906 million due to changes in the accounting treatment of shares in AST SpaceMobile, Inc., and gains from the sale of shares of Min-Shu, Inc. of ¥1,613 million. Moreover, the write-down loss on assets etc. recognized from costs for contract acquisitions in the mobile business and tax expenses due to the intra-group sale of shares in Viber Media S.a.r.l. and partial sale of shares in Rakuten Card Co., Ltd are recorded in operating expenses, while other income and expenses are mainly recorded in other income and other expenses in the Consolidated Statement of Income. One-off items listed for the fiscal year ended December 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 resulting from a change in the team's operational policy, payment of additional tax and delinquency charges, etc., including those for prior years, totaling ¥4,950 million, arising from the receipt of a correction notice regarding consumption tax on funding transactions related to securitization of card receivables, a loss of ¥858 million for compensation of customer transactions due to unauthorized access in the securities business, an impairment loss, etc., of ¥27,909 million, in the fulfillment center-based online grocery delivery service, resulting from customer acquisition performance significantly falling below initial plans and the decision to withdraw from certain market areas, the reversal of allowance for doubtful accounts of ¥2,258 million due to the collection of sales receivable from a sold overseas subsidiary, for which a provision for doubtful accounts had been made in the past, an impairment loss of ¥10,024 million in the logistics business due to delay in the pace of increase in future cargo volume at the leased warehouse and the decrease in storable cargo volume caused by the unexpected increase in the size of the products handled, an impairment loss of ¥20,497 million due to the unexpected time required to launch the business in the Open RAN business of "Rakuten Symphony", a gain from forgiveness of commission payment liability of ¥3,715 million, based on partial settlement with suppliers involved in fraudulent acts committed in

collusion by former employees of a subsidiary and suppliers which came to light in the fiscal year ended December 31, 2022, an impairment loss of ¥1,254 million due to reassessment of future revenue projections in the overseas affiliate business, a provision for personnel expenses, etc. of ¥1,720 million for withdrawal from certain European business, and a provision for liabilities related to a lawsuit concerning payment claims for debts of a previously sold subsidiary. Moreover, in the Consolidated Statement of Income, payments of additional tax and delinquency charges, etc., including those for prior years, arising from the receipt of a correction notice regarding consumption tax on funding transactions related to securitization of card receivables are included in operating expenses, while other income and expenses are mainly recorded in other income and other expenses.

### (3) Products and Services Information

Revenue from external customers by major products and services of the Rakuten Group is as follows:

(Millions of Yen)

	Fiscal Year ended December 31, 2024 (January 1 to December 31, 2024)	Fiscal Year ended December 31, 2025 (January 1 to December 31, 2025)
Rakuten Ichiba and Rakuten Travel	510,947	556,790
Rakuten Card	219,308	237,197
Rakuten Securities	120,198	154,178
Rakuten Bank	119,240	158,360
Rakuten Mobile	262,908	315,251
Others	1,046,632	1,074,799
Revenue from external customers	2,279,233	2,496,575

### (4) Geographic Information

For the fiscal year ended December 31, 2024 (January 1 to December 31, 2024)

(Millions of Yen)

	Japan	Americas	Europe	Asia	Others	Total
Revenue from external customers	1,888,921	250,220	56,291	82,143	1,658	2,279,233
Property, plant and equipment and intangible assets	1,628,390	430,939	140,838	64,841	2,539	2,267,547

For the fiscal year ended December 31, 2025 (January 1 to December 31, 2025)

(Millions of Yen)

	Japan	Americas	Europe	Asia	Others	Total
Revenue from external customers	2,107,426	253,620	59,560	74,152	1,817	2,496,575
Property, plant and equipment and intangible assets	1,545,381	400,311	139,837	59,659	2,522	2,147,710

### (5) Major Customers

For the fiscal year ended December 31, 2024 (January 1 to December 31, 2024)

Disclosure of major customers is omitted because the proportion of revenue from an individual external customer does not exceed 10% of consolidated revenue.

For the fiscal year ended December 31, 2025 (January 1 to December 31, 2025)

Disclosure of major customers is omitted because the proportion of revenue from an individual external customer does not exceed 10% of consolidated revenue.



**(Breakdown of Operating Expenses)**

(Millions of Yen)

	Fiscal Year ended December 31, 2024 (January 1 to December 31, 2024)	Fiscal Year ended December 31, 2025 (January 1 to December 31, 2025)
Advertising and promotion expenditures	340,863	344,427
Employee benefits expenses	365,118	380,873
Depreciation and amortization	331,258	335,261
Communication and maintenance expenses	71,793	64,343
Consignment and subcontract expenses	122,820	131,042
Allowance for doubtful accounts charged to expenses	33,186	45,092
Cost of sales of merchandise and services rendered	702,073	698,854
Interest expenses for finance business	27,619	56,844
Commission fee expenses for finance business	28,353	31,442
Insurance service expenses	47,238	48,526
Others	233,485	262,463
Total	2,303,806	2,399,167

## (Other Income and Other Expenses)

### (1) Details

The breakdown of other income and other expenses is as follows:

(Millions of Yen)

	Fiscal Year ended December 31, 2024 (January 1 to December 31, 2024)	Fiscal Year ended December 31, 2025 (January 1 to December 31, 2025)
Gains on sales of investments in associates and joint ventures	4,113	979
Foreign exchange gains	—	1,902
Gains on sales of property, plant and equipment and intangible assets	3,860	4,413
Gains from remeasurement relating to discontinuing the use of the equity method (Note 1)	106,906	—
Gains on bad debts recovered (Note 2)	11	2,272
Others (Note 3)	10,894	9,439
Total other income	125,784	19,005
Foreign exchange losses	2,289	—
Losses on disposal of property, plant and equipment and intangible assets (Note 4, 5)	14,359	5,317
Losses on valuation of investment securities	474	10,493
Impairment losses (Note 4, 6, 8)	17,758	68,333
Others (Note 4, 7, 8)	13,356	17,888
Total other expenses	48,236	102,031

Note 1: The Company previously accounted for its shares in AST SpaceMobile, Inc. (hereinafter "AST") using the equity method, considering the substantial influence exerted over AST, including the dispatch of directors to the Board of Directors. In recent years, due to a continued decline in the Company's voting rights ratio and changes in the composition of AST's Board of Directors, we lost significant influence over AST on October 11, 2024. Accordingly, the Company has accounted for these shares as financial assets measured at fair value through other comprehensive income. As a result of this change in accounting treatment, the difference between the fair value of AST shares (Level 1 inputs) as of the date of the change, and the equity method book value on a consolidated basis, was recorded in the amount of ¥106,906 million in the Consolidated Financial Statements for the fiscal year ended December 31, 2024.

Note 2: The reversal of allowance for doubtful accounts due to the collection of sales receivable from a sold overseas subsidiary, for which a provision for doubtful accounts had been made in the past, was included for the fiscal year ended December 31, 2025.

Note 3: Gains from the sale of shares of Min-Shu, Inc. were included for the fiscal year ended December 31, 2024. A gain from forgiveness of commission payment liability based on partial settlement with suppliers involved in fraudulent acts committed in collusion by former employees of a subsidiary and suppliers which came to light in the fiscal year ended December 31, 2022, was included for the fiscal year ended December 31, 2025.

Note 4: Incurred expenses including maintenance and repair costs for base stations related to the 2024 Noto Peninsula Earthquake were included for the fiscal year ended December 31, 2024.

Note 5: Losses on disposal of property, plant and equipment and intangible assets for a part of the life and general insurance integrated core system and other systems in the insurance business, Rakuten Symphony business, and Rakuten Ticket business were recorded for the fiscal year ended December 31, 2024.

Note 6: Impairment losses on fixed assets related to the general insurance business, overseas advertising business, Rakuten Symphony business, Rakuten Ticket business, and Rakuten Farm business were recorded for the fiscal year ended December 31, 2024.

Note 7: The provision of allowance for doubtful accounts recorded due to the risk of uncollectibility of receivables from the sale of overseas subsidiaries, and expenses related to the resolution of litigation with International Business Machines Corporation, were included for the fiscal year ended December 31, 2024. A mid-term cancellation fee, which was incurred in the domestic sports business due to the termination of a consulting agreement that had a significant impact on team operations resulting from a change in the team's operational policy, a loss for compensation of customer transactions due to unauthorized access in the securities business, and a provision for liabilities related to a lawsuit concerning payment claims for debts of a previously sold subsidiary, were included for the fiscal year ended December 31, 2025.

Note 8: An impairment loss on fixed assets, etc., in the fulfillment center-based online grocery delivery service, resulting from customer acquisition performance significantly falling below initial plans and the decision to withdraw from certain market areas, an impairment loss in the logistics business due to delay in the pace of increase in future cargo volume at the leased warehouse and the decrease in storable cargo volume caused by the unexpected increase in the size of the products handled, an impairment loss due to the unexpected time required to launch the business in the Open RAN business of "Rakuten Symphony", an impairment loss due to reassessment of future revenue projections in the overseas affiliate business, and provision for personnel expenses, etc. for withdrawal from certain European business, were included for the fiscal year ended December 31, 2025. For details on impairment losses in the fulfillment center-based online grocery delivery service, logistics business, and Open RAN business of "Rakuten Symphony", please refer to (2) Impairment losses.

## **(2) Impairment losses**

### **Fulfillment Center-Based Online Grocery Delivery Service**

In December 2023, the Company made Rakuten Seiyu Netsuper, Inc. a wholly-owned subsidiary and continued to operate Rakuten Seiyu Netsuper, Inc. and the fulfillment center-based online grocery delivery service. Subsequently, in September 2024, the service name was changed from "Rakuten Seiyu Netsuper" to "Rakuten Mart", refreshing the brand image. Furthermore, the Company has implemented a wide range of initiatives, including rebuilding the product procurement process and promoting various measures to expand the customer base. However, building the product procurement process took longer than anticipated. In addition, while the e-commerce penetration rate for fresh food in Japan is steadily increasing, the end of the COVID-19 pandemic has led to a trend of consumers returning to physical stores in the supermarket industry. These combined environmental changes have resulted in customer acquisition for our online grocery delivery service falling significantly short of initial projections. In light of this business situation, the Company has decided to withdraw from the Ibaraki warehouse (Kansai area) for the fiscal year ended December 31, 2025.

As a result of these events, impairment indicators were identified. Following an impairment test, it was determined that the recoverable amount is expected to fall below the carrying amount, and an impairment loss of ¥27,027 million (¥26,166 million for property, plant and equipment, ¥861 million for intangible assets) was recognized in the Internet Services segment.

The recoverable amount for this asset group is measured using its value in use. Since the future cash flows for this cash-generating unit are negative, the value in use has been calculated as zero. The discount rate is omitted as the undiscounted future cash flows are negative.

### **Logistics Business**

As part of its logistics business, the Company provides a service that leases a portion of its warehouse space.

For the three months ended December 31, 2025, it became highly probable that the pace of future cargo volume increases for a portion of the warehouse space provided by this service would slow down, leading to a downward revision of the future business growth outlook for the service. Furthermore, considering the recent trend of larger product sizes being handled in this warehouse space, which is likely to worsen the revenue plan estimated from the storable quantity by area, it was determined that there was an impairment indicator as the future cash flows expected from these fixed assets were likely to fall below their carrying amount.

As a result of this impairment indicator, an impairment test was conducted, and it was determined that the recoverable amount is expected to fall below the carrying amount, and an impairment loss of ¥10,024 million for property, plant and equipment was recognized in the Internet Services segment. The recoverable amount for this asset group is measured using its value in use. In calculating the value in use for this asset group, cash inflows are discounted using a pre-tax discount rate of 7.10%.

## Rakuten Symphony

The Rakuten Group provides infrastructure and platform solutions for 4G and 5G to the global market through Rakuten Symphony, Inc.

The cash-generating units used to consider impairment of non-financial assets of "Rakuten Symphony" are business units that generate largely independent cash inflows. These business units are the five businesses: Open RAN business, Cloud business, OSS business, Internet Services business, and Global Service Delivery business.

Among these five businesses, the Open RAN business had unique strengths in the Open RAN market due to its lack of hardware constraints and superior price competitiveness. We had expected to continuously enjoy these cost advantages in future updates. However, in addition to the recent rise in interest rates, the overall growth of the Open RAN market, which was initially anticipated, has been prolonged, leading to the business taking longer than initially expected to ramp up.

Consequently, the profit level for future periods, considering the remaining useful life of the asset group (3.43 years), is expected to fall below initial expectations. Therefore, it was determined that there were indicators of impairment in the asset group related to the Open RAN business, and an impairment test was conducted.

As a result, the recoverable amount of this asset group is expected to fall below its carrying amount of ¥21,647 million (¥2,205 million for property, plant and equipment, and ¥19,442 million for intangible assets). An impairment loss of ¥20,497 million (¥2,185 million for property, plant and equipment, and ¥18,312 million for intangible assets) has been recognized in the Mobile segment.

The recoverable amount for this asset group is measured using its value in use and is evaluated at ¥348 million.

The value in use is calculated by discounting the estimated future cash flows, which are based on the average remaining useful life of the non-financial assets of the business, considering future uncertainties in the business plan approved by management, at a pre-tax discount rate of 16.45%.

No impairment indicators have been identified in the Cloud business and OSS business. Impairment losses were recognized in the Internet Services business and Global Service Delivery business in the previous fiscal year.

**(Financial Income and Financial Expenses)**

(Millions of Yen)

	Fiscal Year ended December 31, 2024 (January 1 to December 31, 2024)	Fiscal Year ended December 31, 2025 (January 1 to December 31, 2025)
Interest income	2,885	4,257
Gains on valuation of investment securities (Note 1)	7,603	4,415
Gains on valuation of derivatives (Note 2,3)	66,975	50,663
Foreign exchange gains (Note 4)	—	3,523
Others (Note 5,6)	4,819	499
<b>Total financial income</b>	<b>82,282</b>	<b>63,357</b>
Interest expenses (Note 7)	84,782	86,680
Losses on valuation of derivatives (Note 3)	22	7,197
Foreign exchange losses (Note 4)	15,671	—
Others	9,473	5,526
<b>Total financial expenses</b>	<b>109,948</b>	<b>99,403</b>

Note 1: Gains on valuation of investment securities related to an investment in Lyft, Inc. of ¥7,469 million and ¥3,952 million were recorded for the fiscal year ended December 31, 2024, and the fiscal year ended December 31, 2025, respectively.

Note 2: Gains on valuation of derivatives from currency swaps related to foreign currency denominated permanent subordinated bonds of ¥56,799 million and ¥49,896 million were recorded for the fiscal year ended December 31, 2024, and the fiscal year ended December 31, 2025, respectively.

Note 3: Gains on valuation of derivatives from the collar contract for the prepaid variable share forward transactions of shares of Lyft, Inc. of ¥10,176 million were recorded for the fiscal year ended December 31, 2024. Gains on valuation of derivatives from the collar contract for the prepaid variable share forward transactions of shares of Lyft, Inc. of ¥767 million related to partial maturity redemption and losses of ¥7,127 million related to early redemption and other factors were recorded for the fiscal year ended December 31, 2025.

Note 4: Foreign exchange losses of ¥15,671 million arising from liabilities relating to funds raised from the utilization of shares of Lyft, Inc. were recorded for the fiscal year ended December 31, 2024. Foreign exchange gains of ¥3,523 million arising from liabilities relating to funds raised from the utilization of shares of Lyft, Inc. were recorded for the fiscal year ended December 31, 2025.

Note 5: Redemption gains arising from the partial settlement of the prepaid variable share forward transactions of shares of Lyft, Inc. of ¥3,679 million were recorded for the fiscal year ended December 31, 2024.

Note 6: Redemption gains of ¥415 million arising from the settlement of the prepaid variable share forward transactions of Lyft, Inc. shares were recorded for the fiscal year ended December 31, 2025, as a result of the early termination of the forward sales contract for Lyft, Inc. shares, using all of the Company's holdings of Lyft, Inc. shares as the source of repayment.

Note 7: 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 ¥1,053 million and ¥307 million were recorded for the fiscal year ended December 31, 2024, and the fiscal year ended December 31, 2025, respectively.

**(Earnings per Share)**

The basis for calculating basic and diluted loss per share are as follows:

	Fiscal Year ended December 31, 2024			Fiscal Year ended December 31, 2025		
	Basic	Adjustments	Diluted	Basic	Adjustments	Diluted
Net loss attributable to owners of the Company (Millions of Yen)	(162,442)	(13)	(162,455)	(177,886)	(58)	(177,944)
Weighted average number of shares (Thousands of Shares) (Note)	2,148,420	—	2,148,420	2,163,085	—	2,163,085
Loss per share (Yen)	(75.61)	(0.01)	(75.62)	(82.24)	(0.02)	(82.26)

Note: For the fiscal year ended December 31, 2024, share acquisition rights corresponding to 61,289 thousand shares have been excluded from the calculation of diluted loss per share, as they have reverse dilutive effects. For the fiscal year ended December 31, 2025, share acquisition rights corresponding to 67,009 thousand shares have been excluded from the calculation of diluted loss per share, as they have reverse dilutive effects.

**(Notes on Significant Subsequent Events)**

No items to report.